

COLAC OTWAY PLANNING SCHEME (COLAC OTWAY SHIRE)

AMENDMENT C86

SUBMISSION TO PLANNING PANEL on behalf of the PLANNING AUTHORITY

Part B Submission

(Revised on Panel)

April 2017

Prepared and presented by Southern Cross Town Planning Pty Ltd

1. INTRODUCTION

This submission is made on behalf of the Colac Otway Shire (Council). Council is the Planning Authority for Amendment C86 (Amendment) to the Colac Otway Planning Scheme (Scheme). Council is also the proponent for this Amendment.

The Amendment applies to land within and adjacent to the Colac township.

The Amendment seeks to provide direction to the future of commercial and industrial land uses within Colac. This direction is guided by the Draft *Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016* (the Strategy) which was exhibited together with the Amendment. The Strategy is to be given formal recognition by making changes to the Colac Otway Planning Scheme. These includes changes to certain key framework plans with the policy framework, changes to existing Schedules and new Schedules, rezonings, new Incorporated documents and the referencing of the Strategy within the Scheme.

The Strategy will be finalised on receipt of the Panel Report and will be submitted to Council for approval.

The Amendment also takes the opportunity of correcting several zoning and overlay anomalies around the Colac township identified during the preparation of this Strategy.

Though future decisions about commercial and industrial land use will be made on the basis of planning policy, the Strategy will provide an understanding of the general direction of this planning policy by providing background information.

As will be discussed during this Hearing, Council seeks to make some changes to the exhibited amendment, and no longer seeks to proceed with the identification of Irrewarra as an industrial investigation area as originally proposed.

This Part B submission follows on from the Part A Submission, which was circulated to all parties on 19 April 2017 and placed on Council's website. This submission will provide an overview of the matters submitted in Part A, emphasising the key issues whilst considering the following matters;

- Introduction to Amendment C86
- Summary of strategic justification
- Submissions received with key issues grouped thematically
- Changes to the exhibited Amendment
- Council response to evidence tabled
- Conclusion

In presenting this submission, Council will present expert opinions and advice from;

- Mr Nick Brisbane of Essential Economics

The expert witness statement of Mr Brisbane was circulated and made available as per Panel instructions.

The submissions received during the exhibition period focus on the industrial aspect of the amendment. This submission will focus on this aspect of Amendment C86.

2. BACKGROUND TO AMENDMENT

The background to Amendment C86 has been detailed in the Part A submission circulated prior to this Hearing. I will now discuss the key strategic directions driving the Amendment.

As the high level key driver of Amendment C86, the G21 Regional Growth Plan establishes the strategic growth framework for Colac. The Regional Growth Plan targeted Colac for growth to 20,000 persons by 2050 and notes '*Industrial estate (expansion capacity to south-east)*' as a '*Key current & future employment nodes/sectors*'. In summary, the G21 Regional Growth Plan targets the south-east of Colac for industrial growth. The Growth Plan was prepared in 2013 and forms part of the Colac Otway Planning Scheme.

The Colac 2050 Growth Plan (Colac 2050) commenced in 2015. This strategic land use project is an overarching implementation tool for the G21 Regional Growth Plan. Council, in partnership with Regional Development Victoria, is preparing the Colac 2050. The State Government funds the preparation of the Plan. The Plan has been informed by a cross government Project Control Group comprising of officers from the Department of Environment, Land, Water and Planning (DELWP), Department of Economic Development, Jobs, Transport and Resources (DEDJTR) and VicRoads. The Control Group has been heavily involved in all aspects of the Colac 2050 project, including the Strategy and this Amendment.

Colac 2050 aims to guide the way Colac grows over the coming years so that it achieves the 'Botanic Garden City' theme identified for the town, and provides guidance in relation to land use and economic development in line with the town's role as a growth node in the G21 Regional Growth Plan. The Plan is being prepared by Council with inputs and assistance from the community, business groups and individuals, government and agencies, and

technical experts. Colac 2050 will be implemented through a future Planning Scheme Amendment to the Colac Otway Planning Scheme.

Given the priority of Council to support the ongoing economic development in the Shire, and to support investments by the existing and future key manufacturing industries, 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 were engaged to prepare the '*Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016*'. The Strategy focuses on economic development and employment generating land uses in Colac.

The Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016 (Draft)

This Strategy seeks to provide guidance on the future economic development opportunities in Colac and establish a framework for the future planning of commercial and industrial land in Colac.

The Strategy established a vision to guide the Colac economy, a set of objectives, an action Plan and series of catalyst projects. From the findings of this Strategy, the directions for the Amendment emerged.

Anomalies to the current planning scheme that were identified during this process were also included in this Amendment.

At this point, I would like to introduce Mr Brisbane, Director and Senior Economist with Essential Economics, as an Expert Witness. Nick will provide advice on the strategic

background of the Strategy, its methodology, demand analysis and an overview of key issues raised in the submissions received.

