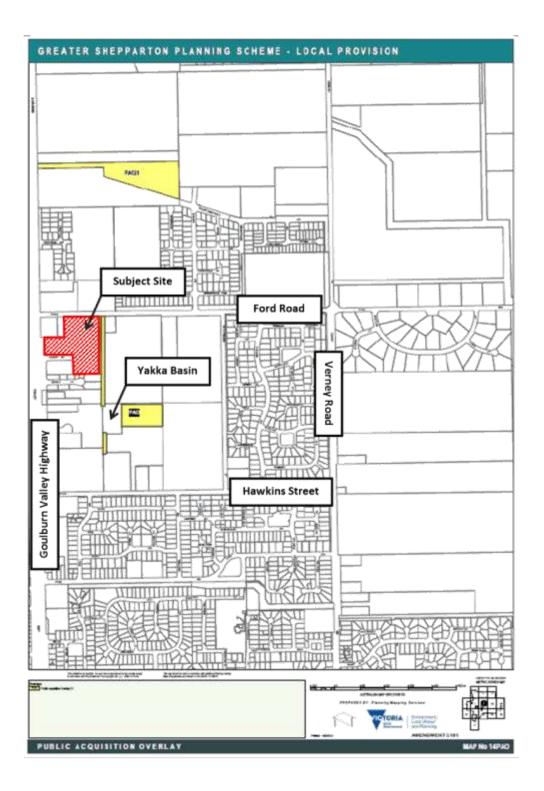
# ATTACHMENT TO AGENDA ITEM

**Ordinary Meeting** 

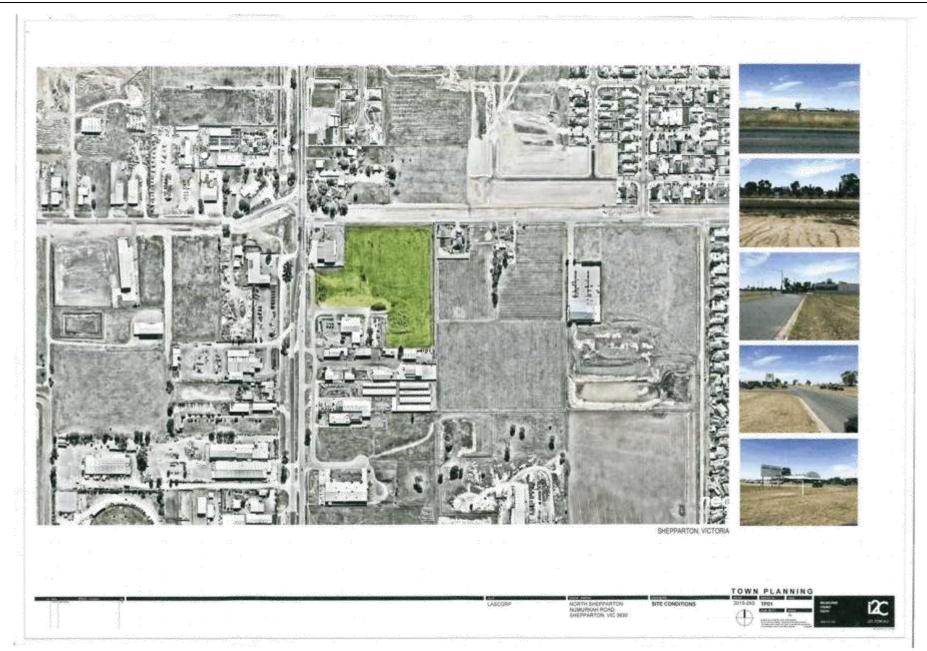
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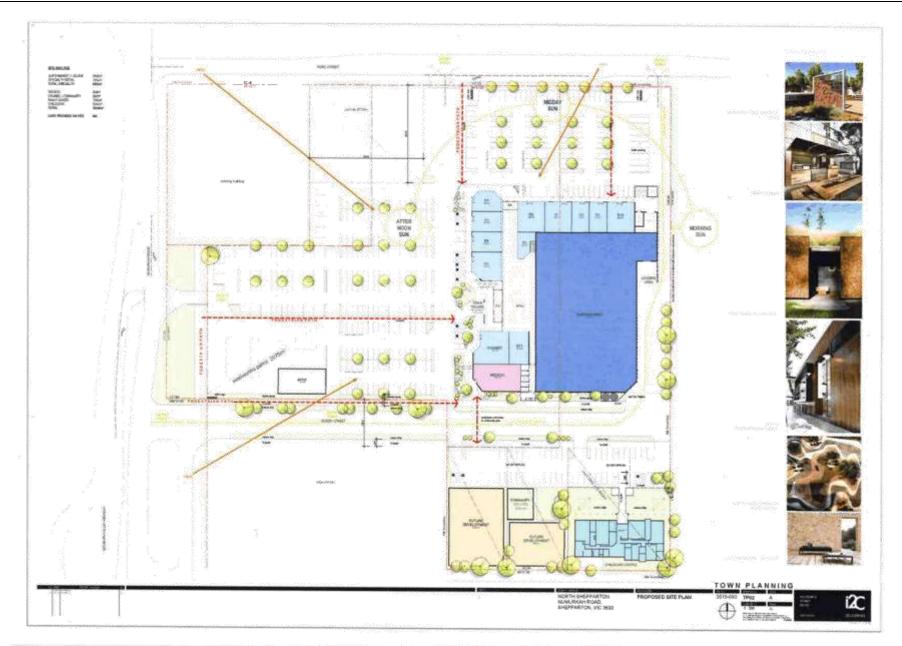
Agenda Item 8.14 Combined Amendment C193 (Shepparton North)

