

Outer Suburban/Interface Services and Development Committee Submission

Inquiry into the Impact of the State Government's decision to change the Urban Growth Boundary

(c) The likely impact on the housing and development industries

The extension of the Urban Growth Boundary (UGB) is linked to number of proposals which will directly adversely impact on the community of Beveridge, the proposed Outer Metropolitan Ring road (OMR) and the Beveridge/Donnybrook Interstate Freight Terminal. There has been little community consultation regarding these proposals yet if they are to go ahead our community will be destroyed. If these proposals are to go ahead the township of Beveridge will surround by Mt Fraser to the north, to the south Bald Hill with the OMR running along the northern border (currently Donovans Lane) with an enormous interchange linking the OMR with the Hume Highway to the west, with on and off ramps running from Bald Hill to Lithgow Street Beveridge and to the east where currently the VLine rail line runs the proposed Beveridge Interstate Freight Terminal. The site for the Interstate Freight Terminal extends 6km north to south and approximately 2km east to west. If these proposals don't adversely impact on the community of Beveridge nothing ever will, the township of Beveridge and its immediate surrounds will become a polluted slum. Imagine the pollution, the traffic, the noise and the carbon monoxide emissions just to start with. As a resident of the township of Beveridge, I hold grave fears for our community being trapped in this madness. To add insult to injury, landowner also have to pay the Growth Areas Infrastructure Contribution (GAIC) if they wish to try to sell their property to escape this.

(d) Any unintended consequences including the impact on all landholders and purchases to be impacted

The impact of this proposal is horrendous for current landholders. The impact is so severe in our community it effects families ability to live and function on a day to day basis because of the enormous burden and stress this proposal has caused. There are land owners that have enormous debt from the GAIC hanging over their heads. The equity they once had in their property is gone. Their ability to make choices about selling their property is gone because if people choose to sell they may well be left taking out a loan to pay the GAIC. How is this fair to any person? There are older people who can't afford to sell their home yet need to sell to move into aged care facilities but as a result of the GAIC no longer have the equity to do this. To any person this is wrong!

There are young families who have equity in their properties but can no longer borrow additional money from lending institutions, because lending institutions consider the money owed as a result of the proposed GAIC at first point of sale as debt on top of monies still owing on current loans. How can anyone justify taking away the equity people have in their family home. If this proposal is so fair and reasonable to be inflicted on a small minority of people why has it been necessary to set up consideration to providing relief in cases of exceptional personal hardship. Yet in saying this no details have been released regarding who and when landowners will be entitled to hardship relief.

If the GAIC is such a good thing why will it only be applied to a small minority of Victorians? How can the proposed blanket contribution figure of \$95,000 per hectare irrespective of sale price be an appropriate way to levy a contribution when sales prices will vary from below the fee of \$95,000 per hectare to maybe \$1,000,000 per hectare. Yet after each sale the vendor will have to pay the GAIC of \$95,000 per hectare.

If the GAIC is such a fair and reasonable proposal why is it levied at only a small minority of Victorian who may experience an uplift in the value of their property. We are told that by being brought into the UGB land owners will experience "a notable value uplift" GAIC Supplementary Information May 2009. I note with interest in the Herald Sun Saturday October 10' 2009 p8 of realestate.com.au, Kew has experienced a 92 per cent increase in the median price of a house in the past five years, from \$732,500 to 1.41million. Is it not correct that all Victorians need infrastructure and all Victorians contribute to Victorian Government revenue by paying taxes and charges to provide infrastructure. So, why is this tax only being charged on a minority of Victorians property sales? People with properties brought into the UGB have to rely on an uplift in value of their property as stated in government fact sheets, yet none of this research has been freely available to the general public for review. We are told this uplift is "directly caused by rezoning and this is generally realised when the land is first sold after being rezoned, and therefore it is appropriate that the land owner benefiting from such uplift pays the GAIC". How is it fair that this land owner pay for infrastructure that he or she is never going to enjoy the benefits of, because he or she is selling and moving on, not waiting for the city to come to the country. Yet other Victorians are able to sell their property with significant uplift in value and enjoy the benefits of an increased sale price.

(f) Any alternative options, including any used in other jurisdiction, and to report by 30 November 2009

The Growth Areas Infrastructure Contribution is payable at the first land sale or prior to application to Register the subdivision, retrospective to December 2 2008 . This is unfair to all existing land holders whose properties have been brought into the Urban Growth Boundary either in 2005 or 2008.

If this contribution is to be introduced it should be levied only at development stage and should not be retrospective.

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