Mr Nick Brisbane – Expert Evidence.

Given concerns raised by submitters on the strategic merits of the project, and the fact that the findings of the Strategy are proposed to be included in the Scheme (and the Strategy itself as a Reference Document), I will now examine the strategic planning context of the amendment.

Strategic Planning Context

The following clauses of the State Planning Policy Framework support the amendment.

Colac Otway Planning Scheme State Planning Policy Framework (SPPF)

11 Settlement

- Planning is to anticipate and respond to the needs of existing and future communities through provision of zoned and serviced land for housing, employment, recreation and open space, commercial and community facilities and infrastructure.

11.01-1 Settlement networks

- Support sustainable development of the regional centres of Ararat, Bacchus Marsh, Bairnsdale, Benalla, Castlemaine, Colac, Echuca, Hamilton, Leongatha, Maryborough, Portland, Sale, Swan Hill, Warragul/Drouin and Wonthaggi.
- Ensure regions and their settlements are planned in accordance with any relevant regional growth plan.
- Providing for appropriately located supplies of residential, commercial, and industrial land across a region, sufficient to meet community needs in accordance with the relevant regional growth plan.

11.02-1 Urban growth

Supply of urban land

- To ensure a sufficient supply of land is available for residential, commercial, retail, industrial, recreational, institutional and other community uses.

Planning for urban growth should consider:

- Opportunities for the consolidation, redevelopment and intensification of existing urban areas.

11.02-3 Planning for growth areas

- Provide for significant amounts of local employment opportunities and in some areas, provide large scale industrial or other more regional employment generators.

11.03-2 Activity centre planning

- To encourage the concentration of major retail, residential, commercial, administrative, entertainment and cultural developments into activity centres which provide a variety of land uses and are highly accessible to the community.

11.07-1 Regional planning

A network of integrated and prosperous regional settlements

Support a network of integrated and prosperous regional settlements by:

- Directing growth to locations where utility, transport, commercial and social infrastructure and services are available or can be provided in the most efficient and sustainable manner.
- Ensuring there is a sufficient supply of appropriately located residential, commercial, and industrial land across a region to meet the needs identified at regional level.

Regional Victoria's competitive advantages

Maintain and enhance regional Victoria's competitive advantages by:

- Providing adequate and competitive land supply, including urban regeneration, redevelopment and greenfield sites, to meet future housing and urban needs and to ensure effective utilisation of land.

11.07-6 Sustainable communities

- To allow communities to live, work and participate locally

11.09-1 Planning for growth

- Support the growth of Bannockburn, Colac, Drysdale/Clifton Springs, Lara, Leopold, Ocean Grove and Torquay/Jan Juc as district towns by building on existing and planned infrastructure and focussing growth along key road and rail networks.
- Plan for Colac and Winchelsea as new targeted growth nodes.

11.09-6 Sustainable communities

- Support new businesses that provide employment and innovation opportunities in identified employment nodes across the region.

11.09-7 A diversified economy

- Plan for the expansion of industrial employment areas at Colac and Winchelsea.

14.01-3

Forestry and timber production

- To facilitate the establishment, management and harvesting of plantations, and harvesting of timber from native forests

15.01 Urban environment

- To create urban environments that are safe, functional and provide good quality environments with a sense of place and cultural identity

17.02 Industry

- To ensure availability of land for industry

19 Infrastructure

- Planning for development of social and physical infrastructure should enable it to be provided in a way that is efficient, equitable, accessible and timely.

Local Planning Policy Framework (LPPF) – Municipal Strategic Statement (MSS)

The following clauses of the Local Planning Policy Framework support this Amendment.

21.02-2 Land Use Vision

The Colac Structure Plan (2007) includes the following vision for Colac:

- Colac will be a thriving town with a vibrant town centre that takes pride in its Lakeside location, is responsive to the housing needs of its residents and offers a variety of opportunities for employment and economic development.

21.03-2 Colac Overview

A Structure Plan for Colac was adopted by Council (February 2007) and articulates the preferred development future for this key centre of the municipality and broader region. Key issues to emerge from the Structure Plan include the need for:

- Provision of an adequate supply of industrial land consolidated in east Colac
- To enhance the built and natural environment of Colac.
- To improve the amenity and appearance of Colac's main pedestrian streets and town entrances.

Strategies

- Identify new industrial opportunities in Colac East which provide areas suited to a diverse range of light to general industrial activities.
- Improve the appearance of existing industrial development in Colac to provide more attractive and inviting entrances to the town.
- Undertake and implement a strategy for the co-ordination and design of all signage along the eastern and western entrance corridors to Colac.

It is also noted that the existing Colac Framework Plan in Clause 21.03 identifies part of the proposed rezoning site as a Potential Industrial Area.

