

North Sale Infrastructure Funding Arrangement

FINAL REPORT

Wellington Shire Council

November 2022



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November, 2022

Client	Wellington Shire Council
Project	North Sale Infrastructure Funding Arrangement
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1 SUMMARY OF INFRASTRUCTURE CHARGES

The following table provides an overview of the North Sale Development Plan (DP) infrastructure charges for shared transport and drainage projects included in this infrastructure funding arrangement. A more detailed explanation of the principles and approach, methods of calculation and proposed infrastructure projects is provided within the body of this document.

Table 1: Summary of Infrastructure Costs and Charges

Infrastructure Category	Total Project Cost to DP Area	Total Charge per ND Ha
ROADS	\$700,000	\$4,457
INTERSECTIONS	\$6,467,789	\$41,180
BRIDGES	\$1,310,000	\$8,341
DRAINAGE	\$10,917,693	\$72,221
OFF-ROAD PEDESTRIAN & CYCLE TRAILS	\$1,270,728	\$8,091
Total	\$20,666,210	

Development Type	Infrastructure Charge per NDHa
General Residential Zone	\$134,290
Low Density Residential Zone	\$25,862

2 INTRODUCTION

The North Sale DP area encompasses approximately 294 hectares of land in a nominated growth area to the north of the town of Sale. The DP provides a holistic and integrated design response for the area that requires infrastructure including roads, intersections, bridges, drainage, passive open space, active open space, shared paths and playgrounds to be shared across property boundaries.

A shared approach to infrastructure contributions and delivery has been formulated. In recognition of the development circumstances a shared approach is considered to deliver a better planning outcome than requiring site specific responses at the individual property scale.

To implement an equitable approach to funding of infrastructure, it is necessary to clearly set out the shared infrastructure projects and to establish a basis for their apportionment and implementation.

The shared infrastructure funding arrangement will be implemented via permit conditions and the use of Section 173 Agreements.

2.1 Strategic Basis

The North Sale Infrastructure Funding Arrangement has been prepared having regard to the following principles: -

SIMPLICITY

simplifying the number and type of projects included in the North Sale Infrastructure Funding Arrangement;

EQUITY

maintaining and not compromising on transparency or equity; and

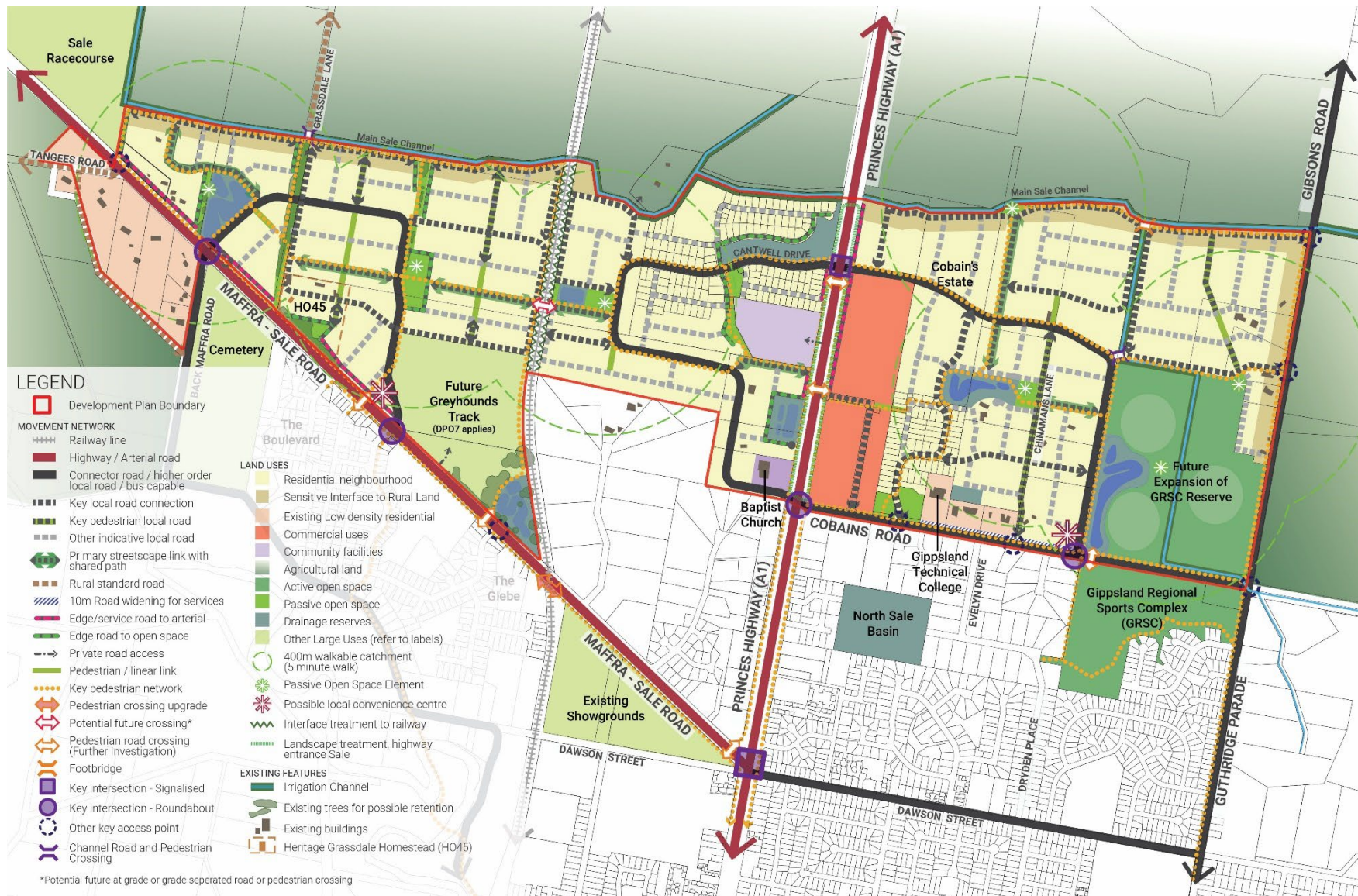
PRACTICALITY

maximising the practicality of the North Sale Infrastructure Funding Arrangement to ensure that it can be readily implemented through focusing on a development coordination role.

2.1 Land to which this Infrastructure Funding Arrangement applies

The North Sale Infrastructure Funding Arrangement applies to the North Sale Development Plan area which is illustrated in Figure 1.

Figure 1: North Sale Development Plan



3 SHARED INFRASTRUCTURE PRINCIPLES AND APPROACH

In formulating a basis for sharing of infrastructure costs in North Sale, careful regard has been given to the development circumstances and the likely timing and staging of development.

The key issues that are relevant include: -

- > Fragmentation: The need for a shared approach to infrastructure arises as the current land ownership within the development plan area is highly fragmented;
- > The identified projects fall within or on the boundary of the DP area and are required directly as a result of development with no external apportionment to development outside the DP area; and
- > The timing of development is uncertain, expected to occur independently and incrementally over time.

These development circumstances give rise to a simple infrastructure funding mechanism without the necessity to prepare and implement a formal Development Contributions Plan (DCP) via an Amendment to the Planning Scheme. The simplified funding mechanism set out in this document utilises the principles and general approach that is often adopted in formulating a DCP but will be implemented via permit conditions that require applicants to enter into Section 173 Agreements to share the cost of delivery of shared infrastructure projects, based on an assessment of Net Developable Area (NDA) and land use type (i.e. General Residential or Low Density Residential).

