

# Planning Assessment Officer Report

PA2503512: 79-83 Balmain Street  
& 116-122 Chestnut Street,  
Cremorne



Planning Assessment Officer Report  
Development Assessment

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Department  
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# Executive Summary



Key Information	Details			
<b>Application No:</b>	PA2503933			
<b>Received:</b>	10 September 2025			
<b>Statutory Days:</b>	84 days			
<b>Applicant:</b>	Franze Development c/- Property View Pty Ltd			
<b>Planning Scheme:</b>	Yarra Planning Scheme			
<b>Land Address:</b>	79-83 Balmain Street & 116-122 Chestnut Street, CREMORNE			
<b>Proposal:</b>	Use and development of a residential hotel, office, and associated buildings and works			
<b>Development Value:</b>	\$ 53.4 million			
<b>Why is the Minister responsible?</b>	In accordance with the schedule to Clause 72.01 of the Planning Scheme, the Minister for Planning is the responsible authority for this application because: It is an application under Division 1 of Part 4 of the Act to which Clause 53.22 (Significant Economic Development) applies.			
<b>Why is a permit required?</b>	<b>Clause</b>	<b>Control</b>	<b>Trigger</b>	
<b>Zone:</b>	Clause 34.02	Commercial 2 Zone (C2Z)	<i>Use of the land for a Residential Hotel Construct a building or construct or carry out works</i>	
<b>Overlays:</b>	Clause 43.02	Design and Development Overlay - Schedule 5 (DDO5)	<i>N/A. A permit is not required to construct a building or construct or carry out works.</i>	
	45.06	Design and Development Overlay - Schedule 52 (DDO52)	<i>Construct a building or construct or carry out works.</i>	
		Development Contributions Plan Overlay – Schedule 1 (DCPO1)	<i>N/A. DCPO1 does not trigger a permit.</i>	
<b>Particular Provisions:</b>	Clause 52.06	Car Parking	<i>To the satisfaction of the responsible authority.</i>	
	52.34	Bicycle Facilities		
	53.18	Stormwater Management in Urban Development		
	53.22	Significant Economic Development		
<b>Cultural Heritage:</b>	N/A. The site is not an area of potential cultural heritage sensitivity.			
<b>Total Site Area:</b>	856	m <sup>2</sup>		
<b>Gross Floor Area:</b>	9,663	m <sup>2</sup>		
<b>Height:</b>	13	Storeys excluding plant		
	39.20	Metres excluding plant		
	40.85	Metres (Overall)		
<b>Land Uses:</b>	<b>Serviced</b>	<b>Hotel Rooms</b>	<b>Office (Co-</b>	<b>Ancillary Amenities</b>



	<b>Apartments</b>		<b>working)</b>	
	8	87	661sqm	Food and Drink Premises: 492sqm Gym and Wellness: 349sqm
<b>Parking:</b>	<b>Cars</b>	<b>Motorcycles</b>		<b>Bicycles</b>
	20	1		35
<b>Referral/Notice Authorities:</b>	Head, Transport for Victoria (Determining Referral Authority) Environmental Protection Authority (Section 52(1)(c)) Transurban (Section 52(1)(c)) Yarra City Council (Section 52(1)(b))			
<b>Public Notice:</b>	Notice of the application was undertaken by the applicant at the direction of the Minister for Planning in the following manner: <ul style="list-style-type: none"><li>• Display of three signs to the Balmain Street, Chestnut Street and western Right-of-Way (ROW) frontages for a minimum 14 day period.</li><li>• Public notices sent to adjoining and nearby land.</li></ul> 3 objections have been received.			
<b>Delegates List:</b>	Approval to determine under delegation received on 19 December 2025			
<b>Recommendation</b>	Grant the planning permit subject to conditions			



## Application Process

1. The key milestones in the application process were as follows:

Milestone	Date
<b>Invest Victoria Clause 52.22 Eligibility Confirmation Letter</b>	14 August 2025
<b>Application lodgement</b>	10 September 2025
<b>Further information requested</b>	20 October 2025
<b>Further information received</b>	17 November 2025
<b>Decision Plans</b>	Architectural Plans prepared by Hachem, titled 'Cremorne Tower', Revision D and dated 31 October 2025.
<b>Other Assessment Documents</b>	<p>Swept path diagrams prepared by Traffix Group, Revision D and dated 31 October 2025.</p> <p>Sustainability Management Plan prepared by Hip V. Hype, Version 4 and dated 29 August 2025.</p> <p>Planning Report, prepared by Pro Urban, Version 5 and dated 10 November 2025.</p> <p>Acoustic letter prepared by Acoustic Logic, dated 8 December 2025.</p> <p>Tree Management Plan dated 18 August 2025 and Arborist letter prepared by Greenscene dated 11 December 2025.</p> <p>Contamination Preliminary Site Inspection Review prepared by Presna and dated 29 August 2025.</p> <p>Landscape Plan prepared by Florian Wild and dated April 2025.</p> <p>Traffic Engineering Assessment, Version D and dated 8 September and Memorandum dated 9 July 2025 prepared by Traffix Group.</p> <p>Waste Management Plan prepared by Traffix Group, Version C and dated 8 September 2025.</p>

2. The subject of this report is the decision plans (as described above).

## Relevant Approvals

3. Planning permit PLN23/0659 for '*Construction of a multi-storey, mixed-use building (with two basement levels) containing as-of-right office and retail premises (food and drink premises) and a reduction of car parking*' was issued by Yarra City Council on 30 July 2024. Key features of this approval include:
  - 10 storeys to a maximum building height of 37m.
  - 86sqm food and drink premises at ground level (no permit required).
  - 25 car parking spaces.
  - Varied setbacks and building envelope incorporating:
    - 3 storey street wall (0m setback).
    - 0m setback from the street wall to the primary tower element at the corner interface of Balmain Street and Chestnut Street.

- 3m setback at ground level to western boundary to widen ROW.
- South-western tower chamfer setback an average distance of 10.195m
- 3m curved setback at the north-east.
- 1.74m setback from the northern boundary
- 1.47m setback from the western boundary

4. The subject proposal does not seek to amend approvals under PLN23/0659 and is a fresh application.



Figures 1 & 2: Approved south (Balmain Street) and east (Chestnut Street) elevations under PLN23/0659

## Proposal Summary

5. The proposal can be summarised as follows:

Key Information	Details
<b>Proposal:</b>	Use and development of a residential hotel, office, and associated buildings and works
<b>Total Site Area:</b>	856 m <sup>2</sup>
<b>Gross Floor Area:</b>	9,663 m <sup>2</sup>
<b>Height:</b>	40.85 m
<b>Land Uses:</b>	Residential Hotel and ancillary amenities (gym and wellness centre and food and drink use at ground and first floors) and Office space (Co-working).
<b>Car Parking:</b>	20 spaces
<b>Bicycle Parking:</b>	35 spaces
<b>Motorcycle Parking:</b>	1 space
<b>Loading and Waste arrangements:</b>	Proposed to be undertaken within the setback/widened ROW

6. Specific details of the application include:

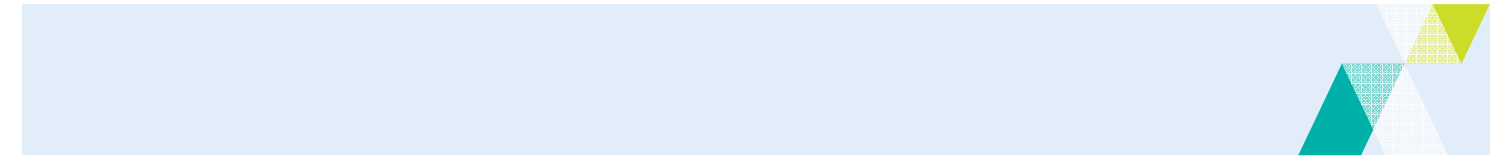
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- Use of the land for a Residential Hotel including 87 guestrooms (9 x 1 bedroom, 3 x 2 bedroom and 75 standard rooms) and 8 serviced apartments containing 3 bedrooms, kitchen, living spaces and private open spaces. Overall, 95 hotel room & serviced apartments.
  - Use of the land for a 661sqm Office (Co-working) at Level 2 (permit not required).
  - Ground level incorporates foyer, lobby and a 272sqm 'all day dining' (restaurant) ancillary to the Residential Hotel.
  - Rear setback at ground level contributes to a widened ROW (6.1m). The ROW provides access to substation, waste store area, delivery bay, rear staff access and vehicle access to basement levels along the north-western boundary.
  - Widened footpaths in the public realm at Balmain Street (northside) and Chestnut Street (west side).
  - Basement Level 1 contains 6 car parking spaces including 1 DDA space and 1 EV charging space. This levels also provides 30 bicycle parking spaces.
  - Basement Level 2 contains 14 car parking spaces (10 in a tandem arrangement), 1 motorbike space, storage area and back of house area.
  - First level includes lounge areas and a 220sqm restaurant and associated facilities ancillary to the Residential Hotel.
  - A 349sqm gym/wellness centre ancillary to the Residential Hotel is provided at Level 3. This level includes a 50sqm communal balcony area.
  - Communal open space and balcony area of 69sqm is located at Level 12.
  - Design detailing comprises a single plane street wall to the corner interface, 3.5m high cantilevered ground level western interface, operable façade archway to the Chestnut Street and Balmain Street frontage, recessed entry at Chestnut Street, chamfered 1.2m southern setback and building rebates to the northern façade between Levels 2 to 11.
  - Materials include a combination of copper metal cladding, curtain walls, scalloped glass reinforced concrete, terracotta tiles and corten metal cladding. Architectural features incorporate chamfering, rebates, archways and clear glazing.
7. An overall site plan and ground level layout plan are provided below and concept images of the proposal:



Figure 3: Site layout plan indicating proposed building massing and setbacks

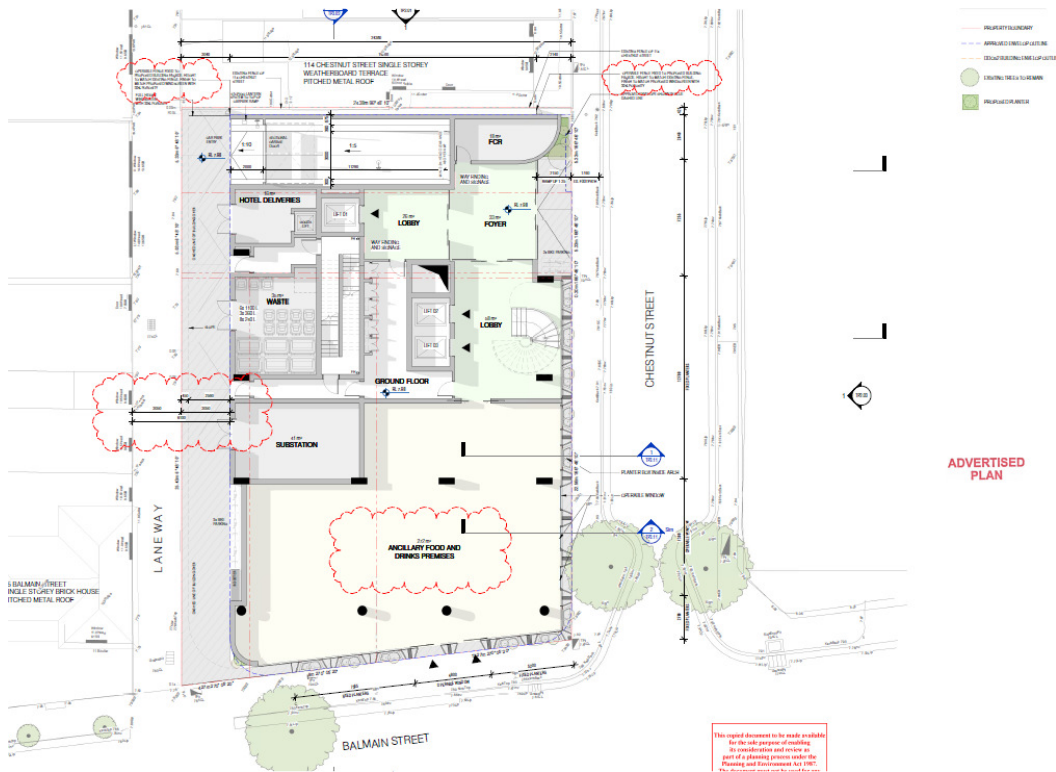


Figure 4: Ground floor plan



*Figure 5: Concept image western elevation to Chestnut Street*



*Figure 6: Concept image corner to Balmain Street and ROW*

# Subject Site and Surrounds



## Site Description

8. The site incorporates 6 parcels of land at the corner of Balmain Street and Chestnut Street, Cremorne. Land parcels are formally identified as:
  - 79 Balmain Street (Lot 1 on Title Plan 683700U)
  - 81 Balmain Street (Lot 1 on Title Plan 697279V)
  - 83 Balmain Street (Lot 1 on Title Plan 697279V)
  - 122 Chestnut Street (Lot 1 on Title Plan 605155K)
  - 118 Chestnut Street (Lot 1 on Title Plan 232854J)
  - 116 Chestnut Street (Lot 1 on Title Plan 566592Y)
9. Land at 79-81 Balmain Street is occupied by 3 single storey terrace dwellings with the western most dwelling adjoining a ROW. A single storey brick warehouse structure occupies the corner of Balmain Street and Chestnut Street (122 Chestnut Street) and is used as a Motor repairs garage. Adjoining lots fronting Chestnut Street include a single storey terrace dwelling and a vacant lot.
10. The sites frontages are (west) to the ROW is approximately 35.8m, (south) to Balmain Street 24.54m, (east) to Chestnut Street 27.89m and (north) adjoining 144 Chestnut Street 24.38m. The overall site area is 856sqm.
11. The site is within the C2Z and the Cremorne Enterprise Precinct (CEP) – Railway Precinct (Sub-precinct C). DDO52 applies to this precinct and sets preferred urban design and built form outcomes.
12. There are no easements or restrictions registered on any of the titles associated with the proposal.