G21 Regional Growth Plan

This Plan provides a strategic land use and growth framework to manage population growth of the broader (G21) region to 500,000 by the year 2050 and Colac to 20,000 by 2050.

Relevant objectives of the Growth Plan include the following:

- *To optimise infrastructure and consolidate growth.*
- *To plan for Colac and Winchelsea as new targeted growth nodes.*
- *To support the proposed national transport and logistics precinct and recognise greater connection to the Werribee growth corridor and Melbourne.*
- *To provide for long term growth options that build on existing infrastructure.*

Colac CBD and Entrances Project, 2012

This is a 20-year plan focuses on the design of buildings and spaces in the Colac CBD and along the eastern and western entrances to Colac. It is adopted by Council and is an essential part of its vision for the CBD to present an impressive image along the Princes Highway corridor, from the edges of the town to its core. This correlates with the objective in the Colac Structure Plan 2007 to relocate industry away from the city's core and into defined industrial corridors.

Colac Structure Plan 2007

- *Rezone land in east Colac to Industrial 1 and Industrial 3 zones.*
- *Improve existing industrial development in West Colac, and prevent further development of the Industrial 1 Zone by back zoning to Farming Zone.*
- *Designate additional land for future industrial development if required.*

3. EXHIBITED AMENDMENT COLAC OTWAY C86

Amendment C86 aims to implement the land use components of the draft *Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016*. The exhibited Amendment also proposed to remove several anomalies and redundancies that were raised during the preparation of the Strategy but were outside the scope of that study.

The ordinance and mapping changes in the Amendment were outlined in the Part A submission and formed part of the exhibited Amendment documents.

In summary, the key changes include:

- rezoning land to the Industrial 1 Zone in Colac;
- investigation of the Irrewarra area for an intermodal freight facility;
- promoting higher design standards on industrial land throughout Colac
- encourage the retention of large industrial lots to facilitate economic development;
- identify key employers in Colac and update their planning controls where required.

A number of minor anomalies were also identified for correction as part of this Amendment.

4. CHRONOLOGY

Key dates and comments are as follows;

- 2013 - G21 Regional Growth Plan identifying Colac as accommodating 20,000 persons by the year 2050.
- Colac 2050 Growth Plan to implement the Regional Growth Plan commenced in 2015.
- The development of an industrial land strategy was identified as a key foundation of Colac 2050. The Strategy would identify future land needs for industrial and commercial development to match employment needs. The draft *Colac Township: Economic Development, Commercial and Industrial Land Use Strategy 2016* delivers on this requirement.
 - It is important to highlight the consultation undertaken in preparing the Strategy, including three ‘issues and opportunities’ workshops, conducted by the Capire Consulting Group, which were attended by a total of 36 persons, representing the State Government, business stakeholders and Councillors. Council also conducted a business survey as part of the project, receiving 320 submissions.
- Amendment C86 was publicly exhibited in the period from 24 June to 5 August 2016 and 20 written submissions were received by Council.
- Key issues and concerns raised by submitters relate to:
 - Industrial land adjacent to rural living land/residential area
 - Proposed industrial land is subject to inundation
 - Noise issues
 - Access issues/Transport
 - Loss of and impact upon agricultural land

- Impact on tourism
 - Lack of strategic justification
 - Broad planning controls do not consider the site-specific requirements of individual parcels of land
 - Impact on views and land value
 - Flora and fauna
 - Infrastructure requirements
 - Wildfire Management Overlay
 - Administrative matters and corrections; and
 - Other issues
-
- On 22 February 2017 Council considered the submissions received. It resolved to make changes to the Amendment and to request the Minister for Planning to appoint an Independent Panel to consider the Amendment and submissions received. Council's response to the submissions received are provided in the *Section 5 Submissions Received* section of this report.

5. SUBMISSIONS RECEIVED

Key issue	Submitter number	Issue raised	Council response	Action
Industrial land adjacent to rural living land/residential areas	3, 6, 9	The use of the J Barrys Road and Forest Street site is not appropriate for industrial use as it is too close to Rural Living areas	Not accepted	<p>The land is adjacent to existing industrial areas and part of the site is already designated for future industry in the Colac Framework Plan within the MSS. The DPO7 is designed to protect the abutting land, and requires the approval of an Urban Design Master Plan that includes the following reference - '<i>an appropriate interface to rural living lots located to the west of the site</i>'. Other required documents to be submitted before any development occurs such as Road Network Management, Landscape, Water Management and Lighting Plans will also assist in mitigating the potential impact of the industrial uses on surrounding sensitive uses.</p> <p>It is also noted that Council has resolved to specifically requested that the Panel examine the potential amenity impacts on Forest Street properties and how these can be mitigated.</p>
	5	Concerned about setbacks and hours of operation for the AKD land in Colac East and request site specific controls	Not accepted	Matters such as setbacks and hours of operation must be addressed at any future planning permit stage.
	10	Increase noise, light and smoke from AKD Irrewarra	Not accepted	Rezoning the land will not directly impact upon current noise, light or smoke emanating from the existing development. The submitter can raise the matter with Council Local Laws or the Environmental Protection Authority if required.

