



**HOMESTEAD ROAD OUTLINE DEVELOPMENT PLAN
DEVELOPMENT CONTRIBUTION PLAN REPORT**

September 2019

Document Control

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1.0 INTRODUCTION

This document is a Development Contribution Plan Report (DCPR) for the purpose of Part 6 of the City of Gosnells Town Planning Scheme No. 6. The document details the key operational aspects of the Development Contribution PLAN (DCP) associated with the Homestead Road Outline Development Plan (ODP).

The document includes parameters for:

- the provision of Common Infrastructure Works (CIW)
- the provision of Public Open Space (POS)
- the apportionment of the costs of this provision across the ODP area.

The progression of the ODP for the area has identified the establishment of the contribution arrangement so that the common costs of development can be shared between the landowners.

Some of the costs associated with developing individual parcels of land are not shared costs for the purpose of this agreement. Shared costs have been identified and are those which have provided benefits to a range of land owners within the ODP area for the broader benefit of the future development.

Amendment No. 83 to TPS 6 proposed the application of a Special Control Area of the Homestead Road area. Part 6 of TPS 6 contains the provisions that specifically apply to the Homestead Road ODP area, particularly the items of infrastructure for which contributions must be made. TPS 6 should be read in conjunction with this document.

The DCPR itemises and costs items to be included as common costs. There may be other costs associated with the development of land within the ODP, however unless specified these are excluded from the DCPR and are considered to be subdivisional costs.

1.1 Contribution Summary

A POS contribution rate of **10.06%** is in place for the ODP area. Council has adopted a land value basis for the purpose of the contribution arrangement of **\$1,100,000 per hectare**.

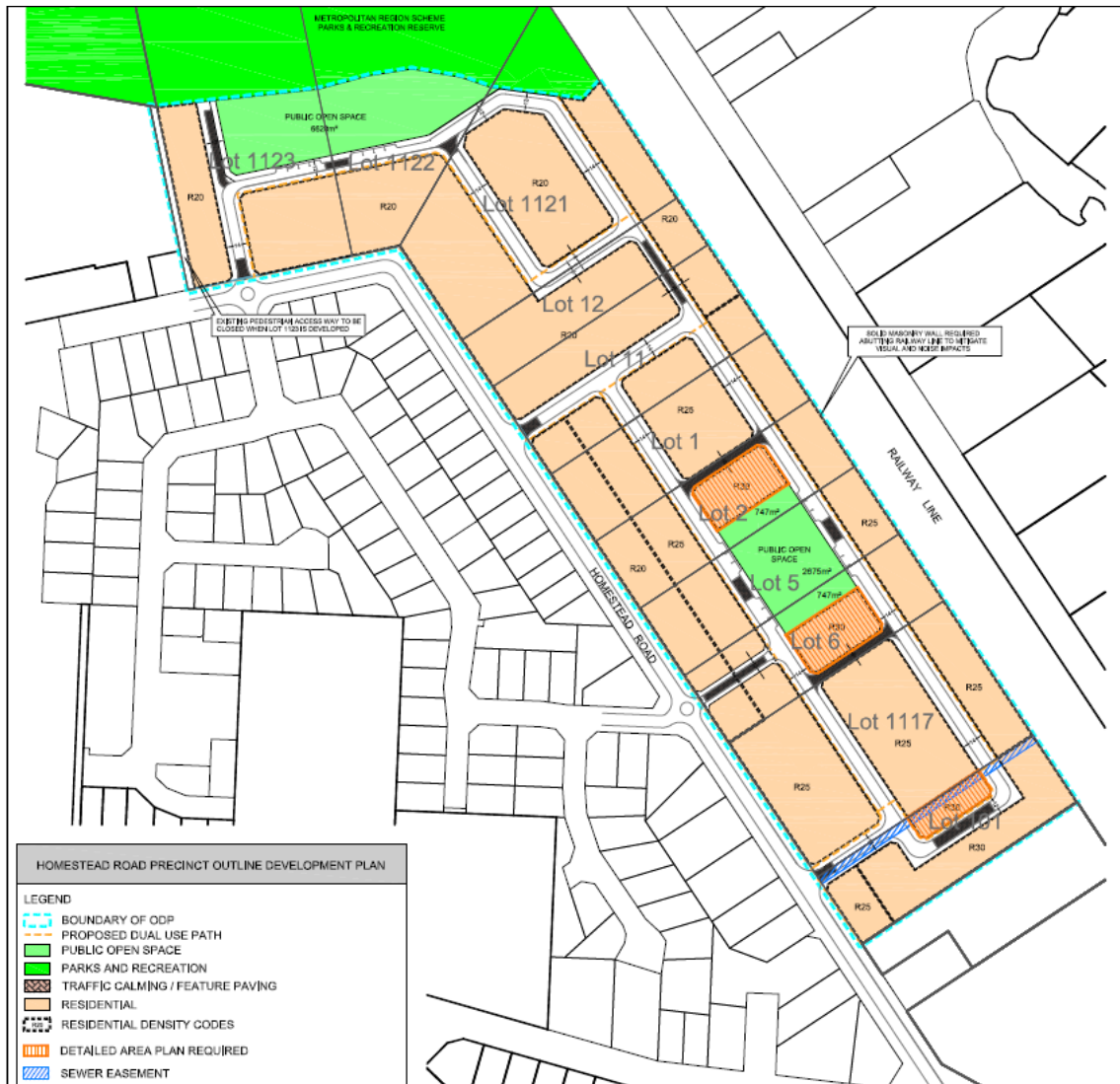
The adopted CIW contribution rate is **\$188,000 per hectare** of land developable for residential purposes.

