




Infrastructure Funding Framework

July 2014





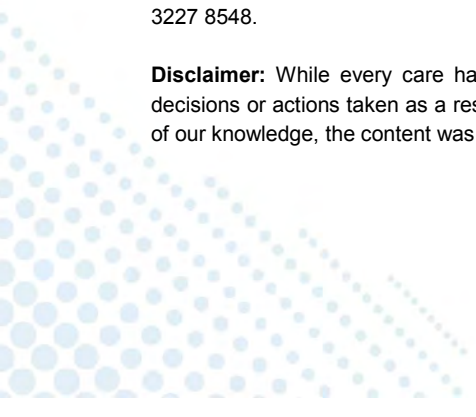
The Department of State Development, Infrastructure and Planning leads a coordinated Queensland Government approach to planning, infrastructure and development across the state.

© State of Queensland. Published by the Department of State Development, Infrastructure and Planning, July 2014, 100 George Street, Brisbane Qld 4000.

The Queensland Government supports and encourages the dissemination and exchange of information. However, copyright protects this publication. The State of Queensland has no objection to this material being reproduced, made available online or electronically but only if it is recognised as the owner of the copyright and this material remains unaltered. Copyright enquiries about this publication should be directed to the department's Legal Services division via email info@dsdip.qld.gov.au or in writing to PO Box 15009, City East, Queensland 4002.

The Queensland Government is committed to providing accessible services to Queenslanders of all cultural and linguistic backgrounds. If you have difficulty understanding this publication and need a translator, please call the Translating and Interpreting Service (TIS National) on 131 450 and ask them to telephone the Queensland Department of State Development, Infrastructure and Planning on 07 3227 8548.

Disclaimer: While every care has been taken in preparing this publication, the State of Queensland accepts no responsibility for decisions or actions taken as a result of any data, information, statement or advice, expressed or implied, contained within. To the best of our knowledge, the content was correct at the time of publishing.



Contents

Economic Development Queensland Infrastructure Charges	2
Appendix 1 - Infrastructure Charges in Priority Development Areas	3
Appendix 2 - Infrastructure Charging Framework for Bowen Hills, Northshore Hamilton and Fitzgibbon Priority Development Areas	4
Appendix 3 - Approved Infrastructure Charging Framework for greenfield Priority Development Areas	8
Appendix 4 – Timing for payment of Infrastructure Charges and Indexation.....	18

Economic Development Queensland

Infrastructure Charges

In accordance with sections 10 and 115 of the *Economic Development Act 2012*, the MEDQ may fix charges and other terms for the provision of infrastructure in priority development areas (PDA).

The aim of the Infrastructure Funding Framework is to establish a funding framework that:

- encourages development;
- maintains affordability for the end consumer, community, State and Council;
- ensures new development in the PDAs fairly contributes towards the cost of providing the infrastructure required to service the PDAs; and
- provides landowners with certainty about future infrastructure charges.

Appendix 1 sets out the infrastructure charging framework for each PDA.

Appendix 2 is the infrastructure charging framework currently adopted for Brisbane PDAs.

Appendix 3 is the approved infrastructure charging framework for the greenfield PDAs of Caloundra South, Ripley Valley, Greater Flagstone and Yarrabilba. These charges will apply in the absence of an infrastructure agreement or conditions of approval.

The Infrastructure Funding Framework should be read in conjunction with:

- the interim land use plan or development scheme and in particular the infrastructure plan, for the PDA
- the IFFCOA (for greenfield PDAs only)
- any applicable ICOP for the PDA.

