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Colac Otway
SHIRE

Naturally Progressive

25 September 2007

The Secretary
Select Committee on Public Land Development
Legislative Council, Parliament of Victoria
Spring St
Melbourne 3000

Dear Mr Willis

Submission to the Select Committee on Public Land Development

Please accept the attached submission to the Select Committee 'Inquiry into the sale and development of public land and open space' on behalf of the Colac Otway Shire.

If you have any enquiries concerning this matter please contact me on 5232 9450

Yours sincerely

Mike Barrow
Manager Economic Development

Legislative Council of Victoria

Inquiry into the sale and development of public land and open space.

Public land is a valuable resource for social, economic and environmental well being. Sale or alienation of public land or open space is desirable only if the social, economic and environmental benefits to the community are enhanced.

The Colac Otway Shire is one of the most picturesque municipalities in Victoria, covering a diverse area from volcanic lakes, craters and plains in the north, through the hinterland forests of the Otway Ranges to the Great Ocean Road coastline. Colac is the key industrial, commercial and service centre for the Shire and surrounding region with a population of 12,000. Apollo Bay is the other major urban centre with a permanent population of 1,000 that swells to over 15,000 during the summer season.

Spectacular natural scenery abounds throughout the region with the mighty timbers and magnificent waterfalls of the Otways, the lush green hills that roll down to long stretches of sandy beaches of the Great Ocean Road, the volcanic lakes, craters and wetlands of the Hinterland - something for everyone to enjoy.

The Shire hosts some of Australia's greatest National and State Parks including Otway National Park, Carlisle River State Park, Kawarren Regional Park and Lorne-Angahook State Park, supporting a diverse range of flora and fauna.

Otway National Park includes many sites of National and State Rainforest Significance including areas such as the Olangolah Forest and Fauna Reserve, the Aire State Forest and Melba Gully State Park.

Our rivers and streams in the hinterland are also highly valued. The Aire River is identified as a Heritage River while parts of the Gellibrand River and Kennedy's Creek are representative of significant geological or geomorphologic types.

The north of the Shire hosts some of the Western District Ramsar Lakes supporting some 67 waterbird species including several rare and threatened waterbirds such as the Great Egret, Australasian Bittern, Gull-billed Tern, Caspian Tern and Whiskered Tern.

Public land and open space provide facilities for unstructured recreational activities such as walking, running and bike riding, and social activities such as picnics and barbeques. In the context of economic development, many of the people that use public land and open space in Colac Otway Shire are tourists from outside the Shire. Tourism expenditure in the Colac Otway Shire is approximately \$120m per annum. Total employment supported by tourism expenditure is estimated to support 486 full time and part time jobs.

The reason for the popularity of Colac Otway Shire as a tourism destination is the natural environment, access to natural features such as national park forests and access to coastal reserves.

The Shire's open space resources are facing continuing pressure in the context of increasing demand for land development, increasing population density and limited public funds. There is a need to protect the local environment, improve sustainability while catering to increasing community demand for facilities and the growth of tourism.

These are the circumstances that create pressure on the development of publicly owned open space. A case in point is the Apollo Bay Harbour precinct. Currently Colac Otway Shire is working on a Master Plan to guide development of this precinct over the next 20 years. Included in the Master Plan is the proposed availability of crown land abutting the Harbour for commercial development. The commercial development includes shops, swimming pool and associated services and a hotel.

Colac Otway Shire believes that the leasing of this land to enable a public private partnership will stimulate economic growth, produce a net community benefit and enhance the natural environment.

"The Apollo Bay Harbour Precinct will be a new focal point for the town and surrounding region and a 'must see' destination on the Great Ocean Road.

The precinct will be developed with a tourism, fishing, and boating, commercial and recreational focus, strengthening links to the town centre of Apollo Bay and providing net community benefits.

*The Apollo Bay Harbour Precinct will demonstrate best practice in its design and management and contain a **commercial Harbour together with** a range of high quality community and tourist facilities, services and public spaces that will provide enjoyable experiences for residents and visitors year round.*

Components of the new development will showcase the fishing/maritime and indigenous cultural heritage of the town and respect and enhance the surrounding natural environment." Draft Apollo Bay Harbour Precinct Master Plan Vision Statement June 2007.

The Apollo Bay Harbour Precinct is a significantly modified environment with a man made Harbour, port management and maintenance buildings, a fishermans cooperative building, roadways, toilets, and a golf club. The Harbour Precinct Master Plan will maintain the integrity of the precinct but will direct investment into renewal of existing infrastructure and into additional infrastructure including roadways and new shared pathways. It will facilitate the establishment of better facilities for recreational and commercial fishermen. It will create facilities that will enhance the aesthetic appeal of the precinct without losing its natural appeal.

This new investment whether in the form of a public contribution or private finance or both will revitalise and transform Apollo Bay into a destination that will attract and hold tourists for longer stays. That in turn means a higher yield for the

tourism industry which drives the local economy and wealth creation and provides jobs.

