Review of Box Hill Netropolitan Activity Centre

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3.1 Economic and Demographic Projections

3.1.1 Trends and Drivers of Growth

The Box Hill has the unique distinction of an ongoing designation as a metropolitan activity centre since 1954. The current structure plan for the activity centre was adopted in 2007 and sought to encourage investment in the centre – both employment and housing – to underpin future economic growth in Whitehorse.

Over the last 10 years, Box Hill has experienced strong population growth, growing from 6,400 in 2006 to 8,500 in 2016 (an average growth rate of 2.9% per annum). Growth of the working age population and tertiary students has been particularly strong.

In the same period growth in employment has grown at a rate of 2.3% per annum. Growth in the health and education industry sectors was particularly strong. These sectors added an estimated 2,500 and 600 jobs respectively between 2006 and 2016 (average growth rates of 4.7% and 5.1%).

Future employment growth is likely to be influenced by the deepening of the knowledge economy, further strengthening of the health and education specialisation, and opportunities for retail growth. The proposed suburban rail route would result in better connectivity between Box Hill to areas to the north and south and further increase the attractiveness of the activity centre for firms and households.

3.1.2 Population and Housing Forecasts

The project team have prepared population and employment forecasts for Box Hill drawing on the Victorian Government's Victoria in the Future (VIF) forecasts. The VIF forecasts are prepared at the SA2 level and then assigned to smaller geographies ('travel zones'). For population, this assignment process is based on recent trends in housing development and the capacity for dwellings, derived from a variety of sources (e.g. the Urban Development Program, VPA Precinct Structure Plans, renewal precinct specific information and state and local planning policy documents).

Two population forecasts have been provided. The first is based directly on the VIF forecasts, whilst the second assumes a slightly slower rate of population growth. This second scenario considered the possibility that the high number of recent residential approvals suggests a degree of speculative planning approval activity, which may not be an accurate reflection of the true extent of latent demand.

Table 3.1 Population and Housing Forecasts

	2016		Base forecas	ts	Revised forecast (lower population growth than b			
		2036	2016-36 growth	Growth rate	2036	2016-36 growth	Growth rate	
Estimated Resident Population (ERP)	8,500	18,600	10,100	4.0%	16,900	8,400	3.5%	
Structural Private Dwellings (SPD)	3,900	8,900	5,000	4.2%	8,100	4,200	3.7%	

Source: SGS Economics & Planning, derived using VIF 2016.

Table 3.2 Comparison of ID population forecasts

		2016	2036	2016-36	Growth rate
ID forecasts	Population	4,728	14,379	9,651	5.7%
	Households	2,047	6,231	4,184	5.7%
SGS forecasts (base)	Population	8,500	18,600	10,100	4.0%
	Households	3,900	8,900	5,000	4.2%

Source: SGS Economics & Planning, ID Consulting, 2017.

Taking these two scenarios as a range, the population of the activity centre is forecast to grow by between 8,400 and 10,100 people between 2016 and 2036. The would translate to demand for 4,200 to 5,000 additional dwellings. Table 3.1 shows the population and dwelling forecasts under both scenarios in 2036.

Comparison to ID Consulting forecasts

Population projections prepared by ID Consulting (2017) cover a smaller area than the SGS projections and have used a different forecast methodology and assumptions. SGS forecasts are based on the approach outlined in Appendix 1 of our technical report. As a result, there are differences between these two sets of projections. A comparison of the two sets of figures is provided in Table 3.2.

The ID Consulting forecasts estimates an average annual growth rate of 5.7% to 2036 for Box Hill. This is high compared to SGS projections of 4.0%. Both forecasts estimate that there will be an additional 10,000 residents in Box Hill by 2036.

Both the VIF and ID forecasts indicate possible future growth scenarios are reasonable estimates for future planning purposes. The higher rate a residential growth suggested in the ID forecast could have implications for the 'crowding out' of the forecast growth in employment uses. This issue will be explored in the subsequent stage of the study.

3.1.3 Employment Forecasts

Employment forecasts for the activity centre are derived from VIF total labour force growth estimates for the State and Greater Melbourne. This growth is assigned to smaller areas, by industry, using ABS Census Journey to Work data and the ABS Labour Force Survey.

Two employment scenarios were considered. The first is SGS's base employment forecasts for the activity centre, whilst the second assumes a slightly higher rate of growth in office, retail, health and education. This second scenario reflects the findings of early stakeholder consultations that have suggested significant appetite to grow employment in these sectors.

The resulting employment growth forecasts for the 20 year period to 2036 are in the order of 8,400 to 11,000 additional jobs. Table 3.3 outlines the employment forecasts by broad land use type for each scenario to 2036. The largest employment growth is forecast in the health sector, followed by office-based employment.

	2016	E	Base forecasts		Revised forecast (higher employment growth than base)				
		2036	2016-36 Growth	Growth rate	2036	2016-36 Growth	Growth rate		
Office	7,500	10,100	2,600	1.5%	11,100	3,600	2.0%		
Retail	2,800	3,800	1,000	1.5%	4,100	1,300	1.9%		
Industrial	100	100	-	0.0%	100	-	0.0%		
Education	1,500	2,400	900	2.4%	2,700	1,200	3.0%		
Health	6,200	9,900	3,700	2.4%	10,900	4,700	2.9%		
Entertainment/ Recreation	100	200	100	3.5%	200	100	3.5%		
Construction	300	400	100	1.4%	400	100	1.4%		
Total	18,500	26,900	8,400	1.9%	29,500	11,000	2.4%		

Table 3.3 Employment Forecasts

Source: SGS Economics & Planning derived from VIF 2016.

