

Urban Development Program



20
13

Metropolitan
Melbourne



Department of
Transport, Planning and
Local Infrastructure

Published by the Urban Development Program
Department of Transport, Planning and Local Infrastructure
1 Spring Street Melbourne Victoria 3000
Telephone (03) 9208 3000

December 2013

Unless indicated otherwise, this work is made available under the terms of the Creative Commons Attribution 3.0 Australia licence. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/3.0/au>

Urban Development Program, State of Victoria through the Department of Transport, Planning and Local Infrastructure 2013

Authorised by Matthew Guy, 1 Spring Street Melbourne Victoria 3000.

This publication may be of assistance to you but the State of Victoria and its employees do not guarantee that the publication is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for an error, loss or other consequence which may arise from you relying on any information in this publication.

Accessibility

If you would like to receive this publication in an accessible format, please telephone (03) 9223 1783 or email urbandevelopment.program@dpcd.vic.gov.au. This publication is also available in Word format on <http://www.dpcd.vic.gov.au/planning/plansandpolicies/urban-development-program>

CONTENTS

- 1.0 INTRODUCTION**
- 2.0 MAJOR RESIDENTIAL REDEVELOPMENT**
 - 2.1 Identified Supply
 - 2.2 Major residential redevelopment pipeline by region
 - 2.3 Major Residential redevelopment pipeline by region compared to past years
 - 2.4 Major Residential Redevelopments in Activity Areas
 - 2.5 Major Residential Redevelopments in Activity Areas compared to past years
- 3.0 BROADHECTARE RESIDENTIAL DEVELOPMENT**
 - 3.1 Broadhectare lot construction
 - 3.2 Lot size profile
 - 3.3 Development Ready Supply of Broadhectare Lots
 - 3.4 Total supply of broadhectare lots
- 4.0 INDUSTRIAL LAND**
 - 4.1 Net Change in Industrial Zoned Land
 - 4.2 The scale and spatial distribution of individual rezonings
 - 4.3 Rezoning of Industrial Land for other uses
 - 4.4 Vacant Industrial Land
 - 4.5 Consumption of industrial land
 - 4.6 Spatial Distribution of Industrial Land Consumption

List of Charts

- Chart 1: Residential redevelopment pipeline by built form by project status
- Chart 2: Annual residential redevelopment pipeline of dwellings by built form
- Chart 3: Residential redevelopment pipeline of dwellings by region by built form
- Chart 4: Residential Redevelopment Pipeline by Region
- Chart 5: Potential Dwellings on Major Residential Redevelopment Projects inside/outside Activity Areas, July 2013
- Chart 6: Potential Dwellings on Major Residential Redevelopment Projects inside/outside Activity Areas, 2004-05 to 2012-13
- Chart 7: Broadhectare lot construction by growth area 2000-01 to 2012-13
- Chart 8: Broadhectare lot construction, by lot size (in square metres) 2005-06 to 2012-13
- Chart 9: Lot supply by development ready status 2004-05 to 2012-13
- Chart 10: Supply of Development Ready Lots by Growth Area 2008-09 to 2012-13
- Chart 11: Broadhectare lot supply by growth area 2005-06 to 2012-13
- Chart 12: Net change of industrially zoned land by municipality, 2000-01 to 2012-13
- Chart 13: Percentage area of land by new zoning after being rezoned from industrial, metropolitan Melbourne, 2000-01 to 2012-13
- Chart 14: Location of vacant zoned industrial land by State Significant Industrial Precinct and Subregions, 2012-13.
- Chart 15: Average annual consumption of industrial land, metropolitan Melbourne, 1994-95 to 2012-13
- Chart 16: Comparison of consumption occurring within the State Significant Industrial Precincts and the rest of Melbourne, 1995 to 2000 and 1995 to 2012
- Chart 17: Annual average consumption of industrial land, State Significant Industrial Precincts, 1994-95 to 2012-13

List of Tables

- Table 1: Summary of gross zoned industrial land supply and total stock (ha), 2013

List of Maps

- Map 1: Location of State Significant Industrial Precincts
- Map 2: Location of changes in industrial land, 2000-01 to 2012-13

List of Appendices

- Appendix 1: Future broadhectare lot construction potential
- Appendix 2: Major redevelopment sites overview
- Appendix 3: Gross zoned industrial land supply and total stocks (ha)
- Appendix 4: Estimated stock of zoned vacant industrial land stocks (net developable area) (ha)

1.0 INTRODUCTION

The 2012-13 Urban Development Program (UDP) for metropolitan Melbourne provides an update on the supply of land for residential and industrial uses, and a summary of residential development projects in the pipeline. The Urban Development Program consists of three main components:

Major Residential Redevelopment Projects - includes details of all residential projects of 10 or more dwellings that are either recently constructed, under construction, or planned to be constructed within the next 10 years, on land with a previous urban use.

Broadhectare Residential Land - includes information on the supply and construction of broadhectare land across metropolitan Melbourne, including estimated lot yields. This includes land which is either zoned or has an approved precinct structure plan, as well as land that has been identified for residential development where an approved precinct structure plan is required to commence development.

Industrial Land - includes information on the supply and consumption of industrial land across metropolitan Melbourne, as well as indicators on the zoning changes of industrial land.

The information incorporated within the Urban Development Program draws on information and feedback obtained through a number of comprehensive consultations with council officers.

Broadhectare supply consists of undeveloped land within the urban growth boundary that has been zoned for future development, the vast majority of which is in Melbourne's seven growth area Local Government Areas (Cardinia, Casey, Hume, Melton, Mitchell, Whittlesea, and Wyndham).

By consulting with local government, the Growth Areas Authority and developers, a total supply of lots is estimated, with an anticipated timing for development. This total supply is divided into lots that are covered by an approved precinct structure plan (PSP), and therefore deemed development-ready, and those not covered by a PSP.

Analysis of major residential redevelopment projects includes consultation with local government and referencing other data sources, which identify residential redevelopment projects in the existing urban area that are expected yield 10 or more dwellings are identified along with an estimated time for construction.

Major residential redevelopment information is directed to understand the future pipeline of major development projects across metropolitan Melbourne. For a variety of reasons, not all projects identified come to fruition. However, with ten years of data that has been collected through the Urban Development Program, trends in this component of the market can be determined.

For more information about the Urban Development Program, email the Department of Transport, Planning and Community Infrastructure at urbandevelopment.program@dtpli.vic.gov.au

2.0 MAJOR RESIDENTIAL REDEVELOPMENT

Residential redevelopment data is collected through consultations with Councils, aerial imagery analysis, and other data sources. Please note that in 2013, data from Frankston City Council was unavailable. Information for Frankston municipality included in the 2012-13 Urban Development Program is based on 2011-12 data supported by Cordell's data and aerial imagery analysis.

2.1 IDENTIFIED SUPPLY

Urban Development Program Residential Redevelopment Data shows that, as of July 2013, there were 179,400 dwellings in identified residential redevelopment projects. Note that, in this report, the residential redevelopment 'pipeline' refers to residential redevelopment projects either under construction or anticipated to be constructed in the next 10 years. The Urban Development Program also records projects that were completed in the previous two years.

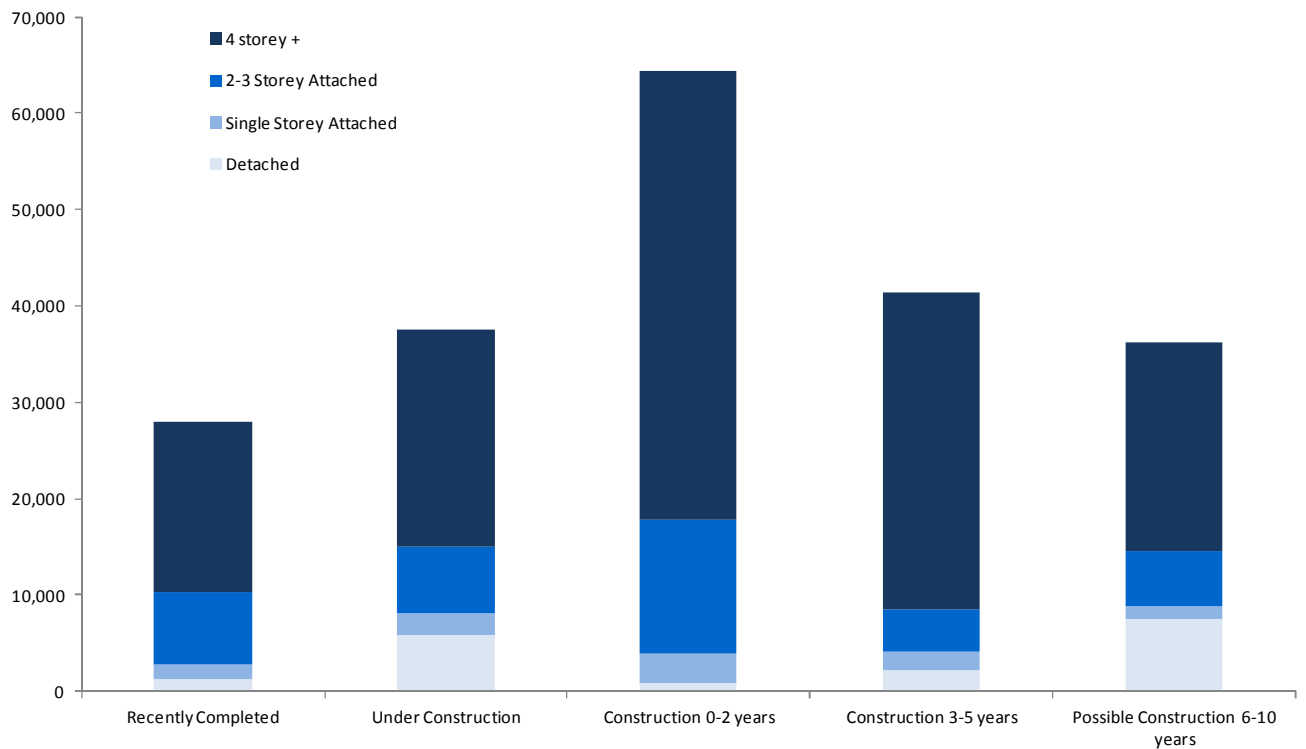
Note that residential redevelopments consisting of fewer than ten dwellings – such as dual occupancies or the construction of a few townhouses on a block – are not included in the number of dwellings in the residential redevelopment pipeline. Unlike larger projects, the location and size of smaller scale development is unpredictable even over the short term. However, smaller scale developments are an important source of housing supply. Analysis of past dwelling development indicates that about half of all dwelling additions in established areas come from these smaller scale developments.

Chart 1 shows total dwelling yield at different stages of planning or construction as well as recently completed projects, by built form. Dwellings in projects of four stories or greater will make up approximately three quarters of all dwellings projected to be constructed on major redevelopment sites over the next five years.

Generally speaking, projects in the *Construction 0-2 years* category are almost ready to commence construction. Projects in the *Construction 3-5 years* category are very likely to go ahead but often planning permission is still required or there is some uncertainty. Projects in the *Possible Construction 6-10 years* may be somewhat speculative but are likely to go ahead.

Note that the timing of projects is an estimate. Although the number of dwellings in projects identified in the longer term (6-10 years) is lower than those identified in the short to medium term, additional projects are likely to be identified during this period which will add to future redevelopment supply.

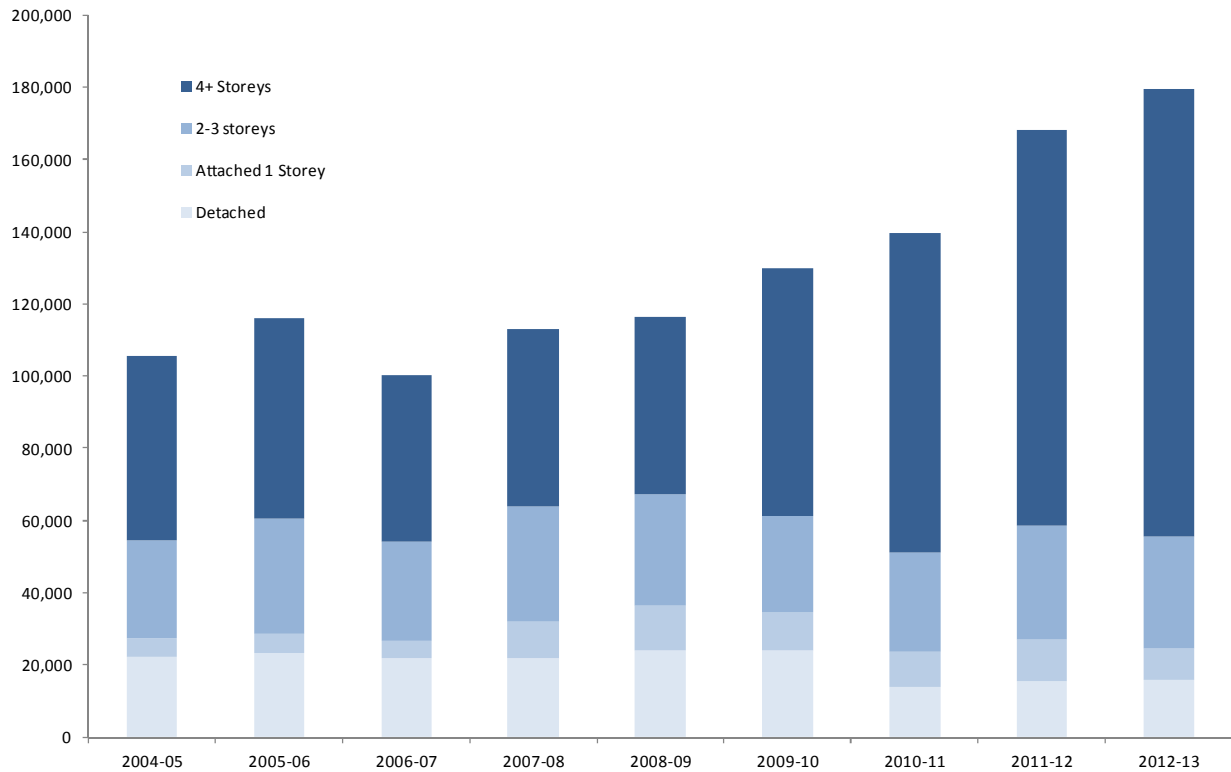
Chart 1: Major Residential redevelopment pipeline by built form by project status



Source: Department of Transport, Planning and Local Infrastructure 2013

Chart 2 compares the residential redevelopment pipeline as of July 2013 to data from previous years, and it shows that the potential number of dwellings identified in major residential redevelopment projects has been growing steadily since 2006-07.

