

PORT MACQUARIE - HASTINGS COUNCIL

ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

PORT MACQUARIE - HASTINGS CONTRIBUTIONS PLAN 1993
Version 1.6

Commenced 1 July 1993, and incorporating amendments to April 06.

CONTENTS

Introduction

Part A - Council Roads (Repealed)

Part B - Bushfire Services (Repealed)

Part C - Car Parking

1. Purpose of the Plan
2. Land to which the Plan applies
3. Establishment of nexus
4. Formula for determining contributions
5. Contribution rate
6. Timing of payment of contributions
7. Deferral of Payment
8. Valuation of material public benefit
9. Acceptance of works-in-kind in lieu of cash contributions
10. Monitoring review and adjustment of rates
11. Works schedule
12. Pooling of contributions

Part D - Community Facilities (Repealed)

Part E - Open Space (Repealed)

History of Amendments

PORT MACQUARIE - HASTINGS COUNCIL

Introduction

Section 94 of the Environmental Planning and Assessment Act, 1979 allows Council to levy a charge to cover costs associated with development in the Local Government Area. This is a contribution paid to cover the costs of infrastructure and facilities provided by Council to meet the demands of future population growth and urban development.

Contribution Plans may be made in a number of forms including:

- geographic areas such as a local government area or a particular precinct;
- particular types of areas such as an industrial area, a major commercial area or neighbourhood shopping centres;
- particular categories of service or facility, which can be linked to a geographic area such as car parking for the local government area, community facilities in residential districts or open space; and
- an unexpected new development, being one that is not covered in an existing contributions plan.

The key principles in the application of Section 94 can be summarised as follows:

- it is the sole power under the Environmental Planning and Assessment Act for levying developer contributions for public amenities and services. Section 94 of the Act gives consent authorities the power to attach conditions of consent requiring contributions in the form of money or land or both;
- in levying a contribution, a Council must establish a nexus between the development and the demand for additional services and facilities generated by that development;
- the contribution levied must relate to a planning purpose, that is, it must relate to:
 - the content of an environmental planning instrument;
 - a matter listed in Section 90 of the Act; or
 - the objectives of the Environmental Planning and Assessment Act.
- a contribution must fairly and reasonably relate to the development which is being levied. The development being levied must derive some benefit from the public facility provided, although this does not have to be an exclusive benefit;
- the contribution must be reasonable, it cannot be used to make up backlogs in the provision of facilities in an area. Nor can the contribution be levied at a rate which would result in the provision of facilities far in excess of the demand generated by the development;
- a contribution can normally only be used for the provision of capital costs and not recurrent funding. The exception is roads where re-current funding in some situations has been permitted;
- a contribution must be spent in a reasonable time. Reasonable time relates to the type of facility being levied for, the nature of the development being levied and the timing of both;
- contributions cannot be open ended, that is, the conditions of consent must be definitive, stating the amount of contribution and the purpose for which it will be used;
- conditions of consent run with the land, not the applicant. This must be made clear to any person who proceeds with the development consent at a later date;

PORT MACQUARIE - HASTINGS COUNCIL

- regardless of whether development occurs in a new release area or in an existing urban area, Section 94 principles apply equally; and
- subject to satisfying the nexus test, all future development, whether by the Crown or by a private developer will create a demand for additional facilities. However, Crown development for public facilities such as libraries, schools and hospitals would not create such a demand and should not be required to make contributions.

Essentially, all contributions received by Council, be it land, money or a material public benefit, should be brought to account as revenue. A special reserve will be established that can hold contributions and this should be as restricted assets. Any interest accrued within these funds will be added to and form part of the reserves. Contributions will be applied only in accordance with the purpose for which contributions were required. Moneys held in Section 94 reserves cannot be used to satisfy a debt unless that debt is a result of borrowing to provide services in anticipation of demand.

Legislative changes to Section 94 of the Act required Council to have a Contribution Plan in place by 1 July 1993 if such contributions were to be continued to be sought. Port Macquarie - Hastings Council initiated studies to be undertaken by the consultants Mitchell McCotter and Connell Wagner to provide background information for the formation of a plan for this Local Government Area. The reports submitted by these consultants and other studies undertaken by Council provide the basis for this Contribution Plan.

