

# Industry Submission

## Planning for Golf in Victoria- Discussion Paper August 2017



---

### SUMMARY

#### Key Issues

The Urban Development Institute of Australia (UDIA), Victoria Division, appreciates the opportunity to make a submission in relation to DELWP's *Planning for Golf in Victoria Discussion Paper*. To provide appropriate context to positions UDIA Victoria has adopted in response, it is important to stress a number of observations in relation to the presentation of several issues within the Discussion Paper itself:

- UDIA acknowledges the foundation of some golf courses were assisted by a gift of land, it remains crucial that there is transparency around government and community understanding regarding the nature of ownership of privately owned courses. If a course of privately owned, regardless of any historical government bursary, this private ownership needs to be acknowledged by government and conveyed to the community and stakeholders; and
- UDIA would like to note that a clear majority of private member golf clubs purchased their current land; it was not gifted by local government or government agencies and should not be treated as such.

#### Recommendations

- The redevelopment of golf courses in or adjacent to existing urban areas could – under appropriate policy settings – facilitate the conversion of what is currently private open space to include areas of public open space and properly protect significant vegetation where it exists;
- This paper and any subsequent Government publications on this matter should distinguish between the private and publicly owned golf courses and the transition of either would require different treatment;
- Given current policy to minimise expansion of the UGB, and given the compatibility of golf courses uses within the Green Wedge Zone, it may be preferable to facilitate the move of more clubs to extra-urban areas, allowing those in or adjoining existing urban areas to be re-developed for higher-order uses which better utilise existing infrastructure;

# Industry Submission

## Planning for Golf in Victoria- Discussion Paper August 2017



- 
- UDIA supports the concept of a proper decision framework for development proposals of golf courses both within and outside of the UGB, and the concept of a demonstrable community benefit;
  - UDIA recommends that each golf course be regarded individually, and that a general approach to selling or rezoning of land would have possible detrimental outcomes;
  - UDIA considers it appropriate and in-line with government policy to consider the inclusion of golf courses currently outside the UGB to be brought within it if supported by planning technical and community merit including the support of the relevant local government authority; and
  - UDIA supports the notion that golf courses within the UGB should be considered under the normal rezoning process and that any golf club land that benefits from inclusion within the UGB should be subject to no greater community value capture than would be computed under the Growth Area Infrastructure Charge.

---

## ABOUT US

### **Urban Development Institute of Australia (Victoria)**

The Urban Development Institute of Australia (Institute) is the peak industry body for the urban development sector. In Victoria, we provide over 320 member companies with the benefits of policy and advocacy, industry intelligence, networking and business building.

Our members include developers, consultants, financial institutions, suppliers, government authorities and utilities. Together we drive industry discussion and debate and inform all levels of government to achieve successful planning, infrastructure, affordability and environmental outcomes.

# Industry Submission

Planning for Golf in Victoria- Discussion Paper  
August 2017



---

## Table of Contents

Summary .....	1
Background .....	4
Urban Growth Boundary .....	5
Value Uplift Capture .....	6
Rezoning Assessment .....	6
Land Pressures .....	6
The changing nature of golf .....	9
Land use challenge .....	10

# Industry Submission

## Planning for Golf in Victoria- Discussion Paper August 2017

---



### Background

UDIA holds no specific expertise with respect to the golf sector and has elected to limit its responses to the Discussion Paper to matters that intersect with the broader property industry. The industry acknowledges the importance of golf courses in the urban fabric of Melbourne and regional centres, and values the social and economic utility they provide.

The UDIA understands a number of existing golf clubs are facing financial difficulty, largely arising from an oversupply of courses in different Victorian catchments. The land use issues that arise in transitioning land currently occupied by golf courses is an area in which certain UDIA members hold particular expertise.

Golf courses occupy large land areas; therefore, the closure and relocation of golf clubs potentially creates significant strategic challenges and opportunities that should be met with collaborative efforts from Government and industry.

