

SOUTH GIPPSLAND PLANNING SCHEME

AMENDMENT C108

PLANNING PERMIT APPLICATION 2016/202

EXPLANATORY REPORT

Who is the planning authority?

This amendment has been prepared by the South Gippsland Shire Council, which is the relevant planning authority.

The Amendment has been made at the request of Petal-O-Nominees P L.

Land affected by the Amendment

The Amendment applies to 590 South Gippsland Highway, Leongatha South being Lot 2, PS346292D and 2 Hogans Road, Leongatha South being Lot 1, PS346292.

What the amendment does

The joint Amendment and planning permit proposes to rezone approximately 14.47ha of Farming Zone to Special Use Zone 'Agricultural Services' (SUZ) and a two lot subdivision to reflect the zoning of the land. Lot 1 will allow for future subdivision and development of the SUZ land while Lot 2 is the balance Farming Zone lot.

Strategic assessment of the Amendment

Why is the Amendment required?

The Leongatha Industrial Land Supply Study 2013 (LILSS) identified the site's commercial potential based on its proximity to the existing cattle saleyards and farm equipment enterprise. This study was adopted into the South Gippsland Shire Planning Scheme in August 2014 as Amendment C95.

The proposal is to provide further services to primary producers that use the existing cattle saleyards. Activities within the proposed agricultural services area will be determined by specific planning controls that aim to support economic activities in nearby town centres. The SUZ specifically identifies uses that do not rely on proximity to urban centres for success and have a clear nexus with the adjacent agricultural production businesses.

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

The amendment implements the objectives of planning in the *Planning and Environment Act 1987* (the Act). Specifically, the amendment implements Section 4 *Objectives*, subsection (1):

(a) to provide for the fair, orderly, economic and sustainable use, and development of land;

and

(g) to balance the present and future interests of all Victorians.

These objectives are achieved by the Special Use Zone Schedule which clarifies what site activities are appropriate to balance agricultural production and sustainable economic growth within the Shire.

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

The amendment is expected to have positive environmental, social and economic effects.

The amendment request is a result of ongoing structural improvements within the dairy and beef industries in South Gippsland. Increasing stock management efficiency has led to amalgamating herds that require increased delivery capacities by freight vehicles. Locating businesses close to existing facilities can help with continual improvements in the agricultural sector.

Some agricultural businesses are currently located in the industrial estate without the need to access a broad market. The site characteristics that are valued by these businesses include large lots that are buffered from nearby sensitive uses. Relocating agricultural businesses away from industrial land can release sites that are better utilised for other industrial zone activities. The subject land offers large sites while providing more opportunity for industrial development in nearby towns.

The provisions of the Special Use Zone identify activities that can support economic growth without challenging the commercial primacy of nearby urban centres. Any new use must be associated with agricultural production and any proposal outside this scope is prohibited.

Future development will not have a negative impact on the Tarwin Catchment as the land will be connected to reticulated sewerage.

Does the Amendment address relevant bushfire risk?

The amendment will not increase the risk of life, property, community infrastructure and the natural environment from bushfire. The amendment does not affect the provisions that relate to bushfire risk such as the Bushfire Management Overlay (BMO). The proposed BMO mapping by the Department of Environment Land Water and Planning has included areas on the site but not within the rezoning area.

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

The amendment complies with the *Ministerial Direction on the Form and Content of Planning Schemes* under section 7(5) of the Act and the Ministerial Directions issued under section 12(2)(a) of the Act.

The Explanatory Report has evaluated and discussed the relevant strategic considerations as outlined in Minister's Direction No.11 *Strategic Assessment of Amendments*.

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

Clause 14.01-1 '*Protection of agricultural land*' contains the strategies when considering the removal of productive agricultural land from the State's agricultural base. An applicable consideration is the "*economic importance for the agricultural production and processing sectors*". Using this land to service and support agricultural production across the Shire could make a greater contribution than if this land continued to be used for production alone.

The clause further requires that any consideration of a proposal to subdivide or develop agricultural land must account for:

- The desirability and impacts of removing the land from primary production, given its agricultural productivity.
- The impacts of the proposed subdivision or development on the continuation of primary production on adjacent land, with particular regard to land values and to the viability of infrastructure for such production.
- The compatibility between the proposed or likely development and the existing uses of the surrounding land.
- Assessment of the land capability.

The proposed amendment would allow uses that support agricultural production without affecting the existing uses on surrounding land. The activity from the saleyards is likely to provide more of an impact on neighbouring activities than new commercial uses at this site.

The land is capable of accommodating future development as the property will be required to connect to reticulated sewerage.

