



MADDINGTON ROAD PRECINCTS A AND B DEVELOPMENT CONTRIBUTION PLAN REPORT

October 2020

Document Control

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1.0 INTRODUCTION

Amendment No. 136 to Town Planning Scheme No. 6 (TPS6) proposed the formal establishment of a Development Contribution Plan (DCP) defining the extent of the Maddington A and B Development Contribution Areas (DCA) and the common Infrastructure Works (CIW) costs to be shared among contributing land owners.

Amendment 136 was gazetted on 22 December 2015 and Maddington A and Maddington B operate as separate precincts.

This document is a Development Contribution Plan Report (DCPR) for the purposes of Part 5 of the City of Gosnells TSP6. The document details the key operational aspects of the DCP associated with the Maddington Road A and Maddington Road B Outline Development Plans (ODP).

The document includes parameters for:

- the provision of CIWs
- the provision of Public Open Space (POS)
- the apportionment of these provisions across the ODP areas

The ODP's for Maddington Road Precincts A and B were approved by the Western Australian Planning Commission (WAPC) on 7 March 2012 and 23 March 2010 respectively. The approved ODP's are shown in Figures 1 and 2. Part 5 and Schedule 8 of TPS6 contain the provisions that specifically apply to the Maddington Road A and Maddington Road B ODP areas, particularly the items of infrastructure for which contributions must be made. TPS6 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 subdivisional costs.

It is intended the DCPR be reviewed at least annually to ensure CIW cost estimates and contribution rates are updated to account for actual costs, indexation changes and any modification made to the parameters of the DCP.

The area in which the DCP will operate is defined as a Development Contribution Area (DCA), as shown in Figure 3. The history of updates to CIW and POS contribution rates is detailed in Tables 1 and 2 on the following page.

TABLE 1 – Maddington Road Precinct A - Contribution Rates update History

	Common Infrastructure Works		Land Valuation	
Date of Revision	Rate \$/HA	% Change	Rate \$/HA	% Change
09/02/2016	\$101,542	n/a	\$1,450,000	n/a
14/02/2017	\$114,438	12.70%	\$1,250,000	(13.80%)
28/11/2017	\$100,400	(12.27%)	\$1,125,000	(10.00%)
28/08/2018	\$102,300	1.90%	\$1,100,000	(2.27%)
27/09/2019	\$109,400	6.94%	\$1,050,000	(4.55%)
13/10/2020	\$111,800	2.19%	\$1,000,000	(4.76%)

TABLE 2 – Maddington Road Precinct B - Contribution Rates update History

	Common Infrastructure Works		Land Valuation	
Date of Revision	Rate \$/HA	% Change	Rate \$/HA	% Change
09/02/2016	\$91,389	n/a	\$1,325,000	n/a
14/02/2017	\$103,780	12.70%	\$1,200,000	(13.80%)
28/11/2017	\$82,700	(10.00%)	\$1,100,000	(8.30%)
28/08/2018	\$85,200	2.93%	\$1,100,000	no change
27/09/2019	\$86,300	1.29%	\$1,050,000	(4.55%)
13/10/2020	\$88,200	2.20%	\$1,000,000	(4.76%)

