

[REDACTED]



[REDACTED]

[REDACTED]

Re: Bellarine Peninsula Draft Statement of Planning Policy and proposed landscape planning controls  
1 Spring Street  
MELBOURNE VIC 3000

*Via online submission*

Dear Sir/Madam,

**Submission in respect of the Draft Bellarine Peninsula Statement of Planning Policy**

We act on behalf of the landowners of the below properties:



The addresses of the properties shown above are [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] (collectively known as the **Subject Sites**).

Our clients' have reviewed the exhibited Bellarine Peninsula Draft Statement of Planning Policy (**BPDSPP**), including the supporting documents and in summary, make submission as follows:

1. The Subject Sites do not meet the criteria set out in Section 46AP of the *Planning and Environment Act 1987 (Act)*, which are required to be established for them to be declared a distinctive landscape area.
2. There is no threat to the area immediately surrounding or including the Subject Site which would warrant its declaration as a distinctive landscape area.

**Best Hooper Pty Ltd**

Level 9/451 Little Bourke Street  
Melbourne VIC 3000, Australia

PO Box 13312  
Law Courts 8010

**T** (03) 9670 8951  
**F** (03) 9670 2954

www.besthooper.com.au  
ACN 137 307 692

3. The BPDSPP should not specify the settlement boundary for Ocean Grove. By including this, the BPDSPP precludes any strategic review of any settlement boundary for Ocean Grove as contemplated by the Greater Geelong Planning Scheme (**Scheme**).
4. The BDSPP is contrary to recommendations of an independent Planning Panel, who, in considering Amendment C395 to the Scheme, commented that any process to define the long term or permanent settlement boundary for Ocean Grove should be...

*“...Robust, transparent, evidence-based....”*

5. The nomination of the Subject Sites as a “green break” is unsubstantiated, unnecessary and inconsistent with the objectives of planning in Victoria.
6. The strategic outcomes contemplated by the BPDSPP will unreasonably constrain land supply on the Bellarine Peninsula and particularly, Ocean Grove, and fail to meet the needs of Victorians.

Our clients request that an Advisory Committee be established to consider submissions to the BPDSPP.

### **Strategic Background**

The BPDSPP and the outcomes contemplated therein do not align with the Scheme and the outcomes contemplated for Ocean Grove generally.

Relevantly, clause 21.14 of the Scheme contains structure plan maps for the various towns on the Bellarine Peninsula. The relevant objectives of this clause include:

- *To protect and enhance the rural and coastal environment on the Bellarine Peninsula and maintain non-urban breaks between settlements*
- *To facilitate the development of Ocean Grove, Drysdale/Clifton Springs and Leopold as hubs of development and service provision on the Bellarine Peninsula*

Relevant Strategies to achieve the objectives of this clause include:

- *Ensure that development outside of settlement boundaries (as shown in the Structure Plan maps included in this clause) does not compromise the rural, environmental and landscape values of the non-urban breaks*
- *Direct the bulk of residential growth and retail development to Ocean Grove, Drysdale/Clifton Springs and Leopold consistent with the relevant Structure Plan maps included in this clause.*

Further work identified within the clause relevant to the Subject Sites includes:

- *Review township structure plans as scheduled (in structure plans) to meet emerging needs of communities*
- *Review the Structure Plan including an assessment of long term growth options (both infill and settlement expansion) for Ocean Grove by no later than 2021. This assessment should include consideration of:*
  - *Land to the north, north-west and east of Ocean Grove*
  - *The role of Ocean Grove as a district town*
  - *Other planned growth on the Bellarine Peninsula*

- *Development trends, lot supply and housing capacity within the settlement boundary*
- *The desirability of providing a diversity of living options*
- *Physical and environmental constraints, including the importance of protecting the biodiversity values of the Nature Reserve and maintaining a rural break between settlements*
- *The protection of landscape values and implications for the character of approaches to Ocean Grove township along the Bellarine Highway, Grubb Road and Wallington Road*
- *The implications for significant agricultural uses and their employment generating potential*
- *Whether any adjustments to the settlement boundary are required*

The Ocean Grove Structure Plan (**Structure Plan**) was adopted in 2015 (and amended in 2016) and since that time new residential development has been occurring, at a fast pace, in the north-eastern growth area, east of Grubb Road. In addition, a major new activity centre has opened in this area. All of these developments have occurred because the strategic planning direction for Ocean Grove contemplated the growth of Ocean Grove in this way.

