

Agenda

Submitters Committee Meeting
Wednesday 3 September 2025 at 7:00 PM
Held online and livestreamed at mrsc.vic.gov.au

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1 ACKNOWLEDGEMENT OF COUNTRY

Macedon Ranges Shire Council acknowledges the Dja Dja Wurrung, Taungurung and Wurundjeri Woi Wurrung Peoples as the Traditional Owners and Custodians of this land and waterways. Council recognises their living cultures and ongoing connection to Country and pays respect to their Elders past, and present.

Council also acknowledges local Aboriginal and/or Torres Strait Islander residents of Macedon Ranges for their ongoing contribution to the diverse culture of our community.

2 RECORDING AND LIVESTREAMING OF THIS COMMITTEE MEETING

This meeting is being recorded and streamed live on the internet, in accordance with Council's 'Live Streaming and Publishing Recordings of Meetings' policy, which can be viewed on Council's website.

3 PRESENT

4 APOLOGIES

5 CONFLICTS OF INTEREST

6 PURPOSE OF THE SUBMITTERS DELEGATED COMMITTEE

Council receives written submissions on a variety of matters which need to be considered by Council during the decision-making process. The Submitters Delegated Committee affords people who have made a submission a specific opportunity to appear in person to expand on their submission, if they wish to do so, for the nominated matters above as outlined in the instrument of delegation.

7 ADOPTION OF MINUTES

Nil

8 REPORTS

8.1	HEARING OF SUBMITTERS IN RELATION TO COUNCIL'S INTENTION TO LEASE: KYNETON AIRFIELD HANGAR SITES
Officer:	Hayley Drummond, Coordinator Property and Valuations
Council Plan relationship:	4. Delivering strong and reliable government
Attachments:	Submissions Received (under separate cover)

Summary

Community consultation has been undertaken under Section 115 of the *Local Government Act 2020* to undertake a community engagement process on the proposed lease of hangar sites at the Kyneton Airfield with the following key terms: -

Lease Type	Ground Lease (land only)
Tenant Category	Category 3 – Commercial/General Use – Market Rental
Use	Private aircraft hangars (aviation infrastructure)
Proposed Term	10 years +10 years option
Rental Assessment	Market rental determined by registered valuer

As part of Council's Community Engagement Policy, those that make submissions are provided with an opportunity to present at a Submitters Delegated Committee.

A total of 56 submission were received at the end of the 28-day submission period, which closed at 5pm on 21 August 2025. Three late submissions were accepted and have been included prior to the finalisation of this agenda, one submission was withdrawn from this process on request. These submissions are presented as an attachment to this report.

Recommendation**That the Committee:**

- 1. Notes the submissions received for Council's intention to lease the hangars sites at the Kyneton Airfield as advertised and included in this report.**
- 2. Notes the verbal presentations in support of those submissions; and**
- 3. Notes that the submissions will be referred for consideration and determination at a future Scheduled Council Meeting together with responses and recommendations in relation to the submissions.**

Background

Hangars are privately owned and constructed on Council land; for leasing purposes these are known as ground leases. A ground lease is a lease of the land component only, with the tenant responsible for the construction or installation of buildings and any ongoing maintenance or works related to them.

There are 33 hangar leases with 29 of them currently on a month-to-month tenancy as the leases have reached the end of their lease term. The remaining three leases have 12 months left on their lease term. There is one hangar without a lease that was constructed approximately three years ago, and a new lease is yet to be negotiated.

Historically, the lease documents for the airfield hangars have varied significantly depending on when the lease commenced. Additionally, the rental amounts are inconsistent with variations depending on the age, the size applied to the hangars and whether the leases had fixed percentage or CPI-based annual rental increases.

To ensure consistency, equity and transparency going forward, Council is implementing a standard lease, including like terms and the same rental rate on a dollar per square metre basis for all leases, regardless of previous arrangements. Council has recently surveyed the site to confirm the sizes of each hangar for the purposes of calculating the rental amounts for each hangar lease.

Council at its meeting on 23 July 2025 resolved to:

That Council:

1. ***Commences the statutory process under Section 115 of the Local Government Act 2020 to undertake a community engagement process on the proposed lease of hangar sites at Kyneton Airfield.***
2. ***Schedules a meeting of the Submitters Delegated Committee to be held online at 7pm on Wednesday 3 September 2025, to hear submissions in accordance with Section 223 of the Local Government Act 1989, if required.***
3. ***In the event that no submissions are received, authorises the Chief Executive Officer to enter into a lease agreement on the following terms:***

<i>Lease Type</i>	<i>Ground Lease (land only)</i>
<i>Tenant Category</i>	<i>Category 3 – Commercial/General Use – Market Rental</i>
<i>Use</i>	<i>Private aircraft hangars (aviation infrastructure)</i>
<i>Proposed Term</i>	<i>10 years +10 years option</i>
<i>Rental Assessment</i>	<i>Market rental determined by registered valuer</i>

Discussion

Officers are proposing to issue new leases to all tenants with standard terms to support transparency and consistency. The permitted use under each lease will be standardised as:

"Storage of aircraft and associated equipment and aviation-related activities in accordance with the Kyneton Airfield Master Plan and Certificate of Compliance (COC/2020/3)."

The permitted use goes on to specifically exclude retail activity including storage, hire or sale of retail goods. This proposed use is consistent with the Certificate of Compliance previously issued by Council in October 2020 for the development of Hangars at the site under the approved zoning.

