



Draft Frankston Activity Centre Plan

Frankston City Council Officer Submission

28 September 2024



Contents

1. Housing targets.....	3
2. Frankston Metropolitan Activity Centre.....	3
3. Catchment Area.....	4
3.1 Catchment boundary.....	4
3.2 Built form controls	8
3.3 Open space and community infrastructure.....	10
3.4 Mapping.....	10
3.5 Deemed to comply standards	10
4. Implementation	11
4.1 Infrastructure funding	11
4.2 Parking Precinct Plan.....	11
4.3 Flood modelling	12
4.4 State Government taxes and charges	12
5. Conclusion.....	13



1. Housing targets

The *draft Frankston Activity Centre Plan - VPA, August 2024* (the draft Activity Centre Plan) states that the Frankston Metropolitan Activity Centre (FMAC) and the catchment area:

“Can contribute 4,000 to 6,300 new homes by 2051”.

The *Frankston Metropolitan Activity Centre Structure Plan (Tract, September 2024)* (the FMAC Structure Plan) forecasts a demand for 3,030 additional dwellings by 2041 and adopts a medium scenario. The low scenario forecast is 2,588 additional dwellings by 2041; and the high scenario forecast is 4,961 additional dwellings by 2041.

The total estimated capacity of the FMAC (based on the proposed planning controls as part of Planning Scheme Amendment C160fran) is between 6,485 and 10,809 total dwellings which is in line and exceeds the target set by the Victorian Government.

It is important that the FMAC and its surrounding catchment area is not viewed to do the majority of the ‘heavy lifting’ for Frankston’s overall housing targets, as increases in height to achieve additional capacity must be done so carefully as to not undermine the liveability and sensitivities of this Metropolitan Activity Centre that have been carefully planned for. The FMAC is unique in its coastal setting, located 40 kilometres from the Central Business District (CBD) and **must not** become another Box Hill which sits in significant contrast to Frankston with higher building heights in tower formats.

Council officers recognise that the catchment area has a role to play and must accommodate some growth to enable the targets in the draft Activity Centre Plan to be met, however, controls in this area must strike the right balance between targets and built form outcomes to ensure these areas remain high quality and liveable. The proposed planning controls must be carefully considered and allow for appropriate growth in well resolved locations (addressed further in the catchment section of this submission). It is also important to note that it is anticipated that other areas within the municipality will be identified for future growth (through the development of the draft Housing Strategy) and that Council also has the Karingal Major Activity Centre and is advocating for Carrum Downs to be re-designated to a Major Activity Centre as part of its submission to the proposed *Plan for Victoria*.

2. Frankston Metropolitan Activity Centre

The *Activity Centre Program Urban Design Draft Background Summary Report - VPA, August 2024* (the draft Background Summary Report) at Page 4, outlines that:

“The built form standards apply to the activity centres that do not have recent strategic work (for example, a recent structure plan adopted by the Council). Therefore, this report does not apply to Camberwell Junction, Epping, Frankston, Preston or Ringwood in the Activity Centre Program”

At Section 2.2 Frankston Activity Centre, the draft Activity Centre Plan states that:

“The Frankston activity centre is proposed to be guided by the structure plan (see Figure 2 Building heights in the Frankston activity centre and catchment areas). The structure plan



identifies areas for growth in the activity centre and is generally aligned with State policy intention but remains subject to further review. The structure plan and the Frankston Activity Centre Plan are proposed to become background documents at Clause 72.08 of the Frankston Planning Scheme.”

It goes on to note that Amendment C160fran (which seeks to implement the FMAC Structure Plan) was considered by Planning Panels Victoria in July 2024.

The Planning Panel Report for Amendment C160fran was received by Council on 30 August, which recommended that the Frankston Planning Scheme Amendment C160fran be adopted as exhibited subject to four (4) recommendations and included one (1) informal recommendation. At page 10 of the report, the Panel stated that:

“Council is commended for the significant level of work undertaken to prepare a considered and comprehensive piece of strategic work that will support significant change from the Frankston MAC”.

Both Amendment C160fran and the Panel Report were considered by Council on 16 September 2024, where Council resolved to adopt the amendment (with the Panel recommendations).

On 18 September 2024, Planning Scheme Amendment C160fran was submitted to the Minister for Planning for approval.

Council officers strongly encourage the Minister for Planning to approve Amendment C160fran, with the Frankston Metropolitan Activity Centre Structure Plan (Tract, September 2024) and the Activity Centre Zone Schedule 1 (ACZ1) as adopted by Council.