The City of Greater Geelong Settlement Strategy, August 2020 (**Settlement Strategy**) has been adopted by Council and relevantly at page 77 notes:

### **Defining the Boundary**

A long term settlement boundary should be largely based on existing residential zones and strategic plans, as these have been developed over a number of years, with extensive community consultation and peer review.

We expect the process to define a long term settlement boundary would be similar in approach to the 'logical inclusions' process used to refine Melbourne's urban growth boundary. This would include

- establishing assessment and decision criteria such as land that: supports an enduring and robust long term boundary, assists infrastructure provision to land already identified for residential development and is contiguous with an existing urban area.
- confirming the appropriateness of current boundaries for urban Geelong and district towns on the Bellarine Peninsula (no changes to other towns)
- a consultation and submissions process
- referrals to infrastructure and service agencies
- independent oversight and
- consultations with the Minister for Planning.

It is clear from Council's adopted policies that such process for defining the settlement boundary has not occurred and it is therefore inappropriate, inconsistent with the objectives of planning and a denial of natural justice for the BPDSP to define said boundary in the manner it proposes.

### **Amendment C395 to the Scheme**

An independent Planning Panel was constituted to consider and make recommendations in respect of Amendment C395, which contemplated the Geelong Settlement Strategy and Northern and Western Geelong Growth Areas Framework Plan.

Of particular relevance, it is noted that the Settlement Strategy considered by the Panel did not propose any change to Clause 21.14 and, specifically, did not propose any change to the requirement to review the existing Structure Plan including an assessment of long-term growth options (both in-fill and settlement expansion) by no later than 2021.

Our clients participated in that hearing and it is noted that advice provided to the Panel on the first day of the hearing by DELWP indicated that an independent oversight of the DAL process was unlikely. How DELWP could make comments like that given the ramifications and the denial of natural justice arising out of such a process is of itself very concerning, but nevertheless the Panel heard from a number of witnesses including Mr Collins, being a witness for the planning authority on the first day of the hearing.

Mr Collins nominated three processes for the review of settlement boundaries being:

1. The DAL process;
2. Logical inclusions; and
3. Review of the existing structure plans.

Mr Collins ultimately agreed that a process that includes independent scrutiny is the preferred methodology.

The strategy contemplated by that Panel sought to implement strategic policy that would reduce the share of housing on the Bellarine Peninsula.

In response to a question from Mr Watters, Counsel appearing on behalf of a submitter, in relation to issue of development within the Bellarine Peninsula, Mr Collins responded to the effect that Ocean Grove should be able to accommodate as much demand as possible without adversely affecting the environmental or landscape values of the Peninsula.

He acknowledged, in cross examination, that he had not been provided with any evidence-based analysis as to what adverse impacts might flow on any identified environmental or landscape values of the Peninsula if development were to continue at the pace that it has in the past.

He did say though that he felt that, if the Bellarine Peninsula was to continue to accommodate past housing proportions of the predicted future population growth of Geelong, inevitably, there would be such impacts.

Having regard to the above, is our clients' submission that there is no proper evidence based analysis of what contribution, if any, the Subject Sites make to the matters relied upon by the Minister to support the declaration of these areas as a distinctive area and landscape. As Mr Collins said in his evidence before the C395 Panel, the most sensible approach is to undertake a proper evidence based analysis on what are the impacts on the environmental and landscape values of the Peninsula, ensure that those impacts are avoided and then, adopt a process which is transparent, robust with the benefit of scrutiny by a panel or advisory committee to determine whether there is an opportunity to expand any of the existing settlement boundaries of the towns on the Bellarine Peninsula without impacting on the identified environmental and landscape values.

