



Penrith City Council

Development Contributions Plan for Erskine Park Residential Release Area

Revision November 2003

**(under Section 94 of the Environmental
Planning and Assessment Act)**

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PART 1 - INTRODUCTION

1.0 INTRODUCTION

The land now known as Erskine Park was released for residential development in 1984 following the making of Penrith Local Environmental Plan No. 85.

This Plan allowed residential subdivision on land that was formerly used for agricultural purposes. In order for the land to be used for urban development certain services and facilities were identified as necessary. Utility services such as water, power telephone and the like are not included in this plan and are provided by the relevant service authorities at a charge to the developer of the land.

A social plan was prepared for the release area that identified the range of facilities likely to be needed by the new population. This plan was reviewed in 1990 and has already been implemented.

In 1984, in conjunction with the rezoning of the land in this Plan, Council undertook an assessment of the services and facilities required by development of the release area.

Since then, there has been significant development within the area and most of the facilities to be provided by this plan have been implemented. The remaining facilities to be provided are trunk drainage works and include the necessary land acquisitions for those works. The plan is aimed at recouping the funds Council has advanced over the years to implement the agreed facilities.

2.0 THE PURPOSES AND OBJECTIVES OF THIS PLAN

The purposes and objectives of this plan are to:

1. identify facilities and levy Section 94 contributions within the Erskine Park release area for the purposes of roads and traffic management, community facilities, open space, drainage, trees and administration;
2. establish the costs of providing the services and facilities identified in the plan;
3. estimate the timing for the provision of those services and facilities;
4. describe the method of calculating the contributions applicable to development within the plan area;
5. outline Council's policy in relation to the method and timing of payment for contributions to fund the services and facilities identified in the plan.
6. Employ a user pays policy regarding the funding of services and amenities to ensure that existing residents of the City do not have to subsidise new development;

This plan adopts as its basic rationale the following principles in establishing the relationship between the expected types of development in the area and the demand for additional public amenities and services to meet that development:

1. The provision of a service and/or facility via a section 94 contribution is a measurable consequence of the proposed development.
2. The services and/or facility can be physically provided within a reasonable time frame.

3.0 LAND AFFECTED BY THE PLAN

This plan applies to the land shown on the map included in the annexures, known as Erskine Park release area.

4.0 RELATIONSHIP TO OTHER PLANS

The land is affected by Penrith Local Environmental Plan No. 85 as amended. This plan provides the statutory framework for subdivision and development of the land. From the densities and minimum areas in the plan it is possible to estimate the development potential of the land.

PART 2 - NEXUS

5.0 PROPOSED CONTRIBUTION ITEMS AND NEEDS

In this section of the plan the items to be provided for the release area are identified and the reasons for inclusion in the plan are discussed.

The contributions that will be outlined are:

- Roads and Traffic Management
- Trunk Drainage (including land)
- Open Space Land and Facilities
- Community Land and Facilities
- Street Trees
- Plan Administration

5.1 Lot Production

The anticipated yield for the Erskine Park release area is expected to be 2,926 lots and, it is estimated that an additional 200 lots remain to be developed.

5.2 Roads and Traffic Management

The upgrading of Erskine Park road was identified as being necessary to satisfactorily accommodate the growth in traffic due to the development of this residential release.

Colston & Budd, Traffic Consultants, undertook a traffic study of the release area. That study addressed the existing and potential traffic volumes on Erskine Park road and predicted the traffic generation that would result from development of the release area.

The consultants indicated to Council, approximately 50% of the traffic movements on Erskine Park Road would be generated from the residential area.

An estimated cost for this work, including acquisition for road widening, was prepared. This cost was apportioned according to the projected increase in traffic attributed to the residential area. This was the basis for the calculation of contributions for roadworks. The balance of funding was provided through Government Grants and Council funds.

The road upgrading was completed ahead of full development so that safe and efficient access to the area could be provided as development occurred. The purpose of this funding is to recoup the expenditure provided by Council as advances of the Section 94 funding.

5.3 Trunk Drainage

With the conversion of rural land for urban development it is not possible to allow runoff to discharge into unprepared water courses. The creeks that run through the release area need to be modified to accommodate the faster flow of water from the conversion of sections of the catchment into sealed and developed areas.

