

DAREBIN PLANNING SCHEME AMENDMENT C170dare

Expert Witness Evidence

Alex Hrelja, Principal, Hill PDA
Pty Ltd

Instructed by Darebin City Council

Final – 14 May 2021

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1.0 INSTRUCTIONS

Instructions

1. I was instructed by Maddocks on behalf of Darebin City Council to provide advice regarding the proposed Darebin Development Contributions Plan (DCP) for the benefit of the Panel.
2. I was asked to:
 - Provide an overview of the proposed DCP.
 - Review and provide a response to submissions.
 - Respond to proposed changes to some DCP administration provisions.

Information Relied Upon

3. The information relied upon for this statement is as follows:
 - Darebin Development Contribution Plan 2019 (27 October 2020).
 - Documents and data referenced in the Darebin Development Contribution Plan 2019.
 - Schedule 2 to the Development Contributions Plan Overlay - Darebin Development Contributions Plan 2019.
 - Documents that form the DCP system in Victoria, these being:
 - Planning and Environment Act 1987, Part 3B.
 - Ministerial Direction on the Preparation and Content of Development Contributions Plans and Ministerial Reporting Requirements for Development Contributions Plans, Minister for Planning, 11 October 2016.
 - Development Contributions Guidelines 2007 (State of Victoria).
 - Submissions made regarding the amendment.

DCP Preparation Roles

4. The roles of various participants in DCP preparation was as follows:

- I was project manager and primary author of the DCP. My role included collating information, providing advice to Council, assessing infrastructure project eligibility and making DCP calculations.
- I was assisted by HillPDA staff in data collation, policy review, mapping, production of development information and projections and infrastructure project scoping and review.
- Darebin City Council officers provided: a long list of potential infrastructure projects, demographic and residential projections data, policy documents, raw data on development conditions. Council officers also confirmed status of projects and those that would be committed for delivery during the life of the DCP.

2.0 OVERVIEW OF PROPOSED DCP

DCP Preparation Process

5. The proposed Darebin DCP is a standard DCP in its methodology and operation. The DCP preparation process has followed the steps in the DCP Guidelines and is similar to other adopted municipal-wide DCPs.
6. The DCP preparation process is documented in the DCP and is summarised briefly as follows:
 - Review of policy and strategy information to identify development conditions and expectations and infrastructure needs.
 - Review of infrastructure project plans and information to identify projects that qualify for DCP inclusion. Not all of the potentially eligible DCP projects were included in the DCP. Many were left out for a range of reasons including further information is needed to not being priority projects for Council commitment at the time of DCP preparation.
 - Audit of existing development conditions and generation of projections for four land use categories: residential, retail, commercial and industrial.
 - Detailing of DCP infrastructure project information, including project classification as development or community infrastructure, cost estimation and / or confirmation by Council officers, and main catchment area identification.
 - All projects were reviewed by Council and adopted as DCP projects that Council commits to deliver.
 - DCP calculations and report production was then undertaken. The DCP levy calculations for each project are shown in Appendix C of the DCP.

DCP Areas

7. The DCP Area is the whole municipality.
8. Levies are made for 16 Charge Areas within the municipality - see Figure 1 below. The Charge Areas are based on suburbs and planning districts, which

were identified in collaboration with Council officers. I believe the DCP Charge Areas are a reasonable size and achieve appropriate cost apportionment within the municipality.

9. The average size of areas in recent gazetted DCPs is 370 ha, as shown in Table 1 below (excluding the unusual Darebin version 1 DCP). The average area size for the proposed Darebin DCP is 334 ha.
10. In general terms, 'smaller' charge areas (also called analysis areas in DCP preparation) provide potential for a closer spatial nexus to be achieved when catchments are defined for infrastructure projects.

