

Strategic Context

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2.1 Metropolitan role

Box Hill is identified as a Metropolitan Activity Centre and as one of eleven Health and Education precincts in Plan Melbourne 2017-2050. Box Hill's role in the Melbourne metropolitan area is also intersected by its strategic role as a major transport interchange in Melbourne's east. Broadly, a range of state-wide shifts in policy and emphasis have come into effect since the 2007 Structure Plan, notably entailing strategic implications for future Box Hill.

Plan Melbourne 2017-2050 — Metropolitan Activity Centre and Health & Education Precinct

Plan Melbourne seeks to support Melbourne as a productive City, with Box Hill identified for its significant employment and servicing role of its health and education precinct - one of a small group of 11 such precincts across the metropolis.

Box Hill is designated as one of nine existing Metropolitan Activity Centres (MAC) where enhanced access to jobs located in closer proximity to where people live, combined with high-frequency multi-modal public transport, supports good access for communities to a range of major retail, community, government, entertainment, cultural and transport services. Box Hill under this Plan will attract investment in education, health and housing at higher densities, with this significant growth and infrastructure matched by the increased amenity and connectivity which is necessary for a regional catchment.

Plan Melbourne anticipates more than 97,000 jobs by 2031 and 175,000 new dwellings in the eastern region by 2051. Notably, it seeks to encourage mixed-use developments and greater housing diversity and density near employment and transport, with more opportunities and choice for medium- and low-income households while identifying the need to increase the supply of social and affordable housing.

Plan Melbourne, in principle, supports the re-purposing of road space in Metropolitan Activity Centres to prioritise walking, cycling and public transport and the development of complimentary tree-lined boulevards and similar urban cooling and resilience measures that with high-quality built form and land use configuration achieve urban design excellence in every part of the built environment. The recent *Addendum 2019 to Plan Melbourne 2017-2050* embeds the ambition to design the city and its configuration of hubs in middle Melbourne for the proposed Suburban Rail Loop.

Infrastructure Victoria 30 Year Strategy (2016-2046)

Infrastructure Victoria will update the 30-year strategy in 2019/2020 to account for changes in circumstances, including recently announced projects such as the proposed Suburban Rail Loop and the Airport Rail Link project. The Box Hill Transit Interchange (BHTI) is identified in the plan as a priority for upgrades to support and strengthen Melbourne's multi-modal public transport network.

Victorian Zoning Reforms

Planning Practice Note 56 - Activity Centre Zone (ACZ) identified the Activity Centre Zone as the preferred tool to guide and facilitate use and development of land in Metropolitan Activity Centres and this plan has adopted this recommended approach. Since the adoption of the 2007 Structure Plan, a revised suite of residential zones has been introduced. This has seen the Residential Growth Zone applied to residential land within the activity centre, including key areas of jobs development in the Health and Education Precinct. The application of an ACZ with specific goals for each neighbourhood addresses the anomalies of the current arrangements and provides a robust framework for future growth of these key anchoring precinct uses.

Better Apartment Design Standards

Better Apartment Design Standards have been developed by the State Government of Victoria to address emerging internal amenity issues for occupants of higher density housing.

Protection of shared amenity between developments, open spaces and key pedestrian streets

Recently, there has been a succession of Structure Plans and Planning Scheme Amendments across the metropolitan area that have successfully advocated for protection for key spaces, streets and places. This has included guidance and requirements to protect the pedestrian amenity of key streets and spaces, space between taller built form, urban design quality, inter-block connection and public open space provision.

Metropolitan Partnerships – Eastern Metro Region (2018)

Box Hill is one of two Metropolitan Activity Centres in the Eastern Metro Region along with Ringwood and is expected to accommodate much of the region's anticipated population growth over the next five years as well as driving growth in employment in health. Recent investments through Eastern Metropolitan Partnerships include the partially completed Box Hill to Ringwood shared-use path along the rail corridor. The Eastern Metro Partnerships, while still in its early stages, represents an opportunity for improved community ownership, coordination of funding and delivery of key projects between Box Hill and its regional partners.

