

Council's infrastructure charge resolution is reviewed on an annual basis. A new charge resolution is proposed for the 2019/20 financial year, based on inflationary adjustments, administrative improvements and a review of water supply and sewerage demand rates for land uses.

A summary of the key changes is provided below:

- Smoothed inflationary movements of 3.7% p.a.;
- Account for the Statutory charge caps for 2018/19;
- Revised water and sewerage demand rates;
- Changes to charges for different categories result in about:
 - o 69 decreases
 - o 13 increases
 - o 7 no change
- Notable charge savings in the fully serviced urban area for:
 - o Dwelling units
 - o Dwellings on lots less than 500m²
 - o Hotel
 - o Multiple dwellings
 - o Short-term accommodation
 - o Retirement facility
 - o Service industry
 - o Education establishment (tertiary)
 - o Warehouse (other)
- Notable charge increases in the fully serviced urban area for:
 - o Dual occupancy (1 or 2 bedroom)
 - o Caretaker's residence
 - o Residential care facility

Consistent with the Producer Price Indices of the Australian Bureau of Statistics, and the adjustment methodologies prescribed in the Planning Act 2019, the new resolution will reflect a 3.7% inflationary movement in the smoothed Road and Bridge Construction index that is forecast for the 2019/20 financial year.

The resolution will reflect revisions to the water supply and sewerage demand rates that underpin the derivation of the infrastructure charges for different land uses. This work derived representative water supply demand rates from council's water meter and development footprint data for samples of every land use definition (and sub-categories thereof) of the planning scheme. Some rationalisation to other land uses was required where water meter readings were impractical. It then applied water/sewerage demand ratios, derived from first principle analyses, to determine representative sewerage demand rates. Typically, this found lesser demand for smaller housing lots and multiple dwellings than previously rationalised. Non-residential uses experienced a mix of increases and decreases. This work was peer reviewed by local members of Engineers Australia.

The combined effect of the inflationary adjustment, demand rate review and statutory caps, is that the fully serviced urban area, where about 95% of growth occurs, will typically see:

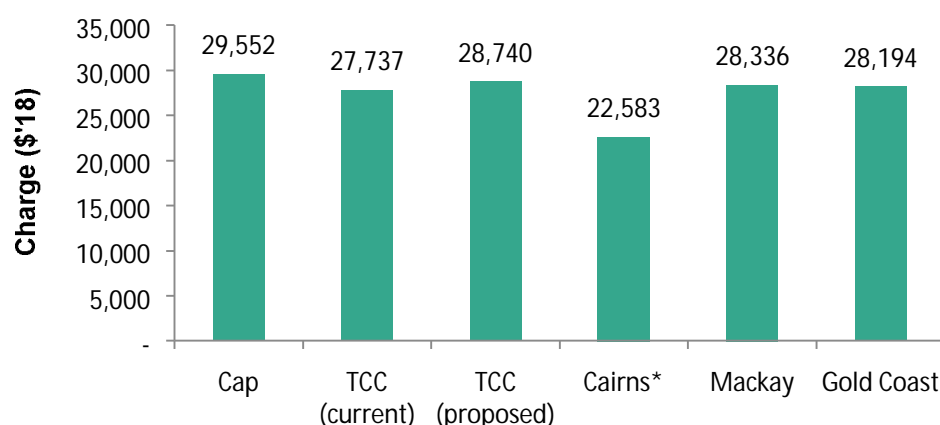
Table 1 – Typical savings

Land use	Unit	Saving (%)	Saving (\$/unit)
Dwellings on lots less than 400m ²	dwelling	13	3,700
Dwellings on lots 400m ² -499m ²	dwelling	9	2,500
Hotel	1-bedroom suite	25	2,000
Multiple dwellings	2-bedroom dwelling	18	3,100
Short-term accommodation	1-bedroom suite	20	1,400
Retirement facility	1-bedroom suite	36	4,400
Service industry	m ² GFA	23	32
Education establishment, tertiary	m ² GFA	24	36
Warehouse, other	m ² GFA	38	12

Table 2 – Typical increases

Land use	Unit	Increase (%)	Increase (\$/unit)
Dual occupancy	2-bedroom dwelling	11	2,000
Caretaker's Residence	2-bedroom dwelling	11	2,000
Residential care facility	m ² GFA	26	22

For a typical Dwelling House, the charge changes from \$27,737 to \$28,740. This is still below the statutory cap. They are also within the range of those currently levied by other local governments, as shown in Figure 1. The 400-499m² dwelling range is a new bracket which was considered after consultation with the development industry (UDIA, PCA and PIA). This bracket better reflects water and sewerage demand for mid-size lots and has been interpolated from the adjacent bracketing. It is also important to note that the proposed charge below is still being compared with the 2018 rates for other local government areas which will also increase in 2019. Cairns also has a lower charge associated with a Fair Value Charges Schedules arrangement, which was rewarded by previous state government infrastructure funding commitments.

