



## 7. Industrial Land Use Strategy

### 7.1 Context

The Colac Industrial Strategy forms part of the broader Colac Structure Plan, the objective of which is to address the future potential for growth and development of the Colac and Elliminyt areas and identify means for which appropriate residential, commercial and industrial development can be accommodated, whilst having regard to key issues of amenity and major transport movement.

The purpose of the Industrial Land Use Strategy is:

- To outline the context to industrial development in Colac;
- Identify key themes and issues that will influence the future development of industry in Colac; and
- Provide recommendations to inform the preferred location, land allocation and design of industrial areas in Colac.

#### 7.1.1 National Policy and Strategic Context

The Australian Government has placed a strong focus on promoting the development of industry as it forms an important part of the economy. The development of regional areas is the focus of the policy document entitled *Stronger Regions, A Stronger Australia* (Australian Government, 2001), which contains a number of strategies and initiatives relating to industry in regional and rural areas. Some of the key initiatives include:

- Improving the business and investment environment and encouraging the growth of regional businesses and employment by:
  - Lowering transport and telecommunication costs;
  - Providing support for vital industries such as agriculture; and
  - Attracting skilled and business migrants to regional areas through established programs to ensure a diversity of skills needed for regional development.
- Further developing important transport and telecommunications infrastructure and services.
- Increasing trade and investment opportunities by broadening the Invest Australia program to promote the investment potential of regional Australia both within Australia and internationally.

#### 7.1.2 State Policy and Strategic Context

##### **A Vision for Victoria to 2010 and Beyond (State of Victoria, 2005)**

This Victorian State Government document provides ten goals for Victoria, relating to the economy, health and education, the environment, communities and governance. The goal most relevant to this project is Goal 1 - More quality jobs and thriving innovative industries across Victoria.

Among the challenges to achieve this goal include the need to increase export orientation of Victorian businesses, and ensure regional Victoria shares fully in the benefits of a strong economy. It is aimed to increase exports from Victoria to \$30 billion by 2010 and increase the proportion of freight transported to and from ports by rail from 10 per cent to 30 per cent by 2010.



### **Agenda for New Manufacturing 2002 (State of Victoria, 2003)**

Although mainly relating to the information economy, this document sets out actions to enhance manufacturing within Victoria. There are seven items that form the agenda, which are:

1. Champion manufacturing to increase the recruitment and retention of talent and lift community and financial sector support.
2. Strengthen the export sector, with more firms selling more production in more markets.
3. Encourage broad-based business investment in research, development and other forms of innovation.
4. Enhance productivity and encourage microeconomic reform to create high-performance workplaces and lift competitiveness.
5. Strengthen commitment and infrastructure for education, training and skills.
6. Attract manufacturing investment and venture capital.
7. Pursue environmentally sustainable practices to build goodwill, boost competitiveness and open up to new markets.

### **Moving Forward: Making Provincial Victoria the Best Place to Live, Work and Invest 2005 (DIIRD, 2005)**

This report sets out fifteen actions to promote growth in provincial Victoria, under three major themes of People, Industry and Infrastructure. Among the key initiatives of the plan are:

- A state-wide audit of industrial land, to provide information and analysis about the demand and supply of industrial land, so as to ensure sufficient industrial land is available to meet future demand;
- The \$100 million Provincial Victoria Growth Fund to drive economic and population growth in Victoria, including identifying and capturing new businesses, industry and investment opportunities;
- Renewing the Provincial Economic Partnerships Program, which provides assistance to regional councils for economic promotion and marketing activities;
- An additional \$200 million to the Regional Infrastructure Development Fund;
- \$13.5 million to assist Councils in, among other things, developing economic opportunities;
- \$20 million to a new intermodal freight program to provide assistance to projects that, among other things, increase freight carriage by rail;
- \$11 million to improve dairy infrastructure, boost innovation and research and improve employment practices in the dairy industry.
- Working in partnerships with local governments to attract investment and assist in procuring privately financed infrastructure projects; and
- Agricultural machinery and equipment: the creation of an agricultural machinery manufacturing cluster and sector-based high performance consortia.



### **State Planning Policy Framework (SPPF)**

Clause 17.03 of the SPPF relates to Industry, and contains the objective “to ensure availability of land for industry and to facilitate the sustainable development and operation of industry and research and development activity”.

- Implementation measures to ensure this objective is achieved are contained at Clause 17.03-2, and include the following:
- Planning authorities should zone land for industrial development in urban growth areas where good access for employees and freight transport is available and where appropriate buffer areas can be provided between the proposed industrial land and nearby sensitive land uses.
- Responsible authorities should not approve non-industrial uses which will prejudice the availability of land for future industrial requirements in industrial zones.
- Responsible authorities should, where possible, minimise inter-industry conflict and encourage like industries to locate within the same area.

This provides a context for the future planning and development of industry in Colac.

Clause 18.01 Declared highways, railways and tramways, contains the objective “to integrate land use and transport planning around existing and planned declared highways, railways, principal bus routes and tram lines”.

The policy states that “new uses or development of land near an existing or proposed transport route should be planned or regulated to avoid detriment to, and where possible enhance, the service, safety and amenity desirable for that transport route in the short and long terms”.

### **7.1.3 Regional Policy and Strategic Context**

#### **G21 Region Report 2005 (Geelong Region Alliance, 2005)**

The G21 Alliance has produced a report entitled *The G21 Region Report 2005*, which contains six outcomes for economic development in the region. These are:

1. Grow current industry.
2. Foster new and emerging industry.
3. Build enabling infrastructure.
4. Develop a capable workforce.
5. Foster effective leadership and collaboration.
6. Market the region.

Some of the challenges to be overcome in order to achieve these outcomes include:

- Expanding export growth and development;
- Identify priorities for support and development including... food processing; and
- Secure/retain high income/capita employment for the Region.



The draft G21 Region plan lists five key responses, one is to “refocus our economy”. This response includes the following directions:

- Respond to global competition
- Improve industry efficiency and promote innovation
- Reduce skill gaps and shortages
- Improve the operating environment for business.

A key policy and action is to encourage a positive, responsive and supportive regulatory and development environment for business and industry growth.

Colac plays an important role in supporting the economic (including employment) base of Geelong, which is designated by the Victorian Government as a Transit City (under Melbourne 2030), and also has industry sectors of comparative advantage that will outperform the regional economy.

#### **7.1.4 Local Policy and Strategic Context**

##### **Colac-Otway Municipal Strategic Statement (MSS)**

The MSS is contained within the Colac-Otway Planning Scheme, and is currently under review. The revised MSS will include references to the Colac Structure Plan. Both the existing and proposed MSS’s contain a number of statements regarding industry in the Shire and the town of Colac, and these are briefly outlined below.

##### *Existing MSS*

- Encouraging the location in Colac and other settlements of value adding or processing industries that assist the local primary industries.
- Promoting the strategic location of Colac for industry.
- Concentrating industry in existing zoned areas.
- Assisting industries in the main area of Colac to develop while minimising off-site effects.
- Ensuring adequate supplies of suitable land for key industrial uses, and focusing key industrial developments on major sites to the east and west of Colac.

##### *Proposed MSS*

- Areas of sufficient zoned, serviced industrial land for the foreseeable future have been identified in Colac.
- There is a need to diversify and expand employment opportunities by encouragement for the clustering of related industries and services for the development of niche markets.
- Key industrial uses need to be identified, and an adequate supply of industrial land should be provided for industrial use.
- The area designated as Industrial 1 to the north of the town centre should be rezoned to Farming to protect its landscape values and Lake Colac vista.
- Design and development guidelines should be prepared for industrial uses and development.
- Colac East is to be promoted as the primary industrial development area, and the strategic location of Colac is to be promoted as a location for industry.
- Seek opportunities to relocate industrial uses with desirable industrial locations.
- Concentrate industrial development in existing zoned areas.



- Seek to relocate non-conforming uses out of industrial zones.
- Seek to relocate inappropriate activities from the core commercial/retail area of Colac to create opportunities for new retail development
- Seek to improve existing industrial areas by the promotion of landscaping best practice design and buffer development.

The Colac Structure Plan 2000 was part of Amendment C20, which has since been abandoned. The Panel Report to Amendment C20 recommended that Council:

“Investigate the supply and demand for industrial land, and therefore the appropriate boundary for industrial land to the east of Colac, within the next 12 months. A sunset clause of two years should be applied to land to the west (excluding the proposed enterprise zone identified in the Colac Forward Plan) with the necessity or otherwise for this land for industrial purposes to be confirmed or reviewed through that review”.

#### **7.1.5 Other Reference Documents**

The Colac Otway Shire *Economic Development and Tourism Strategy* provides some useful background information on manufacturing and industry within Colac, as well as several recommendations for future strategies and actions. Some of the key themes arising through the strategy include:

- The key role that manufacturing plays in generating employment in the Shire;
- The need to set aside sufficient industrial land with appropriate buffers;
- The possibility of attracting a larger industry to Colac;
- The potential to develop a large allotment industrial “park”;
- The opportunity to cluster development; and
- The need for efficient and effective transportation routes to key regional and metropolitan locations.

The key strategies and actions arising from the strategy, relating to industry, include:

- Stimulate the development of new accommodation to cater for new employees to the town.
- Ensure there is sufficient available industrial land available for future expansion in Colac.
- Advocate for improvement of the Princes Highway between Colac and Geelong.
- Explore the development of a food industry cluster.
- Plan and advocate for strategic road connections a by-pass around Colac.



## 7.2 Colac Industry Profile

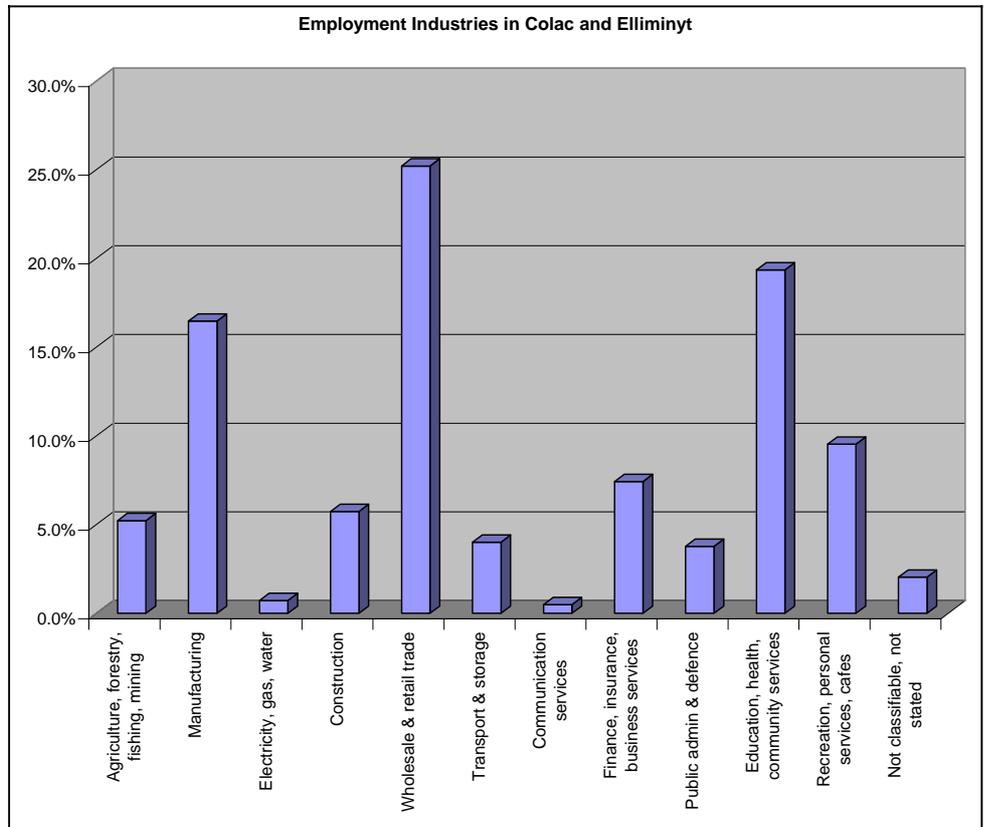
Colac Otway Shire Council has produced an industry profile of manufacturing within the Shire, with a focus on the food and timber processing industries. The profile provides some useful background information on the manufacturing industry, although it relates to the whole Shire rather than Colac itself. Some points worth noting are:

- The manufacturing workforce has a catchment of 44 000 people within a 55km radius of Colac;
- There are four manufacturers in the Shire with over 100 staff and 13% of the Shire's workers are employed in manufacturing;
- Over the last decade Colac Otway's manufacturing sector has outperformed Victoria as a whole, non metropolitan Victoria and the Barwon region in terms of job growth;
- Manufacturing jobs have increased by 34% from 1991 to 2001 in Colac Otway, while total jobs grew by 8%;
- Both the food processing and timber processing sub sectors have strong growth potential over the next decade, with Colac Otway Shire well placed to capitalise on this growth;
- In 2001, Colac had 629 manufacturing jobs (58% of the Shire total);
- Food processing in Colac Otway Shire represents 7% of all jobs and 54% of manufacturing jobs; and
- Over the next 10 years no change is expected in the number of large manufacturing businesses in the Shire.

### 7.2.1 Employment Snapshot

Australian Bureau of Statistics figures, sourced from the ID Consulting work undertaken, indicate that manufacturing is an important employment generator within Colac. Figure 15 depicts the breakdown in employment industries within Colac and Elliminyt.

While Colac has a strong level of employment in the retail, financial and education, health and community services industries, the manufacturing and associated agriculture, forestry and mining also employ a large proportion of the population. This reflects the importance of the dairy farming industry, and its associated manufacturing and warehousing requirements.



**Figure 15. Percentage breakdown of employment industries in Colac and Elliminyt.**  
**Source: ID Consulting, 2005 (based on Australian Bureau of Statistics, Census of Population and Housing, 2001).**

The draft G21 Geelong Region Plan – a Sustainable Growth Strategy (November 2006) contains the most up to date economic forecasts for the region. Forecasts completed by the Monash University Centre of Policy Studies (2006) show a negative movement in the 3 macro economic indicators of real GDP, employment and population between 2006 and 2013. The region’s real GDP is forecast to grow at 3.0% per annum, 0.5% below the Victorian average and 0.4% below the national average. Forecast annual employment growth is 0.7%, 0.4% below the Victorian average and 0.2% below the national average. Population growth is forecast to be 1.0% for the region, 0.2% below the Victorian average and 0.1% below the national average.

The Monash report says: “The economy of G21 Region is forecast to grow at a rate slightly below that of a nation as a whole. In part this reflects a relatively high share of the Region’s economic activity in the motor vehicle sector. This sector is forecast to be relatively slow growing over the period 2006 – 2013. This exerts a damping effect on the Region’s relative economic growth prospects.”



This indicates that while the regional economy may under perform due to the motor vehicle sector, there is opportunity for Colac's economic growth to outperform the regional economy as there is little impact of the motor vehicle sector on Colac's economy.

The draft G21 Region Plan Direction 4.2 is to improve industry efficiency and promote innovation. The plan identifies that it is critical for economic development activity to facilitate the improved competitive position of industries in areas of comparative advantage.

Industry sectors where Colac has a comparative advantage include manufacturing and warehousing associated with agriculture and forestry, along with the strong wholesale and retail trade sector. These sectors are likely to experience growth with focused efficiency improvements, development of opportunities to value add, increased investment and regional collaboration to facilitate increased economic output and employment (G21, 2006).

The ability of Colac Otway Shire Council to influence economic growth lies primarily in the areas of policy, planning, facilitation and joint initiatives with industry (Street Ryan & Associates, 2006).

### 7.3 Consultation Outcomes

A number of themes and issues have arisen with regard to industrial land issues from the consultation undertaken to date, and these have been summarised in **Appendix B**. A summary of the proposed changes to the Structure Plan as a result of the consultation has also been provided in **Appendix B**.

### 7.4 Vision and Objectives Statements

The vision and objectives for Colac, as outlined in Section 4 has been used as a basis for the development of a more specific vision and objectives that relate to industrial development. A set of principles to be used in guiding new industrial development in Colac have also been developed. The vision, objectives and principles are outlined below.

#### 7.4.1 Vision for Industrial Development in Colac

A thriving industrial sector that provides opportunities for the development of a range of industries and associated activities, in a location and form that is compatible with surrounding development, and that achieves high quality and sustainable design outcomes.

#### 7.4.2 Objectives for Industrial Development in Colac

##### *Manage Growth*

- Designate sufficient land to cater for the industrial land needs of Colac for a twenty year period.
- Provide appropriate buffer distances between proposed industrial areas and existing residential development.



#### *Enhance Environmental Benefits*

- Protect the environmental and landscape qualities of Lake Colac and the waterways that feed the Lake.
- Encourage efficient use of natural resources, particularly water, to ensure the industrial area is sustainable in the long term.
- Minimise amenity impact of industrial development by ensuring appropriate treatments are utilized at the interface between industrial and residential land, including landscaped buffers.
- Ensure development is sited so as to not to contribute to areas of known salinity, and prevent damage to property from the effects of salinity.

#### *Balance Service Provision*

- Ensure the necessary infrastructure can be provided to new development in a cost-effective manner.

#### *Integrate Social Change*

- Provide linkages between places of employment and residential areas to cater for the needs of employees.

### **7.4.3 Principles for Industrial Development**

The principles for industry in Colac are as follows:

#### *Manage growth*

- Strengthen Colac's economic base by providing sufficient industrial zoned land to meet the long term needs of Colac's existing industry, encouraging new industry to locate in Colac.

