

Leichhardt Local Government Area

DEVELOPER CONTRIBUTIONS PLAN NO 1

Open Space and Recreation

Effective as of 18 January 2005

Leichhardt LGA Developer Contributions Plan No.1 – Open Space & Recreation

Strategic Planning — Leichhardt Municipal Council (2004)

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Preface, Principles and Layout of this Plan

Preface

In Council's publication 'Population and Employment Projections for Leichhardt Municipality 2001-2011' it is predicted that the population of the Leichhardt local government area (LGA) will reach 52,052 by 2011, arising from likely increased residential development within the LGA, during this period.

Other recent research by Council staff indicates that there is also likely to be an increase in employees, within the LGA, during this period. This increase is predicted to arise out of the current review of the planning controls for Council's industrial land and subsequent likely increased employment levels on these sites.

This plan enables Leichhardt Municipal Council (Council) to levy contributions for this anticipated new development within the LGA, pursuant to the provisions of section 94 of the *Environmental Planning and Assessment Act 1979* (EP&A Act). (**Note:** See section A.1 of this plan for more information on the developer contributions system).

Principles

The key principles, which underpin the levying of new development for increased or improved open space and recreation facilities, within the LGA are:

1. The occupation of the expected new development by employees or residents will generate an increased demand for open space and recreation (OS&R) facilities within the LGA; and
2. The developers of these additional developments should contribute towards increased and/or improved public facilities within the LGA, to ensure that the current quality and quantity of public OS&R facilities, as a shared equity, is sustained.

Layout of this Plan

This plan is one of three (3) developer contributions plans for the LGA. The other two plans; Community Facilities and Services (LMC Contributions Plan No.2) and Transport and Access (LMC Contributions Plan No.3), address the other demands for additional or improved public amenities and services generated by new residents and employees within the LGA.

This plan has four main parts:

Part A – Introduction and Summary: Contains explanatory information on developer contributions and details of the process that has been followed to review Council's existing developer contribution plans. This section also contains a detachable summary of contribution rates and payment methods, which can be used by applicants who do not require the remaining sections of this plan.

Part B – Administration: Provides information on the purpose, life and implementation of the plan.

Part C – Accounting: Advises when contributions are required to be paid and the alternative methods for meeting the contribution requirements of this plan.

Part D – Context, Changes & Contributions: Describes the physical context and predicted changes within the municipality, which warrant the levying of development for additional and /or improved public amenities and services. It also sets out the formula and methodology that were used to determine the contribution rates within this plan.

Part E – Additional Information: Contains a bibliography & glossary for this plan.

Part A – Introduction & Summary

A.1 Introduction to Developer Contributions

The *Environmental Planning and Assessment Act 1979* (EP&A Act) grants Councils the power to levy contributions for public amenities and services, required as a consequence of development.

Section 94(1) of the EP&A Act states that:

“Where a consent authority is 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, the consent authority may grant consent to that application subject to a condition requiring-

- (a) the dedication of land free of cost; or*
- (b) the payment of a monetary contribution, or both.”*

Under section 94(2A), Councils are permitted to recoup the cost of public services or amenities provided in advance of, or to facilitate new development.

Councils may also accept the provision of a ‘material public benefit’ in part or full satisfaction of a condition imposed under the aforementioned sections.

Generally, contributions can only be made towards:

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

The contribution requirement is imposed by way of a condition of development consent. The key principles of developer contributions are based on the provisions of section 94 of the EP&A Act. The four key principles are briefly explained below:

(i) Nexus

Nexus refers to the relationship between the expected types of new development in an area and the demand for additional public facilities generated by that new development. The power to levy a contribution relies on there being a clear nexus between the development being levied and the need for the public amenity or service for which the levy is required.

(ii) Reasonableness

The section 94 system places the responsibility on Council to determine what is reasonable and to use section 94 in a reasonable manner.

(iii) Apportionment

Apportionment is a process which seeks to define the demands of all those who may benefit from the provision of a public facility to ensure that the contributing population only pays for its share of the total demand.

(iv) Public and Financial Accountability

Public and financial accountability are crucial components of the making and administration of contribution plans. Contribution plans are required to:

- Follow the precise legislative requirements regarding the preparation of the plan;
- Be transparent as to the manner in which the strategies and contribution rates were derived; and
- Be open to public scrutiny in the collection, accounting and expenditure of contributions.

A.2 LMC Developer Contributions Plans – Review Planning Process 2003-2004

The 2003-2004 review of Council's developer contributions plans involved Council's staff generally following the three (3) stage planning process briefly described below:

Stage 1: Determine whether there is likely to be any resident and working population (employees working within the LGA) changes within the LGA, over the study period (ie. 10 years from the date of the last Census (2001 - 2011)), and what is the nature of that change (ie. trends in various age groups). Due to the May 2003 boundary change, the resident population projections document also briefly assessed the changes to the demographic profile of the local community, following the loss of Glebe and Forest Lodge to the City of Sydney Council.



Stage 2: The findings of the residential population projections study and working population research were evaluated and discussed with all relevant service providers and planners within Council. They were then requested to prepare a list of public amenities and services likely to be required to meet the needs of this population change or to maintain present service provision standards, in the context of any strategic or other policies relating to future service provision by Council. Estimated costs were also assigned to each of the items on the list.



Stage 3: The various lists of required additional services and facilities were combined into one schedule. Each of the listed items was assigned an appropriate priority ranking. Appropriate contribution rates were also determined.

A.3 Summary of Contribution Rates, Payment Requirements & Credits - Detachable

Contribution Rates

The contribution rates for the funding of new or improved OS&R facilities under this plan are provided below:

Note 1: *It is expected that the required contributions under this plan will be met either as a monetary contribution or land dedication. The acceptance or otherwise of a land dedication or mixed contribution (money + land) will be at the full discretion of Council (see also section below on mixed contributions).*

Note 2: *The monetary contribution rates will be adjusted on an annual basis (effective from 1 July each year after this plan is adopted) in accordance with any positive or negative percentage change in the median sale price of dwellings within the LGA (the sale price data to be utilised is for 'all dwellings', averaged for all postcode areas for the Leichhardt LGA – see section C.5 of this plan for further details). The contribution rates will be those applicable at the date of payment.*

Monetary Contribution Rates (Residential)

Table A: Monetary Contribution Rates – for Residential Development Involving Land Subdivision.

Density Area (Based on Suburb Boundaries Existing at the Time That the Contribution is Calculated)	Maximum Permitted Floor Space Ratio*
Leichhardt	0.5:1
Annandale	0.6:1
Balmain	0.7:1

** These floor space ratios are in accordance with the requirements of Leichhardt Local Environmental Plan 2000 (as amended)*

Depending on the size of the proposed allotments, and utilising the maximum permitted floor space ratio shown above (minus assumed internal car parking areas - 20m² per dwelling (LEP 2000)), utilise the table below to determine the relevant monetary contribution based on the resultant gross floor areas.

Example: An additional 240m² allotment is to be created within the suburb of Leichhardt. This allotment would have a maximum permitted gross floor area of 120m². When the assumed internal parking areas are subtracted - 20m², then the resultant predicted floor area for the site is 100m². Using the table below (ie. the >53m² – 106m² category), this would attract a monetary contribution of \$19,283.

Table B: Monetary Contribution Rates – for Residential Development Not Involving Land Subdivision.

Dwelling Size Gross Floor Area (as defined within this plan)	Monetary Contribution (based on a rate of \$10,043 per person)	Assumed Occupancy Rate
53m ² or less	\$13,357	1.33
>53m ² – 106m ²	\$19,283	1.92
>106m ² -160m ²	\$25,811	2.57
>160m ² -215m ²	\$33,142	3.30
>215m ²	\$39,971	3.98

Land Dedication Rates (Residential)

The equivalent land dedication rates for residential development are - 20.51m² per person – utilising the above assumed occupancy rates as applicable.

Note 1: This requirement for land dedication is not subject to any annual adjustments.

Note 2: Applicants are required to embellish the dedicated land (including any relevant demolition or remediation works) to a standard commensurate with similar existing OS&R land within the LGA.

Note 3: Applicants are permitted to utilise the dedicated land in their maximum floor area calculations for the contributing development site.

Monetary Contribution Rates (Employment Generating Development):

Monetary rate per employee: \$651.00 based on the standard floor area rates per employee stated below:

Table C: Contribution Rates – Employment Generating Development

Development Type	Floor Area for one employee (m ²)
Retail/Commercial Uses	
Row Shops with frontage to a street	22.3m ²
Speciality Shops in Centres of Arcades	20.4m ²
Supermarkets	48.0m ²
Department Stores	40.1m ²
Showrooms	85.1m ²
Modern Offices	17.7m ²
Offices above Row Shops	19.0m ²
High-Tech Industrial Building used for:	
Manufacturing	31.6m ²
Wholesale/Retail	47.7m ²
Financial/Property/Business Services	37.3m ²
Older Style Industrial Building (c. <1960) used for:	
Manufacturing	72.1m ²
Wholesale/retail	82.4m ²
Modern Industrial Building used for:	
Manufacturing	85.1m ²
Construction	124.2m ²
Wholesale/Retail	73.6m ²
Transport/Storage	66.5m ²
Financial/Property/Business Services	32.6m ²
Modern Multi-Unit Industrial Complex used for:	
Manufacturing	57.9m ²
Construction	77.3m ²
Wholesale/Retail	86.6m ²
Transport/Storage	81.4m ²

Note 1: Contributions will be calculated on the basis of the total increase in floor area, whether or not this represents a fraction of the rate for a single employee (see example below).

Note 2: Where a building is to be erected and the future uses are not known at the time that the development proposal is submitted, then the employee rate that is to be utilised will be an average of all of the examples for that particular building type (ie. for a modern multi-unit industrial complex, the rate would be an average of the rates for manufacturing, construction, wholesale/retail and transport/storage for that building type).

Example: A wholesale/retail business within a modern industrial building is planning to construct a mezzanine floor within their premises with a view to expanding their business. The mezzanine will have a floor area of 85m². Utilising the table above the standard rate for one employee, for this business is 73.6m² which has an equivalent monetary value of \$651. Accordingly, utilising this floor area rate for one employee in relation to the proposed gross floor area of the mezzanine, this business will be required to contribute the equivalent of one employee \$651 + the remaining portion of the mezzanine as a fraction of one employee, as shown in the following calculation:

$$85 - 73.6 = 11.4\text{m}^2$$

Then divide this figure by the rate for one employee to convert the remaining portion of the mezzanine into a fraction of one employee = $11.4/73.6 = 0.15$

Then multiply $0.15 \times \$651$ to get the monetary equivalent for the remaining portion of the mezzanine = \$97.65

Therefore the total contribution for the mezzanine is $\$651 + \$97.65 = \$748.65$

Land Dedication Rates (Employment Generating Development)

The equivalent land dedication rate for employment generating development is 1.33m² per employee calculated in the same manner as for the monetary contribution rate for employment generating development.

Note 1: This requirement for land dedication is not subject to any annual adjustments.

Note 2: Applicants are required to embellish the dedicated land (including any relevant demolition or remediation works) to a standard commensurate with similar existing open space land within the Leichhardt LGA.

Note 3: Applicants are permitted to utilise the dedicated land in their maximum floor area calculations for the contributing development site.

Mixed Contributions (Comprising Land Dedication and Monetary Contributions)

Mixed contributions are those that comprise a land dedication and monetary contribution. Mixed contribution requirements will be determined in accordance with Council's previously established mixed contribution determination process:

Step 1:

Determine the total monetary contribution required to be paid for the development in accordance with the above information.

Step 2:

Subtract from that total, the monetary contribution equivalent of the area of land to be dedicated to Council, on a per person basis .for example:

For residential development – every 20.51m² of dedicated land = \$10,043

For employment generating development – every 1.33m² of dedicated land = \$651 (rounded to the nearest whole number – see example below)

Example: An applicant is proposing to erect 150 dwellings on a development site comprising the following:

53m² or less dwellings x 38 which is equivalent to \$13,357 x 38 = \$507,566

>53m²-106m² dwellings x 67 which is equivalent to \$19,283 x 67 = \$1,291,961

>106m² – 160m² dwellings x 45 which is equivalent to \$25,811 x 45 = \$1,161,495

This generates a total monetary contribution of \$2,961,022.

The applicant, however, intends to dedicate 650m² of the development site to Council for open space purposes, which has been accepted in principle by Council because it provides a useful open space link between two areas of existing parkland.

Accordingly, the 650m² is subtracted from the required total contribution of \$2,961,022 using the following calculation:

650 divided by 20.51 = 31.69 (rounded up to 32)

then 32 x \$10,043 = \$321,376

then subtract 321,376 from the total of \$2,961,022 = \$2,639,646.

Therefore the mixed contribution required for the proposed residential development is:

Land Dedication – 650m²
Monetary Contribution - \$2,639,646

Payment of Contributions:

A contribution is payable to Council or required to be dedicated to Council:

- (i) In the case of a consent to development being **subdivision** irrespective of whether or not any further approvals are required:
 - Before the subdivision certificate is released to the applicant; or
 - Before the issue of any construction certificate related to the site works, whichever occurs first.
- (ii) In the case of a consent to **development not involving subdivision** but where a subsequent construction certificate is required – before the issue of the construction certificate to the applicant, by Council or a Private Certifier; and
- (iii) In the case of consent to any **other development** where neither a subdivision certificate or construction certificate is required – prior to the issuing of the occupation certificate to the applicant, by Council or a Private Certifier.

Credits

Note: Employee credits cannot be used as residential credits (or vice versa).

Residential Development

A residential related credit will be given for the existing/former population of a site at the rates shown in Table D below where the dwelling no longer exists. The dwellings being credited must have been present on the site within the previous five (5) years (from the date that this plan was adopted – see section A.1 of this plan) to enjoy the credit. The onus is on the applicant to prove the existence of any dwellings as part of any development proposal. A credit will be calculated by reference to Table B above where the dwelling is still in existence.

**Table D: Occupancy rates by dwelling type – Leichhardt LGA – 2001
(Post May 2003 Boundary Change area only)**

Dwelling Type	Occupancy Rate (persons per occupied private dwelling)
Separate House*	2.47
Semi-detached, row or terrace house, townhouse etc.	2.17
Flat, unit or apartment: (total)	1.65
Other dwelling (total)	2.10

Source – ABS 2001 Census – First Release Data (**Note:** ‘Other dwelling total’ includes dwellings attached to shops and offices etc.) as quoted in “Leichhardt LGA Population Projections 2001-2011” produced by the Strategic Planning Dept. Leichhardt Council.

* Separate house for the purposes of this plan refers to a detached house/dwelling.

Note: These occupancy rates have been chosen on the basis that they can be utilised irrespective of whether the size of the subject dwelling is able to be determined or not.

See Example 1 below for an illustration of the practical application of these credit rates where a dwelling was in existence five years prior to the date of adoption of this plan but no longer exists.

Example 1: An applicant is proposing to erect a multi –unit development that will support an expected population of 15.58 persons. Two semi-detached row houses occupied the site up until three years ago at which time they were demolished. Therefore, using the relevant information in Table D above, the applicant would be able to claim a credit of $2.17 \times 2 = 4.34$ persons. Accordingly, the total population to be levied would equate to 11.24 persons.

Where an existing dwelling/dwellings still exists on the subject site but are proposed to be demolished as part of the development proposal, then an applicant shall utilise the dwelling size occupancy rates shown in this plan for credit purposes (see Table 4 in section D.2.1.d (ii) of this Plan for more information).

See Example 2 below for an illustration of the practical application of these credit rates.

Example 2: An applicant is proposing to erect a multi –unit development that will support an expected population of 15.58 persons. Two semi-detached row houses currently occupy the site but these are proposed to be demolished as part of this development proposal. Both residences have an area each of 113 m². Therefore, using the relevant information in Table B above, the applicant would be able to claim a credit of 2.57 persons x 2 = 5.14 persons. Accordingly, the total population to be levied would equate to 10.44 persons.

Employment Generating Development:

An employee related credit will be given for any employment use existing on the site in the previous five years (from the date of the adoption of this plan) based on the standard floor rates mentioned in sections D.2.1.d (iv) and D.2.2.e of this Plan.

See Example 3 below for an illustration of the practical application of these credit rates.

Example 3: An applicant is proposing to build a new industrial building with a floor area of 255.3 m² on a site, for the purposes of commencing a manufacturing use. Using the information in Table C above (85.1m² per employee), the proposed development would support an expected employee population of 3 persons. The site is currently occupied by a smaller older style industrial building measuring 144.2m² that until last year contained a manufacturing use. Therefore, using the relevant information in Table above, the applicant would be able to claim a credit of two persons (144.2 divided by 72.1= 2 persons). Accordingly, the total population to be levied would equate to 1 person.

Note: For further information on these contribution requirements or the Open Space and Recreation Developer Contributions Plan contact Leichhardt Council's Strategic Planning Department.

Part B – Administration

B.1 Name of this Plan and Date of Adoption.

This contributions plan has been prepared in accordance with the provisions of section 94 of the EP&A Act and Part 4 of the *Environmental Planning and Assessment Regulation 2000* (the Regulation) and may be referred to as the Leichhardt LGA Developer Contributions Plan No.1 – Open Space and Recreation.

Council, pursuant to section 94AB of EP&A Act and a resolution passed on 14 December 2004 makes the contributions plan set out hereunder. The notification of adoption was 18 January 2005.

B.2 Savings Provision

Any development application lodged but not finally determined prior to the commencement of this Plan is to be assessed and determined under the provisions of the contributions plan that was in force immediately before that commencement.

B.3 Area to which this Plan applies.

This plan applies to all land within the LGA. This is also the area in which these contributions will be utilised.

B.4 Development to which this Plan applies.

This plan applies to all residential development (whether or not it forms part of another type of development) and employment generating development (see definition in glossary) irrespective of the zoning of the land except for:

- (i) Alterations or additions or the replacement of a dwelling house, on land used within the previous five years for a dwelling house*, or on a lot subdivided prior to the adoption of this plan for that purpose, for which OS&R developer contributions have previously been paid;

****Note:*** *There have been a number of cases in the LGA where an existing house straddles two residential allotments. This dwelling may be subsequently demolished and an additional dwelling site created from this situation. In these cases only one of those subsequent allotments (whichever has the smallest site area) will be exempt from the payment of developer contributions under this plan.*

- (ii) Temporary accommodation and low income boarding houses; and
- (iii) Additions to an employment generating premises that comprise additional total floor area less than the relevant standard floor area for

one employee, contained within this plan (see section D.2.1.d (iv) of this plan).

Example: A wholesale/retail business within a modern industrial building is planning to construct a mezzanine floor within their premises with a view to expanding their business. This mezzanine is proposed to have a floor area of 55m². A table within this plan provides standard floor area rates for one employee for employment generating businesses. The relevant floor area for one employee for this business, within that table, is stated as 73.6m². Since the proposed mezzanine has a gross floor area less than the standard floor area rate for one employee, this business will not be required to contribute any monetary contributions for the mezzanine, under the terms of this plan.

B.5 Purpose of this Plan.

The purposes of this developer contributions plan are;

- (i) To ensure that the existing standards of public services and amenities are maintained for the existing and future resident and employment population of the LGA;
- (ii) To satisfy the requirements of the EP&A Act and the Regulation that enable Council to require a contribution and/or the dedication of land towards the provision, extension or augmentation of OS&R facilities, within the LGA, that will, or are likely to be required as a consequence of new residential and employment generating development within the LGA.
- (iii) To ensure that the existing community of the LGA, is not burdened with the cost of the provision of additional or improved OS&R facilities, required as a result of future development;
- (iv) To clearly set out the formulae to be used by Council in assessing the amount of land contribution and/or land dedication attributable to a development proposal;
- (v) To provide a comprehensive strategy for the assessment, collection, expenditure, accounting and review of OS&R development contributions on an equitable basis throughout the LGA; and
- (vi) To establish a priority schedule for the expenditure of contributions which satisfies OS&R needs likely to be generated by new development and/or which maintains the current quality or quantity of open space (per person) within the LGA and which is linked to Council's and the community's aims and policies for these public facilities.

Note: An introduction to developer contributions pursuant to section 94 of the EP&A Act is provided in section A.4 of this plan.

B.6 Life of this Plan

This plan is based on research material that extends to 2011. Accordingly, this plan could be utilised until that time. Apart from the indexing of the plan*, which is to occur on an annual basis, it is recommended that this plan be comprehensively reviewed within a minimum of five (5) years from the date of its adoption, and after or upon the completion of a new comprehensive recreation strategy for the LGA, as mentioned in section D.2.1.i.

* **Note:** The annual indexing of the contribution rates within the plan is likely to involve alterations to the numerical figures and examples throughout the plan.

B.7 Implementation of the Plan

In determining a development application, Council may impose a condition requiring the payment of a monetary contribution and/or dedication of land in accordance with the provisions of this plan. The required payment amount will be effected by the annual adjustment of monetary contribution rates mentioned in section C.5 of this plan.

B.8 Relationship to Other Plans and Policies.

This plan should be read in conjunction with Council's other developer contributions plans;

- *Leichhardt LGA Developer Contributions Plan No.2 – Community Services and Facilities; and*
- *Leichhardt LGA Developer Contributions Plan No.3 – Transport and Access.*

This plan draws upon information contained within Council's Open Space Strategy Review 1993 and subsequent Council policies and initiatives related to the provision of additional OS&R facilities (ie. Urban Framework Plan A 2.1 – Environment and Open Space contained within Leichhardt Development Control Plan 2000).

Part C - Accounting

C.1 Payment of Contributions.

A contribution is payable to Council or required to be dedicated to Council:

- (i) In the case of a consent to development being **subdivision** *irrespective of whether or not any further approvals are required:*
 - Before the subdivision certificate is released to the applicant, or
 - *Before the issue of any construction certificate related to the site works* (whichever occurs first);
- (ii) In the case of a consent to **development not involving subdivision** *but where a subsequent construction certificate is required* – before the issue of the construction certificate to the applicant, by Council or a Private Certifier; and
- (iii) In the case of consent to any **other development** *where neither a subdivision certificate or construction certificate is required* – prior to the issuing of the occupation certificate to the applicant, by Council or a Private Certifier.

C.2 Deferred/Periodic Payments.

It is Council's policy not to accept any deferred or periodic payments for developer contributions. This policy has been based on the following conclusions relating to deferred/ and periodic payments.

Deferred or periodic payments are considered to:

- Inevitably result in inequities between applicants;
- Add to the administrative costs of managing section 94 funds under this plan;
- Adversely affect the planned timing of the work schedule items in this plan;
- Create unnecessary opportunities for the requirements of this plan to be avoided; and
- Facilitate the use of public funds to support the financial aspirations of individuals, by assisting them in meeting their developer contribution responsibilities for the duration of the deferred/periodic payment scheme.

C.3 Pre and Post Development Consent/Subdivision Certificate Alternatives for Contributing to the Provision or Improvement of Public Amenities and Services

Material Public Benefit

A condition of development consent or subdivision certificate may require the dedication of land and/or a monetary payment to satisfy the assessed section 94 requirement for the subject development proposal.

The EP&A Act, in accordance with section 94(5)(b), permits Council to accept an offer from a developer to provide a 'material public benefit' (MPB) (other than the dedication of land or the payment of a monetary contribution) in lieu (partially or fully) of the section 94 contribution requirements imposed by a condition in a development consent or subdivision certificate. A MPB is considered by the Department of Infrastructure Planning and Natural Resources (DIPNR) (the State department which administers the application of section 94 contributions), to consist of some physical (material) component. Details of the required contents of a MPB are provided below in subsection C.3.b along with the details of the circumstances where Council will give consideration to an MPB offer (see also the glossary section of this plan for a definition of material public benefit).

Planning Agreements

The EP&A Act does not currently provide a legislative framework for consent authorities to consider alternative offers from developers relating to the fulfilment of their section 94 obligations, prior to the determination of a development application.

In this regard, however, a Bill is currently before the New South Wales Parliament entitled *Environmental Planning and Assessment Amendment (Planning Agreements) Bill 2003* (the Bill). The object of the Bill is to amend the EP&A Act to extend the means by which planning authorities may obtain development contributions to be applied for the provision of public benefits. The Bill will specifically authorise planning authorities to obtain development contributions through planning agreements.

Under the terms of this Bill, planning agreements can be made at all stages of the development planning process (ie. as part of an local environmental plan, or development control plan amendment request, and prior to or after the submission of a development application, irrespective of whether the application has been determined by the relevant planning authority).

