

Proposed Planning Scheme Amendment Application

5483 & 5495 Princes Highway, Traralgon

Client
Stable Property Services

Issued
20/04/2026



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1. INTRODUCTION

This report supports a request by Stable Property Services to the Latrobe City Council for the rezoning of the of land at 5483 and 5495 Princes Highway, Traralgon from the Farming Zone to the General Residential Zone and Commercial 1 Zone via an application under Section 8A of the Planning & Environment Act. In support of the rezoning, the amendment also seeks to apply the Environmental Audit Overlay (EAO), and the Development Plan Overlay Schedule 12 (DPO12) to facilitate the orderly and appropriate development of the site into the future. Further inclusions in the amendment are map updates in Council's Local Planning Policy Framework.

The proposed amendment to the Latrobe Planning Scheme seeks to rezone 57.44ha of rural land for urban purposes. This includes rezoning 1.38ha of land in the southeast corner of the site to Commercial 1 Zone, whilst the balance of the site (56.06ha) is proposed to be rezoned to the General Residential Zone – Schedule 3.

The subject land (which is also occasionally referred to a Hollydale in some expert reports, and the name of the proposed DPO12, due to the name of the current farm on the land) has been identified for future urban growth in accordance with the Local Planning Policy Framework of the Latrobe Planning Scheme, including the Morwell To Traralgon Structure Plan (MTTSP) at Clause 11,03-2L. The structure plan identified the site as suitable for a mix of residential and commercial development with a Neighbourhood Activity Centre shown in the south-east corner of the land adjoining the Princes Highway (in the position of the proposed Commercial 1 Zone).

The land was originally identified for urban growth as part of the Traralgon Growth Areas Review (TGAR) in 2013 following the State Government's decision to locate the future Traralgon Bypass along its northernmost alignment option, preventing land on the south side of Traralgon being developed as a major urban growth corridor. TAGR found the opportunities for the long-term growth and expansion of Traralgon was heavily constrained and Council required a more definitive long-term growth strategy for the town, including future development of land in Traralgon West where the site is located.

The subsequent growth of the town since the TGAR has seen the subject site remain as one of the primary remaining undeveloped growth areas in Traralgon supported by existing planning policy (MTTSP).

This report provides:

- An overview of the site and context of 5483 and 5495 Princes Highway, Traralgon
- An assessment of the proposed rezoning against the relevant planning controls and policies of the Latrobe Planning Scheme
- An assessment of the proposed amendment against the Strategic Assessment Guidelines

It is our position that the proposed amendment reflects the strategic intent of local and state policy and is supported by the policies of the Latrobe Planning Scheme. Further, the rezoning represents a logical and practical expansion of residential land between Traralgon and Morwell and implements the strategic intent of the MTTSP. The high prominence of the site should propel future development in Traralgon West enabling the MTTSP to be realised.

2. AMENDMENT REQUEST

2.1. Amendment Summary

This planning scheme amendment seeks to rezone the entire site from Farming Zone to a mix of General Residential – Schedule 3 and the Commercial 1 Zone in accordance with the strategic vision of the Morwell To Traralgon Structure Plan (MTSP).

The amendment proposes to apply the Development Plan Overlay Schedule 12 to the site. DPO12 will ensure that future development of the site has regard to the opportunities, constraints and values of the land and that these elements are considered and where appropriate, incorporated into the future layout of the site. DPO12 will ensure that the development of the site is undertaken in a considered and efficient manner which is informed by environmental assessments and include a staging and infrastructure delivery program, that includes roadworks, service infrastructure, drainage and open space provision.

The Amendment will also apply the Environment Audit Overlay to a portion of the site, consequent to the findings of an environmental assessment.

Specifically, the amendment proposes to:

- Rezone the southeast corner of the development site from Farming Zone (FZ) to Commercial 1 Zone (C1Z). An area of 1.38ha.
- Rezone the balance of the development site from Farming Zone (FZ) to General Residential Zone – Schedule 3 (GRZ3). An area of 56.06ha.
- Apply Development Plan Overlay Schedule 12 (DPO12) to the subject land.
- Apply the Environmental Audit Overlay to an area on the eastern side of the subject land identified in a Preliminary Risk Screen Assessment (PRSA) as being potentially contaminated.
- Amend Schedule 1 to the Commercial 1 Zone to establish a 'maximum leasable floor area for a Shop' of 1,200sqm.
- Update maps within the Local Planning Policy Framework of the Latrobe Planning Scheme to identify the land 'Residential Supply' via the Legend rather than a 'future residential' designation. The maps to be updated are:
 - Clause 02.04: Morwell - Traralgon Growth Framework (MTGF)
 - Clause 11.01-1L: Traralgon Town Structure Plan
 - Clause 11.03-2L: Morwell to Traralgon Structure Plan (MTSP)
- Create and insert a new map at Clause 16.01-1L: Housing Framework that is titled Traralgon West Housing Framework Plan to identify the subject land as:
 - Limited Change
 - Local /Neighbourhood Activity Centre (LAC/NAC)
 - 200m Catchment from LAC/NAC
 - Land Subject to Development Plan Overlay.

Both the current schedules to the Design and Development Overlay (Schedule 8 and Schedule 10) will continue to apply to the site unchanged. These overlays apply height limits to protection of the Latrobe Regional Airport from inappropriate obstacles.

2.2. Proposed Commercial 1 Zone area and amendment to Schedule 1

It is proposed to apply the Commercial 1 Zone to 1.38ha of land in the southeast corner of the site. This area is identified as a Neighbourhood Activity Centre in the strategic framework in the Latrobe Planning Scheme.

The purpose of the Commercial 1 Zone (C1Z) is:

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

The application of the Commercial 1 Zone will allow the development of land as a Neighbourhood Activity Centre (NAC) in accordance with the strategic framework that applies to the site and accommodate a service station that is already approved on the corner of Princes Highway and Bradford Drive (under Planning Permit No. 2020/192/A which was issued for the 'Use and development of a Service Station; creation of access to a road in a Transport Zone 2; and two lot re-subdivision of land, in accordance with the endorsed plan(s)'). A copy of Planning Permit No. 2020/192/A is contained at Appendix B. The area of land accommodated by the service station is 0.9ha. The area of unencumbered land for the Neighbourhood Activity Centre is 0.48ha.

The Commercial Zone allows a mix of uses complementary to residential land and creates the opportunity to provide local convenience retail and community services to serve the local residential catchment. It also act as a driver for increased residential density around the activity centre.

The Local Planning Policy Framework including MTTSP at Clause 11.02-3L and the Traralgon-Morwell Growth Framework Plan (TMGFR) at Clause 02.04 of the Latrobe Planning Scheme nominate the site as a Neighbourhood Activity Centre. A key policy document referenced at Clause 11.02-3L (a background document to MTTSP) is the Morwell - Traralgon Employment Corridor Investment Masterplan (MTEC Masterplan) indicates the Neighbourhood Activity Centre could comprise 5,000sqm of floorspace once the area is fully development which provides for a *full line supermarket, specialty shops and ancillary commercial floorspace*.

It is proposed to amend the Schedule to the Commercial 1 Zone to nominate 'a maximum leasable floor area for a Shop' of 1,200sqm. This figure accounts for the demand generated through the residential subdivision of the land. Ultimately, additional floor area will be provided within Traralgon West in accordance with the strategic framework and MTEC Masterplan.

As the surrounding MTEC and Traralgon West area develops, demand for retail and 'Shop' floorspace is expected to increase. A requirement of the proposed Development Plan Overlay 12 is to identify and set aside land adjacent to the proposed Neighbourhood Activity Centre (Commercial 1 Zone) to accommodate future commercial growth as the area develops.

The Commercial 1 Zone, including the proposed Schedule, and the Development Plan Overlay 12 will facilitate the ultimate establishment of a Neighbourhood Activity Centre subject to the leasable floor limits outlined in Council's strategic framework.

2.3. Proposed General Residential Zone – Schedule 3

The amendment proposes to rezone the balance of the land (56.06ha) to General Residential Zone – Schedule 3 to facilitate the use and development of the land for residential purposes in keeping with the settlement and strategic intent of the MTEC. The rezoning will increase the amount of residential land available within Traralgon to meet future housing demand and to provide for continued housing diversity, given the site's potential to accommodate a mix of standard residential allotments and medium density housing around the proposed Neighbourhood Activity Centre.

The purpose of the General Residential Zone is:

- *To implement the Municipal Planning Strategy and the Planning Policy Framework.*
- *To encourage development that respects the neighbourhood character of the area.*
- *To encourage a diversity of housing types and housing growth particularly in locations offering good access to services and transport.*
- *To allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs in appropriate locations.*

The General Residential Zone – Schedule 3 is appropriate as the schedule provides for development in 'New Estates' and is used extensively and exclusively on greenfield sites that are transitioning to urban area on the outskirts of Traralgon, Morwell, Moe, Newborough and Churchill within Latrobe City. The application of the zone will allow the land to be developed for residential lots in the same manner as other growth areas within the municipality including the Traralgon North residential growth area.

The site has potential access to reticulated services to allow for an average lot size of around 500sqm and a yield above 11.0 lots per hectare, which represents an efficient use of land under current state government policy. The zoning of the land will allow for medium density development around the local activity centre as the area develops over time. It is estimated that the land could be developed for between 500 and 600 residential lots.

It is noted that an indicative subdivision plan for the site has been used in some sub-consultant to help provide context for the authors/readers. The plan does not represent an outcome that is necessarily consistent with the proposed Development Plan Overlay forming part of this amendment. However, for context, it shows 638 residential lots, which is a yield of 11.6 lots per hectare.

2.4. Proposed Development Overlay – Schedule 12

The amendment seeks to apply the Development Plan Overlay - Schedule 12 (DPO12) to the site. The primary purpose of the Development Plan Overlay is:

- *To identify areas which require the form and conditions of future use and development to be shown on a development plan before a permit can be granted to use or develop the land.*
- *To exempt an application from notice and review if a development plan has been prepared to the satisfaction of the responsible authority.*

DPO12 will ensure that future use and development of the site has regard to the opportunities, constraints and values of the land and that these elements are considered and where appropriate, incorporated into the future layout of the site. DPO12 will ensure that the development of the site is undertaken in a considered and efficient manner which is informed by environmental assessments and includes a staging and infrastructure delivery program, including roadworks, service infrastructure, drainage and open space provision.

The Objectives of the Schedule 12 of the development plan are:

- *To ensure that the development of the land occurs in an orderly manner, having regard to the timing and staging of the development of the land, and the provision of essential services, community facilities, open space, and roads.*
- *To ensure the interface between proposed and existing nearby developments reduces the chance of land use conflict.*
- *To integrate retail, commercial and community functions within a vibrant and pedestrianised Neighbourhood Activity Centre that is integrated with surrounding residential land use and offers appropriate vehicles, public transport and pedestrian access.*
- *To protect existing infrastructure including the Latrobe Regional Airport, protect future residents from transport noise and to minimise access points to a Transport Zone 2.*
- *To enhance biodiversity and new planting along waterways and to minimize impacts on identified threatened species, habitat, and ecological communities.*

The Development Plan requirements are extensive. However, some of the more significant requirements seek to:

- Provide primary access to the site from Bradford Drive via an upgraded intersection with signals on Princes Highway.
- Limit direct access to/from Princes Highway and establish an acoustic barrier between the road and residential land.
- Provide a future connection between Bradford Drive and Regan Road to provide a direct link to land north of the site which is also identified for urban redevelopment under the MTTSP.
- Sensitively manage the transition between commercial and residential land on-site, and between residential land on-site and the surrounding area which remains rural residential in the interim.
- Protect flora and fauna, including existing vegetation, Strzelecki Gums and aquatic life within the watercourses on-site.
- Stage development in accordance with a servicing strategy.
- Carry out a social infrastructure needs analysis and plan accordingly for these needs.
- Design open space to protect environmental values, including watercourses, and provide for various active and passive functions required by the future community.
- Ensure bushfire protection measures are considered and implemented.
- Ensure redevelopment is sensitive to Latrobe Regional Airport and aircraft safety.

2.5. Proposed Environmental Audit Overlay

Consequent to the findings of a Preliminary Risk Screen Assessment (PRSA), the amendment proposes to apply the Environmental Audit Overlay to the eastern portion of the subject land.

The purpose of the Environmental Audit Overlay is:

- *To implement the Municipal Planning Strategy and the Planning Policy Framework.*
- *To ensure that potentially contaminated land is suitable for a use which could be significantly adversely affected by any contamination.*

Consistent with Planning Practice Note No. 30, the application of the EAO is an appropriate response to the potential contamination and will allow the landowner time to undertake further site investigations and if necessary, remedial actions under an Environmental Audit whilst also allowing for land outside of the audit area to progress to planning permit stage.

It would be inappropriate to require the Environmental Audit as part of the amendment process as it is not clear on the end land-use where the potential contamination is identified. The area extends over portions of both the GRZ and C1Z land which will likely require different remediation as one area is considered 'sensitive' under the Ministerial Direction No. 1 and the other isn't.

2.6. Update existing maps in the Local Planning Policy and create a new map

Consistent with the current protocols of Latrobe City Council, there are several maps within the Local Planning Policy Framework that identify the site as 'future residential' using the background colour and legend. Subject to the rezoning, these maps need to be updated to remove the 'future residential' status, and nominate the site as 'housing supply'. The practical implication of this change is that the land becomes identified 'Housing Supply', and then future planning permit applications are subject to Local Planning Policy Framework applying to urban land including the Traralgon township (at Clause 11.01-1L) and Clause 16.01 - Housing Supply.

The first of these maps requiring an update is at Clause 02.04 - Strategic Framework Plans. The *Morwell-Traralgon Growth Framework (MTGF)* identifies the land through the legend as 'future residential'. Greenfield land, in a residential zone (such as the Traralgon North residential growth area), is shown in the legend as 'Residential Supply'. This map is to be revised to show the subject site as 'Housing Supply'.

The second of these maps requiring an update is at Clause 11.01-1L – Latrobe Settlement Plans. The *Traralgon Town Structure Plan* indicates the land is within the MTTSP area only. The plan uses the term 'Residential Supply' to identify greenfield land in a residential zone (such as the Traralgon North residential growth area). This map is to be revised to show the subject site as 'Housing Supply'.

The third of these maps requiring an update is at Clause 11.03-2L – Morwell To Traralgon Structure Plan (MTTSP). The *Morwell - Traralgon Structure Plan* identifies the land through its legend as 'first stage future residential'. Council has requested that this plan be updated to include 'Housing Supply' in the legend and show the land as 'Housing Supply'. We note this land will be the first land rezoned within the MTTSP area, which is why no other land is show 'Housing Supply'.

Clause 16.01-1L provides local planning policy relating to the supply of housing throughout the Latrobe municipality. The clause includes maps showing each 'Housing Supply' area in detail. No map applies to land around the subject site which can be revised to include the site. Council has requested that a new plan be prepared to show the subject site and its context under the heading 'Traralgon West Framework Plan'. The plan is to identify the site for 'Limited Change', which is relevant to the text of the Clause that separated residential areas into 'Substantial change', 'Incremental change' or 'Limited change'. Other inclusions are to identify the NAC, a 200m radius around the NAC and that the land is subject to a Development Plan Overlay.

2.7. Retain Design and Development Overlay Schedules

Two schedules of the Design and Development Overlay apply to the western part of the overall site. Both Schedule 8 (Latrobe Regional Airport – Obstacle Height Area No. 2) and Schedule 10 (Latrobe Regional Airport – Obstacle Area No. 3) of the Overlay assist in maintaining the continued and orderly operation of the Latrobe Regional Airport.

The overlay schedules implement specified height limits to protect the flight paths associated with the Latrobe Regional Airport from the encroachment of inappropriate obstacles, which may affect the safe and effective operation of the Airport. The schedules require that all buildings and works above specified height limits require town planning approval.

The specified height limits are 65m Australian Height Datum (DDO8) and 96.5m Australian Height Datum (DDO10) respectively. The maximum height of natural ground level within the DDO8 area on-site is 55m, which allows for a 10m high building without further scrutiny under the overlay. The maximum natural ground level within the DDO10 area onsite is 61m, which allows for a 35.5m high building without further scrutiny under the overlay.

The existing overlays are not expected to impact urban development onsite, unless tall structures such as floodlighting in active open space areas are proposed, whereby further permissions will be required.

The strategic importance of Latrobe Regional airport to the region is justification for the retention of these overlay controls on the subject site. Notwithstanding, the Latrobe Regional Masterplan 2015 (updated) 2019 earmarks the subject land as a '*Residential Intensification Area*' as proposed under Traralgon Growth Areas Review. Accordingly, the policy directions and planning controls currently applicable to the site are responsive to and supportive of the planned residential urbanisation of the subject site.