**Figure 1 – Dwelling House (3 bedroom on 600m² lot)**

The new charges for the fully serviced urban area are illustrated in schedule 3 of the attached charge resolution. Notably, the sub-categorisation of water/sewerage demand had little effect for non-residential uses, largely due to the effect of the statutory caps.

Section 4 of the resolution is also proposed to be changed to recognise the appropriate level of creditable infrastructure for 'credit' land uses (i.e. not giving credits for sewerage infrastructure if the land was never connected to sewerage).

The resolution is now proposed for adoption. Once adopted, it will be required to be attached to the City Plan and must be uploaded to council's website before it takes effect.

This resolution is made under section 113 of the *Planning Act 2016*, constituting the following clauses and schedules, which are collectively the Townsville City Council *Infrastructure Charges Resolution 2019*.

1. This resolution applies to the Townsville City Council Local Government Area for all locations where the levying of infrastructure charges are not otherwise restricted by particular legislation.
2. This resolution has effect on and from 1 July 2019 until superseded by the commencement of another charges resolution.
3. This resolution applies to applications for approval for:
 - Material Change of Use - all material change of use development, with the exception of development only made assessable due to overlay codes (e.g., flood hazard, landslide hazard, bushfire hazard, etc.);
 - Reconfiguration of Lot – where additional allotments are created. Charges will be calculated by reference to the land use on each allotment. For vacant allotments:
 - o residential and emerging communities zonings are the equivalent of a Dwelling House (3 bedroom) on the relevant lot size, and;
 - o other zonings are the equivalent of a Caretaker's accommodation (3 bedroom, detached dwelling) on the relevant site area;
 - Building Works - for self-assessable or exempt land uses and zonings:
 - o as identified in Schedule 1, or;
 - o relative to the existing land use (or equivalent use for a vacant allotment, as specified above), it proposes a moderate-to-high increase of demand on the infrastructure network.
4. The applicable infrastructure charge is to be determined by:
 - (i) applying the location factor of Schedule 2 to the base charge of Schedule 3 and the size of the development, and;
 - (ii) where the development is:
 - a. conditioned to connect to a particular service but it is not located in the relevant planned service area (refer to the Local Government Infrastructure Plan), and;
 - b. has not already conditioned the cost of connection as an 'extra payment', and;

the location factor shall be that from Schedule 2 which reflects the relevant combination of services, not necessarily the location of the development, and;
 - (iii) where the development is:
 - a. being considered as a 'credit' land uses and;

- b. the land is connected to services different to that indicated by the planned service areas, and;

the location factor shall be that from Schedule 2 which reflects the relevant combination of services, not necessarily the location of the development.

5. To calculate the net charge to be levied on a development, the applicable charge for the proposed land use is to be reduced by the applicable charge for a 'credit' land use, being:
 - an existing use on the premises if the use is lawful and already taking place on the premises;
 - a previous use that is no longer taking place on the premises if the use was lawful at the time it was carried out (to be clear, the credit is to be a square metre rate relevant to the allotment(s) when it took place, and is to be applied to the extent of overlap with the allotment(s) of the proposal);
 - other development on the premises if the development may be lawfully carried out without the need for a further development permit.
6. The applicable charge for the proposed land use and the 'credit' land use, relevant to a net charge levied on an infrastructure charges notice, is to be indexed at the time it is paid to council.

