

# HEYFIELD LOW DENSITY RESIDENTIAL LAND SUPPLY STUDY

WELLINGTON SHIRE COUNCIL

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FINAL

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# EXECUTIVE SUMMARY

## PROJECT BACKGROUND

Urban Enterprise was engaged by Wellington Shire Council to undertake a Low Density Residential Land Supply Study for the Heyfield township. The aim of this study is to provide independent recommendations to Council in relation to the availability of suitable, viable locations in proximity to Heyfield to provide for low density residential land (1 acre lots) that are developable within the short term (0-5 years).

## PLANNING CONTEXT

The SPPF, LPPF and Planning Practice Note provides the following guidelines for rural residential development:

- Rural residential development must be considered against the regional, state and local planning policies;
- Land should only be zoned for rural living or rural residential development where it is located close to existing towns and urban centres, and can be supplied with electricity, water and good quality road access;
- Rural residential development should protect area of high agricultural, natural resources, significant landscape and heritage values;
- Rural residential development should not be provided on land that is within the separation requirement of a 'sensitive' land use under the EPA guidelines, located in close proximity to fire or flood-prone areas or wastewater treatment plant;
- Rural residential development must be supported by demonstrated housing demand; and
- A framework of a broad range of location-specific criteria should be developed to identify land suitable for rural residential development.
- The potential future residential growth to the north-east of the existing residential area, and the potential future expansion to the industrial area on Maffra Road to the north, south and east should be protected from alternative uses, including low density residential, as identified in the Heyfield Strategy Plan;
- Under the LDRZ, each dwelling must be connected to reticulated sewerage if available, or a reticulated portable water supply/alternative portable water supply, and a reticulated electricity supply/alternative energy supply; and
- A permit is required to subdivide land in LDRZ, where a minimum subdivided lot size is 0.4 hectares for each lot that is not connected to reticulated sewerage, and 0.2 hectares for each lot that is connected to reticulated sewerage.

## PLANNING AND INFRASTRUCTURE CONSIDERATIONS

The key planning and infrastructure issues that need to be considered when planning for future low density residential development in Heyfield include the following:

- Flooding and high quality agricultural land generally prohibits development to the south and south-east of Heyfield;
- Industrial, timber mill and wastewater treatment activities restrict opportunities for development to the east and north-east of Heyfield, with the exception of land on the east side of Tyson Road;
- Ongoing timber mill operations on Firebrace Road will limit opportunities for residential development in the vicinity of the mills for the foreseeable future. The preparation of acoustic reports and building requirements to meet noise measures adds costs to dwelling construction in areas in the vicinity of the mill that are available for residential use;
- Bushfire risk limits opportunities outside the town to the north and north-west;
- Residential development with watershed that drains into the Proclaimed water catchment will need to be considered against the Ministerial Guidelines for Planning Application in Open Potable Water Catchments; and

- No significant services constraints are identified – sufficient capacity for electricity supply and proximity to water supply exists across the township.

The planning and infrastructure considerations highlight that many areas surrounding the existing township – and some areas within the township – are limited in terms of development opportunities due to a range of constraints.

## **LOW DENSITY RESIDENTIAL DEMAND AND SUPPLY**

Wellington Shire is a popular location for rural and low density residential dwellings and lots, and the Heyfield Maffra region is experiencing an increase in overall residential demand. Based on the historical average number of dwelling approvals in the rural living zones and projected population growth, past demand for rural residential lots in Heyfield is approximately 3 lots per annum.

Much of the supply of land in the Rural Living Zone in Heyfield is fragmented and is unlikely to be made available to the market in the short term. Approximately 16 lots are vacant and potentially available to the market, however these lots are all at least 8,000sqm in area, with many 1-2 hectares in area. These lots would not necessarily meet the needs of those seeking smaller low density lots in the order of 4,000sqm / one acre.

The lack of available supply of lots between 2,000sqm and 8,000sqm means that the market is relatively untested for this product, and there is a gap in the market for Low Density Residential lots, both in Heyfield and surrounding towns. It is expected that if lots were made available in the order of 4,000sqm, that some of the recent demand for lots in the Rural Living Zone would be transferred to the Low Density Residential Zone, and further latent demand may be met by addressing this market gap.

If historical demand for rural living lots is used as a guide, it could be expected that at least 3 lots per year could be required in the Low Density Residential Zone if appropriate land is made available to the market. Over the next 5-10 years, this would equate to demand for 15-30 lots in the Low Density Residential Zone. At an average lot size of 4,000sqm and allowing 30% of land area for access, drainage and open space, this would require a total of approximately 9 -17ha of LDRZ land. It is likely that initial demand when new LDRZ lots are released to the market would significantly exceed 3 lots per annum due to latent demand.

Although existing land in the LDRZ has potential to create new low density lots, only one landowner intends to subdivide and the process has been delayed by issues relating to the viability of development. If this land is ultimately subdivided, a total of only 11 lots would be created, meaning that it is likely that additional land would be required in any case.

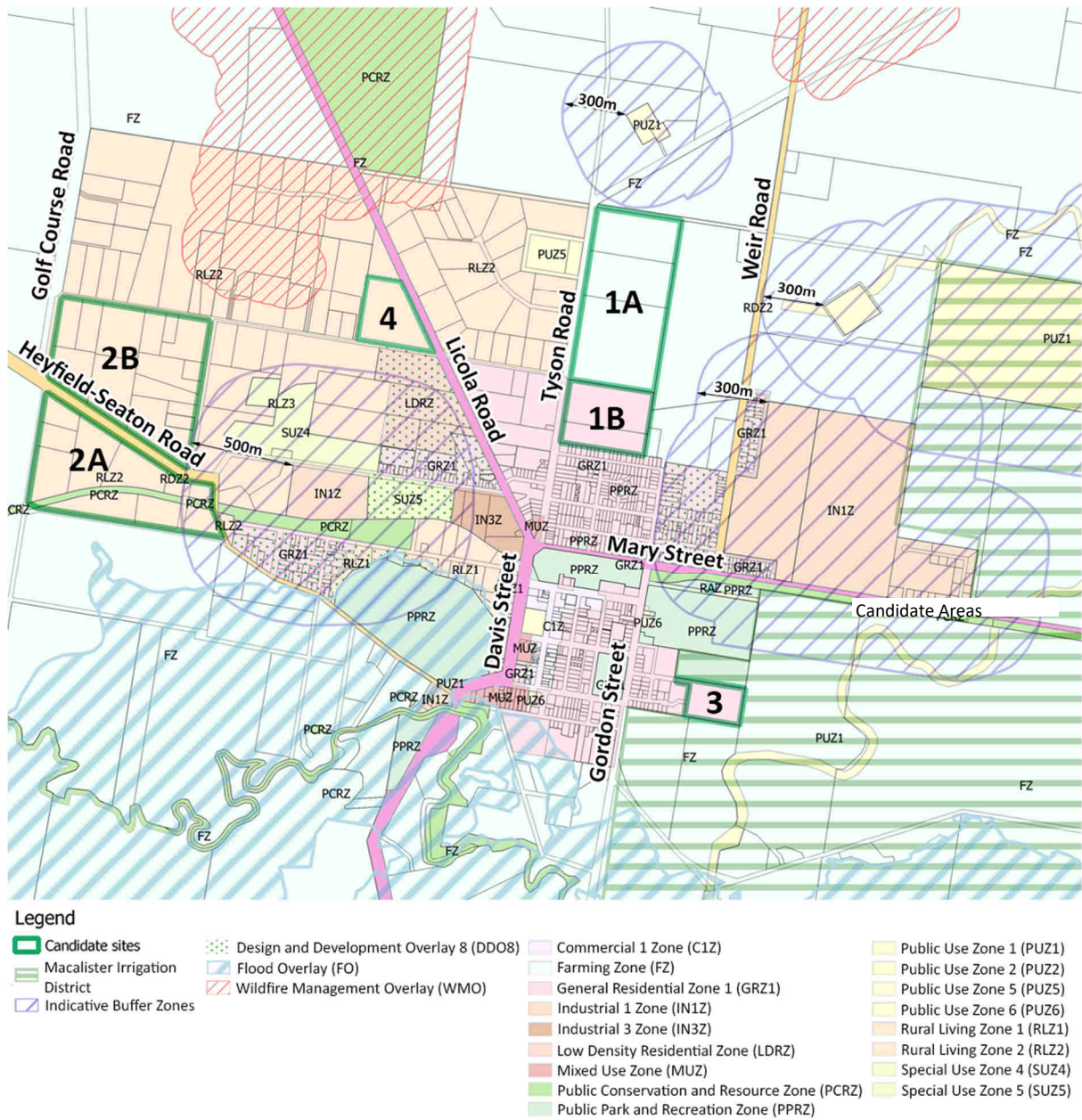
In order to ensure that there is sufficient supply of low density residential lots on an ongoing basis, the take up of any new LDRZ land should be monitored yearly and a review of the suitability of supply (quantity and quality) should be undertaken every 5 years.

## **CANDIDATE AREAS AND ASSESSMENT**

Four Candidate Areas were identified for investigation for their suitability and feasibility for low density residential development in Heyfield. The boundaries of the candidate areas are shown in Figure 1. Each area was assessed against the following criteria:

1. How well do the site characteristics of the Candidate Area align with the needs of the market and future residents, such as amenity, location and accessibility?; and
2. Are there any constraints to the land being developed such as bushfire or native vegetation, and to what extent (if any) would LDRZ in this location impact long term strategic planning objectives?; and most importantly:
3. What proportion of the land is owned by those with interest and capacity to sell or develop the land, how well would the land ownership pattern enable development, could the resulting lot yield meet demand over the next 5 years, and would short term development be feasible?

**FIGURE 1** CANDIDATE AREAS FOR FUTURE LOW DENSITY RESIDENTIAL DEVELOPMENT



Source: Urban Enterprise, 2016.

## RECOMMENDED APPROACH TO LOW DENSITY RESIDENTIAL LAND

Based on a detailed assessment against the criteria, the following approach to low density residential land in Heyfield is recommended.

The only Candidate Area property owned by a developer with the intention to subdivide in the short term is Candidate Area 3. The characteristics of this area are well aligned with the needs of the market and community, particularly in relation to proximity to the town centre and recreation opportunities. This area presents the best opportunity for short term LDRZ supply in Heyfield.

The relatively low development costs associated with Area 3 will support a feasible subdivision on this site, likely to be completed in a single stage making use of existing infrastructure. Two large lots exist at the eastern end of Burnett Court, providing a logical lot size transition between future LDRZ lots and the existing standard residential lots on Burnett Court.

Area 3 could provide approximately 11 lots to the market in the short term. It is recommended that a second LDRZ area would also be required to ensure that there is no shortage of low density lots over the next 5 years. The identification of a second area would provide the benefits of encouraging competition in the development market and offering a different location / setting to prospective land purchasers. As a result, there is likely to be improved choice and reduced upward pressure on lot prices if two areas are rezoned.

It is considered that Area 2B presents the best opportunity for subdivision based on the stated intentions of owners in this area to subdivide in the short term. This area could provide a secondary LDRZ that could ultimately link with long term LDRZ expansion north of Firebrace Road, and would not compromise other long term strategic planning objectives for the town.

It is therefore recommended that approximately 12.8ha of land across 5 properties in the south-eastern corner of Area 2B is rezoned to the LDRZ, which could yield in the order of 22-23 lots if all are subdivided and existing dwellings are not retained. If existing dwellings are retained in this area, the subdivision layout would likely result in a slightly lower yield in the order of 17-18 lots (depending on the subdivision layout). In either case, this area could deliver approximately 3 – 6 years of supply to the market over the short term. Advice from TGM is that construction costs per lot would be lower within this recommended area than the average construction cost per lot across the broader Candidate Area 2B, assuming access from Heyfield Seaton Road and a small detention basin being constructed in the south-west of the area.

A Development Plan Overlay is required to ensure a co-ordinated approach to subdivision and infrastructure provision in Area 2B to ensure co-operation between landowners to deliver the new supply. Actual subdivision costs and layouts would need to be agreed with Council – the capacity of landowners to fund development, retain existing dwellings and co-ordinate with the timing and infrastructure provision of neighbouring subdivisions could all impact on the delivery of new lots in this area, hence it is identified as a secondary supply opportunity to the primary opportunity in Candidate Area 3.

The location of proposed short term LDRZ areas are shown in Figure 2 overleaf.

Candidate Areas 1 and 4 present appropriate locations for future LDRZ, however not all landowners will have capacity or intention to subdivide in the short term. It is expected that these areas could provide medium term supply at the earliest. Candidate Area 1 could also potentially limit residential expansion to the north-east of the town. In the short term, it is considered appropriate for this area to remain as currently zoned (including land further to the east on Weir Road) so as not to compromise any long term standard residential growth opportunities.

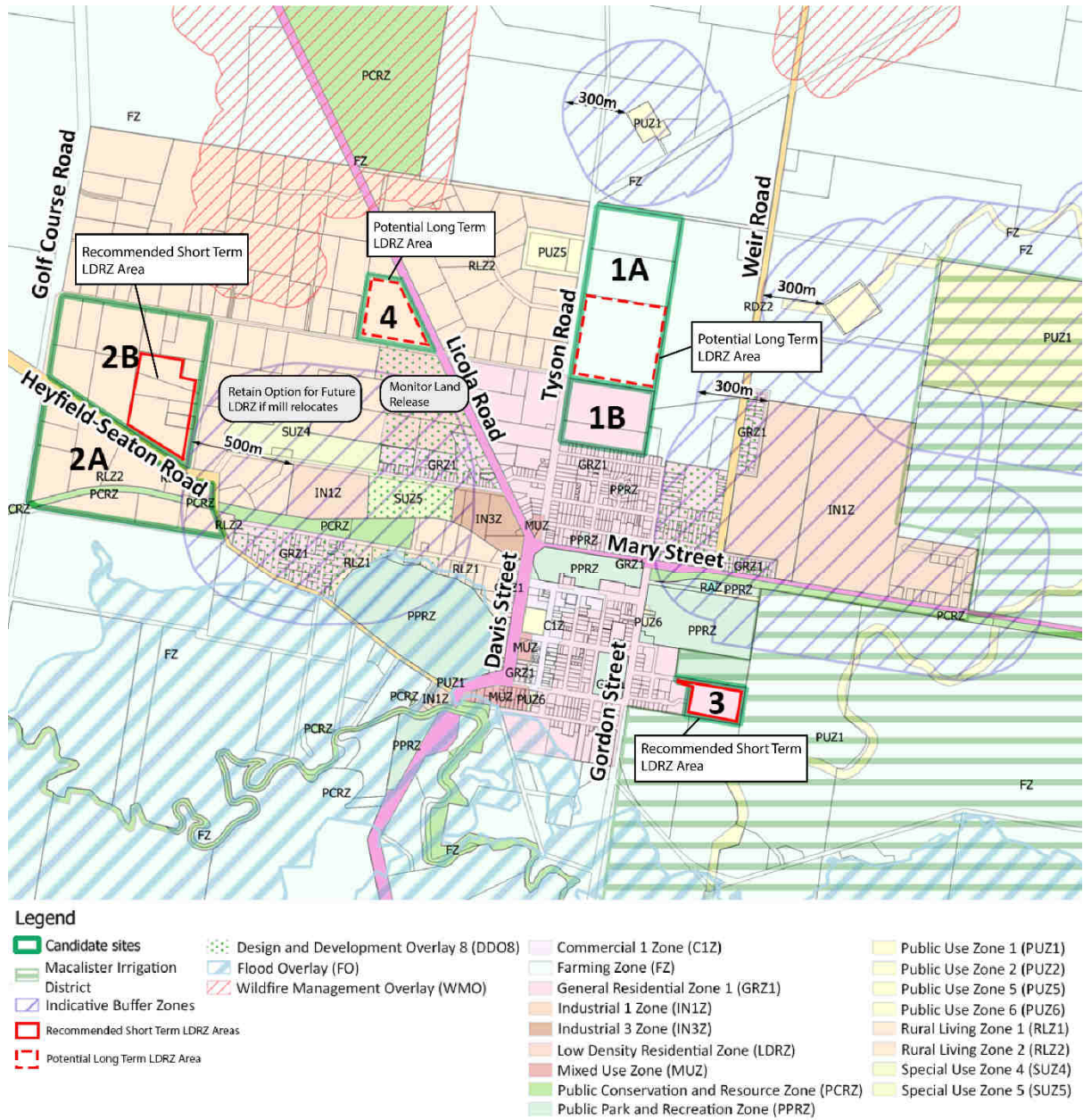
It is recommended that the southern property in Candidate 1A and Area 4 are identified as potential long term LDRZ opportunities, subject to a review of land supply and demand after 5 years which would reassess factors such as:

- The timing of relocation of the Green Mill;
- The lot yield generated by LDRZ land including on Licola Road and within Areas 2B and 3; and
- Supply and development activity within remaining greenfield land in the General Residential Zone.

The recommended approach to short and long term LDRZ land in Heyfield is shown in Figure 2.



**FIGURE 2** RECOMMENDED APPROACH TO LOW DENSITY RESIDENTIAL IN HEYFIELD



Source: Urban Enterprise, 2016.

# 1. INTRODUCTION

## 1.1. BACKGROUND

Urban Enterprise has been engaged by Wellington Shire (**Council**) to undertake a Low Density Residential Land Supply Study for the Heyfield township. The aim of this study is to provide independent recommendations to Council in relation to the availability of suitable, viable locations in proximity to Heyfield to provide for low density residential land (1 acre lots) that are developable within the short term (0-5 years).

The study seeks to recommend appropriate locations for potential development of 1 acre (4,000sqm) lots, based on a viability assessment; and identifies implementation actions, including rezoning of land, to meet identified short term demand.

The key objectives for the study include:

- Provide for sufficient 1 acre lots in the short term to create more housing diversity and opportunities;
- Ensure that further provision of Low Density Residential Zoned land does not impact on the orderly development of residential land in and around Heyfield;
- Avoid impact of residential development on key assets around Heyfield including but not limited to the Macalister Irrigation District, the ASH Timber Mill and the Gippsland Water sewerage treatment plant;
- Respond appropriately to natural hazards such as bushfire and flooding; and
- Ensure that development will enhance the scenic quality of the landscape and minimise impacts on environmentally sensitive locations and assets.

## 1.2. DEFINING LOW DENSITY RESIDENTIAL

This report primarily investigates demand, supply and opportunities for 'low density residential' land. Although low density can be a subjective term, for the purposes of this study **low density residential** relates to lots that are typically provided within the Low Density Residential Zone and not connected to a reticulated sewer. These lots are generally 4,000sqm in area (approximately 1 acre).

Depending on the location and size of lots, land in the Rural Living Zone can sometimes play a similar role in providing large residential lots that are not connected to reticulated sewer, close to townships and set in a rural environment. These lots are generally much larger than low density residential lots, typically 1 hectare (10,000sqm, approximately 2.5 acres) or more. This land is generally referred to as '**rural living**' in this report. The extent to which land in the Rural Living Zone and the Low Density Residential Zone meet the needs of similar and different buyers is discussed in Section 4 of this report.

## 1.3. AREA MEASUREMENTS

Metric measurements (square metres and hectares) are used in this report and in the Wellington Planning Scheme. Given that the areas of low density residential and rural living properties are also commonly referred to using imperial measurements, a table showing area conversions is provided in **Appendix A**. One acre is roughly equivalent to 4,000 square metres (0.4ha).

