

# Minutes

## Of the Special Council Meeting

**Location:** Council Chambers, Municipal Offices  
62-68 Ovens Street, Wangaratta

**Date:** Friday, 30 October 2015

**Time:** 2:00pm



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**TRIBUTE TO ZOE BUTTIGEIG**

Ailsa Fox, Administrator Chair, expressed the great sadness felt by the Administrators and the whole of the municipality on the death of Zoe Buttigieg and offered condolences to Zoe's family and loved ones.

Mrs Fox further underlined the need for us all to address the issue of violence in our communities. She acknowledged that our community deserves for everyone to feel safe and committed to continuing to work with the local service providers, organisations and community members to help achieve this.

## 1. ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

*We acknowledge the traditional owners of the land on which we are meeting. We pay our respects to their Elders and to Elders from other communities who may be here today.*

## 2. OPENING PRAYER

*Almighty God, we humbly ask thee to bless and guide this council in its deliberations so that we may truly preserve the welfare of the people whom we serve. Amen*

## 3. PRESENT

### ADMINISTRATORS:

MRS ALISA FOX, CHAIR, MS IRENE GRANT, MR ROD ROSCHOLLER

### OFFICERS:

BRENDAN MCGRATH, CHIEF EXECUTIVE OFFICER; RUTH KNEEBONE, DIRECTOR CORPORATE SERVICES; ALAN CLARK, DIRECTOR INFRASTRUCTURE SERVICES; JAIME CARROLL, DIRECTOR COMMUNITY WELLBEING; BARRY GREEN, DIRECTOR DEVELOPMENT SERVICES

## 4. ABSENT

NIL

## 5. ACCEPTANCE OF APOLOGIES & GRANTING OF LEAVE OF ABSENCE

### ORDER OF BUSINESS

## 6. CONFLICT OF INTEREST DISCLOSURE

In accordance with sections 77A, 77B, 78 and 79 of the *Local Government Act 1989* Councillors are required to disclose a 'conflict of interest' in a decision if they would receive, or could reasonably be perceived as receiving, a direct or indirect financial or non-financial benefit or detriment (other than as a voter, resident or ratepayer) from the decision.

**Disclosure must occur immediately before the matter is considered or discussed.**

*Brendan McGrath, Chief Executive Officer, declared a conflict of interest in item 7.1 – Appointment of the Chief Executive Officer – Procurement Australia Board, as the report was dealing with matters relating to his employment .*

## PRESENTATION OF REPORTS

## **OFFICERS' REPORTS**

### **7. EXECUTIVE SERVICES**

#### **7.1 APPOINTMENT OF THE CHIEF EXECUTIVE OFFICER - PROCUREMENT AUSTRALIA BOARD**

**Meeting Type:** Special Council Meeting  
**Date of Meeting:** 30 October 2015  
**Author:** Manager People and Performance  
**File Name:** Human Resources Confidential  
**File No:** 95.005.002

*Brendan McGrath, Chief Executive Officer, did not leave the room during discussion and voting on this item having previously declared a conflict of interest.*

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

#### **Executive Summary**

This report is presented to Council to note the appointment of the Chief Executive Officer to the Board of Procurement Australia, and to ensure as part of this endorsement that all appropriate governance matters are addressed.

#### **RECOMMENDATION:**

**(Moved: Chair Administrator A Fox/Administrator I Grant)**

***That Council:***

- ***notes the appointment of the Chief Executive Officer, Mr Brendan McGrath to the position of Non-executive Director of Procurement Australia***
- ***endorses the proposed methodology for expense allocation.***

**Carried**

#### **Background**

On the 14 August 2015, Council's Chief Executive Officer was offered a position as a Non-executive Director of Procurement Australia. This offer was discussed with Council's Administrators at a briefing on 27 October 2015.

This report asks Council to note the appointment, and considers and addresses any governance requirements arising from the appointment. In determining its decision, Council is asked to consider the following matters:

### ***Professional development***

The Chief Executive Officer has a professional development plan that is approved annually at each performance appraisal. This plan identifies learning and development activities that will continue to develop the Chief Executive Officer's skills and capability. There are two benefits to this appointment that would align closely with the goals of this professional development plan. They are:

- Through the opportunity to work with a different organisation, board and governance framework, the appointment will provide professional development and learnings beyond what the Chief Executive Officer would otherwise be exposed to as part of his Council position alone; which includes building new networks and contacts, and utilising new skills.
- The opportunity would provide the Chief Executive Officer with firsthand experience of a non-executive director's perspective which will not only complement his management and executive experience – but will particularly enhance the relationships with the Administrators, and a future Mayor and Councillors who often occupy similar non-executive director positions, as well as their public duty.

### ***Council Benefits***

From sharing the learnings and experiences through knowledge gained whilst in this new role, Council may gain benefit in relation to how we might improve and continue our journey towards best practice procurement.

In particular, this appointment will link closely to Council's strategic goal of future sustainability. We have recently commenced the 'Our Future' program of works which examines a range of initiatives including procurement. We will be looking at our current spending and investment practices and will examine opportunities within our region for shared services, better procurement, and savings through joint procurement initiatives.

### ***Conflict of Interest***

The Council considered the issue of potential conflict of interest arising from the Chief Executive Officer's role with Council and the role on the Board of Procurement Australia, and was satisfied that the provisions of *The Local Government Act 1989* represents a framework that provides an appropriate and effective way of ensuring that any conflicts which do arise are properly managed.

### ***Time Commitment and Impact on Officers Duties***

In determining how the time commitment required in relation to the Procurement Australia Board position could be combined with the Chief Executive Officer's existing employment duties with Council, one option is to seek reimbursement from the Chief Executive Officer for any work time that is committed to Procurement Australia.

The position attracts a remuneration fee of \$15,648 per annum and requires the Chief Executive Officer to attend five Board meetings and one strategic planning day per annum. The value of this time will be apportioned and will be charged to Procurement Australia who will pay the Council directly from the Officer's fee. The People and Performance Team will oversee the administration of this reimbursement process.

Aside from this commitment, there are no further impacts expected on the Chief Executive Officer's capacity to perform the Council's role. A statement of activities will be provided during his performance appraisal as part of the development plan assessment.

If the Chief Executive Officer resigns or ceases to be a Non-executive Officer for Procurement Australia then this arrangement ceases to be applicable.

### **Implications**

#### **Policy Considerations**

There are no specific Council policies or strategies that relate to this report.

#### **Financial/Economic Implications**

There are no financial or economic implications identified for the subject of this report.

#### **Legal/Statutory**

There are no legal/statutory implications identified for the subject of this report.

#### **Social**

There are no social impacts identified for the subject of this report.

#### **Environmental/Sustainability Impacts**

There are no environmental/sustainability impacts identified for this subject of this report.

### **2013 – 2017 Council Plan (2015 Revision)**

This report supports the 2013-2017 Council Plan:

#### **Goal**

We are Growing.

#### **We will focus on our business:**

ensuring our workforce is skilled, responsive and adaptable to meet our community needs.



## **The non-negotiables**

The best use of Council's resources.

All legislative and compliance requirements are met.

## **Strategic Links**

### **a) Rural City of Wangaratta 2030 Community Vision**

N/A

### **b) Other strategic links**

N/A

## **Risk Management**

There are no moderate or extreme risks associated with this report.

## **Consultation/Communication**

The Officer believes that appropriate consultation has occurred and the matter is now ready for Council's consideration.

## **Conclusion**

As an organisation, there is significant value in ensuring our employees continue to undertake professional development activities. The appointment of the Chief Executive Officer to the Non-executive Director's position with Procurement Australia will further develop his skills and capability at the executive level and subsequently enhance his position as the Chief Executive Officer of Council.

It is also expected that the learnings from this appointment will bring value to Council through work being completed under the 'Our Futures' project and improved Procurement practices.

The position attracts remuneration and to ensure appropriate investment of Council's resources, a reimbursement framework will be put in place, administered internally and monitored on an annual basis during his performance review.

## **Attachments**

Nil.

## **Gallery Questions**

### **Brian Fox - Wangaratta**

Mr Fox stated that many things need the attention, time, dedication and passion of the Chief Executive Officer and expressed his opinion that having him absent was not good business.

**Ailsa Fox, Chair Administrator**, responded that the Administrators considered the appointment to this role is of benefit to Council through learnings and is part of the future development as the Chief Executive Officer.

**Irene Grant, Administrator**, reiterated the views that it is important to learn and grow in any position.

**Rodney Roscholler, Administrator**, expressed his view that it is very important to keep up with information in the broader community and stated that Council has a competent, experienced Corporate Management Team who are very capable of keeping operations running when the Chief Executive Officer is not on site.

## 8. CORPORATE SERVICES

### 8.1 SEPTEMBER 2015 QUARTERLY FINANCE REPORT

**Meeting Type:** Special Council Meeting  
**Date of Meeting:** 30 October 2015  
**Author:** Financial Accountant  
**File Name:** 15/16 Budget  
**File No:** 51.060.021

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

#### Executive Summary

This report is presented to Council to provide an update of Council's year-to-date (YTD) financial performance to Budget for 2015/16.

#### **RECOMMENDATION:**

**(Moved: Administrator R Roscholler/Administrator I Grant)**

***That Council notes the September 2015 Quarterly Finance Report.***

**Carried**

#### Background

Council has completed its first quarter financial reporting process in order to manage and monitor its financial position against budget.

#### Implications

##### **Policy Considerations**

There are no specific Council policies or strategies that relate to this report.

##### **Financial Implications**

##### **Quarter 1 Year to Date Summary**

	<b>Full year Budget</b>	<b>Year to date Budget</b>	<b>Year to date Actuals</b>	<b>Variance</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Income	55,325	13,250	12,943	(307)
Expense	52,251	13,695	13,223	472
<b>Surplus (Deficit)</b>	<b>3,074</b>	<b>(445)</b>	<b>(280)</b>	<b>165</b>
Capital Works Expenses	24,025	6,423	3,050	(3,373)

## **Operating Result**

Council has \$307K less income than budgeted at 30 September 2015, however this is offset by reduced expenses of \$471K, leaving a favourable variance for operating surplus of \$164K.

Council has experienced reduced YTD grant income due to receiving 50% of the 15/16 Victorian Grants Commission allocation in advance during the 14/15 financial year.

Reduced YTD expenditure has occurred in materials and contracts and employee benefits. A detailed explanation of Operating Result variances follows:

## **Operating Income**

### ***Favourable***

- \$122K received for delivery of energy efficient street light change-over not budgeted for,
- \$ 52K – Wangaratta Performing Arts Centre grant has been received in advance
- \$ 43K - Family Day Care User fees up on budget due to higher than expected attendance.
- \$ 35K - Childcare benefit up on YTD budget due to higher than expected attendance.

### ***Unfavourable***

- \$843K - As a result of receiving 50% (\$3.2M) of the Victorian Grants Commission in advance only 50% of the budgeted quarterly instalment (\$1.69M) has been received during 15/16
- \$ 78K - Wangaratta Livestock Complex throughput down due to roofing project and market conditions.

## **Operating Expenses**

### ***Favourable***

- \$ 80K - Insurance savings as a result of going to tender
- \$207K - Field services maintenance expenses lower than YTD budget due to staff vacancies and ground condition to complete works

### ***Unfavourable***

- \$45K - Return of Hume Region Tracks and Trails unspent funds from 14/15.

For a detailed analysis of the Operating and Capital Works result year to date variances refer to the September 2015 Financial Report. (***refer attachment***)

### **Capital Works**

Progress of the 2016 capital works program is essentially on track, the year to date variance of \$3.38M is predominately due to the delay in receiving invoices from contractors. The following projects are behind the budgeted schedule but are anticipated to be completed in the 15/16 financial year.

- \$973K – Livestock Roofing Complex Roofing
- \$563K – Construction of City Oval Redevelopment
- \$403K – Cell 7 Landfill Construction
- \$250K – CBD Master Plan Implementation
- \$108K – Everton Hall Precinct Redevelopment.

### **Legal/Statutory**

In accordance with s127 of the *Local Government Act 1989* (the Act), Council must prepare a budget for each financial year. Additionally, s136 of the Act requires Council to apply principles of sound Financial Management. S138 of the Act requires the Chief Executive Officer, at least every three months, to prepare a statement comparing the budgeted revenue and expenditure for the financial year with the actual revenue and expenditure to date and to present this report to Council.

