

Mr Michael Lennon
Planning Commissioner
State Planning Commission
GPO Box 1815,
Adelaide SA 5001

Dear Michael,

I refer to the release of the Phase 2 Planning & Design Code for Rural areas for consultation and wish to provide the following response on behalf of State's independent retail sector, South Australian Independent Retailers (SAIR).

Background

SAIR advocates on behalf of the 120 owners representing 195 independent supermarkets stores which are branded Foodland, IGA and Friendly Grocer. This sector employs 11,000 people which also includes staff in the sector's major wholesale distribution centre.

The Retail/Wholesale Industry is the biggest 'private' employer in South Australia (circa 112,000) and independent supermarkets are the largest sector i.e. circa 10%

As a collective group, this sector is the largest private employer in the State and maintains a 29% market share, it is extremely competitive and punches well above its weight with a respectable circa \$1.5b annual turnover, equating to circa 2% of South Australia's Growth State Product (GSP).

We acknowledge and appreciate that many of the strategic recommendations that SAIR has raised with DPTI and the Commission over the last few years around the retention of the centre's hierarchy, prioritisation of activity centre and main street zones as the primary areas for retailing, and facilitating edge of centre development have all made their way into Phase Two of the Planning & Design Code. We also note and support residential development in activity centre and main street zones in conjunction with ground floor non-residential land uses as a lever to try and drive activation.

In the past, the location of centres outside of mainstreets and core business areas has ended up dividing towns, sent existing main street businesses broke and resulted in vacant shops littering main streets and towns and we have seen the impacts of this planning in towns like Renmark, Mt Gambier, Port Augusta and Victor Harbor just to name a few.

Turning to the Code, and comparing it to the existing zones and policy requirements we have formed the view that in so far as the Code is a 'like for like' transition of sorts from the existing zoning, in Council areas where the existing planning policy is sound and has been strategic planned, the Code translates well, areas like Hahndorf, Tanunda, Nuriootpa, Angaston and Yankalilla.

However, in areas where the existing policy has not been updated, has been reactive, influenced by opportunistic developers and poorly planned, the Code is also needing some improvement.

Put simply, the consequence is examples of where the Code could facilitate retail development with no floor space limitations, to occur outside of the main street or heart of the towns which we do not support.

In our view, as part of the upcoming Regional Planning process, there needs to be a town by town review to ensure a best practice approach to future planning (and retail planning), to avoid these mistakes of the past.

There needs to be some proactive strategic planning at the local government level around where retail centres and supermarkets should be located, so that they act as a magnet for regional main streets and townships and a catalyst for other development, activities and services.

It's the potential for retail activity centres, in particular supermarkets and associated tenancies (with no retail floor limitations based on their activity centre status) to be built outside of the actual main streets and the heart of townships that is of most concern.

Combined with the value add and potential uplift that the Activity Centre Zone offers, combined with the disparate spatial location of these zones that is the problem.

The reason being, that we need the uplift or the flexible zoning of the activity centre and main street zones to be confined to the town's actual main street to drive the uplift, activation, investment and growth in the core retail areas and away from the periphery of townships.

To follow are some examples of where this has not yet translated into the Code, and we are recommending a 'placeholder' approach is adopted for these sites, to avoid unintended consequences or uncapped retail development from occurring on these sites, prior to the Regional Planning process occurring.

These sites could be afforded a lower order retail zoning, ie a minor suburban activity centre zone or minor township zone or alternatively and preferably the sites adopt a neighborhood or employment zoning until such time as the Regional planning process is completed.

Examples include;