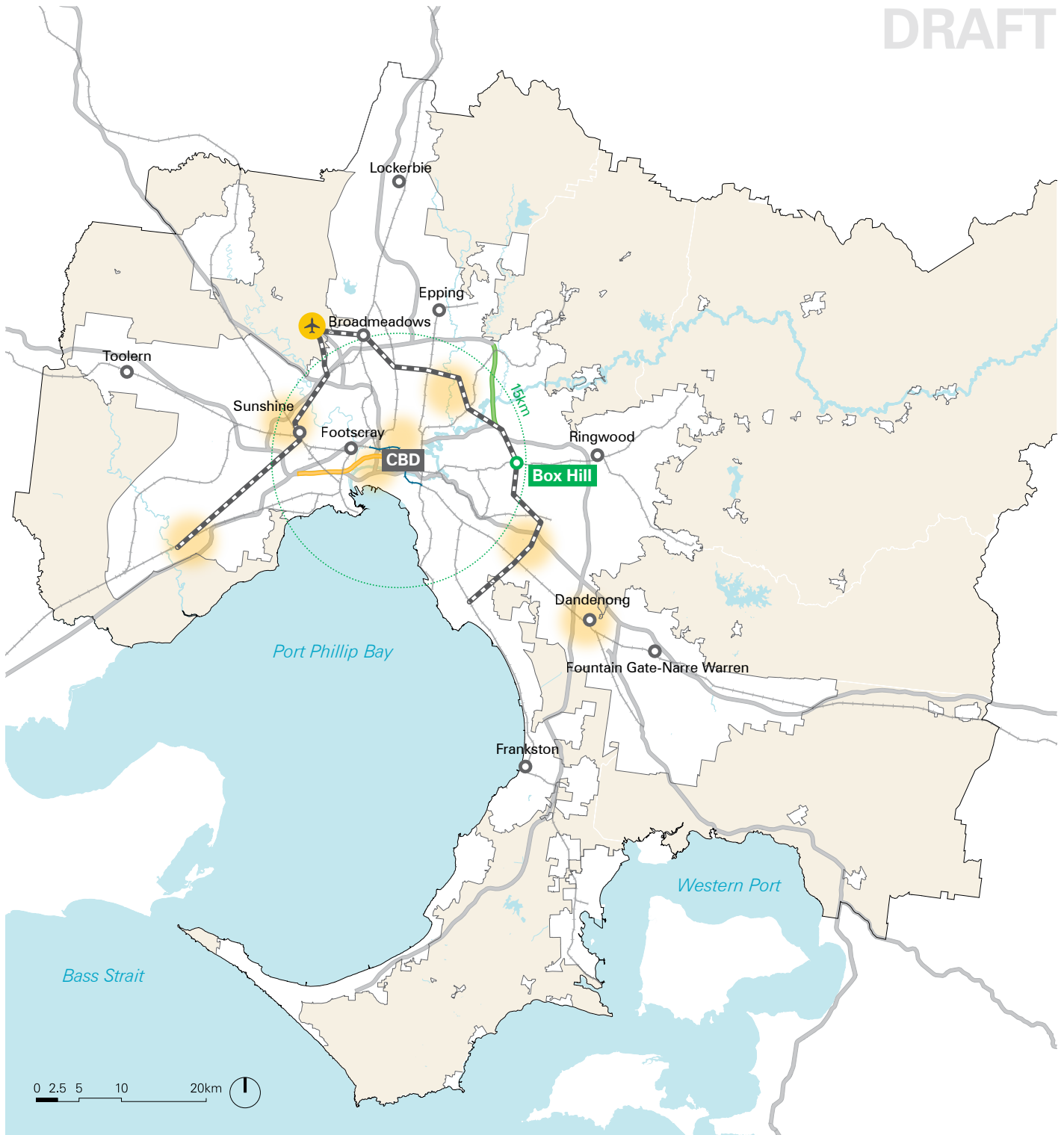


Figure 1 Box Hill's location in Metropolitan Melbourne

Legend

- Urban Growth Boundary
- Green Wedge land
- Metropolitan Activity Centre
- National employment and innovation cluster (NEIC)
- Rail network
- State-significant road corridor
- North East Link Project
- West Gate Tunnel Project
- Suburban Rail Loop Concept Route

