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# AMENDMENT C155 EAST VILLAGE DCP

**EXPERT EVIDENCE STATEMENT**

**PAUL SHIPP, DIRECTOR, URBAN ENTERPRISE PTY LTD**

**PLANNING AND PROPERTY PARTNERS**

**NOVEMBER 2019**



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# 1. QUALIFICATIONS

1. My name is Paul Shipp and I am a Director of Urban Enterprise Pty Ltd, of Level 1, 302-304 Barkly Street, Brunswick.
2. Urban Enterprise is a firm of urban planners, urban economists and tourism planners. The firm has 30 years experience providing consultancy services to all levels of Government and a wide range of private sector organisations in Victoria and in other States of Australia.
3. I am a qualified urban planner and economist with 14 years experience and specialise in the field of development contributions.
4. I have been involved in the preparation and review of many Development Contributions Plans, Infrastructure Contributions Plans and public open space contributions for Councils and developers across Melbourne and regional Victoria.
5. I have appeared as an expert witness on numerous occasions in respect of development contributions at Planning Panel and Advisory Committee hearings.
6. My educational qualifications and memberships of professional associations include:
  - Bachelor of Urban Planning and Development, University of Melbourne;
  - Master of Commerce, RMIT University;
  - Member and Registered Planner (RPIA), Planning Institute of Australia; and
  - Member, Victorian Planning and Environmental Law Association.

## 2. ENGAGEMENT

### 2.1. INSTRUCTIONS

7. I have been instructed by Planning & Property Partners to prepare an expert evidence statement to present at the Planning Panel hearing in relation to this matter on behalf of the following landowners:
  - Griffith Avenue Pty Ltd;
  - Fordtrans Pty Ltd; and
  - Make 246 EBRB Pty Ltd.
8. My instructions are to:
  - a. Review the background documents contained in my brief;
  - b. Form my opinions on the appropriate method to calculate the development contributions payable under the proposed Development Contributions Plan Overlay (DCPO);
  - c. Form my opinions on the most appropriate format of the DCPO and any other considerations relevant to my expertise, as required; and
  - d. Assist in drafting potential changes to the Amendment controls, specifically the Development Contributions Plan and Development Contributions Plan Overlay – Schedule 1 (DCPO1).

### 2.2. INFORMATION REVIEWED

9. I have reviewed the Amendment and the following relevant documents:
  - East Village Development Contributions Plan (Victorian Planning Authority, October 2018) (**Exhibited DCP**);
  - East Village Comprehensive Development Plan (Victorian Planning Authority, December 2018) (**Exhibited CDP**);
  - Amendment C155 documentation;
  - Technical reports supporting the DCP, including:
    - East Village Bentleigh East Access and Movement Report (GTA, 19 October 2018) (**GTA Report**);
    - East Village Social Infrastructure Assessment (ASR Research, 25 September 2018) (**ASR Report**); and
    - Stormwater Drainage Assessment Report (Cardno, 27 September 2018) (**Cardno Report**).
  - Other documents, including:
    - A Section 173 Agreement between Council and the Landowners (undated, document 7406539:24567821\_1) (the **s173 Agreement**);
    - An Amended Schedule 2 to the Comprehensive Development Zone (provided to me by the Landowners, 15 November 2019);

- DCP Guidelines, Department of Environment, Land, Water and Planning, 2007;
- Ministerial Direction on the Preparation and Content of Development Contributions Plans (11 October, 2016);
- Planning and Environment Act 1987; and
- Glen Eira Planning Scheme.

### **2.3. SCOPE**

10. I was not involved in the preparation of the DCP or any of the preceding analysis.
11. I have undertaken a review of the DCP against the relevant statutory framework for development contributions plans in Victoria in order to respond to my instructions. I have also reviewed the DCP in terms of how efficiently and equitably it could be implemented based on my experience.

### 3. STATUTORY FRAMEWORK

12. The statutory framework for the preparation of DCPs in Victoria consists of:
  - The Planning and Environment Act 1987; and
  - The Ministerial Direction on the Preparation and Content of Development Contributions Plans.
13. The statutory documents are supported by a set of DCP Guidelines which, although not having statutory weight, provide guidance for the preparation of DCPs.
14. In this section I provide a brief overview of the content and role of each of these documents.

#### PLANNING AND ENVIRONMENT ACT

15. Part 3B of the Planning and Environment Act 1987 outlines the statutory provisions relating to development contributions. In summary, Part 3B provides for, amongst other things:
  - The inclusion of a DCP in the planning scheme, for the purpose of levying contributions for the provision of works, services and facilities (section 46I);
  - The opportunity to impose a Development Infrastructure Levy, Community Infrastructure Levy or both (section 46J);
  - The contents required of a DCP (section 46K);
  - The setting of limits in respect of a Community Infrastructure Levy. In the case of the construction of a dwelling, the Community Infrastructure Levy must not exceed \$1,150 in 2018-19 financial year (indexed to \$1,190 for the 2019-20 financial year) per dwelling (section 46L);
  - The provision for the Minister to issue written directions relating to the preparation and content of a DCP (section 46M);
  - The collection of a Development Infrastructure Levy, by way of a condition on a planning permit either requiring the payment of a levy within a specified time, or entering into an agreement to pay the levy within a specified time (section 46N).

#### MINISTERIAL DIRECTION

16. The Ministerial Direction outlines what may be funded with a development contribution levy, namely:
  - Acquisition of land for roads, public transport corridors, drainage, public open space, community facilities;
  - Construction of roads, including bicycle, footpaths and traffic management and control devices;
  - Construction of public transport infrastructure, including fixed rail infrastructure, railway stations, bus stops and tram stops;
  - Basic improvements to public open space, including earthworks, landscaping, fencing, seating and playground equipment;
  - Drainage works; and
  - Buildings and works for or associated with the construction of a maternal and child health centre, child care centre, kindergarten or a combination of these.

17. In addition to the above, the Act provides that a DCP may also include a Community Infrastructure Levy which can be used to fund the construction of all other buildings or facilities used for community or social purposes.

**DEVELOPMENT CONTRIBUTIONS GUIDELINES**

18. The Victorian State Government has a set of documents which make up the *Development Contributions Guidelines (2007)*. These documents provide guidance as to how DCPs are to be prepared and administered including the matters that DCPs are to consider.
19. I have made reference to content of the Guidelines as relevant in my statement.

## 4. AMENDMENT AND KEY DOCUMENTS

### 4.1. AMENDMENT C155

20. Amendment C155 (the **Amendment**) has been prepared by the Glen Eira City Council and applies to land affected by the Exhibited CDP known as East Village (referred to in my statement as either **East Village** or the **Precinct**).
21. The Amendment proposes the following changes to the Glen Eira Planning Scheme relevant to infrastructure funding:
  - Incorporate two new documents into the Planning Scheme by listing the documents in the Schedule to Clause 72.04 as:
    - East Village Comprehensive Development Plan, December 2018 (the Exhibited CDP); and
    - East Village Development Contributions Plan, October 2018 (the Exhibited DCP).
  - Insert Schedule 2 to Clause 37.02 Comprehensive Development Zone (**CDZ2**) into the Scheme.
  - Insert Clause 45.06 – Development Contributions Plan Overlay (**DCPO**) into the Scheme.
  - Insert Schedule 1 to Clause 45.06 into the Scheme.
  - Insert Map 4DCPO and apply the Development Contributions Plan Overlay –Schedule 1 (**DCPO1**) to the land within the CDP area.
  - Update the schedule to Clause 53.01 to require subdivision within the Commercial North sub precinct, Commercial west sub precinct and Commercial north (subject to drainage control) sub-precinct to provide a contribution towards open space of 5.7%. All other land within the precinct will be required to provide a contribution of 11.4%.