2.8. Amendment Documentation

In accordance with the relevant Ministerial direction, amendment documentation has been prepared including an Explanatory Statement. The documents are contained in Appendix C.

3. SITE CONTEXT

3.1. Site Summary

The subject land is located on the northern side of Princes Highway approximately 3.7km west of Traralgon Town Centre. It is known as 5483 and 5495 Princes Highway, or as 'Hollydale'.

The site is approximately 57.44ha in area and comprised of three allotments formally described as:

- Lot 1 TP823034F (as contained in Volume 10143 Folio 075)
- Lot 1 TP954239D (as contained in Volume 11488 Folio 318)
- Crown Allotment 41D of TP897605U (as contained in Volume 09516 Folio 324).

The Certificates of Title are contained in Appendix A. The landowners are associated with the corporate entity requesting the amendment.

The site is an irregular shaped allotment with frontage to Princes Highway of approximately 1014m and to Bradford Drive and Regan Road of approximately 713m. Princes Highway in this location is a four-lane carriageway and is the major transport route conveying traffic in the eastern part of Victoria. Bradford Drive is a sealed road adjacent to the Princes Highway, where it services a commercial car yard precinct and the existing low-density residential area to the east of the subject site, and then becomes a dirt track further north along the site's eastern boundary.

The subject site is currently used for agricultural purposes. The site contains a single dwelling and ancillary outbuildings, sited in the south-east portion of the subject land. Large farm sheds have been constructed to the east of the existing dwelling.

Primary access is gained from Princes Highway and a low brick wall marks the entrance from the highway and leads directly to the house curtilage. A secondary access leads to the agricultural sheds and is accessed via an existing crossover constructed on Bradford Drive.

The subject site consists of predominantly vacant pastoral land that is highly modified and degraded. The site has an undulating topography with two watercourses (one known as Boyds Creek) traversing through the site (from south to north). Two waterbodies are evident on the site which detain water for farming purposes. One is centrally located, whilst the other is positioned in the northeast corner of the site.

There is a minimal established vegetation through the site other than scattered trees, trees surrounding the residence, and vegetation in the area adjoining the centrally located waterbody. Much of the vegetation located on the subject land is identified as exotic species.

Stands of native vegetation are present adjacent to the southern (Princes Highway) boundary and adjacent to the eastern (Bradford Drive) boundary of the site.

The site enjoys expansive views towards the mountain ranges north of Traralgon.



Figure 1: Aerial Photo of Subject Site. Source: Nearmap

The site is currently subject to the Farming Zone (FZ1) consistent with the land's current agricultural use. Other zones surrounding the site are the Public Use Zone 3 on the southwest corner (supporting a youth rehab centre), the Rural Living Zone (RLZ1) on the western and northern sides, the Low-Density Residential Zone (LDRZ) on the eastern side, and the Special Use Zone (SUZ2) (supporting a car sales precinct) on the southeast corner of the site. To the immediate south of the subject site, there is a multi-modal transport corridor consisting of State Transport Infrastructure (TRZ1) [containing the Gippsland railway line] and Principal Road Network (TRZ2) containing the Princes Highway. Further to the south of this transport corridor, the land is zoned as Farming Zone (FZ1).

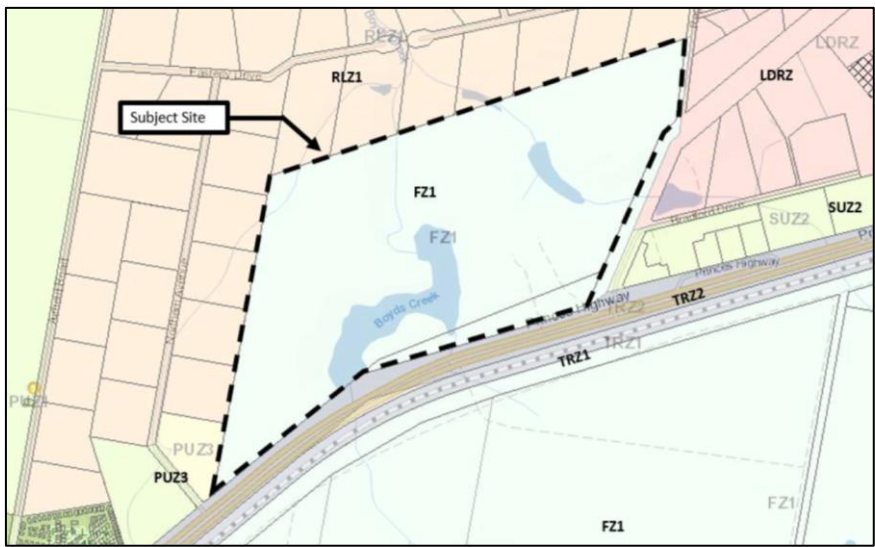


Figure 2: Zoning of Site and Surrounding Area
Source: VicMap

Two Design and Development Overlay (DDO) schedules apply to the site. The objective of the DDO is:

- To implement the Municipal Planning Strategy and the Planning Policy Framework.
- To identify areas which are affected by specific requirements relating to the design and built form of new development.

The DDO requires town planning approval for buildings and works as particularly defined by a schedule to the overlay. Two Overlay schedules apply – Schedules 8 and 10.

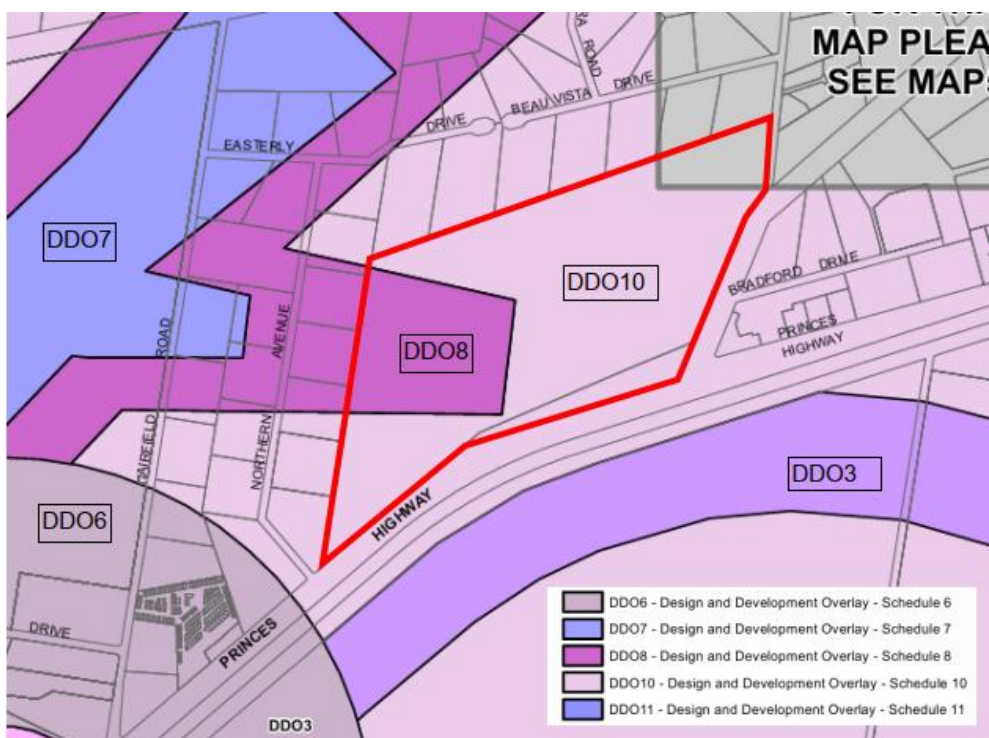


Figure 3: Extent of DDO Schedules 8 & 10

DDO **Schedule 8** is entitled Latrobe Regional Airport – Obstacle Height Area No.2 and it applies to the western end of the overall site. The overlay notes that:

A permit is not required to:

- Construct a building or construct or carry out works, for height which does not exceed 65 metres Australian Height Datum (AHD).
- Construct a building or construct or carry out work on the Airport site which, in the opinion of the responsible authority, is consistent with the Latrobe Regional Airport Master Plan (2019), including the Development Guidelines contained within the Master Plan.

DDO **Schedule 10** is entitled Latrobe Regional Airport – Obstacle Height Area No.3 and it applies to the balance of the land outside of the DDO8 area. The overlay notes that:

A permit is not required to:

- Construct a building or construct or carry out works which does not exceed 10 metres above natural ground level; or
- Construct a building or construct or carry out works which does not exceed 96.5 metres Australian Height Datum (AHD); or
- Construct a building or construct or carry out works on the airport site which, in the opinion of the responsible authority, is consistent with the Latrobe Regional Airport Master Plan (2019), including the Development Guidelines contained within the Master Plan.

The design objectives of both overlay schedules deal exclusively with building height limits and the need to protect the airport and flight paths from inappropriate obstacles. The overlays were introduced via Amendment C92 which was gazetted in June 2020. This amendment also introduced an Airport Environs Overlay (AEO) over land nearer the airport to manage uses close to airport runways which are subject to high levels of aircraft noise. The nearest portion of land covered by the AEO control is approximately 250 west of the western boundary of the site.

3.2. Local Context

The developed land surrounding the subject site is a mixture of low density residential and commercial land uses reflecting the evolving character of the area, as it has transitioned from agriculturally based holdings to residential and commercial purposes.

The Latrobe Valley Regional Airport is located further west of the subject site as shown in Figure 4 with the Latrobe Regional Hospital located to the south-west. The Princes Highway affords excellent transport exposure with direct linkage to Morwell and eventually Melbourne to the west. Figure 2 shows the zones applying to the site and surrounding land.

A description of the immediate context of surrounding development is described in the following table:

Relevance to Subject Site	Description of Immediate Context and Surrounds
North	<p>Land immediately north of the subject site is zoned Rural Living Zone. The land has been divided into 2-4ha allotments and comprise of large detached dwellings and ancillary outbuildings.</p> <p>To the north east is land zoned Low Density Residential Zone. The land sizes range from 2ha – 4000sqm and comprise of large detached dwellings and ancillary outbuildings.</p>
South	The land on the southern side of the Princes Highway road reserve is zoned Farming Zone.
East	<p>The land on the eastern side of Bradford Drive is zoned Special Use Zone – Schedule 2 which represents the Traralgon Car Sales Precinct. '</p> <p>Further east is a small pocket of Rural residential land which adjoins the Traralgon Golf Course.</p>
West	<p>Immediately west of the site is residential land zoned Rural Living Zone. Land ranges in size from 2-3ha.</p> <p>To the south-west of the site are two Camping Caravan Parks (Park Lane Tourist Park) and Village Caravan Park which adjoin the Latrobe Valley Regional Airport.</p> <p>Further west of the site the Latrobe Regional Hospital.</p>

Overall, the subject land and its surrounds form part of the identified growth area between Traralgon and Morwell. The site itself is an isolated pocket of agricultural land that has been constrained by residential development to the north, west and east.

The key locational features of the site include its proximity to significant employment assets in the Latrobe region including Latrobe Valley Regional Airport and Latrobe Regional Hospital, frontage to Princes Highway as the major transport route connecting Eastern Victoria to Melbourne and water bodies that provide an opportunity to provide excellent open space assets to the immediately surrounding residential areas. The rezoning the land to part residential and part commercial reflects the site's future context as transitioning to urban land in a considered and efficient manner.



Figure 4: Site Local Context
Source: Nearmap

Approximately 3.25km northwest of the site is the boundary of the Opal Australia Paper Mill at Maryvale. From 2011-2018, the Maryvale Pulp and Paper Mill undertook buffer studies which culminated in a planning scheme amendment (Amendment C104) to implement site-specific approach to manage encroachment of sensitive uses towards the Mill.

To inform the establishment of an appropriate site-specific buffer, the Mill undertook odour modelling. The 5 OU contour level, which is often used by the EPA as a conservative measure of potential odour impact, was found to extend across most of Traralgon and Morwell. The 10 OU level, which is often taken as the level likely to result in odour impact and potential complaint, extend to the western and northern fringes of the Traralgon and Morwell residential areas. While the 5 OU contour would represent a conservative separation distance from the Maryvale Mill to minimise odour complaint, the existing intrusion of the residential areas across this contour to the south and east led the Mill to agree to a site-specific separation distance as defined by the 10 OU contour. This was then further modified, given that some of the existing zoned and planned urban areas of Morwell, Traralgon and Tyers were located within the recommended buffer area, and an adjusted buffer was adopted. Australian Paper (now Opal Australia) then undertook the planning scheme amendment to apply the ESO3, consistent with this adjusted buffer. We understand that the same adjusted buffer is now adopted within the mill's EPA licence.

The boundary of ESO3 (the buffer area of the paper mill) is approximately 475m west of the subject site. The subject site is outside of the area where odour impacts, and potential complaints are likely.

3.3. Regional Context

Traralgon is the major urban settlement within Latrobe City having the largest population within the region of approximately 26,786 people (Australian Bureau of Statistics, 2016).

Traralgon serves as the primary commercial and employment centre servicing a regional catchment in Central Gippsland. Traralgon is serviced by the Bairnsdale railway line and together with Warragul and Drouin is a designated a Transit City. Traralgon is the fastest growing centre in the region.

Traralgon forms part of a network of cities in the Latrobe Valley which includes Moe, Morwell and Churchill which together, have a total population of 54,699 and which form one of Victoria's major regional centres as identified in the Planning Policy Framework and Gippsland Regional Growth Plan.

To efficiently respond to the current and projected population growth rates, Traralgon requires substantial expansion in the existing urban area to meet the forecasted demand for residential land.

The Traralgon Growth Areas Review (TGAR) in 2013 found that opportunities for the long-term growth and the expansion of Traralgon was heavily constrained by flooding, future brown coal extraction, industrial land uses and the route of the future highway bypass.

Council identified that a long-term plan was required to ensure that future urban development could be accommodated in appropriate areas, which led to the collection of structure plans for the various settlements forming Latrobe City including the Morwell To Traralgon Structure Plan (MTTSP).

3.4. Planning Policy Context

Plan for Victoria

Plan for Victoria is the state's long-term strategic planning blueprint guiding growth, housing, infrastructure, and sustainability through to 2050, for metropolitan Melbourne, regional cities, and rural communities alike. The plan lists five key strategic focus (or pillars) including:

- Self-determination and caring for Country: Embeds the rights, culture, and values of Traditional Owners across Victoria's planning and development
- Housing for all Victorians: Ensures diverse, affordable, well-designed housing options are available, with precise targets set for every local government area to accommodate growth
- Accessible jobs and services: Strengthens the connection between communities, employment hubs, and essential services through strategic land use and infrastructure
- Great places, suburbs, and towns: Commits to creating vibrant, resilient neighborhoods supported by quality public spaces and community services
- Sustainable environments: Prioritizes protection of agricultural and natural land, climate-resilient urban planning, and targets such as achieving 30% urban tree canopy to combat urban heat

Latrobe Council is targeted to absorb 13,000 new dwellings over this period in prioritised locations such as the subject site that are part of the regional city and close to jobs, shops, public transport and community facilities and services. The Latrobe Regional Airport, Gippsland Logistics and Manufacturing Precinct and Latrobe City Food and Manufacturing Precinct are all identified key employment precincts in proximity of the site.

The amendment includes a DPO over the site which will drive the ambitions for great places, suburbs and towns as well as some of the sustainability targets.

Victoria's Housing Statement 2024-2034

Victoria's Housing Statement aims to significantly increase the supply of housing across the state. It identifies a current shortfall of 25,000 homes each year and seeks to increase the number of homes produced to 80,000 per annum. The Statement outlines a range of programs and reforms to support housing opportunities across Victoria and emphasises the importance of regional cities, which 'will continue to be an attractive choice for many households'.

Victorian Housing Targets

The state government has set housing targets for each local government area to ensure sufficient housing supply. Latrobe City Council's target is 13,000 new homes by 2051, and the proposed development will contribute to meeting this goal.

Traralgon West Structure Plan (TWSP)

The Traralgon West Structure Plan (2013) formed part of the Traralgon Growth Area Review (TGAR) which sought to identify opportunities for the long-term growth and expansion of Traralgon after background documents established that growth opportunities were heavily constrained, particularly in Traralgon following the selection of the northernmost alignment for the future Traralgon Bypass which cut through a significant portion of Traralgon's growth area.

The Review led to the development of structure plans for the major towns of Traralgon, Morwell, Moe and Churchill to provide a framework for growth until 2051.