The indexation must be calculated:

- (i) In accordance with the 3-year moving average quarterly percentage change of the Australian Bureau of Statistics, Road and Bridge Construction Index (Queensland series) forecast by council for the December quarter of the financial year of the charge payment.
 - (ii) But is not to result in a charge that is more than the relevant State Planning Regulatory Provision (SPRP) maximum charge, as defined in section 122 of the *Planning Act 2016*.
7. When calculating the establishment cost of trunk infrastructure subject to an offset or refund under section 116 of the *Act*, or when an application is made to recalculate establishment cost under section 137 of the *Act*, the value of trunk infrastructure is to be determined:
 - (i) after the design of such infrastructure has been approved by council, and prior to the commencement of work to provide the infrastructure and;
 - (ii) for works - by the amount agreed by council's Chief Executive Officer, being an amount that is within the range determined in accordance with the quotation and tender requirements of s5.5 to s5.10 of council's procurement policy (document no. 3027, version 3, dated 15/3/13). The relevant quotations or tenders are to be sourced by the applicant in collaboration with council, and;
 - (iii) for land - by the difference in market value of the original land and land remaining after the trunk infrastructure land is removed, at the time the application was properly made, as reported by a certified practicing valuer (sourced by the applicant in collaboration with council), considerate of:
 - a. highest and best value of the land;
 - b. the value at the time the application was properly made (if the infrastructure is included in the Local Government Infrastructure Plan), otherwise at the time the application was approved;
 - c. Q100 flood levels;
 - d. all other real and relevant constraints, including but not limited to: vegetation protection, ecological values including riparian buffers and corridors, stormwater or drainage corridors, slope, bushfire hazards, heritage, airport

environs, coastal erosion, extractive resources, flooding, land use buffer requirements and landslide hazards. This must also include tenure related constraints and restrictions such as easements, leases, licences and other dealings whether or not registered on title; and

- e. relevant sales evidence and clear analysis of how those sales and any other information was relied upon in forming the valuation assessment.
8. The conversion criteria used for making a decision on a conversion application made under section 139 of the *Act* are:
 - (i) The infrastructure has capacity to service other developments in the area;
 - (ii) The function and purpose of the infrastructure is consistent with other trunk infrastructure identified in the Local Government Infrastructure Plan (LGIP). To be clear, it must:
 - a. be consistent with the definitions of trunk infrastructure used in mapping the plans for trunk infrastructure; and
 - b. provide the associated desired standards of service to the assumed growth.
 - (iii) The infrastructure is not consistent with non-trunk infrastructure for which conditions may be imposed in accordance with section 145 of the *Act*; and
 - (iv) The type, size and location of the infrastructure is the most cost effective option for servicing multiple users in the area, with the 'most cost effective option' meaning the least cost option based upon the life cycle cost of the infrastructure required to service the future urban development in the area at the desired standard of service.
 9. The term 'Gross Floor Area' (GFA) as used in this resolution be defined as:

The total floor area of all storeys of a building measured from the outside of the external walls or the centre of a common wall), other than areas used for the following:

- (a) building services, plant and equipment;
- (b) access between levels;
- (c) ground floor public lobby
- (d) a mall;
- (e) the parking, loading and manoeuvring of motor vehicles; and
- (f) unenclosed private balconies whether roofed or not.

In addition, the term shall include the floor space of associated outdoor dining areas.

Other words and terms used in this resolution have the meaning given in the *Planning Act 2016* or the *Queensland Planning Provisions* version 4.0. If a word or term used in this resolution is not defined in *Planning Act 2016* or the *Queensland Planning Provisions* version 4.0, it has the meaning given in the planning scheme.

ATTACHMENT 5 - INFRASTRUCTURE CHARGES RESOLUTION 2019



Schedule 1 – Building works subject to infrastructure charges

(Y = self-assessable or exempt land use development which are candidate for charges at building works)

OPP land use (associated building works)	Land use zone																					
	LDR	MDR	HDR	RR	CR	NC	LC	DC	MC	PC	SC	MU	SR	OS	CF	CON	LII	MII	HII	RUR	EC	
Animal husbandry																					Y	
Animal keeping	Y			Y																		
Bar								Y	Y	Y		Y										
Car wash								Y	Y													
Caretaker's accommodation	Y																					
Child care centre						Y	Y	Y	Y	Y	Y	Y										
Community care centre															Y							
Community residence	Y	Y	Y	Y	Y										Y					Y		
Community use													Y		Y							
Cropping				Y																	Y	
Dual occupancy	Y	Y	Y		Y								Y									
Dwelling house													Y									
Dwelling unit	Y	Y	Y							Y												
Educational establishment			Y	Y			Y	Y	Y	Y		Y										
Food and drink outlet																	Y	Y	Y			
Home based business						Y	Y	Y	Y	Y	Y	Y								Y		
Hotel								Y	Y													
Indoor sport and recreation							Y	Y	Y	Y	Y	Y										
Intensive horticulture																				Y		

