

Leichhardt Local Government Area

DEVELOPER CONTRIBUTIONS PLAN NO 2

Community Facilities and Services

(2005)

Effective as of 23 August 2005

Leichhardt LGA Developer Contributions Plan No.2 – Community Services and Facilities

Strategic Planning — Leichhardt Municipal Council (2005)

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Preface, Principles and Layout of this Plan

Preface

In Council's publication 'Population and Employment Projections for Leichhardt Municipality 2001-2011' it is predicted that the population of the Leichhardt local government area (LGA) will reach 52,052 by 2011, arising from likely increased residential development within the LGA during this period.

Other recent research by Council staff indicates that there is also likely to be an increase in employees within the LGA during this period. This increase is predicted to arise out of the current review of the planning controls for Council's industrial land and subsequent likely increased employment levels on these sites.

This plan enables Council to levy contributions for this anticipated new development within the LGA, pursuant to the provisions of section 94 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) (Note: See section A.1 of this plan for more information on the developer contributions system).

Principles

The key principles that underpin the levying of new development for increased or improved community facilities and services within the LGA are:

1. The occupation of the expected new development by employees or residents will generate an increased demand for community facilities and services within the LGA; and
2. The developers of these additional developments should contribute towards increased and/or improved public facilities within the LGA to satisfy the needs generated by these developments.

Layout of this Plan

This plan is one of three (3) developer contributions plans for the LGA. The other two plans, being the Open Space and Recreation Contributions Plan No.1 and Transport and Access Contributions Plan No.3, address the other demands for additional or improved public amenities and services generated by new residents and employees within the LGA.

This plan has four main parts:

Part A – Introduction and Summary: Contains explanatory information on developer contributions and details of the process that has been followed to review Council's existing developer contribution plans. This section also contains a detachable summary of contribution rates and payment methods, which can be used by applicants who do not require the remaining sections of this plan.

Part B – Administration: Provides information on the purpose, life and implementation of the plan.

Part C – Accounting: Advises when contributions are required to be paid and the alternative methods for meeting the contribution requirements of this plan.

Part D – Context, Changes & Contributions: Describes the physical context and predicted changes within the municipality which warrant the levying of development for additional and/or improved public amenities and services. It also sets out the formula and methodology that were used to determine the contribution rates within this plan.

Part E – Additional Information: Contains a bibliography and glossary for this plan.

Part A – Introduction & Summary

A.1 Introduction to Developer Contributions

The EP&A Act provides Councils the power to levy contributions for public amenities and services, required as a consequence of development.

Section 94(1) of the EP& A Act states that:

‘Where a consent authority is satisfied that a development, the subject of a development application, will or is likely to require the provision of or increase the demand for public amenities and public services within the area, the consent authority may grant consent to that application subject to a condition requiring:

- (a) the dedication of land free of cost; or*
- (b) the payment of a monetary contribution, or both.’*

Under section 94(2A), Councils are permitted to recoup the cost of public services or amenities provided in advance of, or to facilitate new development.

Councils may also accept the provision of a ‘material public benefit’ in part or full satisfaction of a condition imposed under the abovementioned sections.

Generally, contributions can only be made towards:

- *Capital costs including land acquisition;*
- *Public facilities which the Council has a responsibility to provide; and*
- *Public facilities which are needed as a consequence of, or to facilitate, new development.*

The contribution requirement is imposed by way of a condition of development consent. The key principles of developer contributions are based on the provisions of section 94 of the EP&A Act. The four key principles are briefly explained below.

(i) Nexus

Nexus refers to the relationship between the expected types of new development in an area and the demand for additional public facilities generated by that new development. The power to levy a contribution relies on there being a clear nexus between the development being levied and the need for the public amenity or service for which the levy is required.

(ii) Reasonableness

The section 94 system places the responsibility on Council to determine what is reasonable and to use section 94 in a reasonable manner.

(iii) Apportionment

Apportionment is a process which seeks to define the demands of all those who may benefit from the provision of a public facility to ensure that the contributing population only pays for its share of the total demand.

(iv) Public and Financial Accountability

Public and financial accountability are crucial components of the making and administration of contributions plans. Contributions plans are required to:

- Follow the precise legislative requirements relating to the preparation of section 94 contribution plans;
- Be transparent as to the manner in which the strategies and contribution rates were derived; and
- Be open to public scrutiny in the collection, accounting and expenditure of contributions.

A.2 Leichhardt Municipal Council Developer Contributions Plans – Review Planning Process 2003-2004

The 2003-2004 review of Council's developer contributions plans has involved Council's staff generally following the three stage planning process briefly described below:

Stage 1: Determine whether there is likely to be any resident and working population (employees working within the LGA) changes within the LGA, over the study period (ie. 10 years from the date of the last Census (2001-2011)), and to determine the nature of that change (ie. trends in various age groups). Due to the May 2003 boundary change, the resident population projections document also briefly assessed the changes to the demographic profile of the local community, following the loss of Glebe and Forest Lodge to the City of Sydney Council.



Stage 2: The findings of the residential population projections study and working population research were evaluated and discussed with all relevant service providers and planners within Council. They were then requested to prepare a list of public amenities and services likely to be required to meet the needs of this population change or to maintain present service provision standards, in the context of any strategic or other policies relating to future service provision by Council. Estimated costs were also assigned to each of the items on the list.



Stage 3: The various lists of required additional services and facilities were combined into one schedule. Each of the listed items was assigned an appropriate priority ranking. Appropriate contribution rates were also determined.

A.3 Summary of Contribution Rates & Payment Requirements

The contribution rates for the funding of new or improved community facilities and services under this plan are provided below.

Note: These monetary contribution rates will be adjusted on an annual basis from the 1 July 2006, in accordance with any incremental change in the indices shown in section C.4 of this plan.

MONETARY CONTRIBUTION RATES (RESIDENTIAL)

Monetary Contribution Rates – for Residential Development Involving Land Subdivision

Depending on the size of the proposed allotments, and utilising the maximum permitted floor space ratio, shown below in Table A (minus assumed internal car parking areas at a rate 20m² per dwelling), then utilise Table B below to determine the relevant monetary contribution based on the resultant gross floor areas.

Table A: Maximum permitted floor space ratio by density area

Density Area (Based on existing suburb boundaries)	Maximum Permitted Floor Space Ratio
Leichhardt	0.5:1
Annandale	0.6:1
Balmain	0.7:1

Example: An additional 240m² allotment is to be created within the suburb of Leichhardt. This allotment would have a maximum permitted gross floor area of 120m². When the assumed internal parking areas are subtracted - 20m², then the resultant predicted floor area for the site is 100m². Using the table below (ie. the >53m² – 106m² category), this would attract a monetary contribution of \$2,947.

Table B: Monetary Contribution Rates – for Residential Development Not Involving Land Subdivision

Dwelling Size (Gross floor area as defined within this plan)	Monetary Contribution (Based on a rate of \$1,535 per person)	Assumed Occupancy Rate
53m ² or less	\$2,042	1.33
> 53m ² – 106m ²	\$2,947	1.92
> 106m ² -160m ²	\$3,945	2.57
> 160m ² -215m ²	\$5,066	3.30
> 215m ²	\$6,109	3.98

MONETARY CONTRIBUTION RATES (EMPLOYMENT GENERATING DEVELOPMENT)

Table C: Contribution Rates – Employment Generating Development

Monetary rate per employee: \$334 based on the standard floor area rates per employee stated below.

Development Type	Floor Area for one employee (m ²)
Retail/Commercial Uses	
Row Shops with Frontage to a Street	22.3m ²
Speciality Shops in Centres of Arcades	20.4m ²
Supermarkets	48.0m ²
Department Stores	40.1m ²
Showrooms	85.1m ²
Modern Offices	17.7m ²
Offices Above Row Shops	19.0m ²
High-Tech Industrial Building Used For:	
Manufacturing	31.6m ²
Wholesale/Retail	47.7m ²
Financial/Property/Business Services	37.3m ²
Older Style Industrial Building (circa <1960) Used For:	
Manufacturing	72.1m ²
Wholesale/Retail	82.4m ²
Modern Industrial Building Used For:	
Manufacturing	85.1m ²
Construction	124.2m ²
Wholesale/Retail	73.6m ²
Transport/Storage	66.5m ²
Financial/Property/Business Services	32.6m ²
Modern Multi-Unit Industrial Complex Used For:	
Manufacturing	57.9m ²
Construction	77.3m ²
Wholesale/Retail	86.6m ²
Transport/Storage	81.4m ²

Note 1: Contributions will be calculated on the basis of the total increase in floor area, whether or not this represents a fraction of the rate for a single employee (see example below).

Note 2: Where a building is to be erected and the future uses are not known at the time that the development proposal is submitted, then the employee rate to be utilised will be an average of all of the examples for that particular building type (ie. for a modern multi-unit industrial complex, the rate would be an average of the rates for manufacturing, construction, wholesale/retail and transport/storage for that building type).

Note 3: Developers of new or enlarged employment generating development are to be levied under this plan based on standard employee occupation rates (refers to section D.2.1.d (iv) and section D.2.2.e.(ii) for additional information).

Example: A wholesale/retail business within a modern industrial building is planning to construct a mezzanine floor within their premises with a view to expanding their business. The mezzanine will have a floor area of 85m². Utilising the table above the standard rate for one employee, for this business, is 73.6m², which has an equivalent monetary value of \$334. Accordingly, utilising this floor area rate for one employee in relation to the proposed gross floor area of the mezzanine, this business will be required to contribute the equivalent of one employee \$334 + the remaining portion of the mezzanine as a fraction of one employee, as shown in the following calculation:

$$85 - 73.6 = 11.4\text{m}^2$$

Then divide this figure by the rate for one employee to convert the remaining portion of the mezzanine into a fraction of one employee = $11.4/73.6 = 0.15$

Then multiply $0.15 \times \$334$ to get the monetary equivalent for the remaining portion of the mezzanine = \$50.10

Therefore the total contribution for the mezzanine is $\$334 + \$50.10 = \$384.10$
(Rounded down to \$384)

PAYMENT OF CONTRIBUTIONS

A monetary contribution under the terms of the Community Facilities and Services Developer Contributions Plan No.2 is payable to Council:

- (i) In the case of a consent to development being **subdivision** irrespective of whether or not any further approvals are required:
 - Before the subdivision certificate is released to the applicant; or

- Before the issue of any construction certificate related to the site works, whichever occurs first;
- (ii) In the case of a consent to **development not involving subdivision** but where a subsequent construction certificate is required – before the issue of the construction certificate to the applicant, by Council or Private Certifier; and
- (iii) In the case of a consent to any **other development** where neither a subdivision certificate or construction certificate is required – prior to the issuing of the occupation certificate to the applicant, by Council or Private Certifier.

