

## LATROBE PLANNING SCHEME

### AMENDMENT C115latr

### EXPLANATORY REPORT

#### Who is the planning authority?

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

The amendment has been made at the request of Latrobe City Council.

#### Land affected by the Amendment

The amendment applies to land within the Morwell to Traralgon Employment Corridor shown in Figure 1 below (a mapping reference table is attached at Attachment 1 to this Explanatory Report). This incorporates land immediately to the north of the Princes Highway between the urban areas of Morwell and Traralgon. Key existing land uses in this area include the Latrobe Regional Hospital, Latrobe Regional Airport, Lions Food, a car dealership cluster, low density and rural residential development, and agriculture.

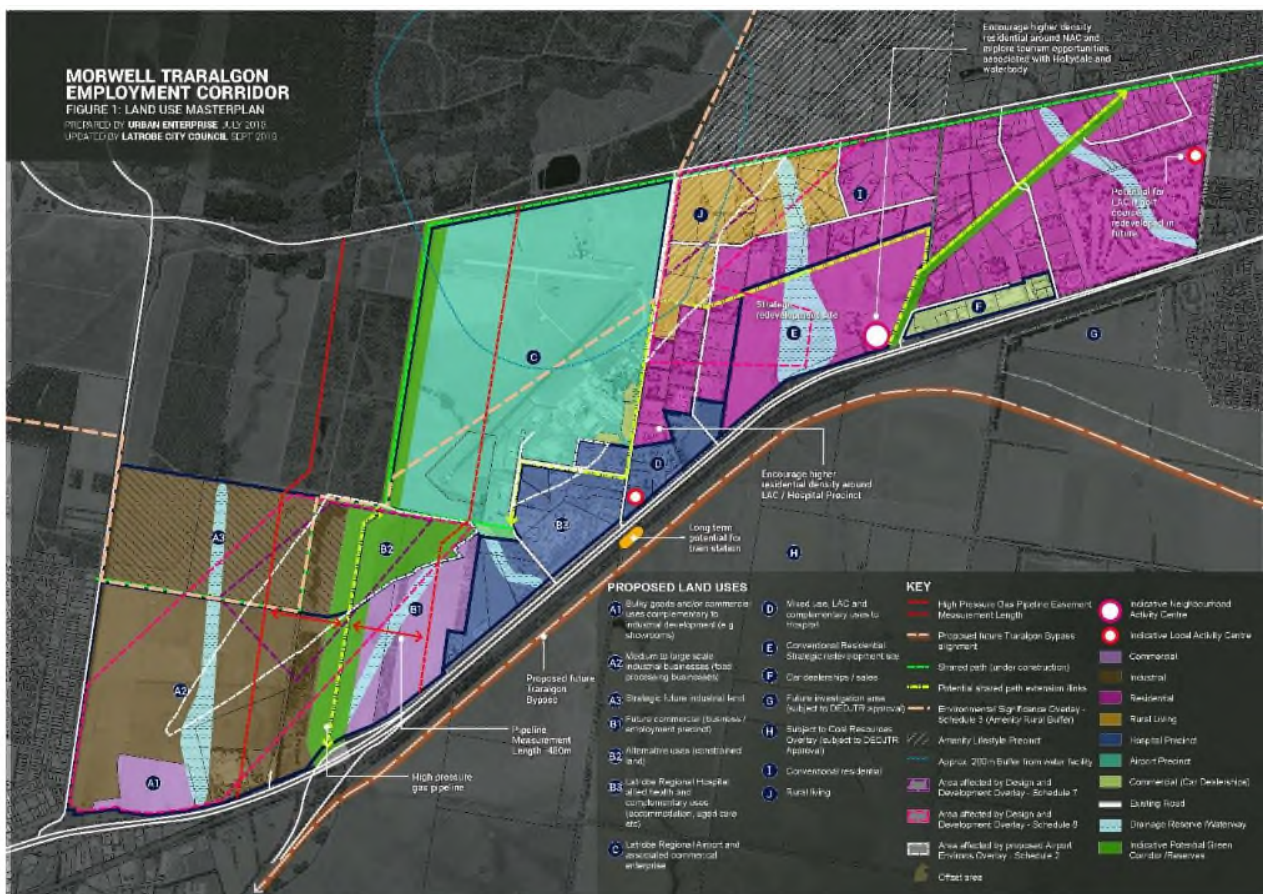


Figure 1 Morwell Traralgon Employment Corridor Master Plan 2018: Land Use Master Plan

## What the Amendment does

The amendment implements the recommendations of the Morwell Traralgon Employment Corridor Investment Master Plan 2020 (Master Plan). This includes rezoning land identified as short term to facilitate development around the Latrobe Regional Hospital for a health precinct.

