

South Melbourne Structure Plan: Activity Centre Boundary Report November 2023

FUTURE
SOUTH
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1. Introduction

South Melbourne is a vibrant inner urban location with an engaged community, a diverse mix of housing and businesses, and a rich cultural and architectural heritage. These attributes, as well as its location between Melbourne's CBD and Port Phillip Bay, mean that South Melbourne will continue to be an attractive location to live, work and play.

The City of Port Phillip has prepared the South Melbourne Structure Plan to manage change and guide how the area looks, feels and functions. The South Melbourne Structure Plan will replace the existing South Melbourne Central Structure Plan, which defines the boundary of the existing South Melbourne Major Activity Centre (MAC). Figure 1 shows the new South Melbourne Structure Plan area/

This long-term plan will help prepare South Melbourne for the future and how the community responds to challenges such as climate change, population growth and COVID-19 over the next 20 years and addresses:

- How new buildings should be designed
- The location of new housing and employment
- Generating job opportunities and economic recovery
- How people of all ages and backgrounds are included in the community
- How people move around and stay connected
- Enhancing streets and park
- Protecting heritage and character
- Enhancing sustainability
- Social and physical infrastructure improvements.

This report informs the South Melbourne Structure Plan, by providing justification for the delineation of the activity centre boundary, which is being revised through the new structure plan. The activity centre boundary differs from the structure plan boundary, which delineates the complete area that is being considered as part of the structure plan.

The tables in Chapters 6 and 7 provide an assessment of the land either recommended to be included in the activity centre or not included in the activity centre against the Activity Centre Boundary criteria contained in *Planning Practice Note 58: Structure planning for activity centres*.

2. What are activity centres?

Activity centres are a focus for housing, commercial, retailing, community, employment, transport, leisure, open space, entertainment and other services and are places where people shop, work, meet, relax and live.

State planning policy directs the further expansion of these services into activity centres, and recognises that activity centres are ideally placed to provide for growth in household numbers. As such, activity centres will be a major focus for change in metropolitan Melbourne.

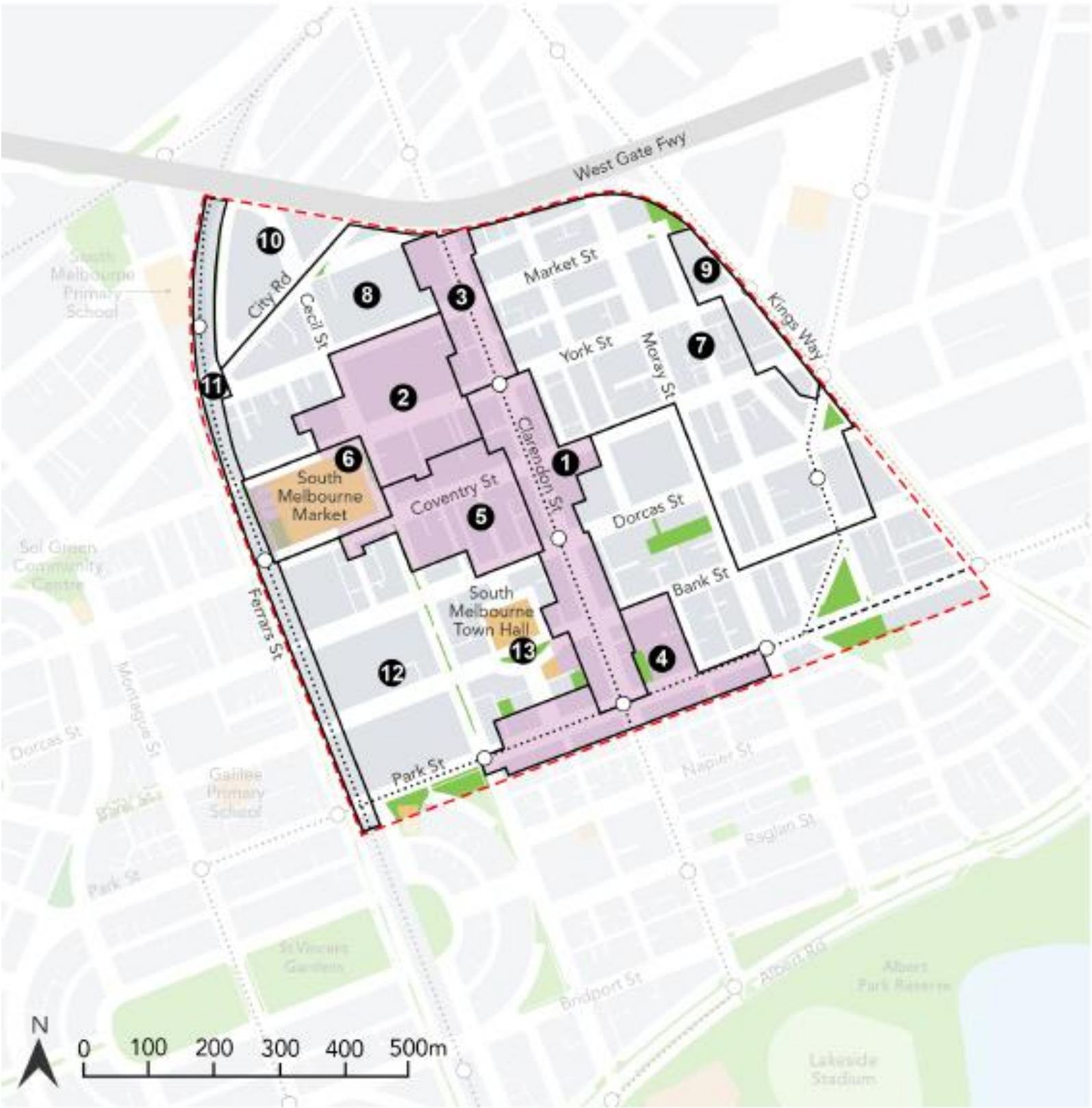
Plan Melbourne 2017-2050: Metropolitan Planning Strategy identifies South Melbourne as a Metropolitan Activity Centre. The Victorian Government defines Metropolitan Activity Centres as places that provide a suburban focal point for services, employment, housing, public transport and social interaction. They have different attributes and provide different functions, with some serving larger subregional catchments. *Plan Melbourne 2017-2050* is the Victorian Government's metropolitan planning strategy and it identifies 121 existing and future Major Activity Centres across Melbourne, including South Melbourne.

Managing growth and change in activity centres aligns with the Victorian Government's vision for a network of major activity centres that are critical to metropolitan economic performance and maintaining a focal point for services, employment, housing, public transport and social interaction as defined by *Plan Melbourne*.

The Victorian Government provides context for the planning of activity centres in Planning Practice Note 58 (PPN58), emphasising that State planning policy focuses on developing activity and business districts outside Melbourne's CBD, with intensified centres located outside central Melbourne called activity centres (which includes Metropolitan Activity Centres). These activity centres are connected by public transport routes, linking activity centres, universities, research and technology precincts, medical precincts and areas with high employment.

3. Approach and methodology

The existing boundary of the South Melbourne Major Activity Centre has been analysed as part of the technical work supporting the South Melbourne Structure Plan, and is shown in Figure 1.



