

14. REGIONAL CITY GROWTH AND INVESTMENT

Agenda Item: 14.1

Agenda Item: Planning Scheme Amendment C119 - Latrobe City Council Retail Strategy 2019 - Consideration of Submissions

Sponsor: General Manager, Regional City Growth and Investment

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 Harriman

That Council:

- 1. Having considered the submissions for Amendment C119 adopts Amendment C119 with changes, identified in Attachment 4 - 'Post Exhibition Changes' and documented within Attachment 3 in accordance with Section 29 of the Planning and Environment Act 1987;**
- 2. Adopts the final Latrobe City Council Retail Strategy 2019 as provided in Attachment 3;**
- 3. Submits Amendment C119 once adopted, to the Minister for Planning for approval, in accordance with Section 31 of the Planning and Environment Act 1987; and**
- 4. Advises those persons who made written submissions to Amendment C119 of Council's decision.**

CARRIED UNANIMOUSLY

Executive Summary:

- The *Latrobe City Council Retail Strategy* (the Strategy) provides guidance on the appropriate location, format and timing of future retail developments, whilst considering competition, need and necessities for success to assist in creating ongoing employment opportunities and viability of Latrobe's retail centres.
- Amendment C119 implements the key findings and recommendations of the

Strategy by amending local planning policy to assist with the future co-ordination and planning of retail developments within Latrobe City into the future (to 2033).

- Latrobe City Council formally requested Ministerial authorisation to prepare and exhibit Amendment C119 on 18 December 2019.
- The Minister for Planning authorised Council to prepare Amendment C119 on 9 January 2020.
- Formal exhibition of the Amendment took place between the 6 February 2020 and the 10 March 2020.
- A total of 4 submissions were received to the amendment. No objections were received to Amendment C119.
- The Council Officer recommendation is to adopt Amendment C119 with minor changes and lodge with the Minister for Planning for approval.

Background:

The Strategy has been created to provide a foundation to co-ordinate the future planning and development of retail proposals within Latrobe City into the future (to 2033).

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;
- Strengthening local planning policy to provide greater guidance for assessing development applications; and
- Enhancing the economic activity of the City.

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

The project has progressed through the following 5 stages:

- Stage 1 – Background work/research
- Stage 2 – Stakeholder workshops and one on one with key stakeholders
- Stage 3 – Preparation of Background Report
- Stage 4 – Preparation of Strategy and Implementation Plan

- Stage 5 (current stage) – Planning Scheme Amendment to introduce the Strategy and its recommendations into the Latrobe Planning Scheme.

Stage 5 Note: The progression of Amendment C119 was placed on hold pending the approval of Amendment C105 – Live Work Latrobe which was formally gazetted on the 21 November 2019. Gazettal of Amendment C105 was expected earlier than November (i.e. July) however the Amendment was delayed due to the Department of Environment, Land, Water and Planning (DELWP) approval process.

The Minister for Planning authorised Council to prepare Amendment C119 on 9 January 2020, with formal exhibition of the Amendment taking place between the 6 February 2020 and the 10 March 2020.

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

A total of 4 submissions were received by Latrobe City Council to Amendment C119. Table 1 below provides a breakdown of the submissions received.

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

Formal exhibition of the amendment took place between 6 February 2020 and 10 March 2020.

This included:

- Advertising in the Government Gazette (6 February 2020);
- Advertising in local newspapers (6 February 2020 and 20 February 2020);
- Written notification to everyone previously invited to the stakeholder workshops and known interested parties; and
- Written notification to all statutory and servicing authorities likely to be materially affected.

Attachment 5 to this report contains the list of stakeholders notified during the exhibition process. It should be noted that these stakeholders were correct at the time of notification.

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

- Council Website (including a 'Have a Say' webpage)
- Council Facebook
- Council Service Centres
- Invitation to attend 'one on one sessions'
- DELWP Website
- Economic Development - Business Update Monthly Newsletter
- Information Booklet development and distribution

Public Submissions

Following public exhibition four written submissions were received by Latrobe City Council in response to Amendment C119. Section 22 of the Act requires that a planning authority consider all submissions to an amendment.

Table 1:

Amendment C119 Submissions	
Support	4 (1 requesting minor changes)
Object	0
Total Submissions	4

All submissions received to the amendment were generally supportive.

- Submitters 1 and 3 raised no objections.
- Submitter 2 supported the amendment but requested some minor changes to the documentation which council officers have been able to accommodate.
- Submitter 4 also supported the amendment and wishes to continue conversations with Council moving forward regarding the long term future proposed Neighbourhood Activity Centre to be located in Traralgon East.

A copy of all submissions received to Amendment C119, a summary of issues raised and officers response can be found at Attachment 1 to this report.

Attachment 4 to this report outlines the post exhibition changes proposed to the amendment in response to submissions and council officer identified minor errors.

Financial Implications

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.

Funds have been allocated in the current 2019/2020 budget year to enable the planning scheme amendment to proceed.

Risk Analysis

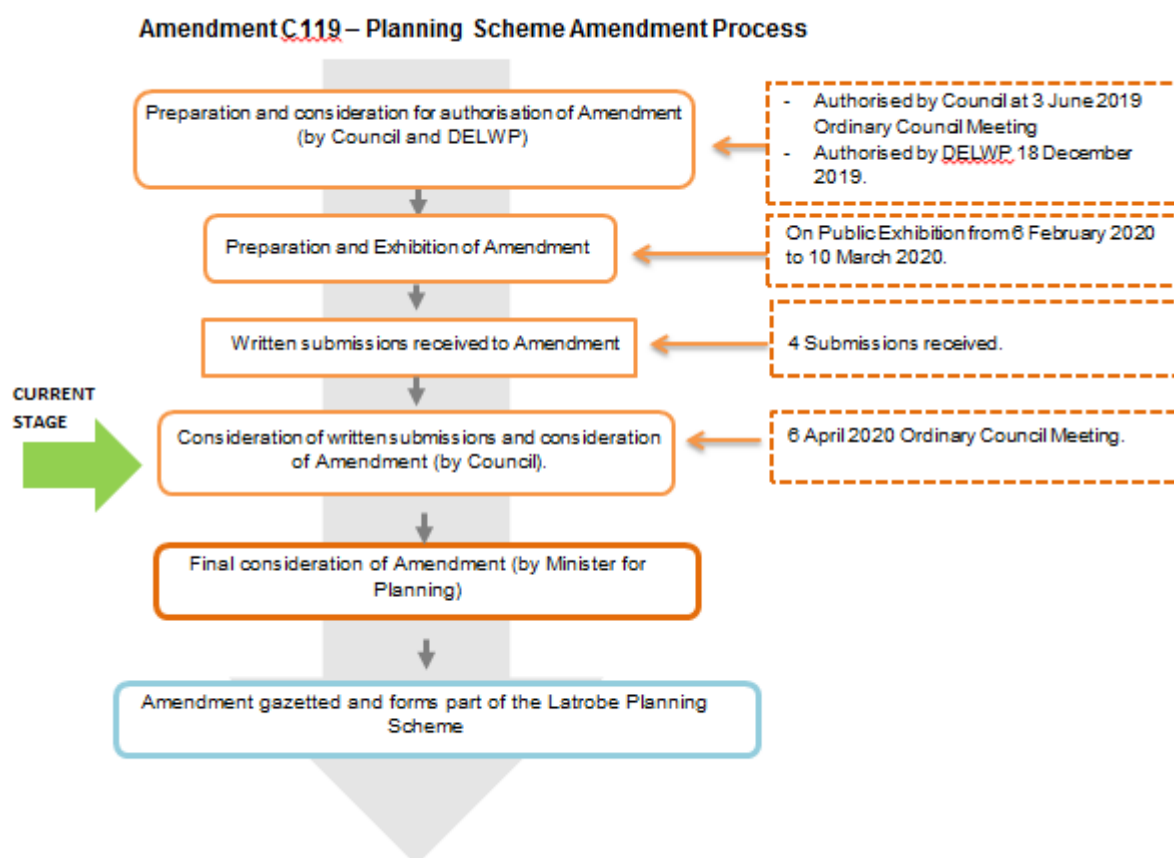
Identified risk	Risk likelihood*	Controls to manage risk
Service Delivery Risk Inadequate retail policy within the Latrobe Planning Scheme to assist with the assessment and guidance of retail development in Latrobe City.	3 (Possible)	Councillors progress amendment to the next recommended stage.
Reputational Risk Negative perception of Council if there are significant delays in progressing the amendment to the next stage (in particular participants of past workshop/one on ones and known interested parties).	3 (Possible)	Councillors progress amendment to the next recommended stage.
Strategic Risk Lost opportunity to: <ul style="list-style-type: none"> Support the trading performance and viability of Latrobe City's higher - order 	3 (Possible)	Councillors progress amendment to the next recommended stage.

centres;		
<ul style="list-style-type: none"> • 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. 		

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

Legal and Compliance

The C119 planning scheme amendment process is shown in the figure below and provides an indication of the current stage of C119.



In accordance with the Act, the municipal council, as a planning authority, has a number of duties and powers. These duties and powers are listed at Section 12 of 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;
- 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.

Amendment C119 has had regard to Section 12 of the Act and is consistent with the requirements of Section 12. In addition each amendment must address the Department of Planning and Community Development (DPCD) publication *Strategic Assessment Guidelines for Planning Scheme Amendments*. A response to these guidelines is outlined in the attached Explanatory Report, (see Attachment 2).

The proposal is consistent with the State Planning Policy Framework and the Municipal Strategic Statement (MSS). This is explained in the attached Explanatory Report, (see Attachment 2).

Planning Scheme Amendments

At the Ordinary Council meeting on 3 June 2019 Council resolved to seek the Minister for Planning's Authorisation to prepare and exhibit the proposed Amendment C119.

The Minister for Planning in accordance with Sections 8A(3) of the *Planning and Environment Act 1987*, authorised Council to prepare the proposed Amendment, C119 on 18 December 2019.

Amendment C119 was placed on public exhibition during the period 6 February 2020 to 10 March 2020.

Under Section 29 of the Act, Council may adopt the planning scheme amendment with or without changes.

The recommendations of this Council Report are in accordance with Sections 29 and 31 of the Act.

1. That Council, after considering all written submissions received to Amendment C119, resolves to adopt with changes, and submit for approval to the Minister for Planning, Amendment C119.

The final Latrobe City Council Retail Strategy and amendment documentation can be found at Attachment 3 to this Report.

Community Implications

The Strategy is expected to have positive environmental, social and economic impacts by providing clearer direction to council and commercial developers on retail development, increase competitiveness in the regional retail environment and provide a range of direct and indirect employment opportunities.

Environmental Implications

The Strategy is considered to have a positive social impact by facilitating opportunities for greater activity and vibrancy, and by providing a safer environment through passive surveillance.

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:

Nil

Attachments

1. Attachment 1 - Submissions and Summary of Submissions Table
2. Attachment 2 - C119 Explanatory Report

- 3. [Attachment 3 - Final Retail Strategy & Amendment Documentation](#)
- 4. [Attachment 4 - Post Exhibition Changes Table C119](#)
- 5. Attachment 5 - Stakeholder List (Published Separately) (Confidential)

14.1

Planning Scheme Amendment C119 - Latrobe City Council Retail Strategy 2019 - Consideration of Submissions

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ATTACHMENT 1

AMENDMENT C119 - SUBMISSIONS

**SUMMARY OF SUBMISSIONS & PLANNING COMMENT TO
[C119]**

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required ? Yes / No	Date submission received
1	Michael Johnstone Senior Strategic Planning Engineer Gippsland Water	Support	N/A	Noted	No	10 February 2020
2	Margaret Guthrie President Churchill & District Community Association	Support with changes	Issue 1 – Incorrect Information - <i>Churchill has two supermarkets but only one has been referenced in the draft documentation as a major anchor.</i>	Issue 1 Response: Churchill does contain two supermarkets. Both supermarkets are referenced in <i>Table 7.1: Latrobe City Retail Centre Hierarchy</i> and again within the <i>Churchill Centre Profile</i> (of the <i>Latrobe City Retail Strategy – Background Report 2019</i>). The Churchill Centre Profile does recognise Woolworths, Richie's Supa IGA and Ritchie's Mitre Ten as the anchor retail tenants. However this does not flow over into Table 7.1 as clearly. Council will have Table 7.1 of the Background Report and Table 5.1 of the Strategy amended accordingly to include Richie's Supa IGA and Ritchie's Mitre Ten.	Yes	9 March 2020

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required ? Yes / No	Date submission received
			<p>Issue 2 – Confusion with the change of terminology from “Town Centre” to “Primary Activity Centre”.</p>	<p>Issue 2 Response: There has been no change in terminology here but rather a minor wording correction. All main town retail centres were defined as ‘Primary Activity Centres’ via Amendment C105 – Live Work Latrobe however not all references were corrected.</p> <p>The associated Structure Plan and Housing Framework Plan for each township utilises these labels to describe activity centres; Primary Activity Centres, Neighbourhood Activity Centre and Local Activity Centres. These labels enable people to establish the size/function of an activity centre.</p> <p>You will note that this change occurs throughout Clause 21.09 and does not just apply to Churchill.</p> <p>I note that there are still references to the words ‘Town Centre’ throughout Clause 21.09; Council will amend these to reference their status as either a Primary Activity Centres, Neighbourhood Activity Centre or Local Activity Centres.</p>		

Sub No.	Name / Organisation	Support / Objection	Summary of Issues	Planning Comment	Changes to Plan Required ? Yes / No	Date submission received
3	Kylie Franklin Senior Transport Planner Department of Transport	Support	N/A	Noted	No	10 March 2020
4	Kate Young Town Planner Crowther and Sadler Pty Ltd	Support	Supported the amendment and wishes to continue conversations with Council moving forward re the long term future proposed Neighbourhood Activity Centre to be located in Traralgon East.	<p>The location of the long term future proposed Neighbourhood Activity Centre, as identified in the <i>Traralgon-Morwell Growth Framework Plan</i> and the <i>Traralgon Town Structure Plan</i> within Clause 21.09 of the Latrobe Planning Scheme, is indicative only and subject to change pending further investigation.</p> <p>Council Officers are more than happy to continue to engage with the submitter in future conversations regarding the location of the Neighbourhood Activity Centre.</p>	No	11 March 2020

Submission 1

Leah Misiurka

From: Michael.Johnstone@gippswater.com.au
Sent: Monday, 10 February 2020 9:27 AM
To: Leah Misiurka
Subject: C119 Amendment
Attachments: Amendment C119 to the Latrobe Planning Scheme Notice of Preparation of an Amendment.PDF

Hi Leah,

Gippsland Water do not have any objections to the proposed planning scheme amendment C119.

Thanks,

Michael Johnstone

Senior Strategic Planning Engineer

Gippsland Water

PO BOX 348 Traralgon Vic 3844

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Submission 2



Churchill & District Community Association
PO Box 191, Churchill Vic. 3842
ABN 24 803 447 918

CDCA Submission on Amendment C119

Introduction

Churchill & District Community Association (CDCA) is an active, not-for-profit, community organisation that provides a forum for residents to participate in local affairs, voice relevant concerns and opinions on local issues and have an input into the appropriate development of Churchill.

CDCA Committee meets at least four times per year and conducts some business electronically. At least two General Meetings are held annually, one of which is the Annual General Meeting. Committee elections are held at the AGM and Office Bearers are appointed by the Committee at its first meeting. The AGM is held in August or September each year. CDCA sometimes conducts Open Forums, including Guest Speaker presentations, regarding matters relevant to the local community.

Approach to Amendment C119

This submission focuses on Churchill, and its designation as Latrobe City's only "Large Town Centre" within the network of the region's major centres.

Broadly, CDCA supports the thrust of Amendment C119, which provides a logical approach to retail development in Latrobe City.

In particular, CDCA accepts the description of Churchill as a large town centre which, in addition to retail, "also provide a range of commercial, civic (e.g. libraries and community centres), health and other uses serving the township and a wider rural catchment. Churchill is unique in that it also accommodates Federation University."

CDCA wishes to ensure that there are no constraints on any of these options within the Churchill town centre – it has long since moved on from a historical perception of Churchill as a commuter town with a limited town centre.

Amendment C119 does not appear to add inappropriate constraints on the development of Churchill town centre, so is generally supported by CDCA.

Specific Issues

- The supporting document *Latrobe City Retail Strategy – Background Report* (May 2019) describes the retail role of Churchill as "Range of convenience retail anchored by a major supermarket serving the township and a surrounding rural catchment...". While we accept that this is a background document rather than the Amendment itself, we wish to ensure that the process is not influenced by incorrect information. The Churchill town centre is currently anchored by two major supermarkets – Woolworths and Ritchies/IGA.
- The Amendments to Clause 21.09-3 Local Areas – Churchill are generally supported by CDCA. Churchill's role as a large town centre is clearly defined, while the "Vision" of Churchill as part of Gippsland's regional city, as a University town and as a contributor to diversity of residential supply is supported.

- As a relatively minor matter, CDCA is not supportive of the change in terminology from “Town Centre” to “Primary Activity Centre” contained in Clause 21.09-3 – all other references are to the town centre, and the proposed change appears confusing.
- The Amendments to Clause 21.09-3 Local Areas – Churchill also include “Encourage a Local Activity Centre at 2-4 Acacia Way”. This is the former service station site that remained derelict for several years before recent rehabilitation. CDCA strongly supports any proposal for clean-up and appropriate development of this site – its current Mixed Use Zone seems appropriate for greatest flexibility.
- The Amendment to Clause 21.10 Implementation includes a proposal to “Undertake an assessment of the Commercial 1 Zone land supply in the centre of Churchill which considers development for non-retail uses”. CDCA supports such a review because a range of appropriate development may be possible for the substantial areas of land surrounding the town centre. As long as commercial and mixed use development in the town centre is not constrained by a ring of surrounding residential land, a review of the Commercial 1 Zone may generate appropriate options.

Thank you for the opportunity to make submission on the proposed Amendment C119. CDCA wishes to be kept informed on the results of public submissions and any changes to the proposed Amendment that said submissions may effect.



Margaret Guthrie
President, CDCA

Leah Misiurka

From: Margaret Guthrie <mgcdca@hotmail.com>
Sent: Monday, 16 March 2020 1:45 PM
To: Leah Misiurka
Subject: Re: Submission on Amendment C119

Hi Leah,
yes, read, circulated to Committee for feedback, but yet to compose a reply to you....

in a nutshell, CDCA is satisfied with the response to the matters we raised

I'll try & find time to compose a formal response in the next couple of days....life is a bit hectic at present!
cheers
Margaret


From: Leah Misiurka <Leah.Misiurka@latrobe.vic.gov.au>
Sent: Monday, March 16, 2020 12:18 PM
To: Margaret Guthrie (mgcdca@hotmail.com) <mgcdca@hotmail.com>
Subject: FW: Submission on Amendment C119

Good Afternoon Margaret,

Sorry to bother you but I was just wondering if you have had a chance to review my response to your submission?

Thanks

Leah Misiurka
Strategic Planner
P 03 5128 6152
M 0417104959
E Leah.Misiurka@latrobe.vic.gov.au

P 1300 367 700
W www.latrobe.vic.gov.au
PO Box 264, Morwell 3840





From: Leah Misiurka
Sent: Tuesday, 10 March 2020 11:01 AM
To: 'Margaret Guthrie'
Subject: Submission on Amendment C119

Good Morning again Margaret,

Please find attached a response to the issues raised in your submission.

Kind Regards

Leah Misiurka
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Submission 3



Department of Transport

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Ref: DOC/20/88193

Strategic Planning Department
Latrobe City Council
PO Box 264
MORWELL VIC 3840

To the Strategic Planning Department

LATROBE PSA C119 – LATROBE CITY COUNCIL RETAIL STRATEGY 2019

I am writing in response to the exhibition of Latrobe Planning Scheme Amendment C119 – Latrobe City Council Retail Strategy 2019.

Department of Transport has no objections to this Planning Scheme Amendment which seeks to implement the key findings and recommendations of the draft Latrobe City Council Retail Strategy 2019.

Retail is playing an important role in supporting the economic transition within Latrobe Valley and we fully support all efforts to diversify and grow Latrobe City's economic base.

We look forward to partnering with Latrobe City Council to ensure that the transport infrastructure, which facilitates access to/from and within the 'networked city' (Traralgon, Morwell, Moe-Newborough and Churchill), continues to support these retail centres into the future by encouraging better use of existing infrastructure and improving walking and cycling options.

Yours sincerely

Kylie Franklin
Senior Transport Planner

10 / 03 / 2020

Submission 4**Crowther & Sadler** Pty Ltd.

A.B.N. 24 006 331 184

LICENSED SURVEYORS & TOWN PLANNERS

Our ref: 18119

11 March 2020

Ms. Leah Misiurka
 Latrobe City Council
 Via email: leah.misiurka@latrobe.vic.gov.au

152 Macleod St.
 PO Box 722,
 Bairnsdale, VIC 3875

P: 5152 5011
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E: contact@crowthersadler.com.au

Dear Leah,

**Re: Amendment C119 to the Latrobe Planning Scheme
 Latrobe City Council Retail Strategy 2019**

Thank you for the opportunity to make a late submission on behalf of our Client, *Milemaker Petroleum*. Our Client is the owner of two properties in Stammers Road, Traralgon with a combined area of 42.925 hectares, as depicted in the following diagram.



Our Client's site is currently developed with a Caltex Service Station and KFC Convenience Restaurant in the southernmost portion of the site, with frontage to Princes Highway in the south and Stammers Road in the west. The balance of the site is vacant land included within the Farming Zone.

We have reviewed the documentation exhibited as part of Amendment C119 and are generally supportive of the statements made that relate to our Client's land.

We note that whilst Council has identified the need for a potential Traralgon East Neighbourhood Centre, that no specific site has been determined. We would encourage Council to identify our Client's site as the ideal location for the proposed Neighbourhood Centre, given the land is already being partially used for commercial purposes. The site's dual street frontages make it ideal for a use of this nature, enabling loading manoeuvres and local traffic to utilise a non-arterial road for the purposes of access, whilst still maintaining strong presentation to the Highway as preferred by many retailers..

18119 LCC C119.docx

Principal: Michael J. Sadler, L.S., Dip Surv, M.I.S., MAICD



Latrobe City Council

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Our Client's site also has the ability to accommodate development sited well clear of the designated waterway that dissects the Traralgon East growth area, with sufficient area to adopt appropriate buffer distances.

Council has previously been furnished with correspondence from Ritchies Supermarkets and Liquor Stores (dated 6 April 2019) who agree that our Client's site is well suited for the development of a Neighbourhood Activity Centre, due primarily to its strong road frontages and proximity to existing and proposed residential land. The introduction of Ritchies into the Traralgon market has strong alignment with the Retail Strategy that acknowledges the significant benefits to the region associated with the introduction of new retailers.¹

We would encourage Council as they advance further investigations of the potential Traralgon East Neighbourhood Centre to confirm our Client's site as the preferred location for development.

We understand that Council does not anticipate the need for a new Neighbourhood Centre within a 15 year horizon.

Acknowledging the observation within the Retail Strategy that '*retail follows rooftops*'², it would be our expectation that, should residential growth of the surrounding precinct proceed at a rate greater than that expected by that forecast, or should demand increase for food, liquor and groceries retail, then Council may be willing to accelerate timeframes associated with the development of Traralgon East Neighbourhood Centre.

Our Client is also interested in exploring alternative forms of higher-density residential development, in locations that would be proximate to the potential Neighbourhood Centre, consistent with objectives of both the Retail Strategy and the *Live Work Latrobe Housing Strategy* (2017).

Our Client looks forward to working with Council over the coming years in developing their site in accordance with the strategic intent identified by Council for the precinct.

As always, please do not hesitate to contact our office should you wish to discuss any element of this submission.

Regards,



KATE YOUNG

¹ *Latrobe City Council Retail Strategy: Strategy and Implementation Plan*, Essential Economics (Ethos Urban), May 2019, p.14.

² *Latrobe City Council Retail Strategy: Background Research and Analysis*, Essential Economics, May 2019, p. ii.

Planning and Environment Act 1987

LATROBE PLANNING SCHEME

AMENDMENT C119

EXPLANATORY REPORT

Who is the planning authority?

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

Land affected by the Amendment

The amendment applies to all land within the municipality, in particular areas identified for commercial development in Primary, Neighbourhood and Local Activity Centres.

What the amendment does

The amendment seeks to implement the key findings and recommendations of the draft Latrobe City Council Retail Strategy 2019 (the draft Strategy).

The amendment proposes to:

- Amend Clause 21.01 Introduction to reference the small and district towns and correct minor wording anomalies.
- Amend Clause 21.02 Housing and settlement to reference the revised Latrobe City Council Retail Hierarchy, insert the Latrobe City Retail Centre Hierarchy Map and Table, amend objectives and strategies for Activity centres and correct minor wording anomalies.
- Amend Clause 21.06 Built environment and heritage to support the upgrade of degraded commercial areas.
- Amend Clause 21.09 Local area growth plans to reference the Latrobe City Council Retail Hierarchy, provide additional direction for commercial areas and correct minor wording anomalies.
- Amend Clause 21.10 Implementation to identify further strategic work and identify the Latrobe City Council Retail Strategy 2019 as a Reference Document.
- Amend the Schedule to Clause 72.08 Background Documents to identify the Latrobe City Council Retail Strategy 2019 as a Background Document.

Why is the Amendment required?

The last municipal wide retail strategy was undertaken in 2007 and a bulky goods assessment was completed in 2009. Beyond that, various studies and economic impact assessments have been undertaken in isolation for local areas and projects, as such there was a need to have a more comprehensive strategy to contribute towards a more liveable and sustainable future.

Additionally, Latrobe City is currently experiencing a period of economic restructuring related to the transition of traditional employment sectors such as manufacturing, mining and electricity production. An increase in growth across service sectors, including primary health care, retail, social assistance, public administration, education and training now make these the largest employing sectors in the region followed by manufacturing.

The draft Strategy provides 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 amendment is therefore required to give effect to the principles and recommendations contained within the draft Strategy.

In order for the new principles and directions to have statutory weight in the consideration of rezoning requests and planning permit applications, it is necessary for the draft Strategy to be included in the Latrobe Planning Scheme.

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

The amendment implements the objectives of planning in Victoria pursuant to Section 4(1) of the *Planning and Environment Act 1987* by:

- Providing for the fair, orderly, economic and sustainable uses and development of land;
- Securing a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria;
- Facilitating development in accordance with the objectives set out in paragraphs (a), (b), (c), (d) and (e); and
- Balancing the present and future interests of all Victorians.

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

The amendment does not directly impact on land use and development. Any 'on the ground' effects would be considered during a rezoning or planning permit application process.

However, at a policy level, the amendment has given due regard in the consideration of environmental, social or economic effects by:

- Supporting the viability of Latrobe City's Retail Centre Hierarchy.
- Supporting the trading performance and viability of Latrobe City's higher-order retail centres.
- Ensuring convenient and accessible retail services through viable neighbourhood centres, small town centres and local centres.
- Reducing retail vacancy rates and improve trading performance of under-performing centres.
- Ensuring retail centres in Latrobe City are well-designed places where people enjoy shopping, doing business and participating in community activities.
- Supporting a dynamic retail sector that is responsive to changing consumer preferences and market trends.

In addition, the draft Strategy is expected to have positive environmental, social and economic impacts by providing clearer direction to council and commercial developers on retail development, increase competitiveness in the regional retail environment and provide a range of direct and indirect employment opportunities.

It is also considered to have a positive social impact by facilitating opportunities for greater activity and vibrancy, and by providing a safer environment through passive surveillance.

Does the Amendment address relevant bushfire risk?

The amendment will not result in any increase bushfire risk. As per Clause 13.02-1S Bushfire planning, future commercial growth is encouraged in low risk locations in existing activity centres. Existing zone and overlay provisions will continue to apply.

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

The amendment is consistent with the Ministerial Direction on the Form and Content of Planning Schemes under section 7(5) of the Act and Ministerial Direction 11 Strategic Assessment of Amendments.

The amendment is also consistent with Ministerial Direction No. 15 The Planning Scheme Amendment Process.

How does the Amendment support or implement the Planning Policy Framework and any adopted State policy?

Clauses that are supported by the amendment include:

Clause 11.01-1S Settlement and Clause 11.01-1R Settlement – Gippsland, outline strategies to promote regional development, in particular by:

- Support urban growth in Latrobe City as Gippsland's regional city, at Bairnsdale, Leongatha, Sale, Warragul/Drouin and Wonthaggi as regional centres, and in sub-regional networks of towns;
- creating vibrant and prosperous town centres that are clearly defined and provide commercial and service activities that respond to changing population and market condition; and
- supporting the continuing role of towns and small settlements in providing services to their districts, recognising their relationships and dependencies with larger towns.

Clause 11.03-1S Activity centres, which seeks to encourage the concentration of major retail, residential, commercial, administrative, entertainment and cultural developments into activity centres that are highly accessible to the community.

Clause 15.01-1S Urban design, which seeks to create urban environments that are safe, healthy, functional and enjoyable and that contribute to a sense of place and cultural identity

Clause 11.03-6S Regional and local places, there is support to integrate relevant planning considerations to provide specific direction for the planning of sites, places, neighbourhoods and towns and to consider the distinctive characteristics and needs of regional and local places in planning for future land use and development.

Furthermore, the amendment seeks to establish a hierarchy of retail centres in Latrobe City, which is an important policy position given the diverse settlement patterns of the municipality.

The amendment supports retail development within existing centres over development of new centres, though new centres are identified in urban growth locations. The draft Strategy recommends that all residential development fronts in Latrobe City are well planned for, with new retail centre locations identified as the population grows.

Clause 17.01-1S Diversified economy, includes objectives to protect and strengthen existing and planned employment areas and plan for new employment areas, and facilitate growth in a range of employment sectors, including health, education, retail, tourism, knowledge industries and professional and technical services based on the emerging and existing strengths of each region.

Clause 17.02-1S Business and Clause 17.02-1R Commercial centre – Gippsland, which seek to encourage development that meets the community's needs for retail, entertainment, office and other commercial services and support redevelopment initiatives in commercial centres that will be subject to significant growth (Traralgon and Morwell Mid Valley) to improve their attractiveness and usability.

Clause 17.02-2S Out-of-centre development, discourages proposals for expansion of single use retail, commercial and recreational facilities outside activity centres.

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

The amendment seeks to implement and support the Municipal Strategic Statement at the following Clauses:

Clause 21.02 Housing and Settlement, by supporting and building upon the existing structure of towns and settlements to create an integrated network of urban areas.

Clause 21.02-5 Activity Centres - Identifies the need to review the Latrobe City Retail Strategy Review 2007 to better define the retail hierarchies across the municipality. The amendments to Clause 21.02-5 strengthen and define the role of retail within the municipality by updating the objectives and strategies for activity centres. The identification of a revised Retail Centre Hierarchy better reflects the very different but complementary roles and functions of the various activity centres within the municipality.

In addition the revised Retail Centre Hierarchy provides:

- High-level guidance in terms of the location, scale and nature of investment and land uses intended for retail centres.
- A coherent network of retail centres which meet the various needs of the community at the locations where these needs can, and should, be met.
- Direction for the planning and provision of transport infrastructure and other aspects of urban development influenced by retail centres.
- Improves the viability of activity centres within the municipality.

Clause 21.09 Local area growth plans, by providing additional direction for commercial areas, supporting higher density residential density within activity centres, supporting planned centres and supporting convenience retailing within the district and small townships.

Clause 21.10-2 Further strategic work, by undertaking a coordinated Activity Centre Strategy.

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

The amendment makes proper use of the Victoria Planning Provisions by using policy to establish a Retail Centre Hierarchy for Latrobe City and guide decision making for planning permit applications and requests to rezone land for retail uses.

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

Relevant agencies and authorities were invited to participate in an information and ideas workshop during the development of the draft Strategy. The amendment will again be referred to relevant agencies and authorities as part of the statutory exhibition process.

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

The amendment addresses the requirements of the Transport Integration Act 2010.

The amendment is consistent with the transport system objectives of the Act, in particular those contained in Section 11 – Integration of transport and land use. This section requires a focus on maximising access to residences, employment, services and recreation, and reducing the need for private motor vehicle transport and the extent of travel.

The draft Strategy aims to:

- Reduce the need for shoppers to travel long distances from home to access retail services.
- Locate any new retail centres on sites that have existing, or potential future, access to public transport services and quality road access for private vehicles.
- Reduce travel distances for day-to-day needs by encouraging development of a dense network of convenience-based local and neighbourhood centres within walking distance for all residential areas of (approximately 400-800 metres).
- Where demand exists, make it easier to expand existing centres, without undermining the structure of the centre's hierarchy.

Resource and administrative costs

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

The amendment will have negligible impact on the council's resource and administrative costs.

Where you may inspect this Amendment

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

- The service centres of the planning authority Latrobe City Council located at:

- 141 Commercial Road, Morwell Vic 3840;
 - 34-38 Kay Street, Traralgon Vic 3844;
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The amendment can also be inspected free of charge at the Department of Environment, Land, Water and Planning website at www.planning.vic.gov.au/public-inspection.

Submissions

Any person who may be affected by the amendment may make a submission to the planning authority. Submissions about the amendment must be received by 9 March 2020.

A submission must be sent to:

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PO Box 264,
Morwell VIC 3840

Or online at www.latrobe.vic.gov.au/C119 – Attention: Strategic Planning Department.

Panel hearing dates

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

- directions hearing: Week of 11 May 2020
- panel hearing: Week of 9 June 2020

ATTACHMENT 3 - FINAL PSA DOCUMENTASTION AND RETAIL STRATEGY

Planning and Environment Act 1987

LATROBE PLANNING SCHEME

AMENDMENT C119

EXPLANATORY REPORT

Who is the planning authority?

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

Land affected by the Amendment

The amendment applies to all land within the municipality, in particular areas identified for commercial development in Primary, Neighbourhood and Local Activity Centres.

What the amendment does

The amendment seeks to implement the key findings and recommendations of the draft Latrobe City Council Retail Strategy 2019 (the draft Strategy).

The amendment proposes to:

- Amend Clause 21.01 Introduction to reference the small and district towns and correct minor wording anomalies.
- Amend Clause 21.02 Housing and settlement to reference the revised Latrobe City Council Retail Hierarchy, insert the Latrobe City Retail Centre Hierarchy Map and Table, amend objectives and strategies for Activity centres and correct minor wording anomalies.
- Amend Clause 21.06 Built environment and heritage to support the upgrade of degraded commercial areas.
- Amend Clause 21.09 Local area growth plans to reference the Latrobe City Council Retail Hierarchy, provide additional direction for commercial areas and correct minor wording anomalies.
- Amend Clause 21.10 Implementation to identify further strategic work and identify the Latrobe City Council Retail Strategy 2019 as a Reference Document.
- Amend the Schedule to Clause 72.08 Background Documents to identify the Latrobe City Council Retail Strategy 2019 as a Background Document.

Why is the Amendment required?

The last municipal wide retail strategy was undertaken in 2007 and a bulky goods assessment was completed in 2009. Beyond that, various studies and economic impact assessments have been undertaken in isolation for local areas and projects, as such there was a need to have a more comprehensive strategy to contribute towards a more liveable and sustainable future.

Additionally, Latrobe City is currently experiencing a period of economic restructuring related to the transition of traditional employment sectors such as manufacturing, mining and electricity production. An increase in growth across service sectors, including primary health care, retail, social assistance, public administration, education and training now make these the largest employing sectors in the region followed by manufacturing.

The draft Strategy provides 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 amendment is therefore required to give effect to the principles and recommendations contained within the draft Strategy.

In order for the new principles and directions to have statutory weight in the consideration of rezoning requests and planning permit applications, it is necessary for the draft Strategy to be included in the Latrobe Planning Scheme.

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

The amendment implements the objectives of planning in Victoria pursuant to Section 4(1) of the *Planning and Environment Act 1987* by:

- Providing for the fair, orderly, economic and sustainable uses and development of land;
- Securing a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria;
- Facilitating development in accordance with the objectives set out in paragraphs (a), (b), (c), (d) and (e); and
- Balancing the present and future interests of all Victorians.

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

The amendment does not directly impact on land use and development. Any 'on the ground' effects would be considered during a rezoning or planning permit application process.

However, at a policy level, the amendment has given due regard in the consideration of environmental, social or economic effects by:

- Supporting the viability of Latrobe City's Retail Centre Hierarchy.
- Supporting the trading performance and viability of Latrobe City's higher-order retail centres.
- Ensuring convenient and accessible retail services through viable neighbourhood centres, small town centres and local centres.
- Reducing retail vacancy rates and improve trading performance of under-performing centres.
- Ensuring retail centres in Latrobe City are well-designed places where people enjoy shopping, doing business and participating in community activities.
- Supporting a dynamic retail sector that is responsive to changing consumer preferences and market trends.

In addition, the draft Strategy is expected to have positive environmental, social and economic impacts by providing clearer direction to council and commercial developers on retail development, increase competitiveness in the regional retail environment and provide a range of direct and indirect employment opportunities.

It is also considered to have a positive social impact by facilitating opportunities for greater activity and vibrancy, and by providing a safer environment through passive surveillance.

Does the Amendment address relevant bushfire risk?

The amendment will not result in any increase bushfire risk. As per Clause 13.02-1S Bushfire planning, future commercial growth is encouraged in low risk locations in existing activity centres. Existing zone and overlay provisions will continue to apply.

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

The amendment is consistent with the Ministerial Direction on the Form and Content of Planning Schemes under section 7(5) of the Act and Ministerial Direction 11 Strategic Assessment of Amendments.

The amendment is also consistent with Ministerial Direction No. 15 The Planning Scheme Amendment Process.

How does the Amendment support or implement the Planning Policy Framework and any adopted State policy?

Clauses that are supported by the amendment include:

Clause 11.01-1S Settlement and Clause 11.01-1R Settlement – Gippsland, outline strategies to promote regional development, in particular by:

- Support urban growth in Latrobe City as Gippsland's regional city, at Bairnsdale, Leongatha, Sale, Warragul/Drouin and Wonthaggi as regional centres, and in sub-regional networks of towns;
- creating vibrant and prosperous town centres that are clearly defined and provide commercial and service activities that respond to changing population and market condition; and
- supporting the continuing role of towns and small settlements in providing services to their districts, recognising their relationships and dependencies with larger towns.

Clause 11.03-1S Activity centres, which seeks to encourage the concentration of major retail, residential, commercial, administrative, entertainment and cultural developments into activity centres that are highly accessible to the community.

Clause 15.01-1S Urban design, which seeks to create urban environments that are safe, healthy, functional and enjoyable and that contribute to a sense of place and cultural identity

Clause 11.03-6S Regional and local places, there is support to integrate relevant planning considerations to provide specific direction for the planning of sites, places, neighbourhoods and towns and to consider the distinctive characteristics and needs of regional and local places in planning for future land use and development.

Furthermore, the amendment seeks to establish a hierarchy of retail centres in Latrobe City, which is an important policy position given the diverse settlement patterns of the municipality.

The amendment supports retail development within existing centres over development of new centres, though new centres are identified in urban growth locations. The draft Strategy recommends that all residential development fronts in Latrobe City are well planned for, with new retail centre locations identified as the population grows.

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Panel hearing dates

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

- directions hearing: Week of 11 May 2020
- panel hearing: Week of 9 June 2020

*Planning and Environment Act 1987***LATROBE PLANNING SCHEME****AMENDMENT C119****INSTRUCTION SHEET**

The planning authority for this amendment is the Latrobe City Council.

The Latrobe Planning Scheme is amended as follows:

Planning Scheme Ordinance

The Planning Scheme Ordinance is amended as follows:

1. In **Local Planning Policy Framework** – replace Clause 21.01 with a new Clause 21.01 in the form of the attached document.
2. In **Local Planning Policy Framework** – replace Clause 21.02 with a new Clause 21.02 in the form of the attached document.
3. In **Local Planning Policy Framework** – replace Clause 21.06 with a new Clause 21.06 in the form of the attached document.
4. In **Local Planning Policy Framework** – replace Clause 21.09 with a new Clause 21.09 in the form of the attached document.
5. In **Local Planning Policy Framework** – replace Clause 21.10 with a new Clause 21.10 in the form of the attached document.
6. In **Operational Provisions** – Clause 72.08, replace the Schedule with a new Schedule in the form of the attached document.

End of document

LATROBE PLANNING SCHEME

21.0121/11/2019
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C119**INTRODUCTION****21.01-1****Municipal Profile**

Latrobe City is part of the region traditionally owned by the Braiakaulung clan of the Gunaikurnai people. European settlement began in the Gippsland Plain in the 1840s and extended to most of the Strzelecki Ranges after 1900.

Latrobe City is now recognised as one of Victoria's four Major Regional Cities made up of four central towns: Churchill, Moe-Newborough, Morwell and Traralgon which combined form a networked city. [The four central towns are supported by small and district townships.](#)

Latrobe City is the population and regional service centre for Gippsland. The municipality extends over 1400 square kilometres and is centrally located in eastern Victoria, approximately 150 kilometres east of Melbourne.

Latrobe City is currently home to approximately 74,021 (2018) residents. The population is forecast to grow by approximately 8,560 to house 82,460 people by 2030. The demographic profile is forecast to significantly change over the next 15 years, with 70% of all population growth forecast for Latrobe City is to occur in the population aged 70 and over. The working age (25-29 years), infants and pre-schooler population groups are anticipated to experience below-average growth. (Essential Economics, 2016).

Latrobe City is experiencing a period of economic restructuring associated with the change in traditional employment sectors which support Victoria's power production including manufacturing and mining. Industry diversification and employment generation are therefore major priorities of Latrobe City and the Gippsland region, drawing on the extensive natural resource base, built infrastructure and local workforce.

Latrobe City is also at the centre of a large forestry industry, which services the largest pulp and paper mill in Australia. Other industries in the area include food processing, retail, engineering, health and post-secondary education. Latrobe City is one of Victoria's strongest regional economies with a Gross Regional Product (GRP) of approximately \$4.8 billion and a total estimated annual business turnover of \$10.7 billion. Latrobe's GRP represents 1.2% of Victoria's Gross State Product.

21.01-2**Regional Profile**

The *Gippsland Regional Growth Plan 2014* (GRGP) identifies the following challenges for growth in the region:

- Sustaining and expanding economic activity through a period of diversification and transition.
- Enhancing the resilience of the regions industries to economic restructuring and supporting business to reduce carbon emissions.
- Building on tourism opportunities in the region.
- Accommodating population growth, including managing growth with consideration of resources, environment and natural hazards.
- Responding to changing community profiles including the increasingly aged population.
- Planning and adapting settlements and infrastructure to respond to the impacts of climate change, including increased risk from natural hazards.
- Improving the efficiency, reliability and service levels of the regions transport network.
- Delivering services and communications infrastructure for community, commercial and industrial users.

LATROBE PLANNING SCHEME

21.01-3 Key Planning Issues

The key planning issues that are identified in the State Planning Policy Framework of this planning scheme which Council believes it needs to address are:

- Regional Growth Plan.
- Built Environment and Settlement.
- Urban Design, Heritage and Character.
- Environmental and Landscape Values.
- Environmental Risks.
- Natural Resource Management.
- Economic Development.
- Transport and Infrastructure.

21.01-4 Strategic Vision

The 2017-2021 Council Plan reflects the clear understanding that Latrobe City's community is in significant economic and social transition. The Council Plan provides a concentrated focus on employment, economic growth, liveability, and a connected Latrobe City.

The Council Plan identifies 7 key objectives as follows:

- Support job creation and industry diversification to enable economic growth in Latrobe City.
- Encourage improved education & training outcomes in Latrobe City.
- Improve the liveability and connectedness of Latrobe City.
- Improve the amenity and accessibility of Council services.
- Provide a connected, engaged and safe community environment, which is improving the well-being of all Latrobe City citizens.
- Ensure Council operates openly, transparently and responsibly.
- Grow the civic pride of our municipality and solidify Latrobe City's image as a key regional city.

21.01-5 Strategic Framework Plan

Council has prepared a Strategic Framework Plan which identifies the major strategic directions for the municipality. The Strategic Framework Plan represents the interdependencies between existing land use and development patterns, settlement hierarchy, extent of infrastructure, environmental assets and hazards. The framework plan advocates for future growth commensurate with access to services, infrastructure, transport, natural resource management and the acknowledgement of environmental risks and hazards.

Key elements of the Strategic Framework Plan include:

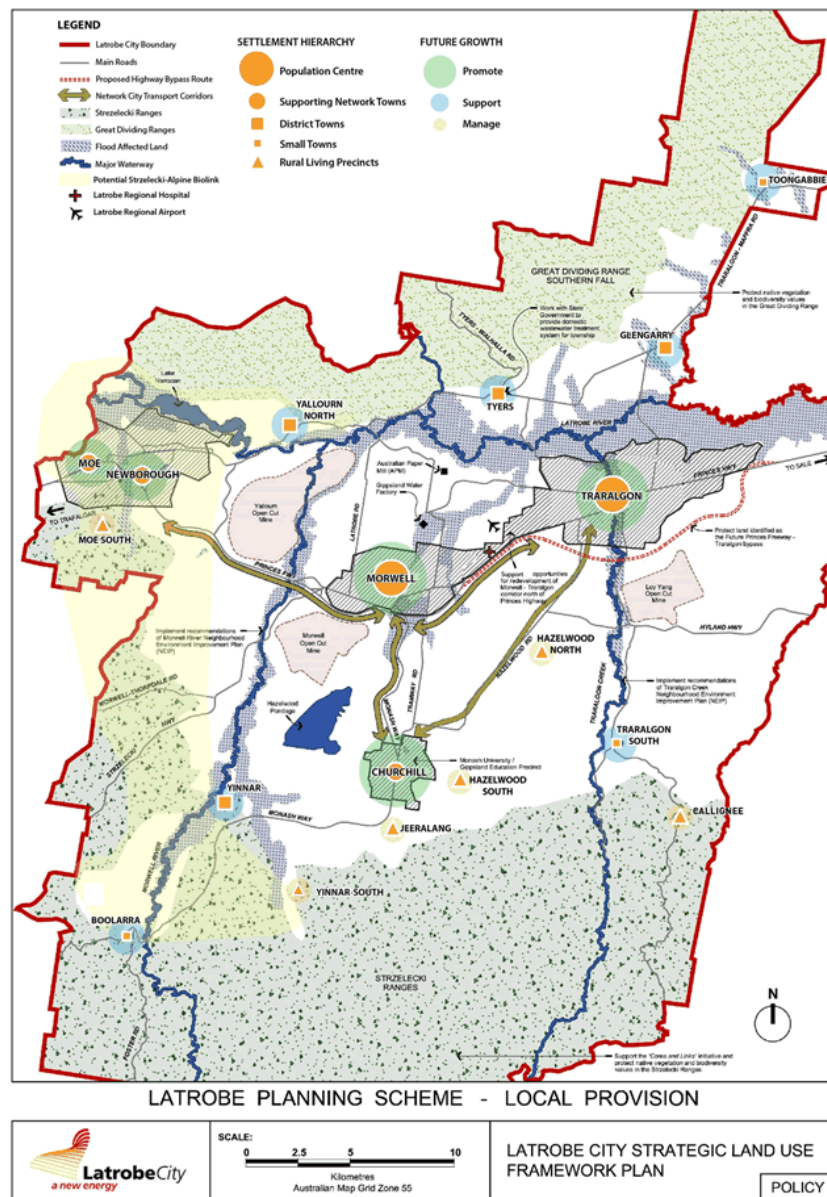
- Settlement Hierarchy anticipating likely growth.
- Implementation of Town Structure Plans.
- Redevelopment of the Morwell – Traralgon Corridor as a key employment precinct.
- Promotion of Rural Living precincts as an attractive lifestyle choice.
- Implementation of the Latrobe Regional Airport Master Plan, Latrobe Regional Hospital Master Plan and Federation University Master Plan.

LATROBE PLANNING SCHEME

- Location of open cut coal mines in relation to established townships.
- Location of key infrastructure and transport links including the proposed Traralgon Highway Bypass.
- Location of natural resources and environmental values including the Strzelecki – Alpine Biolink.

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Latrobe City Strategic Framework Plan



LATROBE PLANNING SCHEME

21.02

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C119

HOUSING AND SETTLEMENT

This clause provides local content to support Clause 15 (Built Environment and Heritage) of the State Planning Policy Framework.

Specific references to individual towns are included in Clause 21.09 (Local Area Growth Plans).

LATROBE PLANNING SCHEME

21.02-1 Settlement

Latrobe City contains a variety of residential settings, ranging from compact urban areas, to conventional Australian regional suburbs and expansive rural acreages. The Strategic Framework Plan maintains that together Moe-Newborough, Morwell, Traralgon and Churchill form a 'networked city', whereby each town and settlement provides services and facilities to meet the differing needs of the whole Latrobe City community.

Each town has developed its own role and function with Moe-Newborough as a service centre; Morwell as a centre for government offices and industry; Traralgon as a commercial centre; and Churchill as a university town.

The Strategic Framework Plan identifies that Morwell and Traralgon combined as the Primary Population Centre, which together will provide the focus for housing and commercial growth in the future.

Latrobe City's smaller towns and rural living settlements provide important diversity of housing and lifestyle choice. Some also function as service centres which provide commercial and community facilities and services for the townships and surrounding district.

Transport corridors form a key element of the Strategic Framework Plan. The Moe-Morwell, Traralgon-Churchill, Morwell-Churchill, and Morwell-Traralgon corridors facilitate the movement of people and goods within the municipality. The Princess Highway and Gippsland Rail line provide key connections to Melbourne and interstate.

The Morwell – Maryvale corridor is the focus for heavy and large format industrial and commercial investment and development. Whilst the Morwell - Traralgon corridor will provide for residential, commercial and industrial development. A strategic employment area is identified around the Latrobe Regional Airport and Latrobe Regional Hospital.

The rezoning of greenfield locations identified for future residential development is to be preserved for long term housing needs and related service needs as outlined by the Traralgon – Morwell Growth Framework Plan.

21.02-2 Objective 1

To build upon the existing structure of towns and settlements to create an integrated network of urban areas.

Strategies

- 1.1 Consolidate development within existing township boundaries and surrounding activity centres.
- 1.2 Protect and strengthen the effectiveness of private and public transport connections between the towns, broader region and to Melbourne.
- 1.3 Ensure that current and forecast Latrobe Regional Airport operations are taken into account in planning for the use and development of land within the Traralgon West Growth Corridor.
- 1.4 Ensure that future land use and development is consistent with the Strategic Framework Plan, Local Area Structure Plans and Housing Framework Plans.
- 1.5 Preserve the significant environmental values and landscapes to maintain and enhance the liveability and sustainability of Latrobe City.
- 1.6 Ensure that future growth of towns is commensurate with access to services,

LATROBE PLANNING SCHEME
infrastructure, transport and the protection of natural resources.

- 1.7 Maintain a clear separation between urban settlements facilitating the self-containment and individual identity of each town, with the exception of the Traralgon West Growth Corridor linking the urban areas of Morwell and Traralgon.

21.02-3

Objective 2

Support land use and development which aligns with the settlement hierarchy in the Strategic Framework Plan.

Strategies

- 2.1 Promote growth in Traralgon-Morwell as the primary population centre, serving as the dominant residential, commercial and retail node.
- 2.2 Promote growth in Moe-Newborough and Churchill as supporting network towns, serving as secondary urban centres with a wide range of services, high level amenity with good access to public transport.
- 2.3 Support growth in Glengarry, Tyers, Yallourn North and Yinnar as district towns which serve as key retail and service centres for a moderate population base and hinterland, providing important alternative lifestyle opportunities within commuting distance of the larger centres.
- 2.4 Support growth in Boolarra, Toongabbie and Traralgon South as small towns providing a limited range of educational, retail and recreation services, for residents and the community in the surrounding rural areas.
- 2.5 Manage growth in rural living precincts including Jeeralang, Yinnar South, Hazelwood North, Hazelwood South, Callignee and Moe South, comprising clusters of housing on small rural lots with limited services.

21.02-4

Objective 3

To achieve cost effective and orderly management of urban growth.

Strategies

- 3.1 Ensure that subdivision and development aligns with the delivery of key infrastructure items and the delivery of economic and employment growth.
- 3.2 Consider the *Municipal Domestic Wastewater Management Plan 2006* and sewerage and water authorities infrastructure plans when assessing new subdivision and development in unsewered areas.
- 3.3 Implement Development Plans and Development Contribution Plans in identified growth areas and key infill/redevelopment sites.

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21.02

21/11/2019
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C119

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LATROBE PLANNING SCHEME

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Each town has developed its own role and function with Moe-Newborough as a service centre; Morwell as a centre for government offices and industry; Traralgon as a commercial centre; and Churchill as a university town.

The Strategic Framework Plan identifies that Morwell and Traralgon combined as the Primary Population Centre, which together will provide the focus for housing and commercial growth in the future.

Latrobe City's smaller towns and rural living settlements provide important diversity of housing and lifestyle choice. Some also function as service centres which provide commercial and community facilities and services for the townships and surrounding district.

Transport corridors form a key element of the Strategic Framework Plan. The Moe-Morwell, Traralgon-Churchill, Morwell-Churchill, and Morwell-Traralgon corridors facilitate the movement of people and goods within the municipality. The Princess Highway and Gippsland Rail line provide key connections to Melbourne and interstate.

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LATROBE PLANNING SCHEME
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21.02-3

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- 3.1 Ensure that subdivision and development aligns with the delivery of key infrastructure items and the delivery of economic and employment growth.
- 3.2 Consider the *Municipal Domestic Wastewater Management Plan 2006* and sewerage and water authorities infrastructure plans when assessing new subdivision and development in unsewered areas.
- 3.3 Implement Development Plans and Development Contribution Plans in identified growth areas and key infill/redevelopment sites.

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21.02-5 Activity Centres

Latrobe City is the retail and regional service centre for Gippsland. Retail services provide the second highest level of employment in Latrobe City providing close to 4,000 jobs and contributing \$1.163 385 million to the local economy annually.

~~Additional retail floor space should be provided with a focus on increasing the vibrancy of main town centres.~~

~~Council supports the existing main town neighbourhood and small town retail centres. No new centres should be supported unless demand can be demonstrated, as well as substantiating that existing centres would not be detrimentally affected.~~

~~Two new dedicated bulky goods centres at Princes Drive, Morwell and Princes Highway and Stammers Road, Traralgon, have been identified in order to decrease expenditure leakage to competing centres outside of Latrobe City. Future expansion and development of bulky goods centres should be directed to these locations.~~

Latrobe City's retail sector plays an important role for the municipality's ongoing economic transition from a high dependence in the mining and energy generation sectors. The continued creation of a diverse economic base with a greater emphasis on business and consumer services, including retail will support the long term viability and economic strength of Latrobe City.

Approximately 42,000m² of additional retail floor space will be required to 2033 to service the City. The majority of this floor space demand is for non-food merchandise, which could be accommodated almost entirely within existing commercially zoned areas.

The Traralgon Growth Areas Review establishes an activity centre hierarchy, as follows: The Latrobe Retail Centre Hierarchy outlines specific roles and functions for retail centres.

- ~~▪ **Principal Activity Centre:** The main focus for a wide range of higher density commercial, community and residential uses with access to public transport.~~
- ~~▪ **Neighbourhood Activity Centre:** Centres which provide a more localised cluster of services and facilities, including community uses, a supermarket, and local shops and personal services. These centres may also provide local employment opportunities but should not compete with the Principal Activity Centre.~~
- ~~▪ **Local Activity Centre:** Small centres containing individual shops which commonly provide local convenience food shopping, take away food, personal services and have access to public transport. Kindergartens, open space and other more localised community uses may also be provided in such centres.~~

~~There is need to review the Latrobe City Retail Strategy Review 2007 in order to better define the retail hierarchies across the municipality.~~

A key role of the hierarchy is the promotion of a local retail network in which individual centres complement one another with respect to their retail offer, rather than directly compete for trade.

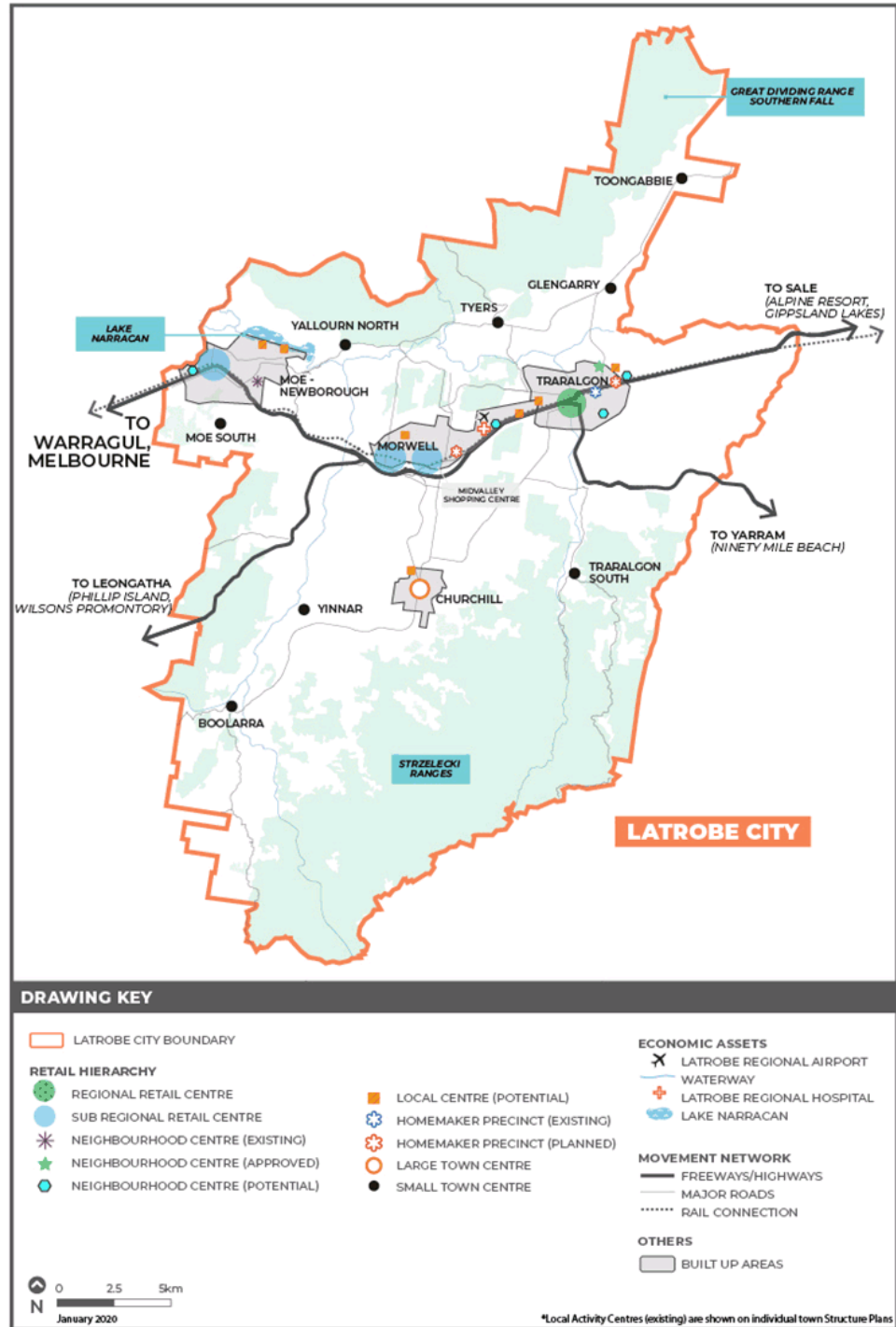
The Latrobe Retail Centre Hierarchy is as follows:

- **Regional Retail Centre (Traralgon):** The major retail centre servicing Latrobe City and beyond, providing a full range of retail and non-retail uses such as community and recreation facilities and offices.
- **Sub-Regional Retail Centre (Moe, Morwell, Mid Valley Shopping Centre):** Serve a broad surrounding region, although not as large as a regional centre. They provide a full range of convenience and comparison retailing. Sub-regional centres can also provide a range of non-retail uses such as community and recreation facilities and offices.
- **Large Town Centre (Churchill):** Provide a comprehensive range of day-to-day and weekly convenience retailing, including supermarkets. A range of non-food retailing and services is also provided, the extent of which depends on the size of the catchment served by the centre. Large Town Centres serve the immediate township and surrounding rural areas and small towns. Large town centres also provide a range of commercial, civic, health and other uses serving the township and a wider rural catchment.

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- Neighbourhood Activity Centre (Numerous): Provide access to day-to-day and weekly convenience shopping facilities for the surrounding community. Neighbourhood activity centres can vary in size and typically include at least one supermarket. Retail floor space ranges from approximately 2,500m² to 10,000m². Limited role in providing local community, civic and health services to the surrounding communities.
- Local Activity Centre (Numerous): Provides limited convenience retailing, including general store/supermarket (small), takeaway food/café, and personal services. Typically containing up to 10 shopfronts. Retail floor space is typically less than 1,500m². Local centres may co-locate to provide community and/or education facilities, and may provide limited commercial services.
- Small Town Centre (Boolarra, Glengarry, Toongabbie, Traralgon South, Tyers, Yallourn North and Yinnar): Provides limited convenience retailing to the immediate surrounding township and rural areas. These centres are important focal points for the community and, where appropriate, may include tourism-related retailing. In addition to convenience retail, small town centres also provide a limited range of commercial, community (e.g. community hall/centre), and personal services (e.g. post office).
- Homemaker Precinct (Morwell East and Traralgon East): Provide a range of large-format retail and restricted retail premises that would otherwise be difficult to accommodate in traditional retail centres.

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[Latrobe Retail Centre Hierarchy](#)

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21.02-6 Objective 1

Support the development of a network of activity centres which satisfy a range of local and regional retail, entertainment, commercial, government and community service needs in accordance with the Latrobe City Retail Centre Hierarchy.

Strategies

- 1.1 Support redevelopment and expansion of existing activity centres provided they contribute to a net community benefit and do not adversely affect the operation of the Latrobe City Retail Centre Hierarchy. ~~Encourage a mix of retail, office, commercial, government services, entertainment, leisure, residential and community uses within Primary Activity Centres as identified within Structure Plans and Activity Centre Plans.~~
- 1.2 Undertake a Retail Economic Assessment for new or expanded provision of retail floor space including an analysis of:
 - Retail demand;
 - Impacts on existing or planned centres;
 - Impacts of retail hierarchy;
 - Contributions to employment (during construction and retail operation);
 - Net community benefit;
 - State and local policy; and
- 1.4 Urban design guidelines.
- 1.2 ~~Provide for localised convenience retail, community and small business service needs within vibrant and attractive Neighbourhood and Local Activity Centres, including locations shown on endorsed Development Plans.~~

~~Increase access to retail, convenience goods and services by encouraging increased residential housing choice within and around Primary, Neighbourhood and Local Activity Centres to strengthen existing centres. Encourage strong pedestrian and public transport connectivity to and between all activity centres.~~
- 1.3 ~~Encourage the distribution of new bulky goods retail in Princes Drive, Morwell and Princes Highway and Stammers Road, Traralgon East in accordance with the Morwell and Traralgon Structure Plans.~~
- 1.4 ~~Discourage the establishment of new centres or 'out of centre' large format supermarkets and retail developments, unless demand can be demonstrated that existing centres would not be detrimentally affected.~~
- 1.5 ~~Implement any Latrobe City adopted retail land use strategy or activity centre plan.~~

21.02-7 Objective 2

To facilitate the growth and viability of Latrobe's Activity ~~the Morwell, Moe, Traralgon and Churchill Town~~ Centres.

Strategies

- 2.1 Direct major retailers (excluding those associated with restricted retail premises) to the regional and sub-regional retail centres where they contribute to

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increasing the profile and overall levels of activity within the centre~~Implement any Latrobe City adopted activity centre and town centre plans.~~

~~2.2 Encourage a diverse range of land uses including accommodation, housing, office, retail, food and drink, transport, leisure, civic and community uses.~~

~~2.32 2 Support the development of integrated high quality public transport interchanges at regional and sub-regional retail centres~~Encourage high quality, accessible and environmentally sustainable design.

~~2.42 3 Support development that diversifies the retail and non-retail offering in underperforming centres (Morwell and Moe Primary Activity Centres, Mid Valley Shopping Centre, Bruton Street, Morwell and Rintoull Street, Morwell Local Activity Centres and Boolarra Avenue Newborough and Old Sale Road, Newborough Local Activity Centres)~~Provide coordinated walking, cycling, pedestrian and vehicular movement.

~~2.5 Identify and encourage the development of integrated high quality public transport interchanges.~~

~~2.6 Provide well located and accessible car parking areas and non-vehicle transport options including provision of bicycle parking.~~

~~2.7 Promote upper level residential development in areas of high amenity within Primary Activity Centres.~~

21.02-8 Objective 3

To create vibrant, high quality, walkable, safe and active retail areas.

Strategies

~~3.1 Encourage all retail outlets to provide active street frontages, including low level advertising signage to street frontages and minimising blank walls to street facades, to promote active and passive surveillance of the public realm.~~

~~3.23 1 Support walkable spaces in retail areas that are in close proximity to community centres, schools, public transport, civic areas and parks.~~

~~3.3 Support community centres in close proximity to schools, public transport, civic areas and parks.~~

~~3.43 2 Support art in public spaces to enhance the public realm.~~

21.02-9 Housing

The population of Latrobe City is forecast to grow to 82,460 by 2030. Council has aspirations to grow the municipal population to 100,000 by 2050.

Latrobe City's future population is expected to be dominated by a higher proportion of older people, compared with the State average. A significant shift to smaller households is also expected, with one and two person households expected to represent 76% of all new households over the next 15 years.

Structure Plans and Housing Framework Plans encourage a diverse range of housing with good

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access to activity centres and public transport whilst retaining the regional suburban character of established and growing neighbourhoods.

Given the land use constraints around the major towns and decreasing household size, urban renewal and housing intensification will play a key role across large and small settlements to diversify housing choice, accommodate growth and maximise access to infrastructure and services.