Chart 2: Annual major residential redevelopment pipeline of dwellings by built form



Source: Department of Transport, Planning and Local Infrastructure 2013

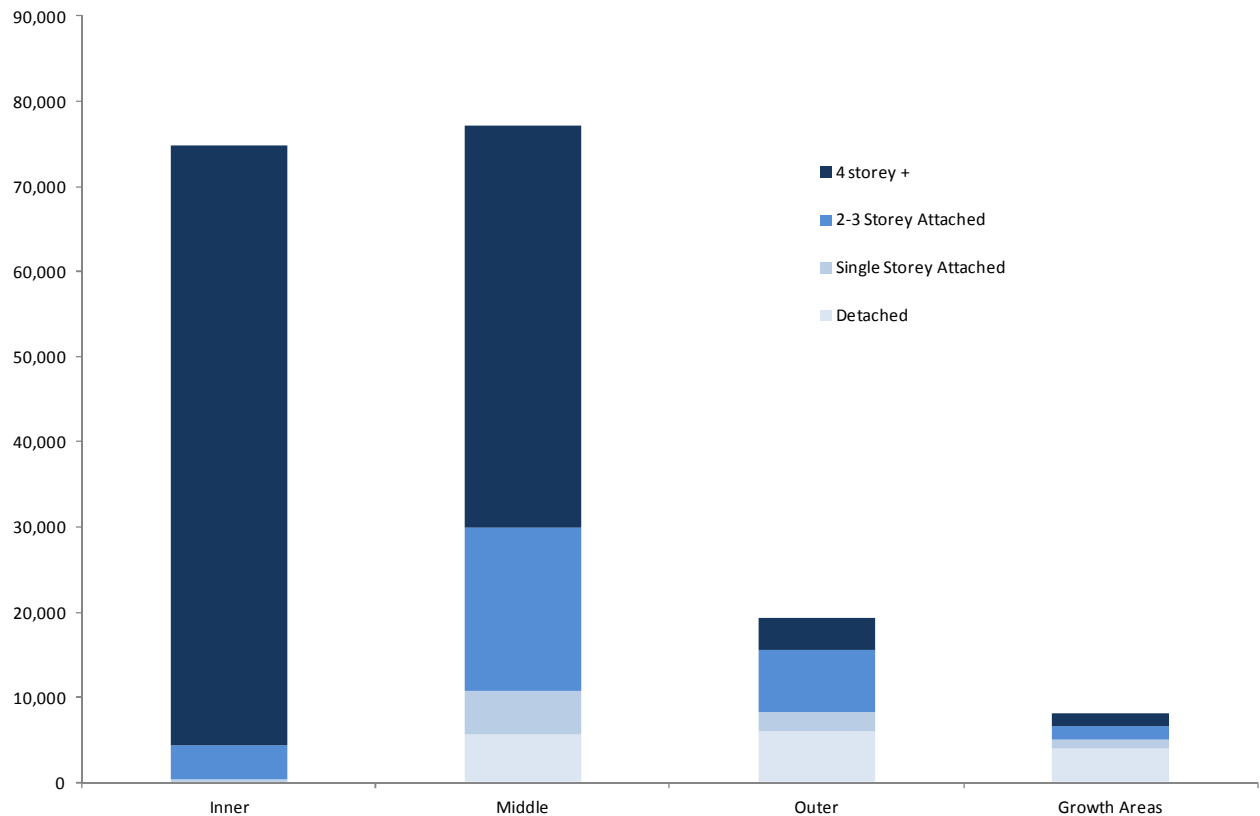
2.2 MAJOR RESIDENTIAL REDEVELOPMENT PIPELINE BY REGION

Chart 3 provides a breakdown of major residential redevelopment projects by region over the next ten years. Most redevelopment activity occurs in the inner and middle areas of Melbourne, with projects of four storeys or greater in being particularly concentrated in the inner area.

Given that the inner area is relatively small area compared to the middle and outer areas, it contributes a very large proportion of potential development, and most of this is in the City of Melbourne. Of a total identified dwelling yield of 75,000 dwellings in the inner area, about 48,000 are in the City of Melbourne.

Note that the ‘detached dwellings’ referred to below are detached dwellings in major residential redevelopment projects rather than in broadhectare developments, which is dealt with separately below in Section 3.0 - Broadhectare Residential Development. The detached dwellings within growth areas are often in remnant broadhectare sites in built up areas.

Chart 3: Residential redevelopment pipeline of dwellings by region by built form



Source: Department of Transport, Planning and Local Infrastructure 2013

The regions used here are comprised of the following local government areas:

Inner: Melbourne, Port Phillip, Stonnington, and Yarra

Middle: Banyule, Bayside, Boroondara, Darebin, Glen Eira, Hobsons Bay, Kingston, Manningham, Maribyrnong, Monash, Moonee Valley, Moreland, and Whitehorse

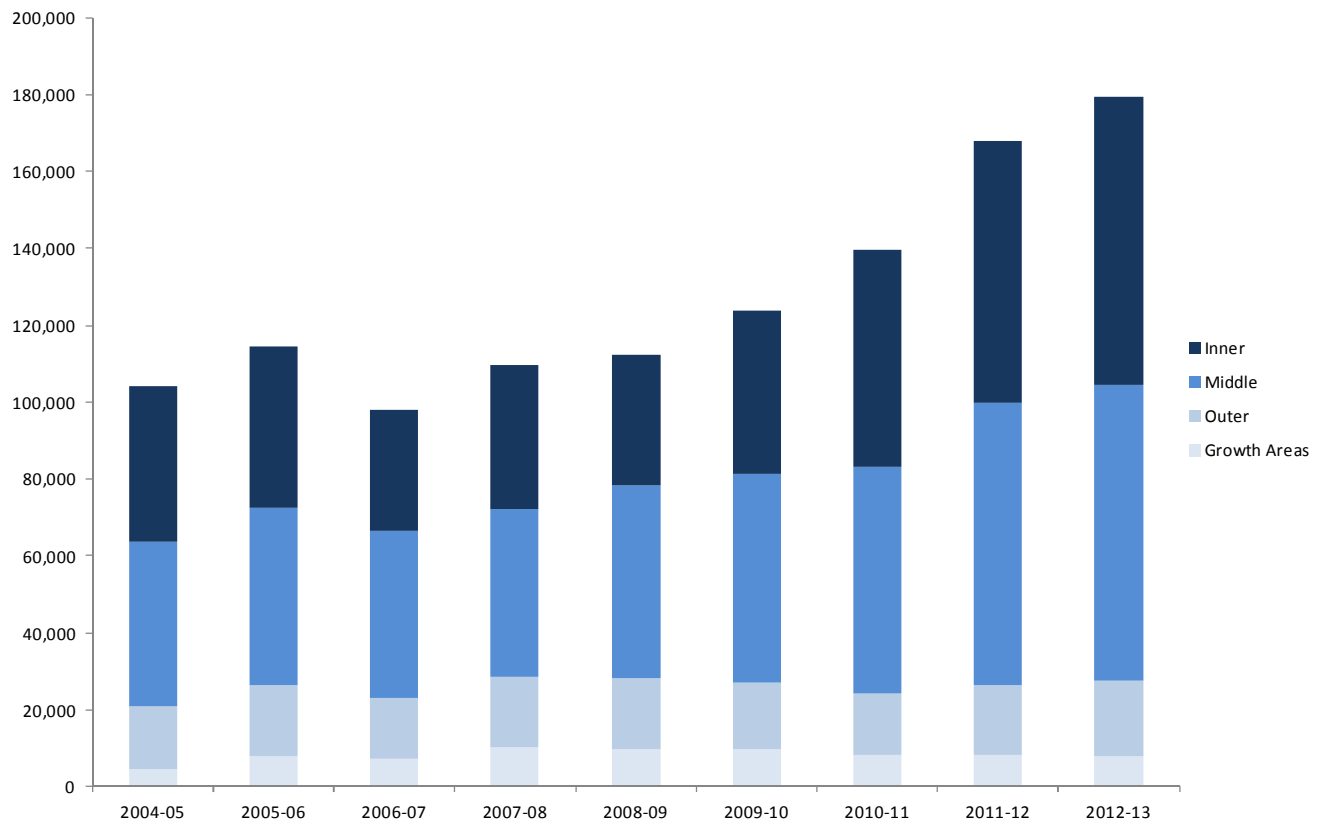
Outer: Brimbank, Frankston, Greater Dandenong, Knox, Maroondah, Mornington Peninsula, Nillumbik, and Yarra Ranges

Growth Area: Casey, Cardinia, Hume, Melton, Whittlesea, Wyndham

2.3 MAJOR RESIDENTIAL REDEVELOPMENT PIPELINE BY REGION COMPARED TO PAST YEARS

Chart 4 shows the trend in spatial distribution of the development pipeline of dwellings in major residential redevelopment projects using Urban Development Program data for each year from 2004-05 to 2012-13. The growth in the overall number of potential dwellings in major redevelopment sites across metropolitan Melbourne is from 2004-05 to 2012-13 is largely as a result of an increase in sites within the inner and middle areas, with the outer and growth areas continuing to contribute a small percentage of total residential redevelopment.

Chart 4: Residential Redevelopment Pipeline by Region

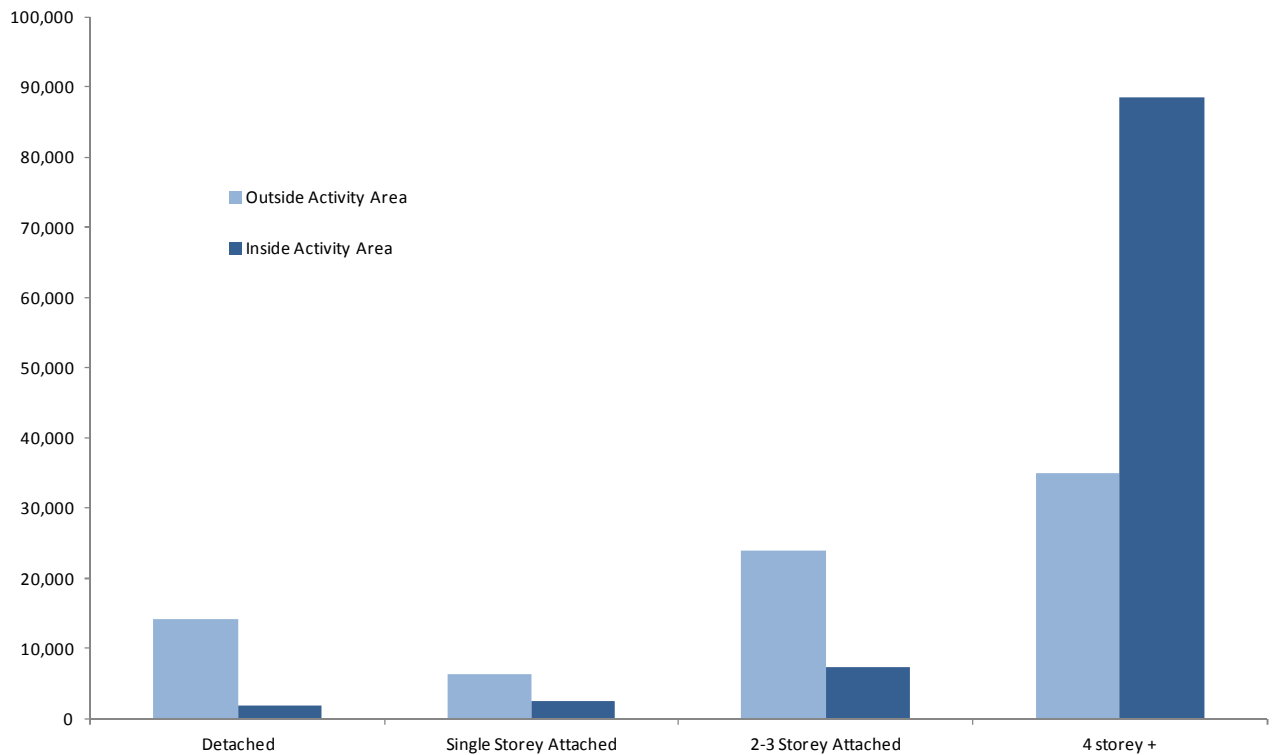


Source: Department of Transport, Planning and Local Infrastructure 2013

2.4 MAJOR RESIDENTIAL REDEVELOPMENTS IN ACTIVITY AREAS

Chart 5 shows the potential number of dwellings in major residential redevelopment projects as at July 2013, inside and outside activity area boundaries*, by built form. Projects of four storeys or greater are largely concentrated inside activity areas (which includes the CBD), while those of less than four stories tend to be outside activity areas.