CREDITS

Note: Employee credits cannot be used as residential credits or vice versa

Residential Development Credits

When the dwelling no longer exists, a residential related credit will be given for the existing/former population of a site at the rates shown in Table D below. The dwellings being credited must have been present on the site within the previous five (5) years (from the date of adoption of this plan) to enjoy the credit. The onus is on the applicant to prove the existence of any dwellings as part of any development proposal.

**Table D: LGA Occupancy Rates by Dwelling Type – 2001
(Post-May 2003 Boundary Change Area Only)**

Dwelling Type	Occupancy Rate (Persons per Occupied Private Dwelling)
Separate House	2.47
Semi-detached (Row/Terrace House, Townhouse etc)	2.17
Flat, Unit or Apartment (total)	1.65
Other dwelling (total)	2.10

Source – ABS 2001 Census – First Release Data (Note: 'Other dwelling total' includes dwellings attached to shops and offices etc.) as quoted in Leichhardt LGA Population Projections 2001-2011 produced by the Strategic Planning Department of Leichhardt Council

Note: Separate house for the purposes of this plan refers to a detached house/dwelling

Note: These occupancy rates have been chosen on the basis that they are to be utilised when the dwelling no longer exists and irrespective of whether the size of the subject dwelling is able to be determined.

See Example 1 below for an illustration of the practical application of these credit rates.

Example 1: *An applicant is proposing to erect a multi-unit development that will support an expected population of 15.58 persons. Two semi-detached row houses occupied the site up until three years ago, at which time they were demolished. Therefore, using the relevant information in Table D above, the applicant would be able to claim a credit of $2.17 \times 2 = 4.34$ persons. Accordingly, the total population to be levied would equate to 11.24 persons.*

Where an existing dwelling(s) still exists on the subject site which is proposed to be demolished as part of the development proposal, then an applicant shall utilise the dwelling size assumed occupancy rates shown in Table B above for credit purposes.

See Example 2 below for an illustration of the practical application of credit rates.

Example 2: *An applicant is proposing to erect a multi-unit development that will support an expected population of 15.58 persons. Two semi-detached row houses currently occupy the site, but these are proposed to be demolished as part of the development proposal. Both residences have an area each of 113 m^2 . Therefore, using the relevant information in Table B of this plan, the applicant would be able to claim a credit of $2.57 \text{ persons} \times 2 = 5.14$ persons. Accordingly, the total population to be levied would equate to 10.44 persons.*

Employment Generating Development Credits

An employee related credit will be given for any employment use existing on the site in the previous five years (from the date of the adoption of this plan) based on the standard floor rates mentioned in sections D.2.1.d(iv) and D.2.2.e(ii) of this plan.

See Example 3 below for an illustration of the practical application of these credit rates.

Example 3: *An applicant is proposing to build a new industrial building with a floor area of 255.3 m^2 on a site, for the purposes of commencing a manufacturing use. Using the information in Table C of this plan, the proposed development would support an expected employee population of 3 persons. The site is currently occupied by a smaller older style industrial building measuring 144.2 m^2 , that until last year, contained a manufacturing use. Therefore, using the relevant information in Table C of this plan, the applicant would be able to claim a credit of two persons (144.2 divided by $72.1 = 2$ persons). Accordingly, the total population to be levied would equate to 1 person.*

For further information on these contribution requirements please contact Leichhardt Council's Strategic Planning Department.

Part B – Administration

B.1 Name of this Plan and Date of Adoption

This contributions plan has been prepared in accordance with the provisions of section 94 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and Part 4 of the *Environmental Planning and Assessment Regulation 2000* (the Regulation), and may be referred to as the Leichhardt LGA Developer Contributions Plan No.2 – Community Facilities and Services.

Leichhardt Municipal Council, pursuant to section 94AB of the EP&A Act and a resolution passed on 26 July 2005 makes the contributions plan set out hereunder. The notification of adoption was 23 August 2005.

B.2 Savings Provision

Any development application lodged but not finally determined prior to the commencement of this Plan is to be assessed and determined under the provisions of the contributions plan that was in force immediately before that commencement.

B.3 Area to which this Plan applies

This plan applies to all land within the LGA. This is also the area in which these contributions will be utilised.

B.4 Development to which this Plan applies

This plan applies to all residential development (whether or not it forms part of another type of development) and employment generating development (see definition in glossary) irrespective of the zoning of the land except for:

- (i) Alterations, additions or the replacement of a dwelling house, on land used within the previous five years for a dwelling house*, or on a lot subdivided prior to the adoption of this plan for that purpose, for which community facilities and services developer contributions have previously been paid;

***Note:** *There have been a number of cases in the LGA where an existing house straddles two residential allotments. This dwelling may be subsequently demolished and an additional dwelling site created. In these cases only one of the subsequent allotments (whichever has the smallest site area) will be exempt from the payment of developer contributions under this plan.*

- (ii) Temporary accommodation and low income boarding houses;

- (iii) Additions to an employment generating premises that comprise a floor area less than the relevant minimum floor area per employee, contained within this plan (refer to section C.2.2.e and the example below); and
- (iv) The intensification of employment generating premises that do not involve additional floor space.

Example: A wholesale/retail business within a modern industrial building is planning to construct a mezzanine floor within their premises with a view to expanding their business. This mezzanine is proposed to have a floor area of 55m². The relevant floor area for one employee for this business, within Table C, is stated as 73.6m². Since the proposed mezzanine has a gross floor area less than the standard floor area rate for one employee, this business will not be required to contribute any monetary contributions for the mezzanine, under the terms of this plan.

B.5 Purpose of this Plan

The purposes of this developer contributions plan are:

- (i) To ensure that the existing standards of public services and amenities are maintained for the existing and future resident and employee population of the LGA;
- (ii) To satisfy the requirements of the EP&A Act and the Regulation that enable Council to require a monetary contribution towards the provision, extension or augmentation of community facilities and services, within the LGA, that will, or are likely to, be required as a consequence of new residential and employment generating development within the municipality;
- (iii) To ensure that the existing community of the LGA is not burdened with the cost of the provision of additional or improved community facilities and services required as a result of future development;
- (iv) To clearly set out the formulae to be used by Council in assessing the contribution attributable to a development proposal;
- (v) To provide a comprehensive strategy for the assessment, collection, expenditure, accounting and review of community facilities and services development contributions on an equitable basis throughout the LGA; and
- (vi) To establish a priority schedule for the expenditure of contributions which satisfies community facility and service needs likely to be generated by new development within the LGA and which is linked to Council's and the community's aims and policies for these public facilities and services.

B.6 Life of this Plan

This plan is based on research material that extends to 2011. Accordingly, this plan could be utilised until that time. Apart from the annual indexation of the plan, it is recommended that this plan be comprehensively reviewed within a minimum of five years from the date of its adoption.

B.7 Implementation of the Plan

In determining a development application, Council may impose a condition requiring the payment of a monetary contribution in accordance with the provisions of this plan. The required payment amount will be affected by the annual indexation of monetary contribution rates mentioned in section C.4.

B.8 Relationship to other Plans and Policies

This plan should be read in conjunction with Council's other developer contributions plans:

- *Leichhardt LGA Developer Contributions Plan No.1 – Open Space and Recreation; and*
- *Leichhardt LGA Developer Contributions Plan No.3 – Transport and Access.*

Part C - Accounting

C.1 Payment of Contributions

A monetary contribution under the terms of this plan is payable to Council:

- (i) In the case of a consent to development being **subdivision** *irrespective of whether or not any further approvals are required*:
 - Before the subdivision certificate is released to the applicant, or
 - Before the issue of any construction certificate related to the site works, whichever occurs first;
- (ii) In the case of a consent to **development not involving subdivision** *but where a subsequent construction certificate is required* – before the issue of the construction certificate to the applicant, by Council or private certifier; and
- (iii) In the case of a consent to any **other development** *where neither a subdivision certificate or construction certificate is required* – prior to the issuing of the occupation certificate to the applicant, by Council or private certifier.

The monetary contribution payable is that which applies, as per Council's fees and charges, on the date that the contribution is paid.

C.2 Deferred or Periodic Payments

It is Council's policy not to accept any deferred or periodic payments for developer contributions. This policy has been based on the following conclusions relating to deferred or periodic payments.

Deferred or periodic payments are considered to:

- Inevitably result in inequities between applicants;
- Add to the administrative costs of managing section 94 funds under this plan;
- Adversely affect the planned timing of the work schedule items in this plan;
- Create unnecessary opportunities for the requirements of this plan to be avoided; and
- Facilitate the use of public funds to support the financial aspirations of individuals by assisting them in meeting their developer contributions responsibilities for the duration of the deferred/periodic payment scheme.

C.3 Pre- and Post-Development Consent/Subdivision Certificate Alternatives for Contributing to the Provision or Improvement of Public Amenities and Services

Material Public Benefit

A condition of development consent or subdivision certificate may require the dedication of land and/or a monetary payment to satisfy the assessed section 94 requirement for the subject development proposal.

Section 94(5)(b) of the EP&A Act allows Council to accept an offer from a developer to provide a 'material public benefit' (MPB) (other than the dedication of land or the payment of a monetary contribution) in lieu (partially or fully) of the section 94 contribution requirements imposed by a condition, in a development consent, complying development certificate or subdivision certificate. A MPB is considered by the Department of Infrastructure Planning and Natural Resources (DIPNR) to consist of some physical (material) component. Details of the required contents of a MPB are provided below in section C.3.2 along with the details of the circumstances where Council will give consideration to a MPB offer (refer to the glossary section of this plan for a more detailed definition of MPB).

