

TASMANIAN PLANNING COMMISSION



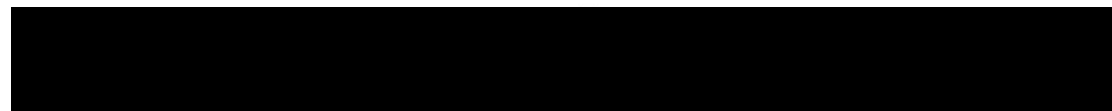
DECISION

Planning scheme	Tasmanian Planning Scheme – Launceston
Amendment	PSA-LLP0011 - insert a new site specific qualification to allow the General Retail and Hire Use Class as Discretionary with the qualification ‘a supermarket up to 1,000m ² in size’ in the Light Industrial Zone at 10 Dolerite Drive, Kings Meadows.
Permit	DA124-2023 – provides for a supermarket
Planning authority	Launceston City Council
Applicant	6ty Pty Ltd for Connector Properties Pty Ltd
Date of decision	25 June 2026

Decision

Under section 40N(1)(c)(i) of the *Land Use Planning and Approvals Act 1993*, the draft amendment is rejected and the planning authority is directed to submit a substitute draft amendment to the Commission.

The permit is refused under section 42B(1)(d) of the *Land Use Planning and Approvals Act 1993*.



Roger Howlett
Delegate (Chair)

Kevin Hazell
Delegate

Ross Lovell
Delegate

Tasmanian Planning Commission Act 1997

Erratum under section 18A(1)

**Decision on Tasmanian Planning Scheme - Launceston
Draft amendment PSA-LLP0021 and associated permit DA0140-2024,
25 June 2026**

Table 1 - list of corrections to decision

Page	Paragraph	Correction	Approved
1	Date of decision	Change the Date of decision from 25 July 2026 to 25 June 2026.	John Ramsay Executive Commissioner 8 July 2026

REASONS FOR DECISION

Background

Amendment

The draft amendment proposes to insert a site-specific qualification to allow the General Retail and Hire Use Class as Discretionary with the qualification 'a supermarket up to 1,000m² in size' in the Light Industrial Zone at 10 Dolerite Drive, Kings Meadows.

Permit

The permit provides for supermarket of 1,000m² and associated signage.

Site information

The site is located at 10 Dolerite Drive, Kings Meadows (folio of the Register 181165/1), occupying a land area of 4,416m². The site is located at the Connector Park, which comprises 30 industrial lots. The area is zoned Light Industrial and Landslip Hazard (low hazard band), Bushfire-prone Hazard Areas, and Airport Obstacle Limitation Area overlays apply to the site. The site is vacant and contains no vegetation. The site is partially covered by the Southern Gateway Specific Area Plan to the west.

The Connector Park is surrounded by two major transport networks of the Midland Highway to the west and the Kings Meadows Link to the south.

The site is accessed via Dolerite Drive with approximately 73m frontage to Dolerite Drive. The adjoining land to the north and south of the industrial estate is zoned General Residential and Low-Density Residential. The site has established connections to reticulated water, sewer and stormwater infrastructure.

Issues raised in representations

Three representations were received during the exhibition period. The representors raised the following issues:

- compliance with the Northern Tasmania Regional Land Use Strategy
- compliance with the Launceston City Council Corporate Strategic Plan 2014-2024
- compatibility with the purpose of the Light Industrial Zone
- lack of demonstrated demand for a supermarket
- impact on retail hierarchy
- removal of industrial land
- impacts on traffic, and
- suitability of the area for walking and cycling.

The draft amendment was referred to TasWater under sections 56S and 56O of the *Water and Sewerage Industry Act 2008*.

In response, TasWater advised they had no objection to the draft amendment and provided a submission to the planning authority notice (SPAN), providing conditions to be included with any permit.

The Traffic Impact Assessment (TIA) provided by the applicant was referred to the Department of State Growth (DSG).

Planning authority's response to the representations

The planning authority considered the representations and resolved to amend the draft amendment instrument to insert the words 'gross floor area'. Furthermore, the planning authority recommended to amend the permit to require amended plans to be submitted.

The planning authority recommended that the Commission approve the combined amendment and permit in accordance with the recommended changes to the permit and instrument.

Date and place of hearing

The hearing was held at the Converge meeting room, Verge Hotel, at 50 Tamar Street, Launceston on 14-15 December 2025.

