WHAT WE HAVE HEARD REPORT
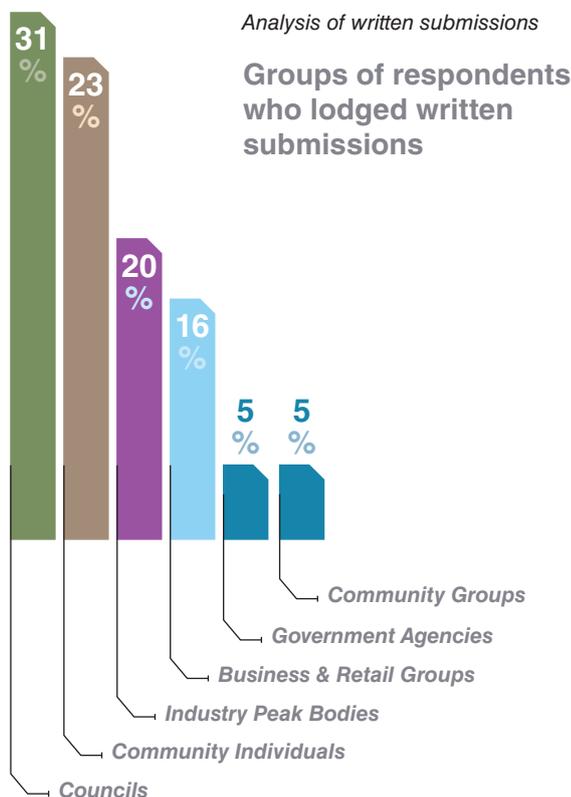## PRODUCTIVE ECONOMY

Credit: SA Tourism Commission

Introduction

The Productive Economy Policy Discussion Paper is one of a series of policy discussion papers designed to stimulate thought on the policy direction for land use in the Planning and Design Code (the Code).

Engagement was undertaken on this paper between 28 November 2018 and 22 February 2019 and was supported by a "YourSAy" site which provided further opportunity for respondents to provide their feedback on the key issues raised in the paper. 64 written submissions were received during the consultation period.

This report summarises the written responses received by the State Planning Commission from numerous stakeholders, including local councils, industry professionals, the community and other key stakeholders. The engagement will be used to inform the State Planning Commission's preparation of the Code.

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31% Councils

23% Community Individuals

20% Industry Peak Bodies

16% Business & Retail Groups

5% Government Agencies

5% Community Groups

Analysis of written submissions

Groups of respondents who lodged written submissions

Theme 1: Supporting and growing key industries

1.1 Primary Industries

A large number of responses to this section of the paper reflected the longstanding and ongoing importance of the primary industry sector to the South Australian economy.

The largest number of responses called for a broader policy review of minimum allotment sizes and land division, including in relation to boundary realignments for land outside of township boundaries. Respondents also called for a broad based review of buffer distances based on industry type, location and conflict potential, although most supported 40 metres as a base. Many respondents also acknowledged the need for continued protections from incompatible development for broadacre farming, warning that further fragmentation and

encroachment is likely to result in reduced operational viability for smaller landholdings in particular.

Some respondents called for a greater accommodation for value-adding and job creation opportunities, in particular through improved responsiveness to emerging technology and market opportunities through the Code.

There was also some support received for:

- a land use definitions review

- continued efforts to contain the urban footprint

- a carefully-informed review of separate titling for old or unused farm houses

- a carefully-informed approach to the review and transition of policy for horticulture, intensive animal keeping and land use interface management.

Responses indicated support for a review of interface policy to use the EPA Interface position statement and PIRSA Buffers Working Group report 2017 as policy baselines for this work.

A small number of responses indicated support for ongoing allowances for rural-related dwellings in food production areas, the review of the storage, transport and logistics needs of farms and for the review of on-land aquaculture policy.

1.2 Tourism

Responses to this section mostly aligned to policy issues related to tourist accommodation, particularly short term accommodation. Responses offered broad support for the provision of a wide range of tourist accommodation which complements rather than inhibits surrounding land uses.

Most respondents considered it especially important for ancillary tourist accommodation uses on primary production land or in residential areas to be guided by policy designed to minimise impacts wherever possible. This feedback included a particular focus on the careful minimisation and management of impacts on sensitive environments such as environmental impacts.

A significant number of responses also called for a review of signage and wayfinding policy, with many considering it especially important for signage and advertising development policy to facilitate local

Credit: Department of Planning, Transport and Infrastructure

navigation, or to advertise regionally-specific services or products. Most were in support of these restrictions to ensure that the unnecessary proliferation of advertising signage is minimised.