Specifically, the amendment:

- Rezones land in precinct B3 and D (see Figure 1), including land at 5021 and 5023 Princes Highway Morwell from the Rural Living Zone Schedule 5 to the Special Use Zone Schedule 8 (excluding properties publicly owned). This excludes land at 5219 Princes Highway, Traralgon.
- Rezones land at Village Avenue, Traralgon L16 LP67735, 9 Village Avenue, Traralgon L 19 LP67735, 40 Village Avenue, Traralgon CA 2032 and 45 Valley Drive, Traralgon L 5 LP 67735 and Lot 10 LP 94411 Northern Avenue, Traralgon from the Rural Living Zone Schedule 5 to the Public Use Zone 3.
- Amends Clause 21.01 by updating the Strategic Land Use Framework Plan to implement the recommendations of the Master Plan.
- Amends Clause 21.02 Housing and Settlement and Clause 21.07 Economic Development by including key strategies and objectives to implement the recommendations of the Master Plan.
- Amends Clause 21.08 Transport and Infrastructure by updating objectives and strategies relating to the Morwell to Traralgon Employment Corridor.
- Amends Clause 21.09 Local Areas by updating the Traralgon West Structure Plan and including key strategies and objectives to implement the recommendations of the Master Plan. The amendment also corrects minor administrative errors in this Clause.
- Amends Clause 21.10 Implementation to include the Master Plan as a background document.
- Amends Schedule 2 to Clause 37.01 Special Use Zone to facilitate the development of Precinct F for Car Sales.
- Inserts Schedule 8 to Clause 37.01 Special Use Zone for the development of a Health precinct with complementary uses.

## Strategic assessment of the Amendment

### Why is the Amendment required?

The amendment is required to implement and facilitate the recommendations of the Master Plan. Objective 1 of the Council Plan is to '*Support job creation and industry diversification to enable economic growth in Latrobe City*'. To meet this objective, council needs to ensure that there is enough suitably zoned land within the municipality to facilitate development and provide direction to potential investors regarding key opportunities within the region.

The Economic Development Strategy 2016 – 2020 highlights the need to support job growth and economic diversification. With the closure of Hazelwood Power, which was one of Latrobe's largest employers, this is now essential.

The Master Plan estimates that the full development of the Morwell to Traralgon Employment Corridor has the potential to support 5,623 jobs and generate an economic output of \$2.5 billion. The amendment facilitates the rezoning of land in precincts B3 and D and also facilitates further development of land in precinct F. The amendment therefore has the potential to create up to 3,411 jobs and \$1 billion in economic output.

The amendment also facilitates the opportunity to develop other precincts within the medium to long term, depending on land supply and development rates.

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

The amendment implements the following objectives of planning in Victoria:

- a) to provide for the fair, orderly, economic and sustainable use, and development of land;*
- c) to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria;*
- e) to protect public utilities and other assets and enable the orderly provision and co-ordination of public utilities and other facilities for the benefit of the community;*
- f) to facilitate development in accordance with the objectives set out in paragraphs (a), (c), and (e);*

The amendment implements these objectives by introducing the Master Plan into the Latrobe Planning Scheme, which provides for the fair and orderly planning of the Morwell to Traralgon Employment Corridor. Land release in the corridor will be staged to ensure there is not an oversupply of land and that issues around servicing can be resolved within an orderly manner.

The amendment supports the protection, and promotes the development of, the Latrobe Regional Airport and the Latrobe Regional Hospital as key public assets for the community.

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

### **Environmental Effects**

As part of the preparation of the Master Plan, background reports were undertaken including a biodiversity assessment for the precinct. The assessment highlights key areas for consideration as part of any development of the precinct and indicates the area has a moderate potential to support threatened species.

The report indicates that further detailed assessment is required at the planning permit stage to determine biodiversity presence and requirements around the development of specific sites.

Where possible, the Master Plan shows public open space areas to protect waterways and significant vegetation. It is noted that a considerable amount of vegetation is within the existing road reserve.

