

CLIENTS PEOPLE PERFORMANCE

Wellington Shire Council

Wellington Coast Subdivision Strategy

The Honeysuckles to Paradise Beach



February 2007

INFRASTRUCTURE | MINING & INDUSTRY | DEFENCE | PROPERTY & BUILDINGS | ENVIRONMENT



Contents

Exe	ecutive	e Summary	i
1.	The	Need for the Strategy	1
	1.1	Background	1
	1.2	State and Regional Policy	3
	1.3	Recent Investigations and Decisions	5
	1.4	Summary of the Strategy Area	5
	1.5	Vision and Objectives for the Strategy Area	7
2.	Stra	tegic Considerations	8
	2.1	Regional Context	8
	2.2	Environmental Issues	10
	2.3	Community and Social Trends	12
	2.4	Economic Trends	13
	2.5	Infrastructure Development	13
	2.6	Management Considerations	14
3.	Opt	ional Settlement Scenarios	15
	3.1	Population Assumptions	15
	3.2	Option 1: Status Quo	17
	3.3	Option 2 – Fully Serviced Urban Infrastructure	19
	3.4	Option 3 – Low Density Residential	20
	3.5	Option 4 – Nodal Urban	22
	3.6	Option 5 – Restricted Development	25
4.	Eva	luating the Options	26
	4.1	Evaluation Methods	26
	4.2	CAP Assessments Environmental Impact Rating Table	26
	4.3	Monetary Costs and Benefits	26
	4.4	Triple Bottom Line Evaluation	32
	4.5	Selection of a Preferred Option	32
	4.6	Community Opinion	38
5.	The	Strategy Recommendations	42
	5.1	State Government Policy	42
	5.2	The Preferred Option	42



5.3	Infrastructure Recommendations	44
5.4	Environmental Recommendations	46
5.5	Community and Economic Recommendations	46
5.6	Recommended Changes to the Planning and Approvals System	46
5.7	Precinct Recommendations	47
Impl	ementation	50
6.1	Current Rating and Acquisition Procedures	50
6.2	Implications of the Strategy for Council Procedure	51
6.3	Responsibilities and Financial Costs for Implementation	51
6.4	Implementation Tasks	53

Table Index

6.

Table 1: Environmental and Physical Impact Rating Table	28
Table 2: Infrastructure Capacity Rating	29
Table 3: Establishment Costs	30
Table 4: Community Costs and Benefits	34
Table 5: Environmental Costs and Benefits	36
Table 6 Summary of Strategy Options and Landowner Support	39

Figure Index

Figure 1: The Strategy Area	2
Figure 2: Precincts	6
Figure 3: Regional and District Context	9
Figure 4: Settlement Options 1 – 5	16
Figure 5: The Recommended Strategy	45
Figure 6: Precinct Recommendations	48
Figure 7: Precinct Recommendations	49

Appendices

A Population calculations for settlement options



Executive Summary

- The coastal subdivisions of the Ninety Mile Beach have for many years been considered inappropriate. Various approaches to restricting development have been initiated over the last three decades with limited success and with continued uncertainty for landowners. The area is likely to be under increasing development pressure in the future. Planning and management reforms are needed and land ownership issues need resolution.
- 2. The Shire of Wellington, in association with the Victorian Government, propose this strategy to assist with resolving these issues.
- 3. The Shire of Wellington has adopted the following vision for the area:

The Wellington Coast will provide for the settlement, recreation and tourism aspirations of the community, with settlement patterns and development outcomes that respond to the capacities of the natural environment, the cost of infrastructure, and which seek to include equitable solutions for all ratepayers and landowners in the Shire.

- 4. Coastal areas in proximity to existing population centres, and offering opportunities for development, will be under significant pressure in the future.
- 5. Although there is no one overriding environmental reason to avoid full development of the coastal subdivisions, there are several factors which, when combined, suggest that this would not be a desirable outcome. Increasing land values may result in this position being challenged by landowners seeking to maximise the value of their land holdings.
- 6. Shifts in community and social characteristics are likely to result in a new generation of landowners, with high expectations for community and utility infrastructure and development standards, resulting in gradual improvements and further demand to settle in the area.
- Increasing land values, desirability of coastal locations, and an upward economic shift in the area is likely to place additional pressure for development and expansion of settlements.
- 8. The lack of infrastructure has been a key factor in restricting the pressure for additional development of the subdivisions. Upgrades of infrastructure networks to other coastal settlements in the region will increase pressure for development and associated upgrades to infrastructure within the coastal subdivisions.
- 9. Although the current management arrangements reflect a long history of decisions to restrain development within the subdivision areas, these arrangements will be increasingly challenged as demand for coastal land intensifies.
- 10. This strategy includes consideration of a preferred settlement structure for the area, to provide a strategic context within which to carry out the planning and management of subdivision and development.
- 11. Five settlement scenarios have been devised to assist in understanding the options for future development in the coastal areas from Honeysuckles to Paradise Beach



- 12.A comprehensive analysis of monetary costs and benefits will form the foundation for implementing the subdivision strategy with a clear understanding of its financial implications.
- 13. The preferred settlement structure for the coastal area is Nodal Urban. This option establishes an approach that balances environmental, community and economic considerations. It creates certainty for landowners and financial gains that can assist to redress the losses associated with restricted development.
- 14. The key elements of this option include:
 - A preference for urban standard development in well defined settlement nodes
 - Eliminating the need to restructure lots within these nodes
 - Acknowledging the Golden Beach/Paradise Beach/Delray Beach node as the focus for settlement on the coast between Seaspray and Loch Sport.
 - Acknowledging The Honeysuckles as a development node connected to Seaspray and its services.
 - Removing the oversupply of land, to create a buoyant and focussed land market
 - cost efficiencies in providing new or improved roads, utility and community services
 - Reducing the potential for direct population and development impacts on the coastal and lakes environment.
 - Transferring areas that are subject to inundation, have significant coastal values and have not been substantially modified into areas for environmental management, through conversion to public ownership and expanding the Coastal Lakes Park, or freehold rural conservation lots.
 - Providing for new nodes of recreation, tourism and related commercial activities.
- 15. The following key tasks are required and listed in order of priority:
 - a) Establish an implementation taskforce (possibly a re-formed Strategy Steering Committee), with membership from the Shire of Wellington, key State agencies and local organisations to ensure ongoing agreement and commitment to the implementation of the strategy, including agency endorsement of the detailed arrangements for the preferred option.
 - b) Supplement the existing assessment of costs and benefits to establish a more detailed assessment of the financial implications of the preferred option, particularly the implications of transferring land to environmental management through public ownership or rural conservation lots.
 - c) Clarify costs of reticulated water and sewerage for Option 4, the regulatory constraints to achieving such service provision, and consider alternative financial and engineering solutions to improving these utilities, such as re-use opportunities and technologies such as desalination, and provision of reticulated sewerage without reticulated water. This may include investigating the reasons for different regulator imposed restrictions on recouping costs for water and sewerage, compared to electricity.
 - d) Prepare a preliminary timetable and costing program to implement the preferred option.



- e) Obtain high level technical support and direction at Commonwealth and State levels, including land management agencies and infrastructure providers.
- f) Obtain high level support and direction from State, regional and local business groups.
- g) Obtain high level political support at Commonwealth and State levels for the proposals.
- h) Form a lobby group through MAV to encourage government reforms in policy, process and legislation, and to improve Victoria's approach to the acquisition of private land for public conservation and environmental management.
- i) Establish a public relations and education campaign.
- j) Establish an appropriate community involvement structure.
- k) Undertake appropriate community consultation, including specific interest groups such as Aboriginal and Native Title interests and Melbourne based land owners.
- Modify the planning framework amendments to the MSS, planning scheme, local policy and procedure.
- m) Establish a framework for a government and private sector partnership including government and private sector responsibilities, decision-making structures, new organisations and corporate bodies, including the creation of a land bank.
- n) Employ dedicated person(s) or organisation with adequate time and resources to facilitate the implementation of the strategy, and determine their relationship to the above framework.
- o) Identify an external broker to assist in implementation.
- p) Prepare a detailed program for implementation, including financial management models.



1. The Need for the Strategy

1.1 Background

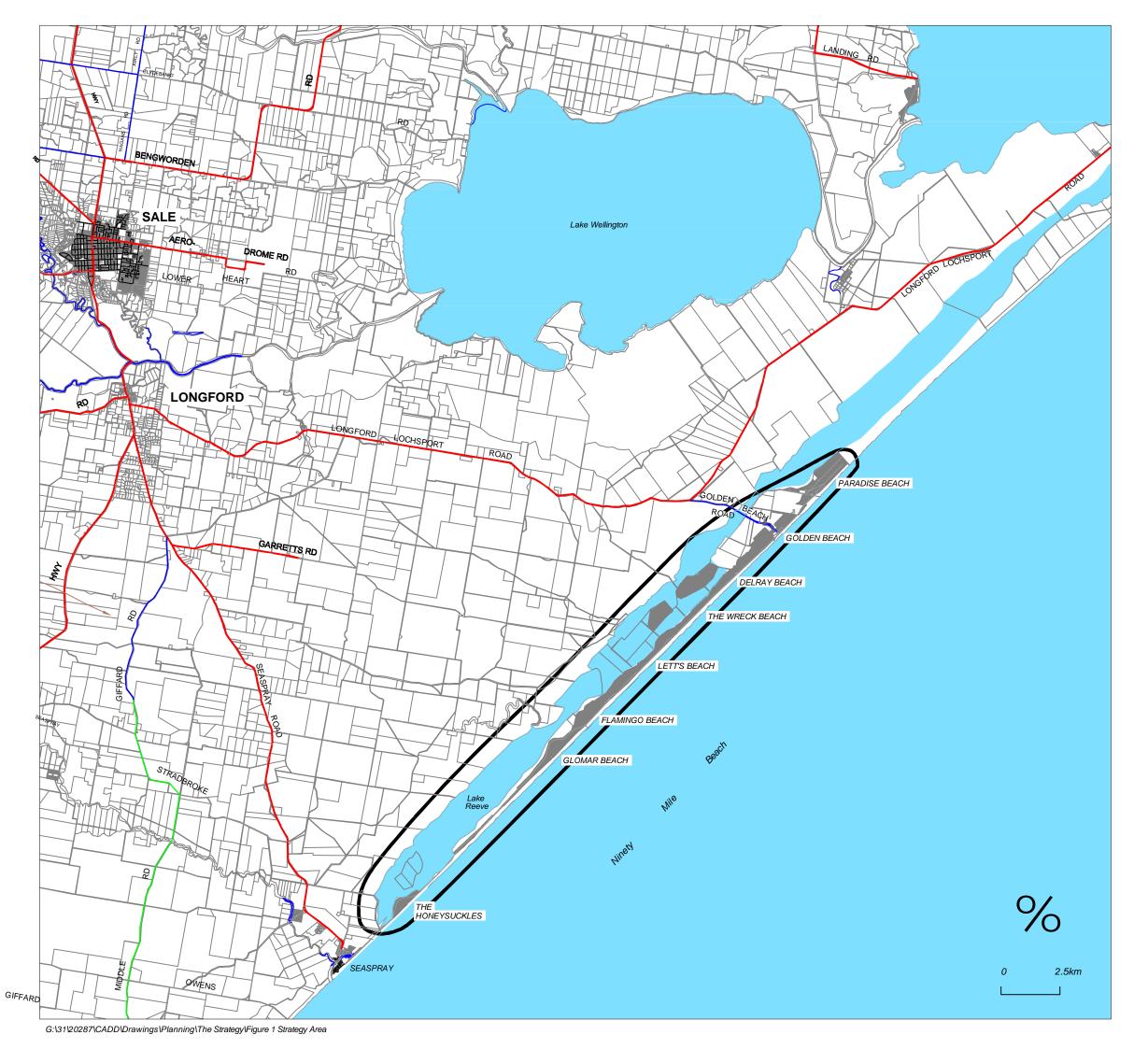
The coastal subdivisions of the Ninety Mile Beach have for many years been considered inappropriate. Various approaches to restricting development have been initiated over the last three decades with limited success and with continued uncertainty for landowners. The area is likely to be under increasing development pressure in the future. Planning and management reforms are needed and land ownership issues need resolution.

The Shire of Wellington, in association with the Victorian Government, proposes this strategy to assist with resolving these issues.

The Ninety Mile Beach, between The Honeysuckles and Paradise Beach has a unique narrow coastal landscape wedged between the Bass Strait and Lake Reeve (refer Figure 1). Located 30 km south of Sale it has long been a recreational destination for residents of the Gippsland Region and Victoria, and is emerging as a growing tourism and retirement destination. This narrow stretch of land contains approximately 11,800 residential lots, which have been in existence since the 1950s and 60s. Approximately 35% (4,300) are subject to inundation and not developed, 16% (1,600) have been restructured into 500 development parcels, 2.5% (300) are subject to a stalled buy-back scheme, and 48% (5,600) have not yet been restructured. Approximately 1,200 lots are owned by Council.

Most of these lots are either not serviced with any form of infrastructure (including roads), or are partially serviced. Although some lots are developed, a full development scenario would have significant and unacceptable impacts on the coastal and lakes environment. The lots have long been considered inappropriate.

State and local government have gradually introduced planning and management controls over several decades to rationalise land ownership and transfer land back to government. These initiatives have understandably introduced progressive but protracted moves towards decreasing the density of lots and, therefore, the dwelling potential. These approaches have been under resourced, time consuming, and frustrating to long aggrieved land owners.



Ref. No. 31/20287 - November 2006





WELLINGTON COAST SUBDIVISION STRATEGY HONEYSUCKLES TO PARADISE BEACH,

SHIRE OF WELLINGTON



SUBDIVISION AREAS SUBJECT TO THE STRATEGY



1.2 State and Regional Policy

The Victorian Coastal Strategy (2002) outlines a hierarchy of principles for coastal planning and management relevant to this strategy, including:

- Protection of significant environmental features, in particular net gain in the quantity and quality of coastal indigenous vegetation and habitat will be encouraged.
- Sustainable use of natural coastal resources.
- Directions for integrated planning and management, in particular there will be a net gain in the quality and quantity of the public land estate along the coast through land swaps, donations and purchase.
- Suitable development on the coast, in particular where there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation (the precautionary principle – National Strategy for Ecologically Sustainable Development 1992).

The Coastal Spaces Initiative was established by the Victorian Government to assist local government to progress implementation of the Victorian Coastal Strategy and manage development pressures in coastal towns beyond metropolitan Melbourne. The initiative resulted in recommendations (2006) to government relating to:

- Reaffirming commitment to direct urban development to existing settlements;
- Establishing settlement boundaries in planning schemes;
- Protecting non-urban coastal landscapes;
- Targeting priority for infrastructure and innovative solutions in environmental hotspots, in particular providing support to progress the recommendations of this strategy;
- Encouraging tourism investment and products that are sensitive to coastal settings;
- Establishing planning policy that discourages disturbance of Acid Sulphate Soils;
- Establishing a more comprehensive approach to asset management on public land; and
- Promoting ongoing regional coordination and communication.

