

**16 May 2024**

Manager City Strategy  
Melton City Council  
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Sent via email: [citysupport@melton.vic.gov.au](mailto:citysupport@melton.vic.gov.au)

**RE: Amendment C232melt – Toolern PSP and DCP Review**

Thank you for the opportunity to make a submission in relation to Amendment C232melt (the **Amendment**) to the Melton Planning Scheme, and specifically the proposed changes to the Toolern Precinct Structure Plan (**PSP**) and Development Contributions Plan (**DCP**) and accompanying planning scheme provisions.

Insight Planning Consultants, on behalf of the Australian Unity Funds Management Limited (**client**), who are the owners of 2 Coach Street, Cobblebank, which is land within the Cobblebank Metropolitan Activity Centre (**CMAC**), are pleased to provide the following submission on their behalf in response to the Amendment.

I trust the contents of this submission are clear, however we welcome to opportunity to discuss these matters further with the City of Melton ahead of the approval of the Amendment.

**Submission**

Our client owns land within the Toolern PSP, being 2 Coach Street, Cobblebank (Lot C, PS906385), as shown below. The site has an area of approximately 7.46ha. The site is located within the CMAC, directly east of the existing Coles Supermarket and retail development, and south-east of the Cobblebank Train Station and Bus Interchange. The site is also directly north of the future Melton Hospital site. Our client's current development intention for the site is the development of a mixed-use precinct that includes retail services, private hospital facilities and allied medical and residential care uses. As such, we see that the site will play a critical role in the ongoing development of the CMAC and supporting the growing Cobblebank, Melton and broader western corridor communities.

Our submission is provided to assist in enhancing the implementation of the Toolern DCP to ensure that the vision for the precinct can be delivered and there is a fair and equitable sharing of costs associated with projects that provide a broader benefit to the community.



**FIGURE 1: SUBJECT SITE (LANDCHECKER 2024)**

**Development Contributions Exemptions**

As outlined previously, our client intends to develop a proportion of the site for a private hospital. As such, we submit the land utilised for the development of the private hospital be exempt from paying development contributions under Clause 45.06 of the Melton Planning Scheme.

The exhibited Schedule 3 to the Development Contributions Plan Overlay (DCPO3) provides an exemption for non-government (private) schools as well as government schools. Further, a Specific Controls Overlay (SCO7) applies to the property directly south of the site, which implements the Incorporated Document associated with the Melton Hospital on this land. This Incorporated Document includes a further exemption for the hospital from paying development contributions under Clause 45.06.

We submit that similarly to the exemptions applying to both government and non-government (private) schools, the development of a private hospital on the site should also be exempt from paying development contributions under the DCPO3.

### Indexation of proposed Levy Rate

The total Levy Rate specified in the existing DCPO3 and the Toolern DCP for Charge Area 2, in which the site is located, is \$146,782 per NDHa. The current indexed rate listed on the Melton City Council website for 2023/2024 is \$353,689.92. The exhibited DCPO3 sets out a proposed levy rate of \$441,988 per NDHa, however this is identified as the 2021/2022 rate. If this proposed rate is anticipated to be subject to further indexation, it is unclear as to the actual increase in this rate. This means that it is impossible to fully determine the impact that the increased rate will have on the development contribution liability for the site – if the above submission relating to exemptions is not accepted.

Further, the site was purchased by our client based on the existing rate, and all of their financial modelling in relation to the future development of the site was based on these existing figures. Therefore, a potentially significant increase in the levy rate for this site could have substantial financial implications for the viability and timing of the development .

### Infrastructure Projects

We do not support the inclusion of the East Road Rail Overpass in the Infrastructure Project list, however if it is to be included then the Land component of the Project should also be included.

The addition of costs associated with the construction of BD16 – East Road Rail Overpass, being a rail-road grade separation at the intersection of East Road and the Melbourne-Ballarat rail corridor (interim standard), in the exhibited Toolern DCP is substantial.

We seek to clarify that this project relates only to the cost of the construction of the overpass only, and not any land associated with it. Currently, it is unclear what the land implications for the site will be in relation to this project however we estimate it to be approx. 3,215sqm assuming the Connector Road A overpass cross section of 16.5 metres is applied.

