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RESPONSE TO REFERRAL FOR ADVICE FROM THE

MINISTER FOR PLANNING

in relation to

STAGE 3 DEVELOPMENT OF WATERGARDENS SHOPPING  
CENTRE

WATERGARDENS TOWN CENTRE, SYDENHAM TRANSIT CITY

ADVICE OF THE PRIORITY DEVELOPMENT PANEL

REFERENCE: PDP08-06

OCTOBER 2008

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# 1 INTRODUCTION

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The Priority Development Panel (PDP) was asked to provide advice on the future development of the Watergardens Shopping Centre at Sydenham. The PDP's findings support continued expansion and development that contributes to building a town centre, rather than an enclosed shopping mall. In particular the PDP supports outcomes that:

- increase the range of uses on site,
- improve access to and through the site at all hours,
- create quality public and private environments, and
- recognise Taylors Creek as a defining place-making device for the town centre.

## 1.1 Scope of Advice

In May 2008, Brimbank City Council wrote to the Minister for Planning requesting the appointment of the PDP to advise on an amendment to the Brimbank Planning Scheme to facilitate Queensland Investment Corporation's (QIC) Stage 3 redevelopment of the Watergardens shopping centre and the future planning of this part of Sydenham Transit City generally.

In July 2008 the Minister for Planning (see Appendix 1) requested the PDP to:

- Advise on the appropriateness of removing or increasing the retail floor cap.
- Provide a concept appraisal of Stage 3 of Watergardens Shopping Centre, having regard to relevant environmental issues and achieving best practice urban design.
- Undertake a peer review of draft planning provisions for the area currently covered by CDZ1. This is to include advice on the adequacy of the current strategy and its implementation (including Master Plan and the Regional Structure Plan), and the most appropriate and effective use of Victoria Planning Provisions, having regard to relevant environmental issues and achieving best practice urban design.
- The appropriate processes to implement recommendations in relation to the above matter.

In initial advice to the Minister, dated 14 August 2008, the PDP recommended raising of the existing retail floor cap from 75,000sqm to 90,000sqm through the use of a ministerial amendment under Section 20(4) of the Planning and Environment Act 1987 (see Appendix 2).

## 1.2 Panel Procedures

The PDP established a Working Group comprising Jane Monk, John Keaney and Ken McNamara. The Working Group was assisted by the Department's Urban Design Unit, Transit Cities Unit and State Planning Services.

The Working Group investigations included a site inspection, four workshops with the main parties, targeted consultation and focus groups on design matters and planning controls. Appendix 3 provides a chronology and list of inquiry participants.

## 1.3 Key issues

Central to the PDP's inquiry was the challenge of evolving a shopping mall into a town centre and striking an appropriate balance between the public and private realm.

## 2 CONTEXT

From paddocks to an emerging centre, Watergardens reflects the rapid urban expansion of Melbourne's north and west. Since 1997 when the shopping mall first opened the planning controls for the Watergardens Town Centre have not dramatically changed. Through *Melbourne 2030*, Sydenham has since been designated a Transit City and Principal Activity Centre.

The Sydenham Transit City is a linear collection of three precincts: Watergardens Town Centre; Calder Park Employment Precinct and the Broadcast Australia site (see Figure 1). By encouraging development around public transport, Transit Cities play an important role in supporting Melbourne's future population growth. They are to improve access to public transport, though the provision of higher density housing, integrated with transport and a range of, shops, services and job opportunities.

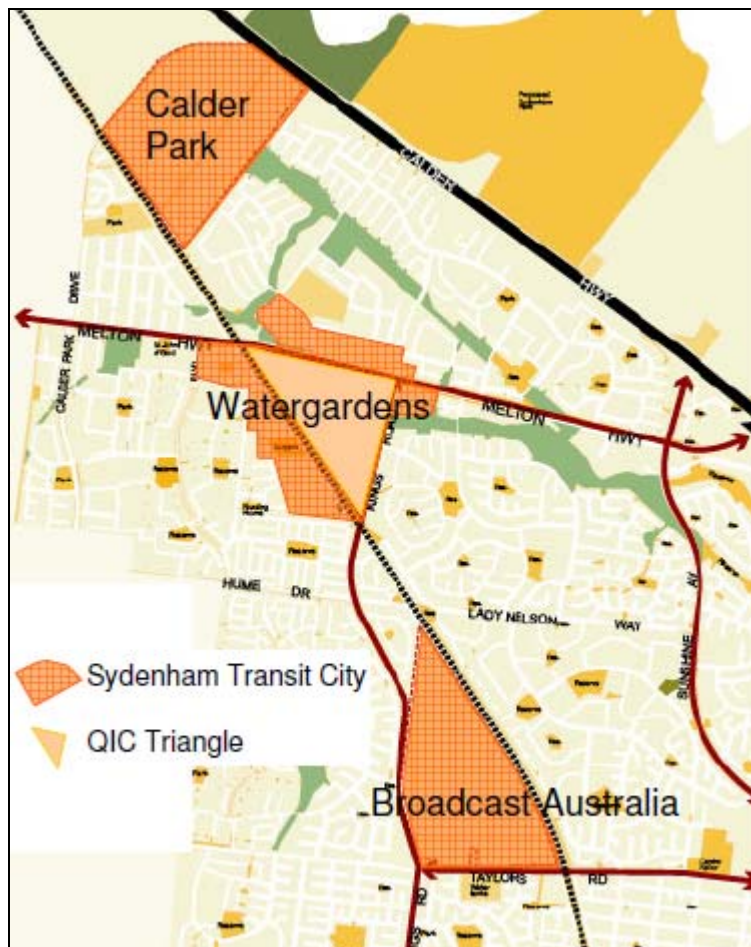


Figure 1: Sydenham Transit City

(modified from SJB Urban *Sydenham Transit City Connections Study*)