Urban Design Frameworks are currently being prepared for 16 existing coastal settlements in the Wellington and East Gippsland Shires. These outline the preferred urban design future of these settlements, including Golden Beach/Paradise Beach and The Honeysuckles. The Frameworks include:

- Visions, objectives and strategies;
- Key development sites;
- Masterplan proposals;
- Proposed changes to the Wellington Planning Scheme; and
- Implementation priorities and actions.

Consistent with this Strategy, the Frameworks confirm the long term future of Golden Beach/Paradise Beach and The Honeysuckles as urban nodes, and have been prepared in parallel with the intentions of this Strategy.



The Coastal Action Plan for Integrated Coastal Planning in Gippsland, 2002 (CAP) includes the following Policy Statement:

- Inappropriate subdivisions along the Gippsland Coast will not be permitted to develop in their original form.
- Buy-back options for inappropriate lots will be actively pursued.
- Consolidation plans will be reviewed and implemented.

The Gippsland Lakes Coastal Action Plan includes various recommended actions that indirectly relate to the subdivisions, including:

- Assessment of the impact of wastewater disposal from the Golden Beach area into Lake Reeve.
- Installation of appropriate sewerage and water supply systems for unsewered areas where environmental or health issues suggest this is a preferred solution.
- Management actions to minimise sediments from streets and drains.
- Ensuring private development does not restrict access to public foreshore, or detracts from significant landscape values to and from the Lakes.
- Implement planning controls preserving identified valuable vegetation on the Lakes foreshores and escarpments.
- Identify activity nodes and coastal settlements, to encourage development in suitable locations.
- Actively discourage ribbon development by containing activity within defined nodes.
- Review, complete and implement consolidation plans for old and inappropriate subdivisions.



1.3 Recent Investigations and Decisions

In 1999 the Wellington Shire Council resolved to:

- seek political and State Government support for finding an improved solution to the problem,
- encourage development in selected locations, and
- review Council's Strategic Plan and planning scheme to include a new planning framework for the area.

The lots are part of a larger pattern of inappropriately located lots along the Gippsland Coast. A scoping study was undertaken in 2000 to research and review the situation, recommend actions and programs, and scopes the size of the problem to be resolved. In relation to this strategy area, it was ranked the highest priority as a risk area due to the large number of lots and the potential impacts on the environment.

The study recommendations relevant to this strategy were:

- A study be undertaken to identify and review the options for funding, administration, and for the respective roles of State and local government, for new reinvigorated buy-back schemes for the areas where development is already prohibited.
- A study be undertaken to evaluate and provide recommendations on the costs, benefits and options for a possible Government buy-back scheme of lots in at least sections 7-18 of the 90 Mile Beach subdivisions, and possibly some other sections, rather than continuing with restructuring.
- The possibility of the State Government establishing a Gippsland Coast Inappropriate Subdivisions Buy-Back Program, possibly through continuing or augmenting the financial allocations currently being made for the Summerland Estate buy-back program.

1.4 Summary of the Strategy Area

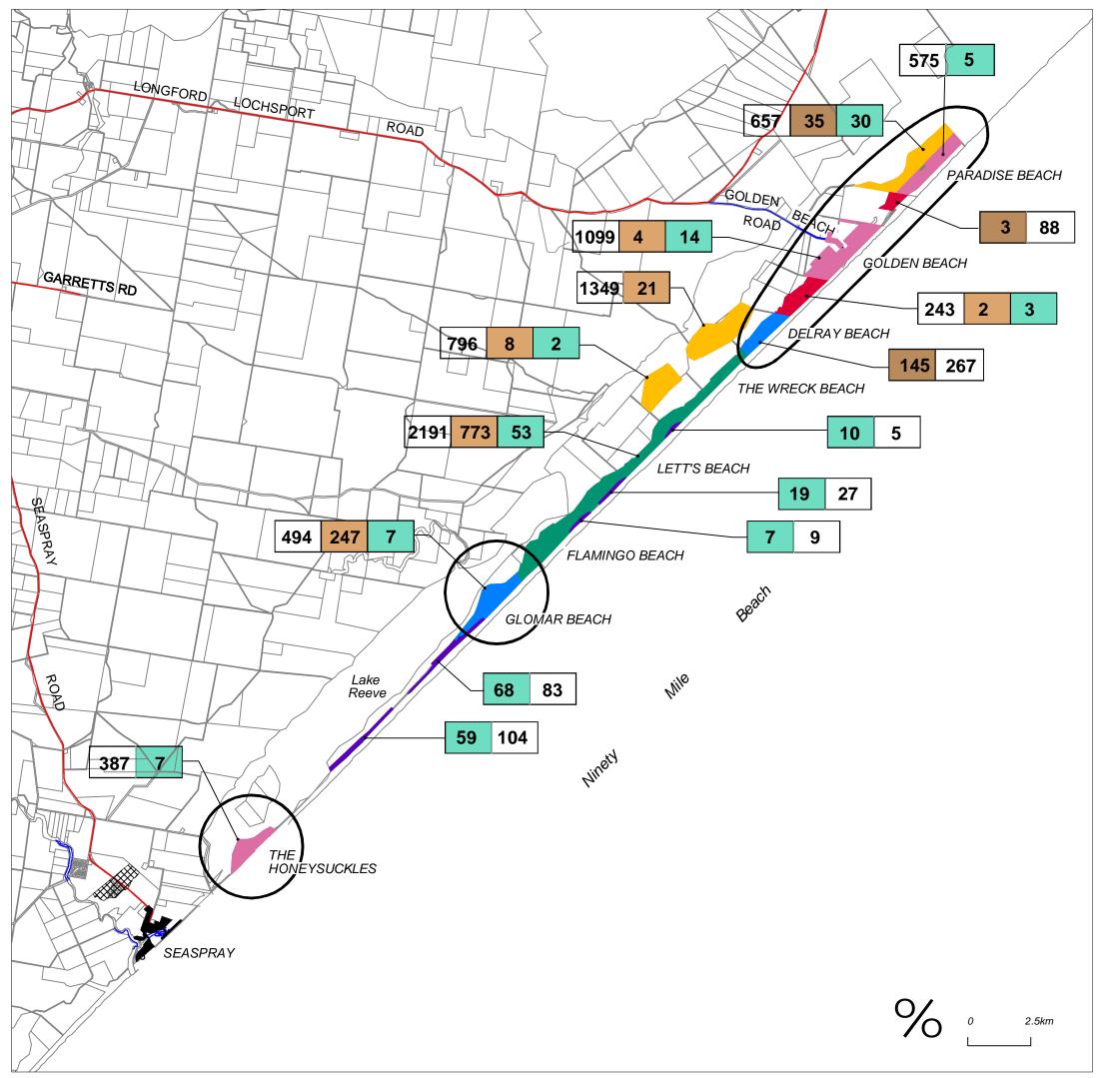
The strategy area has several distinct precincts (refer Figure 2):

Golden Beach and Paradise Beach. These are the main settlement areas with the highest concentration of existing development, and include a combination of low density residential lots (resulting from restructure and tenement consolidations) and residential lots. The area has a defined town centre, with some local services.

The Honeysuckles. Located just east of Seaspray, this has a combination of low density residential lots (resulting from tenement consolidations) and residential lots. It also has a high concentration of existing development and is socially and economically connected to Seaspray.

Completed Restructures at Delray Beach. These are immediately west of Golden Beach and have been the subject of successful efforts of the Wellington Shire Council to pursue restructuring of lots to create a lower density development potential.

Priority Restructure Areas at The Wreck Beach. These are immediately west of Delray Beach and are the subject of current efforts of the Wellington Shire Council to pursue restructuring of lots to create a lower density development potential.



G:\31\20287/CADD/Drawings/Planning/Strategy Plans/Figure 2

Ref. No. 31/20287 - November 2006



RE OF WELLINGTON

WELLINGTON COAST SUBDIVISION STRATEGY HONEYSUCKLES TO PARADISE BEACH,

FIGURE 2 PRECINCTS





- 2000

EXISTING CONCENTRATIONS OF DEVELOPMENT

CONTINUING RESTRUCTURE AS A PRIORITY

INCOMPLETE RESTRUCTURE AREAS

RESTRICTED DEVELOPMENT (Rated)

STATE GOVERNMENT OWNED LOTS

RESTRICTED DEVELOPMENT (Not Rated)

TENEMENT AREAS

BUY BACK SCHEME

PRIVATELY OWNED LOTS

COUNCIL OWNED LOTS

SEASPRAY TOWNSHIP

SEASPRAY LOW DENSITY RESIDENTIAL

RESTRUCTURE COMPLETE



Glomar Beach. Located half way between The Wreck Beach and The Honeysuckles, these are the subject of current efforts of the Wellington Shire Council to pursue restructuring of lots to create a lower density development potential. This area is relatively isolated from the other settlements on this coast, and contains a small grouping of dwellings.

Beach Buy Back Areas. Located in narrow sections, mostly between Glomar Beach and the Honeysuckles, these are located on primary coastal dunes, and are part of a currently inactive buy-back scheme to transfer the land to the Crown. Several smaller areas also occur north of Glomar Beach.

Non-Priority Restructure Areas. The remaining areas have little development and are considered low priority for restructure. Council has encouraged the concept that they be transferred to the Crown for a coastal park.

1.5 Vision and Objectives for the Strategy Area

The Shire of Wellington has adopted the following vision for the area:

The Wellington Coast will provide for the settlement, recreation, tourism and environmental aspirations of the community, with settlement patterns and development outcomes that respond to the values and capacities of the natural environment, the cost of infrastructure, and which seek to include equitable solutions for all ratepayers and landowners in the Shire.

The objectives of the strategy are:

- To establish a preferred settlement structure for the Wellington Coast between Seaspray and Loch Sport.
- To encourage development that responds appropriately to environmental values.
- To maximise community and economic benefits from development.
- To provide infrastructure to coastal communities, that responds to the needs of residents and visitors, within a cost structure that recognises local, regional and State interests.
- To establish implementation measures that recognise landowner concerns and redistribute the financial burdens and windfalls associated with winners and losers in the preferred settlement structure.
- To establish a planning and management framework that provides more certainty to landowners, The Shire of Wellington, and associated agencies and organisations involved in development in the area.



2. Strategic Considerations

2.1 Regional Context

Coastal areas in proximity to existing population centres, and offering opportunities for development, will be under significant pressure in the future.

The subdivisions are located approximately 200 km from metropolitan Melbourne, and are easily accessible to the eastern corridor of regional centres within the Latrobe Valley and the Gippsland Region. Improvements in the regional road system in this eastern corridor, and in the eastern approaches to Melbourne, will continue to reduce travel distances to the area, making it increasingly attractive as a place to reside or visit for holidays.

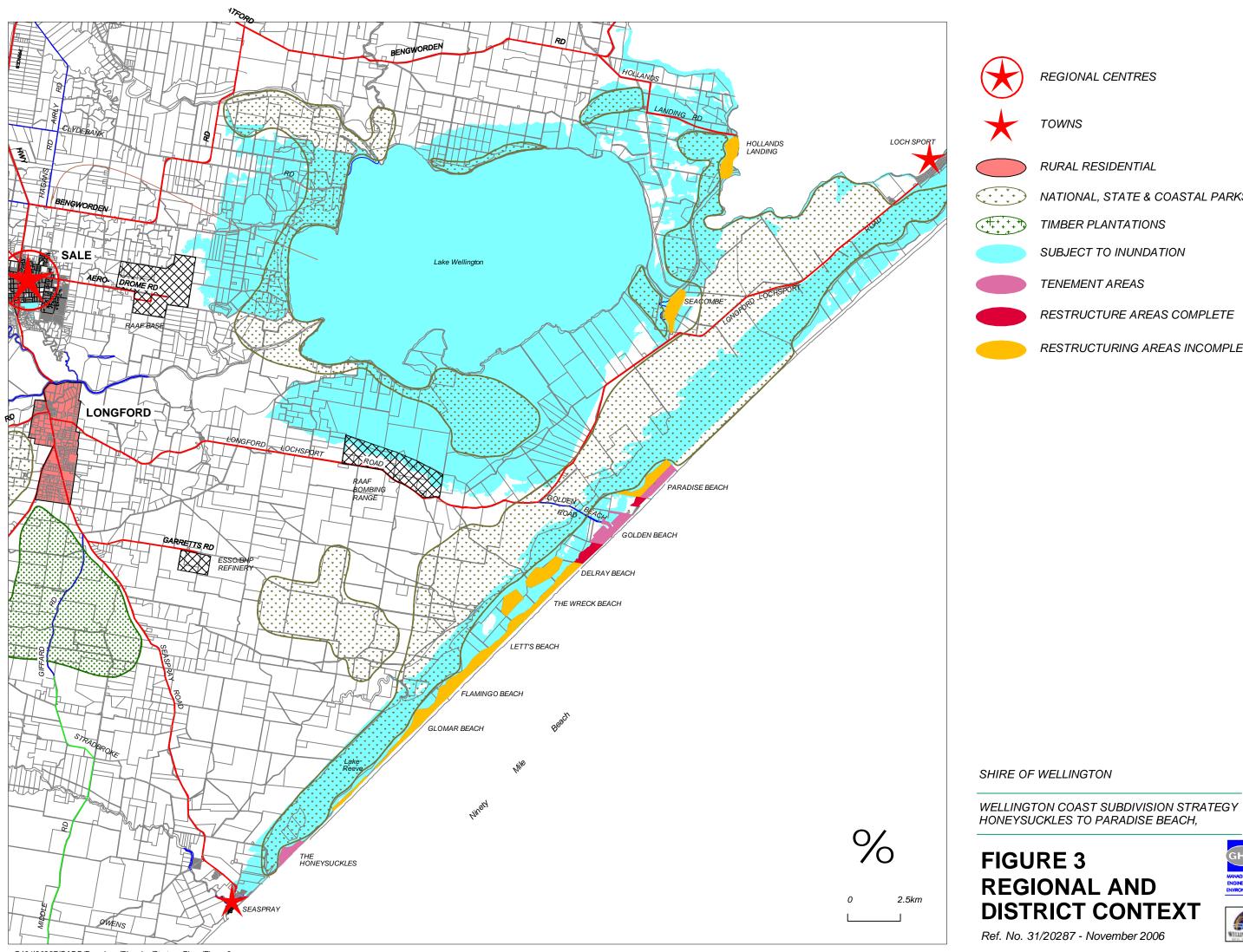
The subdivisions have a close connection with Sale as the regional centre. The Ninety Mile Beach and the Gippsland Lakes offer significant natural beauty and recreational opportunities. Figure 3 outlines the regional and district context for the subdivisions.

The subdivisions have developed into two main nodes of development on the Lake Reeve section of Ninety Mile Beach:

- Golden Beach/Paradise Beach is a recognised development node at the eastern end of the subdivisions, accessed by the Longford – Loch Sport Road.
- The Honeysuckles at the western end of the subdivisions is a recognised development node and has evolved as an extension of the Seaspray community, accessed by the Seaspray Road.

A minor node of development has emerged in the Glomar Beach area, approximately halfway between The Honeysuckles and Golden Beach/Paradise Beach.