3.1.4 Floorspace Demand

These forecasts for dwelling and employment growth have been converted into floorspace demand to understand the additional floor space required in the activity centre, see Table 3.4. Employment floorspace requirements have been estimated using floorspace to job ratios by land use type. Residential floorspace requirements have been estimated using an average dwelling size assumption. These floor space estimates are for the gross floor area of new buildings, excluding areas for parking. Demand for additional employment floor space is in the order of 266,000 to 346,000 square metres. Over half of this demand is for health floorspace. Demand for office and education floorspace is also forecast to be significant. Demand for additional residential floor space is in the order of 417,000 to 498,000 square metres.

Combining the VIF forecasts and the revised forecasts (higher employment growth and lower residential growth than the base forecasts) suggests that the total demand for additional floor space could be between 763,000 and 764,000 square metres. These floor space forecasts are intended to inform future planning for the activity centre by providing an indication of the quantum of additional floor space required, the mix of employment and housing, and the mix of different types of employment floor space.

To facilitate the efficient development of the additional floor space required to satisfy forecast demand, future planning will need provide development opportunities that are in excess of the identified floor space requirements.

	2016	Base	Forecasts	Revised Forecast (lower population; higher employme			
		2036	2016-36 Growth	2036	2016-36 Growth		
Office	187,000	253,000	66,000	278,000	91,000		
Retail	84,000	113,000	29,000	123,000	39,000		
Industrial	8,000	8,000	-	8,000	-		
Education	92,000	146,000	54,000	161,000	69,000		
Health	185,000	297,000	112,000	327,000	142,000		
Entertainment / Recreation	8,000	13,000	5,000	13,000	5,000		
All Employment Floorspace	564,000	830,000	266,000	910,000	346,000		
Residential Floorspace	391,000	889,000	889,000 498,000		417,000		
Total Floorspace	955,000	1,719,000	764,000	1,718,000	763,000		

Table 3.4 Floorspace Demand Forecasts (square metres)

Source: SGS Economics & Planning, derived from VIF 2016.

Note: The 2016 floorspace estimate is based on job to floorspace ratios applied to employment estimates in 2016, due to data limitations on current floorspace within Box Hill.



3.2 Planning and Development

The project team has undertaken an analysis of recent permit applications (both current and approved) and VCAT planning permit decisions. This analysis has focussed on identifying the appropriateness of development outcomes from a planning policy perspective, and the implications for the emerging strategic directions for Box Hill.

This analysis has also sought to Identify relative strengths or weaknesses in the existing planning framework that have resulted in the planning outcomes delivered, including implications for housing and employment diversity.

3.2.1 Review of Development Trends (2003-2018)

Council has provided a consolidated list of the 95 planning permit applications submitted in the last 15 years (Appendix 5). This review has included an analysis of trends relating to:

- 1 The scale of development permitted across categories of:
- Low rise (3-6 storeys)
- Mid rise (7-16 storeys)
- Mid-high rise (17-23 storeys)
- High rise (24+ storeys)
- **2** Development status of permit across permits that were:
- Constructed
- Under construction
- Valid, but not yet activated
- Application under consideration
- **3** Geographic spread of development activity across different activity precincts in the centre, as established in the *2007 Structure Plan.*

3.2.2 Scale of Development

In the last 15 years, 95 planning permit applications have been approved. Of these:

- 74% (3 of 4) of development were between 3-12 storeys
- 82% (4 out of 5) of development was less than 16 storeys
- Only 4% (1 out 25) of development was greater than 30 storeys
- The remaining proportion (about 18%) was distributed roughly evenly between 17-23 storeys (mid-high rise) and 24-30 storey categories (high rise)

Box Hill has received a lot of attention in recent times within the local community around the number and scale of developments occurring in the centre. However, as demonstrated by the review, the vast majority of this development has been low, and mid rise developments. Although it is noteworthy that very few applications for low and mid rise development have been received since 2015.

The larger development proposals, while accounting for a very small proportion of permit activity, by their nature attract a high level of community, media, and development industry interest. It is important to recognise that these high profile, high rise, high density development outcomes have an important catalyst role in driving much needed growth, investment and improvement in the centre, and delivering mixed use development that reflects the status of Box Hill as a major metropolitan centre for the eastern region of Melbourne.

It is equally important to recognise the significant contribution made by low and mid rise development in achieving strategic planning outcomes for the centre and delivering increased housing densities within close proximity to services and facilities.

However, the individual size of the larger development proposals means that they represent a significant proportion of future floor space growth. Thus while development proposals over 24 storeys represent only 12% of applications they will deliver, if all approved and constructed, more than 50% of the growth in floor space and approximately 45% of future dwellings. The small number of very large developments have a disproportionate impact on future growth outcomes.

The challenge for strategic planning for the future of the centre is to provide a balance of opportunities for significant development and investment in the centre, to ensure residential and economic growth can be accommodated, whilst also ensuring that continued opportunities for low and mid rise development exist to provide diversity of development opportunities.

Figure 3.1 Distribution of height of all planning applications



Note: the percentages shown here refer to the full set of permit applications (95 cases).

