Planning and Environment Act 1987
Development Advisory Committee Stage 1 Report
Cape Otway Road Australia

17 April 2019

Kathy Mitchell, Chair

William O’Neil, Deputy Chair

Elissa Bell, Member

Adrian Vlok, Member
# Contents

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Introduction</strong> ...................................................................</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>1.1 The Project .....................................................................</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>1.2 Site location ..................................................................</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>1.3 Appointment and Terms of Reference ................................</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>1.4 Issues review, inception briefing and site inspection ..........</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>1.5 Purpose of this Report ..................................................</td>
<td>7</td>
</tr>
<tr>
<td>2</td>
<td><strong>Planning and land use</strong> ...................................................</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>2.1 Background information and issues ...................................</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>2.2 Strategic and statutory planning context ...........................</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>2.3 Discussion ......................................................................</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>2.4 Adequacy for exhibition and recommendations .....................</td>
<td>20</td>
</tr>
<tr>
<td>3</td>
<td><strong>Social and community</strong> .....................................................</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>3.1 Background information and issues ...................................</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>3.2 Discussion ......................................................................</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>3.3 Adequacy for exhibition ..................................................</td>
<td>22</td>
</tr>
<tr>
<td>4</td>
<td><strong>Economic impacts</strong> ............................................................</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>4.1 Background information and issues ...................................</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>4.2 Discussion ......................................................................</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>4.3 Adequacy for exhibition ..................................................</td>
<td>24</td>
</tr>
<tr>
<td>5</td>
<td><strong>Transport and infrastructure</strong> ..........................................</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>5.1 Discussion ......................................................................</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>5.2 Adequacy for exhibition and recommendations .....................</td>
<td>27</td>
</tr>
<tr>
<td>6</td>
<td><strong>Agricultural land quality</strong> ...............................................</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>6.1 Background information and issues ...................................</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>6.2 Discussion ......................................................................</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>6.3 Adequacy for exhibition ..................................................</td>
<td>28</td>
</tr>
<tr>
<td>7</td>
<td><strong>Land capability</strong> ..............................................................</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>7.1 Background information and issues ...................................</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>7.2 Discussion ......................................................................</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>7.3 Adequacy for exhibition and recommendations .....................</td>
<td>30</td>
</tr>
<tr>
<td>8</td>
<td><strong>Flooding</strong> ........................................................................</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>8.1 Background information and issues ...................................</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>8.2 Discussion ......................................................................</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>8.3 Adequacy for exhibition and recommendations .....................</td>
<td>33</td>
</tr>
</tbody>
</table>
9 Biodiversity ........................................................................................................................................... 34
  9.1 Background information and issues .............................................................................................. 34
  9.2 Discussion ....................................................................................................................................... 34
  9.3 Adequacy for exhibition .................................................................................................................. 35
10 Visual landscape and amenity ........................................................................................................... 36
   10.1 Background information and issues ............................................................................................. 36
   10.2 Discussion .................................................................................................................................... 36
   10.3 Adequacy for exhibition and recommendations ........................................................................ 37
11 Public exhibition and hearing .......................................................................................................... 39

Appendix A  Terms of Reference
Appendix B  Stage 1 Inception Briefing
Appendix C  Document list

List of Tables

Table 1  Existing and Proposed Planning Controls ............................................................... 12
Table 2  Findings and Conclusions .............................................................................................. 40

List of Figures

Figure 1  CORA Development Concept Plan May 2018 ......................................................... 2
Figure 2  Site context ......................................................................................................................... 4
Figure 3  Existing zone plan ............................................................................................................. 14
Figure 4  Existing overlay plan ....................................................................................................... 14
Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Act</td>
<td>Planning and Environment Act 1987</td>
</tr>
<tr>
<td>CCMA</td>
<td>Corangamite Catchment Management Authority</td>
</tr>
<tr>
<td>COESR</td>
<td>The proponent, COESR Pty Ltd</td>
</tr>
<tr>
<td>Committee</td>
<td>Cape Otway Road Australia Development Advisory Committee</td>
</tr>
<tr>
<td>CORA</td>
<td>Cape Otway Road Australia</td>
</tr>
<tr>
<td>CORADAC</td>
<td>Cape Otway Road Australia Development Advisory Committee</td>
</tr>
<tr>
<td>Council</td>
<td>Surf Coast Shire Council</td>
</tr>
<tr>
<td>DELWP</td>
<td>Department of Environment, Land, Water and Planning</td>
</tr>
<tr>
<td>EE Act</td>
<td>Environment Effects Act 1978</td>
</tr>
<tr>
<td>EPA</td>
<td>Environment Protection Authority</td>
</tr>
<tr>
<td>G21</td>
<td>Geelong Region Alliance</td>
</tr>
<tr>
<td>GORR</td>
<td>Great Ocean Road Region</td>
</tr>
<tr>
<td>GORRT</td>
<td>Great Ocean Road Regional Tourism</td>
</tr>
<tr>
<td>Minister</td>
<td>Minister for Planning</td>
</tr>
<tr>
<td>MSS</td>
<td>Municipal Strategic Statement</td>
</tr>
<tr>
<td>PPF</td>
<td>Planning Policy Framework</td>
</tr>
<tr>
<td>SUZ</td>
<td>Special Use Zone</td>
</tr>
<tr>
<td>VPP</td>
<td>Victoria Planning Provisions</td>
</tr>
</tbody>
</table>
Executive summary

Cape Otway Road Australia through COESR Pty Ltd seeks to develop an elite sports training facility at Modewarre in the Surf Coast Shire. The facility is proposed to be complemented by accommodation, retail and other ancillary uses. The proponent is COESR Pty Ltd, who prepared a range of documents to support an application for rezoning through the Surf Coast Shire Council. Due to the complexity of the proposal, the Council requested that the Minister for Planning be the Planning Authority, a position supported by the proponent.

The Minister for Planning agreed and appointed the Cape Otway Road Australia Development Advisory Committee (the Committee) to consider the proposal and provide him with advice on several matters in accordance with Terms of Reference dated 17 February 2019 (amended 17 March 2019). The Committee is required to undertake its tasks in four stages, the first of which is to provide advice on whether there is sufficient justification for the proposal to proceed to public exhibition, and if so, what other information needs to be provided, if any, to support an exhibition process.

The Committee reviewed various documents provided to it from the proponent and then provided the proponent with a number of issues it sought clarification on to assist in its deliberations. The Committee convened an Inception Briefing with the proponent, Council and various Government and other agencies on 28 March 2019 to introduce the Committee and to ‘kick-start’ the process. Amongst other matters, the key issues of concern to the Committee related to the proposed form of planning control proposed and issues related to potential flooding.

The briefing was productive, and the proponent responded to many of the issues raised by the Committee and then after by letter and submission of additional documents.

From its review of the various reports already prepared, discussions at the Inception Briefing, responses from the Environment Protection Authority and the Corangamite Catchment Management Authority, and the response by the proponent, the Committee concludes that the Project is worthy of being rigorously tested through a public exhibition and hearing process.

The Committee notes the proposal is unique and not specifically contemplated in the Surf Coast Planning Scheme. That noted, the Committee considers there is a broad level of policy support for the tourism and employment based components.

Based on the reasons set out in this Report, the Advisory Committee recommends to the Minister for Planning that Cape Otway Road Australia be progressed to public exhibition and hearing subject to the following:

1. **Investigate the use of the Comprehensive Development Zone with a draft high level Comprehensive Development Plan to implement the Project.**
2. **Update the planning report and other supporting reports for public exhibition.**
3. **Commission independent peer reviews in planning for the public hearing.**
4. **Include the Economic Assessment as part of the public exhibition background material, revised and updated as appropriate.**
5. Include the Business Case report (January 2018) as part of the public exhibition material.

6. Include the Traffic Engineering Assessment as part of the public exhibition background material, revised and updated as appropriate.

7. Include the Agricultural Land Quality Assessment as part of the public exhibition background material.

8. Consider how the relevant recommendations from the Agricultural Land Quality Assessment Report be can be updated and reflected in the revised planning controls.

9. Update the Land Capability Assessment (March 2018) to ensure it is consistent with the Victorian Guidelines for Land Capability Assessment (1981) as part of the backgrounds documents to accompany the public exhibition process.

10. Update the Flood Report for public exhibition to verify that local drainage infrastructure and flood pathways can reliably control the height of Lake Modewarre to 114 metres AHD, accounting for both climate change and potential climate change impacts.

11. Provide additional information on the following as part of the background reports for public exhibition:
   a) Lake Modewarre ecology and groundwater dependent ecosystems (including the values if the Batsons Road culvert is upgraded).
   b) A water balance model (including nutrients, sediment and salinity).
   c) Groundwater levels, flows and quality.

12. Consider how the relevant recommendations from the Biodiversity assessment can be updated and reflected in the revised planning controls.

13. Include the revised Final Biodiversity Assessment Report (May 2018) and the new June 2019 report as background reports for public exhibition.


15. Include appropriate material to address the potential visual impacts in the public exhibition background material.

16. Address the requirements and provide for the consideration of the amenity issues raised by the EPA in its letter to the Committee (Document 18) as part of the revised Amendment.
1 Introduction

1.1 The Project

Cape Otway Road Australia (CORA) (the Project) is a proposal to provide for a mixed-use facility including an elite sports training facility, tourist accommodation, retail, 24 rural residential lots and a rural conservation precinct. The proposed 240-hectare site is located directly south of Lake Modewarre on the Cape Otway Road, Modewarre and currently consists of six rural lots.

The Project is not proposed to be used for spectator events. Accommodation is required to cater for teams visiting and using the training facility. To maximise usage, when not booked by sports teams, it is understood the site and accommodation will be open to the public. This may lend the site to capitalise on tourism opportunities and therefore it includes retail, wellness and other associated uses to service both the elite sports and tourism markets (manager’s residence, eco-lodges etc). Overall, the Committee was advised the Project will be low scale and designed to resemble a series of Australian rural buildings to be subservient to the landscape.

It is understood that the Project has received a Regional Jobs and Investment Package grant of $3.28 million from the Federal Government which is to be released over the next three years subject to milestones being achieved. Further, the Committee was advised the site has been selected over others due to a range of perceived economic and community benefits.

The Committee was advised COESR Pty Ltd (COESR) is the proponent and investment vehicle for the Project. COESR owns COESR Management and the Committee was advised it is anticipated that a property trust will be established to hold the real estate titles, options and land. Mr Pelchen (who attended the Inception Briefing) is the Director of both COESR Pty Ltd and COESR Management.

The Business Case advised:

The project has been developed over the last three years by a core project team with specialist advise from MediaCom (on sponsorship and revenue generation), ProLeisure (on the project business model and sports infrastructure requirements), Multiplex (on construction of the facility) and Altus Group (on project construction and costing requirements).

Planning for the Project commenced in 2017 and the Committee was advised it has evolved in response to several factors. These include the outcome of environmental studies, a better understanding of site constraints and stakeholder feedback. The Committee notes the following changes have been made since the original 2017 Concept Plan:

- removal of surfing wave pool
- relocation and reduction of retail space and sculpture park
- relocation of 37 eco lodges, hotel, wellness centre and artist in-residence
- removal of six caretaker dwellings and relocation of depot
- rural residential precinct refined to show 24 rural residential lots, 24 homestead lodges in a single allotment and on-site wastewater treatment plant in the north-eastern corner
• resolution of sewerage to be provided by on-site wastewater treatment plant catering for on-site users only.

Together these changes have resulted in the reduction in area of native vegetation to be directly impacted from 39.352 hectares to 8.698 hectares.

The Committee is assessing the revised Project only, based on the May 2018 concept plan shown in Figure 1.

