

PLANNING SCHEME AMENDMENT C208 DEVELOPMENT CONTRIBUTIONS PLAN

4 June 2013

Presenter: David Mayes, Manager Strategic Planning

Purpose and background

1. The purpose of this report is to present proposed Planning Scheme Amendment C208 Development Contribution Plan.
2. Council approved structure plans for the Arden-Macaulay and City North urban renewal areas on 7 February 2012 and for the Southbank urban renewal area in 2010. These plans make specific recommendations for new community centres, public realm improvements, drainage upgrades and other public infrastructure to meet the needs of future population growth. They also recommend investigating development contributions plans as a funding source for this infrastructure.

Key issues

3. Amendment C208, which is at Attachment 2, proposes to introduce three Development Contributions Plan Overlay (DCPO) Schedules into the planning scheme to require developers of property in the DCPO areas within each of the three urban renewal areas to provide a financial contribution towards the cost of specified infrastructure projects based on the structure plan recommendations. The DCPO is for the 15 year period 2015/16 to 2029/30. The charge rate for the contribution is indexed annually.
4. Over the 15 years the estimated total cost at net present value (NPV) of the infrastructure projects for all the three DCPOs is \$175.4 million. The charges will range from \$1,047 to \$6,518 per dwelling (or equivalent for commercial floor space) depending on the development site's location. The estimated total DCPOs revenue over 15 years is \$36.4 million (NPV) or 20.75 per cent of the total infrastructure cost. The remaining 79.25 per cent of the infrastructure cost will be funded from the City of Melbourne's general revenue.
5. Each DCPO area is sub-divided into small charging areas for which a discrete charge rate is calculated. Development within a particular charging area will be required to pay the same contribution amount per dwelling or equivalent demand unit. The boundaries of a charging area have been set to minimise the potential for 'cross-subsidies'. A cross-subsidy occurs when development is asked to pay for infrastructure that it will rarely use, or to pay above its fair share based on expected share of usage.
6. The *Arden-Macaulay, City North and Southbank Developer Contributions Plans* (refer to Attachment 3) which is incorporated into Amendment C208 lists the proposed infrastructure projects, sets out the calculation of the development contribution charges and explains and justifies all the information inputs and the method of calculating the charge.
7. The DCPOs only apply to new development. The charges have been discounted for existing development in the charging area and for use of the proposed infrastructure from outside the DCPO area or time frame. Existing residents and workers in the areas will benefit from the proposed infrastructure.
8. If Council does not deliver an infrastructure project for which it has collected money it is required to refund the money or request the Minister of Planning to allow the substitution of an alternative infrastructure project.

Recommendation from management

9. That the Future Melbourne Committee seek authorisation from the Minister for Planning under the *Planning and Environment Act 1987*, to prepare and exhibit Planning Scheme Amendment C208 Developer Contributions Plans.

Attachments:

1. Supporting Attachment
2. Melbourne Planning Scheme Amendment C208
3. Arden Macaulay, City North and Southbank DCPs

SUPPORTING ATTACHMENT

Legal

1. Part 3 of the *Planning and Environment Act 1987* sets out the procedure for planning scheme amendments.

Finance

2. The costs for preparing and processing Planning Scheme Amendment C208 can be met within the current budget.
3. The total cost of the proposed infrastructure for the three areas is \$175.4 million (Net Present Value). The money collected via the DCP is expected to contribute \$36.4 million (NPV) which is 20.7 per cent of the total cost of the proposed infrastructure. The remaining cost will be met by Council.

Conflict of interest

4. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Stakeholder consultation

5. Amendment C208 implements the directions of the City North Structure Plan 2012, the Arden Macaulay Structure Plan 2012 and the Southbank Structure Plan 2010. Consultation on the Structure Plans was widely promoted and comprehensive. There were forums for residents, businesses, the planning and development industry and key government departments.
6. Peak development bodies including the Property Council, the Master Builders Association, and UDIA, have been briefed on Amendment C208 and invited to make a submission once the amendment is exhibited.
7. Further public consultation will be undertaken through the formal exhibition of Planning Scheme Amendment C208, subject to authorisation being issued by the Minister for Planning. Affected property owners and other stakeholders will have the opportunity through this process to respond to the findings of the Review and to the proposed planning controls.
8. Should an Independent Panel be appointed to review Amendment C208, submissions made to exhibition of the amendment will be provided to the panel for consideration. Submitters will also have the opportunity to address the panel.

Relation to Council policy

9. The Amendment is consistent with the City North Structure Plan 2012, the Arden Macaulay Structure Plan 2012 and the Southbank Structure Plan 2010.

Environmental sustainability

10. The amendment will help the construction of new and upgraded infrastructure that will improve the environmental sustainability of each of the urban renewal areas.

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AMENDMENT C208

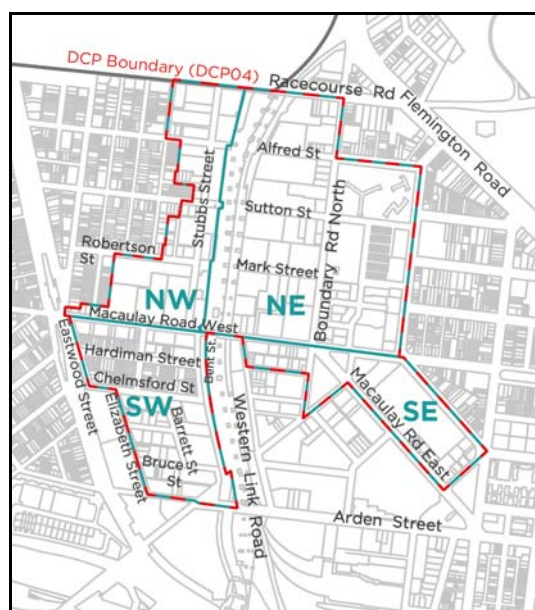
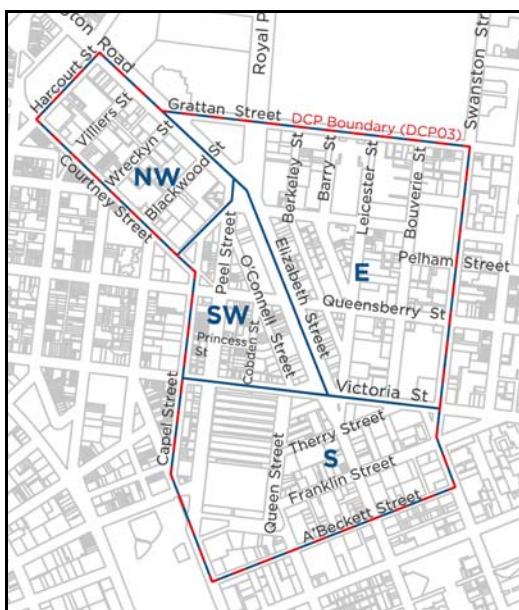
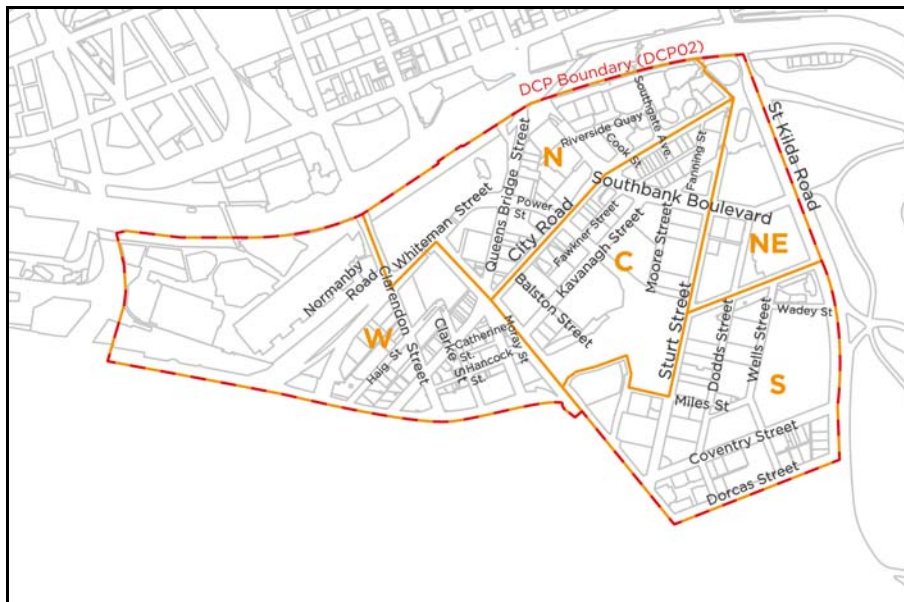
EXPLANATORY REPORT

Who is the planning authority?

This amendment has been prepared by the City of Melbourne which is the planning authority for this amendment.

Land affected by the amendment

The amendment applies to areas within the three urban renewal areas of Southbank, City North and Arden-Macaulay. The following maps illustrate the boundaries where the Development Contributions Plan Overlay (DCPO) will apply for each urban renewal area.



What the amendment does

The Amendment proposes to apply the Development Contributions Plan Overlay (DCPO) over the three urban renewal areas of Southbank, City North and Arden-Macaulay.

The Amendment will:

1. Apply the Development Contributions Plan Overlay and associated new Schedules to land commonly known as Southbank (DCPO2) City North (DCPO3) and Arden/Macaulay (DCPO4).
2. Amend the Municipal Strategic Statement by inserting an objective and strategy regarding the funding of infrastructure; or amend the (adopted) Municipal Strategic Statement at Clause 21.10-1 by inserting an objective and strategy regarding the funding of infrastructure.
3. Insert a new Incorporated Document titled *Arden Macaulay, City North and Southbank DCPs SGS Economics and Planning* into the Schedule to Clause 81.01 of the Planning Scheme

Strategic assessment of the amendment

• Why is the amendment required?

The amendment implements actions from the *Southbank Structure Plan 2010*, *City North Structure Plan 2012* and *Arden Macaulay Structure Plan 2012*. All three Structure Plans were recently adopted by Council and they identify key capital works projects, including public realm, drainage and community infrastructure projects. These projects will support the anticipated population growth and land use transition. The common objective is that these three identified growth areas evolve as liveable and sustainable city precincts.

These three Structure Plan areas are the subject of current separate Planning Scheme Amendments, which seek to rezone land, introduce height controls and built form provisions to facilitate and encourage development in these urban renewal areas.

The *Arden Macaulay, City North and Southbank Development Contributions Plan, May 2013* provides a formal and equitable mechanism for Council to collect development contributions towards infrastructure provision. The Development Contributions Plan provides a certain and transparent means by which Council can recover some of the costs towards the on-going provision and delivery of adequate civil and community infrastructure.

The Development Contributions Plan is set over a 15 year timeframe. The infrastructure provided through the Development Contributions Plan will benefit existing and new residents and workers in these three areas. The Development Contributions Plan will provide certainty for Council, developers and the broader community on how and to what extent new development will be levied to ensure the necessary infrastructure is delivered in a timely manner. The following types of infrastructure will be partly funded through the Development Contributions Plan:

- Streetscape upgrades – including footpath widening, new cycling infrastructure and street tree planting;
- Key public realm projects – new local centres, improvements to areas underneath the freeway in Southbank and new pedestrian/cycling bridge crossings over Moonee Ponds Creek;
- Upgrades to drainage infrastructure and Water Sensitive Urban Design (WSUD) interventions - pump stations and pipe networks;
- Delivery of new multi-purpose community centres – including land acquisition and building construction.

The DCP will not fund the delivery of open space; this is the subject of Melbourne Planning Scheme Amendment C209 – Public Open Space Contributions.

• **How does the amendment implement the objectives of planning in Victoria?**

By planning for the provision and funding of infrastructure, the amendment assists in implementing the following objectives of planning in Victoria as outlined in Section 4(1) of the Planning and Environment Act 1987:

- To provide for the fair, orderly, economic and sustainable use, and development of land;
- To secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria;
- To protect public utilities and other assets and enable the orderly provision and co-ordination of public utilities and other facilities for the benefit of the community;
- To facilitate development in accordance with the objectives set out in the paragraphs above;
- To balance the present and future interests of all Victorians.

• **How does the amendment address the environmental effects and any relevant social and economic effects?**

Social and economic effects

The amendment will ensure the equitable collection and distribution of development contributions and provide for a financial contribution to community infrastructure required to service the existing and projected population. In addition to this, it will facilitate the provision of infrastructure to improve services, the amenity, appearance and safety for current and future residents and workers

Environmental effects

The amendment will have positive environmental outcomes as it will assist in the funding of new and upgrade of drainage infrastructure.

• **Does the amendment address relevant bushfire risk?**

Not applicable.

• **Does the amendment comply with the requirements of any Minister's Direction applicable to the amendment?**

The Amendment complies and is consistent with the requirements of the Ministerial Direction on the Form and Content of Planning Schemes and with the requirements of Ministerial Direction 11 on the Strategic Assessment of Planning Scheme Amendments.

The Amendment is also consistent with Ministerial Direction No.9 Metropolitan Strategy made under Section 12 of the Act. In particular the amendment will help to implement and support the following directions under Melbourne 2030:

Direction 1- A more compact city

Direction 2 – Better management of Metropolitan Growth

Direction 5 – A great place to be

Direction 6 – A fairer city

Direction 9 – Better planning decisions, careful management

The amendment is also consistent with the Ministerial Direction relating to Development Contributions Plans under Section 46M(1) of the Act.

• **How does the amendment support or implement the State Planning Policy Framework and any adopted State policy?**

The Amendment supports and is consistent with the following:

Clause 11 – Settlement

11.02 Urban growth

11.02-1 Planning for growth areas

To locate urban growth close to transport corridors and services and provide efficient and effective infrastructure to create benefits for sustainability while protecting primary production, major sources of raw materials and valued environmental areas.

11.02-3 Structure planning

To facilitate the orderly development of urban areas.

11.04-4 Central Melbourne

To strengthen Central Melbourne's capital city functions and its role as a primary business, retail, sport and entertainment hub for the State.

To support Central Melbourne's capital city functions through high scale and high density mixed residential and commercial development opportunities.

Clause 15 – Built Environment and Heritage

15.01 Urban environment

15.01-1 Urban design

To create urban environments that are safe, functional and provide good quality environments with a sense of place and cultural identity.

15.01-4 Design for safety

To improve community safety and encourage neighbourhood design that makes people feel safe.

Clause 19 – Infrastructure

19.02 Community Infrastructure

19.02-4 Distribution of social and cultural infrastructure

To provide fairer distribution of and access to of social and cultural infrastructure

19.03 Development infrastructure

19.03-1 Development contribution plans

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

19.03-2 Water supply, sewerage and drainage

To plan for the provision of water supply, sewerage and drainage services that efficiently and effectively meet State and community needs and protect the environment.

19.03-3 Stormwater

To reduce the impact of stormwater on bays and catchments.

The amendment supports and implements these policies by ensuring new development contributes to the provision of planned infrastructure and services through the preparation and implementation of development contributions plans. The policy guidelines under *Development Contributions Guidelines (version 5.9, 16 June 2003 – as amended March 2007)* have been consulted in the preparation of this amendment. The amendment is also consistent with the ongoing directions and recommendations which have been made by the current Standard Development Contributions Advisory Committee appointed in September 2012.

- **How does the amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?**

In accordance with the Local Planning Policy Framework of the Melbourne Planning Scheme, the amendment implements the directions in the Municipal Strategic Statement (MSS) and in the adopted MSS which highlights the three urban renewal areas which are the subject of this amendment as existing and proposed urban renewal areas. Melbourne Planning Scheme Amendment C208 also proposes an enhancement of policy at Clause 21.10-1 Infrastructure to reinforce the provision and delivery of physical and community infrastructure.

