



**Cootamundra
Section 94 Development Contributions Plan
2014**



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VERSION CONTROL

No	Date adopted	Date effective	Council Resolution	Brief Description
0.1	Draft	14-April 2014	N/A	Presented to Council Meeting with recommendation to place on public exhibition
0.2	Draft	N/A	N/A	Placed on public exhibition 28 th April to 26 th May 2014
0.3	Final	18-June 2014	16-June 2014	Adopted by Council with no amendments to the Plan placed on public exhibition

PREAMBLE

Overview of Plan

The Cootamundra Shire is located in the South Western Slopes district of New South. The main town in the Shire, Cootamundra, is situated approximately 400 kilometres south west of Sydney, 160 kilometres north west of Canberra and 100 kilometres north east of the main regional centre of Wagga Wagga. The adjoining local government areas are the Gundagai, Harden, Junee, Temora and Young Shires.

The Shire has a population of around 7,500 people with the main population centre being the town of Cootamundra as well as the villages of Stockinbingal and Wallendbeen.

The Cootamundra Shire comprises an area of 1,525 square kilometres and is an important rural production area for fat lambs, wool, cattle, cereal and oil crops. Cootamundra is an important rail centre on the main rail link between Sydney and Melbourne and both Cootamundra and Stockinbingal are on the major rail freight line from Cootamundra to Lake Cargelligo and Stockinbingal to Parkes lines.

The Cootamundra Local Environmental Plan 2013 commenced in July 2013. The LEP provides new opportunities for additional small lot rural residential subdivision in the Shire which will generate a demand for Council to provide additional services. This Section 94 Contributions Plan addresses the need for upgraded road works that will be required in these areas as a result of the new development.

This plan authorises a contribution (called a Section 94 contribution under the Environmental Planning and Assessment Act 1979 (or EP&A Act)) toward the provision, extension, augmentation and recoument of the cost of road works in specific areas in the Shire.

The plan addresses Council's policy in relation to development contributions pursuant to Section 94 of the Environmental Planning and Assessment Act 1979. A separate contributions plan addresses fixed rate levies pursuant to Section 94A of the Environmental Planning and Assessment Act 1979. (*The Cootamundra Contributions Plan for Other Development*)

This plan sets out:

- the purpose of the Plan
- the land to which the Plan applies

- the relationship between the expected development in the area and the road infrastructure that Council plans to provide
- the contribution rate applicable to development affected by this plan
- the manner in which a contribution is indexed between the date of Council's determination and the date the contribution is required to be paid
- the location of the infrastructure proposed to be provided under this Plan (by reference to a map) supported by a works schedule setting out an estimate of their cost; and
- the administrative and accounting arrangements applying to contributions that are required by this plan.

PART 1

CONTRIBUTION RATE & WORKS SCHEDULE

Contribution rate:

The contribution rate required per new allotment created by a subdivision in the applicable R5 Large Lot Residential Zone and the RU4 Primary Production Zone areas under the Cootamundra Local Environmental Plan 2013 as specified in Table 2.1 and shown on the plans in Appendix 1 is \$3,126.00 per allotment.

The contribution rate of \$3,126.00 is current for the year ending 30 June 2014 and will be adjusted at the time of payment to reflect Consumer Price Index changes.

Calculation of Section 94 contribution rate

This section describes the methodology that has been used to determine the amount of the Section 94 contribution that will be required as a condition of development consent is summarised below:

The maximum number of potential lots that could be subdivided in the applicable R5 Large Lot Residential and RU4 Primary Production Small Lots Zone areas as calculated in Table 1.1 is 400 lots. It is important to note that this total is a theoretical potential but the overall lot yield will be limited by landowners who choose to not subdivide their land and physical land constraints such as slope, vegetation, watercourses and existing development.

Table 1.1 Lot Potential

Table 1.1 below indicates the total potential lot yield, including existing lots, in the R5 and RU 4 Zone areas that apply to this Plan.

Location	Lot size minimum		
	2 ha	5 ha	1 ha
Cootamundra East	316.95	322.57	31.5
Back Brawlin Road	152	120	-
Rodeo Drive	20	-	-
Salt Clay Road and Salt Clay Lane	26	119.11	-
Total Hectares	514.99	561.68	31.5
Total Lots	257	112	31
Total Lot Potential (including existing lots)	400		

The contribution that will be required has been determined having regard to the overall estimated cost of the road works as determined by Council and provided in Table 1.1 and applied on a per lot basis.

To ensure that the contribution is equitable, an allowance has been made for the fact that the road works will not only be beneficial to the residents of the small holdings areas that subdivide their land but also to additional road users as well. For example, those residents that live beyond the rural residential small holdings subdivision areas as well as those residents in the small holdings zone areas that choose to not subdivide their land but will benefit from the road upgrading works.

Based on these assumptions, a discount has been applied to the contribution so that the actual contribution amount required is 75 percent of the estimated cost per lot figure.

The formula to calculate the contribution per lot has been calculated as follows:

$$\text{Contribution (\$)} = \frac{\text{Total cost (as per Table 1.2) X 75\% discount}}{400 \text{ (Maximum Lots)}}$$

Works schedule

Table 1.2 below lists the areas where the section 94 Contributions will be used toward the cost of carrying out the road works.