Transport Initiatives — North East Link and Suburban Rail Loop

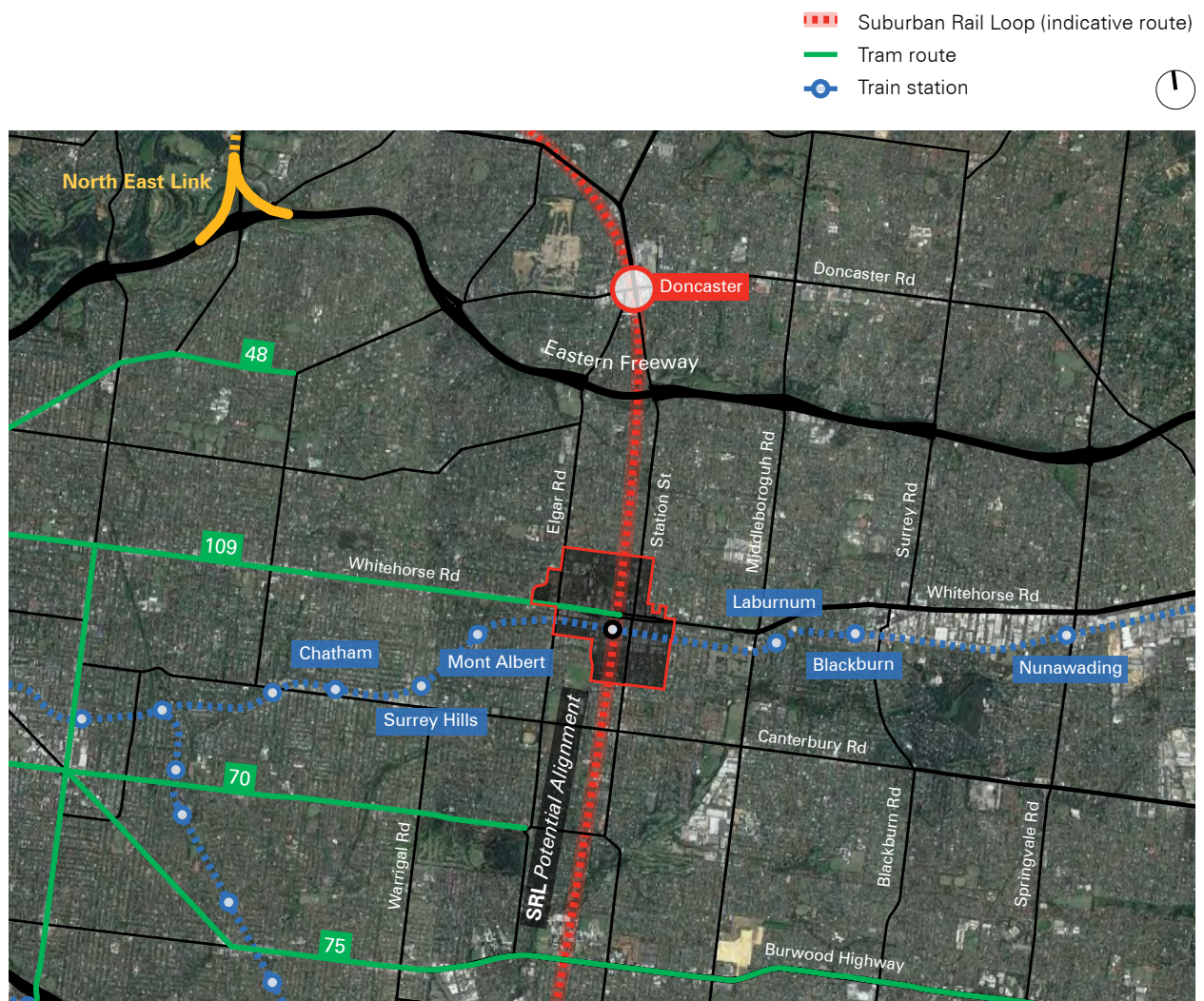
The implemented Eastlink project and the 109 Tram extension to Box Hill have each had significant impacts on traffic movement, road capacity, mode and direction of travel. The proposed North East Link (NEL) project and the increasing role of Box Hill as an end destination rather than traversing centre, when combined with local parking aggregation strategies, will further transform regional and local traffic patterns. This will provide opportunities to re-purpose road space and enhance local amenity and modal integration of growing neighbourhoods within the MAC. The proposed Suburban Rail Loop (SRL) project will create a 90 kilometre orbital loop connecting activity centres and National Employment and Innovation Clusters. Box Hill has been identified as part of the first Stage of the loop, however, at this stage it is not clear how the new station will relate with the Box Hill Transit Interchange.