Figure 7: Aerial of site and surrounds (supplied by applicant)

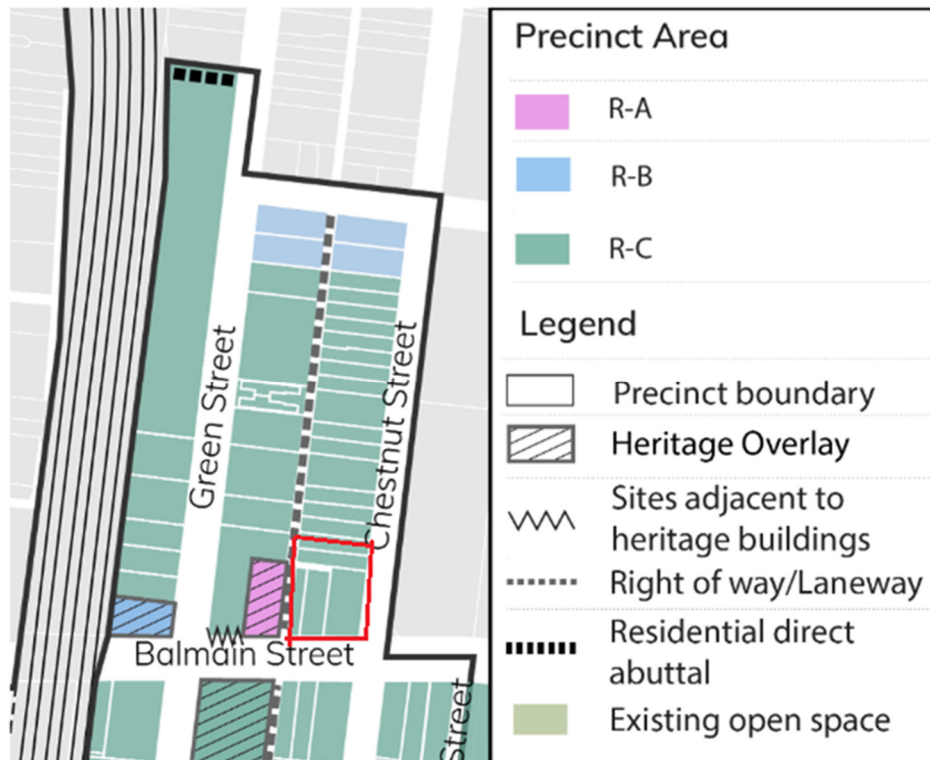



Figure 8: Precinct map Railway Precinct (DDO52) (subject site shown in red)

## Site Surrounds

13. The surrounding development context features a mixed character of built form and land uses consistent with the Cremorne Enterprise Precinct. Land uses vary from low and medium density residential, light industry (such as Motor Repairs and warehouses), offices and food and drink premises.
14. Development surrounding the site can be described as follows:
  - To the **north** of the site: Features a fine grain built form character within Chestnut Street with buildings up to 4 storeys in height. Uses vary and include single storey and medium-rise residential, offices and food and drink premises. The site directly abuts a single storey terrace style dwelling at 114 Chestnut Street. Land uses transition to residential approximately 150m north of the site with land contained in the General Residential Zone (GRZ) and Neighbourhood Residential Zone (NRZ) north of Adelaide Street.
  - To the **south** of the site: Features a mixed character of land uses and built form. Residential uses vary from fine grain single storey terraced dwellings to medium density apartment typology up to 4 storeys. A diversity of commercial uses including multi-storey offices, food and drink premises and warehouses is located south of Balmain Street and are zoned C2Z.
  - To the **east** of the site: Primarily occupied by the Former Bryant & May factory. This parcel contains multiple tenancies an at-grade car park and generally incorporates land from Chestnut Street to the Church Street in east and extends to Adelaide Street in the north. The Bryant & May site is on the Victorian Heritage Register (H626) and is associated with a Ministerial approval under Specific Controls Overlay – Schedule 19 (SCO19). SCO19 and associated Incorporated Document allows the stage redevelopment of the land for use as an office, residential hotel and retail premises, removal of native vegetation and a reduction in



car parking. The Bryant & May site and adjoining land is within the Church Street Precinct of the CEP.

- To the **west** of the site: Land to the west is similar to a mixed character. A single heritage dwelling 'Olinda' (Heritage Overlay – Schedule 366 (HO366)) occupies the lot west of the ROW. Green Street (parallel to the west) predominately incorporates light industrial and commercial uses within brick warehouse structures and residential uses in terrace style dwellings. The Richmond to South Yarra rail corridor (elevated) is approximately 70m to the west. Land west of the rail corridor is within the Cremorne West Precinct of the CEP.

15. There are several Ministerial approvals in the surrounding area including:

- Planning Scheme Amendment C319yara: Redevelopment of Bryant & May site in accordance with SCO19 described above.
- PA2503512: Use and development of the land for a residential hotel (9-storey building with 89 rooms and ancillary restaurant) including a reduction in the statutory car parking requirement at 49-51 Balmain Street and 108-110 Stephenson Street.
- PA2403110: Development of a multi-storey [12 storey] building comprising office, use of ground floor as shop, and a reduction of car parking requirements at 101 Cremorne Street.



## Municipal Planning Strategy

16. The following objectives and strategies of the Municipal Strategic Statement of the scheme are relevant to the proposal:

Clause	Description
02.01	Context
02.02	Vision
02.03	Strategic Directions
02.04	Strategic Framework Plan

## Planning Policy Framework

17. The following objectives and strategies of the Planning Policy Framework of the scheme are relevant to the proposal:

<b>Clause 11</b>	<b>Settlement</b>
11.01-1R	Settlement – Metropolitan Melbourne
11.02-1S	Supply of Urban Land
11.03-1S	Activity Centres and Precincts
<b>Clause 13</b>	<b>Environmental Risks and Amenity</b>
13.04-1S	Contaminated and Potentially Contaminated Land
13.05	Noise
13.06-1S	Air Quality Management
13.07-1S	Land Use Compatibility
<b>Clause 15</b>	<b>Built Environment and Heritage</b>
15.01-1S	Urban Design
15.01-1R	Urban Design – Metropolitan Melbourne
15.01-2S	Building Design
15.01-2L-01	Environmentally Sustainable Development
15.01-4S	Healthy Neighbourhoods
15.01-4R	Healthy Neighbourhoods – Metropolitan Melbourne
15.01-5S	Neighbourhood Character
<b>Clause 17</b>	<b>Economic Development</b>
17.01-1S	Diversified Economy
17.01-1L	Employment
17.02-1S	Business
<b>Clause 18</b>	<b>Transport</b>
18.01-1S	Land Use and Transport Planning
18.01-3L	Sustainable Transport
18.02-1S	Walking
18.02-1L	Walking

18.02-2S	Cycling
18.02-2L	Cycling
18.02-4L-01	Car Parking
<b>Clause 19</b>	<b>Development and Infrastructure Contributions Plan</b>
19.03-3S	Integrated Water Management
19.03-3L	Water Sensitive Urban Design
19.03-5L	Waste

18. The assessment section of this report provides a detailed assessment of the relevant planning policies.

## Zoning and Overlays

### Applicable Zone

19. A planning permit is required to construct a building or construct or carry out works in accordance with the Commercial 2 Zone (C2Z). The purpose of the C2Z is:

- To implement the *State Planning Policy Framework* and the *Local Planning Policy Framework*, including the *Municipal Strategic Statement* and local planning policies.
- *To encourage commercial areas for offices, appropriate manufacturing and industries, bulky goods retailing, other retail uses, and associated business and commercial services.*
- *To ensure that uses do not affect the safety and amenity of adjacent, more sensitive uses.*

20. The following sections include a discussion of how the proposal responds to these requirements.

### Applicable Overlays

#### Design and Development Overlay – Schedule 5

21. The site is covered by DDO5 which relates to ‘City Link Exhaust Stack Environs’. A permit is not required under DDO5 for buildings and works. Where a permit is required to use land or for the construction of a building or the construction or carrying out of works under another provision in this scheme, notice must be given under section 52(1)(c) to Head, Transport for Victoria, EPA and Transurban (City Link operator).

22. Notice to these parties has been undertaken.

#### Design and Development Overlay – Schedule 52

23. A planning permit is required to construct a building or construct or carry out works in accordance with DDO52.

24. DDO52 relates to the CEP – Railway Precinct. Design objectives and decision guidelines relevant to this proposal are:

#### Design Objectives

- *To ensure the employment precinct delivers high quality, innovative and environmentally sustainable development fronting green links and walking and cycling connections on Green, Chestnut and Balmain Streets.*

- *To reinforce the fine grain industrial character of the precinct through a mix of well-designed new buildings which focusses on the cluster of heritage buildings at the Green and Balmain Streets intersection.*
- *To ensure development enhances the public realm and contributes to a network of pedestrian orientated streets through street activation, human scale development, sunlight access to Balmain Street and open spaces, comfortable wind conditions, and street setbacks at ground level.*

#### Decisions Guidelines

- *Whether development achieves adaptable and practicable floor plan layouts for different uses.*
- *Whether development provides a high quality public realm interface which activates the street edge and demonstrates a well-designed street interface.*
- *Whether the design of the development reflects the industrial character of the precinct.*
- *Whether development is designed to sensitively respond to local and state significant heritage places.*
- *Whether the design considers glare impacts on the safety of pedestrians and vehicles.*
- *Whether heritage buildings retain their prominence as viewed from the public realm, including from the opposite side of the street.*
- *Whether the street wall height and building height respond to the width and character of the street.*
- *Whether an awning, verandah or overhang impacts street tree planting in the public realm.*
- *Whether development achieves design excellence including but not limited to building siting, scale, massing, articulation and materials.*

## Particular and General Provisions

### Provisions that Require, Enable or Exempt a Permit

#### Clause 52.06 (Car Parking)

25. Clause 52.06 specifies that before a new use commences, the number of car parking spaces must be provided to the satisfaction of the responsible authority and sets out the requirements for the provision of car parking for a variety of uses at Table 1 of Clause 52.06-5.
26. Residential Hotel is not a prescribed use within Table 1, therefore pursuant to Clause 52.06-6, the provision of car parking is to the satisfaction of the Responsible Authority. The site is now within Category 3 (Minimum and maximum requirement) following changes to parking provisions introduced under VC277. Office now attracts a 0 space minimum rate.

#### Clause 52.34 (Bicycle Parking)


27. Clause 52.34 specifies that a new use must not commence until the required bicycle facilities have been provided on the land and sets out the requirements for the provision and design of bicycle parking for a variety of uses at Table 1 to Clause 52.34. Bicycle parking provision are discussed in the report.

## General Requirements and Performance Standards

#### Clause 53.18 (Stormwater management in urban development)

28. Clause 53.18 applies to the buildings and works of this application. The clause includes standards and objectives relating to stormwater retention and reuse to mitigate the impacts of stormwater on the environment. Application documents address this requirement.

#### Clause 53.22 (Significant Economic Development)

- 
29. Clause 53.22 seeks to facilitate the planning, assessment and delivery of project that will make a significant contribution to Victoria's economy and provide substantial public benefit. This includes development for group accommodation with an estimated cost of development greater than \$10 million (if located in Metropolitan Melbourne) and with the written advice confirming financial feasibility from Invest Victoria. The proposal's eligibility was confirmed on 14 August 2025.
  30. The clause allows the responsibility to waive or vary any building height or setback requirements and application requirements of the planning scheme and also exempts applications from the decision requirements of section 64(1), (2) and (3), and the review rights of section 82(1) of the Act.

## Relevant Strategic Plan / Background Documents

### Strategic Documents and Planning Scheme Amendments

31. Draft amendments C317yarra and C318yarra seek to introduce interim and permanent (respectively) built form controls to the Yarra Planning Scheme, via a new Schedule 52 to the Design and Development Overlay (Railway Precinct). The amendments are underpinned by the *Revised Cremorne Urban Design Framework* (UDF) (September 2023) which provides the strategic basis for the proposed DDO's across Cremorne and is an action from the *Cremorne Place Implementation Plan* (2020).
32. C317yara was approved by the Minister for Planning on 25 September 2025 and applied DDO52 to the site on an interim basis (expiring on 27 January 2027). C318yara which proposes permanent controls, revises the UDF and proposes a new local policy Clause 11.03-6L (Cremorne Precinct) finalised exhibition on 8 December 2025 and will be considered at a Council Meeting in 2026.
33. The application was received on 10 September 2025. This is before the interim controls were introduced to the planning scheme. C317yara did not include transitional provisions. Accordingly, the requirements of DDO52 apply to the proposal and are considered in the assessment of the application.
34. In accordance with section 60(1A)(g) and (j) of the Act, before deciding on an application, the responsible authority, if the circumstances appear to so require, may consider (g) any strategic plan, policy, statement, code or guideline which has been adopted by a municipal council and (j) any other relevant matter.
35. This provision in the Act applies to the Revised UDF and proposed Local Policy. While consideration should be given to the overarching strategic vision and key directions of the *Revised Cremorne Urban Design Framework*, the more prescriptive built form controls proposed by the UDF are formalised in the interim DDO52. Notwithstanding consideration of the application against the Revised UDF and draft Clause 11.03-6L-01 is undertaken in Appendix 1.



