

ORDINARY COUNCIL MEETING

COLAC OTWAY PLANNING SCHEME AMENDMENT C86 - COLAC TOWNSHIP ECONOMIC DEVELOPMENT, COMMERCIAL AND INDUSTRIAL LAND USE STRATEGY 2017 - PANEL REPORT

OM172607-3

LOCATION / ADDRESS	Township of Colac	GENERAL MANAGER	Gareth Smith
OFFICER	Sean O'Keeffe	DEPARTMENT	Development & Community Services
TRIM FILE	F16/6696	CONFIDENTIAL	No
ATTACHMENTS	<ol style="list-style-type: none"> 1. Colac Otway Amendment C86 - Panel Report 2. Colac Otway Amendment C86 - Panel Corrections Report 3. Colac Township: Economic Development, Commercial and Industrial Land Use Strategy 2017 4. Colac Otway Amendment C86 - Planning Scheme Amendment Documents 5. Colac Otway Amendment C86 - Amendment Maps 6. Colac Otway C86 Farming Zone 006znMap09 		
PURPOSE	<p>To submit Planning Panel's recommendations to Amendment C86 and to the exhibited Draft Colac Township Economic Development, Commercial and Industrial Land Use Strategy (2016); and to recommend that Council accepts the Panel's recommendations and adopt Amendment C86 to Colac Otway Planning Scheme and the Strategy.</p>		

1. LOCATION PLAN / AERIAL PHOTO



2. EXECUTIVE SUMMARY

In February 2017 Council resolved to request the Minister for Planning (the Minister) to appoint an independent Planning Panel (the Panel) to hear the submissions received for Amendment C86 and to the Draft Colac Township Economic Development, Commercial and Industrial Land Use Strategy 2016 (the Strategy).

Consequently at Council's request the Minister appointed a two member Panel which heard the submitters and the Council in a two day Panel Hearing in April 2017. Council now has received the Panel Report on Amendment C86 and the Strategy.

Amendment C86 is a key part of the Colac 2050 Growth Plan (Colac 2050). The amendment was prioritised ahead of Colac 2050, given the importance of promoting economic development opportunities in Colac. The amendment includes rezoning of identified land to facilitate appropriate industrial growth and updating relevant land use policies and overlay controls within the Colac Otway Planning Scheme (Planning Scheme). The amendment also sought to correct a number of anomalies identified during the preparation of the amendment.

The Panel found that the amendment is "*well founded and strategically justified*"; and supports the amendment and the Strategy and recommends a number of changes to the exhibited documents. The recommended changes include a minor change to the Municipal Strategic Statement (MSS), changes to the proposed Schedules to the Special Use Zone (SUZ), Overlays and Incorporated Documents. These recommended changes are either administrative in nature or seek to improve the structure and intent of the proposed planning controls.

The Panel supports the expansion of the industrial zone adjacent to the Bulla and AKD sites in Colac East and the rezoning of additional industrial land in J Barrys Road. It also supports the removal of the land identified in Irrewarra as an investigation area for an intermodal hub; however, it did not support the rezoning of the AKD Softwoods site in Irrewarra to Industry 1 Zone.

Council must now consider the Panel report and its recommendations to Amendment C86 and resolve to adopt or abandon the amendment.

Officers support all the recommendations made by the Panel and recommend that Council accept all the recommendations, adopt Amendment C86 and the Strategy with the changes recommended by the Panel.

3. RECOMMENDATION

That Council:

- 1. Note the Planning Panel's recommendations to Amendment C86 to the Colac Otway Planning Scheme and to the exhibited Draft Colac Township Economic Development, Commercial and Industrial Land Use Strategy (2016)*
- 2. Accept all the recommendations outlined in the Planning Panel's report to Council*
- 3. Adopt Amendment C86 with the changes recommended in the Panel Report*
- 4. Adopt the Colac Township Economic Development, Commercial and Industrial Land Use Strategy, 2017 with the changes recommended in the Panel Report*
- 5. Submit the adopted Amendment C86 to the Minister for Planning for approval pursuant to section 31(1) of the Planning and Environment Act 1987*
- 6. Notify all the submitters of Council's resolution in relation to the independent Planning Panel's recommendations, and*
- 7. Authorise officers to make minor formatting and administrative corrections to Amendment C86 documents prior to sending to the Minister for Planning for approval.*

4. BACKGROUND / KEY INFORMATION

BACKGROUND

Context to the Strategy and Amendment

Council at its meeting on 22 February 2017 considered all the submissions received to Amendment C86 and to the Strategy and resolved to request the Minister to appoint a Panel to consider unresolved submissions.