Housing Framework Plans provide direction regarding the extent and location of future growth and housing change, categorising residential land into four broad categories of change including Substantial Change, Incremental Change, Limited Change and Minimal Change.

The Latrobe City Housing Strategy directs that in most instances new medium to high density housing typologies are to be encouraged within 400 metres of the ~~Primaryneipal~~ Activity Centres of ~~Churchill~~, Moe, Morwell and ~~Churchill~~, Traralgon.

Infill development in the form of townhouses and units is supported within 200 metres of existing or planned Neighbourhood Activity Centres and Local Activity Centres and the retail centres of District and Small Towns.

This approach supports other Latrobe City strategies relating to efficient use of infrastructure and enhancing the liveability of its towns, by supporting walkability and non-car based transport options and retaining Latrobe City's regional suburban character.

Council acknowledges that while land supply issues have been considered under the *Residential and Rural Residential Land Assessment 2009* and *Latrobe Planning Studies Economic Analysis 2016*, ongoing analysis of housing development trends, land consumption and the changing population housing needs is necessary. There is also a need for improved linkages between completed growth plans for towns and infrastructure sequencing plans with relevant agencies and authorities.

21.02-10**Objective 1**

Support the objectives of the Latrobe City Council Structure Plans, Housing Strategy and Housing Framework Plans in the assessment of land use and development applications.

Strategies

- 1.1 Support change in the form, diversity and density of housing in accordance with the Housing Framework Plans.
- 1.2 Encourage the development of smaller housing types, particularly one and two bedroom dwellings, in appropriate locations to meet the needs of the community.
- 1.3 Encourage a diversity of housing across a variety of tenures, including Strategic Development Sites in order to provide affordable, social and supported housing types, in order to meet the changing housing needs of Latrobe City.
- 1.4 Encourage public realm works and programs to improve the appearance, function and safety of residential streets.
- 1.5 Support site amalgamation and consolidation to maximise opportunities for increased residential yield and integrated development in locations identified for Substantial and Incremental Change.

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21.02-11 Objective 2**Substantial Change Areas**

Encourage a substantial increase in housing density and diversity to maximise access to existing services, transport and infrastructure.

Strategies

- 2.1 Encourage multi-level residential development in the form of low scale apartments, townhouses, shop-tops and units.
- 2.2 Encourage smaller housing types, particularly one and two bedroom dwellings.
- 2.3 Encourage public realm improvements to improve and enhance the amenity, function and safety of streets.
- 2.4 Encourage site amalgamation and consolidation to maximise opportunities for increased residential yield and integration of development.
- 2.5 Discourage housing intensification in areas identified for 'Future Substantial Change' south of Shakespeare Street Traralgon, until existing industrial development located to the south (Area 8a within the Traralgon Township Structure Plan) transitions to more compatible uses.

21.02-12 Objective 3**Incremental Change Areas**

Encourage higher density housing in the form of townhouses, units and dual occupancies, appropriate to the surrounding context.

Strategies

- 3.1 Support new medium density development that provides a sensitive and appropriate interface with adjoining streetscapes, buildings and residential areas.
- 3.2 Facilitate the development of streetscape character that contains private gardens in front yards, space between buildings, views to local landmarks and natural shade.
- 3.3 Discourage significant housing intensification south of Commercial Road, Morwell pending the completion of rehabilitation works to the northern extent of the Hazelwood open cut brown coal mine area (Area 13 on the Morwell Structure Plan).

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21.02-13 Objective 4**Limited Change Areas**

Encourage housing growth which reinforces the spacious regional suburban character of established and developing residential areas.

Strategies

- 4.1 Reinforce the spacious regional suburban character of existing and developing residential neighbourhoods by supporting the development of detached dwellings and dual occupancies only. If a lot is greater than 1500m² a greater density could be supported if that lot:
 - Is within 400m walking distance from a public transport network;
 - Meets the objectives and requirements of the Zone, Housing Strategy and Urban Design Guidelines;
 - Is consistent with the average lot size or density development of the area within a 150m radius. Only lots within a residential zone should be considered and should exclude the subject site; and
 - Not constrained by an overlay which affects the development potential of the lot (heritage, bushfire or flooding overlay).
- 4.2 Encourage the development of smaller and diverse housing types, including units and townhouses, within 200 metres of existing or planned Neighbourhood and Local Activity Centres and where good access to public transport is provided.
- 4.3 Discourage units or townhouses beyond 200 metres from an existing or planned Neighbourhood Activity Centre or Local Activity Centre, except on Strategic Development Sites.
- 4.4 Promote the development of streetscapes which support the regional suburban character of Latrobe City comprising built form which addresses public and common areas, wide streets with generous front setbacks and space between dwellings.

21.02-14 Objective 5**Minimal Change Areas**

Preserve and enhance the significant environmental, heritage or neighbourhood character attributes through minimal housing growth and change.

Strategies

- 5.1 Promote minimal change, in the form of detached houses and dual occupancies, in locations with special or distinct character attributes, such as heritage value, identified neighbourhood character values, environmental or amenity value or infrastructure limitations.
- 5.2 Maintain the generous front and side setback character of identified locations and encourage the retention and provision of vegetated areas including canopy trees and large garden spaces.
- 5.3 Ensure building siting and massing responds to the topography of the area and that hard surfaces occupy a low proportion of the site area.

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21.02-15 Land Use Buffers and Constraints

The major urban areas of Moe, Morwell and Traralgon are constrained from further development by a number of man-made and natural geographic features including:

- Open cut mines at Yallourn, Hazelwood and Loy Yang.
- State Resource Overlay.
- Latrobe River and associated flood plains.
- Strzelecki Ranges to the south and the Great Dividing Ranges to the north.
- Industry and associated amenity buffers (including Australian Paper's Urban Amenity Buffer)
- Latrobe Regional Airport.
- Traralgon Freeway Bypass.
- Wastewater Treatment Plants.
- Bushfire.

Buffers to the coal resource are intended to protect urban settlements from the impact of the coal industry. The urban (coal) buffers identified are:

- Areas between urban development and existing or future coal resource development based on the known impacts of earth subsidence, noise, dust, fire hazard and visual intrusion. Buffer areas extend for a distance of 750 metres from any urban settlement boundary to the perimeter of a 250 metre wide coal operational area. The total separation area between an urban settlement boundary and the crest of any future open cut development should not be less than 1 kilometre in width.
- An area 1 kilometre wide has also been identified on the western end of the Australian Paper Mill site at Maryvale so as to protect the mill from coal operations in the Yallourn mine as well as providing for future expansion.
- An area to protect the Morwell - Traralgon, Morwell – Moe, and Morwell - Churchill transport corridors from the potential conflict between settlement and urban functions and the exploitation of the coal resource.

In the identified coal related buffer areas, the mutual protection of urban amenity and coal development areas are the primary considerations. In existing urban areas and land identified for urban purposes, urban land uses are the primary considerations.

Framework for the Future (1987) and *Land Over Coal Buffer Study (1988)* remain current coal planning policy. There is a need to update these policies and Council has a strong interest in any review that is likely to result in changes to the current coal policy regime.

21.02-16 Objective 1

To minimise the land use conflict between the coal resource development and other development and use in the municipality.

Strategies

- 1.1 Discourage proposals for residential, rural living, commercial or non-coal related industrial land use and development within the buffer.
- 1.2 Discourage the subdivision of land to create allotments of less than one hectare.
- 1.3 Discourage the subdivision of land which would create average allotment densities of more than one allotment per 10 hectares.

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- 1.4 Discourage the construction of a house on an allotment of less than one hectare created prior to 13 April 1988.
- 1.5 Discourage the construction of a house on land more than 200 metres from the nearest urban side of the urban buffer boundary unless the land is vacant; is not capable of having a house erected within 200 metres of the nearest urban side of the urban buffer boundary; and existed as a separate lot prior to 13 April 1988.
- 1.6 Ensure that rural living is at least 200 metres from the nearest urban side of the buffer area boundary.

21.02-17 Objective 2

To ensure that adequate spatial separation is provided between existing and proposed urban and industrial uses and existing or proposed coal development so as to reduce the likely effects of earth subsidence, the emission of noise, dust, fire hazard and visual intrusion.

To ensure that environmental and geotechnical risks are managed and reduced by regulators and licensees, so as to prevent the need to expand the Environmental Significance Overlay Schedule 1 adjacent to and towards township boundaries.

Strategies

- 2.1 Provide separation between coal development (and associated areas) and residential or other sensitive areas to alleviate the adverse effects of one upon the other.
- 2.2 Encourage licensees to have regard to the Environmental Significance Overlay Schedule 1 when operating in accordance with the requirements applicable under the Mineral Resources (Sustainable Development) Act 1990.
- 2.3 Ensure the Environmental Significance Overlay Schedule 1 compliments the regulatory measures for geotechnical risk under the Mineral Resources (Sustainable Development) Act 1990.
- 2.4 Consider the Victorian Government's document Guidance Material for the Assessment of Geotechnical Risks in Open Pit Mines and Quarries regarding management of geotechnical risks in assessing future rezonings and the need for separation distances.

21.02-18 Objective 3

To provide for uses and developments which are compatible to coal development and ancillary services within the buffer area.

Strategies

- 3.1 Encourage high amenity and low intensity uses of land such as farming and broad scale recreation uses within the buffer area.
- 3.2 Ensure that any use or development in a buffer area is undertaken in a manner which minimises the potential impacts from sources, including earth subsidence, noise, dust, fire hazard and visual intrusion associated with open cut mining.
- 3.3 Ensure that the management, use or development of land in all buffer areas minimises the potential fire risk to open cut mining.

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21.02-19 Rural Living

Residential use of land in a rural setting is a popular and attractive lifestyle choice in Latrobe City and continues to attract residents. It is intentionally accommodated in the Low Density Residential Zone in urban areas and in the Rural Living Zone in rural areas.

There are a range of rural residential opportunities in Latrobe City, including locations adjoining the main townships of [Churchill](#), [Moe-Newborough](#), [Morwell](#), ~~and~~ [Traralgon](#) ~~and~~ [Churchill](#). Isolated subdivisions are another form of rural living found in the municipality. Rural residential development needs to be managed to ensure it does not compromise agricultural productivity or impede the long term urban growth of settlements.

An emerging issue in the Farming Zone relates to resident amenity concerns with animal husbandry, forestry operations and other more intensive agricultural pursuits. While agricultural, tourism and rural enterprises are permissible uses in areas zoned for Rural Living, it should retain its ability to accommodate rural residential land uses and small scale farming pursuits.

21.02-20 Objective 1

To identify and support rural living and associated land use within appropriate locations.

Strategies

- 1.1 Encourage rural living where there will be minimal or no negative environmental impact or conflict with commercial agriculture.
- 1.2 Support rural living where it can be demonstrated that improved land management outcomes will result.
- 1.3 Discourage rural living where there is substantial risk to life and property.
- 1.4 Encourage facilities and services required by rural residents to locate in existing townships.
- 1.5 Discourage further rural living or low density residential development on the fringes of the major towns where land is designated as a long-term urban growth corridor.
- 1.6 Encourage animal keeping facilities or animal production uses in rural living areas only where the proposal is of low intensity, and is able to be undertaken in accordance with relevant codes of practice, environmental standards and guidelines (including noise).
- 1.7 Discourage new rural living zone areas on existing timber haulage routes to avoid road safety and amenity issues.
- 1.8 Support rural living in lower bushfire risk locations or where bushfire risk can be reduced to an acceptable level.

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21.0621/11/2019
C109latr
Proposed
C119**BUILT ENVIRONMENT AND HERITAGE**

This clause provides local content to support Clause 15 (Built Environment and Heritage).

Specific reference to individual towns is included in Clause 21.09 (Local Area Growth Plans).

21.06-1**Urban Design and Neighbourhood Character**

Good quality private and public development and landscaping contribute to the function, safety and liveability of urban environments and improved health outcomes for the community. Consideration of good urban design outcomes is particularly important for main road approaches to urban centres.

The *Latrobe City Healthy Urban Design Good Practice Guideline – Meeting Healthy by Design Objectives* (the Guideline) provides guidance in designing and developing healthy and safe communities.

The *Latrobe City Urban Design Guidelines* (as amended) are relevant in considering development applications and their impact on the appearance of industrial, commercial and residential areas.

The *Latrobe City Council Housing Strategy* (2019) describes neighbourhood character as the interplay of the public and private realms within a streetscape, neighbourhood or township that make a place distinctive from another.

Neighbourhood character is however valued differently across local communities and for many, character is not always about the built or natural environment, it is about other attributes such as the people who live in the area, proximity to shops, transport options or availability of parks.

Regional centres have a number of unique characteristics when compared with typical suburban or metropolitan development. These differences are often interwoven with economic, social and geographical influences that shape the form of housing development. Several key distinctions between regional development and metropolitan development include:

- Layout and spaciousness
- Sporadic and irregular development patterns
- The size and spacing of dwellings
- Landscape and geographic connect
- Community values, perceptions and expectations

Housing in Latrobe City has many of these elements and although there are some areas which have a more defined character than others, each of the four main townships shares many similarities. Common character elements include simple building forms comprising dwellings usually constructed with brick or weatherboard, incorporating aluminium frame windows and shallow pitched roofs in a garden setting.

It is acknowledged that there is a recognisable difference between the character of older established areas and the newer suburbs in the main towns.

Special character areas have been identified as follows:

- Garden Suburban, being spacious residential areas in a garden setting with a mixture of older buildings located along linear street patterns, with pockets of established vegetation.
- Lifestyle Suburban, being dwellings on large lots in spacious landscaped settings, located on curvilinear and court street patterns with a strong rural character.
- Bush Suburban, being residential areas of large, informal lots visually dominated by landscaping. Built form is often hidden behind canopy trees and a well-established garden setting.

Other urban character types can be defined and would be the subject of further research.

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21.06-2 Objective 1

Support development in a form which strengthens civic pride and presentation as Gippsland's major regional city.

Strategies

- 1.1 Support high standard urban design outcomes.
 - 1.2 Improve the visual appearance of key transport routes and town entrances.
 - 1.3 Support the upgrade of degraded areas (including [commercial and industrial land](#)); in particular at town entrances and primary transport routes.
 - 1.4 Facilitate new development of varying scales, density and activity in accordance with the Housing Framework Plans whilst preserving and the amenity of existing neighbourhoods and locations with specific character or heritage value.
 - 1.5 Ensure applications for residential, commercial and industrial land use and development appropriately consider and respond to the Latrobe City Urban Design Guidelines.
-

21.06-3 Objective 2

Reinforce the regional suburban character of Latrobe City's established and new neighbourhoods whilst responding to changing housing needs.

Strategies

- 2.1 Facilitate and support the development of diverse and smaller housing types in preferred locations in accordance with the Housing Framework Plans, while retaining streetscape character and recognised heritage values.
 - 2.2 Facilitate the development of streetscapes of regional suburban character in Latrobe City, comprising built form that addresses public areas, wide streets, provision of generous front setbacks and space between dwellings.
 - 2.3 Support development that is practical, flexible and which meets the needs of people of different ages and abilities without the need for major adaptation post construction.
-

21.06-4 Objective 3

To provide for walkable neighbourhoods, ensuring public transport, shops, public open space and mixed-use activity and neighbourhood centres are close to all dwellings.

Strategies

- 3.1 Consider the *Healthy Urban Design Good Practice Guideline* when assessing new subdivision and development.
 - 3.2 Ensure new dwellings have good access to pedestrian and cycle paths.
 - 3.3 Ensure open space areas, pedestrian and cycle paths incorporate shade, toilet facilities, drinking taps, cycle racks, seating, lighting and directional signage where possible.
 - 3.4 Encourage community centres to be located within a 400-800 metre walk from all dwellings.
-

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3.5 Encourage built form that supports and enhances passive surveillance.

21.06-5 Objective 4

To improve the visual quality of development through improved design, siting and landscaping.

Strategies

- 4.1 Ensure that urban design and landscaping improves the visual amenity of gateways, transport routes, streets and places.
 - 4.2 Ensure that multi-unit housing is well landscaped, with tree and shrub selection creating a positive visual image.
 - 4.3 In residential areas, ensure there is adequate scope for canopy tree planting in private properties and within street reservations.
 - 4.4 Provide adequate reserve widths or tree reserves in new subdivisions and established areas to enhance road safety, protect power lines and contribute to neighbourhood character
-

21.06-6 Heritage

Latrobe City has a rich and diverse cultural heritage that is evidence of how the landscape has been changed by indigenous and non-indigenous people. Gippsland was occupied by the Gunaikurnai people for many thousands of years prior to European settlement. The first non-indigenous people to visit Gippsland were explorers, and pastoralists followed, which led to the development of agricultural industries such as grazing and dairying and the loss of native forest cover over much of the land.

The greatest change to the cultural landscape came in the twentieth century with the exploitation of the vast brown coal reserves.

The diverse history of the area is reflected in the heritage places that have been identified by the *Latrobe City Heritage Study 2010*, which incorporates the findings of two previous studies; *Traralgon Heritage Study 1992* and the *Latrobe Heritage Study 1991*. The heritage places include archaeological sites, township precincts, buildings, memorials, gardens, factories and trees.

21.06-7 Objective 1

To ensure that the heritage of Latrobe City is identified, protected and conserved.

Strategies

- 1.1 Ensure that all heritage places and precincts of local or state significance receive appropriate statutory protection.
 - 1.2 Nominate heritage places, precincts and archaeological sites of potential state significance for inclusion on the Victorian Heritage Register.
 - 1.3 Provide assistance and support to owners and custodians of heritage places in the conservation and management of these places.
-

LATROBE PLANNING SCHEME

21.06-8 Objective 2

To identify, recognise and protect places of heritage, cultural and social significance.

Strategies

- | | |
|-----|---|
| 2.1 | Discourage demolition of heritage assets, unless net community benefit can be demonstrated. |
| 2.2 | Ensure that additions, alterations and replacement buildings are sympathetic to the heritage area and surrounds. |
| 2.3 | Ensure that the management of heritage places will reveal rather than diminish the significance of the place. |
| 2.4 | Ensure that the use and development of heritage places and adjoining land is compatible with and does not adversely affect the significance of the place. |
-

21.06-9 Township Identity

Each town has its own unique character and enhancing these characteristics is key to further defining township. A design response assessment is an important consideration for to assist Council and the community with making decisions on the basis of 'character and identity' to address issues including:

- Identifying and protecting areas within the municipality with significant neighbourhood character values.
- Considering neighbourhood character issues in the assessment of infill housing development proposals within existing residential areas.
- Balancing the tension in policy between promoting growth and consolidation with the desire to respect residential amenity and neighbourhood character.
- Ensuring that the scale and design of development and its impacts on existing amenity are addressed.
- Minimising the loss of backyard areas and established vegetation through subdivision and development.

21.06-10 Objective 1

To protect and enhance the unique landscape qualities and features that contribute to places in the urban and rural character of the municipality, and which give the different localities in the City their own identity.

Strategies

- | | |
|-----|---|
| 1.1 | Ensure that new development maintains and enhances the character of the surrounding area. |
| 1.2 | Improve the amenity of neighbouring areas and seek to enhance the built form design. |
| 1.3 | Encourage the retention of intact, older buildings and features that contribute to the character of the area. |
| 1.4 | Integrate buildings and landscape settings with open space and the environs. |
-

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21.06-11 Implementation

The objectives, strategies and policy guidelines arising from this clause are implemented through the application of appropriate zones and overlays in Clause 21.10.

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21.0921/11/2019
C105latr**LOCAL AREAS**

This clause focuses the implementation of growth area plans and the objectives and strategies set out earlier in the Latrobe Planning Scheme. Each section relates to a particular precinct, settlement or town, and should be read in conjunction with the rest of the Municipal Strategic Statement. The vision for development in each of these local areas is that it creates environments that are supportive of the health and wellbeing of Latrobe's communities.

21.09-121/11/2019
C105latr**Network City Towns and Growth Corridors**

Structure Plans for the Main Towns of Churchill, Moe, Morwell, Traralgon and the Traralgon West Growth Corridor have been prepared to direct future growth and assist each area to develop its own unique character through consolidating development within their Activity Centres, incremental urban infill and logically staged urban expansion.

The Structure Plans for all four Main Towns and the Traralgon West Growth Corridor provide for sustainable housing growth, the expansion of industrial precincts in Moe, Morwell and the Morwell-Maryvale Industry Growth Corridor, and the renewal of underutilised industrial sites for residential use in Moe, Morwell and Traralgon.

The priorities in all the main urban settlements is to promote opportunities for infill development, concentrating diversity and density of housing types around activity centres to maximise access to infrastructure, community facilities and services.

The Traralgon - Morwell Growth Framework Plan has been developed to provide an overarching strategy for the long term growth of these two Main Towns. The Growth Framework Plan shows how the Traralgon West Growth Corridor's gradual development over the next 20 years will link Morwell and Traralgon together to form a continuous urban area.

The Traralgon West Growth Corridor will provide for residential, commercial and industrial development as well as a strategic employment area focused around the Latrobe Regional Airport and Hospital. The corridor will accommodate industry clusters where health, aeronautics, food processing, logistics or agriculture research and development could emerge.

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To facilitate development in accordance with the Strategic Framework Plan, specific Main Town Structure Plans, Housing Framework Plans, the Traralgon West Growth Corridor Structure Plan and the Traralgon-Morwell Growth Framework Plan.

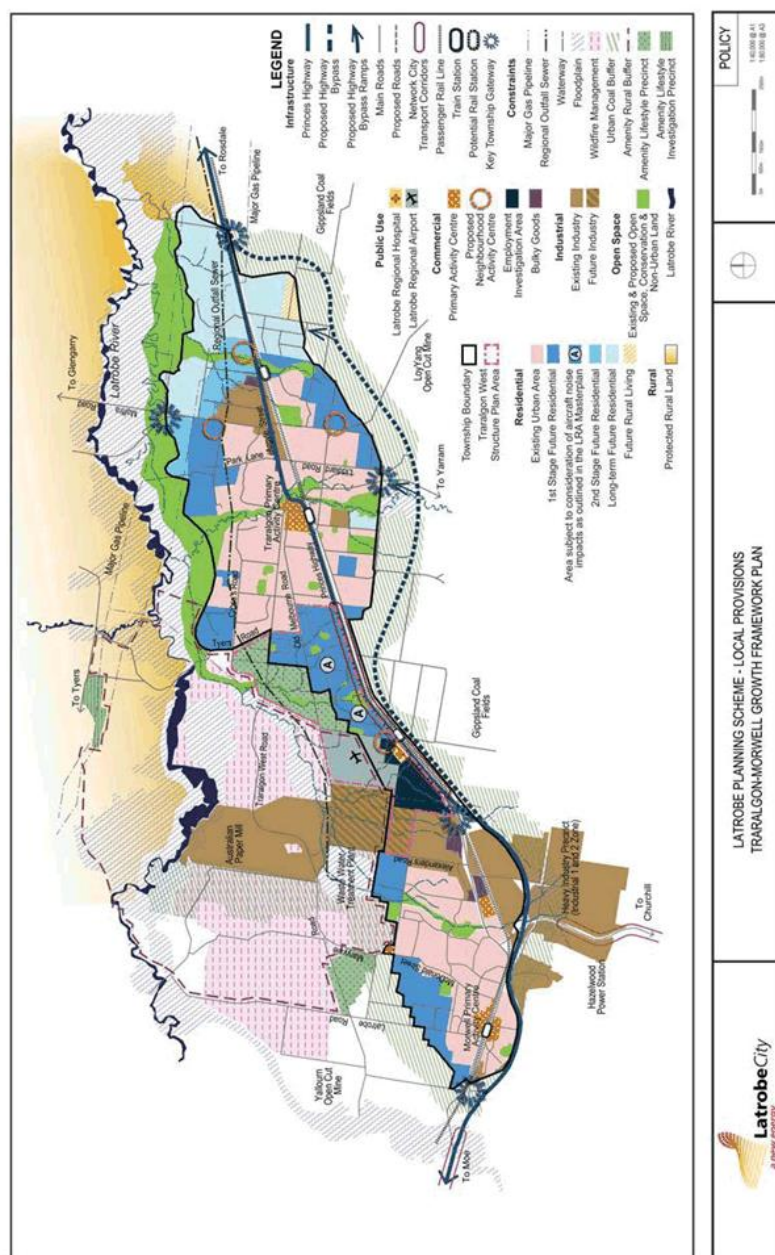
Strategies

1. 1	Encourage consolidation of urban settlement within township boundaries designated in the Structure Plans, the Traralgon-Morwell Growth Framework Plan and Housing Framework Plans.
1. 2	Encourage a logical expansion of urban settlements in accordance with staging guidance included in the Strategic Framework Plan, Structure Plans and the Traralgon-Morwell Growth Framework Plan.
1. 3	Encourage increased density and diversity of housing types within close proximity to activity centres in the Housing Framework Plans.
1. 4	Encourage new large format and heavy industry development within the Morwell-Maryvale Industry Growth corridor.
1. 5	Enhance town and gateway entrances as shown on Structure Plans.

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1. 6	Discourage the fragmentation of land in the Farming Zone adjoining township boundaries to allow for future long term urban growth opportunities.
1. 7	Encourage the dissemination of any relevant geotechnical land form testing and monitoring data related to coal resources and urban areas.
1. 8	Ensure local area growth planning identifies bushfire risk and considers where development should be located and how any risk can be mitigated.

Traralgon - Morwell Growth Framework Plan



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C119**Churchill**

Churchill is approximately 160 kilometres from Melbourne and has a population of 4,700 people. Churchill was originally designated as one of the major growth towns for the region in the 1960s that was planned to accommodate in excess of 30,000 people. The overall growth within Latrobe City is placing increased pressure on existing centres, particularly Traralgon; increasingly Churchill offers the potential to provide an alternative residential address in a well serviced township. Churchill is identified as a supporting network town on the Strategic Framework Plan and continues to operate as a local service centre, although its industry, retail and commercial activity is smaller in comparison to the other major towns in the municipality, with many people travelling to the other centres for goods and services. [Churchill is identified as a Large Town Centre within the Latrobe City Retail Centre Hierarchy.](#)

Significant infrastructure has been invested in the town in anticipation of planned growth. It is now estimated that Churchill has a sufficient long term supply of residential land. Major water and hydraulic infrastructure services exist, in addition to two State primary schools, a State secondary school and a non-government school. The town contains significant education providers servicing the wider region, anchored by the Gippsland campus of Federation University and the Gippsland Education Centre.

Churchill is part of Gippsland's regional city under the *Gippsland Regional Growth Plan* where urban and population growth and regional infrastructure and service investment is encouraged.

Vision

- Recognise Churchill's role as part of Gippsland's regional city that achieves greater integration across the four centres of Churchill, Moe-Newborough, Morwell and Traralgon to support them functioning as a single urban system.
- Support Churchill's role as a University town.
- Support Churchill's contribution to the diversity of residential land and housing supply.

Local Area Implementation

- Facilitate development in accordance with the Churchill Town Structure Plan (CTSP) and Churchill Housing Framework Plan (CHFP).

Residential

- Encourage medium density residential development in CTSP Area 4.
- Encourage mixed use residential developments along the proposed east-west connection (activity spine) between Churchill [Primary Activity Town](#) Centre and Federation University.
- Encourage residential development of CTSP Areas 5, 6, 8 and 11.
- Encourage development of CTSP Area 10 for residential or research/education purposes.
- Review the future township boundary around CTSP Area 7 when rezoning CTSP Area 7 for future residential development.
- Encourage residential development, including medium density development in accordance with locations identified in the CHFP.

Commercial

- Encourage the development of new retail and office developments within the Churchill [Primary Activity Town](#) Centre and new retail and office developments and residential mixed use along the east-west link (activity spine) between the Churchill [Primary Activity Town](#) Centre and Federation University.
- Implement the *Churchill Town Centre Concept Plan*, the recommendations of the *Churchill Town Centre Plan* and the *Churchill East West Link Master Plan* including encouraging the

LATROBE PLANNING SCHEME

consolidation of existing and future commercial uses; and a strengthened east-west link between the existing Churchill commercial precinct and the Federation University Gippsland Campus.

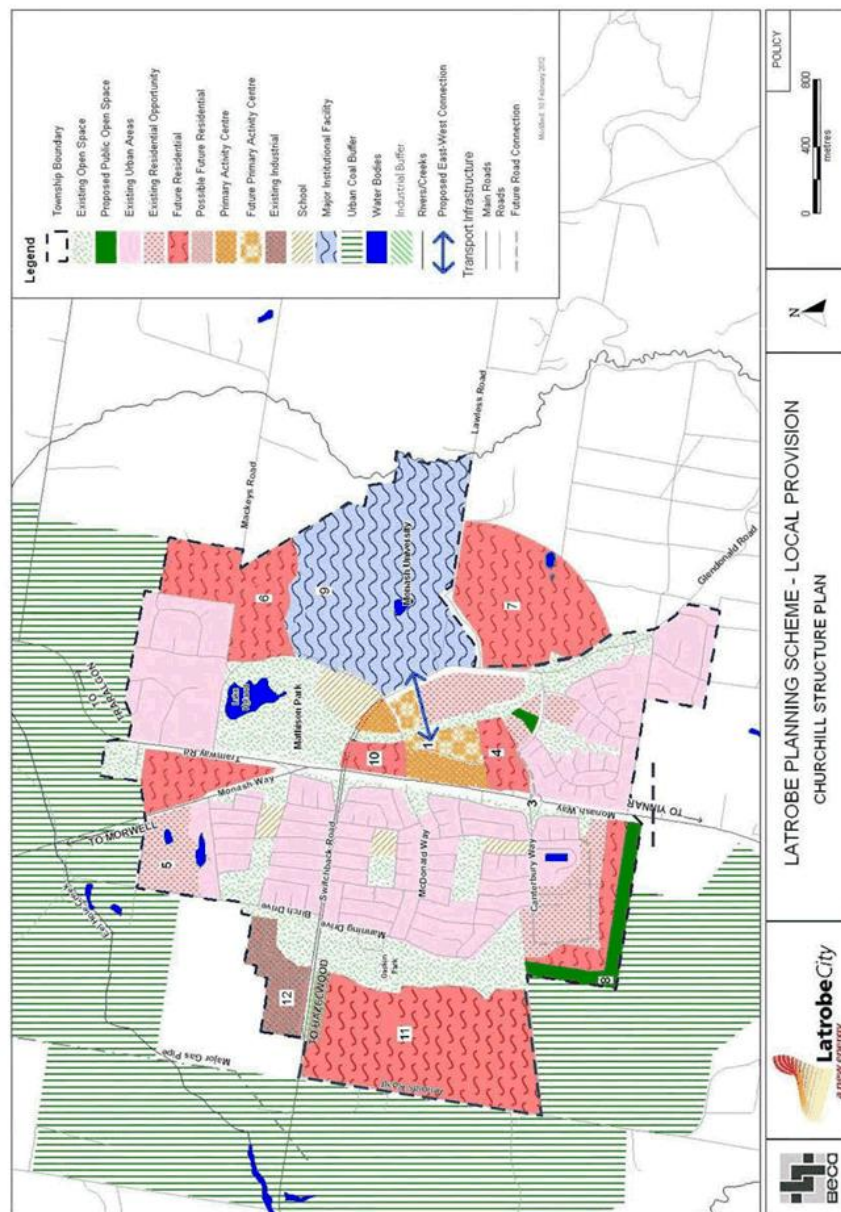
- Encourage all new retail or commercial development in the Churchill [Primary Activity Town](#) Centre to be consolidated within the existing centre.
- [Encourage a Local Activity Centre at 2-4 Acacia Way \(CHFP\).](#)

Industrial

- Encourage new industry to locate within the underutilised industrial precinct in the north-west of Churchill.
- Protect industry in CTSP Area 12 from the encroachment of sensitive uses that may result in conflicts and impact on industry operations.

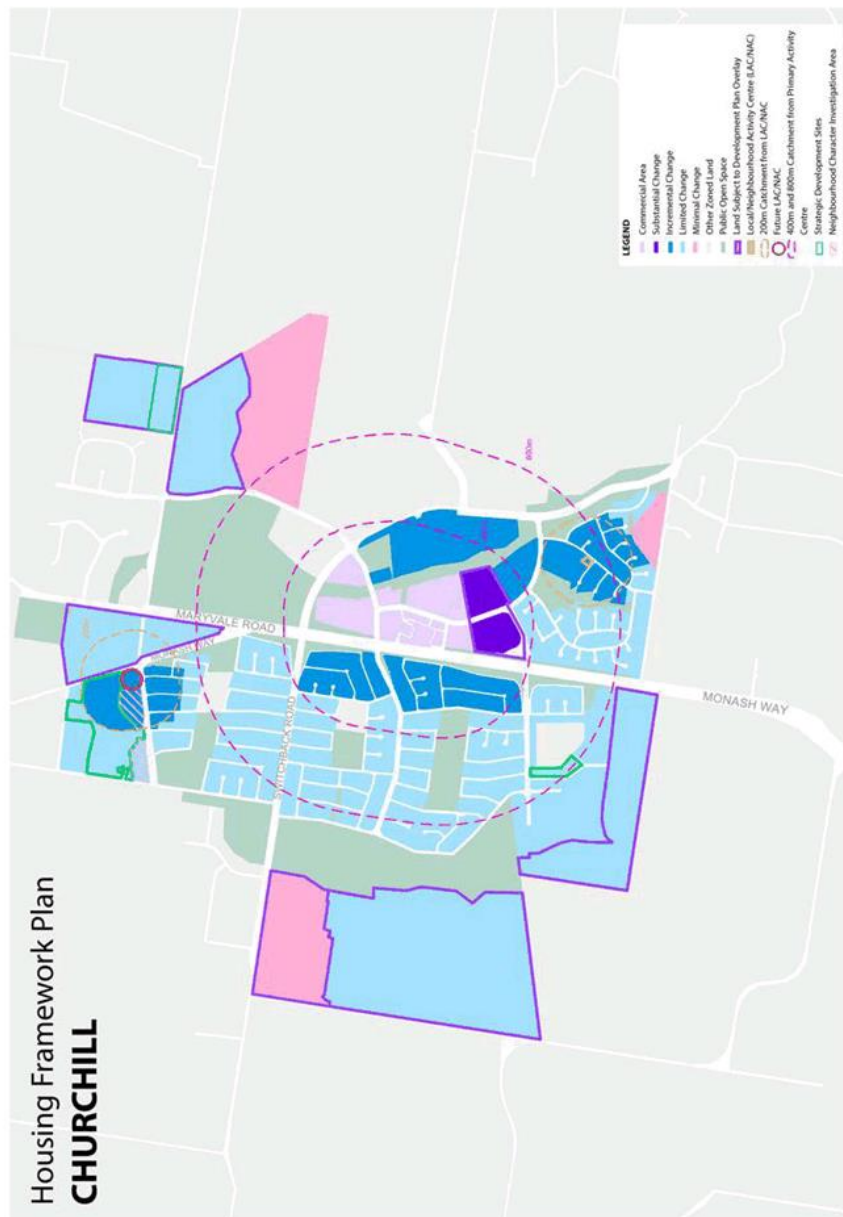
LATROBE PLANNING SCHEME

Churchill Town Structure Plan



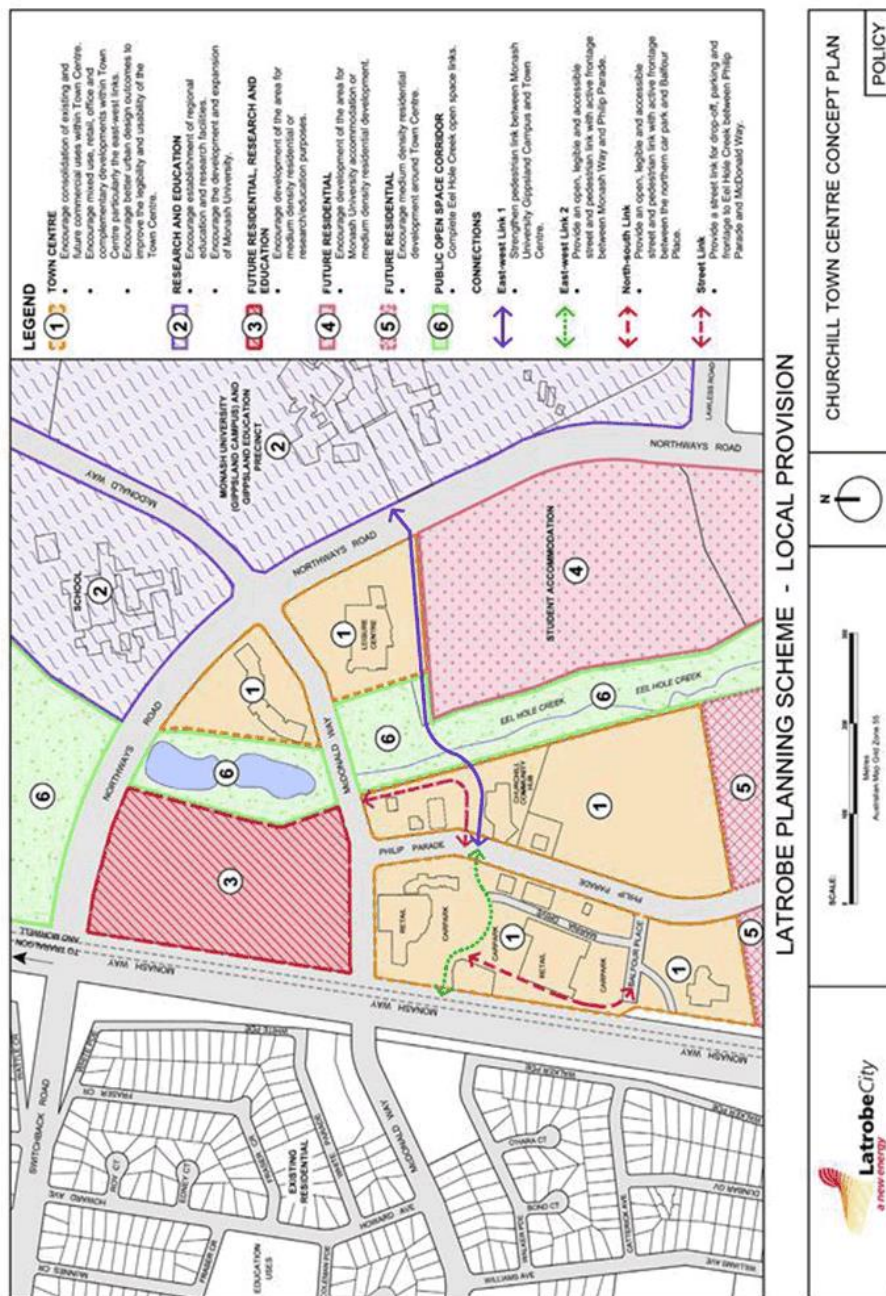
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Churchill Housing Framework Plan



LATROBE PLANNING SCHEME

Churchill Town Concept Plan



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Moe-Newborough

The Moe and Newborough urban areas are joined, creating a single urban settlement of 16,400 people that is serviced by the Moe [Primary](#) Activity Centre. It is situated on a key tourist route to the Great Dividing Ranges and the historic town of Walhalla. Moe-Newborough is 130 kilometres from Melbourne and has the potential to act as a peri-urban settlement. It is the first of the four major

LATROBE PLANNING SCHEME

towns within the Latrobe Valley from Melbourne and consequently is identified as the 'Gateway to Latrobe'. The Strategic Framework Plan identifies Moe-Newborough as supporting network towns. [Moe is identified as a Sub-Regional Retail Centre within the Latrobe City Retail Centre Hierarchy.](#)

The Master Plan for the Moe Rail Precinct Revitalisation Project seeks to redevelop the Rail Precinct into a community hub for activity, which incorporates the principles of transit-oriented development that are encouraged under the *Moe Activity Centre Plan*.

Moe-Newborough is part of Gippsland's regional city under the *Gippsland Regional Growth Plan* where urban and population growth and regional infrastructure and service investment are encouraged.

Vision

- Recognise Moe-Newborough's role in Gippsland's regional city integrating the four centres of Churchill, Moe-Newborough, Morwell and Traralgon as a single urban system.
- Support the function of Moe-Newborough as one of the region's key service centres.
- Support Moe-Newborough as an attractive peri-urban lifestyle option close to Melbourne.

Local Area Implementation

- Facilitate development in accordance with the Moe-Newborough Town Structure Plan (MNTSP), ~~and~~ Moe-Newborough Housing Framework Plan (MNHFP).

Residential

- Encourage residential development along Narracan Drive (MNTSP Area 7).
- Encourage residential development to the east of Narracan Creek (MNTSP Area 10) which is to be sensitive to the Narracan Creek environment.
- Encourage higher density and diversity of housing within the Transit City Precinct and around activity centres (MNTSP Area 11) in Moe-Newborough as shown by the Housing Framework Plan.
- Encourage residential development in MNTSP Areas 5, 8 and 13 in accordance with the relevant Development Plan Overlay.
- Encourage residential development in MNTSP Area 14 in accordance with the Lake Narracan Precinct Structure Plan, March 2015.
- Review the future township boundary around MNTSP Area 12 upon detailed consideration when rezoning Area 12 for future residential development.

Commercial

- Establish Neighbourhood ~~and~~ Local Activity Centres in [the following key](#) locations:
 - [Waterloo Road \(MNHFP\).](#)
 - [Becks Bay Village Centre and Fernlea Village Centre, Lake Narracan \(MNTSP Area 14\), as outlined in the Moe Structure Plan and the Lake Narracan Precinct Structure Plan, March 2015. Only encourage basic goods, services, community services and facilities in these centres.](#)
- Encourage new retail, office and residential mixed use developments within Moe Primary Activity Centre (MNTSP Area 11).
- Restrict the development of new retail, and office use outside of the [Moe](#) Primary Activity Centre, other than the redevelopment of the former Moe Hospital site.
- Implement the following aspects of the Moe Activity Centre Plan:
 - The Moe Station Precinct Revitalisation.
 - The Moe Integrated Bus Interchange.

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- The Moore Street upgrade as the primary shopping centre in the town.
- The Clifton Street car park inclusive of facilitating new development which fronts it.
- The Hasthorpe Place Precinct inclusive of high amenity pedestrian access.
- Improve pedestrian, cycle movements, and visual landscape character at and around the Roundabout Overpass.
- Implement the Clifton Street Precinct Urban Design Guidelines.

Industrial

- Investigate future land uses and zoning in MNTSP Area 3 for transition to uses compatible with the site, surrounds, town entrance position and local amenity.
- Provide a sensitive interface as part of any future industrial development adjoining vegetation (MNTSP Area 2) that ensures the environmental values of the vegetation are maintained.
- Protect industry in MNTSP Area 1 from residential encroachment.
- Investigate flooding impact upon land designated as having industrial opportunities.

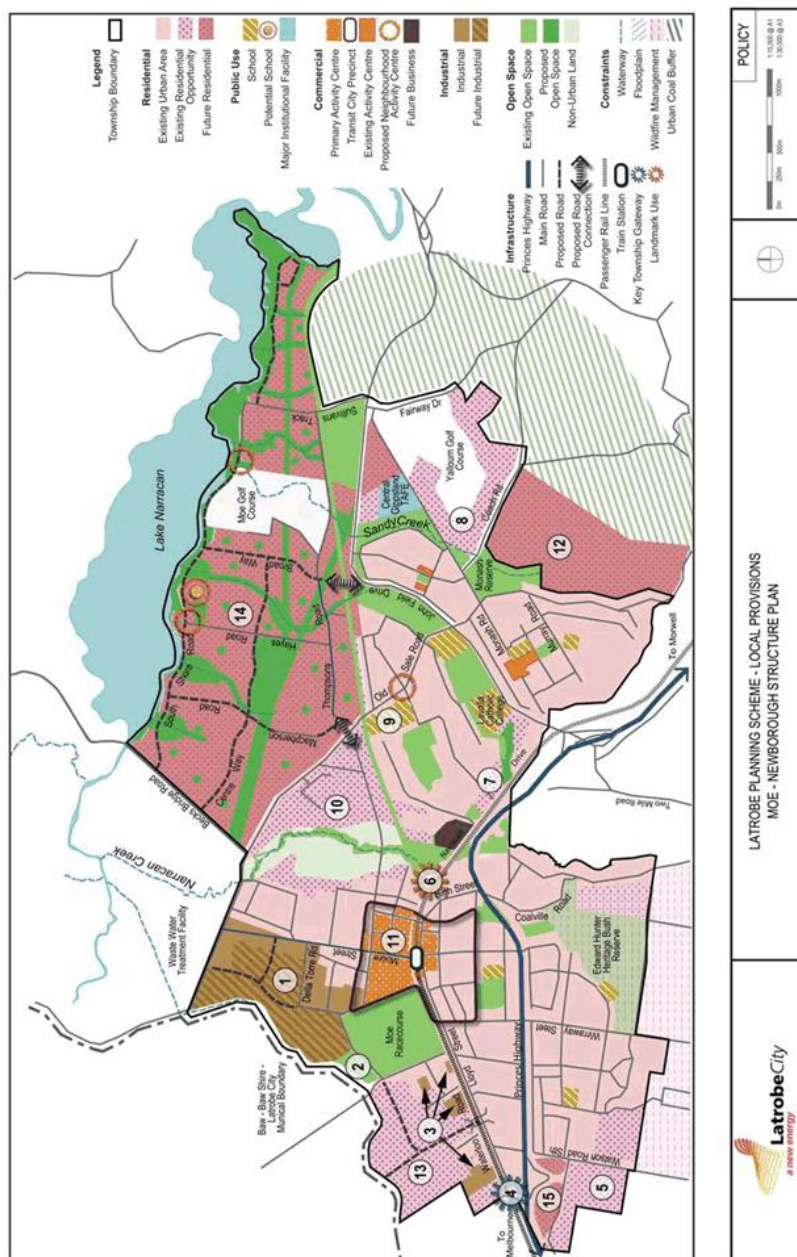
Rural

- Retain large farming lots along the eastern and north-western sides of the town boundary.
- Encourage Baw Baw Shire Council to retain land adjacent to the township of Moe as farming to enable future westerly township boundary extensions.

Infrastructure

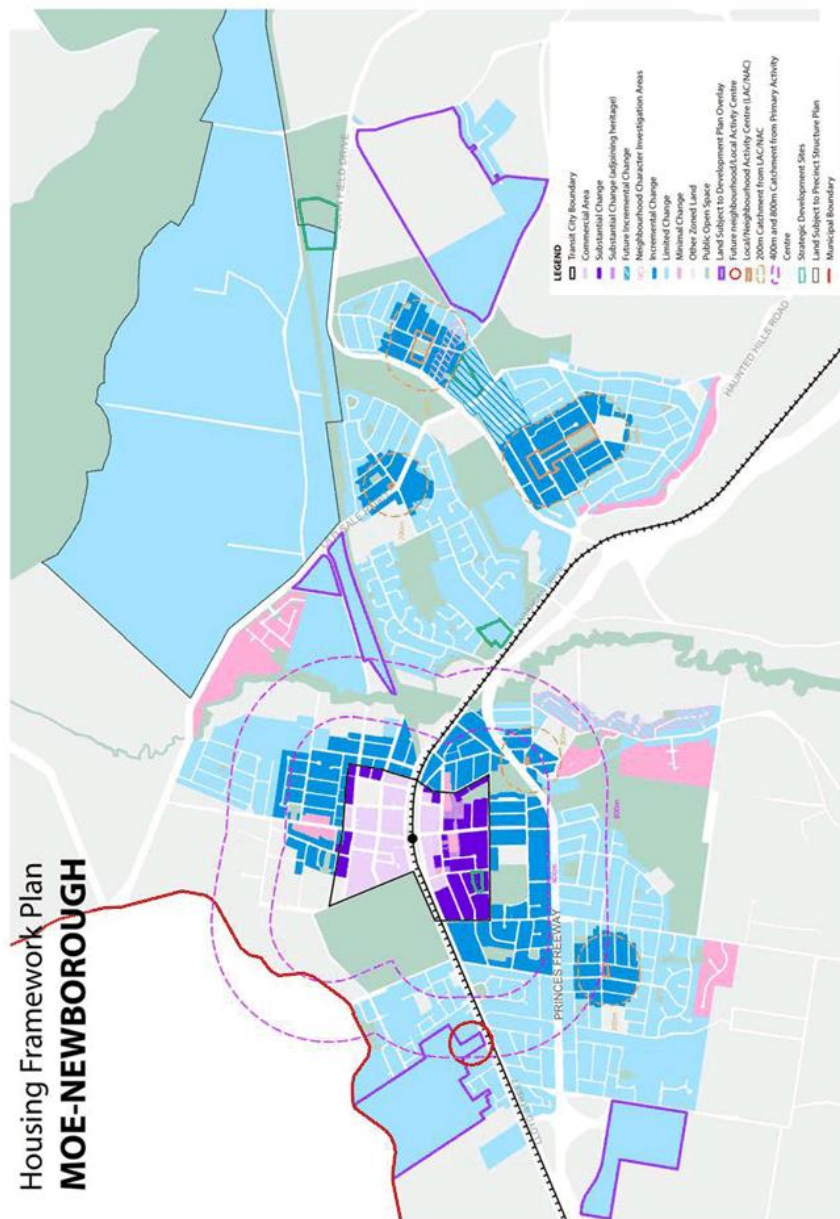
- Expand the network of on and off road cycling paths across Moe.
- Encourage an alternative 'landmark use', such as a convention centre, at MNTSP Area 6 which complements the Botanical Gardens.
- Maintain and enhance the township gateways, with a particular emphasis on the western entrance to Moe (MNTSP Area 4).
- Provide for public open space connections from Narracan Drive through MNTSP Area 7 and connecting to John Field Reserve.
- Ensure the delivery of planned infrastructure for major roads, intersections, bicycle paths, sports facilities through implementation of the *Lake Narracan Development Contributions Plan, March 2015*.

Moe Newborough Town Structure Plan



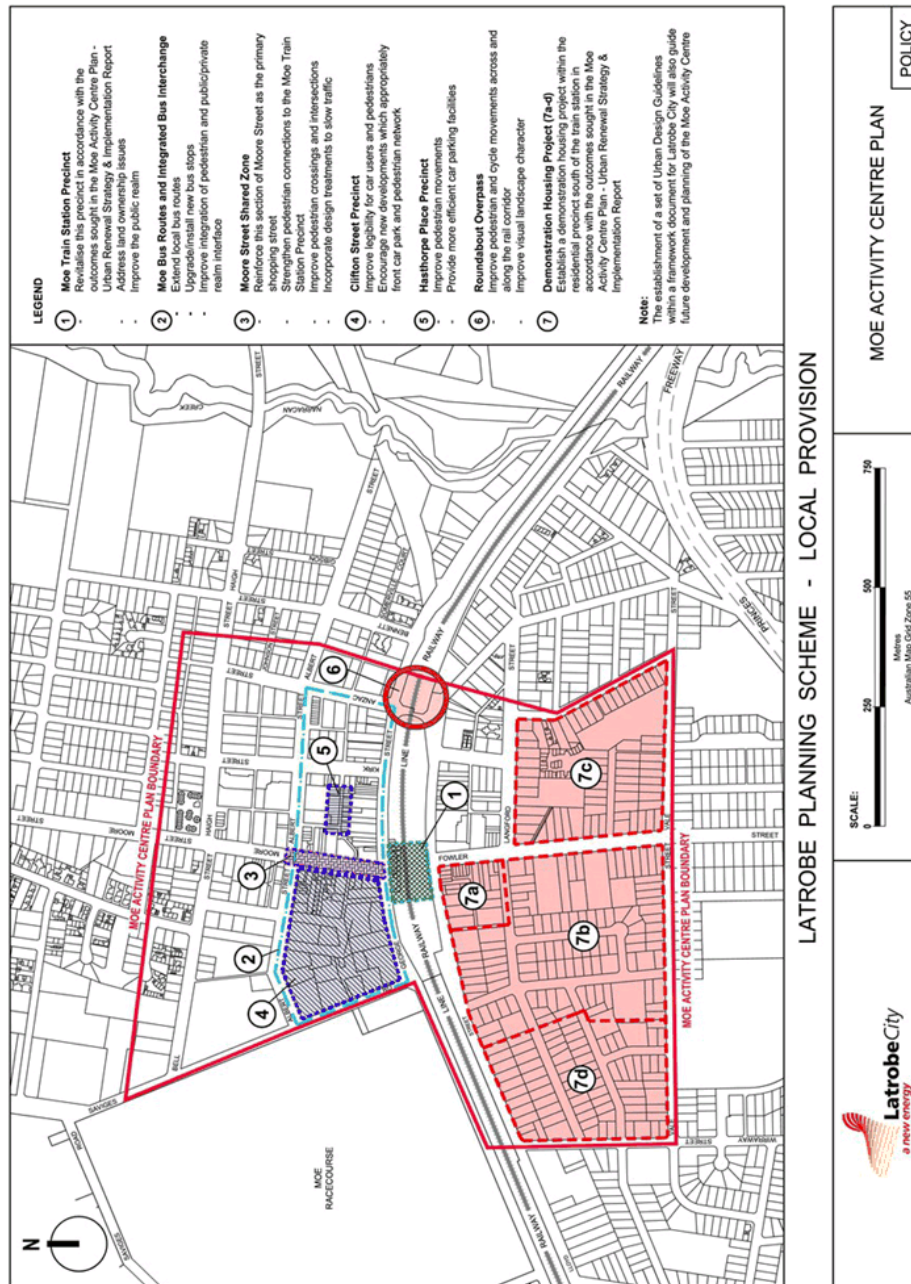
LATROBE PLANNING SCHEME

Moe-Newborough Housing Framework Plan



LATROBE PLANNING SCHEME

Moe Activity Centre Plan



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Morwell

Morwell is the central town to Latrobe City and has a population of 13,700. To the north of Morwell are the Latrobe River and the foothills of the Great Dividing Range, to the south are the Strzelecki Ranges and Churchill. To the east of Morwell is Traralgon and to the west are Moe and

LATROBE PLANNING SCHEME

Melbourne. The Princes Freeway and Gippsland Railway connect Morwell to Traralgon, Moe and Melbourne. Relative to Melbourne, Morwell is the second of the four main towns within Latrobe City and is approximately 150 kilometres from Melbourne.

Morwell, combined with Traralgon, is identified as the primary population centre by the Strategic Framework Plan. It accommodates transport services (experiencing significant rail patronage in a regional context), government services, manufacturing, power and other industrial activities.

Morwell has two retail centres, the traditional [Primary Activity town-centre](#) and Mid Valley [Shopping Centre](#) to the east. [Morwell and Mid Valley Shopping Centre are identified as Sub-Regional Retail Centres within the Latrobe City Retail Centre Hierarchy.](#)

Major industry is located in and around Morwell, with significant opportunity to locate large format heavy industries to the south of the Princess Highway. Industrial zoned land to the east of the township has access to infrastructure and services which support the establishment of higher level research, manufacturing, food processing and specialist service industry and transport/distribution capabilities.

Morwell is part of Gippsland's regional city under the *Gippsland Regional Growth Plan* where urban and population growth and regional infrastructure and service investment are encouraged.

Vision

- Support the function of Morwell as one of the region's key commercial and government office centres.
- Support the function of the Morwell- Maryvale Industry Growth Corridor as the centre for large format and heavy industries, manufacturing and logistics.

Local Area Implementation

- Facilitate development in accordance with the Morwell Town Structure Plan (MTSP) and [the Morwell Housing Framework Plan \(MHFP\)](#).

Residential

- Facilitate the orderly planning of Area 1 generally bounded by Maryvale Road, Latrobe Road, Crinigan Road and Holmes Road for residential development.
- Encourage the development of MTSP Area 1 in accordance with the Morwell North-West Development Plan.
- Investigate flooding impact upon land designated as having existing or future residential opportunities in the structure plan.
- Where appropriate, mitigate flooding and encourage residential development within MTSP Areas 4 and 7.
- Encourage higher density housing within the Transit City Precinct and Activity Centres.
- Discourage rezoning that would result in further subdivision of Farming Zone and Special Use Zone land within the Amenity Rural Buffer and the Amenity Lifestyle Precinct (MTSP Area 11), due to the close proximity to the Australian Paper Mill.
- Discourage increased housing densities south of Commercial Road (Area 13), until the completion of rehabilitation works to northern batter of the Hazelwood mine area.

Commercial

- Encourage Local Activity Centres in the [following locations](#):
 - [Heritage Boulevard \(MTSP Area 1\).](#)

~~key locations as outlined in the Morwell Structure Plan and only encourage basic goods, services, community services and facilities in these centres.~~
- Encourage new retail, office and residential mixed use developments within Morwell Primary Activity Centre (MTSP Area 3) and Mid-Valley [Shopping Centre](#) (MTSP Area 5).

LATROBE PLANNING SCHEME

- Discourage new retail, office development outside of the Morwell Primary Activity Centre (MTSP Area 3), Mid-Valley [Shopping Centre](#) (MTSP Area 5) and Princes Drive, Morwell [East](#) (MTSP Area 10).
- Encourage Restricted Retailing to locate within Mid-Valley [Shopping Centre](#) (MTSP Area 5) and Princes Drive, Morwell [East](#) (MTSP Area 10).

Industrial

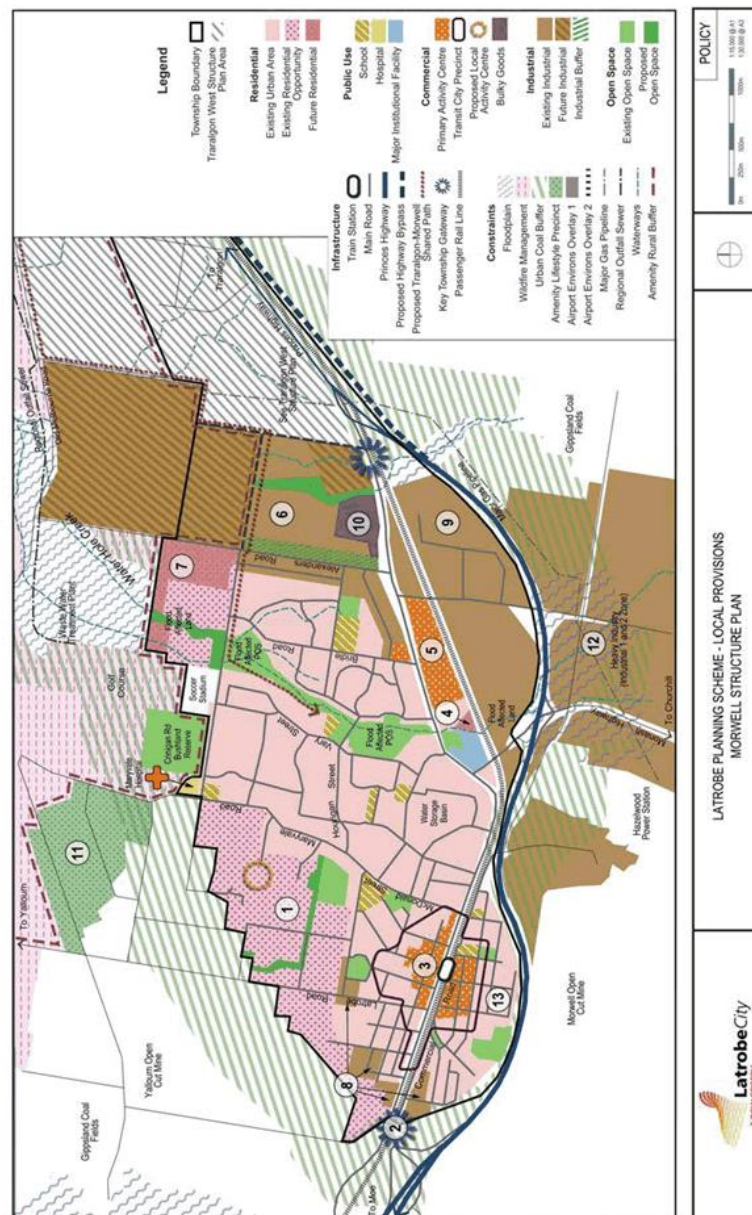
- Investigate future land uses and zoning in MTSP Area 2 and 8 for transition to uses compatible with the site, surrounds, town entrance position and local amenity expectations.
- Provide a buffer along the western edge of the industrial precinct in MTSP Area 6.
- Encourage the establishment of new large format industries including heavy industry, food and fibre processing within the Morwell – Maryvale Industry Growth Corridor (Area 6, 9 & 12).
- Encourage Industrial 1 uses in Area 6 and the provision of open space and vegetation to screen industry from proposed and potential future residential areas along the western boundaries of the industrial precinct.
- Discourage land use and development that may jeopardise the long term expansion of industrial land to the north of Area 6.
- Protect industry in MTSP Area 6, 9 and 12 from residential encroachment.
- Investigate flooding impact upon land designated as having existing industrial opportunities in MTSP Areas 6 and 9.
- Where appropriate, encourage the development of new industry within MTSP Area 6 and 9 that is sensitive to existing creeks.

Infrastructure

- Investigate rail connections to the proposed Gippsland Intermodal Freight Terminal south of Mid-Valley.
- Expand the network of on and off road cycling paths across Morwell.
- Maintain and enhance the township gateways, with a particular emphasis on the western entrance to Morwell (MTSP Area 2).
- Implement the *Car Parking Framework Review Traralgon & Morwell 2014*.

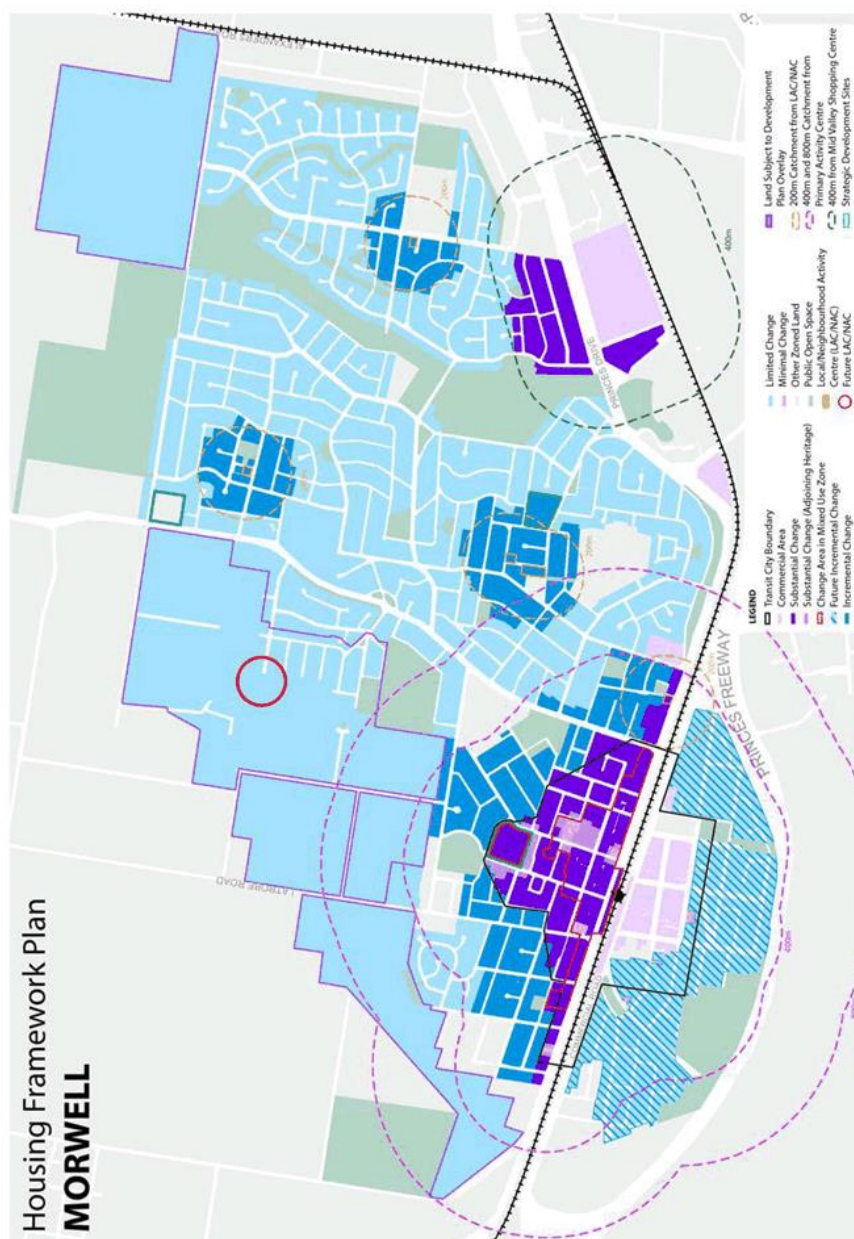
LATROBE PLANNING SCHEME

Morwell Town Structure Plan



LATROBE PLANNING SCHEME

Morwell Housing Framework Plan



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Traralgon

Traralgon is the largest of the four main towns in Latrobe City and has a population of approximately 26,700. To the north of Traralgon are the Latrobe River and the foothills of the Great Dividing Range; to the south is the Strzelecki Ranges. The Princes Freeway and Gippsland Railway connect Traralgon to Morwell, Moe and Melbourne. Relative to Melbourne, Traralgon is the last of the four main towns within Latrobe City and is approximately 160 kilometres from Melbourne.

LATROBE PLANNING SCHEME

The Strategic Framework Plan identifies Traralgon, combined with Morwell, as the primary population centre in Latrobe City. Over recent years, Traralgon has experienced higher population and urban growth compared to other Latrobe towns and according to population forecasts, this trend is expected to continue. Traralgon has both a role in the provision of goods and services to its local community as well as the wider population of Latrobe City and the surrounding region.

Traralgon is part of Gippsland's regional city under the *Gippsland Regional Growth Plan* where urban and population growth and regional infrastructure and service investment are encouraged.

Vision

- Recognise Traralgon's role as the ~~Regional Retail~~~~Commercial~~ Centre ~~of~~ Gippsland's ~~regional city~~ and the primary population centre of Latrobe City.
- To continue to build on Traralgon's strength as ~~one of~~ the key ~~R~~regional ~~Retail~~~~commercial~~ ~~e~~Centres ~~for~~ Gippsland.

