

MINUTES

FOR THE
GREATER SHEPPARTON CITY COUNCIL

ORDINARY COUNCIL MEETING

HELD ON
TUESDAY 16 AUGUST, 2016
AT 5.30PM

IN THE COUNCIL BOARDROOM

COUNCILLORS:

Cr Dinny Adem (Mayor)
Cr Fern Summer (Deputy Mayor)
Cr Chris Hazelman
Cr Jenny Houlihan
Cr Les Oroszvary
Cr Dennis Patterson
Cr Kevin Ryan

VISION

*A THRIVING ECONOMY IN THE FOODBOWL OF VICTORIA WITH
EXCELLENT LIFESTYLES, INNOVATIVE AGRICULTURE
A DIVERSE COMMUNITY AND
ABUNDANT OPPORTUNITIES*

8. SUSTAINABLE DEVELOPMENT DIRECTORATE

8.14 Combined Amendment C193 (Shepparton North)

Disclosures of conflicts of interest in relation to advice provided in this report

Under section 80C of the *Local Government Act 1989* officers and persons engaged under a contract providing advice to Council must disclose any conflicts of interests, including the type and nature of interest.

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

Council Officers involved in producing this report

Author: Principal Strategic Planner

Proof reader(s): Team Leader Strategic Planning, Manager Planning

Approved by: Director Sustainable Development

Other: Principal Statutory Planner

Executive Summary

An application has been received for a combined planning scheme amendment and planning permit. The application is for the development of land at 221-229 Numurkah Road and 10 Ford Road, Shepparton North for a Woolworths supermarket and associated specialty stores, medical centre, childcare centre and community floorspace.

The application includes a planning permit as well as rezoning land from the Commercial 2 Zone to the Commercial 1 Zone. The drainage requirements for this site trigger an upgrade to the regional drainage structure (Yakka Basin) servicing this catchment. As such, a Public Acquisition Overlay will be placed over land adjacent to the eastern boundary of the site, to ensure appropriate drainage infrastructure is provided to this site and continues to be available for the broader catchment via the Yakka Basin (see *Attachment 1 – PAO*).

It is proposed to construct a Woolworths supermarket including the sale of liquor and associated retail stores, with a total 'shop' floor area of 5,739 square metres, 500 square metres for medical centre purposes and 252 square metres for community purposes. A 90 place child care centre is also proposed for the southern portion of the site, with the adjoining site to the east retained for future development. A total of 344 car spaces are proposed to service the supermarket and speciality stores and a further 22 car spaces are allocated to the child care centre use. Access to the development is via two access and egress points off Goulburn Valley Highway (Numurkah Road) and Ford Street while the loading bay will be located to the rear of the supermarket (see *Attachment 2 - Submitted Plans*).

Several background reports have been prepared to ensure the proposed development will result in an acceptable planning outcome, including an Economic Impact Assessment (EIA) undertaken by Macroplan Dimasi Pty Ltd on behalf of the applicant. The EIA examines the impact of the proposed supermarket centre on the immediate surrounds and Shepparton Central Business District (CBD). The conclusions and recommendations of these background reports have informed the proposed planning scheme amendment and permit conditions.

8. SUSTAINABLE DEVELOPMENT DIRECTORATE

8.14 Combined Amendment C193 (Shepparton North) (continued)

The EIA concludes no significant detrimental impact on the CBD. This has been independently reviewed by Hill PDA Pty Ltd on behalf of Council. The review found that the assumptions and findings of the EIA were generally correct and that the development proposal is reasonable and would expand the range of jobs, services and goods offered in the north growth area. The review also found that the proposed development's trading impacts are likely to be concentrated on other supermarkets, are considered reasonable and are unlikely to have significant negative impacts on speciality stores in the Shepparton CBD.

The proposed development supports existing Council policies and complies with the Greater Shepparton Planning Scheme. The proposed development is consistent with the recommendation of the *Commercial Activity Centres Strategy, November 2015* (Strategy), prepared by Essential Economics Pty Ltd, and adopted by Council at the February 2016 Ordinary Council Meeting.

