

DEVELOPMENT INCENTIVES AND DEFERRED CHARGES GENERAL POLICIES – CONSOLIDATED REVIEW OUTCOMES

PGS | 57/8/15 | #7874806

RECOMMENDATION:**That Council:**

- 1. Rescinds the Deferred Payment of Levied Charges Policy on 30 June 2026;**
- 2. Rescinds the Development and Investment Incentive Support Policy on 30 June 2026; and**
- 3. Adopts the new Development and Investment Incentive Support Policy, with a commencement date of 1 July 2026.**

INTERESTED PARTIES:

Note: The identification of interested parties is provided on a best endeavours basis by Council Officers and may not be exhaustive.

Nil

EXECUTIVE SUMMARY:

Council administers a suite of policies designed to stimulate and support preferred development outcomes in identified priority locations across the region.

As a key mechanism, Council's current policies provide for the deferral or waiver of infrastructure charges associated with eligible development that generates increased demand on trunk infrastructure.

These policies and incentives are subject to periodic review to ensure their effectiveness and alignment with Council priorities. Accordingly, two (2) of Council's general policies are the focus of this report following a comprehensive review:

- *The Deferred Payment of Levied Charges Policy*, permits an extension of time for payment of infrastructure charges in specified circumstances, rather than immediate payment at time of levy.
- *The Development and Investment Incentive Support Policy*, permits the waiver of infrastructure charges (ICs) for large-scale (catalytic) projects.

Through the review process that has been carried out of these policies, it has been determined that, for the reasons outlined in this report, both existing policies should be formally rescinded at the end of the financial year, being 30 June 2026. A replacement Development and Investment Incentive Support Policy has been prepared and is recommended to be adopted by Council, with a commencement date of 1 July 2026.

BACKGROUND:

Infrastructure charges

Council is able to levy infrastructure charges for new development under the *Planning Act 2016* (the Planning Act) and Cairns Regional Council Charges Resolution (the Charges Resolution). Levied Charges apply to development that generates increased infrastructure demand, including material change of use, reconfiguring a lot, and building work.

These charges can represent a significant cost to new development; however, they are essential to provide a revenue source for Council to help offset the demand that new development places on infrastructure, which Council is ultimately responsible for providing and maintaining.

In accordance with Council’s current policies, a recipient of an Infrastructure Charges Notice may request an Infrastructure Agreement (IA) for deferral or waiver of levied charges where involving eligible development. Council has full discretion on whether to enter into an IA or not, and will generally only do so where assessment against the policy criteria, including financial and legal risk, is satisfied.

Council has four (4) policies relevant to levied charges, and mechanisms that support and incentivise preferred development outcomes in targeted locations.

	Policy	Application/Incentive
1	Council’s Charges Resolution No. 2 of 2021	Authorises levying charges on development.
2	Financial Assistance for Not-For-Profit Organisations Policy	Permits full or partial waiver for specific Council fees and charges, including levied charges.
3	Deferred Payment of Levied Charges Policy	Permits an extension of time to pay the levied charges.
4	Development and Investment Incentive Support Policy	Permits a full waiver of levied charges for Development Approvals that align with the Economic Development Strategy 2022–2026.

All of the above policies have been subject to a comprehensive review over the past 12 months. This review has included engagement with industry representatives and an assessment of the policy effectiveness and alignment with Council priorities. The review of these policies aligns with one of the short-term strategic deliverables within the Development and Planning Strategic Blueprint, which was adopted by Council at the 26 March 2025 Ordinary Meeting.

This report focuses on policies 3 and 4 referred to above, with policies 1 and 2 remaining under review.

A separate report regarding Council's changes resolution will be presented to Council in the new financial year following State Government changes to the maximum adopted charge.

Amendments are being made to the Financial Assistance for Not-For-Profit Organisations Policy relating to infrastructure charges through the budget process for the 26/27 financial year.

Deferred Payment of Levied Charges Policy

The Deferrals Policy outlines the circumstances under which Council may, at its discretion, permit the payment of levied charges at a later time than that prescribed under the *Planning Act 2016* (the Act).

In practice, this mechanism enables Council to maintain cost recovery for infrastructure demands generated by new development, while also providing a targeted incentive by alleviating upfront financial pressures on development. This is relevant at key delivery milestones, such as plan sealing, where deferred payment can assist development feasibility through improved cash flow.

Council's Planning and Environment Committee resolved to adopt the Deferrals Policy on 4 May 2022, with actual policy commencement occurring on 30 May 2022. Following an interim annual review, the policy was renewed for a further four (4) years, subsequently commencing on 7 June 2023, and is currently due for revision 7 June 2027.

Development and Investment Incentive Support Policy

The Development and Investment Incentive Support Policy established a framework under which Council may, at its discretion, provide a full waiver of levied infrastructure charges. The policy specifically targeted eligible development that delivered targeted economic outcomes for the Cairns region e.g. catalytic development, housing options, enlivening key centres.

The Development and Investment Incentive Support Policy superseded Council's former COVID-19 Support Policy and commenced on 1 July 2023, with the policy period having effect until 30 June 2026 (per the subject review).

Importantly, the policy provides a direct mechanism to incentivise desired development through the prospective full waiver of infrastructure charges, thereby enhancing the financial feasibility of development investment proposals.

This policy can be considered as Council's primary mechanism for attracting and incentivising desired development to the region within key centre localities, enabling the direct reduction or full waiver of infrastructure charges, rather than simply deferring payment to assist with cash flow management.

