

Development Incentives: Reduction in Infrastructure Charges Policy

Policy type	Council
Function	Planning & Development
Policy Owner	Planning
Effective date	24 April 2014

1. Purpose

The purpose of this policy is to encourage development that achieves strategic planning and economic objectives for the Cassowary Coast by considering a reduction in the infrastructure charges payable for certain types of development in certain locations.

This policy sets out the circumstances in which Council may do so.

2. Background

Infrastructure charges are levied on development to pay for the provision of trunk infrastructure networks for water supply, sewerage, transport, stormwater, and public parks and land for community facilities. Council has invested heavily in these infrastructure networks in the past, with spare capacity in these networks, there is little or no need for new trunk infrastructure to be provided.

In providing these reductions, Council is seeking to deliver significant and sustainable growth, diversity and value-adding that is aligned to Council's strategic planning and economic objectives.

3. Scope

To encourage new development in those parts of the local government area which have underutilised capacity in existing trunk infrastructure networks, Council will consider discounting the infrastructure charges payable for certain types of development in certain locations.

Council is committed to achieving a growing economy by encouraging new development. It recognises however that the cost of undertaking development in the Cassowary Coast local government area must be regionally competitive if that investment is to be secured. One way of enhancing that competitiveness is to reduce the infrastructure charges that are levied on new development.

Council recognises that the underutilised capacity within its existing infrastructure networks is an underutilised economic resource. It also recognises that reducing the cost to developers of accessing this existing infrastructure capacity can stimulate development without additional cost to its ratepayers.

4. Definitions

Table 1: Definitions and Interpretation

Building work	is defined in the Act.
Completed (Building work)	when the final inspection certificate for the Building work, or the certificate of classification for the building, is given under the Building Act 1975.
Completed (Material Change of Use)	when the change happens.
Completed (Reconfiguring a Lot)	the plan of subdivision has been approved by Council under Schedule 18 of the <i>Planning Regulation 2017</i> .
Council	means the Cassowary Coast Regional Council.
Eligible development	means development that meets the eligible criteria in section 6.1.
Infrastructure charges notice	is defined in the Act.
Material change of use	is defined in the Act.
Planning Scheme	means the Cassowary Coast Regional Council Planning Scheme.
Properly made application	is defined in the Act
Reconfiguring a lot	is defined in the Act.
Trunk infrastructure	is defined in the Act.

5. Principles

The proposed development must be a development for Material Change of Use or Reconfiguration of a Lot in respect of which an infrastructure charge has been adopted pursuant to Council's infrastructure charges resolution and in respect of which a development approval and infrastructure charges notice is required to be given.

It is at the absolute discretion of Council whether a discount on infrastructure charges is granted for a particular development, and to what percentage, notwithstanding that proposed development may be located in an eligible location and is for eligible development.


There is no right of appeal should Council in its discretion decide to refuse or approve in part the request.

6. Policy

6.1 Eligibility criteria

To be eligible to request a discount on the infrastructure charges payable under an infrastructure charges notice, a proposed development must comply with all of the following criteria:

- a) The proposed development is located in an eligible location and is for eligible development (as determined by Table 2 and Table 3 of the Policy).
- b) The proposed development provides for capital investment in accordance with the planning scheme.
- c) The proposed development generates growth and new opportunities for investment within the region* (note: if the requested reduction amount is greater than \$500,000.00 the applicant must supply a *Socio-economic impact assessment* (SEIA) completed by a suitability qualified and experienced person in accordance with section 7 of this policy. The SEIA is to be supplied at the time of lodgement of the request for Councils consideration).

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- d) The proposed development must be capable of being completed within three (3) years of the date on which the development approval in respect of the development starts to have effect under the Act.

6.2 Amount of discount

A discount of up to 100% on infrastructure charges payable under an infrastructure charges notice may be applied by Council under this policy.

6.3 Request for discount

A request for a discount on infrastructure charges under this Policy must be made to Council in writing and must demonstrate compliance with all of the eligibility criteria in section 6.1.

The request may be lodged with Council:

- a) In association with a properly made application received by Council during the term of the Policy; or
- b) At any later date prior to the time for payment of any infrastructure charges levied in respect of the development under the Act.