It is proposed to prepare and exhibit a combined planning permit and planning scheme amendment to facilitate the proposed development. The purpose of this report is to brief the Council on the proposal and request for authorisation.

Moved by Cr Oroszvary
Seconded by Cr Hazelman

That, in accordance with Division 5 of the *Planning and Environment Act 1987* (The Act) for Amendment C193 to the Greater Shepparton Planning Scheme and combined planning permit application 2016-269 applying to 221-229 Numurkah Road and 10 Ford Road, Shepparton North, the Council:

1. seek authorisation from the Minister for Planning to prepare the combined planning scheme amendment and planning permit; and
2. exhibit the combined amendment and permit in accordance with Section 96C of the *Planning and Environment Act 1987*.

CARRIED.

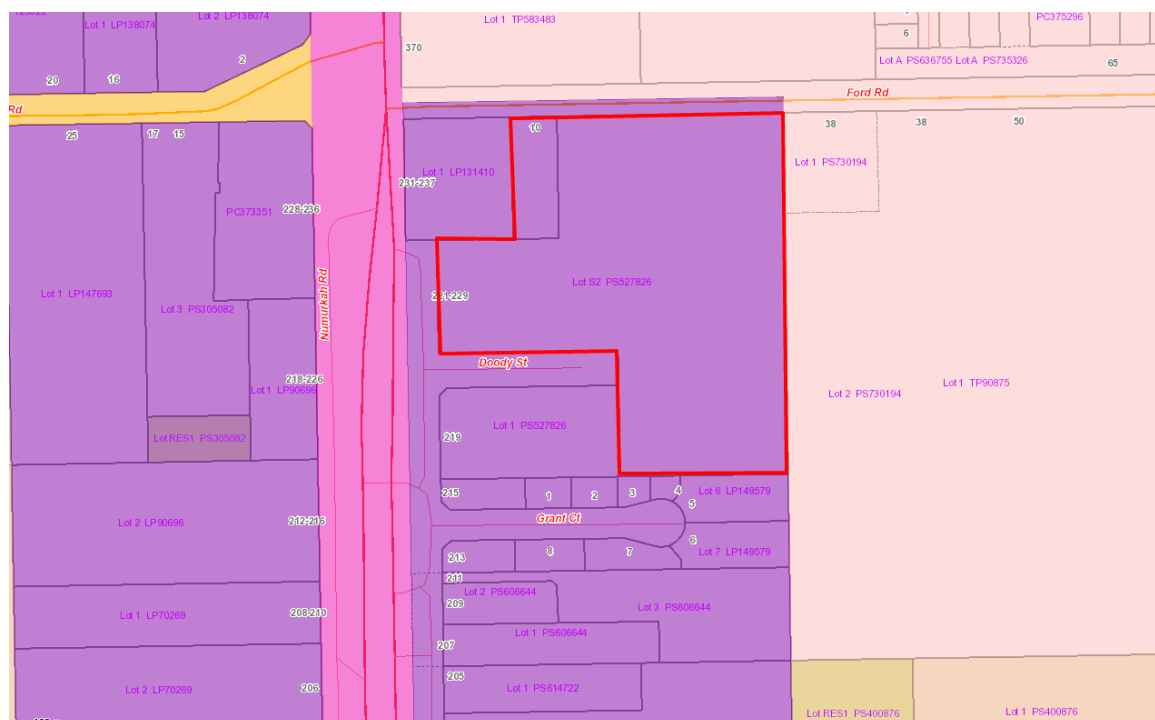
Background

A request for a combined planning permit and planning scheme amendment to the Greater Shepparton Planning Scheme was received by Council on 25 June 2016. The request proposes to provide a Neighbourhood Activity Centre in Shepparton North, at 221-229 Numurkah Road.

The subject site is approximately 3.8ha of land with frontages to Ford Road (north) and Numurkah Road (west). The land is relatively flat and is currently used for agricultural purposes. The land is within the Commercial 2 Zone (see Figure 1 – *Zoning Map*).