Chart 5: Potential Dwellings on Major Residential Redevelopment Projects inside/outside Activity Areas, July 2013



Source: Department of Transport, Planning and Local Infrastructure 2013

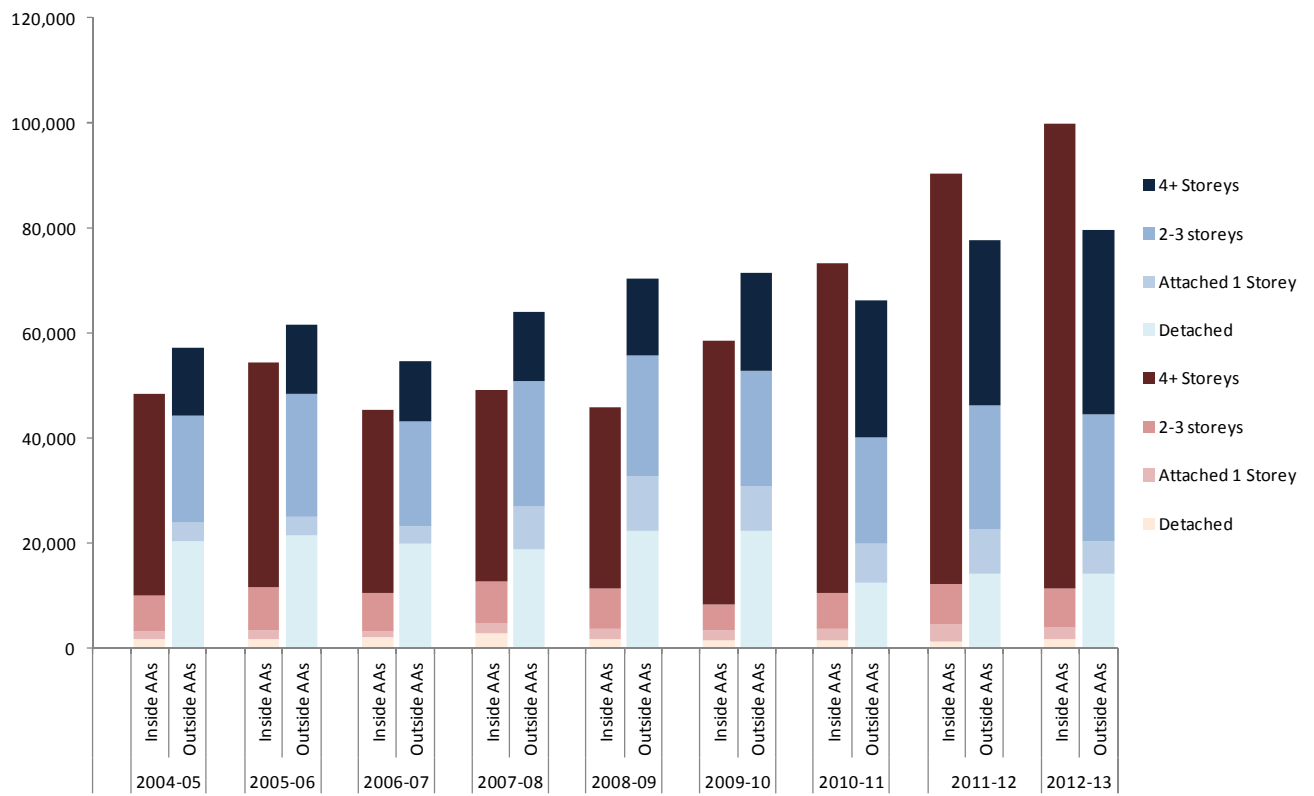
*Activity area boundaries are based on Council’s Structure Plans and other strategic plans where these exist. Where Council has not adopted an activity area boundary, DTPLI has mapped a boundary based on land use zoning.

2.5 MAJOR RESIDENTIAL REDEVELOPMENTS IN ACTIVITY AREAS COMPARED TO PAST YEARS

Chart 6 shows the potential number of dwellings in major residential redevelopment projects as of July 2013 compared to that identified in previous years, by built form and by location inside or outside activity centre boundaries.

It shows that the potential number of dwellings in major residential redevelopment projects within activity area boundaries has been growing as a proportion of total projects, and the number of dwellings in major projects of four stories or greater in activity areas has been growing particularly fast.

Chart 6: Potential Dwellings on Major Residential Redevelopment Projects inside/outside Activity Areas, 2004-05 to 2012-13



Source: Department of Transport, Planning and Local Infrastructure 2013

Note that 2012 boundaries have been used throughout so that the area remains constant across the period, although some boundaries have changed over this time.

3.0 BROADHECTARE RESIDENTIAL DEVELOPMENT

3.1 BROADHECTARE LOT CONSTRUCTION

Just over 11,300 broadhectare lots were constructed in Melbourne’s growth area municipalities in 2012-13.

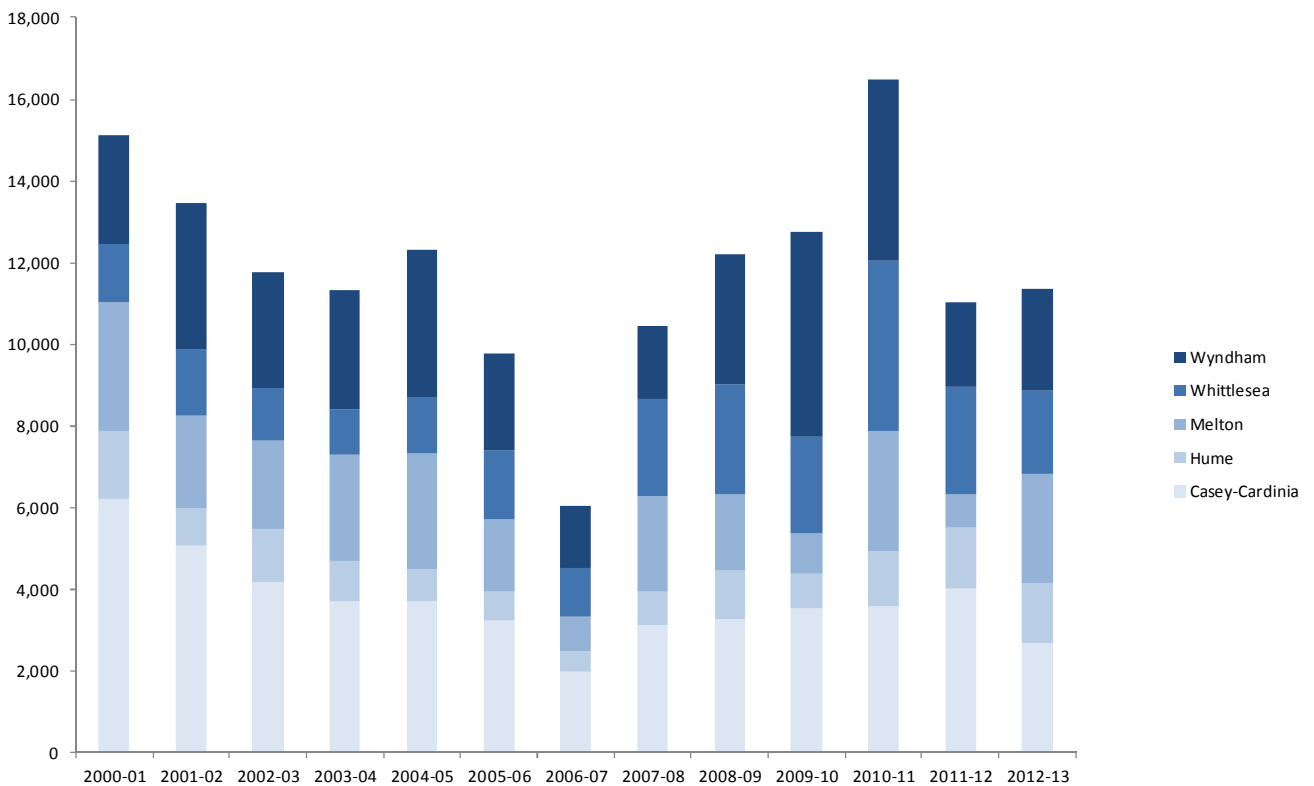
Chart 7 shows that broadhectare lot construction remained below the long term average (of around 12,000 lots per year) for the second year in a row. However, 2010-11 saw a record high in lot construction with over 16,000 lots constructed in the growth area municipalities.

The number of lots identified as being ‘under construction’ as at July 2013 (less than 10,000 lots) indicates that the decrease in lot construction may continue during the next twelve months.

In 2012-13 the decreased number of lots constructed was most evident in the south east growth corridor. This is in contrast to the previous year’s lot construction, in which construction numbers in Wyndham and Melton dropped by around a half from 2010-11 to 2011-12.

These variations may be due to the staging of developments across the growth corridors, as well as the cyclical nature of land development across different areas at different points of time.

Chart 7: Broadhectare lot construction by growth area 2000-01 to 2012-13

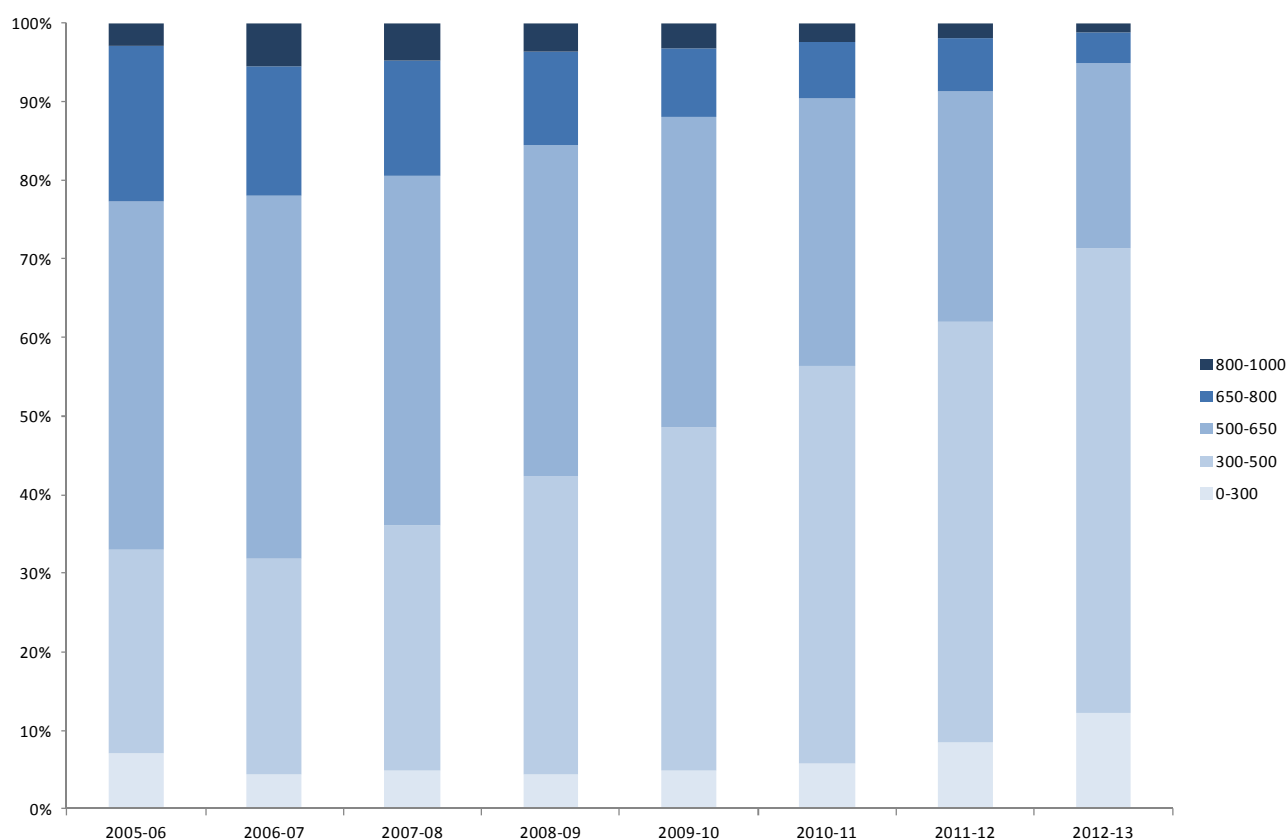


Source: Department of Transport, Planning and Local Infrastructure 2013

3.2 LOT SIZE PROFILE

Chart 8 shows recent changes in the size of lots being constructed in Melbourne’s Growth Corridors. In 2005-06 just 25% of lots constructed in growth areas were sized 300-500 square metres, but in 2012-13, nearly 60% of all lots constructed were sized 300-500 square meters.

