



**SUBMISSION TO THE
VICTORIAN STATE GOVERNMENT**

**A RESPONSE TO PLAN MELBOURNE
REFRESH**

DISCUSSION PAPER

18th December 2015

EXECUTIVE SUMMARY

The board and membership of Keysborough Golf Club ask that the Victorian Government reconsider and change the drafting and intent of Plan Melbourne Refresh Discussion Draft – October 2015 on the location of the Urban Growth Boundary.

Plan Melbourne Refresh Discussion Draft – October 2015 (PMR 2015) states the existing Urban Growth Boundary (UGB) will be locked down. If the UGB were to be locked down in its current location, it would preclude Keysborough Golf Club (KGC) from implementing a pivotal step in its history.

In June this year KGC members voted overwhelmingly to sell the Club's existing Hutton Road land and relocate to a new course approximately 2.5 kilometres to the south in Pillars Road. KGC has entered into legal documentation to implement this decision and the Pillars Road land has been secured.

KGC's relocation relies on its Hutton Road land being included within the UGB and rezoned for residential use.

KGC decided to pursue this course of action after extensive review of its business and trends within the golfing industry. The decision to relocate was not taken lightly; our members love our existing course, but our business has to act responsibly and adapt to a changing world. We need a modern golf course with modern facilities.

The City of Greater Dandenong (CoGD) supports our plans and has been actively engaged at every step of the process. At its meeting of 14 December 2015 the City of Greater Dandenong formally resolved to support the Keysborough Golf Club's request to pursue moving the Urban Growth Boundary to include the Hutton Road land and rezoning the site to allow it to be redeveloped for housing. The Club also recognises that any value uplift arising from rezoning should be shared with the community.

Given the historical context, the KGC board and membership believe there is no practical reason why the Hutton Road land should not be included within the UGB, as it was when the boundary was originally drawn.

The Government-appointed Ministerial Advisory Committee recommended a review of the UGB location before it was fixed permanently. The text of PMR 2015 ignores this recommendation.

The KGC board is available to meet with any parties involved with PMR 2015 to discuss in details what to us is a critical issue.



THE SITUATION AT KEYSBOROUGH

KGC is 116 years old. It has 950 active playing members (see profile at Appendix 1).

The golf industry is under stress. Participation rates throughout Australia and in many other countries have been declining for more than a decade. The impact on private golf clubs has been particularly severe and many clubs around Australia are now in financial difficulties. KGC has been caught up in this sea-change. While the Club is in better condition than many of its peers, KGC's financial situation is by no means secure and unless the Club takes considered action, it could face extinction within a few years.

The KGC board realised that the Club needed to take quick action – while it was still financially viable – to secure the Club's future.

After several years of analysis, evaluation and due diligence, KGC entered into an agreement that would see the Club leaving its current location in Hutton Road and relocating to a new course and facilities at 316 Pillars Road, Bangholme. The Pillars Road land has been secured for the purpose. This strategy was adopted by a substantial majority (85%) of Club members at a recent special general meeting and the Club has since entered into related contractual arrangements.

The new KGC course has been designed with a number of innovative features to take account of emerging golf and broader social trends. For example, the course layout is likely to incorporate three 6-hole loops, to cater for people who are keen to play golf but who don't have the time to commit to a full 18-hole round at every visit and facilities within the clubhouse will be designed to make the club experience more family-inclusive. Facilities including a childcare area are being considered.

The board has been reviewing options for several years and believes this adopted path is the only viable alternative for the Club.

KGC has been involved in a number of merger discussions that have not come to fruition and the Club is still open to merging with other golf clubs. Combining a merger with our relocation to Pillars Road proposal is possible; these paths are not mutually exclusive.

The Club's adopted strategy cannot be implemented without changes to the planning regime that applies to the Club's existing land. The land needs to be included within Melbourne's Urban Growth Boundary (UGB) and rezoned for residential development.

KGC developed and adopted its relocation strategy in the knowledge that it is supported by the City of Greater Dandenong. The proposal has been discussed in detail with the Council's officers and Councillors and the move is identified in the Council's Green Wedge Management Plan adopted by Council in December 2014. Consistent with this background the Council resolved on 14 December 2015 to inter alia:

- *make a submission to "Plan Melbourne Refresh", supporting the (Keysborough Golf) Club's request that its land be considered for future urban use and included within the Urban Growth Boundary;*
- *as the Responsible Planning Authority, make a submission with the Keysborough Golf Club to the State Government asking it to initiate a process which considers the relocation of the Urban Growth Boundary to include the Keysborough Golf Club in a General Residential Zone.*

If the Victorian Government were to fix the UGB in the existing location – as stated in PMR 2015 -- then KGC would not be able to implement its relocation strategy and the impact on the Club would be catastrophic.