3. Catchment Area

The draft Activity Centre Plan includes an 800m catchment area around the FMAC, where it is proposed to increase housing diversity and density, with building heights of between three (3) to six (6) storeys.

3.1 Catchment boundary

It is submitted that the proposed catchment area boundary requires further consideration and refinement. A number of proposed changes are required due to matters such as flooding, accessibility, neighbourhood character and the future proposed Health and Education Precinct.

Recommended changes to the proposed catchment boundary are outlined below and shown in Figure 01.

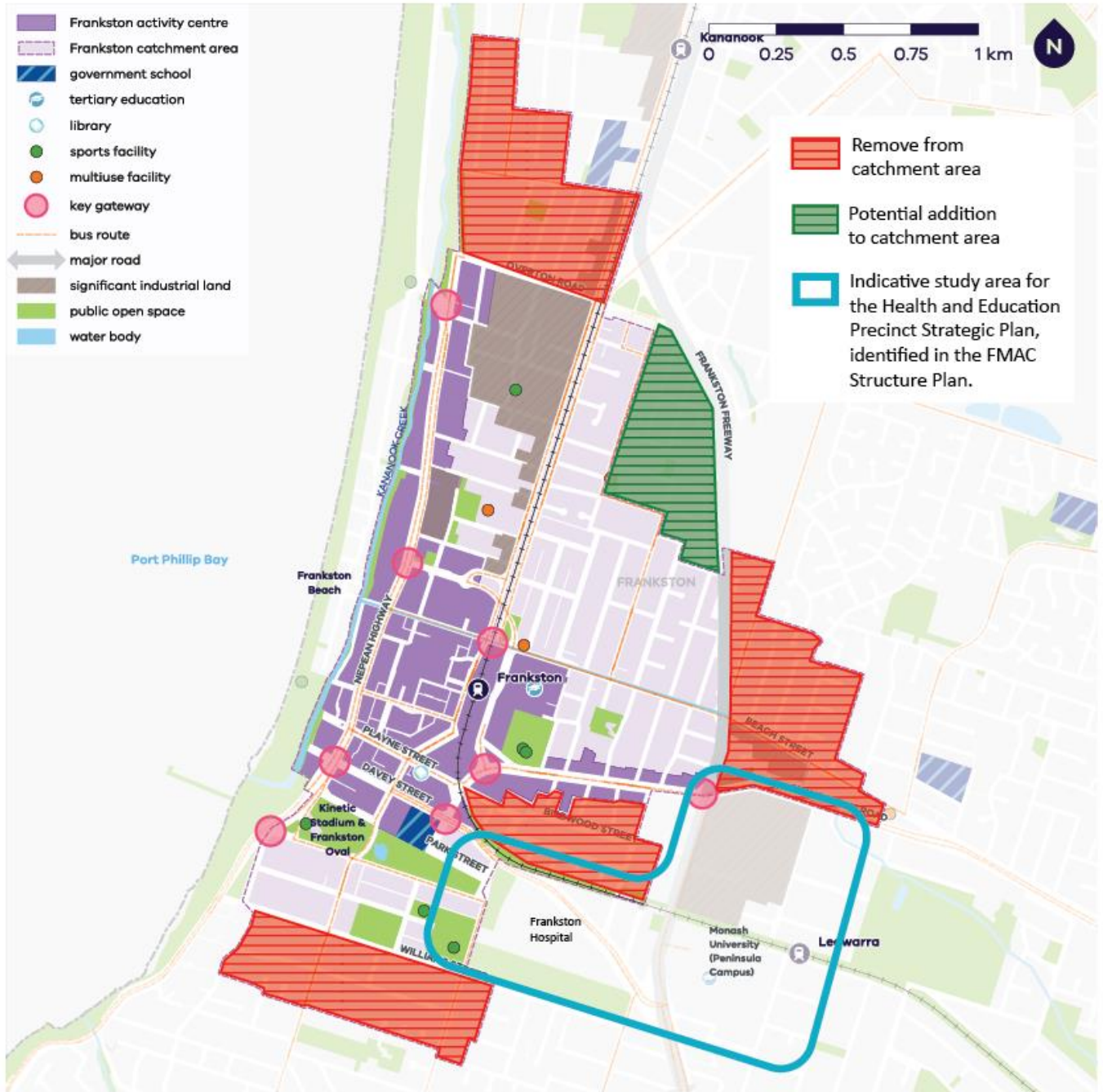


Figure 01: Recommended changes to the proposed catchment area boundary



- **Exclusions**

The area to the north of the FMAC and west of the railway line is subject to flooding and Melbourne Water (in partnership with Council) is currently undertaking updated flood modelling for the Frankston municipality. This work is expected to be completed in mid-2025 and Melbourne Water have committed to undertaking a planning scheme amendment to implement the results of the flood modelling into the Frankston Planning Scheme. While this work won't be available for the finalisation of the draft Activity Centre Plan, the timing of it will align with the development of Council's draft Housing Strategy.

