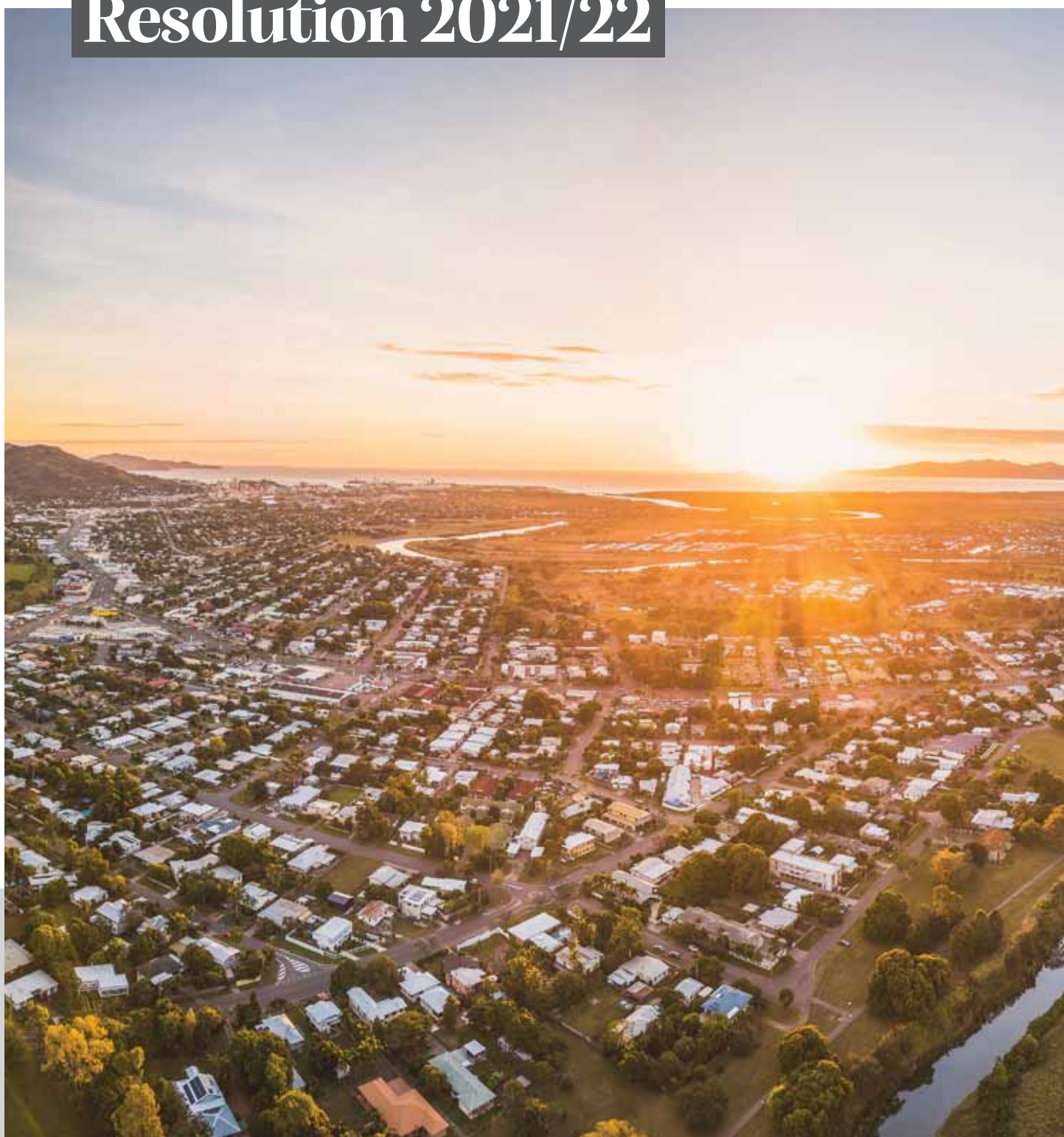


# Attachment 5

## Infrastructure Charges

### Resolution 2021/22



## Attachment 5 – Infrastructure Charges Resolution 2021/22

Council's infrastructure charge resolution is reviewed on an annual basis. A new charge resolution is proposed for the 2021/22 financial year, applying inflationary adjustments, updated planning and new charges for Car Wash land uses.