Appearances at the hearing

Planning authority:	Ms Jennifer Welch, Coordinator Planning Assessments, Launceston City Council Mr Marc Edwards, Special Council for Launceston City Council, Page Seager Lawyers Ms Emma Keller, Principal Consultant - Property Economics & Analytics, Collier
Applicant:	Ms Jennifer O'Farrell, Barrister, McLean McKenzie and Topfer for Connector Property Pt Ltd Mr Alexander McKenzie, Solicitor, McLean McKenzie and Topfer for Connector Property Pt Ltd Mr George Walker, Town Planner, 6ty°for Connector Property Pt Ltd Mr Kurt Ainsaar, Executive Director, Urban Enterprise for Connector Property Pt Ltd Ms Debbie Pintarich, Connector Pty Ltd Mr Richard Burk, Director, Traffic and Civil Services Pty Ltd Mr David Baxter, Director, DRB Retail Oty Ltd t/a Baxter's IGA
Representors:	Ms Catherine Scott, Barrister, Derwent & Tamar Chambers for Michael French Ms Mea Quartararo, Lawyer, Abetz Curtis for Michael French Michael French Sarah French

Mr Mark Petrusma, Senior Associate, Ratio for Michael French

Ms Michelle Schleiger, Town Planner, Woolcott Land Services for Michael French

Mr Ian Churchill, Manager, Economics and Retail Macroplan for Michael French

Site Visit

A site visit was undertaken prior to the hearings.

Consideration of the draft amendment

Statutory Requirements

1. Under section 40M of the *Land Use Planning and Approvals Act 1993* (the Act), the Commission is required to consider the draft amendment to the Tasmanian Planning Scheme - Launceston (LPS) and the representations, statements and recommendations contained in the planning authority's section 40K report, any information obtained at a hearing, and any technical matters.
2. A hearing was convened to assist the Commission consider the issues in the representations.
3. The Commission must also consider whether the draft amendment meets the LPS criteria as set out under section 34(2) of the Act:
 - (a) contains all the provisions that the SPPs specify must be contained in an LPS; and
 - (b) is in accordance with section 32; and
 - (c) furthers the objectives set out in Schedule 1; and
 - (d) is consistent with each State policy; and
 - (da) satisfies the relevant criteria in relation to the TPPs; and
 - (e) as far as practicable, is consistent with the regional land use strategy, if any, for the regional area in which is situated the land to which the relevant planning instrument relates; and
 - (f) has regard to the strategic plan, prepared under section 66 of the *Local Government Act 1993*, that applies in relation to the land to which the relevant planning instrument relates; and
 - (g) as far as practicable, is consistent with and co-ordinated with any LPSs that apply to municipal areas that are adjacent to the municipal area to which the relevant planning instrument relates; and
 - (h) has regard to the safety requirements set out in the standards prescribed under the *Gas Safety Act 2019*.

Section 32(4)

4. If a site-specific qualification is proposed in a draft amendment, the Commission must also consider whether the proposal meets the criteria of section 32(4) of the Act. A LPS may only include a site-specific qualification (SSQ) if:
 - (a) a use or development to which the provision relates is of significant social, economic or environmental benefit to the State, a region or a municipal area; or
 - (b) the area of land has particular environmental, economic, social or spatial qualities that require provisions, that are unique to the area of land, to apply to the land in substitution for, or in addition to, or modification of, the provisions of the SPPs.
5. The planning authority and the applicant considered that the draft amendment met the test under section 32(4) (b).
6. Abetz Curtis Lawyers and Advisers for Mike French, (the representor) dated 26 March 2026, submitted that the site-specific qualification is not justified by 'unique spatial qualities'. The representor noted that the site is uniquely suited for industrial use, and the draft is driven by operator demand, not planning merit.
7. The representor submitted:

The site is clearly suitable for a number of uses. I reiterate that the site has spatial qualities that are particularly suited to industrial (or for Bulky Goods Sales) use and development, making the industrial land zoning appropriate for this site without any modification. By contrast, there is nothing about the site that is uniquely or particularly suited to the provision of a convenience supermarket aside from the default position of being vacant.
8. The planning authority, in their final submission, submitted that the site has "unique spatial qualities" due to its location between the Connector Park industrial estate, residential areas and major transport networks. The site is positioned at the edge of an industrial estate, reducing the likelihood of land use conflict and can be easily accessed from multiple directions.
9. However, the planning authority acknowledges that there are 3 nearby vacant lots with similar qualities, noting that:

the site's size, shape, access, and position relative to the Kings Meadows Connector and in the Connector Park Estate itself are sufficiently unique as to distinguish it from these other parcels.
10. McLean McKenzie and Topfer Barristers and Solicitors for Connector Property Pty (the applicant), in their final submission, stated:

The verb 'require' can have a range of meanings. It is defined as including:

 1. to have need of, depend upon; want

2. to impose as a necessity; make necessary: this work requires precision.
 3. to make formal request (for); to insist upon
 4. to call upon or oblige (a person) authoritatively; order or command: to require someone to account for his actions.
11. Subsequently, the applicant noted the land does not necessarily 'require' qualities; it can also be considered 'having a need of', and s 32(4)(b) should not be interpreted literally, as land cannot strictly "require" provisions in an absolute sense. Instead, the provision should be understood in context and in line with the purpose of the Act. It is intended to act as a practical constraint, not a disguised prohibition. The applicant found that the appropriate test is whether the land is "in need of" site-specific provisions to achieve a sound planning outcome, rather than requiring it strictly.
12. Abetz Curtis Lawyers and Advisors for Michael French (the representor) in their final submission, dated 22 May 2026, noted that the proponent and the planning authority have not met the requirements of section 32(4)(b) of the Act and no justification was provided for departing from the state planning provisions (SPPs).
13. Specifically, the representor submitted:
 - The justification against the test under section 32(4)(b) only relies on the site being a good commercial location for a supermarket, not on any deficiency in the existing planning framework, which is otherwise suitable and allows development.
 - The parties did not identify any unique qualities. The land has the same characteristics as the surrounding industrial land and does not require special provisions. There is also no evidence that the site is the only or last suitable site for a supermarket.
 - Location does not justify change: The site's "spatial qualities", meaning its location, support its current industrial zoning rather than a departure from it.
 - The proposed pedestrian pathway is unsafe and inaccessible, meaning the site relies on car access. Therefore, proximity to the pathway is not a relevant planning consideration with respect to the proposed SSQ.
14. The representor concluded that the statutory test requires that specific characteristics of the land necessitate unique provisions, not merely support a preferred outcome. There is no evidence exploring why a standard rezoning, such as a Local Business Zone, could not accommodate the proposed use.

Commission consideration

15. In relation to the test under section 32(4)(b) of the Act, the Commission finds that the particular qualities described by the applicant and the planning authority are common to other areas of land in the locality and industrial settings in general. The site's particular qualities related to its accessibility, co-location benefits, and active transport access do not require the additional or substituted provisions proposed. The Launceston municipal area includes

multiple sites and areas that are characterised by interfaces between residential and industrial uses that are accessible via the major road network.

16. The Commission agrees with the representor that the justification for the site against section 32(4)(b) test relies on the assumption that the site is suitable for commercial use, not the unique spatial qualities of the land itself. The commercial locational benefits do not equal the special qualities of the land. The site is a serviced corner lot, located within an industrial complex adjacent to the major road network. These qualities are not particular environmental, economic, social or spatial qualities that require special provisions to achieve the strategic planning outcome. In relation to the site having particular qualities related to its role within the retail hierarchy, the Commission considers that these qualities do not require the additional or substituted provisions proposed.
17. The Commission considers that the SSQ does not meet the requirements under section 32(4)(b) of the Act.

Regional land use strategy

18. The relevant regional strategy is the Northern Tasmania Regional Land Use Strategy (regional strategy). The planning authority and the applicant considered that the draft amendment is consistent with the regional strategy. In its report supporting the draft amendment, the planning authority noted that the site is located within a Supporting Consolidation Area.
19. The planning authority stated:

The site is separated from Priority Consolidation Areas and is uniquely located to support reliable and effective access, whilst allowing a reduction in vehicle dependency. The amendment will allow a new type of service for a cohesive community and does not detract or compromise the existing activity centre hierarchy.
20. With respect to the regional infrastructure network policies, the applicant noted that the proposal improves active transport connectivity via footpath and shared path connections. The site is fully serviced with water, sewer, stormwater and road access. Its co-location within the employment and visitor node and next to residential areas will have the potential to reduce dependence on private vehicle travel.
21. With regard to the industrial land policies, the planning authority noted that the draft amendment would not change the industrial zoning of the site and would allow for use that does not significantly impact the existing industrial land supply within the region or municipal area.
22. The planning authority concluded:

The SSQ will allow a use to occur that is currently prohibited, noting however that its spatial qualities and economic return place the site in prime position for a supermarket use to operate.

The Connector Park Estate still contains vacant sites with opportunity for industrial use to occur. There will be no land use conflicts with the proposed supermarket occurring within close

proximity to existing or future industrial uses. The Connector Estate also contains multiple properties where future subdivision is possible, allowing further land to be available for future industrial uses. It is considered that the site is better suited for a supermarket use based on spatial and economic qualities, noting the reduction of this lot for industrial purposes is appropriate.