Local Area Implementation

- Facilitate development in accordance with the Traralgon Town Structure Plan (TTSP) Traralgon Housing Framework Plan (THFP) and ~~the~~ Traralgon Activity Center Plan (TACP).

Residential

- Resolve any Environmental Significance Overlay Buffer conflicts along the southern boundary of Traralgon and assess its impact on the southern area of Traralgon.
- Seek the views of the Minister administering the *Mineral Resources (Sustainable Development) Act 1990* regarding the assessment of geotechnical risk within 2,000 metres from the crest of the mine around the southern boundary of Traralgon prior to supporting the rezoning of land, subdivision, or an increase in dwelling density in TTSP Areas 5, 12b, 19 and 21.
- Investigate flooding impact upon land designated as having existing or future residential opportunities in the structure plan.
- Mitigate flooding and encourage residential development in TTSP Areas 1, 2, 3, 4, 6 and 7 in the short term.
- In the longer-term, encourage residential intensification of land zoned rural living in TTSP Area 12a and facilitate the orderly planning of Area 11, 13 and 19 for residential development with an appropriate interface with the Major Gas Pipeline.
- Manage urban development and urban renewal in existing residential or mixed use zones within the 500 m buffer of the Sibelco facility to mitigate potential noise impacts from continuing operation of the Sibelco site.
- Defer the conversion of farming zoned land south of the Janette Street Industrial Precinct (Traralgon South Structure Plan area 8b) to urban use while the Industrial 1 Zone applying to the precinct remains in the planning scheme.
- In the medium-term, facilitate the orderly planning of TTSP Areas 9 and 10 for residential development with an appropriate interface with the Major Gas Pipeline and buffer to industrial zoned land.
- Encourage higher density and diverse housing within the Transit City Precinct and existing and future ~~a~~Activity ~~c~~Centres in Traralgon.
- Support shop-top or upper level residential opportunities ~~within~~~~within~~ the Traralgon Activity Centre as outlined within the Traralgon Activity Centre Plan (TACP).
- Investigate opportunity for open space, walking and cycle trails, recreation and conservation uses in the area north of Traralgon (TTSP Area 14) bounded generally by Latrobe River to the north and Traralgon urban area to the south.

LATROBE PLANNING SCHEME

- Discourage rezoning that would result in further subdivision of Farming Zone and Rural Living Zone land within the Amenity Rural Buffer, due to its close proximity to the Australian Paper Mill.

Commercial

- Establish Neighbourhood and Local Activity Centres ~~in key~~ in the following locations as outlined in the TTSP:
 - Corner Marshalls Road and Traralgon-Maffra Road
 - Melrossa Road West
 - Princes Highway, Traralgon East
 - Dranes Road
 - Cross's Road

~~and encourage basic goods, services, community services and facilities in these clusters.~~
- Encourage the development of new retail, office and residential mixed use developments within Traralgon Primary Activity Centre (TTSP Area 15) ~~and Argyle Street (TTSP Area 16).~~
- Discourage significant new retail and office development outside TTSP Area 15, Argyle Street, Traralgon (TTSP Area 16) and Princes Highway and Stammers Road, Traralgon East (TTSP Area 17).
- Encourage Restricted Retailing to locate within Argyle Street (TTSP Area 16) and Princes Highway/Stammers Road, Traralgon East (TTSP Area 17).
- Encourage increased densities and vertical growth of Traralgon's Primary Activity Centre (TTSP Area 15) to support the growth of the office sector.
- Discourage dispersion of the office sector.
- Support the development of the land generally bounded by Grey Street, Franklin Street and the Traralgon Creek for mixed use purposes (TTSP Area 18).
- ~~Support the development of a Neighbourhood Activity Centre on the corner of Traralgon Maffra Road and Marshalls Road (TTSP Area 11) in accordance with the Traralgon North-Neighbourhood Activity Centre Development Plan to meet the local convenience needs of the local area.~~
- Support the development of land within the Traralgon Primary Activity Centre as identified within the TACP by:
 - Supporting the consolidation of lots to facilitate the creation of viable development sites.
 - Activating smaller streets and laneways to provide additional connections between streets in the Primary Activity town eCentre.
 - Supporting the development of the back of lots, through the increased activation of the existing laneway system.
 - Requiring new multi-level buildings to incorporate car parking within their form.
 - Requiring any redevelopment of strategic development sites as identified within the TACP to include integrated car parking.
 - Support the development and redevelopment of identified key sites.
 - Protect important views including:
 - Franklin Street towards the post office
 - West along Post Office Place to the post office and east towards Victory Park; and
 - In the direction of the church at the intersection of Church and Kay Streets.
 - Maintain building setbacks and street plantings to enhance and frame key view corridors.

LATROBE PLANNING SCHEME

Industrial

- Plan for the ongoing operation of the Sibelco Lime facility within the Janette Street Industrial Precinct (Traralgon Structure Plan area 8a) and support light industrial and other compatible uses within the precinct as a development buffer between the Sibelco plant and nearby residential and mixed uses.
- Protect industry in TTSP Area 20 from encroachment of sensitive uses, particularly with the development of residential uses to the north and east.

Rural

- Retain large farming lots to the east of the existing urban area of Traralgon until land is required for urban development.
- Investigate rezoning of existing farming zoned land currently used for rural living purposes to a rural living zone (TTSP Area 21).

Infrastructure

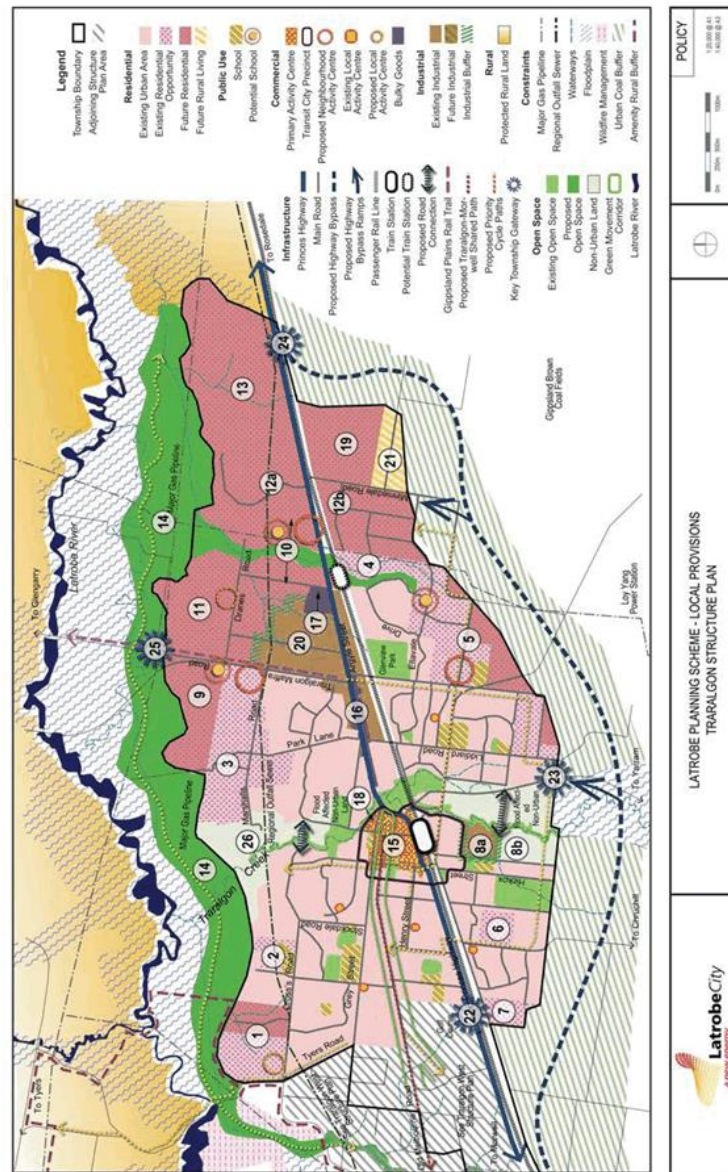
- Connect Traralgon's network of on and off road cycling paths to provide for safe cycle links through the [Primary Activity town eCentre](#) and connecting the Morwell – Traralgon Shared pathway to Victory Park.
- Explore the feasibility of extending the east-west road links over Traralgon Creek north and south of Princes Highway.
- Ensure that future decisions regarding the Environmental Significance Overlay Schedule 1 and rezonings are informed by geotechnical monitoring data.
- Protect the designated alignment for the Traralgon Highway Bypass. Investigate route options for traffic, especially large vehicles, entering Traralgon from the southern route to the [Primary Activity town eCentre](#) and industrial precincts.
- Consider the impact of the proposed Highway Bypass and Bypass Ramps when planning for future development within TTSP Areas 12b, 19 and 21.
- Maintain and enhance the township gateway (TTSP Areas 22, 23, 24 and 25). In particular, the enhancement of Traralgon's southern entrance (TTSP Area 23) should be designed with consideration to the implications of the Traralgon Bypass Route.
- Support implementation of the recommendations of the Traralgon Train Station Master Plan, including Stage 1: Construction of a new bus interchange, plaza and station building; Stage 2: Works to Southside commuter car park, Southern Plaza and VRI Hall; and Stage 3: Development of residential and community facilities to the east and west of the Southside commuter carpark.
- Implement the *Car Parking Framework Review Traralgon & Morwell 2014*.
- Protect and acknowledge the important operation of the Gippsland Water Regional Outfall Sewer while allowing compatible use and development around the sewer easement.
- Acknowledge that Gippsland Water's emergency storage facilities may have potential interface amenity issues with sensitive uses while allowing compatible use and development around these facilities. Implement the recommendations of the TACP by:
 - Improving public realm infrastructure.
 - Encouraging activation of the creek corridor by upgrading facilities along the creek.
 - Upgrading Wright Street as a key pedestrian link between Traralgon Creek and from Post Office Place.
 - Providing improved pedestrian safety on streets that will accommodate higher levels of foot traffic.
 - Supporting multi-deck car parks in accordance with the TACP.
 - Providing additional, secure bicycle parking in the [Primary Activity town eCentre](#).

LATROBE PLANNING SCHEME

- Upgrading connections to shared paths along Kay Street.
 - Providing additional on-road cycle paths as shown on the Access and Movement Plan.
 - Improving pedestrian access between key public transport sites.
 - Creating a Princes Highway Boulevard as outlined within the TACP upon completion of the Princes Highway Bypass.
- ~~Protect important views including:~~
 - ~~— Franklin Street towards the post office~~
 - ~~— West along Post Office Place to the post office and east towards Victory Park; and~~
 - ~~— In the direction of the church at the intersection of Church and Kay Streets.~~
 - ~~Maintain building setbacks and street plantings to enhance and frame key view corridors.~~

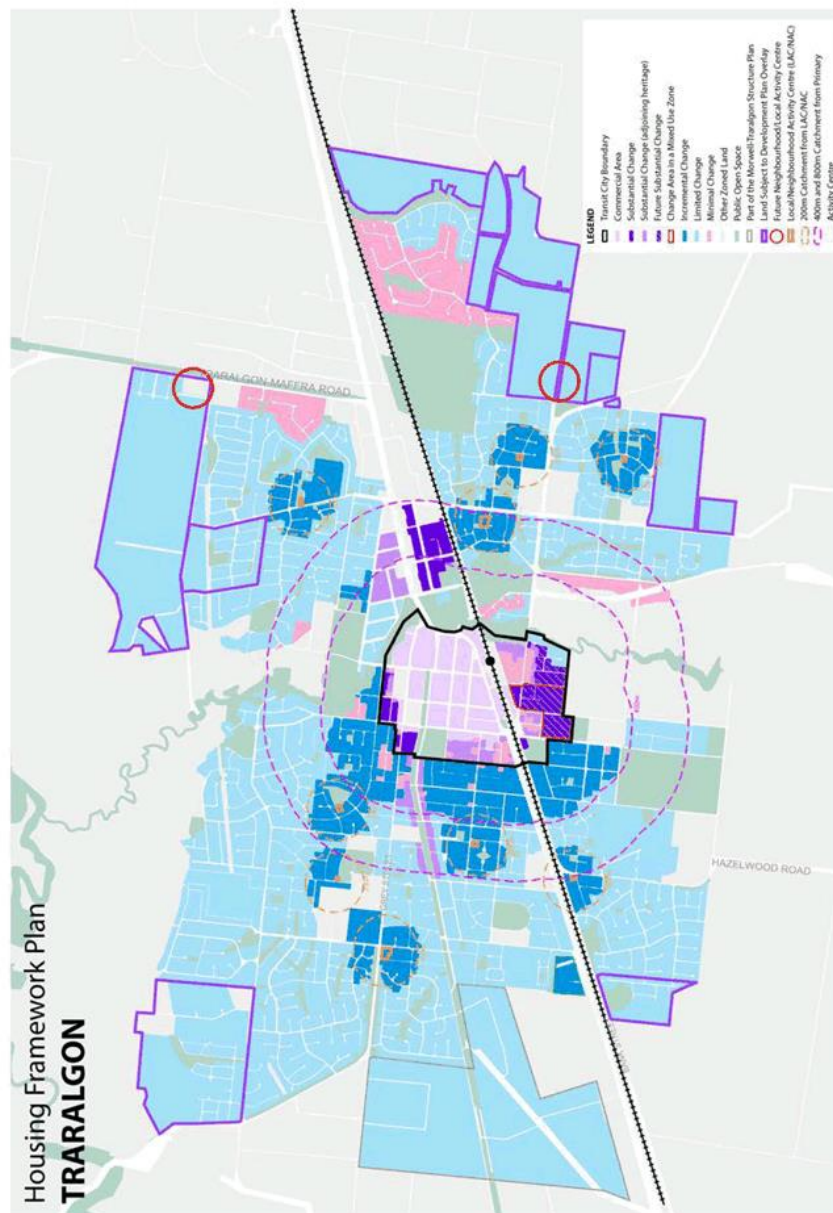
LATROBE PLANNING SCHEME

Traralgon Town Structure Plan



LATROBE PLANNING SCHEME

Traralgon Housing Framework Plan



Traralgon Activity Centre Plan



LATROBE PLANNING SCHEME

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C119**Specific Growth Corridor Strategies - Traralgon West**

Transport corridors form one of the key elements of the networked city concept. The Moe-Morwell, Traralgon-Churchill, Morwell-Churchill, and Morwell-Traralgon transport corridors facilitate the movement of people and goods within as well as to and from the municipality. The proposed Traralgon Bypass will protect and enhance the Morwell-Traralgon transport corridor by removing regional traffic. The capacity of the Morwell-Traralgon and Moe-Morwell transport corridors is enhanced by the passenger railway line which runs between these three towns and connects the region to Melbourne.

Local Area Implementation

- Facilitate development in accordance with the Traralgon West Growth Corridor Structure Plan (TWGCSP).

Residential

- Encourage future rezoning of Farming zoned land in TWGCSP Area 1 for medium density residential purposes.
- Encourage the future relocation of the Traralgon Golf Course (TWGCSP Area 2) and orderly development of the site for residential purposes.
- Encourage orderly development of low density residential and rural living land in TWGCSP Area 3 for residential purposes.
- Encourage creation of an open space corridor through TWGCSP Areas 1, 3 and 7 along the waterway incorporating the existing water body in Area 1.
- In TWGCSP Area 3, support retirement village, aged care and higher density residential developments in proximity to the Latrobe Regional Hospital.
- Consider integrated residential development on unconstrained land in TWGCSP Area 4 where it will not compromise the future employment uses in the area, is ancillary to a health, aviation or other employment use and is subject to consideration of aircraft noise impacts as outlined in the *Latrobe Regional Airport Master Plan* (as amended).
- Discourage rezoning that would result in further subdivision of Farming Zone and Rural Living Zone land within the Amenity Rural Buffer and the Amenity Lifestyle Precinct, due to its close proximity to the Australian Paper Mill.

Commercial

- Encourage the development of a Neighbourhood Activity Centre close to the intersection of Princes Highway and Airfield Road that supports the Latrobe Regional Hospital, the future commercial land uses within the employment investigation area (TWGCSP Area 4) and future residents.
- The proposed Neighbourhood Activity Centre is encouraged to include an area of public open space in proximity to the Latrobe Regional Hospital to provide for the recreation needs of workers, residents and visitors in the area.
- Encourage the development of a Local Activity Centre near the intersection of Bradford Drive and ~~Princes~~Princess Highway in TWGCSP Area 1 and at the Traralgon Golf Course (TWGCSP Area 2).
- Encourage proposals for employment intensive businesses that are compatible with the nearby Latrobe Regional Hospital and Latrobe Regional Airport associated with health and aeronautics in TWGCSP Area 4 and ensure that these proposed businesses have an appropriate interface treatment with the Major Gas Pipeline in the area.

Industrial

- Provide a landscaped buffer along the western and eastern edges of the industrial precinct in TWSP Area 6 and the adjoining industrial precinct within the Morwell Structure Plan (Area

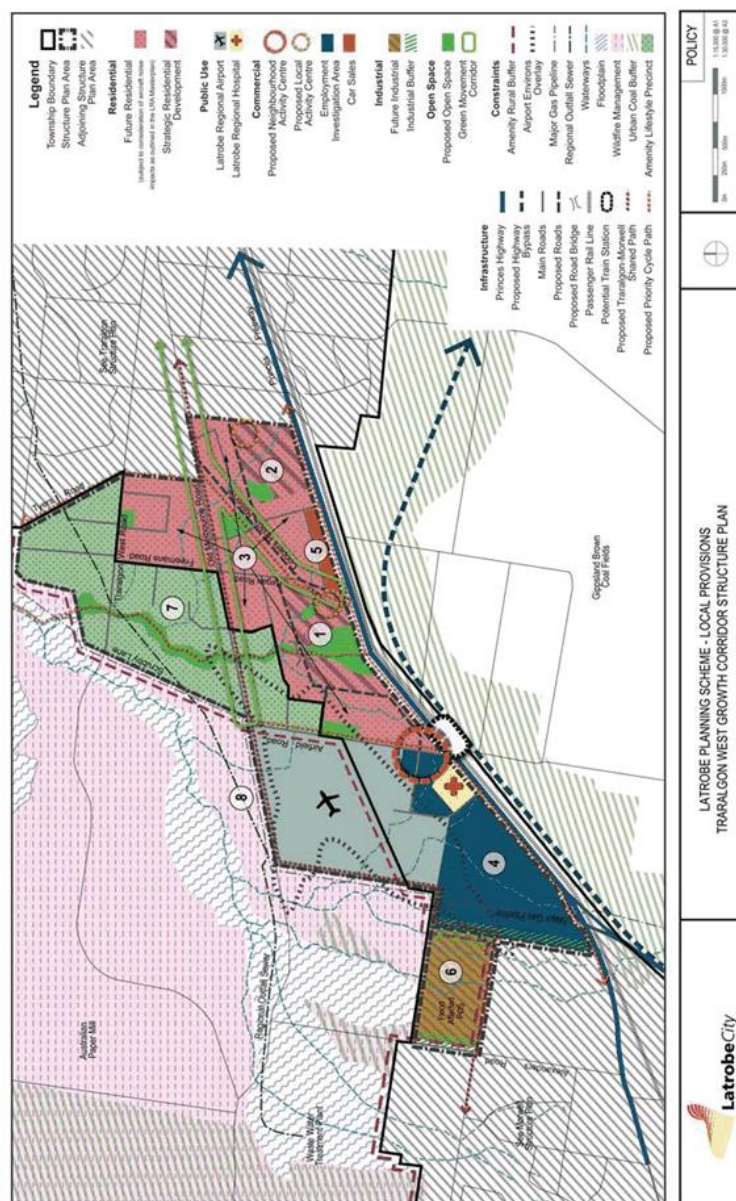
LATROBE PLANNING SCHEME

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Infrastructure

- Protect Latrobe Regional Hospital and support the intensification of health related uses on the hospital site or expansion into TWGCSP Area 4.
- Support the development of a new train station near the Latrobe Regional Hospital to service the Hospital, Latrobe Regional Airport, and future commercial and residential uses in the area.
- Encourage Princes Highway to continue to develop as a key transport corridor with high frequency bus services and new on-road cycle lanes.
- Encourage development of a highly permeable road network within the Structure Plan that provides legible connections through the precinct to key locations such as schools, public open spaces and activity centres. This road network will be based around new connector roads outlined in the Structure Plan.
- Encourage development of a new bridge along the northern boundary of TWGCSP Area 1 across the main drain.
- Encourage development of a high amenity green movement corridor along Old Melbourne Road and the Coopers Road Reserve that incorporates pedestrian and cycle pathways, sections of the proposed Traralgon–Morwell shared path and important areas of native vegetation.
- Encourage development of a high amenity open space corridor through TWGCSP Areas 1, 3 and 7 along the main drain incorporating a shared path connecting to the broader proposed open space area to the north of Traralgon within the Latrobe River Floodplain.
- Acknowledge that Gippsland Water’s emergency storage facilities may have potential interface amenity issues with sensitive uses while allowing complementary use and development around these facilities.

Traralgon West Growth Corridor Structure Plan



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The role of the smaller settlements is to add to the diversity of housing choices in Latrobe City as well as functioning as service centres for local communities. Each settlement should have an attractive and distinctive town centre.

LATROBE PLANNING SCHEME

Glengarry, Tyers, Yallourn North and Yinnar are district towns which serve as key retail and service centres for a moderate population base and hinterland, providing important alternative lifestyle opportunities within commuting distance of the larger centres.

Boolarra, Toongabbie and Traralgon South are small towns providing a limited range of educational, retail and recreation services for residents and the community in the surrounding rural areas.

Rural living precincts including Flynn, Jeeralang, Hazelwood North, Hazelwood South, Callignee and Moe South comprise clusters of housing on small rural lots, with limited services. These areas support farming and rural living communities, providing an attractive lifestyle choice in a rural setting. Whilst a number of residents from these small towns and surrounding rural living areas work in the nearby main towns of Latrobe City, the residents often utilise the shops, schools and community facilities provided locally.

Small Town Structure Plans for Boolarra, Glengarry and Tyers have been prepared to guide future land use and development towards 2023. This includes medium density housing opportunities, commercial and community facilities and services. Structure Plans are to be prepared for Toongabbie, Traralgon South, Yallourn North and Yinnar, to guide future growth and development opportunities in response to community needs.

Urban infill and diversification of housing choice are also relevant for the small towns, to make efficient use of existing infrastructure (where present) and to enable residents to remain in their town whatever their housing need.

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Objective 1

To facilitate development in settlements in accordance with Structure Plans to preserve their unique attributes, valued by their communities.

Strategies

1. 1	Retain, promote and preserve the rural atmosphere and residential service centre role of District and Small Towns.
1. 2	Discourage, P romote and preserve the rural atmosphere and residential service centre role of District and Small Towns.
1. 3	Encourage urban infill and diversification of housing choice within 200 metres of established Local and Neighbourhood Activity Centres as outlined by the Housing Framework Plans.
1. 4	Encourage residential allotment sizes that respect the character of District and Small Towns.
1. 5	Provide a visually attractive urban environment and enhance town entrances.
1. 6 centres.	Support Encourage commercial development opportunities in and around town
1. 7	Encourage well-designed development that responds to local site conditions with regard to character, environmental and heritage values and existing community infrastructure.

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Boolarra

Boolarra is a small town situated in the foothills of the Eastern Strzelecki Ranges approximately 40 kilometres south west of Traralgon and 160 kilometres east of Melbourne. The town has a population of 550 and is located at one end of the Grand Ridge Rail Trail, which extends through the Strzelecki Ranges from Mirboo North to Boolarra. The township has grown due to logging

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and dairy industries, which are still important today. The Boolarra township comprises of a primary school, pre-school and childcare facilities, a cluster of local shops, a police station, a hotel and sporting and recreation facilities.

Vision

- Retain and promote Boolarra's rural atmosphere and residential service centre role.
- Provide a visually attractive urban environment and enhance town entrances.
- Provide a safe and effective road and path network that allows for convenient movement of vehicles, pedestrians and cyclists.

Local Area Implementation

- Facilitate development in accordance with the Boolarra Town Structure Plan (BTSP) and [the](#) Boolarra Housing Framework Plan (BHFP).

Residential

- Ensure new developments close to town entrances enhance the visual amenity, with particular emphasis on the eastern entrance from Monash Way.
- Promote opportunities for infill development within the township boundary and encourage increased diversity in residential allotment sizes (BTSP Areas 3, 4, 5, 6 & 7).
- Investigate the potential for BTSP Area 5 to yield higher density residential development.
- Protect the development potential of land to the east of the township (BTSP Area 10) for possible future long-term urban growth.
- Rezone the hotel site to reflect existing use and to facilitate future development opportunities (BTSP Area 11).
- Encourage residential development in accordance with locations identified in the BHFP.

Commercial

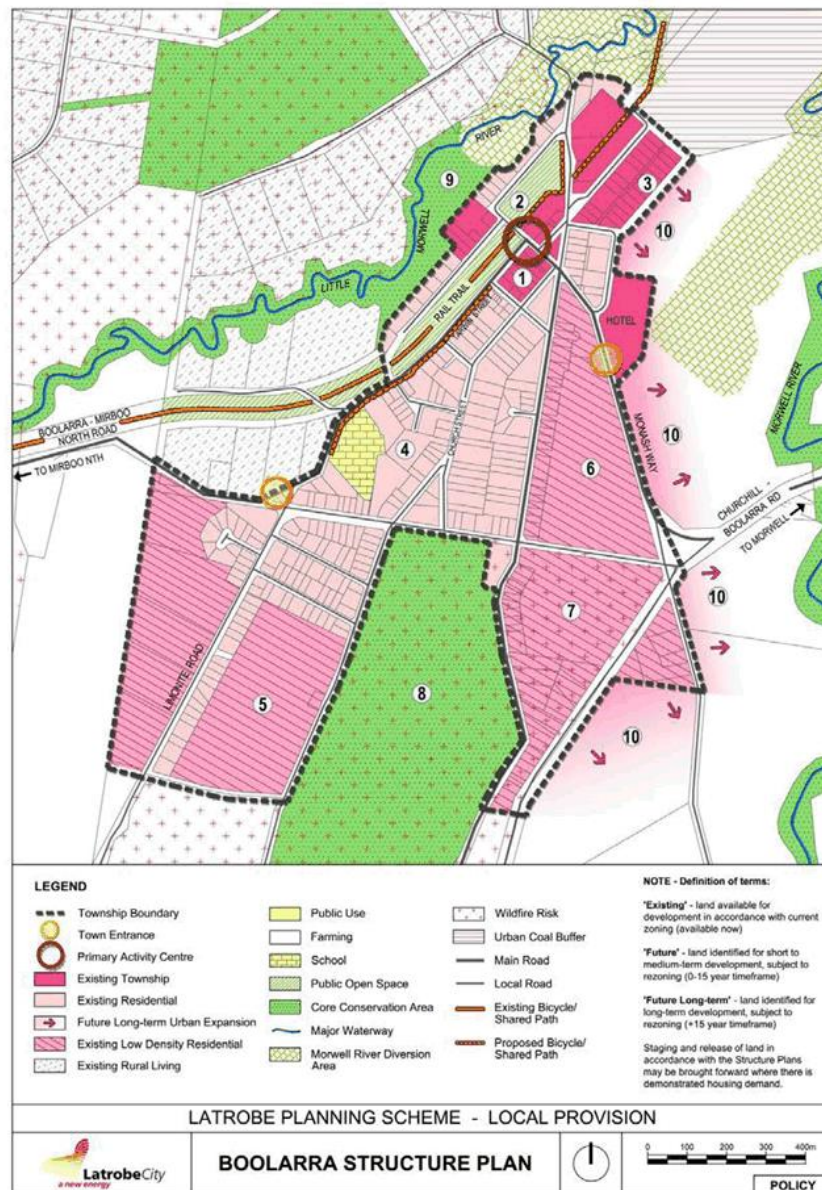
- Promote commercial activity in and around the [Local](#)[primary](#) [A](#)activity [e](#)Centre (BTSP Area 1) and surrounding Township Zone.

Infrastructure

- Maintain and enhance existing public open space reserves and protect the environmental features and habitat values of core conservation areas, including the Boolarra-Mirboo North Rail Trail (BTSP Areas 2, 8 & 9).
- Preserve and maintain waterway and wetland habitat values within the township (BTSP Area 6 & 9).
- Apply appropriate zones to public open space areas (BTSP Area 2).
- Ensure an appropriate buffer is provided between urban development and coal resource areas.

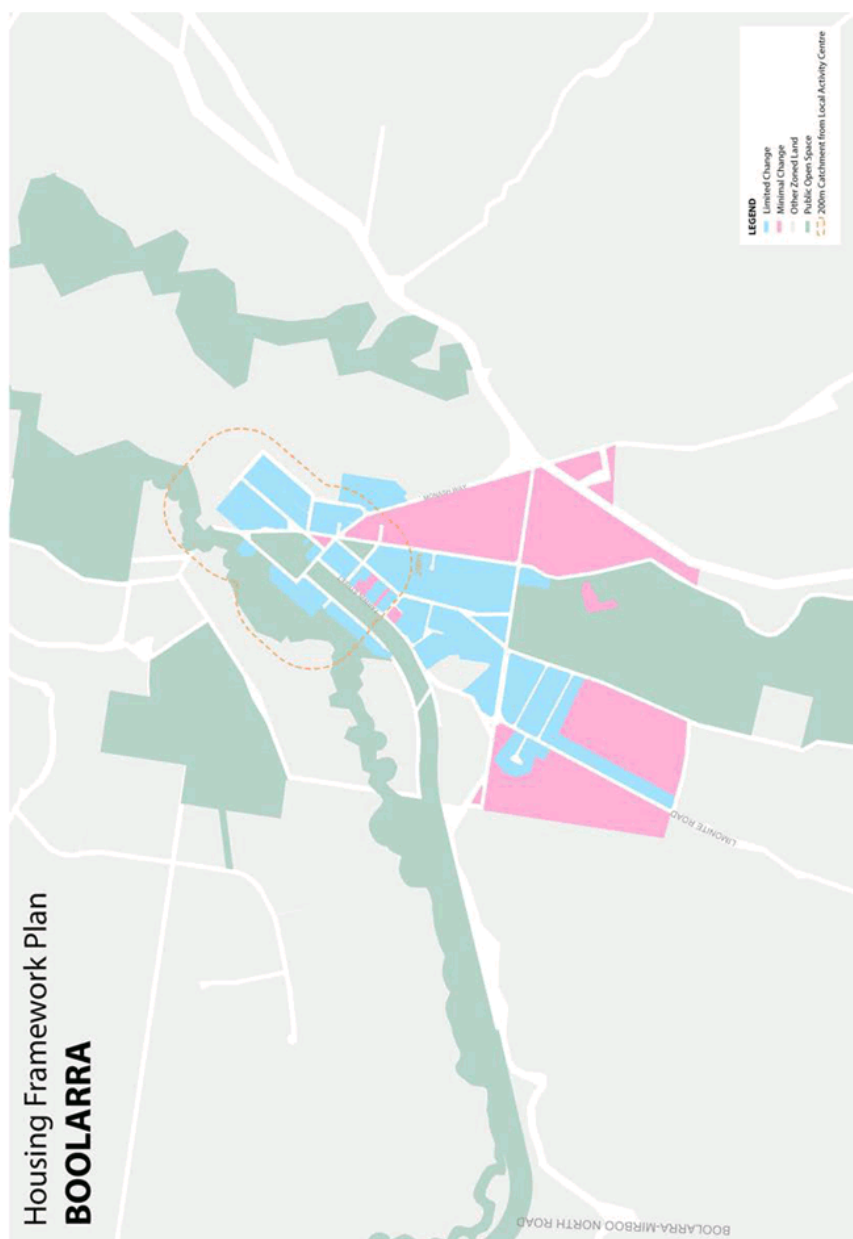
LATROBE PLANNING SCHEME

Boolarra Town Structure Plan



LATROBE PLANNING SCHEME

Boolarra Housing Framework Plan



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C119**Glengarry**

Glengarry is a small town situated approximately 11 kilometres north of Traralgon and 171 kilometres east of Melbourne. Glengarry has a population of 1,360 and was established after the railway arrived from Traralgon in 1883. It's its Primary Activity town eCentre and adjacent recreation reserve is recognised as a heritage precinct. The Glengarry tTownship comprises one primary school, one pre-school, local shops and businesses, hotel and restaurant and sporting and recreation facilities.

LATROBE PLANNING SCHEME

Vision

- Retain and promote Glengarry's rural atmosphere and residential service centre role.
- ~~Support Glengarry's role as a dormitory suburb of Traralgon.~~
- Provide a visually attractive urban environment and enhance town entrances.
- Provide a safe and effective road and path network that allows for convenient movement of vehicles, pedestrians and cyclists.

Local Area Implementation

- Facilitate development in accordance with the Glengarry Town Structure Plan (GTSP) and [the](#) Glengarry Housing Framework Plan (GHFP).

Residential

- Ensure new developments enhance the visual amenity of town entrances, with particular emphasis on the southern entrance from Traralgon-Maffra Road (GTSP Areas 7 & 8).
- Encourage residential development to the east of the township which is to be sensitive to the Eaglehawk Creek environment and floodplains (GTSP Areas 5 & 6).
- Investigate and resolve the extent of the Eaglehawk Creek floodplain (GTSP Area 12).
- Encourage low density residential development in GTSP Area 7, subject to appropriate flood mitigation.
- Encourage subdivision and development of large vacant and developed allotments within existing residential areas GTSP Area 3.
- Protect development potential of agricultural land to the north, east and south of the township (GTSP Areas 9, 10, 13 and 14) for future long-term residential expansion. This residential development must be sensitive to the Eaglehawk Creek environment and floodplains.
- Resolve reticulated sewer and water serving issues affecting GTSP Areas 9, 10 and 13.
- Encourage residential development in accordance with locations identified in the GHFP.

Commercial

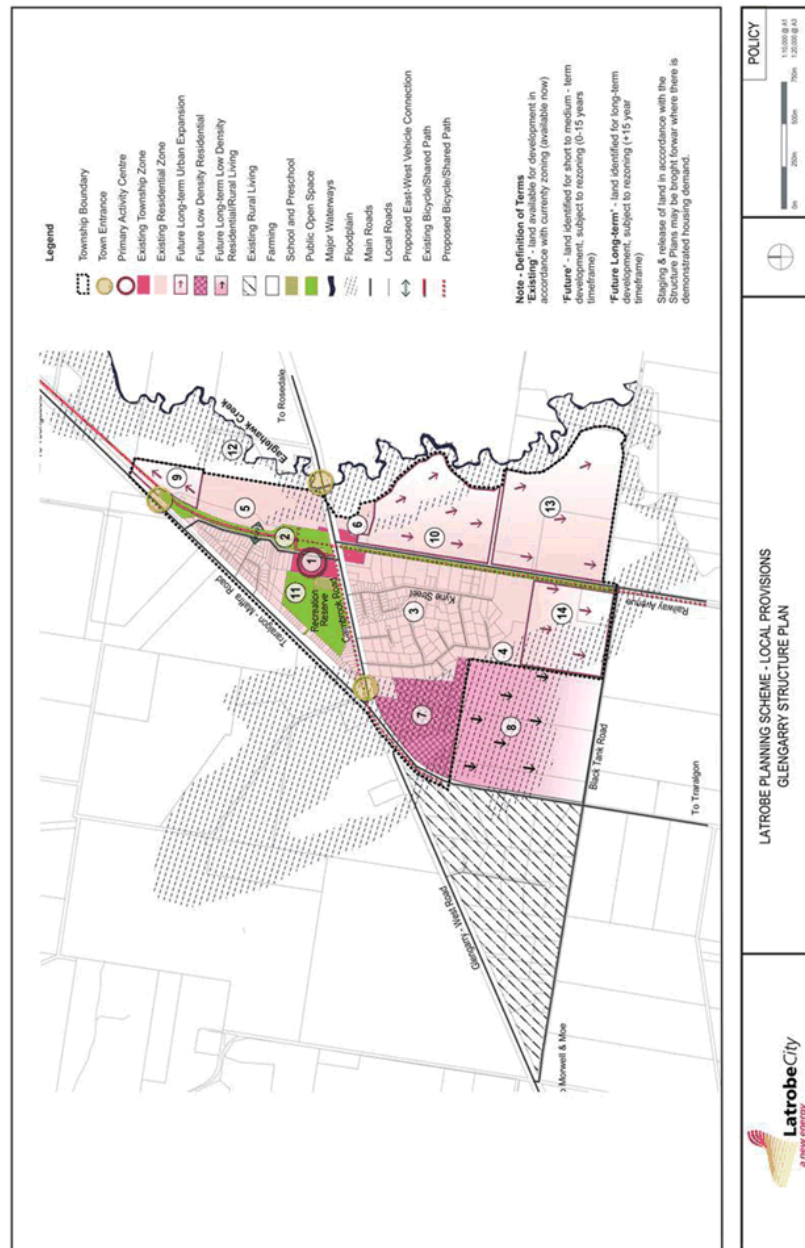
- Encourage commercial use and development within the [Local](#)~~primary~~ [Activity](#) ~~e~~Centre (GTSP Area 1).
- Ensure new commercial development responds to the heritage features and significance of the heritage precinct.

Infrastructure

- Maintain and protect public open space areas including the Gippsland Rail Trail, and implement the recommendations of the *Latrobe City Open Space Plan* (GTSP Areas 2 & 11).
- Encourage east-west shared path link and vehicular link between GTSP Areas 5 & 6 and the [Primary Activity](#)~~town~~ [Centre](#). Links should be designed to ensure the safe passage of all pedestrians, bicycles and vehicles.
- Investigate opportunities for the future use and possible development of former drainage reserve (GTSP Area 4).
- In consultation with stakeholders, investigate and resolve appropriate vehicle access points to GTSP Area 5.
- In consultation with stakeholders, investigate opportunities for vehicle access from GTSP Area 3 to Railway Avenue.

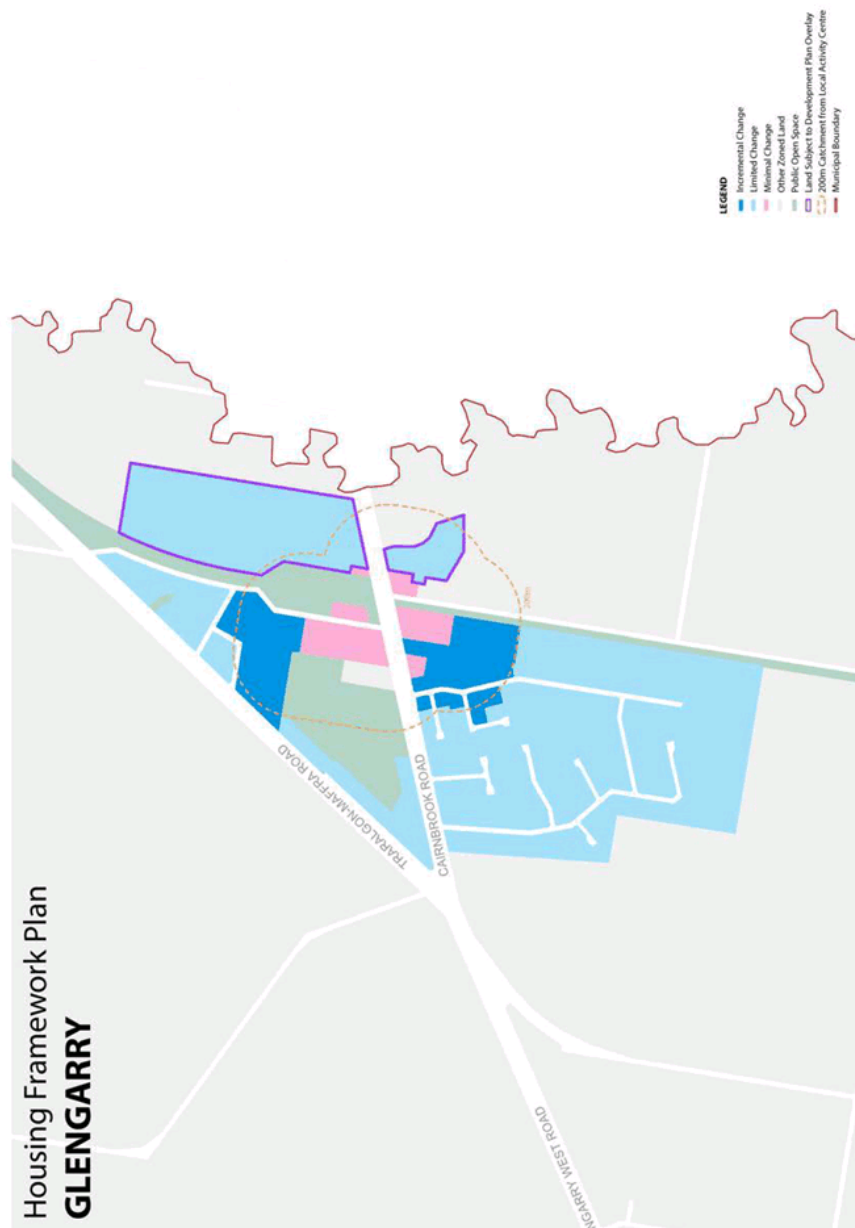
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Glengarry Town Structure Plan



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Glengarry Housing Framework Plan



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Tyers

Tyers is a small settlement located approximately 10 kilometres north west of Traralgon and 158 kilometres east of Melbourne and has a population of 820. It was known as 'Boola Boola' until 1852 when it was named after the surveyor and explorer Charles Tyers. This small township has limited town centre services and facilities, including a pre-school, primary school, convenience store and service station, public hall and recreation reserves.

LATROBE PLANNING SCHEME

Vision

- Retain and promote Tyers' rural atmosphere and residential service centre role.
- Provide a visually attractive urban environment and enhance town entrances.
- Provide a safe and effective road and path network that allows for convenient movement of vehicles, pedestrians and cyclists.

Local Area Implementation

- Facilitate development in accordance with the Tyers Town Structure Plan (TYTSP) and [the Tyers Housing Framework Plan \(TYHFP\)](#).

Residential

- Encourage low density and rural living development to the north-east of the town, subject to the availability of sewerage infrastructure or the creation of lots capable of containing on-site domestic wastewater treatment systems (TYTSP Areas 3 and 9).
- Promote opportunities for infill development within the township boundary, such as TYTSP Area 7 and encourage increased diversity in residential allotment sizes, subject to availability of sewerage infrastructure.
- Ensure access from new development and individual allotments to the Main Road (Moe-Glengarry Road) and Tyers Walhalla Road is limited where possible.
- Investigate and review land affected by the Bushfire Management Overlay within the township boundary.
- Investigate 'rezoning' of TYTSP Areas 4 and 5 to appropriate zones.
- Investigate the development potential of land in the Amenity Lifestyle Investigation Precinct south of the township for future rural living purposes (CTSP Area 8), due to its close proximity to the Australian Paper Mill.
- Investigate and resolve the development potential of land identified within the Extractive Industry Interest Area to the north of the town.
- Encourage residential development in accordance with locations identified in the TYHFP.

Commercial

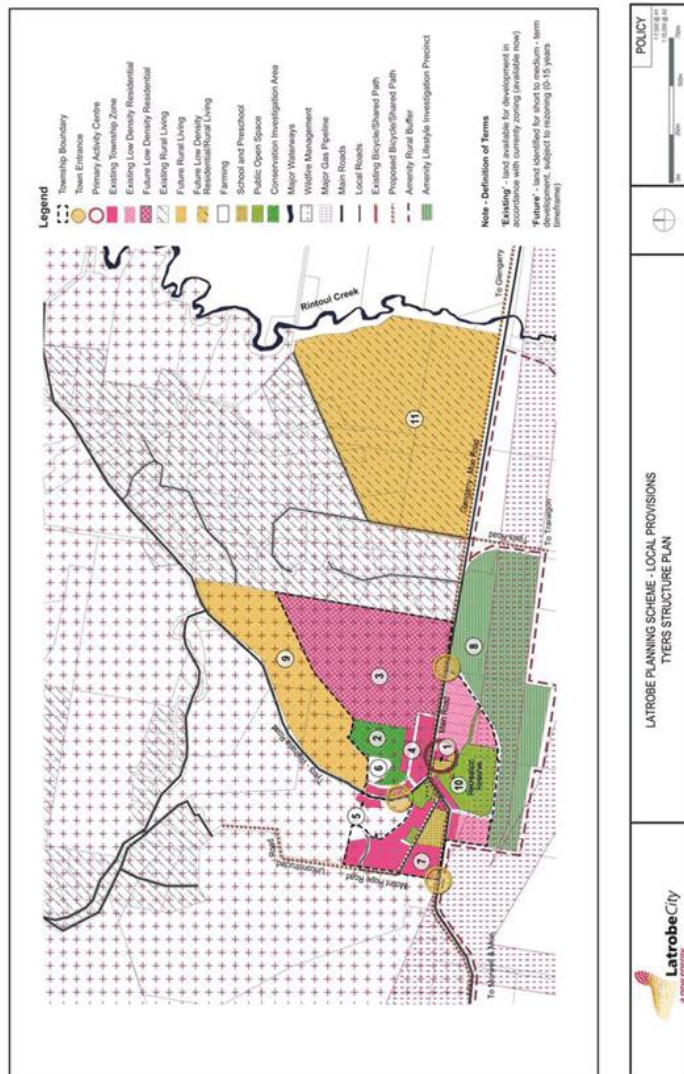
- Encourage commercial developments within the [Local primary Activity eCentre](#) (TYTSP Area 1).

Infrastructure

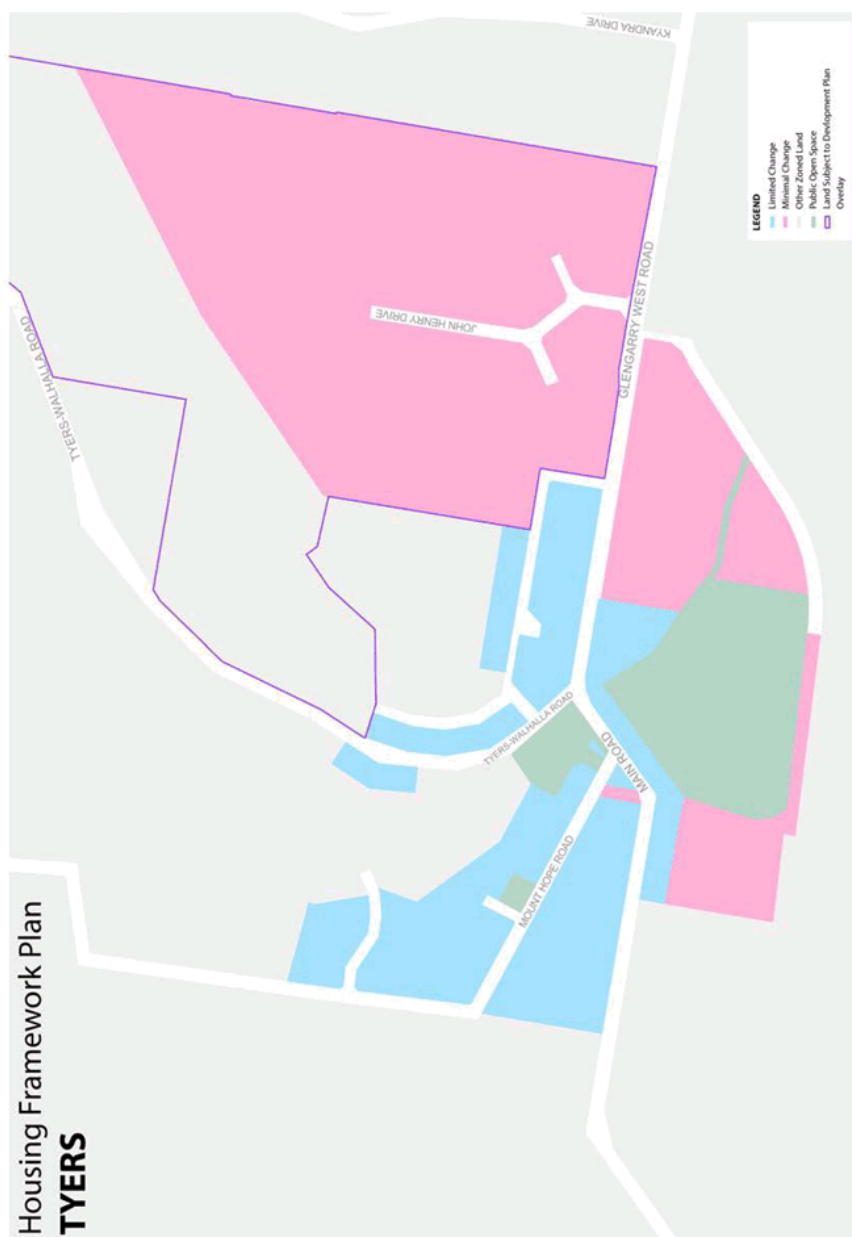
- Resolve domestic wastewater treatment issues in the township and identify improvements or additional infrastructure that may be required to accommodate future urban growth and development.
- Improve sewerage treatment on existing allotments and implement an integrated waste water management system for the township to the satisfaction of the responsible authority.
- Protect and enhance habitat values within the town and apply appropriate zone or overlays to core conservation TYTSP Areas 2, 4 & 6.
- Undertake detailed native vegetation assessment to clarify the subdivision and development potential on the periphery of TYTSP Areas 2 & 4 and apply appropriate zone or overlay.
- Encourage shared path link between future low density and rural living development (TYTSP Area 3 & 9) and the [Primary Activity town Centre](#) (TYTSP Area 1).
- Protect road reserves, such as Hinde Road, to allow for future access to proposed development areas.
- Investigate innovative waste water disposal strategies in Tyers [township Township](#).

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Tyers Town Structure Plan



Tyers Housing Framework Plan



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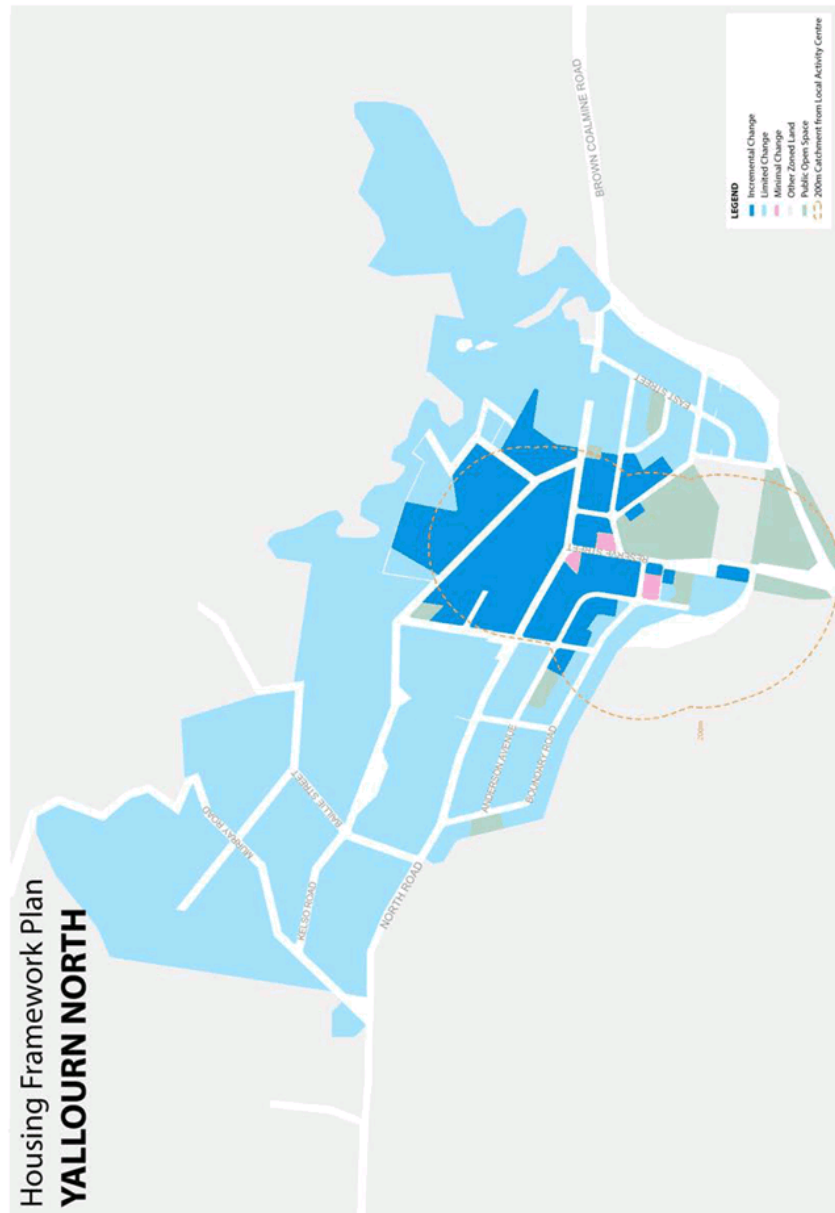
Yallourn North is located 8 kilometres north east of Moe and 146 kilometres south east of Melbourne. It has a population of approximately 1,500 people. Yallourn North was originally called Brown Coal Mine as workers at the Yallourn W station settled in the area. Yallourn North

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township comprises one primary school, one pre-school, local shop and businesses, hotel and restaurant and sporting and recreation facilities. The town contains many churches, including the only Serbian Orthodox Church and mosque in the region.

Local Area Implementation

- Prepare and facilitate development in accordance with the Yallourn North Housing Framework Plan (YNHFP).

Yallourn North Housing Framework Plan

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C119**Toongabbie**

Toongabbie is a small, historic township approximately 177 kilometres east of Melbourne and 21 kilometres north of Traralgon. It is nestled in the foothills of the Great Dividing Ranges and crosses over two municipal boundaries – Latrobe City Council and Wellington Shire. Toongabbie has a total population of approximately 900. Toongabbie township comprises a general store, a primary school, a pre-school and sporting and recreation facilities.

Local Area Implementation

- Prepare and facilitate development in accordance with the Toongabbie Housing Framework Plan (TOHFP).
- Rezone land for Rural Living Purposes as outlined by the Rural Land Use Strategy.

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Toongabbie Housing Framework Plan



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C119**Traralgon South**

Traralgon South is a rural township approximately 171 kilometres east of Melbourne and 13 kilometres south of Traralgon. The town has an approximate population of 470, however the residents of the surrounding rural living and farming communities utilise the facilities and services provided in Traralgon South. The township comprises a general store, a primary school, a pre-school and sporting and recreation facilities.

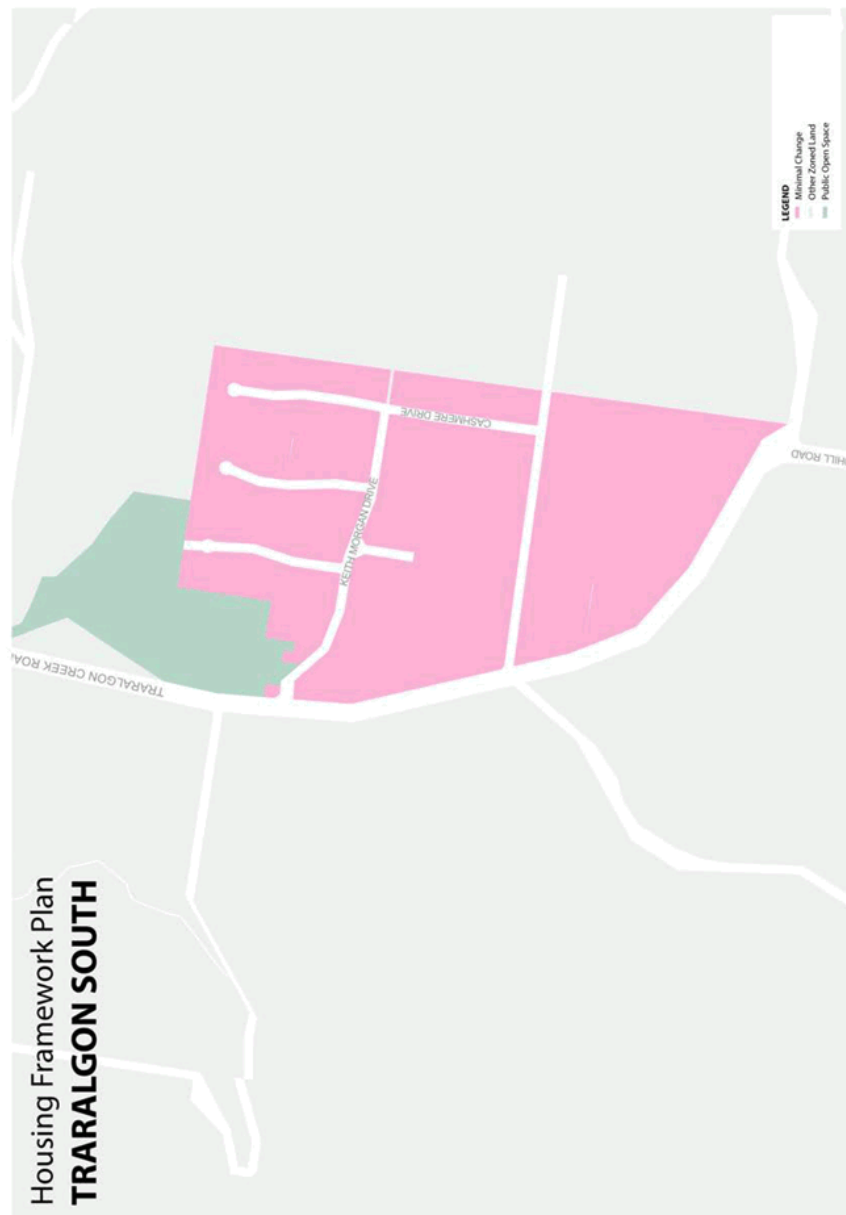
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Local Area Implementation

- Prepare and facilitate development in accordance with the Traralgon South Housing Framework Plan (TSHFP).

Traralgon South Housing Framework Plan



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C119**Yinnar**

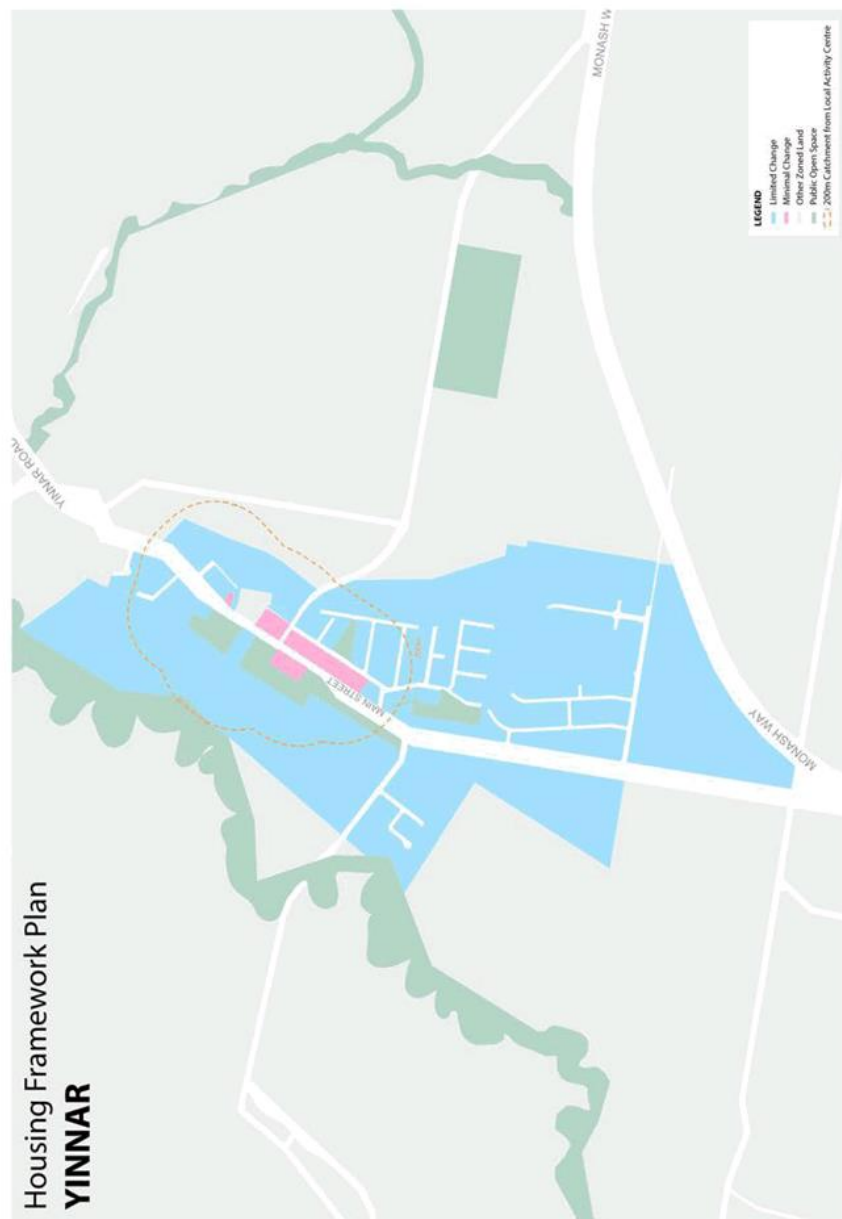
Yinnar is located in the Morwell River Valley, with views of the Strzelecki Ranges to the west and the Jeeralang Hills to the east. Yinnar is situated 160 kilometres east of Melbourne and 22 kilometres south of Morwell. The township provides urban lifestyle opportunities in a village setting for those employed in Latrobe City and has an approximate population of 600. Yinnar township comprises a range of shops and services, a pre-school and sporting and recreation facilities.

Local Area Implementation

- Prepare and facilitate development in accordance with the Yinnar Housing Framework Plan (YHFP).

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Yinnar Housing Framework Plan



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C119**IMPLEMENTATION****21.10-1****Application of Zones and Overlays**

The objectives, strategies and policy guidelines in the Planning Scheme are implemented through the application of appropriate zones and overlays as follows:

Zones

- Apply the General Residential Zone, Neighbourhood Residential Zone or the Residential Growth Zone to existing residential areas.
- Apply the General Residential Zone to 'Future Local Activity Centres or Neighbourhood Activity Centres' when they have been established.
- Consider applying the Urban Growth Zone to large future urban growth areas.
- Apply the Urban Growth Zone to land where a precinct structure plan has been prepared or where a strategy has been prepared which clearly identifies that the land is suitable for future urban development.
- Apply the Mixed Use Zone to areas close to town centres with potential for complementary residential, commercial and industrial activities.
- Apply the Mixed Use Zone to local and neighbourhood activity centres in the larger urban centres.
- Apply the Township Zone generally to small and district towns, particularly the town centres.
- Apply the Low Density Residential Zone to larger residential lots on the fringes of the main towns that are not within urban growth corridors.
- Apply the Industrial 1 Zone to main industrial estates.
- Apply the Industrial 3 Zone to light industrial and service industrial areas.
- Apply the Commercial 1 Zone to principal shopping and primary office areas excluding the Traralgon Activity Centre.
- Apply the Activity Centre Zone to the Traralgon Activity Centre.
- Apply the Commercial 2 Zone to the primary office areas and to peripheral sales areas.
- Apply the Farming Zone Schedule 1 to commercial agricultural areas.
- Apply the Farming Zone Schedule 2 to mixed farming areas.
- Apply the Rural Living Zone to areas committed to rural residential type use, including areas in Jeeralang, Toongabbie, Glengarry, Tyers, Hazelwood North, Hazelwood South, Callignee, Yinnar South and Moe South.
- Apply the Public Park and Recreation Zone to public open space areas.
- Apply the Public Conservation and Resource Zone to scenic, natural feature and conservation reserves, State, Regional and National parks, public forest areas and the like.
- Apply the Special Use Zone – Schedule 1 Brown Coal over Category A coalfields.

Overlays

- Apply the Development Plan Overlay and or Development Contribution Plan Overlay (including development contribution plans) to future urban growth areas and large undeveloped tracts of land requiring infrastructure, social services, recreation and open space coordination.
- Apply the Design and Development Overlays to areas requiring specific design solutions.

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- Apply the Design and Development Overlays to protect major gateways.
- Apply the Environmental Significance Overlay to areas where amenity buffers are required.
- Apply the Environmental Significance Overlay to protect sites, areas and corridors of environmental significance.
- Apply the Environmental Significance Overlay – Schedule 1 Urban Buffers to provide reciprocal protection for urban areas and the mines and their associated activities.
- Apply the Heritage Overlay to heritage places and precincts.
- Apply the Land Subject to Inundation to flood prone areas as identified by the West Gippsland Catchment Management Authority.
- Apply the Floodway Overlay to flood prone areas as identified by the West Gippsland Catchment Management Authority.
- Apply the Bushfire Management Overlay to bush fire prone areas where there is potential for extreme bushfire behaviour, consistent with state hazard criteria and mapping.
- Apply the State Resource Overlay – Schedule 1 Gippsland Brown Coalfields to Category B and C areas to identify the balance of the Gippsland coalfields located within the municipality.

Other

- Apply Development Contribution Plans to large areas of undeveloped residential, commercial, and industrial land.
- Apply Development Plans or Precinct Structure Plans to undeveloped residential land which incorporate Urban Design Good Practice principals and the provision of infrastructure and community services through developer contribution plans if required.

21.10-2

Further Strategic Work

Council is committed to undertaking the following strategic work:

- ~~Retail Demand and Supply Strategy including an investigation of the implications of the new commercial zones and 'out-of-centre' developments.~~
- Infrastructure Needs Analysis for existing and future significant shared infrastructure across the municipality.
- Create landscape Design Guidelines and infrastructure improvements to work towards the objective of fostering connected communities.
- Undertake a landscape assessment of rural areas and apply appropriate planning scheme tools to protect significant landscapes, views and vistas.
- Align the *Latrobe Regional Hospital Master Plan* recommendations with appropriate zones and overlays.
- Implement the revised *Latrobe Regional Airport Master Plan* into the Latrobe Planning Scheme.
- Prepare small town structure plans for Yinnar, Traralgon South, Toongabbie and Yallourn North.
- Complete a neighbourhood character assessment of small towns and district towns to inform the revision of appropriate land use policy which recognise their unique character attributes, housing form and type
- Prepare a land use response to the State Government's Strategic Plan for Coal or any other adopted relevant coal resource strategy.