Chart 8: Broadhectare lot construction, by lot size (in square metres) 2005-06 to 2012-13



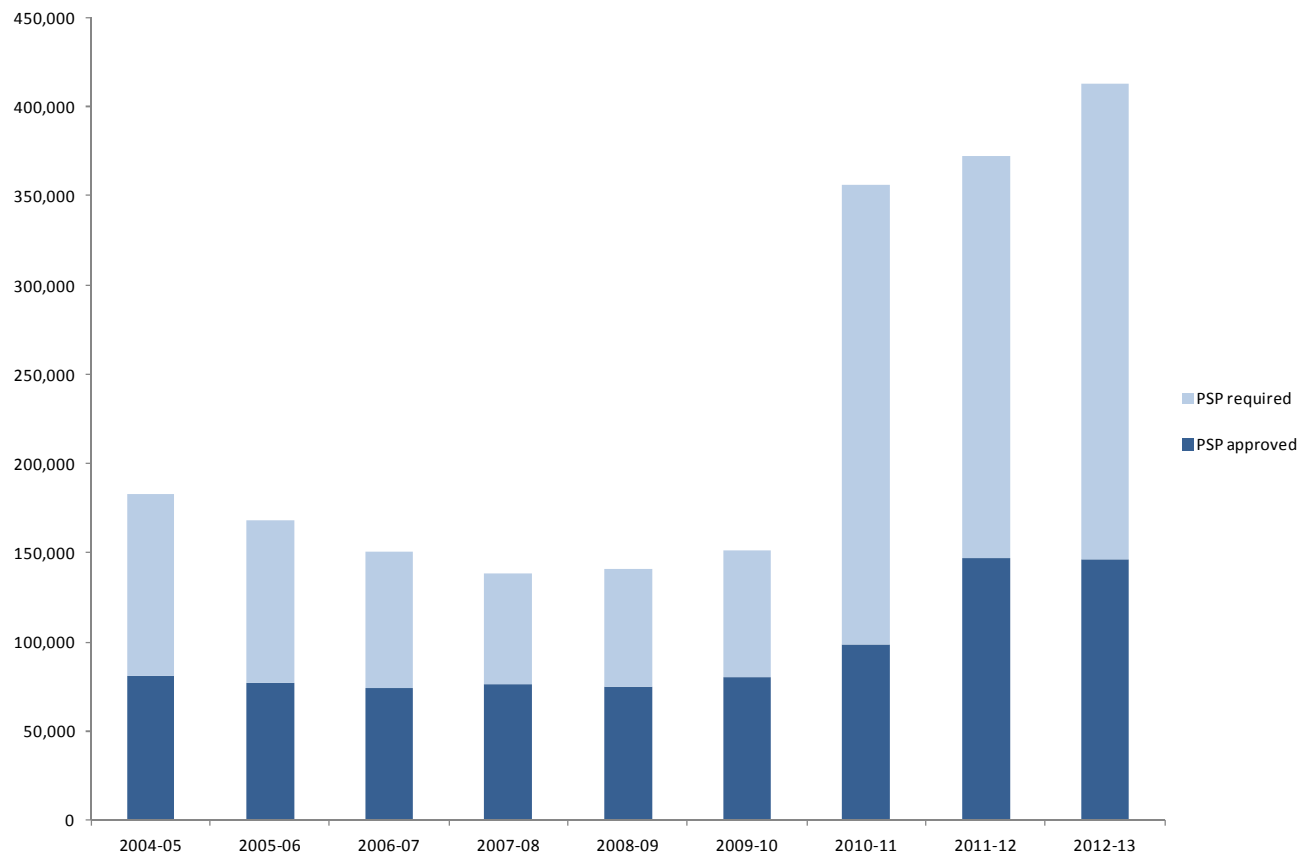
Source: Department of Transport, Planning and Local Infrastructure 2013

3.3 DEVELOPMENT READY SUPPLY OF BROADHECTARE LOTS

As at July 2013, there were 145,800 lots across Melbourne’s growth areas with an approved precinct structure plan; ie development ready*. This number is around the same amount as last year, indicating that the precinct structure plan approvals process is currently commensurate with lot construction rates.

* ‘development ready’ applies to residential land that was zoned, prior to the introduction of the Urban Growth Zone (UGZ), to allow for residential development to occur; as well as land which has had an UGZ applied to it and a precinct structure plan subsequently approved.

Chart 9: Lot supply by development ready status 2004-05 to 2012-13

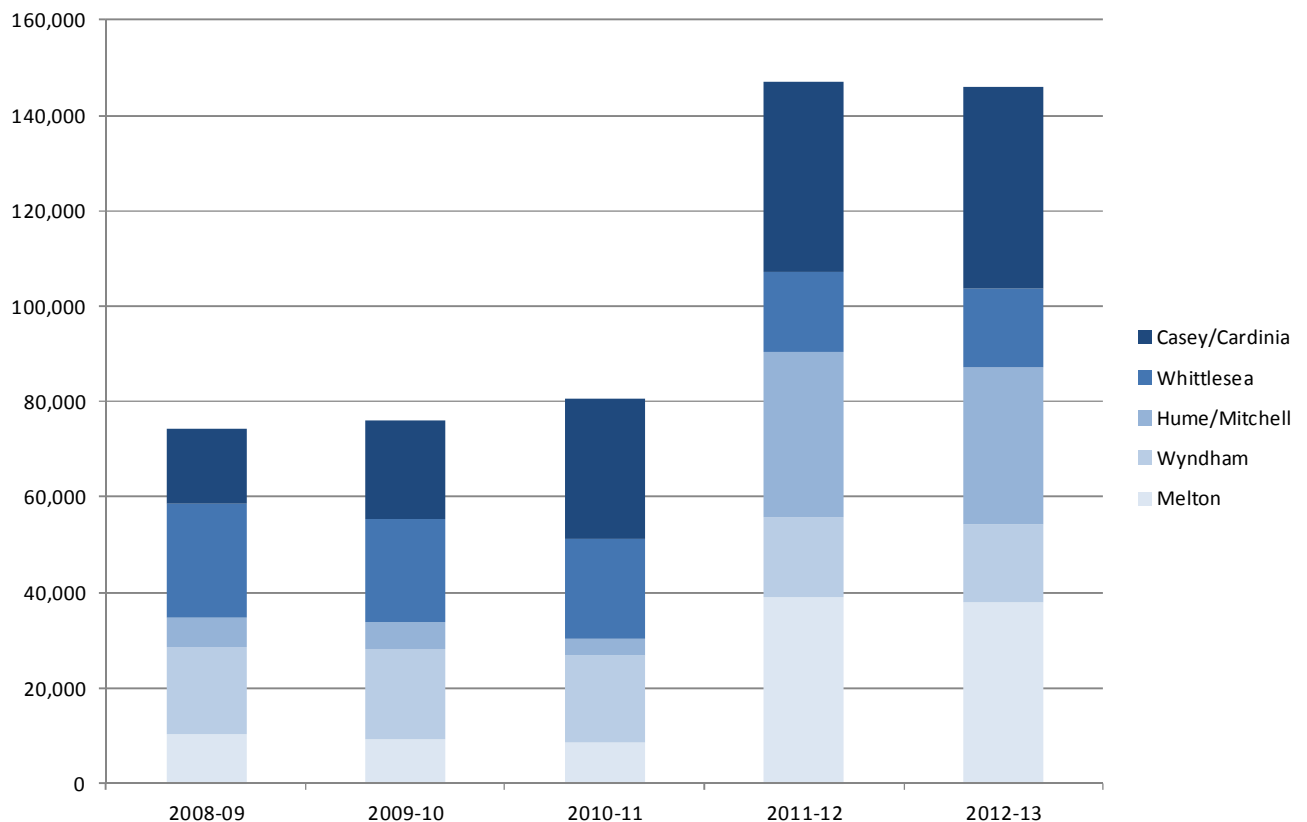


Source: Department of Transport, Planning and Local Infrastructure 2013

Chart 10 indicates that over the past two years, the number of development ready lots is at the highest since 2008-09, and is the highest since the Urban Development Program began collecting the data in 2001-02. It also indicates that the number of precinct structure plans being approved in recent years has ensured long term supply of development ready lots across the growth areas.

Whittlesea municipality currently has the lowest percentage of development ready residential land supply with the potential of around 16,160 development ready lots. Melton currently has the highest with the potential of around 37,800 development ready lots.

Chart 10: Supply of Development Ready Lots by Growth Area 2008-09 to 2012-13



Source: Department of Transport, Planning and Local Infrastructure 2013

Note that the figure for Wyndham does not include the Werribee Employment Precinct, which was approved subsequent to the finalisation of the data for the Urban Development Program. This precinct will add an additional 7,100 potential dwellings in Wyndham, which follows the approval of three other precinct structure plans across the Wyndham Vale area over the past 12 months.

3.4 TOTAL SUPPLY OF BROADHECTARE LOTS

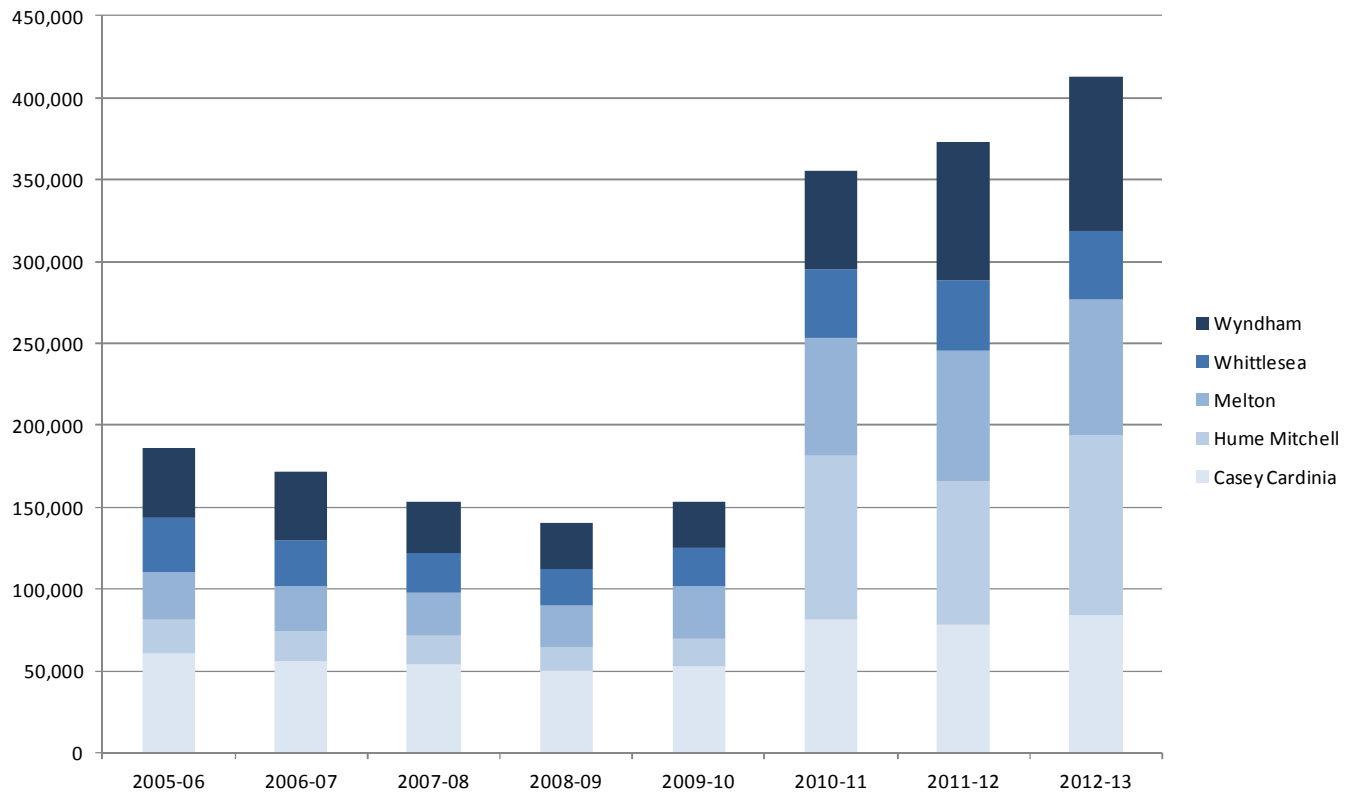
As at July 2013, there was a total of approximately 412,600 potential broadhectare lots across Melbourne’s growth area councils. The increase takes into account the logical inclusions, and some revision of potential yields due to an average decrease in lot size.

The Western Growth Corridor, which includes the municipalities of Wyndham and Melton, has a total supply of 177,000 potential lots.

The Northern Growth Corridor, which includes the municipalities of Hume, Whittlesea and now Mitchell, has a total supply 152,000 potential lots.

The South East Corridor, which includes the municipalities of Casey and Cardinia, has a total supply of 92,000 potential lots. Based on expected lot construction rates, this growth area is likely to exhaust broadhectare land supply before the Northern and Western Corridors.