Table 1.2. Road Works Schedule

Location		Works	Cost
Back Brawlin Road	Railway crossing to end seal	Widen existing sealed section	\$ 105,000.00
	End sealed section to bend near railway	Reconstruct existing	\$ 198,000.00
	realignment of bends	Improve bends in road alignment	\$ 110,400.00
Netherleigh Lane	Kilrush Rd to end Zone RU4 Zone	Reconstruct pavement and seal	\$ 136,500.00
Turners Lane	Muttama Road to Jugiong Road	Left turn lane to be constructed 2014	\$ 39,600.00
		Reconstruct and seal bend and floodway	\$ 287,700.00
Rathmells Lane	Stockinbingal Road to end Rathmells Lane	Reconstruct pavement and seal	\$ 79,200.00
Salt Clay Lane	Salt Clay Rd to end	Causeway upgrade	\$ 158,700.00
Salt Clay Road	Olympic Hwy to Salt Clay Lane	Reconstruct pavement and seal	\$ 98,125.00

Pinkerton Rd	Florence St to Netherleigh Lane	Shoulder sealing	\$ 115,000.00
Kilrush Road	Netherleigh Lane to end Zone RU4 Zone	Shoulder sealing	\$ 131,200.00
Jugiong Road	Muttama Road to Turners Lane	Shoulder sealing	\$ 76,800.00
Nashs Lane	Back Brawlin to Old Railway	Extra construction cost for pavement	\$ 65,500.00
Rodeo Drive	Yass Road to Binowee Road	Shoulder sealing	\$ 65,600.00
Total Cost Roadworks			\$ 1,667,325.00

NOTE:

The order of the works and the period over which the works will be carried out has not been determined and will be contingent upon considerations such as:

- Council sourced funding availability;
- Grant funding availability;
- Proposed or actual subdivision undertaken;
- Numbers of existing dwellings;
- Asset condition and projected maintenance requirements.

PART 2 – ADMINISTRATION AND OPERATION OF THE PLAN

ADMINISTRATION

What are development contributions?

Development contributions are contributions made by those undertaking development approved under the *Environmental Planning and Assessment Act 1979* (the Act).

Contributions may be in the form of money, dedication of land or some other material public benefit (or a combination of these) directed:

- In the case of contributions made under sections 94 or 94A of the Act - toward the provision or improvement of amenities or services (or the recouping of the cost of provision or improvement of amenities or services); or
- in the case of contributions made under a voluntary planning agreement prepared in accordance with sections 93F to 93L of the Act - toward public purposes.

Section 94 contributions

Section 94 of the Act enables Councils to seek contributions from developers where development is likely to increase the demand for public facilities. Section 94 contributions are levied at the time of development consent.

Councils can only require a section 94 contribution if they are satisfied that a development, the subject of a development application, will or is likely to require the provision of, or increase the demand for, public amenities and public services within the area; they have adopted a contributions plan justifying the contribution; and the contribution is reasonable.

The power to levy a section 94 contribution relies on there being a clear link (or nexus) between the development being levied and the need for the public amenity or service for which the levy is required.

Generally, contributions can only be made towards:

- (a) Capital costs including land acquisition costs;
- (b) Public facilities which the Council has responsibility to provide; and
- (c) Public facilities which are needed as a consequence of new development.

Planning agreement contributions

The Act allows for the negotiation of voluntary planning agreements between councils, developers, and/or other planning authorities for the provision of public purposes.

Public purposes are defined in the Act (without limitation).

Name of the Plan:

This Plan is called the “Cootamundra Section 94 Development Contributions Plan 2014”.

Commencement of the Plan

This development contributions plan has been prepared pursuant to the provisions of Section 94 of the *Environmental Planning and Assessment Act 1979* and Part 4 of the *Environmental Planning and Assessment Regulation 2000* and takes effect from the date on which public notice was published, pursuant to clause 31(4) of the *Environmental Planning and Assessment Regulation 2000*; that date being 18th June 2014.

Purpose of the plan

The primary purpose of this plan is to enable Cootamundra Shire Council to require a contribution to be made towards the provision, extension or augmentation of public amenities and public services that will, or are likely to be, required as a consequence of development in certain areas of the Cootamundra LGA.

Other purposes of this plan are to:

- (a) provide the framework for the efficient and equitable determination, collection and management of development contributions toward the provision of public amenities and services.
- (b) ensure that an adequate level of services and facilities are provided for future residents of Cootamundra;
- (c) ensure that the existing wider Cootamundra community is not unreasonably burdened by the provision of public infrastructure required (either partly or fully) as a result of the on-going development and redevelopment;
- (d) enable Council to recoup funds which it has spent on the provision of amenities and services that in some way address the demands generated by new development;
- (e) allow for Council to negotiate development contributions through voluntary planning agreements or for major “one-off” development proposals;
- (f) facilitate proper financial management and accountability for the expenditure of development contributions received; and
- (g) ensure Council's management of development contributions complies with relevant legislation and guidelines, and achieves best practice in plan format and management.

Relationship to other plans and policies

This Development Contributions Plan should be read in conjunction with the Cootamundra Local Environmental Plan 2013 and any amendment or Local Environmental Plan which it may supercede.

This plan is complementary to the “Cootamundra Contributions Plan for Other Developments” Section 94A Plan and the “Cootamundra Development Control Plan 2013”.

Area to which plan applies

This plan applies to the land within the Cootamundra Shire Local Government Area (LGA) which is situated within the R5 Large Lot Residential Zone and RU4 Primary Production Small Lots Zone under the Cootamundra LEP 2013 as identified in Table 2.1 and illustrated in Appendix 1.

Table 2.1 Zone R5 Large Lot Residential and Zone RU4 Primary Production Small Lots to which the Contribution Plan applies

Location	Lot Size Minimum
Back Brawlin Road Area 1	Two hectare lots
Back Brawlin Road Area 2	Five hectare lots
Salt Clay Road & Salt Clay Lane Area 1	Two hectare lots
Salt Clay Road & Salt Clay Lane Area 2	Five hectare lots
Florance Street/Pinkerton Road	One hectare lots
Pinkerton Road/Pinkerton Lane	Two hectare lots
Netherleigh Lane	Two hectare lots
Kilrush Road	Five hectare lots
Jugiong Road Area 1	Two hectare lots
Jugiong Road Area 2	Five hectare lots

Type of Development to which this Plan applies

Council will impose a contribution under section 94 of the Act on development consents issued for the following type of development:

The subdivision or consolidation of land where a dwelling house may at a later date be approved and constructed on the subdivided or consolidated lot(s). Newly created lots will be charged a contribution.

How does this plan operate?

In determining a development application, Council may impose a condition requiring the payment of a monetary contribution and/or the dedication of land free of cost in accordance with the provisions of this plan.

