

BACKGROUND PAPER



MONTAGUE

LIVE — CONNECT — WORK

MELBOURNE'S NEWEST INNER-CITY SUBURB



MONTAGUE

The Background Paper has been prepared by the City of Port Phillip with input from David Lock Associates and Charter Keck Cramer.

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1.0 Introduction

1.1 Structure Plan Background

In January 2011, David Lock Associates (DLA) and Charter Keck Cramer (CKC) were engaged by the City of Port Phillip (Council) to help prepare a Structure Plan for Montague.

1.2 Preliminary Structure Plan Objectives

At the outset Council determined a number of preliminary strategic objectives for the Precinct with the aim of facilitating urban renewal in the area. These sought to:

- Achieve a fundamental shift in land use/ intensity of development to capitalize on the Precinct's strategic inner regional location.
- Maintain opportunities for a viable business cluster and 'creative' industries.
- Identify potential for new residential development to offset pressures in established residential areas with the City of Port Phillip.
- Transform the area to an 'environmentally sustainable Precinct.'
- Create a strong 'place identity' and quality public realm.
- Strengthen physical and functional connections to adjoining Precincts/areas, including walking, cycling and transport links.

1.3 Structure Plan Process

The preparation of the Structure has involved a number of key stages, including:

- Stage One - Research and Analysis including existing conditions audit, opportunities and constraints analysis and initial stakeholder consultation; including the assessment of potential development scenarios against established strategic objectives for Montague.
- Stage Two - Development of the draft Structure Plan.
- Stage Three – Stakeholder Consultation and finalisation of the Structure Plan (Current Stage).

1.4 Background Paper

This Background Paper summarises the key research and analysis undertaken as part of Stage One of the project. The information has been collated from a variety of sources, including:

- Existing Conditions and Data Collection – including a desk-top review of recent and relevant reports, and detailed site analysis and conditions audit.
- A Census of Land Use & Employment (CLUE)
- Stakeholder Workshops – with owners and occupiers in the Precinct, and adjacent to the Precinct and key landowners and developers with an interest in Montague.
- Targeted Stakeholder Consultation (specified below).
- Market Analysis by Charter Keck Cramer
- Residential and workforce population capacity analysis.

1.5 Consultation

Community consultation has been integral to the development of the Structure Plan, with early processes defining and clarifying core issues and strategic objectives for the Precinct.

The first stage of community consultation occurred in May 2011.

- All owners and occupiers in the Precinct and adjacent to the Precinct were invited to attend a workshop and / or provide ideas in writing.
- Three workshops were held:
 - Workshop 1 - Key land owners and developers.
 - Workshop 2 – Businesses operating in Precinct.
 - Workshop 3 - Property owners and residents adjoining the Precinct.
- Meetings were held with specific stakeholders and agencies including VicRoads, VicTrack, the University of Melbourne, the Department of Education and Early Childhood Development, and energy and infrastructure providers.
- A 'Have your Say' website was live for duration of the process. Section 8: Stakeholder Consultation outlines the findings of the consultations process.

The consultation process found that there was strong stakeholder support for major change in the Precinct and that a 'new place' must be well planned for.



Figure 1: Montague Study Area and Surrounds

2.0 History of the Precinct

Montague has rich and diverse history that has seen it transformed from an area of low lying wetlands and swamps, drained for residential development before being converted to industrial land uses.

The estimated 40,000 years of indigenous occupation of the area is largely unrecorded and most of the oral history of the traditional owners has been lost.

The earliest inhabitants of the area now covered by the City of Port Phillip were the Yalukit-willam, one of the five clans of the Boon Wurrung, known as the coastal tribe, and who were members of the Kulin Nation.

They inhabited the swampy areas below Emerald Hill and the sandy-ridged ti-tree covered coastline, which extended from St Kilda to Fishermans Bend (Port Melbourne). Aboriginal Chief Protector, George Robinson, in the 1840's wrote that the territory of the Yalukit-willam Clan extended through to the Werribee River.

South Melbourne was first known as Emerald Hill, because the hill on which the Town Hall now stands was a green island surrounded by swamps. The Hill was a traditional social and ceremonial meeting place for a number of Aboriginal tribes.

A great gathering had been witnessed there in 1840 by a number of the early European settlers. Corroborees were also recorded and painted by Wilbraham Liardet at Emerald Hill.

The Montague Precinct sits at the base of north western flank of Emerald Hill where it meets the ancient river flats.

In 1851 when gold was discovered in Victoria, fortune seekers flocked to a tent city which had been erected on the south side of the Yarra, between Emerald Hill and St Kilda Road. This was known as Canvas Town and was laid out in streets with shops, residences and pubs, all under canvas. The first land sales at Emerald Hill took place in 1852. In 1854, Canvas Town was dispersed and many of the inhabitants moved up to the Hill.

In 1854, a residents' meeting was convened to agitate for independence from Melbourne. At this time an act for providing separate municipal boroughs was drafted and became law on 14 December 1854.

Early in 1855 amendments were made to the Act and on 26 May 1855, Emerald Hill became the first suburb outside of Geelong, to be declared a municipal district. This was reflected in the town's motto 'Ordine Primum', translated as 'first in the field'.

On July 4, the first council met and Mr James Service, later to be Premier of Victoria, was elected chairman. In 1863 Emerald Hill became a borough and in 1872 it was proclaimed a Town. In 1883, Emerald Hill became a city and also changed its name to South Melbourne.

Prior to the proclamation of the town, the Montague railway station was established in 1853 from which the residential suburb subsequently derived its name. The area known as 'The Montague' was subdivided and developed later than adjacent residential areas due its swampy nature.

The area was derisively known as 'salt lake city' due to the low river flats being frequently inundated by a swollen Yarra River. (During the Royal visit of 1927, the Duke and Duchess stepped off at Montague Station but were unable to tour the streets due to extensive flooding).

The Montague was intended for 'persons of the artisan class' and this was reflected in the type of housing advertised for sale as 'neat two roomed cottage and land, plastered 110 pounds, stoke street, off Gladstone Place'.

By 1875, there were 560 households in The Montague. By 1900, there were 1,000 in the district, with some 200 in the lanes and little streets. Many of the workers attracted to the low cost housing were labourers, fisherman, boilermakers, mariners and shipwrights. Owner occupation was approximately 33 per cent.

The majority of the houses in the smaller streets were made of timber and had two or three bedrooms. Almost all of the houses had no bathroom or washroom. By the 1920's, the majority of the housing stock was falling into disrepair due to regular flooding and inundation.

The Montague was renowned for its close knit community. The self contained suburb had its own, school, church, police station, kindergarten, football team, hotels, post office, bank and shops. (Figure 2)

By the late 1930's, The Montague had been earmarked for demolition by the Government's Slum Abolition Board. With the enactment of the Slum Reclamation and Housing Act in 1938, the majority of the houses were cleared and the residents were relocated. Until 2010 there were still a few remaining timber buildings within the Precinct

There are also six concrete council houses remaining on the corner of Gladstone and Montague Streets. These houses were prototypes of a then ambitious local government public housing scheme. The beginning of World War Two and the subsequent austerity measures put an end to the plan.

By the 1960's, most of the residential population was moved, with a substantial amount moving to the relatively new Garden City Area (itself a unique State Government Housing Scheme).

The process of change accelerated following World War Two and The Montague underwent a dramatic transformation to become a thriving light industrial hub.

The area became part of the City of Port Phillip which was formed in 1994 by the amalgamation of the three former cities of South Melbourne, St Kilda and Port Melbourne.

Acknowledgement: Special thanks to Kay Rowan, City of Port Phillip, Local History Librarian and Meyer Eidelson, President St Kilda Historical Society for providing information for the historical background.



Figure 2: Clockwise: Buildings and Houses in Buckhurst, Thistlethwaite and Gladstone Streets circa 1930 (Port Phillip Collection)

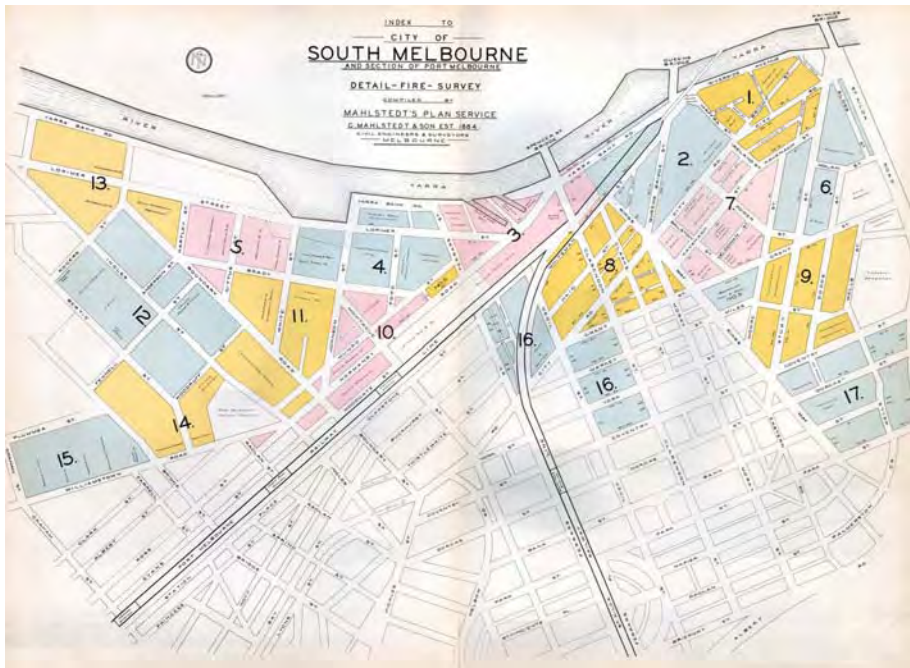


Figure 3: Clockwise: South Melbourne Fire Survey Map (c1930's), Map from the Metropolitan Board of Works showing fine grained subdivision pattern (c1885) and an Aerial photo (c1940, Port Phillip Collection)

3.0 Urban context

Montague is well located, being only 2.5 km from the Melbourne CBD and three stops on the light rail.

The Precinct is located south of the Yarra River and M1 / West Gate Freeway, south west of the CBD, Docklands and Southbank, east of the Foreshore and Port Melbourne and northwest of South Melbourne Central.

Key aspects of Montague and the surrounding strategic context, as identified in Figure 4, include:

- Montague is located approximately 2.5 km from Melbourne CBD by foot, bicycle or car and three stops on the light rail.
 - Montague is located within one km of the South Melbourne Major Activity Centre (MAC) and one km from the Port Melbourne MAC.
 - Montague benefits from excellent public transport accessibility, with the Light Rail Tram Routes 109 and 96, providing direct access to Melbourne CBD, Station Pier and St Kilda.
 - Montague is well connected to the wider metropolitan area by road, including direct access to the M1 /West Gate Freeway and the arterial road network.
 - Montague is located within easy walking distance of a range of facilities including South Wharf, the South Melbourne Market and Port Melbourne.
 - Montague has great proximity to the Foreshore, the Yarra River, the Domain and sporting Precincts.
- Montague is strategically located within the context of higher density residential development including Port Melbourne Mixed Use Zone (south end of Bay Street), Docklands and City Road/Southbank.
 - The Precinct has immediate proximity to Fishermans Bend Industrial Precinct, Port Melbourne.



Figure 4: Precinct location in relation to Melbourne CBD and broader context

4.0 Policy Context:

4.1 Planning Scheme Policy

State Planning Policy Framework (SPPF)

The SPPF is the main driver for structure planning.

A key objective of **Clause 11.02 (Urban Growth)** seeks to ensure a sufficient supply of land is available for residential, commercial, retail, industrial, recreational, institutional and other community uses.

Strategies seek to ensure that planning for urban growth should consider:

- Opportunities for the consolidation, redevelopment and intensification of existing urban areas.
- Neighbourhood character and landscape considerations.
- The limits of land capability and natural hazards and environmental quality.
- Service limitations and the costs of providing infrastructure.

Clause 11.02-3 facilitates the orderly development of urban areas to ensure the effective planning and management of the land use and development of an area, through the preparation of strategic plans, statutory plans, development and conservation plans, development contribution plans and other relevant plans.

The Clause outlines that Structure Plans should:

- Take into account the strategic and physical context of the location.
- Provide the broad planning framework for an area as well as the more detailed planning requirements for neighbourhoods and Precincts, where appropriate.
- Provide for the development of sustainable and liveable urban areas in the integrated manner.
- Assist the development of walkable neighbourhoods.
- Facilitate the logical and efficient provision of infrastructure and use of existing infrastructure and services.

A key objective of **Clause 15.02-1 (Sustainable development)** is to

- Encourage land use and development that is consistent with the efficient use of energy and the minimisation of greenhouse gas emissions.

Key objectives of **Clause 16.01 (Housing)** include:

- To promote a housing market that meets community needs.
- To locate new housing in or close to activity centres and employment corridors and at other strategic redevelopment sites that offer good access to services and transport.
- To identify strategic redevelopment sites for large residential development in Metropolitan Melbourne.
- Ensuring land supply continues to be sufficient to meet demand.
- To provide a range of housing types to meet increasingly diverse needs.
- To deliver more affordable housing closer to jobs, transport and services.

- To increase choice in housing type, tenure and cost to meet the needs of households as they move through life cycle changes and to support diverse communities.
- To promote good housing and urban design to minimise negative environmental impacts and keep down costs for residents and the wider community.
- To encourage a significant proportion of new development, including development at activity centres and strategic redevelopment sites to be affordable for households on low to moderate incomes.
- To make better use of existing infrastructure.
- To improve energy efficiency of housing.

Key objectives of **Clause 17.02 (Industry)** seek:

- To ensure availability of land for industry.
- To facilitate the sustainable development and operation of industry and research and development activity.

Local Planning Policy Framework (LPPF)

Municipal Strategic Statement – Clause 21

The MSS provides broad policy direction on ecologically sustainable development, land use, built form and Port Phillip's seven neighbourhoods.

The MSS contains objectives, strategies, and implementation actions for the key environmental, social, and economic elements, including strategies dealing with Ecologically Sustainable Development (21.03), Land Use (Clause 21.04) and Built Form (Clause 21.05).

The MSS also provides detail on key challenges and strategies for individual neighbourhoods, including South Melbourne.

Local Planning Policies - Clause 22

Local Planning Policies provide an additional level of guidance in the Planning Scheme on specific uses / issues or geographic areas and are one of the tools available for implementing objectives and strategies in the MSS. Local policies must be taken into account when preparing amendments to the planning scheme or making decisions under the Scheme.

Key Local Policy Context for Montague

The following section identifies key policy in the Port Phillip Planning Scheme providing context to the Structure Plan.

The key objectives of **Clause 21.03 (Ecologically Sustainable Development)** are:

- To encourage resource-efficient design, material selection and construction techniques.
- To promote ecologically sustainable development through the use of environmental performance assessment tools.
- To encourage innovative landscape design that minimises water consumption.
- To encourage water sensitive urban design in all new developments.
- To encourage the retention of buildings or building elements that have significant potential for on-site reuse or and can be adapted to a variety of uses.
- To ensure commercial and retail uses are planned to allow environmental best practice methods of operation, including waste recycling,

water-wise use and reuse, and more renewable sources of power.

- To facilitate the use of sustainable transport modes in preference to private vehicle use.
- To create a walking network that is integrated, safe and accessible and encourages more people to walk more often.
- To create a cycling network that is integrated, safe and accessible and encourages more people to cycle more often.
- To facilitate an increase in the use of public transport.
- To reduce the impact of vehicles on local areas.

The key objectives of **Clause 21.04 (Land Use)** are:

- To provide significant opportunities for new residential development in designated locations which have the capacity for change, and which offer highest accessibility to public transport, shops, and social infrastructure.
- To ensure that new residential development does not compromise the heritage, neighbourhood character and amenity values of established residential areas.
- To support a diverse range of housing types to suit the needs of Port Phillip's community.
- To maintain and enhance a network of sustainable and viable activity centres.
- To ensure new uses in activity centres do not adversely affect the amenity of adjacent residential areas.
- To ensure the location of community services and facilities are equitable and accessible, and meet community needs.
- To facilitate viable and vibrant business activity in office and mixed-use precincts.

- To create a public open space network that caters for a diverse range of users and is accessible to all.

The key objectives of **Clause 21.05 (Built Form)** are:

- To conserve and enhance the architectural and cultural heritage of Port Phillip.
- To reinforce key elements of the City's overall urban structure.
- To ensure that the height and scale of new development is appropriate to the identified preferred character of an area.
- To require design responses to show how contributory heritage buildings outside the Heritage Overlay have been considered.
- To ensure new higher density development is responsive to the existing scale and form of neighbouring sites
- To ensure the design of new development is of a high quality and enhances the amenity, comfort, safety and visual amenity of the public realm.
- To encourage the provision of universal access in new development.
- To ensure new development provides a positive contribution to the public realm.
- To ensure existing and new infrastructure is sustainable and meets the needs of residents, workers and visitors – current and future.
- To improve the quality of all stormwater discharged into Port Phillip Bay and to reduce the effects of stormwater discharge, in terms of pollution and flooding.

Clause 21.06-5 (South Melbourne) outlines current policy for the two precincts within Montague.

For Boundary Street Industrial 3 Zone, policy seeks to encourage light industrial, service business and warehouses uses.

For South Melbourne West Industrial Precinct, relevant policy seeks to encourage new uses that support the important strategic role of this area in providing a location for a range of industrial and warehouse activities.

Key objectives of **Clause 22.04 (Heritage Policy)** (including the Port Phillip Heritage Review and Heritage Policy Map) seeks to:

- To retain and conserve all significant and contributory heritage places.
- To discourage the demolition of significant and contributory heritage places.
- To ensure all new development and redevelopment of significant and contributory places is respectfully and harmoniously integrated with the surrounding character.
- To ensure that reconstruction and repair of significant heritage bluestone kerb and channelling, bluestone laneways and significant concrete kerb and channel is carried out in a way that reflects as closely as possible the original appearance.

Key objectives of **Clause 22.05 (Subdivision Policy)** include:

- To ensure public open space contributions are made at the point of subdivision.

Clause 22.06 (Urban Design Policy) includes pertinent objectives for Montague relating to Public Realm, Street Level Frontages, Landmarks, Views and Vistas, Large Sites, Energy and Resource Efficiency, Building Design., Landscape, Public Open Spaces, Private and Communal Open Space, Residential Amenity and Car Parking and Pedestrian Access.

Key objectives include to:

- Achieve high quality urban design and architecture that responds to the context of the place.
- Encourage new development to protect and enhance pedestrian spaces, streets, squares, parks, public space and walkways.
- Minimise adverse micro-climatic impacts such as overshadowing and wind tunnelling.
- Encourage the design of building frontages at footpath level to offer visual interest, passive surveillance, social interaction, safety, shelter and convenience.
- Require pedestrian entrances to buildings to be clearly visible and easily identifiable from streets and other public areas.
- Encourage windows, terraces and balconies at lower building levels to offer surveillance of adjacent public areas.
- Require all buildings to be accessible at ground-floor level to people with limited mobility.
- Require pedestrian amenities including seating, lighting and public art to create a safe and interesting pedestrian environment.
- Encourage large sites to be developed and subdivided in a manner that provides pedestrian permeability through the block.

- Require all new developments where the Total Project Cost exceeds two million dollars to provide an urban art contribution.
- Require that new private or communal open space areas receive a minimum of four hours of sunlight between the hours of 9.00am and 3.00pm on 22 September.
- Ensure that existing habitable room windows and private open space areas of neighbouring residential properties are protected from direct overlooking/

Policy for Areas Adjoining Montague

The MSS also provides policy relating to the areas adjoining Montague.

City Road Wedge (within South Melbourne Central):

Clause 21.06-5 (South Melbourne) seeks to:

- Direct quality, higher density residential development to this Precinct, with retail and commercial at ground level (e.g. conference, function or exhibition centre, school or university campus, indoor recreation or leisure facilities or a health club).
- Encourage a mixture of land uses, both across the Precinct and vertically.
- Support 'out of centre' and restricted retail premises where they will not detrimentally impact on the core retailing role of the activity centre (SMC) and an appropriate built form can be achieved consistent with the Design and Development Overlay.
- Ensure that business activity does not result in an undue loss of amenity to nearby residential properties.

- Ensure development respects the consistent zero setbacks to front and side boundaries creating a hard edged built environment.
- Ensure the height of new buildings provide a transition from the low to medium rise buildings in SMC to the high rise towers in Southbank and the CAD to the north.

Fishermans Bend Core Industrial Precinct

Clause 21.06-4 (Port Melbourne and Garden City) seeks to:

- Direct core industrial and manufacturing uses to this area to support the important role of Fishermans Bend as the industrial hub of Port Phillip.
- Support the development of new industrial uses which are employment intensive, clean and sustainable, including high technology uses.
- Support the development of Fishermans Bend as the preferred location for clean, high profile, value added advanced manufacturing, research and development, and ancillary services.
- Encourage light industrial / service business and warehouse uses where they support the primary core industrial role.
- Discourage office and commercial uses which are not ancillary to the industrial use.

4.2 Industrial strategies and Policy context (Non-Statutory)

Recent strategic work by Council identifies Fishermans Bend as a regionally significant industrial, business and employment precinct.

Council research indicates that Fishermans Bend continues to be a vibrant and successful employment area with long term economic potential. Consequently, it is considered important that the State Government consider the regional and State economic significance of the area before any decisions are made which may compromise the future of Fishermans Bend and its current economic role.

This consideration must be undertaken as part of the development of the Metropolitan Strategy which is currently underway.

Council's strategic work also identified that there are significant renewal opportunities in the South Melbourne Industrial Precinct (Montague) and that opportunity exists for a change in land use and built form which capitalises on its proximity to the CBD, Docklands and South Melbourne.

Fishermans Bend Planning and Economic Development Strategy (2010)

The purpose of the *Fishermans Bend Planning and Economic Development Strategy* is to identify the future role of the Fishermans Bend Industrial Precinct and to recommend economic development and planning initiatives that will facilitate development.

The Strategy identified that Fishermans Bend represents two distinct precincts:

- Port Melbourne
- South Melbourne (Montague).

It identified different futures for the two precincts reflecting current land use patterns and future land use and development opportunities.

The Strategy's vision is that:

Fishermans Bend will continue to evolve into Melbourne's pre-eminent high technology industrial precinct delivering increasing opportunities for employment and business development within an environmental industry business cluster while redefining the role of industrial land in the South Melbourne to accommodate a shift in land use to better utilise existing infrastructure.

The Strategy was adopted by Council in 2010 but is not yet reflected in the Port Phillip Planning Scheme. The Strategy's vision for the Port Melbourne portion of Fishermans Bend is that:

The Port Melbourne area will continue to evolve into Melbourne's preeminent high technology industrial precinct delivering unparalleled employment and economic development opportunities for businesses and residents in the City of Port Phillip. Reflecting its unique attributes, Port Melbourne will continue to attract progressive high value adding industrial organisations focussing upon production, services and distribution activities requiring high tech industrial facilities within a high amenity and environmentally sustainable industrial environment.

The Strategy outlines a vision for Montague:

'The South Melbourne area presents a significant opportunity for future redevelopment, representing a shift from the traditional industrial service businesses that currently occupy the area to any number of higher order land uses. Given the area's location attributes, good access to public transport and strong urban structure with a tight, grid street pattern, South Melbourne could provide an ideal location for more intensive office and residential activities in the long term, subject to further investigation.'

The Strategy makes a series of key recommendations that seek to redefine the role of the Montague Precinct. A key objective of the Strategy is:

- To facilitate appropriate redevelopment and change to achieve a pattern of land uses and an enhanced built form that capitalises on the area's accessibility and its proximity to major metropolitan features such as Docklands, the CBD, the Convention Centre, the Exhibition Centre, the Casino and Southbank.

The Strategy outlined a number of preliminary observations to 'inform' any future study. These include:

- The opportunity to create something different in this part of South Melbourne.
- Immediate to medium term opportunities to revitalise the area. Opportunities may include:
 - Rezoning the whole area to a Business 3 Zone, to allow a mix of industrial and business uses.
 - Stimulating redevelopment along Normanby Road and City Road.
- The potential for a mix of uses, including the possibility of residential uses, within that part of the Precinct to the south of the light rail. Rezoning to a Business 2 or a Mixed Use zone could facilitate this outcome.
- Opportunities for redevelopment beneath the M1 Undercroft.

The Strategy recommended a series of actions:

- Council prepare a Structure Plan and Urban Design Framework for the Precinct.
- Involve property owners, investors and the community in determining future planning opportunities for the area.
- Consider future land use and built form options for Crockford Street as part of the Bay Street Structure Plan.

4.3 Southbank Structure Plan (City of Melbourne 2010)

The Southbank Structure Plan 2010 provides direction for the area within the City of Melbourne, to the east of Montague.

It provides a new vision and strategy for the future development of Southbank that will lead to a more lively, accessible, liveable and sustainable neighbourhood.

The Structure Plan 2010 proposes a suite of short, medium and long term initiatives which seek to achieve:

- Three new local activity nodes
- Connect and integrate Southbank with the Central City and the Yarra River
- A high quality, expanded public realm
- A new streetscape vision
- A connected and permeable neighbourhood
- Sustainable buildings and sustainable infrastructure.

4.4 Council Plan (2009 – 2013)

The Council Plan establishes four key directions for the municipality:

- Engaging and governing the city.
- Taking action on climate change.
- Strengthening our diverse and inclusive community.
- Enhancing liveability.

The Plan emphasises liveability through creating a strong sense of place, preserving heritage assets and creating new public open spaces across the City's neighbourhoods.

The Council Plan emphasises taking action on climate change through prioritising sustainable travel modes, promoting ESD in new development and identifying opportunities for sustainable infrastructure.

The Plan seeks to create a diverse and inclusive community through encouraging housing diversity, prioritising the delivery of community facilities hubs and emphasising the delivery of affordable and community housing.