- **Does the amendment make proper use of the Victoria Planning Provisions?**

The amendment makes proper use of the Victoria Planning Provisions by relying on the Schedule to Clause 45.06 to introduce a Development Contributions Plan Overlay for each of the identified urban renewal areas of Council.

The amendment ensures that the *Arden Macaulay, City North and Southbank Development Contributions Plan 2013* is included as an Incorporated Document within the Melbourne Planning Scheme under the Schedule to Clause 81 of the Melbourne Planning Scheme.

- **How does the amendment address the views of any relevant agency?**

An extensive consultation process was undertaken on the *Southbank Structure Plan 2010*, the *City North Structure Plan 2012* and the *Arden Macaulay Structure Plan 2012* engaging the community, agencies and stakeholders. All relevant agencies will be notified as part of the formal planning scheme amendment exhibition process.

- **Does the amendment address relevant requirements of the Transport Integration Act 2010?**

There are no applicable policy principles.

Resource and administrative costs

- **What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?**

The introduction of the Development Contribution Plan Overlay will impact on Council's administrative costs as Council will need to set up a new accounting and auditing system to monitor the income and expenditure from the Development Contribution Plan. However, the Development Contribution Plan will also generate revenue for Council to assist in delivering essential community and development infrastructure.

Panel hearing dates

In accordance with clause 4(2) of Ministerial Direction No.15 the following panel hearing dates have been set for this amendment:

- directions hearing: [insert directions hearing date]
- panel hearing: [insert panel hearing date]

Where you may inspect this Amendment

The amendment is available for public inspection, free of charge, during office hours at the following places:

City of Melbourne

Level 3, 240 Collins Street

MELBOURNE VIC 3000

The amendment can also be inspected free of charge at the Department of Planning and Community Development website at www.dpcd.vic.gov.au/planning/publicinspection.

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SCHEDULE 2 TO THE DEVELOPMENT CONTRIBUTIONS PLAN OVERLAY

Shown on the planning scheme map as **DCPO2**.

SOUTHBANK DEVELOPMENT CONTRIBUTIONS PLAN

1.0 Area covered by this development contributions plan

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C208

This development contributions plan applies to the area shown in Figure 1.

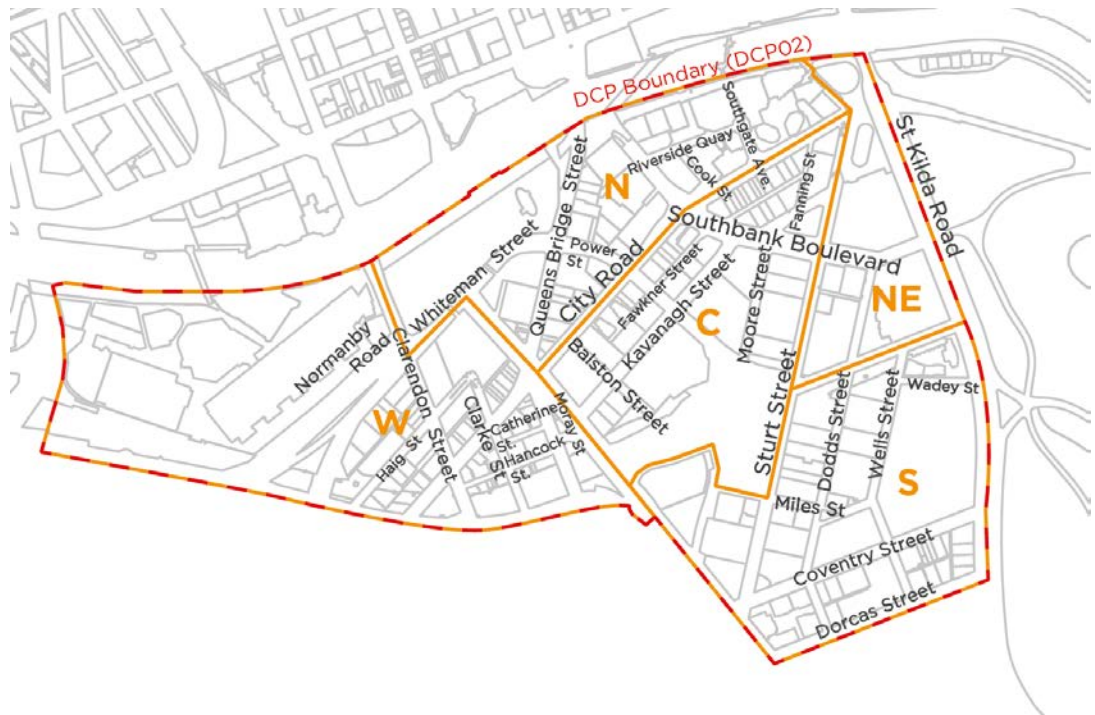


FIGURE 1 – DCP AREA AND CHARGING AREAS

2.0 Summary of costs

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C208

A summary of all costs and incomes is shown in Table 1 below. A values are presented in present values as at *May 2013* (using a 6% discount rate).

TABLE 1 – SUMMARY OF DCP COSTS

Facility	Total cost \$	Time of provision	Actual cost contribution attributable to development \$	Proportion of cost attributable to development %
<i>CI Community Infrastructure</i>	\$0.00	2015/16-2029/30	\$0.00	0%
<i>DI Public Realm</i>	\$56,089,317	2015/16-2029/30	\$10,354,672	18.46%
<i>DI Drainage</i>	\$0.00	2015/16-2029/30	\$0.00	0%
TOTAL	\$56,089,317	2015/16-2029/30	\$10,354,672	18.46%

3.0 Summary of contributions

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The development contributions that apply to each charging area, as identified in Figure 1, are shown in Table 2 Development Contributions per Residential Dwelling and Table 3 Development Contributions per 100sqm of Non-Residential Floorspace

TABLE 2 – DEVELOPMENT CONTRIBUTIONS PER RESIDENTIAL DWELLING

Residential				
Area	CI Community Facility	DI Public Realm	DI Drainage	Total Charge
	Per dwelling	Per dwelling	Per dwelling	Per dwelling
West	\$0.00	\$1,570.70	\$0.00	\$1,570.70
Central	\$0.00	\$1,197.35	\$0.00	\$1,197.35
North	\$0.00	\$1,047.39	\$0.00	\$1,047.39
North East	\$0.00	\$1,060.76	\$0.00	\$1,060.76
South	\$0.00	\$1,471.67	\$0.00	\$1,471.67

TABLE 3 – DEVELOPMENT CONTRIBUTIONS PER 100SQM OF NON-RESIDENTIAL FLOORSPACE

Non-Residential				
Area	CI Community Facility	DI Public Realm	DI Drainage	Total Charge
	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace
West	\$0.00	\$3,403.46	\$0.00	\$3,403.46
Central	\$0.00	\$2,594.47	\$0.00	\$2,594.47
North	\$0.00	\$2,269.54	\$0.00	\$2,269.54
North East	\$0.00	\$2,298.50	\$0.00	\$2,298.50
South	\$0.00	\$3,188.88	\$0.00	\$3,188.88

4.0 Land or development excluded from development contributions plan

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C208

Exemptions from the requirement to pay any development contribution apply in the following circumstances:

- A non-government school as defined in Part 3 of the Ministerial Direction on Development Contributions Plans of 25 January 2012;
- A development that comprises:
 - Renovations or alterations to an existing dwelling;

- Demolition of a dwelling followed by construction of a replacement dwelling on the same land. The exemption applies to a single dwelling but not to a second or subsequent dwellings on the same land;
- Outbuildings normal to an existing dwelling and fences;
- Reinstatement of a building which has been unintentionally damaged or destroyed provided that for a building other than a dwelling, the exemption relates only to the extent that the floor area of the new building is not greater than the damaged or destroyed building.

5.0 Liability for Development Contributions

Proponents of all development types anywhere in the DCP Area must pay development contributions in accordance with the *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013*.

6.0 Method of Payment

Payment of development contributions is to be made in cash. Council, at its discretion, may consider accepting any works or land comprising an infrastructure project in the *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013* in lieu of cash contributions.

7.0 Payment of Development Infrastructure Levy

Payment for Development Infrastructure is payable as follows:

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 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 *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013* 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 *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013* must be paid to the Collecting Agency.

8.0 Community Infrastructure Levy

Payment of the Community Infrastructure Levy is to be made in accordance with the *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013* 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.

Note: This schedule sets out a summary of the costs and contributions prescribed in the development contributions plan. Refer to the incorporated Arden Macaulay, City North and Southbank Development Contribution Plan May 2013 for full details.

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SCHEDULE 3 TO THE DEVELOPMENT CONTRIBUTIONS PLAN OVERLAY

Shown on the planning scheme map as **DCPO3**.

CITY NORTH DEVELOPMENT CONTRIBUTIONS PLAN

1.0

Area covered by this development contributions plan

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C208

This development contributions plan applies to the area shown in Figure 1.

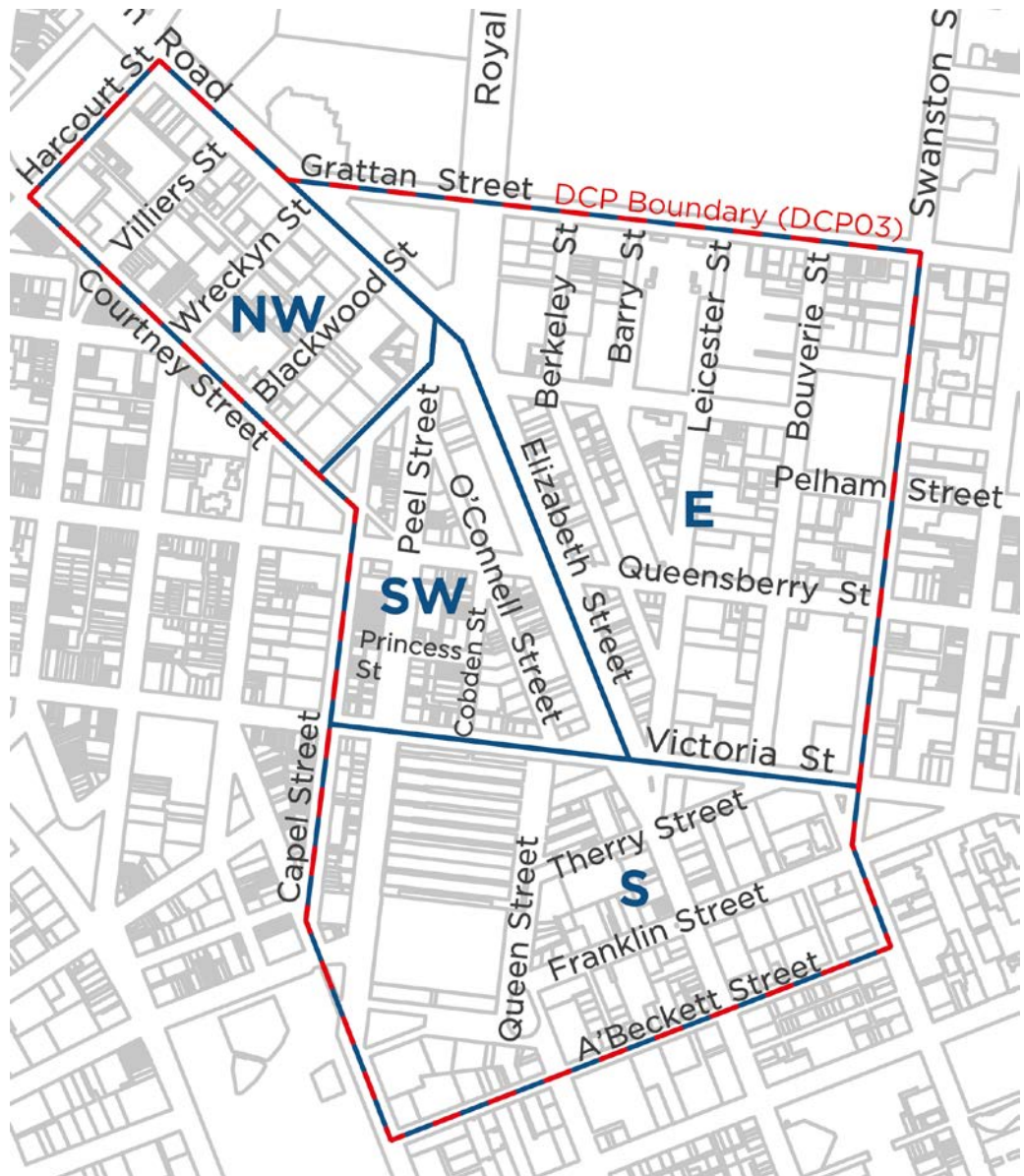


FIGURE 1 – DCP AREA AND CHARGING AREAS

2.0 Summary of costs

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A summary of total costs and incomes is shown in Table 1 below. All values are presented in present values as at *May 2013* (using a 6% discount rate).

TABLE 1 – SUMMARY OF DCP COSTS

Facility	Total cost \$	Time of provision	Actual cost contribution attributable to development \$	Proportion of cost attributable to development %
<i>CI Community Infrastructure</i>	\$17,643,965	2015/16-2029/30	\$2,087,184	11.82%
<i>DI Public Realm</i>	\$31,112,762	2015/16-2029/30	\$3,110,684	9.99%
<i>DI Drainage</i>	\$5,480,071	2015/16-2029/30	\$558,995	10.20%
TOTAL	\$54,236,798	2015/16-2029/30	\$5,756,862	10.61%

3.0 Summary of contributions

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The development contributions that apply per dwelling and per 100 square metres of non-residential floor space in each charging area as identified in Figure 1 are shown in Table 2 Development Contributions per Residential Dwelling and Table 3 Development Contributions per 100sqm of Non-Residential Floorspace.

TABLE 2 – DEVELOPMENT CONTRIBUTIONS PER RESIDENTIAL DWELLING

Area	Residential			Total Charge
	CI Community Facility	DI Public Realm	DI Drainage	
	Per dwelling	Per dwelling	Per dwelling	Per dwelling
North West	\$900.00	\$1,667.79	\$216.99	\$2,784.79
South West	\$900.00	\$1,938.46	\$216.99	\$3,055.45
East	\$900.00	\$1,481.20	\$219.99	\$2,598.19
South	\$900.00	\$922.73	\$216.99	\$2,039.72

TABLE 3 – DEVELOPMENT CONTRIBUTIONS PER 100SQM OF NON-RESIDENTIAL FLOORSPACE

Residential				
Area	CI Community Facility	DI Public Realm	DI Drainage	Total Charge
	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace
North West	\$0.00	\$2,046.37	\$266.25	\$2,312.62
South West	\$0.00	\$2,378.47	\$266.25	\$2,644.72
East	\$0.00	\$1,817.42	\$266.25	\$2,083.67
South	\$0.00	\$1,132.19	\$266.25	\$1,398.43

4.0 Land or development excluded from development contributions plan

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Exemptions from the requirement to pay any development contribution apply in the following circumstances:

- A non-government school as defined in Part 3 of the Ministerial Direction on Development Contributions Plans of 25 January 2012;
- A development that comprises:
 - Renovations or alterations to an existing dwelling;
 - Demolition of a dwelling followed by construction of a replacement dwelling on the same land. The exemption applies to a single dwelling but not to a second or subsequent dwellings on the same land;
 - Outbuildings normal to an existing dwelling and fences;
 - Reinstatement of a building which has been unintentionally damaged or destroyed provided that for a building other than a dwelling, the exemption relates only to the extent that the floor area of the new building is not greater than the damaged or destroyed building.

