

### Summary

From the above it will be seen that expenditure from the Metropolitan Improvement Rate is expected to increase under all of the five headings mentioned, and of these the planning, foreshores and parks functions are those for which there is at present no prospect of other sources of revenue.

Some relief can be given if the Roads (Special Project) Fund and the Commonwealth Aid Road Fund could participate in highway maintenance and it is recommended that consideration be given to this.

In addition it is reasonable that the Commonwealth Aid Road Fund should reimburse any compensation paid for preserving the opportunity to construct a project paid for out of that fund and it is recommended that appropriate representations be made.

However even with this relief and allowing for a built in increase in the Metropolitan Improvement Rate through the rating of new property and property revaluation (estimated at approx. 4% per annum) it seems likely that the rate will have to increase to its statutory limit and beyond, particularly if escalation continues.

In the 1967 "Future Growth of Melbourne" report the Board referred to the fact that the metropolitan ratepayer was the sole contributor to the Metropolitan Improvement Fund and suggested that there should be a contribution from the rest of the community.

The whole community benefits from planning and the other activities for which the fund is responsible and each section should pay its share.

A matching grant directly from government for income raised through the Metropolitan Improvement Rate should be available on a similar basis to that already applying in New South Wales. Such a contribution would certainly become essential if it became necessary for the Board to carry out advance acquisition of land for urban development.

### Further Financial Policies

Since 1955, through its proposed planning scheme and interim development order, and later through the approved planning scheme, the Board as metropolitan planning authority has regulated land use in the metropolitan area by the zoning of land for private development and the reservation of

land for a number of public purposes such as roads, parks and schools.

The principle has been clearly accepted that the zoning of land for the purpose of regulating land use in the community does not carry with it a right to compensation, provided the existing use rights in the land are preserved. The reservation of land for public purposes, however, where this results in the owner having no reasonably beneficial use, does carry a right to compensation by the community.

As the population of Melbourne grew, additional areas have been zoned for urban development, but substantial parts have continued to be zoned rural where urban development is prohibited.

Planning is a long term process and the idea of urban corridors and green wedges which was first formulated by the Board in a report to the Government in 1961, was preserved as far as possible by subsequent urban zonings.

It crystallized in the Future Growth of Melbourne report in 1967 where a diagrammatic plan (Plan 12) showed the corridor-satellite concept in which the areas coloured brown showed approximately the scale of land required for urban development over the next 30 years or more. The reaction to this and to the Government's acceptance of the principle of corridors has been remarkable.

The land values plan (Plan 13) shows the results of a study carried out by the Board from information provided by the Valuer General's Department and represents a series of "value contours" based on numerous actual land sales in 1969/70. Although values generally have risen since that time there is no reason to believe that the general pattern has substantially altered.

It indicates quite clearly the higher values being paid for land currently zoned rural but generally within the diagrammatic future corridors. It also indicates in some places that similar high prices have been paid for land in the diagrammatic future green wedges. In many cases the prices being paid were not very different from those paid at that time for land in urban zones.

Two important conclusions can be drawn from these maps:

1. Although high, near urban value, prices have been paid for land both in the possible urban corridor and the possible green wedges, urban values will not be realised in all of them. Actual urban values will only be