4 LAND BUDGET

Table 2 provides a land budget for all property holdings within the DP area, and has been calculated based on the DP shown in Figure 2. Infrastructure contributions to shared infrastructure will be distributed according to the NDA of the landholding, once encumbrances and other uses have been subtracted.

4.1 Net Developable Land

For the purpose of this Shared Infrastructure Funding Arrangement, NDA is defined as land within the DP Boundary that is made available for development including all connector roads and local streets.

The DP and Shared Infrastructure Funding Arrangement calculates NDA as the total precinct area, minus land for encumbered open space, regional active open space, showgrounds, irrigation channels and road/servicing reserve, passive open space, mixed use and schools. Any additional land set aside for non-developable purposes at the time of subdivision are included in the NDA.

The amount of NDA for each site will not be amended without the consent of the Responsible Authority.

Figure 2: North Sale Development Plan Land Budget Plan

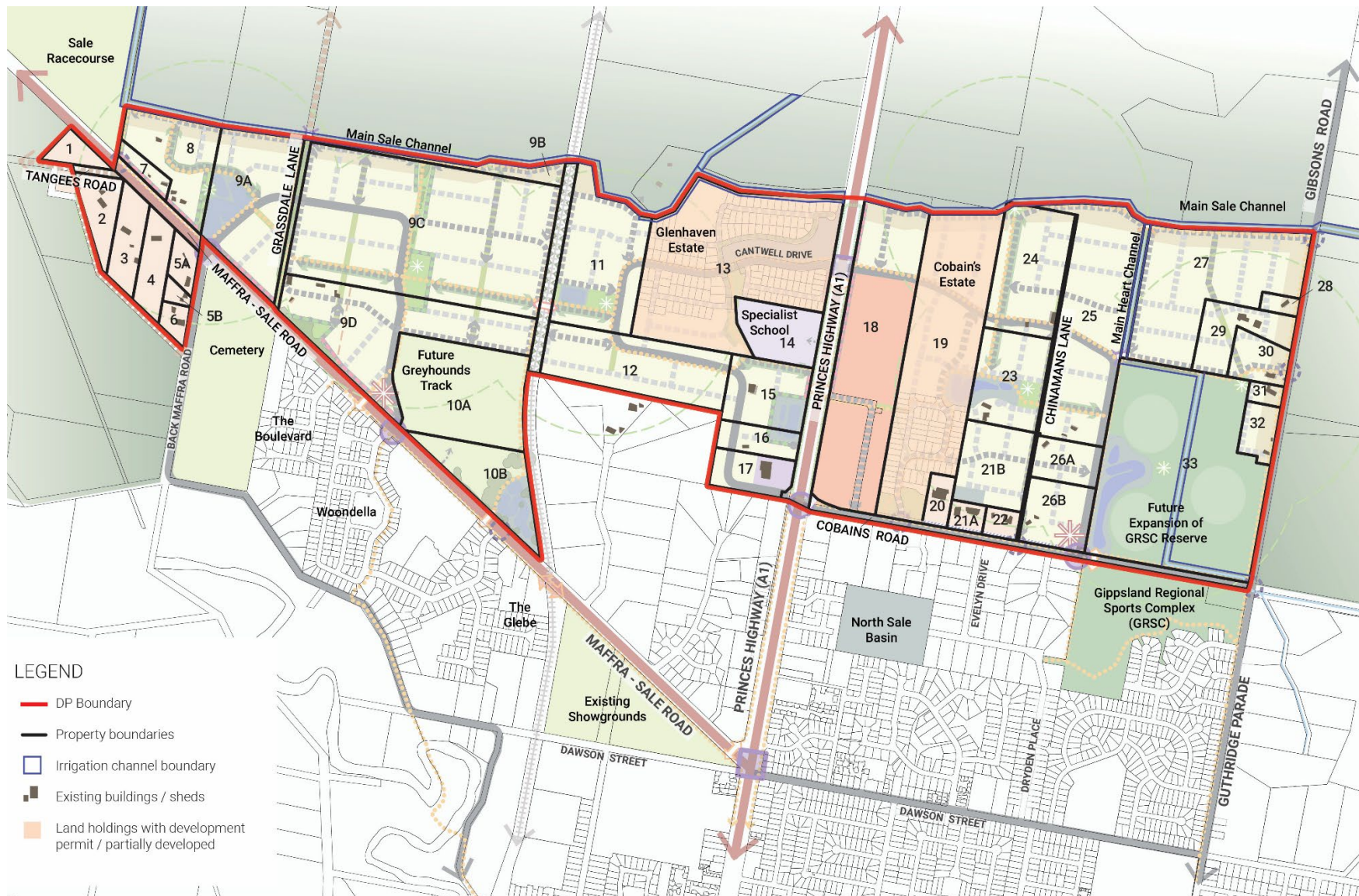


Table 2: North Sale Property Specific Land Budget

															GRZ						LDRZ						
Property Reference	Precinct Area (ha)	Drainage Land (Encumbered Open Space) (ha)	Greyhounds Racing Track	Irrigation Channels	Road/Servicing Reserve	GDA	Passive open Space (ha)	POS (% NDA)	Schools(ha)	Other (ha)	NDA	Mixed Use (ha) NDA	Residential (ha) NDA	GRZ Area (ha)	Indicative Net Residential Developable Area (ha)	Indicative Road Area (ha)	Average Lot Size (m²)	Proposed Density (Dwellings/ha)	Indicative Lot Yield Based on Density	Indicative Population (average household of 3 people)	LDRZ Area (ha)	Indicative Net Residential Developable Area (ha)	Indicative Road Area (ha)	Average Lot Size (m²)	Proposed Density (Dwellings/ha)	Indicative Lot Yield Based on Density	Indicative Population (average household of 3 people)
Area C	95.68	3.94	15.14	0.0	1.76	74.84	4.36	0.06	0.00	0.00	70.48	0.05	70.43	59.1	41.4	17.7	625	12	709	2128	11.38	7.97	3.41	2000	5	40	120
1	1.20					1.20					1.20		1.20								1.20	0.84	0.36	2000	5	4	13
2	2.39					2.39					2.39		2.39								2.39	1.67	0.72	2000	5	8	25
3	2.67					2.67					2.67		2.67								2.67	1.87	0.80	2000	5	9	28
4	2.61					2.61					2.61		2.61								2.61	1.83	0.78	2000	5	9	27
5a	1.19					1.19					1.19		1.19								1.19	0.83	0.36	2000	5	4	12
5b	0.48					0.48					0.48		0.48								0.48	0.34	0.14	2000	5	2	5
6	0.84					0.84					0.84		0.84								0.84	0.59	0.25	2000	5	3	9
7	1.02					1.02					1.02		1.02	1.02	0.71	0.31	625	12	12	37							
8	5.90					5.90	0.27	0.05			5.63		5.63	5.63	3.94	1.69	625	12	68	203							
9a	10.74	2.03				8.71	0.46	0.05			8.25		8.25	8.25	5.78	2.48	625	12	99	297							
9b	1.69					1.69					1.69		1.69	1.69	1.18	0.51	625	12	20	61							
9c	31.42					31.42	1.92	0.07			29.50		29.50	29.50	20.65	8.85	625	12	354	1062							
9d	13.82					13.82	0.81	0.06			13.01	0.05	12.96	13.01	9.11	3.90	625	12	156	468							