Notwithstanding the absence of this legislative support, in recent times, developers have undertaken voluntary (planning) agreements with planning authorities relating to the provision or improvement of public amenities, and services, the need for which have been generated by their development proposals. These agreements have been undertaken either as an alternative to the provisions of a developer contributions plan or in conjunction with those provisions. Accordingly, this section has been included within this plan to describe the common characteristics of such agreements and to outline the required contents of a planning agreement with

Council. It also details the circumstances in which Council would consider the acceptance of a developer agreement option, should the appropriate legislative support be implemented for this planning concept (see also the glossary section of this plan, section E.2, for a definition of a planning agreement). It is also recognised that upon any legislative implementation of this planning concept, amendments to this section of this developer contributions plan may be required.

C.3.1 Planning Agreements

(i) Common characteristics:

The common characteristics of planning agreements are:

1. Involves a voluntary agreement between Council and a developer/landowner, or with a person in anticipation of becoming a landowner;
2. Legally binding and covers successors in title;
3. Generally development is not able to proceed until the agreement is executed;
4. The agreement sets out the facilities/infrastructure that are agreed to be provided, including the level, nature and timing of those facilities/infrastructure;
5. Can address the issue of recurrent (ongoing) costs;
6. Can span many years and stages of development;
7. May contain a self-monitoring system (ie. An annual report by the consent authority on compliance with the agreement);
8. Can allow for amendments, at the agreement of the subject parties;
9. May include a dispute resolution mechanism on the interpretation of the agreement (ie. appeal to the court/mediator/arbitration); and
10. May contain default provisions (eg. bonds and guarantees may be required).

ii) Required Contents of a Planning Agreement with Leichhardt Municipal Council:

A. The agreement should demonstrate how the subject community or development would be provided with an equivalent level of amenities and/or services to those that can be reasonably expected to be provided under this developer contributions plan.

B. The agreement shall include the following details:

- Parties to the agreement and the land to which the agreement applies;
- Definition of terms used in the agreement;
- The relationship of the agreement to existing draft or future contribution plans;
- Details of the timing of payment or completion of works;
- A policy to ensure that public access to the facilities are provided;
- Relevant costing of facilities to be provided or calculation details for any contributions towards facilities;
- Security and enforcement provisions by a suitable means (ie. the provision of a bond or guarantee to cover circumstances where the development is staged, that is, potential bankruptcy, incomplete development or any other potential default, for example a breach of the agreement by the developer);

- A policy detailing the provision of works at an agreed time or to an agreed standard, including provisions for agreed maintenance or defects period and the bonds for these;
- Provision for change of ownership of property or different developer, for instance: 'should the agreement be tied to the title of the land?';
- Provisions for potential variations to the development consent or future negotiations, including a policy for the resolution of disputes under the agreement; and
- A reasonable time frame for the agreement with an appropriate 'sunset clause'.

(iii) Circumstances Where Council Will Consider the Option of a Planning Agreement

Council will consider the option of a planning agreement as an alternative to the partial or full payment of the section 94 contribution requirements of a development proposal, where it can first be established in a preliminary report, by a suitable planning consultant, on behalf of an applicant, that such a proposed agreement will provide a superior outcome for the recipient community in comparison to the relevant existing or other proposed section 94 contribution schemes.

C.3.2 Material Public Benefit

i) Required Contents of a Material Public Benefit Offer to Council:

- The offer must be made in writing;
- Contain an assessment of the proposed MPB offer in the context of the relevant development proposal and the planned facilities and services contained within the relevant section 94 plan;
- Provide a comparison between the value of the MPB offer and the value of the required developer contributions for the development proposal;
- Illustrate how the needs of the contributing population will still be satisfied through this offer;
- Explain how the acceptance of this offer, by Council, will not adversely affect the adopted works schedule and expected cash flow of the relevant section 94 plan;
- Illustrate whether the MPB offer will generate the need for approvals from other consent authorities;
- Outline what responsibilities for current and operational costs will be generated if the MPB offer is accepted by Council and who is intended to meet those responsibilities;
- Provide information on the required management needs of the MPB, and who is expected to meet those needs and at what cost; and
- Include written recognition that the full cost of drafting a legal agreement between Council and a developer, upon acceptance of an MPB, will be borne by the developer.

ii) Circumstances Where Council Will Consider the Offer of a Material Public Benefit

Council will consider the offer of a *material public benefit* as an alternative to the partial or full payment of the section 94 contribution requirements of a development proposal as detailed in a condition/conditions of a development consent or subdivision certificate, where it can be established by an applicant, that the MPB offer will provide a superior outcome for the recipient community in comparison to the relevant existing or other proposed section 94 contribution schemes.

For the purposes of this section of the plan, a MPB may include an item or items on the works schedule of this plan. This form of a MPB is commonly referred to as 'works in kind' (see also the glossary section of this plan, section E.2, for a simple definition of works in kind under the definition of material public benefit.)

C.4 Land Dedications

At its full discretion, Council may require or accept an offer from an applicant for the dedication of part of a site, the area of which is to be calculated pursuant to the requirements detailed in sections D.2.2.c and D.2.2.e of this plan. A list of potential redevelopment sites, from which land dedications will be sought, is shown in Table 16 in section D.2.2.f of this plan. Additionally, land dedications may also be sought from development sites where the proposed dedicated land is consistent with Council's current open space policy framework (eg. *Leichhardt Local Environmental Plan 2000*, *Leichhardt Development Control Plan 2000* and *Open Space Strategy*) in providing:

1. Connections between existing or planned open space (particularly to the foreshores),
2. Particular attributes such as views, landscape features, or major trees or plantings.

Furthermore, in relation to this issue, Council is bound by the terms of clause 34 of *Leichhardt Local Environmental Plan 2000*, which states:

"34. Foreshore Access:

Consent must not be granted to development on land which could provide access to the foreshore and links to existing or proposed open spaces, unless the consent authority has taken into consideration the provision of that access."

Where land is to be dedicated, the applicant is to ensure that the land shall be capable of being adapted for use as public open space prior to dedication (ie. any required demolition and or remediation has occurred). Landowners dedicating foreshore land shall ensure that any seawalls on the land to be dedicated are in sound condition, prior to the dedication occurring.

The dedicated land shall also be embellished at the expense of the applicant, commensurate with the standard of similar open space land within the LGA. This will

necessitate the submission of appropriate landscaping details to Council for approval.

The above requirements relating to the dedication of land are considered reasonable and equitable (when compared to the monetary contribution requirements within this plan) on the basis that the embellished dedicated land, in practice, acts as a shared facility for the contributing development in that:

- The area of land being dedicated for public open space is permitted to be utilised in the maximum floor area calculations for the contributing development site; and
- The embellished dedicated land provides an adjacent benefit to the contributing development in terms of its marketing and amenity, which may not occur, for monetary contributors under this plan.

C.5 Adjustments of Contribution Rates

Monetary Rates:

It is Council policy to review the monetary rates on an annual basis to ensure that they keep abreast of current costs.

Accordingly, the monetary contribution rates for open space and recreation will be reviewed by Council's strategic planning staff on an annual basis – effective from 1 July every year after the plan was adopted (see section B.1 of this plan for the date that this plan was adopted).

As indicated in section D.2.2 (e), later in this plan, the major determinant of the 'actual cost' and the contribution rate for the provision of improved or additional open space and recreational facilities, is the sale price of land within the LGA.

An independent index, provided by a government authority, was then selected on the basis of its 'best fit' with this issue. Details of this index and its application in the formulae for adjusting the OS&R monetary contribution rates in this plan, on an annual basis, are provided below:

a) Index

Index	Source
<i>Median Sale Price</i> – all dwellings (based on the median sale price* - all dwellings, averaged for all postcode areas of the LGA) most current at 1 July of each year.	Housing NSW Rent and Sales Reports found at the website: http://www.housing.nsw.gov.au

*** Note:** Residential sale prices are utilised because they represent the greatest cost for Council in the acquisition of land for open space and recreation purposes within the LGA.

b) Adjustment Formulae:

The monetary contribution rates will therefore be indexed annually in accordance with the following formulae:

Monetary Contributions:

To obtain the adjusted OS&R monetary contributions the following formulae will be utilised where:

CRMCR	= Current Residential (OS&R) Monetary Contribution Rate
ARMCR	= Adjusted Residential (OS&R) Monetary Contribution Rate
APC	= Annual Percentage Change in the Median (Residential) Sale Price (all dwellings) – averaged for all postcode areas within the LGA
AJST	= Adjustment Subtotal
AEUR	= Average Employee (OS&R) Usage Rates (10%) (See Section C.2.1.h of this plan for an explanation of how this figure was determined)
AEMCR	= Adjusted Employee (OS&R) Monetary Contribution Rate
DR	= Discount Rate for new employees who are also new residents (27.96% of the AJST) (See Section D.2.1.d (iii) of this plan for an explanation of how this percentage figure was determined)

Adjusted Residential (O.S. & R.) Monetary Contribution Rates

$$\text{CRMCR} \times \text{APC} = \boxed{\text{AJST}}$$

$$\boxed{\text{AJST}} + \text{CRMCR} = \text{ARMCR}$$

Adjusted Employee (O.S. & R.) Monetary Contribution Rates

$$\text{ARMCR} \times \text{AEUR} = \boxed{\text{AJST}}$$

$$\boxed{\phantom{\text{AJST}}} - \text{DR} = \text{AEMCR}$$

Land Dedication Rates:

These are derived from the current standard of open space provision (on a per person basis) within the LGA. Accordingly, it is envisaged that this will only be updated during major reviews of this plan.

Part D - Context, Changes & Contributions

D.1 Introduction

This section of the plan provides the existing context and predicted changes that warrant the development of this contributions plan. It includes information on the likely changes to the resident and working population of the LGA, the changed costs for land acquisition and open space embellishment (since the last OS&R section 94 plan was developed) and the methods used to determine the current contribution rates within this plan.

D.2 Existing Context and Predicted Changes

D.2.1 Population Change and Characteristics

D.2.1.a Residential Population Increase

In October 2003, Council's Strategic Planning Department produced (Residential) Population Projections for the years 2001 to 2011, for the post-2003 boundary change LGA. The primary purpose of this projections document was to assist the review of Council's developer contributions plans and to revise the projections that had been completed in 1996. The projections aimed to help staff to determine whether any residential population changes were expected in the future which would warrant the provision of new and/or improved public facilities within the LGA.

This research revealed that by the time of the next Census in 2006, the LGA's population would be in excess of fifty thousand people. By 2011, the LGA's population should be 52,052 (it was assumed to be 48,778 by December 30 2001 within the post boundary LGA area). This represents a predicted ten-year increase of 3,274 persons or 7%. It is forecast that this increase will come from, in part, a falling vacancy rate, a moderate increase in multi-unit dwelling numbers and a steady birth rate.

D.2.1.b Residential Population Characteristics

The research for the aforementioned population projections found that 40% of incoming residents to the post boundary LGA (based on 2001 Census statistics) are aged between 25 and 34 years of age. There are 4% more females arriving than males. The highest proportion of incoming residents come from South Sydney local government area. The second highest arrivals come from Marrickville LGA. It is considered that only moderate levels of incoming residents arrive directly through overseas migration.

D.2.1.c Employment Population Increase

In 2003, Council's Strategic Planning Department also undertook research into likely future changes to the LGA's employment population (persons working in premises located within the LGA).

To this end, relevant data from the 1996 and 2001 Censuses was obtained from the NSW Transport Planning Data Centre (TPDC) (a business unit of the Department of Infrastructure, Planning and Natural Resources).

TPDC sorts employment data from the Census into travel and destination zones. Because of this, it was possible to extract historical data from the 1996 and 2001 censuses, which generally pertains to the post-May 2003 boundary change Leichhardt LGA only. This research revealed that the LGA's total employment population remained relatively stable between 1996 (18,449) and 2001 (18,418) (using post May 2003 boundary change areas).

Details of the structural changes to the LGA's working population that occurred during that Census period are shown in table 1 below:

Table 1: Employment Totals for selected Employment Categories Leichhardt LGA – 1996 and 2001.

<i>Employment Category</i>	<i>1996</i>	<i>2001</i>
Manufacturing	2135	1724
Wholesale Trade	1418	966
Retail Trade	2571	2890
Accommodation, Cafes & Restaurants	1082	1369
Property & Business Services	3111	3442

Source: 1996 and 2001 Census Data – TPDC.

Note: This information generally relates to the post May 2003 boundary areas of the LGA only.

Table 1 shows that during this period there were significant increases in employee numbers in the retail, accommodation, café, restaurant and property and business sectors. There were also corresponding significant reductions in the manufacturing and wholesale trade sectors.

The information in Table 1 supports the conclusions of Urbis Pty Ltd in their June 2002 Review of Business and Industrial Lands in Leichhardt (LGA)", who noted that:

"Employment patterns have changed dramatically in Leichhardt Municipality over the last century corresponding with the decline of the traditional manufacturing base previously underpinned by waterfront industry and large industrial operations which sought locations close to the city.

The 'gentrification' of the area and general trends in industry and business has also seen employment in manufacturing replaced by employment in the service, commercial and retail sectors." (pages 3 & 4).

Leichhardt Council is currently facilitating a review of the industrially zoned land of the LGA (further explained in section D.2.1.e of this plan). However, it is important to note, that this review is likely to result in greater utilisation and increased employment numbers of some of the larger industrial sites within the LGA.

An example of this is the Martin Bright Steel (MBS) site in Roberts Street, Rozelle. This site currently has a total of 416 employees. In the event that all of the redevelopment proposal in the draft masterplan for the site is implemented, the total number of employees of the site could reach 2,473.

As the reviews of other industrial lands within the LGA are not as advanced as the MBS site example, it is not possible at this time to calculate the total increase in employees that are likely to occur in the future from this review process. It is possible to deduce, however, based on the MBS example that an increase in the total number of employees in the LGA is likely to occur in the future.

D.2.1.d Additional Population Related Research

Additional population information was also sought to assist with the preparation of this plan. That information, its source and purpose for this plan, is summarised in the following table:

Table 2: Summary of Additional Population Information Sought for the purposes of this Plan

<i>Information Sought</i>	<i>Source</i>	<i>Purpose</i>
Average persons per bedroom within the 2003 post boundary change LGA	2001 Census data from the ABS for the 2003 post boundary change LGA only	To assist with the setting of reasonable residential contribution rates within this plan
Average dwelling gross floor space (m ²), on a per bedroom basis, within the 2003 post boundary change LGA	Random survey of approved dwellings within the 2003 post boundary change LGA*	To assist with the setting of reasonable residential contribution rates within this plan
The proportion of total employees within the 2003 post boundary LGA that are also residents	2001 Census data – Employees. 2003 post boundary LGA. - TPDC	To assist with the formulation of employee contribution rates within this plan and to prevent 'double dipping' (ie charging residents twice)

* This random survey was undertaken by Council's Strategic Planning staff during the months of January and May of 2004. Council's 1999-2003 development application files were investigated on a random basis (within Council's record storage areas) to extract the gross total floor area and corresponding bedroom numbers from examples of all types of dwellings within the LGA (eg. detached, attached, multi-unit, shop-top housing, residences within mixed-use developments). A sample size of one hundred and seventy nine (179) dwellings was used in this survey. The results were then averaged to obtain a single square metre per bedroom rate for residences within the LGA. This figure was 53.4 m² per bedroom (Rounded down to 53m² per bedroom for the purposes of this plan).

D.2.1.d.(i) Residential Occupancy Rates

The Leichhardt LGA Population Profile 2001 Census – First Release Data (produced by Council's Strategic Planning Department in January 2003) noted that the average occupancy ratio (ratio of persons per dwelling) continued to decline between 1996 and 2001.

Accordingly, revised occupancy rates for the 2003 post boundary change LGA were sought from the ABS, based on information obtained in the 2001 Census. This supplied the count of persons in occupied private dwellings by number of bedrooms. From this information, an average number of persons per bedroom was obtained, which is provided in Table 3 below.

Table 3: Average number of persons within the Post Boundary Change LGA by number of bedrooms

<i>No of Bedrooms</i>	<i>Average number of persons</i>
1	1.33
2	1.92
3	2.57
4	3.30
5	3.98
6	4.15

Source: 2001 Census ABS for post boundary Leichhardt LGA.

Note: Information for occupied private dwellings only.

Previously obtained 2001 Census data (First Release Data) had also provided an average occupancy rate for different types of dwellings. These figures have been utilised in determining the credits for the residential contribution rates for this plan (see section D.2.2.d of this plan and page 22 of Council's Population Projections 2001-2011 report for more information on occupancy rates within the 2003 post boundary change LGA).

As mentioned above, the information in Table 3 is to be utilised in the setting of residential contribution rates for this plan, which are based on average residential occupancy rates.

D.2.1.d.(ii) Dwelling Sizes

Council's 1999 Open Space and Recreation section 94 plan noted that in establishing the basis for the contribution rates within this plan that "size is used rather than numbers of bedrooms, as a fairer gauge of occupancy and to avoid debate about what constitutes a bedroom, given the flexibility of contemporary planning" (page 8).

In keeping with this approach, a random sample of dwellings proposed to be altered or under construction was utilised in late 2003 to obtain an average gross floor space area for dwellings within the LGA, on a per bedroom basis. Therefore, the areas of these dwellings (minus the areas devoted to parking) were divided by the number of bedrooms. This produced an average LGA dwelling gross floor space area per bedroom of 53.4m² (rounded down to 53m²) (the 1999 Open Space and Recreation section 94 plan had a comparative figure of 55m²).

This figure was then utilised to convert the aforementioned person per bedroom occupancy rate into a dwelling size/person occupancy rate for use in the setting of the residential contribution rates in this plan. The converted figures are provided in Table 4 below.

Table 4: Occupancy Rate by Dwelling Size in Post Boundary Change LGA.

<i>Dwelling Size Range (equivalent no of bedrooms in brackets)</i>	<i>Occupancy Rate (no of persons)</i>
(1 bed) 53m ² or less	1.33
(2 bed) >53 - 106m ²	1.92
(3 bed) >106 - 160m ²	2.57
(4 bed) >160 - 215m ²	3.30
(5 bed or more) >215m ²	3.98

Note: in some cases dwelling sizes have been rounded up

D.2.1.d.(iii) Employees who are also Residents

The term 'double dipping', with respect to developer contributions planning, refers to an incoming population being made to pay twice for the same public facility provision. In this regard, because both employees and residents are being levied for open space provision, it is important to take into account those employees that are also residents, in setting the appropriate contribution rate for employees. With this issue in mind, information was obtained from the TPDC to determine from the 2001 Census Data the percentage of LGA employees who are also residents. This percentage figure was then utilised to discount the final employee rate to avoid double dipping under this plan.

This information revealed that in 2001, 27.96% of the total number of employees within the 2003 post boundary change LGA, were also residents of the LGA. Accordingly, this figure has been utilised to appropriately discount the final employee contribution rate to avoid residents being charged twice for contributions under this plan (see also section D.2.2.c of this plan).

D.2.1.d.(iv) Employee Occupation/ Generation Rates

To assist in the setting of standard contribution rates for employees under this plan, a search was made for appropriate data on the employee occupation/generation rates for employment generating development within the LGA.

Urbis Pty Ltd in their June 2002 "Review of Business and Industrial Lands in Leichhardt", noted that:

"The employment generation associated with different land uses and even the age of accommodation in those developments varies considerably. Work published by the Department of Urban Affairs and Planning (now the Department of Infrastructure Planning and Natural Resources) in the Employment Monitoring of Commercial and Industrial Areas shows typical employee occupancy (generation) rates per square metre based on different development types."

The table below shows those rates, which have been utilised in the setting of standard contribution rates for employees under this plan.

Table 5: Employment Generating Development – Occupation Rates/Gross Floor Area

Development Type	Floor Area per employee (m ²)
Retail/Commercial Uses	
Row Shops with frontage to a street	22.3m ²
Speciality Shops in Centres of Arcades	20.4m ²
Supermarkets	48.0m ²
Department Stores	40.1m ²
Showrooms	85.1m ²
Modern Offices	17.7m ²
Offices above Row Shops	19.0m ²
High-Tech Industrial Building used for:	
Manufacturing	31.6m ²
Wholesale/Retail	47.7m ²
Financial/Property/Business Services	37.3m ²
Older Style Industrial Building (c. <1960) used for:	
Manufacturing	72.1m ²
Whole/retail	82.4m ²
Modern Industrial Building used for:	
Manufacturing	85.1m ²
Construction	124.2m ²
Wholesale/Retail	73.6m ²
Transport/Storage	66.5m ²
Financial/Property/Business Services	32.6m ²
Modern Multi-Unit Industrial Complex used for:	
Manufacturing	57.9m ²
Construction	77.3m ²
Wholesale/Retail	86.6m ²
Transport/Storage	81.4m ²

Source: Department of Urban Affairs and Planning "Employment monitoring of Commercial and Industrial Areas" as reported in "Review of Business and Industrial Lands in Leichhardt" Urbis Pty Ltd June 2002.

D.2.1.e Development Policy Framework and Expected Development

Development Policy Framework:

Council's development control policies can have a significant impact on the expected future development and corresponding population yields.

In this regard, the expected local Council policy framework assumptions, for the future, relating to residential and employment generating development are provided below:

D.2.1.e.(i) Residential

No significant changes in the permissible density of residential development within the LGA are predicted during the life of this plan. This assumption is based on the significant heritage values of the LGA and the community aspirations to generally retain the present character and scale of development as embodied in the suburb profiles section of Council's Development Control Plan 2000.

D.2.1.e.(ii) Employment Generating Development

As part of the first annual review of the Leichhardt Town Plan (comprising the *Leichhardt Local Environmental Plan 2000* and *Leichhardt Development Control Plan 2000*) planning consultants Urbis Pty Ltd were engaged to undertake a review of Council's Industrial zones to ensure that they *'are sufficiently responsive to attract and provide appropriate opportunities for business and employment uses within the municipality'*.

The Urbis Pty Ltd report that was completed in June 2002 generated a number of discussion points. These culminated in an offer being forwarded from Council to all industrial land owners within the LGA, to permit them an opportunity to review the planning controls for their site (should they wish to do so), to ensure they are compatible with the corporate aspirations for their properties.

The previously mentioned example, the Martin Bright Steel site (see section D.2.1.c) provides evidence that this process is likely to result in an increase in the total number of employees within the LGA, in the future.

Expected Development

Residential Development

The years of high dwelling yields within the LGA, of the mid to late 1990's, are unlikely to be repeated in the future. A moderate increase in new dwelling numbers is predicted for the LGA over the next ten years. Nonetheless, interest in the LGA's residential stock should continue to remain high. It is expected that sale prices and rents will also continue to remain high, relative to surrounding areas, given that the demand appears to be outweighing supply and that there will be limited opportunities for this situation to be altered in the future. Demand is also expected to remain high because of the likely increased appreciation of the location, character, and lifestyle

benefits of the LGA with respect to convenient access to public transport services and the Sydney Central Business District, water views and cosmopolitan business areas.

Employment Generating Development

With respect to expected future employment generating development Urbis (2002) noted that;

“In many respects the location of lands currently used for business and industrial purposes within the Municipality have developed as a result of historic economic and locational forces, rather than being located in a planned manner.

Commercial areas... predominantly comprise the traditional small frontage strip shopping centres located along historically heavily trafficked roads. There are some larger developments located within these, which usually comprise centre developments located around a supermarket or other anchor... The existing industrial areas primarily reflect the location of industrial enterprises that [were] once established in the area. These consist of larger industrial areas, isolated pockets and existing uses in residential areas. As a consequence, there are a number of industrial developments surrounded by residential development.

There is very little new construction of industrial premises and most uses tend to seek conversion or partitioning of existing space to accommodate their requirements. Council’s development application register for the period between January 1999 and November 2001, reveals that of the 125 industrial related development applications lodged, only eight involved substantial demolition and construction of new industrial buildings.”

As previously mentioned, this situation is likely to be reversed in the future, following the review of the planning controls for a number of under utilised industrial lands in the LGA. The potential redevelopment of some of these properties is likely to have a positive impact on total employee numbers within the municipality.

D.2.1.f. Average Land Price Changes

The 1999 Leichhardt Open Space and Recreation Plan relied on an average land value (per m²) for the LGA in order to assist in the determination of a reasonable contribution rate under that plan. It was also used to determine the acquisition costs for items on the work schedule within that plan. In keeping with that approach, a consultant valuer was engaged by Council to determine current (2003) average land values within Balmain, Rozelle/Lilyfield, Leichhardt and Annandale for commercial, industrial and residential zoned land.

