

Maroondah Planning Scheme Amendments

- Ringwood Greyfield Precinct
C134maro
- Croydon South Greyfield Precinct
C136maro

Expert Witness Evidence:

- Property economics
- Development contributions

Alex Hrelja, Principal, Hill PDA Pty Ltd

Instructed by Maddocks on behalf
of Maroondah City Council

Final – 21 June 2021

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1.0 INTRODUCTION

Instructions

1. I was instructed by Maddocks on behalf of Maroondah City Council to provide evidence for the benefit of the Panel regarding two matters to do with proposed amendments Ringwood Greyfield Precinct C134maro and Croydon South Greyfield Precinct C136maro:
 - Property economics
 - Development contributions.
2. I was asked to:
 - Review and provide a response to submissions
 - Review and provide a response to matters raised by the Panel
 - Assess questions regarding development feasibility, development take-up and possible impact on land values as a result of the proposed rezoning of the two precincts
 - Provide an overview of the proposed Development Contribution Plans (DCPs) for the two precincts.

Information Relied Upon

3. The information relied upon for this statement is as follows:
 - Panel Directions issued 19 May 2021
 - Submissions made regarding the amendment
 - Ringwood Greyfield Precinct Development Contributions Plan (DCP) (HillPDA for Maroondah City Council, Final Report, 15 May 2019)
 - DCPO2: Ringwood Greyfield Precinct Development Contributions Plan
 - Croydon South Greyfield Precinct Development Contributions Plan (DCP) (HillPDA for Maroondah City Council, Final Report, 16 May 2019)

- DCPO3: Croydon South Greyfield Precinct Development Contributions Plan
- Documents and data referenced in the Development Contribution Plans
- Documents that form the DCP system in Victoria, these being:
 - Planning and Environment Act 1987, Part 3B
 - Ministerial Direction on the Preparation and Content of Development Contributions Plans and Ministerial Reporting Requirements for Development Contributions Plans, Minister for Planning, 11 October 2016
 - Development Contributions Guidelines 2007 (State of Victoria).
- Analysis of Maroondah City Council property rates data (2020) as shown in this statement
- Property development case studies as shown in this statement
- (Draft) Financial Analyses of Dwelling Typologies: Greening the Greyfields Project (Maroondah City Council) - Excel Models (10 June 2021).

Property Economics Role

4. I have undertaken research on property economics matters for the purpose of this statement. The information of that research is contained within this statement in Section 4.

DCP Preparation Role

5. HillPDA assisted Council in the preparation of the DCPs for the two precincts.
6. The preparation of the DCPs involved Council preparing DCP development and infrastructure data and providing the data to HillPDA. HillPDA performed the role of reviewing the data, preparing DCP documents, and making levy tables and overlay schedules on the basis on the data.
7. I reviewed all inputs and made various assumptions in preparing the DCPs, which are highlighted in Section 5 of this statement.

2.0 SUBMISSIONS

Development Contribution Plans

8. No issues have been raised in submissions in relation to the proposed DCPs.

Property Economics

9. In my opinion, the matters raised by submitters in relation to property economics for the Ringwood and Croydon South Precincts are shown in the first column of Table 1 below. The second column shows my response to each matter.

Table 1: Summary of and Response to Submissions

Topic	My Response
Some land has been subdivided already and therefore amalgamation and redevelopment is unlikely for such properties (R2, R3, CS1, CS2).	<ul style="list-style-type: none"> I agree that subdivided lots and newly constructed townhouses are less likely to redevelop in the near future, such as the next 10 to 15 years or so. Development is likely to focus on larger single dwelling sites and amalgamations of such sites in the early phase of redevelopment under the proposed controls. Section 4 of this statement provides a summary of lot types in each precinct.
Land not subdivided but surrounded by subdivided lots is unlikely to be redeveloped and is disadvantaged (R7).	<ul style="list-style-type: none"> Such land could redevelop as enabled by the proposed controls. It is true though that the potential density may not be the same as larger lots unless amalgamation occurs.
Redevelopment requires land owners to work together (R2).	<ul style="list-style-type: none"> It is likely that developers will proactively seek to amalgamate sites over time. The extent of developer interest will be based on demand for - and end sale values of - townhouse and apartment products. However, redevelopment can be facilitated by land owners coming together to offer a 'packaged-up' large, consolidated site to the development market.

Topic	My Response
Development is likely to occur in a slow-paced and piecemeal manner (R8/CS9).	<ul style="list-style-type: none"> In general terms, the larger the site, the greater the level of interest will be from developers. I generally agree. See my response to the first comment in this table.
Concern over impact on property value (R7, CS2). Some submitters believe that the proposal will lower the value of properties (CS1, CS4, CS7).	<ul style="list-style-type: none"> I believe land values will steadily increase over time under the proposed controls. In general terms, land that enables higher densities of development is valued higher than land capable of accommodating lower density development - assuming there is demand for higher density product types. Where no such demand exists, the value of land will reflect its use as a low density site (i.e. separate house site). See Section 4 of this statement for more information, including analysis of land values and development activity in the area.
COVID-19 has impacted population growth and demand for housing, and this questions the need for the amendment (CS5).	<ul style="list-style-type: none"> Restrictions on immigration to manage COVID-19 has slowed population growth for a period of time. However, immigration is likely to resume at some point in the future - such as next year or shortly thereafter - and when that happens, long term population growth will resume. Despite restrictions to immigration, the upward pressure on house prices is very high at the moment and affordability is a significant issue for many households. This is due in part to historically low interest rates, reasonable employment and economic conditions and a significant flow of capital into the property sector. Overall, the strategic need for more housing supply and diversity remains relevant.

