

FISHERMANS BEND PLANNING REVIEW PANEL: DRAFT AMENDMENT GC81

SUPPLEMENTARY INFORMATION NOTE

SIN NUMBER:	2
DATE:	23 March 2018
PRECINCT:	All
FRAMEWORK REFERENCE:	N/a
SUBJECT:	Information regarding the rationale for the population target of 80,000 residents for Fishermans Bend
NOTE:	
REQUEST:	The Panel have requested further explanation of the rationale for the population target of 80,000 residents at Fishermans Bend; the projected demand for dwellings and the contribution to Plan Melbourne dwelling numbers

RESPONSE

Background

1. In July 2012, there was an announcement by the Minister for Planning that 240 hectares of land at Fishermans Bend would be rezoned to Capital City Zone.
2. The announcement stated Melbourne's Capital City Zone would expand by more than 50 per cent and would accommodate 25,000 jobs and 50,000 residents (**Attachment 1**).
3. Places Victoria were then asked to lead the preparation of a masterplan for Fishermans Bend. To undertake the masterplan Places Victoria commissioned several background reports to assist them in understanding the characteristics of the area, the opportunities and constraints. Part of that assessment included determining how many residents and workers would be appropriate for the area.

What reports were prepared?

4. The reports that considered the likely population are listed below. When reviewing this information, it is important to note that the reports vary with respect to the timelines they use for analysis (some referring to the years 2031, 2050, 2051 and 2062). The varying timelines reflect the planning timeframes used by different agencies in determining their own masterplans. For example, the Department of Transport use two timeframes for their transport masterplan of 2030 and 2050.

5. It is also important to note that in 2012 there were only four precincts. The Employment Precinct was added in 2015.
6. The reports are:
 - a. Fishermans Bend infrastructure assessment (GHD), October 2012.
 - b. Fishermans Bend economic and employment study (SGS Economics & Planning), November 2012.
 - c. Transport issues and opportunities (AECOM), December 2012.
 - d. Preliminary community infrastructure needs assessment (ASR Research Community Planning) - Final report, December 2012.
 - e. Real estate market assessment (Macroplan Dimasi) – December 2012.
 - f. Fishermans Bend Urban Renewal Area Funding Options Paper (Pricewaterhouse Coopers), April 2013.
 - g. Fishermans Bend Demographic Profiling (Places Victoria), July 2013.
7. Each report considers the scenarios determined by Places Victoria as the likely range for population and workers. All of these reports are available on the Fishermans Bend website: <http://www.fishermansbend.vic.gov.au>

Fishermans Bend infrastructure assessment (GHD), October 2012

8. This report contains detailed precinct breakdown of each scenario including incremental, low, medium and high-density development options.
9. The report considers the utility service provider's response to each scenario. The scenarios envisage full build out of the precincts and there is no consideration of details such as staging or timing of development.
10. The addendum to this report in December 2012, contained revised development scenarios for residential, retail and commercial growth in Fishermans Bend and provided an understanding of the impact of these scenarios compared with the redevelopment scenarios previously assessed. The scenarios modelled were as follows:
 - a. **Scenario 1:** "Business as usual" activity with no government intention for further rezoning. This was rejected early by Places Victoria as unable to meet the strategic directions.
 - b. **Scenario 2:** Anticipates lower density, lower scale, lower service provision, fewer connections and consequently limited infrastructure investment. It delivers a development scenario that requires limited involvement and retains much of the existing fabric.
 - c. **Scenario 3:** Anticipates a medium density and scale, with better connections and better infrastructure investment than Scenario 2 as the density provides a critical mass to encourage delivery of key infrastructure items. The viability of the commercial spine is questionable and does create barriers to movement between residential precincts. However, the community hubs within this scenario are well located in association with transport stops allowing better service provision to wider catchments.

- d. **Scenario 4:** Anticipates the highest density with a higher scale, higher service provision, greater connections and the highest cost of infrastructure investment. This scenario includes activity nodes collocated with transport stops and community hubs which deliver a true mixed-use environment and can provide a catalyst for future development. This scenario does raise questions with regards to the appropriate level of density and the potential for interface conflict, particularly with residential areas to the south.

Scenario		Dwellings	Residents	Floorspace of commercial/retail
1	Incremental	5,000	9,750	50,000 m ²
2	Low density	15,000	35,250	200,000 m ²
3	Medium density	30,000	70,500	500,000 m ²
4	High density	60,000	141,000	850,000 m ²

11. The report provided a high level initial review of infrastructure requirements and impacts of the proposed Fishermans Bend redevelopment scenarios on existing infrastructure as established through consultation with key external utility service providers.