Rental amounts have been assessed by a registered valuer on a per square metre basis, consistent with the commercial/general use category, which applies to the hangar sites in line with Council's Lease and Licence policy.

Each lease is proposed for a term of 10 years, with an option for a further 10 years included. This provides certainty for hangar owners who have invested in capital infrastructure of their hangars, flexibility for those who may wish for a shorter-term engagement, and increased efficiency for Council in the management and renewal of the leases.

The proposed length of lease terms proposed triggers the community engagement process under the *Local Government Act 2020* and 1989.

A summary of the key lease terms proposed for consultation are as follows:

Item	Details
Site	Kyneton Airfield - 33 Hangar Sites
Lease Type	Ground Lease (land only)
Tenant Category	Category 3 - Commercial/General Use – Market Rental
Use	Private aircraft hangars (aviation infrastructure)
Proposed Term	10 years + 10 year option
Rental Assessment	Market rental determined by registered valuer.
Community Consultation	Required under <i>Local Government Act 2020</i> s115(4)
Maintenance Responsibility	Tenant (full responsibility for building maintenance and insurance)
Outgoings	Commercial terms apply – all costs borne by tenant
Capital Contribution	Tenants have funded and constructed their own hangars
Council Role	Landlord only (no ongoing maintenance obligations). Retention of some liability as landlord.

Community engagement process

In accordance with Section 115 of the *Local Government Act 2020* and Section 223 of the *Local Government Act 1989*, the leasing of hangar sites at Kyneton Airfield requires a public consultation process. This will be completed in accordance with Council's Community Engagement policy.

Officers have undertaken a consultation process which has included:

- Public notice in the local newspaper of "Notice of Intention to Lease"
- Publication of the proposed lease details on Council's 'Have Your Say' webpage
- A 28-day period for written submissions from the community
- A direct mailout to neighbouring properties advising of the proposed leases.

Summary of Submissions

Fifty-six (56) submissions were received prior to the end of the 28-day public consultation period, which ended at 5pm on 21 August 2025. Three late submissions were accepted and have been included prior to the finalisation of this agenda, one submission was withdrawn from this process on request. The submissions have been provided as an attachment to this report.

Any further submissions received prior to this Submitters Delegated Committee Meeting will be provided to Councillors. All submitters have been sent a letter of acknowledgement which

explains the opportunity to attend the Submitters Delegated Committee meeting. In accordance with privacy principles each submitters' personal details have been redacted from the attachment. However, Councillors have been separately provided with an un-redacted version of each submission.

Purpose of the Submitters Delegated Committee

During the Submitter Delegated Committees, submitters will be provided three minutes to present to their submission and Councillors may ask questions of submitters to clarify points or gather further information.

Following the submission period, officers will prepare a second report for Council summarising submissions and providing a recommendation to either:

- (a) proceed with the lease(s) as proposed;
- (b) proceed with the lease(s) including proposed amendments or conditions; or
- (c) not proceed.

Once Council has determined the outcome, all submitters will be notified in writing of Council's decision and the reasons, in accordance with Section 223 of the *Local Government Act 1989*.

Consultation and engagement

Officers have undertaken a community engagement process as outlined earlier in this report.

Collaboration

Officers have worked closely with individual hangar owners, the Kyneton Aero Club and provided each tenant with the opportunity to review and comment on the proposed draft lease and process. Ongoing communication with leaseholders will continue throughout the public consultation process.

Officers have also sought information and advice on other municipalities with small airfields in regional locations in Victoria to assist with benchmarking.

Innovation and continuous improvement

The proposed leasing model represents a change from the previous approach of negotiating individual lease terms with each hangar owner. The new standard approach will ensure greater equity across all tenants by applying consistent lease terms, valuation methods, and responsibilities. It will also improve administrative efficiency by streamlining lease preparation, monitoring, and renewal processes and support a fairer and more transparent system for both Council and leaseholders.

Relevant law

Section 115 of the *Local Government Act 2020* requires a public engagement process for leases of 10 years or more or those where buildings may be constructed or maintained on Council land.

In accordance with the *Gender Equality Act 2020*, a Gender Impact Assessment was not required in relation to the subject matter of this report.

Relevant regional, state and national plans and policies

Not applicable to this report.

Relevant Council plans and policies

The proposed leasing process aligns with several key Council documents. The Lease and Licence Policy (2024) provides the framework for managing Council-owned and managed land, including the use of ground leases. It outlines tenant categories, valuation requirements, standard lease terms, and responsibilities relating to maintenance and insurance.

The Community Engagement Policy ensures that Council undertakes appropriate and transparent consultation, consistent with the requirements of Section 115 of the *Local Government Act 2020*. Additionally, the Kyneton Airfield Master Plan (2019) provides the strategic direction for the site, supporting consistent planning, appropriate land use, and long-term investment certainty for leaseholders.

Climate Impact Assessment

The proposed review of the leases for the Kyneton Airfield Hangars will positively impact Council's energy usage and greenhouse emissions profile by promoting the use of renewable energy and encouraging tenants to adopt energy efficient practices.

Additionally, Council's Lease and Licence Policy (2024) encourages sustainable practices, such as proper waste management and eliminating single-use plastics. Council will continue to monitor environmental and energy compliance aligned with Council's endorsed policies.

Financial viability

Not applicable to this report.

Sustainability implications

Not applicable to this report.

Officer declaration of conflicts of interest

All officers involved in the preparation of this report have declared that they do not have a conflict of interest in relation to the subject matter.