Note: *the residential land was further divided into waterfront land, land with views and land with no views.*

To get an understanding of the current values within the LGA, the consultant valuer conducted a sales search of all of the suburb areas of the municipality including interviewing estate agents, architects, planners, valuers and developers. It was considered by the valuer that interviews are essential to gain an understanding of the market as many sales, particularly those of development sites, are often not settled and publicly recorded in the year of the sale.

The consultant found that:

“the values in each suburb for each class of property varies and within the suburbs there are a number of significant variables – position and size being the greatest. The waterfront areas of Balmain are the most valuable for residential uses and the commercial areas of Balmain and Leichhardt have the highest non-residential values. The size of the allotments varies over the municipality and within the areas; the smaller the lot generally the higher the value per square metre.”

He also found that:

“Being an old established area there are very few sales of vacant land and generally a great shortage of vacant sites within the municipality. Developers and builders therefore generally buy improved properties and demolish the improvements. Where there are heritage restrictions, often part of the original building will have to be incorporated within the new development. It is considered that these older improvements often reduce the true vacant land value of the sites and accordingly the rate per square metre was adjusted to allow for demolition and remediation costs”.

Details of the average land values provided by the consultant valuer are provided below.

Table 6: Average land value per square metre: All main land use zones - Leichhardt LGA 2003

<i>Type of Land</i>	<i>Balmain</i>	<i>Rozelle/ Lilyfield</i>	<i>Leichhardt</i>	<i>Annandale</i>
Commercial	\$2,000	\$1,500	\$2,000	\$1,500
Industrial	\$1,000	\$1,000	\$1,000	\$1,000
Residential				
Waterfront	\$6,000	n/a	n/a	n/a
With views	\$4,000	\$3,000	\$2,000	\$3,500
No Views	\$2,500	\$2,000	\$1,500	\$2,000

*Note: No additional value for waterfront industrial or commercial.
Source: Malcolm Garder Pty Ltd - 2003.*

When the residential values are averaged (for the combined waterfront, with views/no views) the revised residential values are shown in Table 7 below:

Table 7: Average land value per square metre: Residential zone - Leichhardt LGA 2003

	<i>Balmain</i>	<i>Rozelle/Lilyfield</i>	<i>Leichhardt</i>	<i>Annandale</i>
Residential	\$4,166	\$2,500	\$1,750	\$2,750

With the goal of obtaining an average land value per square metre of land within the LGA, the following calculations were undertaken. The suburb-based figures provided by the consultant valuer in Table 6 and the other figures in Table 7 were averaged for residential, commercial and industrial zoned land across the LGA. This produced the following three figures:

- (a) Average price of commercial land in the LGA = \$1,750.00/sqm
- (b) Average price of industrial land in the LGA = \$1,000.00/sqm
- (c) Average price of residential land in the LGA = \$2,791.50/sqm

These average figures were then added together in the same proportion that these three land-use zones occur within the LGA to achieve a single average land value/m². The proportion of these lands occurs approximately as follows:

1 (Commercial) : 1 (Industrial) : 12 (Residential)

The resultant figure is \$2,589 for an average square metre of land within the LGA. By way of comparison, the 1999 Open Space and Recreation Section 94 plan found that the average price of land in the LGA was \$1,000/m². The figure of \$2,589 has been utilised in the determination of a reasonable contribution rate within this plan.

D.2.1.g. Open Space Provision

The 1999 Open Space and Recreation S.94 plan noted that;

“Residents of Council’s area have access to and use of open space that is owned by Council, or owned by the State Government with, in most cases, Council having the responsibility for the care, control and management of the bulk of that open space. Including all of the land in these categories, there is a total of 129 hectares of open space serving the residents, a total of 22m² per resident” (page 8)

In this regard Council’s 1993 Open Space Strategy Issue Paper noted;

“The adequacy of open space in an area has traditionally been measured on the basis of the quantity of open space per person. A long standing...yardstick of adequate provision has been the 2.83ha/1000 population developed in the 1920’s.

This standard was developed as a professional estimate, based on observations of the amount of open space required for each person engaged in the range of activities likely to occur in open space. It had no scientific basis in fact, but has been used over many decades due to the absence of a better alternative.” (page 12)

Accordingly, the square metre of open space per person standard has also been retained in this current plan, as a readily understood measure of the current provision of open space and recreational facilities within the LGA.

Following the loss of Glebe and Forest Lodge with the May 2003 boundary change, the current open space provision in the LGA is 20.51 m²/person (using 2003 population estimates for the LGA contained in the Council Population Projections 2001-2011 document).

This reduction was expected given that this boundary change resulted in the loss of the large open spaces of Bicentennial Park, Jubilee Park and Federal Park.

Furthermore, irrespective of the Glebe open space loss, because of the discounting within the 1999 plan, a reduction over time in this standard was predicted.

“The consequence of this reduction is that in the absence of achieving new open space by other means such as Council purchase[s], or the assistance of the State Government, the existing provision/per capita will gradually decline. The intent of this plan within the constraints of section 94, is to minimise that decline.” (page 9 of the 1999 Council Open Space and Recreation Section 94 Plan)

A comparison of this standard with the per capita provision in other Sydney LGA’s shows that it is not excessive or unrealistic (see Table 8 below).

Table 8: Comparison of Per Capita Open Space Provision - Selected Sydney LGAs

Local Government Area	Open Space Provision/ Per Person
North Sydney	26m ² /person
Ryde	67m ² /person
Waverley	18m ² /person
Lane Cove	46.4m ² /person

Source: Relevant information from the relevant LGA websites & information in their recent State of the Environment Reports.

The current per capita open space provision within the LGA has been utilised in determining reasonable contribution rates within this plan.

D.2.1.h. Open Space Usage

Nexus – Residents & Employees

To formulate a reasonable comparative contribution rate under this plan, between residents and employees, a search was made of information that would indicate the manner in which public amenities and services are currently utilised by the employee and resident population of the LGA. This would also determine whether there is a nexus between the likely increased resident and employee population within the LGA and the provision of additional or improved open space and recreational facilities.

Information on the likely usage of open space and recreational facilities, within the LGA, has been provided via two research reports that were commissioned by Council in 1997 and 2003. Brief details of these reports and the surveys that they were based upon are provided below;

1. Leichhardt Area Park User Study prepared by Planning Surveys in October 1997 (an independent analysis of park users throughout the LGA, which included a series of patron interviews at Leichhardt Park - Lilyfield, Birchgrove Park - Birchgrove and Illoura Reserve – East Balmain).

This study occurred before the May 2003 Boundary Change. However, because the results were provided for individual parks, information only relevant to the Post Boundary Change Leichhardt LGA was able to be extracted (ie. Leichhardt Park – Lilyfield, Birchgrove Park - Birchgrove and Illoura Reserve - East Balmain) (*Note: Information was also obtained from Bicentennial Park - Glebe Point, which is no longer relevant*). Within the relevant post boundary LGA parks, a total of 412 persons were interviewed.

The times, days and dates of the surveys, which occurred in 1997, are provided below:

All Parks —

Saturday	26/7	2/8	1:00pm	–	5.00pm
Sunday	27/7	3/8	12:30pm	–	4:45pm
Monday	28/7		6:00am	–	10:00am
Thursday	31/7		1:00pm	–	6:00pm

Leichhardt Park Only (Additional) —

Saturday	19/7		1:00pm	–	5.00pm
Sunday	20/7		12:30pm	–	4:45pm
Monday	21/7		6:00am	–	10:00am
Thursday	24/7		1:00pm	–	6:00pm

Questions were asked of patrons regarding length of stay, trip times, attraction of the park in terms of the facilities offered, and their prior activity before visiting the park.

The responses to the 'prior activity' question provided a good indication of the percentage of patrons who are also employees. Given the low travel time responses to another question in the survey concerning travel times to the park, it was considered reasonable to assume that the 'work activity' responses to the prior activity question predominantly related to employees within the local area. This represented 9% of all patrons (see Table 9 below for further information). This would not, however, have included persons who work from home.

2. Analysis of Responses – Leichhardt Park Aquatic Centre Customer Survey
(October 2003, RMP & Assoc. – Leisure Planners and Management Consultants)

This patron survey was undertaken at the Leichhardt Park Aquatic Centre from Monday 13 October to Sunday 19 October, 2003 when all patrons were encouraged to fill out a survey form. The survey times related to the hours that the centre is open from 5.30am to 8.30pm. The resultant sample size was one hundred and eighty six (186) persons.

The survey related to the use of existing facilities in the centre and desired future changes. It enquired of the gender, age and mode of travel to the centre of patrons.

Because of the wording of the questions within this study and the likely manner in which this centre could be used by local employees (ie. potentially before and after work, and at lunchtimes), these survey results do not provide accurate details of the percentage of local employees who are also patrons.

The survey results however, do confirm the high level of regional use of this facility (which was found in the abovementioned 1997 study), with approximately 45% of users coming from outside the LGA. When coupled with the travel time responses, the results of this study confirm that local employees utilise the aquatic centre.

The aforementioned 1997 survey provided a good indication of the level of use of open space and recreation facilities within the LGA by regional users, local residents

and local employees. The numerical results of that study are shown in the table below.

Table 9: Open Space and Recreational Facility usage within Leichhardt LGA

Category of user	Usage
Local employee use*	approx. 9% of total users
Local residents	approx 69% (mean)
Regional users (outside the LGA)*	approx. 31 % (mean)

Note 1: Mean = middle score

* Note 2: Local employees are partly comprised of regional users and local residents.

These figures have been utilised in determining a reasonable comparative contribution rate between local residents and local employees (see section C.2.2.c for additional details).

In terms of the LGA-wide use of open spaces, the 1999 Open Space and Recreation Section 94 Plan noted that:

“Much of the existing open space is well used and has a high standard of embellishment, facilities and equipment. However, there are areas where the capacity for use could be increased by acquisition of more land, works and facilities to improve access, equipment and facilities to improve attractiveness and useability, and works to remedy the effects of development. Owing to the intensive development and high living density of Leichhardt, the diverse pattern of use of open space and recreation facilities, and the distribution of these facilities the catchment for open space has been determined as the whole Leichhardt Local Government Area.” (pages 3 & 4).

This principle of the new residents contributing to the provision or improvement of OS&R facilities throughout the LGA has been retained in this current plan (this principle is similarly applied to contributing employees in this plan).

Open Space Usage Classifications:

The term ‘Regional’ was used in the 1999 Open Space & Recreation Section 94 Plan to define parks that attracted use from the whole of the LGA and beyond. That plan also had ‘District’ and ‘Local’ classifications for parks or recreational facilities with smaller catchments. This plan simply has two classifications – ‘Regional’ and ‘Non-Regional’. Regional parks are defined as those parks or recreational facilities that have a significant proportion of their users travelling from outside the municipality. Non – Regional parks are defined as those parks or recreational facilities, which principally serve the open space needs of the LGA.

D.2.1.i. Planned Open Space Changes & Existing Policy Framework

The 1999 Open Space and Recreation Section 94 Plan was supported by the 1993 Open Space Strategy document which investigated ways to improve and extend the open space networks of the LGA, based upon an examination of local needs and physical opportunities.

“To determine how the needs generated by new development could best be satisfied Council conducted a comprehensive needs assessment during the latter half of 1992. This assessment involved focus groups, surveys of schools, sporting clubs, resident groups, community groups, demographic research and comparative research. (see Leichhardt Open Space Strategy 1993). The results are that:

- *The significant increase in population over the next ten years will give rise to an increase in the demand for open space and recreation resources.*
- *Additional open space and recreation resources will need to be provided to sustain current levels of provision in terms of quality and quantity.*
- *The open space and recreation needs of the enlarged community will best be satisfied through the provision of a range of recreation opportunities in terms of size, diversity, and accessibility; based upon a system of local and district (or regional) facilities.*
- *Where opportunities arise on development sites, open space dedications to meet the needs of that development, will be required. But where no opportunities exist a monetary contribution will be required.*

To obtain community input an Issue Paper and Open Space Strategy was prepared to describe the results of the investigations described above. The proposed Open Space Strategy included possible acquisitions and embellishment works. Following exhibition and workshopping the Paper was reviewed and adopted by Council in August, 1993. Resulting Committee and Council considerations and decisions lead to the approach taken in this Plan and in particular the Schedule of Works.” (pages 4 & 5).

The open space strategy was subsequently supported by an open space acquisitions list within clause 26 of *Leichhardt Local Environmental Plan 2000* (which listed properties to be purchased for open space purposes, by either Leichhardt Council or the Department of Urban Affairs and Planning (now DIPNR).

Also, Urban Framework Plans were inserted within Leichhardt Development Control Plan 2000, which indicate the aspirations and objectives of Council relating to the enhancement of existing open space, improving linkages and reinforcing significant landform features (ie. knolls, creek drainage lines, etc).

This current policy framework is to be reviewed with the planned development of a comprehensive (overarching) recreation strategy for the LGA in 2004. In the interim, the current policy framework is considered a reliable guide.

D.2.1.j. Embellishment Costs

Although a considerable number of the items on the works schedule within the 1999 Open Space and Recreation section 94 plan have been repeated in the current plan, revised costings have been provided. This has been made possible based on recent information supplied by staff of Council's Infrastructure and Service Delivery Department.

In terms of determining an average embellishment cost for dedicated land or other new open spaces, the 1999 Open Space and Recreation Plan adopted \$70.00/m² as a reasonable broad-acre figure. Recent information supplied by Council's Infrastructure and Service Delivery Staff indicates that this figure has increased to \$200/m²*. This \$200/m² rate has been used in the re-costing of the works schedule of this plan, where more precise embellishment estimates were not available.

** **Note:** This revised standard embellishment cost was determined from budget information for a recent (typical) park embellishment project - the Marr Reserve Project (Cary Street, Leichhardt). It comprises \$126 per m² for demolition, remediation and auditor's fees and \$75 per m² for general landscape improvements including design fees, playgrounds, pathways, seating, shelter and soft works.*

D.2.k. Servicing Open Space Changes

The 1999 Open Space and Recreation Section 94 Plan noted that;

"The administration of section 94 is an expensive task. Council employs a number of staff in different functions, whose duties include planning, design, construction, finance and administration of section 94 funds. Council considers that the costs involved in administering section 94 are integral and an essential component in the efficient provision of amenities and services in the Plan." (page 8).

A service levy was accordingly included within that plan. This plan retains that concept which equates to a current cost of \$300,000 per year, over the life of this plan. This is considered reasonable given the scale of works that are required to be implemented under this plan.

***Note:** This service levy is intended to include the in-house preparation and/or management of plans of management (POMs) and masterplans for the embellishment of existing and new open spaces as listed in this plan, where practicable. Those POMs to be developed and managed by consultants are included as a separate item on the work schedule of this plan.*

The engagement of a specialist section 94 planner, on a part time contract basis, to help manage the administration requirements of this plan, will also be effected from these service levy funds.

D.2.2. Contributions and Work Schedules

D.2.2.a Identification of Nexus

Section D.2.1.h (Open Space Usage) of this plan, mentioned studies that show that employees and residents within the LGA do utilise the open space and recreation facilities provided by Council. Furthermore, the 1999 Open Space and Recreation Section 94 Plan noted that “[An] analysis of the needs assessment which covered Schools, Community Groups, Sporting Groups and Community Groups indicates that residents are significant users of open space facilities be it as individuals or as members of clubs or other groups, associations etc” (page 3).

In light of this usage, it is considered reasonable to levy additional residents and employees for new or improved public open space and recreational facilities, with a view to maintaining the current standard of provision within the LGA.

With the exception of regional facilities, the catchment for these new or improved facilities is assumed to be the whole of the LGA (see section D.2.1.h for further information).

D.2.2.b Apportionment

This plan adopts the same apportionment principles as Council’s 1999 Open Space and Recreation Section 94 Plan. 100% of the cost all Non-Regional works are attributed to developers with a view to maintaining the current per capita open space provision within the LGA. The costs of Regional Works are apportioned between developers and Council. With Council contributing for that proportion of regional open space users that do not reside or work within the LGA. This proportion, that is to be met by Council, has been determined from information supplied in open space and recreation studies, mentioned in section D.2.1.h of this plan. This information is reproduced below in Table 10 (see also the works schedule in section D.2.2.f of this plan and the additional explanatory information below).

Table 10: Apportionment Rates for Regional Open Space and Recreational Facilities*

Location	Apportionment Percentage of the Total Cost of Works (to be met by Council)
East Balmain Foreshores	23%
Iron Cove Foreshores	55%

Source: “Leichhardt Area Park User study “ Prepared by Planning Surveys for Leichhardt Council October 1997

*** Note:** The apportionment percentages in this table were determined from the park user responses from the abovementioned 1997 study. This study divided the responses from the individual parks surveys into the percentages of local and regional patrons. Accordingly, these results have been considered a reliable guide for the apportionment of costs within the regional works schedule of this plan.

D.2.2.c Discounting/Calculation of the Contribution Rate

The setting of monetary contribution rates under this plan has been approached from a similar affordability perspective as the 1999 Open Space and Recreation Section 94 Plan.

It was deduced by Council staff in the drafting of that plan, that the 'actual cost' for Council to maintain the 22m² per person open space provision within the LGA in 1999, was \$22,000 with an assumed acquisition cost of \$1,000/m² of land.

The plan was accompanied by a schedule of 'acquisition and works' that were required to achieve the staged implementation of the 1993 Open Space Strategy over a ten-year period. Rather than seek the full recoupment cost of \$22,000, the incoming population was required to meet their allocated cost of the work schedule, on an equal basis.

Example: *The total costs allocated to the incoming population in the schedule were divided by the total number of expected new residents. This equated to a levy of \$6013 per person. Hence the levy was about 27.3% of what would normally be required to maintain parity in the open space provision with the expected population increase.*

The 1999 plan recognised, however, that *"The consequence of this reduction is that in the absence of achieving new open space by other means...the existing provision/per capita will gradually decline. The intent of this plan within the constraints of Section 94, is to minimise that decline."* (page 9).

Based on recent information supplied to Council from a consultant valuer (as detailed in section C.2.1.f of this plan), the current average cost/m² of land within the LGA is \$2,589. Therefore, the 'actual cost' to Council to maintain the Post May 03 Boundary Change LGA open space provision, is as shown in the formula and calculation below.

Current per person open space provision	x	Average price of land (LGA)	=	'Actual cost'
20.51	x	\$2,589	=	\$53,100.39

As concluded during the preparation of the 1999 plan, it was considered that setting a monetary contribution rate based on the 'actual cost' of maintaining the current open space provision, represented too great a burden to applicants, on affordability grounds. During the development of this current plan a decision was made to

charge a similar discounted rate to the 1999 plan, whilst still having regard to the altered dwelling prices within the LGA, since that time.

Therefore, the following methodology and formulae were utilised to set a similarly discounted residential open space and recreation monetary contribution rate as occurred within the 1999 plan.

1999 OS&R s94 Plan monetary contribution for 2.6 persons (median dwelling occupancy rate)	X	100	=	Affordability Index (AI)
Median sale price for all LGA dwellings (June 1999)		1		

\$15,634	X	100	=	4.14%
\$378,000		1		

Note: the per person OS&R contribution rate set in 1999 was \$6013.

Source: Rent and Sale Report obtained from Housing NSW website - <http://www.housing.nsw.gov.au>

Therefore, the affordability index in 1999 was 4.14% of the median sale price. This figure (the Affordability Index) was then utilised, along with the June 2003 median sale price for all dwellings within the LGA (averaged for all postcode areas), to determine the current comparative residential monetary contribution rate within this plan.

2003/2004 O.S. & R s.94 plan monetary contribution for 2.6 persons (assumed average dwg occupancy rate*)	X	100	=	4.14% (AI)
Median sale price for all LGA dwellings (LGA June 2003)		1		

**Based on information provided on page 2 (Section 3) of the 1999 Leichhardt Developer Contributions Plan - Open Space and Recreation.*

\$26,113 (2003 contribution rate for 2.6 persons**)	X	100	=	4.14% (AI)
\$630,750 (median sale price 2003)*		1		

**Source: Rent and Sale Report obtained from Housing NSW website - <http://www.housing.nsw.gov.au>*

***In keeping with the aforementioned median dwelling occupancy from the 1999 Leichhardt Developer Contributions Plan - Open Space and Recreation.*

Therefore by dividing the \$26,113 contribution rate for 2.6 persons by a factor of 2.6, the resultant per person residential monetary contribution rate for 1 person is \$10,043.

For the reasons outlined in the land dedication section of this plan (see section C.4) the land dedication rate is not discounted. Accordingly, applicants dedicating land for public open space purposes relating to residential development are required to do so at a rate equivalent to the current provision of open space per person, within the LGA (ie. 20.51m² per person).

The employment generating development contribution rate was then determined utilising the open space usage rates in section D.2.1.h of this plan, which indicate that employees represent about 9% of the total users of Council's open space and recreational facilities. Accordingly, it is considered to be reasonable to levy employees at a rate that is 9% of the residential contribution rate. This approach was selected because:

- It avoids the complexities of creating an additional open space provision standard within the plan, relating to employees only;
- It mirrors the actual usage of open space and recreational facilities within the LGA;

- It provides a fair split between residential and employee contributors to this plan; and
- It accepts that for regional facilities, Council will be potentially contributing for some employees who are also non-residents (regional users), which is unavoidable.

To avoid double dipping (refer to section D.2.1.d (iii) of this plan) for the provision of open space and recreation facilities under this plan, the percentage of employees who are also residents within the LGA in 2001 (post May 03 boundary change area only) was utilised to discount the employee contribution rate, which is further described by the formula and calculation below:

Residential Open Space Contribution Rate (per Person)	X	OS&R Facilities Employee Usage Rate	=	Subtotal
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Then:

Subtotal	-	Discount (27.96% of subtotal)	=	Monetary Employee Contribution
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Hence:

\$10,043	X	9%	=	\$903.87
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Then:

\$903.87	-	(903.87 X 27.96%)	=	\$651.15 (rounded to \$651)
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Therefore, the monetary contribution rate per one employee is \$651.

To determine the employee land dedication rate under this plan the following formula was used:

Residential Land Dedication Rate per Person	X	OS&R Facilities Employee Usage Rate	=	Equivalent land area to be dedicated (employee rate) (m²)
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20.51	X	0.09	=	1.84m ² of land per employee
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Then, as for the monetary contribution rate, to avoid double dipping, the rate is further discounted to take into account employees who are also residents:

1.84m ²	-	(1.84 X 27.96%) (discount)	=	1.33m ² (Employee land dedication rate)
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Note: Developers of new or enlarged employment generating development are to be levied under this plan based on standard employee occupation rates (see section D.2.1.d (iv) and section D.2.2.e for additional information).

D.2.2.d Credits

Note: Employee credits cannot be used as residential credits or the reverse.

Residential Development:

A residential related credit will be given for the former population of a site at the rates shown in Table 11 below where the dwelling no longer exists. The dwellings being credited must have been present on the site within the previous five (5) years (from the date that this plan was adopted - see section A.1 of this plan) to enjoy the credit. The onus is on the applicant to prove the existence of any dwellings as part of any development proposal. A credit will be calculated by reference to Table 4 on page 26 where the dwelling is still in existence.

Table 11: LGA Occupancy Rates by Dwelling Type – 2001 (Post May 2003 Boundary Change Area Only)

Dwelling Type	Occupancy Rate (persons per occupied private dwelling)
Separate House	2.47
Semi-detached, row or terrace house, townhouse etc.	2.17
Flat, unit or apartment: (total)	1.65
Other dwelling (total)	2.10

Source – ABS 2001 Census – First Release Data (Note: ‘Other dwelling total’ includes dwellings attached to shops and offices etc.) as quoted in Leichhardt LGA Population Projections 2001-2011 produced by the Strategic Planning Department. Leichhardt Council.

Note 1: *Separate house for the purposes of this plan refers to a detached house/dwelling.*

Note 2: *These occupancy rates have been chosen on the basis that they can be utilised irrespective of whether the size of the subject dwelling is able to be determined or not.*

See Example 1 below for an illustration of the practical application of these credit rates where a dwelling was in existence five years prior to the date of adoption of this plan but no longer exists:

Example 1: *An applicant is proposing to erect a multi-unit development that will support an expected population of 15.58 persons. Two semi-detached row houses occupied the site up until three years ago at which time they were demolished. Therefore, using the relevant information in Table 11 above, the applicant would be able to claim a credit of $2.17 \times 2 = 4.34$ persons. Accordingly, the total population to be levied would equate to 11.24 persons.*

Where an existing dwelling(s) still exists on the subject site, but is proposed to be demolished as part of the development proposal, then an applicant shall utilise the dwelling size occupancy rates shown in this plan for credit purposes (see Table 4 in section D.2.1.d. (i) for more information).