Planning Agreements

The EP&A Act does not currently provide a legislative framework for consent authorities to consider alternative offers from developers relating to the fulfilment of their section 94 obligations, prior to the determination of a development application or complying development proposal.

In this regard, however, a Bill is currently before the NSW Parliament entitled *Environmental Planning and Assessment Amendment (Planning Agreements) Bill 2003*. The object of this Bill is to amend the EP&A Act to extend the means by which planning authorities may obtain development contributions to be applied for the provision of public benefits. This Bill will specifically authorise planning authorities to obtain development contributions through planning agreements.

Under the terms of this Bill, planning agreements can be made at all stages of the development planning process (ie. as part of a local environmental plan, or development control plan amendment request, and prior to or after the submission of a development application), irrespective of whether the application has been determined by the relevant planning authority.

Notwithstanding the absence of this legislative support, in recent times, applicants have undertaken voluntary agreements with planning authorities relating to the provision or improvement of public amenities, and services, the need for which have been generated by their development proposals. These agreements have been undertaken either as an alternative to the provisions of a developer contributions plan or in conjunction with those provisions. Accordingly, this section has been included within this plan to describe the common characteristics of such agreements and to outline the required contents of a planning agreement with Council. It also details the circumstances in which Council would consider the acceptance of a

developer agreement option, should the appropriate legislative framework be implemented for this planning concept (see also the glossary section of this plan, section E.2, for a definition of a 'planning agreement'.) It is also recognised that upon any legislative implementation of this planning concept, amendments to this section of this developer contributions plan may be required.

C.3.1 Planning Agreements

(i) Common Characteristics

The common characteristics of planning agreements are:

- Involves a voluntary agreement between Council and a developer/landowner, or with a person in anticipation of becoming a landowner;
- Legally binding and covers successors in title;
- Generally development is not able to proceed until the agreement is executed;
- The agreement sets out the facilities/infrastructure that are agreed to be provided, including the level, nature and timing of those facilities/infrastructure;
- Can address the issue of recurrent (ongoing) costs;
- Can span many years and stages of development;
- May contain a self-monitoring system (eg. an annual report by the consent authority on compliance with the agreement);
- Can allow for amendments, at the agreement of the subject parties;
- May include a dispute resolution mechanism on the interpretation of the agreement (ie. appeal to the court/mediator/arbitration); and
- May contain default provisions (eg. bonds and guarantees may be required).

(ii) Required Contents of a Planning Agreement with Council

A. The agreement should demonstrate how the subject community or development will be provided with at least an equivalent level of amenities and/or services to those that can be reasonably expected to be provided under this developer contributions plan.

B. The agreement shall include the following details:

- Parties to the agreement and the land to which the agreement applies;
- Definition of terms used in the agreement;
- The relationship of the agreement to existing draft or future contribution plans;
- Details of the timing of payment or completion of works, and other related information;
- A policy to ensure that public access to the facilities is provided;
- Relevant costing of facilities to be provided or calculation details for any contributions towards facilities;
- Security and enforcement provisions by a suitable means (ie. provision of a bond or guarantee) to cover circumstances where the development is staged (eg. potential bankruptcy, incomplete development or any other potential breach of the agreement by the developer);

- A policy detailing the provision of works at an agreed time or to an agreed standard, including provisions for agreed maintenance or defects period and the bonds for these;
- Provision for change of ownership of property or different developers (ie. should the agreement be tied to the title of the land);
- Provisions for potential variations to the development consent or future negotiations including a policy for the resolution of disputes under the agreement; and
- A reasonable time frame with an appropriate 'sunset clause'.

(iii) Circumstances Where Council Will Consider the Option of a Planning Agreement

Council will consider the option of a development agreement as an alternative to the partial or full payment of the section 94 contribution requirements of a development proposal, where it can first be established in a preliminary report, by a suitable planning consultant, on behalf of an applicant, that such a proposed agreement will provide a superior outcome for the recipient community in comparison to the relevant existing or other proposed section 94 contribution schemes.

C.3.2 Material Public Benefit

(i) Required Contents of a Material Public Benefit Offer to Leichhardt Council

- The offer must be made in writing;
- Contain an assessment of the proposed MPB offer in the context of the relevant development proposal and the planned facilities and services contained within the relevant section 94 plan;
- Provide a comparison between the value of the MPB offer and the value of the required developer contributions for the development proposal;
- Illustrate how the needs of the contributing population will still be satisfied via this offer;
- Explain how the acceptance of this offer, by Council, will not adversely affect the adopted works schedule and expected cash flow (and other considerations) of the relevant section 94 plan;
- Illustrate whether the MPB offer will generate the need for approvals from other consent authorities;
- Outline what responsibilities for current and operational costs will be generated if the MPB offer is accepted by Council, and who is intended to meet those responsibilities;
- Provide information on what the required management needs of the MPB are, who is expected to meet those needs, and at what cost; and
- Include written recognition that the full cost of drafting a legal agreement between Council and a developer, upon acceptance of an MPB, will be borne by the developer.

(ii) Circumstances where Council Will Consider the Offer of a Material Public Benefit

Council will consider the offer of a 'material public benefit' (MPB) as an alternative to the partial or full payment of the section 94 contribution requirements of a development proposal as detailed in a condition/conditions of a development

consent or subdivision certificate, where it can be established by an applicant that the MPB offer will provide a superior outcome for the recipient community in comparison to the relevant existing or other proposed section 94 contribution schemes.

For the purposes of this section of the plan, a MPB is intended to include an item or items on the works schedule of this plan. This form of a MPB is commonly referred to as 'works in kind' (refer to the glossary section of this plan, section E.2, for a simple definition of works in kind under the definition of material public benefit).

C.4 Adjustments of Contribution Rates

It is Council policy, with respect to section 94 contributions, to review these rates on an annual basis, to ensure that they keep abreast of current costs. Accordingly, the contribution rates for the proposed community facilities and services outlined in this plan will be reviewed by Council's strategic planning staff annually, with the initial review commencing 1 July 2005.

The cost of works in the works schedule of this plan are generally divided into land acquisition costs (L), construction costs (C) and other costs (OC) (eg. equipment costs). Accordingly, a series of indices, provided by independent government authorities, were then selected on the basis of their 'best fit' with these various cost categories. Details of these indices and their application in the formulae for adjusting the contribution rates in this plan are provided below.

Note: *Unavoidably, not all of the items on the works schedule can be adjusted by the use of indices. These will remain unchanged until the plan is comprehensively reviewed.*

a) Indices

Component of Plan's work schedule	Index	Source
(L) Land acquisition costs for new community facilities	Median Sale Price – all dwellings (based on the median sale price* for all dwellings, averaged for all LGA postcodes)	Housing NSW – Rent and Sales Reports: www.housing.nsw.gov.au
(C) Construction costs	Construction Price Index – price index of materials used in building other than house building (Sydney average)	Australian Bureau of Statistics: www.abs.gov.au
(O) Other costs - equipment costs	Consumer Price Index – all groups Sydney	Australian Bureau of Statistics

Note: Residential sale prices are utilised because they represent the greatest cost for Council in the acquisition of land for additional community facilities within the LGA.

b) Adjustment Formulae

The monetary contribution rates will therefore be indexed annually in accordance with the following formulae.

To obtain the adjusted residential and employee monetary contributions under this plan the following formulae and steps will be utilised.

Step 1: Adjustment of the Land Component Costs (L) of the Works Schedule

Where:

CILCC	= Current Individual Land Component Costs
APC	= Annual Percentage Change in the Median (Residential) Sale Price (All Dwellings) – Averaged for All Postcode Areas Within the LGA
AJST	= Adjustment Subtotal
AJSILCC	= Adjusted Individual Land Component Costs

Adjusted Individual Land Component Costs of the Works Schedule

$$\text{CILCC} \times \text{APC} = \boxed{\text{AJST}}$$

$$\boxed{\text{AJST}} + \text{CILCC} = \boxed{\text{AJSILCC}}$$

Step 2: Adjustment of the Construction Component (C) Costs of the Works Schedule

Where:

CICCC	= Current Individual Construction Component Costs
APC	= Annual Percentage Change in the Construction Price Index - Price Index of materials used in building other than house building (Sydney average)
AJST	= Adjustment Subtotal
AJSICCC	= Adjusted Individual Construction Component Costs

Adjusted Individual Construction Component Costs of the Works Schedule

$$\text{CICCC} \times \text{APC} = \boxed{\text{AJST}}$$

$$\boxed{\text{AJST}} + \text{CICCC} = \boxed{\text{AJSICCC}}$$

Step 3: Adjustment of the Other Costs (O) of the Works Schedule

Where:

CIOC	= Current Individual Other Costs marked (O) in the works schedule
APC	= Annual Percentage Change in the Consumer Price Index – All Groups - Sydney
AJST	= Adjustment Subtotal
AJSIOC	= Adjusted Individual Other Costs

Adjusted Other Costs Component of the Works Schedule

$$\text{CIOC} \times \text{APC} = \boxed{\text{AJST}}$$

$$\boxed{\text{AJST}} + \text{CIOCC} = \boxed{\text{AJSIOC}}$$

Step 4: Adjusted Individual Costs Inserted into Works Schedule and Monetary Contribution Rates Recalculated

The adjusted individual component costs will then be inserted into the works schedule of the plan to facilitate the calculation of revised totals. These totals will then be utilised to calculate revised contribution rates for employees and residents (refer to section D.2.2.c for the methods that will be used to calculate the revised residential and employee contribution rates for this plan).

Part D - Context, Changes & Contributions

D.1 Introduction

This section of the plan provides the existing context and predicted changes that warrant the development of this contributions plan. It includes information on the likely changes to the resident and working population of the LGA, the changed costs for land acquisition (since the last community facilities and services section 94 plan was developed) and the methods used to determine the current contribution rates within the plan.

