

DUAL KEY OCCUPANCY AND THE IMPACT ON DEVELOPMENT CONTRIBUTIONS FOR THE KINGSCLIFF RESORT

Prepared for Leighton Properties

07 December 2010

BACKGROUND

Leighton Properties have lodged a Development Application (07_0089) with the Department of Planning for the construction of a tourist resort and associated community facilities. The resort will incorporate 180 units/ bungalows, a conference centre, restaurant, bar and other ancillary commercial and recreational facilities.

In a letter dated 18 June 2010, Tweed Shire Council has provided comment on the development application, and in particular, the implication of the dual key provisions on Developer Contributions. In TSC's assessment, including a dual key arrangement for the bungalows (rather than a single entry) will result in over \$800k of additional Development Contributions, across water, sewerage, traffic and community facilities.

This paper includes Cardno's assessment of the Development Contributions that TSC are seeking to apply, based on a review of the available information.

TWEED SHIRE COUNCIL ASSESSMENT

We understand that the proposed development incorporates a mix of 2 and 3 bedroom bungalows. It is proposed that 122 of the 180 units will have a 'dual key' arrangement. A review of the drawings provided indicates that only the 2 bedroom units and 2 bedroom bungalows would have a 'dual key' access and this has been the basis of our advice below.

TSC's Development Contributions Plan contains the following information in relation to expected occupancy ratios for a range of dwelling types:

Table 1. Standards used in TSC DCPs

Dwelling house/lot	Equivalent to 2.4 persons (one Equivalent Tenement) Source: Tweed Shire Urban Land Release Strategy 2009
1 bedroom unit	Equivalent to 1.3 persons Source: Tweed Shire Urban Land Release Strategy 2009
2 bedroom unit	Equivalent to 1.7 persons Source: Tweed Shire Urban Land Release Strategy 2009
3 bedroom unit	Equivalent to 2.1 persons Source: Tweed Shire Urban Land Release Strategy 2009
4+ bedroom unit	Equivalent to 2.4 persons Source: Tweed Shire Urban Land Release Strategy 2009
Tourist related development that provides accommodation	Equivalent to the above residential standards with reference to the number of bedrooms
Open space standard	2.83 hectares per 1000 persons Source: as adopted by Land and Environment Court for developing areas (Department of Planning 1992)
Local structured open space standard	1.7ha per 1,000 population Source: Tweed Shire Open Space Infrastructure Policy 2002
Local casual open space standard	1.13ha per 1,000 population Source: Tweed Shire Open Space Infrastructure Policy 2002

The above occupancy ratios, including the 2.4EP per ET ratio, are considered to be reasonable in the context of other surrounding authorities in NSW and Queensland. It is how these ratios have been applied to the proposed development for the calculation of Development Contributions that is of concern.

In the absence of detailed information in relation to how TSC have determine the total EP demand for the Kingscliff Resort, the following has been assumed from the DCP:

Both Scenarios	1 bed units equivalent to 1.3EP or 0.54ET 3 bed units equivalent to 2.1EP or 0.875ET
Scenario 1	2 bed units equivalent to 1.7EP or 0.7ET
Scenario 2	2 bed units considered as 2 x 1 bed units – 2.6EP or 1.1ET

ALTERNATE METHODS OF ASSESSMENT

Following a review of the attached floor plans of the proposed 2 bedroom bungalows and 2 bedroom units, we do not consider the additional flows from bedroom no.2 to be comparable with that of a complete 1 bedroom unit, due to the proposed floor plan layout as detailed below:

- Bedroom 1 has access to a bathroom no.1, kitchen and living areas;
- Bedroom 2 has access bathroom no.2.

Whilst the second bedroom has a separate access and key, it is important to note that demand (for water, sewerage and community facilities) is driven by the number of people occupying the unit. This is unlikely to be significantly impacted if the bungalow has one or two keys.

From a water and sewerage perspective, the major sources of demands will be the shower, toilet and laundry. Given that there is only 1 kitchen and laundry, each bungalow has no additional fixtures to a normal unsuited 2 bedroom unit. It is unlikely that the demand would differ substantially if the bungalow was rented to two separate parties or just one and as such it is considered that the Development Contributions should not differ to those of a 2 bedroom unit.