															GRZ						LDRZ						
Property Reference	Precinct Area (ha)	Drainage Land (Encumbered Open Space) (ha)	Greyhounds Racing Track	Irrigation Channels	Road/Servicing Reserve	GDA	Passive open Space (ha)	POS (% NDA)	Schools(ha)	Other (ha)	NDA	Mixed Use (ha) NDA	Residential (ha) NDA	GRZ Area (ha)	Indicative Net Residential Developable Area (ha)	Indicative Road Area (ha)	Average Lot Size (m ²)	Proposed Density (Dwellings/ha)	Indicative Lot Yield Based on Density	Indicative Population (average household of 3 people)	LDRZ Area (ha)	Indicative Net Residential Developable Area (ha)	Indicative Road Area (ha)	Average Lot Size (m ²)	Proposed Density (Dwellings/ha)	Indicative Lot Yield Based on Density	Indicative Population (average household of 3 people)
10a	11.35		11.35			0.00					0.00		0.00														
10b	5.70	1.91	3.79			0.00					0.00		0.00														
Maffra - Sale Road	1.44				1.44	0.00					0.00		0.00														
Tangees Road	0.32				0.32	0.00					0.00		0.00														
Grassdale Lane Reserve	0.90					0.90	0.90				0.00		0.00														
Area B (West of Princes Hwy)	62.65	4.93	0.00	0.0	5.89	51.83	1.48	0.03	4.03	1.03	45.15		45.29	45.28	31.70	13.59	625	12	543	1630							
11	10.25	0.57				9.68	0.60	0.07			9.08		9.08	9.08	6.36	2.72	625	12	109	327							
12	9.50					9.50	0.07	0.01			9.43		9.43	9.43	6.60	2.83	625	12	113	339							
13	23.04	3.14				19.90	0.81	0.04			19.09		19.09	19.09	13.36	5.73	625	12	229	687							
14	4.04					4.04			4.03		0.01		0.01														
15	4.98	0.93				4.05					4.05		4.05	4.05	2.84	1.22	625	12	49	146							
16	2.13	0.29				1.84					1.84		1.84	1.84	1.29	0.55	625	12	22	66							
17	2.82					2.82				1.17	1.65		1.79	1.79	1.25	0.54	625	12	21	64							
Princes Hwy	5.89				5.89	0.00					0.00		0.00														
Area A (East Princes Hwy)	138.53	5.86	0.00	2.89	3.94	103.21	1.74	0.02	0.00	0.00	101.47	14.91	86.56	83.83	56.21	24.09	625	12	963	2890	2.76	2.21	0.55	2000	4	9	26

														GRZ						LDRZ							
Property Reference	Precinct Area (ha)	Drainage Land (Encumbered Open Space) (ha)	Greyhounds Racing Track	Irrigation Channels	Road/Servicing Reserve	GDA	Passive open Space (ha)	POS (% NDA)	Schools(ha)	Other (ha)	NDA	Mixed Use (ha) NDA	Residential (ha) NDA	GRZ Area (ha)	Indicative Net Residential Developable Area (ha)	Indicative Road Area (ha)	Average Lot Size (m²)	Proposed Density (Dwellings/ha)	Indicative Lot Yield Based on Density	Indicative Population (average household of 3 people)	LDRZ Area (ha)	Indicative Net Residential Developable Area (ha)	Indicative Road Area (ha)	Average Lot Size (m²)	Proposed Density (Dwellings/ha)	Indicative Lot Yield Based on Density	Indicative Population (average household of 3 people)
18	18.42					18.42					18.42	14.86	3.54	3.54													
19	19.87	0.95			0.15	18.77	0.96	0.05			17.81		17.81	17.81	12.47	5.34	625	12	214	641							
20	1.22				0.08	1.14					1.14		1.14								1.14	0.91	0.23	2000	4	4	11
21A	0.92				0.11	0.81					0.81		0.81								0.81	0.57	0.24	2000	4	2	7
21B	5.20	0.38				4.82					4.82		4.82	4.82	3.37	1.45	625	12	58	174							
22	0.92				0.11	0.81					0.81		0.81								0.81	0.57	0.24	2000	4	2	7
23	6.09	1.12				4.97	0.46	0.10			4.51		4.51	4.51	3.16	1.35	625	12	54	162							
24	8.08					8.08	0.15	0.02			7.93		7.93	7.93	5.55	2.38	625	12	95	285							
25	14.90					14.90					14.90		14.90	14.90	10.43	4.47	625	12	179	536							
26A	2.58				0.20	2.38					2.38	0.05	2.33	2.38	1.67	0.71	625	12	29	86							
26B	4.02					4.02					4.02		4.02	4.02	2.81	1.21	625	12	48	145							
27	14.67					14.67					14.67		14.67	14.67	10.27	4.40	625	12	176	528							
28	0.52					0.52					0.52		0.52	0.52	0.36	0.16	625	12	6	19							
29	3.87					3.87	0.07	0.02			3.80		3.80	3.80	2.66	1.14	625	12	46	137							
30	2.35					2.35	0.04	0.02			2.31		2.31	2.31	1.62	0.69	625	12	28	83							

															GRZ						LDRZ									
Property Reference	Precinct Area (ha)	Drainage Land (Encumbered Open Space) (ha)	Greyhounds Racing Track	Irrigation Channels	Road/Servicing Reserve	GDA	Passive open Space (ha)	POS (% NDA)	Schools(ha)	Other (ha)	NDA	Mixed Use (ha) NDA	Residential (ha) NDA	GRZ Area (ha)	Indicative Net Residential Developable Area (ha)	Indicative Road Area (ha)	Average Lot Size (m²)	Proposed Density (Dwellings/ha)	Indicative Lot Yield Based on Density	Indicative Population (average household of 3 people)	LDRZ Area (ha)	Indicative Net Residential Developable Area (ha)	Indicative Road Area (ha)	Average Lot Size (m²)	Proposed Density (Dwellings/ha)	Indicative Lot Yield Based on Density	Indicative Population (average household of 3 people)			
31	0.69					0.69					0.69		0.69	0.69	0.48	0.21	625	12	8	25										
32	1.75					1.75					1.75		1.75	1.75	1.23	0.53	625	12	21	63										
33	28.14	3.41		2.10		0.00					0.00		0.00																	
Chinamans Lane	0.71				0.47	0.24	0.06	0.33			0.18		0.18	0.18	0.13	0.05	625	12	2	6										
Main Heart Channel	0.79			0.79		0.00					0.00		0.00																	
Cobains Road	2.82				2.82	0.00					0.00		0.00																	
Development Plan Totals	296.86	14.73	15.14	2.89	11.59	229.88	7.58	0.03	4.03	1.03	217.10	14.96	202.28	188.21					2216	6648	14.14					49	146			
Development Plan Totals (Excluding properties: 10a & 10b [Greyhounds Racing Track], 13 [Glenhaven], 18 [mixed use] & 19 [Cobains])												165.32															49	146		
Residential NDA used to calculate per Ha charge												157.06															5.89*			

*5.89 hectares of GRZ will deliver the same dwelling yield as 14.14 hectares of LDRZ land.

5 SHARED INFRASTRUCTURE PROJECTS

Funding of the following infrastructure projects are proposed to be shared equally across the NDA of the DP area:-

- > Transport Projects;
- > Drainage Projects; and
- > Shared Paths.

Note parcels 1-6 and 20, 21A and 22 are all to be zoned Low Density Residential and will be required to directly provide any drainage infrastructure required to service these developments. Therefore, these parcels are not required to pay any charge for drainage infrastructure.

