



**CHARTER.**  
KECK CRAMER

# **Baw Baw Economic Land Use Strategy 2023** (Draft)





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# 1. Introduction



*Baw Baw Shire is at a critical point in its development. The Shire continues to be one of Victoria's fastest growing municipalities. Plentiful housing options, incomparable lifestyle advantages and a strong and diverse local economy are fueling an era of expansion. How can we support community quality of life as our community grows? is now the Shire's guiding question.*

This strategy details initiatives and actions to ensure the Shire achieves local economic and employment benefits as it continues to grow. The Shire is projected to experience growing demand for a range of floor space to support its growing service, hospitality, health, retail, trades and food processing sectors. This strategy seeks to ensure there is sufficient economic floor space to support the needs of a growing community.

The past decade has seen the Shire grow in both population and economic output. Baw Baw's diverse and affordable housing options, lifestyle advantages and industries are a major attractor for households and investment. More change is on the horizon which will include population growth, technological change and climate change.

## 1.1 The Strategy

*The Baw Baw Economic Land Use Strategy 2023* establishes a strategic framework to guide the Shire's land use policy and planning settings to help shape and direct the future of Baw Baw Shire as a major peri-urban location undergoing significant growth and change. Council is responsible for facilitating an efficient planning system that encourages investment and employment growth by ensuring that there is a suitable supply of available commercial and industrial land to meet the needs of enterprise, industry and households.

The Strategy delivers a comprehensive strategic framework to support and guide the Shire's next phase of growth over a 5 to 20 year horizon. This includes strategic planning initiatives to ensure the continued supply of appropriately zoned land to support the expansion of key industries, manage land use conflicts, facilitate local jobs growth, attract investment and reduce the prevalence of escape expenditure from the Shire. The Strategy is a key part of Council's response in a time of significant change and opportunity.





The strategy encompasses:

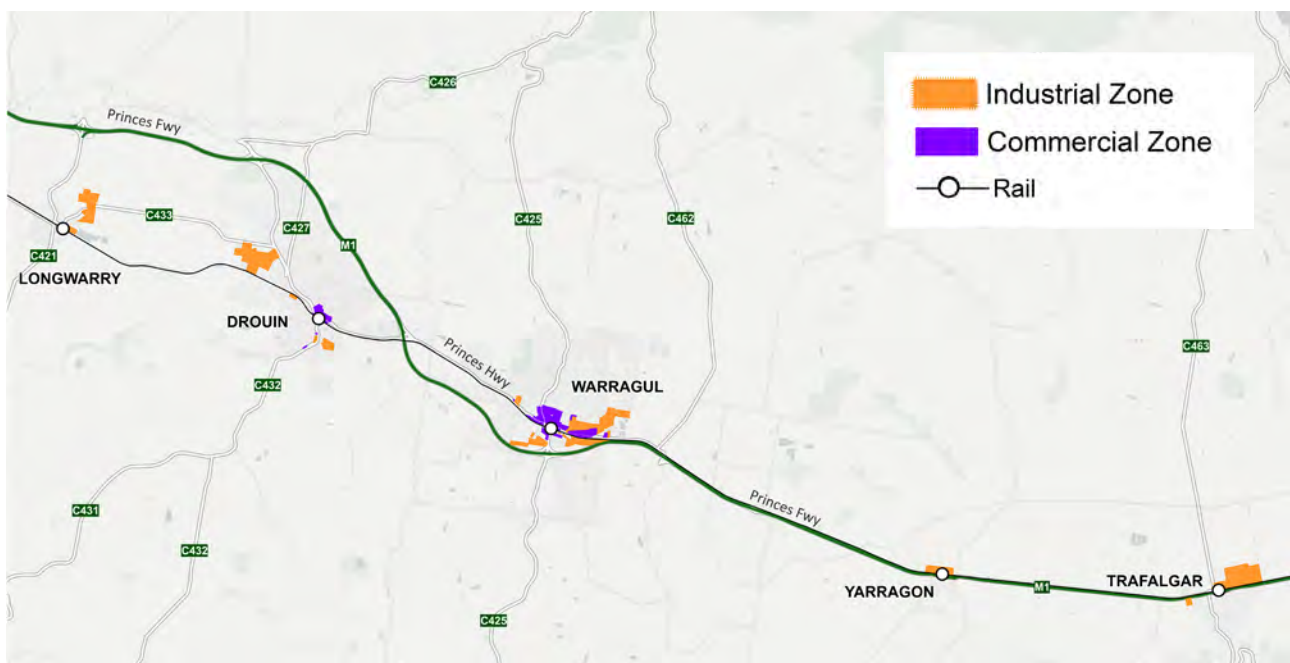
- **Vision:** sets the strategic direction for ensuring the Shire capitalises on the economic benefits of household growth, agricultural demand and regional and metropolitan integration.
- **Strategies:** details strategic responses to guide land use to achieve the goals and ambitions set out in the vision.
- **Initiatives:** identifies statutory and non-statutory initiatives and actions to ensure the strategy facilitates change.
- **Implementation and Monitoring:** The strategy includes an implementation and monitoring framework to ensure strategic actions and initiatives achieve change on the ground.



## 1.2 A Focus on Commercial and Industrial Land

The strategy focuses on the availability and use of all existing and future commercial and industrial land within the Shire. This includes all land within the Industrial planning zone (Industrial 1 and 3) and land within the Commercial planning zone (Commercial Zone 1 and 2).

The strategy also focuses on land within the Urban Growth Zone identified for future economic purposes. The strategy also considers land within the Township Zone subject to commercial uses.



**Figure 1:** Industrial and Commercial Zones along Major Transport Corridors

**Source:** CKC





## 1.3 Supporting the Community Vision 2021

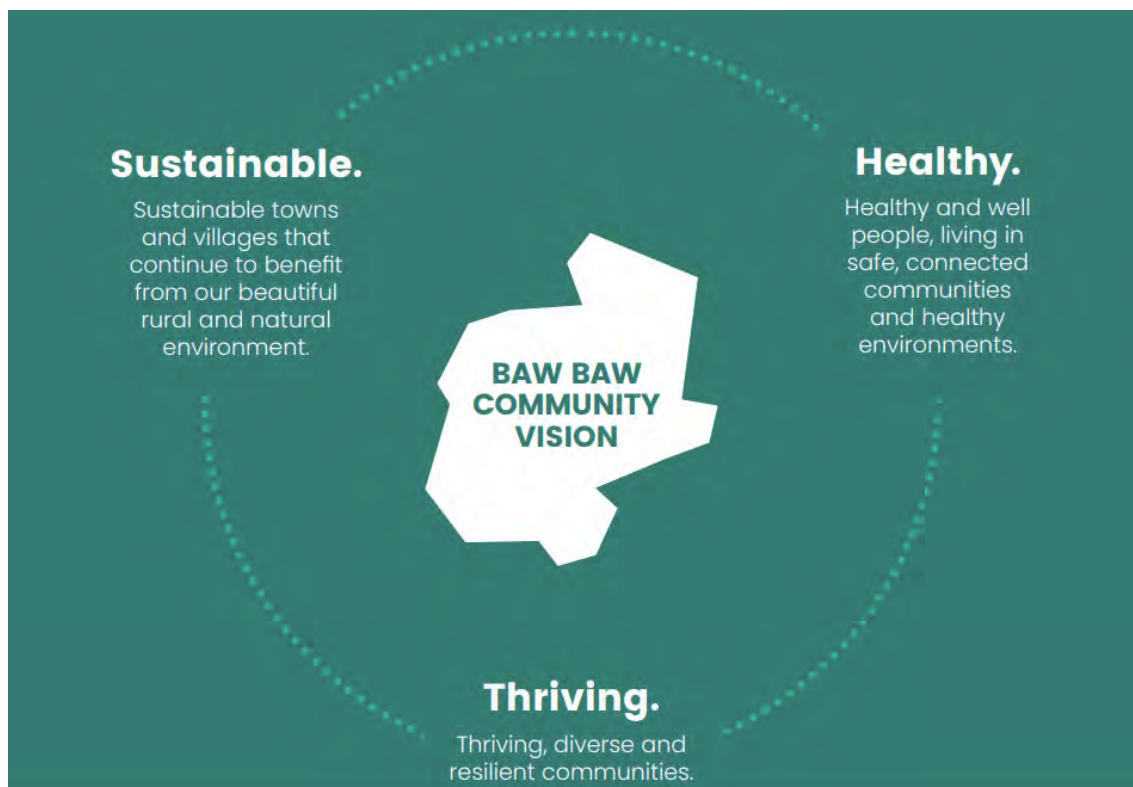
The Shire's community vision aims to facilitate a healthy, sustainable and thriving community.

This strategy's focus on economic development, diversity and opportunity, in turn, supports the community vision by underpinning the achievement of:

- (6) A strong economy, creating and sustaining local jobs.
- (6.1) A diverse, self-sustaining and resilient economy focused on local industry and small business; helping businesses to thrive across the region
- (6.2) An economy that supports and encourages local jobs and helps people across Baw Baw Shire work and stay in the region.

Creating new opportunities for economic uses underpins a community that is thriving which the Community Vision states is demonstrated by:

*Diverse employment options (with a focus on pathways for young people and relevant rural trades) across our region. Providing more opportunities for people to work locally.*







## 1.4 Project Stages

*The Baw Baw Economic Land Use Strategy 2023* is comprised of a series of project stages encompassing research, community, government and industry consultation and in depth strategic economic analysis.

Once this Draft Strategy completes its public engagement process the feedback received will be reviewed as part of the development of the final strategy and action plan. The project also includes a statutory stage that is likely to proceed in the later part of 2023.



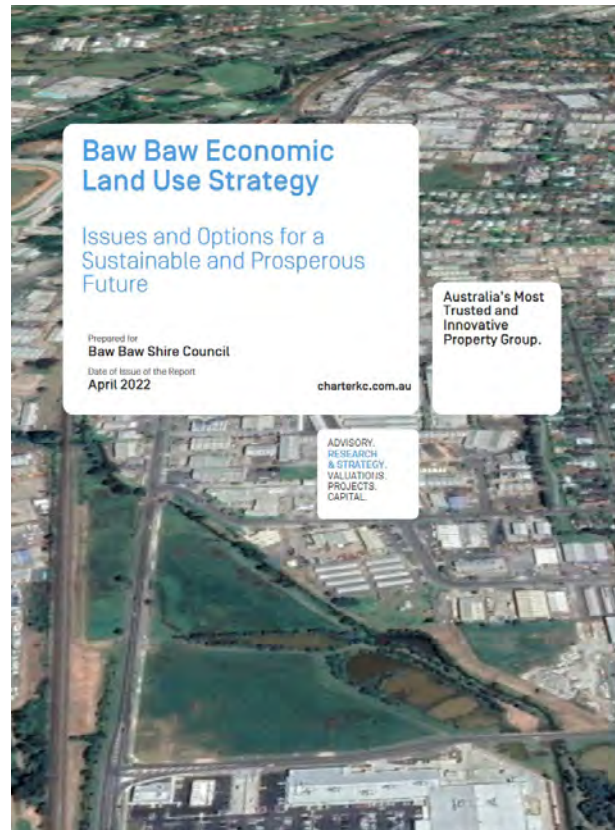


## 1.5 Issues and Options for a Sustainable and Prosperous Future

In 2022, Council released the *Issues and Options for a Sustainable and Prosperous Future* discussion paper. The discussion paper canvassed a range of land use initiatives seeking to support the Shire in accommodating and activating growth and adapting to change.

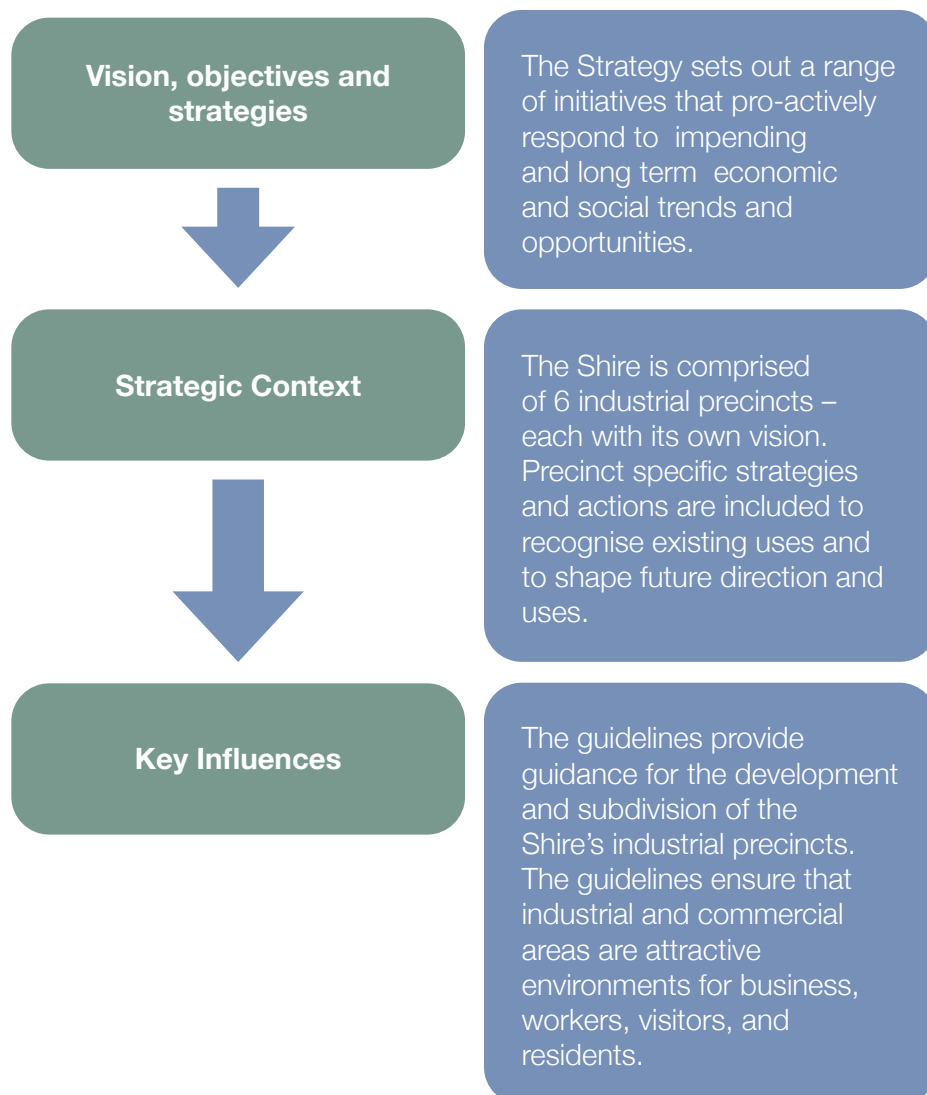
Community engagement was undertaken on the discussion paper between May and June 2022 which included a community briefing and a drop in session. The discussion paper attracted 10 submissions which:

- Raised concerns in relation to the impacts of population growth on township congestion
- Supported initiatives to expand industrial and commercial land supply
- Identified the need for actions to facilitate the renewal of long standing major redevelopment sites
- Advocated for additional land to be considered for future industrial and commercial uses
- Provided support for a new health precinct
- Emphasised the need to protect rural land
- Encouraged the strategy to further explore the economic impact of climate change



## 1.6 How to use the Draft Strategy

*The Baw Baw Economic Land Use Strategy 2023* provides strategic guidance and direction to support the growth and development of the Shire's commercial and industrial land. The strategy is a resource for business, government, institutions and residents to support land use decision making, public and private development investment, Council advocacy and infrastructure investment. The component parts of the strategy are set out below.