## Referrals

37. The application was referred to the following groups:

Provision / Clause	Organisation	Response and date received
<b>Section 55 Referral: Determining</b>	Head, Transport for Victoria	29 October 2025

## Municipal Council Comments

38. Yarra City Council (Council) considered the application at its Planning Decisions Committee (PDC) on 27 January 2026.

39. Council determined:

- That Council notify the Department of Transport and Planning outlining Council's position that the proposal is not supported on the grounds provided in the Officer Recommendation on the following grounds:
  - 1) The development's height and lack of upper level setbacks will result in unreasonable visual bulk and overshadowing to the public realm;
  - 2) The development will result in unreasonable on-site amenity impacts including poor wind conditions on balconies and terraces, lack of daylight and ventilation;
  - 3) The development's ESD response is deficient and does not meet best practice;
  - 4) The absence of an on-site pick up and drop off bay will result in unreasonable traffic and parking impacts;
  - 5) The development does not allow for the adaptive commercial re-use of the building due to insufficient floor-to-ceiling heights; and
  - 6) The visitor bicycle parking provision does not comply with Clause 52.34 and permission has not been sought for a waiver/reduction.

40. Council's submission also includes the following:

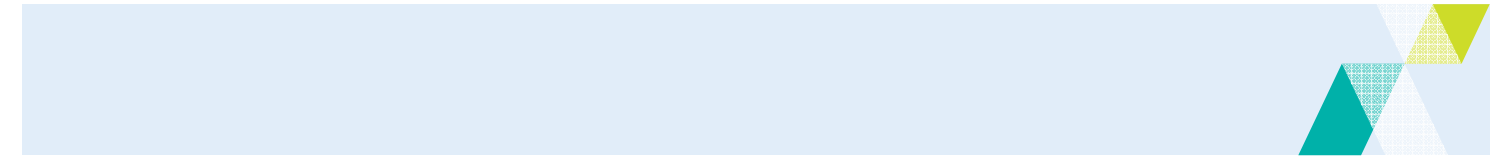
- Advise the Department of Transport and Planning that the uses proposed on site need to demonstrate how they are ancillary to the Residential Hotel (including by limiting access from within the hotel to hotel guests only), or the application needs to be amended under Section 57A of the *Planning and Environment Act (1987)* (P&E Act) to apply for the uses with all information provided as to the operation and re-advertised.
- Provides recommended permit conditions should DTP determine to issue a permit.

## Head, Transport for Victoria

41. Head, Transport for Victoria (HTfV) is a Section 55 determining referral authority under Clause 66.02-11 (Land use and transport integration) of the planning scheme.

42. HTfV was also notified under Section 52(1)(c) pursuant to Clause 66.06 and DDO5 in consultation with CityLink and does not object to the proposal. In response draft conditions were provided for consideration.

43. Conditions for consideration relate to recommended permit conditions to upgrade road infrastructure aimed at improving pedestrian safety from Richmond Railway Station and conditions about clearance heights of a nearby bridge. Conditions recommended for consideration are:

- 
- i. *The development, will result in an increase in walking, particularly between Richmond Station and the development. The Responsible Authority should consider requirements directed at road improvements aimed to improve pedestrian safety.*
  - ii. *There is a low clearance bridge (3.5m clearance) on Balmain Street to the east of this site. We recommend the Responsible Authority place a condition for a truck plan during construction given cranes and other high vehicles are likely to hit the rail bridge and this bridge is a state transport asset.*

44. These recommended conditions for consideration have not been included in the permit. Richmond Station is approximately 1km from the subject and there is no clear planning nexus or policy which would support upgrades to road improvements between the subject site and Richmond Station.
45. Notably, the proposal will upgrade the immediate public realm by extending the ROW, widening footpaths adjoining the site and removing vehicle crossovers and reinstating footpaths fronting the site.
46. A specific truck plan condition has not been included on the permit. Information about preferred arrangements for trucks delivering to the site during construction, including delivery and unloading points and expected duration and frequency is a requirement of the Construction Management Plan (CMP) permit condition.

## Notice

47. The application is not exempt from the notice requirements of section 52(1)(a), (b) and (d), pursuant to the following provisions:
  - The application is not exempt from notice requirements for the use of the land for a Residential Hotel.
  - Notice under Section 52(1)(c) to Environment Protection Authority, Transurban City Link Limited and the Roads Corporation is required pursuant to Clause 7.0 to DDO5 and the Schedule to Clause 66.06 (Notice of Permit Applications Under Local Provisions).
48. The application is exempt from the notice requirements of section 52(1)(a), (b) and (d), decision requirements of section 64(1), (2) and (3) and the review rights of section 82(1) of the P&E Act pursuant to the following provisions:
  - Clause 34.02-6 of the Commercial 2 Zone for the construction of buildings and works and Clause 2.12 to DDO52 because the land is not within 30 metres of land (not a road) which is in a residential zone, land used for a hospital or an education centre or land in a Public Acquisition Overlay to be acquired for a hospital or an education centre.
49. Public notice of the application is required because a Section 2 use is proposed (Residential Hotel) and pursuant to Clause 7.0 to DDO5 (referral to authorities under this provision not public notice). Buildings and works are exempt from notice.
50. Additionally, pursuant to Clause 53.22-4 an application under any provision of this planning scheme is exempt from the decision requirements of sections 64(1), (2) and (3), and the review rights of sections 82(1) of the P&E Act.
51. The applicant was directed to give notice by way of erecting signs on the site's frontages to Balmain Street, Chestnut Street and the western ROW and notifying adjoining and nearby owners and occupiers.
52. Three objections have been received. Issues raised in the objections include:

- Building heights, bulk and scale.
- Overlooking.
- Overshadowing.
- Car parking.
- Traffic and road safety.
- Neighbourhood Character.
- Property value.
- Noise and construction impacts.
- Stormwater impacts (loss of permeability and increase stormwater run-off).
- Clause 54 and 55 compliance.
- Local Planning Policy Framework and Municipal Strategic Statement compliance.
- Heritage Overlay, Vegetation Protection Overlay and Design and Development Overlay compliance.
- Porte-Cohere not included in design.

A complete response to objector concerns is provided at Appendix 3.



Figure 9: Objector location map. Address details not provided in one objection.



## Strategic Direction and Land Use

53. The Planning Policy Framework (PPF) encourages appropriate land use and development that enhances the built environment, supports economic growth, meets the community expectations on retail and commercial provision, delivers diversity in housing supply to meet existing and future needs, and integrates transport and infrastructure planning.
54. The relevant Municipal Planning Strategy (MPS) and PPF policies have been considered in assessing the application. The proposal includes Office uses and a Residential Hotel with ancillary commercial uses and is highly consistent with the MPS. Cremorne is identified as a Major Employment Precinct (CMEP) at Clause 02-01-8 (Economic Development) and is described as an enterprise precinct suitable for co-working spaces.
55. The proposed uses are similarly supported by local policy within the PPF including Clause 17.01-1L (Employment) which seeks to maintain and grow the CMEP. Both the Residential Hotel and Office spaces are employment generating uses that align with the objectives of the policy.
56. Objectives of Clause 17.04-1L (Tourism, arts and culture) seek to promote Yarra as a leading tourism, arts and cultural destination in metropolitan Melbourne. The site's location within the CEMP promotes creative and technological industries across Cremorne by including co-working office spaces within Melbourne's leading enterprise precinct. The proposal incorporates land uses, Residential Hotel and ancillary uses, that are complimentary to the primary economic functions of the CMEP.
57. The proposed land uses are similarly consistent with the purpose of the C2Z which supports commercial areas for offices and associated businesses and commercial services. Office does not require a permit. Residential Hotel is a permit required use and should be considered against the following decision guidelines:
  - *The effect that existing uses may have on the proposed use.*
  - *The drainage of the land.*
  - *The availability of and connection to services.*
  - *The effect of traffic to be generated on roads.*
58. Residential Hotel is an appropriate use in this location. There is an emerging character of similar uses approved in the surrounds (Bryant & May site and 49-51 Balmain Street & 108-110 Stephenson Street, Cremorne), drainage of the land can be appropriately managed in accordance with the stormwater assessment, the site is connected to services and traffic generation to and from the site is appropriately managed via an updated ROW. Each of these considerations are discussed in more detail within this report.
59. The Railway Precinct is within the commercial core of the Revised UDF which encourages commercial activities ranging from small innovative manufacturers to corporate head offices and includes cafes, bars, restaurants and other retail uses that support businesses and social engagement.
60. The revised UDF vision for the Railway Precinct is a "dynamic and vibrant employment area, home to a range of small to medium sized businesses". The revised UDF outlines a series of preferred urban design and built form requirements which has been translated into DDO52 via C317yara. These requirements are assessed in subsequent sections of this report.

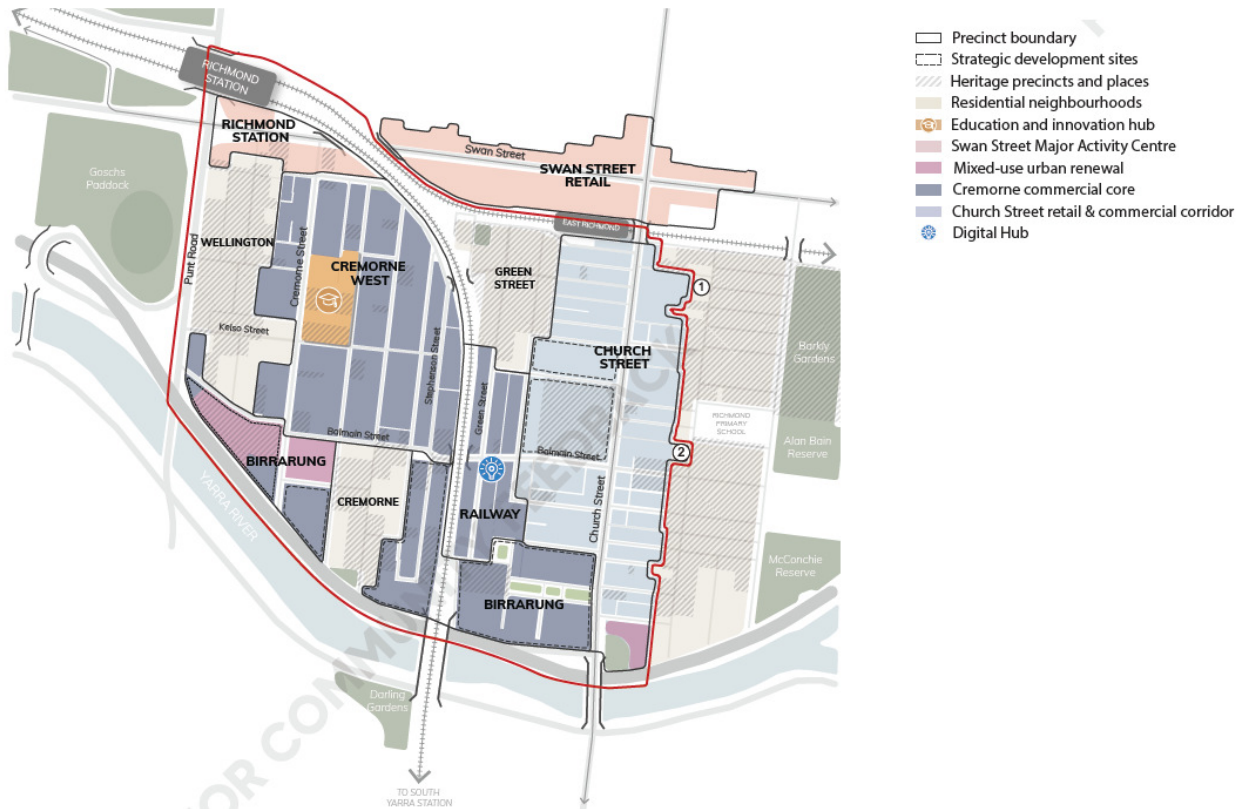


Figure 10: Revised UDF land use framework plan (site is opposite 'Digital Hub')

### Ancillary Land Uses

61. Ancillary 'Food and Drink' premises are proposed at ground level (272sqm) and first level (220sqm). It is noted that this use is a Section 2 use where the leasable floor area exceeds 100sqm in the C2Z. An ancillary 'Gym and Wellness Centre' (349sqm) is proposed on Level 3.
62. Ancillary land uses are not defined in the planning scheme or associated legislation. The applicant has provided a summary of case law from the Victorian Civil and Administrative Tribunal (VCAT) where ancillary uses have been considered. This includes Highpoint Commercial Property Group Pty Ltd v Maribyrnong CC, Gance v Monash CC and Tauman v Wyndham CC.
63. Based on these examples the applicant submits that an ancillary use is secondary to the primary use and should contribute to less than 20% of the business operations which can include number of staff, floor area and/or revenue turnover.
64. The applicant confirms that there is no tenant engaged for the ancillary uses and the ancillary test is met due to the extent of floor area used as a Residential Hotel. In the proposal Residential Hotel and Office (as of right) constitute 7,512sqm of the total 8,166sqm net floor area (NLA). This equates to 92% of the total NLA proposed with the remaining 8% for ancillary. This meets the established VCAT threshold precedents.
65. The building will predominantly be used as a Residential Hotel. Additionally, it is common practice for Hotels and similar to incorporate associated facilities such as Food and Drink areas. Council's recommendations that access to Food and Drink areas should be limited to hotel guests have not been adopted. Ancillary considerations are broadly linked to the operations of the Residential Hotel not users of the associated facilities.



