

# Information Session

## **Amendment C112mild Development Contribution Plans 10 February 2021**

# Today

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- Intro
- What is a Development Contribution Plan (DCP)?
- Mildura DCPs
- Issues
- What are the Proposed Changes?
- Nichols Point
- Amendment Process
- Questions

# What is a DCP?

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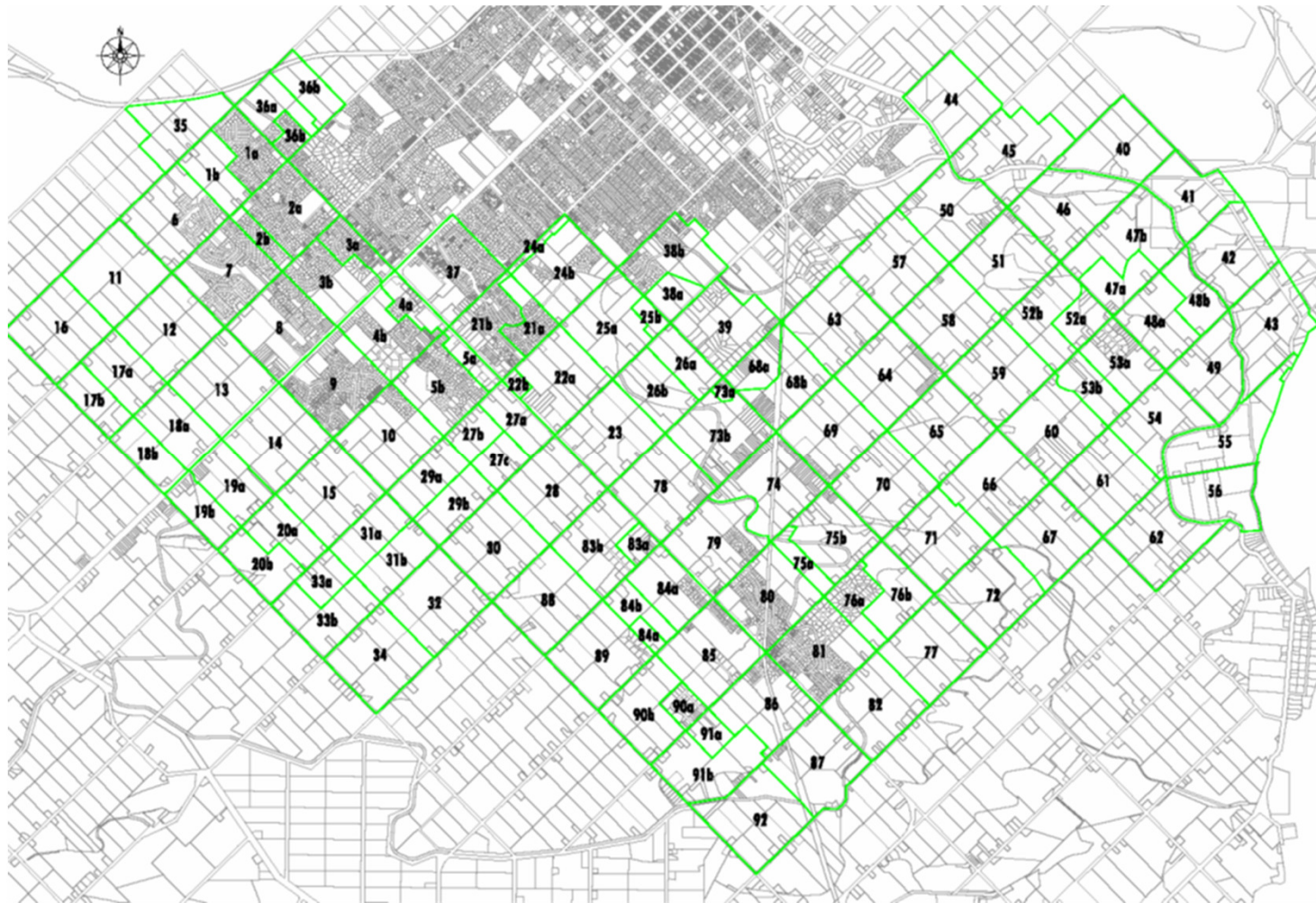
- A development Contribution Plan is a mechanism in the Mildura Planning Scheme implemented via a planning permit
- The DCP ensures levies are collected from the private development proposed in line with the vision for the expansion of Mildura
- These levies help fund the necessary public infrastructure upon which the development of subdivisions and housing will rely
- Infrastructure includes stormwater drainage, public open space and recreation and community facilities costing millions of dollars
- The cost of providing these facilities is distributed on a nexus basis in catchments across the DCP areas.