The following Strategic Directions are relevant to the development of the Structure Plan for Montague:

- **Take Action on Climate Change**
 - Facilitate community action in reducing potable water and non-renewable energy use.
 - Promote transport modes that minimise energy use.
 - Investigate and manage the impact of climate change on the city's assets and infrastructure
 - Encourage and support community gardening initiatives in the city.
 - Seek opportunities for Council and the community to produce renewable energy.
- **Strengthen our Diverse and Inclusive Community**
 - Maintain and seek new emerging opportunities for affordable housing that meets community needs.
 - Build on local strengths to develop active, connected communities.

- Provide for equitable access to a range of services.
- Ensure the quality and accessibility of children's and family services.
- **Enhancing Liveability**
 - Maintain and build upon the unique character of the city's neighbourhoods.
 - Preserve our heritage, valuing the past and planning for the future.

4.5 Relevant Council Policy and Strategies

Public Realm and Open Space

Greening Port Phillip: An urban forest approach (2010) – City of Port Phillip

An urban forest is the sum total of all trees and associated vegetation growing within an urban area.

Trees and other vegetation in public and private spaces can be thought of as an urban forest that provides shelter, shade, beauty, cleans the air, regulates the temperature (heat island effect), reduces energy needs of nearby spaces, treats and cleans stormwater, reduces loads on stormwater drains, protects and increases the life of infrastructure and provides habitat.

The Urban Forest Strategy sets out the following Vision:

“The City of Port Phillip will have a healthy and diverse urban forest that uses innovative greening solutions to enhance the community's daily experience, ensuring environmental, economic, cultural and social sustainability for future generations.”

Council's emphasis on greening Port Phillip is driven by two primary objectives:

1. *Enhancing liveability:*
Creating a sense of place, shaping the future of Port Phillip and caring for our natural environment.
2. *Adapting and sustaining:*
Preparing the Port Phillip's community and council assets for a different climatic future

The City of Port Phillip is well positioned to achieve its vision because:

- The municipality is located in a landscape of natural beauty – Port Phillip Bay, right next to the heart of Melbourne, creating a unique and desirable place to live and work.
- Good planning in the past has left a legacy of beautiful and green historic parks, public and private gardens and many tree lined streets that contribute to a mature tree canopy cover and greening across most of our neighbourhoods.
- There is a high level of awareness and commitment within the community of the need to take action now to ensure the current liveability is enhanced into the future.

Renewal areas, such as Montague, have the potential (and the responsibility) to make a significant contribution to creating an urban forest, through the combined actions of Council, developers and ultimately the local community.

More specifically the following elements can contribute to greening in a higher density setting:

- Balcony gardens
- Rooftop gardens and green roofs

- Vertical gardens – vegetation growing up the walls of buildings and fences
- Street trees, shrubs and ground covers on nature strips /median strips.
- Trees and gardens in public open space.

All of these green spaces form an urban forest that can provide an essential balance to a highly urbanised environment and have a direct impact on the daily lives of residents and visitors, as well as to the liveability of the place long term.

Open Space Strategy (2006 – Revised 2009)

The *Open Space Strategy* guides the management and upgrade of open space in the city to achieve the Council's vision for open space being:

“A City where public open spaces define the city's character and respond to its people's need for places to rest, recreate and be inspired.”

The Strategy recognises that the City's public open space resources will face continuing pressure in the context of; on-going development and scarce land resources; increasing regional-level use; higher population densities and a growing dominance of apartment style development with limited private open space.

The Strategy sets out *Open Space Principles*. The following aspects are of particular relevance to Montague:

- Optimising the provision of open space by increasing the amount of useable space in appropriate locations to offset increases in population.
- The use of urban design strategies that provide functional and pleasing spaces irrespective of size.

- Strong design elements in the creation of open space to inspire people and develop parks that respond to community needs.
- Creating connections between spaces to maximise use and functionality.
- Ensuring new (adjoining) residential development maintains/enhances the values of open space.
- Ensuring that public open space is accessible for all.
- Including streetscapes as open space by designing and treating streetscapes that respond to a range of potential uses.
- Creating sustainable open spaces.

The Strategy defines *Minimum Requirements for Open Space* as follows:

- A social family recreation space and an off-road trail within 400 metres.
- Outdoor playing fields within 800 metres.
- Easy access to dog walking spaces, including dog off-lead spaces.
- Access to outdoor spaces for relaxation within easy access of all places of work.

These *Open Space Principles* and the *Minimum Requirements* for open space have been reflected in the Port Phillip Planning Scheme as Local Policy (Clause 21 - MSS) and also through establishing a city-wide mandatory 5% public open space contribution (via Clause 52.01).

Clause 21.04-5 of the Port Phillip Planning Scheme relates to open space and sets a vision for:

“A city where public open spaces define the city’s character and respond to its people’s need for places to rest, recreate and be inspired.”

“Streetscapes provide opportunities for public use, particularly for communal meeting and exercise. The design and treatment of streetscapes should respond to these uses”.

Specific *objectives and strategies* seek to:

- Provide all residents with access to high quality open space within walking distance of their home (400-500 metres).
- Ensure that public open space offers a diversity of functions and experiences and continues to host a range of leisure, tourism, recreation, cultural, social and sporting activities to meet the needs of all users.
- Ensure public open space areas and facilities are accessible for use by people of all ages and abilities.
- Maximise public safety within all public open space areas, through applying Crime Prevention through Environmental Design principles to the design of all spaces and connections.
- Identify and support the establishment of new open space linkages, and the improvement of existing linkages, to connect public open space areas throughout Port Phillip and to the regional open space network.

Clause 52.01 of the Port Phillip Planning Scheme includes a city-wide requirement for a 5% public open space contribution upon the subdivision of a lot / building.

In the case of Montague, where new intensive development forms will generally not include private open space, it is anticipated that a contribution proportion higher than 5% will be applied to ensure an adequate provision of high quality open space can be achieved.

Open Space Standards for Higher Density Urban Areas:

The ‘standards’ for the provision of public open space (including size, distance from dwellings, location, design and functionality) will differ depending on the context of the urban environment, demographics, and locational constraints and opportunities.

In planning for large scale inner urban renewal areas such as Montague, the standards for public open space provision must recognise the creation of a more intensive urban environment than found more generally across the inner region and in other parts of Port Phillip.

The provision of sufficient, high quality open space is critical in a dense urban setting where few dwellings will have any private open space beyond balconies, and therefore where demands on public open space will be high.

There are currently no National or State agreed ‘standards’ for the provision of public open space in inner areas (unlike growth areas located on the fringe).

Standards set for growth areas are a starting point only, as it must be recognised that these standards are based on urban forms which include the existence of significant private open space but also greater land availability.

Standards set by the Growth Areas Authority (GAA) through its *Precinct Structure Planning Guidelines* require that:

- 10% of the net developable area should set aside for public open space, with 6% for active uses.
- 3ha per 1,000 persons, of which 1.5ha is for organised recreation.
- Open space should be within a 'walkable distance' for every resident.

The *Planning for Community Infrastructure in Growth Areas report (2008)* established delivery models for public open space which recommend that for a population of between 10,000 and 30,000, 8ha of indoor and outdoor active recreation facilities and 1ha of passive open space should be provided.

A number of documents do establish principles and propose standards for public open space provision in higher density environments. This can be used as an indication of current 'best practice' for application to Montague.

Higher Density Residential Development Guidelines (2004) – Department of Sustainability and Environment:

These Guidelines were created to help ensure appropriate standards are applied to higher density housing developments as more Victorians choose to live in apartments and units across Melbourne.

The guidelines do not stipulate or regulate specific standards for open space, but rather encourage the creation of space appropriate to its context and to ensure new public open spaces contribute to a safe, attractive and well used public environment.

The standards identify that open space can take a variety of forms including neighbourhood parks, squares or plazas. These are stated as being most successful if they are relatively small (not larger than a block), lined with active edges, with access to sun and

shade and opportunities for passive recreation. They can provide a focus for community activity and should be located in prominent, important, easily accessible places. Direct access to important pedestrian routes integrated with an area's wider circulation network will support the regular use of such open spaces, and will assist in supporting their vitality and safety.

Best Practice Open Space in Higher Density Development (2012) - City of Charles Sturt:

This document was prepared to inform wider Local Government planning practice in relation to open space planning, provision, design and management. It has established a set of principles and guidelines for the provision of open space in higher density environments as follows:

- Planning must provide more public open space to compensate for less private open space being provided with individual dwellings.
- Benchmarks for growth areas are difficult to achieve in dense areas. There is a need to balance the provision of public, private and communal open space and that robust, quality and highly functional open space is often more important than quantity.
- Open space must balance hard and soft spaces, and to ensure wellbeing it must have a 'green' settings. It should be pleasurable, interwoven into the urban fabric and linked to community facilities.

Key recommended standards include:

- Total provision of open space within a higher density urban development to be 2ha per 1,000 people, or 25% of the developable land.
- At least one space of 0.5ha should be established.

- All residents should be within 250m of an open space that is at least 0.25ha in size.
- Residents should within 2-3 minutes walk of park or plaza space that facilitates activity.
- A wide boulevard that provides pedestrian or cycle connection and has a verge width of 8 metres minimum, could be part of open space provision.
- Open space should have the potential to be integrated with community facilities.
- Linear walking and cycling connections should connect surrounding space and places.
- Open space for district level sport should be located within 5km.

A core principle is that *detailed planning should define the required provision, and location of open space, prior to development*.

Vertical Living Kids (2009) - Vic Health and University of Melbourne:

Planning open space for a demographic and age diverse community, and promoting child friendly high rise environments were the research drivers for the *Vertical Living Kids* report. The key findings of the report were that:

- Children value all spaces as social spaces, not only playgrounds.
- The public realm should be designed as a space of play; as both a destination and link to primary open space if children are use the space.
- Children prefer a hierarchy of play spaces, including formal spaces and informal adventure spaces.
- Alleys (lanes) and streets are popular play spaces.

- Delivering a spatial hierarchy of interesting play spaces is fundamental to child and adolescent development, as well as providing an outlet for healthy exercise.
- Reducing the distance to open space and play spaces supports children in high rise environments.
- Having schools within walking distance is particularly important, and that children within 800m of schools were 5-10 times more likely to travel to school by active travel modes.
- Widening sidewalks, reducing traffic speeds and volumes and introducing street furniture encourages children to use the streets.

The study recommended adopting Singapore's Standards for the provision of child friendly open space in high density environments as follows:

- One children's playground per 1-2,000 dwellings
- One hard court per per 1-2,000 dwellings
- One precinct garden of at least 0.02 ha per 3,000 dwellings
- One neighbourhood park of at least 1-1.5ha, plus one playing field for every 6,000 dwellings
- One town park of 5-10ha, including swimming and sports complex for every 150,000 residents.

Access and Movement

City of Port Phillip's Sustainable Transport Strategy 2011 – A Connected and Liveable City

Council's vision is for a connected and liveable city where residents, visitors and workers can live and travel car free by improving the convenience, safety, accessibility and range of sustainable travel choices across our City.

To achieve this vision, Council is committed to making decisions based on a Road User Hierarchy that prioritises walking, bike riding and public transport above private car use.

This strategy sets out plans to achieve:

- An aspirational 50% reduction in community greenhouse gas emissions per person by 2020 (based on 2006 levels).
- Reduced private vehicle travel by residents from 78% to 53% of total distance travelled
- Increased travel by residents using walking and bike riding from 9% to 20% of total distance travelled.
- Increased travel by residents catching public transport from 13% to 28% of total distance travelled.

The *Sustainable Transport Strategy* aims to meet the needs of residents, visitors and commuters while minimising the negative impacts that cars have on our community.

In planning for a safe and well connected transport system, Montague reflects the Road User Hierarchy and will give priority to transport modes in the following order:

- Walking
- Bike Riding
- Public transport
- Vehicles.

The Sustainable Transport Strategy has informed the Access and Movement and Public Realm Plans for Montague and will enable Council to make decisions within the context of the long term vision.

The Plan has applied the Road User Hierarchy in determining the role and function of each street and in developing an access and movement network across the Montague Precinct.

Walk Plan 2011–2020 - Feet First: Making pedestrians the priority

The Walk Plan aims to make walking the first and best way to get around Port Phillip, with more people of all ages choosing to walk more often and to more places. Achieving this vision means walking in Port Phillip must be convenient and accessible, safe and enjoyable.

The Walk Plan has twelve strategies:

1. Develop a Principal Pedestrian Network (PPN)
2. Prioritise the crossing of roads and local streets
3. Improve the walking environment at key destinations
4. Improve walking directions
5. Improve the accessibility and safety of our streets
6. Create places for people
7. Integrate walking with public transport
8. Advocate for walking improvements
9. Improve coordination across Council
10. Promote and raise the profile of walking
11. Improving walking through behaviour change
12. Measure and monitor walking levels.

Council is currently developing the PPN. Strategies have informed the Montague Access and Movement Strategies.

Making pedestrians the priority is vital if Montague is to develop as a great place to live, work and visit. With a projected growing population and increased density this will mean more cars on the road and more people on our streets. In response, the Plan for Montague will need to challenge the traditional hierarchy of road users which emphasises the dominance of motor vehicles.

Bike Plan 2011-2020

The City of Port Phillip is one of Australia's most popular spots for bike riding. The Bike Plan seeks to develop biking infrastructure, so riding is convenient, safe, efficient and enjoyable for all. The plan also seeks to motivate more people of all ages and from all backgrounds to get on their bikes more often.

Although Montague has wide streets capable of accommodating bike riding infrastructure it does not currently have the on or off-road infrastructure for bike riding to be conducted as either a recreational or commuter experience.

Within Montague bike riding could offer the quickest and most efficient mode of travelling for short and medium distances. Riding will also assist in connecting the community and deferring the need for further road upgrades – thus delivering a substantial economic benefit.

The most tangible benefit of planning for a bike riding network is that it is the only mode of transport that generates zero carbon emissions. This aligns with CoPP's ambitious target of reducing its community greenhouse gas emissions 50% by 2020.

Built Form

Activating Laneways Strategy (2011)

Laneways provide opportunities for unique public spaces. Away from the hustle and bustle of streets and main roads, lanes can offer intimate spaces for pedestrians and allow for convenient short cut routes to adjoining streets and key destinations.

The City of Port Phillip has over 42 kilometres of laneways and Rights of Way (R.O.W).

The Strategy was prepared to provide a framework for Council to manage laneways and identify and make strategic improvements where necessary. The Strategy also seeks to identify a selection of lanes within and/or close to areas such as Activity Centres, regionally significant open spaces and public transport networks and provide a framework to promote future activity within them.

Laneway designations were determined by a range of factors including (but not limited to) their land use zoning, heritage significance, through-block pedestrian access, interface sensitivities, laneway edge conditions and physical attributes.

'Activation' can be in many forms, whether its enhancement of the public realm to improve pedestrian connectivity, promoting quality building edges to provide better engagement with the lane and/or to allow for gathering spaces and possibly events within laneways.

The Strategy classifies lanes as:

- Destination Laneways
- Active Laneways
- Connecting Laneways
- Maintain or Enhance Laneways (Access Laneways).

Montague contains a network of existing lanes and right of ways, some of the lanes are in their original bluestone from whilst others have been substantially altered. The lanes within Montague were not included in the Strategy.

As part of the Plan and to enhance permeability, provide access and create distinctive and intimate spaces, Council will apply the Activating Laneways Strategy in the development of an Access and Movement Plan and Public Realm Plan for Montague.

Heritage Kerbs, Channels & Laneways (2005)

Heritage Kerbs, Channels and Laneways are guidelines that inform the conservation and enhancement of laneways located within Heritage Overlay precincts of the City of Port Phillip.

The Guidelines identified the following types of kerb and channelling and laneways that are of cultural significance to the City of Port Phillip:

- Bluestone kerb and channelling constructed up to the 1930s
- Bluestone pitched crossovers
- Kerb and channel furniture such as pit grates installed up to the 1930s
- Fully pitched bluestone laneways with channels

- Laneways containing bluestone channels and furniture such as manhole covers installed up to the 1930s.

These guidelines have informed the development of Montague Precinct Structure Plan to ensure that the fine grained active heritage and character laneways within the Precinct are revitalised and preserved.

Community Facilities

Community Hubs Strategy (2004)

The Community Hubs Strategy recognises the value and potential community facilities to provide opportunities for community participation and to contribute to social cohesion and well-being.

A community hub is described as a hive of related activities that are located together or close to each other in order to share resources, audiences and target groups.

Community hubs can contribute to an accessible service and activity network linked to other major activity areas within the city.

Council's policy goal is to lead and promote the development of a sustainable network of planned, integrated and flexible community hubs providing services, activities and community spaces, in identified areas across the municipality.

Principles

The Strategy is guided by the following principles:

- Accessible and equitable service provision for all ages, abilities and social and cultural backgrounds.
- Improved opportunities for social cohesion and well-being through our community hubs.
- Maximized community engagement and effectiveness of community facilities.
- Maximized functionality of community facilities.
- Optimized use of existing Council and other community infrastructure.

These principles have informed the development of the Plan. A key aim in the Precinct is to ensure that the accessible and diverse community services and facilities are available to contribute to liveability and foster community connections.

Environmental Sustainability

Toward Zero – Sustainable Environment Strategy (2007)

Toward Zero is a strategic framework outlining Council's responsibilities in enabling and fostering local sustainability outcomes. It includes the following performance targets:

	Community Targets:	Council Operations and Services Targets
Reduction in Greenhouse Gas (GHG) emissions by 2020	50% reduction in GHG emissions by 2020	Zero net GHG emissions by 2020
Reduction in potable water use	50% reduction per capita potable water use	70% reduction in potable water use by 2020
Waste	Towards zero waste	Towards zero waste
Materials	(No target)	70% reduction in the use of "unsustainable" products or materials.

Toward Zero informs the Structure Plan with an aim to adopt targets to reduce emissions and unsustainable resource use through the entire life cycle of buildings and infrastructure within the Precinct.

5.0 Existing Conditions

This section provides an analysis of the existing conditions within the Precinct. This includes existing planning controls, land use, community facilities, built form, physical conditions, heritage, open space, the public realm and transport / access.

A Census of Land Use and Employment (CLUE) of all properties in the Precinct was undertaken in February 2011 to provide comprehensive information about land use, employment and economic activity and trends. Council undertook a similar survey of the area in 2007 which provides a basis for comparison, and the identification of trends and changes.

This section outlines the general findings of the data review. Implications for the Montague Precinct Structure Plan are summarised in Section 7 – Analysis: Key Implications.

5.1 Planning Scheme Controls

Zoning

The Industrial 1 Zone currently applies to a large proportion of land within Montague. The exceptions are the land fronting Boundary Street, which is currently zoned Industrial 3, a small number of properties around the City Road and Montague Street intersection which are zoned Business 1 and the Montague Continuing Education Centre and part of the Port Melbourne Light Rail (both zoned for Public Use).

Industrial 1 Zone (IN1Z)

- The IN1Z primarily provides for manufacturing industry and the storage and distribution of goods.
- A freestanding office in an Industrial 1 Zone is subject to a planning permit; however the maximum allowable floor area is restricted to 500 square metres.
- Residential uses (other than Caretaker's Houses) are prohibited.
- A number of retail uses are subject to a permit (Section 2 use). These include convenience shop, restricted retail premises, food and drink premises, landscape gardening supplies, and trade supplies.
- A shop (other than an adult sex bookshop, convenience shop and restricted retail premises) is a prohibited use.

Industrial 3 Zone (IN3Z)

- The IN3Z aims to provide a buffer between the Industrial 1 Zone and local residential communities.
- The main difference between the Industrial 1 and the Industrial 3 Zones is that industry and warehouse uses require a planning permit in the Industrial 3 Zone.

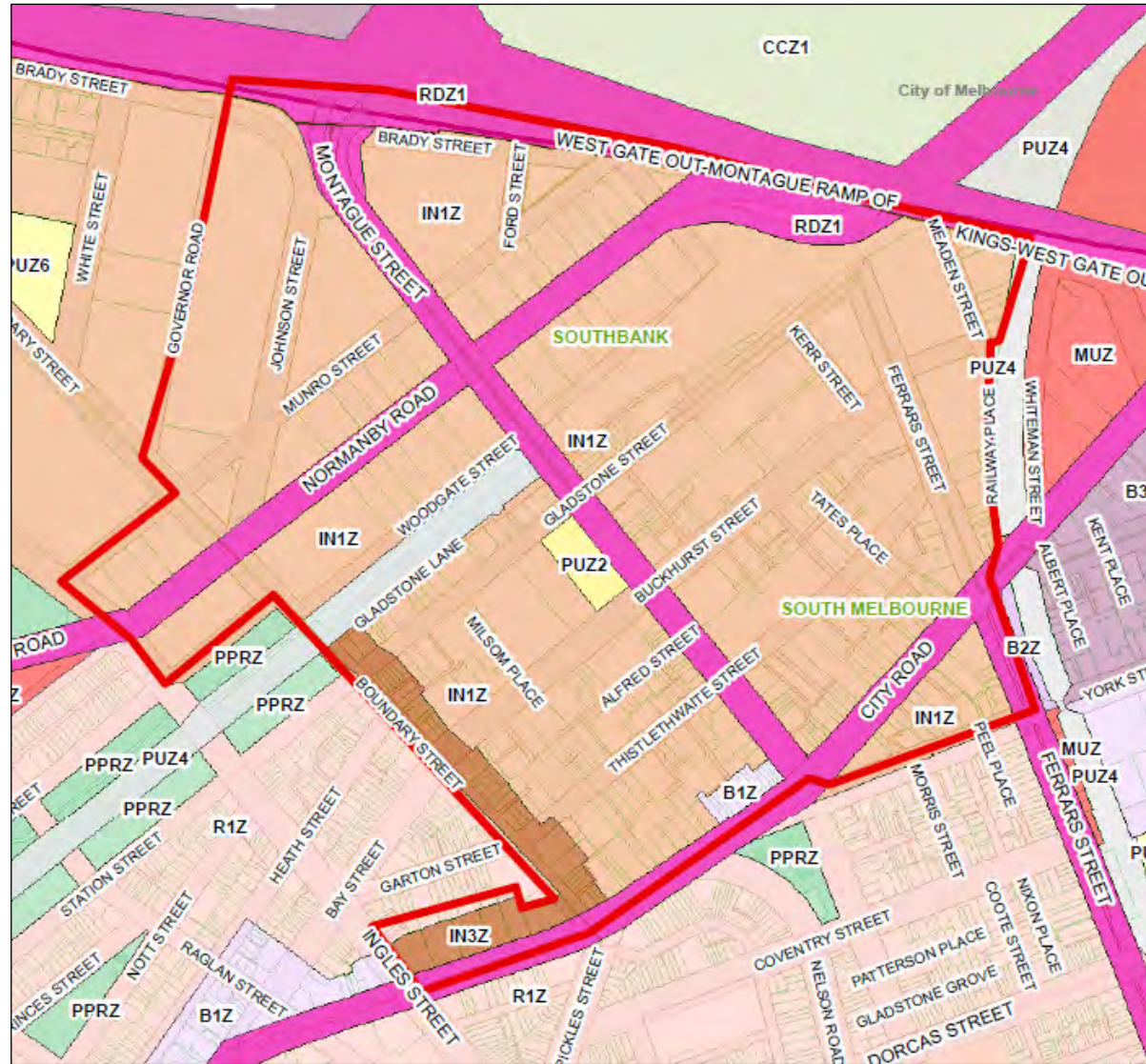


Figure 5: Current Zones

Overlays

- **Design and Development Overlay (Schedule 2) (DDO2)** applies to 11-31 Montague Street specifying a maximum building height of 45 metres with a 12 metre street-wall. The objectives are to encourage development that is of sufficient scale and design quality to contribute positively to the West Gate Freeway viewscape, surrounds and to contribute to the diversity of the urban character. (Introduced by Amendment C5, 2000)
- **Design and Development Overlay Schedule 9 (DDO9)** Docklands Buffer applies to a triangle of land between Normanby Road, Boundary Street and Johnson Street. DDO9 seeks ensure that the redevelopment of the Docklands area is not prejudiced by the development of high structures on nearby land which may detract from the appearance of the area. It requires applications of over seven metres to be referred to VicUrban (now Places Victoria). (Amendment C5, 2000)
- **Heritage Overlay** applies to a number of properties in Montague. The Heritage Overlay seeks to conserve and enhance heritage places of natural or cultural significance. (See Section 4.5)
- **Special Building Overlay** applies to land between Montague Street, Gladstone Street and Woodgate Street. It identifies land in urban areas liable to inundation by overland flows from the urban drainage system. The purpose of this overlay is to set appropriate conditions and floor levels to address any flood risk to developments.