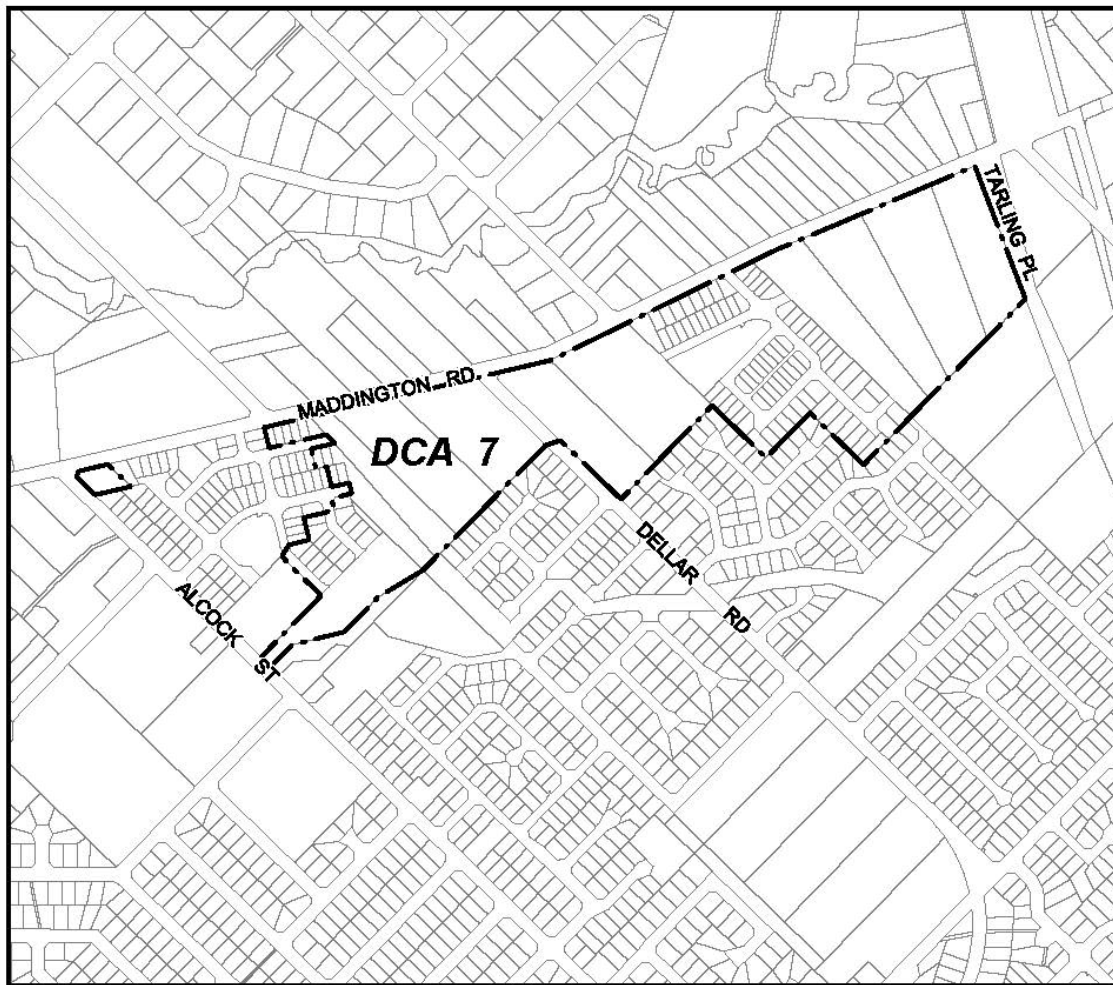
Figure 1 – Maddington Road Precinct A Outline Development Plan



Figure 2 - Maddington Road Precinct B Outline Development Plan



Figure 3 – Maddington Road Precinct A and B Special Control Area



2.0 DEVELOPMENT CONTRIBUTION PLAN OVERVIEW

The development of land within Precincts A and a portion of Precinct B will be subject to contributions towards the provision of CIWs and certain land identified as common to all developers in the DCA.

2.1 COMMON INFRASTRUCTURE WORKS

Contributions are required towards the costs of development of areas of POS within both Precincts.

Precinct A contains a contribution towards administration, however, Precinct B does not. This is the result of a direction by the WAPC based on the view that development had occurred on a significant portion of that Precinct prior to the finalisation of the DCPR, which left insufficient land to spread the contributions across.

The individual requirements for CIW contributions under the DCA for Maddington Road A and Maddington Road B are detailed in Appendix A and B respectively.

2.2 Public Open Space

The provision of POS in the ODP's is a key component of the planning and development of the area. POS must be provided for various purposes including recreation, conservation and drainage.

The requirement for land to be provided for POS will not be evenly distributed across the Precincts as some landowners will be required to provide a substantial portion of their land for POS, while others will not. POS contribution requirements will be applied throughout the DCP area to fund the cost of acquiring 3.4 hectares of POS. These will be applied at the time of subdivision or development in accordance with WAPC Policy.

All land within the DCP area, including land identified for the construction of new subdivisional roads, will be required to contribute to POS. The DCPR facilitates the equalisation of POS through developer contributions. Landowners who provide more land than the relevant DCPR obligation for POS may seek a reimbursement under the DCPR.