Key points to note:

- Charges only increased by 2.57% reflecting inflationary adjusted user costs for 2021/22
- all charges are kept below the statutory caps;
- new charges are introduced for Car Wash land uses; and
- Car Wash charges reduced for waste-water re-use incentives.

Council adopts infrastructure charges for each financial year in order to reflect updated planning, changes in statutory caps, other administrative advance, and to set a single suite of charges for that financial year. In effect, they are the same amount (without indexation) if they are paid in the same financial year they are levied.

Consistent with the Producer Price Indices of the Australian Bureau of Statistics, and the adjustment methodologies prescribed in the *Planning Act 2016*, the proposed infrastructure charges include a 2.57% inflationary movement of the smoothed Road and Bridge Construction index relative to the 2019/20 charges (being the last infrastructure charges resolution adjusted for inflation, and relative to the user costs of the Local Government Infrastructure Plan 2017).

The proposed infrastructure charges also consider the effect of the statutory caps which are reset by the state government at the start of each financial year, reflective of similar inflationary movements and eligible for indexation each quarter. To avoid complications from forecasting, the caps applicable as at March 2021 are applied.

New infrastructure charges are introduced for a Car Wash in light of their popularity in recent times, and the inconsistency/uncertainty associated with lack of an adopted charge. The current regulatory process requires council to rationalise a charge from the list of land uses and adopted charge rates in the Infrastructure Charges Resolution. This tends to be a complex process which involves first principles analysis to establish the infrastructure demand of the Car Wash, then matching to a listed land use of size which generates equivalent demands, and thereby using that land use to facilitate the charge for the Car Wash.

To facilitate an adopted charge, the water consumption of typical Car Wash uses in Townsville were analysed, and with the assistance of typical wash volumes published by the International Car Wash Association and through first principles approaches, profiles of water supply, sewerage and road demand were derived for auto wash bay, self-service wash bay and even a mini express tunnel. To promote waste-water recycling, variations allowing for 50% re-use were modelled. The LGIP 2019-unit infrastructure costs were then applied, allowing the derivation of user costs. These were 'best fit' matched to other land uses of a 'service' business, with sizes having the same total user cost. The infrastructure charge relevant to the 'best fit' land use and size nature was then taken to represent the infrastructure charge for the Car Wash (Table 1). No other local government appears to have adopted charges for Car Wash uses.

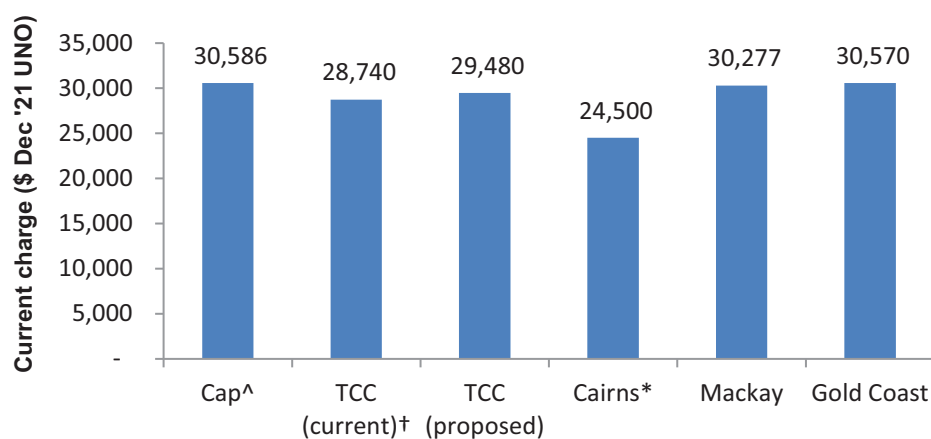
**Table 1 – New charges for Car Wash uses**