Areas of cultural sensitivity are identified in precincts A1, A2 and A3 and Precincts E and I. A Cultural Heritage Management Plan (CHMP) will need to be prepared for the development of industrial land in precinct A2, prior to the issue of any planning permit.

### **Social Effects**

Latrobe City Council is projected to have a large aging population. Key assets such as the Latrobe Regional Hospital will play a key role in servicing this demographic. The amendment supports the development and expansion of the Latrobe Regional Hospital and its associated services within the Health precinct (precincts B3 and D).

Latrobe City Council Housing Strategy supports the growth of Latrobe City to 100,000 residents over the next 30 years, reinforcing Latrobe City's role as one of Victoria's Four Major Regional Cities. The amendment will help support this population growth through the rezoning of land to support investment and job growth.

### **Economic Effects**

As part of the preparation of the Master Plan, an economic assessment for the precinct was undertaken. The Master Plan estimates that the full development of corridor has the potential to support 5,623 jobs and generate an economic output of \$2.5 billion. The amendment facilitates the rezoning of land in precincts B3 and D and also facilitates further development of precinct F. The amendment therefore has the potential to create up to 3,411 jobs and \$1 billion in economic output.

The amendment supports the protection, and promotes the development of, the Latrobe Regional Airport and Latrobe Regional Hospital as key public assets for the community.

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

The amendment has considered relevant bushfire risk through the *Morwell to Traralgon Employment Corridor Investment Master Plan – Bushfire Planning consideration report* (December 2018).

The majority of the precinct is within a Bushfire Prone Area, with precinct A2, A3, B1, B2 and C partially covered by a Bushfire Management Overlay. Typical bushfire scenarios for the precinct are:

1. Bushfire from the north which has the potential for a 3km fire run.
2. Grassfire, which can impact all areas where development has not occurred.

In general, the development of the Morwell to Traralgon Employment Corridor is likely to reduce bushfire risk, in particular to the existing townships of Morwell and Traralgon. The Latrobe Regional Airport provides a maintained land area in precinct B3 and D, including a management plan to protect a small offset area for vegetation.

When the rezoning and development of precincts A3 and B2 occur, a perimeter road will be required as a mitigation measure for bushfire protection. A Development Plan Overlay or other appropriate planning tool will be used at the time to require this mitigation measure.

A detailed assessment of Clause 13.02 and proposed mitigation measures has been provided as part of the *Morwell to Traralgon Employment Corridor Investment Master Plan – Bushfire Planning consideration report* (December 2018).

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

The amendment complies, and is consistent with, the requirements of the relevant Minister's Directions:

- Ministerial Direction 1 – Potentially Contaminated land. The Master Plan identifies areas for potentially contaminated land. Land at 5219 Princes Highway, Traralgon will not be rezoned to the Special Use Zone Schedule 8 until such time an Environmental Audit Overlay is applied.
- Ministerial Direction – The Form and Content of Planning Schemes.
- Direction 11 – Strategic Assessment of Amendments.
- Direction 15 – The Planning Scheme Amendment Process.
- Direction 20 – Major Hazard Facilities: Advice was sought from both Worksafe Victoria and the Minister for Economic Development.

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

The amendment directly supports the following Clauses of the Planning Policy Framework:

*Clause 17 Economic Development by:*

- Planning for new employment areas and facilitating growth across the health and retail industries allowing the Latrobe economy to diversify and grow.
- Supporting the development of business clusters to build the critical mass of employment within the area by leveraging the areas competitive strengths.
- Providing small scale shopping opportunities that meet the needs of local residents and workers in convenient locations.

*Clause 19 Infrastructure by:*

- Supporting the development of energy facilities in appropriate locations where they take advantage of existing infrastructure and provide benefits to industry and the community.
- Planning for the development of pipeline infrastructure subject to the Pipelines Act 2005.
- Locating hospitals and other large health facilities in designated health precincts and areas highly accessible to public and private transport.
- Providing timely, efficient and cost-effective development infrastructure that meets the needs of the community.
- Planning and coordinating integrated water management, bringing together stormwater, wastewater, drainage, water supply, water treatment and re-use.

The amendment supports the Planning Policy Framework by building a critical mass of health-related employment opportunities around the hospital, by rezoning the land to the Special Use Zone Schedule 8 to encourage health related uses. It also supports the needs of the community by supporting small scale shopping opportunities in the precinct.