In addition, the objectives contained within Clause 14.01-2 (Protection of agricultural land) seeks; *To encourage sustainable agricultural land use*. The Strategies that follow from this objective are as follows (emphasis added);

- *Ensure agricultural and productive rural land use activities are managed to maintain the long-term sustainable use and management of existing natural resources.*
- *Encourage sustainable agricultural and associated rural land use and support and assist the development of innovative approaches to sustainable practices.*
- *Support effective agricultural production and processing infrastructure, rural industry and farm-related retailing and assist genuine farming enterprises to adjust flexibly to market changes.*
- *Facilitate the establishment and expansion of cattle feedlots, piggeries, poultry farms and other intensive animal industries in a manner consistent with orderly and proper planning and protection of the environment.*

Council considers that there are a number of different ways that land use planning is required to support the ongoing viability of local agricultural land. One important way to do this is through supporting the ability for the farming community to have access to a broad range of services. The *Rural Land Use Strategy Draft for Public Consultation April 2011* discusses in detail that within South Gippsland Shire, agriculture supports a significant manufacturing sector including food processing and associated service industries. Around one third of the employment in the Shire is associated with agriculture either directly on farm or in associated manufacturing and service industries. Where appropriate some of these uses may be able to co-located within the area provided by the Special Use Zone (Agricultural Services).

Council also considers that maintaining and supporting agricultural uses is important for the continued economic prosperity of the Shire. Agricultural uses are much broader than just the on-farm activity and extend to various off farm and supporting services. Agriculture is important regionally with multipliers in processing and manufacturing and generates significant local employment. Supporting a diverse agricultural sector will contribute to the growth and prosperity of rural communities in South Gippsland. The provision of the Special Use Zone (Agricultural Services) will allow for opportunity for innovation and co-location of supporting agricultural services near a significant local and regional asset – Koonwarra Saleyards.

The objective of Clause 17.01-1 *Business* is to encourage development which meets the communities' needs for commercial services. This is to be accessible, provide or use infrastructure efficiently and aggregate commercial facilities, resulting in sustainable growth. The site is adjacent to two significant commercial developments that have been operating for many years in a niche market. It is a central location in the Shire and could improve freight access for the agricultural market. The site is also isolated from sensitive uses, providing security for agricultural activities which may generate odour and noise. The proposal conforms to the strategies in clause 17.01-1 by creating a planned centre for commercial facilities that relate to adjacent, existing enterprises.

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

Clause 21.11-3 *Office and Commercial Uses* guides development of commercial areas in locations that contribute to town viability. Sites must recognise the needs of the community and promote employment opportunities. The detailed clauses in the proposed SUZ balance

the primacy of town centres with community needs. The proposal offers an opportunity to locate particular services close to their intended market. The zone provisions allow activities that benefit from close association with the cattle saleyards that do not have to be located in a town.

Niche agricultural businesses generally don't benefit from a town location and occupy industrial sites more appropriately used by service and manufacturing businesses. Creating an agricultural precinct that groups similar enterprises provides an opportunity for suitable businesses to relocate, freeing land for industrial uses.

Clause 21.15-14 *Small Towns* identifies the need for further investigation of land “north of the Koonwarra saleyards (bounded by Hogans Road, the Rail Trail and South Gippsland Highway) for uses which complement and build upon these existing precincts while not compromising the industrial areas in Leongatha.”

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

The amendment makes use of clause 37.01 *Special Use Zone* as the complexity of the planning requirements means that other zones, overlays or local policies cannot give effect to the desired objectives or requirements.

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

The proponent has had extensive discussions with the Country Fire Authority, South Gippsland Water and VicRoads which has assisted the development of the intended design.

In consultation with South Gippsland Water, the proponent will enter into a S173 Agreement which will require the land to be connected to reticulated sewerage due to the land being within the Tarwin River water supply catchment area. This will ensure future uses and developments will not compromise water quality in the region.

Future subdivision and development applications will need to consider highway access onto South Gippsland Highway.

Amendment C95, which incorporated the findings of the LILSS was exhibited widely between 16 January and 17 February 2014. The study itself was also extensively advertised, with community consultation sessions regularly held throughout 2012 during its preparation.

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

The amendment will not have a significant impact on the transport system.

Resource and administrative costs

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

The amendment will have a minimal impact on the resource and administrative costs of the responsible authority as the developer will be required to cover all costs associated with the amendment. The amendment follows strategic work undertaken by Council over a number of years.

Where you may inspect this Amendment

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

South Gippsland Shire Council offices, 9 Smith Street, Leongatha or their website at www.southgippsland.vic.gov.au

The Amendment can also be inspected free of charge at the Department of Environment, Land, Water and Planning website at www.delwp.vic.gov.au/public-inspection.

Submissions

Any person who may be affected by the Amendment may make a submission to the planning authority. Submissions about the Amendment must be received by 5pm, December 15 2016

A submission must be sent to:

South Gippsland Shire Council
C/- Amendment C107
Private Bag 4
Leongatha 3953

Or by email to council@southgippsland.vic.gov.au including subject title "Amendment C108".

Panel hearing dates

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

- directions hearing: Week commencing 13 March 2017
- panel hearing: Week commencing 10 April 2017