Planning and Environment Act 1987

MORNINGTON PENINSULA PLANNING SCHEME AMENDMENT C295morn

EXPLANATORY REPORT

Overview

The amendment replaces the Creswell Street East Crib Point Development Contributions Plan (Watsons, June 2024) incorporated document with the revised Creswell Street East, Crib Point Development Contributions Plan (Mesh Planning, December 2023) incorporated document, to provide for the funding and delivery of access and drainage infrastructure required to support the urban development of the 76 parcels within the Development Contributions Plan (DCP) area, as outlined in map 1 below.



Map 1: Land Affected by Amendment C295morn and the DCP Project extent

Where you may inspect this amendment

The amendment can be inspected free of charge at:

- Mornington Peninsula Shire Council website at www.mornpen.vic.gov.au/Building-Planning/Strategic-Planning/Planning-Scheme-Amendments.
- During office hours at the following Shire offices:
 - o Rosebud Office 90 Besgrove Street, Rosebud
 - Mornington Office 2 Queen Street, Mornington
 - Hastings Office 21 Marine Parade, Hastings

Department of Transport and Planning website at www.planning.vic.gov.au/public-inspection or by contacting the office on 1800 789 386 to arrange a time to view the amendment documentation.

Submissions

Any person may make a submission to the planning authority about the amendment. Submissions about the amendment must be received by **Friday 20 December 2024 at 5:00pm**.

A submission must be sent to the Mornington Peninsula Shire:

- **By online form** (preferred): visit www.mornpen.vic.gov.au/Building-Planning/Strategic-Planning/Planning-Scheme-Amendments and click on 'Amendment C295morn'
- **By email:** at strategic.admin@mornpen.vic.gov.au (use 'Amendment C295morn submission' in the subject line)
- By post:

Attention: Team Leader, Strategic Planning Re: Amendment C295morn - submission Mornington Peninsula Shire Private Bag 1000 Rosebud VIC 3939

Panel hearing dates

In accordance with clause 4(2) of Ministerial Direction No.15 the following panel hearing dates have been set for this amendment:

- directions hearing: week beginning 30 June 2025.
- panel hearing: week beginning 11 August 2025.

Details of the amendment

Who is the planning authority?

This amendment has been prepared by the Mornington Peninsula Shire Council, which is the planning authority for this amendment.

The amendment has been made at the request of the Mornington Peninsula Shire Council.

Land affected by the amendment

The amendment applies to properties between 1 and 77 Creswell Street, and those fronting Cooma Street and Glossop Street between Creswell Street and Disney Street, Crib Point, as shown in map 2 below.



Map 2: Land Affected by Amendment C295morn

What the amendment does

The amendment replaces the Creswell Street East Crib Point Development Contributions Plan (Watsons, June 2024) incorporated document with the revised Creswell Street East, Crib Point Development Contributions Plan (Mesh Planning, December 2023) incorporated document, to provide for the funding and delivery of access and drainage infrastructure required to support the urban development of the 76 parcels within the DCP area.

Specifically, this amendment makes the following changes to the Overlay maps and Planning Scheme Ordinance:

Overlay maps

 Mornington Peninsula Planning Scheme map number 33DCPO has been amended to include a further 12 properties which are to be included within the DCP area.

Planning Scheme ordinance

- Amends Schedule 1 to Clause 45.06 (Development Contributions Plan Overlay) (DCPO1) to enable implementation of the Creswell Street East, Crib Point Development Contributions Plan (Mesh Planning, December 2023) incorporated document.
- Amends Schedule 1 to Clause 52.17 (Native Vegetation) to exempt vegetation required to be removed as shown in the Creswell Street East, Crib Point Development Contributions Plan (Mesh Planning, December 2023) incorporated document.
- Amends the Schedule to Clause 72.04 to remove reference to the existing Creswell Street East Crib Point Development Contributions Plan (Watsons, June 2024) incorporated document and instead reference the new incorporated document titled Creswell Street East, Crib Point Development Contributions Plan (Mesh Planning, December 2023).

Strategic assessment of the amendment

Why is the amendment required?

The amendment is required to enable a coordinated approach to the funding and delivery of local road and drainage infrastructure required to support residential development within the DCP area.

In 2019, Amendment C210morn rezoned some land within Creswell Street and Cooma Street, Crib Point from Industrial 3 Zone (INZ3) to Schedule 1 to the Neighbourhood Residential Zone (NRZ1) to facilitate residential development of the land.