The area bound by the industrial land to the north, railway line to the east and the FMAC boundary to the south (known as the Ebdale Precinct) is zoned Residential Growth Zone (RGZ) and has already undergone significant change and re-development. Even though this area is subject to flooding, it does not have an interface with low-scale residential land and it is considered appropriate to retain it in the catchment area (subject to appropriate flooding controls). This approach was achieved during the Planning Panel process for Amendment C160fran and the proposed Schedule 1 to the Activity Centre Zone (ACZ1), flooding in this area should be dealt with appropriately in the proposed planning controls.

The following areas should be excluded from the catchment area boundary and instead be considered as part of the development of the draft Housing Strategy for the following reasons:

1. **The area north of Overton Road** (north of the FMAC) is currently zoned General Residential Zone (GRZ) and is subject to significant flooding. This area is not considered to be the right location for the intensification identified in the draft Activity Centre Plan as it has a sensitive interface with existing surrounding low-scale residential areas and the preferred maximum building heights south of Overton Road in the FMAC Precinct 5 – Nepean Boulevard are 3 storeys (significantly lower than the proposed 6 storeys for the catchment area). This graduation in height in Precinct 5, was intentional to provide an appropriate transition to the surrounding residential area.

This area should be excluded from the catchment boundary and the appropriate level of growth for this area be determined through the development of Council's draft Housing Strategy, which will also consider flooding and take into account Melbourne Water data that is currently unavailable.

2. **The area south of Williams Street** (south of the FMAC) is of distinct and unique character, predominately due to the area's elevation and views and is adjacent to Frankston South, which is an area of high value character.

This area should be excluded from the catchment boundary and addressed through the development of Council's draft Housing Strategy which will consider neighbourhood character, a matter that is outside of the scope of the draft Activity Centre Plan.

3. **The area east of the Frankston Freeway** (east of the FMAC) should be excluded as the Frankston Freeway presents a physical barrier (particularly in terms of being able to walk to the FMAC) and provides a logical boundary to the proposed catchment area. The proposed boundary facilitates planning creep, beyond a logical boundary and will



create interface issues with existing residential land and local streets that do not appear to be addressed in the draft Activity Centre Plan.

This area should be excluded from the catchment boundary and the appropriate level of growth for this area to be determined through the development of Council’s draft Housing Strategy.

4. **A future strategic plan for the Frankston Hospital and Monash University Precinct** is referred to in the future work section of the draft Frankston Activity Centre Plan. Frankston City’s largest industry sector is healthcare and social assistance, employing over 11,000 people (since 2021) and adds \$1.08 billion into the economy. With the \$1 billion redevelopment of the Peninsula Health Frankston Hospital (underway), this sector continues to rapidly expand and presents a range of opportunities for primary and allied health businesses for more specialised services.

A strategic policy/future structure plan needs to be prepared to guide the use and development of the Health and Education Precinct as identified in *Plan Melbourne* and implemented into the Frankston Planning Scheme. This has been reaffirmed in the FMAC Structure Plan at Action #3. If a partnership could be established and this work undertaken, it will help inform both the catchment area and the development of the draft Housing Strategy.

3	Health and Education Precinct Plan Prepare strategic policy to guide the use and development of the Health and Education Precinct as identified in the Southern Land Use Framework Plan and implement this into the Frankston Planning Scheme.	City Futures (Lead)	DTP Monash University Peninsula Health	Short	Precinct Plan adopted by Council.	Objective 2 Strategy 2.1
---	--	-------------------------------	--	-------	-----------------------------------	--------------------------

Figure 02: Action #3 from the Frankston Metropolitan Activity Centre Structure Plan – September 2024

Council would welcome the opportunity to work with the VPA in relation to the Health and Education Precinct Plan and begin progressing this project in the coming year.