The Watergardens Town Centre comprises the land shown in Figure 2. The central triangle and land to the north is owned by QIC. The triangle is an island separated from adjacent areas by Melton Highway, Kings Road and the Melbourne-Bendigo Rail Line. A drainage line, undergoing rehabilitation and revegetation as Taylors Creek, passes through the triangle.

Uniquely placed, owing to its exclusive ownership by QIC, the Watergardens Shopping Mall dominates the triangle and straddles the Creek.

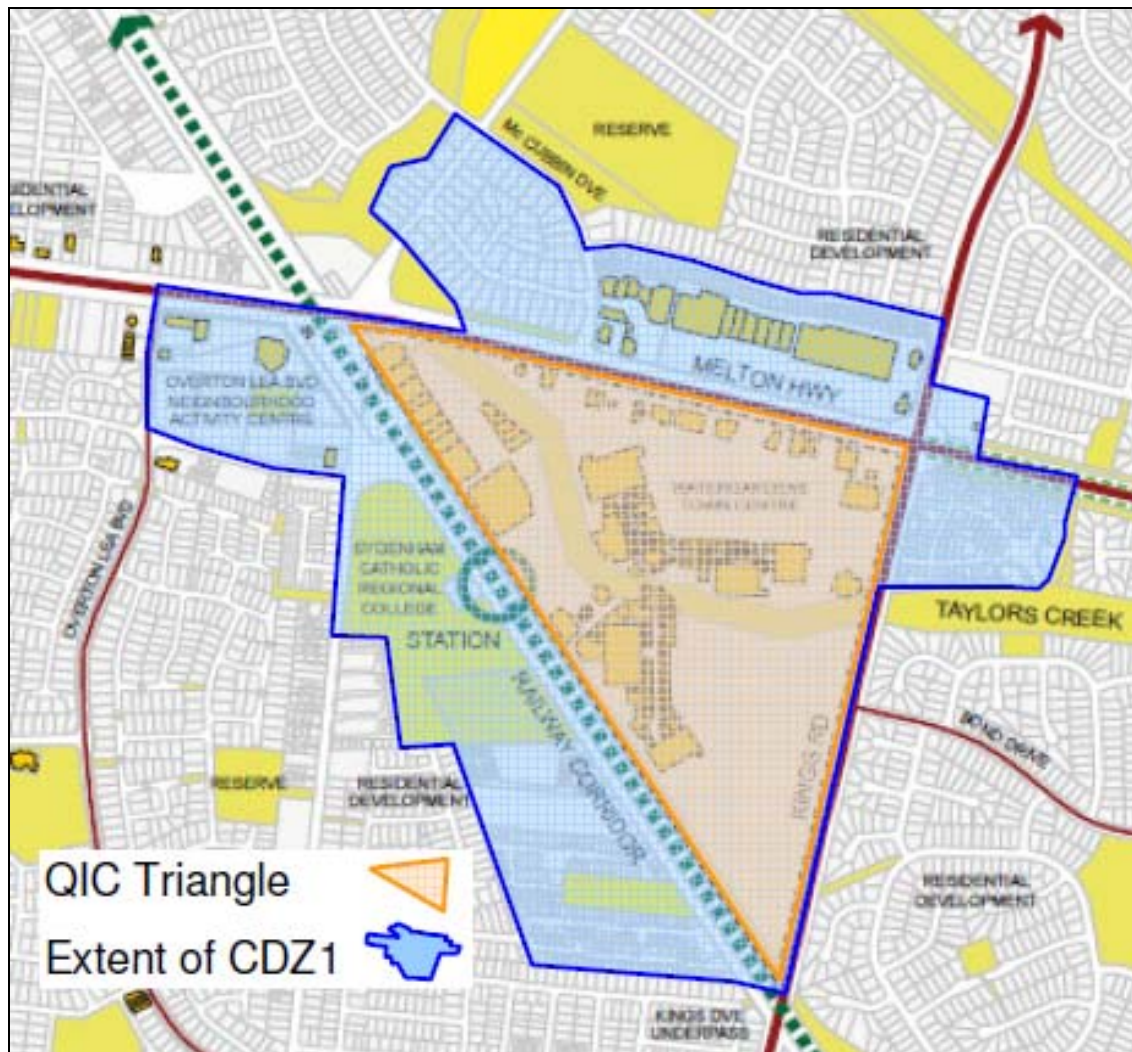


Figure 2: Watergardens Town Centre

(modified from SJB Urban Sydenham Transit City Connections Study)

Other sites or sub-precincts peripheral to the triangle complete the Town Centre Precinct. Over time however the opportunity for these peripheral areas to realise a well connected and integrated Town Centre have been lost due to less than optimal development decisions.

