

Agenda Item: 14.2

Agenda Item: Latrobe City Retail Strategy

Sponsor: General Manager, City Development

Council Plan Objective: Support job creation and industry diversification to enable economic growth in Latrobe City.

Status: For Decision

MOTION

Moved: Cr McFarlane

Seconded: Cr Law

That Council:

- 1. Endorses the draft Latrobe City Retail Strategy for public exhibition as part of a planning scheme amendment; and**
- 2. Requests authorisation from the Minister for Planning to prepare and exhibit the draft Latrobe City Retail Strategy and the related proposed amendment to the Latrobe Planning Scheme.**

CARRIED UNANIMOUSLY

Executive Summary:

- In August 2018 Latrobe City Council engaged Essential Economics and Ethos Urban to prepare the *Latrobe City Retail Strategy* (the Strategy) which provides the foundation to co-ordinate the future planning and development of the municipality's retail sector and activity centres.
- The Strategy aims to positively guide retail planning and development in Latrobe City over the next 15 years by:
 - Outlining retail development opportunities;
 - Providing guidance on the appropriate location, format and timing of future retail development; and
 - Strengthening local planning policy to provide greater guidance for assessing development applications and to enhance the economic activity of the City.
- The formal exhibition of the final draft Strategy and the associated planning scheme amendment documentation will allow for further community and stakeholder input before the draft Strategy is finalised.

Background:

The Strategy has been created to provide a foundation to co-ordinate the future planning and development of retail developments within Latrobe City into the future (to 2033). It provides guidance on the appropriate location, format and timing of future retail developments, while considering competition, need and necessities for success to assist in creating ongoing employment opportunities. The project is expected to have a positive social impact by providing clearer direction to Council Officers and commercial developers, increasing competitiveness in the regional retail environment and providing a range of direct and indirect employment opportunities.

On the 9 August 2018 Essential Economics (in conjunction with Ethos Urban) were appointed as the successful consultant.

The project consisted of the following stages:

Stage 1 - The consultants undertook assessments of background reports, field visits and the preparation of an overview on the regional context within which Latrobe City's retail sector operates.

Stage 2 - Stakeholder workshops occurred on 19 October 2018. This included one on one meetings with key stakeholders including Mid Valley Shopping Centre Morwell and Stockland Traralgon.

On 16 January 2019 the *Latrobe City Retail Strategy - Background Research and Analysis* final report provided to Council (see Attachment 1). This document provides the analytical basis and background research supporting the Retail Strategy.

Stage 3 - consisted of the preparation of the *Latrobe City Retail Strategy and Implementation Plan* which was provided to Council on 11 April 2019 (see Attachment 2). This document provides the vision, objectives and actions to guide future decision-making with respect to retail centre development.

The *Latrobe City Retail Strategy - Background Research and Analysis* Strategy and the *Latrobe City Retail Strategy and Implementation Plan* should be read in conjunction.

Planning Scheme Amendment

Municipal Councils, as the Planning Authority, have a number of duties and powers. These duties and powers are listed at Section 12 of the *Planning and Environment Act 1987* (the Act). Under Section 12 a planning authority must have regard to (inter alia):

- The objectives of planning in Victoria;
- The Minister's directions;
- The Victoria Planning Provisions;
- The Latrobe Planning Scheme; and
- Any significant effects which it considers a planning scheme amendment might have on the environment or which it considers the environment might have on any use or development envisaged by the amendment.

In accordance with Section 9 of the Act, the Minister for Planning may authorise a Municipal Council to prepare an amendment to State and Local standard provisions of a planning scheme in its municipal district.

It is now proposed to commence preparation of amendments to the Latrobe Planning Scheme required to give effect to the Strategy.

Council officers will prepare draft planning scheme amendment documentation to amend the Local Planning Policy Framework (LPPF), predominately to the Municipal Strategic Statement (MSS) at Clause 21.07 – Economic Development. The draft Strategy does not recommend any land zoning or overlay changes at this stage, but does recommend further work (which may include an Activity Centre Planning or Structure Planning process) to investigate particular commercial areas within Moe CBD South, Newborough, Morwell CBD North and Churchill to ensure current land zonings and overlays are appropriate to facilitate their future retail functions.

Additionally the Strategy identifies that limited scope exists for new local or neighbourhood centres to be developed (outside of already approved developments) in the 15-year horizon by virtue of the limited anticipated demand for food, liquor and groceries retail (noting that these centres should continue to form part of long-term strategic plans).

Issues:

Strategy Implications

The project meets the following Council Plan objectives:

- Objective 1: Support job creation and industry diversification to enable economic growth in Latrobe City;
- Objective 3: Improve the liveability and connectedness of Latrobe City by implementing a town planning regime which facilitates appropriate urban growth, industry diversification, liveability and connectivity of Latrobe City;
- Objective 5: Provide a connected, engaged and safe community environment, which is improving the wellbeing of all Latrobe City citizens; and
- Objective 7: Grow the civic pride of our municipality and solidify Latrobe City's image as a key regional city.