Loch Sport and Seaspray are not part of the subdivision strategy, but are coastal settlements that "bookend" the subdivisions and influence future development options for the district. Prospective purchasers of coastal properties may increasingly look towards the coastal subdivisions as alternative locations to Seaspray and Loch Sport.



G:\31\20287/CADD/Drawings/Planning/Strategy Plans/Figure 3

)	REGIONAL CENTRES
-	TOWNS
	RURAL RESIDENTIAL
$\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{\mathbf{$	NATIONAL, STATE & COASTAL PARKS
+	TIMBER PLANTATIONS
	SUBJECT TO INUNDATION
	TENEMENT AREAS
	RESTRUCTURE AREAS COMPLETE
	RESTRUCTURING AREAS INCOMPLETE







2.2 Environmental Issues

Although there is no one overriding environmental reason to avoid full development of the coastal subdivisions, there are several factors which, when combined, suggest that this would not be a desirable outcome. Increasing land values may result in this position being challenged by landowners seeking to maximise the value of their land holdings.

2.2.1 Landscape Character

The narrow coastal strip between Lake Reeve and Ninety Mile Beach, on which the subdivisions are located, is a significant landscape feature. This is recognised in the Shire of Wellington Planning Scheme, where an Environmental Significance Overlay (ESO1: Coastal and Gippsland Lakes Environs) applies to the entire coastal strip. This reflects the long held position by State and local government that the location was inappropriate for extensive subdivision and development for residential purposes. Seacombe is also within the ESO1.

Further to these landscape considerations, sites of geological/geomorphological significance are identified at the Honeysuckles and Flamingo Beach, on the basis that these are the widest areas of intact coastal dune between the Ninety Mile Beach and Lake Reeve, although development at The Honeysuckles has diminished this value.

2.2.2 Lake Reeve

The coastal subdivisions are surrounded by large areas managed by Parks Victoria as part the Gippsland Lakes Coastal Park. The Lakes are also subject to Environmental Significance Overlay 2: Wetlands, which includes provisions outlining the additional considerations applying to the use and development of land within and adjacent to the wetlands.

The impact of on-site effluent disposal on the groundwater and hydrology of the adjacent Lake Reeve is not fully understood. There is currently a target of 40% reduction of nutrient loads into the Gippsland Lakes. The Gippsland Lakes Environmental Study (2001) was undertaken to assess options for improving the water quality and ecological function of the Gippsland Lakes. The study states that Lake Reeve is usually dry except for times of high rainfall. The report has no specific conclusions relating to the Lake Reeve component of the lake system. It is likely, however, that full development of the area, using conventional onsite effluent systems, would potentially be detrimental to the long term health of the lakes environment. The Shire of Wellington has introduced a Code of Practice requiring the use of on-site package treatment plants. This is likely to reduce the impact of on-site effluent disposal, but is not a desirable solution for a full development scenario. Run-off from roads and structures in a full development scenario is likely to have a significant impact on the lakes, particularly during high rainfall periods when a build up of sediment and nutrients may be deposited in the lakes environment.

The coastal subdivisions include lots adjacent to Lake Reeve that are zoned for low density development and are also subject to a Land Subject to Inundation Overlay (LSIO). The LSIO is based on the best current flood data available.



The Gippsland Lakes are a significant breeding ground for mosquitos. The Wellington Shire Council allocates significant resources to minimising the health impacts of mosquitos in populated areas. The recent period of low rainfall has assisted to keep mosquito impacts to a minimum, however future wet seasons are likely to increase these impacts, including the coastal areas around Lake Reeve. Substantial population increases in mosquito prone areas would aggravate mosquito management issues for Council.

2.2.3 Native Vegetation and Habitat Protection

Most of the undeveloped lots between The Honeysuckles and Delray Beach contain remnant native vegetation, identified by Ecological Vegetation Classification (EVC) as predominantly Coastal Dune Scrub Mosaic and is not currently considered rare or threatened in the Gippsland Region. Interspersed between this EVC is Coast Banksia Woodland, which is considered vulnerable in Gippsland. Increases in clearing that may result from development could threaten the integrity of this vegetation community. Rare and threatened EVCs are protected under the State Governments Native Vegetation Management Framework.

Five Biosites have been identified in close proximity to the coastal subdivisions, containing flora and fauna species considered rare, threatened or endangered by State or Commonwealth conservation frameworks. It is likely that significant population increases in the area would increase the level of management required to protect these species.

Lake Reeve and The Gippsland Lakes are also listed under the Ramsar convention on wetlands as internationally significant waterfowl habitat. Although development of the subdivisions is unlikely to have any direct impact on these values, significant population increases in the area may increase the level of management required for protection.

2.2.4 Coastal Processes

The Ninety Mile Beach consists of one long continuous beach, protected by a generally wellvegetated and steep frontal dune. The Victorian Coastal Council's Landscape Setting Types for the Victorian Coast, suggest that this coast is most susceptible to wind erosion and blowouts. Increases in population adjacent to the coast are likely to place significant pressures on the vegetated dune, and will require additional management measures.

2.2.5 Wildfire

Draft Bushfire Prone Areas (BPAs) have been identified for the area by the Country Fire Authority (CFA). Most of the coastal subdivisions are located within the BPAs. In areas where significant vegetation is to be retained for conservation, management of wildfire that could potentially threatening dwellings may be difficult to implement. Concentrations of urban density populations are preferable from a fire management perspective. Reticulated water is also preferred for fire fighting, otherwise storage tanks are required. Fire management plans are recommended for low density residential areas and other areas where native vegetation is to remain on large freehold properties.



2.2.6 Climate Change

The Gippsland Coastal Board has compiled information on climate change predictions for Victoria and the Gippsland region. This suggests that in the year 2070 temperatures will be marginally higher. Although rainfall will decrease, there are likely to be more intense extreme rainfall and wind events. Sea level rises globally are expected to range from 5 to 32 cm by 2050. The implications for the Gippsland coast include increased flooding, storm surges and coastal erosion, saline water intrusion into estuaries, modifications to coastal processes such as erosion and sediment transport, breaching of barrier dunes between the coast and lakes, and changes to ecological cycles. Sections of Lake Reeve are protected by narrow barrier dunes.

2.2.7 Coastal Subsidence

The Gippsland Coastal Board has compiled information on coastal subsidence (lowering of the natural ground level) in the Gippsland region. This indicates that the continued extraction of fluids (water, oil and gas) from the Latrobe Aquifer, both onshore and offshore, is likely to be a significant risk factor for subsidence. There is insufficient current information to make accurate predictions of the extent and likely location of subsidence. Subsidence in coastal areas may lead to increased flooding and consequent impacts on the natural and built environments of the coast. Sections of Lake Reeve are protected by narrow barrier dunes.

2.2.8 Coastal Acid Sulphate Soils

The Gippsland Coastal Board has compiled information on coastal acid sulphate soils in the Gippsland region. This indicates that soil, sediment and rock containing high levels of iron sulfides, when exposed to the air produce sulfuric acid. This can have adverse impacts on water quality, estuarine and wetland environments, fisheries, agriculture and infrastructure. Although the areas surrounding Lake Reeve have been identified as susceptible, a site specific assessment is required to determine the likelihood of exposing such soil. The presence of acid sulphate soils requires special management measures to allow these areas to be used or developed.

2.3 Community and Social Trends

Shifts in community and social characteristics are likely to result in a new generation of landowners, with high expectations for community and utility infrastructure and development standards, resulting in gradual improvements and further demand to settle in the area.

The predominant community complexion consists of existing small tight communities of permanent residents, with long term absentee owners that mostly have a long term connection to the region or that live in Sale.

Social indicators suggest a trend moving towards a new generation of retirees, permanents commuting to Sale for work, and new weekenders or absentee owners from Melbourne or within the region. The proportion of dwellings permanently occupied is likely to increase.

Several different community service responses will be required. Existing residents will require support and services as the community complexion changes, and new residents will



bring a need for community services focussed on the recreational and health needs of older persons.

Higher income groups are also likely to diversify community and social characteristics and related services and facilities provided by the private sector.

2.4 Economic Trends

Increasing land values, desirability of coastal locations, and an upward economic shift in the area is likely to place additional pressure for development and expansion of settlements.

Economic trends in the coastal districts, including Seaspray and Loch Sport, generally reflect observed social changes. Significant increases in property prices and higher volumes of property sales have been observed, suggesting changes in the socio-economic character. Increased investment in the area is likely to follow.

New commercial and tourism ventures have been established, consisting of low key ventures, boutique accommodation, backpackers and bed & breakfast establishments. These are part of an emerging effort to encourage coastal tourism, linking the natural, recreational and tourism assets across the coastal regions.

The existing Golden Beach commercial centre operators are motivated to establish improved commercial and related community facilities.

2.5 Infrastructure Development

The lack of infrastructure has been a key factor in restricting the pressure for additional development of the subdivisions. Upgrades of infrastructure networks to other coastal settlements in the region will increase pressure for development and associated upgrades to infrastructure within the coastal subdivisions.

Key decisions in infrastructure provision are being considered within the region. In particular reticulated sewerage at Seaspray and Loch Sport is being investigated, a response to the perception that these settlements are growing and require improved standards of infrastructure and utility services, particularly to improve efficiency and limit impacts of settlement on the environment. Long term infrastructure options for the region will eventually need to take into account the infrastructure needs of existing and potential development within the coastal subdivisions.

The Shire of Wellington also acknowledges that community changes will require new community services.

The original subdivision included no utility infrastructure and poorly formed roads. The location of existing development in the subdivision areas reflects the extent of infrastructure provided later by utility service providers and private street schemes. Electricity infrastructure has been provided by residents through a levy scheme and is maintained privately, with consequent issues about responsibility and consistent delivery of service. The absence of reticulated water has also been a significant limiting factor in the development of the subdivision areas. The lack of available capital investment for expansions to these networks has restricted further development. The pattern of development, expectations of development potential and related land values are highly



dependent on the availability of infrastructure. As land values increase, the traditional approaches to infrastructure provision may be challenged by landowners seeking to maximise the value of their land holdings.

2.6 Management Considerations

Although the current management arrangements reflect a long history of decisions to restrain development within the subdivision areas, these arrangements will be increasingly challenged as demand for coastal land intensifies.

The Shire of Wellington Municipal Strategic Statement discourages development of predominantly vacant land in the coastal settlements, unless provided with reticulated services. It also seeks to ensure that development primarily occurs at Golden Beach, Paradise beach and the Honeysuckles. Notwithstanding these strategic statements, however, Council has not determined a strong strategic position in relation to a settlement structure for the coast and has not resolved the many strategic, infrastructure provision, statutory and procedural issues associated with development of the area. There is perceived uncertainty in Council's long term planning position for the area.

The day-to-day planning process, decision-making and development systems for the area have significant inconsistencies and uncertainties and require reform. In particular Council's involvement in the process of restructuring lots, although successful to date, has slowed in recent years and will be under increasing pressure as demand for development in the area intensifies.

Landowners in the subdivision area continue to perceive uncertainty in the current arrangements and many retain the belief that they are being unfairly treated. Significant rate arrears in the area reflect hesitancy by landowners to contribute to Council's operations in the absence of the right to develop their land and a perceived lack of any material gain for rate payment. Landowner complaints to Council continue to sidetrack it from finding long term solutions.

Council is aware that these issues will become more acute as the community and economic characteristics of the area change and demand for development intensifies.

Council understands that additional public relations, education and consultation programs will be required to ensure the strategy is supported, this includes consultation with specific interest groups, including Aboriginal and Native Title interests, and Melbourne based land owners.



3. Optional Settlement Scenarios

This strategy includes consideration of a preferred settlement structure for the area, to provide a strategic context within which to carry out the planning and management of subdivision and development.

Five settlement scenarios have been devised to assist in understanding the options for future development in the coastal areas from Honeysuckles to Paradise Beach (Refer to Figure 4). It is acknowledged that the conventional approach to planning for these areas has been to assume that the subdivisions are inappropriately located, with the exception of selected areas. It is generally agreed that to allow all the lots in the area to develop would have significant and unacceptable impacts on the coastal and lakes environment. It is useful, however, to entertain the concept of full or partial development patterns, to compare the costs and benefits of these outcomes.

A proposed new residential settlement known as Wellington Waters is proposed for an inland site, in the vicinity of Lake Wellington, but has not yet been fully assessed or approved. The brief for this strategy does not include assessment of proposed new development. In the event the proposal proceeds, its population and infrastructure outcomes may have implications for the settlement and infrastructure proposals of this strategy.

3.1 Population Assumptions

In developing the options the lot yields and population outcomes have been calculated to provide the basis for comparing the infrastructure, environmental, community and economic consequences of each scenario. This has been calculated for precincts, defined using the restructure and tenement boundaries that establish the existing development patterns upon which future development would build.

It should be noted that all options (except Option 5) accommodate for significantly more population than expected for the area according to population projections undertaken for the Gippsland Coastal Board by the National Institute for Economic and Industry Research. These projections suggest that the approximate population growth to 2011 will be an additional 100 people. This does not accommodate for a potential shift in demand for lots in the area, decreases in the level of absentee ownership, or the existence of lots that could be developed under a full development scenario. The comparison of options, therefore, does not aim to limit land and dwelling availability to the projected population levels.