- 2 bedroom unit equivalent to 1.7EP = 0.7ET

Other Authorities

There is limited other guidance available about the treatment of dual key dwellings. The table below indicates how a dual key unit might be considered in other municipalities in NSW:

Authority	Definition	No of ET
Byron Shire	Dual occupancy / residential flat building – 2 bedroom	= 0.72 ET
Ballina Shire	Medium Density Unit – units, townhouses, duplex developments, etc	0.67/unit = 0.67 ET
Mid Coast water	Short term accommodation - Hotels, Motels, hostels, boarding houses, short term caravans, short term cabins, Bed & Breakfast	0.4 ET/room = 0.8ET

The ACT Planning & Land Authority *Apartment Guidelines for mixed-use and high density residential developments* (July 2006) indicate that “dual-key apartments that are defined under a single unit title may be counted as a larger unit” indicating that the configuration proposed at Kingscliff Resort would be considered as individual 2 bedroom units.

In Queensland, Gold Coast Water (now Allconnex Water) has a comprehensive policy on developer contributions. The “Tourist Residential” classification indicates that this development would have a contribution of 0.35ET/room, which again equates to 0.7ET for a 2 bedroom bungalow/unit.

Lismore City Council’s Water & Wastewater Developer Contribution Charges (s64) Policy indicates that if there is not an appropriate category within the policy, then AS3500 can be used to determine fixture units, with 1Ep = 19FUs. Under this method:

- The number of fixture units is unchanged whether there is a dual key arrangement or not;
- Based on the plans supplied, there are 13 fixture units per dwelling, which represents a loading of approximately 0.7ET.

CONCLUSIONS

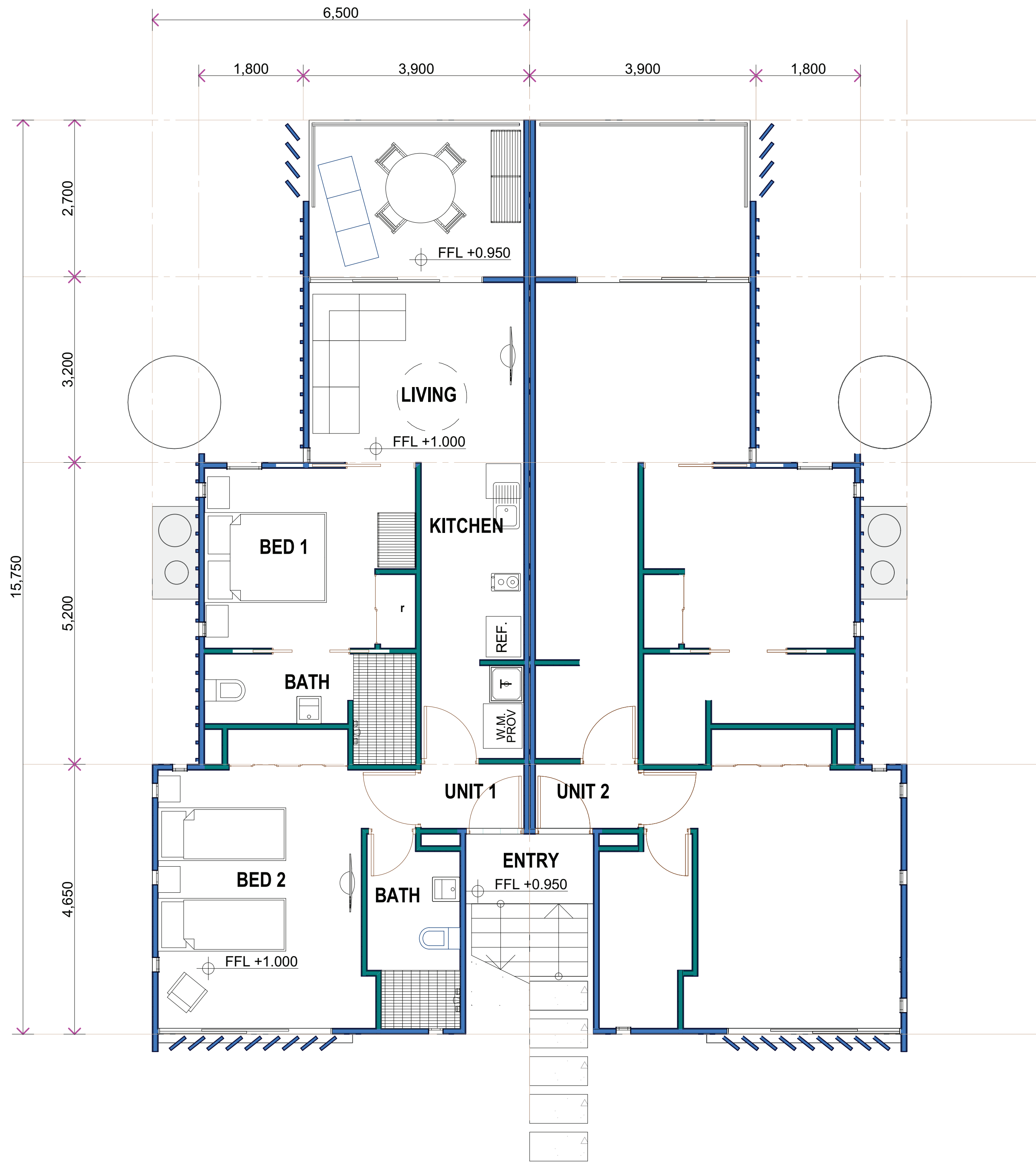
The proposed Kingscliff Resort dual key units as designed would appear to pose no additional demand from a water and sewerage perspective than an unsuited 2 bedroom unit.