### 4.2. COMPREHENSIVE DEVELOPMENT PLAN

22. The Precinct is identified as an urban renewal area and is proposed to be redeveloped over time to accommodate a range of retail, commercial and residential uses in accordance with the Exhibited CDP.
23. The land use plan shown in the Exhibited CDP is reproduced in Figure F1 and the assumed development yield is summarised in Table T1.

#### T1. ASSUMED DEVELOPMENT YIELD

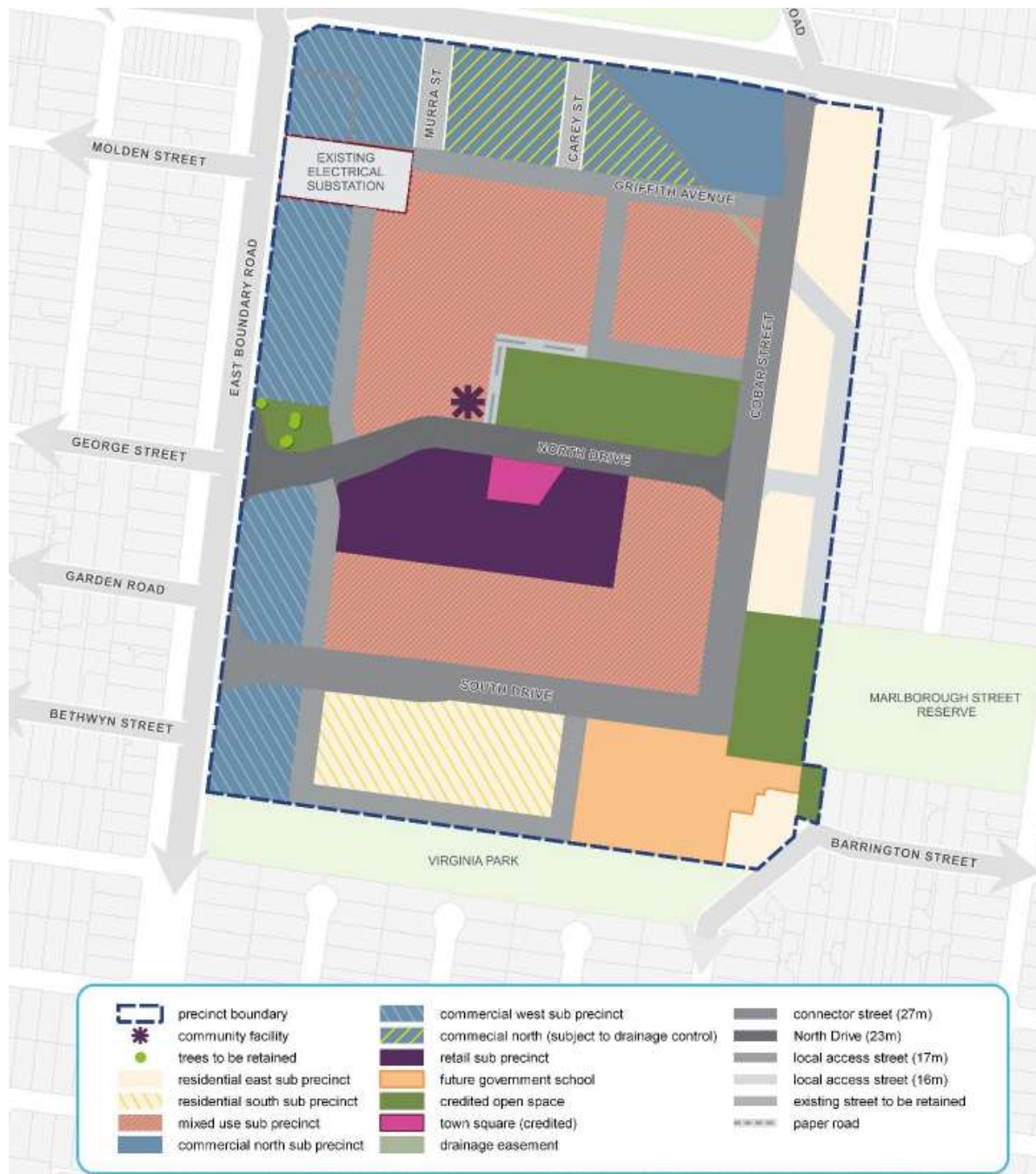
Land Use	Units	Unit
Residential	3,000	Dwellings
Retail	12,000	Sqm Gross Leasable Floor Area (GLFA)
Commercial	80,000	Sqm Gross Leasable Floor Area (GLFA)

Source: Exhibited CDP.

24. The Exhibited CDP provides for development which will comprise a mix of townhouses, apartments, shops and commercial offices, much of which is planned to be delivered within mixed use buildings of up to eight storeys.



## F1. LAND USE PLAN



Source: Exhibited CDP.

25. The Exhibited CDP sets out the proposed approach to funding and delivery of infrastructure within the Precinct in a Precinct Infrastructure Plan (PIP). The table indicates that a range of infrastructure items are to be funded through a DCP, including one internal collector road, seven intersections, four open space projects, one community centre and one drainage project.
26. Other infrastructure projects identified in the PIP but not funded by the DCP include a new government secondary school and the construction of bus stops.
27. The Exhibited CDP also sets out the need for other infrastructure types to be delivered by developers as part of subdivision works, such as collector roads, local roads, utility services and so on.

### 4.3. DEVELOPMENT CONTRIBUTIONS PLAN

28. The Exhibited DCP applies to all land in the Precinct and seeks to fund 19 infrastructure items with a combined value of approximately \$60.65m.
29. I have summarised the key elements of the DCP as follows:
- The DCP is to be implemented through a new schedule to the DCP Overlay.
  - The DCP has two separate Charge Areas: MCA1 and MCA2. Different levies apply to each Charge Area due to certain infrastructure items only being needed for support development within part of the Precinct.
  - The Demand Unit adopted for the DCP is 'equivalent dwellings'. Levies are payable by all development types, with levies expressed 'per dwelling' for residential development, per square metre of Gross Leasable Floor Area (GLFA) for retail development, and per square metre of GLFA for commercial (office) development.
  - Equivalence ratios are used to apportion the cost of infrastructure between different land uses and subsequently calculate the different levies for each land use type.
  - No external apportionment is included, meaning that developers would fund 100% of the cost of delivering the infrastructure items through DCP levies.
  - Certain infrastructure types are to be delivered through subdivision works by developers, such as collector and local roads, local pathways, improvements to local open space and local drainage works.
  - The DCP includes selected 'higher order' open space improvement projects, with open space land to be funded through Clause 53.01 of the Planning Scheme.
  - Glen Eira City Council is listed as the Development Agency for all projects, meaning that default responsibility for infrastructure delivery rests with Council. The DCP also includes provision for projects to be delivered by developers as Works In Kind (**WIK**), subject to Council's agreement.
30. The DCP levies are summarised in Table T2. The proposed levy for residential development is \$10,403.45 per dwelling.

