# CONSIDERATION OF RESPONSES TO PETITIONS, NOTICES OF MOTION AND GENERAL BUSINESS

## PROTECTION OF OPEN SPACE VALUES AT STRATHALLAN GOLF COURSE

**Author:** Manager Strategic Assets Management

**Reviewed By:** Director City Futures and Assets

## Report Background

This report is in response to Notice of Motion No. 329 from the Council meeting held on 13 February 2017.

## Previous Council Resolution

At its meeting held on 13 February 2017, Council resolved:

*‘That Darebin Council*

1. *Supports the retention of the much needed open space provided by the Strathallan Golf Course and the original town planning vision that protected this land with Public Open Space and Recreation zoning.*
2. *Request an officers report, seeking the following information:*
	1. *Options and costs for the Council, State and/or Federal governments for, placing a caveat or covenant on the land to prevent development, for compulsorily acquiring the land, or, any other option which could be used to protect the land for future generations.*
	2. *Clarify who the responsible authority/ies will be should an application for rezoning be received.*
	3. *Include the circumstances of the transfer of the land from the Department of Health to La Trobe University, including the cost of the land at that time and any conditions or expectations that were attached to its transfer.*
	4. *An indicative valuation of the land based upon its current public park/recreation zoning, and a general residential zoning.*
	5. *Long-term protection of conservation areas and the public open space network in Bundoora and Macleod in La Trobe Ward for consideration by the new proposed Darebin Nature Trust. The report will cover flood mitigation issues for surrounding and downstream areas.*
3. *Council will arrange a meeting with community stakeholders including the Save Strathallan Open Space Community Coalition Inc., the Springthorpe Owners Corporation and representatives from Strathallan Golf Club.*
4. *That the Mayor write to the Vice Chancellor of La Trobe University seeking a meeting to discuss the university's intentions regarding the land.*
5. *The Mayor to write to the Minister for Planning, the Minister for Finance/Member for Preston and the Member for Bundoora expressing support for the retention of the open space to protect the environmental values of the land and retain the important recreation services provided to the community by the Strathallan Golf Course.’*

## Previous Briefing(s)

This matter has not previously been to a Councillor Briefing.

## Council Plan Goal/Endorsed Strategy

Goal 1 - Vibrant City and Innovative Economy

1.6 Amenity and heritage – ensure all new development respects neighbourhood character and protects local amenity and heritage

Goal 2 - Healthy and Connected Community

2.3 Quality of life – ensure our approach to policies, strategies and service delivery promotes positive social and health equity outcomes for all residents and, where possible, reduces the burden of disease

2.6 Community health and fitness and access to opportunities – promote policies, strategies, frameworks, initiatives and physical environments, that help improve the community‟s mental and physical health and fitness and provide opportunities to access parks and gardens, play spaces, festivals and events

Goal 3 - Sustainable and Resilient Neighbourhoods

3.1 Environment Protection – place ecological sustainability at the heart of all decision making, including policy, service delivery and regulation

3.3 Land use, WSUD and transport planning – implement land use, Water Sensitive Urban Design (WSUD) and sustainable transport policies and initiatives that achieve good environmental outcomes

3.7 Biodiversity, wildlife corridors, cultural heritage assets and waterways – protect and enhance biodiversity, natural and cultural heritage assets, wildlife corridors, local forests, waterways and the built and natural heritage areas

3.11 Advocacy and partnerships initiatives – form strategic alliances and partnerships and undertake advocacy and engagement in wider environment debates to further environmental objectives

## Summary

The Strathallan Golf Course forms part of a large network of open space throughout Bundoora which also includes conservation reserves and a wildlife sanctuary. La Trobe University, the owner of the 18 hectare site, has advised the Strathallan Golf Club that their lease would not be renewed once it ends in January 2019. La Trobe University has further advised that they intend to develop the land, though details of the nature of the proposed development keep changing.

As the land is likely to have a current market value in excess of $50,000,000 it is not considered feasible for Council to purchase the land to protect it from development. The land is zoned Public Park and Recreation Zone and a planning scheme amendment would be required to change the zoning prior to any development occurring – only Council and the Minister for Planning have the power to process such an amendment.

This report recommends that Council work with local community groups to advocate with the Victorian Government and La Trobe University to retain this land as open space.

**Recommendation**

**That** Council:

1. Reaffirms that it supports the retention of the open space provided by the Strathallan Golf Course and re-emphasises the original intentions for this land to serve as a buffer between local conservation reserves and residential development when this land was first declared public open space by the Victorian Government.
2. Convenes a meeting with representatives of relevant community stakeholder groups to discuss a shared advocacy approach to protecting the open space value of the Strathallan Golf Course.
3. Provides a submission to the Victorian Government‟s consultation processes for both the Statewide Golf Course Strategy and the Metropolitan Open Space Strategy supporting its position that the land occupied by the Strathallan Golf Course positively contributes to open space values in the City of Darebin.