The DCPR will collect funds at the time of development or subdivision from developers who provide a cash contribution in lieu of providing land. The funds will be held by the City for distribution to landowners who provide surplus POS. These landowners may seek reimbursement once the POS land has been surrendered free of cost to the Crown.

In the event a developer supplying excess POS makes a claim at a point in time where insufficient cash-in-lieu funds are available, the City shall make a proportionate reimbursement from funds held. Any outstanding balance will be the subject of further annual reimbursements following collection of future cash-in-lieu contributions.

The individual requirements for contributions under the DCA for Maddington Road A and Maddington Road B are detailed in Appendix A and B respectively.

3.0 LAND VALUATION BASIS

An important component of the operation of the DCP is the land valuation basis. The land valuation basis is used to estimate the cost of acquiring land required for public purposes. In turn, the land valuation basis will assist in determining the value of contributions to be collected to fund this cost. Land valuations are based on englobo values determined by a Licenced Valuer, in accordance with the relevant provisions of Part 5 of TPS6.

These valuations assume a common base coding for all of the land within the relevant precinct and that the land required for public purposes is zoned and unconstrained for residential development.

The individual requirements for POS contributions under the DCA for Maddington Road A and Maddington Road B are detailed in Appendix A and B respectively.

4.0 COMMON INFRASTRUCTURE WORKS

4.1 Overview

All owners of land in the DCA who subdivide or develop are required to make a contribution toward the cost of providing CIWs, consistent with the provisions of *State Planning Policy 3.6 – Development Contributions for Infrastructure* and Schedule 8 of TPS6.

A summary of CIWs and the cost of their provision are provided in Tables 3 and 4, with additional details outlined in Appendix A.

4.2 Calculation of Net Contribution Area

It is necessary to calculate the extent of the area required to contribute towards CIWs. The Net Contribution Area (NCA) is used to determine the contribution rate. Land able to be developed for residential purposes is required to make a contribution towards CIWs.

TABLE 3: Calculation of CIW Contribution Area – Maddington A	
Gross Land Area	16.9871 ha
Less	
Public Open Space	2.3581 ha
Total Net Contribution Area (NCA)	14.6290 ha

TABLE 4: Calculation of CIW Contribution Area – Maddington B	
Gross Land Area	7.9883 ha
Less	
Public Open Space	1.0714 ha
Total Net Contribution Area (NCA)	6.9169 ha

It should be noted that land required for the construction of new subdivisional roads is not excluded from the NCA and is therefore required to make a contribution towards CIW's.

4.3 Summary of Common Infrastructure Works

For the purpose of estimating CIWs contribution costs for the DCA, the costs have been rounded up to the next \$100. A plan illustrating the location of CIW's is provided in Appendix B (Figure 5).

Table 5 provides a summary of the CIW costs applicable to Maddington Road Precinct A and details how these costs will be apportioned as a contribution rate.

TABLE 5: Maddington Road Precinct A Common Cost Schedule	
<i>Note: All costs exclude GST.</i>	
\$965,700.00	1) Development of POS – outstanding works (indexed estimate) A contribution is to be made to the costs of providing a minimum level of earthworks, landscaping, turfing and reticulation for future POS <ul style="list-style-type: none"> POS development estimated at a rate of \$58.02/m², for 1.6643 ha of land.
\$185,600.00	2) Development of POS – completed works (indexed actual) A contribution is to be made to the costs of providing a minimum level of earthworks, landscaping, turfing and reticulation for completed POS (site 2) <ul style="list-style-type: none"> POS development indexed actual costs for 6,842m² of land.
\$210,700.00	3) POS maintenance – outstanding works (indexed estimate) A contribution is to be made to the costs of maintaining future POS providing passive recreational use: <ul style="list-style-type: none"> POS maintenance for 1.6643 ha of land at a rate of \$12.66m² for two years.
\$86,700.00	4) POS maintenance – completed works (indexed actual) A contribution was made to the costs of maintaining completed POS providing passive recreational use: <ul style="list-style-type: none"> POS maintenance for 6,842m² of land at an indexed actual cost.
\$186,300.00	5) Administration A contribution is to be made to costs of administering the contribution arrangement, including: <ul style="list-style-type: none"> Accounting (bank fees, audit costs) - \$22,000* Legal (technical advice, land acquisition costs) - \$54,800* City staff costs (time - establishment, contribution receipted, reviewing expenditure claims, updating DCP, customer service, reporting to Council, producing statements) - \$109,600* The DCP was extended for a further 5 years in 2019, consequently an additional 5 years of administration costs were added, indexed estimate * a slight discrepancy between the sum of these items and the total occurs due to rounding up of actual values.
\$1,635,000.00	Estimated total cost for common infrastructure works and administration for the total net contribution area of 14.629ha
\$111,800.00/ha	Contribution per hectare of net contribution area