<b>Residents</b>	For Baw Baw residents the strategy details land use initiatives that set the direction for the Shire's industrial and commercial expansion while also detailing strategic initiatives to catalyse industry development and boost the Shire's socio-economic development. The strategy also affirms and enhances existing urban planning for the Shire's major settlements and the existing settlement structure of the Shire.
<b>Business</b>	For the Shire's current and future business community the strategy provides guidance as to the ongoing economic role of industrial and commercial land while also detailing a range of expansion opportunities in response to growth. Equally, the strategy includes objectives in relation to the impact and amenity of new development.
<b>Landholders</b>	For owners of employment land the strategy provides certainty as to the long-term role of commercial and industrial land while also identifying opportunities to explore land use reform in specific locations.
<b>State Government</b>	For Victoria's State Government the strategy provides insight into the Shire's vision for its commercial and industrial precincts and their future role and function in the economy of Gippsland and Melbourne's southeast. The Strategy outlines areas of advocacy in relation to institutional investment and public transport accessibility.
<b>Baw Baw Shire</b>	For Baw Baw Shire Council the strategy provides the rationale for updating the local planning scheme to bolster economic land uses while also providing a basis to assess planning applications and strategic initiatives. The Strategy also provides a mechanism to engage with landholders, developers and industry sectors and to advocate for economic investment and reform with state and federal government and major institutions.

## 1.7 What are we planning for?

The development of the strategy is guided by the following project objectives.

- Capitalising on the Shire's existing and unique strengths
- Ensuring the Shire's major settlements are able to increase employment opportunities
- Enabling the supply of economic land in appropriate locations to support the economic floor space demands of a growing community
- Proactively competing on a state and regional basis for investment
- Delivering economic land use initiatives that support business





## 2. Strategic Policy Context

Directions and objectives set out in regional, municipal and locally specific land use planning establish the Strategy's policy context and strategic framework. This includes policies and directions related to settlement structure, the development and use of zoned commercial and industrial land, future land supply and infrastructure commitments and advocacy and emerging responses to climate, environmental and bushfire risks.

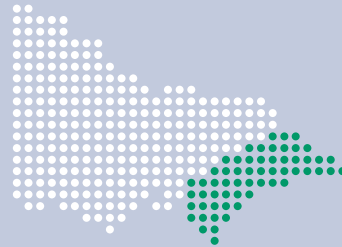
The following details the elements of established regional and local planning and directions that have guided the Strategy's vision, objectives and initiatives.



## 2.1 Regional Strategic Context

Gippsland is subject to a number of policies and plans that provide overarching directions in relation to settlement, economic and social development and managing regional risks and opportunities.

### Regional Planning



Gippsland Settlement Structure

Gippsland Regional Plan (2020 - 2025)

Gippsland Bushfire  
Management Strategy 2020

Southern Metro Land Use Framework Plan  
(2017 - 2050)

Infrastructure Victoria Gippsland Summary



### 2.1.1 Gippsland Settlement Structure (State Policy)

State Government's regional settlement strategy facilitates a regional network of population centres that support economic activity and the efficient provision of services and infrastructure and amenity investment (Clause 11.01 Baw Baw Planning Scheme). The settlement plan for the region reinforces the region's East-West settlement structure. Latrobe City (comprising the townships of Moe, Morwell and Traralgon) is identified as Gippsland's regional city while within the Shire of Baw Baw, Warragul/Drouin are identified as regional centres.

Regional economic directions recognise and support the breadth of the Shire's emerging dual urban and agricultural economy and the opportunity to support regional and inter regional economic activity through improved infrastructure. The Planning Scheme supports ongoing investment in agriculture and food processing industries whilst also encouraging the growth of urban related sectors including education, retail and professional services.



**Figure 2:** Regional Growth Plan

**Source:** Baw Baw Planning Scheme

### 2.1.2 Gippsland Regional Plan (2020 - 2025)

The Gippsland Regional Plan 2020- 2025 is the region's strategic plan for improving the economic, social, cultural, and environmental outcomes for the Gippsland region and our community. It looks towards 2040 for its vision and goals and identifies the region's priorities for the coming five years to 2025.

*Gippsland's economy has been built on the back of world class natural resources, energy production, food and fibre and tourism. Our natural assets provide an enviable lifestyle and visitor destination, with pristine beaches, snowfields, lakes and rivers, bushland, rainforests, and rich cultural and historical values.*





The region's abundance of natural attractions, food, fibre and energy resources and plentiful water supply are a unique comparative advantage and an ongoing foundation for the region's economic prosperity.

Gippsland is Victoria's largest energy producer – producing 97% of Victoria's natural gas, the majority of the State's electricity and 14% of Australia's oil.

Gippsland also attracts 8.9 million visitors per year generating \$1.65 billion of economic activity and supporting more than 13,000 jobs.

The region's liveability, lifestyle, affordability and landscape are also seen as economic advantages. Within the plan the Shire of Baw Baw is recognised as an emerging metropolitan commuter location and one of Victoria's fastest growing municipalities that encapsulates the lifestyle and affordability advantages of the region. Accordingly, the Plan emphasises the need for government, infrastructure and local policy to facilitate suitable, sustainable, and well serviced settlements.

## Gippsland in 2040



**Reference:** Gippsland Regional Plan 2020-25

The Plan supports the delivery of a third Victorian international airport within south east Melbourne, the expansion of the Port of Hastings and faster regional rail services. The intent to grow the region’s food and fibre, tourism, health, education, and manufacturing sectors aligns with the Shire’s economic priorities.

In recognition of the digitising of all areas of human activity, the Plan’s leading priority seeks to boost affordable and equitable internet access across the region.

A key success measure for the region is to lift the region’s digital access score to 95 by 2040. At 2021, the Shire’s digital index score was 66 which was 5 points below the national average (Australian Digital Inclusion Index 2021).

Other success indicators include ongoing growth in regional economic output of 2.5% per annum while reducing emissions by 80% by 2040. The Plan predates the new state government State Electricity Commission initiative.

Measure	Now	2040 Goal
Energy use renewables	5.6%	40%
Gross Regional Product	\$16 Billion	\$23.2 Billion
Rail Express Travel time Southern Cross to Warragul	101 minutes	60 minutes
Digital inclusion index score	57.3 (2019)	95

Table 1 Gippsland Regional Plan Sample Success Measures





### 2.1.3 Gippsland Bushfire Management Strategy 2020

The plan was developed in the aftermath of the Black Summer fires of 2019/20. The plan provides detailed information on bushfire risk by location and fuel reduction and suppression initiatives to *minimise the impact of major bushfires on human life, communities, essential and community infrastructure, industries, the economy and the environment.*

High risk locations are towns bordered by forest, including Noojee and Erica while lower risk areas are identified as cleared areas surrounded by cleared farmland including Warragul. Fuel management and suppression initiatives are identified for both public and private land.

In Victoria, climate change is forecast to:

- Extend the bushfire season
- Make bushfires larger, more severe, and more frequent
- Make days with an elevated fire danger rating more frequent
- Extend the area that experiences extreme weather conditions, increasing the frequency of these for communities that may have never or have only infrequently experienced such conditions
- Start the bushfire season earlier, with more bushfires starting in spring (which may also change fire weather conditions that are experienced, such as wind speed and direction)
- Further strain available resources and capacity as the bushfire season increasingly overlaps with suitable weather periods for planned burning.



## 2.1.4 Gippsland Regional Climate Change Adaptation Strategy

The plan establishes a comprehensive framework for the region to commence the process of adapting to the impacts of climate change. The plan details a broad ranging future work program that includes extensive climate change assessments, scenario development, options exploration and community engagement related to the future management of water, agriculture, the built environment and emergency management.

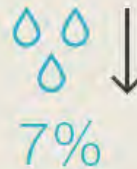


By the  
2030s



1.8°C

Average maximum  
temperatures  
could increase by  
up to 1.8°C



7%

Average annual  
rainfall is projected  
to decrease by 7%

By the  
2050s



35°C

Could have **twice as**  
**many days** over 35°C



32%

Could have up to 32% more  
**very high fire danger days**

### 2.1.5 Infrastructure Victoria's Draft 30-year Infrastructure Strategy Gippsland Summary

The Gippsland Summary recognises the potential for digital access, aged energy infrastructure, climate change and transport infrastructure constraints to impede the socio-economic development of the region.

Regional recommendations including:

- Recommendations 11 and 14 diversifying water sources and modernising irrigation systems
- Recommendations 77 and 79 – funding road and rail infrastructure and maintenance
- Recommendation 80 - address regional Victoria's digital connectivity gaps
- Recommendation 81 - Upgrade power supply infrastructure for agriculture and regional manufacturing

The Plan recognises growing congestion along the Gippsland rail line. The Strategy is not, however, generally supportive of very fast rail into Victoria's regions and instead advocates for increased train frequencies at peak times and the need to expand and better co-ordinate public transport links between key settlements. The plan also includes a variety of regionally focused social infrastructure recommendations related to health, housing and civic facilities which together aim to foster regional health, well-being and social inclusion.

### 2.1.6 Southern Metro Land Use Framework Plan (2017 - 2050)

The Plan identifies access to Gippsland as an economic advantage and advocates for the creation of a 'Transport Super Hub' at Clayton to service Melbourne's Southern and Eastern metro regions and Gippsland and the Latrobe Valley regions.

Both Cranbourne and Pakenham are identified as gateway locations to the broader Gippsland region with industrial land at Pakenham providing a freight and logistics interface with the region and providing opportunities to add value to the region's primary produce.

The Plan also identifies a possible future south eastern international airport near Koo Wee Rup on Western Port Bay.



## 2.2 Regional Policy

The strategy expands on and affirms the Shire's existing policy settings and objectives related to commercial and industrial land and uses.

Regional policy directing the use and development of commercial and industrial land is detailed as follows.



## 2.2.1 Baw Baw Settlement Structure

The Baw Baw planning scheme (Clause 11.01-1 L-01) details an overarching settlement structure for the Shire that directs growth to settlements with the highest servicing capacity and more limited environmental and heritage constraints. Accordingly, the scheme identifies the capacity of settlements to accommodate growth by designating locations as either high, medium or low growth locations.

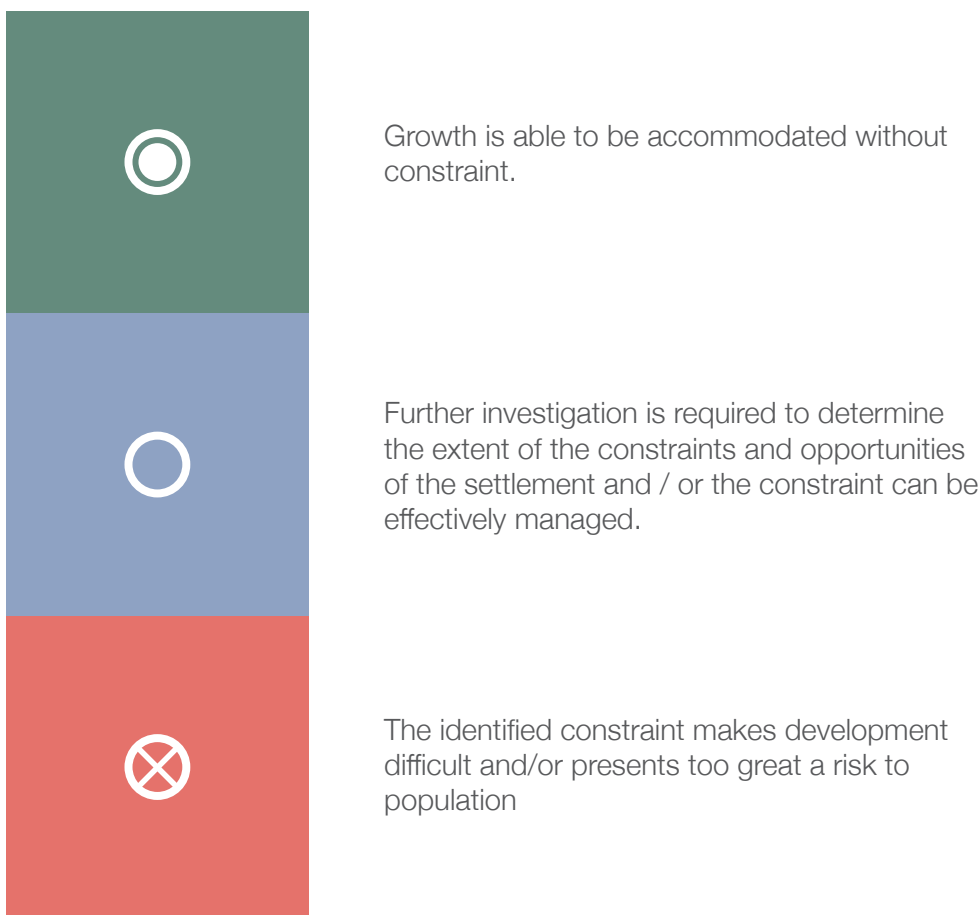
<b>High Growth</b>	Warragul and Drouin	<p>Each of Warragul and Drouin are identified as the Shire's primary centres for:</p> <ul style="list-style-type: none"> <li>• Commercial uses and services</li> <li>• Large format retailing</li> <li>• Community uses</li> <li>• Medium density housing</li> </ul>
<b>Moderate growth</b>	Trafalgar, Yarragon, Longwarry and Neerim South	<p>Each of the townships is supported for growth where the land is serviced or capable of being serviced by reticulated services. Each includes specific residential and commercial directions that generally seek to maintain township character, while encouraging development within existing township boundaries. Potential future industrial subdivisions are identified in Longwarry.</p>
<b>Low Growth</b>	Willow Grove, Thorpdale, Rawson, Darnum, Nilma, Neerim, Neerim Junction, Jindivik, Rokeby, Buln Buln, Noojee, Erica, Tanjil Bren and Walhalla.	<p>Provides for limited population growth and in specific locations explicitly restricts growth due to infrastructure and or environmental sensitivities.</p>



2.2.2 Settlement Management Plan (2013)

The 2013 Settlement Management Plan provides the underpinning rationale and analysis for the Shire’s current settlement framework. The plan undertook a comprehensive review of each settlement’s capacity to accommodate growth by considering the demography, accessibility, infrastructure, environmental and risk context of each settlement. Each settlement was assigned a growth capacity rating (the rating system is depicted below).

As per current planning policy the plan promotes growth in the Shire’s most accessible and lower risk locations while identifying more constrained conditions in a variety of smaller settlements. The land use directions of this strategy adhere to the Settlement Management Plan.



The proposed structure affirms the growth of settlements along the Princess Highway while identifying a variety of risks and limitations to growth in more isolated settlements.

### 2.2.3 Council Plan / Community Vision (2021 - 2025)

The plan details a shared aspiration for the long term future of the Shire as Sustainable, Healthy and Thriving community:

- Sustainable towns and villages that continue to benefit from our beautiful rural and natural environment.
- Healthy people, living in connected communities and healthy environments.
- Thriving, diverse and resilient communities.

The plan recognises the challenges faced by the Shire's rapidly growing population in relation to infrastructure and services along with environmental challenges.

The plan affirms the role of strategic and statutory planning as central to Council's role in supporting the community. A strong economy, creating and sustaining local jobs are identified as essential to a thriving and resilient community.



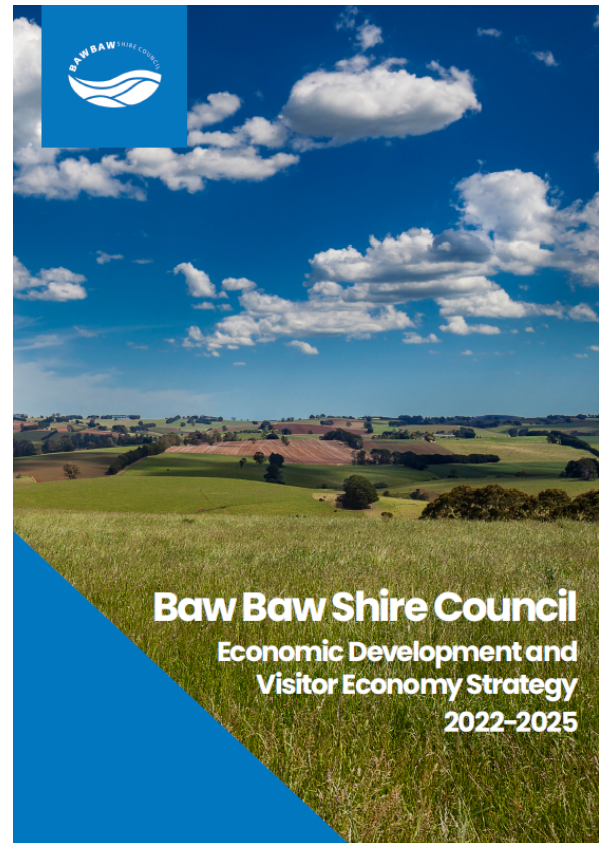
## 2.2.4 Baw Baw Shire Council Economic Development and Visitor Economy Strategy (2022 - 2025)

The economic strategy recognises that the Shire's peri-urban location in combination with its liveability and landscapes are a fundamental economic advantage.