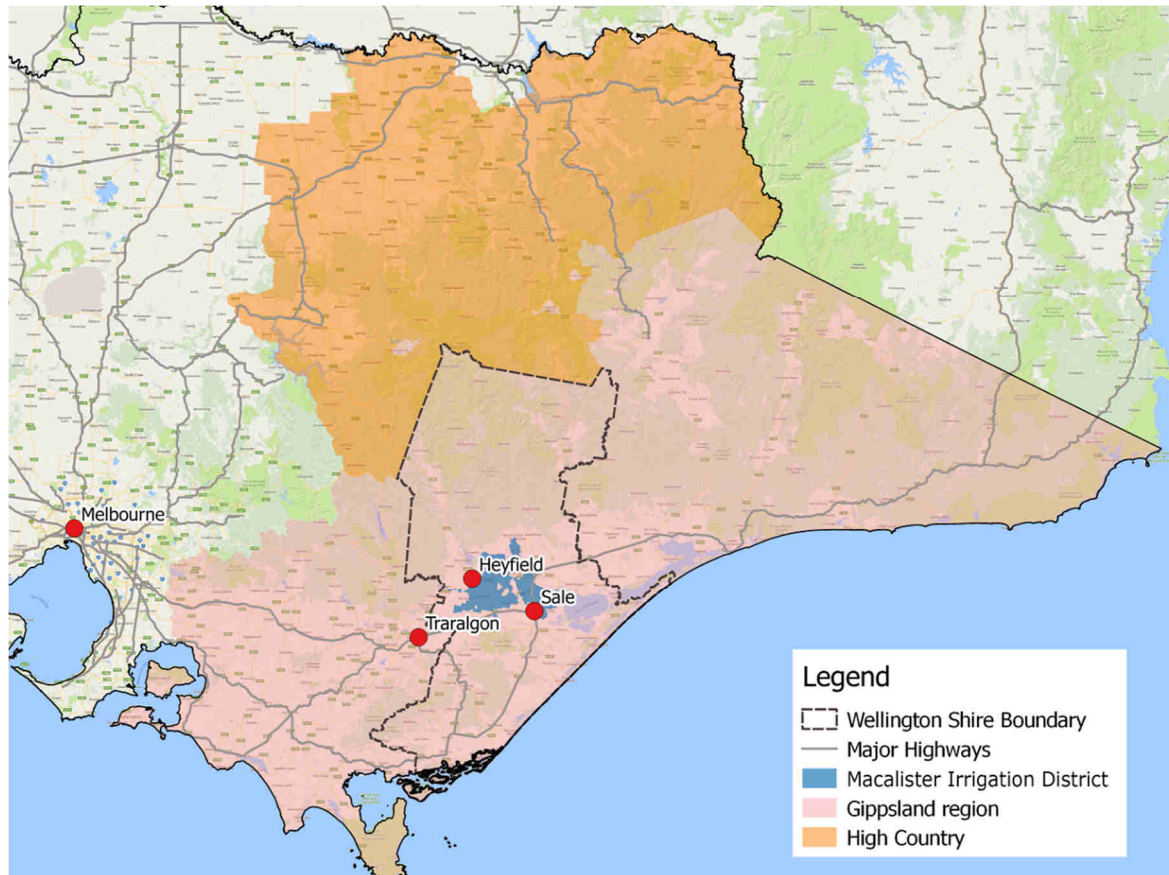
## 1.4. HEYFIELD IN CONTEXT

Heyfield is located in Wellington Shire, 35km by road (approximately 30 minutes drive) west of Sale and 45km by road (40 minutes drive) north east of Traralgon. Heyfield is 200km east of Melbourne by road, approximately 2.5 hours travel time.

To the north, Licola Road and Weir Road provide access to Lake Glenmaggie (5km north) and the Victorian High Country via Licola and Jamieson. The extensive Macalister Irrigation District (MID) is located immediately south and east of Heyfield, comprising high quality agricultural land. The MID is managed by Southern Rural Water.

Figure 3 shows a map of the broader context of Heyfield.

**FIGURE 3** HEYFIELD CONTEXT MAP



Source: Urban Enterprise, 2016.

## 1.5. REPORT SECTIONS

This report includes the following sections:

- Section 2 – An overview of the planning context for Heyfield and surrounds;
- Section 3 – An analysis of the local planning and infrastructure considerations for low density residential development in Heyfield;
- Section 4 – A review of the current demand and supply of low density residential land;
- Section 5 – Identification of candidate areas for additional low density residential land supply in Heyfield;
- Section 6 – Assessment of candidate areas and identification of preferred sites.

## 2. PLANNING CONTEXT

### 2.1. INTRODUCTION

This section provides an overview of the State and local planning context for low density residential development as it relates to Heyfield.

### 2.2. STATE PLANNING POLICY FRAMEWORK

Clause 11.02-1 seeks to ensure a sufficient supply of land for residential use to accommodate projected population growth over at least a 15 year period, and provide clear direction on locations of growth. The clause restricts low density rural residential development that would compromise future development at higher densities.

Clause 16.02-1 seeks to identify land suitable for rural living and rural residential development. The clause supports the management of development in rural areas to protect agriculture, and the consolidation of new housing in existing settlements where investment in physical and community infrastructure and services has already been made. Land should only be zoned for rural living or rural residential development where it is located close to existing towns and urban centres, and can be supplied with electricity, water and good quality road access. A housing and settlement strategy is required to demonstrate need for rural residential development under Clause 16.02-1.

### 2.3. RURAL RESIDENTIAL DEVELOPMENT – PLANNING PRACTICE NOTE 37

Under the Planning Practice Note 37 - Rural Residential Development, rural residential land use and development should give consideration to the following aspects:

- The proposed rural residential development must be considered against the state, regional and local strategic planning policies and objectives, including SPPF, Regional Growth Plans and other planning and land use management strategies such as Structure Plans;
- Housing demand must be demonstrated;
- Development of a broad range of location-specific criteria that will provide a framework for identifying land suitable for rural residential development;
- Land identified for rural residential development must relate to, and be supported by existing urban development. It must not impede the proper long-term growth of an urban area based on fully serviced residential development at normal urban densities. Rural Residential development should not compromise the implementation of an adopted settlement strategy;
- Rural residential development should ensure to protect area of high agricultural, natural resources, significant landscape and heritage values;
- The development must be serviced by social and physical infrastructure, and an assessment should be undertaken to show the availability of existing infrastructure, the level and range of services needed to be supplied or upgraded, and the costs of additional services and infrastructure.
- Rural residential development should not be provided on land that is within the separation requirement of a 'sensitive' land use under the EPA guidelines, located in close proximity to fire or flood-prone areas or wastewater treatment plants.

## 2.4. GIPPSLAND REGIONAL GROWTH PLAN

The Gippsland Regional Growth Plan (2014) identifies that “Gippsland’s settlements will need to accommodate a projected increase in population of approximately 116,000 people, from 270,400 in 2011 to 386,000 in 2041”. The Plan aims to “offer diversity in urban and town character and residential living” (p.45) and identifies nearby centres of Traralgon (along with other major towns in Latrobe City) and Sale as key locations for growth.

The Regional Growth Plan identifies Heyfield as a “town” that should “support small-scale residential, commercial and industrial development and change” (p.46).

## 2.5. LOCAL PLANNING POLICY FRAMEWORK

Clause 21.04-1 defines Heyfield as a main town which is primarily a service centre for surrounding rural communities. The LPPF identifies that the majority of the rural lifestyle areas in the Wellington Shire are located in a rural or natural setting accessible to township services but beyond the urban fringe, with lot sizes ranging from 4,000 sqm to 8 hectares. Most areas lack reticulated services and limited drainage.

The clause supports rural lifestyle opportunities in appropriate locations, and discourages major development outside urban centres except where a genuine need has been demonstrated and there will be minimal impact on natural and high quality agricultural resources.

Proposed rural lifestyle development should be in close proximity to developed settlements in order to utilise existing social, cultural and infrastructure facilities. The development should have regard to environmental features and constraints, in particular wastewater and effluent disposal. Rural lifestyle development should be discouraged in agricultural areas except where there is a clear connection between the use of the dwelling and a legitimate rural activity on the land.

### HEYFIELD STRATEGY PLAN

The Heyfield Strategy Plan was prepared in 2011 by Wellington Shire Council, in conjunction with Meinhardt Infrastructure and Environment, Essential Economics and Urban Initiatives. The Strategy was adopted by Council on 6 December 2011 and it was introduced into the Planning Scheme through Amendment C72. The Strategy Plan has statutory effect through Clause 21.08 of the Wellington Planning Scheme: Heyfield Strategic Framework.

The Strategy seeks to facilitate housing choice that is strategically located, well designed, sustainable, inclusive and affordable, and to protect high quality agricultural land and practices from urban encroachment. The Strategy also seeks to:

- Encourage opportunities to increase the supply of affordable housing;
- Encourage new development areas to connect with existing movement corridors where possible;
- Discourage the development of new residential dwellings which disrupt or restrict existing or future viable agricultural, industrial or rural activities;
- Discourage development in flood and fire prone areas;
- Ensure that sufficient land is zoned for residential purposes within the Urban Boundary;
- Investigate suitable industrial expansion options on the eastern side of Heyfield to prevent expansion into high quality agricultural land; and
- Ensure that the Macalister Irrigation District is protected from inappropriate residential development.

The key changes to the Planning Scheme in regards to residential development included:

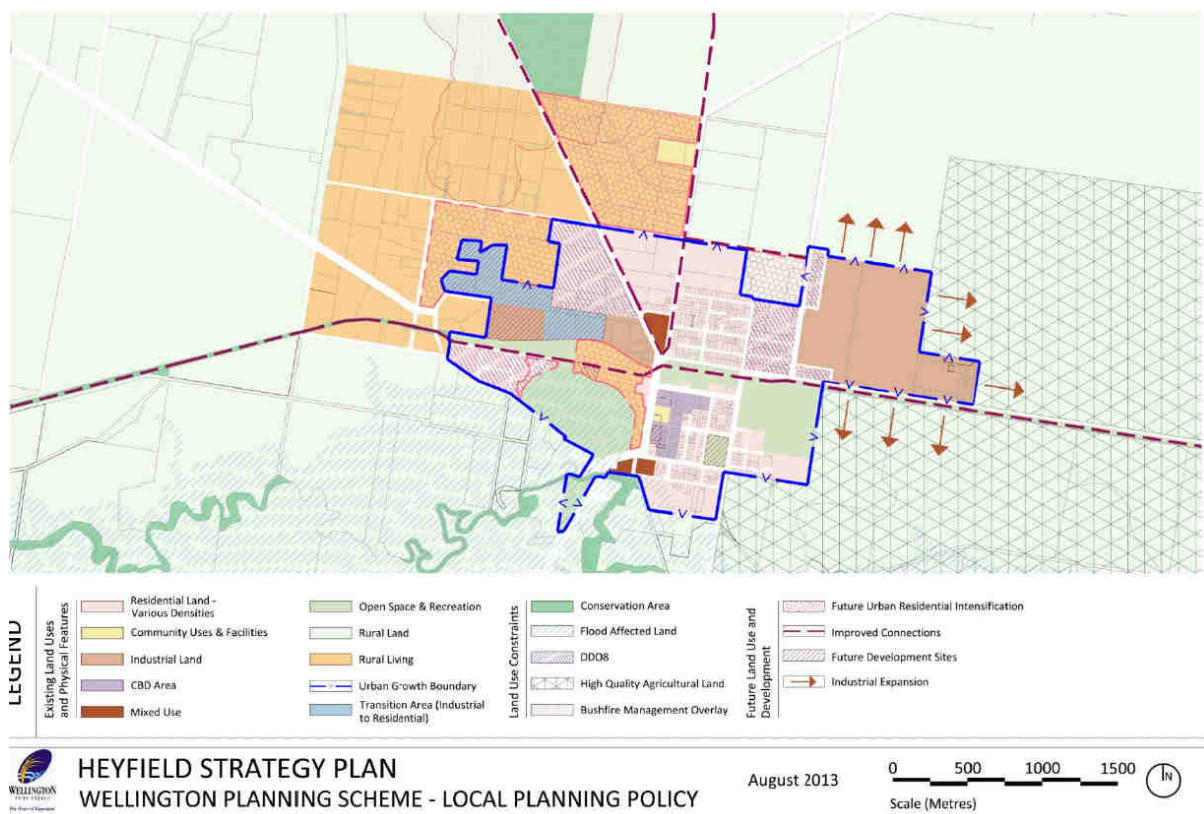
- Rezoning of approximately 24 hectares of industrial zoned land to Special Use Zone to allow for future (long term) residential development following closure of the Firebrace Road timber mill;

- Rezoning of land bounded by Tyson Street, Mustons Lane and Licola Road, Heyfield (22 hectares) from Rural Living Zone 2 to General Residential Zone 1;
- Rezoning of 19 Weir Road to the General Residential Zone (approximately 3.4 hectares);
- Rezoning of 55, 73 and 91 Licola Road, Heyfield (approximately 15.4 hectares) from Rural Living Zone 3 to Low Density Residential Zone; and
- Farming Zone land west of Weir Road and north of the existing residential area is identified as ‘future urban residential intensification’ (approximately 13 hectares).

The Heyfield Strategy Plan is shown in Figure 4. The Plan identifies potential future residential growth to the north-east of the existing residential area and potential future expansion of the industrial area on Maffra Road to the north, south and east. These potential future growth areas should be protected from alternative uses, including low density residential.

The significant additional land supply created through C72 in the General Residential Zone (25 hectares) results in a large amount of potential greenfield residential land across Heyfield that could support standard density dwellings, including existing greenfield parcels on Tyson Road (12 hectares) and Winnindoo Avenue (6 hectares).

**FIGURE 4** HEYFIELD STRATEGY PLAN



Source: Heyfield Strategy Plan 2013.

## 2.6. LOW DENSITY RESIDENTIAL ZONE

The purpose of the Low Density Residential Zone (LDRZ) is to provide for low-density residential development on lots which, in the absence of reticulated sewerage, can treat and retain all wastewater. In the LDRZ the following requirements must be met:

- Each dwelling must be connected to reticulated sewerage, if available. If reticulated sewerage is not available, all wastewater from each dwelling must be treated and retained within the lot in accordance with the State Environment Protection Policy (Waters of Victoria) under the Environment Protection Act 1970;
- Each dwelling must be connected to a reticulated potable water supply or have an alternative potable water supply, with appropriate storage capacity, to the satisfaction of the responsible authority;
- Each dwelling must be connected to a reticulated electricity supply or have an alternative energy supply to the satisfaction of the responsible authority.

A permit is required for the subdivision of LDRZ land. The minimum subdivided lot size is 0.4 hectares for each lot where reticulated sewerage is not connected, and 0.2 hectares for each lot with connected reticulated sewerage. Assessment of applications for subdivision are based on the following decision guidelines:

- The protection and enhancement of the natural environment and character of the area including the retention of vegetation and faunal habitat and the need to plant vegetation along waterways, gullies, ridgelines and property boundaries;
- The availability and provision of utility services, including sewerage, water, drainage, electricity, gas and telecommunications;
- In the absence of reticulated sewerage:
  - The capability of the lot to treat and retain all wastewater in accordance with the State Environment Protection Policy (Waters of Victoria) under the Environment Protection Act 1970;
  - The benefits of restricting the size of lots to the minimum required to treat and retain all wastewater in accordance with the State Environment Protection Policy (Waters of Victoria);
  - The benefits of restricting the size of lots to generally no more than 2 hectares to enable lots to be efficiently maintained without the need for agricultural techniques and equipment.

The requirements of the State and local planning policy frameworks have been integrated into the assessments undertaken to inform this report.

## 2.7. KEY FINDINGS

- The SPPF, LPPF and Planning Practice Note provides the following guidelines for rural residential development:
  - Rural residential development must be considered against the regional, state and local planning policies;
  - Land should only be zoned for rural living or rural residential development where it is located close to existing towns and urban centres, and can be supplied with electricity, water and good quality road access;
  - Rural residential development should protect area of high agricultural, natural resources, significant landscape and heritage values;
  - Rural residential development should not be provided on land that is within the separation requirement of a 'sensitive' land use under the EPA guidelines, located in close proximity to fire or flood-prone areas or wastewater treatment plant;
  - Rural residential development must be supported by demonstrated housing demand; and
  - A framework of a broad range of location-specific criteria should be developed to identify land suitable for rural residential development.

- The potential future residential growth to the north-east of the existing residential area, and the potential future expansion to the industrial area on Maffra Road to the north, south and east should be protected from alternative uses, including low density residential, as identified in the Heyfield Strategy Plan;
- Under the LDRZ, each dwelling must be connected to reticulated sewerage if available, or a reticulated portable water supply/alternative portable water supply, and a reticulated electricity supply/alternative energy supply;
- A permit is required to subdivide land in LDRZ, where a minimum subdivided lot size is 0.4 hectares for each lot that is not connected to reticulated sewerage, and 0.2 hectares for each lot that is connected to reticulated sewerage.



# 3. PLANNING AND INFRASTRUCTURE CONSIDERATIONS

## 3.1. INTRODUCTION

This section provides an overview of the infrastructure and local planning considerations for low density residential development in Heyfield, including flooding, waterway protection, stormwater, potable water catchments, high quality agricultural land, bushfire management, road buffers to wastewater treatment facilities and timber mills, services (electricity, water),.

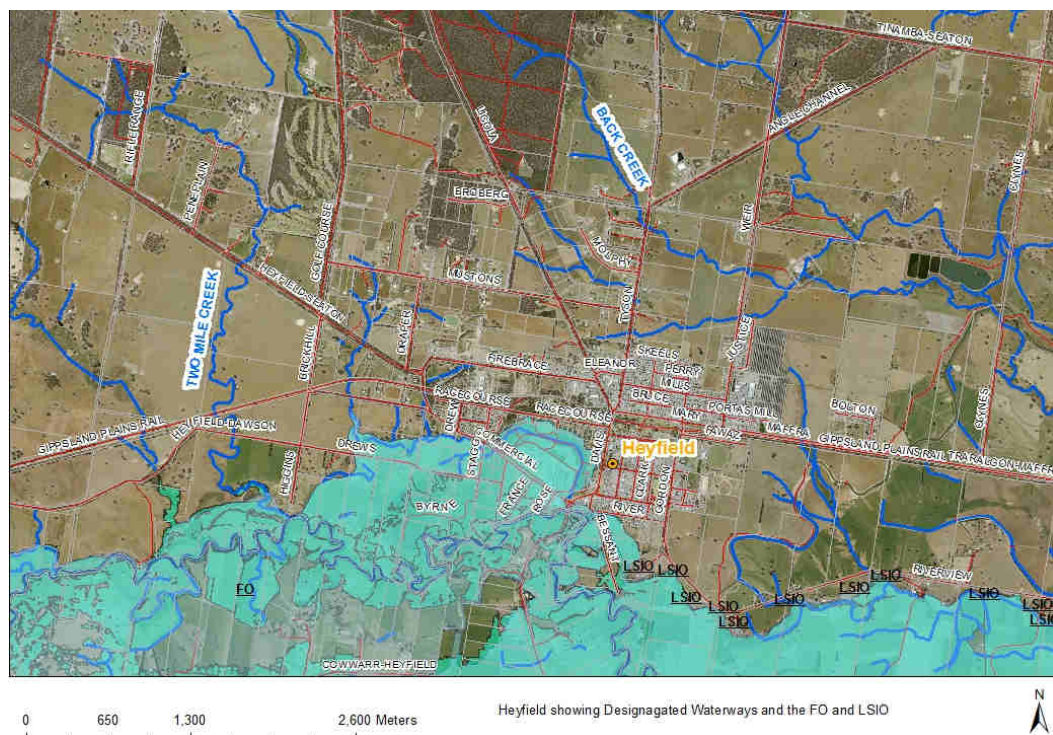
## 3.2. FLOODING, WATERWAY PROTECTION AND STORMWATER

The West Gippsland Catchment Management Authority (WGCMA) is responsible for managing the land and water resources in West Gippsland and have provided detailed flood mapping of the Heyfield district from 2015, along with the location of designated waterways. These are shown in Figure 5.

The southern boundary of the township is subject to flooding from the Thomson River. The WGCMA does not support any residential development in the Thomson River floodplain as defined by the current LSIO and FO. WGCMA confirmed that any development in Heyfield resulting in increased residential development would need to ensure that flood risk and waterway protection are considered in accordance with the relevant SPPF. In terms of Waterway Protection, the creation of 60m reserves over the waterways and revegetating is required in accordance with the relevant Ecological Vegetation Class.

Existing local drainage is maintained by Wellington Shire Council. The Infrastructure Design Manual (IDM) applies to development in Wellington, and requires that where any residential development occurs, the local drainage system needs to be maintained in its natural state or enhanced to ensure it is able to function without any adverse hydrological impact from development. This is to be achieved with either on site water management practices or local water management practices to ensure acceptable waterway flows and quality is maintained.

**FIGURE 5** DESIGNATED WATERWAYS, FLOOD OVERLAY AND LAND SUBJECT TO INUNDATION OVERLAY, HEYFIELD



Source: West Gippsland Catchment Management Authority, 2016.

### 3.3. PROCLAIMED WATER CATCHMENT AND MACALISTER IRRIGATION DISTRICT

Lake Glenmaggie is located 5km to the north of Heyfield and harvests water for irrigation systems to properties in the Macalister Irrigation District. Southern Rural Water (SRW) manages the Proclaimed Water Catchment of Lake Glenmaggie, the southern boundary of which is shown in Figure 6, an extract from the relevant Proclamation<sup>1</sup>. The proclaimed water catchment land immediately south and west of Lake Glenmaggie, but does not affect land in the locality of Heyfield.

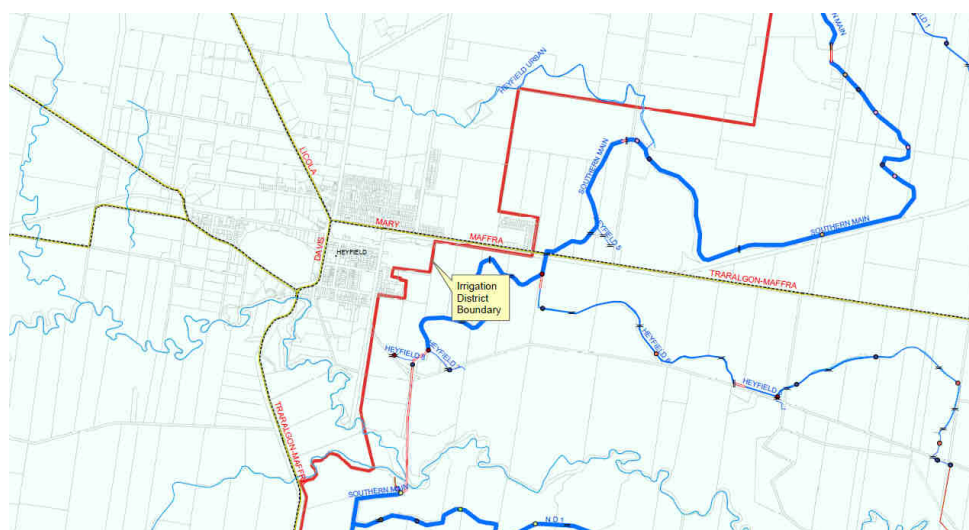
The Macalister Irrigation District (MID) affects land to the south and east of Heyfield, as shown in Figure 7. This area is identified as high quality agricultural land and protected from urban development in the Wellington Planning Scheme.