Details on how these contribution rates have been determined are provided throughout this document.

NOTES:

1. The Homestead Road ODP refers to POS as Local Open Space (LOS). The terms LOS and POS can be used interchangeably.
2. For the purpose of the arrangement, Common Infrastructure Costs have been rounded up to the nearest \$100 and are detailed in the summary contained at Appendix B.

2.0 HOMESTEAD ROAD OUTLINE DEVELOPMENT PLAN



3.0 PUBLIC OPEN SPACE

3.1 Calculation of Public Open Space

The plan that follows identifies the area of each land parcel that is required to contribute to the cost of acquisition of Public Open Space in the ODP area. The burdened areas will contribute on a rate per hectare. The amount of POS required in the Homestead Road ODP is affected by the developers' obligation to provide POS in accordance with Liveable Neighbourhoods. The calculation of required Open Space within the ODP is shown below. The text following the table explains the methodology used in the table.

TABLE 1 – Required POS Contribution

Original Gross Subdivisible Area	10.7282 ha
POS Provided	1.0787 ha
POS Provided (as % of GSA)	10.06%

3.2 Map of Public Open Space Contributing Area



3.3 Public Open Space Valuation and Compensation Process

The DCP identifies all POS land as having an equal value, regardless of whether it is partly used for drainage purposes or is used as unconstrained POS.

The provision of POS within the amendment area is defined in the ODP. To ensure that POS is equitably provided by all land owners within the ODP area, the following principles have been applied:

- Cash-in-lieu (based on en-globo value) will be paid by those land owners whose properties contribute POS at a rate which is less than 10.06% of the subdivisible area (as identified in Table 1), and
- Payments will be made (based on en-globo value) to those land owners who provide more than 10.06% of land (as calculated in accordance with Table 1) for POS.

The management of the POS component of the ODP is calculated separately to the contribution requirement for other Common Infrastructure Works.

3.3.1 Valuation Process for POS calculation

The process for valuation is consistent with the current process applied to other ODPs within the City of Gosnells as set out in Part 6 City of Gosnells TPS No 6. The valuation process provides for a Licenced Valuer to be appointed by Council to determine the en-globo rate (assuming a hypothetical 1.0 ha site, cleared, level, adjacent to services and the development front, with a base code of R20, with an average lot size of 500m²) that will be applied for the purpose of establishing the contribution required. The valuation for land will be updated as necessary and at least annually to coincide with the timing of the annual review of the DCPR.

The applicable rate for the payment of cash-in lieu of POS for providing less than the required 10.06% POS is the valuation current under the DCPR at the time when payment is made.

The monies shall be paid into the fund which is established for the management of the ODP, and administered by the City. Reimbursements from the fund (for the provision of more than 10.06% of POS) shall be paid at the time that the land is ceded to the Crown, subject to the availability of funds.

Based on the above considerations, a valuation rate of \$1,100,000/ha for POS has been established in this report, based on a valuation undertaken by McGees Property in June 2019.