D.2 Existing Context and predicted changes

D.2.1 Population Change and Characteristics

D.2.1.a Residential Population Increase

In October 2003, Council's Strategic Planning Department produced residential population projections for the years 2001 to 2011, for the post-2003 boundary change LGA. The primary purpose of this projections document was to assist the review of Council's developer contributions plans and to revise the projections that had been completed in 1996. The projections aimed to help staff to determine whether any residential population changes were expected in the future which would warrant the provision of new and or improved public facilities within the LGA.

This research revealed that by the time of the next Census in 2006, Leichhardt LGA's population should exceed fifty thousand people. By 2011, the LGA's population should be 52,052 (it was assumed to be 48,778 by December 30 2001 within the post boundary LGA area). This represents a predicted ten-year increase of 3,274 persons or 7%. It is forecast that this increase will come from, in part, a falling vacancy rate, a moderate increase in the number of multi-unit dwellings and a steady birth rate.

D.2.1.b Residential Population Characteristics

The research for the aforementioned population projections found that 40% of incoming residents to the post boundary LGA (based on 2001 Census statistics) are aged between 25 and 34 years. Additionally, there are 4% more females arriving than males. The highest proportion of incoming residents comes from the former South Sydney LGA. The second-highest proportion of arrivals comes from Marrickville LGA. It is considered that overseas immigration contributes only moderately to residential population increase.

D.2.1.c Employment Population Increase

In 2003, Council's Strategic Planning Department also undertook research into the likely future changes to the LGA's employment population (persons working in premises located within the LGA).

To this end, relevant data from the 1996 and 2001 Censuses was obtained from the Transport Planning Data Centre (TPDC) (a business unit of DIPNR).

This research revealed that the LGA's total employment population remained relatively stable between 1996 (18,449) and 2001 (18,418). The TPDC sorts employment data from the census into travel and destination zones. Because of this, it was possible to extract historical data from the 1996 and 2001 Censuses, which generally relates only to the post May 2003 boundary change LGA.

Details of the structural changes to the LGAs working population that occurred during that Census period are shown in Table 1 below:

Table 1: LGA Employment Totals for Selected Employment Categories (1996 & 2001)

<i>Employment Category</i>	<i>1996</i>	<i>2001</i>
Manufacturing	2135	1724
Wholesale Trade	1418	966
Retail Trade	2571	2890
Accommodation, Cafes & Restaurants	1082	1369
Property & Business Services	3111	3442

Source: 1996 and 2001 Census Data – TPDC

Note: This information relates to the post-May 2003 boundary areas of the LGA only

Table 1 above shows that during this period there were significant increases in employee numbers in the retail, accommodation, cafe, restaurant, and property and business sectors. There were also corresponding significant reductions in the manufacturing and wholesale trade sectors.

The information in Table 1 supports the conclusions of Urbis Pty Ltd in their June 2002 'Review of Business and Industrial Lands in Leichhardt (LGA)', who note that:

“Employment patterns have changed dramatically in Leichhardt Municipality over the last century corresponding with the decline of the traditional manufacturing base previously underpinned by waterfront industry and large industrial operations which sought locations close to the city.

The ‘gentrification’ of the area and general trends in industry and business has also seen employment in manufacturing replaced by employment in the service, commercial and retail sectors.” (pp. 3&4).

An example of this is the Martin Bright Steel (MBS) site in Roberts Street, Rozelle. This site currently has a total of 416 employees. In the event that the redevelopment

proposal in the draft masterplan for the site is implemented in its entirety, the total number of employees of the site is expected to reach 2,473.

As the reviews of other industrial lands within the LGA are not as advanced as the MBS site example, it is not possible at this time to calculate the total increase in employees likely to occur in the future from this review process. It is possible however, to deduce, based on the MBS example, that an increase in the total number of employees in the LGA is likely to occur in the future.

Therefore the expected increase in employees likely to occur in the LGA by 2011 is 2,057. This figure will be subject to further review over time subject to the development of industrial lands within the LGA.

D.2.1.d Additional Population Related Research

Additional population information was also sought to assist with the preparation of this plan. That information, its source and its purpose for this plan, is summarised in the following table.

Table 2: Summary of Additional Population Information Sought for the Purposes of this Plan

<i>Information Sought</i>	<i>Source</i>	<i>Purpose</i>
Average persons per bedroom within the 2003 post boundary change LGA	2001 Census data from the ABS for the 2003 post-boundary change LGA only	To assist with the setting of reasonable residential contribution rates within this plan
Average dwelling gross floor space (m ²), on a per bedroom basis, within the 2003 post-boundary change LGA	Random survey of approved dwellings within 2003 post boundary change LGA*	To assist with the setting of reasonable residential contribution rates within this plan
The proportion of total employees within the 2003 post-boundary change LGA that are also residents	2001 Census data (employees) within the post-2003 boundary change LGA – TPDC	To assist with the formulation of employee contribution rates within this plan and to prevent 'double dipping' (ie charging residents twice)

* This random survey was undertaken by Council's Strategic Planning staff during the months of January and May of 2004. Council's 1999-2003 development application files were investigated on a random basis (within Council's record storage areas) to extract the gross total floor area and corresponding bedroom numbers from examples of all types of dwellings within the LGA (eg. detached, attached, multi-unit, shop-top housing, residences within mixed-use developments). A sample size of one hundred and seventy nine (179) dwellings was used in this survey. The results were then averaged to obtain a single square metre per bedroom rate for residences within the LGA. This figure was 53.4 m² per bedroom (rounded down to 53m² per bedroom for the purposes of this plan).

D.2.1.d(i) Residential Occupancy Rates

Leichhardt LGA Population Profile 2001 Census – First Release Data (produced by Council's Strategic Planning Section in January 2003) noted that the average occupancy ratio (ratio of persons per dwelling) continued to decline between 1996 and 2001.

Accordingly, revised occupancy rates for the post boundary LGA were sought from the ABS, based on information obtained in the 2001 Census. This supplied the count of persons in occupied private dwellings by number of bedrooms. From this information, an average number of persons per bedroom was obtained which is provided in the table below.

Table 3: Average Number of Persons LGA by Number of Bedrooms

<i>No of Bedrooms</i>	<i>Average number of persons</i>
1	1.33
2	1.92
3	2.57
4	3.30
5	3.98
6	4.15

*Source: 2001 Census ABS for the 2003 post boundary change LGA
Note: Information for occupied private dwellings only*

Previously obtained 2001 Census data (first release data) had also provided an average occupancy rate for different types of dwellings. These figures have been utilised in determining the credits for the residential contribution rates for this plan (refer to section D.2.2.d of this plan and page 22 of Council's Population Projections 2001-2011 for more information on occupancy rates with the post-boundary change LGA).

As aforementioned, the information in Table 3 is to be utilised in the setting of residential contribution rates for this plan, based on average residential occupancy rates.

D.2.1.d.(ii) Dwelling Sizes

Council's 1999 Open Space and Recreation Developer Contributions Plan noted, that in establishing the basis for the contribution rates within this plan that:

'size is used rather than numbers of bedrooms, as a fairer gauge of occupancy and to avoid debate about what constitutes a bedroom, given the flexibility of contemporary planning' (page 8).

In keeping with this approach, a random sample of dwellings, which were either proposed, under construction, or to be altered, was utilised in late 2003 to obtain an average floor area per bedroom. Accordingly, the areas of these dwellings (minus the areas devoted to parking) were divided by the number of bedrooms. This

produced an average LGA dwelling gross floor space per bedroom of 53.4m² (rounded down to 53m²) (the 1999 Open Space and Recreation Developer Contributions Plan had a comparative figure of 55m²).

This figure was then utilised to convert the aforementioned person per bedroom occupancy rate into dwelling size/person occupancy, for use in the setting of the residential contribution rates in this plan (the converted figures are provided in Table 4 below).

Table 4: LGA Occupancy Rate by Dwelling Size

<i>Dwelling Size Range (Equivalent number of bedrooms in brackets)</i>	<i>Occupancy Rate (Number of persons)</i>
53m ² or less (1 bed)	1.33
> 53-106m ² (2 bed)	1.92
>106-160m ² (3 bed)	2.57
>160-215m ² (4 bed)	3.30
>215m ² (5 bed or more)	3.98

Note: in some cases dwelling sizes have been rounded up

D.2.1.d(iii) Employees Who are Also Residents

The term 'double dipping', in regards to developer contributions planning, refers to the undesirable method of having an incoming population pay twice for provision of the same public facility. Because both employees and residents are being levied for community facilities and services provision, it is important to take into account those employees that are also residents in setting the appropriate contribution rate for employees. With this issue in mind, information was obtained from TPDC to determine from the 2001 Census Data the percentage of employees who are also residents, in order to discount the final employee rate, to avoid double dipping under this plan.

This information revealed that in 2001, 27.96% of the total number of employees within the LGA were also residents of the LGA. Accordingly, this statistic has been utilised to appropriately discount the final employee contribution rate to avoid residents being charged twice for contributions under this plan (refer also to section D.2.2.c of this plan).

D.2.1.d(iv) Employee Occupation/Generation Rates

To assist in the setting of standard contribution rates for employees under this plan, a search was made for appropriate data on the employee occupation/generation rates per square metre of floor area for employment generating development within the LGA.

Urbis Pty Ltd in their June 2002 'Review of Business and Industrial Lands in Leichhardt' noted that:

"The employment generation associated with different land uses and even the age of accommodation in those developments varies considerably. Work published by the Department of Urban Affairs and Planning (now Department of Infrastructure Planning and Natural Resources) in the Employment Monitoring of Commercial and Industrial Areas shows typical employee occupancy (generation) rates per square metre based on different development types."

The table below shows those rates that have been utilised in the setting of standard contribution rates for employees under this plan.

