SPECIAL MEETING

WEDNESDAY 29 JUNE 2011

SUPPLEMENTARY

BUSINESS

PAPER

(SPEC 1 - ATTACHMENT 10 – Infrastructure Charges Incentives Administrative Policy)

AMENDED

(AT SPECIAL MEETING, BY RESOLUTION OF COUNCIL, ITEM SPEC 1 WAS BROUGHT OUT OF CONFIDENTIAL AND DEALT WITH IN OPEN COUNCIL. AGENDA DOCUMENTATION AMENDED ACCORDINGLY.)

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COUNCIL POLICY

SPEC 1 - ATTACHMENT 10
Infrastructure Charges Incentives Administrative Policy

Policy Title:	**INFRASTRUCTURE CHARGES INCENTIVES ADMINISTRATIVE POLICY**
Policy Subject:	Development
Policy No.:	#2038007-v2
Directorate:	Community and Development
Department:	Strategic Planning
Section:	
Responsible Officer:	Executive Manager, Strategic Planning
Authorised by:	Director, Community and Development
Adopted date:	
Review date:	
Amended date:	

This policy commences on 1 July 2011.

1.0 OBJECTIVE:

The objective of this policy is to provide subsidised infrastructure charges as an incentive for development within the Fraser Coast Regional Council area.

2.0 POLICY:

This policy outlines the financial incentives that are available to developers and establishes the criteria for eligibility according to the type of development and its location within the Fraser Coast Regional Council area. The policy will ensure consistency in application and provide certainty to applicants.

Development that is ineligible for any subsidies will be subject to Council's *adopted infrastructure charges resolution,* pursuant to Section 648D of the *Sustainable Planning Act* 2009.

A copy of the *adopted infrastructure charges* are shown in Attachment 3.

2.1 APPLICABILITY:

The Policy is applicable to development that meets one or more of the following categories, as detailed in Section 2.2 - Assessment Criteria:

- Category 1 – Contribution to Fraser Coast Economy; and/or
- Category 2 – Infill residential development; Central Business District development; Employment Generating Businesses; or Small Residential Lots; and/or
- Category 3 – Medical Facilities; and/or
- Category 4 – Roll-in provisions for development in the former local government areas of Maryborough, Tiaro and Woocoo; and/or
- Category 5 – Development considered to be of Special Community Benefit.

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The maximum amounts of subsidy available for each category are as follows:

- Category 1 – 10%;
- Category 2 – 10%;
- Category 3 – 20%;
- Category 4 – 30%;
- Category 5 – Subject to Individual Assessment.

Where compliance with two or more of the categories is achieved, the subsidy will accumulate as a percentage of the original charge (e.g. 10% subsidy for Category 1 + 20% subsidy for Category 3 = 30% Total Subsidy).

The subsidy applies to the applicable infrastructure charges calculated pursuant to Council's *adopted infrastructure charges resolution* (i.e. the infrastructure charges less any applicable credits or offsets).

Where a development permit provides for staging, the assessment criteria below can be applied to individual stages.

The application of the Policy will be entirely at the discretion of the Council and/or the Chief Executive Officer.

Developers or landowners who wish to determine whether their development is eligible for a subsidy in accordance with this Policy should apply in writing to the Council for advice. Enquiries should be addressed to:

The Chief Executive Officer
Fraser Coast Regional Council
PO Box 1943
Hervey Bay QLD 4655

2.2 ASSESSMENT CRITERIA:

Category 1 – Contribution to Fraser Coast Economy

Purpose:

The purpose of this category is to assist the Fraser Coast Economy in challenging times, by offering an infrastructure charges subsidy to encourage eligible development.

Eligible development:

Eligible development must meet all of the following requirements:

(a) The development is located within the Priority Infrastructure Area (PIA) as identified in the State Planning Regulatory Provision (Adopted Charges); and

(b) The Development Permit takes effect no later than 30 June 2012; and

(c) The applicable infrastructure charges are paid on or before 30 June 2012 or within **twelve (12) months** of the Development Permit taking effect, whichever is later[1].

Amount of subsidy:

A 10% subsidy on applicable infrastructure charges pursuant to Council's *adopted infrastructure charges resolution.*

[1] **Refer to Category 5(b) regarding exceptions.**

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Category 2 – Infill residential development; Central Business District (CBD) development; Employment Generating Businesses; and/or Small Residential Lots

The purpose of this category is to provide additional incentives for development that meets the eligibility criteria for at least one of the following sub-categories: (a) infill residential development; (b) CBD development; (c) is an employment generating business; or (d) is a small lot subdivision.