### **Social**

Social benefits of the projects will occur this financial year as outlined in the 15/16 Budget.

### **Environmental/Sustainability Impacts**

There are no environmental/ sustainability impacts identified for this subject of this report.

### **Economic Impacts**

The economic impacts associated with sound financial management are positive for Council's ratepayers, the community and future generations.

### **2013 – 2017 Council Plan (2015 Revision)**

This report supports the 2013-2017 Council Plan:

**Goal**

We are Sustainable.

**We will create and deliver:**

our budgeted annual capital works program.

**We will plan and make decisions for the future:**

maintaining a responsible and transparent Long Term Financial Plan.

**The non-negotiables**

The best use of Council's resources.

All legislative and compliance requirements are met.

**Risk Management**

Risks	Likelihood	Consequence	Rating	Mitigation Action
Poor performance against budget	M	M	M	Regular monitoring and reporting of budget position

**Consultation/Communication**

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

**Options for Consideration**

September year to date Operating Result is on track with a number of timing differences across income and expense items. Capital Works expenditure is \$3.377M below year to date Adopted Budget. The delivery capital projects are expected to be completed in the 15/16 financial year and will be reviewed as part of the upcoming Revised Budget process.

**Attachments**

September 2015 Finance Report

**Gallery Questions**

Nil

## 9. COMMUNITY WELLBEING

### 9.1 2014-15 PROFIT SHARE FOR CONTRACT C1213/045 - MANAGEMENT AND OPERATION OF THE WANGARATTA INDOOR SPORTS AND AQUATICS CENTRE AND OUTDOOR POOLS

**Meeting Type:** Special Council Meeting  
**Date of Meeting:** 30 October 2015  
**Author:** Acting Manager - Community and Recreation  
**File Name:** Contract C1213/045  
**File No:** 3084045

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

#### Executive Summary

This report is presented to Council to consider options for the dispersal of the profit share (that portion of the performance result which is better than the agreed financial target) established by YMCA - Victoria in partnership with the Rural City of Wangaratta.

#### **RECOMMENDATION:**

**(Moved: Administrator R Roscholler/Administrator I Grant)**

#### ***That Council:***

***1. Retains Council's portion of the performance result which is better than the agreed financial target established by YMCA - Victoria in partnership with the Rural City of Wangaratta into a reserve account within Council for either:***

- short term facility enhancements designed to improve user experience; or***
- long term facility developments designed to provide additional health and wellness opportunities to residents.***

**Carried**

#### Background

Council's three aquatic and health/wellness facilities are currently managed by YMCA – Victoria under the terms of contract C1213/045.

Under the terms of the contract 'a performance result which is better than the agreed financial target will result in Council paying an incentive payment of 33% of the difference between the target and the actual performance. A further 33% of the difference will be expended on improvements to the facility for the benefit

of users. *The balance will be returned to Council*' Section 3.2 - Financial Arrangements and Management, Contract C1213/045.

The abovementioned financial performance result, which is better than the agreed financial target, shall hereafter be referred to as the 'profit share'. Therefore, for the 2014-15 the profit share breakdown will be apportioned as follows:

- YMCA – Victoria – 33%
- Facility Improvements – 33%
- The Rural City of Wangaratta – 34%

It has been reported by YMCA - Victoria that the financial performance during the 2014-15 financial year has resulted in a profit share of \$56,059. However, in addition to a performance result which is better than the agreed financial target, this lump sum includes \$20,725 of savings from the installation of Council's Co-Generation system (installed in October of 2014).

Once this additional sum is accounted for, the profit share is broken down as follows:

YMCA –Victoria - 33%	\$11,660
Facility Improvements - 33%	\$11,660
The Rural City of Wangaratta - 34%	\$12,014
Co-Generation Project Savings	<u>\$20,725</u>
	\$56,059

In previous financial years, the Rural City of Wangaratta has considered on an annual basis whether to retain its 34% share in general revenue, or reinvest it towards facility improvement in addition to the 33% already reserved for that purpose.

These funds have enabled Council and the YMCA to provide equipment and upgrades such as; defibrillators, chairs, tables, squash court upgrades, extended pool hours, gymnastics equipment, play equipment, pool covers, gym lockers, a new pool vacuum, fitness room upgrades, soundproofing and media devices.

In an effort to eliminate the need for an annual consideration of the dispersal of any profit share funds, it has been proposed to consider the retention of any profit share into a reserve account within Council for either:

- short term facility enhancements designed to improve user experience; or
- long term facility developments designed to provide additional health and wellness opportunities to residents.

### **Implications**

### **Policy Considerations**

There are no specific Council policies or that relate to this report.



### Financial/Economic Implications

	2015/2016 Approved Budget for this proposal \$	This Proposal \$	Variance to Approved Budget \$	Comments
Revenue/Income	20,000	32,739	12,739	Proposed income combined Profit share and co-gen savings
Expense				
Net Result				

### Legal/Statutory

There are no legal/statutory implications identified for the subject of this report.

### Social

The retention of these funds into a reserve account for the purposes of facility improvements, will allow YMCA members and Wangaratta residents to share in the good financial performance of Council's health and wellness facilities through enhanced facilities and new health and wellness initiatives.

### Environmental/Sustainability Impacts

There are no environmental/sustainability impacts identified for this subject of this report.

### 2013 – 2017 Council Plan (2015 Revision)

This report supports the 2013-2017 Council Plan:

#### Goal

We are Healthy.

#### We will create and deliver:

exceptional services and programs that help our families and children to be healthy, happy and connected.

aquatic facilities that are developed to meet the long-term needs of our community and that are exciting and fun places to be – through the implementation of the Wangaratta Aquatic Plan.

#### We will plan and make decisions for the future:

that ensure we are responding to the current and long-term recreational needs of our community.

**We will focus on our business:**

by making sure that all our teams work together to plan, develop and deliver innovative recreation projects.

**The non-negotiables**

Everyone can access a range of recreation facilities and programs that encourage an active and healthy lifestyle.

**Strategic Links****a) Rural City of Wangaratta 2030 Community Vision**

A vibrant community:

- Sport, recreation, arts and culture play an important role in bringing communities together and improving personal and community health and wellbeing
- Essential health, education and other community services are available and accessible to all.

**b) Other strategic links**

N/A

**Risk Management**

Risks	Likelihood	Consequence	Rating	Mitigation Action
Public perception that council is obtaining a profit from YMCA operations	Possible	Minor	Medium	Public endorsement of profit share policy (this report)

**Consultation/Communication**

Level of public participation	Promises to the public/stakeholders	Tools/Techniques
Inform	Retention of funds for facility improvement	Council Report
Consult		
Involve		
Collaborate		
Empower		

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

### **Options for Consideration**

#### **Option 1 (recommended)**

That Council retains its share of that portion of the performance result that is better than the agreed financial target established by YMCA - Victoria in partnership with the Rural City of Wangaratta into a reserve account within Council for either:

- short-term facility enhancements designed to improve user experience; or
- long-term facility developments designed to provide additional health and wellness opportunities to residents.

#### **Option 2 (not recommended)**

That Council continues to consider on an annual basis whether to retain its 34% of the profit share, or reinvest it towards facility improvement in addition to the 33% already reserved for that purpose.

### **Conclusion**

The dispersal of the profit share (that portion of the performance result which is better than the agreed financial target established by YMCA - Victoria in partnership with the Rural City of Wangaratta) should be reserved by Council for the:-

- short-term facility enhancements designed to improve user experience; and /or
- long-term facility developments designed to provide additional health and wellness opportunities to residents.

Support for this decision will eliminate the need for an annual consideration of the dispersal of any profit share funds.

### **Attachments**

Nil.

### **Gallery Questions**

#### **Anne Dunstan - Tarrawingee**

Ms Dunstan asked what the profit share breakdown has been for each year since 2013 and the previous contract, and what part of that profit share has been reinvested back into the facilities at the YMCA, Yarrunga and Olympic pools. Ms Dunstan further commented that, under the contract and previous contracts, Council has neglected to distribute sufficient funding to maintain the assets.

**Ailsa Fox, Chair Administrator**, advised the question would be taken on notice.

**Jenny Hart - Wangaratta**

Ms Hart referred to the contract of the YMCA, Olympic and Yarrunga pools and asked Council to review this existing contract given the non-continuance of the outdoor pools.

**Brendan McGrath, Chief Executive Officer**, responded that the current contract has the capacity to be adjusted if significant changes occur. When the construction of the 50m pool is completed the contract will be renegotiated at that time.

*The adjustment will be to cease operations and contractor payments for the outdoor pools.*

## 9.2 THE DRAFT WANGARATTA PROJECT - A MASTERPLAN FOR THE CITY

**Meeting Type:** Special Council Meeting  
**Date of Meeting:** 30 October 2015  
**Author:** Executive Assistant Community Wellbeing  
**File Name:** STREETScape / CBD ADMINISTRATION / STREETLIFE  
**File No:** 82.015.001

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

### Executive Summary

This report is presented to Council to:

- provide background to the development of the Wangaratta Masterplan “The Wangaratta Project”
- summarise the outcomes of the project and plan development
- present the Draft Wangaratta Masterplan for consideration
- seek Council’s endorsement of the draft documents for public community consultation.

### **RECOMMENDATION:**

**(Moved: Chair Administrator A Fox/Administrator I Grant)**

#### ***That Council:***

- 1. endorses the Draft Wangaratta Project – Central Business District (CBD) Masterplan for community consultation***
- 2. places the Draft Wangaratta Project – Central Business District (CBD) Masterplan on public exhibition for comment for a period of 28 days***

**Carried**

### **Background**

The “Wangaratta Project” has been facilitated to deliver a Masterplan that addresses and plans for the long-term needs of the City of Wangaratta.

After extensive consultation with the local community and stakeholders, the project has developed a detailed and comprehensive Masterplan for the Wangaratta Central Business District (CBD) that will drive the growth of the CBD as a key economic, social and cultural destination within the Victorian Hume Region. It is intended that the development and the implementation of the

Wangaratta CBD Master Plan project will achieve significant outcomes for the city, the municipality and the wider region including:

- increased economic activity driving increased employment, business and investment opportunities
- increased tourism and visitation to both the city and the region
- improved city infrastructure, facilities and landscaping
- increased cultural and artistic activities and presence within the CBD
- increased pride and use of the city centre
- Ovens Riverside Precinct
- improved links and transport options.

Stages of the Project to this point have included:

1. establishing clear project outcomes and objectives
2. engagement of expert consultants to support the project in partnership with Council
3. reviewing current strategies and plans relating to the CBD
4. undertaking extensive community and stakeholder consultation
5. development of the Draft Masterplan
6. presenting draft documents to Council, Council officers and key stakeholders for review
7. refinement of the Draft Masterplan and presentation to Council for endorsement for further community review

Stages still to be progressed for the project include:

8. presentation to community and stakeholders for feedback on revised documents
9. adoption of finalised documents
10. communication of revised documents to the community and stakeholders
11. implementation of masterplan

Steps 1-7 have occurred to date and steps 8-11 are required to finalise the process.

## **Implications**

### **Policy Considerations**

The masterplan will be filtered into appropriate policies across the organisation once formal adoption by Council.

### **Financial/Economic Implications**

The implementation of the priorities and projects within the Draft Masterplan will require significant financial investment. The scope of projects range from immediate to long-term and their facilitation will require long-term strategic planning by Council. A key objective of the masterplan is that the impacts of these projects will generate significant economic benefits for the city.

For many of the projects and priorities within the Draft Masterplan, State and Federal funding opportunities will be sought to maximise the capacity to deliver. Council has allocated \$500,000 in the 2015/2016 budget to allow for the immediate progression of masterplan projects. This allocation will be used as a required contribution in appropriate funding applications.

There will also be both the requirement and the opportunity for community and private partnerships across a range of areas in order to progress key project elements.

### **Legal/Statutory**

There are no legal/statutory implications identified for the subject of this report.

### **Social**

A key objective of The Wangaratta Project has been the development of a plan that will drive and facilitate social activation and benefit. It is anticipated that the realisation of key projects and the redevelopment of key CBD sites will achieve a range of social, cultural and economic benefits for the city, and the regions residents.

### **Environmental/Sustainability Impacts**

The Draft Masterplan has several key projects that focus on the environmental protection and sustainability of the city. Enhancing the natural environment and recognising it as a key strength of the city has been identified as a strong priority of the local community.