5.0 Liability for Development Contributions

Proponents of all development types anywhere in the DCP Area must pay development contributions in accordance with the *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013*.

6.0 Method of Payment

Payment of development contributions is to be made in cash. Council, at its discretion, may consider accepting any works or land comprising an infrastructure project in the *Arden Macaulay, City North and Southbank Development Contribution Plan Mat 2013* in lieu of cash contributions.

7.0 Payment of Development Infrastructure Levy

Payment for Development Infrastructure is payable as follows:

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 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 *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013* 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 *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013* must be paid to the Collecting Agency.

8.0 Community Infrastructure Levy

Payment of the Community Infrastructure Levy is to be made in accordance with the *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013* 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.

Note: This schedule sets out a summary of the costs and contributions prescribed in the development contributions plan. Refer to the incorporated Arden Macaulay, City North and Southbank Development Contribution Plan May 2013 for full details.

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C208

SCHEDULE 4 TO THE DEVELOPMENT CONTRIBUTIONS PLAN OVERLAY

Shown on the planning scheme map as **DCPO4**.

ARDEN MACAULAY DEVELOPMENT CONTRIBUTIONS PLAN

1.0

Area covered by this development contributions plan

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C208

This development contributions plan applies to the area shown in Figure 1.

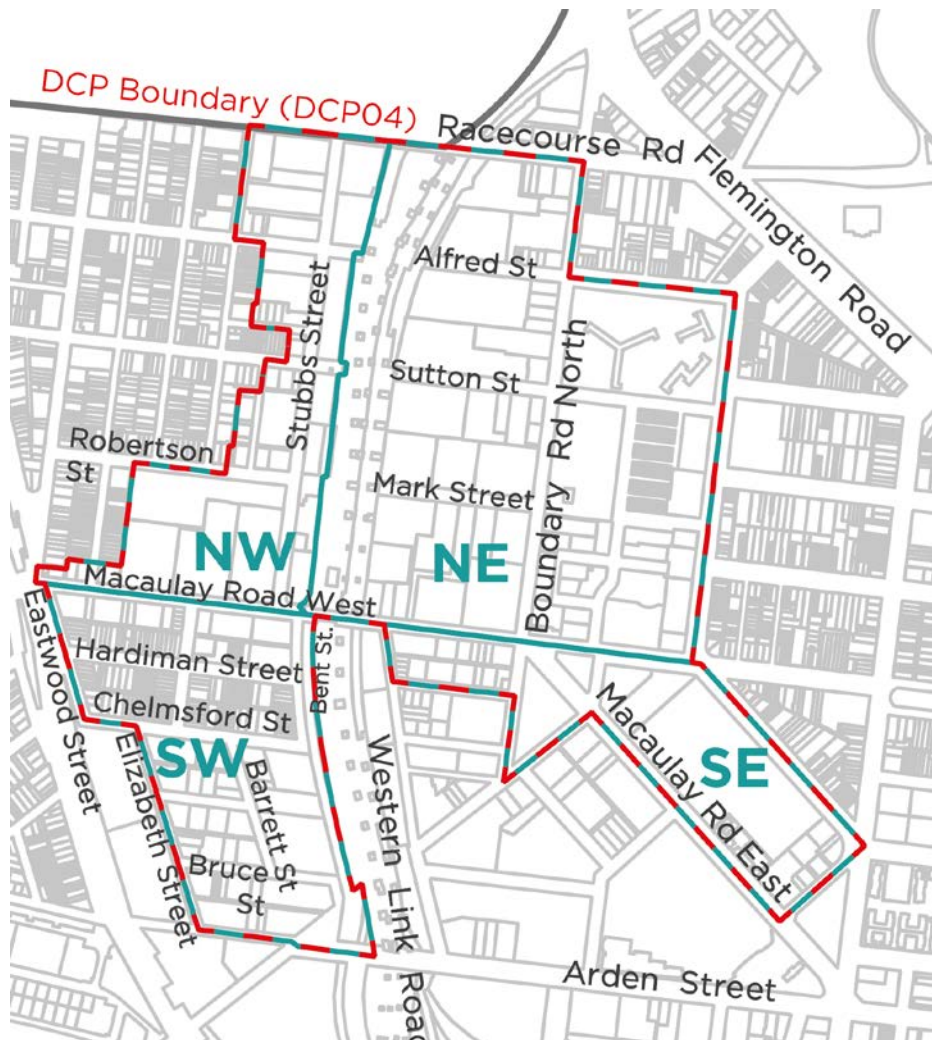


FIGURE 1 – DCP AREA AND CHARGING AREAS

2.0

Summary of costs

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C208

A summary of all costs and incomes is shown in Table 1 below. A values are presented in present values as at *May 2013*(using a 6% discount rate).

TABLE 1 – SUMMARY OF DCP COSTS

Facility	Total cost \$	Time of provision	Actual cost contribution attributable to development \$	Proportion of cost attributable to development %
<i>CI Community Infrastructure</i>	\$7,730,478	2015/16-2029/30	\$3,205,205	4.14%
<i>DI Public Realm</i>	\$19,824,759	2015/16-2029/30	\$4,519,411	22.79%
<i>DI Drainage</i>	\$37,522,996	2015/16-2029/30	\$12,567,620	33.49%
TOTAL	\$65,078,233	2015/16-2029/30	\$20,292,236	31.18%

3.0 Summary of contributions

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C208

The development contributions that apply to each charging area as identified in Figure 1 are shown in Table 2 Development Contributions per Residential Dwelling and Table 3 Development Contributions per 100sqm of Non-Residential Floorspace

TABLE 2 – DEVELOPMENT CONTRIBUTIONS PER RESIDENTIAL DWELLING

Residential				
Area	CI Community Facility	DI Public Realm	DI Drainage	Total Charge
	Per dwelling	Per dwelling	Per dwelling	Per dwelling
North West	\$900.00	\$4,897.14	\$721.00	\$6,518.13
North East	\$900.00	\$2,512.56	\$721.00	\$4,133.55
South West	\$900.00	\$4,013.08	\$721.00	\$5,634.08
South East	\$900.00	\$942.98	\$721.00	\$2,563.98

TABLE 3 – DEVELOPMENT CONTRIBUTIONS PER 100SQM OF NON-RESIDENTIAL FLOORSPACE

Residential				
Area	CI Community Facility	DI Public Realm	DI Drainage	Total Charge
	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace
North West	\$0.00	\$5,115.08	\$753.08	\$5,858.17
North East	\$0.00	\$2,624.38	\$753.08	\$3,377.46
South West	\$0.00	\$4,191.68	\$753.08	\$4,944.77
South East	\$0.00	\$984.95	\$753.08	\$1,738.04

4.0 Land or development excluded from development contributions plan

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Exemptions from the requirement to pay any development contribution apply in the following circumstances:

- A non-government school as defined in Part 3 of the Ministerial Direction on Development Contributions Plans of 25 January 2012;
- A development that comprises:
 - Renovations or alterations to an existing dwelling;
 - Demolition of a dwelling followed by construction of a replacement dwelling on the same land. The exemption applies to a single dwelling but not to a second or subsequent dwellings on the same land;
 - Outbuildings normal to an existing dwelling and fences;
 - Reinstatement of a building which has been unintentionally damaged or destroyed provided that for a building other than a dwelling, the exemption relates only to the extent that the floor area of the new building is not greater than the damaged or destroyed building.

5.0 Liability for Development Contributions

Proponents of all development types anywhere in the DCP Area must pay development contributions in accordance with the *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013*.

6.0 Method of Payment

Payment of development contributions is to be made in cash. Council, at its discretion, may consider accepting any works or land comprising an infrastructure project in the *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013* in lieu of cash contributions.

7.0 Payment of Development Infrastructure Levy

Payment for Development Infrastructure is payable as follows:

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 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 *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013* 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.

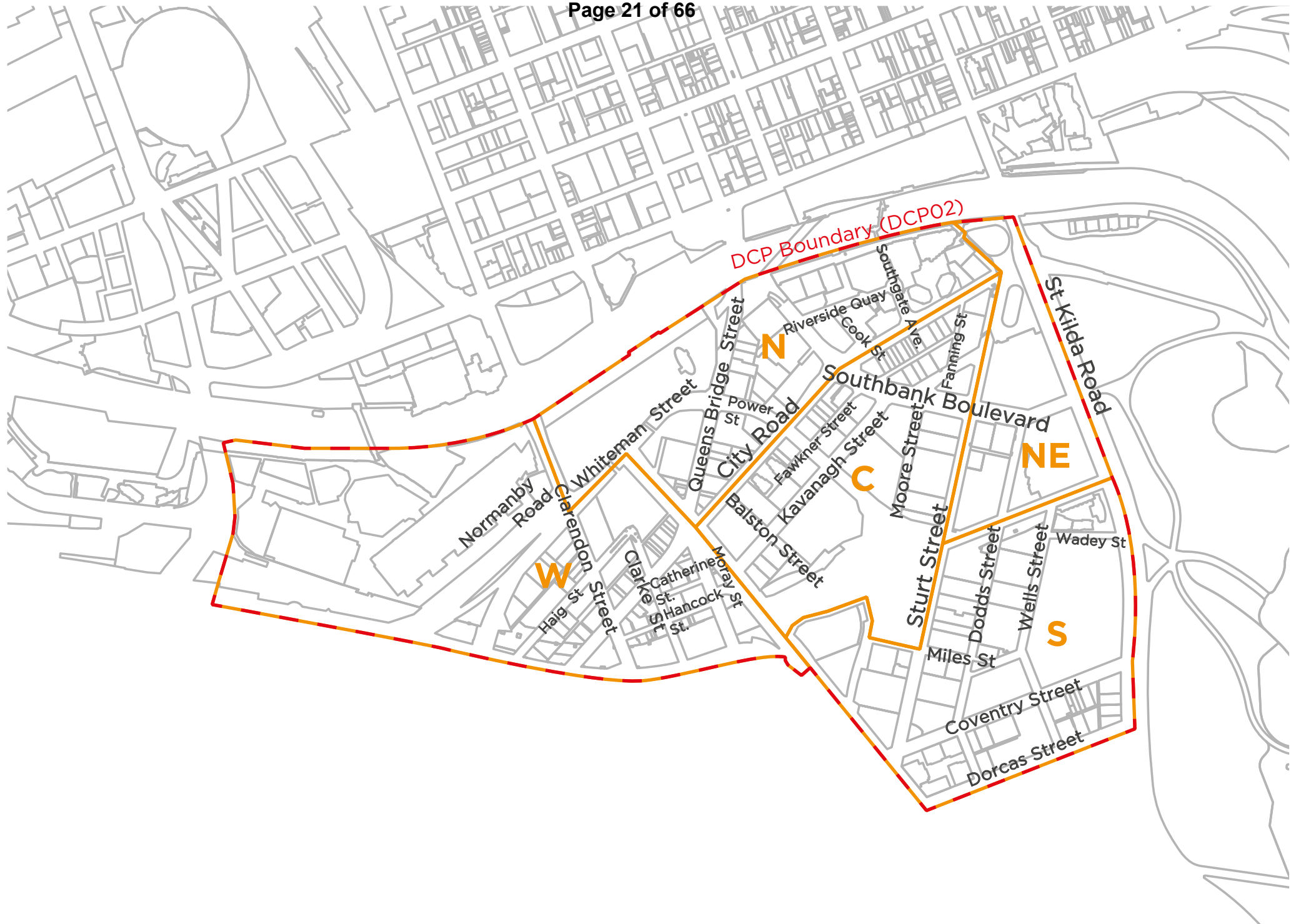
Where no planning permit is required

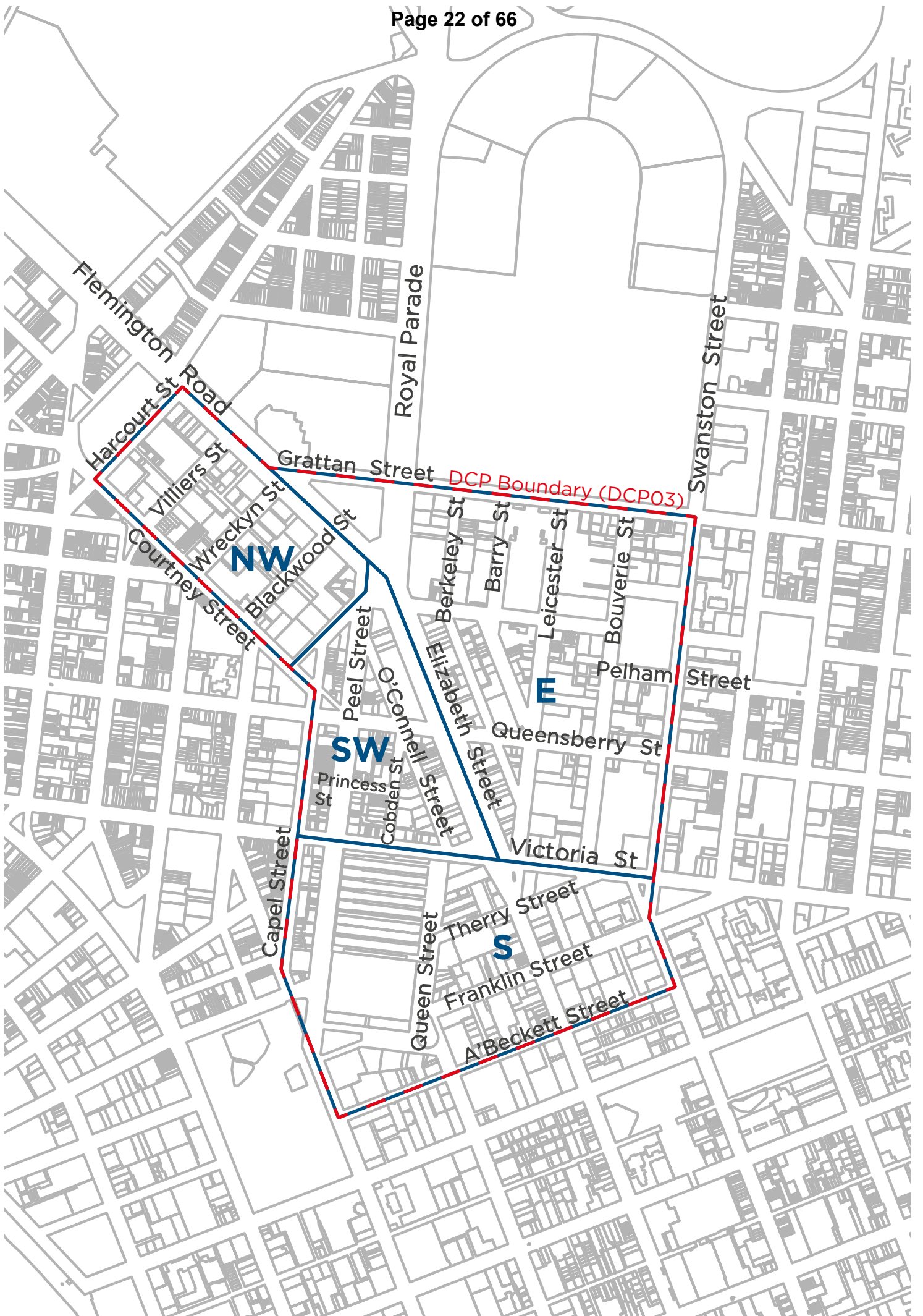
Unless some other arrangement has been agreed to by the Collecting Agency in a section 173 agreement made under the Act, prior to the commencement of any development, a Development Infrastructure Levy calculated in accordance with the provisions of the *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013* must be paid to the Collecting Agency.