An inspection of the Subject Sites and the immediate area would make it patently obvious that, with development happening to the east of Grubb Road which now includes an activity centre, at the very least, there should be a proper and transparent consideration as to whether development should be permitted to the west of Grubb Road to reflect urban development on the other side of the road. Such position is only compounded once you consider the other interfaces of the site, which include rural residential blocks to the north, which continue to the east at Wallington Road, then to the south and east of the nature reserve, meaning that the Subject Sites are essentially land locked by housing and the nature reserve, meaning that they will have no intrinsic value moving forward and the notion of a green break in this location is not only unfounded, but strategically limiting. It is our clients' submission that allowing a future process for inclusion of the Subject Sites within the township boundary would facilitate development that would capitalise on the significant investment infrastructure both private and public that has occurred and continues to occur on the east side of Grubb Road.

Turning now to the findings of the Panel. Whilst, the Panel formed the view that it was not for it to interrogate the policy change that the Strategy proposes, it commented as follows:

*"... The change, in conjunction with the provision of significant new growth areas in the west and north, makes a powerful case for Council having an overall plan to accommodate growth.*

*The DAL declaration and planning process has been developed and implemented by the State Government. It is not for the Panel to challenge or question this process.*

*The big area of contention behind the Council policy 'pivot' and the DAL process is not so much the question in principle of whether there should be eventual township boundaries to limit growth on the Bellarine, but rather where those boundaries should be. One school of thought in submissions suggests township boundaries should be closely tied to existing residential zoned land or land already identified in the planning scheme as suitable for rezoning. The other school of thought in submissions, unsurprisingly often advanced by landholders with existing development interests on the edge of Bellarine towns, is that if an eventual town boundary is proposed, the identification of such boundaries should provide the opportunity to bring in additional land on the edges of existing towns for inclusion in the 'final' town boundary.*

*For an Amendment that does not set any town boundaries, the Panel has felt significant pressure to make findings on the issue in principle and even on particular landholdings as to Greater Geelong Planning Scheme Amendment C395ggee / Panel Report / 14 May 2020 Page iii of vii whether they should be 'in' or 'out' of eventual town boundaries. This of course it has not been tempted to do; that would be straying far outside of its remit.*

*The Panel does however consider that at the planning principles level, and this is explicit in some parts of the planning scheme such as for Ocean Grove, that this further review prior to the 'locking down' of town boundaries should be considered. This is not an explicit or implicit endorsement of any particular submission requesting inclusion in a Bellarine township boundary.*

*Rather it is expressing the view that some form of review should be undertaken for Bellarine townships, whether through the DAL process or structure plans as envisaged in the planning scheme.*

*It is neither fair, nor sound planning, to 'shut the gate' at a particular point of time without a logical review of what is inside or outside the paddock at the point in time when the gate shuts."*

It is clear in the above extract that the Panel strongly recommended a robust and transparent review of existing settlement boundaries of all the Bellarine Peninsula towns before there is any

“locking down” of those boundaries such as, in effect, would occur, if those boundaries were designated as protected settlement boundaries as contemplated by the BPDSP.

The Panel at Section 4.2 of its report undertook an exhaustive analysis of the submissions made on the issue of the settlement boundaries on the Bellarine Peninsula and in its very first sentence under the heading “Discussion” said this:-

*“The Panel considers that a future process for refining township boundaries is necessary...”*

The Panel acknowledged later in its report the concern raised by a number of parties about the uncertainty of the level of consultation likely to be afforded to landowners and affected parties through the DAL process. It recorded that submissions and evidence from developers and landowners overwhelmingly supported the need for third party input and independent assessment. On this topic, the Panel remarked:

*“...in the interest of sound planning and fairness, the Panel considers that any permanent or long term boundary setting or refinement should include the opportunity for those landowners and other parties, including the community with an interest to be given notice and an adequate opportunity to respond...”*

The Panel concluded in relation to settlement boundaries as follows:

*“A long term or permanent boundary for townships should be defined so that growth can be managed within that context.*