#### T2. EXHIBITED DCP LEVIES

Levy type	Unit	Levy - MCA1	Levy - MCA2
<b>Development Infrastructure Levy</b>			
Residential	Dwelling	\$10,403.45	-
Retail	Sqm GLFA	\$1,074.20	-
Commercial	Sqm GLFA	\$187.07	\$96.14
<b>Community Infrastructure Levy</b>			
Residential	Dwelling	\$831.65	-

Source: Exhibited DCP.

31. My review of the content of the DCP identified a number of issues that in my opinion should be addressed before the DCP is finalised. These issues are outlined in the following section of my statement.

## 5. ISSUES

### 5.1. OVERVIEW

32. I have reviewed the DCP and supporting documents.
33. The DCP is well structured and consistent with the elements required in the Act. However, it is my view that a number of aspects of the DCP require further information or changes to improve transparency, equity and practical delivery.
34. I have grouped the issues identified in my review under the following three sub-sections:
  - Scope and cost of infrastructure items;
  - Cost apportionment; and
  - Practical delivery.
35. I now provide details of each of the issues identified in my review.

### 5.2. SCOPE AND COST OF INFRASTRUCTURE ITEMS

36. It is important that infrastructure items to be funded by the DCP are clearly defined, appropriate for inclusion in a DCP, appropriately categorised as 'Development' or 'Community' items and accurately costed. I have reviewed the proposed infrastructure list and make the following comments in this regard.

#### 5.2.1. ARE ITEMS SUITABLE FOR INCLUSION IN A DCP AND CORRECTLY CATEGORISED?

37. The Exhibited DCP seeks to fund a range of infrastructure items, across the categories of roads and intersections, open space, community facilities and drainage works. These general categories of projects are consistent with the type of infrastructure projects that are usually funded by a DCP and are consistent with the Ministerial Direction.
38. In my view, infrastructure items are correctly categorised as either Development or Community infrastructure, with the exception of the Community Centre (CB1-C).
39. The item description and cost estimate in the Exhibited DCP for CB1-C shows that the scope of work extends beyond those works that can be funded by the Development Infrastructure Levy (kindergarten and Maternal and Child Health) to include other uses such as an 'Innovation Hub' and ancillary areas. In my view, the latter elements of the project should be reclassified as Community Infrastructure.

#### 5.2.2. IS THE SCOPE OF WORK CLEARLY DEFINED?

40. A number of infrastructure items require further information to clearly define the proposed scope of work. This is important to inform a full review of the appropriateness of the items to be included in the DCP and to inform future discussions between landowners and Council regarding proposed works in-kind arrangements.
41. Items which in my view require further information to clearly define the scope of work include the following:

- a. The extent of works for intersections is not clear on concept designs included in Appendix 2 of the Exhibited DCP. For practical implementation of works in-kind, it is important that designs clearly show where intersection works end and collector road works begin.
- b. It is apparent that the allowances for land acquisition for intersections may be insufficient to enable delivery of each intersection project (the total area of land to be acquired through the DCP is approximately 2,000sqm). Ideally, each intersection project should include the acquisition of all land required to facilitate delivery of the intersection up to the extent of works.
- c. The proposed community centre is described in the DCP as including “MCH areas, innovation hub, kindergarten and ancillary areas.” A cost estimate of \$5.7m is shown, however no further information is available to clarify the exact components and scope of the item. In my view, further information should be provided to confirm the proposed components of the centre. I also note the following other issues relating to the community centre:
  - i. The Precinct Infrastructure Plan in the Exhibited CDP (Table 3) states that delivery of the community centre could be through either “Land and construction or cash in-lieu for construction”. In my opinion, the CDP should be revised to reflect the project description shown in the final DCP.
  - ii. The DCP does not include any allowance for land acquisition or land value for the community centre item. The DCP is not explicit on how the community facility is to be provided, however I expect that the facility will be provided by a developer within a mixed use development (as an internal tenancy). The DCP would ordinarily include a line item to reflect the land value of the site (or part thereof) that ultimately accommodates the facility, but I am instructed that the Landowners are not requiring this to be the case.

### 5.2.3. COSTS

- 42. The DCP includes cost estimates for each item. In total, the DCP seeks to fund approximately \$60.65m of infrastructure projects.
- 43. I note that 70% of the total cost of items relates to intersection projects. The average cost of the seven intersections is approximately \$6m, and the levy associated with intersection costs is approximately \$6,000 per dwelling. In my experience, the intersection costs are high when compared with other approved DCPs, both in absolute terms and on a per dwelling basis.
- 44. A closer inspection of the breakdown of intersection costs revealed that service relocation costs comprise a significant proportion of intersection costs. For example, the cost estimate for the upgrade to the intersection of North Road and East Boundary Road (IN1-C) includes \$3.3m in service relocation costs, accounting for approximately 50% of the overall item cost.
- 45. Although the established nature of the surrounding road network will naturally lead to higher ‘retrofitting’ costs for road works (including service relocation costs), in my view the significant cost associated with service relocations warrants close review of any opportunities to reconsider the location, layout and design of the intersections to ensure that service relocations are avoided wherever possible.
- 46. The cost estimate for the construction of a short length of connector road (RD\_1) appears high in my experience. The cost estimate equates to approximately \$7,000/linear metre for a short 100m stretch of collector road. This compares with a cost estimate for collector roads in the Altona North DCP equating to approximately \$4,000-\$4,500/linear metre (Item RD-2C). In my view, this warrants review prior to the DCP being finalised.

- 47. There is an overlap between developer works and DCP works in relation to Council checking fees. On page 12 of the DCP, "Council's plan checking and supervision costs" are listed as items not included in the DCP and to be provided by developers as a matter of course. However, the cost estimates provided in Appendix 2 include "Council fees".
- 48. It is my view that Council fees should be deleted from the list of developer works on page 12 of the DCP, or a notation added to clarify that this does not apply to DCP items.

### 5.3. COST APPORTIONMENT

#### 5.3.1. USAGE NEXUS

- 49. The Exhibited DCP apportions the cost of infrastructure types to land uses that are likely to use the infrastructure. The Exhibited DCP (p.27) states that:

*"While residential development in urban renewal areas generally imposes a need for transport, community, recreation and public realm improvements, non-residential development is generally assumed to only generate a need for transport infrastructure. This DCP also attributes some open space upgrades to non-residential land uses to acknowledge their likely significant use by the worker population."*

- 50. I have derived an infrastructure/land use nexus matrix from the demand units identified in Table 12 of the Exhibited DCP (as shown in my Table T3).
- 51. I understand that MCA2 (the northern section of the precinct) does not require use of some proposed intersections and proposed drainage works to support its development.