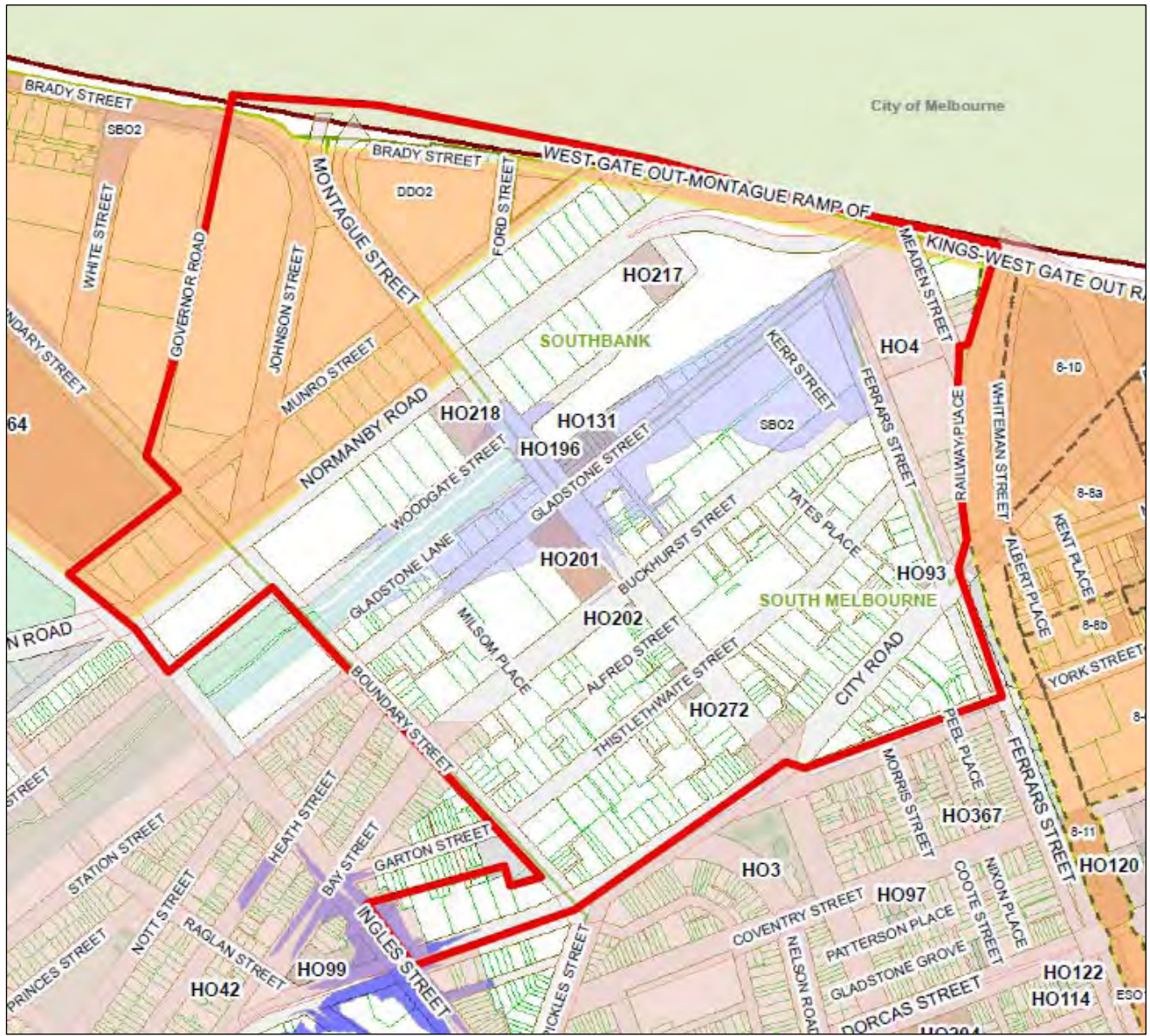


Figure 6: Current Overlays

5.2 Existing Land Use Conditions

There is a broad mix and diversity of land uses in the study area, the following section outlines the findings of the Census of Land Use and Employment undertaken in 2011 (CLUE) and also an analysis of planning permit applications.

The CLUE survey collected information, including:

- Industry structure and type (Australia and New Zealand Standard Industry - ANZSIC code and number of establishments or business locations)
- Floorspace type and use (office, retail, industrial, accommodation, entertainment, office vacancy rates etc)
- Employment type and status (Full time, part time, casual, contractor, male and female)
- Building information (Number of floors and floor area)
- Size and capacity of different uses (including the number of seats in cafés, the size of schools and child care centres and the number of off street car parking spaces)
- Number of residential dwellings.

Summary of land uses in the Precinct

Although different land uses are scattered throughout the Precinct, there are distinct clusters of industries:

- There is a cluster of car-related industries (which includes panel beaters and wholesalers) in the Southern Neighbourhood and a cluster of creative industries especially in the eastern portion of the Southern Neighbourhood and City Road Corridor.

- Heavy industrial use is almost absent from the Precinct, whilst light industrial, service industry, machining and assembly is scattered throughout.
- Office uses are dispersed although there is a distinct concentration along Normanby Road.
- Retail and commercial business are predominantly located on City Road and Montague Street to take advantage of the high volume passing traffic.
- There is a small amount of remaining residential dwellings and caretakers' dwellings throughout the Precinct.
- There are few community and education uses in the Precinct, except The Montague Continuing Education School (located on Montague Street) and a private childcare centre on Normanby Road.
- There is no activity centre within the Precinct.

Businesses in Montague

At the time of the CLUE survey there were 311 businesses in the Precinct. There was a small decline in businesses between 2007 and 2011 (from 304 to 290).

NB - The precinct in 2007 did not include the triangle of land bounded by City Road, York Street and Ferrars Street.

Size of businesses

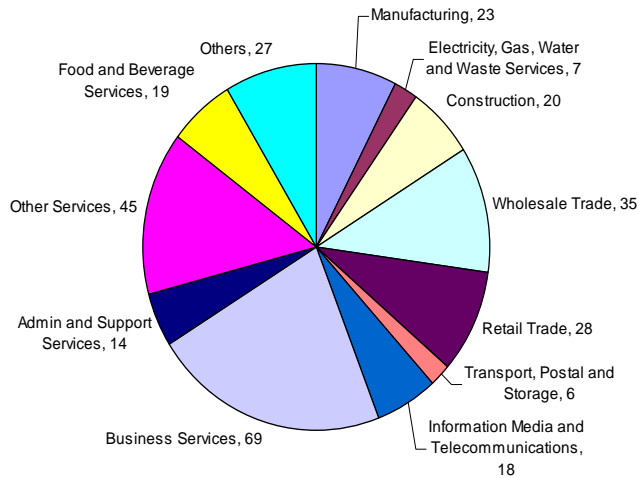
Businesses in Montague are mostly small and medium sized businesses. 85% of businesses have less than 20 employees. 41% have less than five. Only five businesses have more than 100 employees.

Figure 7 shows the number of businesses in the Precinct by ANZSIC code (source CLUE 2007 and 2011).

Key business trends:

- The Business Services sector (includes accounting, legal, advertising, architectural, market research and other services to business) has the highest number of businesses (69 or 22%). This has remained static between 2007 and 2011.
- Other Services (includes automotive repair and maintenance, machinery and equipment repair, personal services e.g. hairdressing and beauty, laundries, photo processing, brothel keeping) has the second-highest number of businesses (45 or 14%) but only employs 255 people. This sector saw a small decrease (5%) between 2007 and 2011.
- Wholesale Trade (which includes materials, motor vehicle and grocery wholesaling) has the third highest number of businesses in the Precinct (35 or 11%) This sector saw a decrease of 27 per cent between 2007 and 2011.

Figure 7 - Number of businesses by industry

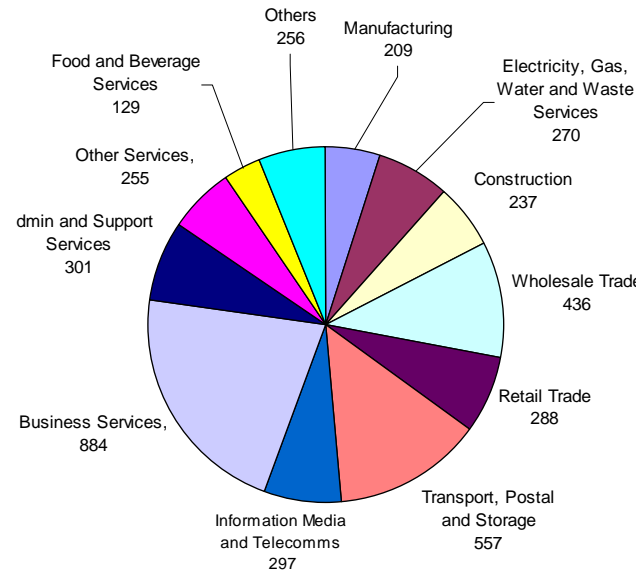


Employment

At the time of CLUE, 4,119 people were employed in the Precinct. Employment within the Precinct has declined since 2007¹, from 4,034 employees in 2007 to 3,849 employees in 2011.

Figure 8 shows employment in the Precinct by ANZSIC code (source CLUE 2007 and 2011).

Figure 8 - Employment by industry



Key employment trends:

- Business Services (includes accounting, legal, advertising, architectural, market research and other services to business) is the biggest employer (884 employees or 21%). The number of employees increased by 23% from 2007 to 2011.
- Transport, Postal and Storage is second biggest employer. It employs 557 people in the Precinct or 13.5% of the workforce. Employees in this sector increased by 13% from 2007 to 2011.
- Wholesale Trade (includes materials, motor vehicle and grocery wholesaling) is the third largest employer (436 or 11% of the workforce). The workforce in this sector decreased by 36 percent between 2007 and 2011.

* Other Services sector (which includes automotive repair and maintenance, machinery and equipment repair, personal services e.g. hairdressing and beauty, laundries, photo processing, brothel keeping) has second-most businesses (45) but only employs 255 people.

¹ The Precinct in 2007 did not include the triangle of land bounded by City Road, York Street and Ferrars Street.

Key land uses in Montague

Manufacturing and warehousing

The Montague Precinct has traditionally been part of a cluster of manufacturing, trade and industry in Port Phillip with activity clustered in the northern parts of the municipality around Port Melbourne, South Melbourne and Melbourne (St Kilda Road). Uses include manufacturing, warehouses (and distribution) and lighter industrial uses and car workshops (Figure 9).

In Montague, 29% (91) of businesses were in this sector, accounting for 41% of employees (1,709 employees). (Note – these figures include car-related businesses discussed in the following section.)

As highlighted in Section 4.2, *the Fishermans Bend Planning and Economic Development Strategy* identified that Montague, characterised by smaller industrial lots and proximity to the Melbourne CBD and good public transport access, provides an opportunity to be redeveloped for non-industrial uses in the future.

The Strategy recommended that future development in the Precinct needs to be considered within a broader context than simply as an industrial area. The Strategy found that the area is no longer a core industrial area and it is likely that development should move away from industrial uses in order to maximise future business and employment outcomes.

Car-related businesses / service industries

A noticeable characteristic of Montague is the high number of car-related businesses located throughout the Precinct in the form of crash repairs, mechanics, tyre supplies, and showrooms. (Figure 11)

45 businesses in the Precinct are car-related (14% of businesses).

There is a substantial cluster of car businesses in the Southern Neighbourhood - particularly in Buckhurst, Thistlethwaite and Montague Streets.

ANZSIC Code	Industry	Number of businesses
Automotive Electrical Component Manufacturing	Manufacturing	1
Other Motor Vehicle Parts Manufacturing	Manufacturing	1
Car Wholesaling	Wholesale Trade	6
Car Retailing	Retail Trade	8
Motor Vehicle Parts Retailing	Retail Trade	2
Tyre Retailing	Retail Trade	3
Automotive Electrical Services	Other Services	2
Automotive Body, Paint and Interior Repair	Other Services	12
Other Automotive Repair and Maintenance	Other Services	10
Total		45 businesses 14% of businesses

Source: CLUE 2011

Motor-related businesses are located in the Precinct due to natural agglomeration and clustering over time and because it is convenient for their customers to drop off their car and have easy access their workplace in the CBD / South Melbourne by public transport.

During consultation (in May 2011), a few businesses expressed concern about whether a change of zoning would force their relocation.

The Plan will need to take into account the continued operation of existing light industry, service industry and warehousing uses in the Precinct in the short to medium term while they remain viable. However a portion will decline over time in preference for residential, office and other service business uses.

Some businesses may be integrated into mixed use developments or continue to exist alongside residential and commercial development, a trend in Cremorne and Collingwood.

Creative industries

A unique element of Montague is its thriving creative cluster. Creative industries are defined as those producing product[s] or service[s] contain[ing] a substantial element of artistic or creative endeavour.

Strategic Direction 6 -The Creative City of Council's *Economic Development Strategy 2012-16* seeks for the City of Port Phillip to be renowned within Victoria and nationally as the 'creative city'.

The Strategy identifies three major clusters of creative industries in the municipality:

- Music and Performing Arts cluster in St Kilda
- Advertising and Marketing cluster in South Melbourne
- Writing, Publishing and Print Media cluster, also in South Melbourne.

It also identifies other smaller clusters in South Melbourne including:

- Architecture, Design and Visual Arts
- Music and Sound Recording
- Software Development and Interactive Content
- Architectural Services.

NB - South Melbourne includes South Melbourne Central and the Montague Precinct.

The CLUE survey assigned ANZSIC Classification to every business in the Precinct. The following industry classifications were identified as creative industries in the Montague Precinct.

Segment	ANZSIC 2006
Music and performing arts	<ul style="list-style-type: none"> ▪ 5521: Music publishing ▪ 5522: Music and other sound recording activities ▪ 9001. Performing arts operation ▪ 9003. Performing arts venue operation
Film, television and radio	<ul style="list-style-type: none"> ▪ 5511: Motion picture and video production ▪ 5514: Post-production services other than motion picture and video activities ▪ 5610: Radio broadcasting ▪ 5621: Free-to-air television broadcasting

	<ul style="list-style-type: none"> ▪ 5622: Cable and other subscription television broadcasting
Advertising and marketing	<ul style="list-style-type: none"> ▪ 6940: Advertising services
Software development and interactive content	<ul style="list-style-type: none"> ▪ 7000: Computer system design and & related services ▪ 5420: Software publishing ▪ 5700: Internet publishing and broadcasting
Writing, publishing and print media	<ul style="list-style-type: none"> ▪ 5411. Newspaper publishing ▪ 5412. Magazine and other periodical publishing ▪ 5413. Book publishing ▪ 5419. Other publishing (except software, music, internet)
Architecture, design and visual arts	<ul style="list-style-type: none"> ▪ 2591: Jewellery and silverware manufacturing ▪ 6921. Architectural services ▪ 9002: Creative artists, musicians, writers and performers ▪ 6924: Other specialised design services ▪ 6991: Professional photographic services

Based on this definition, 61 business or 19.6% of businesses in Montague are classified as 'creative' industries (Figure 10).

The most prevalent creative industries were:

- Computer system design and related services (12)
- Other specialised design services (related to architectural, engineering and technical services) (10)
- Advertising services (9)
- Architectural services (9).

The majority are located in the City Road Corridor and the Southern Neighbourhood. Of the 61 businesses:

- 50 were located in the Southern Neighbourhood (82 per cent)
- Ten in the City Road Corridor (16.4 percent)
- One in the Northern Neighbourhood (1.6%).

These industries employed 739 workers. (671 were fulltime employees). This accounts for 17.9% of employees in the Precinct.

The biggest employers in the Precinct are:

- Computer system design and related services (183)
- Advertising services (140)
- Book publishing (120 employees in one business).

Creative industries are located in the area due to affordable rents, vibrant and gritty inner city location, easy access to potential clients located in the CBD and good public transport accessibility and the co-location of like businesses.

However rises in land values due to the potential renewal of Precinct may have an adverse impact on the cluster. A challenge is to ensure that affordable space is available for businesses in this sector.

Further work is being undertaken to identify strategies and actions for retaining and enhancing the sector. Council is currently undertaking an economic benefit analysis for creative industries in Port Phillip, which will also look more closely at creative industries in Montague.

Offices

The CLUE survey identified that 81,836 square metres of floor space in the Precinct is used as office space. This accounts for 26% of total building floor area.

CLUE also identified that 38% of vacant space is office space. This has increased from the 2007 survey where vacant office space was 18% of all vacant space (5,692 square metres).

Given the Industrial 1 zoning, there are no large office developments in the Precinct. (The area of offices is limited in the Industrial 1 Zone to 500 square metres.)

The most significant cluster of offices occurs in the northern section of the Precinct along Normanby Road. The southern section of the Precinct also accommodates a dispersed pattern of offices.

Offices in the Precinct have been developed as stand-alone offices in some of the small existing buildings and as part of an industrial use.

Section 6.0 Market Analysis identifies that Montague has the potential to provide a different office 'product' than offered by alternative locations. It found that there is a demand for office space which is smaller scale and more affordable than current supply in the CBD, Docklands and Southbank.

Given its strategic location, the Precinct will continue to be attractive to small and medium businesses. There is likely to be growing demand driven by the professional services sector and further demand is also anticipated from the creative industries sector.

The Precinct also offers considerable opportunities to grow home-based businesses in the Precinct.

Retail Uses

Convenience retailing shops are dispersed throughout the Precinct. Milk bars and cafes serve the needs of the local workers and are open 9-5.

There are no supermarkets in the Precinct. The Coles, Woolworths and ALDI supermarkets in

South Melbourne and Coles Supermarket in Bay Street, Port Melbourne are the most accessible supermarkets to the Precinct. (See 6.0 Market Analysis for a discussion on retail provision in the Precinct.)

A few wholesale retail stores are found in the Precinct (e.g. Laura Ashley) as well as a few specialist stores such as hardware and craft and trade supplies especially along City Road (e.g. uniform suppliers).

Given the current lack of convenience retailing in the Precinct and projected growth in the resident and worker population, the Structure Plan should identify a location(s) for a retail activity centre, including a small supermarket (see 6.0 Market Analysis).

Cafes, restaurants and bars

There are a number of food and beverage premises in Precinct, including cafes, take away, bars and pubs. These mainly serve the working population and are mainly only open during the day. Others such as Neverland Nightclub serve a metropolitan market.

The 2011 CLUE survey identified one pub in the Precinct and 19 cafes / restaurants / bistros. The number of cafes/ restaurants/ bistros increased from 13 in 2007 to 19 in 2011.

CLUE found that the capacity (or number of patrons) of bars, taverns and pubs in the Precinct increased from 50 seats in 2007 to 120 seats in 2011. The capacity of cafes, restaurants and bistros increased from 248 seats to 418 in the same period.

The increase in cafes, restaurants and bars reflects the changes in other land uses in the Precinct (e.g. the growth in creative industries and the changing nature of the Precinct).

Residential uses

There are a small amount of remaining residential dwellings in the Precinct, include heritage houses on the corner of Gladstone and Montague Streets, and several dwellings at the southern ends of Buckhurst, Thistlethwaite, Gladstone Streets and along Boundary Street. As highlighted earlier, many of these houses are remnants of the Precincts residential past. There are also caretakers' dwellings throughout the Precinct.

There has been an increase in the number of dwellings within the study area – mainly in the form of caretakers’ dwellings. CLUE identified that the number of houses / townhouses increased from 26 in 2007 to 27 in 2011. Residential apartments have increased from 19 to 52.

Planning Permit Applications

An analysis of planning permit applications from 2000 to 2010 was undertaken in the Precinct.

Since 2000, there has been pressure for office and other non-industrial uses such as an education centre, retail motor vehicle sales, brothel, caretakers house and dwellings. It is interesting to note that these uses are not typically associated with an Industrial 1 Zone (Figure 12).

The largest planning application was for 15-87 Gladstone Street – MAB’s ‘Industry’ development. In 2006, a permit was granted for the use of land as offices, warehouses, a 30 seat convenience restaurant, gymnasium and car parking.

In total, 267 planning permit applications were received for the Precinct between 2000 and 2010. 86% of the applications were approved.

Trends

- The range of uses applied for has expanded since 2000.
- In 2000, there were four applications for trade supplies with a few applications received more recently in 2010. (Seven in total in 10 years).
- Applications for motor vehicle sales have been constant since 2002 (four applications) with at least two a year to 2010. There were 20 in total between 2000 and 2010.

- Education centres are a newer trend. Six have been applied for in last five years (2005-2010).
- A further new trend is for recreation facilities. Four applications for recreation facilities (e.g. dance studio, exercise studios) since 2005 but all were withdrawn / lapsed.
- Applications for stand alone offices have been consistent over the 10 years. There were 16 in total since 2000. These applications have mainly related to smaller building and sites in the Southern Neighbourhood. This is as a result of the 500 square metre limitation on office space in the Industrial Zone. Office uses have also been applied for as part of industry / showroom (nine applications.)
- There were eight applications for caretakers’ dwellings over the 10 years. Four in 2001, two in 2003, one in 2006 and a further application in 2007.

Planning permits by location

- Buckhurst and Thistlethwaite Streets are key locations for car related businesses e.g. motor vehicle sales.
- Applications in City Road have been for a mix of uses including a laundrette, medical centre and education centre.
- In Normanby Road, where there are larger sites, applications were mainly for motor vehicle sales, trade supplies and education centres.

Strategic Redevelopment sites and Underutilised Land

The Northern Neighbourhood has large vacant lots bound by the M1 / West Gate Freeway, Munro Street and Montague Street; on Johnson Street abutting the industrial land to the west and the remainder of the MAB site at 15-87 Gladstone Street in the Southern Neighbourhood.