#### *Enhance environmental benefit*

- Encourage best practice design and management practices to present a positive image for the industrial area, and minimise the impact that industry has on the environment and surrounding land uses.
- Ensure that industrial development incorporates water sensitive design.

#### *Balance service provision*

- Ensure that all new industrial development can be adequately serviced through the provision of water, sewerage, power and other infrastructure.
- Enhance the role of and connections to residential areas to provide for ease of movement for employees to their place of employment.

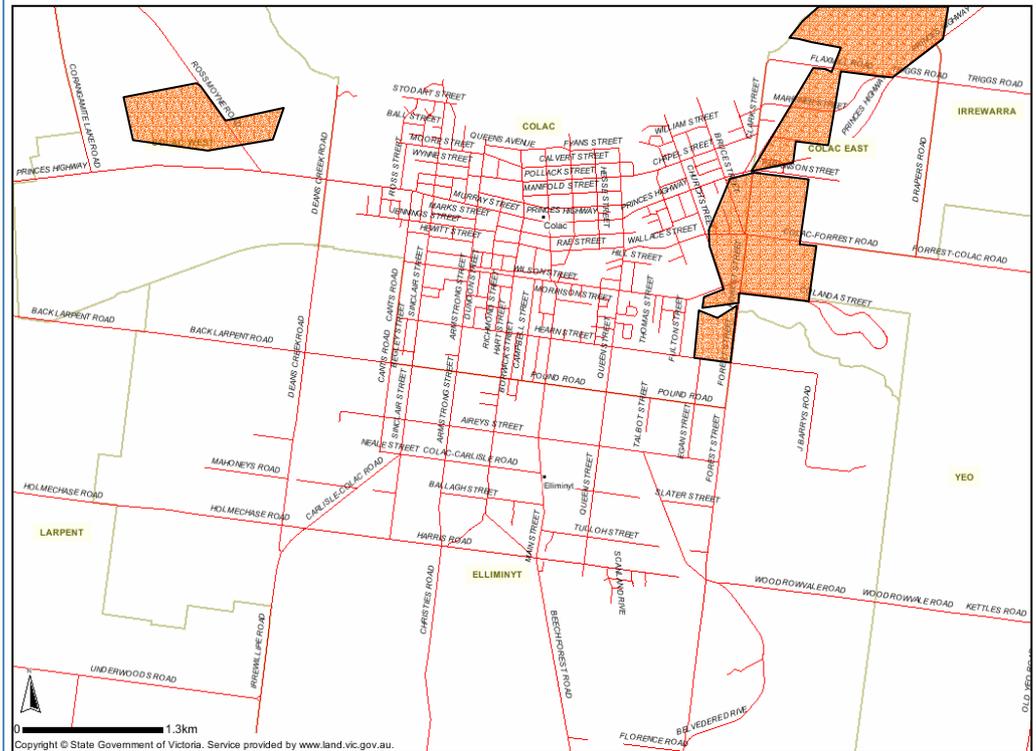
#### *Integrate social change*

- Improve community potential through enhanced employment opportunities.

## **7.5 Industrial Development in Colac**

### **7.5.1 Location of Industrial Land**

There are two main industrial zoned areas within Colac, located on the eastern and western outskirts of the township. Figure 16 depicts the approximate location of these areas in the context of the town.



**Figure 16. Existing Industrial Zoned Land in Colac. Source: Land Victoria, [www.land.vic.gov.au](http://www.land.vic.gov.au)**

### 7.5.2 Type of Industrial Land

All industrial land within Colac is zoned Industrial 1, the purpose of which is to provide primarily for manufacturing industry and the storage and distribution of goods.

It is worthwhile noting that there is currently no Industrial 2 or Industrial 3 Zoned land in Colac. The Industrial 2 Zone provides for intensive industry that requires substantial buffer distances, while the Industrial 3 Zone is often used as a buffer between Industrial 1 and 2 zones and Residential Zones, and in circumstances where inter-industry conflict needs to be avoided.

Some of the major businesses that currently utilise industrial land in Colac include:

- Regal Cream products;
- CRF (Colac Otway) Pty Ltd (meat processing); and
- Bonlac Foods (mainly dairy products).

### 7.6 Recent Industrial Development

Since 1 January 2005 there have only been two subdivision applications for industrial land in Colac. The first of these was a twenty three lot subdivision of Business 4 and Industrial 1 land on the Princes Highway west of Colac that has been approved but is restricted to on site effluent disposal as it is located outside of the Colac Sewerage District.

The second application was for a seventy lot industrial subdivision on Colac-Forrest Road, which was approved in 2005.



### **7.6.1 Availability of Vacant Industrial Land**

While there appears to be a relatively large amount of vacant industrial land in Colac, the majority of this is constrained for a number of reasons, including topography and servicing issues. It is unlikely that sufficient land would be available in Colac to attract a major industry, if the need arose. Further, there is an absence of Industrial 3 Zoned land in the town, making the choice of industrial land quite limited.

## **7.7 Issues and Implications of Industrial Development**

### **7.7.1 Location of Industrial Uses**

There are several existing industrial business within the Colac Township that are long established, and around which potentially incompatible uses have been developed. One example of this is Regal Cream products, which occupies a site on Murray Street. This land is not zoned for industrial purposes and there is a strong argument for the relocation of this, and other such businesses, to more suitable land on the outskirts of Colac.

Relocation would ensure that all industrial uses are situated in specific locations and minimise conflicts between industries and their adjoining uses. Further, this would allow for sufficient buffer areas to be developed between industrial uses and nearby residential and other potentially sensitive uses.

The industrial land to the west of Colac is situated a good distance from existing settlements, and is well placed in terms of highway frontage and proximity to Colac whilst maintaining separation for buffer purposes and large amounts of flat land. However, due to the lack of available sewerage infrastructure, there has been little development on the land. The land is outside the Colac Sewerage District and Barwon Water has advised that the sewerage district will not be extended to include this land. This will severely limit the future development of this land.

Industrial zoned land in the north-eastern part of Colac is occupied by a range of uses, including the meatworks, several large-scale warehouse / distribution companies, and other typical industrial type uses. There is still some vacant land available however this land is constrained by a number of factors, which include:

- Proximity to Lake Colac, which increases the risk of contaminants being discharged into the Lake causing further environmental issues;
- Location in a major viewshed (i.e. to and from Lake Colac);
- Lack of sufficient buffers to nearby residential uses;
- Topography, which is quite steep in some areas and would require substantial cutting and filling at high costs;
- Distance from major transport networks;
- Location outside the Barwon Water sewerage district;
- Shortage of land to attract a large industry to Colac;
- Limited potential for expansion if more land is required; and
- Lack of Industrial 3 zoned land.



### **7.7.2 Availability of Infrastructure**

Through the stakeholder and community consultation, as well as discussions with Council officers, the issue of infrastructure provision, specifically with regard to sewerage infrastructure, has been raised. The Barwon Water sewerage district does not include industrial land to the west of Colac, or north of Treatment Works Road.

Barwon Water has advised that accommodating the western area within the sewerage district will be difficult due to the separation of current infrastructure and pumping facilities required to service the additional demand. As such, future industrial development in this area should be restricted and consideration given to the most appropriate zone given the infrastructure constraint.

The land north of Treatment Works Road will be more easily serviced due to its proximity to existing infrastructure. Barwon Water has also advised that altering the sewer district to include land on the eastern side of Forest Road south of the railway line would be realistic.

### **7.7.3 Encroachment of Sensitive Land Uses**

The lack of buffers between industrial zoned land and other land uses is an issue in Colac. As mentioned in Section 3.2, there are established industrial uses within the Colac Township that are not suitable to be located close to residential or other sensitive uses. There is also new residential development occurring close to existing industrial uses and/or industrial land, mainly in the eastern / north-eastern areas of Colac. This has the potential to encroach on existing buffers that may be established around such uses, hence it is necessary to review current planning scheme controls to determine opportunities for incorporating buffer protection measures.

Discussions with Council officers have also highlighted issues associated with other industrial uses in the town, namely the Sawmill in eastern Colac. These issues primarily relate to buffers between industrial uses and residential development, where currently insufficient land exists between such uses to mitigate any impacts from noise or other such issues. Such land use conflict is generally based upon historical decisions that cannot be immediately rectified, but Council will through new opportunities such as implementing the Industrial 3 Zone, will endeavour to improve amenity and reduce impacts of industry on residential areas as the opportunity arises, specifically when businesses relocate, change uses or expand

The issue of buffers also needs to be addressed when considering the rezoning and development of land for industrial purposes. Adequate buffer areas need to be identified, and could be in the form of 'compatible' zoning, such as commercial or light industrial zones between 'sensitive' uses and industry. An alternative would be to locate industry a sufficient distance from existing settlements and implement effective planning controls to ensure that incompatible uses do not encroach on these buffer areas.



#### 7.7.4 Salinity

As identified in Section 3.2 above, there are a number of areas in Colac that are prone to salinity, and will be considered for inclusion in Salinity Management Overlay (SMO). This includes a relatively large area east of Forest Street and south of Barongarook Creek, and a circular area south of Pound Road on either side of Forest Street.

The proposed SMO includes requirements for the inclusion of certain information when submitting applications for development of land included in the Overlay. While the presence of salinity does not preclude development of these areas, careful consideration should be given to any development on land identified in the SMO. Industrial development in these areas can occur subject to meeting the required siting and design standards, including those specified in the Building Code of Australia.

#### 7.8 SWOT Analysis

A number of strengths, weaknesses, opportunities and threats have arisen in regards to Colac as it exists and in the way it should be developed in the future, and those relating to industry are set out in Table 3 below.

**Table 3. SWOT Analysis**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Strong presence of industrial bases located in Colac surrounds.</li> <li>• High level of employment in manufacturing industry.</li> <li>• Healthy economy and skilled workforce.</li> <li>• Sense of community.</li> </ul>	<ul style="list-style-type: none"> <li>• Unharnessed potential for further industrial development.</li> <li>• Restriction on available land within the current Barwon Water sewerage district.</li> <li>• Lack of suitable buffers between some residential areas and industrial development.</li> <li>• All heavy vehicle traffic must travel through central Colac.</li> <li>• Lack of zone variance.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Sufficient and suitable land to attract rural industry to the area.</li> <li>• Improve access between industrial areas and road and rail transport.</li> <li>• Relocation of existing industries from the commercial centre to more appropriate sites.</li> <li>• Create adequate buffers to sensitive uses.</li> <li>• Further develop skills of workforce.</li> <li>• Geelong Bypass.</li> <li>• Developer contributions for infrastructure.</li> <li>• Capacity to expand Colac Sewerage District east of Colac.</li> </ul>	<ul style="list-style-type: none"> <li>• Availability of appropriately skilled labour force to service possible future industries.</li> <li>• Unsuitable land zoning will discourage industries from locating in Colac.</li> <li>• Capacity to service land within the Barwon Water Sewerage District.</li> <li>• Location of areas prone to or affected by salinity.</li> </ul>



## 7.9 Requirements for Industrial Land

Best practice research shows that there are several elements required to ensure that industrial zoned land meets the needs of its future users. These can be categorised into primary and secondary criteria, according to their importance.

**Table 4. Primary and Secondary Siting Criteria.**

Assessment Criteria	Description
<b>PRIMARY SITING CRITERIA</b>	
<i>Ability to meet future land area needs</i>	Sufficient land to cater for a 20 year demand
<i>Unconstrained by nearby sensitive uses</i>	Situated so as to enable the provision of adequate buffer zones to sensitive uses
<i>Free from significant environmental constraints</i>	Significant environmental constraints include flooding, native vegetation, wetlands, watercourses, rare or threatened flora and fauna, contaminated land, etc.
<i>Highway frontage</i>	Highway frontage to facilitate good vehicle access to and from the site.
<i>B-double capable Highway access</i>	Access to a Highway capable of accommodating B-doubles
<i>Access to rail</i>	Railway within or adjacent to site.
<i>Ability to bypass town centre when accessing Melbourne</i>	Vehicles do not need to travel through Colac to travel to or from the site.
<i>Access to Colac township</i>	Ease of access to Colac township.

Assessment Criteria	Description
<b>SECONDARY SITING CRITERIA</b>	
<i>Affordable</i>	Cost of land
<i>Of limited agricultural value</i>	Land is not of high agricultural value
<i>Available for prompt use</i>	Unconstrained by buildings, requires little earthworks.
<i>Flat land parcels</i>	Topography of land would not constrain use for industrial purposes
<i>Limited ownership fragmentation</i>	Land has few owners
<i>Free from significant vegetation</i>	Land is free of significant vegetation
<i>Supply of potable water</i>	Potable water supply is available or can be supplied at a reasonable cost
<i>Drainage connection</i>	Drainage infrastructure is available or can be supplied at a reasonable cost
<i>Sewerage connection</i>	Sewerage infrastructure is available or can be supplied at a reasonable cost
<i>Electricity supply</i>	Electricity infrastructure is available or can be supplied at a reasonable cost
<i>Gas supply</i>	Gas infrastructure is available or can be supplied at a reasonable cost
<i>Communications</i>	Communications infrastructure is available or can be supplied at a reasonable cost
<i>Access to public transport services</i>	Public transport is available to the site or can easily be made available at a reasonable cost

Such criteria should be incorporated into the planning stage of any future industrial estates or areas within Colac.

## 7.10 Potential Industrial Areas in Colac

Based on the availability of industrial land in Colac, as well as the criteria for location of industrial land, only a limited number of potential areas for future industrial development



within Colac and surrounds can be identified. These are as follows and are identified in Figure 17 below.

- North east Colac;
- West Colac;
- South East Colac; and
- East Colac.

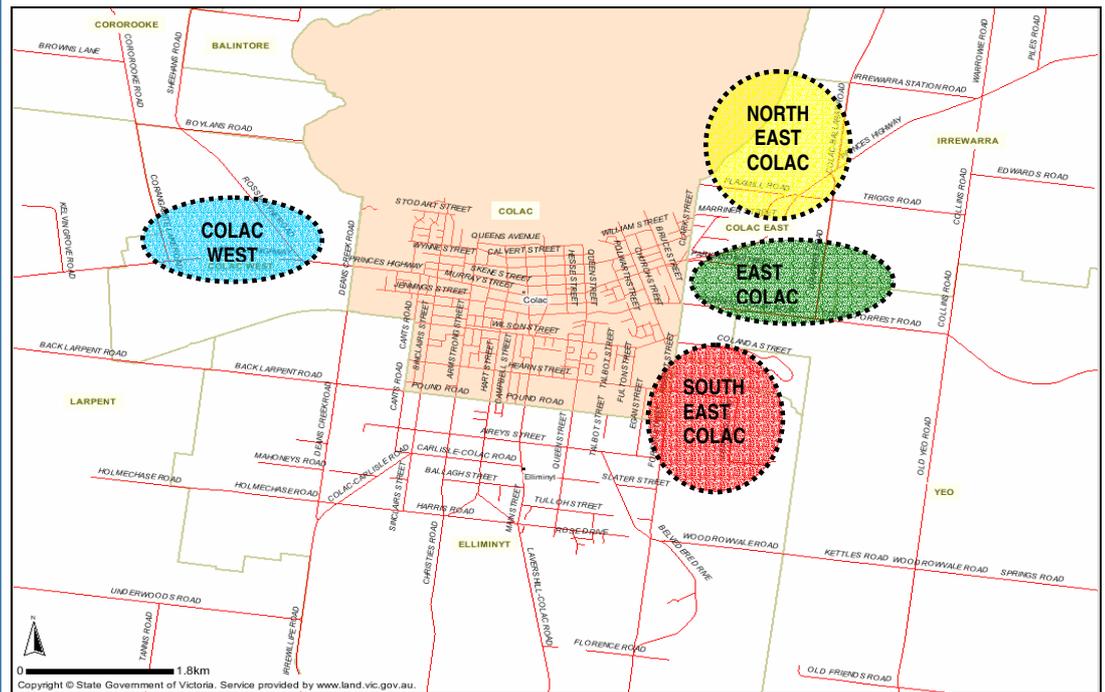


Figure 17. Potential Industrial Areas in Colac. Map source: www.land.vic.gov.au.

### 7.11 Assessment of Potential Industrial Areas

The following table provides an assessment of each of the potential industrial areas identified in Section 7.10 against the primary siting criteria listed in Table 5. This assessment will then inform the development of strategies for industrial development in Colac.

Table 5. Assessment of Potential Industrial Areas

Criteria	N-E Colac	West Colac	S-E Colac	East Colac
Ability to meet future land area needs	✗	✗	✓	✗
Unconstrained by nearby sensitive uses	✗	✓	✓	✗
Free from significant environmental constraints	✗	✓	✓	✗
Highway frontage	✗	✗	✗	✗
B-double capable Highway access	✗	✗	✗	✗
Access to rail	✓	✗	✓	✓
Ability to bypass town centre when accessing Melbourne	✓	✗	✓	✓
Access to Colac township	✓	✗	✓	✓



From the above assessment it is clear that the land in South East Colac meets the most criteria of all possible development areas. As such it should be the preferred area for development of new industrial uses in Colac.

## **7.12 Strategy for Future Industrial Development in Colac**

Based on the assessment undertaken as part of this strategy, the preferred area for future industrial development in Colac is to the south east of the township, with a small extension to the existing industrial area in the eastern part of Colac. These areas are depicted in Figure 18 below. Table 6 gives a summary of the actions as well as the required implementation measures.

