CONVERSATION REPORT

Proposed lease of part of land at 120-174 Numurkah Road and 85 Packham Street, Shepparton Munarra Limited



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1 Background

Council received a request to lease part of the land at 120-174 Numurkah Road and 85 Packham Street, Shepparton (to the rear of the Shepparton Sports Stadium) to Munarra Limited to assist in realising the Munarra Centre for Regional Excellence (MCRE).

At the Ordinary Council Meeting held on 21 December 2021, Council resolved, amongst other things, to undertake a community engagement process in relation to its intention to enter into an Agreement for Lease in relation to the MCRE and to lease the land to Munarra Limited in accordance with Section 115 of the *Local Government Act 2020* (the Act).

As a national first, the MCRE will be an indigenous-led sporting and education precinct in Shepparton. The MCRE will be developed in collaboration with the Rumbalara Football and Netball Club (RFNC), the University of Melbourne, Kaiela Institute, Greater Shepparton City Council, the Department of Education and Training, and the Department of Premier and Cabinet. It reflects the goals of the Goulburn Murray Regional Prosperity Plan.

The MCRE will be a nationally-significant, state-of-the-art centre designed as a hub of connection and transformation for Indigenous and non-Indigenous people across Australia. A concept plan for the MCRE is included in Figure 1 below.

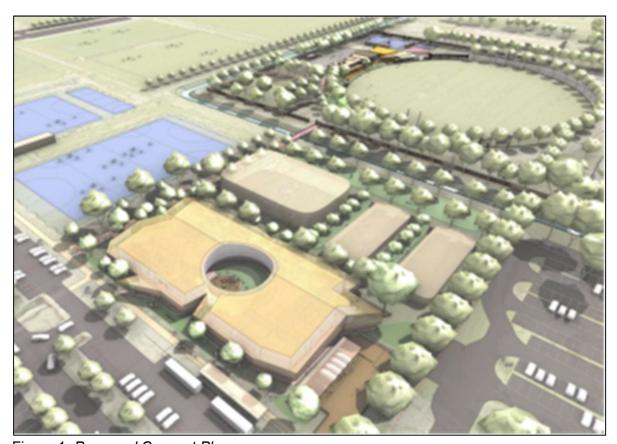


Figure 1: Proposed Concept Plan

The MCRE will:

- provide a place and space of cultural affirmation, identity and strength;
- a national pathways and university campus, providing a culturally safe space for multiple education and training providers (e.g. the University of Melbourne, La Trobe

- University and GOTAFE) offering a range of training and higher education programs; and
- host the Munarra Academy the renamed Academy of Sports, Health and Education program (a successful partnership between the RFNC and University of Melbourne).

The RFNC first promoted the concept of a Regional Centre of Excellence in 2008 and again in 2009. Council subsequently adopted the Shepparton Sports Precinct Master Plan in 2009, which provided space to the west of the existing Shepparton Sports Stadium for the possible development of University of Melbourne's Academy of Sports, Health and Education (ASHE).

In 2013, Council received \$7.19 million from the Australian Government, \$750,000 from the Victorian Government and \$200,000 from sporting club contributions to help fund the Greater Shepparton Regional Sports Precinct (Sports Precinct) redevelopment, which was expected to cost \$21 million.

In August 2016, Council agreed to provide the following in-principle commitments to the MCRE including:

- 1. the provision of land as identified for the development of ASHE in the Sports Precinct Master Plan to the west of the Shepparton Sports Stadium for the development of the MCRE. This position will be subject to caveats that:
 - a. identify the need for approval to be granted from a number of external bodies in relation to the development restrictions on the land proposed;
 - b. an appropriate area is able to be negotiated in the context of available space post recent synthetic field construction and in consideration of future needs of the Sports Precinct and Shepparton Sports Stadium; and
 - c. details of the final land tenure arrangements are to be confirmed.
- 2. in-kind support to assist with advice and direction relating to the project, planning and development requirements; and
- support funding submissions made by RFNC to further progress the project.

The First Peoples – State Relations Group received a funding commitment of \$23 million from the State government in the 2018/2019 Victorian State Budget for the development of the MCRE.

In 2018-19, Council prepared Amendment C211gshe to the Greater Shepparton Planning Scheme (Planning Scheme) to apply a Specific Controls Overlay to land within the Sports Precinct to expedite the delivery of the MCRE and the Shepparton Sports Stadium. The Minister for Planning approved and gazetted Amendment C211gshe to the Planning Scheme on 24 December 2019.

2 Summary of consultation

Council undertook community consultation in accordance with section 115 of the Act on its intention to lease part of the land at 120-174 Numurkah Road and 85 Packham Street, Shepparton.