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- Introduce planning provisions into the Planning Scheme to control land use and development within the Amenity Lifestyle Precinct, Amenity Lifestyle Investigation Precinct and Amenity Rural Buffer that resolves industrial/sensitive use interface issues.
- Prior to any future rezonings, investigate the application of the Amenity Rural Buffer and Amenity Lifestyle Investigation Precinct (Area 8) in Tyers, by undertaking odour modelling.
- Discourage any rezoning in the Amenity Lifestyle Investigation Area.
- Revise and update existing Main Town structure plans as required.
- Rezone land in accordance with the future land use and staging outlined in Structure Plans and the Traralgon Growth Area Framework.
- Prepare a detailed drainage study for land within the Traralgon West Growth Corridor to establish development capability and infrastructure investment requirements.
- Prepare a Development Plan or Precinct Structure Plan [and Development Contributions Plan](#) for land in the Traralgon West Growth Corridor in accordance with the Structure Plan.
- Prepare a Development Contribution Plan for land in the Traralgon West Growth Corridor in accordance with the Structure Plan.
- Prepare Masterplans for the Latrobe Regional Airport, Latrobe Regional Hospital and the open space and green movement corridors within the Traralgon West Growth Corridor.
- Investigate potential future uses for the land identified as employment investigation area within the Traralgon West Growth Corridor that will generate long term future employment opportunities.
- Prepare a Development Plan or Precinct Structure Plan for future residential and industrial land east, north and south of the Traralgon existing urban area to provide a broad framework for medium and longer term growth.
- Prepare a Development Contribution Plan for future residential and industrial land east of the Traralgon existing urban area.
- Investigate opportunity for open space, recreation and conservation uses in the area north of Traralgon bounded generally by Latrobe River to the north and Traralgon urban area to the south.
- Rezone land in accordance with the future land use and staging outlined in Structure Plans and the Traralgon Growth Area Framework.
- ~~Prepare a coordinated Activity Centre Strategy across the four Main Towns (including the 'Hollydale' site) which considers the retail needs of the community, but also the cultural and social activities that occur in Activity Centres.~~ Prepare Development Plans or Precinct Structure Plans.
- Develop Open Space Asset Management Plans (linked to GIS Systems) for all classes/types of open space assets (including vegetation) and park furniture to implement a costed, systematic approach to asset replacement, renewal and maintenance.
- Develop administration processes that improve the record keeping of open space contributions received (cash and land) to ensure transparency around the expenditure on passive and active open spaces (including land acquisition) and sources of funding.
- Develop a policy to guide open space contributions and expenditure, including circumstances where Council will accept encumbered land for open space in addition to unencumbered land.
- Monitor the application and efficiency of public open space contributions for new residential, commercial, industrial and mixed use subdivisions.

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- Investigate the need for an existing condition survey of dwellings and structures in Area 21 that may inform the need for engineering requirements for the construction of new structures in the Area.
- Prior to rezoning land for residential purposes adjacent to the existing Environmental Significance Overlay Schedule 1, advocate for the Minister administering the *Mineral Resources (Sustainable Development) Act 1990* to carry out an independent risk assessment that clarifies whether any revision of the Environmental Significance Overlay Schedule 1 is required around the southern boundary of Traralgon. This should be done in consultation with the Latrobe City Council and the State Government appointed Technical Review Board.
- Advocate for the Minister administering the *Mineral Resources (Sustainable Development) Act 1990* to provide clear guidance on the future form of the Environmental Significance Overlay Schedule 1 around the southern boundary of Traralgon in areas planned for the Traralgon Highway Bypass.
- Advocate for the Minister administering the *Mineral Resources (Sustainable Development) Act 1990* to continue to assess geotechnical monitoring information provided by coal mine licensees in determining the future form of the Environmental Significance Overlay Schedule 1 adjacent to urban settlements.
- Advocate for the Minister administering the *Mineral Resources (Sustainable Development) Act 1990* to conduct an independent risk assessment that clarifies whether any revision of the Environmental Significance Overlay Schedule 1 is required, so as to provide clear direction for future rezoning and urban development in areas adjacent to the existing Environmental Significance Overlay Schedule 1 in consultation with the Latrobe City Council and the State Government appointed Technical Review Board.
- Prepare Development Plans or Precinct Structure Plans
- Prepare a plan and facilitate the formal recognition of the Strzelecki-Alpine Biolink, incorporating plantation, public, private, road reserve land and mining areas ready or scheduled for rehabilitation through the appropriate application of zones and overlays, such as Rural Conservation Zone and Environmental Significance Overlay.
- Explore the application of appropriate Local Policy, Zone and Overlay Controls including the Rural Conservation Zone and/or Vegetation Protection Overlay to protect important values within the Strzelecki - Alpine Ranges biodiversity corridor and other core habitat locations, considering state-wide biodiversity information maintained by Department of Land, Water and Planning.
- Undertake a landscape assessment of rural areas and apply appropriate planning scheme tools to recognise locations of high hazard erosion and to protect significant landscapes, vistas or areas of significance.
- Identify locations and apply the Environmental Audit Overlay, including former landfill sites, fuel depots or industry locations identified for transition.
- Prepare an Industry Transition Strategy for the City. This should include opportunities to transition heavy industries to appropriate locations which provide appropriate buffers to sensitive land uses as well as good highway access.
- Prepare a Rural Living Strategy for the municipality and apply appropriate planning scheme tools to land identified as appropriate for Rural Living.
- Undertake an assessment of future Incremental change areas and apply appropriate zones through a Planning Scheme Amendment.
- Prepare a bushfire framework plan for the municipality to inform future settlement and urban growth planning for the municipality.
- Investigate and apply permit trigger(s) or policy to enable assessment and requirement for noise attenuation measures to be provided for new sensitive use developments within the 500 meter

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buffer area surrounding the Janette Street Industrial Precinct (Traralgon Structure Plan Area 8a).

- Investigate the application of Industrial 3 Zone to land within the Janette Street Industrial Precinct surrounding the existing lime batching plant (Traralgon Structure Plan Area 8a).
- Implement recommendations from the Traralgon Activity Centre Plan including:
 - Prepare streetscape masterplans for the Traralgon Activity Centre in accordance with recommendations from the Traralgon Activity Centre Plan.
 - Prepare a masterplan for Post Office Place in accordance with recommendations from the Traralgon Activity Centre Plan.
 - Implement the recommendations from the Traralgon Station Precinct Masterplan.
 - Prepare a masterplan for the Princes highway Boulevard in accordance with recommendations from the Traralgon Activity Centre Plan.
 - Prepare a Laneway Activation Strategy for the Traralgon Activity Centre.
 - Update the Latrobe City Bike Plan.
 - Prepare active street frontage design guidelines.
- [Prepare and implement a Morwell CBD Activity Centre Plan.](#)
- [Undertake an assessment of the Commercial 1 Zone land supply in the centre of Churchill which considers development for non-retail uses.](#)

21.10-3 Reference Documents

The following strategic studies have informed the preparation of this planning scheme. All relevant material has been included in the Scheme and decision makers should use these documents (as amended) for background research only. Material in these documents that potentially provides guidance on decision making but is not specifically referenced by the Scheme should be given limited weight.

- *Latrobe 2026.*
- *Council Plan (2018-2021).*
- *Latrobe City Municipal Public Health and Wellbeing Plan (2013-2017).*
- *Assessment of Agricultural Quality of Land in Gippsland (1984).*
- *Car Parking Framework Review Traralgon & Morwell (2014)*
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- *Live Work Latrobe Housing Strategy (2019)*
- *Live Work Latrobe Industrial and Employment Strategy (2019)*
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- *Guidelines for the removal, destruction or lopping of native vegetation (DELWP 2017)*

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31/07/2018
VC148

SCHEDULE TO CLAUSE 72.08 BACKGROUND DOCUMENTS

1.0

06/06/2019
C116latr.
Proposed
C119

Background documents

Name of background document	Amendment number - clause reference
<i>Bulky Goods Retail Sustainability Assessment (2009)</i>	Clause 43.04s4
<i>Bulky Goods Retail Sustainability Assessment Final Report (2009)</i>	Clause 43.02s9
<i>Car Parking Framework Review Traralgon & Morwell (August 2014)</i>	Clause 45.09s1 Clause 45.09s2
<i>Churchill Structure Plan 2007 (as amended)</i>	Clause 43.02s9
<i>Code of Practice – Onsite Wastewater Management (Environment Protection Authority, July 2016)</i>	Clause 43.04s9
<i>Healthy by Design: a planners' guide to environments for active living® (National Heart Foundation of Australia - Victorian Division, 2004)</i>	Clause 43.04s5 Clause 43.04s6 Clause 43.04s7 Clause 43.04s9
<i>Latrobe City Bicycle Plan 2007-2010 (as amended)</i>	Clause 43.04s5 Clause 43.04s6 Clause 43.04s7 Clause 43.04s9
<i>Latrobe City Heritage Study Volume 1: Thematic Environmental History (July 2010)</i>	Clause 32.07s2
<i>Latrobe City Heritage Study Volume 2: Key Findings and Recommendations (July 2010)</i>	Clause 32.07s2
<i>Latrobe City Public Open Space Plan 2007 (as amended)</i>	Clause 43.04s5 Clause 43.04s6 Clause 43.04s7 Clause 43.04s9
<i>Latrobe City Public Toilet Strategy 2006 (as amended)</i>	Clause 43.04s5 Clause 43.04s6 Clause 43.04s7 Clause 43.04s9
<i>Latrobe Healthy by Design® – Background and Issues Report (Beca Pty Ltd, December 2007)</i>	Clause 43.04s5 Clause 43.04s6 Clause 43.04s7 Clause 43.04s9

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Name of background document	Amendment number - clause reference
<i>Latrobe Regional Airport Development Guidelines</i> (2009)	Clause 43.02s7 Clause 43.02s8
<i>Latrobe Structure Plans Volumes 1-5</i> (Beca Pty Ltd, 2007)	Clause 43.04s5 Clause 43.04s6 Clause 43.04s7
<i>Moe Rail Precinct Revitalisation Project Design</i>	Clause 36.01s
<i>Morwell Central Business District Revitalisation Action Plan</i>	Clause 43.02s2
<i>Municipal Domestic Wastewater Management Plan 2006</i>	Clause 42.01s2
<i>Permitted clearing of native vegetation – Biodiversity assessment guidelines</i> (Department of Environment and Primary Industries, September 2013)	Clause 43.04s9
<i>Traralgon Station Precinct Master Plan</i> (Latrobe City Council, June 2011)	Clause 32.07s2
<i>Urban Design Good Practice Guideline – Meeting Healthy By Design® Objectives</i> (2008)	Clause 43.04s1 Clause 43.04s5 Clause 43.04s6 Clause 43.04s7 Clause 43.04s9
<i>Victoria's Native Vegetation Management – A Framework for Action</i> (Department of Natural Resources and Environment, 2002)	Clause 42.01s1 Clause 43.04s1 Clause 43.04s3 Clause 43.04s4 Clause 43.04s5 Clause 43.04s6 Clause 43.04s7
<i>West Gippsland Regional Catchment Strategy</i>	Clause 43.04s9
<i>West Gippsland Native Vegetation Plan 2003</i>	Clause 43.04s5 Clause 43.04s6 Clause 43.04s7 Clause 43.04s9
Latrobe City Council Retail Strategy - Background Research and Analysis 2019 Latrobe City Council Retail Strategy – Strategy and Implementation Plan 2019	



ESSENTIAL ECONOMICS

Latrobe City Council

Retail Strategy

BACKGROUND

RESEARCH AND ANALYSIS

Prepared for



by

Essential Economics Pty Ltd

March 2019

Authorship

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Final Draft report	Jack O'Connor	7 January 2019	Nick Brisbane	9 January 2019
Final Report V1	Jack O'Connor	16 January 2019		
Final Report V2	Jack O'Connor	16 March 2019		

Disclaimer

Every effort has been made to ensure the accuracy of the material and the integrity of the analysis presented in this report. However, Essential Economics Pty Ltd accepts no liability for any actions taken on the basis of report contents.

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EXECUTIVE SUMMARY

Strategy Background

Latrobe City Council has engaged Essential Economics and Ethos Urban to prepare the Latrobe City Retail Strategy (the Retail Strategy) which provides the strategic basis to co-ordinate the future planning and development of the municipality's retail sector and activity centres. The last municipal-wide study of the retail sector was undertaken in 2007. Now is an opportune time to prepare this Retail Strategy given the passage of time, changes in the strategic planning context at both a state and local level, and recent trends affecting the retail sector.

The Retail Strategy comprises two main documents:

- A **Background Report** (this document) which provides the analytical basis and background research supporting the Retail Strategy; and
- The **Retail Strategy & Implementation Plan** providing the vision, objectives and actions to guide future decision making with respect to retail centre development.

Regional Context

Latrobe City is located in the Gippsland region of Victoria and just under two hours' drive from metropolitan Melbourne. Major towns include Moe - Newborough, Morwell, Traralgon and Churchill, along with the smaller townships of Yallourn North, Tyers, Glengarry, Toongabbie, Yinnar, Boolarra and Traralgon South.

Latrobe City is a networked 'regional city' encompassing the major towns of Moe – Newborough, Morwell, Traralgon and Churchill. This unique settlement structure of four regional (major) towns in relatively close proximity is a historical legacy of brown coal mining and electricity generation activities in the Latrobe Valley and has implications for the development and trading catchments of the municipality's retail centres.

Over the past two decades, Traralgon has evolved to become the major retail destination in Latrobe City. Other major towns – Moe, Morwell and Churchill provide differing retail offers and quantities of retail floorspace, while limited convenience-based retailing is provided in smaller townships.

The retail sector in Traralgon is relatively strong, subject to ongoing investment and reflects Traralgon's role as a regional service centre servicing the wider Gippsland Region. However, other centres in Latrobe City are facing challenges, examples include the recent closure of Coles and Target in the Mid Valley Shopping Centre in Morwell and the high rate of retail shopfront vacancies observed in the Moe and Morwell CBDs.

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Strategic Policy Context**

Existing policy provides a comprehensive strategic basis for the future growth of Latrobe City and its centres. The Local Planning Policy Framework (LPPF) provides guidance on the design and development of centres, while numerous strategic documents identify future long-term opportunities for new centres. In particular, Clause 21.07-2 of the Latrobe Planning Scheme outlines a series of objectives associated with the location of retail activities, the establishment of a network of activity centres to the needs of the community, and the need to facilitate the growth of Morwell, Moe, Traralgon and Churchill Town Centre.

The Retail Strategy will build upon the existing strategic policy framework.

Population Growth Forecasts

‘Retail follows rooftops’ is a common retail industry phrase. In this sense, having an understanding of population growth trends and locations is important for the development of a robust Retail Strategy. Population forecasts for Latrobe City and study regions were prepared having consideration for the State Government’s official population projections (*Victoria in Future 2016*) and the latest ABS Estimated Residential Population (Cat: 3218.0) data release.

Latrobe City’s population is forecast to increase from 75,140 persons in 2018 to approximately 83,860 persons by 2033, representing an increase of +8,720 persons over the 15 years. Average growth per annum for the municipality over 15-years is forecast to be +0.7% per annum, slightly above the long-term historic trend of +0.5% per annum between 2007 and 2017.

The primacy of Traralgon as Latrobe’s population growth centre is forecast to continue broadly in-line with historic trends. Traralgon is forecast to accommodate around 62% of Latrobe City’s total population growth to 2033. A detailed overview of forecast population growth in Latrobe City is provided by Chapter 5.

Retail Hierarchy

Latrobe City’s existing retail hierarchy consists of the following:

- Regional Retail Centre: Traralgon CBD
- Sub-Regional Retail Centres: Moe CBD, Morwell CBD and Mid Valley Shopping Centre.
- Large Town Centre: Churchill
- Neighbourhood Centres: Including the existing centre of Newborough, approved centre at Traralgon North and potential centres in Traralgon East, Traralgon South East and Traralgon West.
- Small Town Centre: Glengarry, Yallourn North, Boolarra, Yinnar, Tyers, Traralgon South, Toongabbie.
- Local Centres: Numerous existing and potential.

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RETAIL STRATEGY – BACKGROUND REPORT

- Homemaker Precincts: Argyle Street (Traralgon East) and Morwell East.

An overview of Latrobe City's retail hierarchy including the definition and role for each of categories is provided in Chapter 7.

Occupied Retail Floorspace

Currently, approximately 227,190m² of occupied retail floorspace exists in centres within Latrobe City comprising the following:

- 49,940m² of Food, Liquor and Grocery (FLG) retail floorspace (or 22% of total occupied retail floorspace)
- 27,360m² of Food Catering retail floorspace (or 12% of total occupied retail floorspace)
- 149,890m² of Non-Food retail floorspace (or 66% of total occupied retail floorspace).

The largest individual centres/precincts for occupied retail floorspace are: Traralgon CBD with 62,470m²; Argyle Street Homemaker Precinct (Traralgon East) with 43,440m²; Moe CBD with 34,930m²; Morwell CBD with 31,280m²; and Mid Valley Shopping Centre with 24,520m².

Vacant Retail Floorspace

The Latrobe City's retail vacancy rate is estimated at 10.8% of total floorspace, which is above the vacancy level desired for a large regional retail network such as that operating in Latrobe City. Traralgon has the lowest overall vacancy level of Latrobe City's three major towns (6.9%) reflecting the town's primacy as a focal point for population growth and retail investment.

In contrast, the following centres are contributing to a high overall vacancy rate for Latrobe City:

- Mid Valley Shopping Centre, has a vacancy rate of 21.9% influenced by the recent closure of Target and Coles.
- Morwell CBD, with a vacancy rate 16.3% which includes a high (29.9%) vacancy rate for shopfronts located to the north of the railway line. Areas of the CBD to the south of the railway line have a lower vacancy rate of 9.4%.
- Moe CBD, which has a vacancy rate 10.9% influenced by a concentration of vacant shopfronts located to the south of the railway line.

Retail Sales and Market Shares

In 2018, activity centres in Latrobe City achieved total retail sales estimated at approximately \$1,160m, representing an average trading level of approximately \$5,120/m² (expressed in 2018 dollars and inclusive of GST). Accounting for a share of retail spending escaping to other centres and a share of sales captured from visitors to Latrobe City, it is estimated that Latrobe

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City retailers capture a retail market share of 81%. That is, of total retail spending by Latrobe City residents, 81 cents in every dollar is spent at local shops.

This is a relatively high market share for a regional area, which indicates residents are reasonably well-served by retail facilities in the municipality. As a result, future increases in retail performance and retail development opportunities are likely to be primarily informed by local population and visitor growth.

Future Retail Development Opportunities

Demand for approximately +42,000m² of additional retail floorspace is forecast over the 2018 to 2033 period, comprising:

- +4,200m² of food, liquor and grocery (FLG) retail floorspace to accommodate new or expanded supermarkets and specialty food, liquor and grocery stores;
- +3,100m² of food catering retail floorspace, comprising new cafés, restaurants and takeaway food stores; and
- +35,000m² of non-food retail floorspace, which may comprise the development of additional specialty non-food retailers, retail services and bulky goods retailing.

This additional floorspace is anticipated to present the following retail development opportunities over the next 15 years:

- Support for approximately 9,200m² of retail floorspace not yet developed in Latrobe City that has planning approval. Note, the Traralgon North Neighbourhood Activity Centre (Marshall Road) has planning approval for 4,700m² of retail floorspace, or approximately 51% of approved floorspace yet to be developed in Latrobe City. This Centre is expected to be developed in the near-term and would accommodate a Woolworths supermarket.
- Potential to occupy up to approximately 10,000m² of vacant floorspace in Moe CBD, Morwell CBD and Mid Valley Shopping Centre.
- Incremental growth in food catering floorspace is expected to occur as activity centres continue to evolve into more important social and meeting places with growing café and dining options.
- The potential for development of Commercial 2 Zoned land in Traralgon and Morwell as dedicated bulky goods retail precincts.

Development of New Centres in Growth Areas

Numerous neighbourhood centres have been identified in Traralgon's growth areas to the east, south-east and west of the existing urban footprint. Demand for these identified centres is unlikely to eventuate over the next 15 or so years. In essence, there is unlikely to be sufficient demand to accommodate new FLG retail development at these sites. Note, the projected demand for an additional +4,200m² will be likely be exhausted in the near term by the development of the approved Traralgon North Neighbourhood Activity Centre.

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However, these centres should continue to be identified in the retail hierarchy as *potential centres*, with details regarding the centre size, exact location, and timing determined when local area planning occurs. Market demand and potential impact on the retail hierarchy of any new centres should be assessed at the time of rezoning or planning application.

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INTRODUCTION

Background

Latrobe City Council has engaged Essential Economics and Ethos Urban to prepare the Latrobe City Retail Strategy (the Retail Strategy), which provides a strategic basis to co-ordinate the future planning and development of Latrobe City's retail sector and activity centres.

The previous municipal-wide strategic assessment of the Latrobe City's retail sector was the *Latrobe City Council Retail Strategy Review*, undertaken by Macro Plan in 2007. Now is an opportune time to prepare a new Retail Strategy, given the passage of time (11 years), changes in the strategic planning context at both a state and local level, and new trends affecting the retail sector.

Project Objectives

The main objectives of this project are as follows:

- 1 To prepare a Retail Strategy that will guide retail planning and development in the City over the next 15 years.
- 2 To provide an indication of the retail development opportunities for the City to 2033, including the quantum and type of new retail floorspace that may be supported.
- 3 To provide guidance on the appropriate location, format and timing of future retail development.
- 4 To identify a retail (or centres) hierarchy that will guide the future planning and development in the City of Latrobe.
- 5 To identify and make recommendations for modifications to the Local Planning Policy Framework within the Latrobe Planning Scheme to enhance the economic activity within the area and to provide guidance for assessing development applications.

Report Format

The Retail Strategy comprises two main documents: A **Background Report** (this document) which provides an analytical basis and background research; and the **Retail Strategy** that will provide the vision, objectives and actions to guide future decision-making with respect to retail centre development.

In addition, statutory planning input is provided by Ethos Urban regarding possible modifications to the Planning Policy Framework arising from recommendations and actions outlined in the Retail Strategy.

Preparation of this **Background Report** was informed by detailed fieldwork – including a survey of retail floorspace of Latrobe City retail centres – undertaken by the Consultant in September

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2018, as well as stakeholder engagement workshops and one-on-one interviews with local businesses and government representatives (undertaken in October 2018). During this consultation the issues and opportunities associated with Latrobe City's retail and activity centres was discussed.

Specifically, this Background Report comprises two parts:

- **Part A – Background Report and Analysis** – outlines the locational, economic, development and policy aspects that currently influence the planning and development of retail and activity centres in Latrobe City.
- **Part B – Centre Profiles** – provides an overview of each main retail centre in Latrobe including layout, key statistics, issues and opportunities.

Terms and Definitions

Retail Activities

Retail activity is defined according to the Australian Bureau of Statistics (ABS) classification adopted for the 1991/92 Retail and Services Census but excludes garden supplies, marine equipment and motor vehicle and related traders. This definition of retail is consistent with the normal practice for undertaking retail-economic analysis in Australia.

Retail Categories

For the purpose of this Retail Strategy, estimates of retail floorspace, spending and sales are provided in the following retail categories:

- **Food, Liquor and Groceries (FLG):** Comprises household spending and floorspace involved in the selling of take-home food, groceries and liquor.
- **Food Catering:** Household spending and floorspace associated with cafes, restaurants and take-away food stores.
- **Non-Food:** Spending on non-food retail products such as apparel, homewares, bulky merchandise, leisure goods, other general merchandise and spending on services such as hairdressers, video hire, dry cleaning, etc.

GST

All spending and turnover figures expressed in this report are inclusive of GST.

Activity Centres

Activity centres are hubs where people shop, work, meet, relax and often live – they range from local shopping strips to larger activity nodes including white collar employment, community services and regional shopping malls. The State planning framework identifies four main activity centre categories: Metropolitan Activity Centres, Major Activity Centres, Regional

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Activity Centres and Neighbourhood Activity Centres (refer www.planning.vic.gov.au/policy-and-strategy/activity-centres/activity-centres-overview).

Retail Centres

Retail centres are shopping strips or nodes where people traditionally undertake 'bricks and mortar' shopping activities. Retail centres in Latrobe City are the specific focus of this Retail Strategy.

Individual retail centres form part of a centres hierarchy which describes the complementary role and function of individual retail centres within a defined region. The retail centres hierarchy in Latrobe City as well as the role and function of individual retail centres is discussed in Chapter 7 of this Report.

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**PART A: BACKGROUND REPORT &
ANALYSIS**

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RETAIL STRATEGY – BACKGROUND REPORT

1 REGIONAL CONTEXT

This Chapter provides an overview of Latrobe City's regional location and history. Reference is also made to individual Study Regions within the City that have been identified for the purposes of analysis and discussion.

1.1 Latrobe City Overview

Latrobe City is located in the Gippsland region of Victoria and is just under two hours' drive from metropolitan Melbourne. The City encompasses an area of some 1,426 square kilometres and extends south from the foothills of Mount Baw Baw region to cover the Latrobe Valley and areas of the Strzelecki Ranges, as shown in Figure 1.1.

The Latrobe City is a networked 'regional city' encompassing the major towns of Moe – Newborough, Morwell, Traralgon, and Churchill. This unique settlement structure of four regional (major) towns in relatively close proximity is a legacy of brown coal mining and electricity generation activities in the Latrobe Valley.

In conjunction with the major towns listed above, the smaller townships of Yallourn North, Tyers, Glengarry, Toongabbie, Yinnar, Boolarra and Traralgon South are also located in the municipality and have been assessed as part of this study.

The Latrobe Valley is synonymous with coal mining and electricity generation. These activities were the historic backbone of the Valley's economy and employment from the post World War 1 era. At its peak in 1988, the electricity industry in the Latrobe Valley employed almost 9,900 persons. Subsequently, the privatisation of the sector in the early 1990s – notably the break-up of the State Electricity Commission (SEC) and the closure of aging power plants has contributed to a decline in local jobs in the electricity sector. Today, Loy Yang A and B and Yallourn W are the only brown coal-fired power stations operating in the Latrobe Valley. These stations are supplemented by two smaller natural gas-fired stations at Morwell (Jeeralang) and Traralgon (Valley Power).

The last 25+ years has seen the Latrobe City undergo an economic transition to a more diverse employment base. Electricity, Gas, Water & Waste Services (ABS definition) is now the 5th highest sector for employment in the Latrobe City accommodating 7.5% of the total work force, behind Health Care & Social Assistance (16.4%), Retail Trade (11.6%), Public Administration & Safety (8.7%) and Education & Training (8.3%) (further details provided in Chapter 2 and Chapter 6 of this Report). Indeed, the diversity of the employment base is now an economic strength of Latrobe City.

The Princes Highway extends east-west through Latrobe City and is the main transport artery linking Melbourne to Gippsland, the south coast of New South Wales and southern Sydney.

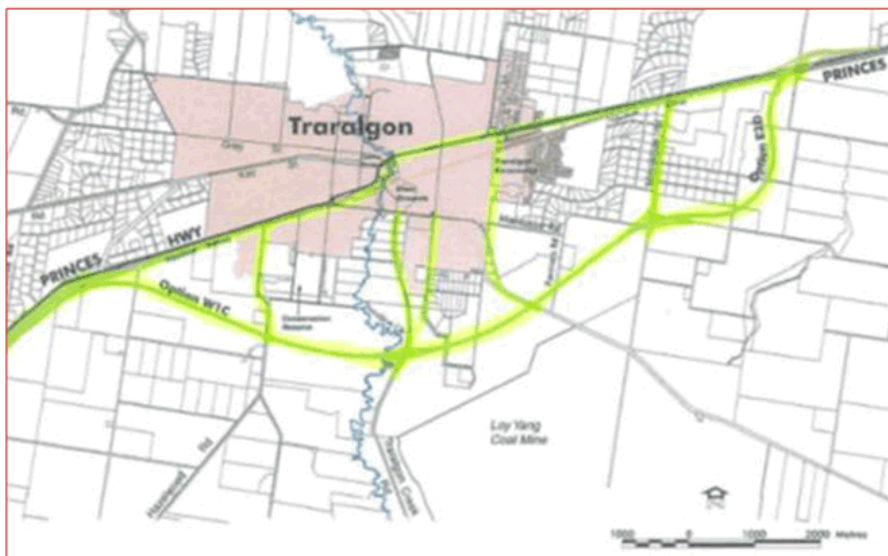
While Moe-Newborough and Morwell are bypassed by the Highway, Traralgon is not – contributing to the CBD capturing sales from 'passing traffic'. A bypass of Traralgon has been planned for some years; in 2009 an alignment was gazetted via an amendment to the Latrobe

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Planning Scheme (see Figure 1.1 below) and at present a business case is being developed by VicRoads. The Latrobe Valley is also connected to metropolitan Melbourne via the VLine Train service, with some 20 services per weekday departing Traralgon (as well as stopping at Morwell and Moe) for Melbourne.

Over the past two decades, Traralgon has evolved to become the major retail destination in Latrobe City. Other major towns – Moe, Morwell and Churchill provide differing retail offers and quantities of retail floorspace, while limited convenience-based retailing is provided in smaller townships.

Figure 1.1: Traralgon Bypass Alignment



Source: VicRoads

1.2 Study Regions

Five study regions have been identified in Latrobe City to inform analysis and discussion. The study regions correspond to the SA2 statistical geographies (as defined by the ABS) and are described as follows:

- Northern Region – comprising the most northern portion of the municipality and includes the townships of Toongabbie, Glengarry, Tyers and Yallourn North.
- Moe-Newborough Region – encompassing the townships of Moe and Newborough, and surrounding land including Moe South and Yallourn Open Cut areas.
- Morwell Region – comprising the township of Morwell and surrounding land.
- Traralgon Region – contains Traralgon as well as surrounding land to the north, east and south.

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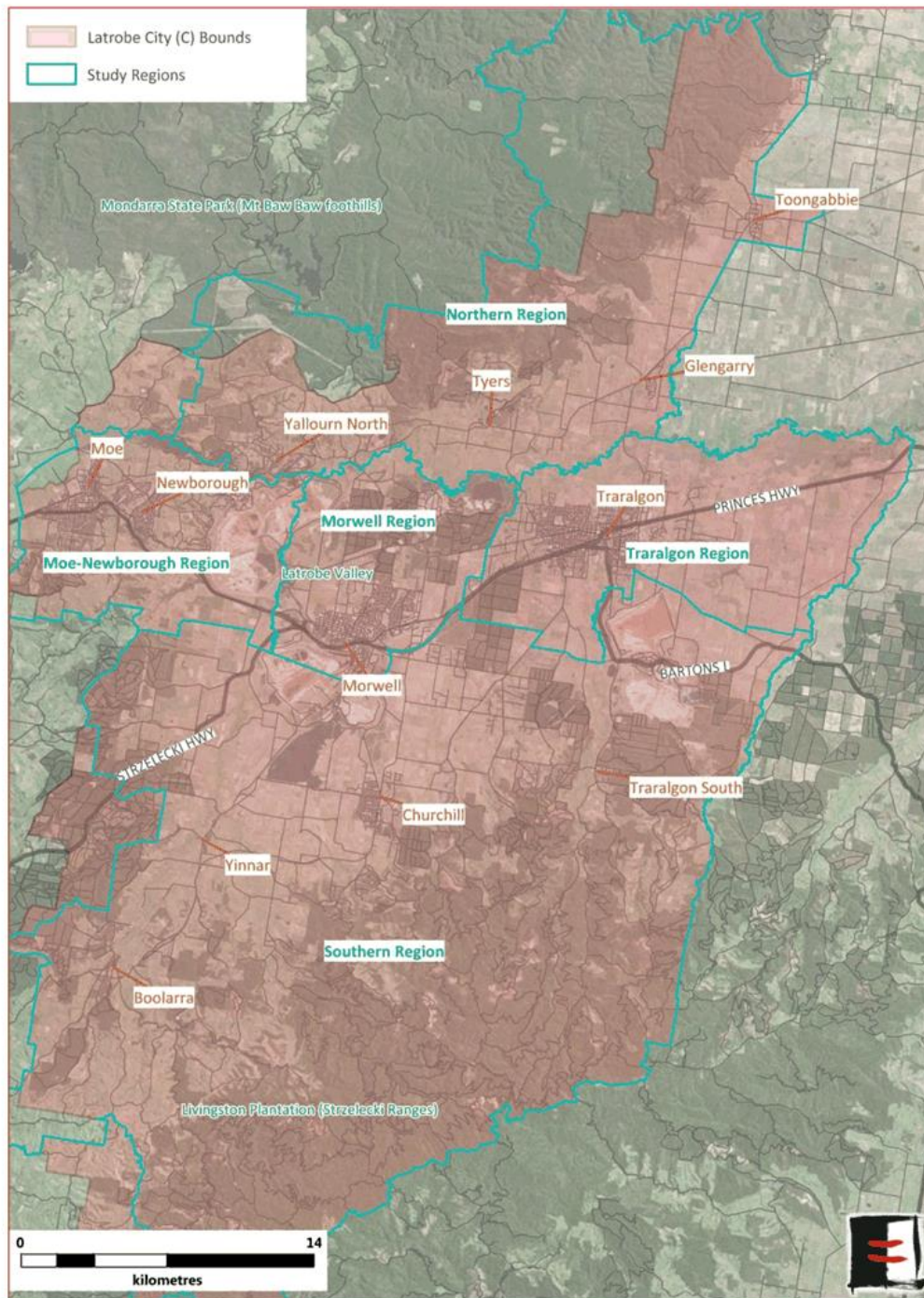
- Southern Region – comprising the balance of the municipality which extends south from the Moe-Newborough, Morwell and Traralgon urban corridor and includes the town of Churchill, as well as the smaller townships of Yinnar, Boolarra and Traralgon South.

The identified study regions broadly reflect the boundary of Latrobe City; however, they do not align exactly. Accordingly, the difference (or balance) between the study regions (as a whole) and Latrobe City is shown in statistical tables where appropriate.

The Study Regions are shown by Figure 1.2 on the following page.

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Figure 1.2: Regional Context and Study Regions



Essential Economics with MapInfo, Bing Maps & StreetPro

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT

2 IMPORTANCE OF RETAILING AND ACTIVITY CENTRES TO LATROBE CITY

‘Activity centres’ are hubs where people shop, work, meet, relax and often live – they range from local shopping strips to larger activity nodes including white collar employment, community services and regional shopping malls.

A successful retail sector is critical to the viability and vitality of activity centres. As the dominant land use within most activity centres, retailing attracts significant patronage to a centre which supports many other commercial, community, civic and entertainment uses.

Land use policies, both in Victoria and across Australia generally, promote activity centres as the focus for intensive retail and white-collar commercial activity and employment. Beyond their economic function, activity centres also play an important civic and social role by providing places and opportunities for members of the community to meet and interact. This can be particularly important for smaller towns in regional areas where the contact and communication between residents is paramount to community well-being.

The retail sector in Latrobe City employed some 3,540 persons in 2016, providing 11.6% of total employment. Retail is the second largest sector in the Latrobe City economy in employment terms, behind only Health Care and Social Assistance (approximately 5,020 jobs in 2016). An overview of jobs by industry that are located in Latrobe City is shown in Table 2.1.

Although, retail is the sector most closely associated with activity centres, a wide range of other economic activities, including commercial and public sector offices, professional services, community services and civic infrastructure (libraries etc) are also often accommodated in centres. In combination, sectors or activities which often locate in activity centres accommodated 50.9% of jobs in the Latrobe City in 2016 and accounted for 49.8% of total job growth that occurred in Latrobe City between 2011 and 2016. In reality, some of these jobs will be in locations outside activity centres; however, the data indicates the importance of activity centres as major drivers of economic activity and job creation in Latrobe City.

In addition to supporting viable activity centres and contributing to local economies, retailing also performs the critical function of distributing goods and services to community. A well-planned retail centre hierarchy provides these goods and services in a convenient and efficient manner.

The retail sector also plays an important role by providing entry level jobs opportunities for persons with limited qualifications. A retail job is often first workplace experience for many young people – typically on a casual basis while still attending secondary school. Retail also provides employment opportunities for mature age persons with limited qualifications.

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Table 2.1: Jobs by Industry, Latrobe City, 2011-16

Industry	2011 (No.)	2016 (No.)	2016 (%)	Regional Victoria (2016) (%)	Change, 2011-2016
Often Located in Activity Centres					
Retail Trade	3,300	3,540	11.6%	11.3%	+240
Accommodation & Food Services	1,580	2,030	6.6%	7.6%	+450
Financial & Insurance Services	600	550	1.8%	1.8%	-50
Rental, Hiring and Real Estate Services	320	400	1.3%	1.1%	+80
Professional, Scientific & Technical Services	970	1,120	3.7%	4.0%	+150
Public Administration & Safety	2,220	2,650	8.7%	6.1%	+430
Health Care & Social Assistance	4,050	5,020	16.4%	15.3%	+970
Arts & Recreation Services	220	290	0.9%	1.5%	+70
Sub-total	13,260	15,600	50.9%	48.7%	+2,340
Other Industries					
Manufacturing	2,580	2,170	7.1%	8.5%	-410
Construction	1,900	2,080	6.8%	6.9%	+180
Wholesale Trade	600	480	1.6%	2.1%	-120
Transport, Postal & Warehousing	860	1,040	3.4%	3.6%	+180
Agriculture, Forestry & Fishing	470	630	2.1%	8.1%	+160
Mining	340	480	1.6%	0.6%	+140
Electricity, Gas, Water & Waste Services	1,510	2,310	7.5%	1.5%	+800
Information Media & Telecommunications	250	300	1.0%	0.9%	+50
Administrative & Support Services	570	740	2.4%	2.5%	+170
Education & Training	2,390	2,550	8.3%	9.0%	+160
Other Services	900	1,130	3.7%	3.7%	+230
Industry not classified	190	1,110	3.6%	3.9%	+920
Sub-total	12,560	15,020	49.1%	51.3%	+2,460
Total	25,820	30,620	100%	100%	+4,800

Source: ABS Census of Population & Housing 2011 & 2016; ABS Table Builder



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3 STRATEGIC POLICY CONTEXT

The prevailing development and planning context for retail and activity centres in Latrobe City is framed by a range of planning documents and strategies.

In an overall sense, it is evident that a policy aspiration exists for the City's major towns of Traralgon, Morwell, Moe-Newborough and Churchill to function as a single 'networked city'. Under this approach, the major towns (aforementioned) provide complementary facilities and services that contribute to a cohesive, higher-order service offer at the regional level.

While numerous documents refer to activity centre, retail and settlement hierarchies, a need exists to provide a clear centre hierarchy for Latrobe City. This will take into consideration the strategic directions identified in current planning policy, the existing role and function of centres, and the implications of future growth.

This Chapter provides an overview of the State and Local Planning Policy Framework which informs retail and activity centre planning and development in Latrobe City.

3.1 Planning Policy Framework (PPF)

The recent Amendment VC148 (July 2018) has implemented changes to the Victoria Planning Provisions (VPP) and planning schemes. As noted in Planning Advisory Note 71 (Department of Environment, Land, Water and Planning):

"The Amendment implements the first stage of the new Planning Policy Framework (PPF) which replaces the existing State Planning Policy Framework (SPPF). In future the PPF will, in conjunction with the new Municipal Planning Strategy (MPS), also replace the Local Planning Policy Framework (LPPF) in each scheme. The PPF enables all policy content in planning schemes to be merged into a single source." (p1)

Effectively, the PPF and MPS are intended to work together to form the strategic basis of each municipality's planning scheme. The discussion of State and Local Policy in this report has been undertaken in view of the changes to the Latrobe Planning Scheme as a result of Amendment VC148. It is noted that Latrobe City Council is yet to translate its Local Planning Policy Framework into the new MPS and PPF format. As such, the objectives of Council's current planning scheme remain relevant.

Strategies and strategic guidance within the PPF that are relevant to this Retail Strategy include those identified below:

- **Strategic support for Latrobe City as a regional city serving Gippsland:** *"Support urban growth in Latrobe City as Gippsland's regional city, at Bairnsdale, Leongatha, Sale, Warragul/Drouin and Wonthaggi as regional centres, and in sub-regional networks of towns" (Clause 11.01-1R)*
- **Support for small towns to continue to remain viable centres providing local services:** *"Support the continuing role of towns and small settlements in providing services to their*

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districts, recognising their relationships and dependencies with larger towns” (Clause 11.01-1R)

- **Support for vibrant activity centres that respond to changing markets:** *“Create vibrant and prosperous town centres that are clearly defined and provide commercial and service activities that respond to changing population and market conditions” (Clause 11.01-1R)*
- **Support redevelopment of centres subject to future growth including Traralgon, Morwell and Mid Valley:** *“Support redevelopment initiatives in commercial centres that will be subject to significant growth (Traralgon, Morwell Mid Valley, Warragul, Wonthaggi, Leongatha, Sale and Bairnsdale) to improve their attractiveness and usability” (Clause 17.02-1R)*
- **Encourage retail and commercial development that meets the community needs** including the following strategies identified in Clause 17.02-1S:
 - *Plan for an adequate supply of commercial land in appropriate locations*
 - *Provide new convenience shopping facilities to provide for the needs of the local population in new residential areas and within, or immediately adjacent to, existing commercial centres*
 - *Provide small scale shopping opportunities that meet the needs of local residents and workers in convenient locations*
 - *Apply a five-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.*

3.2 Local Planning Policy Framework

Clause 21.07-2 (Key Issues – Activity Centre) within Latrobe City’s Local Planning Policy Framework (LPPF) outlines key issues, objectives and strategies for activity centre planning in the municipality. This Clause provides local content to support Clause 17 (Economic Development) of the PPF.

Clause 21.07-2 notes that Latrobe City is the ‘retail centre’ for Gippsland and accommodates:

- Traralgon Primary Activity Centre
- Churchill Primary Activity Centre
- Mid Valley Shopping Centre in Morwell
- Stockland Plaza in Traralgon
- Moe Central Activity District (CAD)
- Morwell CAD.

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Clause 21.07-2 goes on to state among other aspects that:

- Council supports the existing main town neighbourhood and small-town retail centres and no new centres should be supported unless demand can be generated, as well as substantiating that existing centres would not be detrimentally affected.
- Increases in retail floorspace provision should focus on increasing the vibrancy of town centres so that centres continue complementing one another and there is an opportunity to better define the retail hierarchy through a municipal wide retail strategy.

Clause 21.07 also notes that the *Latrobe City Bulky Goods Retail Sustainability Assessment* (2009) led to the identification of two new bulky goods sites at Princes Drive, Morwell and Princes Highway and Stammers Road, Traralgon, to decrease the level of expenditure leaking to competing centres outside of Latrobe. Both sites are now zoned for bulky goods development (Commercial 2 Zone); however, development of this nature is yet to occur at either site.

Objectives and selected strategies identified by Clause 21.07-2 comprise:

- **Objective 1** – Identify appropriate locations for retailing activities
 - Implement any Latrobe City adopted retail land use strategy.
 - Encourage neighbourhood shops providing local convenience goods and services in locations accessible to local communities in accordance with Structure Plans and endorsed development plans.
 - Encourage new shops that do not significantly detract from the function of the existing major retail centres.
 - Encourage increased residential densities around neighbourhood activity centres.
 - Encourage strong pedestrian and public transport connectivity to and between the neighbourhood and local activity centres.
 - Encourage the distribution of new bulky goods retailing to occur in Princes Drive, Morwell and Princes Highway and Stammers Road, Traralgon East in accordance with the Morwell and Traralgon Structure Plans.
 - Discourage 'out-of-centre' large format supermarkets and retail developments, unless demand can be demonstrated, as well as substantiating that existing centres would not be detrimentally affected.
 - Provide for localised convenience retailing.
- **Objective 2** – Establish a network of activity centres which satisfy a range of retail, commercial, community and residential needs
 - Encourage a mix of retail, office, commercial, entertainment, leisure and community uses, and medium density housing to locate within activity centres.
 - Encourage increased intensity and scale of development within defined activity centres.

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- **Objective 3** – Facilitate the growth of the Morwell, Moe, Traralgon and Churchill Town Centres.
 - Implement any Latrobe City adopted town centre activity plans.
 - Encourage a diverse range of land uses including accommodation, office, retail, food and drink, transport, leisure, civic and community uses.
 - Encourage high quality, accessible and environmentally sustainable design.
 - Provide coordinated walking, cycling, pedestrian and vehicular movement.
 - Identify and encourage the development of an integrated high-quality public transport interchange.
 - Provide well located and accessible car parking areas in the centre.

Clause 21.07 provides a sound strategic basis for the future planning and development of Latrobe City's retail sector and activity centres. The Clause also identifies the need for a contemporary retail strategy that better defines a retail hierarchy for Latrobe City. This Background Report provides a description of the existing retail hierarchy.

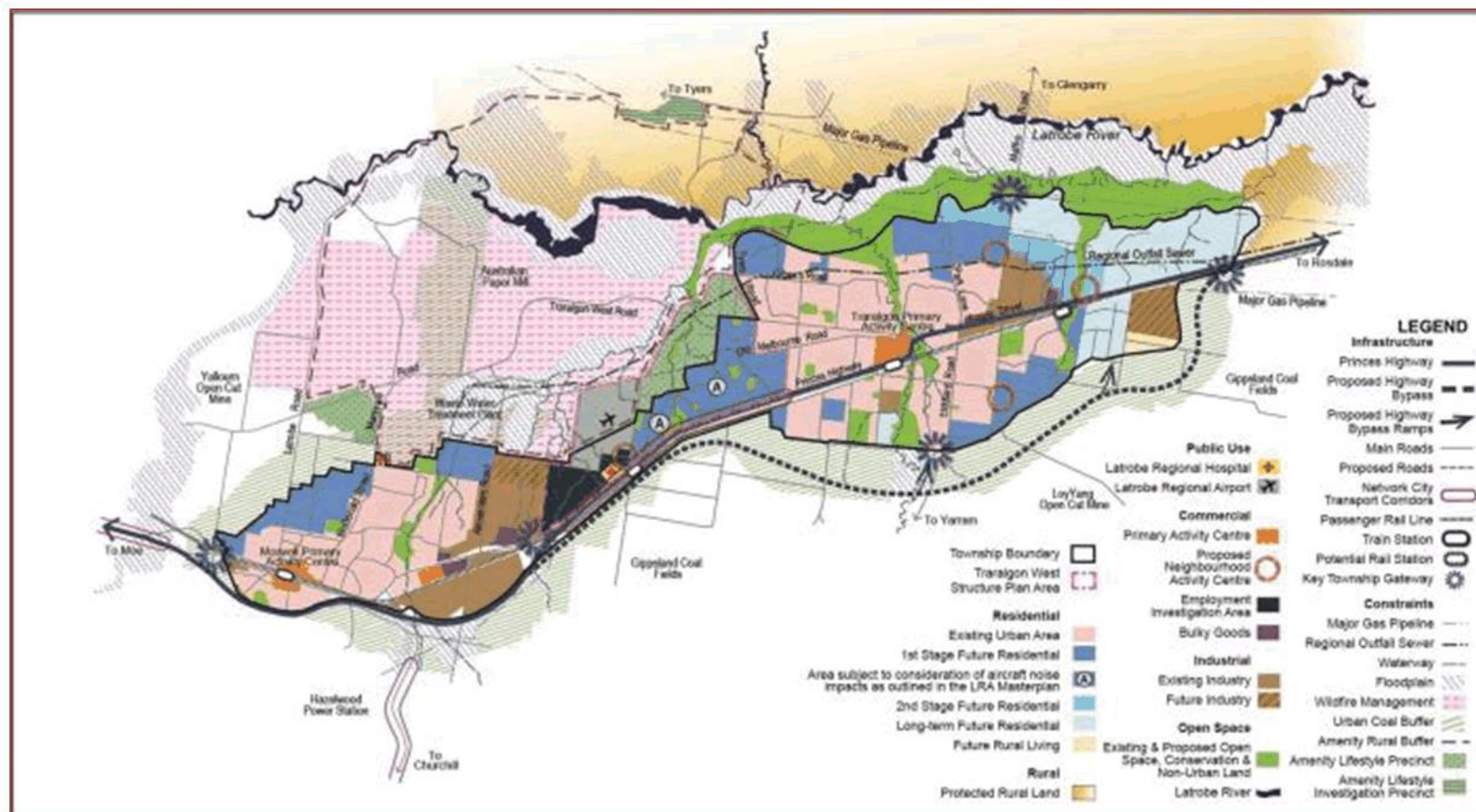
Clause 21.02 (Housing and Settlement) provides an overview of the key issues relating to urban growth, including the future growth of main towns of Moe, Morwell, Traralgon and Churchill which are recognised as being part of a 'networked city.' The Clause identifies that each town has its own specific role, including:

- Moe as a service centre;
- Morwell as a centre for government offices and industry;
- Traralgon as a commercial centre; and
- Churchill as a university town.

The Traralgon-Morwell Growth Framework Plan is included in Clause 21.02 (reproduced in Figure 3.1 on the following page) and illustrates the future growth areas which will eventually 'join' the townships of Morwell and Traralgon. The Framework Plan also identifies potential for new neighbourhood centres in Traralgon West, Traralgon East, Traralgon South East and Traralgon North (Marshall's Road). The Traralgon CBD, Morwell CBD and Mid Valley Shopping Centre are identified as 'Primary Activity Centres'.

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Figure 3.1: Traralgon-Morwell Growth Framework Plan



Source: Latrobe Planning Scheme (Clause 21.02)

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3.3 Live Work Latrobe

Live Work Latrobe comprises three complementary strategies – the Housing Strategy, Rural Land Use Strategy, and an Industrial and Employment Strategy which provide the strategic and analytical basis to inform the municipality's long-term growth and development. *Amendment C105* to the Latrobe Planning Scheme proposes to implement the recommendations of each Strategy through a range of policy, zone and overlay changes to:

- Ensure the right locations for new and varied housing types
- Provide approximate locations for new and transitioning industries
- Support current and emerging rural industry investment.

At present *Amendment C105* is in the post-exhibition stage and awaiting a Panel Report.

The Live Work Latrobe – *Housing Strategy* (2017) undertaken by a consultant team comprising Planisphere (now Ethos Urban), RMCG and MacroPlanDimasi, is of most relevance to this Retail Strategy. Of note, the Housing Strategy outlines key trends that will shape housing growth and development over the next 15 years, including:

- **Housing Growth** – The population is forecast to grow by some +8,560 persons or (11.6%) to accommodate 82,460 persons by 2030
- **Demographic Change and Housing Diversity** – The demographic profile of Latrobe is forecast to become significantly skewed to older age groups. Accordingly, the provision of appropriate housing diversity will be needed to support demographic trends.
- **Housing Affordability** – Latrobe is currently the seventh most disadvantaged municipality in the State and most disadvantaged regional City according to the Social Economic Indexes for Areas (SEIFA) reflecting an ongoing need for the provision of affordable housing in the municipality.

The Housing Strategy outlines a Settlement Hierarchy which defines the role, relationships and interdependencies of different settlements, noting that *Live Work Latrobe* seeks to grow the City's population to 100,000+ people over the next 30 years.

Within the identified Settlement Hierarchy, the following three levels of residential growth are outlined for settlements:

- **Promote growth** – Pro-actively encourage and facilitate opportunities for major-scale development in areas identified for future growth. Traralgon-Morwell, Moe-Newborough and Churchill have been identified as the locations to promote growth.
- **Support growth** – Support growth consistent with Structure Plans and/or settlement boundaries for the area.
- **Manage growth** – Support small scale residential development and change.

While the 'Settlement Hierarchy' identified in the Housing Strategy does not directly correlate to a Retail or Activity Centre Hierarchy, it does provide guidance regarding Council's future

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intentions for each township including planned population. This has a direct influence on the potential provision of services, including retail.

The Settlement Hierarchy is shown in Table 3.1 and Figure 3.2. Note, future urban growth is proposed to connect the discrete population centres of Traralgon and Morwell (see the Morwell-Traralgon Growth Area in Figure 3.3).

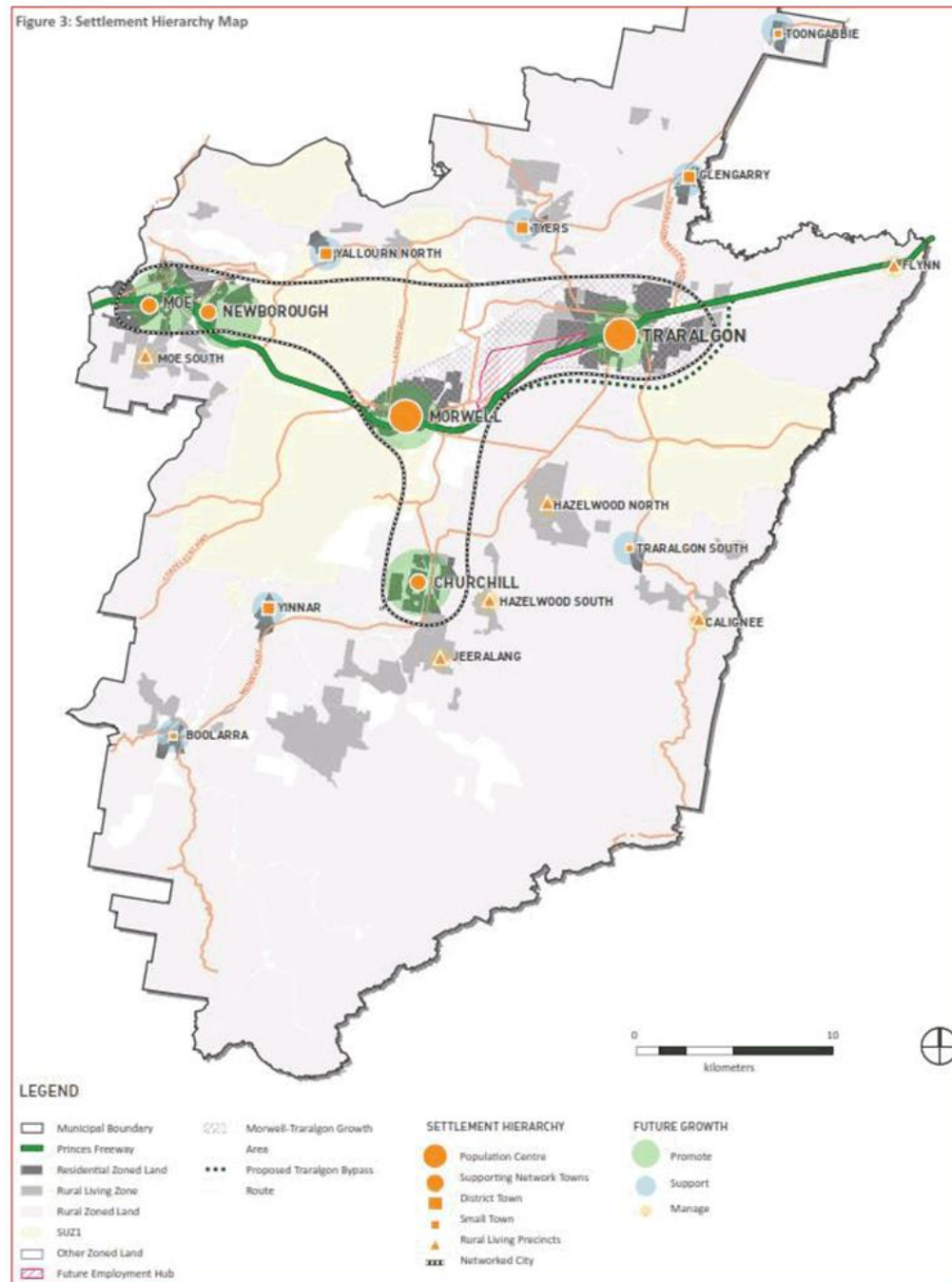
Table 3.1: Live Work Latrobe – Settlement Hierarchy

Type	Definition	Estimated Population	Town(s)	Future Growth
Primary Population Centre	The dominant residential, commercial and retail node within the City.	40,000-50,000	Traralgon-Morwell	Promote
Supporting Network Towns	The secondary residential, commercial and retail node within the City. Contains a moderate employment base.	10,000-20,000	Moe-Newborough, Churchill	Promote
District Towns	A key retail and service centres for a moderate population base. Contain a limited range of retail, education, health and recreational opportunities.	500-3,000	Glengarry, Tyers, Yallourn North, Yinnar	Support
Small Towns	Support small populations and provide a focal point for the surrounding rural community.	400-1,000	Boolarra, Toongabbie, Traralgon South	Support
Rural Living Precincts	Comprises a cluster of housing on smaller and average rural sized allotments with non-urban zones. No services are usually located within the settlement.		Flynn, Jeeralang, Hazelwood North, Hazlewood South, Calignee, Moe South, Yinnar South	Manage

Source: Latrobe City Council, Live Work Latrobe – Housing Strategy (2018)

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Figure 3.2: Settlement Hierarchy Map



Source: Latrobe City Council, Live Work Latrobe – Housing Strategy (2018)

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3.4 Traralgon Growth Areas Review – A Growth Area Framework (2013)

Traralgon Growth Areas Review (TGAR) – A Growth Area Framework was prepared by Hansen in 2013 and provides direction for the future strategic use and development of land on the fringes of Traralgon, along with areas in Morwell, Tyers and Glengarry. The project builds on the *Traralgon Structure Plan* (2007) as well as previous work undertaken by Parsons Brinkerhoff and the *TGAR Background Report* (undertaken by Hansen) to provide a framework for growth until 2051. The development of a structure plan for Traralgon West also formed part of the wider TGAR project and has been reviewed for the purposes of this study.

In the absence of a Retail Strategy and activity centre hierarchy, TGAR adopted the following hierarchy to describe activity centres in Latrobe City (p52):

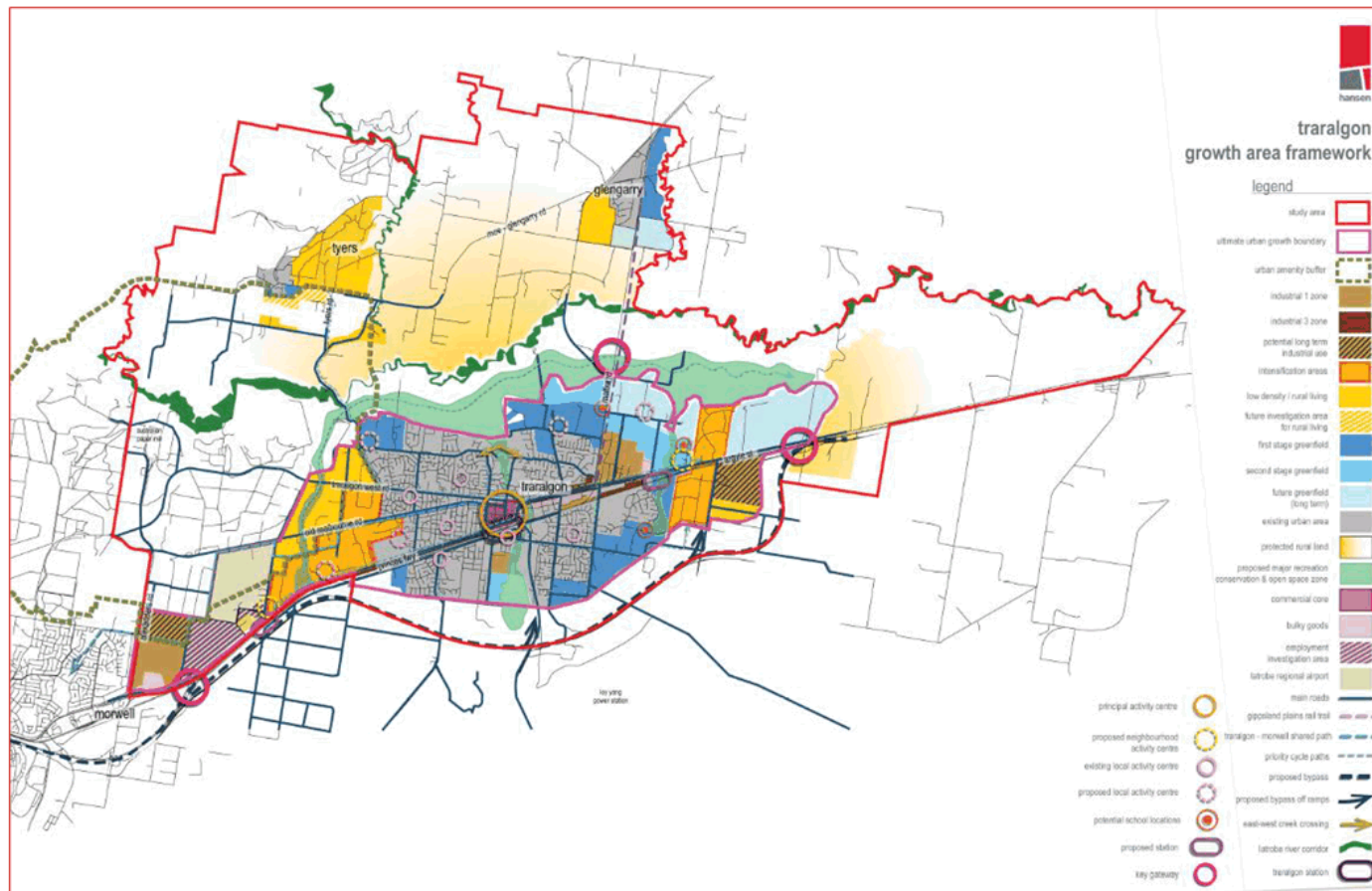
- **Principle Activity Centre (PAC):** The main focus for a wide range of higher density commercial, community and residential uses. The Traralgon CBD is identified as the PAC.
- **Neighbourhood Activity Centre (NAC):** Centres which provide a more localised cluster of services and facilities including community uses, a supermarket, and local shops and personal services. These centres should not compete with the Principle Activity Centre.
- **Local Activity Centre (LAC):** Small centres containing individual shops, providing local convenience food shopping, takeaway food and personal services. Kindergartens and other more localised community uses may also be provided in such centres.

The Growth Area Framework is shown by Figure 3.3 and identifies potential new NACs in the eastern and western Traralgon growth areas. While the exact locations of these NACs is not defined in the TGAR, consideration for each site's proximity to residential areas, employment clusters, and access to planned transport with both locations adjoining proposed train stations have been taken into account. In addition to proposed NACs, numerous LACs are also proposed throughout Traralgon's growth area, while bulky goods retail development should be restricted to areas along the Princes Highway/Argyle Street to the east of the town centre and land to the east of Traralgon and in Morwell.

TGAR notes that "*this hierarchy should be further refined through a more targeted Activity Centre study*" (p. 52), and that "*the role and function of new NACs identified by the Growth Area Framework should be further defined through the preparation of an activity centre strategy for the broader Traralgon area*" (p 53).

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Figure 3.3: Traralgon Growth Areas Review – Growth Area Framework Plan



Source: Hansen, Traralgon Growth Area Framework, 2013

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3.5 Latrobe City Council Retail Strategy Review (2007)

In 2007, Latrobe City Council commissioned MacroPlan to prepare the *Latrobe City Council Retail Strategy Review*, which is the last municipal-wide strategic retail project. The objective of this piece of work was to review the future retail floorspace requirements for the municipality.

Relevant key findings from the Retail Strategy Review (2007) included the following:

- The majority of retailing in Latrobe is contained within four town centres, namely, Moe, Morwell, Traralgon and Mid Valley (in Morwell).
- High vacancy rates were identified in the centres of Morwell, Moe and Mid Valley.
- Potential exists for an additional 32,000m² of convenience, supermarket and specialty floorspace by 2021, with the floorspace to contribute to the vibrancy of the Traralgon, Moe and Morwell centres.
- Potential for additional neighbourhood level retailing in the growth areas of Traralgon and Morwell was identified.
- MacroPlan identified the potential for a dedicated bulky goods centre in the order of 15,000-20,000m² of floorspace.

Significant changes have occurred since the *2007 Retail Strategy Review* was completed which necessitate the need for a new Retail Strategy, including:

- Rezoning of land in Traralgon East and Morwell to accommodate bulky goods retailing
- Major retail developments including the Woolworths in Churchill, and ALDI stores in Traralgon (which has also relocated) and Morwell
- Approval of a neighbourhood centre at Marshalls Road Traralgon
- Recent closure of Coles and Target in Mid Valley
- Development of numerous structure plans and strategic projects
- The evolution of the retail sector which continuously responds to the changing preferences of consumers and new business models.

In addition to the points outlined above, the supply and demand analysis in the *Retail Strategy Review 2007* – including population and spending forecasts (demand side analysis) and floorspace and turnover surveys (supply side analysis) has been superseded by new data/information. Again, this speaks to the need for a new Retail Strategy to be undertaken for Latrobe City.

Note, the Latrobe Retail Strategy 2019 is a comprehensive up-to-date Retail Strategy which unlike the *Retail Strategy Review 2007* includes a separate Strategy and Implementation Plan document outlining an overarching vision, objectives, actions and implementation plans to guide future decision making with respect to retail development in the municipality.