Some respondents also called for the unique history and character of South Australian towns and suburbs to be better recognised and supported as tourism offerings, and for tourism policy which better reflects the unique context of place (i.e. city, township, rural, remote).

1.3 Mining and exploration

In response to this section, strong feedback was received reinforcing the importance of buffer zones, separation distances and design treatments to manage the impacts of mining activities on nearby land uses. Some submissions urged that the State Planning Commission avoid a blanket approach to implementing separation distances as it may compromise the emergence of complementary industries.

Feedback was split among respondents with regard to the protection of strategic mineral resources, with some urging the protection of such resources and surrounding areas to the exclusion of other land uses, and others arguing for greater land use flexibility in the vicinity of identified resources until such time as mining operations commence.

Many submissions called for natural resources such as water, forests and coastlines to be afforded the same level of protection as strategic mineral resources, particularly in more environmentally sensitive areas of the state or those prone to the impacts of climate change, where respondents argued that conservation should be prioritised over the exploitation of an identified strategic mineral resource.

Support was also received for the refinement and transition of SAPPL Mineral Extraction Zone to the Planning and Design Code, with careful consideration encouraged to successfully manage any interactions between the Code and with activities administered under the *Mining Act 1971*.

Finally, some submissions called for policy to be developed to ensure that environmental commitments are delivered and to promote the importance of site remediation work or adaptive reuse following the decommissioning of mine sites.

Policy Conversation Area – Metropolitan growth management

Feedback to this conversation area and discussion question highlighted the important role regional cities and townships are willing to play in supporting South Australia's projected population growth in a sustainable way.

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Credit: Adelaide City Council

Respondents also called for the implementation of a more strategic, coordinated approach to the identification of growth areas and the management of land releases, including the improved facilitation and delivery of infrastructure in alignment with local government and developers. Most responses called for this process to be led at state level in partnership with local government (and perhaps trialled in current growth areas) in an approach which acknowledges the importance of early community and infrastructure provider engagement.

There were also calls for the important role social infrastructure plays in a productive economy to be more widely acknowledged in the planning for new growth areas.

Theme 2: Linking people to jobs, goods and services

2.1 Centres, retail and mixed use activities

This section received the most significant number of responses during the consultation period.

Submissions regarding the retention of the present 'centres hierarchy' approach to retail and centres planning policy were split. Groups representing established retail interests in South Australia strongly advocated for the retention of the hierarchy to support jobs, ongoing investment in refurbishment programs, legibility of service centres and public transport servicing those hubs. Groups representing emerging retail and commercial interests in South Australia (including recent market entrants) broadly supported a review of the centres policy framework to allow for a greater flexibility of land uses in centres, increased policy responsiveness to new or emerging retail formats and a review of floor plate caps and car parking policies.

A substantial number of responses also supported a greater degree of policy support in the Code for mixed use developments in centre zones, particularly those incorporating a residential component ancillary to active retail street frontages. A smaller number of responses were opposed to increased allowances for residential development within centres.

Some submissions argued against out-of-centre development for large format retail, due to concerns that those uses may compete with the retail offerings of higher-order (large) centres and that it may result in impacts to nearby light industry/employment zones. A small number of submissions suggested the inclusion of a separate Bulky Goods Zone within the Code and retail hierarchy, requesting further consideration and policy guidance be given to assess the potential impacts of large-format retailing on centre zones.

Submissions were split on whether policy should provide support for 'transition' areas at the edges of centre zones, some respondents arguing for greater flexibility while others strongly supported clearly defined boundaries. It was also argued by some that smaller-scale business and community uses should be allowed in areas outside of centres, provided they do not result in unhealthy competition with the traditional main street.

Some regional interest groups advocated for a more flexible approach to the conversion of vacant retail premises to residential in an effort to promote activity and investment on underutilised main streets.

Respondents also raised the issue of the impacts caused by retail development on federally-owned land, such as airports. This included a call for greater policy recognition of the impacts of these developments on the centres hierarchy and retail policy framework in the Code.

2.2 Employment lands (industry, manufacturing and commercial)

There was a broad expression of support among respondents for a wider range of land uses and building forms to be supported in core employment zones, guided by appropriate performance criteria to ensure that operating impacts are managed and land use conflicts are minimised at the interface with other zones and uses. This was considered particularly important for employment and industry zones in outer metropolitan

and regional areas, as they often exist in close proximity to residential and other sensitive uses.