- - - Study area boundary
 - South Melbourne Central Activity Centre
 - Open space
 - Existing tram line / tram stop
 - Future Park Street tram link
-
- Precinct/Character Areas**
- 1** Clarendon Street Core Retail Strip
 - 2** Emerging Activity Precinct
 - 3** Northern Mixed Activity Edge
 - 4** Southern Mixed Activity Edge
 - 5** Coventry Street Specialty Shopping Centre (within SMC)
 - 6** South Melbourne Market Precinct
 - 7** Eastern Business District
 - 8** Western Business District
 - 9** Kings Way Mixed Use Corridor
 - 10** City Road Wedge
 - 11** Ferrars Street Light Rail Corridor
 - 12** Heritage Overlay Residential Areas
 - 13** Emerald Hill Civic, Cultural and Community Hub

Figure 1: South Melbourne Activity Centre and South Melbourne Central Structure Plan (2008) Study Area, City of Port Phillip

The existing activity centre boundary was analysed against the *Activity Centre Boundary Criteria*, as defined by the Victorian Government guidance contained in Planning Practice Note 58 (PPN58), which were developed for councils to define activity centre boundaries when structure planning for activity centres. The criteria in PPN58 are detailed below:

a) *Consider the following issues in determining the potential location of an activity centre boundary:*

- *the location of existing commercial areas and land uses*
- *the location of existing government and institutional areas and land uses*
- *the location of existing areas of public open space*
- *commercial and residential needs*
- *environmental and flooding constraints*
- *heritage constraints*
- *availability of strategic redevelopment sites, both existing and potential*
- *the location of residential areas, including whether they provide significant redevelopment opportunities or constraints for the centre*
- *consideration of physical barriers and opportunities for their improvement*
- *proximity to public transport, especially fixed rail (train or tram)*
- *the location of existing and potential transport infrastructure including fixed rail, buses, bicycle paths, car parking areas and modal interchanges*
- *walkability – opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity)*
- *consistency with State policy*
- *consistency with local policy and Municipal Strategic Statement (MSS)*
- *impacts of the boundary on other activity centre boundaries.*

b) *In setting a boundary for an activity centre, include:*

- *sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon*
- *residential areas that are integrated into the activity centre or surrounded by other uses that have a strong functional inter-relationship with the activity centre even where limited development opportunities exist*
- *key public land uses that have or are intended to have a strong functional inter-relationship with the activity centre even where there are no or limited redevelopment opportunities*
- *public open space areas that have or are intended to have a strong functional inter-relationship with the activity centre.*

c) *In setting a boundary for an activity centre, generally exclude:*

- *residential land encumbered by significant constraints (such as a Heritage Overlay) located at the edge of the activity centre.*

This review of the existing activity centre boundary against the above criteria recommends a number of additions. An assessment of each new inclusion to the activity centre against the PPN58 Activity Centre Boundary Criteria can be found in Chapter 6.

As outlined in the criteria above, including land within the South Melbourne MAC does not directly relate to likely development potential. A range of uses with a strong functional inter-relationship with the activity centre have been included, some of which may have limited opportunity for redevelopment.

These sites make a strong contribution to a 20-minute neighbourhood, which the Victorian Government defines through Plan Melbourne as:

“a well-designed place with a mix of land-uses and housing types with public transport. It offers connected places where people can live, spend their free time and access local services. It provides social hubs where connections to neighbours and communities can develop. These are places where people want to be, where people have the opportunity and choice to live locally”.

The features of a 20-minute neighbourhood are shown in Figure 2 overleaf.



Figure 2: Features of a 20-Minute Neighbourhood, Department of Environment, Land, Water and Planning (Victorian Government)

The features of the 20-minute neighbourhood are not just confined to activity centres. Within South Melbourne's context, it is expected that greater development will be accommodated within the employment land in the enterprise precinct, in the Commercial 2 Zone and the Mixed Use Zone precinct along Kings Way. These areas are both located outside of the activity centre boundary but within the South Melbourne Structure Plan study area, and contribute to achieving a 20-minute neighbourhood in South Melbourne by providing local job opportunities in a varied range of industries, and additionally for land in the Mixed Use Zone, diverse housing options. Areas surrounding South Melbourne, namely Domain, Montague and Southbank, will also accommodate dwellings for a growing population.

4. Policy Framework

Plan Melbourne 2017-2050 identifies the locations of larger activity centres and includes South Melbourne activity centre as a Major Activity Centre (MAC). Planning Policy makes these centres the best location for medium and higher density development. Activity centres provide potential to attract investment and will be a major focus for change in metropolitan Melbourne.

The South Melbourne Structure Plan will be informed by a broad range of State and Council plans and strategies. The key strategies are listed in the table below.

State Framework	
Melbourne Industrial and Commercial Land Use Plan 2020	Provides a framework to more effectively plan for future employment and industry needs, and better inform future strategic directions. It identifies parts of South Melbourne within the study area as both 'Regionally Significant Industrial Land' and as a 'Regionally Significant Commercial Area'. Kings Way and the West Gate Freeway are identified as part of the Principal Freight Network.
Plan Melbourne 2017-2050 – Metropolitan Planning Strategy	Establishes a vision for Melbourne by integrating land use, infrastructure and transport planning to meet the City's future environmental, population, housing and employment needs. Plan Melbourne identifies South Melbourne as a Metropolitan Activity Centre, places which have an important role in accommodating housing, employment and other future needs.
Planning and Environment Act 1987	Sets the legislative framework for Victoria's planning system. Section 4 sets out the objectives of planning in Victoria, which councils must implement.
Unlocking Enterprise in a Changing Economy Strategy 2018	Identifies South Melbourne as an enterprise precinct, one of three key areas outside Melbourne's CBD to attract new businesses and investment.
Urban Design Guidelines (Victorian Government, 2023)	Aim to create neighbourhoods that foster community interaction and make it easy for people of all ages and abilities to live healthy lifestyles and engage in regular physical activity.
Victoria's Climate Change Strategy 2021	Sets out a roadmap to net-zero emissions and a climate resilient Victoria by 2050.
Local Framework	
Act and Adapt Sustainable Environment Strategy 2023-28	Outlines the City of Port Phillip's commitment to environmental sustainability for the organisation and the wider community. It establishes a pathway that will help transition the City to a greener, cooler more liveable City where everyone is reducing their impact on the environment and are more resilient to the impacts of climate change.
City of Port Phillip Activity Centre Strategy 2006	Establishes a holistic understanding of the complex role and function of activity centres (areas focused on commercial and retail precincts) and the contribution they make to creating sustainable local communities.
Climate Emergency Action Plan 2023-28	Outlines how the City of Port Phillip will respond to the climate emergency and how the City will collaborate with stakeholders to cut our community's emissions and prepare for the future. It directly responds to Council's declaration of a climate emergency on 18 September 2019.
Council Plan 2023-27 (updated annually)	Sets out what the City of Port Phillip wants to achieve by 2027, and how we will support the current and future health and wellbeing of the City and our people.
Creative and Prosperous City Strategy 2023-2026	Supports the creation of a thriving social, cultural and economic future for the City of Port Phillip and a continued focus on economic development and tourism, festivals, events, live music, our screen industry (including film and gaming) and arts, culture and heritage. It supports the economic recovery of the local economy following the COVID-19 pandemic.
Don't Waste It! Waste Management Strategy 2018-28	Provides the blueprint for how the City and the community will work together to create a more sustainable future, through the way waste is managed in the municipality.
Games Action Plan 2020-24	Recognises the opportunity for Port Phillip's games sector and related creative industries to continue as a significant part of the City's future economy
Greening Port Phillip, an Urban Forest Approach 2010	Provides the strategic framework and policy context for the development and management of trees in Port Phillip.
In Our Backyard – Growing Affordable Housing in Port Phillip, 2015-2025	Identifies the City's role and actions it will take to grow the supply and diversity of affordable housing in the Port Phillip to address priority local housing needs.
Library Action Plan 2021-2026	Sets out a vision, key actions and key focus areas for library services across Port Phillip to keep library services relevant and responsive to the community.
Live Music Action Plan 2021-24	Recognises the vital role that live music plays in the everyday life of Port Phillip, being central to its communities, its identity and its past, present and future.
Move, Connect, Live Integrated Transport Strategy 2018-28	Along-term plan to ensuring that the community can adapt to the increasing number of trips and the challenges associated with increased congestion, while creating travel choices, prioritising effective and equitable access to transport options, and ensuring the liveability and safety of streets.
Placemaking Action Plan 2018-21	The plan for reactivating areas of Port Phillip.
Places for People Public Space Strategy 2022-32	Sets the vision and blueprint for the future of public spaces in Port Phillip.
Port Phillip Heritage Review (Version 36, December 2021)	The main heritage reference document for the City, providing a municipal-wide, post-European contact environmental history, and also includes citations for heritage precincts and individual heritage places.
Spatial Economic and Employment Framework (Draft 2023)	Sets out a series of directions and strategies to support economic growth and vitality over the coming years.