COMMENT:

Review considerations

In reviewing the subject policies, Council Officers have undertaken cross-council benchmarking, considered organisational priorities, and assessed aspects including:

- *Developer adoption and utilisation* – the number of requests received by Council for incentives and deferrals, the extent to which those requests comply or otherwise with the stated policy criteria and the impact on developers of successful requests.
- *Developer compliance* – The extent to which there is compliance with executed infrastructure agreements.
- *Financial implications* – the potential impact on Council's revenue position, cashflow timing, and financial sustainability.
- *Administrative workability and resources* – the practicality of implementation, including assessment processes, staff resourcing, and ongoing operational burden.

Review outcomes - Deferred Payment of Levied Charges Policy

Approximately \$10M of deferred charges has been approved through executed Infrastructure Agreements since 7 June 2023.

While the policy has supported some developers, it has involved a relatively high level of administrative effort associated with the preparation, negotiation, execution and compliance of infrastructure agreements that give effect to the deferral.

These processes require multi-disciplinary input and formal reporting where deferral requests extend beyond the 60-day threshold, increasing administrative resourcing requirements, inclusive of the need for necessary level of delegation to be exercised, depending upon the value of the deferral sought.

To date, the policy has not been widely utilised, with less than 20 total applications for deferral being made since the policy commenced, with some applicants making multiple deferral requests. The level of uptake is likely a reflection on the current market conditions for new residential land, where subdivisions are often pre-selling in their entirety in advance of final titles being issued. This, combined with the condition that Council places on a deferral, in that levied charges must be paid prior to the settlement of sale of any lot that has been developed (required to address the financial risk to Council), are considered the primary drivers beyond the subdued uptake.

Where deferrals have been granted, there have been high levels of non-compliance with the terms of the associated Infrastructure Agreements. Such non-compliance places extra administrative burden on Officers to conduct follow-up actions, including debt recovery processes and, where necessary, the placing of deferred levied charges onto the rates for the property. These matters introduce additional complexity for both Council administration and affected stakeholders, including prospective purchasers, and reduce the overall efficiency of the intended incentive.

It is also important to note that payment deferrals, in isolation, do not materially alter the underlying financial feasibility of development, as the full infrastructure charge remains payable over time.

When considered alongside the administrative requirements associated with managing deferral arrangements, Council's development support objectives may be more effectively achieved through alternative incentive mechanisms. This is considered particularly relevant where contemplating a multi-unit development that may have been eligible for a deferral incentive, where such development could also be eligible for a full waiver of levied charges under either the current or proposed replacement Development and Investment Incentive Support Policy.

Review outcomes - Development and Investment Incentive Support Policy

Since 1 July 2023, approximately \$11M in incentives has been delivered under the subject policy, with 14 applications supported during this period. The majority of these applications relate to residential accommodation and key centre-based development activations, with a single application being the beneficiary of an approximate \$8.6M incentive

The incentive framework provides Council with a mechanism to attract development. This is important in circumstances where competition between councils for development and investment activity can be influenced by the economic attractiveness of a particular local government area. It is noted that a number of comparable regional and metropolitan councils have similarly styled approaches, either through standalone incentive policies or through provisions embedded within infrastructure charging frameworks.

The policy results in a direct financial implication for Council through the full waiver of charges. However, recognising that the mechanism stimulates economic activity, delivers increased housing choice, and is targeted to priority centres, it is considered to generate broader public value and long-term returns on investment that offset the immediate revenue impact.

Outside of these considerations, a series of changes are recommended to streamline the policy as a more effective incentive mechanism, unlocking transformative projects, focusing on key centre localities, and promote strong infill residential development and dwelling diversity.

Given the above, it is recommended that the current Development and Investment Incentive Support Policy be rescinded and replaced with a new streamlined policy, to commence on 1 July 2026, with a 3 year policy period through to 30 June 2029.

Proposed Development and Investment Incentive Support Policy

The proposed policy is underpinned by a targeted incentive framework that directs Council support toward development outcomes that deliver the greatest public value and align with the Council's Economic Development Strategy.

Rather than providing broad-based or untargeted incentives, the policy focuses on enabling development in locations and for land uses where there is clear evidence of demand, strategic alignment, and capacity to deliver measurable community and economic benefits.

This includes key centre revitalisation, infill development, and catalytic projects that contribute to precinct activation and increased housing and employment diversity. This targeted approach ensures that incentives are applied in a fiscally responsible manner, supporting development feasibility where it is most impactful.

In doing so, the policy seeks to target and optimise private investment decisions toward desired growth patterns, reinforcing a more efficient, resilient, and economically grounded urban form for the Cairns Region. A summary of the key modifications incorporated within the new Development and Investment Incentive Support Policy is provided below.

Summary of proposed changes in the new Development and Investment Incentive Support Policy	
Proposed change	Planning outcome
<i>Removing ineffective elements</i>	<p>The new policy will remove references to CBD revitalisation, broadening economy; and tropical design, reflecting limited to no uptake of the incentive in these areas.</p> <p>Streamlining policy intent</p> <ul style="list-style-type: none"> The policy intent will concentrate on areas where there is demonstrated development interest and where previous policy direction has been actively applied or tested in practice.
<i>Discretion for Catalytic Waivers</i>	<p>The policy introduces flexibility to offer either full or partial waivers, with the level of waiver dependent on the quantum of levied charges.</p> <p>Alignment with contemporary incentive benchmarks</p> <ul style="list-style-type: none"> For catalytic development, the value of any waiver will be determined by Council. For development that supports the revitalisation of key centre localities, or delivers infill development and increased dwelling diversity, the value of any waiver will be determined in accordance the policy scale thresholds.

