

16 May 2024

Strategic Planning Team  
232 High Street  
Melton  
VIC 3337

To whom it may concern,

## **SUBMISSION IN RESPONSE TO THE MELTON PLANNING SCHEMES DEVELOPMENT CONTRIBUTIONS PLAN (PLANNING SCHEME AMENDMENT C232MELT)**

### **1 Introduction**

Human Habitats act on behalf of Burke Leading Pty Ltd, the landowner of 993 Mount Cottrell Road, Thornhill Park, as shown in the Site Location Plan provided in Figure 1 below. We have been instructed to prepare this submission in relation to Planning Scheme Amendment C232melt.



Figure 1 - Site Location Map (site outlined in red).

#### **1.1 Overview of the Amendment**

With reference to the exhibited Explanatory Report for draft Planning Scheme Amendment C232melt, we note that the Amendment proposes to update the Toolern Development Contributions Plan and the Toolern Precinct Structure Plan, and revise Schedule 3 to the Urban Growth Zone, Schedule 3 to the Development Contributions Plan Overlay and other operational provisions to facilitate the delivery of infrastructure within the Toolern precinct.



It will also make the following changes for the Melton Planning Scheme (among others):

- Amend Schedule 3 to Clause 37.07 Urban Growth Zone to make non-government schools a Section One Use, increase the shop floor area in Cobblebank Metropolitan Activity Centre where no permit is required, making a dwelling with a frontage of more than two metres in a Commercial 1 Zone a Section 2 Use, and adding a buildings and works provision for non-government schools. Changes have been made to ensure the schedule is consistent with the Form and Content of Planning Schemes Ministerial Direction (Minister for Planning, 19 January 2022).
- Amend the Schedule to Clause 43.01 Heritage Overlay to remove an individual place (HO74) 148-200 Abey Road, Cobblebank as it burnt down in 2014.
- Delete HO74 from 148-200 Abey Road, Cobblebank and amends Planning Scheme Map 8HO.
- Amend the Schedule to Clause 66.04 Referral of Permit Applications Under Local Provisions to move referral provisions from Schedule 3 to Clause 37.07 Urban Growth Zone to this provision. Changes have been made to this provision to ensure the schedule is consistent with the Form and Content of Planning Schemes Ministerial Direction (Minister for Planning, 19 January 2022).
- Amend the Schedule to Clause 72.04 Incorporated Documents by inserting the following documents:
  - Toolern Precinct Structure Plan (including Native Vegetation Precinct Plan), July 2011 (Amended June 2022); and
  - Toolern Development Contributions Plan, July 2011 (Amended June 2022).

To understand how it relates to our clients land we have reviewed the impacts of the proposed amendment from an area calculation perspective by comparing the existing and proposed land use budget tables, see below.

Table 1 – Land Budget Analysis

Existing / Proposed		Total Area (HA)			Passive Open Space	Total Net Developable Area (HA)
Existing	63A	4.06 (A)	0.22 (A)		0.0 (A)	3.84 (A)
	63B	12.75 (B)	0.11 (B)	-	0.64 (B)	12.0 (B)
		<u>16.81 (A+B)</u>	<u>0.33 (A+B)</u>		<u>0.64 (A+B)</u>	<u>15.84 (A+B)</u>
Proposed	63	16.81	0.29	0.81	0.64	15.70 (sic)*
Net Change		0	-0.04	+0.81	0	-0.14* -0.77**

\*15.70 NDHa appears to be a calculation error, and instead should be 15.07 based on the total area minus encumbered land.

\*\* Total change NDHa is a reduction of 0.77 hectares NDHa when using the correct NDHa

As can be seen from Table 1 above, the proposed changes result in a **0.77 hectares loss** of developable land through this process. We note that we have not scrutinised all the figures contained within the draft PSP or DCP, however based on the above error, we are concerned that there may be further calculation errors throughout the amended PSP and DCPs which may result in significant impacts across the precinct.

## 2 Submission

### 2.1 Amendments to the Development Contribution Levies

The amendment proposes to implement the recommendations of the Toolern Development Contributions Plan Review and Precinct Structure Plan Refresh, February 2024 by updating the Toolern Precinct Structure Plan, July 2011 (amended February 2019) and the Toolern Development Contributions Plan, July 2011 (amended December 2023). This amendment will result in changes that dramatically increase the Development Infrastructure Levy (DIL) payable for development across the Toolern PSP. The extent of the changes have been outlined in the table below:

Table 2 - Changes to Development Infrastructure Levy.

Charge Area	Existing DIL	Proposed DIL	Increase
Charge Area 1	\$270,536	\$439,563	<b>\$169,029</b>
Charge Area 2	\$279,474	\$441,988	<b>\$162,514</b>
Charge Area 3	\$259,691	\$369,583	<b>\$109,838</b>
Charge Area 4	\$124,616	\$228,563	<b>\$103,946</b>

As outlined in Figure 2 below, our client's land is located within the 'DCP Charge Area 2'. It is noted that the increased Development Contributions will result in a Contribution in the order of \$7.43 million, an increase in excess of \$2.73 million, based on 16.81 hectares of developable land. This represents a 58.15% increase in development contributions, which will have a substantial impact on the viability of an Estate that is significantly progressed through the development process.