Policy in Port Phillip Planning Scheme

The Port Phillip Planning Scheme contains the policies and provisions that control land use and development and apply to all private and public land in Port Phillip. It contains both state and local policy.

The Municipal Planning Strategy (MPS) outlines the overarching strategic policy directions of Port Phillip.

Clause 02.03-1 sets out Strategic Directions for the South Melbourne neighbourhood. The neighbourhood comprises the South Melbourne MAC, shown in Figure 1 of this report, including Clarendon Street, the South Melbourne Market, and significant established business precincts which are experiencing residential and commercial development pressure. Within this policy, Council supports:

- Developing a sustainable mixed use precinct focussed on the South Melbourne MAC
- Developing the Emerald Hill precinct as a major focus of cultural activity for the local and wider community
- Maintaining high quality residential environments in established residential areas
- Addressing the shortage of public open space, especially north of Park Street.

In addition, Clause 02-03-6 outlines Strategic Directions on Economic development within Port Phillip. Within this policy Council supports:

- Maintaining and strengthening creative industry clusters in South Melbourne and Fishermans Bend Urban Renewal Precinct.

Reflecting the Strategic Directions, South Melbourne is shown as a key employment and industrial area as shown on the Strategic Framework Plan at Clause 02.04-1 (Figure 3).

Local policy guidance in the Planning Policy Framework for South Melbourne is contained in Clause 11.03-1L-05, which outlines strategies relating to new development within the activity centre. South Melbourne is also referenced in the following local policy:

- Clause 15.01-1L-02 Urban Design, addressing landmarks, views and vistas
- Clause 15.01-5L Neighbourhood Character, addressing how development should respond to specific character elements
- Clause 17.02-1L Mixed Use and office areas, addressing uses in the South Melbourne office and mixed-use precincts
- Clause 18.01-3L-01 Sustainable and safe transport in Port Philip, addressing the provision of high-quality walking and bicycle infrastructure and facilities to and between key destinations including South Melbourne
- Clause 18.02-3L Public transport, addressing support for various new route connections and extensions to and through South Melbourne
- Clause 19.02-4L Community facilities, addressing support for new community facilities within South Melbourne Central.
- Clause 19.02-6L Public open space and foreshore, addressing strengthening existing or creating new open space in South Melbourne.

Design and Development Overlay Schedule 8

The current planning requirements for land in the South Melbourne Major Activity Centre are mostly contained in Design and Development Overlay Schedule 8 (DDO8) – South Melbourne Central at Clause 43.02 of the Port Phillip Planning Scheme.

A review of DDO8 is contained in the *South Melbourne Structure Plan Background Report (November 2023)* and supporting documents.



Figure 3: Economic Development Framework Plan introduced by Amendment C203port at Clause 2.04-1 (Economic Development) of the Port Phillip Planning Scheme, City of Port Phillip


5. Revised activity centre boundary


Figure 3 shows the proposed revised activity centre boundary. Chapters 6 and 7 analyse why land has either been included or not included in the activity centre, with respect the criteria set out by the Victorian Government in *Planning Practice Note 58: Structure Planning for Activity Centres* and summarised in Chapter 3.





Figure 4: South Melbourne Activity Centre and South Melbourne Central Structure Plan (2008) Study Area.


6. Land included in the South Melbourne Activity Centre


Land to be included (refer to map at Figure 4)	Relevant Planning Practice Note 58 criteria	Reasoning
Existing activity centre boundary as marked on revised activity centre boundary map	<p>Include</p> <ul style="list-style-type: none"> <i>sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon</i> <i>residential areas that are integrated into the activity centre or surrounded by other uses that have a strong functional inter-relationship with the activity centre even where limited development opportunities exist</i> <i>key public land uses that have or are intended to have a strong functional inter-relationship with the activity centre even where there are no or limited redevelopment opportunities</i> <i>public open space areas that have or are intended to have a strong functional inter-relationship with the activity centre.</i> 	<p>Land currently included in the South Melbourne Activity Centre shown in Figure 1 of this report is appropriate to be retained in the activity centre.</p> <p>The current activity centre continues to accord with criteria outlined in Planning Practice Note 58. Land in the current activity centre also aligns with the 20-minute neighbourhood concept, as defined in <i>Plan Melbourne</i>. No changes are proposed to the activity centre hierarchy. The existing activity centre boundary is illustrated by Figure 1.</p> <p>This analysis of the existing activity centre against the criteria in Planning Practice Note 58 recommends several sites outside of the current activity centre that should be included within the activity centre. These additions are discussed below.</p>
Site 1 as marked on revised activity centre boundary map at Figure 4: 100 Market Street South Melbourne (current Aldi)	<p>Relevant PPN58 criteria:</p> <p>Consider</p> <ul style="list-style-type: none"> <i>the location of existing commercial areas and land uses</i> <i>commercial and residential needs</i> <i>availability of strategic redevelopment sites, both existing and potential</i> <i>heritage constraints</i> <i>proximity to public transport, especially fixed rail (train or tram)</i> <i>the location of existing and potential transport infrastructure including fixed rail, buses, bicycle paths, car parking areas and modal interchanges</i> <i>walkability – opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity)</i> <i>consistency with State policy</i> <i>consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework]</i> <p>Include:</p> <ul style="list-style-type: none"> <i>sufficient land to provide for the</i> 	 <p>100 Market Street is a large site comprising 4,989 square metres in the Commercial 1 Zone. Heritage Overlay 4 (City Road Industrial Area) applies to the site, and it is graded as a significant heritage place in the Port Phillip Heritage Review. Immediate interfaces are to Market and Cecil streets, also in the Commercial 1 Zone, as well as adjoining sites in the Commercial 2 Zone, which form part of the South Melbourne Enterprise Precinct. The site is proximate to the core of the South Melbourne commercial centre (Clarendon Street, South Melbourne Market and various shopping precincts). 100 Market Street is well serviced by public transport, as it is within 400m of 96 light rail route (South Melbourne market stop), Clarendon Street tram (route 12) and cycle routes along Cecil Street.</p> <p>Including this land in the activity centre is consistent with the outcomes sought by State and local policy in the Port Phillip Planning Scheme. For these reasons, including this land in the activity centre satisfies the following PPN58 criteria:</p> <ul style="list-style-type: none"> <i>location of existing commercial areas and land uses</i> <i>commercial and residential needs</i>