# Mildura DCPs

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- The three Development Contribution Plans (DCP) in the Mildura Planning Scheme were prepared between 2005 and 2007
- The areas cover the growth areas in Mildura South, Irymple and Nichols Point
- Provision of the infrastructure is linked to a forecast population and demand growth established at the time
- Each DCP specifies a specific date by which time each individual infrastructure project must be delivered, based on the growth forecast as to when it was anticipated to be required

# Mildura DCP's



# Issues

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- All three DCPs have however, been affected by a slower rate of levy collection linked to a lower population growth than expected
- Analysis undertaken in 2017 found:
  - The level of development projected by the DCP for Mildura South would have equated to 3,611 dwellings constructed by 2016
  - The actual level of development in 2016 equated to 1,623 dwellings
- What this means is that the infrastructure currently specified in the DCP would be constructed ahead of when it is actually necessary
- This presents both a significant cost impact and resource and implementation issue for Council
- It is a similar scenario in the case of Irymple

# What are the proposed changes?

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- Newer DCPs prepared elsewhere instead now include a trigger mechanism determining the threshold when the infrastructure will be needed
- **The delivery date specified is to be replaced with the demand trigger already identified in the existing DCPs**
- Amendment C112 proposes this simple change to all Mildura DCPs
- In this way, the proposed amendment makes no change to the outcomes to be delivered by the DCP or the costs involved
- It only ensures the infrastructure will be provided as it is needed

# What are the proposed changes?

Figure 1  
(Existing)

- The timing specifies the delivery year
- The demand forecast is identified at the specified delivery year

Project		Fifteenth Street - Railway Line / Bike Path to Riverside Avenue BP105											
Estimated Total Capital Cost	\$41,200.00												
Consultancy Fee	\$73.45												
Substantive Cost	\$41,303.45												
External Funding	\$0.00												
Net Substantive Cost	\$41,303.45												
Total Cost (no GST)	\$41,303.45												
Timing		2014 To 2014											
Main Catchment Area (MCA)	Area 035												
Discount for Usage from Outside MCA	14.0%												
Discount Beyond ICP Horizon	0.0%												
Other Use Demand	0.0%												
Cost Attributable to MCA	\$27,260.28												
Present Value		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total	
Demand Units	46	0	0	3	9	12	12	12	9	7	0		
Expenditure Attributable to MCA	\$15,222	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$27,260.28		
Total Expenditure	\$23,964	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$41,303.45	
Cash Inflow	\$15,222	\$0.00	\$0.00	\$1,187.07	\$3,086.51	\$4,001.52	\$4,001.52	\$4,001.52	\$3,086.51	\$2,362.36	\$0.00		
Net Cash Flow	-\$7,842	\$0.00	\$0.00	\$1,187.07	\$3,086.51	\$4,001.52	\$4,001.52	\$4,001.52	\$3,086.51	\$2,362.36	-\$41,303.45		
Demand forecast		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
		0	0	0	0	0	0	0	0	0	0		
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Discount Rate		6.0%											
Infrastructure Charge With Application of Present Value Discounting													
Total Demand Units	46												
Total Attributable Expenditure	\$15,222												
Infrastructure Charge Per Demand Unit	\$332.77												
		2025	2026	2027	2028	2029	2030						65
		0	0	0	0	0	0						\$27,260
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00						\$41,303
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00						\$21,695
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00						-\$19,608



# What are the proposed changes?

Figure 2  
(Proposed)

- The timing now specifies the trigger demand
- The demand forecast still identifies the original anticipated delivery year