This area should be excluded from the catchment boundary and be considered as part of the future Health and Education Precinct Plan, which will also consider housing growth and types in the surrounding area.

5. **The area bounded by Precinct 6: Cranbourne Road in the FMAC Structure Plan area to the north, the railway line to the south and west and the proposed catchment area boundary to the east.**

This area is included in the indicative study area for the Health and Education Precinct Plan, which includes the Power Centre, Monash University, Leawarra Station, Frankston Hospital and surrounding residential land. Built form controls should not be applied to this area prior to the strategic work being undertaken for the Health and Education Precinct, which will consider land use in these mixed use areas that support the anchor uses. It is noted that land use considerations are outside the scope of the catchment areas in the draft Activity Centre Plan.



- **Inclusion**

The following area should be considered for inclusion in the catchment area boundary:

6. **The area bound by the Frankston Freeway to the north and east, Orwil Street to the west and Cricklewood Avenue, Stanley Street and Francis Street to the south.** This area is not subject to significant flooding and does not have the same sensitive residential interface as the area north of Overton Road, due to its hard boundary with the Frankston Freeway. This area includes a local Activity Centre on the corner of Orwil and Fairway Streets and officers submit that it could be included as an alternative to achieve targets, to the areas identified for removal above. It is important to note that these areas will be further considered through the development of the draft Housing Strategy.

3.2 Built form controls

The draft Activity Centre Plan specifies a height range of 3-6 storeys for the entire catchment area and includes a range of photographs showing examples of 4 to 6 storey development precedents.

- **Proposed Walkable Catchments Zone and changes to Clause 58 Apartment Developments**

Please see:

- **Attachment 1:** Catchment Area: Walkable Catchments Zone – Officer comments; and
- **Attachment 2:** Catchment Area: Clause 58 – Officer comments.

It is submitted that property size will determine the permitted height, with larger blocks able to accommodate 5-6 storeys and smaller blocks up to 3-4 storeys which is a departure from the more traditional approach of specifying different height limits for specific areas.

Council officers have concern in relation to the drafting of the proposed ordinance with certain wording, the fact that Melbourne Water are not permitting development in land affected by the Special Building Overlay (SBO) and Land Subject to Inundation (LSIO) and submit that the proposed site widths will not facilitate the heights being sought, when the proposed Clause 58 side setback requirements are applied. Further, significant consolidation will need to occur to achieve these outcomes.



Figure 03: 6 storey development within 300m of Cheltenham Railway Station

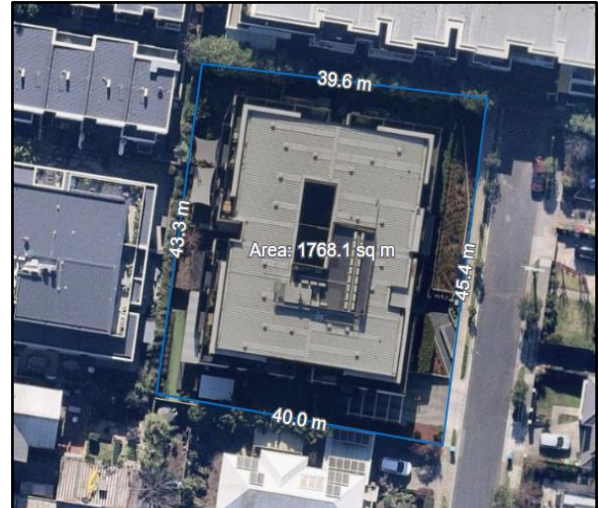


Figure 04: 6 storey development within 340m of Highett Railway Station

The FMAC Structure Plan specifies preferred maximum height limits for the 6 precincts, which range from 3-16 storeys. The building heights in Precinct 5 – Nepean Boulevard and Precinct 6 – Cranbourne Road have been intentionally drafted to step down to adjacent low scale residential areas, providing an appropriate transition. In Precinct 5, north of Rosella Street and south of Overton Road, the preferred maximum height steps down to 12m (3 storeys). In Precinct 6, the majority of Cranbourne Road has a preferred maximum height of 16m (4 storeys). The proposed 6 storey building heights in the catchment area is problematic adjacent to the areas where heights lower than 6 storeys are specified in the FMAC Structure Plan and ACZ1.