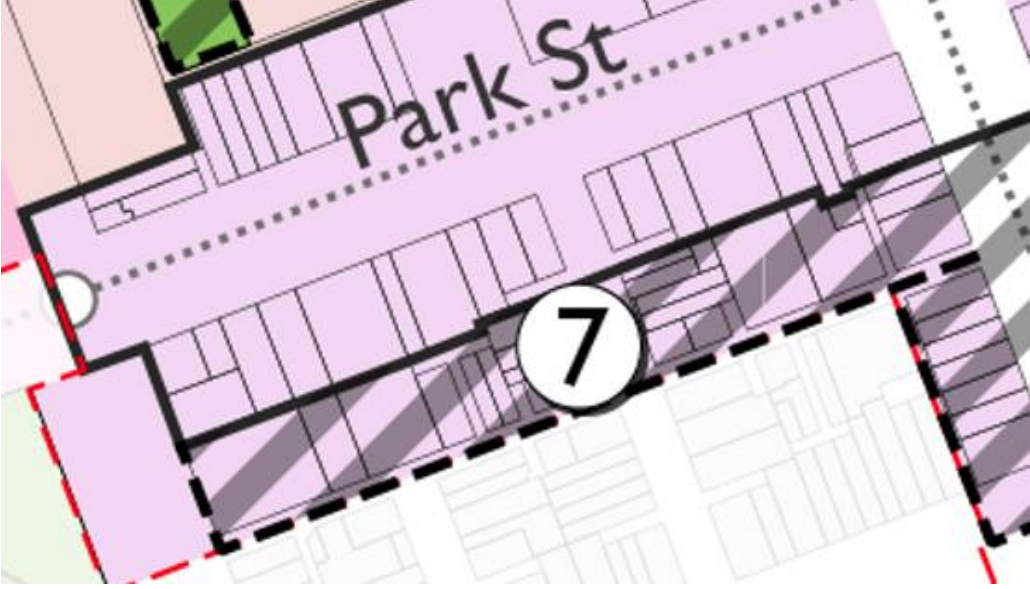
Land to be included (refer to map at Figure 4)	Relevant Planning Practice Note 58 criteria	Reasoning
	<p>commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon</p>	<ul style="list-style-type: none"> • availability of strategic redevelopment sites, both existing and potential • sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon • consistency with State policy • consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework] • walkability – opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity) • the location of existing and potential transport infrastructure including fixed rail, buses, bicycle paths, car parking areas and modal interchanges <p>Including this land in the Activity Centre recognises the flexible zoning that allows for residential, retail and commercial uses, aligning with the C1Z's purpose:</p> <ul style="list-style-type: none"> • To create vibrant mixed use commercial centres for retail, office, business, entertainment and community uses. • To provide for residential uses at densities complementary to the role and scale of the commercial centre.
<p>Site 2 as marked on revised activity centre boundary map at Figure 4: 80-94 Cecil Street, 166-180 York and 80-94 Market Streets South Melbourne</p>	<p>Relevant PPN58 criteria: Consider</p> <ul style="list-style-type: none"> • the location of existing commercial areas and land uses • commercial and residential needs • availability of strategic redevelopment sites, both existing and potential • proximity to public transport, especially fixed rail (train or tram) • the location of existing and potential transport infrastructure including fixed rail, buses, bicycle paths, car parking areas and modal interchanges • walkability – opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity) • consistency with State policy • consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework] <p>Include:</p> <ul style="list-style-type: none"> • sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon • residential areas that are integrated into the activity centre or surrounded by other uses that have a strong functional inter-relationship with the activity centre even where limited development opportunities exist 	 <p>This site is located on the north-west corner of York and Cecil streets in South Melbourne. The site comprises 80-94 Cecil Street, 119-125 Market Street, 3-5 Northumberland Street, 7 Northumberland Street and 146-170 York Street, South Melbourne. Land at 166-180 York and 80-94 Market Streets is in the Commercial 2 Zone and land at 119-125 Market Street is in the Commercial 1 Zone.</p> <p>Part of the land, at 80-94 Cecil and 146-164 York Streets, are already included in the Activity Centre boundary, and it is proposed to include the remainder of the land that land.</p> <p>The boundary would make a rationale alignment along York and Northumberland Street, including Commercial 1 land in the Activity Centre.</p> <p>The new South Melbourne Structure Plan recommends rezoning the land at 166-180 York and 80-94 Market Streets to Commercial 1. An assessment of why this site is proposed to be rezoned is contained in the <i>South Melbourne Structure Plan: South Melbourne Zoning Anomalies Report</i> (City of Port Phillip 2023). This assessment is made with respect to the guidance on applying zones set out in the Victorian Government's <i>Practitioner's Guide to Using Planning Schemes</i>.</p> <p>This land forms part of a site identified in the South Melbourne Central Structure Plan (2007). The site has significant development potential highlighted by the approved planning permit 303/2018, which allows "Construction of a multi storey building comprising office, shops and food and drinks premises (as of right uses), buildings and works in association with a Design and Development Overlay and reduction in car parking". Council is currently considering an application to amend this permit (303/2018/A). The planning permit amendment seeks to make significant changes to the approved permit, namely to extend the development area to include 166-180 York</p>