Table 3.5 Proportion of development yield by height of development

Height and Status of Permit	Num	ber of	Estimated m ² GFA above gr parkir	d Total (inc. round	Estima Employr Related n	ted nent- 1² GFA	Resident GFA	ial m²	Total No of Apartments		Average Estimated GFA per Dwelling*	Max	Min
3-6 Storeys	26	40%	63,984	7%	6,669	6%	23,039	6%	937	13%	50	106	13
Constructed or Under Construction	19	29%	49,737	6%	3,706	4%	17,096	4%	823	11%	49	106	17
Approved Permit	7	11%	14,247	2%	2,963	3%	5,943	1%	114	2%	54	78	13
7-12 Storeys	15	23%	83,798	10%	1,952	2%	47,306	12%	1,147	16%	53	61	33
Constructed or Under Construction	10	15%	52,313	6%	568	1%	30,439	8%	847	12%	51	57	33
Approved Permit	5	8%	31,485	4%	1,384	1%	16,867	4%	300	4%	56	61	47
13-16 Storeys	7	11%	111,371	13%	33,144	32%	57,483	14%	823	11%	70	87	57
Approved Permit	5	8%	83,925	10%	33,018	32%	38,557	10%	523	7%	72	87	61
Under Consideration	2	3%	27,446	3%	126	0%	18,926	5%	300	4%	65	72	57
17-23 Storeys	6	9%	163,503	19%	19,770	19%	42,404	10%	1,103	15%	64	87	37
Constructed or Under Construction	2	3%	59,741	7%	18,790	18%	9,848	2%	148	2%	67	67	67
Approved Permit	2	3%	58,288	7%	120	0%	7,402	2%	606	8%	37	37	37
Under Consideration	2	3%	45,474	5%	860	1%	25,154	6%	349	5%	75	87	64
24-30 Storeys	7	11%	198,722	23%	27,811	27%	112,415	28 %	1,631	22%	70	81	61
Approved Permit	3	5%	78,137	9%	6,793	7%	45,524	11%	663	9%	69	71	66
Under Consideration	4	6%	120,585	14%	21,018	20%	66,891	16%	968	13%	70	81	61
30+ Storeys	4	6%	245,238	28%	13,878	13%	122,883	30%	1,678	23%	75	87	64
Constructed or Under Construction	2	3%	112,300	13%	4,625	4%	64,667	16%	871	12%	74	76	73
Approved Permit	1	2%	79,238	9%	4,778	5%	32,964	8%	517	7%	64	64	64
Under Consideration	1	2%	53,700	6%	4,475	4%	25,252	6%	290	4%	87	87	87
Grand Total	65	100%	866,616	100%	103,224	100%	405,530	100%	7,319	100%	60	106	13

Source: MGS Analysis of City of Whitehorse Data, VicClue 2011 and PSMA Geoscape.

Note: the lower number of applications identified here (65 out of 95) reflects gaps in the data available for smaller development (less than 6 storeys). Total floor area growth and dwelling numbers is in excess of the total shown here.

* Note that GFA per Apartment figures were only calculated for 46 cases due to incomplete drawing packages or other gaps in the data.

3.2.3 Status of Development

A review of development status across all of the permits (for all scales of development) indicated that:

- For approximately two-thirds of all permits, development has been constructed or is under construction.
- Approximately one third of all permits hold a valid permit that is yet to be acted upon.

When this is considered against the development status for taller scale development (mid-high rise and high rise/17-30 storeys), a distinctly different trend is identified, showing:

- Just 16% of permits for taller development have been constructed or are under construction
- Almost half of the permits have not yet been acted upon.
- Approximately two fifths are pending a decision

This confirms that the majority of development activity, in addition to permit activity, has also been focussed on low and mid rise projects (3-16 storeys). Considered another way, of the 23 permits greater than 13 storeys, only 4 developments (less than 20%) have been constructed or are under construction. Of the remaining 19 permits for taller development, around half (10) have not yet been acted upon, and around half (9) are pending a decision, lodged in late 2017 or 2018.

Of the permits for taller development not yet acted upon, the earliest permit dates back to 2011. The majority were received in 2015 or 2016. These permits potentially reflect residential development market conditions that have changed since that time. Further detailed economic and feasibility work will be required to understand the likelihood of these permits progressing or requiring further amendment in order to deliver a viable development project.

Any future amendments or extensions of time for those permits will need to have regard to changes in planning policy amongst other well established tests. Given the disproportionate role of larger developments in meeting future growth outcomes, failure to see these projects realised could have a significant impact on the ability to meet future housing demand.



Figure 3.2 Development height over time

3.2.4 **Geographic Spread of Development** Activity

An analysis of the geographic spread of development activity reveals:

- A concentration of constructed developments located to the north of Whitehorse Road and around the Box Hill gardens around Elland Avenue, Bruce Street, and Thames St in the current Box Hill Gardens Precinct E and Peripheral Residential Precinct H.
- To a lesser extent, a cluster of constructed developments located in the Southern and Eastern Precinct F around Harrow Street.
- A concentration of valid, not yet activated permits located in the Hospital and Western TAFE Precinct C and Prospect Street Precinct B.

Most of the development activity in the North Precinct and are low or mid rise, predominantly residential development of up to 5-10 storeys. This has established a new built form and land use character for this precinct. Limited development opportunities remain in this precinct.

Similarly, the construction activity occurring in the south east is predominantly new development of 4 and 5 storeys, demonstrating an emerging character that is evolving from the existing low scale character of the area.