Ref. No. 31/20287 - November 2006



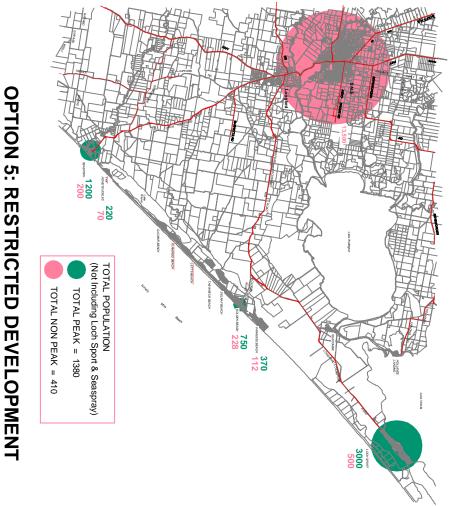
GHD

WELLINGTON COAST SUBDIVISION STRATEGY HONEYSUCKLES TO PARADISE BEACH,

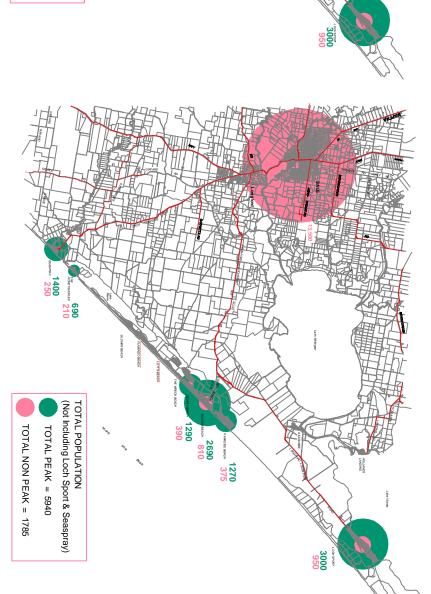
SHIRE OF WELLINGTON

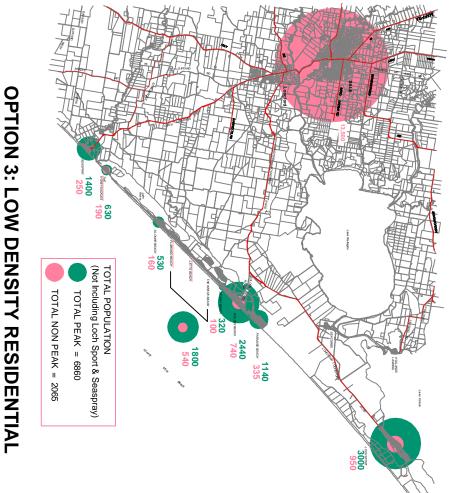
Not to Scale



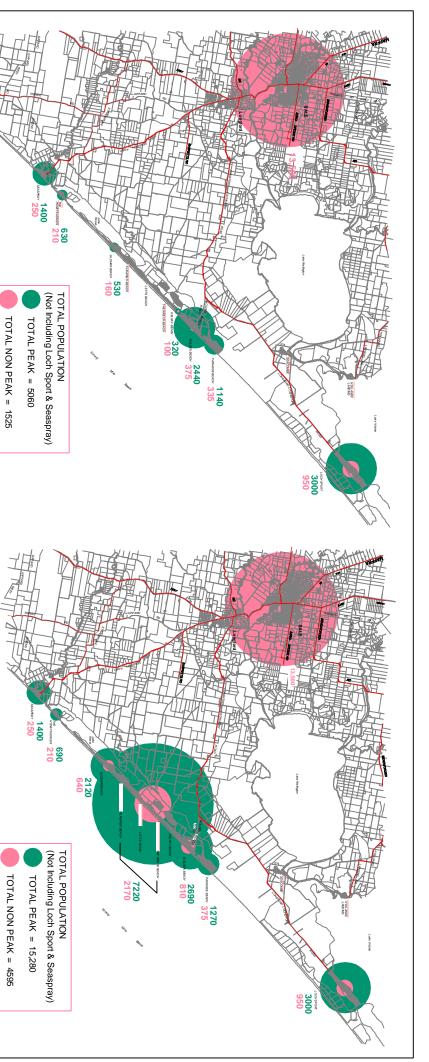


OPTION 4: URBAN NODES









OPTION 2: FULLY SERVICED URBAN INFRASTRUCTURE

OPTION 1: STATUS QUO



In relation to optional settlement scenarios, lot yields and population calculations assume:

- An approximate assessment of lot numbers and population yielded from each settlement scenario, based on assumed proportions of lot yields from each coastal precinct (excluding restricted development and buy back scheme precincts).
- An occupancy rate of 2.3 persons per dwelling (based on the 1991, 1996, and 2001 ABS census counts for population and dwellings). This occupancy rate is higher than the State average, and reflects the fact that absentee dwellings, when visited, contain a marginally higher average number of occupants than permanently occupied dwellings.
- The 2001 occupancy rate can be used to calculate the Total Peak populations for each scenario, because the range of social change factors that may influence this rate (with both an upwards and downwards effect) are not likely to substantially influence the rate.
- The number of dwellings containing permanent residents will increase from 17% to approximately 30%, and calculations using this assumption represent a non-peak population minimum.
- A total peak or maximum population would occur in the event every dwelling was occupied, either permanently or during peak visitor periods.

Detailed population calculations for each option are outlined in Appendix 1.

The population calculations do not include additional temporary population that may visit the area and be accommodated in camping areas on the coast.

Infrastructure requirements have been identified for each option and the environmental, community and economic costs and benefits have been documented. No distinction has been drawn as to the responsible parties for meeting the costs or deriving the benefits.

3.2 Option 1: Status Quo

3.2.1 Overall Concept

Continue with the current approach to planning and management, including implementation of the tenement plans, focussing on selected restructure areas for lot consolidation. No change to the existing administrative and financial arrangements.

3.2.2 Population Outcomes and Lot Yields

Total Lot Yield:	2,463
Total Peak Population:	5,666
Total Non-Peak Population:	1,670



3.2.3 Infrastructure Requirements

Tenement Areas

- Residential standard road construction and upgrades (shared across existing and new lots).
- Urban standard stormwater drainage construction and upgrades (shared across existing and new lots).
- On-site package treatment plants for wastewater disposal (new lots only).
- Reticulated water (new lot connections, plus system upgrades shared across existing and new lots).
- Connection and upgrade to the electricity grid (shared across existing and new lots).

Restructure Areas

- Rural residential standard road construction and upgrades (shared across existing and new lots).
- Rural residential standard stormwater drainage construction and upgrades (shared across existing and new lots).
- On-site package treatment plants for wastewater disposal (new lots only).
- Reticulated water (new lot connections, plus system upgrades shared across existing and new lots).
- Connection and upgrade to the electricity grid (new lots only).

3.2.4 Environmental, Community, Economic and Management Costs and Benefits

Costs:

- Moderate establishment costs.
- Moderate buy back costs.
- Continued rates debt.
- Continued landowner anger, uncertainty and need for resolution.
- Continued administrative costs.
- No strategic approach to settlement development.
- Moderate impacts on some remnant vegetation and habitat, including EVCs
- Moderate impacts on coastal processes
- Potential for moderate impact on wetlands from on-site effluent disposal.
- Moderate impacts on cultural values defined by the National Trust.
- Uncoordinated infrastructure has moderate impacts on landscape values.
- Significant risks from wildfire.



Benefits:

- Some landowners provided development opportunities.
- Avoids some EVCs
- Avoids development of areas of geological and geomorphological significance
- Population pressure on coastal processes restricted to particular locations.

3.2.5 Implications for the Planning and Approvals System

• No change to existing arrangements.

3.3 Option 2 – Fully Serviced Urban Infrastructure

3.3.1 Overall Concept

Abandon all tenement and restructure efforts, and allow urban standard development of the area, including staged and coordinated delivery of service provision, with a change in the administrative and financial arrangements to facilitate development.

3.3.2 Population Outcomes and Lot Yields

Total Lot Yield:	6,561
Total Peak Population:	15,090

Total Non-Peak Population: 4,527

3.3.3 Infrastructure Requirements

Tenement and Incomplete Restructure Areas:

- Residential standard road construction and upgrades (shared across existing and new lots).
- Urban standard stormwater drainage construction and upgrades (shared across existing and new lots).
- Reticulated Sewerage (all existing and new lots connected).
- Reticulated water (new lot connections, plus system upgrades shared across existing and new lots).
- Connection and upgrade to the electricity grid (shared across existing and new lots).

Completed Restructure Areas:

- Rural residential standard road construction and upgrades.
- Rural residential standard stormwater drainage construction and upgrades.
- On-site package treatment plants for wastewater disposal (new lots only).
- Reticulated water (new lot connections).
- Connection and upgrade to the electricity grid (new lots only).



3.3.4 Environmental, Community, Economic and Management Costs and Benefits

Costs:

- Extreme establishment costs.
- Loss of existing settlement character.
- Significant increase in demand for community services.
- No diversity in lifestyle, community or economic opportunities.
- Significant impacts on remnant vegetation, habitat EVCs and landscape values.
- Significant increases in population pressure on coastal processes in the entire strategy area.
- Population pressure on the lakes requires significant management of access.
- High impacts on cultural values defined by the National Trust.

Benefits:

- Many landowners provided development opportunities.
- No buy back costs.
- Rates debt resolved.
- Increased rates base.
- Less administrative costs.
- Landowner certainty.
- Potential impacts from on-site effluent disposal would be avoided.
- Risks from wildfire would be reduced.
- Potentially provides additional management resources.

3.3.5 Implications for the Planning and Approvals System

- Changes to the Municipal Strategic Statement.
- Changes to the zoning of the land.
- Changes to overlay provisions in the Planning Scheme to accommodate urban development.
- Removes uncertainty in the approvals process.
- Increased resources required for approvals.

3.4 Option 3 – Low Density Residential

3.4.1 Overall Concept

Continue with restructure and tenement efforts in all precincts to reduce the number of landowners, and the potential dwelling and population densities that these could yield. Provide staged and coordinated delivery of service provision. Reform administrative and financial arrangements to increase the rate of restructure.



3.4.2 Population Outcomes and Lot Yields

Total Lot Yield: 2,921

Total Peak Population:6,718

Total Non-Peak Population: 2,016

3.4.3 Infrastructure Requirements

Tenement Areas:

- Residential standard road construction and upgrades (shared across existing and new lots).
- Urban standard stormwater drainage construction and upgrades (shared across existing and new lots).
- On-site package treatment plants for wastewater disposal (new lots only).
- Reticulated water (new lot connections, plus system upgrades shared across existing and new lots).
- Connection and upgrade to the electricity grid (shared across existing and new lots).

Restructure Areas:

- Rural residential standard road construction and upgrades (shared across existing and new lots).
- Rural residential standard stormwater drainage construction and upgrades (shared across existing and new lots).
- On-site package treatment plants for wastewater disposal (new lots only).
- Reticulated water (new lot connections, plus system upgrades shared across existing and new lots).
- Connection and upgrade to the electricity grid (new lots only).

3.4.4 Environmental, Community, Economic and Management Costs and Benefits

Costs:

- Moderate establishment costs.
- Significant administrative costs.
- No diversity in lifestyle opportunities.
- Significant impacts on remnant vegetation, habitat and EVCs.
- Significant increases in population pressure on coastal processes in the entire strategy area.
- Population pressure on the lakes requires significant management of access.
- High impacts on cultural values defined by the National Trust.
- Significant risks from wildfire.



Benefits:

- Many landowners provided development opportunities.
- No buy back costs.
- Rates debt resolved.
- Increased rates base.
- Retention of existing character.
- Landowner certainty.
- Impacts on landscape values can be more easily managed than full urban development.
- Coordinated infrastructure has less impact on landscape values.

3.4.5 Implications for the Planning and Approvals System

- Changes to the Municipal Strategic Statement.
- Changes to overlay provisions in the Planning Scheme to accommodate low density residential development.
- Removes uncertainty in the approvals process.
- Increased resources required for approvals.

3.5 Option 4 – Nodal Urban

3.5.1 Overall Concept

Similar to the existing approach, but includes transferral of the non-priority restructure lots, including Glomar Beach to either public ownership and management for environmental management, or large rural conservation lots. This option places a greater emphasis on urban standard development in strategic locations and the abandonment of tenement plans, and reform of administrative and financial arrangements.

It also favours conservation of the substantially vegetated areas not yet restructured. Transferral of these lots to public ownership as part of the existing adjacent coastal lakes park is preferable, although the Glomar Beach precinct has a number of existing dwellings that could remain in private ownership with substantially larger restructure lots managed for rural conservation and recreation. Restructure boundaries would be arranged to encourage a node of low-key dwellings, recreation and accommodation. This arrangement could also be used for all remaining non-priority restructure lots in the event transfer to public ownership is not practical or affordable. The following diagram provides an example of the type of lot layout envisaged by this proposal.





Restructuring for Rural Conservation (Example layout only)

3.5.2	Population C	outcomes and Lot	Yields
Total L	ot Yield:	2,922	

Total Peak Population: 6,721

Total Non-Peak Population: 2,016

3.5.3 Infrastructure Requirements

Tenement and Incomplete Restructure Areas (not including Glomar Beach):

- Residential standard road construction and upgrades (shared across existing and new lots).
- Urban standard stormwater drainage construction and upgrades (shared across existing and new lots).
- Reticulated Sewerage (all existing and new lots connected).
- Reticulated water (new lot connections, plus system upgrades shared across existing and new lots).
- Connection and upgrade to the electricity grid (shared across existing and new lots).

Non Priority Restructure Areas (Environmental Management):

- Rural residential standard road construction and upgrades.
- Rural residential standard stormwater drainage construction and upgrades.
- On-site package treatment plants for wastewater disposal.
- On-site water provision.



• On-site electricity generation.

Completed Restructure Areas:

- Rural residential standard road construction and upgrades.
- Rural residential standard stormwater drainage construction and upgrades.
- On-site package treatment plants for wastewater disposal.
- Reticulated water (new lot connections).
- Connection and upgrade to the electricity grid (new lots only).

3.5.4 Environmental, Community, Economic and Management Costs and Benefits

Costs:

- Moderate establishment costs.
- Moderate buy back costs.
- Continued administrative costs.
- Additional demand for community services.
- Moderate impacts on some remnant vegetation and habitat, including EVCs.
- Moderate impacts on coastal processes
- Potential for moderate impact on wetlands from on-site effluent disposal.
- Moderate impacts on cultural values defined by the National Trust.
- Some risk from wildfire.

Benefits:

- Some landowners provided development opportunities.
- Rates debt resolved.
- Increased rates base.
- Landowner certainty.
- Diverse lifestyle, community and economic opportunities.

3.5.5 Implications for the Planning and Approvals System

- Changes to the Municipal Strategic Statement.
- Changes to the zoning of the land.
- Changes to overlay provisions in the Planning Scheme to accommodate urban development.
- Removes uncertainty in the approvals process.
- Increased resources required for approvals.
- Potentially provides additional management resources.
- Focuses population pressure in designated areas of more intensive management.



• Allows for management of wildfire risk.

3.6 Option 5 – Restricted Development

3.6.1 Overall Concept

Allow no further development, and devise an appropriate approach to administration and financial arrangements.

3.6.2 Population Outcomes and Lot Yields

Total Lot Yield:	759
Total Peak Population:	1,746

Total Non-Peak Population: 524

3.6.3 Infrastructure Requirements

Nil

3.6.4 Environmental, Community, Economic and Management Costs and Benefits

Costs:

- Extreme buy back costs.
- Unresolved settlement pattern and associated community dislocation.
- No landowner development opportunities.
- No additional rates.
- Continued administrative costs.
- Possible impacts from under resourced management of access and development.

Benefits:

- No establishment costs.
- Rates debt resolved.
- Potential population or development pressure on coastal lakes environment significantly reduced.

3.6.5 Implications for the Planning and Approvals System

- Changes to the Municipal Strategic Statement.
- Changes to the zoning of the land.
- Changes to overlay provisions in the Planning Scheme to accommodate urban development.
- Removes uncertainty in the approvals process for existing undeveloped areas
- Creates further uncertainty in the approvals process for existing developed areas.



• Increased resources required for approvals and VCAT defence.



4. Evaluating the Options

4.1 Evaluation Methods

The Coastal Action Plan (CAP) for Integrated Coastal Planning in Gippsland suggests a twopronged approach to the assessment of development in coastal settlements:

- Assessment of Infrastructure Capacity, and
- Assessment of Environmental and Physical Impact.

This document not only assesses the capacity of existing infrastructure, but also assesses optional settlement/development scenarios based on a range of additional infrastructure provision. It assesses settlement/development scenarios using the suggested CAP impact rating system, in addition to using a sieve mapping approach to determine sensitive environmental areas.