### T3. INFRASTRUCTURE USAGE NEXUS

INFRASTRUCTURE TYPE	RESIDENTIAL	RETAIL	COMMERCIAL (MCA1)	COMMERCIAL (MCA2)
Roads	Yes	Yes	Yes	Yes
Intersections	Yes	Yes	Yes	Yes (not all)*
Drainage	Yes	Yes	Yes	No*
Passive Open space	Yes	Yes	Yes	No**
Active Open Space	Yes	No	No	No
Community facilities	Yes	No	No	No

Notes: \* Infrastructure not required to support development of MCA2. \*\* MCA2 not required to contribute to DCP passive open space items. Source: Urban Enterprise, based on Draft East Village DCP.

- 52. In my view, the infrastructure usage nexus applied in the Exhibited DCP is appropriate, with the exception of passive open space. In the Exhibited DCP, commercial development in MCA2 is not required to contribute to passive open space at Central Park and Virginia Park.
- 53. On the basis that office workers are likely to make use of these open spaces which will benefit all development within the Precinct, it is my view that the DCP should be amended to apportion the cost of OS-1 and OS-2 to both MCA1 and MCA2.



### 5.3.2. EQUIVALENCE RATIOS

- 54. Equivalence ratios are commonly used in DCPs to express the level of demand placed on certain infrastructure items from non-residential land uses in terms of 'equivalent dwellings', and subsequently to calculate levy amounts that are equitable for different land uses.
- 55. The DCP Guidelines set out Standard Equivalence Ratios for DCPs for a variety of land uses. Standard Equivalence Ratios for land uses relevant to East Village (retail and commercial) are shown in Table T4.
- 56. Under the Standard Equivalence Ratios, demand for road infrastructure generated by one dwelling is deemed to equate to the demand generated by 19sqm of retail floorspace and 121sqm of office space.

### T4. STANDARD EQUIVALENCE RATIOS

LAND USE	ROADS	DRAINAGE
Retail	19 sqm	300sqm site area
Office / service industry	121 sqm	360sqm site area

Source: DCP Guidelines, p.45.

- 57. In many DCPs, equivalence ratios are not of major consequence to overall levy outcomes given that there is often a single land use that comprises the majority of the development yield (usually residential). In East Village, however, the significant yield of three separate land uses types of residential, retail and commercial means that equivalence ratios play an important role in equitably apportioning the costs of infrastructure across land uses, land owners and developments.
- 58. Table T5 shows the Equivalence Ratios applied in Table 11 of the Exhibited DCP – these vary from the Standard Equivalence Ratios both in terms of the way in which the ratios are expressed as well as the resulting apportionment of cost between land uses.

### T5. EQUIVALENCE RATIOS APPLIED IN THE DRAFT EAST VILLAGE DCP

ITEMS ATTRIBUTABLE TO MAIN CHARGE AREA 1 AND 2							
Land Use Type	Number	Unit of Measure	PM Peak Traffic Movements	Total Traffic Movements PM Peak	Dwelling Equivalence ratio	Dwelling Equivalent Units	% Dwelling Equivalent Units
Residential	3,000	dwellings / units	0.38 per dwelling	1178	1.000	3,000	41.9%
Retail	12,000	m2 gross leasable floorspace	6.4 per 100m2	768	0.652	1,956	27.3%
Commercial	70,000	m2 gross leasable floorspace	1.08 per 100m2	756	0.642	1,925	26.9%
Commercial	10,000	m2 gross leasable floorspace	1.08 per 100m2	108	0.092	275	3.8%
						7,156	100.0%
ITEMS ATTRIBUTABLE TO MAIN CHARGE AREA 1 ONLY							
Land Use Type	Number	Unit of Measure	PM Peak Traffic Movements	Total Traffic Movements PM Peak	Dwelling Equivalence ratio	Dwelling Equivalent Units	% Dwelling Equivalent Units
Residential	3,000	dwellings / units	0.38 per dwelling	1178	1.000	3,000	43.6%
Retail	12,000	m2 gross leasable floorspace	6.4 per 100m2	768	0.652	1,956	28.4%
Commercial	70,000	m2 gross leasable floorspace	1.08 per 100m2	756	0.642	1,925	28.0%
						6,881	100.0%

Source: East Village DCP, VPA 2018.

- 59. In my view, there are five issues which should be addressed before equivalence ratios are finalised for the DCP which I now discuss.

## EXPRESSION

60. The equivalence ratios shown in the DCP are not expressed in comparable terms to Standard Equivalence Ratios. This makes comparison with the DCP Guidelines and other DCPs difficult.
61. I have derived the Equivalence Ratios from the content of the Exhibited DCP and compared with Standard Equivalence Ratios in my Table T6. When expressed in comparable terms, the Exhibited DCP applies ratios which result in a higher proportion of demand being attributed to non-residential floorspace than if Standard Equivalence Ratios were to be applied.

## T6. COMPARISON OF EQUIVALENCE RATIOS FOR ROADS

LAND USE	UNIT	MOVEMENTS PER UNIT	MOVEMENTS PER DWELLING (EQUIVALENCE RATIO)	STANDARD EQUIVALENCE RATIO
Residential	Per dwelling	0.38	1	1
Retail	Per sqm	0.064	5.9	19
Commercial A	Per sqm	0.0108	35.2	121
Commercial B	Per sqm	0.0108	35.2	121

Source: Urban Enterprise, DCP Guidelines.

## DIVERTING FROM STANDARD EQUIVALENCE RATIOS

62. There is no explanation in the Exhibited DCP for adopting alternative Equivalence Ratios to the standard ratios in the DCP Guidelines.
63. The DCP Guidelines state that “appropriate equivalence ratios can be determined by the council or the Standard Equivalence Ratios provided in the guidelines can be used” (p.28) and that “it may be necessary to alter the standard equivalence ratios to suit local conditions.” (p.46)
64. I note that Standard Equivalence Ratios for road infrastructure are based on the following trip generation assumptions, which although not stated appear to be total daily trip volumes:
- 8 total trips per dwelling;
  - 42 total trips per 100sqm of retail floorspace; and
  - 6.6 total trips per 100sqm of office floorspace.
65. In my view, Standard Equivalence Ratios should be used as the default unless traffic analysis demonstrates that an alternative approach is reasonable, transparent and well justified.

## DIFFERENCE BETWEEN AM PEAK, PM PEAK AND DAILY TRAFFIC VOLUMES

66. Based on my review of the Exhibited DCP and the GTA Report, my understanding is that the following method was used to calculate the Equivalence Ratios in the Exhibited DCP:
- The GTA Report (Appendix C1) includes estimates of traffic generation for each land use during the PM peak hour which were used as the basis for the equivalence ratios;
  - Traffic volumes for retail and residential land uses were then reduced by 20% to allow for some trips that would be undertaken within the site; and
  - The resulting PM peak hour traffic volumes were then converted into equivalence ratios in Table 11 of the Exhibited DCP.