Appendix 1 - Infrastructure Charges in Priority Development Areas

PDA	Basis for charge within PDA
Bowen Hills, Brisbane	Infrastructure framework (for current charges – refer Appendix 2)
Northshore Hamilton, Brisbane	Infrastructure framework (for current charges – refer Appendix 2)
Fitzgibbon, Brisbane	Infrastructure framework (for current charges – refer Appendix 2)
Woolloongabba, Brisbane	An infrastructure charges schedule to be prepared.
Oonoonba, Townsville	Based on Council's applicable infrastructure charging document for the area.
Clinton, Gladstone	Based on Council's applicable infrastructure charging document for the area.
Andergrove, Mackay	Based on Council's applicable infrastructure charging document for the area.
Roma, Maranoa	Based on Council's applicable infrastructure charging document for the area.
Blackwater and Blackwater East Central Highlands	Based on Council's applicable infrastructure charging document for the area.
Moranbah, Isaac	Based on Council's applicable infrastructure charging document for the area.
Tannum Sands, Gladstone	Based on Council's applicable infrastructure charging document for the area.
Central Queensland University, Rockhampton	Based on Council's applicable infrastructure charging document for the area.
Toolooa, Gladstone	Based on Council's applicable infrastructure charging document for the area.
Greenfield PDA's: Yarrabilba, Greater Flagstone, Ripley Valley and Caloundra South.	<ul style="list-style-type: none"> • Infrastructure framework approved (including value capture and a special infrastructure levy). • Refer to Appendix 3 for charges
Parklands and Southport, Gold Coast	Based on Council's applicable infrastructure charging document for the area
Toondah Harbour, Redlands	Based on Council's applicable infrastructure charging document for the area
Weinam Creek, Redlands	Based on Council's applicable infrastructure charging document for the area
Maroochydore City Centre, Sunshine Coast	Based on Council's applicable infrastructure charging document for the area

Appendix 2 - Infrastructure Charging Framework for Bowen Hills, Northshore Hamilton and Fitzgibbon Priority Development Areas

EDQ Infrastructure and Value uplift charges

General infrastructure charge

(applies to total GFA)

Bowen Hills and Northshore Hamilton			
	Small ^{1.}	Medium ^{1.}	Large ^{1.}
Residential (per dwelling unit)	\$12,944	\$18,069	\$29,910
Retail (per 100m ² GFA)	\$15,505		
Commercial (per 100m ² GFA)	\$15,505		
Industry (heavy)	\$74 per m ² of GFA plus \$11 per impervious m ² for stormwater		
Industry (other than heavy)	\$53 per m ² of GFA plus \$11 per impervious m ² for stormwater		

Notes:

1. Small < 60m² GFA, Medium = 60m² GFA to 100m² GFA, Large > 100m² GFA

Fitzgibbon Chase				
Dwelling Type	Detached Dwelling	Dwelling Unit		
		Small ^{1.}	Medium ^{1.}	Large ^{1.}
Infrastructure charges	\$19,003	\$8,667	\$12,088	\$19,898

Notes:

1. Small < 60m² GFA, Medium = 60m² GFA to 100m² GFA, Large > 100m² GFA

Value uplift component*

(applies only to GFA exceeding City Plan¹)

Bowen Hills and Northshore Hamilton			
	Small ²	Medium ²	Large ²
Residential (per average dwelling unit)	\$12,451	\$18,678	\$33,204
Retail (per 100m ² GFA)	\$23,435		
Commercial (per 100m ² GFA)	\$23,435		

Notes:

1. Subject to transitional provisions and crediting arrangements
2. Small < 60m² GFA, Medium = 60m² GFA to 100m² GFA, Large > 100m² GFA

* Note – Credit is available up to 50% of the charge for achieving specified affordable housing and/or ecologically sustainable development (ESD) outcomes. Further information is available if required.

Infrastructure and value uplift charges

Scenarios for Bowen Hills and Northshore Hamilton projects

Scenario 1

The plot ratio of the project does not exceed City Plan, or exceeds City Plan but the transitional provisions apply.

