



COOMA-MONARO SHIRE COUNCIL

ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

SECTION 94 CONTRIBUTIONS PLAN (ROADS & OPEN SPACE)

Adopted by Council on 16 November 1992.

Advertised on 19 November 1992 as adopted.
This plan came into force on 19 November 1992
In accordance with Clause 24(2) of the Environmental
Planning and Assessment Regulation, 1980.

Amended scale of fees for 1994/95, as adopted by Council.
Advertised amendment 10 December 1996.

In accordance with Clause 32(3) of the Environmental
Planning and Assessment Act Regulations, 2000.

Advertised amendment 25 February 2003.

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SECTION 94 CONTRIBUTION PLAN

(ROADS & OPEN SPACE)

1 DECISION TO PREPARE PLAN

On 14.9.92 Council resolved to prepare a draft Contribution Plan.

2 PURPOSE OF THE PLAN

The purpose of the Plan is:

- 1 To identify public amenities and services provided by Council, or which need to be provided, which will be subjected to increased demands and/or accelerated wear and tear as a result of development as defined in the Act.
- 2 To establish a basis for payment towards the provision of those services, established either before or after the development, and/or the upgrading of those services to meet the increased demands made as a result of development.

3 LAND TO WHICH THE PLAN APPLIES

The plan applies to all land within the Cooma-Monaro Shire as illustrated on the attached Map of the Shire.

4 NEXUS BETWEEN DEVELOPMENT AND DEMAND

This Plan identifies the nexus between the development in the area in which it is proposed and the demands placed on Council for the services provided or to be provided.

5 RURAL AREAS

5.1 SUBDIVISION AND NEW DWELLINGS

The most common form of development in rural areas is subdivision to create additional lots and the erection of houses on those lots and existing lots. Council's experience is that development within the Shire does not follow an identifiable pattern but tends to occur in a random manner according to the initiative of individual landowners at a particular time.

Such activity has the effect of creating an increased demand for improvements to and greater maintenance of Shire roads generally, rather than necessarily in relation to specific parts of roads.

This Plan identifies a common community of interest associated with Bushfire Brigade Areas within the Shire. These Bushfire Brigade Areas represent local community with common interests.

Contributions for rural road improvements collected in these areas will be spent in the area.

Council recognises that it is not possible to accurately assess in respect of each contribution:

- (i) That a contribution spent will directly benefit the development form which the contribution was collected.
- (ii) That sufficient funds will be collected within a reasonable time to substantially benefit the contributing development.

Council believes that improvements to facilities within the common community of interest enhances the locality within which a development is located and thus, benefits the development.

It is projected that the rate of subdivision in rural areas will increase because of:

- ❖ Increased pressure from the Canberra market.
- ❖ Changes to local planning laws which will facilitate subdivision.
- ❖ Increased areas to be zoned for rural small holdings 1(c).

For the purposes of this Plan, it is assumed that the number of new allotments in the rural area will double over a five (5) year period and as a consequence, Council's expenditure on rural road maintenance and upgrading will double.

Subdivision of land zoned rural will therefore attract contributions for rural road upgrading calculated under the following formula.

$$\begin{aligned}
 \text{Contribution} &= \frac{\text{5 year expenditure on rural roads}}{\text{No of Holdings}} \\
 &= \frac{\$2,654,338 (1985-1989)}{1377} \\
 &= \$1928 (1991)
 \end{aligned}$$

These contributions should be seen as interim pending more detailed study and review of the operation of this Plan in practice.

5.2 **RURAL AREAS – QUARRIES, EXTRACTIVE INDUSTRIES AND OTHER HEAVY VEHICLE GENERATING DEVELOPMENT**

In establishing a method of assessment for these operations, the following cannot be assessed prior to a development application being received:

- (i) The location of a potential site for the activity.
- (ii) The degree and extent of such an operation.
- (iii) Impact on the adjoining environment and road system.

Additionally it is unreasonable for the community to be called upon to fund improvements to the existing road network demanded by an approval of such a proposal.

Council has adopted the following method to establish a Section 94 Contributions rate for these types of development. The following formula is used to calculate the amounts to be charged to account for additional maintenance and reduced pavement life as a result of heavy vehicle operations. A separate calculation must be made for each pavement type along the haulage route.

Formula

$$\begin{aligned} \text{Charge per tonne per kilometer} &= \frac{\text{lifetime cost of road} \times \text{ESAs generated}}{\text{road design life in ESAs}} \\ &= \frac{M \times Y + C}{F \times DL} \end{aligned}$$

where ESA	=	Equivalent Standard Axles
M	=	Annual Maintenance cost of the road
Y	=	Road Design Life (years)
C	=	Construction/Reconstruction cost of the road (ie replacement cost)
F	=	A factor representing tonnes/ESA for the size(s) and type(s) of truck (6.5 for typical long distance haulage trucks)
DL	=	Road Design Life in ESAs

Consequently a contribution will vary depending upon the road network serving the area and its current condition and length.

6 **URBAN AREAS**

6.1 **WATER, SEWER AND DRAINAGE**

The urban areas are principally located within the town of Cooma and environs but may also include the other towns and villages within the Shire.

Council does charge contributions towards water and sewer services in accordance with Section 64 of the Local Government Act 1993. These charges do not form part of Section 94 Contributions.

6.2 OPEN SPACE

New development in Town and Villages will increase the demand for Council to:

- ❖ Acquire additional land for open space, so as to ensure a reasonable distribution of neighbourhood open space facilities.
- ❖ Upgrade and improve both existing and new open spaces to increase their usefulness to residents and accommodate changing demands.