Amendment C210morn also introduced the DCPO1, which applied the Creswell Street East, Crib Point Development Contributions Plan, 2018 incorporated document (the Original DCP) to provide a formal, lawful, and equitable way to collect contributions from new development to help fund the delivery of infrastructure required to service the residential land.

This amendment replaces the existing:

- Schedule 1 to Clause 45.06 (Development Contributions Plan Overlay) with the revised DCPO1;
 and
- Creswell Street East Crib Point Development Contributions Plan (Watsons, June 2024) incorporated document with the revised Creswell Street East, Crib Point Development Contributions Plan (Mesh Planning, December 2023) incorporated document.

The Mornington Peninsula Shire Council recently completed a review of the Original DCP which identified several issues, the most significant being that the project costs included in the existing Development Contributions Plan do not reflect the current construction costs.

As a result, a revised Development Contributions Plan has been prepared which:

- Extends the local road and drainage works to include the eastern edge of Creswell Street so it meets the existing road pavement and upgrade Cooma Street and Glossop Street between Creswell Street and Disney Street. As a result, the total length of unmade local roads to be upgraded has increased from 860 linear metres in the Original DCP to 1,138 linear metres in the revised DCP. The extension of the road and drainage upgrades will provide an improved outcome for the local residents and deliver two upgraded north-south local access roads.
- Retains the project type and scope i.e. the road cross-section remains the same as that in the Creswell Street East Crib Point Development Contributions Plan (Watsons, June 2024) incorporated document and includes the construction of a 5.5 metre wide asphalt pavement and stormwater drainage but does not include construction of a footpath.
- Increases the DCP area as the extent of the upgrade of the local unmade roads has increased.
 The DCP area has been increased to include all properties immediately adjacent to the unmade local roads that will be upgraded, as a result 12 additional properties are included in the revised DCP.
- Increases the total costs included in the DCP to account for the extended road length, updated construction costs based on detailed design plans, Quantity Surveyor estimates, includes finance costs to deliver the project by 30 June 2028, and plan preparation costs.
- Increases the DCP charges required due to the increase in total DCP costs.
- Apportions 70% of all DCP projects including the road and drainage infrastructure construction, plan preparation and finance costs to the landowners benefiting from the localised infrastructure. This level of apportionment was applied to the Original DCP which funded road and drainage infrastructure construction only. Council will fund the remaining 30% of the total DCP project costs.
- Increases the delivery timeframe of the project to 30 June 2028.
- Revises the demand units from linear metre of lot frontage as defined in the Original DCP to metre square of lot area.

• Includes a vegetation removal plan identifying the vegetation to be removed from private and public land, to allow for the construction of the road and drainage infrastructure required to be delivered by the DCPO1.

Further, the Schedule 1 to Clause 52.17 (Native Vegetation) is amended to exempt vegetation required to be removed as shown in the Development Contributions Plan. This provides an exemption for the Development Agency (the Mornington Peninsula Shire) from requiring a planning permit to remove, destroy or lop native vegetation.

It is noted that the Original DCP has previously been amended twice by two separate planning scheme amendments approved and gazetted in 2024 as follows:

- In June 2024, Amendment C300morn extended the expiry date of the DCP by 2 years, from 6 June 2024 to 6 June 2026 to ensure the DCP remains in place so Council can retain contributions collected to date and continue to collect contributions while Amendment C295morn to introduce the proposed new DCP is being progressed.
- In July 2024, Amendment C305morn corrected obvious technical errors that occurred as part of Amendment C300morn by:
 - Inserting an exemption in the DCP for small second dwellings consistent with Amendment VC249 which exempted small second dwellings from DCP requirements in all Victorian planning schemes as of 15 January 2024.
 - Updating the date of the DCP from 2018 to June 2024 in recognition of the changes made by Amendment C300morn.

How does the amendment implement the objectives of planning in Victoria?

The amendment implements the following objectives of the *Planning and Environment Act 1987* (the Act) set out in section 4(1):

- (a) to provide for the fair, orderly, economic and sustainable use, and development of the land.
 - The amendment will result in the fair, orderly, economic and sustainable use and development of land by providing a formal, lawful and equitable method to collect contributions to fund and enable the construction of the local unmade roads and necessary drainage infrastructure.
- (c) to ensure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria.
 - The amendment will provide for the upgrade of existing local unmade roads and the provision of necessary drainage infrastructure to support the growth of the area and result in an improved level of amenity and safety for those landowners and residents.
- (e) to protect public utilities and other assets and enable the orderly provision and co-ordination of public utilities and other facilities for the benefit of the community.
- (f) to facilitate development in accordance with the objectives set out in paragraphs (a), (b), (c), (d) and (e).
- (g) to balance the present and future interests of all Victorians.