The following infrastructure items and services are not included in the North Sale Infrastructure Funding Arrangement, as they are not considered to be higher order items, but must be provided by developers as a matter of course:

- > All internal local and collector roads and associated traffic management measures;
- > Local drainage systems (except where identified in Table 6);
- > Intersections connecting the development to the existing road network (except where specified in Table 6);
- > Local site specific water, drainage, sewerage, underground power, gas, telecommunications services (except where specified in Table 6);
- > Local pathways and connections to the shared pathway network;
- > Shared pathways within road reservations (except where specified in Table 6);
- > Basic levelling, water tapping and landscaping of open space; and
- > Council's plan checking and supervision fees.

5.1 Transport Projects

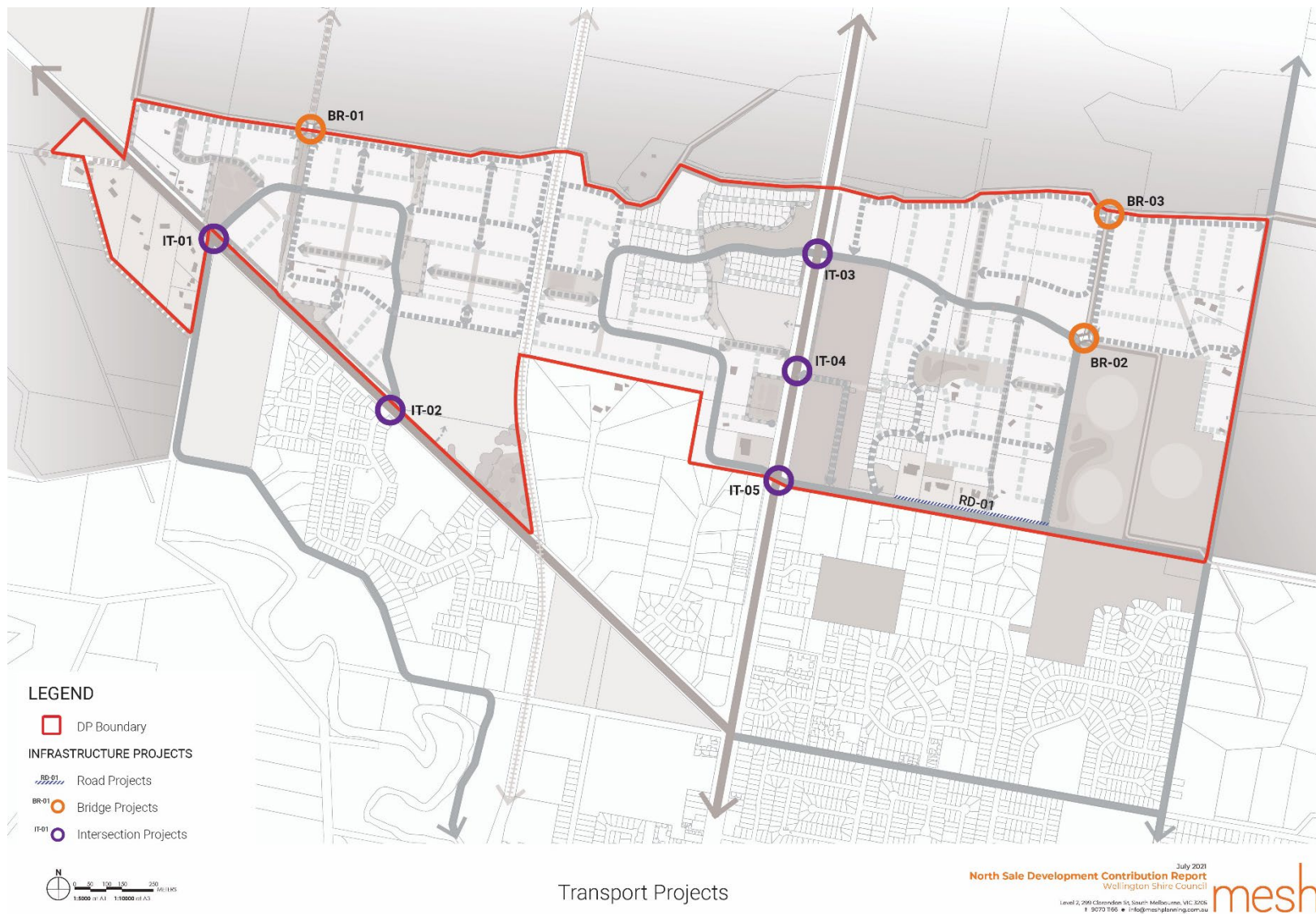
The key transport-related projects included in the North Sale Infrastructure Funding Arrangement are based on the transport network outlined in the North Sale DP, refer to Figure 1. The North Sale DP transport network identifies the key structural and local roads that will enable delivery of a movement network in accordance with the DP vision. Beveridge Williams (2017) completed a Traffic and transport Assessment of the DP transport network and identified the type and size of roads and intersections required.

The transport projects included in this infrastructure funding arrangement are described in Table 3 and illustrated in Figure 3 below.

Table 3: Transport Projects

ROADS	
RD_01	Cobains Road widening - 10m road widening to the north of Cobains Road. A total of 2.8 hectares of land is required
INTERSECTIONS	
IT_01	Maffra-Sale Road/Back Maffra Road Roundabout
IT_02	Maffra-Sale Road/Woondella Boulevard Roundabout
IT_03	Princes Highway/Cantwell Drive Signalised Intersection
IT_04	Pedestrian Signals - Princes Highway
IT_05	Princes Highway/Cobains Road Roundabout
BRIDGES	
BR_01	Bridge over Main Sale Channel at Grassdale Lane
BR_02	Bridge over Main Heart Channel on northern edge of GRSC
BR_03	Construction of footbridge over Main Heart Channel

Figure 3: Transport Infrastructure Projects



5.2 Drainage Projects

Water Technology have completed several reports to determine the ultimate drainage configuration for the DP area. Due to the local conditions of the DP area, a number of drainage facilities are required. The location nominated for each drainage facility has been determined by Water Technology in consultation with the Planning Authority. On this basis the location of each drainage facility is fixed and functional designs have been completed for all wetlands.

