

POLICY NAME: DEVELOPER CONTRIBUTIONS
INVESTMENT INCENTIVE

POLICY REF: D02

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OBJECTIVE

- To establish a framework for Council to assist the development and expansion of certain investment activities through the waiver of developer contributions.
- To set out the eligibility and terms for incentives under the policy.

POLICY

Ballina Shire Council has prepared this policy to document the basis upon which developer contributions may be waived for developments that Council wishes to provide additional encouragement, or incentives, to assist those developments occurring within the shire.

This policy applies to:

- a waiver of developer contribution charges for permitted changes of use within established premises located within certain employment and mixed use zones, as Council wishes to encourage small businesses to operate and evolve within these zones.
- a waiver of development contributions charges for the use of commercial property private outdoor open space when used for alfresco dining or display of goods for sale, as Council wishes to encourage place activation within certain employment and mixed use zones.
- a discount or waiver of developer contributions and charges for the construction of secondary dwellings, as Council wishes to encourage affordable housing and maximise land use and essential infrastructure within the urban areas.

BACKGROUND

The principal purposes of this policy are to:

- 1) provide an incentive for small businesses to proceed in certain locations, which are undergoing minor changes in use;
- 2) provide an incentive for the activation of private commercial open space that is accessible to the public; and
- 3) provide an incentive in relation to residential development, in certain circumstances, to support housing affordability in the form of secondary dwellings.

Any development relying on the incentive mechanisms provided for under this policy accepts that the incentive program is offered in good faith and that Council reserves the right to vary its policy should circumstances so require.

An application that is narrowly outside the criteria may be considered by Council provided the applicant can demonstrate extenuating circumstances.

Developer Contributions and Charges

Developer contributions are payments made by developers to enable Council to provide public amenities and services required for new residents and businesses.

The *Environmental Planning and Assessment Act 1979* is the principal legislation enabling councils to levy contributions for public amenities and services (including roads and community facilities).

Developer contributions are imposed by way of a condition of development consent or complying development in accordance with Section 7.13 of the Act (formerly s.94).

Developer charges are also levied to assist in funding water and sewer infrastructure capital works required to accommodate growth.

These capital works include water treatment plants, water storage reservoirs, pumping stations, wastewater treatment works etc.

These Developer Charges are levied through Section 64 of the *Local Government Act 1993* and administered through the *Water Management Act 2000*.

DEFINITIONS

Business Premises: Business Premises in this policy refers to a building or place at which commercial or professional activities are undertaken. A business can be any legal entity including an individual, a partnership, a private company, a public company, a not for-profit entity or a trust.

Commercial Premises: Means any of the following as defined in Ballina LEP 2012:

- (a) business premises,
- (b) office premises,
- (c) retail premises.

Employment and Mixed Use Zones: refers to land subject to the following zones as per the Ballina Local Environmental Plan 2012:

- Zone E1 Local Centre
- Zone E2 Commercial Centre
- Zone MU1 Mixed Use

Developer Charges: Developer charges in this policy refers to charges levied on approved commercial developments to contribute towards water and sewer infrastructure within Ballina Shire.

These charges are levied in accordance with s.64 of the *Local Government Act 1993* and with the *Water Management Act 2000*.

Developer Contributions: Developer contributions in this policy refers to charges levied on development to contribute towards the provision of open space, road network improvements and car parking infrastructure.

These charges are levied in accordance with Section 7.13 (formerly s.94) of the *Environmental Planning and Assessment Act 1979*.

Gross Floor Area (GFA): Gross floor area has the same meaning as in Ballina LEP 2012. It means the sum of the floor area of each floor of a building measured from the internal face of external walls, or from the internal face of walls separating the building from any other building, measured at a height of 1.4 metres above the floor, and includes:

- (a) the area of a mezzanine, and
- (b) habitable rooms in a basement or an attic, and
- (c) any shop, auditorium, cinema, and the like, in a basement or attic,

but excludes:

- (d) any area for common vertical circulation, such as lifts and stairs, and
- (e) any basement:
 - (i) storage, and
 - (ii) vehicular access, loading areas, garbage and services, and
- (f) plant rooms, lift towers and other areas used exclusively for mechanical services or ducting, and
- (g) car parking to meet any requirements of the consent authority (including access to that car parking), and
- (h) any space used for the loading or unloading of goods (including access to it), and
- (i) terraces and balconies with outer walls less than 1.4 metres high, and
- (j) voids above a floor at the level of a storey or storey above.