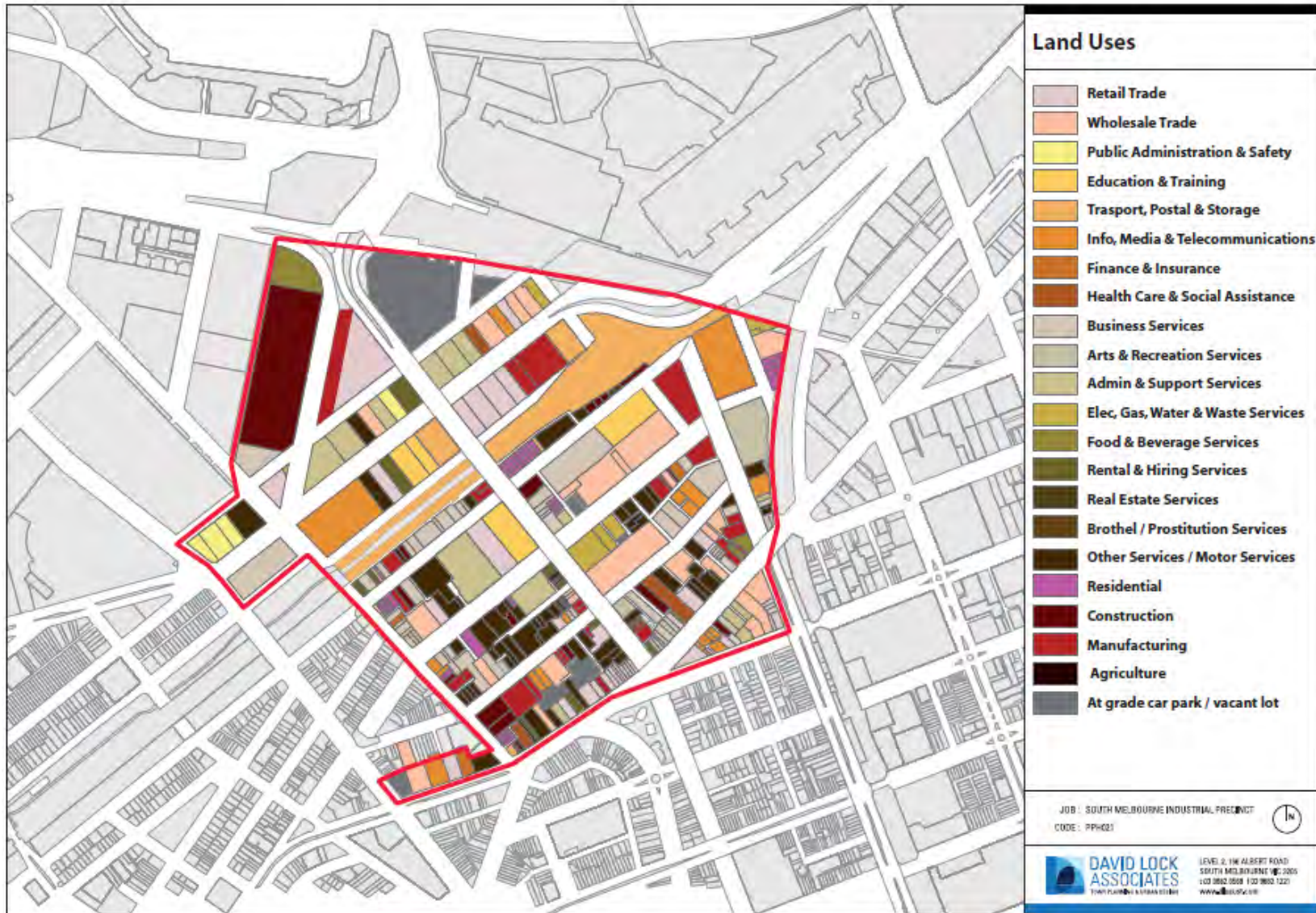


Figure 9: Existing Land Uses

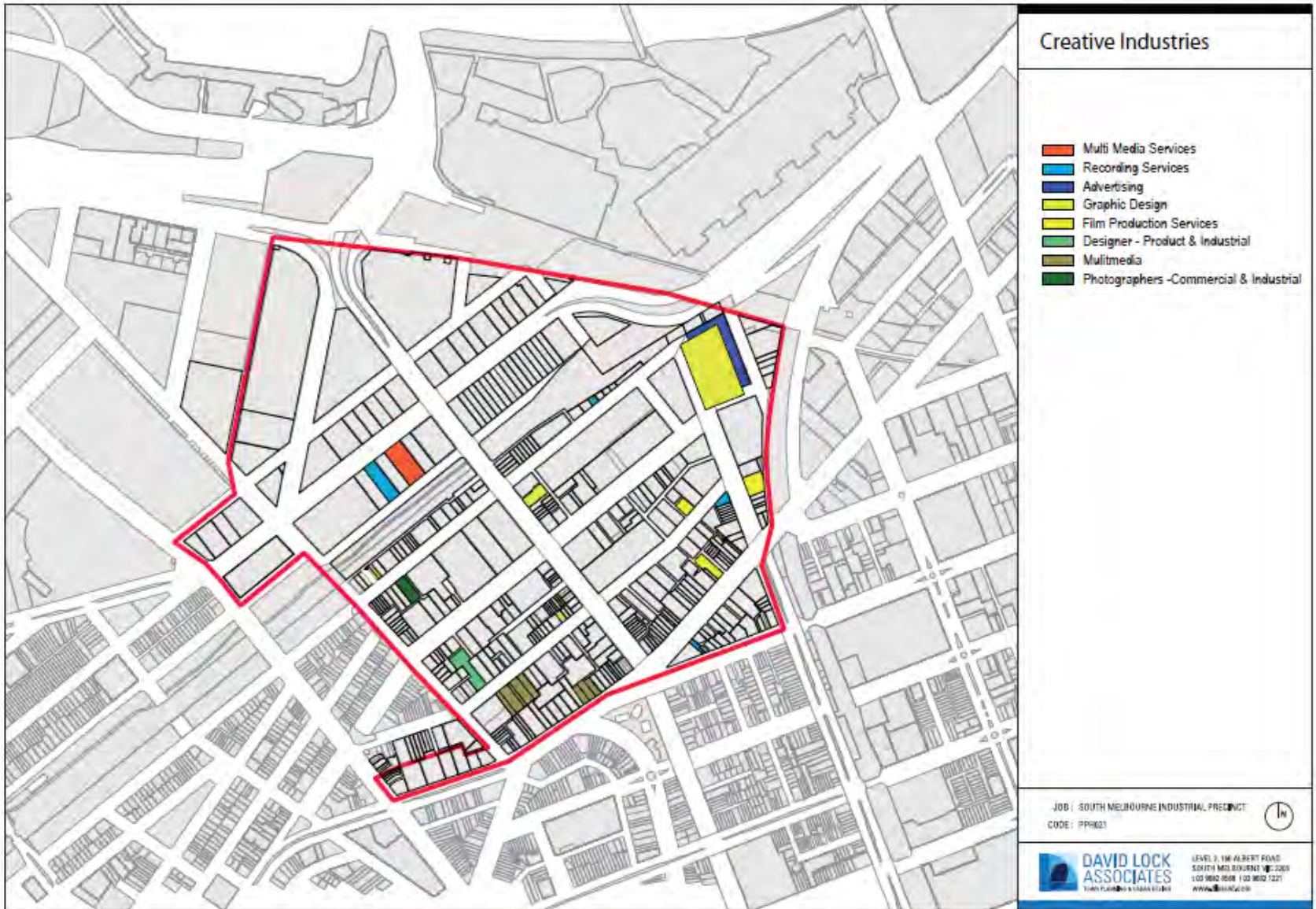


Figure 10: Creative Industries

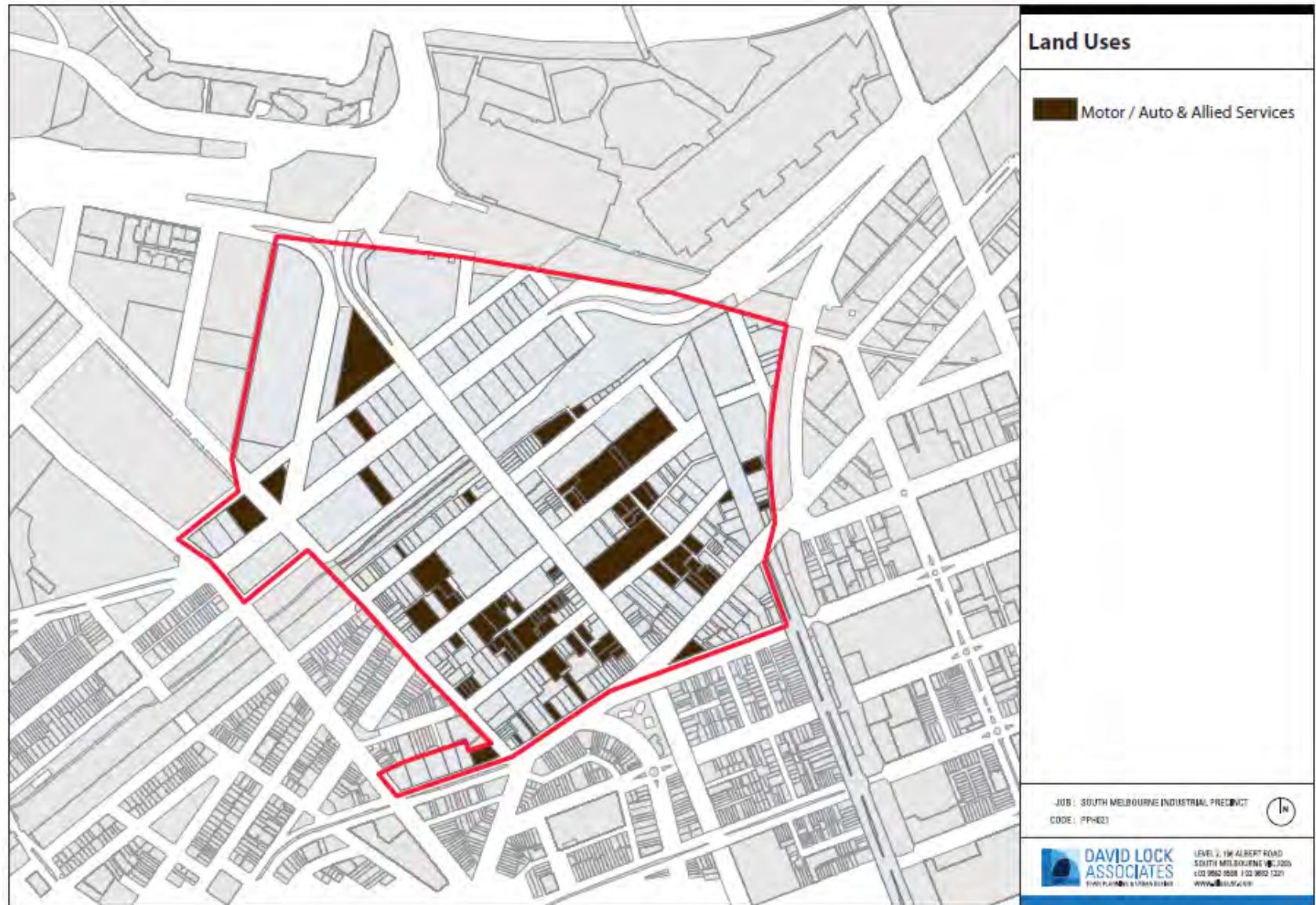


Figure 11: Motor / Auto & Allied industries



Figure 12: Planning Permit Applications

5.3 Community Facilities

Given the Precinct's industrial zoning and land uses, there are few community facilities and services currently located within Montague.

Education

The Montague Continuing Education Centre is located within the Precinct on Montague Street, south of the Light Rail. It is a specialist school serving metropolitan Melbourne catering for 15-18yr olds with a mild intellectual disability.

The closest kindergarten and primary schools are the Port Melbourne Primary School (1.45km to the west of Montague) and Albert Park Primary School (1.2km to the south).

Port Melbourne is a zoned school, the catchment area includes Montague. Albert Park Primary School is also a zoned school; however Montague is not within this catchment.

Current primary school zonings mean that students living in South Melbourne need to travel to Port Melbourne Primary School.

The newly built Albert Park College (secondary school) is 1.7km to the south. The school is already at capacity and the Department of Education and Early Childhood Development (DEECD) is currently considering options to tighten the catchment zone for the College.

There is a private childcare centre (on Normanby Road) and two other private training centres within the Precinct. Three long day care centres are located in South and Port Melbourne (outside of the Precinct).

DEECD is currently undertaking a review of education facilities within the area and is investigating opportunities for new inner city school sites (see Section 8.0 Stakeholder Consultation).

Healthcare

The Precinct is not well serviced by healthcare professionals. There are no hospitals or general practice clinics. The closest clinics are located within 2 km with a range of clinical service available in the South Melbourne and Port Melbourne Activity Centres. The Precinct also contains no dental, psychological or physical remediation services.

Maternal and Child Health

The closest maternal and child care health services are operated by the City of Port Phillip out of the Port Melbourne and South Melbourne Town Halls (approximately 700m and 1km respectively from Montague Street).

One nurse is located at the South Melbourne Town Hall. This service is at capacity and Council is seeking to increase the service to two nurses. The service provides resources for a wide catchment. Residents from St Kilda Road also currently use the South Melbourne service.

Two nurses are located at the Port Melbourne Town Hall. There are some residents in Docklands who use the Port Melbourne service. Neither of these services would have the capacity to deal with additional population increase - especially in the short term.

Community Meeting Spaces

The Precinct has no formal community meeting spaces. The forecast population represents a clear demand for these spaces to be provided.

Community Support Services

The Precincts contain no Home and Community Care (HACC), youth, and counselling, crisis or homelessness services.

Other forms of community infrastructure, such as healthcare and community centres, are generally located within Bay Street or South Melbourne Activity Centres.

Religious Services

There are no known religious services or centres within the Precinct. The surrounding residential areas of South Melbourne and Port Melbourne contain a range of religious facilities and services.

Emergency Services

The SES St Kilda (Port Phillip) Unit is located at the Port Melbourne Depot approximately 1km to the south along Williamstown Road. There are no local police, fire or ambulance services within the Precinct.

Opportunity for a Community Hub

With a projected residential population of over 20,000, there will be significant demand for the delivery of a wide range of community services. It will be essential to provide well located and resourced community facilities in a centrally located hub that will need to be planned for and delivered early in the renewal process.

Although a prediction of the precise demographic make-up for Montague has not been undertaken, current trends for similar Precincts (based upon demographic data for St Kilda Road, Docklands and the Bay Street MUZ) show a population mix dominated by young professionals and retirees, but with a rising proportion of families with children, key workers and international students. (Profile i.d 2011).

A hub should be developed with multi-purpose, flexible and adaptable community facilities and be able to provide opportunities to share or co-locate community services and facilities (for example with schools).

The hub would be flexible in its design and use, but must meet essential space and service standards in order to:

- meet the community infrastructure needs and demands of the ultimate population
- provide a level of services and facilities as considered appropriate by Council and the community
- provide accessible, integrated, well-designed and connected facilities providing for a broad range of services
- provide a mix of community infrastructure that will stand the test of time and be able to cater for a change in the service environment and demographics of the community.

Drawing on desktop studies into higher density communities and the following reports: Future Needs Analysis of St Kilda Road (2011), the Docklands Community Infrastructure Planning (2008) and Planning for Community Infrastructure in Growth Areas (GAA 2008, a benchmark level of community services and infrastructure can be determined.

Community consultation undertaken as part of the Docklands Community Infrastructure Planning (2008) report found that the highest priorities were for:

- Spaces for recreation and leisure
- Community meeting spaces
- Learning and education spaces
- Arts and Culture Places
- Community wellbeing services.

Using benchmarks from these studies, and based on a community of up to 25,000 residents, Montague will exceed the critical threshold for provisions of the following services:

- Kindergarten, pre-schools and child care centres – 30-85 places per 100 children
- Long Day Care – 15 places per 100 children
- Prep to grade 6 school – 1 per 475 children
- High School – long term enrolment of 1,000
- Multi purpose community centre / space
- Maternal and Child Health Nurses – 1 dual facility per 280 births
- Occasional care
- Space for playgroups / toy library
- Library – 1 per 30,000.

Working with the State Government, private and community service providers, a hub would provide social and community facilities in the Precinct including:

- Child care & Long Day Care centre
- Library
- Community centre incorporating: Maternal & Child health, dual session kindergarten, HACCC, family services, meeting spaces and informal spaces including sessional youth services.

5.4 Urban Structure and Built Form

Built form refers to the height, scale, massing and detailed design of the buildings and their relationship to other buildings and the streetscape. A good built form reinforces and sustains community well-being and contributes to sense of community place and vitality.

Urban Structure and Context

The urban structure of a place is a key determinant of the way it is perceived, the uses it supports and its character and identity. The pattern of development, the framework of streets and the associated access and movement and open space infrastructure are the building blocks that influence the use and form of any urban area.

The surrounding context and road and light rail transport infrastructure creates a reasonably well-defined, self contained and legible urban structure in Montague. Montague Street, City Road and the light rail corridor help divide Montague into distinct sub-Precincts or neighbourhoods.

The key elements of the urban structure of Montague and immediate surrounds include:

- A strong rectilinear street pattern
- The Light Rail corridor that bisects Montague east to west, defining two broad sub-precincts to the north and south of the corridor
- Clearly defined and distinguishable character areas within the Precinct including (Fig 13)
 - The finer grain gridded street pattern of development to the south of the rail corridor with lot sizes less than 1,000m² (punctuated by larger lots).

- The coarser subdivision pattern of land to the north of the light rail corridor with predominant lot sizes greater than 1,000m² (including a number of lots greater than 5,000m²).
- Landmark buildings from a heritage and built form perspective including the Dunlop Building at 66 Montague Street, the Former Laycock Son and Co Woollen Mills on Normanby Road and some remaining heritage dwellings / buildings scattered throughout the Precinct.
- The major arterial roads of City Road, Montague Street and Normanby Road connecting Montague to the Melbourne CBD, Port Phillip Bay and the M1 / West Gate Freeway.
- Key movement nodes focussed around the City Road and Montague Street intersection, the Normanby Road and Montague Street intersection and the Montague Street and West Gate Freeway intersection.
- Key bike riding routes that dissect the Precinct and provide access to the CBD and the foreshore.
- Wide streets - Montague, Johnson, Ferrars, City, Normanby and Buckhurst are 30m wide, whilst Thistlethwaite, Gladstone, Boundary and Munro Street are 20m in width (measure at the building line).
- The established residential areas to the south and west of Montague consisting of traditional fine-grained development pattern.
- The existing Fishermans Bend Industrial Precinct to the north west of Montague.
- The existing retail and tourism precinct at South Wharf, to the north of the M1 / West Gate Freeway.

- Southbank and Yarra's Edge mixed use precincts to the east and north east of Montague that are experiencing or designated for moderate and/or substantial land use and built form change.
- Views to the City, Southbank and Docklands skyline.
- The existing laneways that provide access and movement routes and potential for active uses and upgrades.

Building Stock

Montague consists of a diverse mix of old and new buildings (predominantly post 1950's) with a variety of building forms, types and styles. The majority of brick buildings in the area south of the light rail line were built from the 1940's through to the 1980's.

The façade and external materials (bricks etc) used, clearly reflect the time and place when buildings were constructed and highlight the past uses. The colours of the bricks (blonde, red and brown) indicate the predominance of particular Melbourne clay quarried at the time of construction.

While substantial redevelopment is envisaged in the Precinct, in some locations (eg south of the Light Rail Line) a key aspect of the Plan will be to ensure valued aspects of the existing character are respected (see also the sections on subdivision and building grain and heritage and character buildings).

There is also significant scope to re-use and adapt some of the existing buildings in the Precinct in innovative ways such as redeveloping vacant warehouse space for art or cultural uses.

Building heights

The existing built form character of Montague is predominantly low-rise (2-3 storeys), punctuated by higher heritage buildings up to five storeys (Figure 15) and the new MAB building of six storeys in Gladstone Street.

Active frontages

There are only a few active street frontages that provide a high degree of visual interaction between the private and public realm. These are focussed around the corner of City Road and Montague Street, south of the light rail corridor. (Figure 15)

There are various examples of relatively poor edge conditions, including inactive frontages with limited visual interaction between buildings and the public realm.

Street-Walls

Across the Northern and Southern Neighbourhoods, the predominant street-wall form consists of a zero front and side setback. This creates a hard edge built form to the street, particularly south of the rail corridor.

Along both sides of Normanby Road there is a predominantly two to three street wall form, along with a 1980's 'office park' development typology where buildings are setback behind car parking and car sales.

Subdivision and building grain

The built form character and grain of development varies across Montague, creating distinct sub-Precincts to the north and south of the light rail corridor.

The largest lots are located in the Northern Neighbourhood whilst the Southern is predominantly finer grain:

- Land to the north of the Light Rail Corridor includes a coarser grain of lots ranging in height from single to three storeys with a generally consistent building style of late 1980's early 1990's commercial/warehouse properties with on-site car parking. There are also some significant strategic redevelopment sites located in this sub-precinct.
- Land to the south of the light rail corridor is predominantly of a finer grain street pattern, particularly around City Road and Boundary Street. The prevailing built form of the area is predominantly single and two storey small industrial warehouses and office/commercial buildings.

Heritage Buildings

Following the Slum Reclamation and Housing Act of 1938 the vast majority of the Precinct's buildings were demolished during the transition to industrial uses.

There is a sprinkling of heritage buildings throughout the Precinct. Although dispersed, these remaining heritage assets echo the past and contribute to the character and identity of Montague.

The Heritage Overlay applies to sites and buildings of heritage significance (Figure 16). A summary is included overleaf. Many of these overlays relate to former factories that are considered to have an architectural quality that is significant within the history of the area and will be retained. Some of the outstanding heritage places include:

- The Laycock Woollen Mill on Normanby Road and Dunlop Pneumatic tyre buildings on Montague Street are both of historical and aesthetic importance. Each are prominent five and four storey (respectively) brick building with commanding presence on prime street corners.
- Houses at 108-116 Gladstone Street and 83-89 Montague Street are included on the Victorian Heritage Register. They were built in 1935 and they are described in the Statement of Significance as follows:
"The houses at 83-89 Montague and 108-116 Gladstone Streets, South Melbourne are an extraordinary example of council initiated action into public housing under the provision of the Housing Reclamation Act and the site of the first attempt at slum reclamation, the only known one which occurred in the history of public housing in Victoria. The houses are of historical significance because of their links with the port area, a centre for housing reform agitation between the early 1900's and 1930's, partly due to the strength of the Labor Party in the area."
- HO4 South Melbourne City Road Industrial Area includes surviving early industrial buildings in Ferrars Street, including the former premises of the Union Can Company Pty. Ltd and a stores building for Elder Smith and Co. Ltd (at 129-161 Ferrars Street).

HO4 is historically important for its capacity to demonstrate South Melbourne's industrial growth on the low lying land south of the Yarra River during the first four decades of this century. Some of the buildings demonstrate South Melbourne's pre-eminence as a location for Melbourne's leading manufacturing companies during this period.

- The former state school in Montague Street is of significance as a substantially intact timber building from the 1880's that stands mostly free of latter additions and alterations
- Other buildings include the Victorian era pubs on Buckhurst, Montague and Ferrars Streets and City Road.

There are a number of other buildings identified in the Precinct that are considered to add significant character to the Precinct, but are not appropriate for inclusion in the Heritage Overlay.

These buildings are generally post war brick industrial and warehouse buildings. The Port Phillip Planning Scheme (Neighbourhood Character Map) identifies many of these buildings as being graded as Contributory outside of the Heritage Overlay.

Clause 21.05 Built Form of the Municipal Strategic Statement seeks to protect, conserve and enhance all identified significant and contributory places, including buildings, trees and streetscapes. It also requires design responses to show how contributory heritage buildings outside the Heritage Overlay have been considered.

Heritage Overlay	Description	Address
HO4	City Road Industrial Area	South Melbourne
HO93	Wayside Inn Hotel	448 City Rd, South Melbourne
HO131-135	House	108-116 Gladstone St, South Melbourne
HO196	Rail overbridge	Montague St, South Melbourne
HO197-200	House	83-89 Montague St, South Melbourne
HO202	Golden Fleece Hotel	120 Montague St, South Melbourne
HO203	Former Talbot Inn	144 Montague St, South Melbourne
HO217	Former Laycock Son and Co. woollen mill	179-185 Normanby Rd, South Melbourne
HO218	Former Dunlop Pneumatic Tyre Co. mill	66 Montague Street, South Melbourne
HO272	Former residence and shop	146 Montague St, South Melbourne