The Servicing Strategy for the Morwell to Traralgon Employment Corridor highlights the servicing needs and critical infrastructure within the area to ensure that coordinated planning of infrastructure requirements can occur, including gas, water, sewer and electricity.

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

The amendment directly supports the following Clauses of the Local Planning Policy Framework:

#### *Clause 21.02 Housing and Settlement by:*

- Ensuring the strategic employment area accommodates industry clusters for health, aeronautics or agriculture research in accordance with the Traralgon West Structure Plan.

#### *Clause 21.07 Economic Development by:*

- Supporting the Latrobe City Economic Sustainability Strategy 2016-2020 which emphasises job creation, industry diversification and the ability to offer opportunities to prospective investors. Latrobe City has two areas of significant commercial importance being the Gippsland Logistics Precinct in Morwell and the Latrobe Regional Airport in the Morwell to Traralgon Employment Corridor.
- Facilitating new development and employment opportunities in Latrobe.
- Encouraging neighbourhood shops providing local convenience goods and services in locations accessible to local communities in accordance with Structure Plans and endorsed development plans.
- Providing for localised convenience retailing.
- Promoting and protecting the operations of Latrobe Regional Hospital by supporting the implementation of the Latrobe Regional Hospital Master Plan.
- Implementing the Traralgon West Growth Corridor Structure Plan (now renamed Morwell – Traralgon Corridor Structure Plan) to help identify appropriate uses surrounding the Latrobe Regional Hospital.

#### *Clause 21.08 Transport and Infrastructure by:*

- Ensuring adequate physical infrastructure is provided for future development by encouraging broad scale infrastructure needs analysis across the main towns to help determine the type, location and cost of key shared infrastructure.
- Ensuring that all forms of urban development are connected to appropriate infrastructure including reticulated water, sewerage, telecommunications, power and stormwater facilities.
- Ensuring services meet known and anticipated demands for population growth.

*Clause 21.09 Local Areas by:*

- Discouraging further expansion of the existing area used for car sales along Princes Highway.
- Encouraging proposals for employment intensive businesses that are compatible with the nearby Latrobe Regional Hospital and Latrobe Regional Airport, and ensuring that these businesses have an appropriate interface treatment with the Major Gas Pipeline in the area.
- Protecting the Latrobe Regional Hospital and supporting the intensification of health-related uses on the hospital site or expansion into the Morwell – Traralgon Corridor Structure Plan Area 4.

The amendment supports the Local Planning Policy Framework by ensuring that the employment investigation area shown on the Morwell – Traralgon Corridor Structure Plan supports job growth in the health industry and the expansion of the Latrobe Regional Hospital. The amendment further supports the development of a business park to encourage further diversification and job creation.

The Special Use Zone – Schedule 2 seeks to ensure that the area allocated for car sales continues to function efficiently without the need for further expansion.

The identification of the public open space along the pipeline corridor, in line with the extent of the Airport Environs Overlay in precinct B1, ensures that the gas pipeline and the future operation of Latrobe Regional Airport are protected.

#### **How does the amendment support or implement the Municipal Planning Strategy?**

Not Applicable.

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

The amendment makes proper use of the Victoria Planning Provisions and is generally consistent with 'A practitioners Guide to the Victorian Planning Schemes'. The amendment is also consistent with the following Practice and Advisory Notes:

- PPN03 – Applying the Special Use Zone. The Special Use Zone is deemed the most appropriate zone to support the Health Precinct and associated uses,
  - The Special Use Zone Schedule 2 already applies to the site and the circumstances in which it was introduced in the new format planning scheme have not changed. Therefore, this zone is still appropriate.
  - The Special Use Zone Schedule 8 and amendment to the Special Use Zone Schedule 2 allows for the tailoring of specific uses within the precinct.
- PPN04 – Writing a Municipal Strategic Statement. PPN04 clarifies the role of a Municipal Strategic Statement (MSS) in planning schemes, provides guidance on the preferred format of the MSS and provides guidance on how an MSS should be written.
  - Changes to the MSS were necessary to incorporate the strategic planning objectives of the Master Plan.
- PPN13 – Incorporated and Background Documents. PPN13 clarifies the role of incorporated and background documents in the Planning Scheme.
  - The Master Plan was included as a background document in accordance with PPN13.
- PPN30: Potentially Contaminated Land. PPN30 provides guidance on how to identify potentially contaminated land and the appropriate level of assessment and guidance for applying an EAO.
  - PPN30 was used to identify any potentially contaminated land on land subject to the amendment. The site at 5219 Princes Highway has been identified in the Master Plan as a site warranting the application of an Environmental Audit Overlay and as such, is not proposed to be rezoned at this point in time.

