

City of Darebin – Municipal Wide Development Contributions Plan 2015-24

Working Draft

Darebin City Council
September 2014



Independent insight.



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TABLE OF CONTENTS

1	INTRODUCTION	2
1.1	Background	2
1.2	Purpose of the Development Contributions Plan	2
1.3	Area of Application	3
1.4	Information Inputs and Justification	4
2	INFRASTRUCTURE FUNDING PRINCIPLES AND POLICY	5
2.1	Infrastructure Funding Principles	5
2.2	Development Contributions Reform and Infrastructure Funding Policy	5
	Consultation with DTPLI	6
3	STRATEGIC JUSTIFICATION FOR THE DCP	7
3.1	Planning Framework	7
3.2	Infrastructure projects	8
	Reference documents	8
3.3	Relationship between infrastructure projects and development	13
4	KEY ELEMENTS OF THE DCP	14
4.1	Charge Areas	14
4.2	Development stocktake and projections	15
4.3	Development and infrastructure usage nexus	16
4.4	Equivalence Ratios	16
4.5	Development Types	17
5	INFRASTRUCTURE PROJECTS	18
5.1	Works required	18
	Infrastructure projects – carried forward from previous DCP	Err
	or! Bookmark not defined.	
	Planned works for DCP	18
5.2	Development and Community Infrastructure	18
5.3	Project timing and delivery	18
6	DEVELOPMENT CONTRIBUTION RATES	19
6.1	Method of calculating charges	19
6.2	Development contribution rates per demand unit and development types	19
7	PROCEDURAL MATTERS	21
7.1	Liability for development contributions	21
7.2	Method of payment	22
7.3	Funds administration and accounting	22

8	APPENDIX 1 – DEVELOPMENT DATA	24
9	APPENDIX 2 –EQUIVALENCE RATIOS	25
10	APPENDIX 3 - INFRASTRUCTURE PROJECT DETAILS	26
11	APPENDIX 4 – PRESENT VALUE DISCOUNTING	27
12	APPENDIX 5 – INFRASTRUCTURE PROJECT CALCULATIONS	28
13	APPENDIX 6 – AUDIT OF EXPIRED DCP	29

LIST OF FIGURES

FIGURE 1. DAREBIN DEVELOPMENT CONTRIBUTION PLAN AREA	3
FIGURE 2: KEY DESTINATIONS IN DAREBIN	9
FIGURE 3: DAREBIN PLAYSPACE MAP (INCLUDING NEW PLAYSPACES)	10
FIGURE 4. DAREBIN DEVELOPMENT CONTRIBUTION PLAN - CHARGE AREAS	15

LIST OF TABLES

TABLE 1. OVERVIEW OF TASKS	4
TABLE 2. DEVELOPMENT STOCKTAKE AND PROJECTIONS, DAREBIN 2014-2024	15
TABLE 3. INFRASTRUCTURE USAGE NEXUS	16
TABLE 4. EQUIVALENCE RATIOS	16
TABLE 5. SUMMARY OF PROJECTS – DAREBIN DCP	18
TABLE 6. DEVELOPMENT CONTRIBUTION RATES PER DEMAND UNIT (UNCAPPED)	20
TABLE 7. DEVELOPMENT CONTRIBUTION RATES PER DEMAND UNIT (CAPPED)	20

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1 INTRODUCTION

1.1 Background

The City of Darebin (Darebin) is an established municipal area located in the northern suburbs of Melbourne. Proximity to Melbourne's CBD and a network of community facilities and parkland have facilitated population growth in Darebin over the past decade.

The municipality is undergoing a process of development intensification, as some areas are redeveloped into mixed use precincts which provide a range of employment housing options, including medium and high density housing. The resident population of Darebin is project to increase from about 149,000 residents in 2014 to about 164,000 residents in 2024. About 7,000 dwellings will be added to accommodate this population growth. Employment in the municipality is also expected to grow by about 8,000 employees during the period, largely driven by growth in the Retail and Professional Services sectors.

The growing and changing population and employment base will demand and make use of many infrastructure items. This will include transport, drainage, open space, public realm and community facility projects. The cost of providing the infrastructure will be significant.

City of Darebin had a municipal-wide Development Contributions Plan (DCP) in place (from 2004) to fund part of the capital cost of scheduled infrastructure. However this DCP expired in July 2014, and Council has resolved that future development must continue to pay for its share of the capital cost of scheduled infrastructure. SGS Economics and Planning (SGS) have been commissioned by City of Darebin to assist with the preparation of this (renewed) DCP.

1.2 Purpose of the Development Contributions Plan

As described in the aforementioned section, Council has resolved to adopt a DCP as a supplementary funding mechanism. This DCP has been prepared:

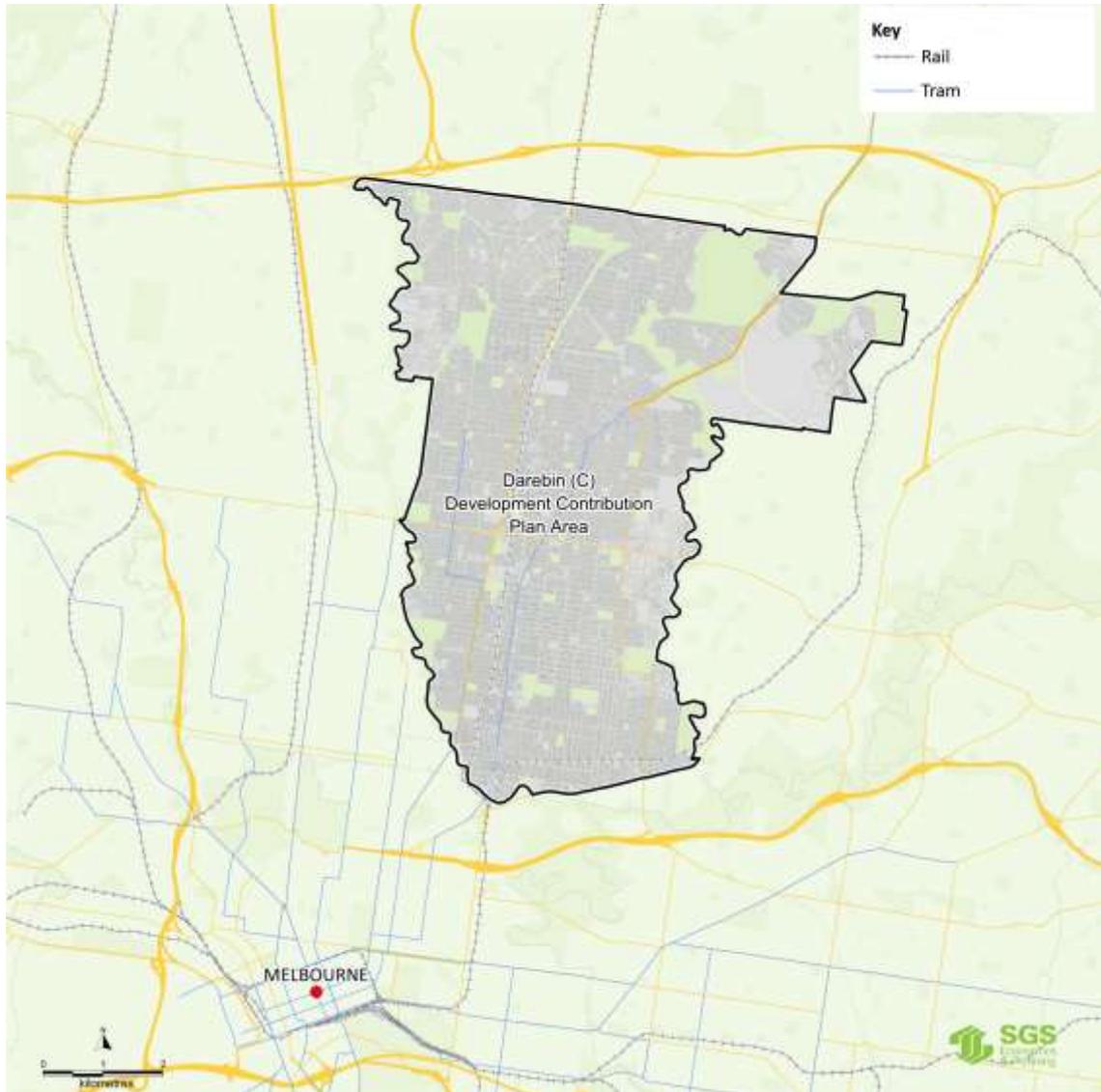
- To list infrastructure items Darebin City Council expects to provide over time to service the DCP area;
- To calculate development contribution charges for all development types, based on anticipated share of usage; and
- To explain and justify all information inputs and the method of calculating charges.

This DCP is an incorporated document and will form part of the Darebin Planning Scheme.

1.3 Area of Application

The DCP applies to the area highlighted in Figure 1.

FIGURE 1. DAREBIN DEVELOPMENT CONTRIBUTION PLAN AREA



Source: SGS, 2014 (data provided by City Darebin)

1.4 Information Inputs and Justification

The demarcation of responsibility in preparing this DCP was shared between staff at the City of Darebin and SGS as summarised in Table 1.

TABLE 1. OVERVIEW OF TASKS

Task	City of Darebin	SGS
Infrastructure funding policy and procedural matters	✓	
Strategic justification for the DCP	✓	
Development stocktake and projections	✓	✓
Infrastructure project information and justification	✓	
Cost apportionment methodology and calculations		✓

Source: SGS

This DCP report comprises the following sections:

- Section 2: Infrastructure funding principles and policy;
- Section 3: Strategic justification for the DCP;
- Section 4: Key elements of the DCP;
- Section 5: Infrastructure project details;
- Section 6: Development contribution rates;
- Section 7: Procedural matters; and
- Appendices

2 INFRASTRUCTURE FUNDING PRINCIPLES AND POLICY

2.1 Infrastructure Funding Principles

As development in the City of Darebin progresses, each developer will be required to build on-site infrastructure to service the development to specifications as approved by Council. Certain off-site or shared works may also need to be constructed for these developments to 'fit in' as an extension to the urban community. These infrastructure items include a series of transport, drainage, open space and community facility projects. This DCP ensures that the cost of providing new infrastructure is shared between developers and the wider community on a 'fair and reasonable' basis. The principle of 'fairness' requires costs to be apportioned according to share of usage of the required infrastructure.

The cost apportionment methodology adopted in this DCP also relies on the 'nexus' principle. A use or development is deemed to have a nexus with an infrastructure item if the occupants of, or visitors to, the site in question are likely to make use of the infrastructure in question. Costs are apportioned according to share of infrastructure usage. Since development contributions are levied 'upfront', a true measure of infrastructure usage by individual sites / users (called demand units) is not possible. Hence costs must be shared in accordance with projected share of usage, using best estimates.

This DCP calculates what each dwelling or equivalent 'demand unit' must pay towards provision of the nominated infrastructure projects. This is the total cost of delivering the project divided by the total demand units within its usage catchment (generally referred to as its Main Catchment Area (MCA)).

This DCP is used to charge new development for part of its share of the required capital infrastructure expenditure. Existing development is not charged through this funding tool unless and until it becomes subject to a development application by way of works requiring planning and/or building approval. Further details and exemptions are described in Section 7. The proportion of infrastructure costs attributable to existing development is to be funded by means other than development contributions levied under this DCP.

2.2 Development Contributions Reform and Infrastructure Funding Policy

The State Government has recently announced changes to the DCP system. This includes 'standardised' charges for Growth Areas and Strategic Development Areas as noted in the metropolitan strategy (Plan Melbourne, also recently released). However as this municipal wide DCP does not include any Greenfield Growth Areas or Strategic Development areas, the standardised charging regime will not apply.

New development in the City of Darebin will be required to meet 100 per cent of its share of the capital cost of warranted infrastructure works, as measured by projected share of usage, through development contributions collected under this DCP. The balance of the capital cost of the works will be funded from

alternative sources, including council rates and, where applicable, Federal and State government funding.

Consultation with DTPLI

TBC.

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3 STRATEGIC JUSTIFICATION FOR THE DCP

The strategic base for the DCP is provided by the City of Darebin Planning Scheme and a range of strategies, policies, reports and internal Council documents that address planning and infrastructure development. A brief summary of the reference documents is provided below. Refer to the documents for details.