Proposed industrial land is subject to inundation	3, 6, 9	Part of the J Barrys Road and Forest street site is subject to inundation	Accepted	<p>It is accepted that part of the site is subject to inundation. New flood mapping detail revised flood levels, which reveal the bulk of the site free from flooding. It is noted that areas subject to inundation are along the western (Forest Street) side of the lot. Any potential limitation on building on this part of the lot will separate future industrial development from the Rural Living Zone land to the west. It is also considered that there are potential engineering solutions available to assist and improve drainage on the site.</p> <p>It is also noted that the Corangamite Catchment Management Authority noted the potential for flooding and supports the rezoning.</p>
	9	Build-up of industrial infrastructure will increase flood risk on submitters land	Not accepted	DPO7 mandates the approval of an Integrated Water Management Plan before development commences. It is noted that it is a general planning and building principle that all storm water drainage discharge is contained within a development site. It is also noted that the considerable size of the site easily facilitates the future storage and management of runoff within site boundaries.
	19	Notes that several sites are subject to flooding	Accepted	Acknowledged.
Noise issues	3	No reference to noise	Accepted	The DPO7 is modified to include reference to the requirement of an acoustic report being submitted.
	11	Notes that the Master Plan considers noise issues and therefore the zone requirements should not	Not accepted	A permit is not required for works in accordance with a Master Plan approved as part of an Incorporated Document. The zone requirements generally outline the broad requirements of the Master Plan. If the Panel

		include such reference.		considers this matter to be repetitive the Council accepts the change as submitted.
	5	Noise issues emanating from the proposed AKD site on Parkinson Street	Not accepted	Noise matters must be addressed at any future planning permit stage. It is noted that Submitter 5 is located in the Farming Zone and currently abuts the Commercial 2 Zone. This site is therefore subject to a reduced level of residential amenity than compared with land in the residential suite of zones.
Access issues/Transport	3, 6	Doesn't believe footpaths are required.	Not accepted	Footpaths are a standard sustainable transport infrastructure in an urban environment in all new subdivisions.
	3, 9	Difficulty with access roads	Not accepted	Both VicRoads and Council's Infrastructure Unit have considered the traffic implications of the amendment and have raised no concerns. It is noted that the submission and approval of a Road Network and Transportation Management Plan is required as part of the DPO process.
	6	Notes heavy access difficulties	Accepted in part	Council has specifically requested that the Panel examine the potential amenity impacts on Forest Street properties and how these can be mitigated.
	7	Traffic impact on Warrowie Road	Accepted in part	Council has resolved that the proposed Irrewarra intermodal freight hub be removed from this Amendment. AKD currently occupy a site in Warrowie Road, Irrewarra. The rezoning in itself will not impact on traffic movements. The proposed DPO requires the submission and approval of a Road Network and Transportation Management Plan for any future development.

	16	Revise DPO's to include that the submitter be consulted during the preparation of any Road Network and Traffic Management Plans	Not accepted	It is standard practice to consult with the submitter on these matters, therefore mandating consultation is not considered as being necessary.
	5	Access issues on Parkinson Street.	Not accepted	Access issues on Parkinson Street must be addressed at any future planning permit stage. It is noted that Submitter 5 is located in the Farming Zone and currently abuts the Commercial 2 Zone. This site is therefore subject to a reduced level of residential amenity than compared with land in the residential suite of zones.
Loss of and impact upon agricultural land	7	Loss or agricultural land and impact on right to farm	Accepted in part	AKD currently occupy the site in Warrowie Road, Irrewarra. The rezoning in itself will not impact on current surrounding farming activities or result in the loss of agricultural land.
	10	Impact breeding on hobby farm	Not accepted	The rezoning of the AKD site in Irrewarra will not result in any change to the existing development that may impact on breeding of animals on the adjacent land.
Impact on tourism	8	Impact on Harvest Trail	Not accepted	The amendment specifically seeks to manage development in industrial areas in Colac in order to improve the visual appearance of future development. The Strategy is limited to the Colac township as this was the direction of Colac 2050.
	8	Impact on Irrewarra Sourdough Bakery	Accepted in part	The Irrewarra intermodal freight hub has been removed from consideration. The current AKD site in Irrewarra is existing, and a rezoning of the land will not impact on traffic movements.