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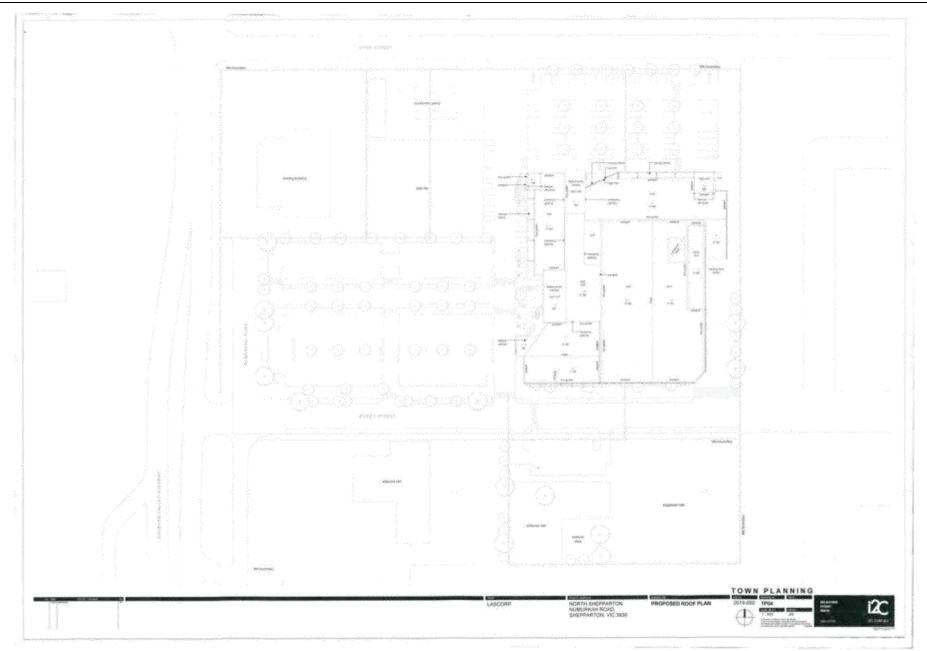