This plan identifies the quantum of development contribution to be levied on an individual development and what facilities the contribution may be directed towards. Such details are to be included in the respective development consent. Contributions are determined on a 'per lot' basis.

Information on the contributions received and monies expended on facilities described in this plan will be reported in Council's annual financial statements.

When contributions are paid

Unless otherwise agreed by Council, Council's requirements in relation to the timing of payments of a development contribution for development applications involving subdivision is prior to release of the subdivision certificate.

Complying Development and obligation of Accredited Certifiers

In accordance with section 94EC (1) of the *Environmental Planning and Assessment Act* 1979, accredited certifiers must impose a condition requiring monetary contributions in accordance with this Development Contributions Plan.

The conditions imposed must be consistent with Council's standard section 94 consent conditions and be strictly in accordance with this Development Contributions Plan. It is the professional responsibility of accredited certifiers to accurately calculate the contribution and to apply the section 94 contribution correctly.

Exemptions

Exemptions will not be given for any development outlined in the Contributions Plan without an express resolution of Council.

Review of Contribution Rates

The contribution rates will be indexed annually in accordance with the Consumer Price Index (CPI).

How are the contributions adjusted at the time of payment?

The section 94 contributions payable will be stipulated as a condition of any development consent granted by the consent authority. The amount of any monetary contribution to be paid will also be dependent upon when the development consent is acted upon.

The purpose of this section is to ensure that the monetary contributions imposed on developments at the time of consent are adjusted at the time of payment to account for the effects of inflation on delivering local infrastructure.

The contribution rate imposed in accordance with this plan will be indexed from 1 July each year.

The formula governing indexation of the proposed cost of carrying out development is as follows:

$$\text{Development contribution (at time of payment) (\$)} = \frac{\$ \text{ ODCC } \times \text{ Current CPI}}{\text{Base CPI}}$$

Where:

\$ODCC is the original development contribution cost assessed by the Council at the time of determination of the development application.

Current CPI is the *Consumer Price Index (All Groups Index) for Sydney* as published by the Australian Bureau of Statistics at the March quarter ending immediately prior to the financial year in which the payment is made.

Base CPI is the *Consumer Price Index (All Groups Index) for Sydney* as published by the Australian Bureau of Statistics at the March quarter ending immediately prior to the financial year in which the imposition of the condition requiring payment of the contribution is made.

Construction Certificates and the obligation of Accredited Certifiers

In accordance with section 94EC of the *Environmental Planning and Assessment Act 1979* and clause 146 of the *Environmental Planning and Assessment Regulation 2000*, a certifying authority must not issue a construction certificate for building work or subdivision work under a development consent unless it has verified that each condition requiring the payment of a monetary contribution has been satisfied.

In particular, the certifier must ensure that the applicant provides a receipt(s) confirming that contributions have been fully paid and copies of such receipts must be included with copies of the certified plans provided to Council in accordance with clause 142(2) of the *Environmental Planning and Assessment Regulation 2000*. Failure to follow this procedure may render such a certificate invalid.

The only exceptions to the requirement are where a deferred payment arrangement has been agreed by Council. In such cases, Council will issue a letter confirming that an alternative payment method has been agreed with the applicant.

Policy on deferred or periodic payments

Council does not accept deferred payment of contributions required under this plan.

Goods and Services Tax

No Goods and Services Tax (GST) is applicable to the payment of contributions made under the Act.

Items in the works schedule have been calculated without any GST component.

Financial and public accountability

Council is required to comply with a range of financial accountability and public access to information requirements in relation to section 94 contributions. These are addressed in Division 5 and 6 of Part 4 of the Regulation and include:

- (a) maintenance of, and public access to, a contributions register;
- (b) maintenance of, and public access to, accounting records for contributions received and spent;
- (c) annual financial reporting of contributions; and
- (d) public access to contributions plans and supporting documents.

Pooling of Contributions

Pursuant to Section 93E(2) of the Act and clause 27 of the Regulation, this plan authorises that Council may pool monetary contributions collected under Sections 94 and 94A of the Act and be applied progressively to the works priorities identified in Table 1.2 of this plan.

In any case of the Council deciding whether to pool and progressively apply contributions funds to the works priorities identified in Table 1.2, the Council will have to first be satisfied that such action will not unreasonably prejudice the carrying into effect, within a reasonable time, of the purposes for which the money was originally paid.

Nexus

Nexus is one of the key principles which underpin the developer contributions system. It refers to the relationship between the proposed development and the demand for public facilities and services created by the development. A contribution levied must be for an increased demand for a public facility or service that is caused by the development. There are three aspects to nexus:

- **Causal nexus** – The proposed development and increase in population creates a need or increases the demand for a particular facility or service;
- **Spatial or physical nexus** – The proposed public facility or service will be located to serve the needs of those who created the demand for it;
- **Temporal nexus** – The proposed public facility or service will be provide within a reasonable time to benefit those who contributed towards it.

New subdivision for rural residential development is expected to occur in the identified development areas of the Cootamundra LGA (as shown in Appendix 1) in the future, resulting in additional demands on the surrounding road network. The new works required to be provided will include new and/or augmented roads and traffic facilities to allow the efficient, safe and orderly movement of people and goods.

Many of the works required to be carried out in these areas include construction and sealing of existing rural standard roads. The incoming residents to these rural residential areas will expect the existing Council roads to be sealed to a standard that reflects these areas' evolving roles as rural residential areas.

Apportionment

Apportionment is the “fairness” principle. It means that new development only pays a contribution equal to the demand of the development. Where the service or facility proposed will benefit both the existing and new population, the cost of provision of that service or facility is apportioned between the existing development and the proposed development.

Reasonableness

The concept of reasonableness refers to whether the amount levied is a reasonable contribution from the point of view of the industry's ability to pay and any economic development policies Council may have from time to time.

Reasonableness comprises concepts of fairness, equity, judgement and moderation. The two key principles are nexus and apportionment.