## Introduction

The Strathallan Golf Course occupies 18.04 hectares of land in Bundoora (the Land). It contains a nine-hole golf course and services both golf club members and the general public.

## Issues and Discussion

#### History

The Land was originally part of the Mont Park-Larundel Hospital complex and was Crown land. A 9-hole golf course was created on the land in 1954 to for use by patients and hospital employees. Over time the course expanded to 18 holes and opened to the public in 1957. Even though the hospitals were closed in the late eighties use of the land as a golf course continued.

The Victorian Government provided for a Crown grant of the land (as part of a much larger development site) to the Urban Land Authority in 1995. The Urban Land Authority oversaw the creation of the Gresswell and Springthorpe estates to either side of the golf course. During this period, half of the golf course was turned into a habitat link joining the Gresswell Forest with the La Trobe University Wildlife Sanctuary. The Strathallan Golf Club leased the land from the Urban Land Authority until 1999.

The remainder of the Land (the golf course) was earmarked for residential development, however action by the community and the Golf Club saw an independent review panel established which recommended that the Victorian Government allow for the golf course to be retained as a buffer between the residential development (at the Gresswell estate to the west) and the habitat link (to the east). The land was then zoned a Public Park and Recreation Zone to reflect its intended use.

In 1999, the Urban Land Authority sold the land to La Trobe University for $580,000. Whilst this value would have been based on the continued use of the land as open space, no restrictions were placed on the title which would prevent La Trobe from selling it, or selling it for a profit.

La Trobe is currently leasing the land to the Strathallan Golf Club. La Trobe have advised the golf club that they will not be renewing the lease upon its expiry 25 January 2019.

#### Protection of the land

The land is known as 100 Main Drive, Bundoora (vol. 10232 fol. 736), being Lot B on Plan of Subdivision 328980H. Other than a 6 metre wide water supply easement in favour of the Melbourne Water Corporation (refer to Appendix A), there is nothing about the title which would prevent or restrict the sale or development of the land.

Council, at its meeting of 13 February 2017, requested information on various methods to protect the land for future generations, specifically mentioning the use of a caveat, covenant and compulsory acquisition.

Council does not have a caveatable interest in the land and so would not be successful in placing a caveat on the land under section 26R of the Transfer of Land Act 1958. Notwithstanding this, a caveat would not serve to protect the land from development, only to temporarily prevent the Titles Office from processing dealings in relation to the caveated land (e.g. issuing a title to a new owner).

A restrictive covenant is a private treaty or written agreement between land owners that limits the way in which land can be used and/or developed. Once registered, a covenant would be recorded on the title for the land. Council would require the consent of the land owner, La Trobe University, to place a restrictive covenant on the title for the land to preserve any or all of the land as open space.

Section 187 of the *Local Government Act 1989* empowers Council to purchase or compulsorily acquire any land which is or may be required by the Council for, or in connection with, or as incidental to, the performance of its functions or the exercise of its powers. The Land Acquisition and Compensation Act 1986 would apply to exercise of this power. In the case of a compulsory acquisition, Council would need to make an amendment to the Darebin Planning Scheme to introduce a Public Acquisition Overlay (PAO) to the land. This planning scheme amendment to introduce a PAO would be subject to the same advertising, notification, exhibition submission, objection, hearings and Ministerial approval process as any other planning scheme amendment. Should the amendment be approved and a notice published in the Government Gazette, Council would acquire interest in the land (i.e. become its owner) and compensation would be payable to La Trobe equal to the value of the land.

#### Land Rezoning

In 1992 the Minister for Planning approved amendment RL 145 to the Diamond Valley Shire planning scheme which rezoned the land at the Strathallan Golf Course from its previous public purposes (health) zoning to Public Park and Recreation zone. The rezoning followed community concern at the time regarding the potential loss of the golf course as part of what would become the Gresswell Grange redevelopment. By extending the „public open space buffer‟ between the proposed development and nature conservation reserve to include the whole of the golf course land, the Victorian Government, via the Urban Land Authority, was able to proceed with the proposed development at Gresswell Grange.

The land‟s zoning as Public Park and Recreation Zone (PPRZ) under the Darebin Planning Scheme is the strongest protection for open space that is available to Council. PPRZ provides for recognition of areas for public recreation and open space whilst protecting and conserving areas of significance. PPRZ denotes the land as being required for public purposes and under the control of a public land manager.

