

ASSESSMENT OF PLANNING PERMIT APPLICATION NO. 2017-177A

Address:

177-193 Numurkah Road, Shepparton

Planning Permit Applicant:

Shepparton Pty Ltd

21 July 2023

Hollerich Town Planning Pty Ltd

A: Level 2, 100 Collins Street, Melbourne VIC 3000

P: 0411 552 534

E: jay@hollerichtownplanning.com.au



177 – 193 Numurkah Road, Shepparton

Table of Contents

1	Execu	utive Summary	3	
2	The S	ubject Site and Surronds	4	
	2.1	Subject Site	4	
	2.2	Surrounds	5	
3	Relev	ant Planning Background	7	
	3.1	Relevant Planning Permit HIstory for the Subject Site	7	
	3.2	221-229 Numurkah Road and 10 Ford Road	8	
	3.3	Shepparton North Activity Centre Advisory Committee Report (Amendment C193 Part 2 and PPA2016-269)	9	
4	The A	pplication	12	
5	Plann	ing Policy Context	16	
	5.1	Planning and Environment Act 1987	16	
	5.2	Changes to the Planning Policy Framework since issue of the Permit	16	
	5.3	Planning Policy Framework	17	
	5.4	Commercial 1 Zone (C1Z)	22	
	5.5	Overlays	24	
	5.6	Incorporated and Background Documents	28	
6	The A	pplication Process	34	
	6.1	Application Documents	34	
	6.2	Referrals	35	
	6.3	Objections	35	
7	Asses	ssment of the Application	37	
	7.1	Does the amended proposal achieve strategic support?	37	
	7.2	Does the amended proposal offer an appropriate urban design outcom	e?39	
	7.3	Is the Application appropriate from a traffic, car parking and access perspective?	42	
	7.4	Does the Application meet the flood requirements?	42	
	7.5	How does the amended proposal respond to the Structure Plan and how much weight should the Structure Plan be given?	w 43	
	7.6	Are there any other matters requiring consideration?	46	
8	Concl	clusion and Recommendation 47		

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177 - 193 Numurkah Road, Shepparton

1 Executive Summary

This report has been prepared by Hollerich Town Planning Pty Ltd following instructions from Russell Kennedy Lawyers dated 6 June 2023, on behalf of Greater Shepparton City Council.

These instructions requested a review of the planning merits of an application under Section 72 of the *Planning and Environment Act 1987* (the Act) to amend Planning Permit 2017/177A (the Permit). The Permit relates to 177-193 Numurkah Road, Shepparton (the subject site) and allows:

"The use and development of the land for a shop (including two supermarkets and bottle shops) and gymnasium, use of land for the sale of liquor under Clause 52.27 of the Greater Shepparton Planning Scheme, development of a medical centre and community centre and associated buildings and works, alteration of access onto a Road Zone (category 1), removal of Easement E-3 and removal of three Grey Box trees in accordance with the endorsed Plans forming part of this Permit."

The application to amend the Permit proposes various changes to the plans (including a significantly revised site layout), permit conditions and documents associated with the Permit. The application has been submitted on behalf of Shepparton Pty Ltd who are the owner of the subject site. The proposed amendments to the proposal and Permit are described in detail in Section 4 of this report.

This report provides a general summary of the subject site and surrounds, a description of the application to amend the Permit, a summary of the relevant planning policy framework, both existing and proposed, and recommendations to assist Council with its ultimate determination of the application.

Ultimately, it is recommended that the proposal as it stands should not be supported by Council however, there are various aspects of the design that could be appropriately resolved to achieve a position where the proposal should be approved, as summarised later in this report.

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177 - 193 Numurkah Road, Shepparton

2 The Subject Site and Surrounds

2.1 Subject Site

The subject site is a large property occupying the north-east corner of the intersection between Numurkah Road and Hawkins Street, in northern Shepparton. The subject site:

- has a total area of approximately 44,553sqm (4.45ha).
- has a regular, rectangular shape with frontage to Numurkah Road measuring 175.41 metres and frontage to Hawkins Street measuring 243.41 metres;
- has a relatively flat topography with no significant change in level across the subject site or in relation to neighbouring land, although there appears to be some small mounds running through the central part of the subject site and in the north eastern corner (we cannot locate any detailed site level information as part of the application package, apart from some finished floor levels there do not appear to be any details of proposed levels through the car park and this is information that would assist assessment of the application);
- contains a complex of relatively unremarkable, low-rise commercial buildings associated with Fairleys IGA supermarket situated in the south-west portion of the site, set well back from either adjacent street and including:
 - an IGA supermarket with a floor area of approximately 3,500sqm;
 - adjacent to the supermarket, a food and drink premises and shops (including a bottle shop) with a total floor area of approximately 500sqm;
 - a total retail floor area of approximately 4,000sqm;
 - an adjacent warehouse to the east of the supermarket with a floor area of approximately 1,200sqm;
 - a detached former dwelling used as an office and sited between the warehouse and Hawkins Street:
- supports a large car park between the supermarket building and both Numurkah Road and Hawkins Street that provides 197 car spaces and loading facilities on the southern side of the supermarket;
- supports a gravel car park and access areas adjacent to the warehouse building;
- is accessed via two crossovers from Hawkins Street, one providing access / egress from the retail car park and one providing access / egress from the warehouse;
- has a crossover to Numurkah Road providing egress only from the supermarket car park at the northern end of this frontage:
- has limited pedestrian infrastructure with no footpath along Numurkah Road and a footpath along part of Hawkins Street between the main vehicle entry from Hawkins Street and residential land to south;
- supports large vacant areas in the north and east totaling around 2.4ha in size and being largely grassed
 apart from some scattered trees, including three 'scattered' trees identified as Grey Box that are in the
 eastern part of the subject site;
- is connected to all services including electricity, sewer, water and gas and telecommunications;

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

- has an underground drainage system that drains to the south-west corner adjacent to Numurkah Road;
- is affected by an easement (Easement E-3) in the north-east corner, which is understood to be a redundant easement formerly related to water supply (noting the Permit includes approval for removal of this easement);
- is affected by various Section 173 Agreements, including on older agreement that exonerates Council from being liable for any flood related impacts, including damage to buildings or assets, or personal injury (No. X569060Q dated 4 May 2001) and a more recent agreement (No. AR147363W dated 20 June 2018) that was compelled by the Permit and covenants various matters related to the provision of a community facility (including finishing, leasing and ongoing use), signalisation and intersection upgrade, drainage infrastructure and restrictions around the use of the land if not developed and used for two full-line supermarkets.

2.2 Surrounds

The subject site is in a developing part of northern Shepparton with key characteristics of the locality summarised below

- The subject site is within the northern gateway precinct into Shepparton, approximately 2.5km north of the Shepparton Central Activities District (CAD).
- Surrounding land use is varied and includes a range of commercial activities to the north, west (on the
 opposite side of Numurkah Road) and south (on the opposite side of Hawkins Street), industrial land to the
 east, residential land to the south-east and a large recreation precinct to the south-west.
- The subject site is within a commercial corridor along Numurkah Road that is described by Council policies as being the Shepparton North Activity Centre (SNAC). The subject site is the only commercial land within the SNAC within the Commercial 1 Zone (C1Z), with the balance of commercial land in the Commercial 2 Zone (C2Z). Those parts of the SNAC within the C2Z are developed for a range of purposes with no consistent character, including buildings of varying age and appearance and land uses including take away food outlets, motor vehicle sales, warehouses and restricted retail premises. There are substantial areas of vacant land within the SNAC. Further details of the SNAC are described below.
- The subject site is near the large urban growth areas of Shepparton North, with significant recent, master planned, residential development occurring to the north and east.
- Numurkah Road / Goulburn Valley Highway, immediately west of the site, is a Department of Transport road
 and is in the Transport Zone 2 (TRZ2). It is the main north-south arterial through Shepparton, providing
 direct access into the Shepparton CAD.
- Adjacent to the subject site, Numurkah Road has two lanes of traffic in each direction separated by a wide central median with wide, informal road reservations to either side.
- Hawkins Street is a local road with a single lane of traffic in each direction and wide, informal reservations to either side
- The intersection between Numurkah Road and Hawkins Street is not signalised, however the gap in the central reservation enables right turn manoeuvres for northbound traffic along Numurkah Road into Hawkins Street and for westbound traffic along Hawkins Street into Numurkah Road. This intersection is required by conditions of the Permit to be upgraded and signalised.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

- Public transport in the local area is in the form of a bus service along Hawkins Street (Shepparton Bus Route 4), which has a stop directly outside the subject site and provides services to and from the Shepparton CAD.
- The recently constructed Yakka Basin retardation basin begins approximately 60 metres north-east.

As outlined above, the subject site is near the urban growth areas of Shepparton North, with the broader precinct recently experiencing substantial residential development, with further such development anticipated in the short to medium term. This includes land east of the subject site that occupies the north-west corner of Hawkins Street and Southdown Street (east of the existing industrial land that immediately abuts the east boundary of the subject site). The neighbouring industrial pocket (which comprises 4 lots) is strategically positioned to become residential land in the future as per proposed policies for the SNAC that are discussed in more detail below.

In terms of immediate interfaces, the three properties to the north are within the C2Z and are accessed from Shelby Court. Adjacent to approximately the western half of the common boundary, 195 Numurkah Road is occupied by a boat and caravan sales (Solar City Marine and Caravans), which occupies a large, single storey warehouse style building with open display areas in the Numurkah Road setback. A large major promotion sign is in the front setback adjacent to the common boundary with the subject site. The two properties adjacent to the eastern end of the common boundary (5 and 6 Shelby Court) are vacant, as are other properties on the north side of Shelby Court.

Various planning permits are in place for development around Shelby Court, including a 5 storey hotel building on the north side of Shelby Court (with no direct abuttal to the site). These planning permits do not have a substantial bearing on the consideration of this application to amend the Permit.

The subject site has abuttal to a small industrial precinct to the east, with the adjacent land in the Industrial 1 Zone (IN1Z). Directly east, 19-23 Hawkins Street is occupied by Shepparton Terrazzo, who predominantly manufacture concrete panels for use in the construction industry. This is a large site with centralised development and infrastructure including a small, brick office building in the site frontage, informal parking, access from Hawkins Street, limited vegetation and high wire mesh fencing. The very north section of the east boundary abuts a large industrial site at 25 Hawkins Street, which is also occupied by Shepparton Terrazzo. The use and buildings on this property are removed from the common boundary. The Yakka Basin is further north with a recently developed residential subdivision further north and east again.

Numerous commercial premises are on the south side of Hawkins Street within the C2Z, including a McDonalds at south-east corner of Hawkins Street and Numurkah Road (169-175 Numurkah Road) and a large car dealership at 8-12 Hawkins Street (Mathieson Motors). A residential subdivision is on the south side of Hawkins Street to the east of the car dealership.

Numurkah Road runs along the west boundary of the subject site and has a reservation width of around 60 metres, including the service road on its western side. Land use and development on the west side of Numurkah Road includes a BP service station, KFC restaurant, motorised products dealership (Yamaha) and a hydraulic engineering company (McCullochs), all of which front Numurkah Road and are accessed from the Numurkah Road service road. The buildings generally have a low-rise, commercial appearance with associated signage, open-air car parking and limited vegetation. These properties are in the C2Z.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

3 Relevant Planning Background

The subject site as it relates to the surrounding sub-regional activity centre, has an extensive and complex planning history, generally stemming from a proposal for a second supermarket within the SNAC on land at the corner of Numurkah and Ford Roads at the northern end of the SNAC.