4.0 COMMON INFRASTRUCTURE WORKS

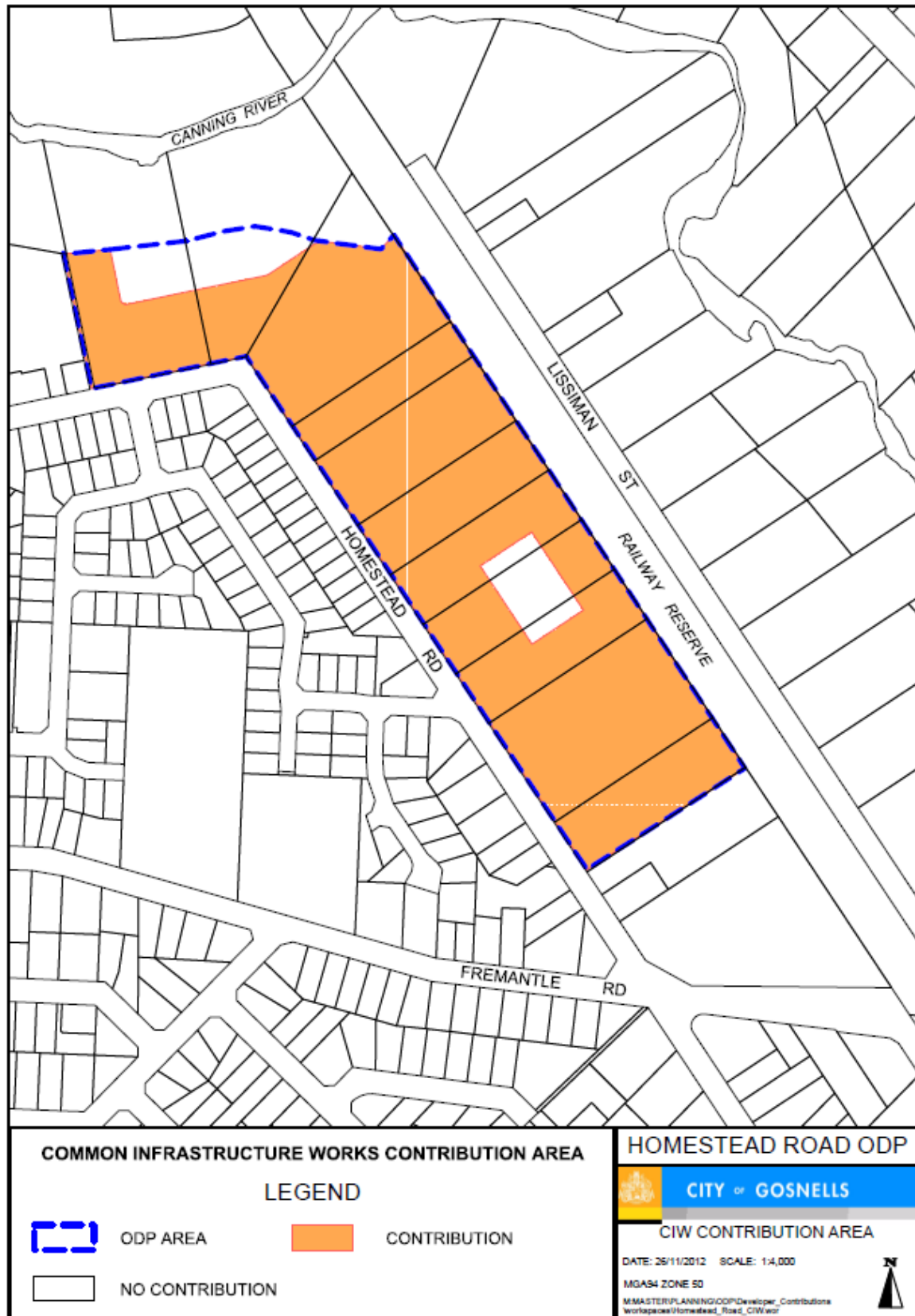
This DCP provides for the cost of specific items of common infrastructure to be equitably distributed between all developing landowners within the ODP area, with the specific allowances made for these items defined by this DCPR. It is acknowledged that in some cases, the actual costs of providing these items may exceed the allowances made by the arrangement. In such circumstances, the arrangement is only able to reimburse developing landowners up to the value estimate prescribed by the DCPR.