Chart 11: Broadhectare lot supply by growth area 2005-06 to 2012-13



Source: Department of Transport, Planning and Local Infrastructure 2013

4.0 INDUSTRIAL LAND

The Urban Development Program for industrial land reports on:

- Change in zoning of industrial land;
- Rezoning of industrial land to other uses;
- Supply of vacant industrial land; and
- Consumption of industrial land, where vacant industrial land is developed for some form of use such as a building, car park, storage area, etc.

The use of industrial land is dynamic, with large developments occurring in the State Significant Industrial Precincts on the fringe of the city, redevelopment for employment uses in some middle and inner suburbs, and the rezoning of land from industrial to a non-industrial zone which occurs across metropolitan Melbourne.

The definition of industrial land used in this report includes the following:

- Industrial 1, 2 and 3 Zones;
- Commercial 2;
- Special Use 2, 4, and 5 Zones in the City of Hobsons Bay and Special Use 1 Zone in the Shire of Mornington Peninsula;
- Comprehensive Development Zone 2 in the City of Hume, Comprehensive Development Zone 2 in the City of Whittlesea and Comprehensive Development Zone 3 in the City of Greater Dandenong;
- Land within the Melbourne and Moorabbin Airport Business Parks; and
- Urban Growth Zone land identified as industrial in the Truganina Employment Area Precinct Structure Plan, Cranbourne West Precinct Structure Plan, Cardinia Road Employment Precinct Structure Plan and land identified as future industrial in a number of previous strategic planning documents.
- There are some 6,500 hectares of unzoned land that has been identified through the growth corridor plans and previous strategic plans which is not included as industrial land in the Urban Development Program. This land will be included in the Urban Development Program once structure planning has been undertaken and approved for these areas and the land becomes available for industrial development.

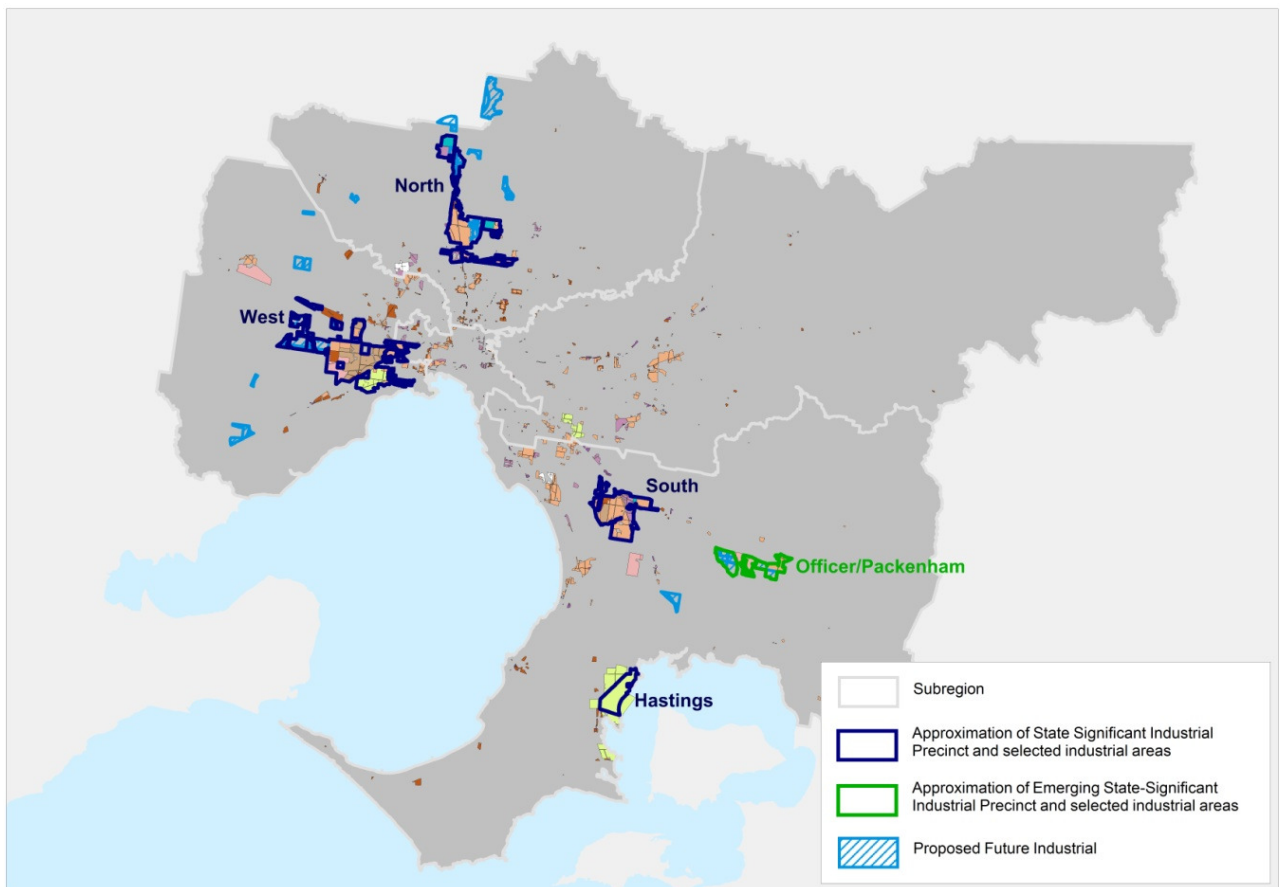
Changes in policy and the provisions of some zones impact on the way the UDP identifies industrial land and how it reports on the location of major supply and take-up.

- In May 2013 the Victorian Government introduced a suite of new commercial zones. These new commercial zones will provide greater flexibility and growth opportunities for Victoria. The new zones respond to changing retail, commercial and industrial markets by allowing for a wider range of uses that will support more mixed use employment. Land formally zoned Business 3 Zone is now part of the Commercial 2 Zone. To enable consistency within the Urban Development Program, Commercial 2 Zone land has been included as part of the

suite of industrial zones. This results in slightly more industrial land as land formally zoned Business 4 Zone is now included as Commercial 2 Zone.

- The Government released its metropolitan strategy, *Plan Melbourne*, for comment in October 2013. It identifies the location of industrial, business and commercial land that will provide concentrated areas of employment. *Plan Melbourne* identified four State Significant Industrial Precincts (West, North, South and Hastings) and one emerging Precinct (Officer/Pakenham) (see Map 1). For analytical purposes, the Urban Development Program has approximated these precincts as well as selected industrial areas (Deer Park and Thomastown) to provide estimates of supply and consumption in these precincts. The State Significant Industrial Precincts will be further refined as part of initiatives in *Plan Melbourne*.
- *Plan Melbourne* also introduced a new set of subregions. These subregions are reflected in the UDP.

Map 1: Approximations of State Significant Industrial Precincts and selected industrial areas



Source: Department of Transport, Planning and Local Government, *Plan Melbourne* (October 2013 for comment)

Table 1: Summary of gross zoned industrial land supply and total stock (ha), 2012-13.

	Occupied	Supply	Total
BRIMBANK	1,640	486	2,126
HOBSONS BAY	1,226	411	1,638
MELTON	377	929	1,306
MOONEE VALLEY	55	1	56
WYNDHAM	1,499	969	2,468
<i>West State Significant Industrial Precinct - Western Subregion</i>	<i>3,468</i>	<i>1,840</i>	<i>5,308</i>
Total Western Subregion	4,797	2,797	7,594
BANYULE	115	3	118
DAREBIN	291	15	307
HUME	1,833	1,121	2,954
MORELAND	266	13	279
NILLUMBIK	30	0	30
WHITTLESEA	700	286	986
<i>North State Significant Industrial Precinct</i>	<i>2,106</i>	<i>1,133</i>	<i>3,239</i>
Total Northern Subregion	3,235	1,439	4,674
BOROONDARA	20	0	20
KNOX	744	77	821
MANNINGHAM	13	0	13
MAROONDAH	421	62	482
MONASH	692	19	711
WHITEHORSE	228	7	235
YARRA RANGES	307	28	335
BAYSIDE	74	2	76
Total Eastern Subregion	2,499	195	2,694
CARDINIA	407	361	768
CASEY	624	278	902
FRANKSTON	329	67	395
GLEN EIRA	46	0	47
GREATER DANDENONG	2,153	824	2,977
KINGSTON	1,184	145	1,329
MORNINGTON PENINSULA	2,174	1,068	3,242
<i>Hastings State Significant Industrial Precinct</i>	<i>830</i>	<i>577</i>	<i>1,407</i>
<i>Officer/Pakenham State Significant Industrial Precinct</i>	<i>345</i>	<i>334</i>	<i>679</i>
<i>South State Significant Industrial Precinct</i>	<i>2,145</i>	<i>872</i>	<i>3,017</i>
Total Southern Subregion	6,918	2,742	9,660
MARIBYRNONG	509	36	545
MELBOURNE	317	13	330
PORT PHILLIP	14	0	14
STONNINGTON	4	0	4
YARRA	140	1	140
<i>West State Significant Industrial Precinct - Central Subregion</i>	<i>288</i>	<i>2</i>	<i>291</i>
Total Central Subregion	984	49	1,033
Total Metropolitan Melbourne	18,433	7,222	25,654

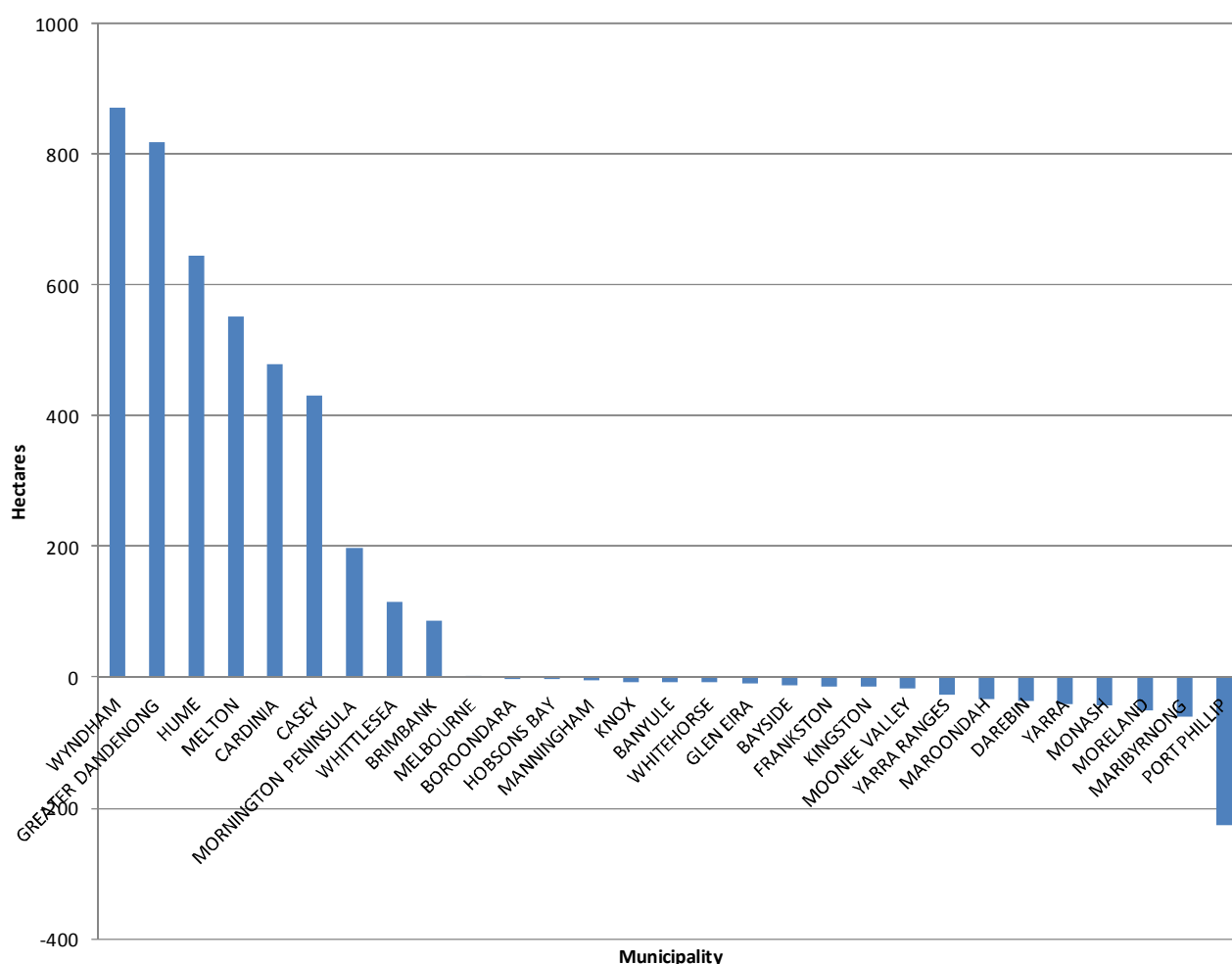
Source: Department of Transport, Planning and Local Infrastructure 2013

4.1 NET CHANGE IN INDUSTRIAL ZONED LAND

Between 2000-01 and 2012-13, there has been a net increase of 3,580 hectares of land zoned for industrial use across metropolitan Melbourne. Most of this additional zoned land was added to the State Significant Industrial Precincts: the Officer/Pakenham SSIP in Cardinia; the North SSIP in Hume and Whittlesea; the South SSIP in Greater Dandenong; and the West SSIP in Brimbank, Hobsons Bay, Melton and Wyndham (see Chart 12).

