



Lindenow Zone & Overlay Review April 2011

Quality Assurance – Report Record

Prepared by: Gavin Brosche

Reviewed by: Craig Lyon

Approved by: Craig Lyon

Revision No.: 2

Date of issue: 15/08/11

Contents

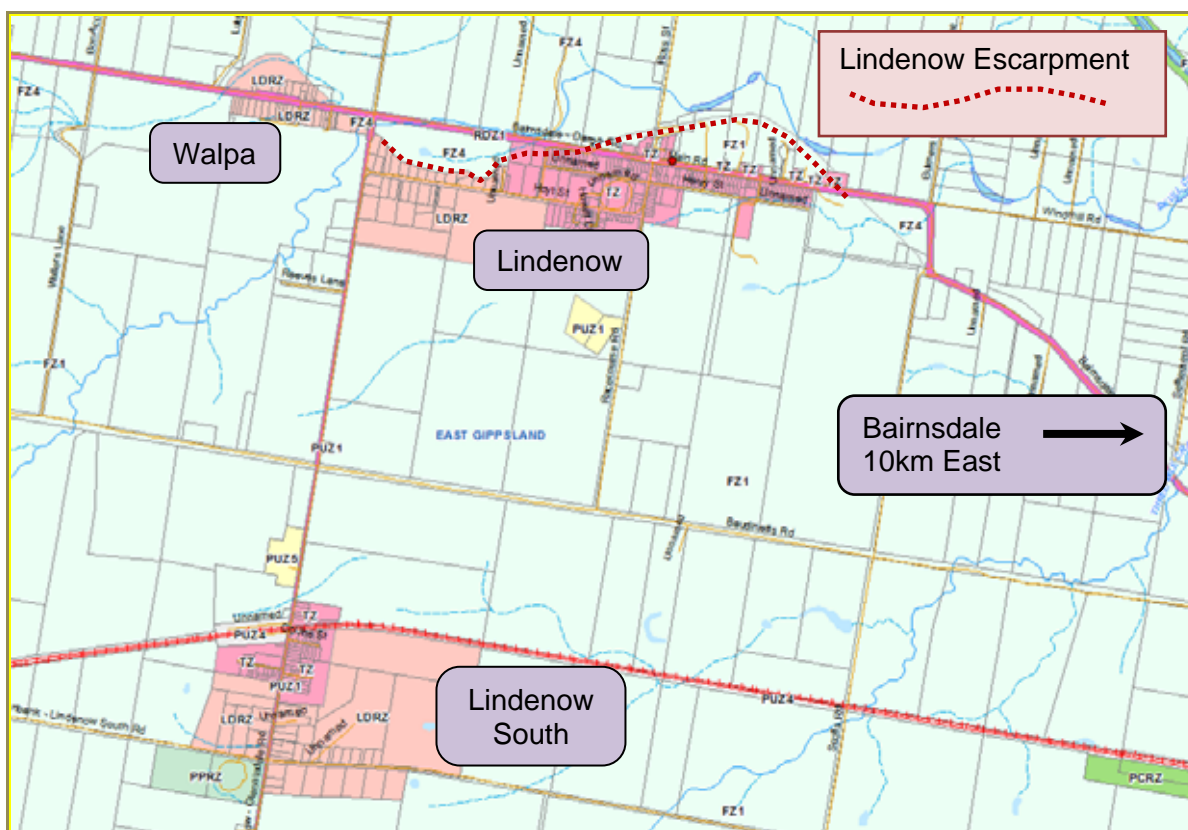
1	Introduction	2
2	Background	3
3	Planning Controls	6
4	Land Supply & Demand	8
5	Gippsland Water Report	10
6	Drainage and waterways	11
7	Recommendations	12

1 Introduction

Smec Urban was engaged by East Gippsland Shire Council to carry out a review of the current East Gippsland Planning Scheme controls for Lindenow / Walpa and Lindenow South. Using the analysis and findings of the *Lindenow Land Supply and Demand Assessment* (Urban Enterprise: December 2010) this report makes recommendations regarding potential changes to existing zone and overlay controls. Those changes are considered within the context of constraints including topography, infrastructure availability, native vegetation and the natural drainage system.

A key issue affecting land use is the availability of sewerage infrastructure. Recommendations from the report *Lindenow South Sewerage Scheme Feasibility Report* (East Gippsland Water 2009) guided land use recommendations of this report.

Figure 1: Locality Map (Source: SMEC Urban)



2 Background

Council provided the following description and background to this review:

Lindenow is a town of just over 300 people, approximately 20 kilometres north-west of Bairnsdale on Lindenow-Dargo Road. The town is centred on an intensive horticulture area on the Mitchell River floodplain and provides supporting services for the surrounding rural district. It contains a range of local commercial activities, recreation facilities and housing in the Township and Low Density Residential zones, which are only partly serviced by sewer.

Walpa, 1.5 kilometres to the west, and Lindenow South, 3 kilometres to the south, are smaller settlements of approximately 50 and 25 dwellings respectively within Township and Low Density residential zones. These areas are not seweraged.

Anecdotal evidence suggests insufficient residential land to cater for anticipated growth in demand for housing. The level and type of demand and land availability needs to be quantified. Land availability to cater for any potential growth in horticultural industry and supporting commercial/industrial activities also requires assessment.

There is a community perception that residential development is constrained by the availability of reticulated sewerage, which only serves the central core of the Lindenow township. East Gippsland Water has carried out an assessment of extending sewer to the existing un-serviced residential properties, but the initial cost estimates are high.

2.1 Strategy and Policy Context

Introduction

This section contains a review of strategies and policies relevant to residential, commercial and industrial land use planning in Lindenow.

State Planning Policy

The State Planning Policy Framework highlights the importance for planning authorities to accommodate projected municipal population growth over at least a 15 year period and provide clear direction on locations where growth should occur. Such planning take into account opportunities for redevelopment and intensification of existing urban areas as well as the limits of land capability and natural hazards, environmental quality and the costs of providing infrastructure.

