

CORRECTED VERSION

SELECT COMMITTEE ON PUBLIC LAND DEVELOPMENT

Coburg — 17 March 2008

Members

Mr D. Davis

Mr P. Hall

Mr P. Kavanagh

Mr E. O'Donohue

Ms S. Pennicuik

Mr B. Tee

Mr E. Thornley

Chair: Mr D. Davis

Deputy Chair: Mr B. Tee

Staff

Secretary: Mr R. Willis

Research Officer: Mr A. Walsh

Witnesses

Mr P. Brown, chief executive officer, and

Mr D. Dunstan, manager, open space, Moreland City Council.

The CHAIR — I welcome Mr Peter Brown, the chief executive officer of Moreland City Council. Peter, if you could make a presentation and then we will ask a few questions. Again I thank you for your time this morning when you assisted the committee.

Mr BROWN — Thank you for the opportunity of actually putting council's submission to the Select Committee. I just thought we would start with a bit of a PowerPoint presentation which will hopefully clarify some points, and answer some of the questions you have raised earlier.

Overheads shown.

Mr BROWN — I suppose council's position very much is its resolution, which is that the land should be gifted to council. In doing this, council is very conscious of it and is not trying to be opportunistic about this. As Cr Sharam actually indicated, council is very supportive of the Melbourne 2030 strategy and making Melbourne a more compact and sustainable city. To that end, council has invested, as Cr Sharam indicated, quite a considerable sum of money in the structure planning exercise. Just for the Coburg area alone, the structure planning exercise has been at \$1.3 million and we are undertaking structure plans for both Brunswick and Glenroy as well.

On top of that, in terms of making the Coburg structure plan work, council has been running a project, as Cr Sharam indicated, called the 'The Coburg initiative' and what I would like to do is table a copy of the Coburg initiative document for the committee.

When you see the document you will see it indicates what council is trying to do to bring some sort of fulfilment to the Melbourne 2030 strategy. Suffice it to say, there are parts of the Melbourne 2030 strategy on the urban fringe, the greenfield areas, which are coming about because the bottom line is that it is actually easy going. To do the same sort of exercise for Melbourne 2030 in the more built-up areas is not quite so easy. I think around greater Melbourne itself it has been shown that in a number of areas often there are levels of resistance from the community. Fortunately to date the Moreland and Coburg communities have been quite supportive of what council has been trying to do for the Coburg initiative.

I think it is also fair to say that the Moreland community has seen the sale and development of a number of state government properties over the last 10 or 15 years. The Hadfield Secondary College was sold, as was Oak Park Secondary College, Pentridge Prison and Coburg High School, as well as a number of other VicRoads properties in Bell Street and Nicholson Street in Coburg and McBride Street in Fawkner. These sites have all seen a loss of community open space — albeit education department land in a number of cases. It is noted that the state government has repatriated significant funds from these sales, and in most cases council has been reasonably supportive of the developments that have proceeded.

It is also worth stating that in terms of the gifting of land along the Merri Creek, it is not like this is unique. Melbourne Water land that was ex-Melbourne Parks and Waterways land has been gifted to council through Parks Victoria. With VicRoads and Melbourne Water we have actually done some rationalisation of some of the land up to the north. That pink area on the slide is the land that has been gifted to council. On an earlier slide, down at the bottom around the McBride Street area the blue land is the VicRoads land and the pink land is the Melbourne Water land. One thing that has occurred is that there have been some swaps of some blocks so that the Melbourne Water land is now contiguous; likewise the VicRoads land.

In our submission it is clearly stated that this land was originally purchased for the proposed F2 freeway and associated east-west links. Following strong opposition from a number of northern municipalities, that was abandoned. Suffice it to say the Moreland City Council and its predecessors have developed and maintained the land as public open space over the past 30 years at no charge to VicRoads or the state government. You can sort of see what happens to the land once an agency stops maintaining it. It has actually been quite a benefit to the community but also to the owner of the property. Even if we had it at the low end of the scale in terms of maintenance costs — which is basic mowing two to three times a year, and it has actually had more maintenance than that — conservatively at \$20 000 a year, over a period of time that is over \$600 000, so upwards of about \$1 million worth of maintenance effort has gone into that land. On top of that there is tree planting and so forth.