Medium density housing fronting an uninviting stretch of Sydenham Road to the west is mostly comprised of 'gated' developments, interspersed with education and religious establishments. These are poorly connected both to each other and to the adjacent town centre and 'razor wire' protected rail line.

Other areas originally intended for medium density development to the north of the centre, have instead been developed with low density conventional dwellings, also poorly integrated with the town centre and rail station. They in addition turn their back to Taylors Creek. Finally, as pointed out to the PDP, subdivisions to the east have been developed with covenants preventing development other than conventional detached housing.

The 2006 approval of QIC's Stage 2 development has provided a quality interior shopping mall connected to the station via a new 'shopping street' of restaurants, a plaza and municipal library. It is understood the restaurants have been designed to enable future upper level construction. Disappointingly and contrary to the structure plan, Stage 2 has not provided for 24 hour pedestrian access beyond Station Street – other than via an unattractive/unwelcoming tunnel shared with service vehicles. In places it also exhibits poor quality public realm finishes.

At present QIC's retail model manifests primarily as a shopping mall. That is, it comprises internalised, mostly retail tenancies linking 'anchor' department stores and supermarkets. Because out of hours access is precluded, uses with differing temporal characteristics such as accommodation (housing and hotel/serviced apartments) and offices, cannot be part of the internalised mix.

With the Stage 2 addition of Station Street, comprising restaurants, a library and fitness centre and culminating at a plaza providing access to cinemas, something closer to a 'hybrid' centre is emerging.

A hybrid can be described as a blend of 'private realm' mall with connected and open-all-hours streets, squares and 'public realm' places. These are places where people may congregate, celebrate and build 'community' on their own terms.

By contrast, in 'traditional' centres a majority of the movement and open space network is in public ownership, supporting a mix of private land in different tenures and uses, but often with little overarching management of the business mix or complementarity of uses.

The PDP considers, and there was general support from stakeholders, that to deliver on the State's Transit City and Principal Activity Centre outcomes, Watergardens must be actively progressed towards a more comprehensive hybrid model, with far greater 24 hour through connections and publicly accessible spaces that support uses other than simply retail. In this way the centre has a greater prospect of evolving into a place for 'community' development and a place where people will be attracted to live and work as well as shop.

### 3 PLANNING FOR A TOWN CENTRE

The entire town centre precinct (triangle plus peripheral areas) is within a Comprehensive Development Zone. Council and QIC have found the controls to be unduly complex and cumbersome and restricting in their ability to realise a truly Transit City style development for the centre. The PDP was asked to review the current retail floor cap and draft planning controls in preparation by Council. The PDP strongly advocates that the overarching purpose of any such controls should be to facilitate an evolution from shopping mall to a town centre by:

- Providing shop space to accommodate Stage 3;
- Providing for a mix of uses beyond Stage 3 with shop development 'as of right' only if part of a mixed use outcome, and ensuring future opportunities for air space development;
- Enabling a range of uses, vertically and horizontally across the triangle;
- Specifying tailored car parking rates and promoting the adoption of integrated travel plans;
- Incorporating a new framework plan;
- Introducing specific design and development principles; and
- Ensuring 24 hour pedestrian access is created and maintained.

#### 3.1 Extent of Retail

In its initial advice to the Minister the PDP recommended his use of Section 20(4) of the Act to increase the existing retail floor space cap from 75,000sqm to 90,000sqm. The PDP noted that a prohibition, rather than a discretionary limit subject to permit, differs from like centres and the VPP regime. The PDP also identified additional matters that the concept plan should address, pending review of the schedule as a whole:

- *The objective, design principles and guidelines of the Sydenham Regional Activity Centre Structure Plan;*
- *The "Activity Centre Design Guidelines"(Department of Sustainability and Environment, April 2005);*
- *The function of Taylors Creek as an open space feature;*
- *A mix of uses that supports the government's transit city and Melbourne 2030 objectives;*
- *Vehicle and bicycle movement circulation;*
- *Internal and external pedestrian circulation;*
- *Quality materials and finishes for buildings and public space.*

At workshops conducted by the PDP Working Group a number of economic studies were presented and discussed, with experts in retail economics on hand to answer questions. From the evidence presented it was clear that the increase to 90,000sqm can be easily accommodated within the region.

Likewise, beyond 90,000sqm the centre's Transit City and Principal Activity Centre status provide strategic justification for the centre's expansion to serve its regional catchment – including the Melton growth corridor and Calder peri-urban corridor that function as part of the broader

Watergardens catchment. Accordingly, a prohibitive condition or 'hard cap' on the amount of retail is not warranted.

Indeed the PDP accepts that retail development can act as a catalyst to grow a 'town centre' from the current shopping mall. To support this however – and so discourage a potential tendency towards retail as a sole outcome – it is recommended that further retail beyond 90,000sqm should be conditional upon the inclusion of other uses.

### 3.2 Requiring mixed use development

The 'Transit Cities' ambition is to provide an integrated mix of uses (inc. shop, office, housing and civic functions) to support investment in major transport infrastructure. The PDP is fearful that without some regulation there may be little incentive for specialist 'shopping centre developers' to provide anything other than retailing. A purely 'retail' outcome is not what is envisaged by the Transit City concept. Accordingly a planning control that offers an incentive to provide retail in conjunction with identified Transit City outcomes, such as office and residential, should be explored.