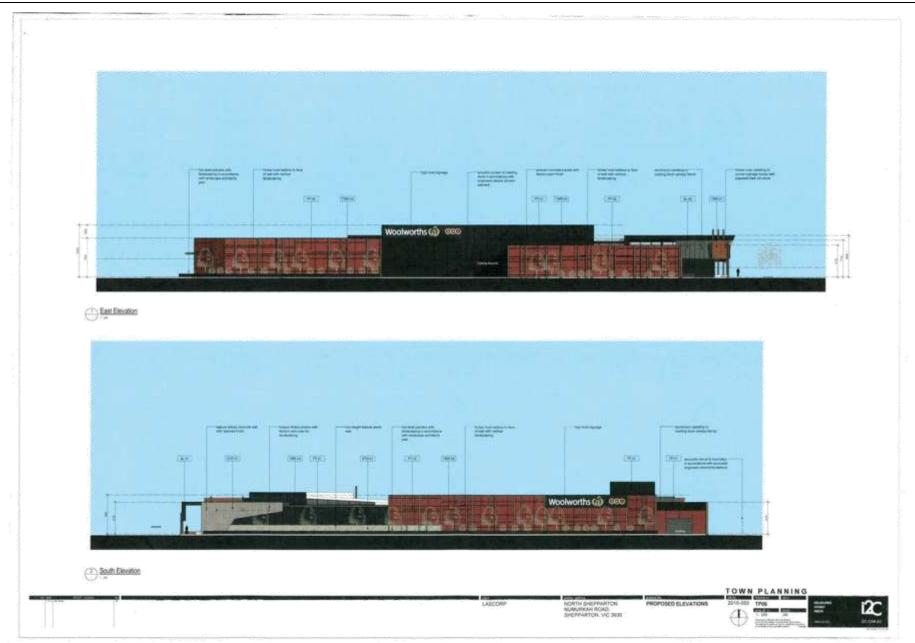


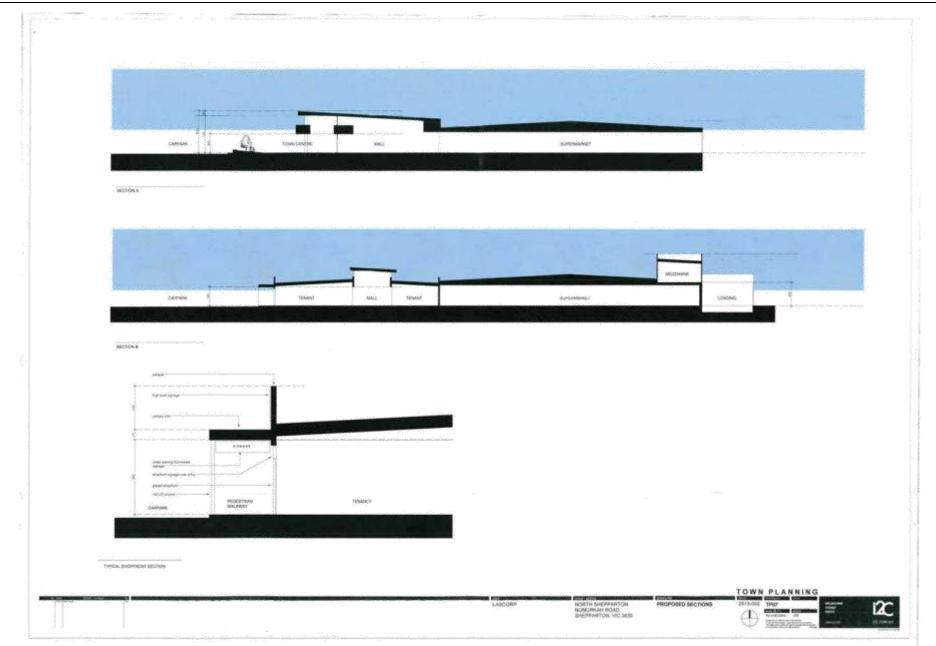
















Planning and Environment Act 1987

# GREATER SHEPPARTON PLANNING SCHEME

# AMENDMENT C193 PLANNING PERMIT APPLICATION 2016-269

## EXPLANATORY REPORT

## Who is the planning authority?

This amendment has been prepared by the Greater Shepparton City Council, which is the planning authority for this amendment.

The Amendment has been made at the request of Lascorp Development Group Pty Ltd.

## Land affected by the Amendment

The proposed Amendment applies to land at 221-229 Numurkah Road and 10 Ford Road, Shepparton, as shown on the map below. The land is approximately 3.8 hectares, with frontages to Ford Road (north) and Numurkah Road (west).