Table 6 provides a summary of the CIW costs applicable to Maddington Road Precinct B and details how these costs will be apportioned as a contribution rate.

TABLE 6: Maddington Road Precinct B Common Cost Schedule	
<i>Note: All costs exclude GST.</i>	
\$287,400.00	1) Development of POS – outstanding works A contribution is to be made to the costs of providing a basic level of earthworks, landscaping, turfing and reticulation fit for future passive recreational use: <ul style="list-style-type: none"> POS development estimated at a rate of \$58.02/m², for 4,953m² of land. (indexed estimate).
\$186,800.00	2) Development of POS – completed works A contribution is to be made to the costs of providing a minimum level of earthworks, landscaping, turfing and reticulation for completed POS (part of site 1 & all of site 2) providing passive recreational use: <ul style="list-style-type: none"> POS development indexed actual costs for 5,761m² of land.
\$73,000.00	3) POS maintenance - completed A contribution was made to the costs of maintaining completed POS providing passive recreational use: <ul style="list-style-type: none"> POS maintenance for 5,761m² of land at an indexed actual cost.
\$62,800.00	4) POS maintenance - outstanding A contribution is to be made to the costs of maintaining future POS providing passive recreational use: <ul style="list-style-type: none"> POS maintenance for 0.4953 ha of land at a rate of \$12.66m² for two years. (indexed estimate).
\$610,000.00	Estimated total cost for common infrastructure works for the total net contribution area of 6.9169ha
\$88,200.00/ha	Contribution per hectare of net contribution area

5.0 OPERATION OF DEVELOPMENT CONTRIBUTION PLAN

Owners of land within the DCA will be required to make the requisite contributions outlined in the DCPR in accordance with clause 5.4.12 of TPS6 being at the time of seeking Council's confirmation that the conditions of any subdivision or development approval have been complied with.

The DCP is to operate for a period of five years, unless otherwise determined by Council. An extension to the initial five year period was required to ensure all landowners intending to develop pay the required costs.

If any dispute arises between a landowner and the City in connection with the operation of the DCP it is to be resolved through the processes set out in Part 5 of TPS6.

APPENDIX A – MADDINGTON ROAD PRECINCT A COMMON INFRASTRUCTURE WORKS AND PUBLIC OPEN SPACE COSTING DETAILS

Land Schedule:

PROPERTY	Gross Land Area (m ²)	Deduct Land POS Provided (m ²)	Net Contributing Area (m ²)	POS Contributing Area (m ²)	Required POS @ 13.88% (m ²)	POS Shortfall (m ²)	POS Surplus (m ²)
Lot 412 Maddington Road	16866	2191	14675	16866	2341.0008	150.0008	
Lot 413 Maddington Road	22366	2241	20125	22366	3104.4008	863.4008	
Lot 414 Maddington Road	23801	5287	18514	23801	3303.5788		1983.4212
Lot 6 Maddington Road	16442	1592	14850	16442	2282.1496	690.1496	
Lot 5 Maddington Road	16744	82	16662	16744	2324.0672	2242.0672	
Lot 125 Maddington Road	16976	449	16527	16976	2356.2688	1907.2688	
Lot 126 Maddington Road	18065	5742	12323	18065	2507.4220		3234.5780
Lot 2 Maddington Road	23162	5997	17165	23162	3214.8856		2782.1144
Lot 103 Maddington Road	15449	0	15449	15449	2144.3212	2144.3212	
TOTAL	169871	23581	146290	169871	23578.0948		

Common Infrastructure Works:

1) Development of POS – outstanding works

The cost of developing the POS to a minimum standard is included as a common cost for Maddington Road Precinct A. This minimum standard involves a basic level of earthworks (including site preparation) landscaping, turfing and reticulation, and a two-year maintenance period. A rate of \$58.02/m² has been determined and is based upon indexed average construction rates for POS developments undertaken by the City at the time of preparing the estimates.