The land must be rezoned to a more appropriate zoning in order for any development to occur on the site. This could be done in conjunction with a Development Plan Overlay that would control, in broad brushstrokes, what can be done to the site.

It is considered that La Trobe University would be unlikely to sell the land without it being rezoned, as the land price would be severely impacted by the risk associated with the potential of not being able to rezone the land.

A planning scheme amendment process would be commenced once Council receives an application from the landowner seeking to have an amendment undertaken. Ordinarily, Council would work with a landowner to negotiate costs and timeframes for the amendment process. Following this, a report would be provided to Council to start the statutory process and there would be advertising, notification, exhibition submission, objection, hearings and Ministerial approval process as any other amendment.

As Council may refuse to consider a planning scheme amendment that is proposed by a property owner (e.g. La Trobe), the property owner would be able to directly apply to the Minister for Planning for consideration of the amendment.

#### Land Valuation

For rating purposes, the land is currently valued by Council at $2.12M on the basis of it being open space and that it is used for active recreation purposes. It needs to be borne in mind that the land is owned by La Trobe University and not the Victorian Government. Should La Trobe decide to sell the land there would be no first right of refusal and „discount‟ for community use available to Council.

Based on the area (180,400m²) and an estimated land value of $800/m², the site value could potentially yield a total site value in the order of $144,320,000, say $150M. However this value could only be achieved after the land is subdivided and service infrastructure (roads, drains, streetlighting, gas, electricity, water, NBN) is constructed. In practice, a developer would spend approximately a third of this value (say $50M) to provide service infrastructure and would be looking for a profit of one third ($50M), meaning the land is more likely to have a value in the order of $50M in its current undeveloped state should the land be rezoned to allow for development (which is most likely to be a General Residential Zone 1 – GRZ1).

#### Regional Open Space Network

The Strathallan Golf Course land lies adjacent to the Gresswell Nature Conservation Reserves. The Gresswell Nature Conservation Reserve includes Gresswell Forest, Gresswell Hill and Gresswell Habitat Link, providing an area of 70 hectares of land reserves to protect the diverse and significant flora and fauna of the local area. The reserves are accessible via walking trails which allow park visitors to enjoy and observe the reserves‟ abundant wildlife and unique vegetation. However, facilities are limited within the three reserves; there are no barbecues, picnic tables, rubbish bins or toilets. Dogs, cats and bicycles are not permitted within the Gresswell Forest and Gresswell Hill nature conservation reserves. As noted earlier in the report, the Strathallan Golf Course land was zoned as open space to provide for a buffer between the nature conservation reserves to the east and the residential development to the west.

Whilst the land lies within a precinct which is well provided for in terms of quantity of open space, the majority of nearby open spaces are nature conservation reserves which have limited usefulness to casual open space users. After-hours use of the golf course land as a dog-friendly walking track is highly valued by the local community – as it is an activity which is prohibited in the adjacent nature conservation reserves.

The majority of the land within the golf course has been developed from its original natural state into a golf course featuring grassed fairways and manicured putting greens. Despite this a large number of trees of varying species, sizes and ages cover much of the site.

#### Flooding Concerns

The land in question is not flood-prone, but has a large area (18 ha) and has over 20 metres in fall over its length (i.e. it is on the side of a hill) so it will gather stormwater and that stormwater will move across the land.

A small portion of the land (approx. 5%) is subject to overland flows of stormwater in heavy rainfall events. These overland flows also impact residential properties in the Gresswell Grange estate. Council‟s engineers have been investigating potential works to redirect the overland flows along the western boundary of the golf course land to direct the stormwater to the retention ponds on Main Drive.

Should any development proposal for the site proceed, it is anticipated that Council would require management of these overland flows.

Council is a party to an agreement with La Trobe University and the Urban Land Authority to manage and maintain water quality treatment and retarding ponds on the land. These ponds are located at the south-western tip of the site and are accessible from Main Drive, Grange Boulevard and Moonstone Walk.

#### Letters to Parliamentarians

In March 2017, the Mayor wrote to the Minister for Planning – the Hon. Richard Wynne MP, the Member for Preston – the Hon. Robin Scott MP, and the Member for Bundoora – Colin Brooks MP advising that the community has a significant attachment to the Land and its inherent environmental, ecological and open space values, and requesting their assistance and support to retain this land as open space.

The Member for Bundoora – Colin Brooks MP responded in April advising that he believed that the best interests of the community would be served by allowing the golf club to continue to use the land as was originally envisaged at the time the former hospitals were closed down and subdivided. Mr Brooks also provided a copy of an earlier letter of his to La Trobe University voicing his opposition to La Trobe‟s intentions to cease the golf club‟s lease.