3.1 Planning Framework

The key reference document for this DCP is:

- Darebin Planning Scheme (incorporating the State Planning Policy Framework, Municipal Strategic Statement and the Local Planning Policy Framework).

In relation to DCPs, Clause 19.03 of the State Planning Policy Framework in the Darebin Planning Scheme states:

Objective

To facilitate the timely provision of planned infrastructure to communities through the preparation and implementation of development contributions plans.

Strategies

Prepare Development Contributions Plans, under the Planning and Environment Act 1987, to manage contributions towards infrastructure.

Collect development contributions on the basis of an approved Development Contributions Plan.

The Darebin Municipal Strategic Statement (MSS) (Section 21 of Darebin Planning Scheme) outlines the strategic vision for Darebin as well as objectives, strategies and policies for managing land use change and development. 'Gentrification' and a rapidly changing socio-economic profile have been identified as a key attribute of change in the MSS.

Section 21.05 of Darebin's Planning Scheme sets out objectives, strategies and implementation actions to address future challenges relating to sustainability, housing, activity centres, open space and recreation, transport and accessibility as well as planning and managing the provision of physical infrastructure. The key strategies to achieve some of the objectives set out in Clause 21.05-10 (Physical Infrastructure) include:

- "Apply a Development Contributions Plan to fund the provision of social and physical infrastructure;

- Prepare long term (10 year) asset management plans for each of Council’s physical assets; and
- Ensure appropriate funding from agencies and developers to maintain and improve the asset base.”

The City of Darebin Local Planning Policies (Clause 22) guide the planning and management of land use in the City. Policies in this section inform the management of residential development, land use relating to industrial and commercial activities and various activity centres in the municipality.

3.2 Infrastructure projects

The reference policies and documents that have informed the infrastructure project items to be included in this DCP are:

- Bill Lawry/Oldis Gardens Master Plan
- Bundoora Park Precinct Master Plan
- Darebin Parklands Master Plan
- Donath - Dole Precinct Master Plan
- Drainage Strategy
- Edwardes Lake Master Plan
- Edwardes Street & Broadway Master Plan
- GreenStreets Strategy
- JUMP Master Plan
- Leisure Strategy
- Open Space Strategy
- Pavement Management System priorities
- Playspace Strategy
- Public Toilet Strategy
- Retail Activity Centres Strategy
- Road Asset Management Plan
- Transport Strategy

Some of the key reference documents listed are summarised below.

Reference documents

Going Places: Darebin Transport Strategy

The Darebin Transport Strategy aims to provide an efficient, equitable and sustainable transport system, taking new state government plans and policies and increased community concern about climate change and peak oil into consideration. The vision of the Strategy is:

“In 2027 Darebin is a community where transport plays a positive role in connecting residents, visitors and employers so that its social networks are strong, local and metropolitan opportunities are accessed easily and the local economy prospers. This is achieved while the people and businesses of Darebin increasingly live within their means, using natural and human resources wisely to reduce the negative environmental and social impacts of travel.”

The key objectives of the Strategy are:

- To improve local and metropolitan accessibility by encouraging ‘local living’, whereby people can access their daily needs within walking distance of their home and reduce their need to drive;
- To increase the attractiveness of sustainable transport modes;

- To improve community safety (particularly pedestrian and cyclist groups) through safer roads;
- To integrate quality urban design, economic development and access to improve pedestrian amenity (eg. addressing traffic issues or impact of car parks on amenity).

In order to promote local living, new key developments (eg. employment centres and higher density residential) will be directed to existing activity centres that are well served by public transport. A map of key destinations in Darebin is provided in Figure 2 below. Guidelines for Integrated Transport Plans will be established in order for this to occur. Public transport is to be given priority where possible and made more convenient and accessible. Pedestrian and cycle links across Darebin are also to be improved.

FIGURE 2: KEY DESTINATIONS IN DAREBIN



Source: Going Places: City of Darebin Transport Strategy, 2007, p. 10

A policy objective of the Strategy is to increase the amount of annual funding received from external sources for transport projects within Darebin. Council will advocate for developer contributions to be allocated to sustainable transport measures. These may include bus shelters, signage, footpath widening and special paving for the mobility-impaired.

Darebin Open Space Strategy

The Darebin Open Space Strategy was developed to work towards the City's Vision for open space:

"A well connected network of accessible open spaces that meets the diverse needs of the community and provides a range of social and environmental benefits."

The Strategy provides the policy framework for the City's Playspace Strategy and GreenStreets Strategy. The key aims of this Strategy are:

- To address the impact of changing populations on the community and on open space;
- To address the potential implications of the development of Retail Activity Centres on open space;
- To review current open space principles and definitions, and development and maintenance standards to meet community and Council expectations;
- To incorporate the playground strategy.