The majority of valid permits yet to be acted upon in the Hospital and TAFE Precinct are for development of 13+ storeys. This contrasts with the buildings recently constructed in this precinct which are low or low-mid rise developments of 8 storeys or less. Again, this proposed and constructed development is predominantly residential. The future character and function of this precinct will experience substantial change if these valid, mid-high and higher rise permits are acted upon.

There is also a notable cluster of pending applications for development of 13+ storevs in the Hospital and TAFE Precinct, including 5 applications for development of 20+ storeys. If all of these applications are approved, this will potentially have further impact on the character and function of this precinct with flow on strategic planning considerations.

Figure 3.3 Development status of developments in Box Hill





Figure 3.4 Status of planning applications

Legend

[] Structure Plan boundary

Status

- Constructed
- Under construction
 - Not constructed | Valid permit
- Pending | Under consideration
 - by Council

Table 3.6	Status of	development	applications.	by structure	plan precinct
	010103 01	development	applications,	by Structure	plan procinct

Height	Permit Status	Precinct A : Box Hill Transport and Retail Precinct	Precinct B: Prospect Street Precinct	Precinct C: Civic and Eastern TAFE Precinct	Precinct D : Hospital and Western TAFE Precinct	PrecinctE: Box Hill Gardens Precinct	Precinct F: Southern and Eastern Precincts	Precinct H: Residential Precincts
3-6 Storeys	Constructed or Under Construction				17%	30%	57%	81%
	Approved Permit			100%	4%	5%	14%	19%
7-12 Storeys	Constructed or Under Construction				17%	45%		
	Approved Permit				9%	5%	21%	
13-16 Storeys	Approved Permit				22%			
	Under consideration					10%		
17-23 Storeys	Constructed or Under Construction	33%			4%			
	Approved Permit	33%					7%	
	Under consideration				4%	5%		
24-30 Storeys	Approved Permit		60%					
	Under consideration		20%		13%			
30+ Storeys	Constructed or Under Construction	33%	20%					
	Approved Permit				4%			
	Under consideration		_		4%			
Total		100%	100%	100%	100%	100%	100%	100%

Source: MGS Analysis of City of Whitehorse Data

3.2.5 Detailed Review of Permit Decisions

Of the 95 permits determined, a representative sample of approximately 20% of developments were selected from across 4 different typologies of development, see Table 3.7:

- Low rise (3-6 storeys)
- Low-mid rise (7-16 storeys)
- Mid rise (17-23 storeys)
- High rise (24+ storeys)

Delegate Reports and VCAT decisions (where relevant) were reviewed in detail to identify:

- Consistency with State and Local Policy
- Consistency with strategic directions of the 2007 Structure Plan
- Key planning considerations relating to land use, design, employment, affordable housing, car parking, and delivering public benefit.
- Any key gaps in the planning framework for supporting positive planning and development outcomes for Box Hill

The permit applications were also selected to ensure the findings of different types of decision makers were considered. This included review of:

- Delegate (officer) Issued Permits
- Council Issued Permits
- VCAT Issued Permits (Supported by officers)
- VCAT Issued Permits (Refused by officers)
- VCAT Issued Permits (Mediated)
- Ministerial Permit in conjunction with Planning Scheme Amendment

High rise	845-851 Whitehorse Road (former Spotlight site) - 17, 30 and 37 Storeys (2016)							
(24+ storeys)	836-850 Whitehorse Road "Whitehorse Towers - The Chen" – 26 and 36 storeys (2015)							
	545-563 Station Street ("Sky One" AXF Group) – 36 Storeys (2011)							
	34-36 Prospect Street - 30 Storeys (2018) -							
High - Mid rise	874- 878 Whitehorse Road – 23 Storeys (2016)							
(17-23 storeys)	913 Whitehorse Road (ATO) – 20 Storeys (2011)							
	12-14 Nelson Road - 19 and 20 Storeys (2015)							
	517 Station Street (Golden Age) – 18 Storeys (2016)							
Low-Mid rise	15-17 Irving Avenue - 9 storeys (2015)							
(7-16 Storeys)	16-22 Wellington Street - 14 Storeys (2016)							
	712-714 Station Street - 9 Storeys (2012)							
	19-21 Poplar Street – 8 Storeys (2013)							
	5-7 Bruce Street (2 Archibald St) – 9 storeys (2011)							
	2-4 Elland Street – 9&10 Storeys (2013)							
Low rise	36 Harrow Street – 3 storeys (2014)							
(3-6 storeys)	98-100 Carrington Road – 3 Storeys (2010)							
	490 Elgar Road – 6 storeys (2011)							

Table 3.7 Summary of developments reviewed

3.2.6 Implementation of Broader Strategic Land Use Planning Directions

At a broader strategic level, decision makers consistently found strong strategic support for intensification of development and facilitation of high density residential and mixed use development outcomes, as established by directions in *Plan Melbourne*, and the *2007 Structure Plan* as reference documents within the Whitehorse Planning Scheme. Clear policy support also exists within the Scheme expressed in both State and local policy for urban consolidation and high density development in Box Hill.

In many of the decisions reviewed, this policy support was given substantial weight – however the manner in which it was applied and considered varied. A key issue apparent in many of the decisions was a need to balance the high level strategic and policy objectives to achieve an outcome that was considered appropriate to the site specific context, and to weigh up sometimes competing or contradictory policy directions within the scheme, as further discussed in this chapter.