The supermarket on the subject site is long-established. Further planning permission was secured in 2008 for the development of a 'neighbourhood activity centre', which included a second supermarket but was not acted upon. The Permit was subsequently issued in 2018 for the development of a second supermarket, gymnasium, medical centre, community centre and associated retail, essentially representing full redevelopment of the subject site as a neighbourhood activity centre. Various circumstances have led to the Permit not being acted upon.

In the meantime, a planning permit application for a major retail development (including a supermarket) at the corner of Ford and Numurkah Roads, on land in the C2Z, has been put forward. This proposal was initiated in 2016 as a combined planning scheme amendment to rezone the land from C2Z to C1Z and facilitate the construction of a large retail centre including a full-line supermarket, medical centre, and various supporting retail and restricted retail. This proposal is described in more detail below, however is relevant inasmuch as it provides background and context to the planning policy framework (existing and proposed) affecting the subject site, particularly the retail network. It is also relevant in garnering an understanding of the demonstrable need for a second supermarket in the SNAC.

As Council is aware of the relevant planning history, an abridged summary is provided below, as relevant to the application at hand.

3.1 Relevant Planning Permit History for the Subject Site

Two separate planning permits have been submitted in relation to the subject site for the development of two supermarkets as follows.

Planning Permit 2008-436 for the development of a 'neighbourhood activity centre' was issued concurrently with Amendment C119, which rezoned the land from Business 4 Zone to Business 1 Zone (which has subsequently translated to the C1Z). This planning permit approved a second supermarket on the land, to the north of the existing IGA supermarket, with other associated retail also approved. Amendment C119 also introduced the 8,000 square metres retail floor space cap in the Business 1 Zone (now C1Z) that continues to affect the subject site. This planning permit was not acted upon and subsequently expired.

The Permit was issued for the use and development of the subject site for two supermarkets, a gymnasium and other associated retail on 27 April 2018. The Permit has not yet been acted upon and has been extended twice, with the latest extension at the direction of the Victorian Civil and Administrative Tribunal (VCAT). The latest start date for development under the Permit is 4 August 2024.

Through the permit extension process, the applicant has made it clear that they do not intend to act upon the proposal indicated by the endorsed plans and the most recent extension of time application was purely undertaken to facilitate the amendment application that is the matter now under consideration.

It is recognised that Council was not supportive of the latest extension of time request and tabled concerns around permit 'warehousing' to VCAT, due to the significant elapse of time since the issue of the original permit (2008) and

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177 - 193 Numurkah Road, Shepparton

that whilst the Permit is in place it is preventing other sites from developing competing commercial retail use and development when there is a demonstrable need for a second supermarket in the SNAC. These concerns were not sustained by the Tribunal Member, who ultimately granted a further extension of time (Shepparton Pty Ltd v Greater Shepparton CC [2023] VCAT 150).

3.2 221-229 Numurkah Road and 10 Ford Road

This property, to the south east of the intersection between Numurkah and Ford Roads at the northern gateway into Shepparton, has an extensive planning history that is relevant to the this application to amend the Permit as it has proposed the use and development of what would be a competing retail complex and in particular a second supermarket in the SNAC.

The planning outcomes of the subject site are somewhat intertwined with those of this property, particularly with respect to the findings of the Shepparton North Activity Centre Advisory Committee (Advisory Committee), which was established on 15 September 2018 to consider a combined planning scheme amendment and planning permit application, and ultimately provided overarching policy guidance for the SNAC.

A summary of the planning history of 221-229 Numurkah Road and 10 Ford Road is provided below.

Planning Permit 2016-378 (221-229 Numurkah Road) was issued for the use and development of the land for a 108 place childcare centre and a two lot subdivision. This planning permit has since expired.

Planning Permit Application 2016-269 (221-229 Numurkah Road and 10 Ford Road) and a joint request to rezone the land from C2Z to C1Z (Amendment C193 Part 2) proposed a supermarket, medical centre, chemist, other retail floor space, a community meeting space, erection and display of signs, a packaged liquor licence and creation of access to a road in a Road Zone Category 1. Following a prolonged planning process, the Minister for Planning established the Advisory Committee to consider the merits of the combined Amendment C193 Part 2 and Planning Permit Application 2016-269.

Based on the findings of the Advisory Committee, the Minister for Planning decided to refuse combined Amendment C193 Part 2 and Planning Permit Application 2016-269 on the grounds that the proposal was inconsistent with the objectives of the Act, State and local planning policy and the preferred outcome of the Greater Shepparton Commercial Activity Centres Strategy 2015 (CACS).

Combined Amendment C193 and Planning Permit Application 2016-269 was refused by the Minister for Planning on 21 May 2021. The findings of the Advisory Committee Report that are pertinent to the assessment of this application are summarised in the following section of this report.

More recently, Planning Permit Application 2022-189 was submitted for the development of this property for a range of retail uses, most of which were as of right in the C2Z but including a supermarket with a reduced size compared to the previous planning permit application. It is understood that this application remains active and under assessment by Council.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

3.3 Shepparton North Activity Centre Advisory Committee Report (Amendment C193 Part 2 and PPA2016-269)

The Advisory Committee was established to provide a recommendation to the Minister for Planning in relation to the proposal requested by Amendment C193 and Planning Permit Application 2016-269 (as detailed above).

While Council is clearly aware of the recommendation of the Advisory Committee Report, there are key findings of that are relevant to the application to amend the Permit. Further, given that structure planning for the SNAC is in its early stages (albeit the Shepparton North Structure Plan has now been adopted by Council), the Advisory Committee Report provides the most up-to-date strategic advice for the SNAC.

Ultimately the Advisory Committee did not support the proposal at 221-229 Numurkah Road and 10 Ford Road on the grounds that it would likely result in two disconnected, stand-alone retail nodes at opposite ends of the SNAC, and that this would be contrary to long-standing planning principles that seek to achieve integrated and well-functioning retail cores within activity centres. It also found that approval of a third supermarket in the SNAC (in addition to the two approved by the Permit on the subject site) would have potential to compromise the viability of the Shepparton CAD.

The Advisory Committee Report made the following recommendations.

- Amendment C193 Part 2 to the Greater Shepparton Planning Scheme be abandoned.
- Planning Permit 2016-269 not be issued.
- Council prepare a Structure Plan for the SNAC area, to commence within six months of the date of the Advisory Committee report.

The following key findings are relevant to the consideration of this application to amend the Permit. They have been set out under various headings for ease of reference.

Strategic Planning Considerations

- The additional 6,000sqm of retail floor space sought for the SNAC by the CACS (Action 3) above the existing 8,000sqm cap on the C1Z land (the subject site) is already met through the Permit, which approves around 14,000sqm of retail floor space, including two full-line supermarkets. There is insufficient demand to justify approving additional retail floorspace for a third supermarket and associated specialty retail outside the existing C1Z. The application ultimately needed to be considered in the context of the Permit despite the demonstrable need for a second supermarket in the SNAC under current conditions.
- Whilst the proposal met various planning principles for a free-standing retail centre, it could not be considered in isolation and must be viewed in the context of the larger sub-regional centre in which it is located. This included consideration of the existing and underutilised C1Z land (the subject site) and the Permit, which remains the preferable location for an amalgamation of retail facilities.
- The land between 221-229 Numurkah Road and 10 Ford Road and the subject site (along Numurkah Road) is unlikely to develop with specialty and associated retail because CACS considers that a centre with specialty retail floorspace of such a scale is likely to compromise the primacy of the Shepparton CAD. This meant that a second retail node at 221-229 Numurkah Road and 10 Ford Road would remain remote from the existing and approved retail node on the subject site and the precinct would ultimately fail to achieve an active, vibrant and cohesive activity centre as desired by State and local policy.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

- The longer-term economic, social and environmental benefits of the SNAC with a single retail core outweigh the marginal short-term economic benefit from locating part of the retail core remote from the subject site.
- Application of the C1Z to 221-229 Numurkah Road and 10 Ford Road and approval of the proposal would be premature in advance of structure planning processes, and therefore not in the interests of fair and orderly planning. It would set an unfortunate precedent in planning for activity centres in regional Victoria.

Economic Considerations

- There was insufficient economic justification for Amendment C193 while there is an opportunity to accommodate 14,000sqm of shop floor area on the existing 44,000sqm of land at the subject site.
- If a second supermarket was not able to be located on the existing C1Z land (or contiguous with it), from an economic perspective, the community would be better served if it was located at 221-229 Numurkah Road and 10 Ford Road. However, locating 13,675sqm of shop floorspace (including two full line supermarkets) in a single retail core on the subject site is the preferable outcome and would result in a marginally higher economic benefit compared to relocating a portion to another site.
- While recognising the frustration of Council over inaction of development on the subject site and economic expert advice that approval of a third supermarket would likely still result in only two full line supermarkets in operation in the SNAC (until such time there was demand for a third) the Advisory Committee was reluctant to leave the outcome to market forces as this was perceived to likely result in a poor planning outcome.

Net Community Benefit

- A greater community benefit for present and future generations will ensue from the development of the Permit than from any supermarket approval at 221-229 Numurkah Road and 10 Ford Road. Based on first planning principles, the subject site was seen to offer a superior planning outcome for a supermarket-based centre because.
 - the subject site is already in the C1Z that allows for commercial development;
 - there is an existing planning permit (the Permit) for two supermarkets and additional shop floor
 - the subject site is strongly supported by State and local planning policy as the preferred location for commercial activities:
 - the subject site is part of the preferred Activity Centre for Shepparton North;
 - there will be stronger synergies and economies of scale for two supermarkets on the one site;
 - the redevelopment of the subject site will provide a focal point for future development opportunities in the broader SNAC and surrounds through a properly considered Structure Plan with the core retail node as its heart.
 - realisation of the Permit for the subject site will provide for an overall net benefit for the Shepparton North community.

Activity Centre Structure Plan

- A well-prepared Structure Plan with appropriate planning guidance would:
 - ensure proper and orderly planning until the SNAC establishes most of its form;

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177 - 193 Numurkah Road, Shepparton

- support consistent planning decisions; and
- act as a prospectus for landowners and potential investors to provide certainty about how the SNAC will evolve and to encourage economic investment sooner.
- A Structure Plan is needed to ensure proper and orderly planning for the SNAC.

Advice on Way Forward / Final Recommendations

- Council should work objectively and collaboratively with the owners / developers of the subject site to
 facilitate its decision to support a proposal for two supermarkets, mini majors and specialty shops in a single
 retail core on the subject site, in the interests of the present and future Shepparton North community.
- Council should commence the preparation of a Structure Plan for the SNAC as soon as practically possible
 and within six months of the date of the Advisory Committee Report to ensure it can be completed in a
 reasonable time period of less than two years.
- The Structure Plan should be undertaken before deciding on any major retail development proposal outside the existing C1Z land.
- Whilst there is an urgent need for additional retail floorspace, this should not be achieved through an inferior planning outcome that will have generational consequences. There is immediate demand in the main trade area for the Shepparton North community to have convenient access to a second full line supermarket on the existing C1Z land now, rather than having to travel further for choice. This requires:
 - delivery of both stages of the approved development for the subject site as an integrated package without delay;
 - Council taking a proactive and facilitative role to ensure this can be achieved, with no further planning impediments; and
 - Council consider revising, through a separate planning process, the maximum retail floorspace specified in the Schedule to the C1Z land within the SNAC so that it reflects the floor area enabled through the Permit. Allowing land use and development in the core retail centre without a planning permit would encourage further economic development through increased certainty.

