

**6 March 2007**

**SIGNIFICANT CITY DEVELOPMENT PROJECTS - UPDATE**

**Division** Statutory Services

**Presenter** John Noonan, Group Manager Sustainable Regulatory Services

**Purpose**

1. To update the Committee on major development activity within the City of Melbourne.

**Recommendation from Management**

2. That the Docklands and Major Projects Committee receive this report.

**Key Issues**

3. Attached is a list of current and proposed major development proposals in the City of Melbourne. This is a positive indicator of the health of the local development economy.

**Time Frame**

4. There is no particular timeframe associated with this report.

**Relation to Council Policy**

5. Many of Council's policies promote good urban design and an active street life as a defining characteristic of the City. Good development is critical to achievement of those objectives. The subdivision associated with re-development of existing sites also broadens the city's rate base.

**Government Relations**

6. For many large developments, planning approval will be required from the Minister for Planning.

**Finance**

7. There are no direct financial consequences arising from the recommendations contained in the report. Any proposals involving Council in the future would need to be examined separately to determine the financial implications.

**Legal**

8. Whilst no direct legal issues arise from the recommendation in the report, legal advice has and will continue to be provided as required on issues relating to the various sites.

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**Attachments:**

1. Significant Development Projects in the City of Melbourne

## Significant Development Projects in the City of Melbourne

This is an updated list of significant development projects which are either the subject of pre-application discussions with officers, or have been referred by the Department of Sustainability and Environment (DSE), or are the subject of current planning or Heritage Victoria applications or have been vacant for a long period of time.

### 1. *Grand Central site – William & Bourke Streets*

**Proponent** Australian Super Developments Pty Ltd

#### **Development size and location**

The project is a major multi-storey development on the northwest corner of Bourke and William Streets. The original proposal included 78,000m<sup>2</sup> net floor area, a 26-level office tower fronting William Street and an 18-level tower comprising a 92 room hotel and an office component. The development also includes ground level retail and underground car parking. The towers are designed to achieve 5 and 4 star Green Star ratings.

#### **Status**

Amended plans were submitted that deleted the hotel and converted this space to office space, with retail at the lower levels. The permit for the development was approved in May 2006 by the Minister for Planning and construction has commenced.

### 2. *CUB site – Victoria, Swanston, Queensberry Streets*

**Proponent** Grocon and RMIT

#### **Development Size and Location**

A concept plan for the site has recently been released by RMIT and Grocon. It includes improved pedestrian linkages across the site and along the northern extension of the Swanston Street alignment to create an extension to the “civic spine”.

A total floor area of 190,500 sq m is proposed in 8 separate buildings, including a 51 level tower at the corner of Victoria Street and Bouverie Street. A 20 storey building will occupy the middle of the site. The northern part of the site will be developed generally to 10-12 storeys. Some of the remnant heritage structures will be incorporated into the development.

Generally, ground and undercroft levels will be retail, with commercial/residential uses above. A single underground car park level will have access from Bouverie Street.

#### **Status**

RMIT called for tenders to develop the site and RMIT will retain the south-east (Victoria/Swanston Street) corner. The successful tenderer, Grocon/ NH Architects, was announced at the beginning of November 2006.

Grocon has commenced Master Planning Meetings, with the first held on 18 January 2007. It is proposed that these meetings/workshops occur on a monthly over the next 7 months with a view to having final documentation completed for submission to DSE by approximately August this year. The workshop attendees include personnel from DSE, RMIT, Grocon and its consultants and the City of Melbourne. The representatives for the Council are Rob Moore, Manager Urban Design and

Eloise Gucciardo, from Development Planning. It is proposed to provide regular updates to councillors as the process proceeds through the various stages.

At a meeting on 13 February 2007 the architects presented information collected as a result of site research including analysis of the site's context, an adjacent uses study and initial massing and public space studies.

### **3. Scots Church – Little Collins and Russell Streets**

**Proponent** Australian Property Network

#### **Development size and location**

This proposal involves a 10-storey office and retail building which has been set back on the Russell Street frontage at upper levels in order to preserve views to the Scots Church. It involves the demolition of all buildings on the site, one of which (known as the Victoria car park), has recently been added to the Victorian Heritage Register. The then Planning and Development Committee determined, in September 2002, to support a redevelopment on this site.