### **7.12.1 North East Colac Industrial Area**

#### **Context**

An area of vacant industrial zoned land exists in the north eastern area of Colac, primarily located north of Treatment Works Road. This land was zoned for industrial purposes under the old format planning scheme, and subsequently transferred to an Industrial 1 Zoning in the new format planning schemes.

The area is currently used for rural purposes, is not within the Barwon Water sewerage district, and is constrained by its varying topography. There have been no applications lodged for development on this land to date and the land has never been developed.

If developed for industrial purposes, this area could restrict views to Lake Colac and any stormwater runoff, if not effectively controlled, could have adverse impacts on the Lake.

The Barwon Water Reclamation Plant is located on Treatment Works Road. A 300m buffer exists (refer to the Structure Plan) around the Plant restricting residential development, so as to protect the Plant from the encroachment of uses that may be affected by any odour or noise emitted.

In 2002 Council resolved to rezone the land from Industrial 1 to Rural, following the preparation of the Strategic Development Master Plan. The reasons for rezoning were primarily to protect the lake views and approach to the town from the east.

The combination of the above factors has given rise through this project for a review of this area, to the extent that it is relocated.

#### **Related Objectives**

##### *Enhance Environmental Benefits*

- Protect the environmental and landscape qualities of Lake Colac and the waterways that feed the Lake.

##### *Balance Service Provision*

- Ensure the necessary infrastructure can be provided to new development in a cost-effective manner.



### *Integrate Social Change*

- Provide linkages between places of employment and residential areas to cater for the needs of employees.

### **Intended Outcome**

The intended outcomes of this rezoning are:

- Protection of views to and from Lake Colac
- Allocation and provision of additional, more appropriate industrial land
- Continuation of existing rural uses on this land
- Review value of land for industry in the context of other land parcels

### **Strategic Justification**

Clause 18.09 of the State Planning Policy Framework relates to water supply, sewer and drainage, and requires that:

- Water quality in water supply catchments be protected from possible contamination by industrial uses;
- Urban development is provided with sewerage at the time of subdivision.

Clause 19.03 of the State Planning Policy Framework (Design and Built Form) specifies that important views and vistas should be protected.

Industrial 1 Zone decision guidelines require consideration of:

- Any natural or cultural values on or near the land; and
- The availability of and connection to services.

Given the natural values of Lake Colac, these decision guidelines indicate that Industrial 1 Zone development may not be appropriate on this site. The majority of the land is outside of the Colac Sewerage District.

The proposed rezoning will ensure that the water quality of and views and vistas to Lake Colac can be protected.

### **Strategies**

1. Rezone existing Industrial 1 Zoned land north of Treatment Works Road and Flaxmill Road to Farming Zone.
2. Implement an Environmental Significance Overlay over the 300m buffer area requiring applications for dwellings in the buffer area to be referred to Barwon Water.

### **7.12.2 South East Colac Industrial Area**

#### **Context**

The existing Industrial 1 Zone located north of Treatment Works Road and Flaxmill Road is a 78 hectare parcel of land. If no longer available for development following its backzoning, further land will need to be identified for industrial development to ensure the supply of Industrial 1 Zoned land is not diminished. Currently there are no sites within Colac that are zoned Industrial 1, and are of sufficient size to accommodate a large industrial use.

There is also no Industrial 3 zone within Colac, and therefore light manufacturing / warehousing uses are forced to locate in inappropriate areas, including the core



commercial centre of Colac, reducing the floorspace available to retail. These uses are also often close to residential and other sensitive uses.

### **Related Objectives**

#### *Manage Growth*

- Designate sufficient land to cater for the industrial land needs of Colac for a twenty year period.
- Provide appropriate buffer distances between proposed industrial areas and existing residential development.

#### *Enhance Environmental Benefits*

- Ensure that industrial development incorporates water sensitive design.
- Minimise amenity impact of industrial development by ensuring appropriate treatments are utilized at the interface between industrial and residential land, including landscaped buffers.
- Ensure development is sited so as to not to contribute to areas of known salinity, and prevent damage to property from the effects of salinity.

#### *Balance Service Provision*

- Ensure the necessary infrastructure can be provided to new development in a cost-effective manner.

#### *Integrate Social Change*

- Provide linkages between places of employment and residential areas to cater for the needs of employees.

### **Intended Outcome**

It is intended that the South East Colac Industrial Area become the focus for economic (industrial) development in Colac.

### **Strategic Justification**

Clause 17.03 of the State Planning Policy Framework relates to Industry, and aims to ensure that sufficient land is zoned for industrial development in urban growth areas, where good access for employees and freight transport is available, and where appropriate buffer areas can be provided between the proposed land and sensitive uses.

Due to the 'backzoning' of 78 hectares of industrial land in the north east Colac industrial area, additional land needs to be identified to ensure a continuation of the current supply of industrial land in Colac.

This area has been selected as it meets the majority of the criteria outlined in Table 5 above, primarily flat topography, proximity to major transport routes and large amount of undeveloped land. Although the land is currently not fully located within the Barwon Water sewerage district, Barwon Water has advised that it is capable of being serviced by sewerage and water infrastructure.

This is a logical extension to the existing Industrial 1 Zone in eastern Colac, and would provide a good opportunity for existing poorly sited industrial uses in central Colac to relocate to more suitable sites.



The Industrial 1 Zone will encourage new industrial development in Colac, and will provide land of sufficient area to allow for large industrial businesses to be developed, which is currently not possible due to the constraints on existing industrial land.

The proposed Industrial 3 Zoned land will serve as a buffer to nearby rural living and residential uses, and will also provide the opportunities for uses that require main road frontage to be appropriately sited.

The main purpose of the Industrial 3 Zone is to provide for light industries that can act as a buffer between Industrial 1 Zones and local communities.

Providing Industrial 3 Zoned land in Colac is important in ensuring that a variety of industrial uses can be accommodated in Colac. This will increase the opportunities for economic development and encourage an increase in the diversity of businesses within Colac. This zone is also important in ensuring that less intensive industrial uses are located on the outskirts of the industrial precinct, reducing the likelihood of conflicts at the interface of industrial and non-industrial zones.

The development of south east Colac for industrial purposes will require significant upgrade of existing roads (eg Forest St), so as to provide linkages to the Princes Highway and also to facilitate b-double movement.

The south east Colac industrial area will essentially replace that in north east Colac that is to be rezoned to Farming due to servicing constraints. The proposed industrial area is more suitable due to its flat topography and access to major transport routes, and will provide a more diverse range of opportunities for land uses than currently exists in Colac.

The existing Public Park and Recreation Zone around Barongarook Creek will ensure that a buffer is provided between industrial uses and the Creek. A building setback of 50m to the Creek will be required to further ensure that these uses do not adversely affect the environmental values of the Creek and its surrounds.

Consideration will also need to be given to establishing a vegetated buffer between new industrial development and the Colanda site. In this regard, it will be necessary to expand the width of the Public Park and Recreation Zone around Barongarook Creek at the time of a future rezoning to cater for this buffer.

### **Strategies**

1. Designate land 100m east of Forest Street and South of Barongarook Creek for Industrial 1 purposes.
2. Provide an Industrial 3 Zone along Forest Street south of Barongarook Creek to allow for light industrial uses, and serve as a buffer between the Industrial 1 and Rural Living Zones.
3. Allocate a 50m buffer between Barongarook Creek and development in the Industrial 1 and 3 Zones so as to prevent adverse environmental impacts on the Creek and to act as a buffer to the Colanda site.



### **7.12.3 West Colac Industrial Area**

#### **Context**

Industrial 1 Zoned land in West Colac has recently been subject to significant servicing constraints, specifically the inability to provide sewerage infrastructure to the area. As a result the take up of land has been slow, and there has been very little development occurring in this area.

#### **Related Objectives**

##### *Balance Service Provision*

- Ensure the necessary infrastructure can be provided to new development in a cost-effective manner.

##### *Integrate Social Change*

- Provide linkages between places of employment and residential areas to cater for the needs of employees.

#### **Intended Outcome**

It is intended that the West Colac Industrial and Commercial area be enhanced so as to provide a more attractive and inviting entry to the town. It is also intended that industrial development in this location be restricted as it is outside the Colac Sewerage District. The most appropriate way of restricting industrial development on this land is to rezone to an appropriate zone, which in this case is the adjoining Farming Zone.

#### **Strategic Justification**

Clause 19.03 Design and Built Form, aims to ensure that high quality design and architecture is employed so as to promote the attractiveness of towns and enhance the amenity of the public realm.

While no further development is envisaged of the Industrial 1 Zone, it is important that existing uses, where possible, promote an attractive appearance from the street frontage.

Industrial 1 Zone decision guidelines require consideration of, among other things, the availability of and connection to services. Given the land is outside the Colac Sewerage District, it is difficult to envisage any further subdivision / development of the land and hence it is appropriate to back zone this land to the adjoining Farming Zone.

#### **Strategies**

1. Prevent further industrial development in this area by back zoning to the adjoining Farming Zone.
2. Direct industrial development to the proposed South East Colac Industrial Area in the short to medium term.

### **7.12.4 Future Industrial Land Supply**

#### **Context**

An adequate supply of industrial land needs to be provided to ensure that the economic base of Colac can be secured for the long term. Potential exists to



extend Industrial 1 and Industrial 3 Zoned land south of the proposed short term Industrial 1 and Industrial 3 Zones.

Note that the investigation of supply and demand for industrial land has not formed part of the current Structure Plan process. The recommendation to backzone industrial land north of the highway (adjacent Lake Colac) where it is located inappropriately and replace it with new industrial land in a more suited location on Forest Street, represents a transfer of industrial land with minimal differences in size. This approach therefore has not warranted a detailed analysis as supply has not increased and indications are that demand is static. However, more detailed analysis may be warranted to support any justification for the rezoning to industrial land during the implementation of the land use recommendations.

### **Related Objectives**

#### *Manage Growth*

- Designate sufficient land to cater for the industrial land needs of Colac for a twenty year period.

#### *Enhance Environmental Benefits*

- Minimise amenity impact of industrial development by ensuring appropriate treatments are utilized at the interface between industrial and residential land, including landscaped buffers.
- Ensure development is sited so that it does not contribute to areas of known salinity, and prevent damage to property from the effects of salinity.

#### *Integrate Social Change*

- Provide linkages between places of employment and residential areas to cater for the needs of employees.

### **Intended Outcome**

It is intended that this area be designated for future industrial development so as to secure a long term supply of industrial land in Colac.

### **Strategic Justification**

Future economic assessment may identify the need for additional industrial land in Colac, although this will depend on the take-up rate of the proposed Industrial 1 and 3 Zones in East Colac. Land east of Forest Street and west of Barrys Road, between Pound Road and Aireys Road, has been set aside in this Structure Plan for future industrial development, pending a supply and demand analysis. However, as this land is outside the Barwon Water sewerage district, this land is presented as a long term opportunity.

### **Strategies**

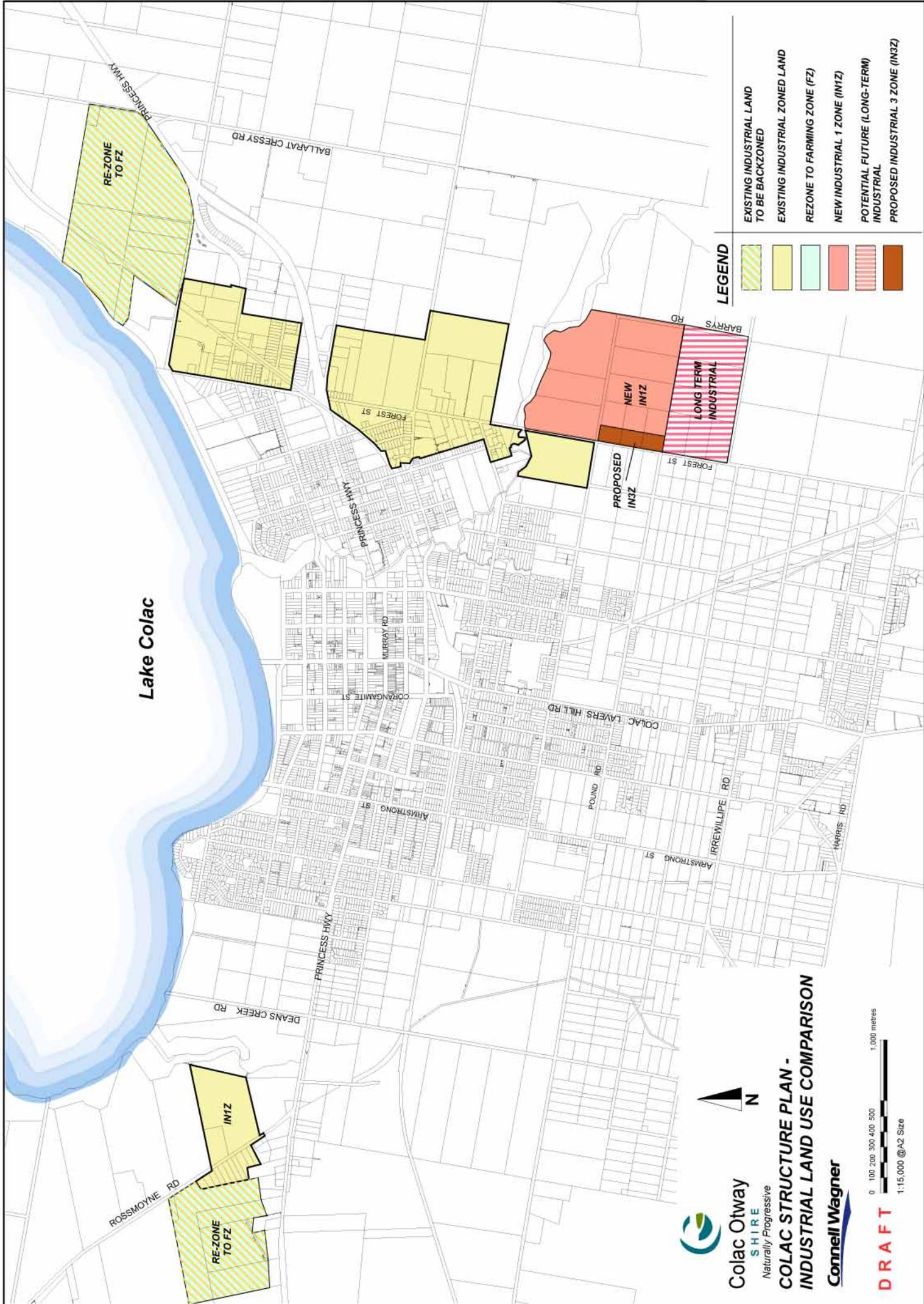
1. Rezone land east of Forest Street and west of Barrys Road for long term industrial development.
2. Undertake a land supply analysis in the medium term to determine future industrial land needs for Colac.



### 7.13 Staging of Development

Consideration of the timing of the various strategies identified above is important to give landowners certainty about when their land may be developed and/or rezoned, and to give Council guidance as to the order of importance of each of the strategies. A staging plan has been prepared for industrial development in Colac, and this is shown in 19. Table 6 below provides further detail on the proposed staging.

Strategy	Time (Years)	Rationale
Rezoning land north of Treatment Works Road and Flaxmill Road to Farming.	1-3	Development should be prevented on this land as soon as possible to ensure that views to and from Lake Colac are protected, as is the water quality of the Lake.
Rezoning the western portion of Industrial Zoned land at Colac West (west of Rossmoyne road) to Farming Zone	1-3	Development should be prevented on this land as soon as possible due to the lack of available infrastructure services.
Rezoning Farming zoned land on east side of Forest Street (shown with a 1 on the staging plan) to Industrial 1 and 3 as applicable.	1-3	As land in north east Colac is removed from the Industrial 1 Zone, additional land should be designated in south east Colac for this purpose. This land is most suitable due to its flat topography, good access to infrastructure and the principal road network, and proximity to the Colac employment base.
Rezoning Farming zoned land on east side of Forest Street (shown with a 2 on the staging plan) to Industrial 1.	3-10	As the initial Industrial 1 and 3 Zoned land is developed, demand is likely to increase for additional IN1Z land. The second stage of the south east Colac industrial area should commence within the 5 to 10 year bracket.
Rezoning land shown with a 3 to Industrial 1 in accordance with demand.	10+	Land in this stage has been set aside for future industrial development. Take up rates for stages 1 and 2 of the south east Colac industrial area will determine the timing for the final stage of development.