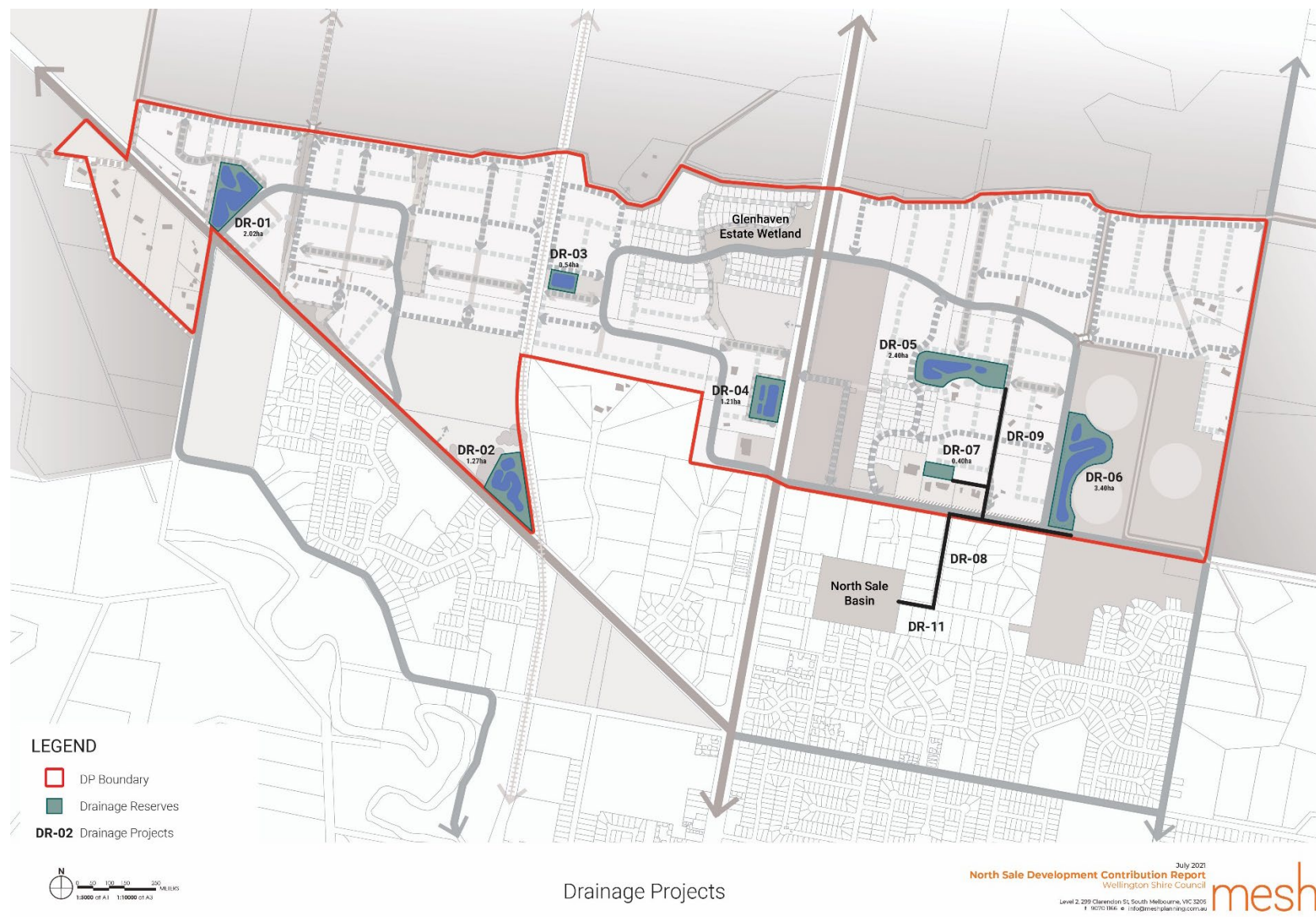
To deliver the necessary drainage infrastructure required to service the DP area whilst ensuring the contribution charges are reasonable Council has opted to directly fund DR-11 which is an end of point treatment at the North Sale retarding basin. Council will therefore need to fund this project from alternative funding sources such as rates and/or grants.

The drainage projects included in this infrastructure funding arrangement are described in Table 4 and illustrated in Figure 4 below.

Table 4: Drainage Projects

DRAINAGE	
DR_01	Area C North Wetland. Total land area of 2.02ha is required. Construction cost includes construction of outfall.
DR_02	Area C South Wetland. Total land area of 1.27ha is required. Construction cost includes construction of outfall from GRV land to Flooding Creek.
DR_03	Area B North Bioretention & Retarding Basin. Total land area of 0.54ha is required.
DR_04	Area B South Bioretention & Retarding Basin. Total land area of 1.52ha is required.
DR_05	Area A North Wetland. Total land area of 2.4ha is required.
DR_06	Area A East Wetland. Total land area of 3.4ha is required, however this wetland is to be located within the future expansion of the GRSC Reserve which council has already secured so there is no land cost to developers.
DR_07	Area A South Wetland. Total land area of 0.4 ha is required.
DR_08	Construction of the rising main from the GRSC to the Main North Sale Retarding Basin
DR_09	Area A West construction of outfall to the Main North Sale Retarding Basin.
DR_10	Payment to WGCMA to mitigate removal of declared watercourses through the DP area.
DR_11	North Sale Wetland (end of point option)

Figure 4: Drainage Infrastructure Projects



5.3 Open Space, Recreation & Shared Paths

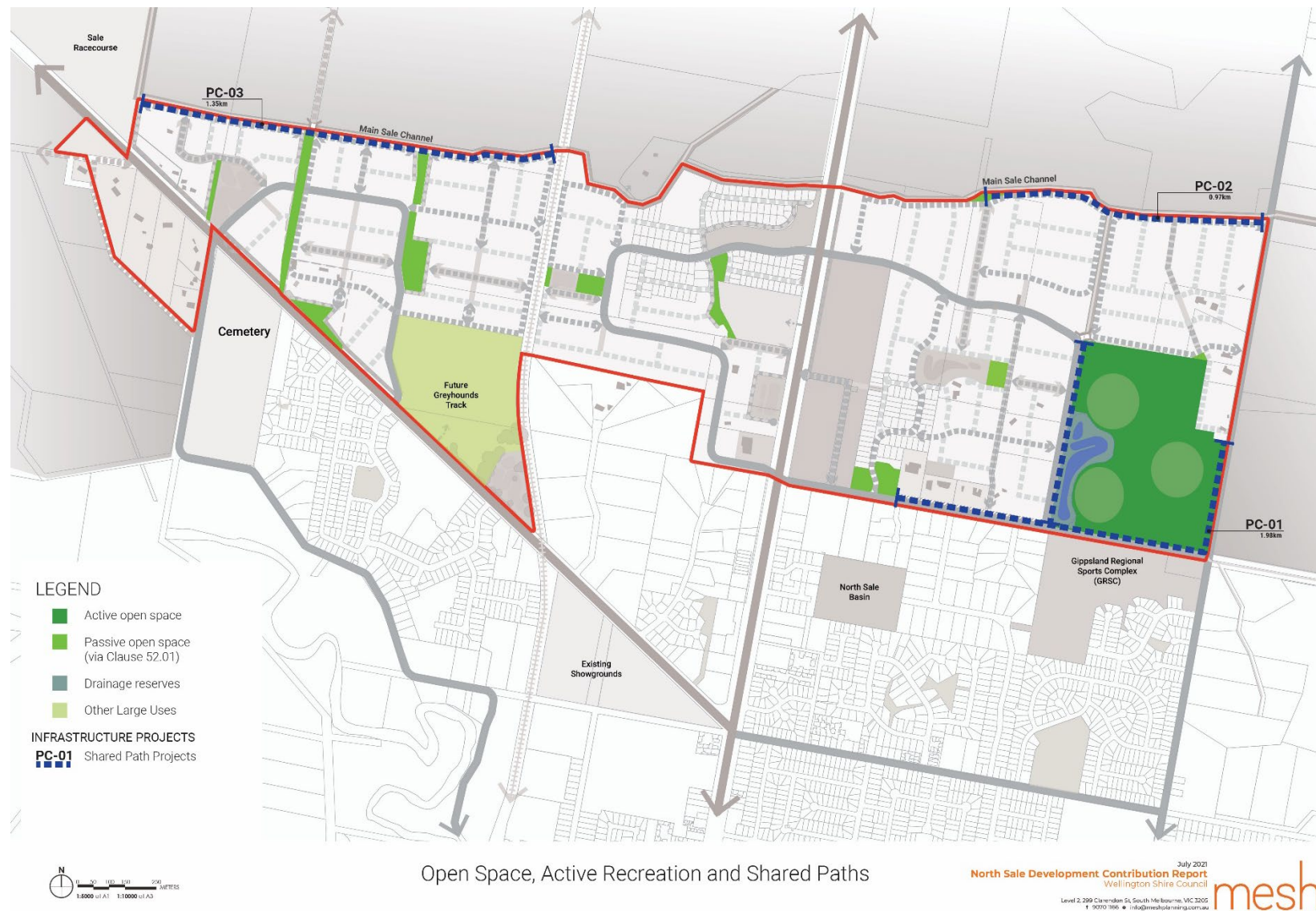
The North Sale DP has identified the location and amount of passive open space to be provided across the DP area, this will be collected via the Clause 53.01 requirement of 5%. Council have already secured the future expansion of the GRSC Reserve and do not seek any contributions from the DP area towards this land.