Table 7 provides a detailed breakdown of the activities that comprise the overall per square metre rate for development of the POS. These activities are the basis for the calculation of contributions and consequently provide a maximum level at which those core activities can be reimbursed. Any costs for works not contemplated in Table 7 are not reimbursable under the DCPR

The DCPR allows for 1.6643 hectares of land to be developed at an estimated cost of \$58.02/m² which equates to **\$965,670.20**.

2) Development of POS – completed works

Some of the POS required in Maddington Road Precinct A has been provided under subdivision and has been developed.

The actual rates applicable to POS development in accordance with Table 7 have been determined and as such the indexed actual costs of these works has been included as a known cost.

6,842m² of POS has been developed with a reimbursement from the DCPR at an indexed rate of \$27.11/m² resulting in a total allowance of **\$185,502.91**.

3) POS maintenance - outstanding works

The cost of maintaining the POS, once developed, for a period of two years is included as a common cost for Maddington Road Precinct A.

A rate of \$12.66/m² has been set and is based upon indexed average construction rates for POS developments undertaken by the City at the time of preparing the estimates. POS maintenance will extend over a two year period for an area of 1.6643 hectares resulting in a total allowance of **\$210,691.68**.

4) POS maintenance - completed works

Maintenance of 6,842m² of completed POS has been reimbursed from the DCPR, this cost has been indexed resulting in a total allowance of **\$86,616.14**.

5) Administration

Provision has been made for a contribution to the broad range of costs associated with establishing and administering the DCA for Maddington Road Precinct A, which include the following indexed estimates:

- Accounting (bank fees, audit costs) - \$21,918.78
- Legal (technical advice, land acquisition costs) - \$54,769.01
- City staff costs (time - establishment, contribution receipted, reviewing expenditure claims, updating DCP, customer service, reporting to Council, producing statements) - \$109,538.01

The total adjusted allowance for administration is estimated at **\$186,225.80**.

Public Open Space

The land valuation is based on a hypothetical average parent lot area of 1.8900ha (dividing the ODP developable area - 16.9871ha by the number of parent lots - 9) and assumes that land is zoned and unconstrained for residential development. It also assumes an underlying zoning of R30, producing an average lot size of 300m².