**LEGEND**

-  EXISTING INDUSTRIAL LAND TO BE BACKZONED
-  EXISTING INDUSTRIAL ZONED LAND
-  REZONE TO FARMING ZONE (FZ)
-  NEW INDUSTRIAL 1 ZONE (IN1Z)
-  POTENTIAL FUTURE (LONG-TERM) INDUSTRIAL
-  PROPOSED INDUSTRIAL 3 ZONE (IN3Z)

Lake Colac



**Colac Otway**  
SHIRE  
Naturally Progressive

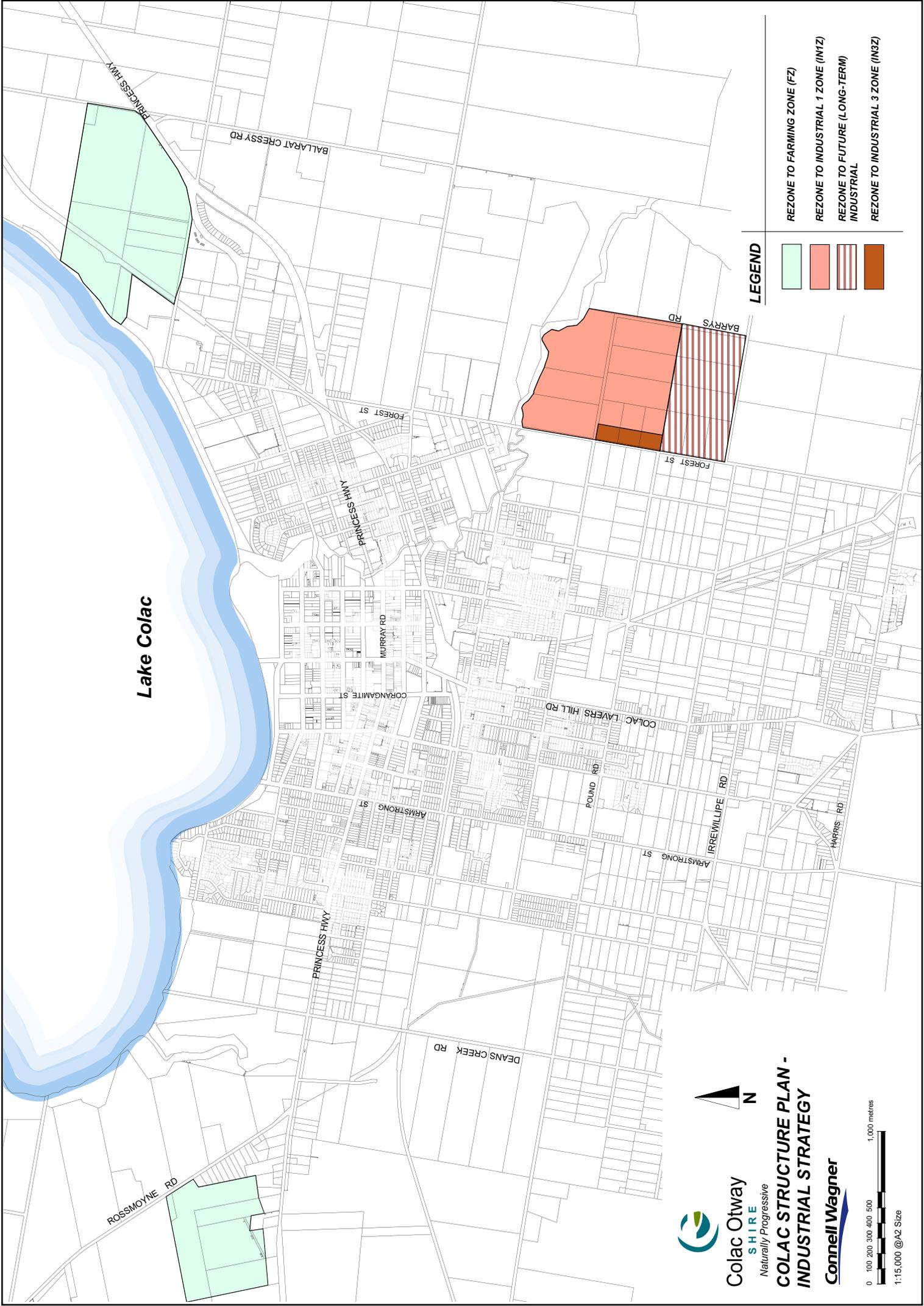
**COLAC STRUCTURE PLAN -  
INDUSTRIAL LAND USE COMPARISON**

**Connell Wagner**



**DRAFT**

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Lake Colac

**LEGEND**

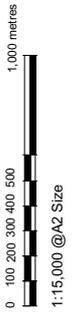
-  REZONE TO FARMING ZONE (FZ)
-  REZONE TO INDUSTRIAL 1 ZONE (IN1Z)
-  REZONE TO FUTURE (LONG-TERM) INDUSTRIAL
-  REZONE TO INDUSTRIAL 3 ZONE (IN3Z)

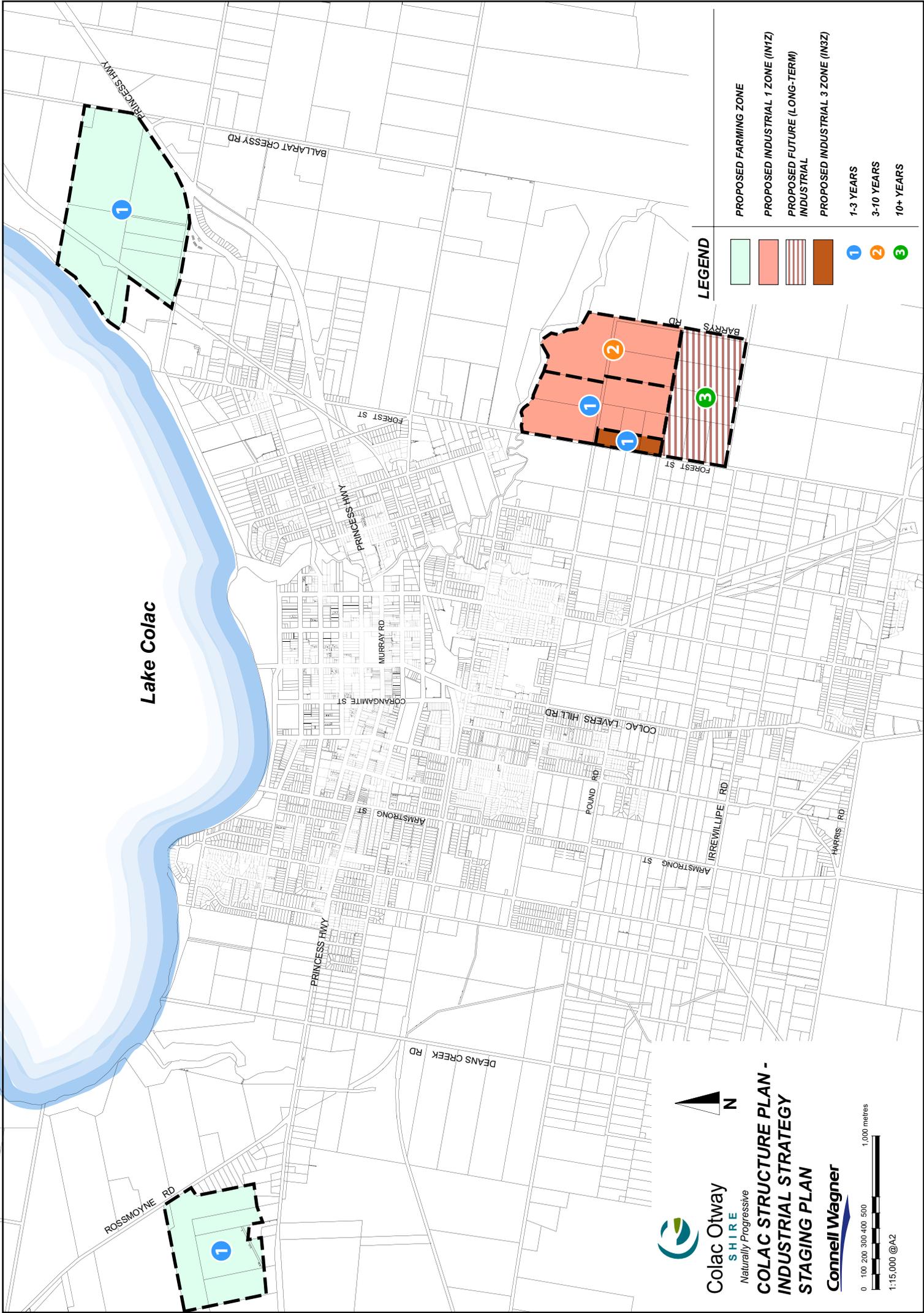


**Colac Otway**  
 SHIRE  
 Naturally Progressive

**COLAC STRUCTURE PLAN -  
 INDUSTRIAL STRATEGY**

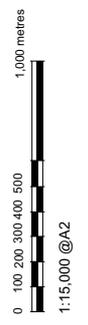
**Connell Wagner**





**COLAC STRUCTURE PLAN -  
INDUSTRIAL STRATEGY  
STAGING PLAN**

**Connell Wagner**





**Table 7 Strategies for Industrial Development in Colac**

Action	Application	Purpose	How?
1. Prevent any additional or new industrial development adjacent to Lake Colac.	Land to the north of Treatment Works Road and land at Colac West.	<ul style="list-style-type: none"> <li>Retain vistas to and from Lake Colac.</li> <li>Inability to adequately service this land.</li> </ul>	<ul style="list-style-type: none"> <li>Rezone from Industrial 1 Zone to Farming Zone.</li> </ul>
2. Rezone land in south east Colac consistent with Industrial 1 and Industrial 3 purposes.	Land south of Barongarook Creek, north of Pound Road and east of Forest Street.	<ul style="list-style-type: none"> <li>Encourage industrial demand to allow relocation of existing industry and the development of new industrial uses within Colac.</li> <li>Provide land of sufficient area to accommodate a 20 year supply for industrial activity.</li> <li>Provide a buffer between existing residential settlements and core industrial area.</li> </ul>	<ul style="list-style-type: none"> <li>Rezone land from Farming to Industrial 1.</li> <li>Rezone land from Farming to Industrial 3.</li> <li>Prepare policy (either revise MSS or create Local Planning Policy) to direct all future industrial development to the South East Colac Industrial Area</li> </ul>
3. Identify and encourage relocation of existing 'inappropriate' industrial uses out of the town centre by promoting new industrial land opportunities and zones. These new zones will provide areas suited to a diverse range of light to general industrial activities.	Various sites which offer prime retail/community opportunity including Regal Ice Cream, Bus Depot, Powernet Depot, various rural and services industries	<ul style="list-style-type: none"> <li>Reduce conflicts at industry / non-industry interface</li> <li>Ensure land in the town centre is utilised effectively</li> </ul>	<ul style="list-style-type: none"> <li>Ensure land of sufficient area is made available to businesses to meet specific needs / requirements of businesses</li> <li>Include in future policy a statement directing all industrial development to the South East Colac Industrial Area.</li> </ul>
4. Improve existing industrial development in West Colac, and prevent further development of the Industrial 1 Zone pending the availability of sewerage infrastructure.	Land to the north of the Princes Highway, around Rossmoyne Road	<ul style="list-style-type: none"> <li>Ensure development is of a high standard of building and landscape design.</li> <li>Ensure that development can be serviced.</li> </ul>	<ul style="list-style-type: none"> <li>Amend the MSS so as to discourage development in the existing Industrial 1 Zone in west Colac pending the availability of sewerage infrastructure.</li> <li>Backzone western half of existing Industrial 1 Zone to Farming Zone</li> <li>Amend the existing DDO to control building and landscape design</li> <li>Encourage potential applicants to have pre-application discussions with Barwon Water</li> </ul>
5. Designate additional land for future industrial development if required.	Land to the East of Forest Street and north and west of Barrys Road.	<ul style="list-style-type: none"> <li>Ensure that future expansion of designated industrial land in south east Colac can occur if required.</li> </ul>	<ul style="list-style-type: none"> <li>Amend the MSS so as to reserve land in South East Colac for future industrial expansion.</li> </ul>



## 8. Residential Land Use Strategy

### 8.1 Context

This Strategy is prepared in support of the Colac Structure Plan. The Residential Land Use Strategy aims to supplement the Colac Structure Plan with the specific goal of giving direction to Colac's residential growth, to meet the needs of the existing and future populations.

Issues with regard to Colac's growth, including those relating to residential development, have been identified as well as discussed with Councillors, Council workers and the wider community. This Strategy will ultimately improve residential direction to improve housing choice, and identify new growth opportunities for residential development with sustainable design outcomes.

Council is currently undertaking work on improving affordable housing as a separate exercise to the Structure Plan.

#### 8.1.1 National Policy Context

##### Commonwealth State Housing Agreement

The primary interest of the Commonwealth government in residential development rests in the provision of affordable housing. The Commonwealth-State Housing Agreement (CSHA) exists between the federal and state and territory governments, and its purpose is primarily to:

- Recognise the need for funding from both the Commonwealth and State Governments in the provision of housing assistance;
- Recognise the need for the Federal and State Governments to work together to improve housing outcomes for those in need; and
- Inform the provision of and access to housing assistance (Commonwealth of Australia, 2003).

One of the requirements of States in order to attract funding is to ensure that some investment for housing assistance is provided from outside the Social Housing system. This may be through involving the private sector and local governments in the provision of affordable housing, or by creating partnerships or ventures between government and the private sector or non-profit organisations.

#### 8.1.2 State Policy Context

##### State Planning Policies

There are a number of State Planning Policies that are relevant in the context of the Colac Structure Plan.

Clause 12.03 Networks with the regional cities is aimed at ensuring that the regional cities that surround Metropolitan Melbourne are viable places to live and work. The following strategies are relevant to the Colac Structure Plan:

- Ensuring that infrastructure can be provided to allow for future growth that can link into Metropolitan Melbourne;
- Planning to meet land demand, provide transport links, providing appropriate boundaries to urban development, protecting heritage and natural values and promoting the character of regional cities; and
- Planning for rural living in accordance with the requirements set out in the various Ministerial Directions and Practice Notes.



Clause 14.02 Planning for urban settlement is aimed at ensuring “sufficient land is available for urban development, including residential, commercial, industrial, recreational and other public uses”. In implementing this policy, consideration should be given to consolidating existing urban areas, and preparing structure plans to guide development of urban areas in an orderly manner.

Clause 15.08 – Coastal Areas - relates primarily to coastal areas, however does contain some references to Colac. One of these is to improve the management of access and transport by improving the safety and performance of inland routes from the Princes Highway to the Great Ocean Road.

Clause 15.11 Heritage aims “to conserve places of natural, environmental, aesthetic, cultural, scientific or social significance”, and implementation of the policy requires places of heritage

The objective of Clause 16.01 Residential development for single dwellings is “to encourage opportunities for increased residential densities to consolidate urban areas”. Related to this is Clause 16.02 Medium density housing, which aims “to encourage well-designed medium density housing to improve housing choice, make efficient use of infrastructure and respect neighbourhood character”.

Policy regarding rural living and rural residential development is contained within Clause 16.03, with the objective to ensure that suitable land is identified for such purposes. In implementing this Clause, Planning Authorities should “ensure land is only zoned for rural living or rural residential development if it is close to existing towns and urban areas, can be supplied with the necessary services and will not encroach on high quality agricultural land or natural resources”.

Clause 19.03 Design and Built Form has the purpose to achieve high quality urban design and architecture. Implementation strategies have been developed under eleven themes, which include the public realm, landmarks, views and vistas, energy and resource efficiency and architectural quality, all aimed at ensuring that new development is of high quality and reflects the context of its surrounding environment.

#### **Coastal Spaces Project (DSE, 2006)**

The Department of Sustainability of Environment, in conjunction with the Victorian Coastal Council, has produced a recommendations report to give guidance on development on the Victorian Coast and its surrounding region.

Colac is designated as a Regional Centre, with a population of 10,000 plus, and a large, diverse population and housing base. As such, Colac has been designated for high growth capacity, as it is able to cater for large scale residential growth.

#### **Ministerial Direction No. 6 – Rural Residential Development**

This Direction has been implemented to manage the provision of ‘sustainable rural residential development’, and applies to the Rural Living Zone and other low density/rural residential zones. Importantly, there are six requirements that must be met when preparing amendments to allow for rural residential development. They are:

1. Is consistent with the housing needs and settlement strategy of the area.
2. Is supported by and supports sustainable and viable settlements and communities.
3. Does not compromise the sustainable future use of existing and natural resources, including productive agricultural land, water, mineral and energy resources.
4. Protects existing visual and environmental qualities of the area, such as landscape, water quality, native vegetation, habitat and biodiversity.



5. Avoids predictable adverse environmental processes and effects, such as flooding, erosion, landslip, salinity or wildfire.
6. Can efficiently be serviced by social and physical infrastructure, at an acceptable and sustainable community cost.

#### **Rural Residential Development Guidelines (DSE, 2006)**

The Department of Sustainability and Environment has produced a General Practice Note outlining the strategic framework and guidelines for planning and evaluating sustainable rural residential use and development. The guidelines are intended to apply to amendments proposing rezoning of land to, among other things, Rural Living.

The Guidelines require the following to be considered:

- Does rural residential development fit into the overall strategic directions and planning for the municipality?
- How much rural residential development is required to provide appropriate housing diversity and choice to meet housing needs?
- Whether the location is such that the rural residential development can integrate with existing urban areas, protect natural resources, environmental areas and biodiversity, landscape and heritage values and provide social and physical infrastructure. Land servicing capability must also be considered.

#### **8.1.3 Regional Policy Context**

##### **Great Ocean Road Region Strategy (DSE, 2004)**

This document, entitled *Great Ocean Road Region: Towards a vision for the future, a land use and transport strategy*, provides a regional basis for planning decisions relating to the Great Ocean Road Region. Colac is identified as a town where urban growth should be directed, as it has adequate access to reticulated sewerage, land and potable water supply. It also serves as an important connection point between the Great Ocean Road and the Princes Highway, and Colac-Lavers Hill Road has been identified as requiring road safety upgrades.

Strategy 2.2 is to “Direct urban growth to townships where it can best be accommodated and limit growth elsewhere”. Colac is identified as a key hinterland location where growth can be accommodated, although no direction is given as to actions to promote growth.

##### **G21 Region Plan (Geelong Region Alliance, 2005)**

The Geelong Region Alliance has produced the report *Understanding the Region and the Challenges for the Future*, and Appendix 3 of this report looks at the future residential development potential of towns and cities within the region.