Colac Otway Shire Council is currently undertaking the Colac 2050 Growth Plan. The Growth Plan will identify locations for future residential and commercial development. Given the priority of Council to support economic development in the Shire, and to support investments by the key manufacturing companies, it was decided to advance the commercial and industrial components of Colac 2050 as a priority and progress this work as a separate but aligned project.

Essential Economics consultants were engaged to prepare the 'Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016' (draft). This strategy is crucial to identify economic and employment generating opportunities in Colac and to identify necessary planning tools to facilitate economic growth. The draft Strategy was completed in early 2016. The development of the Strategy was overseen by the Colac 2050 Project Steering Committee.

The key aims of the Strategy are to:

- Provide a vision for the economic expansion of Colac
- Examine commercial and industrial land supply
- Identify a number of actions and catalyst projects to achieve the vision; and
- Provide a planning framework for the future planning of commercial and industrial land in Colac.

The purpose of Amendment C86 is to implement the land use planning aspects of the strategy. As such it proposed to rezone the identified land to facilitate appropriate industrial growth and update relevant land use policies (within the MSS) and zoning and overlay controls in the Colac Otway Planning Scheme (Planning Scheme).

The detail of Amendment C86 and the twenty submissions received have been reported to Council in February 2017. The purpose of this report is to outline the findings of the independent Planning Panel and its recommendations to Council.

Panel process

In April 2017, an independent Planning Panel considered submissions received during the public exhibition of Amendment C86 and the Draft Colac Township Economic Development, Commercial and Industrial Land Use Strategy (2016). The Panel Report was forwarded to Council on 26 June 2017 (refer Attachment 1). On 11 July 2017 Planning Panel's Victoria forwarded a Correction Report to Council. This Report noted and addressed a minor error in the Final Panel Report. This Report is at Attachment 2.

Pursuant to section 27 of the Planning and Environment Act 1987 (the Act), Council, as the Planning Authority, must consider the Panel's report before deciding whether or not to adopt the amendment.

KEY INFORMATION

Panel Recommendations

On considering the submissions received, the Panel supports Amendment C86 and concludes that the amendment is strategically justified and also consistent with the strategic directions at both State and local levels. It seeks to adopt a broad approach of encouraging the economic growth for future Colac and consistency in the planning process. The Panel noted that Council should be commended in its attempt to capture the economic development, employment and issues associated with the supply of industrially zoned land.

The Panel recommends that Amendment C86 to the Colac Otway Planning Scheme to be approved as exhibited subject to a number of changes as outlined in its report to Council (refer Attachment 1 for detail recommendations). A brief summary of the recommendations and officers' comment on actions required are provided in Table 1 below.

It is important to note that the Panel supported the rezoning of the identified land for industrial zone in Colac, including Murray Street (Bulla), Fulton Street (Bulla), Forest Street (AKD), Tristania Drive (ALC) and the proposed parcels of land at J Barrys Road.

The Panel also considered the strategic direction for land use planning in Irrewarra. Council had resolved at its meeting in February 2017 to remove specific reference to Irrewarra as an intermodal hub. The Panel has supported Council's decision. However, the impact of this decision is that the rezoning of AKD sawmill land on Warrowie Road could now represent an isolated pocket of industrial land, which could create the opportunity for other industrial uses not associated with AKD Softwoods. The Panel notes that future expansion of AKD could be done with a planning permit, in the current Farming Zone.

