

Plumpton and Kororoit Infrastructure Contributions Plan



Closing Submission

Amendment C195 to the Melton Planning Scheme

26 July 2018

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1 INTRODUCTION

These closing submissions are made on behalf of the Victorian Planning Authority (**VPA**) in respect of proposed Amendment C195 to the Melton Planning Scheme, the Plumpton and Kororoit Infrastructure Contributions Plan (ICP).

The parties have continued to work throughout the Panel Hearing in efforts to narrow the issues in dispute in the proceeding. The VPA acknowledges the ongoing efforts of all parties to resolve matters and work to finalise an ICP for the precinct.

The VPA's Closing Submission addresses:

- Council's submissions in respect of the Neale Road apportionment and the need to amend the Ministerial Directions to incorporate additional exemptions for other classes of development.
- Whether changes arising out of Dacland costs estimates would need to be allowed for as standard and supplementary levy items.
- Whether culverts are standard or supplementary allowable items.
- Proposed recommendations to give effect to changes required to the ICP arising out of the following:
 - The resolution of submissions lodged on behalf of Submitters 3 (Villawood), 4 (Marantali), 7 (Soho living) and 8 (Resi Ventures);
 - The duplication of costs for Pedestrian Signals;
 - The Minister's exemption from the need to comply with Table 7 of Annexure 1 of the Ministerial Directions to allow for the inclusion of the Plumpton Aquatics Centre (Indoor Sports Facility) in the ICP as a Public Purpose Land allowable item;
 - The need to update the Land Use Budget to be consistent with the updated figures as shown in the Interim ICP and Amendment C197; and
 - The apportionment of costs for Neale Rd.

The VPA otherwise submits that it has reasonably responded to the balance of outstanding issues in its Part B Submission and the Panel is requested to review responses provided in the Part B to inform any other recommendations.

2 CLOSING SUBMISSION ON KEY MATTERS

2.1 Neale Road

It should be noted that estimates (see [Table 1](#)) make assumptions around land use budgeting within Kororoit Part 2 and construction costs. The purpose is to demonstrate that it can reasonably be assumed that there is sufficient land within the Kororoit Part 2 precinct to deliver the apportioned Neale Road and that the proposed changes in apportionment will have a minor impact on the overall infrastructure costs for the Plumpton and Kororoit ICP.

It is understood that a number of submissions to the Kororoit Regional Park Advisory Committee seek an increase in NDA in Kororoit Part 2 PSP, i.e. a reduction in the Regional Park extent. Therefore it is considered more likely that there is an increase in NDA and hence an increase in the standard transport levy collected in Kororoit Part 2 to contribute towards Neale Road construction, rather than a decrease as suggested by Council.

The VPA do not agree with Council's submission relating to the required NDA in Kororoit Part 2 to fund the provision of Neale Road. The following statements made in submission 90-91 are not agreed:

- The construction costs of Neale Road: \$10,396,271.77 is not an accurate estimate of the construction costs of Neale Road. Neale Road is approximately 1,500 linear metres. As a guide, the application of the VPA draft benchmark costs estimate that the construction costs for this length of road would be approximately \$6,057,132.00 (assumes linear metre cost for a connector road of \$4,022). This is considered a conservative measure as it makes no allowance for the fact that Neale Road exists as a rural road. Note that the VPA has commissioned SMEC to provide a cost estimate for Neale Road, It is not yet available, but will be used for the final ICP for consistency across this ICP (ie the abovementioned benchmark costing will not be used).
- The Council submission has not factored in the removal of costs for RD-15 and RD-16. RD-15 is to be removed from the ICP, and RD-16 costs reduced as established in Table 2 above.
- The Council submission has not factored in the removal of the costs of the pedestrian signals which are to be deleted as they have been accounted for in the associated road projects.
- Council's submission allows for the 90% apportionment of PBR-03. The VPA submission agreed that this is fully apportioned to the Plumpton and Kororoit ICP.
- Council submission uses the unindexed 2017 levy rates.

When the above corrections are made, the apportionment of 75% of the construction costs of Neale Road to Kororoit Part 2 can be fully funded by a standard levy based on the proposed boundary of the Kororoit Creek Regional Park set out in the Kororoit Creek Regional Park Planning Report-2018.