67. The adoption of PM peak traffic volumes as the basis for the equivalence ratios in East Village differs from the approach applied in the Standard Equivalence Ratios which adopt daily vehicle movements.
68. It is also apparent from the GTA Report that traffic volumes in the AM peak are expected to differ from volumes in the PM peak, meaning that Equivalence Ratios would differ if they were based on the AM Peak volumes rather than PM peak volumes.
69. The use of Standard Equivalence Ratios, PM peak or AM peak movements to inform equivalence ratios would result in slightly different distributions of demand across land uses within the DCP area. Table T7 shows my calculations of the alternative cost apportionment outcomes that would result from the Standard Equivalence Ratios compared with the approach adopted in the Exhibited DCP based on PM peak volumes.

## T7. COMPARISON OF ALTERNATIVE EQUIVALENCE RATIO OUTCOMES

LAND USE	UNITS	STANDARD EQUIVALENCE RATIO			PM PEAK (EXHIBITED DCP)		
		Eq. Ratio	Demand Units	% of total	Eq. Ratio	Demand Units	% of total
Residential (dwellings)	3,000	1	3,000	69.9%	1	3,000	41.1%
Retail (sqm)	12,000	19	632	14.7%	5.9	2,021	27.7%
Commercial A (sqm)	70,000	121	579	13.5%	35.2	1,989	27.3%
Commercial B (sqm)	10,000	121	83	1.9%	35.2	284	3.9%
<b>Total</b>			4,293	100.0%		7,295	100.0%

Source: DCP Guidelines, Exhibited DCP, Urban Enterprise.

70. I make the following comments in respect of the basis for equivalence ratios:
- a. The traffic volumes adopted for the Exhibited DCP take into account local conditions for residential development (GTA Report, Appendix C1), which in my view is a reasonable basis upon which to divert from the use of Standard Equivalence Ratios (although I note that no analysis of local conditions was used to inform estimates of traffic generation for retail or office uses).
  - b. Based on my review of the various estimates of traffic generation across the background documents, the use of 'peak' traffic volumes appears in-principle to be an appropriate alternative to the use of daily traffic volumes if daily volumes are not available.
  - c. The selection of one particular peak period as a basis for cost apportionment is likely to result in a slightly different cost apportionment outcome for individual land uses and landowners.
71. In my opinion, it is important that equivalence ratios are based on a measure of the total demand for a particular infrastructure type so that costs can be equitably apportioned based on the expected share of usage in line with the principles outlined in the DCP Guidelines.
72. In this case, it is my view that an equitable approach to cost apportionment would be to calculate equivalence ratios based on a combination of AM and PM peak traffic movements by reference to Table C3 in Appendix C of the GTA Report.



## **CALCULATION ERRORS / ISSUES**

73. I have identified two apparent errors which impact the calculation and application of equivalence ratios in the DCP and as a result flow through to the levies. These should be reviewed and corrected if necessary prior to the DCP being finalised.
74. Firstly, Appendix C of the GTA Report estimates the traffic generation of the proposed retail floorspace at “6.0 movements per 100sqm of GLFA, or approx. 8.0 movements per 100sqm of LFA, in the PM peak hour.” It appears that the assessment then adopts the LFA volume of 8 per hour, which flows through to the calculation of equivalence ratios.
75. Floorspace measures in the DCP consistently refer to Gross Leasable Floor Area (GLFA) of non-residential developments (both in Table 11 – Equivalence Ratios and in the description of the levies in Table 14).
76. It is therefore my view that the calculation of equivalence ratios should be reviewed so that all measures are based on GLFA and updated if required.
77. Secondly, the equivalence ratios in Table 11 of the Exhibited DCP appear to include an error. The table shows Total PM peak traffic movements for residential development as 1,178 movements, while my calculations show that this should be 1,140 movements (derived from 3,000 dwellings multiplied by 0.38 PM peak traffic movements per dwelling based on the other content of the table).
78. This should be reviewed and corrected if needed in the final DCP given that the number flows through to equivalence ratios and all levy amounts.

## **APPLICATION OF ROAD RATIOS TO APPORTION ALL INFRASTRUCTURE COSTS**

79. The Exhibited DCP uses its equivalence ratios – which are based on traffic movements - to apportion the costs of infrastructure items in the following categories between land use types:
  - Roads and intersections;
  - Open space improvements; and
  - Drainage works.
80. In my view, the use of equivalence ratios based on traffic generation to apportion the cost of open space and drainage works does not ordinarily result in the most equitable outcome possible. I acknowledge, however, that it may not be practical or efficient to establish alternative ratios for these items, and that the potential need for multiple levy types could make the collection and accounting of contributions unnecessarily complex during implementation of the DCP.
81. Therefore, it is my view that using traffic-based ratios is a reasonable proxy for other equivalence ratios in this instance.

### **5.3.3. EXTERNAL APPORTIONMENT**

82. The Exhibited DCP does not include any external apportionment, meaning that all infrastructure costs would be funded by developers through levies.
83. Based on my review of the supporting documents, I consider that external apportionment is required for the Community Centre.
84. The ASR Report (p.42) indicates that the development will only generate demand for “25% of the use of 1 Maternal and Child Health consulting suite” while “Council’s preference is to establish a

new 3 room MCH facility”, a preference which the assessment notes is “reasonable so long as it is acknowledged that...this proposal represents an initiative that is broader than just meeting the needs generated by the development.”

85. Given this commentary, it is my view that the DCP should ideally be amended so that the approach to cost apportionment is consistent with the supporting needs analysis. This would ordinarily require the addition of external apportionment to the community facility item to reflect that the development will only generate a relatively small proportion of the need for the MCH facility proposed, but I am instructed that the Landowners are generally comfortable with what is proposed.
86. The Exhibited DCP also seeks to fund one intersection that is external to the site (IN-2C at the intersection of Murrumbena Road and Crosbie Road), yet no external apportionment is allocated to this item. The intersection is located approximately 500m north of the precinct boundary and does not appear to provide direct access to facilitate development within the site.
87. There appears to be a relatively weak nexus between the development of the Precinct and this infrastructure item, which in my view is likely to warrant some external apportionment if an upgrade to the intersection is in fact required/warranted. The extent of any apportionment should be calculated by a traffic expert.

#### **5.3.4. LEVY CALCULATIONS**

88. I have reviewed the calculation of levies which is set out in Table 12 of the Exhibited DCP.
89. There appear to be cost apportionment and levy calculation errors for the following items: IN-4L, IN-4C, IN-5L and IN-5C. In each case, the stated levy in the Exhibited DCP is higher than my calculated levy for the item.
90. For example, using the equivalence ratio and demand units shown in Table 12 of the Exhibited DCP, I calculate that the residential levy for IN-5C should be \$1,584.41, not \$1,647.81 as shown.
91. This table should be reviewed and any calculations errors rectified prior to the DCP and DCPO Schedule being finalised.