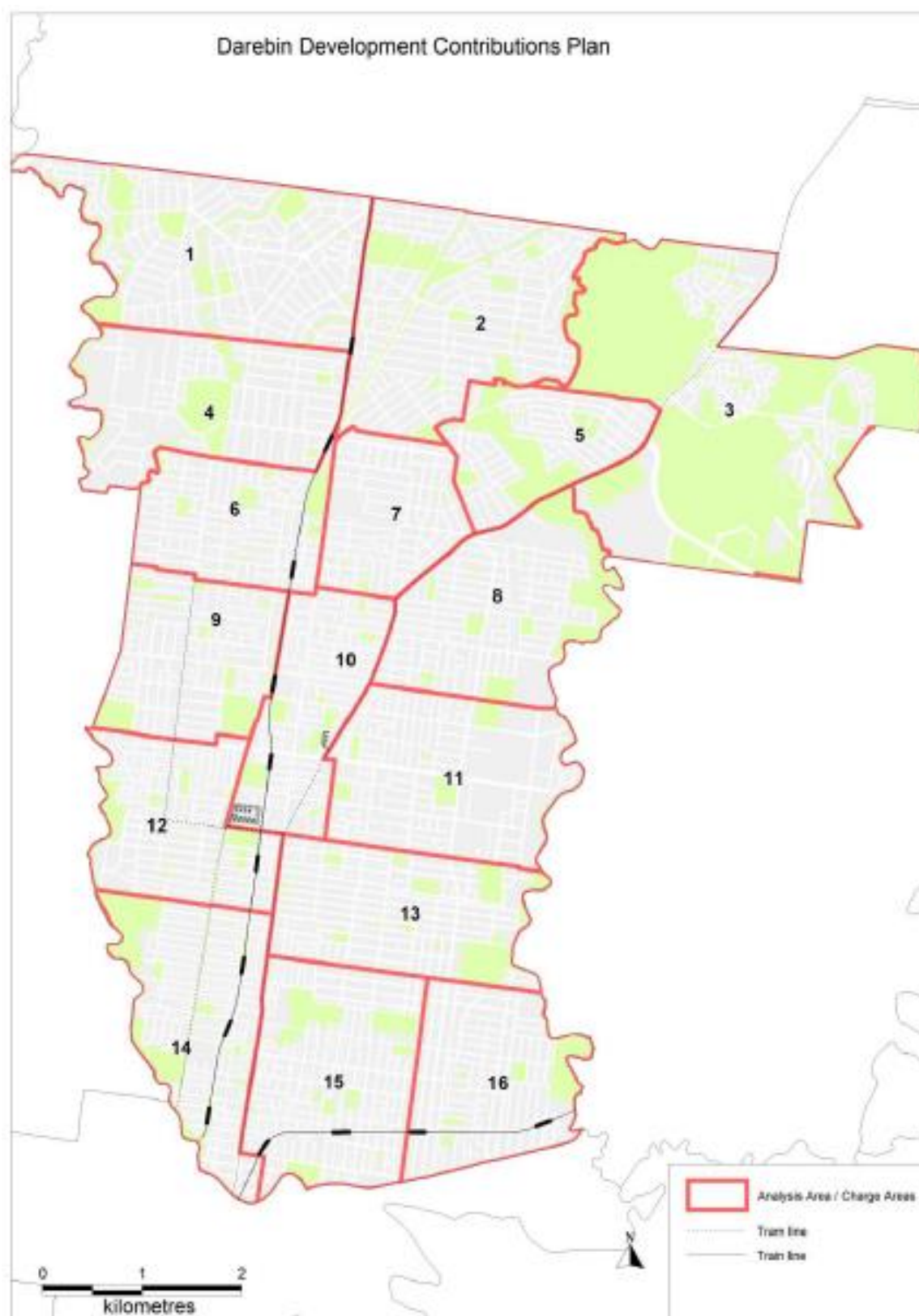
Table 1: Selected DCP Area Metrics

DCP	Areas	Total Hectares	Average Size of DCP Area
Darebin DCP Proposed	16 Areas	5,344 ha	334 ha
Darebin DCP Gazetted*	225 Areas	5,344 ha	24 ha
Brimbank DCP Gazetted**	20 Areas	12,335 ha	617 ha
Moreland DCP Gazetted	12 Areas	5,094 ha	425 ha
Banyule DCP Gazetted	24 Areas	6,251 ha	260 ha
Yarra DCP Proposed	11 Areas	1,953 ha	178 ha
Moonee Valley Proposed	18 Areas	4,300 ha	239 ha
Maribyrnong Proposed	21 Areas	3,121 HA	149 ha

*This DCP has effectively expired but is retained in the Darebin Planning Scheme to commit Darebin City Council to expend DCP funds.

**Includes the Municipal DCP and the separate Sunshine Town Centre DCP.

Figure 1: City of Darebin DCP Area



Source: Darebin Development Contribution Plan 2019, page 6

DCP Projects

11. A summary of the DCP's cost commitment is shown in Table 2 below. In total, 72 projects with a cost estimate of \$119.8m are included in the DCP.

Table 2: Summary of DCP Projects

Facility Type and Code	Total Cost	No. of Projects	Average Cost
Community Facility CFCI	\$98,465,918	12	\$8,205,493
Community Facility CFDI	\$1,162,000	4	\$290,500
Path PADI	\$6,481,616	34	\$190,636
Road RDDI	\$13,690,697	22	\$622,304
Total	\$119,800,231	72	\$1,663,892

Source: Darebin Development Contribution Plan 2019, page 24

DCP Levies

12. The DCP levies for the 16 Charge Areas and land uses are shown in the DCP report and overlay schedule. In summary, for residential development, the levies:

- **Range from \$505 to \$1,425 per dwelling** (2019 values).
- **Average \$1,003 per dwelling** (2019 values).

