

21.05 ECONOMIC DEVELOPMENT

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21.05-1 Key Issues and Challenges

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The key planning issues and challenges facing the Moira Shire relating to economic development include:

- The protection of the agricultural land resource from inappropriate use, development and subdivision;
- Encouraging the on-going development of the Shire's primary production output;
- Facilitating the expansion of the Shire's value adding processing industries; and
- Enhancing the growth, development and diversification of the Shire's tourism industry while ensuring the long-term protection and viability of the Shire's natural assets.

An overview of these issues and challenges is described below.

Agriculture

Irrigated primary production and the processing of that product underpin the municipality and the Region's economy. The level of production is nationally important and the region is responsible for significant parts of the nation's milk production, deciduous canned fruit production, stone fruit crop and tomato processing production.

The region's workforce is heavily dependent on the agricultural sector with many people directly involved in agricultural production on farms, and an estimated similar number involved directly and indirectly in the processing and transport of that product. In both irrigation and dryland production the drivers of future successful agribusinesses, regardless of the scale of enterprise, are likely to be:

- Continuing current trends for significantly increased scale of production which is achieved by expanding the land area of production and/or by increasing the intensity of the production system.
- A shift to individual management of their own business risks such as consolidation into contiguous properties to manage all their own water supply.
- Agribusinesses that seek to minimise the number of neighbours.
- Agribusinesses that expand into land that is priced competitively because it is used for agriculture rather than having inflated land values because it has been subdivided for hobby farms.

It is increasingly evident that prospective agricultural investment is jeopardised, deterred, or completely lost by land uses and developments that have the potential to compromise the scale and location of such investment. In particular, agricultural investment is far less likely where land is already fragmented in ownership with housing dispersed throughout.

A Regional Rural Land Use Strategy 2008 (RRLUS) has been adopted by Moira Shire Council, Greater Shepparton City Council and Campaspe Shire Council. This strategy identifies three new categories of farming areas in the municipalities and recommends different subdivision and minimum lot size provisions for dwellings for each category. The three categories are as follows.

Growth areas being areas for growth and expansion of existing farm businesses and for new investment. Growth areas include those areas that have been retained in larger properties and provide the opportunity for large scale, stand alone new agricultural development as well as for consolidation of existing farm properties wishing to grow. The RRLUS seeks to discourage the establishment of new dwellings and where possible encourage farm tenements and property boundaries to consolidate and enlarge in line with the trends in agriculture associated with

productivity and viability. The minimum subdivision size in these areas has been set at 60ha and a dwelling needs a planning permit on all land less than 80ha in area.

Consolidation areas being areas that support existing farm businesses to operate and expand. Consolidation areas typically include land with good soils and many of the former closer settlement areas, but their lot sizes are no longer reflective of current farm sizes. Consolidation areas are considered to provide opportunities for development of growing agricultural enterprises that can, over time, expand and consolidate through a process of property restructure. In this regard 'consolidation' includes the consolidation of land titles or the consolidation of farming enterprises through acquisition of non-contiguous land to increase farm size. The development of additional dwellings threatens expanding agricultural enterprises and accordingly, new dwellings within these areas are discouraged. The use of re-subdivision and excisions within consolidation areas will be considered in recognition that the excision of a dwelling from a farm can provide businesses an opportunity to consolidate property holdings based on the value of land for agriculture. The minimum subdivision size in these areas has also been set at 60ha and a dwelling needs a planning permit on all land less than 80ha in area.

Niche areas being those areas with productive potential based on existing lot configuration and opportunities for smaller scale and specialized agriculture. Niche areas include those rural areas with productive potential due to soil type, property size or water access. The opportunity for properties within these areas to expand in response to general market trends is limited however due to land value and existing development as most lots are smaller with dwellings. Niche areas are productive farming areas and not rural living areas. Niche areas may involve activities such as spraying and frost fans etc. New dwellings within the niche area can be considered where associated with farm business activity. Given the existing size and lot configuration, it is envisaged that subdivision would rarely be required. The Niche area has yet to be applied in the Shire.

The RRLUS also discusses the conflict which arises when the expectations of the farmer and the rural lifestyle resident differ. It is acknowledged that direction is required to ensure that unplanned rural living is not displacing agriculture or preventing flexibility for farm businesses. In particular, existing minimum lot requirements that allow 'as of right' dwellings within the Farming Zone have been reviewed.

Important principles that have been applied in the rural areas are:

- The minimum subdivision size is always to be less than the minimum dwelling size in order to avoid expectations and perceptions that there will be an automatic entitlement to erect a dwelling on all newly created lots in the Farming Zone.
- Small lot subdivisions should not create any additional entitlements for a dwelling nor should they create an opportunity for a dwelling without a planning permit.

Processing / Value Adding

The intensity of agricultural production and the cluster of food processing industries are a prominent feature of the Shire and the broader region. The processing industry stimulates economic activity, providing employment opportunities and creating wealth for the Shire's local communities. As a direct consequence of investment in the food production and processing sectors, the engineering, transport and specialist service industries are experiencing rapid growth.