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177 - 193 Numurkah Road, Shepparton

4 The Application

The application to amend the Permit proposes:

- two full-line supermarkets situated in the northern half of the subject site, including supermarket 1 (3,800sqm) and supermarket 2 (3,600sqm);
- a row of retail tenancies on the south side of the supermarkets, including a 200sqm bottle shop, ranging in size from 165sqm to 600sqm (with flexible layouts), with internal malls providing separate pedestrian access to each supermarket behind;
- a row of specialty retailers adjacent to the Hawkins Street frontage ranging in size from approximately 165sqm to 300sqm (with flexible layouts) including a chemist at the south-west corner of the subject site and potential for a gymnasium towards the eastern end of the Hawkins Street frontage;
- a community centre measuring 200sqm at the very eastern end of the Hawkins Street frontage;
- centre management building between the two supermarkets including staff 'end of travel' facilities and public amenities:
- in total, 7,400sqm of supermarket floor space and a further 5,685sqm of retail floor space, including a bottle shop, chemist and potential gymnasium, and 200sqm of non-retail floor space (the community centre);
- 557 car spaces:
- car parking in three distinct areas, including carpark A (62 spaces) in the west setback of supermarket 1 adjacent to Numurkah Road, carpark B (249 spaces) and C (256 spaces) in the central part of the subject site flanked by the retail floor space (albeit carpark B has frontage to Numurkah Road) and separated by the entry boulevard into the subject site from Hawkins Street, and carpark D, which provides 10 dedicated staff spaces in the east setback of supermarket 2;
- bicycle parking nodes including within the pedestrian path adjacent to the supermarkets and between the retailers along Hawkins Street totalling 36 bicycle spaces, with a separate bicycle store for staff near the centre management building providing 24 spaces for staff;
- a loading dock in the north setback of each of the supermarkets and a 'click and collect' drive thru area in the east setback of supermarket 2;
- a service yard north of the centre management building including pump room, rainwater tanks and fire tanks;
- a main, multi-directional vehicle entry/exit from Hawkins Street a roughly the centre point of the frontage with a boulevard entry treatment culminating at a roundabout;
- a secondary, multi-directional vehicle entry/exit at the eastern end of the Hawkins Street frontage, including for use by large delivery vehicles accessing a ring-road running along the eastern site boundary, north site boundary behind the supermarkets and accessing recessed loading docks to each, with left-out access onto Numurkah Road:
- a left in / left out vehicle entry/exit to Numurkah Road roughly at the centre of the frontage;
- a left out only vehicle exit to Numurkah Road at the northern end of the frontage;
- a car park layout that provides for tree planting, shade sails and in some places, pedestrian walkways,

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

- formalisation of a 2-2.5 metres wide pedestrian footpath along Numurkah Road and Hawkins Street with connections to the new internal pedestrian network extending along the frontage of all retail outlets and around the carpark areas;
- modifications to the intersection of Numurkah Road and Hawkins Street to provide traffic signals and street lighting;
- a replacement bus shelter on Hawkins Street;
- removal of all existing native vegetation including three scattered native trees (Grey Box), as well as the
 exotic trees around existing carpark areas;
- new landscaping throughout, including what appears to be a 3-4 metres wide landscape strip along Numurkah Road (which is not dimensioned on the drawings), a 2 metres landscape strip along most of Hawkins Street and a 2 metres wide landscape strip along the eastern boundary, along the boulevard vehicle entry from Hawkins Street and at intervals throughout the carpark;
- signage throughout, including two pylon signs, one at each of the main vehicle entries off Hawkins Street and Numurkah Road:
- a contemporary architectural expression with a mix of skillion and flat roof forms, extended canopies and materials comprising pre-cast concrete and smooth and textured surfaces, timber and metal look cladding at prominent locations and a high extent of glazing, particularly to the smaller retail tenancies;
- total building height of 10.3 metres.

The key amendments to the proposal when compared with the drawings endorsed under the Permit can be broadly summarised as:

- development to occur in a single stage rather than two separate stages;
- the supermarket buildings repositioned in a side-by-side arrangement on the north side of the subject site, rather than in a north/south alignment in the centre of the subject site;
- removal of the centralised urban and town squares and consolidation of four, relatively separate, car parking areas at corners of the subject site into a larger, consolidated car park at the centre of the subject site between the proposed buildings, with a smaller car park in the north western corner, adjacent to Numurkah Road:
- deletion of the medical centre;
- addition of a separate bottle shop adjacent to supermarket 2, with the redeveloped supermarket 1 (Fairleys IGA) to retain an internal liquor store that forms part of the 3,800sqm floor space;
- addition of a click and collect area in the east setback of supermarket 2;
- retention of both mini majors, however a reduction to the floor area of one to 435sqm (previously 600sqm);
- similar building setbacks from the north and south boundaries, but changes to the siting of buildings such that majority of the built form is proposed along the northern boundary, rather than in a north-south alignment through the middle of the site, with smaller retail tenancies continuing to front Hawkins Street, albeit the revised proposal expands on this arrangement along most of the street frontage;
- various changes to vehicle access arrangements, including removal of left-in access at the northern edge of the Numurkah Road frontage, removal of the direct loading access from Hawkins Street and provision of the main boulevard entry from Hawkins Street rather than Numurkah Road;

HOLLERICH TOWN PLANNING PTY LTD



177 – 193 Numurkah Road, Shepparton

loading and unloading times extended to 6:00am to 10:00pm Monday – Sunday (previously 7:00am – 10:00pm Monday to Saturday and 9:00am – 6:00pm Sunday and public holidays).

Table 1 below has been taken from the permit applicant's submission and outlines the differences in floor space and car parking numbers between the approved and proposed developments.

Table 1 Summary of proposed amendments to floorspace and car parking

Туре	Approved (m2)	Proposed (m2)	Change (m2)
Supermarket (2)	8,000	7,400	-600
Shop	5,675	5,685	+10
Total retail	13,675	13,085	-590
Medical	350	0	-350
Community	200	200	0
TOTAL	14,225	13,285	-940
Car parking spaces	658	577	-81

Source: Centrum Town Planning, 2022, based on Doig Architecture, 2018, and TRG, 2022.

For ease of comparison, the endorsed site layout and proposed site layout are shown on the following page.



177 – 193 Numurkah Road, Shepparton



Figure 1: Endorsed Site Layout



Figure 2: Proposed Site Plan

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

5 Planning Policy Context

There is a breadth of planning policy that is of some relevance to this proposal. Therefore, only policies that have a more direct bearing on the assessment of the application to amend the Permit and our recommendations are summarised below.

5.1 Planning and Environment Act 1987

The following objectives of planning in Victoria under Section 4 of the Act are relevant to the assessment of the application.

- To provide for the fair, orderly, economic and sustainable use and development of land.
- To secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria.
- To facilitate development in accordance with the objectives of planning in Victoria.
- To balance the present and future interests of all Victorians.

It is acknowledged that these objectives are broad in intent however, given the potential implications of the application on the future planning of the activity centre, it is considered worthwhile outlining these objectives in this report.

5.2 Changes to Planning Policy Framework since issue of the Permit

Since the issue of the Permit there have been changes to the Greater Shepparton Planning Scheme (the Scheme) as summarised below.

Amendment C192 (Implementation of the CACS) was introduced into the Scheme on 7 June 2018 following the issue of the Permit in April 2018. As its names suggests, the amendment effectively implemented the recommendations of the CACS. This included amendments to the MSS to raise the hierarchy of the SNAC from a neighbourhood / township centre to a sub-regional centre and identified possible expansion of the SNAC to include land on the east side of Numurkah Road between Ford Road and Hawkins Street. Associated policies were updated encouraging the expansion and concentration of retail and commercial facilities in the SNAC. The outcomes of the amendment are now at Clause 17.02-1L, as summarised in more detail below.

Amendment C193 Part 1 facilitated a drainage scheme and basin for the local area.

Amendment C196 introduced the Design and Development Overlay – Schedule 9 (DDO9), which applies to the Shepparton North Gateway Commercial Precinct and essentially applies to all existing C2Z land around the subject site but not to the subject site itself.

The Planning Policy Framework was updated to the new format in March 2022 through Amendment C210gshe. It is understood however, that translation of the previous policies into the new format scheme has remained policy neutral, as outlined by the Explanatory Report that accompanied C210gshe, with no significant change in policy direction that

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

may alter the recommendations of the Advisory Committee on the proper planning of the SNAC or have a significant bearing on the way this application is assessed.

Whilst the above amendments have resulted in some material changes to the Scheme, they do not have any substantive implications for the assessment of this application to amend the Permit. The subject site remains the only C1Z land in the SNAC and in an area that is specifically identified as suitable for the expansion and concentration of additional retail and commercial facilities.

Whilst not yet part of the Scheme, following recommendations of the Advisory Committee Report, Council has advanced the Shepparton North Structure Plan (the Structure Plan). The Structure Plan has been prepared by Mesh, has been through an initial (informal) public consultation process and has now been adopted by Council (March 2023).

We understand that preparation of a formal planning scheme amendment process is underway to implement the Structure Plan into the Scheme. The amendment itself is still in its infancy and has not been authorised by the Minister for Planning. Notwithstanding, the adopted Structure Plan is clear on Council's expectations for how the subject site should be developed and the implications for the proposed Structure Plan and anticipated amendment are discussed in more detail later in this report.

5.3 Planning Policy Framework

A broad summary of the relevant sections of the current Planning Policy Framework is provided below.

Planning Policy	Relevant Objectives			
Municipal Planning Strategy				
Clause 2.02 - Vision				
Clause 2.02 - Vision	> The vision for the municipality has four main themes as follows:			
	 Social - Develop resilient, inclusive, healthy communities that make Greater Shepparton a safe and harmonious place to live, work, learn and play. 			
	 Economic - Build a thriving, resilient economy where Greater Shepparton is recognised as a competitive place to invest and grow business. 			
	 Built - Provide and support appealing relevant infrastructure that makes Greater Shepparton an attractive, liveable regional city. 			
	 Environment - Enhance and protect the clean, green environment that makes Greater Shepparton the unique place it is. 			
Clause 2.03 – Strategic Directions				
2.03-5 - Built Form and Heritage	Identifies advises that "the appearance of rural, industrial, retail and residential areas and main road approaches to urban centres is important in maintaining a strong level of civic pride. Improving architectural and urban design quality in the			

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

	built environment can strengthen Shepparton's image and identity as a regional
	centre."
2.03-6 - Economic	ldentifies that "the commercial and retailing centres fulfil both local shopping and discretionary shopping needs, with Shepparton CBD positioned as the principal retail centre in the region. The primary issue confronting the CBD's retail sector is competition from sub-regional centres outside the traditional retail core."
	> Advises that "council is committed to:
	 Reinforcing the Shepparton CBD as the principal retail centre in the region.
	Facilitating subregional retail facilities to serve local communities."
2.04 - Strategic Framework Plan	
Shepparton North Framework Plan	➤ The Shepparton North Framework Plan identifies the site as being within the settlement boundary but provides no strategic direction for the land. It is noted that two large tracts of land to the east of the site and north of Ford Road are identified as urban growth areas (and thus are expected to absorb significant residential growth).
Planning Policy Framework	
Clause 11 - Settlement	
11.02-1S - Supply of Urban Land	> To ensure a sufficient supply of land is available for residential, commercial, retail, industrial, recreational, institutional and other community uses.
11.01-2S – Structure Planning	> To facilitate the fair, orderly, economic and sustainable use of urban areas.
11.02-3S – Sequencing of Development	> To manage the sequence of development in areas of growth so that services are available from early in the life of new communities.
11.02-3L - Sequencing of	> Discourage out of sequence growth unless:
Development	 The land supply for the proposed type of development is being constricted elsewhere in the municipality and it is unlikely to become available within the designated sequencing.
11.03-1S – Activity Centres	> To encourage the concentration of major retail, residential, commercial, administrative, entertainment and cultural developments into activity centres that are highly accessible to the community.
	> Support the role and function of each centre in the context of its classification, the policies for housing intensification, and development of the public transport network.
	> Undertake strategic planning for the use and development of land in and around activity centres.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