It is also worth stating that Moreland residents contribute towards the Melbourne metropolitan parks levy through Parks Victoria. We have estimated that that puts into metropolitan parks across the metropolitan area about \$3 million from Moreland alone, but we do not in fact have any metropolitan parks that our residents benefit from

in reasonably close proximity. We are aware that Parks Victoria is looking to put in a major regional park in the Hume–Whittlesea corridor as part of the Craigieburn growth corridor.

David Dunstan is our manager of open space. I will get David to run through the Moreland open space strategy to emphasise what Cr Sharam was saying earlier about the lack of quality open space within the Moreland city area.

Mr DUNSTAN — I apologise for the quality of the map. These orange areas are where Moreland has significant deficits in reasonably sized open space, and we are talking about open space of 1 hectares to 2 hectares or anything greater than that. All of the purple is the open space, and this is the critical area in here.

In relation to the other thing which Cr Sharam alluded to, that is the actual clause — I will not read it out; I think you can read it — that has not been adhered to. This is a government department or a statutory authority effectively selling surplus land, and there is a process that has not been adhered to under the 2030 parks code.

We have already talked about structure plans. Moreland has got three major activity centres — Coburg, Brunswick and Glenroy — and it has been heavily supportive of Melbourne 2030. This piece of land, as we said, is right in the middle of two significant new developments which will put a lot more pressure on public open space. It will, in fact, take the heart out of it. It is about 50 per cent of that site, so that whole little envelope — going back to the purple — is about 20 hectares. This constitutes half of that, and it is right in the heart of it.

The whole area is an interesting area, and it actually has some ecological significance. The four parcels of the site we looked at off Golf Road have an environmental significance overlay — I think the question was asked before — and that covers the whole lot. Under the Department of Sustainability and Environment 2006 *Atlas of Victorian Wildlife* there are 48 fauna species within a 1.5-kilometre area of that creek valley through there.

Somebody asked before about flooding. You might be able to see on that slide where we were this morning. That is probably a typical annual event. Someone was asking how long: the next slide shows what we were talking about as happening on a yearly basis in recent years. We were actually standing on the other side of this. We were further over on the other side, and that is the line of trees that people were referring to where houses would be if the area became residential. I think the picture tells you.

Mr BROWN — You can see the back fence on the left-hand side.

Mr DUNSTAN — That is the existing line of residences, if you can imagine, going up there. That water covers that whole area.

With respect to the land up at Queens Parade which we have talked about and you have seen on site, there is probably not a lot more to add. It will cause significant blockage, if you like, to pedestrians. If the lot goes, the regional bike path — which is again where another part of government has been investing into the Merri Creek trail, which is on the bike register as a major route and has thousands of people using it on a yearly basis — will effectively be blocked off by that site. I think we all tried to walk up the steps on the other side. Having to try to get up there, go across and make your way through the streets and then back down would be a real shame.

Mr BROWN — That is the actual council resolution itself. In summing up — and David and Cr Sharam have emphasised the amount of growth that we are placing in this area on the Kodak and the Pentridge land — in terms of the Coburg initiative, if that is actually successful you are looking at another 1500 apartments in this precinct as well. The secret of a successful Melbourne 2030 is not to lose the significant open space areas that you have got. It is one thing to have a denser city, but even if you look at a place like the city of London, it very quickly when it had rapid growth in the 19th century went and bought Hampstead Heath and a number of major blocks of open space around the city because it realised that it was going to lose it. Once you have lost it, that's it. It is one thing to buy parcels of land, a couple of house blocks, or a 5 per cent open space contribution from the developer but to actually lose a significant parcel of land like this along especially a creek corridor is just such a mistake.

The CHAIR — Thank you. I think you make your points very well. Can I perhaps start with some base population estimates — the population now and the estimates for the municipality for 2030 population?

Mr BROWN — The population from the ABS statistics back in 2000–01 had us around about 131 000–132 000. We have had about a 6000 population increase between that and the 2006 ABS statistics; and under Melbourne 2030, we anticipate probably about another 15 000 people.

The CHAIR — So you are actively contemplating those sorts of numbers by 2030?

Mr BROWN — Correct.

The CHAIR — The numbers of those that would be at the Kodak site and the numbers of those that would be at the Pentridge site, have you any estimates for the total number of dwellings and the population?

