

Frequently Asked Questions

Planning Scheme Amendment C238 – Glismann Road Area Amendment

The content below is provided to assist with addressing common questions that may arise as part of Planning Scheme Amendment C238. The content is to be read in conjunction with C238 exhibition documents.



Cardinia

FAQ3 - Questions about the Glismann Road Development Contributions Plan Overlay (DCPO5) and the Glismann Road Development Contributions Plan

Three FAQs have been prepared for Planning Scheme Amendment C238:

- FAQ1: Questions about this amendment and the Victorian planning system
- FAQ2: Questions about the Glismann Road Area Development Plan Overlay (DPO19) and Development Plan
- FAQ3: Questions about the Glismann Road Development Contributions Overlay (DCPO5) and the Glismann Road Development Contributions Plan (this FAQ)

Q. What is a Development Contributions Plan (DCP)?

A Development Contributions Plan (DCP) is a planning tool that facilitates the fair funding and delivery of infrastructure for a specific development area.

The Victorian Government provides ministerial directions, practice notes and guidelines for preparing Development Contribution Plans.

A DCP identifies:

- the area of land it applies to;
- the infrastructure projects the financial contributions will fund; and,
- how these contributions were calculated and shared across property owners.

The Glismann Road DCP has been prepared by Urban Enterprise. The DCP has been informed by reports and costings prepared by Council as well as consultants on behalf of Council.

Q. What is a Development Contributions Plan Overlay (DCPO)?

The Development Contributions Plan Overlay (DCPO):

- implements an approved DCP;
- indicates the area covered by the DCP; and,
- indicates the levies that apply in a particular area.

A DCPO provides a summary of the key elements of the DCP such as

- Summary of costs – provides the total cost of the project types, the percentage of cost attributed to the DCP area and when the project will be delivered.
- Summary of contributions – provides a breakdown of the projects in relation to the DCP rate.

Q. What is the Glismann Road DCP levy amount?

The Glismann Road DCP collects funds for two types of infrastructure:

- a development infrastructure levy (DIL)
- a community infrastructure levy (CIL).

The *Planning and Environment Act 1987* outlines what works, services or facilities that may be funded by a DCP and whether the project is a DIL or CIL.

- The proposed DCP rate for the Glismann Road Development Infrastructure Levy (DIL) is \$418,810.86 per net developable hectare.
- The proposed DCP rate for the Glismann Road Community Infrastructure Levy (CIL) is \$892.62 per dwelling.

Q. What is a Development Infrastructure Levy (DIL)?

A DIL can include a variety of projects such as roads, intersections, and open space.

A 'per hectare of net developable land' demand unit is used for the collection of the DIL to ensure the levy is fair for developers regardless of the density or lot yield.

In basic terms, the DIL rate is determined by dividing the 'total cost of all development infrastructure (in the DCP)' by the 'net developable area' of the DCP area.

One hectare of Net Developable Area equates to one demand unit for the Development Infrastructure Levy.

Q. What is a Community Infrastructure Levy (CIL)?

Generally, the CIL includes projects that are of a community or social nature.

A CIL can include projects involving the construction of buildings or facilities used for community and social purposes that fall outside of those able to be funded under the DIL, such as maternal and child health centres or recreational pavilions.

One dwelling equates to one demand unit for the Community Infrastructure Levy.

Q. What is a net developable hectare (NDA)?

Net developable area refers to the total area of land available for development, not necessarily the total area of a property itself.

It excludes areas allocated for encumbered land, arterial roads, railway corridors, significant heritage, schools and community facilities and public open space.

The Glismann Road Area includes some areas which have a slope of 20% or more where development is not permitted. This area is also excluded from the NDA in order to fairly apportion infrastructure costs across developable land only.

The net developable area is calculated at the subdivision stage.

Q. Will the DCP rate change overtime?

Yes.

The projects in the Glismann Road DCP are based on November 2019 land values and construction costs.

DCPO5 and the Glismann Road DCP outlines the indexing method that will be used to ensure the levies keep pace with the escalating cost of these projects and land values.

The costs are indexed at the start of each financial year and published in local newspapers and on Council's website.

An example of how indexing affects the DCP rate is as follows:

- *The Officer DCP (DCPO4) was originally calculated on 2011 values and costs.*
- *The Officer DCP 2011 rate, as outlined in the DCPO schedule is \$277,549.07 per hectare of net developable area.*
- *The current Officer DCP rate calculated on 30 June 2019 (based on the indexation outlined in the schedule) is now \$523,481 per hectare of net developable area.*
- *This indexed rate is valid from 1 July 2019 to 30 June 2020.*

Q. When does the DCP get paid?

The sale or transfer of the land does not trigger a development contribution payment.

