



Hawkesbury City Council

Attachment
to
item 257

Draft Section 64 Contribution Plan -
Stormwater Infrastructure for Pitt Town -
Bona Vista and Fernadell Precincts -
December 2008

date of meeting: 9 December 2008
location: council chambers
time: 5:00 p.m.



draft
section 64
contribution plan -
stormwater infrastructure
for pitt town -
bona vista and fernadell
precincts
december 2008

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1. INTRODUCTION

A rezoning proposal for land at Pitt Town was approved by the NSW State Government on 10 July 2008, under Part 3A of the *Environmental Planning and Assessment Act 1979*. This approval created the potential for 943 lots within the rezoned area.

To enable the transport of stormwater from the lots to be created it is necessary that land be acquired and wetlands and basins be constructed.

The cost of these works are to be recovered from a charge levied on each allotment under a plan created in accordance with Section 64 of the *Local Government Act 1993*. Each developer of land within the defined area is required to pay Council for the design & construction of the necessary stormwater infrastructure that will serve the development. The infrastructure will, on satisfactory completion, become the property of Council who will then be responsible for its ongoing operation and maintenance.

1.1 WHAT IS THE NAME OF THIS CONTRIBUTION PLAN?

This contribution plan is called the “Section 64 Contribution Plan - Stormwater Infrastructure for Pitt Town - Bona Vista and Fernadell Precincts (insert month and year plan becomes effective).”

1.2 AREA TO WHICH THE PLAN APPLIES

This plan applies to all land within the Bona Vista and Fernadell Precincts as shown in Figure 1. The total number of lots to be created in these precincts is 456 lots.

1.3 WHAT IS THE PURPOSE OF THIS DEVELOPMENT CONTRIBUTION PLAN?

The purpose of this development contribution plan is to:

- (a) provide an administrative framework under which specific stormwater infrastructure is provided to allow development within the defined area;
- (b) to authorise the Council to impose conditions under Section 64 of the *Local Government Act 1993* when granting consent to development on land to which this plan applies;
- (c) ensure that the existing community is not financially burdened by the provision of stormwater infrastructure as a result of this development; and
- (d) enable the Council to be both publicly and financially accountable in its assessment and administration of the contributions plan.

1.4 COMMENCEMENT OF THE PLAN

This development contributions plan takes effect from (insert date plan become effective).

1.5 RELATIONSHIP TO OTHER PLANS

This contribution plan supplements the provisions of the *Hawkesbury Local Environmental Plan 1989* and *Hawkesbury Development Control Plan* and any amendments or additional plans which they may supersede. These plans must be consulted by applicants when deciding to develop.

2. CONTRIBUTIONS

Contributions to be collected under this plan consist of:

- Preliminary Investigations/Plans
- Land Acquisition
- Wetland and basin construction

2.1. PRELIMINARY INVESTGATIONS / PLANS

Council has incurred consultancy costs in investigating and preparing plans for the provisions of stormwater infrastructure in the subject area.

These costs (exclusive of GST) are:

Item	Cost
Part cost of stormwater design and water quality management	\$55,662.00
Part cost of land valuation	\$759.00
TOTAL	\$56,421.00

The contribution formula for the recoupment of these costs is:

$$\text{Contribution per lot} = \text{CI} / \text{T}$$

Where CI = the cost of the investigations

T = the number of additional development lots (456 lots)

Hence the contribution per lot from is \$123.73

2.2. LAND ACQUISITION

Land will need to be acquired to provide the stormwater infrastructure.

Land to be acquired is shown on Figure 2 and consists of the following properties:

Property	Area of Land	Purpose
Part Lot 132 DP 1025876, 18 Johnston Street, Pitt Town and Part Lot 14 DP	3100m ²	Bona Vista Basin

865977, 17 Bootles Lane, Pitt Town		
Lot 101 DP 1113833, 7 Buckingham Street, Pitt Town	4.5208ha (subject to survey)	Fernadell wetland

The estimated cost of acquiring this land is \$734,220.