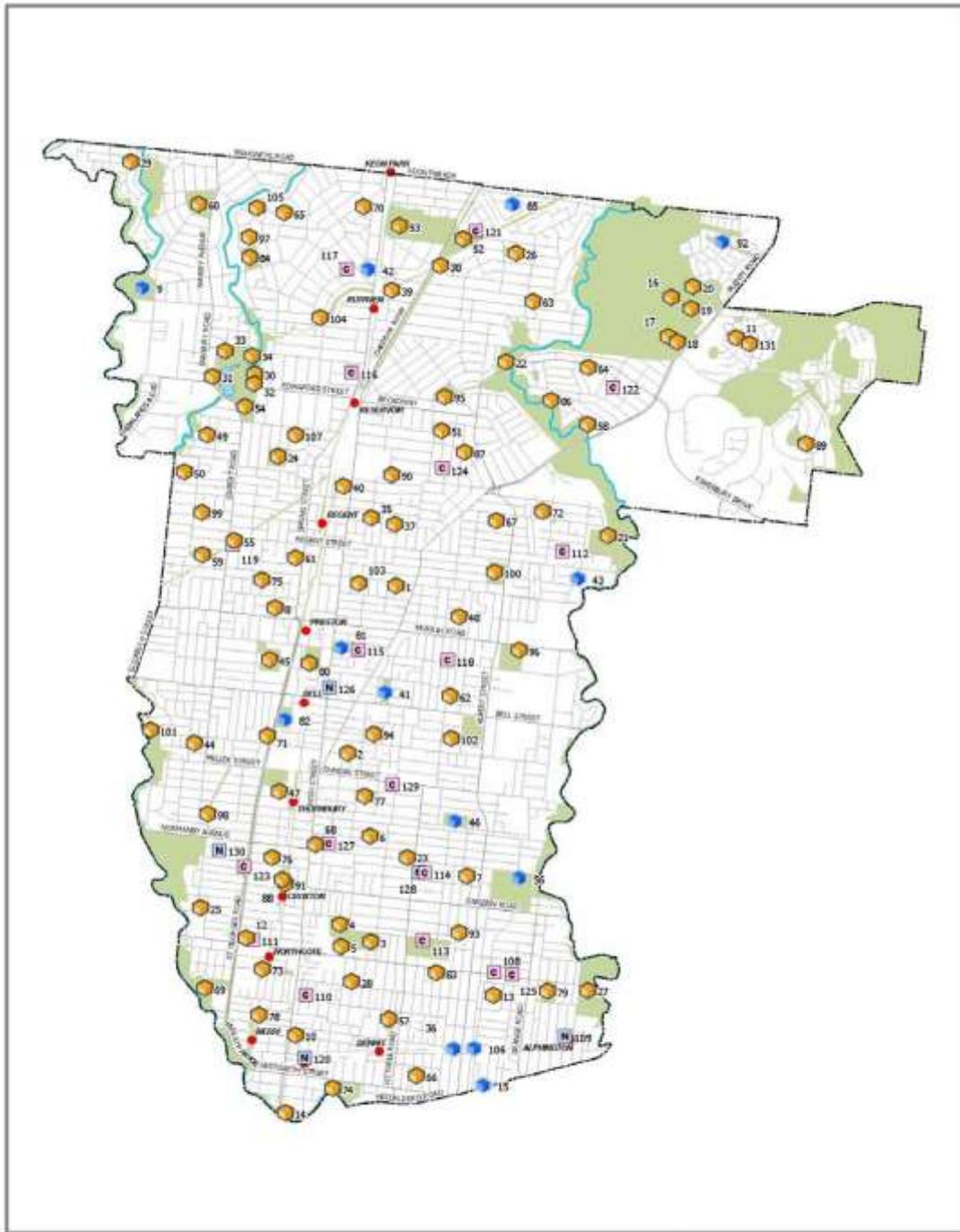
Council will seek partnerships with communities and organisations in the provision of open space. These could potentially include VicTrack, Melbourne Water, schools and community groups. Open spaces are to be maintained according to established quality standards, sustainability principles and diversity of use, along with effective community engagement.

Darebin Playspace Strategy

The Darebin Playspace Strategy aims to examine different types of play and establish a balanced model for playspace planning in Darebin, ensuring accessible and quality opportunities for play in communities. It iterates the importance of establishing a diverse range of opportunities that incorporates physical, cognitive, creative, imaginative and social aspects.

While research has indicated that the standard renewal or replacement period for playspaces is 10-15 years, it was found that in Darebin this occurs only every 15-30 years. The document proposes upgrades to develop the broader playspace area, including equipment, paths, furniture and landscaping. Figure 3 below displays the positioning of new playspaces in the City. A Playspace Renewal program for the renewal of existing playspaces and the development of new playspaces is to be developed for consideration in Council's Annual Capital Works Budget. Funding opportunities for artwork projects in playspaces are also to be investigated.

FIGURE 3: DAREBIN PLAYSPACE MAP (INCLUDING NEW PLAYSPACES)



Playspace Type

- Parks with Playspaces
- New Playspaces in Public Parks
- Childrens Services Centre Playspaces
- Neighbourhood House Playspaces
- Darebin Council Boundary
- Open Space

**FIGURE 1
DAREBIN PLAYSACE TYPE**

SCALE 1:50,000
0 200 300 METRES

CITY OF DAREBIN

Figure
F1

Source: City of Darebin Playspace Strategy, July 2010, p. 33

Darebin Leisure Strategy

The Darebin Leisure Strategy was developed in order to:

“Create an inclusive environment where our diverse community can experience physical and mental wellbeing by participating in sustainable sport and recreation activities.”

Council intends to promote community engagement in creating and developing leisure programs, facilities and services. It will work towards creating programs that are diverse and inclusive, in order to encourage wide participation and community wellbeing, as well as celebrate diversity of arts and culture.

The importance of maintaining and renewing infrastructure, along with promoting environmentally sustainable design and climate change resilience, is also noted. Co-contributions from sports clubs and communities groups to improve community facilities is to be encouraged. With the development of partnerships with community groups, organisations, other levels of government and the private sector, Council intends to increase, promote and provide leisure opportunities.

GreenStreets Streetscape Strategy

This strategy was developed in order to provide a high level strategic document to guide Council management and design of the City’s streetscapes. Council will allocate funding each financial year towards the realisation of the Strategy, and community consultation will be undertaken to ensure sound results. Water Sensitive Urban Design, permeable surfaces and passive irrigation technology are to be incorporated into new capital works projects and the retrofitting of existing public spaces. The urban street tree population will be increased by a net gain of at least 400 each financial year, and opportunities for community gardening and urban food production will be explored.

The document identifies key civil infrastructure to be considered in improving streetscapes, such as kerbs, road surfaces, footpaths and drainage crossings. It is recommended that improvements to a streetscape are conducted at one time in order to minimise disruption to the street and maximise resourcing.

Gateways are identified as significant points of entry and exit for the City. It is advised that many gateways – often large or iconic streets – are in a state of decline and must undergo strategic assessment. As such, a detailed master plan is to be created for all gateways and major streetscapes, with the intent of conducting upgrades.

3.3 Relationship between infrastructure projects and development

The various project categories which are to be funded via this DCP are:

- **Transport infrastructure:** projects under this category include roadworks such as rehabilitation and reconstruction of roads, resurfacing of local roads, provision of road safety improvements, renewal and replacement of pedestrian infrastructure such as footpaths and construction and replacement of bikepaths. These works are required to accommodate anticipated growth with higher levels of population and higher levels of transport demand.
- **Drainage:** projects include renewal and replacement of existing drains, and provision of drainage where there is no/inadequate drainage.
- **Public Realm:** projects funded via this DCP include embellishment of the public realm such streetscape upgrades to benefit all residents and workers in Darebin.
- **Community facility:** projects include provision of public toilets and pavilions, to provide for population growth and services where none presently exist or are deemed to be inadequate.
- **Open space:** projects include repairs and upgrades to sports fields and sports grounds, renewal of public park assets and upgrades to parklands.