Based on the information provided and our review of developer contributions in other areas, it would appear that the current assessment of developer charges by Tweed Shire Council is high.

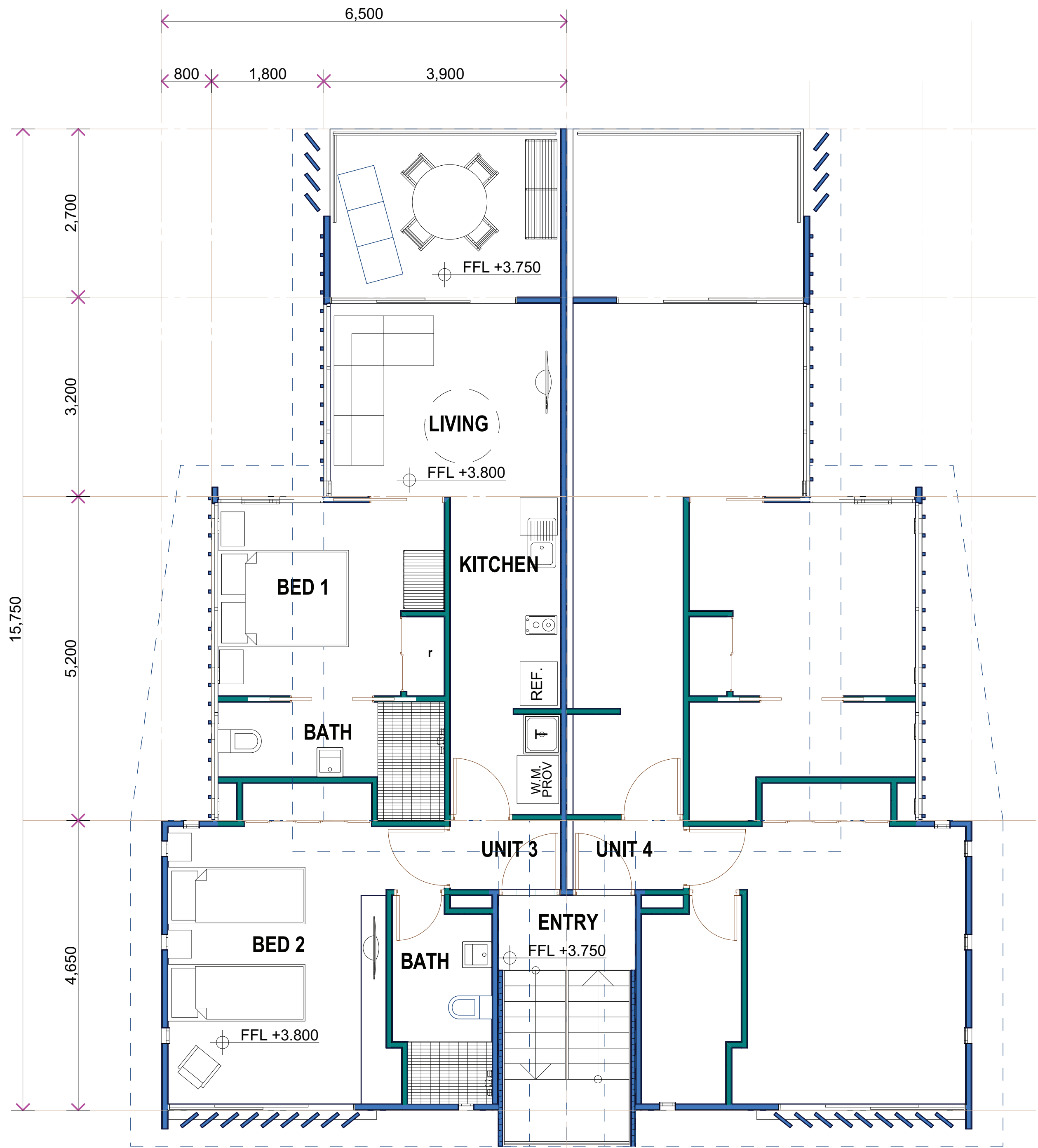
A more reasonable assessment would be to consider the unit / bungalows as 2 bedroom units with a loading of 0.7ET. This is consistent with how the units would be assessed under various other policies in NSW.