Development Type		
Dwelling Small (<60m ² GFA)	General Infrastructure charge ¹	\$12,944
	Value Uplift charge ²	\$0
Dwelling Medium (60m ² to 100 m ² GFA)	General Infrastructure charge ¹	\$18,069
	Value Uplift charge ²	\$0
Dwelling Large (>100 m ² GFA)	General Infrastructure charge ¹	\$29,910
	Value Uplift charge ²	\$0
Retail (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,505
	Value Uplift charge ²	\$0
Commercial (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,505
	Value Uplift charge ²	\$0

Notes:

1. Applies to all GFA or dwellings in the project.
2. Applies to only the GFA or dwellings in excess of City Plan plot ratio or yield. This charge is in addition to the general infrastructure charge.

Scenario 2

The plot ratio of the project exceeds City Plan and the affordable housing and sustainable development measures are not provided meaning that **no credit applies** to these components of the value uplift charge.

Development Type		
Dwelling - Small (<60m ² GFA)	General Infrastructure charge ¹	\$12,944
	Value Uplift charge ²	\$12,451
Dwelling - Medium (60m ² to 100 m ² GFA)	General Infrastructure charge ¹	\$18,069
	Value Uplift charge ²	\$18,678
Dwelling - Large (>100 m ² GFA)	General Infrastructure charge ¹	\$29,910
	Value Uplift charge ²	\$33,204
Retail (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,505
	Value Uplift charge ²	\$23,435

Commercial (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,505
	Value Uplift charge ²	\$23,435

	Value Uplift charge ²	\$11,718
Commercial (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,505
	Value Uplift charge ²	\$11,718

Scenario 3

The plot ratio of the project exceeds City Plan and the affordable housing and sustainable development measures are provided meaning that **a full credit applies** to these components of the value uplift charge.

Development Type		
Dwelling - Small (<60m ² GFA)	General Infrastructure charge ¹	\$12,944
	Value Uplift charge ²	\$6,226
Dwelling - Medium (60m ² to 100 m ² GFA)	General Infrastructure charge ¹	\$18,069
	Value Uplift charge ²	\$9,340
Dwelling - Large (>100 m ² GFA)	General Infrastructure charge ¹	\$29,910
	Value Uplift charge ²	\$16,602
Retail (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,505

Appendix 3 - Approved Infrastructure Charging Framework for greenfield Priority Development Areas

EDQ Infrastructure Charges 2013/2014

Charges apply in the absence of any infrastructure agreement or conditions of approval.

Local Charge

Reconfiguring a Lot

The Local Charge and Value Capture Charges for those PDA development applications for the reconfiguration of a lot where the application is not accompanied with an MCU application or Plan of Development are as follows:

For all PDAs		
	Local Charge	Value Capture Charge
Greater Flagstone and Yarrabilba	\$29,554 per lot	\$8,329 per lot ¹
Ripley Valley	\$30,090 per lot	N/A
Caloundra South	\$29,553 per lot	N/A

1. Where applicable, refer to the Value Capture Charge at page 16

Reconfiguring a Lot with a POD and/or Material Change of Use

The Local Charge for those PDA development applications for the reconfiguration of a lot with a Plan of Development and/or a material change of use, is as follows:

RESIDENTIAL USE – HOUSE

Greater Flagstone and Yarrabilba	
Residential (per lot)	
Municipal Charge	\$21,006
State Charge	\$1,295
Implementation Charge	\$1,665
Sub-regional Charge	\$5,588
Total	\$29,554
Catalyst Infrastructure Charge¹	
Per residential lot: Greater Flagstone PDA	\$5,374

1. This charge is a component of the Municipal Charge.

Ripley Valley	
Residential (per lot)	
Municipal Charge	\$19,965
State Charge	\$2,065
Implementation Charge	\$1,110
Sub-regional Charge	\$6,951
Total	\$30,091
Catalyst Infrastructure Charge¹	
Per residential lot	\$5,374

1. This charge is a component of the Municipal Charge.

Caloundra South	
Residential (per lot)	
Municipal Charge	\$19,116
State Charge	\$2,309
Implementation Charge	\$1,680
Sub-regional Charge	\$6,448
Total	\$29,553

Local Charge – Staged payment

For residential uses (other than a house) and non-residential uses, the Local Charge is paid in two parts:

Part A, the initial charge, recognises that the number and size of the dwelling units (for residential uses) or gross floor area (for non-residential uses) may not be known at the plan sealing stage.