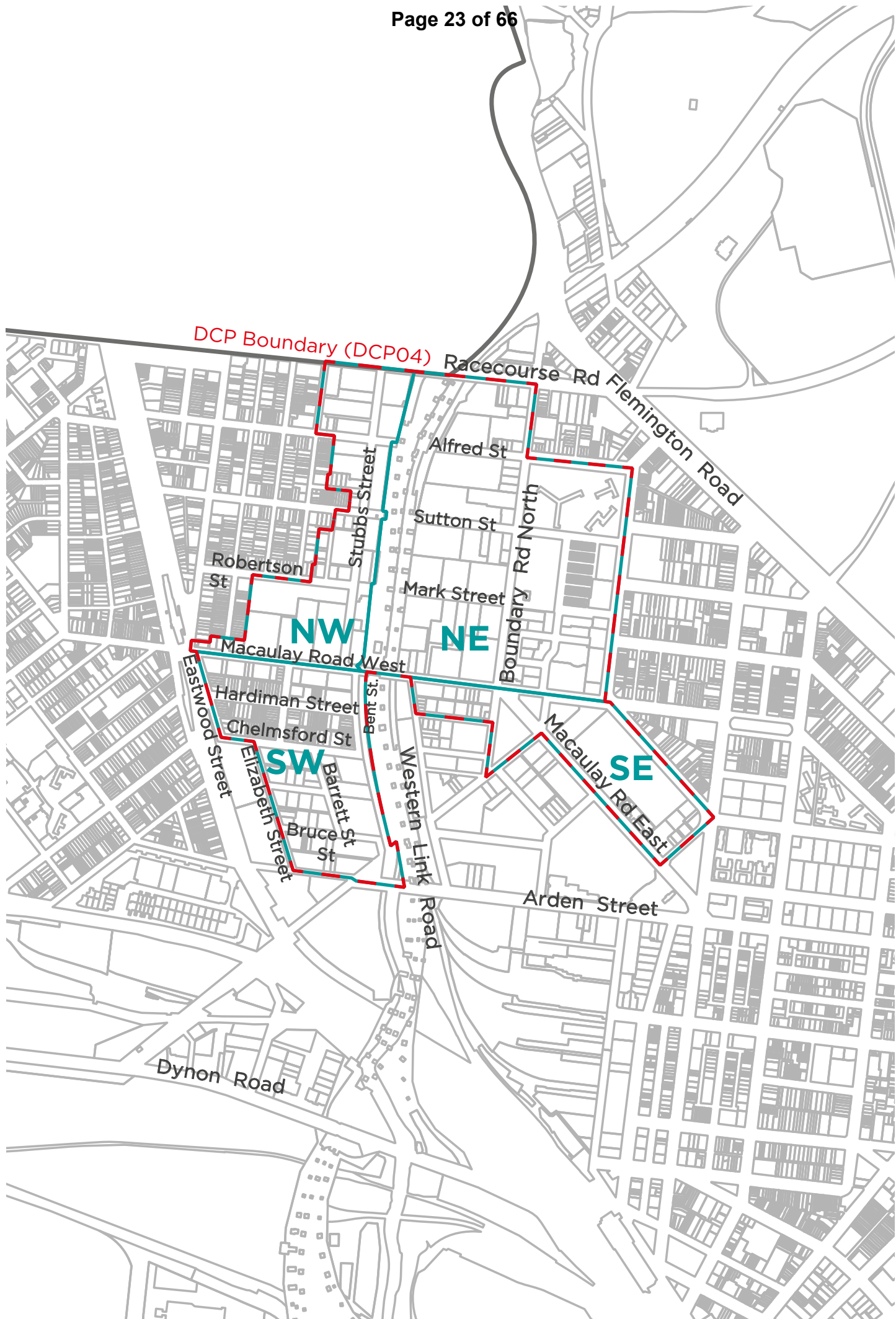
8.0 Community Infrastructure Levy

Payment of the Community Infrastructure Levy is to be made in accordance with the *Arden Macaulay, City North and Southbank Development Contribution Plan May 2013* 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.

Note: This schedule sets out a summary of the costs and contributions prescribed in the development contributions plan. Refer to the incorporated Arden Macaulay, City North and Southbank Development Contribution Plan May 2013 for full details.







Arden-Macaulay, City North and Southbank DCPs



Draft

The City of Melbourne
May 2013





This report has been prepared for The City of Melbourne. SGS Economics and Planning has taken all due care in the preparation of this report. However, SGS and its associated consultants are not liable to any person or entity for any damage or loss that has occurred, or may occur, in relation to that person or entity taking or not taking action in respect of any representation, statement, opinion or advice referred to herein.

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1 INTRODUCTION

SGS Economics and Planning Pty Ltd (SGS) was commissioned by the City of Melbourne to assist with the preparation of Developer Contribution Plans (DCPs) for the City's three urban renewal areas known as Arden-Macaulay, City North and Southbank.

1.1 Background

As the heart of the broader metropolis and as Victoria's global gateway, central Melbourne plays a significant role in the urban structure and functioning of the whole city. Critical to central Melbourne's success is its ability to adapt and change over time, accommodating and stimulating diverse economic and population growth. The strategic sites of Arden-Macaulay, City North and Southbank present the city with the opportunity to grow and evolve. Substantial change is anticipated for all three areas.

The Arden-Macaulay precinct, with its history as a manufacturing and production hub, is set to see considerable change in its profile as its proximity to the strong economy of Melbourne's CBD becomes increasingly appreciated. The Arden-Macaulay Structure Plan and subsequent rezoning will initiate a major urban renewal process in this largely underutilised area, prompting many thousands of residents and jobs to locate in the precinct.

The City North precinct directly abuts Melbourne's CBD and is surrounded by world class education, health and research institutions. The City North Structure Plan sees this area as a natural extension of the CBD. It puts in place provisions to facilitate and encourage urban renewal that builds on the existing strengths of the area. With zoning changes and improvements in infrastructure, City North is anticipated to fulfil its latent potential as a dense, downtown locale, leading to a significant increase in residents and employment.

Southbank has undergone considerable change since its conversion from industrial and warehousing functions in the 1980s. Over this time there has been major urban rejuvenation, initially on the banks of the Yarra River, but increasingly southwards, with high rise residential and commercial developments now dominating the suburb. The suburb is also home to several significant major activity areas including the Arts Precinct, Melbourne Convention and Exhibition Centre, Crown Casino and South Wharf. These activity areas are oriented towards the Yarra River. The majority of Southbank located beyond the river interface is recognised as lacking a defined 'heart' that could serve as a focal point for community facilities and commercial activity. Furthermore, some existing local streets have low amenity and cater more for through traffic than the circulation of people throughout the suburb. The Southbank Structure Plan (2010) aims to improve the quality of the Southbank public realm and create a high quality living environment able to support considerable residential and commercial growth into the future.

To accommodate and stimulate this growth, new infrastructure will be required, including community, public realm and drainage facilities. The cost of providing this infrastructure will be significant.

The City of Melbourne has resolved that new development in these three areas should meet a share of the capital cost of scheduled infrastructure, in accordance with State Government policy on development contributions. This Development Contributions Plan (DCP) has been prepared on that basis.

1.2 Purpose

This Development Contributions Plan (DCP) has been prepared:

- to list infrastructure items the City of Melbourne expects to provide over time to service the DCP areas of Arden-Macaulay, City North and Southbank
- to calculate development contribution charges for all development types, based on anticipated share of usage
- to explain and justify all information inputs and the method of calculating charges.

This DCP forms part of the City of Melbourne Planning Scheme and must be read in conjunction with it.

The location of the three DCP areas within the City of Melbourne are illustrated in Figure 1.

FIGURE 1. DEVELOPMENT CONTRIBUTIONS PLAN (DCP) AREAS



Source: SGS Economics and Planning, 2013

1.3 Information inputs and justification

The task of documenting this DCP was shared between staff of the City of Melbourne and SGS as per the following:

- Infrastructure funding policy and procedural matters – City of Melbourne
- Strategic base for the DCP – City of Melbourne
- Development stock take and projections – City of Melbourne and SGS
- Infrastructure project information and justification – City of Melbourne
- Cost apportionment method and calculations – SGS.

1.4 Report structure

This report comprises the following sections:

- Section 2 – Infrastructure funding principles and policy
- Section 3 – Strategic base for the DCP
- Section 4 – Charging areas and development scenario
- Section 5 – Infrastructure projects
- Section 6 – Development contribution charging rates
- Section 7 – Procedural matters.

Detailed information inputs and calculations are presented in the appendices as follows:

- Appendix 1 – Development projections
- Appendix 2 – Demand equivalence ratios
- Appendix 3 – Infrastructure project details
- Appendix 4 – Infrastructure project calculations.

2 INFRASTRUCTURE FUNDING PRINCIPLES AND POLICY

2.1 Infrastructure funding principles

As development in the three growth area precincts progresses, each developer will be required to build on-site infrastructure to service the development to specifications approved by the City of Melbourne. In addition to on-site works, certain off-site or shared works will be required to service the area including a series of road, public realm and community facility projects.

The purpose of this DCP is to ensure that the cost of providing new infrastructure is shared between developers and the wider community on a fair and reasonable basis. Fairness requires that costs be apportioned according to share of usage of the required infrastructure.

The cost apportionment methodology adopted in this DCP 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 projected 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 should 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)). Where necessary, an allowance for external usage of the project (i.e. usage arising from outside the MCA) is factored into the calculation to ensure users are charged fairly.

In practice, the DCP is used to charge new development for all or part of its share of the required infrastructure expenditure. On this basis, 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. The proportion of infrastructure costs attributable to existing development may need to be funded by means other than development contributions levied under a DCP.

2.2 Infrastructure funding policy

New development in the listed urban renewal precincts is required to meet part of its share of the total cost of delivering the required infrastructure works – as measured by its 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.

3 STRATEGIC BASE FOR THE DCP

The strategic base for the DCP is provided by the City of Melbourne Planning Scheme, the respective Structure Plans and a range of strategies, policies, reports and internal Council documents that address planning and infrastructure development in the areas in question. A summary of the key reference documents is provided below.

3.1 Planning framework

The primary reference documents are:

- Melbourne Planning Scheme (incorporating the Municipal Strategic Statement and Local Planning Policy Framework) – Planning Scheme Amendment C162 (MSS);
- Arden-Macaulay Structure Plan – Planning Scheme Amendment C190;
- City North Structure Plan – Planning Scheme Amendment C196; and
- Southbank Structure Plan – Planning Scheme Amendment C171.

A number of studies have informed the planning framework applying to the Arden-Macaulay, City North and Southbank precincts, these include:

- Future Melbourne Community Plan, City of Melbourne, 2008.

City of Melbourne Municipal Strategic Statement

The City of Melbourne Municipal Strategic Statement (MSS – Clause 21) provides a vision for Melbourne as well as objectives, strategies and policies for managing land use change and development. The MSS highlights that the City of Melbourne is the premier location for Victoria's flagship economic and cultural activities.

The City of Melbourne has experienced considerable residential population growth since 2001. The current statutorily endorsed metropolitan Strategy, Melbourne 2030, identifies that this trend will continue. The MSS outlines managing residential growth is a key issue for the City of Melbourne. This requires the provision of community infrastructure and services to support community development.

Clause 21.04-1 of the MSS (*Housing and Community*) states that a key objective is *to ensure new residential developments contribute to the social and physical infrastructure of the City*.

Planning Scheme Amendment C162 introduces a new MSS into the Melbourne Planning Scheme. The MSS designates various areas in the city that will undergo urban renewal. The MSS integrates future land development with transport and mobility infrastructure. The key directions in the new Municipal Strategic Statement are:

- planning for long-term growth in identified areas;
- a well-connected and accessible city;
- new developments to complement public places and spaces;
- creating an 'eco-city'; and
- supporting a vibrant diverse and complementary mix of uses.

Local Planning Policies

The City of Melbourne Local Planning Policies (Clause 22) guide the planning and management of land use in the City. Policies cover matters to do with infrastructure, residential growth and management, and construction and management of laneways in the CBD area.

Arden-Macaulay Structure Plan

Urban renewal will rejuvenate the Arden-Macaulay precinct which has historically been an industrial area. The Arden-Macaulay Structure Plan proposes to turn the underutilised area into a thriving and liveable community.

Arden-Macaulay had a population of 2,670 persons and one community hub in 2011. The Structure Plan anticipates an approximate population of 12,810 people and three community hubs by 2031. The Structure Plan provides a framework to guide the provision of community facilities and services, street upgrades and other transport investment in Arden-Macaulay.

The Arden-Macaulay Structure Plan proposes:

- Development of Arden Central as a new extension of Melbourne’s Central City
- Development of three new local centres within a mixed use neighbourhood at Macaulay, Flemington Bridge and North Melbourne stations.

The Structure Plan also introduces the infrastructure projects required for the successful implementation of its visions and strategies.

City North Structure Plan

The City North Structure Plan provides a long term vision and strategy for the area to the north of Central Melbourne to become a sustainable urban renewal precinct. According to the Structure Plan, City North had a population of 12,400 persons and no community hubs in 2011. The Structure Plan is premised on an approximate population of 19,160 people and three integrated community hubs by 2031.

The City North Structure Plan proposes:

- the development of four new major civic places
- a boost to transport infrastructure including optimisation of the potential for bicycle use in the precinct.

The City North Structure Plan sets a framework for provision of community infrastructure including primary healthcare facilities, play and recreation facilities for a diverse group of residents including young people, older people and people with disabilities.

Southbank Structure Plan

The Southbank Structure Plan 2010 supercedes Southbank Structure Plan (Final Draft) 1999 and provides a renewed vision and updated development strategy for Southbank. It outlines a preferred scenario that integrates land use, built form, mobility, community infrastructure, open space and sustainable infrastructure to achieve a liveable and sustainable suburb.

According to the Southbank Structure Plan 2010, the precinct had a population of 10,500 persons in 2010. This could potentially grow to 40,500 by 2040. The Structure Plan recognises the current deficit in provision of community infrastructure such as library, childcare centre, schools, maternal health care and

aged care services. It promotes the incorporation of these services into a district community hub and neighbourhood community hubs in the Southbank precinct. The Structure Plan also introduces the infrastructure projects required for the successful implementation of the visions and strategies stated in the Planning Scheme and the Southbank Structure Plan 2010.

3.2 Infrastructure planning framework

The primary infrastructure reference document for the this DCP is a report prepared by AECOM in collaboration with City of Melbourne staff. It is entitled *Detailed Cost Opinion Report (2012)*.

The AECOM (2012) report identifies appropriate design standards and costings for the suite of infrastructure projects nominated by the City of Melbourne for the successful development of the three growth areas in question.

4 CHARGING AREAS AND DEVELOPMENT SCENARIO

4.1 Charging areas

In line with the current Government guidelines, contribution rates in this DCP are set for spatial units known as '*charging areas*'. A charging area is a small land area for which a discrete development contribution rate is calculated. All development within a particular charging area will be required to pay the same contribution amount per dwelling or equivalent demand unit.

In setting the boundaries of a charging area, the key principle is that the 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.

A DCP will often include more than one charging area to ensure that development in any one area pays for infrastructure it will be deemed to make use of, and not other infrastructure. Contribution rates will often vary across different charging areas depending on the number and cost of infrastructure projects provided to service each area.

However, the avoidance of cross-subsidies ought not to be taken to extremes. 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.