The TWSP superseded the Traralgon-Morwell Corridor Concept Plan (2007) which became largely obsolete due to the selection of the northernmost alignment of the future bypass. This Plan has showed residential expansion of Traralgon on the south side of the Princes Highway (where the bypass is now proposed) and retained low density and rural living on the north side of the highway. In essence, the TWSP facilitated the relocation of Traralgon urban growth from the south side of the highway to existing land including the subject site on the north side of the highway.

The TWSP remains a key guiding background document designed to shape the future development of a significant area of land strategically located between Morwell and Traralgon. The TWSP, together with the more recent MTEC Masterplan, form the MTTSP at Clause 11.03-2L of the Latrobe Planning Scheme.

The TWSP identifies the subject site as a strategic residential site that is surrounded by land rezoned for proposed conventional density. The Plan outlines:

'The 'Hollydale' site ... should be developed with medium density urban 'villages' within a landscape context. This will diversify the housing offer within Traralgon as a whole and should be designed as 'sustainable' housing.

Large waterbodies on those sites should be retained to provide areas of public open space, with the central waterbody on the 'Hollydale' site to be designed as a 'focal' area of open space with an important interface with the Princes Highway. These areas could connect through to an open space corridor to be established along the main drainage line through the area and to the broader new area of open space recommended to be established to the north of Traralgon in the Traralgon Growth Areas Framework.'

Bradford Drive falls within the green movement corridor in the structure plan 'providing not only vehicular access but priority cycle paths and landscaped pedestrian pathways'.

The TWSP covers land on the north side of Old Melbourne Road that is proposed to be rezoned for conventional residential and rural living which is excluded from MTEC.

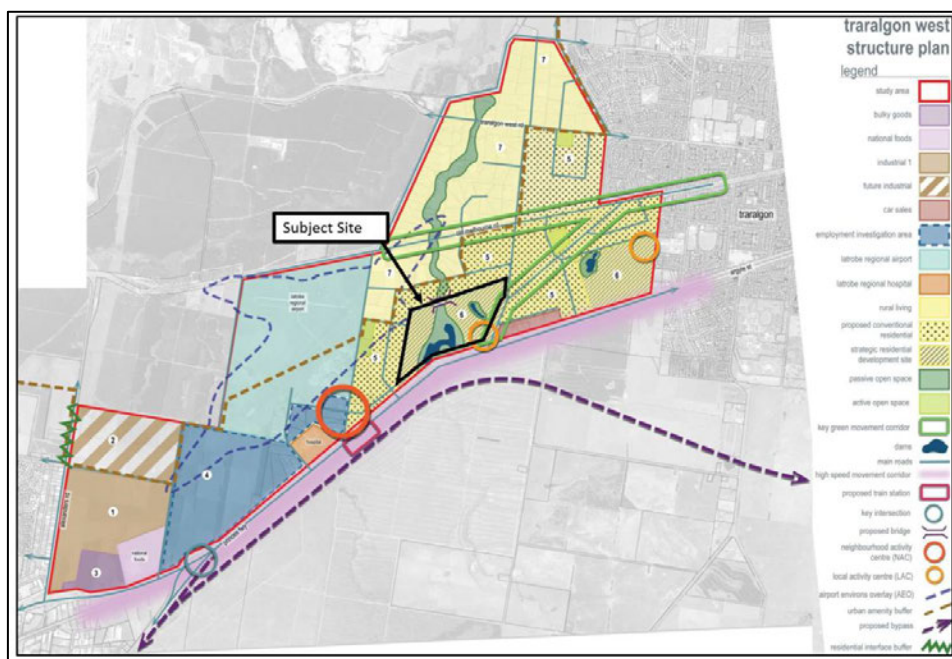


Figure 5: Traralgon West Structure Plan
Source: Latrobe City Council

The TWSP depicts the southeast corner of the subject site as the location of a Local Activity Centre (LAC), with a Neighbourhood Activity Centre (NAC) located to the west of the site adjacent to the Latrobe Regional Hospital. The locations of the LAC and NAC in the TWSP were later switched through the development of MTEC Masterplan in (2020). This decision was then reaffirmed through a planning scheme amendment that introduced MTTSP into the Latrobe Planning Scheme at Clause 11.03-2L in 2021.

Morwell - Traralgon Employment Corridor Investment Masterplan (MTEC Masterplan)

MTEC masterplan (2020) included a technical reanalysis of the Traralgon West Structure Plan with specific focus on the investment and employment opportunities that could be derived in the area from leveraging on and value adding to the existing strengths of Latrobe area and the Princes Highway corridor.

The technical analysis found that in many locations constraints are preventing urban growth and expansion. The report concluded that land in the eastern section of the MTEC Masterplan, which includes the subject site, presents a logical opportunity to extend the urban area of Traralgon West consistent with the existing policy.

Given the fragmentation of much of the land in this area, the intervening opportunities elsewhere in Traralgon and Morwell, and the relatively low projected population growth, full development of the residential areas in the MTEC is likely to represent a long-term opportunity. However, importantly, the report noted strategic sites such as subject site could present short-medium term opportunities for establishment of residential communities with the report confirming the large waterbodies on site could present a high amenity and attractive setting for a new community and a potential stopping location for tourists. The MTEC report identifies the subject land as a priority project (as *Conventional Residential, Strategic Redevelopment Site*).

The Neighbourhood Activity Centre (NAC), which was previously shown adjacent to the Latrobe Regional Hospital in the Traralgon West Structure Plan, was relocated and switched with the Local Activity Centre previously shown on the subject site at the corner of Princes Highway and Bradford Drive in the Traralgon West Structure Plan. This positions the Neighbourhood Activity Centre on the southeast corner of the subject site. The NAC was chosen to be located on the subject site to be more accessible to the planned residential growth areas within Traralgon West, to stimulate growth and to provide higher residential densities within a limited area around the centre. These opportunities would be lost if the NAC was to remain adjacent to the Latrobe Regional Hospital and away from residential land.

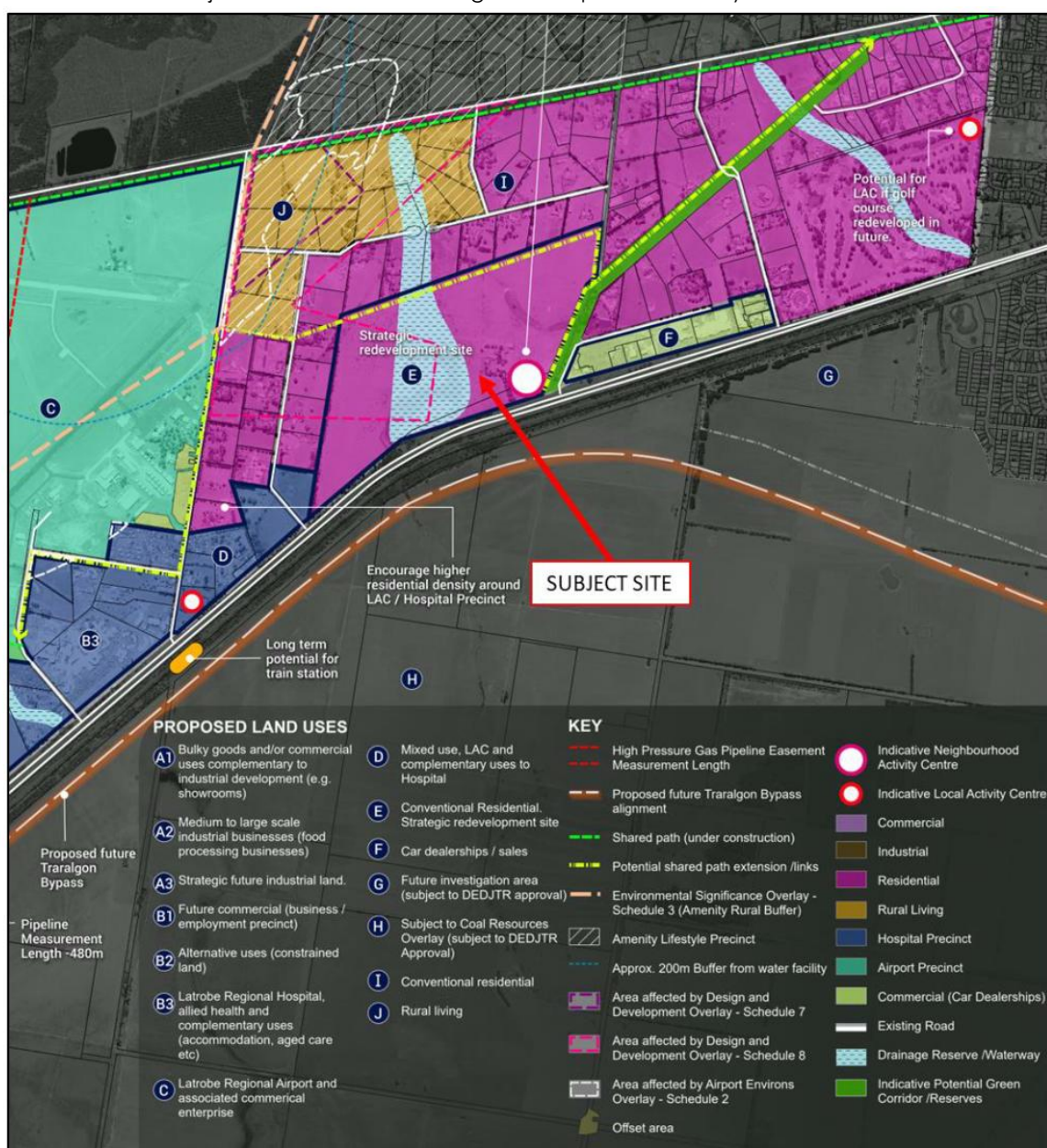


Figure 6: MTEC Land Use Masterplan (2020)
Source: Latrobe City Council

The MTEC Masterplan provided guidance on the amount of future retail floorspace required in the NAC. The proposed rezoning only provides a portion of the ultimate requirement based on the limited land being rezoned.

Section 5.5 of the MTEC Masterplan, identifies key short-term catalyst projects which are likely to accelerate urban development with the MTEC area. These actions include the establishment of the NAC on the subject site, and the construction of a signalised intersection at Princes Highway and Bradford Drive in the short term.

The policy directions contained in the Masterplan demonstrate support for the short-medium term development of land for residential and commercial use.

4. SITE INVESTIGATIONS

A number of assessments were undertaken to support the requested planning scheme amendment:

4.1. Ecological Assessment

Indigenous Design Environmental Management undertook an assessment of native vegetation and biodiversity value of the site. Assessment of all native vegetation within the study area was completed by Indigenous Design on the 7th of December 2021 and 5th July 2023, along with the Bradford Drive and Ragans Road, road reserves and the Princes Highway Road reserve.

Vegetation across the study area was found to comprise thirteen native patches and locally indigenous scattered trees, alongside planted exotic and Victorian native trees. The ground storey is mostly degraded, and pasture grasses dominate for utilisation by rotational grazing and agricultural land use within the freehold title.

A threatened species likelihood determination was completed following the initial field survey in 2021. Due to confirmed presence, suitable habitat and legislative implications, a number of targeted surveys were completed in spring / summer 2022 and Spring 2023 to determine the presence or absence of threatened flora and fauna species which received an initial greater than moderate likelihood of occurrence. These included:

- Targeted *Eucalyptus strzeleckii* (Strzelecki Gum), *Dianella amoena* (Matted Flax-lily) and *Craspedia canens* (Grey Billy Buttons) survey within the Bradford Drive / Ragans Road and Princes Highway road reserves.
- Targeted survey of water bodies including the wetlands / dams and waterways for Growling Grass Frog, Dwarf Galaxias and Flinders Pygmy Perch; and
- A habitat assessment / targeted survey of wetlands / dams and waterways for threatened avian species including Eastern Egret to determine habitat suitability, species presence/absence and to provide additional mitigation measures to minimize any impacts.

One fauna species listed as threatened was identified within the study area during a targeted aquatic survey being *Nannoperca* sp. 1 (Flinders Pygmy Perch). This targeted aquatic survey also determined that the likelihood of occurrence assessment be amended for *Litoria raniformis* (Growling Grass Frog) and *Galaxias pusilla* (Dwarf Galaxias) from moderate to unlikely.

An avifauna likelihood and site assessment determined that nine threatened bird species identified in the database searches had a moderate likelihood of occurrence: *Ardea modesta* (Eastern Great Egret), *Aythya australis* (Hardhead), *Biziura lobata* (Musk Duck), *Collocephalon fimbriatum* (Gang-gang Cockatoo), *Gallinago hardwickii* (Latham's Snipe), *Haliaeetus leucogaster* (White-bellied Sea-Eagle), *Hirundapus caudacutus* (White-throated Needletail), *Oxyura australis* (Blue-billed Duck) and *Spatula rhynchotis* (Australasian Shoveler). Eastern Great Egret, Hardhead and White-bellied Sea-Eagle had also been previously recorded or observed on or around the larger wetland / dam within the study area.

All other fauna species had a low likelihood determination or were considered unlikely to utilise the study area.

One flora species listed as threatened was identified within the study area during the site survey, Strzelecki Gum within the Bradford Drive / Ragans Road road reserve. The likelihood of occurrence assessment determined that two other threatened flora species identified in the database searches had a moderate likelihood of occurrence within the study area: Matted Flax-lily and Grey Billy Buttons in the Bradford Drive / Ragans Road reserve and Princes Highway Road reserve, however this was revised to unlikely following the targeted surveys. All other flora species had a low likelihood determination or were considered unlikely to utilise the study area.

No threatened ecological communities listed under the commonwealth Environment Protection & Biodiversity Conservation Act 1999 nor under Victoria's Flora & Fauna Guarantee Act 2019 were found to be present on site.

In response to the findings of the assessments, the following avoid / minimise principles are recommended to inform a future design layout:

- Avoid and reduce impacts to the existing wetlands / dams and waterways. The two wetlands / dams and waterways (including Boyd's Creek) support a range of aquatic habitats and aquatic wetland fauna species such as the FFG Act listed Flinders Pygmy Perch. The aquatic assessment recommends that the subdivision design of the site retains the existing wetlands / dams and waterways and a minimum 30 metre buffer to ensure adequate protection of aquatic fauna.

- Development of the site will need to factor downstream impacts associated with the change of land use, particularly those around possible increase volumes of stormwater, sediments and pollutants and changes to hydrology. Sensitive Water Urban Design principles should be utilised to minimise the impact of this development on the surrounding environment and waterways through treating and reducing stormwater flows, removing rubbish, pollutants and silt before it enters the wetlands / waterways.
- Development of the site will need to factor the uninterrupted maintenance of fish passage between known populations of fish and other aquatic fauna upstream and downstream of the site, on all waterways.
- Avoid impacts to remnant native vegetation patches contained within the Bradford Drive and Ragans Road reserves.
- Avoid impacts to the identified Strzelecki Gums in the Ragans Road unused road reserve.
- Where possible retain the 4 large scattered trees located on site including their tree protection zones within open space.
- Avoid impacts to native vegetation patches and DEECA mapped wetland contained within the Princes Highway Road reserve through investigation into the re-design of the Princes Highway entry road.

DPO12 requires the consideration of biodiversity and ecological values during the preparation of the development plan. Meaning, the future development plan will need to demonstrate how the site has been designed to address the recommended outcomes detailed in this ecological assessment and through the targeted surveys.

The Assessments undertaken in support of this planning scheme amendment demonstrate that the proposed rezoning is not incumbered by the findings of the Ecological Assessment or the targeted surveys.

A copy of the Ecological Assessment is contained at Appendix E.

4.2. Avifauna Survey

In response to the avifauna likelihood and site assessment outcomes determined by the Ecological Assessment a Targeted Avifauna Survey was undertaken. The survey was undertaken by Wildlife & Ecology in October 2022 and a report prepared in February 2023. The survey comprised a desktop review, Avifauna Assessment, habitat assessment and an assessment of the likelihood of occurrence for state and commonwealth listed avifauna.

The assessment identified a total of 17 species at the site, 14 of which were native and three introduced. No listed species were identified during the assessment. The assessment noted that there was a moderate likelihood that listed species used the site but that the site did not provide important habitat for any EPBC Act species.

A copy of the report is contained at Appendix F.

4.3. Dwarf Galaxias, Flinders Pygmy Perch and Growling Grass Frog Survey

A survey for Dwarf Galaxias, Flinders Pygmy Perch and the Growling Grass Frog was undertaken by Aquatica Environmental, and a report prepared in December 2022.

The report summarises the legislative context and need for the survey, the methodology, assessment and findings of the survey. The report also provides conclusions and recommendations for the management of identified species on the site.