Mr BROWN — In terms of the population increase figures, in a way when an area is redeveloped, like Kodak or Pentridge, that is almost like part of your base increase. Melbourne 2030 anticipates 15 000 on top of that. In other words it is actually about urban consolidation, like the Coburg initiative, as opposed to the rezoning of industrial land to residential.

The CHAIR — I am trying to step through this: the number in the municipality roughly today? Probably 2006 is the last census.

Mr BROWN — Yes, that is about 138 000.

The CHAIR — And then you are going to have these two large developments, and you are arguing in a sense that they are part of the base population, and then Melbourne 2030 wants to put another 15 000 on top of that?

Mr BROWN — Correct.

The CHAIR — What is the estimated size? I understand that you do not have a proposal for the Kodak site, but on rough estimates of density what would you be likely to see on the site?

Mr BROWN — Each site is about 100 acres or 40 hectares.

Mr DUNSTAN — You have got over 3000 dwellings at Pentridge. You can expect the same or more at Kodak and, if you multiply, given the size of those dwellings probably — —

The CHAIR — Two per dwelling.

Mr DUNSTAN — At Pentridge you are probably looking at three. They are considerable size homes in there, which will have more than your average two and a half, if you like.

The CHAIR — You might be talking about 18 000 additional people plus 15 000 on top of that for the increased densification that will come with Melbourne 2030, so you are talking about 33 000 on top of 136 000?

Mr BROWN — And can I say obviously the 15 000 is spread across the whole city and Brunswick structure plan, the Glenroy structure plan and obviously the Coburg structure plan has 1500 apartments — if you work on a ratio of 1½ to 2, say, that is about an extra 3000 people just in this precinct here.

The CHAIR — I am just getting the dimensions of this. And no major regional park?

Mr BROWN — Correct.

The CHAIR — And inadequate open space to begin with, on many analyses?

Mr BROWN — Correct.

The CHAIR — And the only opportunities for reasonable sort of security of open space are these couple of sites that we have looked at, and that would be a major priority, therefore, for the municipality?

Mr BROWN — That is correct.

The CHAIR — The other thing I was going to say is that the DSE assessments were mentioned. Before public land, however described administratively but land in public ownership is sold, there is required to be a DSE assessment. Are you aware of that specific assessment that has occurred?

Mr BROWN — I am not aware of that assessment being undertaken.

The CHAIR — Thank you.

Mr TEE — Thank you, and thank you for the presentation. It seems to me that the committee is walking into a negotiation between yourselves and VicRoads, and on the one hand VicRoads wants to get what money they can to do what they do with the roads, and I suppose they do not want to set a precedent either in terms of giving land away, and on the other hand you are saying, ‘You’ve spent a million, whatever it is worth, minus a million for the maintenance that you have done over the last 30 years’, and the value is not really that amount because most of it is subject to floodways.

I suppose in terms of those discussions has there been any thought given to options other than purchasing one lot? Have there been discussions around a long-term lease or purchasing the land in stages over a period of time? Have those sorts of discussions been contemplated?

Mr BROWN — Clearly council’s position is to have the land gifted, but VicRoads has come to our offices and said, ‘What if areas were sold off for development and other areas were held onto?’, so my understanding is they are putting together a package at the moment for council to consider, but clearly from the council office’s point of view, our message has been quite clear that it should be gifted.

A question was put to Cr Sharam in regard to why couldn’t council purchase it and then sort of subdivide off bits, or whatever. The issue is that part of the condition of any sale would be that the land would be rezoned to open space, and in fact we would not do that, because VicRoads maintains that the current value that it has set on the land is it’s being valued as open space, and that is a \$10 million figure.

Mr TEE — Is that zoning something that binds future councils?

Mr BROWN — I suppose any human-created document can be undone, but suffice it to say that once it has been zoned open space, the process you would have to go through to rezone it again, I think, would have the community up in arms.

The CHAIR — Massive community opposition.

Mr DUNSTAN — Massive outcry.

Mr BROWN — It would be a very brave council that went down that path. The other side of it as well is that council’s policies have been very much on the basis that there should not be a loss of open space or no net loss of open space in anything that we do.

Mr TEE — Has council or indeed the officers had a look at the option of selling off parts of the land and maintaining the rest? Is that an option that council or officers have explored?