Figure 1  CORA Development Concept Plan May 2018

Source: CORA Concept Plan (Document 16)
1.2 Site location

The site is located across six properties in the rural hinterland of the Surf Coast Shire, south of Lake Modewarre on the Cape Otway Road, Modewarre as follows:

- 1130 Cape Otway Road
- 1280-1320 Cape Otway Road
- 1300 Cape Otway Road
- 1340 Cape Otway Road
- 155 Batsons Road
- 10 Connies Lane.

The proponent advised that each of the above properties are either owned or subject to formal options to acquire by COESR. In addition, the Committee was advised there are two parcels of land between Connies Lane and the southern boundary of the rural residential precinct which may be considered for inclusion in the Project in the future. It is not proposed that any of the properties on Connies Lane would be included in the Project.

The Committee notes that the draft amendment generally aligns with title boundaries apart from 155 Batsons Road, where it only applies to part of the title.

Cape Otway Road forms part of an inland circuit for tourist trips in and along the Great Ocean Road Region (GORR). Currently consisting of six dwellings on six lots, with a decommissioned broiler farm, the site has three frontages to Cape Otway Road and one frontage onto Connies Lane. The shape of the site is such that it surrounds several rural lifestyle properties, each with a dwelling, that exist on Connies Lane and Cape Otway Road.

As the site is currently a group of land parcels, there are a number of existing access points. It is proposed to consolidate and relocate access as part of the development. The location of the site adjacent to Cape Otway Road, along with some frontage to Connies Lane provides good opportunities to choose the most appropriate access point accounting for traffic safety and other considerations.

The rural setting of the site was considered by the proponent to be key to its fundamental objective of providing wellness experiences. It noted the site represents an opportunity to develop the Project in such a way that existing environmental features are retained and enhanced through a Trust for Nature covenant.

To the north, there are three properties that separate the site from the Lake, two with private landing strips for light aeroplanes. To the west there are large agricultural properties. And to the south and east, is Cape Otway Road and a number of agricultural and rural lifestyle properties containing existing dwellings.

The site is proximate to significant services, infrastructure and key landmarks such as Winchelsea Railway Station, Deakin University, Epworth Hospital, GMHBA Stadium, Central Geelong and Avalon Airport which could provide or achieve leverage for the Project.
1.3 Appointment and Terms of Reference

On 6 March 2018, a referral under the *Environment Effects Act 1978* (EE Act) was lodged with the Minister for Planning (the Minister) due to the potential for the Project to create significant environmental impacts. The proponent significantly modified the Project to reduce the potential environmental impacts such that on 1 May 2018 it advised the Minister it was formally withdrawing its submission of a referral. Instead, the proponent advised it intended to advance the Project through lodgement of a planning scheme amendment request (draft Amendment C125) with Surf Coast Shire Council (the Council).

Upon review of the draft planning scheme amendment documents, the Council requested the Minister become the planning authority as it considered the Project to be of regional, state and broader significance. The proponent supported this request. On 30 September 2018 the Minister confirmed he would refer this matter to an independent advisory committee.

The Committee was appointed by the Minister on 17 February 2019 under section 151 of the *Planning and Environment Act 1987* (the Act) to provide advice on all relevant planning matters associated with the Project. The Committee comprises:

- Kathy Mitchell (Chair)
- William O’Neil (Deputy Chair)
- Elissa Bell
- Adrian Vlok.
The Committee is assisted by Joseph Morrow, Project Officer of Planning Panels Victoria.

The Minister issued Terms of Reference on 17 February 2019 that require the Committee to undertake its work in four stages as follows:

- Stage 1: Initial assessment
- Stage 2: Exhibition
- Stage 3: Public Hearing
- Stage 4: Outcomes.

The purpose of the Committee is to advise the Minister on all relevant planning matters associated with the proposed development including:

a. the strategic planning and planning policy context and merits
b. the net community benefit of the project
c. the potential environmental impacts and net environmental gain
d. any potential risks associated with the proposed sequencing of the development
e. the suitability of the site for the proposed development
f. the suitability of the proposed planning controls.

Stage 1 of the Terms of Reference require the Committee to review material prepared by the proponent and provide a written report identifying whether there is sufficient strategic justification for the Project to proceed as a draft amendment to public exhibition (Stage 1 report). No public notification or hearings were expected of the Committee for Stage 1 however the Committee decided to hold an inception meeting and initial site visit as outlined further in this chapter.

Clause 17 of the Terms of Reference notes that:

If the CORADAC is satisfied there is sufficient strategic justification for the proposal to proceed to public exhibition, it is to identify any omissions or critical information that it considers must be prepared before public exhibition of the proposal. The includes, but is not limited to, the information that is required to address those matters set out in section 12(2) of the Planning and Environment Act 1987.

Stage 2 of the process is public exhibition. The Terms of Reference set out requirements for the Department of Environment, Land, Water and Planning (DELWP) Planning team to liaise with the proponent in terms of the scope, timing and dates for public exhibition and public hearings. The Committee is expected to hold a Directions Hearing and Public Hearing as part of Stage 3. Stage 4 sets out the information requirements for both the Stage 1 and final (Stage 4) reports.

The Terms of Reference provide at Clause 12 that the Committee could apply to the Minister to vary them in any way it sees fit prior to the submission of its final report. After its appointment and initial review, the Committee applied to the Minister to make the following changes to the initial Terms of Reference:

- add a new clause to allow the Committee to operate as a quorum of two members, for any meetings, forums or hearings
- clarify the outcome of Stage 1 is to determine whether there is sufficient justification for the proposal to proceed as a draft amendment to public exhibition, as opposed to determining the strategic justification for the Project at this stage
• clarify which parties may be invited to make submissions to include ‘any other relevant parties’ as identified by the Committee, including local submitters
• clarify the Committee may brief the Minister only following final submission and sign-off of the final report.

The Minister approved these changes and issued Version 2 of the Terms of Reference on 17 March 2019 (Appendix 1 and Document 1), which the Committee used as the basis of its work. This document is the Stage 1 report.

### 1.4 Issues review, inception briefing and site inspection

The proponent seeks to realise Project approvals through an amendment to the Surf Coast Planning Scheme. The draft Amendment package provided to the Committee sought to apply Schedule 12 to the Special Use Zone, Schedule 27 to the Design and Development Overlay and Schedule 15 to the Development Plan Overlay over the whole site.

The Committee was provided with a range of background supporting documents and information to inform its early consideration of the Project. It reviewed this material (which it notes has not been in the public domain) and wrote to the proponent seeking further information on a range of matters (Document 2).

The Committee sought detailed clarification on two key matters. The first of these was the choice of proposed planning controls. The Committee questioned the use of the Special Use Zone in conjunction with the Development Plan Overlay and Design and Development Overlay and asked whether a Comprehensive Development Zone might be more appropriate. The second matter related to potential environmental impacts associated with flooding of the site and connectivity with Lake Modewarre.

The Committee sought a briefing from the proponent and relevant stakeholders prior to submitting its Stage 1 report. This occurred on Thursday 28 March 2019 at Torquay. The Committee invited all parties listed in Clause 21 of the Terms of Reference, as well as the G21, Great Ocean Road Regional Tourism Ltd (GORRT), Barwon Water, Regional Roads Victoria and VicRoads. Those who attended are shown in Appendix B.

The briefing was chaired by the Committee and included information and discussion about the following:

- introduction to the Committee
- amended Terms of Reference
- Stage 1 information received by the Committee
- work of the Committee to date
- letter to the proponent of issues on notice and updates since then
- timing of the release of the Stage 1 report
- project overview and engagement to date by the proponent
- discussion with agencies on key issues arising to date.

During the inception meeting, the proponent provided an initial draft response to many of these matters, tabling a number of documents for further review and consideration (Documents 5 to 16). Included in this material was revised Precinct Plans for the Project (Document 9) which include indication of relative staging for each precinct. These plans
increase the number of Precincts as provided in Clause 7 of the draft Schedule to the Special Use Zone from five to seven. The seven Precincts are as follows:

- rural conservation precinct allowing floodplain land to be restored and protected through a Trust for Nature arrangement
- organic farm precinct including managers residence
- elite sports precinct featuring sports fields and high-performance training facility
- sports science hub
- retail village including fine and casual dining, art gallery, sculpture park, farmers market
- accommodation precincts including hotel and eco lodges, homestead accommodation and rural residential lots
- utilities precinct including winter storage dam, on-site waste water treatment plant and site distribution zone for electricity.

At the conclusion of the briefing, the Committee had an accompanied site inspection (by bus) of the subject land and surrounds. Representatives of the proponent, Council, DELWP, Barwon Water and VicRoads attended. The Committee in summary, viewed:

- the entrance of the site from the driveway of 1300 Cape Otway Road
- the area of the proposed sports science hub buildings
- the area of the manager’s residence (existing buildings)
- current floodplain
- the area proposed for rural residential lots and woodland eco lodges
- the proposed main entry
- Connies Lane
- Lake Modewarre (from Batsons Road).

Following the Inception Briefing, the Committee provided an electronic link to copies of all Stage 1 material to all parties in attendance (and to those invited but unable to attend). It gave the opportunity for agencies to provide any further comment about the information requested by the Committee by Friday 5 April 2019. The Environment Protection Authority (EPA) (Document 18) and the Corangamite Catchment Management Authority (CCMA) (Document 19) provide responses.

The proponent provided its final response on 12 April 2019 (Documents 20, 21, 22, 23), noting that much of what was sought is ongoing work.

In response to the timing of the release of this report, the Committee received a letter from the Executive Director, Statutory Planning Services (Document 24) that noted:

> When the Stage 1 report is received, DELWP will brief the Minister as a matter of priority and will ask the Minister to decide whether the report is to be made available to the proponent and the other parties.

### 1.5 Purpose of this Report

The key purpose of this report is set out in Clause 27 of the Terms of Reference, which notes the Committee must produce a written report for the Minister following its Stage 1 Initial Assessment that must include:
a. an assessment of the material prepared by the proponent and a conclusion about whether there is sufficient strategic justification for the proposal to proceed to public exhibition.

b. a recommendation to the Minister for Planning on whether the proposal should proceed to public exhibition (Stage 2) and a public hearing (Stage 3), and

c. a description of any critical information which must be provided before the public exhibition of the proposal, where the CORADAC recommends the proposal proceeds to public exhibition.

It is important to note that it is not the purpose of this report to fully test the strategic basis and veracity of the proposed Amendment, rather to determine whether there is sufficient information and strategic justification for it proceeding to exhibition. That detailed review and testing would occur as part of a future public exhibition and hearing process.

The overall conclusion of the Committee is that there is strategic justification for the Project to proceed as a draft Amendment to public exhibition and that, subject to recommendations, a draft Planning Scheme Amendment should be prepared in a form suitable for public exhibition.

The following chapters provide the Committee’s assessment of the adequacy of the material before it on a thematic basis.
2 Planning and land use

2.1 Background information and issues

The Committee was provided with the following information:

- Certificates of Title for six parcels of land making up the site
- Draft Amendment Documentation including:
  - Explanatory Report
  - Instruction sheet
  - Special Use Zone – Schedule 10
  - Design and Development Overlay – Schedule 27
  - Development Plan Overlay – Schedule 15
  - associated maps
- Bushfire development report, Terramatrix, 11 May 2018
- Town planning report, Tract Consultants, 22 May 2018
- Cape Otway Road Australia (CORA) at Modewarre Strategic Justification, 10 Consulting, 23 March 2019 (Document 6).

The key issues relate to:

- the strategic and statutory planning context for the site
- whether the Project is strategically justified at the location based on existing and surrounding land uses and the potential for bushfire
- whether the proposed planning zone and overlays are appropriate and justified.