A suggested form of control is included at Appendix 4. It would work this way:

Any use for the purposes of 'shop' (on the triangle) up to 90,000sqm would not require a planning permit for use.

Any proposal for 'shop' beyond 90,000sqm would also be 'as of right' so long as it provides one of the following:

- The provision of 30 dwellings in the retail core or on Station Street for every 10,000sqm of shop (or part thereof); or
- The provision of 60 dwellings elsewhere on the land for every 10,000sqm of shop (or part thereof).

If the above condition cannot be met, use of the land for 'shop' would require a planning permit. Any application would need to address the application requirements and decision guidelines recommended for the Schedule to the CDZ, including justification of why a mixed use outcome cannot be achieved.

The PDP has distinguished between the 'retail core' and the rest as it is our clear preference to have 'above-ground' residential (or office) on top of the centre or along Station Street. The PDP was advised (and observed) that the foundations of certain buildings in the core and along Station Street have made provision for above-ground development. Having said that, it is appreciated that there may be commercial reasons why either residential or office should be located elsewhere on the triangle site. The PDP reflected its preference by requiring residential at a lower threshold provision in the core and a higher provision elsewhere.

To be clear, the position is that if QIC wishes to extend at all beyond 90,000sqm (even by a very small amount) then a complementary housing requirement is triggered which goes up in 10,000sqm increments. Taking as an example a proposal to increase the shop floor space to (say) 113,000sqm the conditions would require either 90 dwellings in the core (or 180 outside).

In the event that the Section 1 condition cannot be met then the application for 'shop' slips into the Section 2 or permit required category. Once again, and to satisfy the PDP's commitment to 'Transit

City' principles, we support a statutory framework linked back to some clear decision guidelines. We support the general formulae of words from Council for inclusion in the Decision Guidelines as follows:

Any application which proposes an increase in retail floor space in excess of 90,000sqm is to be accompanied by an economic assessment to the satisfaction of the responsible authority, The assessment must set out the economic, including net community benefit justification for why the Condition 1 requirement for residential, use is not met and the extent to which other non-retail, community and/or mixed land uses are or are not included.

In this way a proponent may demonstrate a broadening of the range of uses by providing community or educational facilities or office in lieu of residential, or provide clear evidence as to why the inclusion of a non-retail mix of uses must be deferred.

Evidence provided to the PDP working group, including from SGS Consultants engaged by QIC, confirms a latent demand for a broader suite of town centre uses that simply retail. Currently there is a crisis in the amount, cost and diversity of housing stock being constructed. The PDP recommended quantum of residential is reasonably modest and there may well be partnership opportunities with affordable housing associations and investment incentives such as the Commonwealth's *National Rental Affordability Scheme* that QIC could avail itself of.

Arguments for increased retail are often based on a desire to address escape expenditure from an area. Perhaps of more concern is the amount of escape employment from an area. Increasing the opportunities for commercial and community service jobs in the town centre will increase the number of on site 'shoppers'.

With increasing private motor car running costs, locating employment and housing in town centres with immediate access to a public transport options and a range of services reinforces the retail opportunity and reduces living costs.

The requirements are not excessive but enough to demonstrate that with commitment, these test cases can provide examples of what is possible. As such the PDP considers these triggers be introduced and applied to development beyond Stage 3 so that Stage 4 embodies the hybrid town centre model with a broad range of uses.

### 3.3 Protecting future opportunities

A revised Structure Plan, in the form of a Framework Plan, is proposed to be incorporated into the schedule of the zone. Agreement was not achieved on a final version of the Framework Plan. Appendix 4 contains the PDP's current thinking in relation to the movement networks and spatial distribution. It is recommended that the Framework Plan should respond to this and the following components:

- Built form:
  - Existing built form
  - Proposed built form for Stage 3
  - Proposed retail of future stages
  - Proposed mixed use of future stages
  - Locations of active or sleeved frontages

- Circulation network:
  - Streets (24 hour trafficable by vehicles)
  - Lanes (24 hours trafficable by pedestrians and cyclists, open to sky with retractable coverings)
  - Enclosed malls (restricted to trading hours and trafficable by pedestrians)
- Creek network
- Interface and connections with peripheral land

The Design and Development principles were generally agreed by QIC and Council. All applications must address principles that cover:

- Access and movement/circulation
- Vehicle access and car parking
- Built Form
- Ground level building frontages and orientation
- Mixed Use
- Open Space and Landscape Design
- Creek Crossing
- Environmental Design

The views of the parties informed the preparation of these controls. The PDP recommends that the Minister amend the scheme using Section 20(4) of the Act. The planning scheme amendment will also need to ensure the continued operation of the existing CDZ controls applicable to the Town Centre Precinct peripheral to QIC triangle site. Council advised the PDP that they would be undertaking a consultative process with the peripheral land owners. The PDP encourages Council to establish a planning framework that encourages integration and intensification around the QIC triangle within the peripheral land and beyond.