*The process to define the long term or permanent settlement boundary should be robust, transparent, evidence-based and start from existing structure planning in the Planning Scheme.*

*The DAL process would seem to be the logical process to undertake this exercise. Where additional strategic investigative work is required to inform the final township boundary, the DAL could adopt the tailored approach to settlement boundaries used in the Macedon Ranges SPP, and the detailed structure planning be undertaken within the DAL SPP...”*

[our emphasis]

It is our clients’ submission that for the process to satisfy these outcomes, the process must provide an opportunity for individual landowners to lead evidence before an Advisory Committee including evidence of a technical nature relating to such issues as biodiversity flooding, drainage, environmental and the like. The broad assessment that has been undertaken to date that has led to the declaration cannot be a substitute for the robust, transparent and evidence-based process recommended by the Panel.

Moreover, the declaration is not the appropriate starting point for this kind of strategic exercise. Instead, a review of the Structure Plan, the economic growth and projected growth of Ocean Grove and the logical development of the area is required to determine the immediate growth opportunities and direction, noting that such process should then be reviewed in a number of years to respond to the changing needs of the township. The BPDPP simply does not provide for this nor does it facilitate such review, particularly given the life of its application for a period of 50 years.

### **Current process**

In 2019, the Victorian Government declared part of the City of Greater Geelong and all of the Borough of Queenscliffe, which together constitute the Bellarine Peninsula, a “distinctive area of landscape” pursuant to the Act.

In furtherance of that declaration, the Department of Environment, Land, Water and Planning (**DELWP**) have now prepared the BPDSP for the declared Bellarine Peninsula area, which seeks to establish a framework for the future use and development of land in that area.

At a high level, DELWP advises that the BPDSP seeks to implement long-term protection for the declared areas, including settlement boundaries and character statements for specific areas.

There are five criteria which must be satisfied for the area to be declared a distinctive landscape area. These can be summarised as follows:

1. Outstanding environmental significance;
2. Significant geographical features, including natural landforms;
3. Heritage and cultural significance;
4. Natural resources or productive land of significance;
5. Strategic infrastructure or built form of significance.

**(Five Principles)**

In the declaration published in the Victoria Government Gazette published on the 29 October 2019 for the Bellarine Peninsula, a table is provided which sets out the attributes which purportedly qualify the Bellarine Peninsula as a Distinctive Area and Landscape (**DAL**). That table is reproduced below:

<b>Item</b>	<b>Attribute</b>	<b>Distinctive Features</b>
1	Outstanding Environmental Significance	<p>(a) The endangered native flora and fauna located in pockets of this area, particularly along river corridors. This habitat consists of various plant species including the endangered Bitter-Bush, Coast Wirilda and Trailing Coast Poa.</p> <p>(b) The wetlands across the Bellarine Peninsula are Ramsar Protected wetlands and form part of a global network for migratory birds. The wetlands are home to several unique and threatened species.</p>
2	Significant Geographical Features Including Natural Landforms	<p>(a) The Heads at Point Lonsdale are a defining feature at the entrance of Port Phillip Bay. It features on numerous early artworks. It is part of marine National Park that includes high sand dunes, limestone cliffs, and a vast intertidal rock platform that stretches across to Point Nepean.</p> <p>(b) The scenic views across the Bellarine Peninsula or rural landscapes and along the coast are highly valued for their natural beauty.</p>
3	Heritage and Cultural Significance	<p>(a) Bellarine Peninsula has outstanding examples of Victorian era architecture offering a unique insight into the area's development as a holiday destination.</p>