2.2 Strategic and statutory planning context

(i) Planning and Environment Act 1987

The Objectives of the Act are defined in section 4 (1) and include:

(a) to provide for the fair, orderly, economic and sustainable use, and development of land;

(b) to provide for the protection of natural and man-made resources and the maintenance of ecological processes and genetic diversity;

(c) to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria;

(d) to conserve and enhance those buildings, areas or other places which are of scientific, aesthetic, architectural or historical interest, or otherwise of special cultural value;

(e) to protect public utilities and other assets and enable the orderly provision and co-ordination of public utilities and other facilities for the benefit of the community;

(f) to facilitate development in accordance with the objectives set out in paragraphs (a), (b), (c), (d) and (e);

(fa) to facilitate the provision of affordable housing in Victoria;

(g) to balance the present and future interests of all Victorians.
The duties and powers of planning authorities in relation to the preparation of an amendment are set out in section 12(2):

(2) In preparing a planning scheme or amendment, a planning authority –

(a) must have regard to the Minister’s directions; and

(aa) must have regard to the Victoria Planning Provisions; and

(ab) in the case of an amendment, must have regard to any municipal strategic statements, strategic plan, policy statement, code or guideline which forms part of the scheme; and

(b) must take into account any significant effects which it considers the scheme or amendment might have on the environment or which it considers the environment might have on any use or development envisaged in the scheme or amendment; and

(c) must take into account its social effects and economic effects.

(ii) State policy

The following State clauses in the Planning Policy Framework (PPF) are relevant to the proposal:

Clause 11.03-5S – Distinctive areas and landscapes

Objective is to “protect and enhance the valued attributes of identified distinctive areas and landscapes”. Strategies to achieve this include supporting development which enhances these attributes while avoiding development that which could undermine long-term natural use in these areas.

Clause 11.03-5R – The Great Ocean Road Region

Objective is to “manage the sustainable development of the Great Ocean Road Region”. Strategies to achieve this include encouraging sustainable tourism uses which provide environmental, economic and social benefits.

Clause 12.05-1S – Environmentally sensitive areas

Objective is to “protect and conserve environmentally sensitive areas”.

Clause 13.02-1S – Bushfire planning

Objective is to “strengthen resilience of settlements and communities to bushfire through risk-based planning”. Strategies include directing development to low risk locations, assessing bushfire hazards and ensuring bushfire protection for new development do no impact biodiversity.

Clause 13.03-1S – Floodplain management

Objective is to protect against flood hazards. This can be achieved by avoiding intensifying the impact of flooding through inappropriate use and development.

Clause 17.01-1R – Diversified economy (Geelong G21)

Strategies include building on tourism resources and supporting new businesses that provide employment and innovation opportunities.
Clause 17.04-1S – Facilitating tourism

Objective is to “encourage tourism development to maximise the economic, social and cultural benefits of developing the state as a competitive domestic and international tourist destination”. Strategies to achieve this include to encourage well designed and sited tourist facilities, encourage investment in tourism and creates innovative tourism experiences.

(iii) Regional policy

G21 Regional Growth Plan

G21 Regional Growth Plan has a number of regional strategies that articulate opportunities for growth in the region, the role of tourism as well as growth in Moriac.

The Geelong Region Alliance

The Geelong Regional Alliance (G21) adopted a region plan in 2006 for sustainable growth. This plan looks towards growing the G21 region sustainably towards 2050. The five Directions of the plan include:

- Direction 1: Protect and enhance our environment
- Direction 2: Create sustainable settlements
- Direction 3: Strengthen our communities
- Direction 4: Refocus our economy
- Direction 5: Make it happen.

Relevant policies under these directions are to:

1.2 Use our water resources more efficiently
1.3 Maintain and restore our natural assets
1.4 Reduce our everyday environmental impacts
2.1 Minimise the amount of land used for urban development
2.4 Provide land for industry and commerce
3.2 Encourage healthy, active, learning lifestyles
3.4 Improve access to services, infrastructure, education and housing
5.2 Work together to deliver region-wide community benefits.

Great Ocean Road Region Strategy

The Great Ocean Road Region Strategy 2004 provides a long term, cohesive strategy for the management of the Great Ocean Road and the five local government areas it covers, which includes Surf Coast. The key directions of the strategy, relevant to the proposal, are to:

- Protect the landscape and care for the environment
- Manage the growth of towns
- Improve the management of access and transport
- Encourage sustainable tourism and resource use.
(iv) **Local policy**

Key policy themes prevalent in the Municipal Strategic Statement (MSS) at Clause 21 relevant to the Project include:

- To manage population and tourist growth and development in an ecologically sustainable manner
- To direct growth and development to low bushfire risk locations
- To support and strengthen individual character and role of coastal and urban towns
- To protect scenic landscapes from urban sprawl and inappropriate development
- To promote natural resource-based tourism
- To recognise rural landscape vistas are highly valued for their contribution to the amenity and liveability of rural areas
- To limit rural residential/rural living lots outside settlement boundaries to prevent adverse impacts on agricultural, environmental and landscape values
- To avoid development that would be detrimental to maintenance of natural systems of land affected by flooding and inundation
- To locate high profile, high volume tourism development in appropriate urban areas where their impacts and infrastructure requirements can be best accommodated
- To encourage development of a diverse range of quality tourism accommodation.

(v) **Existing and proposed zones and overlays**

The existing and proposed planning controls are shown in Table 1 and Figures 3 and 4.

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Existing and Proposed Planning Controls</th>
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<tbody>
<tr>
<td><strong>Existing Planning Controls</strong></td>
<td><strong>Proposed Planning Controls</strong></td>
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<tr>
<td>Zones</td>
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<tr>
<td>Farming Zone</td>
<td>Special Use Zone – Schedule 10</td>
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<tr>
<td>Rural Conservation Zone</td>
<td>Special Use Zone – Schedule 10</td>
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<tr>
<td>Overlays</td>
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<tr>
<td>Salinity Management Overlay</td>
<td>To be retained</td>
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<tr>
<td>Environmental Significance Overlay</td>
<td>To be retained</td>
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<tr>
<td>Land Subject to Inundation Overlay</td>
<td>To be retained</td>
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<td></td>
<td>Design and Development Overlay – Schedule 27</td>
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<td></td>
<td>Development Plan Overlay – Schedule 15</td>
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<tr>
<td>Section 173 Agreements</td>
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<tr>
<td>An agreement affects three of the properties on the site and prevents further subdivision or development of dwellings on the properties</td>
<td>Removal of agreements is proposed to be undertaken either at time of considering the Development Plan or concurrently with consideration of any planning permit</td>
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</table>

The Committee notes that all overlays are to be retained.
Most of the subject land is in the Rural Conservation Zone due to its proximity to Lake Modewarre which is noted for fauna habitat and the need for minimal nutrient infiltration into the Lake. The Land Subject to Inundation Overlay and Environment Significance Overlay covers the floodplain, while the Salinity Management Overlay covers a small portion of the land in the northeast corner. The purpose of the Environment Significance Overlay is to identify areas where the development of land may be affected by environmental constraints and to ensure that development is compatible with identified environmental values.

The objectives of the Environmental Significance Overlay Schedule 1 are to protect terrestrial and aquatic habitat for native flora and fauna. It is proposed to minimise development in these areas, securing large portion of the floodplain for a Trust for Nature covenant and retain the existing overlays.

The natural flows through the wetland system into the Lake are currently modified by an artificial berm wall which results in much of the water being dammed in the southern portion of the floodplain – this will be relocated allowing for more direct flows. The Land Subject to Inundation Overlay identifies major flood paths and ensures development maintains free passage and temporary storage of floodwaters. The Salinity Management Overlay identifies areas subject to saline groundwater discharge or high groundwater recharge.

The intent of the proposed Development Plan Overlay is to provide for low scale high-quality architectural buildings and to minimise visual prominence having regard to building height and siting.

Due to existing contours and need for freeboard for flooding, the overall maximum building heights under the proposed Development Plan Overlay can be assumed to be 15 metres for Sports Precinct (3 storeys), nine metres for the wellness centre, 7.5 metres for the Leisure Precinct and 9.5 metres for the Rural Residential Precinct.
Figure 3  Existing zone plan

Source: Final Town Planning Report, Tract Consultants, figure 5

Figure 4  Existing overlay plan

Source: Final Town Planning Report, Tract Consultants, figure 6
2.3 Discussion

(i) Strategic justification

A town planning report was prepared by Tract Consultants in support of the proposed Planning Scheme Amendment (18 May 2018). The report provided information on the site and its locality, existing conditions, the existing planning policy framework, community engagement and a brief planning assessment. The report concluded that the planning assessment is supported by the various technical studies and “... demonstrates that this proposal is supported by both state and local planning policies and meets the objectives of planning in Victoria”. Further:

The State Planning Policy Framework and the G21 regional Growth Plan anticipates and supports strong economic and population growth over the next 30 years in the Geelong and Great Ocean Road region, but it is not expected that planning policy can anticipate new major investment and unique strategic opportunities such as CORA.

It recognises a planning scheme amendment is required to facilitate the proposal. The draft Amendment sought to rezone the subject land, update the Surf Coast MSS and introduce two new overlays (while retaining the existing overlays).

The existing Surf Coast MSS aims to direct growth and development to low bushfire risk locations and identifies that the benefits of tourism need to be balanced against potential negative impacts including pressure for tourism in very high and extreme bushfire risk locations. The site is prone to grassfire but is a lower bushfire risk landscape relative to much of Surf Coast Shire.

CORA is proposed to be a distinctive project with a range of uses and opportunities. The proponent provided the Committee with the Project’s Vision and advised the accommodation component was a key link between the elite sports training facility and tourism uses.

The Committee believes the Project would benefit from further discussion about the overall vision for the site to link the uses which could otherwise appear contradictory to each other. It is possible that through the public process individual parts of the Project may be challenged and it is unclear what the potential impact on the whole of the Project if some uses are considered inappropriate for the site. The Committee is satisfied that these matters can be appropriately explored during a public hearing process that will consider in detail, the merits of the proposal and its individual components.

The Committee is satisfied that the Project is consistent with aspects of planning policy that aims to encourage tourism in low bushfire risk areas. Further, the Committee acknowledges that the Project has the potential to take some pressure off the Great Ocean Road for tourist traffic by creating a destination venue worthy of tourists taking the inland road on return trips. Having noted this, the road network to and from the site may require substantial upgrading pending induced traffic generation. The Committee acknowledges that the Project may provide significant local and regional employment and economic benefits and that it represents an opportunity to improve environmental features on the site, consistent with the objectives of the existing planning scheme overlays.

The proponent commissioned Mr Milner of 10 Consulting to provide a report that assessed the strategic justification of the Project, which was tabled at the Inception Briefing (Document
6). This was in the form of a high level review that focused on the features of the Project, prioritising regional development, tourism, regionally significant sports and wellbeing facilities, environmental considerations, agriculture, settlement and rural living, and accessibility. Apart from a brief reference to Melbourne’s 2050 vision, the G21 Regional Growth Plan, the Rural Hinterland Study, the Great Southern Coast Regional Growth Plan, and the Great Ocean Road Strategy, there was no reference to broader State and local planning policy, except to Clause 19.02-4S.

The Committee was advised that it was not intended this report provide a detailed review of policy but notwithstanding, it is a useful ‘big picture’ report. The report noted Mr Milner is “…satisfied that there is high level and considerable support for the further development and encouragement of this proposal”. The Committee was also provided with a confidential letter from a major sporting club indicating support for the proposal (Document 15).

The Committee notes that it is difficult for a planning scheme to strategically contemplate and plan for all possibilities, including for this unique project and type of land use. There will always be new ideas and planning should encourage, not stifle innovation. The planning system allows for the ‘new’ to be assessed and it should be done in an open and transparent manner that includes public input.

Overall, the Committee considers there is sufficient strategic justification for the Project to proceed to public exhibition. There are however key policy themes that will need to be further addressed by the proponent to assist in the strategic assessment of the Project through the public hearing process. These key themes include, amongst others:

- the need to limit settlement to existing settlement boundaries, support and strengthen individual town character and discourage proposals to use, rezone or subdivide land for rural residential development
- the need to balance the benefits of tourism with potential impacts on communities in terms of potential loss of amenity and pressure on infrastructure
- the need to protect and enhance the environmental features identified in the current overlays onsite
- the importance of scenic vistas and rural landscapes to the amenity of the area.