4.1 Calculation of Net Contribution Area

The Net Contributing Area is determined by excluding any land required for Public Open Space. The Net Contribution Area is then used to determine the contribution rate per hectare for all developable land and is summarised as follows:

Original Gross Subdivisible Area	10.7282 ha
Less POS provided	1.0787 ha
Net Contribution Area	9.6495 ha

4.2 Map of Net Contribution Area



4.3 Summary of Common Infrastructure Works Costs

\$459,200	1. Construction of drainage upgrade – Homestead Road A contribution is to be made to fund the cost of constructing an upgrade to the Homestead Road drainage, where it abuts the DCA area. The estimated cost for the 615m length of upgrade is \$459,102 (or \$746.51/linear metre). (indexed actual)
\$138,300	2. Construction of roundabouts A contribution is to be made for half the cost of constructing two roundabouts along Homestead Road, as provided for on the adopted ODP. The cost of construction of the roundabouts allocated to this DCP is \$138,267. (indexed estimate)
\$36,900	3. Construction of shared use path A contribution is required to fund the cost of constructing a regional recreation shared use path where the DCA abuts the MRS Parks and Recreation reserve. A construction rate of \$92.19/m for 400m has been used. (indexed estimate)
\$688,300	4. Construction of drainage detention basin A contribution is to be made to fund the cost of constructing and landscaping a detention basin within the DCA. (indexed estimate)
\$247,800	5. Development of Public Open Space (POS) A contribution is to be made to fund the development of the central area of POS within the ODP area. The contribution shall fund the development of the POS to a basic standard, as per the provisions of Liveable Neighbourhoods (i.e. turf and irrigation). The City of Gosnells standard acceptable rate for basic POS development is \$59.42/m ² . Based on an area of 4,169m ² the overall cost for POS development is \$247,729. (indexed actual)
\$76,400	6. Preparation of ODP A contribution is to be made towards the professional fees expended during the preparation of both the ODP and DCP. (indexed estimate)
\$158,000	7. General Administration A contribution is to be made towards the cost of administering the contribution arrangement. (indexed and increased estimate)
\$1,806,400.00	Estimated total cost for Common Infrastructure Works
\$188,000ha	Contribution per hectare of land developable for residential purposes (9.6495 ha)

Note - separate contributions shall be made direct to the Education Department of WA (EDWA) at the amount determined by EDWA for the acquisition of school sites. The process is not managed by this DCPR.

5.0 STAGING OF INFRASTRUCTURE WORKS

The staged development of the land poses various challenges to ensure that land development is rolled out in an orderly fashion and to a suitable standard. Key considerations include;

- location of stages and size
- servicing constraints and opportunities
- proposed road closures
- retention of access to existing lots who are not currently participating in the ODP
- the provision of adaptable road hierarchy, drainage infrastructure, and other services as incremental development takes place

The drainage basin in the northern section of the ODP area is to provide the retention and infiltration of stormwater flows from the ODP area. Unless development starts near this basin and progresses upstream, interim, and perhaps temporary, compensating storage will need to be constructed and maintained to ensure stormwater is appropriately managed. No interim/temporary arrangements are provided for within the scope of the DCPR as they are considered to be costs borne by individual developers.

6.0 OPERATION OF DEVELOPMENT CONTRIBUTION PLAN

This DCPR has outlined the calculation of the estimated costs of Common Infrastructure Works included in the arrangement. TPS 6 requires that a per hectare levy be established to be paid by landowners at the subdivision and/or development stage.

The timing of payment of contributions is vital to the successful operation of the Development Contribution Plan. Adequate funds need to be fed into the ODP fund in order to facilitate the redistribution of funds in a timely manner.

The Development Contribution Plan is to operate for a period of five years, unless otherwise determined by Council. An extension to the initial five year time period may be required to ensure all landowners intending to develop in accordance with the ODP pay the required scheme costs. The owners of land within the arrangement are required to pay the contributions outlined in this DCPR in accordance with the relevant section of TPS 6.

The cost per hectare has been determined by dividing the total cost for Common Infrastructure Works by the area that is developable for residential purposes.

7.0 ARBITRATION

Part 5 of TPS 6 provides the process of arbitration of disputes that may arise from the valuation of land for the purposes of this DCPR.