The shared path projects included in this infrastructure funding arrangement are described in Table 5 and illustrated in Figure 5.

Table 5: Shared path projects

OFF-ROAD PEDESTRIAN & CYCLE TRAILS	
PC-01	Construction of shared path along the western, southern and eastern edge of the GRSC, along to the western boundary of Federation Training (Gippsland Technical College). The total length of PC01 is 1,976m.
PC-02	Construction of shared path along Main Sale Channel between Cobains Estate and Gibsons Road. The total length of PC02 is 967m.
PC-03	Construction of shared path along Main Sale Channel between western edge of DP to railway line. The total length of PC03 is 1,350m.

Figure 5: Shared Path Infrastructure Projects



5.4 Existing Development

There are several existing developments within the DP area including the Glenhaven Estate, Cobains Estate and land zoned for the Greyhounds Racing Track. Each of these developments is required to deliver specific infrastructure in accordance with respective permit conditions, Section 173 Agreements and other planning controls. This section sets out the specific infrastructure requirements of each development and how this infrastructure funding agreement addresses these existing requirements in a fair, equitable and transparent manner.

Glenhaven Estate and Cobains Estate

The North Sale DP area includes two estates – Glenhaven and Cobains, which are located to the west and east of Princes Highway respectively. These two estates have been rezoned, planning permits have been issued and the Cobains Estate has entered into a Section 173 Agreement with Council.

The respective planning permits issued and Section 173 Agreement for Cobains Estate require the developers of each estate to directly deliver a range of infrastructure including: -

- > Drainage: Glenhaven Estate has delivered a wetland and both estates have delivered a trunk outfall drain that runs from the Glenhaven Estate wetland down to the North Sale basin through the Cobains Estate.
- > Glenhaven Estate has completed interim works to Cantwell Drive/ Princes Highway intersection.
- > Both estates are to contribute approximately \$0.9M towards the Cantwell Drive/Princes Highway signalisation (IT-03), based on a report prepared by SGS Economics in August 2011.
- > Cobains Estate is required to contribute towards the Cobains Road/Princes highway roundabout (IT-05) as per the SGS Economics Report, 2012.
- > Both estates must deliver shared paths through their properties which link into the broader path network. Glenhaven Estate has delivered a shared path along the western edge of Princes Highway between Cantwell Drive and Maffra – Sale Road.
- > Both estates must provide 5% open space in accordance with Clause 53.01.

Considering the infrastructure commitments secured through the existing planning permits and signed Section 173 Agreement, the North Sale Infrastructure Funding Arrangement has deducted the financial contributions made by both estates to intersection projects IT-03 and IT-05, and the drainage infrastructure delivered has not been included. The two estates have also been removed from the Net Developable Area with the exception of approximately 3.5 hectares within property 18 (Cobains Estate). This is the northern section of property 18 that is currently Farming Zone and is proposed to be rezoned residential. The 3.5 hectares located in the northern portion of property 18 is required to pay contributions in accordance with the North Sale Infrastructure Funding Arrangement.

However, these two estates do generate demand for several other projects and the Infrastructure Funding Arrangement has allocated specific external apportionment percentages to ensure that the balance of the DP area is not subsidising the existing estates. The following external apportionment percentages have been applied due to the usage generated by the Glenhaven and Cobains Estates: -

- > DR-05: 60% external apportionment has been applied to drainage project DR-05 as the Cobains Estate forms 60% of the catchment for this facility.

The Greyhounds Racing Track

The North Sale DP area also includes the future Greyhounds Racing Track, which will be provided on properties 10A and 10B (refer to Figure 2), is zoned Special Use Zone 6 and is subject to Development Plan Overlay Schedule 7.

The future Greyhound Racing Track is a specialist facility that is required to provide all necessary infrastructure such as access, buffers, drainage and shared path linkages. Therefore, given wetland DR-02 is located within the Greyhounds Racing Track and the track forms 50% of the catchment for this facility, 50% external apportionment has been applied to this project. Therefore, the future Greyhounds Racing Track is to provide 50% of the project cost for DR-02. The future Greyhounds Racing track is also to provide a shared path along its eastern edge to link with the broader external shared path network. No other broader contributions are sought from this facility.

6 INFRASTRUCTURE CONTRIBUTION CHARGES

Section 5 describes the shared infrastructure projects and explains the external usage calculations applied. This section focuses on how the infrastructure contribution charge is calculated.

6.1 Calculation of Infrastructure Charges

Table 6 below provides the calculation of the contribution charges for the North Sale DP area. For each infrastructure project, a land and/or construction cost is specified.

After adjusting for external usage (as explained in Section 5.4) Table 6 determines the total cost of each infrastructure project that is attributable to the 'main catchment area' (MCA). The MCA is the geographic unit from which a given item of infrastructure will draw most of its usage. As explained in Section 5.4 the existing Glenhaven and Cobains Estates and the future Greyhounds Racing Track have been removed from the MCA, but to ensure that the existing area is not subsidising these developments, the demand generated by these uses for shared infrastructure projects has been accounted for as external usage.

The final two columns in Table 6 give, for each infrastructure project, the total number of net developable hectares in the MCA and the infrastructure charge payable per net developable hectare respectively.

Because the North Sale DP area includes both general residential and low-density residential area, the 14.3 hectares of low-density residential land has to be converted to the equivalent area in general residential land i.e. the land area required to deliver the same dwelling yield. The general residential area is projected to deliver a dwelling density of 12 dwellings per hectare and the low-density area is projected to deliver a dwelling density of 5 dwellings per hectare, therefore the general residential area will deliver a yield that is 2.4 times higher than the low-density residential area. As a result, the 14.3 hectares of low-density residential area will deliver the same dwelling yield as 5.9 hectares of general residential.

The MCA comprises of 157.06 net developable hectares. However, the low-density area is required to directly deliver any drainage infrastructure and is therefore not required to contribute to drainage infrastructure and the area is excluded from the drainage MCA. Accordingly, the MCA for drainage is 151.17 hectares. The infrastructure charges will be gathered on the net developable area defined for each property identified in Figure 2 and Table 2.

It is important to note that the number of net developable hectares for each charge area is based on the land budget provided in Table 2. The per hectare infrastructure charge payable will not be amended to respond to minor changes to land budgets that may result from the subdivision design process. For the purposes of the North Sale Infrastructure Funding Arrangement, the number of developable hectares for each charge area will only change if Council formally amends the Property Specific Land Budget and Table 6. Table 2 should be used to determine the number of net developable hectares on individual land parcels.