Community consultation commenced on Friday, 28 January 2022 and concluded on Monday, 28 February 2022.

Council used multiple methods to engage with key stakeholders and the broader Greater Shepparton community during the additional community consultation phase, including:

- a letter to adjoining landowners and occupiers as outlined in Figure 2 below;
- a letter to relevant stakeholders and referral agencies;
- a media release, which attracted media attention from the Shepparton News and the Shepparton Advisor;
- public notice in the Shepparton News on Friday, 28 January 2022; and
- an online submission portal on the 'Shaping Greater Shepp' website.

Submissions were invited via an online submission form, by email and by post.



Figure 2: Map of those notified

3 Who did we hear from?

A total of <u>13 submissions</u> were received by Council during the consultation process. This included:

- 12 submissions from landowners and residents within Shepparton; and
- 1 submission from a referral agency: Goulburn Valley Water.

A breakdown of the submissions is included in Figure 3.

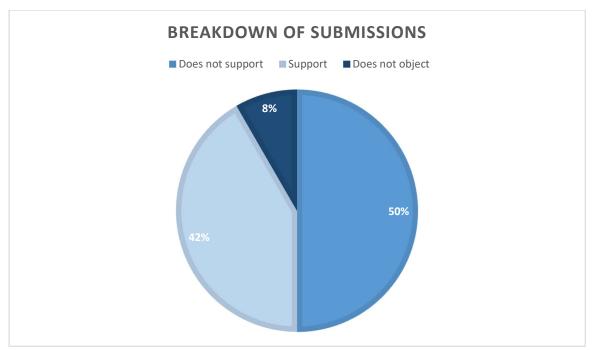


Figure 3: Breakdown of submissions

Submissions that objected to the proposal:

• Submissions 2, 4, 6, 7, 8, 9 and 12.

Submissions that supported:

• Submissions 1, 3, 5, 11 and 13.

One submission (Submission 10) was received from Goulburn Valley Water, which did not object to the proposal.

4 What we heard

Through these forums, Council received a wide range of comments, queries and concerns. Below is a list of the main themes that emerged, the:

- 1. proposal would take away existing parking for the Sports Precinct;
- 2. proposal impacts upon the future expansion of the Shepparton Sports Stadium;
- 3. location is inappropriate for the development; and
- 4. proposed site is suitable and is identified as an appropriate location.

| Submission numbers | Feedback received | Council officers' responses |
|--------------------------|---|---|
| 2, 7, 8, 9, 12 and 13 | The location is inappropriate for the development of the MCRE | Council considers that the proposed location to the west of the Shepparton Sports Stadium is the appropriate location for the development of the MCRE and that the development can be seamlessly integrated into the Sports Precinct. Council adopted the Shepparton Sports Precinct Master Plan 2009, which recommended space to the west of the existing Shepparton Sports Stadium be provided for the possible development of the University of Melbourne's |

ASHE, now the MCRE. The recommendation of this location was confirmed in the updated *Shepparton Sports Precinct Master Plan Report* in 2013, which was adopted by Council in the same year. The support of ASHE is part of RFNC's and Council's commitment to improvements in the physical and emotional health, education and employment of young people and families.

The MCRE will provide two campuses, being the North and South Campus. The North Campus will provide a new sports pavilion, upgrades to existing community and function space, and site improvements (including additional carparking and landscaping) will be accommodated on the Rumbalara Aboriginal Co-operative Ltd land (due to be transferred to the RFNC). The South Campus will provide the MCRE (incorporating the Munarra Academy, community and cultural spaces, MCRE offices and leasable space for MCRE partners (RFNC, Kaiela Institute, etc.), car parking and an equipment storage hub on Council's land. A student accommodation hub and centre for sporting excellence is planned for future stages of development, subject to future funding commitments.

There is insufficient space for all of the facilities associated with the MCRE to be accommodated solely on the RFNC land; the campuses must be split between both the RFNC land and Council's land.

2, 7, 8, 9 and 12

The proposed development would take away existing parking for the Shepparton Sports Precinct and impede the future development of the Shepparton Sports Stadium

Council officers note that car parking is in high demand during weekends, during events at the Shepparton Sports Stadium and during game days at the RFNC North Campus.

As part of the proposal, formalised off-street parking will be provided to the south of the proposed location of the South Campus, which, along with the increased car parking provided as part of the Shepparton Stadium redevelopment (involving the removal of the remote controlled car track and formalisation of a car park to realise 360 parking bays), will provide good parking availability for the MCRE users and visitors. Further, the masterplan includes the provision for up to 272 new sealed parking bays on the North Campus. This is in addition to the existing 655 off-street parking bays within the sports precinct.