The estimates of future development potential have been made based on an examination of the existing pattern of lots in Residential 1 zones, and an assessment of lot size to determine the future subdivision potential. The land assessed includes existing zoned but vacant (not subdivided) land, land identified in the MSS for future or possible future residential development, but that is not yet zoned residential. This estimate is only based on desktop research, and does not include any field assessment.

Figure 20, below, is taken from Appendix 3 of the report, and shows that there is a large amount of vacant Residential 1 Zoned land, but no areas designated for future residential or possible future residential land. There is also no urban growth boundary around the town.



Figure 20. Colac Future Residential Development Potential. Source: Geelong Region Alliance, 2005: 13.

Importantly, the assessment revealed that, at the time, Colac had 240ha of vacant Residential 1 zoned land, which, at a yield of 10 dwellings per hectare, could result in 2400 new lots. It was estimated that the consumption rate of greenfield lots is 20 per year, and based on this Colac has 120 years supply of greenfield residential land. Note however that this does not take into consideration environmental and servicing constraints that reduce the developable land supply and will be discussed in detail in later sections of this Structure Plan.

#### 8.1.4 Local Policy Context

##### Municipal Strategic Statement

Within the *Municipal Strategic Statement Review* conducted by Council in 2005, various issues relating to Colac's housing were highlighted. Most specifically, Objective 5 noted the need to provide a range of opportunities for residential development to match the changing needs of the local community (Colac-Otway Shire, 2005). Strategies identified for this included:

- Encourage the development of a range of dwelling sizes and types
- Provide for adequately zoned land for approximately 10 years growth in Colac
- Limit further subdivision and development in Land Subject to Inundation Overlay (LISO) areas
- Support rural residential development in areas directly adjoining the town only.

##### Colac Housing and Accommodation Strategy

The *Colac Housing and Accommodation Strategy* was adopted by Council in 2002. This proposed 13 recommendations that covered a range of housing issues considering short, medium and long term benefits to be achieved through various directives for housing and accommodation within Colac (Regional Innovation *et al.*, 2002).

Consultation was undertaken as part of the process associated with the preparation of this document, which included discussions with real estate agents, developers, retailers and



community leaders. Through this consultation, the following salient and relevant issues were raised:

- Lack of suitable retirement style housing;
- Lack of high yield, suitably zoned residential land;
- Lack of affordable, good quality housing close to central urban area;
- High demand for low cost rental housing as an investment;
- Agents indicate few, if any, rental properties available;
- Less demand at the top end of the market;
- Lack of diversity within existing housing stock;
- Lack of vacant residential land close to central area;
- Wider range of housing opportunities could be provided adjacent or near the Lake;
- Lack of accommodation impacting on industries that require accommodation for employees.

Ultimately, recommendations were produced which aimed at dealing with these and other issues identified. Proposals included investigating the rezoning of land between Pound Road and Aireys Street, currently zoned Farming Zone (FZ) to Low Density Residential Zone (LDRZ) to encourage the subdivision of this land into one acre parcels.

Further to this, the *Colac Housing and Accommodation Strategy* also recommended that landowners of corner lots and other appropriately sized and positioned lots within the central Colac area should be encouraged to develop their sites for dual occupancy, increasing housing density. It was suggested that this also be subject to appropriate design and siting guidelines.

Within the recommendation that Council promotes the adoption of the *Colac Housing and Accommodation Strategy*, further reference was made to the current situation of Colac's housing. It was noted that the need for public housing extends far beyond the actual availability of this form of housing. Compounding this was the situation whereby young people are at risk of becoming homeless due to the inability to locate long-term, stable and secure housing within Colac. All such factors reveal the need for increased affordable housing. Within the planning context, this requires the need for higher density, smaller accommodation that will cater to lower socio-economic groups.

### Colac Heritage Study

Council has recently undertaken a Heritage Study, which has resulted in proposed changes to the Municipal Strategic Statement and a new Local Planning Policy, Clause 22.06 Development in Heritage Precincts. There are several proposed precincts located within the Structure Plan area. Those that are particularly relevant to the project are outlined in Table 8 below.

**Table 8. Summary of Heritage Precincts in Colac**

Precinct / Geographic Area	Importance	Key Policy Items
<i>HO307 Murray Street Precinct:</i> Murray Street between Queen and Corangamite Street.	Historic importance due to its association with Colac's late nineteenth and early twentieth century period of prosperity.  Architecturally significant as it illustrates the development of civic pride, authority and community	<ul style="list-style-type: none"> <li>• Encouraging restoration of buildings and reconstruction of shop fronts and verandahs;</li> <li>• Discouraging demolition, particularly of historic shopfronts dating to the mid twentieth century; and</li> <li>• Encouraging infill development</li> </ul>



Precinct / Geographic Area	Importance	Key Policy Items
	solidarity in a regional nineteenth century Anglo-Celtic farming community.	in a style that reflects surrounding development.
HO309 Moore and Sinclair Housing Precinct	<p>Architectural importance as it exhibits the principal characteristics of mid twentieth century public housing influenced by imported 'modern' architectural theories of Social Realism.</p> <p>Historical importance as it documents the cultural beliefs of governments that public housing and architecture should be provided as a social service to the community, regardless of geographic location within the State.</p>	<ul style="list-style-type: none"> <li>• Encouraging retention and restoration of buildings.</li> <li>• Discouraging additions and alterations that are visible from the street.</li> <li>• Retaining the public reserve that links Donaldson Street and Howe and Sears Courts.</li> </ul>
HO310 Queens Avenue Precinct: between Armstrong Street and the Colac Cricket and Public Recreation Reserve	Contains iron-roofed timber inter war houses and tile-roofed brick post Second World War dwellings.	<ul style="list-style-type: none"> <li>• Encouraging retention and restoration of buildings.</li> <li>• Encouraging retention of setbacks and placement of driveways at the sides of houses;</li> <li>• Discouraging fences within the front setback;</li> <li>• Ensuring replacement development is in the form of single dwellings in generous garden settings;</li> <li>• Maintaining the informal landscape character of the street; and</li> <li>• Discouraging development that might affect the landscape character and plantings in the foreshore reserve.</li> </ul>
HO311 Residential Precinct: area bounded by Fyans Street to the north, Queens Street to the east, Manifold Street to the south and Gellibrand Street to the west, with a small area also extending to the south.	<p>Aesthetic importance as it illustrates the principle characteristics of nineteenth century town planning.</p> <p>Architectural importance in demonstrating a continuum of residential styles.</p>	<ul style="list-style-type: none"> <li>• Encouraging restoration and discouraging demolition of heritage places;</li> <li>• Encourage development that respects the scale of surrounding development;</li> <li>• Discouraging development within established front setbacks;</li> <li>• Maintaining the existing road formation and street infrastructure;</li> <li>• Discouraging development that may affect the mature street plantings and gardens with a mature character; and</li> <li>• Encouraging new development</li> </ul>



Precinct / Geographic Area	Importance	Key Policy Items
		that uses or is compatible with predominant materials and built form in the precinct.
HO313 Grant Street Precinct	Historically and architecturally for is association with the economic growth of Colac in the first half of the twentieth century, and in demonstrating the variety of residential styles and building materials adopted.	<ul style="list-style-type: none"> <li>• Encourage restoration and discourage demolition of heritage places.</li> <li>• Maintain existing street infrastructure, protect views along the street to the Lake.</li> <li>• Discourage development that may affect the avenue of plane trees.</li> </ul>

Implications of Heritage Study

The main implications of the Heritage Strategy are that some areas within Colac are limited in their capacity for redevelopment for new and alternative forms of housing. The proposed Clause 22.06 also sets out specific design requirements in relation to certain precincts, and these will need to be considered in any redevelopment of Colac. Note that Council has not yet finalised the processing of this amendment and there are likely to be changes to the amendment before it is adopted.

**Clause 56 – Colac Otway Planning Scheme**

Recent changes to Clause 56 (or ResCode) have implications for the Colac Structure Plan. Some of the most significant changes that will be noticeable in Colac are as follows.

- A new class of subdivision has been introduced, relating to the creation of new neighbourhoods i.e. 500 lots or more.
- A written statement is required addressing relevant policy, objectives etc in the planning scheme for the creation of new neighbourhoods (CI 56.02).
- For new neighbourhoods include the need to:
  - Provide for mixed-use neighbourhood centres (CI 56.03-2)
  - Provide for appropriately located sites for schools (in accordance with Dept of Education and Training) and community facilities (CI 56.03-3)
  - Provide an urban design concept (CI 56.03-4)
  - Achieve a net residential density of at least 10 dwellings per hectare in a mixture of lot sizes (CI 56.04-1)
  - Encourage community interaction through design of public spaces (CI 56.04-4)
  - Include a landscape design (Clause 56.05-1)
  - Promote walkable neighbourhoods (Clause 56.06-1), include a walking and cycling network (Clause 56.06-2) and encourage maximum use of public transport (CI 56.06-3)
  - Protect drainage infrastructure and receiving water from sedimentation and other contamination (CI 56.08-1).

Of particular relevance to Colac are the requirements specified in Clause 56.07 – Integrated Water Management. These require all lots to be provided with drinking water, and introduce standards for the provision of water recycling features. Also addressed is stormwater management, which is particularly pertinent given the current issue of climate change and the potential for increased runoff due to an increase in the severity and frequency of storm events.

The implications of the changes on the Colac Structure Plan are:



- Clause 56.02 requires applicants to submit a written description on how the proposal implements the relevant strategies and policies contained within the relevant planning scheme, relating to:
  - Growth areas
  - Activity centres
  - Housing
  - Access and mobility
  - Schools and community facilities
  - Open space
  - Landscape
  - Urban design
- It is important to ensure the Colac Structure Plan fits within the objectives of Clause 56, as it will form part of the guiding policy for future residential subdivision within these areas.
- Elements of the structure plan, such as walking and bicycle trails and community centres, are likely to be implemented through the new neighbourhoods provisions in the revised Clause 56.

## 8.2 Colac Housing Profile

The town of Colac has historically developed along the main east-west spine of Murray Street, between Lake Colac and the Geelong and Colac Railway. Common housing forms among the older parts of Colac are relatively small detached houses on 'conventional' sized allotments, with houses generally constructed of weatherboard with tiled roofs.

More recently, housing has developed further to the west and south of Colac, particularly towards Elliminyt. New housing is generally of brick construction and is tending to consist of larger dwellings but retaining similar lot sizes to that of traditional housing development within central Colac.

Residential subdivisions in the older areas of Colac have been designed using a grid pattern, however more recently residential estates have incorporated cul de sacs. The latter does not encourage a high level of pedestrian connectivity due to the lack of through connections between courts and throughout developments. Anecdotal evidence also has indicated that more recent subdivisions in Colac have not provided open space of sufficient size that is usable and easily and safely accessible by foot.

There has also been little use of water sensitive design, such as swales and wetlands in residential subdivisions in Colac. These techniques are particularly useful in flood prone or low lying areas, and provide more environmentally sound solutions to addressing flooding and stormwater runoff issues in such areas.

## 8.3 Consultation Outcomes

A number of themes and issues have arisen with regard to residential issues from the consultation undertaken to date, and these have been summarised in **Appendix B**. A summary of the proposed changes to the Structure Plan as a result of the consultation has also been provided in this Appendix.

## 8.4 Vision and Objectives Statements

The vision and objectives for Colac, as outlined in Section 3, has been used as a basis for the development of a more specific vision and objectives that relate to residential development. A set of principles to be used in guiding new residential development in Colac have also been developed. The vision, objectives and principles are outlined below.



#### **8.4.1 Vision**

A distinct residential community that provides a diverse range of housing opportunities at a range of densities, and achieves a high quality of sustainable urban design and the timely provision of physical and social infrastructure.

#### **8.4.2 Objectives**

##### *Manage Growth*

- Facilitate new residential development that incorporates a high standard of urban design, with safe and inviting streetscapes and attractive and functional open spaces and pedestrian linkages.
- Provide a range of affordable housing types and choices in locations that are easily accessible from central Colac.
- Promote new subdivisions which provide site responsive and flexible designs to create diversity and efficiencies in yield and siting solutions that promote strong connectivity to road infrastructure, services and recreational uses.
- Provide functional open space nodes and linear linkages within new residential development.

##### *Enhance Environmental Benefits*

- Ensure new development incorporates water sensitive urban design principles.

##### *Balance Service Provision*

- Ensure new residential development occurs within the boundaries of the Barwon Water Sewerage District, and that adequate infrastructure can be provided.
- Ensure that the social infrastructure needs of the community are met.
- Provide efficient and effective public transport systems and safe and usable pedestrian and cycle networks to encourage the use of alternative modes of transport.

##### *Integrate Social Change*

- Enhance linkages to central Colac.
- Enhanced linkages to recreational nodes and community uses including Lake Colac, sports ovals, open space, schools and community centres.

#### **8.4.3 Principles for Residential Development**

The principles for residential development in Colac are as follows:

##### *Manage Growth*

- Provide sufficient residential land to meet the needs of the Colac and Elliminyt communities whilst retaining the established urban and rural character of the township and its surrounds.

##### *Enhance Environmental Benefit*

- Encourage the use of best practice design and management practices to make efficient use of consumable resources, and prevent detrimental impacts on the nearby Lake Colac or its tributaries.

##### *Balance Service Provision*

- Ensure that all new residential development can be adequately serviced through the provision of water, sewerage, power and other infrastructure.
- Enhance the role of and connections to existing community nodes.

##### *Integrate Social Change*



- Provide a variety of housing and lifestyle options to meet the diverse needs of the Colac and Elliminyt communities.
- Ensure that existing residential areas can adapt to meet the changing needs of the community.

## 8.5 Housing Trends

### 8.5.1 State Housing Trends

*Melbourne 2030* sets out directives for housing, while also acknowledging the issues that affect such development. These issues affect the broader housing sector across Victoria and hence have implications on Colac's housing.

In the broader context, the population of Victoria is set to increase. Metropolitan Melbourne alone is set to increase by 925,000 people by 2030 (DOI, 2002). This in turn requires requisite housing to accommodate the increase in population, calling for an aggregate increase in Victoria's housing.

The affordability of housing has also been raised as an issue requiring focus when considering future housing development. The increasing effects of high housing prices, particularly in metropolitan areas, adversely affect the standards of living attained by lower socio-economic groups and hence may lead to higher incidences of homelessness and increasing reliance on Government welfare systems. While planning cannot necessarily aim to provide for affordable housing, consideration to higher density and smaller lot sizes will pave the way to more compact, affordable housing.

### 8.5.2 Regional Housing Trends

The G21 Geelong Region Plan (Hansen and MacroPlan, 2005) prepared for the G21 Geelong Region Alliance identifies the Geelong region as having a total population of almost 270 000 people in 2005. This region includes the municipalities of Greater Geelong, Golden Plains, Queenscliffe, Surf Coast and the eastern part of Colac-Otway.

According to the Plan, the Geelong region had a growth rate of 1.3% per annum between 1996 and 2005, which is higher than that of metropolitan Melbourne and Victoria, which had growth rates of 1.2% and 1.1% respectively (Hansen and MacroPlan, 2005: 6).

Other interesting trends include:

- General ageing of the population;
- Decline in the number of couple families with children;
- Lower average income than Metropolitan Melbourne and Australia;
- High proportion of detached dwellings (88%); and
- Lower proportion of private rentals than Victoria and Australia.

### 8.5.3 Local Housing Trends

Following is a summary of the key aspects of the Colac and Elliminyt communities, based upon Community Profile reports recently prepared by the Shire of Colac-Otway and ID Consultants (2005). A link to this information can be followed at [www.id.com.au/colacotway/commprofile](http://www.id.com.au/colacotway/commprofile).

- The population of Colac and Elliminyt has grown by 1.95% between 1996 and 2001, however this has been primarily in Elliminyt, which has had a growth rate of 11.42%.
- The total population of Colac is expected to rise gradually with a 3.51% rise (2011-2016) and a 3.5% rise (2016-2021). Comparatively, the change in population of Elliminyt is



forecasted to be 17.52% (2011-2016) and 15.17% (2016-2021) this shows that Elliminyt is predicted to experience the most population growth, while Colac's population will remain relatively stable.

- The predominant form of housing in Colac and Elliminyt is detached housing; and
- There is a high level of home ownership in Colac and Elliminyt, however renting also constitutes a significant portion of housing tenure.

#### **8.5.4 Current Residential Land Supply**

As the estimates of current residential land supply in Colac that were performed for the G21 Region Plan were based only on desktop assessments, a more local assessment was required that included site specific considerations.

An estimate has therefore been made as to the current supply of Residential 1 Zoned land by measuring the areas of undeveloped land and applying an approximate density to determine likely number of lots that could be yielded. This was informed by aerial photos, planning scheme maps and on-site observations.

It was estimated that currently there is around 176ha of undeveloped Residential 1 Zoned land in the area to the south of Colac and surrounding Elliminyt. If applying densities of 10 dwellings/ha a yield of 1760 lots is expected. Based on the estimated consumption rate of 20 dwellings per year, a supply of 88 years is possible. If a higher density of 15 dwellings/ha is achieved, 2640 lots could be achieved, ensuring a supply of 132 years.

Much of this land is readily available for development with access to sewerage, drainage, power and roads; however some land is constrained by the ability to provide sewerage infrastructure and susceptibility to flooding. Despite these constraints, a large proportion is available for development and Colac has a secure supply of Residential 1 Zoned land for at least the next 50 years.