East Gippsland Shire MSS – Clause 21.05

The following strategies relevant to land use and economic development in Lindenow are identified in Clause 21.05 of the East Gippsland Planning Scheme:

Economic development

- Encourage industry to locate in areas zoned for industrial use and identify, as required, new sites that are accessible, readily serviceable and adjacent to major towns.

Rural industries

- Ensure that high quality agricultural land (identified through land capability mapping and other studies) is protected from inappropriate subdivision or development.

Land Use

- Selected urban centre objectives and strategies:

- To build and support the principal urban centres so they remain commercially viable and act as a focus for commercial, professional, community and cultural services for residents of the towns and their wider districts and for visitors to the region.
- To make the best possible use of the community's investment in urban infrastructure and to provide support for community and commercial services by encouraging infill or incremental development of existing towns in preference to dispersed development.
- Permit new residential development (lots generally less than 4000 sq m) on suitably zoned land adjoining existing towns, where it is able to be serviced with reticulated water, sewerage and drainage, and where it is generally in line with an approved Outline Development Plan, which promotes good community design;
- Allow limited infill development in townships where reticulated sewerage is not available (generally zoned Township Zone), if existing residential lots - or combinations of lots – can be shown to be capable of retaining wastewater.
- Ensure that new subdivision within or adjacent to unsewered towns has lot sizes appropriate for on-site treatment and disposal of wastewater.
- Encourage developers of residential projects to include a range of lot sizes and dwelling types to provide diversity and choice, in line with market requirements.
- Selected activity centre and town centre objectives and strategies:
 - Encourage development of strong township centres, through consolidation of retail and commercial areas;
 - Discourage development of 'mainstream' retail and commercial facilities outside these areas;
 - Encourage retail and commercial uses requiring larger sites to locate adjacent to the central commercial areas, rather than in free-standing sites on the outskirts of towns.
- Industrial area objectives and strategies:
 - Encourage development of a range of industries, including service industries, in or adjacent to all major towns on sites identified in the Planning Scheme and selected on the basis of access, feasibility of providing reticulated services at an acceptable cost, site characteristics, and distance from residential areas and other sensitive uses;
 - Require sewerage connections to be provided at the developer's cost, in areas where industrial zones have been applied to land that is not currently sewered;
 - Minimise the effects of residual air and noise emissions from industry on more sensitive land use areas by separating industrial operations from residential zones, hospitals and schools by a buffer of appropriate width; and
 - Ensure that land developed for industrial uses provides an attractive and efficient location for business and does not detract from the appearance and amenity of the surrounding area.

2.2 Clause 21.06 – Strategies for Sub-Regions, Towns and Localities

Clause 21.06 of the East Gippsland Planning Scheme provides a framework for the role of each town within the municipality. This Clause identifies 4 sub-regions within the Shire:

- Lakes and Coastal (includes Bairnsdale, Lakes Entrance, Paynesville, Mallacoota);
- Agricultural Hinterland (includes Lindenow, Bruthen, Orbost, Cann River);
- Highland (includes Omeo, Swifts Creek, Glen Valley); and
- Valleys and Forests (located in the north-eastern part of the Shire and includes broad tracts of native forest).

Clause 21.06 identifies Bairnsdale as the largest town in the Shire and the main location for residential, commercial and industrial growth.

Lakes Entrance and Paynesville are identified as "major residential growth areas", primarily performing tourism and residential roles.

Key roles and strategies identified for Lindenow are summarised below.

Lindenow

Lindenow is identified as a 'rural township'. The Lindenow district is recognised as containing some of the most productive agricultural land in East Gippsland producing top quality vegetables and high grade fine wool and dairy products.

Existing roles to be supported include:

- Local retail centre;
- Centre of vegetable industry in East Gippsland;
- Important dairying area;
- Significant residential community;
- Range of community & education facilities and services;
- Range of sporting and recreation facilities; and
- Service industry to meet local needs.

New or enhanced roles to be encouraged include:

- Appropriate location for vegetable processing industry and/or dairy products.

Strategies and policies relating to Lindenow include:

- High value agricultural land will be protected from inappropriate development. The Mitchell River flats are zoned Farming, with a small minimum lot size for subdivision, in order to facilitate restructuring of holdings for agricultural purposes. Development of dwellings will generally require a permit, to minimise the impact of non-agricultural uses on valuable land and the operations being carried out on it;
- The floodplain of the Mitchell is covered by a Land Subject to Inundation overlay and an Environmental Significance overlay recognising its value as high quality agricultural land;
- Consolidation of the town of Lindenow within existing boundaries will be encouraged, using infill development. The current vacant sites should accommodate the anticipated population growth for the next 15 years.

2.3 Key Policy Findings - Urban Enterprise

The Urban Enterprise report provided the following key findings related to the planning and policy context for Lindenow.

- Planning authorities should plan to accommodate projected municipal population growth over at least a 15 year period, taking account of opportunities for redevelopment and intensification of existing urban areas as well as the limits of land capability and natural hazards, environmental quality and the costs of providing infrastructure.
- Ensure that high quality agricultural land (identified through land capability mapping and other studies) is protected from inappropriate subdivision or development.
- Allow limited infill development in townships where reticulated sewerage is not available (generally zoned Township Zone), if existing residential lots - or combinations of lots – can be shown to be capable of retaining wastewater.
- Ensure that new subdivision within or adjacent to unsewered towns has lot sizes appropriate for on-site treatment and disposal of wastewater.
- Lindenow is identified as a rural township with high quality agricultural land to be protected from inappropriate development.
- Consolidation of the town of Lindenow within existing boundaries is encouraged, using infill development. The current vacant sites should accommodate the anticipated population growth for the next 15 years.

3 Planning Controls

3.1 Zones

The towns of Lindenow, Lindenow South and Walpa contain the following zones:

Township Zone (TZ) (Clause 32.05) – has the following purposes:

To provide for residential development and a range of commercial, industrial and other uses in small towns.

To encourage residential development that respects the neighbourhood character.