## **2013 – 2017 Council Plan (2015 Revision)**

This report supports the 2013-2017 Council Plan:

### **Goal**

We are Growing.

**We will create and deliver:**

unique, engaging and relevant public art that helps to make our city, neighbourhoods and towns interesting places to be.

**We will plan and make decisions for the future:**

that enhance the landscapes of our main roads and key township entrances.

that encourage growth in Wangaratta's CBD and establish it as a regional retail centre.

**The non-negotiables**

Our urban areas and rural townships are safe and friendly, where everyone can participate and contribute.

Residential, rural, commercial and industrial land that is appropriately protected, planned and developed to meet the long-term needs of the community.

**Strategic Links****a) Rural City of Wangaratta 2030 Community Vision**

1. ***“Wangaratta, a premier liveable city”***
2. ***“The rural landscape, unique and distinct”***
3. ***“A healthy environment”***
4. ***“A vibrant community”***
5. ***“A thriving regional economy”***
6. ***“A safe and accessible community***
7. ***“A culture of life-long learning”***
8. ***“Celebrating our arts, culture and heritage”***

**b) Other strategic links****Council Strategies and Plans**

The masterplan will be a significant strategic document for Council and as such will align closely to and support many strategies and plans (including but not limited to):

- Cycle Tourism Strategy
- Tourism and Economic development Strategy 2012 – 2015
- South Wangaratta Urban Renewal Strategy Masterplan



- Wangaratta Retail Audit and Development Plan and Ovens Riverside Precinct Study
- Asset Management policy
- Long Term Financial Plan
- Rural City of Wangaratta Heritage Study
- Wangaratta Planning Scheme
- Risk Management Strategy
- Road Management Plan
- Rural City of Wangaratta Sustainable Water Use Plan
- Community Access and Inclusion Plan
- Aquatics Strategy
- Community Wellbeing Plan
- Cultural Services Plan
- Open Space Strategy
- Recreation Strategy
- Public Art Strategic Plan
- Rural City of Wangaratta Education Strategy
- South Wangaratta Reserve Masterplan
- Wangaratta Recreation Parklands Masterplan
- Youth Strategy
- Merriwa and Kaluna Parks Masterplan
- Ovens River / Faithfull Street Precinct Structure Plan
- Wangaratta Central Activities Area (CAA) Car Parking Strategy
- Wangaratta Main Road Landscape Strategy
- Wangaratta Main Road Traffic Study
- Wangaratta Urban Design Framework
- Environmental Sustainability Strategy
- Hume Regional Growth Plan

### **Risk Management**

There are no risks associated with this report.

### **Consultation/Communication**

Level of public participation	Promises to the public/stakeholders	Tools/Techniques
Inform		
Consult	Put the Wangaratta Masterplan on public exhibition	Allow community and stakeholders the opportunity to provide comment on the Plan and Council to then consider responses
Involve	Involve relevant businesses / organisations how they can be part of the CBD Masterplan “bigger picture”	
Collaborate	Collaborate with	Hold relevant meetings where

Level of public participation	Promises to the public/stakeholders	Tools/Techniques required
	organisations / businesses to implement actions “quick wins” once the plan is adopted	
Empower		

Officers believe that appropriate consultation has occurred and the matter is now ready for Council’s consideration.

### **Options for Consideration**

1. Council endorse the draft plan and place on exhibition for further review by the community and partners.
2. Council make further changes to the Draft Masterplan and reconsider endorsement at a further date.

### **Conclusion**

The Wangaratta Project has been driven by the objective of achieving significant benefits for the Wangaratta City and the wider Hume region. Implementation of the plan will focus on realising the opportunities that exist in positioning the City as a regional centre and maximising the potential that exists in the environmental, built and community elements of the city.

Presenting the Draft Masterplan to the community for a further period of review will build on the already strong investment and engagement that has been made by many community members, business operators and stakeholders in the plan. It will result in a more robust and accurate reflection of the needs and priorities of the city and the actions required to maximise the opportunities available.

### **Attachments**

The Draft Wangaratta Project- A Masterplan For The City (under separate cover)

### **Gallery Questions**

#### **Ken Clarke - Wangaratta**

Mr Clarke referred to items 9.2 - Draft Wangaratta Project – Central Business District Masterplan and 10.2 - Asset Management Plans and the amount of reading required to adequately deliberate these plans and asked Council to consider extending the exhibition period for longer than the stated 28 days.

***Brendan McGrath, Chief Executive Officer, advised that comments would be considered up until the matter is presented to Council for a decision. Mr McGrath advised that the items would most likely be presented to the December Council meeting which gave 6 weeks for comments to be received. Mr McGrath added that it would be appreciated for comments to be submitted in the early period of exhibition to allow them to be considered as part of building and shaping the report.***

**Cassandra - Wangaratta Urban Landcare Group**

Cassandra wished to reiterate Mr Clarke's view and commented that with the Jazz Festival and a lot of organisations holding Annual General Meetings at this time of year, there would not be a lot of time to consider the CBD Masterplan. Casandra asked if it is possible to for Council advertise the 6 week extended period.

***Brendan McGrath, Chief Executive Officer,** advised that Council would make known that feedback will be received up until the report is submitted to Council for consideration but reiterated the need for comments to be received early in the period to allow comments to be considered in the report writing.*

## 10. INFRASTRUCTURE SERVICES

### 10.1 ROADS TO RECOVERY 2 (R2R2) FUNDING ALLOCATIONS

**Meeting Type:** Special Council Meeting  
**Date of Meeting:** 30 October 2015  
**Author:** Director - Infrastructure Services  
**File Name:** Roads to Recovery Program  
**File No:** 80.010.010

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

#### Executive Summary

This report is presented to Council to consider the allocation of additional funding from the Federal Government's Roads to Recovery (R2R) program.

For some years the Federal Government has been providing funding from the R2R program direct to councils. On 23 June 2015 the Government announced additional funding of \$1.105 billion over the next two years as a direct result of the changes to the fuel excise. This additional funding program is known as R2R2. Council's allocation of these funds is: \$969,911 in 2015/2016 and \$2,602,597 in 2016/2017.

#### **RECOMMENDATION:**

**(Moved: Administrator I Grant/Administrator R Roscholler)**

***That the R2R2 funding be allocated to:***

- 1. local road renewal in 2015/2016 - \$769,911***
- 2. the planning and design of the Cruse Street Extension Project in 2015/2016 - \$200,000***
- 3. the Cruse Street Extension Project in 2016/2017 - \$2,602,597.***

**Carried**

#### Background

The objective of the R2R program is to contribute to the Infrastructure Investment Program through supporting the maintenance of the nation's local road infrastructure asset. The funds must be allocated to suitable road projects and councils cannot reduce the allocation of council funds to roads as a result of receiving R2R funds.

Council has many worthy road projects that would benefit from these additional funds.

Renewal of our existing assets is generally Council's first priority. An additional allocation of around \$800,000 to road renewal projects will allow Council to fully fund all current road renewal demands.

The transport component of the North Western Residential Growth Area Structure Plan clearly identifies the current and future demands on the roads within urban Wangaratta. The Cruse Street extension project which includes a crossing of Three Mile Creek is identified as a key project to better spread the traffic demand and enhance the development of these areas. The project includes; the sealing of the unsealed section of Cruse Street, the crossing of Three Mile Creek and then the construction of a new road to link the crossing with Worland Road. A subsequent stage would see this new road extended through to Reith Road.

### **Implications**

#### **Policy Considerations**

The Cruse Street extension project with the bridge over 3 Mile Creek is identified in the North Western Residential Growth Area Structure Plan. This link is seen as a critical route to allow for increased traffic volumes coming from the growth areas and to divert some traffic away from the CBD.

Road renewal is identified as a priority in Council's Asset Management Policy October 2010 and the Asset Management Strategy April 2013.

#### **Financial/Economic Implications**

This announcement will result in Council receiving additional amounts of \$969,911 in the current financial year and \$2,602,597 in the 2016/2017 financial year.

The construction of the Cruse Street extension project will enhance the development opportunities in the north-west growth areas which will have positive long term economic implications.

#### **Legal/Statutory**

All R2R funds must be spent on suitable road projects that must be approved by the Department of Infrastructure and Regional Development.

#### **Social**

The construction of the Cruse Street extension project will provide an alternate crossing of Three Mile Creek which will remove some traffic from Wangaratta's CBD.

## **Environmental/Sustainability Impacts**

There are no environmental/ sustainability impacts identified for this subject of this report.

### **2013 – 2017 Council Plan (2015 Revision)**

This report supports the 2013-2017 Council Plan:

#### **Goal**

We are Connected.

#### **We will research and advocate:**

with regional partners to identify and address public and community transport gaps.

#### **We will plan and make decisions for the future:**

developing a freight strategy that considers the size and impacts of freight movements, along with bypass and distribution hub options.

#### **The non-negotiables**

Our roads are planned to meet the current and future needs of our community and our industries.

### **Consultation/Communication**

Considerable consultation occurred during the development of the North Western Residential Growth Area Structure Plan which included transport studies and specifically identified the Cruse Street link. This plan went out for public consultation in June 2015; no negative comments have been received regarding the transport links. Consultation has occurred with the Wangaratta Turf Club about the need to consider their plans for the future development of the Turf Club.

### **Conclusion**

The R2R2 funding is a short term funding boost to Council specifically to target road infrastructure improvements. Council is committed to fully fund road renewal were ever possible, and this increased allocation will allow that to occur. The completion of the Cruse Street extension project will limit increased traffic flow into the CBD and allow the North Western growth area to develop in a structured manner.

### **Attachments**

Nil.

## **Gallery Questions**

### **Ken Clarke - Wangaratta**

Mr Clarke referred to comments on page 26 and expressed his belief that Worland Road and Reith Road run parallel to each other and enquired how the road was going to join these two roads.

***Mr Alan Clark, Director – Infrastructure Services,** explained that the first stage of the new road goes to the end of Worland Road and then a later stage begins at a T-intersection at the end of Worland Road and extends west to Reith Road.*

## 10.2 ASSET MANAGEMENT PLANS

**Meeting Type:** Special Council Meeting  
**Date of Meeting:** 30 October 2015  
**Author:** Executive Assistant - Infrastructure Services  
**File Name:** Asset Management  
**File No:** 84.010.005

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

### **Executive Summary**

This report is presented to Council to endorse the recommendation to place the draft detailed Asset Management Plans on public exhibition. This will facilitate the commencement of community consultation regarding how Council proposes to manage its assets now and into the future.

The Asset Management Plan will describe reasons why the asset exists, how the asset is maintained, key issues for the ongoing management of the asset, and the cost and source of funding needed to maintain the asset.

The Plan will detail management and strategic development goals for major infrastructure including roads (including footpath) and bridges. The plan will also provide the framework for the management of what are often extensive and valuable assets that are vital to the ongoing sustainability of the community.

An increased demand for services has resulted in an ever increasing demand on resources. Council, as a service provider, must be accountable and demonstrate to the community how it plans to manage assets in order to deliver services.

The Asset Management Plan endeavors to achieve this goal.

#### **RECOMMENDATION:**

**(Moved: Administrator R Roscholler/Administrator I Grant)**

***That Council place the Draft Asset Management Plans (roads and bridges) on public display for a period of 28 days.***

**Carried**

### **Background**

The need for effective asset management across Local Government saw the introduction of the STEP Asset Management Program, developed by the Municipal Association of Victoria (MAV) in 2003. This program was the beginning of an initiative to assist Councils in improving their asset management processes.



In 2010, with the Federal Government realising the importance of taking a leadership role in asset management, developed a national framework, the NAMAFA (National Asset Management Assessment Framework) and introduced this into the STEP Program.

The Rural City of Wangaratta, as a member of the STEP Program, is committed to achieving a score of 100% 'Core' maturity on all asset management practices in accordance with the NAMAFA. The NAMAFA has been built around the asset management journey of a Council and assesses where Council is on the asset management maturity curve.

The development of Asset Management Plans is a core component of the NAMAFA.

Council needs to ensure that it can look after the assets that it currently has, sustain the current level of service that it is providing, whilst satisfying an ever increasing demand. The Asset Management Plans will assist in doing this by:

- Providing a framework for the sustainable management of assets
- Demonstrating assets are managed over their lifecycle
- Documenting future demand and how to manage demand in the long term
- Demonstrating compliance with required legislation
- Managing risk of asset failure
- Incorporating results of service planning
- Supporting long term financial planning
- Planning for improvements and monitoring of asset management practices.