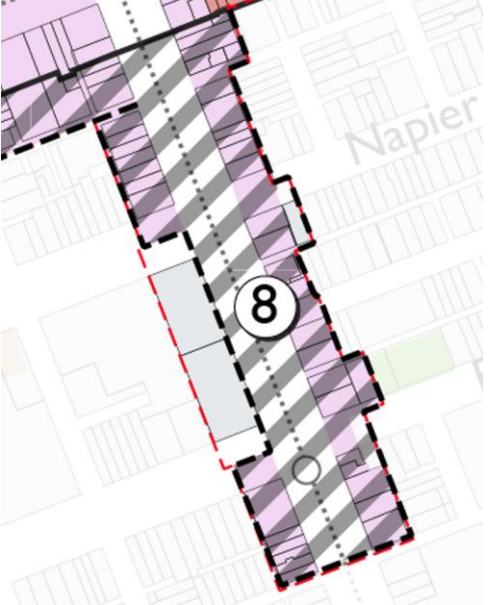
Land to be included (refer to map at Figure 4)	Relevant Planning Practice Note 58 criteria	Reasoning
		<p>and 80-94 Market Streets, land which is to be included in the activity centre as marked on the revised activity centre boundary map.</p> <p>The site is proximate to Clarendon Street, South Melbourne Market and other retail precincts. Further, the site is well serviced by public transport, including being within 400 metres of the Route 96 light rail corridor (South Melbourne Station, adjacent the market), 200 metres of the Route 12 tram along Clarendon Street and cycle routes along Cecil and Moray streets.</p> <p>Including this land in the activity centre is consistent with the outcomes sought by state and local policy in the Port Phillip Planning Scheme. For these reasons, including this land in the activity centre satisfies the following PPN58 criteria:</p> <ul style="list-style-type: none"> • the location of existing commercial areas and land uses • commercial and residential needs • availability of strategic redevelopment sites, both existing and potential • sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon • the location of existing and potential transport infrastructure including fixed rail, buses, bicycle paths, car parking areas and modal interchanges • walkability – opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity) • consistency with State policy • consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework] <p>Therefore, for the reasons identified above, it is appropriate to include this land within the activity centre.</p>
<p>Site 3 as marked on revised activity centre boundary map at Figure 4: South Melbourne route 96 light rail stop</p>	<p>Relevant PPN58 criteria:</p> <p>Consider</p> <ul style="list-style-type: none"> • proximity to public transport, especially fixed rail (train or tram) • walkability - opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity) • the location of existing and potential transport infrastructure including fixed rail, buses, bicycle paths, car parking areas and modal interchanges • consistency with State policy • consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework] <p>Include</p> <ul style="list-style-type: none"> • key public land uses that have or are intended to have a strong functional inter-relationship with the activity centre even where there are no or limited redevelopment opportunities 	 <p>This site is the South Melbourne stop for the tram route 96 (East Brunswick - St Kilda Beach) on the light rail corridor. It includes the current South Melbourne Station light rail/tram stop as well as all land within the rail corridor zoned Public Use Zone Schedule 4 between the South Melbourne Market, Ferrars Street, Coventry Street and York Street.</p> <p>The South Melbourne station for the route 96 light rail has a strong connection and contribution to the activity centre through the movement of people using the light rail and its integration with the surrounding public realm. The stop plays an important link in connecting residents and visitors to South Melbourne. South Melbourne Station along the Route 96 light rail corridor abuts the South Melbourne Market and Coventry Children's centre, which are already within the activity centre.</p> <p>Including this land in the activity centre is consistent with the outcomes sought by state and local policy in the Port Phillip Planning Scheme. For these reasons, including this land in the activity centre satisfies the following PPN58 criteria:</p> <ul style="list-style-type: none"> • key public land uses that have or are intended to have a strong functional inter-relationship with the activity centre even where there are no or limited redevelopment opportunities • proximity to public transport, especially fixed rail (train or tram) • the location of existing and potential transport infrastructure including fixed rail, buses, bicycle paths, car parking areas and modal interchanges

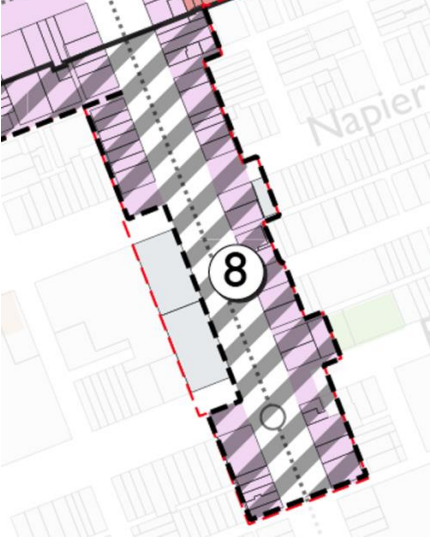
Land to be included (refer to map at Figure 4)	Relevant Planning Practice Note 58 criteria	Reasoning
		<ul style="list-style-type: none"> walkability - opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity) consistency with State policy consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework] <p>Therefore, for the reasons identified above, it is appropriate to include this land within the activity centre.</p>
<p>Site 4 as marked on revised activity centre boundary map at Figure 4: Homes Victoria public housing site at 166 Moray Street and 209 Dorcas Street, Skinners Adventure Playground at 179 Dorcas Street, two churches (St Lukes Anglican Church at 210 Dorcas Street and the Greek Orthodox Archdiocese of Australia at 221-229 Dorcas Street) and Apple Blossoms Early Learning Centre at 219 Dorcas Street South Melbourne</p>	<p>Relevant PPN58 criteria: Consider</p> <ul style="list-style-type: none"> commercial and residential needs the location of existing government and institutional areas and land uses the location of existing areas of public open space heritage constraints proximity to public transport, especially fixed rail (train or tram) walkability consistency with State policy consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework] <p>Include:</p> <ul style="list-style-type: none"> key public land uses that have or are intended to have a strong functional inter-relationship with the activity centre even where there are no or limited redevelopment opportunities public open space areas that have or are intended to have a strong functional inter-relationship with the activity centre. 	 <p>This land includes Homes Victoria public housing sites at 166 Moray Street and 209 Dorcas Street, which will be redeveloped by the Victorian Government as part of the Emerald Hill Master Plan. The Master Plan includes a proposal by Victoria Health to build a community hospital on the 166 Moray Street site on the corner of Coventry Street. The land uses include land in residential zones (residential and public housing), future health services (hospital), institutional uses (churches) and Skinners Adventure Playground in the Public Park and Recreation.</p> <p>These uses are within 100 metres of South Melbourne’s commercial and retail core (Clarendon Street), the Clarendon Street tram (route 12) and cycle routes along Moray Street</p> <p>Including this land in the activity centre is consistent with the outcomes sought by state and local policy in the Port Phillip Planning Scheme. For these reasons, including this land in the activity centre satisfies the following PPN58 criteria:</p> <ul style="list-style-type: none"> key public land uses that have or are intended to have a strong functional inter-relationship with the activity centre even where there are no or limited redevelopment opportunities the location of existing areas of public open space public open space areas that have or are intended to have a strong functional inter-relationship with the activity centre. the location of existing government and institutional areas and land uses the location of existing and potential transport infrastructure including fixed rail, buses, bicycle paths, car parking areas and modal interchanges heritage constraints walkability – opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity) consistency with State policy consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework] <p>The two churches (St Lukes Anglican Church at 210 Dorcas Street and the Greek Orthodox Archdiocese of Australia at 221-229 Dorcas Street) are in the Heritage Overlay, with St Luke’s being graded significant in HO440 and also listed on the Victorian Heritage Register (VHR H218/HO108). As such, despite the relatively limited development potential of the the churches are given they are adjoining the existing commercial area and provide community uses contributing to the mix of uses within South Melbourne, it is appropriate to include them in the Activity Centre.</p>