This zone covers the north-west portion of Lindenow South and the easterly portion of Lindenow where the majority of commercial activity, industrial uses and comparatively higher density housing are located in the study area. It is a multi use zone that gives a responsible authority a high level of discretion when approving potentially incompatible uses such as industry and residential. When land in a small town is zoned for more specific use – such as residential and industrial – this can often create obstacles due to limited ownership. The TZ offers developers a degree of flexibility when seeking appropriate land.

Low Density Residential Zone (LDRZ) (Clause 32.03) – has the following purpose:

To provide for low-density residential development on lots which, in the absence of reticulated sewerage, can treat and retain all wastewater.

Each lot in a subdivision must be a minimum of 0.4ha. It is essentially residential in nature but allows consideration of some other compatible uses. In the study area this zone affects a large percentage of Lindenow South (although relatively undeveloped), the western portion of Lindenow and Walpa.

Farming Zone (FZ) (Clause 35.07) – this is essentially an agricultural zone with the following purposes:

To provide for the use of land for agriculture.

To encourage the retention of productive agricultural land.

To ensure that non-agricultural uses, particularly dwellings, do not adversely affect the use of land for agriculture.

To encourage use and development of land based on comprehensive and sustainable land management practices and infrastructure provision.

To protect and enhance natural resources and the biodiversity of the area.

Farming Zone Schedule 1 – This schedule applies to land south of the escarpment that runs through the Lindenow and Walpa. For all land affected by this schedule the minimum subdivision area is 40 hectares and the minimum area for which no permit is required to use land for a dwelling is 40 hectares.

Farming Zone Schedule 4 – This schedule applies to land north of the escarpment that runs through the Lindenow and Walpa. For all land affected by this schedule the minimum subdivision area is 1 hectare and the minimum area for which no permit is required to use land for a dwelling is 10 hectares.

3.2 Other Controls

Other controls discussed in this report include:

Industrial 3 Zone – This is designed for light industry adjacent to more sensitive uses such as residential.

Development Plan Overlay (DPO) – This overlay requires that an overall development plan for a particular area be presented to Council before a subdivision approval will be granted. Note that the DPO allows a development plan, with Council's agreement, to be prepared and implemented in stages.

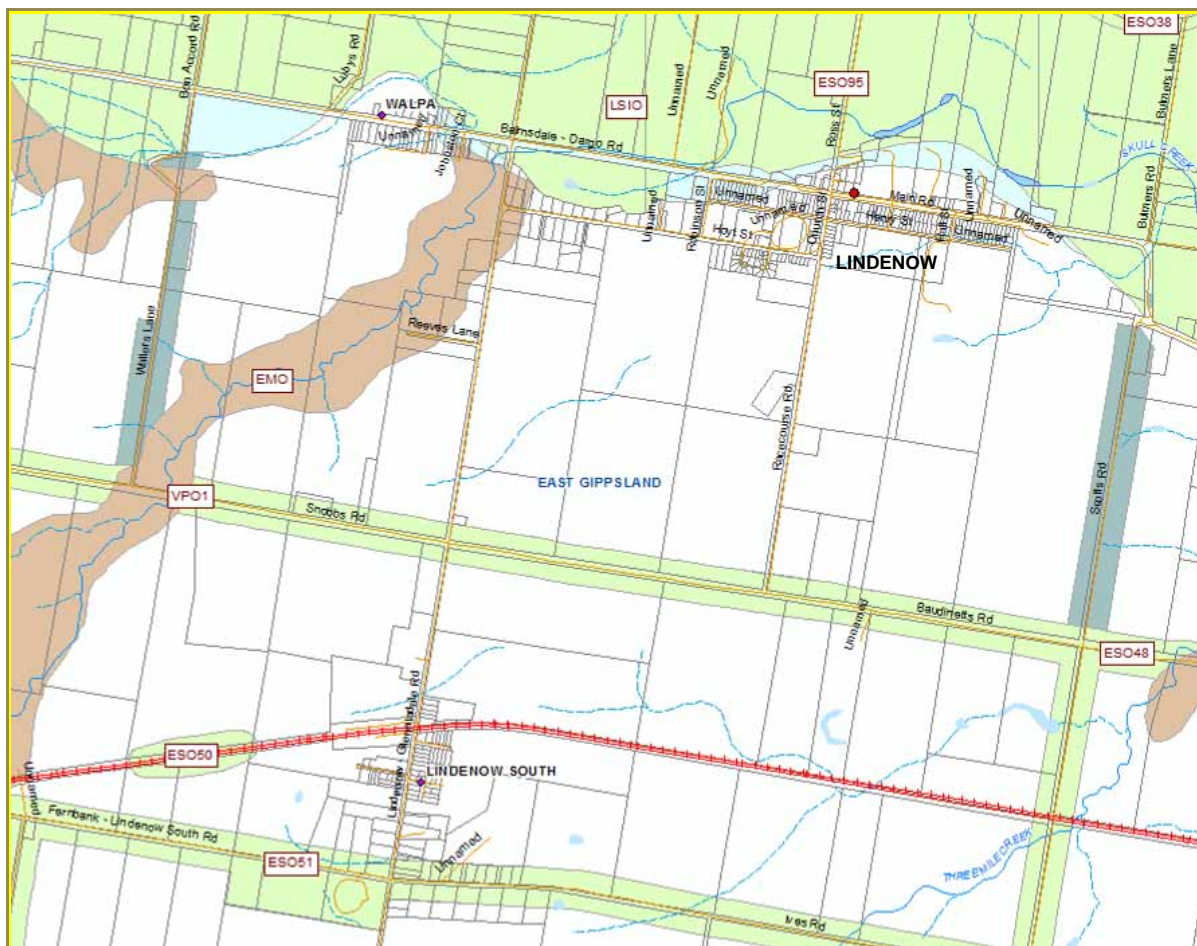
3.3 Overlays

The most relevant overlay for this review is the Land Subject to Inundation Overlay (LSIO). A significant area of LSIO of this overlay covers parts of Lindenow that are on the high side of the escarpment - see the Lindenow map of issues and potential changes in **Attachment A**. It is recommended that this error be corrected as it covers a significant area being recommended for long-term future expansion of the Township Zone. This could be done as a specific amendment or as part of the next council wide amendment to reflect updated flood data.