The amendment enables the collection of development contributions to ensure that future residents are provided with appropriate infrastructure required to facilitate development in a logical manner.

How does the amendment address any environmental, social and economic effects?

Environmental effects

The amendment provides for the removal of native vegetation (from private and public land) required to facilitate the upgrade of the local unmade roads by creating an exemption within the Schedule to

Clause 52.17 (Native Vegetation). Despite this exemption, the Mornington Peninsula Shire Council has resolved to voluntarily provide appropriate offsets to compensate for the proposed vegetation loss. The cost of providing the offsets will be funded by Council and is not included within the revised DCP.

Social effects

The amendment aims to facilitate the orderly development of the DCP area which will result in an improved level of amenity, servicing and safety for existing and future residents within sections of Creswell Street, Cooma Street and Glossop Street Crib Point, through the provision of new infrastructure.

Under the revised DCP, the infrastructure will be delivered by 30 June 2028, which is in advance of receiving all the necessary development contributions.

Economic effects

The amendment provides for the fair funding and delivery of infrastructure required to service recently rezoned residential land. Specifically, the revised DCP enables Mornington Peninsula Shire Council to equitably apportion and collect development infrastructure levies to facilitate \$4,720,000 million worth of road and drainage infrastructure required for the local network. The amendment provides for 70% apportionment of development costs to affected landowners with Mornington Peninsula Shire Council to fund the remaining 30% of the total DCP costs.

While the amendment results in increased development costs for designated landowners, it is expected to have a positive effect on future private sector investment in the immediate area as landowners develop land for residential purposes.

Does the amendment address relevant bushfire risk?

The area subject to the DCPO1 is not affected by a Bushfire Management Overlay but is mostly within a bushfire prone area.

The amendment meets bushfire policy in Clause 13.02 of the Planning Scheme because it will not facilitate any increase to the risk to life, property, community, infrastructure or the natural environment from bushfire. The amendment will not result in an intensification of development greater than that already allowed via the existing NRZ1. Future residential development will be required to respond to the local bushfire hazard at the building permit stage.

Does the amendment comply with the requirements of any Minister's Direction applicable to the amendment?

The amendment complies with the requirements of the Ministerial Direction – The Form and Content of Planning Schemes (section 7(5) of the Act).

The amendment complies with the *Ministerial Direction on the Preparation and Content of Development Contributions Plans and the Ministerial Reporting Requirements for Development Contributions Plans.* The Ministerial Direction specifies the items which may be funded through a DCP. Items of relevance to this amendment include:

- b) Construction of roads, including the construction of bicycle and footpaths, and traffic management and control devices.
- e) Drainage works.

Ministerial Direction No. 11 – Strategic Assessment of Amendments

The amendment complies with Ministerial Direction No. 11 (Strategic Assessment of Amendments) under section 12 of the Act. The amendment is consistent with this direction which ensures a comprehensive strategic evaluation of a planning scheme amendment and the outcomes it produces. This explanatory report provides a comprehensive strategic evaluation of the amendment and the outcomes it produces.

Ministerial Direction No. 1 - Potentially Contaminated Land

The amendment complies with the requirements of *Ministerial Direction No. 1 Potentially Contaminated Land* under Section 12 (2) of the Act because it is consistent with, and does not make any changes to, the Environmental Audit Overlay (EAO) which was applied to several properties within the amendment area as part of previous Amendment C210morn which rezoned the subject area from INZ3 to NRZ1 and applied the Original DCP. As a result of applying the EAO, the views of the Environment Protection Authority (EPA) will be considered by way of planning permit triggers, before a sensitive use can be undertaken on land identified as potentially contaminated based on a history of land uses within the subject area, as addressed by Amendment C210morn. The Planning Authority is therefore satisfied that the amendment complies with the requirements of Ministerial Direction No.1.

Ministerial Direction No. 15 – The Planning Scheme Amendment Process

Amendment C295morn will comply with this direction which sets requirements and timeframes for completing steps in the planning scheme amendment process.

Ministerial Direction No. 17 – Localised Planning Statements

The amendment is consistent with Ministerial Direction No.17 Localised Planning Statements under section 12(2)(a) of the Act.

The Mornington Localised Planning Statement has the following relevant Objective:

"To protect the role and character of the Mornington Peninsula's settlements, towns and villages".