Mr BROWN — Prior to the council report where the council determined that they wanted the land gifted we did explore options like that. Clearly I think even at a professional level it is just almost unthinkable to lose that land as open space, and I suppose from administration’s point of view, clearly we have put up all the options we can possibly think of. We even looked at and explored compulsory acquisition, the right of long-user use, to work out how the land could be secured, but suffice to say that, yes, we explored those, but council’s position was very clear as to how it should proceed forward.

Mr TEE — I take it the position at the moment is really in terms of the negotiations, you are waiting for VicRoads working on a proposal which they will put to you and you are waiting for it. What is the time frame around that, do you know?

Mr BROWN — To my understanding we should have some idea about it in the next probably four to six weeks.

Ms PENNICUIK — I was wondering if you have figures on percentage public open space in the Pentridge development?

Mr BROWN — The Pentridge development is broken into two distinct developments. One is called Pentridge Piazza and the other one is called Pentridge Village, and essentially in what is called the greenfield site, which is a lot lower area where you have more traditional housing, the sort of open space that has occurred there is

effectively following the subdivision legislation of up to a maximum of 5 per cent open space contribution, and that is pretty much where it is that. It might be slightly higher at about 6 per cent.

In terms of the heritage areas, the developers have been very reluctant to hand over any open space at all. Council actually entered into a section 173 agreement by which there would be open space in that area but it would be managed by the bodies corporate of that area on the basis that the public had access 24 hours a day, 365 days a year, apart from the fact that, from a legal point of view, I suppose, they had to have it alienated from the public for I think 24 hours, to make sure the long-user use provisions of 30 years do not actually take the land from them.

Ms PENNICUIK — What percentage is that?

Mr BROWN — They maintain that in the Pentridge Piazza area it is about 20 per cent, but I think they would be actually including some of the roads in that as well.

Ms PENNICUIK — What about the Kodak site; what is envisaged there?

Mr BROWN — Council is currently working through with the developers the final wash-up and that is whether in fact it will be 5 per cent in land contribution or 5 per cent in dollars, based on access to open space in the area.

Ms PENNICUIK — What about the rest of the Moreland municipality? What percentage open space is there; do you know?

Mr BROWN — In terms of what we are getting from developers?

Ms PENNICUIK — No, just that you have in the municipality.

Mr BROWN — I would have to double-check.

Ms PENNICUIK — You can take that question on notice, if you wish.

Mr BROWN — Yes, I will take it on notice.

Ms PENNICUIK — You mentioned before that there were quite a few government land sales in the past. Do you have any idea how much public open space was lost there?

Mr BROWN — I can take that on notice, and I can definitely get that figure.

Ms PENNICUIK — I want to clarify it: you are saying that VicRoads is valuing the land at open space value?

Mr BROWN — Correct.

Ms PENNICUIK — Did they tell you on what criteria that is based?

Mr BROWN — There is obviously a way the valuers value it and I think that the property assessment group in Treasury are just using the guidelines that have been set.

Ms PENNICUIK — Just to clarify it, none of the parcel on Queens Parade could effectively be developed because of the drain and other constraints, is that right?

Mr DUNSTAN — Part of it can be — a small piece around the corner can be, but you actually have to get to it. So in effect, yes.

Ms PENNICUIK — Is that valuation based on open space value or development value?

Mr BROWN — They have told us that valuations to date have been basically offered to us on open space valuation. That is why they are saying that a condition of its sale would be that they are zoned open space and that council does not do anything with them in terms of any development.

Ms PENNICUIK — Prior to the land being acquired by VicRoads in the 1970s, what was happening there; do you know?

Mr BROWN — That is a good question. There were cows there. At the time the industrial land was vacant industrial land abutting the Kodak land.

Ms PENNICUIK — Obviously then it was more urban fringe than it is now.

Mr KAVANAGH — You have said the land has been valued as open space at \$10 million. Do you know what it is valued at for residential development purposes?

Mr BROWN — I would imagine it would be significantly more than that.

Mr TEE — Would you say double or three times? What sort of sense?

Mr BROWN — It is interesting. If you use that Queens Parade one of \$190 000 as an example, if that was just a residential block of land in that area, it is probably going to be around that or maybe \$250 000; it is still significant value being put on them. In terms of the land down here, I would only be hazarding a guess.