Whilst the near-term changes in the golf industry may be greater than in the past, there is a lot of historical precedent for relocation of golf clubs from one location to another. Examples include:

- Sunshine Golf Club from Glengala Rd to Fitzgerald Rd in 1964, and again to Mt Derrimut in 2007;
- Waverley Golf Club (previously Glen Waverley Golf Club) moved to its current Rowville location in 1962;
- Yering Meadows (previously Croydon Golf Club) from Croydon to Yering in 2008;
- Keysborough Golf Club (previously Albert Park Golf Club) moved from Albert Park in 1946 to its current location on Hutton Rd, Keysborough;
- Eastern Golf Club from Doncaster to Yering in 2015; and
- Kingswood Golf Club, Dingley, currently under proposed redevelopment following a merger with Peninsula Country Golf Club.

# Industry Submission

## Planning for Golf in Victoria- Discussion Paper August 2017



---

In addition, there are minimal new public golf courses being created, with the Whittlesea Council Growling Frog Course in the Plenty Valley likely to be the most recent.

Given the continuing evolution of the sport in Victoria the UDIA has responded to the Discussion Paper with a view to the development of an equitable decision framework for development proposals of golf courses both within and outside of the UGB.

### SUBMISSION

#### Urban Growth Boundary

UDIA believes any change in use of land previously occupied by a golf club should be treated in a manner that is consistent with other (non-golf) real estate.

The Discussion Paper states:

*“The Victorian Government made an election commitment to protect the city’s green wedges by maintaining the existing Urban Growth Boundary.” Pg 24*

The UDIA does not oppose the objective of having a managed boundary to the urban area of Melbourne; however, to invest the current location of the UGB with an aura of minute perfection is not the aim of the industry.

In this context, the UDIA would advise the Task Force to consider the matters before it with regard to property specific matters and to make its recommendations accordingly, noting that regardless of policy settings, legally a change to the UGB can occur at any time with the consent of both Houses of the Victorian Parliament.

Land vacated by relocating golf courses both within and immediately outside the UGB is likely to have high strategic value and ready access to services, which would support the implementation of State Government objectives including those set out in the refreshed Plan Melbourne 2017 – 2050 published in March 2017.

# Industry Submission

## Planning for Golf in Victoria- Discussion Paper August 2017



---

### Value Uplift Capture

There is reference in the Discussion Paper to some private golf clubs having received grants or assistance from local, state or federal government. However, UDIA is aware of many golf clubs that have received no public investment or support. These same clubs have survived through significant unpaid work and investment by volunteers and members.

To argue that inclusion of such land within the UGB and/or rezoning of that land to an alternate use should deliver a higher net benefit to the community than other land might impose an additional and unreasonable burden on golf clubs compared to other classes of land. It is the UDIA's view that any golf club land that benefits from inclusion within the UGB should be subject to no greater community value capture than would be computed under the principles of the Growth Area Infrastructure Charge.

The key issue is that for clubs to relocate, they need sufficient fair yield from any sale to redevelop and have adequate finances invested to support them into the future.

### Rezoning Assessment

The Discussion Paper contains generalisations regarding potential classes of constraints that are likely to affect the redevelopment of golf course land. In the industry's experience, each site must be considered individually. The application of generalised views in this regard is likely to produce markedly incorrect outcomes. The government's 'Strategic Assessment Guidelines' must be followed in the preparation and consideration of any proposed amendment.

### Land Pressures

*"The number of golf courses inside the Urban Growth Boundary in Melbourne's south east exceeds demand. A number may be suited to repurposing for other sports, community facilities or open space serving active recreation. Some clubs are keen to be rezoned for residential development*

# Industry Submission

## Planning for Golf in Victoria- Discussion Paper August 2017



---

*but constraints on the land, unsuitable location and other considerations may limit how much land is suitable for rezoning.” Pg. 9, Planning for golf in Victoria*

The potential rationalisation of the number of clubs in oversupplied areas of Melbourne, such as the south-east, would support Plan Melbourne Refresh objectives to maximise infill near existing services and facilities, and reduce the reliance on the provision of new infrastructure in greenfield areas.