11.03-2S – Growth Areas	➤ To locate urban growth close to transport corridors and services and provide efficient and effective infrastructure to create sustainability benefits while protecting primary production, major sources of raw materials and valued environmental areas.	
11.03-6S – Integrated Planning	> To facilitate integrated place-based planning.	
Clause 12 – Environmental and La	andscape Value	
Clause 12.01-2S – Native Vegetation Management	Ensure decisions that involve, or will lead to, the removal, destruction or lopping of native vegetation, apply the three-step approach in accordance with the Guidelines for the removal, destruction or lopping of native vegetation (Department of Environment, Land, Water and Planning, 2017):	
	 Avoid the removal, destruction or lopping of native vegetation. 	
	 Minimise impacts from the removal, destruction or lopping of native vegetation that cannot be avoided. 	
	 Provide an offset to compensate for the biodiversity impact from the removal, destruction or lopping of native vegetation. 	
Clause 13 - Environmental Risks a	and Amenity	
13.01-1S – Floodplain Management	> Avoid intensifying the impact of flooding through inappropriately located use and development.	
	Ensure land use on floodplains minimises the risk of waterway contamination occurring during floods and floodplains are able to function as temporary storage to moderate peak flows and minimise downstream impacts.	
13.07-1S – Land Use Compatibility	> To protect community amenity, human health and safety while facilitating appropriate commercial, industrial, infrastructure or other uses with potential adverse off-site impacts.	
13.07-1L-02 – Land Use Compatibility	> Locate major facilities serving catchments beyond the local level in commercial areas or on roads that avoid generating additional through traffic on residential streets.	
	Encourage larger childcare centres in excess of 40 children to locate along major roads.	
Clause 15 - Built Environment and Heritage		
15.01-1S – Urban Design	> To create urban environments that are safe, healthy, functional and enjoyable and that contribute to a sense of place and cultural identity.	
	> Require development to respond to its context in terms of character, cultural identity, natural features, surrounding landscape and climate.	

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

	Ensure development contributes to community and cultural life by improving th quality of living and working environments, facilitating accessibility and providin for inclusiveness.
	Ensure the interface between the private and public realm protects and enhance personal safety.
	Ensure development supports public realm amenity and safe access to walkin and cycling environments and public transport.
	Ensure that the design and location of publicly accessible private spaces, includin car parking areas, forecourts and walkways, is of a high standard, creates a saf environment for users and enables easy and efficient use.
	Ensure that development provides landscaping that supports the amenity attractiveness and safety of the public realm.
	Ensure that development, including signs, minimises detrimental impacts o amenity, on the natural and built environment and on the safety and efficiency or roads.
	Promote good urban design along and abutting transport corridors.
15.01-1L - 01 – Urban Design	Avoid building frontages with long expanses of solid walls by incorporating desig elements and a variety of materials that create articulation and visual interest.
	Encourage landscaping in new developments to mitigate the impact of building on the surrounds and provide additional vegetation in the canopy.
	Encourage retention of existing vegetation where practical.
	Encourage the use of indigenous and low maintenance plant species.
15.01-2S – Building Design	To achieve building design outcomes that contribute positively to the local contex and enhance the public realm.
Clause 15.01-4S – Healthy Neighbourhoods	To achieve neighbourhoods that foster healthy and active living and communit wellbeing
Clause 17 - Economic Developme	
17.01-1S – Diversified Economy	To strengthen and diversify the economy.
17.02-1S - Business	To encourage development that meets the community's needs for retainment, office and other commercial services.
	Ensure commercial facilities are aggregated and provide net community benefit i relation to their viability, accessibility and efficient use of infrastructure.
	Locate commercial facilities in existing or planned activity centres.
	Provide new convenience shopping facilities to provide for the needs of the loca population in new residential areas and within, or immediately adjacent to, existin

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

r	
	commercial centres.
	Provide small scale shopping opportunities that meet the needs of local residents and workers in convenient locations.
	Apply a 5 year time limit for commencement to any planning permit for a shopping centre or shopping centre expansion of more than 1000 square metres leasable floor area.
17.02-1L - Commercial Activity Centres	Support a hierarchy of commercial activity centres that promotes the primacy of the Shepparton CBD as a multi-function centre complemented by local centres for convenience shopping, as outlined below, with Shepparton North identified as a sub-regional centre, of which there are three (including Riverside and Mooroopna CBD).
	➤ Facilitate and support the expansion and concentration of additional retail and commercial facilities for the Shepparton North activity centre, between Ford Road and Hawkins Street on the eastern side of Numurkah Road, to reflect the designated sub-regional role and function of the centre.
17.02-2S – Out of Centre Development	Discourage proposals for expansion of single use retail, commercial and recreational facilities outside activity centres.
	Give preference to locations in or on the border of an activity centre for expansion of single use retail, commercial and recreational facilities.
	Ensure that out-of-centre proposals are only considered where the proposed use or development is of net benefit to the community in the region served by the proposal or provides small scale shopping opportunities that meet the needs of local residents and workers in convenient locations.
Clause 18 - Transport	
18.01-1S – Land Use and Transport Integration	> To facilitate access to social, cultural and economic opportunities by effectively integrating land use and transport.
18.01-2S – Transport System	> To facilitate the efficient, coordinated and reliable movement of people and goods by developing an integrated and efficient transport system.
18.02-1S - Walking	> To facilitate an efficient and safe walking network and increase the proportion of trips made by walking.
	Design walking routes to be comfortable by providing shelter from the sun through canopy trees, verandahs and other structures.
	Design direct, comfortable and connected walking infrastructure to and between key destinations including activity centres, public transport interchanges, employment areas, urban renewal precincts and major attractions.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

18.02-2S - Cycling	> To facilitate an efficient and safe bicycle network and increase the proportion of trips made by cycling.		
18.02-3S - Public Transport	> Plan and develop public transport to:		
	 Connect activity centres, job-rich areas and outer suburban areas. 		
	 Enable people to not have to rely on cars for personal transport. 		
	 Integrate bus and tram networks and stops and public transport interchanges in new development areas, including key urban renewal precincts and outer-suburban areas. 		
	 Integrate with land use and development in outer suburban and growth areas. 		
18.02-4L – Road System	> Discourage the use and development of land that prejudices the levels of service, safety and amenity of the Goulburn Valley Highway.		
	Avoid the introduction of new direct access roads to the Goulburn Valley Highway by providing access through the local road system or service road, if possible.		
Clause 19 - Infrastructure			
19.02-4S - Social and Cultural	> Encourage the location of social and cultural infrastructure in activity centres.		
Infrastructure	Plan and design community places and buildings so they can adapt as the population changes and different patterns of work and social life emerge.		
19.02-4L – Community Facilities	> Promote clustering of facilities to enable multi use and sharing of community facilities.		
19.03-3S – Integrated Water Management	> To sustainably manage water supply and demand, water resources, wastewater, drainage and stormwater through an integrated water management approach.		

5.4 Commercial 1 Zone (C1Z)

As outlined above, the subject site is in the C1Z, which is purposed:

- to implement the Municipal Planning Strategy and the Planning Policy Framework.
- to create vibrant mixed use commercial centres for retail, office, business, entertainment and community uses.
- to provide for residential uses at densities complementary to the role and scale of the commercial centre.

Pursuant to Clause 34.01-1 there is no planning permit required for use as retail premises. A planning permit is not required for use as shop, which includes supermarket, bottle shop and convenience shop, unless the total leasable floor area exceeds an amount outlined in a relevant schedule. The relevant C1Z schedule sets a floor space cap of

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

8,000sqm for the subject site. As the proposal exceeds 8,000sqm (13,085sqm is proposed), a planning permit is required.

A planning permit is required to use land for the purpose of a restricted recreation facility (gymnasium) and a restricted place of assembly (community centre).

Pursuant to Clause 34.01-4 a planning permit is required for building and works.

Decision guidelines relevant to the use and development of land in the C1Z are listed at Clause 34.01-8.

The following image indicates the zoning pattern in the local area, including substantial C2Z land to the north, south and west, Numurkah Road being in the TR2Z, IN1Z land immediateluy east, recently subdivided residential land in the General Residential Zone – Schedudle 1 (GRZ1) further east, and Public Park and Recreation Zone (PPRZ) land to the south-west.

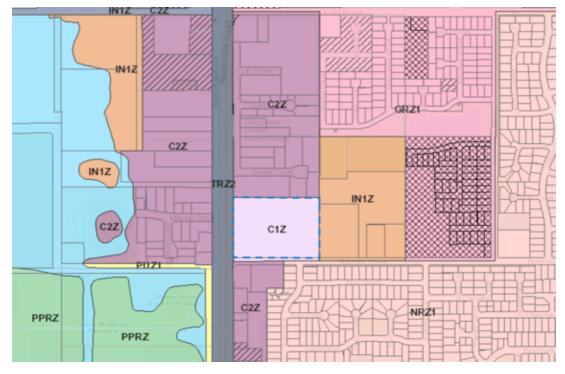


Figure 3: Zoning Pattern in the Local Area (source: VicPlan)

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

5.5 Overlays

5.5.1 Land Subject to Inundation Overlay (LSIO)

The most relevant purposes of the LSIO include:

- to ensure that development maintains the free passage and temporary storage of floodwaters, minimises flood damage, responds to the flood hazard and local drainage conditions and will not cause any significant rise in flood level or flow velocity.
- to minimise the potential flood risk to life, health and safety associated with development.
- to protect water quality and waterways as natural resources by managing urban stormwater, protecting water supply catchment areas, and managing saline discharges to minimise the risks to the environmental quality of water and groundwater.

Pursuant to Clause 44.04-2 a planning permit is required to construct a building or to construct or carry out works in the LSIO.

Referral is required to the relevant floodplain manager pursuant to Clause 44.04-7 who is Goulburn Broken Catchment Management Authority (GBCMA) and their referral response is summarised in Section 6.2 of this report.

Various decision guidelines are listed at Clause 44.04-8.

The LSIO extents are shown on the map insert below.



Figure 4: LSIO Extents (source: VicPlan)

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

5.4.2 Specific Controls Overlay, Schedule 3 (SCO3)

The subject site is affected by the SCO3. This control facilitates a particular land use or development outcome through an incorporated document that may otherwise not be allowed by the scheme. To this end, the control states that an incorporated document may:

- allow the land to be used or developed in a manner that would otherwise be prohibited or restricted;
- prohibit or restrict the use or development of the land beyond the controls that may otherwise apply;
- exclude any other control in this scheme.

The SCO3 references the Goulburn-Murray Water: Connections Project and Water Efficiency Project Incorporated Document, November 2021, which is purposed to allow land use and development that would facilitate irrigation modernisation works undertaken either by or on behalf of the Goulburn Murray Rural Water Corporation. The specific controls in this document prevail over any inconsistent provisions in the Scheme.

The proposal does not involve irrigation infrastructure upgrades that would be captured under this provision, and is not being undertaken by, or on behalf, of Goulburn Murray Water. This authority has, however, been notified of the proposal and their referral response is summarised in Section 6.2 of this report.

5.5 Particular Provisions

Only those Particular Provisions that trigger a planning permit (or may otherwise be likely to trigger a planning permit) for the proposal are summarised below.

5.5.1 Clause 52.02 - Easements, Restrictions and Reserves

Clause 52.02 is a statutory mechanism to remove or vary an easement or restriction to enable a use or development that complies with the Scheme following consideration of the interests of affected people.

The proposal involves the extinguishment of Easement E-3, which is a redundant easement in the north-east corner of the subject site and formerly utilised for water supply purposes. The Permit approves the removal of this easement and there are no prevailing circumstances (i.e. an objection from any beneficiary) that would lend to a different conclusion. However, as the easement remains on title, the Permit continues to seek approval to remove the easement.