The targeted survey produced the following results:

Dwarf Galaxias	Not recorded on the site. Considered unlikely that they are currently resident on or upstream of the site
Flinders Pygmy Perch	Detected on the site
Growling Grass Frog	Not recorded on the site, after four rounds of survey
Swamp Skink	Not recorded on the site

Whilst identifying a preference to retain the waterbodies in full, the report recommended that, should the dewatering of the dams occur, the salvage and translocation of fish and other aquatic fauna within the dams should be undertaken to relocate them to another suitable habitat.

A copy of the report is contained at Appendix G.

4.4. Matted Flax-lily, Strzelecki Gum and Grey Billy Buttons Targeted Survey

Indigenous Design Ecological Management undertook a targeted survey for the Matted Flax-lily, Strzelecki Gum and Grey Billy Buttons and a final report prepared in October, 2023 following design changes to the Indicative Development plan to facilitate the outcomes of the targeted survey.

The targeted survey produced the following results:

Matted Flax-lily	Not identified
Grey Billy Buttons	Not identified
Strzelecki Gum	4 small gum trees identified within the central drainage line in the Bradford Drive road reserve

Further, the survey found that no native vegetation was identified within the eastern end of the Princes Highway road reserve, with exotic pasture grass dominating. This is the area subject to the planning permit for the service station.

The report recommended that the road access network in Bradford Drive be designed to avoid the removal of the Strzelecki Gums and that, if the removal of the trees cannot be avoided, an EPBC Act Significant Impact Assessment be undertaken to determine if the impact is significant.

A copy of the report is contained at Appendix H.

4.5. Bushfire Hazard Assessment

A Bushfire Hazard assessment has been prepared by Fire Risk Consultants, to respond to Clause 13.02-1S of the Latrobe Planning Scheme, with the report produced in November 2022. The assessment reviewed the vegetation onsite, nearby bushfire history and anticipated a likely bushfire scenario.

The report identified that grassfires are the most likely bushfire risk, most likely to the northwest or southwest of the site. Should a fire commence in these areas, it is possible that embers may impact the site. The risk of fires starting from the roadside areas is reduced due to ongoing slashing.

The report noted that there are effective access and egress options to a safer place, if required.

The report included a series of proposed treatments including the provision of a buffer along the northern, western and eastern boundaries to ensure that any future dwelling can achieve a BAL 12.5 rating.

These matters can be further developed and considered at the planning permit application stage for subdivision where layout and built form design will determine the appropriate bushfire risk mitigation response.

In conclusion, the assessments determines that future development of the site can be designed to meet the requirements of Clause 13.02-1S of the Latrobe Planning Scheme.

A copy of the report is contained at Appendix I.

4.6. Preliminary Risk Screen Assessment

Following the preparation of the Preliminary Contamination Assessment by Beveridge Williams (Appendix J), and initial correspondence from EPA Victoria, a Preliminary Risk Screen Assessment was undertaken for the purpose of further informing the environmental site assessment requirements. A PSRA is a document prepared and signed by an Environmental Auditor, that either concludes no audit is required, or defines the scope of an Audit.

The PRSA identifies several contamination sources / pathways on the subject land. These pathways were separated into categories to determine their likely potential as a source-pathway-receptor (SPR). The findings are as follows:

Table 3: Potential as a source-pathway-receptor (SPR).

Source / Pathway:	Likelihood of SPR link:
Grazing / cropping	Low
Soil stockpiles and import fill	Medium
Former shooting area	Medium
Former sheds / buildings	Low
Potential shooting areas	Low
Plane crash area	Low
Offsite Fire station	Low
Offsite airport	Low
Offsite landfill	Low

The PRSA Assessment concluded that contaminated land is likely to be present at the Site, primarily due to the presence of metals contamination and ACM within shallow fill soils. As a result, further investigation is required to characterise risk of these impacts to the proposed use of the Site. The Auditor concludes that an Environmental Audit (conducted in accordance with Section 208 of the EP Act 2017) is required for the portion of the Site as illustrated in Figure 8. below to support residential and commercial uses as proposed.

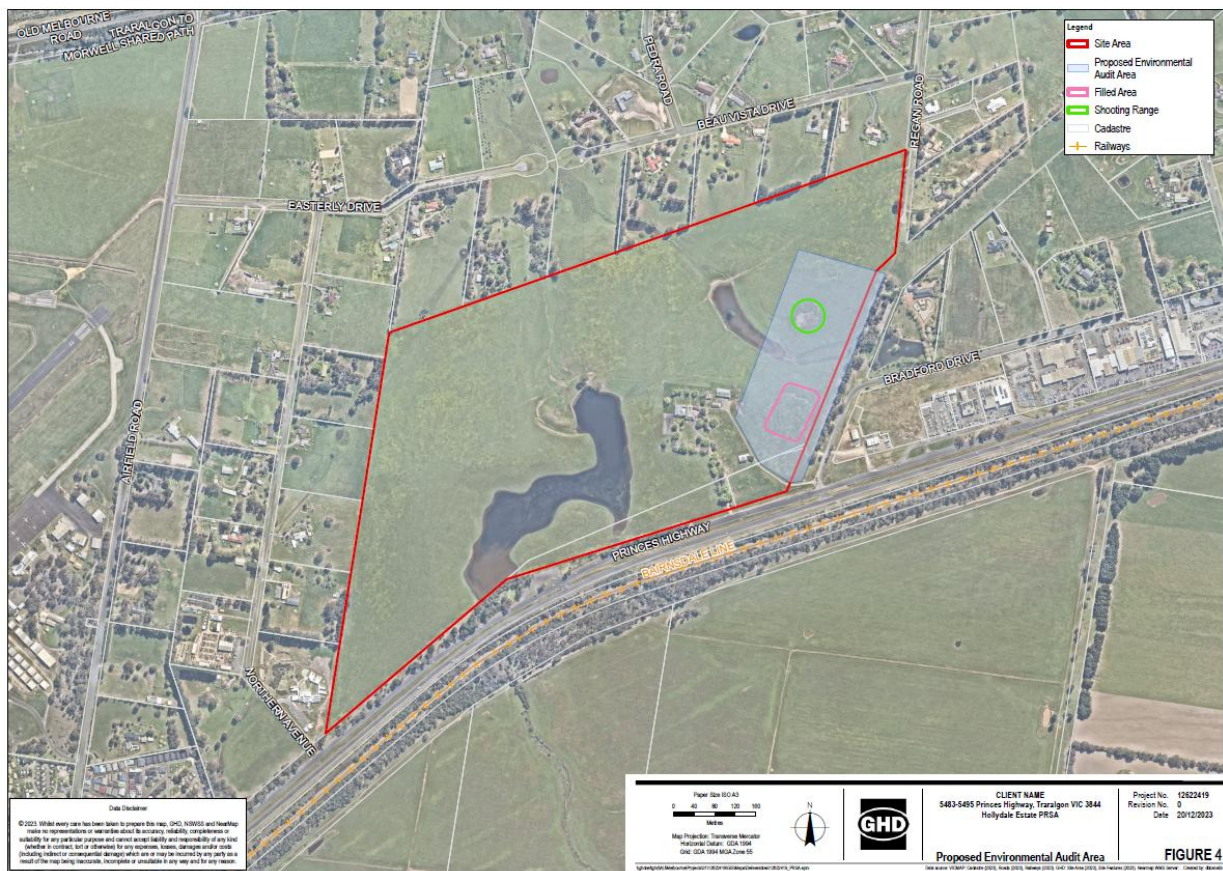


Figure 7: Proposed Environmental Audit Overlay Area
Source: Preliminary Risk Screen Assessment, November 2023.

In response to the findings of the PRSA, and with consideration of where further environmental investigations are required, it is proposed to apply the Environmental Audit Overlay to the potentially affected land.

A copy of the Preliminary Risk Screen Assessment is contained at Appendix K.

4.7. Noise Impact Assessment

Octave Acoustics was engaged to undertake a Noise Impact Assessment relating to the proposed rezoning of the land for residential and commercial development. The assessment summarises the results of noise monitoring and measurements at the Subject Site, and assesses aircraft, road, and rail noise impacts on the Subject Site with respect to the relevant standards and legislation. The assessment also addressed the relevant component of the brief from the Victorian Department of Transport and Planning, which is as follows:

A report addressing the requirements of Clause 18.02-7S of the Latrobe Planning Scheme, the Latrobe Regional Airport Master Plan 2015 and the National Airports Safeguarding Framework and any other requirements as relevant.

The Noise Impact Assessments concluded the following:

- The proposed development is acceptable on the condition that any dwellings predicted to experience more than '20 daily events of 70 dB(A)' (within the 'ANEF 20' contour in the Airport Master Plan) is constructed using treatments to reduce the impact of aircraft noise. There is an area of approximately 0.5ha located in the northwestern corner of the site that is within ANEF20.

Any dwellings (or noise sensitive uses) within this area should achieve $L_{A_{50ms}}$ 77dB pursuant to Section 3.3 of AS2021. The types of building treatment that could be used to achieve compliance include specific double glazing of windows and/or specific insulation of floors and ceilings. Alternatively, the area could be used for a non-noise sensitive use such as open space.

- Assessment of road and rail noise impacts indicates that compliance with the VicRoads Traffic Policy and the Rail Infrastructure Noise Policy can be achieved with the construction of a 4m tall acoustic wall on the southern perimeter of the residential development. It was recommended that the wall should be constructed in accordance with VicRoads Code of Practice for Noise Attenuation Walls.

The specific recommendations from the Noise Impact Assessment have been transferred to the DPO12 as requirements for the development plan.

A copy of the Noise Assessment is contained at Appendix L.

4.8. Aircraft Risk Assessment

L+R Airport Consulting was engaged to consider the impacts of the proposed amendment on the operations of the Latrobe Regional Airport through an assessment of the National Airports Safeguarding Framework (NASF). This framework is a national land-use planning strategy aimed at:

- Improving community amenity through minimising aircraft noise-sensitive developments near airports, including the use of additional noise metrics and improved noise-disclosure mechanisms; and
- Improving safety outcomes by ensuring aviation safety requirements are considered in land use planning assessments.

The NASF consists of nine Guidelines, which are addressed below:

Guideline A – Aircraft Noise. The findings of the report mirrored the recommendations in the Acoustic Report which also considered Guideline A of NASF.

Guideline B – Windshear and Turbulence. This guidelines includes controls that seek to reduce the risk of buildings close to a runway generating windshear and turbulence that may affect aircraft during take-off and landing. To comply with the control the height of a building cannot encroach above a certain height, which increases the further away from the runway centre line.

Maps prepared by L+R Airport Consulting (in Figure M25131/02) show the control and the particular maximum building heights that are required over the site to achieve the guideline. There are two maps, one for each runway. A dwelling (with a maximum building height of 10m) will comply with the guideline in most instances, however there is land in the northwestern corner of the site where there is a low building height as the land aligns with the east-west runway at the airport (and is within 900m of the runway).

Any building or structures that protrude above the nominated height under the control will require further assessment from a qualified wind engineer or other suitably qualified wind professional. The guidelines provide a criteria for decision makers to decide whether the proposal is acceptable, whether the risk can be mitigated through operational procedures at the airport or whether the proposed structure should be rejected.

A further investigation of Guideline B is needed before a Development Plan is approved. Compliance with Guidelines B could be achieved by limiting the height of future dwellings (to single storey for example), obtaining further professional advice or through locating open space where compliance cannot be achieved. The requirement is reflected in DPO12 .

Guideline C - Wildlife Strikes. General residential land use does not generate a wildlife risk hazard. However, the report notes the prospect of redeveloping 'wildlife/conservation areas' and 'significant open water' on the site that may increase the risk of wildlife strikes on aircraft and introduce the need for mitigation measures. The report recommends that any high-risk land use activities such as the construction of wetlands are developed in consultation with a wildlife hazard expert to ensure that risks to aircraft from wildlife strikes are not increased. The requirement is reflected in DPO12 as part of the Waterway Management Plan.

Guideline D – Wind Turbine Farms. This matter is not relevant.

Guideline E – Lighting. The report concludes that standard domestic lighting associated with dwelling construction is generally not problematic. However, streetlight and other public lighting can cause distraction to pilots when installed poorly. It is the responsibility of lighting designers to ensure designs achieve the requirements of the NASF, which can be achieve through directing light to the ground and installing baffles. The requirement is reflected in DPO12 .

The report also notes domestic solar panels can cause distraction to pilots, although L+R Airport Consulting concluded it was unlikely that individual solar panels on roofs of the future estate would adversely affect a pilot's final approach.

Guideline F – Protected Operation Airspace. This guideline introduces virtual surfaces around a runway, which establish the height limits for obstacles to air navigation in and around an airport. The guidelines operate in a similar manner to Guideline B requirements, although the obstacle encroachment appears to be considerably higher over the subject site compared to the Windshear and Turbulence requirements of Guideline B.

A review of the data suggests a building or structure would need to have a maximum height of 26m above natural ground level in the northwest corner of the site to generate a concern, which is the lowest maximum height, and highly unlikely to be exceeded in a new residential estate. The contour nearest the northwest corner is 54m AHD and the building would need to exceed 80m AHD to be a concern. The height only increases away from the western boundary. The report concludes that residential development is unlikely to cause obstacle encroachment under Guideline F.

Requirement G – CNS Facilities. Development of the site will not impact the single Air Services Australia beacon provided at the airport.

Requirement H – Helicopter Landing Sites. The site is outside recognised helicopter flight paths at the airport or at the Latrobe Regional Hospital.

Requirement I – Public Safety Zone. A Public Safety Area (PSA) is a designated area of land at the end of an airport runway within which development may be restricted in order to control the number of people on the ground around runway ends. The size and shape of a PSA typically depend on the statistical chance of an accident occurring at a particular location. The risk is related to the number and type of aircraft movements and the distance from the critical take-off and landing points. PSAs are based on the landing threshold for each end of the runway and in most cases become narrower with increasing distance before the threshold ends.

Latrobe Regional Airport Master Plan 2015 (Updated 2019) identifies the need for further work to establish formal PSAs which would need to consider the statistical chance of an accident occurring at a particular location having regard to the number of aircraft movements and types of aircraft that take-off and land at Latrobe Regional Airport. This approach is consistent with the preferred approach within Guideline I, which is based on the UK approach which was in place up to 2021.

However, there is a second approach which can be used which the Latrobe Regional Airport Community Asset Committee has suggested is a useful and proven framework for identifying and managing PSAs. This is a Queensland State Planning Policy – Public Safety Areas Model. Under the Queensland model a single defined PSA template must be applied at each end an airport's main runway. However, it is only applicable if the runway meets the following criteria:

- Accommodates regular public transport jet aircraft services; or
- Greater than 10,000 aircraft movements occur per year (excluding light aircraft movements).

Neither of these benchmarks are met for Latrobe Regional Airport, or the (minor) east-west runway that aligns with the subject site.

L+R Airport Consulting included a plan in the report that shows the Queensland model PSA template. A portion of the site due east of the east-west runway falls within the PSA area. Queensland policy, if it was relevant to the runway, would seek avoidance of increased people living in the nominated area. As the model is not relevant (aircraft types and movements at Latrobe Regional Airport are considerably less), it should not be used to guide land use planning matters.

A copy of this assessment is contained at Appendix R.

4.9. Aboriginal Cultural Heritage Assessments

Pursuant to Section 52(3) of the Aboriginal Heritage Act (2006), a decision maker must not grant a statutory authorisation for an activity if the activity would be inconsistent with an approved cultural heritage management plan (CHMP).

CHMP 18485, was approved on 31 July 2024 by the Gunaikurnai Land and Waters Aboriginal Corporation (GLaWAC) who are the Registered Aboriginal Party (RAP) applicable to the subject site. The plan has been provided to Council and allows for the application to proceed (and be approved).

4.10. Summary

The Site Investigations undertaken represent a thorough assessment of the key site features and characteristics. This range of assessment is typical when considering transforming nominated growth areas and its purpose is to identify any site characteristics that may impact the future development of the site and the achievement of the intended strategic planning outcomes.

The Site Investigations outline characteristics that are consistent with the site's long-term use for agricultural purposes, but nothing identified is so critical as to prevent the proposed rezoning of the land for urban use and development.

Management of potential noise impacts have been considered as part of the site analysis and the assessment has determined that all potential noise impacts can be managed through specific layout design and construction requirements.

Potential sources of contamination have also been considered with a PRSA determining where further investigations are required. The application of the EAO is an appropriate response to the potential contamination and will allow the landowner time to undertake further site investigations and if necessary, clean-up actions under an Environmental Audit whilst allowing the land outside of the audit area to progress to subdivision and development stage without delay.

