

**13.5.6 REVIEW OF OPERATIONAL DEVELOPMENT CONTRIBUTION PLANS**

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Author's Declaration Nil.

of Interest:

Previous Ref: OCM 25 June 2013 (Resolutions 262 and 263) - Canning Vale  
OCM 11 June 2013 (Resolutions 224-226) - Homestead Road  
OCM 27 November 2012 (Resolutions 583 and 584) - West Canning Vale

Appendices:

13.5.6A Draft modified Canning Vale Outline Development Plan Development Contribution Plan Report

13.5.6B Draft modified West Canning Vale Outline Development Plan Development Contribution Plan Report

13.5.6C Draft modified Homestead Road 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 and Homestead Road 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 and Homestead Road ODP areas, and is required to review the associated DCPRs.

A summary of the most recent history of each DCP follows:

Area	Most recent Council adoption	Infrastructure Contribution Rate	Public Open Space Contribution Rate
Canning Vale	25 June 2013 (review)	\$56,948/hectare	12.74% @ \$1,600,000/hectare
West Canning Vale	27 November 2012 (review)	\$259,502/hectare	10.7% @ \$1,500,000/hectare
Homestead Road	11 June 2013 (initial adoption)	\$162,276/hectare	10.06% @ \$1,100,000/hectare

**DISCUSSION**

Each of the three DCPs 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.

These matters are discussed below.

*Item 13.5.6 Continued***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. Propell was again engaged to provide valuation reports based on current market conditions in the three areas.

Propell's latest valuations were undertaken in May 2014, with the recommended values being as follows.

Area	Previously adopted land valuation	May 2014 land valuation
Canning Vale	\$1,600,000/hectare	\$1,750,000/hectare
West Canning Vale	\$1,500,000/hectare	\$1,750,000/hectare
Homestead Road	\$1,100,000/hectare	\$1,200,000/hectare

It is recommended that Council modify the respective DCPRs accordingly.

**General Infrastructure**

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

Adjustments to the value of the former is based on the same valuation information as POS and adjustments to the value of the latter 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 released by the Australian Bureau of Statistics indicates that an appropriate adjustment for general infrastructure (for example, not land) would be an increase of 3.3%. The use of that index and the Propell'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	\$56,948/hectare	\$59,049/hectare
West Canning Vale	\$259,502/hectare	\$292,039/hectare
Homestead Road	\$162,276/hectare	\$168,000/hectare

It is recommended that Council modify the respective DCPRs accordingly.

**CONCLUSION**

TPS 6 requires Council to review the three cost sharing arrangements operating within the district. It is recommended that Council adopt revised Development Contribution Plan reports as contained in Appendices 13.5.6A, 13.5.6B and 13.5.6C.

*Item 13.5.6 Continued***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.

**STAFF RECOMMENDATION (1 OF 4) AND COUNCIL RESOLUTION****271 Moved Cr R Lawrence Seconded Cr R Mitchell**

That Council adopts a revised Development Contribution Plan Report for the Canning Vale Outline Development Plan, which includes a contribution rate of \$59,049/ha for common infrastructure works and a revised land value of \$1,750,000/ha for public open space contributions and the acquisition of other land, as contained in Appendix 13.5.6A.

CARRIED 10/0

**FOR:** Cr W Barrett, Cr J Brown, Cr D Goode, Cr P Griffiths, Cr R Hoffman, Cr R Lawrence, Cr R Mitchell, Cr O Searle, Cr P Yang and Cr D Griffiths.

**AGAINST:** Nil.

**STAFF RECOMMENDATION (2 OF 4) AND COUNCIL RESOLUTION****272 Moved Cr R Lawrence Seconded Cr R Mitchell**

That Council adopts a revised Development Contribution Plan Report for the West Canning Vale Outline Development Plan, which includes a contribution rate of \$292,039/ha for common infrastructure works and a revised land value of \$1,750,000/ha for public open space contributions and the acquisition of other land, as contained in Appendix 13.5.6B.

CARRIED 10/0

**FOR:** Cr W Barrett, Cr J Brown, Cr D Goode, Cr P Griffiths, Cr R Hoffman, Cr R Lawrence, Cr R Mitchell, Cr O Searle, Cr P Yang and Cr D Griffiths.

**AGAINST:** Nil.

*Item 13.5.6 Continued*

## STAFF RECOMMENDATION (3 OF 4) AND COUNCIL RESOLUTION

**273 Moved Cr R Lawrence Seconded Cr R Mitchell**

That Council adopts a revised Development Contribution Plan Report for the Homestead Road Outline Development Plan, which includes a contribution rate of \$168,000/ha for common infrastructure works and a revised land value of \$1,200,000/ha for public open space contributions and the acquisition of other land, as contained in Appendix 13.5.6C.

**CARRIED 10/0**

**FOR:** *Cr W Barrett, Cr J Brown, Cr D Goode, Cr P Griffiths, Cr R Hoffman, Cr R Lawrence, Cr R Mitchell, Cr O Searle, Cr P Yang and Cr D Griffiths.*

**AGAINST:** *Nil.*

## STAFF RECOMMENDATION (4 OF 4) AND COUNCIL RESOLUTION

**274 Moved Cr R Lawrence Seconded Cr R Mitchell**

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

**CARRIED 10/0**

**FOR:** *Cr W Barrett, Cr J Brown, Cr D Goode, Cr P Griffiths, Cr R Hoffman, Cr R Lawrence, Cr R Mitchell, Cr O Searle, Cr P Yang and Cr D Griffiths.*

**AGAINST:** *Nil.*