Other overlays adjacent to the study area include the Environmental Management Overlay (EMO), and the Environmental Significance Overlay Schedule 95 – High Quality Agricultural Land (ESO95). ESO95 is relevant as it clearly demarks land on the lower side of the escarpment as high quality agricultural land which should not be considered for non-agricultural uses.

The EMO is adjacent to Skull Creek running south from the intersection of Bairnsdale–Dargo Road and Lindenow–Glenaladale Road. There are also a number of ESO and VPO schedules associated with protection of road side vegetation; these vegetation overlays and the EMO are not under review as part of this report.

Figure 2: Planning Overlays in the study area (Source SMEC Urban)



4 Land Supply & Demand

The Urban Enterprise *Lindenow Land Supply and Demand Assessment* provided the following key findings summarised the demand and supply of residential, commercial and industrial land as follows:

4.1 Key Findings Supply

The following key findings relate to existing land supply in Lindenow and surrounds.

Lindenow & Walpa

- Lindenow and Walpa have a total of 130 hectares of land zoned for urban purposes, including 53 hectares in the Township Zone and 71 hectares in the Low Density Residential Zone;
- Approximately 46 ha of zoned land in Lindenow and Walpa is vacant, equating to 37% of all zoned land. The majority of vacant land is in broadacre parcels.
- Lindenow is partially affected by a Land Subject to Inundation Overlay as a result of flooding from the nearby Mitchell River, meaning that some parcels are not developable and that potential expansion of the town to the north and west is restricted.
- In 2006, there were 135 private dwellings in Lindenow. In 2010, there are approximately 57 dwellings in Walpa (including the Low Density Residential Zone between Lindenow and Walpa) and 45 dwellings in Lindenow South.
- Lindenow contains retailers such as the Lindenow Hotel, a general store, post office, butcher a furniture store and a nursery totalling 2,200m² of floorspace, and rural industry/manufacturing businesses including ZCG Scalar (antenna and radio manufacturing), farm supplies and agribusiness totalling approximately 2,600m² of floorspace. These are all located within the Township Zone.
- There is also the opportunity for some limited infill development in Lindenow (7 vacant or underutilised lots in the Township Zone) and Walpa (3 vacant lots in the Low Density Residential Zone), however dwellings have been constructed on most subdivided lots which constrains potential supply.

Lindenow South

- Lindenow South has approximately 130 ha zoned for urban purposes, with 108ha in the Low Density Residential Zone and 22ha in the Township Zone;
- There is approximately 54ha of vacant and developable land in Lindenow South.
- There is opportunity for infill development in Lindenow South (8 vacant or underutilised lots in the Township Zone and 8 vacant lots in the Low Density Residential Zone).
- The main opportunities for development in Lindenow and Walpa are presented by the broadacre parcels to the south and south-west of Lindenow.
- The main opportunity for short term development in Lindenow South is infill development within the Township and Low Density Residential Zones.

4.2 Key Findings Demand

Key findings from the demand analysis include:

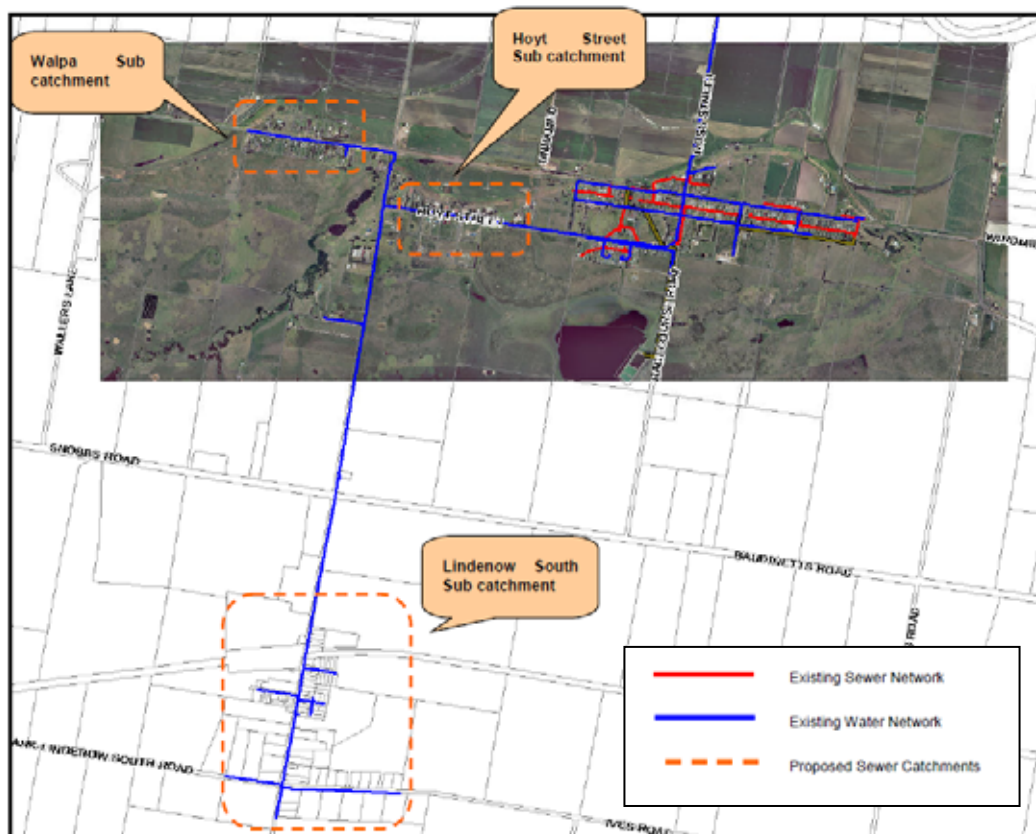
- Based on the projected annual population growth in the East Gippsland – Bairnsdale SLA of between 1.5% and 1.8%, Lindenow will have a population of 470 persons by 2030, a net increase of 124 residents between 2010 and 2030.
- When compared with the Victorian average, Lindenow is over-represented in terms of family households, has a higher median age (40 years) and average household size (2.7 persons), lower median income and higher proportion of residents employed in the 'Agriculture, Forestry and Fishing' industry;
- Population growth will generate demand for an estimated 46 dwellings over the next 20 years in Lindenow, equivalent to 2.3 dwellings per annum. Building approvals over the past 5 years show an average of 1.3 dwellings approved per year in Lindenow;
- Strong increases in median property values and rates valuations indicate strong demand for housing in Lindenow.
- Discussions with real estate agents confirmed that there is strong demand for housing in Lindenow (particularly for standard density Township lots), but weak demand for commercial property in the region and weak demand for housing in Lindenow South;
- Demand data and anecdotal evidence suggests that the low number of building approvals per year in Lindenow may be due to a lack of available land supply. However, a number of residential lots are still vacant.
- On 1 June 2011 Council received an Planning Permit Application for a 44 Lot subdivision on a parcel of Low Density Residential land at 65 Ives Road, Lindenow South.