Renmark

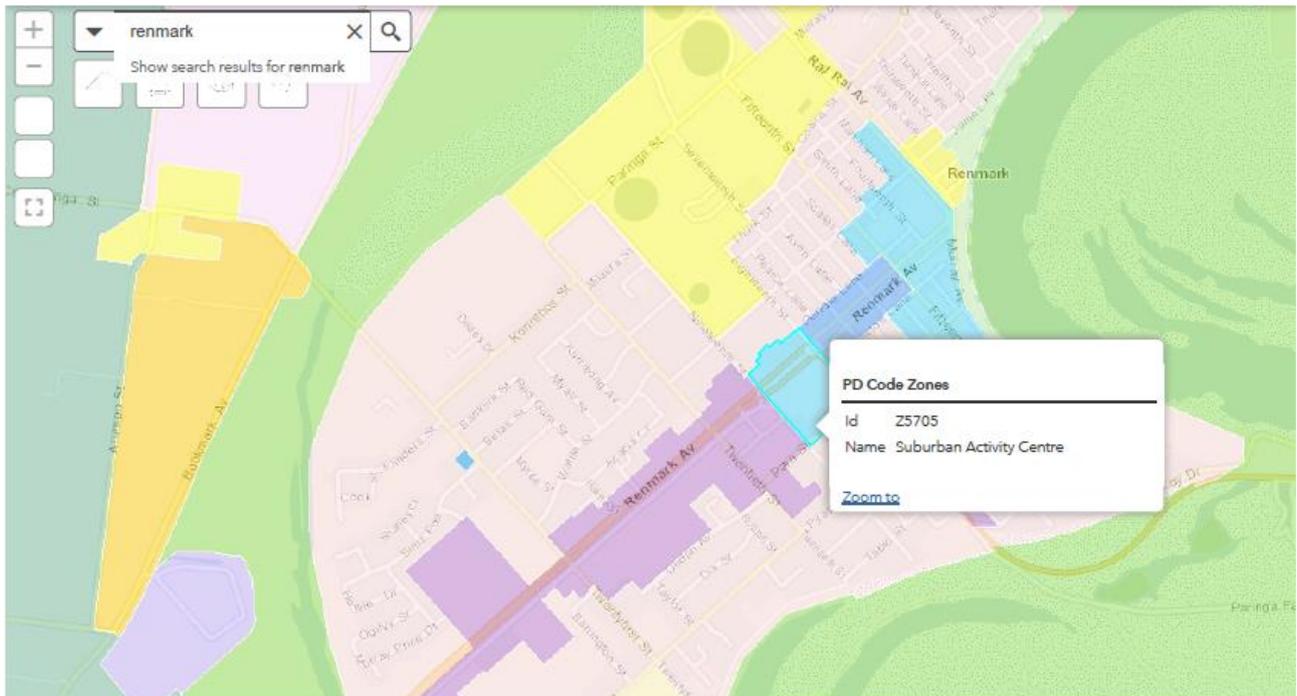
In Renmark, the current core retailing areas consists of the main street, being the land immediately adjacent the Murray River (Murray Street) and extending to the south and west behind the main street and further west down Renmark Avenue until it intersects with the District Business Zone. The existing Woolworths and Big W centre, which was built outside of the core business area of the town some time ago, is located on the zone boundary with the District Business Zone. Since the construction of this centre there has been a decline in the main street and many tenancies remain vacant.

The Code translates this same spatial area from a single District Centre Zone into four separate zones including two separated activity centre zones, a main street zone, a community facilities zone and an employment zone.

The parcel of land that is of most concern is the larger expanse of land adjacent the Woolworths shopping centre, to the east. It is currently District Centre Zoned and translates to Activity Centre zoning under the Code, but given its remoteness from the heart main street, plus its location outside of the main street zone, its an example of a land parcel that is more akin to an employment zoning.

The risk being, that Code allows for this site, which is currently a community recreation area, slate park and some minor retailing to be fully development as another full line supermarket and retail development, but again away from the main street and core retailing area of the town. It has the potential to further divide the town and detract further from development in the main street.

Renmark – Phase 2 Planning and Design Code.