## Buildings and Works

66. A permit is required for buildings and works under DDO52. The DDO outlines general design objectives and preferred building heights, street wall heights and setbacks, upper-level setbacks and boundary wall heights.
67. General 'Design objectives' of the DDO include:
- *To ensure the employment precinct delivers high quality, innovative and environmentally sustainable development fronting green links and walking and cycling connections on Green, Chestnut and Balmain Streets.*
  - *To support mid-rise built form which transitions downwards in scale to a lower built form to the north at the interface with the adjoining low rise residential area.*
  - *To reinforce the fine grain industrial character of the precinct through a mix of well-designed new buildings which focusses on the cluster of heritage buildings at the Green and Balmain Streets intersection.*
  - *To ensure development enhances the public realm and contributes to a network of pedestrian orientated streets through street activation, human scale development, sunlight access to Balmain Street and open spaces, comfortable wind conditions, and street setbacks at ground level.*
68. The proposal is a highly resolved architecturally designed building which appropriately responds to the sites physical and policy settings. Appropriate environmentally sustainable design features are incorporated into the design, site and built form layout is sensitive to adjoining and nearby development context and the design makes a positive contribution to the public realm through activated frontages, widened footpaths and an updated ROW. These items are separately discussed in this report.
69. A summary of building heights and setback requirements of DDO52 is provided in the table below.

## Height and Setbacks

70. The following design objectives and guidelines of DDO52 (Sub-precinct C) are relevant:

DDO Control	Requirement	Proposal
<b>Maximum building</b>	28m (preferred)	Variation 39.20m (overall excluding plant) 40.85m (overall including plant)
<b>Maximum and minimum street wall setback</b>	None specific	425mm (north) 525mm (east) 600mm (south) 660mm (west)
<b>Maximum street wall height</b>	12m (preferred)	10m to corner of ROW and Balmain Street 32.2m to corner Chestnut Street and Balmain Street
<b>Minimum upper level setback</b>	3m (preferred)	<b>Level 11</b> 1.82m (north) 2m (east) 3.97m (south) 1.45m (west) <b>Level 12</b> 1.82m (north)



		6m (east)
		3.5m (south)
		1.45m (west)
		<b>Roof</b>
		1.82m (north)
		6m (east)
		8.4m (south)
		5.55m (west)
<b>Maximum boundary wall height</b>	20m (preferred)	34.2m

71. Council’s submission makes the following comments on the proposed built form and response to DDO52:

- The application does not meet the criteria to exceed the preferred height, with Section 2.3 (Building height requirements) of DDO52.
- The proposal results in additional overshadowing of the opposite footpath beyond the shadow impacts of a DDO52 compliant building envelope and does not provide a greater building separation than required. It also fails to respond to the context of the nearby heritage building at No. 75 Balmain Street and the future open space within the Bryant and May Site, proposed for the south-west corner of this site.
- The design of the development will result in excessive bulk at its upper levels, including lack of upper level setbacks.
- The street wall height at Chestnut Street is an unacceptable design outcome and would visually overwhelm the immediate surrounds. The lack of a defined street wall along Chestnut Street exacerbates upper level bulk. Whilst the elevations show a 10m street wall (which is less than the DDO52 requirement), the lack of a defined upper level setback diminishes the legibility of the street wall. A more defined upper level setback is required
- The proposed development does not introduce an upper level setback until Level 11. This is an unacceptable design response and will result in sheer, 11 storey street walls that will overwhelm the surrounding area, including sensitive heritage sites to the east and west. Whilst the north-east section of the Chestnut Street frontage is set back 2.15m from the street, this does not sufficiently reduce upper level bulk. Should DTP be inclined to issue a permit, a condition should require minimum 3m upper level setbacks above the street wall.

72. A variation is sought to the preferred maximum building height. The proposed building height is marginally higher (2.8m) than the permit previous approved on the site by Yarra City Council (PLN23/0659). A comparison of proposed, preferred and previously approved building heights is provided at Figures 11 and 12.

73. The proposed building height is acceptable because the increase in height is marginally above the previously approved building height and more intense form is located at the corner interface to Balmain Street and Chestnut which has the effect of ‘holding the corner’.

74. Clause 2.3 (Building height requirements) of the DDO outlines requirements that should be satisfied before a permit can be granted to construct a building that exceeds preferred building height. An assessment is undertaken below:

Requirement	Assessment
<b>The building elements permitted by the proposed variation satisfies the general design objectives in Clause 1.0 of this</b>	This requirement is met. General design objectives are met through: <ul style="list-style-type: none"> <li>• Provision ‘Best Practice’ ESD features</li> </ul>

**schedule and the relevant design requirements specified in this schedule.**

- including reuse of stormwater, gas free appliances and rooftop solar PV system.
- Upgrades to the public realm through activated frontages, landscaping, widened footpaths and an updated ROW.
- Appropriate distribution of massing across a consolidated lot to respond to more sensitive interfaces to the west. This is achieved through a staggering of setbacks and a more intense corner treatment to Balmain Street and Chestnut Street.
- Built form and materials reference and respond to the historical industrial character of the precinct.

Design requirements are met and are discussed within the report.

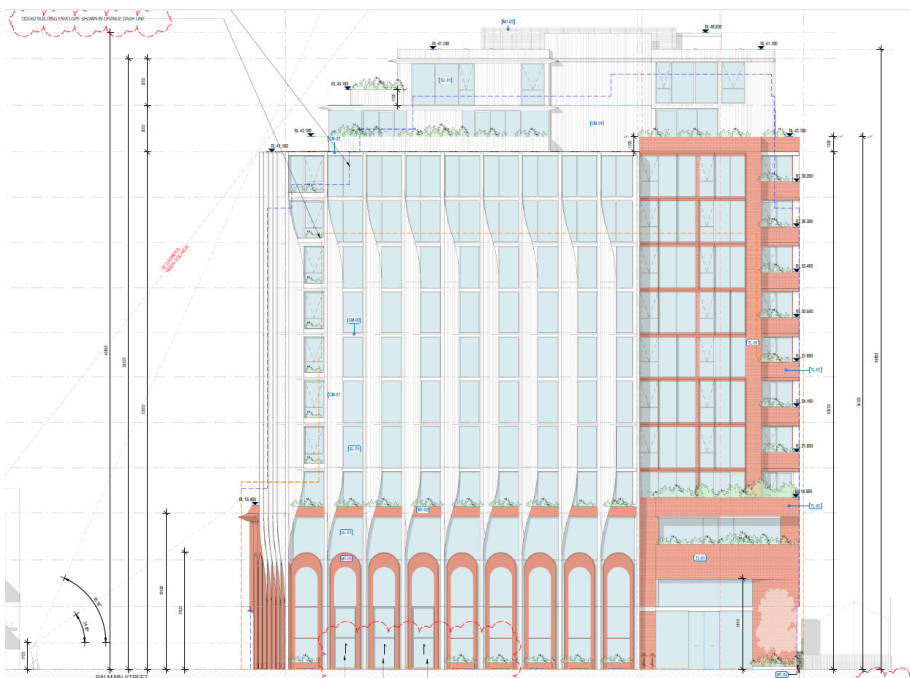
**The development achieves design excellence through each of the following:**

- **Greater building separation than the minimum requirement in this schedule.**
- **Provide safe and generous ground level setbacks and publicly accessible spaces to enhance the public realm and accommodate building entrances, spaces for outdoor dining, landscaping or street level bicycle parking.**
- **No additional overshadowing of residentially zoned properties, beyond that which would be generated by a proposal that complies with the preferred building height.**

- Building separation above Level 4 or above the boundary wall should be 4.5m to the laneway centre way. Level 4 incorporates a chamfered corner with setback ranging from 3m to 12m to the centre way of the ROW. Articulation of setbacks is provided at this interface increasing to approximately 7m at the upper level to the west.
- The ground level interfaces to Chestnut Street and Balmain Street significantly upgrades the public realm. This includes widened footpath, planter beds in the recessed façade archways and bicycle parking on the west side of the façade to the ROW. High volumes of clear glazing and activated frontages to the public realm will also contribute to an enhanced sense of public surveillance.
- The proposal does not result in overshadowing of residentially zoned properties.

75. As discussed, higher built form is concentrated to the corner interface. This results in a street wall height of 32.2m (to Chestnut Street and corner with Balmain Street) which is a variation to the preferred 12m street wall height. Built form is setback at the north-east and south-west interfaces from Level 2, Level 11 and Level 12. It is noted that the DDO does not prescribed preferred setbacks above the street wall.
76. Boundary walls are designed above the preferred maximum height of 20m. Boundary walls are proposed to the northern interface to a height of 34.2m, a minor increase from the approved Council permit which included boundary walls to 30.4m. Higher boundary walls to the northern boundary are acceptable because this reduces shadow impacts on the southern footpath of Balmain Street and is a marginal increase from the Council permit.
77. It is noted that although the adjoining lot to the north (114 Chestnut Street) contains a residential use the provisions of Clause 2.9 of the DDO (Interface to properties in Neighbourhood Residential Zone or General Residential Zone requirements) do not apply. This is because the adjoining lot is contained in the C2Z which is not a residential zone.

78. Notwithstanding, midblock boundary wall rebates (660mm x 3600mm) are provided from Level 3, and the north-east corner interface is recessed from the adjoining lot. These design elements assist in breaking up building massing when viewed from Chestnut Street (looking south).
79. The design response appropriately distributes built form across the site to minimise offsite visual and amenity impacts and is broadly consistent with the envelope approved under PLN/0659. Additional building height from the initial approval is offset through a reduction of floor to ceiling heights and graduation of form and massing through recessed setbacks.
80. The proposed typology is in a podium and tower arrangement incorporating upper-level recession across a consolidated lot which is not typical of the Railway Precinct. The site is unique in the Railway Precinct which generally features a fine grain industrial character as described in the Revised UDF and DDO52. The consolidated lot allows for more intense form with setbacks, recession and building rebates that appropriately break up massing and bulk while addressing the corner interface.
81. Council questions the proposals response to nearby areas of heritage significance including the single heritage dwelling 'Olinda' west of the ROW and the Bryant & May site on the east side of Chestnut Street.
82. The design response appropriately responds to the adjoining and surrounding heritage environment. The western interface to the ROW and Balmain Street provides a recessed tower element above the second level podium which is setback approximately 10m from the corner interface. Upper levels are staggered to provide a setback of approximately 18m to the corner. Views to the heritage dwellings are comparable to PLN23/0659. Design detailing response to the broader industrial precinct are discussed below.



*Figure 11: East elevation of the proposal. DDO preferred height hatched in yellow and previous approved building envelope hatched in blue.*

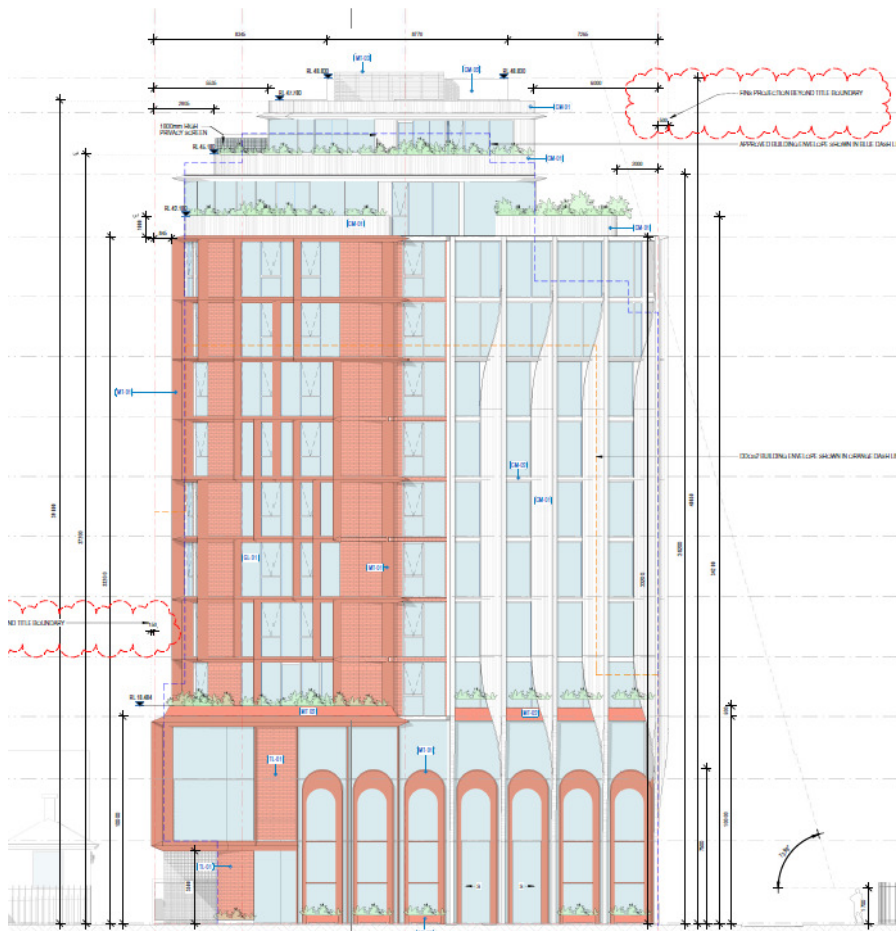


Figure 12: South elevation of the proposal. DDO preferred height hatched in yellow and previous approved building envelope hatched in blue.