Land to be included (refer to map at Figure 4)	Relevant Planning Practice Note 58 criteria	Reasoning
<p>Site 5 as marked on revised activity centre boundary map at Figure 4: 176-188 Bank Street South Melbourne (Former South Melbourne Butter factory)</p>	<p>Relevant PPN58 criteria:</p> <p>Consider</p> <ul style="list-style-type: none"> • <i>the location of existing commercial areas and land uses</i> • <i>the location of existing areas of public open space</i> • <i>commercial and residential needs</i> • <i>heritage constraints</i> • <i>walkability</i> • <i>availability of strategic redevelopment sites, both existing and potential</i> • <i>proximity to public transport, especially fixed rail (train or tram)</i> • <i>consistency with State policy</i> • <i>consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework]</i> <p>Include:</p> <ul style="list-style-type: none"> • <i>sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon</i> 	 <p>This site includes the land at 176-188 Bank Street (Former South Melbourne Butter Factory). This property is proposed to be rezoned from Neighbourhood Residential Zone Schedule 2 to Commercial 1 Zone as part of the structure plan, as it has always operated as a commercial premises and has existing use rights to that effect. An assessment of why this site is proposed to be rezoned is contained in the <i>South Melbourne Structure Plan: South Melbourne Land Use Review</i> (City of Port Phillip 2023). Given the site's large area of 2,557 square metres, it is considered to have future development potential. Any future development would however need to be designed to respect the existing heritage fabric recognised by the site's significant heritage grading as part of the HO440 precinct.</p> <p>The site is within 100 metres of core of the South Melbourne's commercial and retail core (Clarendon Street), Clarendon Street trams (route 12), and cycle routes along Moray Street, providing great walkability and access to public transport and active travel.</p> <p>Including this land in the activity centre is consistent with the outcomes sought by state and local policy in the Port Phillip Planning Scheme. For these reasons, including this land in the activity centre satisfies the following PPN58 criteria:</p> <ul style="list-style-type: none"> • <i>the location of existing commercial areas and land uses</i> • <i>sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon</i> • <i>proximity to public transport, especially fixed rail (train or tram)</i> • <i>the location of existing and potential transport infrastructure including fixed rail, buses, bicycle paths, car parking areas and modal interchanges</i> • <i>walkability – opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity)</i> • <i>availability of strategic redevelopment sites, both existing and potential</i> • <i>heritage constraints</i> • <i>consistency with State policy</i> • <i>consistency with local policy and Municipal Strategic Statement (MSS)</i> <p>Inclusion in the Activity Centre recognises the flexible zoning that allows for residential, retail and commercial uses and has the purpose:</p> <ul style="list-style-type: none"> • <i>To create vibrant mixed use commercial centres for retail, office, business, entertainment and community uses.</i> • <i>To provide for residential uses at densities complementary to the role and scale of the commercial centre.</i> <p>Therefore, for the reasons identified above, it is appropriate to include this land within the activity centre.</p>

Land to be included (refer to map at Figure 4)	Relevant Planning Practice Note 58 criteria	Reasoning
<p>Site 6 as marked on revised activity centre boundary map at Figure 4: Emerald Hill 'civic heart', including South Melbourne Town Hall, Emerald Hill Library, Access Arts Victoria, two reserves including Foundry Site Park and Edythe McCallum Reserve and the current South Melbourne Police Station site.</p>	<p>Relevant PPN58 criteria:</p> <p>Consider</p> <ul style="list-style-type: none"> the location of existing government and institutional areas and land uses the location of existing areas of public open space heritage constraints proximity to public transport, especially fixed rail (train or tram) walkability - opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity) consistency with State policy consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework] <p>Include</p> <ul style="list-style-type: none"> key public land uses that have or are intended to have a strong functional inter-relationship with the activity centre even where there are no or limited redevelopment opportunities public open space areas that have or are intended to have a strong functional inter-relationship with the activity centre. 	 <p>This area includes various public land uses namely the South Melbourne Town Hall, Emerald Hill Library, Access Arts Victoria, two reserves including Foundry Site Park and Edythe McCallum Reserve as well as the current South Melbourne Police Station – forming a civic precinct. Most buildings within this precinct are all subject to heritage controls. These include the South Melbourne Court House and Police Station being recognised on Victorian Heritage Register (also HO29)</p> <p>Land within the precinct is in the Public Use Zone Schedule 6, Neighbourhood Residential Zone Schedule 2, Commercial 1 Zone all fronting Bank Street and two small reserves located between Bank and Park Streets, which are in the Neighbourhood Residential Zone Schedule 2.</p> <p>The Emerald Hill Masterplan (approved by Council in 2012) applies to this site and identifies a number of short, medium and long-term actions. Further opportunities for improvement and activation of the public realm in this area are being considered as part of the Structure Plan, including public open space in the form of the South Melbourne Town Hall Reserve.</p> <p>These sites make a strong contribution to the function of South Melbourne and the 20-minute neighbourhood as key civic functions. Most buildings within this precinct are all subject to heritage controls, with the South Melbourne Court House and Police Station listed on the Victorian Heritage Register (VHR 1520 South Melbourne Town Hall, VHR2203 Former South Melbourne Post Office, VHR1032 South Melbourne Court House and Police Station (also HO29 and HO440 in the Port Phillip Planning Scheme).</p> <p>For these reasons, including this land in the activity centre satisfies the following PPN58 criteria:</p> <ul style="list-style-type: none"> the location of existing government and institutional areas and land uses key public land uses that have or are intended to have a strong functional inter-relationship with the activity centre even where there are no or limited redevelopment opportunities the location of existing areas of public open space public open space areas that have or are intended to have a strong functional inter-relationship with the activity centre walkability consistency with State policy consistency with local policy and Municipal Strategic Statement (MSS) <p>Therefore, based on the analysis above, it is appropriate to include this land within the activity centre.</p>