Table 6: - Calculation of Infrastructure Charges

Project Number	Project Description	Estimated Land Cost as at 2018	Construction Cost 2018	Total Cost of Project 2018	Estimated External Usage/External Funding %	Total Cost Attributable to Main Catchment Area	Main Catchment Area (MCA)	Development Types Making Contribution	Number of Net Developable Hectares in MCA	Contribution per Net Developable Hectare
ROADS										
RD_01	Cobains Road widening - 10m road widening to the north of Cobains Road. A total of 2.8 hectares of land is required	\$700,000	\$0	\$700,000	0%	\$700,000	NS DP	Res	157.06	\$4,457
Sub-Total		\$700,000	\$0	\$700,000		\$700,000				\$4,457
INTERSECTIONS										
IT_01	Maffra-Sale Road/Back Maffra Road Roundabout	\$0	\$2,401,729	\$2,401,729	0%	\$2,401,729	NS DP	Res	157.06	\$15,292
IT_02	Maffra-Sale Road/Woondella Boulevard Roundabout	\$0	\$1,934,881	\$1,934,881	0%	\$1,934,881	NS DP	Res	157.06	\$12,319
IT_03	Princes Highway/Cantwell Drive Signalised Intersection	\$0	\$2,292,686	\$2,292,686	39%	\$1,398,818	NS DP	Res	157.06	\$8,906
IT_04	Pedestrian Signals - Princes Highway	\$0	\$626,049	\$626,049	0%	\$626,049	NS DP	Res	157.06	\$3,986
IT_05	Princes Highway/Cobains Road Roundabout	\$0	\$1,750,000	\$1,750,000	94%	\$106,313	NS DP	Res	157.06	\$677
Sub-Total		\$0	\$9,005,344	\$9,005,344		\$6,467,789				\$41,180

Project Number	Project Description	Estimated Land Cost as at 2018	Construction Cost 2018	Total Cost of Project 2018	Estimated External Usage/External Funding %	Total Cost Attributable to Main Catchment Area	Main Catchment Area (MCA)	Development Types Making Contribution	Number of Net Developable Hectares in MCA	Contribution per Net Developable Hectare
BRIDGES										
BR_01	Bridge over Main Sale Channel at Grassdale Lane	\$0	\$270,000	\$270,000	0%	\$270,000	NS DP	Res	157.06	\$1,719
BR_02	Bridge over Main Heart Channel on northern edge of GRSC	\$0	\$1,000,000	\$1,000,000	0%	\$1,000,000	NS DP	Res	157.06	\$6,367
BR_03	Construction of footbridge over Main Heart Channel	\$0	\$40,000	\$40,000	0%	\$40,000	NS DP	Res	157.06	\$255
Sub-Total		\$0	\$1,310,000	\$1,310,000		\$1,310,000				\$8,341
DRAINAGE										
DR_01	Area C North Wetland. Total land area of 2.02ha is required. Construction cost includes construction of outfall.	\$505,000	\$1,920,619	\$2,425,619	0%	\$2,425,619	NS DP	Res	151.17	\$16,046
DR_02	Area C South Wetland. Total land area of 1.27ha is required. Construction cost includes construction of outfall from GRV land to Flooding Creek.	\$317,500	\$468,727	\$786,227	50%	\$393,114	NS DP	Res	151.17	\$2,600
DR_03	Area B North Bioretention & Retarding Basin. Total land area of 0.54ha is required.	\$135,000	\$180,360	\$315,360	0%	\$315,360	NS DP	Res	151.17	\$2,086
DR_04	Area B South Bioretention & Retarding Basin. Total land area of 1.52ha is required.	\$380,000	\$706,034	\$1,086,034	0%	\$1,086,034	NS DP	Res	151.17	\$7,184

Project Number	Project Description	Estimated Land Cost as at 2018	Construction Cost 2018	Total Cost of Project 2018	Estimated External Usage/External Funding %	Total Cost Attributable to Main Catchment Area	Main Catchment Area (MCA)	Development Types Making Contribution	Number of Net Developable Hectares in MCA	Contribution per Net Developable Hectare
DR_05	Area A North Wetland. Total land area of 2.4ha is required.	\$600,000	\$1,305,188	\$1,905,188	60%	\$762,075	NS DP	Res	151.17	\$5,041
DR_06	Area A East Wetland. Total land area of 3.4ha is required, however this wetland is to be located within the future expansion of the GRSC Reserve which council has already secured so there is no land cost to developers.	\$0	\$3,529,565	\$3,529,565	0%	\$3,529,565	NS DP	Res	151.17	\$23,348
DR_07	Area A South Wetland. Total land area of 0.4 ha is required.	\$100,000	\$210,754	\$310,754	0%	\$310,754	NS DP	Res	151.17	\$2,056
DR_08	Construction of the rising main from the GRSC to the Main North Sale Retarding Basin	\$0	\$1,174,041	\$1,174,041	0%	\$1,174,041	NS DP	Res	151.17	\$7,766
DR_09	Area A West construction of outfall to the Main North Sale Retarding Basin.	\$0	\$663,131	\$663,131	0%	\$663,131	NS DP	Res	151.17	\$4,387
DR_10	Payment to WGCMA to mitigate removal of declared watercourses through the DP area.	\$0	\$258,000	\$258,000	0%	\$258,000	NS DP	Res	151.17	\$1,707
DR_11	North Sale Wetland (end of point option)	\$0	\$2,365,000	\$2,365,000	100%	\$0	NS DP	Res	151.17	\$0
Sub-Total		\$2,037,500	\$12,781,419	\$14,818,919		\$10,917,693				\$72,221

Project Number	Project Description	Estimated Land Cost as at 2018	Construction Cost 2018	Total Cost of Project 2018	Estimated External Usage/External Funding %	Total Cost Attributable to Main Catchment Area	Main Catchment Area (MCA)	Development Types Making Contribution	Number of Net Developable Hectares in MCA	Contribution per Net Developable Hectare
OFF-ROAD PEDESTRIAN & CYCLE TRAILS										
PC-01	Construction of shared path along the western, southern and eastern edge of the GRSC, along to the western boundary of Federation Training (Gippsland Technical College). The total length of PC01 is 1,976m.	\$0	\$584,896	\$584,896	0%	\$584,896	NS DP	Res	157.06	\$3,724
PC-02	Construction of shared path along Main Sale Channel between Cobains Estate and Gibsons Road. The total length of PC02 is 967m.	\$0	\$286,232	\$286,232	0%	\$286,232	NS DP	Res	157.06	\$1,822
PC-03	Construction of shared path along Main Sale Channel between western edge of DP to railway line. The total length of PC03 is 1,350m.	\$0	\$399,600	\$399,600	0%	\$399,600	NS DP	Res	157.06	\$2,544
Sub-Total		\$0	\$1,270,728	\$1,270,728		\$1,270,728				\$8,091
TOTAL		\$2,737,500	\$24,367,491	\$27,104,991		\$20,666,210				\$134,290

Charge per NDHa for General Residential Zone

\$134,290

Charge per NDHa for Low Density Residential Zone

\$25,862

7 IMPLEMENTATION AND ADMINISTRATION

This section sets out how the North Sale Infrastructure Funding Arrangement will be administered and covers the timing of payment, provision of works and land in kind and how funds generated by the North Sale Infrastructure Funding Arrangement will be managed in terms of reporting, indexation and review periods.

7.1 Payment Timing

Planning permits issued for subdivision within the DP area will include a condition requiring the owner to enter into a Section 173 Agreement prior to commencement of construction. The Section 173 Agreements will: -

- > Require payment of infrastructure contributions in accordance with Tables 2 and 6.
- > Set out any infrastructure or land projects the owner intends (at Council's discretion) to deliver as 'works in lieu' of payment of contributions.
- > Set out the credit value of any works in kind construction projects to be delivered by the development proponent.
- > Fix the land value of unencumbered land projects at \$250,000 per hectare, and index using CPI.

Payment of infrastructure contributions for each stage of subdivision will be required prior to Council issuing statement of compliance for that stage of subdivision (unless Council has otherwise consented to accept provision of infrastructure works in lieu of payment).

Where no planning permit is required, the infrastructure contribution charge is to be paid prior to the issue of a building permit.