### Overshadowing

83. Clause 2.8 of DDO52 outlines preferred overshadowing requirements. A permit should not be granted for buildings and works that creates any additional overshadowing on the southern footpath of Balmain Street (east of the rail bridge) between 10am and 2pm on 22 September.
84. This provision was introduced under C317yara and applies to the proposal. Shadow diagrams provided with the application demonstrate that the discretionary provision of Clause 2.8 of the DDO are not met. Additional overshadowing is created on the southern footpath of Balmain Street as a result of the proposal at each hour between 10am and 2pm on 22 September. Shadow increases on footpaths (additional shadowing extends beyond footpaths to adjoining buildings or side streets) beyond PLN23/0659 are:
- 10am: 26.8sqm
  - 11am: 16sqm
  - 12pm: 8sqm
  - 1pm: 6.9sqm
  - 2pm: 17.7sqm
85. The council's submission identifies overshadowing on the southern footpath and potential future open space at the Bryant & May site as a concern. Overshadowing beyond that approved by PLN23/0659 is one of Council's grounds of objection. Yarra recommends that the building height be reduced and upper level setbacks increased so that overshadowing is no greater than the Council approved permit.

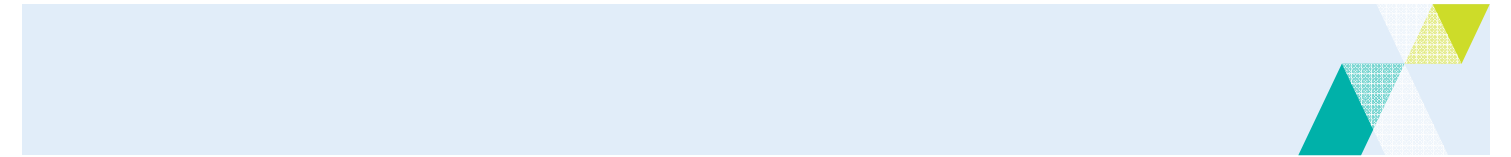
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86. In response to the overshadowing provisions of DDO52 (in relation to footpaths on the south side of Balmain Street) the applicant's planning submission notes the following:
- The chamfered design of the tower levels results in a slim and relatively fast-moving shadow along Balmain Street compared to a DDO compliant building. A design compliant with DDO52 would occupy the full width of the Balmain Street frontage resulting in a wider shadow whereas the south-western chamfer is generously setback.
  - Shadowing on the southern footpath of Balmain Street is likely to be limited to that cast by the proposal. This is because there is limited development potential of the properties to the west of the site. Development is constrained at 69 and 75 Balmain Street because these buildings are within a Heritage Overlay on constrained sites. Cumulative shadow impacts created by potential future development in this section of Balmain Street is expected to be limited.
  - Amenity impacts from the increased in shadows are offset by improvements to the public realm through widened footpaths at Balmain Street (north side) and Chestnut Street (west side).
87. It is accepted that shadow impacts are a minor increase from the previously approved building envelope and public realm upgrades contribute to an improved pedestrian and public realm environment. The design of the building and distribution of mass assists in limiting overshadowing impacts. On balance public realm upgrades and minor increases in shadows from the Council approved design are an acceptable response to the discretionary shadow requirements of DDO52.
88. Clause 2.8 of DDO52 outlines overshadowing requirements to existing public open spaces. Council's submission notes "development will also substantially overshadow the south-west corner of the Bryant and May site, where a new park is identified within the UDF. This proposed park would be unreasonably overshadowed by the proposed development, undermining its viability and contribution to local amenity and the public realm."
89. The overshadowing provisions in the planning scheme apply to existing public open spaces. Additionally, the area identified in the Revised UDF and draft Clause 11.03-6L-01 for "open space opportunities" is not proscriptive and covers a substantial area on the Bryant & May Site as shown in Figure 13.
90. Notwithstanding, shadow impacts on the Bryant & May site are limited to south-western corner at 2pm on 22 September which is not a substantial impact as characterised in Council's submission. There is significant scope for the future provision public open space with high volumes of solar access on the Bryant & May site. The proposals response to potential future open space is acceptable.



Figure 13: Railway Precinct framework plan and “open space opportunity area” in Revised UDF and draft Clause 11.03-6L-01

## Design Detail

91. Proposed materiality incorporates solid terracotta red tiles to sections of the podium and towers element, copper metal cladding archways at ground level, corten metal cladding spandrels, fluted concrete panels, scalloped glass reinforced concrete and clear glazing.
92. Design detailing references nearby heritage buildings at 75 Balmain Street and Bryant & May through materiality and fenestration design. The design response is consistent with Clause 2.10 (Building design requirements) of the DDO which outlines that development should:
  - Reinforce the industrial character of the precinct through robust and durable materials which reference industrial typologies.
  - Apply high quality materials which complement the materiality of an adjacent heritage building.
  - Be designed as a series of smaller building forms on larger sites which contribute positively to their context and historic urban grain form.
93. The design response incorporates durable and robust materials as encouraged by Clause 2.10 (such as terracotta tiles and copper cladding) and references the historical and heritage industrial character of the precinct. The podium-tower typology and archway design assists in breaking up the form and references the areas fine grain urban form.
94. The design response is also consistent with objectives of the Revised UDF which include encourages design that builds on Cremorne’s precinct identity.
95. Yarra’s submission is generally supportive of the proposal’s architectural expression commenting “the materials and forms are acceptable and will provide a high degree of visual interest as well as activation to the frontage, with the arched forms that frame the windows inviting passers-by to engage with the development”.

96. A condition of the permit will require the submission of a detailed façade strategy to be submitted concurrent to the endorsement of plans.

### Ground Level Activation

97. Objectives of DDO52 encourage activity to occur at the street interface and for frontages at ground level to contribute to enhanced passive surveillance of the public realm. The DDO also recommends 4m floor to ceiling heights for commercial uses at ground level.
98. Active frontages are similarly encouraged at Clause 15.01-1L (Urban design) and 15.01-2L (Building design) while the Revised UDF reinforces the importance of active frontages to “to add interest, vitality and safety to streets, while helping to encourage walking” and recommends chamfering of building edges and insets.
99. The proposed ground floor street interfaces are highly activated. Active frontages are provided across the majority of the Balmain Street and Chestnut Street frontages with servicing orientated to the ROW. Commercial floor to ceiling heights exceeds 4m, chamfered corners are provided to the north-east and south-west interfaces and landscape planter bed insets are provided within the façade archways.
100. The ground floor plane is highly activated on both street frontages, will make a positive improvement to public realm (in place of a brick warehouse) and is consistent with the DDO and local policy.
101. Council is supportive of the proposed approach to activation of the public realm.



Figure 14: Public realm interface at ground level east elevation (Balmain Street)



Figure 15: Public realm interface at ground level east elevation (Chestnut Street)

### DDO52 Decision Guidelines

102. Decision guidelines of DDO52 have been considered in the assessment of the application. One of Council's objection grounds is informed by a decision guideline regarding adaptive reuse. Council's submission argues "the residential hotel component be redesigned to allow for adaptive re-use of the building for alternative, employment generating uses".
103. Disproportionate weighting has been given to this decision guideline for it to form a ground of objection. The proposed use represents a significant investment (\$53.4m) and is not expected to require an adaptive re-use to be viable. It is also noted that a Residential Hotel (including onsite ancillary uses) and first floor office space are employment generating use and will create a number of jobs.
104. More broadly the proposal is consistent with the decision guidelines of DDO52 through the following aspects of the design response:
  - The proposal includes excellent activation of the public realm and positively interacts with street edges on each frontage.
  - Façade design and materiality reflect and references the industrial character of the precinct. Fenestration design including archways at podium replicates the fine grain character of the railway precinct within the context of a consolidated lot. Materials are robust and durable consistent with industrial typologies of the precinct.
  - The distribution of built form and massing is considerate of sensitive interfaces including adjoining heritage places. Views to heritage places from the public realm are maintained.
  - Reflected glare impacts on the safety of pedestrians and vehicles is addressed through permit conditions.
  - Street wall design addresses the corner environment by focusing more intense form to the corner of Balmain Street and Chestnut Street while incorporating articulation and staggered setbacks at the south-west and north-east interfaces.
  - The proposal is a well resolved architectural response incorporating quality materials and is an integrated response to siting, scale, massing and articulation considerations and represents design excellence.

## Amenity and Microclimate

### Amenity Impacts (internal and offsite)

105. Council's submission comments that an acoustic report has not been submitted and recommends a condition for a report to be undertaken via conditions. Council states that an acoustic report is necessary to ensure that the proposed residential hotel does not have an adverse impact on the operation of existing commercial uses in the surrounding area, which would undermine the purposes of the C2Z. The submission recommends that the report be peer reviewed, however, recommended conditions does not include a provision for peer review.
106. An acoustic letter prepared by Acoustic Logic is supplied with the application. Advice in the letter identifies noise impact sources in the surrounds including the Richmond to South Yarra Rail Corridor, adjoining road network and established commercial/warehouse uses.
107. Assessment of internal impacts to the Residential Hotel has been undertaken and are based on the Australian Standard criteria for "Recommended Design Sound Levels and Reverberation Times for Building Interiors". The advice confirms that hotel rooms and serviced apartments will not be unreasonably impacted by surrounding noise sources subject to the design recommendations for habitable rooms in hotel rooms. This conclusion is accepted. Potential noise created from the Residential Hotel is not expected to "have an adverse impact on the operation of existing commercial uses in the surrounding area" as suggested by Council. It is expected that noise mitigation strategies that protect the proposal from external noise impacts would similarly mitigate any additional noise impacts created by the use.

### Wind

108. A Pedestrian Wind Environment Statement prepared by Windtech has been submitted with the application. Design objectives of DDO52 seek to ensure development supports comfortable wind conditions in the public realm and onsite communal open spaces.
109. Clause 5.0 (Application Requirements) of DDO52 requires a wind report for proposals greater than 15m in height which assess safety and comfort of the pedestrian environment on footpaths and other public spaces while walking, sitting and standing.
110. Council's grounds of objection include that the development will result in "poor wind conditions on balconies and terraces" and agrees that a wind tunnel study should be undertaken and suggests peer review of testing.
111. The Windtech report is a desktop study and considers wind impacts on ground level trafficable areas (setbacks to ground level) and communal open space terraces at Level 3 and 12. Design recommendations to mitigate wind affects are provided and include:
  - Retention of setbacks to entries at ground level, entrances to be >4m from corners and provision of a full height windscreen northwestern corner.
  - Provision of landscaping at >1.5m and 1.1m high balustrades at Level 3 Terrace.
  - Provision of landscaping and >1.1m high solid balustrades along with >1.8m high privacy screens at Level 12 terrace.
112. These design recommendations are currently incorporated in the advertised plans. Although, the report concludes that the proposal will achieve appropriate wind conditions, it recommends that wind tunnel testing should be undertaken to quantitatively assess wind conditions and optimise mitigation approaches.
113. A condition of the permit requires wind tunnel testing to be undertaken. There is no requirement for the report to be peer reviewed, and this recommendation from Council has not been adopted.



## Public Realm

### Landscaping

114. There is no significant onsite vegetation across the site. A concept landscape plan prepared by Florian Wild has been submitted with the application. Proposed landscaping includes planter boxes integrated to the façade at ground level to Balmain Street and Chestnut Street. Planters are also proposed to balcony areas and communal open space areas across all levels.
115. The provision of landscaping at street interfaces is consistent with DDO52 which encourages provision of landscaping that enhances the public realm environment. A condition of the permit requires the submission of a detailed landscape plan outlining species types, establishment procedures and irrigation methods.
116. Arborist advice submitted with the application identifies tree protections measures for the tree fronting the site at the corner of Balmain Street and Chestnut Street in the footpath pop-out. A condition of the permit requires the submission of a Tree Protection and Management Plan (TPMP) outlining protection methods for the tree during development of the land.
117. Yarra's submission recommends a series of permit conditions in relation to landscaping. This includes additional information about species types, a monetary contribution for the provision of new street trees, submission of a TPMP and minimum 400mm planter widths.
118. Conditions recommended by Yarra that have been adopted include the requirement for a TPMP and cash contributions for provision of new street trees (consistent with contribution requirements for PLN23/0659). No reason was provided for the recommendation for minimum planter widths. This recommendation has not been adopted.

### Infrastructure

119. Updates to the ROW are discussed below. The proposal widens footpaths on the Chestnut Street (east side) and Balmain Street (south side) frontages. This is consistent with the precinct framework plan in the Revised UDF which identifies these as streets requiring public realm upgrades.
120. Permit conditions require the submission of a Public Realm Functional Layout Plan which must be designed in accordance with *Technical Notes: City of Yarra Public Domain Manual and Yarra Standard Drawings*. Civil works must be undertaken to the satisfaction of Yarra City Council.