Example 2 below illustrates the practical application of these credit rates where a dwelling is still in existence on the subject development site:

Example 2: An applicant is proposing to erect a multi –unit development that will support an expected population of 15.58 persons. Two semi-detached row houses currently occupy the site but these are proposed to be demolished as part of this development proposal. Both residences have an area each of 113 m². Therefore, using the relevant information in Table 4 of this plan, the applicant would be able to claim a credit of 1.92 persons x 2 = 3.84 persons. Accordingly, the total population to be levied would equate to 11.74 persons.

Employment Generating Development:

An employee related credit will be given for any employment use existing on the site in the previous five years (from the date of the adoption of this plan) based on the standard floor rates mentioned in sections D.2.1.d (iv) and D.2.2.e of this plan.

Example (3) below illustrates the practical application of these credit rates:

Example 3: An applicant is proposing to build a new industrial building with a floor area of 255.3 m² on a site, for the purposes of commencing a manufacturing use. Using the information in Table 5 of this plan (85.1m² per employee) the proposed development would support an expected employee population of 3 persons. The site is currently occupied by a smaller older style industrial building measuring 144.2m² that until last year, contained a manufacturing use. Therefore, using the relevant information in Table 5 of this plan, the applicant would be able to claim a credit of two persons (144.2 divided by 72.1 = 2 persons). Accordingly, the total population to be levied would equate to 1 person.

D.2.2.e Contribution Rates

The contribution rates for the funding of new or improved open space and recreational facilities under this plan are provided below.

Note 1: It is expected that the required contributions under this plan will be met either as a monetary contribution or land dedication. The acceptance or otherwise of a mixed contribution (money + land) will be at the full discretion of Council (see also the subsection below on mixed contributions).

Note 2: The monetary contribution rates will be adjusted on an annual basis (effective from 1 July each year after this plan is adopted) in accordance with any positive or negative percentage change in the median sale price of dwellings within the LGA (the sale price data to be utilised is for 'all dwellings' averaged for all postcode areas for the LGA – refer to section C.5 for further details).

D.2.2.e (i) Monetary contribution rates (residential):

Table 12: Monetary Contribution Rates – for Residential Development involving land subdivision.

Density Area (based on suburb boundaries existing at the time that the contribution is calculated)	Maximum Permitted Floor Space Ratio*
Leichhardt	0.5:1
Annandale	0.6:1
Balmain	0.7:1

*These floor space ratios are in accordance with the requirements of Leichhardt Local Environmental Plan 2000, as amended.

Depending on the size of the proposed allotments, and utilising the maximum permitted floor space ratio, shown above, (minus assumed internal car parking areas at 20m² per dwelling (LEP 2000)) then utilise Table 13 to determine the relevant monetary contribution based on the resultant gross floor areas.

Example: An additional 240m² allotment is to be created within the suburb of Leichhardt. This allotment would have a maximum permitted gross floor area of 120m². When the assumed internal parking areas are subtracted - 20m², then the resultant predicted floor area for the site is 100m². Using the table below (ie. the >53m² - 106m² category), this would attract a monetary contribution of \$19,283.

Table 13: Monetary Contribution Rates – for Residential Development not involving land subdivision.

Dwelling Size (gross floor area as defined within this plan)	Monetary Contribution (based on a rate of \$10,043 per person)	Assumed Occupancy Rate
53m ² or less	\$13,357	1.33
> 53m ² – 106m ²	\$19,283	1.92
> 106m ² -160m ²	\$25,811	2.57
> 160m ² -215m ²	\$33,142	3.30
> 215m ²	\$39,971	3.98

D.2.2.e (ii) Land Dedication Rates (Residential)

The equivalent land dedication rates for residential development are 20.51m² per person – utilising the above assumed occupancy rates as applicable.

Note 1: This requirement is not subject to any annual adjustments.

Note 2: Applicants are required to embellish the dedicated land (including any relevant demolition or remediation works) to a standard commensurate with similar existing open space land within the LGA.

Note 3: Applicants are permitted to utilise the dedicated land in their maximum floor area calculations for the contributing development site.

D.2.2.e (iii) Monetary contribution rates (Employment generating development):

Monetary rate per employee = \$651.00 (based on the standard floor area rates per employee stated below).

Table 14: Contribution Rates – Employment Generating Development

Development Type	Floor Area for one employee (m ²)
Retail/Commercial Uses	
Row Shops with frontage to a street	22.3m ²
Speciality Shops in Centres of Arcades	20.4m ²
Supermarkets	48.0m ²
Department Stores	40.1m ²
Showrooms	85.1m ²
Modern Offices	17.7m ²
Offices above Row Shops	19.0m ²
High-Tech Industrial Building used for:	
Manufacturing	31.6m ²
Wholesale/Retail	47.7m ²
Financial/Property/Business Services	37.3m ²
Older Style Industrial Building (c. <1960) used for:	
Manufacturing	72.1m ²
Wholesale/retail	82.4m ²
Modern Industrial Building used for:	
Manufacturing	85.1m ²
Construction	124.2m ²
Wholesale/Retail	73.6m ²
Transport/Storage	66.5m ²
Financial/Property/Business Services	32.6m ²

Modern Multi-Unit Industrial Complex used for:	
Manufacturing	57.9m ²
Construction	77.3m ²
Wholesale/Retail	86.6m ²
Transport/Storage	81.4m ²

Important Note: Contributions will be calculated on the basis of the total increase in floor area, whether or not this represents a fraction of the rate for a single employee (refer to example below).

Further Note: Where a building is to be erected and the future uses are not known at the time that the development proposal is submitted, the employee rate to be utilised will be an average of all of the examples for that particular building type (ie for a modern multi-unit industrial complex, the rate would be an average of the rates for manufacturing, construction, wholesale/retail and transport/storage for that building type).

Example: A wholesale/retail business within a modern industrial building is planning to construct a mezzanine floor within their premises with a view to expanding their business. The mezzanine will have a floor area of 85m². Utilising the table above, the standard rate for one employee for this business is 73.6m², which has an equivalent monetary value of \$651. Accordingly, utilising this floor area rate for one employee in relation to the proposed gross floor area of the mezzanine, this business will be required to contribute the equivalent of one employee \$651 + the remaining portion of the mezzanine as a fraction of one employee, as shown in the following calculation:

$$85 - 73.6 = 11.4\text{m}^2$$

Then divide this figure by the rate for one employee to convert the remaining portion of the mezzanine into a fraction of one employee = $11.4/73.6 = 0.15$,

Then multiply $0.15 \times \$651$ to get the monetary equivalent for the remaining portion of the mezzanine = 97.65 Therefore the total contribution for the mezzanine is $\$651 + \$97.65 = \$748.65$.

D.2.2.e (iv) Land dedication rates (Employment generating development):

The equivalent land dedication rate for employment generating development is 1.33m² per employee calculated in the same manner as for the monetary contribution rate for employment generating development.

Note 1: *This requirement is not subject to any annual adjustments.*

Note 2: *Applicants are required to embellish the dedicated land (including any relevant demolition or remediation works) to a standard commensurate with similar existing open space land within the Leichhardt LGA.*

Note 3: *Applicants are permitted to utilise the dedicated land in their maximum floor area calculations for the contributing development site.*

D.2.2.e (v) Mixed Contributions (Comprising land dedication and monetary contributions)

Mixed contributions typically comprise a land dedication and monetary contribution. Mixed contribution requirements will be determined in accordance with Council's previously established mixed contribution determination process.

Step 1:

Determine the total monetary contribution required to be paid for the development in accordance with the above information.

Step 2:

Subtract from that total, the monetary contribution equivalent of the area of land to be dedicated to Council, on a per person/per employee basis, for example:

For residential development – every 20.51m² of dedicated land = \$10,043

For employment generating development – every 1.33m² of dedicated land = \$651, rounded to the nearest whole number. See example below:

Example: *An applicant is proposing to erect 150 dwellings on a development site comprising the following:*

53m² or less dwellings x 38 which is equivalent to \$13,357 x 38 = \$507,566

>53m²-106m² dwellings x 67 which is equivalent to \$19,283 x 67 = \$1,291,961

>106m² – 215m² dwellings x 45 which is equivalent to \$25,811 x 45 = \$1,161,495

This generates a total monetary contribution of \$2,961,022.

The applicant, however, intends to dedicate 650m² of the development site to Council for open space purposes, which has been accepted in principle by Council because it provides a useful open space link between two areas of existing parkland.

Accordingly, the 650m² is subtracted from the required total contribution of \$2,961,022 by using the following calculation:

650m² divided by 20.51m² = 31.69 (rounded up to 32)

then 32 x \$10,043 = \$321,376

then subtract 321,376 from the total of \$2,961,022 = \$2,639,646.

Therefore the mixed contribution required for the proposed residential development is:

Land Dedication – 650m²
Monetary Contribution - \$2,639,646

D.2.2.f Works /Land dedication schedules

Works schedule items:

As noted in section D.2.1.i. (Planned open space changes and existing policy framework) “...*this plan continues to rely on the information contained within the 1993 Open Space Strategy and subsequent works schedule in the 1999 Open Space and Recreation s.94 plan*”. Accordingly, the works schedule in this plan (Table 15) predominantly contains those items, which were not completed in the 1999 plan. Like the 1999 list of works, the current schedule seeks to facilitate:

- (a) The acquisition of new open space areas, to link or consolidate new and existing open space;
- (b) The embellishment of new open space; and
- (c) The development of previously undeveloped land for open space, which may or may not have been informal open space land.

Unlike the 1999 plan, though, the works have simply been divided into Regional and Non-Regional works to facilitate an appropriate apportionment of costs between developers and Council.

With respect to maintaining the current per capita quality and quantity of 20.51m² per person (residents) within the LGA, the total value of works within this schedule will not achieve this goal. To maintain this standard, with the expected population increases over the next ten years, this plan would be required to have a works schedule totalling approximately \$131,688,000. This is based on the previously mentioned average price of land within the LGA, multiplied by the current open space provision and expected residential population increase over the life of this plan. Accordingly, the total value of works within the works schedule of this plan has

been minimised in keeping with the discounting of the monetary contribution rate, within the plan.

Since the development of the 1999 plan, more accurate costings have been obtained for some of the works, along with increased costs due to inflation, and others. Accordingly, these revised costings have been included in this works schedule.

With respect to planned acquisitions for open space, within the schedule, current (2003) market sale rates have been utilised. Where a specific land valuation was not available for a proposed purchase item on the schedule then the suburb specific land sale rates provided by Malcolm Garder Pty Ltd (referred to in section D.2.1.f. of this plan) were utilised.

Where a detailed embellishment cost was also not known, the standard embellishment costs (mentioned in section D.2.1.j) were utilised.

The work schedule has projects that are to be carried out over a ten year time frame. The costs (which are estimates only) have been determined on information current in 2003/2004. Therefore, it is expected that the final costs for the projects under this plan will vary by the time that they are implemented.

Typically embellishment items within the works schedule also include design costs. It may also include recreational facility items such as tennis courts etc., which have not been individually identified at this stage.

Priority system:

The items on the works schedules have been given a priority listing between, ranging from 1-5, with a rating of 1 being the highest priority items and a rating of 5 being the lowest priority items.

These have been based on Council's current work priorities (these may change from time to time depending on changing community needs).

Land dedication schedule:

Table 16 contains a short list of potential redevelopment sites from which Council will be seeking a land dedication, upon the redevelopment of these properties.

Note: This is not an exhaustive list. Council may require the dedication of land arising from the redevelopment of other properties, which were not envisaged to occur, at the time that this plan was drafted (see also section C.4 of this plan).

Table 15: Acquisition and Embellishment Works Schedule 1 (Costings and Priorities)

<i>Schedule of Works</i>	<i>Total Cost (\$)</i>	<i>Developer Portion</i>	<i>Council Portion</i>	<i>Overall Works Priority (Ranked in order of priority – highest 1 to lowest priority 5)</i>
Schedule 1				
NON-REGIONAL WORKS				
Note: Generally, land acquisition costs within this schedule rely on suburban or LGA wide average land values only.				
Embellishment of 74 & 80 Excelsior Street	100,000	100,000	-	1
Embellishment of 26-28 Myrtle St. (Cnr. Flood St.) acquisition	245,000	245,000	-	1
Open space (closed road) at Flat Street & Darley Road, Leichhardt	70,000	70,000	-	5
<i>Acquisition 13, 15, 17 Hearne Street, Leichhardt:</i>				
Acquisition 13 Hearne Street (460m ²)	690,000	690,000	-	2
Acquisition 15 (570m ²) & 17 Hearne Street (220m ²) - Total (1250m ²)	1,185,000	1,185,000	-	2
Embellishment cost of 13-17 Hearne Street (<i>Note: Hearne St valuation is \$1500/m²</i>)	200,000	200,000	-	2
Multi-purpose indoor recreation/neighbourhood centre (see also LMC Section 94 Plan No.2 - Community Facilities & Services)	4,000,000 (2,000,000 for this plan)	2,000,000	-	3
Additional Parks Plans of Management	500,000	500,000	-	1-5
Embellishment additional Parks POM	500,000	500,000	-	1-5
Playground Improvement Program	1,000,000	1,000,000	-	1-5
Use of short term contractor to assist with the embellishment of bushland open space areas	100,000	100,000	-	1-5

<i>Schedule of Works</i>	<i>Total Cost (\$)</i>	<i>Developer Portion</i>	<i>Council Portion</i>	<i>Overall Works Priority (Ranked in order of priority – highest 1 to lowest priority 5)</i>
<i>Balmain Peninsula Foreshores</i>				
Study of Landscaped path/cycleway between established open space parcels around Balmain Peninsula foreshore	50,000	50,000	-	1
Implementation of Landscaped path/cycleway - Balmain Peninsula Foreshore	1,000,000	1,000,000	-	2-5
Yurulbin Park extension between the ferry Wharf and Numa St; construction of two boardwalks, a stair and some landscaping, seating and interpretative facilities for the aboriginal sites	215,000	215,000	-	2
Construction of a boardwalk connection between Union and Datchett Sts East Balmain	440,000	440,000	-	3
Landscaping of lower Booth Street (closed road) Balmain	170,000	170,000	-	2
Embellishment of Elkington Park plus closed portion of Punch Street	200,000	200,000	-	2
Ewenton Park Embellishment	100,000	100,000	-	1
Refurbishment of Birchgrove Park	100,000	100,000	-	2
Dawn Fraser Pool - Upgrade	200,000	200,000	-	4
Acquisition of ROW between Simmons St. and Clifton Lane, East Balmain	430,000	430,000	-	5
Gladstone Park, Balmain	1,500,000	1,500,000	-	2-3
Embellishment of foreshore link – Balmain High School	200,000	200,000	-	2

<i>Schedule of Works</i>	<i>Total Cost (\$)</i>	<i>Developer Portion</i>	<i>Council Portion</i>	<i>Overall Works Priority (Ranked in order of priority – highest 1 to lowest priority 5)</i>
<i>Mort Bay Foreshores</i>				
Access way across Wallace Tugs property between Cooper Street and the open space below Hart Street - Design and Implementation	360,000	360,000	-	1
Construction of right-of-way between Duke and Nicholson Streets	300,000	300,000	-	2
Development of new open space Bay and Short Street, Balmain including road closures and stair connecting to Mort Bay Park	Included in total for Site C			1
Remediation of Site C, Balmain	400,000	400,000	-	1
Embellishment Cost (incl. retaining wall reconstruction)	2,120,000	2,120,000	-	1
Acquisition of right-of-way between Waterview Street and Caroline Lane	450,000	450,000	-	5
Interpretation Project (including Conservation Management Plan)	150,000	150,000		
<i>Hawthorne Canal</i>				
Construction of Pedestrian and Cycle Bridge beneath Parramatta Rd. connecting the Hawthorne Canal Open Space, the adjoining Summer Hill open space. Fifty/fifty cost sharing with Ashfield	200,000	200,000	-	(see below)
<ul style="list-style-type: none"> • Design • Implementation 				1 3

<i>Schedule of Works</i>	<i>Total Cost (\$)</i>	<i>Developer Portion</i>	<i>Council Portion</i>	<i>Overall Works Priority (Ranked in order of priority – highest 1 to lowest priority 5)</i>
Whites Creek Valley Park				
Whites Creek corridor embellishment from Styles & Brenan Sts				
• Cycleway	50,000	50,000	-	1
• Labyrinth	35,000	35,000	-	1
• Nissan Hut	60,000	60,000	-	2
• Chookhouse	5,000	5,000	-	1
• 23 White Street (embellishment)	90,000	90,000	-	3
• 29-31 White Street (embellishment)	200,000	200,000	-	1
• 31 White Street Building	200,000	200,000	-	1
• 35 White Street (embellishment)	80,000	80,000	-	2
• 37 White Street (embellishment)	90,000	90,000	-	3
• 39 White Street (embellishment)	110,000	110,000	-	2
• Total	920,000	920,000	-	
Johnstons Creek Valley Park				
Acquisition rear 23-45 Susan Street,	500,000	500,000	-	4
Johnstons Creek Masterplan (south of Booth Street)	50,000	50,000	-	2
Acquisition of properties: 1 and 3 Cahill Street (\$800000 each)	1,600,000	1,600,000	-	5
4 Chester Street (286.6m ²)	500,000	500,000	-	3
Water Board lands on Johnstons Creek at Chester St. (675m ²)	1,350,000	1,350,000	-	3
Johnstons Creek path/cycle system - Parramatta Rd., to Booth St. and embellishment/masterplan implementation	400,000	400,000	-	5
TOTAL OF NON REGIONAL WORKS	20,495,000	20,495,000		

<i>Schedule of Works</i>	<i>Total Cost (\$)</i>	<i>Developer Portion</i>	<i>Council Portion</i>	<i>Overall Works Priority (Ranked in order of priority – highest 1 to lowest priority 5)</i>
REGIONAL WORKS				
<i>East Balmain Foreshores (23% apportionment to Council)</i>				
Conservation Management Plan/Masterplan Thornton Park, Illoura Reserve & the link between them	120,000	92,400	27,600	1
The part acquisition of 2-8 Weston St., East Balmain NB Separate from this plan Council will be funding the purchase of the remainder of this site.	4,545,000	3,499,650	1,045,350	1
Embellishment: 2-8 Weston Street inclusive of seawalls and link between Thornton Park & Illoura Reserve	3,000,000	2,310,000	690,000	1-2
<i>Iron Cove Foreshores (55% apportionment to Council)</i>				
Leichhardt Park - Plan of Management	50,000	22,500	27,500	2
Implementation of POM	1,000,000	450,000	550,000	2-3
Leichhardt Park - Cycleway	58,000	26,100	31,900	1
Leichhardt Park - Aquatic Centre	2,000,000	900,000	1,100,000	4
Leichhardt Park - Wharf Upgrade	200,000	90,000	110,000	1
Synthetic Hockey Field (exact location to be determined)	200,000	90,000	110,000	1-2
TOTAL REGIONAL WORKS	11,173,000	7,480,650	3,692,350	
SUB TOTAL	31,668,000	27,975,650	3,692,350	
Plus service charge	3,000,000	3,000,000	-	
	Over the life of the plan – 10 years)			
TOTAL (Non Regional and Regional)	34,668,000	30,975,650	3,692,350	

D.2.2.f (Continued)

Table 16: Schedule 2 - Sites on which Council will require the dedication of land for open space purposes.

Site	Location
Nutrimetics site	Elliott Street, Balmain
Martin Bright Steel site	Roberts Street, Rozelle

Part E - Additional Information

D.1 Bibliography:

Section 94 Contributions Manual, second edition, 1997, Department of Urban Affairs and Planning.

Leichhardt Town Plan - Leichhardt Municipal Council.

Issue Paper - Open Space Strategy 1993 - Leichhardt Municipal Council.

Review of Business and Industrial Lands in Leichhardt – Urbis Pty Ltd, June 2002.

Employment Monitoring of Commercial and Industrial Areas – Department of Urban Affairs and Planning.

D.2 Glossary:

ABS: Australian Bureau of Statistics.

Apportionment: is the method of identifying and adjusting developer contribution requirements to ensure that a contributing (levied) population only pays for its share of the total demand for the facility.

Contributions plan: a contributions plan is a public document prepared by Council pursuant to section 94 of the EP&A Act and the Regulation. This document describes Council's policy on the collection and management of contributions. A contributions plan provides, amongst other matters, details of the following:

- The purpose of the contributions plan, and
- The land to which it applies.

Council: refers to Leichhardt Council unless otherwise stated.

Development: relates to land, under section 94 of the EP& A. Act, in the following way:

- The erection of a building on that land
- The carrying out of a work in, on, over or under that land
- The use of that land or of a building or work on that land
- The subdivision of that land

Development Contribution: is a contribution from developers comprising of the dedication of land (free of cost), or the payment of a monetary contribution, or both, for the purpose of partly or wholly supplying new or improved public amenities or services required as a consequence of the demands generated by their new development. These development contribution requirements are required to be reasonable and to be embodied within an approved developer contributions plan before they are imposed upon developers.

Note: A reference to a 'development contribution' may also include a reference to undertake works as an alternative to the full or partial payment of a monetary contribution, or dedication of land, or both. For example, a section 94 plan may include provisions for the offer of a material public benefit (ie. for works in kind).

Dwelling: means a room or suite of rooms occupied or used or so constructed or adapted as to be capable of being occupied or used as a separate domicile.

Dwelling house: is a building containing one but not more than one dwelling.

Employment generating development: means any land use, other than residential, which typically involves the use of employees ie. Retail, commercial, industrial uses etc., irrespective of the zoning of the site upon which it operates.

EP&A Act: unless stated otherwise the EP&A Act for the purposes of this plan means the *Environmental Planning and Assessment Act 1979*, as amended.

Gross floor area: in this plan has a similar meaning to the definition of 'gross floor area' within the *Leichhardt Local Environmental Plan 2000*, with the exception that areas used for car (vehicular) parking are not included. Therefore, for the purposes of this plan, gross floor area, means the total area of a buildings floorplates, measured between the outer edges of the outside walls or the centre line of any party wall, and includes mezzanines, attics, lofts and studios. It does not include projections outside the external walls of the building, paved areas, voids, any internal carparking spaces, including basements or garages or any other areas used for car parking purposes.

Local government area (LGA): unless otherwise stated this refers to the Leichhardt local government area.

Material public benefit (MPB): Council may accept an offer from a developer of a *material public benefit* (MPB) in lieu (partially or fully) of the contribution requirements imposed on the developer via the issuing of a development consent or complying development certificate. Although an MPB is not defined under the EP&A Act, the DIPNR accepts that an MPB would comprise some physical (material) component (*other than the dedication of land or the payment of a monetary contribution – as stated in section 94(5)(b) of the EP&A Act*).

An offer by a developer to undertake works, or the provision of a facility (or facilities) which is /are nominated in the works schedule of a section 94 plan in lieu of their section 94 contribution requirements, arising from the issuing of a development consent or subdivision certificate is an example of an MPB offer. The works, which are the subject of this type of offer, are commonly called 'works in kind'.

Note: This does not include those facilities that would normally be required for a modern development, for example, parents rooms, toilet and baby nappy changing facilities, arcades, through site links etc.

Median: 'Situated in or relating to the middle – the middle number in a given sequence of numbers' and 'A median is a measure of central tendency' (Source – *The Macquarie Concise Dictionary. Third Edition 1998. Page 708*). 'It is a mid value which divides a population distribution into two, with half the observations falling below it and half above it.' (Source – *ABS Regional Profiles 1998 - Leichhardt LGA 1998. Glossary Section*).

Medium Density Housing: refers to townhouses, walk up residential flat buildings and the like.

Mixed Contribution: generally refers to the contribution requirements of this plan being met by a combination of a land dedication and monetary contribution.

Nexus: is the relationship between the expected types of development in the area and the demand for additional public open space and recreational facilities required to meet the demands created by that development.

Note: In a relevant judgement the NSW Land and Environment Court has held that the term 'area' in section 94 of the EP&A Act can mean the local government area of a particular council.

Non-Regional Parks and Recreational Facilities: are defined as those parks or recreational facilities, which principally serve the open space needs of the municipality.

Occupancy Rate: Unless stated otherwise is the result of dividing the number of occupied private dwellings by the number of persons in occupied private dwellings.