## 4 DESIGNING A PLACE

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Place-making requires quality design. Town Centres are magnets, places where people want to be. Creating a desirable place, one that is more than a shopping mall will also enlarge the retail catchment. Both the outdoor environment and enclosed mall require quality materials and finishes, and an enriched Taylors Creek has the opportunity to define Watergardens as a special town centre.

### 4.1 General requirements of Stage 3

In planning for future stages, QIC's seeks to create an internal retail loop or circuit and further into the future, a second level galleria to bisect the loop. The circuit necessitates a western crossing of the creek (parallel to the existing crossing) plus an eastern crossing towards Kings Road. It was agreed by all that the retail experience needs to be commercially successful. A Design Focus Group was established to review and explore design options. Appendix 5 contains the membership and notes from the Design Focus Group meetings.

Four principles informed the design focus group:

- Realise Taylors Creek as an asset.
- Balance the public and private connections through a Town Centre.
- Develop a 'knuckle' that embraces the creek and retail mall.
- Integrate a mix of uses and don't compromise future mixed use opportunities.

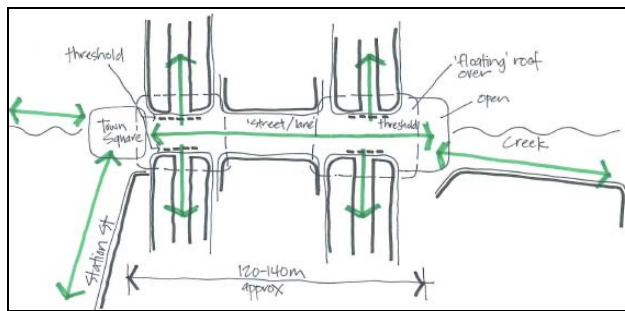
The PDP commissioned an independent designer, Mr Perry Lethlean of Taylor Cullity Lethlean, to contribute to the Design Focus Group. As in the PDP's experience with the Frankston Safe Boat Harbour, introducing another talented and independent designer was useful in exploring ideas and stimulating thinking. A draw back from the process was that Melbourne Water was not engaged along the design development journey with respect to the treatments for Taylors Creek.

In considering Stage 3 development plans, Council and QIC should have regard to the above principles.

Acknowledgement should be made to QIC's agreement to design most of its major servicing infrastructure to the mall and large format operations as an underground system having minimal impact on the town centres primary public system.

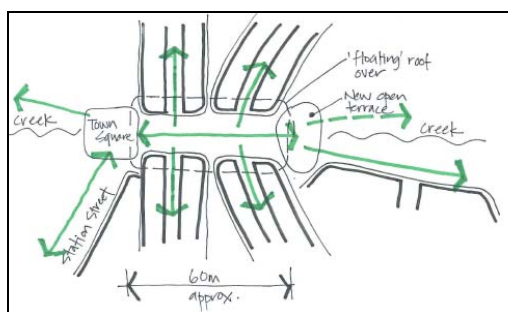
### 4.2 The 'knuckle' and resulting H- and K-plans

The junction of the existing town square and creek crossing with a proposed Stage 3 western crossing (potentially two storey in the future) was referred to as the 'knuckle' of the centre. This 'knuckle' is the joint of public urban space, public waterway space and retail shopping space. The Design Focus Group developed two plans for the 'knuckle': the H- and K-plans (see Appendix 6 and Figures 3 & 4 below).



**Figure 3: Schematic of the H-Plan**

(source: Design Focus Group Notes Workshop 1, Melton Highway to top of diagram)



**Figure 4: Schematic of the K-Plan**

(source: Design Focus Group Notes Workshop 1, Melton Highway to top of diagram)

Both plans attempt to create a hybrid of enclosed shopping mall and public space. The hybrid space is to be open and accessible 24 hours a day. The PDP believes this demands use of a lofty and soaring glass plane device that can float above and define the space, with the ground surface given a distinctly public and open feel. To satisfy Melbourne Water's concerns the covered waterway space could be punctuated with light wells, with engineering infrastructure to support waterway health located in the undercroft below.

The PDP prefers the K-plan as it minimises the extent of creek covering, provides QIC's desired retail circuit loop and emphasises the visual presence of the creek. It also delivers a tighter more defined hybrid urban plan and the opportunity to improve the existing town centre plaza.

The design and location of any out of hours security lines must favour the though access associated with the hybrid urban space and creek movement path. It must also rectify the unacceptable disconnect introduced in the Stage 2 design. This means that any security devices should close off the enclosed mall sections and not the public movement corridor.

### 4.3 Eastern crossing

Unresolved through the inquiry process is the treatment of the eastern crossing. QIC has a preference for an enclosed mall crossing of the waterway. The PDP considers that 'headlands' of retail jutting into the creek easement could be as effective, at the same time allowing an open bridge crossing (Figure 5).

