




Infrastructure Funding Framework

July 2013, Version 2





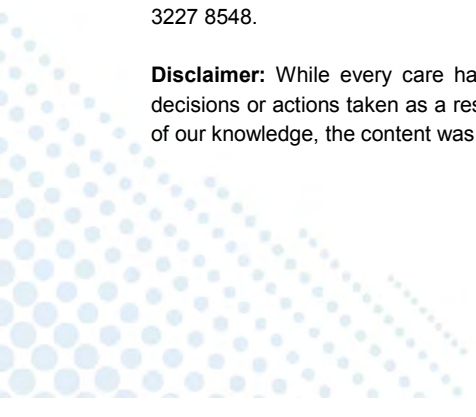
The Department of State Development, Infrastructure and Planning leads a coordinated Queensland Government approach to planning, infrastructure and development across the state.

© State of Queensland. Published by the Department of State Development, Infrastructure and Planning, July 2013, 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	2
Appendix 2 - Infrastructure Charging Framework for Bowen Hills, Northshore Hamilton and Fitzgibbon Priority Development Areas	3
Appendix 3 - Approved Infrastructure Charging Framework for greenfield Priority Development Areas	8

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 (PDAs).

A development scheme is compiled for each PDA which incorporates an infrastructure plan. The charges and infrastructure requirements are imposed as a condition of a PDA development approval. Infrastructure delivered as part of the development may be offset against the infrastructure charges which would otherwise apply. Potential offsets are identified both in the Infrastructure Funding Framework, Crediting and Offsets Arrangements (IFFCOA) and, where compiled, in an Infrastructure Charging Offset Plan (ICOP), which is PDA specific. The ICOP provides details of infrastructure contributions that may be offset against these charges as well as maps of the infrastructure networks.

Appendix 1 sets out the infrastructure charging framework for each PDA where a development scheme is in effect. At present there are eight (8) PDAs where local government charges have not been adopted and nine (9) PDAs where they have been adopted. 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.

This document should be read in conjunction with:

- the development scheme, in particular the infrastructure plan, for the PDA
- the IFFCOA
- 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, 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.
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

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			
Residential (per dwelling unit)	Small ^{1.}	Medium ^{1.}	Large ^{1.}
	\$12,574	\$17,552	\$29,054
Retail (per 100m ² GFA)	\$15,061		
Commercial (per 100m ² GFA)	\$15,061		

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	\$18,459	\$8,419	\$11,742	\$19,329

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)	\$12,095	\$18,144	\$32,254
Retail (per 100m ² GFA)	\$22,765		
Commercial (per 100m ² GFA)	\$22,765		

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	\$12,574
	Value Uplift charge ²	\$0
Dwelling Medium (60m ² to 100 m ² GFA)	General Infrastructure charge ¹	\$17,552
	Value Uplift charge ²	\$0
Dwelling Large (>100 m ² GFA)	General Infrastructure charge ¹	\$29,054
	Value Uplift charge ²	\$0
Retail (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,061
	Value Uplift charge ²	\$0
Commercial (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,061
	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	\$12,574
	Value Uplift charge ²	\$12,095
Dwelling - Medium (60m ² to 100 m ² GFA)	General Infrastructure charge ¹	\$17,552
	Value Uplift charge ²	\$18,144
Dwelling - Large (>100 m ² GFA)	General Infrastructure charge ¹	\$29,054
	Value Uplift charge ²	\$32,254
Retail (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,061
	Value Uplift charge ²	\$22,765
Commercial (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,061
	Value Uplift charge ²	\$22,765

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	\$12,574
	Value Uplift charge ²	\$6,048
Dwelling - Medium (60m ² to 100 m ² GFA)	General Infrastructure charge ¹	\$17,552
	Value Uplift charge ²	\$9,072
Dwelling - Large (>100 m ² GFA)	General Infrastructure charge ¹	\$29,054
	Value Uplift charge ²	\$16,127
Retail (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,061
	Value Uplift charge ²	\$11,383
Commercial (per 100 m ² GFA)	General Infrastructure charge ¹	\$15,061
	Value Uplift charge ²	\$11,383

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	\$28,708 per lot	\$8,091 per lot ¹
Ripley Valley	\$29,229 per lot	N/A
Caloundra South	\$28,707 per lot	N/A

1. Where applicable, refer to the Value Capture Charge at page 15

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	\$20,405
State Charge	\$1,258
Implementation Charge	\$1,617
Sub-regional Charge	\$5,428
Total	\$28,708
Catalyst Infrastructure Charge¹	
Per residential lot:	
Greater Flagstone PDA	\$5,220
Yarrabilba PDA	\$9,620

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

Ripley Valley	
Residential (per lot)	
Municipal Charge	\$19,393
State Charge	\$2,006
Implementation Charge	\$1,078
Sub-regional Charge	\$6,752
Total	\$29,229
Catalyst Infrastructure Charge¹	
Per residential lot	\$5,220

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

Caloundra South	
Residential (per lot)	
Municipal Charge	\$18,569
State Charge	\$2,243
Implementation Charge	\$1,632
Sub-regional Charge	\$6,263
Total	\$28,707