Mr TEE — Can you hazard an educated guess or an uneducated guess?

Mr BROWN — I suppose going on where property values in Coburg are at the moment — they have sort of doubled over the last three or four years — I would imagine it is possibly worth twice that.

Mr KAVANAGH — How do you define public open space?

Mr BROWN — Public open space at a technical level is land that has been zoned public open space. If you look at a planning scheme, you can see 'public open space'. Obviously the land here was zoned as being for public purposes on the basis that it was a freeway reservation.

Mr KAVANAGH — So it is possible to have land that is public open space without it being categorised that way — for example, a nature strip?

Mr BROWN — Sure.

Mr KAVANAGH — Ms Pennicuik asked you about the percentage of public open space and you were not quite sure on that, but in your submission you said — or someone said — that public open space in Moreland is comparatively small.

Mr BROWN — Correct.

Mr KAVANAGH — Could you give any comparisons with anywhere else?

Mr BROWN — Municipalities?

Mr KAVANAGH — Yes.

Mr BROWN — I suppose we would be similar to Yarra. It will be the inner ring of councils. I suppose historically — if you look at the pattern of open space creation, especially in places like Darebin or Moreland — a lot of the open spaces were in fact old landfills. In a way it was rather opportunistic that in fact the land could be used as open space. If they had been not quarry sites, they would have houses on them.

Mr KAVANAGH — What would be the municipality in Melbourne most comparable with Moreland?

Mr BROWN — Darebin.

Mr KAVANAGH — It is little further out from the city, is it not?

Mr BROWN — No, it is parallel with us. We are almost like twins in the north, with similar populations and size. Fairly fortunately, I suppose, through Yarra at its base, to the south Darebin has access to the Fairfield

Park system at Yarra Bend. Towards the middle of the municipality it has the Bundoora Park land, which once again is a significant area of open space and which I would say would be equivalent to what we have here.

Mr KAVANAGH — Would you say that overall Moreland has less public open space than Darebin, for example?

Mr BROWN — Yes.

Mr KAVANAGH — Ms Pennicuik also asked you about previous sales of public open space land. Can you give any examples of that?

Mr BROWN — For instance, the ovals and playing areas of the former Hadfield and Oak Park high schools were significant community spaces in those areas. One of the things the council has done is just entered into an agreement with Box Forest College by which, in return for a level of maintenance by council, the school allows community use. If you go around the Glenroy area, you see that apart from the Jacana Valley there is not a lot of open space and whatever open space there is is residual land left along the Western Ring Road, an old drainage corridor or something like that.

Mr KAVANAGH — So you have made an arrangement with the schools by which the public can use the grounds on weekends, for example — or outside school hours; is that right?

Mr BROWN — Yes.

Mr KAVANAGH — Was it easy to make that arrangement?

Mr BROWN — It took a bit of negotiation with the school but it was achieved. One thing that I would say is that the Moreland City Council is very cognisant, at an education level, that about 54 per cent of our post-primary school students actually go to schools external to Moreland and a lot of our government secondary schools have been struggling. So we have been actively working with the likes of the new Coburg Senior High School, Box Forest College and Brunswick Secondary College.

In fact we have been able to get a Community Facilities Fund grant to renovate a theatre, to create a new performing arts centre for Box Forest. In Brunswick we are jointly creating a facility with Brunswick Secondary College, which is a synthetic hockey pitch.

Mr KAVANAGH — Suggestions about partnerships with high schools and so on to use public open space for the general community are often met with the objection that that might increase the risk of vandalism or people burning down schools and so on. What measures have you taken in those cases?

Mr BROWN — I suppose in terms of how the actual land is managed, it still I suppose risks the school. I would have to look at the actual agreement again, but I think that the school has basically taken on so that if we do some of the maintenance of the grounds then that offsets this, and I suppose into the future too, if there are vandalism or other issues that arise, then we are going to have to address it. To date that has not been an issue.

Mr KAVANAGH — Have you put in security measures between the public, the parts to be shared, and the school itself?

Mr BROWN — I would have to check that; I am not sure.

Mr KAVANAGH — If Moreland council were not granted this land, is it likely that Moreland council would end up paying the \$10 million?