ATTACHMENT 5 - INFRASTRUCTURE CHARGES RESOLUTION 2019

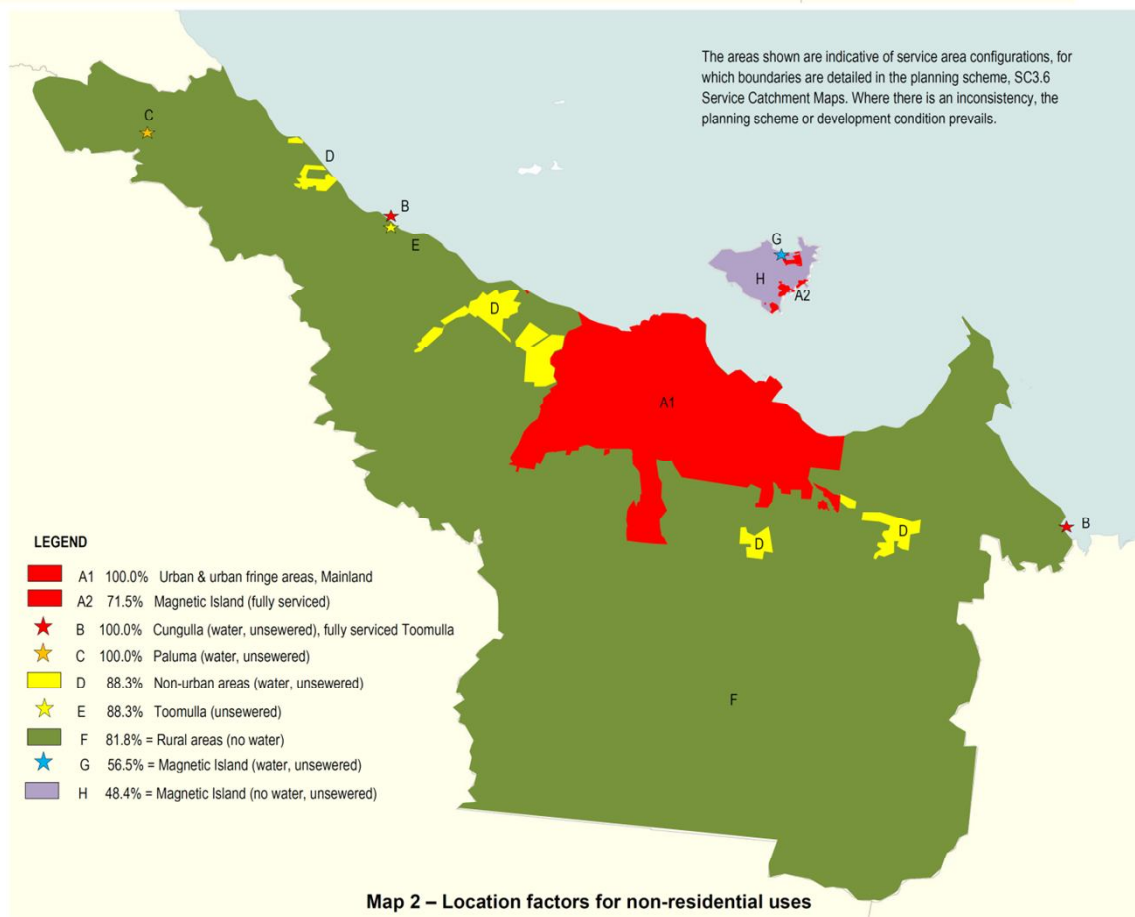
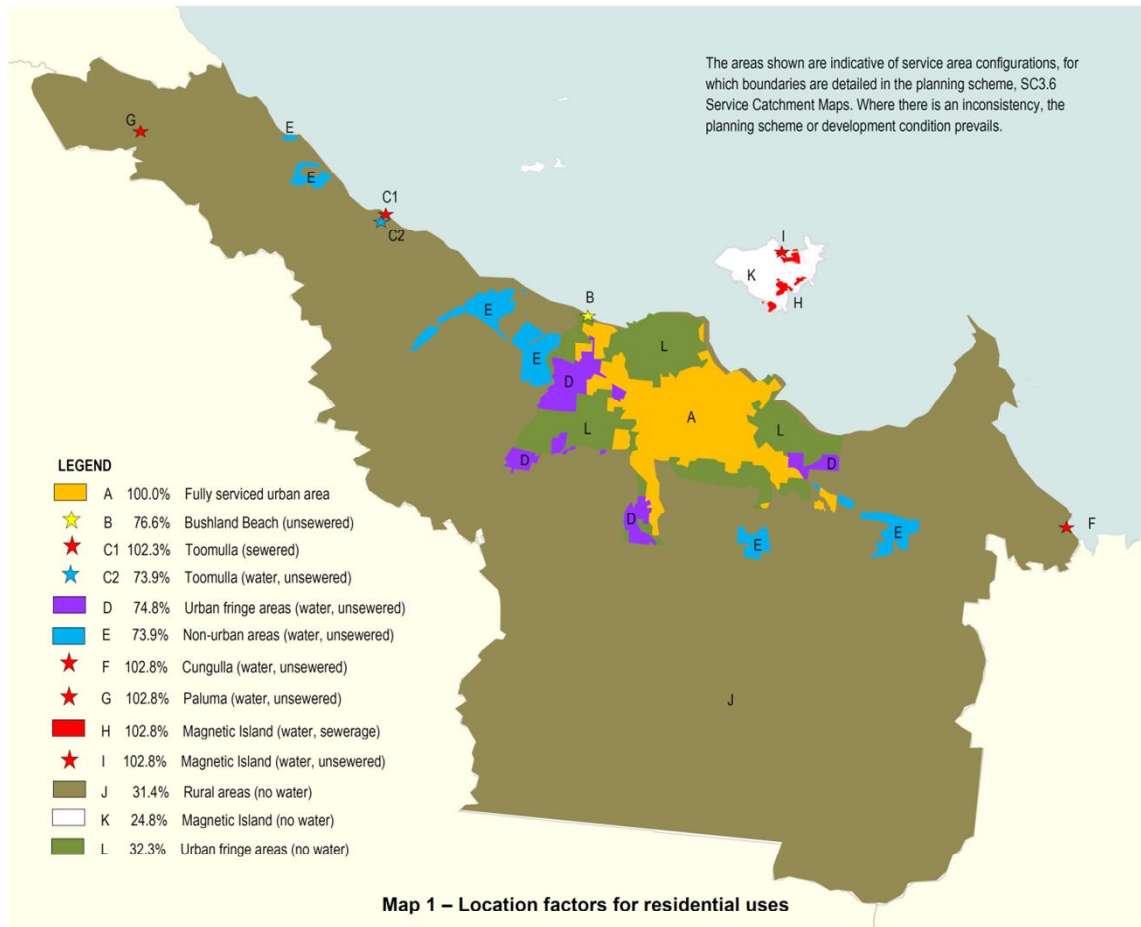