Along with channel work, retarding measures are introduced to prevent flooding of downstream areas and areas in the lower part of the catchment within the release.

Urbanisation within a catchment dramatically increases loads on all services including trunk drainage systems. Increased stormwater runoff, if not catered for, can lead to either nuisance inundation or severe flooding. Trunk drainage systems carry and control the passage of floods without overflowing and causing damage or loss of life. Trunk drainage systems comprise some or all the following:

- channels and low flow pipes
- culverts and road crossings
- detention or retention storages
- pollution and erosion control devices
- hydraulic structures

Control of stormwater flows is achieved by the use of basins (either detention or retention) where flows are temporarily stored to be later released at a rate compatible with the capacity of the drainage system.

Besides controlling water quantity, trunk drainage systems also address water quality problems. Urban water quality is an issue of concern for the community and as a result now plays an important part in the design of urban drainage systems. Aspects such as aesthetics, protection of natural environments, erosion control and preservation of water quality are now accepted as prominent design objectives.

In the Erskine Park residential release area two (2) trunk drainage systems are proposed. The first drainage system is located on the north and south side of the F4 freeway just west of Erskine Park Road/Roper Road.

The second trunk drainage system is located on the eastern side of the intersection of Banks Drive with Erskine Park Road. Both drainage systems discharge stormwater through established residential areas. Therefore, control of stormwater quantities and quality are vitally important.

The trunk drainage systems proposed for Erskine Park are designed with these objectives in mind and will safely accommodate the floodwaters whilst ensuring a satisfactory standard of water quality.

The necessary works are outlined in the schedule at the rear of this plan.

5.4 Open Space Land and Facilities

Council completed a recreation needs assessment for the release in 1984. At that time, the need and location of land for active and passive open space was identified. Since then, a large proportion has been dedicated to Council as development proceeds. Staged embellishment of these reserves is almost complete.

5.5 Community Land and Facilities

Council has now completed the provision of planned children's services under Council sponsorship for the Erskine Park Release Area and the funding to be recovered from this plan provides for recoupment of Council's advanced expenditure in the area.

The following children's services were provided:

- Peppertree Long Day Care Centre
- Colorado Before and After School Care Centre

Council has now completed the provision of planned neighbourhood services under Council sponsorship for the Erskine Park Release Area and the funding to be recovered from this plan provides for recoupment of Council's advanced expenditure in the area.

The following neighbourhood services were provided:

- Peppertree Neighbourhood Centre and Hall
- Chameleon Drive Site (land only)

5.6 Street Trees

In providing for the establishment of an aesthetically pleasing street environment, Council requires each development to contribute towards the planting of street trees in front of each lot to be created. It is appropriate for the planting to be delayed until the construction of each house and to be implemented on a precinct basis. Consequently, Council collects a contribution towards these trees and implements the planting accordingly.

5.7 Plan Administration

To monitor, review and implement the Section 94 contributions plans Council must dedicate staff and administrative resources to the task. This has resulted in the inclusion of a 1% administrative component.

PART 3 - ADMINISTRATION

Council's Financial Services Department maintains a register of contributions in accordance with Clause 33 of the Environmental Planning and Assessment Regulation.

A separate accounting record is maintained by Council for this Plan. It contains details of contributions received and expended, including interest earned, for each contribution category.

This record is available for inspection free of charge.

6.0 CONTRIBUTIONS FOR DEVELOPMENT

6.1 Forms of Development

Various forms of development within the area will be required to contribute funds under the provisions of this plan. The amount of contribution will be related to the form of the development. The following principles are adopted as part of this plan for common forms of development within the area.

1. Subdivision for residential purpose: All contributions at per lot rate listed for each additional lot.
2. Dual Occupancy, Integrated Housing and medium density residential developments: All contributions at the per lot rate per residential unit.
3. Shopping facilities, Churches, Schools, Community Facilities: Contributions for Trunk Drainage, Roads and Traffic Management Facilities and Plan Administration only at a rate of one lot per 2000 m² of development site

7.0 CALCULATION OF CONTRIBUTIONS RATES

7.1 Basis Of Contribution Calculations

The contributions for this plan have been calculated on the basis of a per lot rate. The method for determining the contributions rate for this plan is based on the total amount still to be collected divided by the area to be developed. This is expressed below:

C = \$B / Lots where

\$C is the contribution rate per Lot.