### **8.6 Issues and Implications of Residential Development**

#### **8.6.1 Availability of Infrastructure**

Some existing Residential 1 Zoned land is located outside of the Barwon Water Sewerage District, as shown on the map in **Appendix A**. This land is adjacent to Lake Colac north of the Princes Highway. Consultation with Barwon Water has indicated that the further land is located away from the Sewerage Reclamation Plant, the more difficult and expensive it is to service. This has implications in the staging of new residential development, so that certainty is given to landowners that their land can be provided with the necessary services at the subdivision stage.

#### **8.6.2 Type of Residential Land / Development**

There are primarily two zones within which residential development occurs in Colac, and these are the Residential 1 Zone (R1Z) and the Low Density Residential Zone (LDRZ). The R1Z applies to the majority of residential land in Colac, and this allows for a variety of densities as well as a limited range of commercial and community services. LDRZ land is located to the south of the town, and the purpose of this zone is primarily to provide for low density living in areas that can be adequately serviced. Although lot sizes vary, those that have been developed are generally around 1.5-2ha in size.

Some residential development has also occurred in parts of the Farming Zone that immediately adjoin the town. Farming Zoned lots to the east and west of Colac-Lavers Hill Road between Colac and Elliminyt are generally small in size and fragmented in ownership. Many of these lots



have been developed for rural living type purposes, and are used more as hobby farms than for uses consistent with the Farming Zone purpose. Consolidating development within the broad township boundaries of Colac and Elliminyt (including proposed Rural Living areas) will enable Council to protect valuable farming land that surrounds the township.

Given that Colac's population is ageing, there is likely to be a shift in the types of housing demand in the future. This may result in increased development in the town centre, as medium density housing becomes an attractive and affordable option for those in the 55+ age bracket.

There is also likely to be continued demand for conventional density residential development, to cater for young families and those in the workforce.

Lifestyle choice will be a factor in determining demand for rural residential development, with the demand for this style of living likely to continue.

### **8.6.3 Recent Rezoning**

Under Amendment C35 (2 December 2004), the land at 147-155, 161 and 165 Hart Street, Colac was rezoned from Farming Zone to its present zoning of Residential 1 Zone. The total area of land rezoned equated to approximately 3.64 hectares.

A portion of this land has since been subdivided and used for residential purposes while the balance of the land still remains un-subdivided.

Residential rezoning requests in Colac and Elliminyt submitted during the course of this project are outlined in Table 9 below.

**Table 9. Rezoning requests to Council.**

Site Location	Rezoning Request
200 Cants Road, Elliminyt	Farming Zone to Low Density Residential Zone
4 Bath Street, Colac – Former VicRoads Depot	Public Use Zone 7 – Other Public Use to Residential 1 Zone
185 Triggs Road, Colac East	Farming Zone to Residential 1 or Rural Living Zone
199 Queen Street, Elliminyt	Farming Zone to Residential 1 Zone
56 Harris Road, Elliminyt	Rezoned from Farming Zone to Residential 1 Zone.
60 Marriner Street, Colac	Rezoned from Farming Zone to Residential 1 Zone.
6415 Princes Highway, Colac East	Rezoned from Farming Zone to Residential 1 Zone.
75 Marriner Street, Colac	Rezoned from Farming Zone to Residential 1 Zone.
85 Colac-Lavers Hill Road, Elliminyt	Rezoned from Farming Zone to Residential 1 Zone or Low Density Residential Zone.
82 Marriner Street, Colac	Rezoned from Farming Zone to Residential 1 Zone.
235 Forest Street, Elliminyt	Rezoned from Farming Zone to Residential Zoning.
52 Ballagh Street, Elliminyt	Rezoned from Farming Zone to Residential Zoning.
32-52 Hearn Street, Colac	Rezoned from Farming Zone to Residential Zone.
Christies Road, Elliminyt	Rezoned from Farming Zone to Low Density Residential Zone.
170 J Barrys Road, Elliminyt	Rezoned from Farming Zone to Low Density Residential Zone.
286 Forest Street, Elliminyt	Rezoned from Farming Zone to Low Density



Site Location	Rezoning Request
	Residential Zone.
235 Forest Street, Elliminyt	Rezone from Farming Zone to Residential Zoning.
Property north west of intersection between Carlisle-Colac Road and Christies Road, Elliminyt	Rezone from Farming Zone to Low Density Residential Zone.

Matters relating to these rezoning requests are discussed in Section 8.8.2 which provides a general explanation as to why these rezoning requests have not been supported.

#### **8.6.4 Recent Subdivisions**

Following is a summary of the residential subdivision permits that have been issued or are currently being determined in Colac between 1 January 2005 and 26 April 2006.

**Table 10. Recent Subdivisions in Colac**

Address	Issued?	Number of Lots
15 Wilson Street, Colac	Yes	87
93 Sinclair Street South, Colac	Yes	31
190 Hart Street, Elliminyt	Yes	12
36-52 Bruce Street, Colac	Yes	63
130-178 Sinclair Street South, Colac	Yes	15
49 Cants Rd	Yes	72
105 Belvedere Drive, Elliminyt (LDRZ)	Pending	96
<b>Total</b>		<b>376</b>

#### **8.6.5 Salinity**

As identified in Section 3.2 above, there are a number of areas in Colac that are prone to salinity, and will be considered for inclusion on the proposed Salinity Management Overlay (SMO) as part of Council's Planning Scheme Review. This includes a large area in south west Colac, south of Pound Road and generally west of Armstrong Street, as well as a smaller pocket around the corner of Slater and Queen Streets, and south of Pound Road, east and west of Forest Streets.

As identified in Section 3.2 above, there are a number of areas in Colac that are prone to salinity, and will be included on the proposed Salinity Management Overlay (SMO). This includes a relatively large area east of Forest Street and south of Barongarook Creek, and a circular area south of Pound Road on either side of Forest Street.

The proposed SMO includes requirements for the inclusion of certain information when submitting applications for development of land included in the Overlay. While the presence of salinity does not preclude development of these areas, careful consideration should be given to any development on land identified in the SMO. Residential development in these areas can occur subject to meeting the required siting and design standards, including those specified in the Building Code of Australia.



## 8.7 SWOT Analysis

Following is a strengths, weaknesses, opportunities and threats (SWOT) analysis in relation to housing in Colac. This work draws upon various background reports and analysis and consultation undertaken through the project.

**Table 11. SWOT Analysis**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Scenic values of Lake Colac and surrounding rural environs</li> <li>• Large area of undeveloped Residential 1 Zoned land</li> <li>• Level of employment generated through local industry</li> <li>• Well maintained housing particularly in central Colac.</li> <li>• Rural character.</li> <li>• Access to existing services</li> </ul>	<ul style="list-style-type: none"> <li>• Low lying land in the western part of Colac</li> <li>• Lack of affordable land / housing</li> <li>• Poor public transport access</li> <li>• Fragmentation of rural land adjacent to conventional residential development</li> <li>• Lack of aged care facilities</li> <li>• Location of Barwon Water sewerage boundary</li> <li>• Dispersed nature of residential growth</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Provide a greater range of housing densities to cater for a wider range of the community and improve affordability</li> <li>• Strengthen community/commercial node in Elliminyt</li> <li>• Build neighbourhoods and neighbourhood character</li> <li>• Incorporate water sensitive design into new subdivisions</li> <li>• Increase links to central Colac</li> </ul>	<ul style="list-style-type: none"> <li>• Ad hoc rezoning / subdivision, particularly in and around Elliminyt</li> <li>• Environmental impacts on Lake Colac</li> <li>• Losing the identity of suburbs such as Elliminyt</li> <li>• Isolated and car dependant community</li> <li>• Urban blight</li> <li>• Lack of services for Elliminyt</li> <li>• Development on ridgelines</li> <li>• Ambiguous rural / res boundary</li> </ul>

## 8.8 Strategy for Future Residential Development in Colac

The issues identified through the SWOT analysis have been examined in the context of the housing principles outlined in Section 6.2 of this report to produce a set of strategies, objectives and recommendations for future residential development in Colac. These are detailed below and are depicted graphically in Figure 21. Actions to achieve the strategy are presented in Table 12 below.

### 8.8.1 Consolidation around Activity Nodes

#### Context

The inner area of Colac has been traditionally developed for single dwellings on relatively large lots. Given the ageing population of Colac, there will be increased pressure for alternative housing choices, including higher density, lower maintenance housing. There is also a need to ensure more affordable housing choices are provided to cater for the wider range of residents in Colac.

This presents opportunities for consolidation of the inner area of Colac, north and south of Murray Street. This area is well serviced by infrastructure, retail and health facilities.



## Related Objectives

### *Manage Growth*

- Facilitate new residential development that incorporates a high standard of urban design, with safe and inviting streetscapes and attractive and functional open spaces and pedestrian linkages.
- Provide a range of affordable housing types and choices in locations that are easily accessible from central Colac.

### *Enhance Environmental Benefits*

- Ensure new development incorporates water sensitive urban design principles.

### *Balance Service Provision*

- Ensure new residential development occurs within the boundaries of the Barwon Water Sewerage District, and that adequate infrastructure can be provided.
- Ensure that the social infrastructure needs of the community are met.

## Intended Outcome

It is intended that the consolidation of the existing town centre will utilise existing infrastructure, with minimal need to upgrade to cater for new development. This will also ensure that central Colac remains the focus of the town, the existing retail core is preserved and existing health and community services continue to be utilised.

Consolidation could occur through the development of second dwellings on existing lots, through subdivision of existing lots to create additional land parcels or through the development of units on appropriate sites.

## Strategic Justification

The existing core residential area has been designated for more intensive development, to encourage the development of apartments and smaller housing to cater for a wider range of the Colac population. Higher density development close to existing services will also encourage more pedestrian activity with the aim to reduce traffic in the town centre.

It is noted that under the Victoria Planning Provisions, the Schedule to the Residential 1 Zone does not specify a planning permit requirement for the development of a single dwelling on a lot between 300m<sup>2</sup> and 500m<sup>2</sup>. This may present opportunities to develop existing small lots in the town centre and provide alternative housing choices.

More intensive development should also occur close to other activity nodes, including the land immediately surrounding the proposed commercial node in Elliminyt. This will encourage more people to walk to essential services and rely less upon the private car.

This strategy is supported by the State Planning Policy Framework, specifically Clause 16.02 Medium density housing, which aims “to encourage well-designed medium density housing to improve housing choice, make efficient use of infrastructure and respect neighbourhood character”.

The Colac Housing Strategy has identified a number of gaps in the current housing supply, including:

- Lack of suitable retirement style housing;
- Lack of affordable, good quality housing close to central urban area;



- High demand for low cost rental housing as an investment;
- Agents indicate few, if any, rental properties available;
- Lack of diversity within existing housing stock;
- Lack of vacant residential land close to central area;
- Wider range of housing opportunities could be provided adjacent or near the Lake;
- Lack of accommodation impacting on industries that require accommodation for employees.

This strategy will address these issues, as well as encourage the development of a range of dwelling sizes and types, which was identified as a strategy in the proposed MSS.

### **Strategies**

Encourage consolidation of existing residential areas within the Colac Town Centre by amending the MSS to promote more intensive development.

Implement a Design and Development Overlay relating to the design and siting of buildings to ensure that new development fits within the established character of the area.

Promote the exemption under the Victoria Planning Provisions for the need for a planning permit for a dwelling on lots between 300 and 500 sqm in the Residential 1 Zone to encourage urban consolidation.

### **8.8.2 Conventional Density Residential Zone**

#### **Context**

Council is currently confronted with numerous requests to rezone Farming Zoned land to conventional density residential land. Reasons for this may include speculative subdivision, the desire to resolve the problem of land which may be underproductive due to size, quality etc, and the location of the Farming Zoned land noting that much of Colac's rural land is close to the urban areas. Unfortunately, most of these requests represent ad hoc rezoning proposals and do not have the strategic merit to support implementation.

There is a large quantity of Residential 1 Zoned land in Colac that has not yet been developed. Whilst some of this is covered by the Land Subject to Inundation Overlay and has flooding constraints that in some instances has not yet been adequately mapped, there is still a substantial amount that can be developed.

There is only one instance in this Structure Plan that supports rezoning from Farming to enable conventional density residential uses, this being a small parcel of land on Hearn Street between Talbot and Fulton Streets. This parcel is currently bordered to the north and west by a Residential 1 Zone, and it is recommended in the Structure Plan that land to the south and east be rezoned to Rural Living.

There are three other instances where conventional density residential development has already occurred and which involve zone boundary corrections in Elliminyt. These include:

- Six lots at the corner of Harris Street and Colac-Lavers Hill road, Elliminyt
- Ten lots at the corner of Pound Road and Queen Street
- Twelve lots at the corner of Harris Road and Irrewillipe Road, Elliminyt

#### **Related Objectives**

##### *Manage Growth*

- Facilitate new residential development that incorporates a high standard of urban design, with safe and inviting streetscapes and attractive and functional open spaces and pedestrian linkages.



- Promote new subdivisions which provide site responsive and flexible designs to create diversity and efficiencies in yield and siting solutions that promote strong connectivity to road infrastructure, services and recreational uses.
- Provide functional open space nodes and linear linkages within new residential development.

#### *Enhance Environmental Benefits*

- Ensure new development incorporates water sensitive urban design principles.

#### *Balance Service Provision*

- Ensure new residential development occurs within the boundaries of the Barwon Water Sewerage District, and that adequate infrastructure can be provided.
- Ensure that the social infrastructure needs of the community are met.
- Provide efficient and effective public transport systems and safe and usable pedestrian and cycle networks to encourage the use of alternative modes of transport.

#### *Integrate Social Change*

- Enhance linkages to recreational nodes and community uses including Lake Colac, sports ovals, open space, schools and community centres.

#### **Intended Outcome**

It is intended that the existing Residential 1 Zoned land be retained for residential purposes, to ensure that there is sufficient land to allow for a variety of housing choices in Colac.

#### **Strategic Justification**

Rezoning the parcel on Hearn Street to Residential 1 will ensure that a definite boundary between conventional density residential and the Rural Living Zone is established, and will be a logical extension to a parcel that has already been partially zoned for such uses.

As shown in the existing land supply analysis in Section 8.5.4 of this report, there is a substantial amount of undeveloped Residential 1 Zoned land in the southern and western areas of Colac and in areas surrounding Elliminyt. This should be developed prior to any further land being rezoned for residential purposes (with the exception of the land on Hearn Street). The majority of these areas are located within the Barwon Water sewerage district boundary, and are available for immediate development. It is noted that some of these areas will require alternative drainage designs such as retarding basins and wetlands to be incorporated into new subdivisions due to the potential for inundation.

Two small Residential 1 Zone boundary alignments are also proposed in Elliminyt. These include six 'conventional' density residential lots on the corner of Colac-Lavers Hill Road and Harris Road and 12 'conventional' density residential lots bounded by Armstrong Street, Harris Road and Spring Street. This is consistent with the objectives of the Residential 1 Zone, as it provides for existing residential development and will enhance the neighbourhood character by recognising the current use of the land and promoting future opportunities to enhance the streetscape.

#### **Strategies**

1. Develop existing Residential 1 Zoned land in accordance with the Residential Staging Plan to maximise efficiency in the provision of services.
2. Rezone the parcel of land on the northern side of Hearn Street between Talbot and Fulton Streets to Residential 1 to provide a more definite border to residential development in this area.



3. Amend the Residential 1 Zone boundary to reflect the six existing 'conventional' density lots on the corner of Colac-Lavers Hill Road and Harris Road, Elliminyt and the 12 'conventional' density residential lots bounded by Armstrong Street, Harris Road and Spring Street, Elliminyt.

### **8.8.3 Existing Low Density Residential Zone**

#### **Context**

Historically, two areas have been zoned for Low Density Residential Development, these being the area north of Irrewillipe Road between Armstrong and Hart Streets, and the area south of Woodrowvale Road. Development in these areas has generally been relatively slow in the past.

There have been other requests proposing land that is currently zoned Farming to be rezoned to LDRZ, including land east of Forest Street and on Cants Road.

#### **Related Objectives**

##### *Manage Growth*

- Facilitate new residential development that incorporates a high standard of urban design, with safe and inviting streetscapes and attractive and functional open spaces and pedestrian linkages.
- Provide a range of affordable housing types and choices in locations that are easily accessible from central Colac.
- Promote new subdivisions which provide site responsive and flexible designs to create diversity and efficiencies in yield and siting solutions that promote strong connectivity to road infrastructure, services and recreational uses.
- Provide functional open space nodes and linear linkages within new residential development.

##### *Enhance Environmental Benefits*

- Ensure new development incorporates water sensitive urban design principles.

##### *Balance Service Provision*

- Ensure new residential development occurs within the boundaries of the Barwon Water Sewerage District, and that adequate infrastructure can be provided.
- Ensure that the social infrastructure needs of the community are met.
- Provide efficient and effective public transport systems and safe and usable pedestrian and cycle networks to encourage the use of alternative modes of transport.

##### *Integrate Social Change*

- Enhance linkages to central Colac.
- Enhanced linkages to recreational nodes and community uses including Lake Colac, sports ovals, open space, schools and community centres.

#### **Intended Outcome**

It is intended that sufficient land be provided for Low Density Residential uses in accordance with the Minister's requirements for the allocation of such land.

#### **Strategic Justification**

In accordance with Ministerial Direction No. 6 there are a number of key considerations to achieve this including:

1. Is consistent with the housing needs and settlement strategy of the area.
2. Is supported by and supports sustainable and viable settlements and communities.