Part B, is a subsequent payment where further detail regarding the size of the dwelling units and gross floor area is known.

Where a Part B payment is made, a credit will be given for the Part A payment previously made. The credit will be indexed to the date the Part B payment is made.

RESIDENTIAL USE – OTHER THAN A HOUSE

Greater Flagstone and Yarrabilba			
PART A CHARGE			
Residential (per lot)			
Municipal Charge			\$21,006
State Charge			\$1,295
Implementation Charge			\$1,665
Sub-regional Charge			\$5,588
Total			\$29,554
PART B CHARGE			
Residential (per dwelling unit)	Small¹	Medium¹	Large¹
Municipal Charge	\$13,658	\$17,426	\$21,006
State Charge	\$842	\$1,074	\$1,295
Implementation Charge	\$1,082	\$1,380	\$1,665
Sub-regional Charge	\$3,224	\$4,299	\$5,588
Total	\$18,806	\$24,179	\$29,554
Catalyst Infrastructure Charge²			
Per residential lot/dwelling: Greater Flagstone PDA			\$5,374

Notes:

1. Small < 60sqm GFA, Medium = 60sqm to 100sqm GFA, Large > 100sqm GFA
2. This charge is a component of the Municipal Charge.

Ripley Valley			
PART A CHARGE			
Residential (per lot)			
Municipal Charge	\$19,965		
State Charge	\$2,065		
Implementation Charge	\$1,110		
Sub-regional Charge	\$6,951		
Total	\$30,091		
PART B CHARGE			
Residential (per dwelling unit)	Small¹	Medium¹	Large¹
Municipal Charge	\$12,835	16,400	\$19,965
State Charge	\$1,328	\$1,696	\$2,065
Implementation Charge	\$714	\$911	\$1,110
Sub-regional Charge	\$4,468	\$5,710	\$6,951
Total	\$19,345	\$24,717	\$30,091
Catalyst Infrastructure Charge²			
Per residential lot/dwelling	\$5,374		

Notes:

1. Small < 60sqm GFA, Medium = 60sqm to 100sqm GFA, Large > 100sqm GFA
2. This charge is a component of the Municipal Charge.

Caloundra South			
PART A CHARGE			
Residential (per dwelling/lot)			
Municipal Charge	\$19,116		
State Charge	\$2,309		
Implementation Charge	\$1,680		
Sub-regional Charge	\$6,448		
Total	\$29,553		
PART B CHARGE			
Residential (per dwelling unit)	Small¹	Medium¹	Large¹
Municipal Charge	\$11,558	\$15,114	\$19,116
State Charge	\$1,396	\$1,826	\$2,309
Implementation Charge	\$1,017	\$1,330	\$1,680
Sub-regional Charge	\$4,836	\$5,910	\$6,448
Total	\$18,807	\$24,180	\$29,553

Notes:

1. Small < 60sqm GFA, Medium = 60sqm to 100sqm GFA, Large > 100sqm GFA

Non-residential Municipal Charges for all greenfield PDAs

Land Use Category	Part A Charge (per lot)	Part B Charge (per sqm of GFA)
Retail		
Bulk Landscape Supplies	\$5,281	\$150
Fast Food Premises	\$5,281	\$193
Food Premises	\$5,281	\$193
Garden Centre	\$5,281	\$150
Market	\$nil	\$nil
Outdoor sales	\$5,281	\$150
Service Station	\$5,281	\$193
Shop	\$5,281	\$193
Shopping Centre	\$26,404	\$193
Showroom	\$5,281	\$150
Commercial		
Business	\$5,281	\$150
Car Park	To be determined by EDQ at the time of assessment	
Health Care Services	\$5,281	\$150
Sales Office – on a residential lot	As per “Residential uses – other than a house”	
Industrial (excluding Greater Flagstone (North Maclean))		
Extractive Industry/High Impact, Noxious and Hazardous industry	To be determined by EDQ at the time of assessment	
Low Impact and Medium Impact Industry	\$5,281	\$54
Research and Technology	\$5,281	\$54
Service Industry	\$5,281	\$193
Warehouse	\$5,281	\$54
Rural		
Agriculture	\$nil	\$nil
Agricultural Supply Store	\$5,281	\$54
Animal Keeping and Husbandry	To be determined by EDQ at the time of assessment	
Intensive Animal Industry	\$5,281	\$22
Intensive Horticulture	\$5,281	\$22

