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**Title:** COMMUNITY ENHANCEMENT FUND DA-POL-20

**Division:** Planning

**Responsible Officer:** Development Control Manager

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## 1. INTRODUCTION

While State and Regional development can have benefits for local communities they can also have a significant impact on these communities. While proponents are required to mitigate the direct negative impacts of the proposal (e.g. road works, environmental offsets) there should also be a mechanism for the benefits to be widely shared by the community as a whole.

Large scale mining projects, wind farm developments and the like have looked to establish a Community Enhancement Fund as a means of sharing the benefits and making a contribution toward the community as a whole. Such contributions are separate to any direct payments made of landowners hosting the development (e.g. lease payments) or money paid directly to adjoining or nearby landowners to 'compensate' or to 'remunerate' them for being in their neighbourhood.

In recent years Council has required a Community Enhancement Fund to be established as part of the approval process for each large scale developments. This has resulted in several approvals/proposals making a commitment to the establishment of such funds.

A planning policy will allow a consistent approach to be applied.

## 2. POLICY OBJECTIVES

The objectives of this policy are:

- To ensure the community benefits from major developments are distributed within the Local Government Area
- To establish separate Community Enhancement Funds for each major development in the Local Government Area for the distribution of contributions associated with that development
- To provide a framework for the administration of the Community Enhancement Fund
- To ensure a consistent approach to the establishment and operation of the Community Enhancement Funds

## 3. POLICY SCOPE

### 3.1. Land to which the plan applies

This plan applies all land within the Yass Valley Local Government Area.

This plan applies to State and Regional development as defined under the *State Environmental Planning Policy (State & Regional Development) 2011*.

### 3.2. Relationship to other plans

This policy must be read in conjunction with *Yass Valley Local Environmental Plan 2013* and will be considered by Council in:

- Assessing any Development Applications on the land to which this plan applies
- Making a submission on a State or Regional Development
- Considering an application for roads approval

Any request to vary the provisions of the policy must be accompanied by an assessment as to why the requirements should not be met in the circumstances and how the proposal continues to meet objectives of the policy.

In circumstances in which this policy applies Council will not apply the provisions of any s7.11 and s7.12 Contributions Plan.

### 3.1 Date of commencement

This policy shall be effective from the date when Council adopts the final policy.

**Note:** The policy will be considered when:

- Undertaking an assessment of any Development Applications under s4.15 *Environmental Planning & Assessment Act 1979*
- Making a submission on a State or Regional significant development
- Any application for approval under the *Roads Act 1993*

## 4. POLICY PROVISIONS

Any Development Applications for State, Regional or Local Development and/or application for roads approval shall be required to establish a Community Enhancement Fund as follows:

### 4.1 Community Enhancement Fund

A Community Enhancement Fund is to be established prior to the commencement of construction for the provision of community facilities, infrastructure and/or environmental conservation.

The fund is to be based on 1% of the estimated capital cost of the proposal and is required to be paid prior to the commencement of construction.

The contribution will be indexed annually to the Consumer Price Index for Canberra.

Alternatively, Council will accept an annual contribution calculated as follows:

- $1\% \text{ of Estimated Capital Cost} / 20 \text{ years} = \$ \text{ Annual contribution per year}$

**Note:** For windfarm projects the minimum contribution per turbine shall be \$2,825 (September 2015) indexed annually with the CPI for Canberra. If the megawatt capacity of the turbines increases over the life of the project the contribution rate will also increase on a pro rata basis as indicated in the following table:

Turbine Capacity	Rate (2009)	CPI (Canberra) Adjusted (2015)
1.0 mW	\$1,000	\$1,130
2.0 mW	\$2,000	\$2,260
2.5 mW	\$2,500	\$2,825
3.0 mW	\$3,000	\$3,390
5.0 mW	\$5,000	\$5,850

This annual contribution will apply for the entire life of the development even if this extends beyond 20 years.

## 4.2 Fund Administration

The Community Enhancement Fund will be administered by Council through a s355 Committee. The Committee makes recommendations to Council which may be accepted, altered or rejected by Council. Reasons are to be provided for any Council decision contrary to the Committee's recommendation.

Members of the Committee and landowners receiving payments from the operator are ineligible for funding under the scheme.

The terms of reference are:

- Identify priority projects/activities annually for funding that will benefit the local community with:
  - Initial priorities being within the immediate vicinity of the site (provided facilities are not unnecessarily duplicated in Council's opinion)
  - Any subsequent priorities may be elsewhere in the Local Government Area
- Establish and review selection criteria for the evaluation of applications
- Publically call for funding applications at least annually
- Evaluate applications against the selection criteria
- Make recommendations to Council within the budget limits of contributions received annually
- Review funding priorities for the upcoming financial year

Membership of the Committee shall comprise:

- Mayor (or delegate) and one other Councillor
- One authorised representative of the operator
- One host landowner or neighbouring landowner receiving payments from the operator
- Three representatives from the Yass Valley Local Government Area with demonstrated skills and experience relating to the terms of reference and not owners of property affected by the development proposal or receiving any payment from the operator

The quorum for the Committee shall be a simple majority.

Any member of the Committee may be elected as the Chair other than the authorised representative of the operator, a host or neighbouring landowner receiving payments from the operator.

## 4.3 Expenditure of Funds

Any funds collected under this policy are to be expended on projects/activities that will benefit the local community with:

- Initial priorities being within the immediate vicinity of the site (provided facilities are not unnecessarily duplicated in Council's opinion)
- Subsequent priorities being elsewhere in the Local Government Area

In the event of any Local Government merger or amalgamation involving Yass Valley Council the funds collected under this policy can only be expended on projects or activities within the boundaries of the Yass Valley Local Government Area in place immediately prior to the merger or amalgamation.

**4.4 Road Upgrades**

Much of Council’s road network is not suitable for heavy vehicle traffic associated with major State and Regional development. Heavy vehicle traffic is not restricted to over dimensional and/or over mass.

Consequently all road routes intended to be use for access to the site shall be upgraded in accordance with Council’s *Road Standard Policy* (RD-POL-09) prior to the commencement of construction on site.

All heavy vehicle traffic to and from the site shall be confined to the nominated routes.

Road works or road work conditions relating to the direct impacts of the proposed development will not be part of the CEP.

**5. REVIEW**

The review of this policy will take account of relevant legislation and State Government policies, best practice guidelines and Council plans and priorities.

This policy will be reviewed following each general election of Council and the Director Planning is responsible for arranging the completion of the review.

**6. LEGISLATION AND LEGAL FRAMEWORK**

This policy is to be read in conjunction with the following:

- *Environmental Planning & Assessment Act 1979*
- *Environmental Planning & Assessment Regulation 2005*
- Yass Valley Local Environmental Plan 2013

**7. DEFINITIONS**

All matters described in this policy shall have a meaning as described in the *Environmental Planning & Assessment Act 1979* and the *Yass Valley Local Environmental Plan 2013*.

**8. RESPONSIBILITIES**

Development assessment staff are required to take into account the provisions of this policy in relation to any Development Applications.

**9. HISTORY**

<i>EMT Review Date</i>	<i>Report to Council</i>	<i>Minute No.</i>	<i>Exhibition Period</i>	<i>Adoption</i>	<i>Rescission Date</i>
	24/02/2016	19		24/02/2016	
11/09/2019	23/10/2019	245		23/10/2019	

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