13. These levies are similar to other established area DCPs. Some examples follow:

- Bayside DCP (report published 2013): \$2,000 / dwelling.
- Brimbank DCP (2016) and Sunshine Town Centre DCP (2013): \$806 to \$2,568 / dwelling (higher figure Sunshine Town Centre).
- Moreland DCP (2015): \$323 to \$1,450 / dwelling.
- Banyule DCP (2018): \$459 to \$1,623 / dwelling
- Yarra DCP (2018): \$1,172 to \$3,653 / dwelling.

14. The proposed levies are not excessive in the context of development costs. For example, assuming the typical house / apartment construction cost is \$320,000, the DCP would amount to approximately 0.2% to 0.4% of cost. By way of comparison, a construction project would normally have a contingency of around 5%.

Summary of DCP

15. Table 3 below provides a summary of DCP information. It is expected that the DCP would recover approximately \$29.3m (or 24.4%) of the cost of infrastructure that Council would build. The DCP makes an allowance for existing development and external demand, which generates a funding gap of approximately \$90.5m. Council will need to use other funding sources to meet this funding gap.

Table 3: Summary of DCP Costs and Collection

Facility Type and Code	Total Cost	Time of Provision	Actual Cost Contribution Attributed to New Development	Proportion of Cost Attributed to New Development
Community Facility CFCI	\$98,465,918	2019-2041	\$24,209,493	24.6%
Community Facility CFDI	\$1,162,000	2019-2041	\$252,911	21.8%
Path PADI	\$6,481,616	2019-2041	\$1,668,313	25.7%
Road RDDI	\$13,690,697	2019-2041	\$3,132,133	22.9%
Total	\$119,800,231		\$29,262,850	24.4%

Source: Darebin Development Contribution Plan 2019, page 33

3.0 RESPONSE TO SUBMISSIONS

16. Table 4 overleaf provides my summary of submissions and my response to issues raised.

17. In my opinion, no changes to the DCP are necessary as a result of submissions made.

18. In my opinion, the key matters raised in submissions are:

- Treatment of ‘major’ development sites that propose to build infrastructure that benefits the community. See my response to submission 3e.
- Treatment of La Trobe University. See my response to submission 6.
- General queries of DCP preparation, provisions and levies. See responses in Table 4 below and in section 2 above.

Table 4: Summary of and Response to Submissions

Submission	My Summary of Points	My Response
1 - Environment Protection Authority Victoria	<ul style="list-style-type: none"> No impact on EPA. Does not object to the amendment. 	<ul style="list-style-type: none"> Noted.
2 - Melbourne Water	<ul style="list-style-type: none"> Does not object to the amendment. 	<ul style="list-style-type: none"> Noted.
3 - Save The Preston Market and Darebin Appropriate Development Association	<ul style="list-style-type: none"> Provides in-principle support for a DCP but has concerns over a number of matters as follows. 	<ul style="list-style-type: none"> Noted – see responses below.
3a	<ul style="list-style-type: none"> The timing gap between the previous DCP and proposed new DCP. 	<ul style="list-style-type: none"> The timing gap between DCPs is a matter of fact and is not a matter of relevance to the proposed DCP.
3b	<ul style="list-style-type: none"> The allocation of funds relating to the previous DCP. 	<ul style="list-style-type: none"> The operation of the previous DCPs is a matter of fact and is not a matter of relevance to the proposed DCP.
3c	<ul style="list-style-type: none"> How DCP funds relate to open space levy and whether they seek to make up the shortfall in open space levy funds. 	<ul style="list-style-type: none"> The proposed DCP is separate to the open space levy mechanism. Projects identified for the DCP do not overlap with the basis for the open space levy.
3d	<ul style="list-style-type: none"> Suggests there is a lack of spending in the north of the municipality. 	<ul style="list-style-type: none"> The DCP projects were selected by Council on the basis of meeting DCP tests and being scheduled for delivery within the DCP timeframe.

Submission	My Summary of Points	My Response
		<ul style="list-style-type: none"> The DCP project list is not exhaustive and Council will continue to deliver a range of projects that are not included in the DCP list. This can include projects that are not eligible for DCP inclusion or projects Council was not able to commit to at the time of DCP report preparation.
3e	Seeks clarity on how the DCP would relate to development of the Preston Market site.	<ul style="list-style-type: none"> It is normal for a large development site to deliver (or be required to deliver) its own infrastructure and facilities that relate to the needs and impacts of the proposed development site - and also contribute to broader community wide infrastructure via a DCP. For example, a development may require the construction of a new intersection for the subject site. The intersection is not pre-planned nor included in a DCP. In this example, the intersection would be required to be 100% delivered by the development proponent (via a condition of approval) and the development can be subject to the DCP in accordance with the DCP schedule (for pre-planned community wide infrastructure). Some proponents may also volunteer to deliver works over and above required standards.

