FACT SHEET: Summary of Changes - Logan Charges Resolution 1 to 11

This document outlines the changes introduced in different versions of the Logan Charges Resolution ('the Resolution'), which is the policy instrument that guides the way infrastructure charges are applied for different types of residential and non-residential development in the City of Logan. The Resolution is made under Queensland's planning legislation (*Planning Act 2016*) and provides the authority for Logan City Council to collect contributions from developers to help fund the delivery of trunk infrastructure (such as roads, water supply, sewerage, parks etc.) required to support growth.

The **Resolution (No. 11) 2023** commenced on 6 March 2023 and delivers the following changes:

- New incentive for deferral of infrastructure charges up to \$100,000 for tourist parks or nature-based tourism developments that encourage the overnight visitor market and grow Logan's visitor economy.
- Auxiliary unit charge is increased from 75% to 100% of Dual occupancy dwelling rate. This increase is in recognition of the demand placed by Auxiliary units on Council's infrastructure networks.
- The same infrastructure charges are now levied for Secondary dwellings as for Auxiliary units. This is in response to the legislative changes introduced 26 September 2022 by the State government to allow Secondary dwellings to be rented out to a separate household, which eliminates the key difference between a Secondary dwelling and an Auxiliary unit.
- Updates to reflect the increase in capped charges. The State Government annually increases the capped charge rate based on the 3-year rolling average of the Producer Price Index (PPI).
- Administrative changes such as:
 - Clarification of extra demand when determining credit under section 6.2 of the Resolution.
 - Removal of the trigger for payment section, as it is reflected in the *Planning Act 2016*.
 - Clarification on Court Area and Gross Floor Area definitions.
 - Updates to Schedule 3, Table 2 Other Uses to include new land uses from the Planning Scheme.
 - Insertion of a Note for Schedule 5, Section 1 (b) to provide clarity on construction on cost claims.

DM #13337452

Page 1 of 8



To learn more about this resolution, please view the <u>Notice of Changes to Logan Charges</u> Resolution (No. 11) 2023 Fact Sheet.

A summary of previous updates to the Logan Charges Resolution are provided below.

Resolution (No. 10) 2022 (15 February 2022)

- New incentive for Deferral of infrastructure charges up to \$100,000.00 for developments that provide support services and temporary accommodation for persons escaping domestic violence.
- Alignment with commencement of LGIP v1.2 LGIP v1.2 includes detailed network planning for stormwater quantity across an area similar to the Priority Infrastructure Area (PIA). It is a legislative requirement for the resolution to align with the LGIP in the planning scheme, and the proposed resolution reflects LGIP v1.2 infrastructure planning.
- Updating the current network charge split With the extensive stormwater quantity network planning in the LGIP v1.2, it is necessary to update the current network charge split. The updated split will increase the stormwater quantity share from 1% to 4% and will reduce the Transport, Parks and Land for Community Facilities combined split by 3%.
- Increase the charges in accordance with the provisions of the Planning Regulation 2017 - The State Government annually increases the capped charge rate based on the 3-year rolling average of the Producer Price Index (PPI), this resolution is updated to reflect the increase.
- Improvements to number of operational matters such as removing water supply and sewerage areas and related maps and clarifying that infrastructure charges will be levied and discounted based on the connection to these networks.

Resolution (No. 9) 2021 (1 April 2021)

- Simplification of charging by replacing multiple network charge areas with a single charge area for each network, for those areas in the city where a network is provided
- Reduction to the existing discount for the adopted charge for Auxiliary units from a rate of 50% of the maximum adopted charge for a Dual occupancy (2 or less bedrooms) to 75%. This is an increase from a maximum capped rate of \$10,111.15 to \$16,192.00

DM #13337452

Page 2 of 8

Phone: 07 3412 4247

Email: ICUgeneral@logan.qld.gov.au



- Change to the Non-residential charge for subdivision
 - a. If the development permit includes a development condition to require trunk infrastructure to be provided, the greater of the following applies
 - i. \$30,226 for each lot
 - ii. \$20 for each square metre of the area of each lot
 - b. If the development permit does not include a development condition to require trunk infrastructure to be provided \$30,226.00 for each lot
- Application of the latest maximum adopted charges (Prescribed Amount) as per the Planning Regulation 2017)

Resolution (No. 8) 2020 (16 March 2020)

- Introduction of land valuation guidance for assessment of trunk land infrastructure.
- Improvement of consistency in levying Parks and Transport network charges which include charge increases in some areas.
- Clarification of conversion criteria.
- Update to redundant references including the addition of a definition for Indoor sport and recreation (court) and Indoor sport and recreation (other) in Schedule 1.