Notes: R = Ringwood submission and number; CS = Croydon South submission and number

3.0 PANEL QUESTIONS

10. The matters raised by the Panel in relation to DCP and property economics matters are shown in the first column of Table 2 below. The second column shows my response to each matter.

Table 2: Summary of and Response to Panel Questions

Topic	My Response
4g - how the listed Development Contributions Plan projects were costed.	<ul style="list-style-type: none"> The costings were provided by Council officers familiar with costing construction of civil assets. The costing assumptions are shown in the DCP reports and quote 2019 dollar values.
13c (part) - the role Council intends to play in assisting or facilitating land assembly.	<ul style="list-style-type: none"> This is a matter for Council. Nevertheless, in my opinion, Council could perform a 'standard' role of setting planning controls, administering the approvals process and delivering infrastructure in accordance with the relevant DCP and other capital works programs that may be used from time to time. In addition to that role, Council could take a more proactive economic development role, if it chooses to do so, such as facilitating communication between land owners for land assembly purposes for example.
13c (part) - is there anything that gives Council confidence that there will be significant redevelopment other than the amalgamation of two or three existing lots.	<ul style="list-style-type: none"> For the scale of development envisaged by the Greening the Greyfields project, amalgamation of two or three lots would deliver a good outcome in my opinion. Larger amalgamations would be a bonus. Examples of recent developments in Section 4 show that consolidated lots in the vicinity of 1,500 sqm to 2,500 sqm are typical of the density proposed for the two precincts.

Note: References from Panel Directions issued 19 May 2021

4.0 PROPERTY ECONOMICS REVIEW

Overview

11. This section of my statement provides information regarding the property economics topic. The section provides data in relation to matters raised in submissions and reviews Council's feasibility report. Matters covered are:

- Review of lot conditions data as at 2020 – this part reviews the number of separate dwelling lots.
- Land value data by zone type as at 2020 – this part reviews land value data to see if there is a difference in land value by zone type.
- Development activity examples – this part reviews whether there is a proven demand for apartment and townhouse product types similar to that envisaged by the Greening the Greyfields project in the market area.
- Review of (Draft) Financial Analyses of Dwelling Typologies: Greening the Greyfields Project – the review considers development feasibility matters specific to the precincts.

Review of lot conditions data

12. Table 3 below shows data for residential lots in each precinct that are not subdivided and in theory more easily developable. This shows that:

- The Ringwood Precinct has 81 residential lots covering 7.9 hectares in this category
- The Croydon South Precinct has 143 residential lots covering 10.1 hectares in this category.

13. The data indicates significant gross land area that may be considered for redevelopment in the future.

Table 3: Non Subdivided (Non Strata) Residential Lots, 2020

Residential Property Type	Observations (Lots)	Area SQM	Average Lot Size SQM
Ringwood - Non Strata	81	79,403	980
Croydon South - Non Strata	143	100,586	703

Source: Derived from Maroondah City Council Rates Data 2020; HillPDA

Land value data by zone type

14. I undertook an analysis of Council supplied property rates data for the year 2020. The purpose of the analysis was to examine whether higher density residential land in Maroondah is worth more or less than land zoned for lower density residential uses. This matter is a concern for some submitters.
15. I was provided with data for every property in the municipality (excluding confidential owner information). The data base has over 70,000 records.
16. From that data, I focused my analysis only on residential uses in residential zones. The municipality's seven residential zones are listed in Table 4 below.
17. I also focused on lots sized between 500 sqm and 3,000 sqm.
18. I also excluded strata lots (apartments, villas and townhouses) in order to focus on land that may be capable of development. Land that is developed and strata subdivided has a high land value per square metre which would distort the analysis.
19. The results are shown in Table 4 below. There are nearly 27,000 properties that fit my criteria covering 2,371 hectares of land.
20. The total value of land of this sample is \$16.5 billion. The value data in the table relates to site (or land) value, which excludes value of improvements (buildings).
21. It should be noted that land values in the property rates database are set conservatively low. However, the relativities between zone types are reasonable in my opinion.
22. The zones are shown from lowest density to highest density (i.e. Low Density Residential Zone to Residential Growth Zone).
23. The main column of the analysis is the last column – value of land per square metre. That shows that land values generally increase as floorspace density potential of land increases. The land value results are:
 - Low Density Residential Zone: \$492/sqm
 - Neighbourhood Residential Zone 1 to 4: from \$438/sqm to \$699/sqm
 - General Residential Zone: \$723/sqm
 - Residential Growth Zone: \$1,476/sqm.