Affordable Housing

The provision of affordable housing has now been established as a purpose of planning and embedded within the *Planning and Environment Act 1987* and *Plan Melbourne 2017-2050*. The plan seeks to incentivise the inclusion of affordable housing, meeting both local and key worker and student housing needs that support the competitiveness of local enterprises and institutions nationally and at a metropolitan level.

Environmental Performance

A number of recent amendments have successfully implemented more ambitious environmental standards for both precincts and development in recognition of the need to develop less resource intensive futures. The plan seeks to adopt key initiatives that represent both best practice and leverage local development characteristics, such as good access to public transport and reduced car dependency.



2.2 Local role

Planning for BHMAL is supported by local strategic planning and policy, specific integrated transport and open space strategies developed by Council, existing strategies, and the Local Planning Policy Framework in the Whitehorse Planning Scheme.

Council Vision 2013

In the *Council Vision 2013-2023*, Whitehorse City Council has set 5 strategic directions that guide the long term planning and delivery of its policies and operations, based on the aspirations of Councillors and the wider community. The directions are:

- 1 Support a healthy, vibrant, inclusive and diverse community.
- 2 Maintain and enhance our built environment to ensure a liveable and sustainable city.
- 3 Protect and enhance our open spaces and natural environments.
- 4 Strategic leadership and open and accessible government.
- 5 Support a healthy local economy

These directions have been used to inform the *Council Plan 2017-2021* and are incorporated into the Whitehorse Planning Scheme Municipal Strategic Statement.

Whitehorse Housing Strategy 2014

This study was completed in 2014, utilising future population projections based on the 2011 Census. The strategic approach outlined in the document highlights the importance of location, diversity, affordability and design in planning for future housing growth. Specifically, the strategy highlights a range of key challenges relevant to Box Hill, including:

- Encouraging housing within established activity centres and in areas with good access to public transport.
- Encouraging a broader range of housing types to meet differing needs from across the population, including the specialist needs of an aging community and of the high proportion of students within Box Hill
- Increasing the supply of affordable housing

- Encouraging higher-quality design responses for more intensive development, including better integration of landscape opportunities into developments to deliver higher-quality local urban character.

The objectives of this strategy include facilitating the emergence of a new urban character over time, in areas identified for growth while increasing the diversity of housing provision (considering tenure, housing size and type of housing).

Box Hill Integrated Transport Strategy (BHITS) *IN PROGRESS*

The integrated transport plan seeks to recalibrate the transport, movement and parking strategies to reflect the transformation of the Box Hill Precinct into a high-frequency, transit-enabled, medium and high density Metropolitan Activity Centre leveraging off the anticipated North East Link and projects arising since the 2007 Structure Plan including the eastern freeway extension beyond Springvale Road and EastLink. The strategy proposes a new network of primary walking and cycling streets linking key destinations and recalibrates the allocation of space for pedestrians, cyclists, public transport and cars within the centre, in recognition of the changing role of the centre as a destination and eastern capital for the metropolis.

Box Hill Open Space Strategy (BHOSS) *IN PROGRESS*

The Box Hill Open Space Strategy was prepared in response to increasing demand for open space as the centre's population exceeded the projections forming the basis of the previous open space strategy, the Whitehorse Open Space Strategy (2007). The open space strategy seeks to address this by identifying shortfalls in the open space network for both current and future needs and provides recommendations for upgrades to existing open space while identifying areas for investigation for the provision of new open space.

2.3 Managing growth

Box Hill is forecast to experience significant growth in population and employment over the next 20 years. However, this growth will need to be carefully managed to ensure that future development supports the future shared vision for Box Hill.

Two population, housing and employment forecasts were prepared by SGS Economics & Planning:

- 2036 base forecasts: this reflects the base allocation of population and housing from *Victoria in the Future 2016* forecasts for the centre. This also uses base employment forecasts developed by SGS for the Department of Transport.
- 2036 alternative forecasts: this assumes that there will be a slightly slower rate of population growth, on the basis that the high number of recent residential approvals may not be an accurate reflection of latent demand, in the longer term. This also corresponds with a slightly higher rate of growth in office, retail, health and education employment.