The strategy aims to build on the Shire's recent economic growth through leadership and advocacy, business and workforce development and by bolstering the visitor economy.

Notably, the strategy identifies the Warragul and Drouin Bypass as a tier 1 advocacy priority and the need to rezone land along the Princes Highway at Longwarry for industrial purposes as a tier 2 advocacy priority.

The strategy envisages the eventual identification and facilitation of an innovation precinct and work-from-home hub within Warragul. The economic strategy also acknowledges the role of this Economic Land Use Strategy in supporting future development and strategic growth.



## 2.2.5 Environmental Sustainability Strategy (2022 - 2030)

In response to the Shire's growth and projected future growth the environmental sustainability strategy seeks to ensure that development and growth contributes to conserving the natural environment and creating healthy and sustainable built environments.

The plan includes initiatives related to emission reduction, environmental resilience and recycling. Land use initiatives focus on improving the environmental performance of subdivisions and using the planning scheme to boost protections for significant vegetation. Initiatives related to the circular economy may present opportunities for new industry in industrial areas particularly in relation to organic material and the repurposing of materials.



"Council will improve the way it operates for the benefit of the environment and future generations and is active in encouraging the community to do the same." -Vision



## 2.2.6 Townships

Over the past decade the Shire has progressed detailed planning for a range of townships and settlements including Yarragon, Trafalgar and Neerim South, and masterplans for Drouin and Warragul.

Plans seek to direct the future use and physical form of each township including commercial and industrial areas.

In the recent past, the township of Longwarry was subject to a structure planning process which included a focus on built form, uses and design. The Yarragon Township Plan and UDF are currently under community consultation.

### Township and local plans

Warragul Town Centre Masterplan 2011

Drouin Township Plan August 2020

UDFs: Neerim South, Trafalgar, Longwarry

Longwarry Structure Plan

Precinct Structure Plans  
Warragul and Drouin



## Local Plans

### 2.2.7 Warragul Town Centre Masterplan 2011

The masterplan details a series of pedestrian, connectivity, green space and built form improvements to guide and support the development of the township.

Within the plan, the township is depicted and planned as a series of sub-precincts these include the town's retail core, the emerging Civic precinct in the town's north and a future big box retail precinct to the south of the Warragul rail station. Each sub precinct is subject to detailed development directions.

The retention and reuse of heritage buildings is a key priority as is the introduction of new green space, pedestrian linkages and the revival and expansion of educational and recreational infrastructure. The masterplan does not anticipate the recent growth of highway retail and trade supply activities along Queen Street, Warragul. The masterplan predates the delivery of the Warragul Precinct Structure Plan

*Warragul will develop a compact Town Centre that supports a thriving mix of business and residential activity whilst at all times respecting its rural origins and notable heritage assets.*





## 2.2.8 Drouin Township Plan August 2020

The Township plan provides detailed land use and urban design directions for the Drouin township and surrounding land. This includes directions for housing, commercial, social and civic infrastructure, transport and accessibility directions.

Retail and commercial directions acknowledge the impact of the township's physical constraints on its potential expansion. At 2020, the township's 23,000 sqms of retail space recorded a vacancy rate of 1%. To support the needs of a growing population,

the Plan identifies the need for between 12,500 to 20,000 sqms of additional retail floor space and the need for a further 5000 - 8000 sqms of commercial floor space. The Plan focuses on the renewal of well located large sites as central to the delivery of new floor space.

As will be discussed, this Strategy, likewise, identifies growing retail floor space need within and around both Warragul and Drouin in response to existing and projected population growth.





## Townships

<b>Neerim South</b> (2018 Hansen)	<p>The UDF encourages intensification of the township for commercial, community, education and medium density residential uses.</p> <p>The UDF supports commercial expansion to the rear of the existing shopping strip to the west of Main Neerim Road. This land however lacks a link to Main Neerim Road and is part of a larger land parcel currently within the Low-Density Residential Zone. In order to be activated, the parcel would need to be subdivided, rezoned and linked to the main street</p>
<b>Trafalgar</b> (2018 Hansen)	<p>The UDF seeks to enhance the township's internal circulation and improve and expand civic and community infrastructure.</p> <p>The UDF supports the renewal of unused industrial land at the corner of Kitchener Street and McCorey Streets for commercial purposes. Aged industrial buildings at this site have since been demolished.</p> <p>The UDF suggests that land to the south of Kitchener Street along Contingent Street that is currently in the Commercial 1 Zone should be considered for rezoning based on the potential risk of this land to dilute the township's commercial core which is north of Kitchner Street. Commercial 1 Zoned land to the south of Kitchner Street is currently subject to a range of public focused uses including the Trafalgar RSL, scout hall, fire brigade, public hall, men's shed and religious uses.</p>
<b>Yarragon</b> (2022 SMEC)	<p>The draft plan focuses on the intensification and renewal of existing and mooted commercial sites to accommodate projected future retail floor space demand of between 2,100- 3,560 sqms to 2041.</p> <p>The UDF recognises that the town currently supports limited vacant industrial land. Land to the north of Yarragon's established industrial area along Waterloo Road has been previously identified as an industrial expansion area. The UDF recognises that industrial growth in this area is likely to encounter feasibility and infrastructure challenges. Instead, the UDF anticipates future demand for industrial land should be accommodated in nearby Trafalgar which incorporates over 30 hectares of vacant industrial land. The Yarragon Township Plan and UDF are currently under community consultation.</p>
<b>Longwarry Structure Plan</b> (2022 Échelon)	<p>The Structure Plan supports the ongoing development of the Longwarry town centre which includes a focus on improving transport infrastructure. Critically, the Structure Plan identifies the opportunity to create a new industrial expansion area along the Princes Highway.</p>

## 2.3 Precinct Structure Plans (PSP)

The delivery of the Warragul and Drouin Precinct Structure Plans has expanded residential, commercial and industrial land supply in and around the Shire's major townships.

### 2.3.1 Drouin PSP

The Drouin PSP acknowledges and responds to the growth of Drouin as a major population Centre in close proximity to south-east Melbourne.

The PSP creates sufficient residential land supply for the township to grow from 11,000 to 29,000 residents through the construction of 7,400 new homes over the next 30 to 50 years.

The PSP will see the existing township expand to its north west, south east, east and west. The PSP encompasses 843 hectares of land of which 171 hectares is allocated to community uses and open space, 31 hectares to industrial expansion and 640 hectares to residential uses.

The plan anticipates the creation of new road infrastructure including the Drouin South Bypass, new school and community centres and new commercial centres at Weebar and Wellwood roads.





### 2.3.2 Warragul PSP

The Warragul PSP supports the physical and demographic expansion of the township. The PSP provides the basis for the town to grow from 14,000 to 44,000 residents through the construction of 12,500 new homes over a 30 to 50 year period.

The delivery of the PSP will see the existing township expand to its north and south. The PSP encompasses 1,464 hectares of land of which the vast majority (1,171 hectares) is allocated for residential uses. 65 hectares is proposed for commercial uses including

industrial expansion and new neighbourhood centres are identified at Lillco to the township's north and Spring Creek to the south.

As with the Drouin PSP, the plan anticipates the creation of new road infrastructure including the Drouin Warragul Bypass, new schools and community centres and a significant expansion of open space.

Additionally, the plan anticipates a new hospital in the township and expanded public transport and emergency services.





The background image is a photograph of a street scene. In the foreground, there are several trees with yellow and green leaves, suggesting autumn. A large tree trunk is visible on the left. In the background, there is a brick building with a red sign that says "PIZZA". Several cars are parked or driving on the street. The overall scene is bright and clear.

## Expanded Housing Capacity 2022

At 2022 Drouin and Warragul incorporated capacity for near on 21,400 lots. According to the Department of Environment, Land, Water and Planning, between 2018 and 2021 retail lot production in Drouin and Warragul averaged 540 lots per annum. Development of land has not diminished lot capacity as the density of lots has been greater than anticipated in the PSP process with a high prevalence of sub 500 sqm lots.



### 3. Key Influences

The Baw Baw Economic Land Use Strategy (Draft) 2023

Baw Baw Shire is one of Victoria's fastest growing non-metropolitan municipalities. The past decade has seen the Shire grow in both population and economic output which is set to continue as Baw Baw's affordable housing options and lifestyle advantages attract private investment and significant numbers of new households.

Baw Baw is a peri-urban municipality on the eastern edge of Melbourne's growing south east and the western edge of the Gippsland region. The Shire's 4,020 square kilometres comprise 10 percent of Gippsland's land area and encompass vast agricultural land, forests, ski slopes and the growing urban centres of Warragul and Drouin.

The Shire's economy is largely driven by agriculture, food processing, tourism and its rapidly growing household service and trade sectors. The Shire is situated in between significantly changing regions to its east and west.

The Latrobe Valley to the Shire's east is Gippsland's largest population centre. As a major electricity and natural gas producer for Victoria, this area is undergoing significant change as Victoria shifts towards a low-carbon economy. To the west, the Shire abuts Melbourne's south eastern growth areas which are projected to encompass a population of 1.76 million people by 2051 and approximately 520,000 jobs by 2031.

As Melbourne expands, Baw Baw's lifestyle benefits, natural beauty and relative affordability are increasingly desirable to metropolitan and regional households. Over the past decade, the Shire has consistently attracted over 1,250 new residents per annum with high numbers of former residents of Cardinia LGA and Casey LGA relocating to the Shire. The recent rezoning of residential growth areas in Warragul and Drouin provide substantial capacity for continued migration to the Shire.



Situated between two rapidly changing regions, the Shire incorporates the competitive advantages to forge its own economic destiny. Agricultural and food production capacity, growth area residential land supply, diverse natural and scenic assets and proximity to Melbourne position the Shire to strengthen and grow its economic base.

The challenge for the Shire is to strategically leverage its accessibility and economic capacity for the long term benefit of the community. The following examines key economic trends and influences impacting on the Shire for which the future *2023 Economic Land Use Strategy* will respond. These trends include:

**Influence 1:** A Growing Community

**Influence 2:** A Peri-Urban Growth Area

**Influence 3:** Metropolitan and Regional Connection

**Influence 4:** Economic Land Supply and Floor Space Demand

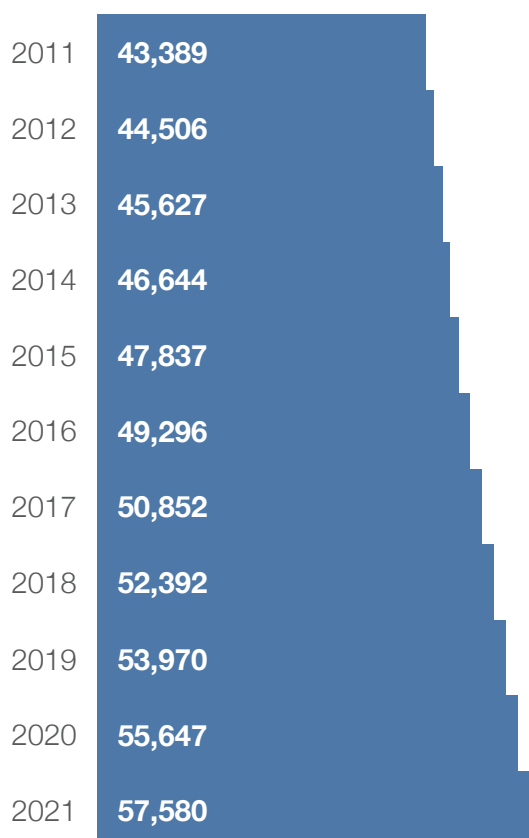
**Influence 5:** Climate Change and Risk





## Influence 1: A Growing Community

Since 2012, the Shire has added an average of 1,450 new residents per annum. The Shire's growth hit a new high in the 2020/2021 period when the Shire added a further 1,930 new residents. At 2021, the Shire's population was 57,580 people.

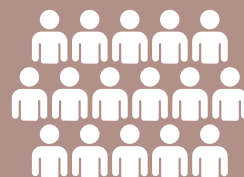


**Figure 3:** Estimated Resident Population Baw Baw Shire LGA

**Source:** Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0)

### Baw Baw Shire

#### Community Profile



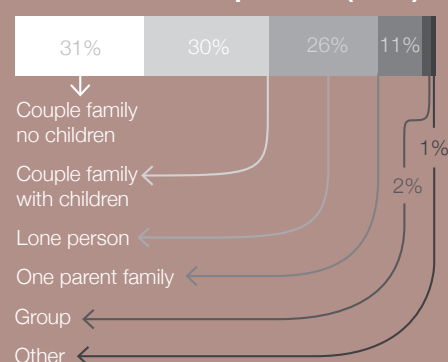
**57,580**  
2021 Population

**21,441**  
Households



**+8,280**  
Persons since 2016

#### Household Composition (2021)



#### Median Weekly Income

Household	\$ 1,495	+25%
Individual	\$ 726	+24%
Per Week (2021)		Change Since 2016

While Latrobe City remains the region's largest local government area by population, the Shires of Bass Coast and Baw Baw are the region's major population attractors.

Under current trends, Baw Baw Shire will eventually surpass the City of Latrobe as the region's largest local government area by population by mid century.

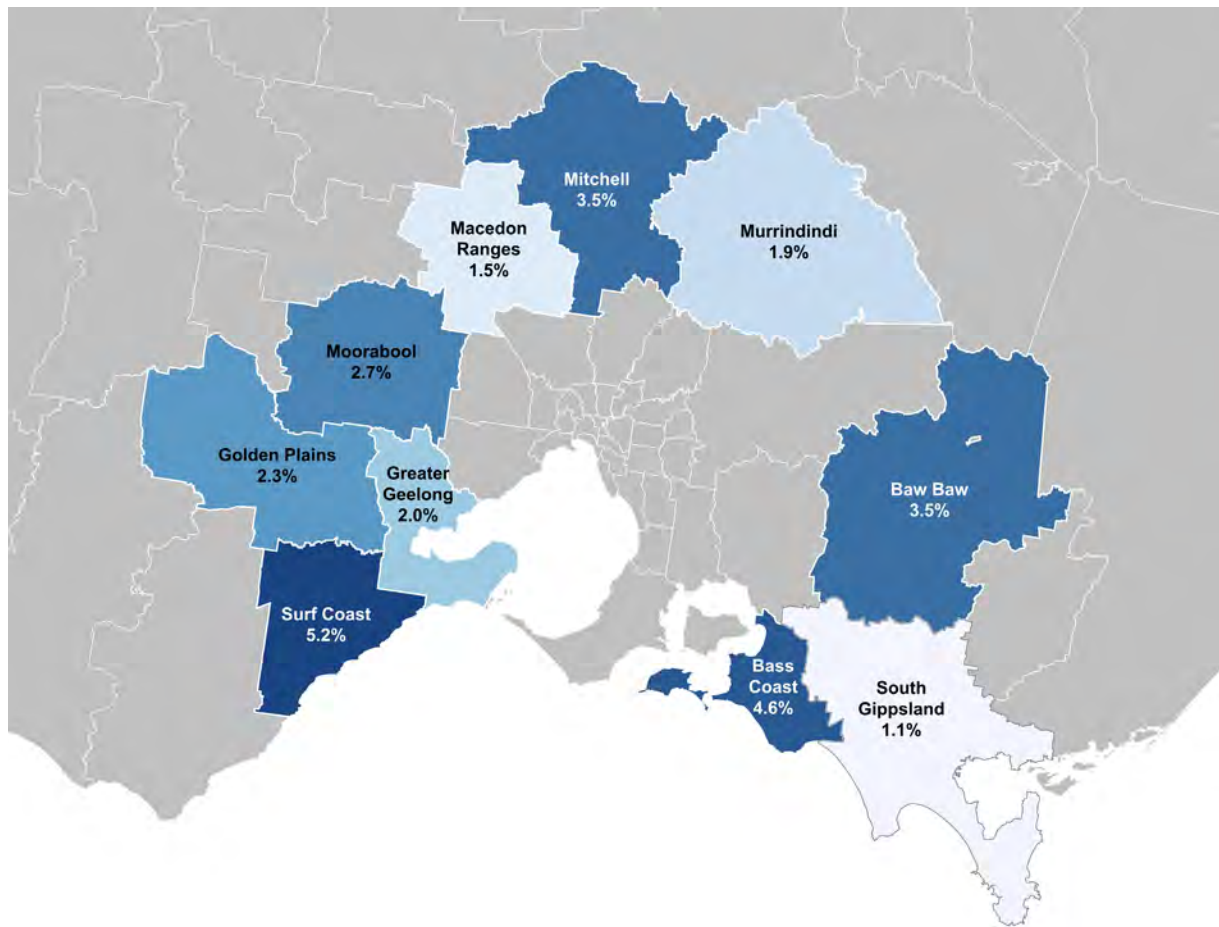
As the Shires of Baw Baw and Bass Coast continue to grow, the region's population epicenters are shifting westward and south toward the coast.