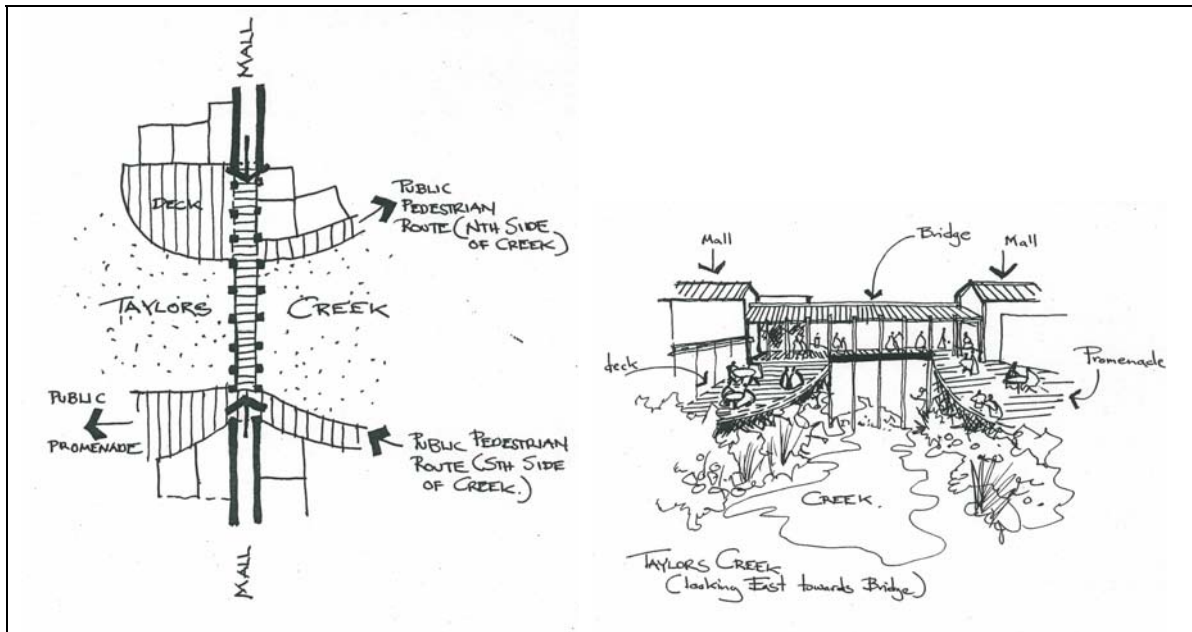


Figure 5: Eastern crossing

(source: Design Focus Group Notes Workshop 3)

The crossing should read as a clear 'bridge' rather than a pinching of the creek. It must also maintain 24 hour pedestrian connectivity along the waterway corridor through:

- A generous public pedestrian promenade on the creek's southern side (between the knuckle and eastern crossing) that takes advantage of sunlight from the north.
- A clear and direct public movement system on both sides of the creek to the east of the crossing.

#### 4.4 The waterway

Taylor's Creek is an engineered drainage infrastructure that has acquired a waterway character as a result of the Watergardens development. At the Working Group final workshop Marc Noyce of Cardno Grogan Richards (for QIC) reported that the creek (or perhaps more accurately the series of weirs comprising the watercourse) provides a 'variety of natural features and habitat for aquatic vegetation, invertebrates, fish and waterbirds, and there are opportunities to protect or enhance these habitats'.

Melbourne Water has a 50m easement along the waterway corridor, with any development required to preserve 1 in 100 year flows. Melbourne Water's clear preference is for further development to support the waterways continued health and life and minimise the extent of any additional covering.

The creek also has a place-making role that can assist in the social life of the centre as well as providing for the health and life of the waterway. Indeed a waterway through such a centre is a unique opportunity to be celebrated, with crossings minimised and focussed on creating a sense of 'bridge' as opposed to a forgotten drain.

The waterway also provides for passive recreational opportunities and can assist the permeability and way finding through the town centre triangle by encouraging east-west pedestrian and cycling movement at the retail level. It is not sufficient to only provide 24 hour movement via a lengthy creek level tunnel.

The existing width needs to be retained with future stages including Stage 3 incorporating generous planting between the eastern crossing and the 'knuckle'. From discussions with Melbourne Water, there may be the opportunity for localised artificial movement of water within the system to further enhance the health of the creek.

As discussed previously to assist in maintaining and enhancing the health of the waterway, covered areas should provide for lightwells to enable daylight to reach the waterway.

#### **4.5 A permeable and connected network of paths**

A town centre requires a network of paths that connect to places in, through and beyond the centre. The Framework Plan and Stage 3 must provide for a clear and varied network of paths for vehicles, pedestrians and cyclists and for the enclosed mall.

It is important that every opportunity is taken to develop an open-to-sky street and laneway system as part of Stage 3 and future mall developments, to create the hybrid town centre. Chief among these is the need to reinstate a pedestrian path along the creek and retail ground level as part of Stage 3. Stage 3 also requires:

- An east-west street (south of the large format stores of Stage 3) linking the circuit road to western boundary of the triangle.
- A road along the western side of the creek to connect Station Street north of the Town Square to the Circuit Road.
- A north-south open-to-sky pedestrian lane between the large format stores of Stage 3 linking the east-west street to create a T-Plan with the creek promenade.
- An east-west open-to-sky pedestrian lane that links into the existing Stage 2 mall.

At Rouse Hill, New South Wales the PDP Working Group witnessed examples of how open-to-sky pedestrian lanes can work in hybrid town centre model.

The superimposed T-Plan of open to sky laneway and pedestrian paths is as important as the enclosed retail circuit in achieving a vibrant town centre. The T-Plan provides a dynamic after hours movement system, includes opportunities for non-retail uses at upper levels and ensures a more legible pedestrian network.