### **Implications**

#### **Policy Considerations**

##### **Asset Management Policy 2010: Section 4.10 Asset Management Plans**

The Asset Management Policy states:

Asset management plans are prepared to communicate information about assets, including particular actions required to provide defined levels of service whilst achieving the best value for money.

Asset management plans are informed by community consultation and local government financial reporting frameworks.

#### **Financial/Economic Implications**

Managing assets requires a substantial financial commitment by Council. Failing to commit financially to asset management will result in the deterioration of roads, bridges, buildings etc. therefore reducing the level of service and ultimately subjecting Council to the risks of asset failure.

## **Legal/Statutory**

Council must be able to meet its compliance requirements in accordance with the Road Management Plan. The Road Management Plan specifies a level of service that is to be achieved. The consequences of not complying with the Road Management Plan can have legal implications.

## **Social**

The community demands and expects a level of service. Council must be able to manage assets in order to sustain the current level of service that they are providing.

## **Environmental/Sustainability Impacts**

There are no environmental/ sustainability impacts identified for this subject of this report.

## **2013 – 2017 Council Plan (2015 Revision)**

This report supports the 2013-2017 Council Plan:

### **Goal**

We are Connected.

### **We will create and deliver:**

quality and accessible pathways and cycling and walking tracks that build local and regional connections.

### **We will plan and make decisions for the future:**

developing and implementing management plans; incorporating rolling capital works and cyclic maintenance programs for Council's infrastructure.

### **We will focus on our business:**

ensuring our workforce is skilled, responsive and adaptable to meet our community needs.

### **The non-negotiables**

Our roads are planned to meet the current and future needs of our community and our industries.

Asset management systems ensure the sustainability of our community assets.

## **Strategic Links**

### **a) Rural City of Wangaratta 2030 Community Vision**

Results of the Wangaratta 2013 Community Vision applicable to the asset management plans are detailed.

### **b) Other strategic links**

#### **Asset Management Strategy 2013: Section 6.3.1 Asset Management Plans**

The Asset Management Strategy states:

The Asset Management Plans will document asset inventory information, current condition of assets, intervention levels, useful life and costs to provide a defined level of service.

They will include risk assessment and criticality profiles, demand management forecasts, and forward programs identifying cash flow forecasts.

Financial implications of asset management plans will be communicated to internal and external stakeholders.

The Asset Management Plan will adopt a consistent format and be developed in accordance with the NAMAf guidelines.

## **Consultation/Communication**

Level of public participation	Promises to the public/stakeholders	Tools/Techniques
Inform		
Consult	That Council will consider any submissions relating to the AMP	Draft AMP on public display
Involve	Key staff relevant to AMP implementation	Working Group Meeting with key staff
Collaborate		
Empower		

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

## **Conclusion**

Asset Management Plans are necessary in order for Council to manage its assets now and into the future. The Plans detail management and strategic goals for major infrastructure assets. Placing the Draft Asset Management Plans on public display will facilitate the commencement of community consultation. This will initiate discussion regarding how Council propose to manage assets now and into the future.

### **Attachments**

- 1 Asset Management Plan - Overview
- 2 Asset Management Plan - Roads
- 3 Asset Management Plan - Bridges

### **Gallery Questions**

***Ailsa Fox, Administrator Chair, acknowledged questions relating to this item had been noted with Item 9.2.***

## 11. DEVELOPMENT SERVICES

### 11.1 TOURISM EVENT FUNDING PROGRAM 2015/2016 ROUND ONE - SPECIAL EVENTS

**Meeting Type:** Special Council Meeting  
**Date of Meeting:** 30 October 2015  
**Author:** Tourism Development Coordinator  
**File Name:** Tourism Special Events Funding Program  
**File No:** 25.040.032

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

#### Executive Summary

This report is presented to Council to provide a summary of the 2015/2016 Tourism Special Event Funding submissions received and to assist Council in making a decision on the allocation of funds based on the eligibility criteria.

#### **RECOMMENDATION:**

**(Moved: Chair Administrator A Fox/Administrator R Roscholler)**

***That Council allocates the amount of:***

- 1. \$3,000 to Nolan Media & Events for their 'Ales on the Ovens' event***
- 2. \$3,000 to the Glenrowan Vignerons Association for their 'Glenrowan Winemaker's Weekend'***
- 3. \$5,000 to the Glenrowan Vignerons Association for their 'Trails, Tastings and Tales Festival'***
- 4. \$3,500 to Café Derailleur for their 'Event Series' part of the Melbourne Food & Wine Festival & High Country Harvest Festival***
- 5. \$5,000 to Wines of the King Valley for their 'Weekend Fit for a King' festival.***

**Carried**

#### Background

The objective of the Special Event Funding Program is to:

- maximise the economic and community benefits
- provide significant branding and marketing opportunities for the region

- substantially build the profile of the events to attract visitors from outside the Rural City of Wangaratta
- promote the tourism product strengths of the Rural City of Wangaratta.

These Special Events are significant in terms of branding and marketing opportunities for the region and are reflective of the Rural City of Wangaratta's identified tourism product strengths: Cycling; Food/Wine/Beer; Nature, Outdoor and Adventure; Culture & Heritage: Ned Kelly (Specific brand strengths) and Jazz (Specific brand strengths).

### **Implications**

#### **Policy Considerations**

The program applications have been reviewed by Council officers and funding allocation recommendations made in line with the Council Plan objective for tourism, the Tourism and Economic Development Strategic Plan key directions and the grant program assessment criteria.

#### **Financial Implications**

Grants are available for up to \$5,000 from the total annual allocation of \$32,000. Of the \$32,000, \$5,000 is reserved for the La Dolce Vita Festival as per Council's commitment to this event. The first round of funding closed on 1 September 2015. The recommended grants total \$19,500 leaving \$7,500 for a second round in February 2016.

	<b>2015/2016 Approved Budget for this proposal \$</b>	<b>This Proposal \$</b>	<b>Variance to Approved Budget \$</b>	<b>Comments</b>
Revenue/Income				
Expense	\$32,000	\$19,500 \$5,000		\$7,500 will remain for a second round of funding.
Net Result	\$32,000	\$24,500	\$7,500	

#### **Legal/Statutory**

There are no legal/statutory implications identified for the subject of this report.

#### **Social**

Events have the capacity to increase the level of local interest and participation within the community and strengthen regional values. Events also increase local pride, community spirit, visitor knowledge and awareness of the region.

## **Environmental/Sustainability Impacts**

There are no Environmental/ Sustainability impacts.

## **Economic Impacts**

The economic outcome of these events is increased expenditure with an estimated direct economic benefit of \$1.3M. Flow-on effects include creation of employment, increase in labour supply and an increase in repeat visitation to the region.

## **2013 – 2017 Council Plan (2015 Revision)**

This report supports the 2013-2017 Council Plan:

### **Goal**

We are growing, creative, connected and sustainable.

### **We will create and deliver**

tourism products and experiences that attract visitors.

exceptional services and programs that help our families and children to be healthy, happy and connected.

### **We will plan and make decisions for the future**

that ensure we are responding to the current and long-term recreational needs of our community.

### **The non-negotiables**

We have a vibrant tourism industry.

A range of events and cultural programs offered throughout the municipality that is exciting, enjoyable and inclusive.

## **Strategic Links**

### **a) Rural City of Wangaratta 2030 Community Vision**

N/A

### **b) Other strategic links**

N/A

## **Risk Management**

There are no risks identified for the subject of this report.

## Consultation/Communication

Level of public participation	Promises to the public/stakeholders	Tools/Techniques
Inform	Provide an event funding program	The Chronicle Industry Newsletter
Empower	Provide support to event organisers	Mentoring in completing and submitting applications

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

## Options for Consideration

### 1. Endorse the Officers recommendation.

All supported applications are in line with the Rural City of Wangaratta focus and regional key brand strengths as detailed in the following summary.

#### ***App.1 – Nolan Media & Events ‘Ales on the Ovens’- \$3,000.00.***

Organisers are looking to more than double attendance figures with added marketing and promotion of the event. Previously more than 50% of the over 600 attendees were from outside the region. The event promotes local brewers of cider and beer and offers a range of family entertainment.

#### ***App.2 – Glenrowan Vignerons Association ‘Winemaker’s Weekend’ - \$3,000.***

Organisers are expecting 700 visitors to the event with records indicating that approximately 62% come from outside the region. The event features food (experience of Australian flavours) and wine, music, cycling events and tours of the region. Organisers have included a “roam about” dining experience as a new feature to assist with growing the event.

#### ***App.3- Glenrowan Vignerons Association – ‘Trails, Tastings and Tales Festival’ - \$5,000.***

Over 2000 visitors are expected to participate in the festival held over 3 days, with 65% of visitors from outside the region. Many of these stay for two nights and visit other attractions in the region while here. This event promotes history, heritage as well as food and wine. The funding will allow organisers this year to obtain the services of a public relations agency to assist in promoting the event in an attempt to grow the visitation numbers from outside the region.

#### ***App.4- Café Derailleur –‘Event Series’-\$3,500.***

Event has strong links with the Melbourne Food & Wine Festival and the local High Country Harvest Festival. The funding will assist organisers grow the event as this year, a series of dinners and cooking workshops will be conducted instead of the one dinner and workshop held last year. This will lead to a significant increase in visitor participation in the series. The event highlights local food and wine and will provide an added attraction to the High Country Harvest Festival this year.



***App.5- Wines of the King Valley- ‘Weekend Fit For a King’ - \$5,000.***

Organisers anticipating attendance growth from 2,500 last year to over 3,000 this year. Grant funding will assist with increased marketing, promotion and editorial coverage of the event outside the region. Approximately 80% of attendees to this event are from outside the region.

Approval of the funding amounts from the Tourism Event Funding Program are recommended as submitted.

2. Not endorse the Officers recommendation and allocate funds in a different manner.
3. Not endorse the Officers recommendation and not allocate any funding.

**Attachments**

Tourism Special Event Funding Application Summary

**Gallery Questions**

Nil

## 11.2 TOURISM VISITOR ATTRACTION EVENT FUNDING PROGRAM 2015/2016 ROUND 1

**Meeting Type:** Special Council Meeting  
**Date of Meeting:** 30 October 2015  
**Author:** Tourism Development Coordinator  
**File Name:** Tourism Visitor Attraction Event Funding Program  
**File No:** 25.040.032

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

### **Executive Summary**

This report is presented to Council to provide a summary of the 2015/2016 Tourism Visitor Attraction Event Funding Program submissions received and to assist Council in making a decision on the allocation of funds based on the eligibility criteria.

#### **RECOMMENDATION:**

**(Moved: Administrator I Grant/Chair Administrator A Fox)**

***That Council allocates the amount of:***

- 1. \$2,500 to the Kelly Country Cruise – Biennial National Rally of the Cadillac LaSalle Club of Australia***
- 2. \$1,250 to the Moyhu Primary School for their 2016 ‘Show Us Your Wheels’ event.***

**Carried**

### **Background**

Visitor Attraction events are generally annual events held throughout the Rural City of Wangaratta which provide significant economic impact, community and tourism significance for their region, but may not be recognised at a state level. They are complementary to the Rural City of Wangaratta’s strategic direction and are able to attract, or are likely to attract in the future, intrastate and interstate visitors.

The objective of the Visitor Attraction Event Funding Program is to maximise the economic and community benefits; substantially build the profile of the events to attract visitors from outside the Rural City of Wangaratta; and compliment the strategic direction of the Rural City of Wangaratta.

The attachment provides an outline of submissions received for the Tourism Visitor Attraction Event Funding Program for Council’s determination and final allocation of funds.

Funding applications have been scored in accordance with the criteria and weighting system. The level of funding recommended by Council officers has been determined based on this scoring system.

## **Implications**

### **Policy Considerations**

The submissions have been reviewed by Council officers and funding allocation recommendations made in line with the Council Plan objective for tourism, the Tourism and Economic Development Strategic Plan key directions and the grant program assessment criteria.

### **Financial Implications**

Grants are available for up to \$2,500 from the total annual allocation of \$7,000. The first round of funding closed on 1 September 2015 with a second round subject to available funding to be completed in February 2016.