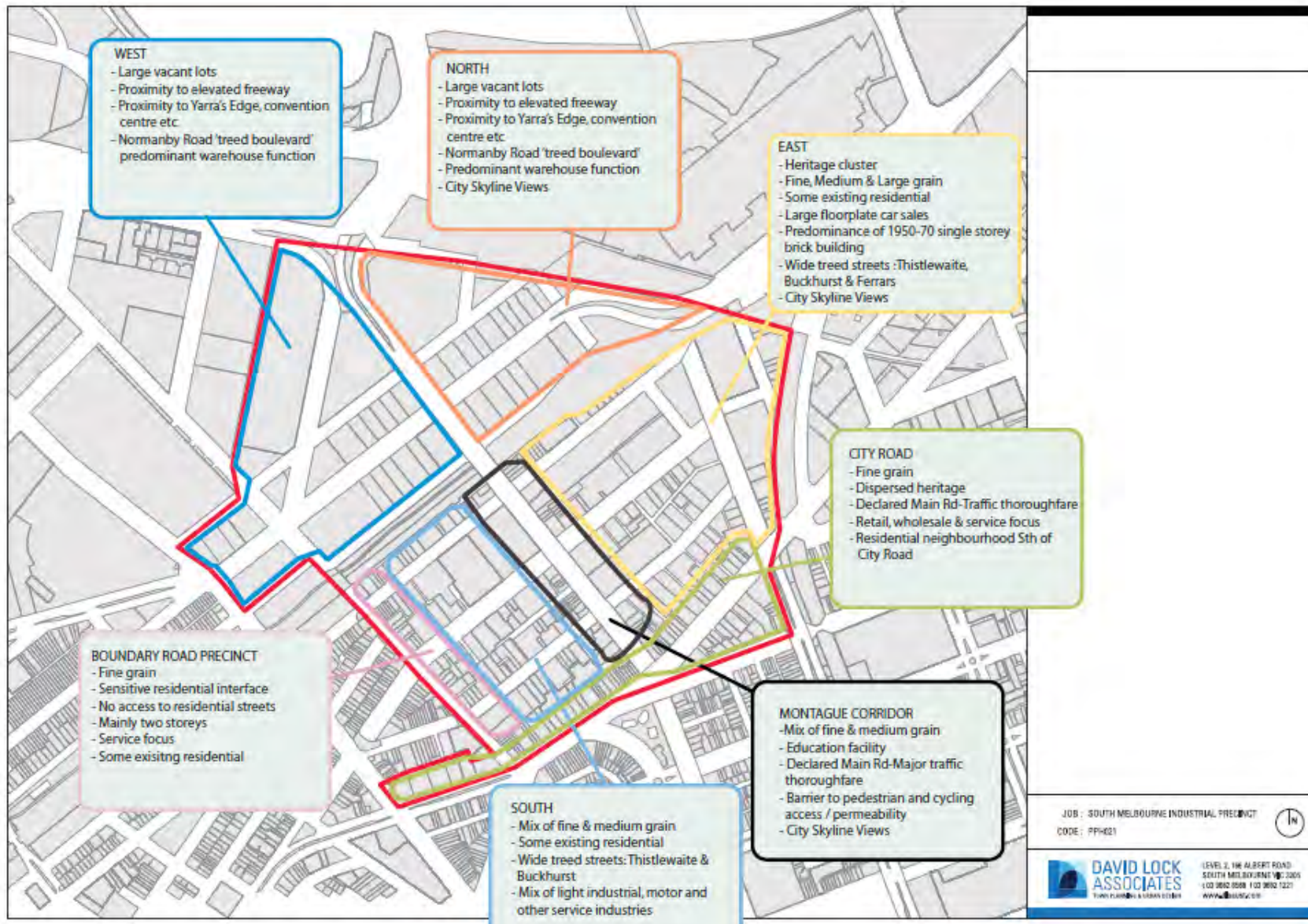


Figure I 3: Predominant Characteristics

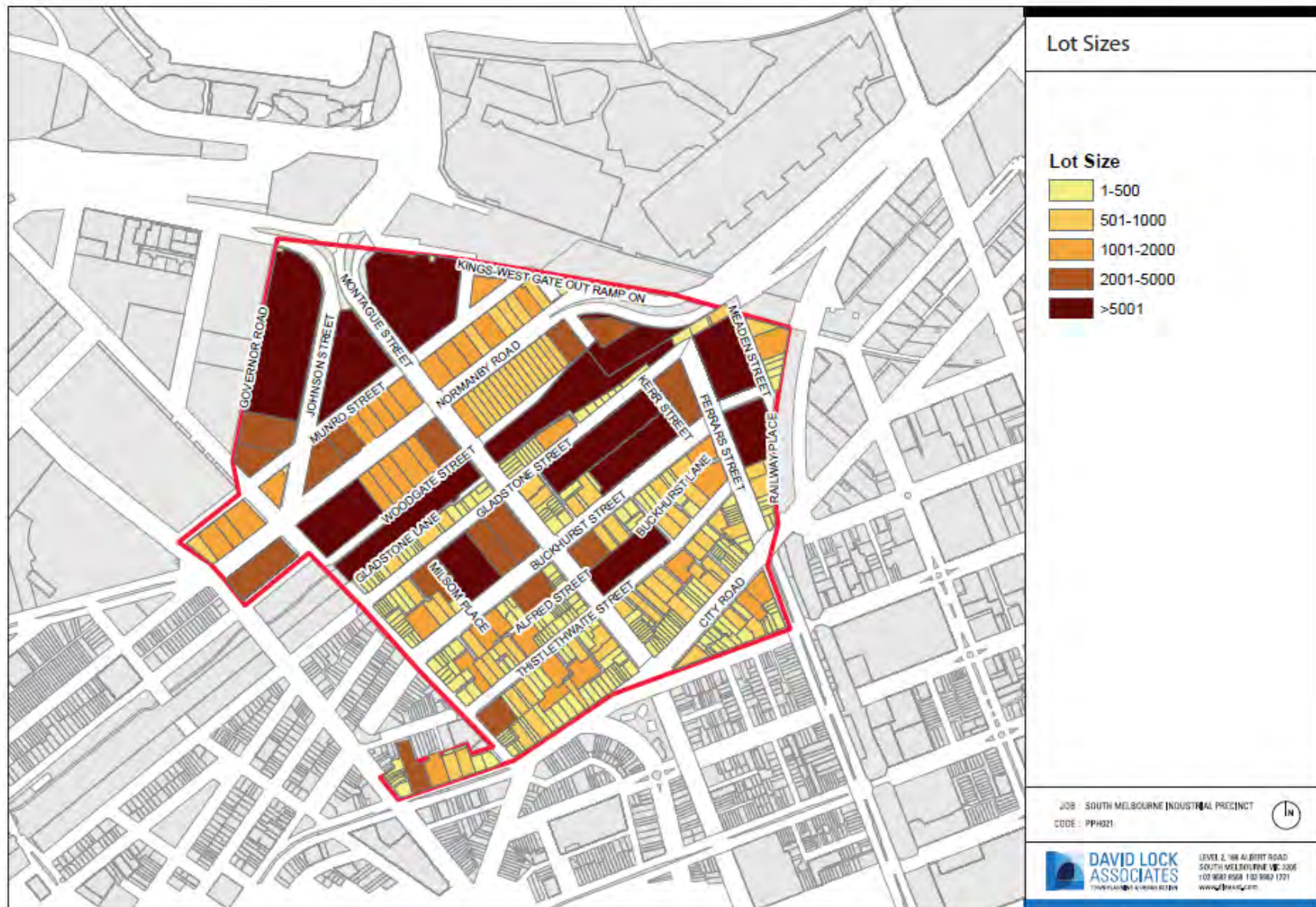


Figure 14: Lot Sizes

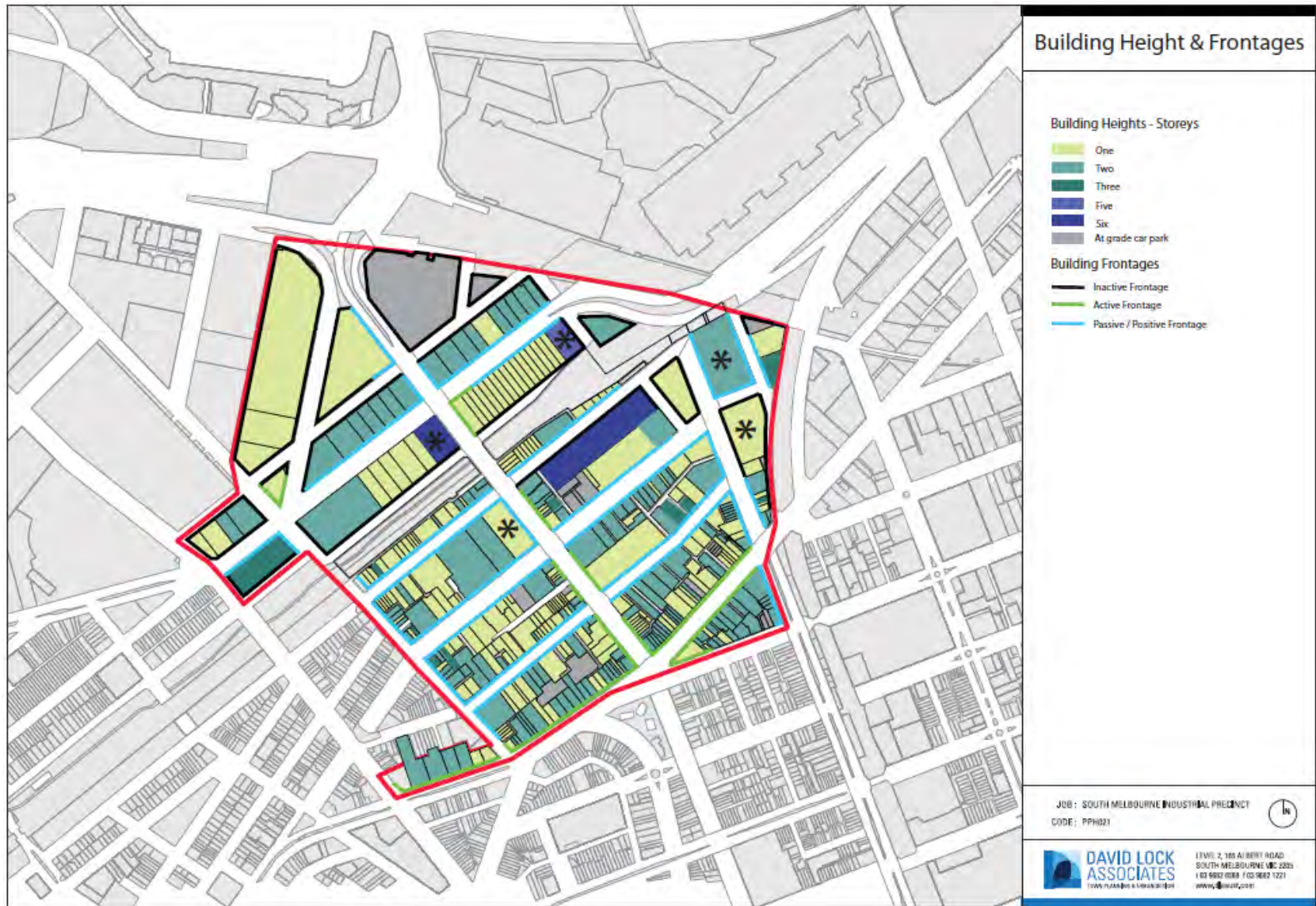


Figure 15: Building Heights and Frontages



Figure 16: Heritage

5.5 Montague's Public Realm

The public realm is the shared meeting and living spaces within the community and includes road reserves, parks and semi-public spaces such as footpaths and schools.

High quality, high amenity urban environments are rewarding places to live and work in, and improvements to the public realm can help attract private investment as well as fostering positive social interactions between diverse members of the community.

The design and quality of the public realm influences both the experience people have, and the way they behave within it. Well designed public spaces creates the necessary amenity for residents and workers, while poorly conceived public spaces can discourage visitors and create numerous other anti-social issues within an area.

Public Open Space

The City of Port Phillip contains 4.3 ha of public open space per 100 people (2006). With population growth, this is projected to fall to 3.3ha per 100 people by 2026.

There is limited provision of high quality public open space within Montague or within a 400m walkable catchment. Provision is limited to the Port Melbourne Light Rail Reserve along the Light Rail Corridor (west of Montague) and the small Sol Green Reserve (south of City Road) (Figure 17).

The lack of available public open space reflects the current industrial zoning and land uses within Montague.

The elevated West Gate Freeway is a barrier to connectivity and provides a series of unpleasant spaces where pedestrian amenity is seriously compromised.

In the local region there are high quality public open spaces within a 2km radius of the Precinct including JL Murphy reserve (playing fields), Gasworks Park and Lagoon Reserve.

Further away, the Foreshore is accessible along the light rail linear park, and the Yarra River is accessible along Montague Street and under the M1 Freeway.

In the event of a transition to higher order land uses; the potential for a high number of residents living in medium to high density housing with limited private open space presents challenges for the provision of public open space in Montague.

Activities and spaces more usually provided for in private backyards such as child's play, dog exercise, contemplation space, BBQ's, entertainment areas, large shade trees and green space, will need to be provided in the public realm, and where possible in shared communal private open space in new residential developments.

The plan for Montague should ensure that a diverse range of public spaces are considered that can be utilised by different users groups who may have different and often competing needs and desires.

There are a number of measures in which Council can influence improvements to the public realm. The development of the Structure Plan will seek to plan for and provide new spaces and general public realm and streetscape improvements.

Mechanisms to secure private sector contributions to public realm improvements will need to be investigated and identified. A clear and transparent process for both Council and prospective developers is required.

It is essential that provision for such facilities is planned at an early stage in order to deal with the transition of the area to a more intensive residential / business precinct.

Street Trees

Street trees are generally well established throughout Montague. Normanby Road has a mature avenue of elm trees whilst other streets have a reasonable mix of indigenous and exotic street trees. Boundary Street has a mature planting of mixed native and exotic tree spaces.

There are examples, such as along Montague Street, where street tree planting is sporadic and fails to significantly contribute to a pleasant pedestrian environment.

Despite many trees being limited in height by the presence of overhead power lines, the street trees and nature strips do play a role in 'softening' the relatively hard urban environment.

Council's Urban Forest Strategy has identified streets within Montague for both infill planting and complete renewal. These plantings were designed for an industrial area and in the light of a transition to higher order land uses for the Plan will need to be revised for Montague.

The Montague Precinct Structure Plan has detailed which streets will have augmented infill planting and where wholesale change will occur. These plantings will complement other urban greening initiatives such as green / vegetated roofs and walls, upgraded nature strips and WSUD interventions e.g. 100 Rain Gardens.

Open space in proximity to Montague:

Sol Green Reserve

Sol Green Reserve is small reserve located directly south of the Precinct (corner of Coventry and Montague Streets, South Melbourne). The reserve serves a local function. The reserve includes a playground and the Sol Green Community Centre. The use of Sol Green Reserve is compromised by its limited size and location adjacent to City Road, a heavily trafficked arterial road.

North Port Oval

The North Port Oval is located at 525 Williamstown Road, Port Melbourne, 500 metres from the centre of Montague. The Oval serves a regional and state function. It is used a professional playing field for football and cricket and is currently unavailable for general public use.

Port Melbourne Light Rail Reserve

The linear reserve offers opportunities for informal recreation and some smaller playground facilities. The park serves a local function. The park also performs an important function as bike riding corridor and buffer to the light rail. The linear reserve runs from the southern edge of Montague, through Port Melbourne to Station Pier.

Freeway Undercroft

The Department of Planning and Community Development, City of Melbourne and City of Port Phillip are investigating the development of an open space corridor below the M1 / West Gate Freeway (north of Montague).

The corridor could include an off-street cycling and walking route linking a series of active recreational facilities such as a netball courts, and enhanced streetscapes linking Southbank with South Melbourne and Docklands.

Gas Works Park and Art Park

Gas Works is a larger park and art centre located 1.4km from the centre of Montague. The reserve serves a primarily local function for recreation and a local and regional function for the arts.

Gasworks has an arts precinct producing a range of arts programs and workshops, two theatres, three gallery spaces, a café, as well as function and workshop spaces and hosts a Farmers Market once a month. The Precinct houses four hectares of open passive recreation space with BBQs, a playground and public toilets.

Lagoon Reserve

Lagoon Reserve is a larger park located 1.5km from the centre of Montague. The reserve serves a primarily local function. The reserve has a cricket pitch and practice nets, off leash dog walking (part), BBQs, playground and toilet facilities.

JL Murphy Reserve

JL Murphy Reserve is the largest Council managed reserve within the City of Port Phillip and provides key sport and recreation facilities for the city. JL Murphy Reserve is located 1.7 km from the centre of Montague. JL Murphy serves a local and regional function. It offers a range of formal sporting fields including AFL, soccer and baseball. Facilities are provided for community vegetable gardens, playgrounds, dog walking, informal recreation, BBQ's and public toilets.

A review of the reserve has recently been completed resulting in a new JL Murphy Masterplan which was adopted by Council in 2011. The Masterplan provides for upgrades to existing facilities, expansions and new opportunities for active and passive recreation, new landscaping and tree planting and WSUD wetland / retarding basin.

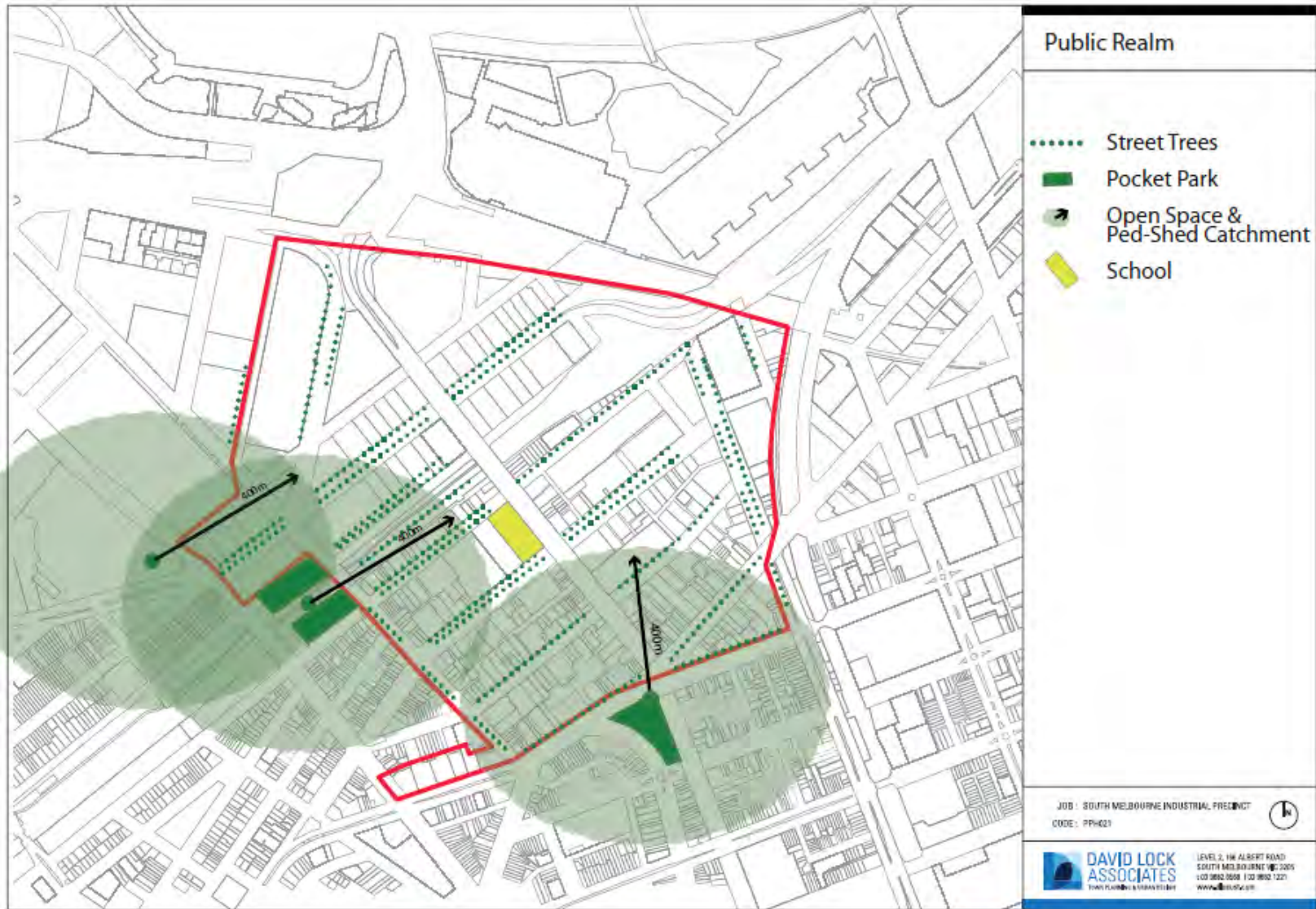


Figure 17: Public Realm

5.6 Access and Movement

Access and movement refers to the way that people and goods move into, through and within an area, and how the physical environment influences this. The significant existing transport infrastructure, quality of the public realm and treatments of surfaces has a key influence on the physical environment of the Precinct.

Road Network and Traffic

The existing transport infrastructure i.e. road and light rail network within and abutting Montague creates a well-defined and legible urban structure. The light rail corridor divides Montague into two recognisable neighbourhoods.

Montague Street, Normanby Road and City Road are 30 metre wide arterial roads (managed by VicRoads) which fulfil key traffic roles.

- City Road, forming the southern boundary of the Precincts, connects Montague to Port Melbourne, Port Phillip Bay, Melbourne CBD, the Arts Precinct and through to Swan Street, Richmond and the Sports Precinct.
- Montague Street which bisects the site south to north provides a direct access to the M1 / West Gate Freeway. This road suffers from a high degree of congestion particularly during peak hours. East/west pedestrian movement is severely restricted by the heavy traffic at peak times.

The heritage listed light rail bridge on Montague Street limits the heights of vehicles on Montague Street, limiting the amount of heavy freight traffic through the Precinct.

- Normanby Road, travels east west and links Fishermans Bend and Williamstown Road with Southbank and Whiteman Street.

Maintaining the traffic function of these routes is considered paramount by VicRoads. These roads dissect the Precinct and act as a barrier to movement especially to bike riders and pedestrians.

As arterial roads, Montague Street, City Road and Normanby Road carry considerable numbers of vehicles per day (Figure 18).

Based on 2010 traffic counts provided by VicRoads:

- Montague Street carries approximately 28,000 vehicles per day (vpd)
- City Road carries 20,000 - 24,000 vpd
- Normanby Road carries 25,000 vpd.

Intersections of these key routes also carry substantial traffic volumes. Council's traffic engineers have highlighted that the intersection of Normanby Road and Montague Street is already nearing capacity.

Considerable increases in traffic movements, created by an increasing resident or employee population may have potential ramifications for the inner metropolitan arterial road network, particularly at peak hours and will need to be managed.

Further investigation is needed to determine the traffic impacts of Montague. Given the potential development of Fishermans Bend and current development of Southbank and Docklands, further investigations into traffic impacts are required for the Precinct and its surrounds.

The high levels of congestion along these major arterial roads also creates detrimental impacts on the overall pedestrian environment. Normanby Road and Montague Street are generally unpleasant environments for pedestrians from both a public realm and air/noise pollution perspective. Both roads are significant barriers to pedestrian permeability through Montague. City Road also acts as barrier to the South Melbourne Major Activity Centre.

The M1 / West Gate Freeway is elevated along the northern boundary of Montague. This creates significant public realm issues regarding the pedestrian environment within these spaces.

The other streets in the Precinct are local streets and carry local traffic mainly visiting businesses / dwellings. The network of streets features wide footpaths and nature strips, on-street parking and a substantial carriageway. Johnson, Ferrars and Buckhurst Streets are 30m wide, whilst Thistlethwaite, Gladstone, Boundary and Munro Streets are 20m in width (measured at the building line).

Both Boundary and Ferrars Streets have traffic management infrastructure in place to prevent industrial traffic from entering the surrounding residential areas. These will need to be maintained to ensure traffic generated in the Precinct is self-contained and not funnelled into established residential areas.

There is a generous supply of on-street parking south of the light rail. Most of the parking is metered with a two hour maximum. There is potential to reduce the demand for, and supply of parking, and to return roadspace for bike, pedestrian and passive recreational uses.

Public Transport

Montague has good public transport access. 95% of the Precinct is within 400 metres of a light rail stop or a bus stop.

The Precinct is generally well serviced by light rail, with Route 109 bisecting the Precinct and Route 96 traversing the eastern edge. Both routes provide direct access to the CBD and Port Melbourne and St Kilda beaches respectively. There are two light rail stops within Montague and a third abutting the boundary.

However, access and the quality of the pedestrian environment around the tram stops is poor. The legibility of these stops and access to them are poor with both stops within Montague being difficult to find. Although the stops are lit, the raised nature and placement in the M1 Undercroft means there is a lack of opportunities for passive surveillance. In turn this can cause the stops to feel unsafe and unwelcoming particularly after dark.

Capacity issues with the public transport network have also been identified. The *City of Port Phillip – Public Transport Advocacy Statement (2009)* identified that between 2002 and 2008 patronage on Route 109 achieved average annual growth of 8.6%. Similar factors can be seen with Melbourne's most popular tram route, the 96. In 2009, Yarra Trams estimated patronage on this route at 13.1 million trips per year.

Making public transport more attractive and efficient is paramount to actively encouraging residents and workers to use sustainable modes of transport (see Council's *Sustainable Transport Strategy* and Road User Hierarchy).

Improving the overall attractiveness of public transport services, as an alternative to the car, will require current capacity issues to be addressed. Currently the 109 Light Rail Route is at capacity during peak hours.

Bus Routes 250, 251 and 253 (Garden City to Northland) travel along City Road and Routes 235, 237 and 238 City to Fishermans Bend) travel along Normanby Road. More frequent bus services, bus priority, accessible DDA stops and real time bus information will assist in making bus trips a more viable transport option.

Walking and Bike Riding

Montague displays a relatively generous pedestrian environment with wide footpaths, nature strips and both significant and intermittent street planting providing an attractive secondary street network.

The general overall pedestrian environment is heavily influenced by the existing road network with a number of roads within the carrying significant levels of traffic.

Montague is not well served by both on and off-road cycle paths and the volume of traffic and congestion creates an unpleasant cycling environment. The only off-road route is located at along the linear bike path (parallel) to the light rail. The linear path runs from Clarendon Street in Southbank to Beach Street, Port Melbourne (Figure 18).

The plan for Montague's street network will need to develop a safe and attractive environment for bike riding and walking. This will need to include on-street bike lanes on busy streets, where possible separated from traffic, as well as quiet routes linking destinations across the city.

Laneways and links

The existing street network has a reasonably high level of permeability, particularly in the Southern Neighbourhood. There is a network of laneways linking Thistlethwaite to Buckhurst Street and Buckhurst to Gladstone Street.

The Northern Neighbourhood contains large, full block lots and lacks permeability.

A key characteristic of the Precinct, south of the light rail is the fine grain pattern of subdivision and network of lanes and small streets. The consolidation of sites in development and construction of large building footprints could reduce pedestrian permeability and erode this character if not managed well. This could also diminish opportunities for lanes serving a variety of active and passive uses.

Linkages to destinations outside the Precinct

Connections outside of the Precinct such as South Wharf, the Convention Centre and South Melbourne Market are confusing and unattractive from a pedestrian perspective and the pedestrian environment is dominated by vehicles. There is a distinct lack of legibility and paths and trails often come to a dead end or end in places that could be perceived to be dangerous.

Opportunities exist to improve connections to key destinations outside the Precinct. Investigating links to key destinations such as the neighbouring major activity centres will be an essential component of an Access and Movement Plan.

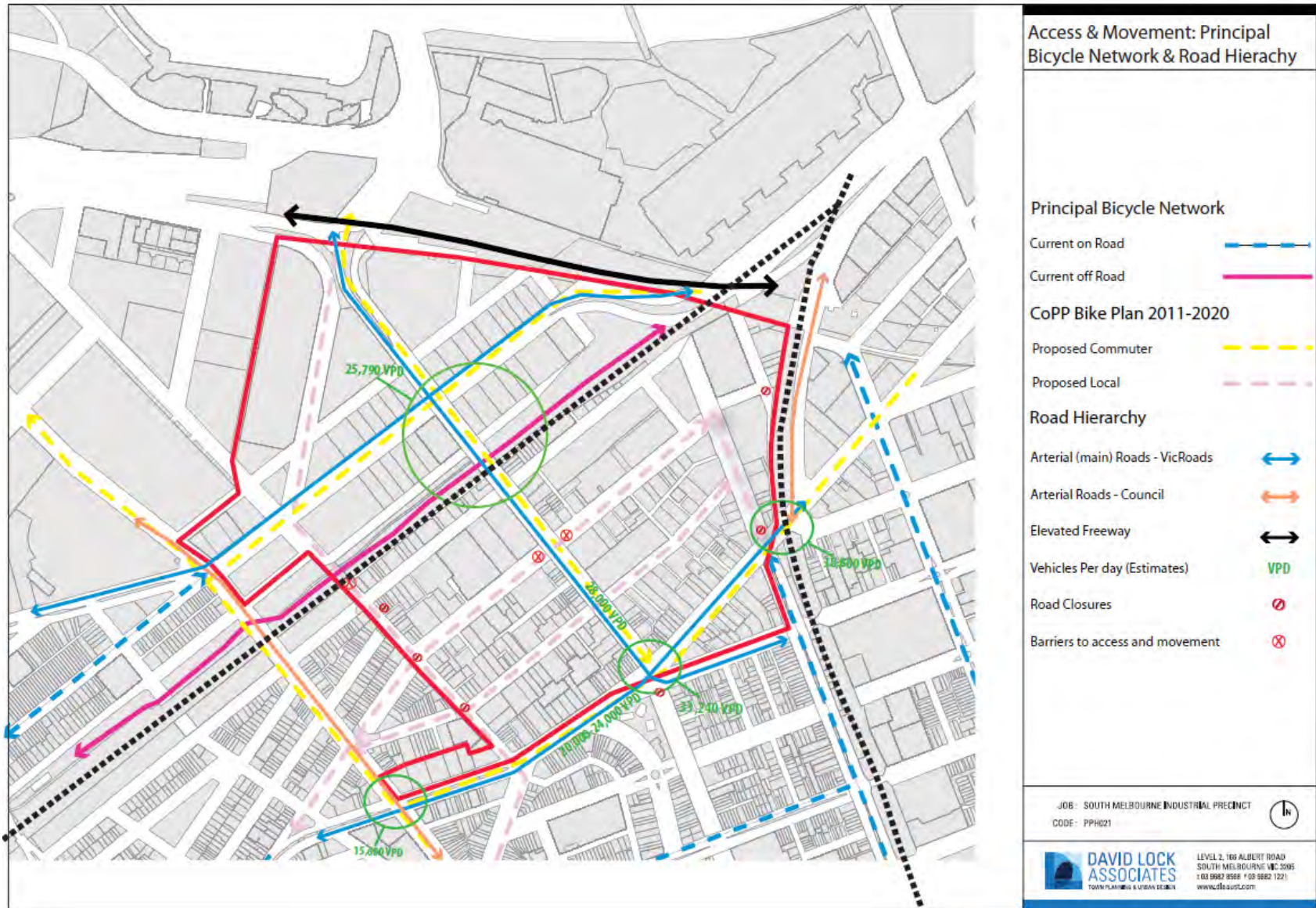


Figure 18: Access & Movement

5.7 Essential Infrastructure

Utility providers were approached in March 2011 to ascertain the capacity of essential infrastructure in the Precinct to accommodate future growth and land use change.

NB - The comments provided are preliminary comments. At the time of the information request, capacity figures were not available for Montague. Further detailed analysis will be required.

Statutory authorities and companies responsible for infrastructure are:

Utility	Utility provider
Gas	The gas distribution network is owned by 'Multinet Gas' but currently operated, maintained, and expanded by Jemena.
Electricity	CitiPower is the asset manager for electricity in those areas from 66kV down to LV (low voltage).
Water	South East Water is responsible for water and sewerage.
Drainage	Melbourne Water is responsible for most trunk drainage systems, whilst local government is generally responsible for all local and minor drainage systems.

Providers were asked:

- Who is responsible for the delivery of the service?
- Are there any existing capacity issues for this service?
- Would the service be able to cope with a significant increase in demand?
- Are there any plans to increase service capacity?
- How would any increase in service capacity be funded?
- Should there be any restrictions on future development based on the ability to properly service new development?
- Are there any opportunities to plan for more integrated and sustainable outcomes?