	18	Industrial land becomes an eyesore	Not accepted	The planning tools forming part of the amendment (DDO and DPO's) seek to improve the visual appearance of industrial areas in Colac.
Lack of strategic justification	2	Include the Colac Station area as a potential intermodal freight hub	Accepted	Council has resolved to widely consider opportunities for a freight hub which will be investigated in the future.
	8, 14	Not enough justification	Not accepted	As Mr Brisbane attests, and from analysis of the current policy environment, it is considered that there is significant strategic justification for the amendment.
	8	Oversupply of industrial land	Not accepted	As Mr Brisbane attests, and from analysis of the current policy environment, it is considered that there is significant strategic justification for the amendment. The intent of the amendment is to encourage the growth of existing major industries and enable new large scale industrial to consider Colac through the provision of large industrial lots.
Broad planning controls don't consider the site-specific requirements of individual parcels of land	17	Requests a modification of the DDO1 as it disadvantages the submitters client due to their unique property attributes	Not accepted	<p>The DDO is generic to the wider Colac industrial land base. It is not considered necessary or advisable to modify it to suit the individual requirements of one parcel of land.</p> <p>The DDO1 provides a framework for the application of performance-oriented measures rather than specific site requirements. The requirements of the DDO1 generally states that development 'should' ensure certain parameters or achieve certain outcomes. It is considered that the planning permit process is best placed to consider the unique nature of each site and of each individual proposal.</p> <p>Regarding subdivision, it is noted that the provisions of the planning scheme allow boundary realignment, regardless of the DDO.</p>

Impact on views, land value and rates	3, 6, 9, 10, 18	Reduce property values	Not accepted	Not a valid planning argument.
	18	Compromise views	Not accepted	Not a valid planning argument.
	7	Impact rates	Not accepted	Not a valid planning argument.
Flora and Fauna	10	Impact flora and fauna	Not accepted	It is not clear how the rezoning of the AKD land in Irrewarra will impact upon a flora and fauna corridor on adjacent land.
Infrastructure requirements	11	Submitter does not agree with infrastructure requirements of DPO6	Not accepted	The wording of the relevant section in DPO6 does not require the provision of external infrastructure by the submitter. Specifically, it refers to infrastructure requirements associated directly with the development of the subject land. It is also noted that no Development Contributions Plan is included as part of this Amendment.
	11	DPO7 requires a 'Shared Infrastructure Funding Plan'. The submitter is not clear how this will be implemented.	Not accepted	It is noted that this provision does not directly impact the submitters land. Any submitted Plan will have to be considered by and, if accepted, be approved by Council.
Wildfire Management Overlay (WMO)	20	Supported the removal of the WMO	Accepted	Noted.
Administrative matters and corrections	1	Minor utility installation is not included in the Special Use Zone Schedule 3	Accepted	Minor utility installation included in the SUZ3
	2	No reference to rail corridor and rail assets in the SUZ4	Accepted	Incorporate reference to rail corridor and rail assets in the SUZ4.

	2	No reference to rail corridor and assets in the Design and Development Overlay Schedule 1	Not accepted	The DDO1 is a generic overlay provision across all industrial land in Colac and should not incorporate site specific controls. This issue is addressed through other provisions of the Amendment.
	4	Decisions Guidelines of DDO1 to include more information on storm water design measures	Not accepted	Storm water matters are already included in the proposed DDO1 as well as the proposed DPO's (as well as State and Local policy). This is considered to be sufficient, and achieves the outcome of avoiding the duplication of planning controls.
	12	Remove DDO1 from the submitters land	Accepted	This has been accepted by Council but appears to have been left off the final mapping.
	12	Retitle the Incorporated document	Accepted	The naming of the original Incorporated document referenced the name of the current business operating on the site. Reference to the current business name is recommended to be removed and replaced with a more generic document titled <i>Colac Abattoir and Food Production Master Plan</i> . The title of the <i>Dairy Foods Production Plant</i> Incorporated document was similarly amended.
	12	Transitional arrangement	Accepted	The inclusion of transitional arrangements is accepted.
	11	Mapping incorrect on Murray Street	Not accepted	The mapping is correct.
	11	Amend the Strategic Framework Plan of Clause 21.03 by designating the submitter's site on Murray Street with a specific map symbol and adding a further statement to the Clause.	Not accepted	It is noted that a key outcome of Amendment C86 is acknowledging the strategic importance of the business investment in Colac. Individually labeling the site in the Framework Plan would focus on just one key industry, which is not the intent of the broad-based Framework Plan map. It also must be noted that the scale of the Plan would not allow this.

Landscaping	5	Request landscape buffers on the rezoned land	Not accepted	Matters such as landscaping will be addressed at any future planning permit stage when proposed activities on the site are known.
Support for Amendment	11, 12, 13, 17	Submitters support the rezoning of their land	Accepted	Noted. No changes required.
	1, 2, 4, 15, 16, 17	Government Department or agency supporting the amendment	Accepted	Noted. No changes required.

Discussion on wider Strategic consideration

One of the key directions of this Amendment is the extension of industrial zones in Colac East. As Mr Brisbane has contested, the Strategy is thorough and well-researched. As discussed, the policy direction provides clear guidance for the location of the future industrial and commercial land, as does access to utilities, access to existing industrial land as well as the additional locational attribute of being on the ‘Melbourne side’ of Colac.