Planning Agreement: is a legally binding voluntary deed of agreement between council or councils and a developer or developers concerning the provision of public services and facilities, the need for which has been generated by the developer's development proposal.

A planning agreement can occur either as an alternative to or co-exist with the contribution requirements of a developer contributions plan. Although this planning concept is not included the EP&A Act and Regulation it has been mentioned in this section 94 contributions plan on the basis that, a draft bill is currently in the NSW Parliament on this issue which would create the required legislative support for this concept. Therefore, this plan will be able to accommodate its implementation, subject to the inclusion of any necessary amendments to the plan.

Private Dwellings: “Usually a house, flat or part of a house, but can also be a house attached to, or rooms above, shops or offices; an occupied caravan in a caravan park or on a residential allotment; a craft in a marina; a houseboat; or a tent if it is standing on its own block of land. Manufactured home estates and self-care units for the retired or aged are also treated as private dwellings.” (Source – ABS – Sydney ...A Social Atlas 1996. Page 85) (**Note:** Non-private dwellings are hospitals and hotels etc.)

Public amenity, public infrastructure and public facility: are synonymous terms, which in respect to s. 94 generally include all capital and service items which may be required as a consequence of expected development.

Regional Parks & Recreational Facilities are defined as those parks or recreational facilities that have a significant proportion of their users travelling from outside the municipality.

Regulation: Unless stated otherwise the Regulation for the purposes of this plan means the *Environmental Planning and Assessment Regulation 2000*, as amended.

Separate house: for the purposes of this plan refers to a detached house/dwelling.

Sources of this glossary:

1. Report to the Minister for Urban Affairs and Planning from the Section 94 Review Committee, April 2000, titled – ‘*Review of the Developer Contributions System – Section 94 Environmental Planning and Assessment Act 1979*’.
2. Section 94 Contributions Manual – Second Edition 1997, Department of Urban Affairs and Planning.
3. Relevant sections of this draft section 94 contributions plan.
4. *Environmental Planning and Assessment Act 1979* (as amended) with notes prepared by the Lawbook Company.
5. *Environmental Planning and Model Provisions* (as amended) with notes prepared by the Lawbook Company.
6. Draft New South Wales Parliament Bill – Environmental Planning and Assessment Amendment (Planning Agreements) Bill 2003.
7. *Leichhardt Local Environmental Plan 2000*.
8. The Macquarie Concise Dictionary - Third edition 1998.
9. ABS Regional Profiles 1998 Leichhardt LGA.
10. Sydney - A Social Atlas 1996 – ABS.

Leichhardt Local Government Area

DEVELOPER CONTRIBUTIONS PLAN NO 2

Community Facilities and Services

(2005)

Effective as of 23 August 2005

Leichhardt LGA Developer Contributions Plan No.2 – Community Services and Facilities

Strategic Planning — Leichhardt Municipal Council (2005)

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Preface, Principles and Layout of this Plan

Preface

In Council's publication 'Population and Employment Projections for Leichhardt Municipality 2001-2011' it is predicted that the population of the Leichhardt local government area (LGA) will reach 52,052 by 2011, arising from likely increased residential development within the LGA during this period.

Other recent research by Council staff indicates that there is also likely to be an increase in employees within the LGA during this period. This increase is predicted to arise out of the current review of the planning controls for Council's industrial land and subsequent likely increased employment levels on these sites.

This plan enables Council to levy contributions for this anticipated new development within the LGA, pursuant to the provisions of section 94 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) (Note: See section A.1 of this plan for more information on the developer contributions system).

Principles

The key principles that underpin the levying of new development for increased or improved community facilities and services within the LGA are:

1. The occupation of the expected new development by employees or residents will generate an increased demand for community facilities and services within the LGA; and
2. The developers of these additional developments should contribute towards increased and/or improved public facilities within the LGA to satisfy the needs generated by these developments.

Layout of this Plan

This plan is one of three (3) developer contributions plans for the LGA. The other two plans, being the Open Space and Recreation Contributions Plan No.1 and Transport and Access Contributions Plan No.3, address the other demands for additional or improved public amenities and services generated by new residents and employees within the LGA.

This plan has four main parts:

Part A – Introduction and Summary: Contains explanatory information on developer contributions and details of the process that has been followed to review Council's existing developer contribution plans. This section also contains a detachable summary of contribution rates and payment methods, which can be used by applicants who do not require the remaining sections of this plan.

Part B – Administration: Provides information on the purpose, life and implementation of the plan.

Part C – Accounting: Advises when contributions are required to be paid and the alternative methods for meeting the contribution requirements of this plan.

Part D – Context, Changes & Contributions: Describes the physical context and predicted changes within the municipality which warrant the levying of development for additional and/or improved public amenities and services. It also sets out the formula and methodology that were used to determine the contribution rates within this plan.

Part E – Additional Information: Contains a bibliography and glossary for this plan.

Part A – Introduction & Summary

A.1 Introduction to Developer Contributions

The EP&A Act provides Councils the power to levy contributions for public amenities and services, required as a consequence of development.

Section 94(1) of the EP& A Act states that:

‘Where a consent authority is 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, the consent authority may grant consent to that application subject to a condition requiring:

- (a) the dedication of land free of cost; or*
- (b) the payment of a monetary contribution, or both.’*

Under section 94(2A), Councils are permitted to recoup the cost of public services or amenities provided in advance of, or to facilitate new development.

Councils may also accept the provision of a ‘material public benefit’ in part or full satisfaction of a condition imposed under the abovementioned sections.

Generally, contributions can only be made towards:

- *Capital costs including land acquisition;*
- *Public facilities which the Council has a responsibility to provide; and*
- *Public facilities which are needed as a consequence of, or to facilitate, new development.*

The contribution requirement is imposed by way of a condition of development consent. The key principles of developer contributions are based on the provisions of section 94 of the EP&A Act. The four key principles are briefly explained below.

(i) Nexus

Nexus refers to the relationship between the expected types of new development in an area and the demand for additional public facilities generated by that new development. The power to levy a contribution relies on there being a clear nexus between the development being levied and the need for the public amenity or service for which the levy is required.

(ii) Reasonableness

The section 94 system places the responsibility on Council to determine what is reasonable and to use section 94 in a reasonable manner.

(iii) Apportionment

Apportionment is a process which seeks to define the demands of all those who may benefit from the provision of a public facility to ensure that the contributing population only pays for its share of the total demand.

(iv) Public and Financial Accountability

Public and financial accountability are crucial components of the making and administration of contributions plans. Contributions plans are required to:

- Follow the precise legislative requirements relating to the preparation of section 94 contribution plans;
- Be transparent as to the manner in which the strategies and contribution rates were derived; and
- Be open to public scrutiny in the collection, accounting and expenditure of contributions.

A.2 Leichhardt Municipal Council Developer Contributions Plans – Review Planning Process 2003-2004

The 2003-2004 review of Council's developer contributions plans has involved Council's staff generally following the three stage planning process briefly described below:

Stage 1: Determine whether there is likely to be any resident and working population (employees working within the LGA) changes within the LGA, over the study period (ie. 10 years from the date of the last Census (2001-2011)), and to determine the nature of that change (ie. trends in various age groups). Due to the May 2003 boundary change, the resident population projections document also briefly assessed the changes to the demographic profile of the local community, following the loss of Glebe and Forest Lodge to the City of Sydney Council.



Stage 2: The findings of the residential population projections study and working population research were evaluated and discussed with all relevant service providers and planners within Council. They were then requested to prepare a list of public amenities and services likely to be required to meet the needs of this population change or to maintain present service provision standards, in the context of any strategic or other policies relating to future service provision by Council. Estimated costs were also assigned to each of the items on the list.



Stage 3: The various lists of required additional services and facilities were combined into one schedule. Each of the listed items was assigned an appropriate priority ranking. Appropriate contribution rates were also determined.

A.3 Summary of Contribution Rates & Payment Requirements

The contribution rates for the funding of new or improved community facilities and services under this plan are provided below.

Note: These monetary contribution rates will be adjusted on an annual basis from the 1 July 2006, in accordance with any incremental change in the indices shown in section C.4 of this plan.

MONETARY CONTRIBUTION RATES (RESIDENTIAL)

Monetary Contribution Rates – for Residential Development Involving Land Subdivision

Depending on the size of the proposed allotments, and utilising the maximum permitted floor space ratio, shown below in Table A (minus assumed internal car parking areas at a rate 20m² per dwelling), then utilise Table B below to determine the relevant monetary contribution based on the resultant gross floor areas.

Table A: Maximum permitted floor space ratio by density area

Density Area (Based on existing suburb boundaries)	Maximum Permitted Floor Space Ratio
Leichhardt	0.5:1
Annandale	0.6:1
Balmain	0.7:1

Example: An additional 240m² allotment is to be created within the suburb of Leichhardt. This allotment would have a maximum permitted gross floor area of 120m². When the assumed internal parking areas are subtracted - 20m², then the resultant predicted floor area for the site is 100m². Using the table below (ie. the >53m² – 106m² category), this would attract a monetary contribution of \$2,947.

Table B: Monetary Contribution Rates – for Residential Development Not Involving Land Subdivision

Dwelling Size (Gross floor area as defined within this plan)	Monetary Contribution (Based on a rate of \$1,535 per person)	Assumed Occupancy Rate
53m ² or less	\$2,042	1.33
> 53m ² – 106m ²	\$2,947	1.92
> 106m ² -160m ²	\$3,945	2.57
> 160m ² -215m ²	\$5,066	3.30
> 215m ²	\$6,109	3.98

MONETARY CONTRIBUTION RATES (EMPLOYMENT GENERATING DEVELOPMENT)

Table C: Contribution Rates – Employment Generating Development

Monetary rate per employee: \$334 based on the standard floor area rates per employee stated below.

Development Type	Floor Area for one employee (m ²)
Retail/Commercial Uses	
Row Shops with Frontage to a Street	22.3m ²
Speciality Shops in Centres of Arcades	20.4m ²
Supermarkets	48.0m ²
Department Stores	40.1m ²
Showrooms	85.1m ²
Modern Offices	17.7m ²
Offices Above Row Shops	19.0m ²
High-Tech Industrial Building Used For:	
Manufacturing	31.6m ²
Wholesale/Retail	47.7m ²
Financial/Property/Business Services	37.3m ²
Older Style Industrial Building (circa <1960) Used For:	
Manufacturing	72.1m ²
Wholesale/Retail	82.4m ²
Modern Industrial Building Used For:	
Manufacturing	85.1m ²
Construction	124.2m ²
Wholesale/Retail	73.6m ²
Transport/Storage	66.5m ²
Financial/Property/Business Services	32.6m ²
Modern Multi-Unit Industrial Complex Used For:	
Manufacturing	57.9m ²
Construction	77.3m ²
Wholesale/Retail	86.6m ²
Transport/Storage	81.4m ²

Note 1: Contributions will be calculated on the basis of the total increase in floor area, whether or not this represents a fraction of the rate for a single employee (see example below).

Note 2: Where a building is to be erected and the future uses are not known at the time that the development proposal is submitted, then the employee rate to be utilised will be an average of all of the examples for that particular building type (ie. for a modern multi-unit industrial complex, the rate would be an average of the rates for manufacturing, construction, wholesale/retail and transport/storage for that building type).

Note 3: Developers of new or enlarged employment generating development are to be levied under this plan based on standard employee occupation rates (refers to section D.2.1.d (iv) and section D.2.2.e.(ii) for additional information).

Example: A wholesale/retail business within a modern industrial building is planning to construct a mezzanine floor within their premises with a view to expanding their business. The mezzanine will have a floor area of 85m². Utilising the table above the standard rate for one employee, for this business, is 73.6m², which has an equivalent monetary value of \$334. Accordingly, utilising this floor area rate for one employee in relation to the proposed gross floor area of the mezzanine, this business will be required to contribute the equivalent of one employee \$334 + the remaining portion of the mezzanine as a fraction of one employee, as shown in the following calculation:

$$85 - 73.6 = 11.4\text{m}^2$$

Then divide this figure by the rate for one employee to convert the remaining portion of the mezzanine into a fraction of one employee = $11.4/73.6 = 0.15$

Then multiply $0.15 \times \$334$ to get the monetary equivalent for the remaining portion of the mezzanine = \$50.10

Therefore the total contribution for the mezzanine is $\$334 + \$50.10 = \$384.10$
(Rounded down to \$384)

PAYMENT OF CONTRIBUTIONS

A monetary contribution under the terms of the Community Facilities and Services Developer Contributions Plan No.2 is payable to Council:

- (i) In the case of a consent to development being **subdivision** irrespective of whether or not any further approvals are required:
 - Before the subdivision certificate is released to the applicant; or

- Before the issue of any construction certificate related to the site works, whichever occurs first;
- (ii) In the case of a consent to **development not involving subdivision** but where a subsequent construction certificate is required – before the issue of the construction certificate to the applicant, by Council or Private Certifier; and
- (iii) In the case of a consent to any **other development** where neither a subdivision certificate or construction certificate is required – prior to the issuing of the occupation certificate to the applicant, by Council or Private Certifier.

CREDITS

Note: Employee credits cannot be used as residential credits or vice versa

Residential Development Credits

When the dwelling no longer exists, a residential related credit will be given for the existing/former population of a site at the rates shown in Table D below. The dwellings being credited must have been present on the site within the previous five (5) years (from the date of adoption of this plan) to enjoy the credit. The onus is on the applicant to prove the existence of any dwellings as part of any development proposal.

**Table D: LGA Occupancy Rates by Dwelling Type – 2001
(Post-May 2003 Boundary Change Area Only)**

Dwelling Type	Occupancy Rate (Persons per Occupied Private Dwelling)
Separate House	2.47
Semi-detached (Row/Terrace House, Townhouse etc)	2.17
Flat, Unit or Apartment (total)	1.65
Other dwelling (total)	2.10

Source – ABS 2001 Census – First Release Data (Note: 'Other dwelling total' includes dwellings attached to shops and offices etc.) as quoted in Leichhardt LGA Population Projections 2001-2011 produced by the Strategic Planning Department of Leichhardt Council

Note: Separate house for the purposes of this plan refers to a detached house/dwelling

Note: These occupancy rates have been chosen on the basis that they are to be utilised when the dwelling no longer exists and irrespective of whether the size of the subject dwelling is able to be determined.

See Example 1 below for an illustration of the practical application of these credit rates.

Example 1: *An applicant is proposing to erect a multi-unit development that will support an expected population of 15.58 persons. Two semi-detached row houses occupied the site up until three years ago, at which time they were demolished. Therefore, using the relevant information in Table D above, the applicant would be able to claim a credit of $2.17 \times 2 = 4.34$ persons. Accordingly, the total population to be levied would equate to 11.24 persons.*

Where an existing dwelling(s) still exists on the subject site which is proposed to be demolished as part of the development proposal, then an applicant shall utilise the dwelling size assumed occupancy rates shown in Table B above for credit purposes.

See Example 2 below for an illustration of the practical application of credit rates.

Example 2: *An applicant is proposing to erect a multi-unit development that will support an expected population of 15.58 persons. Two semi-detached row houses currently occupy the site, but these are proposed to be demolished as part of the development proposal. Both residences have an area each of 113 m^2 . Therefore, using the relevant information in Table B of this plan, the applicant would be able to claim a credit of $2.57 \text{ persons} \times 2 = 5.14$ persons. Accordingly, the total population to be levied would equate to 10.44 persons.*

Employment Generating Development Credits

An employee related credit will be given for any employment use existing on the site in the previous five years (from the date of the adoption of this plan) based on the standard floor rates mentioned in sections D.2.1.d(iv) and D.2.2.e(ii) of this plan.

See Example 3 below for an illustration of the practical application of these credit rates.

Example 3: *An applicant is proposing to build a new industrial building with a floor area of 255.3 m^2 on a site, for the purposes of commencing a manufacturing use. Using the information in Table C of this plan, the proposed development would support an expected employee population of 3 persons. The site is currently occupied by a smaller older style industrial building measuring 144.2 m^2 , that until last year, contained a manufacturing use. Therefore, using the relevant information in Table C of this plan, the applicant would be able to claim a credit of two persons (144.2 divided by $72.1 = 2$ persons). Accordingly, the total population to be levied would equate to 1 person.*

For further information on these contribution requirements please contact Leichhardt Council's Strategic Planning Department.

Part B – Administration

B.1 Name of this Plan and Date of Adoption

This contributions plan has been prepared in accordance with the provisions of section 94 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and Part 4 of the *Environmental Planning and Assessment Regulation 2000* (the Regulation), and may be referred to as the Leichhardt LGA Developer Contributions Plan No.2 – Community Facilities and Services.

Leichhardt Municipal Council, pursuant to section 94AB of the EP&A Act and a resolution passed on 26 July 2005 makes the contributions plan set out hereunder. The notification of adoption was 23 August 2005.

B.2 Savings Provision

Any development application lodged but not finally determined prior to the commencement of this Plan is to be assessed and determined under the provisions of the contributions plan that was in force immediately before that commencement.

B.3 Area to which this Plan applies

This plan applies to all land within the LGA. This is also the area in which these contributions will be utilised.

B.4 Development to which this Plan applies

This plan applies to all residential development (whether or not it forms part of another type of development) and employment generating development (see definition in glossary) irrespective of the zoning of the land except for:

- (i) Alterations, additions or the replacement of a dwelling house, on land used within the previous five years for a dwelling house*, or on a lot subdivided prior to the adoption of this plan for that purpose, for which community facilities and services developer contributions have previously been paid;

***Note:** *There have been a number of cases in the LGA where an existing house straddles two residential allotments. This dwelling may be subsequently demolished and an additional dwelling site created. In these cases only one of the subsequent allotments (whichever has the smallest site area) will be exempt from the payment of developer contributions under this plan.*

- (ii) Temporary accommodation and low income boarding houses;

- (iii) Additions to an employment generating premises that comprise a floor area less than the relevant minimum floor area per employee, contained within this plan (refer to section C.2.2.e and the example below); and
- (iv) The intensification of employment generating premises that do not involve additional floor space.

Example: A wholesale/retail business within a modern industrial building is planning to construct a mezzanine floor within their premises with a view to expanding their business. This mezzanine is proposed to have a floor area of 55m². The relevant floor area for one employee for this business, within Table C, is stated as 73.6m². Since the proposed mezzanine has a gross floor area less than the standard floor area rate for one employee, this business will not be required to contribute any monetary contributions for the mezzanine, under the terms of this plan.

B.5 Purpose of this Plan

The purposes of this developer contributions plan are:

- (i) To ensure that the existing standards of public services and amenities are maintained for the existing and future resident and employee population of the LGA;
- (ii) To satisfy the requirements of the EP&A Act and the Regulation that enable Council to require a monetary contribution towards the provision, extension or augmentation of community facilities and services, within the LGA, that will, or are likely to, be required as a consequence of new residential and employment generating development within the municipality;
- (iii) To ensure that the existing community of the LGA is not burdened with the cost of the provision of additional or improved community facilities and services required as a result of future development;
- (iv) To clearly set out the formulae to be used by Council in assessing the contribution attributable to a development proposal;
- (v) To provide a comprehensive strategy for the assessment, collection, expenditure, accounting and review of community facilities and services development contributions on an equitable basis throughout the LGA; and
- (vi) To establish a priority schedule for the expenditure of contributions which satisfies community facility and service needs likely to be generated by new development within the LGA and which is linked to Council's and the community's aims and policies for these public facilities and services.

B.6 Life of this Plan

This plan is based on research material that extends to 2011. Accordingly, this plan could be utilised until that time. Apart from the annual indexation of the plan, it is recommended that this plan be comprehensively reviewed within a minimum of five years from the date of its adoption.

B.7 Implementation of the Plan

In determining a development application, Council may impose a condition requiring the payment of a monetary contribution in accordance with the provisions of this plan. The required payment amount will be affected by the annual indexation of monetary contribution rates mentioned in section C.4.

B.8 Relationship to other Plans and Policies

This plan should be read in conjunction with Council's other developer contributions plans:

- *Leichhardt LGA Developer Contributions Plan No.1 – Open Space and Recreation; and*
- *Leichhardt LGA Developer Contributions Plan No.3 – Transport and Access.*

Part C - Accounting

C.1 Payment of Contributions

A monetary contribution under the terms of this plan is payable to Council:

- (i) In the case of a consent to development being **subdivision** *irrespective of whether or not any further approvals are required*:
 - Before the subdivision certificate is released to the applicant, or
 - Before the issue of any construction certificate related to the site works, whichever occurs first;
- (ii) In the case of a consent to **development not involving subdivision** *but where a subsequent construction certificate is required* – before the issue of the construction certificate to the applicant, by Council or private certifier; and
- (iii) In the case of a consent to any **other development** *where neither a subdivision certificate or construction certificate is required* – prior to the issuing of the occupation certificate to the applicant, by Council or private certifier.

The monetary contribution payable is that which applies, as per Council's fees and charges, on the date that the contribution is paid.

C.2 Deferred or Periodic Payments

It is Council's policy not to accept any deferred or periodic payments for developer contributions. This policy has been based on the following conclusions relating to deferred or periodic payments.

Deferred or periodic payments are considered to:

- Inevitably result in inequities between applicants;
- Add to the administrative costs of managing section 94 funds under this plan;
- Adversely affect the planned timing of the work schedule items in this plan;
- Create unnecessary opportunities for the requirements of this plan to be avoided; and
- Facilitate the use of public funds to support the financial aspirations of individuals by assisting them in meeting their developer contributions responsibilities for the duration of the deferred/periodic payment scheme.

C.3 Pre- and Post-Development Consent/Subdivision Certificate Alternatives for Contributing to the Provision or Improvement of Public Amenities and Services

Material Public Benefit

A condition of development consent or subdivision certificate may require the dedication of land and/or a monetary payment to satisfy the assessed section 94 requirement for the subject development proposal.

Section 94(5)(b) of the EP&A Act allows Council to accept an offer from a developer to provide a 'material public benefit' (MPB) (other than the dedication of land or the payment of a monetary contribution) in lieu (partially or fully) of the section 94 contribution requirements imposed by a condition, in a development consent, complying development certificate or subdivision certificate. A MPB is considered by the Department of Infrastructure Planning and Natural Resources (DIPNR) to consist of some physical (material) component. Details of the required contents of a MPB are provided below in section C.3.2 along with the details of the circumstances where Council will give consideration to a MPB offer (refer to the glossary section of this plan for a more detailed definition of MPB).

Planning Agreements

The EP&A Act does not currently provide a legislative framework for consent authorities to consider alternative offers from developers relating to the fulfilment of their section 94 obligations, prior to the determination of a development application or complying development proposal.

In this regard, however, a Bill is currently before the NSW Parliament entitled *Environmental Planning and Assessment Amendment (Planning Agreements) Bill 2003*. The object of this Bill is to amend the EP&A Act to extend the means by which planning authorities may obtain development contributions to be applied for the provision of public benefits. This Bill will specifically authorise planning authorities to obtain development contributions through planning agreements.

Under the terms of this Bill, planning agreements can be made at all stages of the development planning process (ie. as part of a local environmental plan, or development control plan amendment request, and prior to or after the submission of a development application), irrespective of whether the application has been determined by the relevant planning authority.

Notwithstanding the absence of this legislative support, in recent times, applicants have undertaken voluntary agreements with planning authorities relating to the provision or improvement of public amenities, and services, the need for which have been generated by their development proposals. These agreements have been undertaken either as an alternative to the provisions of a developer contributions plan or in conjunction with those provisions. Accordingly, this section has been included within this plan to describe the common characteristics of such agreements and to outline the required contents of a planning agreement with Council. It also details the circumstances in which Council would consider the acceptance of a

developer agreement option, should the appropriate legislative framework be implemented for this planning concept (see also the glossary section of this plan, section E.2, for a definition of a 'planning agreement'.) It is also recognised that upon any legislative implementation of this planning concept, amendments to this section of this developer contributions plan may be required.

C.3.1 Planning Agreements

(i) Common Characteristics

The common characteristics of planning agreements are:

- Involves a voluntary agreement between Council and a developer/landowner, or with a person in anticipation of becoming a landowner;
- Legally binding and covers successors in title;
- Generally development is not able to proceed until the agreement is executed;
- The agreement sets out the facilities/infrastructure that are agreed to be provided, including the level, nature and timing of those facilities/infrastructure;
- Can address the issue of recurrent (ongoing) costs;
- Can span many years and stages of development;
- May contain a self-monitoring system (eg. an annual report by the consent authority on compliance with the agreement);
- Can allow for amendments, at the agreement of the subject parties;
- May include a dispute resolution mechanism on the interpretation of the agreement (ie. appeal to the court/mediator/arbitration); and
- May contain default provisions (eg. bonds and guarantees may be required).