Gas – Advice from Jemena (March 2011)

- The availability of gas is always dependant on the gas flow rate required, the location it is required at and the pressure at which a particular consumer wishes to meter at for fitting line supply pressure.
- In general terms, all residential level loads can be accommodated by connection to proximal gas mains or by extensions from them to supply point locations in the areas being assessed.
- Large commercial and industrial loads would be case specifically assessed for network reinforcement requirements. It is envisaged that any level of proposed load, even multiple tri-generation, or embedded generation applications, could be cost effectively provided for through moderate augmentation.
- It would be expected the network load would increase incrementally and correspondingly the infrastructure necessary to support the load

would also expand to service the loads. Most of this expansion is funded by gas tariffs.

- There is no immediate plan to augment capacity in these areas beyond accommodating load applications as they are received, once supply offers to retailers have been accepted.
- Applications relating to supply points where Annual Qty is >10 TJ/a or the hourly flow rate is >10GJ/h are considered “Demand” consumers, i.e. Tariff D, for which all dedicated local infrastructure consisting of service, service regulator, and meter are chargeable, and upstream reinforcement cost is economically tested against estimated hourly load derived revenue.
- All other consumers are “Volume” based consumers (Tariff V), and all related infrastructure is economically tested against estimated annual load derived revenue unless higher gas pressure requires mains extensions that duplicate existing infrastructure, the cost of which is then chargeable.
- No gas supply restriction is envisaged.
- Any level of centralised provision of services is able to be met by appropriate gas distribution infrastructure design.
- Co-construction synergies are more difficult to realise in areas where existing infrastructure is in place. Nonetheless in areas where new ‘ground up’ road work redesign is intended, common trenching with water utility contractors is typically undertaken and the works are most often extensively co-ordinated with all other construction parties involved.

Electricity – Advice from Citipower (March 2011)

- The Precinct is supplied by the SB (Southbank), MG (Montague) and WG (West Gate) substations.
- The zone substations and high voltage feeders which supply distribution substations also supply areas outside the Precinct boundaries. All zone substations are supplied from Fishermans Bend Terminal Station (FBTS). Figure 19 shows the location of substations (Source - Distribution System Planning Report (December 2010).
- Southbank was commissioned during 2010 and offloaded the adjacent zone substations. Hence there are no immediate capacity restrictions at the zone substations.
- In the Montague Precinct, 23 feeders supply distribution substations and high voltage customers. Three of these feeders are over their planning rating. The planning rating of the feeders allows for load transfers during contingencies.
- With Southbank recently commissioned with 2 x 55MVA transformers, and the option to install a third transformer and double the station N-1 rating as the load grows, there is certainly scope to cope with an increase in demand.
- The next logical augmentation in the area would be a third transformer at Southbank. The timing for this will be dictated by load growth on the network, but it will likely occur in the later half of this decade.
- Increases in service capacity are funded according to ESC Guideline 14, which determines how much the customer funds and how much the network funds.
- CitiPower does not foresee any restrictions that would be placed on future developments.

Water and sewerage – Advice from SE Water (March 2011)

- Specific development enquiries are responded to as they arise.
- SE Water requires assistance from Council as to what is the long term likely growth scenario.
- South East Water (with Melbourne Water, the Cities of Melbourne and Port Phillip) are undertaking a project to develop integrated water servicing master plans for water, sewer, drainage and recycled water servicing of the Southbank Precinct and surrounding areas.
- The project is examining two scenarios:
 - Scenario 1 - based on the Southbank Structure Plan Integrated Water initiatives.
 - Scenario 2 - a base case of conventional water, sewer and drainage servicing.
- Further work is being undertaken to examine the Montague Precinct.

Stormwater – Advice from Melbourne Water (August 2011)

- The historical demarcation of responsibilities has been the 60ha catchment area mark (i.e. upstream of the 60ha point, local government assumes responsibility).
- Within the study area, Melbourne Water is responsible for the Johnson Street Main Drain (MD 4804), which commences near Raglan Street and discharges to the Yarra River adjacent to Montague Street (to the west).
- Flood modelling of the catchment was undertaken in 1997. This modelling focussed on the 1% Annual Exceedance Probability (AEP)

event, and showed that no parts of the catchment (around the trunk drainage system) are subject to flooding. Note, this modelling focussed on identifying flooding associated with the trunk drainage system only. Flooding associated with the local drainage systems may be available via Council as indicated via the Special Building Overlay (SBO) covering parts of Montague.

Extent of Special Building Overlay (SBO)

- Melbourne Water's *Port Phillip and Westernport Region Flood Management and Drainage Strategy (2007)* outlines Melbourne Water's current flooding and flood risk management objectives. The strategy states that Melbourne Water will develop and implement a program to eliminate or reduce all intolerable flood risks to an acceptable standard, where an "intolerable" flood risk is defined via Melbourne Water's Flood Risk Assessment Framework (2010) as an area subject to an Extreme Risk of Flooding.
- An assessment of the Johnson Street catchment shows there to be no [trunk drainage related] overland flooding in the area, hence no current flood risk. This means that there are no immediate plans to undertake flood (risk) mitigation works in the area.
- However, if an opportunistic or high-value (in regards to community benefit) project is proposed to be undertaken by Council or another stakeholder, then Melbourne Water would be willing to discuss the project and consider working together to achieve the project outcomes.
- The area is heavily developed already, with a high percentage of hard impervious surfaces.

- Any future redevelopment or changes to land uses are unlikely to worsen the existing flooding situation.
- Melbourne Water considers that any increase in service capacity would be funded via Melbourne Water's flood mitigation program which is funded via a drainage levy on all rateable properties. The rate is subject to approval via the Essential Services Commission (ESC) as part of Melbourne Water's 5-year Water Planning process.
- Any developments located within an SBO will be subject to appropriate development advice re floor levels and/or the acceptability of the proposed development within the flood extent, and this information would need to be considered at the relevant time.
- It is also highly recommended that Water Sensitive Urban Design (WSUD) and Integrated Water Management opportunities (IWM) be fully considered as part of any redevelopment. The use of WSUD measures and interventions would ameliorate impacts of stormwater flows and improve permeability.
- WSUD and IWM opportunities, if fully considered as part of any redevelopment, could not only improve water quality and waterway health, but could also cumulatively improve the existing local flooding situation (particularly nuisance flooding), whilst also contributing to the overall liveability of the area (i.e. via greener and cooler landscapes).

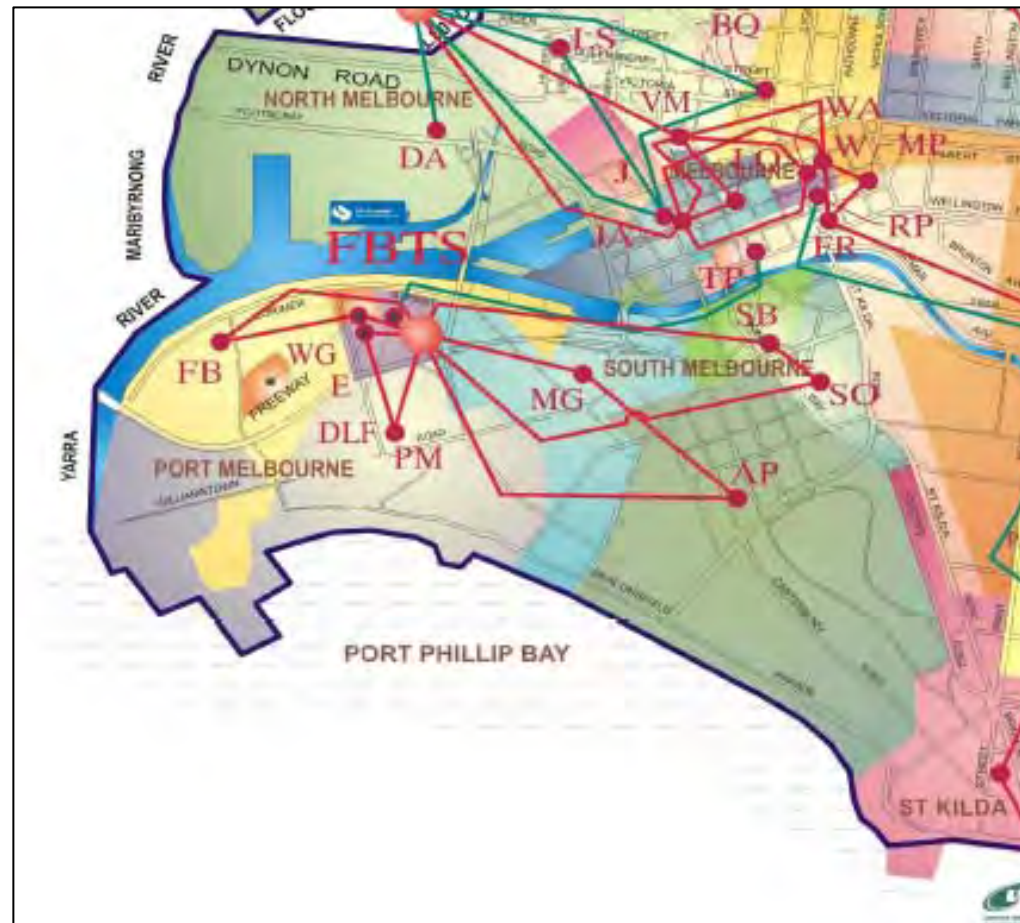


Figure 19: CitiPower Zone Substation Supply Areas and Sub-transmission Lines Source - Distribution System Planning Report (December 2010)

5.8 Contamination and Geology

Montague is an existing industrial area with potential for significant levels of soil and watertable contamination to exist.

The Northern Neighbourhood has had a mix of heavy and light industrial uses for close to a century, whilst the Southern Neighbourhood transitioned from residential to industrial in the mid 20th century following the Slum Reclamation and Housing Act of 1938. A mixture of light industry has been in place since then.

Potential contamination issues relating to former land uses will require more detailed investigation. However, given the industrial history of the area there is likely to be some issues relating to land contamination that may require significant land remediation costs that will influence development outcomes.

Places Victoria is currently undertaking a desktop contamination audit of the Precinct. At May 2012, this work was nearing completion.

The Precinct's soil structure is predominantly Coode Island Silt and Port Melbourne Sand².

The presence of Coode Island Silt in this part of Melbourne could significantly influence built form outcomes across Montague. Coode Island Silt is a relatively soft soil and is prevalent in this area as it is in Docklands (Figure 20).

² Source: ML Cupper and S While (Co-ordinators) and JL Neilson. 2003. Quaternary – Ice Ages – Environments of Change, *Geology of Victoria*, Geological Society of Australia (Victoria Division), 348-354

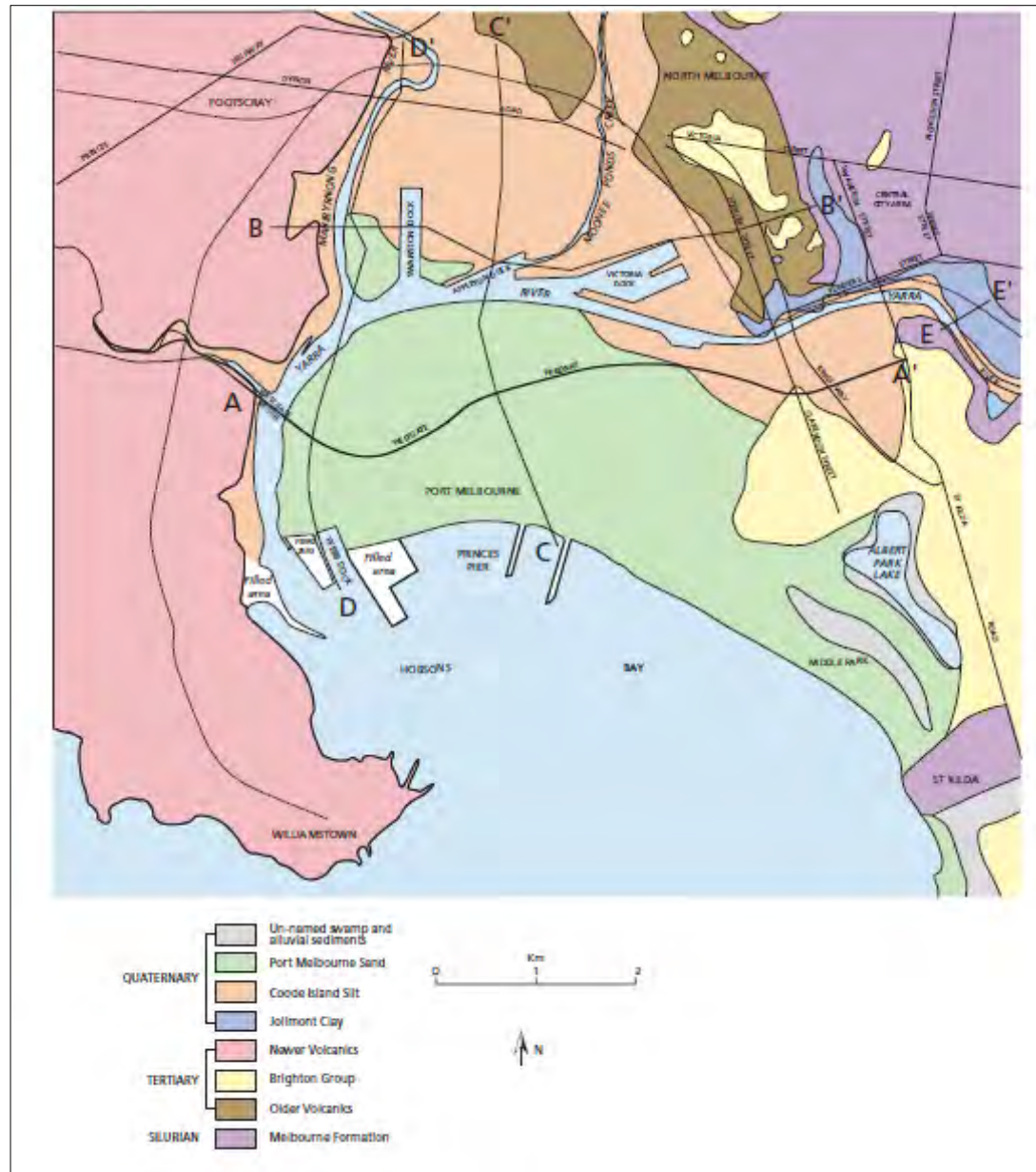


Figure 20: Geology

6.0 Market analysis

A Market Analysis was undertaken by Charter Keck Cramer (CKC) to assess market conditions and evaluate the likely market segments and demand for the Precinct.

CKC reported the following key issues relating to:

- The Melbourne apartment market
- Retail opportunities and the implications.

Advice for the apartment market is from both a round table discussion in February 2011 with CKC and written advice. The retail advice was provided at a later date and was informed by preliminary Precinct land use scenarios and opportunities.

6.1 Residential market

The precinct is ideally located with potential for significant residential development opportunities. The locational advantage is reinforced by sitting centrally within the Richmond – Port Melbourne Axis that extends along Swan Street, City Road and Bay Street.

The Precinct's proximity to the CBD, South Wharf, South Melbourne Market, the Foreshore and other amenities will outweigh the issue of having to live with the existing diverse service industries in the short term, as it transitions to other uses. This is demonstrated by similar transitions occurring in Oxford Street, Collingwood; Nicholson Street, Abbotsford; and Cremorne, Richmond.

Market Conditions

Melbourne's apartment market is closely tied to the wider housing market through representing an affordable alternative to traditional detached dwellings. In particular, apartments represent a means through which the impact of high land values may be largely eliminated, as private open space is traded for public open space and greater accessibility to facilities such as public transport. As a result, demand for apartments is typically greatest in Melbourne's higher priced inner suburbs.

Declining housing affordability has not only resulted in a shift from traditional housing to apartments, but also a move towards increasingly smaller apartments as a means of maintaining affordability.

Developments are increasingly targeting key price points across the market spectrum in order to maximise their market appeal, particularly for the investment market which represents the vast majority of sales in new projects.

While Melbourne's apartment market has strengthened following the initial onset of the Global Financial Crisis (GFC), developers still face difficulties in obtaining finance. As a result, many prospective purchasers are now cautious of developer's ability to deliver projects. Similarly, the extended timeframe for delivering larger projects may discourage purchasers from putting down deposits that do not earn income.

Market Segments - Overview

While older homeowners downsizing from their family home represent an emerging market for apartments, investors (and their associated tenants) still dominate the apartment market. This is largely a result of the appeal of apartments to younger

households seeking affordable rental accommodation, and the opportunity for investors to depreciate apartments against income.

Similarly, apartments primarily appeal to couples without children and lone person households. However, while many families would prefer a house, the attractiveness of locations that offer access to activity centres, community facilities, high amenity and rail connections to the CBD may increasingly attract some families to apartments.

Investors will continue to be an important segment as they are more likely to purchase apartments 'off the plan' than owner-occupiers are. In doing so, they provide the necessary pre-sales to enable developers to obtain funding for projects. The absolute level of interest from investors at an individual project level is largely determined by the channels through which apartments are marketed, apartment size and price points more so than where developments are located.

Owner Occupier and Investor Markets

The distribution of apartment ownership between investors and owner occupiers at an individual project level is determined by a number of non-locational factors, such as the quality and size of apartments and importantly the channels through which projects are marketed.

Projects marketed through local real estate agents are likely to attract a greater proportion of owner occupiers than if it were marketed through specialist project marketers with links to investors via the financial planning industry.

However, in order to achieve pre-sales for larger projects, marketing is typically carried out by the latter and targets the investor market.

Some indication of the relative importance of investors and owner occupiers may be gained from ABS Census data on dwelling tenure. Investors owned 63% of apartments across metropolitan Melbourne as at the 2006 Census. There was only a slight differential between their representation within the inner Melbourne region (69%) and suburban Melbourne (60%).

While this information relates to all apartments, new apartments would be expected to have greater appeal to investors given the depreciation allowances that they are able to claim, as well as a number of issues that result in owner-occupiers favouring previously occupied apartments.

Owner Occupiers Market

There are a number of factors that limit the capacity for owner-occupiers to account for a significant share of demand for new apartments at either an individual project level or generally across the market. These are discussed briefly below.

Off the Plan Marketing

The current approach of selling apartments 'off the plan' in order to obtain development finance results in a considerable delay of up to 3-4 years before purchasers settle on an apartment. For owner-occupiers this will often represent an unreasonable period of time, particularly for first home owners.

As financiers have increased the required level of pre-sales in the wake of the GFC, the role of owner occupiers as a source of demand for new apartment projects has been further diminished.

Apartment Size / Quality / Location

Owner-occupiers typically prefer larger, higher quality apartments in well-established and vibrant precincts such as Port Melbourne, Chapel Street and St. Kilda. However, in order to maintain the affordability of new apartment projects, the size and quality of apartments has been reduced thereby reducing their attractiveness to owner occupiers.

Previously Occupied Apartment Market

Owner-occupiers are in many cases more astute about market conditions and the benefits of purchasing previously occupied apartments which include:

- The option to purchase larger previously occupied apartments at a discount to comparable new apartments.
- The ability to identify the mix of owner-occupiers and tenants within a development prior to purchasing.
- The opportunity to purchase in better established apartment precincts with the necessary services and facilities.
- The opportunity to refurbish apartment to their own taste if necessary.

Conclusion

Due to factors discussed above, owner-occupiers typically only account for around 10% of sales within new apartment projects, and up to 20-25% in highly sought after precincts. With the current pre-sales requirement of financiers expected to continue into the foreseeable future, combined with an increasing number of previously occupied apartments available to owner-occupiers, any growth in this group purchasing into new apartment developments will be modest.

CKC Market research has identified the potential for significant residential development opportunities within Montague. The research has identified that the main gap in the market in this region is the lack of owner occupied properties. The Mirvac development at Port Melbourne/Albert Park demonstrates a demand for owner occupier 'townhouse' style developments in the region.

Investor grade stock is being delivered in Southbank, whilst a mix of both is being delivered in St Kilda Road, Docklands and the Port Melbourne Mixed Use Zone.

The owner occupier market seeks higher amenity than generally sought by investor grade market i.e. lifestyle choices, cafes, bars, restaurants, schools and community services. The area south of the light rail line benefits from access to South Melbourne Market and Bay Street.

It is suggested that owner occupier dwellings on Boundary Street and City Road will be a catalyst for change in the Precinct with investor grade apartments likely to follow.

6.2 Office Market

The main potential for offices in the Precinct is focussed around small corporate, start-up and creative enterprises. An extension of existing media/design/creative cluster is likely to occur.

Providing flexible spaces and a diversity of office sizes, combined with an industrial vibe and excellent opportunities for conversion of existing heritage buildings will assist in retaining and attracting new tenants.

Research has shown that the characteristic demand would be for small and medium leases of up to 500sqm. The new MAB development in Gladstone Street is a good example of the current market preference for office space.

Office location would need to be primarily focussed around the tram stops. There is some market maturity in terms of vertical mixing. It is becoming more common.

6.3 Retail Market

Supermarket Floorspace

The South Melbourne / Port Melbourne area is currently serviced by the major supermarket chains including:

- Coles – Clarendon Street South Melbourne and Bay Street, Port Melbourne
- Woolworths – Cecil Street South Melbourne
- Aldi – Market Street, South Melbourne.

These supermarkets service a well defined trade area which covers the suburbs of Albert Park, South Melbourne and Port Melbourne which in 2008/09 was estimated to have a population of 31,244. With three full-line supermarkets this equates to a provision rate of one full-line supermarket for every 10,400 residents.

By comparison, similar locations such as St. Kilda and Prahran / South Yarra have a relatively lower rate of supermarket provision with only one major supermarket for every 18,690 residents and 13,325 residents respectively.

While both of these areas also have more convenient access to supermarkets immediately beyond the local area at Balaclava and Elsternwick, and Toorak and Hawksburn, this is balanced by the potential to also attract shoppers from the trade areas of these other centres.

The key conclusion that may be drawn from this benchmarking of supermarket provision is that Montague is already relatively well serviced by full-line supermarkets. This is reinforced by the option for residents to also shop at an Aldi supermarket in South Melbourne.

Another potential limitation will be the level of competition from the well established Bay Street (Port Melbourne) and Clarendon Street (South Melbourne) centres which offer not only a wide range of retailers but also a more organic shopping experience which is likely to offer more appeal to residents seeking an inner city lifestyle.

Any retail floorspace within the area will need to directly appeal to local residents, workers and passing trade through offering a level of convenience above that offered by nearby centres.

This will be most likely to be achieved in the form of a convenience store such as a 7-Eleven, small format IGA supermarket or similar with a total floor area of 500-750 sqm.

There is likely to be limited opportunity to support an independent supermarket given the extent of competition from conveniently located supermarkets nearby and potential difficulties in providing easily accessed car parking for passing motorists which is a key requirement of independent supermarkets in order to compete with larger supermarkets.

Allowance for other convenience style retailing such as a newsagent, bakery, liquor store or pharmacy may be considered with 300-500 sqm, an appropriate provision.

Hospitality

Unlike traditional retailing which relies upon the presence of an anchor retailer such as a supermarket and an immediate population base, hospitality related activities such as cafes, restaurants, bars and take away food outlets have a greater capacity to attract customers from wider area.

Whereas households will often shop at the same supermarket each week they are unlikely to visit the same cafe or restaurant every time they eat out. Similarly, as eating out is a social activity involving a number of friends or family members living in different locations it is common for people to dine out some distance from where they live.

The Precinct offers the opportunity for a hospitality precinct to be established by offering:

- convenient access via the M1 / West Gate Freeway and light rail
- an immediate residential and working population to service
- the opportunity for cafes and restaurants to be incorporated into ground level floorspace within new apartment developments
- the potential for a critical mass of cafes and restaurants to enable a recognised precinct to be established.

While café and restaurant precincts are common within inner city locations, suburban activity centres also offer good examples of the potential for such precincts to be established.

Such examples include Eaton Mall in Oakleigh and Kingsway in Glen Waverley. Similarly, the gentrification of inner city locations such as Elwood has transformed largely redundant retail strips and partly facilitated through new apartment developments providing more functional space for cafes and restaurants.

The amount of hospitality related floorspace that may be supported will depend upon the profile and appeal of any future precinct and as a result is difficult to determine. As a guide, it may be reasonable to make allowance for 8-12 cafes, restaurants and bars with a total combined floor area of 1,500 – 2,500 sqm.

Location

Retail and hospitality uses should ideally be concentrated in a single precinct in order to maximise the critical mass of activity required to compete with other locations.

In addition, the opportunity to leverage off any period style buildings that may support the amenity of the precinct and accommodate cafes and restaurants should be seized upon. Importantly, these activities should also be initially promoted in locations where they are able to benefit from an existing residential population within walking distance.

Finally, given that new apartment developments will play a key role in facilitating the supply of ground level floorspace suitable for retail and hospitality uses, there should be appropriate development sites available within the preferred location.

Within the Precinct, the section of Montague Street between City Road and Thistlethwaite Street represents the most appropriate location for retail and hospitality uses to be encouraged based upon:

- Its proximity to the existing residential area south of City Road / York Street while still being easily accessible to businesses within the immediate area.
- The presence of a number of period style buildings and hotels that may accommodate cafes and restaurants.
- Its location between the light rail station / primary school and the existing residential area which offers greater exposure to pedestrian traffic.
- There being a number of potential apartment development sites which currently have minimal physical improvements and offer the greatest likelihood of being redeveloped in the future.

While there is the potential for a retail precinct to also be established north of the light rail line, this will be dependent upon there significant residential development occurring within the Precinct and therefore represents a longer-term proposition. It is recommended that promoting retail and hospitality within this area should only occur once a sufficiently large population is in place.

Conclusions

- There is a sufficient supply of supermarket floorspace within the surrounding area i.e. Port Melbourne and South Melbourne to meet the needs of existing and likely future residents, although there will be the opportunity for small convenience style retailing totalling around 500-750 square metres in the form of a 7 Eleven, small format IGA supermarket or similar.
- Additional retail floorspace for other convenience retailing such as a newsagent, bakery, liquor store or pharmacy may be allowed for with 300-500 sqm considered an appropriate provision.
- Montague offers significantly stronger opportunities for a café and restaurant precinct (of approximately 1,500 – 2,500 sqm floor area) to be established based upon:
 - its inner city location
 - accessibility via road and public transport (thereby encouraging a destination-style precinct)
 - proximity to an established residential precinct south of City Road
 - the opportunity for new ground floor space to be incorporated into new apartment developments.