23. In relation to the Social Infrastructure and Community policies, the applicant also noted that the proposed amendment is anticipated to enhance community cohesion and social engagement within the industrial precinct and adjoining residential estates by introducing a retail component designed to serve as a central point of congregation, thereby fostering both passive and implicit forms of communal interaction.

Commission consideration

24. The Commission is persuaded by the evidence provided by the planning authority and the applicant. The Commission finds that the draft amendment would not compromise industrial land supply at the municipal level and is located in an urban area connected to the serviced municipal network, consistent with policies regarding industrial and regional infrastructure networks.
25. The Commission finds that the draft amendment is, as far as practicable, consistent with the above regional policies.

Retail hierarchy and economic demand

26. With respect to the policies regarding regional activity centres, the planning authority considered that the draft amendment aligns with the relevant policies regarding activity centres and provides for economic demand.
27. In their further submission, dated 1 December 2025, the planning authority noted that the area has experienced significant population growth within the primary catchment, which includes land within a 1km radius of the site.
28. Figure 1 below shows the residential infill development within the primary catchment.



Figure 2: Aerial Imagery 2014 (source: City of Launceston)



Figure 3: Aerial Imagery 2024 (source: City of Launceston)

Figure 1. Residential infill development in Kings Meadows from 2014 to 2024

29. The planning authority submitted that the residential approvals for the primary catchment are as follows:
- Connector Park: 17 lot subdivision, approved 1999.
 - Oakden Park: 216 lot subdivision, approved 2019.
 - Mount Pleasant: 80 lot subdivision, approved 2009.
 - Sienna Place: 53 lot subdivision, approved 2016.
 - Dundas Street: 16 lot subdivision, approved 2019
30. The applicant considered the draft amendment against the regional strategy's Key Activity Centre Network Strategies. The applicant submitted that the use and development facilitated by the draft amendment will support and complement the established network of integrated activity centres within Launceston. The site is strategically positioned to service a defined primary catchment, encompassing the Connector Park Industrial Precinct, the Mount

Pleasant residential estate, and the recently developed Oakden Park residential estate.

31. The applicant noted that the request will provide a convenient and accessible service to the surrounding population and the workforce employed in the Connector Park. Accordingly, the proposal makes a positive contribution to the distribution of retail services and reinforces the overall activity centre hierarchy.
32. Figure 2 below illustrates the projected primary catchment and surrounding activity centres in the area.



Figure 2 Primary catchment and activity centres

33. The applicant noted the request is 'out-centre development' as the site is in an industrial area, not within a designated activity centre. The applicant submitted that the draft amendment will not compromise the activity centre hierarchy because it will not alter or reclassify the site within, disrupt the order of, or otherwise undermine the purpose of the established activity centre hierarchy under the regional strategy.
34. The applicant provided a Retail Assessment (the retail assessment), prepared by Urban Enterprise, dated February 2022, outlining that the retail use would generate approximately 8-12 more jobs compared to industrial uses.
35. The Retail Assessment concluded:

Based on the analysis detailed in this report, the proposed small supermarket (979sqm) at the subject site could be supported within the catchment without viably impacting existing supermarket traders within the sub-regional catchment; for the following reasons:

- There are currently no supermarkets or convenience retailers operating within the subject site's primary catchment.
 - The scale of floorspace and type of retail goods that would be offered would not directly compete with the major supermarkets located in Kings Meadows, which would remain the highest order centre.
 - The total catchment's population is currently of a scale that could support another small supermarket in this location – with further growth projected in-line with the ongoing development of adjacent residential estates.
 - Beyond residents in the primary catchment, much of the proposal's trade is anticipated to originate from outside of the primary catchment, including transient workers and visitors to the Connector Business Park, as well as passing travellers using Kings Meadows Link.
36. Conmoto Group, in their further submission for Mr French, dated 2 December 2025, referred to the E.3 Regional Activity Centre Network Policies and the E3.1 Strategic Context. Conmoto Group submitted that Connector Park supports businesses requiring industrial zoning, including bulky goods retail.
37. The Conmoto Group concluded that:
- The Greater Launceston Plan (GLP) establishes a clear hierarchy of activity centres.
 - In GLP Connector Park is identified as a bulky goods precinct, not an activity centre.
 - The subject site is zoned industrial, intended to support employment-generating uses outside the Launceston Principal Activity Centre (PAC).
 - Retail use would displace opportunities for industrial development and associated employment within an established employment catchment.
 - Proximity to residential areas benefits industrial uses as much as retail uses.
 - Existing activity centres nearby (Kings Meadows MAC and Youngtown) have strong transport connections; and
 - Connector Park lacks public transport and pedestrian infrastructure.
38. Abezt Curtis Lawyers & Advisers for Michael French provided a Retail Needs & Economic Impact Assessment (Macroplan report), prepared by Macroplan, on 10 March 2026. The Macroplan report submitted that the policy RAC-P9 is the key driving regional policy in this instance.
39. The RAC- P9 states:

Discourage 'out-of-centre' development and provide for new development that supports the Regional Activity Centres Network and the integrated transport system.

Development applications that are 'out of centre' will only be considered if all of the following criteria are adequately addressed:

- Community need;
- No adverse impact on existing activity centres; and
- Synergy with existing employment hubs (i.e. health, education, research).

Overall, community benefit must be demonstrated through a social and economic impact assessment to reflect the strategic directions and policies of the RLUS.

40. The Macroplan report noted that the main trade area has a very low residential growth forecast of 0.4% to 2041, meaning that future retail demand growth is limited. The Macroplan report outlined that the main trade contains approximately 12,730m² of Food, Liquor & Groceries (FLG) floorspace, including Coles and Woolworths, IGA Everyday Youngtown, Meadow Mews Plaza and multiple speciality food retailers. The Macroplan report indicates that resident demand for FLG floorspace is estimated at only 8,010m² (2025), rising to 8,750m² by 2041, leading to diverting trade from existing retailers and not generating new growth. For instance, the Macroplan report projected that IGA Everyday Youngtown will have 22.8% turnover loss of ~\$1.52m, and other retailers will incur turnover losses of approximately 10%.
41. The Macroplan report noted that the employment and economic benefits associated with the draft amendment would lead to \$5.5- \$7.7 million output and 13-18 full-time temporary jobs. During the operational phase, the proposal would generate 25 full-time jobs, leading to \$5.7m output annually. However, it is submitted that these benefits are partly or fully offset by job losses and revenue declines in existing businesses. The Macroplan report concluded that the proposed development is not supported by retail need, and it would cause high and unreasonable economic harm by undermining the established activity centre hierarchy.
42. McLean McKenzie and Topfer Barristers and Solicitors for the applicant provided a submission on 23 March 2026 from Urban Enterprise (Urban Enterprise report) as a response to the Macroplan report, dated 10 March 2026.
43. The Urban Enterprise report noted that the turnover assumptions in the Macroplan report for existing retailers are unreasonable and unrealistic, including:
 - speciality retailers (e.g. Kyeema Seafoods) are assumed to achieve higher turnover per square metre than small supermarkets; and
 - liquor outlets are assumed to achieve turnover levels significantly higher than comparable supermarkets.
44. The Urban Enterprise report concluded that the Macroplan report understated economic benefits and includes errors, including inconsistency between the

estimated annual revenue of the proposed supermarket (\$7.68m), the lower “direct output” figures used in the impact assessment and underestimating employment numbers (20 full-time employees versus 24 full-time employees), and a failure to assess value-added, a standard economic impact metric. With regard to the catchment size, the Urban Enterprise report noted that the market share from the primary trade area is projected to be 25%.

45. The Response Statement of Evidence from Colliers (the Collier report), prepared for the planning authority, dated 23 March 2026, prepared by Emma Keller, supported the view that the supermarket would provide for community need.
46. Ms Keller submitted that the community need is demonstrated as follows:
 - Supermarkets are essential, non-discretionary services central to daily life and widely used by the community and support important community infrastructure.
 - The proposed supermarket meets a clear local need for accessible groceries in the surrounding area.
 - Economic evidence indicates there is sufficient retail demand to support the development.
 - An experienced supermarket operator’s willingness to establish a store at the site further confirms both economic viability and community need.
47. At the hearing, the policy RAC-P9 was discussed. The key discussion point was the potential community need associated with the draft amendment and the small size of the projected primary catchment of 25% of total demand of the proposal as outlined in the Urban Economics Report. Ms Emma Keller, for the planning authority, submitted that it depends on how the community is defined and noted that part of the community is Launceston as a whole, which includes primary and secondary catchments and passing trade. Ms Keller noted that her assessment considered the existing retail offerings in the area.
48. At the hearing, Mr Kurt Ainsaar, for the applicant, submitted that it is projected that 30% of the trade will come from secondary catchment, which is slightly higher than usual. This is due to its highly accessible location and the location of consumer-based surrounding businesses, such as Bunnings and excellent access to passing trade. With regard to the supermarket being a ‘local centre’, considering the large secondary catchment, Mr Ainsaar noted that the supermarket can serve both needs simultaneously.
49. At the hearing, Mr Ian Churchill, for the representor, submitted that the proposed supermarket would cause detriment in terms of trade impacts and offerings to the existing supermarket operators in the area. Mr Churchill noted that a supermarket between sizes 110-868m² is deemed a supportable size for the site, meaning its adverse impacts within this size scale can be considered reasonable on surrounding commercial operators. Mr Churchill emphasised that the higher end of the floor area, being 868m², can only be supported under the most optimistic scenario. Mr Churchill considered that the most reasonable outcome would be achieved with a supermarket of the size around 400m², and the size of 868m² will extremely likely produce an unreasonable outcome. Mr Churchill concluded that, in his assessment, he considered the secondary trade