Car Wash	User cost* (\$)	Proposed charge* (\$)
Auto wash bay	454,274	186,790
Auto wash bay (50% re-use)	294,935	121,259
Self-service bay	59,028	38,145
Self-service bay (50% re-use)	45,340	29,536
Tunnel	516,280	248,905
Tunnel (50% re-use)	358,070	173,651

\*Dec '21 terms

**Residential Lot Charges – Benchmarking with other Councils**

For a typical Dwelling House on lot 500m<sup>2</sup> – 599m<sup>2</sup>, the current charge of \$28,740 will be adjusted upwards to \$29,480 based on the inflationary increase only. These charges are also within the range of those currently levied by other local governments, as shown in Figure 2. Cairns also has a lower charge associated with a Fair Value Charges Schedules regime, which is facilitated by previous state government infrastructure funding arrangements.



^Mar '21 terms

†Dec '20 terms applicable for all of 2020/21

\*Fair Value Charge Schedule

**Figure 2 – Dwelling House (3 bedroom on 500-599m<sup>2</sup> lot)**

A number of minor administrative changes are also proposed to ensure the resolution is up to date. Administrative improvements are proposed:

- Bar – is no longer included as a charge has not yet been rationalised appropriately.
- Service station charges now group the previous food/drink and shop components as 'other'.
- It is clarified that vacant lots are only eligible for credit if they are also developable.

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 2021*.

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 2021, until superseded by the commencement of another charge's 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 able to be developed:
    - residential and emerging communities zonings are the equivalent of a Dwelling House (3 bedroom) on the relevant lot size, and
    - 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 (i.e., Accepted Development and Accepted Development Subject to Requirements):
    - as identified in Schedule 1, or
    - 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', andthe 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, andthe 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 that which is relevant to the allotment(s) when it took place proportioned by area to the extent the allotment(s) of the proposal overlap with the allotment(s) of the previous use)
  - 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 prescribed maximum adopted charge, as defined in section 112 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 council's procurement policy. 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 development of the type, scale, location or timing assumed in the LGIP.
- (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.

## Schedule 1 – Building works subject to infrastructure charges

(Y = accepted development or accepted development subject to requirements)

QPP land use (associated building works)	Land use zone														
	LDR	MD R	HD R	RR	CR	NC	LC	DC	MC	PC	SC	MU	SR	OS	CF
Animal husbandry															
Animal keeping	Y			Y											
Bar								Y	Y	Y		Y			
Car wash								Y	Y						
Caretaker's accommodation	Y														
Childcare centre						Y	Y	Y	Y	Y	Y	Y			
Community care centre															Y
															Y