**FIGURE 6** LAKE GLENMAGGIE PROCLAIMED WATER CATCHMENT



Source: Victorian Resources Online, accessed September 2016.

**FIGURE 7** MACALISTER IRRIGATION DISTRICT BOUNDARY



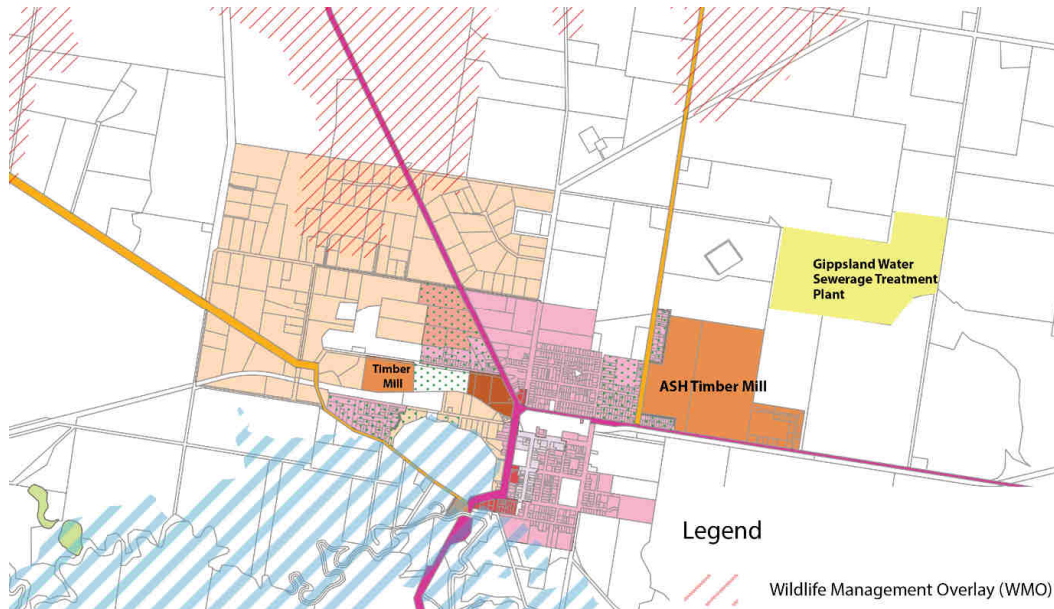
Source: Southern Rural Water, 2016.

<sup>1</sup> Proclamation, Glenmaggie Water Supply Catchment, Victoria Government Gazette, No. 264, dated 4th December, 1957.

### 3.4. BUSHFIRE

Land to the north of Heyfield is prone to bushfires, with the most recent bushfire occurring in January 2013. The Bushfire Management Overlay (BMO or WMO) applies to areas within the Rural Living Zone and Farming Zone at the northern edge of the Heyfield locality, as shown in Figure 8. Bushfire prone areas have been excluded from consideration for future low density residential development.

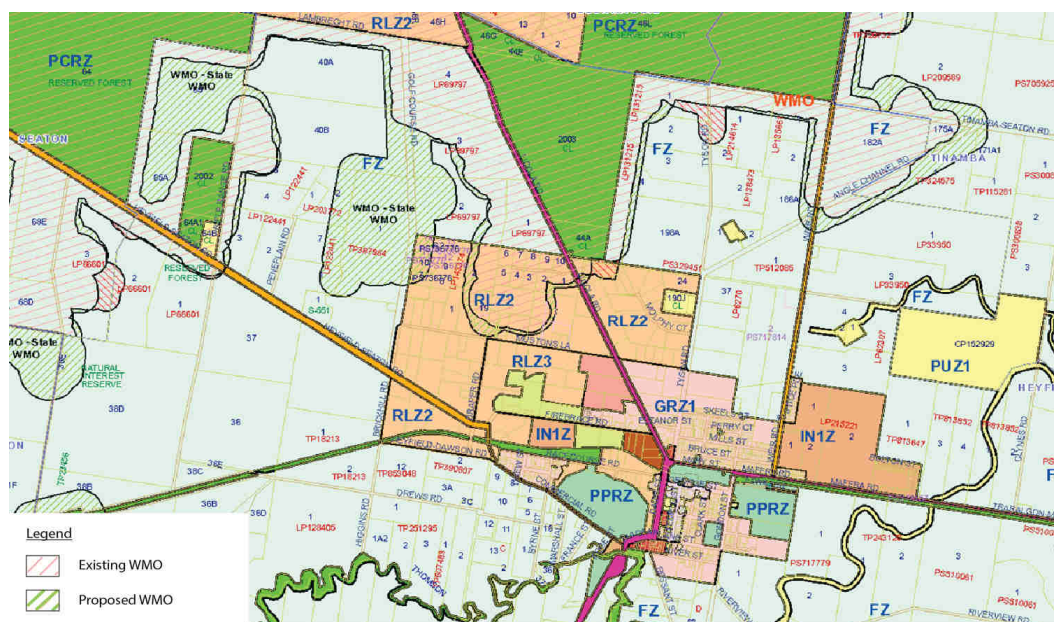
**FIGURE 8** BUSHFIRE MANAGEMENT OVERLAY, HEYFIELD



Source: VicData, 2016.

Figure 9 shows the proposed changes to the Bushfire Management Overlay in Heyfield. The proposed changes are minor, in the vicinity of Heyfield, with the exception of a new BMO area proposed for the north-west corner of the town affecting the golf course and RLZ land on the eastern side of Golf Course Road. The proposed changes do not directly affect the candidate areas.

**FIGURE 9** PROPOSED BUSHFIRE MANAGEMENT OVERLAY - HEYFIELD



Source: Wellington Shire Council.

### 3.5. TIMBER MILL BUFFERS

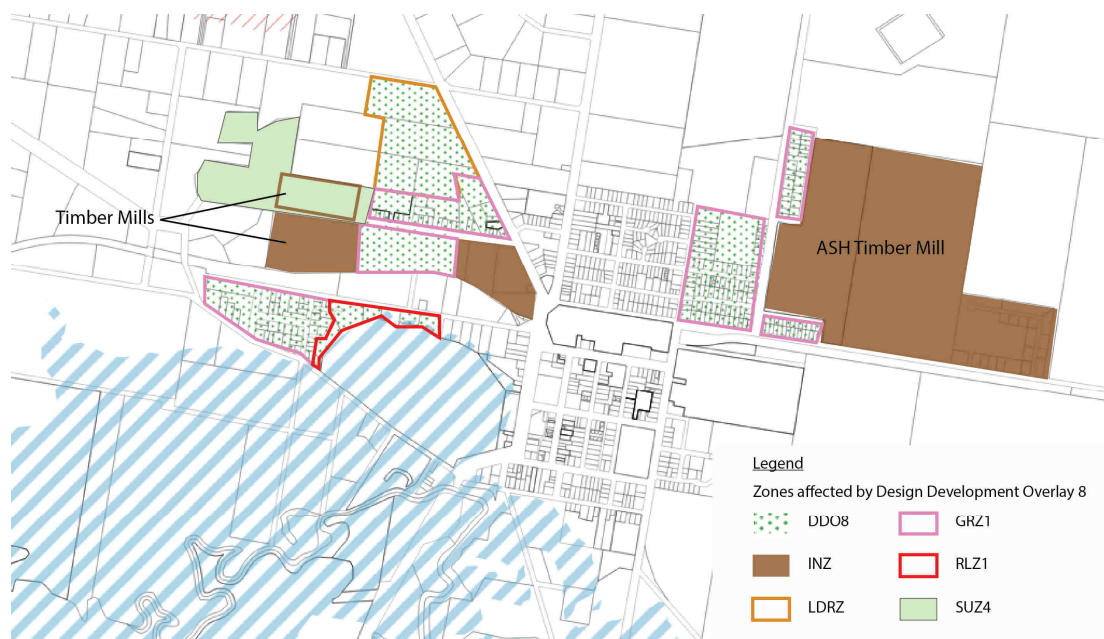
Three timber mills currently operate within the Heyfield township and anchor the economic role of the Heyfield area. Urban development in proximity to the mills is managed through Schedule 8 to the Design and Development Overlay in the Planning Scheme. Figure 10 shows the residential areas that are affected by DDO8, which seeks to “encourage well-designed residential development in order to protect the industrial operations on Firebrace Road and Weir Road.”

Under the DDO8, an application for residential development must be accompanied by an acoustic report prepared to the satisfaction of Council – such reports are understood to cost approximately \$2,000. The design and building requirements to meet the noise measures for dwellings in areas affected by DDO8 could include double glazed windows, greater insulation/thicker plaster and/or ceiling insulation may need to be acoustic insulation. These design and building requirements would increase the cost of housing construction.

The area to the north of the Firebrace Road mills (Green Mill, south of Firebrace Road, and Canningvale Mill north of Firebrace Road) is designated for long term LDRZ use, however this use can only be contemplated once the mills cease operation. Council has advised that although there are long term plans for the mills to be closed and moved to the current ASH Timber Mill site, there is no firm timeline for this to occur.

DDO8 does not specify a buffer distance, however it appears to generally apply to land within approximately 600m to 800m of the Green Mill and the Canningvale Mill, and 300m to 400m of the ASH Mill. The Planning Scheme (Clause 52.10) requires a buffer distance of 500m from a ‘Sawmill’ to a sensitive use (such as residential).

**FIGURE 10** LOCATION OF DDO8 AND TIMBER MILLS



Source: VicData, Urban Enterprise.

### 3.6. SERVICE INFRASTRUCTURE

Figure 11 shows the existing sewerage, stormwater and road infrastructure in Heyfield.

The majority of properties in the RLZ and LDRZ are connected to the reticulated water supply and water pipes. However, only existing urban areas are connected to sewer or stormwater pipes in Heyfield.

**FIGURE 11** HEYFIELD EXISTING INFRASTRUCTURE

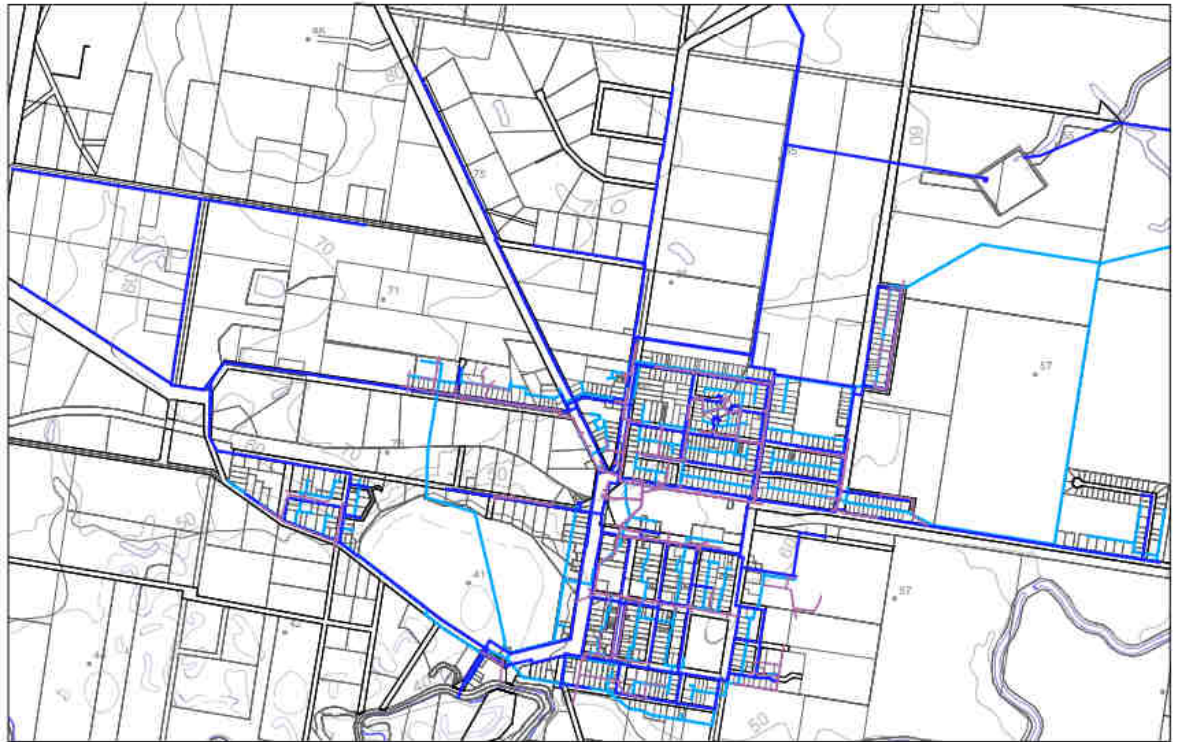






Figure 20. Existing Infrastructure Plan

**KEY:**

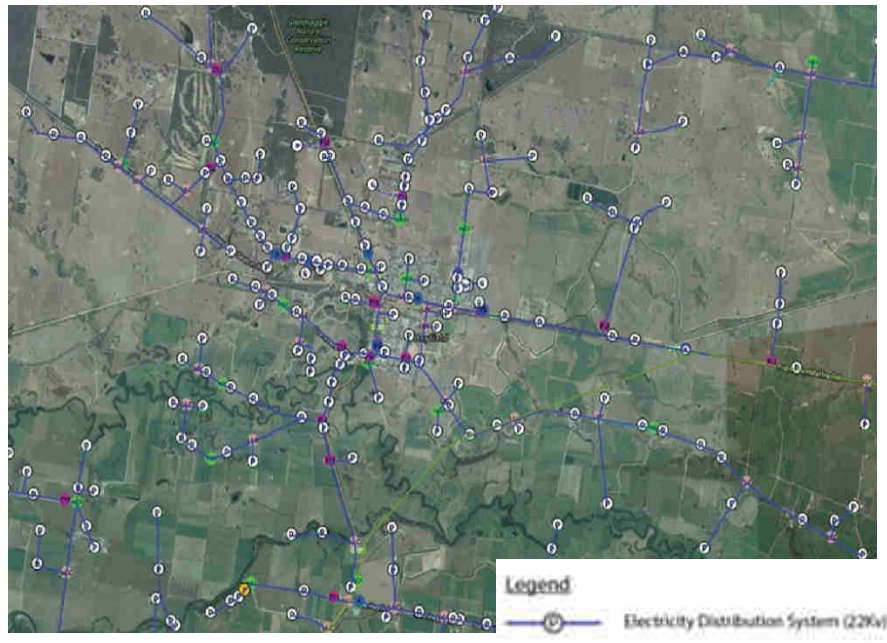
-  Water pipe
-  Sewer pipe
-  Stormwater pipe
-  Road reserve

Source: Heyfield Strategy Plan.

## ELECTRICITY SUPPLY

Ausnet is the electrical wholesaler for Heyfield. Ausnet provided an aerial view of Heyfield and surrounding areas showing the 22kV electricity distribution system in dark blue (Figure 12). Ausnet estimates that the Heyfield area has capacity for an additional 1,000 - 1,500kVA without requiring augmentation or upgrade of the infrastructure, which equates to capacity for approximately 300 additional dwellings.

**FIGURE 12** ELECTRICITY DISTRIBUTION SYSTEM (22KV), HEYFIELD AND SURROUNDS



Source: AUSNET.

## RETICULATED WATER AND SEWER

Gippsland Water is the authority responsible for the provision of water supply and reticulated sewer services to Heyfield. At the time of this report, input from Gippsland Water had not been received, however discussions between representatives and the project team indicated that reticulated water supply is available to all urban parts of the town and that any extensions required to supply new development areas are likely to be straightforward and inexpensive.

Gippsland Water is also responsible for the provision of sewerage reticulation. For LDRZ areas, onsite sewer treatment and disposal systems are required unless a development can connect into an existing sewer reticulation system. Given that the scope of this project is to investigate suitable locations for lots of at least 4,000sqm, there is no statutory requirement for a new LDRZ area to be connected to reticulated sewerage (if suitable on-site treatment can be achieved).

Gippsland Water is responsible for managing the Heyfield Wastewater Treatment Plant, which is located to the north-east of the township. There is currently no statutory buffer area in the planning scheme which provides guidance as to areas in which residential development will not be supported due to amenity impacts (primarily odour issues). Any residential development in proximity to the Plant would require assessment under the Environment Protection Authority's *Recommended Separation distances for industrial residual air emissions (1518)*. The recommended buffer distances vary depending on the characteristics of each wastewater treatment facility. For the purposes of this study, a separation buffer of 300 metres has been applied until specific guidance is provided by Gippsland Water (i.e. potential development areas within 300m have not been considered as potential LDRZ locations).

The location of the Plant is shown in Figure 13.

**FIGURE 13** LOCATION OF HEYFIELD WASTEWATER TREATMENT PLANT



Source: Urban Enterprise, 2016.

### 3.7. ROADS

The existing local road and local drainage assets in Heyfield are maintained by Council, whereas the main roads are maintained by VicRoads. Arterial roads in the town managed by VicRoads include C105 Traralgon Maffra Road and C486 Licola Road.

Any future residential development where land is zoned for low density residential development (LDRZ) will require access from a sealed road. Where a road is required to be upgraded it must satisfy the requirements of the Infrastructure Design Manual (IDM) which is a set of design and development guidelines typically adopted by regional Councils.

VicRoads prefer limited access points from main arterial roads and support where possible a single access point to a new development, or access to the development site from a local road. Any new access from an arterial road is subject to the requirements of Austroad standards and is likely to require road augmentation.

Land within the LDRZ on Licola Road is proposed to be developed, however it is understood that VicRoads require the proponent to construct an intersection to provide access from Licola Road, including road augmentation. An important consideration for any future LDRZ land will be to enable road access while minimising the need for major intersection or road works.

### 3.8. SUMMARY OF PLANNING AND INFRASTRUCTURE CONSIDERATIONS

The key planning and infrastructure issues that need to be considered when planning for future low density residential development in Heyfield include the following:

- Flooding and high quality agricultural land generally prohibits development to the south and south-east of Heyfield;
- Industrial, timber mill and wastewater treatment activities restrict opportunities for development to the east and north-east of Heyfield, with the exception of land on the east side of Tyson Road;
- Ongoing timber mill operations on Firebrace Road will limit opportunities for residential development in the vicinity of the mills for the foreseeable future. The preparation of acoustic reports and building requirements to meet noise measures adds costs to dwelling construction in areas in the vicinity of the mill that are available for residential use;
- Bushfire risk limits opportunities outside the town to the north and north-west;
- Residential development with watershed that drains into the Proclaimed water catchment will need to be considered against the Ministerial Guidelines for Planning Application in Open Potable Water Catchments; and
- No significant services constraints are identified – sufficient capacity for electricity supply and proximity to water supply exists across the township.

The planning and infrastructure considerations highlight that many areas surrounding the existing township – and some areas within the township – are limited in terms of development opportunities due to a range of constraints.



## 4. LOW DENSITY RESIDENTIAL DEMAND AND SUPPLY

### 4.1. INTRODUCTION

This section provides a review of the demand and supply conditions for low density residential land in Heyfield, drawing on data provided by Council and supplemented by publicly available data sources. Rural living land is included in the assessment where relevant.

### 4.2. DEMAND FOR LOW DENSITY HOUSING

#### BUILDING APPROVALS

Over the period January 2010 to June 2016, 17 dwellings were approved for construction in the Rural Living Zone in Heyfield. This equates to an average of 2.6 new dwellings per annum.

Rural Living Zone dwelling approvals accounted for 40% of all dwellings approved during this period, indicating that low density living is a significant part of the residential market in this area.

No dwelling approvals took place in the LDRZ over this period, and no new lots were released to the market through subdivision due to the recent introduction of the first section of LDRZ in Heyfield in December 2014 through Amendment C72. Development planning for part of this land is underway but no permit applications have been lodged.

**TABLE 1** DWELLING APPROVALS, HEYFIELD, 2010 - 2016

	2010	2011	2012	2013	2014	2015	2016 (Jan-Jun)	Total	Average January 2010 - June 2016 p.a.
GRZ1	5	5	2	4	1	4		21	3.2
MUZ		1				3		4	0.6
RLZ1	1	2		1				4	0.6
RLZ2	2		1	3	3	2	1	12	1.8
RLZ3							1	1	0.2
LDRZ								0	0
<b>Total</b>	<b>8</b>	<b>8</b>	<b>3</b>	<b>8</b>	<b>4</b>	<b>9</b>	<b>2</b>	<b>42</b>	<b>6.5</b>

Source: Wellington Shire Council.