## Car and Bicycle Parking, Loading, and Other Services

### Car Parking

121. Amendment VC277 was approved on 18 December 2025 and updated parking rates in Clause 52.06 (Car Parking) across all planning schemes in Victoria. VC277 implemented Action 5 of *Plan for Victoria* to match car parking rates with demand and reduce the number of car parking spaces required in locations well-served by public transport.
122. Car parking requirements were developed using the Public Transport Accessibility Level (PTAL) methodology which assigns categories to land determined by calculating walk times to public transport, type of public transport, public transport routes and timetabling data. Category 1 areas have the lowest PTAL scores and Category 4 areas the highest PTAL scores.
123. The site is within Category 3 in Table 1 to Clause 52.06. The following car parking rates are relevant to the application:

Use	Measure	Category 3 Requirements	Amount Required	Amount Provided
Office	To each 100sqm of leasable floor area	0 minimum 0.9 maximum	0 minimum 5 maximum	0
Residential Hotel	Not specified	To the satisfaction of the responsible authority		20

124. The application and Traffic Engineering Assessment (TEA) report were prepared prior to the gazettal of VC277 and sought approval for a car parking reduction to the Office use which did not comply with previous provisions under Clause 52.06. The proposal now complies with provisions for the Office use introduced by VC277 which sets a 0 space minimum. There is no car parking proposed for the Office which is acceptable for land in Category 3.
125. Residential Hotel is not listed in Table 1 to Clause 52.06 and is not impacted by VC277. Pursuant to Clause 52.06-6 car parking spaces must be provided to the satisfaction of the responsible authority where a use is not specified in the Table. The proposal includes 20 car parking spaces for 95 guest rooms, 10 of which are provided in a tandem arrangement across the two basement levels (parking provision of 0.21 car spaces per room.) 1 motorcycle space is provided.
126. The TEA report includes a car parking demand assessment for the Residential Hotel which takes into consideration appropriateness of providing fewer car parking spaces than the likely demand for car parking, local traffic management, availability of on-street car parking and alternative modes of transport.
127. The report explains that if the number of car spaces is not met on-site under the Car Parking Demand Assessment, the second step is to consider whether it is appropriate to allow fewer spaces to be provided than the number likely to be generated by the site as assessed by the Car Parking Demand Assessment.
128. The report finds that there is a very high demand for car parking in the area, with on-street car parking effectively fully utilised. This is due to the volume of parking restrictions and residential permit areas in the surrounds. Consequently, this would result in staff and patrons (who do not have allocated parking) utilising alternative modes of transport or paying for off-street parking.
129. The site has excellent access to public and alternative forms of transport as demonstrated by its inclusion in Category 3 and the Principal Public Transport Network (PPTN). The site is approximately 200m west of Church Street which is a tram route (78 – North Richmond to Balaclava), 450m south of East Richmond Railway Station and 550m south of Swan Street and tram route 70 (Docklands to Wattle Park).
130. State and local policy supports the reduction of car parking and mode shift to more sustainable alternatives. This includes Council policy at Clause 18.02-4L-01 (Car parking) which seeks to promote sustainable transport and reduced car parking in areas where there is appropriate public transport and bicycle facilities.
131. Clause 18.01-3L (Sustainable transport) also supports a sustainable transport system that reduces the impact of private motor vehicle traffic and on-street parking which place private motor vehicle use at the bottom of Council's transport hierarchy. This is similarly reinforced in state policy such as Clause 18.02-3S (Public transport) and Clause 18.02-3R (Principal Public Transport Network).
132. Council's Engineering Department reviewed the car parking provisions and is satisfied with the proposed car parking rate for the Residential Hotel. The provision of car parking is acceptable and has been provided to satisfaction of the responsible authority.

## Design Standards for Car Parking

133. The TEA report provides an assessment of the car parking against the relevant design standards of the planning scheme and Australian Standards and confirms that relevant design requirements are met.
134. The proposal includes the provision of 5 (total 10) tandem car parking spaces. The report confirms that these spaces will be allocated to one serviced apartment (e.g. apartments will have access to 2 spaces) allowing the appropriate management of access for tandem spaces.

## Access, Traffic Movement and Circulation

135. DDO52 at Clause 2.10 (Vehicle access and laneways requirements) outlines preferred vehicle access and laneway design. This includes widening of ROWs to incorporate a minimum 6.1m setback from a wall to the boundary of an existing ROW in developments that rely on a ROW for access. Headroom clearance of 4m should also be provided.
136. The western interface is generally consistent with these requires with a minimum ROW width of 6.05m and headroom clearance beneath the cantilevered section of the building provided at 3.5m. There is sufficient headroom clearance for service vehicles accessing the sites (such as waste collection trucks which are typically 2.1m) and clearances comply with design standards of Clause 52.06-9.
137. Other vehicles access design provisions of the DDO are met. Car parking is provided in a basement which is not visible from the public realm and loading areas and car parking are both accessed from the ROW.
138. Site access is proposed via a single width accessway from the ROW and single width ramps between the basement levels. Vehicle circulation does not support internal passing in opposing direction within the site. Internal design of accessways requires waiting of vehicles where an oncoming vehicle is approaching.
139. The TEA report assesses the suitability of this arrangement and comments that a total of 6 vehicle movements is expected during peak times. The Australian Standard for 'Parking Facilities' recommends vehicle passing for 2 vehicles should be provided where there are 30 or more traffic movements at peak times.
140. The TEA report comments that demand times for the primary use (Residential Hotel) will be "highly bias" in the morning (e.g. check-out time) and afternoons (check-in times) where vehicles will mostly be travelling in the same direction. The functionality of vehicle movements is demonstrated on the swept path diagrams in the TEA report.
141. The TEA report concludes that the single width ramp is an appropriate design for the proposed use while the plans indicate the provision of 'stop/go lanterns' at ramp entry points to manage single direction travel. This is accepted.
142. Council's submission does not comment on this aspect of the application but is supportive of the proposed vehicle access arrangements.

## Porte-Cochere

143. Provision of an onsite porte-cochere for pick-up and drop-off is a consideration in the application and was raised in an objection. Porte-cochere's can provide onsite vehicle pickups and drop-offs in hotel uses. However, as identified in the addendum to the TEA there are examples of other Residential Hotels in the surrounds that operate without this feature (including 381 Punt Road, Cremorne, Adara, Richmond, Lanbruk Apartment Hotel, Richmond and Quest, East Melbourne).

144. Should a porte-cochere be introduced it would require substantial modification of the ground floor to support the turnaround of vehicles from the site to the ROW, as shown in the schematic below. Similarly, it is not desirable to introduce a porte-cochere to Chestnut Street because this would require the provision of two crossovers on Chestnut Street which is contrary to the Revised UDF and DDO52.
145. Introduction of a porte-cochere would be at the expense of positive aspects of the ground floor design because site services that currently front the ROW would need to be reconfigured within the ground floor plane which currently incorporates excellent activation of both street fronts (Balmain Street and Chestnut Street).
146. The addendum concludes that the proposal can operate without a porte-cochere because the site is constrained, the use is relatively small in terms of room numbers compared to other hotels and proposes an alternative for pick-up and drop-off. The proposal creates 3 on street car parking spaces (2 on Chestnut Street and 1 on Balmain Street). Engineer advice recommends allocation of new spaces for pickup and drop-off as displayed in Figure 17.
147. Yarra's Planning Department does not support the absence of a dedicated area for drop-off and pick-up. The submission notes Council's Parking Management team advised that they were supportive in principle of the creation of two car parking spaces within the Balmain Street frontage. However, they did not comment on whether these spaces would be suitable for short stay parking and for "exclusive use" of the hotel. It is noted that under this arrangement these spaces would not be for the "exclusive use" of the hotel because the spaces are on public land and can be occupied for time limits imposed by the Council by anyone accessing the precinct.
148. There is sufficient scope for the management of vehicles accessing the site (without a porte-cochere) for drop-off and pick-up noting that the proposal will create on street parking in an area that is largely experiencing fully utilised car parking capacity. Formalisation of this arrangement can be negotiated separate to the planning permit process between the applicant and Council.



Figure 16: Required turning circle for porte-cochere

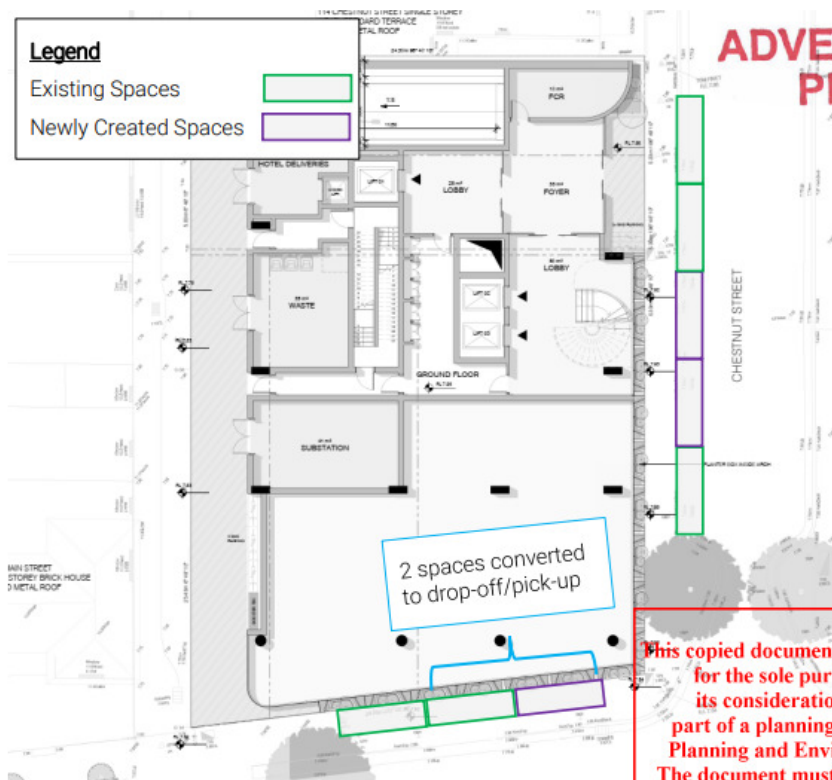


Figure 17: Potential on street drop-off/pick up arrangements

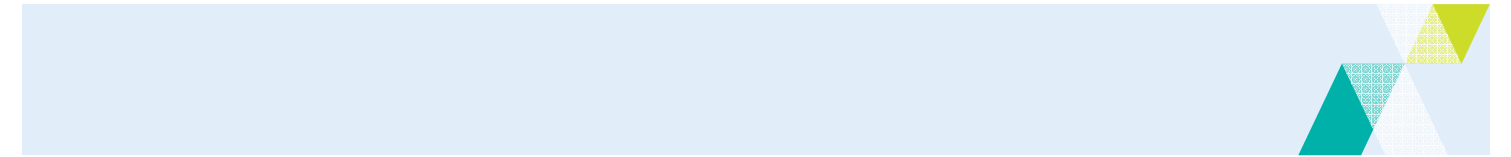
### Traffic

149. As discussed previously discussed vehicle movements from the site are expected to be low with a total of 6 movements during peak times (1 movement every 10 minutes). The TEA finds that the surrounding road network can accommodate this minor increase in traffic volumes and the widening of the ROW will improve traffic conditions from existing conditions.
150. Council's Engineering Unit agrees with the applicant's traffic report that this level of traffic is not unduly high and will not adversely affect traffic operation in the western laneway or the wider road network.

### Bicycle Facilities

151. Clause 52.34-1 of the Scheme requires bicycle parking facilities as follows:

Proposed Use	Purpose	Bicycle Parking Rate	No. of Spaces Required	No. of Spaces Provided
<b>Residential building other than specified in the table</b>	Employee/Resident	In development of four or more storeys, 1 to each 10 lodging rooms.	0	
	Visitor	In development of four or more storeys, 1 to each 10 lodging rooms.	0	
<b>Office</b>	Employee	1 to each 300m <sup>2</sup> of net floor area, if the net floor area exceeds 1000m <sup>2</sup>	10	
	Visitor	1 to each 1000m <sup>2</sup> of net floor area, if the net floor area exceeds 1000m <sup>2</sup>	10	
<b>Total</b>			<b>20</b>	<b>35</b>

- 
152. Bicycle parking is provided in excess of the requirements of Clause 52.34 (35 spaces provided where the planning scheme requires 20 spaces) and includes:
- 14 x wall mounted Ned Kelly style racks at Basement 1
  - 16 x horizontal 'Flat Top Rails' at Basement 1
  - 3 x horizontal 'Towel Rails' at ground level (adjacent to ROW and Balmain Street)
  - 2 x horizontal 'Flat Top Rails' at ground level (adjacent to Chestnut Street entry)
153. The TEA report confirms that all bicycle parking spaces are provided in accordance with the design requirements of AS2890.3-2015 as required by the decision guidelines of Clause 52.34-4.
154. Shower and change facilities are required if 5 or more employee bicycle spaces are required. Clause 52.34-5 requires 1 shower for the first 5 employee bicycle spaces, plus 1 to each 10 employee bicycle spaces thereafter. Similarly, 1 change room or direct access to a communal change room to each shower should be provided. The change room may be a combined shower and change room. The proposal generates a requirement for 1 employee shower and a change room.
155. The TEA report identifies that end of trip facilities for staff is understood to be provided within the hotel gym area and that a condition of permit should require plans to detail the provisions of these facilities. A permit conditions is included on the permit to specify end of trip facilities.
156. One of Council's grounds of objection is "The visitor bicycle parking provision does not comply with Clause 52.34 and permission has not been sought for a waiver/reduction" and recommends conditions for a minimum of 10 visitor spaces located within Balmain Street or Chestnut Street.
157. There are currently 5 visitor spaces adjacent to the public realm (3 in the ROW adjacent to Balmain Street and 2 adjacent to the Chestnut Street entry). It is reasonable for the surplus of bicycle parking (15 spaces are provided in excess of the requirement) in basement areas to contribute to the visitor parking calculation given the constrained surrounds. Access to these spaces for visitors can be managed with the building operator.