- The section of Montague Street between City Road and Thistlethwaite Street offers the strongest opportunities for the establishment of a café and restaurant precinct.

Inner metropolitan locations such as Montague offer significant opportunities for retail floorspace across a number of different retail formats including:

- Traditional neighbourhood style centres incorporating a supermarket and supporting speciality stores primarily catering for the needs of local residents.
- Non-food specialities such as fashion retailing.
- Hospitality related formats such as restaurants, cafes and take away food outlets.

The amount of retail floorspace that may be supported across these formats is determined by a wider range of factors than is the case for typical suburban locations reflecting:

- The greater diversity of resident household types which impacts upon consumption patterns. For example, international students have significantly different expenditure patterns to higher income professionals.
- The potential for a destination retail precinct to be established which attracts visitors from outside the immediate area.
- Demand from local workers for retail and hospitality related activities.
- Competition from other nearby precincts which results in escape expenditure from the immediate area.

As a result, benchmark provision rates derived at a metropolitan level or for suburban locations are not applicable to these inner city locations. It is therefore necessary to adopt a combination of both quantitative and qualitative approaches.

7.0 Existing Conditions Analysis - Key Implications for the Structure Plan

The following section outlines the key implications for the Structure Plan identified through the policy context review, existing conditions analysis and market analysis.

7.1 Land Use

- The nature of business in the Precinct has changed over time with an increasing diversity of businesses and offices. These changes recognise the proximity of the Precinct to the CBD, Docklands and Southbank and renewal of the Precinct offers an opportunity to build on this.
- Montague's strategic location means that the Precinct has the potential to accommodate substantial housing growth and new business forms.
- Residential growth must be managed and sustainable to provide for a lively, inclusive and diverse new community, create a genuine mix of uses in the Precinct and address housing needs (such as affordable and accessible housing.)
- Encouraging housing forms (such as townhouses) which are attractive to owner-occupiers on Boundary Street and City Road could act as anchors and attractors for the Precinct. This could be a catalyst for change in the Precinct with investor grade apartments likely to follow.
- A challenge for the development of the Precinct is to ensure it represents a true mix of uses. Employment and jobs need to be provided alongside residential development opportunities.

- Montague offers the opportunity to further strengthen the creative industry sector within Port Phillip, building on the competitive edge of the City to attract, and grow businesses within this sector.
- The Precinct currently has few local services or community facilities (with exception of the Montague Continuing Education Centre, cafes and pubs and some milk bars open during the day to service the workers in the Precinct). A significant increase in the employment and residential population will require appropriate services and facilities to service the population and make the Precinct an attractive place to live and work.
- Retail and hospitality uses in the Precinct should be clustered to create a critical mass of activity, enhance access to goods and services for residents and workers and create a community heart. The Precinct could support a retail / hospitality precinct(s) containing a small-medium sized supermarket, an additional floor space for other convenience retailing and a cluster restaurant / cafes.

7.2 Community Facilities

- Providing community infrastructure such as schools, healthcare, meeting spaces and other facilities is vital to provide the necessary residential amenity for prospective new residents and workers.
- Lessons should be learnt from areas such as Southbank and Docklands that have undergone a rapid transition from predominantly employment/industrial precincts to a more residential focus. In these areas, the provision of community facilities has lagged behind the growing residential population.

- Community facilities must be planned and provided for early in the development process.
- A community facilities hub should be created in the Precinct as part of the development of a community heart. A community hub would provide opportunities to co-locate and cluster community services and share facilities such as open space or meeting rooms.
- There is an opportunity to centre the community hub on the existing Montague Continuing Education Centre, creating opportunities for synergies between the school, community hub and open space.
- Mechanisms for funding and establishing a thriving community heart and hub should be developed.

7.3 Built Form and Heritage

- Distinct built form characters should be created across different parts of the Precinct to reflect the differences in subdivision patterns, lot sizes, interfaces with established residential areas, presence of heritage buildings and to capitalise on the Precinct's proximity to Docklands, Southbank and the CBD:
 - The fine grained subdivision pattern, prevalence of smaller lots and heritage character, south of the light rail line and in City Road presents a more moderate development opportunity for intensification than north of the light rail line.
 - Large scale redevelopment in the Northern Neighbourhood (due to its large lot sizes, context of higher built forms and lack of development constraints) provides the opportunity to create a new built

environment that is consciously designed for people and community.

- New development should minimise the impacts on adjoining sensitive established residential interfaces along Boundary, York and Ferrars Streets.
- New development should address the street and public realm to create a high quality urban environment with a unique identity. Active edges can sensitively engage with the interfaces, and contribute to lively, attractive and safe streets.
- Renewal offers the opportunity to develop cutting edge environmentally and socially sustainable neighbourhoods. These can include well-designed new buildings that make more efficient use of energy, water and materials,
- The preservation and restoration of significant heritage and character buildings for contemporary uses will add to the diversity of building stock and contribute to maintaining a sense of history and enriching Montague's place identity.

7.4 Public Realm and Public Open Space

- The existing wide streets, nature strips and street tree planting provide an excellent foundation for the renewal of the public realm.
- The existing pattern of laneways, south of the Light Rail Line provides a good framework for the development high quality people orientated spaces. Where possible, the creation of new lanes to maintain the 'fine urban grain' of the Precinct should be a priority, particularly in the Northern Neighbourhood where large blocks are present.

- Although there is insufficient land to meet a per capita standard of 3ha per 1,000 residents³ (to apply this standard to Montague would utilise over 60% of all land and would be prohibitively expensive), the Plan must ensure public open spaces, recreation space and an active child friendly space is within a 400 metre catchment of every residential dwelling.
- The Plan can provide accessible and functional public open space to the new community. Identifying appropriate sites within Montague will form the central part of the Open Space Framework.
- The Plan should use innovative urban design strategies to create functional and pleasing open spaces. Open spaces should offer a diversity of functions and experiences, and be accessible to all age groups.
- Creating connections between open spaces to maximise use and functionality will be a priority for Montague.
- The use of redundant road space can provide innovative opportunities for open space, particularly for facilitating access and movement, communal meeting and passive recreation.
- The Structure Plan must deliver mechanisms such as subdivision contributions, private sector contributions and capital works to secure the provision of new public open spaces as well as public realm and streetscape improvements. This will enable a clear and transparent process for both Council and prospective developers.

7.5 Access and Movement

- Priority should be given to the use of sustainable transport modes including walking, bike riding and public transport.
- The subdivision pattern from the 1880's, including wide roads and wide footpaths, nature strips and intimate lanes, has left a legacy that the plan can further enhance.
- Given the Precinct's great location, wide streets and network of lanes, opportunities exist to enhance Montague as a highly walkable place and develop the Precinct's streets and open space as safe and attractive places for bike riding.
- The plan will enhance walking and bike riding within the Precinct and connections to key destinations outside the Precinct such as the CBD, Southbank, Docklands, neighbouring activity centres and the Foreshore.
- There is a high level of public transport in and around the Precinct. To promote sustainable transport use and reduce reliance on the car, public transport services and infrastructure in the Precinct will need to be upgraded to support the significant residential and worker population.
- Traffic in and around the Precinct will need to be managed from a local and metropolitan perspective (for example ensuring traffic impacts on neighbouring established residential areas are minimised.)
- The three arterial roads in the Precinct form major links in the metropolitan network. However, these roads can also need to fulfil a local role.

³ Growth Area Authority (2008)

- Given Montague's proximity to the Melbourne CBD and public transport, a reduced car parking rate could be applied to development in the Precinct.
- Key opportunities for enhancements include:
 - Greening and improving walking and bike riding route along the Port Melbourne light rail route.
 - Improving the accessibility and amenity of the light rail stops.
 - Developing bike routes throughout the Precinct (both on-road and off-road).
 - Developing bus priority lanes and improving bus infrastructure.

7.6 Essential Infrastructure

- Although existing infrastructure in Montague is ageing, there is sufficient capacity for the near future. Montague's significant residential and worker population will require a considerable level of investment in new, sustainable infrastructure to meet future expectations.
- A large precinct like Montague provides a good scale for innovation in delivering energy, water and waste services to communities at a neighbourhood level.
- The Precinct offers opportunities to work with utility providers and the City of Melbourne to investigate distributed energy systems and integrated water management options for inner urban renewal areas (such as Southbank).

- The incorporation of Water Sensitive Urban Design (WSUD) into both the public and private realm can reduce the burden on infrastructure, reduce the need for infrastructure upgrades and contribute to mitigating the effect of local overland flooding.

7.7 Contamination and Geology

- An audit is being undertaken to identify if land in the Precinct is potentially contaminated, and what level of assessment of contamination is necessary. The audit is near finalisation.
- Planning scheme controls will require any potential contamination to be addressed and provide mechanisms for remediation ensuring the land will subsequently be fit for higher order uses.
- Although the presence of Coode Island Silt has implications for the development of basement levels, sleeving podium-level car parking with active uses will ultimately improve the built form and the public realm.

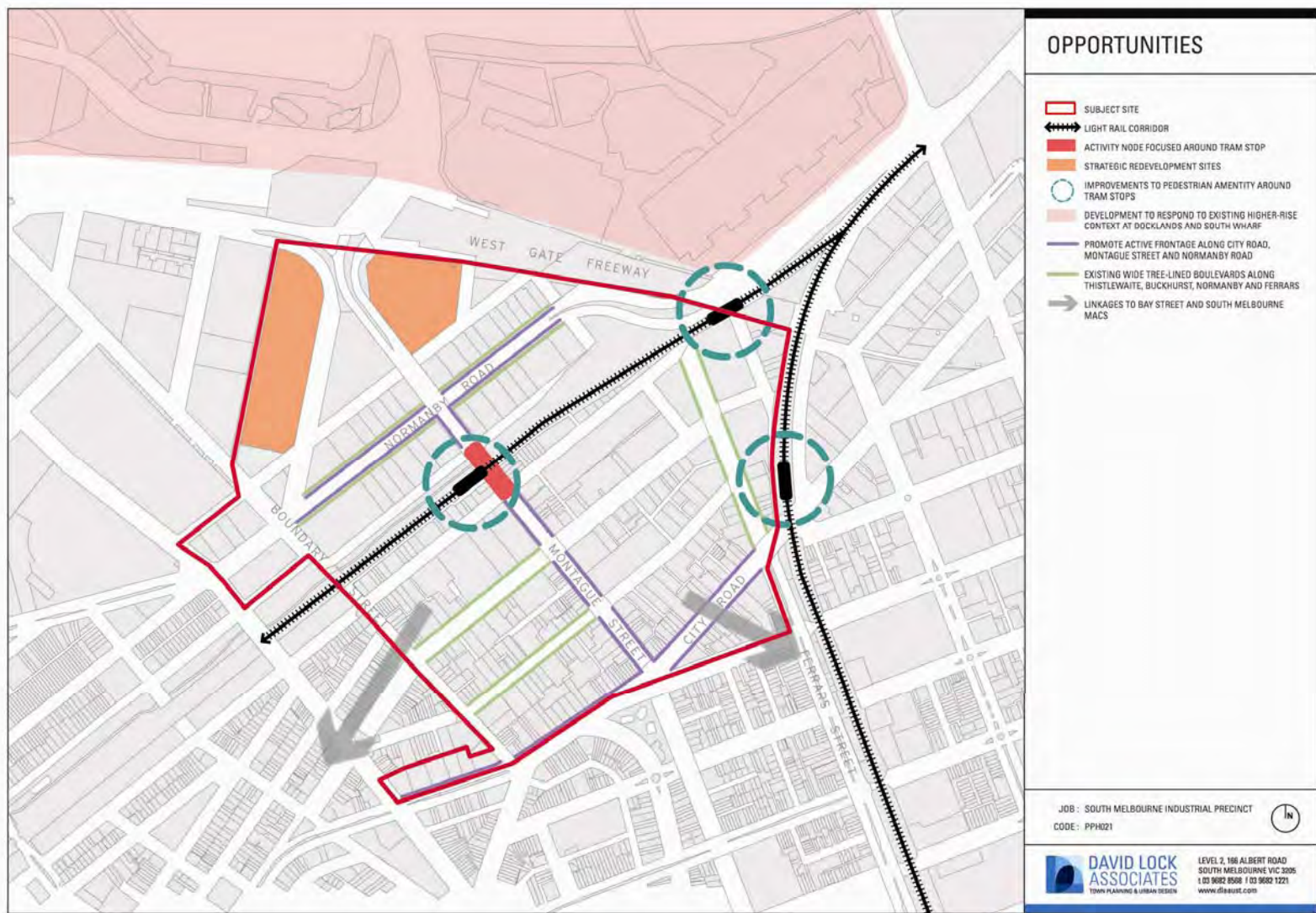


Figure 21: Opportunities identified through existing conditions analysis

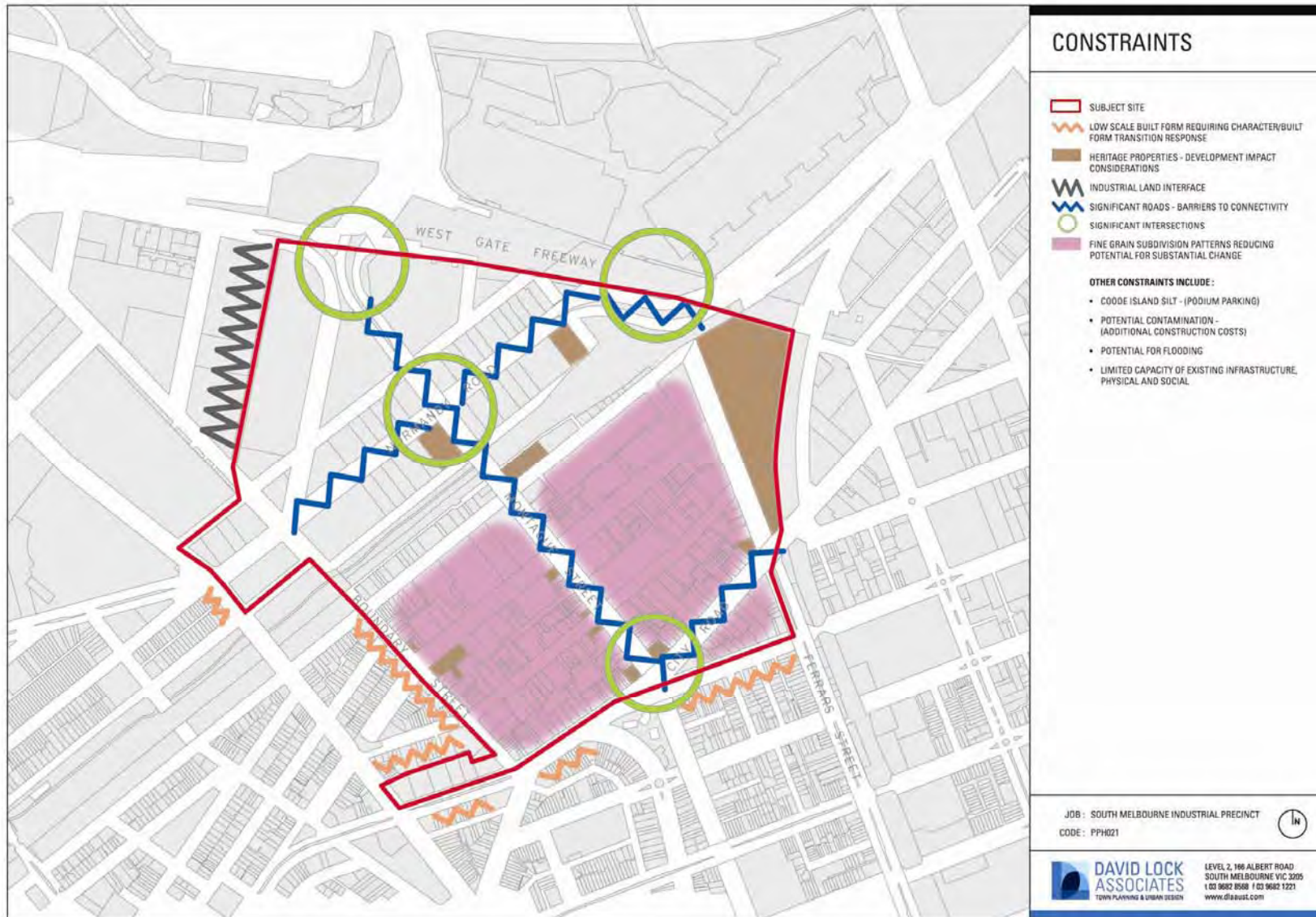


Figure 22: Constraints identified during the existing conditions analysis

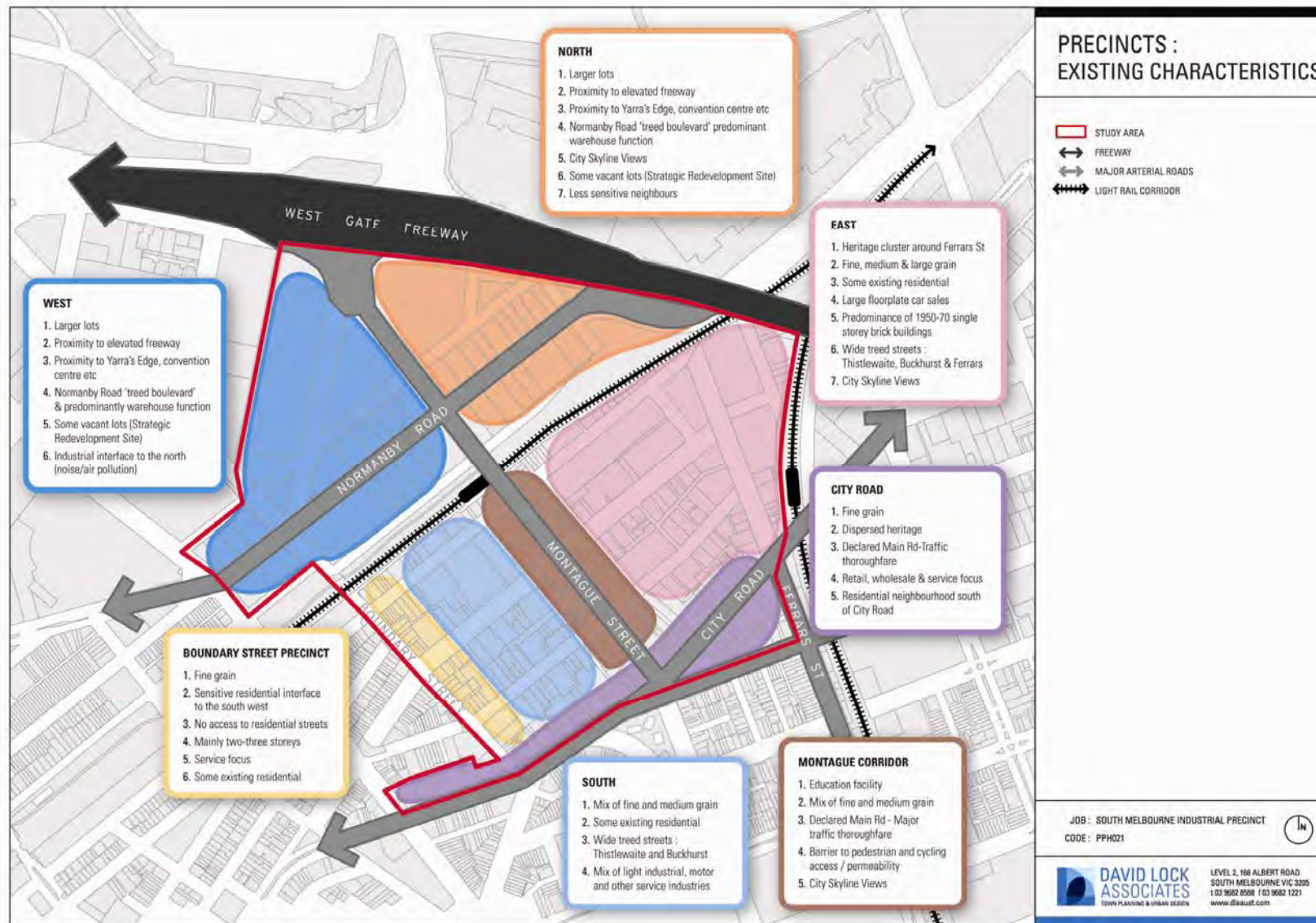


Figure 23: Existing Characteristics

8.0 Stakeholder Consultation

Extensive consultation was undertaken in 2011. The range of consultation undertaken is outlined in Section 1.5 - Consultation.

8.1 Stakeholder Workshops

As part of the Research and Analysis Stage, a series of stakeholder workshops were held. The workshops explored the needs, aspirations and future development plans of existing land owners and occupiers.

Three separate workshops were held during May 2011 providing opportunities for the community, residents, developers and business and property owners to identify their key issues and concerns.

The specific goals of the workshop included to:

- Provide an overview of project and timing.
- Discuss preliminary findings.
- Add to the constraints and opportunities identified (Figures 21 & 22).
- Provide an overview on existing characteristics (Figure 23)
- Seek feedback on the broad options (Figures 24 & 25).

A snapshot of the materials presented at the workshops is provided below:

Preliminary strategic objectives

Preliminary strategic objectives for the study are to facilitate 'urban renewal' of precinct to:

- Achieve a fundamental 'shift' in land use / intensity of development to capitalise on the precinct's strategic inner region location (i.e. transition from primarily 'industrial' land use to a broader and more sustainable 'mix' of land use activities).
- Maintain opportunities for a viable business cluster and 'creative' industries.
- Identify potential for new residential development - to off-set pressures in established residential areas.
- Transform the area to an 'environmentally sustainable precinct' (i.e. low/no carbon footprint).
- Create a strong 'place identity' and quality public realm.
- Strengthen physical and functional 'connections' to adjoining precincts / areas.

What will the structure plan include?

- I. Objectives, strategic directions and framework plans addressing:
 - Sustainability
 - Land uses
 - Built form
 - Public Realm
 - Access / transport / parking
 - Preferred built form characters / typologies and building heights (not detailed built form controls)
 - Future streetscape outcomes for key streets
 - Strategy / framework for the public realm.

2. Identification of key strategic opportunities / catalyst projects / interventions.
3. Implementation strategy, including short term and long term strategies:
 - Statutory planning framework
 - Infrastructure / capital works including funding options
 - Staging of rezoning / development
 - Marketing and facilitation
 - Partnerships.

8.2 Questions for discussion

- If you have bought / are buying a property or own a business in the area, why have you invested in the South Melbourne Industrial Precinct?
- What would be your vision for the Precinct? What are the key elements of this?

Mix of uses

- What is an appropriate mix of uses for the Precinct - predominately business, residential or a mix? E.g.:
 - Should there be 'business only' areas?
 - Should businesses occupy street-level premises with residential above?
- If you own / operate a business, if things changed in the Precinct would you stay in your current location?
- What types of businesses should be encouraged in the Precinct? More 'creative industries' /offices / warehouses or light industry?

Interface areas (i.e. where the Precinct abuts existing residential areas)

- Are there existing issues we should be aware of? What do we need to consider if land uses in the Precinct change?

Public transport, walking, cycling and traffic

- What is good and bad now in terms of public transport, walking, cycling and traffic?
- How can we improve public transport, walking and cycling in the precinct?

Environmental sustainability

- What things would make this a leading edge environmentally sustainable Precinct?

Community facilities and open space

- If we are encouraging more people to live / work in the Precinct, what services / facilities and infrastructure will be needed?

8.3 Summary of key issues raised at workshops

Developers Focus Group Workshop - 5 May 2011

The Focus Group emphasised the strategic attributes of Montague as an appropriate and attractive location for renewal and consolidation.

The potential for a genuinely mixed-use Precinct building upon existing site characteristics was acknowledged. Opportunities to build upon existing business clusters such as the 'creative' cluster in the south eastern quadrant were also acknowledged.

The Focus Group noted the potential to build upon existing connections with South Wharf, Southbank, South Melbourne MAC, including the Market, and Bay Street MAC. Access to employment and other services are important for the amenity of potential future residential market.

In addition to access to services, the provision of public realm improvements should be addressed by the Structure Plan in order to provide the level of amenity for a residential market. The Developer Focus Group highlighted the need to outline suitable mechanisms at the Structure Planning stage aimed at funding and delivering potential public realm improvements.

In relation to employment uses, the Focus Group considered Montague was suitable for small corporate business space. This was backed by empirical evidence suggesting interest in this kind of space. It was felt the Precinct was unsuitable for the larger floor plate office given the proximity of Montague to Melbourne CBD. The groups considered it is important to recognise and market Montague as an alternative office location to the CBD rather than to provide a similar product. Potential for a diverse range of spaces and size, including SoHos (Small Office Home Office) was acknowledged.

The Focus Group acknowledged the potential for vertical mixed-use buildings. However, some caution was placed on the degree of vertical mixing that could be supported by the development market. The preference was to retain a predominance of residential uses with some ancillary commercial space.

The Focus Group indicated that the Structure Plan, and any further more detailed work, would need to consider traffic and car parking issues carefully in light of any potential land use change.

The potential for lower car parking rates in residential development was acknowledged particularly given Council's strategic objectives for Montague. However, concerns were raised that the existing provision of public transport was not sufficient enough to allow for completely car-free development.

Business Owners Consultation Workshop - 12 May 2011

Existing business owners also welcomed the principle of a mixed-use Precinct. Although concerns were raised as to the potential impact upon existing businesses in relation to rises in land tax if more valuable uses are permitted. Economic strategies to consolidate favourable existing uses, such as 'creative' industries were considered appropriate.