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			\$20,405
State Charge			\$1,258
Implementation Charge			\$1,617
Sub-regional Charge			\$5,428
Total			\$28,708
PART B CHARGE			
Residential (per dwelling unit)	Small¹	Medium¹	Large¹
Municipal Charge	\$13,268	\$16,927	\$20,405
State Charge	\$818	\$1,043	\$1,258
Implementation Charge	\$1,051	\$1,341	\$1,617
Sub-regional Charge	\$3,132	\$4,176	\$5,428
Total	\$18,269	\$23,487	\$28,708
Catalyst Infrastructure Charge²			
Per residential lot/dwelling:			
Greater Flagstone PDA			\$5,220
Yarrabilba PDA			\$9,620

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	\$19,393		
State Charge	\$2,006		
Implementation Charge	\$1,078		
Sub-regional Charge	\$6,752		
Total	\$29,229		
PART B CHARGE			
Residential (per dwelling unit)	Small¹	Medium¹	Large¹
Municipal Charge	\$12,467	\$15,931	\$19,393
State Charge	\$1,290	\$1,648	\$2,006
Implementation Charge	\$694	\$885	\$1,078
Sub-regional Charge	\$4,340	\$5,546	\$6,752
Total	\$18,791	\$24,010	\$29,229
Catalyst Infrastructure Charge²			
Per residential lot/dwelling	\$5,220		

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	\$18,569		
State Charge	\$2,243		
Implementation Charge	\$1,632		
Sub-regional Charge	\$6,263		
Total	\$28,707		
PART B CHARGE			
Residential (per dwelling unit)	Small¹	Medium¹	Large¹
Municipal Charge	\$11,227	\$14,681	\$18,569
State Charge	\$1,356	\$1,774	\$2,243
Implementation Charge	\$988	\$1,292	\$1,632
Sub-regional Charge	\$4,698	\$5,741	\$6,263
Total	\$18,269	\$23,488	\$28,707

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	\$5,130	\$146
Fast Food Premises	\$5,130	\$188
Food Premises	\$5,130	\$188
Garden Centre	\$5,130	\$146
Market	\$nil	\$nil
Outdoor sales	\$5,130	\$146
Service Station	\$5,130	\$188
Shop	\$5,130	\$188
Shopping Centre	\$25,649	\$188
Showroom	\$5,130	\$146
Commercial		
Business	\$5,130	\$146
Car Park	To be determined by EDQ at the time of assessment	
Health Care Services	\$5,130	\$146
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	\$5,130	\$52
Research and Technology	\$5,130	\$52
Service Industry	\$5,130	\$188
Warehouse	\$5,130	\$52
Rural		
Agriculture	\$nil	\$nil
Agricultural Supply Store	\$5,130	\$52
Animal Keeping and Husbandry	To be determined by EDQ at the time of assessment	
Intensive Animal Industry	\$5,130	\$21
Intensive Horticulture	\$5,130	\$21

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	\$5,130	\$21
Service, Community and Other Uses		
Cemetery	\$nil	\$nil
Child Care Centre	\$5,130	\$146
Community Facility	\$5,130	\$73
Crematorium	To be determined by EDQ at the time of assessment	
Educational Establishment	\$25,649	\$146
Emergency Services	\$5,130	\$146
Funeral Parlour	\$5,130	\$73
Hospital	\$25,649	\$146
Place of Assembly	\$5,130	\$73
Telecommunications Facility	\$nil	\$nil
Utility installation	\$nil	\$nil
Veterinary Hospital	\$5,130	\$146
Sport, Recreation and Entertainment		
Indoor Entertainment	\$10,259	\$209
Indoor Sport and Recreation	\$10,259	\$209
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	\$5,130	\$115



Non Residential Sub-Regional Charge for all greenfield PDAs

PDA	Part A Charge (per lot)	Part B Charge ¹ (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	\$2,052	25.7% ¹
Greater Flagstone (excluding North Maclean) and Yarrabilba	\$2,052	24.4% ¹
Greater Flagstone (North Maclean) All uses in the Industrial Use category	\$4,104	\$52
Caloundra South	\$2,052	27.3% ¹

Value Capture Charge¹

Greater Flagstone and Yarrabilba			
Residential Use - House			
Residential (per dwelling lot)	\$8,091		
Residential Uses – Other than a house			
Part A Charge	\$8,091		
Part B Charge	Small²	Medium²	Large²
Residential (per dwelling unit)	\$4,698	\$7,046	\$8,091
Non-residential Uses	Part A Charge (per lot)		Part B Charge (per sqm GFA)
All uses in the Retail Use category	\$2,052		\$31
All uses in the Commercial Use category	\$2,052		\$31
All uses in the Industrial Use category	\$2,052		\$21
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	\$105 per lot	7.5%
Greater Flagstone and Yarrabilba	\$211 per lot	34%
Caloundra South	\$412 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 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 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 Australia 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:

$$n = 3 \text{ years}$$

$x = [(\text{first March in the current financial year} - \text{March which is three (3) years prior to the first March in the current financial year}) / \text{March which is three (3) years prior to the first March in the current financial year}]$

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 in line with the 3 year rolling average of the Queensland Roads and Bridges Construction Index.

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 remain relevant, it is planned to be reviewed by the MEDQ initially 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