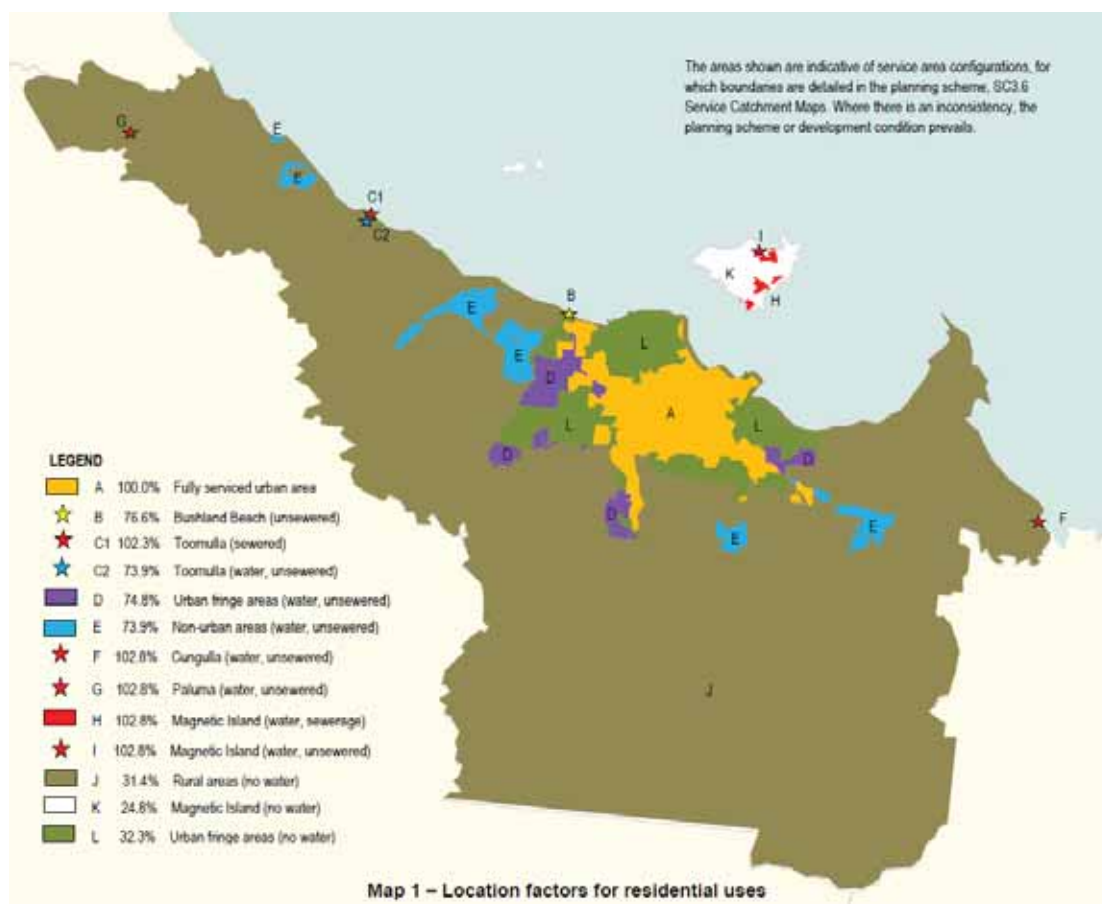
QPP land use (associated building works)	Land use zone														
	LDR	MD R	HD R	RR	CR	NC	LC	DC	MC	PC	SC	MU	SR	OS	CF
Hotel								Y	Y						
Indoor sport and recreation							Y	Y	Y	Y	Y	Y			
Intensive horticulture															
Landing	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Low impact industry															
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
Research and technology industry															

QPP land use (associated building works)	Land use zone														
	LDR	MDR	HDR	RR	CR	NC	LC	DC	MC	PC	SC	MU	SR	OS	CF
Retirement facility								Y	Y			Y			
Roadside stall				Y											
Rooming accommodation							Y	Y	Y	Y					
Rural industry															
Service industry														Y	
Service station								Y	Y						
Short-term accommodation							Y	Y	Y			Y			
Theatre									Y	Y					
Warehouse															