#### **Status**

An application to demolish the car park was made to Heritage Victoria and referred to the City of Melbourne for comment in April 2006. The Planning Committee decided not to oppose the application. The Executive Director, Heritage Victoria, has refused the demolition application and the applicant has appealed to the Heritage Council. The Minister has called in the appeal. No decision has been made to date.

### **4. 171 Collins Street**

**Proponent** Macquarie Asset Services

#### **Development size and location.**

It is proposed to demolish buildings on Watsons Place and Flinders Lane, refurbish the building to Collins Street (former Auditorium Building) and construct a 19 level building (88m) on Flinders Lane with 4 level basement to be used for office, ground floor retail and 176 car parking spaces.

#### **Status**

An application has been made with both the DSE and Heritage Victoria and both have been referred to the City of Melbourne. The key issues are likely to relate to the height of the building, the setbacks from Flinders Lane and the resolution of traffic management issues. The application is currently being assessed and it is intended to report the application to the March Planning Committee.

### **5. Royal Children's Hospital – Royal Park**

**Proponent** Department of Human Services and Royal Children's Hospital Management

#### **Development size and location**

It is proposed to construct a new children's hospital at Royal Park west of the current hospital buildings. The existing site on the corner of Gatehouse Street and Flemington Road would be returned to parkland.

The building of between 7 and 8 storeys with 3 basement levels of car parking is proposed for the area of Royal Park fronting Flemington Road.

### **Status**

The proposal has been the subject of a process seeking Expressions of Interest from developers. The Royal Park design and reinstatement will be carried out separately by the Department of Human Services and the Department has sought the views of Council officers on the landscape and urban design aspects. The State Government is still in the process of selecting a preferred tenderer.

## **6. Supreme Court / High Court redevelopment – Lonsdale, William and Little Bourke Street**

**Proponent** Department of Justice

### **Development size and location**

The whole of the existing Supreme Court site bounded by Little Bourke Street, William Street and Lonsdale Street, is proposed to be developed and the existing domed Supreme Court building will be restored and reused. Initially the proposal included the demolition of the former High Court building fronting Little Bourke Street. A new multi-level Supreme Court would be erected on this part of the site fronting Little Bourke Street.

### **Status**

Following discussions with Heritage Victoria, the Department of Justice is now proposing to retain some parts of the original High Court building and integrate it with the balance of the project. At this point in time, the new plans have not been sighted. It is understood plans have been lodged with Heritage Victoria for approval, however no planning application has yet been lodged. A recent check with DSE has indicated that there has been no action on this matter for some time.

## **7. Convention Centre – Adjacent to the Exhibition Centre, Clarendon Street, Normanby Road**

**Proponent** Multiplex / Plenary Consortium

### **Development size and location**

The area to the north and west of the existing exhibition is proposed to be developed as a public private partnership, with Council's involvement, for a 5000-seat convention centre, a 5-star Hilton Hotel, an office and residential tower and residential shops.

### **Status**

A Planning Scheme Amendment was approved the Minister for Planning following comments from the Council. It was gazetted on 17<sup>th</sup> May 2006. A project planning committee, involving officers from the developers, DSE, MPV and Council, meets regularly. The site is being developed in two distinct parts, one by Plenary containing the Plenary Hall and Hotel, the other by Austexx containing retail, residential and office components.

A report was presented to the December Docklands and Major Projects Committee which discussed the key issues associated with the most recent set of plans lodged. As recommended by the report, a sub-committee has been established comprising of the Chair of this Committee and the Chair of the Planning Committee to consider and enable Council's delegates to respond in a timely manner submissions of Convention Centre plans.

The Sub-Committee met on 15<sup>th</sup> January and comments on behalf of the Council were sent to DSE. On the 6 February 2007 the Minister approved the Stage 1 amended plans for the Convention Centre to satisfy a number of conditions. The Minister has acknowledged that there remain a number of outstanding issues that the Council has raised, predominantly associated with the design of the public areas and access arrangements.

These issues were discussed at a meeting of the sub-committee on 8<sup>th</sup> February 2007. Council was informed that work on an Urban Context Report had commenced. This Report is likely to address the key urban design and public realm issues. Once the Report is completed and submitted to Council for analysis, a further meeting of the sub-committee will be convened.