Submission	My Summary of Points	My Response
3f	<ul style="list-style-type: none"> Seeks clarity on how the DCP would relate to a section 173 agreement. 	
3g	<ul style="list-style-type: none"> Seeks clarity on how the DCP would relate to social housing. 	<ul style="list-style-type: none"> Social housing is exempt from DCP levies. A funding gap generated by social housing would be paid for by Council.
3h	<ul style="list-style-type: none"> References broader planning issues relating to heritage planning and other planning matters. 	<ul style="list-style-type: none"> The DCP is one implementation tool of the planning system and does not manage broader planning issues including heritage issues.
4 - Urbis Pty Ltd for CES Properties (AUS) Pty Ltd (217-223 Separation Street, Northcote)	<ul style="list-style-type: none"> The subject site is going through a Planning Scheme Amendment process. The proposed site development includes works on and to the site to enable the development. States that a DCP is a reasonable and appropriate mechanism to share the cost of providing infrastructure between new development and the existing community on a fair and reasonable basis but objects to the DCP on the basis that it proposes to levy all new development within the municipality. The specific objection relates to the proposed provision of a number of public benefits by the development site, which should exempt the site from the DCP. 	<ul style="list-style-type: none"> See response 3e and 3f.

Submission	My Summary of Points	My Response
5 - Planning & Property Partners Pty Ltd for Preston Market Developments Pty Ltd (30 Cramer Street, Preston)	<ul style="list-style-type: none"> States that levies should not apply to all developments within the municipality (i.e. the DCP is inappropriately broad in its application). 	<ul style="list-style-type: none"> A DCP can apply to all non-exempt development that places a demand loading on infrastructure. Development types are classified within residential, retail, commercial and industrial categories.
5a	<ul style="list-style-type: none"> States that the proposed levies are inherently excessive in dollar value. 	<ul style="list-style-type: none"> The DCP levies are consistent with other established areas DCPs and area not excessively high. See section 2 of this statement for more information.
5b	<ul style="list-style-type: none"> States that there is a risk of increasing dwelling prices as a result of passing on costs from the DCP. 	<ul style="list-style-type: none"> Development levies are a cost in development. The 'direction' of the cost can impact three elements in development: <ul style="list-style-type: none"> Reduced land value of development sites if the levy is known and factored in up front before the site is purchased. This does not apply to a development in progress such as the submitter. Reduced development profit. This may apply to the submitter. Higher cost to property purchaser. This may apply to the submitter's project. The extent to which a levy flows in the three directions is difficult to determine with certainty and in large part depends on the state of the

Submission	My Summary of Points	My Response
		<p>property market and relative attractiveness of different property projects.</p> <ul style="list-style-type: none"> • When a levy is included in the Planning Scheme, it is known and it is possible for the levy to flow in all directions to some extent. The main concern usually relates to developments in progress where the flow of cost is limited to two options: reduced profit and / or higher end prices. • However, the scale of the levies proposed by the amendment are modest in proportion to the overall cost of housing. • And the scale of levies are consistent with similar other established areas DCPs. • It is possible the levies proposed will have very little impact on end prices and housing affordability.
5c	<ul style="list-style-type: none"> • Has concerns with the DCP time horizon, which is in excess of 20 years. 	<ul style="list-style-type: none"> • The DCP guidelines do not stipulate a maximum 20 year time period for a DCP. Some DCPs operate for 25 to 30 years. • Many established area DCPs operate to a nominal 20 year time frame. • The proposed DCP would operate to 2041.
5d	<ul style="list-style-type: none"> • Has concerns with nexus between the development contribution to be paid, and 	<ul style="list-style-type: none"> • The cost apportionment in the DCP follows the requirements of DCP Guidelines and practice. This DCP uses 16 analysis areas / charge areas for