These reports and other information which formed the basis of Council's resolution of 28 June 1993 are available for inspection at the Council Chambers located in Port Macquarie, Wauchope and Laurieton.

The Local Government Area is subject to structural changes which are occurring in the North Coast region generally. As these changes occur, it will become necessary to update the demographic and other statistical information upon which this contribution plan was based and then to amend the plan itself. For this reason, the Contribution Plan should not be regarded as a fixed document and needs to be subject to regular review.

This Contribution Plan includes a summary page which lists the charges applicable for each contribution sought by Council. These charges are subject to indexation at regular intervals and the rate may be amended by Council following review of the Contribution Plan as required.

PART A - COUNCIL ROADS (including local rural roads and other rural development)

No longer applicable - see Port Macquarie - Hastings Major Council Roads Contributions Plan.

PART B - BUSH FIRE SERVICES

No longer applicable - see Port Macquarie - Hastings Community Cultural and Emergency Services Contributions Plan.

PORT MACQUARIE - HASTINGS COUNCIL

PART C - CAR PARKING

In addition, please refer to North Haven Neighbourhood Business Precinct Contribution Plan for car parking and traffic management contributions in North Haven.

1. Purpose of the Plan

The purpose of this plan is to levy contributions for the provision of off street car parking in the four centres of Port Macquarie, Gordon Street, Laurieton and Wauchope. In Port Macquarie, the off street car parking spaces will be provided by a multi-storey car parking structure. The provision of off street parking in the Gordon Street centre, Laurieton and Wauchope will be made through the development of at grade parking facilities. The basis and justification for the Plan are outlined in Mitchell McCotter's Section 94 Background Report of May 1993 and Hastings Parking and Access Strategy of July 2003 derived from *Hastings Parking Strategy Study Report*, (July 2001), prepared by Christopher Hallam & Associates Pty Ltd, in Association with Geoplan Pty Ltd.

2. Land to which the Plan applies

This Plan applies to all land within the shaded areas shown in Figures 1 to 4 at the conclusion of this part.

3. Establishment of nexus

The provision of retail and commercial floor space within each centre in the Council area is estimated to increase by a total of 59,520 square metres in the period until 2011. This growth will occur primarily within the Port Macquarie Town Centre, which is projected to add 43,200 square metres of retail and commercial floor space. The two centres of Laurieton and Wauchope are estimated to increase by 4,400 and 5,200 square metres respectively, while Gordon Street centre is projected to accommodate an additional 6,700 square metres.

Continued development within these centres will increase the demand for car parking and place increasing pressure on existing car parking facilities. *Hastings Parking Strategy Study Report*, (July 2001), prepared by Christopher Hallam & Associates Pty Ltd, in association with Geoplan Pty Ltd, recommended that the Port Macquarie Town Centre and Gordon Street precincts be enlarged to capture new residential and tourist development, which is now placing further pressure on the Port Macquarie CBD and Gordon Street commercial/retail localities.

4. Formula for determining contribution

The method for calculating the Section 94 contributions required for the provision of car parking in each centre is shown below:

Port Macquarie Town Centre
Step 1: Determine the share of off street parking that has been provided by Council.
Step 2: Determine the observed car parking provision rate for off street parking.
Step 3: Determine the future number of off street car parking spaces required by dividing the projected increase in retail and commercial floor space to 2011 by the car parking provision rate.
Step 4: Determine the number of on street car parking spaces that will be displaced by streetscape improvements.
Step 5: Determine the costs to accommodate this total increase through the provision of a multi-storey car parking structure.

PORT MACQUARIE - HASTINGS COUNCIL

Consequently, the formula for calculation of the costs of each additional space which determines the car parking contribution for the Port Macquarie Town Centre is:

$$\text{Contribution per car parking space to be provided} = \text{CC} \times (\text{N} + \text{R}) / \text{N}$$

Where:

CC = The estimated cost per car parking space for a multi-storey car parking structure

N = The number of additional car parking spaces to be provided

R = The number of existing car parking spaces on the site of the multi-storey car parking structure to be retained

Gordon Street

Step 1: Determine the cost per car parking space to acquire land and construct car-parking facilities in the Gordon Street centre.