Strategy 22 under this Objective provides that:

- "Future planning for the settlements on the Peninsula will be based on principles of good design, Integrated Local Area Planning and Environmentally Sustainable Development, all in accordance with the character, scale, role and functions of each settlement, including":
- 22. a) ensuring a proper balance and coordination between increases in housing and population and access to employment, services, health and education facilities, open space, parkland and other infrastructure that meets the needs of the community.
- 22. d) the provision of appropriate drainage, sewerage and other infrastructure to manage the impact of human settlement and activity on the environment.

Delivery of the DCP infrastructure will ensure that existing and future residents within the amendment area will be provided the necessary local infrastructure required to support the urban development of land, resulting in an improved level of amenity, servicing and safety.

How does the amendment support or implement the Planning Policy Framework and any adopted State policy?

The amendment is consistent with the following clauses of the Planning Policy Framework and will assists in achieving objectives of the clauses:

Clause 11.01-1S - Settlement

The amendment is consistent with the objective of this Clause "to facilitate the sustainable growth and development of Victoria and deliver choice and opportunity for all Victorians through a network of settlements" as it will provide the necessary local infrastructure required to support the urban development of the area and result in an improved level of amenity and safety for the residents within sections of Creswell, Cooma and Glossop Streets, Crib Point.

Clause 11.02-1S - Supply of urban land

The amendment is consistent with the objective "to ensure a sufficient supply of land is available for residential, commercial, retail, industrial, recreational, institutional and other community uses" by

providing the necessary transport and drainage infrastructure required to unlock the urban development of the adjoining land.

Clause 19.03-1S - Development and infrastructure contributions plans

The amendment is consistent with the objective "to facilitate the timely provision of planned infrastructure to communities through the preparation and implementation of development contributions plans and infrastructure contributions plans" as it provides for the early provision of local infrastructure whereby the costs are shared equitably across the benefitting catchment.

Clause 19.03-2S – Infrastructure design and provision

The amendment is consistent with the objective "to provide timely, efficient and cost-effective development infrastructure that meets the needs of the community" as the transport and drainage infrastructure project has been subject to detailed design and costing.

Clause 19.03-3S – Integrated water management and Clause 19.03-3L – Integrated water management – Mornington Peninsula

The amendment is consistent with the objective "to sustainably manage water supply and demand, water resources, wastewater, drainage and stormwater through an integrated water management approach" as the infrastructure to be delivered will mitigate flooding of the area by managing stormwater discharge in the area.

How does the amendment support or implement the Municipal Planning Strategy?

The amendment supports Clause 02.02 (Vision) to "create thriving, accessible and inclusive places to live, work and visit" and "support an integrated transport and connectivity network" by providing for the fair funding and delivery of road and drainage infrastructure to service the needs of recently rezoned residential land.

While the amendment provides for an exemption to remove native vegetation required to construct the infrastructure, Mornington Peninsula Shire Council has committed to voluntarily pay for and provide appropriate offsets. This commitment supports the objective of Clause 02.03-3 (Environmental and landscape values) to "protect and conserve habitat areas and linking corridors to encourage wildlife survival".

Does the amendment make proper use of the Victoria Planning Provisions?

The amendment makes proper use of the Victoria Planning Provisions by replacing the existing DCPO1 and Creswell Street East Crib Point Development Contributions Plan (Watsons, June 2024) incorporated document with the revised Creswell Street East Crib Point Development Contributions Plan (Mesh Planning, December 2023) to provide for the fair funding and delivery of public infrastructure. The Development Contributions Plan Overlay is the most appropriate tool to achieve this outcome.

Further, the amendment removes the need for a planning permit to remove native vegetation (from public and private land) required to deliver the infrastructure by creating an exemption at the Schedule to Clause 52.17 (Native Vegetation). This exemption reduces the administrative burden on the Mornington Peninsula Shire Council as the Development Agency to deliver infrastructure needed to service recently rezoned residential land.

How does the amendment address the views of any relevant agency?

The views of the Department of Transport and Planning were obtained during preparation of the amendment.

The views of other agencies will be sought during the exhibition of the amendment.

Does the amendment address relevant requirements of the Transport Integration Act 2010?

The amendment will not have a significant impact on the transport system, as defined by Section 3 of the *Transport Integration Act 2010*.

The amendment provides for the sealing of local roads to service recently rezoned residential properties.

Resource and administrative costs

What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?

The amendment will have minimal impact on the resources and administrative costs of the responsible authority. It does not introduce any new planning provisions (or associated planning permit requirements). Rather, the amendment replaces the existing Creswell Street East Crib Point Development Contributions Plan (Watsons, June 2024) incorporated document with the revised Creswell Street East, Crib Point Development Contributions Plan (Mesh Planning, December 2023) incorporated document.