6.4 Consideration of request

Council will consider the request against the eligibility criteria. If Council is not satisfied that the eligibility criteria have been or can be complied with, the request will be refused.

If Council is satisfied that the eligibility criteria have been or can be complied with, Council will consider the request having regard to any matter Council considers relevant, including:

- a) Any infrastructure agreement or proposed infrastructure agreement in respect of the development;
- b) Any conditions of approval or proposed conditions of approval in respect of infrastructure for the development;
- c) Any infrastructure works to be funded by the applicant or Council;
- d) Whether the applicant has any outstanding debts payable to Council;
- e) Whether the applicant has any outstanding compliance issues in Council's local government area.

The request may be approved, approved in part (by approving a reduced discount) or refused. Council's decision will be made prior to the time for payment of the infrastructure charges to which the application relates.

6.5 Notification and Implementation of Decision

An applicant who has made a request for a discount on infrastructure charges will be advised in writing of Council's decision in relation to their request, prior to the time for payment of the infrastructure charges to which the application relates.

If Council agrees to discount infrastructure charges, the discounted amount will be subtracted from the infrastructure charge payable under the infrastructure charges notice levied in respect of the development, after taking into account an offset or refund applicable under the Act for the development.

6.6 Infrastructure Agreement

If the request is approved, and before the discount can apply, Council and the applicant must enter into an infrastructure agreement prepared by Council under the Act. The agreement will include the following terms:

- a) The proposed development must be completed within three (3) years of the date on which the development approval for the proposed development starts to take effect under the Act.

- b) In the event that the proposed development is not completed within three (3) years of the date on which the approval starts to take effect under the Act, the discount will not apply and infrastructure charges are payable in accordance with the infrastructure charges notice and the Act.
- c) In the event that the proposed development is completed within three (3) years of the date on which the approval starts to take effect under the Act:
- (i) any discounted infrastructure charge will be payable in accordance with the timing provided for in the Act, unless a full discount is provided, in which case a charge is not payable; and
 - (ii) Council waives its rights of recovery to the extent of the discount provided.

6.7. Interpretation

Table 2: Material Change of Use: Eligible Location, Eligible Development and Potential Reduction

Eligible Location	Eligible Development	Potential Reduction (%)
Rural Zone Where the property has a minimum land area of 1 hectare	<ul style="list-style-type: none"> • Food and drink outlet (where code assessable in the Cassowary Coast Planning Scheme 2015) • Nature based tourism (up to and including 6 cabins) • Tourist park • Winery/distillery/brewery 	Up to 100%
Environmental Management and Conservation Zone	<ul style="list-style-type: none"> • Nature based tourism (up to and including 6 cabins) • Tourist park 	Up to 100%
Township Zone Business Precinct Local Business Precinct Business Fringe Precinct	<ul style="list-style-type: none"> • Food and drink outlet • Health care services • Indoor sport and recreation • Office • Shop • Service industry 	Up to 100%
Township Zone Central Business Precinct	<ul style="list-style-type: none"> • Food and drink outlet • Function facility • Health care services • Hotel - where for a 4-star (or better) accommodation facility* • Indoor sport and recreation • Multiple dwelling – where for 4 or more dwelling units • Shop • Shopping centre • Short term accommodation - where for a 4-star (or better) accommodation facility* • Theatre • Warehouse 	Up to 100%
Township Zone Community Purpose Precinct	<ul style="list-style-type: none"> • Child care centre • Educational establishment • Health care services • Hospital • Residential care facility • Retirement facility 	Up to 100%

Eligible Location	Eligible Development	Potential Reduction (%)
Township Zone Industry Precinct	<ul style="list-style-type: none"> • High impact industry • Low impact industry • Marine industry • Medium impact industry • Outdoor sales • Research and technology industry • Service station • Special industry • Transport depot • Warehouse 	Up to 100%
Township Zone Residential Precinct	<ul style="list-style-type: none"> • Dual Occupancy • Multiple dwelling – where for 4 or more dwelling units 	Up to 100%
Township Zone Residential Choice Precinct	<ul style="list-style-type: none"> • Dual Occupancy • Multiple dwelling – where for 4 or more dwelling units 	Up to 100%
Township Zone Tourism Precinct	<ul style="list-style-type: none"> • Function facility • Multiple dwelling – where for 4 or more dwelling units • Resort complex • Shop • Short term accommodation - where for a 4-star (or better) accommodation • Tourist attraction 	Up to 100%