The street and laneway system should be arranged to permit 'sleeving' of active uses around car-parking and large format stores. The PDP envisages a 3 storey mix of residential and small office development on upper levels with active ground floor uses that give life to the street. If this pattern is unattainable then a structural and spatial strategy should be required to future proof future development opportunities.

Any delay in achieving the recommended public circumstances for the creek need to be accompanied by a successful short term strategy for the successful interim public use of creek edges and patterns of continuous access.

#### **4.6 Quality and equivalent finishes: public and private**

In a town centre both the enclosed spaces and the public realm need to be enjoyed. People will only enjoy the public realm if they are offered a quality environment. Finishes need to be robust, well designed and of simple and repeatable materials.

Discussions have occurred with the Department's Urban Design Director regarding the poor standard of public finishes to Station Street. All new proposed public space works need to set a more careful and considered example of quality public space provisions. QIC have provisionally agreed to consider improvements to Station Street's existing public spaces.

#### **4.7 Built form & activation of street and laneways**

Active ground floor frontage with residential or offices uses above should address streets and laneways. As a minimum this involves three storey active frontages sleeved around large format building footprints.

The QIC triangle should evolve overtime into an intensively developed town centre. Between the internal circuit road and Kings Road and Melton Highway the expectation should be for medium to high density (five or six storey) development that addressed both the external and internal road network. While this might take time to achieve, development should be future proofed to enable intensification at later stages.

#### **4.8 Environmental Sustainable Design**

QIC as a single owner of the triangle site has the opportunity, through environmental sustainable design, to minimise its centre operating costs.

Sustainability Victoria is seeking partners to demonstrate Smart Energy Zones which could include:

- Local energy generation, including cogeneration and small scale renewables.
- Micro-grids for distributing electricity, heating and cooling.
- Energy efficiency measures.
- Smart meters.
- Energy storage.
- Innovative electricity tariffs.

Stage 3 and future stages need to be orientated to take opportunity of solar design and incorporate energy and water conservation and water reuse.

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## 5 RELATED MATTERS

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The successful development of Watergardens Town Centre within the QIC triangle requires clarity around development issues such as native vegetation and developer contributions. What does it take to create a Town Centre? The PDP suggests that incentive programs to complement the planning scheme requirements and a commitment from all parties through developer contributions and a paced-based approach will shift a shopping centre into a town centre.

### 5.1 Native vegetation

The current Structure Plan identifies the southern apex of QIC's land holding as 'contingency'. This small triangle within the larger QIC triangle contains patches of remnant native vegetation. QIC and Council encouraged the PDP to make some observations about this native vegetation and 'contingency' precinct. During the course of the PDP inquiry QIC commissioned Brett Lane & Associates to prepare an ecological report. The PDP working group later discussed its findings with officers from the Department of Sustainability & Environment.

Key feedback from DSE was that having been undertaken during winter the flora surveys could not be relied upon to determine the significance of the vegetation. As a result the habitat hectare calculations could be inaccurate, meaning greater offsets would need to be achieved. Also the surveys did not account for significant fauna, again undermining an understanding of the ecological importance of the patches.

The PDP accepts that additional surveys are required so the policy approach prescribed by Victoria's *Native Vegetation Management: A Framework for action* can be followed, namely avoid, minimise and offset.

However, it needs to be recognised that the site forms part of a designated Transit City and Principal Activity Centre where the priority should be to maximise outcomes that deliver a vibrant town centre. The 'contingency' triangle is a difficult site due to the adjacent road and rail abuttal, and regardless will require clever design responses. Unless the significance of the remnant patches proves overwhelming it may be appropriate to explore offset or transplanting options. The PDP wonders if there are opportunities to explore 'green roof' solutions, including as part of a road and rail acoustic strategy.

### 5.2 Developer contributions

Council has sought advice on appropriate developer contributions for future stages. The PDP understands that as part of Stage 1 and 2, Council negotiated a \$500,000 cash contribution and 3,000sqm of land. From this, Council has constructed a 1000sqm library at Watergardens. The PDP considers that in terms of establishing a nexus any future contribution sought by Council should be linked to place-making.

Civic facilities can be a key feature of a town centre. A multipurpose community centre for youth, elderly and other parts of the community could contribute to the making of the place. Using the remaining and previously agreed 2000sqm land asset and in lieu of being required to develop residential as part of Stage 3, QIC could contribute towards the construction of a community centre that Council would then run.

A community centre would bring additional people and events to the centre, thereby adding to the attraction as a 'place' for residential and other non-retail uses to establish

Should a component of residential development be brought forward to Stage 3, consideration should be given to a waiver of this contribution.

### 5.3 Intermodal transport interchange

The train station is a positive asset for the town centre and the primary reason for the centre's Transit City and Principle Activity Centre status. With the station, the adjoining road in QIC's triangle land has been developed with bus stops on its eastern and western sides. There is also a significant component of 'park and ride' parking on both VicTrack and QIC land. The expectation is that much of this parking will move to a new station at Calder Park – should the line be electrified to Sunbury and the Calder Park precinct be developed as an employment node. Moving the parking will free up land for mixed use development in the town centre.