Submission	My Summary of Points	My Response
	how it relates to the project (subject land required to pay the contribution).	cost apportionment of projects based on their location and service area (catchment).
5e	<ul style="list-style-type: none"> Has concerns with the timing for payment of levies during the planning/development process. 	<ul style="list-style-type: none"> DCP levy payment provisions are in accordance with the requirements of the Planning and Environment Act.
5f	<ul style="list-style-type: none"> Has concerns with DCP exemptions, including where a section 173 agreement is executed in respect to a development. 	<ul style="list-style-type: none"> The exemptions adopted are standard DCP exemption, taken from Ministerial Directions and DCP practice. The exemption in relation to a section 173 agreement clarifies Council's capacity to honour existing agreements which may impact on DCP liability.
6 - Urbis Pty Ltd for La Trobe University	<ul style="list-style-type: none"> La Trobe University supports the general intent of a municipal-wide DCP but objects to the DCP its in current form. The University provides a number of local and regional facilities for the University and for the broader community and seeks to be excised from the DCP or exempted from levies. States that it is not fair or equitable for the University to make contributions for Council infrastructure via residential and non-residential development on La Trobe University land. 	<ul style="list-style-type: none"> Development on La Trobe University land would generate demand on infrastructure like other development and would be subject to DCP contributions. Since exhibition and receipt of submissions, Darebin City Council has proposed changes to DCP deferral provisions (in section 7.3) to make it clearer that Council may consider deferral of community infrastructure levy payments if La Trobe University provides community infrastructure to the satisfaction of Council.

Submission	My Summary of Points	My Response
7 - Housing Industry Association Limited	<ul style="list-style-type: none"> • HIA objects to the proposed amendment. • HIA has an in-principle objection to the use of development levies such as proposed by the DCP system in Victoria and therefore this amendment. • States that the DCP would have a negative impact on housing affordability. • States there may be ‘double dipping’ for items that are funded under existing levies / revenue avenues (i.e. rate collections). • Notwithstanding HIA’s objection to this amendment, the proposed exemptions in the DCP are considered appropriate. • Also references a separate amendment (relating to open space contributions, which is separate to the proposed DCP). 	<ul style="list-style-type: none"> • The submission references in-principle objections to DCPs generally and does not specifically nominate an issue with the proposed amendment as it relates to DCP legislation, directions and guidelines as approved by the State Government.
7a - Housing Industry Association Limited - - HIA Policy: Infrastructure Charges and Levies on Residential Development	<ul style="list-style-type: none"> • The policy nominates the HIA’s general concerns regarding use of levies and charges that are applied to development to pay for physical and social infrastructure. Principles for governments to consider in the formulation of an infrastructure funding system are proposed. 	<ul style="list-style-type: none"> • The policy is not specifically relevant to the proposed Darebin DCP amendment, which follows the requirements of DCP legislation, directions and guidelines as approved by the State Government.

Submission	My Summary of Points	My Response
8 - Tract Pty Ltd for BWP Trust (120 Chifley Drive, Preston)	<ul style="list-style-type: none"> Foreshadows future redevelopment of the site into a mixed-use centre, and the possibility of providing infrastructure on and connected to the site such as open space and pedestrian links. 	<ul style="list-style-type: none"> See response 3e and 3f.
8a	<ul style="list-style-type: none"> Queries the selection of the 16 charge areas and how the boundaries were adopted. 	<ul style="list-style-type: none"> The DCP has adopted charge area sizes and project catchment principles that reflect fair cost apportionment in accordance with the requirements of DCP guidelines and recent practice. The boundaries follow suburbs with refinements for roads, waterways and planning zones. The boundaries were selected in collaboration with Council officers and approved by Council officers. The average size of charge areas is in line with recent established areas DCPs as shown in Table 1 of this statement.
8b	<ul style="list-style-type: none"> Seeks inclusion of the Northland Urban Renewal Precinct (NURP) and its strategic works and infrastructure projects in the DCP. 	<ul style="list-style-type: none"> The DCP is based on the existing Planning Scheme and Council adopted residential development projections and infrastructure projects approved for delivery at the time of preparation. It is acknowledged that there is strategic planning work being undertaken for NURP and other sites and precincts within the municipality.

Submission	My Summary of Points	My Response
		<ul style="list-style-type: none"> • This strategic planning work may change the planning framework in the future. If so, an amendment to DCP provisions for relevant areas may be needed. • However, the DCP cannot speculate as to which strategic projects will be implemented in the future. Rather, the DCP must be based on the adopted planning and policy framework at the time of preparation. • The DCP should be reviewed on a regular basis and amended if significant changes are identified during the life of the DCP.
8c	<ul style="list-style-type: none"> • Queries selection of some projects in the DCP that are from Council's budget, specifically noting Road Rehabilitation projects. Suggests other funding sources are used for these projects including rates. 	<ul style="list-style-type: none"> • All projects in the DCP are capital works and consistent with DCP legislation, directions and guidelines and consistent with other municipal DCPs prepared in Victoria. • All works in a DCP - in Darebin and elsewhere - are included in Council's budgeting and capital works / expenditure programs.
8d	<ul style="list-style-type: none"> • States that road projects are not related to population growth and should not be included in a DCP. 	<ul style="list-style-type: none"> • The principles of the DCP system (see DCP Guidelines 2007 for more information) state that it is not necessary for growth to be the primary user / demand generator of DCP infrastructure, but rather all development - existing development and forecast new development