Accountability

Council will be accountable for all contributions made under Section 94 and allocate those funds in accordance with the Schedule of Works identified in the Plan or as subsequently amended in the Plan or by Council's Delivery Program. Development and subsequent population growth rates will be monitored to ensure that the Plan remains relevant and delivery of services and facilities occur in accordance with the Plan.

PART 4 – DEFINITIONS

Applicant means the person, company or organisation submitting a development application.

Contribution means the dedication of land, the making of a monetary contribution or the provision of a material public benefit, as referred to in Section 94 of the *Environmental Planning and Assessment Act 1979*.

Contributions Plan means a contributions plan referred to in Part 4, Division 6 of the *Environmental Planning and Assessment Act 1979*.

Council means the Cootamundra Shire Council.

Development means:

- The use of land, and
- The subdivision of land, and
- The erection of a building, and
- The carrying out of a work and
- The demolition of a building or work; and

any other act, matter or thing referred to in section 26 that is controlled by an environmental planning instrument, but does not included any development of a class or description prescribed by the regulations for the purposes of this definition.

Developer contribution means the dedication of land, the making of a monetary contribution or the provision of a material public benefit, as referred to in Section 94 of the *Environmental Planning and Assessment Act*.

LEP means a local environmental plan made by the Minister under section 70 of the *Environmental Planning and Assessment Act 1979*

LGA means the local government area.

Nexus means the relationship between the expected types of development in the area and the demand for public facilities to meet that demand.

Planning agreement means a voluntary agreement referred to in section 93F of the *Environmental Planning and Assessment Act 1979*.

Planning benefit means a developer contribution that confers a net public benefit; that is, a benefit that exceeds the benefit derived from measures that would address the impacts of particular development on surrounding land or the wider community.

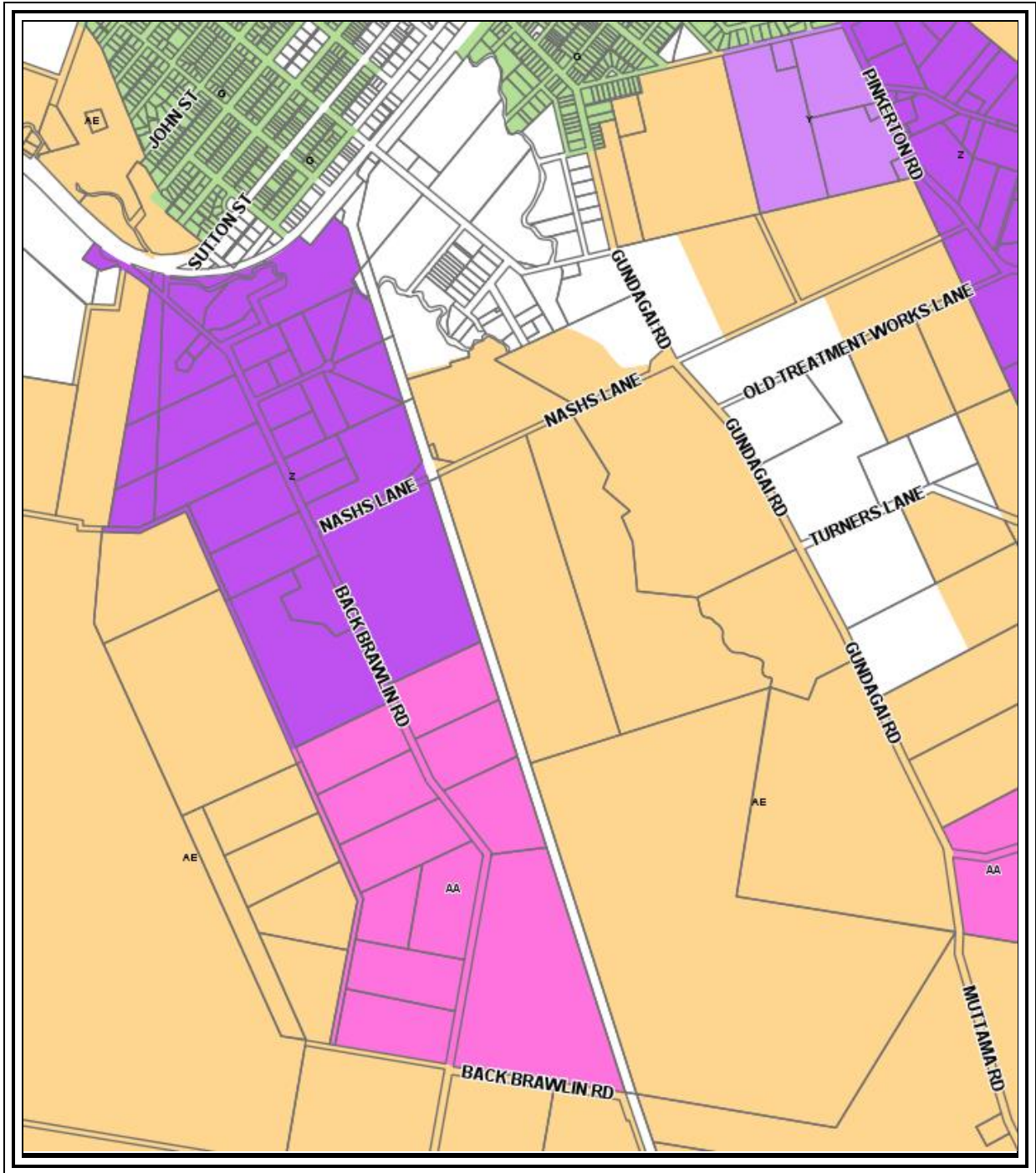
Planning obligation means an obligation imposed by a planning agreement on a developer requiring the developer to make a development contribution.

Recoupment means the payment of a monetary contribution to the council to offset the cost (plus any interest paid on borrowings) which the Council has already incurred in providing public facilities in anticipation of development.