Note: * 4-star rating is determined by the Australian Tourism Industry Council Classification Guideline

Table 3: Reconfiguration of a Lot: Eligible Location and Potential Reduction

Eligible location	Potential Reduction (%)
Rural Zone *	0%* * with the exception of land included within the Urban Footprint of the Far North Queensland Regional Plan 2009-2031 or land which is subject to a preliminary approval overriding the planning scheme for residential development which Council may grant a potential reduction of up to 100%
Environmental Management and Conservation Zone	0%
Township Zone Business Precinct Local Business Precinct Business Fringe Precinct	Up to 100%
Township Zone Central Business Precinct	Up to 100%
Township Zone Community Purpose Precinct	Up to 100%
Township Zone Industry Precinct	Up to 100%

Eligible location	Potential Reduction (%)
Township Zone Residential Precinct	Up to 100%
Township Zone Residential Choice Precinct	Up to 100%
Township Zone Tourism Precinct	Up to 100%
Rural Residential Zone	Up to 100%

Note: References to defined development (including land uses) and zonings are references to those land uses and zonings as defined in the Cassowary Coast Regional Council planning scheme 2015 (Schedule 1) as applicable.

7. Socio-economic impact assessment (SEIA) Guidelines

The SEIA must estimate the project's economic and social impacts and capture the economic and social opportunities generated by the project at all stages of the project lifecycle. It must include both a description of the economic and social environment with and without the project. The SEIA must

- use the best current data available
- use standard and consistent terms and methodologies at all stages of the project
- cover the full life-cycle of the project
- specify the modelling methodologies used
- adopt an appropriate discount rate for costs and benefits occurring in the future
- document all key assumptions and their rationale
- explain the methods used to gather information
- describe how the key impacted stakeholders and communities were consulted and the data they provided
- express monetary values in Australian dollars adjusted to a common date
- use a risk management framework to focus on the impacts with the highest probability and consequential impacts
- consider cumulative impacts of other developments in the region, where feasible;
- projected population changes attributable to the project; and
- provide a cost-benefit analysis (CBA), which is used to identify the costs and benefits of the project

The specific consideration of economic and social impacts must also provide an overview of:

- the key stakeholders and communities of interest
- the local, regional, state and national economies of interest
- local business and industry content procurement opportunities
- source locations of employees and contractors
- impacts on housing supply/accommodation and demand and household goods and services
- demands for other essential services and facilities
- expected timing and geographic distribution of impacts; and
- health and community well being

Where possible, economic and social impacts impact modelling should also describe and quantify the following:

- projected population changes attributable to the project
- capital and operational expenditure
- project revenues
- direct impacts on gross regional product and gross state product
- any relevant royalties, taxes and duties
- any relevant site remediation costs (if applicable)
- source of goods and services, Queensland, interstate and overseas
- workforce and labour market impacts, including effects on wages and local labour supply and demand
- direct and indirect full-time equivalent job numbers at each phase of construction and operation
- healthcare and emergency response impacts;
- transport and utilities impacts
- education and childcare impacts; and
- community support services impacts

Related forms, policies and procedures	Development Incentives: Reduction in Infrastructure Charges Application Form
Relevant legislation	<i>Local Government Act 2009 (Qld)</i> <i>Planning Act 2016 (Qld)</i>
Reference and resources	Cassowary Coast Regional Planning Scheme 2015

Policy Number	10751		
Approved by	Council Resolution 0641	Approval date	24 April 2014
Approved by	Council Resolution 0960	Approval date	23 April 2015
Approved by	Council Resolution 1248	Approval date	21 April 2016
Approved by	Council Resolution 1369	Approval date	13 December 2016
Approved by	Council Resolution P0026	Approval date	8 March 2018
Approved by	Council Resolution LG0622	Approval date	12 December 2019
Approved by	Council Resolution LG1232	Approval date	31 March 2022
Approved by	Council Resolution LG1427	Approval date	25 January 2023
Approved by	Council Resolution LG1664	Approval date	24 January 2024
Review date	Annually		