5.5.2 Clause 52.05 - Signs

The purpose of Clause 52.05 is to regulate signage infrastructure and ensure that signs are visually compatible with the area, do not result in visual clutter or loss of visual amenity and do not compromise the efficiency of any road.

Pursuant to the C1Z, the relevant sign category at Clause 52.05 is Category 1 – Commercial Areas, which has minimum limitation. The proposal involves the installation of two internally illuminated, pylon signs that require a planning permit.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

These signs are similar to the two pylon signs approved under the Permit, however they have been increased in width by 400mm (3 metres to 3.4 metres) and relocated to be adjacent the new access points from Numurkah Road and Hawkins Street. Notably, only one pylon sign continues to present to each street.

Additional signage has also been shown on the elevation plans including two large, business identification signs above the canopy entrances to each supermarket. These signs will identify the supermarkets in their adoptive motifs and colours (i.e. red colouring for the Coles sign). A further two, business identification signs are proposed on the north elevation of the supermarket buildings similarly identifying the respective supermarket businesses. Click and collect signage and indicative locations of signs associated with the proposed chemist have also been shown on the drawings.

5.5.3 Clause 52.06 - Car Parking

Clause 52.06 seeks to ensure the appropriate provision of car parking to all development. Table 1 of Clause 52.06 outlines the car parking requirements for a range of uses. If these requirements are not met a planning permit is required for car parking dispensation.

The approved development meets the statutory car parking requirements. The amended proposal seeks a reduction to the parking requirement under Clause 52.06. The following table provides a summary of the required and proposed car parking rates for the various proposed uses.

Land Use	Floor Area	Statutory Parking Measure	Statutory Parking Requirement	Proposed Parking
Supermarket 1	3,800sqm	5 to each 100sqm of leasable floor area	190	
Supermarket 2	3,600sqm	5 to each 100sqm of leasable floor area	180	
Other Shop	5,335sqm	4 to each 100sqm of leasable floor area	213	
Gymnasium (restricted recreation facility)	350sqm	To satisfaction of responsible authority	-	
Community Centre (restricted place of assembly)	200sqm	To satisfaction of responsible authority	-	
			583 spaces + parking for gymnasium and community centre	577 spaces

A Traffic Impact Assessment has been prepared by Traffic Works on behalf of the applicant. This Assessment includes the gymnasium floor space in the 'other shop' calculation and applies the car parking rate for 'office' to the community centre, subsequently calculating a statutory parking rate of 605 car spaces. Based on the calculations in the Traffic Impact Assessment a parking dispensation for 28 spaces is being sought.

The merits of reducing the parking requirements of Table 2 at Clause 52.06 are discussed below having regard to the submitted Traffic Impact Assessment, noting that no advice from Council's Engineering Department was received to inform this report.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

The suitability of the revised vehicle access arrangements, pedestrian pathways, loading and unloading and bicycle provision are also discussed below.

5.5.4 Clause 52.17 - Native Vegetation

The purpose of Clause 52.17 (Native Vegetation) is outlined below.

- Avoid the removal, destruction or lopping of native vegetation.
- Minimise impacts from the removal, destruction or lopping of native vegetation that cannot be avoided.
- Provide an offset to compensate for the biodiversity impact if a permit is granted to remove, destroy or lop native vegetation.

A planning permit is required to remove, destroy or lop native vegetation unless an exemption applies. There are no relevant exemptions in this case and a planning permit is required to remove the three (3) 'scattered' trees identified as Grey Box that are in the vacant, eastern portion of the subject site.

This component of the application has not changed, noting that permission was previously granted to remove the trees in question. There have been no significant changes to the planning control or relevant policy since the issue of the permit that may otherwise warrant reconsideration of this aspect of the proposal.

It is assumed that a vegetation assessment was submitted as part of the former proposal and this assessment informed existing permit Condition No. 12 – Native Vegetation Offsets, which conveys the offset requirement of Clause 52.17. It appears that this condition of the Permit would continue to adequately, and appropriately, address this aspect of the application.

5.5.5 Clause 52.27 - Licensed Premises

Clause 52.27 (Licensed Premises), seeks to ensure that:

- licensed premises are situated in appropriate locations; and
- the impact of the licensed premises on the amenity of the surrounding area is considered.

Under Clause 52.27 a planning permit is required to use land to sell or consume liquor if a license is required under the Liquor Control Reform Act 1998. A packaged license is required under Liquor Control Reform Act 1998 to operate a retail liquor store such as the proposed bottle shops and therefore a planning permit is required under Clause 52.27.

Decision guidelines outlined by Clause 52.27 include the following.

- The impact of the sale or consumption of liquor permitted by the liquor licence on the amenity of the surrounding area.
- The impact of the hours of operation on the amenity of the surrounding area.
- The impact of the number of patrons on the amenity of the surrounding area.
- The cumulative impact of any existing licensed premises and the proposed licensed premises on the amenity
 of the surrounding area.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

The proposal continues to incorporate two bottle shops, one in supermarket 1 and a second along side supermarket 2 and from the mall. Whilst the current endorsed plans do not identify the bottle shop locations and total areas, the bottle shops will continue to operate as integral components of the supermarkets in discrete locations away from site interfaces.

Condition 15 of the Permit limits the opening hours of the bottle shops to 9am - 10pm and the applicant is not seeking to change these hours of operation.

5.5.6 Clause 52.29 – Land Adjacent to the Principal Road Network

Clause 52.29 (Land Adjacent to the Principal Road Network) compels a planning permit for the creation or alteration of an access to a road in a TRZ2 (Numurkah Road). Whilst Amendment VC205 (January 2022) updated this clause since the issue of a Permit, there are no substantive changes to the control itself, which notably identifies the new Department of Transport as the relevant referral authority (formerly Vic Roads).

The vehicle access arrangements from Numurkah Road have been altered as detailed above and in the submitted Traffic Impact Assessment, particularly with respect to the northern access point, which is now restricted to left out movement only (formerly left in / left out).

No referral response has been received from the Department of Transport to inform this report.

5.6 Incorporated and Background Documents

Outlined below is a summary of the Incorporated Documents (Clause 72.04), Background Documents (Clause 72.08) and other Council adopted documents that are relevant to the Application but that do not have any formal implementation through the Scheme.

Planning Strategy	Date/Status	Relevant Objectives
Hume Regional Growth Plan	May 2014 Incorporated into all Victorian planning schemes at Clause 11 (Amendment VC106)	 Provides broad direction for regional land use and development in the region and more detailed planning frameworks for key regional centres including Greater Shepparton. The associated Urban Framework Plan for Shepparton identifies land at the corner of Hawkins and Numurkah Roads (the subject site) as a major activity centre. Major urban growth in the Goulburn Valley region is to be focused within Shepparton.
City of Greater Shepparton Commercial Activity Centre Strategy (CACS)	November 2015 Adopted by Council in November 2016 Incorporated into planning	 Seeks to clarify the role and function of activity centres within Greater Shepparton and sets out future retail/commercial floorspace requirements for activity centres. Is specifically purposed to maintain the Shepparton Central Business District (CBD) as the primary focus for retail and commercial investment in the region.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

scheme 7 June 2018 (Amendment C192)

- Designates Shepparton North as a Sub-Regional Centre with good capacity for growth, noting that it currently lacks diversity in retail and commercial activities due to being dominated by a single use supermarket.
- Identifies the Shepparton North Sub-Regional Centre as land at the north-east corner of Numurkah Rd/Hawkins Street (existing Commercial 1 Zone) on Map 2.1 – Proposed Hierarchy Map, Greater Shepparton
- Identifies all neighbouring C2Z land as an 'Enterprise Corridor' (Gateway North Numurkah Road) on Map 2.1 Proposed Hierarchy Map, Greater Shepparton. Defines this corridor as "a mixed-business area that includes a mix of homemaker retail, showroom and other commercial businesses relying on significant exposure to passing traffic and is accessible to the regional road network".
- Advises that shops, major entertainment and commercial uses are more appropriately located in activity centres.

Shepparton North Activity Centre

- Identifies that the existing SNAC (comprising the subject site) contains approximately 4,000 square metres retail floor space and well under the shop floorspace allowance of 8,000 square metres for the SNAC (and 900 square metres for office) in the Scheme.
- Observes that whilst the supermarket on the subject site is one of the best-performing independent supermarkets in Victoria, the role of the centre in meeting community need is currently limited due to the lack of supporting specialty shops and other non-retail uses that would typically characterise a centre of this type.

Conveys the following features and key issues relevant to the Shepparton North Activity Centre:

Potential Expansion

"the opportunity exists for the Shepparton North Activity Centre to expand within the existing planning framework for the centre that includes a shop floorspace cap of 8,000m2 and significant land in the Commercial 1 Zone that is currently vacant. This opportunity for expansion has not been realised."

Growing Demand

Identifies that the northern parts of the Shepparton urban area are highly likely to experience continued population growth buoyed by the development north-east growth corridor situated a short distance to the east of the Shepparton North Activity Centre anticipated to further increase demand for additional facilities to meet the needs of the anticipated expanding population.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

Mix of Uses

 Identifies that currently there is a limited mix of uses in the Shepparton North Activity Centre which is inconsistent with the expectations of both planning policy and the general community.

Future Role

 Advises that for the SNAC to realise its anticipated function in the activity centre hierarchy as a sub-regional centre it must contain a broader range of retail and commercial functions.

Centre Layout

Identifies that opportunities for expansion could "represent an extension of the existing Commercial 1 Zoned land or, if required, a new area within the Commercial 1 Zone located elsewhere in that part of the Shepparton North Gateway between Ford Road and Hawkins Street in which a range of commercial uses are currently concentrated."

Enterprise Corridors

- Identifies the enterprise corridor defined as the Shepparton North Gateway "includes those parts of Numurkah Road (Goulburn Valley Highway) generally located between Pine Road in the south and extending north for approximately 900 metres to include those areas within the Commercial 2 Zone." Identifies that the Shepparton North Activity Centre is located within, but does not comprise part of, the enterprise corridor.
- Identifies that the enterprise corridor currently has a particular focus on rural and trade supplies, with only a limited number of homemaker (bulky goods) type uses.

Conveys the following features and key issues relevant to the Shepparton North Gateway / Enterprise Corridor:

Role and Function

Enterprise corridors are seen to have an important role in accommodating a range of retail and general business uses that benefit from exposure to passing traffic and which benefit from the availability of large and relatively low cost sites, however they do not include uses which are more appropriately located in activity centres.

Integrated Land Use Planning

 Enterprise corridors in Greater Shepparton do not have the same integrated planning and development framework that applies to activity centres.

Relationship with Adjacent Activity Centres

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

• Advises that "the ongoing planning and development of these activity centres should at least recognise the adjacent enterprise corridors and respond to the activities and uses in these precincts. Furthermore, it may be appropriate in the future for parts of the enterprise corridors to be formally incorporated into the activity centres, if and when required to meet future community need."

The CACS provides the following relevant actions and guidance for the Shepparton North Activity Centre as follows:

Action 1

 Encourage the expansion of retail and commercial facilities in the existing C1Z area so that residents of Shepparton North are provided with an enhanced range of local convenience shopping facilities and services

Action 2

 Provide a range of retail and non-retail facilities in the SNAC that are consistent with its sub-regional status in the activity centres hierarchy.
 This could include the addition of a second full-line supermarket and enhanced supporting retail (not including a major non-food retail anchor such as a discount department store).

Action 3

Ensure that future development of the SNAC takes place in a manner supported by appropriate urban design and planning guidance. In indicative terms, an increase of 6,000m2 in shop floorspace may be supported on land outside the existing C1Z at Shepparton North, which is sufficient to accommodate a second supermarket and supporting retail such as specialty shops. This should be subject to detailed assessment through application of the Planning and Development Assessment Criteria to any proposal.