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3.6 Other Relevant Strategies and Plans

Other strategies and plans that have been reviewed to inform the preparation of this Retail Strategy include:

- Latrobe City Council Economic Development Strategy 2016-2020
- Latrobe City Council Bulky Goods Retail Sustainability Assessment (2009)
- Traralgon West Structure Plan (2013)
- Morwell Traralgon Economic Corridor Precinct Masterplan (MTECT) (2018)
- Moe & Newborough Structure Plans (2015)
- Retail Analysis – Lake Narracan (2013)
- Small Town Structure Plans – Boolarra, Glengarry & Tyres (2009)
- Transit City Master Plan Volumes 1-5 (2007)
- Traralgon Activity Centre Plan (2018)
- Churchill Town Centre Plan (2010)
- Moe Activity Centre Plan (2007)
- Future Morwell Future Latrobe Valley (2016)
- Other Development Plans and Precinct Structure Plans for land in Latrobe City

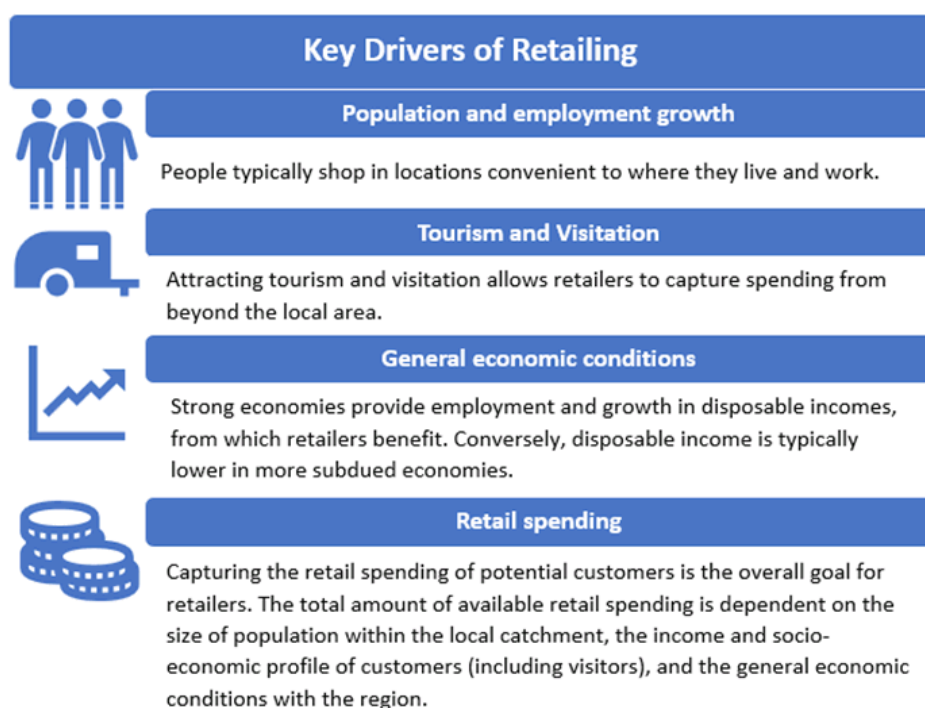
4 DRIVERS AND INFLUENCES FOR RETAILING IN LATROBE CITY

Broadly speaking, the prevailing retail centres environment of a defined region (such as Latrobe City) is informed by a range of drivers such as local population and spending growth, visitation, geographic settlement structures and general economic conditions; as well as a range of current trends including demographic changes, online shopping and new retail formats and market entrants.

Together, these factors contribute to a retail and centres environment that is dynamic and constantly changing. This is largely true for all municipalities across Australia; not just Latrobe City. Importantly, this inherent dynamism presents a challenge that planning framework's – both State and Local must provide an appropriate response.

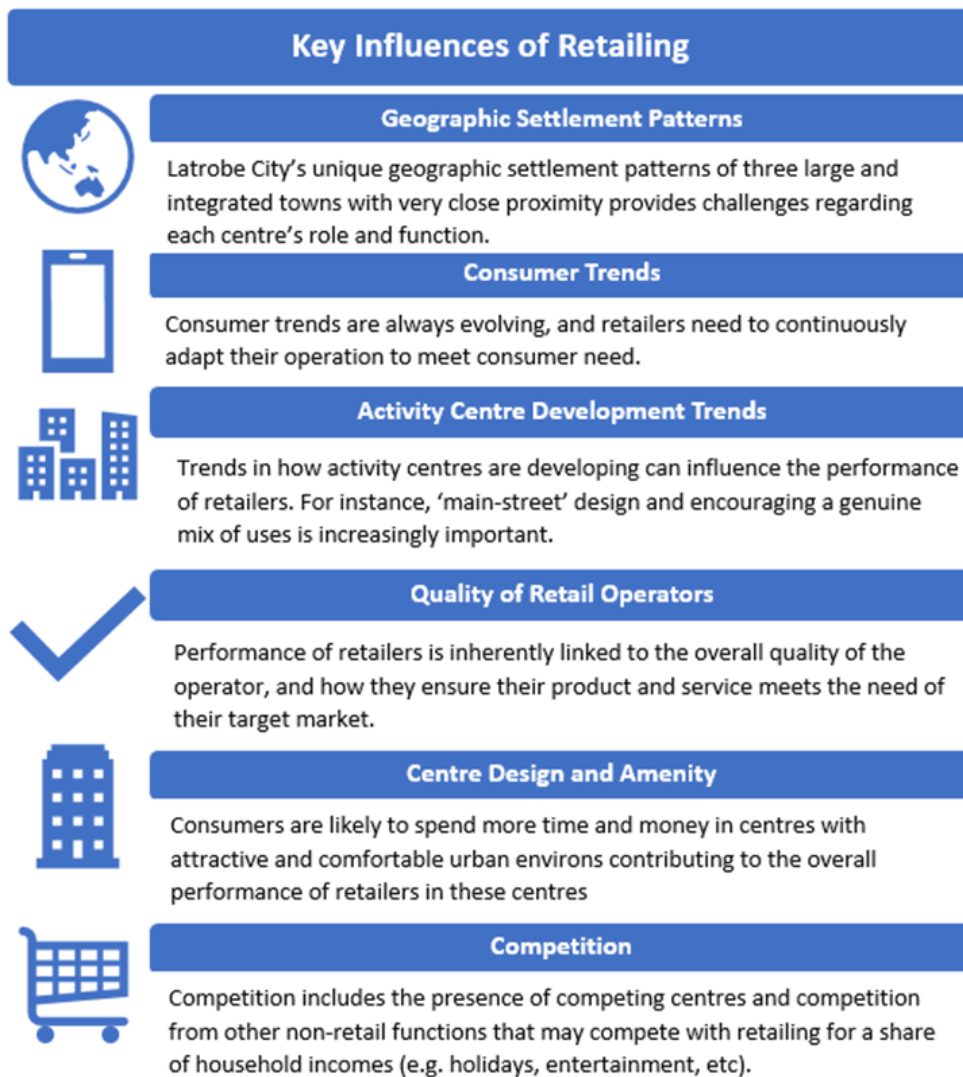
4.1 Key Drivers and Influences of Retail Performance and Development

In general terms, the key 'drivers' of retail demand primarily influence the number of customers that visit a centre, as well as how much they spend. Key drivers include residential development and population growth, employment growth, tourism visitation, general economic conditions and the overall growth in available retail spending.



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A number of other factors influence how the retail sector responds to demand in terms of the nature and location of retailing. These influences are described below.



The performance of any individual retail business is heavily influenced by the quality of the operator and how they meet the needs and expectations of consumers.

The retail analysis presented in this Background Report, and the key directions presented in the Strategy take into account these key drivers and influences for retailing within Latrobe City. This ensures the Retail Strategy retains a practical appreciation of the nature of retailing, and the continuous evolution which occurs in the sector.

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4.2 Current Retail Trends

A number of key global, national and regional trends need to be considered in assessing the future prospects for retail and activity centre development in Latrobe City. Relevant trends are outlined below.

Demographic Changes

The overall shopping behaviours of consumers are influenced by demographic changes, which include:

- **An ageing population**, including the increasing share of ‘baby boomers’, who are of retirement age and have shopping preferences very different to younger age groups, such as a preference for one-on-one interaction with bricks-and-mortar retailers.
- **Generation Xers** (born between 1965 and 1980) and younger generations typically have a stronger preference for on-line and mobile shopping.
- **Increased labour force participation by both parents**, with the result that many more families are ‘time-poor’ and have a greater demand for convenience shopping, extended shopping hours, and accessible centres where shopping can be undertaken in conjunction with other activities.
- **Smaller household units**, and a higher proportion of households with double income and no children.
- **Historically-high levels of household debt**, coupled with high rates of home ownership have an increased sensitivity to interest rate movements with implications for discretionary spending levels.
- **An increasingly diverse ethnic base**, is contributing to a wider diversity of consumer tastes and trends beyond the generic ‘western’ preferences. This trend is particularly apparent in areas attracting large numbers of new migrants.

Online Shopping & Digital Platforms

Continued growth in the use of the internet and technology in the retail sector is reducing the sales captured by traditional bricks and mortar outlets and influencing the type of products offered by traditional retailers and their business models.

Various industry sources (NAB Online Retail Sales Index, July 2018; Australia Post Inside Australian Online Shopping, 2018) indicate approximately 8% of Australian retail spending is currently directed online and this share is expected to increase to around 15% over the coming decade.

A recent Special Report on E-Commerce prepared by The Economist (28 October, 2017) provides useful insights into online shopping. The report indicates that “*Over the past decade global e-commerce has been expanding at an average rate of 20% a year as bricks and mortar shops have languished*” (p3). In the USA, as the world’s largest consumer market, e-commerce

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makes up 10% of total retail sales, with predictions that the share will reach around 15% by 2021.

The report also highlights how *“the two titans of the industry”* – Amazon in the USA and Alibaba in China – are *“bringing large-scale disruption not only to retailing but to a range of industries spanning logistics, entertainment, advertising and manufacturing”* (p4).

A key outcome with online shopping is that the consumer benefits from this ‘disruption’ to the retail sector. As The Economist states, consumers *“are enjoying a broader choice of goods and more price transparency than ever before. Instead of spending time traveling to shops, picking up goods and waiting in queues, they can now do other things. Companies no longer take them for granted but compete to offer them better products, greater convenience and improved services”* (p4).

The impact on bricks and mortar retail is considerable, in some instances shops and malls are experiencing a loss of visitation and sales, with some retailers and jobs disappearing. This is particularly true in many non-food retail categories such as apparel, jewellery and giftware.

The retail component that appears to be an exception to the negative impact of online retail is the food sector. This includes grocery shopping, although in-store innovations associated with check-outs and automatic payments are changing the way people shop at supermarkets.

Overall, shops used to compete by offering a combination of selection, price, service and convenience, although today online shopping has the edge with many consumers in regard to selection and convenience.

Not surprisingly, the bricks and mortar retailers are now engaging in online shopping in what is termed ‘omni channel’ retailing. An example is the ordering of groceries online and having home delivery from the physical store. The use of mobile phone apps to purchase and order retail goods and services (e.g UberEats, Foodora, Skip, etc) is already impacting café-restaurant sector (primarily to the benefit of consumers). Further, previous online entities are now establishing a bricks and mortar presence in centres, thus bringing their goods and services to the public through showrooms.

The advent of international brands (especially in fashion) and online shopping has particularly contributed to increased pressure on department stores and discount department stores. A consequence is financial under-performance resulting in some brands closing or down-sizing stores.

New Formats & Market Entrants

Retailing in Australia is becoming more dynamic and competitive due to the emergence of new formats and market entrants. ALDI and Costco are examples of new market entrants that have impacted the Victorian retail landscape over the last ten years. Current market entrants of note in Victoria are German supermarket chain Kaufland and French sporting goods provider Decathlon.

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Often the retail formats of new market entrants do not fit neatly within established planning policy frameworks and centre hierarchies. For instance, the Kaufland model store, at 5-6,000m² of gross leasable floorspace is substantially larger than current large-format supermarket typologies which typically range from 3,000m² – 4,000m² gross leasable floorspace. Accordingly, the Kaufland model require significantly larger sites (of around 2ha) which in some instances may limit their ability to located in established activity centres.

Other Trends

Other trends impacting the retail environment and activity centres include the following:

- Visiting activity centres has increasingly become a social and cultural experience. For many people, the retail sector is closely related to the desire for entertainment and social interaction. This has given rise to the concept of ‘recreational shopping’, which places retailing as part of a wider social and cultural experience rather than simply the purchase of goods and services.
- The popularity of traditional street-based retailing has benefited from the increased need for activity centres to meet social and cultural expectations. ‘Main-streets’ provide opportunities for retail and other commercial activities to integrate with public infrastructure such as parks, libraries, galleries, and administrative functions (e.g. Council and other Government offices).
- Activity centres are increasingly becoming the location for a wider range of activities in addition to the traditional core retail and commercial functions. Examples include:
 - Commercial services, such as travel, insurance and real estate agents
 - Professional services, such as legal and accounting practices
 - Health care, such as doctors, dentists, podiatrists and physiotherapists
 - Community services, including health providers, Government services, employment agencies and social support services
 - Hospitality, in the form of bars, cafes and restaurants
 - Entertainment facilities, cinemas, pubs/clubs, etc
 - Education, in particular adult and higher education.
- Small convenience-oriented centres have generally been in decline over at least the past two decades. These centres have traditionally provided a limited range of day-to-day convenience retailing to a local catchment. Increased competition for these centres has emerged from larger centres better serving a convenience role (e.g. self-service checkouts at supermarkets), as well as modern convenience stores attached to petrol stations.
- The work location for local residents is increasingly an important factor in where retail and other spending is directed. For those residents in the workforce, it is often convenient to undertake daily grocery shopping as part of the morning or evening

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commute to work, at locations that are most accessible relative to the commute and the nature of the goods/services needed.

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5 POPULATION TRENDS AND FORECASTS

This Chapter provides an overview of historic population trends in Latrobe City and study regions, as well as providing population forecasts for the next 15 years (2018-2033). Local population growth is a key driver of retail activity.

5.1 Historic Population Trends

Over the ten years from 2007 to 2017 Latrobe City's population increased by approximately +3,870 persons, equating to average growth of +390 persons or +0.5% per annum as shown in Table 5.1 below. In contrast, regional Victoria's average annual population growth was significantly higher at +1.2% for the same period.

In 2017, the Traralgon Region's population was 27,670 persons and was the largest of the five study regions. Moe-Newborough had a population of 16,830 persons, Morwell had a population of 14,010 persons, the Southern Region had a population of 11,580 persons and the Northern Region a smaller population of 4,650 persons.

As shown in Table 5.1, population growth in Latrobe City had largely been centred in the Traralgon Region, which increased by some +3,310 persons from 2007 to 2017, representing 85% of total population growth in Latrobe City over the period.

Table 5.1: Historic Population Trends 2007-2017

Category	2007	2012	2017	Av. Annual Change 2007-2017 (No.)	Av. Annual Change 2007-2017 (%)
Northern Region	4,450	4,490	4,650	+20	+0.4%
Moe – Newborough	16,920	16,900	16,830	-10	-0.0%
Morwell Region	13,980	14,270	14,010	+0	+0.0%
Traralgon Region	24,360	26,570	27,670	+330	+1.3%
Southern Region	<u>11,270</u>	<u>11,560</u>	<u>11,580</u>	+30	+0.2%
Total (Study Regions)	70,980	73,790	74,740	+380	+0.5%
Latrobe City	71,050	73,760	74,920	+390	+0.5%
<i>Regional Victoria</i>	<i>1,311,760</i>	<i>1,384,590</i>	<i>1,477,870</i>	<i>+16,610</i>	<i>+1.2%</i>

Source: ABS Estimated Residential Population (Cat: 3218.0)

While Traralgon is considered to be the centre for population growth within Latrobe City, the average rate of population growth between 2007 and 2017 of 1.3% per annum is broadly in-line with the rate of population growth experienced throughout regional Victoria of 1.2% per annum.

Beyond market demand, a range of factors have contributed Traralgon's population growth relative to other study regions, including large land releases (due to Ministerial Amendments)

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and availability of trunk infrastructure (water, sewage etc.) in developing areas of the town. In contrast, it is understood that approved growth areas in other major towns (e.g. Morwell) have not progressed due to infrastructure issues.

The populations of Moe-Newborough Region, Morwell Region and the Northern and Southern Regions remained relatively stable over the 10-year period to 2017.

5.2 Population Forecasts

Latrobe City's population is forecast to increase from 75,140 persons in 2018 to 83,860 persons by 2033, representing an increase of +8,720 persons. Average growth per annum for the municipality over the 15 years is forecast to be 0.7% per annum, slightly above the long-term historic trend of 0.5% per annum between 2007 and 2017.

The primacy of Traralgon as Latrobe's population growth centre is forecast to continue broadly in-line with historic trends, with Traralgon Region's population forecast to increase from 27,920 persons in 2018 to 33,290 persons in 2033; equating to average growth of around +360 per annum or 1.2% annually.

The population in Moe-Newborough and Morwell is forecast to remain relatively constant between 2018 and 2023, from which time both regions are forecast to experience moderate population growth. Morwell's population is forecast to increase to 14,770 persons by 2033, while Moe-Newborough's population is forecast to increase to 17,930 persons.

Although Moe-Newborough and Morwell both offer access to services, affordable housing and relative proximity to metropolitan Melbourne by virtue of VLine (regional rail service) and the Princes Highway, the potential for future population growth in these localities relies on the following:

- The extent to which property development can work as a catalyst for rejuvenation. Lake Narracan is identified as a future residential development opportunity which may act as a catalyst for development and growth of the Moe-Newborough Region.
- Land releases and the availability of trunk infrastructure to support development.
- Actively promote opportunities and attracting new investment in both towns.
- Potential investment in 'region shaping' public infrastructure such as high-speed rail.

The Southern Region of Latrobe City, which includes Churchill as well as a collection of smaller towns/villages and rural living areas is forecast to increase by some +1,240 persons between 2018 and 2033, with average annual growth of +80 persons per year (or 0.7%pa) – well above the historic 2007-2017 trend of 0.2% per annum.

This population growth would be significantly informed by uptake of rural-living lots and some residential development in Churchill.

Population in the Northern Region is forecast to remain relatively stable, increasing slightly from 4,650 persons in 2018 to 4,770 persons in 2033.

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Population forecasts for Latrobe City and study regions are shown in Table 5.2 and take into consideration forecast growth rates from the State Government's official population projections *Victoria in Future 2016*, which have been rebased to reflect the latest Estimated Residential Population (ERP) release by the ABS (Cat: 3218.0).

Table 5.2: Future Population Growth Trends, 2018-2033

Category	2018	2023	2028	2033
<u>Population (No.)</u>				
Northern Region	4,650	4,670	4,720	4,770
Moe – Newborough	16,780	16,800	17,330	17,930
Morwell Region	13,960	13,970	14,350	14,770
Traralgon Region	27,920	29,430	31,310	33,290
Southern Region	<u>11,640</u>	<u>12,020</u>	<u>12,430</u>	<u>12,880</u>
Total (Study Regions)	74,950	76,890	80,140	83,640
Latrobe City	75,140	77,100	80,350	83,860
<i>Regional Victoria</i>	<i>1,490,630</i>	<i>1,577,660</i>	<i>1,667,570</i>	<i>1,761,560</i>
<u>Av. Annual Change (No.)</u>				
Northern Region		+0	+10	+10
Moe – Newborough		+0	+110	+120
Morwell Region		+0	+80	+80
Traralgon Region		+300	+380	+400
Southern Region		<u>+80</u>	<u>+80</u>	<u>+90</u>
Total (Study Regions)		+390	+650	+700
Latrobe City		+390	+650	+700
<i>Regional Victoria</i>		<i>+17,410</i>	<i>+17,980</i>	<i>+18,800</i>
<u>Av. Annual Change (%)</u>				
Northern Region		+0.1%	+0.2%	0.2%
Moe – Newborough		+0.0%	+0.6%	0.7%
Morwell Region		+0.0%	+0.5%	0.6%
Traralgon Region		+1.1%	+1.2%	1.2%
Southern Region		<u>+0.6%</u>	<u>0.7%</u>	<u>0.7%</u>
Total (Study Regions)		+0.5%	0.8%	0.9%
Latrobe City		+0.5%	0.8%	0.9%
<i>Regional Victoria</i>		<i>+1.1%</i>	<i>1.1%</i>	<i>1.1%</i>

Source: ABS Estimated Residential Population (Cat: 3218.0) and Victoria in Future 2016 (DELWP)

5.3 Future Residential Growth Areas

Latrobe City has a large number of future residential growth areas, these are shown in Table 5.3 and Figure 5.1.

As shown in Table 5.3, current Development Plan (DP) areas have a capacity of some 5,750 lots or 16,200 persons when fully developed – assuming an average of 2.3 persons per lot. All

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current DP areas where residential development has commenced are located at Traralgon, with the exception of Churchill West DP and Morwell West DP (Heritage Boulevard). It is understood that development at Waterloo Road Moe and Monash Views Newborough is close to commencing.

Also identified in Table 5.3 and Figure 5.1 are the approved future residential developments at Coalville Road and Narracan Meadows, which are both located in the Moe-Newborough Region. Both developments have secured a planning permit and a statement of compliance for development to commence, based on discussions with Council.

In addition, future residential land has been broadly identified by the following Precinct Structure Plan (PSP) – Traralgon South-East, Traralgon Inner South, Lake Narracan and Traralgon West.

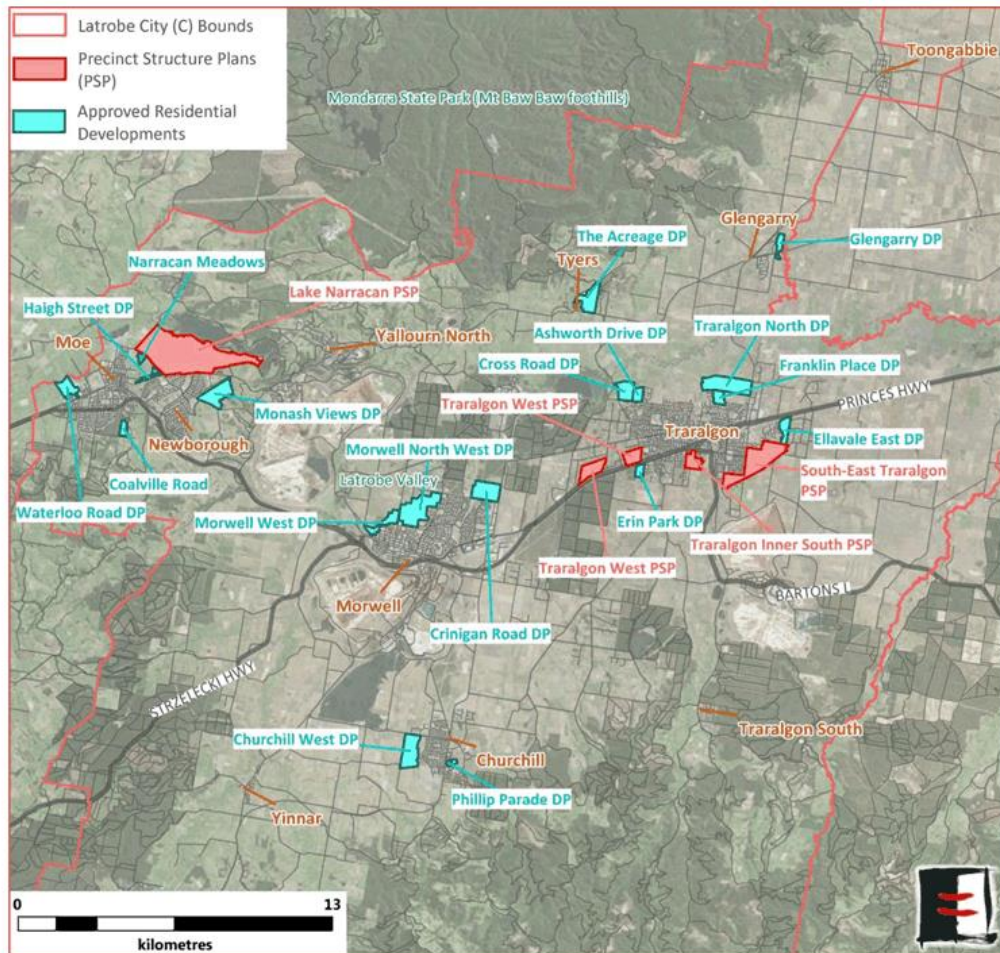
The potential supply of future residential land in Latrobe City (some additional 12,600 lots) could support an estimated +29,000 persons, as shown in Table 5.3. This doesn't include the potential lots (and population) that could be accommodated by Traralgon Inner-South and the Traralgon West PSPs – not to mention additional population in central Traralgon due to urban intensification or other future residential areas identified in TGAR (refer Figure 1.3).

Given that Latrobe City's population is forecast to increase by around +8,720 persons over the next 15 years (refer Section 5.2), the current residential land supply is sufficient to accommodate population growth well beyond the next 15-year horizon.

A key consideration in terms of future demand for retail development is that population growth is occurring and/or planned across a number of development fronts. This can make the provision of neighbourhood-level retail services difficult by diluting the critical mass of population within a specific area needed to support the viability of new centres or retail development.

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Figure 5.1: Future Residential Growth Areas in Latrobe City



Essential Economics with MapInfo, BingMaps and Street Pro

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Table 5.3: Future Residential Growth Areas in Latrobe City**

Category	Lots	Persons*	Status
Development Plans (DPs)			
Traralgon			
Ellavale East	320	740	-
Franklin Place	330	760	Developing
Traralgon North	1,080	2,480	Developing
Erin Park	130	300	Developing
Ashworth Drive	150	350	-
Cross Road	680	1,560	Developing
Morwell			
Crinigan Road	790	1,820	-
Morwell West	460	1,060	-
Morwell North-West	1,310	3,010	-
Moe-Newborough			
Monash Views	220	510	-
Waterloo Road	520	1,200	-
Haigh Street	80	180	-
Churchill			
Churchill West	670	1,540	Developing
Phillip Parade	100	230	-
Tyers			
The Acreage	80	180	Developing
Glengarry			
Glengarry	130	300	-
Total DP	5,750	16,220	
Other Approved Residential Development			
Areas			
Narracan Meadows (Moe-Newborough)	70	160	-
Coalville Road (Moe-Newborough)	100	230	-
Total Other'	170	390	
Precinct Structure Plans (PSPs)			
Traralgon			
South-East Traralgon	1,660*	3,820	-
Traralgon Inner-South	-	-	-
Traralgon West PSP	-	-	-
Traralgon Golf Club (Traralgon West PSP)	-	-	-
Other			
Lake Narracan	3,720	8,560	-
Total	12,600	28,990	

Source: Latrobe City

Note: Figures rounded to nearest 10; Persons estimated assuming 2.3 persons per dwelling; *Estimated by Essential Economics; '-' Dwelling yield subject to future planning

6 ECONOMIC OVERVIEW AND CONTEXT

An overview of the broad range of economic aspects that frame Latrobe City's retail and activity centre context is provided by this Chapter. Reference is made to the municipality's economic transition relating to the energy generation sector, socio-economic and demographic profile, as well as unemployment, place of work, development trends, visitation and planned investment in major projects.

6.1 Latrobe Valley's Economic Transition

The modern economic context of the Latrobe Valley arcs back to the period soon after World War I when the Victorian State Government charged Sir John Monash, a distinguished general, with the responsibility to head the newly formed State Electricity Commission (SEC). The SEC's mandate was to supply electricity to the entire State, powered by the abundant brown coal deposits in the Latrobe Valley.

The SEC subsequently oversaw the development of the first thermal power station in the Latrobe Valley at Yallourn (Yallourn A entered service in 1928). While a range of power stations have been commissioned and (decommissioned) in Latrobe Valley in the proceeding years, the Latrobe Valley still services most of the Victoria's electricity generation needs. The 50-year-old Hazelwood power station was the most recently closed power station having ceased operating in March 2017.

The electricity supply industry has been the backbone of the economy and employment in the Latrobe Valley since the 1930s. At its peak in 1988, the SEC employed almost 9,900 persons in the Latrobe Valley. Soon after, the SEC began to dramatically reduce staff levels, partly in response to financial stress, and by 1993 staff levels had declined to around 5,700 persons.

The state-owned entity, on which the SEC was based, was challenged by the Kennett Government. In 1994 the SEC was disaggregated into separate generation, distribute and retail components, then corporatised, and by 1997 sold to the private sector.

Research by Dr Bob Birrell (*"The Latrobe Valley, Victim of Industrial Restructuring: Centre for Population and Urban Research"*, Monash University, September 2001) analyses the extent of this dependence in the electricity supply industry and the job losses associated with restructuring. Between 1986 and 1996 employment in the Electricity, Gas and Water utilities industries declined by almost 4,800 workers: a substantial 77.5% reduction. Significant declines in associated industries – mining, manufacturing and construction – were also experienced in the same period. By 2016, employment in Electricity, Gas and Water utilities had recovered relative to 1996, but accounted for less than 40% of the 1986 employment levels (note: the 2016 Census figures do not account for the closure of Hazelwood in 2017 resulting in a further loss of some 750 jobs).

The job losses in the 1980s and 1990s also led to population shifts. Birrell concludes that net internal migration (the difference between in-movers and out-movers) in the Latrobe Valley in the period 1991 to 1996 resulted in a loss of 5,900 people or 9% of the 1991 base. This trend

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was even more pronounced for working-age males, particularly for Moe and Morwell residents. While the population numbers have recovered since then, the majority of recent population growth in the municipality has occurred in the Traralgon Region – attributed to the historic land release, as well as Traralgon's emergence as a regional focal point for investment and services (see Table 5.1).

The loss of local jobs and population shifts had significant implications for the Latrobe Valley's retail sector which continue to this day. The decline of Moe and Morwell's town centres from the early 1990's onward in response to shifts in local jobs and population is most noted in this context. Morwell's town centre was also impacted by competition from Mid Valley Shopping Centre which was established in the early 1980s.

More recently, conversations with local retailers revealed that the closure of Hazelwood Power Station in 2017 (some 750 jobs lost) again impacted the local retail sector. These impacts were most pronounced in Morwell. The township was also severely impacted by Hazelwood open cut mine fire in 2014 which burnt over the period February 9th to March 25th and resulted in the temporary closure of shops, schools and childcare centres.

These impacts aside, the last 25+ years has seen the Latrobe City economy shift to a more diverse employment base. Electricity, Gas, Water & Waste Services (ABS definition) is now the 5th highest sector for employment in the Latrobe City accommodating 7.5% of the total work force, as per the 2016 ABS Census. Health Care & Social Assistance (16.4%) was the largest sector of employment in 2016 followed by Retail Trade (11.6%), Public Administration & Safety (8.7%) and Education & Training (8.3%), see Chapter 2 and of this Report.

Indeed, the diversity of the employment base is now a strength of Latrobe City which can be promoted and leveraged to attract new industries and businesses to the region. The diverse employment base also plays a positive role by reducing the vulnerability of the municipality's economy as a whole from economic shocks that are sector specific.

A specific future opportunity for the Latrobe City relates to the engineering expertise and industry base that exists in 'the Valley' and for which the municipality is recognised nationally. The Valley's engineering expertise is a key competitive strength that can be a focus for future industry development and attraction, as noted by the municipality's *Economic Development Strategy 2016-2020*. Indeed, the positioning of Latrobe City as the 'Engineering Capital of Australia' is a key focus of the *Economic Development Strategy*, with this aspiration encompassing education and training, brand development, industry development and attraction, and tourism.

In view of Latrobe City's aspiration to attract and develop new industries, the quality of the urban environment and provision of services and amenities (including retail) is important in terms of contributing to area's attractiveness for new residents and workers. To this end, the planning and development of retail centres has a role to play in contributing to Latrobe City as an inviting place to live, work and pursue business development opportunities.

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6.2 Overview of Economic Statistics

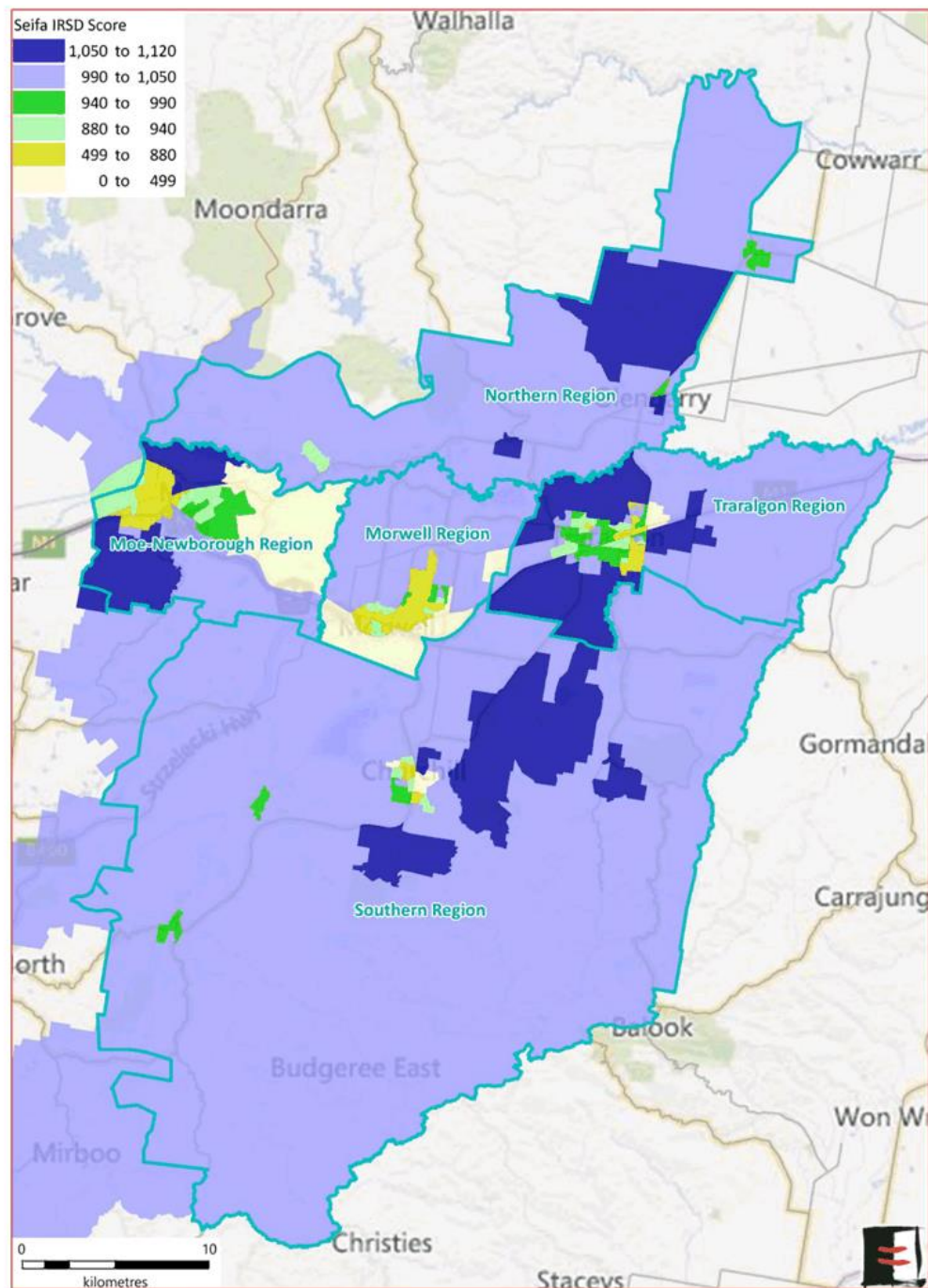
A range of key economic statistics and indicators relevant to the retail trading and development context of Latrobe City are provided in this Section and include an overview of the socio-economic profile (Table 6.1); index of relative socio-economic disadvantage (IRSD) (Figure 6.1), unemployment trends (Figure 6.2); place of work (Table 6.2 and Figure 6.3), development trends (Table 6.3 and Figure 6.4) and visitation trends (Table 6.4). Relevant features are outlined below:

- Latrobe City's median household income of \$56,230 is lower than regional Victoria benchmark (\$58,790). While the median household income of Moe-Newborough (\$46,150) and Morwell (\$42,150) are substantially lower than the regional Victoria benchmark, the median household income in Traralgon and the Southern Region (which includes Churchill) was higher at \$67,140 and \$64,930 respectively (see Table 6.1).
- Clustering of high socio-economic disadvantage occurs in Moe, Morwell, as well as areas of Churchill and Traralgon, see Figure 6.1. Lower levels of relative socio-economic disadvantage can be seen in the rural areas surrounding these towns. Areas of high socio-economic disadvantage in Moe and Morwell typically defined by older housing stock (from the SEC era) and housing commission areas.
- The unemployment rate of Latrobe City at 9.5% in the June Quarter 2018 is above the 5.6% for regional Victoria average, see Figure 6.2. The City's unemployment rate has recently declined from a peak of 11.4% in December 2016.
- Some 10,180 Latrobe City residents work in the Traralgon Region (34.8% of the municipalities' total resident workforce), see Table 6.2 and Figure 6.3. A further 7,520 residents (or 25.7%) work in the Morwell region. Around 500 residents (or 2.5%) commute to Warragul for work, while 90 and 80 residents work in Dandenong and Melbourne (SA2s), respectively.
- Over the last five years approximately 1,610 new dwellings were approved in Latrobe City, see Table 6.3. The majority of new dwelling approvals were located in the Traralgon Region reflecting the townships position as Latrobe's population growth centre. Similarly, the majority of investment in commercial buildings (both public and private sector) in recent years has occurred in Traralgon, see Figure 6.4.
- Some 1.1 million persons visit Latrobe City per year according to the latest data from Tourism Research Australia, see Table 6.4. A significant component of this visitation is attributed to domestic day visitors (not staying overnight) and the (visiting) friends and relatives' segment.

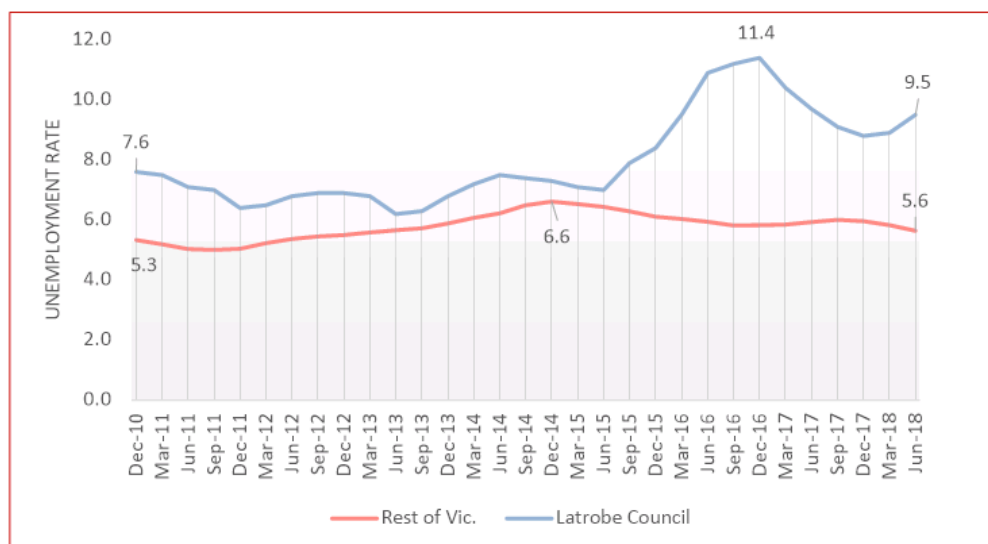
LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Table 6.1: Socio-Economic Profile – Study Region 2016**

Category	Northern Region	Moe - Newborough	Morwell	Traralgon	Southern Region	Latrobe (C) (Vic.)	Rest of Vic
Median household income (annual)	\$72,180	\$46,150	\$42,160	\$67,140	\$64,930	\$56,230	\$58,790
Variation from Rest of Vic median	22.8%	-21.5%	-28.3%	14.2%	10.4%	-4.4%	na
% of Households earning \$2,500pw or more	18.7%	11.1%	8.5%	18.2%	18.1%	14.9%	13.7%
Median Age (years)	39.8	42.9	42.2	38.3	40.9	40.5	42.2
Australian born	93.8%	86.5%	84.3%	88.2%	88.8%	86.3%	89.4%
Average household size	2.6	2.2	2.2	2.4	2.5	2.3	2.4
Tenure Type (Occupied Private Dwellings)							
Owned outright	39.8%	37.9%	37.5%	33.5%	41.9%	36.8%	39.1%
Housing Costs							
Median monthly mortgage repayment	1,300.0	1,090.0	970.0	1,380.0	1,280.0	1,180.0	1,350.0
Variation from Rest of Vic median	-3.7%	-19.3%	-28.1%	2.2%	-5.2%	-12.6%	na
Median weekly rent	\$210	\$180	\$180	\$240	\$200	\$200	\$230
Variation from Rest of Vic median	-8.7%	-21.7%	-21.7%	4.3%	-13.0%	-13.0%	na
Labour Force Participation rate	66.0%	53.8%	50.5%	65.2%	61.5%	59.3%	60.5%
Occupation							
Managers	9.9%	7.1%	7.9%	10.2%	11.4%	9.4%	14.6%
Professionals	12.9%	12.7%	11.6%	18.3%	15.3%	15.2%	17.4%
Technicians and trades workers	19.6%	19.7%	15.9%	17.1%	18.5%	17.8%	14.8%
Community and personal service workers	11.2%	13.6%	12.7%	11.2%	11.1%	11.9%	11.8%
Clerical and administrative workers	12.5%	12.6%	13.4%	14.8%	13.1%	13.6%	11.3%
Sales workers	9.3%	11.0%	12.2%	10.1%	10.1%	10.5%	9.7%
Machinery operators and drivers	10.9%	7.6%	9.0%	6.6%	8.2%	7.8%	6.5%
Labourers	12.0%	13.4%	15.2%	10.1%	10.3%	11.9%	12.4%
Highest Year of School Completed (% of population aged 15 years and over)							
Year 12 or equivalent	39.8%	35.3%	35.4%	45.9%	44.9%	41.0%	45.2%
Year 9-11 or equivalent	54.4%	54.6%	52.2%	46.9%	49.5%	50.4%	46.9%
Year 8 or below	5.7%	9.6%	11.4%	6.8%	5.5%	8.0%	7.3%

Source: 2016 ABS Census of Population and Housing

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RETAIL STRATEGY – BACKGROUND REPORT**Figure 6.1: Index of Relative Social Disadvantage, Latrobe City by SA1 Region 2016**Source: ABS, *Socio Economic Indexes for Areas (SEIFA)*, 2016

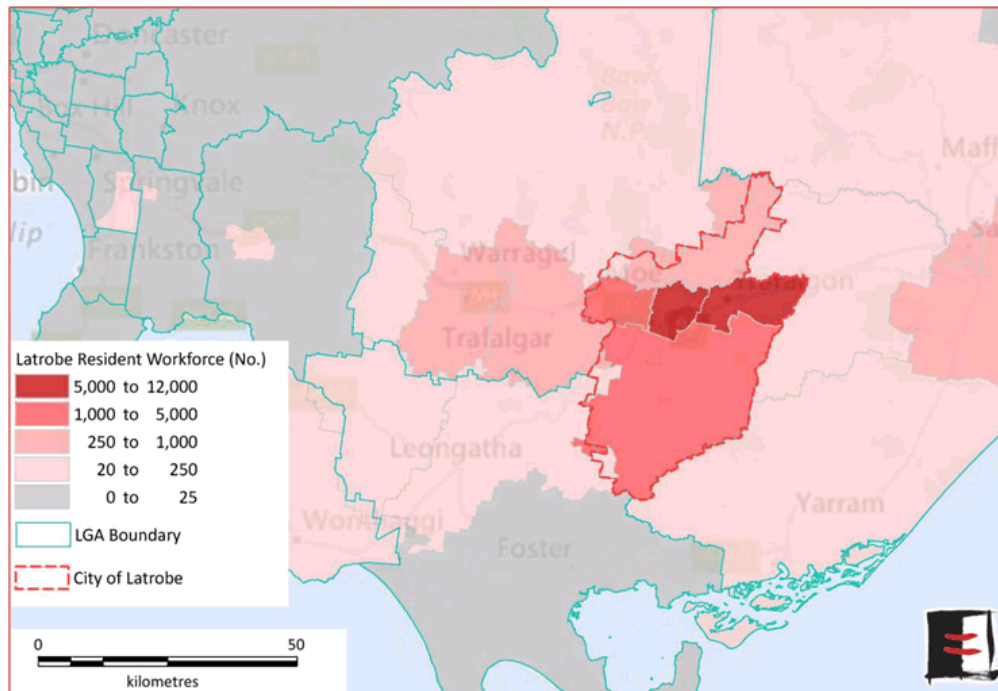
Note: Higher levels of socio-disadvantage are denoted by lower IRSD scores

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RETAIL STRATEGY – BACKGROUND REPORT**Figure 6.2: Unemployment Rate, City of Latrobe & Regional Victoria, December 2010 – April 2018**Source: Department of Jobs & Small Business, *Small Area Labour Market*, June Qtr 2018**Table 6.2: Top Sixteen SA2s for Latrobe City (C) Residents Place of Work, 2016**

Rank #	SA2 Name	LGA	Category	Workers (Latrobe LGA Residents)	Share of Total Latrobe Workforce
1	Traralgon	Latrobe	Regional Victoria	10,180	34.8%
2	Morwell	Latrobe	Regional Victoria	7,520	25.7%
3	Moe - Newborough	Latrobe	Regional Victoria	3,540	12.1%
4	Churchill	Latrobe	Regional Victoria	3,220	11.0%
5	Warragul	Baw Baw	Regional Victoria	570	2.0%
6	Yallourn North - Glengarry	Latrobe	Regional Victoria	350	1.2%
7	Sale	Wellington	Regional Victoria	330	1.1%
8	Trafalgar (Vic.)	Baw Baw	Regional Victoria	320	1.1%
9	Longford - Loch Sport	Wellington	Regional Victoria	300	1.0%
10	Rosedale	Wellington	Regional Victoria	220	0.8%
11	Leongatha	Gippsland - South West	Regional Victoria	180	0.6%
12	Mount Baw Baw Region	Baw Baw	Regional Victoria	150	0.5%
13	Maffra	Wellington	Regional Victoria	140	0.5%
14	Dandenong	Dandenong	Greater Melbourne	90	0.3%
15	Drouin	Baw Baw	Regional Victoria	80	0.3%
16	Melbourne	Melbourne City	Greater Melbourne	80	0.3%

Source: Australian Bureau of Statistics, 2011 Census of Population & Housing

Note: Highlighted areas are in the City of Latrobe; Figures rounded to the nearest ten

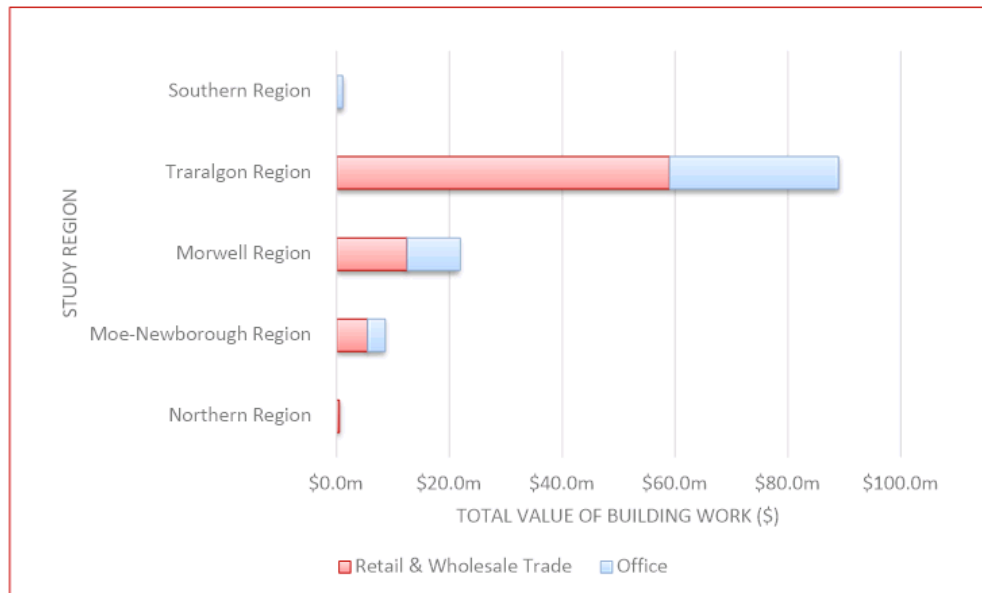
LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Figure 8.3: Place of Work – Latrobe City Residents, 2016**

Source: Australian Bureau of Statistics, 2016 Census of Population & Housing; Essential Economics with MapInfo and BingMaps

Table 6.3: New Dwelling Approvals, 2011/12 – 2017/18

Category	2013/14	2014/15	2015/16	2016/17	2017/18	New Dwelling Approvals 2013/14 - 2017/18
Northern Region	10	10	10	10	10	50
Moe-Newborough	50	50	50	30	40	220
Morwell Region	50	30	50	20	10	160
Traralgon Region	160	210	230	200	130	930
Southern Region	<u>60</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>40</u>	<u>250</u>
Latrobe City	330	350	390	310	230	1,610

Source: ABS Building Approvals 8731.0

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RETAIL STRATEGY – BACKGROUND REPORT**Figure 6.4: Value of Commercial Building Work (Public and Private Sector), June 2011 – August 2018**

Source: ABS.Stat

Table 6.4: Latrobe City Visitation Profile, 2017

Category	International	Domestic Overnight	Domestic Day	Total
Visitors ('000)	6	206	908	1,120
Nights ('000)	111	489	-	600
Average stay (nights)	19	2	-	3
Spend (\$m)	\$5m	\$54m	\$81m	\$140m
Average spend per trip (\$)	\$890	\$260	\$90	\$130
Average spend per night (\$)	\$50	\$110	-	\$100
Average spend (commercial accommodation) per night (\$)	\$80	\$160	-	\$150
<u>Reason (visitors '000)</u>				
Holiday	np	34	337	np
Visiting friends or relatives	3	108	292	403
Business	np	50	101	np
Other	np	np	178	np

Source: Tourism Research Australia, Local Government Area Profiles, 2017

Note: Average Spend Figures Rounded

Note: (-) Data not available

Note: (np) Estimate not published by TRA due to reliability concerns

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6.3 Major Projects

A range of major projects are currently planned for Latrobe City – the catalyst being the commitment of significant financial resources from both State and Federal Governments to assist the Latrobe Valley economy transition to a more diverse base in view of Hazelwood Power Station's recent closure. Planned public sector investment includes:

- **Gippsland Innovation Hub** (or 'hi-tech precinct'), to be developed at Federation Training's Morwell Campus. The \$17 million development will be delivered through a partnership between Latrobe City, Federation University, LVA and Regional Development Victoria. The precinct will be a centre for research, product development, education and training, with a focus on the region's growth sectors – health, food and fibre, and advanced manufacturing.
- **Government Hub (Gov Hub)**, to be developed in Morwell and is proposed to accommodate some 300 public sector workers including 150 Victorian Government positions. The project is expected to be completed by-mid 2020.
- **Gippsland Regional Aquatic & Leisure Centre**, to be developed in Traralgon will support the region's high performing athletes and bring major sporting events to the Latrobe Valley. The Aquatic and Leisure Centre is the centrepiece of a wider \$85 million sport and infrastructure initiative for the Latrobe Valley by the State Government, which also includes:
 - A redevelopment of Gippsland Regional Indoor Sports and Entertainment Complex in Traralgon (\$17 million)
 - An upgrade to the Morwell Recreation Reserve (\$4 million)
 - Upgrades to the Latrobe Sports and Entertainment Complex in Morwell (\$1.7 million) as well as the Ted Summerton Reserve in Moe (\$3 million).
- **Latrobe Creative Precinct**, to be constructed on land adjacent the existing Traralgon Library. This project is a joint initiative of the Federal Government, Victorian Government and Latrobe City and will comprise the following aspects:
 - A 750-seat performing arts centre
 - A multi-purpose Studio that can be configured for a variety of performance nodes
 - Multipurpose/meeting rooms
 - An indoor/outdoor café
 - Outdoor event spaces.
- **Traralgon Bypass**, this project has long been identified to remove heavy vehicles in Traralgon with a Bypass alignment gazetted via an amendment to the Latrobe Planning Scheme in 2009. The project is currently in the planning phase involving detail studies including the formation of a business case. The establishment of a bypass would result in an initial impact to retail sales in Traralgon with those businesses significantly dependent in highway trade likely to be most affected. In the longer-term, the reduction in through-traffic volume and associated increases to amenity along the Princess

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Highway corridor may present new development opportunities. Broadly speaking Traralgon has the attributes identified in the NSW Government report *Economic Evaluation of Bypasses* (2011) that would most likely result in the town benefiting from bypassing in the longer term, including a growing population, function as a regional centre and a diverse economic base. In contrast towns that observe significant long-term economic impacts from bypassing tend to have small populations and a narrow economic base geared to highway trade, as noted by the NSW Government report.

Major private sector projects of relevance to this Strategy include a multi-storey mixed-use development at 28 Grey Street Traralgon (adjacent Stockland Shopping Centre) comprising motel, cinema, bowling alley and food/drink retail. In particular, the cinema component of this development will result in additional competition to the Villages Cinemas at Mid Valley Shopping Centre – currently the sole cinema complex serving the Latrobe Valley.

6.4 Considerations for Retail Strategy

Latrobe City's current economic context is framed by the municipality's transition since the late 1980's away from an economy with a high dependence on the mining and energy generation sectors to a more diverse economic base with a greater emphasis on tertiary service sectors. For instance, based on ABS 2016 Census data, Health Care & Social Assistance (16.4%) was the largest sector of employment in Latrobe City, followed by Retail Trade (11.6%), Public Administration & Safety (8.7%) and Education & Training (8.3%).

In 2018, Traralgon stands as the Latrobe City's primary focal point for population growth, investment and employment when compared to the municipality's other major towns. This has implications for the development of a retail hierarchy for Latrobe City and necessitates that individual centres continue to develop a retail/service offer which is complementary in nature.

While the benefits of major planned government investment are expected to accrue across Latrobe City more broadly, Morwell's CBD will benefit from increased local spending associated with the 300 public sector workers to be accommodated by the Gov Hub.

Upgrades to sporting facilities across the municipality (including the planned Gippsland Regional Aquatic and Leisure Centre in Traralgon) as well as the development of the Latrobe Creative Precinct in Traralgon would also assist in increasing the level of visitation and non-local spending within Latrobe City. Visitation to the Latrobe City is largely day-based and driven by friends and relatives. Increasing the number of overnight stays (visitor nights) in Latrobe City presents an opportunity to generate increased spending and retail trade from visitors. The provision of appropriate accommodation options is important in this context.

Finally, a review of the ABS *Place of Work* data indicates that although some Latrobe City residents work in the metropolitan Melbourne area, the municipality does not significantly function as a regional commuter locality. Improvements to the regional rail connection between Latrobe City and Melbourne is one factor that could potentially result in Latrobe City developing greater integration with the Melbourne economy.

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7 LATROBE CITY RETAIL HIERARCHY

Throughout history, people have always congregated at convenient meeting points – to engage in trade, interact socially, and undertake cultural activities. These meeting points are often marked by the intersection of roads serving the local area and the surrounding hinterland. As development expands around such localities, a ‘centre’ emerges which becomes the focus for business activities and community facilities.

Typically, retailing is the key driver of activity in centres and – while the *Latrobe City Retail Strategy* has a particular focus on ‘retailing’ – it is acknowledged that activity centres have emerged over-time to now support a diverse mix of facilities and services, ranging from retail and commerce to civic, community, entertainment and recreational activities.

The **Latrobe City Retail Hierarchy** takes into consideration the current retail role performed by centres, while also acknowledging the broader non-retail roles which can vary between centres. The retail hierarchy should be considered when planning for the future development of Latrobe City’s activity centres.

The identified Retail Hierarchy specifically takes into consideration the centre’s size in terms of retail floorspace, the presence (or otherwise) of major retail tenants such as supermarkets and discount department stores, and overall mix of tenants. In addition, the centre’s role in providing community, recreational and civic services, the presence of major office or government tenants, the centre’s tourism role and locational factors (e.g. location and role of nearby centres) are also taken into consideration.

Furthermore, the existing Latrobe City Retail Hierarchy takes into consideration existing centres and those that have either been approved or identified in key strategic planning documents. The Latrobe City Retail Hierarchy includes the following categories:

- **Regional Retail Centre:** which is the major retail centre serving Latrobe City and beyond, providing a wide range of retail and non-retail uses. Traralgon CBD is Latrobe City’s regional retail centre.
- **Sub-Regional Retail Centre:** serves a broad region, although not as large as the regional centre, and provides a range of convenience and comparison-shopping facilities. Sub-regional centres can also provide a range of non-retail uses. Moe CBD, Morwell CBD and Mid Valley Shopping Centre are the three sub-regional retail centres in Latrobe City.
- **Large Town Centre:** Large Town Centres provide a comprehensive range of day-to-day and weekly convenience retailing, including supermarkets. A range of non-food retailing and services are also provided, the extent of which depends on the size of the catchment served by the centre. Large Town Centres serve the immediate township and surrounding rural areas and small towns. Churchill is currently Latrobe City’s only Large Town Centre.
- **Neighbourhood Centre:** provide access to day-to-day and weekly convenience shopping facilities for the surrounding community. Neighbourhood centres can vary in size and typically include at least one supermarket.

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- Small Town Centre: provide limited convenience retailing to the surrounding township and rural areas. They are important focal points for the community and where appropriate, may include tourism-related retailing.
- Local Centre: represent a number of shops, typically up to 10 shopfronts, which provide convince retailing and services.
- Homemaker Precinct: provide a range of large format retail and restricted retail premises that would otherwise be difficult to accommodate in traditional retail centres. Homemaker precincts can include both dedicated bulky goods centres or precincts that evolve along major roads such as that located along Argyle Street in Traralgon.

Also of importance to the Latrobe City's Retail Hierarchy, is the overarching policy aspiration that Latrobe City's major towns of Traralgon, Morwell, Moe-Newborough and Churchill to function as a single 'networked city' – a description which speaks to the Latrobe Valley's unique settlement structure of four major towns situated in relative proximity, as noted previously in Chapter 3. Accordingly, in identifying Latrobe City's Retail Hierarchy, a key consideration is the nature in which the major towns (aforementioned) provide complementary services that contribute to a cohesive higher order retail offer at the regional level.

Traralgon's role as Latrobe City's primary focal point for population growth, investment and employment further necessitates that the retail offer and role of individual centres within the municipality's retail hierarchy is complementary rather than competitive in nature.

The existing Latrobe City Retail Hierarchy comprising existing, approved and planned centres is described in Table 7.1. Existing centres are centres that are currently operating; approved centres are future retail centres for which development schemes have been approved; and planned centres are future retail centres in which land has been rezoned to facilitate development, but no development schemes have been approved. The **Retail Strategy** will define a future retail hierarchy which will provide guidance on the role and function of and new and existing centres, taking into consideration the retail assessment presented in this **Background Report**.

In addition to the centres described in Table 7.1, future potential neighbourhood centres have been identified in numerous strategic planning documents at Traralgon South East, Traralgon East and Traralgon West. In addition, potential local centres have also been identified in a number of locations across the municipality. 'Potential centres' are those centres which have been identified in strategic planning documentation but are yet to be subject to detailed planning or demand assessments. An objective of the Retail Strategy will be to provide a decision-making framework that assists Council in assessing the appropriateness of any new centres at a time when local area planning occurs, or when development applications or rezoning requests arise.

The location of existing, approved, planned and potential centres is shown in Figure 7.1. Chapter 8 provides a description of the retail and commercial floorspace within each centre, while **Part B: Centre Profiles** provides a more detailed overview of Regional Retail Centres, Sub Regional Retail Centres, Large Town Centres, Neighbourhood Centres, and Small Town Centres.

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Table 7.1: Existing Latrobe City Retail Hierarchy

Centre	Retail Role	Retail Floorspace /Major Tenants	Complimentary Role
Regional Retail Centre			
Traralgon CBD	Pre-eminent retail centre serving Latrobe City and beyond with the full-range of retailing.	Retail floorspace (2018): 62,470m ² Stockland Traralgon (Kmart, Coles), Woolworths, Target Country, Dan Murphy's.	Traralgon CBD also provides a wide range of entertainment, dining, commercial, community and recreational facilities and service. The Traralgon CBD is the main commercial office precinct in Latrobe City.
Sub-Regional Retail Centre			
Moe CBD	Full-range of convenience retailing serving the surrounding region and workers. Centre includes multiple supermarkets, café/restaurants/takeaway food and limited range of non-food retailers.	Retail floorspace (2018): 34,930m ² Kmart, Woolworths, Coles, ALDI, Dimmeys, Harvey Norman	Moe CBD also provides a range of civic, community and entertain facilities and services (eg. library, hotels, RSL, employment services, etc); and a commercial office sector focusing on business and personal services commercial space (eg. Banks, accountants, real estate, insurance, etc).
Morwell CBD	Full-range of convenience retailing serving the surrounding region and workers. Centre includes multiple supermarkets, café/restaurants/takeaway food and limited range of non-food retailers.	Retail floorspace (2018): 31,280m ² Coles, ALDI, Cheap as Chips, NQR and Harvey Norman	Morwell CBD also performs an important government sector role including Latrobe City Council offices and other local and state government agencies. A limited range of entertainment, community and commercial offices are also provided.

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Centre	Retail Role	Retail Floorspace /Major Tenants	Complementary Role
Sub-Regional Retail Centre (cont.)			
Mid Valley Shopping Centre	Range of convenience and comparison shopping serving a sub-regional catchment including multiple supermarkets, discount department store and a range of non-food speciality retailing.	Retail floorspace (2018): 24,520m ²	Mid Valley also serves a key entertainment role with the presence of a Village cinema complex.
Large Town Centre			
Churchill	Range of convenience retail anchored by two supermarkets serving the township and a surrounding rural catchment. Retail floorspace provision is similar to a Neighbourhood Centre	Churchill Retail floorspace (2018): 7,860m ² (Woolworths, Richies Supa IGA, Richies Mitre Ten)	Large town centres also provide a range of commercial, civic (e.g. libraries and community centres), health and other uses serving the township and a wider rural catchment. Churchill is unique in that it also accommodates Federation University.
Neighbourhood Centre			
Newborough Traralgon North (approved)	Neighbourhood centres provide a limited range of convenience retailing, typically anchored by a supermarket. Retail floorspace ranges from approximately 2,500m ² to 10,000m ² .	Newborough Retail floorspace (2018): 2,750m ² Traralgon North (approved): 4,700m ²	Limited role in providing local community, civic and health services to the surrounding communities.
Small Town Centre			
Glengarry; Yallourn North; Boolara; Yinnar; Tyers; Traralgon South; Toongabbie	Town centres provide convenience retailing to the immediate surrounding catchment and visitors. Centres	Glengarry (850m ²); Yallourn North (750m ²); Boolarra (300m ²); Yinnar (620m ²); Tyers (560m ²);	In addition to convenience retail, town centres also provide a limited range of commercial, community (e.g. community hall/centre), and personal services (e.g. post office).

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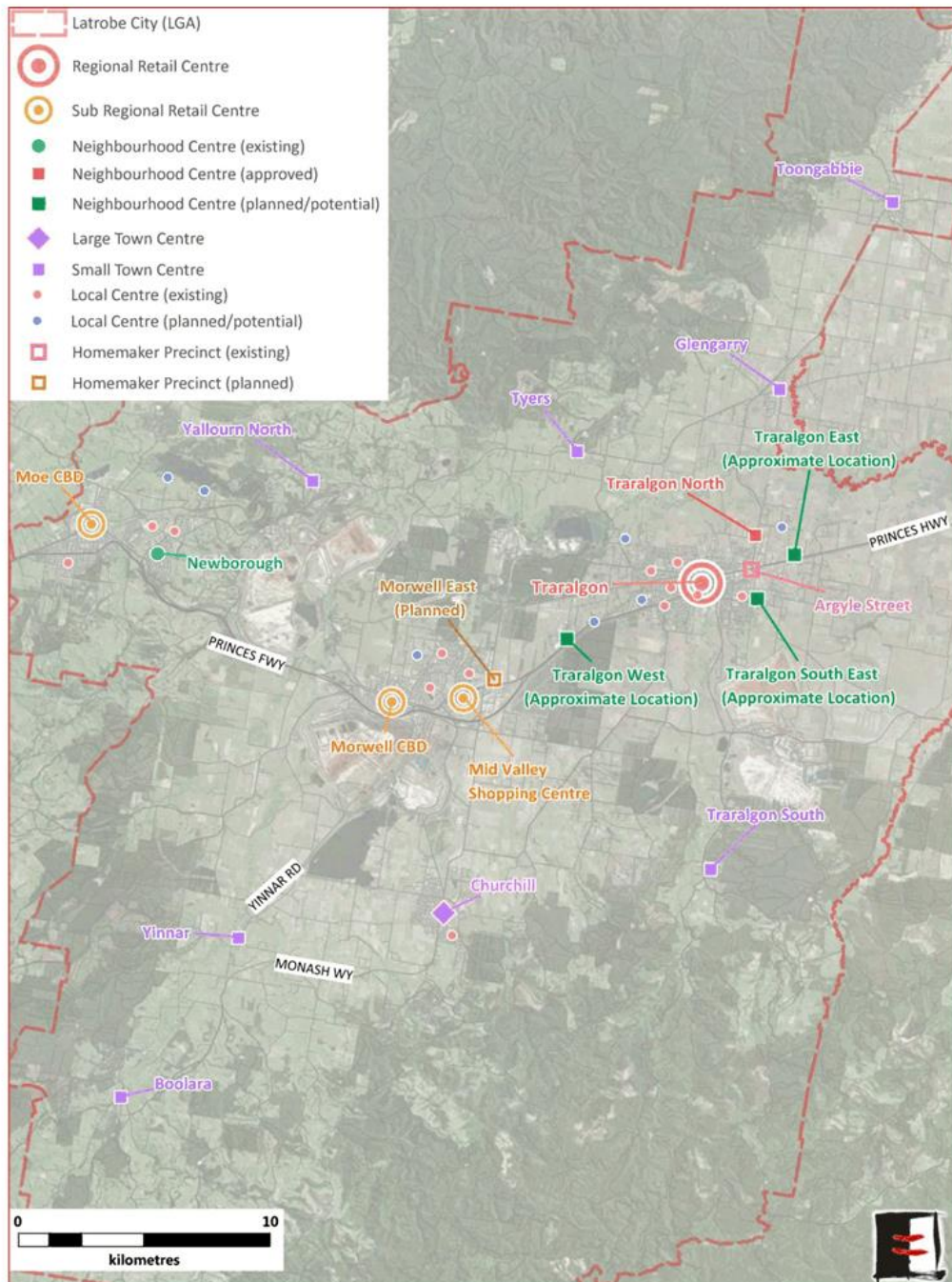
Centre	Retail Role	Retail Floorspace /Major Tenants	Complementary Role
	vary in size depending on the size of the catchment they serve.	Traralgon South (150m ²); Toongabbie (120m ²)	
Local Centre			
Traralgon (Queens Parade, Hyland Street, Hazelwood Road, Henry Street, Grey Street, Pax Hill); Morwell (Bridle Road, Rintoull Street, Bruton Street); Moe (Boolara Avenue, Old Sale Road, Elizabeth Street); Churchill (Churinga Drive)	Local centres provide limited convenience retailing including general store, takeaway food/café, and personal services. Retail floorspace is typically less than 1,500m ² .	Queens Parade (550m ²); Hyland Street (680m ²); Hazelwood Road (280m ²); Henry Street (500m ²); Pax Hill (300m ²); Bridle Road (760m ²); Rintoull Street (400m ²); Bruton Street (440m ²); Boolara Avenue (830m ²); Old Sale Road (170m ²); Elizabeth Street (740m ²); Churinga Drive (180m ²)	Local centres may co-locate to community, and/or education facilities, and may provide limited commercial services.
Homemaker Precinct			
Argyle Street Morwell East (planned)	Provide a range of large format retailers that would otherwise not be suited to an in-centre location.	Argyle Street (43,440m ²) Morwell East	May co-locate with trade suppliers, restricted retail, car yards and light industrial uses.