(ii) Required Contents of a Planning Agreement with Council

A. The agreement should demonstrate how the subject community or development will be provided with at least an equivalent level of amenities and/or services to those that can be reasonably expected to be provided under this developer contributions plan.

B. The agreement shall include the following details:

- Parties to the agreement and the land to which the agreement applies;
- Definition of terms used in the agreement;
- The relationship of the agreement to existing draft or future contribution plans;
- Details of the timing of payment or completion of works, and other related information;
- A policy to ensure that public access to the facilities is provided;
- Relevant costing of facilities to be provided or calculation details for any contributions towards facilities;
- Security and enforcement provisions by a suitable means (ie. provision of a bond or guarantee) to cover circumstances where the development is staged (eg. potential bankruptcy, incomplete development or any other potential breach of the agreement by the developer);

- A policy detailing the provision of works at an agreed time or to an agreed standard, including provisions for agreed maintenance or defects period and the bonds for these;
- Provision for change of ownership of property or different developers (ie. should the agreement be tied to the title of the land);
- Provisions for potential variations to the development consent or future negotiations including a policy for the resolution of disputes under the agreement; and
- A reasonable time frame with an appropriate 'sunset clause'.

(iii) Circumstances Where Council Will Consider the Option of a Planning Agreement

Council will consider the option of a development agreement as an alternative to the partial or full payment of the section 94 contribution requirements of a development proposal, where it can first be established in a preliminary report, by a suitable planning consultant, on behalf of an applicant, that such a proposed agreement will provide a superior outcome for the recipient community in comparison to the relevant existing or other proposed section 94 contribution schemes.

C.3.2 Material Public Benefit

(i) Required Contents of a Material Public Benefit Offer to Leichhardt Council

- The offer must be made in writing;
- Contain an assessment of the proposed MPB offer in the context of the relevant development proposal and the planned facilities and services contained within the relevant section 94 plan;
- Provide a comparison between the value of the MPB offer and the value of the required developer contributions for the development proposal;
- Illustrate how the needs of the contributing population will still be satisfied via this offer;
- Explain how the acceptance of this offer, by Council, will not adversely affect the adopted works schedule and expected cash flow (and other considerations) of the relevant section 94 plan;
- Illustrate whether the MPB offer will generate the need for approvals from other consent authorities;
- Outline what responsibilities for current and operational costs will be generated if the MPB offer is accepted by Council, and who is intended to meet those responsibilities;
- Provide information on what the required management needs of the MPB are, who is expected to meet those needs, and at what cost; and
- Include written recognition that the full cost of drafting a legal agreement between Council and a developer, upon acceptance of an MPB, will be borne by the developer.

(ii) Circumstances where Council Will Consider the Offer of a Material Public Benefit

Council will consider the offer of a 'material public benefit' (MPB) as an alternative to the partial or full payment of the section 94 contribution requirements of a development proposal as detailed in a condition/conditions of a development

consent or subdivision certificate, where it can be established by an applicant that the MPB offer will provide a superior outcome for the recipient community in comparison to the relevant existing or other proposed section 94 contribution schemes.

For the purposes of this section of the plan, a MPB is intended to include an item or items on the works schedule of this plan. This form of a MPB is commonly referred to as 'works in kind' (refer to the glossary section of this plan, section E.2, for a simple definition of works in kind under the definition of material public benefit).

C.4 Adjustments of Contribution Rates

It is Council policy, with respect to section 94 contributions, to review these rates on an annual basis, to ensure that they keep abreast of current costs. Accordingly, the contribution rates for the proposed community facilities and services outlined in this plan will be reviewed by Council's strategic planning staff annually, with the initial review commencing 1 July 2005.

The cost of works in the works schedule of this plan are generally divided into land acquisition costs (L), construction costs (C) and other costs (OC) (eg. equipment costs). Accordingly, a series of indices, provided by independent government authorities, were then selected on the basis of their 'best fit' with these various cost categories. Details of these indices and their application in the formulae for adjusting the contribution rates in this plan are provided below.

Note: *Unavoidably, not all of the items on the works schedule can be adjusted by the use of indices. These will remain unchanged until the plan is comprehensively reviewed.*

a) Indices

Component of Plan's work schedule	Index	Source
(L) Land acquisition costs for new community facilities	Median Sale Price – all dwellings (based on the median sale price* for all dwellings, averaged for all LGA postcodes)	Housing NSW – Rent and Sales Reports: www.housing.nsw.gov.au
(C) Construction costs	Construction Price Index – price index of materials used in building other than house building (Sydney average)	Australian Bureau of Statistics: www.abs.gov.au
(O) Other costs - equipment costs	Consumer Price Index – all groups Sydney	Australian Bureau of Statistics

Note: Residential sale prices are utilised because they represent the greatest cost for Council in the acquisition of land for additional community facilities within the LGA.

b) Adjustment Formulae

The monetary contribution rates will therefore be indexed annually in accordance with the following formulae.

To obtain the adjusted residential and employee monetary contributions under this plan the following formulae and steps will be utilised.

Step 1: Adjustment of the Land Component Costs (L) of the Works Schedule

Where:

CILCC	= Current Individual Land Component Costs
APC	= Annual Percentage Change in the Median (Residential) Sale Price (All Dwellings) – Averaged for All Postcode Areas Within the LGA
AJST	= Adjustment Subtotal
AJSILCC	= Adjusted Individual Land Component Costs

Adjusted Individual Land Component Costs of the Works Schedule

$$\text{CILCC} \times \text{APC} = \boxed{\text{AJST}}$$

$$\boxed{\text{AJST}} + \text{CILCC} = \boxed{\text{AJSILCC}}$$

Step 2: Adjustment of the Construction Component (C) Costs of the Works Schedule

Where:

CICCC	= Current Individual Construction Component Costs
APC	= Annual Percentage Change in the Construction Price Index - Price Index of materials used in building other than house building (Sydney average)
AJST	= Adjustment Subtotal
AJSICCC	= Adjusted Individual Construction Component Costs

Adjusted Individual Construction Component Costs of the Works Schedule

$$\text{CICCC} \times \text{APC} = \boxed{\text{AJST}}$$

$$\boxed{\text{AJST}} + \text{CICCC} = \boxed{\text{AJSICCC}}$$

Step 3: Adjustment of the Other Costs (O) of the Works Schedule

Where:

CIOC	= Current Individual Other Costs marked (O) in the works schedule
APC	= Annual Percentage Change in the Consumer Price Index – All Groups - Sydney
AJST	= Adjustment Subtotal
AJSIOC	= Adjusted Individual Other Costs

Adjusted Other Costs Component of the Works Schedule

$$\text{CIOC} \times \text{APC} = \boxed{\text{AJST}}$$

$$\boxed{\text{AJST}} + \text{CIOCC} = \boxed{\text{AJSIOC}}$$

Step 4: Adjusted Individual Costs Inserted into Works Schedule and Monetary Contribution Rates Recalculated

The adjusted individual component costs will then be inserted into the works schedule of the plan to facilitate the calculation of revised totals. These totals will then be utilised to calculate revised contribution rates for employees and residents (refer to section D.2.2.c for the methods that will be used to calculate the revised residential and employee contribution rates for this plan).

Part D - Context, Changes & Contributions

D.1 Introduction

This section of the plan provides the existing context and predicted changes that warrant the development of this contributions plan. It includes information on the likely changes to the resident and working population of the LGA, the changed costs for land acquisition (since the last community facilities and services section 94 plan was developed) and the methods used to determine the current contribution rates within the plan.

D.2 Existing Context and predicted changes

D.2.1 Population Change and Characteristics

D.2.1.a Residential Population Increase

In October 2003, Council's Strategic Planning Department produced residential population projections for the years 2001 to 2011, for the post-2003 boundary change LGA. The primary purpose of this projections document was to assist the review of Council's developer contributions plans and to revise the projections that had been completed in 1996. The projections aimed to help staff to determine whether any residential population changes were expected in the future which would warrant the provision of new and or improved public facilities within the LGA.

This research revealed that by the time of the next Census in 2006, Leichhardt LGA's population should exceed fifty thousand people. By 2011, the LGA's population should be 52,052 (it was assumed to be 48,778 by December 30 2001 within the post boundary LGA area). This represents a predicted ten-year increase of 3,274 persons or 7%. It is forecast that this increase will come from, in part, a falling vacancy rate, a moderate increase in the number of multi-unit dwellings and a steady birth rate.

D.2.1.b Residential Population Characteristics

The research for the aforementioned population projections found that 40% of incoming residents to the post boundary LGA (based on 2001 Census statistics) are aged between 25 and 34 years. Additionally, there are 4% more females arriving than males. The highest proportion of incoming residents comes from the former South Sydney LGA. The second-highest proportion of arrivals comes from Marrickville LGA. It is considered that overseas immigration contributes only moderately to residential population increase.

D.2.1.c Employment Population Increase

In 2003, Council's Strategic Planning Department also undertook research into the likely future changes to the LGA's employment population (persons working in premises located within the LGA).

To this end, relevant data from the 1996 and 2001 Censuses was obtained from the Transport Planning Data Centre (TPDC) (a business unit of DIPNR).

This research revealed that the LGA's total employment population remained relatively stable between 1996 (18,449) and 2001 (18,418). The TPDC sorts employment data from the census into travel and destination zones. Because of this, it was possible to extract historical data from the 1996 and 2001 Censuses, which generally relates only to the post May 2003 boundary change LGA.

Details of the structural changes to the LGAs working population that occurred during that Census period are shown in Table 1 below:

Table 1: LGA Employment Totals for Selected Employment Categories (1996 & 2001)

<i>Employment Category</i>	<i>1996</i>	<i>2001</i>
Manufacturing	2135	1724
Wholesale Trade	1418	966
Retail Trade	2571	2890
Accommodation, Cafes & Restaurants	1082	1369
Property & Business Services	3111	3442

Source: 1996 and 2001 Census Data – TPDC

Note: This information relates to the post-May 2003 boundary areas of the LGA only

Table 1 above shows that during this period there were significant increases in employee numbers in the retail, accommodation, cafe, restaurant, and property and business sectors. There were also corresponding significant reductions in the manufacturing and wholesale trade sectors.

The information in Table 1 supports the conclusions of Urbis Pty Ltd in their June 2002 'Review of Business and Industrial Lands in Leichhardt (LGA)', who note that:

“Employment patterns have changed dramatically in Leichhardt Municipality over the last century corresponding with the decline of the traditional manufacturing base previously underpinned by waterfront industry and large industrial operations which sought locations close to the city.

The ‘gentrification’ of the area and general trends in industry and business has also seen employment in manufacturing replaced by employment in the service, commercial and retail sectors.” (pp. 3&4).

An example of this is the Martin Bright Steel (MBS) site in Roberts Street, Rozelle. This site currently has a total of 416 employees. In the event that the redevelopment

proposal in the draft masterplan for the site is implemented in its entirety, the total number of employees of the site is expected to reach 2,473.

As the reviews of other industrial lands within the LGA are not as advanced as the MBS site example, it is not possible at this time to calculate the total increase in employees likely to occur in the future from this review process. It is possible however, to deduce, based on the MBS example, that an increase in the total number of employees in the LGA is likely to occur in the future.

Therefore the expected increase in employees likely to occur in the LGA by 2011 is 2,057. This figure will be subject to further review over time subject to the development of industrial lands within the LGA.

D.2.1.d Additional Population Related Research

Additional population information was also sought to assist with the preparation of this plan. That information, its source and its purpose for this plan, is summarised in the following table.

Table 2: Summary of Additional Population Information Sought for the Purposes of this Plan

<i>Information Sought</i>	<i>Source</i>	<i>Purpose</i>
Average persons per bedroom within the 2003 post boundary change LGA	2001 Census data from the ABS for the 2003 post-boundary change LGA only	To assist with the setting of reasonable residential contribution rates within this plan
Average dwelling gross floor space (m ²), on a per bedroom basis, within the 2003 post-boundary change LGA	Random survey of approved dwellings within 2003 post boundary change LGA*	To assist with the setting of reasonable residential contribution rates within this plan
The proportion of total employees within the 2003 post-boundary change LGA that are also residents	2001 Census data (employees) within the post-2003 boundary change LGA – TPDC	To assist with the formulation of employee contribution rates within this plan and to prevent 'double dipping' (ie charging residents twice)

* This random survey was undertaken by Council's Strategic Planning staff during the months of January and May of 2004. Council's 1999-2003 development application files were investigated on a random basis (within Council's record storage areas) to extract the gross total floor area and corresponding bedroom numbers from examples of all types of dwellings within the LGA (eg. detached, attached, multi-unit, shop-top housing, residences within mixed-use developments). A sample size of one hundred and seventy nine (179) dwellings was used in this survey. The results were then averaged to obtain a single square metre per bedroom rate for residences within the LGA. This figure was 53.4 m² per bedroom (rounded down to 53m² per bedroom for the purposes of this plan).

D.2.1.d(i) Residential Occupancy Rates

Leichhardt LGA Population Profile 2001 Census – First Release Data (produced by Council's Strategic Planning Section in January 2003) noted that the average occupancy ratio (ratio of persons per dwelling) continued to decline between 1996 and 2001.

Accordingly, revised occupancy rates for the post boundary LGA were sought from the ABS, based on information obtained in the 2001 Census. This supplied the count of persons in occupied private dwellings by number of bedrooms. From this information, an average number of persons per bedroom was obtained which is provided in the table below.

Table 3: Average Number of Persons LGA by Number of Bedrooms

<i>No of Bedrooms</i>	<i>Average number of persons</i>
1	1.33
2	1.92
3	2.57
4	3.30
5	3.98
6	4.15

*Source: 2001 Census ABS for the 2003 post boundary change LGA
Note: Information for occupied private dwellings only*

Previously obtained 2001 Census data (first release data) had also provided an average occupancy rate for different types of dwellings. These figures have been utilised in determining the credits for the residential contribution rates for this plan (refer to section D.2.2.d of this plan and page 22 of Council's Population Projections 2001-2011 for more information on occupancy rates with the post-boundary change LGA).

As aforementioned, the information in Table 3 is to be utilised in the setting of residential contribution rates for this plan, based on average residential occupancy rates.

D.2.1.d.(ii) Dwelling Sizes

Council's 1999 Open Space and Recreation Developer Contributions Plan noted, that in establishing the basis for the contribution rates within this plan that:

'size is used rather than numbers of bedrooms, as a fairer gauge of occupancy and to avoid debate about what constitutes a bedroom, given the flexibility of contemporary planning' (page 8).

In keeping with this approach, a random sample of dwellings, which were either proposed, under construction, or to be altered, was utilised in late 2003 to obtain an average floor area per bedroom. Accordingly, the areas of these dwellings (minus the areas devoted to parking) were divided by the number of bedrooms. This

produced an average LGA dwelling gross floor space per bedroom of 53.4m² (rounded down to 53m²) (the 1999 Open Space and Recreation Developer Contributions Plan had a comparative figure of 55m²).

This figure was then utilised to convert the aforementioned person per bedroom occupancy rate into dwelling size/person occupancy, for use in the setting of the residential contribution rates in this plan (the converted figures are provided in Table 4 below).

Table 4: LGA Occupancy Rate by Dwelling Size

<i>Dwelling Size Range (Equivalent number of bedrooms in brackets)</i>	<i>Occupancy Rate (Number of persons)</i>
53m ² or less (1 bed)	1.33
> 53-106m ² (2 bed)	1.92
>106-160m ² (3 bed)	2.57
>160-215m ² (4 bed)	3.30
>215m ² (5 bed or more)	3.98

Note: in some cases dwelling sizes have been rounded up

D.2.1.d(iii) Employees Who are Also Residents

The term 'double dipping', in regards to developer contributions planning, refers to the undesirable method of having an incoming population pay twice for provision of the same public facility. Because both employees and residents are being levied for community facilities and services provision, it is important to take into account those employees that are also residents in setting the appropriate contribution rate for employees. With this issue in mind, information was obtained from TPDC to determine from the 2001 Census Data the percentage of employees who are also residents, in order to discount the final employee rate, to avoid double dipping under this plan.

This information revealed that in 2001, 27.96% of the total number of employees within the LGA were also residents of the LGA. Accordingly, this statistic has been utilised to appropriately discount the final employee contribution rate to avoid residents being charged twice for contributions under this plan (refer also to section D.2.2.c of this plan).

D.2.1.d(iv) Employee Occupation/Generation Rates

To assist in the setting of standard contribution rates for employees under this plan, a search was made for appropriate data on the employee occupation/generation rates per square metre of floor area for employment generating development within the LGA.

Urbis Pty Ltd in their June 2002 'Review of Business and Industrial Lands in Leichhardt' noted that:

"The employment generation associated with different land uses and even the age of accommodation in those developments varies considerably. Work published by the Department of Urban Affairs and Planning (now Department of Infrastructure Planning and Natural Resources) in the Employment Monitoring of Commercial and Industrial Areas shows typical employee occupancy (generation) rates per square metre based on different development types."

The table below shows those rates that have been utilised in the setting of standard contribution rates for employees under this plan.

Table 5: Employment Generating Development – Occupation Rates/Gross Floor Area

Development Type	Floor Area for one employee (m ²)
Retail/Commercial Uses	
Row Shops with frontage to a street	22.3m ²
Speciality Shops in Centres of Arcades	20.4m ²
Supermarkets	48.0m ²
Department Stores	40.1m ²
Showrooms	85.1m ²
Modern Offices	17.7m ²
Offices above Row Shops	19.0m ²
High-Tech Industrial Building Used For:	
Manufacturing	31.6m ²
Wholesale/Retail	47.7m ²
Financial/Property/Business Services	37.3m ²
Older Style Industrial Building (circa <1960) Used For:	
Manufacturing	72.1m ²
Whole/retail	82.4m ²
Modern Industrial Building Used For:	
Manufacturing	85.1m ²
Construction	124.2m ²
Wholesale/Retail	73.6m ²
Transport/Storage	66.5m ²
Financial/Property/Business Services	32.6m ²
Modern Multi-Unit Industrial Complex Used For:	
Manufacturing	57.9m ²
Construction	77.3m ²
Wholesale/Retail	86.6m ²
Transport/Storage	81.4m ²

Source: Department of Urban Affairs and Planning 'Employment Monitoring of Commercial and Industrial Areas' as reported in 'Review of Business and Industrial Lands in Leichhardt' Urbis Pty Ltd June 2002

D.2.1.e Development Policy Framework and Expected Development

Development Policy Framework:

The policies of a local Council towards development can have a significant impact on the expected development and corresponding population yields in the future.

In this regard, the expected local Council policy framework assumptions, for future residential and employment generating development, are provided below.

D.2.1.e(i) Residential

No significant changes in the permissible density of residential development within the LGA are predicted during the life of this plan. This assumption is based on the significant heritage values of the LGA and the community aspirations to generally retain the present character and scale of development as described in the suburb profiles section of Council's Development Control Plan 2000.

D.2.1.e (ii) Employment Generating Development

As part of the first annual review of the Leichhardt Town Plan (comprising the *Leichhardt Local Environmental Plan 2000* and *Leichhardt Development Control Plan 2000*), planning consultants Urbis Pty Ltd were engaged to undertake a review of Council's industrial zones to ensure that they '*are sufficiently responsive to attract and provide appropriate opportunities for business and employment uses within the municipality*'.

The report prepared by Urbis Pty Ltd in June 2002, generated a number of discussion points which culminated in an offer being forwarded to all industrial land owners, from Council, to give them an opportunity to review the planning controls for their sites, should they wish to do so. The offer was made to ensure they are compatible with the business/industrial aspirations for their properties.

A previously mentioned example – the Martin Bright Steel site (see section D.2.1.c) provides evidence that this process is likely to result in an increase in the total number of employees within the LGA in the future.

Expected Development

Residential Development:

The years of high dwelling yields within the LGA, of the mid- to late-1990's, are unlikely to be repeated in the future. A moderate increase in new dwelling numbers is predicted for the LGA over the next ten years. Nonetheless, interest in the LGA's residential stock should continue to remain high. It is expected that sale prices and rents will also continue to remain high, relative to surrounding areas, given that the demand appears to be outweighing supply and that there will be little opportunity to alter this situation in the future. Demand is also expected to remain high because of the likely increased appreciation of the location, character, and lifestyle benefits of

the LGA with respect to convenient access to public transport services, the Sydney central business district, water views and cosmopolitan business areas.

Employment Generating Development

With respect to expected future employment generating development Urbis (2002) noted that:

'In many respects the location of lands currently used for business and industrial purposes within the Municipality have developed as a result of historic economic and locational forces, rather than being located in a planned manner.

Commercial areas...predominantly comprise the traditional small frontage strip shopping centres located along historically heavily trafficked roads. There are some larger developments located within these, which usually comprise centre developments located around a supermarket or other anchor... The existing industrial areas primarily reflect the location of industrial enterprises that [were] once established in the area. These consist of larger industrial areas, isolated pockets and existing uses in residential areas. As a consequence, there are a number of industrial developments surrounded by residential development.

There is very little new construction of industrial premises and most uses tend to seek conversion or partitioning of existing space to accommodate their requirements. Council's development application register for the period between January 1999 and November 2001, reveals that of the 125 industrial related development applications lodged, only eight involved substantial demolition and construction of new industrial buildings.'

As mentioned previously, this situation is likely to be reversed in the future following the review of the planning controls for a number of under utilised industrial lands in the LGA. The potential resultant redevelopment of these properties is likely to have a positive impact on total employee numbers within the LGA.

D.2.1.f. Average Land Price Changes

The 1999 Leichhardt Open Space and Recreation Developer Contributions Plan relied on an average land value (per sqm) for the LGA in order to assist in the determine acquisition costs for items on the work schedule of that plan. In keeping with that approach, during the development of this plan, a consultant valuer was engaged by Council to determine current (2003) average land values within Balmain, Rozelle/Lilyfield, Leichhardt and Annandale for commercial, industrial and residential zoned land.

Note: *The residential land was further divided into waterfront land, land with views and land without views.*

To get an understanding of the current values within the LGA, the consultant valuer conducted a sales search of all of the suburb areas including interviewing estate

agents, architects, planners, valuers and developers. It was considered by the valuer that interviews are essential to gain an understanding of the market as many sales, particularly those of development sites, are not settled and publicly recorded in the year of the sale.

The consultant found that:

'The values in each suburb for each class of property varies and within the suburbs there are a number of significant variables – position and size being the greatest. The waterfront areas of Balmain are the most valuable for residential uses and the commercial areas of Balmain and Leichhardt have the highest non-residential values. The size of the allotments varies over the municipality and within the areas; the smaller the lot generally the higher the value per square metre.'

He also found that:

'Being an old established area there are very few sales of vacant land and generally a great shortage of vacant sites within the municipality. Developers and builders therefore generally buy improved properties and demolish the improvements. Where there are heritage restrictions, often part of the original building will have to be incorporated within the new development. It is considered that these older improvements often reduce the true vacant land value of the sites and accordingly the rate per square metre was adjusted to allow for demolition and remediation costs.'

Details of the average land values provided by the Consultant Valuer are provided below:

Table 6: LGA Average Land Values/Land Area per Square Metre (2003)

<i>Type of Land</i>	<i>Balmain</i>	<i>Rozelle/Lilyfield</i>	<i>Leichhardt</i>	<i>Annandale</i>
Commercial	\$2,000	\$1,500	\$2,000	\$1,500
Industrial	\$1,000	\$1,000	\$1,000	\$1,000
Residential				
Waterfront	\$6,000	n/a	n/a	n/a
With views	\$4,000	\$3,000	\$2,000	\$3,500
No Views	\$2,500	\$2,000	\$1,500	\$2,000

*Note: No additional value for waterfront industrial or commercial
Source: Malcolm Garder Pty Ltd - 2003*

When the residential values are averaged (for the combined waterfront, with views/no views) the revised residential values are:

Table 7: LGA Average Land Value per Square Metre (Residential Zone –2003)

	<i>Balmain</i>	<i>Rozelle/Lilyfield</i>	<i>Leichhardt</i>	<i>Annandale</i>
Residential	\$4,166	\$2,500	\$1,750	\$2,750

With the goal of obtaining an average square metre land value within the LGA, the following calculations were undertaken. The suburb-based figures provided by the consultant valuer as averaged in Table 7 for Residential, Commercial and Industrial zoned land across the LGA, produced the following three figures:

- a) Average price of commercial land in the LGA = \$1,750/sqm
- b) Average price of industrial land in the LGA = \$1,000/sqm
- c) Average price of residential land in the LGA = \$2,791.5/sqm

These average figures were then compiled together in the same proportion that these three land-use zones occur within the LGA to achieve a single average land value. The proportion of these lands occurs approximately as follows:

1 (Commercial): 1 (Industrial): 12 (Residential)

The resultant figure is \$2,589 for an average square metre of land within the LGA. By way of comparison, the 1999 Open Space and Recreation Developers Contribution Plan found that the average price of land in the LGA was \$1,000/m². The figure of \$2,589 (or, where more appropriate, the aforementioned suburb based averages) have been utilised in the calculation of land acquisition costs within this plan.