Municipality	ERP 2011	Proportion of Gippsland at 2011	ERP 2021	Proportion of Gippsland at 2021	Change 2011-2021	Annual Average Growth Rate
<b>Baw Baw</b>	43389	16.7%	57580	19.2%	14,191	2.9%
<b>Bass Coast Shire</b>	30233	11.6%	40641	13.6%	10,408	3.0%
<b>East Gippsland Shire</b>	42826	16.5%	48453	16.2%	5,627	1.2%
<b>Latrobe City</b>	73788	28.4%	77086	25.7%	3,298	0.4%
<b>South Gippsland Shire</b>	27512	10.6%	30378	10.1%	2,866	1.0%
<b>Wellington</b>	42068	16.2%	45452	15.2%	3,384	0.8%
<b>Total</b>	<b>259816</b>		<b>299590</b>		<b>39,774</b>	<b>1.4%</b>

**Table 2:** Regional Population Change 2012 to 2020

**Source:** Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0)

Baw Baw Shire is one of Victoria's fastest non-coastal growth areas. When compared with Melbourne's other peri urban municipalities, the Shire's rate of population growth, exceeds all other non-coastal local government areas and is equivalent to Mitchell Shire.



**Figure 4:** Peri-Urban Growth Rates 2020-2021

**Source:** ABS, Charter KC



## The Components of Growth

The Shire's population growth is the result of growing numbers of births and ongoing and expanding migration.

In particular, the Shire is a major attractor of residents from Melbourne's south east attracting an annual average of 970 new residents per annum from the municipalities of Casey and Cardinia over the 2016 to 2021 period.

In 2021 the Shire also experienced a significant increase in births reaching 726 births.



**Figure 5:** Average Annual Population Growth Migration and Births (2016 to 2021)

## Impact of Population Growth

The impact of population growth is evident throughout the Shire's main streets and commercial areas which feature high levels of occupancy and expanding household and trades sectors. At 2020 Drouin, for instance, recorded a retail vacancy rate of 1%.<sup>1</sup>

Geography and distance assists regional economies in retaining local household expenditure. Ongoing population growth within a relatively self contained market such as Baw Baw Shire provides the basis to spur significant employment growth and local investment. New residents to the Shire initially generate demand for residential land and property services which is then followed by demand for household goods, education, recreation and health services. Consequently, the Shire's household sector now constitutes its primary growth sector (as demonstrated below).

For industry and enterprise, ongoing population growth foments an ever deeper labour market and consumer base from which enterprises can grow. In the five years to June 2021, for instance, the Shire's labour force grew by over 5000 workers to 27,600 workers which represents a deepening labour pool for local industry.

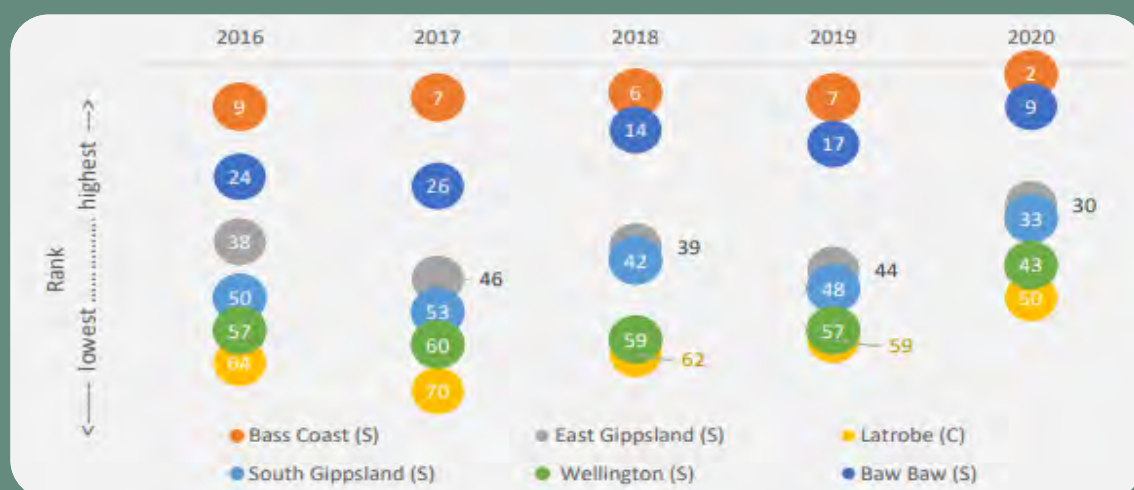


According to Remplan analysis, each 100 people added to the local population results in an increase of Gross Regional Product (GRP) of \$9.6 million. Recent average annual population growth has therefore added in the order of \$125 million to the Shire's GRP per annum resulting in average annual GRP growth of 3.1% per annum. This rate vastly exceeds the Gippsland region average of 1.8% growth per annum. At 2020, the Shire's GRP was estimated to be \$2.642 billion.<sup>2</sup>

**Figure 6:** State-wide Ranking of Per Capita Private Investment (highest to lowest), Gippsland Region LGAs

A growing pool of labour and households is propelling significant private investment into the Shire. According to recent research, the Shire ranked 9th in the state for per capita private investment in 2020 representing a significant and rapid rise in the Shire's investment status.

Whereas in 2016, the Shire ranked 24th in the State for per capita private investment. For the 2016 to 2020, annual private investment within the Shire averaged \$3,740 per capita, comparatively the Latrobe City Council area averaged \$1,252 per capita of private investment for the same period.



**Source:** REMPLAN, ABS Building Approval data (2016 - 2020), ABS Regional Population

Influence 2: A Peri-Urban Growth Area

Since 2012, the Shire has added an average of 1,450 new residents per annum. The Shire’s growth hit a new high in the 2020/2021 period when the Shire added a further 1,930 new residents. At 2021, the Shire’s population was 57,580 people.

The municipality is unique among peri-urban municipalities in its capacity to accommodate housing demand. Other peri-urban

municipalities lack the same scale of land supply to both accommodate and induce potential demand for new dwellings and households.

At 2021, the Shire incorporated a potential supply of over 21,300 lots. Notably, as the average size of development lots have declined the Shire’s growth area housing capacity has grown beyond the capacity anticipated by the Shire’s PSPs in 2014.

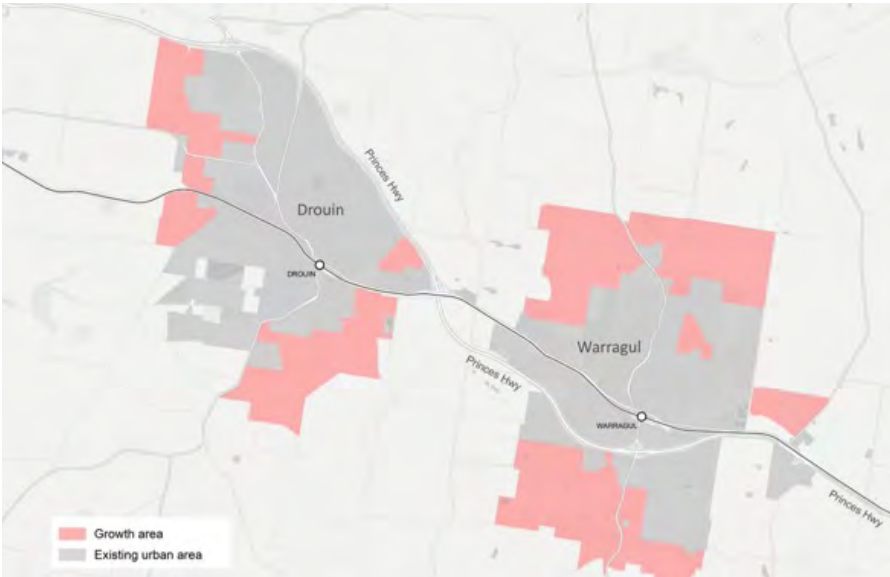


Figure 7: Baw Baw Shire Growth Areas

Growth Area	Zoned Lots	Proposed Lots	Total Lots
Drouin	8019	713	8,732
Warragul	11,795	829	12,624
Total	19,814	1,542	21,356

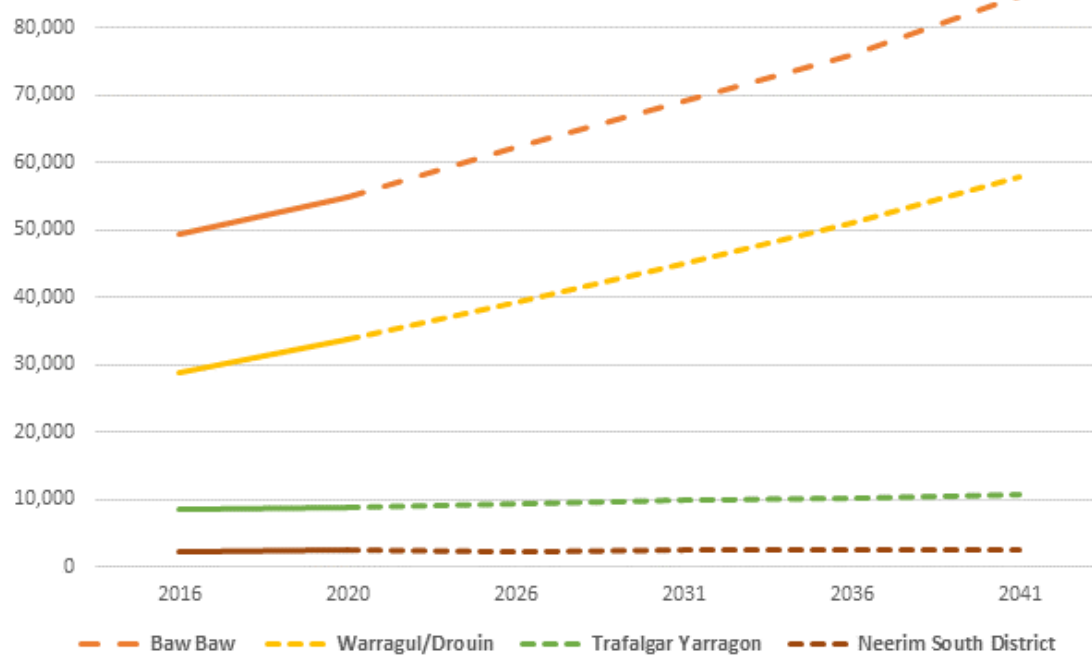
Table 3: Baw Baw Lot Supply 2022

Source: Urban Development Program 2022, Department of Environment, Land, Water and Planning



## Warragul and Drouin Twin Cities

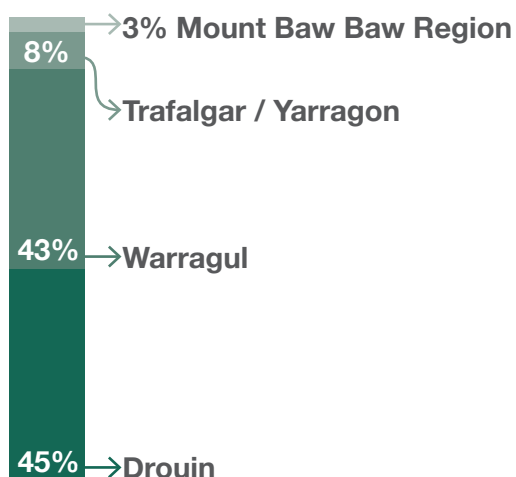
The ongoing development of the Shire's PSP land will see the twin cities of Drouin and Warragul support a population in excess of 50,000 people by the late 2030's. Based on its current growth trajectory, the Shire is likely to be the largest local government area by population in Gippsland by the mid 2040's. By 2041, the Shire's population is projected to grow to 84,700 residents with the vast majority of residents located in the Shire's west.



**Figure 8:** Projected Growth by Settlement

**Source:** Victoria in Future 2019, id, ABS

The Yarragon, Nilma and Trafalgar corridor will see moderate population growth. Population along the eastern section of the Princes Highway corridor is projected to grow from 8,400 residents in 2020 to 10,700 residents to 2041.



**Figure 9:** Population Growth by Settlement 2011 to 2021 (SA2)

**Source:** Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0)

## Urbanisation

Ongoing growth will further strengthen the historic role of Warragul and Drouin as the Shire's primary population and service hub. Warragul and Drouin are rapidly urbanising.

The Shire's west now incorporates growing property and population servicing industries and enterprises. Property services, domestic trades, construction, education and health currently comprise the Shire's leading growth sectors for employment and business growth.

For the 2016 to 2021 period, the Shire's health care and social assistance sector led the municipality's employment growth adding approximately 1110 new jobs at an average annual growth rate of 9% (the Shire's health sector is now its leading employer). For the same period, construction employment grew by 590 jobs at an annual rate of 7.7% per annum, while retail employment added 350 jobs and education employment grew by 400 jobs.