The CAP impact and assessment systems are most appropriate for assessing site-specific proposals. The settlement options identified by this strategy have economic and community implications that go beyond local boundaries and potentially have significant financial and management implications for government. On this basis strategic costs and benefits of the options have also been assessed.

4.2 CAP Assessments Environmental Impact Rating Table

This Environmental and Physical Impact table (Table 1) rates impacts on a qualitative basis, taking into account a range of potential impacts from the development scenarios. These ratings have been transferred into the Infrastructure Capacity Table (Table 2), to compliment information regarding infrastructure capacity and subsequently determine an overall development potential rating. It indicates the extent of additional infrastructure required to accommodate development. In some cases this may not be a significant factor, as scenarios with a low density component may be appropriate with a lower level of infrastructure provision. These assessments are qualitative and are a guide for comparative purposes. They should be complimented by more quantitative methods of comparing costs and benefits.

4.3 Monetary Costs and Benefits

Table 3 outlines the establishment costs for each option. These include the capital costs associated with additional infrastructure provision, the cost of acquiring land for restructure or public ownership and management, in addition to the expected administrative costs associated with implementing each option. Infrastructure costs are based on standards used as at 2003 by the GHD urban development unit for broad feasibility calculations, and are not based on a site specific assessment of conditions or utility providers limitations.

The capital costs of fire fighting infrastructure, including fire stations in urban locations, and the recurrent costs of fire management have not been included in this assessment.



The following assumptions apply to each establishment cost option:

- All capital costs are calculated on a per lot basis.
- New urban lots are serviced with fully sealed, kerbed and drained pavements, and existing urban lots are provided with upgraded pavements with full seal, kerbing and drainage.
- New low density lots are serviced with unsealed roadways and culvert drainage, and existing low density lots are provided with upgraded unsealed roadways and culvert drainage.
- Stormwater drainage from sealed roads includes installation of a new controlled system using collection, filtration, first flush controls and retention measures based on Best Management Practice.
- Stormwater drainage from unsealed roads includes installation of a new open culvert system using collection, filtration and retention measures based on Best Management Practice.
- Urban lots are fully sewered, costed per lot, with additional capital works including the construction of pump stations and connections to the existing waste treatment facilities. This assumes an upgrade of treatment facilities is not required. Additionally, the costing does not take into account the financial capacity of the relevant water agencies to pre-fund works, and the minimal return likely from landowner connection fees.
- On-site effluent disposal is by package aerated wastewater treatment plant.
- Reticulated water is provided to all existing and new urban lots, costed per lot, with additional costs for extraction and distribution infrastructure per 1,000 lots. This does not take into account the financial capacity of the relevant water agencies to pre-fund works, or additional costs associated with sourcing water from outside the immediate vicinity of the area.
- Low density lots are serviced with on-site rainwater tanks and associated pumps.
- All urban and low density lots are connected to the electricity grid. Additional costs associated with network improvements at Longford, or other alternative upgrades have are not included.
- The cost of land acquisition is based on the 2002 average purchase price of lots in the area, i.e. \$3,500 and the total number of lots to be purchased for either restructure or public ownership.
- The times required to implement options 1 and 3 assume a similar but somewhat accelerated rate of restructures (approximately 15 and 20 years respectively), compared to the rate for restructures undertaken to date. Options 2, 4 and 5 have comparatively shorter time frames, and are based on assumed administrative tasks to establish the planning and development framework of each.
- Administrative costs are calculated assuming staff and outsourced assistance will be required over the expected period of time for each option, with variations according to expected complexity of tasks.



Table 1: Environmental and Physical Impact Rating Table

	Status Quo	Fully serviced urban infrastructure	Low density rural residential development	Nodal urban with strategic variations	Restricted Development
Impact on threatened, rare or endangered flora	Mod	Mod	Mod	Mod	Low
Impact on threatened, rare or endangered fauna	Mod	Mod	Mod	Mod	Low
Impact on poorly represented ecological vegetation communities	Mod	High	High	Mod	Low
Impact on existing remnant native vegetation	Mod	High	High	Mod	Low
Impacts on sites of geological and/or geomorphological significance	Mod	High	High	Mod	Low
Impacts on coastal processes	Mod	Mod	Mod	Mod	Low
Impacts on RAMSAR wetland sites (the entire area is a RAMSAR site)	Mod	Mod	Mod	Mod	Low
Impacts on migratory bird species (JAMBA/CAMBA)	Low	Mod	Mod	Low	Low
Impacts on significant cultural and archaeological values	Mod	High	High	Mod	Low
Impacts on landscape values (ability to comply with siting and design guidelines)	Mod	High	High	Low	Low
Potential off-site impacts	Low	High	Mod	Mod	Low
To what extent is public access to Crown foreshore land and maintenance impacted?	Low	Mod	Mod	Low	Low
ENVIRONMENTAL AND PHYSICAL IMPACT DEVELOPMENT RATING	Mod	High	Mod	Mod	Low



Table 2: Infrastructure Capacity Rating

	Water Supply	Capacity for increased use	Sewerage	Capacity for increased use	Access*	Capacity for increased use	Electricity	Comments	Infrastructure rating ** 1 High level services 3 Low level services	Enviro & Physical Impact rating	Overall Development Potential
Status Quo	Bore/rainwater	Low	Septic	Low	S/US	Low	√	Wastewater management and Water Supply Limiting	3	Mod	Significant Limitations
Fully serviced urban infrastructure	Reticulated	High	Reticulated	High	S	High	\checkmark	Serviced to provide for residential capacity	1	High	Significant Limitations
Low density rural residential development	Bore/rainwater	Low	Septic	Low	S/US	Mod	\checkmark	Serviced to provide for low density capacity	3	Mod	Significant limitations
Nodal urban with strategic variations	Reticulated/ Bore/rainwater	Mod	Reticulated/ Septic	Mod	S/US	Mod	\checkmark	Serviced to provide for targeted capacity	2	Mod	Requires Mitigation of Environmental Impact
Restricted Development	Bore/rainwater	Low	Septic	Low	S/US	Low	\checkmark	No further infrastructure intended	3	Low	Significant Limitations

*S= Sealed Road

US = Unsealed Road

**1 = High level services 3 = Low level services

Table 3: Establishment Costs

	Option 1 Status Quo		Option 2 Fully serviced urban infrastructure		Option 3 Low density residential development		Option 4 Nodal urban with strategic variations		Option 5 Restricted Devel't
	Urban	L/D	Urban	L/D	Urban	L/D	Urban	L/D	
Infrastructure Costs, Approx. no. of lots to be serviced									
	1841	622	6222	339	1841	1080	2409	513	Nil
Roads (\$18,000 per urban lot, \$8,400 per L/D lot)	33.1M	5.2M	112.0M	2.8M	33.1M	9.1M	43.4M	4.3M	Nil
	1841	622	6222	339	1841	1080	2409	513	Nil
Stormwater Drainage (\$4,200 per urban lot, \$1200 per L/D lot)		0.7M	26.1M	0.4M	7.7M	1.3M	10.1M	0.6M	Nil
Wastewater (\$9,000 per urban lot + \$5M capital works where urban population is >1,000, \$12,000		622	6222	339	1841	1080	2409	513	Nil
per L/D lot)	21.6M	7.5M	61.0M	4.1M	21.6M	13.0M	26.7M	6.1M	Nil
		622	6222	339	1841	1080	2409	513	Nil
Water (\$4,200 per urban lot + \$2M p/1000 lots, \$3,000 per L/D lot for tank and pump)	11.7M	1.9M	40.1M	1.0M	11.7M	3.2M	16.1M	1.5M	Nil
	Nil	Nil	5824	291	Nil	458	Nil	Nil	Nil
Electricity (\$3,600 per urban lot, \$7,800 per L/D lot)	Nil	Nil	21.0M	2.3M	Nil	3.6M	Nil	Nil	Nil
Social Infrastructure (\$750 per lot)	1.8M		4.9M		2.2M		2.2M		
Infrastructure Costs – TOTAL			265.1M		80.0M		98.5M		Nil
Land acquisition costs	quisition costs 5.9M		Nil		12.6M		12.6M		16.8M
Time to administer landowner arrangements and/or establish planning and management framework	15yrs		15yrs 5 yrs		20 yrs		7 yrs		3 yrs
Cost to administer landowner arrangements and/or establish planning and management framework	3.8M		2.8M		4.8M		2.2M		2.8M
TOTAL \$ COSTS	\$ COSTS \$85.7M		\$267.8M \$97.4M			\$113.3M		\$19.6M	



4.3.1 Infrastructure Proposals

Table 3 includes the following infrastructure proposals:

- Upgrades to local roads, servicing both existing and newly restructured lots.
- Upgrade to the stormwater drainage system for both existing and newly restructured lots.
- Reticulated sewerage is provided to all existing and newly created urban (medium) density lots.
- On-site package treatment plants are provided to newly created rural residential (low) density lots.
- Connection to reticulated water is required for all existing and newly created urban (medium) density lots.
- Rainwater tanks and pumps are required for newly created rural residential (medium) density lots.
- Connection to the electricity grid is required for newly created lots between Glomar Beach and The Wreck Beach. The cost of developing Glomar Beach in isolation from the grid requires an additional \$2,500 per lot, although this has not been factored into Options 1 or 4 in Table 3.
- No new or upgraded infrastructure will be provided for Option 5.

In addition to establishment costs, there are several additional categories of costs that should be factored into the implementation of a preferred option. These include:

- Recurrent costs associated with maintenance of infrastructure.
- Recurrent costs associated with the ongoing planning, administration and management and approvals associated with each option.
- The cost of rehabilitating and managing the natural environment.
- The cost of subsidising, or providing outright, social services and infrastructure required to meet community needs associated with each option.
- Costs associated with facilitating economic development in each option.

The benefits of selecting a particular option can also be quantified in monetary terms. These include:

- Community gain from access to a rehabilitated and adequately managed natural environment.
- Economic gain from additional tourism and commercial development offered by each option.

Additionally there are monetary transfer effects. These predominantly relate to the changing land values that accompany each option. Options that intervene in the land market, and artificially restrict the supply of property, create property price increases that benefit landowners in preferred development areas and price decreases in restricted areas. This is somewhat complicated by the history of regulatory uncertainty surrounding the development status of land and its impact on current land prices. Aligned to these transfer effects are the



impacts of future property price increases on Council rates, and the services offered by Council in return. Existing rate arrears reflect a latent transfer effect, whereby the rate debt to some extent reflects a perceived lack of benefit transferring to landowners.

A comprehensive analysis of monetary costs and benefits will assist the Shire of Wellington to:

- Understand the present financial structures impacting on landowners, government, ratepayers and community through analysis of Option No. 1: Status Quo.
- Uncover "net" gains from the preferred option, that can be used to deliberately
 redistribute this gain from winning landowners, business and community groups to losing
 landowners, businesses and community groups.
- Understand the changes in cashflow over time through "discounted cashflow analysis".
- Gain State Government financial support using Treasury and Finance favoured evaluation methods.

This will form the foundation for implementing the subdivision strategy with a clear understanding of its financial implications.

4.4 Triple Bottom Line Evaluation

Costs and benefits have been described in unquantified non-monetary terms in Tables 4 and 5. These tables take into account environmental and socio-economic factors. Although they are not a full Triple Bottom Line Evaluation, they assist in understanding the three factors influencing the selection of an option.

The tables assist in the immediate selection of a preferred option, without first undertaking a detailed cost benefit analysis.

4.5 Selection of a Preferred Option

In selecting a preferred option the items listed in Tables 3, 4 and 5 have been assessed against the following selection criteria:

- Does the option have low to moderate cost impacts on the environment and moderate to high benefits?
- Does the option have low to medium economic and community cost impacts and medium to high economic and community benefits?
- Does the option have low to moderate establishment (infrastructure and management) costs?
- Does the option have overall development limitations and can these be overcome?

The assessment does not take account of management or ameliorative measures that could be undertaken to offset or reduce the negative impacts of each option. These measures would potentially have additional financial implications that require detailed assessment as part of a cost/benefit analysis.

The following summarises the assessments in Tables 3,4 and 5.



4.5.1 Environmental Impact

Option	Costs	Benefits
Option 1 – Status Quo	Moderate	Moderate
Option 2 – Fully Serviced Urban Infrastructure	High	Low
Option 3 – Low Density Residential	Moderate	Moderate
Option 4 – Nodal Urban	Moderate	Moderate
Option 5 – Restricted Development:	Low	High

4.5.2 Economic and Community Impact

Option	Costs	Benefits
Option 1 – Status Quo	High	Low
Option 2 – Fully Serviced Urban Infrastructure	High	Moderate
Option 3 – Low Density Residential	Moderate	High
Option 4 – Nodal Urban	High	High
Option 5 – Restricted Development:	High	High

4.5.3 Establishment Costs and Overall Development Potential

Option	Costs	Development Potential
Option 1 – Status Quo	Moderate	Significant Limitations
Option 2 – Fully Serviced Urban Infrastructure	High	Significant Limitations
Option 3 – Low Density Residential	Moderate	Significant Limitations
Option 4 – Nodal Urban	Moderate	Requires Mitigation of Environmental Impacts
Option 5 – Restricted Development:	Low	Significant Limitations



Table 4: Community Costs and Benefits

	Costs	Benefits
Status Quo	Moderate establishment costs Moderate buy back costs Continued rates debt Continued landowner uncertainty Continued landowner anger, uncertainty and need for resolution. Continued administrative costs No strategic approach to settlement development	Some landowners provided development opportunities
Fully serviced urban infrastructure	Extreme establishment costs Loss of existing settlement character Significant increase in demand for community services No diversity in lifestyle, community or economic opportunities	Many landowners provided development opportunities No buy back costs Rates debt resolved Increased rates base Less administrative costs Landowner certainty
Low density residential development	Moderate establishment costs Significant administrative costs No diversity in lifestyle, community or economic opportunities	Many landowners provided development opportunities No buy back costs Rates debt resolved Increased rates base Retention of existing character Landowner certainty



	Costs	Benefits
Nodal urban with strategic variations	Moderate establishment costs Moderate buy back costs Continued administrative costs Additional demand for community services	Some landowners provided development opportunities Rates debt resolved Increased rates base Landowner certainty Diverse lifestyle, community and economic opportunities
Restricted Development	Extreme buy back costs Unresolved settlement pattern and associated community dislocation. No landowner development opportunities No additional rates Continued administrative costs	No establishment costs Rates debt resolved



Table 5: Environmental Costs and Benefits

	Costs	Benefits
	Moderate impacts on some remnant vegetation and	Avoids some EVCs
	habitat, including EVCs Moderate impacts on coastal processes	Avoids development of areas of geological and geomorphological significance
	Potential for moderate impact on wetlands from on-site effluent disposal.	Population pressure on coastal processes restricted to particular locations.
Status Quo	Moderate impacts on cultural values defined by the National Trust.	
	Uncoordinated infrastructure has moderate impacts on landscape values.	
	Significant risks from wildfire.	
	Significant impacts on remnant vegetation, habitat EVCs and landscape values.	Potential impacts from on-site effluent disposal would be avoided.
Fully serviced urban infrastructure	Significant increases in population pressure on coastal processes in the entire strategy area.	Risks from wildfire would be reduced.
	Population pressure on the lakes requires significant management of access.	Potentially provides additional management resources.
	High impacts on cultural values defined by the National Trust.	