Table 4: Analysis of Residential Zone Land Values (500-3,000 sqm Excluding Strata Lots), Maroondah, 2020

Zone	Observations (Lots)	Area SQM	Site Value	Average Lot Size SQM	Average Site Value	\$/SQM Land
LDRZ	20	29,834	\$14,670,000	1,492	\$733,500	\$492
NRZ1	386	576,901	\$252,645,000	1,495	\$654,521	\$438
NRZ2	4,232	4,118,828	\$2,581,100,000	973	\$609,901	\$627
NRZ3	6,434	5,656,867	\$3,953,160,000	879	\$614,417	\$699
NRZ4	74	68,014	\$42,860,000	919	\$579,189	\$630
GRZ1	15,654	13,139,408	\$9,499,020,000	839	\$606,811	\$723
RGZ1	141	117,376	\$173,205,000	832	\$1,228,404	\$1,476
Total of Above	26,941	23,707,229	16,516,660,000	880	\$613,068	\$697

Source: Derived from Maroondah City Council Rates Data 2020; HillPDA

24. The finding is that higher density residential land in Maroondah is worth more than lower density residential land.

25. I expect land values in the Ringwood and Croydon South Precincts to increase if rezoned to enable more floorspace and dwelling units in the areas.

Development activity examples

26. Evidence of consumer demand and development viability for housing types and densities envisaged by the Greening the Greyfields project is provided by examples of recent construction activity in the broader market area. Seven examples are shown below, ranked in terms of density from 213 dwellings per hectare to 29 dwelling per hectare. The Reynolds Avenue example is within the Ringwood Greyfield Precinct.

27. This list is not exhaustive. There are many other examples in the region.

28. The examples do not necessarily comply with design and landscaping standards proposed by the amendment. They are provided to show evidence of lot amalgamation activity (generally two to four lots) with sites ranging in size between 1,400 sqm to 3,100 sqm. One example is a 5,800 sqm vacant site.

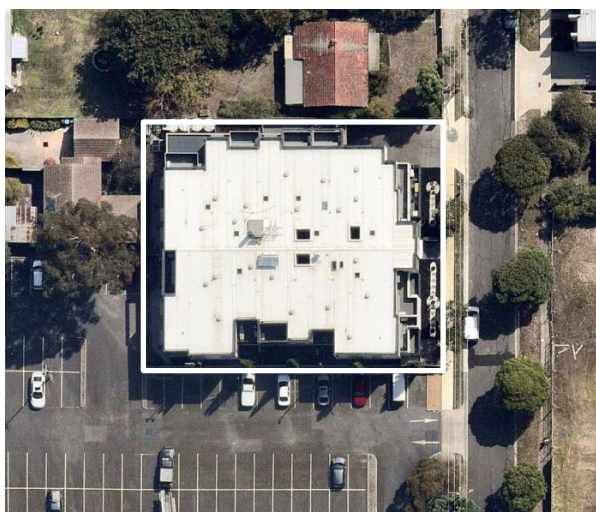
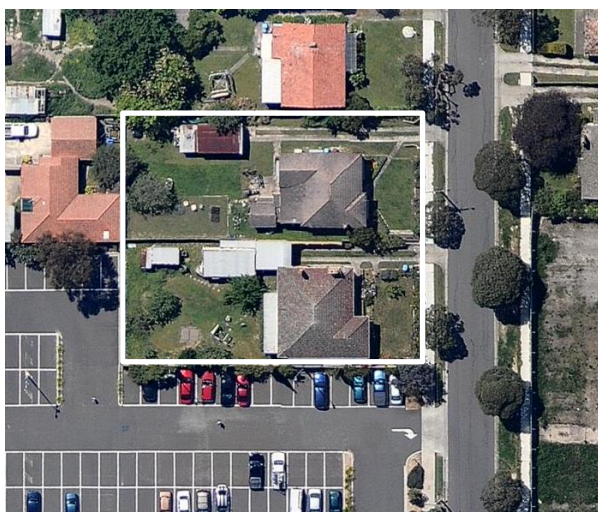
4-6 Alfrick Road, Croydon



Source: Nearmap; RP Data0; HillPDA

- Amalgamation and redevelopment of two single dwelling lots
- Site area – 1,998 sqm
- General Residential Zone
- Located 500m south-east of Croydon Activity Centre
- Construction completed August 2019
- 43 apartments in one building across 4 levels
- Basement car parking
- Dwelling density – 215 dwellings/ha

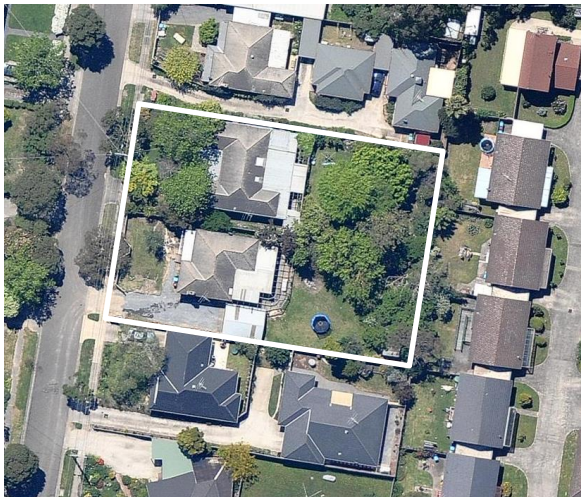
5-7 Sherbrooke Avenue, Ringwood



Source: Nearmap; RP Data0; HillPDA

- Amalgamation and redevelopment of two single dwelling lots
- Site area – 1,404 sqm
- Residential Growth Zone
- Located 100m west of the Ringwood Major Activity Centre
- Construction completed October 2019
- 30 apartments across 3 levels
- Basement car parking
- Dwelling density – 214 dwellings/ha