Non-residential Municipal Charges for all greenfield PDAs

Land Use Category	Part A Charge (per lot)	Part B Charge (per sqm of GFA)
Retail		
Wholesale Nursery	\$5,281	\$22
Service, Community and Other Uses		
Cemetery	\$nil	\$nil
Child Care Centre	\$5,281	\$150
Community Facility	\$5,281	\$75
Crematorium	To be determined by EDQ at the time of assessment	
Educational Establishment	\$26,404	\$150
Emergency Services	\$5,281	\$150
Funeral Parlour	\$5,281	\$75
Hospital	\$26,404	\$150
Place of Assembly	\$5,281	\$75
Telecommunications Facility	\$nil	\$nil
Utility installation	\$nil	\$nil
Veterinary Hospital	\$5,281	\$150
Sport, Recreation and Entertainment		
Indoor Entertainment	\$10,562	\$215
Indoor Sport and Recreation	\$10,562	\$215
Outdoor Sport and Recreation	To be determined by EDQ at the time of assessment	
Park	\$nil	
Tourism		
Tourist Attraction	To be determined by EDQ at the time of assessment	
Tourist Park	To be determined by EDQ at the time of assessment	
Undefined Uses	To be determined by EDQ at the time of assessment	
Greater Flagstone (North Maclean)		
All uses in the Industrial Use category	\$5,281	\$118

Non Residential Sub-Regional Charge for all greenfield PDAs		
PDA	Part A Charge (per lot)	Part B Charge¹ (Calculated as a percentage of the Part B Charge for Non-residential Municipal Charges for the applicable Land Use as set out above) (per sqm of GFA)
Ripley Valley	\$2,112	25.7% ¹
Greater Flagstone (excluding North Maclean) and Yarrabilba	\$2,112	24.4% ¹
Greater Flagstone (North Maclean) All uses in the Industrial Use category	\$4,225	\$54
Caloundra South	\$2,112	27.3% ¹

Value Capture Charge¹

Greater Flagstone and Yarrabilba			
Residential Use - House			
Residential (per dwelling lot)	\$8,329		
Residential Uses – Other than a house			
Part A Charge	\$8,329		
Part B Charge	Small²	Medium²	Large²
Residential (per dwelling unit)	\$4,836	\$7,254	\$8,329
Non-residential Uses	Part A Charge (per lot)		Part B Charge (per sqm GFA)
All uses in the Retail Use category	\$2,112		\$32
All uses in the Commercial Use category	\$2,112		\$32
All uses in the Industrial Use category	\$2,112		\$22
All uses in the Rural Use category	To be determined by EDQ at the time of assessment		
All uses in the Services, Community and Other Uses category	To be determined by EDQ at the time of assessment		
All uses in the Sport, Recreation and Entertainment Use category	To be determined by EDQ at the time of assessment		
All uses in the Tourism Use category	To be determined by EDQ at the time of assessment		
Undefined Uses	To be determined by EDQ at the time of assessment		

Notes:

1. The Value Capture Charge only applies to land outside the urban footprint as shown in the South East Queensland Regional Plan 2009 - 2031
2. Small < 60m²GFA, Medium = 60m² GFA to 100m² GFA, Large > 100m² GFA

Special Infrastructure Levy²

PDA	Column 1 Levy (per annum) Residential Uses	Column 2 Levy (per annum) Non- Residential Uses ³
Ripley Valley ¹	\$108 per lot	7.5%
Greater Flagstone and Yarrabilba	\$218 per lot	34%
Caloundra South	\$425 per lot	43%