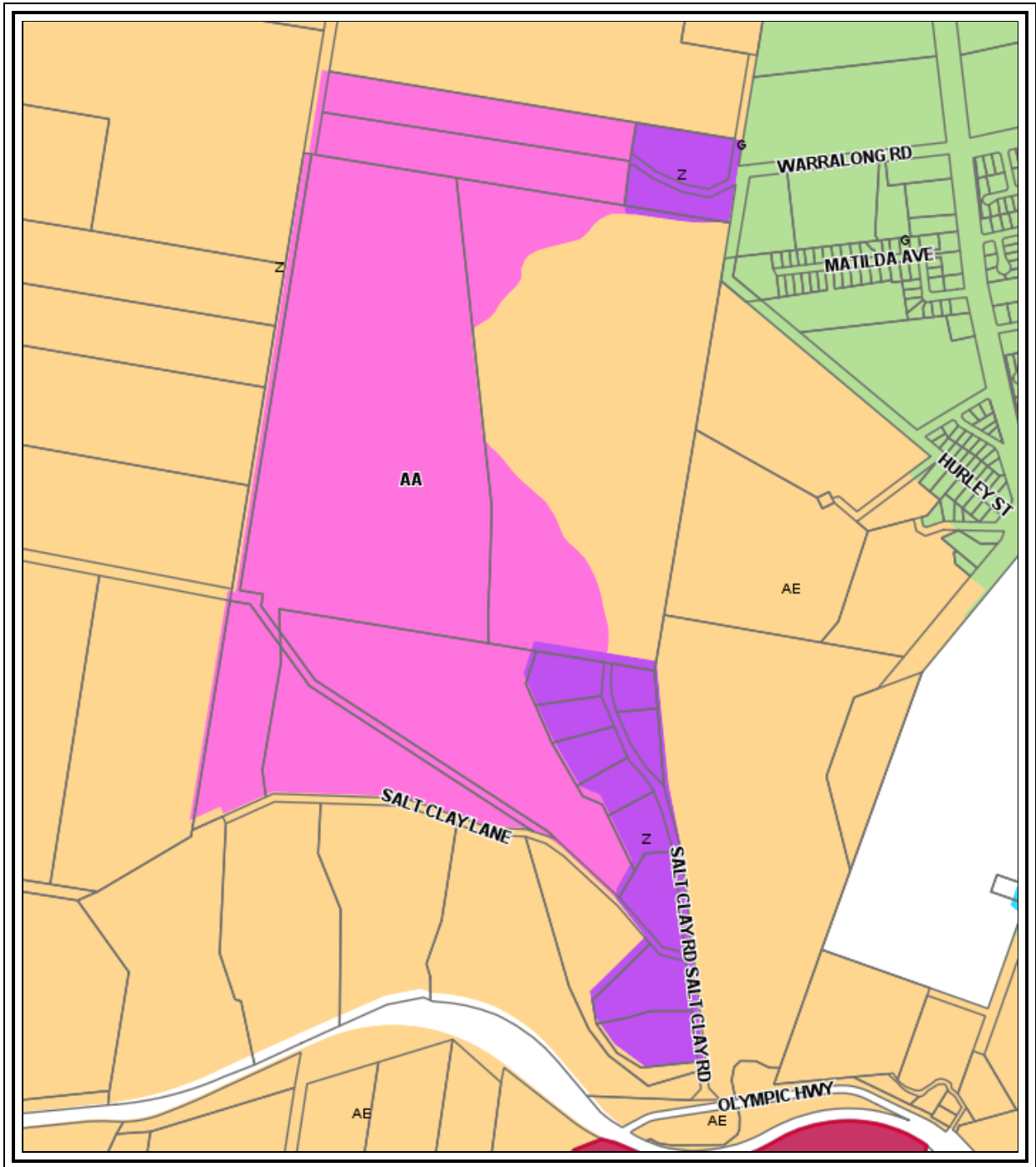
Works schedule means the schedule of the specific public facilities for which contributions may be required as set out in Table 1.2 of this Plan.