		<p>(b) Queenscliff has rich maritime and military history characterised by Victoria and early twentieth century architecture including For Queenscliff. A large proportion of Queenscliff is under a heritage overlay, or is heritage-listed, which indicates its state significance.</p> <p>(c) Significant Aboriginal cultural sites exist, including shell middens archaeological sites and The Bluff at Barwon Heads for the Wadawurrung People.</p>
4	Natural Resources or Productive Land of Significance	<p>(a) The Bellarine winery area between Clifton Springs and Portarlington has a cluster of wineries that support the tourism industry</p> <p>(b) Identified Extractive Industry Interest Area (EIAs) including Murradoc Hill to Portarlington area and the Lonsdale Lake surrounds.</p> <p>(c) Land in the Bellarine Peninsula is ranked with some capability for soil-based agriculture at moderate to high intensity.</p>
5	Strategic Infrastructure or Built Form of Significance	<p>(a) Queenscliff and Portarlington Harbor are important assets for the local economy.</p> <p>(b) Barwon Heads Road and Bellarine Highway form part of a significant corridor, critical to the function of the region.</p> <p>(c) The Queenscliff -Sorento ferry is a state significant transport and tourism link. The Bellarine heritage rail is a popular attraction, important to the local tourism economy.</p>

It is our clients' submission that the Subject Sites do not display any of the attributes necessary in order to satisfy the DAL criteria in Section 46AP of the Act.

Moreover, the Minister must also be satisfied pursuant to section 46AP(2) of the Act that an area is under threat of significant or irreversible land use change that would affect the environmental, social or economic value of the area before he can recommend that an area be declared as a distinctive area and landscape.

These matters simply have not been established and it is simply fanciful to suggest that the Subject Sites (and their strategic future) will significantly or irreversibly effect the environmental, social or economic value of the area should the declaration or BPDSPP not be approved.

In response to each of the criteria required to establish the Subject Sites as a DAL, we make comment as follows

1. Outstanding Environmental Significance

The Subject Sites do not comprise any of the endangered native flora and fauna referred to as a distinctive feature nor do they comprise any other endangered flora and fauna. To the



extent that part of the Subject Sites contain Bellarine Yellow Gums, urban development can occur compatible with their retention.

The Subject Sites do not comprise any wetlands.

2. Significant Geographical Features Including Natural Landforms

The Subject Sites do not contain any distinctive geographical features or natural landforms. part of the distinctive features.

Moreover, no part of the Subject Sites could be described as highly valued for their natural beauty or rural landscape. On the contrary, development that has occurred particularly to the east of Grubb Road immediately across the road from the Subject Sites, to the extent that there was any scenic view, has interrupted such views in a manner that cannot be reversed.

3. Heritage and Cultural Significance

The Subject Sites do not contain any heritage or cultural significance that would support them forming part of a DAL.

4. Natural Resources or Productive Land of Significance

The Subject Sites have limited agricultural value and are substantially comprised of small lots not suitable for any productive agricultural pursuit. Again, the residential development that has occurred particularly to the east of Grubb Road has compromised any ability the Subject Sites may otherwise have had for agricultural pursuits. The Subject Sites, for most part, comprise what is best described as lifestyle properties on "*hobby farms*".

5. Strategic Infrastructure or Built Form of Significance

The Subject Sites have no strategic infrastructure or built form of significance.

On this basis, it is submitted that there are no features of the Subject Sites which warrant their inclusion in the DAL, noting that our client has previously led evidence of independent experts on these matters who concluded that there was more harm being done to the environment via the current farming designation of the Subject Sites and that an appropriately designed development would help rehabilitate the area and provide an appropriate interaction with the nature reserve.

Turning now to the second limb of the requirement for land to be declared a DAL, it is submitted that there is simply no threat to the Subject Sites which warrant their exclusion from the future settlement boundary for Ocean Grove, as the BPDSP contemplates.

The Minister, in making the declaration, must have been satisfied that the area is under threat of significant or irreversible land use change that would affect the environmental, social or economic value of the area.

Pursuant to the Act, that threat can only be satisfied in one of three ways, namely –

1. Land use conflict;
2. Multiple land use changes that are occurring; or
3. Any other land use threat prescribed for the purposes of Section 46AP(2).