Mr BROWN — You would have to ask the councillors that. I know, I suppose from an officer's point of view, we are strongly of the belief that the land should be secured as open space, given the intensity of development that is now occurring in this central area of Moreland, and to lose it, I think, would be just a disaster.

The CHAIR — I thank both of you for your contributions. We would be interested in receiving information on some of those points that Mr Kavanagh raised, and we will be in touch on some of those.

Witnesses withdrew.

* * * * *

The Committee received further evidence at 12.01 p.m.

I might just take this opportunity to ask Peter about the correspondence with the government and so forth. Could we have copies of that?

Mr BROWN — Sure, and the correspondence from VicRoads?

The CHAIR — VicRoads as well. Ministers, departments and statutory authorities would be fabulous. Thank you.

Mr BROWN — With regard to what the council has done, we have met with the minister for roads, Mr Pallas, and basically put the council's case. One of the issues that did come up — and I am happy to give you a copy of our response to his question — was about the gifting of land. He was actually of the belief that in fact he was not in a position to gift land and I suppose made comment that if there was a precedent there he was definitely interested to hear from us. So we gave him a copy of the letters that we got from Melbourne Water through the gifting of land along the Merri Creek. So that came as a consequence of that meeting, but it really did not come to anything after that.

The CHAIR — All right. Thank you.

Witnesses withdrew.

* * * * *

The Committee received further evidence at 12.20 p.m.

Mr Brown, did you want to say anything about the bicycle issue? You are probably best placed to give us some clarity on that.

Mr BROWN — Firstly the principle bike network comes out of VicRoads policies and so forth. They fund a number of them, and the Upfield bike path is one of those. In fact VicRoads is funding the extension of the Upfield bike path from Boundary Road to Box Forest Road. In fact at the last council meeting we were going through the process of letting the contract for that, and that is about \$1.2 million. So there is significant investment going into the Upfield bike path.

In terms of council commitment to the Upfield bike path, only about three years ago we compulsorily acquired a piece of VicTrack land where the leaseholder was holding the council and the users to ransom. It was only 2 metres long by 0.5 metres wide, a little triangular piece, that was needed to get it past a set of boom gates. After a number of years of negotiating we ultimately gave up and compulsorily acquired it.

We have had a significant problem with VicTrack over the maintenance of its property for the length of the rail corridor. I do not think Moreland is unique in this particular issue.

Ms PENNICUIK — No.

Mr BROWN — One of the things we put to VicTrack a number of years ago was, 'Why do you not to planning exercise along the length of the corridor to work out what land you need for the future use of rail and so forth, what land can be used as open space, and what land is residual potentially for Melbourne 2030?'

VicTrack has actually used the Upfield corridor as a bit of a test case to start a strategic planning exercise. I know that as far as the Moreland railway station is concerned, they have done a lot of work in that precinct. They have done an exercise themselves but at the same time kept council in the loop, in particular with regard to what outcomes council sees.

The CHAIR — Structure plans.

Mr BROWN — Structure planning and that side of things.

Suffice it to say we are doing structure plans. We have done one in Coburg and we are just completing one in Brunswick. In terms of getting a greater level of residential density, that corridor between Sydney Road and the Upfield railway line is the logical area for it to occur. There is a lot of old industrial land which through the Moreland industrial land use study was earmarked for mixed use and so forth. So there is that potential to actually get density in that sort of area as opposed to bleeding it out into the further residential areas.

With regard to the Anstey railway station, that would have gone through our planning section, and comments would have come through from our engineering area in regard to the Upfield bike path.

One of the things we have found with the bike paths — and the Merri Creek bike path is the same — is that the nature of bike paths is starting to change. Whereas once upon a time they were almost seen as semi-recreational, more and more bike paths are now being used for commuting. What we are finding is that a lot of bike paths that had their genesis back in the 1980s are too narrow. What happening is that cyclists in using it for commuting are going along it very quickly, and we are finding that in a lot of spots now we are getting pinch points between the pedestrian use of the bike paths and the commuter use.

One of the things we are trying to work through at the moment is which ones lend themselves to commuter use and which lend themselves more to recreation. The Merri Creek bike path, all things being equal, is probably more of a recreational bike path because of its meandering nature, as opposed to the Upfield bike path which is a lot more direct.

The CHAIR — Thank you. We also thank the council for its facilities today.

Committee adjourned.