Table 2 shows dwelling approvals since 2011/12 for the Maffra SA2 region and Wellington Shire. The data shows that the Maffra area is experiencing increased dwelling construction activity, and in the 2015/16 financial year new dwellings approved in Maffra as a proportion of the Wellington Shire total (38%) was significantly higher than for previous years (27% to 30%), indicating a recent increase in demand for housing in the Maffra region (which includes the towns of Maffra, Stratford, Heyfield, Glenmaggie and surrounding rural areas).

**TABLE 2** DWELLING APPROVALS, WELLINGTON SHIRE AND MAFFRA SA2, 2011/12 TO 2015/16

	2011/12	2012/13	2013/14	2014/15	2015/16
Wellington	283	230	207	249	249
Maffra SA2	84	61	64	71	95
Maffra SA2 % of Shire	30%	27%	31%	29%	38%

Source: ABS Building Approvals.

## POPULATION GROWTH

Victoria in Future projects that the Heyfield Maffra District will experience low population growth at an average rate of 0.33% per annum over the period 2016 to 2031, slightly higher but similar to the average rate of population growth over the period 2006 to 2015 in the Maffra SA2 of 0.30% per annum. Each of these statistical areas include the townships of Heyfield, Maffra and surrounding rural areas and townships. Population projections are not available at the local (township) level. Population data is shown in Table 3.

**TABLE 3** RECENT AND PROJECTED POPULATION GROWTH, HEYFIELD – MAFFRA REGION

	2006	2011	2015	2016	2021	2026	2031	Ave 2006-2015 (actual)	Ave. 2016-31 (projected)
Maffra SA2	13,076	13,595	13,436					0.30%	
Heyfield-Maffra VIFSA				13,542	13,680	13,961	14,230		0.33%

Source: ABS Regional Population Growth, Victoria in Future 2016.

Ongoing population growth will generate demand for additional dwellings in the region that is likely to be of a similar scale to recent demand levels. The locations of this population growth will depend on the availability of residential dwellings and land that meet the needs of the market.

The townships of Maffra and Stratford each have active residential growth areas, and are therefore likely to be able to provide an ongoing supply of new lots to the market and accommodate a steady increase in population attracted by the close proximity to employment and services in Sale. Heyfield is likely to continue to play a supporting role in terms of residential growth.

## RESIDENTIAL PROPERTY VALUES

Median house prices for Heyfield from 2005 to 2015 are shown in Table 4, alongside medians for Wellington Shire and Latrobe City for comparison. This data has been sourced from A Guide to Property Values, which provides property sales data and analysis from the Victorian Valuer-General.

The median house price in Heyfield was \$182,500 in 2015. The Heyfield median house price was significantly lower than the median across Wellington Shire (\$235,000) and the City of Latrobe (\$215,000) in 2015, however the average price growth of 6% per annum in Heyfield was higher than the rate of growth for each of the municipalities over the past 10 years (albeit increasing from a lower base).

**TABLE 4** MEDIAN HOUSE PRICE, 2005 - 2015

	Heyfield	Wellington Shire	Latrobe City
2005	\$102,000	\$170,000	\$145,000
2006	\$129,000	\$175,000	\$152,000
2007	\$119,500	\$183,500	\$160,000
2008	\$144,500	\$190,000	\$165,000
2009	\$155,000	\$197,000	\$177,000
2010	\$155,000	\$218,000	\$195,000
2011	\$175,000	\$242,500	\$209,000
2012	\$171,500	\$230,000	\$208,000
2013	\$200,000	\$230,000	\$212,000
2014	\$180,000	\$230,000	\$216,001
2015	\$182,500	\$235,000	\$215,000
AGG%	5.99%	3.29%	4.02%

Source: Guide to Property Values 2016.

## PROPERTY SALES

Table 5 shows the number of vacant residential land sales in Wellington Shire, Latrobe City and regional Victoria between 2010 and 2015, as published in A Guide to Property Values.

The number of vacant residential lots of 4,000sqm and above sold in Wellington Shire increased in 2014 and 2015 compared with the period 2010 to 2013, indicating an increase in demand for this property type.

In 2015, there were 300 vacant residential land sales in Wellington Shire - 32% of these were vacant "rural lifestyle" lots. This proportion has increased from 23% in 2010, and is significantly higher than the regional Victorian average of 21%, reflecting the significant role that lower density residential area play in the property market in the municipality.

**TABLE 5** NUMBER OF VACANT RESIDENTIAL LAND SALES, WELLINGTON SHIRE, LATROBE CITY AND REGIONAL VICTORIA

	2010	2011	2012	2013	2014	2015
<b>Vacant Res A (&lt; 2,000sqm)</b>						
Wellington	232	182	129	156	210	186
Latrobe	335	210	182	237	211	187
Reg Victoria	8122	7283	6416	6415	6860	6833
<b>Vacant Res B (&lt; 4,000 sqm)</b>						
Wellington	7	7	10	15	21	18
Latrobe	9	7	4	10	5	6
Reg Victoria	329	321	351	349	345	425
<b>Vacant Residential Rural/Rural Lifestyle</b>						
Wellington	73	59	61	65	103	96
Latrobe	38	38	34	26	30	34
Reg Victoria	1775	1663	1708	1797	1593	1921
<b>Total Vacant Residential Land Sales</b>						
Wellington	312	248	200	236	334	300
Latrobe	382	255	220	273	246	227
Reg Victoria	10226	9267	8475	8561	8798	9179
<b>Vacant Residential Rural/Rural Lifestyle % of Total</b>						
Wellington	23%	24%	31%	28%	31%	32%
Latrobe	10%	15%	15%	10%	12%	15%
Reg Victoria	17%	18%	20%	21%	18%	21%

Source: Guide to Property Values 2016.

## CURRENT MARKET

Separate discussions with two local real estate agents indicate that there is considered to be a degree of latent demand in the Heyfield area for 1 acre lots, and that this demand is currently unmet in Heyfield. The future release of new lots to fill this market gap is considered by the agents to be likely to lead to relatively strong demand in the short term, followed by ongoing steady but low annual sales rates.

One agent noted that residential property markets in Sale and Maffra are currently performing well, with population growth and sales volumes increasing. This is leading to growth in surrounding areas, and the Heyfield market is performing well at present with steady demand for both town and rural residential properties. There are relatively strong local fundamentals at present, with timber mills generating steady economic activity and underpinning positive local sentiment.

Agents noted that the Heyfield market is not a large residential market in terms of demand and sales volumes, however, and ongoing sales rates are expected to remain relatively low. Fragmented land ownership and a lack of broadhectare properties owned by developers with capacity to fund subdivisions has been a constraint to lot release in the past, and this issue is likely to continue to limit land release in the short to medium term, however a number of local property owners are interested in releasing small numbers of lots to the market if infrastructure costs can be minimised.

Both agents noted that larger lots are popular in Heyfield due to the opportunity for large sheds, caravans and boats, and private open space for recreation such as motorcycle riding and horse / other animal keeping. The market for low density living in Heyfield is expected to be underpinned by demand from young families and older couples, including some moving from farms to a town-edge location. One agent noted that there is steady demand in the region for families and couples moving from Sale and Traralgon to nearby smaller towns seeking a rural lifestyle within proximity to employment in the regional centres, leading to good results and sales volumes in other small towns such as Toongabbie.

Agents noted that the current supply of rural residential lots are typically too large / time consuming for many residents seeking a low density lifestyle to maintain, but too small to be productive for a rural / agricultural business.

One agent noted that there is a lack of rental housing in Heyfield relative to demand, which is leading to some township dwelling owners purchasing larger rural residential lots as their primary place of residence and holding the town dwelling as an investment property. This trend could be further supported by the release of more large lots in Heyfield. The agent indicated that current demand for land in the Rural Living Zone is steady and is generated from a range of sources, including residents of regional centres, local couples and families seeking larger blocks.

A desktop review<sup>2</sup> of low density residential and rural living dwellings and vacant lots currently on the market was undertaken for Heyfield - only properties of less than 4 hectares were selected for analysis.

At the time of the review, there were 3 houses and 3 vacant lots currently advertised for sale on real estate websites in Heyfield in the Rural Living Zone, and none in the Low Density Residential Zone. Site visits indicated that a number of rural living lots are currently on the market through private sale, with a number of signs visible, meaning that many more lots are likely to be currently on the market.

Asking prices were in the range of \$430,000 - \$545,000 for houses, and \$95,000 - \$149,500 for vacant lots. Real estate agents confirmed that recent RLZ sales in Heyfield ranged between \$100,000 and \$150,000 per vacant lot.

### **4.3. EXISTING LOW DENSITY AND RURAL RESIDENTIAL LAND SUPPLY**

In January 2016, Council undertook a supply and demand assessment of rural residential land in Heyfield. The assessment identified that the existing supply of rural lifestyle to equate to 78 lots. A review of vacant land in Heyfield and lots with subdivision potential found there to be a current supply of 80 lots (as at September 2016).

The schedule to RLZ2 and RLZ3 specifies a minimum lot size for subdivision of 2 hectares. Therefore, a minimum 4 hectares land parcel is required for subdivision in the RLZ in Heyfield (with the exception of a small area of land near the town centre which is subject to Schedule 1 to the RLZ, with a minimum lot size of 0.8ha but constrained by steep slope).

The location of each 'supply' type is shown in Figure 14, including vacant lots in the Rural Living Zone, larger occupied lots in the Rural Living Zone which could be subdivided under the current planning controls and minimum lot sizes, and the potential supply that could be created through subdivision of the LDRZ area.

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<sup>2</sup> Using real estate websites realestate.com.au and realestateview.com.au

Based on historical dwelling approval rates for land in the Rural Living Zone (2.6 dwellings per annum), the current supply in the Rural Living Zone would equate to approximately 21 years (as summarised in Table 6).

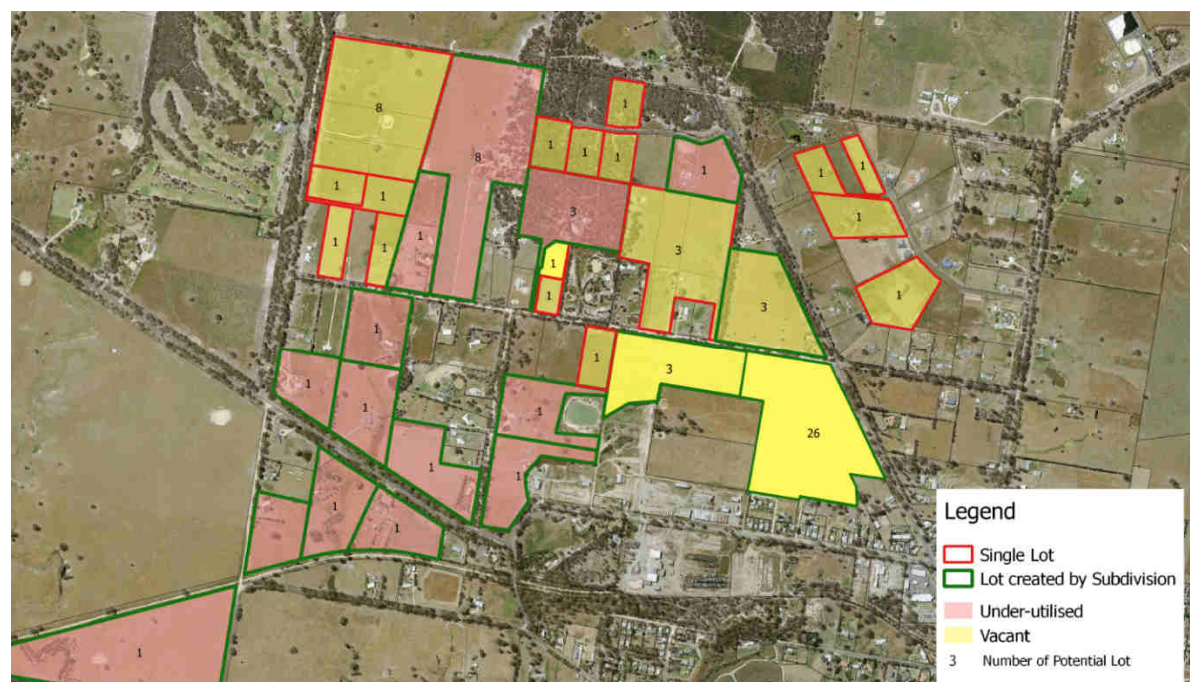
The lack of available land in lot sizes between 2,000 sqm and 8,000 sqm means that the market is relatively untested for this lot size. Although some buyers would not differentiate between lots of 4,000sqm and 1-2 hectares, it is likely that many buyers seeking a 4,000sqm lot would not consider a lot of 1-2ha or more as meeting their needs, primarily due to the additional maintenance requirements associated with larger Rural Living Zone lots as confirmed through consultation with real estate agents. Therefore, the markets for land in the Rural Living Zone and for land in the Low Density Residential Zone are considered to be mostly separate markets.

**TABLE 6** EXISTING RURAL AND LOW DENSITY RESIDENTIAL LAND SUPPLY IN HEYFIELD, SEPTEMBER 2016

	No. of Lots	Dwelling approvals rate p.a.	No. of Years of Supply
Vacant RLZ lots (no further subdivision possible)	26		
Vacant or occupied RLZ lots (maximum net additional lot capacity)	28		
<b>Sub-total RLZ</b>	<b>54</b>	<b>2.6</b>	<b>21</b>
LDRZ Subdivision potential	26	0*	
<b>Total</b>	<b>80</b>		

Source: Wellington Shire Council \* No new lots have been made available in the LDRZ in Heyfield – therefore the level of demand is unknown, and there is likely to be latent demand due to the gap in the market.

**FIGURE 14** LOCATION OF LOW DENSITY AND RURAL RESIDENTIAL LAND SUPPLY, HEYFIELD, SEPTEMBER 2016



Source: Urban Enterprise, 2016.

## SUPPLY ISSUES

The low density and rural residential land supply in Heyfield generally falls within the following categories and locations, many of which are not likely to be made available to the market in the short term:

- Eight vacant 2 hectare lots are located near the corner of Mustons Lane and Golf Course Road. Only one of these lots is currently advertised for sale. A further vacant 8 hectare lot remains at the northern part of this area with potential to create a further 4 lots;

- Ten large Rural Living Zone properties occupied by a single dwelling in the western part of the Rural Living Zone, located on Draper Road, Heyfield Seaton Road and Mustons Lane. Each of these lots is of sufficient size to be subdivided to create one additional lot, however opportunities for subdivision will depend on the intentions of the individual property owners, location of existing dwellings and lot configuration. These lots are unlikely to create any substantive additional supply in the short term if the land remains in the RLZ;
- One large lot on Mustons Lane is of sufficient size to be subdivided into eight 2 hectare lots, however the lot is currently occupied and it is not known whether any subdivision is proposed. This lot is also partially affected by the Wildfire Management Overlay which could restrict lot yield and increase building costs;
- Four vacant lots are available on Broberg Court, however each of these contains significant stands of native vegetation that could restrict development of dwellings given that the WMO applies to this area. It is understood that limited dwelling construction has taken place in this recently subdivided area due primarily to the restriction of the WMO;
- Two larger lots with access from Mustons Lane with indicative capacity to create an additional 3 lots each appear to be 'balance' lots created through previous subdivisions, which would be prohibited from further subdivision ('balance' lots are larger lots that allow smaller lots to be created from the same parent lot under the Rural Living Zone);
- Four vacant lots ranging from 1 to 3 hectares are available in the RLZ to the east of Licola Road on Molphy Court. Signs indicate that some of these lots have recently been sold; and
- The current LDRZ has potential to provide 26 lots through subdivision. However, it is understood that only one of the five landowners in this area proposes to develop their land, and that the limited yield and significant infrastructure costs to service the proposed subdivision may delay or prohibit development in this area.

Overall, only 16 vacant lots are considered to be suitable for construction of a dwelling for low density residential use in the short term, equating to 6 years' supply. Most lots are between 8,000sqm and 2 hectares in area.

## COMPETING SUPPLY

A desktop assessment of the rural lifestyle lots available in nearby towns of Glenmaggie, Maffra, Stratford and Toongabbie was undertaken to identify alternative supply for lots of approximately 4,000 sqm in nearby towns. The review found that there is limited land zoned LDRZ in the region, with only 7 vacant lots identified in the LDRZ in nearby towns of Maffra and Stratford. LDRZ land only accounts for 3% - 8% of total rural residential zones in Heyfield and nearby towns.

**TABLE 7** COMPETING LOW DENSITY AND RURAL RESIDENTIAL LAND SUPPLY, HEYFIELD AND NEARBY TOWNSHIPS

	Heyfield	Glenmaggie	Maffra	Stratford	Toongabbie
<b>Area (ha)</b>					
LDRZ	14.5	0	36	24	0
RLZ	314	665	400	744	130
<b>Typical Lot Sizes</b>					
LDRZ	2.5ha – 5ha	n/a	4,000sqm - 8,000 sqm	4,000 sqm - 2ha	n/a
RLZ	8,000sqm – 2ha	8,000sqm - 2 ha	8,000sqm - 2ha	1.5ha - 3ha	8,000sqm - 2ha
GRZ/TZ	800sqm – 2,000sqm	500sqm - 1,000sqm	800sqm - 1000sqm	800sqm - 1,500sqm	800sqm - 2,000 sqm
<b>Vacant Lots (not accounting for subdivision potential)</b>					
LDRZ	2	0	4	3	0
RLZ	39	22	22	22	5

Source: Urban Enterprise, using aerial imagery and planning zones. September 2016.

#### 4.4. KEY FINDINGS

- Wellington Shire is a popular location for rural and low density residential dwellings and lots, and the Heyfield Maffra region is experiencing an increase in overall residential demand;
- Based on the historical average number of dwelling approvals in the rural living zones and projected population growth, past demand for rural residential lots in Heyfield is approximately 3 lots per annum;
- Much of the supply of land in the Rural Living Zone in Heyfield is fragmented and is unlikely to be made available to the market in the short term. Approximately 16 lots are vacant and potentially available to the market, however these lots are all at least 8,000sqm in area, with many 1-2 hectares in area. These lots would not necessarily meet the needs of those seeking smaller low density lots in the order of 4,000sqm / one acre;
- The lack of available supply of lots between 2,000sqm and 8,000sqm means that the market is relatively untested for this product, and there is a gap in the market for Low Density Residential lots, both in Heyfield and surrounding towns. It is expected that if lots were made available in the order of 4,000sqm, that some of the recent demand for lots in the Rural Living Zone would be transferred to the Low Density Residential Zone, and further latent demand may be met by addressing this market gap.

#### IMPLICATIONS

Given that no low density residential lots have been made available in Heyfield, it is likely that there is a degree of latent demand that would be absorbed in the early stages of any future LDRZ subdivision.

The lack of supply makes it difficult to project the rate of future demand, given that the market is relatively untested for this residential lot type. If historical demand for rural living lots is used as a guide, it could be expected that at least 3 lots per year could be required in the Low Density Residential Zone if appropriate land is made available to the market. This would equate to demand for 15 lots over the next 5 years and 30 lots over the next 10 years in the Low Density Residential Zone. At an average lot size of 4,000sqm and allowing 30% of land area for access, drainage and open space, this would require a total of between 9ha and 17ha of LDRZ land. It is likely that initial demand when new LDRZ lots are released to the market would significantly exceed 3 lots per annum due to latent demand.

Although existing land in the LDRZ has potential to create new low density lots, it is understood that only one landowner has the intention to subdivide and the process is understood to have been delayed due to infrastructure issues. If this land is ultimately subdivided, a total of 11 lots would be created, meaning that it is likely that additional land would be required in any case to meet demand over the next 5 to 10 years. In order to ensure that there is sufficient supply of low density residential lots on an ongoing basis, it is recommended that the take up of any new LDRZ land is monitored yearly and a review of the suitability of supply (quantity and quality) should be undertaken every 5 years.

## 5. CANDIDATE AREAS FOR FUTURE LOW DENSITY HOUSING

### 5.1. SITE SELECTION CRITERIA

In order to identify potential areas for future low density residential development, a set of site selection criteria were established. The criteria are outlined in Table 8 – the criteria are designed to ensure that the provision of any new LDRZ land meets the requirements of State and local planning policy, meets the needs of the market, optimises the amenity of current and future residents, and enables land to be developed in the short term without compromising longer term objectives for Heyfield.

**TABLE 8** LOW DENSITY RESIDENTIAL SITE SELECTION CRITERIA

No.	Criteria
1	Not in an area affected by the Macalister Irrigation District, a declared water supply catchment or areas subject to flooding or inundation.
2	Not conflicting or compromising the future opportunities for long term urban growth (residential and industry/ employment).
3	Not conflicting with or requiring significant changes to the intent of the Heyfield Structure Plan, including retention of sufficient standard residential land.
4	Not in an area that is affected by environmental constraints and buffer areas, such as bushfire, significant native vegetation, noise (timber mills) and/ or odour (waste water treatment plant).
5	Within reasonable proximity to community services.
6	Within proximity to infrastructure services (power, water).
7	Appropriate interface with other land uses.
8	Accessibility (readily accessible by car and walking, but not likely to require works to the arterial road network for access).
9	Topography which is appropriate for development.
10	Land area which is big enough to accommodate demand over at least the next 5-10 years (either as an individual property, group of properties or group of candidate areas).