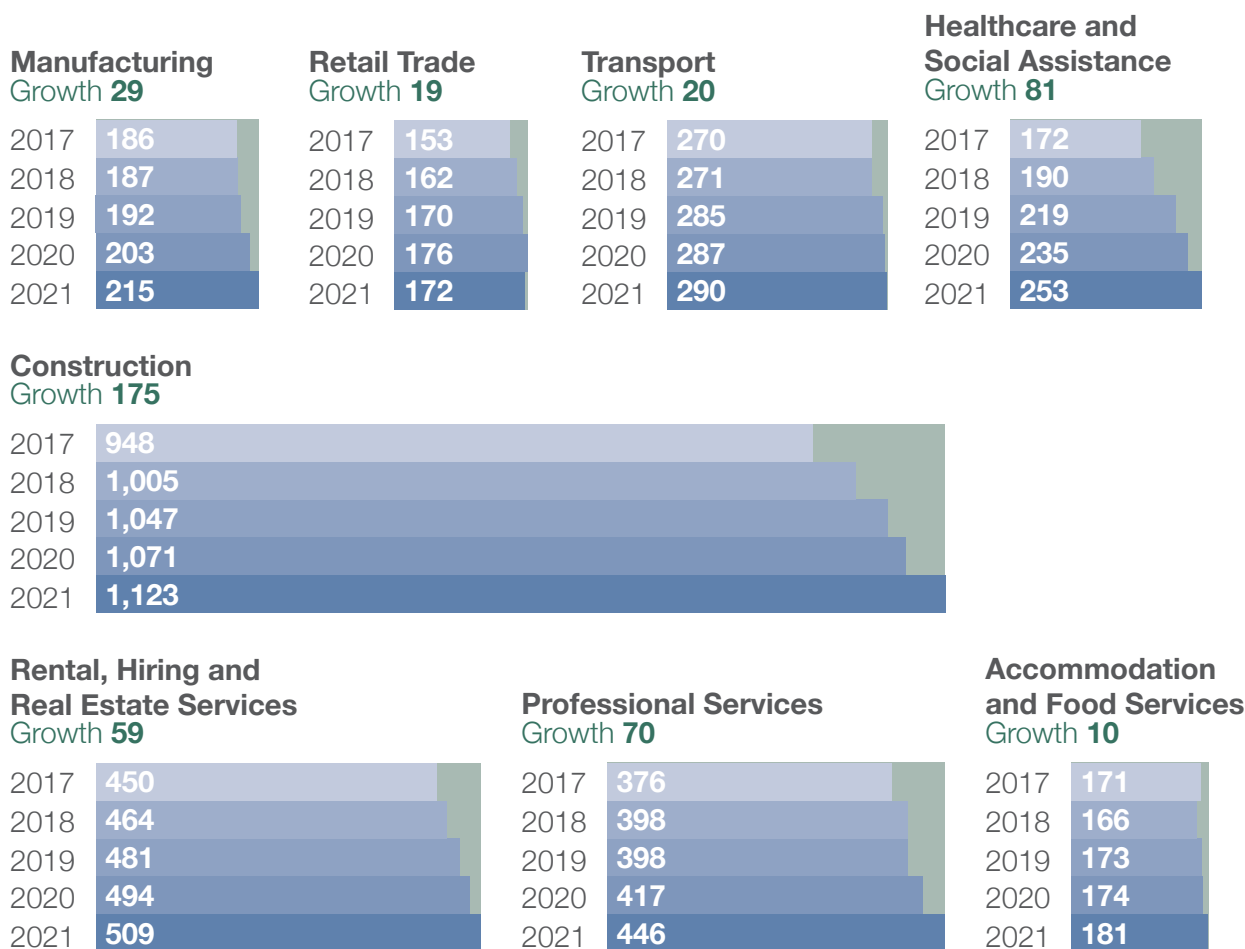


The Shire's main streets and commercial / industrial precincts are increasingly focused on household consumption and service needs and in supporting the material needs of the Shire's growing construction and household bulky goods sectors.

As can be seen below, the number of businesses operating in these markets within the local economy are rapidly expanding.

Agriculture and manufacturing continue to be significant and growing sectors of employment and economic activity in the Shire. In 2021, manufacturing and agriculture led the Shire's municipal exports earning over \$920 million in export income.<sup>3</sup>

By 2041, the Shire is projected to be home to nearly 33,400 households with the vast majority of households concentrated within and around Drouin and Warragul. This scale of growth and geographic consolidation will require a range of environmental, social infrastructure and economic policy and planning responses. In relation to economic land use, ongoing growth compels the Shire to ensure a sufficient supply of high quality well located floor space to support the service and consumer needs of a growing population and to facilitate industry expansion.



**Figure 10:** Business Growth 2017 to 2021

**Source:** ABS



### Influence 3: Metropolitan and Regional Connection

Baw Baw Shire encompasses critical geographic advantages that provide unique investment opportunities including its close proximity to both Metropolitan Melbourne and Gippsland and its scenic beauty and established agricultural industries.

The Shire incorporates many of the attributes currently spurring growth in regional Australia. The Shire enjoys strong links to metropolitan Melbourne, major recreational attractions and incorporates a substantive agricultural and agricultural service sector that serves as an enduring economic foundation for many of the Shire's households (8% of the Shire's jobs are within the agricultural sector with many more jobs in related machinery, farm supply and food manufacturing industries).

Melbourne's south east is projected to grow to a population of 1.75 million by 2051 and support 520,000 jobs by 2031.<sup>4</sup>

Land supply in Pakenham, Officer and Clyde will see much of the region's growth occur within a 30 minute drive of Warragul and Drouin enabling the Shire's resident base to enjoy the Baw Baw's lifestyle advantages while benefiting from the economic opportunities of Melbourne's growing south east. Approximately 14% of the Shire's 26,400 workers work within the municipalities of Casey, Cardinia, Greater Dandenong and Monash while a further 13% of the Shire's workforce work in the municipality of Latrobe.

The Shire's proximity to major markets enables the municipality to function as a connector economy, connecting the region's agricultural capability and construction supplies with metropolitan markets and, conversely, connecting metropolitan households to the recreational and scenic richness of the region. The ability to connect households, enterprise and outputs to diverse markets is a fundamental economic strength.



**Figure 11:** Western Baw Baw and Melbourne's South East

Cities in close proximity to major urban centres throughout Australia are thriving. The unbundling of knowledge based activities from physical production enables the knowledge based components of work to be conducted from almost anywhere. The research, financial, analytical, human resource, technological and advisory components of work are increasingly decentralized and geographically distributed enabling households and workers more geographic flexibility in where they can live and work.

*Our urban growth areas need to be the connectors of our future cities, connecting the capacities of our central business areas with the capacities and opportunities of our rural and regional areas. ....growth areas around the country on the urban-rural interface must be considered as critical to the future prosperity of Australia as we hold some of the keys to being hubs or nodes in a constellation of jobs, transport, education, freight and industrial movement intersecting regional and urban areas.*<sup>5</sup>

**5** Mr Aaron Chiles, Manager, Urban Futures, Wyndham City Council, Committee Hansard, 20 November 2017, pp. 16–17.



Regional Growth Driver	Baw Baw Shire
Strong linkages to the nearest metropolis	
Offers attractive lifestyle and tourism opportunities	
Agricultural based regions	
Mineral resources	

**Table 4:** Regional Growth Drivers and Baw Baw Shire  
**Source:** Adapted from SGS Planning and Economics

For the Shire, technological change provides the basis to further attract skilled residents and to actively support peri-urban decentralised workers. Supporting skilled residents to establish in the Shire will help elevate the Shire’s educational and socio-economic status which lags metropolitan areas. Institutional support, however, will be needed to grow and support the Shire’s skills and service base.

The strategy therefore advocates for a major health, services and education vision for the Shire and for the Shire to explore the feasibility of work from home hub.

Growing service demand provides the opportunity and rationale to invest in skills development locally which will ensure local service and knowledge industries expand in line with household growth which is essential to catalysing socio-economic development and drawing in new private investment.

Attractors from Melbourne	Attractors from Gippsland
<ul style="list-style-type: none"><li>• Affordability</li><li>• Land costs</li><li>• Rural lifestyle</li><li>• Family amenity - Landscapes</li><li>• Tax benefits</li><li>• Convenient access to Melbourne markets</li><li>• Young and growing households</li></ul>	<ul style="list-style-type: none"><li>• Proximity to Melbourne and Gippsland</li><li>• Growing local and regional markets</li><li>• Growing household amenity and services - Landscape values</li><li>• Youthful community</li><li>• Demand for labour and skills</li><li>• Young households</li></ul>

**Table 5:** Baw Baw Shire Household and Economic Attractors

**Source:** Urban Enterprise, Charter Keck Cramer



## Influence 4: Economic Land Supply and Floor Space Demand

Economic floor space is integral to a prosperous economy. As the Shire grows a diverse spectrum of new economic floor space will be needed to support:

- **Households:** Demand for health care, professional service, food and hospitality, community service, merchandise retail, weekly and convenience shopping and construction services will continue to expand as the Shire's population grows and accordingly demand for enabling floor space.
- **Primary production and processing:** The Shire's primary industry and food manufacturing industries continue to underpin the Shire's economy. The Shire's unique geography provides the opportunity to further grow local primary industries and to expand established food processing capability. The Shire's construction supplies sector is also an exporting sector. Growing a larger economy that services markets beyond the Shire's households will require enabling commercial and industrial floor space.
- **Visitor economy:** As Melbourne's south east grows, there is a significant opportunity to further expand and diversify the Shire's role as a major visitor destination as per the aspirations of the *Economic Development and Visitor Economy Strategy 2022-2025*. High quality accommodation, hospitality and visitor destinations are essential in supporting larger visitor volumes.

The following examines the capacity of the Shire's existing land use framework to support the needs of a growing economy.

## Industrial Land Supply

The Shire currently incorporates **297** hectares of industrial land. Of this, at 2021, a total of 216 hectares was occupied for employment uses and approximately 80 hectares of industrial land was vacant.

Theoretically, the Shire encompasses sufficient industrial land supply to accommodate demand for the next 20 to 26 years assuming ongoing industrial land consumption of between 3.1 hectares and 4 hectares per annum. Industrial land capacity, however, differs significantly by settlement.

Settlements	Zoned - Occupied (Ha)	Zoned - Vacant (Ha)	Zoned (Occupied + Vacant) (Ha)	Vacancy Rate
Warragul	77.2	10.3	87.5	12%
Drouin	65.1	4.7	69.8	7%
Trafalgar	34.2	33.2	67.5	49%
Longwarry	15.4	24.3	39.7	61%
Yarragon	12.6	2.9	15.5	19%
Neerim South	5.1	1.7	6.8	25%
Thorpdale	1.2	2.9	4.1	72%
Rawson	5.7	0.0	5.7	0%
<b>Baw Baw LGA</b>	<b>216.6</b>	<b>80.1</b>	<b>296.7</b>	<b>27%</b>

**Table 6:** Industrial Land Analysis 2021

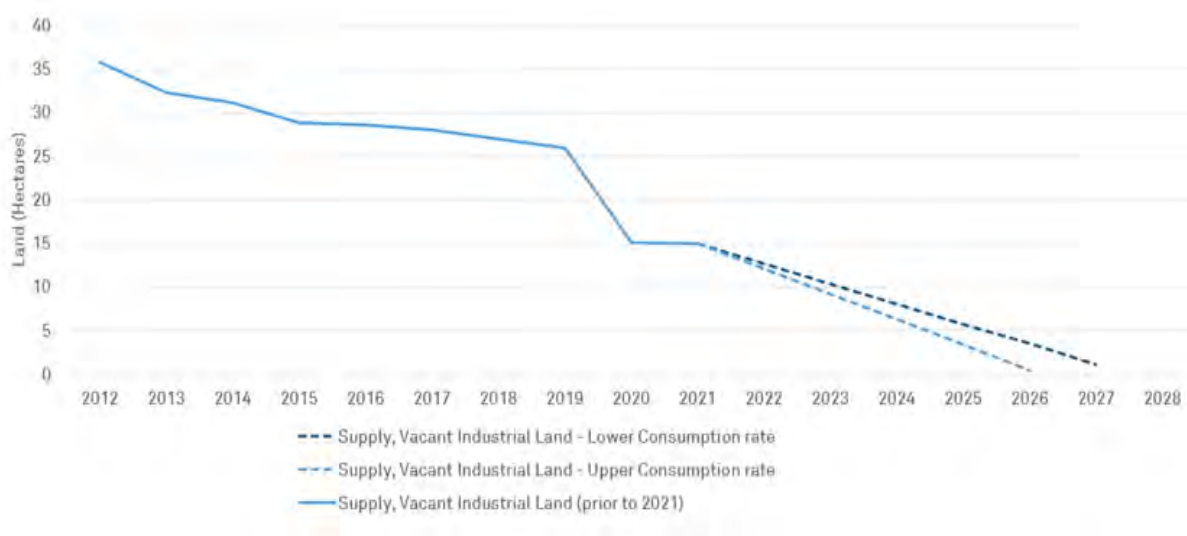
**Note:** Total Industrial Zoned Land (IN1Z; IN3Z); Rawson includes suburbs of Amor and Erica.

## Drouin and Warragul

Supply of industrial land in direct proximity to Warragul and Drouin is extremely scarce. Together, Drouin and Warragul incorporate 157 hectares of industrial land (slightly more than half of the Shire's industrial foot print) the vast majority of which is already occupied by economic uses.

Warragul currently includes 10 hectares of theoretically vacant industrial land. Warragul's remaining large industrial sites are now, however, either subject to construction activity or subject to an approved planning permit. Within the Drouin industrial precinct there is a single 4 hectare site available for development. All of Drouin's other larger sites are fully occupied.

As can be seen below, if historic rates of industrial consumption continue both Drouin and Warragul will theoretically have no available vacant industrial land in the near future.



**Figure 12:** Warragul and Drouin – Industrial Land Supply Projected Exhaustion

**Source:** Charter Keck Cramer, Department Environment, Water, Land and Planning



A lack of vacant available industrial land entails a series of adverse economic implications including:

- higher rents and land costs for tenants and owners
- a lack of choice for consumers and local firms
- escape expenditure
- a lack of local employment growth
- a constraint on the evolution of industry networks and supply chains.

The 2014 Precinct Structure Plan process rezoned 97.6 hectares of land for future industrial uses within Drouin and Warragul into the Urban Growth Zone.

The Urban Growth Zone is a land use planning zone that is used to manage the transition of non-urban land (primarily farming land) into urban land in accordance with the direction of a precinct structure plan. The Shire now needs to transition this land into market ready industrial land.



**Figure 13:** Warragul and Drouin Industrial Expansion Areas

**Source:** Charter KC

## Trafalgar and Yarragon

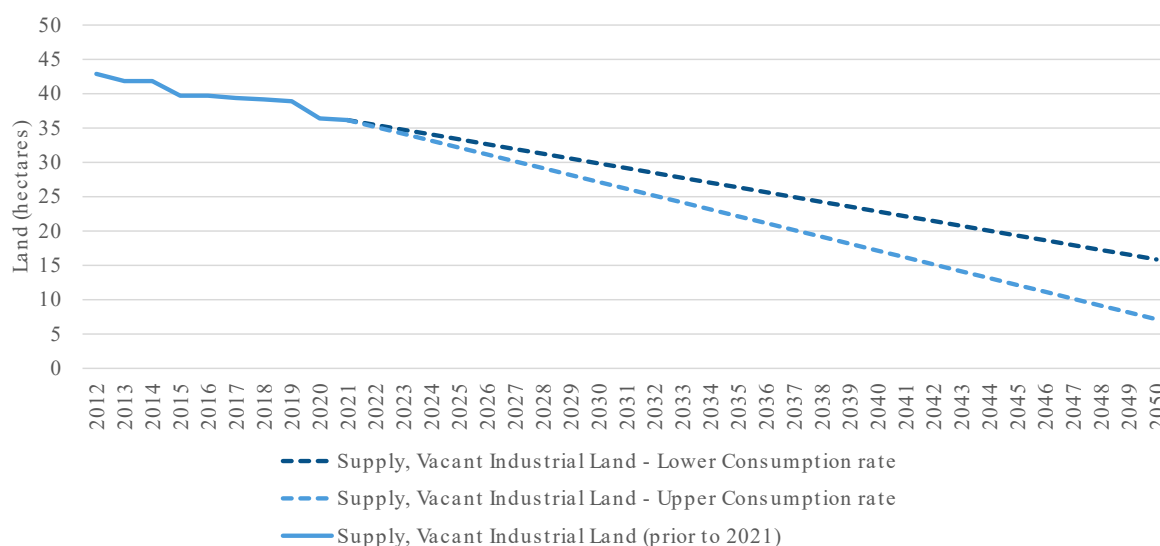
Together Yarragon and Trafalgar encompass a total of 83 hectares of industrial land of which 36 hectares are currently vacant with the majority of vacant industrial land within Trafalgar. Industrial uses to the Shire's east generally differ from those in its west.<sup>6</sup>

Enterprises within the Yarragon and Trafalgar industrial precincts are primarily focused on supporting surrounding agricultural industries via farm supplies and machinery sales and services.

Based on historic rates of industrial land development (at 0.7 hectares per annum), Yarragon and Trafalgar theoretically incorporate more than 20 years of industrial land supply.

