

# 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

### Witness

Cr A. Sharam, Moreland City Council.

**The CHAIR** — I declare open the public hearing of the Legislative Council's Select Committee on Public Land Development. Today's hearing is in relation to the sale and development of public land. In particular I welcome Cr Andrea Sharam from Moreland council and others from the council. All evidence taken at this hearing is protected by parliamentary privilege as provided by the Constitution Act 1975 and further subject to the provisions of the Legislative Council standing orders. Any comments you make outside the hearing may not be afforded such privilege. You will receive a transcript in a few days time and will have the opportunity to make any typographical or other minor corrections.

Andrea, if you would like to lead off; just before you do, though, I would like to place on record the committee's thanks to the council, to you and to the others from various groups that provided that very informative tour around the municipality and the opportunity to look at some of these key public land sites.

**Cr SHARAM** — Thank you, Mr Chair, and thank you to the committee for coming out on our little bus tour. I think it is really important to see sites like the Edgars Creek and Merri Creek land. It is what we regard as a bit of a hidden treasure, so people are really very unfamiliar with its benefits.

I will not go through the submission that I have already put in. I will just take some highlights out of it for you. First of all, the four blocks of land for sale at Edgars Creek: I would like to highlight that the loss of land for parklands, should they be sold, would actually be larger than 10 hectares, because there is a road reserve and the way the blocks are configured would result in a greater loss of land. I would also like to note that with regard to the parklands code, which is part of Melbourne 2030, the government committed that agencies contemplating getting rid of surplus land would need to do an environmental and recreation value — an evaluation of those things.

I wrote to the Minister for Planning and I wrote to the CEO of VicRoads asking for the assessment that had been made. I note that VicRoads has made no response whatsoever, and my next action will have to be to lodge a freedom of information request, because at least that way there is a statutory process that requires it to make an answer, even if it is just going to tell me that it has not done it. The minister himself did not reply for six months and then did not bother respond to that question at all, or indeed to any of the questions that I had asked.

I think the parkland code itself is a really good idea, but it really needs legislative backing, and of course there needs to be some premise in there that there is a bias in favour of keeping public open spaces particularly within already developed areas, because they are under threat.

In relation to Melbourne 2030, of course it is premised on higher density development in appropriate locations where there are activity centres and where there is public transport. Moreland council has spent around \$1 million developing its structure plans for activity centres.

**The CHAIR** — A million, was it?

**Cr SHARAM** — Just for the structure plans. We have already spent probably close to the same amount or are committed to the same amount for our Coburg initiative, which is the urban renewal for central Coburg. We are a council that is committed to Melbourne 2030 and to increasing densities in areas which are suitable for that, and we have ample scope to house the number of people that the government is seeking to be housed in this region. We really do not have any problem with that.

What we do have a problem with, of course, is that we have the potential for open space to be used under the guise of development for Melbourne 2030. Melbourne 2030 relies on quality and accessible public open space to actually be workable. If there were to be housing development at the Edgars Creek site, in terms of Melbourne 2030 it would deliver low-density housing. I say that advisedly, because I think they can get that without going through planning permits, and that, I think, would be the kind of market that they would be seeking to deliver to. Apartments they would need planning permits for, so I think with the kind of time lines involved, it would be lower density. But this would mean replacing what is identified as a high-benefit use under Melbourne 2030 for a low-benefit use, being low-density housing.

The former Kodak site will be developed soon for mostly residential use, and Pentridge is clearly already under development, so we have got a considerable increase in population in that immediate region that needs servicing by public open space. In terms of industrial development one-third of the northernmost block is already zoned industrial. Making any of that land over to industrial uses would merely remove any buffer between industrial uses and existing and future residential use. We are keen to retain our core industrial areas for those economic and

employment benefits, but removing the buffers is like ringing the death knell for those activities, because residents get organised really quickly because of the amenity issues that are sitting there.