The VPA reiterate that apportioning the costs of Neale Road wholly to the Plumpton and Kororoit ICP, would contravene some key principles of the ICP system, namely:

Need and nexus:

The need for a connector road connection between IN -24 and the eastern boundary of the precinct northern leg of IN-01 is partially driven by the development that abuts Neale Road. The VPA agree with Council's submission that Neale Road should ultimately be a two-lane two-way road in its ultimate arrangement, based on the following:

- The modelled mid-block two-way volumes are 10,900vpd in 2026 and 15,700vpd in 2046. According to Austroads the typical mid-block capacity for an urban road with interrupted flow such as this would be 18,000vpd.
- The AM peak volumes are 1,400vph in an eastbound direction and 300vph in an eastbound direction. The PM peak volumes are 1,200vph westbound and 700vph eastbound.

Austroads states that peak-period mid-block traffic volumes may increase to 1200 to 1400 pc/h/ln on any approach road when the following conditions exist or can be implemented:

- adequate flaring at major upstream intersections;
- uninterrupted flow from a wider carriageway upstream of an intersection approach and flowing at capacity;
- control or absence of crossing or entering traffic at minor intersections by major road priority controls;
- control or absence of parking;
- control or absence of right turns by banning turning at difficult intersections;
- high-volume flows of traffic from upstream intersections during more than one phase of a signal cycle; and
- good co-ordination of traffic signals along the route.

Therefore, it is considered that there will be adequate capacity mid-block and at intersections to cater for the projected peak hour traffic volumes. Further, approaches to many intersections in existing areas can exceed these volumes and operate satisfactorily.

The updated strategic transport modelling that was undertaken by Jacobs had Neale Road as four lane arterial in 2046 so this would also have attracted more traffic in the model than if it was coded as a two lane arterial or collector.

Another issue to consider is that if too much capacity is provided on Neale Road it may make it an attractive "rat run" for traffic that should be using the Western Freeway. This issue has obviously been considered as a select link analysis was undertaken by Jacobs on Neale Road, which showed there would be 9-13% of traffic in a westbound direction in the PM peak that would be considered "rat runners".

If Neale Road was delivered as a connector road in the interim as suggested in the Council submission and supported by the VPA, it could only be contemplated and justified as an allowable item if the road 'is on or adjoins land in fragmented ownership'.

By delivering this road as a connector, this strengthens the argument that it is equitable that it is partially funded by the fragmented land that it adjoins, as it is this land that 'needs' the delivery of this road to facilitate the development of this precinct and justifies its inclusion in the ICP.

Equity:

Development which contributes to the need for Neale Road should pay a fair and reasonable contribution towards its provision. It cannot be argued that there is no nexus between the residential land within Kororoit Part 2 and the delivery of Neale Road as a connector road. There would also be issues regarding equity should the Plumpton and Kororoit ICP fully fund a local road that has been included in the ICP due to the fragmented nature of the land that adjoins it.

Council have also raised the issue around apportioning infrastructure to an 'unplanned' precinct. It is common practice for ICPs to apportion construction costs and land to areas outside of the precinct, and this is contemplated by the Ministerial Direction which defines 'outer public purpose land'

Table 1 Scenario: all items and 25% of Neale Road apportioned to the PK ICP

SUMMARY			
Proposed Total Transport Construction Costs	Proposed Transport Construction Costs (\$ / ha)	Exhibited Supplementary Transport Construction Costs (\$ / ha)	Proposed Additional Levy Required per hectare
\$ 174,481,860.80	\$140,346.73	\$139,956.00	\$390.73
BREAKDOWN			
Exhibited transport construction costs			\$173,995,431.66
Projects proposed to be added			\$178,737,083.47
IN-24 apportionment to KP2		\$1,517,077.54	
PBR-03 apportionment to KP2		\$1,912,471.77	
Neale Road (25%)		\$1,312,102.50	
Projects proposed to be removed			\$4,255,222.67
RD-15		\$2,771,656.81	
RD-16		\$1,018,565.86	
Pedestrian signals		\$465,000.00	
Total proposed construction costs			\$174,481,860.80

Table 2 Kororoit Part 2 Yield and costs

Yield scenarios Kororoit Part 2 (ha)	Standard transport Levy collected @ \$114,062/ NDA	Neale Road construction costs (75%)
40	\$4,562,480.00	\$3,936,307.50
60	\$6,843,720.00	\$4,542,849.00

2.2 Ministerial exemption for other classes of development

Council notes at paragraph 48 of its submission, in responding to the submission of the Western Victoria Sri-Lankan Buddhist Association, that:

It is open to the Minister to revise the Ministerial Direction at any time to incorporate a further exemption.

It is the VPA's view that this is unnecessary. The Ministerial Direction already allows the Minister to consent to an exemption for any other class of development (see; Part A, Clause 9.(d)). If the Minister decided to approve a new exemption for another class of development in respect of an ICP (e.g., place of worship), this just needs to be introduced into the relevant ICO schedule (the MD doesn't need to change).