Yarragon, however, will shortly see its supply of vacant industrial land (2.9 hectares) further decline following the delivery of the proposed new industrial development. Subject to the resolution of drainage issues, *the draft Yarragon Township Plan 2022*, identifies the potential to expand Yarragon's industrial area to its north.

Neerim South, Thorpdale and Rawson each incorporate small areas of industrial land which primarily support local services and trades.



**Figure 14:** Trafalgar and Yarragon Industrial Land Supply and Projected Exhaustion

**Source:** Charter Keck Cramer, Department Environment, Water, Land and Planning

## Longwarry

Longwarry is the Shire's western most settlement situated at the transition between metropolitan Melbourne and Gippsland.

The approved (Echelon 2022) *Longwarry Structure Plan 2022* identifies land along Princes Highway for investigation for a business park that leverage's Longwarry's unique geography to connect regional outputs with Melbourne markets and vice versa. The delivery of a new business park at Longwarry will replicate and expand on the functions of the existing Longwarry Food Park. In its current form the food park is a key regional connector processing regional dairy products for Melbourne markets and developing raw inputs into food manufacturing in other locations.



Longwarry Business Park 2021



## Demand for Service Space

Growing health, education, personal and professional service needs will require the Shire’s dedicated service space to expand.

Based on projected population growth, the Shire will require at a minimum of 15,000 sqm in dedicated service floor space to accommodate per-capita growth in local professional service, public service, information technology and financial service employment to 2036.

Concurrently, local business will also require an expansion of supportive administrative space.

The Shire’s health and education needs will continue to grow in line with population growth compelling the delivery of significant new health and education infrastructure. As is evident below, the Shire generally lacks health care provision relative to its regional neighbours.

It is important to note that the Shire will need to attract many new health professionals in order to sustain current ratios of provision as its populations grows.

Municipal	General practitioner Rate per 100,000 people	Specialist Doctor Rate per 100,000 people	Nurse Rate per 100,000 people
Baw Baw (S)	69.2	48.1	834.4
Macedon Ranges (S)	97.2	14.2	398.9
Latrobe (C) (Vic.)	73.1	110.4	1305.7
Moorabool (S)	79.0	23.4	412.8
Bass Coast (S)	65.1	19.8	747.3

Table 7: Health Workforce 2018

Source: Torrens University Australia

## Retail Floor Space

Over the past decade, Warragul and Drouin have been subject to a series of planning and land use investigations. Each of these has identified the need to expand the townships retail floor space to accommodate the needs of growing numbers of households. Analysis undertaken as part of the development of the strategy further affirms and updates retail floor space requirements.



### Drouin Retail

Drouin currently incorporates 23,250 sqm of retail floor space. In response to growing household demand, an estimated 13,140 sqm of additional retail floor space within the township is projected to be required over the 2021 to 2036 period. This includes a further 3,100 sqm of food retailing floor space, which includes additional supermarket space and a further 8,300 sqm of non food related floor space, including an expansion of large format retail floor space.

The Drouin Township Plan 2020 acknowledges the impact of geographic constraints on the capacity of the township to expand its commercial and retail foot print and as such, anticipates floor space expansion deriving from the renewal of aged retail sites and the intensification of existing sites. This Strategy also identifies the emerging commercial centre at the junction of Wellwood Road and Princes Way as providing an opportunity to support retail floor space expansion.

Category	Floor Space Demand 2021 to 2036
Food retailing	3,100
Restaurants and cafes	1,730
General retailing (non-food including depart stores)	5,220
Bulky goods	3,090
Total	13,140

**Table 8:** Drouin Projected Retail Floor Space Demand  
**Source:** CKC

Land use directions in the Drouin PSP 2014 include the development of a new neighbourhood centre at Weebar and a local centre at Wellwood. In combination, these centres are intended to provide for 6,500 sqm of new retail floor space within growth area communities. Proposed new centres are, however, yet to be planned and are unlikely to be built until local household demand in new growth area communities is of a sufficient scale to justify investment.<sup>7</sup>

Upon development, new retail infrastructure in Drouin’s growth areas will ultimately provide ancillary retail support for the role of the town centre as the township’s primary retail node.

Category	Floor Space (m²)
Weebar Neighbourhood Centre	5,100
Wellwood Local Centre	1,500

Table 9: Drouin Growth Areas Floor Space



<sup>7</sup> The development of growth area centres requires supportive land holders, land assembly, market conditions and supportive tenants. In Melbourne, new growth area centres typically commence with foundational retail and fuel infrastructure.



## Warragul Retail

Warragul town centre is the Shire’s largest retail node incorporating over 100,000 sqms of retail floor space at 2021, which in the recent past grew by 20,000 sqm with the development of new high quality retail space along Queen Street, Warragul.

As both Warragul and the Shire grow, demand for retail space is set to increase. For the 2021 to 2036 period, Charter estimates the need for an additional 63,645 sq.m of retail floorspace within the Warragul township. This scale of growth reflects Warragul’s projected population growth and its pivotal role in servicing the consumption needs of the region, the Shire’s visitor economy and its potential to grow its existing market penetration.

Projected demand identifies the need for an additional 8,090 sqm of new food retailing floor space which provides the basis to support an additional full-line supermarket or the potential expansion of the town centre’s existing large format supermarkets or the introduction of new small and medium sized supermarkets. Significant demand for additional large format retail uses is also identified.

Accommodating projected retail demand will entail growing the township’s retail capacity by a minimum of 60% over the next 15 years. As is detailed shortly, the Strategy’s responses to growing retail demand include the expansion of large format retail uses along Queen Street, Warragul (which has emerged as a large format and household supplies corridor) and the activation and renewal of high accessibility retail areas in proximity to the township’s core retail area.

Category	Floor Space Demand 2021 to 2036
Food retailing	5,200
Restaurants and cafes	2,900
General retailing (non-food including depart stores)	20,580
Bulky goods	34,965
Total	63,645

**Table 10:** Warragul Projected Retail Floor Space Demand

**Source:** CKC

Land use directions in the Warragul PSP 2014 identify a series of new neighbourhood and local centres within Warragul's growth area communities to the township's north and south. In combination, Warragul's new centres are intended to provide 23,000 sqm of new retail floor space including the development of substantial floor space in the future Lillico and Spring Creek Neighbourhood Centres.

are unlikely to be built until local household demand in new growth area communities is of a scale to justify investment. With the exception of Lillico which has an approved UDF, most of Warragul's new growth area centres are yet to be planned.

However, identified new growth area centres

Category	Floor Space (m <sup>2</sup> )
Lillico Neighbourhood Centre	10,000
Spring Creek Neighbourhood Centre	10,000
Dollarburn Local Centre	1,500
Brooks Village Local Centre	1,500

**Table 11:** Warragul Projected Retail Floor Space Demand

Charter's retail floor space demand analysis takes into account retail expenditure trends, allows for escape expenditure to other locations and accounts for the rise of e-commerce.

The projection does not account for the current densification of growth area land development which is likely to result in greater population growth than anticipated and projected in 2014.

Township	Retail Floor Space 2021 (m <sup>2</sup> )	Estimated Additional Floor Space Demand to 2036 (m <sup>2</sup> )	Floor Space Percentage Growth to 2036
Drouin	23,250	13,140	56%
Warragul	100,350	63,640	63%

**Table 12:** Projected Retail Floor Space Demand 2021 to 2036

**Source:** CKC

Future planning directions for Yarragon, Trafalgar, Longwarry and Neerim South seek to strengthen the amenity and attractiveness of their town centre retail precincts while also supporting commercial diversification.

Further retail expansion of between 2,100 - 3,560 sqms to 2041 is identified for Yarragon which is anticipated to be met through the renewal and redevelopment of already zoned underutilised sites. In Neerim South there is a need to expand the town centre's commercial core by resolving opportunities to link vacant land to the town centre's main retail precinct. Neerim South requires further commercial land to support its ongoing role in the Shire's visitor economy and its role as the primary population centre in the Shire's north.

A further 7,000 sqms of retail floor space demand is identified within Longwarry which is expected to be accommodated within existing commercially zoned land.



## Influence 5: Climate Change and Risk

Regional communities bear the brunt of climate change.

Extreme weather, changing rain fall, longer dry periods, higher temperatures and the potential for more frequent and intense fires present a range of social, environmental and economic threats.

The potential economic impacts of climate change are broad and include costs associated with installing, upgrading or adapting infrastructure to withstand climate change impacts, population relocation, loss of working days and productivity due to extreme heat and diminishing agricultural yields.

### The Gippsland Climate Change Impact Statement

The Statement identifies overarching climate change impacts for the region of which two are particularly relevant to Baw Baw Shire as follows:

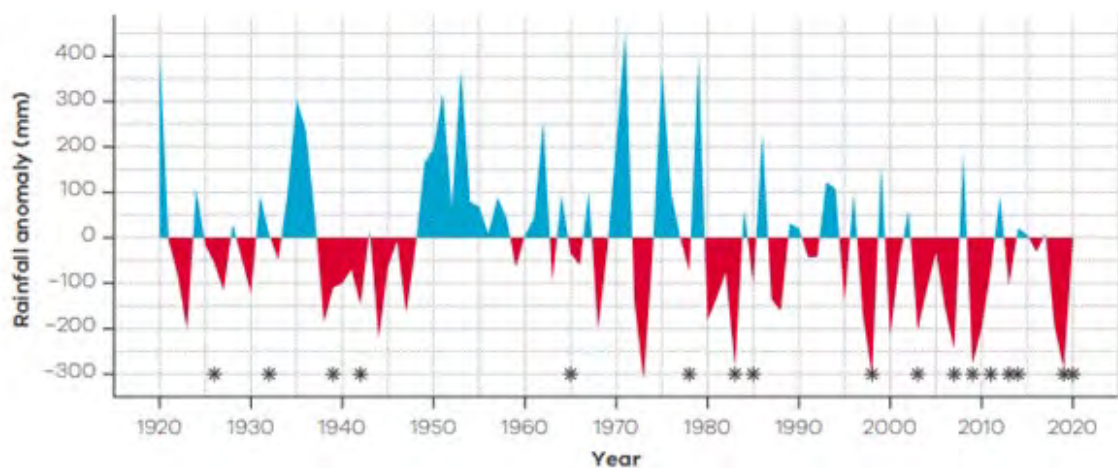
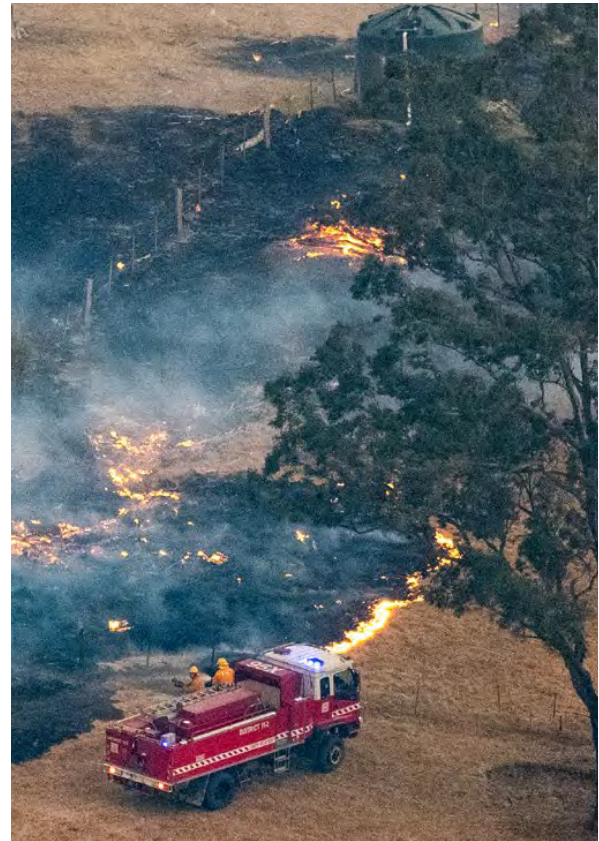
- Changes in rain-fall patterns pose challenges for water supply and agriculture across Gippsland. Longer dry spells will threaten livestock and crops and could reduce water quality in the catchment area. Additionally, increased frequency of intense rain events are likely to cause severe flooding with potential impacts on infrastructure and agriculture.
- Higher temperatures and more hot days will increase the likelihood of large and intense bushfires. Days with low humidity, high winds and extreme temperatures are likely to become more common. More frequent and intense fires pose threats not only to property and human life but to water quality in catchment areas.

**Source:** <https://www.climatecouncil.org.au/resources/climate-change-impacts-for-gippsland/>

The bushfires of 2019/20 burnt significant tracts of forest, farmland and tourism assets. The bushfires also impacted the visitor economy with many people canceling planned visits to the region. The Shire's tourism industry faces multiple challenges including increased fire risk and shorter ski seasons and less reliable snow cover.

Council's recent initiatives to diversify its tourism sector beyond peak seasonal activity will be vital in helping industry adapt to climate change impacts. As can be seen below, the region is experiencing more frequent periods of below average rain fall which are directly associated with more frequent fire events.

Baw Baw's northern tourism and agricultural region includes numerous settlements that are vulnerable to bushfire risk. According to the *Gippsland Bushfire Management Strategy 2020*, land in and around Erica, Rawson and Noojee is rated as highly vulnerable to bushfire risk.



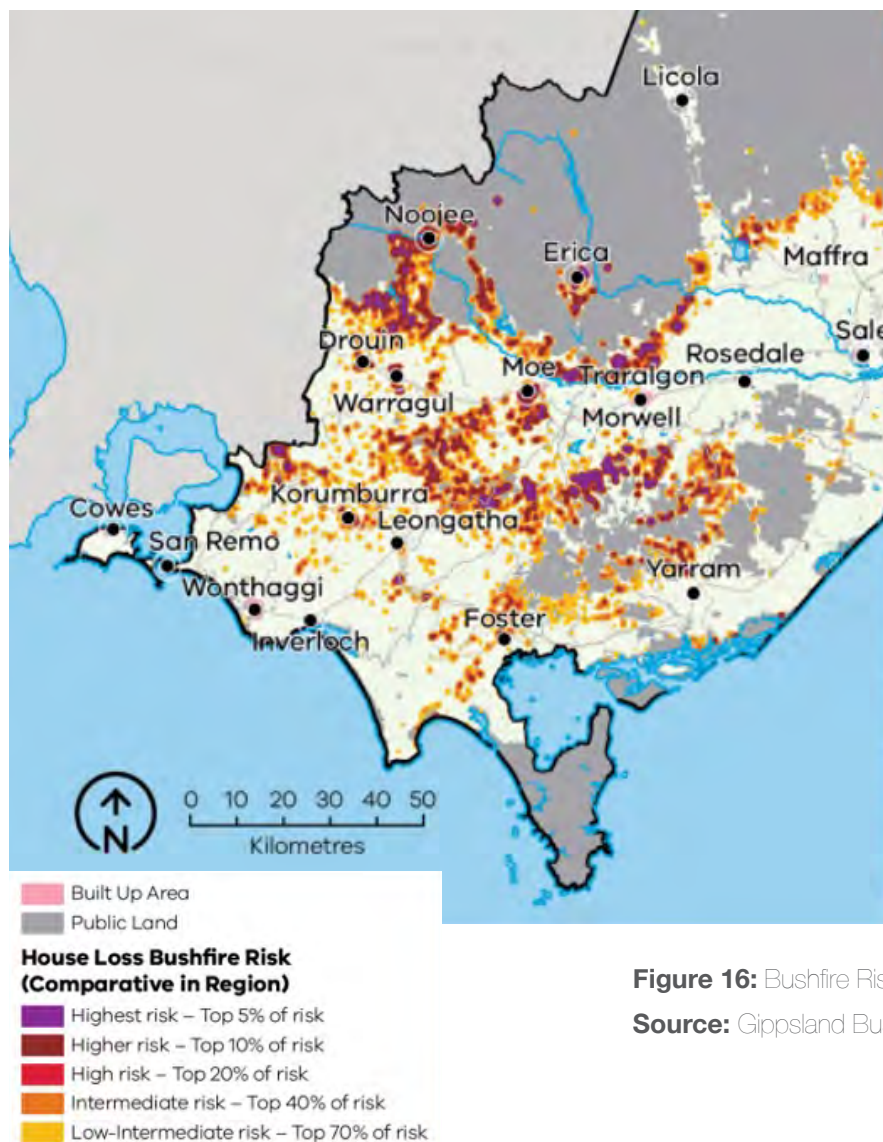
**Figure 15:** Rainfall anomaly for Bairnsdale 1920-2020 and Gippsland's major recorded bushfires<sup>8</sup>

**Source:** Gippsland Bushfire Management Strategy

<sup>8</sup> Rainfall anomaly was calculated as the rainfall in the 12 months to February (i.e. leading into peak bushfire season), minus the long-term (1880-2020) average annual rainfall (687 mm). Monthly rainfall data from the Bairnsdale Advertiser 27/1/2020.