Part 5 of the Declaration published in Victoria Government Gazette identified the threat to the Bellarine Peninsula as being:

1. Threats to areas of significant biodiversity, including Swan Bay and surrounds, Lake Connewarre and wetlands, Ocean Grove Nature Reserve and Lonsdale Lakes Wildlife Reserve from weeds and pests, climate change, natural hazards such as bushfires, and urban development;
2. Threats to natural landscapes and landforms, including visual impact on view lines and topography of the rural landscapes through the Bellarine Peninsula, from intensity of land use and urban development;
3. Threats to preservation of heritage and cultural attributes from the cumulative impact of development and land use practice and increased tourism activity and recreation;
4. Threats to natural resources, water catchments and productive land from land use conflicts (including intensity of uses) between conservation, catchment management, agricultural use, residential use and recreational activities; cumulative impacts of development; and natural hazards, including bushfire and flooding;
5. Threats to future effectiveness of strategic infrastructure from climate change impacts, expanded tourism activity, and the loss of road reservations due to development.

In relation to each of these “threats”, our clients submit as follows (adopting the numbering attributed to each threat above):

1. The Subject Sites do not form part of any of the areas referred to as being under threat. Whilst, it is accepted that those areas do not comprise an exhaustive list of the threats to areas of significant biodiversity, the Subject Sites have not been identified in any document as an area of significant biodiversity nor is there any evidence to support the view that urban development of the Subject Sites will pose a threat to any adjoining or nearby area identified as having significant biodiversity qualities.

Our clients’ are not aware of any evidence based assessment that supports the view that urban development of the Subject Sites would pose any significant threat to the Ocean Grove Nature Reserve located to the south of the sites. Indeed, the presence of this reserve has not prevented urban development from occurring and continuing to occur to the east including the establishment of a new activity centre.

2. The Subject Sites do not form part of any view lines to a rural landscape which is highly valued for its natural beauty. Indeed, as noted earlier, to the extent that there are any view lines of a highly valued area for its natural beauty of which the Subject Sites form part of, it has been irreversibly compromised by development that has occurred and continues to occur to the east of Grubb Road.
3. There is no evidence to support a proposition that the Subject Sites comprise any heritage or cultural attributes that would be threatened if the settlement boundary of Ocean Grove was expanded to include the Subject Sites.
4. The Subject Sites do not comprise of any natural resources or water catchment and are not productive agricultural land. Nor would their development for urban purposes pose a threat to natural resources or water catchment on any abutting or adjoining productive agricultural land. There is no evidence that development that has occurred to the east of Grubb Road, for example, has in any way impacted on natural resources including water catchments. Indeed, its development for urban purposes was done with the assessment that there would be no such impacts and there is nothing about the Subject Sites, which are west of Grubb Road which would lead to any other inclusion.
5. The Subject Sites have no features which would justify a conclusion that such threats would materialise in the event of its inclusion within the settlement boundary of Ocean Grove

On this basis, it is submitted that the Subject Sites do not meet any of the attributes required to declare an area as a DAL nor is there any threat which warrants the inclusion of the sites in such an area.

### **Drafting of the SPP generally**

The BPDSPP seeks to nominate the Subject Sites as a 'green break' and proposes a number of strategies which any responsible public entity will have to consider when contemplating a planning permit application for any sites within the DAL nominated as green breaks.

This includes the following policy:

#### *Objective 2 – Landscape*

*The objective is to protect and enhance the identified landscape character, physical features, view corridors and natural and cultural values of the declared area's significant landscapes. To achieve this, RPEs must consider, where relevant, the following strategy:*

- *Reserve green breaks between settlements for conservation, agriculture, nature-based tourism and natural resource purposes that prioritise the protection and enhancement of the significant landscapes and landscape characters.*
- *Ensure any development allowed in green breaks between settlements responds to the surrounding landscape character and maintains the visual dominance of the natural landscape by:*
  - o Being sited so buildings are responsive to the landscape and use established vegetation or new vegetation buffers to screen development when viewed from the public realm*
  - o Providing setbacks from road corridors and publicly accessible land*
  - o Using building forms, design detailing and materials and colours that immerse buildings within the landscape, so they are not visually dominant.*

#### *Objective 6b.3 – Tourism, agriculture and natural resources*

*This objective is to facilitate a strong regional economy, including agriculture and natural resource industries, that protects the declared area's green break. This can be achieved by the following strategy:*

*Direct urban use and development to within settlement boundaries and ensure development outside settlement boundaries does not compromise the rural, environmental and landscape values of the green breaks.*

It is submitted that designation of the Subject Sites as a green break and outside the settlement boundary will have the effect of sterilizing the sites and any development potential for years to come and is entirely inconsistent with the requirement of the Council to undertake further strategic work for these areas and develop a strategic planning framework for the immediate future.