\$B is the Total actual (indexed) and estimated future costs of the Budget per category,

Lots is the total number of lots expected to be developed.

These contribution rates for this plan are listed in the Appendix.

7.2 Review and Indexation of contributions

The section 94 contribution rate will be indexed. This indexing is generally based on the Consumer Price Index (All Groups Sydney) or equivalent index system or a projection thereof. The indexing will be published in Council's Annual Management Plan in July each year and will list the rates for the next 12 month period.

In addition Council may review the entire Contributions Plan, and subject to the regulations could adopt new contribution rates.

There will also be periodic reviews of the plan and the construction costs of all items. At the time of these reviews the revised contribution rate will not apply to developments that have already been approved or have been completed.

The method of establishing the contribution rate shall be to estimate the result that would be achieved by applying the following formula on a quarterly basis.

This formula will be automatically adjusted for prior estimation errors in the first quarter of each management plan.

NR = OR x CI/EI where

- **NR** is the new contribution rate,
- **OR** is the contribution rate at adoption of the plan,
- **CI** is the latest Consumer Price Index (All Groups Sydney), and
- **EI** is the Consumer Price Index (All Groups Sydney) which applied at the date of adoption of the plan.

8.0 Method and Timing of Payment

8.1 Issue of Consent

When a development consent is issued for a development any contributions required under this plan will be listed in the conditions attached to the consent. The conditions will indicate the contributions required and the time allowed for the payment of the contribution at that stated rate.

Where a development proposal involves work in kind or the transfer of land to Council for public purposes identified in the section 94 budget, the item and the corresponding estimate in the budget will be described in the conditions of consent.

8.2 Indexation of Contributions After Issue of Consent

The contributions payable are stated in a consent at the value payable during the current quarter. Amounts for future quarters are published in the Management Plan current at the time and in subsequent management plans. Should the applicable contribution rates not be validly published in the Management Plan, the rate applicable will be calculated in accordance with part 7.2 of this Plan.

In the event that contributions are not received when due, interest will accrue on the debt at a rate equal to that which is due on unpaid Council rates and indexation will cease.

In the event that a contribution is assessed on this plan, and a subsequent or amended plan comes into force before payment is made, the developer may elect that the payment is due under this plan as at the day before a new plan comes into effect. As at that time, indexation ceases and interest applies in accordance with this part. This election may be made while the development consent remains valid.

8.3 Method of Payment

Payment may be made by any means acceptable to Council provided that if the payment is not by cash or by bank cheque then:

- any costs or commission payable by Council on the transaction or its collection must also be paid, and
- the payment shall not be deemed to be received until Council's bankers acknowledge the funds are cleared.

8.4 Timing of Payments

- Subdivision Applications: Payment to be made prior to Council signing and releasing linen plan of subdivision.
- Development Applications Involving Building Work: Payment to be made at the time of building approval.
- Development Applications where no Building Approval is required: Payment to be made prior to occupation of the premises.

8.5 Deferred Payment of Contributions

Council will give consideration to any request for deferment of contributions on its merits. However, the developer must make written application.

If Council grants such a request it is conditional upon the applicant providing a suitable Bank Guarantee and Deed of Agreement.

A period for deferral of a contribution will be agreed between the applicant and Council prior to preparation of the Bank Guarantee. The Bank Guarantee will be required to be valid for at least twelve months after the end of the agreed period. The period may be extended in circumstances acceptable to Council. Interest will be charged on deferred contributions equal to the rate applicable to overdue Council rates. The amount of the Bank Guarantee will be calculated in the following manner:

G = C(I + 1)^P where:

- G** is the amount of the Bank Guarantee;
- C** is the contribution owing at the time the contribution is due;
- I** is the estimated compound interest rate set by Council; and
- P** is the period covered by the guarantee.

The guarantee will be terminated when the liability is met by the payment of cash or transfer of land or works. The Deed of Agreement is to be prepared by Council's solicitors

at full cost to the applicant. Council also charges an administrative fee for deferred payment of contributions.

Should contributions not be paid by the due date, the Bank Guarantee will be redeemed by Council.