#### **5.3.5. OPEN SPACE**

92. I understand from the Amendment documentation and supporting documents that the proposed approach to open space funding and cost apportionment in East Village is as follows:
  - Improvements to off-site active open space and passive open space facilities are funded through the DCP with costs equalised through levy payments. Only residential development contributes to these items.
  - Improvements to the Central Park are funded through the DCP with costs equalised through levies and equivalence ratios. All development types contribute to this item except commercial development in MCA2.
  - Land for open spaces within the Precinct is to be provided through the Schedule to Clause 53.01 of the Planning Scheme, with residential, retail and mixed use land required to pay a contribution equivalent to 11.4% of the land to be subdivided and commercial land required to make a contribution of 5.7% (for an overall average of 10% of NDA); and
  - Improvements to local open spaces (including the Town Square, Barrington Street link and the Gateway Park) are to be delivered by the relevant landowner as part of subdivision works.

93. I support the basic principles of the proposed approach to open space cost apportionment and its practical delivery. However, I note that:

- a. There is an error in Table 2 of the Exhibited CDP. The total credited open space should be 1.983 ha to be consistent with the Exhibited DCP.
- b. There is no equalisation scheme in the Exhibited DCP or the Exhibited Comprehensive Development Zone (CDZ) Schedule for open space land. In my view, an equalisation scheme should be added to the CDZ Schedule to equitably apportion open space land provision across all landowners. The equalisation scheme should apply to all land in the Precinct, including land in the commercial sub-precincts.

Amendments to the exhibited CDZ schedule proposed by the Landowners and provided to me (dated 15 November 2019) would provide for this equalisation.

- c. I expect that the cost of improving the Town Square – an urban open space – is likely to be somewhat higher on a per square metre basis than the cost of improving local parks. This is because the Exhibited CDP envisages that the Town Square will be a “focal point capable of hosting formal and informal community activities and short-term retailing” (p.10) and includes a range of provisions which promote active building edges, on-street activity, outdoor dining and footpath trading at the interfaces to the square.

The land for this open space area is to be funded under Clause 53.01, with the improvements to be delivered by the relevant landowner as ‘developer works’. The landowner responsible for delivering this open space would be improving the park to a high standard for the benefit of all development in the precinct without any compensation. In my view, it would ideally be more equitable for the improvements to this item to be included in the DCP on the same basis as the Central Park improvements, but I understand there to be broad landowner acceptance as to what is proposed.

## 5.4. PRACTICAL DELIVERY

94. In my view, it is important that the DCP contains information and provisions that enables delivery of infrastructure concurrent to development in an expedient, practical and flexible way. The main information in the DCP that can enable this is:

- Infrastructure provision triggers; and
- Works in-kind provisions.

### 5.4.1. PROVISION TRIGGERS

95. An ‘Indicative Provision Trigger’ is shown for each infrastructure item in the Exhibited DCP. The DCP (p.22) foreshadows some flexibility in the timing of delivery of infrastructure items having regard to Council’s capital works program, works in-kind proposals by developers, the need to deliver broader road network connections and the availability of sufficient contributions.

96. I have been provided with the s173 Agreement which includes provisions which seek to guide the triggers and sequencing of some of the DCP infrastructure items. I have reviewed the DCP triggers against the s173 Agreement for consistency and for the extent to which the triggers would provide for transparent, practical and flexible infrastructure delivery to support development.

97. Overall, it is my view that:

- A number of provision triggers require greater clarity and/or flexibility to enable practical delivery (these are shown in my Table T8 as issue “A”);
- Some items may be difficult to deliver under the Exhibited DCP, warranting reconsideration of item details and the approach to funding (shown as issue “B”) and
- Other triggers should be amended to more closely reflect the content of the s173 Agreement (Issue “C”).

98. I have provided my comments on the appropriateness of each indicative provision trigger in Table T8.

## T8. REVIEW OF DCP ITEM PROVISION TRIGGERS

ID	Project Title	Exhibited DCP provision trigger	Issue	Comments
RD-01	Cobar Street Connector 1 - Construction	Concurrent with provision of IN-3C		No comments.
IN-1C	North Road & East Boundary Road - Construction	Once the precinct achieves a net increase in the existing traffic volumes it generates.	A B	<ul style="list-style-type: none"> <li>- This is an intersection of two declared arterial roads, however Council is listed in the Exhibited DCP as the Development Agency. It is not clear how Council could control the timing or delivery of this item.</li> <li>- Existing traffic volumes may not be defined or consistently agreed by all parties. It is my view that this trigger is difficult to measure and could be refined.</li> </ul>
IN-3L	Cobar St & Crosbie Rd & North Road - Land	At time of subdivision or redevelopment of adjacent site	B	<ul style="list-style-type: none"> <li>- This land item (284sqm) comprises a significant proportion (39%) of a single, small commercial site (721sqm). This has the potential to delay or prevent delivery of the intersection item and collector road in this location if the relevant site is not developed or sold.</li> <li>- In my view, a Public Acquisition Overlay (PAO) should be considered for this site.</li> </ul>
IN-3C	Cobar St & Crosbie Rd & North Road - Construction	Once the traffic generated by the precinct exceeds 2,000 vehicle movements in the peak hour.	A	Traffic volumes are difficult to define. A trigger measured in demand units would be more readily monitored and measured.
IN-2C	Crosbie Road/ Murrumbena Road/ Leila Road - Construction	At the time of delivery of IN-3C		No comments on trigger (however I have noted nexus issues earlier in my statement).
IN-4L	North Drive & East Boundary Road - Land	At time of subdivision	A	<ul style="list-style-type: none"> <li>- Trigger should clarify subdivision 'of the parcel containing the land item'.</li> </ul>