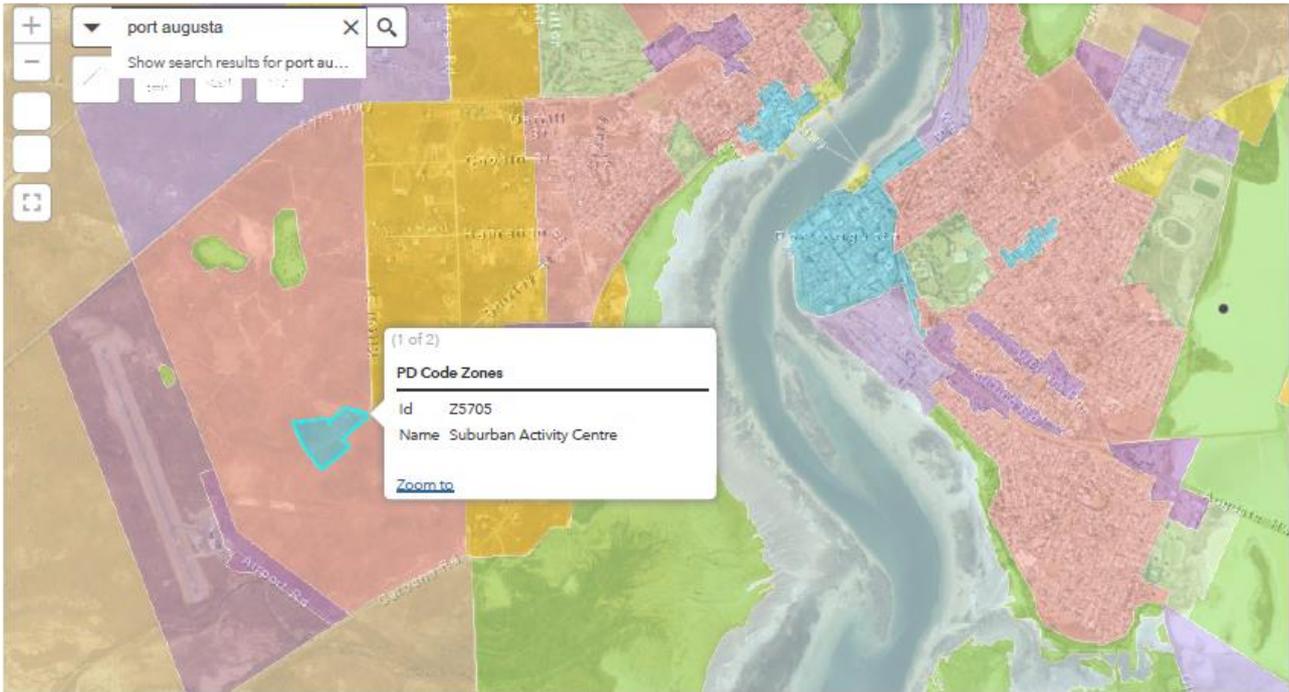
Recommendation

That a placeholder approach is adopted to avoid unintended consequences of another shopping centre development being facilitated remote from the main street of the town - ID Z5705 proposed to be Suburban Activity Centre Zone shown above is initially changed to Suburban Employment zoning and this site is investigated during the Regional Planning process to determine its ultimate zoning suitability.

Pt Augusta

In the northern town of Port Augusta, retail development has occurred remote from the main township areas has also divided the town. The existing Development Plan applies a neighbourhood centre zoning to a current vacant parcel of land between the rural living zone and the Port Augusta airstrip. The Code applies a Suburban Activity Centre zoning to that land which is currently vacant scrub land.

Port Augusta – Phase 2 Planning and Design Code.



Recommendation

That a placeholder approach is adopted to avoid unintended consequences of another shopping centre development being facilitated remote from the main street of the town - ID Z5705 proposed to be Suburban Activity Centre Zone shown above is initially changed to Suburban Neighborhood zoning and this site is investigated during the Regional Planning process to determine its ultimate zoning suitability.

Berri

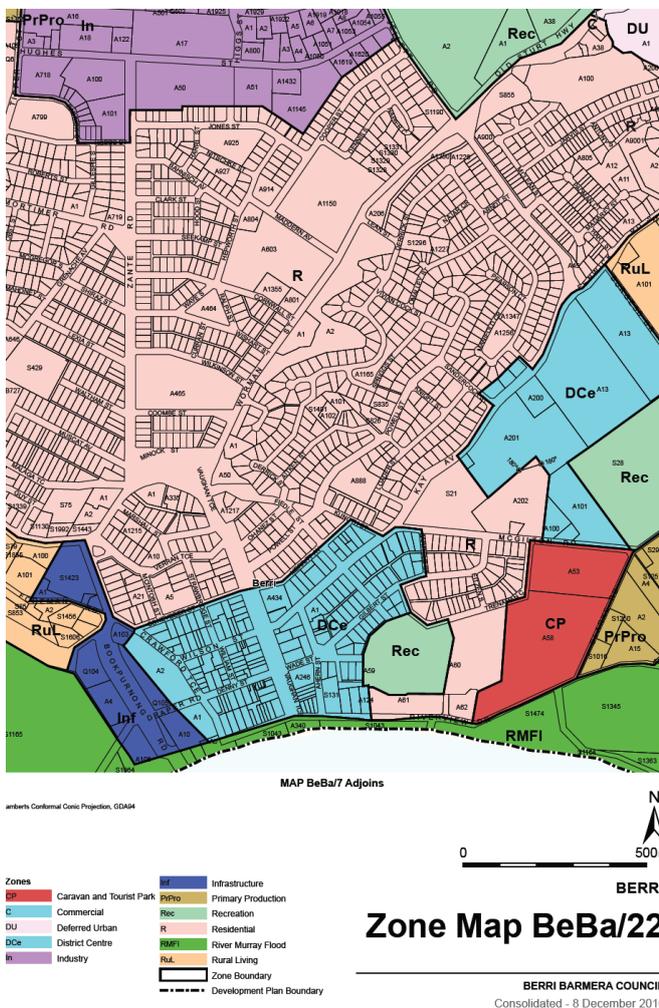
The township of Berri no longer has an independent supermarket operator since the introduction of the Riverland Central shopping centre outside of the retail core area, it's another example of a fragmented town where existing operators in the main street have suffered due to out of centres development.