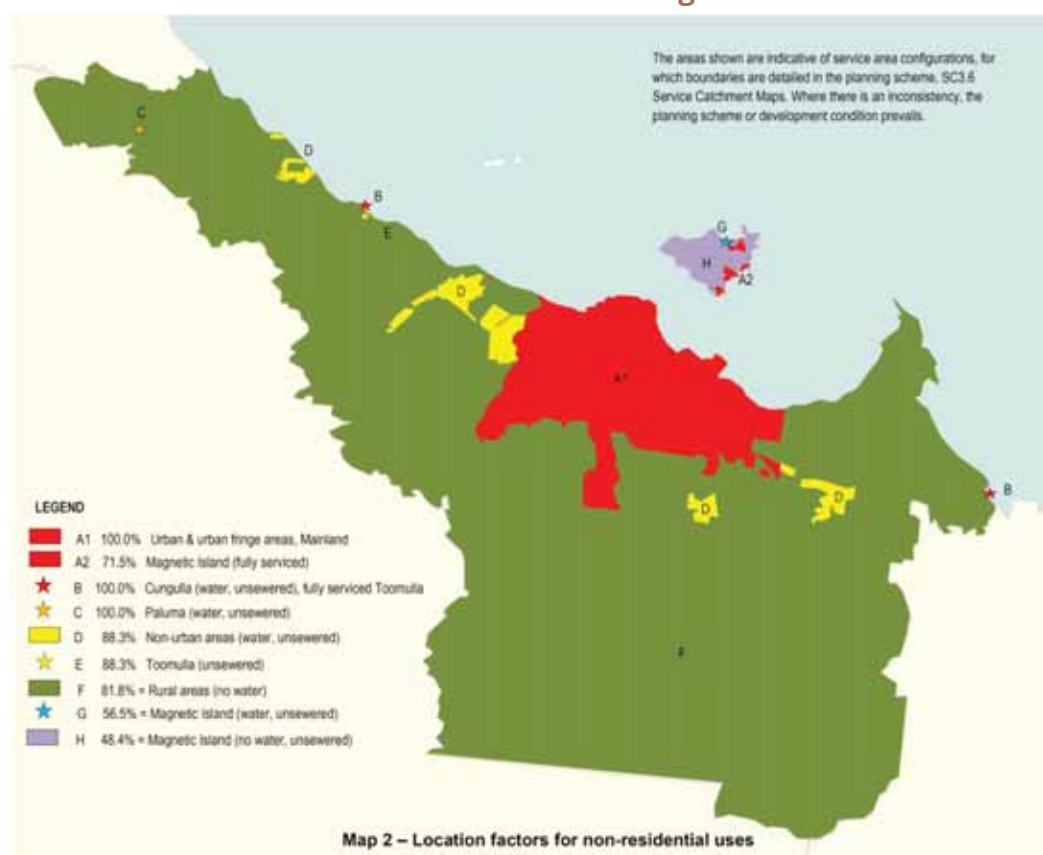
## Zoning legend

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	16,299
		3 or more bedroom dwelling	
		on lots < 200m2	21,889
		on lots 201m2-299m2	22,453
		on lots 300m2-399m2	24,351
		on lots 400m2-499m2	26,915
		on lots 500m2 and greater	29,480
	Dwelling unit	1 bedroom dwelling	9,519
		2 bedroom dwelling	13,981
		3 or more bedroom dwelling	20,843
	Caretaker's accommodation (attached dwelling)	1 bedroom dwelling	14,299
		2 bedroom dwelling	20,176
		3 or more bedroom dwelling	23,428
	Caretaker's accommodation (detached dwelling)	1 or 2 bedroom dwelling	16,299
		3 or more bedroom dwelling	
		on lots < 200m2	21,889
		on lots 201m2-299m2	22,453
		on lots 300m2-399m2	24,351
		on lots 400m2-499m2	26,915
		on lots 500m2 and greater	29,480
	Multiple dwelling	1 bedroom dwelling	10,555
		2 bedroom dwelling	14,904
		3 or more bedroom dwelling	21,038
	Dual occupancy	1 bedroom dwelling	14,299
		2 bedroom dwelling	20,176
		3 or more bedroom dwelling	23,428
Accommodation (short term)	Hotel	1 bedroom (non-suite)	6,370
		1 bedroom (suite)	5,426
		2 bedroom suite	8,647
		3 or more bedroom suite	10,770

(1) Use category	(2) Use	(3) Charge category	(4) Base charge (\$)
	Short-term accommodation	1 bedroom (non-suite, < 6 beds)	6,370
		1 bedroom (non-suite, 6 or more beds)	*
		1 bedroom suite	5,426
		2 bedroom suite	8,647
		3 or more bedroom suite	10,770
	Tourist park (central)^	Caravan/tent (group of 1 or 2 sites)	10,440
		Caravan/tent (group of 3 sites)	10,440
		Cabin (1 or 2 bedroom)	7,888
		Cabin (3 or more bedrooms)	13,376
	Tourist park (remote)^	Caravan/tent (group of 1 or 2 sites)	7,832
		Caravan/tent (group of 3 sites)	7,832
		Cabin (1 or 2 bedroom)	5,916
		Cabin (3 or more bedrooms)	10,032
Accommodation (long term)	Community residence	1 bedroom (non-suite)	16,853
		1 bedroom suite	10,339
		2 bedroom suite	20,187
		3 or more bedroom suite	27,726
	Rooming accommodation	1 bedroom (non-suite, < 6 beds)	15,963
		1 bedroom (non-suite, 6 or more beds)	*
		1 bedroom suite	8,585
		2 bedroom suite	11,502
		3 or more bedroom suite	15,963
	Relocatable home park	1 bedroom dwelling site	10,719
		2 bedroom dwelling site	18,340
		3 or more bedroom dwelling site	25,890
	Retirement facility	1 bedroom (non-suite)	6,770
		1 bedroom suite	8,196
		2 bedroom suite	11,570
		3 or more bedroom suite	16,340