The Amendment has identified a number of new infrastructure projects to be funded by the Toolern DCP, including BD16, which results in a substantial increase to the overall levy rates throughout the precinct. The review of the Toolern PSP and DCP needs to reconsider which of these projects is truly essential for the ongoing development for the precinct, and which are simply a 'nice-to-have'. If BD16 truly has a broader benefit to the precinct, and is to be funded through the DCP, then the land cost accommodating this project should also be included.

We do not believe that BD16 is essential for the precinct and it therefore should not be included in the DCP. There are other bridges providing road connections across the rail line to the west, along Ferris Road, and east, along Mount Cottrell Road, that could be utilised in lieu of the proposed BD16. Further, the land to the north of the rail line is currently being utilised by WestKon, a major pre-cast concrete manufacturer and supplier, and is unlikely to be redeveloped in the short-medium term. Given that there is not likely to be a road to connect to on the other side for quite some time, we do not believe there is a broader benefit to the precinct in identifying this bridge in the DCP.

The addition of BD16 in the exhibited Toolern DCP, results in an additional \$13,833,445 in costs to the already significantly higher costs for transport-related projects within the DCP. Further, this project alone contributes an additional \$17,403 per NDHa within Charge Area 2. Based on the site area of 7.46ha, this one project results in an additional \$129,826.38 in contributions payable to the site.

We submit that BD16 should be considered a state infrastructure project and as such would be more appropriately funded through the GAIC collected from the precinct, rather than through the DCP. As such, we request that this project be deleted from the DCP prior to approval.

When considered in conjunction with multiple other new projects and increased costs, the increased levy amount across the precinct is substantial. The increase in levy amount will undoubtedly be passed on to future homeowners and occupiers as increased land cost. At a time when Victoria is facing an affordability and housing supply crisis, both Council and State Government need to be doing more to minimise the cost of developing land to facilitate increased supply in the short term. The utilisation of GAIC for the delivery of state infrastructure, such as the proposed overpass, rather than passing these costs onto developers and future homeowners, should be properly investigated.

Separately, the Bridge Designs at Appendix 2 of the exhibited Toolern DCP, specifically for BD15 (pg 101) and BD16 (pg 102) appear to be incorrectly labeled. The BD15 design refers to and provides the design for the East Road overpass, while the BD16 designs refers to and provides the design for the Ferris Road overpass. These references should be corrected ahead of the approval of the DCP.

#### Excluded Infrastructure Projects

Notwithstanding the above concerns regarding the continued increased cost associated with the development of the precinct, we wish to highlight that the development of the town centre plays a key role in providing amenity and services to the whole community.

As such, we believe the key components of the road network within the metropolitan town centre should be included in the DCP. Specifically, Urban Core Street C, which provides for 'Interchange Way' (i.e. extension of the existing bus interchange area) as identified in the Cobblebank Metropolitan Activity Centre Urban Design Framework Plan and Urban Core Street A which connects the town centre to the broader road network.

Urban Core Street C primary purpose is to provide a bus link from the existing bus interchange to the external road network that services the broader community. Like the existing bus interchange land this land should be included in the DCP and the road constructed by the State when required.

Urban Core Street A provides a connection into the town centre from the external road network and benefits multiple landowners within the town centre. As such, the location and funding of the street should be shared by those that directly benefit from its delivery. That is, our client shouldn't be made to carry the burden of the street delivery to the benefit of others.

#### Requested Changes

The following is a summary of the requested changes throughout this submission:

- An exemption for development contributions payable under the DCPO3 apply to government and non-government hospitals.
- The levy rates in the DCP and DCPO3 be amended to reflect the indexed rate at the time of approval (i.e. 2024/2025).
- Confirmation that BD16 includes only the cost of the construction of the overpass, and not any land associated with it.

- Deletion of BD16 from the PSP and DCP. If this is not achieved, then the inclusion of the land required to accommodate BD16 should also be included in the DCP.
- Inclusion of the land project cost for Interchange Way (Urban Core Street C) be included in the DCP.
- Apportionment of costs associated with Urban Core Street A to the land parcels that directly benefit or facilitation of an Agreement to equitably distribute the costs.
- Correction of bridge design labels for BD15 and BD16 in Appendix 2 of the DCP.

We trust the above information is sufficient for the Council's review of the submission. Once Council has had a chance to review, we welcome the opportunity to discuss our submission with Council and continuing to be involved in discussions to resolve the matters raised.

Please do not hesitate to contact me on [REDACTED] or [REDACTED] if you have any queries.

Yours sincerely

[REDACTED]  
**Managing Director**  
**Insight Planning Consultants**