Business owners tended to favour a vision of lower-scale Precinct rather than multi-storey residential apartments such as those found in Southbank and Docklands. The need to promote a high level of architectural quality was considered important in creating a 'sense-of-place' for Montague.

The potential to promote more residential uses, particularly south of the light rail line, was welcomed. It was felt that such uses would bring back 'life' and activity throughout the day. It was also considered that there were opportunities for the development of 'boutique' small office/commercial spaces.

The lack of community infrastructure, including schools, and severe lack of public open space was raised as a potential constraint when considering proposals for increases in residential population. Also the quantity and quality of the civil infrastructure was raised as a potential development constraint.

Further potential constraints to development were raised, such as the existence of Coode Island silt as the main soil type in the area. This limits the opportunities to construct basement levels. The risk of flooding particularly south of the light rail line along Thistlethwaite Street, east of Montague and Ferrars Street, north of City Road was also highlighted.

Property Owners and Residents Workshop - 30 May 2011

The opportunity to develop a genuine, vibrant, diverse, mixed-use neighbourhood was acknowledged. Residents and property owners were keen to retain the lower-scale, fine-grain character of Montague, particularly in areas south of the light rail line.

While there was a general resistance towards the high-rise development that typifies Southbank and Docklands this related predominantly to concerns of the potential impact on existing residential amenity and the lack of open space and community services in those Precincts. However, there were also concerns that the high-rise form of development does not create the 'sense of community' that other neighbourhoods such as Port Melbourne and South Melbourne tend to experience.

Property owners and existing businesses were concerned about their existing use rights particularly those who had no immediate desire to move.

Concerns were raised regarding the potential conflict between existing industrial/business uses and incoming residential uses.

The provision of public realm and community infrastructure both in terms of the quantity and quality of provision were major concerns, particularly if an increase in the population was envisaged. The limited provision of any quality public open space was a concern.

The existing traffic conditions, particularly relating to capacity of Montague Street, is of concern. Concerns were expressed that more traffic impact upon potentially sensitive land use scenarios. Residents wished to maintain the existing road closures at Thistlethwaite, Alfred and Buckhurst Streets.

All three groups wished to see a high standard set for the performance of buildings against Environmentally Sustainable Development (ESD) criteria.

Some participants considered there should be minimal built form control to enable to market to dictate what form of development can take place and where. Others wanted to see tighter built form controls particularly around sensitive interfaces.

8.3 Targeted Consultation

In addition to the series of stakeholder workshops outlined above, the Project Team undertook a series of targeted consultation meetings with other key stakeholders. The key issues identified through these meetings include:

VicRoads

VicRoads appeared generally supportive of a transition to higher order land uses and associated built form changes.

The main issue raised was the requirement that Montague Street, Normanby Road and City Road retain their primary function as arterial roads serving the broader metropolitan Melbourne transport network.

To ensure the peak hour performance of the arterial roads was maintained VicRoads articulated that they would not support new crossovers on Montague Street and that any new pedestrian and bike riding initiatives complemented rather than impeded the primary function of the arterial roads.

Department of Education & Early Childhood Development (DEECD)

Consultation was undertaken with the Department of Education and Early Childhood Development as part of the development of the Structure Plan given additional residential / worker population would increase demand for education facilities, existing facilities are at capacity and the Precinct offers the opportunity to acquire land for a new school.

Discussions with DEECD indicated that there are substantial enrolment pressures on primary schools in the northern half of the municipality and on the Port Melbourne Primary School, in particular.

A School Provision Plan for Port Phillip Schools Network was prepared for the Department in November 2010. It identified that a new school may be warranted given significant growth is forecast for the Port Melbourne Primary Catchment area.

The study concluded that a new school would be required in the next 5-10 years.

In response to its 2010 research, the DEECD has undertaken a feasibility study to determine potential locations for a new school at Southbank, Port Melbourne or South Melbourne. Montague Precinct is one of the locations being considered.

The report is being finalised before presentation to the Education Minister.

8.4 Written Submissions

Four written submissions and three responses to the on-line survey were received during the consultation period in May 2011.

Three were from land owners and businesses in the Precinct and one from a consultant representing a landowner. One submission was from a community sector organisation that raised the need to ensure that social inclusion policies were taken into account in planning for the Precinct. Another was from a local cycle club that uses the area who highlighted the need to ensure continued access for road based bicycle racing.

The issues raised mirrored the outcomes of the stakeholder workshops.

8.5 Key messages from the consultation

- There was strong stakeholder support for major change in the Precinct.
- The current industrial zoning is highly restrictive and property owners find it difficult to tenant their properties.
- There was a shared vision from property owners/businesses, south of the light rail:
 - opportunity for inner urban vibrant mixed-use and diverse neighbourhood with businesses, residential development and cafes and restaurants.
 - strong view that Southbank style of development is undesirable.
- There was less clarity from stakeholders in terms of land north of the light rail line. A range of candidate land uses were discussed including residential, office and warehouse and retail.
- A key challenge would be how to retain business (such as creative industries) given rising land values / limitations of planning tools.
- There was strong support for investment in a well-planned 'new place' (i.e. more than just a rezoning) incorporating:
 - Infrastructure improvements (such as public realm works and open space) to occur alongside changes to land use and built form.
 - A community 'hub' i.e. some shops, community facilities, schools and open space.
 - Innovative sustainability initiatives / enhancement of walking, bike riding and public transport.

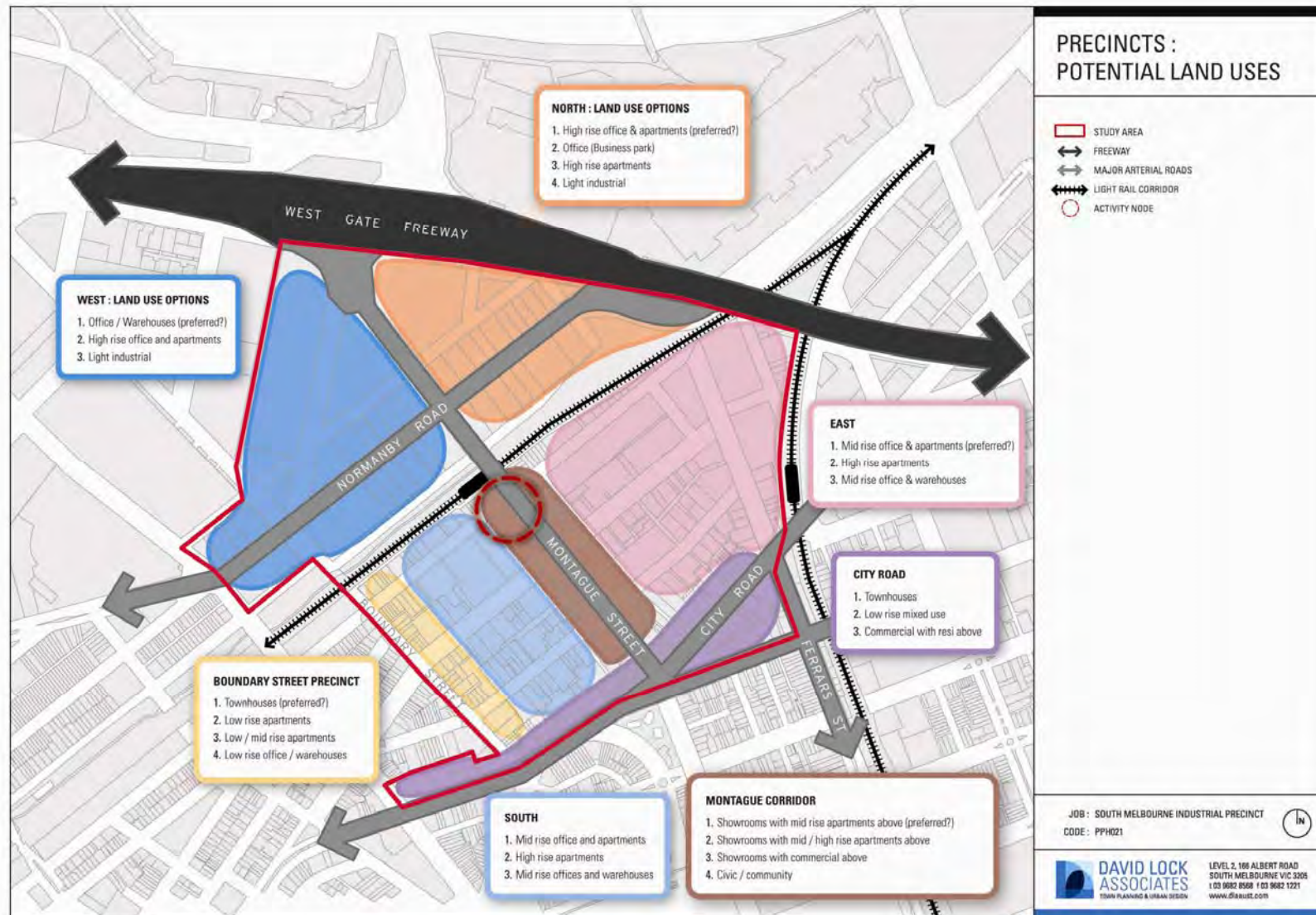


Figure 24: Potential Land Uses (as presented to the community during consultation)

Considering the options....
 What is the range of options?

Possible options	Examples (NB – For illustrative purposes only)
Townhouses	
Apartments <ul style="list-style-type: none"> • Low-rise • Mid-rise • High-rise 	 
Office and apartments <ul style="list-style-type: none"> • Mid-rise • High-rise 	
Showrooms with mid/high rise apartments above	
Office / warehouse <ul style="list-style-type: none"> • Low rise • Mid rise 	
Office (Business park)	
Light industrial	

Figure 25: Potential Land use and Built Form Typologies
 (as presented to the community during consultation)

9.0 Capacity Analysis

A capacity analysis was undertaken to provide an estimate of the maximum number of residents, dwellings and jobs the Precinct could accommodate.

9.1 Built form typologies

The capacity analysis is based on the land use and built form strategies and actions contained in the Consultation Draft (June 2012).

Three built form typologies are proposed in the Structure Plan:

- Lower-rise development (up to five storeys) in the City Road Corridor and along Boundary Street (with street-wall heights of three storeys).
- Mid-rise development generally up to eight storeys in the Southern Neighbourhood.
- Higher-rise tower / podium style development potentially ranging from 60 metres to 100 metres in height in the Northern Neighbourhood.

These typologies will create consistent street-walls across Montague resulting in a unique urban character. The majority of the street-walls will be five storeys in height.

In more sensitive locations on City Road and Boundary Street, where there is an interface with surrounding residential areas, the street-wall height is lower (three storeys).

Lower-rise and mid-rise – City Road Corridor and Southern Neighbourhood

Given the existing pattern of subdivision, the prevalence of smaller lots and proximity to low-rise established residential areas to the south and west, the Southern Neighbourhood and City Road Corridor present an opportunity for a lower scale of development than in the Northern Neighbourhood.

New development will consist of a street-wall with development set back above, architecturally treated and/or scaled to ensure it is visually recessive.

In the interface areas, the maximum building height is limited to five storeys. A maximum height of eight storeys is applied to the majority of the Southern Neighbourhood. However some opportunities for taller 12 storey buildings are acknowledged (See Montague Precinct Structure Plan, Neighbourhoods – Southern Neighbourhood).

Podium-Tower – Northern Neighbourhood

New development within the Northern Neighbourhood will primarily consist of high-rise residential towers. This building typology reflects the relative lack of development constraints and opportunities to maximize opportunities for urban consolidation.

These new high-rise developments will be expected to contribute positively to the public realm. Therefore, they will incorporate a street-wall with a podium height of a maximum five storeys.

A 100 metre height limit is proposed north of Munro Street, whilst along Normanby Road a 60 metre limit is proposed.

The plan requires the ‘tower’ element of the building to be set back and clearly delineated from the street-wall to provide a human scale at the street and retain a reasonable level of openness and solar access at street level.

Towers will be spaced, and will have a maximum floorplate of 35 metres in width and depth to encourage a slender tower form and optimise access to outlook and sunlight.

9.2 Land use scenarios

The Structure Plan seeks to deliver a mixture of residential and employment uses across the Precinct.

Yields have been calculated based on various land use mixes. The capacity analysis has been undertaken for the following land use scenarios in each of the neighbourhoods:

- 100% residential
- 75% residential and 25% commercial
- 50% residential and 50% commercial
- Tailored approach in the City Road Corridor and Northern Neighbourhood based on the specific land use mix outlined in the Consultation Draft.

9.3 Key assumptions

The following base assumptions were used in the capacity calculations.

Minimum lot widths

The three development forms envisaged by the Plan will require different minimum lot widths to enable their efficient development to the heights proposed.

For the purposes of the capacity analysis, minimum lot widths have been assumed. In some cases, this would involve the consolidation of sites.

These minimum lot widths are based on efficient car parking layouts and are:

- 12 metres in the City Road Corridor
- 17 metres in the Southern Neighbourhood
- 31 metres in the Northern Neighbourhood.

Car Parking

In all neighbourhoods, parking will be located at ground level and above. No basements are expected due to the presence of Coode Island silt.

The analysis assumes that in the:

- City Road Corridor and Southern Neighbourhood - car parking will be provided at ground floor in stackers and behind a 10 metre deep sleeve of commercial space.
- Northern Neighbourhood – car parking will be provided at ground floor and on podium levels behind a 10 metre deep sleeve of apartments/commercial space.

The capacity analysis also applies a reduced car parking rate to development to recognise the Precinct’s strategic location, proximity to services and access to public transport and to reduce the impact of car parking and traffic on the public realm.

The following rates have been applied:

- For residential development - a maximum parking rate of 0.5 per dwelling.
- For office developments – rates of between 1.0 - 2.0 spaces per 100 square metres of floor area.

The lower office rate was applied in the Southern Neighbourhood and City Road Corridor due to development constraints e.g. small lot sizes.

Average apartment size

An average apartment size of 61.25m² was used in the calculations. This figure is based on:

- development trends and market expectations.
- a calculation of the percentage split of apartments and their relative sizes, which changes depending on the mix.

Average apartment size calculation

No of bedrooms	Proportion (%)	Net area (m ²)
1 bed	35%	41
2 bed	55%	68
3 bed	10%	95
Average net area (m ²)	61.25	

Residents per dwelling

The analysis is based on 1.9 persons per household/apartment. This rate reflects the current and projected persons per dwellings for high density areas including St Kilda Road, Southbank, Docklands and the CBD.

Jobs per 100 square metres

The analysis assumes 5 jobs per 100m² (gross – see below for a definition).

This rate is based on a number of studies for office developments, including work by Clive Warren (2003) (For RICS Facilities Management Faculty & University of NSW) and City of Melbourne CLUE data (2008).

Floor areas

Floor areas were calculated as:

- Floorplate to gross area – 90% (articulation/balcony zone)
- Gross to net – 85% (lifts, lobbies etc)

These percentages reflect the height of buildings and required articulation of buildings in the Precinct.

9.4 Basic methodology

1. Development lots in the Precinct were identified based on minimum lot widths. Lot widths and depths were calculated to determine site area.
2. Commercial / residential ground floor area – was calculated by subtracting floor area required for parking, access and a lobby from the base site area.
3. Floor area in the podium levels – The ground floor area was multiplied by the number of floors in the podium (as determined by the street wall height.)
4. Floor areas of upper levels - Upper storey floor areas were calculated based on the floor area adjusted by setbacks outlined in the Plan.
5. The floor areas (gross/net) were then used to determine the number of apartments, residents and jobs that could be accommodated based on the land use scenarios and key assumptions.

9.5 Maximum development capacity

The capacity analysis is based on maximum 'build out' i.e. development is constructed to the maximum and minimum requirements in the Consultation Draft e.g. building heights, street-wall heights / podium heights and minimum upper floor setbacks.

Other parameters

The capacity analysis does not include land that has been identified as potential open space or for the community hub.

9.6 Overall capacity of the Precinct

The following table is based on the capacity analysis scenarios which best represent the land use and built form strategies and actions contained in the Consultation Draft (June 2012). The figures below have been included in the Consultation Draft as the maximum capacity of the Precinct.

Neighbourhoods	Site area (m ²)	Floorspace (m ²)		Residential				Commercial		Ground
		Ground Floor Net	Upper Levels Total	gross (m ²)	net (m ²)	apartments (no.)	residents (no.)	gross (m ²)	workers (no.)	workers (no.)
City Road Corridor - 100% residential in wedge (bound by City Road, York Street and Ferrars Street), 75% residential elsewhere	26,558	4,807	82,330	58,817	49,995	816	1,551	17,101	855	100
Southern Neighbourhood - 75% residential	136,763	24,420	700,726	472,990	402,041	6,564	12,471	175,181	8,759	1,221
Northern Neighbourhood - 90% residential	113,642	16,862	536,627	434,668	369,468	6,032	11,461	48,296	2,415	843
TOTALS						13,412	25,483		12,029	2,164

9.7 City Road Corridor



Summary

	Numbers	Population densities
Residents	1,550	378/ha
Dwellings	816	199/ha
Jobs	955	233/ha

Notes:

- A 10 metre deep sleeve of commercial/retail development has been assumed fronting City Road. Access to parking (via City Road / rear access ways where possible) will limit the potential ground floor retail/commercial space in the Neighbourhood.
- Car parking has been assumed to be provided in twin stackers off a single loaded driveway (i.e. with parking bays off one side).
- Buildings will be built to the street edge (zero setback to the street frontage) and are to extend across the full width of the property at street level (built to side boundaries).
- The street-wall of buildings will not exceed 12 metres (and a maximum of three storeys).
- Above the street wall, upper floors will be set back a minimum of five metres from the street.

City Road Corridor - Scenarios

	Site area (m ²)	Floorspace (m ²)		Residential				Commercial		Ground
		Ground Floor	Upper Levels	gross (m ²)	net (m ²)	apartme nts (no.)	residents (no.)	gross (m ²)	worker s (no.)	workers (no.)
		net	Total							
Scenario A - 100% residential	26,558	4,807	82,330	74,097	62,982	1,028	1,954	-	-	-
Scenario B - 100% residential in wedge bound by City Rd, York St & Ferrars St, 75% residential elsewhere	26,558	4,807	82,330	58,817	49,995	816	1,551	17,101	855	100
Scenario C - 75% residential	26,558	4,807	82,330	55,573	47,237	771	1,465	20,582	1,029	240
Scenario D - 50% residential	26,558	4,807	82,330	37,048	31,491	514	977	41,165	2,058	240

9.8 Southern Neighbourhood



Summary

	Numbers	Population densities
Residents	12,471	519/ha
Dwellings	6,564	273/ha
Jobs	9,980	415/ha

Notes:

- A 10 metre deep sleeve of commercial/retail development has been assumed along each site's primary frontage. Car parking has been assumed to be provided in twin stackers off double loaded driveways (i.e. parking bays off each side).
- Buildings will be built to the street edge (zero setback to the street frontage) and extend across the full width of the property at street level (built to side boundaries).
- Along the eastern side of Boundary Street, a three storey street wall (to a maximum of 10.5 metres) is applied with the street-wall not exceeding 19 metres applied elsewhere.
- Overall building heights will not exceed:
 - 17.5 metres (and not more than five storeys) along Boundary Street
 - 43 metres (and not more than 12 storeys) in the block bounded by Montague, Gladstone, Ferrars and Buckhurst Streets.
 - 29 metres (and not more than eight storeys) elsewhere in the Neighbourhood.
 - Above the street wall buildings should be set back a minimum of 5 metres from the street frontage.
- Development should maximize opportunities for active frontages at ground floor (refer to Strategic Direction 3 Built Form - Strategy 3.4 in the Structure Plan for street specific requirements).

Southern Neighbourhood – Scenarios

	Site area (m ²)	Floorspace (m ²)		Residential				Commercial		Ground
		Ground Floor net	Upper Levels Total	gross (m ²)	net (m ²)	apartments (no.)	residents (no.)	gross (m ²)	workers (no.)	workers (no.)
Scenario A - 100% residential	136,763	24,420	700,726	630,653	536,055	8,752	16,629	-	-	-
Scenario B - 75% residential	136,763	24,420	700,726	472,990	402,041	6,564	12,471	175,181	8,759	1,221
Scenario C - 50% residential	136,763	24,420	700,726	315,327	268,028	4,376	8,314	350,363	17,518	1,221

9.9 Northern Neighbourhood



Summary

	Numbers	Population densities
Residents	12,471	519/ha
Dwellings	6,564	273/ha
Jobs	9,980	415/ha

Notes:

- The assumption of lot consolidation to a minimum width of 31 metres enables the most efficient car parking layout to be accommodated within the podium.
- The five levels of podium car parking are 'sleeved' with a 10 metre deep wrapping of office/residential space. For the purposes of this analysis, this sleeving has been limited to only one 'primary' street frontage.
- Buildings have been assumed to be built to the street edge (zero setback to the street frontage) and are to extend across the full width of the property at street level (built to side boundaries).
- The street-wall of buildings will not exceed 19 metres in height (a maximum of five storeys).
- Overall building height does not exceed:
 - 60 metres (or not more than 17 storeys) north of Woodgate Street but south of Munro Street.
 - 100 metres (or not more than 28 storeys) north of Munro Street.
- Above the street wall, buildings will be set back a minimum of 5 metres from the street frontage to create a well-defined and consistent podium.
- Towers will be no greater than a maximum of 35 metres in width and depth.
- Tower forms will achieve a minimum separation distance of 12 metres (from an adjoining tower on the same site or an adjoining site) to ensure equitable access to sunlight and outlook.

Northern Neighbourhood – Scenarios

	Site area (m ²)	Floorspace (m ²)		Residential				Commercial		Ground
		Ground Floor net	Upper Levels Total	gross (m ²)	net (m ²)	apartments (no.)	residents (no.)	gross (m ²)	workers (no.)	workers (no.)
Scenario A- 100% residential	113,642	16,862	536,627	482,964	410,520	6,702	12,734	-	-	-
Scenario B - 90% residential	113,642	16,862	536,627	434,668	369,468	6,032	11,461	48,296	2,415	843
Scenario C - 75% residential	113,642	16,862	536,627	362,223	307,890	5,027	9,551	120,741	6,037	843
Scenario D - 50% residential	113,642	16,862	536,627	241,482	205,260	3,351	6,367	241,482	12,074	843

10.0 Glossary

Accessible Design: Building and site design which is accessible to all people, regardless of age and abilities.

Climate change: A significant and lasting change in the statistical distribution of weather patterns over periods ranging from decades to millions of years.

Density: Measurement of the number of units, e.g. housing, or person per hectare, which may indicate the level of activity in an area.

Enclosure: An experience in which a pedestrian feels sheltered with a semi-private realm. Buildings, trees, landscaping and street widths are all factors in creating a sense of enclosure.

Facades: The exterior wall of a building exposed to public view or that wall viewed by persons not within the building.

Fine Grained: A fine grained street system is defined as:

“A street and block pattern that encourages more intensive pedestrian use by ensuring parallel streets are spaces not more than 80 – 100 from each other, and each block has a perimeter no greater than 400 metres”.

Focal Point: A prominent structure, feature or area of interest or activity.

Gateway: The design of a building, site or landscape to symbolize an entrance or arrival to a special district.

Housing, Affordable: Well-located housing appropriate to the needs of a given household where the cost (whether mortgage payment or rent) is no more than 30% of that household's income. Exceeding that proportion places households in housing stress particularly in the lower 40% of the income distribution scale.

Housing, Social (Community): Not for profit housing owned and managed for the primary purpose of meeting social objectives such as affordable rents, responsible management, security of tenure and good location in relation to employment services. The term encompasses public housing and housing owned or managed by the community.

Human Scale: The quality of the physical environment which reflects a sympathetic proportional relationship to human dimensions and which contributes to the citizen's perception and comprehension of the size, scale, height, bulk and/or massing of buildings or other features of the built environment.

Infrastructure: Roads, bridges, utilities, rail lines and similar physical facilities that support and service urban development.

Landmarks: Buildings, structures and spaces which create distinct visual orientation points that provide a sense of location to the observer within the neighbourhood or district.

Land Use: The type of activity that occupies a parcel of land.

Legibility: How the qualities of the built environment make a place understandable.

Mixed-Use Development: The combination of two or more land uses in a single development project.

Podium: A base to a building, often incorporating above ground car parking or other land uses.

Peak oil: The point in time when the maximum rate of petroleum extraction is reached, after which the rate of production is expected to enter terminal decline.

Permeability: Accessibility, both in terms of visual accessibility and physical accessibility.

Public Realm: The public and semi-public spaces of the city, especially the street spaces of the city from building face to the opposite building face (including the façade, front yard, footpath and streets) and open space such as parks and squares.

Raingarden: A planted depression that allows rainwater runoff from impervious urban areas like roofs, driveways, walkways and compacted lawn areas the opportunity to be absorbed. This reduces rain runoff by allowing stormwater to soak into the ground.

Roads, Arterial: Major traffic and transit routes, intended to carry large volumes of vehicular traffic and provide continuous routes across urban areas.

Roads, Collector: Traffic and transit routes designed to carry lower volumes of traffic than arterial roads, and providing continuous access across neighbourhoods.

Sleeving of car parks: The use of façade materials or active land uses to conceal an above ground car park.

Streetscape: The distinguishing elements and character of a particular street as created by its width, paving materials, design of the street furniture, pedestrian amenities and setback and form of surrounding buildings.

Street-wall: The street-wall is the height of the wall at zero setback from the adjoining pavement.

Urban Design: The planning and design of cities and places focusing on the form and function of public and publicly accessible space.

Urban heat island effect: Localised warming due to the increase in the large amounts of paved and dark coloured surfaces like roads, roofs and car parks.

Utilities: Facilities for gas, electricity, telephone, cable television, water and waste water.

Walkability: A community where housing, workplaces, shopping areas, schools and recreation facilities are laid out in a manner that makes them relatively accessible by walking as well as by bike riding.

Water Sensitive Urban Design: The integration of water cycle management into urban planning and design.

Wayfinding Signage: The information available to people which they need to find their way around the city and can be verbal, graphic, architectural and spatial.

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