The exhibited ICO1 for Plumpton and Kororoit includes an exemption for an existing or approved dwelling at the approval date of this provision. The VPA submits that this falls within the "any other class" category.

Otherwise, the VPA repeats its submission made orally to the Panel that the ICO at Clause 45.11-6 should probably be amended to include "government school" to accord with the updated Ministerial Directions and both Clause 45.11-6 and Clause 9.0 in the Schedule should refer to "class" of development, rather than "land or development".

2.3 Changes to costs arising from Dacland & Dahua's estimates

The VPA repeats its oral submission that if the Panel is persuaded that the ICP costs should be adjusted having regard Dacland/Dahua's costs estimates, then any changes arising from the **rates** applied would need to be incorporated in all relevant transport infrastructure costs estimates in the Standard Levy.

For any changes arising from the quantities applied, it could be argued that these are more site or item specific instances whereby the additional costs could be allowable as a supplementary levy if they meet the criteria. This would accord with the criteria for applying a supplementary levy set out in Table 4 of Annexure 1 to the Ministerial directions which permits the implementation of a supplementary levy where the constructions costs of the item cannot be wholly or partially funded from the standard levy.

However the VPA does not support Dacland's submission with regards to these site specific costs.

2.4 Culverts

The Ministerial Directions provide that minor culverts must only be funded by the Standard Levy (see Table 3 of Annexure 1).

Major Culverts may be funded by a supplementary levy, but only where the constructions costs cannot be wholly or partially funded from the standard levy.

To qualify as a major culvert, the internal cross-sectional area of the culvert must be at least 1.75 metres.

All culverts in the Plumpton and Kororoit ICP are major culverts, however, there is sufficient funding in the Standard Levy, as exhibited, to fund 100% of the construction costs for culverts 04 - 08 and 19% of Culvert 01.

Recent indexation of costs has resulted in an increased amount of contributions to be collected under the standard levy, meaning that Culvert 02 is now fully funded under the standard levy and Culvert 03 is partially funded. This change has been reflected in the Interim ICP.

The funding arrangement for culverts may be subject to change, pending resolution of Council's submission (Neale Road), Mesh's submission (items funded by Taylors Hill West DCP) and Dacland's submission (rates). VPA is not in a position to advise which culverts will be funded by which levy until these three matters have been resolved. VPA does not believe it necessary for the Panel to make a recommendation regarding which culverts are to be funded by the supplementary levy.

3 RESPONSES TO QUERIES RAISED BY PANEL

3.1 Mesh on behalf of Villawood (Submission 3)

The VPA will instruct SMEC to amend its cost sheets for RD-16 and IN-17 to reflect funds allocated as part of item DI-RO-04b in the Taylors Hill West DCP.

There is an overlap with IN-17 and DI-RO-04b (Taylors Road interim upgrade), see Figure 1. The extent of works for IN-17 is approximately 240m along Taylors Road. The overlap is in the order of 100m; 50m from the outside ends of IN-17's extent of works. This is a result of the extent of works for DI-RO-06 (Taylors Hill West DCP), a proposed roundabout at City Vista Drive and Taylors Road, 140m along Taylors Road (70m on each side from the centre of IN-17). Currently DI-RO-04b funds 100m of Taylors Road from DI-RO-06's 70m extent of works at both east and west ends.

The VPA recommends that the extent of works for IN-17 does not change as the overlapping sections are now subject to a new scope i.e. intersection flaring. The VPA recommended that the 100m overlap be addressed as part of RD-15 by reducing its extent of works from its eastern end by 100m. The VPA notes that funds for the roundabout have already been apportioned to IN-17 in the ICP.

The VPA recommends the deletion of RD-16 as a transport construction items as this section of Taylors Road is fully covered by DI-RO-04b, however, it will remain as a public land item to address its future widening as a 6 lane arterial road.

The VPA would like to note that the resolution of Tract's submission has no implications to the precinct's NDA.

IN-16 **RD-15** **RD-16** **IN-17**

Extent of works for DI-RO-06.

Road length proposed to be funded by DI-RO-04b.

Road length funded by DI-RO-04b.

DI-RO-04b overlap with IN-17. Proposed to be funded by IN-17.