5-7 Alfrick Road, Croydon



Source: Nearmap; RP Data0; HillPDA

- Amalgamation and redevelopment of two single dwelling lots
- Site area – 1,868 sqm
- General Residential Zone
- Located 500m south-east of Croydon Activity Centre
- Construction completed November 2011
- 35 apartments in one building across 4 levels
- Basement car parking
- Landscaping along the front and side
- Dwelling density – 187 dwellings/ha

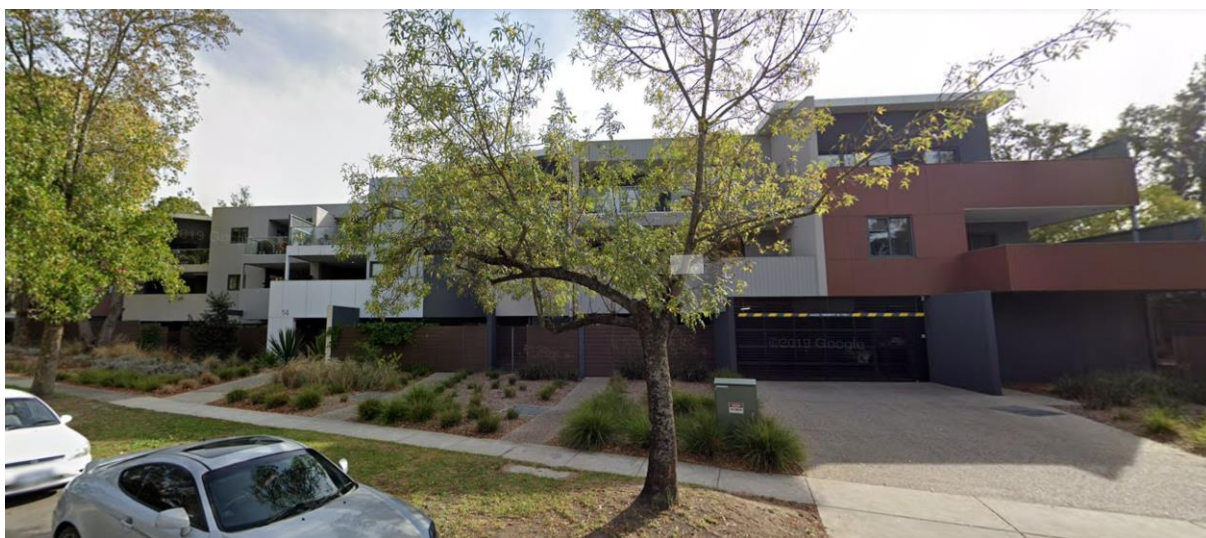
280 Maroondah Highway, Ringwood



Source: Nearmap; RP Data0; HillPDA

- Development on vacant land
- Site area – 5,834 sqm
- General Residential Zone
- Located 500m east of the Ringwood Major Activity Centre
- Construction completed October 2016
- 66 apartments in 8 buildings across 3 levels
- Car parking on ground level
- Dwelling density – 113 dwellings/ha

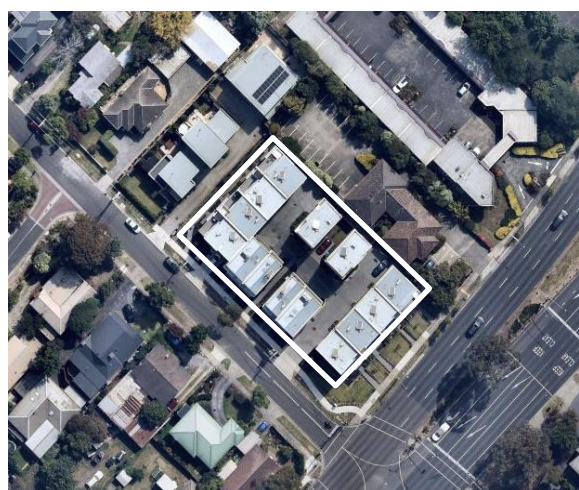
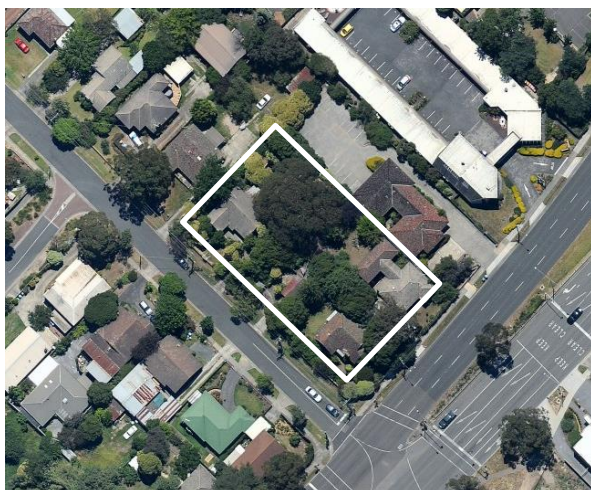
14 Reynolds Avenue, Ringwood