Notes:

1. Maximum charge if required
2. For a period of 30 years from the creation of a new lot pursuant to a PDA development approval.
3. Calculated as follows: Site Value (as defined by the *Land Valuation Act 2010*) x Local Government's "cents in the \$ per annum" adopted for the general rate by the Local Government x the percentage in column 2

Appendix 4 – Timing for payment of Infrastructure Charges and Indexation

Timing for payment of Infrastructure Charges

Unless a PDA condition provides to the contrary, for the following types of PDA development approvals the timing for the payment of infrastructure charges is as follows:

Material Change of use	The earlier of the following: <ol style="list-style-type: none"> 1. Prior to the endorsement of a building format plan; 2. Prior to the commencement of use.
Material Change of use (with a Plan of Development)	The earlier of the following: <ol style="list-style-type: none"> 1. Prior to the endorsement of the detailed design drawings against the approved Plan of Development; 2. Prior to the endorsement of a building format plan; 3. Prior to the commencement of use.
Reconfiguration of a lot	Prior to the endorsement of the plan of subdivision
Reconfiguration of a lot (with a Plan of Development)	The earlier of the following: <ol style="list-style-type: none"> 1. Prior to the endorsement of the detailed design drawings against the approved Plan of Development; 2. Prior to the endorsement of the plan of subdivision.

Indexation and Updating of Charges and the Special Infrastructure Levy

The infrastructure charges for greenfield and Brisbane PDAs will be indexed annually on the 1st of July in accordance with the following formula:

$$A \times (1 + B)$$

Where:

- A is the infrastructure charge immediately prior to the calculation (ie the infrastructure charge for the previous financial year)
- B is the annual rate of the 3 year rolling average of the Queensland Roads and Bridges Construction Index (Index No 3101 as published by the Australian Bureau of Statistics)(expressed as a percentage to four (4) decimal places) calculated from that March which is three (3) years prior to the first March in the current financial year, to the first March in the current financial year.

$$B = (1 + x)^{1/n} - 1$$

Where:

n= 3 years

x = [(first March in the current financial year – March which is three (3) years prior to the first March in the current financial year) / March which is three (3) years prior to the first March in the current financial year]

Below is an example of how to calculate indexation (B) for an adjustment on 1 July 2013:

March 2013 index is 104.1

March 2010 index is 96.4

So, x = [(104.1 – 96.4)/96.4] = 7.9876%

Therefore the annual rate of the 3 year rolling average is:

$$B = (1 + 7.9876\%)^{1/3} - 1$$

$$B = 2.5946\%$$

For the remaining PDAs, those infrastructure charges will be indexed in accordance with the local government's adopted infrastructure charges resolution.

An infrastructure charge conditioned in a PDA development approval will be increased in accordance with the applicable rates as at the date of payment.

The special infrastructure levy will also be indexed in accordance with the formula.

Indexation of Land Values

The land values identified in the relevant ICOP will be indexed annually on the 1st of July using the same formula for the indexation of infrastructure charges.

The land value will be independently reviewed and updated at every charging and offsetting review.

Review of Charges and Offsets

To ensure the charging and offset frameworks for the greenfield PDAs remain relevant, the infrastructure charges will be initially reviewed by the MEDQ by December 2014, and subsequently every 5 years.

Understanding that the delivery of affordable land to the market is a key outcome, the aim of the review is to ensure that the charges still cover construction costs for the sub regional infrastructure as identified in this document. It is understood that some key infrastructure networks may vary to provide better efficiency in infrastructure delivery. However, it is anticipated that the overall scope of the network will not increase and charges may increase only due to construction cost increases.

Contact Us

Visit our website at: www.edq.qld.gov.au

Write to us at:

Economic Development Queensland
GPO Box 2202
Brisbane QLD 4001

Telephone us: 1300 130 215

Fax us: (07) 302 44199