

13. REPORTS

13.1 CHIEF EXECUTIVE OFFICE

Nil.

13.2 PLANNING AND SUSTAINABILITY

13.2.1 REVIEW OF DEVELOPMENT CONTRIBUTION PLAN REPORTS

Director: C Terelinck

Author's Declaration Nil.

of Interest:

Previous Ref: OCM 22 March 2016 (Resolution 86) - Southern River Precinct 1

OCM 14 July 2015 (Resolutions 273-276) - Canning Vale, West Canning Vale and Homestead Road

Appendices: 13.2.1A Draft modified Canning Vale Outline Development Plan Development Contribution Plan Report

13.2.1B Draft modified West Canning Vale Outline Development Plan Development Contribution Plan Report

13.2.1C Draft modified Homestead Road Outline Development Plan Development Contribution Plan Report

13.2.1D Draft modified Southern River Precinct 1 Outline Development Plan Development Contribution Plan Report

PURPOSE OF REPORT

For Council to review the Development Contribution Plan Reports (DCPR) associated with the Canning Vale, West Canning Vale, Homestead Road, and Southern River Precinct 1 Outline Development Plans (ODP), as required by Part 6 of Town Planning Scheme No. 6 (TPS 6).

BACKGROUND

The City administers Development Contribution Plans (DCP) for the shared provision of infrastructure and land for public purposes in the Canning Vale, West Canning Vale, Homestead Road, Southern River Precinct 1, Maddington Road Precincts A and B and Central Maddington ODP areas, and is required to review the associated DCPRs annually.

It should be noted that this report does not seek to review the DCPRs for Maddington Road Precincts A and B and Central Maddington as both frameworks require more detailed revision. The outcomes of those two DCPRs reviews will be the subject of future reports to Council.

A summary of the most recent history of each DCP reviewed in this report follows:

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Area	Most recent Council adoption	Infrastructure Contribution Rate	Public Open Space Contribution Rate
Canning Vale	14 July 2015 (review)	\$60,802/hectare	12.74% @ \$2,000,000/hectare
West Canning Vale	14 July 2015 (review)	\$315,300/hectare	10.70% @ \$2,000,000/hectare
Homestead Road	14 July 2015 (review)	\$171,000/hectare	10.06% @ \$1,300,000/hectare
Southern River Precinct 1	22 March 2016 (adoption)	\$93,134/hectare	Not Applicable

DISCUSSION

Each of the first three DCPs under review have two separate contribution obligations, as follows:

- Public Open Space (POS), which is payable as part of residential development
- General Infrastructure, which is payable as part of any development.

The Southern River Precinct 1 DCP has an obligation for general infrastructure but does not include an obligation for POS.

These matters are discussed below.

Public Open Space

Land valuation rates must be set to ensure that adequate funds are collected to acquire the land identified by the ODPs for POS and to determine the amount of reimbursement payable to landowners for the acquisition of such land.

Previous adjustments have been adopted on the basis of valuation advice from Propell National Valuers (now JLL Mortgage Services Pty Ltd). JLL Mortgage Services Pty Ltd (JLL) was again engaged to provide valuation reports based on current market conditions in the three areas.

The latest JLL valuations were undertaken in May 2016, with the recommended values being as follows.

Area	Previously adopted land valuation	May 2016 land valuation
Canning Vale	\$2,000,000/hectare	\$1,950,000/hectare
West Canning Vale (residential for POS)	\$2,000,000/hectare	\$1,950,000/hectare
West Canning Vale (rural for Conservation Category Wetland (CCW))	\$625,000/hectare	\$575,000/hectare
Homestead Road	\$1,300,000/hectare	\$1,250,000/hectare

It is recommended that Council modify the respective DCPRs accordingly.

Item 13.2.1 Continued

General Infrastructure

General infrastructure costs are effectively comprised of two elements, land acquisition (being land for drainage, road widening and conservation purposes) and physical infrastructure (generally including drainage construction, POS development, path construction, road construction, traffic management devices, service relocation and general administration).

Adjustments to the value of the land acquisition is based on the same valuation information as POS and adjustments to the value of the physical infrastructure is determined on the basis of increases to the general construction price index, changes to infrastructure unit cost rates and other inflationary measures.

A recent review of data focussed on civil engineering and residential construction index reports released by the Australian Bureau of Statistics indicates that the cost of providing physical infrastructure (those items not based on a land value component) has not changed since the DCPs were last reviewed. The use of those indices and JLL's land valuations (as discussed above) would result in the following changes to the DCPRs.

Area	Previously adopted infrastructure rate	Current recommended infrastructure rate
Canning Vale	\$60,802/hectare	\$60,595/hectare
West Canning Vale	\$315,300/hectare	\$306,800/hectare
Homestead Road	\$171,000/hectare	\$171,000/hectare
Southern River Precinct 1	\$93,134/hectare	\$93,476/hectare

It is recommended that Council modifies the respective DCPRs accordingly.