The costs of preparing this DCP are not included in the DCP?

4 KEY ELEMENTS OF THE DCP

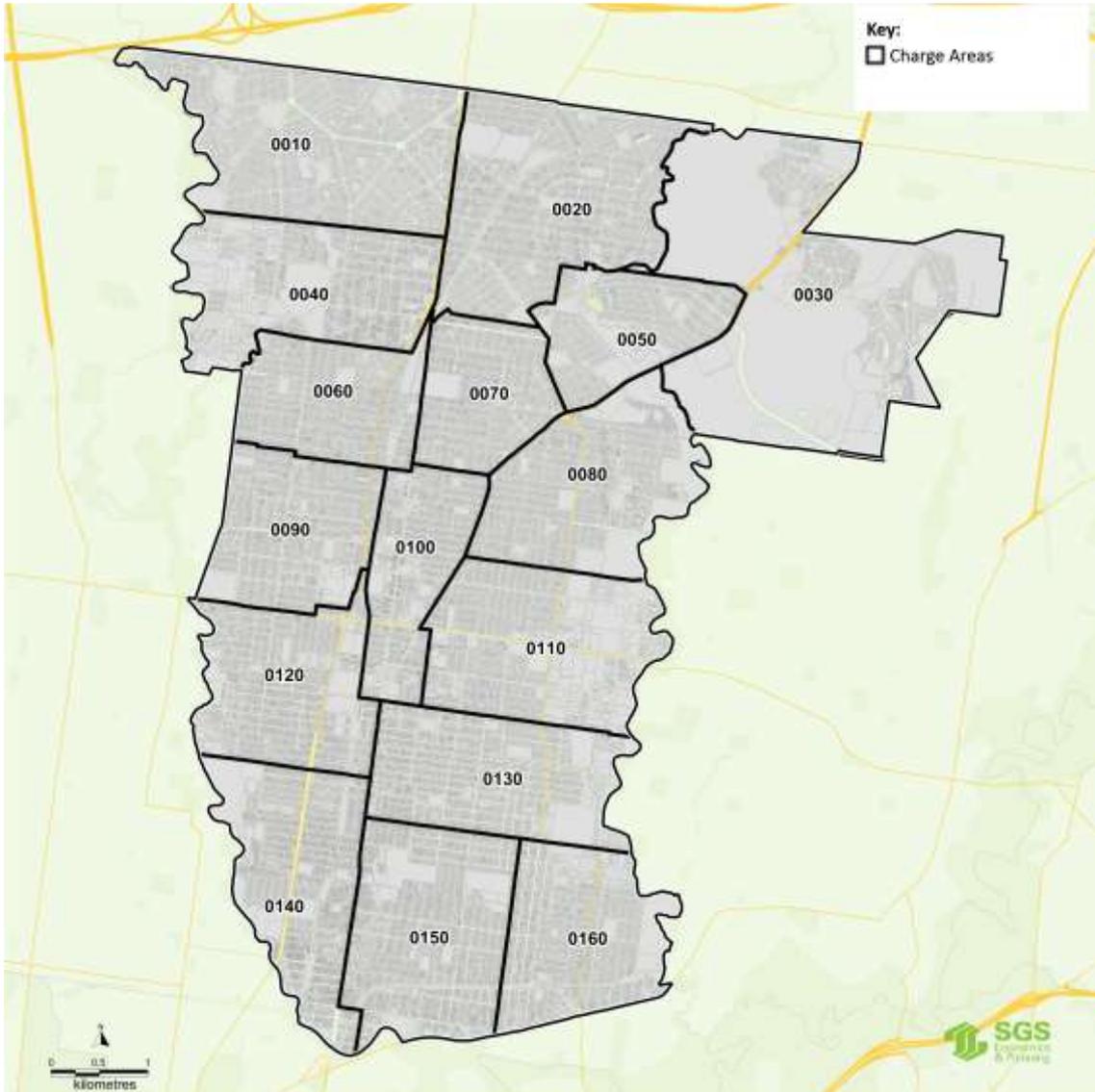
4.1 Charge Areas

Contribution rates in this DCP are set for spatial units known as '*charge areas*'. A charge area is a small land area within the DCP area for which a discrete development contribution rate is calculated. In this DCP, Darebin has been divided into 16 charge areas, numbered 0010 to 0160 as set out in Figure 4 below. All development within a particular charge area will be required to pay the same contribution amount per dwelling or equivalent demand unit.

In setting the boundaries for each charge area, the key principle is that potential for 'cross subsidies' is kept as low as possible. A cross subsidy occurs when development is asked to pay for infrastructure that it will rarely use, or is asked to pay above its fair share based on expected share of usage. However, the avoidance of cross subsidies ought not to be taken to extremes. Defining a charge area is not an exact science. Allowing for a reasonable margin of error when assessing usage nexus is appropriate. This is partially because of the inevitable uncertainties in projecting demand catchments and usage well into the future. Also, in some cases there may be an overriding community of interest in place which may justify a common charge across many areas.

The charge areas in this DCP are based on land areas that reasonably approximate to catchments for infrastructure projects. The land areas are deemed small enough to eliminate the prospect of serious cross subsidisation. Contribution rates will often vary across different charge areas depending on the number and cost of infrastructure projects provided to service each area. The main catchment area for a particular project may include more than one charge area.

FIGURE 4. DAREBIN DEVELOPMENT CONTRIBUTION PLAN - CHARGE AREAS



Source: SGS, 2014 (data provided by City Darebin)

4.2 Development stocktake and projections

The DCP is based on infrastructure and development within a 10 year horizon (2015-2024). A stocktake of, and projections for all major anticipated development types are summarised Table 2 below. The Appendix contains additional information on the development and projections data.