### **8. 393-401 St Kilda Road**

**Proponent** Pan Urban Pty Ltd

#### **Development size and location**

It is proposed to demolish the existing buildings including the small pedestrian plaza at the existing site, which is located close to Toorak Road, and construct a 7-storey building for shops / dwellings / car parking. The Proponent appealed to VCAT for the Council's failure to make a decision within the 60 days.

#### **Status**

VCAT directed that a permit be issued generally in accordance with Council's position to support the proposal. A permit issued on 27<sup>th</sup> June 2006. The developer is currently resolving detailed design in consultation with Council officers prior to proceeding to the construction phase.

### **9. Mazda site – 400 William Street, West Melbourne**

**Proponent** Drapac

#### **Development size and location**

The proposal is for a 60,000m<sup>2</sup> office complex, with 3500m<sup>2</sup> of retail and 474 car spaces, located on the corner of William and Franklin Street, opposite the Queen Victoria Market. The proposal was lodged with DSE and an objection made on behalf of Council as the proposal exceeds the height limits in Franklin Street.

#### **Status**

Amendment 61, which specifies the relevant height limits for the site, was gazetted on 8<sup>th</sup> June 2006 and the Minister for Planning is yet to make a determination on the planning application. Plans have been modified to address urban design issues and were referred to the City of Melbourne for comment in December 2006. The scale and overall massing of the development is now generally acceptable however there are still some minor urban design issues and a number of engineering concerns that require resolution. Council advised DSE of these matters in January 2007. DSE officers are preparing a report for the Minister's consideration.

### **10. 750 Elizabeth Street**

**Proponent** Drapac

#### **Development size and location**

An application for a 10-storey / 13-storey building for research and development purposes at 750 Elizabeth Street, West Melbourne. This site is located just south of Grant Street.

The application was referred for comment by DSE and an objection, on behalf of the Council, was lodged on 14th February 2006 on the grounds that the building exceeded the 8-storey height limit in the Planning Scheme and there are also traffic and parking problems with the proposed development. There is no objection to the proposed use of the building as it is consistent with the Parkville Medical and Research Precinct objectives.

**Status**

A permit has been issued by DSE following a VCAT hearing. VCAT approved a building of 9 and 12 storeys in height.

**11. 9-39 Mackenzie Street Melbourne**

**Proponent** Drapac

**Development size and location**

The development currently proposed is for 20-storey office building on the site in Mackenzie Street, which is currently vacant land and is located at the rear of the newly redeveloped former Russell Street Police Headquarters building.

**Status**

An application was lodged with the Planning Minister. Correspondence was sent to DSE on 29/09/06 advising that the application was generally supported by the Council. The Minister issued a Notice of Decision for the development on 5 February 2007.

**12. Dallas Brookes Hall – Albert Street, East Melbourne**

**Proponent** Lend Lease

**Development size and location**

A significant project which will include the offices for the Masonic headquarters and possibly an apartment complex is proposed to replace the existing Dallas Brookes Hall and the currently vacant car park site on the corner of Victoria Parade and Eades Place.

**Status**

Very preliminary discussions have been held with consultants who are scoping a redevelopment of this site. No action has occurred for many months.

**13. Bourke and Queen Streets, Melbourne (128-156 Queen Street, 437 Bourke Street)**

**Proponent** Ruby Group

**Development size and location**

A major multi-storey development is proposed for this corner site extending through to McKillop Street. The proposal involves closing part of Penfold Place.

**Status**

Pre-application discussions have been held on and off over the last three years. A formal application was made in 2003; however this was withdrawn in 2004. No action has occurred in many months.

**14. Prima Tower – Queensbridge and Power Streets, Southbank**

**Proponent** Schiavello

**Development size and location**

A 65-storey (225m) development for apartments is proposed on the site on the corner of Queensbridge and Power Streets.

**Status**

The Planning Committee at its May meeting agreed to a revised proposal that does not contain a traffic slip lane from Queensbridge Street into Power Street as originally required by VicRoads. Amendment C115 was recently approved by the Minister which removes the Road Widening Reservation from the site. The most recent planning application for the site was issued a permit by the Minister in November 2006.

**15. 420 Spencer Street, West Melbourne**

**Proponent** 420 Spencer St Development P/L

**Development size and location**

A 13-level building for 72 apartments.