Tourism

Tourism is an economic and employment growth sector for the Shire and is an important aspect of the social, economic and physical make up of the Shire. Council encourages the development of new tourist attractions and services throughout the Shire to complement the existing tourist enterprises and further the economic well being of the community through the creation of employment opportunities and wealth. In this context, the RRLUS found strong support for rural based tourism that builds on existing tourism activities and takes advantage of

the natural attributes of the region such as the Murray River and the agricultural landscape and produce.

The RRLUS noted that the area to the east of Cobram and to the east and west of Yarrawonga has potential for application of the Rural Activity Zone where accommodation uses such as bed and breakfast and farm stays are encouraged, and where recreational and leisure activities that complement existing uses such as boating, ecotourism and nature retreats will also be encouraged.

Tourism in the Shire is dependent upon the protection and enhancement of a number of key natural assets, such as the Murray, Goulburn and Ovens Rivers as well as the Barmah Forest. The dominant role of Yarrawonga as a tourist town needs to be recognised and promoted. Tourism development needs to be enhanced in order to multiply the expenditure benefits tourism brings to the municipality. It will be of paramount importance that any development does not jeopardise the long-term viability of the Shire's natural assets.

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Economic Development Goal

Council's Economic Development goal is the protection of the Shire's agricultural and industrial land resources from incompatible use and development, and the ongoing support for the further development of the industrial and tourism sectors in order to diversify the economic and employment base of the Shire.

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Economic Development Objectives

To ensure that agriculture is and remains the major economic driver in the region.

To facilitate growth of existing farm businesses.

To facilitate growth of new agricultural investment.

To provide for small scale, specialized agriculture.

To ensure the effective and responsible management of irrigation water supply.

To enable each urban centre to establish a clear role and function for its long term viability as a commercial and community centre.

To facilitate industrial development in areas which promote the most effective use of existing infrastructure and to protect industrial land from encroachment by incompatible land use and development.

To facilitate industrial development in a manner that maintains access to necessary social infrastructure while ensuring that industrial development does not compromise the current or future livability of an area.

To ensure that the environmental impacts of industrial and commercial developments are in compliance with the relevant State Environmental Protection Policies and EPA guidelines.

To encourage the growth of the tourism industry throughout the municipality.

To provide for growth in rural based tourism that complements existing agricultural production.

To facilitate the growth of new and innovative business activities that add value to existing primary production activities, build on the infrastructure of the Shire, and promote responsible environmental management through a 'clean and green' image.

To identify rural lifestyle opportunities in appropriate locations.

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Economic Development Strategies

- Identify 'growth', 'consolidation' and 'niche' areas in the Farming Zone.

- Encourage growth and expansion of existing farm businesses and new investment in ‘growth’ and ‘consolidation’ areas.
- Encourage opportunities for smaller scale, specialised agriculture in ‘niche’ areas.
- Promote tourism use and development that is compatible with agricultural production and the environmental attributes of the area in the Rural Activity Zone.
- The further development of urban centres in Moira Shire will be as a result of implementation of “Town Structure Plans”.
- Encourage car parking in town centres to relate to the whole town centre.
- Identify and develop appropriate locations for peripheral sales and ancillary business uses in positions complementary to core town centre activities.
- Provide adequately serviced and appropriately zoned land in each township to enable opportunities for new industrial development, particularly in towns where site conditions suit larger industry development (e.g. Cobram, Strathmerton and Numurkah).
- Encourage a variety of business, tourism and industry developments throughout the municipality that do not pose a threat to the natural attributes and economic drivers of the Shire.

21.05-5 Economic Development Implementation

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Zones and Overlays

- Apply the Farming Zone, Schedule 1 to the ‘growth’ and ‘consolidation’ areas to implement the RRLUS.
- Apply the Rural Activity Zone Schedule 1 to areas along the Murray River Corridor that support rural based tourism.
- Apply the Mixed Use zone to areas within Yarrawonga which have been identified as having mixed use potential.
- Apply the Township Zone to residential areas in smaller townships.
- Apply the Business and Industry zones identified in Clause 21.04.
- Utilise the ‘Earthworks Controls in the Shire of Campaspe, City of Greater Shepparton and Moira Shire – August 2010’ as a tool for implementing controls over earthworks in the Farming Zone.

Policy and Exercise of Discretion

- Use the Agricultural Policy at Clause 22.01 to determine appropriate rural subdivision and rural dwelling outcomes.
- Use the Rural Activity Zone Policy at Clause 22.02 to ensure appropriate land use outcomes in the Rural Activity Zone.
- Use the Car Parking Policy at Clause 22.05 to identify car-parking requirements in commercial areas.

21.05-6 Further Strategic Work

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- The preparation of Industrial Land Strategies for Cobram West, Numurkah, Yarrawonga, Strathmerton and Nathalia are recognised by Council as being required to assist in the development of appropriate planning scheme responses to a number of economic development issues and challenges facing the Shire. Council is committed to completing

these studies by mid 2006, pending the ability to secure funding support from other agencies as necessary.

- Review the use and appropriateness of the saleyards in South Road with a view to their relocation.
- In conjunction with ADI Mulwala determine what services or supplies could be encouraged to establish in Yarrawonga to provide for the needs of ADI.
- Undertake a rural living review.