There are some 6,500 hectares of unzoned land that has been identified through the growth corridor plans and previous strategic plans. Of this there are 1,950 hectares in Melton, 1,770 hectares in Whittlesea, 1,150 hectares in Cardinia, 690 hectares in Wyndham, 650 hectares in Hume and 290 hectares in Casey. There is also 250 hectares identified in the growth area portion of Mitchell. These areas will be undergoing further planning processes, such as structure planning or rezoning, before they are included as industrial land in the Urban Development Program.

Chart 12: Net change of industrially zoned land by municipality, 2000-01 to 2012-13



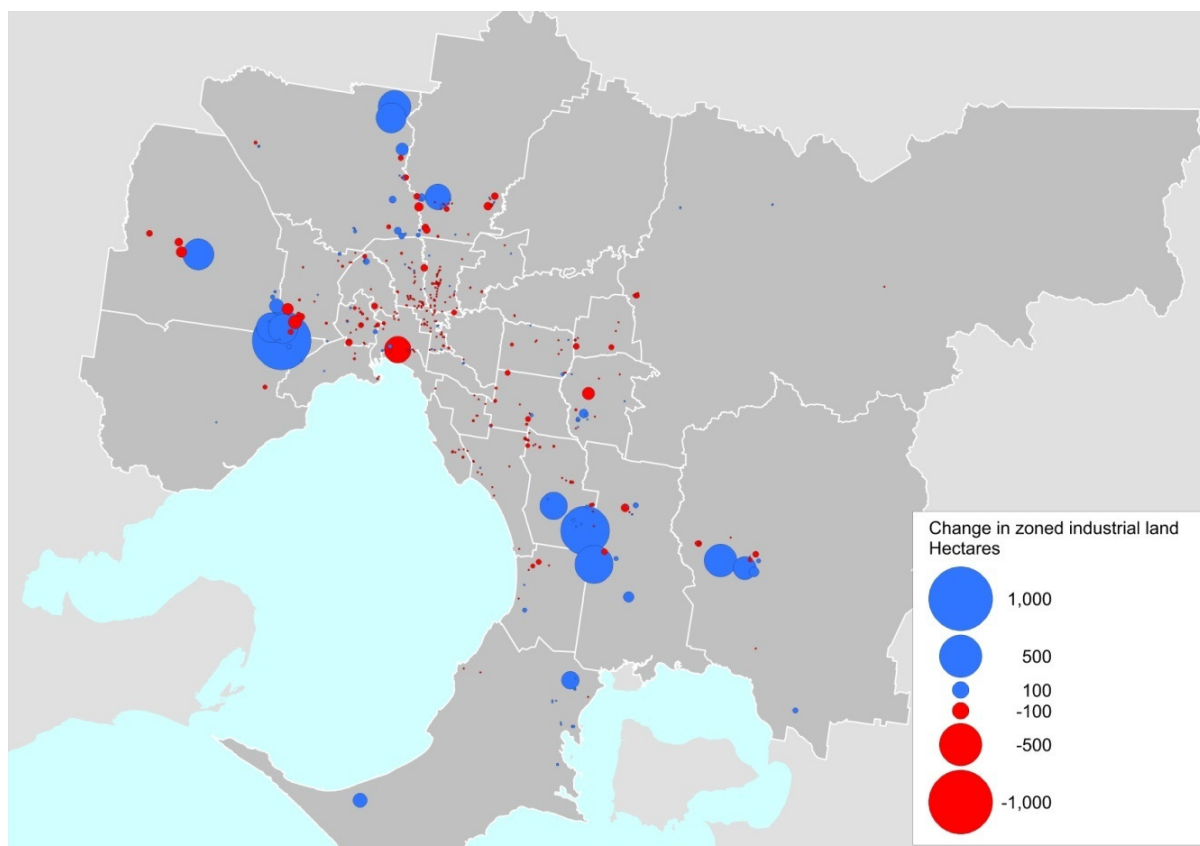
Source: Department of Transport, Planning and Local Infrastructure 2013

4.2 THE SCALE AND SPATIAL DISTRIBUTION OF INDIVIDUAL REZONINGS

There are relatively few rezonings to industrial land although they tend to be very large in area. This can be seen in Map 1 with major rezoning in the west, north, south and Officer/Pakenham SSIPs. Most of the land zoned to industrial between 2000-01 and 2012-13 was previously identified in strategic plans.

There have been a large number of zonings from industrial; however they have tended to be small. Around 80% of rezonings from industrial were between 100m² and 5 hectares. An exception to this was the zoning of 225 hectares of industrial land to create the Fishermans Bend urban renewal area in Port Phillip and the City of Melbourne.

Map 2: Location of changes in industrial land, 2000-01 to 2012-13*



Source: Department of Transport, Planning and Local Infrastructure 2013

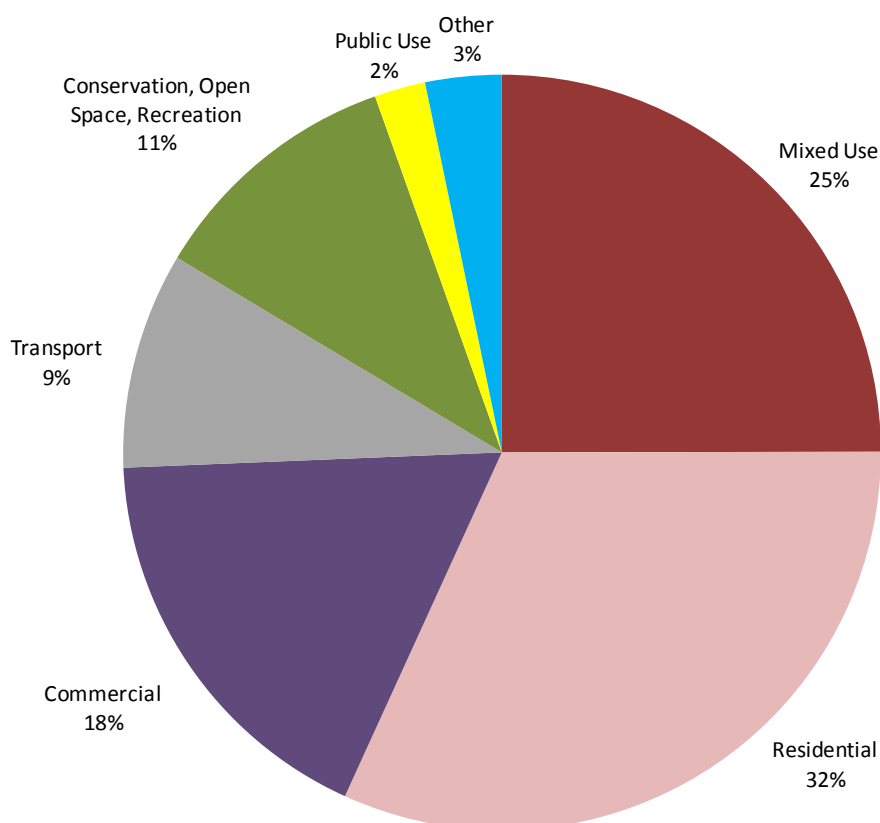
* The positive numbers are additions to industrial land while negative numbers are land zoned from industrial to another type of use.

4.3 REZONING OF INDUSTRIAL LAND FOR OTHER USES

In the established parts of Melbourne there has been a decrease in the amount of zoned industrial land. This has been particularly noticeable in Maribyrnong and Moreland, where many manufacturing firms closed down individual locations in the 1990s and 2000s (e.g. Modern Maid, National Forge, Olympic Tyres, Tontine and Kodak) leaving a number of large sites.

Of the 1,400 hectares of industrial land zoned from industrial for other uses between 2000-01 and 2011-13, over half has been zoned residential or mixed use (see Chart 13). Some industrial land – mostly in the inner and middle parts of Melbourne - was rezoned to commercial uses to reflect the current character or intended future use of some locations. Some industrial land was also rezoned to provide land for transport infrastructure in this period, particularly in the outer suburbs and growth areas, and some industrial land has also been rezoned for conservation purposes, drainage reserves and other uses within the SSIPs.

Chart 13: Percentage area of land by new zoning after being rezoned from industrial, metropolitan Melbourne, 2000-01 to 2012-13



Source: Department of Transport, Planning and Local Infrastructure 2013

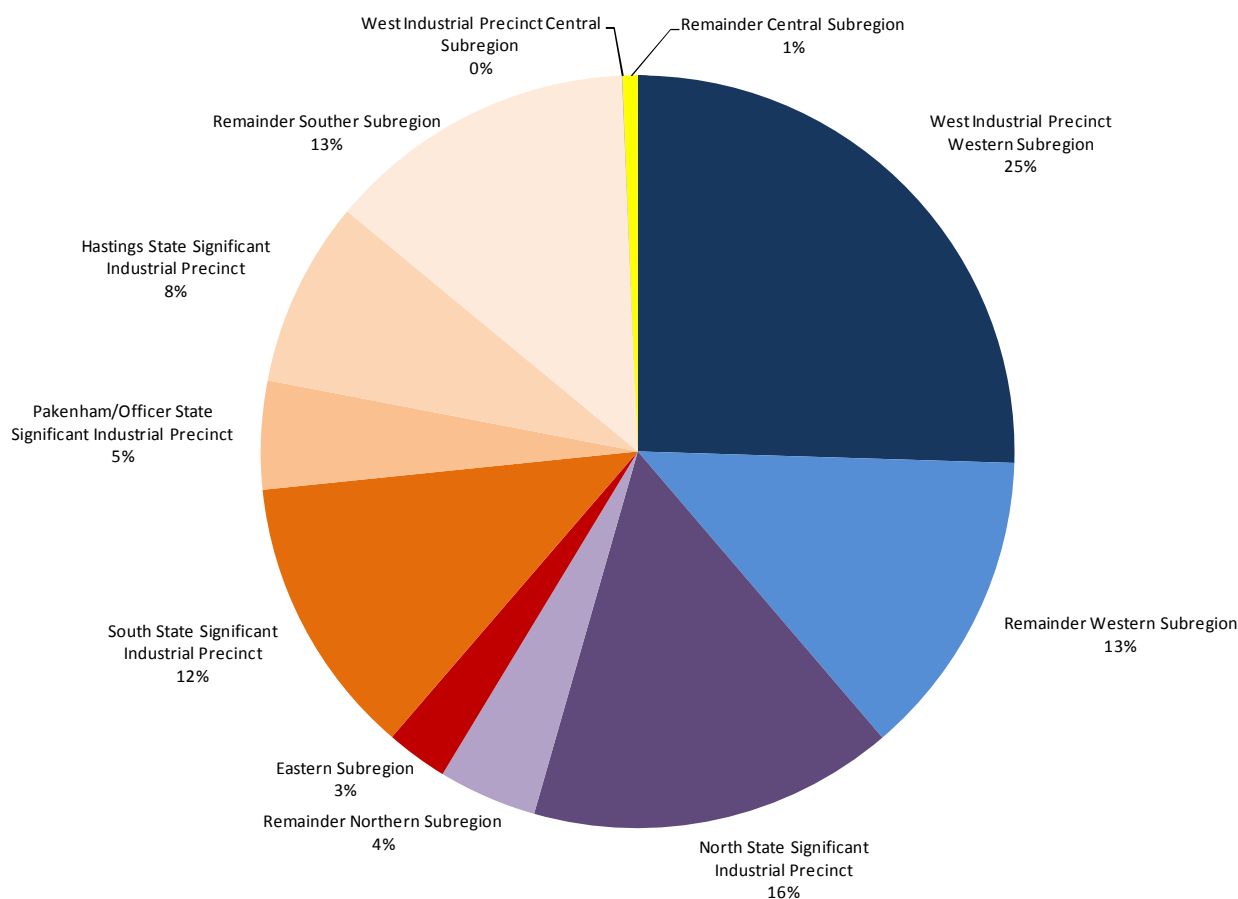
Most (89%) of the 4,980 hectares of land zoned for industrial purposes was previously zoned for rural purposes with smaller shares from conservation, open space and recreation uses (3%), other uses (3%), public use (1%) Commonwealth purposes (1%) and commercial uses (1%).

4.4 VACANT INDUSTRIAL LAND

There are 25,650 hectares of industrially zoned land across metropolitan Melbourne with 7,220 hectares of that being vacant. Nearly two thirds of the vacant industrial land (4,760 hectares) is located within the SSIPs (Figure W). These figures do not include the 6,500 hectares of unzoned land that has been identified through the growth corridor plans and previous strategic plans which is not included as industrial land in the Urban Development Program. This land will be included in the Urban Development Program once structure planning has been undertaken and approved for these areas or the land is rezoned to one of the suite of industrial zones monitored by the UDP.