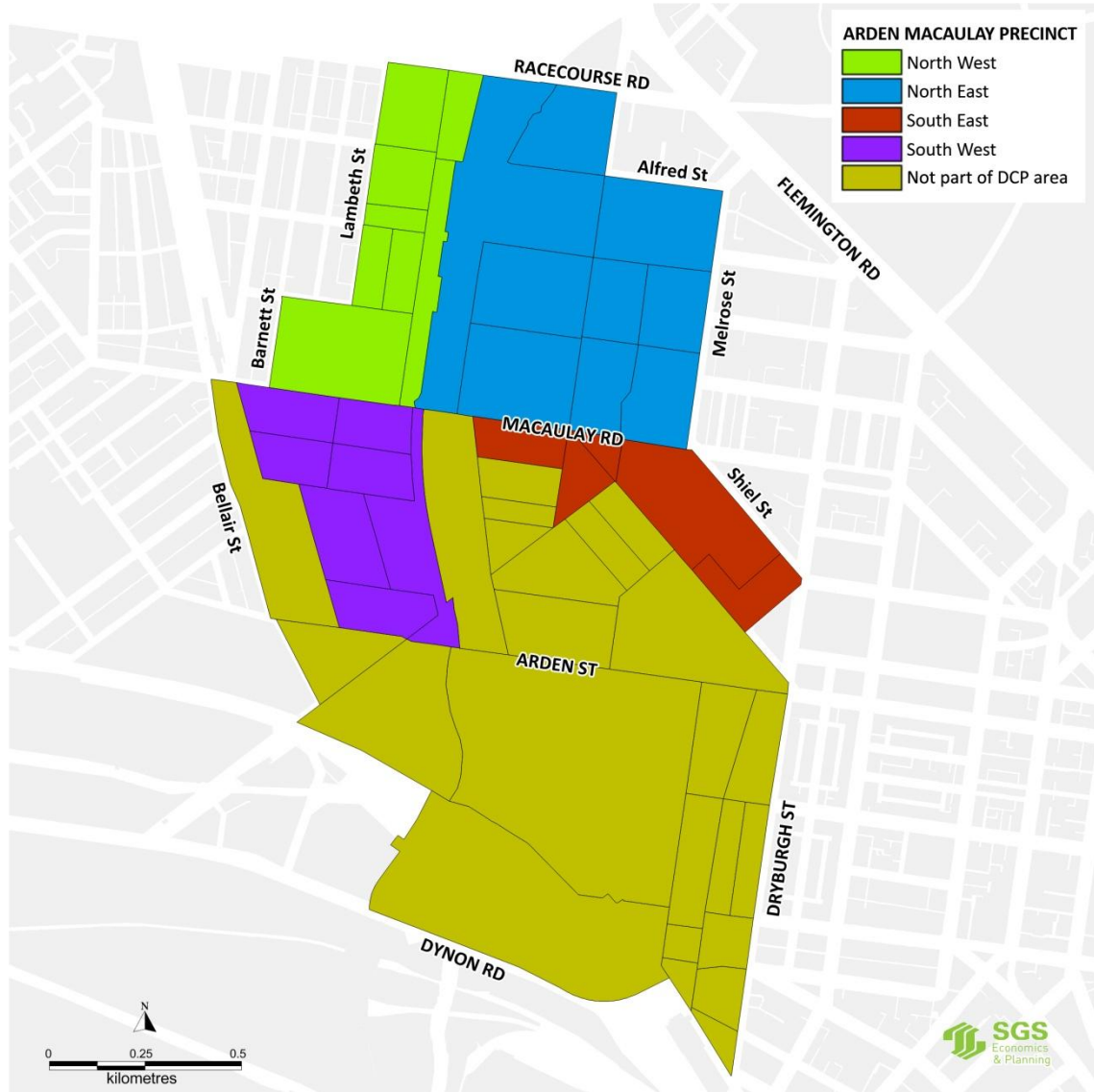
The charging areas are based on land areas that reasonably approximate to catchments for infrastructure projects that are included in this DCP. The land areas used are deemed small enough to eliminate the prospect of serious cross-subsidisation.

Some usage of the infrastructure items will be generated by development outside the DCP area. This is referred to as 'external demand', and where necessary, an allowance for this has been factored into the calculation of infrastructure charges for each relevant project.

Additionally some demand for infrastructure will be generated within the DCP area but beyond the time horizon of the DCP. This is referred to as 'demand beyond the time horizon'. Demand generated within the DCP areas in the period to 2030 has been factored into the calculation of infrastructure charges for each relevant project in this DCP. It is reasonable to make only partial or conservative allowance for development which may take place between the DCP horizon year (2030) and the year when notional 'build out' is achieved in the precincts in question. This is so because the uncertainty attaching to projections rises as the forecast year extends into the future.

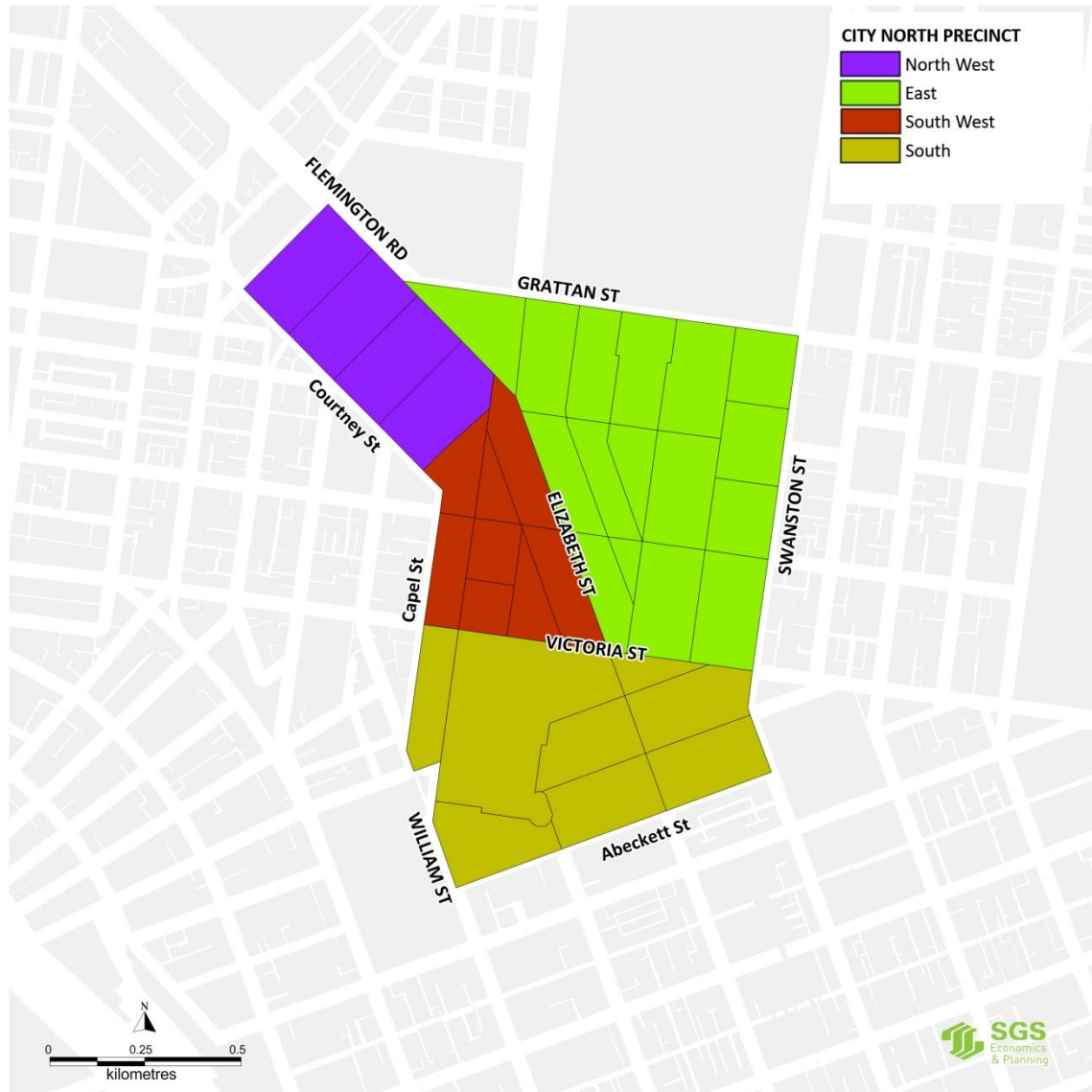
The charge areas for Arden-Macaulay (4 charge areas), City North (4 charge areas) and Southbank (5 charge areas) are shown in Figure 2, Figure 3 and Figure 4.

FIGURE 2. ARDEN-MACAULAY DEVELOPMENT CONTRIBUTIONS PLAN CHARGE AREAS



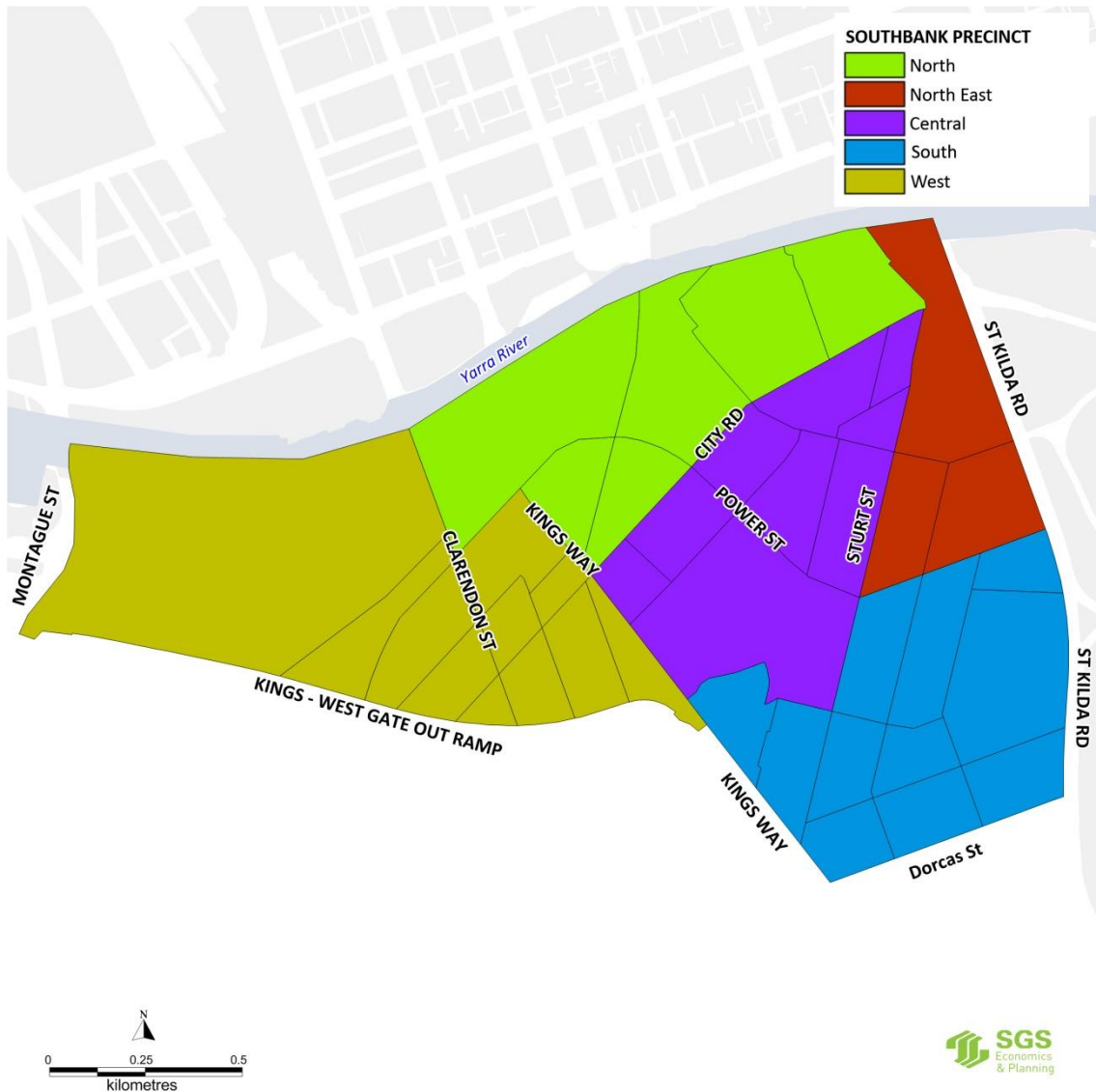
Source: SGS Economics and Planning, 2013

FIGURE 3 CITY NORTH DEVELOPMENT CONTRIBUTIONS PLAN CHARGE AREAS



Source: SGS Economics and Planning, 2013

FIGURE 4 SOUTHBANK DEVELOPMENT CONTRIBUTIONS PLAN CHARGE AREAS



Source: SGS Economics and Planning, 2013

4.2 Development stock-take and projections

A stock-take of, and projections for, all major anticipated development in the DCP areas is summarised in the tables below. The main development forms expected in the areas in question are residential and non-residential (consisting of commercial, educational, retail, institutional, industrial and recreational development). The stock-take provides an estimate of existing development in 2015. The development projections are calculated for the life of the DCP, a 15 year period from 2015/16 to 2029/30.

More detailed development data for each year from 2015/16 to 2029/30 is shown in Appendix 1.

The development information is provided for residential (number of dwellings) and non-residential (number of workers) development in the three DCP areas.

TABLE 1. ARDEN-MACAULAY - SUMMARY OF DEVELOPMENT CONDITIONS

Development Type	Units	Existing (2015) Conditions	Future Development (2016-2029)	2029 Development Conditions
Residential	Dwellings	1,272	4,389	5,661
Non-Residential	Workers	3,556	4,742	8,298

TABLE 2. CITY NORTH - SUMMARY OF DEVELOPMENT CONDITIONS

Development Type	Units	Existing (2015) Conditions	Future Development (2016-2029)	2029 Development Conditions
Residential	Dwellings	9,060	2,125	11,185
Non-Residential	Workers	21,796	3,103	24,900

TABLE 3. SOUTHBANK - SUMMARY OF DEVELOPMENT CONDITIONS

Development Type	Units	Existing (2015) Conditions	Future Development (2016-2029)	2029 Development Conditions
Residential	Dwellings	9,837	3,914	13,751
Non-Residential	Workers	45,208	15,125	60,334

4.3 Development and infrastructure usage nexus

The purpose of a DCP is to raise funds to help deliver necessary infrastructure. For these DCPs, infrastructure has been divided into three categories: Community Infrastructure, Public Realm, and Drainage projects. However, not all three development areas make use of each of these infrastructure categories.

Residential development is likely to make use of all infrastructure categories. However, for the purposes of this DCP, it has been assumed that non-residential development will only make use of Public Realm and Drainage (subject to being in a project catchment). Non-residential developments are not deemed to be principal users of Community Infrastructure. These are more closely related to population and housing development. The above nexus is summarised in Table 4.

TABLE 4. DEVELOPMENT-INFRASTRUCTURE USAGE NEXUS

Nexus	Community Infrastructure	Public Realm	Drainage
Residential	Yes	Yes	Yes
Non-Residential	-	Yes	Yes

4.4 Equivalence ratios and total demand units

As different types of development (commercial, retail, institutional, etc.) may place different demands on public realm, drainage infrastructure and community infrastructure per unit of floor area, it is necessary to express all development in a common ‘demand unit’ before DCP calculations are made.