	<b>2015/2016 Approved Budget for this proposal \$</b>	<b>This Proposal \$</b>	<b>Variance to Approved Budget \$</b>	<b>Comments</b>
Revenue/Income				
Expense	\$7,000	\$3,750		A balance of \$3,250 will remain for a round two of this funding opportunity.
Net Result	\$7,000	\$3,750		

### **Legal/Statutory**

There are no legal/statutory implications identified for the subject of this report.

### **Social**

Events have the capacity to increase the level of local interest and participation within the community and strengthen regional values. Events also increase local pride, community spirit, visitor knowledge and awareness of the region.

### **Environmental/Sustainability Impacts**

There are no environmental/sustainability impacts identified for this subject of this report.

### **Economic Impacts**

As a result of these events, increased expenditure will occur, with an estimated direct economic benefit of \$206,000. Flow-on effects include creation of

employment, an increase in labour supply and an increased exposure of the region.

### **2013 – 2017 Council Plan (2015 Revision)**

This report supports the 2013-2017 Council Plan:

#### **Goal**

We are Growing.

#### **We will create and deliver:**

tourism products and experiences that attract visitors.

exceptional services and programs that help our families and children to be healthy, happy and connected.

#### **The non-negotiables**

We have a vibrant tourism industry.

There are opportunities for everyone to participate and contribute to social, economic and cultural life.

### **Strategic Links**

#### **a) Rural City of Wangaratta 2030 Community Vision**

N/A

#### **b) Other strategic links**

N/A

### **Risk Management**

There are no risks identified from the subject of this report.

### **Consultation/Communication**

Level of public participation	Promises to the public/stakeholders	Tools/Techniques
Inform	Provide tourism event funding opportunities	The Chronicle Industry Newsletter
Empower	Provide support to applicants in submitting applications	Mentoring of applicants in the submission process.

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

## **Options for Consideration**

### **1. Endorse the Officers recommendation.**

All supported applications are in line with the objectives of the funding program and support visitor attraction to the region with economic benefit flow on to the municipality, as detailed in the following summary.

#### ***App.1- Cadillac LaSalle Club of Australia- 'Kelly Country Cruise' - \$2,500***

This biennial event spans 5 days (Wednesday to Monday) and is held in different regions across Australia. In 2012 the event was held in Toowoomba Qld, and in 2014, in Busselton WA. Organisers expect approximately 220 entrants in the car show and around 1,000 visitors to attend the show day. It is expected that more than 70% of visitors will be from outside the region. The event will be staged in various locations across the region which provides an opportunity for visitors to enjoy the natural assets and attractions of the area.

#### ***App.2- Moyhu Primary School- 'Show Us Your Wheels' - \$1,250***

Event attendance is increasing annually with attendance expected to rise from 525 for the last event to 750 for this event. Approximately 50% of visitors come from outside the region for the event. Organisers are partnering with a local winery to provide an added feature to the coming event and encourage visitors to stay longer in the area. The event is an excellent fund raiser for the Moyhu Primary School.

Approval of the applications received for the Tourism Visitor Event Funding Program are recommended as submitted.

2. Not endorse the Officers recommendation and allocate funds in a different manner.
3. Not endorse the Officers recommendation and not allocate any funding.

## **Attachments**

Tourism Visitor Attraction Event Program 2015/2016 Round 1

## **Gallery Questions**

Nil

### 11.3 WANGARATTA PLANNING SCHEME AMENDMENT C57 - PARTIAL REZONING OF AUSTRALIAN TEXTILE MILLS SITE, SISELY AVENUE WANGARATTA

**Meeting Type:** Special Council Meeting  
**Date of Meeting:** 30 October 2015  
**Author:** Coordinator Strategic Planning  
**File Name:** Wangaratta Planning Scheme Amendment C57  
**File No:** 73.030.073

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

#### **Executive Summary**

This report is presented to Council to determine how to proceed with Amendment C57 in light of a detailed assessment of the amendment on strategic grounds, advice from the Environment Protection Authority (EPA) regarding environmental risk and a revised rezoning proposal submitted by the proponent.

Until recently, Amendment C57 sought to rezone part of the Australian Textile Mills site (formerly Bruck Textiles) at 19-81 Sisely Avenue, Wangaratta from Industrial 1 Zone to General Residential Zone to facilitate a 58 lot residential subdivision. A recent change by the proponent seeks to include a portion of Mixed Use Zone in place of General Residential Zone.

The (former) Department of Transport, Planning and Local Infrastructure (DTPLI) imposed two authorisation conditions on the amendment to be achieved before the amendment proceeds to exhibition. Neither condition is considered to have been fully met by the proponent at this stage.

An assessment of the amendment on strategic planning grounds finds there is little basis for the amendment to proceed. State planning policy highlights the importance of protecting existing industrial land from encroachment by sensitive uses and ensuring suitable buffers between conflicting land uses.

The EPA is not satisfied that environmental risks have been suitably addressed by the proponent and does not support proceeding with the amendment until issues relating to the EPA licence boundary are resolved. A possible joint process, combining the exhibition of an EPA Works Approval and planning scheme amendment may facilitate this process.

It is recommended that Council determines not to proceed with this amendment on the grounds that the environmental risks associated with the proposed amendment have not been adequately resolved and there remains a lack of strategic planning justification for the rezoning. The rezoning is contrary to State and local planning policy with regard to protection of industrial land and limiting land use conflicts. The removal of valuable fully serviced industrial land limits the

municipality's growth potential, noting that new rezoning for industrial purposes is often very contentious and protracted.

There are options available to the proponent to subdivide the land for industrial purposes without a planning scheme amendment, or explore a more appropriate industrial/commercial style rezoning that does not require such extensive environmental assessment.

**RECOMMENDATION:**

*That Council:*

1. *resolves not to proceed with Amendment C57 on the basis that there is a lack of strategic planning justification for rezoning the subject land from industrial to residential and mixed use purposes and the conditions of authorisation have not been met and are unlikely to be met in the foreseeable future and*
2. *formally advises the proponent and the Minister for Planning of this decision with an offer to work with the proponent to investigate more strategically appropriate development of the subject land.*

**Administrator R Roscholler/ Administrator I Grant moved an amendment:**

***That Council:***

- 1 ***Having considered the strategic assessment of the proposal, proceed to formal public exhibition of Amendment C57 to the Wangaratta Planning Scheme to allow the community and key stakeholders an opportunity to provide feedback to the proposal; and***
- 2 ***Request the Environment Protection Authority to participate in a joint process with Council under Section 20B of the Environment Protection Act 1970 to allow consideration of all environmental, social and economic issues prior to Council making a final decision on the merits of the amendment.***

***Carried***

**Background**

**Conditional Authorisation**

At a Special Meeting on 10 December 2013, Council resolved to seek authorisation from the Minister for Planning to proceed with Amendment C57 to the Wangaratta Planning Scheme. The formal Council resolution also directs Council to '*undertake further detailed assessment of the amendment request following approval from the Minister for Planning*'.

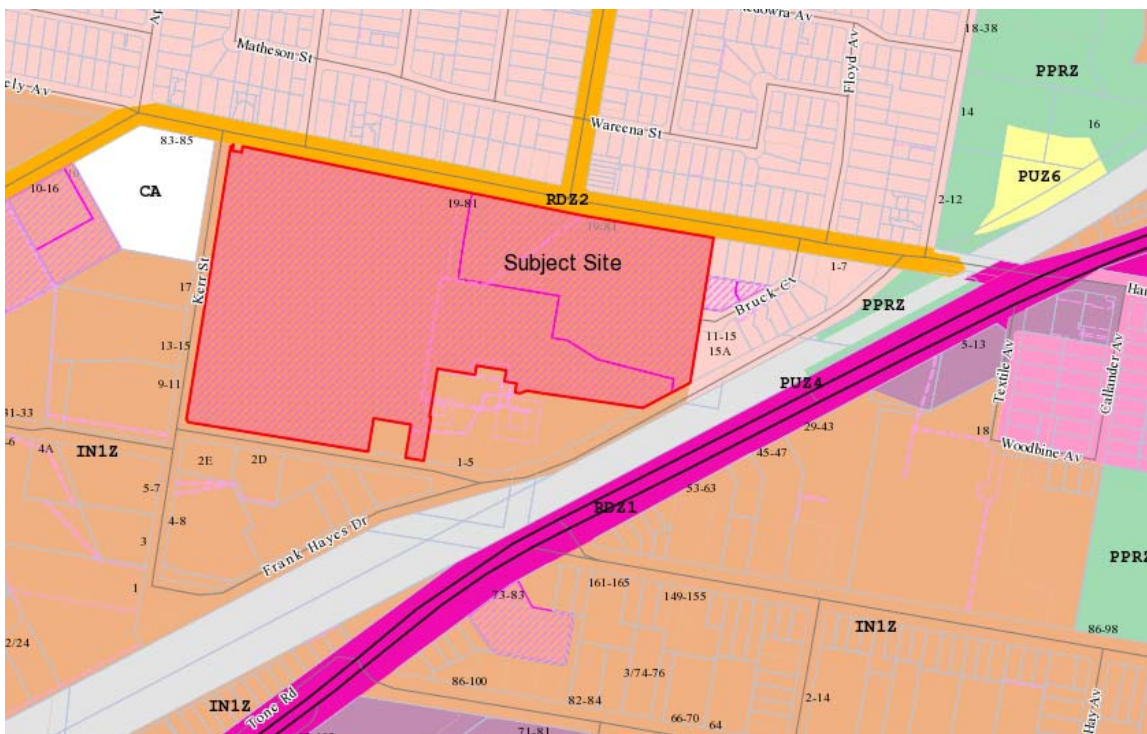
Amendment C57 seeks to rezone 4 hectares of the 15 hectare site at 19-81 Sisely Avenue, Wangaratta from Industrial 1 Zone to General Residential Zone and Mixed Use Zone and apply a Development Plan Overlay across the full ATM site (refer Map 1). The primary purpose of the amendment is to facilitate a multi-lot residential subdivision, as dwellings are prohibited in the Industrial 1 Zone.

The Minister for Planning authorised the amendment to proceed on 31 December 2013, subject to two conditions. These conditions are:

1. *that the Environment Protection Authority's requirements for an environment assessment for the land are satisfied prior to exhibition or as otherwise agreed and*
2. *that a Development Plan Overlay (DPO) be applied to the land as part of the exhibited amendment.*

Status of Condition 1:

The EPA provided specific advice about the process and documentation required to address Condition 1 in a meeting dated 19 December 2012. In summary, the proponent must amend its current EPA licence in order to vary the separation distance between its licence boundary and sensitive uses. In order to reduce this buffer distance, the proponent must demonstrate that the industrial premises will not cause unacceptable impacts on future residences.



Map 1: Location of subject site



The EPA required two reports to be prepared for its consideration. These are:

1. An environmental audit pursuant to 53x of the *Environment Protection Act 1970 (EPAct)*; and
2. Risk assessment of air emissions to inform any proposed reduction in separation distances from industry to sensitive uses.

The proponent provided these two reports to the EPA in late 2014.

The first report is prepared by JBS&G. The report is a Statement of Audit provided under section 53x of the EPAct. The Statement advises that the land is fit for purpose (ie. residential use) on the condition that the adjacent administration block is removed due to contamination with asbestos. It is interesting to note that the auditor's cover letter raises concerns about potential odour and noise issues.

The second report (including a supplementary assessment) is prepared by Golder & Associates and provides a separation distance assessment with regards to air emissions at the boundary of the licensed premises.

The Golder Report essentially recommends a series of works to be undertaken to improve air quality (referred to as Stage 1a, 1b and 2 in the report). The works are required to ensure compliance with *State Environment Protection Policy (SEPP) – Air Quality Management*. These recommended works are based on modelling and do not guarantee that air quality will be sufficiently improved to achieve EPA's required level of one odour unit at the new boundary of licence.

The EPA provided a formal written response to Council dated 24 December 2014. The letter states that the EPA *'is not satisfied that the beneficial uses of the air environment will be protected at or beyond the proposed "new boundary" based on the current air emissions from the Australian Textile Mills (ATM) manufacturing facility as identified in the above reports. Hence future occupants of residentially zoned land within the proposed amendment zone will be adversely affected'*.

The EPA's recommended approach is to require the proponent to undertake all works for Stages 1a, 1b and 2, and then undertake monitoring to see if the air emissions have been suitably reduced. Only if this can be demonstrated, can the licence be varied and then the rezoning of the land may be supported by EPA. The recommendation varies from the meeting notes of 19 December 2012, in that the two processes (planning scheme amendment and variation to EPA licence) should not run concurrently, but priority be given to achieving licence variation first.