Source: Nearmap; RP Data0; HillPDA

- Amalgamation and redevelopment of four single dwelling lots
- Site area – 3,063 sqm
- Neighbourhood Residential Zone
- Located 100m from the Ringwood Major Activity Centre within the Ringwood Greyfield Renewal Precinct
- Construction completed May 2014
- 31 units across 3 levels
- Dwelling density – 101 dwellings/ha

321-323 Maroondah Highway, Ringwood



Source: Nearmap; RP Data0; HillPDA

- Amalgamation and redevelopment of four single dwelling lots
- Site area – 2,264 sqm
- General Residential Zone
- Located 500m east of the Ringwood Major Activity Centre
- Construction completed April 2020
- 14 three level townhouses
- Car parking on ground level
- Internal driveways and some landscaping
- Dwelling density – 62 dwellings/ha

13 & 14 McKay Court, Ringwood



Source: Nearmap; RP Data0; HillPDA

- Amalgamation and redevelopment of two single dwelling lots
- Site area – 1,703 sqm
- General Residential Zone
- Located 1.5km south of the Ringwood Major Activity Centre
- Five two level townhouses
- Car parking on ground level
- Construction completed December 2020
- Internal driveways and some landscaping
- Dwelling density – 29 dwellings/ha

Review of (Draft) Financial Analyses of Dwelling Typologies

29. Council provided me with Excel models that it prepared to test development feasibility of proposed planning controls and development concepts. The version of the models I reviewed was supplied on 10 June 2021.
30. The models provide a development margin feasibility analysis of six concepts, T1 to T6, for the two precincts. Table 5 below provides a summary of the T1 to T3 models. Table 6 provides a summary of the T4 to T6 models.
31. In my opinion the models provide a reasonable development margin analysis of the projects.
32. An allowance for cost elements is provided in detail in the models, and the total cost per unit (excluding land) works out to be between \$240,000 and \$429,000 per unit. This is a reasonable cost allowance for units in my opinion.
33. Revenue for saleable (internal area of) units ranges from \$5,500/sqm to \$7,400/sqm. This aligns with my understanding of revenue potential for the outer eastern suburbs of Melbourne. Inner city prices can achieve \$8,000/sqm to \$12,000/sqm for similar product types.
34. The development margin shown by the models ranges from:
 - 15.8% to 33.4% for the Ringwood models
 - 13.9% to 33.6% for the Croydon South models.
35. The models are calculated correctly and indicate a range of potentially viable projects based on the data inputs shown.
36. The projects that achieve more than 20% on a development margin basis are more likely to be taken up by developers. However, each developer will undertake their own analysis and make their own assessment of viability.
37. A factor that can impact the assessment is the length of time required to undertake the projects. The return to the developer degrades as more time is taken and therefore an internal rate of return analysis may also be undertaken by some developers. I would say many developers would set a target return in the order of 20% to 30% on a development margin basis and 12% to 16% on an internal rate of return basis.

38. The finding of my review is that the models prepared by Council are reasonable and various concepts proposed by the amendment will be viable to develop.

Table 5: Summary of Selected Variables from Council's Feasibility Assessment, Models T1 to T3

Variable	T1 Ringwood	T1 Croydon South	T2 Ringwood	T2 Croydon South	T3 Ringwood	T3 Croydon South
Total Costs	\$2,763,277	\$2,634,073	\$8,030,735	\$7,757,915	\$7,011,745	\$6,736,513
Development Revenue	\$3,200,000	\$3,000,000	\$9,600,000	\$9,000,000	\$9,000,000	\$9,000,000
Net Development Profit	\$436,723	\$365,927	\$1,569,265	\$1,242,085	\$1,988,255	\$2,263,487
Development Margin	15.8%	13.9%	19.5%	16.0%	28.4%	33.6%
Units	4	4	12	12	16	16
Average Internal Area of Units	135	135	125	125	90	90
Sales Rate / SQM	\$5,926	\$5,556	\$6,400	\$6,000	\$6,250	\$6,250
Total Construction Cost Per Unit	\$351,173	\$351,173	\$428,251	\$428,251	\$257,179	\$257,179
Total Cost Per Unit	\$690,819	\$658,518	\$669,228	\$646,493	\$438,234	\$421,032
Indicative Number of Car Spaces*	5	5	27	27	14	14
Indicative Car Park Ratio	1.1	1.1	2.2	2.2	0.9	0.9

*Approximate spaces based on area in data sheets; may differ from actual design concepts

Source: Derived from (Draft) Financial Analyses of Dwelling Typologies, Maroondah City Council, May 2021

Table 6: Summary of Selected Variables from Council's Feasibility Assessment, Models T4 to T6