The *Baw Baw Settlement Management Plan* (2013) reviewed the flood, fire and erosion risk of every major settlement across the Shire. Consistent with state government bushfire vulnerability mapping, the Shire's most vulnerable communities are those to the north of the Princes Highway within or near national park land.

These settlements are also home to some of the Shire's oldest communities. At 2021 Walhalla's median age was 60, Noojee's 56, Erica's 54 and Neerim South 44. As risk intensifies, these communities face flat to declining rates of population growth.



**Figure 16:** Bushfire Risk

**Source:** Gippsland Bushfire Management Strategy



As per Council's Settlement Management Plan 2013, there is a need to continue to protect and support vulnerable communities. As discussed earlier, the Plan's settlement structure endures in the 2022 Baw Baw Planning scheme. Likewise, The Plan's key directions in relation to vulnerability and risk remain current and set the context for the Economic Land Use Strategy 2023 including the need to:

- Minimise future investment requirements for infrastructure by guiding population and development to settlements that have capacity in existing services and good accessibility to major transport routes.
- Provide residential opportunities in settlements where there are limited environmental risks e.g. flooding, erosion and landslip and bushfire risk.
- Direct population growth and development away from high risk bushfire locations.

Settlement	Flood	Fire	Erosion / Slope
Longwarry			
Neerim South			
Erica			
Neerim and Neerim Junction			
Noojee			
Rokeby			
Thorpdale			
Walhalla			
Rawson			

**Table 13:** Risk Assessment Settlement Management Plan 2013

**Source:** Baw Baw Settlement Management Plan 2013, Charter Keck Cramer

## Beneficial Disruption

Regional and rural locations have benefited from the improvement and proliferation of communications technology. The boom in remote work supported by advanced communication technologies, provides a basis for highly skilled and globally connected knowledge workers to seek out regional destinations to meet their housing and lifestyle aspirations.

Technology is helping to narrow the perceived and real distance between major markets and

knowledge centres which is to the advantage of lower cost regional locations, manufacturers and enterprise.

As was evident throughout the Covid period, the lifestyle and well being benefits of regional locations are increasingly attractive to former metropolitan residents many of whom have accelerated plans for regional relocation. The Strategy encourages Council to investigate the development of a work from home hub to support the remote work boom.

## 4. Economic Land Use Strategy

The Economic Land Use Strategy is comprised of an overarching vision. The vision sets the foundation for a series of strategies and initiatives that deliver on the overarching vision.

Together these will shape long-term investment and land use development within the Shire to support the Shire's long term economic development and capacity to effectively respond to the demands of housing growth and leverage from strategic opportunities.









## Vision

**The scale and diversity of the Shire's economy will grow and thrive as local industry and business service the needs of a rapidly growing community, visitor economy and expanding inter regional trade.**

This vision will be implemented through land use policy, zoning investigations, public and private investment, economic development initiatives and federal, state and regional economic advocacy.

The vision is supported by 5 leading objectives:

### Objective 1

Ensure population growth supports local economic growth

### Objective 2

Facilitate the provision of new industrial land supply

### Objective 3

Facilitate the development of new commercial floor space

### Objective 4

Deliver the Longwarry Business Park

### Objective 5

Develop a long term vision for the Warragul Health and Services Precinct

## **Objective 1: Ensure population growth supports local economic growth, diversification and opportunity via the implementation of a series of economic land use initiatives.**

The Shire will ensure growing economic demand that results from a growing community translates into local economic gains.

The Shire's lifestyle, wellbeing and affordable housing advantages will continue to attract new residents and retain existing households. The Shire's established residential advantages will be accompanied by strategic land use policy that underpins the equal flourishing of the local economy and employment growth and diversification as follows.

*Residential development adds value to the Shire, but it is the activity generated within industrial and commercial spaces that encourage people to work locally in the long term*

*As population expands we want to give local business the opportunity to expand and grow to fill needs, generate local jobs and increase local investment in the community*

Baw Baw Shire Community Consultation Economic Development and Visitor Economy Strategy 2022-2025

Number	Initiative
1.1	<p>Ensure the supply of economic floor space will service the needs of a growing community by:</p> <ul style="list-style-type: none"> <li>ensuring there is adequate floor space to support the Shire's growing retail and service sectors.</li> <li>ensuring there is adequate floor space to support the growth of the Shire's industrial sectors including manufacturing, construction, trades and agricultural processing, services and supplies.</li> </ul>
1.2	<p>Ensure the Shire's industrial and commercial growth:</p> <ul style="list-style-type: none"> <li>is consistent with the Shire's updated settlement structure and hierarchy</li> <li>results in diverse and attractive built form that increases the number of businesses located in the Shire.</li> <li>impacts positively on the Shire's amenity and environment</li> <li>ensures new industrial subdivisions and development achieve high standards of environmentally sensitive design including water sensitive design.</li> <li>responds to the impacts of climate change and flooding risks</li> </ul>
1.3	<p>Strengthen and expand inter-regional economic activity through the strategic delivery of new economic land at Longwarry and by supporting the Shire's visitor economy.</p>
1.4	<p>Establish a vision for a regionally significant services, education and medical precinct anchored by the new Warragul hospital at the Princes Way, Princes Freeway junction supported by new rail infrastructure.</p>
1.5	<p>Support a decentralised peri-urban workforce by:</p> <ul style="list-style-type: none"> <li>exploring the development of a work-from-home centre</li> <li>improving the quality of digital infrastructure</li> <li>advocating for more frequent and faster rail transport to Melbourne</li> </ul>
1.6	<p>Update the Baw Baw Shire planning scheme at clause 17 Economy Development.</p>
1.7	<p>Continue to advocate for the development of the Drouin and Warragul Bypass</p>



## **Objective 2: Facilitate the provision of new industrial land supply and floor space to support industry growth, employment opportunity and diversification.**

The Shire will support industry expansion and diversification by ensuring the adequate provision of industrial land supply.

As of 2022, the Warragul industrial precinct effectively incorporates no substantive zoned land parcels to support future expansion while the Drouin industrial precinct incorporates only one major expansion site.

A lack of industrial land within the epicentre of the Shire's growth is detrimental to investment and local employment growth and adversely impacts the capacity of the Shire's trade, construction, and household supply sectors to service a growing demand.

Each of the Warragul and Drouin industrial precincts includes Urban Growth Zone land. The Shire will seek to facilitate the development of this land into high amenity industrial precincts that support a diverse range of enterprises and uses.

Likewise, the ongoing needs of the Shire's agricultural sector will be supported through the ongoing development of industrial land in Trafalgar and Yarragon.



Number	Initiative
2.1	<p>Deliver the industrial expansion areas identified in the Drouin and Warragul PSPs as an immediate priority for the Shire by:</p> <ul style="list-style-type: none"> <li>• working with land owners and industrial developers to progress the planning and delivery of new industrial development.</li> <li>• ensuring new subdivisions and built form addresses drainage, transport and servicing requirements and achieve a high standard of environmentally sensitive design.</li> <li>• ensuring industrial subdivision facilitates a diversity of economic opportunity by providing a range of lot sizes and economic spaces.</li> <li>• ensuring new development results in contemporary attractive industrial precincts and built form that provide the highest standard of worker and visitor amenity and contribute positively to the Shire's landscape values.</li> </ul>
2.2	Investigate the expansion of industrial uses to the south of Wills Street, Warragul by evaluating the environmental and land use impacts of industrial development on land between Wills Street and the Princes Highway.
2.3	Support the development of vacant industrial land in Yarragon and Trafalgar.
2.4	Investigate the potential to expand the Yarragon industrial precinct to the north in accordance with the <i>draft Yarragon Township Plan</i> by resolving the drainage implications entailed in the proposed expansion.
2.5	Encourage the renewal of aged industrial sites in Yarragon and Trafalgar and the redevelopment of dwellings in industrial zoned land for industrial purposes.

## 2.6 | Promote investment and economic activity in the Shire's industrial precincts according to the following framework.

<b>Drouin</b>	Manufacturing, trade and construction supplies and services, fabrication and engineering services, automotive services
<b>Warragul</b>	Trade and household supplies, wholesaling, fitness, recreation and hospitality uses, automotive services and supplies, fabrication and engineering
<b>Longwarry</b>	Regional heavy industry, food processing and manufacturing and regional logistics
<b>Trafalgar and Yarragon</b>	Agriculture supplies and machinery and local urban services
<b>Neerim South and Thorpdale</b>	Local trades and automotive services

## 2.7 | Develop the Baw Baw Shire Industrial Design Guidelines to ensure new industrial development facilitates environmentally sensitive subdivision and built form, water sensitive development responses and highly attractive and distinctive industrial areas.

## 2.8 | Ensure large industrial subdivisions support worker amenity through the provision of outdoor space and infrastructure such as BBQ areas and outdoor fitness equipment.

## 2.9 | Encourage the adaption of historic industrial built form for new commercial and industrial uses.

## 2.10 | Work with service authorities to ensure new development proposals are supported by the timely provision of enabling infrastructure including water, sewer and communications infrastructure.



### **Objective 3: Facilitate the development of new commercial floor space to support the needs of a growing population.**

Warragul's core function as a service, retail, administrative, education and hospitality hub for a growing population and tourist economy will be strengthened and enhanced.

The activation of Warragul town centre's major renewal sites and expansion areas will promote new economic capacity, update the township's infrastructure and ensure the township can serve the needs of a growing population, industry sectors and visitor economy. Population growth has already attracted significant investment in Warragul's hospitality, homemaker, supermarket and domestic construction sectors as is evident along Queen Street, which increasingly supports large format roadside retail uses.

The further activation of land to the immediate south of the Warragul train station will help secure ongoing investment in line with the Shire's growth outlook while solidifying the township's role as the Shire's core civic, retail and service node.

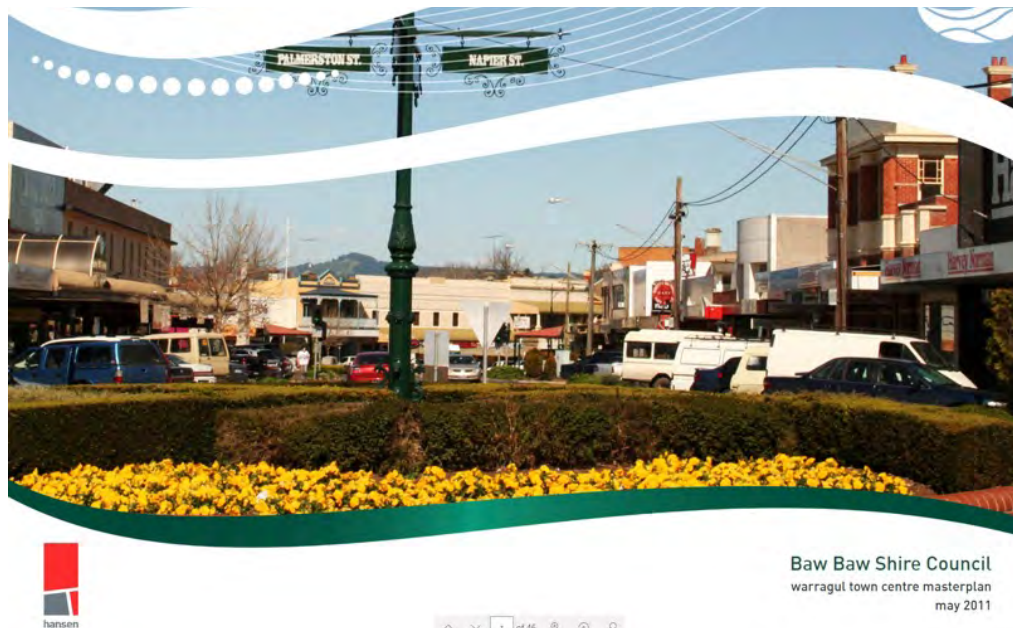
In Drouin, the renewal and expansion of existing floor space will help the township accommodate growing demand, while the formalisation of the Princes Way Neighbourhood Centre will ensure investment certainty and increased commercial capacity by providing the potential for an additional 5 hectares of commercial land capacity. Eventually, both Warragul and Drouin's capacity as retail and service centres will also expand via commercial development in its new growth area communities as defined by the 2014 PSPs.

Local townships will continue to strengthen their commercial cores as attractive destinations for local households and visitors.

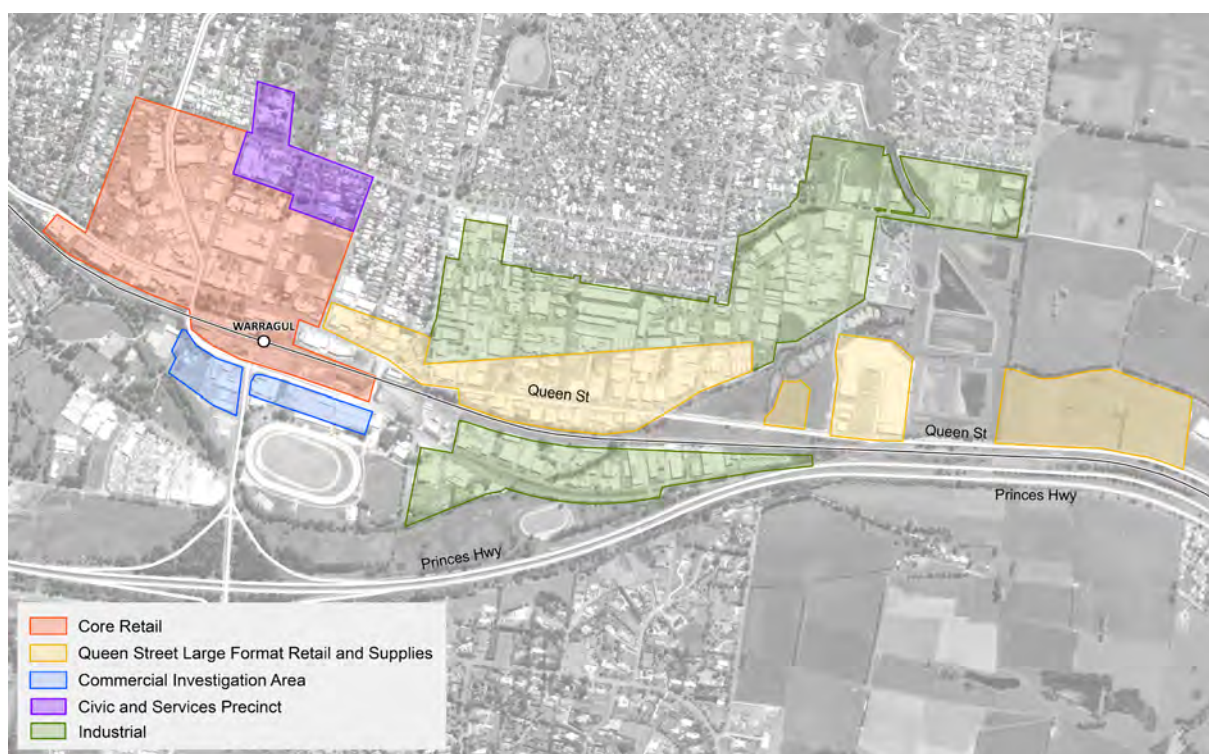


### 3.1 Warragul Town Centre

Number	Initiative
<b>3.1.1</b>	Ensure Warragul accommodates the retail and service needs of its growing community through the provision of new commercial floor space.
<b>3.1.2</b>	Ensure Warragul's future residential communities are supported by new commercial and retail facilities at Brooks Hill, Dollarburn, Spring Creek and Lillico as per the Warragul Precinct Structure Plan and that the delivery of new commercial facilities coincides with the delivery of residential development in these locations.
<b>3.1.3</b>	Refresh the Warragul Masterplan 2011 to reflect the emergence of the Queen Street large format retail precinct and new directions in relation to land immediately south of the Warragul Train Station along with the impact of the approval of the Warragul PSP in 2014 on the township's growth and the resulting escalation in retail and commercial demand.