It is acknowledged that there is ongoing demand for industrial land in Colac. Both rezoned AKD sites and the Bulla site on Fulton Street will serve the future expansion needs of those key landowners. Council has worked with these landowners/business owners for several years to support their future expansion.

However, the land to be rezoned on J Barry Road (67.93 Ha) is not owned by an existing industry, but rather local farming interests who have supported the rezoning via the amendment exhibition process. This land, identified as suitable for larger 5ha lots, has previously been identified (in part) as ‘Potential industrial area’ in the Colac Framework Plan of the MSS. The identification and rezoning of the land at Barrys Road to the boundary of the unnamed road reserve to the south is a logical extension of the industrial use to a road boundary, providing a physical buffer to the land to the south, thus seeking to minimise future amenity issues to the south.

6. POST EXHIBITION CHANGES

Following exhibition of this Amendment, Council considered the submissions and has resolved to make the following changes to the Amendment.

- Amend *Clause 21.03 Settlement* by making minor changes to the wording;
- Amend *Clause 21.05 Economic Development* by making minor changes to the wording and also deleting reference to Irrewarra as an investigation area for a proposed intermodal facility;
- Amend *Clause 21.06 General Implementation* by making minor changes to the wording;
- Amend *Schedule 1 to Design and Development Overlay* by making minor changes to the wording;
- Amend *Schedule 7 to the Development Plan Overlay* by amending the requirements for a Road Network and Transportation Management Plan, Open Space and Landscape Master Plan and inserting the requirement for an Acoustic Report;
- Amend *Schedule 3 to the Special Use Zone* by making minor changes to the wording;
- Amend *Schedule 4 to the Special Use Zone* by making minor changes to the wording;
- Amend title of *Australian Lamb Company Incorporated Document*;
- Amend title of *Bulla Dairy Foods Incorporated Document*; and
- Amend *Schedule to Clause 81.01* by retitling several documents.

The post-exhibition changes are generally in response to the submissions received. The key change is the removal of Irrewarra as an Investigation Area for an intermodal freight hub. Council considered that, given the potential impact of an intermodal hub, land supply issues and surrounding uses, further investigation of appropriate areas is required. This

investigation could include using the resources and expertise of the Department of Economic Development, Jobs, Transport and Resources. The Irrewarra site could form part of this investigation area, with potential sites not necessarily limited to the Colac Otway Shire.

The requirements of the Road Network and Transport Management Plan have also been amended to minimise the amenity impact of vehicle movements on surrounding residential areas in J Barrys Road. The requirements of the Open Space and Landscape Masterplan have also been amended by increasing the landscaping requirements of any new development in the J Barrys site (DPO7).

Furthermore, whilst Council seeks to promote industrial development, it also seeks to balance the need to protect surrounding residential amenity. As such, Council resolved that the Panel gives particular consideration to the potential amenity impacts on residents of industrial development on the land proposed to be rezoned in Forest Street.

7. MAPPING ERRORS AND CORRECTIONS

An examination of the amendment documents exhibited has noted an error in the Explanatory Report forming part of this Amendment. The Report refers to the proposed rezoning of 20 Warrowie Road, Irrewarra from the Farming Zone to the Industry 1 Zone. The Explanatory Document should have referred to the rezoning of the land from the Farming Zone *and Low Density Residential Zone* to the Industry 1 Zone. It is noted that the exhibited mapping was correct, as was the property address of the subject land.

Four submitters to the Amendment who raised concerns regarding the rezoning of land in Irrewarra were notified of this error on 7 April 2017 and invited to comment.

It was further noted that there is an error in the current zoning maps in Irrewarra which indirectly relate to this Amendment. The error relates to land on both sides of Pyles Road, Irrewarra to the north of Princes Highway and south of Hardbattles Road, including part of 20 Warrowie Road (part of Amendment C86).

According to DELWP Mapping Team, the land is zoned Low Density Residential. However the land was rezoned as part of the adopted Rural Living Strategy 2011 (approved Amendment C69) to the Rural Living Zone. Due to an administrative error, the approved mapping was never updated. DELWP has advised Council that the matter '*appears to be a notation error at gazetta*' and that the '*... use of RLZ was supported by the Department and signed off as such.*'

Landowners/occupiers covered by the zone and surrounding landowners and occupiers were notified on 7 April 2017 and advised that Council proposes to include the zoning anomaly on Pyles Road in this Amendment and update the map to the Rural Living Zone. Landowners and occupiers were invited to comment before this Panel Hearing.

Submitter 12 requested that the DDO1 be removed from the submitters land. Council has resolved to remove the DDO1 but this has been left off the final mapping. It is therefore requested that the DDO1 be removed from the site.