3. Does not compromise the sustainable future use of existing and natural resources, including productive agricultural land, water, mineral and energy resources.
4. Protects existing visual and environmental qualities of the area, such as landscape, water quality, native vegetation, habitat and biodiversity.
5. Avoids predictable adverse environmental processes and effects, such as flooding, erosion, landslip, salinity or wildfire.
6. Can efficiently be serviced by social and physical infrastructure, at an acceptable and sustainable community cost.

Whilst there is the potential for some individual lots to achieve the above, spot rezonings to LDRZ will not be beneficial where it does not have a broader strategic merit (e.g. where adjacent land is not suitable) or where the rezoning is premature. The requests received to date in regards to rezoning land to LDRZ have related to land that is well removed from existing and planned urban areas and many are not within the boundaries of the Barwon Water sewer district. Rezoning proposals to LDRZ that do not meet the Ministerial Guidelines will not be considered.

Given that there is currently a relatively large amount of un-subdivided LDRZ land, it is considered that rezoning additional land for this purpose is not warranted. If this area was to be subdivided into 0.4ha lots, up to 40 lots could potentially be developed, also undermining the development of existing Residential 1 Zoned land.

### **Strategies**

1. Retain existing Low Density Residential Zones in Colac West and South East Colac.
2. Prevent future rezoning of land to LDRZ until existing supply is exhausted, and the Ministerial Direction No. 6 considerations can be met.

### **8.8.4 Rural Living**

#### **Context**

As identified in Section 8.6.2 above, there is a large area of land in the Farming Zone, east and west of Colac-Lavers Hill Road, that has been fragmented by historical subdivisions and is used primarily for 'hobby farm' or rural living purposes. These fragmented parcels which vary in size (many are around 1.2ha) have undermined the rural status of this land which draws greater value from larger, unrestrained parcels devoid of development to protect its rural productivity.

In its current state, the subdivision pattern of this land is inconsistent with the Colac Otway Farming Zone, which has a minimum subdivision area of 40ha in areas south of the Princes Highway and west of Ballarat Road. The existence of houses on these small lots, which are often less than 2ha in size, further compromises the Farming Zoning of the land.

#### **Related Objectives**

##### *Manage Growth*

- Provide a range of affordable housing types and choices in locations that are easily accessible from central Colac.

##### *Enhance Environmental Benefits*

- Ensure new development incorporates water sensitive urban design principles.

##### *Balance Service Provision*



- Ensure new residential development occurs within the boundaries of the Barwon Water Sewerage District, and that adequate infrastructure can be provided.
- Ensure that the social infrastructure needs of the community are met.

#### *Integrate Social Change*

- Enhance linkages to central Colac.

#### **Intended Outcome**

It is intended that the rezoning of the land will allow for existing uses to be recognised, and for the land to be protected from further fragmentation which may undermine its future potential for conventional density residential development, if required in the future.

#### **Strategic Justification**

The purpose of the Rural Living Zone is primarily:

- To provide for residential use in a rural environment.
- To provide for agricultural land uses which do not adversely affect the amenity of surrounding land uses.
- To protect and enhance the natural resources, biodiversity and landscape and heritage values of the area.
- To encourage use and development of land based on comprehensive and sustainable land management practices and infrastructure provision.

The Department of Sustainability and Environment has produced a Draft Practice Note entitled *Applying the Rural Zones*, which gives guidance as to when the various rural zones can be used appropriately. According to the Practice Note, there are a number of particular areas where the Rural Living Zone is designed for, including:

- The rural land has a primarily residential function.
- Farming may take place on the land but this is subordinate to the residential use.
- Residents require certainty about the residential amenity of the area and are protected from potentially incompatible land uses.
- Farming is of a nature or scale that will not conflict with housing.
- Residents will have access to most of the normal services and infrastructure provided in urban areas.

Also stated in the Practice Note are instances where the Rural Living zone may be appropriate, and these include:

- Rural areas that have been substantially subdivided and developed for dwellings in proximity to an urban area or township with a range of urban services and infrastructure.
- Rural land adjacent to an urban area or township which meets the key strategic and land capability requirements of Minister's Direction No. 6.

The Structure Plan has identified two large areas of Farming Zone land for rezoning to Rural Living. These are:

- Land to the east of Colac-Lavers Hill Road and west of Forest Road, south of Hearn Street and north of Harris Road, and
- Land to the west of Armstrong St and Hart St, south of Pound Road and north of Harris Road (in 2 stages).



The land has been substantially subdivided and is primarily used for rural residential purposes, with few farming activities, other than ‘hobby farms’ being undertaken. The land is located within the current Barwon Water Sewer District, although Barwon Water has advised that lots above 0.4ha can be provided with septic tank systems in lieu of sewerage infrastructure. Further, the land is located close to both the Colac town centre and the proposed Elliminyt centre, hence has good access to existing and planned services.

For these reasons the proposed Rural Living Zone meets the requirements of the Draft Practice Note and therefore has sufficient strategic justification.

It is recommended that these two areas of land as shown on the Residential Strategy Plan be rezoned to Rural Living with a minimum subdivision size of 2 hectares, to be specified in the Schedule to the zone.

The Rural Living Zone is proposed to have a minimum lot size which is five times the minimum permitted by the LDRZ and in the main the rezoning will not alter the fabric of the existing subdivision pattern. For the land promoted to be rezoned as part of this Structure Plan there are only few instances where increased density will be achieved in the current land use arrangement.

Policies restricting subdivision in this zone to a minimum of 2 hectares and no more than 1 dwelling per lot would be promoted to ensure the low density nature of rural living can be achieved and sustained. In essence, this provides residents with housing opportunities similar to that achieved through Low Density Residential zoning, without the land being further fragmented to facilitate such development, or for the existing visual and environmental qualities of the area to be compromised. This will have the result of increasing development with minimal increase in lots ensuring that lot sizes continue to reflect current settlement patterns. The area will be a sustainable and viable settlement, and the proposed rezoning meets the requirements of Ministerial Direction No. 6.

**Table 12: Subdivision potential of new Rural Living Zones**

Area	Size	No. of Subdividable Lots (>4ha)	No. of potential additional Lots
Area 1 (west of Colac-Lavers Hill Road – stage 1)	214.29ha	0	0
Area 1 (west of Colac-Lavers Hill Road – stage 2)	176.84ha	3	7
Area 2 (east of Colac-Lavers Hill Road)	244.12ha	4	4
Totals	635.25ha	7	11

**Strategy**

Rezone land on the eastern and western sides of Colac-Lavers Hill Road (as shown on the attached Residential Strategy Plan) to Rural Living with a minimum subdivision area of 2ha.

**8.8.5 Rural Activity Zone – Colac East – Marriner St & Flaxmill Rd**

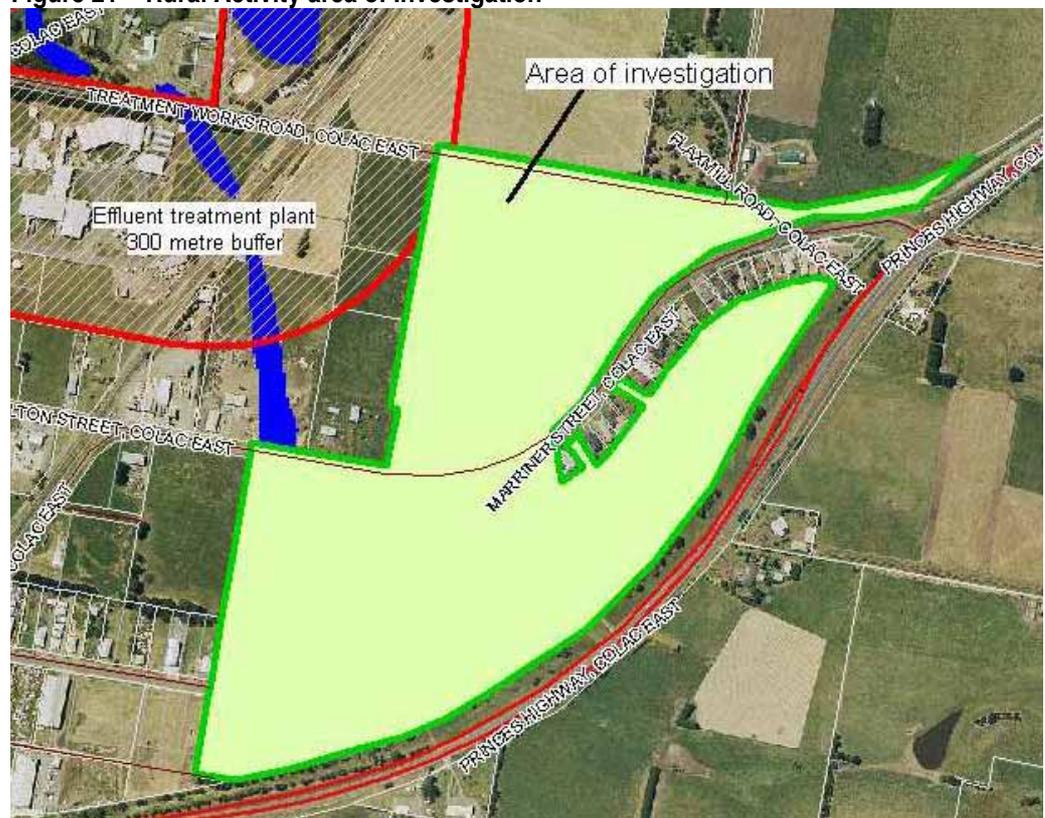
**Context**



Several requests were received prior to preparation and during exhibition of the draft Colac Structure Plan in the Colac East area west of the Princes Highway seeking rezoning from Farming Zone to Residential 1 Zone. These requests have resulted in a detailed review of land use in this general area, bounded by Flaxmill Rd to the north, the Princes Highway to the east and south and existing Industrial 1 Zone land to the west.

Detailed assessment of the land use in this area indicates a mix of existing rural residential development, vacant land between existing Residential 1 Zone land fronting Marriner Street and the Princes Highway and a block of medium density 1 bedroom residential units on the northern side of Marriner Street in need of renewal / upgrade.

**Figure 21 – Rural Activity area of Investigation**



The current zone of this area is the Farming Zone, which includes the following purposes.

- To provide for the use of land for agriculture.
- To encourage the retention of productive agricultural land.
- To ensure that non-agricultural uses, particularly dwellings, do not adversely affect the use of land for agriculture.

There is little, if any, productive agriculture occurring in this area. The land has been fragmented by historical subdivisions and is used primarily for 'hobby farm' or rural living purposes. These fragmented parcels are generally around 2ha and have undermined the rural status of this land. The existence of houses on these small lots further compromises the Farming Zone of the land.



Land to the west of this area is Industrial 1 Zone. Any rezoning recommendation must consider what the appropriate zone should be given the proximity to industrial land. The north west corner of the land is also within 300 metres of the effluent treatment plant.

While there is an existing strip of Residential 1 Zone in this area, it is not considered appropriate to expand the area of Residential 1 Zone as it would be contrary to the objective of urban consolidation within Colac. Furthermore, the strip of Farming Zone land between the highway and the Residential 1 Zone land on Marriner Street acts as a buffer from traffic on the highway.

### **Related Objectives**

#### *Manage Growth*

- Provide a range of affordable housing types and choices in locations that are easily accessible from central Colac.

#### *Enhance Environmental Benefits*

- Ensure new development incorporates water sensitive urban design principles.

#### *Balance Service Provision*

- Ensure new residential development occurs within the boundaries of the Barwon Water Sewerage District, and that adequate infrastructure can be provided.
- Ensure that the social infrastructure needs of the community are met.

#### *Integrate Social Change*

- Enhance linkages to central Colac.

### **Intended Outcome**

It is intended that this area be rezoned to the Rural Activity Zone.

The purpose of the Rural Activity Zone includes:

- To provide for the use of land for agriculture.
- To provide for other uses and development, in appropriate locations, which are compatible with agriculture and the environmental and landscape characteristics of the area.
- To ensure that use and development does not adversely affect surrounding land uses.

The use of the Rural Activity Zone will allow for existing uses to be recognised and allow minimal further development which, through subdivision in accordance with minimum lot sizes will provide the opportunity for renewal of the medium density units and the creation of a small number of additional lots on the land between Marriner Street and the highway to enhance this entrance to Colac. The rezoning will also reflect that this area contains a mix of land uses and the selected zone must be compatible with the surrounding Farming Zone and Industrial 1 Zone.

### **Strategic Justification**

The Department of Sustainability and Environment has produced a Draft Practice Note entitled *Applying the Rural Zones*, which gives guidance as to when the various rural zones can be used appropriately. According to the Practice Note, the main feature of the Rural Activity Zone is the flexibility that it provides for farming and other land uses to co-exist. In this zone:

- *The zone purpose and provisions support the continuation and growth of farming but provide the opportunity for non-farming uses to be considered in appropriate locations.*
- *A wider range of tourism, commercial and retail uses may be considered, compared to the Farming Zone and Rural Conservation Zone.*



- *Farming uses are encouraged to establish and expand with as little restriction as possible, subject to proper safeguards for the environment.*
- *A planning permit is always required to use land for a dwelling.*

*The mix of uses that a planning authority may want to encourage in the zone is wide-ranging and could include:*

- *Farming, rural industry and associated agribusiness uses.*
- *Farming, dwellings and tourist facilities.*
- *Intensive animal husbandry and associated rural processing industries.*
- *Nature-based tourism and recreation facilities.*
- *Agricultural and environmental education and research facilities.*

Also stated in the Practice Note are instances where the Rural Activity Zone may be appropriate, and these include:

- *An existing mixed use rural area where the mix of uses complements the agricultural, environmental and landscape values of the area and supports the Council's urban settlement objectives.*
- *Rural areas where commercial, tourism or recreation development will complement and benefit the particular agricultural pursuits, landscape features or natural attractions of the area.*
- *Farming areas where complementary rural industry, agribusiness uses, and rural research facilities are encouraged.*
- *Areas where use and development needs to be strictly controlled so that potential land use conflicts can be avoided.*

The land has been substantially subdivided and is primarily used for rural residential purposes, with few farming activities, other than 'hobby farms' being undertaken. There is an existing medium density unit development on the site that would benefit from upgrading / renewal that the application of the Rural Activity Zone with an appropriate minimum subdivision area could facilitate. Use of the Rural Activity Zone will ensure that the primary purpose of the land is not residential use in a rural environment.

For these reasons the proposed Rural Activity Zone meets the requirements of the Draft Practice Note and therefore has sufficient strategic justification.

It is recommended that the area of land bounded by Flaxmill Rd to the north, the Princes Highway to the east and south and existing Industrial 1 Zone to the west be rezoned to Rural Activity Zone with a minimum subdivision area of 0.5ha for the land at 75 Marriner St and 2ha for all other land, to be specified in the schedule to the zone.

As shown on the map below, the minimum lot sizes proposed will result in an additional 2 lots at 75 Marriner St and a total of 2 other additional lots in the area.

### **Strategy**

Rezoned land bounded by Flaxmill Rd to the north, the Princes Highway to the east and south and existing Industrial 1 Zone to Rural Activity Zone with a minimum subdivision area of 0.5ha for the land at 75 Marriner St and 2ha for all other land.

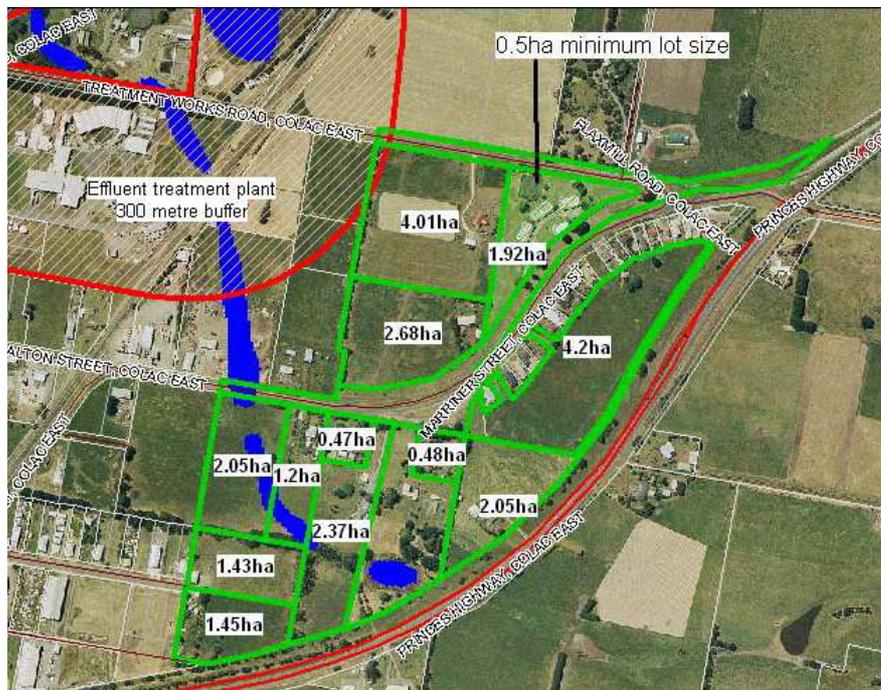


Figure 22 – Lot size capability – Rural Activity Area of Investigation

### 8.8.6 Land Subject to Inundation Overlay

#### Context

Some existing residential land (between Cants Road, Pound Road and Hearn Street) is covered by the Land Subject to Inundation Overlay (LSIO). Although this appears to constrain the development of this land, recent technology in water sensitive urban design has led to many such areas becoming more viable development options. This has the potential to increase the amenity of residential estates, with wetlands and swale drains increasingly becoming attractive features in residential estates.