<p><i>In principle support prior substantial commencement</i></p>	<p>The new policy introduces Council discretion to support stalled or delayed projects to proceed, by providing in-principle support where the definition of “substantial commencement” has not yet been fully met, rather than automatically excluding those projects from consideration.</p> <p>Enabling and encouraging development</p> <ul style="list-style-type: none"> • Council, at its sole discretion, may provide in principle support to facilitate development commencement, with the waiver applied once demonstrated compliance with remaining mandatory criteria.
<p><i>Strengthening the definition of Catalytic outcomes</i></p>	<p>Clause 1 has been revised to give greater determination of ‘catalytic outcomes’ by including additional guidance.</p> <p>Strengthening the economic outcome</p> <ul style="list-style-type: none"> • Requirement for significant initial investment within Cairns Regional Council Local Government Area i.e. > \$20M (excluding GST) • Generation of >20 FTE sustained employment opportunities. • Delivers demonstrable activation or revitalisation benefits beyond the development site itself, positively influencing the surrounding precinct or locality.
<p><i>Preferred activity group alignment</i></p>	<p>Clause 2 has been revised to focus and encourage preferred land uses in key centre localities.</p> <p>Key centre revitalisation</p> <ul style="list-style-type: none"> • The new Policy will now require the proposed land use to fall within one of the defined activity groups Defined Activity Groups (Schedule 1, Cairns Plan 2016). • These activity groups are provided at the end of this table.

<p><i>Targeted incentives for residential infill</i></p>	<p>Clause 3 has been revised to encourage residential infill and facilitate desired residential development outcomes.</p> <p>Focusing on enabling residential infill</p> <ul style="list-style-type: none"> • New provision targeted to MCU for Multiple Dwelling or Rooming Accommodation, where located within Medium Density Residential or Low-Medium Residential Zoned areas. • New policy removes minimum lot size, and specific parking requirements. • Note that genuine community housing providers, who operate as a not-for-profit (NFP), who build social/affordable housing, will continue to be captured under the NFP policy. 	
<p>In conjunction with Clause 2:</p> <p><i>Defined Activity Groups targeted at key centre localities.</i></p>	<p>Accommodation Activities</p> <ul style="list-style-type: none"> • Community residence • Dual occupancy • Dwelling house • Dwelling unit • Multiple dwelling • Residential care facility • Retirement facility • Rooming accommodation • Short-term accommodation 	<p>Centre Activities</p> <ul style="list-style-type: none"> • Adult store Bar Club (other than small scale) • Food and drink outlet • Function facility • Health care services • Hotel Nightclub entertainment facility • Office • Service industry • Shop • Shopping centre • Showroom • Theatre • Veterinary services
<p><i>Scaling of waivers under Clause 2 or 4</i></p>	<p>Scaling of the value of any waiver provided under Clause 2 and 3 has been introduced to help balance financial outcomes for Council.</p> <ul style="list-style-type: none"> • Where levied charges do not exceed \$500,000, a full waiver will apply. • Where levied charges exceed \$500,000 but not \$1,000,000, the first \$500,000 is fully waived, and 50% of the balance charge between \$500,000 and \$1,000,000 will be waived. • Where levied charges exceed \$1,000,000, the above principles apply, and for the charges in excess of \$1,000,000, a 25% waiver shall apply. 	

Subject to Council resolution, the proposed Development and Investment Incentive Support Policy will take effect from 1 July 2026 and remain in force until 30 June 2029 (Attachment 1).

Review recommendations

Based on the above assessment considerations, officers recommend that:

1. the Deferred Payment of Levied Charges Policy be rescinded;
2. the Development and Investment Incentive Support Policy be rescinded; and
3. Council endorse a new Development and Investment Incentive Support Policy.

OPTIONS:

Two options are presented for Council's consideration on the basis that alternative approaches would either maintain existing inefficiencies within the current policy framework or constrain Council's ability to support a competitive and responsive investment environment.

Option 1: (Recommended)

That Council:

1. Rescinds the Deferred Payment of Levied Charges Policy on 30 June 2026;
2. Rescinds the Development and Investment Incentive Support Policy on 30 June 2026; and
3. Adopts the new Development and Investment Incentive Support Policy, with a commencement date of 1 July 2026.

or

Option 2:

That Council:

1. Rescinds the Deferred Payment of Levied Charges Policy on 30 June 2026; and
2. Extends the current Development and Investment Incentive Support Policy as is, with effect until 30 June 2029.

CONSIDERATIONS:

Risk Management:

Ongoing facilitation of the Deferred Payment of Levied Charges Policy places a significant resource burden on the organisation due to its administrative requirements. In light of the intended shift toward a targeted incentives framework, continuation of this policy is not recommended.

In respect of the deferral policy, a significant risk that has been experienced on multiple occasions is where a beneficiary of a deferral incentive does not comply with their obligations under the infrastructure agreement which governs the deferral. This has led to Council Officers having to spend significant time and resources attempting to resolve the unpaid charges. This type of non-compliance has, in some instances, led to those charges being placed on the rates file associated with the property that has been subdivided.

There is also a risk that a developer entity who is the beneficiary of a deferral incentive becomes insolvent, and Council is unable to recover charges from that entity. In that scenario and where the developed land has been on-sold without having charges paid, the outstanding charges attach to the land and Council would then need to attempt to recover from the new landowner.