The proponent would like to undertake Stage 1a and 1b works, have the land rezoned and make Stage 2 works subject to planning permit conditions for the residential subdivision.

### Joint Council/EPA Process

In an effort to reduce risks for the proponent and streamline an approvals process, the EPA has recently suggested a combined approach to the planning scheme amendment (PSA) and EPA licence amendment (through a Works Approval (WA) process). Grounds for a joint process are established under section 20AA of the EPAct and an existing Memorandum of Understanding. The process includes:

- Agreement between EPA and Council regarding tasks of each party
- Joint exhibition/advertising of the PSA and WA
- Joint Panel/section 20B conference process at which the appointed Panel will be both a Planning Panel under the *Planning & Environment Act 1987* and 20B conference chair under the EPAct.

The proponent will need to prepare a WA application in accordance with EPA's works approval guidelines (Publication 1307). The proposed upgrade must demonstrate compliance with relevant State environment policies, in particular those relating to air quality and noise. The WA relates to works only and the EPA will assess the proposed technology and whether the technology will meet policy.

The WA permits works to be undertaken, typically followed by a section 30(A) commissioning approval and then a Licence Amendment. Depending on the complexities of the works and the timeframes around commissioning, timelines to completion are quite variable.

The benefit to the proponent is that they can get 'approval' from the EPA to do the works (prior to undertaking the works), while the PSA outcome is uncertain. The key risk is that the WA is issued, the PSA is approved, the rezoned land is sold and the works are still outstanding, without any formal requirement to undertake the works. Whilst there is no mechanism to prevent sale of the subject land once it is subdivided, there must be a requirement within any approved Development Plan Overlay Schedule that an amended EPA licence boundary be approved before any planning permits are issued for the rezoned land. The schedule to the DPO does allow for Council to impose requirements to be met before a permit is issued. This risk could be minimised through such a requirement.

This joint approach is supported by Council planning officers in so far as it will allow a streamlining of the two approvals processes. It will also resolve the impasse with Condition 1 of authorisation by allowing consideration of environmental risks at the same time as the PSA. It does not address the fundamental suitability of the rezoning proposal. The EPA advises that the WA process only allows it to form a position based on scientific assessment of the technology against State Environment Protection Policy. It does not allow EPA to express any concern about protection of industrial buffers. Hence it is of paramount importance that should such a joint process proceed, the rezoning is consistent with State planning and environment policy.

### Status of Condition 2:

Condition 2 requires the application of a Development Plan Overlay (DPO) over the entire subject land. A DPO is required in circumstances where future use and detailed development of the land is required to be clearly known before any planning permit can be issued. Application of a DPO requires preparation of the Development Plan itself, and an accompanying schedule to the DPO to sit within the Planning Scheme.

Current Council practice is to require preparation of a draft Development Plan prior to exhibition to allow preliminary assessment by Council and relevant agencies and transparency during exhibition of the amendment. It should be noted that once a DPO is applied to land, third party notice and appeal rights are removed for any subsequent planning permit applications provided they are in accordance with the approved DP.

Council officers have provided advice to the proponent in order to produce a draft Development Plan. A set of documents was submitted to Council in June 2015 to address the DPO requirement, based on the proposal for General Residential zoning only. These documents were assessed by internal Council departments and external agencies including the EPA, VicRoads and the Department of Environment, Land, Water and Planning (DELWP). A number of issues were raised including quality of residential development, stormwater drainage and traffic management, particularly in relation to the Sisely Avenue/Phillipson Street intersection.

The draft Development Plan was subsequently amended in July 2015 and again in September 2015. The latest version removes a section of proposed residential land and replaces it with approximately 12,500m<sup>2</sup> of Mixed Use Zone (refer to Attachment 1). This latest proposal has not been formally submitted by the proponent, nor fully assessed by either internal Council departments or external agencies. It has been advised by DELWP, however, that should this revised proposal proceed, a new or revised authorisation from the Minister for Planning will be required.

The use of the Mixed Use Zone (MUZ) as a de-facto buffer is not considered appropriate in this location. One of the purposes of the MUZ is *'to provide for housing at higher densities'*. The zone provisions allow use of land for a dwelling without a planning permit and a range of other uses such as child care centres and accommodation with a planning permit. The MUZ does little to prevent encroachment by sensitive uses. Advice from DELWP is that a DPO cannot be used to control sensitive uses as it is the role of the underlying zone to control land use.

Putting aside the rezoning proposal, many of the outstanding issues with the draft Development Plan may be resolved through refinement of the proposed subdivision layout and detailed design. This refinement process should not be considered a 'show stopper' for the amendment to proceed, should this be a decision of Council.

### Current Position and Options

Council is at a significant crossroads with Amendment C57. After more than 18 months, the proponent has not fully satisfied either condition of the Minister's authorisation. The proponent has invested significant time and funds in the preparation of reports that do not currently satisfy the EPA in relation to environmental risk. To proceed will likely require significant further investment from the proponent with no guarantee of success.

There are three procedural options for Council to consider at this time:

1. Determine not to proceed with the amendment (in effect to abandon before it has been prepared) on the basis that there is no strategic planning justification for this amendment, environmental risks have not been addressed to the satisfaction of the EPA and conditions of authorisation have not been met;
2. Proceed to prepare and exhibit the current proposed amendment, notwithstanding the lack of strategic justification, on the basis that reports have been prepared to address Conditions 1 and 2 and further detailed assessment can be made following public exhibition. The EPA's joint process could be considered at this time; or
3. Continue to hold the amendment in abeyance until the work and monitoring required by EPA in its letter of December 2014 have been completed. This will likely take 1-2 years to complete.

To assist Council in determining an appropriate course of action, a strategic assessment of the proposed amendment is made below.

### Strategic Assessment of the Proposal

Council officers have worked closely with the proponent to provide advice on the documentation required to address both Condition 2 of the Minister's authorisation, and provide suitable strategic justification for the amendment itself.

This assistance includes:

- A number of meetings with Council planning staff and letters of advice
- An alternative zoning regime for the site for discussion purposes prepared by planning staff including some retained Industrial 1 land, Mixed Use Zone, General Residential Zone and substantial in-built buffers
- Feedback sought on submitted documents from internal Council departments, VicRoads, EPA and DELWP and
- Assessment against DELWP's Strategic Assessment Guidelines.

#### *1. Strategic justification for residential zoning*

*State Planning Policy Framework (SPPF):* The purpose of State policy in planning schemes is to inform planning authorities of those aspects of State planning policy which they are to take into account and give effect to in planning

their respective areas. The SPPF sets out state policy with regards to urban settlement and zoning land for residential purposes.

Relevant clauses, objectives and strategies of the SPPF include:

Clause 11 Settlement: *Planning is to prevent environmental problems created by siting incompatible land uses close together.*

Clause 11.02-1 Supply of urban land: *To ensure a sufficient supply of land is available for residential, commercial, retail, industrial, recreational, institutional and other community uses.*

Clause 13.04-1: Noise abatement: *Ensure that development is not prejudiced and community amenity is not reduced by noise emissions, using a range of building design, urban design and land use separation techniques as appropriate to the land use functions and character of the area.*

Clause 13.04-2 Air quality: *Ensure, wherever possible, that there is suitable separation between land uses that reduce amenity and sensitive land uses.*

Clause 15 Built Environment and Heritage: *Planning should achieve high quality urban design and architecture that minimises detrimental impact on neighbouring properties.*

These clauses from the SPPF set the scene for decision-making in planning. The planning scheme should provide for adequate supply of suitably zoned land for a range of purposes within a regional city such as Wangaratta. Wangaratta is recognised as one of three main urban centres for expansion and investment under the Hume Regional Growth Plan. A consistent theme is the need for land use planning to avoid or minimise conflict created by the siting of incompatible land uses. Council is currently experiencing interest in development of fully serviced industrial land, with limited supply available. Any further reduction may adversely affect Council's ability to support economic growth and employment.

*Population and Housing Strategy: Council's adopted Population and Housing Strategy 2013 (PHS) sets the policy directions for future supply of residential land within the city of Wangaratta and surrounding townships based on detailed demand analysis. The PHS acknowledges the importance of infill development as one means to meet projected demand (along with CAA intensification, green field development, township and rural housing).*

Clause 9.1.1.2 of the PHS makes recommendations with regard to infill development as follows:

*Action 19: Protect the extent of Industrial 1 zoned land within South Wangaratta Urban Renewal area for industrial purposes in accordance with the South Wangaratta Urban Renewal Strategy, and the land to the west of Tone Road within proximity to Bruck Mills. A range of small and medium sized businesses are encouraged in this location including light industrial and showroom uses that may be displaced from future commercial development in the CAA.*

At Action 22, the PHS goes on to recommend the investigation of large industrial sites that become vacant or redundant for possible brownfield residential or mixed use types development, dependent upon land ownership, limited fragmentation, and where the change of use of the land will not be detrimental to the on-going use of surrounding industrial land for industry.

Residential infill development is actively encouraged within a 400 metre radius of the Central Activity Area of Wangaratta. Council has facilitated this potential development through the application of the new residential zones, specifically the Residential Growth Zone (RGZ). The subject land does not fall within this designated infill area and justification for infill residential development in this location is not provided by Council's PHS.

Recent policy on the future of the South Wangaratta Urban Renewal Area prioritises the protection of industrial land and the importance of undertaking detailed master-planning before rezoning any industrial land for residential or mixed use purposes. A thorough master planning exercise for the ATM site has not yet been done.

## 2. *Loss of industrial zoned land*

*State Planning Policy Framework: Clause 17.02 Industry: The State objective is 'to ensure availability of land for industry'.*

Strategies include:

- *protect and carefully plan existing industrial areas to, where possible, facilitate further industrial development*
- *provide an adequate supply of industrial land in appropriate locations including sufficient stocks of large sites for strategic investment*
- *protect industrial activity in industrial zones from encroachment of unplanned commercial, residential and other sensitive uses which would adversely affect industry viability*
- *avoid approving non-industrial land uses, which will prejudice the availability of land for future industrial requirements, in identified industrial areas.*

*Clause 17.02-2 Design of industrial development: Provide adequate separation and buffer areas between sensitive uses and offensive or dangerous industries and quarries to ensure that residents are not affected by adverse environmental effects, nuisance or exposure to hazards.*

*Municipal Strategic Statement (MSS): The MSS provides clear direction for industrial development in Wangaratta by retaining the available industrial land for industrial purposes and clearly does not support any loss of industrial land for non-industrial uses.*

*Clause 21.08 Economic Development and Tourism – states that in order to attract new industry through facilitating development of investment ready industrial land supported by high standard infrastructure.*

Clause 21.09 Industry and Business - recognises *Wangaratta is a strategically located regional commercial, service and manufacturing centre with strengths in metal fabrication and engineering, trade and technical services, wine industry, textiles and timber processing*. The clause also refers to the *South Wangaratta Urban Renewal Strategy 2012* which identifies *land in South Wangaratta as an appropriate location for a mix of land uses including bulky goods sales, accommodation and recreation*.

This clause also highlights the importance of availability of serviced land for future industrial development by highlighting that *the availability of zoned and serviced industrial land is important for investment certainty*.

Council currently has no Industrial Land Use Strategy that provides direction for future industrial development and land uses within the municipality. Until such time as a Strategy may be prepared, Council should be careful not to make any decision that compromises existing industrial operations, by bringing sensitive uses closer to operating industry with known amenity impact. To this end, Council must rely on State policy and clauses 21.08 and 21.09 as referred above to guide decision-making and avoid approving non-industrial land uses in identified industrial areas.

It should be noted that the former Nuplex site immediately abutting the ATM site has recently been sold to a new owner. Industrial uses entirely outside the control of ATM can continue on this site, a distance of only 50 metres from the proposed new residential zoning.

An adequate supply of 'investment ready' industrial land is vital to attract new businesses to Wangaratta and allow existing companies to expand and operate unencumbered by restrictions on their activities. Council currently has a limited supply of investment ready fully serviced land, particularly within the city limits. Rezoning land for industrial purposes can be a difficult and lengthy process, so it is important for Council to retain the areas it currently has.