Number	Initiative
<b>3.1.4</b>	<p>Strengthen Warragul's role as the Shire's primary retail and service centre by:</p> <ul style="list-style-type: none"> <li> <b>Core retail precinct:</b> Unlocking the commercial potential of the former dairy factory (121 Queen Street) by investigating options to encourage the site's renewal.         </li> <li> <b>Queen Street large format precinct:</b> Support the growth of large format retail and household and trade supply uses along Queen Street, Warragul by:           <ol style="list-style-type: none"> <li>applying the Commercial 2 Zone to the entirety of 219 Queen Street, Warragul and the southern portion of 66 Copeland Road, Warragul south of Hazel Creek.</li> <li>ensuring the new large format retail development along Queen Street addresses transport infrastructure requirements and drainage and flood risks.</li> </ol> </li> <li> <b>Civic and service precinct:</b> Encourage the development of commercial office and service uses along Mason, Palmerston and Albert Streets, Warragul by supporting the redevelopment of commercially zoned residential dwellings         </li> <li> <b>Southern precinct:</b> Activate land to the south of the Warragul Rail Station via the introduction of fine grain retail, hospitality and accommodation uses that respond to the location's proximity to open space and Logan Park. Investigate the appropriate land use zoning of this land.         </li> </ul>





## 3.2 Drouin

Number	Initiative
<b>3.2.1</b>	Ensure Drouin accommodates the retail and service needs of its growing community through the provision of new commercial floor space in existing and new communities.
<b>3.2.2</b>	Support the ongoing implementation of the <i>Drouin Township Plan 2020</i> including the renewal, intensification and redevelopment of the township's existing commercial land.
<b>3.2.3</b>	Formally acknowledge the role of the Princes Way Neighbourhood Centre (at the intersection of Princes Way and Wellwood Road, Drouin) and support its evolution by supporting the development of new commercial uses in this location and rezoning residential land between 305 and 319 Princes Way for commercial uses.



<b>3.2.4</b>	Ensure Drouin's future residential communities are supported by new commercial and retail facilities at Weebar and Wellwood as per the Drouin Precinct Structure Plan and that the delivery of new commercial facilities coincides with the delivery of residential development in these locations.
<b>3.2.5</b>	Investigate the future use and land use zoning of isolated industrial land along Main South Road and Lardner Road, Drouin in the context of expanding residential uses to the south of Drouin and the corresponding decline of traditional industrial uses in this area.

### 3.3 Yarragon

Number	Initiative
<b>3.3.1</b>	Support the ongoing implementation of the <i>draft Yarragon Township Plan 2022</i> including support for the expansion and diversification of retail and commercial uses within the town centre.
<b>3.3.2</b>	Support the redevelopment of underutilised commercial land within the Yarragon Town Centre.

### 3.4 Trafalgar

<b>3.4.1</b>	Support the ongoing implementation of the Trafalgar Urban Design Framework 2018 including support for the intensification of ground floor retail uses within the town centre.
<b>3.4.2</b>	Support the renewal of underutilised commercial land along Kitchener Street, Trafalgar.
<b>3.4.3</b>	Support the development of vacant industrial land within the township's east.

### 3.5 Neerim South

<b>3.5.1</b>	Strengthen Neerim South's role in the Shire's visitor economy and its role as the primary population centre in the Shire's north by ensuring an adequate provision of commercial floor space in the town centre.
<b>3.5.2</b>	Determine if vacant land to the rear of commercial land to the west of Main Neerim Road can be linked to Main Neerim Road as per the <i>Baw Baw Settlement Management Plan 2013</i> . If so, rezone this land for commercial purposes. If not, investigate new opportunities to expand the township's supply of commercial land.
<b>3.5.3</b>	Support the ongoing implementation of the <i>Neerim South Urban Design Framework 2018</i> including the expansion of commercial uses along Main Neerim Road.

### 3.6 Nilma

Number	Initiative
3.6.1	Support the orderly planning of the Nilma township by applying the Township Zone to 1 Bloomfield Road, Nilma, 455 and 365 Queen Street Nilma.

### 3.7 Other Settlements

3.7.1	Maintain existing commercial uses in Erica, Rawson, Willow Grove, Thorpdale, Walhalla and Noojee.
3.7.2	Review the role of commercial uses throughout the Shire in response to ongoing climate change and bushfire risk modelling.



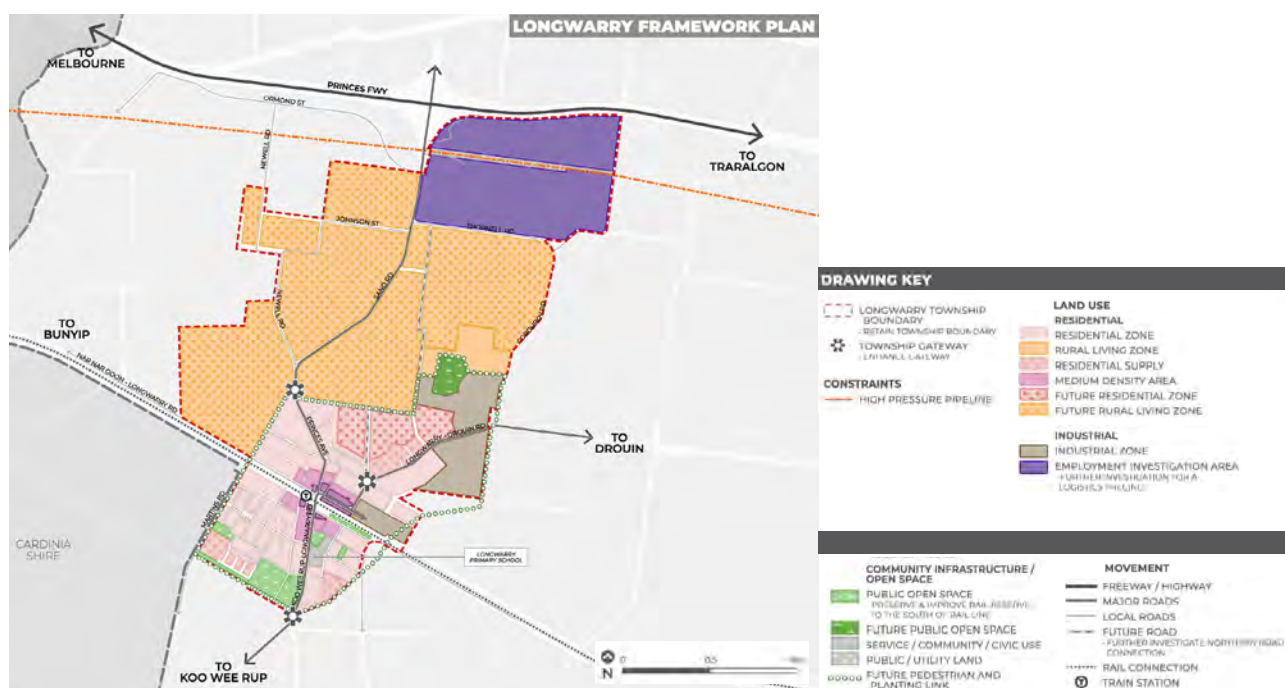
## Objective 4: Deliver the Longwarry Business Park as an inter-regional economic node.

The Longwarry Business Park will emerge as a regionally significant economic area integrating the economies of metropolitan Melbourne with the Latrobe Valley and broader Gippsland region. The precinct's 99.5 hectares of land will support major industrial uses that leverage Longwarry's accessibility to agricultural processing and sales, construction supplies and logistics uses.

The Longwarry Business Park will deliver a unique long term employment and economic opportunity that strengthens the Shire's peri-urban economy. In the first instance, the delivery of the business park will be supported by foundational infrastructure investigations and the elevation of market, institutional and government awareness of the Longwarry's unique opportunity.

Situated approximately 20 minutes by motor vehicle from Pakenham and approximately 45 minutes from central Dandenong, the business park will benefit from the area's:

- direct access and exposure to Princes Highway
- flat terrain
- large land parcels
- remoteness from residential uses
- direct proximity to metropolitan Melbourne and Gippsland
- regional tax benefits



**Figure 17:** Longwarry Business Park  
**Source:** Echelon (Longwarry Structure Plan)

Number	Initiative
4.1	Implement the Longwarry Structure Plan (Echelon) including the updated Longwarry township boundary.
4.2	Deliver a highly contemporary attractive industrial business park along the Princes Highway at Longwarry.
4.3	Investigate the transport, drainage and service infrastructure required to facilitate large format industrial development.
4.4	Commence the development of a Development Plan that addresses the drainage, transport and servicing requirements of the precinct in order to prepare the precinct for rezoning into the Industrial 1 Zone.
4.5	Ensure regional and state economic and land use policy recognises the unique economic role and advantages of the Longwarry Business Park.
4.6	Develop a long-term vision for the Longwarry Business Park and develop associated marketing material.
4.7	Encourage large format food processing, regional logistics and manufacturing uses to locate in Longwarry.
4.8	Monitor the take up of industrial land at Longwarry to identify, in the long term, whether the development of the business park may expand into buffer areas to the south of the proposed saleyards.

## **Objective 5: Develop a long-term vision for the Warragul Health and Services Precinct at the Princes Way, Princes Freeway junction.**

A future new major hospital facility in Warragul will encompass a range of multifaceted public and private services and uses. The Princes Freeway Princes Way junction sits at the epicentre of the Shire's current and future population growth which is projected to grow to 84,700 residents by 2041.

Growing service demand will be met by a new precinct that enables (a) local service and knowledge industries to expand in line with household growth and (b) ensures the Shire is nurturing the skills needed to deliver services locally, catalyse socio-economic development and draw in new private investment.

Local educational provision and attainment is pivotal in the contemporary economy. A new service and knowledge precinct will help foster the skills needed in the contemporary economy, which is increasingly reliant on knowledge, networks and the capacity to learn as individual economic drivers.

The new Warragul Hospital will ensure the quality and availability of local health infrastructure matches the needs of a growing community.

The delivery of new health infrastructure should be considered as a strategic opportunity to achieve a broader set of development objectives. At a minimum, the potential to deliver complimentary education, allied health and services uses should be explored, as well as accommodation and hospitality uses as part of the vision for any future precinct. Additionally, land at the epicentre of the Shire's growth at the junction of Princes Way and Princes Freeway, provides a unique opportunity to provide rail access to the precinct which might be part of a future City Deal.

*University campuses, hospitals, health precincts ..... those pieces of catalytic infrastructure can make a huge difference, and the value-add of other allied uses locating nearby, the attractiveness to businesses, the research that can go along with that and the jobs and services that can be provided—they are really multifaceted. ....there is spending on those pieces of infrastructure, whether it be a university or a health precinct or whatever it might be, there needs to be a more strategic approach to where those things are going to make the most difference.<sup>8</sup>*



Number	Initiative
<b>5.1</b>	Ensure the new Warragul Hospital anchors a broad land use vision that incorporates a diversity of health, administration, community, hospitality and accommodation services.
<b>5.2</b>	Work with government, the community, major health providers and stakeholder institutions to develop a coherent and agreed precinct vision.
<b>5.3</b>	Advocate for the new Warragul Hospital and associated precinct to be developed at the epicentre of the Shire's current and future population which is land at the Princes Way and Princes Freeway junction.
<b>5.4</b>	Advocate for the new Warragul hospital and precinct to be delivered in conjunction with a new train station that services the precinct and nearby Drouin and Warragul growth areas.
<b>5.4</b>	Explore the potential for the delivery of the precinct and station to be supported by a Federal City Deal.

## 5. Next Steps

The strategy will be resolved through a public consultation process. Following this the strategy will be implemented by a series of actions that encompass statutory implementation, further investigations to resolve land use options and issues.

Implementation will also include engagement with landholders, developers, institutional partners and government and strategic advocacy in relation to investment and recognition of the Shire's emerging importance in Gippsland's and Victoria's peri-urban economy.









The Draft Strategy will be available for public comment. During this period there will be a range of ways to provide comment on proposed strategic directions and design requirements.

## 5.1 Finalisation of the Strategy

Following the consultation period comments and feedback on the draft strategy will be collated, reviewed and considered in the finalisation of the strategy.

## 5.2 Implementation Plan

An Implementation Plan will be developed to ensure that Strategy's aspirations are progressed and ultimately realised.

The implementation plan will further detail pathways to delivering specific initiatives. This will include the steps required to implement initiatives including implementation responsibilities, priorities and requirements.

## 5.3 Council Adoption

The final version of the Economic Land Use Strategy 2023 will be issued to Council for formal adoption following public consultation.

## 5.4 Investigations

The strategy identifies a series of land use investigations to resolve land use options for individual sites and precincts. Investigations include:

- Determining whether land to the north of Yarragon's industrial precinct might be serviced by drainage to support industrial expansion and the potential cost of a future drainage scheme.
- Determining the preferred location for the new Warragul Hospital and broader precinct.
- Resolving whether land to the west of Main Neerim Road in Neerim South can be connected to the town's commercial area.
- Determining the appropriate zoning of land to the immediate south of Warragul Train Station in accordance with its long term use and development.
- Determining the future location and timing of new neighbourhood and local centres in Drouin and Warragul's growth areas.
- Investigating drainage, transport and other foundational infrastructure requirements as part of the delivery of the Longwarry Business Park.
- Investigating the long term economic role of industrial land at Main South Road Drouin.
- Resolving the environmental impact of expanding industrial uses to the south of Wills Street, Warragul.

## 5.5 Engagement and Advocacy

The strategy identifies a range of areas of engagement and advocacy:

- Working with the community, institutions, State and Federal government to explore a vision for the Warragul health and services precinct linked by new transport infrastructure.
- Advocating for the delivery of the Drouin and Warragul Bypass.
- Engaging with land owners and industrial developers to facilitate the development of Urban Growth Zoned industrial land in Warragul and Drouin.

## 5.6 Statutory Implementation

Statutory implementation entails incorporating key elements of the Strategy into the Baw Baw planning scheme. As such, once the final strategy is adopted by Council, a Planning Scheme Amendment will be prepared to implement specific elements of the Strategy into the Baw Baw Planning Scheme.

A Planning Scheme Amendment is likely to:

- Rezone the Longwarry Business Park to the industrial zone (following the resolution of infrastructure requirements) and apply a Development Plan Overlay.
- Rezone 305, 307, 309, 311 and 319 Princes Way Drouin for commercial purposes.
- Formally identify the Princes Way Neighbourhood Centre, Drouin in local policy.
- Apply the Commercial 2 Zone to all land at 219 Queen Street, Warragul and the southern portion of 66 Copeland Road, Drouin (south of Hazel Creek).
- Update the Shire's economic land use policy at Clause 17 of the Baw Baw Planning Scheme to reflect the commercial and industrial hierarchy detailed in the strategy and to acknowledge a range of reforms to Warragul town centre direction.
- Rezone land in the Farming Zone in Nilma to the Township Zone.

Any changes to the scheme will undergo an additional phase of consultation through a planning scheme amendment process.