This site has been the subject of a number of applications, one of which the Council objected to and VCAT supported the Council's objection and refused the permit. A further application was referred to Council by DSE for comment. It is located in an area under proposed Amendment C96 where the mandatory height limit adopted by Council is 10 storeys. The current proposal has reduced from 18 levels to 13 levels, from 150 apartments to 72 although the height of the building (not including plant rooms) is about 43m.

**Status**

Following the determination by the June Planning Committee on Amendment C96, a response was sent to DSE on the application suggesting that the height be reduced by one storey to comply with the mandatory height of 40m as adopted by the Planning Committee. DSE issued a permit on 16/10/06 without this reduction. No further action has occurred on this proposal.

**16. Wesley Church Site, Lonsdale Street**

**Proponent** Wesley Church

**Development size and location**

Office development and landscaping, in association with the restoration of the registered historic buildings.

**Status**

Councillors were briefed last year by representatives of the Church of their intention to revive a long-standing planning approval for the site, albeit with a new design. No formal applications have been made since then.

Preliminary discussions with consultants and the church are continuing:

- demolition of Princess Mary Club building,
- manse and other building to be retained,
- multi-storey (approximately 14 storey) proposed over the rear at the site.

There have been no recent discussions regarding the site.

**17. Former Fishmarket Site, Flinders St**

**Proponent** Far East Consortium (with Oceanas Group)

**Development size and location**

Retail, office and serviced apartment/ mixed-use development fronting onto both Flinders St and Batman Park.

**Status**

This project is being managed by DOI/Major Projects Victoria. A new planning permit was issued by Minister on 19/9/06 for redevelopment on the land for 3 multi-storey buildings to be used for office (2 buildings) retail (at ground level), residential (1 building) and car parking (445 spaces including 239 public spaces).

The developer has presented an amended scheme which converts one office tower to residential and changes the allocation of car spaces, reducing the number of public spaces to 163. A formal request to amend plans has been lodged with DSE and referred to the City of Melbourne and a subdivision plan has been lodged for approval. The changes proposed are generally supported and a response was sent to DSE in early February 2007. It is understood that the applicant wishes to commence construction shortly.

**18. North Melbourne Station Redevelopment**

**Proponent** Department of Infrastructure

**Development size and location**

Major redevelopment of the station including new elevated concourse and new station entrance at junction of Dryburgh and Adderley Streets.

**Status**

Officers have been in discussion with DOI/Major Projects and Connex regarding impacts of this project on North Melbourne precinct around the station. A report was presented to the Council's Finance Committee on 8<sup>th</sup> June 2006.

Discussions between Council Officers and the proponents have continued and at a meeting in January it was indicated that all the works will be within railway land, however Council officers are currently seeking confirmation of this. Once this occurs and final plans are presented it is intended to provide Councillors with a more detailed briefing.

**19. Carlton Public Housing Estate Redevelopment**

**Proponent** Dept of Human Services/Office of Housing

**Development size and location**

3 sites (Lygon/Rathdowne Streets (site 1), Elgin/Nicholson Streets (site 2) and *Queen Elizabeth Centre* site at Cardigan/Keppel Streets (site 3) involving major redevelopment, demolition of existing medium-rise walk-up units, re-integration of the estates into the urban fabric of Carlton. Loss of 192 existing public housing units replaced with a total of 790 new units of which 242 units will be social housing and 549 private housing.

**Status**

The Planning Scheme Amendment seeking to approve the project was considered by the Planning Committee at its June meeting. The independent panel hearing occurred in November 2006 where the City of Melbourne presented its submission. The panel has submitted its report to the Minister however the report has not yet been publicly released. Once this occurs a further report will be presented to the Planning Committee.

**20. 565 Collins Street**

**Proponent** Collins Pacific Pty Ltd

**Development size and location**

The vacant site has a frontage of approximately 72m to Collins Street and overall site area of approximately 4000m<sup>2</sup>. A permit was issued by the Minister for Planning for the construction of a 28-storey office tower, including a 3-storey basement car park and 272 car parking spaces.

**Status**

Amended plans have been submitted to DSE and referred to the City of Melbourne for comment. The plans reduced the height of the building, reduced the office space, increased the number of car spaces and redesigned building footprint and façade treatments. The matter was recently included in the City of Melbourne's Planning Application Report where planning officers acknowledged support for the development but raised some concerns with the loss of façade articulation and the increase in car spaces and recommended the deletion of balconies projecting over Collins Street and the inclusion of an ESD condition to align with current policy. These comments have recently been forwarded to DSE.