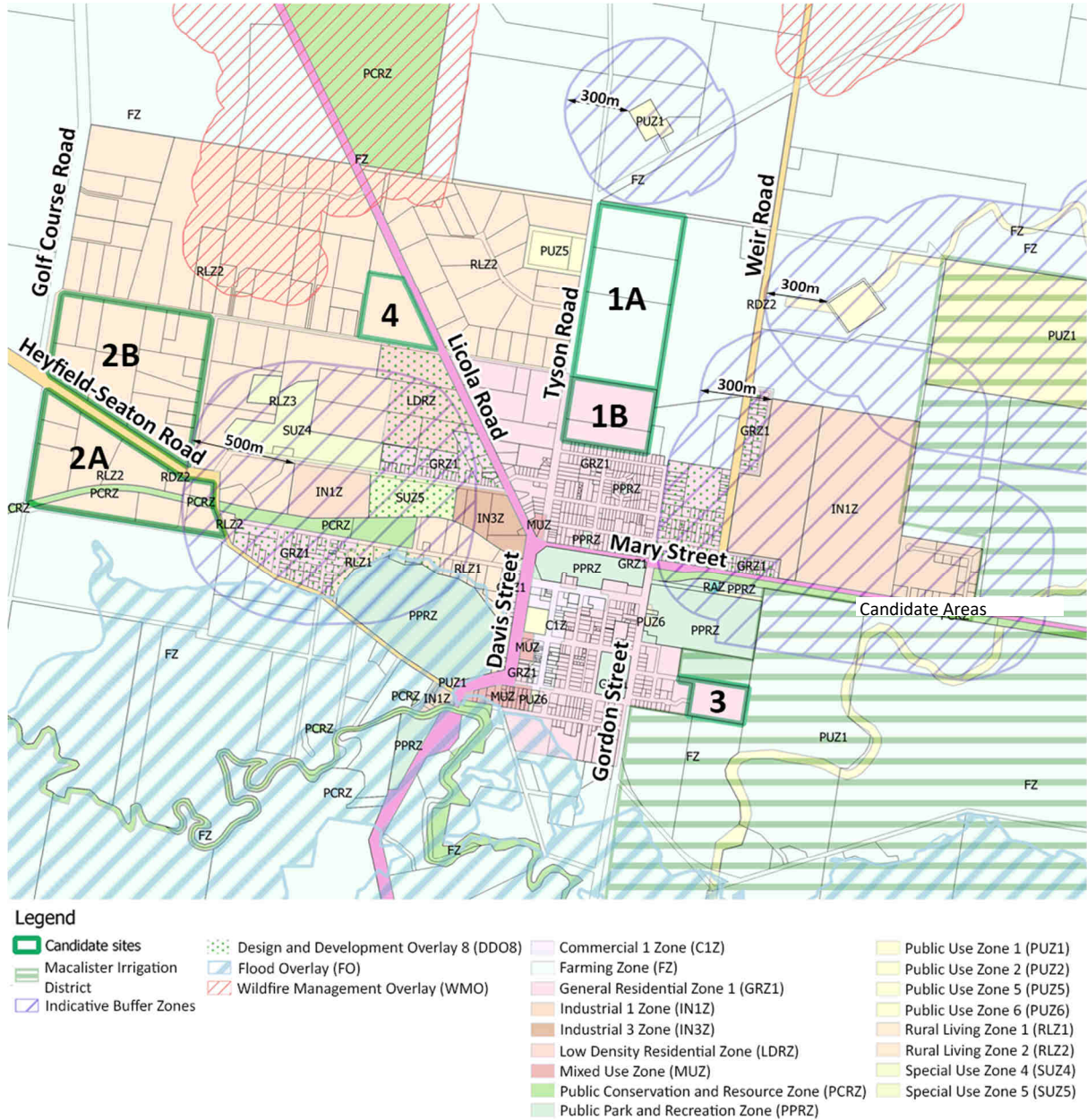
Source: Urban Enterprise.



## 5.2. CANDIDATE AREAS

Through consideration of the planning and property context outlined in this report, the site selection criteria were applied to identify four (4) candidate areas for consideration and further investigation for their suitability and feasibility for low density residential development. The boundaries of the candidate areas are shown in Figure 15, and a summary of the sites is provided in Table 9.

**FIGURE 15** CANDIDATE AREAS FOR FUTURE LOW DENSITY RESIDENTIAL DEVELOPMENT



Source: Urban Enterprise, 2016.

**TABLE 9** SUMMARY OF LDRZ CANDIDATE AREA DETAILS

Candidate Area	Zone	Properties / Owners	Land area	Indicative LDRZ Lot yield	Summary of land area and potential for LDRZ
Area 1A	FZ	3 / 3	33.3ha	50 - 55 lots	This area is primarily flat rural land currently used for residences and some small livestock purposes. Large lots contain significant areas of vacant land. Potential low density residential use in this area would provide a land use transition from the Rural Living Zone to the west and the General Residential Zone to the south. Land further to the east is potentially a long term residential growth area.
Area 1B	GRZ1	2 / 2	12.1ha	20 lots	This area is flat greenfield residential land, adjacent to standard density residential area, with 2 owners. LDRZ would enable land use transition from residential to Rural Living and Farming Zones to the north. LDRZ would prevent a longer term residential growth front in a northerly direction from the established township area.
Area 2A	RLZ2	10 / 10	28.4ha	40 lots	Fragmented land ownership, existing dwellings and improvements on most sites. Multiple larger lots that could support subdivision within the LDRZ. LDRZ would enable a transition to Rural Living Zone in the north, Adjacent to rail trail. This area of RLZ is known to be a popular area for low density dwellings.
Area 2B	RLZ2	14 / 14	39.3ha	55 – 65 lots	Fragmented land ownership, existing dwellings and improvements on most sites. Many larger lots which could support small subdivisions. LDRZ in this location would 'book-end' future long term LDRZ to east once the Green Mill relocates. RLZ in this area is known to be a popular location for high value low density housing. Water and power available at boundary.
Area 3	GRZ1	1 / 1	4.8 ha	10 - 12 lots	Vacant land in single ownership adjacent to current services and recent standard density residential subdivision. Existing services exist to adjacent lots, easily accessible to town centre. Requirement for a sewer pumping station is understood to limit opportunities for standard density residential development. LDRZ would create relatively low lot yield. Adjacent subdivision created two 'low density' lots, LDRZ would continue this subdivision pattern to the east.
Area 4	RLZ2	1/1	8.1 ha	14 lots	Single occupied RLZ parcel, adjacent to the existing LDRZ land, accessible from Mustons Lane. Large property could create a good supply of new lots.

Source: Urban Enterprise.

Other sites were also considered as potential candidate areas, however were not considered to align with the selection criteria for a range of reasons. For example:

- Land in the General Residential Zone east of Licola Road and west of Tyson Road was rezoned for standard density residential development under Amendment C72. Given that this land was the subject of a recent change to the Wellington Planning Scheme, it is not considered appropriate to subsequently rezone to a different residential zone (LDRZ). (It is noted that this land may be appropriate for consideration as Low Density Residential land if a future review of the Heyfield Strategy Plan identifies that there is an over-supply of standard density residential land and a need for further low density lots); and
- Land on the west side of Weir Road to the immediate north of the established residential area is identified in the Heyfield Strategy Plan as a potential future growth direction – rezoning to the LDRZ would prohibit any future residential growth in this direction (this issue may also apply to Candidate Area 1B). This area could also potentially be affected by any additional buffer areas sought by Gippsland Water relating to the Wastewater Treatment Plant, or buffers required by Council in relation to the timber mill and any future industrial area expansion to the north of the existing Industrial Zone.

A guiding principle of the identification of suitable LDRZ sites is the opportunity for new lots to be delivered to the market in the short term in order to address the current market gap, acknowledging that longer term LDRZ land may become available following the closure of the timber mill on Firebrace Road.

## 6. ASSESSMENT OF CANDIDATE AREAS

### 6.1. INTRODUCTION

This section of the report provides an assessment of the suitability of each Candidate Areas to provide for potential future low density residential lots in Heyfield. In addition to the criteria outlined in Section 5.1, further criteria have been applied to assess and compare the Candidate Areas in two stages as follows.

Stage 1 Criteria relate to the suitability of the Candidate Areas for low density residential use in general, regardless of the timeframe for development and the intentions of the landowners. The criteria include:

1. How well do the site characteristics of the Candidate Area align with the needs of the market and future residents, such as amenity, location and accessibility?; and
2. Are there any constraints to the land being developed such as bushfire or native vegetation, and to what extent (if any) would LDRZ in this location impact long term strategic planning objectives?

The project brief calls for preferred areas to be identified which have the potential to generate lot supply to cater to short term demand (within the next 5 years). This need has been verified through the analysis in this report. The Stage 2 criteria used to assess the opportunity for short term development include:

3. What proportion of the land is owned by those with interest and capacity to sell or develop the land, how well would the land ownership pattern enable development, could the resulting lot yield meet demand over the next 5 years, and would short term development be feasible?

The assessment is provided in Section 6.5, based on the following considerations.

### 6.2. ALIGNMENT OF SITE CHARACTERISTICS WITH COMMUNITY AND MARKET NEEDS

The research undertaken for this study indicates that there is demand for low density residential lots in Heyfield of between 1 and 2 acres. These lots are generally sought in areas with a rural or bush setting with an outlook to other rural areas. Areas in close proximity to the town centre are considered to be more attractive to the market, particularly if LDRZ lots are within walking distance of services such as retail, community facilities, schools and recreation which are all consolidated within the town centre. Proximity to employment and health services provided at the Heyfield Hospital was also identified as a benefit for future residents.

Discussions with a local real estate agent indicate that all the candidate areas are considered attractive to the market for buyers seeking larger (1-2 acre) lots, with the following points of difference:

- Areas 1A and 1B would be sought after due to: rural outlook, close proximity to the town centre and hospital, planned footpath along Tyson Road, and high value houses in the area;
- Areas 2A and 2B would be attractive to buyers due to the bush setting, although these areas are less proximate and accessible to the town centre than other candidate areas. Access to the area from the town passes through an industrial / timber mill area which could deter walking, although the rail trail provides an alternative pedestrian and cycling route to the south;
- Area 3 is very well located to the town centre, especially retail and recreation. The area would be attractive for buyers, but would also restrict future opportunity for standard density residential development adjacent to existing infrastructure;
- Area 4 would be attractive to buyers given the bush setting, although is not as close to the town centre as Areas 1B and 3.

## 6.3. DEVELOPMENT CONSTRAINTS AND LONG TERM PLANNING

### ENVIRONMENT AND NATIVE VEGETATION

Table 10 provides a summary of the environmental values of the candidate areas as provided by Council. Overall, vegetation is unlikely to present a significant constraint to future low density residential development in any of the candidate areas, however site specific assessments would be required in some areas to confirm the extent of native vegetation to be retained or requirements for offsets. These further assessments could be undertaken at the time of subdivision and during construction.

Candidate Areas 1 and 2 have significant areas of EVC61 (Box Ironbark Forest – ‘vulnerable’) on the roadsides and in patches. Area 2 has intact EVC55 (Plains Grassy Woodland – ‘endangered’) on the roadsides. Both Areas 1 and 2 have good quality native vegetation in considerable quantities. The native vegetation in Areas 1 and 2 would be impacted if access to residential areas is required through road reserves and by the provision of utilities. Areas 1 and 2 also have scattered trees occurring throughout the areas.

Native vegetation (EVC61) in Area 4 is mainly located on the western boundary of the site, and along the roadsides of Licola-Heyfield Road and Mustons Lane. The vegetation along the roadsides is moderate to good quality, whereas the quality of vegetation along the western boundary is unknown but may be planted (however, this does not exempt from native vegetation regulations). The removal of native vegetation as a result of new boundary alignment/access through road reserves would add further requirements at the subdivision stage, especially given that unsewered properties in the LDRZ must be at least 4,000 sqm and hence do not have access to the exemption for planning permit approval for the removal of native vegetation on properties less than 4,000 sqm. In addition, the removal of native vegetation along the Licola-Heyfield Road is likely to be limited as this is a VicRoads road, therefore, access ways through the road reserve are likely to be limited.

Area 3 has less roadside native vegetation and scattered trees when compared to other areas and would be the better candidate for potential LDRZ rezoning from a native vegetation prospective.

**TABLE 10** ENVIRONMENTAL CONSIDERATIONS FOR CANDIDATE AREAS

	Area 1	Area 2	Area 3	Area 4
Ecological vegetation community(s) (EVC)	Box Ironbark forest (EVC 61)	50% Red Gum Plains Grassy Woodland (EVC 55) (southern half) 50% Box Ironbark forest (EVC 61) (northern half)	Red Gum Plains Grassy Woodland (EVC 55)	Box Ironbark forest (EVC 61)
Roadside native vegetation	Many of the roadsides have a significant amount of good quality native vegetation	Many of the roadsides have a significant amount of good quality native vegetation	Some scattered trees. Understorey likely to be mainly exotic.	Moderate to good quality native vegetation along roadsides
Native vegetation on private property	Scattered native trees occur throughout the property. There is a patch of disturbed native vegetation in the north east corner of the property. The likelihood of derived native grasslands occurring in this area is high.	Scattered native trees occur throughout this area. A patch of box ironbark occurs in the north west corner of the area. The likelihood of derived native grasslands occurring in this area is high.	Scattered native trees throughout the area. This area has a low likelihood of derived native grasses occurring.	Native trees on the western property boundary of unknown quality.
Overall relative level of constraint	Lower	Higher	Moderate	Moderate

Source: Wellington Shire Council, 2016.

## BUSHFIRE

The following preliminary advice was provided verbally by the CFA (this advice is subject to a more detailed assessment being undertaken, including site visits):

- The CFA would assess all proposals against on the SPPF, with a priority of directing any future development away from risks;
- DELWP has exhibited changes to the Bushfire Management Overlay (BMO) – the proposed changes are now considered to be ‘seriously entertained’ and therefore should be taken into account for this project. (The proposed changes include a new area within the BMO to the north-west of Heyfield, but do not affect the candidate areas).
- In principle, Candidate Areas 1B and 3 do not appear to present significant risk from a bushfire perspective. Area 1A would require more detailed assessment, but is unlikely to present a bushfire risk;
- Candidate Area 2 and 4 appears to have the highest bushfire risk given the exposure to fires from the west and proximity to vegetation / fuel from the north. This does not necessarily preclude development in this area, however CFA would assess the risk and alternatives. A strategic assessment of options (as provided in this report) will assist the CFA in understanding options for LDRZ in Heyfield.

## LONG TERM STRATEGIC PLANNING

The Heyfield Strategy Plan sets out the long term strategic vision for the township. Given the range of constraints to the south, east and north of the RLZ, the Strategy Plan identified land to the north and north-east of the township as the primary growth directions for future standard residential development, and land to the east adjacent to the existing industrial zone as the preferred area for industrial expansion.

The inclusion of land in the Low Density Residential Zone would limit opportunity for any future residential growth at urban densities in this area once subdivision takes place. This is one of the weaknesses of Candidate Area 1, especially Area 1B, where LDRZ subdivision could restrict short-medium term urban expansion to the north-east of the town.

The other candidate areas are not considered to conflict with long term planning opportunities for the town. Area 4 would present a logical extension to the existing LDRZ land on Licola Road, and the eastern edge of Area 2B could ‘bookend’ the existing LDRZ area on Licola Road in the long term given that land in between these two areas is designated for long term LDRZ if and when the Green Mill relocates. This could ultimately provide for a continuous LDRZ ‘front’ along the north-western edge of the town, extending from Licola Road to Heyfield-Seaton Road.

Rezoning of Area 3 would reduce the land supply available for standard density residential lots, however it is understood that the site has significant infrastructure costs associated with the need for a sewer pump station that compromise the viability of standard density development. This issue is likely to be eliminated if land is rezoned to the LDRZ, in which no reticulated sewer is required. Although ‘back-zoning’ of land from an urban density to low density is generally not encouraged, this Candidate Area is highly unlikely to be developed under the current zoning and therefore presents the risk that this strategic location for residential use will not be made available to the market. A low density residential outcome for the site is considered an appropriate use of the land.

## 6.4. DEVELOPMENT LAYOUT, LAND OWNERSHIP AND LANDOWNER INTENTIONS

These criteria are considered the most important in ensuring that the preferred area for LDRZ lots can be delivered to the market in the short term, given that other land may be made available in the medium term if land in the current LDRZ is subdivided, and a long term option for LDRZ is designated if the Green Mill relocated from Firebrace Road.

### LANDOWNER CONSULTATION

Landowners whose land are within the candidate areas were contacted to understand the likelihood of land being subdivided or sold if rezoned to the LDRZ.

A number of affected landowners identified that they would be interested to sell or subdivide in the short term if their land were rezoned. However, many owners indicated that subdivision would be unlikely to occur in the short term, and/or that they would not have the financial capacity or time to develop the land themselves.

Many landowners who expressed interest in subdividing identified that they would be likely to retain the existing dwelling and continue to reside on the property. Some interested landowners indicated that their preference would be to create lots larger than 4,000 sqm.

Multiple landowners with intention to subdivide land in the short term are located in Candidate Area 2B, with a smaller number of interested landowners in each of the other candidate areas. Area 3 is the only property owned by a developer – the landowner representative indicated that development would proceed in the short term if the land was rezoned to LDRZ, an important opportunity in providing new lot supply to address the current market gap.

### POTENTIAL DEVELOPMENT LAYOUT

Area 1 includes five separate properties and owners, however each is accessible from Tyson Road which would enable independent subdivision of the lots.

Areas 2A and 2B have fragmented land ownership, which could result in some challenges for subdivision and a slower rate of lot release, however there are some large lots with access from Draper Road with owners interested in subdividing in the short term. It is unlikely that these areas alone would provide a significant amount of new lots to the market, however if rezoned in conjunction with a second candidate area, these areas could support a number of smaller subdivisions.

Area 2B is bisected by a waterway/drainage reserve running north-south through the area, meaning that a co-ordinated development plan across the whole area could be challenging to achieve. Some land in this area will not be developable due to waterways and associated buffers.

Candidate Areas 3 and 4 are in single ownership, and each could accommodate a simple subdivision layouts with a single internal access road.

### INFRASTRUCTURE AND SERVICES

Council has advised that the following requirements need to be met for roads, drainage and open space infrastructure for low density residential development in Heyfield:

- **Internal roads** must be sealed (conforming with IDM sealed cross-section drawing SD600), and the access design must conform with IDM drawing SD255. A minimum road pavement depth of 300mm is required, and a seal minimum of 3 metres from the edge of seal on the connecting road is required.
- **Drainage:** all candidate areas currently have no sewerage connected. Drainage infrastructure is required to meet EPA best practice guidelines, with pre- and post-calculations to be completed and retention structures are to be provided to Council. This excludes any drainage work that the landowners may need to undertake to ensure that there is no adverse impact to downstream properties.

- **Open Space:** 5% land cost contribution in dollar value for public open space contribution, and a street tree charge of \$400 per allotment will be required. In some circumstances, a land contribution for public open space will be required instead of a cash contribution, if Council identifies that a shared path link or connection would be needed through the property.

TGM has provided preliminary assessment of the potential infrastructure and services required to support low density residential development in Heyfield, taking into account the above Council requirements. In summary, it is considered that the candidate areas would require the following infrastructure and services:

- Area 1A:
  - Minor external upgrade on Tyson Road;
  - Existing waterway to be modified to provide for detention and water quality treatment;
  - Minor upgrade to new watermains in areas of external road;
  - Upgrade to existing sewer reticulation system within developed land to the south;
  - Provision of new powerlines/augmentations;
  - Developer-funded telecommunication overheads required.
- Area 1B:
  - Minor external upgrade on Tyson Road;
  - Existing waterway to be modified to provide for detention and water quality treatment;
  - Minor upgrade to new watermains in areas of external road (location of watermain to be confirmed with Gippsland Water);
  - Provision of new powerlines/augmentations;
  - Developer-funded telecommunication overheads required.
- Area 2A:
  - Upgrade to existing Heyfield-Seaton Road to typical sealed road standard;
  - Existing waterway to be modified to provide for detention and water quality treatment;
  - New watermains in areas of external road upgrades;
  - Provision of new powerlines/augmentations;
  - Developer-funded telecommunication overheads required.
- Area 2B:
  - Upgrade to existing Heyfield-Seaton Road to typical sealed road standard;
  - Existing waterway to be modified to provide for detention and water quality treatment;
  - New watermains in areas of external road upgrades;
  - Provision of new powerlines/augmentations;
  - Developer-funded telecommunication overheads required.
- Area 3:
  - Minor road modification works to connect to Burnett Court;
  - On-site drainage detention system (adjacent land);
  - Extension of existing water supply system from Burnett Court without any infrastructure upgrades (to be confirmed with Gippsland Water regarding supply capacity);
  - Extension of existing power supply from Burnett Court;
  - Extension of exiting telecommunication supply from Burnett Court.