Kodak had some of those issues because it directly abutted residential zones, so it is quite problematic to bring the industrial development right up to the housing. I would also stress for you that there are two exclusion zones that affect the site. The northern half of the site is affected by lead and concrete, so I really do not believe we should be contemplating residential uses within 500 metres of those very poisonous activities.

In relation to the land further north of Merri Creek — the Queens Parade site we saw and the one further up in Leonard Street — in terms of Queens Parade, that is key bicycle access. That is a bicycle track that has had considerable state funding put into it — so you have got this kind of clash of policy objectives — and we have got that drain. It is a really problematic site for trying to build anything on. I believe it just should be put aside for the purposes that it is used for without us having to pay for that. In terms of Leonard Street, it is a block of land with remnant grasslands. We have only got about 1 per cent of remnant grassland left in the state, so there are really significant conservation values at work there. I think all state agencies are involved, because Melbourne Water also owns land there. We can resolve that without actually asking Moreland ratepayers to have to carry that particular cost when the benefits are actually much wider than just for Moreland.

I have some general comments. As you are probably now aware, Moreland is an area that is very short of public open space. Most of our space is along our creeks and is very linear, very narrow, and there is lots of competition in those spaces. There is existing conflict between cyclists, walkers and that type of thing.

The development on the Edgars Creek site fails to take account of climate change. It is an area that is already subject to inundation. Ironically councillors have had discussions with residents in that catchment area. We are talking about purchasing housing in order to deal with our drainage issues because we need to go to overland flows rather than underground drainage because it will not cope with the inundations that we will have in the future with climate change. We have the potential for government to sell land for housing which will only exacerbate our problems.

The planning minister has refused to acknowledge that he has a role in this, both in terms of the planning issues with Melbourne 2030 and the strategic plan. The minister could reject changes to the zoning that would be needed to develop some of these parcels, but has consistently said it is Mr Pallas' area. The roads minister insists he is in line with legislation when it is just a matter of policy whether they sell the land or not.

We believe there is an issue here of the government not taking responsibility and failing to act in a coordinated way, unless you call buck-passing an authorised activity. The value of parcels E, C and most of D are really nominal while they are zoned for public use, yet Moreland is being asked to pay real money for what is really just a book value transfer, because it will still be in the public sector, and these pieces of land were originally paid for by taxpayers when VicRoads got the land for the freeway.

The ratepayers, who are also taxpayers of course, are now being asked to pay a second time. It could jeopardise significant investment by Greening Australia, which has organised significant private sector investment into their urban bush-care program and this is just one of their key sites. I would be very concerned that we would not get the many hundreds of thousands of dollars that will potentially go into developing that site because of this proposed development. They are the key points that I wanted to make in addition to my submission.

**The CHAIR** — Councillor, I thank you for your detailed submission and as I said a moment ago, for your assistance in moving around to see some of these sites.

It seems to me you have made a couple of points but I am particularly interested in the matters around the parkland code for Melbourne 2030. It appears to me what you are saying is in effect this code is not being applied or not being applied in a systematic way? Is that a fair description?

**Cr SHARAM** — We have had zero response in asking about it — I do not know what other communities' experience is with the code; maybe no-one has had any response but we certainly have had none on it.

**The CHAIR** — The responsiveness of VicRoads appears to have been very unfortunate — that is, the lack of assistance you have had from VicRoads. I am surprised that the small wedge of land up at Queen Street, the

\$190 000, seems to me to be an important piece of land to link residential areas with the bike paths. What would be the impact of that land being turned over to a housing block?

**Cr SHARAM** — In the case of Queen Street, yes, it would remove access to the bike path. The CEO of VicRoads in more recent times attended at the Melbourne metropolitan transport forum and said publicly that VicRoads purpose now is to move people as opposed to moving vehicles, suggesting that there is much more emphasis on not just trying to get cars and trucks through but other modes of transport. So by denying access to that path at that point is contrary to what they say is their contemporary role.

**The CHAIR** — On the resistance from VicRoads, with the Minister for Roads and Ports on the one hand and the planning minister on the other, is it your understanding that is a deliberate approach or is it just a pure lack of coordination across government?