area/catchment for the proposed supermarket was smaller than other experts have considered.

50. With respect to adverse impacts on existing activity centres, the Collier report for the planning authority, submitted:

However, a key point of note here is that the NTRLUS highlights that the development should have no adverse impacts on existing activity centres, not individual retailers.

As I stated in my Response to Macroplan's Retail Assessment Peer Review (10 February 2026), "retail trading impacts are most appropriately considered on centres and centre hierarchies, not individual retailers" and "Launceston planning policy recognises impacts only at the activity centre level, and not at the individual retailer level. As such, no need exists to provide impact analysis on a store-by-store basis, contrary to what Macroplan have suggested. This focus on centre-wide impacts is also consistent with generally adopted industry practice and legal precedent (e.g. *Gantidis vS KFC*)."

51. The applicant also referred to the *Kentucky Fried Chicken Pty Ltd v Gantidis* (1979) High Court decision stating the following:

In *Gantidis*, Stephen J of the High Court explained there are limits on the extent to which economic viability is a relevant planning consideration. It is a relevant consideration to the extent that a proposal will threaten the viability of existing facilities, either due to physical or financial causes.

...

Gantidis means that the RAC-P9 does not allow the Commission to examine the impact on individual businesses' bottom-lines. Rather, it requires a consideration of whether they are businesses of a type which will fail such that there are inadequate facilities to provide amenity for localities. Thus, RAC-P9 can be applied at a general level, but not at a level which considers whether, for example, the Youngtown IGA will, of itself, fail.

52. In relation to the synergy with the employment hubs, the Collier report submitted that the site is located within the Connector Park, identified as an established employment hub. Convenience retail within an employment hub is considered appropriate supporting local workers, nearby residents and visitors to the area.

Commission consideration

53. The Commission agrees with the planning authority and the applicant that the draft amendment could provide some co-location benefits with the adjoining industrial uses and essential services to the adjoining residential areas.
54. The Commission accepts the view that the draft amendment can provide for community needs within primary and secondary catchments. The Commission accepts that the residential development in the Kings Meadows area has

occurred, and the nearby residential areas and people employed at the Connector Park would benefit from the essential services the supermarket provides. Whilst the growth that has occurred was contemplated within the regional land use strategy including in the setting of the retail hierarchy, the regional land use strategy recognises through RAC- P9 that out of centre development can be considered subject to assessment and overall net community benefit.

55. The secondary catchment/trade area forms part of the Launceston municipal area, and the location of the supermarket would provide services to people in the wider community.
56. The Commission accepts the comments from Mr Churchill that the size of the proposed supermarket is a key matter when considering its impact on the activity centre hierarchy and balanced provision of essential services. The Commission considers that a supermarket at the proposed size of 1,000m² may have adverse impacts on the surrounding retail operators, retail hierarchy and balanced provision of services.
57. With respect to the reasons of the *Kentucky Fried Chicken Pty Ltd v Gantidis (1979)* High Court decision, the Commission finds that the proposed supermarket would increase competition in the area, but this will not detract from the FLG offerings available in the nearby centres. The impact or competition threat to individual retailers is not a relevant town planning consideration as long as the proposal does not have unreasonable adverse impacts on the facilities available to the local community.
58. The economic impact on the individual retailers is a relevant consideration if it affects the activity centre hierarchy and provision of services in the area. However, the Commission notes that the site is surrounded by residential areas and has experienced residential infill development over the years. The surrounding area is lacking land zoned for the provision of the (FLG) floorspace within walking distance.
59. For the above reasons, the Commission finds that the request is, as far as practicable, consistent with the regional strategy's policies regarding activity centres.