Consequently, the formula for calculation of the car parking contribution for the Gordon Street centre is:

$$\text{Contribution per car parking space to be provided} = (\text{L} \times \text{A}) + \text{C}$$

Where:

L = The estimated cost per square metre to acquire land in the Gordon Street centre

A = The estimated area required for each car parking space including manoeuvring areas

C = The estimated cost to construct car parking spaces at grade

Laurieton

Step 1: Determine the cost per car parking space to acquire land and construct car parking facilities in Laurieton

Consequently, the formula for calculation of the car parking contribution for Laurieton is:

$$\text{Contribution per car parking space to be provided} = (\text{L} \times \text{A}) + \text{C}$$

Where:

L = The estimated cost per square metre to acquire land in Laurieton

A = The estimated area required for each car parking space including manoeuvring areas

C = The estimated cost to construct car parking spaces at grade

PORT MACQUARIE - HASTINGS COUNCIL

Wauchope	
Step 1: Determine the cost per car parking space to acquire land and construct car parking facilities in Wauchope	
Consequently, the formula for calculation of the car parking contribution for Wauchope is:	
Contribution per car parking space to be provided	= (L x A) + C
Where:	
L	= The estimated cost per square metre to acquire land in Wauchope
A	= The estimated area required for each car parking space including manoeuvring areas
C	= The estimated cost to construct car parking spaces at grade

5. Contribution rate

LOCATION	CALCULATION	CONTRIBUTION RATE (July 1993)
Port Macquarie Town Centre	$\$9,250 \times (704 + 196)/704$	= \$11,825 / car parking space
Gordon Street Centre	$(\$125/ \text{m}^2 \times 30 \text{ m}^2/\text{car park}) + \$1,300$	= \$5,050 / car parking space
Laurieton	$(\$112/ \text{m}^2 \times 30 \text{ m}^2/\text{car park}) + \$1,300$	= \$4,660 / car parking space
Wauchope	$(\$67/ \text{m}^2 \times 30 \text{ m}^2/\text{car park}) + \$1,300$	= \$3,310 / car parking space

6. Timing of Payment of Contributions

Council will accept Section 94 contributions in the following manner:

- For residential subdivisions, at the release of the Subdivision Certificate.
- For redevelopment of existing areas for accommodation where there is an increase in traffic demand, prior to the release of the Construction Certificate.
- For accommodation units in excess of one (1) per lot erected on newly zoned land, prior to the release of the Construction Certificate.

Where no building approval is required, payment is to be made within three months of the granting of development consent, prior to occupation or as specified in the Development Consent, whichever is sooner.

7. Deferral of Payment

Council will accept deferred payment of Development Contributions involving the construction of a building only, subject to the following conditions:

- i) Lodgement of an irrevocable guarantee for the amount of the contributions plus an additional 12 month interest amount calculated at the average rate of Council's investments performance over the past 12 months plus 1%.
- ii) The maximum period for which the guarantee will be accepted is the sooner of 12 months or the issue of an occupation certificate for the development.
- iii) Guarantees will only be accepted from an institution approved by the Manager Corporate and Financial Planning.

PORT MACQUARIE - HASTINGS COUNCIL

- iv) If at the end of the period for the lodgment of the guarantee, the outstanding contributions plus the additional amount referred to in 'i' have not been paid, Council will call in the guarantee without further reference to the applicant.
- v) A prorata reduction in the amount referred to in 'i' will be allowed for payment of the outstanding contributions within 12 months or the calling in of the guarantee within 12 months.
- vi) The guarantee is to provide for Council to unconditionally call in the guarantee for the full amount at any time.

8. Valuation of material public benefit

Where the Crown acts as a private developer, it will be expected to pay a level of contribution equal to the private sector.

Where the Crown constructs developments which it feels will provide a material public benefit and require special consideration by the Council, the Development Application will need to be accompanied by a statement of public benefit to enable Council to consider the proposal. This statement will need to include information about the numbers and characteristics of people who would use or benefit from the facility or service to be provided. In addition, information will need to be provided to allow a 'nexus' to be established between the benefit and contribution against which it is to be offset.