Attachment 1

***2 Bedroom Unit
Floor Plan***



1 UP LOWER FLOOR
1:50



2 UP UPPER FLOOR
1:50

NOTE: ALL FFL DIMENSIONS ARE MEASURED FROM AND RELATIVE TO NATURAL GROUND RL

AMENDMENTS			
REV:	DATE:	DESCRIPTION:	ISSUED BY:
A	01.04.09	NSW DEPT OF PLANNING - DA	NK

C COPYRIGHT

THESE DESIGNS, PLANS AND SPECIFICATIONS AND COPYRIGHT THEREIN ARE THE PROPERTY OF JMA ARCHITECTS QLD PTY LTD LEIGHTON PROPERTIES PTY LTD AND MUST NOT BE USED, COPIED OR REPRODUCED WHOLLY OR IN PART WITHOUT WRITTEN PERMISSION OF JMA ARCHITECTS QLD PTY LTD LEIGHTON PROPERTIES PTY LTD

NOTES:

Verify all dimensions on site before the commencement of any new construction work, alterations or shop drawings - take measured dimensions in preference to any scaled dimensions

Comply to the following or any other relevant codes:

- Building Code of Australia
- Local Authorities Rules and Guidelines
- covenants manual
- Apply all applicable AUSTRALIAN STANDARDS where relevant, including:
- Termite Barrier AS 3660.1
- Access and Mobility Codes AS 1428.1 & 1428.2

Larger Scale Drawings Take Precedence to smaller scale



J M A

ARCHITECTS
QUEENSLAND PTY LTD

Level 1 36 Wyandra St, Newstead, Qld 4006

P.O.Box 2716 Fortitude Valley BC, 4006 QLD
Email: jma@jma-arch.com
ACN: 101 165 271 ABN: 48 101 165 271
TEL: 07 3252 4400 FAX: 07 3252 2911