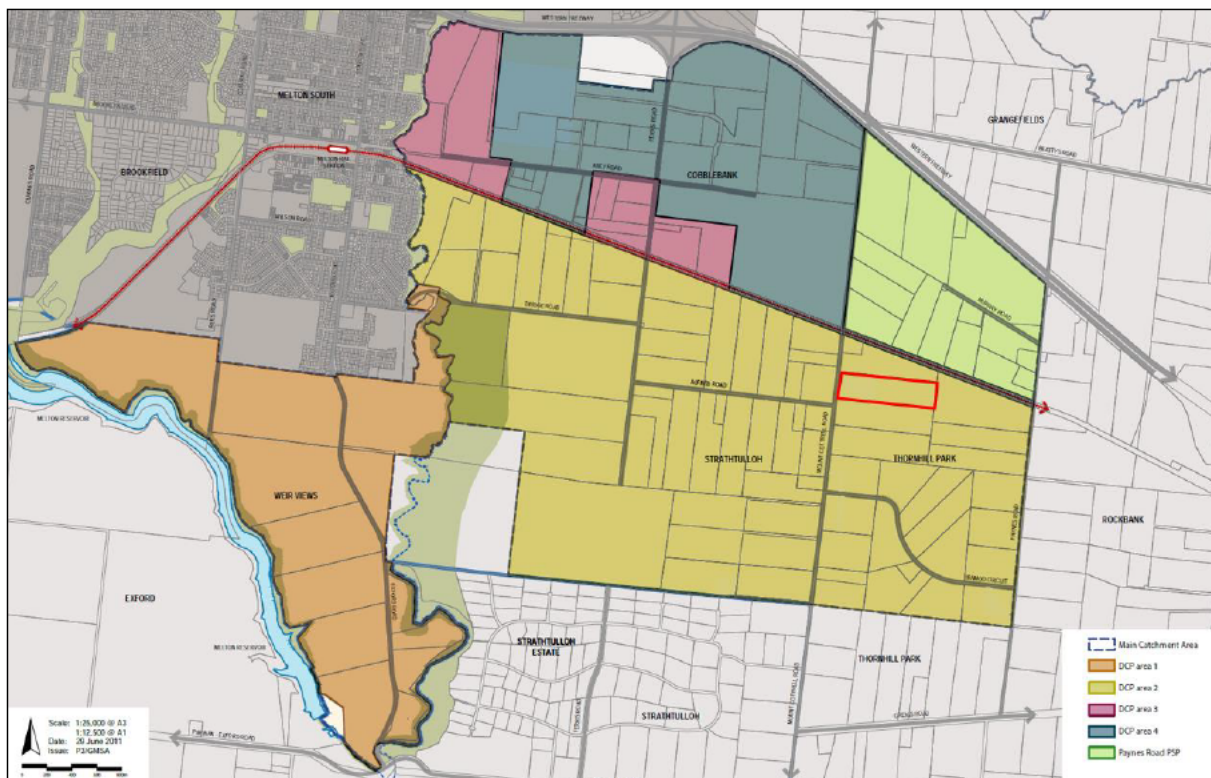


Figure 2 - Development Contribution Plan Charge Areas (site outlined in red).

Our client submits, that in respect of their land, the plan fails to provide transparency to stakeholders around the substantial increase in development contributions. Whilst our client appreciates and understands the need for development contributions, they are concerned about the impacts the proposed DCP will have relation to the following:



- Viability of development within the context of already high development cost environment.
- Impact on affordability of the housing product and to the end purchaser.
- Impact on the delivery and diversity of housing product across the Toolern DCP area.

Excessive increases in development contributions have historically had a negative impact the delivery of affordable housing, due to contributions driving up the costs of building new homes, and in turn, making them less accessible to low-and moderate-income individuals and families.

Increased development contributions can also lead to a decrease in the supply of new homes, as high development costs result in higher land prices, which in turn increases demand for smaller housing product. However, this is not reflected in changes to the PSP, for example an increase in the dwelling density.

### **3 Summary**

Our client's substantive concerns relating to the orderly planning and project deliverability are valid in the context of the excessive development contributions proposed within the amended Development Contributions Plan and accompanying Development Infrastructure Levy.

Respectfully, the necessity of Development Contributions is not at question within our submission; however, the significant increase to development contributions proposed are considered unreasonable and will negatively impact on the delivery of the Toolern PSP and housing affordability of in the area.

It is considered that high Development Contribution costs is not in keeping with the orderly planning of the precinct and will result in ad-hoc delivery of key pieces of infrastructure that will prevent the delivery of an appropriate mix in lot sizes and typologies in addition to delivery of affordable housing. Further, it is considered that the amended PSP misses an opportunity to create better alignment with the aspirations for greater residential densities as set out in the Housing Statement, which in turn would assist in reducing the burden of higher development contributions.

### **4 Conclusion**

Our client reserves the right to make further and additional submissions at a later date, including to an independent planning panel/ advisory committee and/or the Minister for Planning if necessary. If you would like to discuss this submission further, please do not hesitate to contact the undersigned by email to [REDACTED] or by phone to [REDACTED]

Yours sincerely,

Director