OPP land use (associated building works)	Land use zone																				
	LDR	MDR	HDR	RR	CR	NC	LC	DC	MC	PC	SC	MU	SR	OS	CF	CON	LII	MII	HII	RUR	EC
Indoor sport and recreation							Y	Y	Y	Y	Y	Y									
Intensive horticulture																				Y	
Landing	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Low impact industry																	Y	Y			
Medium impact industry																		Y	Y		
Multiple dwelling							Y	Y	Y			Y									
Nightclub entertainment facility										Y											
Park	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Research and technology industry																		Y	Y		
Retirement facility								Y	Y			Y									
Roadside stall				Y																Y	
Rooming accommodation							Y	Y	Y	Y		Y									
Rural industry																				Y	
Service industry																	Y				
Service station								Y	Y												
Short-term accommodation							Y	Y	Y			Y									

Zoning legend

Abbreviation	Zone
LDR	Low density residential
MDR	Medium density residential
HDR	High density residential
RR	Rural residential
CR	Character residential
NC	Neighbourhood centre
LC	Local centre
DC	District centre
MC	Major centre
PC	Principle centre
SC	Sub-regional centre
MU	Mixed use
SR	Sport and recreation
OS	Open space
CF	Community facilities
CON	Conservation
LII	Low impact industry
MII	Medium impact industry
HII	High impact industry
RUR	Rural
EC	Emerging communities