SCOPE OF POLICY

Developer Contributions – Business Incentives

This policy provides incentives to support small business as outlined as follows.

Name:	Small Business Incentive
Type:	Waiver
Delegated Approval:	General Manager
Applies to:	<ul style="list-style-type: none"> • Ballina Shire Roads Contribution Plan • Development services charges for water and sewerage (s64)
Eligibility:	A permitted change of use within established commercial premises for business use in an employment or mixed use zone where the existing floor space is equal to or less than 200m ² GFA.
Ineligible:	<ul style="list-style-type: none"> • Development applications relating to initial building construction. • Development applications involving the expansion of commercial floor space.
Incentive:	100% waiver of roads contributions and water and sewerage charges for eligible small businesses. Note: Rous Water charges still apply.
Application:	Applicants need to nominate their business as eligible for small business incentive in their Development Application.

Name:	Place Activation – private/public land
Type:	Waiver
Delegated Approval:	General Manager
Applies to:	<ul style="list-style-type: none"> • Ballina Shire Roads Contribution Plan • Ballina Shire Car Parking Contribution Plan • Development services charge for water and sewerage (s64)
Eligibility:	<p><i>Commercial premises</i> development where:</p> <ul style="list-style-type: none"> • Outdoor areas accessible to the public are proposed to be used for alfresco dining or the display of goods for sale, trigger a requirement to pay developer contributions due an increase in commercial floor space. • Development consent (where required) is sought for the proposed use.
Ineligible:	<ul style="list-style-type: none"> • Contributions payable in association with an increase in commercial floor space beyond that outlined above, and/or commercial floor space within enclosed parts of the development. • Areas of the development that would impact upon landscaping or carparking, or any other element of the development that would be in contravention of an existing development consent.
Incentive:	<ul style="list-style-type: none"> • 100% waiver for contributions payable with respect to the increase in commercial floor space associated with alfresco dining or the display of goods for sale that is located on outdoor private property that is accessible to the public at all times located contiguous with, and adjacent to, a public footway with commercial frontage. • Up to a limit of 25m² of area per commercial property. <p>Note: Rous Water charges still apply.</p>
Application:	Applicants are to nominate their development as an 'eligible for private-public land activation incentive' in their Development Application.

Developer Contributions – Residential Development Incentives

This policy provides incentives associated with promoting the supply of appropriate and affordable housing, as outlined as follows.

Name:	Secondary Dwellings Incentives
Type:	Waiver / Discount
Delegated Approval:	The General Manager
Applies to:	<ul style="list-style-type: none"> • Developer Contributions • Developer Charges
Eligibility:	<p>Secondary dwellings where:</p> <ul style="list-style-type: none"> • The total floor area of the secondary dwelling (excluding any area used for car parking) is restricted to a maximum of 60m².

	<ul style="list-style-type: none"> • The floor space ratio of the principal and secondary dwelling (when combined) does not to exceed 0.5:1. • A maximum of 2 bedrooms are contained within the secondary dwelling and 5 bedrooms, 3 water closets and 2 laundries on the total site. • The secondary dwelling is attached to, or located within, the principal dwelling on the site and has been designed as a visually integrated addition (through use of a common wall and similar roof design).
Ineligible:	Residential development comprising part of multi-unit development or Strata subdivision.
Incentive:	<ul style="list-style-type: none"> • 100% waiver where the secondary dwelling is attached to, or located within, the principal dwelling on the site and has been designed as a visually integrated addition (through use of a common wall and similar roof design). • 50% discount where the secondary dwelling is detached from the principal dwelling on the site or is otherwise not visually integrated with the principal dwelling. <p>Note: Rous Water charges still apply.</p>
Application:	Applicants are to nominate their development as an 'Eligible for Secondary Dwelling Incentive' in their Development Application.

Process

Applicants are to nominate their eligibility under this policy when making a development or complying development application.

RELATED DOCUMENTATION

Related documents, policies and legislation:

- *Local Government Act 1993*
- *Local Government (General) Regulation 2005*
- *Environmental Planning and Assessment Act 1979*
- *Water Management Act 2000*

REVIEW

This Developer Contributions Investment Incentive policy is to be reviewed every four years.