Variable	T4 Ringwood	T4 Croydon South	T5 Ringwood	T5 Croydon South	T6 Ringwood	T6 Croydon South
Total Costs	\$12,569,991	\$12,097,283	\$9,896,653	\$9,548,789	\$5,345,883	\$5,130,977
Development Revenue	\$16,100,000	\$14,500,000	\$13,200,000	\$12,000,000	\$6,400,000	\$6,000,000
Net Development Profit	\$3,530,009	\$2,402,717	\$3,303,347	\$2,451,211	\$1,054,117	\$869,023
Development Margin	28.1%	19.9%	33.4%	25.7%	19.7%	16.9%
Units	32	32	24	24	8	8
Average Internal Area of Units	74	74	75	75	135	135
Sales Rate / SQM	\$6,793	\$6,118	\$7,333	\$6,667	\$5,926	\$5,556
Total Construction Cost Per Unit	\$240,446	\$240,446	\$261,709	\$261,709	\$347,172	\$348,441
Total Cost Per Unit	\$392,812	\$378,040	\$412,361	\$397,866	\$668,235	\$641,372
Indicative Number of Car Spaces*	26	26	20	20	7	9
Indicative Car Park Ratio	0.8	0.8	0.8	0.8	0.9	1.1

*Approximate spaces based on area in data sheets; may differ from actual design concepts

Source: Derived from (Draft) Financial Analyses of Dwelling Typologies, Maroondah City Council, May 2021

5.0 OVERVIEW OF PROPOSED DCPs

Ringwood Greyfield Precinct DCP

39. The Ringwood Greyfield Precinct DCP is based on an assumption of incremental development occurring in the precinct over time. It is estimated that the precinct will achieve 500 total dwellings (from a starting point of 290 dwellings) for the purpose of the DCP.
40. The nominal timeframe is 2035 for this development scenario and DCP. It may be necessary to prepare a new DCP at that time if it is necessary to do so, based on available information at that time.
41. Council identified a list of local infrastructure works for the area. The works comprise footpaths, shared paths, road works, water sensitive urban design components and other drainage upgrades.
42. Council estimated the cost of the works to be \$2.18m in 2019 dollars.
43. No land acquisition is assumed.
44. The DCP is based on Council committing to deliver the works by the end of 2035 if at least 65% of development is achieved in each sub-precinct (as shown in the DCP report).
45. If development does not occur to that extent and Council has collected levies, Council will be bound to the provisions of the Planning and Environment Act, summarised as: build the infrastructure anyway; or re-pay the collected funds to landowners; or ask the Minister for Planning to spend the funds on some other project that benefits the same area.
46. The DCP levies are calculated as per standard practice, by dividing the total cost of infrastructure by development data.
47. The DCP adopts the whole precinct as a single catchment (benefitting) area of the works.
48. No allowance for external demand is included in this DCP. The rationale for this is that the projects are localised works that abut anticipated development areas and do not serve areas beyond the precinct. It is normal for precinct-specific DCPs to rarely use external demand, unless for example a major community facility or major road is included.

49. The resultant levy is \$4,353 per dwelling.
50. The DCP also provides a levy for non-residential development, should that type of development occur in the area. This could be local shops or commercial space for example. This is not anticipated but if that happens, the DP provides an equivalent levy for non-residential floorspace as a contingency. The levy is \$36.28 per sqm of gross non-residential floorspace.
51. Based on the development data used in the DCP, it is estimated that about \$914,300 will be collected by the DCP to 2035. This represents a 42% collection estimate for the DCP. Council will fund the balance using other sources of funds (such as consolidated revenue).

Croydon South Greyfield Precinct DCP

52. The Croydon South Greyfield Precinct DCP is based on the same approach and assumptions as described above for the Ringwood Greyfield Precinct, but with different infrastructure and development data and resultant levy and financial impacts.
53. The Croydon South DCP data is summarised as follows:
- 280 dwelling units are expected in 2035 (starting at 160).
 - A limited list of infrastructure works is proposed for the DCP, using a total cost of approximately \$418,700.
 - The resultant levy is \$1,495 per dwelling and the equivalent non-residential levy - for such development within the residential area should it occur - is \$12.46 per sqm of gross non-residential floorspace.
 - Based on the development data used in the DCP, it is estimated that about \$179,500 (rounded) will be collected by the DCP to 2035, which represents a 43% collection estimate.

Change Required to Croydon South Greyfield Precinct DCP

54. This DCP is based on residential development within the precinct. It also makes a contingency levy for non-residential development within the residential area.
55. The DCP does not include the existing neighbourhood activity centre (retail and commercial floorspace) located to the west of Yvonne Avenue in DCP

consideration. That development is not included in levy calculations and it is not anticipated that retail or commercial development in the activity centre would be levied under this DCP.

56. This should be clarified in the DCP report and overlay schedule by adding this exemption in the list of exemptions:

- This DCP does not apply to development within the activity centre located at the junction of Eastfield Road and Bayswater Road where land is zoned Commercial 1 Zone or Public Use Zone 6.

57. The other way of managing this matter is to redraw the DCP Area boundary (in the DCP report and overlay schedule) to exclude the activity centre.