**Cr SHARAM** — I do not believe the government has been particularly coordinated about it. You would think when these kinds of situations arise there would be some discussion about what priorities are put. I would have assumed that Melbourne 2030 was the priority because it is the strategic planning document and policies such as what you do when selling off land would have reference to that broader strategic document, but that does not seem to be the case here. They seem to be acting in silos but no-one wants to talk to each other about it. There is considerable effort to get them to talk, but nothing is really happening.

**Mr TEE** — The negotiations or the discussions in relation to this matter have been via VicRoads rather than the planning minister or the planning department or the roads minister, is that what you are saying?

**Cr SHARAM** — There have been efforts to try and get to the ministers but neither me, the council or the residents have been able to talk to the ministers.

**Mr TEE** — All roads lead to VicRoads, is that what is happening?

**Cr SHARAM** — Yes, we are getting pushed towards VicRoads and then there is this funny notion put that Melbourne Water should pay for the land. So you bring some other agency in that clearly has no desire to put some of its budget into buying this land.

**Mr TEE** — It seems to me that VicRoads is obviously trying to get what value it can from the council for its role to build, maintain bike paths or roads or whatever. Have there been discussions with VicRoads about a long-term lease, buying parcels; have there been any discussions, rather than handing over \$10.8 million up front, about other approaches to break the impasse, as it were?

**Cr SHARAM** — I have not been involved in any of the actual meetings.

**Mr TEE** — As I understand it, the proposal by council is essentially to gift the land to the council, is that the preferred outcome?

**Cr SHARAM** — Yes.

**Mr TEE** — If that were to occur, is there any guarantee that future councils would not sell off any parts of the land?

**Cr SHARAM** — There is certainly a very strong view in the community and at council we will keep it always as public open space. The first thing we would have to do is rezone it to make sure it is 'public recreation' and remove the zoning, change the zoning on it to protect it.

**Mr TEE** — Has council considered any options in terms of selling off part of the land, is that a consideration?

**Cr SHARAM** — Not the council itself, no.

**Mr TEE** — Part of the land, as I understand it, is subject to overlays, flooding I think is one. What proportion of the VicRoads land is subject to either a flooding overlay or some other overlay?

**Cr SHARAM** — Nearly all the parcel A land, which is the residential zoned part.

**Mr TEE** — Thank you for your time and taking us on the tour this morning. It is always helpful to have a first-hand impression. It is certainly a beautiful space.

**Ms PENNICUIK** — We have been told at previous hearings that when government land is earmarked for sale, DSE does an environmental assessment. Have you approached DSE?

**Cr SHARAM** — I am not aware that they do an environmental assessment.

**Ms PENNICUIK** — So you haven't approached them?

**Cr SHARAM** — I did not know it was an avenue to pursue.

**Ms PENNICUIK** — You haven't done that.

**Cr SHARAM** — Are you suggesting that the parkland's code, that they undertake that?

**Ms PENNICUIK** — We have been led to believe that DSE does an environmental assessment and decides whether the land is administratively called 'public land', which cannot be sold or remains being called 'government land', which can be sold. In your submission you mentioned that Melbourne Water had approved the sale for development of flood prone land and you gave some examples.

**Cr SHARAM** — Yes, councillors at Maribyrnong have been telling us that they were opposed to developments because of flooding, which were approved.

**Ms PENNICUIK** — Yes, this is an obvious issue of concern. Certainly this committee has heard of other proposed developments on flood plain land. It is obviously something we should not be embarking upon.

**Cr SHARAM** — My understanding is that the reason they do that is because you can engineer the site so that the houses are not affected unduly. But in that case the kinds of works that you would do would have significant effects all around it and just keep contributing to a problem which is there and which we know is going to get worse with climate change.

**Ms PENNICUIK** — Yes.

**Mr KAVANAGH** — You mentioned the burden on the other ratepayers of the City of Moreland. Would it not ease the burden on them if the land were to be developed and there were more people to share in the payment of the rates?