In a highly active urban environment such as the CBD, business people and residents alike make use of streetscaping and street level amenity. While residents obviously benefit from improved amenity in the

area in which they live, the employees of businesses in the area also spend substantial time out in the public domain, as do visitors to shops, cafes, and restaurants.

Furthermore, in mixed use areas, the use within a building has a degree of fluidity, and over time, may go from being non-residential to residential, then back again.

City North and Southbank will be mixed use areas to accommodate a high number of residents and jobs. In this urban environment all land users benefit from, that is, make use of, an improved public realm. As such all use types will be charged in this DCP.

Similarly, all users rely on sufficient drainage infrastructure. For the purposes of this DCP, it has been assumed that residents and workers generate a similar level of demand for public realm and drainage infrastructure on the basis that there is broad comparability between these groups in terms of their occupancy of the areas in question.

To convert non-residential development into a common demand unit, a dwelling has been set as the common demand unit. Therefore, the task is to determine how many workers generate the same demand as a dwelling, based on the average household size of the respective areas (at 2030 - the time horizon in this DCP).

The average number of persons per dwelling in Arden-Macaulay is expected to be 1.66 people in 2030. Therefore, 1.66 workers are deemed to generate as much demand for public realm and drainage infrastructure as a dwelling (Table 5).

For City North the average persons per dwelling is 1.67 people (Table 6), therefore 1.67 workers are deemed to generate as much demand for public realm and drainage infrastructure as a dwelling.

For Southbank the average persons per dwelling is 1.79 people (Table 7), therefore 1.79 workers are deemed to generate as much demand for public realm and drainage infrastructure as a dwelling.

TABLE 5. ARDEN-MACAULAY – DEFINITION OF ONE DEMAND UNIT

	Community		
Ratios	Infrastructure	Public Realm	Drainage
Residential	1 dwelling	1 dwelling	1 dwelling
Non-Residential*	-	1.66 workers	1.66 workers

*Based on the average persons per dwelling in Arden Macaulay

TABLE 6. CITY NORTH – DEFINITION OF ONE DEMAND UNIT

	Community		
Ratios	Infrastructure	Public Realm	Drainage
Residential	1 dwelling	1 dwelling	1 dwelling
Non-Residential*	-	1.67 workers	1.67 workers

*Based on the average persons per dwelling in City North

TABLE 7. SOUTHBANK – DEFINITION OF ONE DEMAND UNIT

	Community		
Ratios	Infrastructure	Public Realm	Drainage
Residential	1 dwelling	1 dwelling	1 dwelling
Non-Residential*	-	1.79 workers	1.79 workers

*Based on the average persons per dwelling in Southbank

Based on the above definitions of one demand unit by structure plan area, the total amount of demand generated by development types by infrastructure type is illustrated in the below tables.

Arden-Macaulay

TABLE 8. ARDEN-MACAULAY – MAXIMUM DEMAND UNITS BY PROJECT TYPE

Total Demand Units for Community Infrastructure		
Development Type	Units	2029 Development Conditions
Residential	Dwellings	5,661
	Demand Units	5,661
Total Demand Units		5,661
Total Demand Units for Public Realm		
Development Type	Units	2029 Development Conditions
Residential	Dwellings	5,661
	Demand Units	5,661
Non-Residential	Workers	8,298
	Equivalence Ratio	1.66
	Demand Units	5001
Total Demand Units		10,662
Total Demand Units for Drainage		
Development Type	Units	2029 Development Conditions
Residential	Dwellings	5,661
	Demand Units	5,661
Non-Residential	Workers	8,298
	Equivalence Ratio	1.66
	Demand Units	5,001
Total Demand Units		10,662

City North

TABLE 9. CITY NORTH – MAXIMUM DEMAND UNITS BY PROJECT TYPE

Total Demand Units for Community Infrastructure		
Development Type	Units	2029 Development Conditions
Residential	Dwellings	11,185
	Demand Units	11,185
Total Demand Units		11,185
Total Demand Units for Public Realm		
Development Type	Units	2029 Development Conditions
Residential	Dwellings	11,185
	Demand Units	11,185
Non-Residential	Workers	24,900
	Equivalence Ratio	1.67
	Demand Units	14906
Total Demand Units		26,091
Total Demand Units for Drainage		
Development Type	Units	2029 Development Conditions
Residential	Dwellings	11,185
	Demand Units	11,185
Non-Residential	Workers	24,900
	Equivalence Ratio	1.67
	Demand Units	14,906
Total Demand Units		26,091

Southbank

TABLE 10. SOUTHBANK – MAXIMUM DEMAND UNITS BY PROJECT TYPE

Total Demand Units for Public Realm		
Development Type	Units	2029 Development Conditions
Residential	Dwellings	13,751
	Demand Units	13,751
Non-Residential	Workers	60,334
	Equivalence Ratio	1.79
	Demand Units	33629
Total Demand Units		47,380

For the purposes of collecting developer contributions from non-residential developments, a demand unit for each DCP area can be expressed in terms of square metres of floorspace (Table 11).

This has been calculated as follows:

- a) Total non-residential floorspace as at 2030 has been divided by total workers as at 2030 to determine average floorspace per worker (in metres squared)
- b) A Demand unit has then been multiplied by the average floorspace per worker to determine average floorspace per demand unit.

TABLE 11. NON-RESIDENTIAL FLOORSPACE PER DEMAND UNIT

Development Area	Average persons per demand unit (2030) a)	Non-residential floorspace per worker (2030) b)	Non-residential floorspace per demand unit (2030) c)
Arden Macaulay	1.66	57.70	95.74
City North	1.67	48.79	81.50
Southbank	1.79	25.72	46.15

For example, Arden-Macaulay has 1.66 persons per dwelling (or one demand unit) at 2030. As workers and residents are deemed to generate the same demand for infrastructure, a demand unit equals 1.66 workers. In 2030, the average amount of floorspace provided per worker is 57.70 square metres. Therefore 1.66 workers (equal to one demand unit) amount to 95.74 square metres of floorspace. In City North and Southbank non-residential densities are anticipated to be higher than in Arden-Macaulay. As such a non-residential demand unit equates to 81.50 square metres and 46.15 square metres respectively in these areas.

Further details of the method employed is documented in *Appendix 2 – Demand Equivalence Ratios*.

5 INFRASTRUCTURE PROJECTS

5.1 Works required

Arden-Macaulay

The City of Melbourne has determined that 11 individual or grouped infrastructure projects will be included in the Arden-Macaulay DCP. Note that other infrastructure projects may be warranted in the area but at the time of the DCP preparation these were omitted from the DCP for varying reasons. More detail on infrastructure projects and their justification is provided in Appendix 3.

The breakdown of the DCP projects is as follows:

TABLE 12. ARDEN-MACAULAY LIST OF INFRASTRUCTURE PROJECTS

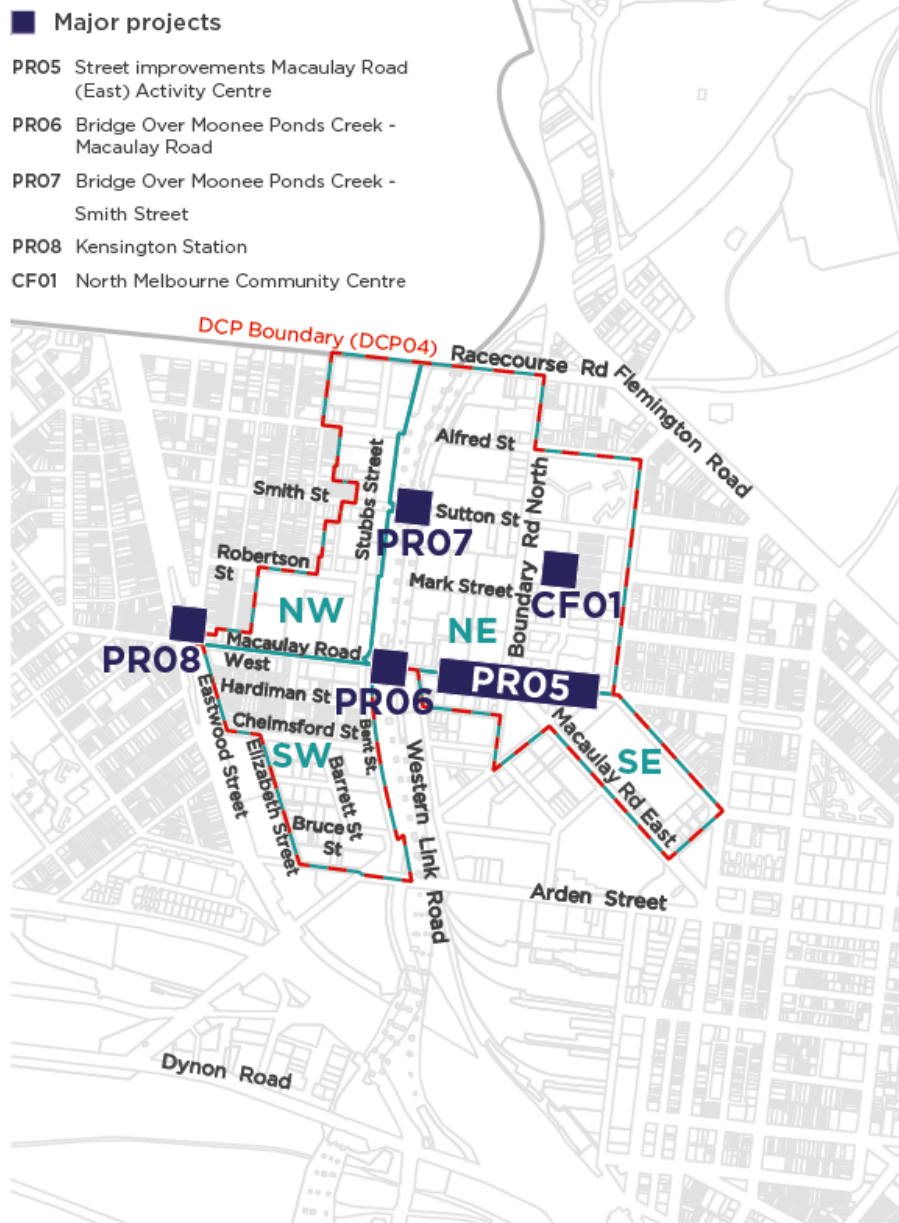
Project Symbol	Project Name
PR01	North West Quadrant - Local Streetscape and drainage upgrade projects
PR02	North East Quadrant - Local Streetscape and drainage upgrade projects
PR03	South West Quadrant - Local Streetscape and drainage upgrade projects
PR04	Major Project - Intersection Upgrades and Installation - excluding 6, 7 and 8
PR05	Major Project - Street Improvements Macaulay Road (East) Activity Centre
PR06	Major Project - Bridge Over Moonee Ponds Creek - Macaulay Road
PR07	Major Project - Bridge Over Moonee Ponds Creek - Smith Street
PR08	Major Project - Kensington Station
DR01	Major Project - Stormwater Harvesting
DR02	Major Project - Pump Station
CF01	Major Project - North Melbourne Community Centre

The location of these projects is shown in Figure 5.

The 'local streetscape and drainage upgrade projects' represent allocations for works that will be carried in these segments of the Arden-Macaulay development area. These have been costed on the basis of typical designs for the works in question. Specific projects will be designed and delivered as development in the precinct unfolds. This approach has also been applied in City North and Southbank.

It should be noted also that works carried out on Declared Roads will related exclusively to streetscape conditions which will benefit the local neighbourhood, rather than carriageway works to benefit through users. This also applies in City North and Southbank.

FIGURE 5. ARDEN-MACAULAY LOCATION OF PROJECTS



City North

The City of Melbourne has determined that 7 individual or grouped infrastructure projects will be included in the City North DCP. Note that other infrastructure projects may be warranted in the area but at the time of the DCP preparation these were omitted from the DCP for varying reasons. More detail on infrastructure projects and their justification is provided in Appendix 3.

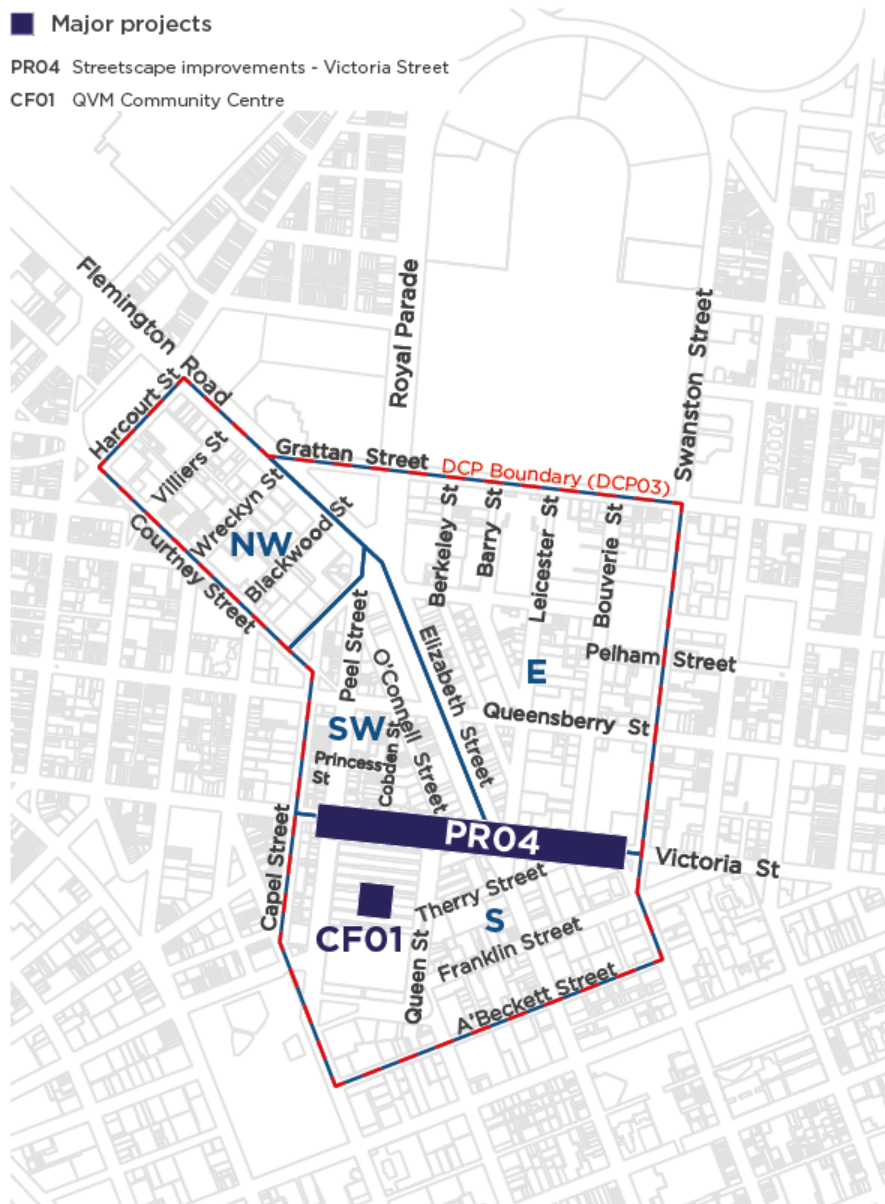
The breakdown of the DCP projects is as follows:

TABLE 13. CITY NORTH LIST OF INFRASTRUCTURE PROJECTS

Project Symbol	Project Name
PR01	North West Quadrant - Local Streetscape and drainage upgrade projects
PR02	South West Quadrant - Local Streetscape and drainage upgrade projects
PR03	East Quadrant - Local Streetscape and drainage upgrade projects
PR04	Major Project - Streetscape improvements - Victoria Street (assuming not in QVM)
PR05	Intersections upgrades and installations - only including 8, 9, 10, 11, 12, 13, 17, 23, 24, 25, 26, 27
PR06	South Quadrant – Local Streetscape and drainage upgrade projects
DR01	Major Project - Stormwater Harvesting
CF01	Major Project - QVM Community Centre

The location of these projects is shown in Figure 6.