6.0 CONCLUSION AND DECLARATION

Conclusion

58. I believe the proposed rezoning and DCPs are suitable for adoption from the perspective of my areas of expertise, save for a change required to the Croydon South Greyfield Precinct DCP.

59. The Croydon South Greyfield Precinct DCP should be amended to include the following exemption in the list of exemptions:

- This DCP does not apply to development within the activity centre located at the junction of Eastfield Road and Bayswater Road where land is zoned Commercial 1 Zone or Public Use Zone 6.

60. I provide this statement for the benefit of the Panel.

Declaration

61. I have made all the inquiries that I believe are desirable and appropriate and no matters of significance which I regard as relevant have to my knowledge been withheld from the Panel.

62. In giving my evidence, I confirm I:

- Will be alone in the room from which I am giving evidence and will not make or receive any communication with another person while giving my evidence except with the express leave of the Panel;
- I will inform the Panel immediately should another person enter the room from which I am giving evidence;
- During breaks in evidence, when under cross-examination, I will not discuss my evidence with any other person, except with the leave of the Panel; and
- I will not have before me any document, other than my expert witness statement and documents referred to therein, or any other document which the Panel expressly permits me to view.



Alex Hrelja

Principal, Hill PDA Pty Ltd

Final - 21 June 2021

ATTACHMENT 1: ABOUT HillPDA

HillPDA is a specialist consulting firm with a highly skilled and experienced team of economists, valuers and urban planners.

Established in 1990, it has successfully gained an enviable reputation for professional, unbiased and independent advice. Today we are respected for our creative, diligent and balanced approach to all facets of our consultancy activities. The strengths of the practice are derived from the depth and breadth of our experience, our multidisciplinary expertise and our determination to ensure the highest level of professionalism and integrity.

At the heart of the HillPDA service is independence, integrity and creativity. It is a service that reflects experience, enthusiasm and dedication. It is a service that provides the advantage of a fully integrated multi-disciplinary capability.

Our client base is equally diverse, ranging from Commonwealth, State and Local Government agencies, financial institutions, development organisations, private corporations, professional firms and both large and small landowners and investors.

In the provision of advice in property land economics, HillPDA has considerable experience throughout Australia and internationally. This experience extends from the broad strategic level to detailed site-specific investigations and analysis.

HillPDA was the author of Estate Master property software. In 1991, HillPDA began developing the Estate Master software, and since then it has developed into a suite of powerful, flexible and easy-to-use property development software. Its financial models play a pivotal role in decision-making between developers, financiers and valuers for development feasibility, development management and valuation practices.

Our core value adding service areas embrace:

- Property economics
- Planning
- Valuation
- Advisory

PROPERTY ECONOMICS



Development Feasibility Analysis
Market Research & Appraisal
Cost Benefit Analysis
Economic Appraisal
Economic Impact Assessment
Expert Witness

Financial Modelling & Audit
Retail Demand & Forecasting
Highest and Best Use Assessment
Property Valuation
Demand Analysis
Value Uplift & Modelling

PLANNING



Policy Analysis
Demographic & Trend Analysis
Stakeholder Engagement
Economic Development Strategies
Employment Land Studies
Expert Witness

Master Planning
Due Dilligence
Socio-Economic Assessment
Centre Studies
Residential Demand Studies
Affordable Housing Studies

VALUATION



Current Market Value
Land Tax
Stamp Duty

Capital Gains
SMSF
Leasehold Interests

ADVISORY



Business Cases
Strategic Asset Management
Portfolio Analysis
Due Diligence

Project Governance & Delivery
Corporate Peer Review & Strategy
Board / Assessment Panels

ATTACHMENT 2: ALEX HRELJA

Alex Hrelja

Principal, HillPDA

- Master of Business (Property) (RMIT University)
- Master of Urban Planning (University of Melbourne)
- Bachelor of Planning and Design (First Class Honours) (University of Melbourne)
- Member Planning Institute of Australia



Alex manages HillPDA's Melbourne office. Alex is a specialist in property economics, urban economics, strategic planning and economic development and has over 25 years of consultancy experience in those fields.

Alex has worked across Australia in his fields of expertise. Clients include local, state and Commonwealth governments, developers and infrastructure agencies. Much of his work is based on an expert understanding of regional economic and social patterns and drivers, reviewing supply side conditions and forecasting demand conditions for specific projects to complex urban and regional development areas. His work ranges from feasibility studies for specific sites through to regional urban economic plans for all land use sectors, such as growth corridor economic plans.

His specific areas of expertise are:

- Infrastructure Funding and Development Contributions
- Property Advisory and Feasibility Studies (Estate Master)
- Strategic Land Use Planning
- Economic Development
- Market Research and Demand Studies
- Urban Economics for Growth Areas and Activity Centres
- Retail Economics and Impact Studies
- Industrial Land Strategies
- Community Facility Provision Plans

Prior to joining HillPDA, Alex was a Director of an urban economics consultancy firm for eight years. He has also worked in research roles in higher education and in strategic planning and economic development roles within public agencies.

A brief sample of Alex's project experience follows.