In summary, the site investigations do not identify any impediments to the proposed rezoning of the entire site. Where built form and design considerations have been identified for further consideration, it is submitted that DPO12 will appropriately manage how these elements are incorporated into the overall future design of the estate.

5. TECHNICAL INVESTIGATIONS

5.1. Residential Supply and Demand

A Residential Supply and Demand Assessment (Ethos Urban, April 2024) has been prepared to consider and analyse local influences that contribute to the understanding of supply and demand within the Traralgon area.

Ethos Urban's assessment concentrated on two approaches to consider supply:

- A Theoretical Approach, which assesses the adequacy of supply based on identifying vacant land in urban areas without a dwelling constructed on it, together with vacant land in a structure plan or growth plan.
- An Active Estates Approach – which examine the availability of residential lots for sale in active market; that is to say, a measure of the actual supply available to the market in the short term.

The key findings of the analysis are as follows:

- Official projections and forecasts of dwelling demand identify an expected need for +190 dwellings per year between 2024 and 2036 within the study area, based on the .id forecasts.
- The official Victorian Government projection series, VIF2023, also anticipates dwelling growth of +190 per year over the same period.
- The majority of building approval activity in the study area is separate houses (single dwellings). Between 2017 and 2023, separate houses represented 93% of all new dwelling approvals.
- The study area has consistently achieved more than 130 dwelling approvals per annum between 2017 and 2023 with an average of approximately 180 new dwellings annually reflecting a steady demand for housing in the area noting a significant surge in 2021 with over 320 approvals.
- Dwelling approvals surged from May 2020, with approval levels since June 2020 approximately double the average from July 2019 to May 2020. Since June 2021, dwelling approvals have normalised to pre-COVID-19 levels.
- A key reason for the initial decline from mid-2021 is likely to be an absence of titled land being available to prospective home builders, potentially due to delays in the provision of enabling infrastructure to accommodate the release of new titles.
- Due to the lack of new titles, lot sales (based on contracts signed and property under offer) are significantly ahead of official and published lot sales data (where titles are issued before lots are recorded as sold).

Theoretical analysis of residential land supply

The theoretical analysis of residential land supply in Traralgon estimates the potential supply of actual and future residential lots capable of accommodating dwellings. For the purposes of the assessment, a residential lot is considered vacant if no habitable dwelling is evident on the lot and construction has not begun on a dwelling. The assessment was undertaken for zoned residential land in all residential areas of Traralgon.

Ethos Urban emphasises the theoretical nature of the assessment, stating that landowner intentions regarding individual vacant lots are unknown, as are the intentions of the owners of larger properties that could be developed. In some cases, vacant lots may be held for long term purposes (superannuation and/or tax benefits, hobby farming etc), or not be available for dwelling construction at all. In this regard, the calculated land supply position is considered to represent an optimistic assessment of land supply.

The following conclusions can be drawn from the theoretical land supply analysis:

- Existing zoned greenfield supply is adequate for a period of between 7.2 years and 8.7 years, which represents an increasingly constrained market.
- If vacant lots, which are dispersed through the established urban area are added, total zoned supply increases to between 7.9 years and 9.5 years.
- Additional supply needs to be advanced through the planning process with some degree of urgency. This is particularly important given that, typically, in the order of five years (at least) is required to complete strategic planning, and progress statutory approvals and engineering to the point where constructed lots are available for housing.

Active Estate analysis of residential land supply

Ethos Urban emphasise the importance of understanding the number of actual lots available for purchase or likely to be available in the short-term when analysing the adequacy of land supply in a locality.

They note that it is important to understand the actual supply of greenfield land that can be purchased at any one time for two key reasons:

- It can identify a 'constrained' land supply situation where purchasers have limited choice in housing within a particular town and are forced to look elsewhere. This situation limits population growth and directs investment and jobs to other locations.
- It can identify a competitive residential supply framework where lots are not artificially inflated in price due to scarcity (i.e. it supports a supply of affordable residential lots).

Key findings from the Active Estate Analysis are summarised below:

- A review of currently listed vacant lots in the study area (Traralgon) on www.realestate.com.au (10 April 2024) shows that 87 vacant lots are currently for sale, whilst www.domain.com.au (10 April 2024) shows 79 vacant lots are for sale.
- This website review provides a broad indication of the current supply of land available to the market for immediate dwelling construction and includes lots in the identified 'development areas' where stages of residential estates will be released to the market over time.
- The Active Estate assessment takes into account active greenfield estates and counts lots that can be reasonably expected to be provided to the market in a relatively short timeframe. In total, nine active residential estates or greenfield development areas are actively marketing and selling residential lots in the study area.
- In total, these nine estates account for a total residential capacity of 1,430 lots of which 1,096 (or 77%) have been sold, reserved or are under contract. Accordingly, 334 residential lots remain available for purchase in these estates.
- Having regard to an average annual demand of 190 lots per annum (as a base case scenario), assuming 90% of vacant land is purchased in greenfield areas, this represents a limited supply of between 1.6 and 2.0 years of short-term supply.
- The limited supply of land currently available to the market reflects a constrained residential land market.
- Of the identified nine estates or greenfield development areas, only two have a significant supply of land that will be available to the market in the short term or is currently available for purchase.

Having regard for the assessment outlined in their report, Ethos Urban conclude:

- Additional land supply is required in the study areas (Traralgon) with some degree of urgency, with significantly less than 10 years of zoned supply available using the theoretical approach, and less than 5 years of short-term (market available) supply using the active estates approach.
- Given the time required to advance land through the planning process, the rezoning of future land supply should be prioritised.

A copy of the report is provided at Appendix M.

5.2. Economic Impact Assessment

Ethos Urban undertook an Economic Impact Assessment of the proposed development, and its final report was issued in May 2023. The report reviewed the market positioning of the proposed commercial area, and its potential impact on established commercial areas in Traralgon and Morwell.

The report found:

- *The development at the subject site will require a capital investment for construction which will cover all demolition, construction and building works. An order of magnitude estimate of construction costs is in the order of \$5 million. Note this cost should be treated as a high-level estimate.*

- *The development of the subject site could support approximately 11 FTE direct construction job years and a further 18 indirect FTE job years, resulting in a total of 29 FTE job years which would be created during the development of the subject site.*
- *Retail at the subject site has the potential to support approximately 30 to 40 on-going jobs when complete and fully occupied.*
- *In the medium term, the development of subject site with approximately 600 lots could support a small supermarket of between 600m² to 800m². This range of floorspace would not be suited to a full-line major supermarket tenant, however, would suit a smaller format store. It would be reasonable for a small supermarket to trade with a small number of complementary specialty shops, estimated to be between 200m² and 400m².*
- *In the long term, the trade area could support approximately 3,750 dwellings, with the current household size for Traralgon of 2.4 persons resulting in a total long-term population of over 9,000 persons. A population of this size would be likely to support a full line supermarket.*
- *The ability of the area to support a full line supermarket in the long term at residential capacity of the trade area becomes an important consideration in planning for the subject site, with a need to retain an appropriate level of land for this development. Retaining an appropriate level of land for a full line supermarket anchored Neighbourhood Activity Centre, as is envisioned for the area in the long term, will allow for this development in the future while still providing a level of supermarket provision appropriate for the trade area population in the medium term.*

The report essentially says that there is a short to medium term demand for a small NAC comprising a modest size supermarket with associated specialty shops, which will grow overtime. Careful consideration needs to be given to allow future long-term growth, including an ultimate position where the site may support a full-line supermarket.

The proposed amendment seeks to rezones 1.38ha of land C1Z, which includes 9000sqm that is assigned to the approved service station with direct access from Princes Highway, leaving 4,800sqm for a NAC. The DPO12 recognises additional land may be required for the ultimate activity centre and seeks to identify and reserve surrounding land for future expansion.

The C1Z seeks to provides 1,200sqm of shop floorspace through its schedule which incorporates the demand generated from the rezoning.

5.3. Infrastructure and Servicing Report

Beveridge Williams has prepared an Infrastructure and Servicing Report for the subject site. The report investigates the availability and likely delivery strategy for the various development infrastructure required to enable the development of the site.

The investigation was based on authority advice, local expert knowledge and experience and site visits to confirm assumptions. The report found that, whilst some services, in particular sewerage and road infrastructure, will require significant consideration and headworks, all services can be provided to the site.

Sewer

There are existing small-scale sewers in the vicinity currently, but none are of sufficient size or capacity to cater for the proposed development and significant upgrade works will be required.

A new pump station will be required in the vicinity of the drainage reserve, at the northern boundary. Preliminary discussions suggest that the pump station will need to be sized to cater for all of the proposed residential lots for this development as well as the natural gravity catchment (which may include existing adjoining Low Density Residential Zoned land or land identified for intensification as per the Traralgon Growth Areas Review (TGAR) or Traralgon West Development Plan). It will also likely need to accommodate the future decommissioning of Bradford Drive SPS.

The likely discharge point of the SPS's rising main is into the Airfield Rd SPS rising main on Airfield Road, however the discharge location may need to be as far away as Churchill Transfer SPS.

Investigations identify that there is good grade on the site which will allow for the control of all sewers to the low point. Crossing of the existing creeks will however need to be carefully considered in the early phases of design. Refinement of these matters will occur as part of the Development Plan and subsequent planning permit application process.

Electricity

AusNet Services are the responsible authority for electrical services in the area.

There is existing HV power supply in Princes Hwy and Bradford Drive, and it is anticipated that connection will be available from these locations. The HV network will be extended into and through the site to supply the development. Substations will be required throughout the development to service the site as is a common outcome in the establishment of a new residential neighbourhood.

Gas

Whilst there is an existing gas main present along the southern side of Princes Highway, within Bradford Drive and Regan Road, under current government legislation, gas will not be provided to new residential developments.

Telecommunications

NBN currently have fixed wireless service to the subject land however, there is also fixed line services nearby in the vicinity of the Latrobe regional Airport and along Old Melbourne Road.

It is anticipated that fixed line fibre optic services will be extended through the future estate to service the new residential community. Options for extension may be via the adjacent NBN network or, through a private entity. Refinement of these matters will occur as part of the Development Plan and subsequent planning permit application process.

Water

Water servicing is unable to be supported through connection to the existing nearby 100-150mm mains. Accordingly, a larger water main (~300mm) will either need to be extended from the south-west or the east, depending on the timing of the future development.

Notably, the extension of a suitably-size main may be possible along the Coopers Road, road reserve from the future Traralgon Western Ring Main which is scheduled for construction in the next five to eight years. Alternatively, an extension of the existing 300mm main that currently extends to Village Avenue along the highway from the south-west is possible. As with the other services, further analysis of the most efficient servicing options will occur as part of the development plan and subsequent planning permit application process.

Recycled Water

Recycled water supply is not mandated nor is it available in this area.

Stormwater Drainage

Latrobe City Council is responsible for the local drainage whilst West Gippsland Catchment Management Authority is responsible for floodplain management and larger drainage schemes in the region.

The existing site is traversed by two separate waterways sitting in deep depressions which convey large upstream catchments from the south. The proposed stormwater strategy will maintain these existing flow paths and improve on the functionality to meet best practise objectives.

A separate stormwater management plan is referenced below.

The Infrastructure and Servicing Report confirms that all required services can be provided to the subject land as summarised below.

The report found as follows with regard to service delivery:

Roads and Transport	Updates and new infrastructure required, as contained in the Traffic Impact Assessment report
Sewer	There are no current sewers that could carry the capacity of the proposed development, so additional infrastructure will be required
Electricity	Connections to existing nearby HV power supplies should be available
Gas	Connection to the nearby gas main, if required, should be possible, subject to capacity estimates
Telecommunications	Fixed fibre optic services are available nearby and will be extended through the estate

Water	Due to the size of the development, a new water main connection will be required to be constructed
Recycled water	Not mandated in this area
Stormwater drainage	The existing waterways will be modified to accommodate anticipated flows, but they will be maintained as existing flow paths and their functionality improved to meet best practice objectives
Earthworks and drainage	Changes to the existing natural landform will be required as per standard practice but will be minimised where possible. Some benching may be required for individual lots

A copy of the Infrastructure and Servicing Report is contained in Appendix O.

5.4. Storm Water Management Strategy

Beveridge Williams prepared a Storm Water Management Strategy to confirm that a future residential and commercial subdivision can meet stormwater Best Practice Environmental Management guidelines (BPEMG), to the satisfaction of the West Gippsland Catchment Management Authority (WGCMA), Latrobe City Council and other relevant authorities.

It is noted that the strategy is not based on a specific development, rather it is based on relatively safe assumptions including maintaining the functions of the existing watercourses and discharge points onsite, the creation of 520 residential lots, subsurface drainage networks conveying the 20% AEP, and the possible provision of three treatment areas (wetlands) with a total surface area of 1.5ha within the existing watercourses (the current dams on site have a surface area of approximately 4.7ha). Another Strategy will need to be prepared as part of the development plan process for a specific subdivision layout (and lot yield).

The report finds that stormwater quantity management is unlikely to be required due to the negligible increase in flows at the site discharge points following the proposed development (an increase of 0.02m³/s for the western discharge point and 0.29m³/s for the at the eastern discharge point, or 0.6% of flows combined).

The report finds that stormwater quality management will be required to achieve best practice environmental management guidelines. However, a treatment train consisting of the use of rainwater tanks on individual lots, together with gross pollutant traps (GPT) feeding into 3 relatively large urban wetlands achieved the required MUSIC reductions.

DPO12 will require a development specific SWMP be prepared.

A copy of the Noise Assessment is contained at Appendix P

5.5. Traffic Impact Assessment Report

Beveridge Williams was engaged to prepare a Traffic Impact Assessment Report (TIAR) to facilitate the rezoning of the subject land and to inform a potential, future multi-lot residential and commercial development. A summary of the key findings is detailed below:

- For the purposes of the assessment, a conservative yield of approximately 600 residential lots and a commercial area of 2.14ha were considered. This yield is expected to generate 543 traffic movements during peak hour for the residential component and up to 672 traffic movements for the commercial component.
- The traffic and transport impacts of the potential development are expected to be appropriately managed having consideration to the proposed key road access and intersection provision / upgrades.
- The level of traffic associated with the development (and accounting for the 10-year growth of the existing conditions) can be accommodated within the internal and external road network, subject to numerous key road access and intersection provision / upgrades as follows:
 - One (1) left-in/ left-out access along Princes Highway (Residential)
 - One (1) left-in access along Princes Highway (Commercial)
 - Independent commercial area access to Bradford Drive
 - One (1) fully directional access at Bradford Drive (a roundabout is recommended at this intersection) (Residential and Commercial)
 - Princes Highway / Bradford Drive Intersection signalisation, with an additional traffic lane on the north leg (Bradford Drive) for the southbound traffic (to allow for separate left and right turn lanes).

- Old Melbourne Road /Regan Road Intersection CHR/AUL treatments
- Bradford Drive and Regan Road are required to be upgraded to meet the anticipated level of daily traffic associated with any future potential development, with consideration given to the feasibility of meeting the intent of the MTEC Investment Masterplan.
- The potential external connections have regard for Department of Transport and Planning (DTP) comments and the Morwell-Traralgon Employment Corridor Investment Masterplan (MTEC).
- The proposed key external access points and future intersection upgrades associated with any future development have been reviewed from a geometric and traffic demand perspective and are considered appropriate. Given that road cross sections and access requirements still require principle approvals from relevant Authorities, it is intended that intersection and site access concept plans / functional layout plans will be developed at a later date as part of any planning permit applications associated with any future, potential development.
- The internal road network associated with potential future development will need to be designed to accommodate the turning movements and access requirements of service and emergency vehicles.
- A high-level assessment suggests that any potential future development would not prohibit the provision of appropriate levels of car parking.
- The potential future development facilitated by the proposed rezoning is considered appropriate from a traffic engineering perspective, subject to the implementation of the recommended treatments.

The TIAR concludes that the proposed rezoning is appropriate from a traffic impact perspective, with future development expected to operate in accordance with the Morwell Traralgon Employment Corridor (MTEC) Investment Masterplan and thus provide significant community benefit to the precinct and refrain from causing significant adverse traffic impacts.

The DPO12 Schedule has been drafted with requirements in accordance with the recommendations of the TIAR. These include the need for concept plans for infrastructure improvements, consideration of timing/staging, and a review of the internal road network. A copy of the Traffic Impact Assessment is contained at Appendix Q.