The financial risk to Council of this type of default is not insignificant, and in officers view, reinforces the appropriateness of the recommendation to rescind the deferral policy.

Council Finance and the Local Economy:

Council's prospective endorsement of a new Development and Investment Incentive Support Policy effectively enables the reduction of infrastructure charge revenue arising from approved waivers i.e. noting that approximately \$11M in incentives has been delivered under the subject policy.

Notwithstanding this forgone revenue, this is considered acceptable given the policy's role in facilitating strategic economic development outcomes, encouraging private sector investment, and supporting broader community and place-based benefits across the region.

Community and Cultural Heritage:

The Policy will assist in the delivery of the availability of housing and diversity of accommodation options (favourable community outcomes).

There are no cultural heritage impacts associated with the facilitation of the subject policies.

Natural Environment:

Assessment of development applications that are the beneficiary of an incentive occurs in accordance with the relevant provisions in Council's planning scheme and other statutory instruments. Such assessment ensures that the natural environment is appropriately considered in new development.

Corporate and Operational Plans:

The recommendation supports the 'Robust Economy' objectives of Council's Corporate Plan 2025 to 2030. The recommendation has been prepared in alignment with Council's current and draft Economic Development Strategy.

Statutory:

The Infrastructure Planning and Charging framework for Queensland is prescribed under the *Planning Act 2016*, and associated *Planning Regulation (2017)*. The *Planning Act 2016* contemplates that Council, as the entity responsible for levying charges, can enter into agreements with the recipient of an infrastructure charges notice about how a charge may be paid, including other than as required under s122 of the *Act*.

Policy:

Levied Charges are calculated in accordance with Council's Infrastructure Charges Resolution in effect at the time of deciding a development application.

CONSULTATION:

Internal

Internal consultation has been undertaken with the following business areas:

- Finance & Business Services;
- Development & Planning; and
- Economic Development & Advisory.

External

Council Officers have also reviewed and prepared the subject policies in consultation with the Development & Planning Industry Initiative — a collaborative forum comprising private building, planning, engineering, and design professionals from across the region.

Consultation included direct engagement and an online questionnaire, which remained open for five (5) weeks and received feedback from the Urban Development Institute of Australia (UDIA) and other industry professionals.

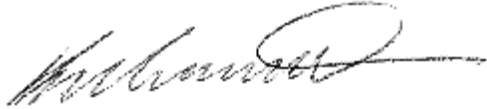
This consultation has assisted in shaping policy direction. Council Officers have discussed the proposed changes with industry through the industry initiative.

ATTACHMENTS:

Attachment 1. Proposed Development and Investment Incentive Support Policy (DM#[7883729](#))

Attachment 2. Existing Development and Investment Incentive Support Policy (DM#[7883722](#))

Attachment 3. Existing Deferred Payment of Levied Charges Policy (DM#[7883717](#))



Brett Nancarrow
Executive Manager Development & Planning



Mark Davey
Director, Planning, Growth & Sustainability

Attachment 1. Proposed Development and Investment Incentive Support Policy (DM#[7883729](#))

CAIRNS REGIONAL COUNCIL



* Proposed policy for adoption*

General Policy

DEVELOPMENT AND INVESTMENT INCENTIVE POLICY 2026-2029

Intent Encourage development that advances the targets identified within Council's Economic Development Strategy:

1. Economic activation; and
2. Revitalisation of key centres; and
3. Activation of underutilised areas within the Cairns Region Local Government Area (LGA).

These outcomes will be supported by providing targeted Infrastructure Charges waivers for development that:

1. Delivers significant catalytic benefits to the region; or
2. Is situated within established key centre localities; or
3. Promotes strong infill residential development and dwelling diversity.

By offering greater certainty for developers and reducing barriers to investment, Council seeks to unlock transformative projects and position Cairns as a business-friendly destination.

Scope This Policy has effect from 01 July 2026 and remains in force until 30 June 2029 ('the policy period'). The Policy applies to eligible development approved on or after 01 July 2026.

Council may, at its absolute discretion, consider waiving levied Infrastructure Charges to support the delivery of the following eligible development activities:

- Clause 1 – Catalytic development; or
- Clause 2 – Accommodation Activities or Centre Activities situated within any of the designated key centre localities; or
- Clause 3 – Development that constitutes a Material Change of Use (MCU) for a specified land use, and where it is located within the Low-Medium Density Residential Zone (L-MDR) or Medium Density Residential Zone (MDR).

The value of any waiver provided under Clause 1 shall be determined by Council.

The value of any waiver provided under Clause 2 or 3 shall be determined as follows:

1. Where levied charges do not exceed \$500,000, a 100% waiver applies.
2. Where levied charges exceed \$500,000 but not \$1,000,000, the waiver shall be calculated as 100% for the first \$500,000, then 50% of the value between \$500,000-\$1,000,000.
3. Where levied charges exceed \$1,000,000, the waiver shall be calculated as per 2 above, then 25% of the value above \$1,000,000.

Note: The above figures are exclusive of GST.

Example: for eligible development with levied charges of \$1,250,000, waiver would be \$500,000 + 50% of \$500,000 (\$250,000) + 25% of \$250,000 (\$62,500). Total waiver= \$812,500. Applicant pays balance of levied charges - \$437,500.

1. Eligibility requirements

The Policy waives the levied charges payable for development that meets all the mandatory criteria and satisfies at a minimum, Clause 2 or 3. Mandatory criteria does not apply for development that satisfies Clause 1.