- Area 4:
  - Upgrade of Mustons Lane, including minor intersection works at Licola Road;
  - On-site drainage detention system;
  - Extension of existing water supply system from Licola Road;
  - Extension of existing power supply from Licola Road;
  - Developer-funded telecommunication overheads required.

The estimated infrastructure and services costs for each Candidate Area are shown in Table 11. These costs relate to the overall costs to develop all land in the Candidate Area, and per lot costs shown are averaged across the maximum lot yield. These costs are indicative, given the strong likelihood of variations to the ultimate layout of development and the location and length of internal roads. However, this provides a guide to the overall scale of development costs likely to be incurred per lot in each Candidate Area. Cost breakdowns are provided in **Appendix B**.

Key assumptions, inclusions and exclusions underpinning these estimates are as follows:

- Development costs are an opinion of cost and are based on assumed development layouts for the various sites. They are broad costs and do not break down to the detail of a bill of quantities. Estimates are preliminary only and are not based on detailed design and/or analysis;
- The costs are based on either preliminary advice or no advice obtained from the relevant authorities and all items are therefore subject to confirmation and review upon receipt of formal conditions for the development;
- The rates applied to each site are consistent.
- Cost estimates assume all external servicing infrastructure is available and has capacity to service the proposed development unless stated otherwise;
- Estimates assume no site contamination;
- Professional fees quoted are preliminary; and
- No allowance is made for retaining walls, landscape design and construction work, recycled (non-potable) water, flora and fauna or heritage considerations, land purchase costs, legal fees, finance costs, selling and agent costs, goods and services taxation, cost of bonds required to obtain certificate of compliance and open space contributions.

It should be noted that these costs are to be borne by the development proponent prior to completion of subdivision to create new low density residential lots.

**TABLE 11** INFRASTRUCTURE COST ESTIMATES – ALL CANDIDATE AREAS

Candidate Area	1A	1B	2A	2B	3	4
Area (ha)	33.3	12.1	28.4	39.3	4.8	8.3
Lot yield	56	20	40	65	11	15
<b>Development Cost Breakdown (per lot)</b>						
Internal development works	\$48,000	\$48,000	\$21,000	\$36,000	\$46,000	\$38,000
External development works	\$6,000	\$6,000	\$40,000	\$30,000	\$5,000	\$15,000
Development charges and fees	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Professional fees	\$4,000	\$5,000	\$6,000	\$5,000	\$7,000	\$6,000
<b>Total development cost (per lot)</b>	<b>\$61,000</b>	<b>\$61,000</b>	<b>\$70,000</b>	<b>\$74,000</b>	<b>\$61,000</b>	<b>\$62,000</b>

Source: TGM, 2016. Costs rounded to the nearest thousand dollars.

## DEVELOPMENT FEASIBILITY

For development to be feasible, a reasonable rate of return must be available to the landowner or developer after all development costs have been incurred and lots sold. There are a number of variables in assessing return for low density residential development, such as lot size, timing of development, the number of stages of subdivision, contingencies for additional unforeseen costs, price of lots sold and the underlying value of the land.

A high level assessment of development feasibility in each of the areas has been undertaken, assuming that the average construction cost per lot is applied to each potential subdivision (including a 5% contingency) and other likely costs such as interest on construction costs and selling costs (at 2.5% of lot sales revenue).

Based on discussions with real estate agents, the expected sales price of new vacant 1 acre lots in Heyfield in the current market is in the order of \$125,000 to \$140,000. For this assessment, a sales price of \$135,000 has been assumed. It is noted that higher prices may be achieved in the short term given the absence of competing supply, the likelihood of latent demand and the lack of vacant lots available within the General Residential Zone.

For each area, a 'full development' is considered feasible in principle, assuming that lot yields are maximised across all properties in the Area (i.e. lots in the order of 4,000sqm are created), drainage can be provided within existing waterways (or in the case of Area 3, on adjacent land) and no significant additional costs are required such as major native vegetation removal / assessment.

The timing of development is therefore a key consideration, given that the project brief requires identification of sites that could deliver new lots in the short term.

## 6.5. CANDIDATE AREA ASSESSMENT

Table 12 summarises the overall suitability of the candidate areas for the provision of potential future low density residential lots in Heyfield against the selection criteria. Criteria 1 and 2 relate to the general suitability of the land for LDRZ. Criterion 3 is the most critical, given that these factors influence whether the land is likely to be made available to the market in the short term (over the next 5 years).

**TABLE 12** CANDIDATE AREA ASSESSMENT

Criteria	Candidate Areas					
	1A	1B	2A	2B	3	4
<b>1. Alignment with community and market needs</b>						
<b>Proximity</b> to community services (education, health, retail, community, recreation)	1 - 2km to town centre	✓ 700m – 1km to town centre, walking distance to hospital	2 - 3km to town centre	2 - 3km to town centre.	✓ 700 - 800m to town centre. Walking distance to school and rec. reserve	1.5km to town centre
<b>Accessibility:</b> readily accessible by car and walking to regional road and trail network, but not likely to require works to the arterial road network for access.	✓ Access from Tyson Road (sealed), planned future footpath to town centre	✓ Access from Tyson Road (sealed), planned future footpath to town centre	Local road upgrades required, direct access to rail-trail / pedestrian network.	Accessible from Heyfield – Seaton Road, however not easy walking distance to town centre.	✓ Accessed from local roads, good pedestrian access to town centre.	Access from Licola Road (declared arterial) via Mustons Lane. Low pedestrian accessibility.
Opportunities to align site <b>characteristics</b> with those in demand by prospective purchasers (i.e. rural amenity, views, bush setting).	✓ Rural outlook, separation from town	✓ Adjacent to standard density residential, rural outlook to the north.	✓ Bush setting, popular low density area.	✓ Bush setting, popular low density area.	Rural outlook to south and east, adjacent to standard density residential	Bush setting, low density area, however some lots would have arterial road interface.
Overall alignment with Criterion 1	High	High	Medium	Medium	High	Medium
<b>2. Land constraints and long term strategic planning</b>						
2.1 Unencumbered by environmental constraints and buffer areas, such as bushfire, noise and odour pollution, native vegetation.	✓ No significant constraints identified (subject to favourable bushfire assessment).	✓ No significant constraints identified.	Potential bushfire risk, particularly at western edge. Likelihood of some minor native vegetation constraints.	Potential bushfire risk at western and northern edge. Potential for some minor native vegetation constraints.	✓ No significant constraints identified.	Potential bushfire risk from the north, some native vegetation constraints.

Criteria	Candidate Areas					
	1A	1B	2A	2B	3	4
2.2 Long term planning objectives – would LDRZ align with long term Council planning objectives / enable an appropriate land use and density transition and interface?	✓ Separated from existing town area, would enable transition from RLZ to the west to GRZ to the south. Would prevent extension of a long term northern standard density growth front in this area.	Would rezone existing GRZ land to LDRZ and prevent a standard density growth front in this area. Other standard density residential growth could be accommodated further to the east, however.	Would not conflict with long term planning.	✓ Could 'bookend' the future extension of LDRZ land north of Firebrace Road once the Green Mill relocates and provide a transition to RLZ land to the west.	LDRZ would prevent standard density development, however feasibility issues exist for this type of development.	✓ Would create a logical extension to the existing LDRZ land and not compromise other long term planning.
Overall alignment with Criterion 2	High	Medium	Low	Medium	Medium	Medium
<b>3. Development intentions, land ownership pattern and lot yield</b>						
3.1 Land owner intentions: the land owner(s) intend to develop or sell the land to facilitate residential development, and have capacity to do so.	No land owned by developers, one owner could subdivide part of the land in medium term, however this would create one or more superlots which would need to be purchased and re-subdivided by a developer.	No land owned by developers, unlikely to be sold or subdivided in the short term.	Only one owner expressed interest in subdividing in the short term – this is a relatively small property with low yield.	✓ A number of landowners intend to subdivide in the short term, especially at the northern and eastern parts of the area.	✓✓ Land is owned by a development consortium interested in subdividing in the short term.	Land owned by an owner-occupier, unlikely to be sold or developed in the short term.
3.2 Land ownership pattern: conducive to short term development and a well-planned outcome.	✓ 3 owners, each lot is large and accessible from Tyson Road, could be subdivided separately.	✓ 2 owners, each lot is large, accessible from Tyson Road, could be subdivided separately.	Fragmented ownership, Development Plan Overlay may be required to co-ordinate subdivision.	Multiple owners, most lots can be accessed from existing road network. Creation of new lots could be slow - potential co-ordination required.	✓✓ Single owner, large lot, practical for a typical subdivision layout.	✓ Single owner, large lot, practical for a typical subdivision layout.
3.3 Land area and potential lot yield: sufficient land to accommodate demand over at least the next 5 - 10 years.	✓ 33ha, 56 lots	✓ 12 ha, 20 lots	✓ 28 ha, 40 lots	✓ 39 ha, 65 lots	5 ha, 11 lots. Could comprise the immediate term component of a multi-site approach to supply.	8 ha, 15 lots
3.4 Low external infrastructure requirements and costs, and feasible to develop in the short term.	✓ Existing infrastructure available, low external infrastructure requirements ✓ Feasible to develop	✓ Existing infrastructure available, low external infrastructure requirements ✓ Feasible to develop	Existing roads require upgrade to seal ✓ Feasible to develop subject to constraints	Existing roads require upgrade to seal if accessed from east or north. ✓ Feasible to develop	✓ Minimal external infrastructure costs ✓ Feasible to develop	Section of Mustons Lane requires seal. ✓ Feasible to develop
Alignment with Criterion 3	Low - Medium	Low - Medium	Low	Medium - High	High	Low

Source: Urban Enterprise, 2016.

## 6.6. PREFERRED SITES

The only Candidate Area property owned by a developer with the intention to subdivide in the short term is Candidate Area 3. The characteristics of this area are well aligned with the needs of the market and community, particularly in relation to proximity to the town centre and recreation opportunities. This area presents the best opportunity for short term LDRZ supply in Heyfield.

The relatively low development costs associated with Area 3 will support a feasible subdivision on this site, likely to be completed in a single stage making use of existing infrastructure. Two large lots exist at the eastern end of Burnett Court (4,100sqm and 7,300sqm respectively), providing a logical lot size transition between future LDRZ lots and the existing standard residential lots on Burnett Court.

Area 3 could provide approximately 11 lots to the market in the short term. Depending on take up rates, these lots would be likely to provide approximately 2-3 years supply, based on the expectation that lot sales in the first year would be strong due to latent demand (up to 6-8 lots), followed by a longer term average of at least 3 lots per year.

It is noted that the rezoning and subdivision processes may take 2 years or more from commencement. It is likely that latent demand for low density residential lots would further increase over this period if LDRZ land on Licola Road is not developed.

It is recommended that a second LDRZ area should be identified to ensure that there is no shortage of low density lots over the next 5 years. The identification of a second area would provide the benefits of encouraging competition in the development market and offering a different location / setting to prospective land purchasers. As a result, there is likely to be improved choice and reduced upward pressure on lot prices if two areas are rezoned. Further, if one area is not developed in the short term (as has been the case in Heyfield since the previous rezonings on Licola Road), there is still an opportunity for subdivision within the other LDRZ area, reducing the risk of no new supply being made available over the short term.

Based on the analysis shown in Table 12, there are a number of suitable options for a secondary LDRZ area in Heyfield. Of these areas, the most suitable are considered to be Candidate Areas 1A, 2B and 4. Given that the over-riding objective is to provide short term supply to the market, it is considered that Area 2B presents the best opportunity for subdivision based on the stated intentions of owners in this area to subdivide in the short term, and the location of existing water and power services along the Candidate Area boundary. This area could provide a secondary LDRZ that could ultimately link with long term LDRZ expansion north of Firebrace Road, and would not compromise other long term strategic planning objectives for the town.

The full extent of Area 2B will not be required from a demand perspective. The entire area could have a capacity of up to 65 lots, which would provide for in excess of 20 years supply (at 3 – 4 lots per year). Given that other LDRZ development options are proposed in Area 3 and potentially in existing LDRZ land on Licola Road, a smaller section within Candidate Area 2B should be identified for rezoning for short term purposes. It is preferable for this area to include landowners that have expressed an interest in subdividing in the short term with access to existing infrastructure, in closest proximity to the town centre and not directly exposed to bushfire risks from the west and north.

It is therefore recommended that approximately 12.8ha of land across 5 properties in the south-eastern corner of Area 2B is rezoned to the LDRZ, which could yield in the order of 22-23 lots if all are subdivided and existing dwellings are not retained. If existing dwellings are retained in this area, the subdivision layout would likely result in a slightly lower yield in the order of 17-18 lots (depending on the subdivision layout). In either case, this area could deliver approximately 3 – 6 years of supply to the market over the short term. Advice from TGM is that construction costs per lot would be lower within this recommended area than the average construction cost per lot across the broader Candidate Area 2B, assuming access from Heyfield Seaton Road and a small detention basin being constructed in the south-west of the area. If Council's view is that a Development Plan Overlay is required to ensure a co-ordinated approach to subdivision and infrastructure provision, then some co-operation between landowners would be required to deliver the new supply. Actual subdivision costs and layouts would need to be agreed with Council – the capacity of landowners to fund development, retain existing dwellings and co-ordinate with the timing and

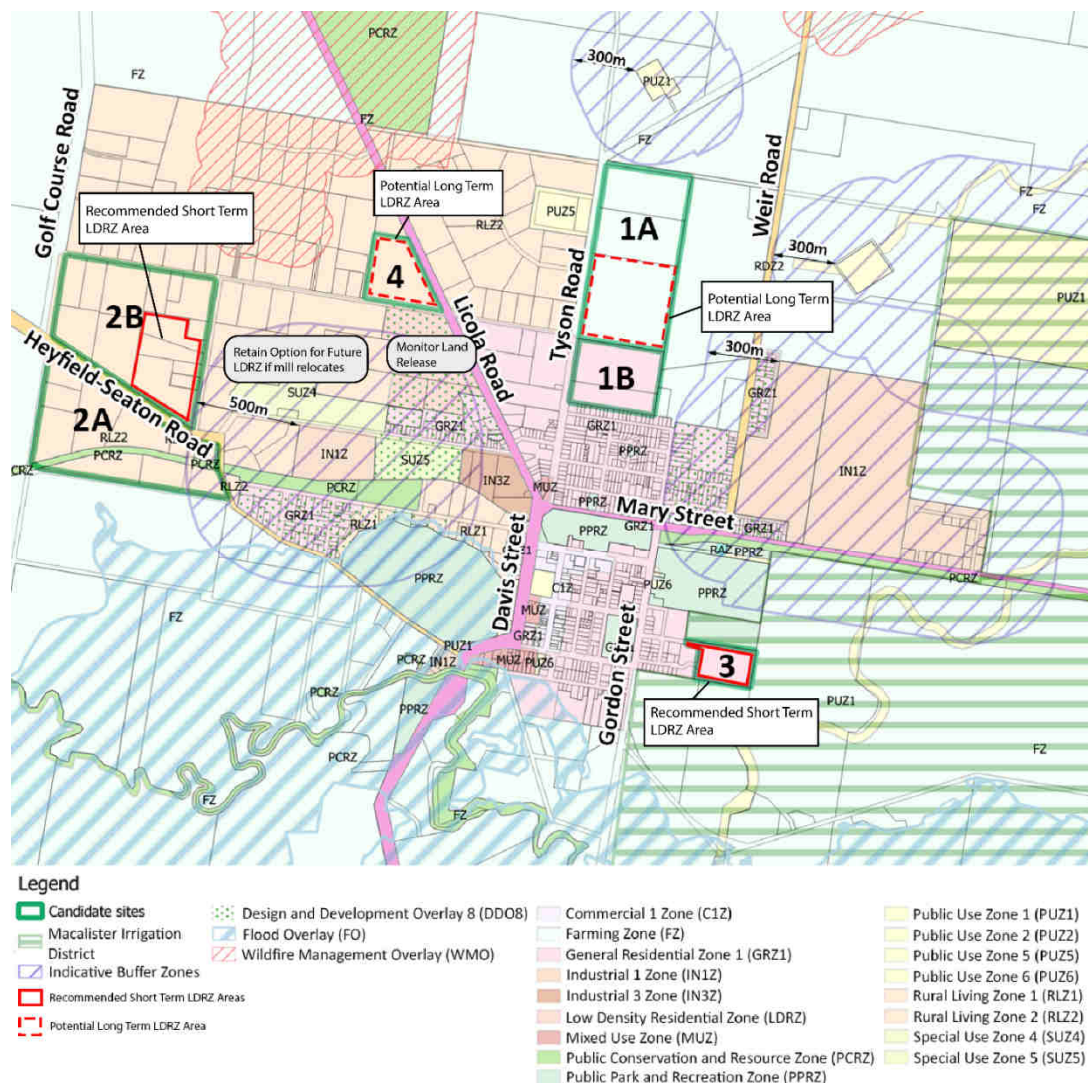
infrastructure provision of neighbouring subdivisions could all impact on the delivery of new lots in this area, hence it is identified as a secondary supply opportunity to the primary opportunity in Candidate Area 3.

Candidate Area 1 and Candidate Area 4 present appropriate locations for future LDRZ, however not all landowners will have capacity or intention to subdivide in the short term. It is expected that these areas could provide medium term supply at the earliest. Rezoning of Candidate Area 1B could also potentially limit residential expansion to the north-east of the town. In the short term, it is considered appropriate for this area to remain as currently zoned (including land further to the east on Weir Road) so as not to compromise any long term standard residential growth opportunities.

It is recommended that the southern property in Candidate 1A and Area 4 are identified as potential long term LDRZ opportunities, subject to a review of land supply and demand after 5 years.

The recommended approach to short and long term LDRZ land in Heyfield is shown in Figure 16.

**FIGURE 16** RECOMMENDED APPROACH TO LDRZ LAND IN HEYFIELD



Source: Urban Enterprise, 2016.

## 6.7. IMPLEMENTATION

In order to implement the recommendations of this report, Council should adopt the report and seek authorisation to prepare a Planning Scheme Amendment. The Amendment should seek to make the following changes to the Wellington Planning Scheme:

- Rezone part of the land within Area 2B (as shown in Figure 16) and all land within Area 3 to the Low Density Residential Zone;
- Apply a new Development Plan Overlay to land in Area 2B to ensure that future subdivision of land in this area takes place in accordance with a Development Plan approved by Council which provides for efficient and appropriate development layouts and infrastructure provision across the area;
- Update the Heyfield Strategy Plan in Clause 21.08 to:
  - Identify Area 1A, Area 4 and land between the Green Mill and Mustons Lane as Potential Long Term LDRZ Areas; and
  - Amend the Urban Growth Boundary to encompass Area 2B, as well as all land bounded by Licola Road, Mustons Lane, Firebrace Road and Draper Road.
- Include this report as a Reference Document to the Wellington Planning Scheme.

## MONITORING AND REVIEW

This report should be reviewed within 5 years of adoption. The review should cover:

- Indicators of demand for low density residential land, including dwelling approvals, lot sales and prices, and population growth;
- The amount of supply available within the LDRZ in Heyfield, and the amount of new supply that has been made available to the market since this report was prepared;
- Supply and development activity within remaining greenfield land in the General Residential Zone (in order to form a view as to whether any over-supply exists and whether any land in the GRZ could be rezoned to the LDRZ, such as Candidate Area 1B);
- The need for any further supply to meet market needs if warranted by the demand update and/or any issues relating to the timing of development of land within the LDRZ; and
- Any other relevant changes to the planning and land use context in Heyfield, such as any updates to the Heyfield Strategy Plan or revised buffer requirements due to changes to timber mill operations and/or the boundaries of land in Industrial or Special Use Zones.

