

Briody Drive West Upgrade

Development Contributions Plan

October 2012



This report has been prepared by



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1 Introduction

1.1 Background

Torquay Jan Juc is the main urban growth centre of the Surf Coast Shire, containing almost half of the Shire's population. Torquay Jan Juc is expected to experience continuing development pressure over time.

The Surf Coast Shire adopted the Torquay Jan Juc Structure Plan in 2007 which establishes the strategic direction for future growth of the town to 2026. The Plan notes that urban development will demand and make use of many infrastructure items over time - including road, pathway, open space and community facility projects - the cost of which will be significant.

Surf Coast Shire has resolved that new development in the Shire is required to meet 100% of its share of the capital cost of scheduled infrastructure, in accordance with State Government policy on development contributions. On this basis the Torquay Jan Juc Development Contribution Plan was prepared and is currently in the process of being adopted into the Surf Coast Planning Scheme (Amendment C57).

The Torquay Jan Juc Structure Plan 2007 promotes the redevelopment of the Briody low density residential estate to conventional residential densities. The eastern part of this estate has already been rezoned and partially redeveloped. A further stage is now in the process of being rezoned. As part of this rezoning the need to upgrade Briody Drive, between Messmate Road and Illawong Drive to full seal with kerb and channel has been identified. This infrastructure upgrade is not included in the Torquay Jan Juc Development Contributions Plan.

This Briody Drive West Upgrade DCP will collect levies for the sole purpose to finance part of the upgrade of Briody Drive West, between Illawong Drive and Messmate Road, Torquay. Individual developers will be responsible for constructing the balance of the upgrade (refer Part 4.1).

This DCP has been developed in accordance with the provisions of Part 3B of the *Planning and Environment Act 1987* and the Victorian State Government *Development Contributions Guidelines 2007*.

1.2 DCP Area

This DCP applies to that part of the Briody Estate West as outlined in Figure 1. The area generally comprises the land abutting the portion of Briody Drive to be upgraded. This area forms the Main Catchment Area for the DCP.

Figure 1 – Briody Estate West Precinct - Main Catchment Area



1.3 DCP Timeframe

For the purposes of the DCP a 20 year life has been adopted. This period commences from the date that the DCP is incorporated into the Surf Coast Planning Scheme.

This DCP forms part of the Surf Coast Shire Planning Scheme and must be read in conjunction with it.

2 Statutory Framework

2.1 Planning & Environment Act

Part 3B of the Planning and Environment Act 1987 outlines the statutory provisions relating to development contributions. In summary, Part 3B provides for, amongst other things:

- The inclusion of a DCP in the Planning Scheme for the purpose of levying contributions for the provision of works, services and facilities (section 46I).
- The provision to impose either a development infrastructure levy or a community infrastructure levy, or both (section 46J).
- The contents required of a DCP (section 46K).
- The setting of limits in respect of a community infrastructure levy. In the case of the construction of a dwelling, the community levy must not exceed \$900 per dwelling (section 46L).
- The provision for the Minister to issue written directions relating to the preparation and content of a DCP (section 46M).
- The collection of a development infrastructure levy, by way of a condition of planning permit either requiring the payment of a levy within a specified time, or entering into an agreement to pay the levy within a specified time (section 46N).

2.2 State Planning Policy Context

Clause 19.03 of the State Planning Policy Framework of the Victorian Planning Provisions provides for the facilitation of the timely provision of planned infrastructure to communities through the preparation and implementation of development contributions plans.

The Minister's Direction dated 15 May 2003 outlines what may be funded with a development contributions levy, including:

- Construction of roads, including bicycle paths, footpaths and traffic management devices.

The Victorian State Government has published a set of documents which make up the Development Contributions Guidelines (2007). The Guidelines are available through the Department of Planning and Community Development (DPCD) website. These documents provide guidance as to how DCPs are to be prepared and administered including matters that DCPs are to consider.

2.3 Local Planning Policy Context

The Torquay Jan Juc Structure Plan 2007 promotes the redevelopment of the Briody low density residential estate to conventional residential densities. This is reiterated in clause 21.08 Torquay Jan Juc Strategy of the Planning Scheme. The eastern part of this estate has already been rezoned and partially redeveloped.

The rezoning of a further stage has commenced and as part of this rezoning the need to upgrade Briody Drive, between Messmate Road and Illawong Drive to full seal with kerb and channel has been identified. This infrastructure upgrade is not included in the Torquay Jan Juc Development Contributions Plan (amendment C57).

3 Need and Nexus

3.1 Introduction

Council has identified a need for the upgrading of Briody Drive (West) in order to provide for the wellbeing, health and safety of the future occupants of the redeveloped Briody Estate West.

No community Infrastructure items have been identified to be included in this DCP.

