Planning and Environment Act 1987

MELBOURNE PLANNING SCHEME

AMENDMENT C434MELB

EXPLANATORY REPORT

Who is the planning authority?

This amendment has been prepared by the Minister for Planning who is the planning authority for this amendment.

The amendment has been made at the request of South East Water (SEW).

Land affected by the amendment

The amendment applies to the land at 10-28 Sardine Street and 21-51 Sardine Street, Port Melbourne, formally known as:

- Lot 10 on Plan of Subdivision 433881X
- Lot S2 on Plan of Subdivision 433881X



Figure 1: Subject site aerial photo.

What the amendment does

The amendment applies a Public Acquisition Overlay (PAO) to the land to allow for the acquisition of the land for the purpose of a water recycling plant (the project).

The changes to the scheme are:

- Amends the Schedule to Clause 45.01 (Public Acquisition Overlay) to apply PAO11 to the land at 10-28 Sardine Street and 21-51 Sardine Street, Port Melbourne, with South East Water as the

acquiring authority and the Water Recycling Facility for Fishermans Bend as the purpose for the acquisition.

- Amends Schedule section 1.0 of the Schedule to Clause 72.03 (What does this Planning Scheme consist of?) to introduce Planning Scheme Map 10PAO.

Strategic assessment of the amendment

Why is the amendment required?

The project is included as a catalyst project in Objective 5.2.1 of the Fisherman's Bend Framework (DELWP, 2018). The objective includes a sustainability strategy to support the delivery of a water recycling plant to provide recycled water as a substitute for potable water for toilet flushing, laundry and irrigation for all private and public developments throughout the urban renewal precinct.

The land at 10-28 and 21-51 Sardine Street, Port Melbourne has been identified as the preferred site for the project, notably because of the project requirements of size and shape, relative risk in regard to potential contamination, proximity to an extraction pump station and minimal impact with the public interface.

The amendment is sought to facilitate a coordinated planning approval where the views of affected parties are known and will enable the timely acquisition of land and ensure any future planning approvals will meet the construction and completion dates.

How does the amendment implement the objectives of planning in Victoria?

The proposed amendment seeks to implement the following relevant objectives as outlined in Section 4 of the *Planning and Environment Act 1987*:

(a) To provide for the fair, orderly, economic and sustainable use, and development of land.

(b) To provide for the protection of natural and man-made resources and the maintenance of ecological processes and genetic diversity.

(e) To protect public utilities and other assets and enable the orderly provision and co-ordination of public utilities and other facilities for the benefit of the community.

(f) To facilitate development in accordance with the objectives set out in paragraphs (a), (b), and (e).

(g) To balance the present and future interests of all Victorians.

The amendment contributes to achieving these objectives by:

- Facilitating a project that will decrease the consumption of drinking water and, therefore, contribute to the conservation of a natural resource.
- Facilitating a project that will create employment for Victorians.
- Ensuring the timely delivery of key infrastructure to benefit the community and future generations by preserving a natural resource.

How does the amendment address any environmental, social and economic effects?

<u>Environmental Effects</u>

The amendment will not create any environmental effects as it only reserves land for a public purpose and does not include the use or development of the affected land.

<u>Social Effects</u>

The amendment reserves land for the purpose of a water recycling facility and allows SEW to compulsorily acquire the land to deliver the facility. The provision of the facility will promote sustainable development within the Fishermans Bend Employment Precinct and a National Employment and Innovation Cluster (NEIC) resulting in significant social benefits. In the long term, the facility will contribute to climate change mitigation and adaptation.

Economic Effects

The amendment will provide economic benefits to the state through direct and indirect employment during the acquisition phase, construction phase and ongoing operation of the facility.

Does the amendment address relevant bushfire risk?

The site is not located within a Bushfire Prone Area (BPA) or a Bushfire Management Overlay (BMO). On this basis, bushfire requirements are not relevant to the proposal.

Does the amendment comply with the requirements of any Minister's Direction applicable to the amendment?

The amendment complies with the following relevant Ministerial Directions:

- **Ministerial Direction - Form and Content of Planning Schemes:** The amendment is consistent with the form and content of planning schemes.
- **Ministerial Direction No. 1 - Potentially Contaminated Land**: The Fishermans Bend Framework (DELWP, 2018) notes that preliminary desktop assessments indicate that elements such as heavy metals and solvents may be widespread across Fishermans Bend. The amendment will not facilitate the use of the land for a sensitive purpose and any contamination issues can be addressed through the future planning approval process for the water recycling facility (use and/or buildings and works).
- **Ministerial Direction No. 9 - Metropolitan Planning Strategy**: The amendment will facilitate the acquisition of land for development which will contribute to achieving the desired outcome in the Fishermans Bend NEIC. This is consistent with the objectives and strategies of Plan Melbourne, including:
    - **Outcome 1**, which seeks to ensure that Melbourne is a productive city that attracts investment, supports innovation and creates jobs.
    - **Outcome 4**, which to ensure that Melbourne is a distinctive and liveable city with quality design and amenity.
    - **Outcome 6** which seeks to ensure Melbourne is a sustainable and resilient city.
- **Ministerial Direction No. 11 - Strategic Assessment of Amendments:** The amendment documentation has been prepared in accordance with the strategic assessment guidelines.
- **Ministerial Direction No. 14 - Port Environs:** The proposed amendment will not interfere with the operations and development of the port.