5 Gippsland Water Report

In the report *Lindenow South Sewerage Scheme Feasibility Report* (East Gippsland Water 2009) East Gippsland Water (EGW) examined the septic tank issues, development needs and the feasibility of providing sewerage infrastructure for three areas in the vicinity of Lindenow; these were described as:

- Walpa sub-catchment
- Hoyt Street sub-catchment
- Lindenow South sub-catchment

Figure 3: Map of sub-catchments from EGW report (Source East Gippsland Water)



A number of options for the provision of sewerage collection infrastructure were examined but after investigations the report found:

Septic tank performance in the area does not appear to be an issue. This has not only been supported by a survey completed by customers from the areas in question but also by East Gippsland Shire Council. In general EGSC support the idea that septic tank performance in the area does not appear to be a problem although they do note that certain individual systems do have some specific issues (Per comm. John Roache). Feedback from customers and on site effluent measurements did not provide any conclusive evidence that there is a significant environmental or septic tank performance issue. Some minor septic tank maintenance and pump-out works are likely to resolve any individual issues.

Most of the landholder concern regarding wastewater services is linked to development potential. EGSC has recently held discussions with residents of the area and are currently looking into the possible rezoning of existing land within the Lindenow township to cater for this deemed development demands.

Extending sewerage services to vacant land in Lindenow township would cost approximately \$250,000 to create an additional 132 new town allotments. This equates to \$1893/allotment versus \$20,000 or more for areas within Lindenow South, Walpa and Hoyt Street. These figures clearly display that development of new land within Lindenow is preferable.

Lindenow South and Hoyt Street currently have significant undeveloped vacant land so the supposed development pressures appear somewhat unfounded which was apparent from discussions with EGSC's Strategic Planner. The encouragement of development in Lindenow is preferential due to proximity and access to existing services.

5.1 EGW Recommendations

1. That as the need for a sewerage scheme has not been established at this time and as the preliminary costs of a scheme appear prohibitive, that a sewerage scheme not be pursued for the Hoyt St and Walpa catchments at Lindenow, or the Lindenow South catchment, and;
2. That, subject to Council re-zoning suitable areas within the existing sewerage district at Lindenow, EGW promotes extension of sewerage services as development occurs, and;
3. Council be reminded of the recommendations of their DWMP and progress improved management of existing septic tanks, and;
4. That the above be communicated to the Lindenow Progress Association, Council, and local parliamentarians.

5.2 Implications of EGW Report

The implications taken from the EGW report are the following:

- Future residential growth should be focussed in Lindenow in close proximity to existing sewerage infrastructure
- The sub-catchments described in the EGW report as Walpa, Lindenow (Hoyt Street) and Lindenow South are not recommended for expansion or rezoning to a higher density (LDRZ to TZ) due to recommendations of the EGW regarding the provision of sewerage infrastructure

6 Drainage and waterways

Another issue that needs consideration is the recently introduced State policy regarding the protection of waterways. One of the strategies for achieving this states:

Retain natural drainage corridors with vegetated buffer zones at least 30m wide along each side of a waterway to maintain the natural drainage function, stream habitat and wildlife corridors and landscape values, to minimise erosion of stream banks and verges and to reduce polluted surface runoff from adjacent land uses.

The implications of this policy for Lindenow is noticeable in the parcel marked for recommendation '3' – rezone from RZ to TZ (see Figure 5). A drainage line runs through the middle of this parcel of land limiting its development potential