The contribution formula for land acquisition is:

$$\text{Contribution per lot} = \text{CLA} / \text{T}$$

Where CLA = the cost of land acquisition

 T = the number of additional development lots

Hence the contribution per lot is \$1,610.13

2.3. BASIN, OVERLAND FLOW PATH, AND WETLAND CONSTRUCTION

A wetland, basin, overland flow path and gross pollutant traps will need to be constructed to provide the stormwater infrastructure.

The location of the basin and wetland is shown on Figure 3

Fernadell wetland	Estimated Cost
Wetland	\$1,440,000
Two (2) gross pollutant traps	\$350,000
Sub Total	\$1,790,000
Contingency (20%)	\$358,000
Total	\$2,148,000
Bona Vista Basin	
Basin	\$333,644
Overland flow path	\$81,230
One (1) gross pollutant trap	\$175,000
Sub- Total	\$589,000
Contingency (20%)	\$117,975
Total	\$707,849
GRAND TOTAL	\$2,855,849

The contribution formula for the provision of stormwater infrastructure will be the total cost divided by the number of lots serviced.

The contribution formula for wetland and basin construction is:

$$\text{Contribution per lot} = \text{CC} / \text{T}$$

Where CC = the cost of wetland and basin construction

T = the number of additional development lots

Hence the contribution per lot is \$6,262.83

3. TIMING OF WORKS

It is anticipated that the land to be acquired and works to be undertaken by plan will be completed concurrently with subdivision of land with the precinct and therefore will be completed prior to the occupation of the new lots.

4. PAYMENT OF CONTRIBUTIONS

Council requires Section 64 Contributions to be paid in full prior to release of the final plan of subdivision (i.e. Subdivision Certificate).

5. CAN PAYMENTS BE DEFERRED?

Council may allow payment of contributions to be deferred in the following cases only:

- deferred or periodic payment of the contribution will not prejudice the timing or the manner of the provision of drainage infrastructure included in the works program;
- where the applicant intends to make a contribution by way of a planning agreement, works in kind agreement or land dedication in lieu of a cash contribution and Council and the applicant have a legally binding agreement for the provision of the works and land dedication; or
- there are circumstances justifying the deferred or periodic payment of the contribution.

Deferred payments as outlined above are acceptable only where an unconditional bank guarantee is provided for the amount deferred. Bank guarantees will be accepted on the following conditions:

- the guarantee must carry specific wording, for example "drainage infrastructure contributions for Bona Vista and Fernadell Precincts";
- the guarantee will be for the contribution amount plus the estimated amount of compound interest foregone by Council for the anticipated period of deferral, (refer to formula below);
- Council may call up the guarantee at any time without reference to the applicant, however the guarantee will generally be called up only when cash payment has not been received, land is not dedicated or material public benefit not provided by the end of the period of deferral;
- the period of deferral will be as agreed where land is to be dedicated or a material public benefit is to be provided. In merit cases, the period of deferral will be as

approved by Council. The period of deferral may be extended subject to providing a renewed bank guarantee, which includes anticipated future interest; and

- Council will discharge the bank guarantee when payment is made in full by cash payment, land transfer or by completion of works in kind.

Formula for Bank Guarantee

The following formula will be applied to all bank guarantees for Section 64 contributions:

GUARANTEE AMOUNT = P + P(CI x Y) where:

P Is the Section 64 contribution due;

CI is the compound interest rate comprised of Council's estimate over the period plus 3% (allowance for fluctuations); and

Y is the period of deferral (years).

6. METHOD OF PAYMENT

Section 64 payments may be made in one or a combination of any of the following ways:

Monetary Contribution

This is the most common method of payment of contributions. However, payment can be off-set by transferring land to Council or providing a material public benefit as follows.

Transfer of Land

An applicant may transfer land to Council in part or full satisfaction of a contribution. The land must be included in a schedule of facilities in this plan. The estimated value at the time of transfer will be off-set against the contribution required.