APPENDIX ONE

AREAS TO WHICH THE CONTRIBUTIONS PLAN APPLIES

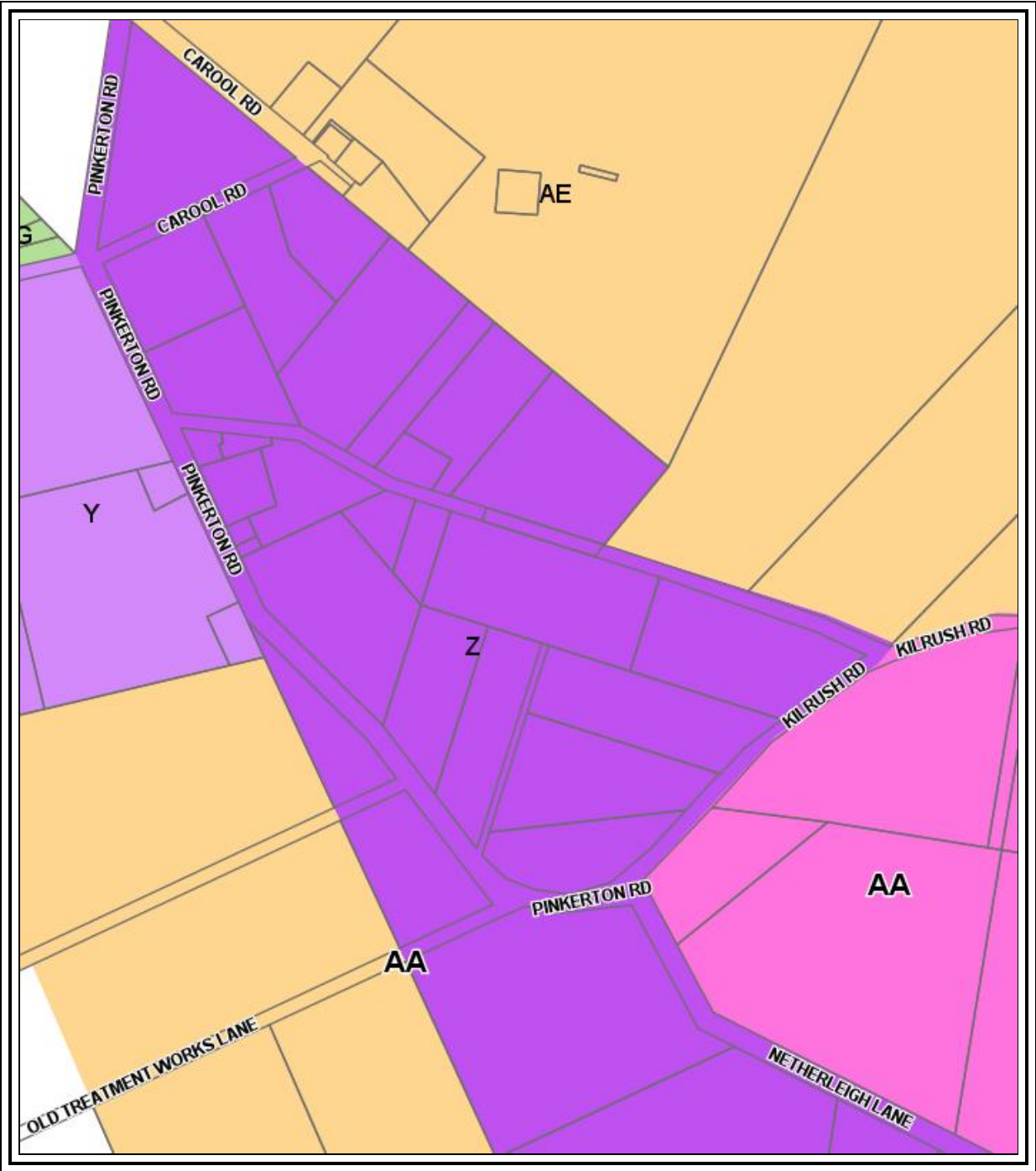


Back Brawlin Road
2 ha Lots – “Z”
5 ha Lots – “AA”

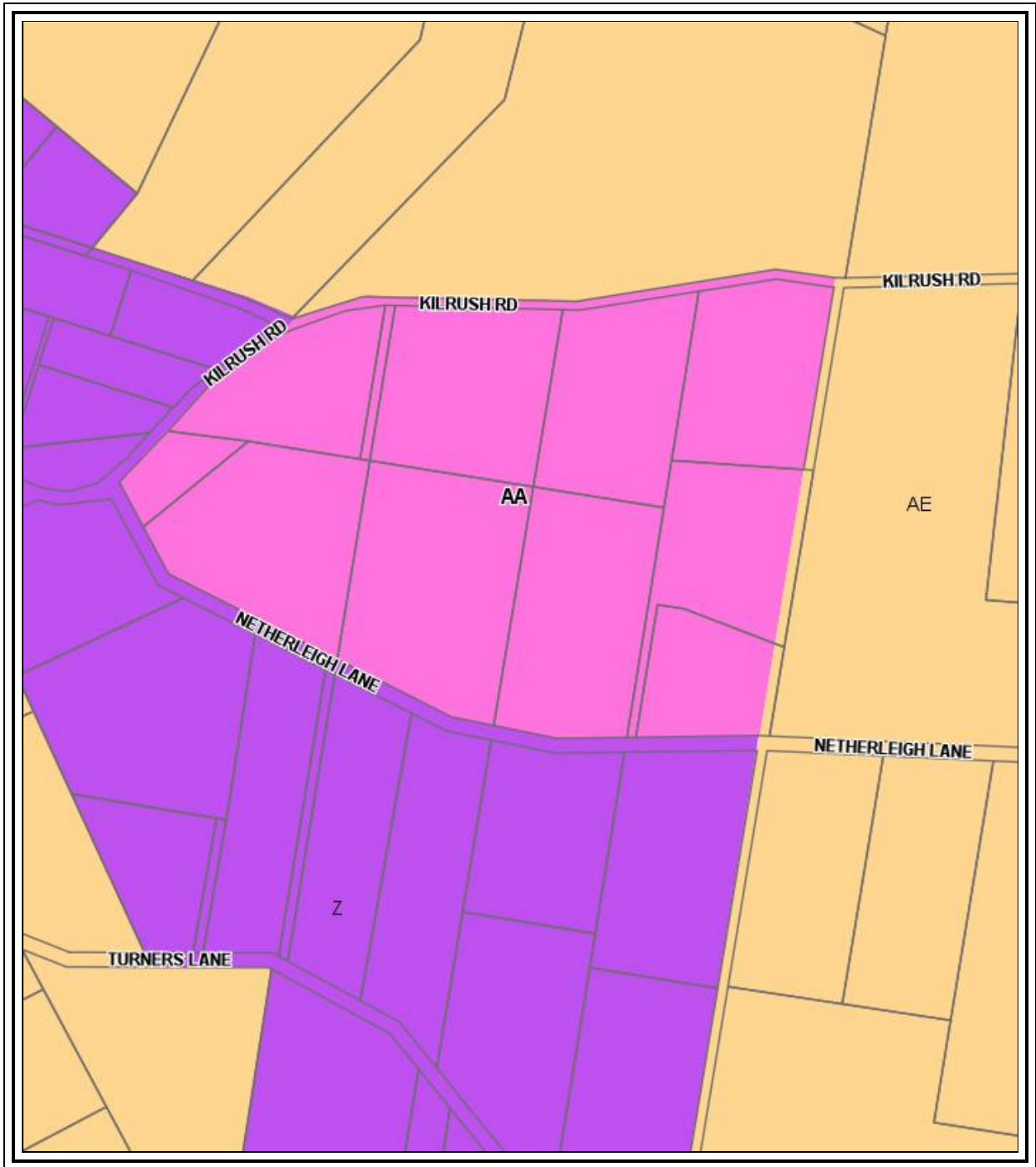


Salt Clay Road & Salt Clay Lane Area 1 – 2ha Lots “Z”

Salt Clay Road/Salt Clay Land Area 2 – 5ha Lots “AA”