Project	BP105	Fifteenth Street - Railway Line / Bike Path to Riverside Avenue BP105										
Estimated Total Capital Cost		\$41,230.00										
Consultancy Fee		\$73.45										
Substantive Cost		\$41,303.45										
External Funding		\$0.00										
Net Substantive Cost		\$41,303.45										
Total Cost (no GST)		\$41,303.45										
Timing		T1 of 1 / Dem = 85										
Main Catchment Area (MCA)		Area 035										
Discount for Usage from Outside MCA		34.0%										
Discount Beyond ICF Horizon		0.0%										
Other Use Demand		0.0%										
Cost Attributable to MCA		\$27,290.25										
	Present Value	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Demand Units	46	0	0	3	9	12	12	12	9	7	0	
Expenditure Attributable to MCA	\$15,222	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$27,290.25
Total Expenditure	\$23,064	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$41,303.45
Cash Inflow	\$15,222	\$0.00	\$0.00	\$1,157.07	\$3,065.51	\$4,001.52	\$4,001.52	\$4,001.52	\$3,065.51	\$2,362.35	\$0.00	
Net Cash Flow	-87,842	\$0.00	\$0.00	\$1,157.07	\$3,065.51	\$4,001.52	\$4,001.52	\$4,001.52	\$3,065.51	\$2,362.35	-\$41,303.45	
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
		0	0	0	0	0	0	0	0	0	0	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		2025	2026	2027	2028	2029	2030					85
		0	0	0	0	0	0					\$27,290
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00					\$41,303
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00					\$21,686
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00					-\$19,606
Discount Rate		6.0%										
Infrastructure Charge With Application of Present Value Discounting												
Total Demand Units		46										
Total Attributable Expenditure		\$15,222										
Infrastructure Charge Per Demand Unit		\$333.77										

# Nichols Point

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- The same issue applies to Nichols Point
- In addition however, changes made by the Minister for Planning in 2013 reduced the minimum lot size for the Low Density Residential Zone (LDRZ) which applied to NP at the time
- The development yield was consequently doubled rendering the prescribed projects, principally drainage, unfit for purpose
- In this way, both the development plan from 2007 and the existing DCP (No 2) were invalidated
- A new draft development plan was required to accommodate the increased development yield arising from the new minimum lot size of 1800sq. metres (down from 4,000sqm)
- Until the new draft plan is approved, permits are not able to be issued.

# Nichols Point

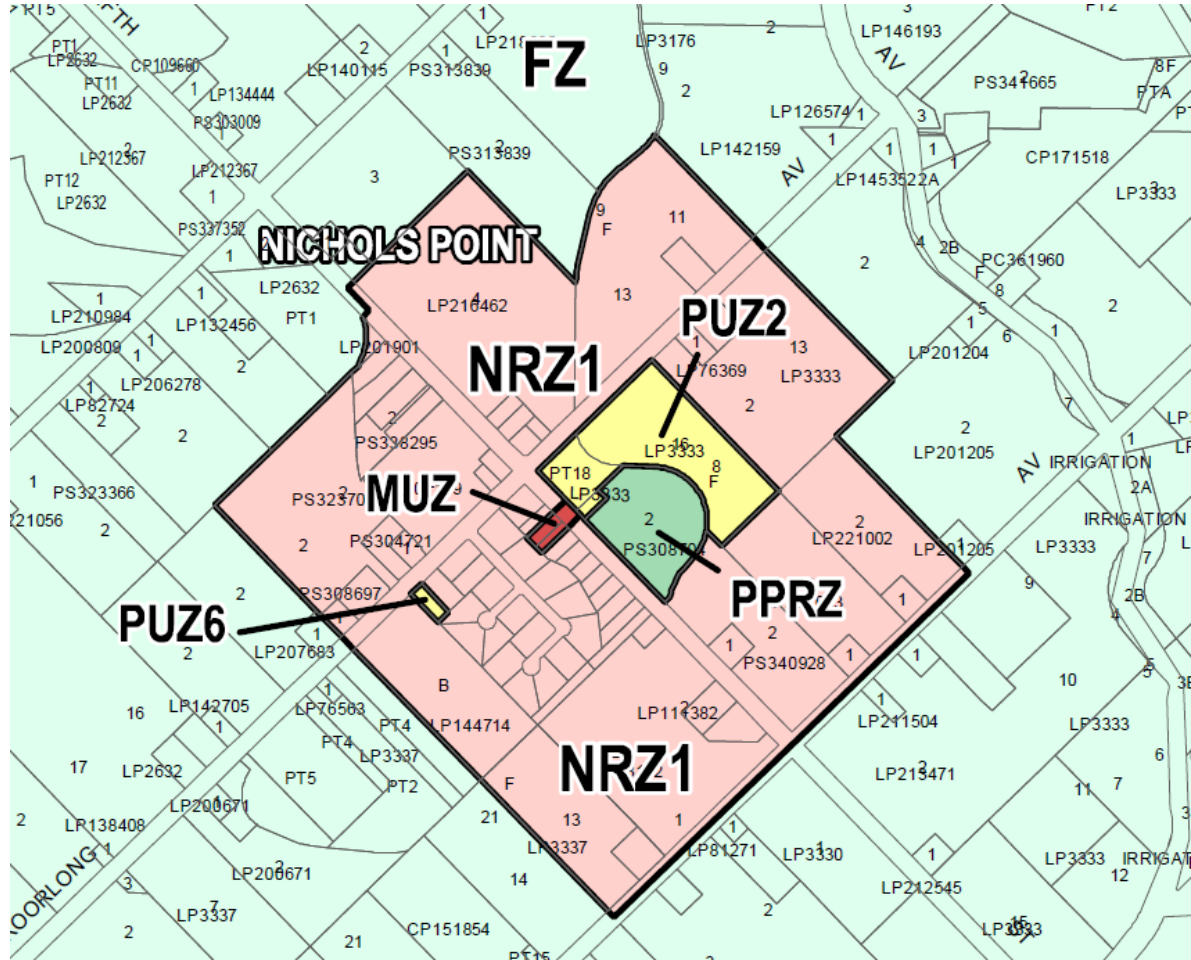
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- The resulting increased requirements and costs first need to be reflected in the DCP for Nichols Point
- These are related to stormwater drainage and public open space projects only