The DIL is payable upon subdivision of the land. Development contributions can be made as payments or works-in-kind for the provision of infrastructure.

The CIL is paid by the landowner prior to the issuing of a building permit for any new or additional dwelling (unless agreed to be paid by the developer).

Q. Why do we need a DCP for the Glismann Road Area?

Development within the Glismann Road Area facilitated by this amendment triggers the need for additional infrastructure such as public open space, shared paths, roads and traffic management within and on the boundary of the development plan area.

The DCP is a funding arrangement that shares the cost of key infrastructure items triggered by the new development in a fair and reasonable manner.

Q. What costs can be included in a DCP?

The *Victorian State Government Development Contributions Guidelines (2007)* identifies that the following costs can be included in the calculation of levies:

- the capital costs of providing the infrastructure projects
- the cost of financing the infrastructure projects, if provided early in the life of the DCP
- the design costs associated with the infrastructure projects, and
- the cost of preparing and approving the DCP.

Q. What projects are included in the Glismann Road DCP?

Strategic planning and technical assessments undertaken by Council have identified a requirement for a range of development infrastructure items for the Glismann Road Area, which is as follows:

- roads (purchase of land and construction cost);
- intersections (purchase of land and construction cost);
- open space (purchase of land, development of the local park and contribution towards a neighbourhood park adjacent to the Glismann Road Area); and,
- shared path (construction).

Council has also:

- included strategic planning costs in the Glismann Road DCP;
- identified a requirement for one community infrastructure item (contribution towards the construction of a pavilion on a neighbourhood park adjacent to the Glismann Road Area).

All items in the DCP have been assessed to ensure they have a relationship or nexus to proposed development in the Glismann Road Area.

O'Neil Road Recreation Reserve is a neighbourhood park that benefits all existing and future residents of the suburb of Beaconsfield. The O'Neil Road Recreation Reserve Masterplan was adopted by Council in November 2018.

In 2041 (at the conclusion of the DCP timeframe), residents of the Glismann Road Area are projected to comprise 11% of all existing and future residents in Beaconsfield. Therefore, 11% of the cost of the works proposed for the O'Neil Road Recreation Reserve is apportioned to the Glismann Road DCP.

Q. What is the value of the Glismann Road DCP?

DCPO5 summarises the content of the Glismann Road DCP.

The total value of infrastructure funded through the Glismann Road DCP is \$7,216,129:

- Roads and intersections \$5,561,688
- Open space \$1,276,750
- Planning \$159,891
- Community Infrastructure \$217,800

Q. What was the valuation rationale for the land items in the Glismann Road DCP?

The Glismann Road DCP has three land components:

- Land for a local park affects 6 and 8 Glismann Road.
- Land for roundabout splays affects 3 and 5 Glismann Road.
- Land for a road that provides an access point for adjoining landowners affects 1, 6 and 16 Glismann Road.

Council engaged Westlink Consulting (a registered valuer), to assess the land value for each property that has a land component in the DCP.

The land value will be adjusted each year by a registered valuer as outlined in the Glismann Road DCP.

Q. How were the infrastructure items in the DCP calculated?

- Roads and the roundabout project costs have been prepared by Trafficworks Pty Ltd in consultation with Council.
- The shared path, local open space, neighbourhood open space (O'Neil Recreation Reserve) and strategic planning costs have been prepared by Cardinia Shire Council.

Q. Where can I find out more about the costing of the projects in the DCP?

The Glismann Road DCP provides information about the cost of each project, whether it be capital works or land.

Project cost sheets which outline the cost breakdown of each of DCP items is provided in Glismann Road *Development Contributions Plan Project Costings* which can be found at <https://creating.cardinia.vic.gov.au/glismann-road>

Q. Who do I contact to talk to about the Glismann Road Development Contributions Plan Overlay and the Glismann Road Development Contributions Plan?

You can contact Lorna Lablache from Council's Planning Strategy unit on 1300 787 624.

A video or phone meeting can also be arranged to help address any questions or concerns you may have about the amendment and the content of the amendment documentation. Please call Lorna to arrange a day and time that suits you.

For more information about Development Contribution Plans please go to <https://www.planning.vic.gov.au/policy-and-strategy/development-contributions>