1.1 Mandatory Criteria

- a. Requires substantial commencement of building works prior to the end of the Policy period, defined as when site establishment and construction costs exceed 20% of the total value of approved building works.
Note: Council at its sole discretion may provide in principle support to facilitate development commencement, with the waiver applied once demonstrated compliance with criteria 3.1b, c and d; and
- b. At least 80% of the construction workforce consists of local workers; and
- c. The development is acted upon within the initial currency period; and
- d. The development is not the result of a compliance or enforcement matter; and
- e. The development is not located within the Cairns South State Development Area; and
- f. The development is not located within the Mount Peter Priority Development Area.

1.2 Development Type Requirements

Clause 1- Supports the achievement of multiple catalytic outcomes listed below:

- Create a positive legacy for community and delivery of enduring planning and economic outcomes.
- Requires significant initial investment within the Cairns Regional Council LGA i.e. > \$20,000,000.
- Generates significant enduring economic benefits within the Cairns Regional Council LGA through the creation of ongoing post construction jobs that significantly contribute to the community and create a positive legacy (delivering >20 new and ongoing Full Time Equivalent employment opportunities post construction).
- Demonstrably enables broader industry growth and/or attracts further private sector investment within the Cairns Regional Council LGA.
- Delivers demonstrable activation or revitalisation benefits beyond the development site itself, positively influencing the surrounding precinct or locality.
- Introduces a land use or economic activity not currently established or materially represented within the Cairns Regional Council Local Government Area, and which supports one or more priority industries identified in Cairns Regional Council's Economic Development Strategy.
- Demonstrates strong alignment with an endorsed strategy/plan of Cairns Regional Council.

Note: Development that is RaL does not constitute catalytic development for the purpose of applying this Policy.

Note: All catalytic development waiver requests will be assessed by officers to determine eligibility, having regard to this policy and other relevant matters. After this review, officers will present a recommendation to Council for decision at an Ordinary meeting. If there is not alignment with the eligibility criteria, officers at their sole discretion may elect to not proceed to present the request to Council.

Clause 2- Accommodation Activities or Centre Activities situated within one of the following key centre localities:

- Area shown in Map 1 - Cairns City
- Area shown in Map 2 - Cairns North

- Area shown in Map 3 - Gordonvale CBD
- Area shown in Map 4 - Babinda CBD
- Area shown in Map 5 - Babinda Mill Redevelopment

For the purposes of this clause and its application to the area shown on Map 5 – Babinda Mill Redevelopment, development that is consistent with the Development Approval (Council Ref: 8/30/155) in effect on the land is eligible for an incentive under this policy, where it complies with the Mandatory Criteria.

Clause 3- Encourages strong infill residential development and dwelling diversity on land within the Low-Medium Density Residential zone or Medium Density Residential zone, where the proposal involves a Material Change of Use (MCU) for one of the following land uses:

- Multiple Dwelling
- Rooming Accommodation

Incentives under Clause 3 are only available where building height complies with acceptable outcomes for MDR or L-MDR zones.

PROVISIONS

1. Confirmation of the Development's eligibility must be provided to Council prior to the infrastructure charges becoming payable.
2. An application must be made in writing to the Chief Executive Officer for any Development to be considered Catalytic Development and where generally consistent with the eligibility criteria, will be decided by the full Council.
3. Where a development qualifies for assistance under more than one component of this policy, it is eligible to receive support from only one component. In such cases, the incentive providing the highest level of support will apply, and assistance under multiple components is not permitted.
4. Council may, at its absolute discretion, consider the previous conduct of an Applicant or any related entity when assessing eligibility for an incentive. Where an Applicant or related entity has previously received the benefit of an incentive and failed to comply with the obligations of the associated IA, Council may decline to enter into any new incentive agreement.
5. This policy is to be reviewed annually and amendments to the policy may be made at Council's absolute discretion.
6. Council will not charge infrastructure charges for any development that occurs on Strategic Port Land.
7. If credits for demand calculations or trunk infrastructure provision, waivers within this policy are taken to have no effect. For example, refunds for trunk infrastructure will be calculated in accordance with the Charges Resolution in effect at that time and refund amounts will be calculated on the additional demand methodology.

DEFINITIONS

Terms used but not defined in this Policy have the meaning given in the CairnsPlan 2016 or the *Planning Act* (in that order).

Accommodation Activities:

- Community residence
- Dual occupancy
- Dwelling house
- Dwelling unit
- Multiple dwelling
- Residential care facility
- Retirement facility

- Rooming accommodation
- Short-term accommodation

CairnsPlan 2016 means the current planning scheme adopted by Cairns Regional Council at the time of request for assessment against this policy.

Centre Activities:

- Adult store Bar Club (other than small scale)
- Food and drink outlet
- Function facility
- Health care services
- Hotel Nightclub entertainment facility
- Office
- Service industry
- Shop
- Shopping centre
- Showroom
- Theatre
- Veterinary services

Currency period has the meaning given to the term under the *Planning Act 2016*. For the purposes of this policy, the currency period does not include any extended period granted pursuant to an Extension Application, Ministerial Notice or other similar mechanism.

Land uses are defined under *Planning Regulation 2017*.

Substantial commencement means the stage in the completion of building work for eligible development where the total cost incurred by the developer for permanent building work authorised under a valid Building Approval for the eligible development has exceeded 20% of the total value of all building work for the Eligible Development. Substantial commencement is not demonstrated by costs incurred carrying out general site establishment activities such as fencing, hoarding, vegetation clearing, storage or layout areas or earthworks unrelated to permanent building works. This definition is intended to ensure that only costs directly relating to physical permanent building works are taken into account, rather than administrative costs, such as preparatory, design or supervision costs or preliminary site preparation costs.