D.2.1.g. Community Facilities and Service Provision

Council is a significant provider of community facilities and services to the resident and working population of the LGA. These facilities and services assist in the development and enrichment of the lives of a broad spectrum of the local community as well as providing opportunities for the community to interact. The services and facilities include, for example:

- The provision of halls, neighbourhood/community centres, meeting rooms and offices for individuals and community groups;
- Library facilities and services;
- Direct provision and support for a broad range of child care services (including, long day care, family day care, play groups and occasional care);
- Aged services, including a home maintenance service;
- Gymnasium and swimming pool facilities; and
- Youth services.

D.2.1.h. Community Facilities and Services Usage

To formulate a reasonable comparative contribution rate under this plan between residents and employees, a search was made of information that would indicate the manner in which public amenities and services are currently utilised by the employment and resident population of the LGA. This would also determine whether there is a nexus between the likely increased resident and employee population within the LGA, and the provision of additional or improved community facilities and services.

Information on the likely usage of community facilities and services, within the LGA, has been provided via four sources, as follows:

1. Leichhardt Area Park User Study prepared by Planning Surveys in October 1997 (an independent analysis of park users throughout the LGA, which included a series of patron interviews at Leichhardt Park - Lilyfield, Birchgrove Park - Birchgrove and Illoura Reserve – East Balmain).

This study occurred before the May 2003 boundary change. However, because the results were provided for individual parks, information only relevant to the post-boundary change LGA was able to be extracted (ie. Leichhardt Park – Lilyfield, Birchgrove Park - Birchgrove and Illoura Reserve - East Balmain) (*Note: Information was also obtained from Bicentennial Park - Glebe Point, which is no longer relevant*). Within the relevant post boundary LGA parks, a total of 412 persons were interviewed.

The times, days and dates of the surveys, which occurred in 1997, are provided below:

All Parks —

Saturday	26/7 & 2/8	1:00 pm	–	5.00 pm
Sunday	27/7 & 3/8	12:30 pm	–	4:45 pm
Monday	28/7	6:00 am	–	10:00 am
Thursday	31/7	1:00 pm	–	6:00 pm

Leichhardt Park Only (Additional) —

Saturday	19/7	1:00 pm	–	5.00 pm
Sunday	20/7	12:30 pm	–	4:45 pm
Monday	21/7	6:00 am	–	10:00 am
Thursday	24/7	1:00 pm	–	6:00 pm

Questions were asked of patrons regarding length of stay, trip times, attraction of the park in terms of the facilities offered, and their prior activity before visiting the park.

The responses to the 'prior activity' question provided a good indication of the percentage of patrons who are also employees. Given the low travel time responses to another question in the survey concerning travel times to the park, it was considered reasonable to assume that the 'work activity' responses to the prior

activity question predominantly related to employees within the local area. This represented 9% of all patrons (see Table 8 below for further information). This would not, however, have included persons who work from home.

2. Analysis of Responses – Leichhardt Park Aquatic Centre Customer Survey (October 2003, RMP & Associates)

This patron survey was undertaken at the Leichhardt Park Aquatic Centre from Monday 13 October to Sunday 19 October, 2003 when all patrons were encouraged to fill out a survey form. The survey times related to the hours that the centre is open from 5.30am to 8.30pm. The resultant sample size was one hundred and eighty six (186) persons.

The survey related to the use of existing facilities in the centre and desired future changes. It enquired of the gender, age and mode of travel to the centre of patrons.

Because of the wording of the questions within this study and the likely manner in which this centre could be used by local employees (ie. potentially before and after work, and at lunchtimes), these survey results do not provide accurate details of the percentage of local employees who are also patrons.

The survey results however, do confirm the high level of local and regional use of this facility (which was found in the abovementioned 1997 study), with approximately 45% of users coming from outside the LGA. When coupled with the travel time responses, the results of this study confirm that local employees utilise the aquatic centre.

The aforementioned 1997 survey provided a good indication of the level of use of recreation facilities within the LGA by regional users, local residents and local employees. The numerical results of that study are shown in Table 8 below.

Table 8: Recreational Facility usage within Leichhardt LGA

Category of user	Usage
Local employee use*	approx. 9% of total users
Local residents	approx 69% (mean)
Regional users (outside the LGA)*	approx. 31 % (mean)

**Note: Local employees are partly comprised of regional users and local residents.*

3. Library Membership data – Information on the current proportion of residents and non-residents as a total of all library members, provided by Council Library staff within the Corporate and Information Services Division of Council in December 2003.

In December 2003, the manager of Council's Leichhardt (Forum) Library was approached on whether the library had any way of determining the percentage of library users who don't live within the LGA. Under Council's current library system any person can join a library within the LGA, irrespective of where they live or work.

Accordingly, the manager advised that as at 30 November, 2003 - 3,796 persons of a total of 25,171 Council library members, resided outside the LGA. This equated to 15% of the total LGA library members. No further breakdown of this library data was available to determine the exact numbers of local employees who are members of an LGA library but who do not reside within the LGA.

4. Registration information - patrons of Leichhardt Council Long Day Child Care Centres , Leichhardt Council , April 2003

In April 2004, all of Council's long day child care centres were surveyed to determine their number of licensed places and details of their current users, including (where known) the number of patrons who do not reside within the LGA but who are also local employees (ie. work within the LGA).

The results of this survey are shown in Table 9 below:

Table 9: Details of Users and Waiting Lists of Council's Long Day Child-Care Centres – April 2004.

Council Child Care Centre	Licensed Places	Current Users
Leichhardt Child Care Centre	45	Approx 58 Children 83% LGA Residents 17% External Residents
Annandale Child Care Centre	30	60 Children 80% LGA Residents 20% External Residents (8% of Total users do not live in the LGA but are employees of the LGA)
John McMahon Child Care Centre	35	58 Children 83% LGA Residents 10% are Non LGA Residents but work in the LGA 7% are Non-Residents of the LGA and do not work within the LGA.

Source: Leichhardt Council Staff.

These results indicate that these facilities are well utilised by local residents and that between 8-10% (average of 9%) of patrons are local employees who do not reside within the LGA.

Overall conclusions:

These sources indicate that local residents and local employees do utilise Council's community facilities and services. They also indicate the approximate proportion of local (employee) users and regional users. Therefore, these figures have been utilised to determine the comparative contribution rate between local residents and local employees (see section D.2.2.c for additional details).

D.2.1.i Leichhardt Municipal Council Social Plan (2005)

The Social Plan (2005) will inform any future reviews of the community facilities and services identified in this plan.

D.2.1.j. Servicing Community Facilities and Services Changes

A service levy of 10% has been included in this plan, which is to be paid for by developers of both residential and employment generating development, towards the administration of this plan and the implementation of the community facility and services changes. This service levy is likely to be utilised for the engagement of a section 94 planner at Council (on a contract basis during the life of this plan) and the use of an additional property officer/project manager(s) (also on a contract basis) to assist with the implementation of the new or improved community facility and services projects mentioned within this plan. Alternatively, if an external contractor was not pursued, these funds would be utilised to cover those expenses incurred by Council for the internal administration and implementation of this plan.

D.2.2 Contributions and Work Schedules

D.2.2.a Identification of Nexus & Apportionment of Proposed Work Schedule Items

Nexus & Apportionment Information – Council Library Facility and Services

Leichhardt Council has two libraries. The larger of the two (central library) is located at Leichhardt within the 'Italian Forum' mixed residential and commercial development, and the second smaller (branch) library is located at Balmain within the Balmain Town Hall building.

The Leichhardt library was recently relocated from a small building (500 square metres) on the corner of Renwick and Marion Streets, Leichhardt, to a larger (1358 square metres) more modern premises in the 'Italian Forum' complex.

Additions to the Balmain branch library are currently being planned. This small library is presently 300 square metres in area. It is intended that this may be increased to a total of 460 square metres within the next few years, as part of an upgrade of the Balmain Town Hall complex. The library renovation work and revised fit-out is expected to cost \$3,000,000.

Beyond these recently completed and proposed additions of library floor area within the LGA, no additional branch libraries or additional central library space are currently proposed for the next ten-year time frame. It is envisaged that the needs of

the incoming population over the next ten years will be met, in part, by the planned and recently completed library floor area increases, and by altered or additional equipment within these existing libraries. In this regard, new residents and employees are to be levied for additional library stock on the same per capita value that it is currently provided (as determined from the value of the existing stock divided by existing employees and residents, minus the percentage of employees who are also residents - see section D.2.2.c for additional information).

Given that the increased library floor space has been sought, in part, to cater for the needs of the expected incoming population, it is considered reasonable that they should contribute to these works. Similarly, the incoming population should also contribute to the altered equipment needs of the libraries, which have been specifically planned to accommodate their requirements. Given that the existing population and current library users will benefit from these changes, part of these costs will be met by Council on behalf of existing residents and employees, whilst the remainder will be paid for by incoming residents and employees. Details of this apportionment of costs are discussed further below.

On the issue of nexus, it is important to note that Council's libraries are not operated independently of one another. Although both share in the general library collection, each has their own specialties that can service LGA-wide needs (for example, the specialist Italian Library collection within the Central Library at the Italian Forum). Accordingly, it is considered reasonable that incoming residents and employees contribute to both libraries, not just the library that is in close proximity to their residence. The new membership statistics also support this approach with new memberships for the Central Library being obtained from all parts of the LGA (refer to the table below).

Table 10: New Library Memberships, Leichhardt Central Library - Italian Forum Norton Street, Leichhardt from Selected Suburbs from 9 August 2003 Until 2 December 2003

Number of New Memberships			Postcode of New Members & Relevant Suburbs
Adults	Children	Total	
830	281	1111	2040 – Leichhardt & Lilyfield
262	92	354	2038 – Annandale
38	12	50*	2039 – Rozelle
29	12	41*	2041 – Balmain, Balmain East, Birchgrove
1,159	397	1,556	Totals

Source: Leichhardt Library Records, LMC 2003

*Note: Does not include new (central library) users that would have joined at the Balmain branch library

These statistics also show that there appears to have been a flow-on effect for Balmain library with increased usage recorded in that branch library in relation to its public computers, since the opening of the Italian Forum Library in August 2003. Similarly, there has been increased usage at the relocated central library but of a more dramatic nature (refer to Table 11 below).

Table 11: Use of Public Computers (number of sessions August/September 2002 and August/September 2003) Balmain and Leichhardt Libraries

Library	Year 2002		Year 2003	
	August	September	August	September
Balmain	319	363	401	469
Leichhardt	509	525	1021	1591

Source: Leichhardt Library Records, LMC 2003

As previously mentioned Council libraries have an open membership policy. Usage is available equally to residents and employees within and external to the LGA. Membership information provided by Council's Corporate and Information Services Division indicates that approximately 15% of the total library members (including both Balmain & Leichhardt libraries) do not reside within the LGA. Of these external members, it is estimated that 60% (9% of total members) comprise employees of the LGA, based on the results of other studies of employee usage of public facilities within the LGA (see section D.2.1.h and Council's Open Space and Recreation Developer Contributions Plan). Accordingly, the cost of the improvements to Council's library facilities mentioned above, have been apportioned in the following manner:

- 9% future LGA employees;
- 10% future LGA residents; and
- 81% existing residents, existing employees and regional users paid for by Council.

Although it is difficult to quantify a precise apportionment, a 10/81 percentage split between future and existing residents has been utilised on the basis that the existing residents and employees will benefit from the planned improvements to the existing library system.

Nexus & Apportionment Information – Leichhardt Park Aquatic Centre Upgrade (Exclusive of Child Care on this Site)

In late 2003, Council engaged Leisure Consultants to investigate and report on the future needs and possible redevelopment of the Leichhardt Park Aquatic Centre (LPAC) in light of the expected population increase within the LGA over the next ten years.

This study was supported by the aforementioned customer survey and discussions with staff. This investigation was also made in the context of changing leisure needs in relation to aquatic centres and the changes to services provided by other similar centres within the region (ie. Ryde Aquatic Centre).

The consultants found:

'The Leichhardt Park Aquatic Centre has been extremely successful in attracting significant numbers of residents from the Leichhardt LGA to participate in a range of aquatic and fitness programs and activities. Regular evaluation of the income and expenditure and customer satisfaction reflects enormous credit on Council with users very supportive and complimentary about the centre, its staff and its programs. The centre and its management have won prestigious leisure awards and are considered a "benchmark" by other Councils operating or redeveloping outdoor swimming centres.'

The consultants also stated: *'A significant number of users frequent the LPAC more than once a week. Many of these are over 60 years in age and are very supportive of the opportunities provided by the pools, the gym and aqua programs.'*

However, they also found that *'There is substantial pressure on existing water space created by a learn to swim program that continues to grow and with an aging population, existing and latent demand for hydrotherapy and exercise classes in warm water...The existing indoor pool is at capacity and there is significant demand for more classes, particularly preschoolers. The demographic information supports this with the increase in births and the high percentage of those at an age where they have pre-school children or are likely to marry and start a family. There is also a rise in the number of older residents who would potentially use the hydrotherapy pool and enrol in aqua classes were there is space and time available.'*

Furthermore, *'The gym is very popular and will continue to receive support from the projected population demographic that the LPAC serves. It requires significantly more space to meet the needs of both members and staff. To do this economically requires one large area rather than a second storey or two separate rooms that require additional staff supervision...The stakeholder consultation identified a number of issues that included the upgrading of the existing changerooms and toilets to current expectations, providing a more efficient layout and quality, easily cleaned surfaces...and the need for an attractive area for children and families that incorporates playground equipment and water play on the lower level [of the centre] with shade, seating and BBQ facilities.'*

Therefore, in order to retain existing patrons and cater for the needs of the projected population increase within the LGA over the next ten years, the LPAC is planned to be redeveloped in the following manner:

1. An upgrade of the existing toilets and changerooms;
2. The provision of a *large 'regional'* style traditional playground on the lower part of the site which incorporates simple water play *'sprinkler style'* systems with shallow water channels;
3. Construction of a new fitness centre overlooking the diving pool, and utilising the space above the existing plant room and adjacent to the northern concourse of the diving pool; and
4. The provision of a new indoor pool.

These works are expected to cost \$5,000,000. Because these works have a community and recreation focus, \$2,500,000 is sought via this plan and the other \$2,500,000 via the Open Space and Recreation (OS&R) Developer Contributions Plan. In accordance with the apportionment principles established in the OS&R Plan for the LPAC, 73% of the costs of these works are to be met by Council on behalf of existing regional users whilst 9% is to be paid for by employees, and the remaining 18% by incoming residents.

Nexus & Apportionment Information – Childcare Facilities & Services

Information contained within Council's Population Projections 2001-2011 indicates that nearly 70% of Council's incoming residents between 1996 and 2001 were aged between 20 and 40 years of age. Coinciding with the age structure of these new residents are statistics that indicate that the birthrate within the LGA has been increasing between 1996 and 2001 (*Births and Deaths Data – Leichhardt LGA Contained Within Leichhardt LGA Population Projections 2001 – 2011*).

In light of this information, it is reasonable to expect that a proportion of these incoming residents will seek to utilise childcare services provided or supported by Leichhardt Council during the life of this plan. Discussions with relevant Council staff have indicated that these services are currently at capacity. This was determined on the basis that there are no spare places currently available.

Assuming that the age structure of future residents over the next ten years will be similar to those that moved to the LGA during the previous five years, Council will be required to plan for the likely additional childcare demands arising from these incoming residents and employees. General details of those plans and the share of the costs of the proposed works and/or one-off programs that are to be attributed to incoming residents and employees are described below.

1. Childcare Facility and Services - Leichhardt Park Aquatic Centre - Lilyfield

Council's Leichhardt Park Aquatic Centre is a regionally significant recreation facility that has a community facility/service as one of its components. The centre has a childminding service that is available to members and casual participants. Bookings for the service can be made by members a week in advance, with a maximum of three (3) bookings per week. Casual participants can contact the centre after 8 am the morning they would like to use the facilities. This service is available from Monday to Friday 9am – 1.30pm (*Given the hours of operation of this service, it is not expected that it is patronised by local employees*).

In order to manage the increased demand that is likely to be generated by the increased residential population in the LGA between 2001 and 2011, the aquatic centre is planning to undertake improvements to this community facility/service within the next ten years. These improvements are likely to include changes to room layouts, toilet provision, changes to storage capacity and changes to the external shaded area. Currently, the child care facilities may cater for up to 18 children per

hour, however it is expected that these changes would permit the service to cater for an additional 10 children. These alterations are expected to cost \$150,000. Although the incoming population has generated the need for this work, it is likely that existing residents/patrons will also benefit from these planned alterations. Accordingly, 13% of the cost is to be attributed to incoming residents whilst the remaining 87% will be attributed to Council on behalf of existing residents and regional users.

2. Long Day Childcare Services – Leichhardt LGA

The term 'long day childcare' is derived from the long hours in which these centres are operated. Leichhardt Council has three long day childcare centres:

- Annandale Childcare Centre;
- John McMahon Childcare Centre (Balmain); and
- Leichhardt Children's Centre.

These centres contain a total of 110 childcare places. With the exception of Annandale (which only caters for 0-3 year olds) these centres provide care for children aged from 0-5 years.

Table 12 below shows those child care places in the context of other (private) child care places that are available within the LGA.

Table 12: Long Day Child Care Centres and Places as at May 2004

LGA Long Day Child Care Places (2004)			
Location of Child Care Centre	Licensed Places (0-2 years)	Licensed Places (3-5 years)	Total Licensed Places
Rozelle			
Rosebud Cottage	19	-	19
Rozelle Child Care Centre	31	25	56
St. Thomas	52 (2 year olds only)	-	52
<i>Subtotal</i>	<i>102</i>	<i>25</i>	<i>127</i>
Leichhardt			
Styles Street	16 (2 year olds only)	44	60
Leichhardt Child Care Centre	30	15	45
Tiny Tots Cottage	-	25	25
<i>Subtotal</i>	<i>46</i>	<i>84</i>	<i>130</i>

Balmain			
Balmain Child care Centre	28	10	38
Balmain Cove Children's Centre	29	30	59
John McMahon Child Care Centre	35	-	35
Care for Kids	33	36	69
<i>Subtotal</i>	<i>125</i>	<i>76</i>	<i>201</i>
Annandale			
Annandale Child Care Centre	30 (can include 3 year olds as well)	(See next column)	30
<i>Subtotal</i>	<i>30</i>		<i>30</i>
Total	303	185	488

Source: Leichhardt Council Children's Social Plan 2002-2005 and information provided via a telephone survey of providers – May 2004.

Apart from their childminding component, these centres provide an educational program to children to meet their developmental needs. Relevant Council staff have indicated that there are very limited places for children aged 0-2 years in private childcare centres of the LGA. Accordingly, Council has been required to meet the present and likely future child minding needs for this age cohort by altering the age structure of its intake for one of its existing centres (John McMahon) and to relocate this centre to a more environmentally suitable site at Mort Bay (*Note: Funds for this relocation are not being sought under this plan*).

Additionally, the likely increase in population within the LGA over the next ten years is considered by Council's child care service planning staff to warrant the construction of a new 40-child childcare centre within the LGA. Because existing residents and local employees are also likely to benefit from this service as well, a proportion of the costs of this new facility are to be attributed to the existing population and local employees which will be funded by Council. These conclusions on future service provision by Council's childcare service planning staff are supported by population statistics relating to this issue, which are provided below.

The number of children within the post boundary change Leichhardt LGA in 2004 is estimated to be 2,677.

Similarly, the number of children within the post boundary change Leichhardt LGA by the end of 2011 estimated to be 2,811.

Source: Compiled from Leichhardt LGA Population Projections 2001-2011 (pp. 14 & 41)

This represents an increase of 134 children during this period. State or Commonwealth Government bodies do not have standards relating to the provision

of child care facilities per capita. Nonetheless, the likely increase in children is considered to warrant the provision of an additional dual use facility that also caters for additional 'occasional care' needs that have also been generated from the expected increased residential and employee population within the LGA over the next ten years.

The construction of an additional childcare centre within the LGA will be likely to involve the purchase of a site and construction of a purpose built structure. The combined cost is expected to be \$4,000,000.

Although the incoming population has generated the need for the additional facility, it is likely that existing residents/patrons/local employees will also benefit from this additional service. Accordingly, 9% of the cost of these works have been attributed to local employees, 10% of the costs attributed to incoming residents and the remaining 81% will be apportioned to Council on behalf of existing residents, existing local employees and regional users.

3. Occasional Care in the LGA

Children from birth to 5 years of age may be cared for in occasional care centres for a few hours each week. This gives parents time away from their children to attend to other matters such as shopping, visiting the doctor, and other such tasks. Council, through these centres, employs a coordinator/registered nurse and two assistants. The centres are also staffed by parents and volunteers on a roster system. Council provides the financial support for this service by providing the employees and the venue in which the services are held. In this regard occasional care services are held at Annandale Neighbourhood Centre and Rozelle Neighbourhood Centre (which is privately owned and operated).

The main restriction to any expansion of this service is the hours that the service is able to operate within the respective neighbourhood centres. The neighbourhood centres are utilised for a variety of purposes of which occasional care is only one. The service is currently running at capacity with ongoing requests being received from existing users for an expansion of the hours that the service operates. Therefore, it is considered that the only way in which this service could accommodate additional patronage generated by additional residents within the LGA is through additional hours of operation as part of an additional dual purpose child care facility which would also cater for additional child care needs within the LGA. As described above, the costs for this additional facility are to be apportioned between future residents and local employees and Council (on behalf of existing residents and local employees and regional users).

Nexus and Apportionment Information – Community/Neighbourhood Centres/ Aged and Youth Facilities and Services/ Cultural Facilities

Council's existing community/neighbourhood centres at Annandale, Lilyfield and Rozelle are run at capacity at present. This has been determined based on the current bookings for these centres. These centres accommodate a broad range of needs such as youth space, meeting space, occasional childcare, playgroups and

seniors programs. Single centres can be adapted for a variety of uses over their lifetime.

The only means for accommodating additional demands placed on these facilities, by the expected population increase over the next ten years, would be either through additions to these centres, the creation of additional centres, and/or equipment upgrades in the existing centres. Council's Neighbourhood and Community Centres Coordinator has advised that there is limited capacity on these subject sites to accommodate any additional floor area. Accordingly, it is expected that the additional demand for these facilities will be accommodated through the construction of additional neighbourhood/community centres within the LGA and equipment upgrades as detailed below.

To address the demand for neighbourhood/community centres generated by the expected population increase, it is envisaged that two additional centres will be required to satisfy this demand along with equipment upgrades within community centres at Rozelle and Annandale.

1. Community/Environmental Education Centre within the Whites Creek Open Space Corridor

A building within this corridor is proposed to be converted into a meeting area with adjacent offices, which are likely to be tenanted by local community groups. Space within this structure is also intended to be utilised as a gallery, studio or rehearsal space. It is considered that the LGA is a place where a broad range of artists live and work. It is also considered that supporting and strengthening of local and regional community arts activities benefits the whole community. It is envisaged that the alterations to this structure to convert it into a community centre for the benefit of all sections of the community (including the aged, youth and others), will cost approximately \$600,000. Because of its proposed multi-purpose use, some of the funds for this centre have been sought under the Open Space and Recreation Developer Contributions Plan No. 1 - \$300,000, whilst the remainder (\$300,000) is being sought under this plan.

Although the incoming population has generated the need for this work, it is likely that existing residents/local employees will also benefit from these planned changes. Accordingly, 13% of the cost is to be attributed to incoming residents whilst the remaining 87% will be attributed to Council on behalf of existing residents.