5.6. Summary

The Technical Assessments undertaken confirm that the proposed rezoning of the land for future residential and commercial purposes is appropriate. The future development planning of the land will investigate the site-specific opportunities and constraints to subsequently inform a responsive and sustainable design for the new residential community.

6. RESPONSE TO STRATEGIC ASSESSMENT GUIDELINES

All amendments to the planning scheme are required to be assessed against the criteria specified in the Strategic Assessment Guidelines. An assessment of the proposed planning scheme amendment against the guidelines is set out below.

6.1. Why is an amendment required?

An amendment is required to facilitate the development of the land for residential and commercial/retail purposes.

Background

The Traralgon Growth Areas Review (TGAR) in 2013 identified that opportunities for the long-term growth and expansion of Traralgon were heavily constrained and identified land within the western corridor (of Traralgon) capable of supporting significant new residential communities (in Traralgon West).

The review has led to establishment of two major strategic plans (in time) to manage growth within the Morwell to Traralgon growth area being The Traralgon West Structure Plan (TWSP) in 2013, and the Morwell Traralgon Employment Corridor Investment Masterplan (MTEC) in 2020. Both structure plans are referenced as background documents in the Latrobe Planning Scheme, and the planning scheme itself represents the structure plans through a dedicated planning policy at Clause 13.03-2L under the heading Morwell To Traralgon Structure Plan (MTSP).

MTEC recognises the residential areas in the Traralgon West growth area are poorly serviced by infrastructure and retail and recommended the development of a Neighbourhood Activity Centre (NAC) as part of a sustainable residential community on the subject site and as a catalyst to encourage further residential growth in the area. The NAC is identified to feature a full line supermarket, specialty shops and ancillary commercial floorspace needed to service the growing catchment. The policy directions within the Masterplan specifically identifies the subject land as a residential site with a NAC to be developed within the short term.

The (MTSP) at Clause 13.03-2L of the Latrobe Planning Scheme identified the site as a strategic development site predominately for residential purposes. The proposed planning scheme amendment facilitates the strategic intent of the Structure Plan which has been informed by the various background studies including the TGAR, TWSP and MTEC commissioned by Council.

Proposed controls

The General Residential Zone – Schedule 3 (GRZ3) has been selected as the appropriate zone to guide and facilitate the development of the land for residential purposes. Schedule 3 is titled and used extensively within Latrobe City for New Estates (i.e. greenfield land that is being developed, or yet to be developed and subject to specific Local Planning Policy at Clause 16.01-1L – Housing Supply). Schedule 3 provides specific objectives for single dwellings in new estates with a variation to the standard ResCode requirement relating to side and rear setbacks (Standard A10) to achieve Council's preferred character vision in newly established areas. In essence, Latrobe has a 'readymade' Zone that can be used to guide residential development in growth areas.

The Commercial 1 Zone is the appropriate zone for the desired Neighbourhood Activity Centres (NAC). Consistent with other NACs within Latrobe City, it is proposed to include a maximum limit on the leasable floor area of Shops in the Schedule to the Zone. The proposed limit is 1,200sqm, which responds to the needs of the future community subject to the rezoning. Additional floor space will be needed when future redevelopment of Traralgon West is achieved, as MTEC that found the overall community requires 5,000sqm of retail floorspace which included a mix of Shops and other ancillary retail offerings.

The Development Plan Overlay - Schedule 12 (DPO12) is to be applied to the subject site to ensure that the future development considers the opportunities, constraints and values of the land whilst responding to the neighbourhood character sought under the GRZ3. DPO12 will ensure that the development of the site is undertaken in an environmentally sensitive manner, and informed by a staging and infrastructure delivery program, including roadworks, service infrastructure, drainage and open space provision and achieved.

DPO12 also include an interim limit on the maximum leasable floor area of Shops within the proposed NAC recognising that it will operate with a limited catchment until other land around the subject site is developed.

The Environmental Audit Overlay is to be applied to part of the subject site in accordance with the findings of a Preliminary Risk Screen Assessment (PRSA). It will apply to an area on the eastern side of the site where potentially contaminated fill has been placed on the land. Consistent with Planning Practice Note No. 30, the application of the EAO as part of this Planning Scheme Amendment process is an appropriate response to the potential contamination and will allow the landowner time to undertake further site investigations and if necessary, clean-up actions under an Environmental Audit whilst also allowing for land outside of the audit area to progress to planning permit stage.

The amendment also updates three maps in the Local Planning Policy Framework and creates a new fourth map (at the request of Council). The map updates are necessary to designate the land as being urban (called 'Residential Supply'), rather than rural land identified for future housing. The application of planning policy changes as a result of this new designation on the maps. Most notably, urban planning policy specific to the Traralgon at Clause 11.0-1L will now apply to the land, as well as Clause 16.01-1L – Housing Supply. The maps to be updated are:

- o Clause 02.04: Morwell - Traralgon Growth Framework (MTGR)
- o Clause 11.01-1L: Traralgon Town Structure Plan (TSP)
- o Clause 11.03-2L: Morwell To Traralgon Structure Plan (MTTSP)

A new map is created and inserted at Clause 16.01-1L: Housing Framework that is titled 'Traralgon West Housing Framework Plan'. This map will be updated overtime as more land in Traralgon West is rezoned for urban purposes. It will identify the subject land as:

- o Limited Change
- o Local /Neighbourhood Activity Centre (LAC/NAC)
- o 200m Catchment from LAC/NAC
- o Land Subject to Development Plan Overlay.

6.2. How does the amendment implement the objectives of planning in Victoria?

The amendment implements the objectives of planning in Victoria as outlined in Sections 4 of the Planning and Environment Act 1987 in the following manner:

- Objective (a): The amendment provides for the fair, orderly, economic and sustainable use and development of identified future urban land in a manner consistent with the established planning policy framework including MTTSP at Clause 11.3-2L of the Latrobe Planning Scheme. The amendment will provide additional residential land supply to Traralgon, which is identified as a major urban growth centre within the Latrobe Planning Scheme and identified as a Regional City within Plan Melbourne 2017-2050.
- Objective (b): The amendment facilitates the transformation of land currently used for agriculture that is not seen to have substantial environmental or heritage characteristics. The environmental or heritage characteristics of the site are maintained pursuant to the proposed DPO12. This outcome is preferable to developing alternative sites around Latrobe City that may have been more environmentally sensitive.
- Objective (c): The amendment will secure a pleasant, efficient and safe living, recreational and working environment for all Victorians and visitors. The site will be transformed in a manner that is consistent with the relevant policies of the Latrobe Planning Scheme.
- Objective (d): The amendment will not substantially impact any place of known scientific, aesthetic, architectural or historical interest, or otherwise of special cultural value. Development at the site will proceed in accordance with a Cultural Heritage Management Plan that has been approved by the relevant Registered Aboriginal Party.
- Objective (e): The amendment protects and provides for public utilities and other assets in an orderly manner that will benefit the broader community. This is achieved through preparing a service strategy and a social infrastructure needs assessment in accordance with the DPO12.
- Objective (f): The amendment will enable the appropriate future development of the site for urban purposes in accordance with state and local planning policy, as well as the strategic direction for the area.

- Objective (fa): The amendment will generate an uplift in the provision of residential lots suitable for new housing in Traralgon, thus increasing downward pressure on pricing. DPO12 identifies a requirement for future development to provide social and affordable housing at a satisfactory rate in accordance with Council's Latrobe Social and Affordable Housing Strategy, 16 Nov 2021.
- Objective (g): The amendment balances the present and future interests of all Victorians by facilitating capital investment in the region and by reinforcing the importance of sustainable and high-quality residential development through the requirements set out in DPO12 in conjunction with the provisions of the Latrobe Planning Scheme.

6.3. How does the amendment address any environmental, social and economic effects?

Environmental Effects

The amendment has been prepared with guidance from a range of technical assessments including an Ecological Assessment, Land Supply and Demand Assessment, Economic Assessment, a Stormwater Management Strategy, Bushfire and Contaminated Land Assessments and a Servicing Strategy. These assessments have informed the planning controls and particularly, Development Plan Overlay Schedule 12 which will necessitate site-specific requirements to guide the future development of the land in an efficient and sustainable manner.

The application of the Environmental Audit Overlay will ensure that remediation works occur to contaminated portions of the land whilst not inhibiting the balance of the site from future development.

The background reports prepared to inform the proposed rezoning confirm the adequacy of the current overlays required to maintain the efficient and planned operation of the Latrobe regional Airport.

In light of the above, the amendment addresses environmental affects by:

- Promoting the protection of identified ecological values across the site through the application of DPO12, noting that reports have identified some significant ecology, but not to a level that necessitates stronger actions, other approvals or prevents redevelopment of the site occurring. The Flinders Pygmy Perch in the existing waterways and the four Strzelecki Gums in the adjacent road reserve are examples of significant ecology that can be appropriately protected and managed through the DPO approvals process.
- Ensuring that the management of stormwater runoff can be achieved through the provision of a best practice stormwater storage and processing.
- Providing the appropriate zone controls to support urban consolidation.
- Maintaining existing planning controls and implementing new planning controls to ensure that future development of the land is responsive to the site features and the surrounding context.

Social Effects

The amendment addresses social effects by:

- Ensuring that the future development of the land will include the provision of services required within a new residential community, including the provision of public open space and social and affordable housing.
- Providing increased available residential land for housing led development which will contribute to achieving the housing supply, housing diversity and housing affordability objectives of the Planning Policy Framework.
- Applying DPO12 to guide the future design and layout of the site and support housing affordability and diversity, including medium density and appropriately located larger lots. DPO12 will also encourage a street network that supports the residential function of the site with design that encourages socialisation, free movement and low traffic speed.
- Providing employment opportunities to the community and supporting the viability of retailing in the area. The proposed Neighbourhood Activity Centre will implement the MTEC Masterplan and the MTSP in Clause 11.03-2L of the Latrobe Planning Scheme.

Economic Effects

Consistent with the policy outcomes established for Traralgon West, the proposed Commercial 1 Zone will facilitate commercial and retail development on the site to service the local community. The commercial use of this land will generate local employment opportunities beyond the two primary industries in the immediate area being the airport and the hospital.

The Commercial 1 Zone provides a limit on net leasable floor area for Shop through its Schedule recognising 1,200sqm associated with the need of residents through the current rezoning. Additional retail space will be required as Traralgon West grows, with MTEC Masterplan advising of an ultimate need of 5,000sqm.

The MTEC Masterplan also highlights the strategic opportunities the site presents to capture tourist expenditure with convenient access from Princes Highway.

The Economic Impact Assessment has explored direct economic benefits of the proposed rezoning including commercial land to support a Neighbourhood Activity Centre. The report states that the amendment will facilitate the following:

- Delivering increased capital investment in the area to fund the subdivision and the development.
- Provide additional full time construction jobs for years.
- Provide ongoing employment in the commercial/retail area and potentially throughout the residential area and in nearby local businesses.

6.4. Does the amendment address relevant bushfire risk?

The land is not affected by a Bushfire Management Overlay, however, is located within a Bushfire Prone Area (BPA). A Bushfire Hazard assessment has been prepared, responsive to Clause 13.02-1S of the Latrobe Planning Scheme. The assessment reviewed the vegetation onsite, nearby bushfire history and anticipated a likely bushfire scenario.

The assessments determined that future development of the site can be designed to meet the requirements of Clause 13.02-1S of the Latrobe Planning Scheme and address the risk from grassfires by implementing a series of proposed treatments including the provision of a buffers along the northern, western and eastern boundaries of the site and the implementation of BAL 12.5 rating for future dwelling construction.

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

A Planning Scheme Amendment must respond to any relevant Ministerial Direction. The following Ministerial Directions are relevant to this amendment:

Ministerial Direction – Form and Content of Planning Schemes

This Direction prescribes requirements relating to the form and content of all planning schemes prepared under Section 7(5) Part 3 of the Planning and Environment (Planning Schemes) Act 1996 and any amendment to those planning schemes. This amendment request has been prepared in compliance with this direction.

The amendment also complies with other applicable Minister's Directions under Section 12(2)(a) of the Act as follows:

Ministerial Direction No. 1 – Potentially Contaminated Land

This Direction is intended to '*ensure that potentially contaminated land is suitable for a use which is proposed to be allowed under an amendment to a planning scheme and which could be significantly adversely affected by any contamination.*'

The amendment includes an assessment of potential site contamination and proposes further evaluation and remediation using an Environmental Audit Overlay. This approach supports timely, staged development. The level of remediation will depend on future land use, with commercial areas likely requiring less remediation than areas designated for sensitive uses.

Ministerial Direction No. 9 – Metropolitan Planning Strategy

This Direction is intended to '*ensure that planning scheme amendments have regard to the Metropolitan Planning Strategy*', meaning Plan Melbourne 2017-2050 and its 2019 addendum. This amendment is consistent with the regional policies as contained in Plan Melbourne.

Ministerial Direction No. 11 – Strategic Assessment of Amendments

This Direction is intended to '*ensure a comprehensive strategic evaluation of a planning scheme amendment and the outcomes it produces.*' This includes the requirement for a planning authority to evaluate various stipulated strategic considerations and to assess the impact on resourcing and administration costs. The requirements of this Direction are satisfied through the preparation of the explanatory report, which addresses all the matters required in the Direction including the impact on resourcing and administration costs.

Ministerial Direction No. 15 – The Planning Scheme Amendment Process

This Direction prescribes times for completing steps in the planning scheme amendment process. The proposed amendment will advance in accordance with the steps and timing specified in this Direction. This Direction prescribes times for completing steps in the planning scheme amendment process.

Ministerial Direction No. 19 – Amendments that may result in impacts on the environment, amenity and human health

The amendment is consistent with *Ministerial Direction 19 The preparation and content of Amendments that may significantly impact the environment, amenity and human health*. Technical assessments have been completed to inform the need for an EAO over part of the site to ensure further analysis is undertaken on land that may require remediation, subject to the proposed future use. Technical assessments have also been undertaken to inform the requirements of the Development Plan Overlay. Commentary from referral authorities has been incorporated into the proposed to the proposed DPO Schedule including the need for additional assessments as part of a Development Plan Application, including further targeted species surveys and the retention of existing Strzelecki Gums.

Ministerial Direction No.22 – Climate Change Considerations

This direction seeks to ensure that planning authorities have regard to emissions reductions targets by considering the likely extent to which the planning scheme or amendment minimises greenhouse gas emissions, through measures most relevant to strategic or precinct-scale responses. In this instance the site is within an identified growth area that is between two large towns (Traralgon and Morwell). This, together with the creation of a Neighbourhood Activity Centre on the site itself accessible via a local pedestrian and cycle network, will reduce transport related emissions. Further there are no constraints in achieving lots with high levels of solar orientation.

The direction also seeks to ensure that planning authorities have regard to the need to increase resilience to climate change when decisions are made about the use and development of land. Climate change may increase bushfire risk, the heat island effect and storm events. The amendment appropriately addresses these hazards through a bushfire risk report, ambitions for high canopy cover and the requirement of a technical report to consider the effects of increases rainfall intensity within the catchment to demonstrate no lots are subject to flooding in a future 1% AEP event. How does the amendment support or implement the Planning Policy Framework and any adopted State policy?

The amendment supports and implements the objectives, strategies and policies contained within the Planning Policy Framework as detailed below.

Clause 11 - Settlement seeks to promote the sustainable growth and development of Victoria and to deliver choice and opportunity for all Victorians through a network of settlements. It is a strategy to focus investment and growth in seven regional cities including Latrobe City. Clause 11.01-1R sets out strategies to achieve the objective specific to the Gippsland area. The strategies identify Latrobe City, which includes Traralgon and Morwell, as Gippsland's regional city and the policies seek to support new urban growth fronts in regional centres where natural hazards and environmental risks can be avoided and managed. The subject land has been identified as a strategic redevelopment site in numerous background studies commissioned by Council following the Traralgon Growth Areas Review (TGAR) in 2013 including the Traralgon West Structure Plan (2013) and the MTEC Masterplan (2020). MTEC Masterplan identifies the site as a high priority residential development supported by a Neighbourhood Activity Centre.

Clause 11.02-1S – Development Capacity seeks to ensure that at least a 15 year supply of land and development capacity is available to meet housing targets, and that there is sufficient land is available to meet forecast demand. and the needs of current and future Victorians for commercial, retail, recreational, institutional and other community needs. The Residential Supply and Demand Assessment prepared with the amendment suggests the current supply of residential land within Traralgon falls short of the 15 year target. Further the activity centre, whilst limited in current form, can transition to provide increased services to the local community as the Traralgon West growth area develops.