The proposed Amendment also applies a Public Acquisition Overlay to a portion of land to the east of the subject site, at 38-50 Ford Road, 25 Hawkins Road and 31-49 Hawkins Road, as shown on the map below.



The Amendment is a combined planning permit application and planning scheme amendment under section 96A of the Act.

The planning permit application also applies to land at 221-229 Numurkah Road and 10 Ford Road.

## What the amendment does

The proposed Amendment rezones land at 221-229 Numurkah Road and 10 Ford Road, Shepparton, from the Commercial 2 Zone to Commercial 1 Zone and applies a PAO to a portion of land to the east of the subject site.

Concurrent with the planning scheme amendment is a planning permit made pursuant to Section 96A (1) of the *Planning and Environment Act 1987*.

The planning permit is for Buildings and works associated with the development of an activity centre (including a supermarket, speciality stores, medical centre and community floorspace); the development and use of a child care centre; the use of land for the sale of liquor; the creation and alteration of access points to a road in a Road Zone Category 1; the display of advertising signage; and dispensation for the bicycle provisions of the Greater Shepparton Planning Scheme.

Specifically, the planning scheme amendment proposes to make the following changes:

- Rezone land at 221-229 Numurkah Road and 10 Ford Road, Shepparton North from Commercial 2 Zone to Commercial 1 Zone.
- Amend planning scheme map no. 14

- Apply a Public Acquisition Overlay to land adjacent to the subject site at 38-50 Ford Road as shown on the figure below in favour of Council, to provide for drainage infrastructure for the broader catchment via the Yakka Basin.
- Amend planning scheme map no. 14PAO

Specifically, the planning permit allows the following permissions:

- Development for a supermarket and associated speciality stores, medical centre and community floorspace
- The use of the land for the sale of liquor
- The creation and alteration of access points to a road in a Road Zone Category 1
- The display of advertising signage
- · Dispensation from the bicycle provisions of the Greater Shepparton Planning Scheme
- Acquisition of land on adjacent property to ensure appropriate drainage infrastructure for the Yakka basin catchment area
- · Subdivision of land into two lots to provide for Childcare centre on separate title

The development will comprise of the following key elements:

- A 'full-line' supermarket comprising 3,960 square metres which includes an area for the sale of liquor. The loading dock to the supermarket will be located on the east side of the building with access provided from Doody Street.
- Specialty retail tenancies wrapping around the supermarket building along its west and north sides with a total floor area of 1,349 square metres. The specialty retail tenancies are expected to comprise a variety of uses including shops, cafes, takeaway food premises and other retail uses. A delivery area for the specialty retail tenancies is proposed adjacent to the Council/community space abutting the eastern site boundary.
- A combined chemist and medical centre is proposed adjacent to the south west corner of the supermarket. This tenancy will have a floor area of 930 square metres of which approximately 500 square metres will be used for the medical centre and 430 square metres for the chemist.
- A 252 square metres tenancy near the north east corner of the supermarket is proposed to be used for community/Council purposes.
- A 90 place child care centre is proposed with an accompanying car park area providing 22 spaces, on a separate title to be created through a subdivision process ensuring access to the site via Doody Street.
- Convenient pedestrian access is proposed throughout the development. This includes along the frontage of all the specialty stores, with a direct pedestrian connection through to Numurkah Road from the town square and supermarket entry and additional connections along Doody Street and to the south, providing access to the child care centre.
- One pylon sign is proposed to be located along Numurkah Road and two located along Ford Road, all extending to a height of 11 metres. 'Signage zones' (showing where tenancy signs will ultimately be located) are also shown on the plans. Whilst the detail of the signage is not yet known the signage zones are useful in showing the intent and extent of the proposed signage scheme.
- Council has identified that the proposed development triggers an upgrade to Council's drainage infrastructure for the catchment. A PAO will be required over a portion of land along the western boundary of the adjacent site to ensure the availability and accessibility of this drainage infrastructure for the broader catchment.

## Strategic assessment of the Amendment

#### Why is the Amendment required?

The proposed combined amendment/ permit will rezone the land to allow for the proposed commercial development on the site. Under the provisions of the Commercial 2 Zone, the use of the land for a supermarket with a floor area of greater than 1800 square metres is prohibited. Therefore, the land will be required to be rezoned to Commercial 1 Zone to facilitate the proposed development.

