
Officers' Reports



Amendment C258 - Updated Activity Centres Strategy

City Planning and Infrastructure

City Planning

Keri New

ITEM:7.2.

Ward: NA

Purpose of Report: To seek the authorisation of the Minister for Planning to prepare and exhibit Amendment C258 to the Casey Planning Scheme that introduces an Activity Centres Policy and amends the Non-Residential Uses in Residential and Future Residential Areas Policy, and to endorse a revised Casey Activity Centres Strategy for concurrent exhibition.

Council Plan Reference

5. A city that sustainably plans and manages growth while protecting its diverse landscape.
- 5.1 We work with State and Federal Governments for decisions that balance the environment, the economy and population growth to deliver the best outcomes for Casey
6. A thriving economy with local jobs, investment and new industries.
- 6.1 We have a thriving and engaged local business community that has opportunities to prosper
- 6.2 Our residents have increased opportunities to work locally

Executive Summary

The revised Casey Activity Centres Strategy is based on extensive public consultation and economic analysis. It brings a new focus on promoting jobs and economic development within Casey's activity centres by increasing commercial office floorspace and streamlining planning processes. Urban design guidance and clear directions for out-of-centre non-residential use and development are also included.

A total of 80 activity centres are either existing or planned in the City of Casey. Activity centres are the places in a community that people go to shop, work, eat and meet, including large centres like Fountain Gate-Narre Warren CBD and the Cranbourne Town Centre, or the many smaller centres of various sizes throughout Casey. Much of the City of Casey's potential for employment growth in knowledge-based higher wage businesses lies in the strength and vibrancy of its network of activity centres.

This Strategy and related Planning Scheme Amendment are a priority action of the 2018 Casey Planning Scheme Review. It will create more certainty for businesses and investors by updating Casey's existing Retail Policy to include our many new growth area centres and align with *Plan Melbourne*- the State Government's Metropolitan Strategy.

Background

At its meeting on 21 June 2016 Council, in adopting Officer's Report Item 6.12, resolved:

1. *That Council officers continue to progress the review of the Activity Centres Strategy 2012, as outlined in this report;*

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2. *That, as part of the review, officers carry out the first stage of community consultation involving industry stakeholders and residents, as outlined in this report;*
 3. *That, following the community consultation referred to in Part 2 above, a draft revised Activity Centres Strategy that has regard to the feedback received during the consultation period be presented to Council for further consideration; and*
 4. *That the amendment request to rezone the land at 248-296 Clyde Road, Berwick to facilitate the development of a new Neighbourhood Activity Centre be further considered by Council following the adoption of the revised Activity Centres Strategy and in conjunction with an amendment to implement the revised strategy in the Casey Planning Scheme.*

Officers have now prepared a revised Activity Centres Strategy and Planning Scheme Amendment C258 to implement the policy directions of the Strategy. This work is informed by extensive public consultation, which included community surveys and in-depth industry stakeholder interviews, and an economic assessment of retail and other employment floorspace needs.

Officers are working with the owners of 248-296 Clyde Road, Berwick to prepare a planning scheme amendment for the rezoning of the site. The revised Activity Centres Strategy designates the site as a Medium Neighbourhood Activity Centre. Work is progressing on preparation of a planning scheme amendment to rezone this land from a General Residential Zone to a new Comprehensive Development Zone to reflect its proposed status as an activity centre and to increase in commercial jobs in the area. Consideration of this amendment will be brought before Council at a future meeting.

Community and Industry Consultation

In November and December 2016, Council Officers conducted a community engagement program to better understand how the community use and access the activity centres in Casey, what the community felt were the biggest problems, and how Casey's activity centres could be improved.

Surveys were conducted online and face to face at 15 activity centres throughout the municipality. The survey asked people questions about what centres they use the most, what they use the centre for (e.g. shopping, eating out, work, meeting friends, etc.), and what could be improved in their local activity centre (e.g. needs more variety of shops, better parking, better public amenities, etc.).

In May 2017, officers held in-depth interviews with ten key industry stakeholders to ask about how Casey's activity centres and centres policies were working and how they could be improved. The industry stakeholders included commercial property developers, supermarket operators, shopping centre managers and major land owners.

Some highlights of the consultation feedback include:

- People use their activity centres mostly for grocery shopping, other retail shopping, medical clinics, and eating out/going to cafes.
- The most common reason that people regularly use an activity centre is because it is 'close to home'.
- Most people visit their activity centre either daily or several times a week.
- Driving is currently the most common way people get to their centres in Casey, followed by walking.
- Industry stakeholders are generally aware of Casey's existing Activity Centres Strategy and understand its value in preventing ad hoc and inefficient development patterns.
- Some industry stakeholders think the Activity Centres Strategy should offer greater flexibility for larger developments and be more responsive to emerging retail trends.