The cost apportionment methodology adopted in this DCP relies on the nexus principle. The Main Catchment Area (MCA) for this DCP is deemed to have a nexus with the infrastructure item proposed to be delivered through this DCP in that the users and occupants of the precinct are likely to make use of this infrastructure item.

3.2 Cost Apportionment

In order to fairly levy developers while maintaining financial certainty for Council, the demand unit used in this DCP for infrastructure is a net developable hectare of land. That is, one hectare of net developable land area is equal to one demand unit. All net developable land within the precinct is to contribute to the upgrading of Briody Drive (West).

3.3 Land Budget

Table 1 shows the land budget for the precinct, including the net developable area in the Precinct.

Table 2 – Land Budget and Net Developable Area

Land Use	Hectares	% of total
Total Land Area	37.96	100.0%
Proposed Drainage Reserve	0.76	2.0%
Proposed Vegetation Reserve (estimate)	0.24	0.6%
Gross Developable Area	36.96	97.4%
Unencumbered Open Space (estimate)	0.87	2.3%
Net Developable Area	36.09	95.1%

4 Infrastructure Items to be Funded by DCP

4.1 Community Infrastructure Items

No community infrastructure items are included in this DCP.

4.2 Development Infrastructure Items

This DCP will fund just the one development infrastructure item:

- RD01 Briody Drive (West) upgrade. This involves the widening and sealing of the road formation only. The scope and costing of the works is detailed in Appendix B.

4.3 Developer Funded Items

Items the relevant developers/landowners will be required to fund include, but are not limited to:

- The portion of Briody Drive (West) to which their property abuts for the provision of kerb and channelling & associated drainage, footpath, landscaping and lighting.
- Internal roads and intersections, including local road intersections with Grossmans Road and Messmate Road.
- Overall drainage, which may be arranged through a section 173 agreement in accordance with the schedule to the Development Plan Overlay to be applied to the land.

5 Calculation of Levy

5.1 Method of Calculating Levy

The DCP Infrastructure Project Sheet below identifies the levy assigned to the infrastructure item. The method of calculation is described in this section.

Table 2 – Infrastructure Project Sheet

RD01	Briody Drive (West) upgrade	
Description	Widening and sealing of the road formation of Briody Drive between Messmate Road and Illawong Drive.	
	Infrastructure Type	Infrastructure Category
	Development	Roads
Project Cost	\$544,600.00	
Indicative Provision Trigger	When the first stage of redevelopment of the Briody Estate West occurs.	
Strategic Justification	Required as a collector road to the Briody Estate West.	
Existing Usage Discount	0%	
Project Cost to MCA	\$544,600.00	
Apportionment of Costs	To be apportioned based on the net developable area between all landowners in the Main Catchment Area.	
Demand Units	36.09	
Levy Amount	\$15,090.05 per hectare	
List of Works Required	Refer Appendix B	
Costing Source	Surf Coast Shire	

5.2 Project Cost

The detailed costing of the project is contained in Appendix A.

5.3 Project Timing

The delivery of this project is dependent on the commencement of development of the adjoining properties. Coordination of the construction of Briody Drive with the first stage of development of land fronting Briody Drive would likely be the preferred option. The earliest the works could be commenced is 2012/13.

5.4 External Usage

This project primarily benefits the circulation to and within the precinct. No external usage discounts are included in the DCP.

5.5 Cost Apportionment Method

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 will make use of the infrastructure in question. Costs are apportioned according to projected share of infrastructure usage.

The general cost apportionment method is to:

- Define and schedule the infrastructure items required to service the area;
- 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; and
- Aggregate all charges that apply to a particular charging area to arrive at a total charge.

5.6 Development Contribution Rates Per Demand Unit

A summary of the development contributions that are required to be made in the Briody Drive West Precinct is outlined in Table X and Y. The contribution are current as at June 2011 and will be indexed annually, commencing end June 2012 in accordance with the indexation method specified in part 7 of this DCP.

Table 3 – Development Infrastructure Levy Per Demand Unit

	Roads	Development Infrastructure Levy collectable per demand unit
Development Infrastructure Levy	\$15,090.05	\$15,090.05

Table 4 – Development Infrastructure Funds to be Collected

	Development Infrastructure Funds to be collected
Total Funds to be Collected through DCP	\$544,600.00

6 DCP Administration

6.1 Indexation of Levies

It is possible to undertake development contribution calculations using present value discounting to take into account time value of money, in terms of when funds are expected to be collected versus when they are expected to be spent. This is a refined approach to calculations and should be used where timing of development and timing of infrastructure delivery can be estimated with a degree of certainty. This enables the charge to be adjusted up or down depending on which party (infrastructure delivery agency or developer) bears a finance cost. This approach has been used in this DCP.