TABLE 2. DEVELOPMENT STOCKTAKE AND PROJECTIONS, DAREBIN 2014-2024

Development Type	Units	Existing conditions (2014)	Future Development (2015-2024)	Full Development Conditions (2025)
Residential	Dwellings	61,293	7,198	68,453
Retail	Floorspace (Sqm)	215,555	25,420	240,975
Commercial	Floorspace (Sqm)	432,600	162,339	594,940
Industrial	Floorspace (Sqm)	842,173	32,559	874,732

Source: SGS, 2014; City of Darebin, 2014

4.3 Development and infrastructure usage nexus

This DCP has five infrastructure categories:

- Transport infrastructure;
- Drainage;
- Public Realm
- Open space; and
- Community facility.

Residential development will utilise all five infrastructure categories, and there will be required to make a contribution accordingly. Non-residential development are deemed to make use of three infrastructure categories – transport infrastructure, drainage and public realm.

In established areas such as Darebin, residential and non-residential development alike will make use of streetscaping and street level amenity (Public realm works). While residents obviously benefit from improved amenity and public realm in the area in which they reside, the employees of businesses in the area also spend substantial time out in the public domain, as do visitors to shops, cafes and restaurants. As such, all land users benefit from, and make use of an improved public realm. Similarly, non-residential users also rely on there being sufficient transport and drainage infrastructure. These principles are summarised in Table 3.

TABLE 3. INFRASTRUCTURE USAGE NEXUS

	Transport Infrastructure	Drainage	Public Realm	Open space	Community facility
Residential	Yes	Yes	Yes	Yes	Yes
Retail	Yes	Yes	Yes	No	No
Commercial	Yes	Yes	Yes	No	No
Industrial	Yes	Yes	Yes	No	No

Source: SGS, 2014

4.4 Equivalence Ratios

Where more than one development type is identified as a user of infrastructure projects (as is the case for Transport infrastructure, Drainage and Public Realm), recognition is given to the fact that different non-residential land uses place a differential demand loading on the project per unit area of development. This is done by expressing all development types in an equivalent ‘demand unit’ format before DCP calculations are made. This is not done for Community facility and Open space projects because only residential units are required for calculations.

For the purpose of this DCP, one dwelling is adopted as one demand unit. Other development forms are then converted into this demand unit based on equivalence ratios as shown in Table 4. Table 4 shows the accepted rates adopted by Darebin City Council.

TABLE 4. EQUIVALENCE RATIOS

	Transport infrastructure	Drainage	Public Realm	Open space	Community facility
Residential	1 dwelling	1 dwelling	1 dwelling	1 dwelling	1 dwelling
Retail	19 sqm	144 sqm	49 sqm	-	-
Commercial	121 sqm	180 sqm	61 sqm	-	-
Industrial	132 sqm	184 sqm	196 sqm	-	-

Note: sqm = square metres of leasable floorspace

The above equivalence ratios have been used to calculate total demand units (existing and projected) for each charging area and for each infrastructure category.

For example, the ratios show that 19 sqm of Retail floorspace is assumed to generate the same demand loading on transport infrastructure as one dwelling. The equivalent Commercial unit for transport infrastructure demand loading is 121 sqm of development.

The equivalence ratios for Transport and Drainage infrastructure are adopted from the Development Contributions Guidelines, 2007. The Guidelines do not provide Equivalence Ratios for Public Realm projects, therefore custom ratios were developed to convert non-residential developments to common demand units. The following methodology was applied to estimate ratios.

To convert non-residential development into a common demand unit, one dwelling has been set as the common demand unit. An assumption has been made that a single worker in Darebin would make a similar level of use of the “public realm” as a single resident. It has been recognised that the occupation of the spaces and use of amenities would be different depending on time during the day or week. Therefore the task is to determine how many workers of non-residential development generate the same demand as a dwelling, based on the average household size of Darebin.

For Darebin, the average household size is estimated as 2.45 persons per dwelling (id Consulting, 2014). Therefore 2.45 workers are deemed to generate as much demand for public realm as a dwelling. To translate the demand generated by employees into floorspace, an assumed ratio by development types was used.

Retail = 20 sqm per employee

Commercial = 25 sqm per employee

Industrial = 80 sqm per employee

The individual infrastructure project sheets forming part of this DCP identify total demand units by main catchment area for each project. Refer to the Appendix for more information about equivalence ratios.

4.5 Development Types

In this DCP:

- **Residential** includes those uses nested as Accommodation in Clause 75 (75.01) of the Darebin Planning Scheme.
- **Retail** includes those uses nested as Retail premises in Clause 75 (75.11 and 75.12) of the Darebin Planning Scheme.
- **Commercial** includes those uses nested as Office (75.08), Leisure and recreation (75.06), Education centre (75.04), Place of Assembly (75.09); and not nested as Art and craft centre, Brothel, Car park, Cinema based entertainment facility, Funeral parlour, Display home, Hospital, Research centre, Saleyard, Service station and Veterinary centre (75.17) in Clause 75 of the Darebin Planning Scheme.
- **Industrial** includes those uses nested as Industry (75.05) and Warehouse (75.15) in Clause 75 of the Darebin Planning Scheme.

Further guidelines to estimate demand units based on development type (eg Aged care facility), are included in the Appendix. If a development proposal does not fall into any one or more than one of the categories of Residential, Retail, Commercial or Industrial as define din this DCP, Darebin City Council as the Collenting Agency must determine the most appropriate category for that development type or types and apply the levy to the development as if the development fell within that category.

5 INFRASTRUCTURE PROJECTS

5.1 Works required

Planned works for DCP

The City of Darebin has determined that 484 infrastructure projects are to be included this DCP. The breakdown of these projects is as follows.

TABLE 5. SUMMARY OF PROJECTS – DAREBIN DCP

Infrastructure Type	No. of Projects	Value (\$)	Reference documents
Transport Infrastructure	169	\$68,836,136	Transport Strategy, Open Space Strategy
Drainage	62	\$5,841,671	Drainage Strategy
Public Realm	26	\$12,999,170	GreenStreets Strategy, Retail Activity Centres Strategy
Open space	200	\$47,521,519	Playspace Strategy, Bundoora Park Precinct Master Plan
Community facility	27	\$20,472,303	Public Toilet Strategy, Leisure Strategy
Total	484	\$155,670,800	

Source: City of Darebin, 2014

The works, services and facilities to be funded via this DCP are set out in the Appendix.