8. CONCLUSION

Council considers that Amendment C86 is well-founded and presents a considered series of changes and updates to the Colac Otway Planning Scheme. It implements the findings of the draft *Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016*, which amongst other matters, assesses the future requirements for commercial and industrial development and the preferred location and land requirements in Colac.

The Strategy responds to strong strategic direction at both State and local levels. It seeks to adopt a broad approach of encouraging the economic growth for future Colac. It also seeks to ensure consistency in the planning process.

The submissions received primarily revolve around the industrial aspects of the amendment. These submissions have been considered by Council, and appropriate changes have been made to the Amendment.

Council submits that the exhibition of the Amendment and its referral to the Minister for Planning has been carried out in accordance with the provisions of the *Planning and Environment Act 1987*.



Sean O'Keeffe

On behalf of Colac Otway Shire and Southern Cross Town Planning Pty Ltd

APPENDIX A – RESPONSE TO THE STRATEGIC ASSESSMENT GUIDELINES

Why is the Amendment required?

The Amendment is required to implement the findings of *Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016* (the Strategy). The Amendment is also required to correct a number of errors and anomalies identified during the preparation of the Strategy.

The Strategy seeks to identify future economic opportunities in Colac and assesses the future requirements for retail and commercial development and their preferred location and land requirements.

The Strategy highlights the importance of the industrial sector in Colac, particularly in relation to existing large employers such as AKD, Australian Lamb Company and Bulla Dairy Foods. The Strategy seeks to protect the current investments of these companies and facilitate their future expansion through site specific controls.

The Strategy also notes that there is a shortage of industrial land of significant size (ie larger than 5ha) in Colac and that there is a need to identify industrial land supply for future development. It also acknowledges that some of the existing planning provisions are overly complex and may unreasonably restrict new industrial development.

In assessing land supply, the Strategy identified a need for additional industrial land on larger allotments to facilitate a competitive industrial land market. Two investigation areas were identified on the basis that the east side of Colac was preferential for industrial expansion given its proximity to Melbourne and the ports, the location of existing industry and infrastructure. One of the options, located in Irrewarra on the Princes Highway and Warrnambool Railway line and abutting existing industrial land has been identified a potential inter-modal freight hub. The Amendment seeks to rezone land identified as the Forest Street option by the Strategy.

The Amendment seeks to create a consistent approach to the application of design controls to all industrial land in Colac and Irrewarra by applying one DDO to all industrial land in the townships except the Bulla Forest Street site which incorporates the design objectives within a Development Overlay Schedule. The revised DDO seeks to remove some of the more onerous elements in the current DDO1 / DDO2 such as height, setback and plot ratio controls. It is proposed to amend DDO1 and apply it all industrial land, remove DDO2 from Colac West industrial areas. DDO1 is to be amended to include performance based objectives aimed at achieving quality design and landscaping outcomes for industrial buildings. This change will not trigger a need for planning permission in its own right as planning permission is already required for buildings and works under the IN1Z.

The Amendment seeks to remove several anomalies and redundancies that were raised during the preparation and implementation of the *Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016* but were outside the scope of the study. These include:

- 75 Rossmoyne Drive, Colac which is currently an industrial site and was rezoned from IN1Z to FZ in error as part of Amendment C55. It is proposed to rezone the land back to IN1Z and apply the DDO1 to reflect the land's current use.
- 50 and 52-56 Queen Street, Colac
 - 50 Queen Street is a free hold title owned by the Girl Guides Association. It is currently developed with a hall. The land is part Public Park and Recreation Zone (PPRZ) and part General Residential Zone (GRZ). It is proposed to rezone the land to Commercial 1 Zone (C1Z) and apply DDO8 to reflect the existing private ownership and Colac CBD location.
 - 52-56 Queen Street forms part of the Barongarook Creek public open space network and is owned by Council. It is similarly part PPRZ and part GRZ. It is proposed to rezone the land to PPRZ to reflect the current public ownership and use of the land.
- 177 Bromfield Street, Colac is Crown land managed by the Department of Environment Land Water and Planning. It is currently part PPRZ and part C1Z. It is proposed to rezone the land to PPRZ and remove the DDO8 to reflect its public use and ownership.

- 331 and part of 333 Princes Highway, Colac West form part of the balance of 333 Princes Highway in use. It is proposed to rezone the land to ensure the entire site is consistent in zone and overlay controls and reflects its current C2Z use.
- 20 Warrowie Road, Irrewarra, 15 Pyles Road Irrewarra, 5945 Princes Highway Irrewarra, 125 Drapers Road Irrewarra, 260 Colac Forrest Road Yeo, 95 Old Yeo Road Yeo, 17 Forest Street Colac, 7-15 Forest Street Colac, 18-24 Forest Street Colac, 68 Forest Street Colac, 73 Colac-Forrest Road Colac to remove the WMO which were applied to land with timber plantations. This is now redundant as the plantations have been removed.