### Loading/Unloading

158. Clause 65.01 (Approval of an application or plan) includes consideration of the adequacy of loading and unloading facilities and any associated amenity, traffic flow and road safety impacts. Clause 2.10 of DDO52 also includes preferred design outcomes for loading facilities and encourages prioritising pedestrian amenity and limiting the volume of crossovers.
159. Loading for the Office is expected from small delivery vans and can occur in adjoining street network. A dedicated loading area is proposed from the ROW within the western setback for the Residential Hotel and ancillary uses which includes direct access to the back of house. These arrangements are acceptable.
160. Council's Engineers are supportive of loading as proposed.

### Waste

161. A Waste Management Plan (WMP) has been provided with the application. The WMP provides an analysis of waste management strategies for each use and includes management across different waste streams (general garbage including food and organics and recyclables including glass, paper and cardboard).
162. The table below outlines the recommended volume of bins across streams and collection frequencies. Waste management and collection is proposed to be undertaken by a private collector.



Waste Stream	Waste Volume (L/week)	Bin Capacity	No. of Bins Required	Collection Frequency (per week)
Garbage	6,859L	360L	2 no.	2
		1,100L	3 no.	
FOGO	2,723L	240L	6 no.	2
Recycling	5,185L	360L	1 no.	2
		1,100L	2 no.	
Glass	717L	240L	2 no.	2
Paper & Cardboard	1,776L	1,100L	1 no.	2

163. A dedicated bin storage area is provided at ground level and has direct access to the ROW to support collection. The bin storage has been designed to accommodate the volume of bins recommended in the WMP.
164. Council planning officers confirm that waste collection is consistent with arrangements approved under PLN23/0659. Conditions recommended by Council such as chute system information and collection time details are already addressed in the WMP.

## Sustainability

### Environmentally Sustainable Design (ESD)

165. A Sustainability Management Plan (SMP) has been prepared by Hip V Hype. Clause 15.01-2L-01 (Environmentally sustainable development) seeks to achieve best practice in environmentally sustainable development from the design stage through to construction and operation. Non-residential development with a floor area greater 1,000sqm should provide an SMP assessment using BESS/Green star, STORM/ MUSIC or other methods) and a Green Travel Plan (GTP).
166. The SMP achieves a 'Best Practice' BESS rating of 62% and a 103% STORM rating. Key sustainable design features of the proposal include all electric services (no gas), 10 kWp roof top solar PV system, electric car charging spaces and collection and reuse of rainwater for toilet flushing via a 12,000 litre tank.
167. A condition of the permit requires the submission of a GTP in accordance with the requirements of Clause 15.01-2L-01 outlining alternative modes of travels options, bicycle routes and facilities and details of GTP funding and management responsibilities.
168. The council's submission comments that the ESD response is deficient and does not meet best practice and recommends the following changes:
- Reconfigure floor plans to remove all internal bedrooms, ensuring all habitable rooms have an external window.
  - All living areas and bedrooms to have an operable window in the residential hotel spaces, clearly marked on plans and elevations.
  - Daylight modelling amended to use residential daylight factors.
  - Resubmit the daylight modelling using BESS residential daylight factors and assumptions, demonstrating that best practice in daylight can be achieved.
169. The BESS rating at 62% meets 'Best Practice' rating. Internal bedrooms are a common design response in a Residential Hotels and are acceptable because these rooms are not intended to be principal places of residence. Notwithstanding these rooms will still have acceptable daylight access through lounge room areas.

170. It is noted that the requirements of Clause 58 (Apartment developments) and Standard D28 (Windows objective) do not apply in the proposal.

### Water Sensitive Urban Design (WSUD)

171. As discussed above WSUD features include the collection and treatment of rainwater from rooftops for reuse in toilets. A collection diagram is provided at Figure 18. A 12,000 litre rainwater with an additional detention tank for extreme rainfall events is provided at Basement Level 2 beneath the car park ramp.

This section provides the rainwater collection area mark-ups used for STORM calculations. Different colour highlights are used to denote different types of areas.

- Non-Trafficable Area: 550m<sup>2</sup>
- Trafficable Area: 180m<sup>2</sup>
- Planters: 113m<sup>2</sup>

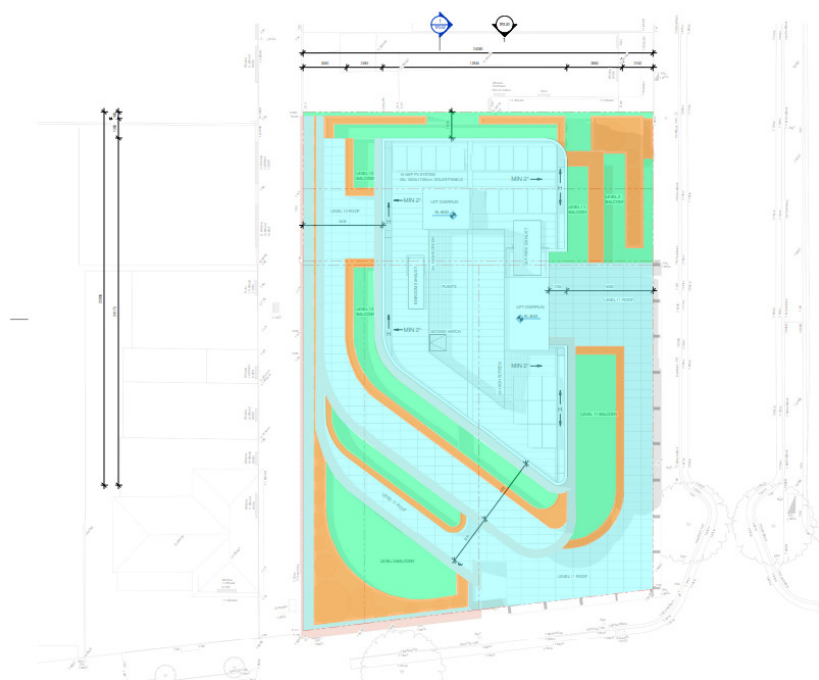


Figure 18: WSUD catchment area markup

### Stormwater Management

172. The requirements of Clause 53.18 (Stormwater management in urban development) apply to the proposal. Management of stormwater is discussed above. Various permit conditions address stormwater management requirements including during the construction stage of the project. Subject to conditions the requirements of Clause 53.18 are achieved.

173. Council did not comment on the proposed treatment of stormwater.

### Other Matters

#### Development Contributions

174. DCPO1 applies to all land in Yarra with the Schedule to the Overlay setting payable levies for residential development. The proposal is subject to Area 11 contribution requirements. A condition of the permit requires payment of relevant levies to Yarra City Council.

#### Potentially Contaminated Land

175. A letter prepared by Prensa has been submitted with the application in relation potential land contamination. The corner lot (120-122 Chestnut Street) has been used as a garage for Motor Repairs since at least 1985. Due to historic land uses this land parcel is potentially



contaminated. Clause 13.04-1S (Contaminated and potentially contaminated land) is a consideration in this application.

176. This provision protects sensitive land uses (including residential uses and Residential Hotel) from ground contamination by ensuring contaminated or potentially contaminated land is or will be suitable for the proposed use, prior to the commencement of any use or development.
177. The Prensa letters confirms that a Preliminary Site Investigation (PSI) (conducted by Frontline) has previously been undertaken on the site. The PSI findings include:
  - near surface shallow soil within the site may be contaminated;
  - the potential health risks to future users / occupants of the site through contact with groundwater are considered to be very low;
  - the potential for vapour generation at the site is low and unlikely;
  - the PSI recommends that further soil assessment and analysis be undertaken post demolition, at which time, soil and sub-surface conditions can be more adequately assessed.
178. A condition of the permit requires the recommendations of the PSI to be implemented.

# Recommendation



179. The proposal is consistent with the relevant planning policies of the Yarra Planning Scheme and will contribute to the provision of a Residential Hotel and Office space within the Cremorne Enterprise Precinct (Railway Precinct). These uses are complementary to the to the primary economic functions of the CMEP.
180. It is recommended that Planning Permit No.PA2503512 for 'Use and development of a residential hotel, office, and associated buildings and works' at 79-83 & 116-122 Chestnut Street, Cremorne be granted, subject to conditions.
181. It is noted that pursuant to Clause 53.33-4 the proposal is exempt from the decision requirements of sections 64(1), (2) and (3), and the review rights of sections 82(1) of the Act. However, it is recommended that objectors and Council be notified of the above in writing.

Prepared by:

I have considered whether there is a conflict of interest in assessing this application and I have determined that I have:

- No Conflict**
- Conflict and have therefore undertaken the following actions:
- Completed the **Statutory Planning Services declaration of Conflict/Interest form**.
- Attached the Statutory Planning Services declaration of Conflict/Interest form on to the hardcopy file.
- Attached the Statutory Planning Services declaration of Conflict/Interest form into the relevant electronic workspace.

Name:

Title:

Phone:

Signed:

Dated:

2 February 2026

Approved by:

I have considered whether there is a conflict of interest in assessing this application and I have determined that I have:

- No Conflict**
- Conflict and have therefore undertaken the following actions:
- Completed the **Statutory Planning Services declaration of Conflict/Interest form**.
- Attached the Statutory Planning Services declaration of Conflict/Interest form on to the hardcopy file.
- Attached the Statutory Planning Services declaration of Conflict/Interest form into the relevant electronic workspace.

Name:

Title:

Phone:

Signed:

Dated:

3 February 2026



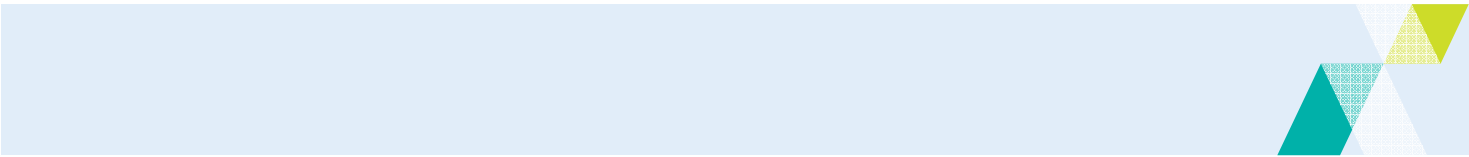
Objection	Response
<p>1) The development's height and lack of upper level setbacks will result in unreasonable visual bulk and overshadowing to the public realm;</p>	<p>The proposed typology is in a podium and tower arrangement incorporating upper-level recession and building articulation across a consolidated lot. The site is unique in the Railway Precinct which generally features a fine grain industrial character as described in the Revised UDF and DDO52. The consolidated lot allows for more intense form, which is offset by setbacks, recession and building rebates that appropriately distribute and break up massing and bulk while addressing the corner interface.</p> <p>Overshadowing will be marginally increased from PLN23/0659 in relation to footpaths on the southside of Balmain Street and 'open space opportunity area' at the Bryant &amp; May site in the Revised UDF. The design of the building which incorporates chamfered edges to the south-west interface and distribution of mass assists in limiting overshadowing impacts. On balance public realm upgrades (such as widening footpaths) and minor increases in shadows from the Council approved proposal are acceptable.</p> <p>It is noted that the overshadowing provisions in the planning scheme apply to existing public open spaces. The area identified in the Revised UDF for "open space opportunities" is not proscriptive and covers a substantial area on the Bryant &amp; May Site. Notwithstanding, shadow impacts on the Bryant &amp; May site are limited to south-western corner at 2pm on 22 September. The proposals response to potential future open space is acceptable.</p>
<p>2) The development will result in unreasonable on-site amenity impacts including poor wind conditions on balconies and terraces, lack of daylight and ventilation;</p>	<p>Onsite amenity is consistent with expectations for a Residential Hotel. It is noted that the requirements of Clause 58 (Apartment developments) including Standard D28 (Windows objective) and Standard D29 (Natural ventilation objectives) do not apply to the proposal. Notwithstanding, adequate daylight and ventilation from primary living spaces is provided across the development. A condition of the permit requires wind tunnel testing to be undertaken to determine final wind mitigation requirements.</p>
<p>3) The development's ESD response is deficient and does not meet best practice;</p>	<p>A Sustainability Management Plan (SMP) has been prepared in support of the application. Clause 15.01-2L-01 (Environmentally sustainable development) requires developments to achieve best practice in environmentally sustainable development from the design stage through to construction and operation using BESS/Green star, STORM/ MUSIC or other methods and a Green Travel Plan (GTP) to inform ESD responses.</p> <p>The SMP achieves a 'Best Practice' BESS rating of 62% and a 103% STORM rating. Key sustainable design features of the proposal include all electric services (no gas), 10 kWp roof top solar PV system, electric car charging spaces and collection and reuse of rainwater for toilet flushing via a 12,000 litre tank.</p> <p>A condition of the permit requires the submission of a</p>