If Council accepts the 'material public benefit', documentary evidence will need to be presented to allow Council to value the benefit and, if applicable, in a form suitable for inclusion in Council's assets register.

9. Acceptance of works-in-kind in lieu of cash contributions

Council, at its own discretion, may accept 'works-in-kind' from a developer in lieu of cash contributions where the 'works-in-kind' form part of Council's overall planning for the locality or it can be demonstrated that their acceptance would be of significant benefit to the community. Works-in-kind can be in the form of the provision of land, or the construction of physical improvements or infrastructure over and above the normal requirements.

Where the provision is in the form of land, a valuation provided by a registered valuer at the developer's expense, will be required for Council to evaluate the offset against the contribution. If the in-kind contribution is in the form of the provision of physical improvements or infrastructure, documentary proof of the cost of the work will need to be produced to Council's satisfaction in a form suitable for inclusion in Council's asset register.

10. Monitoring, Review and Adjustment of Rates

Council will adjust the contributions levy in this plan on a quarterly basis. To ensure that the value of the contributions is not eroded by inflation, Council will increase the levy in accordance with the Consumer Price Index All Group Index Number for Sydney (CPI), as published by the ABS.

Where contributions have been levied under an existing consent, granted in accordance with this Plan, but not yet paid, the contribution will continue to be indexed on a quarterly basis in accordance with the above until such time as they are paid.

Contributions rates will be adjusted in accordance with the following formula

$$CR_A = \left(1 + \frac{CPI_C - CPI_O}{CPI_O}\right) \times CR_O$$

Where

CRA is the adjusted contributions rate at the time of adjustment in the Contributions Plan, or at the time of payment of the contributions, as applicable.

CRO is the original contribution rate in the contributions plan, or at the time of the development consent, as

PORT MACQUARIE - HASTINGS COUNCIL

applicable.

CPIO is the original CPI rate at the time of adoption of the contributions plan, or at the time of the development consent, as applicable.

CPIC is the current CPI rate at the time of adjustment of the contributions rate in the Contributions Plan, or payment of the contributions, as applicable.

The cost of proposed works in the contribution plan will be reviewed annually if warranted, but at least every three years, to ensure the CPI adjustments reflect the 'real' cost of acquisitions and construction.

Council will also review this plan if it becomes necessary to borrow additional funds to meet the Section 94 funding component of the works program due to a shortfall in the receipt of development contributions.

11. Works schedule

Facility: The recommended facility for the Port Macquarie Town Centre is the provision of a multi-storey parking structure to contain a total of 900 car parking spaces to be constructed in two stages. The provision of car parking facilities for the remaining three centres is based on the acquisition and construction of at grade parking facilities.

Timing: The multi-storey car parking structure in the Port Macquarie Town Centre would be constructed in two stages. The first stage when constructed would provide three levels of parking by 1997/1998; the second stage would provide an additional two levels of parking and would be constructed by 2006/2007. All works will be undertaken by the year 2011.

Cost of Work: The cost of the multi-storey car parking structure is estimated to be about \$8,325,000 of which Section 94 contributions for off street car parking will provide \$7,154,125 (605 x \$11,825). Council will be required to fund the difference of \$1,170,875.

Review: The costs of acquisition and construction will be reviewed and, if necessary, adjusted. Overall review of the plan will be carried out on a regular basis to determine if the plan is functioning satisfactorily.

12. Pooling of Contributions

This plan expressly authorises monetary S94 Contributions paid for different purposes to be pooled and applied (progressively or otherwise) for those purposes. The priorities for the expenditure of the levies are shown in the works schedule.