This high level policy support was a key determining factor in the support of all of the significant strategic redevelopments reviewed, particularly where the site was designated within local policy Clause 22.07 as being within Major Development Precinct F which states 'taller buildings permitted, enabling increased density'. However a key planning policy gap remains for decision makers around questions such as 'how tall?' and 'how dense?' particularly in the absence of specific height limits.

At the other end of the spectrum, a particular tension was also identified in the Peripheral Residential Precinct H with regards to policy directions to promote higher residential densities within Box Hill in areas zoned Residential Growth Zone (RGZ) or Mixed Use Zone, in conjunction with policies for garden character and limited or natural change as identified in the Housing Strategy and Residential Development Policy at Clause 22.03, and in the context of evolving built form character, for example, in relation to building height outcomes. Council did not receive approval from the Minister for the desired residential zoning outcome during the roll out of the reformed residential zones (height outcomes), as a result this tension remains at the periphery of the activity centre. This matter also requires further policy direction to provide greater planning certainty and consistency of decision making.

3.2.7 Strategically Important Land Use Outcomes

The majority of applications reviewed were predominantly residential in nature. This is consistent with policy directions to direct higher density residential development to activity centres well serviced by public transport, and to create more, and diverse opportunities for housing. The trend towards residential uses were also a reflection of the market appetite at the time of these applications. However, it also needs to be considered in the context of the strategic land use directions for each 'activity precinct', as set by the 2007 Structure Plan and local policy, most relevantly, as follows:

- Precinct A Box Hill Transport and Retail Precinct: Retail sustained throughout the area complemented by entertainment, hospitality, commercial and other uses with extended hours of activity creating a central focus for Box Hill.
- **Precinct B Prospect Street:** consolidation as the primary office precinct in the centre.
- Precinct D Hospital and Western TAFE Precinct: Growth and enhancement of education and medical institutions and support for related businesses and services, plus high density residential (including student housing).

The cumulative impact of existing and future approvals for predominantly residential developments within these precincts has the potential to undermine their strategic role within the activity centre – particularly in Precinct B and D where education/medical and related use and office uses are respectively identified as a priority.

Major development applications with significant 'hotel' use have also been approved in each of the above Precincts on sites on Whitehorse Road, including 'The Chen Art Series Hotel'. In each case, the decision maker determined that this use was strategically important to the centre, and/or represented a community benefit, and reflected market need.

In the 'The Chen Art Series Hotel' approval, located in Precinct B, the delegate report acknowledges that it would have been ideal, as a minimum, to achieve a 'no net loss to office floor area'. However, this was not an express policy position and was not supported by planning controls able to enforce this outcome. This may need to be addressed if the future role of Precinct B as 'the primary office precinct in the centre' is to remain a strategic priority. The issue raised is not whether residential or hotel use is appropriate within an activity centre context – it clearly is, but rather:

- What additional planning mechanisms or policy guidance are needed to ensure the underlying strategic role of the individual precinct is implemented?
- How can strategically important priority land use outcomes, such as office or health/ education related uses, be incentivised in preferred locations?

3.2.8 Affordable Housing

A number of the major, more recent permits have included permit conditions requiring the gifting of affordable housing units as a public benefit. This has been relied upon, in part, as justification for additional height.

The VCAT decision *ZL Prospect Pty Ltd v Whitehorse CC [2018] VCAT 750* regarding the application at 34-36 Prospect Street ruled that the inclusion of a condition to this extent was unlawful and should be deleted. The Tribunal acknowledged that high level policy aspirations exist regarding affordable housing, but also identified that there is no policy framework included within the Whitehorse Planning Scheme that would support such a requirement.

Not only must any 'requirement' for affordable housing contribution be underpinned by policy, it must also be implemented within a legislative framework that allows only for 'negotiated agreements' to be made for the provision of affordable housing. There is currently no legislative head of power enabling a 'mandated' approach to affordable housing.

Some of the challenges include:

- Establishment of an appropriate planning policy framework for affordable housing within the scheme. This needs to be underpinned by analysis and understanding of housing need in Box Hill.
- Establishment of a clear policy position in relation to providing incentives for applicants to deliver desired community benefits through negotiation with Council.
- Where affordable housing public benefit is related to development uplift this needs to be unambiguous, transparent, and consistently applied.

Council is currently undertaking work to support a policy on affordable housing in the Planning Scheme and has received a State Government grant towards this end.



3.3 Built Form Considerations

Urban design and built form analysis of the 95 permit decisions by the project team has indicated a series of key trends and issues that have emerged over time. The main challenge introduced by the *2007 Structure Plan* was the issue of delivering buildings with global city scale and form into a largely suburban streetscape and arterial road setting. This has involved a substantial change in character and introduced issues that need to be managed in order to support the continuation of the growth of the activity centre.

Council has provided drawings and documentation for approximately 55 of the 95 permit decisions within the broader set of permit decisions. The discussion here primarily refers to projects that have been constructed or permit applications that have been approved. Where there is discussion of projects under consideration this will be highlighted separately.

3.3.1 Guidance on Preferred Built Form Outcomes

Built form issues around height and setbacks were commonly a key planning consideration in the decisions reviewed. This is particularly the case in Precinct F, for which the *2007 Structure Plan* provides limited built form guidance in Section 5.2 and in the Built Form Precinct description as follows:

 Precinct F Major Development Precinct — Taller buildings permitted, enabling increased density. Heights must not cause overshadowing of key open spaces, Residential Precincts A or B or residential areas beyond the study area. Transitional heights to be provided at edges of precinct to respect the scale of neighbouring precincts.