The Woolworths supermarket is in the main street area but the Riverland Central (Coles) and Aldi shopping centre's have been built outside of the main street and away from the core retail area.

The Code translates same spatial area from a single District Centre Zone (see Figure B1) into five separate zones including activity centre zones, a main street zone, a community facilities zone, employment zone and a tourism development zone (see Figure B2).

However, it is the retention of the parcel of land highlighted below as township activity centre, when the land to the immediate east has changed from district centre to employment zone which is of most concern. This township zoning could give rise to another shopping centre remote for the main street and this site would benefit from the placeholder approach referred to above, to avoid unintended consequences. Given the adjacent land to the east has been altered from District Centre to Employment Zone, it is suggested employment zoning is adopted initially and can also be reviewed in the Regional plans.

Figure B 1



Berri – Phase 2 Planning and Design Code.

Figure B2



Recommendation

That a placeholder approach is adopted to avoid unintended consequences of another shopping centre development being facilitated remote from the main street of the town - ID Z6002 proposed to be Township Activity Centre Zone shown above is initially changed to Employment zoning and this site is investigated during the Regional Planning process to determine its ultimate zoning suitability.

Mt Gambier

The south east township of Mt Gambier is another example of a town where retail development has occurred outside of the core retailing area and has resulted in implications for the existing main street retailers. The Mt Gambier Market Place shopping centre including Woolworths and Big W and immediately adjacent to it a Bunnings large format warehouse has been built outside the core retailing area.

However, adjacent this development, to the immediate south, there is a large parcel of vacant land, also part of the existing District Centre Zone. The Code shows this area as vacant land and under the Code it adopts a Suburban Activity centre zoning.

It is fair to say that under this zone in the Code, another retail operator could buy that parcel of land and build another full line supermarket and shopping centre on that site, allowing further retailing outside of the main street and driving customers away from main street and core retail heart of the town.

The Development Plan extract below (see Figure Mt G 1) shows the extent of the existing District Centre Zone boundary and the Code image (see Figure Mt G 2) shows the Code's alteration of all of that land to a Suburban Activity Centre Zone.

In our opinion, this vacant land adjacent the Woolworths and Big W to the immediate south would benefit from a 'placeholder approach' with the more appropriate zoning being General Neighborhood, until such times that the Regional planning process can review this site and determine the best longer term zoning.

Figure Mt G 1

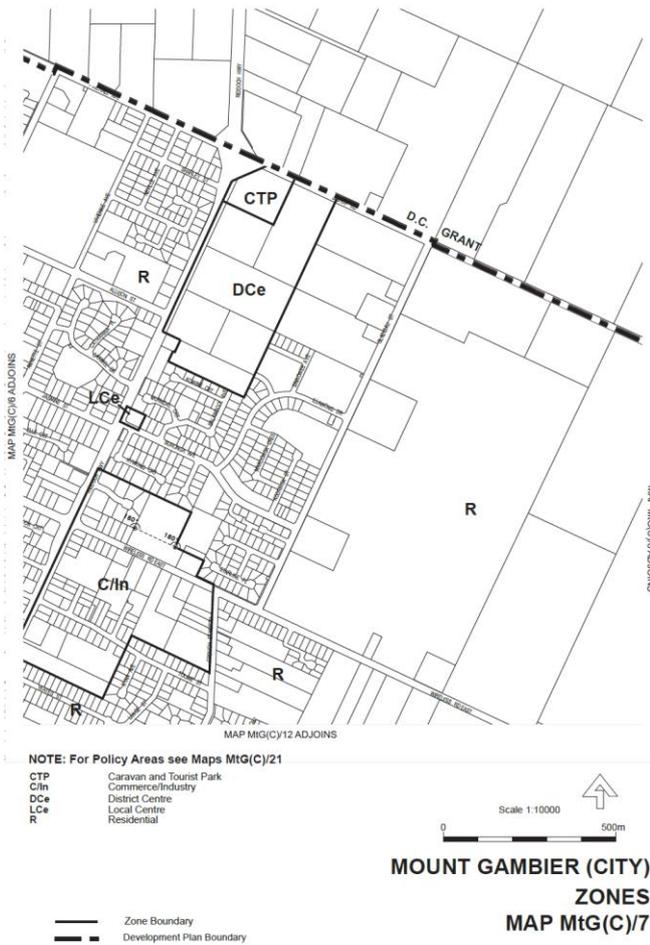
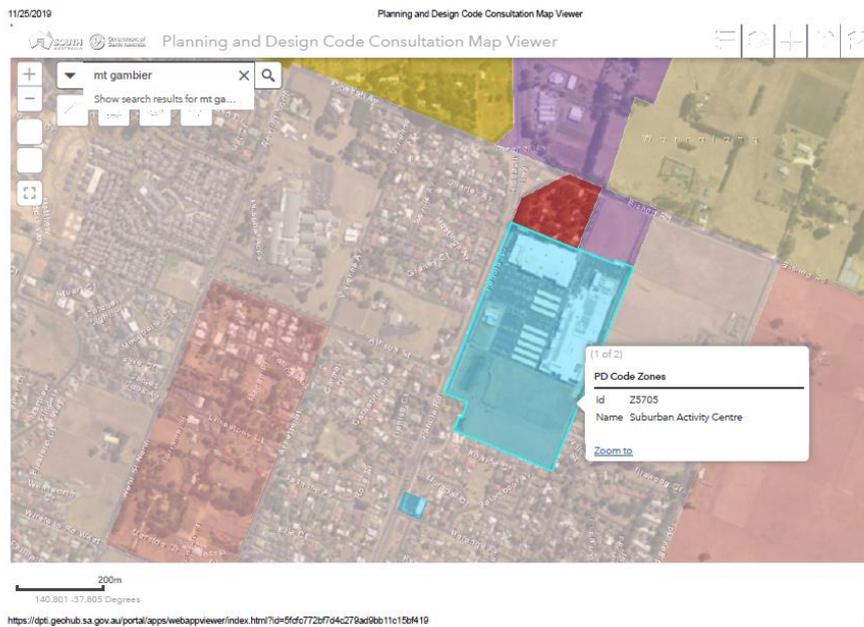