(ii) Zone and overlays

There are several ways in which a planning scheme can support site planning. The Victoria Planning Provisions (VPP) contain the following tools that have been used for this purpose:

- Special Use Zone
- Comprehensive Development Zone (with a Comprehensive Development Plan)
- Incorporated Plan Overlay (with an Incorporated Plan)
- Development Plan Overlay (with a Development Plan).

Strategic guidance on the exercise of discretion can be set out in a ‘structure plan’ or ‘strategy plan’ in the MSS or Local Planning Policy. The broad discretion within most zones enables planning permits to be used for site planning purposes. The following general principles should be considered when deciding which statutory tools to use to support a site plan:

- the complexity of planning requirements should be reduced by keeping the number of zones to a minimum
detailed and complex site-specific zones are discouraged in preference for clear policy guidelines as the main tool in planning decision making

the planning permit should be the main method of land use or development approval.

The Committee requested further consideration of the choice of zone and overlays. In its response to issues raised by the Committee, surprisingly, the proponent did not really address the question of the use of the Comprehensive Development Zone. It said (Document 20) that:

**Planning Controls**

We acknowledge the robust discussion regarding the use of the Special Use Zone (SUZ) in conjunction with a Development Plan Overlay (DPO) and Design and Development Overlay (DD), and the potential for these controls to be replaced by a Comprehensive Development Zone (CDZ).

We agree that simplifying the planning controls is very worthwhile and we would be pleased to further investigate this with Surf Coast Shire, DELWP and the DAC. Further investigation into the content and structure of the Table of uses and the recognition of the relevant aspects of the underlying Rural Conservation Zone (RCZ) can be undertaken as part of the revisions to the most appropriate planning control structure for the CORA project.

This response is not particularly helpful and to progress this matter, the question for the Committee is:

- is the Special Use Zone appropriate?
- can the proposed uses be accommodated in existing surrounding zones, that is Rural Conservation Zone, Rural Living Zone or Low Density Residential Zone and perhaps Rural Activity Zone?
- if so, could these be used in conjunction with an Incorporated Plan Overlay or Development Plan Overlay?
- if not, should the Comprehensive Development Zone be applied?

**Special Use Zone**

The draft Amendment proposed a Special Use Zone with the Design and Development Overlay and the Development Plan Overlay. The Design and Development Overlay is aimed at design and built form requirements for new development and the Development Plan Overlay requires the form and conditions of future use and development to be shown on a development plan before a permit can be granted.

Both overlays have the ability to exempt an application from notice and review. The Development Plan Overlay provides that an application is exempt from notice and review if a development plan has been prepared to the satisfaction of the responsible authority. As drafted, Schedule 27 to the Design and Development Overlay provides an exemption from notice and review if the application is generally in accordance with the CORA Concept Plan and CORA Precinct Plan.

The Committee was in part concerned by the large number of studies, reports and plans required by these overlays following the Planning Scheme Amendment process for which there would be no further public involvement. The Committee was also concerned there could potentially be conflict between the two overlays which would need balancing and assessment.
Planning Practice Note 3 sets out guidance for when a Special Use Zone might be appropriate. The Practice Note provides that a Special Use Zone should not be the first option considered (in fact the Committee considers it to be the zone of last resort). Firstly, surrounding land uses should be considered to determine if they provide an obvious fit for the zoning of the land. Secondly, local policies should be used to guide or promote decisions about specific uses or locations without the need to apply a Special Use Zone.

A Special Use Zone is not necessarily required for master planning that may be associated with uses such as schools or hospitals as the Incorporated Plan and Development Plan Overlays are the appropriate tools to encourage master planning and provide third party exemptions. This point is further supported by Planning Practice Note 23 which provides the main purpose of these overlays are to identify areas that require a plan or development to be shown on a plan and to exempt third party review rights. The key difference between an Incorporated Plan Overlay and Development Plan Overlay is the incorporation of the plan in the planning scheme, which in the case of an Incorporated Plan, as opposed to a Development Plan that does not form part of the planning scheme.

It is possible to use both an Incorporated Plan Overlay and Development Plan Overlay, in which case the Incorporated Plan Overlay could be used to provide the broad strategic framework for the site with the Development Plan Overlay setting development plans for each part or stage of the development.

**Surrounding zones**

The zone surrounding the site matches that currently on site being both Farming and Rural Conservation Zone. The Planning Report acknowledged:

> The rural conservation precinct could be retained within the Rural Conservation Zone and the rural residential precinct could be subject to the Low Density Residential Zone however the application of the SUZ10 across the entire site will provide the most appropriate and orderly planning for this project through a single zone control which will provide the Responsible Authority with a control under which to drive project outcomes.

If the Rural Conservation Zone and Low Density Residential Zones were to be used for the above precincts, the remainder of the site could possibly be Rural Activity Zone. The Rural Activity Zone allows for farming and other land uses to co-exist, and allows for a wide range of tourism, commercial and retail uses. It requires permit for a dwelling. It is designed to be applied where the use of land for non-farming purposes would not compromise the long term productivity of surrounding farmland. It is possible for the Rural Activity Zone to be applied to include rural areas where commercial, tourism or recreational development will complement and benefit the particular agricultural pursuits, landscape features or natural attractions of the area. As there is very limited agriculture proposed (limited to the organic farm) and the proposal includes a number of dwellings, the Committee considers this zone not well suited for the Project.

The Committee notes the Rural Activity Zone has not been widely applied to date by Councils, including Surf Coast. It also notes Surf Coast widely uses the Special Use Zone, with nine separate schedules to that zone.

The Committee does not support multiple zones across the site, when the objective is for an integrated multi use development.
Comprehensive Development Zone

An alternate pathway provided by the Committee for the proponent’s consideration was the use of Comprehensive Development Zone and whether such a zone would negate the need for the Development Plan Overlay and Design and Development Overlay.

A Comprehensive Development Zone provides for a range of uses so long as they are in accordance with a Comprehensive Development Plan which is incorporated in the scheme. This zone should not be used unless the proposed use or development cannot be accommodated within the discretion provided by any surrounding zones.

The Comprehensive Development Zone has the additional benefit of being able to include design elements such as objectives, heights, setbacks, identification of precincts, staging and the like. Once a Comprehensive Development Plan is approved, all development must ‘be generally in accordance with’ it. Significant variations would require a planning scheme amendment.

At the Inception Briefing, representatives of the proponent indicated it had considered the question put by the Committee about using the Comprehensive Development Zone and agreed that zone would obviate the need for the two overlays. Council explained that as the proposal was still evolving, it considered a Special Use Zone was flexible enough to accommodate further changes and that design and development controls could be obtained through the use of the two proposed overlays.

In its response following the briefing, the Proponent was less emphatic.

The Committee refers to the Hobsons Bay Amendment C88 Panel report, where a Comprehensive Development Zone with a Comprehensive Development Plan facilitated the development of an urban renewal area in Altona North. That Panel found:

The use of the Comprehensive Development Zone, the Comprehensive Development Plan and a Development Contributions Plan is sound and in the main, contains appropriate and flexible, discretionary requirements and guidelines, with a limited number of mandatory requirements.

The proposal included a Future Urban Structure that included elements for residential, retail, community facilities, internal streets and public open spaces that was supported by objectives, requirements and guidelines. The schedule to the zone addressed land use, subdivision and buildings. A key issue related to the level of flexibility in the emerging renewal area with certainty but considered the appropriate balance could be struck. While it is acknowledged that the Comprehensive Development Plan that accompanied that Comprehensive Development Zone was very detailed, a similar plan could be prepared for this proposal based upon that model.

The Committee remains of the view that the Comprehensive Development Zone, with a detailed draft Comprehensive Development Plan should be pursued to implement this development proposal. Once approved, the Comprehensive Development Zone requires a Comprehensive Development Plan to be prepared. All future permits must generally be in accordance with the Plan. A high level draft Plan would be useful to enable the community, agencies and others to have input into that part of the process. Such a Plan should be reasonably high level but with sufficient information to provide very clear and transparent objectives and strategies, with supporting plans to ensure that what is approved as part of a
public process is what will be developed. The Plan would then be finalised once the Comprehensive Development Zone was approved.

2.4 Adequacy for exhibition and recommendations

The Committee concludes:

- There is sufficient strategic justification for this proposal to proceed to public exhibition.
- The use of the Comprehensive Development Zone with a detailed draft Comprehensive Development Plan should be further considered.
- A clear concept master plan and a draft Development Plan (for however the zone is reconciled) should be prepared to accompany documents for exhibition.
- A ‘user friendly’ summary document should be prepared that includes an overarching project description including the vision, land use priorities and contingencies, design principles and project staging project description, a summary of the planning scheme amendment and ways to get involved.

Additionally, the proponent should commission independent peer reviews in the form of evidence reports and the calling of expert evidence in planning for the public hearing process.

The Committee recommends:

1. **Investigate the use of the Comprehensive Development Zone with a draft high level Comprehensive Development Plan to implement the Project.**

2. **Update the planning report and other supporting reports for public exhibition.**

3. **Commission independent peer reviews in planning for the public hearing.**
3 Social and community

3.1 Background information and issues

The Committee was provided with the following information:
- Community and Stakeholder Engagement Findings, Capire, 31 January 2018

The key issues relate to:
- the extent of consultation to date
- consultation going forward.

3.2 Discussion

(i) Consultation to date

The Community and Stakeholder Engagement report summarises the early consultation undertaken by the proponent when the Project was first envisaged. Due to emerging issues and changes in response to consultation in late 2017, that report only focused on the original proposal.

For example, the Project originally included a wave pool which was removed due to community feedback. While it is beneficial for some project history to be included in this context, for the purposes of public exhibition, any descriptors must relate only to the current Project.

It is understood that the Project was launched on 22 November 2017. Early engagement activities occurred between 4 and 9 December 2017 online and face-to-face through two stakeholder focus groups and two community ‘drop-in’ sessions, as well as an online survey. The Committee notes that in this regard one to two weeks’ notice was provided.

It was estimated by the proponent that approximately 624 community members and stakeholder groups were involved in the range of consultation that occurred.

Overall findings were that there was general support for the Project, with perceived potential economic, employment and business benefits for the region. In addition, there were perceived environmental benefits of restoring farmland and wetlands.

The main issues and challenges identified for the Project related to amenity (noise, traffic, light spill) and the general impact on rural lifestyle and the environment (water use/water source and its impact on farmers, potential of light impact on waterbirds). The potential impact of the wave pool on the environment was considered substantial, which is one of the reasons why the proponent advised this component was dropped.

Key feedback on the masterplan related to access points, vegetation buffers, the wave pool, energy production and waste management. The report further identified benefit for CORA to ‘leverage funding’ for improved water quality in Lake Modewarre.

Residents of Connies Lane were engaged separately, with most concerned regarding the potential:
- change to ‘country atmosphere’
• increased traffic
• noise
• light pollution
• privacy
• reduction in value of land
• construction impacts.

Six per cent of respondents rejected the Project outright.

The Committee was advised the Wathaurong Aboriginal Corporation were separately involved in consultation by the Project team and have been involved with the commencement work for a Cultural Heritage Management Plan (CHMP).

The Report concluded with seven development principles for design and delivery:
• foster the natural environment and local wildlife
• deliver an accessible and inclusive project
• celebrate local food, produce and culture
• emphasise the Australian landscape and the country lifestyle
• create opportunities for the local community
• engage with the community in a consistent and genuine way
• minimise impacts on local amenity.

It is unclear to the Committee how these principles have or will be implemented, and it considers it will be important to carry this forward in some way.

(ii) Consultation going forward

With the overall recommendation of the Committee to proceed to a formal public exhibition of the draft Amendment, subject to further work, the Committee urges that those initially engaged continue to be involved with the Project by the project team. It will be important for the proponent to fully engage with the immediate neighbours and the local community, as well as the broader region.