Resolution (No. 7) Version 1 (9 December 2019)

- Increases infrastructure charges in accordance with the capped charges published in the Planning Regulation (current as at 1 July 2019).
- Includes a new provision that provides Council the discretion to levy a network charge if the development is located outside a network charge area, where the development links to trunk infrastructure inside the charge area.

Resolution (No. 6) Version 6 (1 July 2018)

- Introduce infrastructure charges for Auxiliary units at 50% of the adopted charge rate for a Dual occupancy (2 or less bedrooms).
- Adopt charges for trunk infrastructure related development for water supply, sewerage, stormwater, movement, and park and land for community facilities infrastructure networks.

DM #13337452

Page 3 of 8



- Include a method to calculate the levied charge, including credits, an automatic increase provision, and deferral incentives.
- Include criteria to determine an application to convert non-trunk infrastructure to trunk infrastructure.
- Provide a calculation method to cost infrastructure subject to of an offset and/or refund.

Resolution (No. 6) Version 5 (3 April 2018)

- Introduce deferment of up to \$1 million infrastructure charges for new Mixed Use and Theatre Developments in the Beenleigh Economic Development Zone.
- Reduce the star rating of the existing infrastructure charges deferral policy from 4-5 stars to 3.5-5 stars.

Resolution (No. 6) Version 4 (21 July 2017)

- Insert new Chapter 6 Part 1, sections 2.2(a), (b), and (c) of the Minister's Guidelines and Rules (July 2017) to provide clarification on the before and after method of valuation for land trunk infrastructure.
- Specify valuer requirements and the required content of a valuation report in accordance with the Minister's Guidelines and Rules (July 2017).

Resolution (No. 6) Version 3 (3 July 2017)

- Realignment of new terminology from Sustainable Planning Act 2009 to Planning Act 2016.
- Realignment of section numbers cross-referenced in the Resolution from Sustainable Planning Act 2009 to Planning Act 2016.
- Inclusion of the following new legislative requirements:
 - a) A new statement in section 4 of the Resolution to advise that an adopted charge will not apply for development by a State Government department, or part of a department, under a designation (in accordance with section 113(3)(c) of the Planning Act);

DM #13337452

logan.qld.gov.au

Page 4 of 8



- b) A new statement in section 4 of the Resolution advising that an adopted charge will not apply for development for a non-State school under a designation (in accordance with section 113(3)(d) of the Planning Act);
- c) A revised statement in section 9 of the Resolution stating that the applicant must apply for a conversion application within 1 year after the development approval starts to have effect (in accordance with section 139(2) of the Planning Act).
- Administrative changes to align with the *Planning Regulation 2017*:
 - a) Removal of section 4.1(k)(ii) which stated "if a use in the existing lawful building has a charge category with a lower adopted charge than the charge category for the proposed Non-Residential Development" as it was inconsistent with the overall intent of the policy to not levy a charge for lawful non-residential development in the Centre zone, Mixed use zone, Low impact industry zone, Medium impact industry zone, or Specialised centre zone of the Planning Scheme, within an existing lawful building and where the Non-Residential Development does not involve any additional GFA.
 - b) Insertion of an additional note for clarity purposes in section 8.6 advising that an application for a deferral for not-for-profit or charitable organisations cannot be finalised until after an invoice has been issued by Council to be consistent with current processes (i.e. charges can't be deferred if they are not outstanding).
 - c) Update Schedule 2 of the Resolution so that charges for the following specific uses would be consistent with the *Planning Regulation 2017*:
 - The use "Resort complex" will be moved from the "Other uses" charge category to the "Accommodation (short-term)" charge category for the residential component and the "Entertainment" charge category for the nonresidential component;
 - ii) The use "Service industry" will be moved from the "Industry" charge category to the "Commercial (retail)" charge category;
 - iii) The use "Port services" will be moved from the "Industry" charge category to the "Other uses" charge category; and
 - iv) The uses "Advertising device" and "Temporary use" will be included in the "Minor uses" charge category.