Table 5: Employment Generating Development – Occupation Rates/Gross Floor Area

Development Type	Floor Area for one employee (m ²)
Retail/Commercial Uses	
Row Shops with frontage to a street	22.3m ²
Speciality Shops in Centres of Arcades	20.4m ²
Supermarkets	48.0m ²
Department Stores	40.1m ²
Showrooms	85.1m ²
Modern Offices	17.7m ²
Offices above Row Shops	19.0m ²
High-Tech Industrial Building Used For:	
Manufacturing	31.6m ²
Wholesale/Retail	47.7m ²
Financial/Property/Business Services	37.3m ²
Older Style Industrial Building (circa <1960) Used For:	
Manufacturing	72.1m ²
Whole/retail	82.4m ²
Modern Industrial Building Used For:	
Manufacturing	85.1m ²
Construction	124.2m ²
Wholesale/Retail	73.6m ²
Transport/Storage	66.5m ²
Financial/Property/Business Services	32.6m ²
Modern Multi-Unit Industrial Complex Used For:	
Manufacturing	57.9m ²
Construction	77.3m ²
Wholesale/Retail	86.6m ²
Transport/Storage	81.4m ²

Source: Department of Urban Affairs and Planning 'Employment Monitoring of Commercial and Industrial Areas' as reported in 'Review of Business and Industrial Lands in Leichhardt' Urbis Pty Ltd June 2002

D.2.1.e Development Policy Framework and Expected Development

Development Policy Framework:

The policies of a local Council towards development can have a significant impact on the expected development and corresponding population yields in the future.

In this regard, the expected local Council policy framework assumptions, for future residential and employment generating development, are provided below.

D.2.1.e(i) Residential

No significant changes in the permissible density of residential development within the LGA are predicted during the life of this plan. This assumption is based on the significant heritage values of the LGA and the community aspirations to generally retain the present character and scale of development as described in the suburb profiles section of Council's Development Control Plan 2000.

D.2.1.e (ii) Employment Generating Development

As part of the first annual review of the Leichhardt Town Plan (comprising the *Leichhardt Local Environmental Plan 2000* and *Leichhardt Development Control Plan 2000*), planning consultants Urbis Pty Ltd were engaged to undertake a review of Council's industrial zones to ensure that they '*are sufficiently responsive to attract and provide appropriate opportunities for business and employment uses within the municipality*'.

The report prepared by Urbis Pty Ltd in June 2002, generated a number of discussion points which culminated in an offer being forwarded to all industrial land owners, from Council, to give them an opportunity to review the planning controls for their sites, should they wish to do so. The offer was made to ensure they are compatible with the business/industrial aspirations for their properties.

A previously mentioned example – the Martin Bright Steel site (see section D.2.1.c) provides evidence that this process is likely to result in an increase in the total number of employees within the LGA in the future.

Expected Development

Residential Development:

The years of high dwelling yields within the LGA, of the mid- to late-1990's, are unlikely to be repeated in the future. A moderate increase in new dwelling numbers is predicted for the LGA over the next ten years. Nonetheless, interest in the LGA's residential stock should continue to remain high. It is expected that sale prices and rents will also continue to remain high, relative to surrounding areas, given that the demand appears to be outweighing supply and that there will be little opportunity to alter this situation in the future. Demand is also expected to remain high because of the likely increased appreciation of the location, character, and lifestyle benefits of

the LGA with respect to convenient access to public transport services, the Sydney central business district, water views and cosmopolitan business areas.

Employment Generating Development

With respect to expected future employment generating development Urbis (2002) noted that:

'In many respects the location of lands currently used for business and industrial purposes within the Municipality have developed as a result of historic economic and locational forces, rather than being located in a planned manner.

Commercial areas...predominantly comprise the traditional small frontage strip shopping centres located along historically heavily trafficked roads. There are some larger developments located within these, which usually comprise centre developments located around a supermarket or other anchor... The existing industrial areas primarily reflect the location of industrial enterprises that [were] once established in the area. These consist of larger industrial areas, isolated pockets and existing uses in residential areas. As a consequence, there are a number of industrial developments surrounded by residential development.

There is very little new construction of industrial premises and most uses tend to seek conversion or partitioning of existing space to accommodate their requirements. Council's development application register for the period between January 1999 and November 2001, reveals that of the 125 industrial related development applications lodged, only eight involved substantial demolition and construction of new industrial buildings.'

As mentioned previously, this situation is likely to be reversed in the future following the review of the planning controls for a number of under utilised industrial lands in the LGA. The potential resultant redevelopment of these properties is likely to have a positive impact on total employee numbers within the LGA.

D.2.1.f. Average Land Price Changes

The 1999 Leichhardt Open Space and Recreation Developer Contributions Plan relied on an average land value (per sqm) for the LGA in order to assist in the determine acquisition costs for items on the work schedule of that plan. In keeping with that approach, during the development of this plan, a consultant valuer was engaged by Council to determine current (2003) average land values within Balmain, Rozelle/Lilyfield, Leichhardt and Annandale for commercial, industrial and residential zoned land.

Note: *The residential land was further divided into waterfront land, land with views and land without views.*

To get an understanding of the current values within the LGA, the consultant valuer conducted a sales search of all of the suburb areas including interviewing estate

agents, architects, planners, valuers and developers. It was considered by the valuer that interviews are essential to gain an understanding of the market as many sales, particularly those of development sites, are not settled and publicly recorded in the year of the sale.

The consultant found that:

'The values in each suburb for each class of property varies and within the suburbs there are a number of significant variables – position and size being the greatest. The waterfront areas of Balmain are the most valuable for residential uses and the commercial areas of Balmain and Leichhardt have the highest non-residential values. The size of the allotments varies over the municipality and within the areas; the smaller the lot generally the higher the value per square metre.'

He also found that:

'Being an old established area there are very few sales of vacant land and generally a great shortage of vacant sites within the municipality. Developers and builders therefore generally buy improved properties and demolish the improvements. Where there are heritage restrictions, often part of the original building will have to be incorporated within the new development. It is considered that these older improvements often reduce the true vacant land value of the sites and accordingly the rate per square metre was adjusted to allow for demolition and remediation costs.'

Details of the average land values provided by the Consultant Valuer are provided below:

Table 6: LGA Average Land Values/Land Area per Square Metre (2003)

<i>Type of Land</i>	<i>Balmain</i>	<i>Rozelle/Lilyfield</i>	<i>Leichhardt</i>	<i>Annandale</i>
Commercial	\$2,000	\$1,500	\$2,000	\$1,500
Industrial	\$1,000	\$1,000	\$1,000	\$1,000
Residential				
Waterfront	\$6,000	n/a	n/a	n/a
With views	\$4,000	\$3,000	\$2,000	\$3,500
No Views	\$2,500	\$2,000	\$1,500	\$2,000

*Note: No additional value for waterfront industrial or commercial
Source: Malcolm Garder Pty Ltd - 2003*

When the residential values are averaged (for the combined waterfront, with views/no views) the revised residential values are:

Table 7: LGA Average Land Value per Square Metre (Residential Zone –2003)

	<i>Balmain</i>	<i>Rozelle/Lilyfield</i>	<i>Leichhardt</i>	<i>Annandale</i>
Residential	\$4,166	\$2,500	\$1,750	\$2,750

With the goal of obtaining an average square metre land value within the LGA, the following calculations were undertaken. The suburb-based figures provided by the consultant valuer as averaged in Table 7 for Residential, Commercial and Industrial zoned land across the LGA, produced the following three figures:

- a) Average price of commercial land in the LGA = \$1,750/sqm
- b) Average price of industrial land in the LGA = \$1,000/sqm
- c) Average price of residential land in the LGA = \$2,791.5/sqm

These average figures were then compiled together in the same proportion that these three land-use zones occur within the LGA to achieve a single average land value. The proportion of these lands occurs approximately as follows:

1 (Commercial): 1 (Industrial): 12 (Residential)

The resultant figure is \$2,589 for an average square metre of land within the LGA. By way of comparison, the 1999 Open Space and Recreation Developers Contribution Plan found that the average price of land in the LGA was \$1,000/m². The figure of \$2,589 (or, where more appropriate, the aforementioned suburb based averages) have been utilised in the calculation of land acquisition costs within this plan.

D.2.1.g. Community Facilities and Service Provision

Council is a significant provider of community facilities and services to the resident and working population of the LGA. These facilities and services assist in the development and enrichment of the lives of a broad spectrum of the local community as well as providing opportunities for the community to interact. The services and facilities include, for example:

- The provision of halls, neighbourhood/community centres, meeting rooms and offices for individuals and community groups;
- Library facilities and services;
- Direct provision and support for a broad range of child care services (including, long day care, family day care, play groups and occasional care);
- Aged services, including a home maintenance service;
- Gymnasium and swimming pool facilities; and
- Youth services.

D.2.1.h. Community Facilities and Services Usage

To formulate a reasonable comparative contribution rate under this plan between residents and employees, a search was made of information that would indicate the manner in which public amenities and services are currently utilised by the employment and resident population of the LGA. This would also determine whether there is a nexus between the likely increased resident and employee population within the LGA, and the provision of additional or improved community facilities and services.

Information on the likely usage of community facilities and services, within the LGA, has been provided via four sources, as follows:

1. Leichhardt Area Park User Study prepared by Planning Surveys in October 1997 (an independent analysis of park users throughout the LGA, which included a series of patron interviews at Leichhardt Park - Lilyfield, Birchgrove Park - Birchgrove and Illoura Reserve – East Balmain).

This study occurred before the May 2003 boundary change. However, because the results were provided for individual parks, information only relevant to the post-boundary change LGA was able to be extracted (ie. Leichhardt Park – Lilyfield, Birchgrove Park - Birchgrove and Illoura Reserve - East Balmain) (*Note: Information was also obtained from Bicentennial Park - Glebe Point, which is no longer relevant*). Within the relevant post boundary LGA parks, a total of 412 persons were interviewed.

The times, days and dates of the surveys, which occurred in 1997, are provided below:

All Parks —

Saturday	26/7 & 2/8	1:00 pm	–	5.00 pm
Sunday	27/7 & 3/8	12:30 pm	–	4:45 pm
Monday	28/7	6:00 am	–	10:00 am
Thursday	31/7	1:00 pm	–	6:00 pm

Leichhardt Park Only (Additional) —

Saturday	19/7	1:00 pm	–	5.00 pm
Sunday	20/7	12:30 pm	–	4:45 pm
Monday	21/7	6:00 am	–	10:00 am
Thursday	24/7	1:00 pm	–	6:00 pm

Questions were asked of patrons regarding length of stay, trip times, attraction of the park in terms of the facilities offered, and their prior activity before visiting the park.