(a) Infill residential development

Purpose:

The purpose of this sub-category is to foster the efficient use of small areas of existing zoned and serviced residential land.

Council considers that there are advantages to the wider community in ensuring the development of this land, such as better utilisation of existing infrastructure.

Eligible development:

Eligible development must meet all of the following requirements:

(a) The development is classified "infill residential development" as defined in this Policy; and

(b) The Development Permit for reconfiguring of a lot takes effect no later than 30 June 2012; and

(c) The applicable infrastructure charges are paid in full on or before 30 June 2012 or within **twelve (12) months** of the Development Permit taking effect, whichever is later[2].

"Infill residential development" for the purposes of this Policy means land which –

- is situated within an established suburb;
- is substantially surrounded by existing urban development;
- is serviced by urban roads, water and sewer supply and is within 500 metres of a park;
- is less than 1 hectare in area;
- is capable of producing no more than 10 residential lots, or dwellings;
- is located within the identified Priority Infrastructure Area (PIA) as identified in the State Planning Regulatory Provision (Adopted Charges); and
- is generally consistent with the intended density.

For the purposes of clarity, "infill residential development" does not include land zoned "Emerging Communities", "Rural Residential" or "Park Residential" in the Hervey Bay City Planning Scheme; "Rural Residential" in the Maryborough City Plan; "Rural Residential" in the Tiaro Planning Scheme; "Rural Residential A" or "Rural Residential B" in the Woocoo Planning Scheme.

Amount of subsidy:

A 10% subsidy on applicable infrastructure charges pursuant to Council's *adopted infrastructure charges resolution.*

[2] **Refer to Category 5(b) regarding exceptions.**

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(b) Development within Central Business Districts of Maryborough and Pialba

Purpose:

The purpose of this sub-category is to encourage development within the Central Business Areas of Maryborough and Pialba, Hervey Bay, which will result in better utilisation of existing infrastructure; help to consolidate development within the centres; and provide greater community benefits.

Eligible development:

Eligible development must meet all of the following requirements:

(a) Development must be on land located within "Local Area 2" in Map 3.2 - City Centre Local Area (Attachment 1) of the Maryborough City Plan or the "Pialba Core" or "Pialba Frame" within the Hervey Bay Strategic Plan (Attachment 2) of the Hervey Bay City Planning Scheme;

(b) The Development Permit takes effect no later than 30 June 2012; and

(c) The applicable infrastructure charges are paid in full on or before 30 June 2012 or within **twelve (12) months** of the Development Permit taking effect, whichever is later[3].

Amount of subsidy:

A 10% subsidy on applicable infrastructure charges pursuant to Council's *adopted infrastructure charges resolution.*

(c) Employment Generating Business

Purpose:

The purpose of this sub-category is to provide incentives for new businesses or existing businesses to expand, which will generate additional employment opportunities after the construction stage.

Eligible development:

Eligible development must meet all of the following requirements:

(a) The Applicant must demonstrate that the development will provide new permanent employment for six (6) or more full time employees or equivalent after the construction stage is complete or in the case of an existing small business (i.e. with less than 20 employees) the development will provide new permanent employment for two (2) or more full time employees or equivalent; and

(b) The Development Permit takes effect no later than 30 June 2012; and

(c) The applicable infrastructure charges are paid in full on or before 30 June 2012 or within **twelve (12) months** of the Development Permit taking effect, whichever is later[4].

Amount of subsidy:

A 10% subsidy on applicable infrastructure charges pursuant to Council's *adopted infrastructure charges resolution.*

[3] Refer to Category 5(b) regarding exceptions.
[4] Refer to Category 5(b) regarding exceptions.

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(d) Small residential lots

Purpose:

The purpose of this sub-category is to encourage higher density residential subdivisions by providing a subsidy for all lots that are 500m^2 or less.

Eligible development:

Eligible development must meet all of the following requirements:

(a) Each new allotment eligible for the subsidy must be 500m^2 or less in area; and

(b) The development is located within the Priority Infrastructure Area (PIA) as identified in the State Planning Regulatory Provision (Adopted Charges); and

(c) The Development Permit for Reconfiguring of a Lot takes effect no later than 30 June 2012; and

(d) The applicable infrastructure charges are paid in full on or before 30 June 2012 or within **twelve (12) months** of the Development Permit taking effect, whichever is later[5].

Amount of subsidy:

A 10% subsidy on applicable infrastructure charges pursuant to Council's *adopted infrastructure charges resolution.*

Category 3 – Medical Facilities

Purpose:

The purpose of this category is to provide incentives to encourage new medical facilities within the Fraser Coast Regional Council area.