Land to be included (refer to map at Figure 4)	Relevant Planning Practice Note 58 criteria	Reasoning
<p>Site 7 as marked on revised activity centre boundary map at Figure 4: Extension of Park Street commercial precinct Commercial 1 zoned land bound by Park, Clarendon, Dow and Cecil Streets</p>	<p>Relevant PPN58 criteria:</p> <p>Consider</p> <ul style="list-style-type: none"> the location of existing commercial areas and land uses commercial and residential needs proximity to public transport, especially fixed rail (train or tram) walkability – opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity) consistency with State policy consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework] <p>Include:</p> <ul style="list-style-type: none"> sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon residential areas that are integrated into the activity centre or surrounded by other uses that have a strong functional inter-relationship with the activity centre even where limited development opportunities exist 	 <p>This land includes land bound by Park, Clarendon, Dow and Cecil streets in the Commercial 1 Zone. The interface along Dow Street abuts properties in the Neighbourhood Residential Zone schedule 1. The prevailing building height on the adjoining side is 2 to 3 stories towards Clarendon Street, transitioning to a predominantly 1 storey scale to Cecil Street.</p> <p>While the whole block is in the Commercial 1 Zone, the existing activity centre boundary runs through the centre of the block, halfway between Park and Dow Streets. This has resulted in inconsistent planning controls applying to a number of parcels of land within the block. As such, the activity centre boundary has been extended down to Dow Street to align with the Commercial 1 Zone. In turn, the Design and Development Overlay can be applied to the entirety of each parcel. Ultimately, this ensures zone and overlay requirements apply to the entire block, overcoming any issues or ambiguities when assessing planning permit applications, as highlighted by recent VCAT decision P854/2021 regarding 219-221 Park Street.</p> <p>These properties are close to the Clarendon Street commercial spine and contribute to the commercial uses along Park Street. They have direct access to the Route 1 tram, which runs along Park Street, with the closest stop at the intersection of Park and Clarendon Streets. Including this land in the activity centre is consistent with the outcomes sought by state and local policy in the Port Phillip Planning Scheme. For these reasons, including this land in the activity centre satisfies the following PPN58 criteria:</p> <ul style="list-style-type: none"> sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon the location of existing commercial areas and land uses commercial and residential needs walkability – opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity) proximity to public transport, especially fixed rail (train or tram) consistency with State policy consistency with local policy and Municipal Strategic Statement (MSS) <p>Therefore, for the reasons identified above, it is appropriate to include this land within the activity centre.</p>

Land to be included (refer to map at Figure 4)	Relevant Planning Practice Note 58 criteria	Reasoning
<p>Site 8 as marked on revised activity centre boundary map at Figure 4: Land along Clarendon Street between Park and Thomson Streets in the Commercial 1 Zone</p>	<p>Consider</p> <ul style="list-style-type: none"> • location of existing commercial areas and land uses • commercial and residential needs • location of transport infrastructure • walkability • heritage constraints • availability of strategic redevelopment sites, both existing and potential • proximity to public transport, especially fixed rail (train or tram) • the location of existing and potential transport infrastructure including fixed rail, buses, bicycle paths, car parking areas and modal interchanges • consistency with State policy • consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework] <p>Include:</p> <ul style="list-style-type: none"> • sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon 	 <p>This area includes the southern portion of the Clarendon Street commercial spine, specifically land in the Commercial 1 Zone in between Park Street and Thomson Street. It comprises of shops and offices, as well as two hotels.</p> <p>Commercial properties on the western side of Clarendon Street have a direct abuttal with low rise residential land in the Neighbourhood Residential Zone Schedule 1. On the east side, the commercial land in between Napier and Park Street is separated from residential land by a laneway.</p> <p>All properties front Clarendon Street and are in the Commercial 1 Zone. The Route 12 tram (Victoria Gardens - St Kilda) runs along Clarendon Street, directly servicing this portion of the street. Including this land in the activity centre is consistent with the outcomes sought by state and local policy in the Port Phillip Planning Scheme. For these reasons, including this land in the activity centre fulfills the following PPN58 criteria:</p> <ul style="list-style-type: none"> • Location of existing commercial areas and land uses • Commercial and residential needs • walkability – opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity) • sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon • Location of existing and potential transport infrastructure • proximity to public transport, especially fixed rail (train or tram) • heritage constraints • consistency with State policy • consistency with local policy and Municipal Strategic Statement (MSS) <p>Inclusion in the Activity Centre recognises the flexible zoning that allows for residential, retail and commercial uses and has the purpose:</p> <ul style="list-style-type: none"> • To create vibrant mixed use commercial centres for retail, office, business, entertainment and community uses. • To provide for residential uses at densities complementary to the role and scale of the commercial centre. <p>The buildings within the retail core form a very intact heritage place, with properties nearly exclusively included in Heritage Overlay 440. It is generally not expected that any significant change in the form of development will take place within this area, however, for the reasons identified above, it is appropriate to include this land within the activity centre.</p>

Land to be included (refer to map at Figure 4)	Relevant Planning Practice Note 58 criteria	Reasoning
<p>Site 9 as marked on revised activity centre boundary map at Figure 4: 31 Ross Street and rear of 68-72 York Street.</p>	<p>Consider</p> <ul style="list-style-type: none"> location of existing commercial areas and land uses commercial and residential needs location of transport infrastructure walkability heritage constraints availability of strategic redevelopment sites, both existing and potential proximity to public transport, especially fixed rail (train or tram) the location of existing and potential transport infrastructure including fixed rail, buses, bicycle paths, car parking areas and modal interchanges consistency with State policy consistency with local policy and Municipal Strategic Statement (MSS) [now contained in the Planning Policy Framework] <p>Include:</p> <ul style="list-style-type: none"> sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon 	 <p>This site includes two properties. The first property is known as 68-72 York Street, with buildings fronting York Street, Clarendon Street and Ross Street. It is a large site comprising an area of 1,268 square metres. Two buildings occupy the site with full site coverage. The second property comprises two parcels in common ownership including 191-199 Clarendon Street and 31 Ross Street. It has a total area of 751 square metres comprising six buildings and an at grade car park. The site is characterised by office and retail uses.</p> <p>Most of the site is in the Commercial 1 Zone, with the balance in the Commercial 2 Zone. Land in the Commercial 1 Zone is already recognised as being part of the South Melbourne Major Activity Centre. The <i>South Melbourne Structure Plan: Zoning anomalies report</i> (October 2023) recommends rezoning the site to be entirely in the Commercial 1 Zone. Additionally, the <i>City of Port Phillip Stage 2 Heritage Review: South Melbourne (2023)</i> recommends extending Heritage Overlay 440 to apply to the former stables at 31 Ross Street. Direct abutments to the east include office and retail uses in the Commercial 2 Zone, otherwise surrounding retail and office uses are separated by Clarendon, Ross and York streets.</p> <p>The rear portion of the site currently in the Commercial 2 Zone is within 100 metres of South Melbourne’s commercial and retail core (Clarendon Street), Clarendon Street tram (route 12), and cycle routes along Moray Street, providing excellent walkability and access to public transport and active travel.</p> <p>Including this land in the activity centre is consistent with the outcomes sought by state and local policy in the Port Phillip Planning Scheme. For these reasons, including this land in the activity centre fulfils the following PPN58 criteria:</p> <ul style="list-style-type: none"> Location of existing commercial areas and land uses Commercial and residential needs walkability – opportunities to provide for and improve walkability within 400 to 800 metres from the core of the centre (depending on topography and connectivity) sufficient land to provide for the commercial (retailing, office, fringe retailing and support activities such as entertainment) activities needed over a 15 to 20 year time frame and then into the 30-year horizon Location of existing and potential transport infrastructure proximity to public transport, especially fixed rail (train or tram) heritage constraints consistency with State policy consistency with local policy and Municipal Strategic Statement (MSS) <p>Inclusion in the Activity Centre recognises the flexible zoning that allows for residential, retail and commercial uses and has the purpose:</p> <ul style="list-style-type: none"> To create vibrant mixed use commercial centres for retail, office, business, entertainment and community uses. To provide for residential uses at densities complementary to the role and scale of the commercial centre.