Suitability of the Local Business Zone

60. Following the hearing, the Commission directed parties to provide submissions on the suitability of the Local Business Zone being applied and whether this would meet the LPS criteria under section 34(2) of the Act.

Suitability of the Local Business Zone

61. The planning authority provided a submission, dated 15 June 2026, in response to the Commission's direction. The planning authority considered that the Local Business Zone is suitable for the site. The planning authority submitted that the proposed Local Business Zone aligns with the Guideline No. 1 Local Provisions Schedule (LPS): zone and code application. The planning authority also considered that the zoning choice would support convenience retail use serving local and industrial areas and is likely to reflect the highest and best use of the land.

62. The applicant, in their response submission dated 15 June 2025, agreed with the planning authority that the application of the Local Business Zone (LBZ), a zoning designation that allows retail and commercial uses within or near residential neighbourhood, is suitable for the site. This assumption is based on the surrounding residential catchment experiencing significant population and employment growth from 1,000 to 1,795 residents. The applicant further noted that there is no existing neighbourhood-scale supermarket or convenience retail in the area.
63. With regard to the suitability of the Local Business Zone, the applicant submitted that the proposed zone intends:
- to provide local-scale retail, services, and employment uses
 - to provide convenience retail (everyday goods/services), and
 - to support community liveability and accessibility.
64. The applicant concluded that the Local Business Zone includes built-in planning controls to prevent impacts on the retail hierarchy, and although the Local Business Zone allows some sensitive uses:
- associated noise, makes residential uses unlikely, and
 - the expected outcome is continued commercial/service use, not sensitive uses.
65. The key concerns raised by the planning authority in relation to the suitability of the Local Business Zone related to the allowable land uses, including sensitive uses such as residential, visitor accommodation and childcare. These land uses have the potential to create a land use conflict with the surrounding industrial area. However, the planning authority acknowledged, as demonstrated by the various retail assessments provided with the assessment, that the market conditions would 'favour' the commercial land use over sensitive land uses on the site.
66. However, the planning authority noted that the provisions of the codes in the SPPs, such as the Attenuation Code, would assist in mitigating adverse impacts on sensitive uses. Both Midlands Highway and certain industrial uses would be subject to the code.
67. The representor, in their submission, expanded the view on allowable sensitive uses under the proposed zone, noting potential amenity issues and potential operational restrictions on industrial companies in the area. This could constrain existing and future industrial uses and undermine the purpose of the Light Industrial Zone. The representor noted that land uses, such as Educational and Occasional Care and Community Meeting and Entertainment, will become permitted under the Local Business, and the planning authority would have little ability to prevent the introduction of these uses.
68. The representor concluded that the Local Business Zone allows a smaller lot of 200m² and multiple retail tenancies. The representor noted that based on the land area of the site, the site could be subdivided into 22 lots. The potential outcomes of the rezoning could include a cluster of shops and commercial uses, thereby evolving into a new activity centre.

LPS criteria under section 34(2) of the Act

69. In relation to the LPS Criteria, the planning authority submitted that the application of the Local Business Zone would not change any standards in the SPPs and would deliver that use and development would be in greater conformity with the Objectives of the Act. Similarly, with regard to the State Policies, the planning authority noted that rezoning the site to the Local Business Zone is consistent with the State Policies.
70. With respect to the relevant policies under the regional strategy, the planning authority submitted:
- The RLUS does not map all LBZ in Launceston Map D.1 Regional Framework Plan as they would fall within a 'Local (sic) or Minor Centre' within the Activity Centre Hierarchy, as described in Table E.2. As such, the local nature of the zone demonstrates that it is consistent with not resulting in 'out-of-centre' development. The consistency is supported by the Purpose Statement of the LBZ '14.1.1 To provide for business, retail, administrative, professional, community and entertainment functions **which meet the needs of a local area**' (emphasis added); this is consolidated with the Zone Application Guidelines of the LBZ as detailed in the TPC Guidelines.
71. In relation to the LPS criteria, the applicant submitted:
- The draft amendment therefore remains consistent with the structure and operation of the LPS framework envisaged by section 32 of the Act. It represents the spatial application of an existing planning control, rather than the creation of a bespoke planning control that would apply only to the site.
72. With respect to the Objectives of the Act, the applicant submitted that the rezoning would support sustainable land use by enabling a local service function within an existing, serviced urban area. The draft amendment would leverage established infrastructure, improve access to everyday goods and services, enhance community amenity, support local employment, and reduce travel demand. Overall, the draft amendment would promote efficient infrastructure use and improve liveability without expanding the urban footprint.
73. With respect to the regional strategy, the applicant submitted that applying the Local Business Zone would facilitate a small-scale convenience retail development is consistent with RAC-P9, as it addresses a clear and growing community need within an underserved catchment, supports the adjacent Connector Park employment precinct, and delivers net social and economic benefits.
74. The applicant noted that the rezoning would provide clear community benefits by improving access to everyday services, supporting local employment, and strengthening an existing employment precinct in an underserved growth area. The draft amendment would provide efficient use of serviced land within a designated growth and consolidation area and aligns with broader planning objectives.