Communication

In October 2018 two stakeholder workshops were conducted in addition to numerous one on one consultation with key stakeholders. The discussion within these forums, have assisted with the identification of regional-level issues and opportunities. Further details on the consultation findings can be found in Section 12 of Attachment 1 - the *Draft Latrobe City Retail Strategy - Background Research and Analysis January 2019*.

Council officers have committed to continue consultation with members of the community who participated in Stage 1 of the project. In addition it is anticipated that

via a future planning scheme amendment process further consultation will be undertaken with land owners/occupiers, business owners, community groups, referral authorities and agencies, key stakeholders, traders associations and retailer who have expressed interest in investing in Latrobe City.

It is proposed that consultation will occur across a 4 week/1 calendar month period between September and November 2019. However, this is subject to authorisation being received by the Minister for Planning for the planning scheme amendment.

The amendment is subject to the prescribed process in accordance with the public notice and consultation requirements of Section 19 of the Act.

This will include advertising in the Government Gazette and local newspapers, as well as written notification to landowners and occupiers that may be materially affected by the amendment following authorisation of the amendment.

All statutory and servicing authorities likely to be materially affected will also be notified of the proposed amendment.

Council officers will also seek to engage with a wider audience through a number of engagement activities such as:

- Council Website (including 'Have a Say')
- Council Facebook
- Council Service Centres
- Media Releases
- Councillor Bulletins
- Invitation to attend 'drop in sessions'
- Written advice to key stakeholders and known interested parties

Formal consultation will commence shortly after receiving Authorisation to exhibit the planning scheme amendment from the Minister for Planning. Submissions will be sought on the draft Strategy and associated amendment documentation during the 4 week/1 calendar month period and presented to Council at a future Council Meeting.

Financial Implications

As part of the 2018/2019 budget, the development of a municipal wide Retail Strategy was identified as a major initiative for City Development. The last Retail Strategy was undertaken in 2007.

The existing 2018/2019 budget for the project is \$65,623.00. There are no external funding sources for the project.

Funds of \$30,000 are proposed to be allocated in the 2019/2020 budget year to enable planning scheme amendments to proceed. Subject to the adoption of the 2019/2020 budget funds exist within the budget to progress to a planning scheme amendment.

The prescribed fees for planning scheme amendments are detailed in the *Planning and Environment (Fees) Regulations 2016*. The costs associated with a Planning

Scheme Amendment include: considering a request to amend a planning scheme, consideration of submissions, providing assistance to a panel and adoption and approval of an amendment.

Risk Analysis

Identified risk	Risk likelihood*	Controls to manage risk
Negative perception of Council if there are significant delays in presenting the findings of the retail strategy to the community (in particular participants of past workshop and one on ones).	3 (Possible)	Councillors to endorse the draft Strategy and progress to a planning scheme amendment.
Lost opportunity to: <ul style="list-style-type: none"> • support the trading performance and viability of Latrobe City's higher- order centres; • ensure convenient and accessible retail services through viable centres; • reduce retail vacancy rates and improve trading performance; • ensure retail centres in Latrobe City are well-designed places; and • support a dynamic retail sector that is responsive to changing consumer preferences and market trends. 	3 (Possible)	Councillors to endorse the draft Strategy and progress to a planning scheme amendment.
Inadequate retail policy within the Latrobe Planning Scheme to assist with the assessment and guidance of retail development in Latrobe City.	3 (Possible)	Councillors to endorse the draft Strategy and progress to a planning scheme amendment.

* For example, likelihood ratings: 1 (Rare); 2 (Unlikely); 3 (Possible); 4 (Likely); 5 (Almost Certain)

Legal and Compliance

It is considered that there are no legal implications or compliance matters relating to the proposal.

Community Implications

The project is expected to have a positive social impact by providing clearer direction to Council Officers and commercial developers, increasing competitiveness in the regional retail environment and providing a range of direct and indirect employment opportunities.

Environmental Implications

Public Realm improvements can provide a greater sense of pride which can result in a reduction in vandalism and shop vacancies and encourage active and safer activity centres.

Consultation

Council officers have committed to continue consultation with members of the community who participated in Stage 1 of the project. In addition it is anticipated that via a future planning scheme amendment process that further consultation will be undertaken with land owners, occupiers, business owners, community groups, referral authorities and agencies and key stakeholders on the project and proposed planning scheme amendment changes. The formal exhibition of the final draft Strategy and the associated planning scheme amendment documentation will allow for further community and stakeholder input before the Strategy is finalised.

Declaration of Interests:

Officers preparing this report have declared they do not have a conflict of interest in this matter under the provisions of the *Local Government Act 1989*.

Supporting Documents:

Latrobe City Retail Strategy Review 2007

Attachments

1. Attachment 1 - Latrobe City Retail Strategy - Background Research and Analysis January 2019 (Published Separately) (Confidential)
2. Attachment 2 - Draft Latrobe City Retail Strategy - Strategy and Implementation Plan April 2019 (Published Separately) (Confidential)