(1) Use category	(2) Use	(3) Charge category	(4) Base charge (\$)
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	75.80
	Community use	m2 GFA	75.80
	Function facility	m2 GFA	75.80
	Funeral parlour	m2 GFA	75.80
	Place of worship	m2 GFA	75.80
Commercial (bulk goods)	Agricultural supplies store	m2 GFA	66.77
	Bulk landscape supplies	m2 GFA	151.55
	Garden centre	m2 GFA	151.55
	Hardware and trade supplies	m2 GFA	151.55
	Outdoor sales	m2 GFA	82.80
	Showroom	m2 GFA	110.14
Commercial (retail)	Adult store	m2 GFA	194.87
	Food and drink outlet	m2 GFA	194.87
	Service industry	m2 GFA	106.72
	Service station (fuel pumps)	Nil	Nil
	Service station (vehicle repair shop)	m2 GFA	52.79
	Service station (other)	m2 GFA	194.87
	Shop	m2 GFA	194.87
	Shopping centre	m2 GFA	194.87
Commercial (office)	Office	m2 GFA	151.55
	Sales office	m2 GFA	151.55



(1) Use category	(2) Use	(3) Charge category	(4) Base charge (\$)
Education facility	Childcare centre	m2 GFA	151.55
	Community care centre	m2 GFA	*
	Educational establishment (Primary)	m2 GFA	151.55
	Educational establishment (Secondary)	m2 GFA	149.99
	Educational establishment (Flying Start for Qld Children program)	Nil	Nil
	Educational establishment (Tertiary)	m2 GFA	115.97
Entertainment	Hotel (Non-accommodation)	m2 GFA	216.52
	Nightclub	m2 GFA	216.52
	Theatre	m2 GFA	216.52
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	52.79
	Marine industry	m2 GFA	54.15
	Medium impact industry	m2 GFA	54.15
	Research and technology industry	m2 GFA	54.15
	Rural industry	As for Other Uses (Column 1)	*
	Transport depot	As for Other Uses (Column 1)	*
	Warehouse (self-storage facility)	m2 GFA	30.01
	Warehouse (Other warehouse)	m2 GFA	19.38
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)	*

(1) Use category	(2) Use	(3) Charge category	(4) Base charge (\$)
Essential services	Detention facility	m2 GFA	*
	Emergency services	m2 GFA	*
	Health care services	m2 GFA	151.55
	Hospital	m2 GFA	*
	Residential care facility	m2 GFA	112.67
	Veterinary services	m2 GFA	149.32
Specialised uses	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	Car wash (auto.)	wash bay	186,790
	Car wash (self-serve)	wash bay	38,145
	Car wash (mini tunnel)	tunnel	248,905
	Car wash (auto., 50% re-use)	wash bay	121,259

(1) Use category	(2) Use	(3) Charge category	(4) Base charge (\$)
	Car wash (self-serve, 50% re-use)	wash bay	29,536
	Car wash (tunnel, 50% re-use)	tunnel	173,651
	A use not otherwise listed above <sup>#</sup> .	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

<sup>#</sup> Where a first principles assessment is required to match the proposed use with an equivalent use, 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 use.

<sup>^</sup>Tourist Park (central) is relevant to locations A, B, D and L on Map 1, of Schedule 2.

<sup>^</sup>Tourist Park (remote) is relevant to areas other than those applicable to Tourist Park (central).