APPENDIX A – LAND SCHEDULE

Lot No.	Gross Land Area (m ²)	Land Deducted for POS provided	Net Contributing Area	POS Contribution Area	Required POS at 10.06%	Surplus (+) or deficit (-) of POS
101	8,093	0	8,093	8,093	814	-814
1117	16,180	0	16,180	16,180	1,628	-1,628
6	8,093	748	7,345	8,093	814	-66
5	8,089	2,675	5,414	8,089	814	1,861 (28.35%)
2	8,091	744	7,347	8,091	814	-70
1	8,094	0	8,094	8,094	814	-814
11	10,553	0	10,553	10,553	1,062	-1,062
12	5,636	0	5,636	5,636	567	-567
1121	15,597	19	15,578	15,597	1,569	-1,550
1122	7,678	3,723	3,955	7,678	772	2,951 (44.95%)
1123	11,178	2,878	8,300	11,178	1,125	1,753 (26.7%)
TOTAL	107,282	10,787	96,495	107,282	10,793	

Note: all figures are provided as a guide only and are subject to survey

APPENDIX B – COMMON INFRASTRUCTURE WORKS - COSTING DETAILS

This section outlines the costs of Common Infrastructure Works included in the Homestead Road ODP and details the methodology used to calculate the estimated costs. It was noted that the Council may adjust the cost contribution of any owner in accordance with revised estimates and/or final expenditure. ***The spatial extent of the required infrastructure is illustrated on Map 1.***

1. Construction of drainage upgrade - Homestead Road

A contribution is to be made to fund the cost of constructing an upgrade to the Homestead Road drainage, where it abuts the DCP area. A reimbursement was made in 2013 of \$415,050.00 which has been indexed under subsequent reviews delivering a current indexed actual cost for the 615m length of upgrade of **\$459,200** (or \$746.51/linear metre).

2. Construction of Roundabouts

Allowance has been made within the DCP for half the cost of two roundabouts abutting the ODP Area, at the intersections of (i) Homestead Road and Lauterbach Drive and (ii) Homestead Road and Derrick Street. The total collective cost of both roundabouts is an indexed estimate of \$266,400, therefore the 50% cost allocated to this DCP is **\$138,300**.

3. Construction of Dual Use Paths

Allowance has been made to construct Dual Use Paths (DUP's) within the ODP area. All the paths that will be funded are 2.0m in width and are indicated on Map 1 - page 17 of this report. It is noted that the required paths differ from what was originally required by the adopted ODP. The changes are a result of further detailed analysis of the infrastructure demands in the area. Subdividers will be responsible for construction of footpaths required at the time of subdivision via conditions of approval and are not included as a Common Infrastructure Work.

An indexed estimate construction cost of \$92.19 per linear metre has been allowed for the total length of 400 metres, point to point as depicted in Map 1. Therefore the total cost of DUPs allowed within the DCPR is **\$36,900**.

4. Construction of Drainage Detention Basin

A drainage detention basin is required to be constructed in the northern area of POS, located on Lots 1122 and 1123. Further details of the indexed estimates are contained in the following table.

Item	Description	Qty	Unit	Rate	Amount
1.0	<u>PRELIMINARIES</u>				
1.1	Site Establishment including the provision of office, services, amenities, facilities and all equipment	4	weeks	\$1,649.43	\$6,597.72
1.2	Liaise with Service Authorities	1	Item	\$5,498.11	\$5,498.11
1.3	Traffic management cost	1	item	\$2,199.25	\$2,199.25
1.4	Locate and protect existing services (PS)	1	item	\$2,199.25	\$2,199.25
1.5	Prepare required management plans (safety, environment, noise, dust, traffic, etc)	1	item	\$1,099.62	\$1,099.62
	TOTAL PRELIMINARIES				\$17,593.95
2.0	<u>EARTHWORKS</u>				
2.1	Allowance for dust control measures (water cart, monitors)	1	item	\$2,749.26	\$2,749.06
2.2	Strip Topsoil	7,250	m ²	\$2.86	\$20,735.00
2.3	Grade, trim and compact earthworks;				
	a) Cut to Fill	3,500	m ³	\$14.30	\$50,050.00
	b) Cut to Spoil	2,500	m ³	\$16.49	\$41,225.00
	c) Proof Roll	7,250	m ²	\$0.33	\$2,392.50
	d) 300mm sand layer in base of Detention Basin	800	m ³	\$32.99	\$26,392.00
2.4	Rock pitching scour protection	250	m ²	\$164.94	\$41,235.00
2.5	Gluon 240 applied at rate of 500 l/ha to areas requiring short to medium term stabilisation	7,250	m ²	\$1.65	\$11,962.50
2.6	As-constructed survey of Detention Basin	1	Item	\$3,292.87	\$3,298.87
	TOTAL EARTHWORKS				\$200,039.93
3.0	<u>STORMWATER</u>				
3.1	Excavation of pipe trench in all types of material including excavation, bedding, backfilling, compaction and restoration				
	a) 300-750 dia pipes				
	i) 0.0m - 2.0m	30	m	\$27.49	\$824.70
	ii) 2.0m - 3.0m	90	m	\$54.98	\$4,948.20
3.2	Supply and installation of 'solid rubber ring jointed' pipes (R.C.) at all depths including bedding and laying				
	a) 300mm dia (Class 2)	30	m	\$65.98	\$1,979.40
	b) 750mm dia (Class 2)	90	m	\$384.87	\$34,638.30