## APPENDIX A IMPERIAL AND METRIC AREA CONVERSIONS

Imperial Measurement		Metric measurement	
Acres (two decimals)	Acres (rounded)	Square Metres	Hectares
0.49	0.5	2,000	0.2
0.99	1	4,000	0.4
2.47	2.5	10,000	1
4.94	5	20,000	2
9.88	10	40,000	4



## APPENDIX B TGM INFRASTRUCTURE AND SERVICES COST ESTIMATES



**HEYFIELD LOW DENSITY RESIDENTIAL LAND SUPPLY  
 CANDIDATE AREA NO. 1A  
 WELLINGTON SHIRE COUNCIL**

**OPINION OF COSTS**

9/11/2016

REVISION - B

**REFER PLAN**

URBAN ENTERPRISE CANDIDATE AREAS

<b>AREA</b>	<b>Gross Site Area</b>	<b>33.3</b>	Ha
<b>No LOTS</b>	NDA (GSA less OPS = 0ha)	<b>33.3</b>	Open space to be confirmed
		<b>56</b>	LOTS

**1.00 INTERNAL DEVELOPMENT WORKS**

1.01 INTERNAL ROADS AND DRAINAGE WORKS	\$1,591,200.00
1.02 EARTHWORKS	\$269,568.00
1.03 ON-SITE STORMWATER DETENTION	\$100,000.00
1.04 WSUD Protocols	\$20,000.00
1.05 SEWERAGE RETICULATION (on site treatment- no allowance in costings)	\$0.00
1.06 POTABLE WATER RETICULATION	\$280,800.00
1.07 NDW - NON POTABLE WATER RETICULATION (ASSUME NOT REQUIRED)	\$0.00
1.08 DEMOLITION OF EXISTING STRUCTURES/PLANT/TREE REMOVAL	\$10,000.00
1.09 MISCELLANEOUS WORKS (CULVERT CREEK CROSSINGS)	\$25,000.00
1.10 ELECTRICITY SUPPLY (SUPPLY TO EACH LOT INCLUDING UNDERGROUND CABLING)	\$248,000.00
1.11 TELECOMMUNICATIONS (PIT AND PIPE)	\$28,000.00
1.12 Contingency (5%)	\$128,628.40

**Sub Total \$2,701,196.40**

**2.00 EXTERNAL DEVELOPMENT WORKS**

2.01 EXTERNAL ROADWORKS	\$41,000.00
2.02 EXTERNAL STORMWATER OUTFALL DRAIN UPGRADE	No Allowance \$0.00
2.03 EXTERNAL SEWER UPGRADE (Not applicable)	\$0.00
2.04 EXTERNAL WATER RETICULATION (External Upgrade)	\$80,000.00
2.05 EXTERNAL GAS RETICULATION	\$0.00
2.06 ELECTRICITY SUPPLY (Augmentation works. )	\$180,000.00
2.07 TELECOMMUNICATIONS SUPPLY (headworks charges applicable)	\$20,000.00
2.08 Contingency (5%)	\$16,050.00

**Sub Total \$337,050.00**

**3.00 DEVELOPMENT CHARGES AND FEES**

<b>3.1 COUNCIL</b>	
3.1.1 COUNCIL PLAN CHECKING AND SUPERVISION	\$56,946.50
3.1.2 COUNCIL CERTIFICATION FEES	\$1,120.00
3.1.3 COUNCIL DRAINAGE LEVY	ASSUME NO COST \$0.00
3.1.4 COUNCIL DEVELOPMENT LEVY - DCP	\$0.00
3.1.5 STREET TREES	To be included in landscape budget \$22,400.00
3.1.6 PUBLIC OPEN SPACE	ALLOWANCE TO BE MADE BY DEVELOPER IF REQUIRED \$0.00
<b>3.2 TITLE OFFICE FEES</b>	
	\$0.00
<b>3.3 SEWERAGE SERVICES</b>	
3.3.1 Application and processing Fees	\$0.00
3.3.2 Developer Contributions	\$0.00
<b>3.4 POTABLE and RECYCLED WATER SUPPLY</b>	
3.4.2 Developer Contributions	\$29,948.24
3.4.3 Connection and meter fees	\$5,000.00
<b>3.5 MAIN DRAINAGE WORKS</b>	
3.5.1 Developer Contributions (Not applicable)	\$0.00
<b>3.6 ELECTRICITY SUPPLY</b>	
3.6.1 Developer Contributions and public lighting (Included in build costs and external costs)	\$0.00
3.6.2 Design and Project Management ( included in build cost and external costs)	
<b>3.7 TELSTRA/NBN FIBRE OPTIC RETICULATION CHARGES</b>	
3.7.1 NBN contribution fees	\$33,600.00

**Sub Total \$149,014.74**

**4.00 REIMBURSEMENTS**

**4.1 WATER AUTHORITY**

4.1.1 Shared sewerage assets	\$0.00
4.1.2 Shared water supply assets	\$0.00
4.1.3 Shared recycled water assets	\$0.00

**4.2 ELECTRICITY SUPPLY**

4.2.1 No HV reimbursement	\$0.00
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**5.00 PROFESSIONAL FEES**

5.1 Civil Engineering - Internal Works	Design	\$95,379.88
	Construction	\$45,931.36
5.2 Civil Engineering - External and Scheme Works	Design	\$6,050.00
	Construction	\$6,050.00
5.3 Electricity Supply and Communication Design and Project Management		\$16,800.00
5.4 Surveying		\$28,000.00
5.5 Planning		\$10,000.00
5.6 Geotechnical (Allow)		\$5,000.00
5.7 Traffic (Allow)		\$5,000.00
5.8 Landscaping		\$0.00
5.9 Environmental (By Others)		\$0.00
5.10 Cultural Heritage (By Others)		\$0.00
5.11 Flora and Fauna (By Other)		\$0.00

**Sub Total** **\$218,211**

**TOTAL ESTIMATED COST** **\$3,405,472.38**

**ESTIMATED COST PER LOT** **\$60,812.01**

<b>CONSTRUCTION ONLY ESTIMATED COST</b>	<b>\$3,038,246</b>
<b>CONSTRUCTION ONLY ESTIMATED COST PER LOT</b>	<b>\$54,254.40</b>

**NOTES:**

- 1 These estimates are preliminary only and are not based on detailed design and/or analysis
- 2 The costs are based on either preliminary advice or no advice obtained from the relevant authorities and all items are therefore subject to confirmation and review upon receipt of formal conditions for the development
- 3 Cost estimates assume all external servicing infrastructure is available and has capacity to service the proposed development unless stated otherwise.
- 4 No allowance for retaining walls
- 5 Estimates also exclude Landscape design and construction works.
- 6 Estimates assumes no site contamination
- 7 The professional fees quoted are preliminary and are subject to negotiation and confirmation
- 8 These estimates do not include allowances for
  - land purchase cost
  - legal fees
  - finance costs
  - selling and agents costs
  - goods and services taxation
  - cost of bonds required to obtain certificate of compliance
  - open space contributions
- 9 Cost estimates has no allowance for flora and fauna or heritage considerations.
- 10 No allowance for recycled (non-potable) water.



**HEYFIELD LOW DENSITY RESIDENTIAL LAND SUPPLY  
 CANDIDATE AREA NO. 1B  
 WELLINGTON SHIRE COUNCIL**

**OPINION OF COSTS**

9/11/2016

REVISION - B

**REFER PLAN**

URBAN ENTERPRISE CANDIDATE AREAS

<b>AREA</b>	<b>Gross Site Area</b>	<b>12.1</b>	Ha
<b>No LOTS</b>	NDA (GSA less OPS = 0ha)	<b>12.1</b>	Open space to be confirmed
		<b>20</b>	LOTS

**1.00 INTERNAL DEVELOPMENT WORKS**

1.01 INTERNAL ROADS AND DRAINAGE WORKS	\$527,000.00
1.02 EARTHWORKS	\$89,280.00
1.03 ON-SITE STORMWATER DETENTION	\$50,000.00
1.04 WSUD Protocols	\$10,000.00
1.05 SEWERAGE RETICULATION (on site treatment- no allowance in costings)	\$0.00
1.06 POTABLE WATER RETICULATION	\$93,000.00
1.07 NDW - NON POTABLE WATER RETICULATION (ASSUME NOT REQUIRED)	\$0.00
1.08 DEMOLITION OF EXISTING STRUCTURES/PLANT/TREE REMOVAL	\$10,000.00
1.09 MISCELLANEOUS WORKS (CULVERT CREEK CROSSINGS)	\$25,000.00
1.10 ELECTRICITY SUPPLY (SUPPLY TO EACH LOT INCLUDING UNDERGROUND CABLING)	\$92,000.00
1.11 TELECOMMUNICATIONS (PIT AND PIPE)	\$10,000.00
1.12 Contingency (5%)	\$45,314.00

**Sub Total \$951,594.00**

**2.00 EXTERNAL DEVELOPMENT WORKS**

2.01 EXTERNAL ROADWORKS	\$32,500.00
2.02 EXTERNAL STORMWATER OUTFALL DRAIN UPGRADE	No Allowance \$0.00
2.03 EXTERNAL SEWER UPGRADE (Not applicable)	\$0.00
2.04 EXTERNAL WATER RETICULATION (External Upgrade)	\$0.00
2.05 EXTERNAL GAS RETICULATION	\$0.00
2.06 ELECTRICITY SUPPLY (Augmentation works. )	\$60,000.00
2.07 TELECOMMUNICATIONS SUPPLY (headworks charges applicable)	\$20,000.00
2.08 Contingency (5%)	\$5,625.00

**Sub Total \$118,125.00**

**3.00 DEVELOPMENT CHARGES AND FEES**

<b>3.1 COUNCIL</b>	
3.1.1 COUNCIL PLAN CHECKING AND SUPERVISION	\$20,133.75
3.1.2 COUNCIL CERTIFICATION FEES	\$400.00
3.1.3 COUNCIL DRAINAGE LEVY ASSUME NO COST	\$0.00
3.1.4 COUNCIL DEVELOPMENT LEVY - DCP	\$0.00
3.1.5 STREET TREES To be included in landscape budget	\$8,000.00
3.1.6 PUBLIC OPEN SPACE ALLOWANCE TO BE MADE BY DEVELOPER IF REQUIRED	\$0.00
<b>3.2 TITLE OFFICE FEES</b>	
	\$0.00
<b>3.3 SEWERAGE SERVICES</b>	
3.3.1 Application and processing Fees	\$0.00
3.3.2 Developer Contributions	\$0.00
<b>3.4 POTABLE and RECYCLED WATER SUPPLY</b>	
3.4.2 Developer Contributions	\$10,695.80
3.4.3 Connection and meter fees	\$5,000.00
<b>3.5 MAIN DRAINAGE WORKS</b>	
3.5.1 Developer Contributions (Not applicable)	\$0.00
<b>3.6 ELECTRICITY SUPPLY</b>	
3.6.1 Developer Contributions and public lighting (Included in build costs and external costs)	\$0.00
3.6.2 Design and Project Management ( included in build cost and external costs)	
<b>3.7 TELSTRA/NBN FIBRE OPTIC RETICULATION CHARGES</b>	
3.7.1 NBN contribution fees	\$12,000.00

**Sub Total \$56,229.55**

**4.00 REIMBURSEMENTS**

**4.1 WATER AUTHORITY**

4.1.1 Shared sewerage assets	\$0.00
4.1.2 Shared water supply assets	\$0.00
4.1.3 Shared recycled water assets	\$0.00

**4.2 ELECTRICITY SUPPLY**

4.2.1 No HV reimbursement	\$0.00
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**5.00 PROFESSIONAL FEES**

5.1 Civil Engineering - Internal Works	Design	\$43,149.80
	Construction	\$16,085.60
5.2 Civil Engineering - External and Scheme Works	Design	\$1,625.00
	Construction	\$1,625.00
5.3 Electricity Supply and Communication Design and Project Management		\$6,000.00
5.4 Surveying		\$10,000.00
5.5 Planning		\$10,000.00
5.6 Geotechnical (Allow)		\$5,000.00
5.7 Traffic (Allow)		\$5,000.00
5.8 Landscaping		\$0.00
5.9 Environmental (By Others)		\$0.00
5.10 Cultural Heritage (By Others)		\$0.00
5.11 Flora and Fauna (By Other)		\$0.00

**Sub Total** **\$98,485**

**TOTAL ESTIMATED COST** **\$1,224,433.95**

**ESTIMATED COST PER LOT** **\$61,221.70**

<b>CONSTRUCTION ONLY ESTIMATED COST</b>	<b>\$1,069,719</b>
<b>CONSTRUCTION ONLY ESTIMATED COST PER LOT</b>	<b>\$53,485.95</b>

**NOTES:**

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- 2 The costs are based on either preliminary advice or no advice obtained from the relevant authorities and all items are therefore subject to confirmation and review upon receipt of formal conditions for the development
- 3 Cost estimates assume all external servicing infrastructure is available and has capacity to service the proposed development unless stated otherwise.
- 4 No allowance for retaining walls
- 5 Estimates also exclude Landscape design and construction works.
- 6 Estimates assumes no site contamination
- 7 The professional fees quoted are preliminary and are subject to negotiation and confirmation
- 8 These estimates do not include allowances for
  - land purchase cost
  - legal fees
  - finance costs
  - selling and agents costs
  - goods and services taxation
  - cost of bonds required to obtain certificate of compliance
  - open space contributions
- 9 Cost estimates has no allowance for flora and fauna or heritage considerations.
- 10 No allowance for recycled (non-potable) water.



**HEYFIELD LOW DENSITY RESIDENTIAL LAND SUPPLY  
 CANDIDATE AREA NO. 2A  
 WELLINGTON SHIRE COUNCIL**

**OPINION OF COSTS**

9/11/2016

REVISION - B

**REFER PLAN**

URBAN ENTERPRISE CANDIDATE AREAS

<b>AREA</b>	<b>Gross Site Area</b>	<b>28.4</b>	Ha
<b>No LOTS</b>	NDA (GSA less OPS = 0ha)	<b>28.4</b>	Open space to be confirmed
		<b>40</b>	LOTS

**1.00 INTERNAL DEVELOPMENT WORKS**

1.01 INTERNAL ROADS AND DRAINAGE WORKS	\$365,500.00
1.02 EARTHWORKS	\$61,920.00
1.03 ON-SITE STORMWATER DETENTION	\$100,000.00
1.04 WSUD Protocols	\$30,000.00
1.05 SEWERAGE RETICULATION (on site treatment- no allowance in costings)	\$0.00
1.06 POTABLE WATER RETICULATION	\$64,500.00
1.07 NDW - NON POTABLE WATER RETICULATION (ASSUME NOT REQUIRED)	\$0.00
1.08 DEMOLITION OF EXISTING STRUCTURES/PLANT/TREE REMOVAL	\$7,000.00
1.09 MISCELLANEOUS WORKS	\$0.00
1.10 ELECTRICITY SUPPLY (SUPPLY TO EACH LOT INCLUDING UNDERGROUND CABLING)	\$144,000.00
1.11 TELECOMMUNICATIONS (PIT AND PIPE)	\$20,000.00
1.12 Contingency (5%)	\$39,646.00

**Sub Total \$832,566.00**

**2.00 EXTERNAL DEVELOPMENT WORKS**

2.01 EXTERNAL ROADWORKS	\$871,000.00
2.02 EXTERNAL STORMWATER OUTFALL DRAIN UPGRADE (INCL)	No Allowance \$0.00
2.03 EXTERNAL SEWER UPGRADE (Not applicable)	\$0.00
2.04 EXTERNAL WATER RETICULATION (External Upgrade)	\$284,000.00
2.05 EXTERNAL GAS RETICULATION	\$0.00
2.06 ELECTRICITY SUPPLY (Augmentation works. )	\$355,000.00
2.07 TELECOMMUNICATIONS SUPPLY (headworks charges applicable)	\$20,000.00
2.08 Contingency (5%)	\$76,500.00

**Sub Total \$1,606,500.00**

**3.00 DEVELOPMENT CHARGES AND FEES**

<b>3.1 COUNCIL</b>	
3.1.1 COUNCIL PLAN CHECKING AND SUPERVISION	\$44,411.25
3.1.2 COUNCIL CERTIFICATION FEES	\$800.00
3.1.3 COUNCIL DRAINAGE LEVY ASSUME NO COST	\$0.00
3.1.4 COUNCIL DEVELOPMENT LEVY - DCP	\$0.00
3.1.5 STREET TREES To be included in landscape budget	\$16,000.00
3.1.6 PUBLIC OPEN SPACE ALLOWANCE TO BE MADE BY DEVELOPER IF REQUIRED	\$0.00
<b>3.2 TITLE OFFICE FEES</b>	
	\$0.00
<b>3.3 SEWERAGE SERVICES</b>	
3.3.1 Application and processing Fees	\$0.00
3.3.2 Developer Contributions	\$0.00
<b>3.4 POTABLE and RECYCLED WATER SUPPLY</b>	
3.4.2 Developer Contributions	\$21,391.60
3.4.3 Connection and meter fees	\$5,000.00
<b>3.5 MAIN DRAINAGE WORKS</b>	
3.5.1 Developer Contributions (Not applicable)	\$0.00
<b>3.6 ELECTRICITY SUPPLY</b>	
3.6.1 Developer Contributions and public lighting (Included in build costs and external costs)	\$0.00
3.6.2 Design and Project Management ( included in build cost and external costs)	
<b>3.7 TELSTRA/NBN FIBRE OPTIC RETICULATION CHARGES</b>	
3.7.1 NBN contribution fees	\$24,000.00

**Sub Total \$111,602.85**

**4.00 REIMBURSEMENTS**

**4.1 WATER AUTHORITY**

4.1.1 Shared sewerage assets	\$0.00
4.1.2 Shared water supply assets	\$0.00
4.1.3 Shared recycled water assets	\$0.00

**4.2 ELECTRICITY SUPPLY**

4.2.1 No HV reimbursement	\$0.00
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**5.00 PROFESSIONAL FEES**

5.1 Civil Engineering - Internal Works	Design	\$37,012.20
	Construction	\$15,723.00
5.2 Civil Engineering - External and Scheme Works	Design	\$69,300.00
	Construction	\$69,300.00
5.3 Electricity Supply and Communication Design and Project Management		\$12,000.00
5.4 Surveying		\$20,000.00
5.5 Planning		\$10,000.00
5.6 Geotechnical (Allow)		\$5,000.00
5.7 Traffic (Allow)		\$5,000.00
5.8 Landscaping		\$0.00
5.9 Environmental (By Others)		\$0.00
5.10 Cultural Heritage (By Others)		\$0.00
5.11 Flora and Fauna (By Other)		\$0.00

**Sub Total** **\$243,335**

**TOTAL ESTIMATED COST** **\$2,794,004.05**

**ESTIMATED COST PER LOT** **\$69,850.10**

<b>CONSTRUCTION ONLY ESTIMATED COST</b>	<b>\$2,439,066</b>
<b>CONSTRUCTION ONLY ESTIMATED COST PER LOT</b>	<b>\$60,976.65</b>

**NOTES:**

- 1 These estimates are preliminary only and are not based on detailed design and/or analysis
- 2 The costs are based on either preliminary advice or no advice obtained from the relevant authorities and all items are therefore subject to confirmation and review upon receipt of formal conditions for the development
- 3 Cost estimates assume all external servicing infrastructure is available and has capacity to service the proposed development unless stated otherwise.
- 4 No allowance for retaining walls
- 5 Estimates also exclude Landscape design and construction works.
- 6 Estimates assumes no site contamination
- 7 The professional fees quoted are preliminary and are subject to negotiation and confirmation
- 8 These estimates do not include allowances for
  - land purchase cost
  - legal fees
  - finance costs
  - selling and agents costs
  - goods and services taxation
  - cost of bonds required to obtain certificate of compliance
  - open space contributions
- 9 Cost estimates has no allowance for flora and fauna or heritage considerations.
- 10 No allowance for recycled (non-potable) water.