Of the vacant industrial land outside of the SIPPS, 275 hectares is located around the Port of Hastings. The remainder of the vacant land is located in a number of smaller industrial precincts across metropolitan Melbourne, particularly in the eastern and south eastern municipalities of Kingston, Knox, Frankston and Maroondah as well as in Maribyrnong in the West.

Chart 14: Location of vacant zoned industrial land by State Significant Industrial Precinct and Subregions, 2012-13

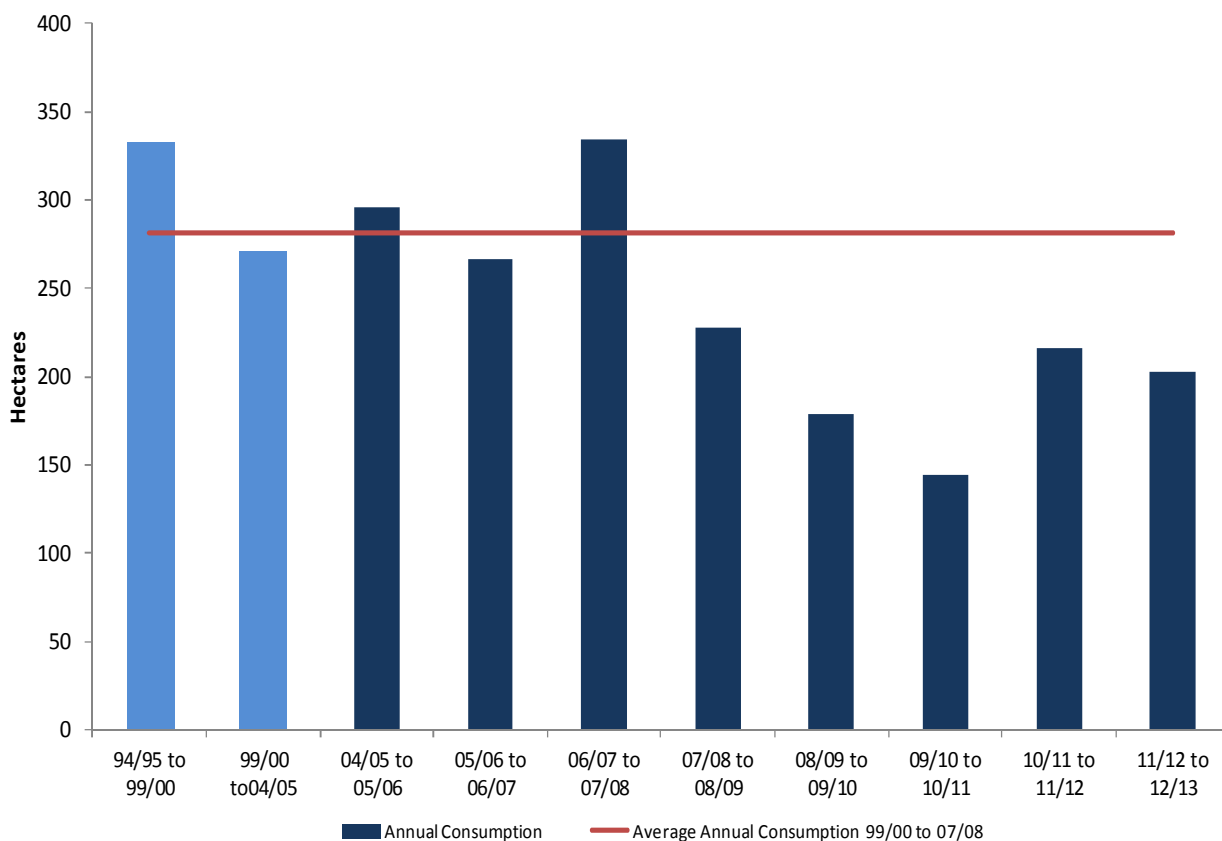


Source: Department of Transport, Planning and Local Infrastructure 2013

4.5 CONSUMPTION OF INDUSTRIAL LAND

Industrial land consumption (Chart 15) declined significantly as a result of the Global Financial Crisis (GFC), and has only just started to pick up again in 2011-12 and is yet to return to the levels seen in the 8 years of development prior to the GFC.

Chart 15: Average annual consumption of industrial land, metropolitan Melbourne, 1994-95 to 2012-13

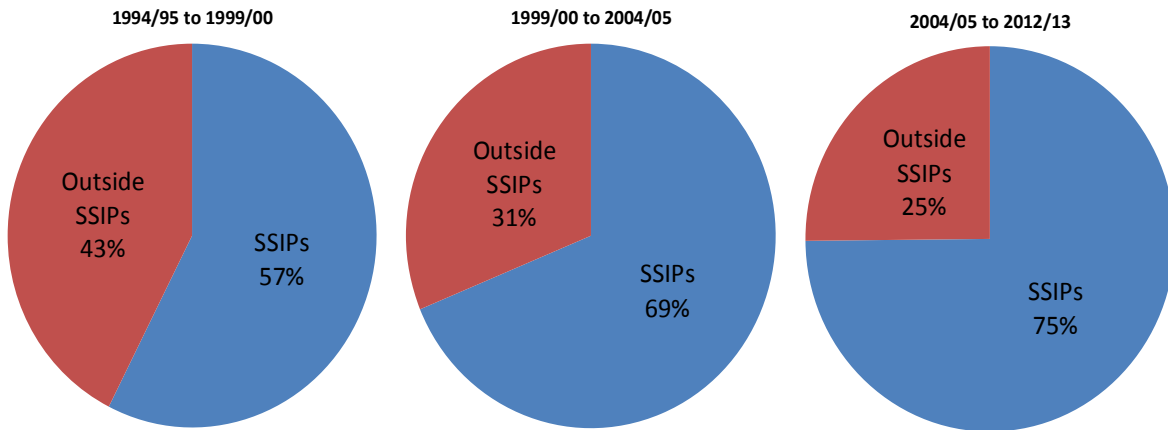


Source: Department of Transport, Planning and Local Infrastructure 2013

4.6 SPATIAL DISTRIBUTION OF INDUSTRIAL LAND CONSUMPTION

Consumption of industrial land outside of the SSIPs has declined in relative importance. Between 1994-95 and 1999-00, 57% of Melbourne’s consumption occurred within the State Significant Industrial Precincts. In recent times, this has increased to three quarters of industrial land consumption (see Chart 16). This decline in the level of consumption outside of the SSIPs is due to the increasing scarcity of vacant industrial land in the established parts of Melbourne as well as the attractiveness of land in the SSIPs which have access to high quality transport connections, a range of lot sizes and building types.

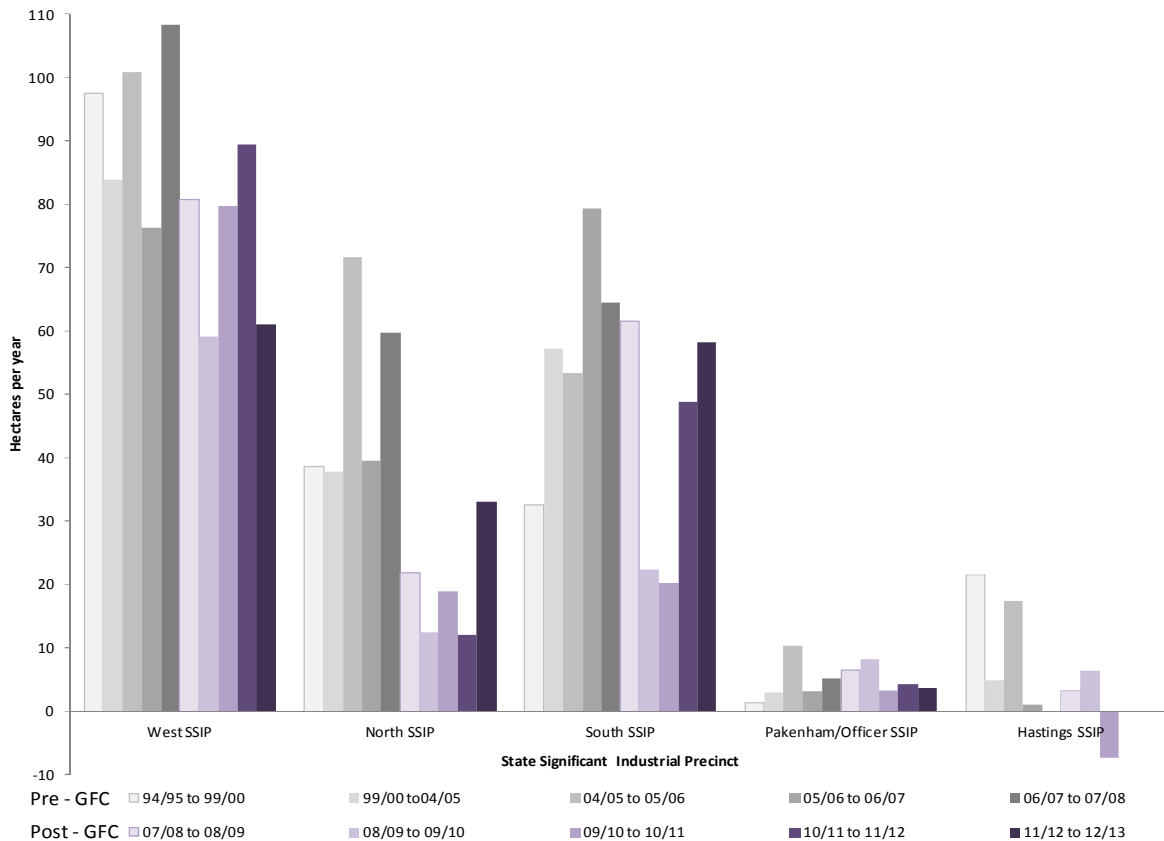
Chart 16: Comparison of consumption occurring within the State Significant Industrial Precincts and the rest of Melbourne, 1995 to 2000 and 1995 to 2012



Source: Department of Transport, Planning and Local Infrastructure 2013

Recent consumption activity in the SIPPes demonstrates a high degree of volatility in the industrial land market (Chart 17). The South State Strategic Industrial Precinct, after a number of years of relatively low levels of consumption, recorded significant increases in take-up from 2011-12.

Chart 17: Annual average consumption of industrial land, State Significant Industrial Precincts, 1994-95 to 2012-13



Source: Department of Transport, Planning and Local Infrastructure 2013

Some industrial areas in the established parts of metropolitan Melbourne, particularly in the City of Melbourne, Monash, and Maribyrnong, have been undergoing recycling. This might involve the demolition of one large redundant industrial building and the construction of a number of smaller premises, as happened in the precinct on Stubbs Road, Kensington, or the development of new specialised premises, such as the Melbourne Seafood Centres in Kensington Road, Kensington. These new premises provide space for a range of users including 'traditional' industrial users, such as mechanics, wholesalers, etc, as well as non-industrial uses such as childcare centres and office based businesses.

Appendix 1: Future broadhectare lot construction potential

SLA/LGA/Region	Recent Development (lots)				Future Supply				
	Constructed 2011-12	Constructed 2012-13	Under construction 2012-13	Recent Development (% Metro)	PSP - Approved	Urban Growth Zone (PSP Required)	PSP Approved (%)	Total Lots	Total Hectares
Brimbank	0	0	0	0%	321	0	100%	321	13
Melton	796	2,688	1,632	15%	37,803	45,041	46%	82,844	7,162
<i>Melton (S) - Balance</i>	150	2,177	900	9%	34,756	40,796	46%	75,552	6,324
<i>Melton (S) - East</i>	646	511	732	5%	3,047	4,245	42%	7,292	838
Wyndham	2,054	2,493	2,276	20%	16,749	77,112	18%	93,861	8,754
West Region	2,850	5,181	3,908	34%	54,873	122,153	31%	177,026	15,929
Banyule	0	0	0	0%	103	0	100%	103	13
Hume	1,493	1,479	887	11%	24,244	30,835	44%	55,079	5,371
<i>Hume (C) - Craigieburn</i>	1,295	1,431	679	10%	21,794	10,384	68%	32,178	2,822
<i>Hume (C) - Sunbury</i>	198	48	208	1%	2,450	20,451	11%	22,901	2,549
<i>Mitchell (C) - South</i>	0	0	0	0%	8,571	45,517	16%	54,088	6,137
Nillumbik	0	87	85	0%	792	0	100%	792	114
Whittlesea	2,664	2,035	1,550	18%	16,160	25,919	38%	42,079	3,732
North Region	4,157	3,601	2,522	30%	49,870	102,271	33%	152,141	15,367
Cardinia	1,623	692	1,273	10%	16,548	3,980	81%	20,528	1,816
Casey	2,374	2,009	2,081	19%	25,733	38,373	40%	64,106	6,147
Frankston	346	697	169	4%	1,524	0	100%	1,524	117
Greater Dandenong	357	297	263	3%	2,034	0	100%	2,034	153
Mornington Peninsula	67	84	0	0%	2,927	0	100%	2,927	372
South Region	4,767	3,779	3,786	36%	48,766	42,353	54%	91,119	8,605
Knox	12	0	0	0%	100	0	100%	100	10
Yarra Ranges	46	0	0	0%	422	0	100%	422	47
East Region	58	0	0	0%	522	0	100%	522	57
Growth Areas	11,004	11,396	9,699	93%	145,808	266,777	35%	412,585	39,119
Metropolitan Melbourne	11,832	12,561	10,216	100%	154,031	266,777	37%	420,808	39,958