The proposed combined amendment/ permit is required to implement the findings and recommendations of the *Commercial Activity Centres Strategy, November 2015* (the Strategy) in relation to Shepparton North.

#### Commercial Activity Centres Strategy November 2015

The proposed rezoning and permit proposal has strong support in the *Commercial Activity Centres Strategy November 2015* (the Strategy). The Strategy was adopted by Council at an Ordinary Council Meeting on 15 February 2016 and:

- Provides a clear understanding of the role and function of urban and rural activity centres in Greater Shepparton;
- Identifies future retail/commercial floor space requirements for activity centres; and
- Identifies the relationship between economic activity, population levels, demographics, and social sustainability of activity centres.

The Strategy defines an activity centre hierarchy for Greater Shepparton, and designates Shepparton North as a subregional centre. The Strategy notes that the opportunity for expansion within the vacant Commercial 1 Zoned land has not been realised, and that while it is identified as a sub-regional centre in the hierarchy it is currently functioning in a more limited role. The centre is dominated by a single use (supermarket) and a lack of diversity in the retail and commercial activities when compared to the other sub-regional centres of Riverside and Mooroopna. For the centre to realise its expected sub-regional service role, it must contain a broader range of retail and commercial functions.

The proposed combined amendment/ permit implements the recommendations of the Strategy in relation to Shepparton North, responding to the specific actions for Shepparton North provided in the Strategy, including expanding the retail and commercial facilities to provide a range of retail and non-retail facilities consistent with its sub-regional status.

The drainage requirements for this site trigger an upgrade to the regional drainage structure (Yakka Basin) servicing this catchment. As such, a Public Acquisition Overlay will be placed over land adjacent to the eastern boundary of the site, to ensure appropriate drainage infrastructure is provided to this site and continues to be available for the broader catchment via the Yakka Basin.

#### How does the Amendment implement the objectives of planning in Victoria?

The proposed amendment meets the objectives of planning in Victoria under section 4(1) of the *Planning and Environment Act 1987* by providing for the fair, orderly, economic and sustainable use and development of land in commercial areas throughout Shepparton, and protecting the primacy of the CBD.

The changes to local policy, particularly Clause 21.06 *Economic Development*, addressing objectives and strategies for the growth and hierarchy of commercial areas, will consolidate and strengthen the retail and commercial role of the Shepparton CBD, and provide a pleasant, efficient and safe working, living and recreational environment for all residents, business operators, employees and visitors to Shepparton.

Objective (a) 'to provide for the fair, orderly, economic and sustainable use and development of land' Objective (c) 'to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria' Objective (g) 'to balance the present and future interest of all Victorians'

The proposal meets objectives (a), (c) and (g) of planning in Victoria by providing for the orderly, economic and sustainable use and development of land in the municipality. The amendment helps to strengthen the existing businesses and the economy of the region through the provision of the proposed development in an area designated for a larger Sub-regional Activity Centre. The development is located in an area of considerable growth, with an identified need for additional retail services.

The amendment proposes to balance the interests of the community through the provision of a high quality, supermarket centre within community facilities, that will not detract from, nor be detrimental to, the CBD shopping precinct. The amendment will also ensure a pleasant, efficient and safe working, living and recreational environment by generating regional benefits through additional employment and service provision.

# How does the Amendment address any environmental, social and economic effects?

## Environmental

The proposed combined amendment/ permit is not expected to result in any significant environmental effects. The site is currently used for grazing and void of vegetation. Any development proposal will require adequate landscaping as well as stormwater drainage and strategies to limit off site impacts.

#### Social

The proposed combined amendment/ permit will provide a larger activity centre with improved access to a diverse range of services for the wider community. The combined amendment/ permit includes an area for community meeting space and a childcare centre, with proposed connections to residential areas to the east and south of the site.

Proposed combined amendment/ permit will achieve a positive social outcome, resulting in the development of a larger neighbourhood activity centre with improved access to a diverse range of services for the wider community. The proposal will provide additional childcare and community space options for residents in the region.