Table 1: Summary of Planning Panel’s recommendations and actions required

PANEL RECOMMENDATION	PROPOSED COUNCIL ACTION
<p>Colac Otway Amendment C86 to be approved as exhibited subject to the changes outlined below:</p>	<p>Undertake the recommended changes to the exhibited documents and the Strategy and adopt Amendment C86 and the Strategy.</p>
<p>Review the provisions and schedules of the Amendment during finalisation to ensure they are consistent with the <i>Ministerial Direction on the Form and Content of Planning Schemes (May 2017)</i>; and undertake a plain English, policy neutral review at the same time.</p>	<ul style="list-style-type: none"> • The Department of Environment, Land Water and Planning (DELWP) advised that any amendments in progress when the <i>Ministerial Direction on the Form and Content of Planning Schemes</i> was approved do not need to meet this requirement. • However the relevant provisions of the Colac Otway Planning scheme will be updated as part of the amendment implementing the Planning Scheme Review project at a later stage.
<p>Special Use Zone, Schedule 3 (applied to Dairy Food Production Plant – Bulla, Murray Street Colac)</p>	<ul style="list-style-type: none"> • Change the title of the Schedule to reflect the correct name of Bulla to Dairy Food Production Plant • Minor formatting change to the Table of Uses in the Schedule 3 to SUZ applied to Bulla • Insert additional reference in Clause 3.0 to ensure future subdivisions will be in accordance with an approved Master Plan for Bulla • Amend the requirements to include a Noise Management Plan in accordance with an approved Master Plan for Bulla.
<p>Special Use Zone, Schedule 4 (applied to Colac Abattoir and Food Production Plant - ALC)</p>	<ul style="list-style-type: none"> • Minor typographic correction in Clause 1.0 and 4.0 in the Schedule to SUZ • Insert additional reference in Clause 3.0 to ensure future subdivisions will be in accordance with an approved Master Plan for ALC • Insert reference to rail infrastructure requirements in Clause 5.0 of the Schedule 4 to SUZ • Remove Clause 9.0 referring to the Transitional Arrangements with the Schedule 4 to SUZ.
<p>Incorporated Document Special Use Zone Schedule 3 (applied to Bulla)</p>	<ul style="list-style-type: none"> • Update title of Incorporated Document to reflect the correct name of Bulla
<p>Incorporated Document Special Use Zone Schedule 4 (applied to ALC)</p>	<ul style="list-style-type: none"> • Insert reference to rail infrastructure in the Incorporated Document for ALC • Update requirements of Fencing Plan to specific height and material details along the rail corridor • Amend the Incorporated Document to allow a retail establishment with a maximum floor area of 500 square metres only to sell goods in association with the abattoir.
<p>Clause 21.03 – Settlement</p>	<ul style="list-style-type: none"> • Minor administrative change to Clause 21.03 – Settlement in the MSS

PANEL RECOMMENDATION	PROPOSED COUNCIL ACTION
	<ul style="list-style-type: none"> Update the Colac Framework Plan map in Clause 21.03 to recognise '<i>land uses facilitated by the SUZ3</i>' (Bulla) at 270-302 Murray Street, Colac.
Clause 21.05 – Economic Development	<ul style="list-style-type: none"> Minor administrative changes in Clause 21.05 - Economic Development of the MSS.
Clause 21.06 - General Implementation	<ul style="list-style-type: none"> Minor formatting correction to the list of General Implementation Remove reference to the proposed Industrial Zone in Irrewarra.
Design and Development Overlay (DDO) - Schedule 1 (applied to all Industrial Zone land in Colac)	<ul style="list-style-type: none"> Amend the title to the Schedule 1 to DDO to delete reference to Irrewarra Minor formatting corrections at Clauses 2 and 5 in Schedule 1 to the DDO Updating the completion date for the Colac Township – Economic Development, Commercial and Industrial Land Use Strategy to 2017 (from 2016 when exhibited).
Development Plan Overlay (DPO) - Schedule 6 (applied to Bulla)	<ul style="list-style-type: none"> Minor typographical corrections at Clauses 1.0 and 2.0 in the Schedule to DPO Insert additional requirement in Schedule 6 to the DPO to ensure the Master Plan for Bulla limits truck movements along Fulton Street except for emergency purposes.
Development Plan Overlay Schedule 7 (applied to J Barrys Road industrial area)	<ul style="list-style-type: none"> Extend the proposed 20m wide landscape buffer requirement in the Schedule 7 to the DPO to Forest Street frontage of the rezoned land.
Retain the existing planning controls on the AKD Softwoods land in Irrewarra as Farming Zone	<ul style="list-style-type: none"> Delete the proposed Industrial 1 Zone, Design and Development Overlay and Development Plan Overlay controls from the AKD land in Irrewarra.
Rezone the anomalous Rural Living Zone (RLZ) land within AKD Softwoods to Farming Zone (FZ)	<ul style="list-style-type: none"> Work with DELWP to correct the labelling of RLZ along Pyles Road. AKD RLZ land to be rezoned to FZ
Colac Township - Economic Development, Commercial and Industrial Land Use Strategy (2016) update	<ul style="list-style-type: none"> Remove references to Irrewarra and the intermodal facility from the Strategy Update the Strategy date from 2016 to 2017.

The Panel's recommendations and the required changes are appropriate and strengthen the purpose of the proposed planning controls through Amendment C86. The Panel's recommendations relating to the Strategy are in response to the removal of reference to an intermodal facility in Irrewarra, and changing the completion date of the Strategy to 2017 (from 2016 when it was exhibited).