It is also envisaged that a bus pick-up and drop off point could be realised on the eastern boundary of the South Campus. This would

| | | integrate with the proposed car park for the Shepparton Sports Stadium. The Project Control Group established in support of the MCRE will also be working to ensure that the Munarra North and South Campuses are easily accessible for staff, residents and visitors. |
|----------------|---|---|
| 2 | Further clarification on the design of the MCRE is required. | Schematic design plans for the MCRE are currently being prepared and must satisfy the requirements of the <i>Munarra Centre for Regional Excellence and Shepparton Sports and Events Centre Incorporated Document, September 2019</i> (the Incorporated Document). Further refinement of the designs is required which will also be the subject of further consultation with the wider community. The MCRE design team is regularly engaging with the Council's appointed design team for the basketball stadium upgrade to ensure that both developments designs complement each other and that the Precinct feels integrated. |
| 1, 3, 5 and 11 | The proposed site is suitable and identified as an appropriate location in the <i>Greater Shepparton Sports City Master Plan</i> 2011 | Comments noted. |

Goulburn Valley Water was notified of Council's intention to lease the land on Friday, 28 January 2022, as well as several other government agencies and referral authorities. A response was received from Goulburn Valley Water on Wednesday, 16 February 2022, which stated that it did not object to Council leasing this land.

Submission 12 raised several additional concerns that could not be grouped into the above theme, the content of these concerns and Council officers' response is outlined below.

• The proposed development will impinge upon emergency exits and access for the Shepparton Sports Stadium.

Council officers' response:

Council officers submit that emergency access into and from the Shepparton Sports Stadium will not be hindered from the development of the MCRE. Safe entry and exit from the land was considered as part of the preparation of the *Greater Shepparton Sports City Master Plan 2011*.

• The proposed development may impede upon flood conveyance and drainage and impact neighbouring properties.

Council officers' response:

In late 2017, Council engaged Chris Smith & Associates Pty Ltd and Water Technology Pty Ltd to prepare a *Drainage Catchment and Flood Analysis* for the land (see Figure 4 below). Gresley Abas Architects & Gregory Burgess Architects Pty Ltd also prepared a *Preliminary Overview and Master Plan* to demonstrate how the MCRE could be realised on the land.



Figure 4: Drainage Catchment and Flood Analysis

Amendment C211gshe to the Planning Scheme was approved and gazetted by the Minister for Planning on 24 December 2019, which applied a Specific Controls Overlay to the land and surrounding area, and implemented the Incorporated Document. The Incorporated Document requires that, prior to any development associated with the MCRE commencing, an IWMP must be prepared by a suitably qualified consultant to the satisfaction of the relevant flooding and drainage authorities. This ensures that all drainage and stormwater-related issues can and will be addressed before construction on the MCRE commences.

In early 2020, the Munarra Project Control Group also endorsed the *Drainage Strategy Report* prepared by Spiire Australia Pty Ltd. This report confirmed the options to progress to the detailed design phase and also set out the agreed contributions toward stormwater drainage infrastructure. In November 2020, Council engaged Spiire Australia Pty Ltd to prepare the detailed design and tender documentation for the construction of stormwater drainage infrastructure, and utilities and services, which would be needed in order to develop the Munarra site for the proposed MCRE and to enable the future expansion of the Sports Stadium.

The delivery of the stormwater drainage infrastructure will future-proof the future development of the MCRE site and the expansion of the Sports Stadium. Works to accommodate stormwater drainage infrastructure are currently underway.

 The project is inadequately costed and the developers have no similar development experience. Councillors should not be entering into a lease for an infrastructure project that is not fully funded and could impact other major projects within the Sports Precinct.

Council officers' response:

Concerns regarding funding agreements and budgeting are outside of the scope of this proposal, which is concerned about the lease of land for the Department of Premier and Cabinet, and the MCRE.

Munarra Limited is a new, unproven entity. How can Council be sure Munarra Limited
has a viable sustainable business model with agreements in place around funding
models to ensure a higher likelihood of success.

Council officers' response:

In August 2021, Council was also advised that there would no longer be a PCG for the MCRE project. The Minister for Aboriginal Affairs approved a new governance structure and, as such, the authority for decisions was transferred to the Department of Premier and Cabinet, and Munarra Limited.

The Victorian School Building Authority, through the Department of Education and Training, was engaged by the Department of Premier and Cabinet to support the delivery of the project and it has a long history of delivering similar projects.

5 What happens next?

Council will consider the findings of the community consultation, in respect of the proposal before entering into any lease.