ID	Project Title	Exhibited DCP provision trigger	Issue	Comments
IN-4C	North Drive & East Boundary Road - Construction	At time of subdivision	A B	<ul style="list-style-type: none"> <li>- Trigger should be clarified and linked to subdivision or development within a particular precinct or area.</li> <li>- I understand that a long term lease is in place for one of the buildings over which the proposed intersection would need to be constructed. In order to ensure that the intersection can be delivered in the short term, I support relocation of the intersection.</li> </ul>
IN-5L	South Drive & East Boundary Road - Land	At time of subdivision	A	<ul style="list-style-type: none"> <li>- Trigger should clarify subdivision 'of the parcel containing the land item'.</li> </ul>
IN-5C	South Drive & East Boundary Road - Construction	At time of subdivision	A	<ul style="list-style-type: none"> <li>- Trigger should be clarified and linked to subdivision or development within a particular precinct or area.</li> </ul>
IN-6L	North Road & Murra Street - Land	At time of subdivision or redevelopment of adjacent site	A	<ul style="list-style-type: none"> <li>- Trigger should clarify subdivision or development 'of the parcel containing the land item'.</li> </ul>
IN-6C	North Road & Murra Street - Construction	Once the land is available and traffic volumes are deemed to require the infrastructure.	A	<ul style="list-style-type: none"> <li>- Trigger would benefit from a specific number of demand units for certainty.</li> </ul>
IN-7L	North Road & Carey Street - Land	At time of subdivision or redevelopment of adjacent site	A	<ul style="list-style-type: none"> <li>- Trigger should clarify subdivision or development 'of the parcel containing the land item'.</li> </ul>
IN-7C	North Road & Carey Street - Construction	Once the land is available and traffic volumes are deemed to require the infrastructure.	A	<ul style="list-style-type: none"> <li>- Trigger would benefit from a specific number of demand units for certainty.</li> </ul>
CB1-C	Construction of Community Centre	Once population growth is deemed to require the infrastructure	A	<ul style="list-style-type: none"> <li>- The trigger for this item is very broad and would benefit from greater specificity. It is not clear if 'population growth' refers to the growth within the Precinct only or includes growth in other areas.</li> </ul>
SR-01, SR-02	Marlborough Street Reserve	At time of subdivision	A C	<ul style="list-style-type: none"> <li>- This trigger is not clear and requires revision.</li> <li>- The s173 Agreement links the timing of the works to the timing of land provision and drainage works.</li> </ul>
OS-1	Virginia Park landscaping and shared user path	Once population growth is deemed to require the infrastructure	A	<ul style="list-style-type: none"> <li>- This trigger is very broad and requires greater clarity for landowners and the broader community.</li> </ul>
OS-2	Central Park Improvements - Construction	Once population growth is deemed to require the infrastructure	A C	<ul style="list-style-type: none"> <li>- This trigger is not clear and requires revision.</li> <li>- The s173 Agreement links the timing of the works to the staged provision of the open space land depending on the location of development fronting the open space.</li> </ul>
DR-01	Drainage works	At time of subdivision	A	<ul style="list-style-type: none"> <li>- This trigger is not clear and requires further information to clarify when the works will be needed.</li> </ul>

Source: Exhibited DCP; Urban Enterprise.

#### **5.4.2. WIK CREDITS**

99. The Exhibited DCP includes provisions which enable developers to provide works in-kind, subject to the approval of Council.

100. The provisions which define how credits will be issued for any works provided in-kind are as follows:

*"The credit for the works provided (unless an alternative approach is agreed with the Collecting Agency) shall equal the final cost of the works up to the maximum identified in the DCP, taking into account the impact of indexation, or to an alternative figure approved by the Collecting Agency."*

101. In my view, the provision should be amended to state that the credit amount will be equal to the amount shown in the DCP, which in my experience is the most equitable and transparent way to manage WIK credits.

#### **5.5. ADMINISTRATIVE AND IMPLEMENTATION PROVISIONS**

102. The Exhibited DCP includes a range of administrative and implementation provisions in section 4 of the document. These provisions direct how the DCP is implemented in practice over a long period of time, and as such it is important that the provisions are transparent and equitable.

103. I have reviewed the provisions and have identified some issues that in my opinion should be addressed as follows.

##### **5.5.1. COMMUNITY INFRASTRUCTURE LEVY**

104. There are no administrative provisions that establish the procedures for the payment and collection of the Community Infrastructure Levy (CIL) in section 4.1 of the DCP.

105. Under a DCP, the CIL is payable at the building permit stage and is most commonly paid by individual homeowners. I note, however, that the high-density mixed-use nature of the proposed development of East Village will result in most dwelling permits being obtained well in advance of completion of developments and occupancy of those dwellings.

106. In my opinion, the process for CIL payments should be defined in the DCP and should include the opportunity for staged payments.

##### **5.5.2. CHANGES TO DCP INFRASTRUCTURE ITEMS**

107. The Exhibited DCP (p.37) includes provisions to guide responses to any potential changes to the scope of DCP infrastructure items over time. The appropriateness of these provisions is reviewed as follows.

#### **ABILITY TO MODIFY ASPECTS OF A DCP PROJECT**

108. The Exhibited DCP includes the following provision:

*"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 CDP and any direction regarding the scope outlined in the DCP." (p.37)*

109. This provision enables a degree of flexibility in the actual scope of DCP infrastructure items. In my view, this is a practical provision, however it would benefit from further supporting information included in the DCP confirming:

- How works in-kind credits are to be applied in this circumstance;
- The 'base-line' scope of all DCP items, with greater detail than is currently available in the Exhibited DCP;
- How any increase in costs associated with the change in project scope would be funded.

#### **MATERIAL CHANGES TO USE AND DEVELOPMENT**

**110.** The Exhibited DCP includes the following provision:

*"A development proponent may also propose material changes to the use and development of land from that contemplated in the CDP, leading to an increased requirement for infrastructure. In these cases there should be no negative impact on the DCP by requirement for the developer to bear the additional costs associated with the provision of the infrastructure item over and above the standard required by the DCP." (p.37)*

**111.** In my view, this requirement would require greater clarification in relation to the following before being suitable for inclusion in the DCP:

- 'Material changes' should be defined;
- It should be made clear that development proponents will not be liable for DCP levies associated with the quantum of dwelling and floorspace yield deemed to comprise the material change over and above the original projections;
- The 'base-line' scope of all DCP items should be defined with greater detail than is currently available in the Exhibited DCP;
- The method for calculating costs 'over and above the standard required by the DCP' should be clarified, including consideration of actual DCP costs and indexation over time;
- If the additional infrastructure to be provided by the development proponent is designed to accommodate any other expected material changes to yield within the precinct, then either:
  - The cost associated with other material changes should be borne by Council; or
  - The DCP should be formally reviewed through a Planning Scheme Amendment process.

**112.** Given the range and complexity of the above information, it would be simpler in my view to remove this provision. Any material changes to yield can be dealt with under a formal review of the DCP.

#### **AGENT OF CHANGE RESPONSIBLE FOR FUNDING GAPS**

**113.** The Exhibited DCP includes the following provision:

*"Where the Council or another agency seeks to change the scope of a DCP 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 DCP at the time of a regular review of the DCP." (p.37)*

**114.** Any review of a DCP resulting in changes requires a Planning Scheme Amendment which enables parties to make submissions and attend a Planning Panel hearing if required.

**115.** Given that the quoted provision would not override the requirement for the normal principles of development contributions and the requirements of the Act, Ministerial Direction and DCP Guidelines to be addressed, it is my view that this provision should be deleted.

**116.** The Exhibited DCP also includes the following provision:

*“Where, after the DCP has been approved, a Council or other agency proposes changes to the scope of a DCP infrastructure item for reasons other than changes in standards imposed by policy or regulation the net cost increases resulting from the change should normally be met by the agency requesting the change.” (p.37)*

117. This provision would generally relate to a circumstance where a materially different scope of work is requested by a referral authority (eg. VicRoads) compared with the scope of work in the DCP.

118. In my view, for this provision to operate effectively:

- The ‘base-line’ scope of all DCP items would need to be set out with greater detail than is currently available in the Exhibited DCP; and
- Any such changes required by an agency should not be able to delay a development proponent from proceeding with development and associated works in-kind that comply with the existing CDP and DCP.

## 5.6. SUMMARY OF PROPOSED CHANGES TO AMENDMENT DOCUMENTS

119. I have identified a range of issues that I consider should be addressed before the Exhibited DCP and the broader amendment are finalised. I have summarised my recommended changes in Table T9.