Eligible development:

Eligible development must meet all of the following requirements:

(a) The development is for Medical Facilities; and

(b) The Development Permit takes effect no later than 30 June 2012; and

(c) The applicable infrastructure charges are paid in full on or before 30 June 2012 or within **twelve (12) months** of the Development Permit taking effect, whichever is later[6].

Amount of subsidy:

A 20% subsidy on applicable infrastructure charges pursuant to Council's *adopted infrastructure charges resolution.*

[5] Refer to Category 5(b) regarding exceptions.
[6] Refer to Category 5(b) regarding exceptions.

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Category 4 – Roll-in provisions for development in the former local government areas of **Maryborough, Tiaro and Woocoo**

Purpose:

The purpose of this category is to provide a roll-in subsidy for infrastructure charges applicable to development within the former local government areas of Maryborough City, Tiaro Shire (as administered by the Fraser Coast Regional Council) and Woocoo Shire, given the significant increases resulting from the new infrastructure charges regime.

Eligible development:

Eligible development must meet all of the following requirements:

(a) The development is located within the Maryborough City Plan area, the Planning Scheme area for the former Tiaro Shire Council (as administered by Fraser Coast Regional Council) or the Planning Scheme area for the former Shire of Woocoo; and

(b) The development is not subject to the construction of trunk infrastructure or an infrastructure agreement; and

(c) The development is located within the Priority Infrastructure Area (PIA) as identified in the State Planning Regulatory Provision (Adopted Charges); and

(d) The Development Permit takes effect no later than 30 June 2012; and

(e) The applicable infrastructure charges are paid in full on or before 30 June 2012[7].

Amount of subsidy:

A 30% subsidy on applicable infrastructure charges pursuant to Council's *adopted infrastructure charges resolution.*

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[7] Refer to Category 5(b) regarding exceptions.

Category 5 – Special Community Benefit

Purpose:

The purpose of this category is to promote and provide an incentive for development that provides special benefit to the community.

Eligibility Criteria:

Eligible development may include:

(a) Development that exhibits innovative or leading edge design as an example of 'exemplar' development, incorporates high levels of efficiency and/or sustainability, demonstrates significant environmental awareness or provides special benefit to the community as determined by Council or the Chief Executive Officer; or

(b) Development that is compliant with at least one of Categories 1- 4 and is of a type or scale that requires extended subsidy deadlines in consideration of the longer lead times; or

(c) Any other development that is considered by Council or the Chief Executive Officer to warrant special consideration, such as existing development permits that took effect before 1 July 2011, that are significantly disadvantaged as a result of Council's *adopted infrastructure charges resolution.*

Other criteria:

(d) The Applicant must lodge written representations for incentives under this category; and

(e) The Development Permit takes effect no later than 30 June 2012; and

(f) Unless otherwise approved by Council or the Chief Executive Officer, the applicable infrastructure charges are paid in full on or before 30 June 2012 or within **twelve (12) months** of the Development Permit taking effect, whichever is later.

Amount of subsidy:

The applicable subsidy and conditions will be determined by Council or the Chief Executive Officer, having regard to Council's *adopted infrastructure charges resolution.*

2.3 DEFINITIONS:

Terms used in this Policy are as defined in the *Sustainable Planning Act 2009* and the *State Planning Regulatory Provision (Adopted Charges).*

***"Development Permit"* for the purpose of this policy, refers to a Development Permit for Reconfiguring a Lot; Material Change of Use; or Building Works, for which infrastructure charges are payable.**