Resolution (No. 6) Version 2 (26 May 2017)

Introduce deferment of up to \$1 million in infrastructure charges for eligible Mixed
 Use Development in the Springwood Economic Development Zone.

DM #13337452

Page 5 of 8



- Amend the water, wastewater, stormwater, and non-residential charge area maps in Schedules 3 and 5 of the Resolution to be consistent with the service catchment area maps in the Local Government Infrastructure Plan (LGIP).
- Revise the on-cost percentages (planning, design, project management) stated in Table 1 Schedule 10 of the Resolution to be the same as the on-cost percentages used in the LGIP.

Resolution (No. 6) Version 1 (1 March 2017)

- Exempt up to \$50,000 infrastructure charges for non-residential developments that are within an existing building and do not involve additional gross floor area.
- Introduce deferment of infrastructure charges for new 4-5 star hotel developments within the city.
- Update not-for-profit and charitable organisations infrastructure charges deferral policy.
- Include conversion criteria guidance to convert non-trunk infrastructure to trunk infrastructure.

Resolution (No. 5) 2015 (18 May 2015)

- Amend the water charge for residential development, to reflect the cost calculated using the 'average approach' rather than the 'marginal approach' (to be consistent with the other networks). The charges were also indexed up to December 2014.
- The charge for non-residential development is the same as for Resolution No. 4.

Resolution (No. 4) Version 2 (17 September 2014)

 Includes a provision to apportion the cost of a refund to lots other than the development.

Resolution (No. 4) Version 1 (1 July 2013)

 Introduces 'network charge areas' instead of the previous 3 separate charge areas for residential development.

DM #13337452

Page 6 of 8



- Charges are calculated using the costing as prepared for the Priority Infrastructure Plan (PIP2). These network charges are a more accurate reflection of the actual cost to Council to provide a trunk network in a particular area (a network charge area is an area with the same charge for the network.)
- Non-residential development continue to apply the charges as per Resolution No 1 to 3 (i.e. the 3 charge areas).
- Residential development apply the network charges as calculated for each of the
 network charge areas. This results in some parts of the PIA having a charge of less
 than the maximum, mainly for those areas where Council has not done any
 stormwater planning (as the charge did not include a stormwater component). The
 strategic intent with this policy is to improve Logan's competitiveness in the
 residential investment market.

Resolution (No. 3) 2012 (1 July 2012)

- In response to the disbandment of the previously existing water distributer-retailer (Allconnex)1, the Resolution removes the distinction between 'council charges' and the water and sewer charges. The Resolution also makes a distinction between areas that are planned/not-planned to be served with stormwater.
- This resulted in dividing each of the 3 charge areas into 2 sub-charge areas, for example:
 - Charge area A1 provided with stormwater
 - Charge area A2 not provided with stormwater
- The total charge has not changed, but 'redistributed' amongst networks (e.g. the charge for a 3 bedroom detached dwelling was \$28,000 for both Charge Area A1 and A2).

DM #13337452

Page 7 of 8



¹ Allconnex was owned by Logan, Redland and Gold Coast, and was disbanded in June 2012. In its place, Logan Water Business was re-established in July 2012.

Resolution (No. 2) 2011 (7 December 2011)

- Make a distinction between the main residential products in terms of the dwelling type (e.g. dual occupancy, multiple dwelling or detached dwelling) and the number of bedrooms. This results in lower charges for uses such a 2 bedroom dual occupancy, and 1 and 2 bedroom multiple dwellings. The Resolution improves the feasibility of smaller residential products.
- Apportion the charge between that for local government and the Distributor-retailer (Allconnex).

Resolution (No. 1) 2011 (1 July 2011)

- Levies the maximum charges allowed by the SPRP, but provides a discount in areas not serviced by water and/or sewer infrastructure as follows:
 - Charge area A levy maximum charge
 - Charge area B provides a 34% discount on maximum charge as the area is not served with water and sewer
 - Charge area C provides a 23% discount on the maximum charge as the area is not served with sewer.
- Apportion the charge between that for local government and the distributor-retailer (Allconnex).

DM #13337452

Phone: 07 3412 4247

Email: ICUgeneral@logan.qld.gov.au

Page 8 of 8