Fishermans Bend economic and employment study (SGS Economics & Planning), November 2012

12. This report envisaged the same four redevelopment scenarios Fishermans Bend infrastructure assessment (GHD), October 2012 with development activity ranging from modest (i.e. 5,000 new dwellings) to high (60,000 new dwellings).
13. The report finds that some redevelopment scenarios under review might help accelerate employment opportunities in Fishermans Bend, compared with what might manifest in ‘business as usual’ scenarios. The redevelopment also presents some opportunities individual precincts to capitalise on their identified economic drivers.

Transport issues and opportunities (AECOM), December 2012

14. This report reviews the same four scenarios described above.
15. Analysis of the key features of the transport network under each of the four development scenarios was made to respond to the anticipated scale of development. The report includes a network plan for the long term/full built and states it would feature a metro line connecting Newport and Southern Cross via Fishermans Bend as demand estimates indicate that it would be required. It notes deliverability and cost, impacts and also the impact to catalyse development.

16. The report used the low, medium and high scenarios of land use development, stating this approach is consistent with the redevelopment timeframes applied to other precincts such as Docklands.

Preliminary community infrastructure needs assessment (ASR Research Community Planning) - Final report, December 2012 –

17. This report revisits the same four scenarios described above and it also includes a list of community infrastructure priorities for the four scenarios.
18. The purpose of the report was to provide recommendations for next steps and subsequent stages of community infrastructure analysis.

Real estate market assessment (Macroplan Dimasi) – December 2012

19. The report undertook an analysis of the following issues relating to the scenarios. It reviews scenarios 2, 3 and 4 described above.
20. Note that Scenario 1 (Incremental) was not considered. The scenario references in this report are:
 - Scenario A in this report is the same as Scenario 2
 - Scenario B in this report is the same as Scenario 3
 - Scenario C in this report is the same as Scenario 4.
21. The report considered:
 - The role and function of Fishermans Bend and its relationship to Docklands and the CBD;
 - the location of major activity nodes and the main drivers associated with key nodes and timing of developments in these nodes;
 - timing of key activity nodes and the requirement for infrastructure;
 - staging of private sector investment;
 - potential for early development.

Fishermans Bend Urban Renewal Area Funding Options Paper (Pricewaterhouse Coopers), April 2013

22. This report contained projected funding requirements and cost estimates for community and open space, road, and social infrastructure for each of the three scenarios. The report also examined the indicative standard levies, projected collections and residential developer contributions for each scenario.
23. Scenario 1 (Incremental) was not considered in this report. The scenario references in this report are:
 - Scenario A in this report is the same as Scenario 2
 - Scenario B in this report is the same as Scenario 3
 - Scenario C in this report is the same as Scenario 4.

Building on the initial assessment reports

24. Places Victoria worked with the City of Port Phillip and City of Melbourne to distil the information in the above reports on the impact of the four scenarios on Fishermans Bend. That process involved the following steps.
25. An evaluation was undertaken to assess scenarios against the Strategic Directions. The strategic directions were published in the 2013 Draft Vision for Fishermans Bend (see page 21). The evaluation approach was to set out the likely implications each scenario may have on transport, real estate, funding, utilities, community infrastructure and public open space.
26. A series of workshops were held to test each scenario against the key criteria. These workshops were attended by Places Victoria, the City of Port Phillip and the City of Melbourne.
27. The “best for project scenario”, or Discussion Scenario, was determined to be between Scenario 3 and Scenario 4, with 80,000 residents and 40,000 workers. The Discussion Scenario was later adopted as the target for Fishermans Bend.
28. The Discussion Scenario intention is that to achieve high levels of density does not rely solely on the construction of high-rise podium and tower buildings. Similar densities can be achieved using a number of development models at a different scale, including medium and low-rise buildings with a high site coverage, which can actively promote diversity in housing types and innovations in built form and design to reduce construction costs.
29. The *Fishermans Bend Vision* (2016) considered and recognised the earlier work undertaken by Places Victoria. The Vision was tested through consultation and reindorsed the Strategic Directions in the Vision and Public Engagement report. The public engagement process was advertised through the media, social media, the Fishermans Ben website, general email, postal correspondence and through the Fishermans Bend e-newsletter. Engagement occurred through face-to-face activities including a series of six community pop-up hubs and open house, and a large public event attended by over 760 participants representing community members, industry, peak bodies and local government. Submissions were made online via the website, emailed or hardcopy with a total of 42 submissions received. A community survey was also available online.