Material Public Benefit (Works in Kind)

An applicant may provide a material benefit (commonly referred to as works in kind) in part or full satisfaction of a contribution. The works must be included in the schedule of facilities in this plan. The value of works will be off-set against the contribution required for the same facility category. The value of the off-set will be as agreed with Council.

7. CREDIT FOR LAND AND MATERIAL PUBLIC BENEFITS

Where an applicant transfers land to Council or provides a material public benefit, which is included in the schedule of facilities in this plan, and is in excess of the contribution required, the excess land or value of works will be held by Council as credit for future development. The credit is expressed in terms of "number of lots" and will be off-set against contributions for the same facility category in any future development by that applicant in the area to which this plan applies. The off-set will generally be made at the contribution rate at the time of the subsequent development.

8. REVIEW OF CONTRIBUTIONS RATES

To ensure that the value of contributions are not eroded over time by movements in the Consumer Price Index (All Groups Index) for Sydney and land value increases, the council will review the contribution rates.

The contribution rates will be reviewed by reference to the following specific indices:

- Construction costs by the Consumer Price Index (All Groups Index) for Sydney as published by the Australian Bureau of Statistics
- Land acquisition cost by reference to average land valuation figures published by Council

Unless otherwise provided for in this plan, for changes to the Consumer Price Index (All Groups Index) for Sydney, the contributions rates within the plan will be reviewed on a quarterly basis in accordance with the following formula:

$$\$Ca + \$Ca \times ([\text{Current Index} - \text{Base Index}] / [\text{Base Index}])$$

Where

$\$Ca$ is the contribution at the time of the adoption of the plan expressed in dollars.

Current Index is the Consumer Price Index (All Groups Index) for Sydney as published by the Australian Bureau of Statistics available at the time of review of the contribution rate.

Base Index is the Consumer Price Index (All Groups Index) for Sydney as published by the Australian Bureau of Statistics available at the date of adoption of this plan.

Unless otherwise provided for in this plan, for changes to the land values, the council will publish at least on an annual basis the revised land index values that are to be used to change the base land values contained in the plan which will be determined in accordance in the following formula:

$$\$Clv + \$Clv \times ([\text{Current LV Index} - \text{Base LV Index}] / [\text{Base LV Index}])$$

Where

$\$Clv$ is the land values within the plan at the time of the adoption of the plan expressed in dollars.

Current LV Index is the land value index as published by the council available at the time or review of the contribution rate.

Base LV Index is the land value index as published by the council at the date of adoption of this plan.

9. HOW ARE CONTRIBUTIONS ADJUSTED AT THE TIME OF PAYMENT?

The contributions stated in a consent are calculated on the basis of the Section 64 contributions rates determined in accordance with this plan. If the contributions are not paid within the quarter in which consent is granted, the contributions payable will be adjusted and the amount payable will be calculated on the basis of the contribution rates that are applicable at time of payment in the following manner:

$$\text{\$Cp} = \text{\$Cdc} + [\text{\$Cdc} \times (\text{\$Cq} - \text{\$Cc})] / \text{\$Cc}$$

Where

\\$Cp is the amount of the contribution calculated at the time of payment.

\\$Cdc is the amount of the original contribution as set out in the development consent.

\\$Cq is the contribution rate applicable at the time of payment.

\\$Cc is the contribution rate applicable at the time of the original consent.

The current contributions are available from council offices.

10. FINANCIAL INFORMATION

Separate accounting records will be maintained for each contribution type in this Plan. They will contain details concerning contributions received and expended, including interest for each service or amenity to be provided.

The records are held at Council's Administration Office and may be inspected upon request.