Schedule 2 – Charge areas and location factors



Schedule 3 – Base charges

Table 1 – Base charges for residential uses

(1) Use category	(2) Use	(3) Charge category	(4) Base charge (\$)
Residential	Dwelling house	1 or 2 bedroom dwelling	15,890
		3 or more bedroom dwelling	
		on lots < 200m ²	21,340
		on lots 201m ² -299m ²	21,890
		on lots 300m ² -399m ²	23,740
		on lots 400m ² -499m ²	26,240
		on lots 500m ² and greater	28,740
	Dwelling unit	1 bedroom dwelling	9,280
		2 bedroom dwelling	13,630
		3 or more bedroom dwelling	20,320
	Caretaker's accommodation (attached dwelling)	1 bedroom dwelling	13,940
		2 bedroom dwelling	19,670
		3 or more bedroom dwelling	22,840
	Caretaker's accommodation (detached dwelling)	1 or 2 bedroom dwelling	15,890
		3 or more bedroom dwelling	
		on lots < 200m ²	21,340
		on lots 201m ² -299m ²	21,890
		on lots 300m ² -399m ²	23,740
		on lots 400m ² -499m ²	26,240
		on lots 500m ² and greater	28,740
	Multiple dwelling	1 bedroom dwelling	10,290
		2 bedroom dwelling	14,530
		3 or more bedroom dwelling	20,510
	Dual occupancy	1 bedroom dwelling	13,940
		2 bedroom dwelling	19,670
		3 or more bedroom dwelling	22,840
Accommodation (short term)	Hotel	1 bedroom (non-suite)	6,210
		1 bedroom (suite)	5,290
		2 bedroom suite	8,430
		3 or more bedroom suite	10,500
	Short-term accommodation	1 bedroom (non-suite, < 6 beds)	6,210
		1 bedroom (non-suite, 6 or more beds)	*
		1 bedroom suite	5,290
		2 bedroom suite	8,430
	Tourist park	3 or more bedroom suite	10,500
		Caravan/tent (group of 1 or 2 sites)	10,180
		Caravan/tent (group of 3 sites)	10,180
		Cabin (1 or 2 bedroom)	7,690
		Cabin (3 or more bedrooms)	13,040

(1) Use category	(2) Use	(3) Charge category	(4) Base charge (\$)
Accommodation (long term)	Community residence	1 bedroom (non-suite)	16,430
		1 bedroom suite	10,080
		2 bedroom suite	19,680
		3 or more bedroom suite	27,030
	Rooming accommodation	1 bedroom (non-suite, < 6 beds)	15,562
		1 bedroom (non-suite, 6 or more beds)	*
		1 bedroom suite	8,370
		2 bedroom suite	11,213
		3 or more bedroom suite	15,562
	Relocatable home park	1 bedroom dwelling site	10,450
		2 bedroom dwelling site	17,880
		3 or more bedroom dwelling site	25,240
	Retirement facility	1 bedroom (non-suite)	6,600
		1 bedroom suite	7,990
		2 bedroom suite	11,280
		3 or more bedroom suite	15,930
Other Uses *	A use not otherwise listed above.	The charge is the charge in column 3 and 4 for a use category (in column 2) that appropriately reflects the use at the time of assessment. Where these are not appropriate, the charge is to be based on first principles, determined at the time of assessment.	

Table 2 – Base charges for non-residential uses

(1) Use category	(2) Use	(3) Charge category	(4) Base charge (\$)
Places of assembly	Club	m2 GFA	73.90
	Community use	m2 GFA	73.90
	Function facility	m2 GFA	73.90
	Funeral parlour	m2 GFA	73.90
	Place of worship	m2 GFA	73.90
Commercial (bulk goods)	Agricultural supplies store	m2 GFA	65.09
	Bulk landscape supplies	m2 GFA	147.75
	Garden centre	m2 GFA	147.75
	Hardware and trade supplies	m2 GFA	147.75
	Outdoor sales	m2 GFA	80.72
	Showroom	m2 GFA	107.38
Commercial (retail)	Adult store	m2 GFA	189.98
	Food and drink outlet	m2 GFA	189.98
	Service industry	m2 GFA	104.04