Further, the contrast of 6 storey buildings next to 3 storey buildings and single storey dwellings (where sites may never consolidate or re-develop) within the catchment area itself is also concerning. The current lot configuration in the catchment area is varied, with many single residential dwellings on a lot and many unit developments. Significant lot consolidation will be required in order to achieve development of 6 storeys and it is unlikely that all lots will consolidate, even over time. It is important that setbacks are adequate to facilitate landscaping tree planting and mitigate the effects of urban heat island effect. And that overshadowing is taken into consideration to ensure appropriate access to sunlight for both internal and external amenity.

The proposed 3-6 storey height limit for the catchment area should be:

- 1. Retained** for the 'Ebdale Precinct' part of the catchment area. 6 storeys adjacent to the 8-storey preferred maximum building height specified along the eastern side of Nepean Highway in Precinct 5, is appropriate, and this area has a hard edge to the railway line.



2. **Retained** for the area east of Dandenong Road East, west of the Frankston Freeway and north of Beach Street.
3. **Reduced** for the remainder of the catchment area to 3-4 storeys. This will ensure heights in the catchment area are no higher than those within the FMAC, and will not compromise the considered delineation and graduation of height between the FMAC and the surrounding areas. This will also address the issue of stepping down of built form adjacent to existing low-scale residential areas (e.g. south of William Street).

3.3 Open space and community infrastructure

The proposed increase of population in the catchment area will result in increased demand for public open space, transport and community infrastructure and the background technical reports relating to these matters have not yet been provided to Council officers.

Provision of new public open space to cater to the needs of an increased residential population will be required. Existing in the Frankston Planning Scheme at Clause 53.01 is a public open space contribution of 8% in the 2015 FMAC Structure Plan Boundary area and 5% outside of this area. The 8% open space contribution covers the FMAC and part (but not all) of the proposed catchment areas. Consideration should be given to whether the 8% public open space contributions should be extended to the whole of the catchment area and if they are appropriate to deliver the required new public open space.

In addition, built form controls should protect existing public open spaces from overshadowing. The FMAC Structure Plan and ACZ1 includes solar access controls for two existing open spaces adjacent to the FMAC and within the catchment area – Ebdale Reserve and O’Grady Reserve.

The draft Activity Centre Plan and associated ordinance should apply overshadowing controls to the remaining open spaces in the catchment area - Victoria Park and Frankston Bowling Club and Croquet Club, Orwil Reserve, Fairway Reserve and Joy Reserve. It is recommended that to be consistent with the FMAC Structure Plan, that these open spaces are protected from overshadowing between 10am and 2pm at the Winter Solstice (22 June).

Council officers request the background technical reports relating to community infrastructure, and details of proposed infrastructure projects and funding mechanisms be provided for review as soon as possible.

3.4 Mapping

The draft Activity Centre Plan mapping should identify the Frankston Memorial Park (cemetery), which is not classified as public open space. Frankston Hospital should also be labelled.

3.5 Deemed to comply standards

Further information is also required on ‘deemed to comply’ standards, and whether these are proposed to apply to the catchment areas. It is assumed that if the ACZ1 is implemented, that deemed to comply standards will not apply to the FMAC.



4. Implementation

The list of future strategic planning work outlined in the draft Activity Centre Plan is generally supported, subject to the comments below.

4.1 Infrastructure funding

Further clarification is sought about the proposed potential '*simplified infrastructure funding mechanism*' identified as future work. To date, there have been no details on this mechanism provided, other than an assurance that it will be able to work in conjunction with a Development Contributions Plan (DCP), where one is in place.

Council currently has two (2) funding mechanisms in the Frankston Planning Scheme:

- Clause 53.01 public open space contributions (as mentioned above).
- A discretionary cash-in-lieu contribution in Schedule 1 to the Parking Overlay (PO).

As noted in the covering letter to this submission, Council is currently progressing Planning Scheme Amendment C161fran, which seeks to implement a third funding mechanism, the *Frankston Metropolitan Activity Centre Development Contribution Plan (Hill PDA, April 2024)* (the FMAC DCP). A Planning Panel has been appointed to consider Amendment C161fran. The Directions Hearing is scheduled for 11 November and the Planning Panel to commence 9 December 2024.