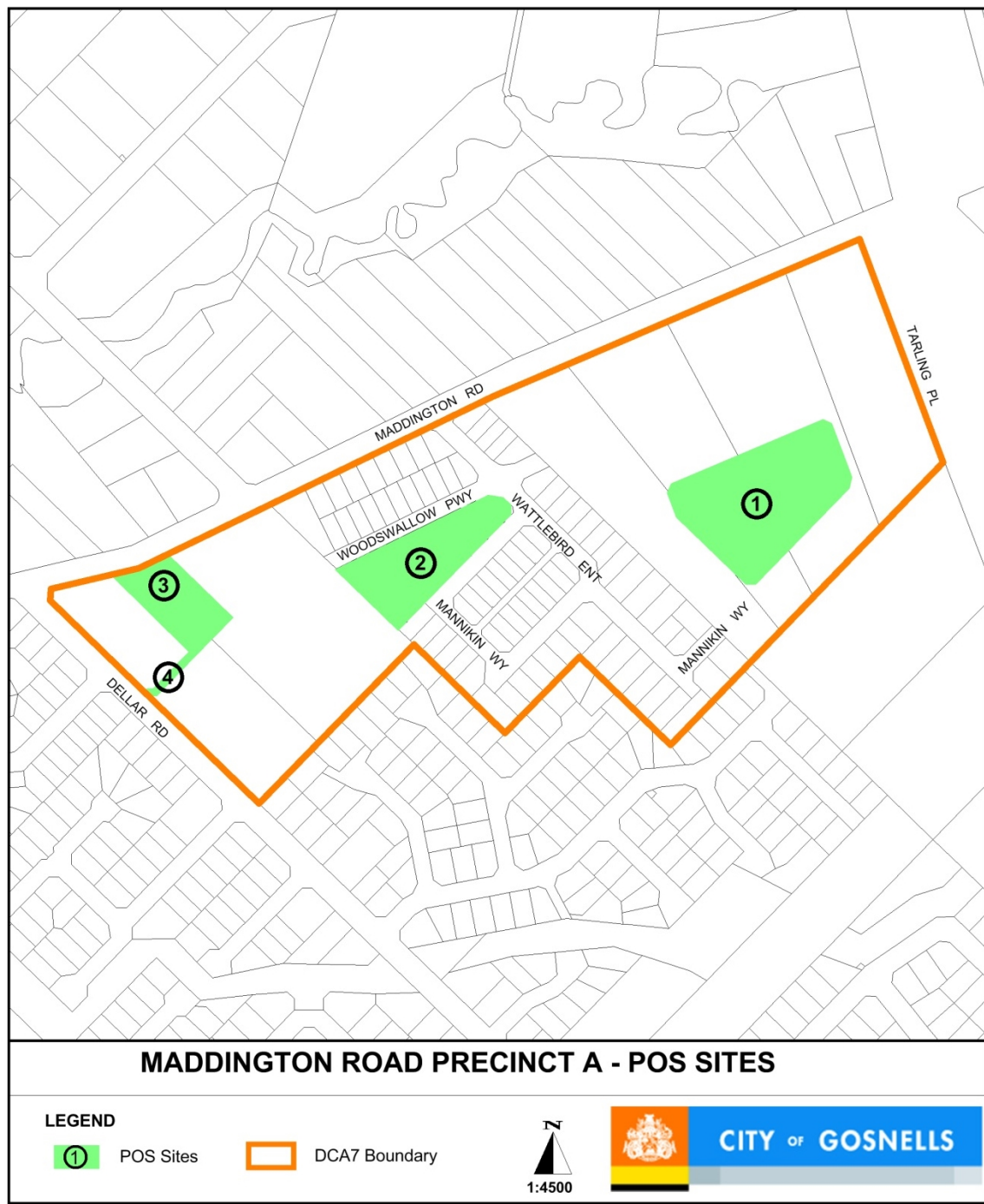
The resultant hypothetical parcel is considered to be cleared, level, adjacent to services, and to return a development potential of 63 lots (at the R30 Zoning).

Accordingly, an englobo land valuation employing the above assumptions forms the basis for the value of land within Precinct A

The gross subdivisible area in Precinct A is 16.9871ha, the POS requirement of 2.3581ha, represents 13.88% of the gross subdivisible area. Developers will be required to contribute 13.88% of their developable land, either as land, cash in lieu or a combination of these.

Based on the above considerations a valuation rate of \$1,000,000/ha for POS in Maddington Precinct A has been established in this report and is based on a valuation undertaken by McGees Property dated 15 June 2020.

Figure 4 – Maddington Road Precinct A – POS location plan



APPENDIX B – MADDINGTON ROAD PRECINCT B COMMON INFRASTRUCTURE WORKS AND PUBLIC OPEN SPACE COSTING DETAILS

Land Schedule:

Property	Gross Land Area (m ²)	Deduct Land POS Provided (m ²)	Net Contributing Area (m ²)	POS Contributing Area (m ²)	Required POS @ 13.41% (m ²)	POS Shortfall (m ²)	POS Surplus (m ²)
Lot 9006 Maddington Road	386	0	386	386	51.7626	51.7626	
Lot 9007 Maddington Road	15	0	15	15	2.0115	2.0115	
Lot 9008 Maddington Road	10725	0	10725	10725	1438.2225	1438.2225	
Lot 9009 Maddington Road	8362	861	7501	8362	1121.3442	260.3442	
Lot 9010 Maddington Road	619	0	619	619	83.0079	83.0079	
Lot 509 Alcock Street	1990	0	1990	1990	266.8590	266.8590	
Lot 9000 Alcock Street)	12851	4736	8115	12851	1723.3191		3012.6809
Lot 4 Maddington Road	9267	3126	6141	9267	1242.7047		1883.2953
Lot 380 Maddington Road	18435	1991	16444	18435	2472.1335	481.1335	
Lot 381 Maddington Road	17233	0	17233	17233	2310.9453	2310.9453	
TOTAL	79883	10714	69169	79883	10712.3103		

1) Development of POS – outstanding works

The cost of developing the POS to a minimum standard is included as a common cost for Maddington Road Precinct B.