Submission	My Summary of Points	My Response
		<p>combined - to have a nexus with needed infrastructure. The primary requirement of the DCP system is that forecast new development pays its fair share of the cost of infrastructure according to share of use principles.</p> <ul style="list-style-type: none"> • So for example if forecast new development is estimated to generate 10% of the anticipated use of infrastructure, such development should pay 10% of the cost of the infrastructure. • Road projects in the proposed DCP, like all other projects in this and other DCPs, are treated the same way. The investment in specified road projects are apportioned to development using share of use principles.
8e	<ul style="list-style-type: none"> • Queries whether proposed projects on the development site would count as a DCP credit or whether DCP levies would be applied in addition to the proposed works. 	<ul style="list-style-type: none"> • Normally, unless the infrastructure project in question is included in a DCP, no credit would apply. Such infrastructure could be site specific - located either on or to the site - and be delivered by the development site as a condition of approval or voluntarily provided by the proponent. • In addition to site specific works, DCP levies would apply for community wide infrastructure.

Submission	My Summary of Points	My Response
8f	<ul style="list-style-type: none"> States that DCP levies should not apply to affordable housing dwellings. 	<ul style="list-style-type: none"> Council policy determines exemptions to DCP levies beyond the requirements of Planning and Environment Act and Ministerial Directions. All social housing delivered by or for the Department of Health and Human Services or Registered Housing Associations are exempt from DCP levies. Broader definitions of affordable housing - beyond social housing - are not exempt from DCP levies unless Council makes a policy decision to do that.
8g	<ul style="list-style-type: none"> Queries whether DCP levies would apply to child care facilities, pedestrian laneways and car parking floorspace. 	<ul style="list-style-type: none"> DCP levies apply to all non-exempt gross floorspace at permit stage. A childcare facility may or may not be classified as leviable floorspace. If the childcare facility is a Council infrastructure item, the development would be exempt from the DCP in accordance with exemptions. If floorspace is constructed and used for private use, including childcare uses, the development would be subject to DCP levies (under the commercial floorspace levy). A pedestrian laneway is not classified as gross floorspace and if so, would not be subject to DCP levies.

Submission	My Summary of Points	My Response
		<ul style="list-style-type: none"> Car parking is not normally classified as gross floorspace and if so, would not be subject to DCP levies.
9 - Victorian Planning Authority (Planning Authority for the Preston Market Precinct)	<ul style="list-style-type: none"> The VPA generally supports the proposed amendment. States that a site-specific charge area could be developed for the Preston Market precinct as a separate amendment in the future. 	<ul style="list-style-type: none"> Agree. A separate overlay schedule can be applied for that development site (and other such sites) in addition to the proposed DCP in the future if needed.
10 - City of Yarra	<ul style="list-style-type: none"> No submission provided. 	<ul style="list-style-type: none"> Noted.
11 - Vicinity Centres	<ul style="list-style-type: none"> Support the general intent of a municipal-wide DCP but believes that work completed by Council does not appropriately forecast the required development and infrastructure needs for the La Trobe National Employment and Innovation Cluster broadly and Northland Urban Renewal Precinct (NURP) in particular. NURP is not a consolidated charge area and specific residential projections are understated for the area and infrastructure needs are not fully scoped for the area. 	<ul style="list-style-type: none"> See response 8b.
12 - SJB Planning for Deal Corporation Pty Ltd (Polaris Town)	<ul style="list-style-type: none"> Object to the amendment. 	<ul style="list-style-type: none"> See response 5b.

Submission	My Summary of Points	My Response
Centre & Residential Precinct at the corner of Main Drive and Plenty Road, Bundoora)	<ul style="list-style-type: none"> • Opposed to a new levy being implemented in the current economic climate. • Says that the cost of the levy will be passed onto purchaser/occupant and have an impact on housing affordability. 	
12a	<ul style="list-style-type: none"> • Questions nexus between works being levied to Charge Area 3, specifically the scope of open space items for existing community facilities, for example lighting upgrades, and road projects. 	<ul style="list-style-type: none"> • The DCP has adopted charge area sizes and project catchment principles that reflect fair cost apportionment in accordance with the requirements of DCP guidelines and practice as shown in adopted DCPs in established areas and growth areas over the past 10 to 15 years. • The DCP includes projects that are permitted by DCP directions, guidelines and practice. This includes open space works and road works.
12b	<ul style="list-style-type: none"> • Questions the relationship between the DCP and proposed changes to the open space levy. 	<ul style="list-style-type: none"> • The DCP is separate to the open space levy. • The DCP has been prepared on the basis that its open space projects are separate to the basis for the open space levy.
12c	<ul style="list-style-type: none"> • States that the development is providing open space within the development and should be exempt from the DCP. • Seeks to be included in listed of exemptions. 	<ul style="list-style-type: none"> • See response 3e and 3f.