Clause 11.02-2S - Structure Planning seeks to facilitate the orderly development of urban areas. The proposed amendment reflects this policy as it is supported by the Morwell to Traralgon Structure Plan (MTTSP) which identifies the subject land as suitable for a mix of residential and commercial purposes in the short-medium term. Development staging within the MTEC Masterplan designates the subject land within stage 1B, which is a first priority for residential redevelopment.

The Traralgon West Structure Plan acknowledges the impact of the Princes Highway bypass has had on settlement planning in Latrobe and specifically identifies the site as suitable for housing development to help offset the loss of housing supply impacted by the location of the future Traralgon highway bypass.

The report states due to the topographical and landscape characteristics of the subject land, including the presence of two large dams, there are clear opportunities for development of a more intensive residential use on the site. The development of this site within a landscape context, could go some way to offsetting the loss of land earmarked for residential development south of the Princes Highway. As such, the development on the site is of strategic benefit to the broader area.

In light of the above, it is submitted that there is strong policy support for the rezoning of the site for residential and commercial purposes. Further, the application of the DPO12 will ensure that the future development of the land will be designed in a manner that responds to the site's attributes and the surrounding land uses.

Clause 11.03-1L – Activity Centres includes a range of strategies at a local level including to support localised convenience retail, community and small business service needs within Neighbourhood and Local Activity Centres in accordance with the Town Structure Plans. The Latrobe Retail Strategy adopted by Council under Amendment C119 guides the future location and scale of activity centres. The report notes the need for a Neighbourhood Activity Centre in Traralgon West providing a limited range of convenience retailing, typically anchored by a supermarket. The Economic Impact Assessment prepared by Ethos Urban provides a technical analysis of the impact of a Neighbourhood Activity Centre on existing retail centres within Latrobe City.

The report concludes development of retail at the subject site will not result in a lower level of trade area retail spending available to other retail centres and retailers compared to 2021 levels, with continued retail spending growth in the trade area driven by forecast population growth to continue to support existing centres.

The report noted that a smaller supermarket could be supported in the short term, whilst a larger supermarket would take longer to establish and would be dependent on future population growth. This is a reasonable position to adopt when considering the long-term nature of Council's planning for the area (i.e., out to 2050) and the difficulty of undertaking accurate population projections in the long term. It is orderly strategic planning to ensure sufficient land is set aside for the future growth of the Neighbourhood Activity Centre, which has occurred through allocating 1.38ha as Commercial 1 Zone including 0.48 of land that is not subject to the approved service station.

The **MTEC background report** (2018) prepared by Urban Enterprise has modelled demand for an activity centre based on an ultimate permanent resident population within the Morwell to Traralgon Structure Plan of 8,500. This population was based on an average household size of 2.46 persons and did not factor in residential intensification around the hospital or medium density areas. The results of the economic modelling estimated that approximately 8,000sqm of core retail floorspace could be supported within the Morwell to Traralgon Structure Plan area.

The MTEC area is located between the Mid Valley Shopping Centre and The Traralgon Primary Activity Centre. These centres support the greatest concentration of retail floorspace in Latrobe Valley.

Demand for activity centre floorspace within the MTEC will be driven by a range of factors which include:

- Residents of the proposed residential areas in the east of the Morwell to Traralgon Structure Plan area.
- Residents of any higher density and aged care areas in the central parts of the area.
- Staff and visitors to the hospital.
- Employees within land in the western section of the Corridor designated for a range of employment uses; and
- Passing trade using the Princes Highway for work, personal and tourism trips.

The area is currently poorly serviced by existing retail centres. The site will receive a high exposure and good accessibility by the Princes Highway, which is ideal for a future Neighbourhood Activity Centres.

The Economic Impact Analysis prepared by Ethos Urban as part of the amendment concludes the development of a NAC on the subject land will not detrimentally impact the existing retail hierarchy in Latrobe City and will provide broader economic stimulus to the municipality through creation of convenience services to support the future residential catchment, employment opportunities and an opportunity to capture escape expenditure from tourists heading east towards the Gippsland lakes and beyond.

The analysis recommends a 1,200sqm leasable floor area limit in the near term based on the demand generated by rezoning the subject site only. However, the site represents only a small portion of the ultimate limit that will be required once more development occurs within the Traralgon West area in accordance with the MTEC Masterplan.

The proposed 1.38ha of Commercial 1 Zone land is sized to allow the required retail floorspace to be established with some opportunities to provide for community and small business service needs such as childcare, medical and dental facilities, a gym, an accountant's office etc. A requirement in the proposed DPO12 seeks to set aside additional area

for the proposed NAC to grow noting the strategic framework sets out an ultimate maximum leasable floor are of 5,000sqm within Traralgon West.

Clause 11.03-2S – Growth Areas seeks to locate urban growth close to transport corridors and services and provide efficient and effective infrastructure to create sustainability benefits while protecting primary production, major sources of raw materials and valued environmental areas. The subject property is a key gateway site for the western growth area and its development should initiate further development to the north and east in time.

The proposed amendment accords with the MTSP as the subject land can be provided with the required infrastructure to support the future residential and commercial development. The land is sufficient in size to support a diversity of housing. Further, the proximity of the site to the regional airport and hospital will provide opportunity for a workforce to live closer to their place of work, reflecting Latrobe Council’s Live Work Latrobe (2017) Strategy.

It is a Strategy to deliver residential densities in the growth areas of Major regional cities (which included Latrobe City) at an average of at least 30 dwellings per net developable hectare in locations within walkable distance of existing and) proposed activity centres, train stations, major transport routes and public open spaces, and 20 dwellings per net developable hectare in other growth area locations. The site includes residential areas around the new Neighbourhood Activity Centre and public open space which is suitable for higher densities.

Clause 11.03-2L – Morwell To Traralgon Structure Plan (MTSP) applies to the land identified on the Morwell to Traralgon Structure Plan in this clause. The plan provides important guidelines for development and urban design including the subject site. It directs residential growth to the north of the Princes Highway and maintains urban buffers to key industries including the Australia Paper Mill and provides direction for growth in the area between Morwell and Traralgon.

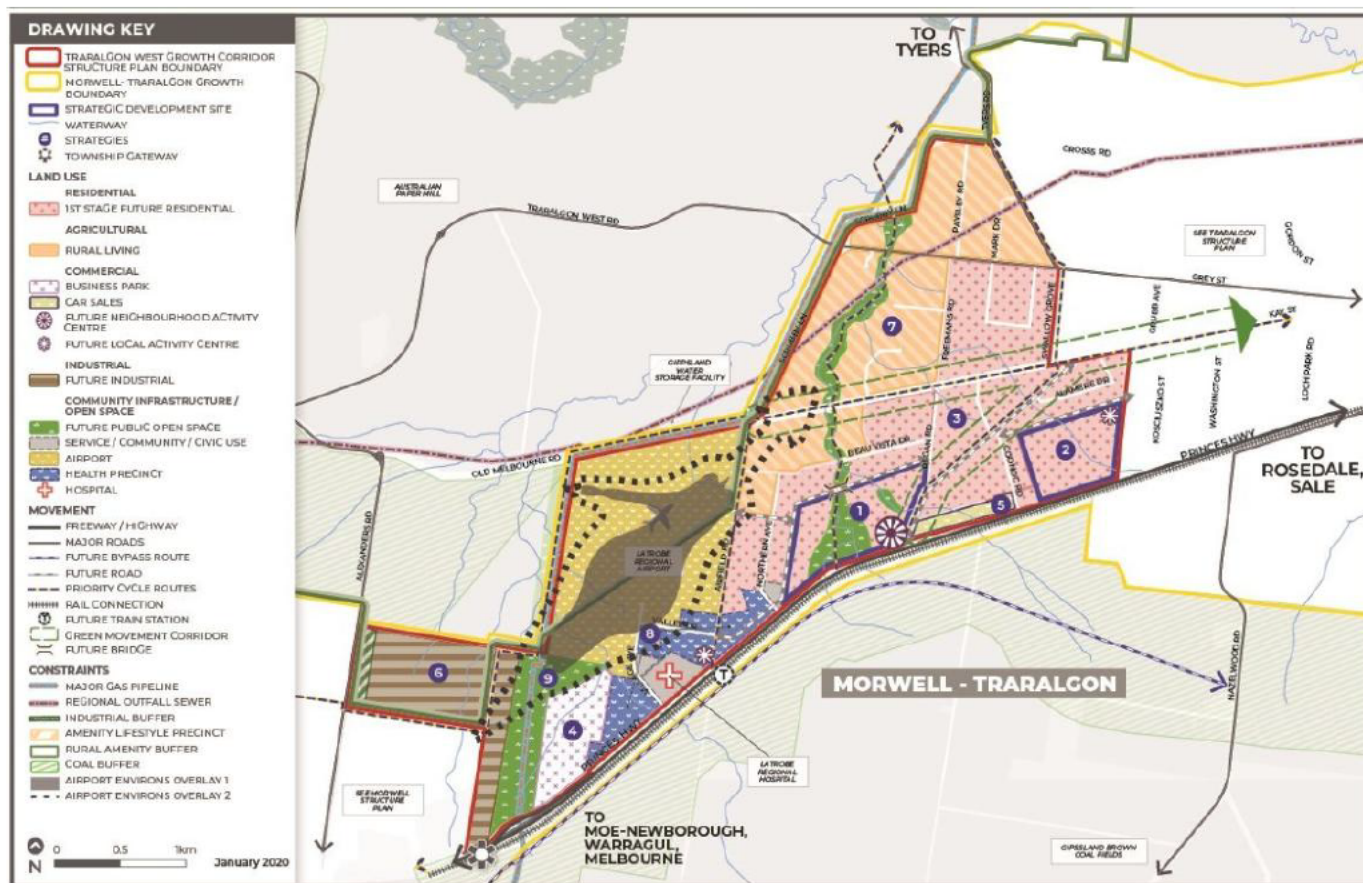


Figure 8: Morwell to Traralgon Structure Plan
Source: Latrobe Planning Scheme

The plan specifically encourages the development of a Neighbourhood Activity Centre adjoining the intersection of Bradford Drive and Princes Highway only if it achieves a standalone catchment and minimises the economic impacts on other activity centres.

Various retail strategies, including the economic impact assessment carried out as part of the amendment supports the position that there is a standalone catchment area for the activity centre without impacting other activity centres. However, the size of the activity centre needs to vary overtime to minimise unreasonable economic impacts from occurring.

The amendment balances this through limiting the maximum leasable floor area for Shop to 1,200sqm in the Schedule to the Commercial 1 Zone. This area is short of the ultimate limit applicable to the NAC once areas around the subject site are developed in accordance with MTEC Masterplan.

Clause 11.03-2L also encourages the creation of open space corridors along waterways and incremental growth (rather than limited change) on land within 200 metres of the Neighbourhood Activity Centre.

Clause 12 - Environmental and Landscape Values seeks to protect Biodiversity. The site assessments and targeted surveys undertaken to inform the rezoning identified limited environmental values across the site. This outcome was somewhat anticipated given the cleared nature of the majority of the site and its current agricultural use. The site is not considered to have high ecological value and areas where ecological value may occur can be appropriately mitigated from further impact. These matters will be further considered and resolved through the future Development Plan and Planning permit application processes.

Clause 13 - Environmental Risks and Amenity seeks to address such matters as climate change, bushfire, contamination, noise, air quality and amenity.

The Bushfire Risk Assessments prepared for the amendment found that the risks from bushfire were minimal and could be addressed to achieve policy requirement at Clause 13.02-1S via subdivision design. Bushfire mitigation measures included the provision of roadways along the western and northern boundaries of the site to provide buffers should a bushfire threaten the site and dwelling construction at BAL12.5.

The Preliminary Risk Screen Assessment prepared for the amendment found contaminated land only present in specific locations. These locations are subject to an EAO through the amendment to address Clause 13.04-1S.

The Acoustic Report prepared for the amendment considered noise impacts from Latrobe Regional Airport, flight paths and the sites proximity to the Princes Highway and the railway line. The assessment identifies construction measures to mitigate potential aircraft noise in the northwest corner of the site and the need for an acoustic barrier along the site's residential southern boundary with Princes Highway.

Clause 14.02-1S – Catchment Planning and Management seeks to protect and restore waterways. The inclusion of rehabilitated waterways within future development will further these objectives. The DPO12 requires a Waterway Management Plan and concept Landscape Plan for revegetation to be approved by West Gippsland Catchment Management Authority showing the waterways with a 30 metre wide buffers on each side where practicable.

Clause 15 - Built Environment and Heritage seeks to create urban environments that are safe, healthy, functional and enjoyable and that contribute to a sense of place and cultural identity. It is anticipated that future dwellings will be consistent with the established neighbourhood character of the broader Traralgon area.

In response to Clause 15.01-3S/3L – Subdivision Design policy it is submitted that the proposed DPO12 will identify a permeable road network, sufficient in width to facilitate footpaths on either side of the street, on-street car parking and a treed street scape. The drainage lines traversing the site will be designed to facilitate stormwater run-off whilst providing an ancillary public open space use with walking paths within the reserve. To facilitate passive surveillance of the public realm, the future indicative subdivision plan will ensure that all lots will be orientated to the street with direct access to each lot occurring from the internal road network.

Clause 16.01-1S/1L – Housing supply encourages a diverse range of housing in locations with access to community services, activity centres and public transport in accordance Housing Targets for the municipality (set at 13,000 for the Latrobe Council area) and local Housing Framework Plans. The amendment adds a Housing Framework Plan for Traralgon West, which is currently absent as this is the first residential redevelopment opportunity within the area. The clause seeks to ensure increased housing types are diversity to meet households needs as they move through life cycle changes and to support diverse communities.

The subject land is identified as limited change due to location on the urban fringe of Traralgon and as a new estate. The policy supports *the development of detached dwellings and dual occupancies that reinforce the spacious regional suburban character*. However smaller and diverse housing types, including units and townhouses, should be encouraged within close proximity (200 metres) of planned Neighbourhood Activity Centres consistent with requirements at Clause 11.03-2S/L, including MTSP.

Clause 16.01-2S/2L – Housing affordability encourages a diversity of future housing stock to meet a broad demographic including affordable and social housing. The applicant proposes to facilitate the future development of social and affordable housing. Specifically, DPO12 identifies a requirement to provide social and affordable housing at a rate in accordance with Latrobe Social and Affordable Housing Strategy (2021).

Clause 17.01-1S/1R/1L - Diversified economy seeks to strengthen existing and planned employment areas and plan for new employment areas. The site is not recognised as an employment area. Nearby employment areas include land associated with Latrobe Regional Hospital, Latrobe Regional Airport, Maryvale Industrial Growth Corridor and land west of the Regional Hospital with MTEC identified for industrial landuse.

Clause 17.02-1S/1R/1L – Business seeks to encourage development that meets the community's needs for retail, entertainment, office and other commercial services.

The proposed Commercial 1 Zone will facilitate retail development on the site to service the local community. The commercial use of this land will generate local employment opportunities beyond the primary industries in the immediate area.

The Economic Impact Assessment has explored the economic benefits of the proposed rezoning including commercial land to support a Neighbourhood Activity Centre. The report states the development at the subject site will require a capital investment for construction in the order of \$5 million and be of significant benefit to the trade and construction industries in the region. The construction phase of the development is forecasted to yield 11 direct full time equivalent (FTE) construction job years and would support a further 18 indirect FTE job years resulting in a total of 29 FTE job years which would be created during the development of the subject site.

Other economic benefits related to the proposal and noted by the Economic Impact Assessment include the potential for on-going employment through development of a Neighbourhood Activity Centre including a supermarket which has the potential to generate up to 30-40 jobs when completed and fully occupied. These outcomes directly respond to and further the objectives sought by Clause 17.02.

The local planning policy directs restricted retail premises away from the site consistent with the proposed amendment.

The MTEC report also highlights the strategic opportunities the site presents to capture tourist expenditure by developing an under-utilised location with convenient access from Princes Highway.

Clause 18.01-1S Land Use and Transport Integration seeks to protect existing major transport infrastructure which would include Princes Highway. Previous discussions with DTP have identified provided guidance on the future road designs required to support a multi lot residential subdivision and commercial area on the subject land, including:

- Upgrading and signalling the intersection of Princes Highway and Bradford Drive so the Bradford Drive can provide the main entry/exit to the estate/NAC.
- Left-in/ left-out only access point will be approved to Princes Highway for residential uses.
- A left in only access point to the commercial area will be approved from Princes Highway. Exit movements from the commercial area are required to access Bradford Drive (not Princes Highway),
- It has been considered by DTP to remove the rest area to the east of the proposed left in/left out residential access due to underutilisation and maintenance issues.