Broad support was received for a review of industry and employment land supplies to ensure an adequate forward land supply program and to minimise potential future encroachment by more sensitive uses such as residential. Most respondents also supported a review of land use definitions to reflect changes in technology, markets and business practices.

Some industry groups called for greater policy protections for state significant industry clusters from incompatible development, with a broader, more flexible approach for certain employment zones to be considered in this context.

Other submissions urged caution on the implementation of a more flexible policy approach, noting that a significant rise in mixed use type developments in employment zones could jeopardise or curtail growth opportunities for more traditional or established industries.

Policy encouraging the provision of improved public transport services and connectivity for employment lands was also considered important by some respondents.

2.3 Home-based businesses

There was an acute awareness expressed among respondents to this section of the global factors influencing shifts in working behaviours, which are influencing a continued rise in the prevalence of home-based businesses. Online trading, the growth of the sharing economy, emergence of co-working spaces, accommodation and car sharing were all identified as having the potential to influence future planning policy settings.

Most respondents expressed support for the ongoing facilitation of home-based business land uses in the Code, as well as a review of definitions for 'home business', 'home industry' and 'home activity' to ensure they remain contemporary.

Some respondents advocated for the Code to contain policy that better considers 'mobile' or temporary businesses that are not fixed to a particular site (pop up shops, food trucks, dog washes, events, etc).

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It was also suggested that the Code should allow for greater floor area caps for home activities, businesses or industries in rural areas where appropriate.

Policy Conversation Area – Centres policy and retail investment

Feedback to the issues raised in this conversation area correlated strongly with those of section *2.1 Centres, retail and mixed use activities.* Most feedback advocated for the transition, update and consolidation of the existing contemporary retailing, activity centre and regional centre zone policies to the Code where possible.

In response to the discussion questions, respondents called for the completion of a comprehensive research paper to examine retail demand-related land supply issues in existing centres, which could help determine whether existing centres should be expanded, new centres created or new centre typologies created.

Some respondents also advocated for a greater level of access for councils, the community and individuals in making economic land use policy decisions.

Theme 3: Providing infrastructure to enhance our liveability

3.1 Renewable energy

A significant number of submissions were received in support of updating policy to guide the assessment of renewable energy projects. This includes having accurate land use definitions to keep up with technological advancements and encouraging the Code to incorporate energy efficiency policies into new developments and homes. The development of shared local renewable energy systems was also encouraged to reduce network and consumption costs of electricity.

The submissions also highlighted that renewable energy proposals should not receive special treatment and issues such as their visual and environmental impact should be strongly taken into consideration. Respondents also considered that the location of renewable energy projects was an important factor, and where possible such facilities should not be sited on land that is of high agricultural importance.

A number of respondents also expressed concern with the policy framework involving wind farms. Most submissions on the subject requested updated policy guidance for such facilities that accurately addresses issues such as noise (low frequency and infrasound), size (site, turbine footprint, height) and separation distances from residential properties.

3.2 Adaptive Reuse

A large number of comments were received in support of improved policy for the adaptive reuse of buildings and unused farm houses, particularly when it involved the reuse or retention of a heritage place. There was also strong support for more flexible zoning and policy to ensure that the adaptive reuse of buildings and value-adding activities are reinforced in the Code.

A number of concerns were raised in regards to the separate titling of residential dwellings on farms, as this potentially could create land use interface issues and impact upon the viability of the remaining balance of the subject land parcel.
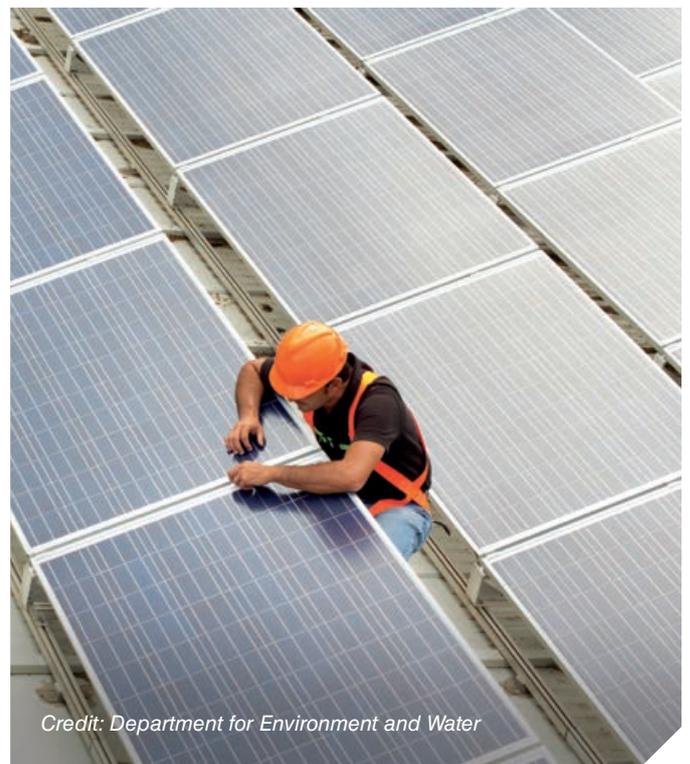
Credit: Department for Environment and Water