8. SUSTAINABLE DEVELOPMENT DIRECTORATE

8.14 Combined Amendment C193 (Shepparton North) (continued)



100 m

Figure 1 – Zoning Map

An amendment to the Greater Shepparton Planning Scheme is required to rezone the land to allow the proposed supermarket development on the site. Under the provisions of the Commercial 2 Zone, the use of land for a supermarket with a floor area of greater than 1800 square metres is prohibited. Therefore, as outlined in the *Commercial Activity Centre Strategy*, the land will be required to be rezoned to Commercial 1 Zone to facilitate the proposed development.

A combined planning permit request has been lodged in accordance with Section 96A of the *Planning and Environment Act 1987*, to be progressed in conjunction with this planning scheme amendment, for the development of the site for a supermarket and associated speciality stores, medical centre and community space. Specifically, the planning permit allows:

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

8. SUSTAINABLE DEVELOPMENT DIRECTORATE

8.14 Combined Amendment C193 (Shepparton North) (continued)

The development will comprise of the following key elements:

- A full line supermarket comprising 3,960 square metres which includes an area for the sale of liquor. The loading dock to the supermarket will be located on the east side of the building with access provided from Doody Street.
- Specialty retail tenancies wrapping around the supermarket building along its west and north sides with a total floor area of 1,349 square metres. The specialty retail tenancies are expected to comprise a variety of uses including shops, cafes, takeaway food premises and other retail uses.
- A combined chemist and medical centre is proposed adjacent to the south west corner of the supermarket. This tenancy will have a floor area of 930 square metres of which approximately 500 square metres will be used for the medical centre and 430 square metres for the chemist.
- A 252 square metres tenancy near the north east corner of the supermarket is proposed to be used for community/Council purposes.
- A 90 place child care centre is proposed with an accompanying car park area providing 22 spaces, on a separate title to be created through a subdivision process ensuring access to the site via Doody Street.
- One pylon sign is proposed to be located along Numurkah Road and two located along Ford Road, all extending to a height of 11 metres. 'Signage zones' (showing where tenancy signs will ultimately be located) are also shown on the plans. Whilst the detail of the signage is not yet known the signage zones are useful in showing the intent and extent of the proposed signage scheme.
- Council has identified that the proposed development triggers an upgrade to Council's drainage infrastructure for the catchment. Spiire Australia Pty Ltd was appointed to prepare a drainage plan for the entire catchment, to ensure the availability and accessibility of this drainage infrastructure for the broader catchment. A PAO will be applied to this land, along the western boundary of the adjacent site and an area of approximately 1.65ha to the east of the existing Yakka basin.

Assessment under the *Planning and Environment Act 1987*:

The proposal meets objectives of planning in Victoria as required by the *Planning and Environment Act 1987* (see *Attachment 3 - Explanatory Report*). It proposes to balance the interests of the community through the provision of a high quality, supermarket centre within community facilities, which will not detract from nor be detrimental to, the CBD shopping precinct. The amendment will also ensure a pleasant, efficient and safe working, living and recreational environment by generating regional benefits through additional employment and service provision.

The amendment helps to strengthen the existing businesses and the economy of the region through the provision of the proposed development in an area designated for a larger Neighbourhood Activity Centre. The development is located in an area of considerable growth, with an identified need for additional retail services.

Assessment under the Greater Shepparton Planning Scheme:

State Planning Policy Framework

Council officers have undertaken an assessment of the application against the requirements of the State Planning Policy Framework (SPPF) The SPPF of the Scheme seeks to ensure that land use and development planning policies in Victoria meet the objectives of planning in Victoria as set out in the *Planning and Environment Act 1987*.

8. SUSTAINABLE DEVELOPMENT DIRECTORATE

8.14 Combined Amendment C193 (Shepparton North) (continued)

It is considered that the proposal satisfies a number of objectives and strategies of the SPPF, including balancing conflicting objectives in favour of net community benefit and developing a network of activity centres that differ in size and function for the focus of our business, shopping and working.

Local Planning Policy Framework

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

Clause 21.06-5 identifies an Activity Centre Hierarchy based on the findings of the *Greater Shepparton 2030 Economic Development Report*. The hierarchy identifies 'Fairleys Numurkah Road' as a Neighbourhood/Township Centre. Proposal responds to the strategies for Commercial/Activity Centres included in the Clause, including facilitating the expansion of the neighbourhood centre in the north.