Accordingly, it is submitted that the Subject Sites should be nominated as future growth locations and the settlement boundary ought be removed from the BPDSPP.

### **Economic Impacts**

As Victoria's second city, Greater Geelong is a major centre for population growth and residential development. More significantly, the relative importance of Greater Geelong as a growth centre in the broader state context is strengthening.

Since 2017, the rate of population growth in Greater Geelong has exceeded Greater Melbourne and Victoria as a whole with population growth over the past four to five years exceeding 2.5% per annum.

As well as infill development in Geelong's established urban area, Greater Geelong has four main area where greenfields residential growth is occurring:

- Urban Geelong (remnant greenfields estates at Fyansford and Highton)
- Armstrong Creek
- Lara
- Bellarine Peninsula

In the future, two additional and major growth areas will provide additional supply; the Northern Geelong Growth Area and the Western Geelong Growth Area.

The Bellarine Peninsula market is located on the Bellarine Peninsula and includes the coastal townships of Drysdale/Clifton Springs, Portarlington, Indented Heads/St Leonards, Queenscliff/Point Lonsdale (noting that most of the Queenscliff-Point Lonsdale urban area is located in the Borough of Queenscliffe), Ocean Grove and Barwon Heads. Additionally, the township of Leopold is located centrally located on the peninsula, away from the coast.

A present, there are nine active residential estates on the Bellarine Peninsula

The Bellarine market, particularly the coastal townships, represents a distinct residential market that is quite different to the balance of the Greater Geelong market. In the coastal townships, the residential market is strongly lifestyle driven, less affordable, and contains a significant proportion of dwellings that are not permanently occupied.

For example, in the coastal Bellarine townships the proportion of dwellings that are not permanently occupied (ie. typically used as a second home, holiday house or weekender) is in the order of 35% to 40% of total dwelling stock. In contrast, in the balance of Greater Geelong that proportion of dwellings that are not permanently occupied is in the order of 9% to 10%.

#### COVID-19 Impacts

The COVID-19 pandemic has had a major impact on Victoria, much of which has been negative, particularly for the tourism and retail trade sectors. However, some sectors have begun to emerge from the pandemic relatively unscathed, if not better than before, and examples include warehouse, logistics and transport, and the parts of the residential development sector.

The new working-from-home paradigm has allowed workers to re-assess their need to live close to the workplace, and many are now electing to live in regional areas and either occasionally commuting to work or permanently working from home. In an area like Greater Geelong, where population and dwelling growth had already been strong, this additional growth impetus is particularly strong.

#### Recent Population Growth

To provide context around future growth, it is useful to consider recent growth. Over the 15 years to 2020, Greater Geelong has experienced substantial population growth at an average rate of 1.9% per year. Notably, the rate of growth has also increased in recent years, from 1.8% between 2010 and 2015 to 2.6% between 2015 and 2020. It is noted that the population growth rate between 2016 and 2020 is consistent with what was referred to as Scenario D forecast in the *Greater Geelong Settlement Strategy (2020)*.

A number of projections and forecasts of future population and dwelling growth in Greater Geelong have been undertaken, including those contained in the *Greater Geelong Settlement Strategy*, *Victoria In Future 2019* and id Consulting forecasts (prepared for Council).

The *Greater Geelong Settlement Strategy* contains a number of potential population growth scenarios. At the time the Settlement Strategy was considered by an Independent Panel in late 2019 and early 2020, the growth scenario considered likely to be most accurate by economic experts was Scenario D (G21 Regional Growth Plan Aspiration), with Scenario D (+2.5% per annum) regarded by economic experts as the most likely outcome.