The structure plan has 'reference document' status and cannot be relied upon to enforce planning outcomes, in part due to the nature of Precinct F which is highly accommodating for development. Limited guidance is also provided in Clause 22.07 "Box Hill Metropolitan Activity Centre" which includes policy directions to:

- Create transitional heights around the core of the activity centre to protect amenity in surrounding residential neighbourhoods
- Protect key open spaces form overshadowing (as shown in the public space framework map)

Key planning issues identified in the context of the limited built form guidance available included:

- Is Whitehorse Road the preferred location for the tallest buildings, and does it provide the opportunity for the most substantial built form?
- Is a 'gateway' approach to considering development appropriate, and if so, where?
- Should development height be required to be consistent with surrounding approved development, potential development, or existing development?

- A desire to achieve a 'transition' in height -
 - What is an appropriate transition in building scale between precincts?
 - Is a transition in height required within a precinct between buildings?
 - Should heights transition down from the core of the activity centre? If so from what to what?
 - What extent of transition is required at the periphery of the centre?
 - What is the policy position regarding a transition in height down towards the gardens?
- How are overshadowing issues considered and enforced? How is discretion to be exercised, noting policy cannot mandate outcomes?
- Is it explicit that a tower podium form is the preferred built form? Does this apply across all precincts? Can other built forms achieve an appropriate outcome?
- How high should streetwalls be? What is the relationship to the road hierarchy? Should streetwall heights respond to existing, emerging or preferred future streetscape character?
- What is considered an appropriate depth of setback above the podium?
- What is considered an appropriate side setback or separation distance between buildings to achieve reasonable amenity outcomes in an activity centre context?
- What is an appropriate level of amenity at the street and in key public places?

Significant work is now required to address these gaps in planning controls and provide the required policy guidance around appropriate built form outcomes. These issues need to be addressed within the context of the forthcoming Urban Design Framework.

3.3.2 Poor Land Use and Built Form Coordination

There has been poor integration of built form outcomes and preferred future land uses due in part to conflicting messages and limited consideration of development economics. As already noted, in some areas, particularly in the Health and Education Precinct as well as parts of Prospect Street Precinct and South and East Precinct, the built form controls have favoured built form that has not delivered the land use outcomes being sought. For example, Rutland Road and Ellingworth Parade have traditionally provided the opportunities for a variety of scales of proprietary businesses to prosper but planning provisions have not precluded residential. Higher and better land value outcomes have been achieved through predominantly residentially focussed towers which in turn out-compete lower rise commercial use for value.

In some areas there is a poor fit between the favoured built form, e.g. residential uses with high capacity car parks, and the existing lot arrangements, leading to large scale built form within street networks that do not support that outcome. Development proposals on modestly scaled sites in hinterland locations are being put forward which rely on exclusive street access for vehicle loading and pedestrian access. The Forrest Hill Precinct in South Yarra is a mature example of the very poor urban outcome arising from such an arrangement.

Clearly there have been insufficient incentives for investment and insufficient clarity in a policy sense to trigger improvements in streetscape interface and quality and capacity of wayfinding between public transport and hinterland street destinations and the core precinct. The existing policies have not delivered the conversion from shopping centre to town centre achieved in other transit rich urban areas such as QV in the Melbourne CBD. It is noted that Council has recently undertaken steps towards addressing these shortfalls, notably the *Box Hill Urban Realm Treatment Guidelines.*



Figure 3.5 Height of planning applications

Legend



Height (Storeys)

- 3-6 storeys
- 7-12 storeys
- 13-16 storeys
- 17-23 storeys
- 24-30 storeys
- >30 storeys

3.3.3 Heights, Setbacks and Building Separation

The majority of approved development has been located on relatively small sites, either from a single existing lot or a small number of contiguous lots. Approximately two-thirds of approved developments are on sites measuring less than 1500 sqm, which is approximately the equivalent of two standard Box Hill house blocks. This includes eight developments of over 13 storeys, suggesting there is substantial intensification occurring without the need for lot consolidation.

As a positive this has meant that development can occur relatively rapidly without the need for site amalgamation. The negative outcome of these developments from a design perspective is the inconsistent application of equitable development principles, where the development on one lot makes de facto use of some of the development potential of an adjoining site by building close to the boundary. There is also the significantly increased number of inactive sideages where new buildings are constructed up to the lot boundary on all sides. Where habitable rooms face the side boundaries there is an over-reliance on screening to manage privacy and reduce overlooking between developments. Only approximately one third of developments have side setbacks at upper levels of more than 4.5m from the side boundary, which would equitably share a 9m separation providing minimal levels of privacy between habitable rooms. It would be preferable that larger setbacks and coordinated outlooks towards public areas are provided.

On the few sites large enough to contain multiple towers above podium level (5 projects from our sample) the average separation between towers is 11m. This suggests one potential benefit from the development of larger sites – the greater potential for managing access to light and air between taller built forms. This observation is tempered by the fact that each of these 5 examples has side setbacks of less than 4.5m. While there is adequate separation between towers within the sites there is potential for taller towers on adjoining sites to be too close, leading to diminished amenity.