FIGURE 1: LAND SUBJECT TO CONTRIBUTION PLAN

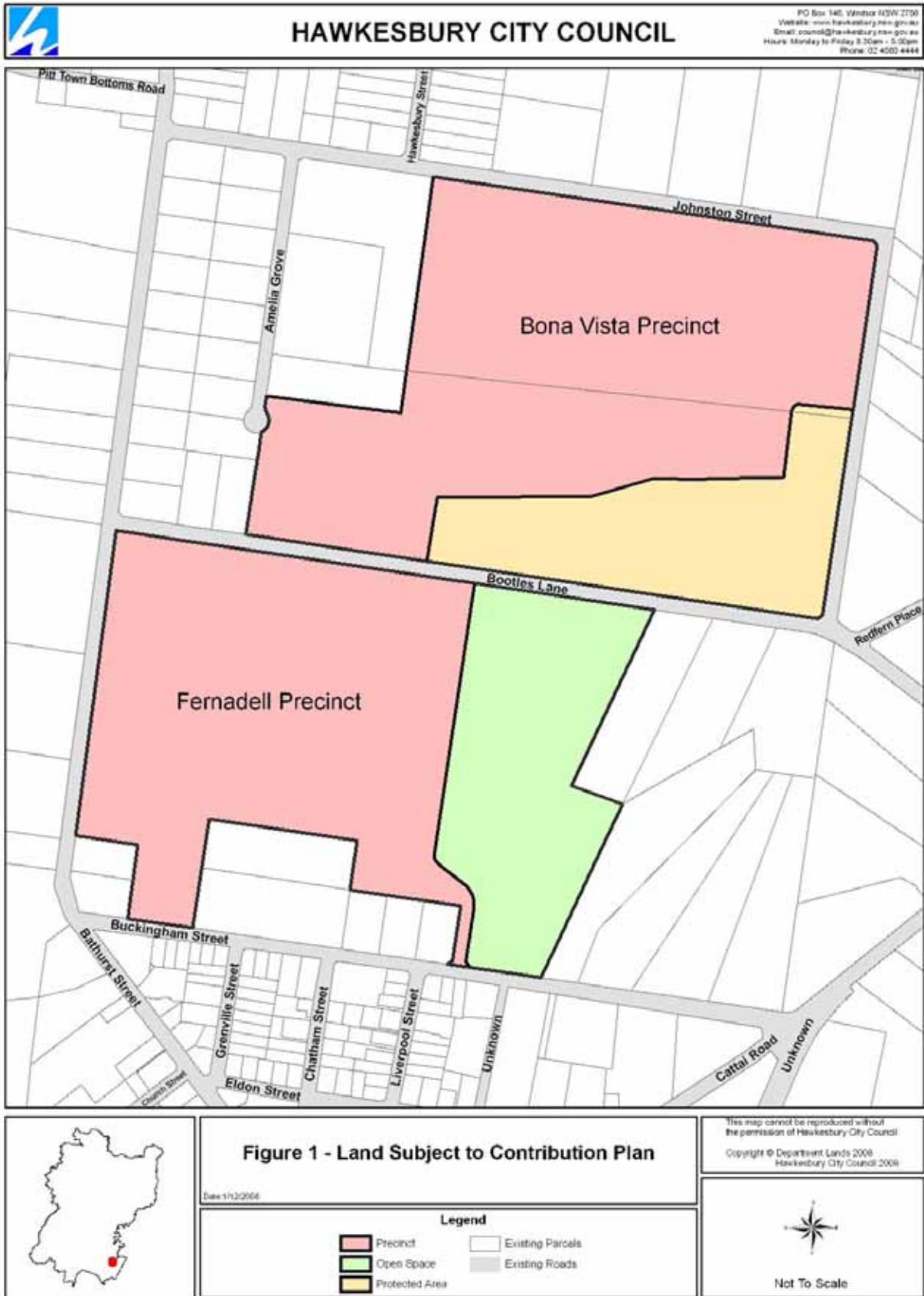


FIGURE 2: LAND TO BE ACQUIRED



FIGURE 3: LOCATION OF BASIN, OVERLAND FLOW PATH, AND WETLAND