The proponent has advised that due to the retraction of ATMs operations, there will be more land available within the existing ATM site for other industrial uses to rent. Opportunity exists for industrial incubator sites along Gibson Street. Possible future subdivision along Kerr Street could also contribute to industrial opportunities. All of these options have merit and there is currently no impediment to the proponent bringing these to fruition. A planning scheme amendment is not required to make industrial zoned land available for industrial uses. These opportunities should not, however, be used as a trade-off for the loss of existing industrial zoned land.

## **Implications**

### **Policy Considerations**

State Planning Policy Framework – Key elements of the SPPF have been discussed within the body of this report, including policy around settlement, environmental risk and industry. The proposed rezoning of industrial land to residential and mixed use purposes does little to support State planning policy as

it will reduce the amount of industrial land available, reduce separation distances between industrial and sensitive uses and set up possible land use conflict into the future.

Local Planning Policy Framework – Council’s current LPPF, specifically Clause 21.08 Economic Development and Tourism and Clause 21.09 Industry and Business of the Wangaratta Planning Scheme, does not support this proposal. The PHS also gives clear direction on the importance of protecting industrial land around the ATM site, of undertaking detailed master planning for any change from industrial uses and focussing infill residential development within a 400 metre radius of the Central Activities Area (CAA).

SEPP – Air Quality Management – The EPA’s policy on the management of air quality requires a level of one odour unit at the boundary of a licenced site where it abuts a sensitive use. Currently the ATM site does not meet the SEPP for air quality management, although it is meeting its current EPA licence. If ATM undertakes the works recommended in the Golders Report, this may be achieved. This can only be demonstrated through doing the works and then monitoring the operation of the facility for period of time.

### **Financial/Economic Implications**

As a private proponent driven amendment, Council has received \$798.00 to consider the preparation and exhibition of Amendment C57. This statutory fee covers very little of the officer time spent assessing this proposal. The proponent will be required to pay a further two statutory fees to Council should this amendment progress to exhibition, receive submissions and proceed to a panel hearing. The proponent will be required to cover any associated Panel fees, as well as fees for adoption and approval of the amendment.

The loss of industrial land would result in the loss of jobs and compromise future industrial expansion. As there is limited supply of developed industrial land in Wangaratta, Council should take a cautious approach to reducing the existing industrial land supply.

### **Legal/Statutory**

There is a strong and robust statutory process for the processing of planning scheme amendments under the *Planning and Environment Act 1987*. Currently this amendment has progressed to conditional authorisation, but the proponent has not fully satisfied either condition. Whilst the conditions imposed are from the Minister for Planning, Council must satisfy itself that these conditions are met before proceeding to exhibition.

Council received preliminary legal advice regarding this proposal which was included in the December 2013 Officer Report to Council. The advice from Maddocks Lawyers to the Manager for Planning dated 13 November 2013 advised ‘the Bruck site proposal is seriously flawed’. The legal advice went on to discuss a similar proposal to rezone industrial land to residential land at Cardinia Council to facilitate development of 142 dwellings. The Panel Report on Amendment C157 to the Cardinia Planning Scheme found the proposal would:



- Create a compromised residential environment for new housing
- Result in a loss of jobs as an outcome of the loss of industrial land
- Cause encroachment of residential uses likely to hinder expansion of existing businesses and establishment of new businesses.

The rezoning was not supported by the Panel and Cardinia Council abandoned the amendment in December 2012.

## **Social**

Currently the operation of the ATM site does not meet the SEPP (AQM) which stipulates no more than one odour unit at the boundary of an EPA licensed premises. It is EPA practice not to require a company to upgrade to meet the SEPP until a change is made to an existing licence. Hence, with the proposed change to the EPA licence (to facilitate the residential development) ATM will be required to upgrade to meet the SEPP. This will be a positive outcome for existing residents, should the upgrade occur.

As proposed, Amendment C57 would introduce residential housing within 10 metres of the operating ATM site, and within 50 metres of the former Nuplex site, which is an industrial site entirely unregulated by ATM. The current EPA guideline '*Recommended separation distances for industrial residual air emissions*' advises a separation distance of between 250-500 metres for textile related industry. Such a small separation distance could lead to compromised air quality and noise impacts for new residents in this area with potential ongoing compliance issues for Council.

## **Environmental/Sustainability Impacts**

An environmental audit has been conducted for the 4 hectare site proposed for rezoning. No information is available, however, on conditions across the balance of the ATM site and adjacent sites (such as the former Nuplex site). It would be prudent for the proponent to further investigate possible environmental risks associated with contaminated land, ground water and the condition of asbestos in buildings close to the development site.

## **2013 – 2017 Council Plan (2015 Revision)**

This report supports the 2013-2017 Council Plan:

### **Goal**

We are Sustainable.

### **We will plan and make decisions for the future:**

that provide assistance to local manufacturers and help our existing industry sectors grow, innovate, and employ more people.

that ensure we have sufficient industrial land to attract new businesses and create jobs.

## The non-negotiables

The best use of Council's resources.

Residential, rural, commercial and industrial land that is appropriately protected, planned and developed to meet the long-term needs of the community.

## Strategic Links

### a) Rural City of Wangaratta 2030 Community Vision

Strategy 34 of the Community Vision is to 'maintain a responsive and proactive approach to economic development'. This includes actions to reinforce Wangaratta's position as a Regional Hub for manufacturing, retail and service and to maintain an appropriate bank of 'investment ready' industrial land.

The rezoning of Industrial 1 Zoned land within Wangaratta for residential and mixed use purposes does not support this strategy.

### b) Other strategic links

N/A

## Risk Management

Risks	Likelihood	Consequence	Rating	Mitigation Action
The amendment proceeds to Panel and is not supported by Panel.	Moderate	High	High	Do not proceed with the current amendment.
The amendment proceeds, is approved and ensuing residential development results in ongoing land use conflict with existing industrial uses.	Moderate	High	High	Do not proceed with current amendment.
ATM upgrades its facility but is unable to meet EPA air emissions requirements, therefore cannot amend its licence boundary	Low-moderate (unknown at this stage)	High	High	Final approval of amendment should be conditional upon ATM being able to achieve amendment to its EPA licence boundary.
ATM achieves licence amendment, but amendment is not supported either by Panel or the Minister for Planning.	Moderate	High	High	Do not proceed with current amendment.

Risks	Likelihood	Consequence	Rating	Mitigation Action
ATM achieves both the licence amendment and rezoning, sells the rezoned land and does not undertake the upgrades to plant as required.	Moderate	High	High	Development of the subject land should be conditional upon the upgrades required by the licence amendment being undertaken.

### **Consultation/Communication**

Level of public participation	Promises to the public/stakeholders	Tools/Techniques
Inform	N/A	N/A
Consult	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision. We will seek your feedback on drafts and proposals.	Consulted with internal Council departments and relevant external agencies. Their input has influenced the draft Development Plan.
Involve	N/A	
Collaborate	N/A	
Empower	N/A	

If the amendment proceeds, public consultation will occur during the formal exhibition period in accordance with the requirements of the *Planning and Environment Act 1987*. This will involve letters to affected property owners, notice in The Chronicle newspaper and letters to affected Ministers and agencies, including the EPA. In the event that a joint process with the EPA is pursued under section 20B of the EPA Act, the EPA will not make a formal submission to the amendment, but communicate its position through the Works Approval process.

Officers believe that appropriate consultation has occurred to date and the matter is now ready for Council's consideration.

### **Options for Consideration**

**Option 1:** (Recommended) Council resolves not to proceed with Amendment C57 on the basis that there is a lack of strategic planning justification for rezoning the subject land from industrial to residential and mixed use purposes, the proposal is contrary to State and local planning policy and legal advice received by Council and the conditions of authorisation have not been met and are unlikely to be met in the foreseeable future.

The proponent should be encouraged to explore options for developing the subject land for industrial uses with a suitable transition towards existing houses

in Bruck Court and Sisely Avenue. This approach will negate the need for both a planning scheme amendment and an amendment to the EPA licence boundary.

**Option 2:** (Not recommended) Council resolves to prepare and exhibit a revised version of Amendment 57 based on a mix of industrial, residential and mixed use zones with in-built buffering aimed at providing increased separation distances between industrial and sensitive land uses to achieve an acceptable outcome generally in line with the intent of the EPA separation distances.

The combined approach under section 20AA and 20B of the *Environment Protection Act 1970* could be used as a way to address Condition 1 of the Minister's authorisation, subject to the resolution of risks to the satisfaction of both Council and EPA.

This approach is not recommended as works will still need to be done to the ATM facility to ensure the SEPP – Air Quality Management is achieved. There will be encroachment of residential uses on existing industrial operations and the potential for ongoing conflict between these uses. There is a high likelihood of sub-standard residential development due to proximity to industrial uses with adverse amenity potential. There will be an incremental loss of industrial land. Additionally, this option requires significant officer time to assist the proponent to prepare a revised proposal.

Such an approach does not adequately replace the need for a robust master planning exercise as recommended in the Population and Housing Strategy and South Wangaratta Urban Renewal Strategy.

**Option 3:** (Not recommended) Council resolves to proceed with proposed Amendment C57 as it has been recently revised by the proponent. This includes approximately 28,500m<sup>2</sup> of General Residential zoned land and 12,000m<sup>2</sup> of Mixed Use zoned land. The combined approach under section 20AA and 20B of the Environment Protection Act 1970 could be used as a way to address Condition 1 of the Minister's authorisation, subject to the resolution of risks to the satisfaction of both Council and EPA. Risks could be ameliorated by ensuring the development of any rezoned land is conditional upon the owner successfully amending the EPA licence (through plant upgrade and monitoring).

This approach is not recommended. The proposal will result in the incremental loss of industrial land, significant encroachment of sensitive land uses on existing industrial operations and may compromise the ongoing viability of industries in the vicinity. The use of the Mixed Use zone as a form of buffer is not considered appropriate, as the zone encourages dwellings at higher densities and permits a range of sensitive uses, some of which do not require a planning permit. A zone with an appropriately restrictive range of sensitive uses should be used.

## **Conclusion**

The resolution of Council's December 2013 meeting was to undertake further detailed assessment of the Amendment C57 request following authorisation by the Minister for Planning. The purpose of this report is to present the findings of this detailed assessment, including an analysis of the joint WA/PSA approach, and recommend how Council should proceed. A detailed assessment has been

made based on the Minister for Planning's conditions of authorisation, the submitted reports to address the EPA's environmental requirements, documentation to support a draft Development Plan for the site and an assessment against State and local planning policy.

Based on this detailed assessment, it is recommended that proposed Amendment C57 (as revised) not proceed.

**Attachments**

Revised Zoning Plan with MUZ

**Gallery Questions**

Nil

11.4 PLANNING SCHEME AMENDMENT REQUEST - PROPOSED REZONING AND APPLICATION OF THE ENVIRONMENTAL AUDIT OVERLAY TO 8-10 GREEN STREET WANGARATTA (FORMER CALTEX SITE)

**Meeting Type:** Special Council Meeting  
**Date of Meeting:** 30 October 2015  
**Author:** Principal Strategic Planner  
**File Name:** Amendment Request - C63  
**File No:** 73.030.077

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

**Executive Summary**

This report is presented to seek Council's agreement to review and submit draft Planning Scheme Amendment C63 to the Minister for Planning for authorisation to exhibit, in accordance with section 8A (2) of the *Planning and Environment Act 1987*.

The Draft Amendment is prepared by URL on behalf of the landowners, Caltex Australia and seeks to rezone 8-10 Green Street Wangaratta, (the former Caltex depot site) from its current zone, Residential Growth Zone (RGZ) to Commercial 1 Zone (C1Z) and apply the Environmental Audit Overlay (EAO) and a Section 173 agreement (legal agreement) to the site.

The purpose of this amendment request is to address contamination issues associated with the former land use as a service station and to facilitate a suitable end use for the site that avoids sensitive activities.

**RECOMMENDATION:**

**(Moved: Administrator I Grant/Administrator R Roscholler)**

***That Council:***

- 1. considers and supports the request to prepare Draft Amendment C63 to the Wangaratta Planning Scheme to rezone 8-10 Green Street, Wangaratta from Residential Growth Zone to Commercial 1 Zone and apply the Environmental Audit Overlay and a Section 173 agreement to the land to prevent sensitive uses and excavation works***
- 2. seeks authorisation from the Minister for Planning to prepare and exhibit Draft Amendment C63, in accordance with section 10 of the Planning and Environment Act, 1987 and***
- 3. advises the proponent of Council's decision including a requirement***

***to pay all associated planning scheme amendment costs.***

**Carried**

### **Background**

On 6 August 2015, Council received a request from URS on behalf of Caltex Australia Petroleum Pty Ltd, the land owner of 8-10 Green Street, Wangaratta (a former Caltex depot site).