Table 3.8	Site size for	r all permit	applications,	, by height	of proposed	development
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Lot size sqm	3-6 Storeys	7-12 Storeys	13-16 Storeys	17-23 Storeys	24-30 Storeys	30+ Storeys	Total	
0-500	2						2	2%
500-1000	27	8	1	1			37	43%
1000-1500	7	7	3	1	2		20	23%
1500-2000	6	3	1	3	2	1	16	18%
2000-2500	2		1		1	1	5	6%
2500-3000					2		2	2%
3000-3500						1	1	1%
4000-4500						1	1	1%
5000-5500	1						1	1%
7000-7500			1	1			2	2%
Total No of Applications	45	18	7	6	7	4	87	100%

Source: MGS Analysis of City of Whitehorse Data, VicMap Cadastral and PSMA Geoscape

Note: the lower number of applications identified here (87 out of 95) reflects gaps in the available data.

Table 3.9 Side setback measurement above podium level, for accommodation use

Side Setbacks at upper levels (above podium)	3-6 Storeys	7-12 Storeys	13-16 Storeys	17-23 Storeys	24-30 Storeys	30+ Storeys	Total	
0	2	2	1	1			6	15%
< 4.5m	5	5	3	1	3	3	20	50%
> 4.5m	1	4	2	2	4	1	14	35%
Total	8	11	6	4	7	4	40	100%

Source: MGS Analysis of City of Whitehorse Data

Note: the lower number of applications identified here (44 out of 95) reflects gaps in the available data.

3.3.4 Integration with the Public Realm

Many new developments in Box Hill demonstrate multiple issues regarding the integration with the adjoining public realm. Development on larger sites would more positively integrate with the surrounding public movement network if 24-hour accessible pedestrian and cycle connections were provided. This can be to either replace existing connections severed by the new development (for example, where development is of an at-grade car park that previously provided a level of informal connectivity) or in order to provide new links within impermeable street blocks.

It is notable that many new developments make very little landscape contribution towards quality urban streetscapes, places and amenity. While there are a small number of developments that provide improved mid-block connectivity, there is more generally an absence of contributions towards upgraded footpath capacity in existing streets and lanes. In some neighbourhoods the magnitude of growth means that more space is needed to enable enhanced interconnection of neighbourhoods and key destinations within the activity centre. While the public realm is a council managed space, there is an absence of substantial public realm improvements for areas immediately adjoining the project site as part of development proposals.

There are many locations where the comfort and amenity of pedestrians at street level is relatively poor. Overshadowing and wind impacts have had a negative impact on the public realm surrounding the development. The consideration of wind effects from taller buildings have in many cases not been demonstrated. The use of canopies and continuous weather protection along active pedestrian-focussed street interfaces is intermittent where provided.

There is inconsistent activation of laneway and street podium interfaces leading to perceived diminished safety and security within the public realm. With respect to building interface arrangements, podium heights appear to be determined more by functional requirements of the internal use than in response to the role of the street and the need for wind mitigation in some locations. The substantial increase in lot coverage in many areas has resulted in a substantial loss of tree canopy cover and shade as sites have been intensified. This is an inevitable outcome from a substantial intensification in use however there has been insufficient provision of landscape within the proposed developments and the contribution back towards the broader neighbourhood. There is a need to consider where the landscape opportunities might be accommodated if not in the site, particularly in locations where substantial trees won't fit into the streetscape due to the narrow width of road reserves. Where the public realm is too narrow the landscape contribution to the streetscape will need to be accommodated within individual private lots.

The Council has recently prepared the 'Box Hill Urban Realm Treatment Guidelines' by Hansen Partnership. This operational document defines a hierarchy of public realm types and promote high quality public realm outcomes through a high-level specification of an improved landscape and materials palette across the centre. These guidelines constitute an important part of a broader overall response that is needed to address these issues.

3.3.5 Cumulative Impacts of Traffic Generation and Parking

In all instances of permit applications we have analysed, the traffic impacts generated by the development were considered acceptable and able to be accommodated within the existing local and arterial road network.

The traffic impacts of these applications were considered on an individual, site by site basis. There was no evidence within the decisions that the potential cumulative impact of traffic generated by other approved but not yet constructed, or proposed development was considered.

Some tribunal decisions highlighted that any permit conditions for traffic impact mitigation works needs to relate to the impacts generated by development, not broader traffic management issues. However, there are also developments that require traffic studies to be carried out in the area to other approved developments and determine if mitigating works are required for that precinct.



Figure 3.6 Site coverage in Box Hill

Legend

[]] Structure Plan boundary

Lot coverage

- 0 20%
- 20% 40% 40% - 60%
- 60% 80%
- 80% 100%

To date, Council is yet to receive these studies that are required in accordance with their planning permit. As such, Council has determined the need to carry out the cumulative impact of traffic and parking in the absence of not receiving these studies to date.

The cumulative impact on the form of the public realm caused by the management of loading and parking has also not been adequately considered. Driveways have been positioned in locations that serve the needs of individual lots without the ability to influence the cumulative impact of driveways and crossovers on street landscape and pedestrian amenity. Inactive services at ground level, and the cumulative impact of back of house uses has had a negative impact on place quality and amenity at ground level.

There is a general aversion to building basements in larger developments as preferred in the *2007 Structure Plan.* Whilst the ground conditions are suitable and basements are technically feasible, the additional cost has seen frequent applications for large amounts of above-ground car parking in podiums. Where this has occurred it has had a negative impact on the activation of the street interface within podium levels and an increase in the building bulk needed to supply the parking opportunities.