	Costs	Benefits
	Significant impacts on remnant vegetation, habitat and EVCs.	Impacts on landscape values can be more easily managed than full urban development.
	Significant increases in population pressure on coastal processes in the entire strategy area.	Coordinated infrastructure has less impact on landscape values.
Low density residential development	Population pressure on the lakes requires significant management of access.	
	High impacts on cultural values defined by the National Trust.	
	Significant risks from wildfire	
	Moderate impacts on some remnant vegetation and habitat, including EVCs.	Potentially provides additional management resources.
	Moderate impacts on coastal processes	Focuses population pressure in designated
Nodal urban with strategic variations	Potential for moderate impact on wetlands from on-site	areas of more intensive management.
5	effluent disposal.	Allows for management of wildfire risk.
	Moderate impacts on cultural values defined by the National Trust.	
	Some risk from wildfire.	
Restricted Development	Possible impacts from under resourced management of access and development.	Potential population or development pressure on coastal lakes environment significantly reduced.



4.6 Community Opinion

Community opinion has also contributed to the selection of a preferred option. This included a program of consultation with community, landowners and key stakeholders.

4.6.1 Diverse Opinion

The consultation revealed a wide range of issues highlighted by the community. The diversity of opinion suggests there is no overwhelming agreement of landowners on the best approach to resolving the issues. There are various themes which emerge as commonly held views, including:

- The issues have been left too long without proper resolution.
- There is confusion regarding the location of properties held by landowners within the area.
- There is confusion regarding what the current planning restrictions mean for different properties in different locations.
- There is an impasse in the current restructuring arrangements designed to create larger development parcels, because landowners that want to sell, but cannot find willing buyers, and vice versa. There is no longer an active Council involvement in this process.
- Although the overall financial implications of the draft strategy have been measured in approximate terms, this does not clarify the financial implications for individual landowners.
- The area's unique coastal characteristics, environmental significance and sensitivities are what make it valuable, particularly for existing residents.
- The lack of infrastructure networks should not be seen as a constraint to development, as local solutions may be possible. Urban standard infrastructure would detract from the low key relaxed coastal character of the area.
- Different parts of strategy area should be resolved with specific solutions that respond to their unique conditions.

Landowners consist of two main groups:

- Those who bought land and have not been able to develop (generally within the area referred to by the Strategy as the rural conservations identified non-priority areas); and
- Those who bought land and who have been able to develop (generally within the priority restructure and tenement areas).

4.6.2 Landowner Frustration

The majority of landowners who have not developed their land expressed anger and frustration regarding:

- The uncertainty of where their land is located and their current rights as landowners;
- The desire to have a land use outcome (development or no development) finally agreed and implemented;



- The desire for compensation for not being able to develop their land, and for paying rates for land they could not develop;
- The potential for the Strategy to generate profit making opportunities for government and developer interests at the expense of individual landowners.

4.6.3 Precinct Specific Issues

Landowners in specific precincts have focused their concerns on:

- Retention of natural assets whilst allowing further development (The Honeysuckles);
- The feasibility of creating larger rural conservation lots in areas with existing dwellings while retaining the coastal character (Glomar Beach);
- Retention of vegetation and the unknown financial implications of providing upgraded infrastructure (Urban Nodes at Golden Beach, Paradise Beach and Delray Beach);
- Processes to resolve land ownership, development parameters and restructure arrangements (rural conservation areas);
- The issue of flooding, the need to see accurate and reliable information for particular precincts, and the apparent exclusion of these areas from any potential development outcomes.

4.6.4 Settlement Options

The landowner issues concerning the 5 Proposed Settlement Strategies are summarised below:

Strategy Options	Main reason for Landowner Support
Option 1 Status Quo	Provides certainty and security for current residents who have observed the existing rules. Change creates more unwanted issues.
Option 2 Fully Serviced Urban Infrastructure	Allows lots to be developed without the need for restructuring or environmental restrictions. This fulfills a perceived right to develop all the land parcels and would contribute to the local economy.
Option 3 Low Density Residential	Most beneficial to the natural environment whilst facilitating a restructure process.
Option 4 Nodal Urban	Balances environmental and development outcomes.
Option 5 Restricted Development	The area would remain unspoilt or unchanged. Further development is inappropriate altogether.

Table 6 Summary of Strategy Options and Landowner Support



Although landowners were not asked to rank their preferred option, the consultation confirmed that:

- Option 4: 'Nodal Urban' had the highest support from landowners;
- The community members who supported Option 4: 'Nodal Urban' regarded it as the best approach to balance environmental and development issues in the area.

Although this option received the highest level of voluntary support, it is not indicative of the entire community view. A number of submissions outlined alternative preferences.

- 'Option 1: Status Quo' gained 9 landowner preferences.
- 'Option 2: Fully Serviced Urban Infrastructure' gained 21 landowner preferences.
- 'Option 3: Low Density Residential' gained 14 landowner preferences.
- 'Option 5: Restricted Development' gained 5 landowner preferences.
- 'Option Hybrid': 12 landowners preferred a combination of two or more options.

Although a response to these options assists to finalise a preferred strategic direction, it should be noted that the number of written submissions that had an opinion regarding the options was only 48% of all submissions (127), and an even smaller percentage (5%) of the total number of contacts made with landowners during consultation (1,148).

4.6.5 Consultation Outcomes

Given the diversity of community opinion, it is inevitable that the selected way forward will not be the 'preferred' choice of all landowners. Notwithstanding the details of the preferred strategy, landowners would prefer a solution which:

- Maximises individual gains for current landowners;
- Overcomes the impasse in the current restructuring process;
- Resolves issues separately for each precinct within the strategy area;
- Does not detract from the coastal character of the area;
- Does not involve government or the private sector gaining profit from development of the area at the expense of existing individual landowners;
- Adequately addresses the issue of compensation, redress or equitable outcomes for landowners.

4.6.6 Selecting and Adjusting the Preferred Strategy

Although there is no clear preference of landowners for a preferred settlement or development pattern, the Wellington Shire Council is required to conclude on a preference, taking into account the wider implications for the municipality, the local environment and economy, the delivery of community services, transport and utility infrastructure.

The consultation process has confirmed that there are three broad areas within the strategy with different existing development conditions and landowner expectations:

 Existing nodes of development, where landowners want to protect their current financial interests and lifestyle aspirations.



- Areas where there has been little or no development, where all landowners want certain and fair outcomes, some want an accelerated move towards development opportunity, and others acknowledge the potential negative impacts of development on the environment and the broader region.
- Areas where flooding constraints to development are considered too restrictive.

In this context, a preferred settlement option should continue to focus on the different opportunities and considerations offered by these areas, while taking into account the range of individual issues and suggestions put forward by landowners for consideration in the Strategy.

Option 4 – Nodal Development recognises the existing developed areas as an opportunity to consolidate settlements on this section of the coast and provide for the range of living opportunities the community is likely to demand in the future. It also maximises the ability to protect the environmental values and coastal character of the undeveloped areas. If this option was to continue as the preferred, it should be modified to recognise the need for a more intensive precinct based approach to landowner considerations and be adjusted to address the key issues raised by landowners.

Additionally, it should be reinforced that additional private sector interests could maximise the tourism and conservation opportunities of the area, and convert this into a financial capacity to ensure an equitable solution for existing landowners. This does not mean that government or the private sector will maximize profits to new interests at the expense of existing owners. It should also be reinforced that continued lot consolidation will need to occur in a rearranged manner, to overcome the impasse of the current situation and create new opportunities for conservation of rural, coastal and environmental qualities and tourism benefits.



5. The Strategy Recommendations

5.1 State Government Policy

The Victorian Coastal Policy (2002) includes the following objectives/actions that are directly relevant and provide State level policy guidance for establishing a preferred strategy:

- The planned growth of coastal towns will be managed through the establishment of township boundaries in planning schemes. This will ensure that growth in coastal areas is planned, coastal values protected (eg. environmental, scenic, cultural) and the needs of future generations respected.
- Appropriate areas for coastal developments will be confined to activity and recreation nodes within existing settlements defined with the community having regard to the criteria outlined in Appendix A.

These policies have been reaffirmed and refined by the Coastal Spaces recommendations (2006), and supplemented with a recommended approach to implementation through planning schemes, landscape assessment, rural zones, infrastructure solutions, coastal sensitive tourism, asset management and regional coordination.

5.2 The Preferred Option

The preferred settlement structure for the coastal area is Option 4: Nodal Urban. This is based on the previous assessment of the costs and benefits. This is an "order of magnitude" assessment only and does not measure detailed costs and benefits. The opinions of landowners and other stakeholders have also been considered and, although there is no overwhelming preference for a particular option, stakeholder concerns will be recognised and managed during the implementation of the Strategy. The selection of Option 4 provides a direction for further progressing the implementation of an improved approach to planning and managing the area. The option establishes an approach that balances environmental, community (social) and economic considerations. It creates certainty for landowners and financial gains that can assist to redress the losses associated with restricted development.

The key elements of this option include:

- A preference for urban standard development in well defined settlement nodes at Golden Beach/Paradise Beach/Delray Beach, and at The Honeysuckles, with design guidelines to ensure development is in harmony with the coastal character of the area.
- Eliminating the need to restructure lots within these nodes, creating more development opportunities, and removing the administrative burden associated with the consolidation process.
- Acknowledging the Golden Beach/Paradise Beach/Delray Beach node as the focus for settlement on the coast between Seaspray and Loch Sport.
- Acknowledging The Honeysuckles as a development node connected to Seaspray and its services.



- Removing the oversupply of land, to create a buoyant and focussed land market, with related economic spin-offs for land owners and local businesses.
- Concentrating development in defined locations to increase the cost efficiencies in providing new or improved roads, utility and community services, particularly the provision of reticulated water and sewerage.
- Reducing the potential for direct population and development impacts on the coastal and lakes environment.
- Transferring areas that are subject to inundation, have significant coastal values or have not been substantially modified to environmental management, either publicly owned as part of an expanding Coastal Lakes Park, or in large privately owned and managed rural conservation lots.
- Providing for new nodes of recreation, tourism and related commercial activities in strategic locations along the coast, to supplement Councils tourism strategy initiatives. These nodes are proposed for low key development with minimal services, predominantly day activities, with some camping and overnight cabin style accommodation.

Figure 5 outlines the proposals and concepts within this preferred structure.

In relation to the key elements of the preferred structure, the following actions are required:

Urban Nodes

Council, in partnership with government and property owners, to pursue infrastructure provision (water, sewerage, electricity, roads, community) to allow for residential development.

Rural Conservation Areas

Council, with support from government and input from property owners, to:

- Decide land use and conservation outcomes.
- Determine restructure lot boundaries.
- Consider whether or not new legislative measures are appropriate as an alternative to current land acquisitions and assembly processes, including compensation arrangements.
- Pursue private sector involvement in tourism opportunities.

Glomar Beach

Council, with support from government and input from property owners, to:

- Decide land use and conservation outcomes.
- Determine the boundaries of Glomar Beach.
- Determine restructure lot boundaries and the land assembly process.
- Pursue infrastructure provision (water, sewerage, electricity, roads, community) to allow for low density residential development.

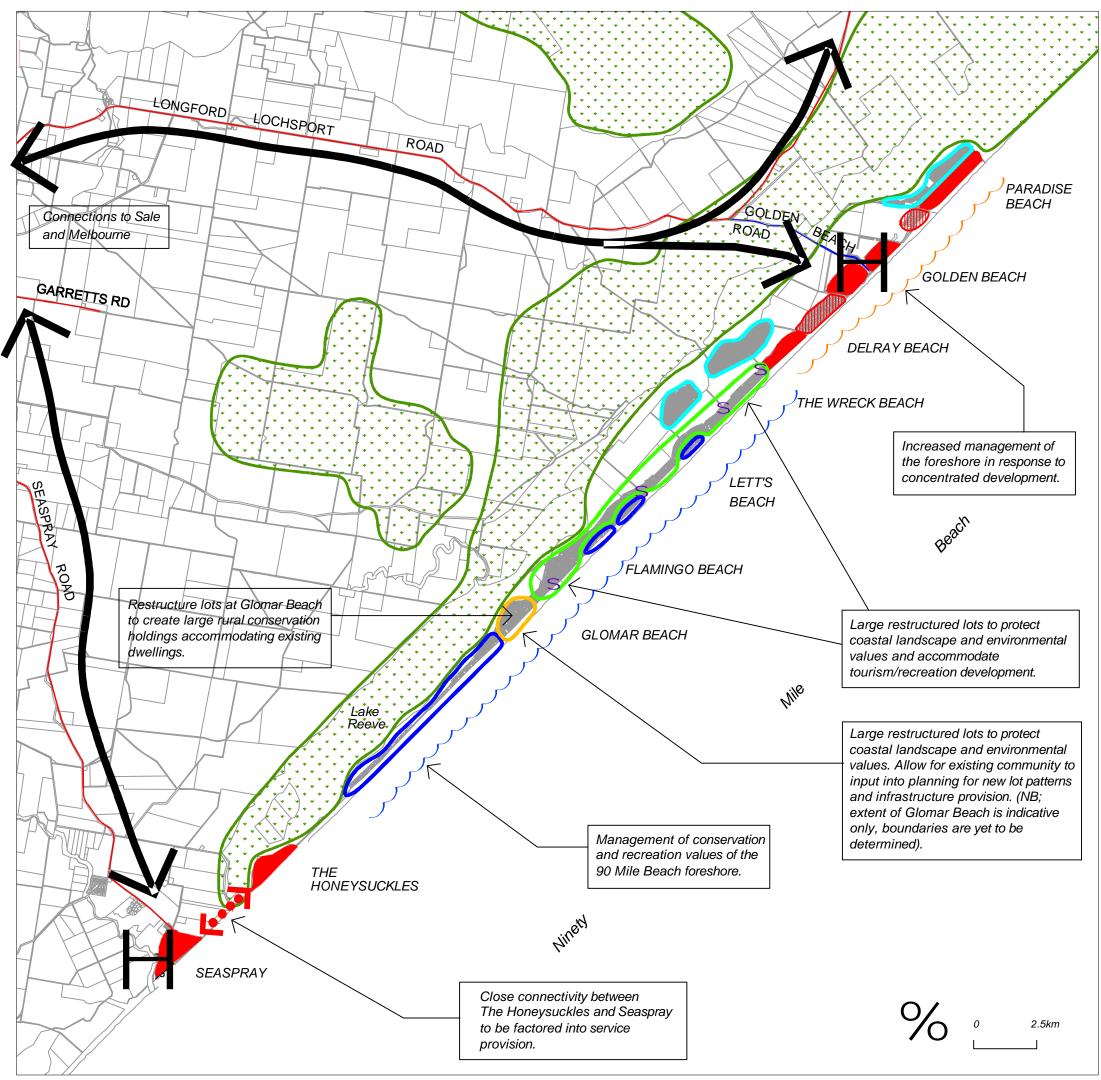


Public Conservation Areas

Council, with support from government and input from property owners, to expedite buy back of coastal dunes and Lake Reeve inundation areas, including with possible new legislative measures.