Payment is only required when the land is to be developed.

7.2 Payment Calculation

The infrastructure contribution payment will be calculated by Council at the time Statement of Compliance is sought, based on the NDA in the relevant state of subdivision. The North Sale DP identifies the future land uses including the area to be rezoned General Residential Zone (which is anticipated to yield approximately 12 dwellings per NDHa) and Low Density Residential Zone (which is intended to yield approximately 5 dwellings per NDHa). Given the difference in projected dwelling densities between the general residential and low density, the low density areas contribute a lower per NDHa charge to reflect the lower yield to be achieved.

As per Section 6.1 the contributions required for each parcel are directly linked to the NDA specified in Table 2 and this will not be amended to respond to minor changes unless agreed to by Council.

7.3 Works in Kind

For some infrastructure projects, it may be possible for a development proponent to carry out the works or provide land in lieu of making a cash contribution. However, this will only be possible where the Council agrees to this and there is agreement reached on the standard and timing of the works.

The Council should only accept the provision of works in kind if:

- > The works in kind constitute part or all of the delivery of an infrastructure project(s) identified in this DCP;
- > The Council has agreed that the timing of the works in kind is consistent with priorities in this DCP (alternatively a credit for works may be delayed to align with clearly identified and published development priorities);

- > The works in kind are defined and agreed in a Section 173 agreement or similar agreement as determined by the Council; and
- > The detailed design of the works in kind is to the satisfaction of the Council and any others identified in permit conditions.

If the Council accept the provision of works in kind (subject to the arrangements specified above):

- > The credit value of the works and land for infrastructure projects provided (unless an alternative approach is agreed with the Council) shall equal the final cost of the works identified in the North Sale Infrastructure Funding Arrangement, taking into account the impact of indexation as per Section 7.6.1;
- > The development infrastructure contribution liability payable by the applicant will be offset by the agreed value of the works in kind; and
- > No further financial contributions will be required until the agreed value of any credits are used.

7.4 Temporary or staged works

Temporary works are not considered as eligible for works in kind credits against this Infrastructure Funding Arrangement.

It may be appropriate to deliver some Infrastructure Funding Arrangement, projects in a staged manner based on the needs of the development or the functionality of the asset, however any eligibility for these works to be credited as works in kind must be agreed to by the Council.

7.5 Credit for over provision

Where the Council agrees that a development proponent can deliver an infrastructure item (either works and/or land), the situation may arise where the developer makes a contribution with a value that exceeds that required by the North Sale Infrastructure Funding Arrangement.

In such a case the developer may be entitled to credits against other projects in the North Sale Infrastructure Funding Arrangement to the extent of the excess contribution. Alternatively, a developer may seek an agreement with the Council to provide a reimbursement where an over-contribution has been made.

7.6 Development exempt from contributions

Some types of development are exempt from paying infrastructure development levies. Where land is subdivided or developed for an exempt purpose, as listed below, and the land is subsequently used for a purpose other than as one of those exempt uses, the owner of that land must pay to the Collecting Agency infrastructure contributions in accordance with the provisions of this DCP. The levy must be paid within 28 days of the date of the commencement of the construction of any buildings or works for that alternative use.

The following development is exempt from a development contribution: -

- > Land developed for a non-government school, as defined in Ministerial Direction on the Preparation and Content of Development Contributions Plans of 11 October 2016.
- > Land developed for housing by or for the Department of Health and Human Services, as defined in Ministerial Direction on the Preparation and Content of Development Contributions Plans of 11 October 2016. This applies to social housing development delivered by and for registered housing associations. This exemption does not apply to private dwellings developed by the Department of Health and Human Services or registered housing associations.

- > Land which has an existing Section 173 Agreement under the Planning and Environment Act 1987 and/or a Deed of Agreement which requires the payment of a contributions levy and / or construction of community and/or physical infrastructure.

7.7 Funds Administration

The administration of contributions made under the North Sale Infrastructure Funding Arrangement will be transparent and demonstrate: -

- > amount and timing of funds collected;
- > the source of funds collected;
- > amount and timing of expenditure;
- > the purpose for which the expenditure was made; and
- > all transactions will be clearly identified in Council records and kept in accordance with the Local Government Act 1989.

7.7.1 Indexation

In order to ensure that the estimated cost of each infrastructure project remains reasonably accurate, the construction cost of all projects included in Table 6 will be indexed annually by Council in July for inflation. Table 7 below sets out the indexation method to be applied to the respective infrastructure categories.

Table 7: Indexation and Timing

Infrastructure Type	Method of Indexation	Timing of Indexation
Roads, drainage and shared paths	Australian Bureau of Statistics Producer Price Indexes Road & Bridge Construction Index, Victoria (Catalogue 6427.0, Table 17 Output of the Construction Industries)	July 1
Land	Consumer Price Index (All Groups Melbourne)	July 1

7.7.2 Review Period

The North Sale Infrastructure Funding Arrangement will operate for a period of 5 years, at which time it will be reviewed. It is expected that most infrastructure projects in the current funding arrangement will be rolled over into a revised funding arrangement.

7.7.3 Adjustment to the scope of infrastructure projects

The infrastructure projects in the Infrastructure Funding Arrangement have been costed to a sufficient level of detail, however all of the projects will require a detailed design process prior to construction. As part of detailed design, the Council or a development proponent with the consent of the Council may amend or modify some aspects of projects, so long as they are still generally in accordance with the DP and any direction regarding the scope outlined in the Infrastructure Funding Arrangement.

Where the Council or another agency seeks to change the scope of a Infrastructure Funding Arrangement infrastructure item to meet changing standards imposed by adopted policy or a public regulatory agency, such changes of standards and the resulting cost changes should normally be made through a change to the Infrastructure Funding Arrangement at the time of a regular review of the document.

7.8 Implementation Strategy

As set out at the beginning of this document, the primary purpose of the North Sale Infrastructure Funding Arrangement is to ensure that the necessary infrastructure is delivered in a timely and efficient way. This section provides further details regarding how Council intends to implement the North Sale Infrastructure Funding Arrangement.

7.8.1 Implementation Strategy Rationale

This Implementation Strategy has been incorporated into the North Sale Infrastructure Funding Arrangement to provide certainty to both Council and development proponents. The Implementation Strategy recognises the complexities associated with infrastructure provision and funding and seeks to minimise risk to the Council, development proponents and the community. The Implementation Strategy has been formulated by:

- > Assessing the risk posed by the infrastructure projects (identifying high risk items);
- > Having regard to the development context;
- > Assessing the need for finance requirements – upfront financing and pooling of funds;
- > Agreeing the land value and indexing it appropriately;
- > Seeking direct delivery of infrastructure and land by development proponents where appropriate;
- > Identifying preferred implementation mechanisms to achieve the above outcomes and reducing the risk associated with the North Sale Infrastructure Funding Arrangement to ensure that it will be delivered as intended, and
- > Providing adequate resources to administer the North Sale Infrastructure Funding Arrangement.

7.8.2 Preferred Implementation Mechanism

As set out in Section 7.3 for some infrastructure projects, it may be possible for a development proponent to carry out the works or provide land in lieu of making a cash contribution. However, this will only be possible where the Council agrees to this and there is agreement reached on the standard and timing of the works.

The provision of infrastructure projects as works in kind is encouraged under this funding arrangement, however it is acknowledged that due to the current ownership pattern and development scale there may be instances where Council is best suited to deliver nominated projects. Council acknowledge their development coordination role and will actively monitor the level and location of growth within the North Sale DP area to ensure the timely delivery of the shared infrastructure projects.