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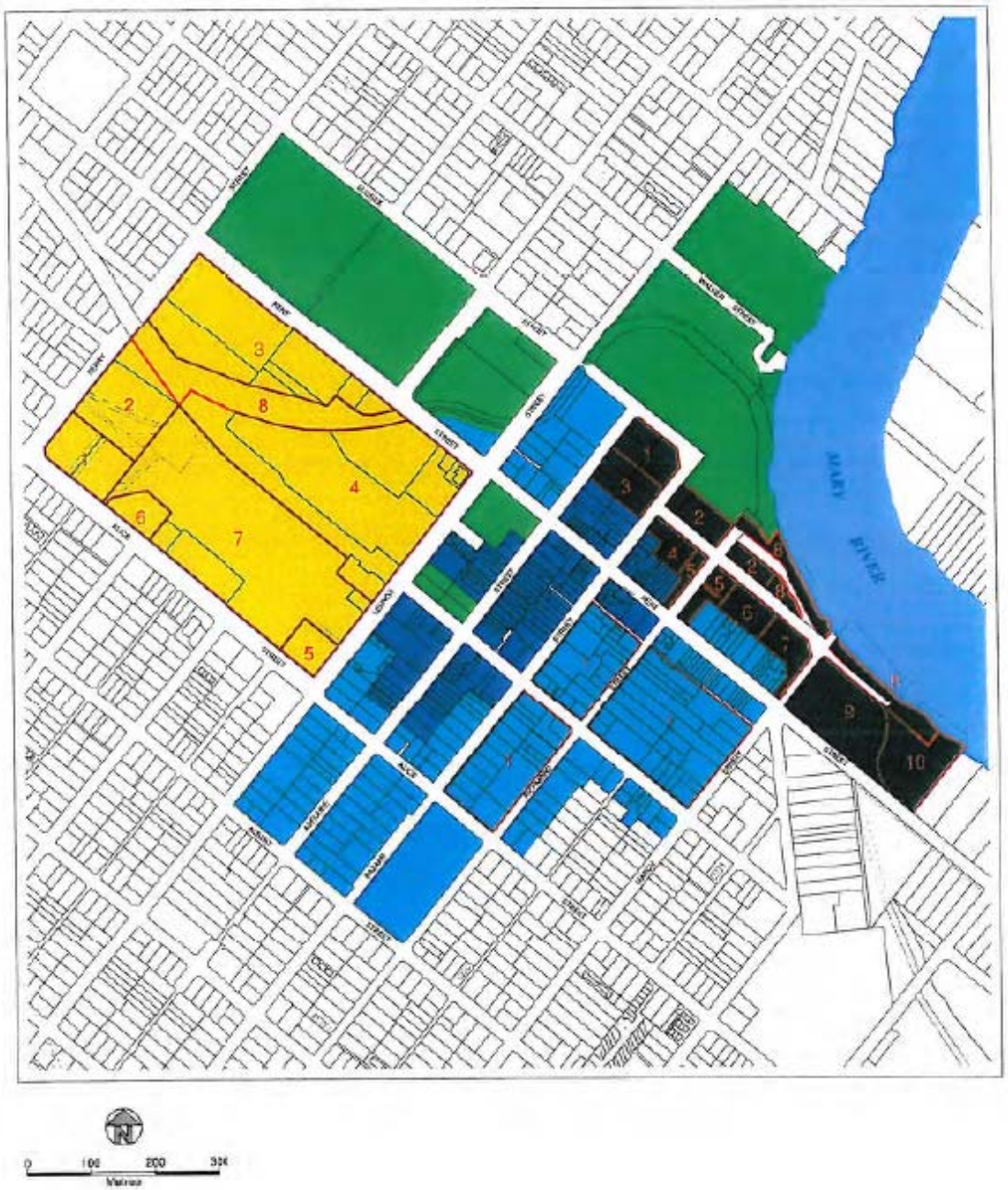
Attachment 1