A full assessment against the LPPF is provided in *Attachment 3 – Explanatory Report*.

City of Greater Shepparton Commercial Activity Centres Strategy, November 2015

The *Commercial Activity Centres Strategy November 2015* was adopted by Council at an Ordinary Council Meeting on 15 February 2016. The Strategy:

- Provides a clear understanding of the role and function of urban and rural activity centres in Greater Shepparton; and
- Identifies future retail/commercial floor space requirements for activity centres

The Strategy was informed by an extensive consultation program, with Essential Economic Pty Ltd using the information and data collected during the consultation phase to undertake an in-depth economic and demographic analysis to project the future retail and commercial needs of the Municipality and broader region over the next fifteen years.

A key objective of the Strategy was to support the Shepparton CBD as the primary activity centre for retail and commercial activities in the region. The Strategy identifies the relationship between economic activity, population levels, demographics and social sustainability of activity centres. By understanding these relationships, the Strategy provides guidance on the level, type and timing of growth that can be supported in each activity centre without compromising the role and function of the Shepparton CBD.

The proposal is in accordance with the recommendations of the Strategy, which identifies the Shepparton North activity centre as one of three sub-regional centres activity centre which are described as important locations for retail and commercial activity. The Strategy provides strategic planning guidance for the expansion of C1Z at Shepparton North. This confirms that the most appropriate location is an expansion of the existing C1Z. However, the Strategy acknowledges that this may not be achievable and recommends that another site between Ford Road and Hawkins Street may be required; this will be subject to site suitability and availability.

The proposal responds to the main features and issues for consideration in relation to the centre, providing a second full line supermarket to the region to service a growing population and demand.

8. SUSTAINABLE DEVELOPMENT DIRECTORATE

8.14 Combined Amendment C193 (Shepparton North) (continued)

The proposal responds to the specific actions for Shepparton North including encouraging the expansion of retail and commercial facilities and ensures the development takes place in a manner supported by appropriate urban design and planning guidance. This matter is further discussed in *Attachment 3 – Explanatory Report*.

Drainage

Council officers have identified that the proposal triggers an upgrade to the Yakka Basin and associated drainage infrastructure, to ensure the basin continues to be able to service the growing catchment. The amendment will include a Public Acquisition Overlay to provide continued access and drainage infrastructure for Yakka Basin catchment. The applicant will be expected to fund all costs associated with this process and the upgrading of the infrastructure to service their proposal. Council officers have also sought an independent review of the proposal from Spiire Australia Pty Ltd, who have provided a number of recommendations in relation to any drainage proposal for the application.

Traffic

The applicant submitted a *Traffic Engineering Assessment* from Traffix Group Pty Ltd in support of their application, providing for access off the Goulburn Valley Highway. This will be independently reviewed by GTA Consultants Pty Ltd on behalf of Council and changes recommended to best comply with traffic safety and the provisions of the Planning Scheme. VicRoads has requested further information to assist with their review of the application and have provided feedback regarding appropriate access to the site.

Car Parking

The proposal provides 366 spaces, exceeding the statutory car parking requirement for the application, while the layout and access are considered to be in accordance with the requirements of the Planning Scheme and Australian Standards. The independent assessment advised the car park layout is generally appropriate and made recommendations in relation to further complying with the provisions of the Planning Scheme.