As noted, Clubs have previously used such opportunities to provide valuable developable land in areas where, often, significant infrastructure and amenity exists. The orderly facilitation of such moves would greatly assist clubs to secure their financial future, with certainty, as the game of golf continues to evolve and commercial measures change.

*“Some privately-owned golf courses outside the Urban Growth Boundary are campaigning for their land to be rezoned to allow greater development that enables them to build a sustainable club and business with innovative programs and commercial strategies like providing hospitality for conferencing and events.*

*This may not be a good planning outcome or be consistent with Plan Melbourne 2017-2050.” Pg. 9, Planning for golf in Victoria*

The introduction of the UGB in 2002 was intended to rule a line around Melbourne’s potential urban development zone. A cursory review of some parts of the boundary appear to demonstrate a guiding principle of simply setting the boundary around “green spaces”. As mentioned, this has resulted in some golf courses being excluded from the UGB, despite otherwise demonstrated technical and sound planning reasoning for their inclusion.

A consequence of the UGB that those clubs just outside the UGB face different financial and logistical challenges compared to those within it. Those inside can vote to move and deal with their land as they see fit; those outside are effectively prevented from relocating themselves, or merging due to insufficient value capture from their facilities, even where they are no longer viable, with poor course and clubhouse standards.

# Industry Submission

## Planning for Golf in Victoria- Discussion Paper

August 2017



---

*“Some areas to the north and west of metropolitan Melbourne have fewer golf courses than may be justified by projected future population.” Pg. 9, Planning for golf in Victoria*

An unintended effect of the UGB is that it will continue to have an effect in areas of undersupply. The creation of the UGB has created an uplift in the value of broad-acre land within it, such that the purchase of land for new courses is no longer financially feasible. This will by necessity push any new courses proposed for construction into Green Wedge Zones where land is significantly more affordable.

### Recommendations

1. Given current policy to minimise expansion of the UGB, and given the compatibility of golf courses uses within the Green Wedge Zone, it may be preferable to facilitate the move of more clubs to extra-urban areas, allowing those in or adjoining existing metropolitan and regional urban areas to be rezoned for higher-order uses which utilise existing infrastructure.

*“Open spaces such as golf courses add value to residential areas, particularly for properties that can take advantage of the green space and aesthetic appeal that courses offer.” Pg. 9*

And,

*“Plan Melbourne 2017-2050 prioritises where this growth should occur. It identifies golf courses as being important to the open space network of communities and to biodiversity, environmental and heritage values. They contribute to the network of parks, bushland and waterways that act as the lungs to our city and public amenity value to a region...*

*When considering the future of golf course land, an assessment of all land use values and alternative uses is important.” Pg. 10*

There is an aesthetic appeal to existing golf courses in residential areas, however, many of these golf courses are privately-owned member courses with no public access. The utility and accessibility to the community is therefore very limited. The strength of biodiversity, environmental and ecological values will also vary greatly from course to course.



# Industry Submission

## Planning for Golf in Victoria- Discussion Paper

August 2017



2. The redevelopment of golf courses adjacent to existing urban areas would facilitate the conversion of what is currently private open space to include areas of public open space. In creating access, they can begin to properly solidify green links between existing open spaces, and during a redevelopment process can properly protect significant vegetation where it exists. The opportunity is presented to better connect existing residential areas often divided by the extensive privately fenced golf course land.

### The changing nature of golf

Recognising the changing nature of the game of golf, UDIA supports measures that assist golf clubs to generate supplemental income from non-golfing activities. We cannot comment on the specifically mentioned business ventures, but there are opportunities to support other complementary business ventures through the relaxation of planning rules, particularly in the GWZ.

These opportunities include:

- Increasing the permissible size of function or conference facilities; e.g. from 150 to 500 persons
- Allowing short-stay accommodation (say up to 200 rooms)
- Allow publicly-accessible food & beverage
- Allow additional fitness facilities, such as gymnasiums, swimming pools and similar

Changes such as these would create valuable additional revenue sources for clubs.