Source: Essential Economics

Note: Retail included in the wider analysis but excluded from the Existing Latrobe Retail Hierarchy (Table 7.1) comprise stand-alone shops located throughout the municipality (not situated in an existing centre), and other non-activity centre retail including the Princess Drive retail node in Morwell and retail located on Moore Street and Lloyd Street in Moe (in proximity to the Old Gipps town Heritage Park)

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Figure 7.1: Existing Latrobe City Retail Hierarchy



8 RETAIL AND COMMERCIAL FLOORSPACE OVERVIEW

A retail floorspace and shopfront survey of centres in Latrobe City was undertaken by Essential Economics in October 2018. This 'street level' data was complemented by a range of industry sources in order to estimate the total retail floorspace provision. The retail categories used for the survey are described on page 2 of this report.

8.1 Occupied Retail Floorspace

Currently, approximately 227,190m² of occupied retail floorspace exists in centres of Latrobe City comprising the following:

- 49,940m² of FLG retail floorspace (or 22% of total occupied retail floorspace)
- 27,360m² of food catering retail floorspace (or 12% of total occupied retail floorspace)
- 149,890m² of non-food retail floorspace (or 66% of total occupied retail floorspace).

A summary of retail floorspace by study region and centre is shown in Table 8.1, noting that the largest individual centres/precincts for occupied retail floorspace are:

- Traralgon CBD with 62,470m²
- Argyle Street Homemaker Precinct (Traralgon East)) with 43,440m²
- Moe CBD with 34,930m²
- Morwell CBD with 31,3280m²
- Mid Valley Shopping Centre with 24,520m².

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RETAIL STRATEGY – BACKGROUND REPORT**Table 8.1: Retail Floorspace Provision in Latrobe City, October 2018 (m²)**

Region	FLG	Food Catering	Non-Food	Total Occupied Retail	Share of Total Retail Floorspace
<u>Northern Region</u>					
Yallourn North	410	220	120	750	0.3%
Tyers	400	0	160	560	0.2%
Toongabbie	120	0	0	120	0.1%
Glengarry	460	0	390	850	0.4%
Total Northern Region	1,390	220	670	2,280	1.0%
<u>Moe-Newborough Region</u>					
Moe CBD	9,020	4,180	21,730	34,930	15.4%
Newborough Neighbourhood Centre	130	370	2,250	2,750	1.2%
Local centres	980	1,310	1,190	3,480	1.5%
Total Moe-Newborough Region	10,130	5,860	25,170	41,160	18.1%
<u>Morwell Region</u>					
Morwell CAD	9,550	5,220	16,510	31,280	13.8%
Morwell Highway Corridor	2,480	800	3,920	7,200	3.2%
Mid Valley	3,890	680	19,950	24,520	10.8%
Local centres	700	590	1,490	2,780	1.2%
Total Morwell Region	16,620	7,290	41,870	65,780	29.0%
<u>Traralgon Region</u>					
Traralgon CBD	12,400	9,590	40,480	62,470	27.5%
Argyle Street Homemaker Precinct	1,850	2,620	38,970	43,440	19.1%
Local centres	1,850	540	640	3,030	1.3%
Total Traralgon Region	16,100	12,750	80,090	108,940	48.0%
<u>Southern Region</u>					
Churchill Total	5,050	1,160	1,750	7,960	3.5%
Traralgon South	150	0	0	150	0.1%
Boolarra	180	0	120	300	0.1%
Yinnar	320	80	520	620	0.4%
Total Southern Region	5,700	1,240	2,390	9,030	4.0%
Total Latrobe City	49,940	27,360	150,190	227,190	100.0%

Source: Essential Economics Retail Floorspace Survey (October 2018), Australian Property Council, Shopping Centre Directory, Stockland, Mid Valley Shopping Centre.

Note: LAC's includes standalone shops

Note: Traralgon CAD includes Stockland Traralgon Shopping Centre

8.2 Vacant Retail Floorspace

Vacant retail shopfront tenancies were noted during the retail floorspace survey (October 2018) and the vacancies for each centre are shown in Table 8.2.

The Latrobe City's shopfront vacancy rate is estimated to be 10.8% of floorspace. This vacancy rate is above the broad vacancy level desired for a large regional retail network such as

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Latrobe City. As a point of reference, a vacancy rate of 5-7% generally reflects a relatively strong performing main-street type retail centres. In contrast, free-standing shopping malls under one roof tend to have minimal vacancies as they are in single ownership and centrally-managed. In this context, Stockland Traralgon is considered to be performing relatively successfully with a vacancy rate of 1.5%; however, Mid Valley Shopping Centre with the recent closure of Target and Coles has a significantly high vacancy rate of 21.9%.

The overall vacancy level the Traralgon region (6.9%) is lower than the vacancy level observed for the Morwell region (16.8%) and Moe-Newborough region (11.6%) respectively, and this reflects the primacy of Traralgon as a focal point for population growth and investment, amongst other aspects.

Selected centres and specific areas within centres are contributing to a high overall vacancy rate for Latrobe City. Those centres which are experiencing issues associated with high retail vacancy rates include the following:

- Mid Valley Shopping Centre, has a vacancy rate of 21.9% influenced by the recent closure of Target and Coles. Note the former Coles tenancy has recently been occupied by Dimmeys.
- Morwell CBD, with a vacancy rate 16.3% which includes a high 29.9% vacancy rate for shopfronts located to the north of the railway line. Areas of the CBD to the south of the railway line have a lower vacancy rate of 9.4%.
- Moe CBD, which has a vacancy rate 10.9% influenced by a concentration of vacant shopfronts located to the south of the railway line.

It is evident in both the CBDs of Moe and Morwell that while the core retailing areas may be performing relatively well in terms of vacancy rates, the areas that are disconnected from the core parts of these CBDs are under-performing.

The vacancy rate for the Argyle Street Homemaker precinct in Traralgon (8.0%) is considered reasonable, considering this rate takes into account the former Dahlsens retail store which is yet to be re-tenanted. In broad terms, the vacancy rates for smaller towns and settlements in Latrobe City's northern and southern regions do not indicate any major vacancy issues.

The following local centres have a high level of shopfront vacancy that would indicate a relatively poor performance of the centre:

- Bruton Street and Rintoull Street in Morwell with shopfront vacancy rates of 24% and 31% respectively; and
- Boolarra Avenue and Old Sale Road in Moe-Newborough with respective vacancy rates of 28% and 51%.

High vacancy rates in local centres can occur due to a broad range of aspects, many of which Council can have limited influence, such as increased trading pressures from other formats and changing consumer preferences (refer Section 4.2); lack of investment in the amenity of the centre; limited population growth or population decline in the immediate surrounding

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catchment; poor tenancy mix; lack of experienced and quality operators etc. The **Retail Strategy** will provide guidance on the levers available to Council to improve the trading conditions of these local centres.

Table 8.2: Retail Vacancy Rate – Latrobe City, October 2018 (m²)

Region	Total Occupied Shopfront	Vacant Shopfront	Total Available Retail Floorspace	Shopfront Vacant Rate
<u>Northern Region</u>				
Yallourn North	750	150	900	16.7%
Tyers	560	0	560	0.0%
Toongabbie	120	0	120	0.0%
Glengarry	850	60	910	6.6%
Total Northern Region	2,280	210	2,490	8.4%
<u>Moe-Newborough Region</u>				
Moe CBD	41,490	5,070	46,560	10.9%
Newborough NC	3,910	550	4,460	12.3%
Local centres	3,580	820	4,400	18.6%
Total Moe-Newborough Region	48,980	6,440	55,420	11.6%
<u>Morwell Region</u>				
Morwell CBD	41,980	8,200	50,180	16.3%
Morwell Highway Corridor	7,200	0	7,200	0.0%
Mid Valley	25,150	7,060	32,210	21.9%
Local centres	2,780	320	3,100	10.3%
Total Morwell Region	77,110	15,580	92,690	16.8%
<u>Traralgon Region</u>				
Traralgon CBD	72,170	4,960	77,130	6.4%
Argyle Street Homemaker Precinct	43,440	3,790	47,230	8.0%
Local centres	3,740	90	3,830	2.3%
Total Traralgon Region	119,350	8,840	128,190	6.9%
<u>Southern Region</u>				
Churchill Total	8,660	220	8,880	2.5%
Traralgon South	150	0	150	0.0%
Boolarra	300	30	330	9.1%
Yinnar	660	0	660	0.0%
Total Southern Region	9,770	250	10,020	2.5%
Total Latrobe City	257,490	31,320	289,110	10.8%

Source: Essential Economics Retail Floorspace Survey (October 2018), Australian Property Council, Shopping Centre Directory, Stockland, Mid Valley Shopping Centre.

Note: Local centres include standalone shops

Note: Traralgon CAD includes Stockland Traralgon Shopping Centre

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8.3 National Retail Brand Representation

In addition to vacancy rates, the representation of national brands is another metric which provides an insight into the performance of retail sectors. National retail brands seek to locate in centres that will maximise their sales, which typically involves locating in centres that perform well, attract a sufficient level of customer activity and serve sufficient sized catchments which vary depending on the individual retailer.

In this context, Latrobe City is well-represented in regard to national brand tenancies. Based on the retail floorspace undertaken in October 2018, Latrobe City contains approximately 85,500m² of 'national brand' non-food retail floorspace, of which 52,000m² is located within the Traralgon region. The Morwell region accommodates 22,600m² and the Moe-Newborough region accommodates approximately 10,100m².

One of the implications of having a relatively strong presence of national brand retailers is that residents are less reluctant to travel further afield to shop. While 'escape spending' is always going to occur to some degree in regional areas like Latrobe City, the presence of a range of national brand limits the impacts of having significant levels of retail spending escaping the region. Examples of national brand non-food retailers in Latrobe City are provide below.



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Source: Essential Economics and company websites

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9 RETAIL SPENDING

Estimates of retail spending by Latrobe City residents for each study region have been prepared with reference to the *MarketInfo* micro-simulation model. *MarketInfo* uses data from the ABS Household Expenditure Survey, ABS Population and Housing Census, and a range of other socio-economic indicators, and provides estimates of retail spending on a small area basis.

9.1 Per Capita Retail Spending

Average per capita retail spending for residents of each study region and Latrobe City in 2018 is summarised in Table 9.1 and compared with the regional Victorian average (figures are expressed in 2018 prices).

Latrobe City's average per capital total spending is estimated at approximately \$14,020 in 2018, which is approximately +4.7% above the average for regional Victoria of \$13,390, and comprises:

- \$6,280 per annum on FLG
- \$1,620 per annum on food catering
- \$6,120 per annum on non-food merchandise and services.

Table 9.1: Average Per Capita Retail Spending, 2018 (\$2018)

Trade Area	FLG	Food Catering	Non-Food	Total Retail
<u>Per Capita Spending</u>				
Northern Region	\$6,050	\$1,570	\$6,050	\$13,670
Moe - Newborough	\$6,230	\$1,480	\$5,720	\$13,430
Morwell	\$6,250	\$1,450	\$5,480	\$13,180
Traralgon	\$6,290	\$1,760	\$6,510	\$14,560
Southern Region	\$6,460	\$1,750	\$6,580	\$14,790
Latrobe City	\$6,280	\$1,620	\$6,120	\$14,020
<i>Regional Victoria</i>	<i>\$6,170</i>	<i>\$1,600</i>	<i>\$5,620</i>	<i>\$13,390</i>
<u>Variation from regional Victoria</u>				
Northern Region	-1.9%	-1.9%	+7.7%	+2.1%
Moe - Newborough	+1.0%	-7.5%	+1.8%	+0.3%
Morwell	+1.3%	-9.4%	-2.5%	-1.6%
Traralgon	+1.9%	+10.0%	+15.8%	+8.7%
Southern Region	+4.7%	+9.4%	+17.1%	+10.5%
Latrobe City	+1.8%	+1.3%	+8.9%	+4.7%

Source: Essential Economics with the *MarketInfo*

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9.2 Total Retail Spending, 2018 to 2033

Forecasts of retail spending by Latrobe City residents and the study regions have been prepared for the period 2018 to 2033. These estimates take into consideration population forecasts presented in Chapter 5, average per capita retail spending shown in Table 9.1 and estimates of future real growth in retail spending per capita. Estimates of future real growth in per capita retail spending are based on historical trends over the past 20 or so years, as derived from ABS Australian National Accounts data.

Total available retail spending by Latrobe City residents in 2018 is estimated at \$1,051m (or \$1.05b) and includes:

- Food, Liquor and Groceries: \$471m
- Food catering: \$122m
- Non-food: \$459m.

Total retail spending is forecast to grow at 1.6% pa to \$1,344m by 2033 (expressed in constant \$2018).

By region, the main area of growth is expected to be Traralgon, where retail spending of residents is forecast to increase from \$406m in 2018 to \$555m in 2033, accounting for 51% of total retail spending growth in Latrobe City (or the study region).

All spending figures are inclusive of GST and in constant 2018 dollars, therefore they exclude the effects of price inflation. The figures represent total retail spending by households in the study region, inclusive of:

- Traditional spending at so-called 'bricks and mortar' retail shops
- Retail spending with a mix of internet sales channels where a physical retail outlet is responsible for product pick-up or delivery (so-called 'clicks and mortar' retailing)
- Internet-only sales channels, which are estimated to comprise 8% of total retail sales in Australia.

Note, the above analysis considers spending by permanent residents only. Additional demand will also be generated by people living outside the study region and by visitors.

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RETAIL STRATEGY – BACKGROUND REPORT**Table 9.2: Forecast Retail Spending by Study Region, 2018 to 2033**

Retail Category	2018	2023	2028	2033
<u>Northern Region</u>				
FLG	\$28.1m	\$28.7m	\$29.4m	\$30.1m
Food Catering	\$7.3m	\$7.5m	\$7.8m	\$8.1m
Non-Food	<u>\$28.1m</u>	<u>\$30.5m</u>	<u>\$33.4m</u>	<u>\$36.4m</u>
Total Retail	\$63.5m	\$66.7m	\$70.5m	\$74.6m
<u>Moe - Newborough</u>				
FLG	\$104.5m	\$106.0m	\$110.9m	\$116.4m
Food Catering	\$24.8m	\$25.4m	\$26.9m	\$28.5m
Non-Food	<u>\$96.1m</u>	<u>\$104.0m</u>	<u>\$115.9m</u>	<u>\$129.8m</u>
Total Retail	\$225.3m	\$235.4m	\$253.7m	\$274.7m
<u>Morwell</u>				
FLG	\$87.2m	\$88.5m	\$92.2m	\$96.2m
Food Catering	\$20.2m	\$20.8m	\$21.9m	\$23.1m
Non-Food	<u>\$76.5m</u>	<u>\$82.8m</u>	<u>\$91.9m</u>	<u>\$102.3m</u>
Total Retail	\$184.0m	\$192.1m	\$205.9m	\$221.5m
<u>Traralgon</u>				
FLG	\$175.7m	\$187.9m	\$202.7m	\$218.6m
Food Catering	\$49.1m	\$53.0m	\$57.8m	\$63.0m
Non-Food	<u>\$181.6m</u>	<u>\$206.9m</u>	<u>\$237.8m</u>	<u>\$273.4m</u>
Total Retail	\$406.4m	\$447.8m	\$498.3m	\$555.0m
<u>Southern Region</u>				
FLG	\$75.3m	\$78.8m	\$82.7m	\$86.8m
Food Catering	\$20.4m	\$21.6m	\$22.9m	\$24.3m
Non-Food	<u>\$76.6m</u>	<u>\$85.4m</u>	<u>\$95.5m</u>	<u>\$106.9m</u>
Total Retail	\$172.2m	\$185.8m	\$201.0m	\$218.0m
<u>Total Study Regions</u>				
FLG	\$470.8m	\$489.9m	\$517.8m	\$548.1m
Food Catering	\$121.7m	\$128.3m	\$137.2m	\$147.0m
Non-Food	<u>\$458.9m</u>	<u>\$509.6m</u>	<u>\$574.5m</u>	<u>\$648.7m</u>
Total Retail	\$1,051.4m	\$1,127.8m	\$1,229.5m	\$1,343.8m

Source: Essential Economics with the *MarketInfo*

Note: FLG refers to Food, Liquor & Groceries

10 RETAIL TURNOVER AND MARKET SHARE ANALYSIS

This Chapter presents a retail sales and market share analysis for centres in Latrobe City. The analysis is based on the retail spending and floorspace data provided in the previous Chapters, as well as industry data where available. The experience of the consultants in undertaking retail turnover and market share assessments for both the private and public sector is also relevant to the analysis. Where relevant, Council's Spendmapp data sent has also been used to inform the analysis.

10.1 Estimated Retail Sales

In 2018, activity centres in Latrobe City achieved estimated total retail sales of approximately \$1,164m, representing an average trading level of approximately \$5,120/m² (expressed in 2018 dollars and inclusive of GST). Table 10.1 provides a summary of estimated retail turnover by retail category for activity centres in Latrobe City.

These estimates have been prepared with the application of appropriate average trading levels (sales per square metre) to the retail floorspace estimates presented in Chapter 8. The sales estimates are based on published sales data (where available), and on information on likely trading performance gathered from floorspace surveys conducted by the consultant. The retail sales figures should therefore be regarded as a fair and reasonable approximation of existing trading conditions for centres in Latrobe City.

Importantly, these estimates refer to total retail sale at activity centres in the municipality, including sales that is attributable to residents of the municipality and to non-residents, including tourists, workers and other visitors.

Table 10.1: Retail Turnover Estimates for Centres in Latrobe City, 2018

Category	FLG	Food Catering	Non-Food	Total
Retail floorspace	49,940m ²	27,360m ²	149,980m ²	227,190m ²
Average trading level	\$9,780/m ²	\$4,610/m ²	\$3,660/m ²	\$5,120/m ²
Total turnover	\$488.3m	\$126.3m	\$548.5m	\$1,163.1m

Source: Essential Economics; Spend Map; industry sources

Note: Figures are in constant 2018 dollars

The overall average turnover level of \$5,120/m² is considered moderate and reflects the existing situation in Latrobe City where a relatively wide range of retailing is provided across numerous centres and across a wide range of retail categories.

The relatively high average sales level for FLG retailers of \$9,780/m² reflects the dominance of supermarkets within this sector and their relatively strong performance in terms of sales. Supermarkets generally have an average sales level that is higher than for speciality shops.

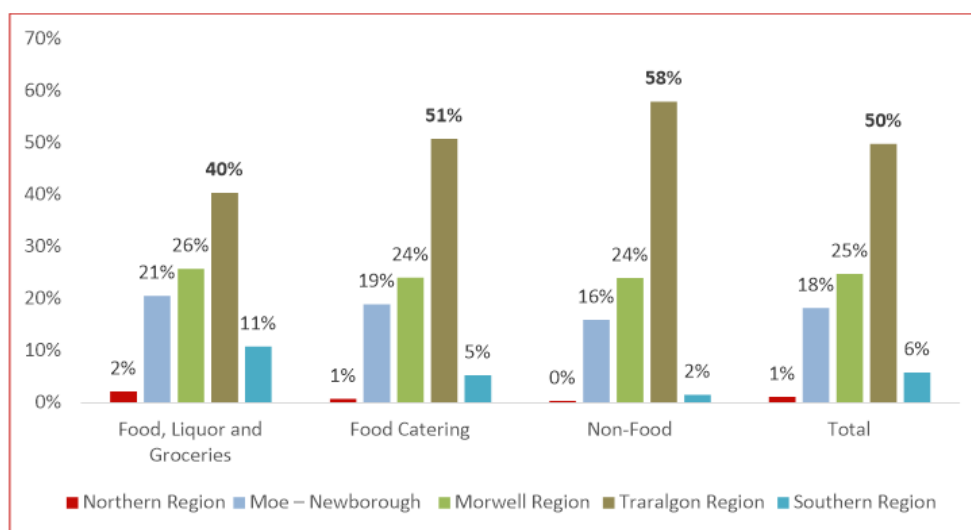
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Conversely, the lower average sales level for food catering and non-food retail sectors reflects the following:

- A relatively high proportion of retail floorspace that typically attracts lower sales levels such as retail services (e.g. hair and beauty), bulky goods, discount department stores, and in some locations a high number of retail tenancies occupied by op-shops.
- Relatively moderate sales performance of some centres including Moe CBD and Morwell CBD which include considerable amounts of food catering and non-food floorspace.

The distribution of retail sales throughout Latrobe City by study region and retail category is shown in Figure 10.1. The Traralgon region is by far the most dominant in terms of retail sales, accounting for 50% of total sales and 58% of non-food sales within Latrobe City. This reflects the presence of the strong performing Traralgon CBD, the expansive Argyle Street homemaker precinct, as well as Traralgon's role as the municipality's largest major town and primary focal location for population growth.

Figure 10.1: Share of Retail Sales by Region, 2018



Source: Essential Economics

10.2 Retail Sales Attributed to Latrobe Residents

In order to prepare an analysis of retail market shares captured retail centres Latrobe City, it is necessary to examine the extent to which retail sales are attributable to the municipality's residents. This analysis is shown in Table 10.2 and is based on available information with respect to the catchments served by particular centres, and the consultant's estimates based on likely trading patterns of centres in Latrobe City. Consideration has also been given to analysis of Council's Spendmapp dataset.

Approximately \$851.7m (or 73% of total retail turnover) is estimated to be attributed to the retail spending of Latrobe City residents in 2018. The balance of approximately 27% of retail

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turnover is derived from non-residents, including visitors to Latrobe City and purchases by trades and businesses, and is estimated at some \$311.4m.

Table 10.2: Retail Turnover Attributed to Latrobe City Residents, 2018

Category	FLG	Food Catering	Non-Food	Total
Total turnover	\$488.3m	\$126.3m	\$548.5m	\$1,163.1m
Share of turnover attributable to Latrobe City residents	83%	71%	65%	73%
Total turnover attributable to Latrobe City residents	\$404.1m	\$89.6m	\$358.0m	\$851.7m

Source: Essential Economics; Spendmapp; industry sources

Note: Figures are in constant 2018 dollars

10.3 Retail Market Share Analysis

In 2018, Latrobe City centres are estimated to capture approximately 81% (or \$852m) of the \$1,051m of available retail spending by Latrobe City residents. The balance of retail spending (\$200m) was directed to centres and retailers located beyond Latrobe City, and to other forms of shopping such as internet-only sales.

The analysis shows that a higher market share is achieved in FLG (86%), and this reflects the extent to which people tend to shop more locally at their closest and most convenient centre for these items. Food catering and non-food markets shares were 74% and 78% respectively, which are still considered to be relatively high.

Table 10.3 summarises this analysis of market share performance for centres in Latrobe City.

Table 10.3: Latrobe City Market Share Analysis, 2018

Category	FLG	Food Catering	Non-Food	Total
Total retail sales to Latrobe City residents	\$404m	\$90m	\$358m	\$852m
Total available retail expenditure	\$471m	\$122m	\$459m	\$1,051m
Market Shares	86%	74%	78%	81%

Source: Essential Economics; Spend Map; industry sources

Note: Figures are in constant 2018 dollars

A number of findings are evident from the above analysis that will inform the assessment of retail development potential (or retail needs) provided in the following Chapter. These findings include:

- 1 **Centres in the Latrobe City capture a relatively high share of the available retail spending by residents.** Accordingly, opportunities for increased retail provision will be generated by forecast population growth and increases in available spending, as well as increased spending generated by visitation. The scope to improve retail market shares to any significant degree is somewhat limited. The 2007 Retail Strategy Review noted that *“the retail equation in Latrobe is currently relatively balanced ie where current*

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demand is met by supply"; having regard for the market share analysis presented above, it is reasonable to conclude that this also reflects the current-day situation.

- 2 **'Escape spending' is expected in the Latrobe City context.** As noted above, approximately \$200m in retail spending by Latrobe City residents 'escapes' to other centres and other forms of retailing (e.g. online purchases). More than 50% of this spending (or \$101m) is in non-food retailing and is likely to be directed to larger centres in metropolitan Melbourne, most notably Westfield Fountain Gate in Narre Warren which is approximately an hour drive from Moe. This situation will likely continue into the future as large regional centres in metropolitan Melbourne offer a wider-range of retailing than in Latrobe City by virtue of their larger and more densely populated catchments.
- 3 **Improvements to the performance of existing retailers will contribute to an increase in the level of retail service for the community.** Opportunities for improved retail choice and quality for local residents include the redevelopment of areas within centres that are not currently performing well, the introduction of improved business practises, and the attraction of new businesses – especially those which are not yet locally-represented. Given the prevailing high market shares observed by Latrobe City, the provision of additional floorspace would be generated by increased population growth and visitation.
- 4 **Future retail development opportunities are likely to respond to population growth and changes in retailing trends.** For instance, in recent years, food and dining have been strong performing retail sectors and coincide with a shift towards activity centres being a focus for socialising and meeting people, as opposed to solely shopping.

11 RETAIL DEVELOPMENT POTENTIAL

This Chapter presents an analysis of the potential new retail development that could be supported in Latrobe City Council over the next 15 or so years.

11.1 Methodology

Forecasts of retail development potential in activity centres within Latrobe City have been prepared on the basis of the following approach:

- 1 Retailers will continue to capture an appropriate market share of the forecast available retail spending by residents in the municipality. Having regard for the relatively high market shares, it is assumed retailers will at least maintain existing market shares.
- 2 Local retailers in the municipality have potential to capture trade from people living beyond Latrobe City, including tourists and other passing trade. In addition, some retailers also derive a share of sales from non-retail customers such as other businesses and tradespeople. It is assumed the share of turnover sales by non-residents remains constant at 2018 levels.
- 3 An aggregation of the above sources of sales provides an estimate of the total future sales that might be achieved at centres in Latrobe City. By applying an appropriate average sales level (\$/m²), an indication of the total supportable retail floorspace can be calculated.
- 4 An estimate of total retail development potential is made by comparing total supportable floorspace (from point 3 above) against existing floorspace provision as outlined in Chapter 9.

11.2 Forecast Retail Sales and Retail Development Potential, 2018-2033

Total retail sales in activity centres located in Latrobe City are forecast to increase from \$1,163m in 2018 to \$1,496m in 2033, representing annual growth of 1.7% per annum (in constant 2018 dollars). This assumes retail market shares and the share of sales from beyond Latrobe City residents remain constant.

Forecast retail sales, analysis of potential supportable retail floorspace and the amount of new retail development that might be supported over the period 2018 to 2033 is summarised in Table 11.1.

This analysis is only intended to provide an indication only of the potential level of supportable retail development. In reality a myriad of factors (unknown today) will affect the exact quantity of new retail floorspace delivered over the next 15 years.

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The potential for retail development in Latrobe City over the period 2018 to 2033 is estimated at approximately +42,000m² gross leasable floor area (figures rounded). This comprises the following broad estimates by retail category:

- An additional +4,200m² FLG retail floorspace to accommodate new or expanded supermarkets and specialty food, liquor and grocery stores.
- An additional +3,100m² of food catering retail floorspace, comprising new cafés, restaurants and takeaway food stores.
- An additional +35,000m² of non-food retail floorspace, which may comprise the development of additional speciality non-food retailers, retail services and bulky goods retailing.

The above estimates of future retail development potential are based on forecast sales levels with the application of average supportable retail trading levels (\$/m²). For the purpose of this assessment it is assumed the average trading level of FLG and food catering retailers will increase by an average of 0.5% per annum, while the average trading level of non-food retailers may increase by 1.0% per annum. These assumptions take into consideration the relatively strong average trading levels of retailers in the FLG and food catering categories (refer Section 10.1) and the opportunity to improve average trading levels for non-food retailers.

Table 11.1: Retail Development Potential in Latrobe City, 2018-2033

Category	Food, Liquor and Groceries	Food Catering	Non-Food	Total
Existing Retail Floorspace, 2018	49,940m ²	27,360m ²	149,890m ²	227,190m ²
<u>Retail Sales</u>				
2018	\$488.3m	\$126.3m	\$548.5m	\$1,163.1m
2033	\$568.4m	\$152.5m	\$775.5m	\$1,496.4m
Average annual growth	1.0%	1.3%	2.3%	1.7%
<u>Average Trading Level</u>				
2018	\$9,780/m ²	\$4,610/m ²	\$3,660/m ²	\$5,120/m ²
2033	\$10,500/m ²	\$5,000/m ²	\$4,200/m ²	\$5,600/m ²
Supportable retail floorspace, 2033	54,100m ²	30,500m ²	184,600m ²	269,200m ²
Retail development potential, 2018-2033	4,160m²	3,140m²	34,710m²	42,010m²

Source: Essential Economics

11.3 Potential Retail Development Opportunities

Having regard for the analysis presented in Table 11.1, the following discussion relates to specific retail development opportunities within Latrobe City over the next 15 years.

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The development of approximately 9,200m² of retail floorspace has been approved but is yet to be constructed. This includes the following:

- **Marshall Road Neighbourhood Centre (Traralgon North)**, up to 4,700m² is approved including a Woolworths supermarket plus limited speciality retail floorspace. It is understood the first stage of the centre will comprise approximately 4,000m² with potential for an expansion of the Woolworths to occur later. At this stage, the exact development timing is unknown; however, it is anticipated that the centre will be developed within the next 15 years. While not all floorspace within the centre will be FLG, it is likely the Marshalls Road Neighbourhood Centre will account for the majority of Latrobe City's retail development potential in the FLG sector.
- **Proposed Foodworks supermarket in Moe (50 High Street)**, comprising a total of approximately 290m² of FLG floorspace. Development of this store is yet to commence.
- **Stockland Traralgon** expansion of approximately 570m².
- **Proposed retail showroom at 63 Argyle Street**, Traralgon comprising approximately 500m² in floorspace.
- **Furniture Store to be built at Woodcutter Place, Traralgon East**, comprising around 3,160m² in floorspace.

Potential exists for an additional 32,800m² (approx.) of retail floorspace in Latrobe City, accounting for the above approved retail developments, over the 2018 to 2033 period.

Re-use of Vacant Floorspace

As noted earlier, approximately 31,320m² of vacant shopfront floorspace exists in Latrobe City activity centres and this accounts for 10.8% of total shopfront floorspace. If the vacancy rate in Latrobe City could be reduced to, say 8.0% without adding additional floorspace, this would equate to total vacant shopfront floorspace of approximately 23,100m². Based on this assumption, vacant shopfront floorspace could *theoretically* absorb approximately 8,200m² of future retail demand. This provides a broad indication of the potential extent to which existing vacant floorspace could accommodate demand for floorspace, acknowledging that there will always going to be some level of vacancy within centres.

Another way to review the extent to which vacant floorspace could accommodate future demand is to assume that the three key centres which are experiencing high levels of vacancy could reduce their vacancy rates to 8.0%, while other centres maintain their vacancy rates which are considered reasonable. Combined, the Morwell and Moe CBDs and Mid Valley Shopping Centre account for 20,300m² of vacant shopfront floorspace and have a combined vacancy rate of 15.8%. Should these centres be able to accommodate new retail demand that reduces their vacancy rates to 8.0%, this equates to approximately 10,300m² of vacant floorspace or a reduction of approximately 10,000m² from current levels.

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Apart from the Moe and Morwell CBDs, the high vacancy rate at Mid Valley Shopping Centre is a concern. The loss of the Target DDS and Coles supermarkets have created a significant issue in terms of vacant floorspace and a reduction in customer activity that would otherwise have been attracted to the centre. The Coles tenancy has since been occupied by Dimmeys.

Consultation with centre management indicates they are confident that they will be able to occupy the vacant space by early to mid-2019. Potential exists that a proportion of this space may be filled by a range of mini-majors and/or some specialities. It is unlikely the vacant Target tenancy will be occupied by another discount department store, having regard for the difficulties faced by this sector. It is understood that in the longer-term centre management are looking to shift the tenancy profile of the centre (as a whole) to accommodate a greater range of uses beyond retail – including allied health services and community uses.

New Retail Development Opportunities

The analysis presented in this Chapter indicates over the next 15-years potential demand for approximately 42,000m² of retail floorspace may eventuate. Accounting for approved developments which amount to approximately 9,000m² of floorspace and the potential for existing vacant floorspace to absorb up to 10,000m² of retail demand, potential exists for an approximately an additional 23,000m² of floorspace.

Food, Liquor and Groceries

Marshall's Road Neighbourhood Centre in Traralgon North and the proposed small Foodworks in Moe are anticipated to account for the majority of anticipated demand for FLG floorspace. Note, demand for FLG is very responsive to local population growth and should new residential growth areas experience rapid development and population growth, this may drive additional demand for convenience FLG retailing. Further commentary on the potential for new centres is provided in Section 11.4.

Furthermore, new retail formats may eventuate in the FLG sector over the next 15 years. For example, Kaufland are a new entrant to the Australian supermarket sector who currently are focused on opening stores in metropolitan locations. In the next 15 years, the potential may exist for Kaufland, or another market entrant, to become interested in regional areas such as Latrobe City. This would be similar to the roll-out of ALDI supermarket over the past 15 years.

Food Catering

Incremental growth in food catering is also expected to occur as the importance of activity centres as 'destinations' for socialising and civic interaction continues to increase. In this context, the approval of a new cinema and serviced apartment complex in Traralgon will likely increase the centre's entertainment role and generate demand for additional food catering floorspace.

Moreover, in the longer term, the proposed bypassing of Traralgon, in conjunction with the public realm works proposed by the *Traralgon Activity Centre Plan (2018)* including a Highway Boulevard and Plaza style access to the Train Station, would result in improvement to the CBD's amenity and attractiveness – and in turn present opportunities for the development of

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retail uses in the area Princes Street that are 'destinational' in nature (higher-end restaurants/cafes, al fresco dining etc).

Non-Food

Both Traralgon and Morwell have significant areas of vacant Commercial 2 Zone located along the Princes Highway which provide opportunities for the development of additional bulky goods retailing.

The market appetite for the development of dedicated bulky goods (or homemaker centres) throughout Victoria (and Australia) has been subdued in recent years compared to say, 10-15 years ago. This is especially the case in regional Victorian locations where very limited development of dedicated bulky good retail development has occurred.

Latrobe City is reasonably well-represented in terms of national brand large format retailers. However, there remains a number of national brand bulky goods retailers that are not currently represented in Latrobe City, including Anaconda, Amart Furniture, Adairs and Decathlon (a new market entrant in the sports retailing sector) which may generate demand for a new bulky goods centre. In addition, continued population over the next 15 years and beyond will support this form of development.

In addition to bulky goods development, opportunities for incremental growth in non-food retailing in the form of speciality and mini-majors is expected to occur within centres as a result of population growth. For example, it is understood Stockland Traralgon have plans for a moderate expansion in the future (at a time when market demand warrants) to accommodate new floorspace which may involve both mini-majors and speciality retail floorspace.

11.4 Longer-term Opportunities for New Centres

The retail development opportunities identified so far in this Chapter are based on the population forecasts presented in Chapter 5, which in turn are based on official State Government projections (*Victoria in Future, 2016*). It is noted that these projections broadly represent a continuation of recent population growth trends over the next five years before a slight acceleration in population growth occurs.

Between 2018 and 2033, a net increase of +8,700 persons is forecast for Latrobe City with the majority (+5,370 persons, or 62%) of this growth forecast for the Traralgon region. To put this into perspective, typically a large full-line supermarket requires a catchment of around 10,000 persons. This benchmark does vary depending on the local context of each site including its location, accessibility and level of nearby competition.

It is anticipated that the majority of future population growth over the next 15 years in Latrobe City will be accommodated within approved greenfield development areas as well as existing residential zones. In the Traralgon context, this includes greenfield land to the north which will support the future development of the approved Marshalls Road neighbourhood centre.

Significant areas of potential future residential land in Latrobe City have been identified in various approved development plans and other strategic planning documents (refer Section

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5.3) which could potentially accommodate at least 12,600 dwellings and a population of approximately 29,000 persons. This does not include the expansive areas identified in TGAR for future residential development.

While the potential for new activity centres have been identified in various strategic planning documents, demand for these centres is unlikely to eventuate over the next 15 or so years, unless population growth accelerates, and a critical mass of populations occur that could support new centres.

Importantly, if demand for some potential centres does eventuate, a key role of the **Retail Strategy** is to provide an appropriate decision-making framework to assist Council officers in assessing development proposals from a retail planning perspective. In many cases, more localised planning will be required to identify constraints to land, land to be rezoned, eventual development yields, demand for retail and commercial uses, and opportunities for employment uses, etc. The level of support (or otherwise) for new centres or potential timing of development can be best determined by at a time when detail local planning occurs for these areas.

A summary of potential identified new neighbourhood centres along with a comment on their opportunities is provided in Table 11.1. In addition to neighbourhood centres identified in Table 11.1, numerous local centres have also been identified (refer Figure 7.1) and the future development of the centres will need to respond to local demand.

Table 11.1: Overview of Identified Potential New Centres

Centre	Strategic Planning Document	Comment
Traralgon East Neighbourhood Centre (potential)	TGAR	Potential long-term opportunity. Will require a large proportion of future residential land identified in TGAR to the east of Traralgon to be developed. Identification of preferred location for a neighbourhood centre will need to be resolved when more detailed local-level planning occurs.
South East Traralgon Neighbourhood Centre (potential)	Traralgon Structure Plan, MSS (Clause 21.02)	Potential for a neighbourhood centre has been identified in South East Traralgon for some time. Support for a centre will rely on the development of land identified for future residential use.
Traralgon West Neighbourhood Centre (potential)	Traralgon West SP and TGAR	Centre will service employment precinct and future residential areas. Retail demand assessment has been undertaken as part of background analysis informing the yet-to-be adopted MTEC which supports the long-term opportunity for a neighbourhood centre.

Source: Latrobe City Council; Essential Economics

12 STAKEHOLDER CONSULTATION FINDINGS - ISSUES AND OPPORTUNITIES

In preparing this Background Report, the following consultation was undertaken:

- Breakfast Workshop on 19 October 2018 with developers, private sector planners, retailers and members of local community and commerce groups (attended by eight people).
- Afternoon Workshop on 19 October 2018 with local and state government agency representatives (attended by ten people).
- Numerous one-on-one consultations with key stakeholders in the Latrobe City retail sector including centre management at Stockland Traralgon and Mid Valley Shopping Centre.

The discussion within the above forums, along with the analysis presented in this report and observations made during field visits have informed the identification of the following regional-level issues and opportunities that may need consideration when preparing the Retail Strategy. Centre specific issues and opportunities are identified in Part B: Centre Profiles.

Key Issues, Concerns and Constraints for the Retail Sector

- High retail vacancy rates of Moe CBD, Morwell CBD and Mid Valley Shopping Centre.
- Concerns over the future of the Mid Valley Shopping Centre in view of the recent loss of two major retailers (Target and Coles) and the impact of a new cinema complex in Traralgon on Village Cinemas at Mid Valley.
- Planning for numerous residential growth fronts in the future may dilute the opportunity for planned new centres to develop over next 15 years, in view of Latrobe City's forecast population and spending growth.
- Proximity of Traralgon, Moe, Morwell, Mid Valley and Churchill results in the retail catchments for these centres overlapping to a significant degree. In particular, Mid Valley Shopping Centre competes with Morwell CBD for local spending and vice versa.
- Traralgon-centric growth and investment, with comparably limited private-sector investment in other centres.
- Low quality urban environment in selected areas.
- Both Morwell and Moe CBDs are dissected by the railway which has created two separate precincts in both CBDs, with one precinct in each CBD performing significantly below the other.

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- Lack of dedicated bulky goods centre with bulky goods retailing currently dispersed along the Princes Highway (Argyle Street) in Traralgon contributing to a low-quality urban environment.
- Potential Traralgon-bypass may result in impacts to retail businesses in Traralgon that rely on passing trade.
- Lack of quality visitor accommodation.
- Lack of caravan or long bay car parking in some areas resulting in missed trade
- Limited presence of late-night traders in Morwell and Moe CBDs.
- Moe and Morwell retail sectors are impacted by a poor perception/stigma which some consider impacts the private sector investment in the township.

Potential Opportunities

- Opportunity to create longer stays in Latrobe City through provision of better-quality accommodation in activity centres.
- Traralgon bypass presents an opportunity to improve the urban environment in the Traralgon CBD which may present opportunities for further investment in the retail sector. The public realm and other improvements identified by the *Traralgon Activity Centre Plan* (2018) are also noted in this context.
- Opportunities for retailers in the Morwell CBD to benefit from an increased white-collar workforce attributed to the future GovHub.
- Potential for retailers to benefit from increased visitation to Traralgon generated by the development of the Latrobe Creative precinct and Aquatic Centre.
- Improvements to regional rail as a catalyst for urban development in Latrobe Valley, and potential to contribute to the attractiveness of Moe for residential development.
- Potential to improve the perception of small towns and centres as destinations to visit and leverage scenic and historic attributes to increase visitation.
- Potential to increase visitation and spending through the support of festivals, markets and events which are aligned with marketing strategies for individual townships.
- Opportunity to activate vacant shopfronts with cultural and community uses.
- Areas with lower rental rates represent an opportunity for local entrepreneurship.

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13 KEY CONSIDERATIONS FOR THE RETAIL STRATEGY

The **Latrobe City Retail Strategy** should have regard for the following key considerations derived from the research, analysis and discussion presented in this Background Report:

- 1 **Build upon existing policy:** The Retail Strategy should build upon existing strategic policy, including the State Planning Policy Framework and the Local Planning Policy Framework of the Latrobe Planning Scheme which provide a sound strategic basis.
- 2 **Existing retail hierarchy:** The Retail Strategy should identify a retail hierarchy which states the role and function of centres, and takes into consideration the existing retail hierarchy as follows:
 - Regional Retail Centre: Traralgon CBD
 - Sub-regional Retail Centre: Moe CBD, Morwell CBD and Mid Valley Shopping Centre.
 - Large Town Centre of Churchill.
 - Neighbourhood Centre: Including existing centres (Newborough), approved centres (Traralgon North) and potential centres (Traralgon East, South East Traralgon and Traralgon West).
 - Small Town Centre: Glengarry, Yallourn North, Boolarra, Yinnar, Tyers, Traralgon South, Toongabbie.
 - Local Centres: Numerous existing and planned.
 - Homemaker Precincts: Argyle Street (Traralgon East) and Morwell East.

The Retail Strategy should provide a focus on ensuring each centre has a role and function identified in the hierarchy that contributes to the commercial viability of individual centres, local service provision and a complementary retail offering at the regional level, in view of the 'networked city' settlement structure of the major towns in Latrobe City.

- 3 **High vacancy rates in Moe and Morwell CBD, and Mid Valley Shopping Centre:** Moe CBD, Morwell CBD and Mid Valley are all experiencing high retail vacancy rates. Avenues to improve the viability and activity levels within these centres need to be considered, and include:
 - Options to improve urban environments/public realm.
 - Consideration of the optimal land use type in poor performing precincts.
 - Consideration of how to connect and integrate poor performing precincts with better performing precincts.
 - Continued support for higher density residential uses in close proximity to centres.

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- Support innovative methods of re-use of vacant floorspace that may assist in improving activity levels.
- 4 **Traralgon-centric growth and investment:** Traralgon has been the focus for population growth and private sector investment; forecasts indicate that Traralgon will continue to be the major focus for population growth. Accordingly, this forecast growth will support retail development opportunities and improved performance of retailers in Traralgon. In contrast, the limited growth forecast for Moe and Morwell may reduce the prospects for significant investment in retail sectors of these towns (compared to Traralgon).
- 5 **Future retail development opportunities:** Demand for approximately 42,000m² of retail floorspace is forecast over the 2018 to 2033 period, which is anticipated to present the following retail opportunities over the next 15 years:
- Support for approximately 9,200m² of approved retail floorspace, including the Traralgon North neighbourhood centre and a small Foodworks supermarkets in Moe.
 - Indicative potential to occupy up to approximately 10,000m² of vacant floorspace in Moe CBD, Morwell CBD and Mid Valley Shopping Centre. For this to occur the overall operating environment for Moe and Morwell will need to improve in order to attract new retailers and businesses.
 - Traralgon North neighbourhood centre and the proposed small Foodworks in Moe are anticipated to account for the majority of anticipated demand for FLG floorspace. However, demand for Food, Liquor & Groceries (FLG) is very responsive to local population growth and should new residential growth areas experience rapid development and population growth, this will drive additional demand for convenience retailing, in particular FLG.
 - Incremental growth in food catering is expected to occur as activity centres continue to evolve into more important social and meeting places providing a wider range of uses than traditional retailing.
 - Potential for the development of Commercial 2 Zoned land in Traralgon and Morwell for a dedicated bulky goods retail precinct remains and should be considered in the future planning for these areas.

Note: the above forecasts of retail floorspace are indicative and intended to be used as a guide only. Changes in population, spending, retail and consume trends, and the entry of new retail formats will have an influence of forecast retail floorspace demand.

- 6 **Development of new centres in growth areas:** Numerous neighbourhood centres have been identified in Traralgon's growth areas to the east, south-east and west. Demand for these centres is unlikely to eventuate over the next 15 or so years. In essence, there is unlikely to be sufficient demand to accommodate new FLG retail development at these sites based on the forecast population growth and spending. However, these centres should continue to be identified in the retail hierarchy as potential centres, with details regarding the centre size, exact location, and timing determined when local area planning occurs. Market demand and potential impact on the retail hierarchy of any new centres should be illustrated by the developer/land owner when applying for any rezoning or planning permit.

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT

- 7 **The need for retailers and centres to respond to changing consumer and market demands:** Retail is a dynamic industry which is constantly responding to changing consumer trends. The Retail Strategy needs to ensure an appropriate level of policy flexibility is provided that enables retailers to prosper and respond to future trends. Policy flexibility is also needed in view of the potential for new retail formats or market entrants that may change the dynamics of the retail sector in Latrobe City.
- 8 **Support for small town centres:** The Strategy should consider ways to continually improve the performance of small town Centres, particularly those located in smaller settlements and subject to negligible visitation. This may involve the active promotion and development of tourism/visitation aspects.

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RETAIL STRATEGY – BACKGROUND REPORT

PART B: CENTRE PROFILES

Part B: Centre Profiles provides a high-level overview of existing regional retail centres, sub-regional retail centres, large town centres, neighbourhood centres and small town centres within Latrobe City's retail hierarchy. This overview included any relevant issues or opportunities.

Note, the role and function of each centre as part of the identified retail hierarchy for Latrobe City is described in the *Strategy and Implementation* volume of this study.

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT

14 TRARALGON CBD

Traralgon CBD is identified as the **regional retail centre** serving Latrobe City and wider Gippsland. The centre provides an expansive retail offer, as well as a wide range of entertainment, commercial, community and recreational facilities. The CBD's current role will be further strengthened by planned projects including the Latrobe Creative Precinct, Gippsland Regional Aquatic Centre and public realm and other improvements identified in the *Traralgon Activity Centre Plan* (2018) and *Traralgon Station Precinct Master Plan* (2011).

In total, approximately 77,130m² of shopfront floorspace is accommodated in the centre comprising occupied retail (62,470m² or 81% of total shopfront floorspace), office shopfront (9,700m² or 13%) and vacant shopfront (4,960 or 6%). In addition, Traralgon CBD is Latrobe City's the main commercial office location and contains a significant extent of dedicated commercial office floorspace.

Around 30% of occupied retail floorspace in Traralgon's CBD is accommodated within Stockland Traralgon – a centrally managed, internal shopping centre. Stockland Traralgon is anchored by key tenants Kmart and Coles. Key tenants located in the balance of the CBD include Woolworths, Target Country, Dan Murphy's, Harris Scarfe and Best & Less.

Traralgon's CBD is dissected by the Princes Highway. A bypass of Traralgon is planned but the timing of the project is unclear at this stage.

Table 14.1: Traralgon CBD, Shopfront Floorspace, 2018

Category	Stockland Shopping Centre	Traralgon CBD (balance)	Total
FLG	5,060m ²	7,340m ²	12,400 m ²
Food Catering	810m ²	8,780m ²	9,590m ²
<u>Non-Food</u>	<u>13,280m²</u>	<u>27,200m²</u>	<u>40,480m²</u>
Total Occupied Retail	19,150m²	43,320m²	62,470m²
Shopfront Office	0m ²	9,700m ²	9,700m ²
Total Occupied Shopfront	19,150m²	53,020	72,170
Vacant Shopfront	300m ²	4,660m ²	4,960m ²
Total Shopfront Floorspace	19,450m²	57,680m²	77,130m²
Vacant Shopfront Rate %	1.5%	8.1%	6.4%

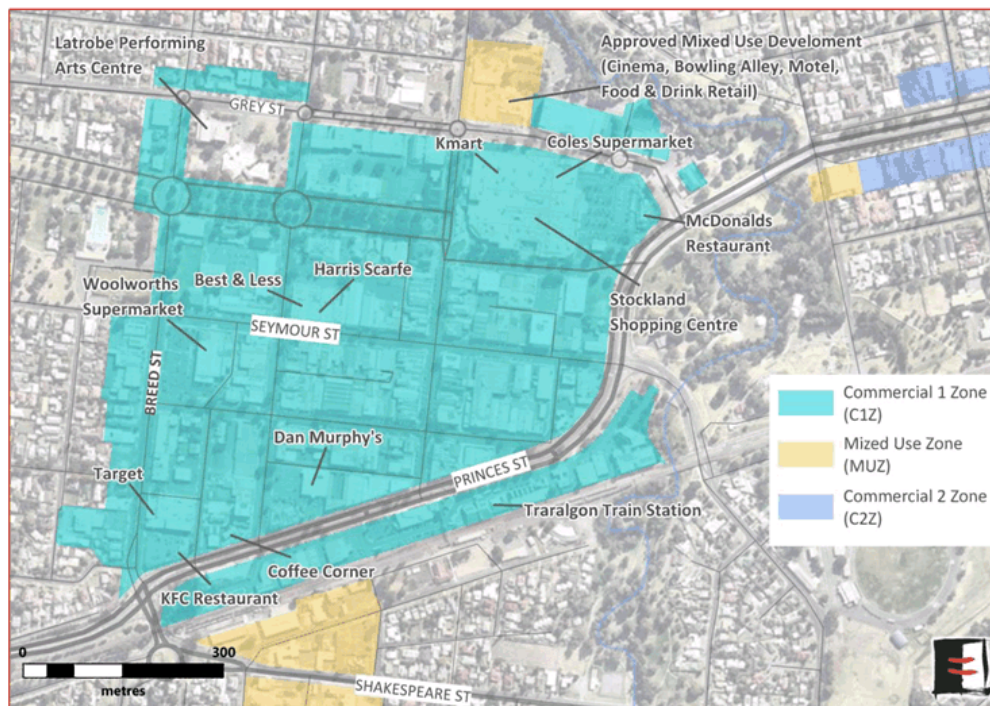
Source: Essential Economics Retail Floorspace Survey (October 2018), Australian Property Council Shopping Centre Directory (2017) & Stockland

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Centre Issues**

- Poor on-street amenity in the areas nearby the Princes Highway.
- Lack of sites to accommodate new development with large built footprints.
- Limited opportunities to expand the CBD due to highly fragmented land surrounding the centre.
- Potential for short-term impacts associated with planned bypass.
- Limited examples of heritage buildings upon which the centre's 'character' can be formed.

Centre Opportunities

- Potential to benefit from major arts, culture and recreational projects occurring in the CBD.
- Addition of a new cinema will contribute to the entertainment role of the centre, providing further opportunities for night-time activity.
- Potential to improve attractiveness and quality of the urban environment in those areas where on-street amenity is poor.
- Opportunities for mixed use development in the centre.
- Lack of opportunities to expand the centre geographically will encourage a higher density form of development.
- Planned bypass provides an opportunity for improved amenity within the centre and may contribute to its destination appeal.

Figure 14.1: Traralgon CBD (Regional Retail Centre)

Essential Economics with Nearmap, StreetPro & DELWP (PlanZone)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT

15 MORWELL CBD

Morwell CBD is one of three **sub-regional retail centres** identified in Latrobe City; the others being Moe CBD and mid Valley Shopping Centre. The centre provides a full-range of convenience retailing serving the surrounding region and workers including multiple supermarkets (Coles and ALDI), café/restaurants/takeaway food and limited range of non-food retailers.

Morwell CBD also performs an important government sector role in accommodating the Latrobe City Council offices as well as other local and state government agencies. The planned GovHub development will be located in the northern portion of Morwell's CBD.

The area immediately south of Commercial Road and west of Hazelwood Road in the southern precinct of Morwell's CBD is referred to as the 'Justice Precinct' and accommodates the Latrobe Valley Magistrates Court, Morwell Police Station, Morwell Justice Centre and lawyers/solicitors' offices amongst other aspects. Morwell's CBD also contains a limited range of entertainment, community and commercial offices.

In total, approximately 50,180m² of shopfront floorspace is accommodated in the centre comprising occupied retail (31,280m² or 62%), office shopfront (10,700m² or 21%) and vacant shopfront (8,200 or 16%). Major retailers in the centre include Coles, ALDI, Harvey Norman and Cheap as Chips.

Gippsland regional railway dissects the Morwell CBD, effectively dividing the centre into two separate precincts: a northern precinct and a southern precinct. Around 75% of occupied retail floorspace is located to the south of the rail line, with the balance (25%) accommodated in the northern precinct. The northern precinct has an extremely high vacancy rate of approximately 29.9%.

Table 17.1: Morwell CBD, Shopfront Floorspace, 2018

Category	Morwell CBD North	Morwell CBD South	Total
FLG	2,400m ²	7,150m ²	9,550m ²
Food Catering	1,940m ²	3,280m ²	5,220m ²
Non-Food	3,430m ²	13,080m ²	16,510m ²
Total Occupied Retail	7,770m²	23,510m²	31,280m²
Shopfront Office	4,170m ²	6,530m ²	10,700m ²
Total Occupied Shopfront	11,940m²	30,040m²	41,980m²
Vacant Shopfront	5,100m ²	3,100m ²	8,200m ²
Total Shopfront Floorspace	17,040m²	33,140m²	50,180m²
Vacant Shopfront Rate %	29.9%	9.4%	16.3%

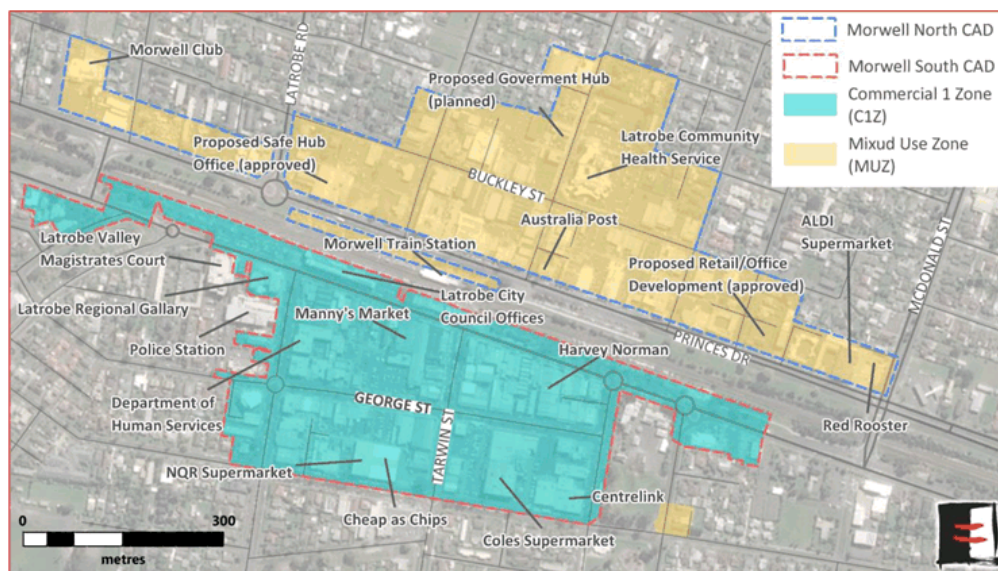
Source: Essential Economics Retail Floorspace Survey (October 2018)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Centre Issues**

- Rail line severance contributes to a disjointed CBD area comprising two separate precincts.
- Extremely high level of shopfront vacancy (29.9%) and some derelict buildings in the northern precinct detract from this area as a place to visit/invest.
- Quality of the urban environment is poor in parts – particularly within the northern precinct.
- Lack of food catering and entertainment options open during the evening hours contributes to limited activity in the evening.
- Morwell township has experienced limited population growth in recent years, this trend of limited growth is forecast to continue.
- Limited population growth along with a relatively poor market perception have contributed to limited recent private sector investment.

Centre Opportunities

- Leverage spending from planned office developments (e.g. Gov Hub) to improve the quality of the retail offer in the northern precinct.
- Activation of vacant shopfront tenancies in the short term via use as community displays.
- Lower rents provide opportunities for local entrepreneurship.
- Potential to leverage future industrial development in the region and perform a business service role.
- Encourage residential development in Morwell, including increased density in proximity to the CBD to support local retailers.
- Improvements to the quality of the building stock by encouraging new investment and the redevelopment of derelict buildings.
- Encourage greater vibrancy and on-street activity at night.
- Implement the recommendations of the Future Morwell/Future Latrobe Valley Revitalisation Plan including the proposed Morwell Circuit Development.

Figure 15.1: Morwell CBD (Sub-Regional Retail Centre)

Essential Economics with Nearmap, StreetPro & DELWP (PlanZone)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT

16 MID VALLEY SHOPPING CENTRE

Mid Valley Shopping Centre, located on Princes Drive around 2.5km east of Morwell's CBD, performs a **sub-regional retail centre** role in the Latrobe City retail hierarchy.

Comprising some 32,210m² in shopfront floorspace, Mid Valley is the largest internal shopping centre in Gippsland ahead of Stockland Traralgon (19,450m² in total shopfront floorspace) and Gippsland Centre in Sale (20,320m²).

Unlike Stockland Traralgon which forms part of the wider Traralgon CBD regional retail centre, Mid Valley is isolated from the balance of the CBD, and therefore acts as a singular retail centre (in its own right). The centre is currently anchored by Woolworths (supermarket), Big W, Dimmays and Bunnings. Village Cinemas, Latrobe City's only cinema complex is located within the centre; however, the Village Cinemas may come under increased competition stemming from the development of a proposed cinema complex in Traralgon.

Mid Valley is currently in a period of transition having recently lost anchor tenants Coles and Target in mid-2018. At the time of writing, only the Coles space has been re-tenanted (with discount retailer Dimmays). Centre management are confident the former-Target tenancy will be re-tenanted in early 2019.

Centre management's longer-term vision for Mid Valley is to draw additional patronage by promoting retail and services which is complimentary to Stockland Traralgon and other nearby centres. Accordingly, management are seeking to promote the establishment of wider mix of uses at the centre beyond retail – including allied health uses and a dedicated medical centre.

Table 16.1: Mid Valley Shopping Centre, Shopfront Floorspace, 2018

Category	Total
FLG	3,890m ²
Food Catering	680m ²
Non-Food	19,950m ²
Total Retail	24,520m²
Shopfront Office	630m ²
Total Occupied Shopfront	25,150m²
Vacant Shopfront	7,060m ²
Total Shopfront Floorspace	32,210m²
Vacant Shopfront Rate %	21.9%

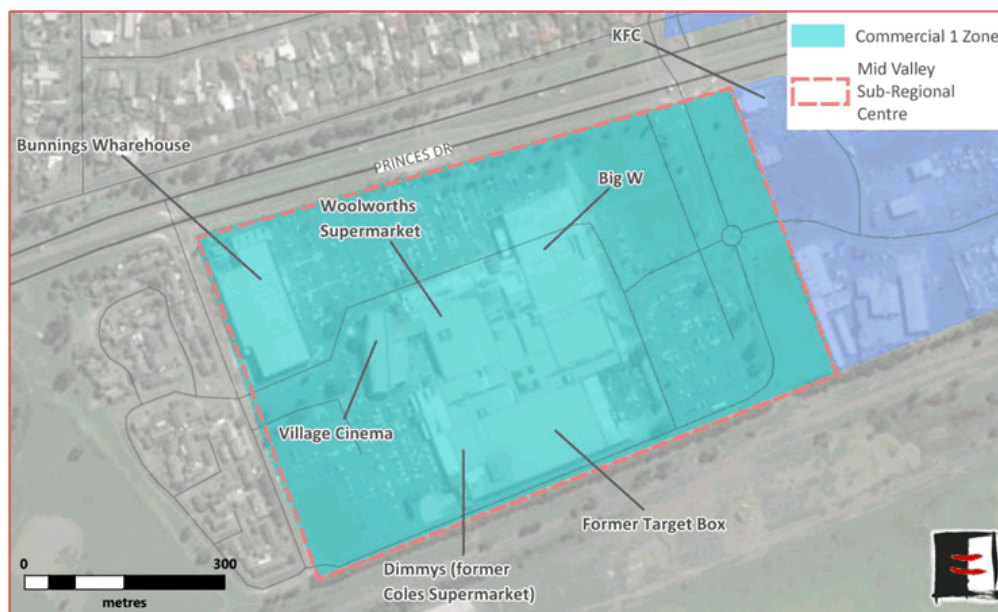
Source: Essential Economics Retail Floorspace Survey (October 2018); Mid Valley Shopping Centre

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Centre Issues**

- Strong level of competition from the Traralgon CBD (including Stockland Traralgon) and the Morwell CBD.
- Poor urban environment (particularly outdoor areas), and lack of integration between different precincts – particularly the Cinema between the main centre building.
- Recent loss of anchor tenants Coles and Target.
- The vacancy rate (21.9%) is extremely high for a centrally managed shopping centre, noting that the current rate is informed by the majority of the former Target space being vacant.
- Low historic population and spending growth in Morwell.
- The planned development of a new cinema complex in Traralgon CBD will increase the competitive pressures on the centre.

Centre Opportunities

- Opportunity to diversify retail and non-retail offering.
- Significant areas of land and car parking surrounding the centre present potential future development opportunities.
- Opportunities to build upon the centre's entertainment role, given the presence of Village Cinemas the centre provides limited complementary dining options.
- Improve the attractiveness and amenity of the centre's outdoor environs.
- Improve the legibility of the centre and connectedness of different nodes.
- Develop a complimentary land use offer to Stockland Traralgon and other nearby centres.
- Opportunity for increased local spending associated with the higher density housing planned in proximity to the centre by Live Work Latrobe – Housing Strategy (2017)

Figure 16.1: Mid Valley (Sub-Regional Retail Centre)

Essential Economics with Nearmap, StreetPro & DELWP (PlanZone)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT

17 MOE CBD

Moe's CBD performs a **sub-regional retail centre** role in the Latrobe City retail hierarchy. Like Morwell, Moe's CBD comprises separate areas to the north and south of the Gippsland regional rail line which runs east-west through the town. Moe's CBD provides retail services at the sub-regional level serving a primary trade area that comprises Moe-Newborough and immediate surrounds.

In total, the centre comprises 46,560m² of total shopfront floor space, with occupied retail space accounting for 34,930m² or (75% of total floorspace). Anchor tenants include full-line Woolworths and Coles supermarkets, ALDI (supermarket), Harvey Norman and Kmart (discount department store). Moe CBD also provides a range of civic, community and entertainment facilities and services (eg. library, hotels, RSL, employment services, etc); and a commercial office sector focusing on business and personal services commercial space (eg. Banks, accountants, real estate, insurance, etc).

The majority (92% or 32,250m²) of total occupied retail floorspace is located to the north of the rail line, while the balance (8% or 2,680m²) located in the southern area. The northern area has a shopfront vacancy rate of 10.2% which is reasonably high for a regional centre with a sub-regional service role. The area to the south of the rail line is characterised by a significantly higher shopfront vacancy rate (16.1%) and a lack of new investment.