The Committee notes that tools to be used in future for engagement are Facebook, website and email updates, which is common as art of an engagement strategy. Any public exhibition will be more formal and will include relevant statutory notification.

3.3 Adequacy for exhibition

The Committee concludes:
• There are no social or community matters that it considers would justify the proposal not proceeding to public exhibition.
• The initial consultation provides a good basis for further engagement with immediate neighbours and the surrounding communities and should be built upon going forward.
• It will be important to continue to consult with Wathaurong Aboriginal Community about the Project and the conclusions for the Cultural Heritage Management Plan going forward.
4 Economic impacts

4.1 Background information and issues

The Committee was provided with the following information:

- Economic Assessment and Land Supply and Demand Assessment, Urban Enterprise for COESR Pty Ltd, 11 May 2018
- Business Case – Cape Otway Road Australia (CORA) Elite Sports Training facility, Accommodation and Retail Village in the Surf Coast, Victoria, - Ernst & Young for Regional Development Victoria, January 2018.

The key issues relate to:
- adequacy of Economic Assessment and Business Case reports.

4.2 Discussion

The Economic Assessment report relies heavily on the assumptions and findings of the January 2018 Business Case. The Economic Assessment is transparent in this regard and notes that the business case was prepared on a previous concept which included a wave pool and other elements that are no longer being pursued.

The Economic Assessment report concludes that the Project will provide a range of economic benefits including:

- construction cost - $352 million
- construction employment - average 472 jobs per annum (1095 at maximum and 22 at minimum)
- on-going employment - operations 171 direct jobs (in 2024-25) and 109 indirect jobs spread throughout the region through input – output multipliers
- the range of accommodation options (hotel rooms, eco lodges, and homestead retreats) will provide for 87,200 additional visitor nights in the Region
- visitor numbers are expected to range from 132,000 to 183,000 per annum, and of these, it is estimated that 74,000 to 100,000 visitors will be new to the region
- the estimated direct and indirect economic impact from the Project in 2024-25 is estimated at $67.6 million and $47.6 million (noting that these estimates need to be reduced as they factor in visitation and expenditure relating to wave pool)
- building the competitive advantage of Victoria in bidding for major sporting events.

The report provides an overview of the economic impact of the proposed retail uses. The modelled impact assumes a 2,580 square metre retail village including ‘as of right’ floorspace of 1,220 square metres for shop uses (bakery, patisserie, deli, homewares, bookshop, crafts, clothing) and 610 square metres for food and drink uses (café, pizzeria, food hall, gelataria) and 750 square metres for a Design Studio, Gallery and Indigenous Art.

In addition to the above, the report indicates that there will be a 500 square metres micro-brewery and 590 square metres of restaurants proposed to be located outside the ‘retail village’ such as within the new hotel. The assessment states that the retail offer is primarily to serve and meet existing and new tourism market, and as such is not likely to compete with existing retail hierarchy. A summary of the retail impact findings includes estimated:
• annual retail turnover of $17.2 million when fully operational
• $3 million of additional retail expenditure in the region not available today
• once fully operational, existing tourism retailers will experience a maximum potential trading impact of minus $9.35 million and non-tourism retailers minus $1.72 million
• tourism related retailers in Torquay are projected to experience a retail impact of between two and three per cent, and concludes that the proposal is likely to complement rather than compete with the existing retail offer
• the likely impact on Winchelsea is assessed as being low and will primarily impact on tourism retailers (cafes and hotels)
• retailers within the township of Moriac are projected to benefit from the increased visitation drawn by the proposed development.

By way of summary, the Economic Assessment concludes that as the retail components of the proposal do not include large format retail space (supermarkets) the retail impact will be focused on tourism trade, not core retail located in established retail centres. The regional tourism retail market is already significant (approximately $360 million per annum) and is expected to continue to increase strongly. The retail components are projected to have negligible economic impacts on existing retailers and will add significantly to the tourism retail market in the region and the Surf Coast Shire. Overall the retail and hospitality components of the development are assessed as likely to provide a net economic benefit to the region.

4.3 Adequacy for exhibition

The Committee concludes:
• There are no economic matters that it considers would justify the proposal not proceeding to public exhibition
• The Economic Assessment is adequate for exhibition subject to updates to ensure the Project description assessed is current
• Considering the reliance on the Business Case for the Economic Assessment, both these documents should be exhibited.

The Committee recommends:

4. Include the Economic Assessment as part of the public exhibition background material, revised and updated as appropriate.
5. Include the Business Case report (January 2018) as part of the public exhibition material.
5 Transport and infrastructure

The Committee was provided with the following information:

- Traffic Engineering Assessment, CORA, Traffix Group, May 2018

The key issues relate to:

- the traffic impact of the proposal on Cape Otway Road and Connies Lane, as well as the wider Modewarre area
- the feasibility of key infrastructure provision for the proposal
- adequacy of the relevant technical reports for exhibition.

5.1 Discussion

(i) Traffic impact assessment

The Traffix Group report investigated the traffic and access impacts of the proposal. Based on the concept plan dated 23 April 2018, the report advised the site has three access points:

- Primary access to the site is proposed via a new boulevard entry approximately midway along the site’s frontage to Cape Otway Road. Bus and distribution centre access will be via the main entrance, direct to Cape Otway Road
- Secondary access (primarily back of house/servicing) is proposed via Connies Lane
- Access to the residential subdivision is proposed via a new connection to Connies Lane.

Presently, the proposed site has a 210 metre frontage to Cape Otway Road and a 247 metre frontage to Connies Lane.

The report provided a detailed assessment of existing traffic conditions, impacts of the proposal on those traffic conditions, anticipated daily traffic volumes, and statutory parking requirements. Based on the masterplan and proposed uses, the following conclusions can be drawn:

- Car parking provision will be adequate to meet peak demands, with opportunity for informal overspill parking which eliminates risk of off-site parking impacts
- Road hierarchy is appropriate with respect to estimated traffic volumes
- Bicycle parking provision satisfies statutory requirements
- Additional traffic can be easily managed subject to mitigating works at the access points or turning lanes as described in the report.

Traffix Group also provided a response to community concerns raised during the consultation undertaken by the CORA project team (discussed in Chapter 3), where the following issues were raised:

- The condition of Cape Otway Road
- Additional traffic volumes coming through the Moriac township, in particular through the intersection of Cape Otway and Hendy Main Roads
- The possibility of signing an alternative route to the site that avoided additional traffic through Moriac.
These concerns related to the wider road network and how the proposal would affect it. The report looked at Cape Otway Road and associated routes that would see an increase in traffic and found, in their estimations, that peak traffic would sit well within the environmental capacity for the road classification and accord with Clause 56.06-8 of the Surf Coast Shire Planning Scheme.

The report found that, even on peak days, CORA would not trigger mitigating works and would be adequately serviced by existing and proposed infrastructure. The report noted the willingness of the proponent to work with the community, Council and VicRoads to lobby for road improvements previously identified in the Planning Scheme.

The Committee has not identified any issues with the report or conclusions presented that would preclude the proposal continuing to public exhibition.

(ii) Infrastructure servicing

The SMEC report was to identify any servicing or engineering issues for the proposal. This work was based on the May 2018 Concept Plan and discussions with relevant agencies, authorities and the proponent.

Drainage

As the proposal includes a combination of rural lots and the elite sports facility, the relevant authorities will be Council and the CCMA. The drainage engineering standards of the Infrastructure Design Manual v5.01 (IDM), and those of the CCMA, need to be met. The report therefore recommended the CCMA is included in the process.

The Committee notes that CCMA provided a letter (Document 19) that confirms they “were engaged early on in the project ... to ensure best practice floodplain management principles were considered”. Further, the CCMA was confident the development could progress.

Sewer and Potable Water

Barwon Water is the responsible authority, who advised the town of Moriac does not have a reticulated water supply or sewerage network, nor is there any current plan to provide them. However, given the provision of finer detail on the demands of the Project, an investigation into options for servicing the area were discussed. The report recommended early discussions with Barwon Water, particularly due to potential cost implications. Evidence of further discussion with Barwon Water was provided by the proponent in their input of 12 April 2019 (Document 22).

On-site treatment of wastewater would be necessary at this point of the proposal and would need to accord with the standards and obligation of the Council and the EPA. An option for treatment and reuse is to use the treated effluence for irrigation purposes, which must be done in accordance with relevant EPA guidelines. The Committee was advised that discussion is ongoing with Barwon Water regarding off-site treatment.

The SMEC report provided potential options for on-site treatment and feasibility and suggested that it could be contracted out with an operation and management contract. Considerations for treatment included a building for odour and noise impacts and use of
buffer zones. Overall, the report concluded that onsite treatment is feasible, and recommended water is treated to Class B to make it suitable for use as irrigation.

SMEC believed the subject site has availability and access (subject to Authority approvals and negotiations) for connection to the majority of necessary services for a development of the nature proposed. Where existing connection is not available in the site’s vicinity, opportunities exist to manage this by implementing private systems to accommodate deficits in authority infrastructure or by negotiated outcomes with authorities.

**Telecommunications**

Telecommunication services will be available at the site. This will either be through NBN Co, a competing fibre internet company, or Telstra, depending on the requirements for usage at the site. The report recommended engaging with NBN early.

**Electrical**

The proposal is for a highly sustainable development in relation to energy usage and consumption. Power would be supplied by Powercor, who advised two available options for the site:

- Become a Powercor High Voltage (HV) customer and take supply at 22kv. Internal reticulation of the supply would be the responsibility of the development.
- Request Powercor to install a substation onsite and the development is responsible for the reticulation of low voltage supply requirements.

Powercor advised that supplying electricity for the proposed use would be feasible but may require augmentation works.

**Gas**

AusNet Services is the relevant authority. There are no gas distribution mains in the vicinity of the subject site.

**5.2 Adequacy for exhibition and recommendations**

The Committee concludes:

- The reports provided on traffic impacts and infrastructure are adequate for the proposal to continue to public exhibition and should be included in the exhibition documents.
- The recommendations of the SMEC report regarding engagement with relevant authorities should continue to be followed up as the Project evolves.

The Committee recommends:

6. Include the Traffic Engineering Assessment as part of the public exhibition background material, revised and updated as appropriate.
6 Agricultural land quality

6.1 Background information and issues

The Committee was provided with the following information:
- Agricultural land quality assessment, Phillips Agribusiness, 10 May 2018
- Draft Planning Scheme Amendment.

The key issues relate to:
- potential impacts of the Project on agriculture
- adequacy of the report for exhibition.

6.2 Discussion

(i) Potential impacts on agriculture

The Agricultural report recognises there are potential impacts on agricultural uses both from removing the land from agriculture and interface issues. According to the Agricultural land quality assessment, the land considered ranges from “poor” to “average” productivity. The main constraints are moderate levels of productivity per hectare and small property sizes. Forty per cent of the land is subject to seasonal inundation limiting the grazing or growing season to five to six months. Current productivity is 10 dry sheep equivalent per hectare compared with best practice management of 12 to 14.

In terms of indirect impacts, there is potential for the Project to interfere with adjoining agricultural land uses. Recommendations include for the Project design to have strong buffers between residential and agricultural uses and establish a code of practice between rural and urban land uses to minimise misunderstandings.

(ii) Adequacy for exhibition

The Committee considers the report fairly and adequately describes potential impacts on agriculture and it specifies recommendations measures. Some updating of the report is required to ensure it reflects the current situation, for example, whether the broiler farm is decommissioned. Except for the proposed Broiler Farm Buffer Plan (Development Plan Overlay 15), recommendations in the report have not been translated into the planning controls. The proponent should consider how these recommendations can be addressed and reflected in the revised planning controls.