It is not expected that there will be any negative social impacts on adjoining land as a result of this proposed combined amendment/ permit. The proposal will result in a net community benefit by providing a pleasant and safe working and recreational environment in the northern corridor of the city.

#### Economic

At the Ordinary Council Meeting on 16 February 2016, Council resolved to,

Discourage the allocation of additional retail floor space in the Shepparton North Activity Centre until there is evidence that this will not have a detrimental effect on the CBD, in accordance with Appendix A of the Commercial Activity Centres Strategy.

An economic impact assessment accompanies the proposed combined amendment/ permit, providing an assessment of the impacts that may result from the proposal on the existing retail base in Shepparton North and the CBD.

The report acknowledges that the provision of a second full line supermarket in Shepparton North is likely to have trading impacts on existing facilities, however it is not considered these impacts will be such as to threaten any existing facility's ability to continue operating successfully.

It is considered that the proposed development will provide a supermarket and supporting speciality shops to serve the convenience shopping needs of local residents, and as such will not adversely impact retailers within the Shepparton CBD. The Shepparton CBD will remain a regular destination for the bulk of shopping needs, including close to all non-food shopping needs, in accordance with Council's resolution of 16 February 2016.

An Economic Impact Assessment prepared by MacroPlan Dimasi accompanied the application. This was reviewed on Council's behalf by PDA Hill in July 2016. PDA Hill found that the impact assessment undertaken by MacroPlan Dimasi was broadly acceptable. It is likely that the supermarket will have a degree of impact on the existing IGA and CBD supermarkets, while the scale of the impact of the associated speciality shops is capable of being comfortable absorbed by the CBD. Importantly, the assessment supported MacroPlan Dimasi's finding that the scale of possible impact is considered acceptable and will not present a real risk of closure of the IGA or CBD stores.

The proposal will provide additional supermarket floor space in the North, which is has been identified as a requirement in the *Commercial Activity Centres Strategy November 2015*. The supermarket will provide an additional 252 ongoing jobs and cost approximately \$10,000,000 to develop.

The provision of a supermarket in Shepparton North will also ensure that the area continues to serve a sub-regional function with the Shepparton Activity Centre hierarchy, servicing the wider northern region.

#### Amendment C192

Council officers have currently prepared a planning scheme amendment to implement the general recommendations of the Strategy. This will include rezoning commercially zoned land along the Benalla Road Enterprise Corridor, Wyndham Street North and the Shepparton Marketplace to the Activity Centre Zone and strengthening support for certain uses to be established within the Shepparton CBD. This Amendment will also seek additional supporting information when requesting planning scheme amendments to increase commercial uses outside of the CBD.

In relation to Shepparton North, the Amendment will implement the recommendations from the Strategy, changing wording in the Municipal Strategic Statement relating to the Shepparton North Activity Centre. Amendment C192 was place on exhibition from 7 July 2016 to 8 August 2016.

#### Does the Amendment address relevant bushfire risk?

The land is not within the Bushfire Management Overlay, nor a designated bushfire prone area (BPA) under the Building Code of Australia. The landscape setting of the land – within an area of open (cleared) farmland surrounded by Commercial properties, does not pose an unacceptable risk to life (as a priority), property, community infrastructure or the natural environment from bushfire.

# Does the Amendment comply with the requirements of any Minister's Direction applicable to the amendment?

The proposed combined amendment/ permit is consistent with the Ministerial Direction on the Form and Content of Planning Schemes pursuant to section 7(5) of the Act.

The proposed combined amendment/ permit is consistent with the Minister's Direction No. 11 Strategic Assessment of Amendments under section 12(2) of the *Planning and Environment Act* 1987.

The proposed combined amendment/ permit is consistent with the Minister's Direction No. 15 The Planning Scheme Amendment Process under section 12(2) of the *Planning and Environment Act* 1987.

How does the Amendment support or implement the State Planning Policy Framework and any adopted State policy? The State Planning Policy Framework (SPPF) of the Scheme seeks to ensure that land use and development planning policies in Victoria meet the objectives of planning in Victoria as set out in the *Planning and Environment Act 1987*.