Item	Description	Qty	Unit	Rate	Amount
3.3	Supply and installation of headwall including backfill				
	a) 300mm dia (Class 2)	2	each	\$549.81	\$1,099.62
	b) 750mm dia (Class 2)	1	each	\$1,649.43	\$1,649.43
3.4	Supply and install 150mm dia subsoil drainage within basin, including geofabric	130	m	\$65.98	\$8,577.40
3.5	Supply and construct precast manholes for 300-750mm dia pipes				
	a) concrete bases, covers and frame	2	each	\$1,759.40	\$3,518.80
	b) walls	7	m	\$549.81	\$3,848.67
	c) trafficable covers E.O. cost	2	each	\$384.87	\$769.74
3.6	Allow to reconstruct pipe and connect into new manholes	1	each	\$824.72	\$824.72
3.7	Remove and dispose off-site 750 stormwater pipe	5	m	\$82.47	\$412.35
3.8	Testing and as constructed survey				
	a) NATA Testing	1	item	\$1,099.62	\$1,099.62
	b) As-Constructed Survey	1	item	\$3,298.87	\$3,298.87
3.9	Allowance for dewatering				
	a) 0.0 - 2.0m	90.00	m	\$109.96	\$9,896.40
3.10	Allowance for QA and testing	1	item	\$2,199.25	\$2,199.25
		TOTAL STORMWATER			\$79,585.47
4.0	LANDSCAPING				
4.1	Basin Landscaping (inc. infrastructure to manage overland flow)	6,620	m ²	\$59.07	\$391,043.40
		TOTAL LANDSCAPING			\$391,043.40
Total					\$688,262.75

5. Development of Public Open Space (southern portion)

As the land required for the southern portion of POS is to be assembled from the property of multiple land owners and no coordinated subdivision is proposed there is no one developer that can be responsible for the development of the POS. The provision of turf and reticulation at the initial development stage for this land will ensure a positive outcome for the community. The total estimated cost for this work is \$59.41/m² and includes design, contract management, construction and maintenance. This figure is based on the items and rates per square metre in the following table:

Item	Rate per square metre
Preliminary Costs 10%	\$3.17
Earthworks	\$4.71
Test Bore	\$0.92
Production Bore	\$4.95
Head works Cabinet, controller, electrical	\$4.59
Irrigation	\$6.11
Turfing	\$6.13
Footpaths	\$5.36
Project Management	\$4.62
Contingency 10%	\$3.85
2 Years Maintenance	\$15.01
Total	\$59.41

The above suite of works is consistent with the Liveable Neighbourhoods definition of “minimum standard”. The City undertook the required POS development, to a higher standard than the minimum standard, in accordance with Council’s Public Open Space Strategy and community expectations (See Map 2). The total cost of park development exceeded the stated DCPR allowance of \$243,200.00 which was applied as a single line reimbursement to the City, rather than being subject to a detailed acquittal process.

The above approach was appropriate on the basis that it reduced the reliance on unrelated cash-in-lieu funds as well as general municipal funds.

Given the area of the southern portion of POS is 4,169m² an indexed actual cost of **\$247,700** has been included. It should be noted that the above cost does not relate to the northern POS area, as development of that area is included in Section 4 (construction of drainage detention basin).