7. Land not included in the activity centre

The following table sets out reasons for not including land in the recommended activity centre with respect to the criteria in PPN58, namely environmental and flooding constraints, and residential land encumbered by significant constraints (for example land in the Heritage Overlay located at the edge of the activity centre).

Area	Reasoning
<p>South Melbourne Enterprise Precinct - Commercial 2 Zone areas</p> <p>No relevant PPN58 criteria to consider</p>	<p>Land within the South Melbourne Enterprise Precinct (in the Commercial 2 Zone) has not been included in the activity centre.</p> <p>This is due to state planning policy recognising Enterprise Precincts as having a different role to activity centres, as set out in recently gazetted Amendment VC215 to the Victoria Planning Provisions, which implements the <i>Melbourne Industrial and Land Use Plan</i> (Department of Environment, Water, Land and Planning, 2020) in the Planning Policy Framework. The importance of the South Melbourne Enterprise Precinct is now recognised in Clause 17.01-1R (Diversified economy - Metropolitan Melbourne - Inner Metro Region) of the Planning Policy Framework, which contains the strategy to:</p> <ul style="list-style-type: none"> • <i>Retain and encourage the development of areas in and around Collingwood, Cremorne and South Melbourne for creative industries</i> <p>The South Melbourne Economic, Employment and Land Use Study (SMEELUS) found, 'Enterprise Precincts' have been the focus of investigation by the Victorian Government as a means of implementing Plan Melbourne's strategic direction, in particular for creating the jobs of the future (Victorian Government investigation in 'Unlocking Enterprise in a Changing Economy, DELWP, 2018).</p> <p>Research into Enterprise Precincts by 'Melbourne's Enterprise Areas: Catering for the New Work Order (Echelon Planning, 2018) found that:</p> <ul style="list-style-type: none"> • <i>Enterprise Precincts play an important role in incubating creative industries, niche manufacturing and start-ups.</i> • <i>The trend of displacing employment activities for residential uses in precincts such as these is increasing, as residential development is more attractive to investors.</i> • <i>Whilst certain types of businesses have migrated from older inner metropolitan industrial areas to other areas, many new types of businesses that have established in these precincts, which originally due to affordability, agglomeration and business clustering, access to skilled labour and high quality amenity.</i> <p>The purpose of the Enterprise Precinct is to accommodate employment and economic activity, whereas the function of the South Melbourne Major Activity Centre (MAC) is broader, to accommodate employment, commercial, civic and residential uses. Recognising the Enterprise Precinct as a Commercial 2 Zone outside but complementary to the South Melbourne MAC, is a proactive approach to protect commercial use from competition with residential development. Such an approach to economic land in Port Phillip was recognised in the Port Phillip Planning Scheme Review Audit Report (2018)</p> <p>Further, the following State planning policy in the <i>Inner Melbourne Land Use Framework Plan</i> recognises the role and importance of the South Melbourne Enterprise Precinct:</p> <ul style="list-style-type: none"> • <i>The Inner Melbourne Land Use Framework Plan seeks to retain existing commercial and industrial zoned land, identify areas with capacity to support investment and growth, encourage the growth of enterprise precincts and accommodate a diversity of employment and services in activity centres.</i> <p>The Plan:</p> <ul style="list-style-type: none"> ○ <i>Comments on emergence of new spaces for enterprise and innovation, facilitated by proximity to the CBD and the region's existing heritage character including Cremorne, Collingwood, South Melbourne and Arden. These areas provide affordable opportunities for start-ups and emerging enterprises</i> ○ <i>Recognises South Melbourne South Melbourne Central Business Precinct – relating to design, music, film and television, photography, media and communications</i> ○ <i>Enterprise Precinct and regionally significant industrial land at the South Melbourne Central Business Precinct</i> ○ <i>Includes strategy 16: Support the development of enterprise precincts in Cremorne, South Melbourne, Arden and Collingwood and encourage their continued development as key locations for creative industry uses.</i> • <i>Melbourne Industrial and Commercial Land Use Plan (MICLUP, DELWP, 2020) categorised Commercial 2 Land in South Melbourne as 'Regionally Significant Industrial Land', and the industrial triangle as 'Local Industrial Land'</i> <p>The South Melbourne Economic, Employment and Land Use Study (2021) makes the following comments about the South Melbourne Enterprise Precinct:</p> <ul style="list-style-type: none"> • <i>The affordability of business space is likely to be an ongoing weakness and challenge for the enterprise precinct. Co-working spaces should be encouraged, along with ensuring overall commercial floorspace continues to increase across the precinct.</i> • <i>Planning for South Melbourne should highlight and seek to support creative industry specialisations, while acknowledging that these businesses occupy a wide range of premise types including offices.</i> • <i>It is important that new development is facilitated to accommodate strong floorspace demand and increase in the critical mass of the precinct.</i>

	<p>The report recommended that a small portion of the existing Commercial 2 zoned land should be rezoned to Commercial 1 Zone in order to support future retail expansion within the Major Activity Centre. This recommendation is proposed to be addressed by introducing planning policy to encourage retail uses on the ground floor of Commercial 2 zoned sites adjacent the Major Activity Centre. This will direct future retail expansion to appropriate sites while protecting important Enterprise precinct land.</p> <p>In the Port Phillip Planning Scheme, policy guidance relating to the Enterprise Precinct at a local level is provided in Clause 11.03-1L-05 (South Melbourne Major Activity Centre). Strategies within this clause seek to support the local economy by:</p> <ul style="list-style-type: none"> • <i>Promoting the centre as a sub-regional retail destination with a business services and light industry focus</i> • <i>Protecting the core industrial role of the centre's industrial precincts from pressure for alternative land uses</i> <p>Clause 11.03.-1L-05 also provides specific guidance relating to the Enterprise Precinct through reference to the Eastern and Western Business Districts, based on content from the existing policies contained in the new Clause 11.03-1L-05 (South Melbourne Central Major Activity Centre):</p> <p>Eastern Business District</p> <ul style="list-style-type: none"> • <i>Support the substantial light industrial /service business and expanding high technology / knowledge based industries in the precinct.</i> • <i>Support small scale office use and development for start-up and emerging business, and the creative arts, including small studio spaces.</i> <p>Western Business District</p> <ul style="list-style-type: none"> • <i>Support new office development and the precinct's substantial light industrial / service business and showroom role and expanding high technology / knowledge-based industry business roles.</i> • <i>Maintain an attractive and vibrant interface between the precinct and South Melbourne Central along Market Street.</i> <p>Therefore, due to the strong policy support for the Enterprise Precinct contained in state and local policy, it is not appropriate to include the precinct within the activity centre boundary.</p>
<p>Residential area in the Neighbourhood Residential Zone Schedule 1 (NRZ1) or General Residential Zone adjoining/abutting the activity centre</p> <p>Relevant PPN58 criteria:</p> <p><i>In setting a boundary for an activity centre, generally exclude:</i></p> <ul style="list-style-type: none"> • <i>residential land encumbered by significant constraints (such as a Heritage Overlay) located at the edge of the activity centre.</i> 	<p>Residential land in the Neighbourhood Residential Zone surrounding the activity centre is not appropriate to include in the activity centre due to its low rise scale in a Heritage Overlay.</p>