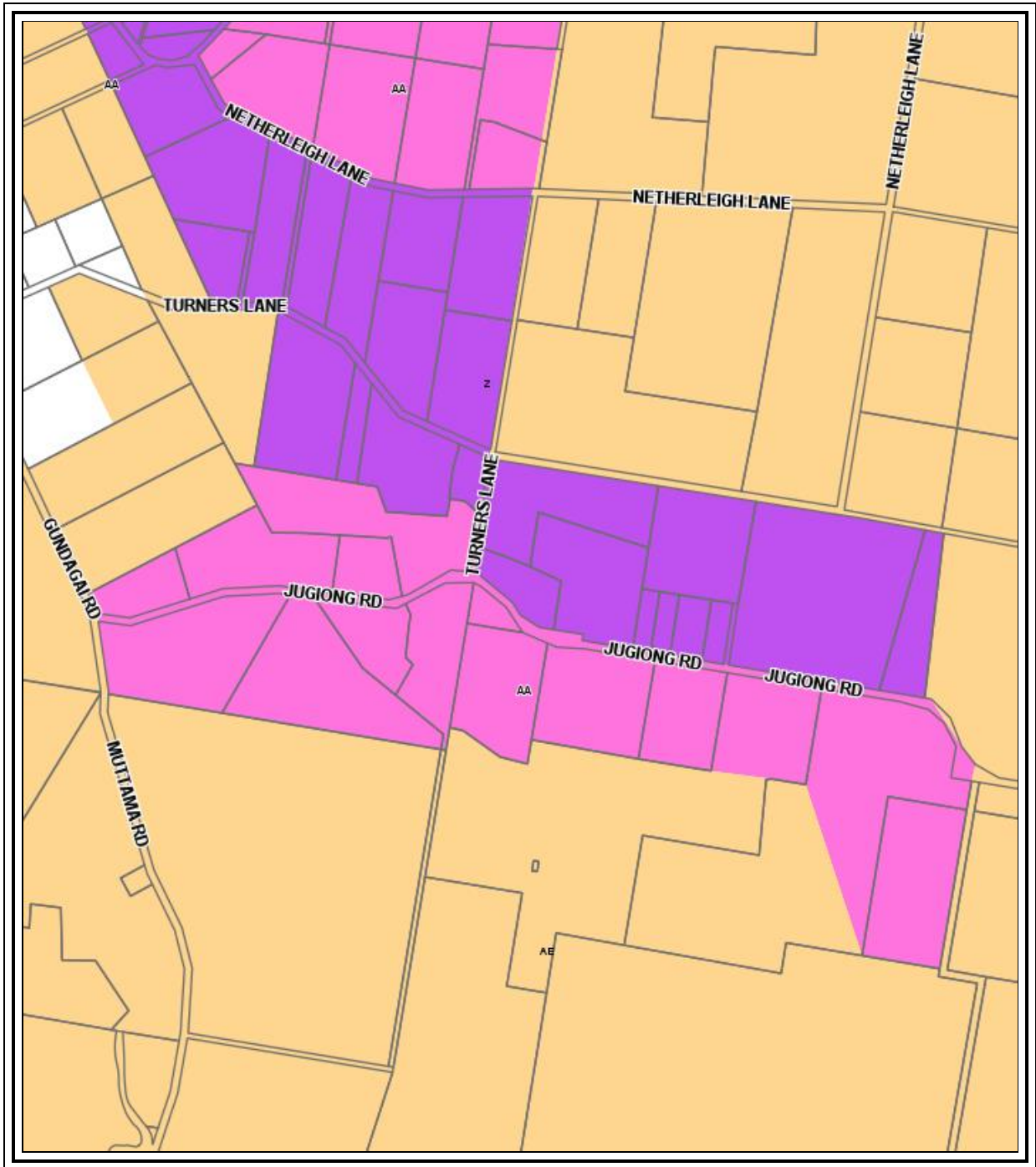


Pinkerton Road/Pinkerton Lane
2ha Lots – “Z”