An appropriate site in the area fronting the Goulburn Valley Highway between Ford Road in the north and Hawkins Street in the south can be endorsed for this extension to the C1Z.

Action 5

 Once the location of an expanded C1Z in Shepparton North is identified, develop an urban design framework or similar assessment that provides appropriate guidance on how the centre can develop in a manner that provides a high-level of amenity to shoppers and is consistent with best-practice activity centre development guidelines. If required, apply a Development Plan Overlay (DPO) or similar mechanism to the Shepparton North centre.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

		Action 6
		Allow for the development of a small local centre in association with the new north-east residential growth area. This centre will meet local convenience needs only and will not include uses (such as a full-line supermarket) that would be more appropriately located in the Shepparton North Activity Centre.
		It is also stated that "Although retaining a contiguous area of land in the Commercial 1 Zone is a preferred outcome, the potential for expansion on other available sites in the area between Ford Road and Hawkins Street may be required to achieve the required growth in retail and commercial activity."
Urban Design Framework, Shepparton North and	Adopted by Council July 2017	The document is an addendum to Shepparton North and South Business Areas Urban Design Framework (2006) and applies to the Shepparton North Gateway Commercial Precinct.
South Business Areas (Addendum) 2017		> Conveys various objectives and design requirements for:
(Addendani) 2017	DDO9	façade treatment, architectural features, materials and finishes;
	incorporated into planning	 massing, building height and street wall height;
	scheme June 2018 (Amendment 196)	 upper building, street, side and rear setbacks;
		roof form, roofline;
		 access points and crossovers;
		parking;
		landscaping;
		front gardens; and
		■ signage.
		Recommended that a Design and Development Overlay be applied to the precinct. Amendment C196 subsequently introduced the DDO9 to the precinct on 28 June 2018. The DDO9 does not apply to the subject site but it does affect adjacent C2Z land.
Shepparton and Mooroopna 2050 – Regional City Growth	Adopted by Council 30 March 2021	This is a high level strategic document that makes recommendations on identified opportunities for urban growth and other initiatives to achieve the vision for Shepparton and Mooroopna
Plan		> Identifies Shepparton North as a sub-regional centre.
		➤ Identifies the need to prepare a structure plan for the Shepparton north sub-regional centre in the short term at Strategy 1.4 - Strengthen and Support the Growth of the Business Community.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

Shepparton North East Precinct Structure Plan	Approved by Minister 4 October 2019 (Amendment C118)	The Precinct comprises 146 hectares of developable land with up to 1,500 new dwellings or approximately 4,000 residents. It is expected to take 20 to 30 years to fully develop. Notably the precinct includes a local convenience centre situated on the east side of Verney Road approximately 1km south-east of the site.
Shepparton North Sub-Regional Activity Centre Structure Plan	Adopted by Council March 2023 Formal planning scheme amendment currently being prepared	Council engaged a planning consultant in November 2021 to prepare a Structure Plan for the SNAC. The Structure Plan is intended to guide the future use and development of the SNAC to achieve an integrated, commercially diverse activity centre that can support the needs of the growing Shepparton North residential population. It is aimed to achieve appropriate connections to surrounding commercial, recreational and residential areas in the wider Shepparton North area. The Structure Plan boundaries include the C1Z land that forms subject site, the existing C2Z land to the north, west and south, industrial land to the immediate east and further west, residential land to the east and north of Ford Road and the PPRZ land to the south-west. The structure planning for the area has advanced significantly since issue of the Permit. The Structure Plan has been through a non-statutory community consultation process and was adopted by Council in March 2023. It is understood that a planning scheme amendment is now being prepared, noting that it has no formal standing as authorisation from the Minister has not yet been sought. The implications of the Structure Plan as it relates to the application are discussed in detail below, noting that whilst the Structure Plan does not form part of the Scheme, it offers guidance regarding Council's expectations for use and development of the subject site and surrounding land, and broadly seeks to respond to the recommendations of the Advisory Committee Report regarding the future structure planning of the SNAC.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

6 The Application Process

Outlined below is commentary relevant to the documentation submitted with the Application, including their recommendations, as well as a general summary of the referral comments and objections to the proposal.

6.1 Application Documents

Numerous documents have been submitted in support of the Application. We do not propose to summarise these documents in detail however, the following key observations are noted.

- While architectural drawings for proposals of this scale often lack some design detail, there are some
 important aspects of the proposal that appear to be lacking in detail / clarity, as broadly summarised below.
 - There is limited detail regarding certain aspects of the proposal, with some information absent (such as the width of the landscape setback along Numurkah Road).
 - There is little detail regarding existing site levels and contours. In turn, there is limited information provided regarding the finished levels of areas outside of the proposed buildings and no detail of how any change in level between the proposed buildings and the adjacent car parks will be managed, including in how stormwater and flooding will be managed. It is considered that this information is important to the assessment of the application to amend the Permit.
 - There is little design detail provided to indicate what the ultimate buildings will look like, acknowledging that this can be difficult to provide on a project of this scale. Nevertheless, it would be appropriate to request more detail of likely façade treatments in key locations, such as the address to Hawkins Street. While it is preferrable that this information inform assessment of the application, it could be required through conditions added to the Permit seeking larger scale drawings for particular aspects of the proposal.
- The Landscape Master Plan is very broad in its content with little specific detail provided to demonstrate that the indicated landscaping is achievable. For example, it would be reasonable to request further details of aspects of the landscape proposal, including the boulevard planting along the main vehicle entry/exit from Hawkins Street and detail regarding how the 2 metres wide landscape strip along Hawkins Street will be resolved. In addition, there is no indication of new plantings in the road reservations adjacent to the subject site, which we believe would be a reasonable expectation for this type of development.
- The Stormwater Management Plan prepared SPIRE Consulting is in 'Draft' form. It recommends, among other things, an overland flow path through the subject site to the Yakka Basin to the north-east of the subject site and the potential need for pumping arrangements in the recessed loading docks to the rear of the supermarket, subject to detailed design. It is considered that further resolution of aspects of the stormwater management plan would better inform assessment of this application, particularly in the absence of detailed site levels.
- The Traffic Engineering Assessment prepared by Trafficworks outlines that the general car parking and access arrangements are appropriately designed, subject to some relatively minor design recommendations that could be adopted into the Permit via conditions. This Assessment finds that while the proposal seeks a

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

reduction in the statutory car parking requirements, the number of car spaces exceeds the anticipated demand for the subject site.

6.2 Referrals

The application to amend the Permit has been referred to numerous external authorities who have generally provided support subject to updated planning permit conditions. A summary of these referral comments is provided below.

- Goulburn Valley Water (GVW) no objection subject to conditions which appear to vary slightly from Condition 21 – Goulburn Valley Region Water Corporation and would require updating in the event an amended Permit is forthcoming.
- Goulburn Broken Catchment Management Authority (GBCMA) no objection subject to conditions, including minimum FFLs (noting that the Application drawings do not appear to respond to these requirements). It is noted that the advice references "retail buildings west of the proposed mall", however it is unclear which mall is being referred too (two malls are proposed) and this may require clarification. The requested condition varies Condition 20 Goulburn Broken Catchment Management Authority, which would require updating if an amended Permit was to issue.
- Goulburn-Murray Water (GMW) no objection subject to various conditions. There are GMW conditions on the Permit and it is anticipated the requested conditions would be inserted under separate heading.

We understand that referral responses have not yet been received from Public Transport Victoria or the Department of Transport.

The Department of Transport comments on the proposal are considered critical to the consideration of the Application, notwithstanding the amended access arrangements to Numurkah Road would appear to reduce potential impacts on this road (by removal of one of the left-in access points). Nevertheless, the existing VicRoads conditions make reference to the proposed approved under the Permit and will need to be updated should an amended Permit be issued.

We have also not been made aware of any internal referral responses from relevant Council departments such as Engineering, Sustainability and Environmental Health.

6.3 Objections

Extensive public notice was undertaken including mail outs to surrounding owners and occupiers and signs being erected on the subject site in accordance with the requirements of the Act.

We understand that a single objection to the application has been received from Lascorp Investment Group Pty Ltd, the owners of land at 219, 221-229 and 231-237 Numurkah Road and 10 Ford Road, Shepparton (the site at the northern end of the SNAC that has been subject to separate planning the Advisory Committee report).

A broad summary of this objection is provided below.

 While acknowledged that the application has strategic support, it does not meet key design objectives of the SNAC Structure Plan

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

- The proposal does not provide a gateway site to the Hawkins Street and Numurkah Road intersection, or a community use at this location, as outlined by the Structure Plan.
- The proposal does not provide an east-west open space link through the centre of the subject site or other infrastructure to increase walkability and connectivity through the subject site. Clear pedestrian view lines to green open space have not been provided despite this being a key objective of the Structure Plan.
- No SIDRA assessment has been provided for the Hawkins Street and Numurkah Road intersection, with reliance on the report associated with the previously approved application. Furthermore, the traffic report submitted by the applicant acknowledges that signals are required to manage this intersection but references a design year of 2032 with no discussion on interim arrangements.
- Further detailed design of this intersection is required.
- Hawkins Street should be widened along the site frontage to provide sufficient width for a shared path, nature strip and services.
- The traffic report relies on outdated data from 2016.
- Loading access should operate in a clockwise direction through introduction of additional access point from Numurkah Road so as to provide heavy vehicle traffic with improved access to the Bypass (anti-clockwise heavy vehicle access is proposed by the application).

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

7 Assessment of the Application

The following assessment is focused on the planning merits of the amendments to the Permit, particularly the revised site layout, having regard to relevant planning policy and the broader strategic and built form context of the area. We believe that this assessment is best considered under a series of key headings, as outlined below.

7.1 Does the amended proposal achieve strategic support?

As a starting point, it is useful to understand the strategic policy background and the changes that have occurred since the issue of the Permit, and the potential implications for the proposal.

At the time the original application was considered, Clause 21.06-5 (Commercial / Activity Centres) was the primary guiding policy. It identified the subject site (known as 'Fairleys (Numurkah Road)') as the activity centre in Shepparton North with a definitive boundary that was limited to the subject site and the C1Z.

Since issue of the Permit, the CACS was introduced to the Scheme in June 2018 through Amendment C192. The outcomes of the CACS were given effect through the introduction of a new Activity Centre Hierarchy, which elevated Shepparton North to a 'Sub-Regional Centre' and introduced the Business Framework Plan. The CACS sits as a reference document to what is now Clause 17.02-1L — Commercial Activity Centres and is therefore a relevant consideration as part of this assessment, noting that the overall retail floor space proposed on the subject site is similar to that approved by the Permit.

Whilst the Business Framework Plan identifies the area between Ford Road and Hawkins Street as a location for potential expansion of the SNAC, and thus tentatively broadened the activity centre boundary, this shift in policy does not fundamentally alter or undermine the strategic status of the subject site as the activity centre core and the preferred location for retail consolidation and expansion. To this end, the CACS states that "retaining a contiguous area of land in the Commercial 1 zone is a preferred outcome" (p.117) and specifically encourages the expansion of retail and commercial facilities in the existing C1Z, including a second full line supermarket.

The following relevant key actions for Shepparton North are conveyed on p. 117 of this document.