Strategic Port Land means land which will not be subject to local government planning under the *Transport Infrastructure Act 1994*.

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This policy is to remain in force until otherwise determined by Council.

Director responsible for Review:

Director, Planning, Growth & Sustainability.

ADOPTION: 1 July 2026

DUE FOR REVISION: 30 June 2029

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Ken Gouldthorp
CHIEF EXECUTIVE OFFICER

*** Proposed policy for adoption***

Policy Attachment 1 – Maps of Eligible Locations

Map 1 – Cairns City



Map 2 - Cairns North



Map 5 – Babinda Mill Re-Development Area of Eligibility.



*** Proposed policy for adoption***

Attachment 2. Existing Development and Investment Incentive Support Policy (DM#[7883722](#))

CAIRNS REGIONAL COUNCIL



Existing policy recommended for revocation

General Policy

DEVELOPMENT AND INVESTMENT INCENTIVE SUPPORT POLICY

Intent The intent of the Policy is to provide support to the Cairns economy and encourage development that:

- Broadens the economy;
- Enlivens and enriches our key centres;
- Adds additional housing options into the market;
- Is catalytic;
- revitalises the Cairns CBD; and
- Champions tropical design.

Council also provides support via non-financial incentives of:

- a. Express Assessment of Low-Risk Development Applications;
- b. Free prelodgement process;
- c. Access to local intelligence;
- d. Supporting access to Government funding schemes; and
- e. Brokering connections with local industry groups, business and other Government Departments.

Scope 1. The Policy waives, in their entirety, the infrastructure charges payable for Development that satisfy clauses 2-7.

2. The Policy has effect from 1 July 2023 until 30 June 2026 ("the policy period").

3. The Policy applies to the Development listed in clauses 4-9 inclusive, that meet all of the below eligibility requirements of:

- a. Development approved post 1 July 2023; and
- b. Has substantially commenced building works prior to the expiration of the policy period; and
- c. No less than 80% of the workforce on site consists of locals; and
- d. Is acted upon within the initial currency period; and
- e. Is not as a result of a compliance matter; and
- f. Is not located within the Cairns South State Development Area.

4. Community housing providers who build social or affordable housing.

5. Development that broadens the economy by:

- a. Including the following land uses contained within the Industry Zones:
 - Aviation (defined as Air Services land use);or
 - Marine and Defence (defined as Marine Industry land use);or

- Manufacturing (defined as Medium Impact, High Impact and Special Industry land uses).
 - b. Including the following land uses contained within the Centre or Mixed-Use precinct 1 Commercial or Mixed-Use precinct 2 – Trades and Services Zones:
 - Medical Services (defined as Health Care Services land use); or
 - Education and Training (defined as Educational Establishment land use).
6. Development within key centre localities of:
 - a. The area shown in Map 1 in Attachment 1 in Cairns City; or
 - b. The area shown in Map 2 in Attachment 1 in Cairns North; or
 - c. The area shown in Map 3 in Attachment 1 in the Gordonvale CBD; or
 - d. The area shown in Map 4 in Attachment 1 in the Babinda CBD; or
 - e. The area shown in Map 5 in Attachment 1 in the Babinda – Mill re-development.
 7. Development that encourages strong development of residential accommodation by:
 - a. Multiple Dwelling land use on Medium Density or Mixed Use – Precinct 3 – Residential zoned land that has a minimum area of 800m²; or
 - b. Small-scale Multiple Dwelling land use (maximum of 4 units/townhouses) on Low-Medium Density zoned land that has a minimum area of 800m²; or
 - c. Conversion of Short-Term Accommodation land use to Multiple Dwelling land use where compliant with the car parking requirements Acceptable Outcome of the Parking and Access Code of CairnsPlan 2016; or
 - d. Rooming Accommodation land use for the purpose of Student Accommodation on Medium Density, Mixed Use precinct 3 – Residential, Principal Centre or District Centre zoned land.
 8. Development that is considered to be catalytic development is eligible for consideration by the full Council on a case by case basis.
 9. Development that encourages tropical design by:
 - a. A 10% reduction of infrastructure charges for development that meets the shading requirements by providing a minimum 50% shading to the external surfaces of the buildings; and/or
 - b. A 15% waiver of infrastructure charges for development contained within Centre or Mixed-use zones that demonstrates buildings and structures are vertically landscaped for a minimum of 15% of the surface area of each façade for the full height of the development.
 10. Revitalisation of the Cairns CBD: where eligible development satisfies all of the following additional requirements, a stimulus payment will be provided (subject to the cap stated below) equal to the lesser of: (a) \$25,000; or (b) 50% of the costs of renovating the façade of the relevant building. The additional requirements are as follows:
 - a. the eligible development must involve façade repurposing / revitalising works for an existing building which has been vacant for 6 months or more;
 - b. Development Permit for Building Works for the façade work approved post 1 July 2023; and
 - c. Works are to be completed by a local contractor;
 - d. Is not as a result of a compliance matter; and
 - e. Is located within the are shown in Map 6 in Attachment 1 – Cairns CBD.

However, the total of all payments provided by Council under this clause 10 per financial year will be capped at \$100,000. If that cap is reached, no further payments will be

provided under this clause for that financial year. Any payment that would otherwise result in the cap being exceeded will be reduced to comply with the cap (for example, if \$90,000 in payments have been given under this clause 10 in a financial year, any further payment will not be more than \$10,000, even if a higher payment would otherwise apply).