This has proven to be the case though it is noted that recent land sales and building approvals indicate that Greater Geelong may now be growing at an even faster rate. The Scenario D population forecast will require approximately 4,050 additional dwellings in Greater Geelong each year.

#### Building Approvals

Recent building approval data reinforces the strength of current demand conditions with a surge in new dwelling approvals since July 2020. Approvals increased from 3,200 approvals in the 12-months to July 2020 to 4,300 approvals in the 12-months to April 2021, representing a 34% increase. It is noticeable the increase in building approvals occurred across all greenfields growth areas with the 12 months rolling average at 1,550 (Armstrong Creek), 1,640 (Bellarine Peninsula) and Lara (378).

The balance of the city, which includes greenfields activity at Highton and Fyansford, along with urban consolidation activity, decreased over the period to 731 approvals.

It is noted that the Bellarine Peninsula remains an active area of growth, though the finite nature of land supply on the peninsula is likely to see upward price pressure build in an area that is already relatively expensive.

#### Land Supply and Housing Diversity on the Bellarine Peninsula

Land supply on the Bellarine Peninsula is increasingly constrained with the balance of supply largely contained to relatively small and fragmented holdings, along with a residual area at Jetty Road (Clifton Springs) which is still to be rezoned. Accordingly, with ongoing levels of demand, land supply on the Bellarine Peninsula has already become (and will continue to be) severely constrained and price escalation is likely to surge.

At present, residual land supply on the peninsula will be provided primarily in a conventional density form. That is, new residential lots are likely to be overwhelmingly less than 1,000m<sup>2</sup> in area, and likely to less than 500m<sup>2</sup> in area.

In this regard, a distinct shortage of rural-residential supply exists not only on the Bellarine Peninsula but more broadly across the municipality. Additional supply at Wallington would make not only a contribution to residential land supply at a broader level, but play a more significant role in providing a diversity of supply.

These outcomes and ability for such demand in the immediate future (notwithstanding the lifespan of the BPDSPP, which is 50 years) are severely compromised by the planning outcomes and designation of the growth boundary contemplated in the BPDSPP.

Accordingly, having regard to the above matters and clear economic growth and demand projected, our client's submission is that the BPDSPP has extreme economic ramifications and ought be amended to ensure there is flexibility and provision made for projected growth and demand for residential housing on the Bellarine Peninsula and Wallington generally.

#### **Conclusion**

There is significant concern that the opportunity for a review of the logical extension of the existing settlement boundaries, as contemplated by both the Scheme and the Geelong Greater Settlement Strategy, would be lost if the BPDSPP was approved as exhibited.

The land to the north-west of Ocean Grove and close to Grubb Road has not, in our clients' submission, been appropriately established as being an area of distinctive landscape of either state or regional significance and does not meet the attributes required to be declared as a DAL.

Given that the agricultural productivity and ecological assets of the land are not significant enough to warrant inclusion in the DAL (i.e. they have no significance at all), its loss from the DAL area would be insignificant. Conversely, for the same reasons and having regard to the spread of urban development in Ocean Growth, should the Subject Sites be sterilized in the manner contemplated by the BPSPP, the loss to strategic outcomes for Ocean Grove and the Bellarine Peninsula would be significant.

Accordingly, our clients request that an Advisory Committee be appointed to enable them to appear before such committee and to present submissions and evidence in support of their position that the most appropriate path forward is to:

1. Remove the Subject Sites from the declared area in totality; or
2. Amend the BPSPP to remove the settlement boundary and nomination of the Subject Sites as a green break; or
3. Amend the BPSPP to explicitly acknowledge consideration of growth west of Grubb Road and to note that the settlement boundary nominated therein is subject to any amendment contemplated by further strategic work.

An advisory committee was appointed and heard submissions and evidence in relation to the Surfcoast DAL. There are no different circumstances applying to the Bellarine DAL to justify a process which does not include a hearing before an advisory committee so that our clients, as affected parties, can appear and present submissions and evidence.

Should you have any queries, please do not hesitate to contact the undersigned.

Yours faithfully