6.3 Adequacy for exhibition

The Committee concludes:
- Subject to minor updates, the agricultural report is adequate for public exhibition.
- Revised planning documents should address and aim to minimise potential for conflict with adjoining land uses through the establishment of clear buffer zones, codes of practice or other means.
The Committee recommends:

7. Include the Agricultural Land Quality Assessment as part of the public exhibition background material.

8. Consider how the relevant recommendations from the Agricultural Land Quality Assessment Report be can be updated and reflected in the revised planning controls.
7 Land capability

7.1 Background information and issues

The Committee was provided with the following information:

- Land Capability Assessment, MacLeod Consulting, 9 March 2018
- Geotechnical and Acid Sulphate Soil Investigation Report, A.S. James Pty Ltd, 29 November 2017

The key issues relate to:
- Capability of the land to sustain the proposed land uses and development.

7.2 Discussion

The Colac Otway Planning Scheme and Rural Land Strategy (2007) requires that land capability is a consideration in the assessment of use and development proposals (e.g. Clauses 11.02, 14.01, 21.04-1, 21.04-5 and 35.03-5).

Agriculture Victoria has published Guidelines for Land Capability Assessment in Victoria (1981), which provides a land capability rating system for the various project elements proposed.

The proponent has provided a brief four-page land capability letter report; however, this report addresses suitable footing systems for buildings only.

The Committee notes that the proposal is a significant intensification of land use and the capability of land to sustain this intensification is an important consideration. Flooding and flood protection are a related land capability issue (see Chapter 8).

As contemplated by the Planning Scheme, the planning process would benefit from a land capability assessment that addressed that the various project elements. For example, the soil characteristics and their ability to sustain healthy turf and absorb nutrients from fertiliser and irrigated treated wastewater without adversely affecting soil chemistry, surface water run-off, groundwater and ultimately Lake Modewarre, particularly in winter.

7.3 Adequacy for exhibition and recommendations

The Committee concludes:
- Land capability assessment is an important planning consideration given the intensification of land use.
- While the land capability assessment provided by the proponent does not adequately addresses the Victorian Guidelines for Land Capability Assessment, the Committee is satisfied that it can be appropriately updated and amended.
- Subject to updates, the land capability report is adequate for public exhibition.
The Committee recommends:

9. **Update the Land Capability Assessment (March 2018) to ensure it is consistent with the Victorian Guidelines for Land Capability Assessment (1981) as part of the backgrounds documents to accompany the public exhibition process.**
8 Flooding

8.1 Background information and issues

The Committee was provided with the following information:
- Flood Report, Water Technology Pty Ltd, 11 May 2018
- Hydrogeological Baseline Study, Water Technology Pty Ltd, 26 March 2019 (Document 14)
- Infrastructure servicing report, SMEC, May 2018
- Corangamite CMA (CCMA) letter, 11 April 2019 (Document 19)
- Flood flow diagram, Tract Consultants, 11 April 2019 (Document 21)
- Tract letter to CORA DAC, 12 April 2019 (Documents 20 and 23).

The key issues relate to:
- ability to protect development from flooding
- potential to increase flood risk due to placement of fill
- changes in stormwater quantity and quality (i.e. sediment, salinity and nutrient loads) and potential impacts on Lake Modewarre and groundwater dependent ecosystems.

8.2 Discussion

(i) Flood risk

Lake Modewarre is a terminal lake (closed system). Therefore, there is a significantly increased flood risk from a combination of overland flows entering the site from the wider catchment in various (short) storm events and backwater flood risk resulting from extended periods of above average rainfall over a number of months and years to produce high lake levels.

Flood risk is significantly affected by the assumed flood control height for Lake Modewarre. The Flood Report indicated a relatively small change in level results in a significant change in lake surface area and therefore flood risk. For example, an increase from 114 to 118 metres AHD results in a lake area increase from 549 to 924 hectares.

The flood modelling has determined flood levels, building floor levels and on-site fill requirements. The modelling assumed local drainage infrastructure and flood pathways can control the full lake level to 114 metres AHD in major events.

While the proponent and CCMA have not provided evidence to verify this, the CCMA has indicated it has worked closely with the proponent and their consultant. It advised that their issues have been addressed to the satisfaction of the CCMA in the May 2018 Flood Report (Document 19). The Committee accepts that the CCMA has endorsed the assumption that Lake Modewarre can be reliably controlled to a maximum level of 114 metres AHD.

Notwithstanding this, if 118.4 metres AHD is a potential worst-case scenario (e.g. open drain is blocked or experiences restricted flow), the planning process would be better served if this was modelled to understand the implications for fill requirements, building floor levels, eco-village or the master plan areas/zones – at least from a sensitivity analysis perspective.
Integrated Water Management

The Project will alter the surface water hydrological, sediment, salinity and nutrient regime. Potable water will be imported, treated and disposed of on-site (i.e. irrigation), and to the environment on rare occasions. Likewise, sport grounds and other landscape features will be fertilised and irrigated. Additional surface water runoff will be generated as the development results in large impervious areas.

The Project will require environmental discharge points for water sensitive design features, wastewater winter storage and sewerage pump stations. Changes in surface and groundwater quality and quantity has the potential to impact the environmental values of Lake Modewarre, groundwater dependent ecosystems and the proposed conservation reserve, particularly during winter. To address these issues the proponent proposes to provide additional information in relation to:

- the ecology of Lake Modewarre and groundwater dependent ecosystems (including the values if the Batsons Road culvert is upgraded)
- a water balance model (including nutrients, sediment and salinity)
- groundwater levels, flows and quality.

The Committee supports this additional work and an ‘integrated water management’ approach, including climate change implications.

Adequacy for exhibition and recommendations

The Committee concludes:

- Further information is required to verify that local drainage infrastructure and flood pathways can reliably control the height of Lake Modewarre to 114 metres AHD accounting for both climate variation and potential climate change impacts— including climate change.
- Further information is required in relation to Lake Modewarre ecology, water balance model and groundwater.

The Committee recommends:

10. Update the Flood Report for public exhibition to verify that local drainage infrastructure and flood pathways can reliably control the height of Lake Modewarre to 114 metres AHD, accounting for both climate change and potential climate change impacts.

11. Provide additional information on the following as part of the background reports for public exhibition:
   a) Lake Modewarre ecology and groundwater dependent ecosystems (including the values if the Batsons Road culvert is upgraded).
   b) A water balance model (including nutrients, sediment and salinity).
   c) Groundwater levels, flows and quality.
9 Biodiversity

9.1 Background information and issues

The Committee was provided with the following information:

- Final Biodiversity Assessment, Ecology & Heritage Partners, 14 May 2018
- EES Referral for CORA (Document 12)

The reports listed in Chapter 8 that relate to flooding, surface and groundwater interaction were also considered to the extent they raise potential of groundwater dependent ecosystems and connectivity of on-site and offsite habitats through the floodplain and any water travelling through it.

The key issues relate to:

- vegetation removal
- potential off-site impacts through water quality and project expansion
- adequacy of information for exhibition.

9.2 Discussion

Field studies were undertaken on 9 February, and 9 and 10 November 2017. In addition, targeted studies for the Growling Grass Frog were undertaken. The studies found five ecological vegetation classes existing and 55 indigenous flora species, of which two State significant flora (Salt Lawrencia and Brackish Plains Buttercup) were recorded. No significant fauna was recorded, however potential habitat for the nationally significant Growling Grass Frog was present, which led to targeted surveys being undertaken on 14 and 16 November 2017. These surveys did not observe any Growling Grass Frogs. Potential habitat for State significant bird species was also identified.

The original footprint of the Project would have resulted in approximately 25 hectares of native vegetation being impacted, hence requiring referral under the EE Act for which there is a threshold of 10 hectares. The revised Project description has reduced that footprint such that 8.698 hectares will be impacted. The offset requirement for this is 1.287 general habitat units, and 5.941 species habitat units for prickly arrowgrass. The offset obligation can be met onsite.

The Project was referred under the *Environment Protection and Biodiversity Conservation Act 1999* and was determined not to be a controlled action on 31 July 2018.

The water reports indicate connectivity of the site with off-site areas through groundwater dependent ecosystems and Lake Modewarre, whose waters share the on-site floodplain. Studies of biodiversity undertaken to date are limited to the Project area and do not venture off site. In response to the Committee’s request for further information, the proponent advised it has engaged Ecology and Heritage Partners to undertake an additional scope of work related to Lake Modewarre’s ecology, potential impacts and opportunities and that this work is expected to be completed in May/June 2019.
The proponent has advised there is potential for an additional neighbouring property to be acquired in time for the Project. The Project would benefit from an initial assessment of potential biodiversity features on such properties so that cumulative impacts can be considered from the outset, particularly considering the 10-hectare threshold for recommended referral under the EE Act.

The Final Biodiversity Assessment report has focused on construction impacts from direct removal of vegetation and habitat. It has not considered secondary impacts from the operation of the facilities. Adopting a risk-based approach, potential impacts which may need to be addressed include potential light spill from field lights (if proposed), creation of new on-site water habitats which may attract significant species and the potential for domestic cats to be introduced as a result of the rural residential lots component.

Although the draft overlays include requirements for further relevant studies, detailed recommendations for management measures in the Biodiversity Assessment have not been translated into the draft planning controls.

9.3 Adequacy for exhibition

The Committee concludes:

- The Biodiversity Assessment provides an adequate assessment of potential Project impacts on the immediate Project area from Project construction.
- The Biodiversity Assessment needs to be updated with the latest Project description and precincts and would benefit from a final edit.
- Potential indirect impacts on groundwater dependent ecosystems or adjacent flora and fauna on Lake Modewarre through changed hydrological regime should be considered (noting an additional report to address this will be completed by June 2019).
- Adopting a risk-based approach, potential impacts from the operation of the Project should be considered going forward.

The Committee recommends:

12. Consider how the relevant recommendations from the Biodiversity assessment can be updated and reflected in the revised planning controls.

13. Include the revised Final Biodiversity Assessment Report (May 2018) and the new June 2019 report as background reports for public exhibition.
10 Visual landscape and amenity

10.1 Background information and issues

The Committee was provided with the following information:
- 3D Photomontage Report, Tract Consultants, 11 May 2018 and 12 April 2019
- Landscape Masterplan, Tract Consultants, 10 May 2018
- Draft Amendment Documentation.

The key issues relate to:
- the prominence of scenic landscapes and landscape values as key themes in the MSS and the attempts to address this in the draft amendment
- adequacy of information for exhibition.

10.2 Discussion

The Committee reviewed the MSS and noted the number of strategies and directions aimed at protecting scenic landscapes, recognising the value of rural landscape vistas and particularly limiting rural residential and rural living lots outside settlement boundaries in order to prevent adverse impacts on landscape values. The Committee noted Amendment C121 to the Surf Coast Planning Scheme made some proposed changes to the local policies proposed to be amended for this Project. In terms of tourism, one strategy identified was to ensure new developments use high quality, low intensity and unobtrusive site responsive buildings.

A photomontage of the bulk of proposed facilities and a landscape masterplan with proposed landscaping including potential plant species was provided for review.

The photomontage was useful in showing the likely height and dominance of the proposed development. Layers of the development are very rudimentary and do not provide a great level of detail of the proposed view. Following initial review by the Committee, some context was provided as to how particular viewpoints were chosen. Potential sensitive receptors, landscape character and objectives from a visual perspective were not discussed.

With respect to the landscape masterplan, it is useful to understand indicative plantings for buffers and screening however the level of detail provided may be unnecessary at this stage, particularly considering the proposal for a landscape plan to be a requirement of the planning controls. An understanding of the main principles for landscaping with respect to biodiversity and/or visual amenity objectives would be more beneficial for exhibition.

No technical information was provided with respect to potential noise or air quality impacts. The EPA advised the Committee (Document 18) that:

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Noise must not exceed the recommended levels as set out in Noise from Industry in Regional Victoria (NIRV; EPA Publication 1411, 2011), demonstrated through a noise assessment report. It is advised that noise impacts from the development, such as (but not limited to) the electrical substation, should be considered as part of any assessment and appropriate noise mitigation measures implemented if required. This should also include noise impacts from various uses within the site.
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Further the EPA noted EPA Publication 1518 sets out “Recommended separation distances for industrial residual air emissions” which may be relevant and that “potential amenity impacts
from surrounding land uses (eg animal industries etc) to the proposed development will also need to be considered.”