*“Golf courses have not traditionally been developed on a demand basis. Most have been developed on land gifted by local councils or more recently, as the centrepiece of high-end residential estates. This has created an environment where courses are not necessarily located where demand exists and there are multiple clubs in a region competing for memberships.” Pg. 20*

# Industry Submission

## Planning for Golf in Victoria- Discussion Paper

August 2017



---

It is important to note that contrary to the impression this statement gives, the vast majority of private member golf clubs purchased their current land; it was not gifted by councils. The land is private and accessible only by paying club members.

### Land use challenge

The UDIA considers it appropriate and recommends that the Government consider the inclusion of golf courses currently outside the UGB to be brought within it, if supported by planning technical and community merit including the support of the relevant local government authority.

*There are 23 golf courses abutting and outside the Urban Growth Boundary. Some submissions to the government's 2016 refresh of the metropolitan planning strategy, Plan Melbourne 2017-2050, related to golf courses on the urban fringe, seeking to have that land included inside the Urban Growth Boundary to enable residential development. This would allow clubs to sell their land and reinvest in less expensive land outside the Urban Growth Boundary to provide a more diverse golf and hospitality experience on a larger site. Pg. 24, [Planning for golf in Victoria](#)*

UDIA has seen a report prepared by Ethos Urban (attached) which has analysed the likelihood of the identified courses seeking or being otherwise suitable for inclusion in the Urban Growth Zone in the foreseeable future. The report concludes that there are 21 courses abutting or just outside the Urban Growth Boundary, not 23, and of these:

- Four do not directly abut the UGB, separated from it either by other land parcels or by road;
- Of the remaining 17, four are public courses;
- Only three have Council support for rezoning: Keysborough, Ranfurlie and Waverley; and
- Only two further private members courses have technical merit for inclusion – Spring Valley and Rosebud Country Club - though the UDIA understands that these clubs are not seeking assistance at this point.

# Industry Submission

## Planning for Golf in Victoria- Discussion Paper August 2017



Therefore, the number of golf courses that could potentially seek a rezoning to secure their financial future is extremely limited.

*“Developers are now directing their interest to golf course land across metropolitan Melbourne, on its urban fringes and in regional cities. In some regions, golf courses are in oversupply or are in financial difficulty. This presents an opportunity for developers to consider the development of large amounts of land within urban areas to meet continuing high demand for housing.” Pg. 24*

The significant benefits of redevelopment in established areas have previously been discussed in this submission.

### Recommendations

1. UDIA believes the side-effects of urban encroachment also need to be recognised. With many suburban courses being 50 years or older, those which adjoin urban areas are often undersized for the modern game of golf. Improvements to club and ball technology mean that balls travel further, and wider, so whilst clubs retain existing use rights, they no longer comply with safety requirements for setbacks and buffer zones.
2. Given their proximity to residential areas, it is foreseeable in the future that some clubs will be unable to insure properly for damage and injury risk. In such cases, finding alternative locations with sufficient buffer distances would provide long-term confidence and security for their operations and safety risks for adjacent residents.

“Idea 1 Establish a framework for golf course land development proposals to be considered” Pg. 29

### Recommendations

1. The UDIA supports the notion that any proposed planning changes to golf courses within the UGB should be considered under the normal rezoning process.
2. UDIA also supports the concept of a proper decision framework for development proposals where a course may be outside the UGB, and the concept of a tangible community benefit. The concept

# Industry Submission

## Planning for Golf in Victoria- Discussion Paper August 2017



---

of “net community benefit” should be carefully examined, as quantifying “loss” is highly subjective. Some elements that could be considered as demonstrating community benefit could include:

- The continuation of the game of golf for existing and new members on modern, viable facilities;
- The provision of public open space created on the previous golf course site. The UDIA again notes that in the case of private golf courses, any new open space becomes a public benefit from land previously inaccessible to the wider community beyond paying club members;
- Provision/funding of new community or sporting facilities, whether on the site itself or an alternative location through physical construction or contributions; and
- Provision of public infrastructure, such as drainage channels and other amenities.