The proposed amendment supports and implements Clause 11 Settlement, Clause 16 Housing, Clause 17 Economic Development and Clause 18 Transport of the State Planning Policy Framework by guiding major retail, commercial, administrative, entertainment, residential and community uses and development into a designated sub-regional activity centre.

The proposed combined amendment/ permit supports the objectives and strategies of Clause 11 *Settlement* as it provides a retail development that, responds to the needs of existing future communities and provides an activity centre of a size and function that is a focus for shopping and community. The proposal will provide a variety of land uses highly accessible to the community.

The proposed combined amendment/ permit supports the objectives and strategies at Clause 15 *Built Environment and Heritage* creating an urban environment that is safe, functional and of good quality.

The proposed combined amendment/ permit supports the strategies and objectives at Clause 17 *Economic Development* as it provides a development that meets the communities' need for retail, entertainment, office and other commercial services and provides net community benefit in relation to accessibility, efficient infrastructure use and the aggregation and sustainability of commercial facilities.

Specifically, the proposed combined amendment/ permit locates, 'commercial facilities in existing or planning activity centres' and 'provides new convenience shopping facilities to provide for the needs of the local population in new residential areas within, or immediately adjacent to, existing commercial centres'.

The proposed combined amendment/ permit will encourage opportunities for sustainable transport options such as walking, cycling and public transport in accordance with Clause 18 *Sustainable Personal Transport* and will comply with Clause 18.02-5 *Car Parking* to 'ensure an adequate supply of car parking that is appropriately designed and located' to ensure that residential amenity is protected from the 'effects of road congestion created by on-street parking'.

The proposed combined amendment/ permit will support the objectives of Clause 19 *Infrastructure*, planning for the appropriate provision of such infrastructure and services.

## Hume Regional Growth Plan

The Hume Regional Growth Plan, 2014 shows Shepparton as a major growth location, while the proposal is located within a designated 'key residential growth front' in the northern growth corridor. The proposal will provide opportunities for employment and community facilities to people in within this growth region and the broader catchment area.

## How does the Amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?

The proposed amendment is consistent with the policies and controls of the Greater Shepparton Planning Scheme, including the Municipal Strategic Statement outlined within the Local Planning Policy Framework.

The proposed combined amendment/ permit aims to incorporate the objectives of the *Commercial Activity Centres Strategy November 2015* to provide a sub-regional activity centre servicing Shepparton North, in accordance with the proposed hierarchy of activity centres.

Clause 21.04-4 Urban Design is supported by promoting high quality architecture and urban design, sustainable development, and providing that the desired built form of development in

the various precincts within the CBD area will be achieved. The amenity and image of the CBD will be improved and the design of buildings and spaces in the retail core will add to the activity and vitality of the streets. The various objectives and strategies of local policy are supported by the Activity Centre Zone whereby specific land uses are directed to appropriate precincts. This enables businesses to make appropriate location decisions and for development to achieve the desired outcomes of the Design and Development requirements and objectives.

The proposal responds to the objectives in Clause 21.05 *Environment*, particularly in relation to floodplain and drainage management. The proposal is supported by a strategy responding to floodplains and drainage ensuring that new development maintains the free passage and temporary storage of floodwater and encouraging the development of surface water management systems with run-off into natural systems or into reuse storage for irrigation.

The proposal achieves the objectives of the relevant Local Planning Policy Framework by providing employment diversity, economic growth and business development. It also provides additional retail space in a growth area of Shepparton North, in accordance with the retail hierarchy as identified at Clause 21.06-5 *Commercial/Activity Centres*.

Clause 21.06-5 identifies an Activity Centre Hierarchy based on the findings of the *Greater Shepparton 2030 Economic Development Report.* The hierarchy identifies 'Fairleys Numurkah Road' as a Neighbourhood/Township Centre. The Clause includes a series of strategies for Commercial/Activity Centres which include the following:

- 'Support a hierarchy of retail centres that promotes the primacy of the Shepparton CBD as a multi-function centre complemented by local centres for convenience shopping.
- Identify lower order neighbourhood retail and community centres to serve convenience needs of north Shepparton, Mooroopna and Kialla.
- Facilitate the expansion of the neighbourhood centre in the north at the Fairleys supermarket site.

