



# UP25/80 Canning Bridge Activity Centre Plan Review - Further Information Request - Department of Planning, Lands and Heritage

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City of  
**Melville**

## Background

- At the Ordinary Meeting of Council in April 2023, consultants Hatch Roberts Day (Hatch) presented their recommended updates to the CBACP for Council consideration.
- Council ultimately chose to support the changes subject to several modifications.
- One of those modifications was to remove all clauses that allowed bonus heights in exchange for community benefits.
- The Council endorsed draft CBACP is currently being assessed by the Department of Planning, Lands and Heritage (DPLH)
- Noting Council didn't support bonus height, the DPLH have nonetheless asked the City to provide clarification on an aspect of the version of the CBACP put forward by Hatch, i.e. the version that still included bonus height provisions.
- This version by Hatch sought to put a minimum value on the community benefit provided by developers (in exchange for extra storeys), by requiring the cost of the community benefit delivered on site or via cash in lieu to be equal to 5% of the bonus sought

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- DPLH have requested that modelling be done to confirm that the 5% is economically feasible for developers, and will also deliver meaningful community benefits.
  - The Council considered the DPLH request at the OCM of 13 August 2024 and resolved to undertake the work independently from the DPLH. Ultimately a scope was prepared and approved by Council on the 10 December 2024.
  - Niche Studio and Solve Property were subsequently appointed to undertake this work. This has now been completed in accordance with the scope of work endorsed by the Council.



# Niche Report Findings



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# Recommendation

1. Community contributions should be calculated at 5% of the additional (bonus) construction cost (contract sum). If the development bonus sought is at least 40%, then the benefit should be calculated at 10%.
2. Additional height typically provides better returns than additional plot ratio.

Therefore, if the objective is to optimise development feasibility and provide community contributions to infrastructure, then development bonuses should be allocated based on additional floors (storeys) rather than a bonus on plot ratio.

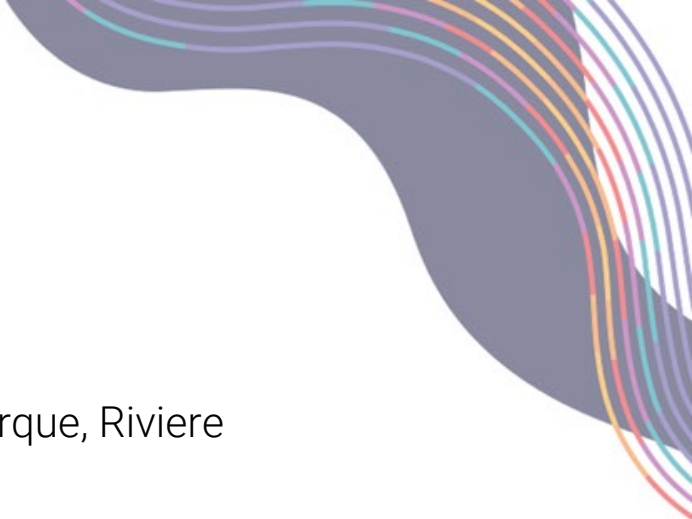
Although additional height does increase plot ratio, this generally still falls within the prescribed limit under LPP 1.20 and the CBACP provisions.

3. Cash in lieu contributions should be an option for developers to contribute rather than works in kind.
  - Noting that cash contributions place a substantial onus on the City to prioritise and audit infrastructure expenditure.
  - Cash contributions also need to be made under a framework that maintains the 'beneficiary pays' principle for development contributions and spent within a defined timeframe (preferably to coincide with the completion of the relevant development or within three years after completion).
4. The City of Melville prepare a community infrastructure needs assessment\* to specify and prioritise potential future contributions.

This will be essential for cash in lieu contributions to ensure that funds can be allocated transparently to a pre-defined outcome that meets community priorities.

\*Noting Council has already resolved to undertake this work upon completion of the CBACP Review process.

## Additional Report Scope

5. The report also responds to the Council-endorsed scope by-
  6. Quantifying the expected community benefit return using four case studies (Sabina, Cirque, Riviere and Forbes).
  7. Considering the impact of bonus height on the amenity of the precinct (including building bulk, shadowing, tree canopy loss etc).
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# Stakeholder Input

- At Council's request, the City has also engaged the Community Reference Group (CRG) to have input on both preparing the scope and reviewing the report outcomes.
- Following a meeting last week, the CRG have recommended some changes in relation to the contents of the report. This has resulted in minor modifications being made to the report, specifically removing comments in the report attributed to the CRGs views and confirming that bonus height is not essential for developments in Canning Bridge to be viable.
- CRG has also provided further comments in relation to various matters it considers important in relation to the subject of community benefits.

# Stakeholder Input

1. To account for these minor changes the City is preparing an update to the agenda for next weeks Ordinary Meeting of Council to include-
  - Additional attachments to the item including-
  - A track changed version of the consultant's report
  - An updated final report
  - A copy of the CRG's commentary
2. A modified Council recommendation to include the CRG's comments as an attachment to the report sent to the DPLH. Noting however that the recommendation includes reiterating to the DPLH that Council does not support bonus height.