<del>Stormwater Retention—Nichols Point OS030</del>	<del>OS030</del>
<del>Nichols Point Drainage Werks DG030</del>	<del>DG030</del>
Drainage wetland (NP)	DG401
Drainage System North (NP)	DG402
Drainage System South (NP)	DG403

# Nichols Point

- These additional changes for Nichols Point are most significant for the Neighbourhood Residential Zone (NRZ) area only
- This area comprises Catchments 47a, 48a, 52a, 53a.



# Nichols Point

- The charges for these catchment areas are as follows:

Residential/RESIDENTIAL								
Area	Development Infrastructure					Community Infrastructure		
	Bike Path	Drainage	Education Facility	Open Space	Road	Total Development Infrastructure Charge	Community Facility	Total Community Infrastructure Charge
Area 047a* 047a	\$460.22 <del>359.66</del>	\$13,332.41 <del>\$7,386.04</del>	\$0.00	\$2,220.10 <del>4,048.85</del>	\$3,656.30 <del>2,269.69</del>	\$19,669.04 <del>\$14,064.23</del>	\$794.65 <del>40</del>	\$794.65 <del>\$602.40</del>
Area 048a* 048a	\$476.41 <del>345.79</del>	\$13,332.41 <del>\$7,386.04</del>	\$0.00	\$2,220.10 <del>4,048.85</del>	\$2,250.73 <del>1,541.69</del>	\$18,279.66 <del>\$13,322.36</del>	\$794.65 <del>40</del>	\$794.65 <del>\$602.40</del>
Area 052a* 052a	\$460.22 <del>359.66</del>	\$13,332.41 <del>\$7,386.04</del>	\$0.00	\$2,220.10 <del>4,048.85</del>	\$3,656.30 <del>2,269.69</del>	\$19,669.04 <del>\$14,064.23</del>	\$794.65 <del>40</del>	\$794.65 <del>\$602.40</del>
Area 053a* 053a	\$280.88 <del>246.34</del>	\$13,332.41 <del>\$7,386.04</del>	\$0.00	\$2,220.10 <del>4,048.85</del>	\$2,250.73 <del>1,541.69</del>	\$18,084.12 <del>\$13,222.91</del>	\$794.65 <del>40</del>	\$794.65 <del>\$602.40</del>

\* Levies have been indexed to 2019 dollars

# Amendment Process

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- The amendment is currently advertised on Council's Have Your Say page
- The notice includes the electronic link to view all the necessary documents and details, together with copies of submissions received to date
- Closing date for submissions is Friday 5 March 2021
- Council must decide its position on all submissions received.
- If objecting submissions are received requesting changes to the amendment to which Council cannot agree, they must be referred to an Independent Panel

# Amendment Process

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- The Independent Panel will conduct a hearing for all submitters who wish to be heard [submissions will still be considered by the Panel notwithstanding presenting to the hearing]
- *Tentative* dates for hearings are:
  - Directions Hearing - week commencing Monday 15 June 2021
  - Panel Hearing - week commencing Monday 12 July 2021
- Council must take into consideration the report of the Panel before adopting the amendment
- The adopted amendment must be forwarded to the Minister for Planning requesting approval [anticipated November 2021]

# Amendment Process

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- Once approval of the amendment by the Minister is Gazetted, the new draft Nichols Point Development Plan will be reported for adoption by Council as the formal approved plan
- Once adopted, planning permits will be able to be issued for subdivision within the NRZ



# Questions

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