This minimum standard involves a basic level of earthworks (including site preparation) landscaping, turfing and reticulation, and a two-year maintenance period.

A rate of \$58.02 per square metre has been determined and is based upon indexed average construction rates for POS developments undertaken by the City at the time of preparing the estimates.

Table 7 provides a detailed breakdown of the activities that comprise the overall per square metre rate for development of the POS.

These activities are the basis for the calculation of contributions and consequently provide a maximum level at which those core activities can be reimbursed.

Any costs for works not contemplated in table 7 are not reimbursable under the DCPR.

The DCPR allows for 4,953 square metres of land to be developed at an indexed estimated cost of \$58.02/m² which equates to **\$287,385.96**.

2) Development of POS – completed works

Some of the POS required in Maddington Road Precinct B have been provided under subdivision, this POS has also been developed.

The actual rates applicable to POS development in accordance with table 7 have been determined and as such the indexed actual costs of these works has been included as a known cost.

5,761m² of POS has been developed with a reimbursement from the DCPR at an indexed rate of \$32.41/m² resulting in a total allowance of **\$186,704.00**.

3) POS maintenance – completed works

The cost of maintaining the POS, once developed, for a period of two years is included as a common cost for Maddington Road Precinct B.

Maintenance of 5,761m² of completed POS has been reimbursed from the DCPR, this cost has been indexed resulting in a total allowance of **\$72,931.31**.

4) POS maintenance – outstanding works

A rate of \$12.66/m² has been set and is based upon indexed average construction rates for POS developments undertaken by the City at the time of preparing the estimates. POS maintenance will extend over a two year period for an area of 0.4953 hectares resulting in a total allowance of **\$62,702.39**.

Public Open Space:

The land valuation is based on a hypothetical average parent lot area of 7,000m² (dividing the ODP developable area - 7.9883ha by the number of parent lots - 11) and assumes land is zoned and unconstrained for residential development. It is also assumes an underlying zoning of R25 producing an average lot size of 350m².

The resultant hypothetical parcel is considered to be cleared, level, adjacent to services and to return a development potential of 20 lots (at the R25 Zoning). Accordingly an engloba land valuation employing the aforementioned assumptions forms the basis for the value of land within Precinct B.

The gross subdivisible area in Precinct B is 7.9883ha, the POS requirement of 1.0714ha represents 13.41% of the gross subdivisible area. Developers will be required to contribute 13.41% of their developable land, either as land, cash-in-lieu or a combination.

Based on the above considerations a valuation rate of \$1,000,000/ha for POS in Maddington Precinct B has been established in this report and is based on a valuation undertaken by McGees Property dated 15 June 2020.