**Cr SHARAM** — There are core burdens and benefits. We have a community that needs public open space and it has been identified in our open space strategy that we should try to protect this particular site. It is a long-term strategy that we have. We would not get the money in our pocket if the site was sold. We might be relieved of some maintenance, but that would be all. There would be no great saving but there would be many losses for the community if it was sold.

**Mr KAVANAGH** — But each ratepayer would not have to pay as much, would they, if there were more ratepayers to pay what is required by council?

**Cr SHARAM** — More residents, more costs! Garbage still costs. They contribute, they pay: that is all user pays.

**Mr KAVANAGH** — You said that you had not considered keeping parts of the land in question and allowing other parts to be developed. If you did that, you would be able to come up with a plan to keep this space as one entity, and you would be able to travel from one part of the land to another, would you not?

**Cr SHARAM** — You would end up with a legitimacy problem as a council if you buy land to save it from a developer and then develop it. That is really problematic in the context of where we are significantly short of public land and space.

**Mr KAVANAGH** — What about buying some of the land to keep it for public open space and allowing the person who owns it to develop it?

**Cr SHARAM** — That is what I am saying. We have a critical shortage so why would we sell it for development? That is what we are trying to stop — that development — so I cannot see the current council supporting any of that land going. It is the only special part we have. We have no other options.

**Mr KAVANAGH** — With the flooding, you mentioned engineering the site to prevent or to minimise flooding problems, but an individual house owner could do that by design of their own house, could they not?

**Cr SHARAM** — For the purposes of the approval the developer would need to show that they had dealt with those issues because there is a collective problem there. It is not an individual problem.

**Mr TEE** — Just returning to the flooding issue, in terms of the flooding in that area is that something that happens once every five years, once every 10 years, once in a generation?

**Cr SHARAM** — It has been happening much more frequently. You would recall that maybe three years ago we had two Novembers in a row where we had one in a hundred year floods and they copped it big time. There were quite a few areas in the city that copped it. Part of that is development because when houses first went in on the land up there, they were little houses on largely open blocks. People had gardens so a lot of the water could drain away naturally. But people have put in concrete driveways and they have built bigger houses et cetera so the water is moving faster. It cannot go anywhere and it hits super critical by the time it reaches Newlands Road. It is a torrent; it moves really fast and it is very damaging. There is just much more water.

**Mr TEE** — And those floods in November, did they flood that area?

**CR SHARAM** — Yes. Even in fairly light rain some of those houses at the bottom of Golf Road will flood. There are three houses in particular that will flood.

**Mr TEE** — I suppose, taking on the issue that VicRoads wants to get something to build their roads, is it an option that part of the whole area, not necessarily all the bits, be sold off for them to recoup something? Is that something that council is contemplating or is that an option?

**Cr SHARAM** — Council itself is not contemplating any of that, of hiving off bits to lower the costs. It is \$9.5 million we have to spend and we might save \$1 million. The question I would put is: what is \$9.5 million in VicRoads budget? That is probably the cost of its biscuits.

**Mr TEE** — I have a road in my electorate, King Street, that needs an \$11 million upgrade so if they eat a lot of biscuits — —

**The CHAIR** — So you would need to sell it, is that the story?

I have one further question. You have two large developments, the Pentridge one at one end and the other large development at the other end of the valley, as it were, and these between them will put in many thousands more dwellings. What you are saying to us is there is no other large, viable area of land that can add to the public open space?

**Cr SHARAM** — We have very few options. In addition to those two major population increases, to our immediate west in Pascoe Vale there is no public open space really. There is a huge shortage under the criteria that we have set in our strategies and there are almost no options for us to get public space in that area because it is housing. We would have to buy people's houses.

**The CHAIR** — So it is a regional issue as well that?

**Cr SHARAM** — It is a bit of a regional issue.

**The CHAIR** — Thank you.

**Witness withdrew.**