The responses to the 'prior activity' question provided a good indication of the percentage of patrons who are also employees. Given the low travel time responses to another question in the survey concerning travel times to the park, it was considered reasonable to assume that the 'work activity' responses to the prior

activity question predominantly related to employees within the local area. This represented 9% of all patrons (see Table 8 below for further information). This would not, however, have included persons who work from home.

2. Analysis of Responses – Leichhardt Park Aquatic Centre Customer Survey (October 2003, RMP & Associates)

This patron survey was undertaken at the Leichhardt Park Aquatic Centre from Monday 13 October to Sunday 19 October, 2003 when all patrons were encouraged to fill out a survey form. The survey times related to the hours that the centre is open from 5.30am to 8.30pm. The resultant sample size was one hundred and eighty six (186) persons.

The survey related to the use of existing facilities in the centre and desired future changes. It enquired of the gender, age and mode of travel to the centre of patrons.

Because of the wording of the questions within this study and the likely manner in which this centre could be used by local employees (ie. potentially before and after work, and at lunchtimes), these survey results do not provide accurate details of the percentage of local employees who are also patrons.

The survey results however, do confirm the high level of local and regional use of this facility (which was found in the abovementioned 1997 study), with approximately 45% of users coming from outside the LGA. When coupled with the travel time responses, the results of this study confirm that local employees utilise the aquatic centre.

The aforementioned 1997 survey provided a good indication of the level of use of recreation facilities within the LGA by regional users, local residents and local employees. The numerical results of that study are shown in Table 8 below.

Table 8: Recreational Facility usage within Leichhardt LGA

Category of user	Usage
Local employee use*	approx. 9% of total users
Local residents	approx 69% (mean)
Regional users (outside the LGA)*	approx. 31 % (mean)

**Note: Local employees are partly comprised of regional users and local residents.*

3. Library Membership data – Information on the current proportion of residents and non-residents as a total of all library members, provided by Council Library staff within the Corporate and Information Services Division of Council in December 2003.

In December 2003, the manager of Council's Leichhardt (Forum) Library was approached on whether the library had any way of determining the percentage of library users who don't live within the LGA. Under Council's current library system any person can join a library within the LGA, irrespective of where they live or work.

Accordingly, the manager advised that as at 30 November, 2003 - 3,796 persons of a total of 25,171 Council library members, resided outside the LGA. This equated to 15% of the total LGA library members. No further breakdown of this library data was available to determine the exact numbers of local employees who are members of an LGA library but who do not reside within the LGA.

4. Registration information - patrons of Leichhardt Council Long Day Child Care Centres , Leichhardt Council , April 2003

In April 2004, all of Council’s long day child care centres were surveyed to determine their number of licensed places and details of their current users, including (where known) the number of patrons who do not reside within the LGA but who are also local employees (ie. work within the LGA).

The results of this survey are shown in Table 9 below:

Table 9: Details of Users and Waiting Lists of Council’s Long Day Child-Care Centres – April 2004.

Council Child Care Centre	Licensed Places	Current Users
Leichhardt Child Care Centre	45	Approx 58 Children 83% LGA Residents 17% External Residents
Annandale Child Care Centre	30	60 Children 80% LGA Residents 20% External Residents (8% of Total users do not live in the LGA but are employees of the LGA)
John McMahon Child Care Centre	35	58 Children 83% LGA Residents 10% are Non LGA Residents but work in the LGA 7% are Non-Residents of the LGA and do not work within the LGA.

Source: Leichhardt Council Staff.

These results indicate that these facilities are well utilised by local residents and that between 8-10% (average of 9%) of patrons are local employees who do not reside within the LGA.

Overall conclusions:

These sources indicate that local residents and local employees do utilise Council's community facilities and services. They also indicate the approximate proportion of local (employee) users and regional users. Therefore, these figures have been utilised to determine the comparative contribution rate between local residents and local employees (see section D.2.2.c for additional details).

D.2.1.i Leichhardt Municipal Council Social Plan (2005)

The Social Plan (2005) will inform any future reviews of the community facilities and services identified in this plan.

D.2.1.j. Servicing Community Facilities and Services Changes

A service levy of 10% has been included in this plan, which is to be paid for by developers of both residential and employment generating development, towards the administration of this plan and the implementation of the community facility and services changes. This service levy is likely to be utilised for the engagement of a section 94 planner at Council (on a contract basis during the life of this plan) and the use of an additional property officer/project manager(s) (also on a contract basis) to assist with the implementation of the new or improved community facility and services projects mentioned within this plan. Alternatively, if an external contractor was not pursued, these funds would be utilised to cover those expenses incurred by Council for the internal administration and implementation of this plan.

D.2.2 Contributions and Work Schedules

D.2.2.a Identification of Nexus & Apportionment of Proposed Work Schedule Items

Nexus & Apportionment Information – Council Library Facility and Services

Leichhardt Council has two libraries. The larger of the two (central library) is located at Leichhardt within the 'Italian Forum' mixed residential and commercial development, and the second smaller (branch) library is located at Balmain within the Balmain Town Hall building.

The Leichhardt library was recently relocated from a small building (500 square metres) on the corner of Renwick and Marion Streets, Leichhardt, to a larger (1358 square metres) more modern premises in the 'Italian Forum' complex.

Additions to the Balmain branch library are currently being planned. This small library is presently 300 square metres in area. It is intended that this may be increased to a total of 460 square metres within the next few years, as part of an upgrade of the Balmain Town Hall complex. The library renovation work and revised fit-out is expected to cost \$3,000,000.

Beyond these recently completed and proposed additions of library floor area within the LGA, no additional branch libraries or additional central library space are currently proposed for the next ten-year time frame. It is envisaged that the needs of

the incoming population over the next ten years will be met, in part, by the planned and recently completed library floor area increases, and by altered or additional equipment within these existing libraries. In this regard, new residents and employees are to be levied for additional library stock on the same per capita value that it is currently provided (as determined from the value of the existing stock divided by existing employees and residents, minus the percentage of employees who are also residents - see section D.2.2.c for additional information).

Given that the increased library floor space has been sought, in part, to cater for the needs of the expected incoming population, it is considered reasonable that they should contribute to these works. Similarly, the incoming population should also contribute to the altered equipment needs of the libraries, which have been specifically planned to accommodate their requirements. Given that the existing population and current library users will benefit from these changes, part of these costs will be met by Council on behalf of existing residents and employees, whilst the remainder will be paid for by incoming residents and employees. Details of this apportionment of costs are discussed further below.

On the issue of nexus, it is important to note that Council's libraries are not operated independently of one another. Although both share in the general library collection, each has their own specialties that can service LGA-wide needs (for example, the specialist Italian Library collection within the Central Library at the Italian Forum). Accordingly, it is considered reasonable that incoming residents and employees contribute to both libraries, not just the library that is in close proximity to their residence. The new membership statistics also support this approach with new memberships for the Central Library being obtained from all parts of the LGA (refer to the table below).

Table 10: New Library Memberships, Leichhardt Central Library - Italian Forum Norton Street, Leichhardt from Selected Suburbs from 9 August 2003 Until 2 December 2003

Number of New Memberships			Postcode of New Members & Relevant Suburbs
Adults	Children	Total	
830	281	1111	2040 – Leichhardt & Lilyfield
262	92	354	2038 – Annandale
38	12	50*	2039 – Rozelle
29	12	41*	2041 – Balmain, Balmain East, Birchgrove
1,159	397	1,556	Totals

Source: Leichhardt Library Records, LMC 2003

*Note: Does not include new (central library) users that would have joined at the Balmain branch library

These statistics also show that there appears to have been a flow-on effect for Balmain library with increased usage recorded in that branch library in relation to its public computers, since the opening of the Italian Forum Library in August 2003. Similarly, there has been increased usage at the relocated central library but of a more dramatic nature (refer to Table 11 below).

Table 11: Use of Public Computers (number of sessions August/September 2002 and August/September 2003) Balmain and Leichhardt Libraries

Library	Year 2002		Year 2003	
	August	September	August	September
Balmain	319	363	401	469
Leichhardt	509	525	1021	1591

Source: Leichhardt Library Records, LMC 2003

As previously mentioned Council libraries have an open membership policy. Usage is available equally to residents and employees within and external to the LGA. Membership information provided by Council's Corporate and Information Services Division indicates that approximately 15% of the total library members (including both Balmain & Leichhardt libraries) do not reside within the LGA. Of these external members, it is estimated that 60% (9% of total members) comprise employees of the LGA, based on the results of other studies of employee usage of public facilities within the LGA (see section D.2.1.h and Council's Open Space and Recreation Developer Contributions Plan). Accordingly, the cost of the improvements to Council's library facilities mentioned above, have been apportioned in the following manner:

- 9% future LGA employees;
- 10% future LGA residents; and
- 81% existing residents, existing employees and regional users paid for by Council.

Although it is difficult to quantify a precise apportionment, a 10/81 percentage split between future and existing residents has been utilised on the basis that the existing residents and employees will benefit from the planned improvements to the existing library system.

Nexus & Apportionment Information – Leichhardt Park Aquatic Centre Upgrade (Exclusive of Child Care on this Site)

In late 2003, Council engaged Leisure Consultants to investigate and report on the future needs and possible redevelopment of the Leichhardt Park Aquatic Centre (LPAC) in light of the expected population increase within the LGA over the next ten years.

This study was supported by the aforementioned customer survey and discussions with staff. This investigation was also made in the context of changing leisure needs in relation to aquatic centres and the changes to services provided by other similar centres within the region (ie. Ryde Aquatic Centre).

The consultants found:

'The Leichhardt Park Aquatic Centre has been extremely successful in attracting significant numbers of residents from the Leichhardt LGA to participate in a range of aquatic and fitness programs and activities. Regular evaluation of the income and expenditure and customer satisfaction reflects enormous credit on Council with users very supportive and complimentary about the centre, its staff and its programs. The centre and its management have won prestigious leisure awards and are considered a "benchmark" by other Councils operating or redeveloping outdoor swimming centres.'