8.6 Works in Kind

Where a development proposal includes as an integral component of the development works that are included in the section 94 contributions plan, Council may allow the developer to construct the Section 94 works as Works-in-Kind and allow a credit for the value of the works against payment of contributions otherwise required for the development.

This is subject to the developer entering a formal agreement with the Council regarding the scope, the procedures to be adopted, and the valuation of the works.

Other developments may require that particular work, identified in the Section 94 contributions plan, is required to be constructed as a condition of that development, ie. the works are necessary for the development. In these circumstances, the developer will be required to undertake the works as Works-in-Kind subject to the same agreement indicated above.

The terms of the agreement will require the works to be completed prior to the credit being "granted". Documentation necessary for the verification of proposed credits will also be established in the agreement and a reasonable time frame will be established in order to prevent the delay in finalising the contribution required (and delay in linen release).

8.7 Valuation of Works in Kind

At the time of detailed design and documentation, a cost estimate will be established. If this varies from the adopted Section 94 budget, steps will be taken to rectify the variation. Land which has not been redeveloped which benefits from the work in kind will be affected by any increase, and will similarly be affected by any decrease.

Once an agreement has been reached between Council and the developer about the revised cost, the developer may engage a contractor to undertake the works. The developer will remain liable for any cost overruns. Similarly, any economies in construction costs will flow to the developer, provided that the quality of the work is not diminished. No further verification of the cost of work will be necessary following the detailed design and estimation. However, a valuation will be required as the work will form part of Council's asset register.

8.8 Transfer of Land

Land to be transferred to Council for public purposes will be subject to valuation. Should the applicant wish to dispute the valuation, submission of a valuation report prepared by a registered valuer will be required.

A Council resolution will be required to endorse the dedication of land where it is proposed to offset the value of the land against the contribution payable.

8.9 Credits

Prior to work being commenced which would result in a developer entering into a position of credit, Council approval will be required. This may be done in conjunction with consent after assessment of likely Section 94 works.

Following satisfactory completion of any works and their valuation, the item will be acknowledged as a credit against Section 94 liabilities for the applicable section of the budget.

PART 4 - CONTRIBUTION RATES

ITEM	INDEXED BUDGET COST OF WORKS	\$ PER LOT CONTRIBUTION
		based on cost of works divided by total lots
Roads and Traffic	2,937,704	1,004
Trunk Drainage	4,377,296	1,496
Open Space Land and Facilities	14,808,486	5,061
Community Land and Facilities	4,239,774	1,449
Street Trees	156 per lot	156
Plan Administration	263,340	90
TOTAL	27,083,056	9,256

PART 5 - SCHEDULE OF WORKS

1. Roads and Traffic Management

- Erskine Park Road upgrading
- Pedestrian Laneway Upgrading

2. Trunk Drainage

- Ashwick Circuit
- Augusta Place
- Chameleon Drive
- Chameleon Drive/Tinarra Crescent
- Dorado Street/Strickland Place
- Fantail Crescent (2 sites)
- Fantail Crescent/Swallow Drive
- Shepherd Street

3. Open Space

- Aquarius Crescent/Taurus Street
- Ashwick Circuit
- Chameleon Drive
- Chameleon Drive (Active)
- Chatres Street
- Chatres Street/Hickory Place
- Denver Road/Colorado Drive
- Dilga Crescent
- Explorers Way
- Kawana Place/Capella Street
- Kestrel Crescent/Warbler Street
- Mohawk Place/Sennar Road
- Pacific Road
- Peppertree Drive/Ford Place
- Regulus Street
- Shepherd Street
- Skylark Crescent/Whipbird Place
- Strickland Place
- Swallow Drive
- Swallow Drive (Active)
- Swallow Drive/Columba Place
- Swallow Drive/Regulus Street
- Topeka Glen/Lexington Avenue
- Warbler Street/Pelican Street
- Warrenton Street/Columbus Avenue
- Weaver Street
- Whistler Crescent/Fantail Crescent

4. Community Facilities

- Chameleon Drive
- Colarado Drive
- Peppertree Drive



**PENRITH CITY COUNCIL
SEC.94 CONTRIBUTION PLAN
Erskine Park**

OPEN SPACE LAND
DRAINAGE LAND



COMMUNITY USES LAND
ERSKINE PARK ROAD UPGRADING