PROPERTY ECONOMICS

Market Research and Feasibility

- Braybrook Regeneration Project - Housing Market Research and Feasibility, Victorian Planning Authority
- Green Our City Action Plan Strategic Justification - Economic Feasibility Analysis, City of Melbourne
- Footscray Metropolitan Activity Centre - Feasibility Study of Built Form Controls, Maribyrnong City Council
- Glen Eira Design Guidelines Review - Property Economics Analysis, Glen Eira City Council
- Feasibility Study for Defence Site Maribyrnong, Victorian Planning Authority
- Market Research and Feasibility Analysis - Monash Sites, VicTrack
- Fishermans Bend Urban Renewal Area Business Case Inputs, Aurecon for Fishermans Bend Taskforce
- Affordable Housing Planning Provision - Feasibility Analysis, Moreland City Council
- Major Activity Centre Car Parks Feasibility Assessment, Bayside City Council
- Housing Market Research and Feasibility Analysis, Hume City Council

Property Advisory

- Braybrook Regeneration Project - DHHS Asset Strategy, Victorian Planning Authority and DHHS
- Land Strategy, Greater Metropolitan Cemeteries Trust (GMCT)
- Property Advisory Services, Australian Gas Infrastructure Group
- Torquay Major Landholding Study, Surf Coast Shire Council
- Valuation Advice Budget Estimates for Proposed School Sites, Department of Education (Victoria)

- Property Advisory Services - Victorian Operation Business Case, APA Group
- Property Advisory Services - Thomastown Depot, APA Group
- Swan Hill Riverfront Commercial Development Strategy, Swan Hill Rural City Council

Urban Economics

- Economic Assessment for Distinctive Areas and Landscape Assessment, Department of Environment, Land, Water and Planning
- Boronia Renewal Project - Economic Demand, Land and Site Options Analysis, Knox City Council
- Camberwell Junction Structure Plan Review, Boroondara City Council
- Economic Supply and Demand Study for Major Activity Centres, Stonnington City Council
- Neighbourhood Activity Centres Framework, Greater Dandenong City Council
- Hampton Park Integrated Water Management Plan Cost Benefit Analysis and Business Case, Casey City Council
- Greville Street Precinct Social and Commercial Impact Assessment, Stonnington City Council
- Wallan South and Wallan East PSPs - Retail and Economic Assessment, Victorian Planning Authority
- Plumpton and Kororoit PSP Economic Assessment, Victorian Planning Authority
- Tarneit Major Town Centre Economic Impact Assessment and Alternative Design and Development Outcomes, Global South and Wyndham City Council
- Retail and Economic Assessment for PSP74 and PSP75 (Sunbury Township), Victorian Planning Authority
- Dowling Forest Precinct Property Market and Economic Analysis, City of Ballarat
- Commercial Office Market Assessment, Mirvac

DEVELOPMENT CONTRIBUTIONS

Gazetted DCPs

Alex has prepared numerous development contribution plans covering the full spectrum of infrastructure across all development settings. Those that have been formally gazetted in Planning Schemes are listed below.

- Yarra Municipal DCP
- Sunshine Town Centre DCP
- Banyule Municipal DCP
- Brimbank Municipal DCP
- Baw Baw Municipal DCP
- Mildura South Growth Area DCP
- Mildura South Growth Area DCP No. 2
- Irymple-Nichols Point Rural and Industrial Areas DCP
- Fountain Gate-Narre Warren CBD Activity Centre DCP
- Cranbourne North Growth Area and Activity Centre DCP
- Epping Central Activity Centre and Industrial Areas DCP
- Torquay Jan Juc Township and Growth Areas DCP
- Diamond Creek Low Density Residential Area DCP

Gazetted Open Space Levies

Alex has also prepared gazetted open space levy schemes that apply in Victorian Planning Schemes.

- Brimbank Open Space Contributions Levy
- Moreland Open Space Contributions Levy
- Banyule Open Space Contributions Levy

DCPs in Progress

- Whitehorse Infrastructure and Development Contributions Framework
- Greening the Greyfields DCP: Ringwood North and Croydon South
- Maribyrnong Municipal DCP
- Ringwood Major Activity Centre DCP
- Darebin Municipal DCP
- Yarra Ranges Shire Municipal DCP
- Elsternwick Renewal Area South DCP
- Brimbank Community Infrastructure DCP

Other Recent Projects

- Yass Valley Council Section 94 Contributions Plan (Yass Valley Council NSW)
- Metronet DCS Advice (sub-consultant to Woodsome Management WA)
- Wungong DCS Review (sub-consultant to Woodsome Management for landowners WA)
- Forrestfield DCS Financial Calculator (sub-consultant to Woodsome Management for City of Kalamunda WA)
- Forrestfield North DCS (sub-consultant to Woodsome Management and TPG for City of Kalamunda WA)

Selected Policy Projects

- Fishermans Bend Urban Renewal Area Business Case Inputs, Aurecon for Fishermans Bend Taskforce
- Unit of Charge Analysis, Department of Planning and Environment NSW
- Input into Development Contribution Plan Review and Guidelines, Department of Planning and Environment Victoria
- Open Space Contributions Review, Department of Planning and Community Development Victoria
- Pilot Growth Areas DCP, Department of Planning and Community Development Victoria



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