6. Preparation of ODP

An indexed estimate allowance of **\$77,900** has been made to contribute to the cost of preparing and progressing the ODP and the associated amendment to Town Planning Scheme No. 6. The costs only relate to work that would be of benefit to the entire precinct and explicitly exclude any site-specific or subdivision-specific costs, including geotechnical reports and Urban Water Management Plans.

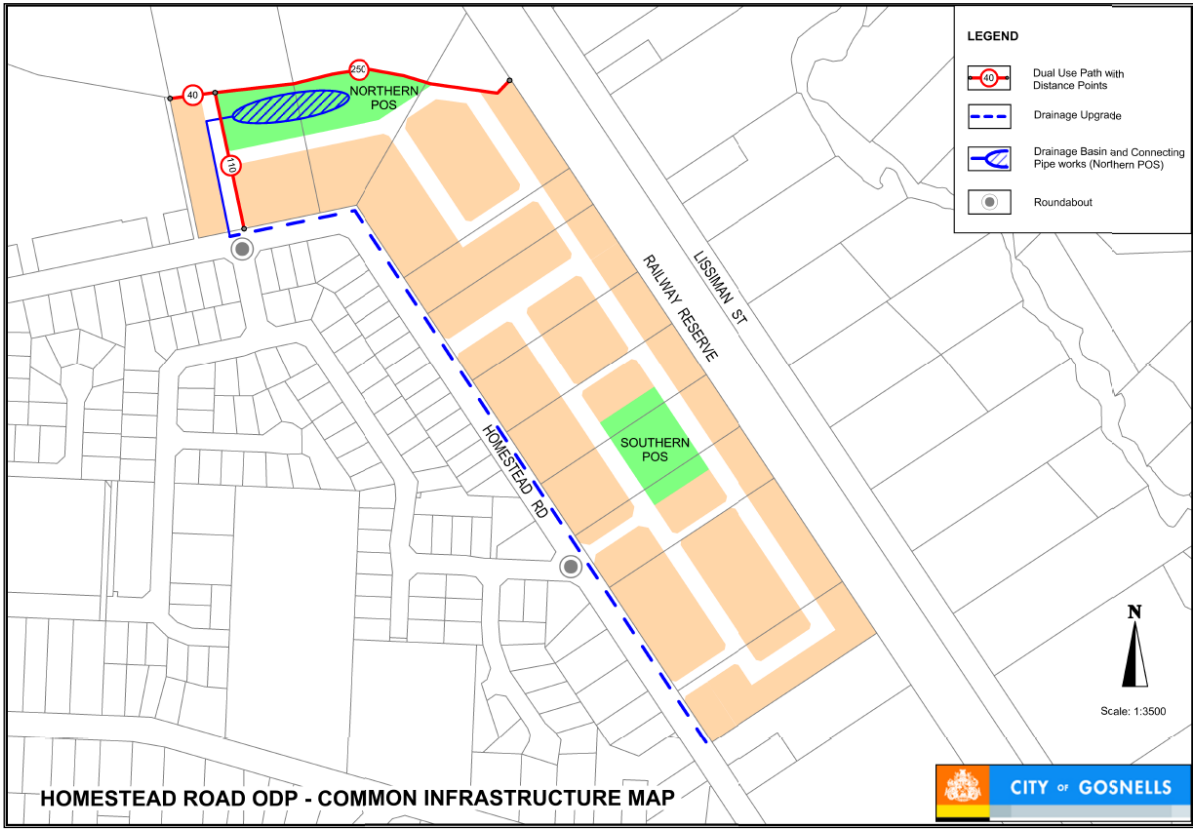
7. General Administration

A \$15,000 per annum provision, over 5 years was made to contribution to general administration costs in operating the DCPR. These include but are not limited to administration, bank charges, audit fees, legal, planning reports, valuations, engineering, expenses associated with the acquisition of land and Council staff salaries.

Given the actual costs incurred to date for the preparation of the DCPR and in consideration of the future administration required by further development, the estimated cost of general administration has been indexed as \$83,000 and an additional \$15,000 per annum has been added to cover ongoing administration over the next 5 year period. The total cost included in the DCPR for administration is **\$158,000.00**

This allowance may require an increase in the allocated cost should administration be necessary beyond the subsequent five year operational period as defined in Part 5, Clause 5.4.7 of TPS 6.

MAP 1



MAP 2