CONCLUSION

TPS 6 requires Council to review the cost sharing arrangements operating within the district. It is recommended that Council adopts revised Development Contribution Plan reports as contained in Appendices 13.2.1A, 13.2.1B, 13.2.1C and 13.2.1D.

FINANCIAL IMPLICATIONS

The proposed changes to the contributions rates will have an impact on the contributions payable by developing landowners and the amount of money that can be reimbursed to developing landowners for infrastructure provided.

STATUTORY IMPLICATIONS

Town Planning Scheme No. 6.

VOTING REQUIREMENTS

Simple Majority required.

Notation

9.28pm Cr G Dewhurst left the meeting.

Item 13.2.1 Continued

STAFF RECOMMENDATION (1 OF 6) AND COUNCIL RESOLUTION

310 Moved Cr D Goode Seconded Cr B Wiffen

That Council adopts a revised Development Contribution Plan Report for the Canning Vale Outline Development Plan, which includes a contribution rate of \$60,595/ha for common infrastructure works and a revised land value of \$1,950,000/ha for public open space contributions and the acquisition of other land, as contained in Appendix 13.2.1A.

CARRIED 11/0

FOR: *Cr J Brown, Cr D Goode, Cr D Griffiths, Cr P Griffiths, Cr T Healy, Cr T Lynes, Cr R Mitchell, Cr L Storer, Cr B Wiffen, Cr P Yang and Cr O Searle.*

AGAINST: *Nil.*

STAFF RECOMMENDATION (2 OF 6) AND COUNCIL RESOLUTION

311 Moved Cr D Goode Seconded Cr B Wiffen

That Council adopts a revised Development Contribution Plan Report for the West Canning Vale Outline Development Plan, which includes a contribution rate of \$306,800/ha for common infrastructure works, a revised land value of \$1,950,000/ha for public open space contributions and \$575,000/ha for the acquisition of Conservation Category Wetland, as contained in Appendix 13.2.1B.

CARRIED 11/0

FOR: *Cr J Brown, Cr D Goode, Cr D Griffiths, Cr P Griffiths, Cr T Healy, Cr T Lynes, Cr R Mitchell, Cr L Storer, Cr B Wiffen, Cr P Yang and Cr O Searle.*

AGAINST: *Nil.*

STAFF RECOMMENDATION (3 OF 6) AND COUNCIL RESOLUTION

312 Moved Cr D Goode Seconded Cr B Wiffen

That Council adopts a revised Development Contribution Plan Report for the Homestead Road Outline Development Plan, which includes a contribution rate of \$171,000/ha for common infrastructure works and a revised land value of \$1,250,000/ha for public open space contributions and the acquisition of public purpose land, as contained in Appendix 13.2.1C.

CARRIED 11/0

FOR: *Cr J Brown, Cr D Goode, Cr D Griffiths, Cr P Griffiths, Cr T Healy, Cr T Lynes, Cr R Mitchell, Cr L Storer, Cr B Wiffen, Cr P Yang and Cr O Searle.*

AGAINST: *Nil.*

Item 13.2.1 Continued

STAFF RECOMMENDATION (4 OF 6) AND COUNCIL RESOLUTION

313 Moved Cr D Goode Seconded Cr B Wiffen

That Council adopts a revised Development Contribution Plan Report for the Southern River Precinct 1 Outline Development Plan, which includes a contribution rate of \$93,476/ha for common infrastructure works, as contained in Appendix 13.2.1D.

CARRIED 11/0

FOR: Cr J Brown, Cr D Goode, Cr D Griffiths, Cr P Griffiths, Cr T Healy, Cr T Lynes, Cr R Mitchell, Cr L Storer, Cr B Wiffen, Cr P Yang and Cr O Searle.

AGAINST: Nil.

STAFF RECOMMENDATION (5 OF 6) AND COUNCIL RESOLUTION

314 Moved Cr D Goode Seconded Cr B Wiffen

That Council informs all landowners with outstanding contribution obligations within the Canning Vale, West Canning Vale, Homestead Road and Southern River Precinct 1 Outline Development Plan areas, of Council's decision.

CARRIED 11/0

FOR: Cr J Brown, Cr D Goode, Cr D Griffiths, Cr P Griffiths, Cr T Healy, Cr T Lynes, Cr R Mitchell, Cr L Storer, Cr B Wiffen, Cr P Yang and Cr O Searle.

AGAINST: Nil.

STAFF RECOMMENDATION (6 OF 6) AND COUNCIL RESOLUTION

315 Moved Cr D Goode Seconded Cr B Wiffen

That Council notes that separate reports will be presented to Council in relation to the review of the Development Contribution Plan Reports associated with Maddington Road Precincts A and B and Central Maddington Outline Development Plans.

CARRIED 11/0

FOR: Cr J Brown, Cr D Goode, Cr D Griffiths, Cr P Griffiths, Cr T Healy, Cr T Lynes, Cr R Mitchell, Cr L Storer, Cr B Wiffen, Cr P Yang and Cr O Searle.

AGAINST: Nil.