The proposed amendment/ permit is considered to satisfy these strategies, providing an activity centre in the north in close proximity to the Fairley's supermarket site.

Also included in the Clause is the 'Shepparton Business Framework Plan' which shows the subject site within a 'Highway/Business – Consolidate and Redevelopment' area adjacent to a 'future/ expanded neighbourhood centres' asterisk.

The proposed combined amendment/ permit responds to the objectives of Clause 21.07 Infrastructure including:

- Support new facilities such as community centres, neighbourhood centres, sporting facilities, entertainment and health services to be located in proximity to public transport routes and/or bicycle paths.
- Provide cost efficient physical and social infrastructure to support growth.
- To maintain and enhance stormwater quality throughout the municipality.
- To ensure that new development complies with the Infrastructure Design Manual.

The proposal will also include application of a PAO over land adjacent to the Yakka Basin, to ensure this land and the broader development area to the east has an adequate drainage infrastructure into the future.

## Does the Amendment make proper use of the Victoria Planning Provisions?

The proposed amendment makes proper use of the VPPs by implementing the appropriate strategic work to enable better administration of the Greater Shepparton Planning Scheme. The proposed amendment applies the C1Z to a specific area in Shepparton North to facilitate the development of a supermarket centre as encouraged in the MSS. The C1Z is will allow for the provision and management of commercial land in an appropriate location in the north.

The proposed application of the PAO will reserve appropriate land to ensure the provision of adequate drainage infrastructure for a broader residential development area.

## How does the Amendment address the views of any relevant agency?

The preparation of the *Commercial Activity Centres Strategy November 2015* involved extensive consultation with a range of relevant agencies. As the proposed amendment seeks to implement the recommendations of the Strategy, further consultation is not presently required. There will be an opportunity for relevant authorities and departments to formally comment as part of the exhibition period.

## Does the Amendment address relevant requirements of the Transport Integration Act 2010?

The purpose of the *Transport Integration Act 2010* is to create a new framework for the provision of an integrated and sustainable transport system in Victoria. The vision statement recognises the aspirations of Victorians for an integrated and sustainable transport system that contributes to an inclusive, prosperous and environmentally responsible state. The objectives of the *Transport Integration Act 2010* relate to social and economic inclusion, economic prosperity, environmental sustainability, integration of transport and land use, efficiency, coordination and reliability, and safety and health and wellbeing.

The proposed combined amendment/permit addresses the relevant requirements of the Transport Integration Act 2010. The proposed amendment may have a significant impact on the transport system, and the amendment and permit will ensure that transport will be appropriately planned and designed. The provision of footpaths and connectivity to proposed residential areas to the north and east will allow permeability through the site for pedestrians and cyclists, while active street interfaces and open space will improve personal safety through increased survellience and activity.

The proposal provides pedestrian and cycling opportunities for future residents, which supports the social and economic inclusion objectives of the *Transport Integration Act 2010*.

The proposed amendment supports the decision making principles of the *Transport Integration Act 2010* – it demonstrates integrated decision making as it has been prepared by Council in accordance with state and local policy, and it will include consultation with the community and relevant referral authorities.

## **Resource and administrative costs**

## What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?

 The proposed amendment will have minimal impact on the resources or administrative costs of the Council. Any costs associated with a Planning Panel, if required, will be funded out of the Sustainable Development (Planning) Department's general budget.

## Where you may inspect this Amendment

The Amendment is available for public inspection, free of charge, during office hours at the following places:

Greater Shepparton City Council, 90 Welsford Street, Shepparton

The Amendment can also be inspected free of charge at the Department of Environment, Land, Water and Planning website at <u>www.delwp.vic.gov.au/public-inspection</u> or the Greater Shepparton City Council website at www.greatershepparton.com.au.

## Submissions

Any person who may be affected by the Amendment may make a submission to the planning authority. Submissions about the Amendment must be received by November 2016.

A submission must be sent to: Greater Shepparton City Council Locked Bag 1000 Shepparton VIC 3632.

# Panel hearing dates

In accordance with clause 4(2) of Ministerial Direction No.15 the following panel hearing dates have been set for this amendment:

- directions hearing: [insert directions hearing date]
- panel hearing: [insert panel hearing date] ]