The nexus between new development and increased demand for open space is well established. The situation in country towns and villages is slightly different from that in metropolitan areas, in that use of all open space tends to be shared rather than limited to a particular locality.

Taking these factors into account, the following formula is proposed in the application of a contribution.

Formula

$$C = D \times E \times d$$

where C = Contribution rate

D = Demand based on 28.3 m² per person (ie 2.83 hectares per 1,000 persons) and given an occupancy rate of 3 persons/dwelling calculates at 84.9 m²/dwelling/allotment

E = Cost of vacant land (urban)/m²

d = Discount factor (0.5) having regard to shared use between existing and new open space and efficiencies through improvements to existing open space

Cooma assessed at

$$700 \text{ m}^2 \text{ allotment value } \$25,000 = \$35.71/\text{m}^2$$

Villages assess at

$$1,000 \text{ m}^2 \text{ allotment value } \$8,000 = \$8.00/\text{m}^2$$

Cooma Contribution

$$\begin{aligned} C &= D \times E \times d \\ &= 85 \times \$35.71 \times 0.5 \\ &= \$1,517.68 \text{ (1992)} \end{aligned}$$

Village Contribution

$$\begin{aligned}
 C &= D \times E \times d \\
 &= 85 \times \$8.00 \times 0.5 \\
 &= \$340.00 \text{ (1992)}
 \end{aligned}$$

7 ADJUSTMENT OF CONTRIBUTION RATES

In order to keep pace with inflation, it will be necessary to index all calculations and contributions with the Consumer Price Index.

The index used by Council in this adjustment is the Consumer Price Index for Sydney as published by the Australian Bureau of Statistics for the previous 12 months, and adjusted on 1 July each year operative from that date. For the interim period 1 January 2003 to 30 June 2003 the contribution levels adopted by Council in the Management Plan effective 1 July 2002 shall apply.

8 METHOD OF PAYMENT

- 1
 - (a) When Council grants development consent for a development which is subject to Section 94 Contributions, it shall be at the time of granting its consent, state the value of the Section 94 Contributions based on the figure adopted by Council.
 - (b) Payment of a contribution must be made prior to release of a Construction Certificate or release of a subdivision linen plan.
 - (c) Payment of a contribution of a quarry or extractive industry or is to be made no later than six (6) months after the commencement of the operations. Council may call in contributions earlier than six (6) months if services require improvements or upgrading because of the operations of the development.
- 2 Alternative – Deferred Payment Scheme (to apply to subdivision of 3 or more allotments).
 - (a) In the case of a subdivision, at the date of release of the subdivision plan the subdivider must deposit with Council an irrevocable guarantee, by a bank lawfully carrying on a business in Australia, to pay to Council the value of the current contributions (as amended) at the time of release of the plan by any variation in the Consumer Price Index.
 - (b) In addition to the requirements of (a) above, the subdivider shall lodge with Council a letter acknowledging the amount of contribution and agreeing to the cashing of the bank guarantee in accordance with the procedure outlined below for the intervening years, commencing at the date of Council's approval of the subdivision application and concluding at the date of conclusion to the sale of all allotments or two (2) years, as required in (c) below, whichever is the least period.

- (c) At the time of sale of each lot, the subdivider shall pay the Section 94 Contribution to Council forthwith together with a clear indication of the lot description relating to the parcel being sold. In the event of a lot not being sold within two (2) years from the endorsement date indicated on Council's development approval, the contribution shall be fully paid at the end of this period.

The intent of this clause is to prevent subdividers constructing dwellings on allotments, subject to Section 94 Contributions, for the purpose of rental and thereby avoiding the payment of the contribution by virtue of the fact that the land has not been sold.

- (d) Council may from time to time, after considering written submissions from developers, vary the conditions of payment by the extension of the two (2) year period by one (1) year or less.

The intent of this clause is to allow Council to vary conditions for bona fide developers who cannot make sales in cases of severe slump in the land market.

- (e) Where, in the opinion of Council, works are required immediately to upgrade Council's services to supply a development and an immediate cost is to be borne by Council, the developer is to pay Council for such works prior to the release of any linen plans or Construction Certificate for such works and services.

9 PARTIAL SUBDIVISIONS

Where a subdivider develops an area of land into larger lots than those intended by the minimum lot clauses in the planning provisions, then a Section 94 Contribution shall be paid on each lot created. This type of subdivision is termed partial subdivision. Council will charge a Section 94 Contribution on further subdivision of the land if the areas created allow for this additional subdivision.

The Section 94 Contribution shall be at the rate applicable at the time of determination of the subdivision.

10 DISCOUNTS

In the assessment of a Section 94 Contribution, Council will take into account the existing use of the land at the time of assessment. A reduction or discount of the assessed contribution will reflect the existing use being replaced and the community benefit resulting from the development (if any). Such assessment is to be made on the basis of the existing code of Council at the time of assessment.

11 WORKS SCHEDULE AND ACCOUNTING

Council adopts a schedule of works annually. Monies received under this Contributions Plan will be accounted for separately and distinguished from all other money held by Council to be applied specifically towards the works for which it is contributed. They

will be spent in the locality of the development so as the expenditure benefits the subdivision directly. This direct benefit will be assessed at the time of application and be part of the application consent if issued.

An annual statement will be prepared with respect to the Contribution Plan in force in the area.

Council adopts the works schedule for funds from extractive industries, quarries, or as follows:

- (i) Schedule will depend on the impact of the development on the services but the funds will be expended at least every twelve (12) months.
- (ii) Schedule will depend on the services used and the nominated haulage roads given at the time of application which have been taken into account during the development application assessment. This schedule can and will change depending on any change in haulage roads over the life of the development.