FIGURE 6. CITY NORTH LOCATION OF PROJECTS



Southbank

The City of Melbourne has determined that 8 individual or grouped infrastructure projects will be included in the Southbank DCP. Note that other infrastructure projects may be warranted in the area but at the time of the DCP preparation these were omitted from the DCP for varying reasons. More detail on infrastructure projects and their justification is provided in Appendix 3.

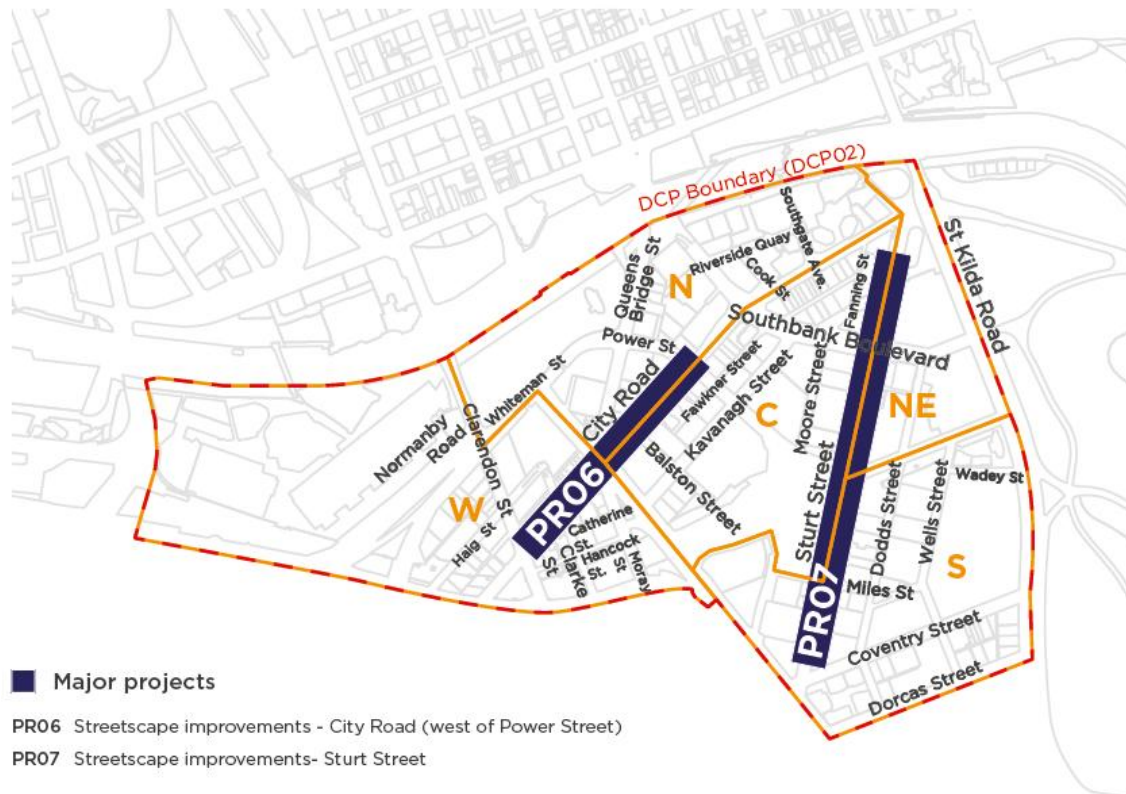
The breakdown of the DCP projects is as follows:

TABLE 14. SOUTH BANK LIST OF INFRASTRUCTURE PROJECTS

Project Symbol	Project Name
PR01	West Quadrant - Local Streetscape and drainage upgrade projects
PR02	North Quadrant - Local Streetscape and drainage upgrade projects
PR03	Central Quadrant - Local Streetscape and drainage upgrade projects
PR04	North East Quadrant - Local Streetscape and drainage upgrade projects
PR05	South Quadrant - Local Streetscape and drainage upgrade projects
PR06	Major Project - Streetscape improvements - City Road (west of Power Street) - 1/2 assumed
PR07	Major Project - Streetscape improvements - Sturt Street
PR08	Major Project - Intersections upgrades and installations - only including 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 18, 19, 21, 22, 23, 24, 25, 26, 27, 30, 33

The location of these projects is shown in Figure 7.

FIGURE 7. SOUTH BANK LOCATION OF PROJECTS



5.2 Development infrastructure and community infrastructure

The Planning & Environment Act requires that infrastructure in a DCP be classified in one of two categories: *Development Infrastructure* or *Community Infrastructure*. In accordance with the relevant Victorian State Government DCP Guidelines and Ministerial Direction, selected DCP projects are classified as Community Infrastructure in this DCP.

The distinction is made because the collection of contributions for Community Infrastructure is limited to the building permit stage and, at this time, there is a \$900 cap on Community Infrastructure contributions per demand unit. Development Infrastructure may be charged for at the planning permit stage and there is no cap on contribution amounts. The City of Melbourne has chosen to only include Community Infrastructure items in the Arden-Macaulay DCP.

5.3 Project timing and delivery

The infrastructure projects listed in this DCP have notional delivery dates. 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 Appendix 3 and Appendix 4. In terms of statutory responsibilities for deployment of funds collected through development contributions under this Plan, Council is committing to deliver all projects within the horizon of the plan.

6 DEVELOPMENT CONTRIBUTION CHARGING RATES

6.1 Method of calculating charges

The cost apportionment methodology adopted in this DCP relies on the nexus principle described earlier. Costs are apportioned according to projected share of infrastructure usage.

The following method was used to calculate infrastructure charges in this DCP:

- 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
- Project the growth in demand units in each catchment area over the life of the funding plan
- Adjust the cost of each infrastructure item downwards in line with the estimated share of usage coming from outside each project's main catchment 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
- Aggregate all charges that apply to a particular charging area to arrive at a total charge.

Appendix 4 of this DCP provides the infrastructure charge calculation sheet for each project included in the DCP. The calculation sheet shows all of the information inputs used to determine the infrastructure charge attached to each project.

6.2 Development contribution rates per demand unit

The development contributions that apply to each charging area for one demand unit are shown in Table 15, Table 16, Table 17 overleaf.

These contribution amounts are current as at May 2013. They will be adjusted annually on 1 July to allow for the rise or fall in prices by applying the following indexing:

- i. The responsible authority will adjust the cost of capital works items included in the DCP at 1st July each year by applying the Building Price Index, June Quarter, Melbourne, in Rawlinsons Australian Construction Handbook; and
- ii. The responsible authority will adjust land acquisition values where included in the DCP, from 1st July each year, based on either the rise or fall of the relevant value as determined by the average of two registered valuations of the land involved, one of which is to be provided by the Victorian Valuer General.

Rates vary according to the level of infrastructure provided for development in each of the charge areas.

TABLE 15. ARDEN-MACAULAY – DEVELOPMENT CONTRIBUTION RATES FOR ONE DEMAND UNIT

Infrastructure Charge by Area One Demand Unit				
Area	CI Community Facility	DI Public Realm	DI Drainage	TOTAL
North West	\$900.00	\$4,897.14	\$721.00	\$6,518.13
North East	\$900.00	\$2,512.56	\$721.00	\$4,133.55
South West	\$900.00	\$4,013.08	\$721.00	\$5,634.08
South East	\$900.00	\$942.98	\$721.00	\$2,563.98

TABLE 16. CITY NORTH – DEVELOPMENT CONTRIBUTION RATES FOR ONE DEMAND UNIT

Infrastructure Charge by Area One Demand Unit				
Area	CI Community Facility	DI Public Realm	DI Drainage	TOTAL
North West	\$900.00	\$1,667.79	\$216.99	\$2,784.79
South West	\$900.00	\$1,938.46	\$216.99	\$3,055.45
East	\$900.00	\$1,481.20	\$216.99	\$2,598.19
South	\$900.00	\$922.73	\$216.99	\$2,039.72

TABLE 17. SOUTHBANK – DEVELOPMENT CONTRIBUTION RATES FOR ONE DEMAND UNIT

Infrastructure Charge by Area One Demand Unit				
Area	CI Community Facility	DI Public Realm	DI Drainage	TOTAL
West	\$0.00	\$1,570.70	\$0.00	\$1,570.70
Central	\$0.00	\$1,197.35	\$0.00	\$1,197.35
North	\$0.00	\$1,047.39	\$0.00	\$1,047.39
North East	\$0.00	\$1,060.76	\$0.00	\$1,060.76
South	\$0.00	\$1,471.67	\$0.00	\$1,471.67

6.3 Development contribution rates for development types

The tables that follow show the charge for each DCP area. Charges are listed relating by charge area by main development type. This is the above demand unit table converted into development types to assist in usability (using, where necessary, equivalence ratios).

Arden-Macaulay

Table 18 shows contributions for Residential Development (per dwelling), and Table 19 contributions for Non-residential Development (per 100 squares metre of floorspace).

TABLE 18. DEVELOPMENT CONTRIBUTIONS PER RESIDENTIAL DWELLING

Residential				
Area	CI Community Facility	DI Public Realm	DI Drainage	Total Charge
	Per dwelling	Per dwelling	Per dwelling	Per dwelling
North West	\$900.00	\$4,897.14	\$721.00	\$6,518.13
North East	\$900.00	\$2,512.56	\$721.00	\$4,133.55
South West	\$900.00	\$4,013.08	\$721.00	\$5,634.08
South East	\$900.00	\$942.98	\$721.00	\$2,563.98

TABLE 19. DEVELOPMENT CONTRIBUTIONS PER 100 SQM OF NON-RESIDENTIAL FLOORSPACE

Non-Residential				
Area	CI Community Facility	DI Public Realm	DI Drainage	Total Charge
	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace
North West	\$0.00	\$5,115.08	\$753.08	\$5,868.17
North East	\$0.00	\$2,624.38	\$753.08	\$3,377.46
South West	\$0.00	\$4,191.68	\$753.08	\$4,944.77
South East	\$0.00	\$984.95	\$753.08	\$1,738.04

City North

Table 20 shows contributions for Residential Development (per dwelling), and Table 21 contributions for Non-residential Development (per 100 squares metre of floorspace).

TABLE 20. DEVELOPMENT CONTRIBUTIONS PER RESIDENTIAL DWELLING

Residential				
Area	CI Community Facility	DI Public Realm	DI Drainage	Total Charge
	Per dwelling	Per dwelling	Per dwelling	Per dwelling
North West	\$900.00	\$1,667.79	\$216.99	\$2,784.79
South West	\$900.00	\$1,938.46	\$216.99	\$3,055.45
East	\$900.00	\$1,481.20	\$216.99	\$2,598.19
South	\$900.00	\$922.73	\$216.99	\$2,039.72

TABLE 21. DEVELOPMENT CONTRIBUTIONS PER 100 SQM OF NON-RESIDENTIAL FLOORSPACE

Non-Residential				
Area	CI Community Facility	DI Public Realm	DI Drainage	Total Charge
	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace
North West	\$0.00	\$2,046.37	\$266.25	\$2,312.62
South West	\$0.00	\$2,378.47	\$266.25	\$2,644.72
East	\$0.00	\$1,817.42	\$266.25	\$2,083.67
South	\$0.00	\$1,132.19	\$266.25	\$1,398.43

Southbank

Table 22 shows contributions for Residential Development (per dwelling), and Table 23 contributions for Non-residential Development (per 100 squares metre of floorspace).

TABLE 22. DEVELOPMENT CONTRIBUTIONS PER RESIDENTIAL DWELLING

Residential				
Area	CI Community Facility	DI Public Realm	DI Drainage	Total Charge
	Per dwelling	Per dwelling	Per dwelling	Per dwelling
West	\$0.00	\$1,570.70	\$0.00	\$1,570.70
Central	\$0.00	\$1,197.35	\$0.00	\$1,197.35
North	\$0.00	\$1,047.39	\$0.00	\$1,047.39
North East	\$0.00	\$1,060.76	\$0.00	\$1,060.76
South	\$0.00	\$1,471.67	\$0.00	\$1,471.67

TABLE 23. DEVELOPMENT CONTRIBUTIONS PER 100 SQM OF NON-RESIDENTIAL FLOORSPACE

Non-Residential				
Area	CI Community Facility	DI Public Realm	DI Drainage	Total Charge
	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace	Per 100 sqm Floorspace
West	\$0.00	\$3,403.46	\$0.00	\$3,403.46
Central	\$0.00	\$2,594.47	\$0.00	\$2,594.47
North	\$0.00	\$2,269.54	\$0.00	\$2,269.54
North East	\$0.00	\$2,298.50	\$0.00	\$2,298.50
South	\$0.00	\$3,188.88	\$0.00	\$3,188.88

7 PROCEDURAL MATTERS

7.1 Liability for development contributions

Except for minor developments as listed in Melbourne Planning Scheme Clauses 45.06 s01, 45.06 s01 and 45.03 s03, proponents of all development types anywhere in the DCP Area shall be liable for development contributions, regardless of whether or not a planning permit is required. There are no as-of-right exemptions in respect of this requirement.

Should a development proposal technically fall outside of the Residential and Non-residential classifications used in this DCP, the City of Melbourne shall determine the most appropriate development charge to be used for the development.

Such developments may require a case-by-case 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.

7.2 Method of payment

Development contributions payments are to be made in cash. Council, at its discretion, may consider accepting works or land in lieu of cash contributions, provided the value of the works / land in question does not exceed the cash liability of the proponent under this DCP (unless the proponent agrees).

Payment for Development Infrastructure is payable at planning permit stage. If no planning permit is required, payment is to be made at the building permit stage.

7.3 Funds administration and accounting

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.

The City of Melbourne 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.

Should Council resolve not to proceed with any of the infrastructure 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 land subject to these infrastructure charges.

APPENDIX 1 – DEVELOPMENT PROJECTIONS

The following tables show the development stock-take and projections for Residential and Non-residential for the charge areas of Arden-Macaulay, City North and Southbank.