The consultants also stated: *'A significant number of users frequent the LPAC more than once a week. Many of these are over 60 years in age and are very supportive of the opportunities provided by the pools, the gym and aqua programs.'*

However, they also found that *'There is substantial pressure on existing water space created by a learn to swim program that continues to grow and with an aging population, existing and latent demand for hydrotherapy and exercise classes in warm water...The existing indoor pool is at capacity and there is significant demand for more classes, particularly preschoolers. The demographic information supports this with the increase in births and the high percentage of those at an age where they have pre-school children or are likely to marry and start a family. There is also a rise in the number of older residents who would potentially use the hydrotherapy pool and enrol in aqua classes were there is space and time available.'*

Furthermore, *'The gym is very popular and will continue to receive support from the projected population demographic that the LPAC serves. It requires significantly more space to meet the needs of both members and staff. To do this economically requires one large area rather than a second storey or two separate rooms that require additional staff supervision...The stakeholder consultation identified a number of issues that included the upgrading of the existing changerooms and toilets to current expectations, providing a more efficient layout and quality, easily cleaned surfaces...and the need for an attractive area for children and families that incorporates playground equipment and water play on the lower level [of the centre] with shade, seating and BBQ facilities.'*

Therefore, in order to retain existing patrons and cater for the needs of the projected population increase within the LGA over the next ten years, the LPAC is planned to be redeveloped in the following manner:

1. An upgrade of the existing toilets and changerooms;
2. The provision of a *large 'regional'* style traditional playground on the lower part of the site which incorporates simple water play *'sprinkler style'* systems with shallow water channels;
3. Construction of a new fitness centre overlooking the diving pool, and utilising the space above the existing plant room and adjacent to the northern concourse of the diving pool; and
4. The provision of a new indoor pool.

These works are expected to cost \$5,000,000. Because these works have a community and recreation focus, \$2,500,000 is sought via this plan and the other \$2,500,000 via the Open Space and Recreation (OS&R) Developer Contributions Plan. In accordance with the apportionment principles established in the OS&R Plan for the LPAC, 73% of the costs of these works are to be met by Council on behalf of existing regional users whilst 9% is to be paid for by employees, and the remaining 18% by incoming residents.

Nexus & Apportionment Information – Childcare Facilities & Services

Information contained within Council's Population Projections 2001-2011 indicates that nearly 70% of Council's incoming residents between 1996 and 2001 were aged between 20 and 40 years of age. Coinciding with the age structure of these new residents are statistics that indicate that the birthrate within the LGA has been increasing between 1996 and 2001 (*Births and Deaths Data – Leichhardt LGA Contained Within Leichhardt LGA Population Projections 2001 – 2011*).

In light of this information, it is reasonable to expect that a proportion of these incoming residents will seek to utilise childcare services provided or supported by Leichhardt Council during the life of this plan. Discussions with relevant Council staff have indicated that these services are currently at capacity. This was determined on the basis that there are no spare places currently available.

Assuming that the age structure of future residents over the next ten years will be similar to those that moved to the LGA during the previous five years, Council will be required to plan for the likely additional childcare demands arising from these incoming residents and employees. General details of those plans and the share of the costs of the proposed works and/or one-off programs that are to be attributed to incoming residents and employees are described below.

1. Childcare Facility and Services - Leichhardt Park Aquatic Centre - Lilyfield

Council's Leichhardt Park Aquatic Centre is a regionally significant recreation facility that has a community facility/service as one of its components. The centre has a childminding service that is available to members and casual participants. Bookings for the service can be made by members a week in advance, with a maximum of three (3) bookings per week. Casual participants can contact the centre after 8 am the morning they would like to use the facilities. This service is available from Monday to Friday 9am – 1.30pm (*Given the hours of operation of this service, it is not expected that it is patronised by local employees*).

In order to manage the increased demand that is likely to be generated by the increased residential population in the LGA between 2001 and 2011, the aquatic centre is planning to undertake improvements to this community facility/service within the next ten years. These improvements are likely to include changes to room layouts, toilet provision, changes to storage capacity and changes to the external shaded area. Currently, the child care facilities may cater for up to 18 children per

hour, however it is expected that these changes would permit the service to cater for an additional 10 children. These alterations are expected to cost \$150,000. Although the incoming population has generated the need for this work, it is likely that existing residents/patrons will also benefit from these planned alterations. Accordingly, 13% of the cost is to be attributed to incoming residents whilst the remaining 87% will be attributed to Council on behalf of existing residents and regional users.

2. Long Day Childcare Services – Leichhardt LGA

The term 'long day childcare' is derived from the long hours in which these centres are operated. Leichhardt Council has three long day childcare centres:

- Annandale Childcare Centre;
- John McMahon Childcare Centre (Balmain); and
- Leichhardt Children's Centre.

These centres contain a total of 110 childcare places. With the exception of Annandale (which only caters for 0-3 year olds) these centres provide care for children aged from 0-5 years.

Table 12 below shows those child care places in the context of other (private) child care places that are available within the LGA.

Table 12: Long Day Child Care Centres and Places as at May 2004

LGA Long Day Child Care Places (2004)			
Location of Child Care Centre	Licensed Places (0-2 years)	Licensed Places (3-5 years)	Total Licensed Places
Rozelle			
Rosebud Cottage	19	-	19
Rozelle Child Care Centre	31	25	56
St. Thomas	52 (2 year olds only)	-	52
<i>Subtotal</i>	<i>102</i>	<i>25</i>	<i>127</i>
Leichhardt			
Styles Street	16 (2 year olds only)	44	60
Leichhardt Child Care Centre	30	15	45
Tiny Tots Cottage	-	25	25
<i>Subtotal</i>	<i>46</i>	<i>84</i>	<i>130</i>

Balmain			
Balmain Child care Centre	28	10	38
Balmain Cove Children's Centre	29	30	59
John McMahon Child Care Centre	35	-	35
Care for Kids	33	36	69
<i>Subtotal</i>	<i>125</i>	<i>76</i>	<i>201</i>
Annandale			
Annandale Child Care Centre	30 (can include 3 year olds as well)	(See next column)	30
<i>Subtotal</i>	<i>30</i>		<i>30</i>
Total	303	185	488

Source: Leichhardt Council Children's Social Plan 2002-2005 and information provided via a telephone survey of providers – May 2004.

Apart from their childminding component, these centres provide an educational program to children to meet their developmental needs. Relevant Council staff have indicated that there are very limited places for children aged 0-2 years in private childcare centres of the LGA. Accordingly, Council has been required to meet the present and likely future child minding needs for this age cohort by altering the age structure of its intake for one of its existing centres (John McMahon) and to relocate this centre to a more environmentally suitable site at Mort Bay (*Note: Funds for this relocation are not being sought under this plan*).

Additionally, the likely increase in population within the LGA over the next ten years is considered by Council's child care service planning staff to warrant the construction of a new 40-child childcare centre within the LGA. Because existing residents and local employees are also likely to benefit from this service as well, a proportion of the costs of this new facility are to be attributed to the existing population and local employees which will be funded by Council. These conclusions on future service provision by Council's childcare service planning staff are supported by population statistics relating to this issue, which are provided below.

The number of children within the post boundary change Leichhardt LGA in 2004 is estimated to be 2,677.

Similarly, the number of children within the post boundary change Leichhardt LGA by the end of 2011 estimated to be 2,811.

Source: Compiled from Leichhardt LGA Population Projections 2001-2011 (pp. 14 & 41)

This represents an increase of 134 children during this period. State or Commonwealth Government bodies do not have standards relating to the provision

of child care facilities per capita. Nonetheless, the likely increase in children is considered to warrant the provision of an additional dual use facility that also caters for additional 'occasional care' needs that have also been generated from the expected increased residential and employee population within the LGA over the next ten years.

The construction of an additional childcare centre within the LGA will be likely to involve the purchase of a site and construction of a purpose built structure. The combined cost is expected to be \$4,000,000.

Although the incoming population has generated the need for the additional facility, it is likely that existing residents/patrons/local employees will also benefit from this additional service. Accordingly, 9% of the cost of these works have been attributed to local employees, 10% of the costs attributed to incoming residents and the remaining 81% will be apportioned to Council on behalf of existing residents, existing local employees and regional users.

3. Occasional Care in the LGA

Children from birth to 5 years of age may be cared for in occasional care centres for a few hours each week. This gives parents time away from their children to attend to other matters such as shopping, visiting the doctor, and other such tasks. Council, through these centres, employs a coordinator/registered nurse and two assistants. The centres are also staffed by parents and volunteers on a roster system. Council provides the financial support for this service by providing the employees and the venue in which the services are held. In this regard occasional care services are held at Annandale Neighbourhood Centre and Rozelle Neighbourhood Centre (which is privately owned and operated).

The main restriction to any expansion of this service is the hours that the service is able to operate within the respective neighbourhood centres. The neighbourhood centres are utilised for a variety of purposes of which occasional care is only one. The service is currently running at capacity with ongoing requests being received from existing users for an expansion of the hours that the service operates. Therefore, it is considered that the only way in which this service could accommodate additional patronage generated by additional residents within the LGA is through additional hours of operation as part of an additional dual purpose child care facility which would also cater for additional child care needs within the LGA. As described above, the costs for this additional facility are to be apportioned between future residents and local employees and Council (on behalf of existing residents and local employees and regional users).

Nexus and Apportionment Information – Community/Neighbourhood Centres/ Aged and Youth Facilities and Services/ Cultural Facilities

Council's existing community/neighbourhood centres at Annandale, Lilyfield and Rozelle are run at capacity at present. This has been determined based on the current bookings for these centres. These centres accommodate a broad range of needs such as youth space, meeting space, occasional childcare, playgroups and

seniors programs. Single centres can be adapted for a variety of uses over their lifetime.

The only means for accommodating additional demands placed on these facilities, by the expected population increase over the next ten years, would be either through additions to these centres, the creation of additional centres, and/or equipment upgrades in the existing centres. Council's Neighbourhood and Community Centres Coordinator has advised that there is limited capacity on these subject sites to accommodate any additional floor area. Accordingly, it is expected that the additional demand for these facilities will be accommodated through the construction of additional neighbourhood/community centres within the LGA and equipment upgrades as detailed below.

To address the demand for neighbourhood/community centres generated by the expected population increase, it is envisaged that two additional centres will be required to satisfy this demand along with equipment upgrades within community centres at Rozelle and Annandale.