5.2 Development and Community Infrastructure

The Planning and Environment Act 1987 required that infrastructure in a DCP be classified in one of two categories: Development Infrastructure (DI) and Community Infrastructure (CI). The collection of contributions for Community Infrastructure is limited to the building permit stage and there is a statutory cap on the level of Community Infrastructure contributions (\$900 per demand unit).

Development Infrastructure is generally charged at the planning permit stage and the amount of levy, which is uncapped, is determined by this DCP. In this DCP, all Transport infrastructure and Drainage projects are classified as Development Infrastructure. Some Community facility and Open space projects are also classified as Development Infrastructure. The classification of these projects as DI or CI is based on their nature in accordance with Ministerial Directions.

5.3 Project timing and delivery

Notional delivery dates have been identified for the infrastructure projects listed in this DCP. In terms of actual project delivery dates, flexibility is required. For calculation purposes, the nominal delivery dates for the projects are as per the timings included in the Appendix. Council reserves the right to deliver the projects earlier than the delivery dates shown. In terms of statutory responsibilities of funds collected through development contributions, Council is committing to deliver all projects within the horizon of the plan.

6 DEVELOPMENT CONTRIBUTION RATES

6.1 Method of calculating charges

The cost apportionment methodology adopted in this DCP relies on the nexus principle described in Section 2. Costs are apportioned according to projected share of infrastructure usage. The method used to calculate infrastructure charges for this DCP is summarised below.

- Define and schedule the infrastructure items required to service the area, other than on-site work carried out by the developer;
- For each infrastructure project, identify the main catchment area (MCA);
- Project the growth in demand units in each catchment area over the life of the funding plan;
- If applicable, adjust the cost of each infrastructure item downwards in line with the estimated share of usage coming from outside each project's main charge area and / or outside the time frame of the DCP;
- Divide the infrastructure cost by the number of demand units to arrive at a charge per demand unit; and
- Aggregate all charges that apply to a particular charging area to arrive at a total charge.

The total levy for each charge area is the sum of the individual project charges that relate to each charge area. This is aggregated separately for Development Infrastructure and Community Infrastructure for each charge area.

This DCP has made calculations using present value discounting to take into account time value of money, in terms of when funds are expected to be collected versus when they are expected to be spent. Refer to the Appendix for more details.

The Appendix shows the DCP calculations for each infrastructure project. The calculation sheets show all of the information inputs used to determine the infrastructure charge attached to each project.

6.2 Development contribution rates per demand unit and development types

The development contributions that apply to each charge area for each demand unit are set out in Table 7. The rates payable for each development type are set out in TABLES using the equivalence ratios set out in Table 4. For non-residential development types, charges set out are converted and expressed as per 100 square metres of leasable floorspace to assist in usability.

Development contribution amounts have been calculated for prices as at June 2014. They must be adjusted annually on July 1 each year to reflect the rise or fall in prices according to the following method:

- The capital cost for each infrastructure item is adjusted by applying the Producer Price Indexes (6427.0) for Non-residential construction in Victoria, as published by the Australian Bureau of Statistics on each year for the previous 12 month period.

TABLE 6. DEVELOPMENT CONTRIBUTION RATES PER DEMAND UNIT (UNCAPPED)

Area	DI Transport Infrastructure	DI Drainage	DI Public Realm	DI Open space	CI Open Space	CI Community facility
Area 0010	\$1,213.75	\$115.69	\$75.26	\$94.71	\$526.09	\$116.99
Area 0020	\$724.08	\$31.31	\$172.27	\$47.85	\$922.78	\$530.46
Area 0030	\$323.37	\$54.25	\$76.78	\$60.43	\$405.02	\$25.60
Area 0040	\$402.67	\$55.98	\$263.56	\$104.58	\$644.90	\$439.39
Area 0050	\$961.95	\$91.08	\$96.00	\$86.12	\$604.52	\$537.63
Area 0060	\$665.50	\$82.11	\$186.57	\$94.75	\$502.82	\$227.87
Area 0070	\$417.07	\$33.36	\$379.00	\$38.06	\$219.33	\$25.60
Area 0080	\$284.99	\$24.79	\$54.46	\$60.15	\$236.52	\$134.78
Area 0090	\$559.43	\$103.82	\$45.55	\$28.01	\$374.65	\$152.24
Area 0100	\$500.69	\$57.73	\$305.53	\$47.59	\$196.43	\$85.37
Area 0110	\$336.46	\$43.33	\$37.84	\$53.34	\$297.11	\$582.53
Area 0120	\$794.87	\$25.74	\$81.88	\$38.10	\$267.92	\$204.78
Area 0130	\$486.13	\$57.54	\$39.57	\$35.15	\$401.72	\$141.55
Area 0140	\$754.00	\$33.23	\$61.07	\$18.63	\$307.95	\$205.47
Area 0150	\$582.90	\$49.42	\$63.36	\$30.13	\$608.88	\$25.30
Area 0160	\$356.11	\$116.04	\$81.02	\$52.13	\$988.95	\$317.81

Source: SGS, 2014

TABLE 7. DEVELOPMENT CONTRIBUTION RATES PER DEMAND UNIT (CAPPED)

Area	DI Transport Infrastructure	DI Drainage	DI Public Realm	DI Open space	CI Open Space	CI Community facility
Area 0010	\$1,213.75	\$115.69	\$75.26	\$94.71	\$526.09	\$116.99
Area 0020	\$724.08	\$31.31	\$172.27	\$47.85	\$369.54	\$530.46
Area 0030	\$323.37	\$54.25	\$76.78	\$60.43	\$405.02	\$25.60
Area 0040	\$402.67	\$55.98	\$263.56	\$104.58	\$460.61	\$439.39
Area 0050	\$961.95	\$91.08	\$96.00	\$86.12	\$362.37	\$537.63
Area 0060	\$665.50	\$82.11	\$186.57	\$94.75	\$502.82	\$227.87
Area 0070	\$417.07	\$33.36	\$379.00	\$38.06	\$219.33	\$25.60
Area 0080	\$284.99	\$24.79	\$54.46	\$60.15	\$236.52	\$134.78
Area 0090	\$559.43	\$103.82	\$45.55	\$28.01	\$374.65	\$152.24
Area 0100	\$500.69	\$57.73	\$305.53	\$47.59	\$196.43	\$85.37
Area 0110	\$336.46	\$43.33	\$37.84	\$53.34	\$297.11	\$582.53
Area 0120	\$794.87	\$25.74	\$81.88	\$38.10	\$267.92	\$204.78
Area 0130	\$486.13	\$57.54	\$39.57	\$35.15	\$401.72	\$141.55
Area 0140	\$754.00	\$33.23	\$61.07	\$18.63	\$307.95	\$205.47
Area 0150	\$582.90	\$49.42	\$63.36	\$30.13	\$608.88	\$25.30
Area 0160	\$356.11	\$116.04	\$81.02	\$52.13	\$582.19	\$317.81