PLAN MELBOURNE REFRESH AND THE URBAN GROWTH BOUNDARY (UGB)

PMR 2015 states clearly that the existing UGB will be locked down. This statement is repeated several times throughout the document. This definitive statement about locking down the UGB in its current location is clearly at odds with Initiative 2.1.1 in the Ministerial Advisory Committee (MAC) 2013 Report, Initiative 6.1.1-2 in Plan Melbourne 2014 and with Recommendation 13 Initiative 2.1 in the MAC 2015 Report.

All of the expert advice referred to above recommends a considered review of the UGB before fixing it permanently in position.

The current State Government's platform at the 2014 Election stated that the Government intended to fix the location of the UGB, but there was no indication that it was to be fixed in its existing location. Before locking down the UGB permanently, there are cogent reasons for the Government to review the UGB including:

- adherence to expert advice and community expectation
 - to consider exceptional circumstances and past errors that have not since been addressed
 - to consider changes that have occurred since the UGB was first set as the then-proposed, regular five-yearly reviews have not been undertaken
-

THE CASE FOR INCLUDING KEYSBOROUGH GOLF COURSE INSIDE THE UGB

The UGB currently skirts KGC's Hutton Road land on the Club's northern and eastern boundaries. In developing its strategy for survival the KGC board became aware of the context in which the Club's existing course land was left outside the UGB. When the UGB was originally drawn, KGC's Hutton Road land was included within the boundary. But a poorly-considered decision by the then Club President led to the land being subsequently left outside the UGB. This was a strategic planning error.

There are no urban planning, local infrastructure or environmental reasons for the Hutton Road land to not be included within the UGB.

Prior to release of the PMR 2015 KGC had commenced working to secure the support of the City of Greater Dandenong and the Victorian Government to have the UGB redrawn to its originally intended location – to follow the Hutton and Springvale Road alignments. Councillors and Council officers have been thoroughly briefed on this initiative and the benefits to flow from it and the Council supports it. It is notable that the current UGB was set arbitrarily in many areas and in some cases, the wishes of local councils were ignored. In launching the Plan Melbourne Refresh process, the government stated the current version of Plan Melbourne “did not reflect the weight of community input or expert advice, and confidence was lost in the process”. With respect to the UGB, PMR 2015 appears even less reflective of community desires and specific expert advice. The Victorian Government has given no reason for ignoring the advice of its Ministerial Advisory Committee and should review the location of the boundary before locking it down permanently.

Apart from rectifying the earlier planning error, there are several compelling reasons for including the Hutton Road and adjoining land inside the UGB:

- The Club recognises that any value uplift arising from rezoning its Hutton Road land should be shared with the community. Through discussions with the City of Greater Dandenong and other stakeholders this tangible community benefit is likely to take the form of a major sports facility, developed to national size, scale and standard, also in Pillars Road. The cost of the land and initial stage construction costs would be funded by the KGC relocation project, effectively sharing value uplift with the community. It is envisaged the sports facility will be accommodated on a land area of approximately 60 hectares.
- Redevelopment of the Club's Hutton Road land will create in the order of 15 hectares (~20%) of landscaped reserves and public open space.

The combined effect of these works would be approximately 75 hectares of new public open space being made available at no cost to government. Other community benefits include:

- The existing KGC course land is privately owned and not freely accessible to the public. The residential development of this land including provision of public open space would enhance the status and management of the adjacent green wedge south of Hutton Road.
 - Opening up the Hutton Road course land for redevelopment makes sound land use sense. The area is well-serviced by existing infrastructure
 - The Hutton Road site has the connectivity required of the 20-minute neighbourhood described in PMR 2015.
 - Developing the Hutton Road course land would contribute to housing diversity. It would provide an opportunity to introduce a much-needed and diverse range of new, high- quality housing to an area of very high demand.
 - KGC's new course in Pillars Road would entrench green wedge usage for the area and would revive land that is currently a rundown, disused feedlot farm.
-

-
- Redevelopment of the Hutton Road land would dramatically improve public amenity and enjoyment of the area. Connectivity would also be improved with a large tract of landscaped public open space connecting north to Tatterson Park and south to green wedge farmland.
 - Relocation of KGC to the Pillars Road land would ensure the City of Greater Dandenong's only golf course is retained in the municipality.

