

23 February 2017

Doc No: COR/17/2039

Mr W M Bezzina  
1115 Merriang Road  
WOODSTOCK VIC 3751

9651.9697

Dear Sir,

**NOTICE OF DONNYBROOK/WOODSTOCK INFRASTRUCTURE CONTRIBUTIONS PLAN  
ESTIMATES OF LAND VALUE**

I write to you as a landowner of 1115 Merriang Rd, Woodstock 3751.

The Victorian Planning Authority (VPA), in consultation with the City of Whittlesea and the Shire of Mitchell, is preparing the Donnybrook/Woodstock Infrastructure Contributions Plan (ICP), which will form part of the proposed Amendment GC61 to the City of Whittlesea and Shire of Mitchell Planning Schemes.

An ICP is the primary method for local councils to collect funds to contribute towards the essential local infrastructure new suburbs require. When new development occurs it generates a need for new transport and community infrastructure to meet the requirements of new communities, such as the construction of roads, community facilities and sports reserves, as well as the land required for these facilities as well as land for local parks. The type and location of the local infrastructure, including public land, has been identified in the Donnybrook/Woodstock Precinct Structure Plan (PSP), which has been subject to a separate planning scheme amendment process.

The purpose of this letter is to provide you with information relating to the estimate of value for public land within your property as identified in the PSP and the process to follow if you dispute the estimate. Any objections to the type, location or size of the public land were resolved through the previous public exhibition of the Donnybrook/Woodstock PSP and the following Panel process, and are not part of the estimate process.

As part of preparing the ICP, an estimate of value has been prepared for all public land included in the ICP. This has been prepared by an independent certified practising valuer using the *Public Land Estimate of Value Methodology (PLEM)* as specified in the *Infrastructure Contributions Plans Guidelines*, refer to [www.planning.vic.gov.au/policy-and-strategy/planning-reform/infrastructure-contributions-reform](http://www.planning.vic.gov.au/policy-and-strategy/planning-reform/infrastructure-contributions-reform). The estimate of value provides a value (at the date the estimation was prepared) for which the public land in the ICP may be purchased or provided as Works-In-Kind.

PLEM uses the average amount of public land required across the ICP area as the benchmark for estimating the value of public land on individual lots. As the distribution of public land cannot be equal, some landowners provide more than the average and some provide less.

The Donnybrook/Woodstock PSP has identified that on average 15.69% of ICP public land is required for local infrastructure. The Donnybrook/Woodstock PSP has identified your parcel as providing 34.30% of public land or 1.03ha.

For your property, the estimate of value as been assessed as \$1,027,963 per hectare for 0.46ha (which is up to the average public land provision) and \$1,373,691 per hectare for 0.57ha (which is above the average public land provision). Therefore the total ICP estimate of value for public land on

your property is \$1,260,136\*. The valuer's summary report can be viewed from the Donnybrook/Woodstock project page at [www.vpa.vic.gov.au](http://www.vpa.vic.gov.au). The report contains assumptions made by the valuer and sales evidence used but does not include the individual estimates of value.

As specified in the *Infrastructure Contributions Plan Guidelines*, if you disagree with the proposed estimate of value, you may choose to respond to the VPA\*\*. The response must include a report by a certified practising valuer that has been prepared using the PLEM method. A copy of the valuer's instructions is attached to this letter.

Any such response will be referred to the valuer engaged by the VPA and may be further referred to Valuer-General Victoria (VGV) for resolution at a valuers' conference. A fee set by VGV will apply. The conference will be attended by the VPA's valuer and your valuer. If the two valuers cannot reach agreement the VGV will make an independent determination on the estimate of value.

The closing date for responses is Wednesday 29 March 2017. Responses must be made in writing referencing Donnybrook/Woodstock Amendment GC61 – Donnybrook/Woodstock Infrastructure Contributions Plan and sent to the Victorian Planning Authority, Level 25, 35 Collins Street, Melbourne VIC 3000 or emailed to [amendments@vpa.vic.gov.au](mailto:amendments@vpa.vic.gov.au).

Should you wish to discuss this further with the VPA please contact Stephen Davis, Strategic Planning Manager on (03) 9651 9600.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Paul Byrne', with a horizontal line extending to the right.

**PAUL BYRNE**  
**LEAD DIRECTOR - GREENFIELDS**

\*Please note that the estimates of value have been rounded to whole dollars and the land areas to two decimal places.

\*\*Please note: if you choose to respond, your response will be made available to the Valuer-General Victoria and the local council.



## VALUERS INSTRUCTIONS FOR PUBLIC LAND ESTIMATE OF VALUE METHODOLOGY (PLEM)

The certified practising valuer will be required to provide professional estimates of value on two methodologies as identified and described below.

### *Estimate of Value One*

Prepare an estimate of value report that provides a Per Property Broad Hectare estimate of value that calculates the estimated value of land, at the unencumbered, highest-and-best use as indicated by the Precinct Structure Plan.

The estimates of value are required for individual Certificates of Title on a 'Before and After' estimate of difference basis as defined in the glossary. The assessments will be based upon the land identified for infrastructure and community items within the Infrastructure Contributions Plan.

Accordingly, both the before and after estimates of value are to be prepared based on the following assumptions:

- The subject land is zoned for an urban purpose and valued at its unencumbered, highest-and-best use within this context. Land in and around town centres identified in the relevant PSP will be assumed to be zoned for residential purposes.
- The subject land is readily serviceable and accessible by road.
- The subject land is at the development front and market demand exists.

Clear detail on any assumptions related to encumbered land will need to be provided.

### *Estimate of Value Two*

Prepare an estimates of value report that provides site specific estimates of value for those ICP items where the ICP contributions represent an area which is equal to or greater than the average public land contribution for the ICP.

The estimates of value are required for the affected properties on a 'site specific' estimate of difference basis. For each nominated property, the estimate of value will assess the site specific value of each ICP project identified. The estimate of value amount will then be reported as the average of these site specific project values within each nominated property.

Accordingly, the site specific estimates are to be prepared based on the following assumptions:

- The subject land is zoned for an urban purpose and valued at its unencumbered, highest-and-best use within this context. Land in and around town centres identified in the relevant PSP will be assumed to be zoned for residential purposes.
- The subject land is readily serviceable and accessible by road. It is to be assumed that these sites have two existing road frontages and have their GAIC and Infrastructure Contribution Levies paid.
- The subject land is at the development front and market demand exists.

### *Glossary*

**Before:** The 'Before' assessment is based on the total developable area of each property and ignores the land and infrastructure items to be provided by the ICP. Any development that occurs subsequent to the approval of the ICP is to be ignored for the purpose of the valuation.

**Estimate of Difference:** Estimate of difference refers to the estimated value of land identified for public purpose in the Precinct Structure Plan.

**After:** The 'After' assessment comprises the remaining portion of each property after all land required by the ICP has been provided. Severance or enhancement, disturbance, special value etc. are ignored for the purpose of the 'After' valuation.