The key to the development is a 5 star Hotel that will attract a section of the touring market that currently does not stop and stay on the Great Ocean Road. This market segment usually treats the Great Ocean Road as a day trip. One of the reasons is the lack of high quality accommodation in the region.

Along with other developments in Apollo Bay and within the Otways National Park the Harbour Precinct redevelopment will make a significant contribution to local as well as regional economic development.

The direct community benefit is in the new shared pathways, new roads, new parking, new boating facilities, and a precinct the whole community can enjoy. The environment degraded by almost 200 years of ad hoc intervention and development by European settlers including lawns and non indigenous vegetation, will be enhanced by a Master Plan that guides the development towards a closer integration with its original environment including local indigenous plantings. Each piece of new infrastructure will have to meet the highest environmental standards to be approved.

The development of public land is compatible with the Strategic Direction of the State Government Nature-based Tourism Strategy 2007 – 2011. The Strategy proposes partnership between industry and government.

Nature Based Tourism Strategy

Provide a long term approach to destination planning, development and management by focusing on key nature-based tourism destinations

Apollo Bay Harbour Precinct master Plan

Tourism Victoria, Geelong Otway Tourism the regional industry body and Otways Tourism, the municipal tourism industry body all support development of Apollo Bay as a destination. The development of the Harbour aims at capturing a new market of travelers who are seeking a base with high quality facilities, to explore the Great Ocean Road and the Otways National park.

Ensure the nature-based tourism sector is the industry benchmark in environmental sustainability.

The Design Guidelines of the Apollo Bay Harbour Precinct Master Plan include environmental/ecological principles of the highest order. The intent is to encourage future development to be a tourism draw card in itself as an example of high achievement in environmental sustainability.

Generate an 'enabling environment' for sustainable investment.

The development of public land in the case of the Apollo Bay Harbour is essential to the capturing of private investment. This is likely to be the case in other instances of public private partnerships where private investment is expected to contribute to the provision of public infrastructure. If sustainable investment means ongoing investment then there needs to be a return for the investor. That needs to be balanced with the return for "the State" in terms of public amenity, infrastructure and environmental enhancement but for the investor means opportunity for profit.

Seek significant private and public investment.

It is proposed that the Apollo Bay Harbour Precinct Master Plan would be funded by a public private partnership. Early interest from investors indicates that the provision of a parcel of public land for development is the price of their investment. It should be pointed out that investors do not seek to cover the entire foot print as the Master Plan would not permit and the reason for the attractiveness of the investment is the natural surroundings. Investors are more likely to invest in the enhancement of that natural environment.

Increase tourism yield in preference to large increases in visitor numbers.

The intent of the Apollo Bay Harbour Precinct Master Plan is to provide the kind of amenity and infrastructure that encourages tourists to stay in Apollo Bay and our region for longer periods. Currently the majority of overseas travellers stay one night in Apollo Bay. An increase to two to three days will increase the yield from that market. The proposed a 5 star Hotel will attract a higher spending tourist that will also increase overall tourism yield.

Contribute to vibrant and sustainable communities.

The development of the Harbour precinct includes new public infrastructure – open space development for passive recreation, new shared trails, and board walks. This is to bring to life the aspirations of local people for infrastructure for recreation and social interaction. This is in itself builds sustainability in communities. The other important factor is economic opportunity – business opportunity and jobs.

Improve the industry's capacity professionalism and excellence.

It is expected that the development will raise the standard of tourism service in the township and the region. The 5 star Hotel will demand excellence.

Develop experiences to cater for the forecast growth in international visitation.

The Apollo Bay Harbour Precinct Master Plan has specifically targeted the expectations of international visitors in the design of the development plans. The new facilities will also cater for local people and Australian travelers but the development plans are targeted at the gap identified by Tourism Victoria in services in the region for high end tourism and that market is mainly international.

Strengthen the consumer awareness and perception of Victoria as a nature-based tourism destination.

The marketing of Apollo Bay Harbour Precinct will be essentially linked to the Great Ocean Road region and the Otways national park including all of the nature-based tourism experience

provided by State Government investment in trails and waterfalls and private investment such as the Otway Fly.

Create stronger links with Aboriginal tourism.

The development of the Harbour Precinct will include recognition of Aboriginal heritage including local tribal history and "Blackfella's Well", a local icon now lost under existing Harbour development.

In summary, Colac Otway Shire believes that public land is a valuable resource for social, economic and environmental well being. There are circumstances where development of public land enhances those factors. We believe the development of the Apollo Bay Harbour Precinct is an example of where the investment of public land into a development that creates greater social interaction, recreation opportunities, business development and jobs as well as improved environmental outcomes and so, justifies the investment. As a principle it is the position of Colac Otway Shire that the Sale or alienation of public land or open space is only desirable where the social, economic and environmental benefits to the community are enhanced.