Similarly, there are considerable areas of existing Farming zoned land proposed to be rezoned to Rural Living that are also covered by the LSIO. As permitted development must be of significantly less density in this zone this Farming zoned land has not endured the same extent of development issues of the residential land mentioned above.

#### Related Objectives

##### Manage Growth

- Facilitate new residential development that incorporates a high standard of urban design, with safe and inviting streetscapes and attractive and functional open spaces and pedestrian linkages.
- Provide functional open space nodes and linear linkages within new residential development.

##### Enhance Environmental Benefits

- Ensure new development incorporates water sensitive urban design principles.

##### Balance Service Provision

- Ensure new residential development occurs within the boundaries of the Barwon Water Sewerage District, and that adequate infrastructure can be provided.



**Intended Outcome**

It is intended that new technology in water sensitive urban design be utilised to ensure that existing Residential 1 Zoned land, and future residential areas, can be developed despite the constraints of flooding.

**Strategic Justification**

Further work is required to review the potential impacts of flooding on this residential land, and a subsequent review should be undertaken of the boundaries of the LSIO over the entire Colac area. Despite this, opportunities currently exist to embrace water sensitive design elements such as swales and wetlands / retarding basins in the development of land. The opportunity here would be to create developable areas supported by environmental and open space features that significantly improve both the aesthetic and flood manageability aspects of this area.

This strategy accords with the provisions of the new Clause 56, where sustainable stormwater discharge and reuse are promoted. Also, given the potential impacts of climate change, particularly the increase in storm events and severity, the treatment of stormwater is an increasingly pertinent issue. Features such as gross pollutant traps, which can be easily incorporated into new development will also ensure that any runoff to Lake Colac is devoid of rubbish and pollution.

In the land proposed to be rezoned to Rural Living, new housing developments on land affected by the LSIO will need to demonstrate appropriate environmental management and development measures to ensure compliance with Corangamite Catchment Management Authority requirements. This will ensure that septic discharge points can be sited on land that is not floodprone, so as not to impact on adjoining and surrounding land.

**Strategies**

1. In consultation with the Corangamite Catchment Management Authority, undertake a review of the current boundaries of the Land Subject to Inundation Overlay.
2. Ensure that proposals for development of new dwellings on land in the Rural Living Zone can be adequately serviced with septic systems.

**8.9 Staging**

Staging of residential development in existing Residential 1 Zones and the rezoning of land from Farming to Rural Living will be important to ensure that new development can be adequately serviced, and that an appropriate supply of land is allocated for rural living purposes. The proposed staging of residential recommendations is shown on Figure 24 below and outlined in Table 13 below.

**Table 13. Staging of Proposed Residential Strategies.**

Strategy	Timing (Years)	Rationale
Develop existing Residential 1 Zoned land and Low Density Residential Zoned land to maximise efficiency in the provision of services.	ongoing	Ability to control staging / timing of development is limited. Will depend on applications being submitted.
Promote medium density development in areas nominated for infill development	1-3	Consistent with policies promoting consolidation around commercial districts and in close proximity to services



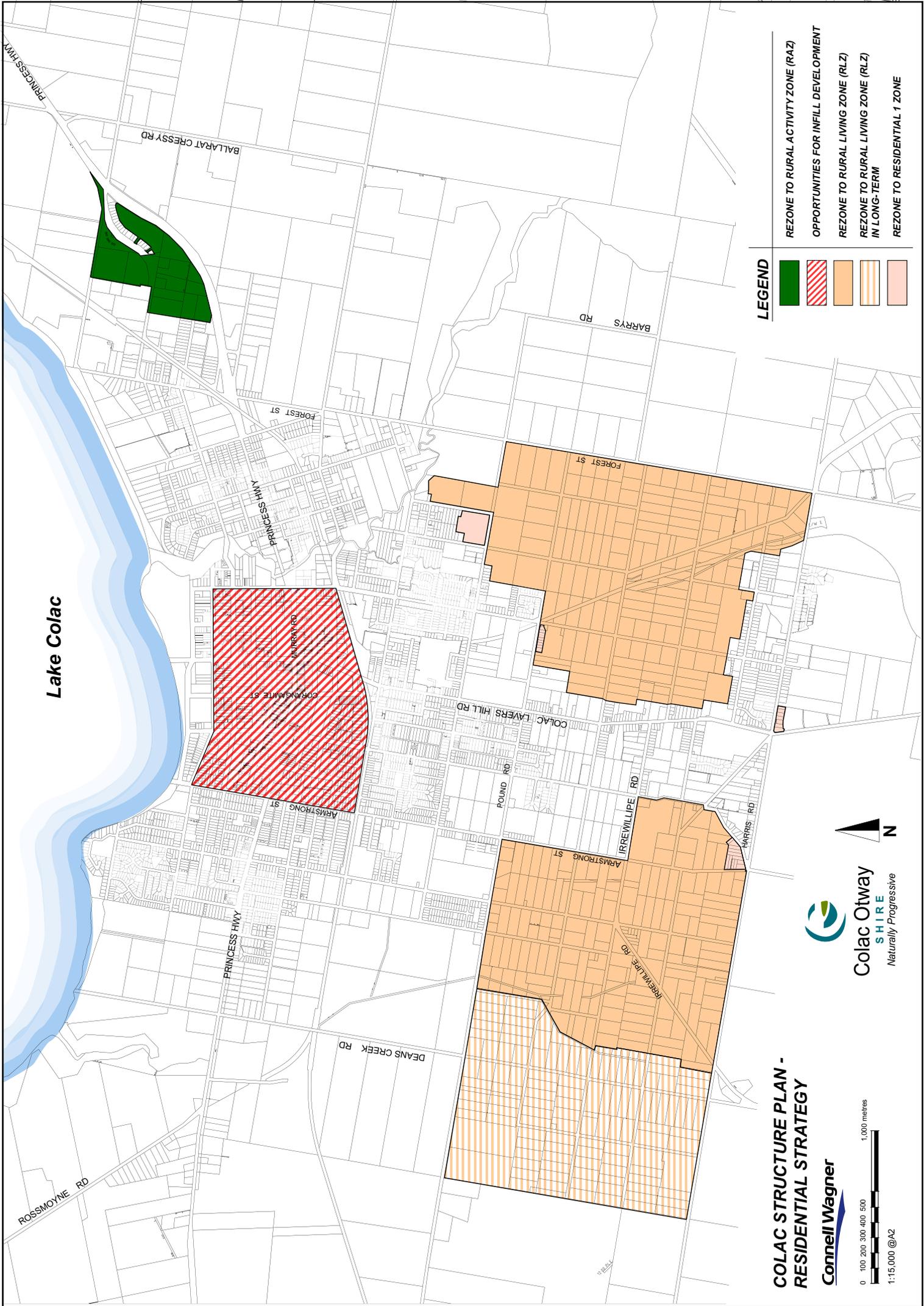
Strategy	Timing (Years)	Rationale
Rezoning the parcel of land on the northern side of Hearn Street between Talbot and Fulton Streets to Residential 1 Zone.	1-3	Will provide a more definite border to residential development in this area.
Amend the Residential 1 Zone boundary in three locations to include: <ul style="list-style-type: none"> <li>- six existing 'conventional' density lots on the south-east corner of Colac-Lavers Hill Road and Harris Road, Elliminyt</li> <li>- ten existing 'conventional' density lots on the south-west corner of Queens Street and Pound Road, Colac</li> <li>- twelve 'conventional' density residential lots bounded by Armstrong Street, Harris Road and Spring Street. Elliminyt</li> </ul>	1-3	Will reflect the existing residential land use and development that has occurred in these areas
Rezoning area 1 (west of Colac-Lavers Hill Road – stage 1) from Farming Zone to Rural Living Zone.	1-3	Reflect existing land use patterns.
Area 2 (east of Colac-Lavers Hill Road) from Farming Zone to Rural Living Zone.	1-3	Reflect existing land use patterns.
Rezoning Farming Zone land (bounded by Flaxmill Rd to the north, the Princes Highway to the east and south) to Rural Activity Zone	1-3	Reflect existing land use patterns and nature of surrounding uses including Farming and Industrial activity and prevent further residential development
Area 1 (west of Colac-Lavers Hill Road – stage 2) from Farming Zone to Rural Living Zone.	3-10	Identifies particular area for long term expansion of Rural Living Zone into fragmented lots (subject to demand and servicing).

### 8.10 Conclusions

As shown above, the new Rural Living Zone will have the potential to add 11 new allotments, on land which is currently zoned Farming. These lots have a much lower density and will provide a source of lifestyle diversity for those people wanting larger lots which are located close to the essential services. Other existing land such as the LDRZ will continue to provide Colac and Elliminyt with an added variety of lot size and lifestyle.

Collectively, Colac and its surrounding region are well placed in terms of future residential land supply. The region offers lifestyle diversity through the range of traditional residential developments and locations and is supported by the proposed rural living and low density lots which will help retain the rural way of life whilst continuing to ensure proximity to essential services and urban activities.

It is recommended that those large residential zoned landholdings south of the Colac Business District extending through to Elliminyt be supported as the most appropriate opportunities for new residential subdivision subject to compliance with servicing, environmental capability, access, open space and siting requirements.



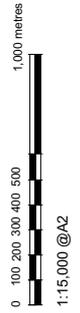
Lake Colac

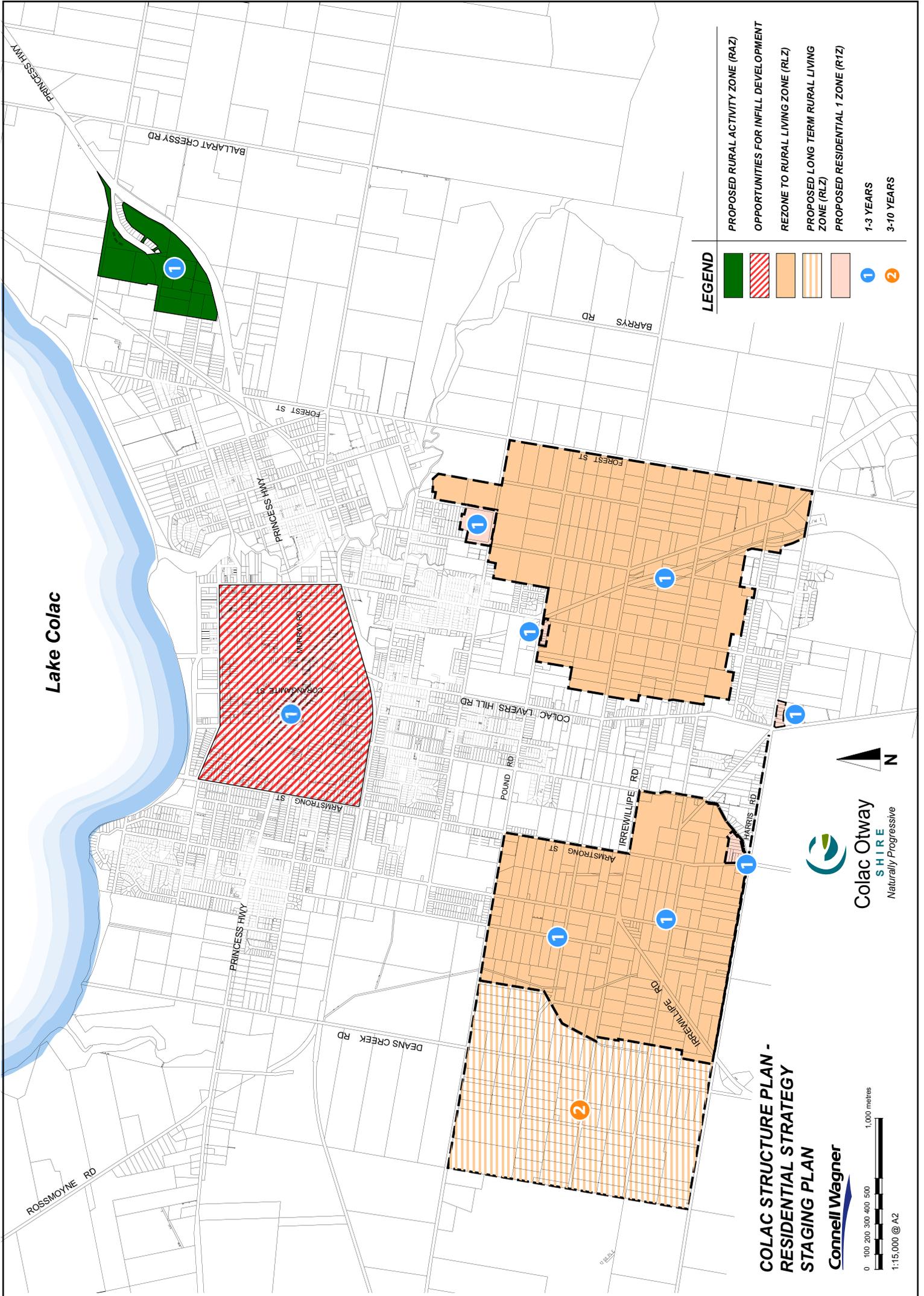
**LEGEND**

	REZONE TO RURAL ACTIVITY ZONE (RAZ)
	OPPORTUNITIES FOR INFILL DEVELOPMENT
	REZONE TO RURAL LIVING ZONE (RLZ)
	REZONE TO RURAL LIVING ZONE (RLZ) IN LONG-TERM
	REZONE TO RESIDENTIAL 1 ZONE

**COLAC STRUCTURE PLAN -  
RESIDENTIAL STRATEGY**

**Connell Wagner**



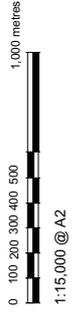
Lake Colac

**LEGEND**

	PROPOSED RURAL ACTIVITY ZONE (RAZ)
	OPPORTUNITIES FOR INFILL DEVELOPMENT
	REZONE TO RURAL LIVING ZONE (RLZ)
	PROPOSED LONG TERM RURAL LIVING ZONE (RLZ)
	PROPOSED RESIDENTIAL 1 ZONE (R1Z)
	1-3 YEARS
	3-10 YEARS

**COLAC STRUCTURE PLAN -  
RESIDENTIAL STRATEGY  
STAGING PLAN**

**Connell Wagner**



**Colac Otway  
SHIRE**  
Naturally Progressive





**Table 14. Strategy to achieve preferred residential land use pattern.**

Action	Application	Purpose	How?
1. Encourage medium density development in the existing Colac town centre.	Land generally bordered by Moore Street, Queen Street, Geelong and Colac Railway and Armstrong Street.	<ul style="list-style-type: none"> <li>• Address need for more affordable housing.</li> <li>• Provide an increase in choice of housing that is located close to existing services and facilities.</li> <li>• Utilise existing infrastructure.</li> <li>• Increase density of development in town centre.</li> </ul>	<ul style="list-style-type: none"> <li>• Amend the Municipal Strategic Statement to encourage infill development including: <ul style="list-style-type: none"> <li>• Subdivision of existing lots into two to create additional smaller allotments;</li> <li>• Development of second dwellings on larger allotments;</li> <li>• Development of vacant parcels for more intensive development up to a maximum of two storeys in height.</li> </ul> </li> </ul>
2. Rezone allocated areas of current Farming zoned land between Elliminyt and Colac (east and west of Colac - Lavers Hill Road) to Rural Living Zone.	Farming Zoned land east of Colac-Lavers Hill Road south of Pound Road, and south of Pound Road between Sinclair Street and Armstrong Street.	<ul style="list-style-type: none"> <li>• Recognise the existing use of the land as rural living.</li> <li>• Prevent further fragmentation of the land to protect its character and ensure land can be developed for future residential if required.</li> </ul>	<ul style="list-style-type: none"> <li>• Rezone land from Farming to Rural Living.</li> <li>• Include in the schedule to the Rural Living Zone a minimum subdivision area of 2 hectares.</li> </ul>
3. Rezone allocated areas of current Farming zoned land bounded by Flaxmill Rd to the north, the Princes Highway to the east and south	Farming Zoned Land west of Marriner Street and north of Princes Highway, Colac	<ul style="list-style-type: none"> <li>• Recognise the existing use of the land as rural activity</li> <li>• Minimise further fragmentation of the land to protect its character and</li> <li>• Ensure land uses which are compatible with surrounding Faring and Industrial zones</li> </ul>	<ul style="list-style-type: none"> <li>• Rezone from Farming Zone to Rural Activity Zone with a minimum subdivision area of 0.5ha for the land at 75 Marriner St and 2ha for all other land, to be specified in the schedule to the zone</li> </ul>
4. Create additional Residential 1 Zone opportunities close to the Colac town centre.	Land generally bordered by Fulton Street, Talbot Street and Hearn Road.	<ul style="list-style-type: none"> <li>• 'Complete' the existing Residential 1 Zone in this block.</li> <li>• Provide a more definite boundary to the Residential 1 Zone in this area.</li> </ul>	<ul style="list-style-type: none"> <li>• Rezone from Farming to Residential 1.</li> </ul>
5. Amend the current Residential 1 Zone boundary to include small parcels of land that are operating as 'conventional' residential areas.	Land on the corner of Colac-Lavers Hill Road and Harris Road, Elliminyt; and lots bounded by Armstrong Street, Harris Road and Spring Street.	<ul style="list-style-type: none"> <li>• Ensure continuity is achieved along Harris Road.</li> <li>• Recognise existing development.</li> <li>• Provide opportunities to further enhance these corners.</li> </ul>	<ul style="list-style-type: none"> <li>• Rezone land from Farming to Residential 1.</li> </ul>