The Strategy addressed this feedback in a variety of ways, such as supporting a network of centres close to where people live and seeking ways to update and streamline activity centre planning policy and processes.

Assessment of Casey's Retail and Other Employment Floorspace

In early 2018, an economic assessment of retail and other employment floorspace demand and supply in Casey was completed by SGS Economics & Planning Pty Ltd for the City of Casey. The assessment looked at the composition and distribution of retail and other employment uses in Casey's existing activity centres, reviewed the most recent Activity Centres Strategy and hierarchy of centres, and modelled the current demand for and supply of employment floorspace in the municipality. The main recommendations of the assessment are an updated activity centres hierarchy, aspirational classifications for some centres recognising their desired future role in the region, and the optimal rollout of activity centre floorspace across the municipality. Additionally, the assessment identified and considered the following policy gaps and concerns in terms of activity centre planning within Casey:

- The need for further employment diversification to promote self-sufficiency within Casey. This can be promoted by ensuring enough commercial (non-retail) floorspace is available within Casey's activity centres, particularly in Metropolitan and Major Activity Centres.
- The need for more activity centre floorspace to be planned for and kept available in PSP areas to ensure that an adequate level of retail and commercial growth can occur in these areas.
- The need for more supermarket floorspace to be planned for the municipality.
- The need for Medium and Local Neighbourhood Activity Centres to provide convenient and walkable access to local services and facilities to all residents in Casey.
- The need to discourage ad hoc establishment of restricted retail and out-of-centre retail, which can undermine the viability of a walkable activity centres network.

Revised Activity Centres Strategy

The revised Activity Centres Strategy (included in Attachment 1) builds on Casey's recent strategies, prepared in 2006 and 2012 and addresses current concerns and policy gaps uncovered in the community consultation and economic assessment. It contains the following key updates:

- A focus on job creation within activity centres with specific emphasis on the role of non-retail employment within centres, which has been lacking in previous strategies.
- A revised hierarchy of centres that conforms with the latest *Plan Melbourne* and is evidence-based with a planning horizon to 2036.
- Policy direction to balance the need for new/expanding centres to cater for significant growth in greenfield areas and preserving the integrity of existing centres.
- Planning strategy that acknowledges and responds to the ascendance of online retailing and large format discount retail.
- Policy direction for the appropriate location and design of 'out-of-centre' non-residential uses in residential areas, such as child care, medical centres and places of worship.

The revised Strategy is structured around three themes:

A citywide network of activity centres - describes how retail and commercial development in Casey can be consolidated into a network of large and small activity centres that provide all residents with convenient access to goods and services.

Activity centres are the economic engines of Casey - includes strategies to increase employment in Casey's activity centres through planning policies such as encouraging commercial office floorspace with new retail developments, supporting innovative planning regulations and more efficient planning processes and other non-regulatory economic development measures.

Activity centres are great places for people - supports design guidelines and policies to achieve higher quality urban design and better walkability in activity centres. This section also encourages locating community facilities and more housing in and around activity centres to bring more people and activity into centres, thereby increasing the important role they play in the life of the community.

These directions of the Strategy will be delivered through an Action Plan (included as Attachment 2) that outlines specific actions to complete over the near, medium, and long term.

Amendment C258

The first step in implementation set out in the Action Plan is to amend the Casey Planning Scheme to give effect to the Strategy's objectives as local planning policy that will guide strategic land use planning and planning permit decision-making.

Amendment C258 will accomplish this by:

- Introducing a new Activity Centres Policy at Clause 22.01 to replace the existing Retail Policy;
- Amending the existing Non-Residential Uses in Residential and Future Residential Areas Policy at Clause 22.02; and
- Making consequential changes to the Municipal Strategic Statement at Clause 21, including to the Strategic Framework Plan and Local Area Maps.

The effect of the above changes will be to:

- Update the activity centres hierarchy to be consistent with *Plan Melbourne*;
- Encourage an increased density of development in activity centres;
- Encourage an increased provision of office space, particularly in smaller activity centres which make up the majority of those in Casey to provide for more employment closer to where residents live;
- Direct most retail and commercial development to activity centres, whilst facilitating some appropriate small-scale development outside these areas; and
- Provide clearer guidance for applications for non-residential uses in residential areas.