Table 19.1: Moe CBD, Shopfront Floorspace, 2018

Category	Moe CAD North	Moe CAD South	Total
FLG	8,840m ²	180m ²	9,020m ²
Food Catering	3,590m ²	590m ²	4,180m ²
Non-Food	19,820m ²	1,910m ²	21,730m ²
Total Occupied Retail	32,250m²	2,680m²	34,930m²
Shopfront Office	4,900m ²	1,660m ²	6,560m ²
Total Occupied Shopfront	37,150m²	4,340m²	41,490m²
Vacant Shopfront	4,240m ²	830m ²	5,070m ²
Total Shopfront Floorspace	41,390m²	5,170m²	46,560m²
Vacant Shopfront Rate %	10.2%	16.1%	10.9%

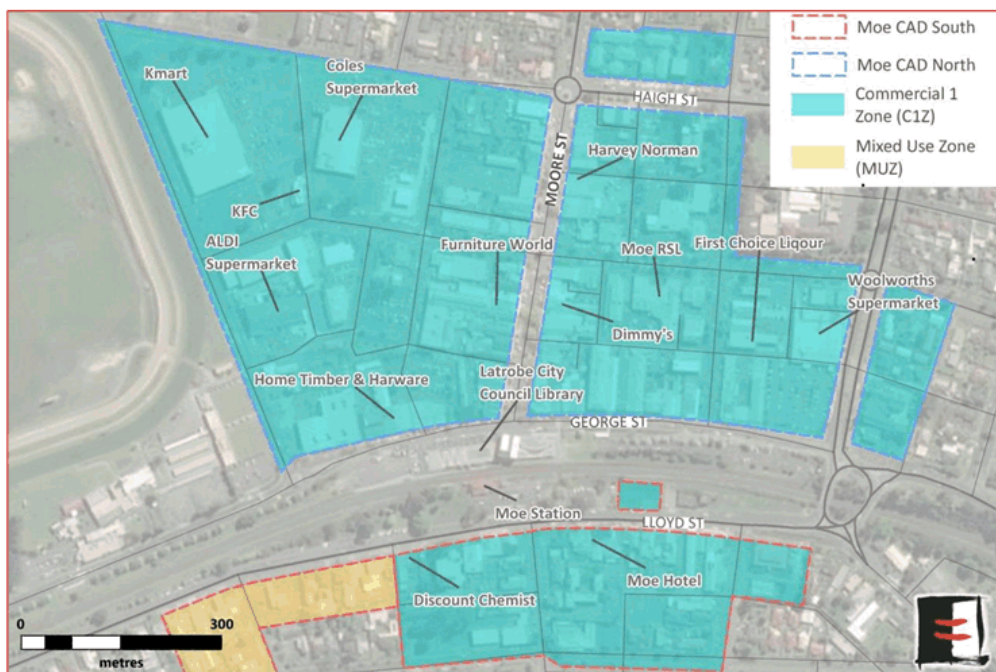
Source: Essential Economics Retail Floorspace Survey (October 2018)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Centre Issues**

- The quality of the public realm and built form is poor in parts contributing to a 'tired appearance' of the centre as-a-whole.
- Rail line severance contributes to a disjointed CBD area comprising two separate precincts.
- The smaller southern precinct lacks anchor tenants and has a high shopfront vacancy rate (16.1%).
- Lack of integration of major tenants with other nearby businesses, especially Coles and Kmart, limits the ability of smaller businesses to leverage the customer activity generated from anchor tenants.
- Limited population growth along with a relatively poor market perception have contributed to limited recent private sector investment.

Centre Opportunities

- Improve connectedness of major anchor tenants with nearby businesses.
- Improving the 'destination appeal', of the CBD area for Moe residents and visitors through urban design works that improve attractiveness, comfort and connectedness.
- Improve the quality of the building stock by encouraging new investment and the redevelopment of derelict buildings.
- Potential to consider a revised role of the CBD area to the south of the railway line.
- Increased local population growth and spending associated with the potential residential development at Lake Narracan.

Figure 17.1: Moe CBD (Sub-Regional Retail Centre)

Essential Economics with Nearmap, StreetPro & DEWLP (PlanZone)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT

18 CHURCHILL

Churchill performs the role of **large town centre** in the Latrobe City retail hierarchy and provides a range of retail geared to service local resident's daily convenience needs. Churchill town centre comprises 8,640m² in total shopfront floorspace with occupied retail floor space comprising some 7,780m² (or 90% of total shopfront area).

The centre has a very low shopfront vacancy rate of 1.9% and is characterised by reasonably strong average trading levels. A Woolworths supermarket, Richie's Supa IGA (supermarket) and Richie's Mitre Ten are the anchor retail tenants. Other non-retail uses include a hotel (pub), Australia Post, the Latrobe City Churchill Library and the Federation University Children's Centre.

Churchill township is unique in the Latrobe City context in that it accommodates a major university campus (Federation University). The centre duly captures a share of trade from those university students living on campus during teaching periods. Churchill also provides a range of local services including a medical centre and childcare facilities.

Note, Churchill township also contains a local centre (located off Churinga Drive) which serves a purely convenience role for those residents in the south-eastern area of the township.

Table 18.1: Churchill Neighbourhood Centre, Shopfront Floorspace, 2018

Category	Total
FLG	5,050m ²
Food Catering	1,100m ²
<u>Non-Food</u>	<u>1,630m²</u>
Total Retail	7,780m²
Shopfront Office	700m ²
Total Occupied Shopfront	8,480m²
Vacant Shopfront	160m ²
Total Shopfront Floorspace	8,640m²
Vacant Shopfront Rate %	1.9%

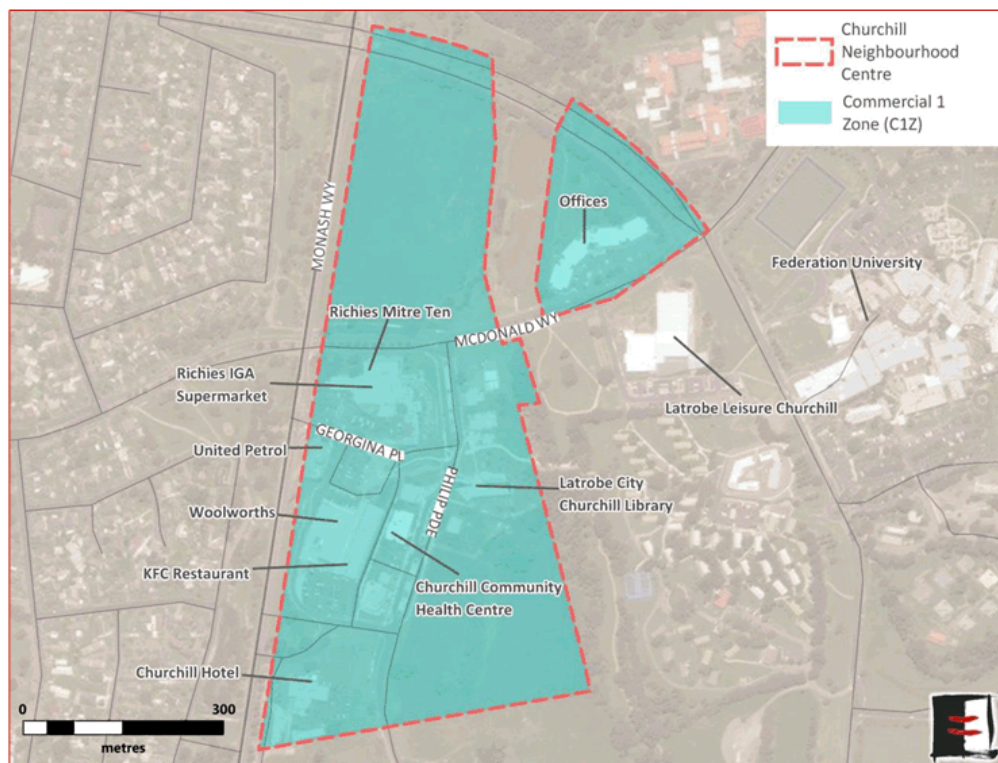
Source: Essential Economics Retail Floorspace Survey (October 2018)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Centre Issues**

- Existing centre is surrounded to the north, east and south by significant areas of vacant land zoned Commercial 1 and Residential Growth Zone, which at present limits the walkability of the centre from these directions.
- No other significant issues are apparent for this centre in the context of its identified neighbourhood service role.

Centre Opportunities

- Potential new retail development and/or growth in current sales levels generated by ongoing urban development in the township.
- Churchill West Development Plan – an 87-hectare site (approx.) planned to accommodate some 670 lots when fully developed, is noted in this context.
- In addition, significant areas of vacant land surround the centre that may be available for development in the future.
- The Churchill Town Centre Plan was completed in 2007, potential exists to review the plan in the context of changes that have occurred over the past 10 or so years.

Figure 18.1: Churchill (Neighbourhood Centre)

Essential Economics with Nearmap, StreetPro & PlanZone

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT

19 NEWBOROUGH (MONASH ROAD)

A small neighbourhood centre is located at the junction of Monash Road and Rutherglen Road in Newborough which provides a limited range of convenience retail for local residents.

The centre comprises approximately 4,460m² in total shopfront floorspace, of which, approximately 62% currently accommodates retail uses. Around 26% of the centre's shopfront floorspace is occupied by office uses – a significantly high rate of shopfront office for a neighbourhood centre of this scale.

Newborough Hotel (or pub) is the centre's predominant focal point, while Rutherglen Street provides a limited range of speciality food and grocery retailers, cafe and takeaway shops, as well as non-food providers in smaller shopfront tenancies. Although the centre's shopfront vacancy rate is relatively high at 12.4%, this does not significantly detract from the appearance or function of the centre.

Note: Newborough also contains a local centre (located off Boolarra Avenue and Darlimurla Avenue) which serves a purely convenience role for those residents in Newborough's north-eastern area. This local centre contains around 830m² of occupied retail floorspace and is anchored by a small FoodWorks.

Table 19.1: Newborough (Monash Road), Shopfront Floorspace, 2018

Category	Total
FLG	130m ²
Food Catering	370m ²
Non-Food	2,250m ²
Total Occupied Retail	2,750m²
Shopfront Office	1,160m ²
Total Occupied Shopfront	3,910m²
Vacant Shopfront	550m ²
Total Shopfront Floorspace	4,460m²
Vacant Shopfront Rate %	12.3%

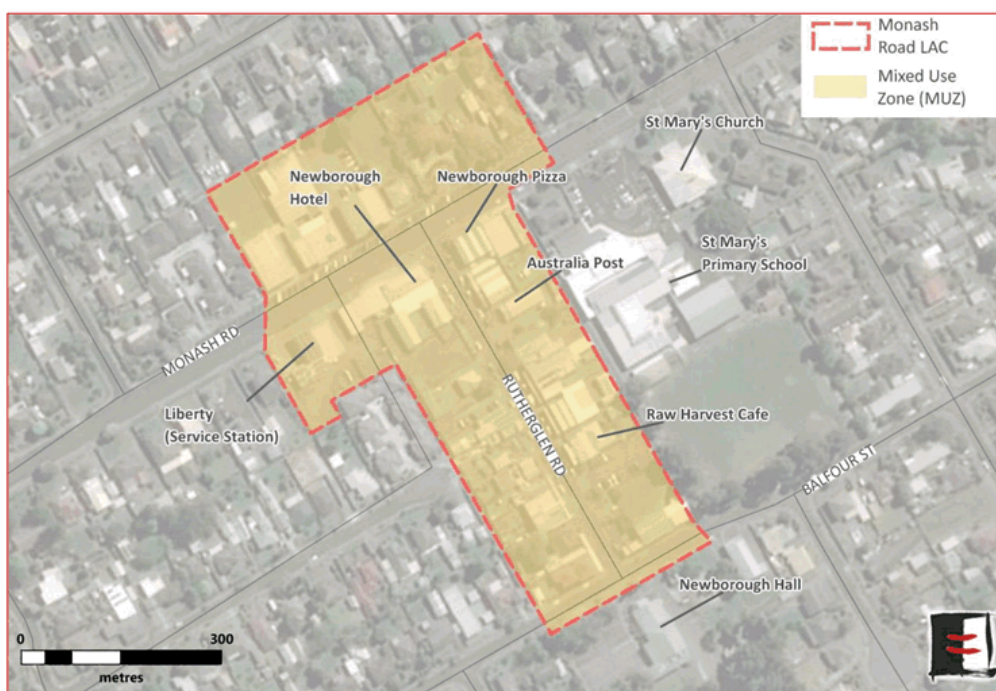
Source: Essential Economics Retail Floorspace Survey (October 2018)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Centre Issues**

- Relatively high vacant shopfront rate of 12.3%.
- Development of residential uses along Rutherglen Street without active shopfronts.
- Limited population growth in immediate surrounding area.
- Lack of a strong performing anchor tenant.

Centre Opportunities

- Affordable rentals provide opportunities for local entrepreneurship.
- Potential to consider branding of the centre around local produce, having regard for the recent attraction of new businesses (e.g. Raw Harvest Café) that have a focus on local produce, and presence of a (albeit) small vineyard within the centre.
- Increase in local population growth and spending in Moe-Newborough (as-a-whole) associated with the potential development of Lake Narracan.

Figure 19.1: Monash Road – Newborough (Neighbourhood Retail Centre)

Essential Economics with Nearmap, StreetPro & DELWP (PlanZone)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT

20 SMALL TOWN CENTRES

20.1 Glengarry

The rural township of Glengarry is located approximately 8km north-east of Traralgon and contains approximately 650 persons (2018 estimate). The townships limited retail offer is convenience based and geared to servicing residents and visitors. Glengarry is surrounded by agricultural land and some rural living lots.

While the Glengarry accommodates a small IGA (Plus Liquor) supermarket, the renowned Glengarry Bakery/Café is considered a major retail focal point and attracts visitors from through the Latrobe City area and beyond. The success of this business stands as a reminder that highly successful retail businesses can be established in small rural towns. Other retail uses in the town includes two hairdressing businesses and the Glengarry Post Office.

Other notable land uses in Glengarry include the Commercial Hotel, Glengarry Primary School and a preschool. An approved development plan for 130 lots would potentially add some 300 persons (approx.) to the towns residential population and increase the local spending base. Note, as-yet no development activity has occurred.

Table 20.1: Glengarry, Shopfront Floorspace, 2018

Category	Total
FLG	460m ²
Food Catering	0m ²
Non-Food	390m ²
Total Retail	850m²
Shopfront Office	0m ²
Total Occupied Shopfront	300m²
Vacant Shopfront	60m ²
Total Shopfront Floorspace	910m²
Vacant Shopfront Rate %	6.6%

Source: Essential Economics Retail Floorspace Survey (October 2018)

Figure 20.1: Glengarry (Town Centre)



Essential Economics with StreetPro & DELWP (PlanZone)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT

20.2 Yallourn North

Yallourn North is a township of approximately 1,120 persons (2018 estimate) located immediately north-west of the Yallourn North Open Cut (Coal Mine) and some 6km north-east of Moe-Newborough. The Yallourn Power Station facility is located only 2km south-west of the township.

Consistent with Yallourn North's current population level, the retail offer is local-convenience based. In total, the township contains approximately 900m² of shopfront floorspace comprising 750m² occupied retail (62% of total shopfront floorspace) and 150m² of vacant shopfront (17%).

The town's retail businesses comprise a small Foodworks (supermarket) and newsagency, as well as two café/takeaway shops and a community op-shop. Non-retail uses include The Yallourn North Hotel, Yallourn North District Historical Society (museum), a primary school and a swimming pool.

Retail and commercial businesses in Yallourn North are dispersed between two separate nodes. The Foodworks, which is the major tenant in the centre is located on North Road, while a group of shops is located approximately 220m to the south which is integrated with a park and surrounding recreational uses. The centre would benefit from consolidating its retail and commercial areas.

The centre provides local convenience retailing for the immediate surrounding population. In light of limited local population growth, the centre future viability will rely on the centre continuing to meet the needs of the local population as well as attracting visitor spending from further afield. At present, the centre does not have enough 'destinational appeal' to attract a large degree of visitation.

Table 20.2: Yallourn North, Shopfront Floorspace, 2018

Category	Total
FLG	410m ²
Food Catering	220m ²
Non-Food	120m ²
Total Retail	750m²
Shopfront Office	0m ²
Total Occupied Shopfront	750m²
Vacant Shopfront	150m ²
Total Shopfront Floorspace	900m²
Vacant Shopfront Rate %	16.7%

Source: Essential Economics Retail Floorspace Survey (October 2018)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Figure 20.2: Yallourn North (Town Centre)**

Essential Economics with StreetPro & DELWP (PlanZone)

20.3 Boolarra

Boolarra is a small township nestled in the Strzelecki Ranges around 20km south-west of Morwell containing some 570 persons (2018 estimate). The township is renowned for the iconic Boolarra Folk Festival held annually at the town's recreation reserve in March.

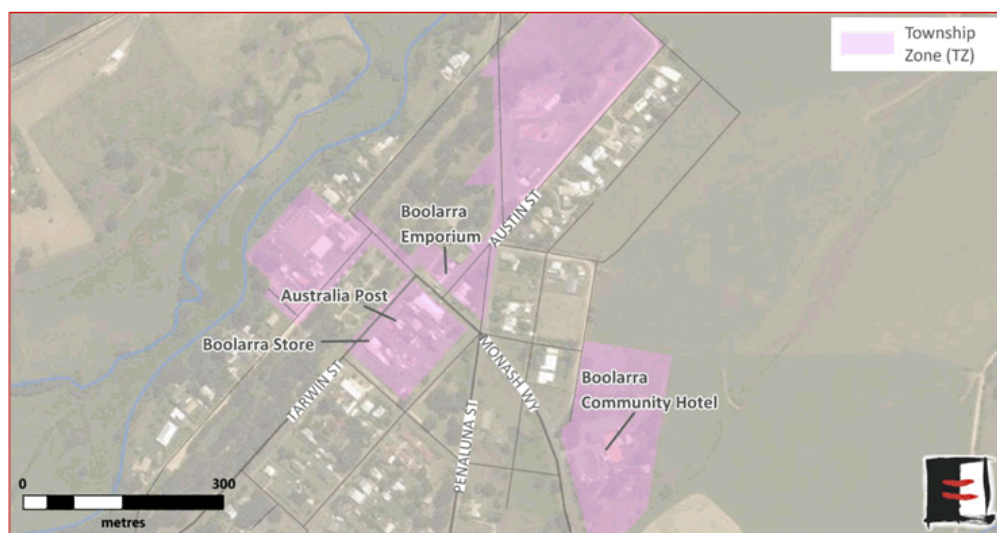
Boolarra's retail offer currently comprises: the Boolarra General Store/Takeaway, the Boolarra Emporium (antiques and homewares) and limited retail within the Post Office. Although not categorised as a retail use for the purposes of this study, the Boolarra Community Hotel is a significant community focal point for local dining and entertainment.

No stand-alone food-catering businesses are currently accommodated by the township. Accordingly, potential may exist for the establishment of a 'destination' restaurant or café that leverages the township's idyllic rural setting to attract visitors. Note, the experience of the operator and attributes of the specific site are amongst a range of factors that would this kind of business proposition's success in the long term.

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Table 20.3: Boolarra Town Centre, Shopfront Floorspace, 2018**

Category	Total
FLG	180m ²
Food Catering	0m ²
Non-Food	120m ²
Total Retail	300m²
Shopfront Office	0m ²
Total Occupied Shopfront	300m²
Vacant Shopfront	30m ²
Total Shopfront Floorspace	330m²
Vacant Shopfront Rate %	9.1%

Source: Essential Economics Retail Floorspace Survey (October 2018)

Figure 20.3: Boolarra (Town Centre)

Essential Economics with StreetPro & DELWP (PlanZone)

20.4 Yinnar

Yinnar is a small rural township of approximately 610 persons located in the Morwell River Valley some 16km south of Morwell by road. The township provides convenience retail services for the immediate surrounding agricultural area, as well as some recreational and community facilities (including Yinnar Bowls Club as well as a primary school). Gradual development of a small residential sub-division has contributed to population growth in the township over the last 5 or so years.

Yinnar contains approximately 660m² of shopfront floorspace of which 620m² is retail floorspace. The balance comprises one small office. No shopfronts are currently vacant, although some residential buildings not categorised as 'shopfronts' may have been used as shopfronts historically.

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT

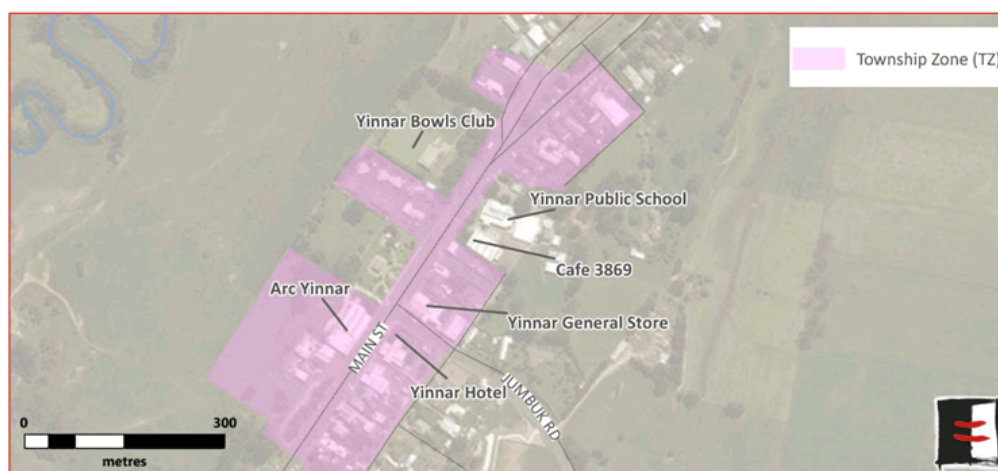
The township's retail businesses include: a general store/post office, a butcher's shop (Webster's Butchery), a small café (Café 3869) and a painting and ceramics shop. A hardware store, and an art gallery (Arc Yinnar) also contains retail components. In addition, Yinnar Fuel & Farm supplies and Yinnar Hotel – classified as non-retail for the purposes of this study – are also significant businesses in the township.

Table 20.4: Yinnar, Shopfront Floorspace, 2018

Category	Total
FLG	320m ²
Food Catering	80m ²
Non-Food	220m ²
Total Retail	620m²
Shopfront Office	40m ²
Total Occupied Shopfront	660m²
Vacant Shopfront	0m ²
Total Shopfront Floorspace	660m²
Vacant Shopfront Rate %	0.0%

Source: Essential Economics Retail Floorspace Survey (October 2018)

Figure 20.4: Yinnar (Town Centre)



Essential Economics with StreetPro & PlanZone

20.5 Tyers

Tyers is a small settlement of approximately 190 persons (2018 estimate), located at the foot of the Tyers park area, some 7km north-west of the Traralgon CBD. The immediate surrounding land is rural-living or agricultural in nature. The settlement's retail and commercial offering is limited to a general store/service station and a post office. Tyers currently has no vacant shopfront or office shopfront tenancies. Non-retail uses of note located in Tyers include a preschool and primary school.

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RETAIL STRATEGY – BACKGROUND REPORT

An approved DP (The Acreage) covering an area of approximately 67 hectares is located immediately north-west of the existing settlement and would deliver 80 lots when fully developed. Two houses are currently under-construction.

Tyers receives a significant volume of through traffic to/from Mt Baw Baw alpine area and Walhalla (historic settlement). Accordingly, there may be an opportunity for the establishment of additional retail uses (such as a small café/coffee shop) which captures trade associated with this traffic.

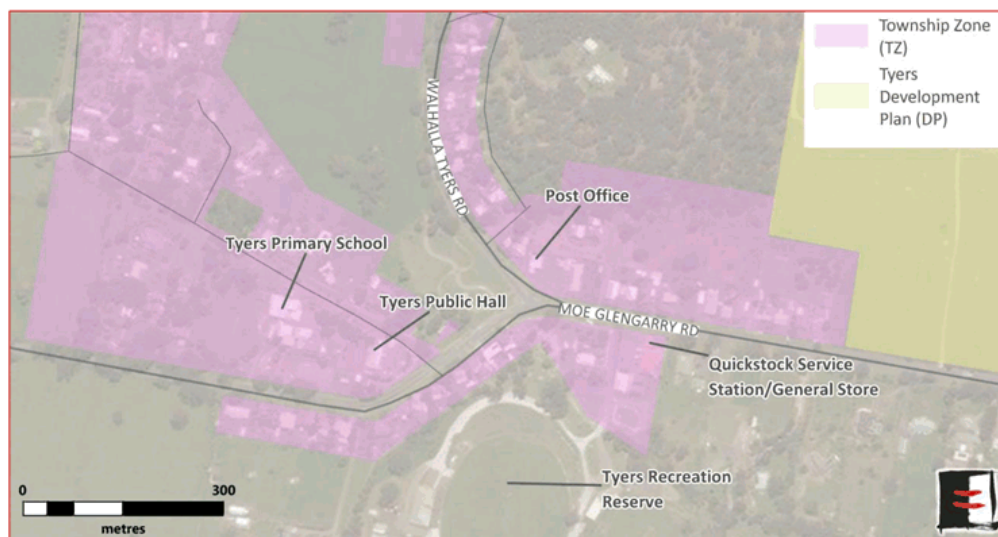
Note, commercial development in township is limited by a number of site-specific factors including access to water/sewage infrastructure, the Australian Paper Mill odour buffer and bushfire risk.

Table 20.5: Tyers, Shopfront Floorspace, 2018

Category	Total
FLG	400m ²
Food Catering	0m ²
Non-Food	160m ²
Total Retail	560m²
Shopfront Office	0m ²
Total Occupied Shopfront	560m²
Vacant Shopfront	0m ²
Total Shopfront Floorspace	560m²
Vacant Shopfront Rate %	0.0%

Source: Essential Economics Retail Floorspace Survey (October 2018)

Figure 20.5: Tyers



Essential Economics with StreetPro & DELWP (PlanZone)

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RETAIL STRATEGY – BACKGROUND REPORT

20.6 Toongabbie

Toongabbie sits at the foot of the Great Dividing Range some 17km north-east of Traralgon and has a population of approximately 500 persons (2018 estimate). The sole retailer in the township is a general store comprising built floorspace of approximately 120m² (the general store also contains fuel and post office). The continuation of a retail presence in Toongabbie is important in order to provide day-to-day convenience items and services, as well to retain a community focal point within the town.

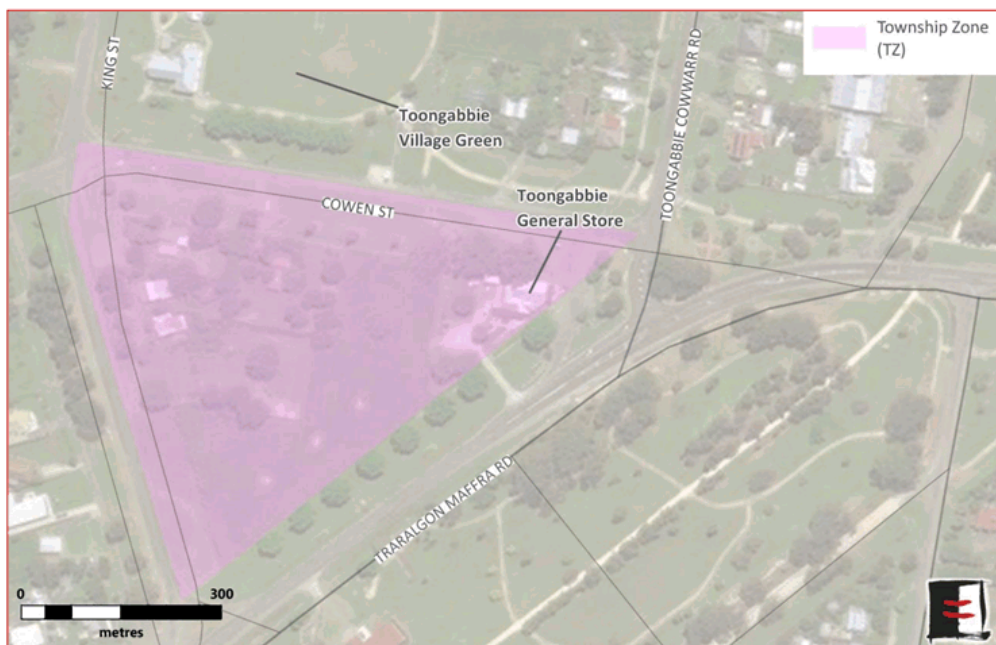
Non-retail land uses of note in Toongabbie include a golf course, primary school and recreation reserve.

The idyllic Toongabbie Village Green, the Gippsland Plains Rail Trail and the nearby Conwarr Weir may present opportunities to generate additional retail trade associated with visitation to the town. It is understood that the provision of appropriate water/sewage infrastructure is a barrier to development on some sites.

Table 20.6: Toongabbie, Shopfront Floorspace, 2018

Category	Total
FLG	120m ²
Food Catering	0m ²
Non-Food	0m ²
Total Retail	120m²
Shopfront Office	0m ²
Total Occupied Shopfront	120m²
Vacant Shopfront	0m ²
Total Shopfront Floorspace	120m²
Vacant Shopfront Rate %	0.0%

Source: Essential Economics Retail Floorspace Survey (October 2018)

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Figure 20.6: Toongabbie (Town Centre)**

Essential Economics with StreetPro & DELWP (PlanZone)

20.7 Traralgon South

Traralgon South is a small settlement nestled in the Strzelecki Ranges comprising some 530 persons (2018 estimate). The settlement is located approximately 11km south of Traralgon adjacent the Traralgon Creek Road. The surrounding land is rural-living and agricultural in nature.

The current retail offer of Traralgon South comprises one business: a general store/takeaway shop with a fuel component, located off Morgans Drive. The settlement also contains a primary school, recreation reserve and men's shed (community facility).

It is important that Traralgon South maintains a convenience retail presence. Like other small-town centres that serve areas where limited population growth is expected in the future, the future viability of retail businesses will rely on operators meeting the needs of local residents as well as attracting visitors from further afield.

Again, the provision of water/sewage infrastructure and limits the development potential of some sites.

LATROBE CITY
RETAIL STRATEGY – BACKGROUND REPORT**Table 20.7: Traralgon South, Shopfront Floorspace, 2018**

Category	Total
FLG	150m ²
Food Catering	0m ²
Non-Food	0m ²
Total Retail	150m²
Shopfront Office	0m ²
Total Occupied Shopfront	150m²
Vacant Shopfront	0m ²
Total Shopfront Floorspace	150m²
Vacant Shopfront Rate %	0.0%

Source: Essential Economics Retail Floorspace Survey (October 2018)

Figure 20.7: Traralgon South (Town Centre)

Essential Economics with StreetPro & DELWP (PlanZone)



ESSENTIAL ECONOMICS

Latrobe City Council

Retail Strategy

STRATEGY AND IMPLEMENTATION PLAN

FINAL REPORT

Prepared for



by

Essential Economics Pty Ltd (Ethos Urban)

March 2020

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Final draft report	Nick Brisbane	11 April 2019		
Final report V1	Jack O'Connor	14 May 2019		
Final report V2	Jack O'Connor	18 June 2019		
Final report V3	Jack O'Connor	16 March 2020		

Disclaimer

Every effort has been made to ensure the accuracy of the material and the integrity of the analysis presented in this report. However, Essential Economics Pty Ltd accepts no liability for any actions taken on the basis of report contents.

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EXECUTIVE SUMMARY

Strategy Background

Latrobe City Council engaged Essential Economics and Ethos Urban to prepare the Latrobe City Retail Strategy (the Retail Strategy) which provides the strategic basis to co-ordinate future planning and development of the municipality's retail sector and activity centres.

The Retail Strategy comprises two documents which should be read in conjunction:

- A **Background Research and Analysis Report** (the **Background Report**) which provides the analytical basis and background research supporting the Retail Strategy; and
- The **Retail Strategy & Implementation Plan (this document)** providing the vision, objectives and actions to guide future decision-making with respect to retail centre development.

Latrobe City Retail Strategy Context

Latrobe City is located in the Gippsland region of Victoria, just under two hours' drive from metropolitan Melbourne. The municipality's four major towns – Moe-Newborough, Morwell, Traralgon and Churchill – function as a networked 'regional city' by virtue of their relative proximity and interconnectedness. Refer Latrobe City Settlement Hierarchy (figure on the following page).

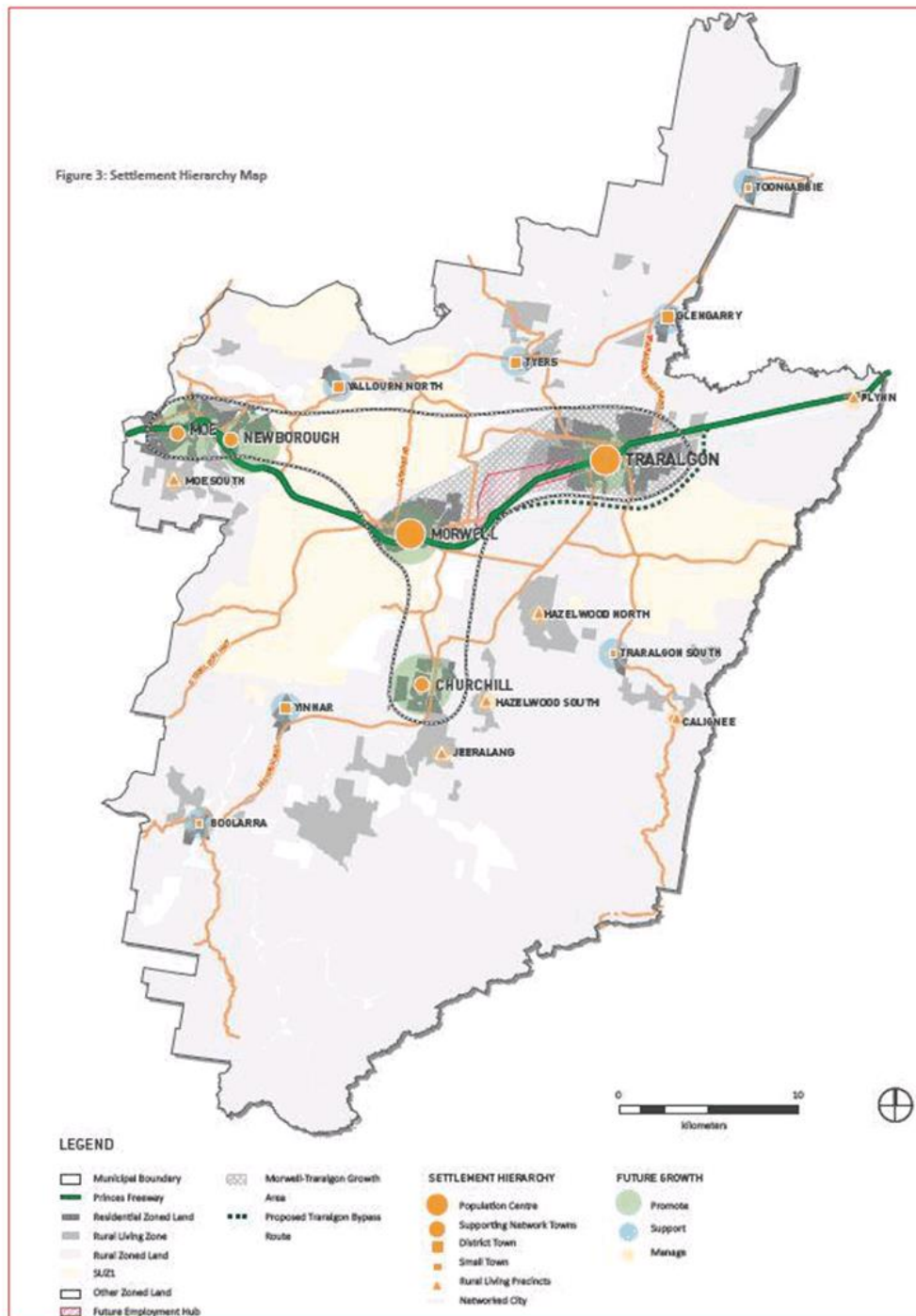
Population growth is a major factor that drives demand for new retail development. Latrobe City's population is forecast to increase by +8,720 persons over the next 15 years (to 2033). For reference, a catchment of 8,000-10,000 persons typically supports a full-line supermarket. Growth is projected to be broadly in-line with recent historic trends, with Traralgon to accommodate the majority of forecast growth.

Demand for approximately +42,000m² of additional retail floorspace is forecast over the 2018-2033 period, with the majority of additional retail floorspace (+35,000m²) attributed to non-food retailers, retail services and bulky goods retailing.

Accounting for approved developments (which amount to some 9,000m² of floorspace) and potential for existing vacant floorspace to absorb up 10,000m² in future demand, potential exists for approximately +23,000m² in new retail floorspace. As noted above, the majority of this floorspace demand is for non-food merchandise. Consequently, limited scope exists for new local or neighbourhood centres to be developed (outside of already approved developments) in the 15-year horizon due to the limited anticipated demand for food, liquor and groceries retail.

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Latrobe City Settlement Hierarchy



Source: Latrobe City Council

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Key Considerations for the Retail Strategy

The **Latrobe Retail Strategy – Background Report** highlights a number of important considerations that form the basis for the preparation of this Strategy and Implementation Plan:

- The Planning Policy Framework and Local Planning Policy Framework provide a robust strategic basis which the Latrobe Retail Strategy can build upon.
- Latrobe City contains an established hierarchy of retail centres which is a legacy of historic urban development and significant investments in the retail and commercial sectors and urban infrastructure.
- Traralgon has been the historic focal point for population growth and private sector investment in Latrobe City; forecasts indicate that Traralgon will continue to be the major focus for population growth in the municipality.
- A number of centres in Latrobe City are currently experiencing high retail vacancy rates, including Moe CBD (south of the railway line), Morwell CBD (north of the railway line), Mid Valley Shopping Centre, and a number of local centres.
- Current trends influencing the retail sector include demographic changes, an historically high level of household debt, the emergence of online shopping and digital platforms, and increased competitive pressures from new retail formats and market entrants.
- Local centres and small town centres play an important role in providing convenience retail for residents. Local centres are particularly vulnerable to competitive pressures from higher-order centres and can suffer from high vacancies and dereliction. Retailing in small towns is often supported by the spending of tourists and other visitors.
- Retail trade is the second largest sector (after Health Care & Social Assistance) in Latrobe City's economy and will play an important role in the broader transition of Latrobe City's economy to a more diverse economic base.

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Latrobe City Retail Strategy Vision

Latrobe City's vibrant retail centres provide access to retail services for residents and visitors, contribute to the municipality's diversified employment and economic base, and are places where community members meet and interact. Collectively, the role and function of individual retail centres is complementary in nature, supporting the viability of individual centres in view of Latrobe City's unique settlement structure and function as a regional 'networked city'.

Local and Neighbourhood Centres foster liveability through their accessibility and convenience, while higher-order centres provide an expanded range of products, services, brands and experiences expected in a Regional City. Rural town centres, both small and large, facilitate local access to convenience retail, are also places of interest for visitors, and support community solidarity.

Retailers and centres are at the forefront of new trends and respond to the ever-changing nature of retailing, including changes in consumer preferences and new market entrants.

Objectives and Implementation Plan

The following six Objectives are derived from the Vision Statement and form the basis of the Action and Implementation Plans:

- Objective 1:** Support the viability of Latrobe City's Retail Centre Hierarchy.
- Objective 2:** Support the trading performance and viability of Latrobe City's higher-order retail centres.
- Objective 3:** Ensure convenient and accessible retail services through viable neighbourhood centres, small town centres and local centres.
- Objective 4:** Reduce retail vacancy rates and improve trading performance of under-performing centres.
- Objective 5:** Ensure retail centres in Latrobe City are well-designed places where people enjoy shopping, doing business and participating in community activities.
- Objective 6:** Support a dynamic retail sector that is responsive to changing consumer preferences and market trends.

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Latrobe City Retail Centre Hierarchy

Retail centres form part of a 'hierarchy' of centres, with different levels or centre categories within the hierarchy performing different roles and functions. Larger centres perform higher-order functions in the delivery of regional and sub-regional services, while smaller centres perform functions that are typically focused at the neighbourhood or local level. Collectively, retail centres form a network of centres that provide residents and visitors with convenient access to essential facilities and services.

The identification of a retail hierarchy in land use planning and development policy is a means of:

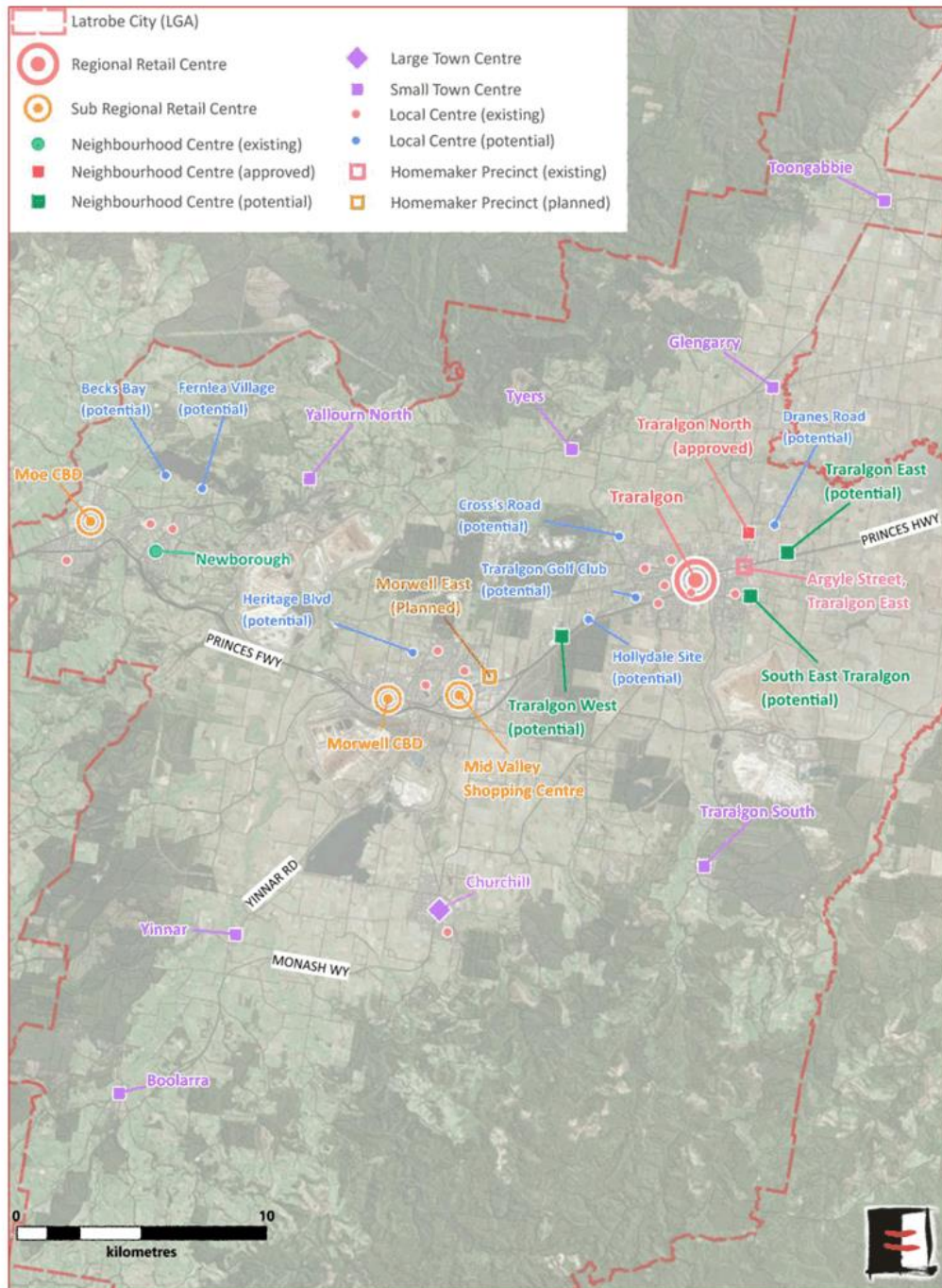
- Providing high-level guidance in terms of the location, scale and nature of investment and land uses intended for retail centres.
- Ensuring policy reflects the very different but complementary role and function of various centres within the hierarchy.
- Creating a coherent network of retail centres which meet the various needs of the community at the locations where these needs can, and should, be met.
- Directing the planning and provision of transport infrastructure and other aspects of urban development influenced by retail centres.

The hierarchy of retail centres in Latrobe City consists of the following:

- One Regional Retail Centre (Traralgon CBD)
- Three Sub-Regional Retail Centres (Moe CBD, Morwell CBD, Mid Valley)
- One Large Town Centre (Churchill)
- One existing Neighbourhood Centre (Newborough – junction of Monash Rd and Rutherglen Rd), one approved (Traralgon North) and three potential (Traralgon East, South East Traralgon, and Traralgon West)
- Seven Small Town Centres (Glengarry, Yallourn North, Boolarra, Yinnar, Tyers, Traralgon South and Toongabbie)
- Numerous Local Centres (eg. Henry Street, Traralgon)
- One existing Homemaker Precinct (Argyle Street, Traralgon) and one planned (Morwell East).

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Latrobe City Retail Hierarchy



Essential Economics with Map Info, Streetpro and BingMaps

Note: Further work will be required to determine the exact location of 'potential' centres.

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INTRODUCTION

Latrobe City Council commissioned Essential Economics and Ethos Urban to prepare the Latrobe City Retail Strategy 2019 (the Retail Strategy). The purpose of the Retail Strategy is to provide the strategic basis to co-ordinate the future planning and development of retailing in Latrobe City.

The previous municipal-wide strategic assessment of the Latrobe City's retail sector was the *Latrobe City Council Retail Strategy Review*, undertaken by MacroPlan in 2007. Now is an opportune time to prepare a new Retail Strategy in view of the passage of time (11 years), changes in the strategic planning context at both a State and Local level, and new trends affecting the retail sector.

Purpose

The main purpose of this Strategy is as follows:

- 1 To guide retail planning and development in Latrobe City over the next 15 years.
- 2 To provide an indication of the retail development opportunities for the City to 2033, including the quantum and type of new retail floorspace that may be supported.
- 3 To provide guidance on the appropriate location, format and timing of future retail development.
- 4 To identify a retail (or centres) hierarchy, as well as an overarching vision, objectives and actions that will guide the future planning and development in Latrobe City.
- 5 To identify and make recommendations for modifications to the Local Planning Policy Framework in the Latrobe Planning Scheme to provide guidance for assessing development applications.

Report Format

The Retail Strategy comprises two documents which should be read in conjunction:

- A **Background Report** providing the background research and analysis, including a detailed assessment of the demand and supply for retail development. The Background Report comprises two parts:
 - Part A – Background Report and Analysis – outlines the locational, economic, development and policy aspects that currently influence the planning and development of retail and activity centres in Latrobe City.
 - Part B – Centre Profiles – provides an overview of each main retail centre in Latrobe including layout, key statistics, issues and opportunities.

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Preparation of the Background Report was informed by detailed fieldwork, including a survey of retail floorspace of Latrobe City retail centres undertaken by the Consultant in September 2018, as well as stakeholder engagement workshops and one-on-one interviews with local businesses and government representatives (undertaken in October 2018). Issues and opportunities associated with Latrobe City's retail and activity centres were identified and discussed during consultations.

- The **Retail Strategy & Implementation Plan (this document)** which identifies the future hierarchy and roles of retail centres in the Latrobe City, and provides the overarching vision, objectives and actions to guide future decision-making, planning and development of the municipality's retail sector. In addition, high-level statutory planning input is provided regarding possible modifications to the Planning Policy Framework arising from recommendations and actions outlined in the Retail Strategy.

This Report

This Report (the **Retail Strategy & Implementation Plan**) includes the following content:

- 1 An overview of the **Latrobe City Retail Strategy Context**.
- 2 An overview of the **Retail Market Outlook for Latrobe City** based on research and analysis provided in the Background Report.
- 3 A summary of the **Key Considerations** derived from the analysis and discussion provided in the Background Report.
- 4 A **Vision Statement** which provides the overarching guidance for future retail development and planning in Latrobe City.
- 5 A description of the **Latrobe City Retail Hierarchy**, including the preferred roles of each centre type.
- 6 A set of **Objectives** to contribute to the realisation of the Vision and provide additional guidance.
- 7 An inventory of detailed **Actions** – suggested measures to achieve the Objectives, as well as associated **Implementation Plans** which identify roles, responsibilities and timing.
- 8 An outline of **Planning Considerations** relating to the Local Planning Policy Framework from a statutory planning perspective.
- 9 A set of **Retail Planning Assessment Criteria** which provides guidance on assessing retail development applications.
- 10 A process for **Monitoring and Review**.

This Strategy should be read in conjunction with other strategies and policies adopted by Latrobe City Council.

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Terms and Definitions

Retail Activities

Retail activity is defined according to the Australian Bureau of Statistics (ABS) classification adopted for the 1991/92 Retail and Services Census but excludes garden supplies, marine equipment and motor vehicle and related traders. This definition of retail is consistent with the normal practice for undertaking retail-economic analysis in Australia.

Retail Categories

For the purpose of this Retail Strategy, estimates of retail floorspace, spending and sales are provided in the following retail categories:

- **Food, Liquor and Groceries (FLG):** Comprises household spending and floorspace involved in the selling of take-home food, groceries and liquor.
- **Food Catering:** Household spending and floorspace associated with cafes, restaurants and take-away food stores.
- **Non-Food:** Spending on non-food retail products such as apparel, homewares, bulky merchandise, leisure goods, other general merchandise and spending on services such as hairdressers, dry cleaning, etc.

GST

All spending and turnover figures expressed in this report are inclusive of GST.

Activity Centres

Activity centres are hubs where people shop, work, meet, relax and often live – they range from local shopping strips to larger activity nodes including white collar employment, community services and regional shopping malls. The planning policy framework identifies four main activity centre categories: Metropolitan Activity Centres, Major Activity Centres, Regional Activity Centres and Neighbourhood Activity Centres (refer www.planning.vic.gov.au/policy-and-strategy/activity-centres/activity-centres-overview).

Retail Centres

Retail centres are shopping strips or nodes where people traditionally undertake 'bricks and mortar' shopping activities. Retail centres in Latrobe City are the specific focus of this Retail Strategy.

Individual retail centres form part of a centres hierarchy which identifies the complementary role and function of individual retail centres within a defined region. The retail centres hierarchy in Latrobe City is identified in Chapter 5 of this report.

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1 LATROBE CITY RETAIL STRATEGY CONTEXT

Latrobe City is centrally located in Gippsland and easily accessible from Metropolitan Melbourne. Recognised as one of Victoria's four major regional cities, Latrobe City is the fourth largest city in regional Victoria by population and is a major service centre for Gippsland and eastern Victoria. The municipality is well serviced by transport infrastructure, with major freeway access, V/Line service and an airport.



The municipality includes the major towns of Moe-Newborough, Morwell, Traralgon and Churchill, as well as the smaller townships of Yallourn North, Tyers, Glengarry, Toongabbie, Yinnar, Boolarra and Traralgon South.

The Latrobe City's settlement structure of four major towns located in relatively close proximity is unique and a historic legacy of the municipality's brown coal mining and electricity generation activities. The proximity of Moe-Newborough, Morwell, Traralgon and Churchill has resulted in a significant degree of inter-connectedness between the major towns. Accordingly, the four major towns are referred to collectively as a 'networked-city'. Ensuring these centres perform complementary roles, as opposed to directly competing with each other, will be important to their future viability.

Community infrastructure such as Federation University, Latrobe Regional Hospital, Latrobe Regional Gallery, and various recreational and regional sporting facilities are spread across the main townships of Moe, Morwell, Churchill and Traralgon. The seven smaller rural townships of Boolarra, Glengarry, Newborough, Traralgon South, Toongabbie, Tyers, Yallourn North and Yinnar also provide an attractive rural community lifestyle choice.

Robust retail planning relies on a strong understanding of population growth trends and locations. Traralgon's primacy as Latrobe's population growth centre is forecast to continue

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broadly in-line with historic trends. Latrobe City's population is forecast to increase by some +8,720 persons over the next 15 years, with 62% of this growth forecast to occur in Traralgon. Both Moe-Newborough and Morwell are forecast to experience moderate population growth in the longer-term (beyond 2023). Encouraging population growth beyond Traralgon will contribute to the improved performance of other centres.

Demand for approximately +42,000m² of additional retail floorspace is forecast over the period 2018-2033, with the majority of additional retail floorspace (+35,000m²) attributed to non-food retailers, retail services, and bulky goods retailing. Both the Moe and Morwell CBDs currently have high vacancy rates and potential therefore exists for these centres to accommodate a proportion of the future demand, providing that efforts to revitalise these centres are successful.

The approved Marshalls Road Neighbourhood Centre in Traralgon North is the only approved centre of any significance to the retail hierarchy. Although numerous other neighbourhood and local centres have been identified in various strategic documents; demand for these centres is only likely to occur in the longer-term and will be dependant on population growth in local catchments.

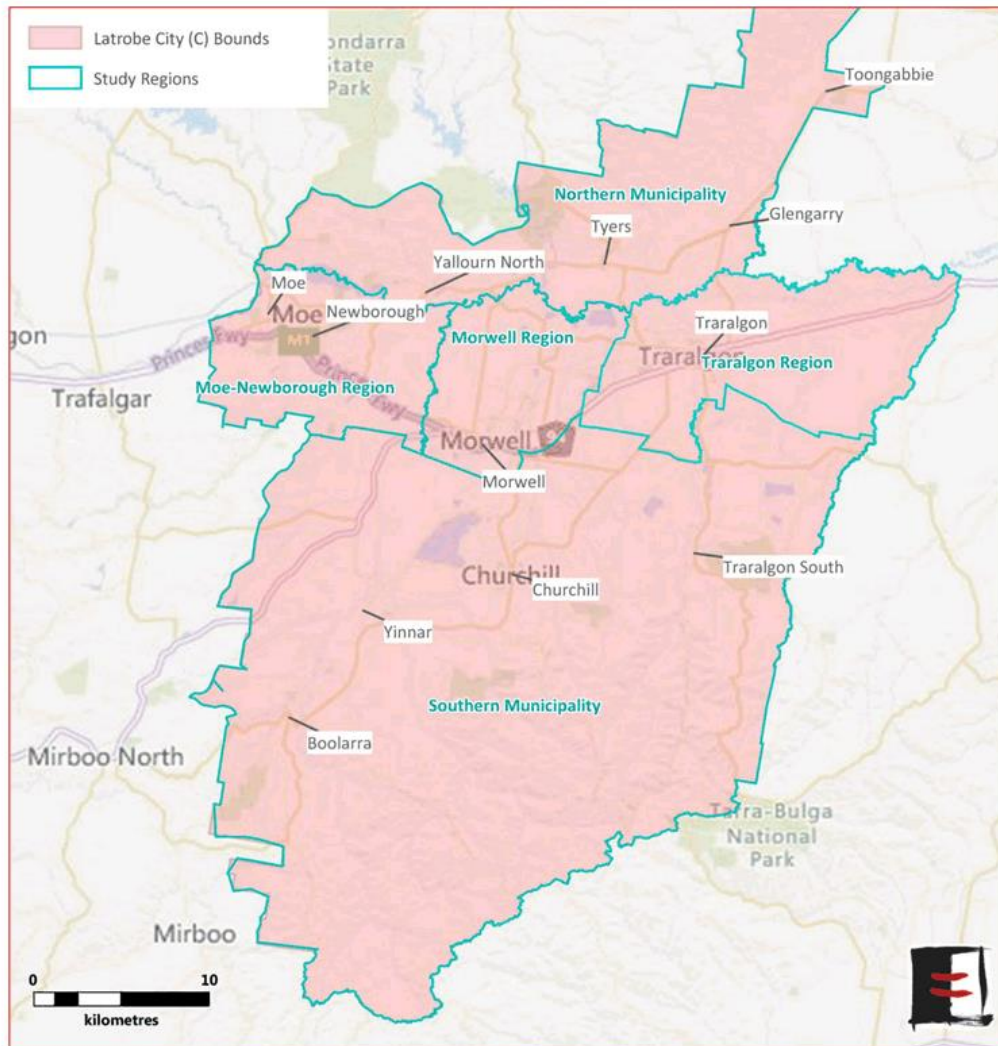
Importantly, if demand for new Local or Neighbourhood Centres does eventuate, a key role for the Retail Strategy will be to provide a robust decision-making framework to assist Council officers in assessing development proposals from a retail planning perspective.

Latrobe City and the Study Regions identified for the purpose of analysis and discussion are shown in Figure 1.1.



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Figure 1.1: Latrobe City Overview and Study Regions



Essential Economics with MapInfo, BingMaps & StreetPro

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2 RETAIL MARKET OUTLOOK FOR LATROBE CITY

Latrobe City's retail market outlook is framed by the following factors: (Refer to the Background Report for more detailed discussion and analysis.)

Moderate Population Growth: Latrobe City's population is forecast to increase over the next 15 years by approximately +8,720 persons; Traralgon is forecast to account for the majority of Latrobe City's population growth over this period (+62% or +3,370 persons). In 2033, Latrobe City's population is forecast to reach approximately 83,860 persons (refer Figure 2.1).

Occupied Floorspace: Approximately 227,190m² of occupied retail floorspace exists in Latrobe City's retail centres and comprising (refer Figure 2.2):

- 49,940m² of Food, Liquor and Grocery (FLG) retail floorspace.
- 27,360m² of Food Catering retail floorspace.
- 149,890m² of Non-Food retail floorspace.

The largest individual centres or precincts for occupied retail floorspace are: Traralgon CBD with 62,470m²; Argyle Street Homemaker Precinct (Traralgon East) with 43,440m²; Moe CBD with 34,930m²; Morwell CBD with 31,280m²; and Mid Valley Shopping Centre with 24,520m².

Vacant Retail Floorspace: The Latrobe City's retail vacancy rate is estimated at 11% of total floorspace, which is above the vacancy level generally desired for a large regional retail network (around 5-7%), refer Figure 2.3. The following selected centres and specific areas in centres contribute to a high overall vacancy rate for Latrobe City:

- Mid Valley Shopping Centre, with a vacancy rate of 22% influenced by the closure of Target and Coles in 2018.
- Morwell CBD, with a vacancy rate 16% which includes a high 30% vacancy rate for shopfronts located to the north of the railway line.
- Moe CBD, which has a vacancy rate 11% influenced by a concentration of vacant shopfronts located to the south of the railway line.

Retail Sales and Market Share: In 2018, activity centres in Latrobe City achieved total estimated retail sales of \$1,163m, representing an average trading level of approximately \$5,120/m² expressed in 2018 dollars and inclusive of GST), see Figure 2.4. Latrobe City retailers capture a retail market share estimated at 81%, taking into account a share of retail spending escaping to other centres and a share of sales captured from visitors to Latrobe City. Thus, 81 cents in every dollar spent on retailing by Latrobe City residents is estimated to be spent at shops in the municipality. This represents a relatively captive retail market.

Total retail sales in centres located in Latrobe City are forecast to increase from \$1,163m in 2018 to \$1,496m in 2033, representing annual growth of 1.7% per annum (in constant 2018 dollars). This assumes retail market shares and the share of sales from beyond Latrobe City residents remain constant.

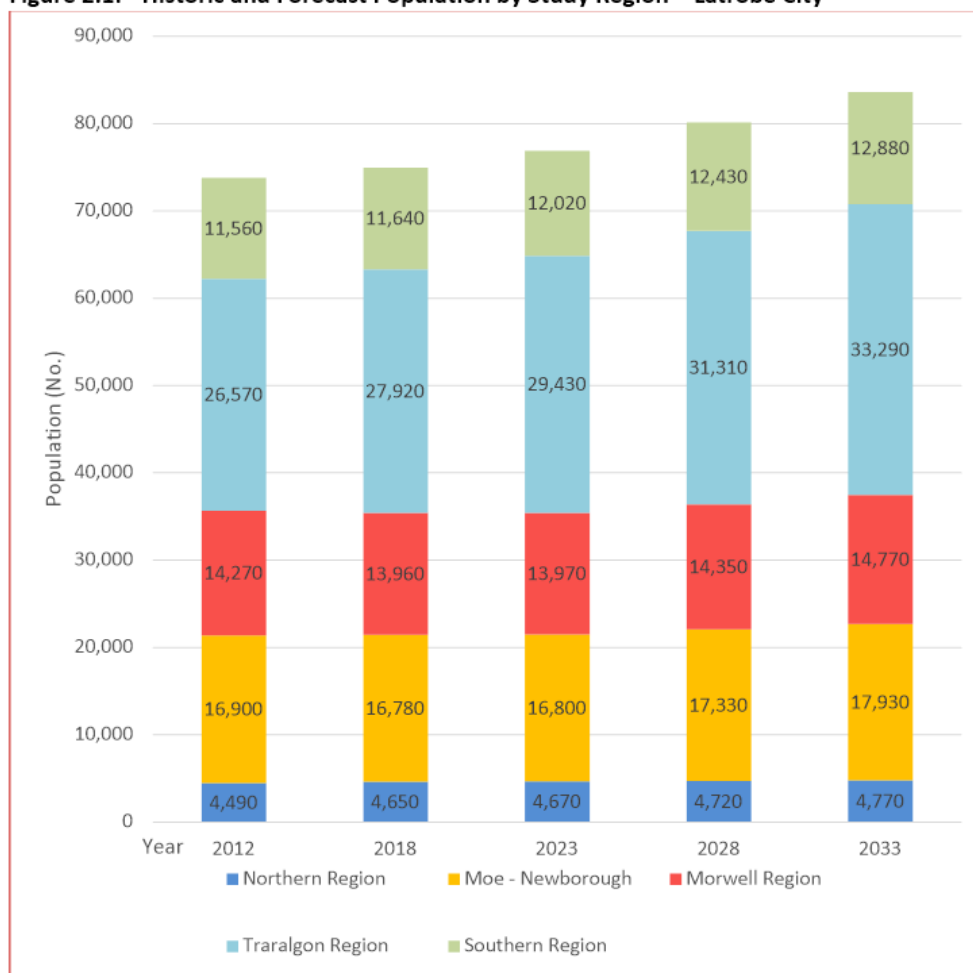
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Development Potential 2018-2033: Demand for approximately +42,000m² of additional retail floorspace is forecast over the period 2018 to 2033, comprising: +4,200m² of food, liquor and grocery floorspace; +3,100m² of food catering floorspace; and +35,000m² of non-food (bulky goods, homemaker etc), as shown in Figure 2.5.

This analysis is intended to provide only an **indication** of the potential level of supportable retail development.

Section 3.5 of this Report provides an overview of future retail development opportunities, including support for planned retail developments, re-use of vacant floorspace, growth in food catering and non-food retailing, and the potential for new Local and Neighbourhood Centres.

