

HUNTLEE STAGE 1 PROJECT APPLICATION LOCAL VPA CONTRIBUTIONS

Area Type	Village No.	Infrastructure Item	Plan Reference Number	Type of Contribution	When Provided	Land Dedications to Council	Monetary Contributions + Works in Kind
Community	1	Neighbourhood Centre Building	A	Dedication of Land + Works in Kind	The land and building will be dedicated to Council prior to the issue of a Subdivision Certificate for the 1200th lot in Village 1.	5000m²	\$1,250,000
	1	Multi Functional Centre - Library / Cultural Centre / Youth Centre / Aquatic Centre / Indoor Basketball Courts / Huntlee Office	B	Dedication of Land + Works in Kind	The land and building will be dedicated to Council prior to the issue of a Subdivision Certificate for the 1500th lot in Village 1.	9000m²	\$5,000,000
	1	Cemetery Columbarium Wall	C	Monetary Contribution	Monetary Contribution will be made upon request by Council.	-	\$16,000
Recreation	1	Public Open Space (including parks within Stage 1 of the Town Centre)	See Huntlee Open Space Provision Plan	Dedication of Land + Works in Kind	Each Public Open Space will be dedicated to Council upon Practical Completion. Works in Kind for Village 1 is provided over an estimated 2295 dwellings at \$3300 per dwelling.	Estimated at 54.9ha. (Complies with Council Open Space Guidelines (See Note 2)	\$7,573,500
	1	Public Open Space Maintenance	-	Works in Kind	Huntlee will maintain each park in Village 1 for three (3) years from the date of Practical Completion of each Public Open Space.		\$2,100,000 (See Note 1)
	1	Local Sports Ground / Lake	D	Dedication of Land + Works in Kind	The land will be dedicated to Council from Practical Completion or prior to the issue of a Subdivision Certificate for the 1200th lot in Village 1, whichever is the earliest.		\$7,000,000
	1	Contribution to Miller Park / Aquatic Centre	E	Monetary Contribution	Monetary Contribution will be made upon request by Council.	-	\$50,000
	1	Local Sports Ground	J	Dedication of Land + Works in Kind	The land will be dedicated to Council from Practical Completion or prior to the issue of a Subdivision Certificate for the 1500th lot in Village 1, whichever is the earliest.	2ha.	\$2,000,000
Local Roads	1	Upgrade of Streets in North Rothbury	F	Monetary Contribution or Works in Kind	Road Improvements to be completed prior to the issue of the Subdivision Certificate for the 1200th lot in Village 1.	-	\$800,000
Education	1	Government Pre-School	G	Dedication of Land + Monetary Contribution	The land and Monetary Contribution will be dedicated to Council prior to the issue of the Subdivision Certificate for the 800th lot in Village 1.	1000m²	\$600,000

1. The Public Open Space Maintenance is based on a notional allocation of \$300,000 per annum for 7 years - being the expected development life of Village 1.

2. The Huntlee Sporting and Open Space Provisions accord with the Council Guidelines for Open Space. Refer to Attachment A.

Land Dedications
58.4ha.

Monetary Contributions
+ Works in Kind
\$26,389,500

Memo

COMPANY NAME: Huntlee Pty Ltd

TO: Ian Wilks

FROM: Gordon Kirkby

DATE: 21 August 2012

RE: Huntlee Stage 1 Section 94 Benchmarking

PROJECT NAME: Huntlee

PROJECT NO: 09516

JBA has undertaken a benchmarking exercise to test the proposed local developer contribution rates proposed by Huntlee in its Stage 1 Project Application (see Schedule at **Attachment A**). The proposed Stage 1 monetary contributions / works in kind have been benchmarked against comparable Section 94 contribution rates applied by Cessnock, Maitland and Singleton Councils for new residential development. In addition, a detailed analysis has been undertaken on the proposed Huntlee Stage 1 contributions for open space compared to Cessnock Council's standard costings for delivering local open space infrastructure.