How does the Amendment implement the objectives of planning in Victoria?

The Amendment seeks to implement the *Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016* which will provide a sound, considered and sustainable framework for the growth of the commercial and industrial land uses in Colac, and in so doing will implement the following objectives of planning in Victoria:

- Providing for the fair, orderly, economic and sustainable use and development of land.
- Securing a pleasant, efficient and safe working, living and recreational environment.
- Protecting public utilities and other assets and enable the orderly provision and coordination of public utilities and other facilities for the benefit of the community.
- Facilitating development in accordance with the above objectives.
- Balancing the present and future interests of all Victorians.

How does the Amendment address any environmental, social and economic effects?

The amendment will enhance the social and economic values of the Shire by providing clear direction for the expansion of existing and proposed industrial areas in Colac. It seeks to manage the interface areas between industrial and residential land uses of key land holders in order to ensure their continued contribution to the regional economy.

The significance of industry in Colac was identified in Overview of Economic Trends and Potential Opportunities as part of the *Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016*. This Strategy identified that manufacturing and industrial activities in Colac are a key component of the local economy and that future population growth within the municipality will continue to drive demand for targeted industrial activity.

Amending the Planning Scheme to reflect the recommendations of the *Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016* will have positive economic benefits by ensuring that sufficient land is set aside for industrial purposes to cater for the long term employment needs of Colac.

The Amendment will have minimal environmental impact however future planning decisions emerging from the Strategy must consider the environment impacts of activities and works.

Does the Amendment address relevant bushfire risk?

The Amendment is not expected to have a detrimental impact on the existing bushfire risk. The proposed removal of the Wildfire Management Overlay on several sites reflects the removal of pine plantations and the subsequent reduction of fire risk. The Amendment will be referred to the Country Fire Authority for comment during the exhibition period.

Does the Amendment comply with the requirements of any Minister’s Direction applicable to the amendment?

The Amendment complies with the relevant Ministerial Directions including Ministerial Direction No. 11 Strategic Assessment Guidelines, Ministerial Direction No. 15 Planning Scheme Amendment Process and the Ministerial Direction on the Form and Content of Planning Schemes.

How does the Amendment support or implement the State Planning Policy Framework and any adopted State policy?

The Amendment is consistent with, and has been prepared in accordance with, State Planning Policy Framework (SPPF) as detailed below:

Clause 11 Settlement

- This Amendment anticipates and responds to the needs of existing and future communities by providing orderly planning in accordance with the *Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016*.

Clause 12.01-3 Forestry and Timber Production

- The Amendment supports the local forestry industry by facilitating the expansion of existing timber mills in Colac.

Clause 17.02-1 Industry

- The Amendment supports local industry by protecting existing key industries from further encroachment of sensitive uses, removing a current cumbersome and restrictive development control and replacing it with a streamlined, performance based control and identifying land for future industrial expansion.

Clause 18 Transport

- Promoting new industrial development on land that has excellent access to key transport corridors.

How does the Amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?

The Amendment is consistent with, and has been prepared in accordance with, Local Planning Policy Framework (LPPF) as detailed below:

Clause 21.03 – Settlement

- Clause 21.03 notes that Colac is a major centre for manufacturing. The Amendment responds to this Clause by protecting and promoting existing and future manufacturing in Colac.

Clause 21.05 – Economic Development

- Clause 21.05 seeks to support and facilitate the manufacturing industry in the Shire. This Amendment supports the MSS by rezoning land for industrial development and removing regulations that have limited the expansion of existing or establishment of new industries.

Does the Amendment make proper use of the Victoria Planning Provisions?

The Amendment makes proper use of the Victoria Planning Provisions by making refinements to both the Municipal Strategic Statement and a local planning policy relating specifically to industry to reflect the recommendations of the *Colac Township – Economic Development, Commercial and Industrial Land Use Strategy 2016*. These changes to the Local Planning Policy Framework will guide the planning of future industrial land use within the municipality. They will ensure a sound strategic basis for future decisions relating to the application of zones and overlays in the Planning Scheme.

How does the Amendment address the views of any relevant agency?

It is expected that the Amendment will not have an adverse impact on any other relevant agency. The Amendment will be formally referred to all relevant agencies as part of the exhibition process and their views will be considered in finalising the Amendment.

Does the Amendment address relevant requirements of the Transport Integration Act 2010?

The Amendment will not have a significant impact on the transport system. Land proposed to be rezoned to the Industrial 1 Zone or identified for further investigation has been identified as having excellent access to the existing major road network.

Resource and administrative costs

What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?

The Amendment will have a negligible impact on the resource and administrative costs of the Responsible Authority. Additional permit applications may be expected for new industrial projects, however, it is not anticipated that these resource costs will be high.

The implementation of the DDO across all industrially zoned land will not trigger any further planning permit requirements as a permit is already required for works in an industrial zone.