At present Watergarden's Shopping 'mall' typology and fringe of Melbourne location make the centre highly dependent on private car access. Over time, and with advance of housing and employment within the town centre itself, a greater use of public transport must be promoted. It will be critical that the opportunity is provided and not compromised to improve the capacity of the Station and adjacent precinct to operate as a transport interchange with space for buses. With good pedestrian connections to schools and town centre, public transport will become a more attractive option.

Creating a successful intermodal transport interchange needs an attractive passenger waiting area, ease of transfer between modes, a reliable service, information and signage about services. Future development on Station Street and Watergardens Circuit Road have a key role to play in creating an attractive, safe and desirable place to use public transport and change modes.

As a long term proposition it is also recommend that the public road and pathway network be ceded to Council rather than remaining in QIC control. This will ensure clarity of function and enable long term public planning and investment.

### 5.4 What it will it take?: PLACE3038

The PDP's question to QIC: 'What will it take for you to construct non-retail, in particular residential development?' is not limited to Sydenham. It applies to other transit cities and activity centres. Understanding the incentives to broaden the base of activities was a central question for the PDP.

All of the evidence points to a latent demand for housing to accommodate the increasing number of smaller households resulting from Melbourne's changing demographic profile. The difficulty is developing an 'affordable' model that can compete with lower density fringe 'cottage' housing, including meeting the needs of an expanding rental sector. In Victoria in particular, 'commercial' construction above three storeys is difficult to produce at an 'affordable' price. The PDP believes that this requires investigation and resolution.

Institutions like QIC are long term owners of the land seeking profitable returns for their shareholders and superannuation funds. It is possible that securing Commonwealth rental housing assistance could be relevant to their investment portfolio.

As an ongoing measure Council needs to be engaged in facilitating outcomes, introducing partners and opportunities to QIC. Council and Government should also explore incentives similar to Postcode 3000. This program coordinated by the City of Melbourne and supported by the State Government included:

- Financial incentives such as performance-based refunds on permit fees for planning subdivisions, building approvals and site services and reassessment of Council rates for the construction period.
- Street level support such as Council funded capital works to improve the amenity of streets.
- Technical support that included establishing a housing-preferences register and making a commitment to streamline approaches.
- Promotions that included a range of guides, visualisation, marketing and demonstration projects.

A possible option may be for Council and Government to cooperate to produce a suite of PLACE3038 initiatives. Such initiatives may be transferable to other centres.

## 6 RECOMMENDATIONS

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In response to the Minister's request for advice, the PDP recommends, following the adoption of the PDP's initial advice, that a second amendment now be approved, using the provisions of Section 20(4) to remove a retail floor cap altogether subject to retail expansions broadening the base of activity to create a town centre.

The Department of Planning & Community Development should be requested to finalise amendment documentation to introduce a new schedule and Framework Plan based on the advice provided in this report.

The PDP's advice should also be provided to Council and QIC to inform preparation and assessment of Stage 3 development plans. Stage 3 must:

- reinstate a quality 24 hour pedestrian and cycle connection along the south side of Taylors Creek;
- minimise covering the waterway and explore the use of light wells to the creek;
- have an eastern crossing that incorporates 'headland' retailing and a bridge over the creek; and
- re-work the intersection of the town square, Stage 2 creek crossing and Stage 3 western creek crossing (the 'knuckle') to provide an urban town centre space. This space should be defined by a strong architectural element such as a soaring glass plane roof, with a distinct ground material treatment and any security barriers designed to favour the 24 hour public movement path.

### 6.1 Future actions

It is recommended that:

- The Department of Planning & Community Development co-ordinate finalisation of amendment documentation to rezone the QIC triangle in accordance with the PDP's preferred planning scheme controls (Appendix 4).
- The Department of Planning & Community Development Urban Design co-ordinate finalisation of a Framework Plan that responds to the PDP's thinking in relation to the movement network and spatial distribution (Appendix 4) and the matters raised in section 3.3 of this advice.
- Any proposal for Stage 3 prepared by QIC reflect the outcomes of this advice;
- The Department of Planning & Community Development Urban Design Unit and Melbourne Water in particular be involved in the development and review of any proposal for Stage 3.
- The PDP be available to review Stage 3 plans responding the Framework Plan and this advice.

### 6.2 Recommendations to the Minister

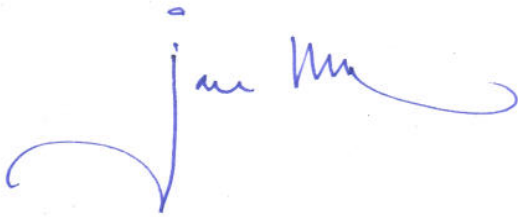
It is recommended that the Minister:

- publicly release the PDP's Report without delay to enable QIC and Council respond to advice regarding Stage 3;

- approves the PDP's preferred planning scheme controls using section 20(4) of the Planning and Environment Act 1987; and
- write to Council and QIC endorsing the advice of the PDP and that it is expected that Stage 3 redevelopment proposal will address the issues raised.

### 6.3 Endorsement

This report of the Priority Development Panel is provided as part of its response to the Minister's request of 17 July 2008. The report was presented to the PDP as a whole on 9 October 2008. The findings were supported in principle with suggestions for changes included in this final report.



**Jane Monk**  
**Chair, Priority Development Panel**

15 / 10 / 2008