1.0 HUNTLEE STAGE 1 DEVELOPMENT ASSUMPTIONS

The analysis and calculations in this Memo are based on the Huntlee Stage 1 development as proposed in the Preferred Project Report submitted to the Department of Planning and Infrastructure. Given the complexity of the proposed land use and timing of development in Stage 1, a number of assumptions have been made regarding development in Stage 1 for the purposes of calculating contributions. These assumptions are:

1. Residential superlots within Stage 1 have been given a lot yield based on the Roberts Day estimated yields in Figure 15 of the PPR;
2. Lot 34 DP 755211 (Disage) has been excluded from the calculations both in term of lot yield and open space provision;
3. The calculations have been based on 2222 dwellings in Stage 1. This is on the basis of 2,345 dwellings proposes in Stage 1 minus 123 dwellings in Lot 34.
4. The analysis is based on residential development only. This is on the basis that Cessnock City Council doesn't levy s94 developer contributions for Commercial or retail development with the exception of contributions for car parking in the Cessnock CBD;
5. The Stage 1 open space provision is as per the Hassell landscape concept;
6. The Large Lot Residential Area of 120 lots located to the south of the proposed town on Wine Country Drive and associated open space provision have been included in the calculations.

7. For the purposes of road contributions, the contribution amounts in the Regional VPA have been included as part of the benchmarking for completeness, given local roadworks are being undertaken to Wine Country Drive, which is a State Road.
8. The value of land to be dedicated for open space has not been included in the calculations. This information is however being prepared and will be supplied as an addendum to this report.

The calculations have been undertaken on a per dwelling basis with comparison against the average of 2 and 3 bedroom dwelling contribution rates for each Council area. This is considered an appropriate basis for comparison due to the large proportion of units or strata terraces in Stage 1 of Huntlee (447 dwellings) and the mix of lot sizes that will be created which will cater for both 2 and 3 bedroom dwellings as opposed to residential lots created in other release areas that will generate predominantly 3 bedroom dwellings.

The s94 contributions have been calculated using the development parameters in **Table 1** below:

Table 1 - Huntlee Stage 1 Development Parameters

Total Residential Dwellings	2,222
Total Residents – 2,222 x 2.9	6,444
Total Stage 1 Open Space Comprising:	84.54 ha
■ Local Parks – 6 x 0.5 ha, 2 x 1 ha	5 ha
■ Local Sports Ground – 1 x 5 ha	5 ha
■ District Parks – 1 x 1.9 ha, 1 x 1.5 ha	3.4 ha
■ Riparian / Passive (excluding all above)	71.14 ha

2.0 DIRECT LOCAL CONTRIBUTION COMPARISON

The proposed local contributions for Stage 1 of Huntlee are outlined in the Schedule in **Attachment A** and summarised in **Table 2** below.

Table 2 - Huntlee Stage 1 Contributions

Type	Infrastructure Item	Monetary Contribution + Works in Kind	Contribution per Dwg (2,222)
Community Facilities	Neighbourhood Centre Building	\$1,250,000	
	Multi-functional Centre	\$5,000,000	
	Cemetery Columbarium Wall	\$16,000	
	Pre-school	\$600,000	
(Sub-total)		\$6,866,000	\$3090
Open Space / Recreation	Public Open Space	\$7,573,500	
	Public Open Space Maintenance (7 years)	\$2,100,000	
	Local Sportsground / Town Lake	\$7,000,000	
	Contribution to Miller Park Aquatic Centre	\$50,000	
	Local Sportsground	\$2,000,000	
(Sub-total)		\$18,723,500	\$8,426
Local / Regional Roads	Wine Country Drive Upgrade and associated works	\$10,000,000	
	Upgrade of Streets in North Rothbury	\$800,000	
(Sub-total)		\$10,800,000	\$4,860
Total Contribution		\$36,389,500	\$16,376

The total contribution for Stage 1 infrastructure proposed in the PPR is \$16,376 per dwelling. A comparison of the proposed Stage 1 Huntlee contributions per dwelling against the general Cessnock, Maitland and Singleton S94 Plans and a number of recent residential release areas is shown in Table 3 below. The table breaks down the contributions into roadworks, open space and community/cultural facilities to assist with comparison.