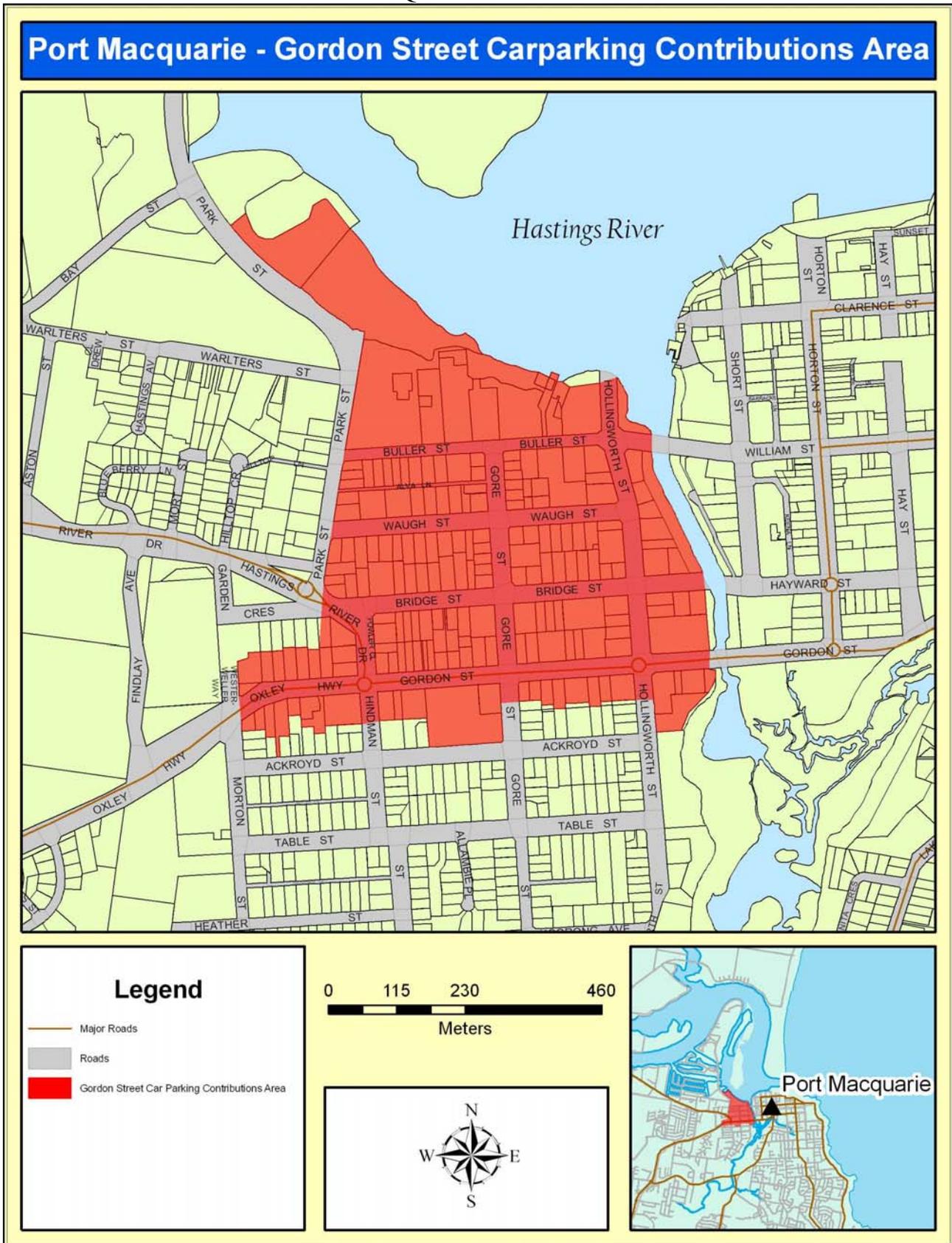


Figure 1 – Port Macquarie - Gordon Street Car Parking Contribution Catchment

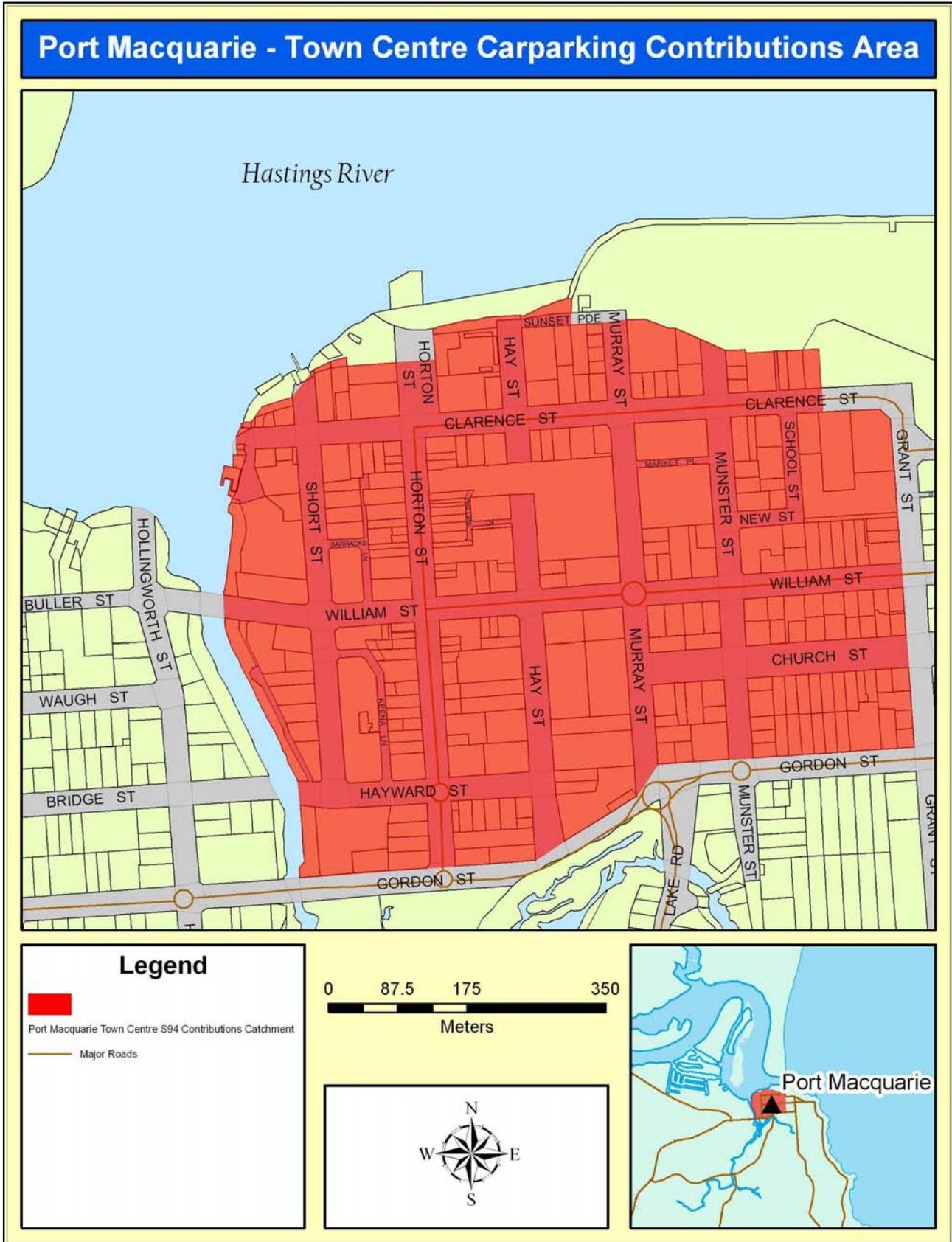


Figure 2 - Port Macquarie - Town Centre Car Parking Contribution Catchment

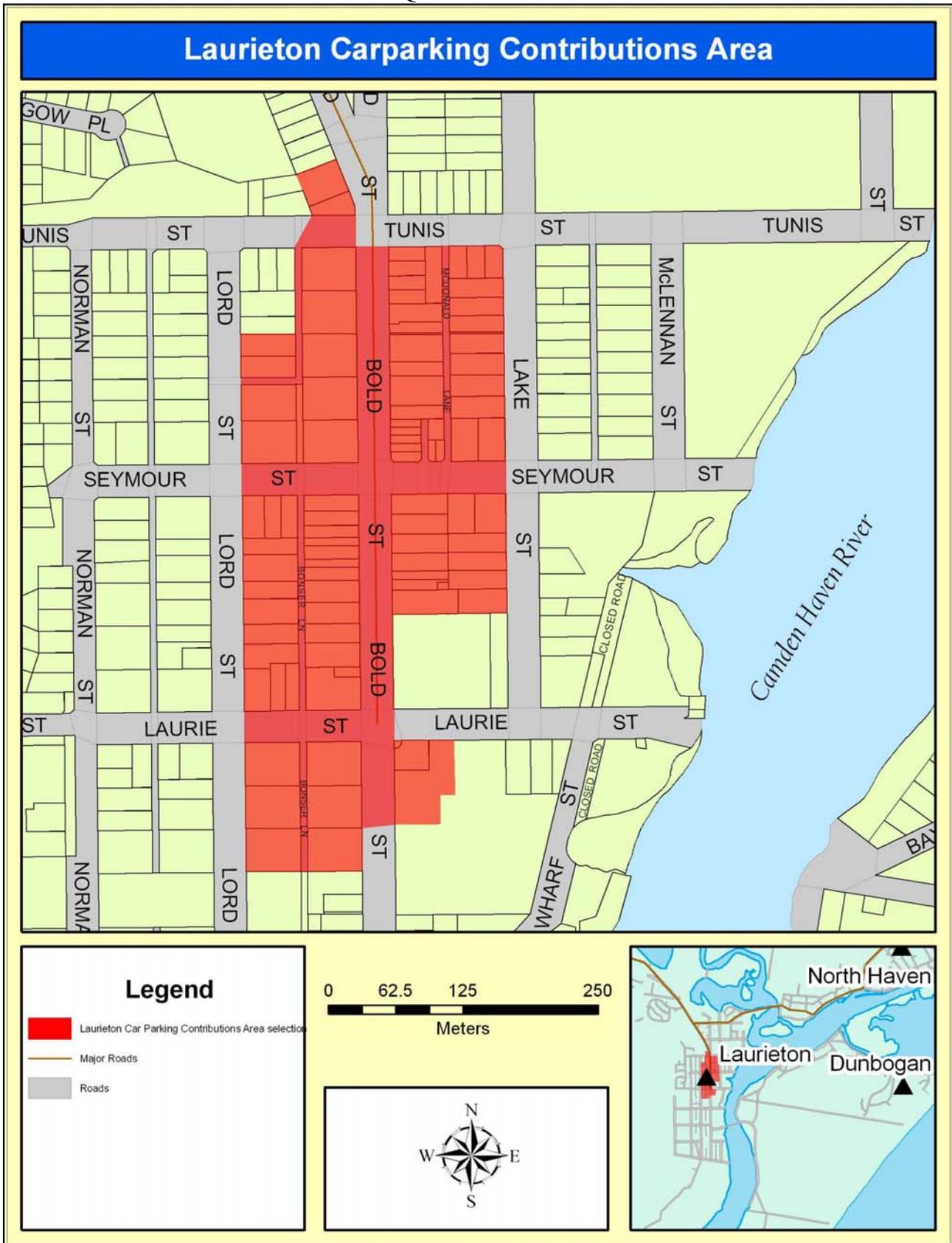


Figure 3 - Laurieton Car Parking Contribution Catchment