- PPN46 – Strategic Assessment Guidelines
- PPN64 - Local Planning for Bushfire Protection. PPN64 provides guidance around local planning for bushfire. PPN64 was used in the preparation of the Bushfire Assessment undertaken as a background report for the Master Plan.
- PPN77 – Pre-setting Panel Hearing Dates. Pre-set Planning Panel dates were undertaken in accordance with PPN77.
- AN48 - Ministerial Direction No.15 – The Planning Scheme Amendment Process. AN48 provides information on Ministerial Direction 15 which sets timeframes for the Amendment.

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

The Master Plan and associated background reports including the *Morwell to Traralgon Employment Corridor Investment Master Plan – Bushfire Planning consideration report* (December 2018) and the Servicing Strategy, were prepared in consultation with relevant agencies and authorities.

Comments were sought during exhibition of the amendment. Changes have been made following the exhibition process in response to the submissions received.

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

As part of the preparation of the Master Plan, a Traffic and Transport review and a Servicing Strategy were undertaken. There are several existing intersections along the Morwell – Traralgon Employment Corridor as well as existing access to business around precincts B3, D and F. The amendment only proposes to rezone land around precinct B3 and D, therefore there is no impact on the Transport Network due to existing infrastructure.

The Servicing Strategy identifies some potential concerns for review in relation to intersection placement and makes recommendations around precincts A1, 2, 3 and B1 and 2. This will require further investigation and discussion with the Department of Transport. Council will also need to continue to advocate for the construction of the Traralgon bypass to facilitate further development in these precincts.

#### **Resource and administrative costs**

The amendment may result in a moderate increase in planning permit activity with precinct B3 and D due to the change in zone. However, it is not expected that this will have an impact on timeframes and resources to assess planning permit applications.

The Servicing Strategy highlights further work to be undertaken and this will result in the requirement for additional funds. Council will identify funding opportunities, collaboration and / or allocation of budget for this further strategic work to be undertaken.

The implementation of the Master Plan will result in further Planning Scheme Amendments to realise development opportunities in precincts A3, B1 and 2 and precincts E and I. This could potentially be proponent led or council led and would be subject to the availability of further funding. Council will identify funding opportunities, collaboration and / or allocation of budget for this further strategic work to be undertaken.

#### **Where you may inspect this Amendment**

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

Corporate Headquarters  
141 Commercial Road  
Morwell VIC 3840

Moe Service  
Centre 1 – 29  
George Street  
Moe VIC 3825

Churchill Service  
Centre 9-11 Phillip  
Parade  
Churchill VI 3842

Traralgon Service  
Centre 34-38 Kay  
Street  
Traralgon VIC 3844

[www.latrobe.vic.gov.au](http://www.latrobe.vic.gov.au)

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](http://www.planning.vic.gov.au/public-inspection).



**ATTACHMENT 1 - Mapping reference table**

Location	Land /Area Affected	Mapping Reference
Latrobe City Council  Morwell to Traralgon Employment Corridor	<p>The amendment implements the Morwell to Traralgon Investment Master Plan 2018 into the Latrobe Planning Scheme. This includes rezoning land identified as short term to facilitate development around the Latrobe Regional Hospital for a health precinct, including land at:</p> <ul style="list-style-type: none"><li>• Precinct B3 and D (see Figure 1), including land at 5021 and 5023 Princes Highway Morwell from Rural Living Zone Schedule 5 to Special Use Zone Schedule 8. This excludes properties publicly owned and 5219 Princes Highway, Traralgon; and</li><li>• Village Avenue, Traralgon L16 LP67735, 9 Village Avenue, Traralgon L 19 LP67735, 40 Village Avenue, Traralgon CA 2032, Lot 10 LP 94411 Northern Avenue and 45 Valley Drive, Traralgon L 5 LP 67735 from Rural Living Zone Schedule 5 to Public Use Zone 3.</li></ul>	Latrobe C115 001ZnMap85 Adoption