Source: SGS, 2014

Development Contribution Rates per 100sqm of Retail Floorspace

Development Contribution Rates per 100sqm of Commercial Floorspace

Development Contribution Rates per 100sqm of Industrial Floorspace

DISCOUNTING FROM PREVIOUS DCP – BASED ON OVERCOLLECTION OF FUNDS - TBC

7 PROCEDURAL MATTERS

7.1 Liability for development contributions

Proponents of all development types anywhere in the DCP Area identified in Figure 1 shall be liable for development contributions. Should a development proposal fall outside the definitions of the residential and non-residential classifications used in this DCP, Darebin City Council as the Collecting Agency shall determine the most appropriate development types or types as the basis for levying of a charge upon that development proposal. Such development may require a case-by-case basis assessment of the number of demand units that they represent. This assessment will occur at the time a planning or building permit is applied for, whichever occurs first.

Exempt development

The following development is exempt from the requirement to make development contributions under this DCP:

- A non-government school as defined in Part 3 of the Ministerial Direction on Development Contributions Plans of January 2012
- Developments that comprise of :
 - renovations or alterations to existing dwellings;
 - demolition of a dwelling followed by construction of a replacement dwelling on the same land. The exemption applies to a single dwelling but not a second or subsequent dwellings on the same land (contributions only apply to net increase in dwellings/lots);
 - outbuildings normal to an existing dwelling and fences;
- reinstatement of a building which has been unintentionally damaged or destroyed. For non-residential building, the exemption only relates only to the extent that the floor area of the new building is not greater than the damaged or destroyed building.
- The construction of buildings and works associated with any item funded under the DCP.
- Buildings and works where the purpose is in alignment with the core charitable function of a registered not for profit organisation.
- Education Centre for students with disabilities.
- Buildings and Works associated with a public use operated by a public authority on land zoned Public use, Public Park and Recreation or Public Conservation and Resource Zone.

7.2 Method of payment

Development contribution payments are to be made in cash. City of Darebin, as the Collecting Agency at its discretion may consider accepting any works or land comprising an infrastructure project in this DCP in lieu of cash contributions.

Payment of Development Infrastructure Levy

For subdivision of land

A Development Infrastructure Levy must be paid to the Collecting Agency within the following specified time, namely after certification of the relevant plan of subdivision but not more than 21 days prior to the issue of a Statement of Compliance in respect of that plan under the Subdivision Act.

Where the subdivision is to be developed in stages the Development Infrastructure Levy for the stage to be developed only may be paid to the Collecting Agency within 21 days prior to the issue of a Statement of Compliance in respect of that stage provided that a Schedule of Development Contributions is submitted with each stage of the plan of subdivision. This Schedule must show the amount of the development contributions payable for each stage and value of the contributions in respect of prior stages to the satisfaction of the Collecting Agency.

For development of land where no subdivision is proposed

Provided a Development Infrastructure Levy has not already been paid in respect of the land, a Development Infrastructure Levy must be paid to the Collecting Agency in accordance with the provisions of the Development Contributions Plan for each Demand Unit proposed to be developed prior to the commencement of any development. The Collecting Agency may agree to the deferral of the payment of the portion of the Development Infrastructure Levy payable to it.

Where no planning permit is required

Unless some other arrangement has been agreed to by the Collecting Agency in a section 173 agreement made under the Act, prior to the commencement of any development, a Development Infrastructure Levy calculated in accordance with the provisions of the Development Contribution Plan must be paid to the Collecting Agency.

Community Infrastructure Levy

Payment of the Community Infrastructure is to be made prior to the issue of a Building Permit under the Building Act 1993 and the relevant Building Regulations or at any other time which is set out in an agreement with the Collecting Agency. If no building permit is required, the Community Infrastructure Levy must be paid prior to the commencement of Building Works or at any other time which is set out in an agreement with the Collecting Agency.

7.3 Funds administration and accounting

Once the DCP is incorporated in the planning scheme, City of Darebin as the Collecting Agency will be responsible for financial management of the DCP. The Collecting Agency is the public authority to whom all the levies are payable. As the Collecting Agency, City of Darebin is responsible for the administration of this Development Contributions Plan and also its enforcement. City of Darebin is also the Development Agency, and is responsible for the provision of the works funded.

Funds collected through development contributions will be held in a specific interest-bearing reserve account in accordance with the provisions of the *Local Government Act 1989 (Part 3b section 46Q(1)(a))*.

All monies held in this account will be used solely for the provision of infrastructure as itemised in this DCP, or otherwise in accordance with the Planning and Environment Act 1987.

Darebin City Council as Collecting Agency will provide for regular monitoring, reporting and review of the monies received and expended in accordance with this DCP through a separate set of audited financial statements. **Darebin to advise if any other processes to ensure ongoing monitoring and review of DCP.**

Should Council resolve not to proceed with any of the projects listed in this DCP, the funds collected for these items will be used for the provision of additional works, services and facilities as approved by the Minister responsible for the Planning and Environment Act 1987, or will be refunded to owners of the land subject to these infrastructure charges.

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8 APPENDIX 1 – DEVELOPMENT DATA

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9 APPENDIX 2 – EQUIVALENCE RATIOS

Includes ratios to convert Aged Care facility to common demand unit

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10 APPENDIX 3 - INFRASTRUCTURE PROJECT DETAILS

DRAFT

11 APPENDIX 4 – PRESENT VALUE DISCOUNTING

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12 APPENDIX 5 – INFRASTRUCTURE PROJECT CALCULATIONS

DRAFT

13 APPENDIX 6 – AUDIT OF EXPIRED DCP

Includes analysis of funds collected vs spent

Relevant findings from discussions with DTPL

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