- Encourage the expansion of retail and commercial facilities in the existing C1Z area so that residents of Shepparton North are provided with an enhanced range of local convenience shopping facilities and services.
- Expand the Shepparton North centre to provide a range of retail and non-retail facilities that are consistent
 with sub-regional status in the activity centres hierarchy. This could include the addition of a second full-line
 supermarket and enhanced supporting retail (not including a major non-food retail anchor such as a discount
 department store).
- Ensure that future development of the Shepparton North centre takes place in a manner supported by appropriate urban design and planning guidance. In indicative terms, an increase of 6,000sqm in shop floorspace may be supported on land outside the existing C1Z at Shepparton North, which is sufficient to accommodate a second supermarket and supporting retail such as specialty shops. This should be subject to detailed assessment through application of the Planning and Development Assessment Criteria to any proposal.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

Consider implementation of a maximum shop tenancy size that restricts a discount department store or other major non-food based anchor 'shop' tenant in the Shepparton North centre (similar to that applied to a supermarket in Riverside Plaza). This will ensure large anchor tenants better suited to the CBD or Shepparton Marketplace are not located in the Commercial 1 Zone at Shepparton North.

Ultimately, whilst the CACS entertains the idea of expansion of the SNAC outside of the C1Z boundaries, it is only where a second supermarket is not fulfilled on the subject site. The proposal remains wholly consistent with the preferred outcome, which is to achieve both full-line supermarkets and supporting retail on the subject site in the C1Z.

This position is supported by the Advisory Committee Report, which informed the outcome of the combined rezoning and supermarket development proposal for 221-229 Numurkah Road and 10 Ford Road (which it ultimately did not support). The relevant findings have been summarised at Section 3.2 of this report, however in short, the Advisory Committee found that the subject site offered a superior outcome for any supermarket based centre. This view was formed having regard to the existing zoning, the Permit, location within the SNAC, economies of scale by locating two supermarkets on the one site, and opportunity to create a retail core and a focal point for future development within the broader SNAC.

In moving forward, the Advisory Committee encouraged Council to work "objectively and collaboratively with the owners / developers of the Fairleys IGA land to facilitate its decision to support a permit for two supermarkets, mini majors and specialty shops in a single retail core on the existing C1Z land, in the interests of the present and future Shepparton North community."

As is stands, the key strategic documents for the SNAC since issue of the Permit place strong impetus on realising a core retail development that includes two supermarkets and supporting specialty shops on the subject site. This development is to act as an anchor to the SNAC and provide the key retail services to meet the needs of the growing local community. There is no other strategically preferred site for this type of development at the current time.

Turning to the relevant policies in the Scheme, Clause 2.04 (Strategic Framework Plan) and Clauses 11.01-1S (Settlement), 11.01-1R (Settlement – Hume), 11.02-1S (Supply of Urban Land), 11.03-1S (Activity Centres), 17.02-1S (Business) and 17.02-1L (Commercial Activity Centres) all provide strong strategic support for the proposal.

Clauses 11.01-1S (Settlement) and 11.03-1S (Activity Centres) definitively seek the concentration of services and facilities within planned activity centres to create compact urban centres that are readily accessible to local communities. It is sought to "support the continued growth and diversification of activity centres to give communities access to a wide range of goods and services, provide local employment and support local economies."

Clause 17.02-1S (Business) seeks to ensure commercial facilities are aggregated and located in existing or planned activity centres where they provide the highest net community benefit having regard to viability, accessibility and sustainability in terms of efficient use of infrastructure.

Local policy content at Clause 17.02-1L (Commercial Activity Centres) recognises the sub-regional activity centre in Shepparton North and seeks to expand and concentrate additional retail and commercial facilities on land between Ford Road and Hawkins Street which includes the subject site.

It is clear that high level strategic policy continues to support the use and development of a significant commercial development on the subject site and it is expected to operate as the retail core of the SNAC.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

Having regard to changes to the proposal, the applicant has argued that the amendment will not fundamentally alter what is being delivered and the ability of the proposal to create a central retail hub to adequately service the growing Shepparton North community. To this end, it will continue to provide two supermarkets, a similar amount of retail floorspace and a community centre.

Changes to the land use mix include a reduction to the floor space of the two supermarkets by 600sqm (8,000sqm to 7,400sqm), reduction to the floor space of the specialty shops (including mini-majors) by 340sqm (5,675sqm to 5,335sqm), deletion of the medical centre and provision of a restricted recreation facility / gymnasium (350sqm). There is no change to the community centre floor space which remains at 200 square metres.

Whilst the medical centre has been deleted, the applicant has submitted that proposed commercial floor space could be adapted at a later date for particular uses, such as medical centres, should private operators emerge in the future (noting this would be subject to an amendment or separate planning approval). Until interested parties are established, it is the applicant's position that such facilities are difficult to plan for and construct.

Whilst recognising the loss of the medical centre reduces land use diversity, it is not considered a significant downfall of the application. Arguably, the proposal should find a balance between providing an appropriate land use mix that best meets the community needs, whilst also providing the flexibility required to attract end tenants.

The subject site fundamentally must achieve a substantial retail core in line with the C1Z and relevant policies described above which, despite the loss of some floor space and removal of the medical centre, it continues to achieve.

There will remain scope for supporting health and community facilities in the broader SNAC as it develops, noting that a medical centre is a permissible use in the C2Z. Furthermore, it is highlighted that Council's adopted Structure Plan for the SNAC identifies retail, commercial/retail, fine grain commercial uses and a community use on the subject site. Ultimately, the provision of a broad range of retail uses, including a wide variety of shops will assist to best meet the immediate needs of the local community and best respond to the purpose of the C1Z.

The land use mix is considered appropriate having regard to the C1Z ordinance, the identified needs of the local community and the anticipated broadening of the SNAC as part of the emerging Structure Plan discussed further

7.2 Does the amended proposal offer an appropriate urban design outcome?

It is the design aspects of the proposal and site layout where the greater level of change is proposed. It is understood that Council has sought specific advice on the urban design aspect of the proposal, and the following assessment therefore offers a general overview in anticipation that the more detailed elements of the design will be commented on in the specific urban design response.

Notably, the subject site is not affected by the DDO9, unlike surrounding C2Z land. In the absence of a more directive control, assessment of built form outcomes is guided by relatively broad planning policy, including Clauses 2.03 (Built Form and Heritage) and the Urban Design policies at Clause 15.01-1S and 15.01-1L.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

Clause 15.01-1L-01 references the Addendum to the Urban design Framework - Shepparton North and South Business Areas (Planisphere, July 2017). Whilst this document informed the DDO9 and the design guidance is focused on development in the adjacent C2Z, it provides some guidance for the main gateway sites on p.19 and encourages high quality architectural and design outcomes that elevate the appearance of the precinct and engage with the important entry and land use transition roles of this precinct.

There is no doubting that the proposal continues to present a quality of design that is significantly better than most buildings in the locality and offers an appropriate building scale, a reasonable level of articulation to elevations and suitable building materials such that the development would present as a modern supermarket complex.

As per the requirements of the Act, assessment of this application to amend the Permit must focus on the proposed amendments, and the assessment below has been put in this context, with the key changes between the approved and proposed development proposals summarised in Section 4 of this Report.

Provided below is our assessment of the positive and negative aspects of the amended proposal from a design perspective, noting that these comments and based on general policy objectives in the absence of specific planning policy guiding urban design on the subject site.

The relationship of each proposal to Numurkah Road is similar, albeit the amended proposal:

- provides a wider landscape strip along the street frontage (albeit not dimensioned on the drawings), which is a positive design outcome along this important interface;
- restricts the northernmost access point to an exit only (not left-in / left-out), which is a positive design outcome;
- reduces the setback from Numurkah Road, and size of the car park within the setback, which is a positive
 outcome to bring the built form and key development closer to a primary road frontage, thus increasing its
 presence within the broader SNAC;
- continues to include upgrade works to the Numurkah Road footpaths adjacent to the subject site, and provision of a signalised intersection at Hawkins Street, which are positive aspects of the design;
- presents a largely featureless wall to Numurkah Road at the western end of supermarket 1, which is a key
 deficiency in the design when compared to that approved under the Permit; and
- removes the boulevard entry treatment originally proposed from Numurkah Road but now proposed from Hawkins Street, which is a negative aspect of the amended proposal.

It could reasonably be argued that neither the approved, nor proposed site layout provide the best possible relationship with Numurkah Road, with both proposals including extensive car parking along this frontage, thus limiting the presence of this important development within the SNAC and the Numurkah Road streetscape. However, as mentioned above, assessment of this application is limited to the changes between the proposals and therefore this arrangement has to a large degree, already been approved under the Permit, albeit, as suggested in more detail later in this report, the arrangement at the western end of supermarket 1 as it presents to Numurkah Road be improved.

The relationship of each proposal to Hawkins Street is also similar, albeit the amended proposal:

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

- presents a more homogenous architectural expression to the street, with reduced extents of glazing and some repetitive design elements, as opposed to the various architectural response as approved, which is seen as a negative outcome;
- extends the amount of retail floor space along this frontage, which is a positive aspect of the design;
- provides a boulevard entry statement into the subject site from the main access to Hawkins Street, which is a positive aspect of the proposal;
- removes the direct loading access from Hawkins Street (provided to supermarket 1 in the approved proposal), which is a positive design outcome; and
- reduces the extent of landscape and tree planting along the Hawkins Street abuttal, which is not a negative outcome if the small building setbacks from Hawkins Street are appropriately designed.

Ultimately, whether the Hawkins Street address is a positive outcome will be determined by the quality of the detailed design.

Ensuring that the narrow landscape strips are appropriately planted will be important and the limited direct pedestrian access to tenancies along this abuttal is of potential concern. Ensuring the retail spaces provide an appropriately active address to Hawkins Street (given they all appear to have their key entries and address to the car park within the subject site) will also be important, as it was with the previous proposal. This is evidenced by the Section 173 Agreement required by Condition 3 of the Permit, which seeks to ensure that views between the adjacent streets and these retail tenancies is maintained by future tenants / occupants.

Greater design detail should be required of both of the built form and landscape outcome proposed along this interface to ensure that an appropriate outcome is achieved. Noting also that there appears limited potential to provide new landscape to within the Hawkins Street reservation adjacent to the subject site once the shared path and altered road infrastructure is catered for. Some tree planting within the subject site along this interface will be important. Furthermore, we believe that the repetitive nature of the Hawkins Street elevation should be reviewed to provide greater diversity in the architectural expression, particularly given the length of this abuttal.

These concerns could potentially be addressed by requiring through permit conditions detailed elevations at a larger scale or a more detailed façade strategy for this interface.

Where consideration of the amended proposal is less directly comparable is the altered layout of the supermarkets within the subject site, noting that the key change to the proposal is the siting of both supermarkets in a side-by-side arrangement along the northern boundary of the subject site, as opposed to in a north-south arrangement through the middle of the site approved by the Permit.

A key deficiency of the amended proposal is the loss of the 'town square' and 'urban square', which removes any substantial publicly accessible external area from the proposal.

Furthermore, the side-by-side arrangement of the supermarkets with separate internal 'malls' and the placement of retailers in a linear alignment along the southern wall means that all tenancies, particularly the supermarkets, have little physical connection. As a result, the layout encourages the supermarkets and adjacent tenancies to in effect operate as two separate entities on the subject site, as opposed to a single, integrated development, which is encouraged by planning policy. This is emphasised by there being no direct pedestrian connection between the supermarkets and their associated malls.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

It is considered that an opportunity to create a centralised gathering space for the public has been missed by the design, despite town square style elements being common in more recently developed activity centres / shopping centres and despite planning policy encouraging development of this site to be a focal point for the local area.

To this end, removal of the 'town square' and 'urban square' diminishes the likelihood of the site functioning as a retail 'hub' for the broader community and significantly reduces the public realm amenity of the proposal. It would appear the area north of the roundabout at the culmination of the boulevard entry from Hawkins Street would present a good opportunity to co-locate a public square fronted by retail tenancies. This would also assist in reinstating the east-west green corridor through the subject site that was approved under the Permit.