The request is for Council to carry out a site specific planning scheme amendment to:

- Rezone the former Caltex depot site from Residential Growth Zone (RGZ) to Commercial 1 Zone (C1Z)
- Apply the Environmental Audit Overlay (EAO)
- Apply a section 173 Agreement to restrict future sensitive uses on the subject site.

The amendment is requested to recognise and manage soil and ground water contamination issues consistent with the site's former use, ensure appropriate remediation works are undertaken and find a suitable end use that minimises conflicts with sensitive uses (defined as residential, childcare, preschool and primary schools).

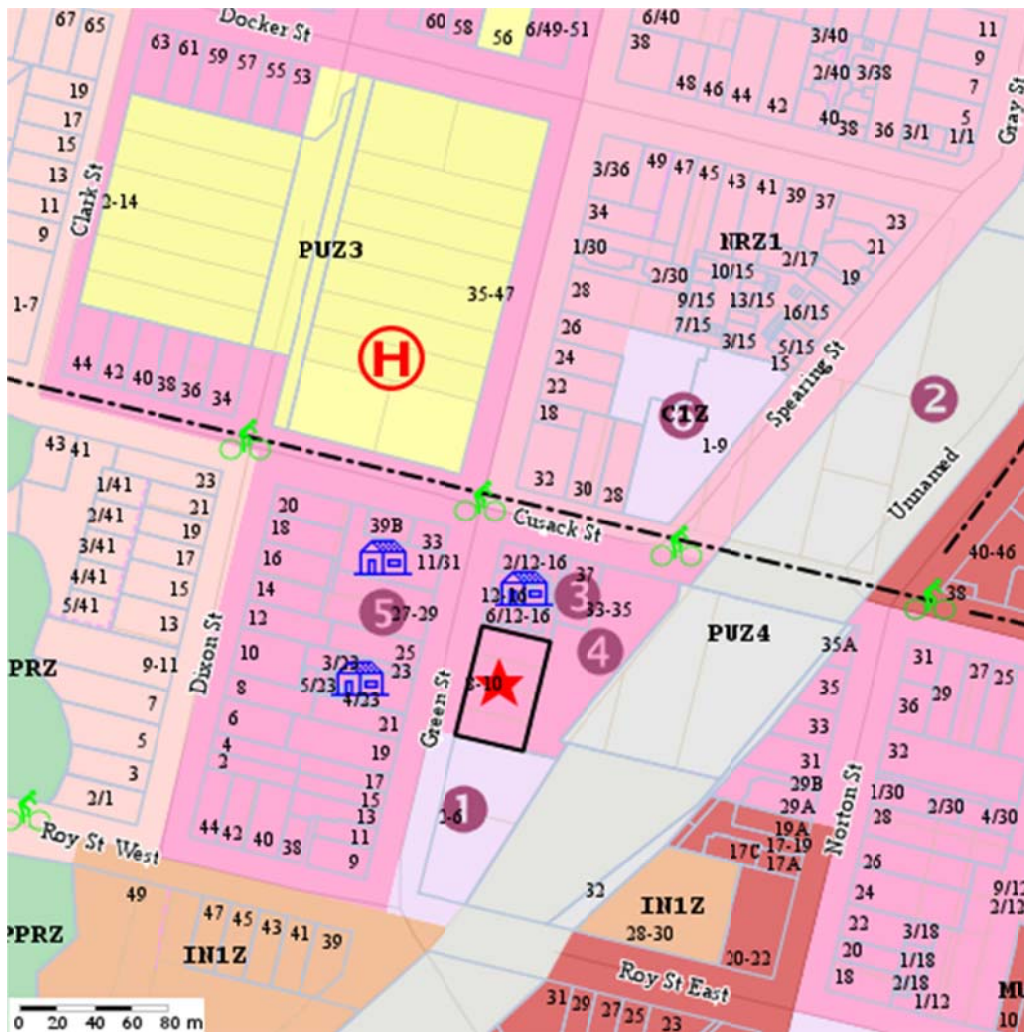
### **Site conditions**

The subject site 8-10 Green Street, Wangaratta is 2,405 square metres in size and rectangular in shape. The site is currently zoned Residential Growth Zone. The site is currently vacant with one small office building.

The site:

To the North	Adjoins residentially zoned land with residential units.
To the South	Adjoins commercially zoned land, which is also currently vacant.  This site is the former Shell depot. It is noted that the former Shell site underwent a similar amendment (Wangaratta C47, approved in February, 2014) to rezone the site from a residential purpose to a commercial purpose and apply the EAO to mitigate against sensitive land uses. URS represented the land owner during the C47 amendment process.
To the East	Adjoins residentially zoned land used by a fertiliser business and is the site of an abandoned Pivot silo. Directly behind the subject site the adjoining lot to the east is vacant, providing views across to the railway line.
To the West	Fronts Green Street, and residentially zoned land used for allied health medical services and residential housing.

The map below shows the site locality and the zoning of the land:



Drawing Key	
	Subject site
	Wangaratta Hospital (North East Health)
	Former Shell site (Commercial 1 Zone)
	Wangaratta Railway Station
	37 Cusack Street (Residential Growth Zone- McDonald Fertiliser)
	33-35 Cusack Street (Residential Growth Zone – vacant with unused silo)
	25-29 Green Street (Residential Growth Zone – with health care related uses)
	Residential Growth Zone with health care

The site was operated as the Caltex fuel depot until 2000, when it was decommissioned. The proponent has advised that site remediation works occurred between December 2000, and August, 2001 and included decommissioning and removal of tanks, and earthworks.

### Environmental Condition

Following the remediation works, environmental investigations have occurred. The investigations have found that the site, in its current state, shows signs of contamination consistent with its former use.



Soil and groundwater contamination poses risks if the site is used or developed for a sensitive use, in this case especially if earthworks are involved. The application of the EAO and s173 agreement will prevent such sensitive uses until a *certificate of environmental audit* or *statement of environmental condition* is issued by an environmental auditor in accordance with the *Environmental Protection Act, 1970*. Such an audit may require remediation works to be undertaken to mitigate risks from the contamination to a safer level. This is consistent with the legislation, policy and practice regulating land contamination issues.

### **Implications**

#### **Policy Considerations**

There are no specific Council policies or strategies that relate to this report.

#### **Financial/Economic Implications**

The proponent has paid a statutory fee of \$798.00 to Council for Stage 1 of the amendment process, being for the consideration and exhibition of the amendment. In addition the proponent has prepared Draft Amendment documents for Council's review.

There are additional statutory fees and other costs (for example, exhibition notification, panel costs etc.) associated with planning scheme amendments, and costs associated with the preparation, review and execution of the s173 agreement. To address costs, it is recommended that the amendment will not proceed unless the proponent provides written agreement to pay all costs associated with the amendment.

#### **Legal/Statutory**

The proponent is proposing the application of a s173 agreement, on title to mitigate risks associated with soil and groundwater contamination.

#### **S173 Agreement:**

The purpose of the agreement is to:

- prevent the use of the land for sensitive uses, public open space or agriculture
- ensure all works are carried out in accordance with the environmental management plan
- ensure ground water is not extracted from the site
- ensure the owner advises any contractors of the s173 agreement.

A review by Council's legal representatives is required to ensure the agreement is correctly drafted.

## **Social**

The site is currently vacant and un-used. Remediation of the site will provide potential opportunity for use and activity associated with health care in close proximity to North East Health (Wangaratta hospital). It may also provide opportunity to reduce the amenity conflicts between existing residents and the hospital associated with car parking.

## **Environmental/Sustainability Impacts**

There are serious environmental impacts associated with the potential use or development of the site. These impacts can be attributed to soil and groundwater contamination from the previous land use.

The application of the Environmental Audit Overlay, and a s173 Agreement will ensure the appropriate mechanisms are in place and remediation works are completed, prior to finding a suitable end use for this site. This is consistent with the legislative framework for potentially contaminated land.

## **2013 – 2017 Council Plan (2015 Revision)**

This report supports the 2013-2017 Council Plan, specifically the direction:

### **We will plan and make decisions for the future:**

by identifying future development areas and giving consideration to potential planning scheme amendments and developer contributions.

## **Strategic Links**

### **a) Rural City of Wangaratta 2030 Community Vision**

The proposal is consistent with the vision outlined for a healthy environment. The proposal will contribute to well-planned and sensitive development that appropriately manages ground water and surface water impacts.

### **b) Other strategic links**

#### **Wangaratta Planning Scheme:**

The Wangaratta Planning Scheme provides overarching strategic direction for land uses and development, in the Municipal Strategic Statement. Clause 21.06 provides the vision and context for *Urban Development and the Central Activities Area*. It is acknowledged that the site is in a key strategic location that could be used to promote business activities or enhance the medical services provided by the hospital.

Population and Housing Strategy, 2013:

The proposal is consistent with directions in the Population and Housing Strategy, 2013. It encourages infill development in close walkable proximity to the Wangaratta Hospital and the core of the Wangaratta CBD.

Ministerial Direction 1 - Potentially Contaminated Land:

Potentially contaminated land is defined as land known to have been used for storage of liquid fuels or gas (amongst other uses). This Ministerial Direction is applicable to the proposal. A key requirement of this direction is for Council as the planning authority, to satisfy itself that any potentially contaminated land used for a sensitive use, agriculture or as public open space must be suitable for the use (i.e. fit for purpose).

The application of the EAO and the s173 Agreement restricting use, until the site is remediated, are the correct mechanisms to satisfy the requirements of this Ministerial Direction.

**Risk Management**

There are environmental risks associated with the end land use of the site. These risks exist, whether the amendment proceeds or not. If the proposed amendment proceeds, there is an opportunity to facilitate a better end use that deals with soil and ground water contamination.

The application of the EAO and s173 Agreement appropriately mitigates these risks.

**Consultation/Communication**

An initial pre-application consultation meeting occurred between planning officers and the proponent in April, 2015. An approach similar to Amendment C47 has been adopted by URL and Caltex, whereby the former Shell site was rezoned from a residential zone to C1Z, the EAO was applied and a s173 Agreement entered into to prevent sensitive uses permissible by the Commercial 1 Zone. Wider community consultation will occur during the exhibition of the proposed amendment.

Level of public participation	Promises to the public/stakeholders	Tools/Techniques
Inform	We will keep you informed	Statutory requirements of section 19 of the Planning and Environment Act 1987, being notice in local paper/Government Gazette/prescribed Ministers/agencies/letter to affected landowners
Consult	We will keep you informed, listen to and acknowledge your	Opportunity to make a submission during the exhibition phase and influence

Level of public participation	Promises to the public/stakeholders	Tools/Techniques
	concerns and provide feedback on how public input influences the decision	the outcome
Involve	n/a	
Collaborate	n/a	
Empower	n/a	

Officers believe that appropriate preliminary consultation has occurred and the matter is now ready for Council consideration.

### **Options for Consideration**

**Agree to the request and submit the request to the Minister for Planning, to authorise the Draft Amendment for exhibition** (this is the preferred option). This option appropriately addresses site contamination issues and facilitates an appropriate end use.

**Do nothing/not agree to proceed with the request**, (not recommended). This is not recommended as the site contamination issues need to be formally recognised as a priority. Currently the site is zoned Residential Growth Zone which actively promotes housing at higher densities. This is not considered an appropriate zone given current site conditions.

**Agree to proceed as part of a fix up amendment**, (not recommended). A further option is to deal with the request as part of a fix up amendment, where a number of 'fix up' issues or site specific issues are dealt within a single amendment. This is not recommended as the site contamination issues need to be formally recognised as a priority.

### **Conclusion**

The proposed request to rezone and apply further controls to the site at 8-10 Green Street, Wangaratta provides a practical solution for a site, currently unused because of contamination issues.

This amendment will formally acknowledge the issues and put the right mechanisms in place to ensure the site is remediated and provide opportunity to support appropriate development in a strategically located site.

### **Attachments**

Nil.

### **Gallery Questions**

Nil

**12. CLOSURE OF MEETING**

The Meeting closed at 2:43pm.