It must be noted that both forecasts show robust growth in population, housing and employment. The alternative forecasts were adopted as a baseline for modelling and testing given the centre's key role as an employment hub.

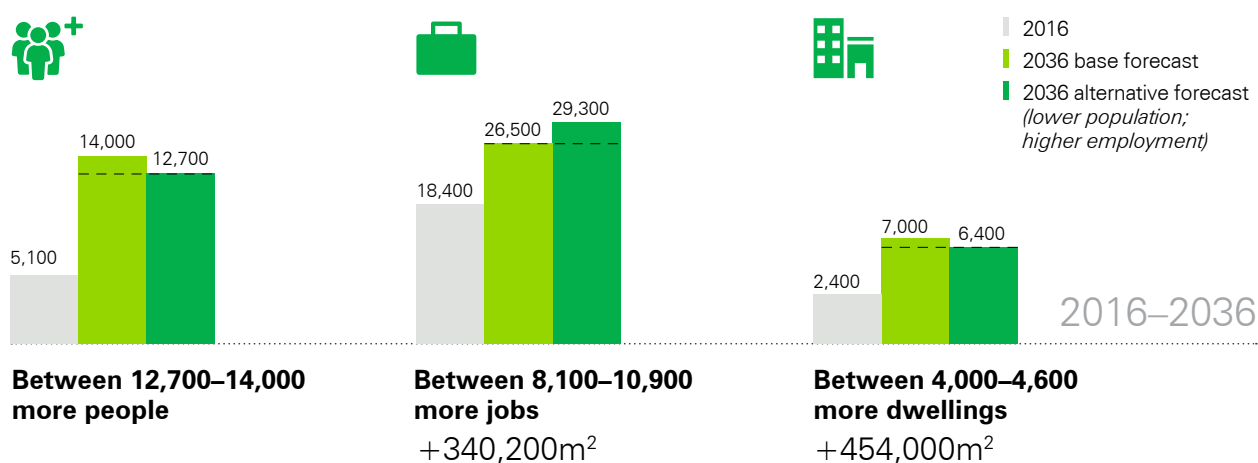


Table 1.1 Floorspace Demand Forecasts to 2036 (Square Metres of Gross Floor Area)

	2016	Base Forecasts		Alternative Forecasts (lower population; higher employment)	
		2036	2016-36 Growth	2036	2016-36 Growth
Office	186,400	249,200	62,900	276,900	90,600
Retail	83,800	111,100	27,300	122,100	38,300
Industrial	7,500	8,300	700	8,300	700
Education	91,700	142,800	51,100	157,400	65,800
Health	184,600	294,600	110,000	324,800	140,100
Entertainment / Recreation	8,400	13,000	4,600	13,000	4,600
All Employment Floorspace	562,400	819,000	256,600	902,600	340,200
Residential Floorspace	239,300	693,300	454,000	630,500	391,000
Total Floorspace	801,700	1,512,300	710,600	1,533,100	731,200

Source: SGS Economics & Planning, derived from VIF 2016. Note: these figures vary from the *Analysis & Options Report* due to refined boundaries better aligned to the activity centre boundary. 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.

Employment

Employment growth has seen a rise of 2.6% per annum from 2006 to 2016, with growth in the health and education industry sectors particularly strong at average growth rates of 5.2% and 5.0% p.a. The BHMAL had approximately 18,500 jobs in 2016: with nearly 8000 (42%) in the health and education sectors; slightly less in office (40%); and retail jobs representing 15% of jobs. Between 8,100 and 10,900, additional jobs are anticipated to be generated by 2036 with over 45% in health and education and a further 38% in office based enterprises. Education and health jobs are anticipated to grow at 2.8% p.a., with office and retail uses at approximately 2% p.a.

Residential

The resident population of BHMAL has grown by 3% per annum from 3,800 people in 2006 to 5,100 in 2016, with growth of the working age and tertiary student populations particularly strong. The resident population is anticipated to grow to between 12,700 and 14,000 people by 2036, requiring between 4,000 and 4600 additional dwellings. The majority of new housing in the BHMAL is anticipated to be in medium and high rise apartments and mixed use development supported by lower rise transitional residential areas.