2. Additional Multi-Purpose Neighbourhood/Community Centre Within the LGA

It is envisaged that this building would accommodate a variety of needs including indoor recreational activities (ie. basketball court and a variety of youth activities). Additionally, it is likely to have up to 3 meeting rooms as well as kitchen and dining facilities. No site has been earmarked for this facility at present. Accordingly, to facilitate the construction of this additional centre it is envisaged that the site will need to be purchased by Council and the required building erected on the acquired land. This project is envisaged to have a total cost of \$6,500,000. Because of the planned multi-purpose use of this facility, 50% of the cost of the construction of this

facility has been included within the Leichhardt LGA Developer Contributions Plan No.1 Open Space and Recreation Facilities.

Although the incoming population has generated the need for this additional facility, it is likely that existing residents/patrons will also benefit from these planned changes. Accordingly, 13% of the cost is to be attributed to incoming residents whilst the remaining 87% will be attributed to Council on behalf of existing residents.

3. Equipment Upgrades – Hannaford Centre & Annandale Community Centre – Rozelle.

The Hannaford Centre building in Darling Street Rozelle and the Annandale Community Centre in Johnston Street, Annandale are utilised for the delivery of Council's aged services programs. Although, there is no capacity for additions to these centres on their respective sites, these centres could cater for some additional demands for the aged services programs through additional and upgraded equipment, which includes additional chairs, audio visual equipment, hearing loops, and upgraded toilet facilities. These upgrades total \$150,000 for the Annandale and Hannaford Centres.

Although the majority of the need for the equipment upgrade has arisen from the increased population, 13% of the cost of this program is to be attributed to the incoming resident population. The remaining 87% of the costs are to be met by Council on behalf of existing residents who will also benefit from these improvements.

D.2.2.b Discounting/Calculation of the Contribution Rate

This plan has been prepared on the basis of the likely needs of the increased employee and residential population of the LGA and the maintenance of public amenity standards with the population increase. The works required to meet these needs or to maintain the public amenity standards are included in the works schedule of this plan (see section D.2.2.f of this plan). The costs apportioned to the developers of employment generating and residential development within the schedule have been used to determine the per resident and per employee monetary contribution figures, as shown in the following process and explanatory formulae provided below.

Determination of the Library Equipment Levy

This was calculated by obtaining from the Manager of the Leichhardt Library in 2004 the total value of the LGA's library stock (including fiction, reference books and computer software), which came to \$3,523,871. This was then divided by the estimated current LGA population (2003) from Council's Population Projections 2001-2011 of 49,572 to give a per person (resident) value for the stock of \$71.08 (rounded down to **\$71 per new resident**). To obtain the equivalent employee rate this was multiplied by 9% (based on the apportionment principles established elsewhere within this plan) to yield a rate of \$6.39 which was then further discounted by 27.96% (to take into account employees who are also residents) to yield a rate of \$4.61 which was then rounded up to **\$5.00 per new employee**.

Contributing Residential Population – Adjusted Apportionment Rates

A check of the performance of Council’s 1996 Community Facilities and Services Contributions Plan, using data in Council’s developer contributions register, revealed that only a percentage of the persons that formed part of the residential population increase within the LGA between 1996 and 2001 contributed to the works schedule items in this plan. Approximately 50% of the increased population during this period paid for contributions under the 1996 plan (*this occurs because population increases can occur from a variety of sources (for instance natural increase), not just from the occupation of new development*).

Similarly, it is envisaged that approximately 50% of the expected residential population increase, over the life of this plan, will be contributors. Therefore to set a realistic contribution rate that will achieve the work schedule items in the plan, the expected non-contributors have been excluded from the calculation of the residential contribution rate.

The apportionment rates for existing and future residents for each community facility have therefore been adjusted so that, Council shoulders the burden of the non-contributors and the existing residents, and the new residents (resulting from new development) contribute for their share of the facilities. The apportionment rates for each facility are adjusted as follows:

Table 13: Adjusted Apportionment Rates

Community Facilities	Apportionment		
	New Employees	New Residents	Council
Additional Multipurpose Community Centre	-	13%	87%
Whites Creek Corridor Community / Environment Centre	-	13%	87%
Leichhardt Park Aquatic Centre Upgrade (excluding child care component upgrade)	9%	18%	73%
Additional Child Care services centre	9%	10%	81%
Alterations to Child Care at Leichhardt Park Aquatic Centre	-	13%	87%
Balmain Library – Alterations & Additions	9%	10%	81%
Additional Equipment - Aged Persons Programs	-	13%	87%

The calculation for the residential contribution rate is as follows:

Total cost of works within the works schedule of this plan allocated to developers of new residential development
<hr/>
Likely contributing population (total number)
+ Library Equipment levy
= Per resident community facilities and services monetary contribution figure
$\frac{\$1,815,550}{1240} + \$71 = \$1,535.15 \text{ (rounded down to } \mathbf{\$1,535})$

Table 17: Works Schedule (Costings and Priorities) documents the total costs of the works and identifies that portion allocated to developers of new residential development.

D.2.2.c Determination of the Employee Contribution Rate

Discounting for Employees who are also residents

The employee contribution rates within this plan have been discounted for all contributors, to address the problem of ‘double dipping’ (mentioned earlier in section D.2.1.d (iii) of this plan). In this regard, the costs allocated to the developers of employment generating development in the works schedule have been reduced by 27.96%, to take into account those employees who are also residents (see section D.2.1.d (iii) for more information). This has been implemented in the works schedule of the plan.

Therefore:

Discounted total cost of works within the works schedule of this plan allocated to developers of new employment generating development

**Total number of expected additional employees within the LGA to 2011 known at the time of the preparation of this plan
(ie. MBS site increase detailed in section D.2.1.c of this plan)**

+ library equipment levy

= Per employee community facilities and services monetary contribution figure

$$\frac{\$677,536}{2,057} + \$5 = \$265 \text{ per employee}$$

(Rounded down to the nearest whole number)

Note: Developers of new or enlarged employment generating development are to be levied under this plan based on standard employee occupation rates (refers to section D.2.1.d (iv) and section D.2.2.e.(ii) for additional information).

D.2.2.d Credits

Note: Employee credits cannot be used as residential credits or the reverse.

Residential Development

When the dwelling no longer exists, a residential related credit will be given for the existing/former population of a site at the rates shown in Table 14 below. The dwellings being credited must have been present on the site within the previous five (5) years (from the date of adoption of this plan) to enjoy the credit. The onus is on an applicant to prove the existence of any dwellings as part of any development proposal.

Table 14: LGA Occupancy Rates by Dwelling Type (2001)

Dwelling Type	Occupancy Rate (Persons per Occupied Private Dwelling)
Separate house	2.47
Semi-detached, row or terrace house, townhouse etc.	2.17
Flat, unit or apartment: (total)	1.65

Other dwelling (total)	2.10
------------------------	------

Source – ABS 2001 Census – First Release Data (Note: 'Other dwelling total' includes dwellings attached to shops and offices etc.) as quoted in "Leichhardt LGA Population Projections 2001-2011 produced by the Strategic Planning Dept. Leichhardt Council.

Note: Post May 2003 Boundary Change area only

Separate house for the purposes of this plan refers to a detached house/dwelling.

Note: These occupancy rates have been chosen on the basis that they are to be utilised when the dwelling no longer exists and irrespective of whether the size of the subject dwelling is able to be determined.

See Example 1 below for an illustration of the practical application of these credit rates.

Example 1: An applicant is proposing to erect a multi-unit development that will support an expected population of 15.58 persons. Two semi-detached row houses occupied the site up until three years ago at which time they were demolished. Therefore, using the relevant information in Table 14 above, the applicant would be able to claim a credit of $2.17 \times 2 = 4.34$ persons. Accordingly, the total population to be levied would equate to 11.24 persons.

Where an existing dwelling(s) still exists on the subject site but is proposed to be demolished as part of the development proposal, then an applicant shall utilise the dwelling size occupancy rates shown in this plan for credit purposes (see Table 4 in section D.2.1.d (ii) for more information).

See Example 2 below for an illustration of the practical application of these credit rates.

Example 2: An applicant is proposing to erect a multi-unit development that will support an expected population of 15.58 persons. Two semi-detached row houses currently occupy the site, but these are proposed to be demolished as part of this development proposal. Both residences have an area each of 113 m^2 . Therefore, using the relevant information in Table B of this plan, the applicant would be able to claim a credit of $2.57 \text{ persons} \times 2 = 5.14$ persons. Accordingly, the total population to be levied would equate to 10.44 persons.

Employment Generating Development

An employee related credit will be given for any employment use existing on the site in the previous five years (from the date of the adoption of this plan) based on the standard floor rates mentioned in sections D.2.1.d.(iv) and D.2.2.e.(ii) of this plan.

See Example 3 below for an illustration of the practical application of these credit rates.

Example 3: An applicant is proposing to build a new modern industrial building with a floor area of 255.3 m² on a site for the purposes of commencing a manufacturing use. Using the information in Table C of this plan, the proposed development would support an expected employee population of 3 persons. The site is currently occupied by a smaller older style industrial building measuring 144.2m² that until last year contained a manufacturing use. Therefore, using the relevant information in Table C of this plan, the applicant would be able to claim a credit of two persons (144.2 divided by 72.1= 2 persons). Accordingly, the total population to be levied would equate to 1 person.

D.2.2.e Contribution Rates

The contribution rates for the funding of new or improved community facilities and services under this plan are provided below.

Note: These monetary contribution rates will be adjusted on an annual basis (from the 1 July 2006) in accordance with any positive or negative percentage changes in the indices shown in section C.4 of this plan.

D.2.2.e.(i) Monetary Contribution Rates (Residential)

Table 15: Maximum permitted floor space ratio by density area

Density Area (current suburb boundaries)	Maximum Permitted Floor Space Ratio
Leichhardt	0.5:1
Annandale	0.6:1
Balmain	0.7:1

Monetary Contribution Rates – for Residential Development Involving Land Subdivision

Depending on the size of the proposed allotments, and utilising the maximum permitted floor space ratio, shown above (minus assumed internal car parking areas - 20m² per dwelling), then utilise the table below to determine the relevant monetary contribution based on the resultant gross floor areas.

Example: An additional 240m² allotment is to be created within the suburb of Leichhardt. This allotment would have a maximum permitted gross floor area of 120m². When the assumed internal parking areas are subtracted (20m²), then the resultant predicted floor area for the site is 100m². Using the table below (ie. the > 53m² – 106m² category), this would attract a monetary contribution of \$2,947.

Table 16: Monetary Contribution Rates – for Residential Development Not Involving Land Subdivision

Dwelling Size (Gross floor area as defined within this plan)	Monetary Contribution (based on a rate of \$1,535 per person)	Assumed Occupancy Rate
53m ² or less	\$2,042	1.33
>53m ² – 106m ²	\$2,947	1.92
>106m ² – 160m ²	\$3,945	2.57
>160m ² – 215m ²	\$5,066	3.30
>215m ²	\$6,109	3.98

Note: The monetary contribution rates have either been rounded up or down to form whole numbers

C.2.2.e(ii) Monetary Contribution Rates (Employment Generating Development)

Table 16: Contribution Rates – Employment Generating Development

Monetary rate per employee: \$265 based on the standard floor area rates per employee stated below.

Development Type	Floor Area per employee (m ²)
Retail/Commercial Uses	
Row Shops with frontage to a street	22.3m ²
Speciality Shops in Centres of Arcades	20.4m ²
Supermarkets	48.0m ²
Department Stores	40.1m ²
Showrooms	85.1m ²
Modern Offices	17.7m ²
Offices above Row Shops	19.0m ²
High-Tech Industrial Building Used For:	
Manufacturing	31.6m ²
Wholesale/Retail	47.7m ²
Financial/Property/Business Services	37.3m ²
Older Style Industrial Building (circa <1960) Used For:	
Manufacturing	72.1m ²
Wholesale/retail	82.4m ²
Modern Industrial Building Used For:	
Manufacturing	85.1m ²
Construction	124.2m ²
Wholesale/Retail	73.6m ²
Transport/Storage	66.5m ²
Financial/Property/Business Services	32.6m ²
Modern Multi-Unit Industrial Complex Used For:	
Manufacturing	57.9m ²

Construction	77.3m ²
Wholesale/Retail	86.6m ²
Transport/Storage	81.4m ²

Note 1: Contributions will be calculated on the basis of the total increase in floor area, whether or not this represents a fraction of the rate for a single employee (if the increase results in at least one additional employee).

Note 2: Where a building is to be erected and the future uses are not known at the time that the development proposal is submitted, the employee rate to be utilised will be an average of all of the examples for that particular building type (ie. for a modern multi-unit industrial complex, the rate would be an average of the rates for manufacturing, construction, wholesale/retail and transport/storage for that building type).

Example 1: A wholesale/retail business within a modern industrial building is planning to construct a mezzanine floor within their premises with a view to expanding their business. The mezzanine will have a floor area of 85m². Utilising the table above, the standard rate for one employee for this business is 73.6m², which has an equivalent monetary value of \$334. Accordingly, utilising this floor area rate for one employee in relation to the proposed gross floor area of the mezzanine, this business will be required to contribute the equivalent of one employee \$334, plus the remaining portion of the mezzanine as a fraction of one employee, as shown in the following calculation:

$$85 - 73.6 = 11.4\text{m}^2$$

Then divide this figure by the rate for one employee to convert the remaining portion of the mezzanine into a fraction of one employee = $11.4/73.6 = 0.15$,

Then multiply $0.15 \times \$334$ to get the monetary equivalent for the remaining portion of the mezzanine = \$50.10

Therefore the total contribution for the mezzanine is $\$334 + \$50.10 = \$384.10$
(Rounded down to \$384)

D.2.2.f Works schedule

The following works schedule comprises changes to Council's community facilities and service provision that are required to service the likely demands generated by the expected resident and employee population increases in the LGA, up to the year 2011, as explained in section D.2.2.a of this plan.

Where known, the total costs for these changes have been broken down into their component parts, that is the:

- Land Acquisition Component (L);
- Construction Component (C); and
- Other Goods (O) (ie. equipment costs).

For the purposes of this plan the construction costs also include design costs where these are to be carried out by an external consultant.

The inclusion of component costs within the schedule will facilitate a reasonably accurate indexing of the work schedule costs on an annual basis (see section C.4 of this plan for additional information).

As previously mentioned, the work schedule has projects that are to be carried out until 2011. The costs shown in this schedule (which are estimates) have been based on information that was current at the time of the drafting this plan. Therefore, it is expected that the final costs for the projects under this plan will vary by the time that they are implemented.

Priority system

The items on the works schedules have been given a priority listing, ranging between 1-4, with a rating of 1 being the highest priority items and 4 being the lowest priority items.

These have been based on Council's current work priorities (*these may change from time to time depending on changing community needs*).

Table 17: Works Schedule (Costings and Priorities)

<i>Schedule of Works</i>	<i>Total Cost (\$) (L) Land Component (C) Construction component (O) Other Goods etc</i>	<i>Developer Portion (\$) (Employ. Gen Dev.)</i>	<i>Developer Portion (\$) (Residential Dev.)</i>	<i>Council Portion (\$)</i>	<i>Overall Works Priority (Ranked in order of priority – highest 1 to lowest priority 4)</i>
1. Additional Multi-use Community Centre (Youth, Aged etc.)	6,500,000 50% CF&S Plan, OS&R Plan 50%. Therefore 3,250,000 this plan comprising 1,000,000 (L) 1,000,000(C)	Not Applicable	422,500	2,827,500	4
<i>(Apportionment)</i>	-	N/A	13%	87%	-
2. Whites Creek Corridor, Leichhardt/Lilyfield/Annandale – Community/Environmental Education Centre	600,000 50% CF&S Plan, OS&R Plan 50%. Therefore 300,000 this plan comprising 100% (C)	Not Applicable	39,000	261,000	1
<i>(Apportionment)</i>	-	N/A	13%	87%	-

Schedule of Works	Total Cost (\$) (L) Land Component (C) Construction component (O) Other Goods etc	Developer Portion (\$) (Employ. Gen Dev.)	Developer Portion (\$) (Residential Dev.)	Council Portion (\$)	Overall Works Priority (Ranked in order of priority – highest 1 to lowest priority 4)
3. Leichhardt Park Aquatic Centre Upgrade (Excluding child care component upgrade – see below for further information)	5,000,000 (C) 50% CF&S Plan, OS&R Plan 50%. Therefore 2,500,000 this plan comprising 100% (C)	225,000	450,000	1,825,000	1
<i>(Apportionment)</i>	-	9%	18%	73%	-
4. Additional Child Care Services Centre	4,000,000 1,500,000 (L) 1,500,000 (C)	360,000	400,000	3,240,000	4
<i>(Apportionment)</i>	-	9%	10%	81%	-
5. Alterations to Child Care at the Leichhardt Park Aquatic Centre	150,000 (C)	Not Applicable	19,500	130,500	1-3
<i>(Apportionment)</i>	-		13%	87%	-
6. Balmain Library – Alterations and Additions	3,000,000 (C)	270,000	300,000	2,430,000	1
<i>(Apportionment)</i>	-	9%	10%	81%	-

Schedule of Works	Total Cost (\$) (L) Land Component (C) Construction component (O) Other Goods etc	Developer Portion (\$) (Employ. Gen Dev.)	Developer Portion (\$) (Residential Dev.)	Council Portion (\$)	Overall Works Priority (Ranked in order of priority – highest 1 to lowest priority 4)
7. Additional Equipment - Aged Persons Programs– Hannaford Centre & Annandale Community Centre	150,000 (O)	Not Applicable	19,500	130,500	1
<i>(Apportionment)</i>	-	N/A	13%	87%	-
TOTAL WORKS	13,350,000	855,000	1,650,500	10,844,500	-
Subtotal				+188,730	
Revised subtotal	13,350,000	Employee total reduced by 27.96% to avoid double dipping & this cost transferred to Council total → (-239,058) 615,942	1,650,500	11,083,558	
Plus service charge (10%)	See next columns (sum of a + b included below) 226,644	(a) 61,594	(b) 165,050	-	
Sub-total (inclusion of total service charge)					
TOTAL	13,576,644	677,536	1,815,550	11,083,558	-

Part E - Supporting Information

E.1 Bibliography

Section 94 Contributions Manual (2nd edition), 1997, Department of Urban Affairs and Planning.

Leichhardt Town Plan – Leichhardt Municipal Council.

Review of Business and Industrial Lands in Leichhardt – Urbis Pty Ltd, June 2002.

E.2 Glossary:

ABS: Australian Bureau of Statistics.

Apportionment: is the method of identifying and adjusting developer contribution requirements to ensure that a contributing (levied) population only pays for its share of the total demand for the facility.

Contributions plan: a contributions plan is a public document prepared by Council pursuant to section 94 of the EP&A Act and the Regulation. This document describes Council's policy on the collection and management of contributions. A contributions plan provides, amongst other matters, details of the following:

- The purpose of the contributions plan, and
- The land to which it applies.

Community Facilities and Services: For the purposes of this plan, refers to those facilities and services that Council provides to support, educate and enrich the local community (eg. child care and neighbourhood centres).

Council: refers to Leichhardt Council unless otherwise stated.

Development: relates to land, under section 94 of the EP&A Act, in the following way:

- The erection of a building on that land;
- The carrying out of a work in, on, over or under that land;
- The use of that land or of a building or work on that land; and
- The subdivision of that land.

Development Contribution: is a contribution from developers comprising the dedication of land (free of cost), or the payment of a monetary contribution, or both, for the purpose of partly or wholly supplying new or improved public amenities or services required as a consequence of the demands generated by their new development. These development contribution requirements are required to be reasonable and to be embodied within an approved developer contributions plan before they are imposed upon developers.

Note: A reference to a ‘development contribution’ may also include a reference to undertake works as an alternative to the full or partial payment of a monetary contribution, or dedication of land, or both. For example, a section 94 plan may include provisions for the offer of a material public benefit (ie. for works in kind).

Dwelling: means a room or suite of rooms occupied or used or so constructed or adapted as to be capable of being occupied or used as a separate domicile.

Dwelling house: is a building containing one (but not more than one) dwelling.

Employment Generating Development: means any land use, other than residential, which typically involves the use of employees (ie. retail, commercial, industrial uses etc., irrespective of the zoning of the site upon which it operates).

EP&A Act: unless stated otherwise the EP&A Act for the purposes of this plan, means the *Environmental Planning and Assessment Act 1979* (as amended).

Gross Floor Area: in this plan has a similar meaning to the definition of ‘gross floor area’ within the *Leichhardt Local Environmental Plan 2000*, with the exception that areas used for car (vehicular) parking are not included. Therefore, for the purposes of this plan, gross floor area, means the total area of a buildings floorplates, measured between the outer edges of the outside walls or the centre line of any party wall, and includes mezzanines, attics, lofts and studios. It does not include projections outside the external walls of the building, paved areas, voids, any internal carparking spaces, including basements or garages or any other areas used for car parking purposes.

Local Government Area (LGA): unless otherwise stated this refers to the Leichhardt local government area.

LMC: Leichhardt Municipal Council.

Material Public Benefit (MPB): Council may accept an offer from a developer of a MPB in lieu (partially or fully) of the contribution requirements imposed on the developer via the issuing of a development consent or complying development certificate. Although an MPB is not defined under the EP &A Act, DIPNR accepts that an MPB would comprise some physical (material) component (other than the dedication of land or the payment of a monetary contribution – as stated in section 94(5)(b) of the EP&A Act.

An offer by a developer to undertake works, or the provision of a facility (or facilities) which is/are nominated in the works schedule of a section 94 plan in lieu of their section 94 contribution requirements, arising from the issuing of a development consent, complying development certificate or subdivision certificate is an example of an MPB offer. The works, which are the subject of this type of offer, are commonly called ‘works in kind’.

Median: 'Situated in or relating to the middle – the middle number in a given sequence of numbers' (The Macquarie Concise Dictionary. Third Edition 1998. P.708); 'A median is a measure of central tendency. It is a mid value which divides a population distribution into two, with half the observations falling below it and half above it.' (ABS Regional Profiles 1998 - Leichhardt LGA 1998. Glossary Section).

Medium Density Housing: refers to townhouses, walk up residential flat buildings and similar development.

Nexus: is the relationship between the expected types of development in the *area* and the demand for additional public open space and recreational facilities required to meet the demands created by that development.

Note: *a relevant judgement the NSW Land and Environment Court has held that the term 'area' in section 94 of the EP&A Act can mean the local government area of a particular council.*

Occupancy Rate: For the purposes of this report, is the result of dividing the number of occupied private dwellings by the number of persons in occupied private dwellings.

Planning Agreement: is a legally binding voluntary deed of agreement between Council and a developer concerning the provision of public services and facilities, the need for which has been generated by the developer's development proposal.

A planning agreement can occur either as an alternative to or co-exist with the contribution requirements of a developer contributions plan. Although this planning concept is not included in the EP&A Act and Regulation, it has been mentioned in this section 94 contributions plan on the basis that a draft bill is currently in the State Parliament on this issue which would create the required legislative support for this concept. Therefore, this plan will be able to accommodate its implementation, subject to the inclusion of any necessary amendments to the plan.

Private Dwelling: 'Usually a house, flat or part of a house, but can also be a house attached to, or rooms above, shops or offices; an occupied caravan in a caravan park or on a residential allotment; a craft in a marina; a houseboat; or a tent if it is standing on its own block of land. Manufactured home estates and self-care units for the retired or aged are also treated as private dwellings' (ABS – Sydney ...A social Atlas 1996. p.85. (Note: Non-private dwellings are hospitals and hotels etc.))

Public amenity, public infrastructure and public facility: are synonymous terms, which in respect to section 94 include all capital items which may be required as a consequence of expected development.

Regulation: Unless stated otherwise the Regulation for the purpose of this plan means the *Environmental Planning and Assessment Regulation 2000* (as amended).

Separate house: for the purposes of this plan refers to a detached house/dwelling.

Sources of this Glossary:

1. Report to the Minister for Urban Affairs and Planning from the Section 94 Review Committee, April 2000, titled – ‘Review of the Developer Contributions System – Section 94 Environmental Planning and Assessment Act 1979’.
2. Section 94 Contributions Manual – Second Edition 1997, Department of Urban Affairs and Planning.
3. Relevant sections of this draft sections 94 contributions plan.
4. *Environmental Planning and Assessment Act 1979* (as amended) with notes prepared by the Lawbook Company.
5. *Environmental Planning and Model Provisions* (as amended) with notes prepared by the Lawbook Company.
6. Draft New South Wales Parliament Bill – *Environmental Planning and Assessment Amendment (Planning Agreements) Bill 2003*.
7. *Leichhardt Local Environmental Plan 2000*.