

Fact sheet for Landowners

Roads for the Community Initiative Special Charge Schemes



yarraranges.vic.gov.au

How has the funding come about?

In 2019 the Federal Government announced a nine year \$150 million funding plan for Yarra Ranges Council to seal roads within the Dandenong Ranges and surrounding areas.

In September 2019, Yarra Ranges Council resolved to prioritise this funding firstly for the construction of unsealed roads bordering schools, preschools and key community facilities.

Priority was then assigned to the construction of unsealed roads that would provide connectivity and/or complete the sealed road network in a local area.

Unsealed roads within the Urban Growth Boundary or in townships were also prioritised as they are typically roads with high property density and offer Best Value for number of properties to benefit per km of road constructed.

Landowner and Community benefits

We know that sealing unsealed roads is important for the residents that live on them to reduce dust and improve all weather access.

This project will see more than 180km of roads sealed which will benefit over 7,700 families and residents in the Yarra Ranges. This is a great result for the municipality.

We're expecting that it will take about 10 years to seal all of the roads on our priority list.

Without this Federal Government funding, working through this list would take more than 50 years.

Example of works



Before construction



After construction

When will my road be sealed if I'm on the priority list?

Roads have been grouped as clusters and prioritised based on their abuttal to schools, preschools and key community facilities. Roads have then prioritised based upon the abutting property density for the overall length of unsealed road in the cluster.

It is proposed that the construction of roads will occur as clusters to ensure that efficiencies are achieved through delivery of the design, tender and construction process.

Approximately three years before construction is scheduled, affected landowners will be surveyed

to determine support for the project and it will only proceed if a majority of landowners indicate both their support and willingness to contribute towards constructing the road.

The survey, in the form of a landowner questionnaire, will include an estimated cost per property and the estimated Federal funding contribution to the Special Charge Scheme.

We'll let landowners know about the outcome of the questionnaire when the survey closes.

What happens if we and our neighbors don't want the road sealed?

Gauging landowner support is the first step we take in starting a Special Charge Scheme.

We will issue formal notices to all landowners at the start of the process with information about the proposal and how they can make a submission or lodge an objection. There will also be a chance to speak in support of your submission or objection to Council at a meeting.

After we've considered all feedback from landowners, Council will make a decision on whether to proceed with a special charge.

What happens after Council has declared a Special Charge Scheme?

Provided there has not been an application to VCAT, tenders for the works will be called, evaluated and a contractor appointed to undertake the works.

Landowners will then be informed of the successful contractor and a works commencement date.

How do I pay my contributions?

Landowners can pay their special charge contribution over a number of years (likely to be 10 years and specified at the time of the declaration of your special charge scheme). The special charge is repaid in the same way that you pay your annual rates.

Financing costs, similar to home loan interest rates, are added to your charge. This is because the contractor is paid when the works are done.

Council borrows the landowner's share of the cost of works to pay the contractor at that time. This financing cost is then passed on to landowners to repay over the period of the Special Charge Scheme. The financing cost is determined from Council's latest borrowing rate and is fixed for the period of the special charge.

Landowner Contribution (per Benefit Unit)	Financing Cost * (3% over 10 years)	Total Repayment * (incl Financing Cost)	Yearly Repayment * (incl Financing Cost)	Monthly Repayment * (incl Financing Cost)
\$7,000	\$1,050	\$8,050	\$805	\$67.10

*All figures in this example are subject to change depending on financing cost changes.
Table provided as a guide only and financing repayments are subject to resident discretion.

Alternatively, you can pay the special charge as a lump sum payment – in this case the total charge (which does not include financing costs) must be paid by a date set by Council when the special charge is declared.

What if I sell my property before the contribution is paid back?

As part of the property settlement with the purchaser, the remainder of the charge can be paid out in full or the purchaser can take over the yearly repayments.

What happens if I can't afford my contribution?

If you are unable to make your payments on time or at all, you may be eligible for consideration under Council's Rate Recovery and Financial Hardship Policy.

For more information please see Council's website:

yrc.vic.gov.au/roadfunding2019