Current development trends

If all current permits and applications under consideration were constructed, this would deliver:



= 75,000m²

(employment floorspace)

That will satisfy 4 to 6 years' worth of employment floorspace demand



= 4,630

(dwellings)

That will satisfy 18 to 20 years' worth of housing demand

The analysis of development approvals has indicated a higher level of inaction on construction where development approvals of greater than 15 levels have been issued. This can be attributed, in part to speculative land value uplift strategies, in part due to rapidly declining credit availability and diminished global real estate market interest in the apartment sector upon which these very large projects are dependent. The supply of apartments has largely been generated in development of under 15 levels with employment projects similarly configured in development of this lower scale.

In some cases applications have been proposed that if approved would undermine the preferred character and role of neighbourhoods and the ability of the BHMAL to deliver the future jobs and economic activity that it has the potential to deliver.

Assumptions underpinning the growth forecasting and testing

The estimated growth in Gross Floor Area (GFA) required to deliver this additional employment and residential capacity is approximately 900,000m² (excluding parking) on a gross basis. This figure assumes a net growth of 731,200m² (2036 alternative forecasts) and an estimated additional 170,000m² to account for the displacement of existing uses. Displaced uses refer to existing uses that are not replaced within new developments on the same site. For example, the loss of office floorspace when sites are redeveloped for a different use, such as residential dwellings.

3D modelling of new built form controls were undertaken to test whether forecast growth in employment and residential floorspace could be comfortably accommodated within the new controls on a gross basis. The following assumptions formed the basis of testing:

- Only 65% of all available sites will be developed by 2036.
- Only 50% of the notional available development envelope is built. This is generally acceptable rule of thumb to account for reductions as a result of articulation, viable apartment depths, ventilation etc.
- Assessing the potential of individual lots rather than consolidated sites where substantial opportunities for further growth would arise in many instances. This ensures a conservative, rather than optimistic, capacity assessment is undertaken.

For results and further explanation, refer to *BHMAL UDF (2020)*.

Variation in forecasts

These growth forecasts were derived from VIF 2016 with floorspace estimates derived from job to floorspace ratios applied to employment estimates in 2016. The VIF 2016-based forecast for population and dwelling provide similar growth trajectory to the 2017 .id forecasts. While the more recent forecasts (VIF 2019) suggest a stronger trajectory of population and dwelling growth than the previous estimate, data was not yet available for the geographical area of BHMAL. Realisation of this higher rate of growth is not implausible if future planning for the centre continues to be supportive of residential development.

This plan is supportive of employment and residential growth, as 3D modelling has strongly suggested that the centre could comfortably accommodate further growth than forecast under the new built form controls.

For a detailed explanation on the variation in forecasts, refer to the *Box Hill Activity Centre - Demand Report by SGS Economics and Planning (August 2019)*.

2.4 Overview of key issues

The Analysis and Options Report, as well as the subsequent consultation and related strategic processes, have revealed that there is some misalignment between the *2007 Structure Plan* and supporting plans and provisions. This highlighted the need for new and contemporary visioning, guidance and implementation frameworks.

For a comprehensive analysis of key issues, refer to the BHMAL Analysis and Options report (May 2019, updated April 2020).

Key issues that have emerged since the preparation of the existing 2007 Structure Plan:

- Inadequate planning controls for supporting continued growth of employment in health and education and the knowledge economy.
- Inadequate guidance for preferred outcomes in the planning scheme.
- Lack of progress on the renewal of the Box Hill Transit Interchange and Box Hill Central sites.
- Misalignment of 'patchwork' zoning and preferred precinct outcomes.
- Adverse amenity impacts on the public realm arising from new development, leading to diminished access, amenity and cohesiveness.
- Risk of residential development speculation and development crowding out employment floorspace.
- Diminished housing affordability and increasing competition for space, as a result of population and job growth combined with inadequate guidance on how housing and workplace affordability and diversity and enhanced community facilities are to be achieved.
- Increased pressure on capacity of pedestrian and transport networks arising from development intensification, with inadequate recalibration of space and transport improvements to facilitate growing populations and needs.
- The need to align car parking policy and provision strategies with intensifying urban form and shifting transport needs.
- Inadequate guidance on design quality for built form and place making.
- Inadequate implementation guidance.