### T9. SUMMARY OF RECOMMENDED CHANGES TO DOCUMENTS

ID	Doc.	Change
1	DCP	For all intersection projects: <ul style="list-style-type: none"> <li>a. In Appendix B (concept plans), define the extent of works for all intersection projects and update any costs estimates and projects descriptions as necessary.</li> <li>b. For each intersection project, review and update the land areas required to facilitate delivery of the intersection up to the extent of works.</li> <li>c. Reconsider the location, layout and design of intersections to ensure that service relocations are avoided wherever possible and update costs as necessary.</li> </ul>
2	DCP	For the Community Centre: <ul style="list-style-type: none"> <li>a. Further define the intended components of the facility.</li> <li>b. Separately itemise the cost of the Innovation Hub and ancillary areas and allocate these costs to the Community Infrastructure Levy.</li> </ul>
3	DCP	Review the cost estimate for the collector road item and update if necessary.
4	DCP	Review the need for IN-2C and include external apportionment if necessary.
5	DCP	Delete “Council fees” from the list of developer works on page 12 of the DCP.
6	DCP	Apportion the cost of passive open space DCP items to both MCA1 and MCA2.
7	DCP	Recalculate equivalence ratios to: <ul style="list-style-type: none"> <li>a. Reflect a combination of AM and PM peak traffic movements.</li> <li>b. Review and if necessary correct apparent errors identified in this statement relating to calculations and GLFA.</li> <li>c. Express equivalence ratios in comparable terms to Standard Equivalence Ratios.</li> </ul>
8	DCP	Recalculate levies in Table 12 of the Exhibited DCP to correct calculation errors.



ID	Doc.	Change
9	DCP	Revise infrastructure triggers in the DCP to improve clarity, practicality and alignment with the s173 Agreement.
10	DCP	Amend WIK credit and administrative provisions of the Exhibited DCP to address issues identified in this statement.
11	DCP	Following completion of the Panel hearing process, update DCP infrastructure items, cost estimates, cost apportionment and equivalence ratios and recalculate all levies.
12	CDP	Amend the total creditable open space area in Table 2 of the CDP so that it is consistent with the total shown in the DCP.
13	CDP	In Table 3, clarify the method of delivery of the community facility consistent with the DCP.
14	CDZ Schedule	Add provisions which enable a public open space equalisation scheme.

Source: Urban Enterprise.

## 6. CONCLUSIONS

120. Based on my review of the Exhibited DCP and supporting documents, I make the following conclusions:

- a. Although the DCP is well structured and consistent with the elements required in the Act, it is my view that a number of aspects of the DCP require further information or changes to improve transparency, accuracy, equity and practical delivery.
- b. Further information is required to transparently describe the scope of work of a number of DCP items.
- c. Cost estimates for intersections are very high, warranting review of the most efficient location and layout to ensure levies are not unnecessarily high.
- d. The approach to cost apportionment should be adjusted to improve equity between land uses, sub-precincts and landowners, correct calculation errors, and to take into account external apportionment for relevant items.
- e. Infrastructure provision triggers require further specificity.
- f. Administrative and implementation provisions require some changes to clarify how they would operate in practice.

121. Given the number of issues identified and the changes to levies that could result from the suggested changes, it is my view that a Post Panel version of the DCP should be prepared.

### DECLARATION

I have made all the inquiries that I believe are desirable and appropriate and no matters of significance which I regard as relevant have to my knowledge been withheld from the Panel.



Paul A. Shipp  
Director, Urban Enterprise Pty Ltd

# APPENDICES

## APPENDIX A REQUIREMENTS OF PLANNING PANELS VICTORIA – EXPERT EVIDENCE

### NAME

Paul Shipp, Director, Urban Enterprise Pty Ltd.

### ADDRESS

Level 1, 302-304 Barkly Street, Brunswick, Victoria, 3056.

### QUALIFICATIONS

- Bachelor of Urban Planning and Development, University of Melbourne;
- Master of Commerce, RMIT University.

### PROFESSIONAL AFFILIATIONS

- Registered Planner, Planning Institute of Australia;
- Member, Victorian Planning and Environmental Law Association.

### EXPERIENCE

I have 14 years experience as a planner and urban economist and specialise in the fields of development contributions and urban economics.

Urban Enterprise has a track record of successfully preparing Development Contributions Plans for Councils as well as negotiating development contribution arrangements with Councils on behalf of developers.

I have been involved in the preparation and review of many Development Contributions Plans, Infrastructure Contributions Plans and public open space contributions for Councils and developers across Melbourne and regional Victoria.

I have appeared as an expert witness on numerous occasions in respect of development contributions at Planning Panel and Advisory Committee hearings.

### AREAS OF EXPERTISE

Areas of expertise include strategic urban planning, development contributions and urban economics.

### EXPERTISE TO PREPARE THIS REPORT

My experience in urban planning and urban economics over the past 14 years has provided the tools to develop a specialisation in development contributions. I have prepared numerous Development Contributions Plans and have provided advice to public and private sectors in regards to development contributions.

I am therefore qualified to prepare this report and expert witness statement.

## INSTRUCTIONS

My instructions are to

- Review the background documents contained in my brief;
- Form my opinion on the appropriate method to calculate the development contributions payable under the proposed Development Contributions Plan Overlay (DCPO);
- Form my opinions on the most appropriate format of the DCPO and any other considerations relevant to my expertise, as required; and
- Assist in drafting potential changes to the Amendment controls, specifically the Development Contributions Plan and Development Contributions Plan Overlay – Schedule 1 (DCPO1).

## FACTS, MATTERS AND ASSUMPTIONS RELIED UPON

I have relied on the following for my assessment:

- East Village Development Contributions Plan (Victorian Planning Authority, October 2018) (**Exhibited DCP**);
- East Village Comprehensive Development Plan (Victorian Planning Authority, December 2018) (**Exhibited CDP**);
- Amendment C155 documentation;
- Technical reports supporting the DCP, including:
  - East Village Bentleigh East Access and Movement Report (GTA, 19 October 2018) (**GTA Report**);
  - East Village Social Infrastructure Assessment (ASR Research, 25 September 2018) (**ASR Report**); and
  - Stormwater Drainage Assessment Report (Cardno, 27 September 2018) (**Cardno Report**).
- Other documents, including:
  - A Section 173 Agreement between Council and the Landowners (undated, document 7406539:24567821\_1) (**s173 Agreement**);
  - An Amended Schedule 2 to the Comprehensive Development Zone (provided to me by the Landowners, 15 November 2019);
  - DCP Guidelines, Department of Environment, Land, Water and Planning, 2007;
  - Ministerial Direction on the Preparation and Content of Development Contributions Plans (11 October, 2016);
  - Planning and Environment Act 1987; and
  - Glen Eira Planning Scheme.
- My familiarity with the site and the surrounding area; and
- Relevant experience.

## **DOCUMENTS TAKEN INTO ACCOUNT**

See above.

## **IDENTITY OF PERSONS UNDERTAKING THE WORK**

Paul A. Shipp

## **SUMMARY OF OPINIONS**

Refer to Section 6: Conclusions.