75. The applicant concluded:

Importantly, the Local Business Zone contains specific statutory provisions that require future retail development to be assessed against its potential impact on the activity centre hierarchy, thereby providing an appropriate mechanism through which the strategic intent of RAC-P9 can be implemented and maintained.

76. In relation to the policies regarding activity centres, the representor noted that the rezoning of the site to the Local Business Zone means that these policies will become even more relevant as the proposed zone has the potential to establish a new activity centre.

77. The representor submitted:

- (a) RAC-A2 provides that “zoning and land use planning provisions are to minimise potential for decentralisation of functions outside of the Regional Activity Centres Network and reinforce the spatial hierarchy, role and function of centres”;
- (b) RAC-A16 directs the planning authority (or in this case the Commission) to “have regard to the location of activity centres relative to existing or proposed principal public transport corridors in the consideration of planning scheme amendments, including rezoning proposals, as appropriate”; and
- (c) RAC-P4 has been mentioned above in relation to the creation of new neighbourhood and local centres, “where appropriate”.

Commission consideration

78. The Commission agrees with the planning authority and the applicant that the Local Business Zone is suitable for the site by allowing retail and essential services near residential neighbourhoods while addressing a community need within a catchment that is currently underserved.

79. The Commission also acknowledges the procedural concerns raised by the representor. The Commission notes that procedural fairness ought to be accorded to all parties in the process. The process under section 40N(1)(c)(i) of the Act requires the planning authority to prepare a draft, exhibit the draft amendment, provide the Commission with a section 40K report on representations and the hearing will be reconvened to the substitute draft amendment.

State Policies

State Policy on Water Quality Management 1997

80. The planning authority submitted that the request does not result in an increase in sediment transport to surface waters.

National Environmental Protection Measures

81. The planning authority noted that the relevant Codes in the planning scheme deal with issues related to environmental protection measures.

Commission consideration

82. The Commission accepts the planning authority's submissions on the State Policies and finds the draft amendment is consistent with the relevant State Policies.

Schedule 1 Objectives of the Act

83. In relation to the Resource Management and Planning System objectives, the Commission must consider the objectives under Part 1 and Part 2 of the Act. The Commission finds that the draft amendment does not further all the objectives set out in Schedule 1 of the Act, with specific reference to Schedule 1, Part 1 (b).
84. The Commission is not satisfied that the draft amendment furthers the objectives of Part 1 to provide for the fair, orderly, and sustainable use and development of the subject land, due to the proposed application of the SSQ. An orderly planning is consistent with the relevant requirements under the Act. The Commission considers that the draft amendment does not meet the requirements under section 32(4) (a) or (b), as discussed above.
85. The Commission finds that the draft amendment does not further the Objective under Schedule 1, Part 1 (b) for the reasons outlined above.

Modifications required to draft amendment

86. Under section 40M of the Act, the Commission must consider whether modifications to a draft amendment of an LPS ought to be made.
87. Based on the information provided, the Commission notes:
- The draft amendment does not meet the test under section 32(4) (a) or (b), and
 - The draft amendment does not further the Schedule 1 Objectives of the Act, in particular in relation to Schedule 1, Part 1 (b).

Decision under 40N(1)(c) to reject the draft amendment

88. The Commission rejects the draft amendment under section 40N(1)(c) for the reasons discussed above.
89. The Commission, in accordance with section 40N(1)(c)(i), directs the planning authority to rezone the site (FR 181165/1) to the Local Business Zone.

Decision on permit

90. The permit is refused under section 42B(1)(d) of the Land Use Planning and Approvals Act 1993.

Attachments

Annexure A - modified amendment

Annexure A

Modified amendment PSA-LLP0011, Tasmanian Planning Scheme – Launceston

Rezone 10 Dolerite, Drive, Kings Meadows, folio of the Register 181165/1 from Light Industrial Zone to Local Business Zone, as shown below:



Figure 1: Application of Local Business Zone to land at 10 Dolerite Drive, Kings Meadows