7 Recommendations

7.1 Broad Planning Issues

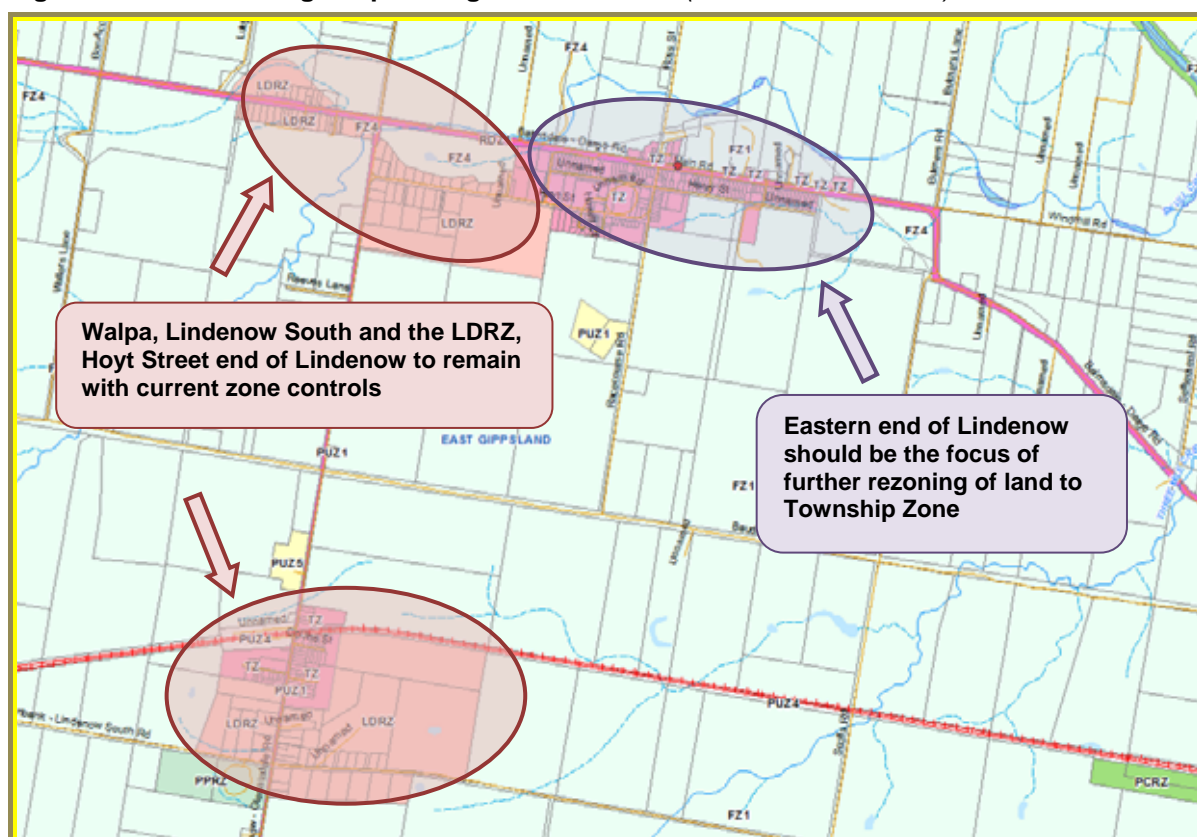
When the findings of the supply and demand analysis and the EGW report are taken together the broad result is that the future expansion of land in the Township Zone should occur in the eastern part of Lindenow. This is based upon the EGW report that recommended locating any further land in the higher density Township Zone adjacent to existing sewer infrastructure. Lindenow is also the current focus of both retail, industrial and services in the study area.

Walpa, Lindenow South and the Hoyt Street, LDRZ end of Lindenow should remain essentially unchanged. This is mainly due to the lack of sewerage infrastructure and the potential cost of providing it. Another reason is that low density residential living is a valid lifestyle choice and Council is obliged, through State policy to provide a range of lot sizes to suit a variety of dwelling and household types to meet the needs and aspirations of different groups of people.

Many council's have come to regret providing LDRZ land on the edge of major towns as this prevents what would have been a much more efficient use of land in the Residential 1 Zone (R1Z) as towns expand. Rezoning such LDRZ land, when fully developed, to R1Z is a lengthy and difficult process. Having land in LDRZ away from major towns can therefore be considered an asset that should not be altered without due consideration especially as zoning green-field land from Farming Zone to LDRZ must now meet the requirements of *Ministerial Direction No. 6 – Rural Residential Development*.

These areas will now be examined in more detail.

Figure 4 – Broad findings of planning control review (Source SMEC Urban)



7.2 Lindenow (East)

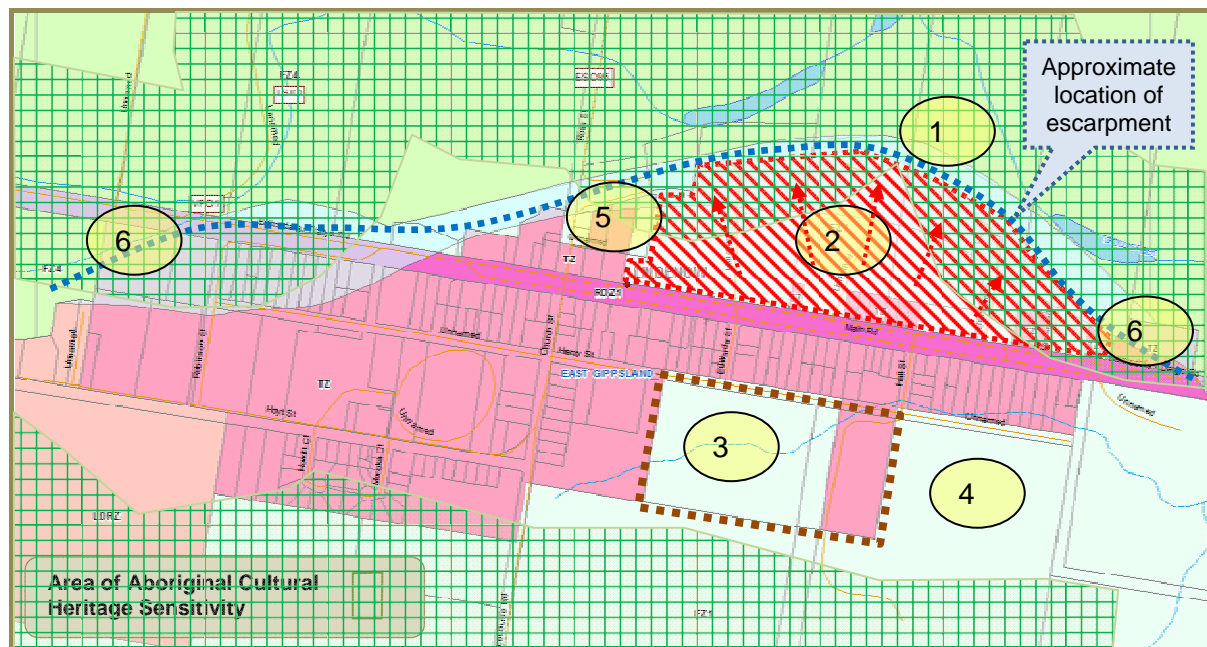
This part of Lindenow is the main focus of commercial, industrial, recreational and other services in the study area. The defining geographical feature of the area is the northern escarpment; it provides a clear topographic boundary between the urban area (current and potential) and the flood plain to the north. Lindenow contains a relatively orderly subdivision pattern. This part of Lindenow also contains sewer and water infrastructure making it the most efficient and cost effective place for continued urban expansion.