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Credit: Paul White

3.3 Infrastructure

A key issue raised in the submissions was how to best ensure that infrastructure and transport options are strategically planned to align with projected demand/growth. This would require public transport related planning policy to be reviewed frequently to ensure that it meets the changing needs of the community.

Respondents also suggested that a greater focus is required on the facilitation of infrastructure to grow the economy. It was proposed by some that this may be achieved through strengthening public and private partnerships to improve the coordination and growth of infrastructure in South Australia.

Several submissions also highlighted that digital infrastructure should be recognised and designated as 'key infrastructure' in the Planning and Design Code. Digital Infrastructure includes services such as Mobile Telecommunications and Broadband (Gigabit – City of Adelaide). This requires planning policy and land use definitions to be flexible enough to accommodate new innovations and encourage the expansion and support of green infrastructure.

Policy Conversation Area
– Economic and industrial land utilisation / emerging industries

How do we ensure that the new system helps to facilitate economic activity and provide adequate employment lands for current and emerging businesses and industries?

Some submissions considered that planning could help facilitate economic activity by using performance-based assessment as a tool to encourage and facilitate new and emerging businesses. Proposals would therefore be assessed on their merit, and this would encourage new developments to thrive while ensuring that any external impacts are mitigated.

It was also considered that a performance-based policy framework would allow planners to balance the pursuit of new/emerging industries against the protection of the interests of established industries.

How could Offset Schemes be used?

Submissions suggested that Offset Schemes should be used to mitigate the impacts of certain development proposals featuring shortfalls in certain performance

requirements (i.e. private open space provision). This is normally achieved through a planning contribution that counterbalances the shortfall on the site. The planning contribution could be financial (to a formalised fund) or non-financial (community facilities), however must be necessary and relevant to the shortfall.

Some submissions considered that the success of Offset Schemes is highly dependent on the location and relevance of the contribution. It is required to be of immediate benefit to the occupants/community and in the case of an offsite contribution, located near to the site. Furthermore the timing of the contribution is equally of importance, and should be in place when the shortfall arises.

Existing Offset Schemes in the PDI Act (i.e. open space, car parking, and community facilities) were broadly considered to be appropriate uses.

Theme 4: Facilitating innovation and enabling investment

4.1 Collaboration and clustering

Policies that promote industry clustering and innovation precincts were highly supported by respondents. However it is noted that these areas should be in accessible locations and equip with sufficient infrastructure to ensure they are given the best chance of succeeding. The submissions also encouraged the relaxation of policies and review of land use definitions to ensure new activities are supported.

Residential development was supported in mixed use and innovation areas, however this should be restricted at ground floor level. This would ensure that the primary purpose of the zone is protected and streets are activated. Some respondents also suggested imposing a 'cap' on the quantum of residential development to ensure that it would not monopolise the offering in these zones.

Reduced car parking requirements and shared facilities were also encouraged to promote the use of public transport and to free up space for more innovative uses.

4.2 e-Commerce and the sharing economy

The e-commerce and sharing economy will have a major impact on the planning system. The submission comments agreed that the Code will need to allow adequate flexibility to adapt to market trends, while still control and manage external impacts. For example it was mentioned that the land use definitions should be updated and reviewed to include 'data centres'. The e-commerce and the sharing economy will have the largest impact on the retail sector, business operations, manufacture industry and transport.

A significant number of comments raised the importance of providing a new definition for 'short term accommodation'. They also raised the importance of clarifying when short term accommodation constituted as a change of use from residential (e.g. residential homes operating as an Airbnb).

Notwithstanding the above, the planning system should not be solely responsible to manage new industries such as (Airbnb and Uber) and other regulatory processes should take greater accountability to monitor and manage these new businesses. Therefore, it is recommended that the Code should focus on the implications/effects of the activity rather than the activity itself.

Next steps

Submissions and responses received by the State Planning Commission during the consultation period are currently being used to inform the policy directions of the Planning and Design Code library.

The feedback received will also help prioritise future work and investigations for subsequent generations of the Code.