5.3 Infrastructure Recommendations

- Upgrade the local road network in the residential density areas of Golden Beach, Paradise Beach, Delray Beach and The Honeysuckles to urban standards, including upgrading of the associated stormwater management system.
- Upgrade the local road network in the low density residential areas of Golden Beach, Paradise Beach and Delray Beach to low density standards, including upgrading of the associated stormwater management system.
- Investigate the potential to transfer responsibility for Golden Beach Road and Shoreline Drive from Council to Vic Roads.
- Extend the proposals for reticulated sewerage at Seaspray to include The Honeysuckles.
- Provide reticulated sewerage to the Golden Beach/Paradise Beach/Delray settlement node.
- Extend the reticulated water network from Seaspray to The Honeysuckles
- Provide reticulated water to the Golden Beach/Paradise Beach/Delray settlement node.
- Develop an infrastructure development program for the entire Seaspray to Loch Sport district that links a program of staged works to funding streams.



G:\31\15765\CADPreferred Settlement Structure Sept 2005

Н	COMMERCIAL COMMUNITY CENTRES
S	RECREATION & TOURISM NODES
	NATIONAL, STATE & COASTAL PARKS
	URBAN NODES
	LOW DENSITY RESIDENTIAL DEVELOPMENT
\supset	LAND SUBJECT TO INUNDATION TO BE TRANSFERRED TO ENVIRONMENTAL MANAGEMENT
\supset	RURAL LIVING
\supset	RURAL CONSERVATION
$\mathbf{>}$	COASTAL DUNES - BUY BACK LOTS

SHIRE OF WELLINGTON

WELLINGTON COAST SUBDIVISION STRATEGY HONEYSUCKLES TO PARADISE BEACH,



Ref. No. 31/15765 - November 2005







5.4 Environmental Recommendations

- Transfer land, in areas identified as inappropriate for development, from private to public ownership or to large privately owned rural conservation lots.
- Establish a management regime for an expanded Coastal Lakes Park, which identifies appropriate management agency arrangements.
- Develop a management plan for the expanded Coastal Lakes Park that outlines rehabilitation and ongoing environmental management initiatives, coastal erosion, access and protection initiatives, protection of Aboriginal heritage sites, recreation, tourism and interpretive facilities, camping, recreational and tourism accommodation opportunities, commercial opportunities, research and monitoring.
- Report on the water resource benefits of implementing the preferred option, and the contribution the strategy makes to the regional catchment strategy.

5.5 Community and Economic Recommendations

- Acknowledge the low key, coastal village and environs character of the area and aim to protect this through the implementation of all recommendations in the strategy.
- Monitor changing community characteristics in the coastal focus settlements, establish communication networks with the coastal communities regarding community service needs, and program for community infrastructure and services as part of existing State and local government frameworks for service delivery.
- Facilitate consolidation, upgrading and expansion of the Golden Beach Town centre and reinforce its role as the centre of the consolidated Golden Beach/Paradise Beach/Delray Beach node, using the Town Centre Development Plan as the basis for change.
- Facilitate private commercial investment in recreation, tourism and accommodation, complimented by associated public infrastructure in recreation and tourism facilities, at identified nodes within the Coastal Park.
- Reinforce the perceptions of tourism and recreational values associated with the expanded Coastal Park with a program of promotion and public relations.

5.6 Recommended Changes to the Planning and Approvals System

- Modify sections 22.01 Coastal land Use Policy and 22.06 Settlement in the Municipal Strategic Statement to outline the intent of this strategy.
- Rezone The Honeysuckles, Delray Beach, and the recommended residential areas at Golden Beach, Paradise Beach to Residential 1.
- Rezone the Golden Beach Town Centre to Business 1.
- Rezone the undeveloped commercial nodes on Shoreline Drive to Public Parks and Recreation and introduce an Incorporated Plan Schedule outlining the intent for tourism, recreation, commercial and community uses in these locations.

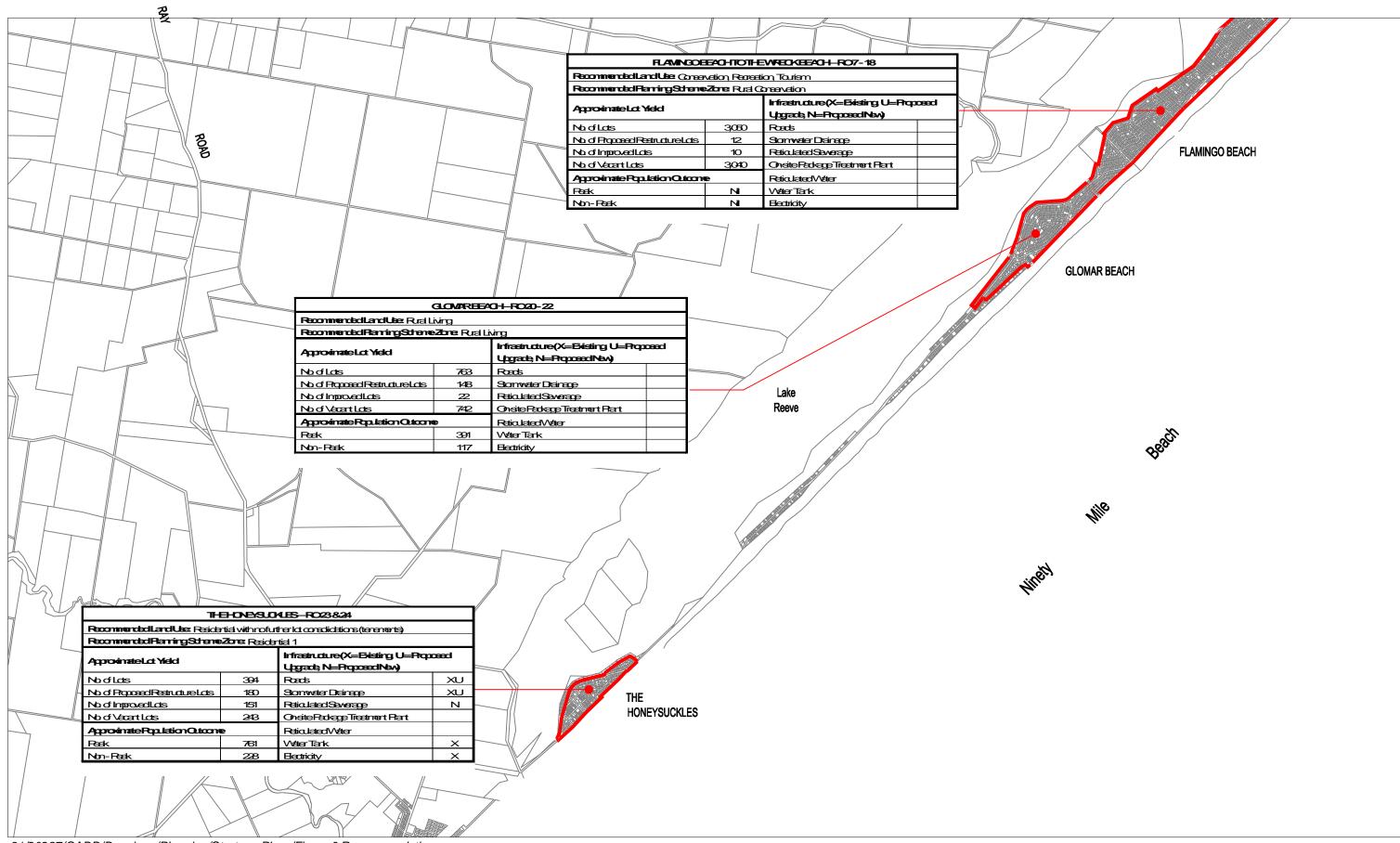


- In the event a publicly owned approach to managing the remaining areas is favoured, rezone these areas to Public Conservation and Resource, including all land currently zoned Environmental Rural in the areas between the foreshore and lakeside Coastal Park boundaries.
- In the event rural conservation lots are favoured for environmental management areas, rezone these areas to Environmental Rural and include an appropriate schedule to the zone outlining the management intentions for the area.
- Remove all overlays and provisions relating to restructure and tenements.
- Introduce Public Acquisition Overlays to all land intended for transferral from private to public ownership and related provisions outlining the proves for transferral.
- Review ESO1 (Coastal and Gippsland Lakes Environs), with a view to creating two ESOs, one relating to the areas considered appropriate for development and those considered inappropriate for development, to outline the different intent for land use and development in each area.
- Remove vegetation clearing constraints to the provision of electricity connections.
- Review the LSIO boundaries to reflect the most up-to-date LSI information.
- Modify the zones to reflect the most up-to-date LSI information, excluding lots within the LSIO from development zones.
- Review the internal assessment and approvals process for development in the area, to establish a documented procedural approach to ensuring site-specific decisions are consistent with the overall implementation efforts and intent of the strategy.

5.7 Precinct Recommendations

Figures 6, 7 and 8 outline specific recommendations and statements of strategic intent for each precinct within the area. These include:

- Recommended Land Uses
- Recommended Planning Scheme Zones:
- Approximate Lot Yields
- Approximate Population Outcomes.
- Infrastructure Recommendations.



31/20287/CADD/Drawings/Planning/Strategy Plans/Figure 6 Recommendations

%

1.0km



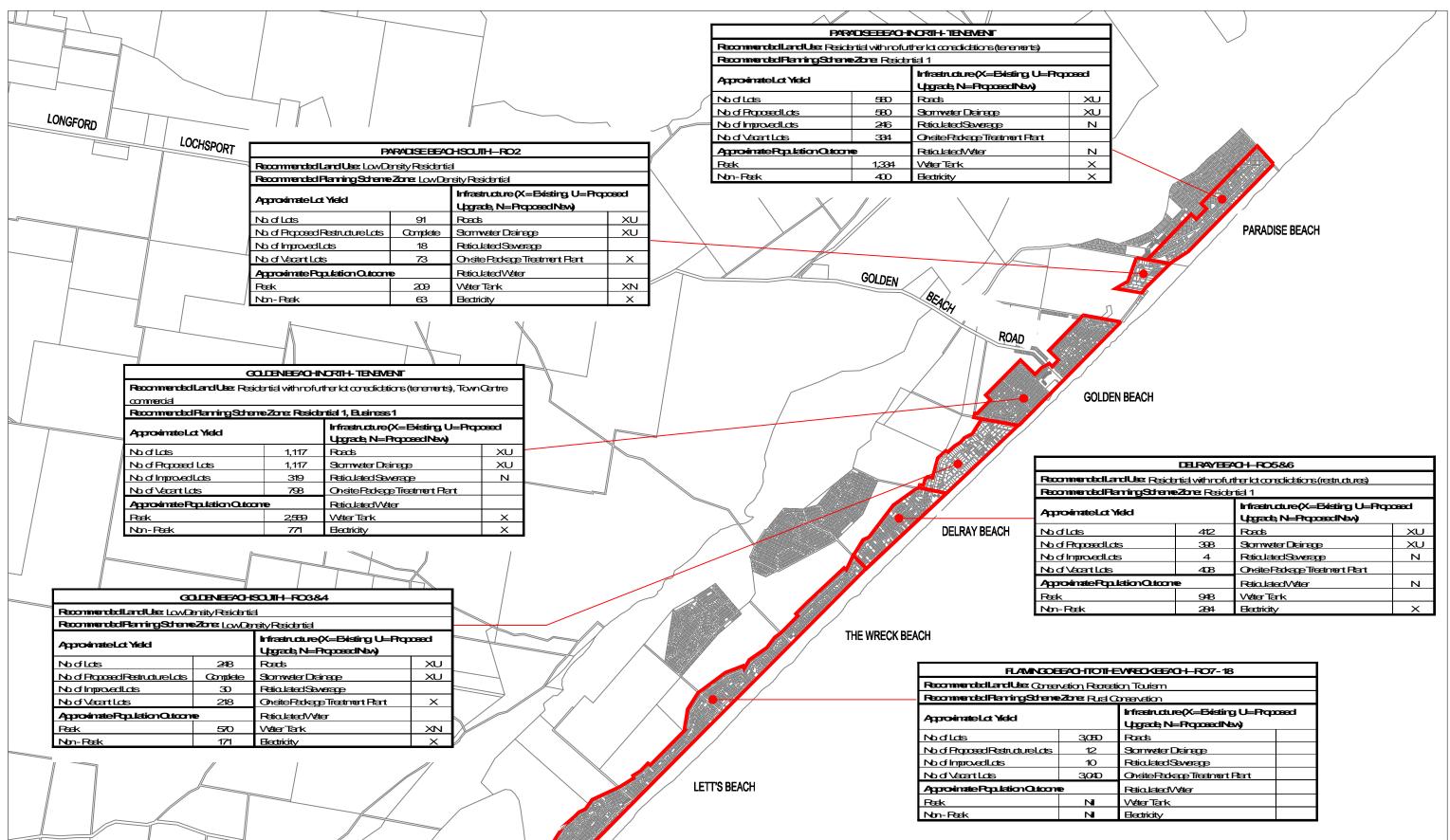
WELLINGTON COAST SUBDIVISION STRATEGY HONEYSUCKLES TO PARADISE BEACH,

FIGURE 6 PRECINCT RECOMMENDATIONS

Ref. No. 31/20287 - November 2006







31/20287/CADD/Drawings/Planning/Strategy Plans/Figure 7 Recommendations

1.0km

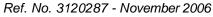
DELRAYEEACH-RO5&6					
Land Use: Residential with no further lat consolications (restructures)					
IRamingSchem	Zone Reside	ntial 1			
et Med el		Infrætructure(X=Bisting U=Rqp	osecl		
d Yield Upgrade, N=Proposed Nev)					
	412	Roads	ΧU		
llas	398	Stomwater Drainage	ΧU		
Las	4	Retic.latedSeverage	N		
ts	408	On-site Package Treatment Plant			
cputation Q toon	e	Reticulated Water	Ν		
	948	WaterTank			
	284	Electricity	×		

ſΗΕ	WRECKEEACH-RO7-18	
æti	an, Tauism	
Ð	onservation	
	Infrætructure(X=Existing U=Rqu	ceed
	Upgrade; N=Rrqpcsec(New)	
	Roads	
	Stomwater Drainage	
	Relia.latedSeverage	
	On-site Package Treatment Plant	
	ReticulatedWater	
	WaterTark	
	Electricity	

SHIRE OF WELLINGTON

WELLINGTON COAST SUBDIVISION STRATEGY HONEYSUCKLES TO PARADISE BEACH,

FIGURE 7 PRECINCT RECOMMENDATIONS









6. Implementation

Several overriding considerations apply to the implementation of this strategy. These are:

- The need to provide certainty to landowners within the subdivision areas.
- The desire to ensure a fair transfer of economic windfall, resulting from strategic planning initiatives, from winners to losers, within the context of previous policy and regulatory arrangements.
- The need for arrangements that minimise cost burdens to all Shire of Wellington ratepayers.
- The need to provide the Shire of Wellington with a workable approach to managing the change required to implement the preferred strategy.