Land to the north of Main Road (see 2 in Figure 5) provides an opportunity for residential expansion because the current flood overlay does not reflect the location of the escarpment. It is currently in the Farming Zone and has access to Main Road and services. There are already some TZ lots fronting Main Road in this area. To ensure coordinated urban design and connectivity it is recommended that a Development Plan Overlay be placed on the land.

A number of industrial uses exist to the south of Henry Street and (see 3 in Figure 5) It is recommended that this be rezoned to Industrial 3 Zone which allows for industrial uses in close proximity to residential development.

Attachment A provides a map showing a detailed analysis of this area. Figure 5 shows the main issues and recommendations from that analysis.

Figure 5: Eastern End of Lindenow proposed Zone & Overlay Changes (Source SMEC Urban)



The following recommendations for planning scheme changes are provided in order of priority.

1. Move the existing extent of the LSIO to reflect the location of the escarpment.
2. Rezone land from Farming Zone to Township Zone due to favourable topography, access to Main Road and proximity to services. Apply Development Plan Overlay (DPO) due to multiple ownership, potential Aboriginal Heritage issues and existing development fronting onto Main Road. A DPO would promote coordinated and staged development of this land.
3. Rezone this land to Industrial 3 Zone to reflect existing industrial uses and allow further development; the land is constrained by the current requirements for a 30m buffer either side of drainage lines.
4. Future development parcel recommended for long term rezoning to Township Zone.
5. Rezone to Township Zone the dwellings in this area are currently in the Farming Zone.
6. Carry out an investigation of all lots adjacent to the escarpment and investigate the compatibility of the topography with the Township Zone. There is potential to make changes similar to those of recent EGSC amendment C81; placing low lying land in the Farming Zone.

7.3 Walpa and Lindenow (west)

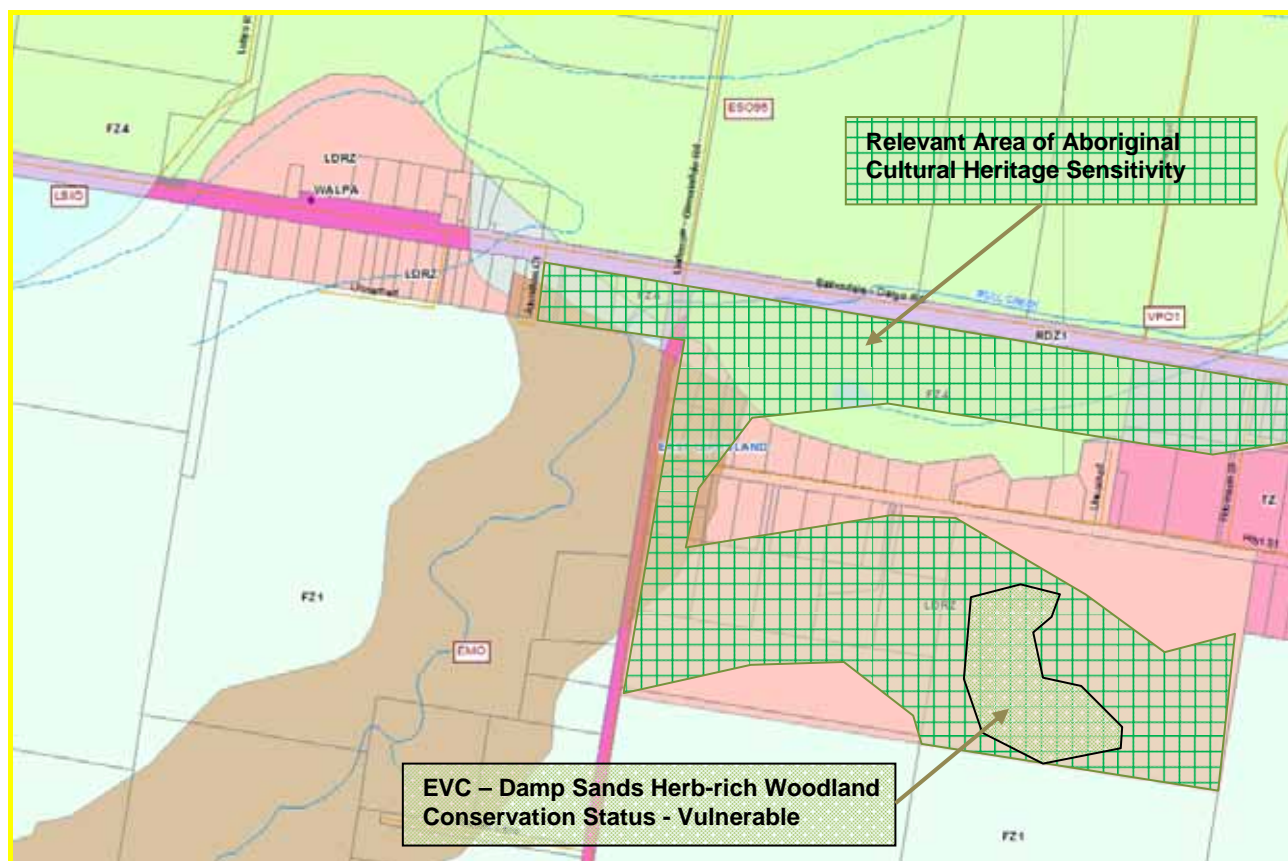
The main constraint upon the area of Walpa and Lindenow (west) is the lack of sewerage infrastructure as previously discussed. Other constraints include the areas of Aboriginal Cultural Heritage Sensitivity and the potential presence of a vulnerable Ecological Vegetation Class (EVC): Damp Sands Herb-rich Woodland – see figure 6 below.