	<p>GTP in accordance with the requirements of Clause 15.01-2L-01 outlining alternative modes of travels options, bicycle routes and facilities and details of GTP funding and management responsibilities</p>
<p>4) The absence of an on-site pick up and drop off bay will result in unreasonable traffic and parking impacts;</p>	<p>Provision of an onsite porte-cochere for pick-up and drop-off was considered in the application. Should a porte-cochere be introduced to the site (accessed via the ROW) it would require substantial modification of the ground floor to support the turnaround of vehicles. This would unreasonably impact the provisions of services at this interface and result in a loss of activation to Balmain Street and Chestnut Street because ground level services would be reconfigured within the floor plate. Similarly, it is not desirable to introduce a porte-cochere to Chestnut Street because this would require the provision of two crossovers which is contrary to the Revised UDF and DDO52</p> <p>The Traffic Engineering Assessment (TEA) addendum concludes that the proposal can operate without a porte-cochere because the site is constrained and the use is relatively small in terms of room numbers compared to other hotels. There are examples of other Residential Hotels in the surrounds that operate without this feature (including 381 Punt Road, Cremorne, Adara, Richmond, Lanbruk Apartment Hotel, Richmond and Quest, East Melbourne.</p> <p>The proposal creates three on street car parking spaces (two on Chestnut Street and one on Balmain Street). The TEA addendum recommends allocation of newly created spaces for pick-up and drop-off. Yarra’s Planning Department does not support the absence of a dedicated area for drop-off and pickups. The submission notes Council’s Parking Management team advised that they were supportive in principle of the creation of two car parking spaces within the Balmain Street frontage. However, they did not comment on whether these would be suitable for short stay parking and for “exclusive use of the hotel”.</p> <p>It is noted that under this arrangement these spaces would not be for the “exclusive use” of the hotel because the spaces are on public land and can be occupied for time limits imposed by the Council and utilised by anyone accessing the CEP.</p> <p>There is sufficient scope for the management of vehicles accessing the site (without a porte-cochere). Potential changes to on street car parking can be negotiated separate to the planning permit process between the applicant and Council.</p>
<p>5) The development does not allow for the adaptive commercial re-use of the building due to insufficient floor-to-ceiling heights; and</p>	<p>This ground of objection references a single decision guideline of DDO52 which requires consideration of “Whether development achieves adaptable and practicable floor plan layouts for different uses”. Council’s submission argues “the residential hotel component be redesigned to allow for adaptive re-use of the building for</p>



	<p>alternative, employment generating uses". Disproportionate weighting has been given to this decision guideline for it to form a ground of objection. The proposal represents a significant investment (\$53.4m) and is not expected to require an adaptive re-use to be viable. It is also noted that a Residential Hotel, associated ancillary uses and Office are an employment generating uses and will generate a number of jobs.</p>
<p>6) The visitor bicycle parking provision does not comply with Clause 52.34 and permission has not been sought for a waiver/reduction.</p>	<p>Bicycle parking is provided in excess of the requirements of Clause 52.34 (35 spaces provided where the planning scheme requires 20 spaces). The proposal attracts a visitor space requirement of 10. There are currently 5 visitor spaces proposed adjacent to the public realm (within the ROW and fronting Chestnut Street). It is reasonable for the surplus of bicycle parking (15 spaces) in basement areas to contribute to the visitor parking calculation given there is limited scope for the entire requirement to be delivered at ground level. Access to these spaces for visitors can be managed by the building operator. A condition of the permit requires end of trip facilities to be provided in accordance with the requirements of Clause 52.34-5.</p>
<p><b>Important Information</b></p>	<p><b>Response</b></p>
<p>1. The uses proposed on site need to demonstrate how they are ancillary to the Residential Hotel (including by limiting access from within the hotel to hotel guests only), or the application needs to be amended under Section 57A of the <i>Planning and Environment Act</i> (1987) to apply for the uses with all information provided as to the operation and re-advertised.</p>	<p>Ancillary 'Food and Drink' premises are proposed at ground level (272sqm) and first level (220sqm). It is noted that this use is a Section 2 use where the leasable floor area exceeds 100sqm in the C2Z. An ancillary 'Gym and Wellness Centre' (349sqm) is proposed on Level 3.</p> <p>Ancillary land uses are not defined in the planning scheme or associated legislation. The applicant has provided a summary of case law from the Victorian Civil and Administrative Tribunal (VCAT) where ancillary uses have been considered. This includes Highpoint Commercial Property Group Pty Ltd v Maribyrnong CC, Gance v Monash CC and Tauman v Wyndham CC.</p> <p>Based on these examples the applicant submits that an ancillary use is secondary to the primary use and should contribute to less than 20% of the business operations which can include number of staff, floor area and/or revenue turnover.</p> <p>The applicant confirms that there is no tenant engaged for the ancillary uses and the ancillary test is met due to the substantial extent of floor area used as a Residential Hotel. In the proposal Residential Hotel and Office (as of right) constitute 7,512sqm of the total 8,166sqm Net Floor Area (NLA). This equates to 92% of the total NLA proposed with the remaining 8% for ancillary. This meets the established VCAT threshold precedents.</p> <p>The building will predominantly be used as a Residential Hotel. It is common practice for Hotels and similar to incorporate associated facilities such as Food and Drink areas. Council's recommendations that access to Food and Drink areas should be limited to hotel guests has not been adopted. Ancillary considerations are broadly linked</p>

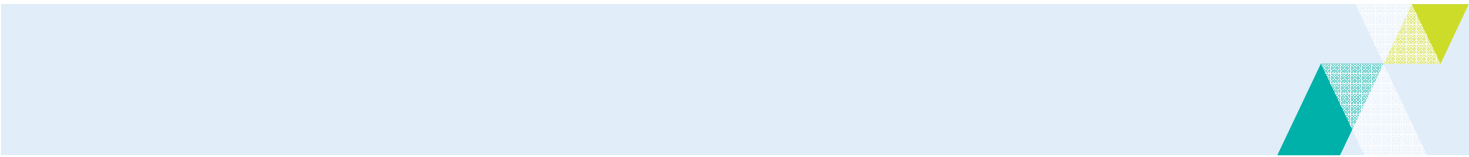


	to the operations of the Residential Hotel not users of the associated facilities.
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## Appendix 2: Objection summary and responses



Objection	Response
Building heights, bulk and scale	See response to Council submission (Ground 1).
Overlooking	The site does not interface to properties in Neighbourhood Residential Zone or General Residential Zone. The overlooking provisions of Clause 2.9 to DDO52 do not apply in this application. Notwithstanding, there are no windows proposed on the northern elevation which minimise potential overlooking of open spaces in Chestnut Street. Potential overlooking could occur to the land used for residential purposes at 75 Balmain Street. This is not unreasonable given the site context within the core commercial area of the CEMP and C2Z.
Overshadowing	Objections raise concerns about overshadowing of residential land and “amenity expectation under ResCode”. The site and surrounds are within the C2Z and “ResCode” provisions (including overshadowing) do not apply in this application. Overshadowing of the public realm is a consideration pursuant to Clause 2.8 of DDO52 and is discussed in the report.
Car parking	Yarra City Council Engineering Department reviewed the car parking provisions and is satisfied with the proposed car parking rate for the Residential Hotel. The provision of car parking is acceptable and has been provided to satisfaction of the responsible authority.
Traffic and road safety	Council’s Engineering Unit agree with the applicant’s traffic report that this level of traffic is not unduly high and will not adversely affect traffic operation in the western laneway or the wider road network.
Neighbourhood Character	A detailed assessment of the proposal against the design objectives and preferred built form outcomes of DDO52 and Revised UDF are undertaken in the main body of the report.
Property value	Loss of property value is not a planning consideration.
Noise and construction impacts	Permit conditions require the submission of a Construction Management Plan (CMP) before the development starts. The CMP must include a Noise and Vibration Management Plan showing methods to minimise noise and vibration impacts on nearby properties and to demonstrate compliance with Noise Control Guideline 12 for Construction (Publication 1254) as issued by the Environment Protection Authority in October 2008.
Stormwater impacts (loss of permeability and increase stormwater run-off)	Stormwater management strategies include collection and reuse of rainwater for toilet flushing via a 12,000 litre tank. An additional detention tank for extreme rainfall events will also be provided.
Clause 54 and 55 compliances	The requirements of Clause 54 (One dwelling on a lot or a small second dwelling on a lot) and Clause 55 (Two or more dwellings on a lot and residential buildings) do not apply to the application.
Local Planning Policy Framework and Municipal Strategic Statement compliance	A full assessment against these policy provision is undertaken in the report.
Heritage Overlay, Vegetation Protection Overlay and Design and Development Overlay compliance	Heritage Overlay and Vegetation Protection Overlay do not apply to the subject site and are not a consideration in the application. A detailed assessment against DDO52 is undertaken in the main body of the report.
Porte-Cohere not included in design	See response to Council submission (Ground 4).



The weight to be given to draft planning scheme amendments and other policies adopted by a municipal council but not yet forming part of the planning scheme, is normally assessed under the concept of 'seriously entertained planning proposal'. This concept was first developed in *Lyndale & Black Pty Ltd v MMBW and Shire of Melton* (1983) 1 PABR 207 (editorial comment 1 PABR 206 and further developed (including for broader application to strategic policies) in *O'Connell Street Developments Pty Ltd v Yarra CC* [2003] VCAT 448, *Whitehorse City Council v Golden Ridge Investments Pty Ltd* [2005] VSCA 195 and *Double LZ Development Pty Ltd v Moreland CC* (Red Dot) [2015] VCAT 1558. An assessment against these principles is provided below:

**1. The form of the planning proposal – a formal planning scheme amendment should be given much more weight than a planning proposal of a less formal nature.**

*Response:* C318yarra would seek to amend Clause 72.08 to incorporate the Revised Urban Design Framework and other related strategic documents as background documents in the Yarra Planning Scheme and further enshrine the UDF policy objectives in the scheme, including through permanent built form controls within Design and Development Overlay schedules. C318yara proposes to permanently apply DDO schedules that were introduced to the planning scheme on an interim basis under C317yara. The policy's intended final form in a statutory planning context is therefore of a highly formal nature.

**2. The stage which the proposal has reached in the planning process – greater weight will be given to a planning proposal which has reached an advanced stage in the planning process.**

*Response:* The preparation of the revised UDF (and introduction of new planning controls if necessary) was a key implementation action of the Cremorne Place Implementation Plan (December 2020) that was prepared in partnership between the VPA, Yarra City Council, DJSIR and DTP, to help set a long-term vision and action plan for Cremorne as a global innovation precinct. The council has since undertaken a number of strategic reviews, community engagement and community engagement in late 2022 before adopting the strategic background documents of C317yarra, including the revised UDF adopted in September 2023 at Yarra City Council's Ordinary Meeting. Interim DDO controls were introduced to the planning scheme on 25 September 2025 and will cease to have effect after 29 January 2027.


As a strategic plan, the UDF has reached an advanced stage of development and is the result of a large breadth of strategic work that has been undertaken over a number of years for the Cremorne precinct. However, the Revised UDF is still a document under construction, with the Council resolution in September 2023 still seeking further public engagement and revision of the UDF to respond to public engagement in tandem with the exhibition of C318yarra. C318yarra has undertaken formal exhibition (3 November 2025 to 8 December 2025) and resolution on referral to a standing advisory committee will be determined by Council in 2026.

**3. The seriousness in which the State Government is pursuing the implementation of the planning proposal.**

*Response:* As above, while the development of strategic policy for the Cremorne precinct (and Enterprise Precincts more broadly) has previously been seriously pursued or supported by the State Government, the UDF and the draft planning scheme amendments have not been further pursued since late 2023. Exhibition of C318yara has been undertaken.

**4. Whether the grant of the planning permit would impair the objectives of the planning proposal and not merely be inconsistent with the strict letter of the planning proposal.**

*Response:* The proposal is only a moderate development in proportion with other development sites and the overall precinct, and the site is also not designated as a strategic development site within the UDF. The proposed development is largely in line with the overarching vision, strategies and guidelines of the UDF and draft Clause 11.03-6L-01. The



proposal's variation from the UDF and draft Clause 11.03-6L-01 are only to the more prescriptive built form controls regarding heights and setbacks which are generally discretionary and are applicable to a broad area of the precinct. The grant of the planning permit would not impair the objectives of the UDF or draft amendment.

**5. Whether the adopted policy/proposal has been the subject of an adverse independent Panel report and/or departs from the recommendations of the Panel in a material way.**

*Response:* The UDF and draft planning scheme amendment C318yarra have not yet been subject to any independent Panel review.

**6. The time at which the adopted policy was prepared and, potentially, the lapse of time between this and the consideration of an application (wherein the planning context may have further changed or evolved).**

*Response:* The implementation of updates to the UDF, the review of current planning policy and controls and introduction of new planning control if necessary were all identified as short-term implementation actions in the Cremorne Place Implementation Plan, to be completed within 1-2 years (ie. by December 2022). Implementation has occurred through C317yara (approved) and C318yara with the latter yet to be endorsed by Council. Various planning activity and approvals can occurred across the broader Enterprise Precinct since actions of the Cremorne Place Implementation Plan (December 2020) were initiated. This includes several developments in proximity to the site (57 Balmain Street, 70-80 Gwynne Street, Bryant & May redevelopment and 49-51 Balmain Street, Cremorne and 108-110 Stephenson Street, Cremorne) which do not adhere to some of the built form controls proposed for these sites, including building and street wall heights.

In summary, the Revised Cremorne Urban Design Framework and related strategic background documents intend to form the basis of the draft C318yarra planning scheme amendments, presents an advanced, generally well-resolved strategic plan for the precinct that is sought to be formalised through new planning controls and guiding other implementation actions by the council.

This is the result of a large breadth of strategic work, including public engagement and the Cremorne Place Implementation Plan (developed in partnership with the State Government), as well as a body of other relevant state and local policy. The broader vision and aspirations for urban design in the Cremorne/Railway West Precinct that are included in the UDF, and which have formed the basis for C318yara and could therefore be considered 'seriously entertained' and should be given some weight when assessing the application.