How does the amendment support or implement the Planning Policy Framework, the Municipal Strategic Statement and any adopted State policy?

It also supports the Fishermans Bend Framework (DELWP, 2018), which guides the transformation of Fishermans Bend (Australia's largest urban renewal project and a strategic project in Melbourne 2017 – 2050).

The amendment also aligns with State Government strategic plans, particularly the Fishermans Bend Framework (DELWP, 2018); Environmentally sustainable development of buildings and subdivisions - A roadmap for Victoria's planning system (DELWP, 2020); and Plan Melbourne 2017 - 2050 (DELWP, 2017). In particular, the amendment supports 'Sustainability Goal 5: A Water Sensitive Community' within the Fishermans Bend Framework (DELWP, 2018) in that it allows for the acquisition of land for

the purpose of providing an integrated water system across Fishermans Bend. The delivery of an integrated water facility is also one of the sustainability goals within the Fishermans Bend Vision (DELWP, 2016).

The system:

- Will be developed to supply Class A recycled water via a third pipe and would provide Class A recycled water at a significantly lower cost than smaller building-scale systems.

- Allows for a supply of reticulated recycled water throughout the precincts to supplement rainwater and create a drought-free, green landscape. This could eliminate the need to upgrade the trunk potable water infrastructure, saving the need to link into the Punt Road main, and supply a pumping station, transfer main and additional water storage.

- Proposes a reduction in potable water consumption that will be achieved through a combination of building-scale rainwater capture and reuse, supplemented by a precinct wide supply of recycled water. The facility could also provide recycled water for community uses beyond Fishermans Bend.

- Allows for buildings to incorporate best-practice water-efficient fixtures and rainwater tanks for flood mitigation. Through the inclusion of a third pipe and smart grid technology in the building, captured rainwater and recycled water will be beneficially used as non-drinking water, for toilet flushing, laundry and garden watering.

The amendment supports and implements following policies of the Planning Policy Framework.

- **Clause 2 Municipal Planning Strategy:** The amendment supports the overall vision for the municipality to be a bold, inspirational and sustainable city. The amendment promotes sustainable development within the Fishermans Bend Employment Precinct and a NEIC by facilitating an integrated water management system and efficient resource use and water reduction.

- **Clause 11 Settlement, Clause 11.01-1S Settlement and Clause 11.02-1S Supply of Urban Land:** The amendment will make a significant contribution to the implementation of the following strategies:

    - *Develop sustainable communities through a settlement framework offering convenient access to jobs, services, infrastructure and community facilities.*

    - *Ensure the ongoing provision of land and supporting infrastructure to support sustainable urban development.*

- **Clause 11.03-6S Regional and Local Places and Clause 11.03-6L-05 Fishermans Bend Employment Precinct:** The amendment supports the development of the Fishermans Bend Employment Precinct by supporting the development of sustainable technology in a NEIC and creating employment opportunities for Victorians.

- **Clause 12 Environmental and Landscape Values:** The amendment will contribute to the protection of the environment and biodiversity by facilitating the conservation of water.

- **Clause 14 Natural Resource Management:** The amendment will facilitate a project that will support a sustainable future and the conservation of natural resources.

- **Clause 17 Economic Development, Clause 17.01-1R Diversified Economy – Metropolitan Melbourne and Clause 17.03-2S Sustainable Industry:** The amendment will facilitate the sustainable operation of industry and a project which will create employment opportunities within a designated NEIC.

- **Clause 19.03 Development Infrastructure:** The amendment will make a significant contribution to the implementation of the following strategies:

  - *Plan and coordinate integrated water management, bringing together stormwater, wastewater, drainage, water supply, water treatment and re-use.*

  - *Facilitate use of alternative water sources such as rainwater, stormwater, recycled water and run-off from irrigated farmland.*

  - *Manage stormwater quality and quantity through a mix of on-site measures and developer contributions at a scale that will provide greatest net community benefit.*

Does the amendment make proper use of the Victoria Planning Provisions?

The amendment makes proper use of the Victoria Planning Provisions and is consistent with the Ministerial Direction: The Form and Content of Planning Schemes. The PAO is the most appropriate planning tool to facilitate the acquisition of the land for the purposes of the project.

How does the amendment address the views of any relevant agency?

The City of Melbourne Council, City of Port Phillip Council, Fishermans Bend Taskforce, Fishermans Bend Development Board, Department of Transport and Planning, Port of Melbourne, Environment Protection Authority Victoria and Melbourne Water have been consulted as part of the amendment process. All parties have been generally supportive of the proposal and their views have been taken into consideration.

Does the amendment address relevant requirements of the Transport Integration Act 2010?

The amendment will not have any impact on the objectives and decision-making principles set out in the *Transport Integration Act 2010.*

Resource and administrative costs

What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?

The amendment is not considered to have any significant impacts on the resourcing and administrative costs of the responsible authority.

Where you may inspect this amendment

The amendment can be inspected free of charge at the Melbourne City Council website at www.melbourne.vic.gov.au; or

The amendment is available for public inspection, free of charge, during office hours at the following places:

- Melbourne City Council, Town Hall, 120 Swanston Street, Melbourne

The amendment can also be inspected free of charge at the Department of Transport and Planning website at www.planning.vic.gov.au/public-inspection or by contacting 1800 789 386 to arrange a time to view the amendment documentation.