Clearly controls necessitating a high quality footpath and streetscape arrangement are essential in conjunction with development delivering alternative approaches to car parking provision and minimising of driveways as a consequence. Where there is laneway access this allows for separation of pedestrian active frontages from vehicle servicing zones if the aligned proposal for increasing the laneways for traffic use. Some laneways will need widening into private land to accommodate the future traffic loads.

		Total					-4 0: 4	- Due en e					
	Height of	number	Number		500	1000		or Propo			πτ 4000	5000	7000
Permit Status	Development	or car spaces	analysed	0-500	500- 1000	1500-	2000-	2000-2500	2500-	3000-	4000- 4500	5000-	7000-
	Bovolopmone	opuoco	anaryooa	0.000	AVER	AGE CA	R PARKS	SIZE FOF	RINDIVIE	DUAL DE	VELOPN	1ENTS	,000
Constructed or Under Construction	3-6 Storeys	608	19		12	37	44	104					
	7-12 Storeys	691	10		39	80	85						
	17-23 Storeys	480	2				240						
	30+ Storeys	945	2					390		555			
	Total	2724	33										
Approved Permit	3-6 Storeys	257	7	19	16	44						128	
	7-12 Storeys	282	5		46	100							
	13-16 Storeys	861	5		117	127	145	165					307
	17-23 Storeys	664	2		13								651
	24-30 Storeys	706	3			201	305						
	30+ Storeys	574	1										
	Total	3344	23										
Under consideration	13-16 Storeys	236	2			118							
	17-23 Storeys	333	2			123	210						
	24-30 Storeys	1149	4				199	227	362				
	30+ Storeys	372	1				372						
	Total	2090	9										

Table 3.10 Average number of car spaces per development, for all permit applications, by height of proposed development

Source: MGS Analysis of City of Whitehorse Data

Note: the lower number of applications identified here (65 out of 95) reflects gaps in the available data. This analysis refers to permit data – not all will be approved and not all of the approved developments will be constructed.

There is a need for a precinct parking strategy that better manages car parking as a shared resource rather than on a site by site basis. However the delivery of works required as a result of cumulative, or precinct or centre wide, traffic impacts is unlikely to be able to be implemented by way of permit conditions on individual applications for development. An alternative implementation mechanism, such as an infrastructure contribution plan, would need to be explored.

3.3.6 Car Parking in Permit Applications

The approach to considering car parking has varied amongst the decisions reviewed. Various decisions referenced strong policy support for reduced car parking rates to encourage walking, cycling and public transport. Other permits were approved with parking rates exceeding statutory parking rates established by the Parking Strategy which informed the Parking Overlay.

Where the tribunal was determining a matter involving reduction of car parking, it was generally supported. In *CBD Landcorp Pty Ltd V Whitehorse [2018] VCAT 445* (874-878 Whitehorse Road), the tribunal specifically agreed with evidence that parking rates more consistent with the Central City are more appropriate for Box Hill. This may necessitate the introduction of maximum, rather than minimum, car parking ratios for Box Hill via the Parking Overlay. If supported by clear policy guidance on discretion to exceed the statutory rates, it may be a useful tool in managing overall traffic generation within the activity centre area.

The role of off site parking provision or leasing of spaces within commercial car parks was also a matter of consideration in some decisions. The Tribunal found that there was no statutory reason why this could not be supported. Decision makers would benefit from clear policy direction on this matter. If this was a preferred approach to managing parking demand and traffic impacts, development incentives could be explored to facilitate this outcome.

3.3.7 Built Form and Design Quality

Box Hill lacks clear policy support for design excellence for taller built form defined through quality and durability of materials and finishes and detailing of ground level services. The quality and long term durability of materials is a concern that has been noted during community consultation. New development within the activity centre has delivered city scale buildings but the underlying development economics is pushing preferences for shorter life materials and detailing. For example, painted concrete and lightweight claddings have been specified on prominent buildings. On taller built form commercial glazing systems have been specified that are more appropriate to shorter life commercial buildings. These have been used as longer term solutions for strata titled residential towers without clear consideration about how the maintenance and eventual replacement of these systems will be achieved.

In relation to improved environmental sustainability outcomes, Council has a Environmentally Sustainable Development (ESD) policy through Amendment C130 which was incorporated into the Scheme in November 2015. This policy sets out specific application requirements for different types of development towards incorporating ESD principles in development.

3.3.8 Delivery of Other Public Benefits

Other public benefits that were sought to be delivered through permits included:

- Provision of publicly accessible open space
- Provision of pedestrian link or laneway
- Public art
- Provision of space for community uses

In the cases which successfully negotiated provision of open space and pedestrian links, these were vaguely informed by the Access and Public Space Framework in the local policy. In each case, decision makers would have benefited from greater policy guidance regarding the quality, design, configuration and function of those aspects of the development.

Further, to the extent that Council seeks to encourage the creation of new public spaces and facilities and linkages consistent with the structure plan, a clear policy position is required regarding development uplift for the provision of open space or pedestrian links as a public benefit.

Opportunity may also exist to consider an extended list of eligible public benefits, which could include public art contributions and provision of space for community uses, but note that this will need to be strategically justified.

As was recommended in relation to affordable housing, any public benefit and development uplift regime needs to be unambiguous, transparent, and consistently applied.