Submission	My Summary of Points	My Response
12d	<ul style="list-style-type: none"> Seeks to expand the list of exemptions to include affordable and/or social housing projects that are delivered by the private sector in partnership with a housing association or similar. 	<ul style="list-style-type: none"> See response 8f.

4.0 PROPOSED CHANGES TO DCP

19. Since the DCP was exhibited, some changes have been proposed by Darebin City Council in section 7.3 (Deferral of Payment) and section 7.5 (Exemptions). In essence, the proposed revisions seek to make the circumstances of deferral and exemption provisions clearer.
20. I support the proposed changes to section 7.3 (Deferral of Payment) and section 7.5 (Exemptions) of the DCP.

5.0 CONCLUSION AND DECLARATION

Conclusion

21. I believe the proposed DCP, with adjustments to administrative provisions as described in this statement, is suitable for adoption.

22. I am not aware of any other changes that should be made to the DCP.

23. I provide this statement for the benefit of the Panel.

Declaration

24. I have made all the inquiries that I believe are desirable and appropriate and no matters of significance which I regard as relevant have to my knowledge been withheld from the Panel.

25. In giving my evidence, I confirm I:

- Will be alone in the room from which I am giving evidence and will not make or receive any communication with another person while giving my evidence except with the express leave of the Panel;
- I will inform the Panel immediately should another person enter the room from which I am giving evidence;
- During breaks in evidence, when under cross-examination, I will not discuss my evidence with any other person, except with the leave of the Panel; and
- I will not have before me any document, other than my expert witness statement and documents referred to therein, or any other document which the Panel expressly permits me to view.



Alex Hrelja

Principal, Hill PDA Pty Ltd

Final – 14 May 2021

ATTACHMENT 1: ABOUT HillPDA

HillPDA is a specialist consulting firm with a highly skilled and experienced team of economists, valuers and urban planners.

Established in 1990, it has successfully gained an enviable reputation for professional, unbiased and independent advice. Today we are respected for our creative, diligent and balanced approach to all facets of our consultancy activities. The strengths of the practice are derived from the depth and breadth of our experience, our multidisciplinary expertise and our determination to ensure the highest level of professionalism and integrity.

At the heart of the HillPDA service is independence, integrity and creativity. It is a service that reflects experience, enthusiasm and dedication. It is a service that provides the advantage of a fully integrated multi-disciplinary capability.

Our client base is equally diverse, ranging from Commonwealth, State and Local Government agencies, financial institutions, development organisations, private corporations, professional firms and both large and small landowners and investors.

In the provision of advice in property land economics, HillPDA has considerable experience throughout Australia and internationally. This experience extends from the broad strategic level to detailed site-specific investigations and analysis.

HillPDA was the author of Estate Master property software. In 1991, HillPDA began developing the Estate Master software, and since then it has developed into a suite of powerful, flexible and easy-to-use property development software. Its financial models play a pivotal role in decision-making between developers, financiers and valuers for development feasibility, development management and valuation practices.

Our core value adding service areas embrace:

- Property economics
- Planning
- Valuation
- Advisory

ATTACHMENT 2: ALEX HRELJA

Alex Hrelja

Principal, HillPDA

- Master of Business (Property) (RMIT University)
- Master of Urban Planning (University of Melbourne)
- Bachelor of Planning and Design (First Class Honours) (University of Melbourne)
- Member Planning Institute of Australia

Alex manages HillPDA's Melbourne office. Alex is a specialist in property economics, urban economics, strategic planning and economic development and has over 25 years of consultancy experience in those fields.

Alex has worked across Australia in his fields of expertise. Clients include local, state and Commonwealth governments, developers and infrastructure agencies. Much of his work is based on an expert understanding of regional economic and social patterns and drivers, reviewing supply side conditions and forecasting demand conditions for specific projects to complex urban and regional development areas. His work ranges from feasibility studies for specific sites through to regional urban economic plans for all land use sectors, such as growth corridor economic plans.

His specific areas of expertise are:

- Property Advisory and Feasibility Studies (Estate Master)
- Market Research and Demand Studies
- Urban Economics for Growth Areas and Activity Centres
- Retail Economics and Impact Studies
- Industrial Land Strategies
- Infrastructure Funding and Development Contributions
- Economic Development
- Community Facility Provision Plans

Prior to joining HillPDA, Alex was a Director of an urban economics consultancy firm for eight years. He has also worked in research roles in higher education

and in strategic planning and economic development roles within public agencies. A brief sample of Alex's project experience follows.