PROVISIONS

1. Confirmation of the Development's eligibility must be provided to Council prior to the infrastructure charges becoming payable.
2. An application must be made in writing to the Chief Executive Officer for any Development to be considered Catalytic Development and where generally consistent with the eligibility criteria, will be decided by the full Council.
3. This policy is to be reviewed annually and amendments to the policy may be made at Council's sole discretion.
4. Council will not charge infrastructure charges for any development that occurs on Strategic Port Land.
5. If credits for demand calculations or trunk infrastructure provision, waivers within this policy are taken to have no effect. For example, refunds for trunk infrastructure will be calculated in accordance with the Charges Resolution in effect at that time and refund amounts will be calculated on the additional demand methodology.

DEFINITIONS

Terms used but not defined in this Policy have the meaning given in the CairnsPlan 2016 or the *Planning Act* (in that order).

CairnsPlan 2016 means the current planning scheme adopted by Cairns Regional Council at the time of request for assessment against this policy.

Catalytic development means Development that, is likely to satisfy several of the below elements:

- Create a positive legacy for community and delivery of enduring planning and economic outcome;
- Generates significant enduring investment within the Cairns Regional Council local government area;
- Creates, as a result of and/or directly associated with the development, ongoing post construction jobs that significantly contribute to the community and create a positive legacy;
- Reinvigorates a locality;
- Is an activity that is not already established within the region;
- Demonstrates strong alignment with an endorsed strategy/plan of Cairns Regional Council

Note: Reconfiguring a lot development is not considered to be catalytic.

Note: All catalytic development waiver requests will be assessed by officers to determine eligibility, having regard to this policy and other relevant matters. After this review, Officers will present a recommendation to Council for decision at an Ordinary or Committee meeting. If there is not alignment with the eligibility criteria, Officers at their sole discretion may elect to not proceed to present the request to Council.

Community Housing Providers means a provider that is registered as a Community Housing Provider under the National Regulatory System for Community Housing (NRSCH). Community housing providers are not-for-profit, mission driven organisations. They own, develop and maintain rental housing for people on very low, low and moderate incomes who require social and affordable homes.

Currency period has the meaning given to the term under the *Planning Act 2016*. For the purposes of this policy, the currency period does not include any extended period granted pursuant to an Extension Application, Ministerial Notice or other similar mechanism.

Development means making a material change of use of premises.

Façade Repurposing / Revitalising Works means building work, requiring a development permit for building work, involving repurposing or revitalising the façade of a building, and which is associated with Eligible Development.

Note: This definition is intended to ensure that only building work that is substantial enough to require a development permit in its own right is eligible for waiver. For example, it is not intended that merely painting or cleaning a façade will be sufficient

Land uses are defined under *Planning Regulation 2017*.

Localities are defined and administered under the Place Names Act 1994 by the Department of Resources.

Shading requirements means a minimum of 50% shading provided to the external surface of buildings (as measured between 9am and 3pm on both 21 June and 21 December). Shading is to be provided through the use of permanent components of the built structure such as protruding balconies, overhangs or building articulation. Temporary features, performance glass or design elements that rely upon behavioural or operational actions to provide the required shading to external facades cannot be used in the calculation of the shading requirements.

Student accommodation means Rooming Accommodation for the sole purpose of the use of students.

Substantially started means the stage in the completion of building work for eligible development where the total cost incurred by the developer for site establishment activities (clearing, fencing and equipment storage, earthworks) and construction work has exceeded 20% of the total value of all building work for the Eligible Development.

Note: This definition is intended to ensure that only costs directly relating to physical works are taken into account, rather than administrative costs, such as preparatory, design or supervision costs.

Vertical landscaping requirements means buildings and structures are vertically landscaped for a minimum of 15% of the surface area of each public facing façade, for the full height of the development.

Note – Compliance with the vertical landscaping requirements can be achieved through mature vegetation projecting out of the horizontal plane. Only landscaping contained **within the site** is to be used in the calculations. Landscaping located off-site (including street trees) cannot be used in the calculation of vertical landscaping. Will be required to be certified by a registered Landscape Architect.

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This policy is to remain in force until otherwise determined by Council.

Director responsible for Review: Director, Planning, Growth & Sustainability.

ORIGINALLY ADOPTED: 10 May 2023
CURRENT ADOPTION: 10 May 2023
DUE FOR REVISION: 10 May 2026
REVOKED/SUPERSEDED: -



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Mica Martin
CHIEF EXECUTIVE OFFICER

Existing policy recommended for revocation

Attachment 1 – Maps of Eligible Locations

Map 1 – Cairns City



Map 2 - Cairns North



Map 3 - Gordonvale CBD Area of Eligibility



Map 4 – Babinda CBD Area of Eligibility



Map 5 – Babinda Mill Re-Development Area of Eligibility.



Map 6 – Cairns CBD



Existing policy recommended for revocation

Attachment 3. Existing Deferred Payment of Levied Charges Policy (DM#7883717)

CAIRNS REGIONAL COUNCIL



Existing policy recommended for revocation

General Policy

DEFERRED PAYMENT OF LEVIED CHARGES

- Intent** To establish the circumstances where Council may accept a limited extension of time for the payment of levied charges and the conditions which apply to such deferment.
- Scope** This policy details the circumstances when Council, at its discretion, may agree to the payment of levied charges at a later date than those otherwise established in section 122 of the *Planning Act 2016* (Qld) ('the Act').