The revised supermarket siting has enabled the provision of a ring road arrangement for heavy vehicles servicing the supermarkets via the eastern and northern boundaries of the subject site. This is seen as a positive outcome of the design, particularly in the removal of the direct loading access previously approved from Hawkins Street, as discussed above. Comments from the objector about reversing the movements to make them clockwise through the subject site to provide heavy vehicles with more direct access to the Bypass are noted and should be reviewed and commented on by Council's traffic engineers and the Department of Transport.

It is considered that the proposed landscape outcome for the subject site could be improved by providing additional tree planting along the main east-west accessway through the subject site (as per the approved design) to complement the boulevard entry from Hawkins Street. This could be achieved through the removal of some car spaces (notably the parallel car spaces on the northern side of the main east-west access road), subject to Council's traffic engineers supporting a reduction in the number of car spaces. Care should also be taken to ensure that adequate tree planting can be achieved throughout the car park.

7.3 Is the application appropriate from a traffic, car parking and access perspective?

Ultimately, traffic engineering matters are subject to assessment by others that are more qualified in this discipline, including the Council traffic engineers and the Department of Transport, with lack of formal feedback from either being a concern.

Specifically, we believe that comments are required on the following issues.

- Appropriateness of the revised access arrangements and signals at the Numurkah Road and Hawkins Street intersection and whether their design needs to be based on updated traffic data.
- The appropriateness of the minor car parking dispensation sought by the application and whether a further reduction of car spaces (notably the parallel spaces to the north of the main east-west access road) would be acceptable to improve the overall design.
- Provision of an updated set of Department of Transport conditions for the Permit.

7.4 Does the application meet the flood requirements?

The documentation provided by the application and the relevant referrals appear to demonstrate that the amended proposal is appropriate generally from a flood and stormwater drainage perspective, noting that the referral from GBCMA outlines conditional support for the proposal subject to minimum FFLs for various parts of the proposal.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

As outlined in Section 6.2 of this report, the GBCMA referral is not entirely clear in its requirements and should be clarified

It appears that the FFLs of at least some of the proposed buildings would need to be increased in response to the GBCMA referral and will need to be appropriately incorporated into the design. The lack of detailed site level information provided on the drawings (notably, there are no levels indicated for the car parking areas) makes it difficult to ascertain whether the increased FFLs required by GBCMA will present any design issues.

The stormwater management plan submitted by the Applicant identifies the potential need for pumps to service the lowered / recessed loading dock areas to the north of the supermarkets and this should be appropriately referenced by any future conditions of the Permit.

7.5 How does the amended proposal respond to the Structure Plan and how much weight should the Structure Plan be given?

Structure planning for the SNAC commenced after the issue of the Permit in 2018 in response to recommendations of the Advisory Committee. Significant progress has been made on the Structure Plan in the past 12 months with adoption of the Structure Plan by Council in March 2023.

It is understood that a planning scheme amendment is now being prepared to implement the Structure Plan, noting that authorisation from the Minister for Planning regarding this amendment has not yet been sought. As a result, the Structure Plan and associated planning scheme amendment cannot be considered as being 'seriously entertained' and therefore have little, if any, weight in the consideration of this application to amend the Permit.

Notwithstanding, the Structure Plan conveys Council's vision and development expectations for the subject site and broader precinct and therefore necessitates discussion in this report, particularly as the Structure Plan includes further detailed design consideration for how the subject site may be developed, in the absence of such policy guidance in the Scheme.

Having regard to the strategic outlook for the subject site, the Structure Plan identifies it as Precinct 1 – Retail Core, where a continued commitment to developing an activity hub is encouraged. It is stated that "redevelopment in the Retail Core should celebrate its community focal point and public realm and open space asset. Improved open space outcomes are important within this precinct.

In Precinct 1 – Retail Core, the following is sought by the Structure Plan.

- Retain the southern gateway site as the retail core precinct, established by two key anchor tenants as the major retail area of the SNAC.
- Encourage a wide range of uses including supermarkets, specialty retail, food and drink, medical uses, and convenience shops which will be encouraged as the precinct establishes to provide supporting services for workers, such as cafes, post office or pharmacy.
- Improve pedestrian links between key retail tenants and through car parks, including links to networks that connect open spaces, including Yakka and Hawkins Basins and the Shepparton Sports and Recreation Precinct.
- Encourage intensity of land use and built form.

HOLLERICH TOWN PLANNING PTY LTD



177 - 193 Numurkah Road, Shepparton

- Encourage more internally focused development to activate gathering spaces and ensure pedestrian scale built form outcomes.
- Create an urban gateway at the Precinct entry from Numurkah Road (Goulburn Valley Highway) northbound.
- Ensure built form establishes and reinforces a strong built form edge to Numurkah Road/Goulburn Highway.
- Provide pedestrians with clear view lines towards green open space.
- Facilitate integration and connection with adjoining precincts (Commercial Corridor, Peripheral Residential
 and Commercial Core) through appropriate built form outcomes and the creation of both north/south and
 east/west road connections.
- Enhance car parking and loading areas through landscaping, circulation paths and covered walkways.



Some commentary around how the proposal meets / does not meet the Structure Plan objectives is provided below:

Site Layout

The proposed building layout appears discordant with the preferred layout in the Structure Plan, which anticipates two anchor supermarkets in a north/south alignment close to Numurkah Road sleeved by commercial/retail along the west façade facing Numurkah Road together with fine grain commercial premises along the internal north/south facades (facing each other) and the east facades. Instead, the proposal positions the supermarkets in a side-by-side arrangement along the north boundary with their primary frontages facing the central carparks. As a result there is limited 'connection' between the supermarkets or external retailers, which are generally arranged in a linear fashion diminishing the likelihood of the site functioning as a connected 'hub'. It is noted that the approved development, while having the

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177 - 193 Numurkah Road, Shepparton

supermarkets in a north-south arrangement, is not consistent with the Structure Plan given the areas of car parking along Numurkah Road

- The built form setback from Numurkah Road (over 30 metres to supermarket 1, 24.4 metres to the side edge of the closest retailer except for the corner chemist) does not appear to achieve the strong built form presence desired for the Numurkah Road interface, and the orientation of buildings and positioning of car parking to this street edge reduces street activation. Again, the approved development is similarly inconsistent with this aspect of the Structure Plan.
- Car parking in the Numurkah Road setback and to the centre of the subject site is at odds with Structure Plan, which concentrates carpark areas to the eastern half of the subject site where these areas would have the least visual impact to the primary street interface, being Numurkah Road. Again, the approved development is similarly inconsistent with this aspect of the Structure Plan.
- The Structure Plan envisions a fairly prominent / landmark community building at the south-west corner of the subject site. The community centre remains towards the eastern end of the Hawkins Street frontage, similar to the approved development.
- Car parking through the centre of the subject site dislocates the southern retailers from the supermarkets
 and adjacent tenancies in north of the subject site and reduces the likelihood of the site functioning as a
 connected 'hub' (albeit three dedicated pedestrian connections are provided).
- Whilst the expansion of retail in a continual linear arrangement along the Hawkins Street potentially improves activation to this street interface, the Structure Plan clearly contemplates the 'frontage' of the precinct to read toward Numurkah Road.

Future Connections

- A central east-west road and adjacent linear open space ultimately connecting Numurkah Road through to the neighbouring site (and future residential area) to the east is envisioned. This east-west connection is provided by the amended proposal, albeit without the associated linear open space and urban plaza elements. The approved development similarly provides this east-west link, albeit with a greater focus on greening this link and providing public spaces along it.
- A north-south road connection adjacent to the east boundary that would ultimately connect through to Shelby Court to the north is indicated. The amended proposal does indicate a future access road along the east boundary that could realise this element of the Structure Plan. The approved development is similar in this regard.

As outlined above, there are some key disparities between the Structure Plan and the amended proposal, albeit many of the disparities are also evident in the development approved under the Permit.

It is considered that applying the objectives outlined by the Structure Plan is premature as a planning scheme amendment to implement the Structure Plan has not yet been prepared, let alone authorisation from the Minister sought.

Furthermore, as outlined above, assessment of this application is required to focus on the amendments between the approved and proposed developments, with the development approved under the Permit also being at odds with various key aspects of the Structure Plan and the amended proposal not significantly exacerbating these inconsistencies.

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177 - 193 Numurkah Road, Shepparton

For these reasons it is considered that the Structure Plan has little bearing on the assessment of this application.

7.6 Are there any other matters requiring consideration?

We note that there is a lack of planning policy in the Scheme regarding environmentally sustainable design and the Application also provides no information in this regard. Notwithstanding, given the scale of the project, we believe that the inclusion of some environmentally sustainable features would be appropriate, be that re-use of stormwater for toilets and the like, or the provision of solar panels, particularly given the significant expanse of roof that is proposed. We believe there to be adequate policy guidance under Clause 15.01-2S to require such elements to the design, despite not being required by the Permit to-date.

We believe that a 'red line' plan demonstrating the licensed areas should potentially be sought by a new permit condition in the event an amended permit is forthcoming, noting that this appears to have been omitted from the original approval.

The proposed signage amendments appear appropriate. The pylon signs remain acceptable and consistent with the outcomes sought by Clause 52.05. Despite being slightly wider than previously approved, they are appropriately located at the main entrance points, offer single, consolidated signage and therefore avoid visual clutter, and are cognisant of signage in a commercial area on a main road location.

The supporting signs also appear generally acceptable in terms of the size and scale in relation to the host building, location, related use and frequency, and are consistent with what would reasonably be expected in a commercial centre such as that proposed by the application. The applicant's suggestion to require further details of signage as a permit condition (in the event one is issued) would appear reasonable.

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177 - 193 Numurkah Road, Shepparton

8 Conclusion and Recommendation

As outlined above, while we believe the amended proposal has merit and that it should ultimately be approved, there are aspects of the amended proposal that should be improved prior to this approval being issued. There is potential for these issues to be addressed as a conditional requirement of any amended Permit that may be approved, albeit it may be difficult to appropriately articulate these matters through conditions. Should it be considered that these matters cannot be adequately addressed through conditions then the application should be refused with grounds reflecting the matters summarised below.

The following matters should be addressed as part, or prior to, any approval of the application.

- Increased activation should be achieved at the western end of supermarket 1 as presented to Numurkah Road. A featureless façade of the size proposed is inappropriate at this key site address and greater activation should be ideally achieved through provision of increased retail floor space along this façade, noting that re-design of the supermarket is unlikely to achieve an appropriate outcome. An architectural treatment to the façade may address these concerns however, given the interface with the broader SNAC to the north, providing an active address in this location is clearly preferrable.
- A public / town square element should be reintroduced into the proposal, most likely to the northern side of the roundabout at the centre of the subject site. This element of the approved development is considered an important feature for the broader community and it is expected would be a positive design feature to provide a focal point for the development and the centre more broadly. This public square element should be used to provide greater direct connection between the two supermarkets and avoid them operating as two separate shopping centres, as is likely the case with the current proposal. Landscape within the town square should complement that along the boulevard entry from Hawkins Street and the additional tree planting along the east-west access road as detailed below.
- Increased tree planting should be achieved along the east-west accessway through the subject site. This could be achieved through removing the parallel car spaces along the northern side of the accessway and potentially increasing the landscape elements at the end of the parking rows to the south of the accessway, noting that an adequate number of car spaces must be retained on the subject site.
- It is suggested that Condition 1 include specific requirements for further detailed design resolution of the Hawkins Street interface, including landscape and pedestrian treatments in the narrow street setback, and to ensure that an appropriate interface between the retail floor space and the street is achieved. This condition should require that greater direct activation of Hawkins Street be achieved, where possible and should ensure that tree planting is achieved, at least in places, along this interface. Condition 3 should be retained to address potential concerns regarding this interface.

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