6.1 Current Rating and Acquisition Procedures

Council's current procedures for managing the subdivisions, in summary, are:

- The rating arrangements for lots zoned Environmental Rural, and located within the LSIO, have recently been reviewed and Council has determined it is compelled by legislation to apply an annual rate to these properties. As they are not able to be developed, Council accepts titles for these lots when offered by landowners. Transfer of land costs are a financial impediment to this process. Council does not actively pursue these transfers. Many landowners have no interest in the land and the titles are considered by most to be worthless.
- The rating arrangements for lots zoned Low Density Residential, and located within the restructure areas, have recently been reviewed and Council has determined it is compelled by legislation to continue to apply an annual rate to these properties. Council rates all restructure lots, irrespective of whether they are located in a priority area. Many landowners resist payment and have accumulated rates arrears on the basis that the land is incapable of accommodating development without utility services, and there are no Council services provided in return for rates payment. Some landowners have no interest in the land and consider their titles to be worthless. Council accepts titles for these lots when offered by landowners, in exchange for rates arrears. Council owns approximately 25% of lots in these areas.
- Council has previously facilitated restructure within selected priority areas by actively acquiring land, by compulsory acquisition if needed, to assemble lots in accordance with restructure overlays. Council's efforts in this regard were undertaken as a cash-neutral activity, as there was no funding source available for land acquisition. Council now has a moratorium on its dealings in land in the restructure areas, until land assembly processes have been confirmed for each location during the implementation of the Strategy.
- Lots zoned Low Density Residential and located within the tenement areas are rated by Council. Council does not actively pursue the consolidation of lots in these areas, but has assisted owners to assemble land in the past if requested. Development in these



locations is possible, and the lots are provided with Council services. There are few rates arrears in this location.

The buy-back scheme for lots located in the primary coastal dunes, was initiated by the Victorian Government, and remains the responsibility of the Department of Sustainability and Environment. There is no funding available for this scheme and it has been inoperative for several years.

6.2 Implications of the Strategy for Council Procedure

In relation to procedural matters the strategy proposes:

- Removing the process of restructure from all subdivision areas,
- Reaffirming development potential in selected locations,
- Confirming the lack of development potential in the remaining areas,
- Initiating a process for public acquisition of land holdings with no development potential.

This has the following implications for Council procedures:

- The practise of rating landowners where no development potential exists has been recently reviewed. Council has no discretion under the provisions of the Local Government Act 1989, and therefore it must raise municipal rates. However, Council's policy is not to pursue rates or charge interest where no development potential exists.
- Existing rate arrears will remain on Council records as a consideration in determining future land acquisition outcomes.
- The emphasis of Councils efforts will be transferred away from facilitating lot restructures and towards acquisition of land for conservation and infrastructure purposes.

6.3 Responsibilities and Financial Costs for Implementation

6.3.1 Public Land Acquisition

The coastal park proposal requires the following administrative and management matters to be resolved:

- The role of the State Government in determining appropriate mechanisms for public land acquisition, such an expanded or refocussed Victorian Environment Assessment Council.
- The agency/agencies that will have long term responsibility for managing the transferred land.
- Whether the land will be integrated into the existing park land holdings, or retained and managed separately but complimentary to the existing park.
- The arrangements for interim management while land parcels are being assembled.
- The need for a staged and programmed approach to land acquisition.
- The need to clarify the acquisition liability and/or compensation entitlements of vacant land and improved properties, in various locations within the strategy area.



- A process for acquisition that identifies appropriate methods for different situations, including purchase, compulsory acquisition, surrender in exchange for rates arrears, land trades.
- A process for resolving land ownership issues, where land owners are either unknown or cannot be located.
- The identification of possible opportunities outside the subdivision strategy area where public land can be traded in exchange for the coastal park land.

The Shire of Wellington acknowledges its responsibility to assist in the process of transferral of land to the coastal park. It also believes that there are State and regional benefits derived from an expanded coastal park, and consequently a joint State and local approach is required. There are approximately 4,500 vacant lots identified for transferral and a further 200 lots improved with various standards of dwellings and/or outbuildings.

In the event this acquisition is not viable, the alternative approach to managing the coastal park area is the establishment of rural conservation lots. This also requires substantial land acquisition to facilitate large scale restructure or amalgamation of lots, but would render a financial return from the sale of the restructured lots. Lots subject to inundation should be returned to public ownership, irrespective of the approach to the remaining areas.

6.3.2 Establishment Costs

The strategy includes proposals to upgrade infrastructure or provide new infrastructure to the areas reconfirmed as appropriate settlement nodes. The approximate cost of providing this infrastructure is \$65 Million. The approximate number of lots that will benefit from this infrastructure is 2,500. The liability per lot is, therefore, about \$26,000. It is proposed that this liability for infrastructure upgrades be met by a funding mix of landowner levies, government subsidy, and private sector infrastructure organisations prefunding infrastructure to establish a return through rates and charges.

The management and administration costs associated with implementing the strategy are estimated to be about \$2.2 Million over 10 years. This translates to about \$300 per lot, assuming that all 7, 300 lots in the subdivision area (not including those currently unrated by Council) share this liability, or \$880 per lot (only for the lots identified for future development).

6.3.3 Revenue Options

It is acknowledged that the preferred strategy results in some land owners losing and others gaining from the recommended development pattern. The preferred option is likely to result in an increase in the value of property in the urban nodes, where lots no longer need to be restructured to accommodate development. Additionally lots will be provided with improved local road standards and utility services. The supply of land will be limited by the preferred option and this is likely to lead to elevated land values as demand increases. A component of these windfalls could be harnessed by an appropriate administrative mechanism (such as a benefit levy) and transferred to land owners that are adversely affected by the strategy.



Securing funds from the capital gain in land values should be considered one of a range of available revenue options to be managed by a new administrative structure established to implement the strategy.

Other revenue options available to the strategy include:

- Increases in rates associated with accelerated land prices.
- Special rates levies/charges scheme across the entire Shire, or restricted to coastal areas for specific works, services or land acquisition.
- Payments made as part of development contribution plans.
- Profit from government and privately operated recreation and tourism facilities.
- Rental payments from private organisations operating recreation and tourism facilities on public land.
- Commonwealth and State grants
- Commonwealth and State involvement in acquisition, possibly involving policy, procedural and legislative reform.
- Victorian Conservation Trust and other private organisations.
- Free market dealings in land speculation by a quasi-government organisation (land bank), taking into account the bank of land already held by Council.

Appropriate financial arrangements need to be established, acknowledging:

- There will be a net financial gain from the strategy proposals over time as environmental and socio-economic benefits translate into a healthy local economy and increased land values.
- There be will winners and losers, providing opportunity to redistribute benefits more equitably.
- There will be private and public sector roles to clearly define.
- The level of intervention and subsidy by government will need to be determined having regard for State and regional benefits.
- A program for implementation is required, that includes a business plan and financial balance sheet, tracking inputs and outputs, overall net capital gains, and revenue raising methods linked to an infrastructure and service delivery program.

6.4 Implementation Tasks

The following key tasks are required and listed in order of priority:

- Establish an implementation taskforce (possibly a re-formed Strategy Steering Committee), with membership from the Shire of Wellington, key State agencies and local organisations to ensure ongoing agreement and commitment to the implementation of the strategy, including agency endorsement of the detailed arrangements for the preferred option.
- Supplement the existing assessment of costs and benefits to establish a more detailed assessment of the financial implications of the preferred option, particularly the



implications of transferring land to environmental management through public ownership or rural conservation lots.

- Clarify costs of reticulated water and sewerage for Option 4, the regulatory constraints to achieving such service provision, and consider alternative financial and engineering solutions to improving these utilities, such as re-use opportunities, technologies such as desalination, and provision of reticulated sewerage without reticulated water. This may include investigating the reasons for different regulator imposed restrictions on recouping costs for water and sewerage, compared to electricity.
- Prepare a preliminary timetable and costing program to implement the preferred option.
- Obtain high level technical support and direction at Commonwealth and State levels, including land management agencies and infrastructure providers.
- Obtain high level support and direction from State, regional and local business groups.
- Obtain high level political support at Commonwealth and State levels for the proposals.
- Form a lobby group through MAV to encourage government reforms in policy, process and legislation, and to improve Victoria's approach to the acquisition of private land for public conservation and environmental management.
- Establish a public relations and education campaign.
- Establish an appropriate community involvement structure.
- Undertake appropriate community consultation, including specific interest groups such as Aboriginal and Native Title interests and Melbourne based land owners.
- Modify the planning framework amendments to the MSS, planning scheme, local policy and procedure.
- Establish a framework for a government and private sector partnership including government and private sector responsibilities, decision-making structures, new organisations and corporate bodies, including the creation of a land bank.
- Employ dedicated person(s) or organisation with adequate time and resources to facilitate the implementation of the strategy, and determine their relationship to the above framework.
- Identify an external broker to assist in implementation.
- Prepare a detailed program for implementation, including financial management models.

Recommended Commonwealth Government Role:

- Support the strategy concepts.
- Encourage reforms in acquisition of land for environmental purposes.
- Assist with funding for a land bank.

Recommended State Government Role:

- Reform policy, process and legislation for acquisition of land for environmental purposes.
- Contribute to the establishment of an implementation framework.



- Provide assistance in the development and delivery of appropriate infrastructure and service delivery programs.
- Assist with funding for a land bank.

Recommended Local Government Role:

- Coordinate the above tasks.
- Establish and utilise a reporting and decision-making link between the framework organisations and the Council during the implementation of the strategy.
- Assist with funding for land acquisition or a land bank.



Appendix A Population calculations for settlement options

GH	
	2

Option 1: Status Quo

Tenement Areas	Subtotal Lot Yield	
No. of existing lots:	2,040	
No. of existing developed lots:		711
No. of remaining lots:	1,329	
No. of development lots reduced by restructure (15%		1,130
reduction):		
Completed Restructure Areas (RO 2-4)		
No. of existing lots:		339
No. of existing developed lots:	48	
No. of remaining development lots:	291	
Restructure Focus Areas (RO 5,6,19-22)		
No. of existing lots:	1,158	
No. of existing developed lots:	26	
No. of remaining lots;	1,132	
No. of development lots reduced by restructure (75%		283
reduction):		
Total Lot Yield		2,463
Total Peak Population (assuming all lots are developed and occupied):	5,665	
Total Non Peak Population (assuming all lots are developed and 30% are occupied):	1,670	
No. of lots to acquire and/or restructure	1,413	

Option 2: Fully Serviced Urban Infrastructure

Tenement Areas	Subtotal Lot Yield		
No. of existing lots:		2,040	
No. of existing developed lots:	711	· ·	
No. of remaining development lots:	1,329		
Completed Restructure Areas (RO 2-4)			
No. of existing lots:		339	
No. of existing developed lots:	s: 48		
No. of remaining development lots:			
Restructure Focus Areas (RO 5,6,19-22)	·	•	
No. of existing lots:	1,158		
No. of existing developed lots:	26		
No. of remaining lots;	1,132		
Incomplete Restructure Areas (7-18)			
No. of remaining development lots:		3,050	
Total Lot Yield		6,561	
Total Peak Population (assuming all lots are	15,090 (similar population		
developed and occupied):	as Sale)		
Total Non Peak Population (assuming all lots are	4,527		
developed and 30% are occupied):			
No. of lots to acquire and/or restructure	Nil		



Option 3: Low Density Residential

Tenement Areas	Subtotal Lot Yield	
No. of existing lots:	22,040	
No. of existing developed lots:		711
No. of remaining lots:	1,329	
No. of development lots reduced by restructure (15% reduction):		1,130
Completed Restructure Areas (RO 2-4)	-	
No. of existing lots:		339
No. of existing developed lots:	48	
No. of remaining development lots:	291	
Restructure Focus Areas (RO 5,6,19-22)		
No. of existing lots:	1,158	
No. of existing developed lots:	26	
No. of remaining lots;	1,132	
No. of development lots reduced by restructure (75% reduction):		283
Incomplete Restructure Areas (7-18)	-	
No. of remaining development lots (reduced by 75%):		458
Total Lot Yield		2,921
Total Peak Population (assuming all lots are	6,718	
developed and occupied): Total Non Peak Population (assuming all lots are developed and 30% are occupied):	2,016	
No. of lots to acquire and/or restructure		

Option 4: Nodal Urban

Tenement Areas	Subtotal Lot Yield			
No. of existing lots:		2,040		
No. of existing developed lots:	711			
No. of remaining development lots:	1,329			
Completed Restructure Areas (RO 2-4)				
No. of existing lots:				
No. of existing developed lots:				
No. of remaining development lots:				
Restructure Focus Areas (RO 5 & 6)				
No. of existing lots available for development:	369			
No. of existing developed lots:	26			
Rural Living – Glomar Beach (RO 19-22)				
No. of existing lots:	763			
No. of existing developed lots:		21		
No. of development lots (500% reduction):		153		
Total Yield		2,922		
Total Peak Population (assuming all lots are developed and occupied):	6,721			
Total Non Peak Population (assuming all lots are developed and 30% are occupied):	2,016			



Option 5: Restricted Development

Tenement Areas	Subtotal Lot Yield			
No. of existing lots:	2,040			
No. of existing developed lots:		711		
No. of remaining lots:	1,329			
No. of development lots reduced by restructure (15% reduction):	1,130			
Completed Restructure Areas (RO 2-4)				
No. of existing lots:	339			
No. of existing developed lots:		48		
No. of remaining development lots:	291			
No. of development lots:	Nil			
Restructure Focus Areas (RO 5,6,19-22)				
No. of existing lots:	1,158			
No. of existing developed lots:	26			
No. of development lots reduced by restructure (75% reduction):	structure (75% 283			
Incomplete Restructure Areas (7-18)				
No. of remaining development lots:	458			
No. of development lots:	Nil			
Total Lot Yield		759		
Total Peak Population (assuming all lots are developed and occupied):	1,746			
Total Non Peak Population (assuming all lots are developed and 30% are occupied):	524			



This document has been prepared in good faith. It reflects research of existing publications, other information sources, and anecdotal information provided by stakeholders and the community. All costings are estimates based on the information provided by stakeholders and available to the team during the preparation of the Strategy. This document is intended to be a tool to progress the resolution of planning and development issues in the project area and is not intended as a reference document for other purposes. It should not be used as the basis for decisions relating to any other planning or development matters.

GHD Pty Ltd ABN 39 008 488 373

180 Lonsdale Street Melbourne, Victoria 3000 T: (03) 8687 8000 F: (03) 8687 8111 E: melmail@ghd.com.au

© GHD Pty Ltd 2007

This document is and shall remain the property of GHD Pty Ltd. The document may only be used for the purposes for which it was commissioned and in accordance with the Terms of Engagement for the commission. Unauthorised use of this document in any form whatsoever is prohibited.

Rev		Reviewer		Approved for Issue		
No. Author	Author	Name	Signature	Name	Signature	Date
0	Z. Hunt	C. Watts	CJ Walts	C. Watts	CA Wads	22/2/2007
			1		1	

Document Status