**21. Savoy Tavern – Corner Bourke Street and Spencer Street**

**Proponent** Bourke Spencer Pty Ltd

**Development size and location**

A planning permit was issued by the Minister for demolition of the existing building and construction of a 47-storey building containing 218 apartments, including office and retail spaces and associated car parking. The development included an extension to the Savoy Hotel to provide 65 rooms.

**Status**

Council officers had discussions regarding demolition of the remaining buildings, a temporary development on the site and landscaping of the remainder of the site, following an accident involving a trespasser. A formal application was never made. One extension of time was issued for the existing planning permit, however the permit expired on 24<sup>th</sup> October 2006. A further extension of time has been approved by the Minister until August 2008.

**22. Q2 – 2 Queen Street, 350-358 Flinders Street (former Fox and Hounds Hotel)**

**Proponent** Macquarie Asset Services

**Development size and location**

Approval was given by Council for development at the site for a 13-storey building with retail at ground level and offices on the upper floors.

**Status**

Construction on site has recently commenced.

**23. 437 Swanston Street**

**Proponent** RMIT

**Development size and location**

Current vacant site used for car parking. Many years ago, a permit was issued for a new building to be used as a recreational facility and other purposes.

**Status**

RMIT will consider the site in the future as a new location for educational facilities.

**24. Spencer Street Power Station**

**Proponent** Soldis Capital P/L

**Development size and location**

The Spencer Street Power Station is located on the site bounded by Lonsdale, Spencer and Little Bourke Streets. Initially constructed in 1894, the large concrete structure and chimney that dominate the site were built in 1950. The power station has not operated since 1982 and was owned by Council up until February 2002. Since then the property has been traded twice. The new owners have been scoping development options for the site, as well as undertaking demolition and remedial works to the site.

**Status**

Last year Council's Municipal Building Surveyor served an Emergency Order on the owners requiring them to secure the site to prevent unauthorised entry, or demolish the site and permanently remove any potential hazards. The order included an extensive list of conditions that were required to be met to ensure public safety was maintained should the demolition option be pursued.

Over the past 6 months the owners, under the supervision of Work Safe have been removing asbestos and other hazardous materials, stripping out plant and equipment and carrying out demolition of minor structures. The works have now progressed to a stage where the contractor is ready to commence the demolition of the 105m tall chimney and the main building supporting it.

Council officers have been discussing the various demolition options with the contractor. Council's primary responsibility is to ensure public safety is maintained. In addition, Council has a role in ensuring that the works do not unreasonably impact on the local community. This is achieved through the approval of a Construction Management Plan which will address key issues relating to public safety, amenity, offsite impacts and traffic management.

Approval of the Construction Management Plan for this stage of work will not be granted until all the key issues have been addressed. It is expected that this will occur over the next 3 weeks. The demolition of the chimney is likely to take about 4 months.

Heritage Victoria has recommended that an overhead water tank on the Spencer Street end of the site be included on the Victorian Heritage Register. This is currently being advertised and has been referred to the City of Melbourne. In addition to this, an application has recently been made by the National Trust to have the site, including the chimney, placed on the Register. This is under consideration and will be subject to further discussions between Heritage Victoria and the National Trust.

**25. Flinders Street Railway Station**

**Proponent**      Connex

**Development Size and location**

The station is located on the corner of Swanston and Flinders Streets and extends in a westerly direction along Flinders Street. The site is included on the Victorian Heritage Register.

**Status**

Council officers are currently making enquiries regarding any development proposals for the station, including the ballroom. Councillors will be kept informed of any progress on this matter.

**FINANCE ATTACHMENT**

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**SIGNIFICANT CITY DEVELOPMENT PROJECTS: UPDATE**

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There are no direct financial implications for Council arising from the recommendations contained in the report. Any proposals involving Council in the future would need to be examined separately to determine the financial implications and be subject to the normal budget processes.

**Kerrie Jordan**  
Acting Manager Financial Services

**LEGAL ATTACHMENT**

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**SIGNIFICANT CITY DEVELOPMENT PROJECTS: UPDATE**

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Whilst no direct legal issues arise from the recommendation in the report, legal advice has and will continue to be provided as required on issues relating to the various sites.

**Kim Wood**  
Manager Legal Services