The Member for Preston – the Hon. Robin Scott MP, responded in May advising that this matter falls within the portfolio responsibility of the Minister for Training and Skills – the Hon. Gayle Tierney MP and that this matter was forwarded to her for consideration. Council subsequently received an acknowledgement letter from the office of the Minister for Training and Skills in late May.

The Minister for Planning – the Hon. Richard Wynne MP, replied in May advising that he noted the history of the land as a golf course and buffer to the adjoining habitat link from urban development. Council was advised that the engagement process for the development of a Statewide Golf Courses Strategy and also the Metropolitan Open Space Strategy were opportunities for Council to advocate for the retention of the golf course land as open space.

**Meeting with** La Trobe

The Mayor and the Acting Chief Executive met with representatives from La Trobe University in late May 2017 to discuss the University‟s plans for the Strathallan Golf Course.

The university advised of the following:

* It has decided to cease the lease for the Golf Club.
* It does not have a fixed view about the future of the site.
* It has an open mind for possible future uses of the site, however such uses would need to relate to the function of the university.
* A community consultation process is being arranged to better understand stakeholder views about the most appropriate use of the land.
* The consultation process would commence in July or August 2017.

La Trobe University further advised the Mayor and the Acting Chief Executive that they are aware of the environmental qualities of the site and are committed to protecting the eco- systems, biodiversity and water quality the site generates upstream of the university campus.

## Options for Consideration

#### Option 1 – Do Nothing

Council could decide to take no further action at this time.

This could be as part of a strategy to not become involved or as part of a strategy to wait and see what La Trobe proposes for the land before deciding if further action is required.

Taking no action is likely to be seen by the community as Council failing to fulfil its role of representing community interests.

#### Option 2 – Advocacy (Recommended)

Council could continue with its advocacy activities with both La Trobe University and the Victorian Government.

This action could involve meeting with local community group representatives to co-ordinate a collective advocacy effort with both the Victorian Government and La Trobe University, as indicated by the earlier resolution of Council (13 February 2017).

Council‟s advocacy efforts should involve responding to the Victorian Government‟s consultation processes for both the Statewide Golf Courses Strategy and the Metropolitan Open Space Strategy to highlight the importance of the open space value presented by the land occupied by the Strathallan Golf Club.

#### Not an Option – Purchase

Purchase of the land to protect its open space values, whether by direct approach to the university or by compulsory acquisition, is not included as an option due to the anticipated prohibitively high cost of the land given its development potential.

There is unlikely to be an option where La Trobe University would surrender this land to Council at an open space value, however if this option arises in discussions with La Trobe, then it should be considered.

## Financial and Resource Implications

There are no financial implications at this point in time.

## Risk Management

Risk issues are covered under the options analysis.

**Policy Implications**

**Economic Development**

There are no factors in this report which would impact upon economic development

#### Environmental Sustainability

Issues surrounding environmental sustainability, with particular regard to the open space value of the land, are covered within the body of the report.

#### Human Rights, Equity and Inclusion

There are no factors in this report which impact on human rights, equity or inclusion.

#### Other

There are no other factors which impact on this report.

## Future Actions

* Meeting with community representatives
* Submission to Statewide Golf Courses Strategy consultation
* Submission to Metropolitan Open Space Strategy consultation
* Submission to La Trobe University consultation on future of Strathallan Golf Course land

## Consultation and Advocacy

* Strathallan Golf Club
* Strategic Planning department
* City Development department

## Related Documents

* Volume 10232 Folio 736, Lot B on Plan of Subdivision 328980H (Title for Strathallan Golf Course at 100 Main Drive Bundoora)
* *Local Government Act 1989*
* *Planning and Environment Act 1989*
* *Land Acquisition and Compensation Act 1986*
* Letter from Mayor to Member for Bundoora (23 March 2017)
* Letter from Mayor to Member for Preston (23 March 2017)
* Letter from Mayor to Minister for Planning (23 March 2017)
* Letter from Ministerial Mail Team to Mayor (29 March 2017)
* Letter from Member for Bundoora to Mayor (4 April 2017)
* Letter from office of Member for Preston to Mayor (4 May 2017)
* Letter from Minister for Planning to Mayor (14 May 2017)
* Letter from Minister for Training and Skills (18 May 2017)
* Council Minutes – 13 February 2017

## Attachments

Nil

## Disclosure of Interest

Section 80C of the *Local Government Act 1989* requires members of Council staff and persons engaged under contract to provide advice to Council to disclose any direct or indirect interest in a matter to which the advice relates.

The Officer reviewing this report, having made enquiries with relevant members of staff, reports that no disclosable interests have been raised in relation to this report.