Further details about the proposed funding mechanism are sought, including:

1. Will this new mechanism be applied to the catchment area as well as the FMAC?
2. Will a list of infrastructure projects that have a nexus to the FMAC and catchment area be part of the mechanism?
3. What type of infrastructure projects will this mechanism be able to fund? Will it fund State and/or Local projects?
4. Will there be administrative and reporting requirements, consistent with DCP reporting requirements?
5. Will it be possible (and practical) from an administrative perspective to have both a DCP and this new mechanism?
6. What rate will be set and what impact will this have on the financial viability of development in Frankston?
7. Who will be responsible for administering this new mechanism in relation to collecting the contributions and delivering the projects?
8. What financial obligation will Council have in administering this new mechanism (if Council is responsible)?

4.2 Parking Precinct Plan

The further work includes '*possible preparation of a Parking Precinct Plan and the introduction of a Parking Overlay*'.

It is noted that existing in the Frankston Planning Scheme is Schedule 1 (PO1), which applies to all land in the 2015 FMAC Structure Plan boundary and includes reduced parking rates and a discretionary cash-in-lieu contribution.



The preferred position of Council officers is to retain the cash-in-lieu contributions in the PO1, as this is a key funding mechanism for the future multi-storey car parks identified in Action 16 of the FMAC Structure Plan, the *'construction of multi deck car parks integrated with development'*.

4.3 Flood modelling

The *'possible introduction of updated flood management controls (subject to further work with Melbourne Water)* is supported. As mentioned above, Melbourne Water have committed to undertaking a future planning scheme amendment to implement the findings of flood modelling for the entire municipality of Frankston based on the outcome of flooding modelling that is currently underway.

Attachment 3 to this submission is a recent Victorian and Civil Administrative Tribunal (the Tribunal) Decision *6C RAZ Pty Ltd NH Family Holdings Pty Ltd V Frankston CC* which considered two (2) separate proposals at 4 and 6 Carter Avenue, Seaford, four (4) double storey dwellings each with a separate central access way – Council determined on 6 November 2023 to refuse to grant a permit for both proposals.

The Tribunal found (inter alia):

"... that the risk posed by flooding in this area to be unacceptable and considered the effects of not granting a permit on orderly planning in perms of sterilising the sites is also an issue and that this is the tension posed by the proposal and the physical and policy contexts of the sites... For the reasons given above, the decisions of the responsible authority are affirmed. No permits are granted."

Consideration of flooding in the catchment areas must be considered as it will impact on development outcomes and yield.

4.4 State Government taxes and charges

At this point in time, planning is being pointed to as the main problem attributed to the current housing crisis and this work is proposed to 'reduce red tape' and facilitate faster planning approvals. Council officers submit, that the issues driving the housing crisis are much more complex, and it is important that the State recognises the cumulative impact that a range of financial charges are having on the development of land in Victoria and should undertake a review of all taxes, levies and contributions that are currently in place.

The Growth Area Infrastructure Charge (GAIC), the Metropolitan Planning Levy (MPL), any local DCP, open space contribution, Parking Overlays, Windfall Gains Tax (WGT), Building Permit Levy and the Vacant Residential Land Tax, coupled with the high cost of land, high interest rates and a struggling construction industry, are all costs that are impacting the feasibility of development in Victoria. These financial burdens can lead to increased housing prices, reduced affordability for homebuyers, and slower development timelines. Additionally, these charges can deter investment and stifle innovation and competition within the industry, leading to a less dynamic housing market.



A comprehensive review of these taxes and levies are essential to foster a more conducive environment for sustainable and affordable housing development, particularly in areas designated to accommodate significant population growth through infill development.

5. Conclusion

Housing affordability and choice is a top priority for Council, including private homes, rental dwellings, new homes for families, or affordable housing. Our planning policies already support moderate urban change and directs density to the right locations in and around activity centres, in particular the FMAC and our draft Housing Strategy is currently under preparation, pending the release of the proposed *Plan for Victoria*.

Council officers welcome and support the references to the FMAC Structure Plan and proposed ACZ1 in the draft Activity Centre Plan and the draft Background Summary Report and appreciate the recognition of the significant work that Council has undertaken. Planning Scheme Amendment C160fran is with the Minister for consideration and approval, and officers strongly encourage the approval of the amendment in the form as adopted by Council.

However, it is submitted that significant changes are required to the proposed boundary of the catchment area, and the proposed building heights.

Council officers request the following information is provided as soon as possible, with adequate time provided for review and comment:

- Background technical work undertaken on community infrastructure, transport infrastructure, urban design and flooding.
- Details on the proposed funding mechanism including the proposed list of projects, proposed contributions rate and impact on the financial viability of development, collection and project delivery arrangements and the proposed responsibility for Council (financial and administrative).