If the UGB were locked down in its current location, it would stop KGC's relocation strategy and could ultimately threaten the continuance of one of Melbourne's oldest golf clubs within a few short years.

ECONOMIC VALUE

The estimated expenditure arising from KGC's relocation, redevelopment of the Hutton Road land and contributions to the sports facility is in the order of \$480 million. This investment would create a significant number of new jobs during construction and a substantive, permanent increase in rates income to the City of Greater Dandenong.

The estimated expenditure of \$480 million would create in the order of 1,065 direct during construction. Additionally, the works will create approximately 1,700 indirect full-time job years. These estimates are based on well recognised metrics and have been provided to the Club by Essential Economics.

If the drafting of Plan Melbourne with respect to the location of the UGB, and our plans are frustrated, the State Government would turn its back on important economic activity for Victoria.

AN INDUSTRY-WIDE PROBLEM

The golf industry – particularly dedicated golf clubs – is under financial stress. This situation has been developing for some years but has become more pressing in recent years. Golf club member numbers have been declining and membership is rapidly aging. The declining participation has been particularly acute among young people and women. The transition to new modern golfing facilities and the future use of sites no longer suitable for old style golf will continue to be a significant issue and require leadership from all levels of government.

Clubs are being caught in a bind between falling revenue due to declining membership and rising expenditure because of the need to meet increasing maintenance costs and to continue improving and updating aging facilities. New members want modern facilities and a course laid out to accommodate both long and short games.

KGC has 950 members and operates close to capacity on high-demand days. It is a vibrant, friendly club with many local members. KGC is not one of the elite clubs; our members are largely engaged in small business both as owners and as employees. We are a private club but there are no barriers for anyone to join and the annual fees of \$3,000 for full playing rights are modest. As such, KGC is an important part of Melbourne. Whilst it needs to change to meet a changing world, it would be a tragedy if it were lost.

Keysborough's proposed new Pillars Road course will incorporate a wide range of features designed to make golf more appealing and accessible to a broader cross-section of the population. Initiatives that are likely to be included in the new course include:

- Three 6-hole loops to cater for people who do not have time to commit to a full 18-hole round.
- Facilities to make the club more female-friendly including childcare.

- A golf academy designed to introduce young people to golf and encourage their development.

ADDRESSING LAND SHORTAGE IN GREATER DANDENONG

Discussions on the UGB have over the years included debate over the desirable stock of developable land within the UGB to meet the demands of growth and maintain prices at acceptable levels. This debate rarely moves beyond an overview, missing the realities at a local level. From a helicopter view, it appears there is currently an adequate supply of future development land within the UGB. However, much of this land is distant from employment areas and desirable community amenities, i.e. where people want to live.

The City of Greater Dandenong (CoGD) is a great place to live and work. Because of this, demand for housing is high and supply of desirable, affordable housing is low. Analysis of the almost complete Somerfield housing estate, near KGC, is instructive. The Somerfield land was rezoned in 2007 and was originally forecast to meet local housing demand for 15 years. Virtually all the available housing lots on the estate have now been taken up – about seven years ahead of schedule.

House price growth in CoGD over the last four years has occurred at a significant premium to metropolitan Melbourne.

Type of Dwelling	Premium to Metro Melbourne Dwelling Price Growth Rates
Houses	+16%
Apartments	+36%
Vacant Land	+21%

There is demonstrably insufficient zoned land in CoGD to meet the Victorian Government’s own growth rates for the area.

The data presented above has been provided to the Club by Essential Economics.

It would be reasonable to argue KGC’s Hutton Road land, as a rare, large and strategic land parcel should be brought within the UGB and made available for residential use solely on the basis of land use economics.



APPENDIX 1

KEYSBOROUGH GOLF CLUB: PROFILE

Keysborough Golf Club was founded in 1899. It has 950 active playing members with an average age of 55.

The Club began life in Queens Road, South Melbourne and was founded by successful businessman James MacGregor Gilliespie. Although Gilliespie was born and educated in Australia, his father came from Crammond near St Andrews in Scotland, the birthplace of golf.

Gilliespie and friends began playing in what is now Albert Park across the road on an improvised course. They formed Albert Park Golf Club in 1899. They leased 50 acres and built six holes with square greens, all fenced to keep out cattle and horses.

After World War II, the then State Labor Government declined to renew the lease and the course was turned over to the public. The members were forced to seek a new site for the Club and eventually bought 220 acres of farmland, which became the site of the present course.

A century of continuous operation is a significant milestone in Australian golf. Keysborough is one of only a handful of clubs that have survived for 100 years.