Gazetted DCPs

Alex has prepared numerous development contribution plans covering the full spectrum of infrastructure across all development settings. Those that have been formally gazetted in Planning Schemes are listed below.

- Yarra Municipal DCP
- Sunshine Town Centre DCP
- Banyule Municipal DCP
- Brimbank Municipal DCP
- Baw Baw Municipal DCP
- Mildura South Growth Area DCP
- Mildura South Growth Area DCP No. 2
- Irymple-Nichols Point Rural and Industrial Areas DCP
- Fountain Gate-Narre Warren CBD Activity Centre DCP
- Cranbourne North Growth Area and Activity Centre DCP
- Epping Central Activity Centre and Industrial Areas DCP
- Torquay Jan Juc Township and Growth Areas DCP
- Diamond Creek Low Density Residential Area DCP

Gazetted Open Space Levies

Alex has also prepared gazetted open space levy schemes that apply in Victorian Planning Schemes.

- Brimbank Open Space Contributions Levy
- Moreland Open Space Contributions Levy
- Banyule Open Space Contributions Levy

Other Recent Projects

- Darebin Municipal DCP
- Maribyrnong Municipal DCP
- Ringwood Major Activity Centre DCP
- Yarra Ranges Shire Municipal DCP
- Elsternwick Renewal Area South DCP
- Brimbank Community Infrastructure DCP

- Yass Valley Council Section 94 Contributions Plan (Yass Valley Council NSW)
- Metronet DCS Advice (sub-consultant to Woodsome Management WA)
- Wungong DCS Review (sub-consultant to Woodsome Management for landowners WA)
- Forrestfield DCS Financial Calculator (sub-consultant to Woodsome Management for City of Kalamunda WA)
- Forrestfield North DCS (sub-consultant to Woodsome Management and TPG for City of Kalamunda WA)

Policy Projects

- Fishermans Bend Urban Renewal Area Business Case Inputs, Aurecon for Fishermans Bend Taskforce
- Unit of Charge Analysis, Department of Planning and Environment NSW
- Input into Development Contribution Plan Review and Guidelines, Department of Planning and Environment Victoria
- Open Space Contributions Review, Department of Planning and Community Development Victoria
- Pilot Growth Areas DCP, Department of Planning and Community Development Victoria

Selected Market Research and Demand Studies

A sample of market research and demand studies follows.

- Wallan South and Wallan East PSP Retail and Economic Assessment, Victorian Planning Authority
- Major Activity Centres Supply and Demand Study, City of Stonnington
- Plumpton and Kororoit PSP Economic Assessment, Victorian Planning Authority
- Tarneit Major Town Centre Economic Impact Assessment and Alternative Design and Development Outcomes, Global South and Wyndham City Council
- Retail and Economic Assessment for PSP74 and PSP75 (Sunbury Township), Victorian Planning Authority
- Golden Plains Land Use Economic Modelling, Golden Plains Shire Council
- Land Strategy, Greater Metropolitan Cemeteries Trust (GMCT)

- Property Strategy and Business Case (Industrial and Commercial Property in Victoria), APA Group
- Market Research and Feasibility Analysis, VicTrack
- Torquay Major Landholding Study, Surf Coast Shire Council
- Property Advisory Services, Australian Gas Infrastructure Group
- Housing Market Research and Feasibility Analysis, Hume City Council
- Dowling Forest Precinct Property Market and Economic Analysis, City of Ballarat
- Economic Assessment for Distinctive Areas and Landscape Assessment, Department of Environment, Land, Water and Planning
- Braybrook Regeneration Project, Victorian Planning Authority
- Feasibility Study for Defence Site Maribyrnong, Victorian Planning Authority
- Boronia Renewal Project – Economic Demand, Land and Site Options Analysis, Knox City Council
- Thomastown Industrial Land Study, City of Whittlesea
- Truganina Property Market Research, Landowner
- Commercial Office Market Assessment, Mirvac
- Valuation Advice Budget Estimates for Proposed School Sites, Department of Education (Victoria)



MELBOURNE

Suite 114, 838 Collins Street

Docklands VIC 3008

t: +61 3 9629 1842

f: +61 3 9629 6315

e: melbourne@hillpda.com

SYDNEY

Level 3, 234 George Street

Sydney NSW 2000

GPO Box 2748 Sydney NSW 2001

t: +61 2 9252 8777

f: +61 2 9252 6077

e: sydney@hillpda.com

WWW.HILLPDA.COM