The Committee notes in various locations, the draft Amendment documentation included:

- a purpose to protect the scenic landscape character of Lake Modewarre and Cape Otway Road environs (Schedule 10 to the Special Use Zone)
- a requirement that the use of land must not detrimentally affect neighbourhood amenity through the appearance of any building, works or materials and must be managed in accordance with specified State Environment Protection Policies regarding noise (Schedule 10 to the Special Use Zone)
- requirements for a landscape masterplan, concept streetscape plan, concept landscape perspectives and a palette of proposed materials and finishes (Schedule 15 to Clause 43.04 Development Plan Overlay)
- design objectives “to provide for the development of low scale high-quality architectural buildings sited within a restored landscape” and to minimise visual prominence of the development (Schedule 27 to Clause 43.02 Design and Development Overlay)
- a requirement for buildings to use “natural colours, muted tones, matte finishes and non-reflective materials” (Schedule 27 to Clause 43.02 Design and Development Overlay)
- a requirement for a landscape plan, lighting assessment and construction management plan to minimise the impact on neighbouring properties (Schedule 27 to Clause 43.02 Design and Development Overlay)
- decision guidelines assessing the impact of development on the amenity of the area and its vistas; “the impact on the character and appearance of the area or features of natural scenic beauty or importance”; whether development protects or enhances the site’s landscape qualities; and, the location and design of landscaping treatments.

The Committee acknowledges the draft amendment anticipated further plans to be prepared to address landscaping and visual amenity. Also, there were measures proposed that should be fairly straightforward to implement and assess. Other aspects may be more difficult given the basic nature of the photomontage on which the current assessment of the Project is formed. For example, it is unclear what forms the basis of the current scenic landscape and character against which impacts are to be assessed. Further work in this area is required.

The Committee notes the draft Amendment provides some requirements around other amenity aspects including light and noise. The EPA advised the relevant standard and the need for a noise assessment report. The Committee notes potential amenity impacts such as visual, noise, light and dust were raised in the community consultation findings and may be subject to public submissions.

10.3 Adequacy for exhibition and recommendations

The Committee concludes:

- Further visual and landscape character information is needed as part of the public exhibition process in order to set a baseline upon which the Amendment and further applications can be assessed.
• An understanding of landscaping principles for the Project would be beneficial for exhibition. Detail to the species level is unnecessary.
• Further information regarding potential amenity impacts and likely management measures would assist addressing concerns likely to be raised in submissions.

The Committee recommends:

15. Include appropriate material to address the potential visual impacts in the public exhibition background material.
16. Address the requirements and provide for the consideration of the amenity issues raised by the EPA in its letter to the Committee (Document 18) as part of the revised Amendment.
11 Public exhibition and hearing

The Committee is required to provide advice to the Minister on whether there is sufficient strategic justification for the proposal to proceed as a draft Planning Scheme Amendment to public exhibition. In doing so, it must identify any omissions or critical information that must be prepared before public exhibition, including matters set out in section 12(2) of the Act. The Committee has broken this task down accordingly:

- Should the proposal proceed to public exhibition?
- What information should be prepared before, or to support public exhibition?
- Have the matters in section 12(2) of the Act been adequately responded to?

Chapters 2 to 10 inclusive of this report provide commentary on the key themes identified as being significant issues in consideration of the Project. Each chapter made conclusions about the adequacy of the Project for exhibition. This chapter brings those matters together to provide the overarching response and recommendations of the Committee in this regard. In summary, these are provided in Table 2.

A key issue is that the proposal is for several different uses and it is unclear what the overall vision for the site is in terms of uses and priorities of uses. For example, on one hand it is to be a “destination venue for elite sports”, with additional tourism offerings including high-end retail, art galleries, sculpture park etc. On the other hand, there is provision for more day-to-day uses such as childcare and artisan retail which may bring in more regular traffic. Further there is proposal for a significant portion of the site to be a Trust of Nature reserve – but little information about what stage this would be established or what the minimum uses permitted are to enable this to be viable.

The information provided to the Committee included several technical reports completed at various times in 2017 and 2018. The Committee understands that projects do evolve, and it is clear that this Project has done so. This has resulted in inconsistencies within the technical reports which need to be addressed. Key variables include a wave pool, wastewater treatment plant and electricity substation. In order to allow a final assessment, the Project assessed needs to be complete, clear and consistent throughout all documents.

It would be preferable that any reports and documents to go on public exhibition be consistent with the current concept plan and the evolved thinking, to not confuse interested parties going forward. All documents and reports should be high resolution to ensure clear plans and maps with appropriate legends and labels.

In preparing for the draft Planning Scheme Amendment, the Committee considers that the supporting material for public exhibition should include new and updated information that addresses the following:

- new Amendment documents that fully respond to the position of the proponent at this point in time, including a revised Explanatory Report and revised zone (noting the retained overlay provisions)
- updated supporting and technical reports that include revision a revised assessment of the Project as it stands now, including a revised Vision
- the various technical reports as highlighted in preceding chapters, as are or as updated as recommended by the Committee
• key technical reports, including planning, economic, landscape and traffic (any others) should be independently peer reviewed for the public hearing process.

The Committee acknowledges this report is being provided to the Minister for his consideration. If the Minister agrees with the Committee that there be a formal public exhibition and hearing process, the Committee considers the following timeframes (at the earliest) could provide a guide for this on the following basis:

- Public exhibition for four (or six weeks) from late May to mid-July 2019
- Directions Hearing – mid August 2019
- Public hearing – late September/October 2019 (up to two to three weeks, shared in Melbourne and Torquay)
- Submission of Committee report – 40 business days from final Hearing day.

These dates will be confirmed by the Committee in consultation with DELWP and the proponent once advised of the decision of the Minister for Planning on whether to proceed or not.

Table 2 provides the findings and conclusions of the Committee in summary form.

Table 2  Findings and Conclusions

<table>
<thead>
<tr>
<th>Term of Reference</th>
<th>Comment</th>
<th>Chapter(s)</th>
</tr>
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<tbody>
<tr>
<td><strong>STAGE 1 – INITIAL ASSESSMENT</strong></td>
<td></td>
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<tr>
<td>14. Initial assessment of material prepared</td>
<td>The Committee reviewed the information provided and highlighted key issues for further response in a letter to the proponent on 20 March 2019. This was responded to in part by the proponent at the Inception Briefing on 28 March 2019 and then through a further response on 12 April 2019.</td>
<td>2, 3, 4, 5, 6, 7, 8, 9, 10</td>
</tr>
<tr>
<td>15. Workshops/meetings</td>
<td>The Committee held an Inception Briefing with the proponent, Surf Coast Shire Council, DELWP and key agencies on 28 March 2019. This was followed by an accompanied inspection of the subject land and its surrounds.</td>
<td>1 and Appendix B</td>
</tr>
<tr>
<td>16 and 27a Sufficient strategic justification to proceed to public exhibition (noting the sub-headings below relate to chapters 2 to 10 of this report)</td>
<td>The Committee considers that there is sufficient strategic justification for the Project to be progressed to a public exhibition and hearing process.</td>
<td>2</td>
</tr>
<tr>
<td>• Planning and land use</td>
<td>There needs to be a much clearer Vision of the Project and how the mix of land uses will work, including an understanding of which land uses are negotiable, and which are not. There should be an outline of the timing and staging of the Project, and how it will be delivered and by whom. The selection of the Special Use Zone needs to be reviewed, with the Comprehensive Development Zone further explored.</td>
<td>2</td>
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<tr>
<td>Term of Reference</td>
<td>Comment</td>
<td>Chapter(s)</td>
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<tr>
<td>Social and community</td>
<td>Community engagement commenced early in the process, and those involved in that should be re-contacted to advise of the evolving nature of the Project to keep them informed. There are no social and community impact reasons not to proceed to public exhibition.</td>
<td>3</td>
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<tr>
<td>Economic impacts</td>
<td>There are no economic impact reasons not to proceed to public exhibition.</td>
<td>4</td>
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<tr>
<td>Transport and infrastructure</td>
<td>There are no transport and infrastructure reasons not to proceed to public exhibition.</td>
<td>5</td>
</tr>
<tr>
<td>Agricultural land quality</td>
<td>There are no agricultural land quality reasons not to proceed to public exhibition.</td>
<td>6</td>
</tr>
<tr>
<td>Land capability</td>
<td>Subject to additional information, there are no land capability reasons not to proceed to public exhibition.</td>
<td>7</td>
</tr>
<tr>
<td>Flooding</td>
<td>Subject to additional information, there are no flooding reasons not to proceed to public exhibition.</td>
<td>8</td>
</tr>
<tr>
<td>Biodiversity</td>
<td>There are no biodiversity reasons not to proceed to public exhibition</td>
<td>9</td>
</tr>
<tr>
<td>Visual landscape and amenity</td>
<td>There are no visual landscape or amenity reasons not to proceed to public exhibition</td>
<td>10</td>
</tr>
<tr>
<td>17. Response to section 12(2) of the Act:</td>
<td>While these matters will be further tested during a public exhibition and hearing process, the following comments are relevant.</td>
<td></td>
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<tr>
<td>s12(2)(a) – Ministers Directions</td>
<td>These will be assessed as part of the public Hearing process.</td>
<td>2</td>
</tr>
<tr>
<td>s12(2)(aa) – Victoria Planning Provisions</td>
<td>These will be assessed as part of the public Hearing process.</td>
<td></td>
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<tr>
<td>s12(2)(ab) – municipal strategic statement, strategic plan, policy, code or guideline</td>
<td>These will be assessed as part of the public Hearing process.</td>
<td>2</td>
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<tr>
<td>s12(2)(b) – significant effects on the environment</td>
<td>There are currently no identified potential significant effects on the environment from the Project. Further information specified in Chapter 8 is required to understand potential issues related to the floodplain. Should the Project area expand, cumulative impacts on biodiversity and their significance need to be considered.</td>
<td>6, 7, 8, 9</td>
</tr>
<tr>
<td>Term of Reference</td>
<td>Comment</td>
<td>Chapter(s)</td>
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<tr>
<td>s12(2)(c) – social and economic effects</td>
<td>The Surf Coast Shire Council, agencies, the community and other interested parties will benefit from ongoing and considered engagement throughout the process, building on the initial engagement in late 2017. The Economic Assessment report should be reviewed and updated to reflect the current proposal going forward. A further report should be prepared that includes a review of social impacts and a comprehensive analysis of net community benefit.</td>
<td>3, 4</td>
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**STAGE 4: OUTCOMES**

27. Produce a report

This is the report in response to Stage 1 of the Terms of Reference.

27b. Recommendation whether proposal should proceed to public exhibition and public hearing

The proposal should proceed to a public exhibition and hearing process. A revised draft Amendment should be prepared taking into account all matters raised in this report, but particularly the zone and overlay selection. Any zone selected should ensure there is a draft Comprehensive Development Plan (or similar) provided as part of the exhibition to ensure that there is sufficient information in the public arena to demonstrate clarity about what is proposed.

27c. Critical information that must be provided prior to public exhibition

For the purpose of public exhibition, the proponent should prepare revised Amendment documents, including new Explanatory Report, new Comprehensive Development Zone and draft Comprehensive Development Plan (if selected) and updated background and technical reports that respond to the current concept proposal. The Committee sees no reason to further review these documents prior to the exhibition period.

2, 7, 8, 9
Appendix A  Terms of Reference

Cape Otway Road Australia Development Advisory Committee

Advisory committee appointed pursuant to Part 7, section 151 of the Planning and Environment Act 1987 to report on the proposed elite athlete training, accommodation, retail and tourism facility by COESR Pty Ltd at 1300-1320 Cape Otway Road, Modewarre

Name

The advisory committee is to be known as the ‘Cape Otway Road Australia Development Advisory Committee’ (CORADAC).