**HEYFIELD LOW DENSITY RESIDENTIAL LAND SUPPLY  
 CANDIDATE AREA NO. 2B  
 WELLINGTON SHIRE COUNCIL**

**OPINION OF COSTS**

9/11/2016

REVISION - B

**REFER PLAN**

URBAN ENTERPRISE CANDIDATE AREAS

<b>AREA</b>	<b>Gross Site Area</b>	<b>39.3</b>	Ha
<b>No LOTS</b>	NDA (GSA less OPS = 0ha)	<b>39.3</b>	Open space to be confirmed
		<b>65</b>	LOTS

**1.00 INTERNAL DEVELOPMENT WORKS**

1.01 INTERNAL ROADS AND DRAINAGE WORKS	\$1,253,750.00
1.02 EARTHWORKS	\$212,400.00
1.03 ON-SITE STORMWATER DETENTION	\$150,000.00
1.04 WSUD Protocols	\$50,000.00
1.05 SEWERAGE RETICULATION (on site treatment- no allowance in costings)	\$0.00
1.06 POTABLE WATER RETICULATION	\$221,250.00
1.07 NDW - NON POTABLE WATER RETICULATION (ASSUME NOT REQUIRED)	\$0.00
1.08 DEMOLITION OF EXISTING STRUCTURES/PLANT/TREE REMOVAL	\$20,000.00
1.09 MISCELLANEOUS WORKS	\$0.00
1.10 ELECTRICITY SUPPLY (SUPPLY TO EACH LOT INCLUDING UNDERGROUND CABLING)	\$275,000.00
1.11 TELECOMMUNICATIONS (PIT AND PIPE)	\$32,500.00
1.12 Contingency (5%)	\$110,745.00

**Sub Total \$2,325,645.00**

**2.00 EXTERNAL DEVELOPMENT WORKS**

2.01 EXTERNAL ROADWORKS	\$1,128,500.00
2.02 EXTERNAL STORMWATER OUTFALL DRAIN UPGRADE (INCL)	No Allowance \$0.00
2.03 EXTERNAL SEWER UPGRADE (Not applicable)	\$0.00
2.04 EXTERNAL WATER RETICULATION (External Upgrade)	\$367,000.00
2.05 EXTERNAL GAS RETICULATION	\$0.00
2.06 ELECTRICITY SUPPLY (Augmentation works. )	\$367,000.00
2.07 TELECOMMUNICATIONS SUPPLY (headworks charges applicable)	\$20,000.00
2.08 Contingency (5%)	\$94,125.00

**Sub Total \$1,976,625.00**

**3.00 DEVELOPMENT CHARGES AND FEES**

<b>3.1 COUNCIL</b>		
3.1.1 COUNCIL PLAN CHECKING AND SUPERVISION		\$83,923.13
3.1.2 COUNCIL CERTIFICATION FEES		\$1,300.00
3.1.3 COUNCIL DRAINAGE LEVY	ASSUME NO COST	\$0.00
3.1.4 COUNCIL DEVELOPMENT LEVY - DCP		\$0.00
3.1.5 STREET TREES	To be included in landscape budget	\$26,000.00
3.1.6 PUBLIC OPEN SPACE	ALLOWANCE TO BE MADE BY DEVELOPER IF REQUIRED	\$0.00
<b>3.2 TITLE OFFICE FEES</b>		\$0.00
<b>3.3 SEWERAGE SERVICES</b>		
3.3.1 Application and processing Fees		\$0.00
3.3.2 Developer Contributions		\$0.00
<b>3.4 POTABLE and RECYCLED WATER SUPPLY</b>		
3.4.2 Developer Contributions		\$34,761.35
3.4.3 Connection and meter fees		\$5,000.00
<b>3.5 MAIN DRAINAGE WORKS</b>		
3.5.1 Developer Contributions (Not applicable)		\$0.00
<b>3.6 ELECTRICITY SUPPLY</b>		
3.6.1 Developer Contributions and public lighting (Included in build costs and external costs)		\$0.00
3.6.2 Design and Project Management ( included in build cost and external costs)		
<b>3.7 TELSTRA/NBN FIBRE OPTIC RETICULATION CHARGES</b>		
3.7.1 NBN contribution fees		\$39,000.00

**Sub Total \$189,984.48**



**4.00 REIMBURSEMENTS**

**4.1 WATER AUTHORITY**

4.1.1 Shared sewerage assets	\$0.00
4.1.2 Shared water supply assets	\$0.00
4.1.3 Shared recycled water assets	\$0.00

**4.2 ELECTRICITY SUPPLY**

4.2.1 No HV reimbursement	\$0.00
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**5.00 PROFESSIONAL FEES**

5.1 Civil Engineering - Internal Works	Design	\$81,759.00
	Construction	\$38,148.00
5.2 Civil Engineering - External and Scheme Works	Design	\$74,775.00
	Construction	\$74,775.00
5.3 Electricity Supply and Communication Design and Project Management		\$19,500.00
5.4 Surveying		\$32,500.00
5.5 Planning		\$10,000.00
5.6 Geotechnical (Allow)		\$5,000.00
5.7 Traffic (Allow)		\$5,000.00
5.8 Landscaping		\$0.00
5.9 Environmental (By Others)		\$0.00
5.10 Cultural Heritage (By Others)		\$0.00
5.11 Flora and Fauna (By Other)		\$0.00

**Sub Total** **\$4,833,711.48** **\$341,457**

**TOTAL ESTIMATED COST**

**\$4,833,711.48**

**ESTIMATED COST PER LOT**

**\$74,364.79**

<b>CONSTRUCTION ONLY ESTIMATED COST</b>	<b>\$4,302,270</b>
<b>CONSTRUCTION ONLY ESTIMATED COST PER LOT</b>	<b>\$66,188.77</b>

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- 6 Estimates assumes no site contamination
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  - land purchase cost
  - legal fees
  - finance costs
  - selling and agents costs
  - goods and services taxation
  - cost of bonds required to obtain certificate of compliance
  - open space contributions
- 9 Cost estimates has no allowance for flora and fauna or heritage considerations.
- 10 No allowance for recycled (non-potable) water.



**HEYFIELD LOW DENSITY RESIDENTIAL LAND SUPPLY  
CANDIDATE AREA NO. 2B  
WELLINGTON SHIRE COUNCIL  
OPINION OF COSTS**

9/11/2016  
REVISION - D

**REFER PLAN**  
URBAN ENTERPRISE CANDIDATE AREAS

<b>AREA</b>	<b>Gross Site Area</b>	<b>9.68</b>	Ha
	NDA (GSA less OPS = 0ha)	<b>9.68</b>	Open space to be confirmed
<b>No LOTS</b>		<b>22</b>	LOTS

**1.00 INTERNAL DEVELOPMENT WORKS**

1.01 INTERNAL ROADS AND DRAINAGE WORKS	\$340,000.00
1.02 EARTHWORKS	\$57,600.00
1.03 ON-SITE STORMWATER DETENTION	\$150,000.00
1.04 WSUD Protocols	\$10,000.00
1.05 SEWERAGE RETICULATION (on site treatment- no allowance in costings)	\$0.00
1.06 POTABLE WATER RETICULATION	\$60,000.00
1.07 NDW - NON POTABLE WATER RETICULATION (ASSUME NOT REQUIRED)	\$0.00
1.08 DEMOLITION OF EXISTING STRUCTURES/PLANT/TREE REMOVAL	\$10,000.00
1.09 MISCELLANEOUS WORKS	\$20,000.00
1.10 ELECTRICITY SUPPLY (SUPPLY TO EACH LOT INCLUDING UNDERGROUND CABLING)	\$76,000.00
1.11 TELECOMMUNICATIONS (PIT AND PIPE)	\$11,000.00
1.12 Contingency (5%)	\$36,730.00

**Sub Total** **\$771,330.00**

**2.00 EXTERNAL DEVELOPMENT WORKS**

2.01 EXTERNAL ROADWORKS	\$168,500.00
2.02 EXTERNAL STORMWATER OUTFALL DRAIN UPGRADE (INCL)	No Allowance \$0.00
2.03 EXTERNAL SEWER UPGRADE (Not applicable)	\$0.00
2.04 EXTERNAL WATER RETICULATION (External Upgrade)	\$65,000.00
2.05 EXTERNAL GAS RETICULATION	\$0.00
2.06 ELECTRICITY SUPPLY (Augmentation works. )	\$65,000.00
2.07 TELECOMMUNICATIONS SUPPLY (headworks charges applicable)	\$20,000.00
2.08 Contingency (5%)	\$15,925.00

**Sub Total** **\$334,425.00**

**3.00 DEVELOPMENT CHARGES AND FEES**

<b>3.1 COUNCIL</b>	
3.1.1 COUNCIL PLAN CHECKING AND SUPERVISION	\$21,726.25
3.1.2 COUNCIL CERTIFICATION FEES	\$440.00
3.1.3 COUNCIL DRAINAGE LEVY	ASSUME NO COST \$0.00
3.1.4 COUNCIL DEVELOPMENT LEVY - DCP	\$0.00
3.1.5 STREET TREES	To be included in landscape budget \$8,800.00
3.1.6 PUBLIC OPEN SPACE	ALLOWANCE TO BE MADE BY DEVELOPER IF REQUIRED \$0.00
<b>3.2 TITLE OFFICE FEES</b>	
	\$0.00
<b>3.3 SEWERAGE SERVICES</b>	
3.3.1 Application and processing Fees	\$0.00
3.3.2 Developer Contributions	\$0.00
<b>3.4 POTABLE and RECYCLED WATER SUPPLY</b>	
3.4.2 Developer Contributions	\$11,765.38
3.4.3 Connection and meter fees	\$5,000.00
<b>3.5 MAIN DRAINAGE WORKS</b>	
3.5.1 Developer Contributions (Not applicable)	\$0.00
<b>3.6 ELECTRICITY SUPPLY</b>	
3.6.1 Developer Contributions and public lighting (Included in build costs and external costs)	\$0.00
3.6.2 Design and Project Management ( included in build cost and external costs)	
<b>3.7 TELSTRA/NBN FIBRE OPTIC RETICULATION CHARGES</b>	
3.7.1 NBN contribution fees	\$13,200.00

**Sub Total** **\$60,931.63**

## Cost for Area 2B Recommended Rezoning Area

### 4.00 REIMBURSEMENTS

#### 4.1 WATER AUTHORITY

4.1.1 Shared sewerage assets	\$0.00
4.1.2 Shared water supply assets	\$0.00
4.1.3 Shared recycled water assets	\$0.00

#### 4.2 ELECTRICITY SUPPLY

4.2.1 No HV reimbursement	\$0.00
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### 5.00 PROFESSIONAL FEES

5.1 Civil Engineering - Internal Works	Design	\$30,166.00
	Construction	\$12,952.00
5.2 Civil Engineering - External and Scheme Works	Design	\$11,675.00
	Construction	\$11,675.00
5.3 Electricity Supply and Communication Design and Project Management		\$6,600.00
5.4 Surveying		\$11,000.00
5.5 Planning		\$10,000.00
5.6 Geotechnical (Allow)		\$5,000.00
5.7 Traffic (Allow)		\$5,000.00
5.8 Landscaping		\$0.00
5.9 Environmental (By Others)		\$0.00
5.10 Cultural Heritage (By Others)		\$0.00
5.11 Flora and Fauna (By Other)		\$0.00

#### Sub Total

\$1,270,754.63

\$104,068

#### TOTAL ESTIMATED COST

#### ESTIMATED COST PER LOT

\$57,761.57

CONSTRUCTION ONLY ESTIMATED COST	\$1,105,755
CONSTRUCTION ONLY ESTIMATED COST PER LOT	\$50,261.59

#### NOTES:

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  - land purchase cost
  - legal fees
  - finance costs
  - selling and agents costs
  - goods and services taxation
  - cost of bonds required to obtain certificate of compliance
  - open space contributions
- 9 Cost estimates has no allowance for flora and fauna or heritage considerations.
- 10 No allowance for recycled (non-potable) water.



**HEYFIELD LOW DENSITY RESIDENTIAL LAND SUPPLY  
 CANDIDATE AREA NO. 3  
 WELLINGTON SHIRE COUNCIL**

**OPINION OF COSTS**

31/10/2016  
 REVISION - D

**REFER PLAN**

URBAN ENTERPRISE CANDIDATE AREAS

<b>AREA</b>	<b>Gross Site Area</b>	<b>4.8</b>	Ha
<b>No LOTS</b>	NDA (GSA less OPS = 0ha)	<b>4.8</b>	Open space to be confirmed
		<b>11</b>	LOTS

**1.00 INTERNAL DEVELOPMENT WORKS**

1.01 INTERNAL ROADS AND DRAINAGE WORKS	\$229,500.00
1.02 EARTHWORKS	\$38,880.00
1.03 ON-SITE STORMWATER DETENTION	\$75,000.00
1.04 WSUD Protocols	\$10,000.00
1.05 SEWERAGE RETICULATION (on site treatment- no allowance in costings)	\$0.00
1.06 POTABLE WATER RETICULATION	\$54,000.00
1.07 NDW - NON POTABLE WATER RETICULATION (ASSUME NOT REQUIRED)	\$0.00
1.08 DEMOLITION OF EXISTING STRUCTURES/PLANT/TREE REMOVAL	\$7,000.00
1.09 MISCELLANEOUS WORKS	\$0.00
1.10 ELECTRICITY SUPPLY (SUPPLY TO EACH LOT INCLUDING UNDERGROUND CABLING)	\$67,000.00
1.11 TELECOMMUNICATIONS (PIT AND PIPE)	\$5,500.00
1.12 Contingency (5%)	\$24,344.00

**Sub Total** **\$511,224.00**

**2.00 EXTERNAL DEVELOPMENT WORKS**

2.01 EXTERNAL ROADWORKS (RECONFIGURATION OF BURRNETT COURT)	\$37,000.00
2.02 EXTERNAL STORMWATER OUTFALL DRAIN UPGRADE	No Allowance \$0.00
2.03 EXTERNAL SEWER UPGRADE (Not applicable)	\$0.00
2.04 EXTERNAL WATER RETICULATION (External Upgrade)	\$0.00
2.05 EXTERNAL GAS RETICULATION	\$0.00
2.06 ELECTRICITY SUPPLY (Augmentation works. )	\$20,000.00
2.07 TELECOMMUNICATIONS SUPPLY (No headworks charges applicable)	\$0.00
2.08 Contingency (5%)	\$2,850.00

**Sub Total** **\$59,850.00**

**3.00 DEVELOPMENT CHARGES AND FEES**

<b>3.1 COUNCIL</b>	
3.1.1 COUNCIL PLAN CHECKING AND SUPERVISION	\$11,423.75
3.1.2 COUNCIL CERTIFICATION FEES	\$220.00
3.1.3 COUNCIL DRAINAGE LEVY	ASSUME NO COST \$0.00
3.1.4 COUNCIL DEVELOPMENT LEVY - DCP	\$0.00
3.1.5 STREET TREES	To be included in landscape budget \$4,400.00
3.1.6 PUBLIC OPEN SPACE	ALLOWANCE TO BE MADE BY DEVELOPER IF REQUIRED \$0.00
<b>3.2 TITLE OFFICE FEES</b>	
	\$0.00
<b>3.3 SEWERAGE SERVICES</b>	
3.3.1 Application and processing Fees	\$0.00
3.3.2 Developer Contributions	\$0.00
<b>3.4 POTABLE and RECYCLED WATER SUPPLY</b>	
3.4.2 Developer Contributions	\$5,882.69
3.4.3 Connection and meter fees	\$5,000.00
<b>3.5 MAIN DRAINAGE WORKS</b>	
3.5.1 Developer Contributions (Not applicable)	\$0.00
<b>3.6 ELECTRICITY SUPPLY</b>	
3.6.1 Developer Contributions and public lighting (Included in build costs and external costs)	\$0.00
3.6.2 Design and Project Management ( included in build cost and external costs)	
<b>3.7 TELSTRA/NBN FIBRE OPTIC RETICULATION CHARGES</b>	
3.7.1 NBN contribution fees	\$6,600.00

**Sub Total** **\$33,526.44**

**4.00 REIMBURSEMENTS**

**4.1 WATER AUTHORITY**

4.1.1 Shared sewerage assets	\$0.00
4.1.2 Shared water supply assets	\$0.00
4.1.3 Shared recycled water assets	\$0.00

**4.2 ELECTRICITY SUPPLY**

4.2.1 No HV reimbursement	\$0.00
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**5.00 PROFESSIONAL FEES**

5.1 Civil Engineering - Internal Works	Design	\$31,575.20
	Construction	\$10,359.50
5.2 Civil Engineering - External and Scheme Works	Design	\$2,220.00
	Construction	\$2,220.00
5.3 Electricity Supply and Communication Design and Project Management		\$3,300.00
5.4 Surveying		\$5,500.00
5.5 Planning		\$10,000.00
5.6 Geotechnical (Allow)		\$5,000.00
5.7 Traffic (Allow)		\$5,000.00
5.8 Landscaping		\$0.00
5.9 Environmental (By Others)		\$0.00
5.10 Cultural Heritage (By Others)		\$0.00
5.11 Flora and Fauna (By Other)		\$0.00

**Sub Total** **\$75,175**

**TOTAL ESTIMATED COST** **\$679,775.14**

**ESTIMATED COST PER LOT** **\$61,797.74**

<b>CONSTRUCTION ONLY ESTIMATED COST</b>	<b>\$571,074</b>
<b>CONSTRUCTION ONLY ESTIMATED COST PER LOT</b>	<b>\$51,915.82</b>

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  - land purchase cost
  - legal fees
  - finance costs
  - selling and agents costs
  - goods and services taxation
  - cost of bonds required to obtain certificate of compliance
  - open space contributions
- 9 Cost estimates has no allowance for flora and fauna or heritage considerations.
- 10 No allowance for recycled (non-potable) water.



**HEYFIELD LOW DENSITY RESIDENTIAL LAND SUPPLY  
 CANDIDATE AREA NO. 4  
 WELLINGTON SHIRE COUNCIL**

**OPINION OF COSTS**

9/11/2016

REVISION - B

**REFER PLAN**

URBAN ENTERPRISE CANDIDATE AREAS

<b>AREA</b>	<b>Gross Site Area</b>	<b>8.3</b>	Ha
<b>No LOTS</b>	NDA (GSA less OPS = 0ha)	<b>8.3</b>	Open space to be confirmed
		<b>15</b>	LOTS

**1.00 INTERNAL DEVELOPMENT WORKS**

1.01 INTERNAL ROADS AND DRAINAGE WORKS	\$293,250.00
1.02 EARTHWORKS	\$49,680.00
1.03 ON-SITE STORMWATER DETENTION	\$50,000.00
1.04 WSUD Protocols	\$10,000.00
1.05 SEWERAGE RETICULATION (on site treatment- no allowance in costings)	\$0.00
1.06 POTABLE WATER RETICULATION	\$48,000.00
1.07 NDW - NON POTABLE WATER RETICULATION (ASSUME NOT REQUIRED)	\$0.00
1.08 DEMOLITION OF EXISTING STRUCTURES/PLANT/TREE REMOVAL	\$10,000.00
1.09 MISCELLANEOUS WORKS (CULVERT CREEK CROSSINGS)	\$0.00
1.10 ELECTRICITY SUPPLY (SUPPLY TO EACH LOT INCLUDING UNDERGROUND CABLING)	\$72,000.00
1.11 TELECOMMUNICATIONS (PIT AND PIPE)	\$7,500.00
1.12 Contingency (5%)	\$27,021.50

**Sub Total \$567,451.50**

**2.00 EXTERNAL DEVELOPMENT WORKS**

2.01 EXTERNAL ROADWORKS	\$109,000.00
2.02 EXTERNAL STORMWATER OUTFALL DRAIN UPGRADE	No Allowance \$0.00
2.03 EXTERNAL SEWER UPGRADE (Not applicable)	\$0.00
2.04 EXTERNAL WATER RETICULATION (External Upgrade)	\$50,000.00
2.05 EXTERNAL GAS RETICULATION	\$0.00
2.06 ELECTRICITY SUPPLY (Augmentation works. )	\$45,000.00
2.07 TELECOMMUNICATIONS SUPPLY (No headworks charges applicable)	\$10,000.00
2.08 Contingency (5%)	\$10,700.00

**Sub Total \$224,700.00**

**3.00 DEVELOPMENT CHARGES AND FEES**

<b>3.1 COUNCIL</b>	
3.1.1 COUNCIL PLAN CHECKING AND SUPERVISION	\$15,023.13
3.1.2 COUNCIL CERTIFICATION FEES	\$300.00
3.1.3 COUNCIL DRAINAGE LEVY	ASSUME NO COST \$0.00
3.1.4 COUNCIL DEVELOPMENT LEVY - DCP	\$0.00
3.1.5 STREET TREES	To be included in landscape budget \$6,000.00
3.1.6 PUBLIC OPEN SPACE	ALLOWANCE TO BE MADE BY DEVELOPER IF REQUIRED \$0.00
<b>3.2 TITLE OFFICE FEES</b>	
	\$0.00
<b>3.3 SEWERAGE SERVICES</b>	
3.3.1 Application and processing Fees	\$0.00
3.3.2 Developer Contributions	\$0.00
<b>3.4 POTABLE and RECYCLED WATER SUPPLY</b>	
3.4.2 Developer Contributions	\$8,021.85
3.4.3 Connection and meter fees	\$5,000.00
<b>3.5 MAIN DRAINAGE WORKS</b>	
3.5.1 Developer Contributions (Not applicable)	\$0.00
<b>3.6 ELECTRICITY SUPPLY</b>	
3.6.1 Developer Contributions and public lighting (Included in build costs and external costs)	\$0.00
3.6.2 Design and Project Management ( included in build cost and external costs)	
<b>3.7 TELSTRA/NBN FIBRE OPTIC RETICULATION CHARGES</b>	
3.7.1 NBN contribution fees	\$9,000.00

**Sub Total \$43,344.98**

**4.00 REIMBURSEMENTS**

**4.1 WATER AUTHORITY**

4.1.1 Shared sewerage assets	\$0.00
4.1.2 Shared water supply assets	\$0.00
4.1.3 Shared recycled water assets	\$0.00

**4.2 ELECTRICITY SUPPLY**

4.2.1 No HV reimbursement	\$0.00
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**5.00 PROFESSIONAL FEES**

5.1 Civil Engineering - Internal Works	Design	\$31,132.55
	Construction	\$9,218.60
5.2 Civil Engineering - External and Scheme Works	Design	\$7,950.00
	Construction	\$7,950.00
5.3 Electricity Supply and Communication Design and Project Management		\$4,500.00
5.4 Surveying		\$7,500.00
5.5 Planning		\$10,000.00
5.6 Geotechnical (Allow)		\$5,000.00
5.7 Traffic (Allow)		\$5,000.00
5.8 Landscaping		\$0.00
5.9 Environmental (By Others)		\$0.00
5.10 Cultural Heritage (By Others)		\$0.00
5.11 Flora and Fauna (By Other)		\$0.00

**Sub Total** **\$88,251**

**TOTAL ESTIMATED COST** **\$923,747.63**

**ESTIMATED COST PER LOT** **\$61,583.18**

<b>CONSTRUCTION ONLY ESTIMATED COST</b>	<b>\$792,152</b>
<b>CONSTRUCTION ONLY ESTIMATED COST PER LOT</b>	<b>\$52,810.10</b>

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  - goods and services taxation
  - cost of bonds required to obtain certificate of compliance
  - open space contributions
- 9 Cost estimates has no allowance for flora and fauna or heritage considerations.
- 10 No allowance for recycled (non-potable) water.