Note: Length figures are approximate values only

100m 70m 50m

Extent of works for DI-RO-04b

PSP 1080.2 (KOROROIT PART 2) PROPOSED KOROROIT REGIONAL PARK

ICP boundary

road project

intersection project

culvert project

pedestrian signal

ICP project identification number

CU culvert

IN intersection

RD road

PS pedestrian signal

plumperton & kororoit property boundary & number

1079 ROCKBANK NORTH PSP

1082 MT. ATKINSON PSP

MELBOURNE-BALLARAT RAILWAY

WESTERN FREIGHTWAY

HOPKINS ROAD

OUTER METROPOLITAN RING

R2 VINE COURT

R6 DEANSIDE DRIVE

R7 BAY COURT

R8 NEALE ROAD

R9-R

R5 TAYLORS ROAD

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3.2 Tract on behalf of Marantali (Submission 4)

The VPA has been advised by DELWP that the extent of land required for IN-01, IN-02 and IN-03 within the Melton Highway road reserve was not subject to surveys as part of the Biodiversity Conservation Strategy as the road reserve is outside the Urban Growth Boundary. The land required for the three intersections within the road reserve will need to be subject to biodiversity surveys to determine the amount of habitat to be removed as part of their construction.

Tract has informed the VPA that surveys have been completed for IN-01 and IN-02. Tract is yet to clarify with the VPA whether the surveys have been endorsed by DELWP. Once finalised, if not already, these surveys will be used to calculate the habitat compensation obligations to be included in the project description and cost in Table 5 of the ICP.

The VPA will be required to conduct a survey for IN-03 to determine the presence of native vegetation and habitat and what the compensation obligation will be. The VPA will require a qualified consultant to undertake the survey and the VPA proposes that this occurs following the conclusion of this Panel Hearing. Once the compensation obligations have been determined, the description and cost for IN-03 will be updated in Table 5 of the ICP.

The VPA would like to note that the resolution of Tract's submission has no implications to the precinct's NDA but will increase the cost of intersections to be funded from within the standard transport levy.

3.3 BPD on behalf of SOHO Living (Submission 7) and Resi Ventures (Submission 8)

The VPA proposed to reassess the amount of *waterway and drainage reserve* land required for culverts CU-06 and CU-08 to ensure that the amount of land shown in the land budget is accurate and fair. The VPA will instruct SMEC to advise on the extent of works for the two culverts so it can amend the allocation of *waterway and drainage reserve* land accordingly. It is anticipated that the amount of *waterway and drainage reserve* land exceeds the extent of works for the culverts, thus slightly increasing the NDA on parcels P-43 and K-64 and the NDA overall. The VPA is unable to advise on the exact increase amount, however, it expects it will be minor.

3.4 Revised Net Developable Area

As noted in the VPA's Part B submission, the VPA made minor revisions to GIS mapping to ensure better accuracy. This resulted in a slight increase to NDA. The exhibited ICP (C195) identifies the residential NDA to be 1,131.06 ha (total NDA 1,243.22). Following GIS mapping revisions, the interim ICP (C197) was updated and now has a residential NDA of 1,131.07 ha (total NDA 1,243.23). It is anticipated that as part of the resolution for submissions 7 and 8, the NDA will change slightly again. The VPA notes that the PSPs will be updated to reflect the current land budget and NDA changes as part of C203, matching what is currently shown in the 'interim' ICP (C197). Any further changes to the NDA arising from further revisions of drainage and waterway land on P-43 and K-64 will be amended in the PSPs and ICP.

3.5 Pedestrian Signals

During the preparation for the Panel Hearing, the VPA identified that all pedestrian signals have been accounted for twice in the ICP. Pedestrian signals have been allowed for in the construction costs for RD-04, RD-08, RD-10, RD-12, RD-15 and RD-20 and have also been individually specified in the Table 5 in the ICP, arriving at a total of \$465,000.00. The ICP has costed each pedestrian signal at

\$77,500. This amount is incorrect. \$77,500 per pedestrian signal does not take into account the total allowances provided for each item in the road cost sheets. The VPA will request SMEC to prepare individual cost sheets for the pedestrian signals and remove their cost and allowances from the relevant road constructions costs.

3.6 Staging of infrastructure

The VPA acknowledges that there was an error in the ICP Changes Matrix (document 4) it circulated as part of its Part B submission. The VPA has amended the document, see Appendix 1.

4 CONCLUSION

The VPA extends its thanks to the Panel for the manner in which the hearing has been conducted. The interactive nature of the Panel has assisted the VPA in targeting its submissions and cross examination appropriately. The VPA further thanks the other parties for their contribution to the hearing.

It is requested that the Panel recommend adoption of the Amendment subject to the changes identified by the VPA.

ICP Changes Matrix