ATTACHMENT 5 - INFRASTRUCTURE CHARGES RESOLUTION 2019



(1) Use category	(2) Use	(3) Charge category	(4) Base charge (\$)
	Service station (fuel pumps)	Nil	Nil
	Service station (shop component)	m2 GFA	189.98
	Service station (vehicle repair shop)	m2 GFA	51.47
	Service station (food and drink outlet)	m2 GFA	189.98
	Shop	m2 GFA	189.98
	Shopping centre	m2 GFA	189.98
Commercial (office)	Office	m2 GFA	147.75
	Sales office	m2 GFA	147.75
Education facility	Childcare centre	m2 GFA	147.75
	Community care centre	m2 GFA	*
	Educational establishment (Primary)	m2 GFA	147.75
	Educational establishment (Secondary)	m2 GFA	146.23
	Educational establishment (Flying Start for Qld Children program)	Nil	Nil
	Educational establishment (Tertiary)	m2 GFA	113.06
Entertainment	Bar	m2 GFA	211.09
	Hotel (Non-accommodation)	m2 GFA	211.09
	Nightclub	m2 GFA	211.09
	Theatre	m2 GFA	211.09
Indoor sport and recreation	Indoor sport and recreation (court areas)	m2 GFA	*
	Indoor sport and recreation (non-court areas)	m2 GFA	*
Industry	Low impact industry	m2 GFA	51.47
	Marine industry	m2 GFA	52.79
	Medium impact industry	m2 GFA	52.79
	Research and technology industry	m2 GFA	52.79
	Rural industry	As for Other Uses (Column 1)	*
	Transport depot	As for Other Uses (Column 1)	*
	Warehouse (self-storage facility)	m2 GFA	29.26
	Warehouse (Other warehouse)	m2 GFA	18.89
High impact industry	High impact industry	As for Other Uses (Column 1)	*
	Special industry	As for Other Uses (Column 1)	*
Low impact rural	Animal husbandry	Nil	Nil
	Cropping	Nil	Nil
	Permanent plantation	Nil	Nil
High impact rural	Aquaculture	As for Other Uses (Column 1)	*
	Intensive animal husbandry	As for Other Uses (Column 1)	*
	Intensive horticulture	As for Other Uses (Column 1)	*
	Wholesale nursery	As for Other Uses (Column 1)	*
	Winery	As for Other Uses (Column 1)	*
Essential services	Detention facility	m2 GFA	*
	Emergency services	m2 GFA	*
	Health care services	m2 GFA	147.75
	Hospital	m2 GFA	*

ATTACHMENT 5 - INFRASTRUCTURE CHARGES RESOLUTION 2019



(1) Use category	(2) Use	(3) Charge category	(4) Base charge (\$)
Specialised uses	Residential care facility	m2 GFA	109.84
	Veterinary services	m2 GFA	145.57
	Air services	As for Other Uses (Column 1)	*
	Animal keeping	As for Other Uses (Column 1)	*
	Brothel	As for Other Uses (Column 1)	*
	Parking station	As for Other Uses (Column 1)	*
	Crematorium	As for Other Uses (Column 1)	*
	Extractive industry	As for Other Uses (Column 1)	*
	Major sport, recreation and entertainment facility	As for Other Uses (Column 1)	*
	Motor sport facility	As for Other Uses (Column 1)	*
	Non-resident workforce accommodation	As for Other Uses (Column 1)	*
	Outdoor sport and recreation	As for Other Uses (Column 1)	*
	Port services	As for Other Uses (Column 1)	*
	Tourist attraction	As for Other Uses (Column 1)	*
	Utility installation	As for Other Uses (Column 1)	*
Minor uses	Cemetery	Nil	Nil
	Home based business	Nil	Nil
	Landing	Nil	Nil
	Market	Nil	Nil
	Park	Nil	Nil
	Roadside stall	Nil	Nil
	Substation	Nil	Nil
	Telecommunications facility	Nil	Nil
Other Uses *	A use not otherwise listed above.	The charge is the charge in column 3 and 4 for a use category (in column 2) that appropriately reflects the use at the time of assessment. Where these are not appropriate, the charge is to be based on first principles, determined at the time of assessment.	

Notes

* For the base charge, refer to Other Uses *

* Where a first principles assessment is required, it is to be based on the Local Government Infrastructure Plan unit user costs of infrastructure, applied to reasonable expectations of infrastructure demand relevant to the land use, and be considerate of the statutory charge caps