Amendment C192

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

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

8. SUSTAINABLE DEVELOPMENT DIRECTORATE

8.14 Combined Amendment C193 (Shepparton North) (continued)

Council Plan/Key Strategic Activity

The Strategy is consistent with the vision and strategic goals of the *Greater Shepparton City Council: Council Plan 2013-2017*. In particular, it implements the following:

Goal 3: *Economic Prosperity*

- Objective 2: *Ensure retail strategies deliver appropriate outcomes for the community.*
- Strategy: *Develop, adopt and commence implementation of a Retail Strategy.*

Goal 4: *Quality Infrastructure (Built)*

- Objective 3: 'Encourage sustainable municipal growth and development'.
- 'Greater Shepparton City Council, as one of Australia's fastest growing inland regional cities, recognises that it is important to manage growth in a structured and sustainable manner.
- In consultation with the Victorian Government and community stakeholders, we will continue to develop a planning framework that ensures that our growth and development does not compromise our enviable lifestyle'
- An objective of the Municipal Strategic Statement (MSS) at Clause 21.06-5 (Commercial/Activity Centres) of the Planning Scheme is "to have a hierarchy of viable activity centres";
- An action of the *Greater Shepparton 2030 Strategy (2006)* is to "undertake a Retail/Commercial Floorspace Strategy to investigate the potential additional floor space with an economic impact assessment on the expansion of the centres relative to population projections"; and
- The *Planning Scheme Review Report 2014*, adopted by Council at the Ordinary Council Meeting held on 21 October 2014, identified the 'need to complete' a Commercial Activity Centre Strategy.

Risk Management

Risk	Likelihood	Impact	Rating	Action
Amendment not approved by Minister	Unlikely	Major	Medium	The proposal is consistent with the Greater Shepparton Planning Scheme and all environmental, social and economic impacts have been minimised.
Submissions from public	Likely	Minor	Low	Impacts on other landowners have been minimised. If required, all submissions will be referred to an Independent Planning Panel for consideration.

8. SUSTAINABLE DEVELOPMENT DIRECTORATE

8.14 Combined Amendment C193 (Shepparton North) (continued)

Risk	Likelihood	Impact	Rating	Action
Amendment not finalised within timelines	Unlikely	Minor	Low	Exemptions from the Ministerial timelines for planning scheme amendments can be sought – impacts are minor. Planning Officers are taking all necessary action to ensure the timely progression of this amendment.
Adverse traffic impacts	Unlikely	Moderate	Low	A Traffic Impact Assessment Report has been prepared and Peer Reviewed. Traffic impacts resulting from this amendment have been assessed and minimised, as necessary.
Adverse economic impacts	Unlikely	Moderate	Low	An Economic Impact Assessment has been prepared and Peer Reviewed. Economic impacts resulting from this amendment have been assessed and minimised, as necessary.

Policy Considerations

This amendment is consistent with existing Council policy including the *Greater Shepparton City Council: Council Plan 2013-2017* and the *Greater Shepparton 2030 Strategy 2006*. The Council supports policy on economic development.

Financial Implications

This amendment will not impose any unreasonable costs on the Council's resources or finances. The cumulative cost of the various peer reviews required to assess the impacts of the proposed development is approximately \$20,000. This includes the review of economic, traffic and car parking assessments.

The proponent of this amendment will be required to meet all costs associated with the planning permit and planning scheme amendment process. The costs associated with an Independent Planning Panel, if required, may be approximately \$25,000 and would also be met by the proponent of this amendment, not the Council.

The developer of the land will be required to meet all costs associated with the development, including any infrastructure costs. This includes infrastructure for traffic management, drainage and essential services. The ongoing maintenance costs associated with this public infrastructure will be met by the Council.

8. SUSTAINABLE DEVELOPMENT DIRECTORATE

8.14 Combined Amendment C193 (Shepparton North) (continued)

Legal/Statutory Implications

All procedures associated with this amendment comply with the legislative requirements under the *Planning and Environment Act 1987*. The amendment has been assessed in accordance with the Act and the Greater Shepparton Planning Scheme. The assessment is considered to accord with the Victorian Charter of Human Rights and Responsibilities Act 2006 (the Charter) – no human rights have been negatively impacted upon throughout the process.

The Charter recognises that reasonable restrictions may be placed on the use and development of land, and that there may on occasion be reasonable and acceptable off-site impacts on others. Provided these issues are properly considered, it would be a rare and exceptional case where the exercise of a planning decision in accordance with the regulatory framework is not Charter compatible.

Environmental/Sustainability Impacts

The proposal is not expected to result in any significant environmental effects. The site is currently void of vegetation and any development proposal will require adequate landscaping as well as stormwater and drainage strategies to limit any off site impacts.