CLIENT. LEIGHTON PROPERTIES

JOB KINGSCLIFF

LOCATION CASUARINA WAY KINGSCLIFF 2487

PROPERTY DESCRIPTION

JOB No. 1040

DATE. APR 09

SCALE. 1:50@A1

DRAWN. NK

CHECKED JMA Architects

DRAWING SET DRAWING TITLE UP UNIT POD LOWER & UPPER FLOOR PLANS

DRAWING No: 1040 DW-04.1.1

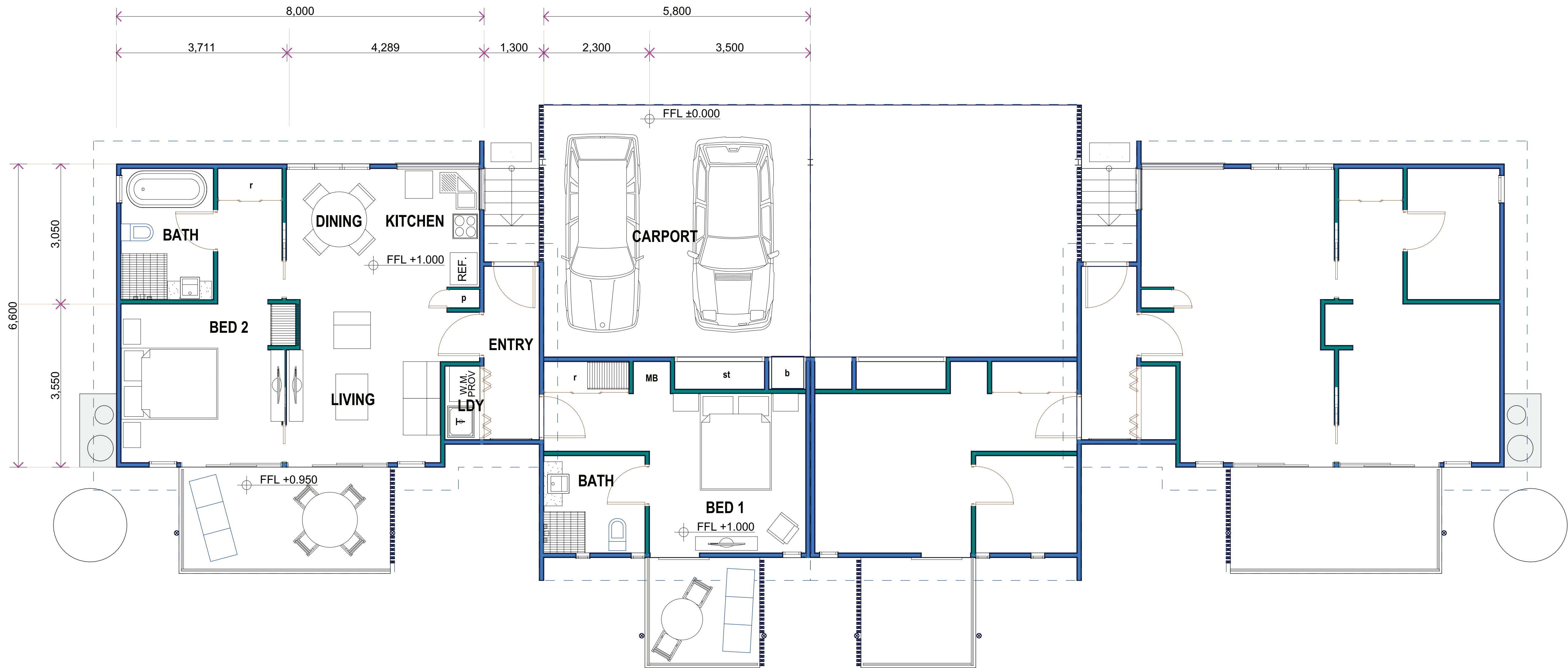
ISSUE A

PRINT DATE 2/04/2009

FOR SUBMISSION

Attachment 2

***2 Bedroom Bungalow
Floor Plan***



1 B2 FLOOR PLAN
1:50

NOTE: ALL FFL DIMENSIONS ARE MEASURED FROM AND RELATIVE TO NATURAL GROUND RL

AMENDMENTS			
REV:	DATE:	DESCRIPTION:	ISSUED BY:
A	01.04.09	NSW DEPT OF PLANNING - DA	NK

C COPYRIGHT

THESE DESIGNS, PLANS AND SPECIFICATIONS AND COPYRIGHT THEREIN ARE THE PROPERTY OF JMA ARCHITECTS QLD PTY LTD LEIGHTON PROPERTIES PTY LTD AND MUST NOT BE USED, COPIED OR REPRODUCED WHOLLY OR IN PART WITHOUT WRITTEN PERMISSION OF JMA ARCHITECTS QLD PTY LTD LEIGHTON PROPERTIES PTY LTD

NOTES:

Verify all dimensions on site before the commencement of any new construction work, alterations or shop drawings - take measured dimensions in preference to any scaled dimensions

Comply to the following or any other relevant codes:

- Building Code of Australia
- Local Authorities Rules and Guidelines
- covenants manual
- Apply all applicable AUSTRALIAN STANDARDS where relevant, including:
- Termite Barrier AS 3660.1
- Access and Mobility Codes AS 1428.1 & 1428.2

Larger Scale Drawings Take Precedence to smaller scale



J M A

ARCHITECTS
QUEENSLAND PTY LTD

Level 1 36 Wyandra St, Newstead, Qld 4006

P.O.Box 2716 Fortitude Valley BC, 4006 QLD
Email: jma@jma-arch.com
ACN: 101 165 271 ABN: 48 101 165 271
TEL: 07 3252 4400 FAX: 07 3252 2911

CLIENT. LEIGHTON PROPERTIES

JOB KINGSCLIFF

LOCATION CASUARINA WAY KINGSCLIFF 2487

PROPERTY DESCRIPTION

JOB No. 1040

DATE. APR 09

SCALE. 1:50@A1

DRAWN. NK

CHECKED JMA Architects

DRAWING SET DRAWING TITLE B2 2BED BUNGALOW FLOOR PLAN

DRAWING No: 1040 DW-02-1-1

ISSUE A

PRINT DATE 2/04/2009

FOR SUBMISSION