Source: Department of Transport, Planning and Local Infrastructure 2013

Appendix 2: Major redevelopment sites overview

LGA/Region	Completions 2012 to 2013		Under Construction		Construction 0-2 years		Construction 3-5 years		Possible Construction 6-10 years		Total Identified Supply		% Distribution of Total Supply	
	Dwellings	Projects	Dwellings	Projects	Dwellings	Projects	Dwellings	Projects	Dwellings	Projects	Dwellings	Projects	Dwellings	Projects
Brimbank	404	3	1,351	6	472	14	305	5	1,289	10	3,417	35	2%	2%
Hobsons Bay	256	6	191	5	2,321	17	150	5	3,129	4	5,791	31	3%	1%
Maribyrnong	2,158	37	1,884	27	5,579	49	3,193	32	6,512	11	17,168	119	10%	5%
Melton	117	6	36	1	45	3	89	3	0	0	170	7	0%	0%
Moonee Valley	938	18	1,325	12	1,768	41	2,747	11	538	7	6,378	71	4%	3%
Wyndham	96	4	1,152	7	274	13	1,397	7	0	0	2,823	27	2%	1%
West Region	3,969	74	5,939	58	10,459	137	7,881	63	11,468	32	35,747	290	20%	13%
Banyule	408	19	231	10	965	41	515	17	471	9	2,182	77	1%	3%
Darebin	750	23	419	6	3,367	74	1,091	23	869	13	5,746	116	3%	5%
Hume	84	1	116	2	225	10	593	6	14	1	958	20	1%	1%
Moreland	1,511	29	3,203	16	2,779	77	1,739	34	2,474	7	10,195	134	6%	6%
Nilumbik	10	1	25	1	125	7	40	3	0	0	190	11	0%	0%
Whittlesea	956	6	467	3	542	15	359	11	0	2	1,368	31	1%	1%
North Region	3,719	79	4,461	38	8,003	224	4,337	94	3,828	32	20,639	389	12%	17%
Bayside	426	16	1,040	13	1,100	28	806	9	11	1	2,957	51	2%	2%
Cardinia	32	2	16	1	543	6	0	0	0	0	559	7	0%	0%
Casey	320	11	448	10	124	7	97	2	1,600	8	2,269	27	1%	1%
Frankston	75	4	48	3	741	24	160	8	200	1	1,149	36	1%	2%
Glen Eira	899	38	236	9	1,419	68	928	23	1,720	2	4,303	102	2%	4%
Greater Dandenong	604	21	1,226	9	2,008	73	571	21	236	2	4,041	105	2%	5%
Kingston	1,232	24	395	9	782	36	179	6	471	8	1,827	59	1%	3%
Mornington Peninsula	199	15	221	8	402	20	413	20	290	13	1,326	61	1%	3%
South Region	3,787	131	3,630	62	7,119	262	3,154	89	4,528	35	18,431	448	10%	19%
Boroondara	1,213	25	2,282	30	2,763	75	723	29	325	12	6,113	147	3%	6%
Knox	522	21	957	7	1,123	49	369	18	480	7	2,929	81	2%	4%
Manningham	592	10	206	6	1,928	44	3,017	23	449	7	5,600	80	3%	3%
Maroondah	875	16	249	4	698	29	664	13	39	1	1,650	47	1%	2%
Monash	493	12	1,702	16	1,897	29	178	8	351	10	4,128	63	2%	3%
Stonnington (C) - Malvern	552	15	205	7	857	25	428	16	110	2	1,600	50	1%	2%
Whitehorse	948	22	869	18	2,566	64	1,243	15	111	2	4,789	99	3%	4%
Yarra Ranges	74	3	815	7	566	11	265	4	3,001	12	4,647	34	3%	1%
East Region	5,269	124	7,285	95	12,398	326	6,887	126	4,866	53	31,456	601	18%	26%
Melbourne	4,535	54	9,766	48	16,490	96	15,848	114	5,432	34	47,536	292	26%	13%
Port Phillip	2,782	43	1,137	13	1,360	38	1,318	3	4,152	17	7,967	71	4%	3%
Stonnington (C) - Prahran	1,426	16	2,023	21	3,997	53	853	16	200	5	7,073	95	4%	4%
Yarra	2,439	30	3,254	18	4,612	64	942	22	1,732	11	10,540	115	6%	5%
Inner Region	11,182	143	16,180	100	26,459	251	18,961	155	11,516	67	73,116	573	41%	25%
Metropolitan Melbourne	27,926	551	37,495	353	64,438	1,200	41,220	527	36,206	219	179,389	2,301	100%	100%

Appendix 3: Gross zoned industrial land supply and total stocks (ha)

LGA/Precinct/Subregion	Industrial 1 Zone		Industrial 2 Zone		Industrial 3 Zone		Commercial 2 Zone		Special Use Zone		Airport Business Park		Comprehensive Development Zone		Urban Growth Zone		All Zoned Land	
	Occupied	Supply	Occupied	Supply	Occupied	Supply	Occupied	Supply	Occupied	Supply	Occupied	Supply	Occupied	Supply	Occupied	Supply	Occupied	Supply
BRIMBANK	815	185	551	85	244	214	28	2	0	0	0	0	0	0	0	0	1,640	486
HOBSONS BAY	476	58	0	0	65	36	0	14	685	304	0	0	0	0	0	0	1,226	411
MELTON	97	318	0	0	76	217	11	58	0	0	0	0	0	0	193	337	377	929
MCKEE VALLEY	1	0	0	0	12	0	42	1	0	0	0	0	0	0	0	0	55	1
WYNDHAM	39	2	1,048	265	240	220	9	0	0	0	0	0	0	0	164	482	1,499	969
West Significant Industrial Precinct - Western Subregion	796	408	1,595	347	234	231	10	70	671	303	0	0	0	0	164	482	3,470	1,840
Total Western Subregion	1,429	563	1,599	350	638	686	90	74	685	304	0	0	0	0	356	830	4,797	2,797
BANYULE	51	0	0	0	58	2	6	0	0	0	0	0	0	0	0	0	115	3
DARWIN	107	3	0	0	165	12	19	0	0	0	0	0	0	0	0	0	291	15
HUME	1,157	148	0	0	226	93	367	400	0	0	82	175	1	305	0	0	1,833	1,121
MORELAND	161	11	0	0	81	2	24	0	0	0	0	0	0	0	0	0	266	13
NILLUMBIK	0	0	0	0	30	0	0	0	0	0	0	0	0	0	0	0	30	0
WHITTESEA	511	78	0	0	40	28	64	47	0	0	0	0	85	133	0	0	700	286
North State Significant Industrial Precinct	1,620	225	0	0	202	82	198	389	0	0	0	0	86	438	0	0	2,106	1,133
Total Northern Subregion	1,988	240	0	0	599	138	480	448	0	0	82	175	86	438	0	0	3,235	1,439
BOROONDARA	0	0	0	0	0	0	20	0	0	0	0	0	0	0	0	0	20	0
KNOX	552	35	0	0	0	0	193	42	0	0	0	0	0	0	0	0	744	77
MANNINGHAM	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13	0
MARCOONDAH	367	59	0	0	17	3	37	0	0	0	0	0	0	0	0	0	421	62
MONASH	278	3	0	0	0	0	22	0	392	16	0	0	0	0	0	0	692	19
WHITEHORSE	127	4	0	0	55	3	46	0	0	0	0	0	0	0	0	0	228	7
YARRA RANGES	193	14	0	0	77	12	38	2	0	0	0	0	0	0	0	0	307	28
Total Eastern Subregion	1,530	115	0	0	148	18	356	44	392	16	0	0	0	0	0	0	2,426	193
BAYSIDE	0	0	0	0	0	0	74	2	0	0	0	0	0	0	0	0	74	2
CARDINA	167	281	0	0	0	0	2	0	0	0	0	0	0	0	238	80	407	361
CASEY	309	51	0	0	22	2	70	6	0	0	0	0	0	0	225	219	624	278
FRANKSTON	302	66	0	0	0	0	27	1	0	0	0	0	0	0	0	0	329	67
GLEN EIRA	11	0	0	0	9	0	26	0	0	0	0	0	0	0	0	0	46	0
GREATER DANDENONG	1,311	655	236	32	54	113	516	14	0	0	0	0	36	10	0	0	2,153	824
KINGSTON	989	75	0	0	5	0	98	9	0	0	93	60	0	0	0	0	1,184	145
MORNINGTON PENINSULA	0	0	0	0	256	77	17	2	1,901	989	0	0	0	0	0	0	2,174	1,068
Hostings State Significant Industrial Precinct	0	0	0	0	0	0	0	0	830	577	0	0	0	0	0	0	830	577
Officer/Dandenong State Significant Industrial Precinct	107	255	0	0	0	0	0	0	0	0	0	0	0	0	238	80	345	334
South State Significant Industrial Precinct	1,462	704	236	32	54	113	357	13	0	0	0	0	36	10	0	0	2,145	872
Total Southern Subregion	3,089	1,129	236	32	345	192	829	34	1,901	989	93	60	36	10	463	299	6,991	2,744
MARIBYONG	308	26	0	0	102	5	99	5	0	0	0	0	0	0	0	0	509	36
MELBOURNE	245	7	0	0	13	1	59	6	0	0	0	0	0	0	0	0	317	13
PORTPHILLIP	1	0	0	0	2	0	11	0	0	0	0	0	0	0	0	0	14	0
STONNINGTON	0	0	0	0	4	0	0	0	0	0	0	0	0	0	0	0	4	0
YARRA	28	0	0	0	15	0	97	1	0	0	0	0	0	0	0	0	140	1
West State Significant Industrial Precinct - Central Subregion	267	1	0	0	19	2	0	0	0	0	0	0	0	0	0	0	286	2
Total Central Subregion	583	32	0	0	136	6	265	11	0	0	0	0	0	0	0	0	984	49
All State Significant Industrial Precincts	4,252	1,591	1,831	379	509	427	566	472	1,501	880	0	0	121	448	402	562	9,182	4,759
Metropolitan Melbourne	8,617	2,079	1,835	382	1,866	1,040	2,021	611	2,978	1,308	175	235	121	448	819	1,118	18,433	7,222

Appendix 4: Estimated stock of zoned vacant industrial land stocks (net developable area) (ha)

LGA/Precinct/Subregion	Industrial 1 Zone	Industrial 2 Zone	Industrial 3 Zone	Commercial 2 Zone	Special Use Zone	Airport Business Park Zone	Comprehensive Development Zone	Urban Growth Zone	All Zoned Land
BRIMBANK	105	56	180	2	0	0	0	0	343
HOBSONS BAY	48	0	32	12	146	0	0	0	237
MELTON	209	0	193	48	0	0	0	232	683
MOONEE VALLEY	0	0	0	1	0	0	0	0	1
WYNDHAM	2	175	87	0	0	0	0	304	569
<i>West Significant Industrial Precinct - Western Subregion</i>	236	229	86	58	145	0	0	304	1,058
Total Western Subregion	365	232	492	62	146	0	0	536	1,832
BANYULE	0	0	2	0	0	0	0	0	2
DAREBIN	3	0	11	0	0	0	0	0	14
HUME	106	0	69	209	0	146	236	0	766
MORELAND	9	0	2	0	0	0	0	0	12
NILLUMBIK	0	0	0	0	0	0	0	0	0
WHITTLESEA	65	0	23	42	0	0	108	0	238
<i>North State Significant Industrial Precinct</i>	171	0	0	201	0	0	344	0	715
Total Northern Subregion	184	0	107	251	0	146	344	0	1,032
BOROONDARA	0	0	0	0	0	0	0	0	0
KNOX	0	0	0	36	0	0	0	0	36
MANNINGHAM	0	0	0	0	0	0	0	0	0
MAROONDAH	51	0	2	0	0	0	0	0	53
MONASH	3	0	0	0	14	0	0	0	16
WHITEHORSE	4	0	3	0	0	0	0	0	7
YARRA RANGES	12	0	10	2	0	0	0	0	24
Total Eastern Subregion	70	0	16	38	14	0	0	0	136
BAYSIDE	0	0	0	2	0	0	0	0	2
CARDINIA	239	0	0		0	0	0	68	307
CASEY	42	0	0	5	0	0	0	174	222
FRANKSTON	65	0	0	1	0	0	0	0	65
GLEN EIRA	0	0	0	0	0	0	0	0	0
GREATER DANDENONG	500	26	71	11	0	0	8	0	618
KINGSTON	0	0	0	8	0	52	0	0	60
MORNINGTON PENINSULA	0	0	72	2	852	0	0	0	926
<i>Hastings State Significant Industrial Precinct</i>	0	0	0	0	492	0	0	0	492
<i>Officer/Pakenham State Significant Industrial Precinct</i>	215	0	0	0	0	0	0	68	283
<i>South State Significant Industrial Precinct</i>	540	26	0	11	0	0	8	0	586
Total Southern Subregion	846	26	143	30	852	52	8	242	2,199

Source (Appendix 2, 3 and 4): Department of Transport, Planning and Local Infrastructure 2013