Considering these constraints, the recommendations from the Urban Enterprise assessment and the opportunities for Township Zone expansion in Lindenow (east), the area of Walpa and Lindenow (west) should remain as zoned.

The portion of LDRZ land south of Hoyt Street has the potential to be developed in an uncoordinated manner that creates poor overall subdivision design outcomes. Because of this and because of the potential presence of a vulnerable EVC and the Aboriginal Cultural Heritage Sensitivity of the land Council could consider placing a DPO on this land. This would help coordinated development that takes into account and responds to these various constraints.

Placing a DPO on the land needs to be weighed against using sound development assessment for this area. It is not a large piece of land and because of that Council could insist on sound subdivision design that takes into account any constraints and the potential future subdivision of the land rather than apply a DPO.

Figure 6 – Walpa and Lindenow (west) – Constraints (Source SMEC Urban)



Recommendation

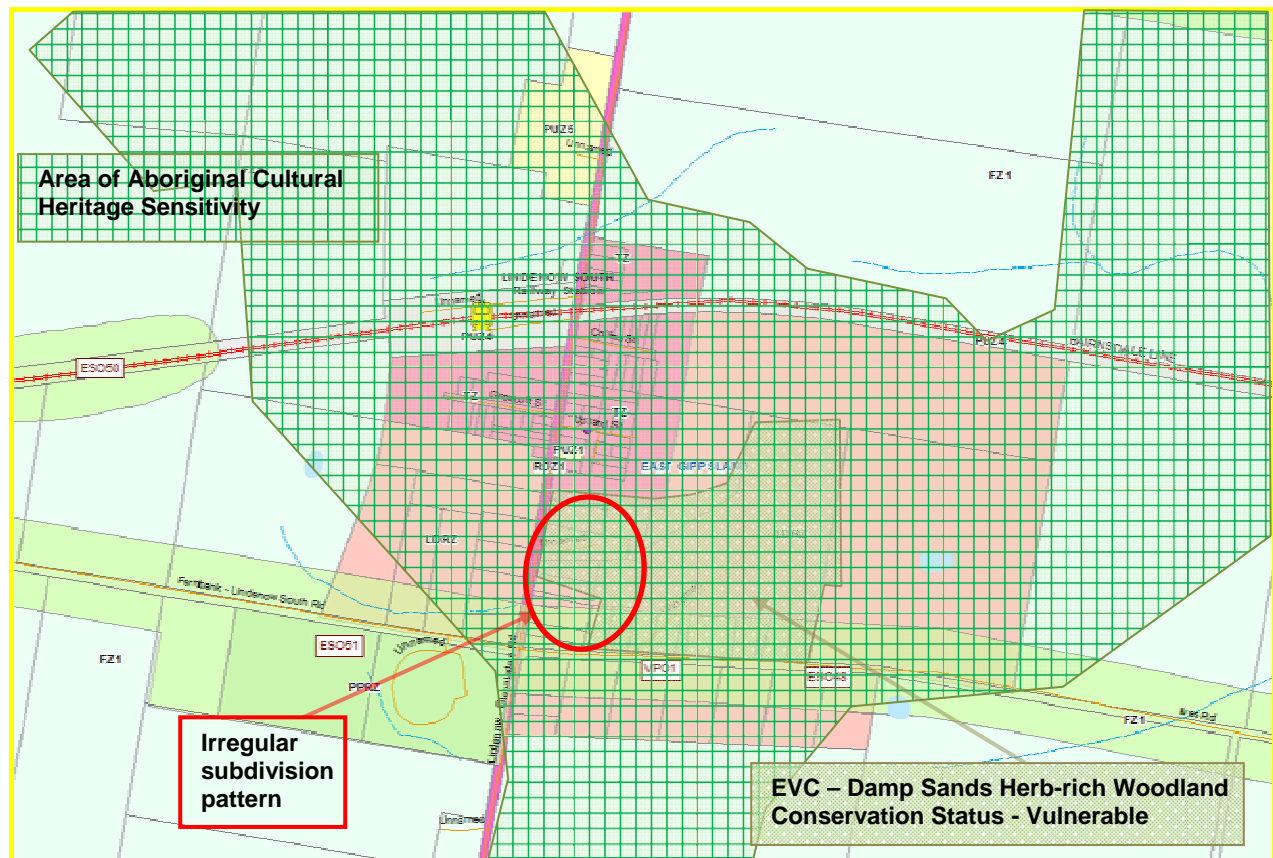
No zone or overlay changes are recommended for this area. It is considered that sound development assessment, using the guidelines set out in Clause 65 of the East Gippsland Planning Scheme, can provide for the cohesive development of this land.

7.4 Lindenow South

Lindenow South contains a large amount of vacant LDRZ land and a number of infill and larger TZ lots. This is detailed in the Urban Enterprise report with the key findings provided in 3.1 of this report. There are a number of constraints on Lindenow South – see Figure 7:

- Lack of sewerage infrastructure and a high capital cost for any future connection north
- The majority of the urban area is considered an area of Aboriginal Cultural Heritage Sensitivity
- An irregular subdivision pattern on LDRZ land east of the Fernbank-Lindenow South Road
- The presence of a relatively large area of the vulnerable EVC Damp Sands Herb-rich Woodland

Figure 7: Lindenow South Constraints (Source SMEC Urban)



Due to these various constraints and due to the overall recommendation to focus development in the eastern end of Lindenow no rezoning is recommended for Lindenow South.

The large portion of LDRZ land between the Bairnsdale line and Ives Road has the potential to be developed in an uncoordinated manner. Because of this and because of the potential presence of a vulnerable EVC and the Aboriginal Cultural Heritage Sensitivity of the land a DPO could be placed on this land to aid in coordinated development. Similar to Walpa/Lindenow East area it is considered that sound development assessment can manage the various complexities of future subdivision and development.

Recommendation

No zone or overlay changes are recommended for this area. It is considered that sound development assessment, using the guidelines set out in Clause 65 of the East Gippsland Planning Scheme, can provide for the cohesive development of this land.