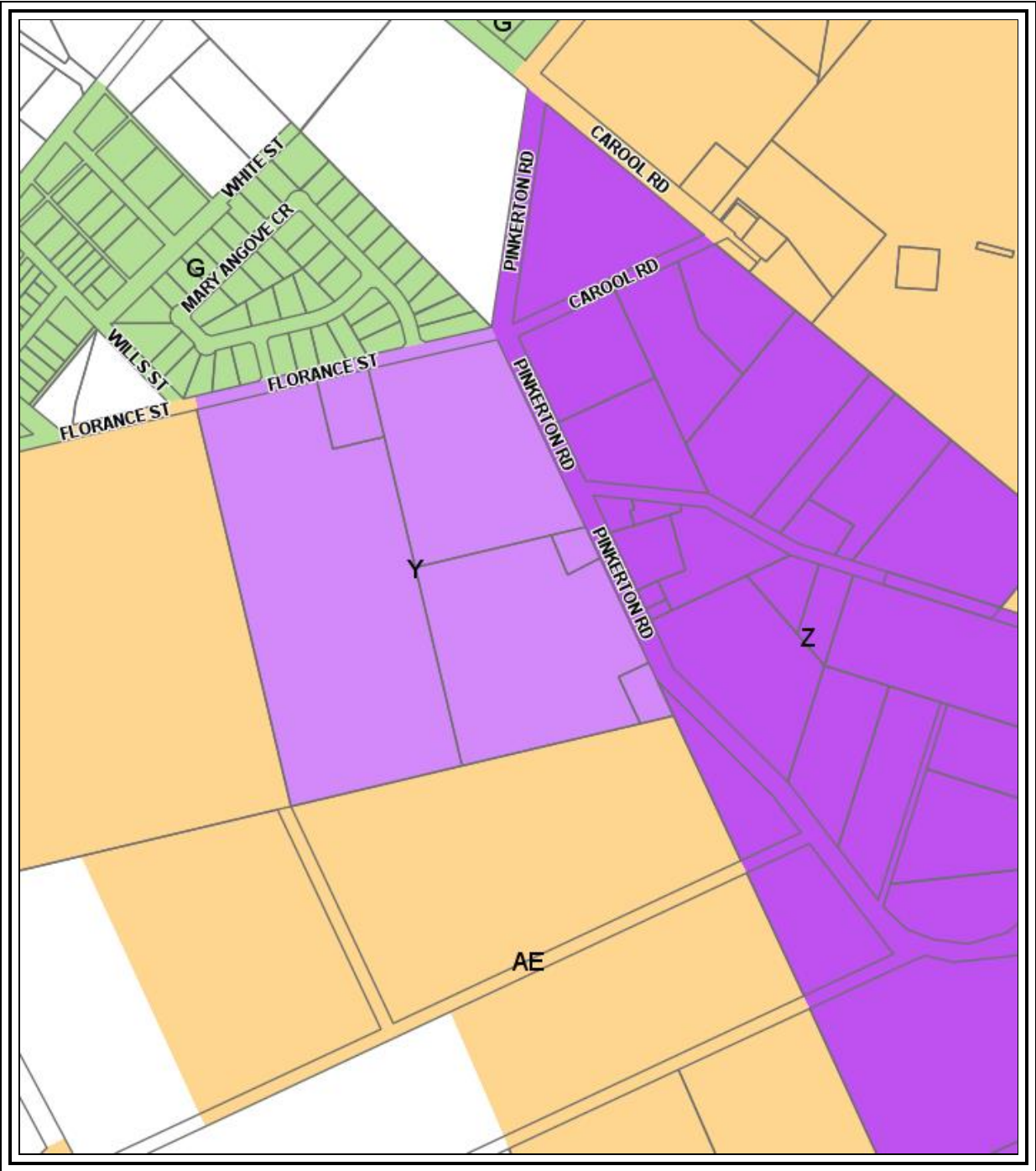


Netherleigh Lane – 2ha Lots – “Z”

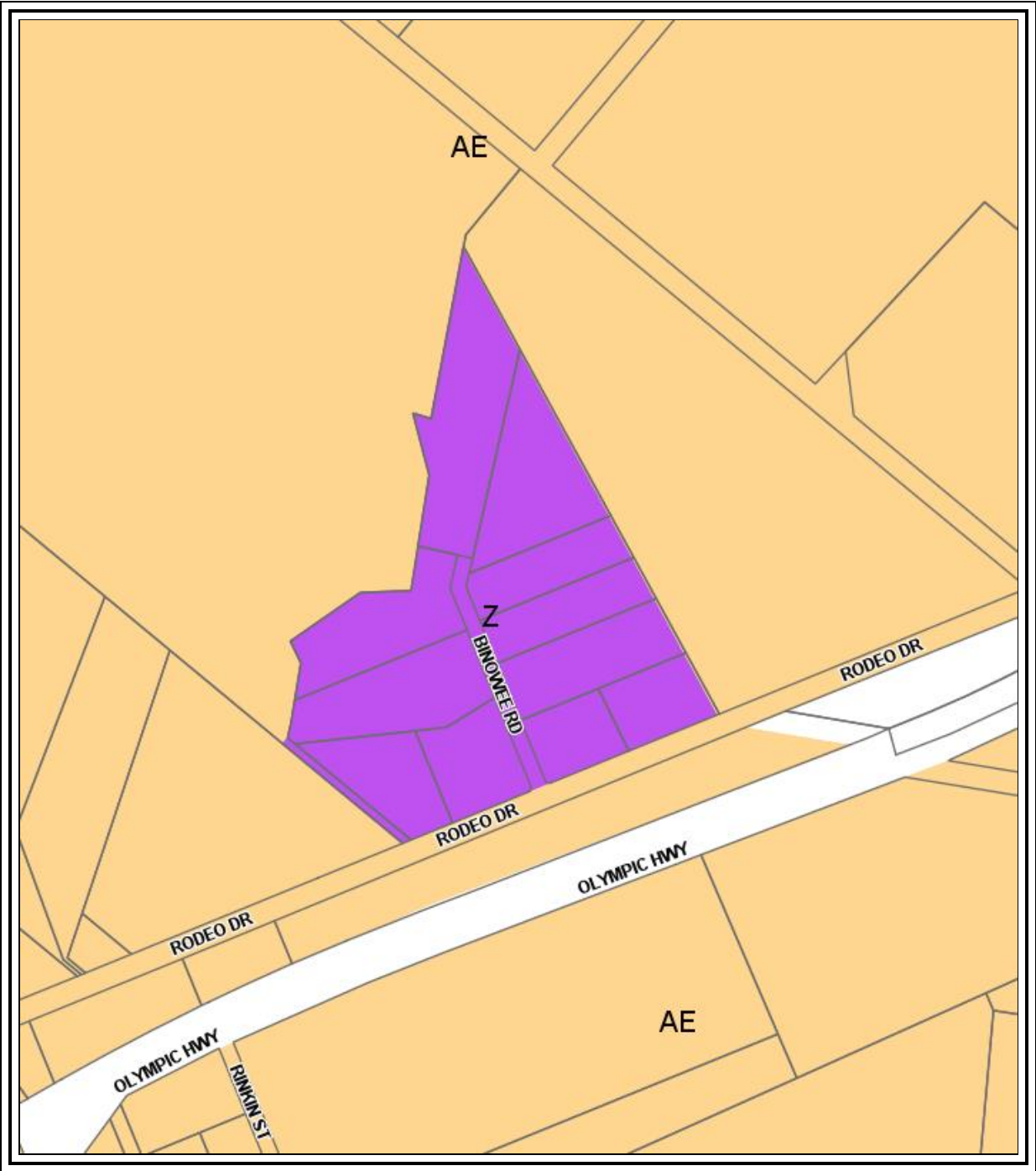
Kilrush Road – 5ha Lots – “AA”



Jugiong Road Area 1 – 2ha Lots – “Z”
Jugiong Road – Area 2 – 5ha Lots “AA”



Florance Street/Pinkerton Road - 1ha Lots – “Y”



Rodeo Drive/Binowee Road – 2ha Lots – “Z”