Appendix 5 shows the DCP calculations for each infrastructure project. This provides the charge rate by each project, and all information inputs used for each project.

The process by which to determine area charges is to sum individual project charges that relate to an area and infrastructure category.

6.2 Collecting Agency

The Surf Coast Shire is the Collecting Agency pursuant to section 46K of the *Planning and Environment Act 1987*.

6.3 Development Agency

The Surf Coast Shire is the development agency for the infrastructure item pursuant to section 46K of the *Planning and Environment Act 1987*.

6.4 Collection of Levies

The Development Infrastructure Levy will be collected by the Surf Coast Shire before the issue of a Statement of Compliance under the *Subdivision Act 1988* in respect of a subdivision of any land within the Catchment Area creating any new lot. A statement of compliance must not be issued until the development infrastructure levy is paid.

The Responsible Authority will impose conditions on a planning permit for subdivision to collect the levy generally as follows:

A development infrastructure levy must be paid to the Responsible Authority in accordance with the provisions of the approved Development Contributions Plan. Payment is to be made for each

stage of the approved subdivision for the land prior to the issue of a Statement of Compliance for any such stage.

6.5 Administrative Procedures

Council will undertake ongoing accounting of this DCP. Funds collected through development contributions will be used to offset Council's expenses in constructing the infrastructure itemised in this DCP. Funds collected prior to the construction of the infrastructure 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 itemised in this DCP.

If Council resolves not to proceed with the infrastructure project listed in this Development Contributions Plan the Council will comply with the provisions of section 46Q of the *Planning and Environment Act 1987*.

Where Council's actual expenses in constructing the infrastructure itemised in this DCP are less than the total project construction estimate (refer Appendix B), the DCP will be adjusted to reflect the actual costs (not estimated costs), and any levy that has been paid based upon estimated costs will be adjusted / reimbursed by Council accordingly.

6.6 Method of Provision

Responsibility for the delivery of infrastructure works as described in this DCP resides with the Surf Coast Shire.

Infrastructure works may be provided by developers with a credit provided against their development contribution, subject to the agreement of Council.

Appendix A

DCP Infrastructure Location Map

Figure 2 – Location of DCP Infrastructure Item



Appendix B

Detailed Costings

Project RD01 - Briody Drive West Construction - Illawong Dve to Messmate Rd
- cost estimate by Surf Coast Shire, June 2011

Description	Quantity / Unit	Rate	Amount	Summary
PRELIMINARIES				\$25,000.00
All works necessary to establish and maintain the site inclusive of pedestrian safety and traffic management measures, environmental management, occupational health & safety, protective fencing, for duration of construction period, to conform with Australian Standards.	Item	\$25,000.00	\$25,000.00	
PAVEMENTS AND HARDWORKS				\$413,725.00
Earthworks including excavation, forming, grading, boxing, filling, trimming, compaction of sub-grade, lowering of all private services, provision of access at existing driveway entrances, as directed and specified at per cubic metre of cut solid. @ 3m ³ /lin m	2850m ³	\$30.00	\$85,500.00	
150mm nominal compacted depth, Class 3 crushed rock, supplied, laid and compacted.	7125m ²	\$13.00	\$92,625.00	
150mm nominal compacted depth, Class 2 crushed rock, supplied, laid and compacted.	7125m ²	\$14.00	\$99,750.00	
30mm compacted depth, 10mm nominal size Type N asphalt, supplied laid and compacted including tack coat.	6175m ²	\$18.00	\$111,150.00	
100mm nominal compacted depth shoulder, Class 2 crushed rock, supplied, laid and compacted.	1900m ²	\$13.00	\$24,700.00	
SIGNAGE AND LINEMARKING				\$3,000.00
Signage and Linemarking allowance	Item		\$3,000.00	
LANDSCAPING				\$7,260.00
Topsoil with 100mm of imported soil and seed.	660m ²	\$11.00	\$7,260.00	
PROVISIONAL ITEMS				\$8,000.00
Excavation and disposal of soft subgrade, backfill and compacted with 3% cement treated crushed rock, as specified at per cubic metre solid.	100m ³	\$80.00	\$8,000.00	
AS CONSTRUCTED DRAWINGS				\$5,000.00
Provide Council with "As Constructed" plans where alterations have been made to the original design plans. (Civil & Landscaping Works)	Item		\$5,000.00	
MAINTENANCE AND ESTABLISHMENT				\$7,500.00
Allow for maintenance	Item	\$7,500.00	\$7,500.00	
ANY OTHER ITEMS				\$75,117.60

Survey & Design of Works (6% of Estimate)	Item	\$28,169.10	\$28,169.10
Contingencies (10% of Estimate)	Item	\$46,948.50	\$46,948.50

TOTAL PROJECT CONSTRUCTION COST ESTIMATE			\$544,602.60
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