As such officers recommend that Council accept all of the recommendations outlined in the Planning Panel's Report for Amendment C86 and the Strategy and adopt both the amendment and the Strategy.

FURTHER SUPPORTING INFORMATION

5. COMMUNITY CONSULTATION AND ENGAGEMENT

The community engagement process is partly the result of statutory requirements under the Planning and Environment Act 1987 and partly influenced by Council policy.

The engagement process can be summarised as follows:

- The Draft Colac Township – Economic Development, Commercial and Industrial Land Use Strategy included discussion and interaction with various stakeholders during its preparation phase.
- At its meeting of 23 March, 2016, Council resolved to adopt the final Draft Strategy and exhibit it for a period of six weeks. It also resolved to prepare and exhibit Amendment C86 to the Colac Otway Planning Scheme over the same period. The purpose of the amendment was to include the substantive recommendations of the Strategy into the Colac Otway Planning Scheme.
- Ministerial authorisation to proceed with Amendment C86 was sought and granted on 27 May 2016.
- Council prepared and distributed an Information Sheet for landowners on 31 May 2016.
- Notice of Public Exhibition of Amendment C86 was given by Council on 21 June, 2016, including notice to the Minister for Planning and to various other Ministers.
- A newspaper notice was inserted in the Colac Herald newspaper on 22 June 2016.
- The Strategy and Amendment C86 were publicly exhibited in the period from 24 June 2016, to 5 August 2016 and submissions sought from the community.
- Public information sessions were conducted by Council on 12-13 July 2016, at COPACC with the aim to further disseminate information and obtain feedback on the key issues associated with C86.
- At the expiry of the public exhibition period for the Strategy and Amendment C86, a total of 20 written submissions had been received by Council.
- Submitters were granted the opportunity to present to the Panel.

6. ANALYSIS

ALIGNMENT TO COUNCIL PLAN OR COUNCIL POLICY

Amendment C86 and the policy directions from the Strategy will facilitate orderly industrial and commercial land use and developments within the identified locations in Colac. In addition the amendment will facilitate growth and expansion of the already established key industries in Colac with streamlined planning processes. By doing so, the amendment contributes to strengthen the economic and employment opportunities of these industries in particular, and the township of Colac in general.

ENVIRONMENTAL IMPLICATIONS

A number of environmental considerations have been taken into account in ensuring that the most appropriate planning controls are maintained on land affected by this amendment.

SOCIAL AND CULTURAL IMPLICATIONS

While there are no direct negative social or cultural implications associated with this amendment, by strengthening the economic and employment opportunities of the industrial and commercial areas of Colac the amendment will have positive social implications to the Colac community.

ECONOMIC IMPLICATIONS

The Strategy aims to adopt a multi-faceted approach for promoting the economic development of Colac. The amendment also seeks to facilitate the expansion of new and existing industries in Colac by removing onerous planning controls, and prioritising the rights of existing industries over future residential development in key strategic locations suitable for industrial uses.

The changes in Amendment C86 are considered to be appropriate to achieve the broader purpose of maximising economic opportunity within Colac whilst protecting neighbouring amenity.

LEGAL AND RISK IMPLICATIONS

There are no known legal and risk implications to Council by the amendment.

However by undertaking the Strategy and the subsequent amendment, Council meets its obligations as a Planning Authority under the Act and maintains consistency with the broader State planning policy directions at local level within the Colac Otway Planning Scheme.

RESOURCE IMPLICATIONS (FINANCIAL ETC)

The strategy was prepared with financial resources from both Council and Regional Development Victoria (RDV). Amendment C86 has been prepared by Council as part of its statutory obligation to maintain the Colac Otway Planning Scheme up to date to the changing community needs. These costs are largely borne by Council.

7. IMPLEMENTATION STRATEGY

DETAILS

Amendment C86 implements the recommendations of the Colac Township Economic Development Commercial and Industrial Land Use Strategy. Once the amendment is approved by the Minister it will guide future commercial, industrial and business land use and developments within Colac.

COMMUNICATION

Upon approval the Notice of Approval of Amendment will be published in Colac Herald as per the requirement of the Act. In addition amendment information in the Council website will be updated accordingly. Further the Minister will publish the approval of the amendment in the government gazette.

TIMELINE

Subject to Council's approval the final adopted amendment documents will be forwarded to the Minister for approval in August 2017.

8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 1989* in the preparation of this report.