1. The CORADAC is to have members with the following skills:
   a. Strategic and statutory planning
   b. Economic, retail and tourism development feasibility
   c. Environment (with knowledge of hydrology), biodiversity

The CORADAC may engage specialist advice as required.

Purpose

2. The purpose of the CORADAC is to advise the Minister for Planning on all relevant planning matters associated with the proposed Cape Otway Road Australia development proposal including:
   a. the strategic planning and planning policy context and merits
   b. the net community benefit of the project
   c. the potential environmental impacts and net environmental gain
   d. any potential risks associated with the proposed sequencing of the development
   e. the suitability of the site for the proposed development
   f. the suitability of the proposed planning controls.

Background

3. The 240-hectare Cape Otway Road, Modewarre site is located directly south of Lake Modewarre and consists of six rural lots.

4. The site is mainly within the Rural Conservation Zone and partly within the Farming Zone.

5. The proposal seeks to provide for elite athletes in a high-performance sports training facility, featuring a sports science, innovation and education hub, sports fields with four and five-star accommodation, including 37 eco-lodges and a 128-room hotel, wellness centre, retail village (1 830 m2) with fine and casual dining, art gallery (550 m2), sculpture park, farmers market venue, childcare centre, micro-brewery (1 425 m2), office (1 060 m2), 24 rural residential lots, 24 homestead lodges (some for staff accommodation) and a sewerage treatment plant.

6. The site currently includes a broiler farm in the south-eastern corner, and the remainder of the land is used for grazing around the existing ephemeral wetland located south of Lake Modewarre.
7. Lake Modewarre is a shallow crater lake managed by the Department of Environment, Land, Water and Planning (DELWP) for recreation purposes and is an important recreational fishery.

8. The site is located within the Great Ocean Road region ‘interface area’ i.e. outside the proposed study area for the Great Ocean Road Strategic Framework Plan.

9. The Surf Coast Shire Council (council) reviewed the proponent’s draft planning scheme amendment documentation, technical reports and revised concept masterplan and precinct plans for the proposed project. Subsequently, the council requested that the Minister for Planning become the planning authority for the amendment as it considered it to be of regional, state and broader significance. The proponent COESR Pty Ltd has also requested the Minister to undertake the planning authority role.

10. On 15 October 2018, the Minister for Planning advised the council and the proponent that he had decided to refer the CORA proposal to an independent advisory committee.

Method

11. The CORADAC consideration of the proposal is expected to proceed in four stages.

12. The CORADAC may apply to the Minister for Planning to vary these Terms of Reference in any way it sees fit prior to submission of its final report to the Minister for Planning.

13. The CORADAC requires a quorum of two members, one of whom must be the Chair or the Deputy Chair, for any workshops, forums or hearings.

Stage 1 - Initial assessment

14. The CORADAC is to undertake an initial assessment of the material that has been prepared by the proponent.

15. The CORADAC is not expected to carry out public notification or conduct a public hearing during its Stage 1 initial assessment but may invite DELWP Planning or any other party, including those listed at Clause 21, to identify or address any matters through meetings, workshops or written comments.

16. As an outcome of this assessment, the CORADAC must consider whether there is sufficient strategic justification for the proposal to proceed as a draft Amendment to public exhibition.

17. If the CORADAC is satisfied that there is sufficient strategic justification for the proposal to proceed to public exhibition, it is to identify any omissions or critical information that it considers must be prepared before public exhibition of the proposal. This includes, but is not limited to, the information that is required to address those matters set out in section 12(2) of the Planning and Environment Act 1987.

Stage 2 - Exhibition

18. If the Minister for Planning is satisfied that there is sufficient strategic justification for the proposal to proceed to public exhibition, he may direct that the additional material identified by the CORADAC is provided. Public notice of the proposal, relevant background material and any associated amended planning controls must be given.

19. The proponent must either produce the additional material or advise that it no longer wishes to proceed with the proposal, within 30 business days of the date it receives the Stage 1 report unless an extension of time is approved by the Minister’s delegate.
20. After the additional material required by the CORADAC is provided, DELWP Planning must liaise with the CORADAC to agree:
   a. the scope of public exhibition
   b. the public exhibition dates
   c. the directions hearing date
   d. the public hearing dates.
   The agreed dates are to be included on all notices.

21. The following agency parties will also be invited to make submissions and appear at the public hearing:
   a. Surf Coast Shire Council
   b. Department of Jobs, Precincts and Regions - Invest Assist
   c. Regional Development Victoria
   d. Corangamite Catchment Management Authority
   e. Sport and Recreation Victoria
   f. Tourism Victoria
   g. Country Fire Authority
   h. DELWP Environment
   i. Environment Protection Authority
   j. Wathaurung Aboriginal Corporation
   k. Any other relevant parties as identified by the Committee, including local submitters.

22. All submissions are to be collected at the office of Planning Panels Victoria (PPV) in accordance with the ‘Guide to Privacy at PPV’. Electronic copies of submissions will be provided to DELWP Planning, Surf Coast Shire Council and the proponent.

23. Petitions and pro-forma letters will be treated as a single submission and only the first name to appear on the first page of the submission will receive correspondence on CORADAC matters.

Stage 3 - Public Hearing

24. Following exhibition, the CORADAC is expected to hold a directions hearing and a public hearing and provide all submitters with an opportunity to be heard.

25. The CORADAC may conduct workshops, forums or other meetings as necessary.

26. The CORADAC may limit the time of parties appearing before it and may prohibit or regulate cross-examination.

Stage 4 - Outcomes

27. The CORADAC must produce a written report for the Minister for Planning following its Stage 1 Initial Assessment. The report must include:
   a. an assessment of the material prepared by the proponent and a conclusion about whether there is sufficient strategic justification for the proposal to proceed to public exhibition,
b. a recommendation to the Minister for Planning on whether the proposal should proceed to public exhibition (Stage 2) and a public hearing (Stage 3), and
c. a description of any critical information which must be provided before the public exhibition of the proposal, where the CORADAC recommends the proposal proceeds to public exhibition.

28. Should the CORADAC proceed to a public hearing (Stage 3), after the conclusion of the public hearing, it must produce a written final report for the Minister for Planning which includes:
   a. an assessment of all planning matters relevant to the proposed CORA development, and
   b. consideration of the matters listed under ‘Stage 1 – Initial Assessment’ and Clause 29.

29. The CORADAC may inform itself in any way it sees fit, but must consider all relevant matters including but not limited to:
   a. provisions of the Planning and Environment Act 1987 and the Surf Coast Planning Scheme, including any adopted plans, strategies or planning scheme amendments,
   b. the views of the proponent (COESR Pty Ltd), and all relevant material prepared by or for the proponent including any amended documentation and matters related to requirements under the Environment Protection Act 1970, the Aboriginal Heritage Act 2006 and the Environment Effects Act 1978,
   c. all relevant material provided to the it by all participating parties, and
   d. all submissions and evidence received.

30. Following the final submission and sign-off of the report, the CORADAC may deliver an oral briefing to DELWP Planning or the Minister.

Submissions are public documents

31. The CORADAC must retain a library of any written submissions or other supporting documentation provided to it directly to it until a decision has been made on its report or five years has passed from the time of its appointment.

Timing

32. The CORADAC is required to complete its Stage 1 report no later than 40 business days from the date that Panel Panels Victoria is formally notified of the appointment of CORADAC.

33. The CORADAC is required to submit its final report following Stage 3 no later than 40 business days from the final day of public hearings.

Fee

34. The fee for the CORADAC will be set at the current rate for a Panel appointed under Part 8 of the Planning and Environment Act 1987.

35. The costs of the CORADAC and any associated public consultation notification will be met by COESR Pty Ltd.
The following information does not form part the Terms of Reference.

**Project Management**

1. Administrative and operational support to the Committee will be provided by Mark Gregory, Senior Regional Planner, Barwon South West Region, the Department of Environment, Land, Water and Planning, 03 5226 4606 and mark.gregory@delwp.vic.gov.au.

2. Day to day liaison for the CORADAC will be through Joseph Morrow, Project Officer, of Planning Panels Victoria on (03) 8392 5137 or planning.panels@delwp.vic.gov.au.
## Appendix B  Stage 1 Inception Briefing

<table>
<thead>
<tr>
<th>Proponent/Agency</th>
<th>Represented by</th>
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<tbody>
<tr>
<td>COESR Pty Ltd</td>
<td>Olivia Tipler and Daryl Pelchen of COESR Pty Ltd</td>
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<tr>
<td></td>
<td>Mark Naughton, Rob McKendrick and Zoe Cochrane of Property and Planning Partners</td>
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<tr>
<td></td>
<td>Simon Loader of Tract Consultants</td>
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<tr>
<td>Surf Coast Shire Council</td>
<td>Karen Hose, Strategic Land Use Planning Co-ordinator</td>
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<tr>
<td></td>
<td>Matt Taylor, Manager Economic Development and Tourism</td>
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<tr>
<td>DELWP</td>
<td>Mark Gregory, Senior Regional Planner, Barwon South West Region</td>
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<tr>
<td>Regional Development Victoria</td>
<td>Hadden Finger, Investment and Trade</td>
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<tr>
<td>Sports and Recreation Victoria</td>
<td>Simon Thompson, Victoria Camps Team</td>
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<tr>
<td>Environment Protection Authority</td>
<td>Kerry Atkins, Senior Planning Assessment Officer</td>
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<tr>
<td>Barwon Water</td>
<td>Rhys Bennett, Co-ordinator Network Planning</td>
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<tr>
<td>Great Ocean Road Regional Tourism Ld</td>
<td>Liz Price, General Manager</td>
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<tr>
<td>VicRoads (Regional Roads Victoria)</td>
<td>Sam Pirrotta, Manager Planning</td>
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<tr>
<td></td>
<td>Greg Hayes, Team Leader Statutory Planning</td>
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## Appendix C  Document list

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<th>Date</th>
<th>Description</th>
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<tr>
<td>1</td>
<td>17/03/19</td>
<td>Revised Terms of Reference</td>
<td>Mr Morrow, PPV</td>
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<tr>
<td>2</td>
<td>21/03/19</td>
<td>Issues on notice for the Proponent</td>
<td>Mr Morrow</td>
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<td>3</td>
<td>22/03/19</td>
<td>Geelong Region Alliance (G21) letter</td>
<td>Ms Carbines, G21</td>
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<td>4</td>
<td>25/03/19</td>
<td>CORA Victoria Business Case, Ernst &amp; Young</td>
<td>Mr McKendrick, Planning Property Partners</td>
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<td></td>
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<td>CORA Workshop Draft response to issues on notice</td>
<td>Mr Naughton, Planning Property Partners</td>
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<td>CORA Strategic Justification, Robert Milner</td>
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<td>7</td>
<td></td>
<td>Ownership plan of land parcels</td>
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<td>CORA Corporate Structure</td>
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<td>CORA Precinct and staging maps</td>
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<td>CORA Plan of contours</td>
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<td><em>Environment Protection and Biodiversity Conservation Act 1999 Notification of decision</em></td>
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<td>EES Referral for CORA – bundle of four documents</td>
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<td>CORADAC Response to Issue 6.3 (by Water Technology)</td>
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<td>Concept plan 10.05.2018</td>
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<td>29/03/19</td>
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<td>12/04/19</td>
<td>Proponent Response to initial queries and concerns</td>
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<td>21</td>
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<td>Flood Flow Diagram</td>
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<td>Cape Otway Village Photomontage Report</td>
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<td>Barwon Water (email advice regarding sewer servicing)</td>
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<td>Letter to CORADAC Chair from Ms Homewood, DELWP</td>
<td>Ms Mitchell, Committee Chair</td>
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