TABLE 24. ARDEN-MACAULAY - RESIDENTIAL DEVELOPMENT BY CHARGE AREA (DWELLINGS)

DCP Charge Area #	Existing Dwellings (2015)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total New	2029 Total	3034 Total	Demand Beyond DCP Time Horizon
North West	13	1	2	2	2	2	2	110	110	110	110	110	83	83	83	807	820	1,382	40.7%
North East	961	9	224	224	224	224	224	193	193	193	193	193	170	170	170	2,606	3,567	5,118	30.3%
South West	202	3	10	10	10	10	10	6	6	6	6	6	83	83	83	331	533	905	41.1%
South East	96	24	65	65	65	65	65	43	43	43	43	43	27	27	27	646	742	1,119	33.7%
Total	1,272	37	301	301	301	301	301	351	351	351	351	351	363	363	363	4,389	5,661	8,524	33.6%

TABLE 25. ARDEN-MACAULAY - WORKERS BY CHARGE AREA (TOTAL)

DCP Charge Area #	Existing Workers (2015)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total New	2029 Total	3034 Total	Demand Beyond DCP Time Horizon
North West	1047	23	100	100	100	100	100	50	50	50	50	50	61	61	61	955	2,002	2,453	18.4%
North East	1191	34	256	256	256	256	256	138	138	138	138	138	167	167	167	2,501	3,692	4,865	24.1%
South West	732	16	41	41	41	41	41	44	44	44	44	44	54	54	54	604	1,336	1,662	19.6%
South East	586	24	69	69	69	69	69	36	36	36	36	36	44	44	44	681	1,268	1,600	20.7%
Total	3,556	96	466	466	466	466	466	268	268	268	268	268	325	325	325	4,742	8,298	10,580	21.6%

TABLE 26. ARDEN-MACAULAY – TOTAL DEMAND UNITS

DCP Charge Area #	Existing Demand Units (2015)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total New	2029 Total	3034 Total	Demand Beyond DCP Time Horizon
North West	644	14	62	62	62	62	62	140	140	140	140	140	120	120	120	1,382	2,026	2,860	29.2%
North East	1678	30	378	378	378	378	378	276	276	276	276	276	271	271	271	4,113	5,792	8,050	28.1%
South West	643	13	35	35	35	35	35	32	32	32	32	32	115	115	115	695	1,338	1,906	29.8%
South East	449	38	107	107	107	107	107	65	65	65	65	65	53	53	53	1,057	1,506	2,083	27.7%
Total	3,415	95	582	582	582	582	582	513	513	513	513	513	559	559	559	7,247	10,662	14,900	28.4%

TABLE 27. CITY NORTH - RESIDENTIAL DEVELOPMENT BY CHARGE AREA (DWELLINGS)

DCP Charge Area #	Existing Dwellings (2015)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total New	2029 Total	3034 Total	Demand Beyond DCP Time Horizon
East	2808	176	40	40	40	40	40	61	61	61	61	61	62	62	62	862	3,670	4,130	11.1%
South West	986	19	2	2	2	2	2	4	4	4	4	4	4	4	4	63	1,049	1,087	3.5%
North West	1428	19	2	2	2	2	2	4	4	4	4	4	4	4	4	59	1,487	1,524	2.4%
South	3838	251	53	53	53	53	53	78	78	78	78	78	79	79	79	1,141	4,979	5,596	11.0%
Total	9,060	465	96	96	96	96	96	146	146	146	146	146	150	150	150	2,125	11,185	12,338	9.3%

TABLE 28. CITY NORTH - WORKERS BY CHARGE AREA (TOTAL)

DCP Charge Area #	Existing Workers (2015)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total New	2029 Total	3034 Total	Demand Beyond DCP Time Horizon
East	6771	140	89	89	89	89	89	30	30	30	30	30	110	110	110	1,060	7,831	8,370	6.4%
South West	1202	19	11	11	11	11	11	4	4	4	4	4	14	14	14	136	1,339	1,409	5.0%
North West	1678	27	15	15	15	15	15	5	5	5	5	5	42	42	42	256	1,935	2,096	7.7%
South	12145	233	135	135	135	135	135	45	45	45	45	45	173	173	173	1,651	13,796	14,651	5.8%
Total	21,796	419	250	250	250	250	250	84	84	84	84	84	339	339	339	3,103	24,900	26,526	6.1%

TABLE 29. CITY NORTH – TOTAL DEMAND UNITS

DCP Charge Area #	Existing Demand Units (2015)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total New	2029 Total	3034 Total	Demand Beyond DCP Time Horizon
East	6861	260	93	93	93	93	93	78	78	78	78	78	127	127	127	1,497	8,358	9,141	8.6%
South West	1706	31	9	9	9	9	9	6	6	6	6	6	13	13	13	144	1,850	1,931	4.2%
North West	2433	35	11	11	11	11	11	7	7	7	7	7	30	30	30	212	2,645	2,779	4.8%
South	11108	391	133	133	133	133	133	105	105	105	105	105	183	183	183	2,129	13,237	14,367	7.9%
Total	22,108	716	246	246	246	246	246	196	196	196	196	196	353	353	353	3,983	26,091	28,217	7.5%

TABLE 30. SOUTHBANK - RESIDENTIAL DEVELOPMENT BY CHARGE AREA (DWELLINGS)

DCP Charge Area #	Existing Dwellings (2015)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total New	2029 Total	3034 Total	Demand Beyond DCP Time Horizon
West	2331	191	73	73	73	73	73	66	66	66	66	66	80	80	80	1,128	3,459	4,077	15.2%
Central	3569	305	130	130	130	130	130	121	121	121	121	121	143	143	143	1,992	5,561	6,630	16.1%
North	2196	77	31	31	31	31	31	23	23	23	23	23	32	32	32	445	2,641	2,887	8.5%
North East	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
South	1742	51	25	25	25	25	25	19	19	19	19	19	26	26	26	349	2,091	2,277	8.2%
Total	9,837	624	260	260	260	260	260	230	230	230	230	230	280	280	280	3,914	13,751	15,871	13.4%

TABLE 31. SOUTHBANK - WORKERS BY CHARGE AREA (TOTAL)

DCP Charge Area #	Existing Workers (2015)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total New	2029 Total	3034 Total	Demand Beyond DCP Time Horizon
West	3004	-24	258	258	258	258	258	86	86	86	86	86	345	345	345	2,732	5,736	7,029	18.4%
Central	4950	-14	215	215	215	215	215	72	72	72	72	72	94	94	94	1,701	6,651	7,172	7.3%
North	26322	-65	706	706	706	706	706	236	236	236	236	236	296	296	296	5,535	31,857	33,516	4.9%
North East	2698	-7	71	71	71	71	71	24	24	24	24	24	22	22	22	535	3,233	3,378	4.3%
South	8235	-22	563	563	563	563	563	188	188	188	188	188	297	297	297	4,622	12,857	14,382	10.6%
Total	45,208	-131	1,813	1,813	1,813	1,813	1,813	606	606	606	606	606	1,055	1,055	1,055	15,125	60,334	65,477	7.9%

TABLE 32. SOUTHBANK - TOTAL DEMAND UNITS

DCP Charge Area #	Existing Demand Units (2015)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total New	2029 Total	3034 Total	Demand Beyond DCP Time Horizon
West	4005	178	217	217	217	217	217	115	115	115	115	115	272	272	272	2,651	6,656	7,995	16.7%
Central	6328	297	250	250	250	250	250	161	161	161	161	161	196	196	196	2,940	9,268	10,627	12.8%
North	16867	41	425	425	425	425	425	155	155	155	155	155	197	197	197	3,530	20,398	21,568	5.4%
North East	1504	-4	40	40	40	40	40	13	13	13	13	13	12	12	12	298	1,802	1,883	4.3%
South	6332	39	339	339	339	339	339	124	124	124	124	124	191	191	191	2,925	9,257	10,293	10.1%
Total	35,036	551	1,270	1,270	1,270	1,270	1,270	568	568	568	568	568	868	868	868	12,345	47,380	52,367	9.5%

APPENDIX 2 – DEMAND EQUIVALENCE RATIOS

DCP Area	Residents 2030	Dwellings 2030	Average persons per dwelling
Arden Macaulay	12,178	7,339	1.66
City North	18,935	11,335	1.67
Southbank	25,173	14,031	1.79
Source: City Research - CLUE Forecast Model 2013			

DCP Area	Workers 2030	Non-residential floorspace 2030	Average floorspace per worker (m ²)
Arden Macaulay	15,785	910,745	57.70
City North	25,239	1,231,274	48.79
Southbank	61,388	1,578,993	25.72
Source: City Research - CLUE Forecast Model 2013			
Source: SGS Economics and Planning - Employment and Floorspace Model 2012			

DCP Area	1 Demand Unit Equivalent	
	Residential (dwelling)	Non-Residential (floorspace)
Arden Macaulay	1	95.74
City North	1	81.50
Southbank	1	46.15

Development Area	Average persons per demand unit (2030) a)	Non-residential floorspace per worker (2030) b)	Non-residential floorspace per demand unit (2030) c)
Arden Macaulay	1.66	57.70	95.74
City North	1.67	48.79	81.50
Southbank	1.79	25.72	46.15

APPENDIX 3 – INFRASTRUCTURE PROJECT DETAILS

The following pages lists all infrastructure projects and provides detail on project justification and project description.

TABLE 33. ARDEN-MACAULAY PROJECT LIST

Name	Symbol	IC	Estimated Cost	External Demand	Starting Year	Ending Year	Discount Beyond Time Horizon	Project Justification	Catchment
North West Quadrant - Local Streetscape and drainage upgrade projects	PR01	DI PUBLIC REALM	\$9,258,420	0%	2015/16	2029/30	29.3%	AECOM - Detailed Cost Opinion Report (June 2012)	North West
North East Quadrant - Local Streetscape and drainage upgrade projects	PR02	DI PUBLIC REALM	\$14,026,500	0%	2015/16	2029/30	28.1%	AECOM - Detailed Cost Opinion Report (June 2012)	North East
South West Quadrant - Local Streetscape and drainage upgrade projects	PR03	DI PUBLIC REALM	\$6,715,050	0%	2015/16	2029/30	29.9%	AECOM - Detailed Cost Opinion Report (June 2012)	South West
Major Project - Intersection Upgrades and Installation - excluding 6, 7 and 8	PR04	DI PUBLIC REALM	\$3,750,000	0%	2015/16	2029/30	28.5%	AECOM - Detailed Cost Opinion Report (June 2012)	North West, North East, South West, South East
Major Project - Street Improvements Macaulay Road (East) Activity Centre	PR05	DI PUBLIC REALM	\$12,894,000	50%	2016/17	2018/19	28.5%	AECOM - Detailed Cost Opinion Report (June 2012)	North West, North East, South West, South East
Major Project - Bridge Over Moonee Ponds Creek - Macaulay Road	PR06	DI PUBLIC REALM	\$2,732,000	0%	2023/24	2025/26	28.5%	AECOM - Detailed Cost Opinion Report (June 2012)	North West, North East, South West, South East
Major Project - Bridge Over Moonee Ponds Creek - Smith Street	PR07	DI PUBLIC REALM	\$3,718,000	0%	2025/26	2027/28	29.3%	AECOM - Detailed Cost Opinion Report (June 2012)	North West
Major Project - Kensington Station	PR08	DI PUBLIC REALM	\$1,945,000	50%	2018/19	2020/21	28.5%	AECOM - Detailed Cost Opinion Report (June 2012)	North West, North East, South West, South East
Major Project - Stormwater Harvesting	DR01	DI DRAINAGE	\$8,000,000	0%	2019/20	2020/21	28.5%	AECOM - Detailed Cost Opinion Report (June 2012)	North West, North East, South West, South East
Major Project - Pump Station	DR02	DI DRAINAGE	\$2,222,000	0%	2016/17	2017/18	28.5%	AECOM - Detailed Cost Opinion Report (June 2012)	North West, North East, South West, South East
Major Project - North Melbourne Community Centre	CF01	CI COMMUNITY INFRA.	\$25,000,000	50%	2017/18	2019/20	33.6%		North West, North East, South West, South East

TABLE 34. CITY NORTH PROJECT LIST

Name	Symbol	IC	Estimated Cost	External Demand	Starting Year	Ending Year	Discount Beyond Time Horizon	Project Justification	Catchment
North West Quadrant - Local Streetscape and drainage upgrade projects	PR01	DI PUBLIC REALM	\$ 4,700,243	0%	2015/16	2029/30	4.82%	AECOM - Detailed Cost Opinion Report (June 2012)	North West
South West Quadrant - Local Streetscape and drainage upgrade projects	PR02	DI PUBLIC REALM	\$ 4,023,036	0%	2015/16	2029/30	4.17%	AECOM - Detailed Cost Opinion Report (June 2012)	South West
East Quadrant - Local Streetscape and drainage upgrade projects	PR03	DI PUBLIC REALM	\$ 12,661,357	0%	2015/16	2029/30	8.56%	AECOM - Detailed Cost Opinion Report (June 2012)	East
Major Project - Streetscape improvements - Victoria Street (assuming not in QVM)	PR04	DI PUBLIC REALM	\$ 9,522,080	0%	2018/19	2020/21	3.60%	AECOM - Detailed Cost Opinion Report (June 2012)	North West, South West, East, South
Intersections upgrades and installations - only including 8, 9, 10, 11, 12, 13, 17, 23, 24, 25, 26, 27	PR05	DI PUBLIC REALM	\$ 7,050,000	0%	2015/16	2029/30	7.20%	AECOM - Detailed Cost Opinion Report (June 2012)	North West, South West, East, South
South Quadrant - Local Streetscape and drainage upgrade projects	PR06	DI PUBLIC REALM	\$ 8,615,364	0%	2015/16	2029/30	5.00%	AECOM - Detailed Cost Opinion Report (June 2012)	South
Major Project - Stormwater Harvesting	DR01	DI DRAINAGE	\$ 8,000,000	0%	2020/21	2021/22	7.20%	AECOM - Detailed Cost Opinion Report (June 2012)	North West, South West, East, South
Major Project - QVM Community Centre	CF01	CI COMMUNITY INFRA.	\$ 25,000,000	10%	2019/20	2021/22	5.00%	AECOM - Detailed Cost Opinion Report (June 2012)	North West, South West, East, South

TABLE 35. SOUTHBANK PROJECT LIST

Name	Symbol	IC	Estimated Cost	External Demand	Starting Year	Ending Year	Discount Beyond Time Horizon	Project Justification	Catchment
West Quadrant - Local Streetscape and drainage upgrade projects	PR01	DI PUBLIC REALM	\$ 7,699,540	0%	2015/16	2029/30	16.7%	AECOM - Detailed Cost Opinion Report (June 2012)	West
North Quadrant - Local Streetscape and drainage upgrade projects	PR02	DI PUBLIC REALM	\$ 7,170,620	0%	2015/16	2029/30	5.4%	AECOM - Detailed Cost Opinion Report (June 2012)	North
Central Quadrant - Local Streetscape and drainage upgrade projects	PR03	DI PUBLIC REALM	\$ 5,454,270	0%	2015/16	2029/30	12.8%	AECOM - Detailed Cost Opinion Report (June 2012)	Central
North East Quadrant - Local Streetscape and drainage upgrade projects	PR04	DI PUBLIC REALM	\$ 663,930	0%	2015/16	2029/30	4.3%	AECOM - Detailed Cost Opinion Report (June 2012)	North East
South Quadrant - Local Streetscape and drainage upgrade projects	PR05	DI PUBLIC REALM	\$ 9,011,650	0%	2015/16	2029/30	10.1%	AECOM - Detailed Cost Opinion Report (June 2012)	South
Major Project - Streetscape improvements - City Road (west of Power Street) - 1/2 assumed	PR06	DI PUBLIC REALM	\$ 13,559,800	0%	2015/16	2017/18	9.5%	AECOM - Detailed Cost Opinion Report (June 2012)	West, North, Central, North East, South
Major Project - Streetscape improvements - Sturt Street	PR07	DI PUBLIC REALM	\$ 21,268,000	0%	2015/16	2017/18	9.5%	AECOM - Detailed Cost Opinion Report (June 2012)	West, North, Central, North East, South
Major Project - Intersections upgrades and installations - only including 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 18, 19, 21, 22, 23, 24, 25, 26, 27, 30, 33	PR08	DI PUBLIC REALM	\$ 8,700,000	0%	2015/16	2029/30	9.5%	AECOM - Detailed Cost Opinion Report (June 2012)	West, North, Central, North East, South

APPENDIX 4 – INFRASTRUCTURE PROJECT CALCULATIONS

The following pages list all infrastructure project inputs and calculations. All assumptions are noted in the spreadsheets.

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