Figure Mt G 2



Recommendation

That a placeholder approach is adopted to avoid unintended consequences of another shopping centre development being facilitated remote from the main street of the town - ID Z5705 proposed to be Suburban Activity Centre Zone shown above is initially changed to General Neighbourhood Zone and this site is investigated during the Regional Planning process to determine its ultimate zoning suitability.

Summary

It is for the reasons outlined above we suggest some refinement of Phase 2 of the Planning & Design Code prior to implementation.

In addition, we wish to make the following comments in regard to the draft Code;

- There are some inconsistencies in the Code between treatment of towns eg some township activity centre and main street zones, some have suburban activity centre and main street zones eg Renmark and Loxton – suggest consistency
- For consistency reasons consider all regional and rural towns being defined as Township Activity Centre and Township Main Street Zones and not Suburban level zoning
- Reduce the level of retailing or ‘shop’ development in the various ‘employment’ and neighbourhood zones to a restricted trigger of 500m² not 1,000m² which still allows for several shops and/ or small cafés to service employment or neighbourhood precincts eg given the current industry zone non complying triggers are around 80 – 100m²,
- Adopting a ‘placeholder’ approach for activity centre zones where they are not located in the main street or the heart of the township to avoid unintended consequences of full line supermarkets and shopping centres being constructed away of the town’s centre e.g. Renmark, Port Augusta and Berri etc.
- As part of the Regional Plans, there should be a review of all Suburban and Townships Activity Centre Zones that are remote from the main street or core business areas of the townships with a view to determining if an alternate zone eg General Neighbourhood, Employment etc is more appropriate.
- Encourage and work with Councils to invest in main street programs, revitalization and urban design initiatives in regional towns to improve public realm, streetscapes and the overall presentation of the main streets and townships and to encourage private investment.

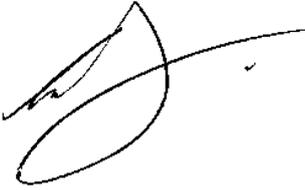
Given the points outlined above and the real and plausible consequences that could occur with respect to the current drafting, we request that the Commission considers the suggestions outlined above prior to the Code coming into effect in April next year.

We anticipate that the Regional Planning process to follow will bring a strategic planning focus and some deep dive assessments into where land uses should be spatially located to help drive economic development, jobs and investment in our regions and towns.

We look forward to this next process and are very keen to work with DPTI and the Commission to help drive the activation and development in our regional towns and are keen to be an active participant in the Regional planning process.

We look forward to seeing the changes suggested being adopted into the Planning & Design Code to ensure this policy achieves its intentions and helps support and grow our regions.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Colin Shearing', with a long horizontal stroke extending to the right.

Colin Shearing
Chief Executive Officer

29 November 2019

Cc *Minister Stephan Knoll*
Minister for Planning