Figure 2.1: Historic and Forecast Population by Study Region – Latrobe City

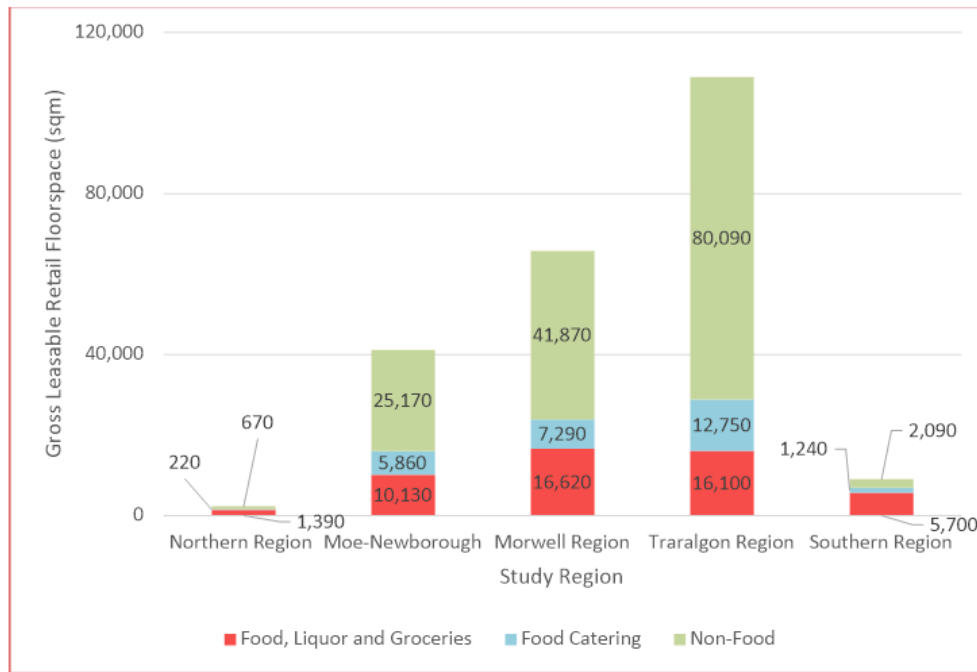


Source: Essential Economics

Note: Study Regions do not aggregate exactly to the whole of Municipality population (refer Background Report, Section 1.2)

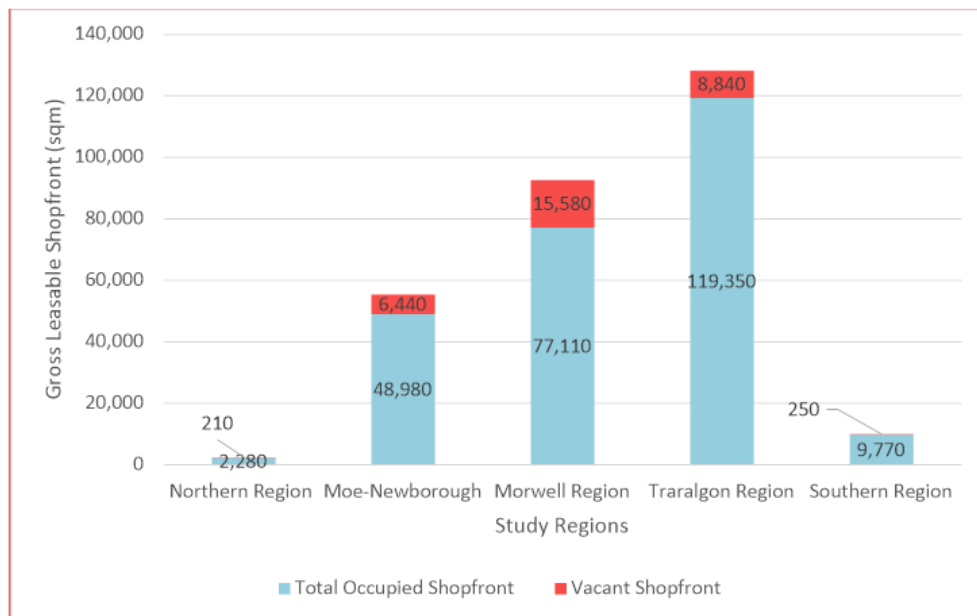
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Figure 2.2: Retail Floorspace (m²) by Study Region – Latrobe City



Source: Essential Economics

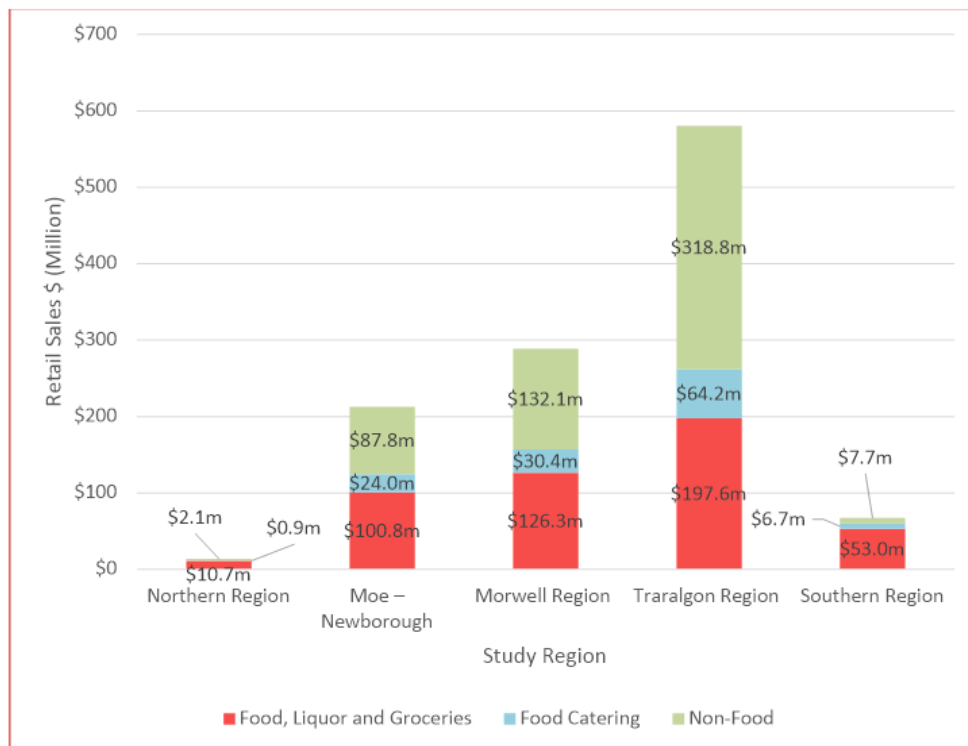
Figure 2.3: Shopfront Floorspace (m²) by Study Region – Latrobe City



Source: Essential Economics

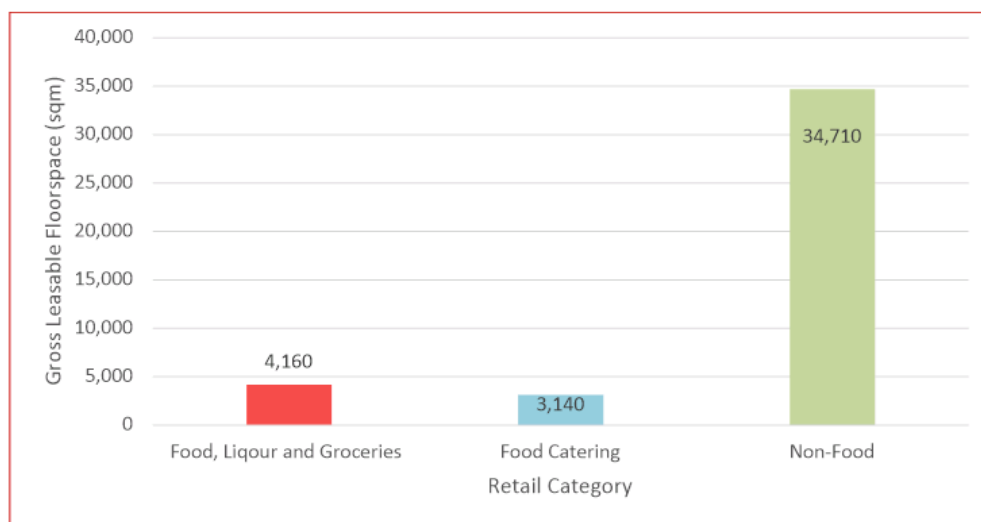
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Figure 2.4: Retail Sales by Study Region – Latrobe City



Source: Essential Economics

Figure 2.5: Retail Development Potential (2018-2033) – Latrobe City



Source: Essential Economics

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3 KEY CONSIDERATIONS FOR THE RETAIL STRATEGY

The research and analysis presented in the **Latrobe Retail Strategy – Background Report** highlights some important considerations that form the basis for the preparation of this Strategy and Implementation Plan. These considerations are outlined below (more detailed discussion and analysis is provided in the Background Report).

3.1 Build on Existing Planning Policy

The Planning Policy Framework and Local Planning Policy Framework presented in the Latrobe Planning Scheme provide a robust strategic basis which the Latrobe Retail Strategy can build upon (refer Chapter 3 in **Background Report**).

In particular, *Clause 21.07 (Economic Development)* in the Local Planning Policy Framework (LPPF) outlines the key issues, objectives and strategies for activity centre planning in the municipality. In broad terms, *Clause 21.07-2 (Activity Centres)* states that Council supports the existing main town, neighbourhood and small-town centres, and that “*no new centres should be supported unless demand can be demonstrated*”, as well as substantiating that existing centres should not be detrimentally affected. *Clause 21.07* also states that centres should continue to perform complementary roles.

Other State and local clauses, plans and policies of particular relevance to future retailing in Latrobe City include *Clause 11.01-1R (Settlement – Gippsland)*, *Clause 17.02-1R (Commercial Centres – Gippsland)* and *Clause 17.02-1S (Out-of-centre development)* from the Planning Policy Framework (PPF); *Clause 21.02 (Housing and Settlement)*; the *Traralgon-Morwell Growth Framework Plan* (refer Clause 21.02); *Live Work Latrobe* (2018); *Traralgon Activity Centre Plan* (2017); *Traralgon Growth Areas Review* (2013, TGAR); *Latrobe City Council Economic Development Strategy* (2016-2020); and numerous structure plans, masterplans and development plans for individual centres. It is noted that Morwell CBD is the only sub-regional centre that does not have a current activity centre plan.

3.2 Support the Existing Retail Hierarchy

Latrobe City contains an established hierarchy of retail centres, a legacy of historic urban development and significant investments in the retail and commercial sectors and urban infrastructure.

A focus of this **Retail Strategy & Implementation Plan** is to ensure that each centre has an identified role and function that contributes to the commercial viability of individual centres, local service provision and a complementary retail offering at the regional level. Latrobe City's retail hierarchy is defined in Chapter 5.

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3.3 Implications of Traralgon-centric Investment

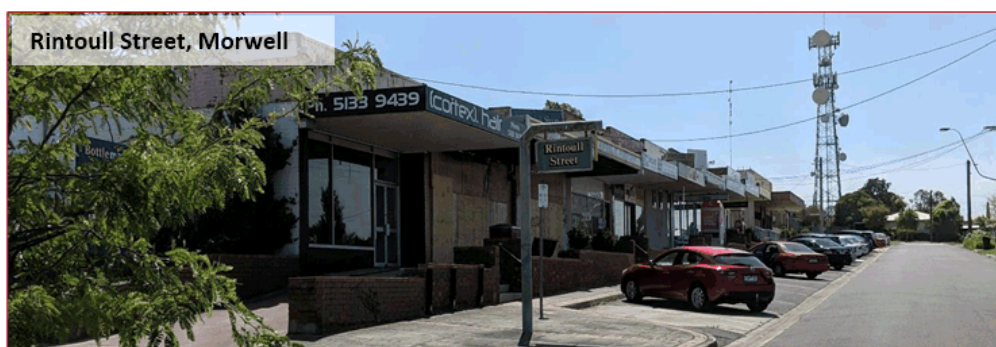
Traralgon has been the historic focal point for population growth and private sector investment in Latrobe City. Forecasts indicate that Traralgon will continue to be the major focus for population growth.

Accordingly, this forecast growth will support retail development opportunities and improved performance of retailers in Traralgon. The comparatively lower population growth forecast for Moe and Morwell is likely to limit the prospects for significant investment in the retail sectors of these towns compared to Traralgon. Accordingly, support should continue to be provided to existing retail centres in Moe, Morwell and other settlements in the municipality which are important regarding their retail service provision and civic function for residents.

3.4 Under-performing Centres

Moe CBD, Morwell CBD and Mid Valley are currently all experiencing high retail vacancy rates. Reasons for the underperformance of these centres include lack of population and spending growth, lack of private sector investment, poor urban environment and public realm, and growth of Traralgon as the major retail centre in the region. Avenues to improve the viability and activity levels within these under-performing centres need to be considered, and include:

- Options to improve urban environments and the public realm.
- Consideration of the optimal land use type in poor-performing precincts. This may involve updating activity centre plans (or preparing an activity centre plan for Morwell) which in turn, will inform any possible changes to land use zones or schedules.
- Consideration of how to connect and integrate poor-performing precincts with better-performing precincts.
- Continued support for higher-density residential uses in close proximity to centres.
- Options to increase office employment in appropriate locations (eg Gov Hub project in Morwell CBD).
- Support the development of niche retail which complements the wider retail offer.
- Support innovative methods of re-use of vacant floorspace that may assist in improving activity levels.



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3.5 Future Retail Development Opportunities

Demand for approximately +42,000m² of additional retail floorspace is forecast over the period 2018-2033. This floorspace growth is anticipated to present the following retail opportunities over the next 15 years:

- Support for approximately 9,200m² of approved retail floorspace, including the Traralgon North neighbourhood centre and a small Foodworks supermarket in Moe.
- Potential to re-occupy up to approximately 10,000m² of vacant floorspace in Moe CBD, Morwell CBD and Mid Valley Shopping Centre. For this to occur, the overall operating environment for Moe and Morwell will need to improve in order to attract new retailers and other businesses.
- Potential for the development of vacant Commercial 2 Zoned land in Traralgon and Morwell for dedicated bulky goods retail precincts.
- Incremental growth in food catering is expected to occur as activity centres continue to evolve into more important social and meeting places, providing a wider range of uses than traditional retailing.

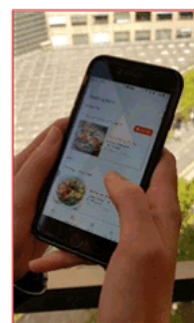
The approved Traralgon North Neighbourhood Centre and the proposed small Foodworks in Moe are anticipated to account for the majority of future demand for FLG floorspace, effectively limiting the scope for new Local or Neighbourhood Centres to be developed in the 15-year horizon (noting that these centres should continue to form part of long-term strategic plans).

*The analysis of retail development opportunities described above and in the **Background Report** is intended to be indicative only. The retail sector is ever-changing, with new retail formats being developed that respond to constantly changing consumer trends. Changes to the structure of retailing and the introduction of new market entrants will continue to influence the analysis of retail development opportunities.*

3.6 Changing Market Conditions and New Entrants

Retail is a dynamic industry which is constantly responding to changing consumer demand and market trends. Current trends influencing the retail sector include demographic changes such as an aging population, smaller household units, historically high levels of household debt, and an increasingly diverse ethnic base; the emergence of online shopping and digital platforms; and increased competitive pressures from new retail formats and market entrants.

Continuous change and innovation in the retail sector is an ongoing challenge for land use and planning policies, and in particular retail and activity centre strategies. For example, the recent arrival of international brands (especially in fashion) and rapid growth in online shopping has contributed to increased pressure on department stores and discount department stores, resulting in some brands closing or down-sizing stores. The recent collapse of menswear chain Roger David is noted in this context. The introduction of ALDI, however, to the Australian market has



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contributed to a more competitive supermarket sector, providing downward pressure on prices and contributing to a greater range in consumer choice. All are changes which have implications for how retail activity is accommodated in regions such as the Latrobe Valley.

A more recent example is the German supermarket chain Kaufland, which is a new market entrant in Victoria (and Australia). The population in Latrobe City is sufficient to likely attract the interest of Kaufland. The Kaufland model requires significantly larger sites (of around 2ha) than conventional supermarkets and this may, in some instances, limit Kaufland's ability to locate in established activity centres.

The introduction of new retailers to a local market can provide significant benefits to the region, including new investment, expanded employment opportunities, increased consumer choice, downward pressure on prices, and potential to add further anchor stores to centres, thereby improving the overall level of activity. These benefits need to be considered alongside the potentially undesired outcomes associated with 'out-of-centre' development and the implications such development may have for centres in the retail hierarchy.

Accordingly, an appropriate level of policy flexibility is required when considering the potential for new retail formats or market entrants to Latrobe City. Flexibility in retail policy needs to consider, among other matters, the net community benefit and the implications of new development on the centres hierarchy.

3.7 Support for Local Centres

Local centres are important in providing local residents with a high level of access to day-to-day convenience retail goods and services. Local access to retail facilities promotes walkable neighbourhoods and better health outcomes. These centres are particularly vulnerable to competitive pressures from higher-order centres and changing consumer preferences, and can suffer from high vacancies and dereliction.

High vacancy rates in Local Centres can be attributed to a range of factors, for example, increased trading pressures from other retail formats; changing consumer preferences; lack of investment in the amenity of the centres; poor tenancy mix; a lack of experienced business operators; and limited population growth or even population decline in the immediate surrounding catchment. Several local centres in Latrobe City are observed to have a high level of vacancy, for example Bruton Street and Rintoull Street in Morwell, and Boolarra Avenue and Old Sale Road in Moe-Newborough. Other Local Centres in Latrobe City are observed to be trading well, with Bridle Road in Morwell being one example. Council's Live Work Latrobe – Housing Strategy (2017) seeks to deliver higher densities proximate to Local Activity Centres which will contribute positively to their viability.

In broad terms, local centres in Traralgon are observed to trade at higher levels and have less vacancy issues than local centres in Moe-Newborough or Morwell. This can be primarily attributed to Traralgon's larger and expanding population and higher level of average per capita retail expenditure. While Municipal planning should explore ways to continually improve the performance of local centres the policy 'levers' available to Councils are often limited. Possible ways in which Council can assist Local Centres remain commercially viable include improving streetscapes, ensuring accessible parking for customers, being flexible

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regarding policies such as limitations on street-based dining, and being proactive in attracting businesses to the municipality.



3.8 Support for Small Town Centres

Small towns centres serve a retail convenience role for local residents and are also important regarding their business, civic and recreation aspects. The community function of centres in small towns is also important, providing places for people to meet and socialise. This situation is particularly pertinent for rural communities where some residents can be physically isolated, and therefore socially isolated, for reasons that range from distance from main towns, to limited availability of public transport.

Often the level of local resident spending is insufficient to support the retail accommodated in small town centres, with retailers remaining viable by drawing a level of retail sales from tourists and other visitors. This is true to a varying extent for most small towns in Latrobe City.

Council should consider ways to continually improve the performance of centres in small towns, particularly those centres subject to low levels of visitation by locals, tourists and others. Spending from visitors is often critical to supporting retail uses in small towns, particularly instances when a small town's population provides insufficient spending to support basic retail services. Accordingly, the promotion of small town tourism is an increasing focus of regional Council's throughout Australia.

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3.9 Importance of Retail in Latrobe City's Economy

Retail trade is the second largest sector in Latrobe City's economy and comprises 3,540 jobs or 11.6% of total employment, as highlighted in the ABS 2016 Census. From 2011 to 2016, the retail sector added approximately +240 jobs. Latrobe City's retail sector is important in the context of the municipality's ongoing economic transition from a high dependence in the mining and energy generation sectors to a more diverse economic base with a greater emphasis on business and consumer services, including retail.

A successful retail sector is also critical to the viability and vitality of activity centres. As the dominant land use in most activity centres, retailing attracts significant patronage to a centre which supports many other commercial, community, civic and entertainment uses. Retailing also performs the important function of distributing goods and services to the local and wider community. A well-planned retail centre hierarchy provides these goods and services in a convenient which is convenient for consumers and supports commercial viability.

The retail sector also plays an important role by providing entry-level jobs opportunities for persons with limited qualifications. A retail job is often the first workplace experience for many young people, typically on a casual basis while still attending secondary school. Retail also provides employment opportunities for mature age persons with limited qualifications.

Given the importance of the retail sector to local employment opportunities, potential exists for the retailing as an industry to have a greater emphasis in Council's Economic Development Strategy.

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4 RETAIL STRATEGY VISION

A Vision Statement has been prepared in order to guide the ongoing development of Latrobe City's retail centres. The Vision Statement provides a basis for the identification of Latrobe City's future retail hierarchy in Chapter 5, the *Objectives* in Chapter 6, and the *Action & Implementation Plan* in Chapter 7.

The Vision for retail centres in Latrobe City is as follows.

Latrobe City's vibrant retail centres provide access to retail services for residents and visitors, contribute to the municipality's diversified employment and economic base, and are places where community members meet and interact. Collectively, the role and function of individual retail centres is complementary in nature, supporting the viability of individual centres in view of Latrobe City's unique settlement structure and function as a regional 'networked city'.

Local and Neighbourhood Centres foster liveability through their accessibility and convenience, while higher-order centres provide an expanded range of products, services, brands and experiences expected in a Regional City. Rural town centres, both small and large, facilitate local access to convenience retail, are also places of interest for visitors, and support community solidarity.

Retailers and centres are at the forefront of new trends and respond to the ever-changing nature of retailing, including changes in consumer preferences and new market entrants.



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5 LATROBE CITY RETAIL CENTRE HIERARCHY

Retail centres are shopping strips or nodes where people traditionally undertake 'bricks and mortar' shopping activities. Retail centres in Latrobe City are the specific focus of this Retail Strategy.

Retail centres support a diverse mix of facilities and services beyond retailing, including office, showroom, entertainment, recreational, health, cultural and civic uses – all of which are important from an economic development and community perspective.

As focal points for the community, it is important that retail centres operate in an effective manner. This means ensuring an appropriate level of retail and other services are available in convenient locations, with opportunities for centres to further develop their roles and functions where appropriate.

Retail centres form part of a 'hierarchy' of centres, with different centre categories within the hierarchy performing different roles and functions. For instance:

- Larger centres perform higher-order functions in the delivery of regional and sub-regional services
- Smaller centres perform functions that are typically focused at the neighbourhood or local level.

Collectively, retail centres form a hierarchy of centres that provide residents and visitors with convenient access to essential facilities and services.

The identification of a retail hierarchy in land use planning and development policy is a means of:

- Providing high-level guidance in terms of the location, scale and nature of investment and land uses intended for retail centres.
- Ensuring policy reflects the very different but complementary role and function of various centres within the hierarchy.
- Providing a network of retail centres which meet the various needs of the community at the locations where these needs can, and should, be met.
- Directing the planning and provision of transport infrastructure and other aspects of urban development influenced by retail centres.

In identifying Latrobe City's future retail centre hierarchy, consideration is given to:

- State and Local Policy Frameworks which provide a robust strategic basis for the identification of a retail hierarchy and development of up-to-date policy regarding the roles and functions of retail centres.

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- The unique settlement pattern of the Latrobe Valley, whereby the four major towns of Traralgon, Morwell, Moe-Newborough and Churchill function as a collective 'networked city' by virtue of their proximity and inter-connectedness.
- Each centre's size in terms of retail floorspace, the presence (or otherwise) of major retail tenants such as supermarkets and discount department stores, and overall mix of tenants.
- Each centre's role in providing community, recreational and civic services, the presence of major office or government tenants, and the centre's tourism role are also taken into consideration.

Of importance to the Latrobe City's Retail Hierarchy, is the overarching policy aspiration that Latrobe City's major towns of Traralgon, Morwell, Moe-Newborough and Churchill to function as a single 'networked city' – a description which speaks to the Latrobe Valley's unique settlement structure of four major towns situated in relative proximity. Accordingly, in identifying Latrobe City's Retail Hierarchy, a key consideration is the nature in which the major towns (aforementioned) provide complementary services that contribute to a higher order retail offer at the regional level which supports access to retail services and commercial viability.

The Latrobe City Retail Hierarchy is described in Table 5.1 and Figure 5.1, and comprises:

- Existing centres: centres currently operating.
- Approved centres: future centres for which development schemes have been approved.
- Planned centres: future retail centres in which land has been rezoned to facilitate development, but no development permits/applications have been approved.
- Potential centres: centres identified in strategic planning documentation which are yet to be subject to detailed planning or demand assessments.

The Latrobe City Retail Hierarchy includes the following categories as outlined on the next page.



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Regional Retail Centre

- The major retail centre serving Latrobe City and beyond, providing a wide range of retail and non-retail uses. Traralgon CBD is Latrobe City's regional retail centre.

Sub-regional Retail Centre

- Serves a broad region, although not as large as the regional centre, and provides a range of convenience and comparison-shopping facilities. Sub-regional centres can also provide a range of non-retail uses. Moe CBD, Morwell CBD and Mid Valley Shopping Centre are the three sub-regional retail centres in Latrobe City

Large Town Centre

- Large Town Centres provide a comprehensive range of day-to-day and weekly convenience retailing, including supermarkets. A range of non-food retailing and services is also provided, the extent of which depends on the size of the catchment served by the centre. Large Town Centres serve the immediate township and surrounding rural areas and small towns. Churchill is currently Latrobe City's only Large Town Centre.

Neighbourhood Centre

- Provides access to day-to-day and weekly convenience shopping facilities for the surrounding community. Neighbourhood centres can vary in size and typically include at least one supermarket. Neighbourhood centres are also referred to as Neighbourhood Activity Centres.

Small Town Centres

- Provides limited convenience retailing to the surrounding township and rural areas. These centres are important focal points for the community and, where appropriate, may include tourism-related retailing.

Local Town Centres

- Typically containing up to 10 shopfronts which provide convenience retailing facilities and services. Local centres are also referred to as Local Activity Centres.

Homemaker Precincts

- Provide a range of large-format retail and restricted retail premises that would otherwise be difficult to accommodate in traditional retail centres.

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Table 5.1: Latrobe City Retail Centre Hierarchy

Centre	Retail Role	Retail Floorspace /Major Tenants	Complementary Role
Regional Retail Centre			
Traralgon CBD	Pre-eminent retail centre serving Latrobe City and beyond with the full-range of retailing.	Retail floorspace 2018: 62,470m ² Stockland Traralgon (Kmart, Coles), Woolworths, Target Country, Dan Murphy's, Chemist Warehouse.	Traralgon CBD also provides a wide range of entertainment, dining, commercial, community and recreational facilities and service. The Traralgon CBD is the main commercial office precinct in Latrobe City.
Sub-Regional Retail Centre			
Moe CBD	Full-range of convenience retailing serving the surrounding region and workers. Centre includes multiple supermarkets, café/restaurants /takeaway food and limited range of non-food retailers.	Retail floorspace 2018: 34,930m ² Kmart, Woolworths, Coles, ALDI, Dimmeys, Harvey Norman	Moe CBD also provides a range of civic, community and entertainment facilities and services (e.g. library, hotels, RSL, employment services, etc); and a commercial office sector focusing on business and personal services (e.g. Banks, accountants, real estate, insurance, etc).
Morwell CBD	Full-range of convenience retailing serving the surrounding region and workers. Centre includes multiple supermarkets, café/restaurants/ takeaway food and limited range of non-food retailers.	Retail floorspace 2018: 31,280m ² Coles, ALDI, Cheap as Chips, NQR and Harvey Norman	Morwell CBD also performs an important government sector role, including Latrobe City Council offices and other local and state government agencies. A limited range of entertainment, community and commercial offices are also provided.
Mid Valley Shopping Centre	Range of convenience and comparison shopping serving a sub-regional catchment, including multiple supermarkets, discount department store and a range of non-food speciality retailing.	Retail floorspace 2018: 24,520m ² Big W, Woolworths	Mid Valley also serves a key entertainment role with the presence of a Village cinema complex.

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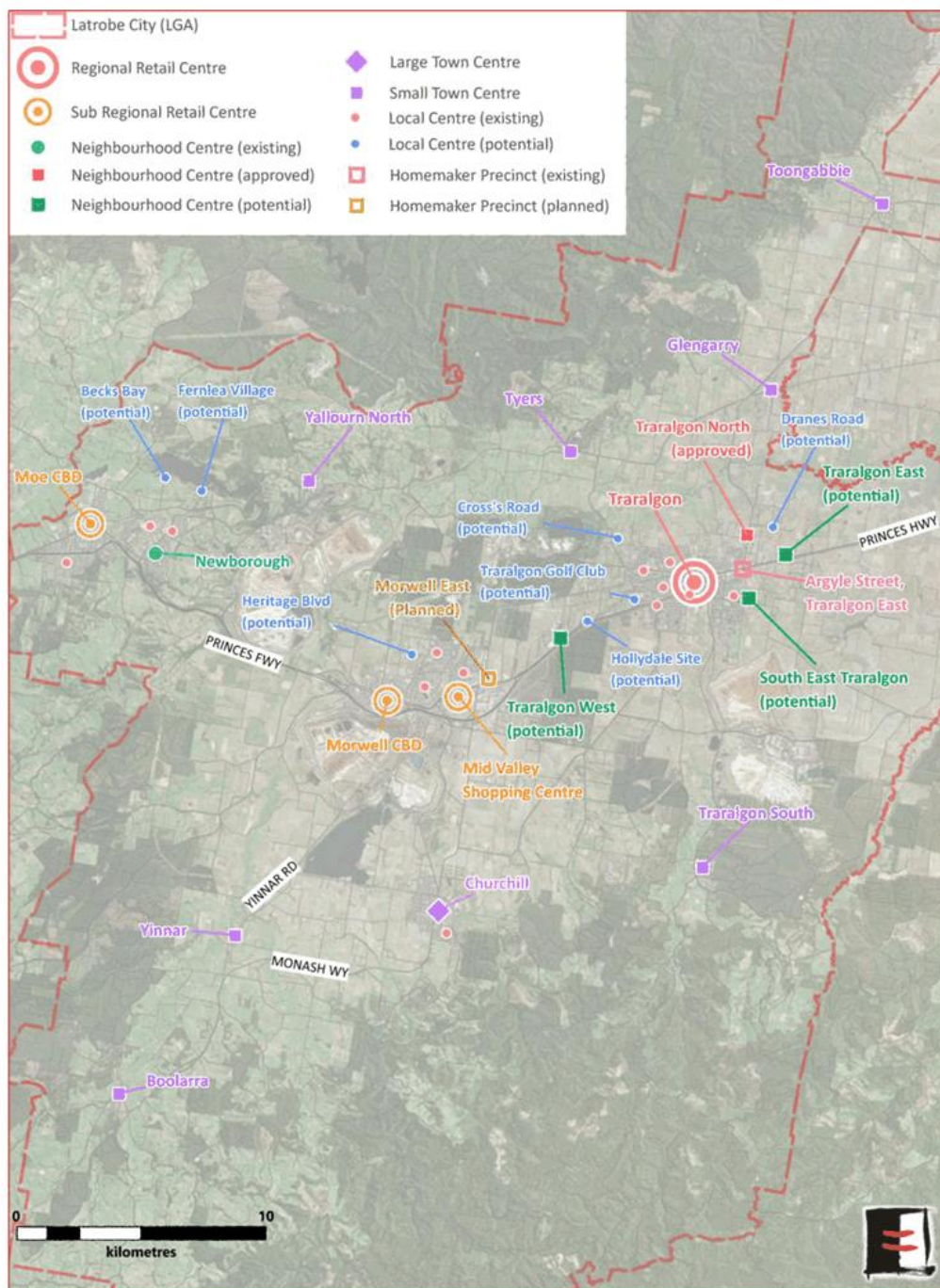
Centre	Retail Role	Retail Floorspace /Major Tenants	Complementary Role
Large Town Centre			
Churchill	Range of convenience retail anchored by two supermarkets serving the township and the surrounding rural catchment.	Churchill Retail floorspace 2018: 7,860m ² (Woolworths, IGA, Richies Supa IGA, Richies Mitre Ten)	Large town centres also provide a range of commercial, civic (e.g. libraries and community centres), health and other uses serving the township and a wider rural catchment. Churchill is unique in that it also accommodates Federation University.
Neighbourhood Centre			
Newborough (Monash Road) Traralgon North (approved) Traralgon East (potential) South East Traralgon (potential) Traralgon West (potential)	Neighbourhood centres provide a limited range of convenience retailing, typically anchored by a supermarket. Retail floorspace ranges from approximately 2,500m ² to 10,000m ² .	Newborough Retail floorspace 2018: 2,750m ² Traralgon North (approved): 4,700m ²	Limited role in providing local community, civic and health services to the surrounding communities.
Small Town Centre			
Glengarry; Yallourn North; Boolarra; Yinnar; Tyers; Traralgon South; Toongabbie	Small town centres provide convenience retailing to the immediate surrounding catchment and visitors. Centres vary in size depending on the size of the catchment they serve.	Glengarry 850m ² ; Yallourn North 750m ² ; Boolarra 300m ² ; Yinnar 620m ² ; Tyers 560m ² ; Traralgon South 150m ² ; Toongabbie 120m ²	In addition to convenience retail, town centres also provide a limited range of commercial, community (e.g. community hall/centre), and personal services (e.g. post office).

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Centre	Retail Role	Retail Floorspace /Major Tenants	Complementary Role
Local Centre			
Traralgon: Queens Parade, Hyland Street, Hazelwood Road, Henry Street, Grey Street, Pax Hill, Dranes Road (potential), Cross's Road (potential), Traralgon Golf Club (potential), Hollydale Site (potential); Morwell: Bridle Road, Rintoull Street, Bruton Street, Heritage Boulevard (potential); Moe/Newborough: Boolarra Avenue, Old Sale Road, Elizabeth Street, Lake Narracan – Becks Bay (potential), Lake Narracan – Fernlea Village (potential); Churchill: Churinga Drive.	Local centres provide limited convenience retailing, including general store, takeaway food/café, and personal services. Retail floorspace is typically less than 1,500m ² .	Queens Parade 550m ² ; Hyland Street 680m ² ; Hazelwood Road 280m ² ; Henry Street 500m ² ; Pax Hill 300m ² ; Bridle Road 760m ² ; Rintoull Street 400m ² ; Bruton Street 440m ² ; Boolarra Avenue 830m ² ; Old Sale Road 170m ² ; Elizabeth Street 740m ² ; Churinga Drive 180m ²	Local centres may co-locate to provide community and/or education facilities, and may provide limited commercial services.
Homemaker Precinct			
Argyle Street, Traralgon Morwell East (planned)	Provide a range of large format non-food retailers that would otherwise not be suited to an in-centre location.	Argyle Street, Traralgon (43,440m ²) (The Good Guys, Harvey Norman, Bunnings); Morwell East	May co-locate with trade suppliers, restricted retail, car yards and light industrial uses.

Source: Essential Economics

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Note: Further work will be required to determine the exact location of 'potential' centres.

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6 OBJECTIVES

The Vision for retail centres in Latrobe City is supported by a set of six Objectives. These Objectives form the basis for more detailed actions and implementations set out in Chapter 7.

- Objective 1: Support the viability of Latrobe City's Retail Centre Hierarchy.
- Objective 2: Support the trading performance and viability of Latrobe City's higher-order retail centres.
- Objective 3: Ensure convenient and accessible retail services through viable neighbourhood centres, small town centres and local centres.
- Objective 4: Reduce retail vacancy rates and improve trading performance of under-performing centres.
- Objective 5: Ensure retail centres in Latrobe City are well-designed places where people enjoy shopping, doing business and participating in community activities.
- Objective 6: Support a dynamic retail sector that is responsive to changing consumer preferences and market trends.



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7 ACTION AND IMPLEMENTATION PLAN

This Chapter identifies a set of Actions to achieve the Objectives outlined in Section 6. A supporting rationale is provided for each Objective, together with detailed actions, timeframes and responsibilities.

The following conventions have been adopted in identifying the suggested timing for commencing implementation:

- Short-term: Within 0 to 3 years
- Medium-term: From 3 years to 5 years
- Longer-term: Beyond 5 years
- Ongoing: An existing action that continues into the future.

7.1 Objective 1: Support the viability of Latrobe City's Retail Centre Hierarchy

Supporting the viability of the retail hierarchy will contribute to Latrobe City residents and visitors having access to a range of retail services, experiences and business opportunities, contributing to the municipality's attractiveness as a place to live, work and visit. Future development or redevelopment of existing centres should have regard for the role each centre performs in the hierarchy.

Formal adoption of the identified retail hierarchy in the Latrobe Planning Scheme will reinforce the importance and influence of the retail hierarchy. The Latrobe City Retail Strategy will guide future planning and development of the municipality's retail centres. It is recommended that the Retail Assessment Criteria (refer Chapter 9) is implemented as Local Planning Policy to provide the strategic rationale that informs Council's decision-making.



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Objective 1: To support the viability of Latrobe City's Retail Hierarchy

No.	Action Description
1.1	<p>Endorse the Latrobe City Retail Strategy and progress to a Planning Scheme Amendment to ensure it is adequately reflected in the updated Local Planning Policy Framework of the Latrobe Planning Scheme. Refer Chapter 8 for guidance.</p> <p><i>Timeframe: Short-term</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: not applicable</i></p>
1.2	<p>Utilise the Retail Hierarchy (refer Chapter 5) and Retail Planning Assessment Criteria (refer Chapter 9) as decision-making tools when assessing future retail proposals.</p> <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: not applicable</i></p>
1.3	<p>Support redevelopment and expansion of existing centres provided they meet the objectives identified in the Latrobe City Retail Strategy, contribute to a net community benefit, and do not adversely affect the operation of the Retail Hierarchy.</p> <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Property owners, developers, retailers</i></p>
1.4	<p>Avoid out-of-centre retail development unless the proposal can demonstrate a net community benefit without undermining the identified Retail Hierarchy. Each proposal should have regard for the decision-making framework as outlined in the Retail Strategy.</p> <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Land owners, developers, retailers</i></p>
1.5	<p>Support the Better Approvals Project which aims to streamline permit application processes for business operators and provide networking opportunities.</p> <p><i>Timeframe: Ongoing (or until project ceases)</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Property owners, developers, centre managers, trader's associations, individual businesses</i></p>
1.6	<p>Monitor the progress of the Latrobe City Retail Strategy, the retail sector in general, and the health of activity centres. Refer Chapter 10.</p> <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Property owners, developers, centre managers, trader's associations, individual businesses</i></p>

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7.2 Objective 2: Support the Trading Performance and Viability of Latrobe City's Higher-Order Centres

Recognise and support the important roles performed by Latrobe City's higher-order centres, namely Traralgon CBD, Morwell CBD, Moe CBD, Churchill and Mid Valley Shopping Centre. These centres provide retail services at the regional or sub-regional level and are key focal points for investment, employment and the community.

Ensuring that these higher-order centres remain viable and are recognised as places of significant activity will be important in providing a high level of accessibility to a range of retail facilities and services and supporting economic development in the municipality and wider region.



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Objective 2: To support the viability of Latrobe City's larger retail centres

No.	Action Description
<u>General Actions</u>	
2.1	Support development that provides for a unique yet complementary retail offering within each of the larger retail centres. <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Traders associations, centre managers, developers, land owners</i>
2.2	Support higher-density residential development in and around activity centres as outlined in the <i>Live Work Latrobe-Housing Strategy</i> (2017). <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Developers</i>
2.3	Direct major retailers (excluding homemaker retail) to the larger retail centres where they contribute to increasing the profile and overall levels of activity within the centre. <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Developers, retailers</i>
<u>Centre Specific Actions</u>	
<u>Traralgon CBD (Regional Retail Centre)</u>	
2.4	Support the development and redevelopment of key sites as outlined in the <i>Traralgon Activity Centre Plan</i> (2018). <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Land owners, developers, retailers</i>
2.5	Support the preparation and implementation of a Public Realm Masterplan for the Traralgon CBD as identified in the <i>Traralgon Activity Centre Plan</i> (2018). <i>Timeframe: Short to medium-term</i> <i>Responsibility: Council</i> <i>Partnerships: Land owners</i>
2.6	Support increase residential density in and surrounding the Traralgon CBD as outlined in the <i>Traralgon Activity Centre Plan</i> (2018). <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Developers, land owners</i>
2.7	Support the implementation of the <i>Traralgon Station Precinct Masterplan</i> (2011). <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development, infrastructure, V/Line and VicTrack)</i> <i>Partnerships: Developers, land owners</i>

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No.	Action Description
<u>Morwell CBD (Sub Regional Retail Centre)</u>	
2.8	<p>Prepare and implement the <i>Morwell CBD Activity Centre Plan</i> which focuses on the revitalisation of the centre (including areas to the north of the railway line), and which consolidates recent urban design and other strategic work to provide a comprehensive up-to-date land use and development vision.</p> <p><i>Timeframe: Short-medium-term</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Traders associations, land owners, developers, local businesses</i></p>
2.9	<p>Support the implementation of the recommendations from <i>Future Morwell/Future Latrobe Valley</i> (2017).</p> <p><i>Timeframe: Short to medium-term</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Traders associations, land owners, developers</i></p>
2.10	<p>Develop and implement an action plan for the Morwell CBD's night-time economy in order to support on-street activity at night and to provide after-hours opportunities for retailers and other service providers. This may involve events, street-fairs, pop-up bars, and other hospitality and entertainment features.</p> <p><i>Timeframe: Short-term</i> <i>Responsibility: Council (economic development, arts and events department)</i> <i>Partnerships: Traders associations, land owners, developers, local businesses</i></p>
2.11	<p>Support mixed-use and office development to broaden the appeal of the centre and attract a higher level of spending available to retailers.</p> <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Developers, landowners</i></p>
<u>Mid Valley Shopping Centre (Sub-Regional Retail Centre)</u>	
2.12	<p>Support development applications that provide a wider mix of land-uses in the centre (entertainment, community, medical etc) where such uses contribute to the centre's viability.</p> <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Centre management</i></p>
2.13	<p>Support development applications that improve the attractiveness of the centre's outdoor environs and legibility of the centre.</p> <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Centre management</i></p>
2.14	<p>Liaise with centre management to understand the future plans and opportunities for Mid Valley.</p> <p><i>Timeframe: Short-term</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Centre management</i></p>

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No.	Action Description
2.15	Support land owners to maximise the opportunities associated with the future use of undeveloped or vacant land in the centre, ensuring that any future development of the land contributes to the ongoing viability of the centre. <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Land owner/centre management</i>
	<u>Moe CBD (Sub-Regional Retail Centre)</u>
2.16	Prepare a revised <i>Moe Activity Centre Plan</i> that considers revitalisation of the centre, improved integration of land uses, quality of the public realm as a catalyst for generating on-street activity and private sector investment, and the most appropriate land use zone for land to the south of the railway line. <i>Timeframe: Medium-term</i> <i>Responsibility: Council (planning, capital works)</i> <i>Partnerships: Businesses, land owners, developers, traders' associations, community groups</i>
2.17	Support new investment and the redevelopment of derelict buildings and sites to improve public realm, perception of the centre, attract new investment and support the viability of the centre. <i>Timeframe: Medium-term</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Businesses, traders' associations</i>
2.18	Support the future development of residential land in Moe and Newborough as a means of stimulating population growth and retail spending in the catchment. <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Land owners, developers</i>
2.19	Continue to support and implement the <i>Moe Rail Precinct Revitalisation Project (2012)</i> <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, capital works)</i> <i>Partnerships: Businesses, land owners, developers, traders' associations, community groups</i>
	<u>Churchill (Large Town Centre)</u>
2.20	Prepare and implement a revised Town Centre Plan in order to provide an updated vision for the town centre and which assesses the future requirements for commercial land (refer Action 2.21), taking into consideration recent development trends. <i>Timeframe: Medium-term</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Land owners, developers, traders' associations</i>
2.21	Undertake an assessment of the Commercial 1 Zone land supply in the centre which considers development for non-retail uses (e.g. residential). <i>Timeframe: Medium to long-term</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Land owners, developers</i>
	<u>Homemaker Precincts (Argyle Street, Traralgon and Morwell East)</u>
2.22	Direct large-format bulky goods and homemaker retailing to Argyle Street Traralgon and to the Morwell East Homemaker Precinct. <i>Timeframe: On-going</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Land owners, developers</i>

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7.3 Objective 3: Ensure Convenient and Accessible Retail Services through Viable Neighbourhood Centres, Small Town Centres and Local Centres

Access to local convenience retail to meet day-to-day household needs is provided by a viable network of neighbourhood centres, small town centres and local centres. When well-planned, these centres serve local catchments, encourage walkability, and are important places for the community to meet and socialise.

The viability of smaller convenience centres has been adversely impacted by increased competition from higher-order, large-format retail and by changing consumer tastes and preferences. Many small town centres increasingly rely on spending attributable to tourists and other visitors to remain viable. Small town centres are also important in providing retail services to their rural catchments.



Objective 3: To provide convenient and accessible retail services through viable neighbourhood centres, small town centres and local centres

No.	Action Description
	<u>General Actions</u>
3.1	Support the network of existing and planned neighbourhood centres, small town centres and local centres as identified in the Latrobe Retail Hierarchy. <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Developers, land owners, traders' associations</i>
3.2	Support retail uses that attract visitor spending and support the integration of destination retail uses (e.g. cafes, restaurants, gift shops). <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Businesses, community groups</i>

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No.	Action Description
<u>Centre Specific Actions</u>	
<u>Newborough (Neighbourhood Centre)</u>	
3.3	Support moderate housing growth areas outlined in the <i>Live Work Latrobe-Housing Strategy</i> (2017). <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Developers</i>
3.4	Support businesses to develop centre branding to reflect unique attributes. <i>Timeframe: Medium-term</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Businesses, community groups</i>
3.5	Review the appropriateness of the Mixed Use Zone applied throughout the entire centre in facilitating desired land use outcomes and its identified neighbourhood centre role in the Latrobe City Retail Hierarchy. <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: not applicable</i>
<u>Small Town Centres</u>	
3.6	Support the implementation of the <i>Glengarry Community Plan</i> (2018). <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Businesses, community groups</i>
3.7	Support small towns in the preparation and implementation of Community Plans to capture the voice and vision of the community and to document a list of local priority projects that the community would like to work towards achieving. <i>Timeframe: Medium to Long-term</i> <i>Responsibility: Council (planning, economic development, community strengthening)</i> <i>Partnerships: Businesses, community groups</i>
3.8	Explore opportunities to attract increased visitation to each small town centre, acknowledging each town's unique features and attractions. This may involve creating a small town trail, promoting local food, produce, arts and holding festivals and events. <i>Timeframe: Medium to Long-term</i> <i>Responsibility: Council (planning, economic development, arts and events)</i> <i>Partnerships: Businesses, community groups</i>

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No.	Action Description
	<u>Existing Local Centres (Numerous)</u>
3.9	<p>Support the continued viability of Local Centres in view of the increased competitive pressures these centres face. Encourage individual businesses and landowners to:</p> <ul style="list-style-type: none"> • Establish a unique convenience retail offer • Invest in derelict buildings and vacant sites to avoid the centres becoming run-down and derelict. • Explore innovative ways to activate vacant shopfronts where possible (e.g. community noticeboards, arts displays etc) <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Businesses, land owners, community groups</i></p>
3.10	<p>Consider ways in which Council can support the viability of Local Centres, including:</p> <ul style="list-style-type: none"> • improving streetscapes • Ensuring accessible parking for customers • Retaining flexibility regarding policies such as street-based dining • Being proactive in attracting businesses to Latrobe City. <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Businesses, land owners, community groups</i></p>
	<u>Potential Neighbourhood & Local Centres (Numerous)</u>
3.11	<p>Plan for neighbourhood and local centres when undertaking detailed land use planning for relevant areas such as a Structure Plan or Local Area Plan, including identification of the preferred location, size and role of a centre to serve future residents.</p> <p><i>Timeframe: Long-term</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: Developers, land owners</i></p>

7.4 Objective 4: Reduce Retail Vacancy Rates and Improve Trading Performance of Under-Performing Centres

Selected centres and specific areas within centres are underperforming, and this is reflected in a high level of retail shopfront vacancy. These centres include:

- Morwell CBD (north of the Railway Line), with 30% of shopfronts vacant
- Moe CBD (south of the Railway Line), with 16% of shopfronts vacant
- Mid Valley Shopping Centre, with 22% of shopfronts vacant.
- Bruton Street and Rintoull Street in Morwell, with shopfront vacancy rates of 24% and 31% respectively
- Boolarra Avenue and Old Sale Road in Moe-Newborough, with respective vacancy rates of 28% and 51%.

Vacant tenancies reflect poorly on the surrounding area and have negative impacts on the level of amenity and sense of place in centres. The need exists, therefore, to reinvigorate centres as places where people want to spend time, undertake their shopping, and socialise

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with friends. Numerous examples exist where the revitalisation of centres has occurred, with innovative methods to occupy vacant tenancies.

Objective 4: To reduce retail vacancy rates and improve trading performance of underperforming centres

No.	Action Description
4.1	Support proposals and development applications that diversify the retail and non-retail offering in under-performing centres. <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning).</i> <i>Partnerships: Retailers, traders' associations</i>
4.2	Support land owners and encourage investment in derelict buildings and vacant sites. <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Land owners, developers, centre managers</i>
4.3	Facilitate initiatives that activate long-term vacant tenancies in under-performing centres by connecting landlords with start-up businesses and entrepreneurs. Potential first steps include investigating a potential model that is appropriate for Latrobe City, establishing a register of long-term vacancies, and undertaking an Expression of Interest for potential tenancies and land owners. <i>Timeframe: Short-term</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Land owners, centre managers, local businesses</i>
4.4	Facilitate innovative consultation with businesses, land owners and traders' association representatives to identify opportunities for centres, with appropriate actions and roles identified. <i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Land owners, local businesses, centre managers</i>

7.5 Objective 5: Ensure Retail Centres in Latrobe City are Well-designed Places where People Enjoy Shopping, Doing Business and Participating in Community Activities

Successful retail centres are most often easily accessible, characterised by a walkable and attractive public realm, with investment by individual property owners. Quality design emphasising high levels of amenity and personal service is increasingly important for retail centre viability in view of the emerging share of retail sales captured by the online sector and digital service platforms.

Increasingly, the success of future retail centres will be attributed to the 'sense of place' that attaches to these centres and the high level of amenity enjoyed by shoppers and other visitors. Importantly, retail centres should be places where the broad spectrum of community members actively enjoy spending time and socialising with friends and family.

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Objective 5: Ensure retail centres in Latrobe City are well designed places where people enjoy shopping, doing business and participating in community activities

No.	Action Description
5.1	<p>Prepare and implement Town Centre Plans and Urban Design Guidelines to ensure new development contributes positively to the public realm and character of centres.</p> <p><i>Timeframe: Medium-term</i></p> <p><i>Responsibility: Council (planning, urban design)</i></p> <p><i>Partnerships: Land owners, developers, businesses</i></p>
5.2	<p>Provide a high-quality public realm through appropriate investment in street furniture, signage, plantings and other physical works and initiatives that add to the appeal of centres.</p> <p><i>Timeframe: Ongoing</i></p> <p><i>Responsibility: Council</i></p> <p><i>Partnerships: Traders associations, local community, businesses</i></p>
Source: Essential Economics	

7.6 Objective 6: Support a Retail Sector that is Responsive to Changing Consumer Preferences and Market Trends

The retail environment is constantly changing due to a range of factors including the introduction of new brands, products, formats and platforms; trends in store design and layout; and changing consumer preferences. Change in Australia's retail sector is also currently being driven by the emergence of online retailers and digital services platforms such as Uber Eats, Deliveroo, Menulog, etc, as well as the introduction of new market entrants such as large format retailers Decathlon (sporting goods) and Kaufland (supermarket).

New operators, brands and formats typically benefit consumers through increased competition resulting in lower prices and greater choice. Importantly, planning at the municipal level should support the dynamic nature of the retail sector. A sensible starting point is to ensure Council officers are aware of latest trends impacting the retail sector and for this knowledge to be reflected in planning and development decisions.

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Objective 6: Support a dynamic and responsive retail sector

No.	Action Description
6.1	<p>Consider proposals to rezone land for retail development on a case-by-case basis. This will ensure that each proposal is strategically justified, will not undermine the Latrobe City Retail Hierarchy, contributes to a net community benefit and the considers the latest trends in retail and activity centre development are considered.</p> <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning)</i> <i>Partnerships: not applicable</i></p>
6.2	<p>Facilitate regular information sessions and seminars for businesses on the latest trends in retailing (e.g. technological change, trends in digital marketing, business practices, consumer and competitive trends etc).</p> <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (economic development)</i> <i>Partnerships: Traders' association, businesses, centre managers, training providers, industry experts</i></p>
6.3	<p>Improve Council officers' awareness of relevant trends in the retail sector by attending retail industry events and seminars, internal briefings, other forms of information-sharing, and subscribing to retail industry publications (e.g. Inside Retailing, Shopping Centre News)</p> <p><i>Timeframe: Ongoing</i> <i>Responsibility: Council (planning, economic development)</i> <i>Partnerships: Main Streets Australia, Property Council, Regional Development Victoria</i></p>
6.4	<p>Consider providing a greater emphasis on the retail sector in future revisions of Council's Economic Development Strategy.</p> <p><i>Timeframe: Medium-term</i> <i>Responsibility: Council (economic development)</i> <i>Partnerships: NA</i></p>
Source:	Essential Economics

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8 PLANNING CONSIDERATIONS

The Latrobe Planning Scheme is the most appropriate mechanism to implement the Latrobe Retail Strategy (2019). Implementation would be in the form of an amendment to the Local Planning Policy Framework (LPPF), predominantly in the Municipal Strategic Statement (MSS) at Clause 21.07 – Economic Development, as well as potential changes to zone and overlay controls.

DELWP's Smart Planning program is currently implementing reforms to all Victorian Planning Schemes. This includes reforms to the Victoria Planning Provisions (VPP); and restructuring the State Planning Policy Framework and aligning local policies.

As such the translation of local planning policies into the integrated Planning Policy Framework is yet to be completed. The translation will most likely affect the Clause numbering in all Planning Schemes.

This section of the Latrobe City Retail Strategy and Implementation Plan references the current Clause numbers in the Latrobe Planning Scheme. Modifications will most likely be required prior to progressing to a Planning Scheme Amendment to the Latrobe Planning Scheme.

Relevant clauses of the Latrobe Planning Scheme where recommended amendments are required to implement the Latrobe Retail Strategy are identified in this Chapter. Draft planning controls or specific text changes to existing policy in the Latrobe Planning Scheme as not provided.

8.1 Municipal Strategic Statement

The MSS provides the opportunity to outline the municipal profile, vision and objectives at a municipal-wide level. In theory, the MSS should provide high-level and strategic guidance for any issues that arise within the municipality.

Latrobe City's MSS identifies economic development as a key theme and influence for the municipality. The Retail Strategy (2019) should be referenced under this theme and the implementation of the Strategy would primarily be achieved through an amendment to the relevant Clause 21.07 Economic Development. The inclusion of any new objective in the MSS should also be supported by relevant strategies or actions to achieve those objectives.

Clause 21.07 Economic Development

Clause 21.07-2 relates to the key issue of activity centres in Latrobe City. The planning strategies relevant to retail centres and other related aspects identified in this document can be implemented as revised objectives and strategies through this Clause.

The Objectives relevant for inclusion in a revised Clause 21.07-2 include:

- Objective 1 – Support the viability of Latrobe City's Retail Hierarchy.

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- Objective 2 – Support the trading performance and viability of Latrobe City’s higher-order centres.
- Objective 3 – Ensure convenient and accessible retail services through viable neighbourhood centres, small town centres and neighbourhood centres.
- Objective 4 – Reduce retail vacancy rates and improve trading performance of under-performing centres.
- Objective 5 - Ensure retail centres in Latrobe City are well-designed places where people enjoy shopping, doing business and participating in community activities.
- Objective 6 – Support a dynamic retail sector that is responsive to changing consumer preferences and market trends.

Strategies in the existing Clause 21.07-2 overlap with actions identified as part of this Retail Strategy. These strategies would be shifted to the appropriate Objective outlined above to provide consistency and clarity between Objectives.

Action 1 of this Retail Strategy regarding endorsement of the identified Retail Hierarchy is importance in terms of the Strategy’s inclusion in the LPPF. The Retail Hierarchy establishes specific roles and functions for retail centres in order to contribute to the development of a retail offer at the municipal level that fosters convenient access to a range of retail services and commercial viability.

A key role of the identified Retail Hierarchy is the promotion of a local retail network in which individual centres complement one another with respect to their retail offer, rather than directly compete for trade. This outcome would reinforce the Latrobe City’s function as a ‘network city’ and contribute to the improved viability of centres. The Retail Hierarchy should be included as part of Clause 21.07-2 at the proposed Objective 1, to encourage specific land use strategies in identified retail centres. A revised retail hierarchy map could also be included as a figure within the Clause.

The Latrobe Retail Strategy, 2019 should be listed as a reference document in the MSS.

8.2 Zones

Rezoning considerations are provided as part of the Latrobe Retail Strategy. Specifically, Moe CBD south, Morwell CBD north, Churchill and Newborough will require further investigation to determine whether the current land zoning is appropriate or if an alternative zone would more adequately facilitate their proposed role as identified in the Retail Hierarchy. Potential rezoning of these retail centres, or specific parcels of land in the centres, will need to undergo a separate investigation and this may include an Activity Centre Planning or Structure Planning process, informed by the Retail Strategy. While these areas have been identified as part of this strategy, other rezoning needs may be discovered through the undertaking of further strategic work.

The Retail Strategy does not recommend any land zoning changes at this stage.

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8.3 Retail Centre Design

Actions outlined in the Retail Strategy relate to the urban design of retail centres and their surrounding environments, especially in relation to Objective 5 - *ensure retail centres in Latrobe City are well designed places where people enjoy shopping, doing business and participating in community activities.*

Urban design guidelines implemented through a Design and Development Overlay would be the most appropriate tool to achieve the outcomes of this Objective. A further work action in the MSS at Clause 21.07-2 could be included to undertake an Urban Design Framework or similar for each centre, as appropriate.

8.4 Application Requirements

The 'Retail Planning Assessment Criteria' should be referenced as an application requirement for any proposals that include the provision of retail floorspace, either as part of the MSS at Clause 21.07 or as a new particular provision for retail development. The 'Retail Planning Assessment Criteria' are outlined in Chapter 9 of this Strategy.

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9 RETAIL PLANNING ASSESSMENT CRITERIA

Retail Planning Assessment Criteria have been prepared as a reference point for Latrobe City officers when assessing development proposals for new or expanded provision of retail floorspace. The Criteria should also be used by developers for guidance regarding information required by Council to facilitate the planning approvals.

The Criteria consist of three components:

- The main considerations when assessing retail development proposals;
- Information which an Applicant should provide to Council in order to facilitate the planning approvals process; and
- A checklist of issues to be addressed when assessing major retail development proposals.

In assessing a retail development proposal, reference should be made to the application of various other aspects of this Strategy.

9.1 Considerations for Retail Development Proposals

In assessing retail development proposals, Council will have regard for how the proposal addresses the *Vision, Objectives* and *Actions* described in the Latrobe Retail Strategy. In addition, a proponent would be required to show how the proposal addresses the following key considerations:

- 1 Is there demand for additional retail facilities, and how does the proposal meet this demand?
- 2 How will the proposed development impact on the role of the centre, and on the viability of other activity centres in the hierarchy?
- 3 Will the proposal contribute to employment in both construction and retail operation?
- 4 Will the proposal provide an overall contribution to net community benefit?
- 5 Does the proposal adhere to local and State policies for planning and urban design?

9.2 Information Applicants must provide when Seeking Planning Approval for a Retail Proposal

- 1 Address of the subject site and Title particulars.
- 2 Details of the proposed retail component:
 - Amount of retail and non-retail floorspace (in square metres)
 - Number of retail and non-retail tenancies and sizes

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- Type of retail floorspace (e.g., supermarket, discount department store, specialty stores, etc)
 - Car parking (if applicable).
- 3 Details of any other (non-retail) component where applicable, including office floorspace, entertainment uses, residential component, etc.
- 4 An economic impact report (or retail economic assessment) is required for major new retail developments (at the discretion of Council), but generally comprising those proposals involving the development of a new centre, or the provision of a key major tenant such as supermarket, etc. The report should provide the following information:
- Supporting evidence of retail demand
 - Assessment of any potential impact on existing or planned (i.e. approved) retail facilities
 - Impact the proposed development would likely have on the role of the centre and the wider activity centre hierarchy
 - Description of anticipated benefits to the community (measurable and non-measurable)
 - Estimated contribution to employment (in both construction and retail operation), and noting the indirect flows (although these generally accrue to a wide area, including the State and national economies)
 - Overall contribution to net community benefit.

Section 9.3 elaborates further on the above.

- 5 Council will decide on the extent of the supporting economic impact information required from the applicant on the basis of the size of the retail floorspace component for which approval is being sought. A brief statement may be sufficient for a small retail development (at the discretion of Council, say, up to 4,000 m², and depending on the place in the hierarchy of centres). Council would require a more detailed economic assessment if proposals involve the development of a major shopping facility. Prospective developers should discuss their proposals with Council officers prior to formal submission of a Planning Permit Application or rezoning request so that the extent of supporting information required by Council can be ascertained. Council reserves the right to request additional information on economic impact from the applicant, if required.
- 6 The proposal should be accompanied by an analysis of the development in the context of relevant planning policies, including State and Local Planning Policies.

9.3 Considerations to be Addressed for Major Retail Development Applications

The following considerations are provided as guidance in assessing applications for major retail developments in Latrobe City. These considerations are provided also as guidance to

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proponents in terms of the level of information required to support development applications. The level of information required to support an application will be at the discretion of Council.

Retail Economic Assessment

The application/proposal must show a need or demand for new or expanded retail floorspace provision to serve the catchment. This may involve:

- Identification of a trade area or catchment served by the proposal, including current and forecast population and retail spending growth.
- Analysis of the extent to which the proposal would be expected to draw trade from beyond the catchment, or from passing trade.
- Indication of the existing supply of retail floorspace serving the catchment, including existing and proposed competing centres.
- Overview of any other proposals for new or expanded retail development in the catchment or beyond, which could have an effect on the viability of what is presently proposed.
- Indicate the main features of the existing hierarchy of centres which serve the catchment and show where the proposed new or expanded retail provision would fit within this hierarchy.
- Provide evidence as to whether the existing supply of retail floorspace is or is not adequate to meet existing and foreseeable demand levels (say, over the next five to ten years).
- Indicate whether any retail gaps exist in merchandise/services which the proposal will fill.
- Provide details as to the existing level of vacant retail premises in the catchment and in any other affected centres, and assess whether these premises are suitable to accommodate modern retail needs.
- Indicate the level of sales at the proposed development and the extent to which sales would be captured from within the catchment and beyond.
- Prepare an analysis of the effect on total retail sales levels (expressed in dollars and as a percentage of total sales) at existing retail facilities if the proposal for new retail floorspace is approved.
- Show how the trading performance of existing facilities would be affected by the introduction of additional retail floorspace.
- Show the extent to which the proposal is expected to lead to an overall improved provision of retail facilities to the catchment, and especially with consideration given to any adverse trading impacts on existing centres.
- Prepare an analysis of the employment impact of the proposed new or expanded retail facilities, including the potential loss in employment at centres negatively impacted by the proposal.

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The retail economic assessment (or economic impact assessment) should outline all assumptions used in the analysis. The report should be able to be read and understood by non-economists.

Urban Design Issues

- The application must meet planning, design and other requirements specified in the planning scheme or in other approved planning policy documents.
- The planning application must include – where requested by Council – an assessment of the proposed development in the context of relevant urban design policies.

Net Community Benefit

The planning application must provide an indication of the development proposal's contribution to Net Community Benefit (NCB) in terms of:

- Employment generation (or loss) during construction and operation.
- Impact on retail choice and availability of goods and services.
- Impact on overall levels of vibrancy and sustainability.
- Contribution to levels of public transport use.
- Contribution to liveability, social interaction and other community-related goals.

The application must specify how the proposed development contributes to NCB, including consideration of the following factors:

- Potential positive factors, including increased choice in retail goods and services available to the community, increased retail competition, retention of a share of escape spending, increased employment and multiplier effects, etc; and
- Potential negative factors, including loss of sales at existing shops/centres, loss of employment, possible business closures, possible vacant shops, possible multiplier effects associated with these potential negative outcomes, etc.

For larger projects, as determined by Council, the proposal must also consider non-retail impacts such as traffic circulation and parking demand, environmental effects on adjoining activities, local character and amenity impacts.

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10 MONITORING AND REVIEW

An important part of the implementation process for Latrobe Retail Strategy is to ensure that it remains relevant as circumstances change and as new opportunities arise.

Monitoring will assess how the Strategy is performing and whether or not changes are warranted as a result of new and emerging trends.

Monitoring also enables Council and the community to judge how well and efficiently the Strategy is being implemented. It is important, however, that speed of implementation should not be the sole criterion for success. Most communities seek good quality outcomes and, with a little patience, will be pleased to see on-the-ground results which ensure viable activities and attractive, competitive retail centres.

Council must ensure, therefore, that the Strategy is monitored and reviewed on a regular basis. Some indicators of progress can be readily assessed on an annual basis, while other indicators can be assessed over a longer period, or sooner if important changes are identified in the marketplace.

Indicators for monitoring and review purposes are listed in Table 10.1. These indicators are based on readily available and relatively inexpensive data, including official data sources, Council planning approvals and commencements data, land use and floorspace surveys, and reference to consultant reports.

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Table 10.1: Indicators for the Monitoring and Review Process

Indicator (indicative timing)	Source	Comment
1. Activity Centre Floorspace (3-7 years, dependant on the extent of development and change)	Land use and floorspace surveys	Implement retail/commercial floorspace survey in order to allow an up-to-date estimate of total floorspace and the mix of retail/office activities. The floorspace survey presented in the Retail Strategy will serve as the base-year survey. Alternatively, Council planning and approvals data could be added to the floorspace data presented in this Strategy.
2. In-centre surveys (1-2 years)	In-centre surveys	Undertake a series of short in-centre surveys in the Latrobe City's higher-order centres of businesses and customers on a regular basis (e.g. every one or two years). The survey could cover issues such as the local community's views on the centre, changes in people's perception of the centre as a place to visit, views on competing centres, issues they identify and actions that need doing, trends in employment levels, etc. The surveys would be a helpful reference point in assessing potential impacts of the initiatives contained in the Strategy.
3. Property development proposals and projects (ongoing)	Council records	Track development applications, proposals, and completions through Council data.
4. Retail trading performance (ongoing)	Consultant reports; Property Council; industry liaison	Especially track official sources of data. Note numbers of new or expanded businesses and estimate of new jobs on an annual basis.
5. Increased floorspace and value of buildings and works (ongoing)	Council and ABS data for planning and building approvals, and building completions	This measure uses regular and up-to-date data, and is therefore very useful.
6. Vacancy rates for retail and commercial floorspace and/or tenancies (2-3 years)	Land use and floorspace surveys	Can be undertaken at any time. As a guideline, the acceptable retail floorspace vacancy rates average around 5-7% of total retail floorspace for street-based centres. Vacancy rates provide a useful measure of the general health of a centre.
7. Changes in property values and rates (annually)	Council rate records; property industry	Useful indicator, especially as a relative indicator (e.g. different rate valuations for different centres).
8. Viewpoints on health of centres as expressed by those in property, real estate, retailing, and in other relevant industry sectors (ongoing)	Regular contact with real estate agents, property owners, developers, retail industry, other businesses, business associations, and the wider community.	Possible annual forum organised by Council at a venue for information exchange between property and retail industry, local traders, other businesses and stakeholders, Council and other community representatives.

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9. Business confidence surveys (annually)	Survey completed by businesses	Conduct business confidence surveys for businesses in centres. The survey can track level of sales levels (higher or lower than 12 months ago), future sales expectations (in 12 months), employment levels, identification of issues/threats, etc.
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Source: Essential Economics Pty Ltd

Latrobe Planning Scheme Amendment C119 (Latrobe City Retail Strategy)**Post Exhibition Changes Table**

16 March 2020

ITEM	WHAT IS THE CHANGE?	WHAT IS THE REASON FOR THE CHANGE?	POST EXHIBITION CHANGE	RELATED SUBMISSION
Clause 21.02-5 Activity Centres				
1	Amend paragraph 3 from 'can be' to 'could be' <i>accommodated almost entirely within existing commercially zoned areas.</i>	Improved clarity in interpretation of existing commercially zoned areas potentially being able to accommodate future retail demand needs.	<input checked="" type="checkbox"/>	N/A
Clause 21.09 Local Areas				
2	Update Clause 21.09-1 to reference Town Centres as Primary Activity Centres, Neighbourhood Activity Centres or Local Activity Centres.	To provide consistent terminology.	<input checked="" type="checkbox"/>	Submission 1
Latrobe City Retail Strategy – Background Report 2019				
3	Amend Table 7.1 to reference two major supermarkets in Churchill and correctly reference Richie's Supa IGA and Ritchie's Mitre Ten as anchor tenants.	To provide correct data.	<input checked="" type="checkbox"/>	Submission 1
Latrobe City Retail Strategy – Strategy and Implementation Plan 2019				
4	Amend Table 5.1 to reference two major supermarkets in Churchill and correctly reference Richie's Supa IGA and Ritchie's Mitre Ten as anchor tenants.	To provide correct data.	<input checked="" type="checkbox"/>	Submission 1