Clause 18.02 - Movement Networks the future Development Plan under the requirements of DPO12 will require consideration of the future movement network, including connections to the land located north, east and west of the site. The future development plan will also include walking and cycling paths as sought by Clauses 18.02-1S and 18.02-2S respectively.

Clause 19.02-6S – Open Space has the objective to establish, manage and improve a diverse and integrated network or public open space that meets the needs of the community. The MTEC Masterplan anticipates open space connections traversing the waterways within the subject site. The DPO12 requires a landscape concept plan for the proposed development with detailed landscape plans to follow for each subsequent application made.

Clause 19.03-2S/2L - Development infrastructure seeks to provide timely, efficient and cost-effective development infrastructure. DPO12 requires several reports to be prepared, including a Servicing Strategy, a Traffic Impact Assessment and an Integrated Stormwater Management Plan, before staging of key infrastructure is considered.

Clause 19.03-3S/3L - Integrated water management seeks to sustainably manage water supply and demand, water resources, wastewater, drainage and stormwater through an integrated water management approach. A background stormwater report has been prepared to provide comfort that an integrated solution can be planned in accordance with the requirements of West Gippsland Catchment Management Authority and Latrobe City Council. However, the details cannot be determined until a layout plan is prepared under the development plan process. The DPO12 requires a stormwater management strategy to be prepared. The overlay also requires consideration of future climatic conditions and ensure the development is resilient to climate change.

6.6. How does the amendment support or implement the Municipal Planning Strategy?

Council's **Vision** at Clause 02.02 includes five objectives. The proposed redevelopment of the subject site contributes broadly to achieving four:

- Job creation and economic growth, mainly through establishing the Neighbourhood Activity Centre, but also created when developing land.
- Improved liveability and connectedness, through facilitating a high-quality residential estate with new roads and open space connections to the broader area.
- Providing a connected and safe community, through facilitating a high-quality residential estate with internal roads and pedestrian connections and new residential lots that front the public realm and provide surveillance.
- Grow civic pride through excellence in subdivision design.

The Vision is supported by a range of strategic directions in Clause 02.03. The directions highlight Traralgon as the largest of the four main towns in Latrobe, which is experiencing higher population and urban growth due to its role as the major commercial centre. Council has aspirations to grow the municipal population to 100,000 by 2050. A portion of this growth is to occur through infill development in existing urban areas identified for major change, however, it is also proposed to occur in new 'planned' residential areas that support diversity in lot sizes and housing types including affordable, social and specialised housing.

Directions also seek to protect Latrobe Regional Airport and freight corridors such as Princes Highway, align development with the delivery of key infrastructure items and Encourage a consistent approach to the design and construction of infrastructure across the municipality.

Coordinating the delivery of Council's vision are the **Strategic Framework Plans** contained at Clause 02.04. Specific to the subject land site is the **Morwell – Traralgon Growth Framework Plan** which identifies the subject land as unspecified future residential with a *Future Neighbourhood Activity Centre* located in the south-east corner of the site.

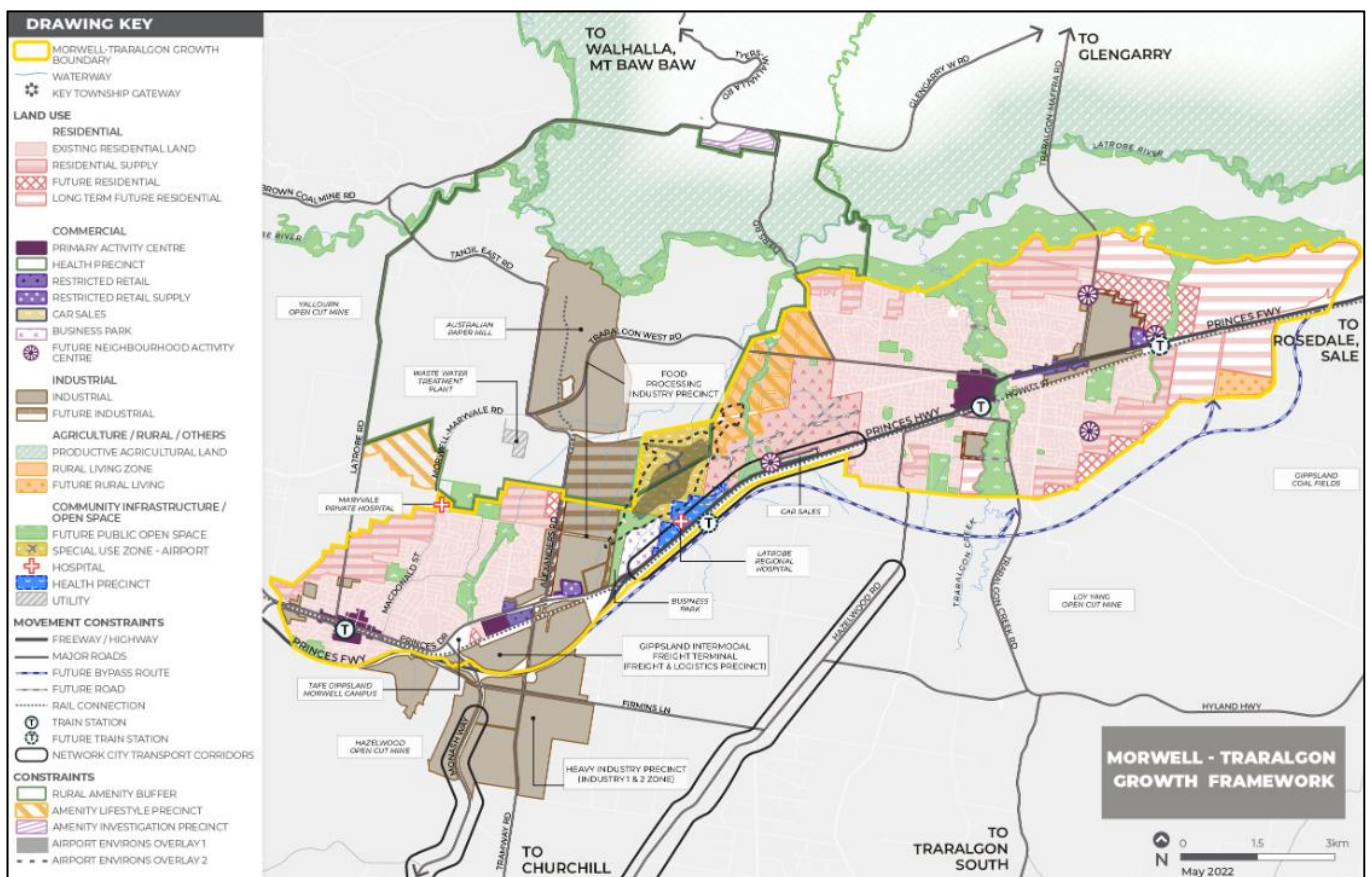


Figure 9: Morwell – Traralgon Growth Framework
Source: Latrobe Planning Scheme

As the proposed rezoning will action a key policy outcome detailed in the Latrobe Planning Scheme and specifically, the Morwell – Traralgon Growth Framework Plan. This planning scheme amendment proposes to transfer land from *Future Residential* to *Residential Supply*.

6.7. Does the amendment make proper use of the Victoria Planning Provisions?

The amendment makes proper use of the Victorian Planning Provisions by applying Schedule 3 to the General Residential Zone and applying the Commercial 1 Zone with a Schedule to limit the maximum leasable floor area that can be used for Shop to the land.

Also applied is a Development Plan Overlay and Environmental Audit Overlay to guide development outcomes and to respond to site specific constraints.

General Residential Zone – Schedule 3 (GRZ3)

The primary reason for applying the GRZ3 to the site is that it is consistent with the historical approach by Latrobe City Council. The zone is specifically created for new residential estates across the municipality, including land shown as 'Residential Supply' on the Morwell – Traralgon Growth Framework such as Traralgon North. This land is generally recognised as supporting 'limited change', defined by Clause 16.01-1L of the Latrobe Planning Scheme as *detached dwellings and dual occupancies that reinforce the spacious regional suburban character*.

The use of the GRZ3 is considered to be consistent with Planning Practice Note 91 – Using the Residential Zones (PPN91) which outlines the General Residential Zone is to be *'applied to areas where housing exists up to three storeys exists or is planned for in locations offering good access to services and transport'*.

The proposed new estate will offer convenient access to services (through the planned Neighbourhood Activity Centre in the southeast corner of the site) and benefit from a bus route that past the site (with weekday 30min frequencies travelling east to Traralgon and west to Morwell via the Latrobe Hospital).

In our view there is no conflict between Council's use of the term 'limited change' within GRZ3 areas and PPN91 that uses the term 'minimal change' in table 2 of the practice note which encourages the use of the Neighbourhood Residential Change (NRZ). We say that the terms are different.

Further, PPN91 makes it clear that the NRZ should be *'applied to areas where there is no anticipated change to the predominantly single and double storey character. Also, to areas that have been identified as having specific neighbourhood, heritage, environmental or landscape character values, that distinguish the land from other parts of the municipality or surrounding area'*.

The site has not been identified as having *'specific neighbourhood, heritage, environmental or landscape character value'*, and a level of change above single and double storey character is envisaged, particularly within 200m of the proposed Neighbourhood Activity Centre. Therefore, the NRZ is not preferred.

The GRZ3 will enable the efficient delivery of housing at varying densities, styles and amenity outcomes throughout the site. The areas adjacent to the neighbourhood activity centre and open space reserves could potentially attract a more intensive forms of housing at higher density than the remainder of the site and the GRZ3 will provide for this.

Commercial 1 Zone (C1Z)

The Commercial 1 Zone is the primary zone applied to activity centres in urban areas. Its objectives and structure support the establishment of a range of commercial, retail and residential uses consistent with strategic policy objectives for the Neighbourhood Activity Centres located on the site at the corner of Princes Highway and Bradford Drive.

Consistent with other activity centres in the growth areas of Latrobe City Council, the schedule includes a maximum leasable floor area for Shops that is relevant to the area being rezoned. Ultimately, additional land will need to be found for retail floor area if the surrounding area of Traralgon West is developed in accordance with the MTEC Masterplan.

Development Plan Overlay Schedule 12 (DPO12)

Development Plan Overlay Schedule 12 will ensure that future development of the site has regard to the opportunities, constraints and values of the land in accordance with PPN23: Applying to Incorporated Plan Overlay and Development Plan Overlay (PN23). DPO12 will ensure that the development of the site is undertaken in a logical and efficient manner that is informed by environmental assessments and a staging and infrastructure delivery program, including roadworks, service infrastructure, drainage and open space provision.

Environmental Audit Overlay

The Environmental Audit Overlay is the appropriate statutory tool to manage further contamination investigations and remediation pursuant to the Preliminary Risk Screen Assessment that has been completed in accordance with PPN30: Potentially Contaminated Land.

6.8. How does the amendment address the views of any relevant agency?

There has been informal consultation with several authorities and infrastructure servicing agencies as part of the amendment preparation and the Infrastructure Servicing Assessment. Several informal responses have assisted drafting the DPO12.

However, the assessment of this amendment will provide a formal opportunity for stakeholders and relevant agencies to provide comment.

6.9. Does the amendment address the requirements of the Transport Integration Act 2010?

The Amendment addresses the relevant objectives set out in the Transport Integration Act 2010. Specifically, the Amendment meets the following transport system objectives:

- Section 8 – Social and economic inclusion
The Amendment encourages a future development that will maximise the accessibility of the transport network to support individual and community wellbeing.
- Section 9 – Economic prosperity
The Amendment will enable efficient and effective access for persons and goods to places of employment, markets and services by increasing the provision of housing in proximity to key existing transport corridors.
- Section 10 – Environmental sustainability
The Amendment will facilitate the future development of land that actively contributes to environmental sustainability by maximising opportunities for walking and cycling transport infrastructure.
- Section 11 – Integration of transport and land use
The Amendment will support the effective integration of transport and land use and will facilitate access to social and economic opportunities in the future.
- Section 13 – Safety and health and wellbeing
The Amendment encourages a transport system that is safe and supports health and wellbeing through the design requirements noted under DPO12.

6.10. Resource and administration costs

The consideration and implementation of the Amendment will not give rise to any unreasonable resource or administrative costs for Council beyond its normal role as the planning authority.

Additionally, the administration and enforcement of a future development plan and planning permit application as a result of the new planning controls will not burden Council beyond its normal role as the responsible authority.

6.11. Outcome of the Amendment

The rezoning of the site will enable the development of land for residential purposes supported by a strategically identified Neighbourhood Activity Centre. The planning scheme amendment is the only mechanism available to implement this change. The application of DPO12 will provide an orderly planning outcome for the site in line with the relevant strategic framework. The amendment will provide an opportunity to establish a sustainable and well-located residential estate which has sustainable access to strategically important assets including the Latrobe Regional Hospital and Latrobe Valley Regional Airport.

The rezoning of land is the first step in facilitating the future development of the land in accordance with the Morwell to Traralgon Structure Plan (MTTSP). As the subject land remains in single ownership, it is submitted that development of the site will occur in stages to ensure a logical and efficient subdivision layout whilst appropriately managing the timing and delivery of required infrastructure. Further, a staged multi-lot residential subdivision will ensure any future development is underpinned by a strategic framework and is responsive to the desired development outcomes and the overall layout of the land, including the design principles for the development, major land uses, transport and open space networks in consultation with the responsible authority.

In a similar manner, future planning permit applications for land within the Neighbourhood Activity Centre will be considered relative to the proposed use, yet respectful to the future residential neighbourhood.

7. CONCLUSION AND REQUEST

This report has detailed a request to amend the Latrobe Planning Scheme in support of the rezoning of the of land at 5483 and 5495 Princes Highway, Traralgon, from the Farming Zone to the General Residential Zone and Commercial 1 Zone under Section 8 of the Planning and Environment Act 1987.

In an effort to guide the future overall development of the land, it is proposed to apply the Development Plan Overlay Schedule 12. DPO12 will ensure that the future development of the site considers the opportunities, constraints and values of the land to facilitate a residential and commercial development that responds to the site and surrounding context. DPO12 will ensure that the development of the site is undertaken in a logical and efficient manner that is informed by environmental assessments and a staging and infrastructure delivery program.

This Report has described the Site and its context, detailed the proposal, provided an overview of the planning framework, and assessed the planning merits of the proposal against relevant State and local planning policy. The proposal is underpinned by State and local planning policy and represents the first development in an identified new urban area.

The site can be fully serviced, and the site assessments raised no substantial issues preventing the development of the site area in full. The site investigations identified many characteristics consistent with the site's long-term use for agricultural purposes that needs to be address through the preparation of a Development Plan such as the restoration of waterways, the protection of certain trees and bushfire management. Further their area a number of transport constraints and issues that will require a Development Plan and/or staging to manage. These including upgrading existing access and limiting new access from Princes Highway, new link roads and the mitigation of aircraft and vehicle noise.

Finally, there are potential sources of contamination that will be managed through the application of the Environmental Audit Overlay, allowing for the appropriate investigations and remediation works to occur whilst planning and development of the balance of the land can progress.

It is submitted that the proposed rezoning will provide a high-quality urban development at a prominent site in Traralgon, and we recommend that the amendment be supported.

Beveridge Williams
22 September 2025

APPENDIX A: COPIES OF TITLE

APPENDIX B: PLANNING PERMIT 2020/192/A

APPENDIX C: FORMAL AMENDMENT DOCUMENTATION

APPENDIX D: CHMP 18485 NOTICE OF APPROVAL

APPENDIX E: ECOLOGICAL ASSESSMENT

APPENDIX F: AVIFAUNA ASSESSMENT

**APPENDIX G: DWARF GALAXIAS, FLINDERS PYGMY PERCH AND GROWLING GRASS
FROG SURVEY**

**APPENDIX H: MATTED FLAX LILY, STREZELECKI GUM AND GREY BILLY BUTTONS
TARGETED SURVEY**

APPENDIX I: BUSHFIRE HAZARD ASSESSMENT

APPENDIX J: PRELIMINARY CONTAMINATION ASSESSMENT

APPENDIX K: PRELIMINARY RISK SCREEN ASSESSMENT

APPENDIX L: NOISE ASSESSMENT

APPENDIX M: RESIDENTIAL SUPPLY AND DEMAND ASSESSMENT

APPENDIX N: ECONOMIC IMPACT ASSESSMENT

APPENDIX O: INFRASTRUCTURE SERVICING REPORT

APPENDIX P: STORM WATER MANAGEMENT PLAN

APPENDIX Q: TRAFFIC IMPACT ASSESSMET

APPENDIX R: AIRPORT SAFETY ASSESSMENT