PROVISIONS

BACKGROUND

Council levies infrastructure charges by issuing infrastructure charges notices under the Act for development. The timing for the payment triggers for infrastructure charges are set out under section 122 of the Act (the **Statutory Payment Date**).

The recipient of an infrastructure charges notice, and the Council may agree whether the levied charge may be paid other than as required under section 122 of the Act. Section 150 of the Act provides that an Infrastructure Agreement (**IA**) give effect to matters stated in section 123 of the Act. An IA can set out the terms for deferred payment of infrastructure charges.

The recipient of an infrastructure charges notice may approach Council to enter into an infrastructure agreement for the deferred payment of levied charges. Council is not obliged to enter into an IA and is entitled to protect its legal and financial position. Council will only enter into an IA where the legal and financial risks are appropriately mitigated through:

- For Applicants meeting the conditions for deferred payment of levied charges and requests to defer payment of levied charges for up to 60 business days – enforceable terms of an IA that protect Council's and the community's interests.
- For Applicants meeting the conditions for deferred payment of levied charges and exceeding 60 business days but no longer than 250 business days – enforceable terms of an IA that protect Council's and the community's interests and the provision of appropriate 'security'.

DEFINITIONS

The terms used in this policy are extracted from the Act. Their meaning is therefore derived from the Act.

CONDITIONS FOR DEFERRED PAYMENT OF LEVIED CHARGES

1. For proposals to defer payment of levied charges for up to 60 business days from the Statutory Payment Date.

Council will only consider the deferred payment of levied charges where all of the following criteria are established:

- a) A development approval has taken effect;
- b) An infrastructure charges notice has been given for the development approval;
- c) The Applicant meets the following eligibility criteria:

- i. the Applicant must submit evidence of the individual's or entity's credit worthiness including disclosure of information that a reasonable person or entity has that may prevent the individual or entity from meeting the financial obligations under the IA.

(Note: Council may take reasonable steps to verify the consumer's financial situation).

- d) An Application for Deferred Payment of Levied Charges is made in the Approved Form and made at least 60 business days prior to the Statutory Payment Date;
 - e) The deferred payment date by which the levied charge will be payable is no longer than 60 business days from the Statutory Payment Date; and
 - f) On application and thereafter, the Applicant and Landowner agree to the terms of the Council's Infrastructure Agreement for Deferred Payment of Levied Charges (template).
 - g) The Applicant / Developer acknowledges that, until the Levied Charges are paid to Council, the Council may, pursuant to section 105(1) of the LG Reg, include the amount of the Levied Charges on any Rate Notice for the Land as an amount payable to Council; and
 - h) The Applicant and/or the Owner of the land the subject of the development approval, are willing to enter into an IA reflecting the Council's agreement to apply this policy and defer the payment of the levied infrastructure charges.
2. For proposals to defer payment of levied charges for a period exceeding 60 business days and not longer than 250 business days from the Statutory Payment Date.

Council will only consider the deferred payment of levied charges where all of the following criteria are established:

- a) A development approval has taken effect;
- b) An infrastructure charges notice has been given for the development approval;
- c) The Applicant meets the following eligibility criteria:
 - i. the applicant must submit evidence of the individual's or entity's credit worthiness including disclosure of information that a reasonable person or entity has that may prevent the individual or entity from meeting the financial obligations under the IA.

(Note: Council may take reasonable steps to verify the consumer's financial situation).

- d) An Application for Deferred Payment of Levied Charges is made in the Approved Form and made at least 60 business days prior to the Statutory Payment Date;
 - e) The deferred payment date by which the levied charge will be payable more than 60 business days but no longer than 250 business days from the Statutory Payment Date;
 - f) On application and thereafter, the applicant and landowner agree to the terms of the Council's Infrastructure Agreement for Deferred Payment of Levied Charges (template); and
 - g) The Applicant has provided Council with appropriate 'security' in the form of an irrevocable and unconditional bank guarantee or insurance bond:
 - i. upon which Council will be entitled to rely upon in order to cover the levied charge; and
 - ii. to at least the amount of the levied charge (in accordance with the automatic increase provision of the Act, where applicable).
 - h) The Applicant / Developer acknowledges that, until the Levied Charges are paid to Council, the Council may, pursuant to section 105(1) of the LG Reg, include the amount of the Levied Charges on any Rate Notice for the Land as an amount payable to Council; and
 - i) The Applicant and/or the Owner of the land the subject of the development approval, are willing to enter into an IA reflecting the Council's agreement to apply this policy and defer the payment of the levied infrastructure charges.
3. For proposals to defer payment of levied charges that do not meet the conditions for deferred payment of levied charges, the matter may be eligible for consideration by the full Council on a case by case basis.

DECISION MAKING PROCESS

1. Requests for deferred payment of levied charges must be made at least 60 business days prior to the Statutory Payment Date.
2. The Council may request additional information at any time to assist in the decision-making process.

3. Requests for the deferred payment of levied charges will be decided within 30 business days of the request being made and extended as appropriate to align with internal and Council's published meeting dates.

Note: The decision-making process for agreements to defer the payment of levied charges will be in accordance with the delegations and formal processes applicable at the time the request is made.

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This policy is to remain in force until otherwise determined by Council.

Director responsible for Review:

Director - Planning, Growth and Sustainability

ORIGINALLY ADOPTED:

CURRENT ADOPTION: 7 June 2023

DUE FOR REVISION: 7 June 2027

REVOKED/SUPERSEDED: N/A

Pending Revocation



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{Mica Martin}
CHIEF EXECUTIVE OFFICER

Existing policy recommended for revocation