Precincts

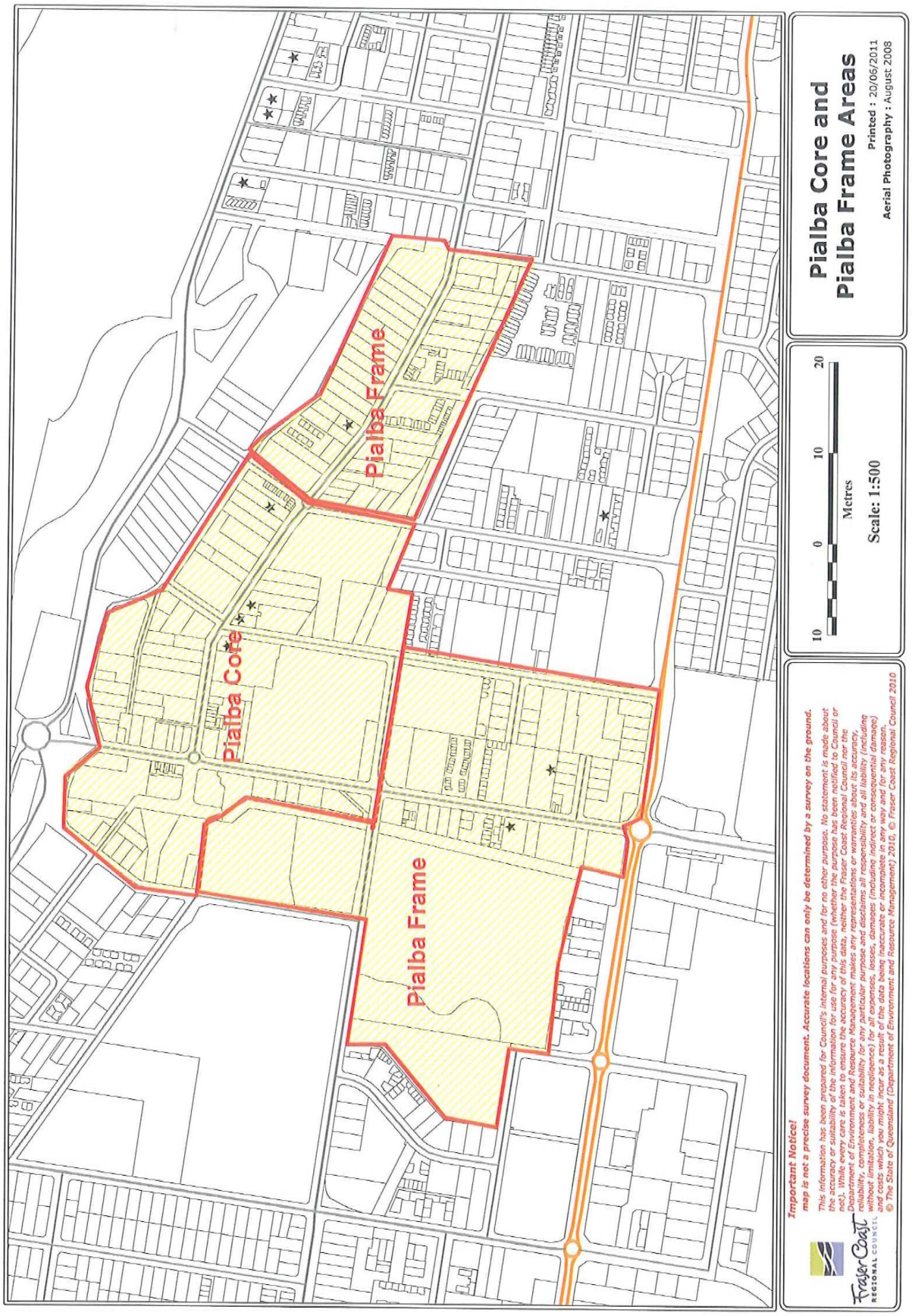
- Railyards Redevelopment Area
- Commercial Core
- Commercial Frame
- Wharf Street
- Community
- 3 Sub Precinct Boundary and Number

LOCAL AREA 2

City Centre Local Area

map 3.2

Attachment 2



Attachment 3 - Adopted infrastructure charges[8]

	Development for which an adopted infrastructure charge may apply	Adopted infrastructure charges (as at 1 July 2011)	Proportional split of adopted infrastructure charges per network				
			Water	Sewerage	Transport	Community Facilities & Parks	Stormwater
Residential Development	3 or more bedroom dwelling & new lots with dwelling entitlement	$28,000 per dwelling or allotment	12%	26%	26%	20%	16%
	1 or 2 bedroom dwelling	$20,000 per dwelling					
	Accommodation (Short Term) 3 or more bedroom dwelling	$14,000 per dwelling					
	Accommodation (Short Term) 1 or 2 bedroom dwelling	$10,000 per dwelling					
	Accommodation (Long Term) 3 or more bedroom dwelling	$28,000 per dwelling					
	Accommodation (Long Term) 1 or 2bedroom dwelling	$20,000 per dwelling					
Non-Residential Development	Places of Assembly	$70 per m^2 of GFA	14%	32%	31%	23%	$10 per impervious m^2
	Commercial (Bulk Goods)	$140 per m^2 of GFA					
	Commercial (Retail)	$180 per m^2 of GFA					
	Commercial (Office)	$140 per m^2 of GFA					
	Education Facility	$140 per m^2 of GFA					
	Entertainment	$200 per m^2 of GFA					
	Indoor Sport and Recreation Facility	Court Areas at $20 per m^2 of GFA, elsewhere $200 per m^2 of GFA					
	Industry	$50 per m^2 of GFA					
	High Impact Industry	$70 per m^2 of GFA					
	Low Impact Rural	Nil Charge					
	High Impact Rural	$20 per m^2 of GFA	14%	32%	31%	23%	Nil Charge
	Essential Services	$140 per m^2 of GFA					$10 per impervious m^2
	Specialised Uses	Use and demand determined at time of assessment					
	Minor uses	Nil Charge					

[8] Refer to Council's *adopted infrastructure charges resolution* for information regarding credits and offsets.

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