Figure 5 – Maddington Road Precinct B – POS location plan

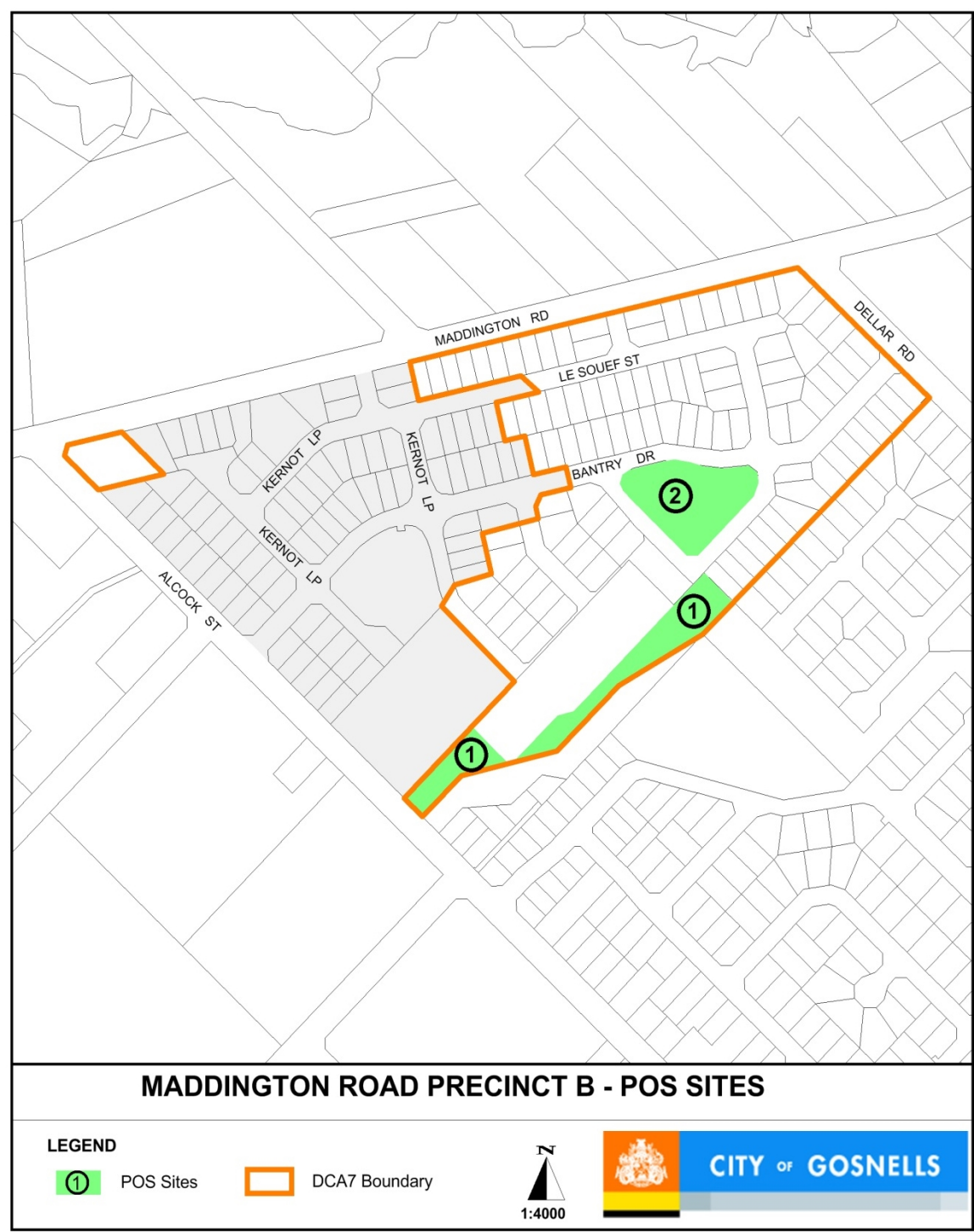


TABLE 7 – POS DEVELOPMENT COSTING DETAILS

Item	Unit	Rate
Preliminaries		
Site prep / mobilisation	m ²	\$ 1.05
Clear, remove vegetation and earthworks (actual works in the POS only)	m ²	\$ 2.11
Supply install topsoil (new fill only to a depth of 300mm)	m ³	\$ 23.74
Trim / fine grade POS (actual works in the POS only)	m ²	\$ 1.58
Soft works		
Turf planting supply install (30% of POS area)	m ²	\$ 8.44
Supply and install pine bark mulch @ 100mm (60% of POS)	m ²	\$ 8.44
Supply and install shrub planting @ 4 plants per square metre (60% of POS area)	m ²	\$ 36.92
Supply and install trees – 20 x 45L trees per POS site	item	\$ 147.69
Supply and install drainage planting @ 4 plants per square metre (10% of POS area)	m ²	\$ 3.69
Irrigation		
Scheme water connection to supply and water corporation fees / headworks (1 per site)	item	\$10,549.56
Supply install irrigation controller (1 per site)	item	\$ 6,329.74
Supply install backflow prevention	item	\$ 2,109.91
Shrub irrigation supply and install (60% of POS)	m ²	\$ 8.97
Turf irrigation supply install (30% of POS area)	m ²	\$ 8.44
Hard works		
Concrete paths (5% of POS area)	lm	\$ 40.09
Extruded concrete edging (100x100mm) to garden areas supply install (5% of POS area)	lm	\$ 37.98

Reimbursements are based on the actual cost of works as they compare to Table 7, but cannot exceed the maximum allowance under the DCPR. It is important to note the individual cost items specified in Table 7 apply to the development of the total combined area of one park. Reimbursement for development of a portion of the POS should be considered in the context of total park development.