Table 3 - Huntlee Stage 1- Per Dwelling Comparison with Cessnock, Maitland and Singleton S94 Residential Rates

Section 94 Plan Area	Roadworks	Open Space (incl cycleways)	Community /Cultural Facilities	Admin	Total Contribution
Government Rd, Cessnock	\$3,397	\$2,101	\$1,468	\$244	\$7,210
Mount View Rd, Cessnock	\$2,177	\$3,366	\$2,757	\$277	\$8,577
Bellbird North, Cessnock	\$8,298	\$3,670	\$3,121	\$264	\$15,353
North Rothbury, Cessnock	\$8,321	\$1,064	\$875	\$294	\$10,554
Cessnock Urban	\$810	\$1,064	\$875	\$294	\$3,043
Maitland Citywide	\$4,131	\$4,630	\$2,570	\$170	\$11,501
Thornton/Ashtonfield, Maitland	\$5,717	\$4,630	\$2,570	\$195	\$12,112
Raworth Ave, Maitland	\$5,321	\$4,630	\$2,570	\$187	\$12,708
West Rutherford, Maitland	\$7,226	\$4,630	\$2,570	\$215	\$14,641
Singleton NE Urban Expansion	\$3,748	\$4,722	\$737	\$148	\$9,355
Singleton West Urban Expansion	\$4,210	\$3,228	\$737	\$148	\$8,323
Singleton NW Urban Expansion	\$2,133	\$3,699	\$737	\$148	\$6,717
Huntlee Stage 1	\$4,860	\$8,426	\$3,090	-	\$16,376

As can be seen in Table 3, the overall per dwelling contribution rate of \$16,376 for Stage 1 Huntlee is higher than that for comparable residential areas in Cessnock, Maitland and Singleton. In particular the proposed contribution towards open space and recreation for Stage 1 of Huntlee is significantly higher than for the other residential areas analysed.

3.0 COMPARISON OF OPEN SPACE COSTING

With regard to open space provision, the proposed Huntlee Stage 1 contribution has been compared with Cessnock Council's standard S94 infrastructure costing. This provides a benchmark as to the quality and standard of open space to be provided by Huntlee Pty Ltd. The proposed open space provision for Stage 1 Huntlee in terms of type and associated area is outlined in Table 1 above. The standards cost per hectare for the development of each type of open space has been obtained from Cessnock City Council's Section 94 Plans and been applied to the proposed Huntlee Stage 1 provision.

Table 4 compares the standard Cessnock Council cost per hectare for open space with the cost estimate provided by Huntlee Pty Ltd for in-kind works for Stage 1.

Table 4 - Huntlee Stage 1 Cost Comparison

Open Space Type	Cessnock Cost/ ha	Huntlee Stage 1 Area	Cessnock Costing
Local Park	\$300,000	5 ha	\$1,500,000
Local Sportsground	\$442,000	5 ha	\$2,210,000
District Park Playground	\$350,000	3.4 ha	\$1,190,000
Riparian / Passive Park	\$24,500	71.14 ha	\$1,742,930
Cessnock Cost (based on cost / ha)			\$6,642,930
Proposed Works Cost			\$18,723,450

As can be seen from the above table, based on Cessnock City Council's standard S94 costing for open space, the type and quantum of open space to be provided in Stage 1 of Huntlee would see an investment by Council of \$6,642,930 should it be undertaking the works. The proposed in-kind works to be provided by Huntlee Pty Ltd are proposed to total \$18,723,450 including the cost of on-going maintenance for the development life of Stage 1 (7 years). This demonstrates a significantly higher level of contribution and standard of embellishment. It should also be noted that in addition to the above in-kind works, Huntlee Pty Ltd also proposed a monetary contribution of \$50,000 to Council for the Miller Park Aquatic Centre.

4.0 CONCLUSION

The analysis demonstrates that the proposed monetary and in-kind works to be provided by Huntlee Pty Ltd as part of the Stage 1 development are comparable or superior to other residential release areas in this part of the Lower Hunter region, particularly when compared to other Cessnock developments. The analysis also demonstrates that the proposed in-kind open space contributions will be of a significantly higher standard and cost than that provided by Cessnock Council as part of its s94 works.