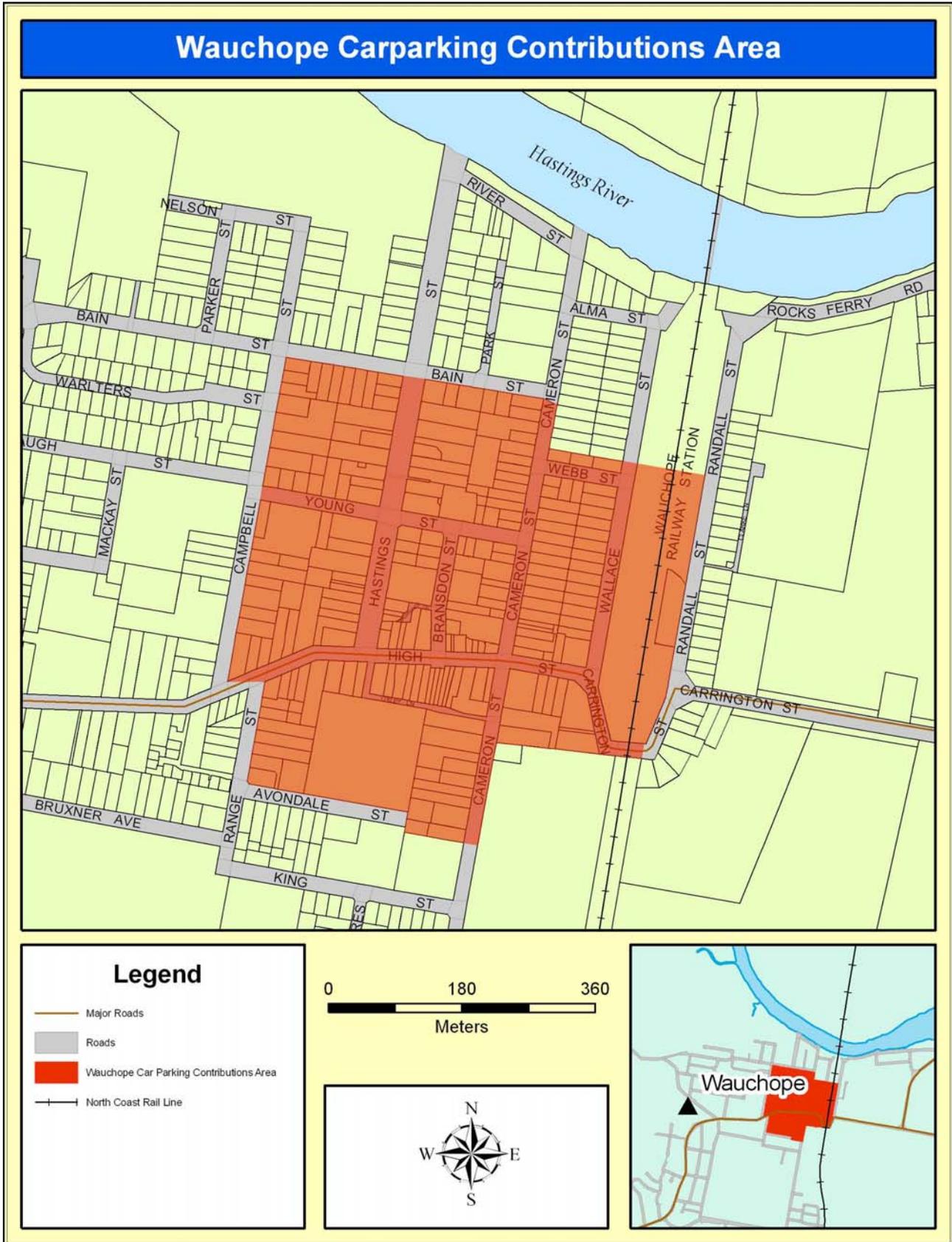


Figure 4 - Wauchope Car Parking Contribution Catchment

PORT MACQUARIE - HASTINGS COUNCIL

PART E - OPEN SPACE

No longer applicable. See Open Space Contributions Plan.

HISTORY OF AMENDMENTS

Adoption	Commencement	Amendment
28 June 1993	1 July 1993	Hastings Contribution Plan 1993.
22 July 1996	1 August 1996	Hastings Major Council Roads Contribution Plan <i>Part A - Council Roads</i> removed.
22 July 1996	1 August 1996	Hastings Open Space Contribution Plan <i>Part E - Open Space</i> removed.
22 July 1996	1 August 1996	North Haven Neighbourhood Business Precinct Contribution Plan.
16 June 2003	1 July 2003	Amended to incorporate new Development Contribution Ratios (Table 1) as a result of Council adoption of a new Development Contribution Assessment Policy.
26 April 2005	4 May 2005	Amendment to incorporate New Car Parking Contribution Area and amendments to Area 12 Community Facilities Plans.
6 March 2006	3 April 2006	Amended to incorporate new provisions for Monitoring Review and Adjustment of Rates and Pooling of Contributions.