The amendment does not propose to rezone any land or prohibit any uses.

The proposed amendment documentation is included at Attachment 3.

Exhibition of revised Activity Centres Strategy and Amendment C258

Subject to the authorisation of the Minister for Planning, and satisfying any conditions imposed by that authorisation, the Activity Centres Strategy will be publicly exhibited together with Amendment C258. This will provide an opportunity for interested parties to have input into the draft Strategy and planning Scheme amendment.

Section 19 of the *Planning and Environment Act 1987* (the Act) outlines what notice Council must give when preparing a planning scheme amendment. Usually written notice would be posted to all owners and occupiers of affected and adjoining properties. However, the Act allows for Council to publish public notices in areas affected by the amendment if providing individual notice to owners and occupiers is considered impractical.

Officers consider that it would be impractical to give notice to all affected and adjoining land owners and occupiers of the 80 designated activity centres across Casey. It is proposed to publish the formal notice of the amendment in local newspapers.

In addition to the formal notification above, further notice will be undertaken to ensure the broader community is aware of the Strategy and changes proposed by Amendment C258, as follows:

- Notification to any business groups and databases Council has access to;
- Notification to the development industry;
- Publication on Casey Website;
- Casey Conversations – “Activity Centres in Casey”: A community portal that includes a document library, timeline, key dates, frequently asked questions and other related links;
- Social Media: Facebook & Twitter updates;
- Media releases to encourage local publications about the amendment in addition to the formal notices; and
- Information Sessions/Drop-in sessions.

The public exhibition period will be extended beyond the statutory minimum requirement of one month to eight weeks.

Following the conclusion of the formal exhibition period, Council Officers will prepare a Council report on any submissions received to determine the next steps in the amendment process, which may be referral of those submissions to an independent Planning Panel appointed by the Minister for Planning.

Financial Implications

Implementation of the revised Activity Centres Strategy will require further planning scheme amendments, strategic planning and advocacy work. All this work will be budgeted through Council's future operational and capital works budgets and would need to be prioritised against other strategic planning projects. Amendment C258 is the first step in this implementation.

The implementation of Amendment C258 is not anticipated to have any significant impact on resourcing. It will not result in any change to the number of planning permits but should lead to a small reduction in officer time assessing some permits as it provides clearer guidance to applicants and planners

Officer Direct or Indirect Interest

No Council officers involved in the preparation of this report have a direct or indirect interest in matters for consideration.

Conclusion

The revision of the Casey Activity Centres Strategy and its implementation through an Amendment C258 to the Casey Planning Scheme are high priority actions of the Casey Planning Scheme Review 2018. These actions will create more certainty for businesses and investors by updating Casey's existing Retail Policy to include Casey's many new growth area centres and align with Plan Melbourne objectives. The focus on more local jobs and greater walkability is a key element to realising Council's vision to be "Australia's most liveable city", where "everyone can work locally, travel conveniently, and access all the services they need".

Accordingly, it is recommended that Council write to the Minister for Planning seeking his authorisation to prepare Amendment C258 to the Casey Planning Scheme. Subject to such authorisation being granted, and any conditions of authorisation being satisfied, it is recommended that Amendment C258 be placed on formal exhibition together with the revised Activity Centres Strategy.

Attachments

1. Activity Centres Strategy 2019 [7.2.1]
2. Activity Centres Strategy Action Plan 2019 [7.2.2]
3. Amendment C 258 to the Casey Planning Scheme [7.2.3]

Recommendation

1. **That Council writes to the Minister for Planning, under Section 8A (2) of the *Planning and Environment Act 1987*, to seek his authorisation to prepare Amendment C258 to the Casey Planning Scheme to:**
 - **Introduce a new Activity Centres Policy at Clause 22.01 to replace the existing Retail Policy;**
 - **Amend the existing Non-Residential Uses in Residential and Future Residential Areas Policy at Clause 22.02; and**
 - **Make consequential changes to the Municipal Strategic Statement at Clause 21, including the Strategic Framework Plan and Local Area Maps; generally, in accordance with Attachment 3.**
2. **That subject to receiving the authorisation of the Minister for Planning under Part 1 and satisfying any conditions of that authorisation, Council gives notice of Amendment C258 in accordance with Section 19 of the *Planning and Environment Act 1987*.**
3. **That Council endorses for the purposes of exhibition, the revised Activity Centres Strategy and Action Plan, generally in accordance with Attachments 1 and 2 respectively and exhibits them together with Amendment C258.**