The population profile

30. The population profile was first described in the Fishermans Bend demographic profiling (Discussion Scenario Profiling, Places Victoria, page 7), July 2013. It provides a breakdown of the scenario consisting of 40,225 dwellings and 83,445 residents.

Residential				
Precinct	GFA (sqm)	Dwellings	Household Size	Residents
Montague	770,000	11,000	1.9	20,900
Lorimer	506,250	6,750	2.0	13,500
Sandridge Nth	487,825	6,175	2.1	12,350
Sandridge Sth	572,700	6,900	2.2	15,180
Wirraway East	433,675	5,225	2.2	11,495
Wirraway West	375,750	4,175	2.4	10,020
Total	3,146,200	40,225	2.1	83,445

31. With the addition on the employment precinct in 2015 the Population and Demographics report (2017) updates the profile with the current ABS data. Include the relevant table and numbers with reference to location in the report.

Dwelling number projections in Plan Melbourne and contribution of Fishermans Bend to those numbers

32. Plan Melbourne refers to Victoria in Future 2016 projections of 215,000 net dwelling additions from 2016 – 2051 in the Inner Metro Region that includes the municipalities of Melbourne, Port Phillip and Yarra¹.
33. Plan Melbourne nominates Fishermans Bend as a renewal area of state significance.
34. At 80,000 residents, Fishermans Bend will accommodate 2.3 % of Melbourne’s forecast growth of 3.4 million to 2051² and 17% of the forecast growth for the inner metro area³.
35. Fishermans Bend represents 0.1% of Melbourne’s urban land area and 6.5% of the inner metro land area. In that context, it can be seen that 80,000 is an elevated share of housing provision⁴.
36. Bearing in mind the totality of development potential across Melbourne and Plan Melbourne’s aspirational scenario (in which the inner metro area delivers 15% of all new dwelling additions)⁵ a contribution of almost one fifth of the inner metro allocation represents a significant component of Melbourne’s housing needs over the next 35 years. This growth is reasonable and responsible for an area so close to the CBD.
37. Plan Melbourne refers to two scenarios for net dwelling additions from 2016 – 2051 in the Inner Metro Region that includes the municipalities of Melbourne, Port Phillip and Yarra⁶. These figures were derived from the ABS estimate of the Australian population, VIF 2016, the official state government projection of population and households.
38. Scenario 1 is 215,000 net dwelling additions 2016 – 2051 based on Victoria In Future 2016. *Victoria In Future 2016* is the official state government projection of population and households.
39. Scenario 2 is an aspirational projection of 230,000 net dwelling additions between 2016 – 2051.

¹ Plan Melbourne, Metropolitan Planning Strategy, figure 7, page 47

² Plan Melbourne, Metropolitan Planning Strategy, page 7.

³ Plan Melbourne, figure 7, page 21

⁴ Areas excluding main roads, farmland and conservation areas

⁵ Plan Melbourne, figure 7, page 21, scenario 2.

⁶ Plan Melbourne, Implementation Plan, Figure 1, page 43

40. Page 43 of Plan Melbourne provides the housing distribution between established and growth areas for Scenarios 1 and 2 assessing the Inner Metro Region net dwelling additions for the Melbourne, Port Phillip and Yarra municipalities 2016 – 2051:

Housing distribution between established and growth areas		
Scenario 1 Net dwelling additions 2016–2051 – VIF 2016 ⁴		
Total	Established	Growth areas
215,000	215,000	0
Scenario 2 Net dwelling additions 2016–2051 – 70/30 aspiration ⁵		
230,000	230,000	0

41. The scenarios equate to:
- 6,143 dwellings per annum based on 215,000 dwellings by 2051
 - 6,571 dwellings per annum based on 230,000 dwellings by 2051.
42. The data from DELWP Demographic Research Team (Attachment 2) shows an annual average of 7,633 dwellings for the inner metro area via ABS building approvals or an annual average of 7,145 dwellings via development data. This is the average for the last 5 years.
43. It is concluded from the ABS data that the growth in the inner metro area, should the historical trends continue, is on track to meet this objective without a Fishermans Bend contribution. Over time, other parts of the inner metro area dwelling growth are expected to decline as land becomes scarcer. The Fishermans Bend forecast of 1,070⁷ dwellings on average per annum over 35 years is then well placed to support the inner metro target in Plan Melbourne.

ATTACHMENTS:

Attachment 1 – Minister for Planning Media Release 2 July 2012.

Attachment 2 – Projected demand for dwellings up to 2050.

⁷ Plan Melbourne, Implementation Plan, Figure 1, page 43