Social Implications

The proposal will provide a community meeting space and childcare centre, with connections to the residential areas to the east and south of the site.

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

It is not expected that there will be any negative social impacts on adjoining land as a result of this amendment. Any negative traffic, drainage and other potential impacts have been mitigated through extensive assessment and peer review, which has informed the final development proposal.

The amendment will result in a net community benefit by providing a pleasant and safe working and recreational environment in the northern corridor of the city.

Economic Impacts

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

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

The applicant engaged MacroPlan Dimasi Pty Ltd to undertake an *Economic Impact Assessment Report* (EIA) (June 2016), which responds to this resolution. This report provides an assessment of the economic impacts that may result from the proposal on the existing retail base in Shepparton.

8. SUSTAINABLE DEVELOPMENT DIRECTORATE

8.14 Combined Amendment C193 (Shepparton North) (continued)

The report states that the proposed development will have a number of economic benefits including:

- *addressing what is currently considered to be an under provision of supermarket floor space in the surrounding area;*
- *substantially improving shopping choice, convenience and amenity for local residents; and*
- *the creation of additional employment opportunities.*

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

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

This EIA was independently reviewed by Hill PDA Pty Ltd on 29 June 2016. The key findings of the review are:

- *The development proposal complies with Council policy as shown in the Commercial Activity Centres Strategy (CACs), in terms of role, size and location.*
- *The retail floorspace proposed in the Shepparton North Subregion is reasonable and fits within the retail hierarchy, which is defined by the Shepparton CBD as the primary centre.*
- *The proposed development would expand the range of jobs, services and goods offered in the northern growth area and will facilitate competition for the benefit of the population.*
- *The proposed development's trading impacts are:*
 - *Likely to be concentrated on other supermarkets, but the impacts are considered reasonable; and*
 - *Unlikely to have significant negative impacts on speciality stores or speciality stores in the Shepparton CBD.*
- *In terms of location, the proposed development would ideally be co-located with the existing Commercial 1 Zone but this is difficult to achieve because of lot configuration and land ownership patterns.*
- *The design of the proposed centre provides a response to a challenging lot, which benefits from two street frontages but lacks an absolute corner position.*

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

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

8. SUSTAINABLE DEVELOPMENT DIRECTORATE

8.14 Combined Amendment C193 (Shepparton North) (continued)

Consultation

This amendment and planning permit have not been subject to any statutory exhibition or notice requirements as it is still at a preliminary assessment stage.

This amendment and planning permit will be exhibited as necessary in accordance with the *Planning and Environment Act 1987*. This includes providing notice of the permit and amendment to all relevant referral authorities, prescribed Ministers and affected land owners. Notice of the permit and amendment will be advertised in the Victorian Government Gazette, the Shepparton News, on the Council's website and on the Department of Transport, Planning and Local Infrastructure's website. The permit and amendment will be exhibited for a minimum statutory period of one month. All submissions will be considered by the Council and an Independent Planning Panel will be engaged to hear submissions, if required.

Council officers believe that appropriate consultation will occur as part of this statutory process and the matter is now ready for Council consideration.

Strategic Links

a) Greater Shepparton 2030 Strategy 2006

Topic: Economic Development

Theme: Retail/Commercial Centres

Objective 1: *'To provide increased opportunities for local job creation'*

Objective 4: *'To have a hierarchy of viable commercial/retail centres by retaining local and visitor spending within the municipality'*

Objective 5: *'To agglomerate peripheral sales and highway services nodes in accessible and appropriately serviced locations'*

b) Commercial Activity Centres Strategy November 2015

The proposed amendment is in accordance with the recommendations of the *Commercial Activity Centres Strategy November 2015*.

Conclusion

It is recommended that Council agree to the preparation and exhibition of the amendment and planning permit application in accordance with the *Planning and Environment Act 1987*.

Attachments

- | | |
|-------------------------|-----------|
| 1. PAO | Page 1211 |
| 2. Submitted Site Plans | Page 1212 |
| 3. Explanatory Report | Page 1222 |