1. Community/Environmental Education Centre within the Whites Creek Open Space Corridor

A building within this corridor is proposed to be converted into a meeting area with adjacent offices, which are likely to be tenanted by local community groups. Space within this structure is also intended to be utilised as a gallery, studio or rehearsal space. It is considered that the LGA is a place where a broad range of artists live and work. It is also considered that supporting and strengthening of local and regional community arts activities benefits the whole community. It is envisaged that the alterations to this structure to convert it into a community centre for the benefit of all sections of the community (including the aged, youth and others), will cost approximately \$600,000. Because of its proposed multi-purpose use, some of the funds for this centre have been sought under the Open Space and Recreation Developer Contributions Plan No. 1 - \$300,000, whilst the remainder (\$300,000) is being sought under this plan.

Although the incoming population has generated the need for this work, it is likely that existing residents/local employees will also benefit from these planned changes. Accordingly, 13% of the cost is to be attributed to incoming residents whilst the remaining 87% will be attributed to Council on behalf of existing residents.

2. Additional Multi-Purpose Neighbourhood/Community Centre Within the LGA

It is envisaged that this building would accommodate a variety of needs including indoor recreational activities (ie. basketball court and a variety of youth activities). Additionally, it is likely to have up to 3 meeting rooms as well as kitchen and dining facilities. No site has been earmarked for this facility at present. Accordingly, to facilitate the construction of this additional centre it is envisaged that the site will need to be purchased by Council and the required building erected on the acquired land. This project is envisaged to have a total cost of \$6,500,000. Because of the planned multi-purpose use of this facility, 50% of the cost of the construction of this

facility has been included within the Leichhardt LGA Developer Contributions Plan No.1 Open Space and Recreation Facilities.

Although the incoming population has generated the need for this additional facility, it is likely that existing residents/patrons will also benefit from these planned changes. Accordingly, 13% of the cost is to be attributed to incoming residents whilst the remaining 87% will be attributed to Council on behalf of existing residents.

3. Equipment Upgrades – Hannaford Centre & Annandale Community Centre – Rozelle.

The Hannaford Centre building in Darling Street Rozelle and the Annandale Community Centre in Johnston Street, Annandale are utilised for the delivery of Council's aged services programs. Although, there is no capacity for additions to these centres on their respective sites, these centres could cater for some additional demands for the aged services programs through additional and upgraded equipment, which includes additional chairs, audio visual equipment, hearing loops, and upgraded toilet facilities. These upgrades total \$150,000 for the Annandale and Hannaford Centres.

Although the majority of the need for the equipment upgrade has arisen from the increased population, 13% of the cost of this program is to be attributed to the incoming resident population. The remaining 87% of the costs are to be met by Council on behalf of existing residents who will also benefit from these improvements.

D.2.2.b Discounting/Calculation of the Contribution Rate

This plan has been prepared on the basis of the likely needs of the increased employee and residential population of the LGA and the maintenance of public amenity standards with the population increase. The works required to meet these needs or to maintain the public amenity standards are included in the works schedule of this plan (see section D.2.2.f of this plan). The costs apportioned to the developers of employment generating and residential development within the schedule have been used to determine the per resident and per employee monetary contribution figures, as shown in the following process and explanatory formulae provided below.

Determination of the Library Equipment Levy

This was calculated by obtaining from the Manager of the Leichhardt Library in 2004 the total value of the LGA's library stock (including fiction, reference books and computer software), which came to \$3,523,871. This was then divided by the estimated current LGA population (2003) from Council's Population Projections 2001-2011 of 49,572 to give a per person (resident) value for the stock of \$71.08 (rounded down to **\$71 per new resident**). To obtain the equivalent employee rate this was multiplied by 9% (based on the apportionment principles established elsewhere within this plan) to yield a rate of \$6.39 which was then further discounted by 27.96% (to take into account employees who are also residents) to yield a rate of \$4.61 which was then rounded up to **\$5.00 per new employee**.

Contributing Residential Population – Adjusted Apportionment Rates

A check of the performance of Council's 1996 Community Facilities and Services Contributions Plan, using data in Council's developer contributions register, revealed that only a percentage of the persons that formed part of the residential population increase within the LGA between 1996 and 2001 contributed to the works schedule items in this plan. Approximately 50% of the increased population during this period paid for contributions under the 1996 plan (*this occurs because population increases can occur from a variety of sources (for instance natural increase), not just from the occupation of new development*).

Similarly, it is envisaged that approximately 50% of the expected residential population increase, over the life of this plan, will be contributors. Therefore to set a realistic contribution rate that will achieve the work schedule items in the plan, the expected non-contributors have been excluded from the calculation of the residential contribution rate.

The apportionment rates for existing and future residents for each community facility have therefore been adjusted so that, Council shoulders the burden of the non-contributors and the existing residents, and the new residents (resulting from new development) contribute for their share of the facilities. The apportionment rates for each facility are adjusted as follows:

Table 13: Adjusted Apportionment Rates

Community Facilities	Apportionment		
	New Employees	New Residents	Council
Additional Multipurpose Community Centre	-	13%	87%
Whites Creek Corridor Community / Environment Centre	-	13%	87%
Leichhardt Park Aquatic Centre Upgrade (excluding child care component upgrade)	9%	18%	73%
Additional Child Care services centre	9%	10%	81%
Alterations to Child Care at Leichhardt Park Aquatic Centre	-	13%	87%
Balmain Library – Alterations & Additions	9%	10%	81%
Additional Equipment - Aged Persons Programs	-	13%	87%

The calculation for the residential contribution rate is as follows:

Total cost of works within the works schedule of this plan allocated to developers of new residential development
<hr/>
Likely contributing population (total number)
+ Library Equipment levy
= Per resident community facilities and services monetary contribution figure
$\frac{\$1,815,550}{1240} + \$71 = \$1,535.15 \text{ (rounded down to } \mathbf{\$1,535})$

Table 17: Works Schedule (Costings and Priorities) documents the total costs of the works and identifies that portion allocated to developers of new residential development.

D.2.2.c Determination of the Employee Contribution Rate

Discounting for Employees who are also residents

The employee contribution rates within this plan have been discounted for all contributors, to address the problem of ‘double dipping’ (mentioned earlier in section D.2.1.d (iii) of this plan). In this regard, the costs allocated to the developers of employment generating development in the works schedule have been reduced by 27.96%, to take into account those employees who are also residents (see section D.2.1.d (iii) for more information). This has been implemented in the works schedule of the plan.

Therefore:

Discounted total cost of works within the works schedule of this plan allocated to developers of new employment generating development

**Total number of expected additional employees within the LGA to 2011 known at the time of the preparation of this plan
(ie. MBS site increase detailed in section D.2.1.c of this plan)**

+ library equipment levy

= Per employee community facilities and services monetary contribution figure

$$\frac{\$677,536}{2,057} + \$5 = \$265 \text{ per employee}$$

(Rounded down to the nearest whole number)

Note: Developers of new or enlarged employment generating development are to be levied under this plan based on standard employee occupation rates (refers to section D.2.1.d (iv) and section D.2.2.e.(ii) for additional information).

D.2.2.d Credits

Note: Employee credits cannot be used as residential credits or the reverse.

Residential Development

When the dwelling no longer exists, a residential related credit will be given for the existing/former population of a site at the rates shown in Table 14 below. The dwellings being credited must have been present on the site within the previous five (5) years (from the date of adoption of this plan) to enjoy the credit. The onus is on an applicant to prove the existence of any dwellings as part of any development proposal.

Table 14: LGA Occupancy Rates by Dwelling Type (2001)

Dwelling Type	Occupancy Rate (Persons per Occupied Private Dwelling)
Separate house	2.47
Semi-detached, row or terrace house, townhouse etc.	2.17
Flat, unit or apartment: (total)	1.65

Other dwelling (total)	2.10
------------------------	------

Source – ABS 2001 Census – First Release Data (Note: 'Other dwelling total' includes dwellings attached to shops and offices etc.) as quoted in "Leichhardt LGA Population Projections 2001-2011 produced by the Strategic Planning Dept. Leichhardt Council.

Note: Post May 2003 Boundary Change area only

Separate house for the purposes of this plan refers to a detached house/dwelling.

Note: These occupancy rates have been chosen on the basis that they are to be utilised when the dwelling no longer exists and irrespective of whether the size of the subject dwelling is able to be determined.

See Example 1 below for an illustration of the practical application of these credit rates.

Example 1: An applicant is proposing to erect a multi-unit development that will support an expected population of 15.58 persons. Two semi-detached row houses occupied the site up until three years ago at which time they were demolished. Therefore, using the relevant information in Table 14 above, the applicant would be able to claim a credit of $2.17 \times 2 = 4.34$ persons. Accordingly, the total population to be levied would equate to 11.24 persons.

Where an existing dwelling(s) still exists on the subject site but is proposed to be demolished as part of the development proposal, then an applicant shall utilise the dwelling size occupancy rates shown in this plan for credit purposes (see Table 4 in section D.2.1.d (ii) for more information).

See Example 2 below for an illustration of the practical application of these credit rates.

Example 2: An applicant is proposing to erect a multi-unit development that will support an expected population of 15.58 persons. Two semi-detached row houses currently occupy the site, but these are proposed to be demolished as part of this development proposal. Both residences have an area each of 113 m^2 . Therefore, using the relevant information in Table B of this plan, the applicant would be able to claim a credit of $2.57 \text{ persons} \times 2 = 5.14$ persons. Accordingly, the total population to be levied would equate to 10.44 persons.

Employment Generating Development

An employee related credit will be given for any employment use existing on the site in the previous five years (from the date of the adoption of this plan) based on the standard floor rates mentioned in sections D.2.1.d.(iv) and D.2.2.e.(ii) of this plan.

See Example 3 below for an illustration of the practical application of these credit rates.

Example 3: An applicant is proposing to build a new modern industrial building with a floor area of 255.3 m² on a site for the purposes of commencing a manufacturing use. Using the information in Table C of this plan, the proposed development would support an expected employee population of 3 persons. The site is currently occupied by a smaller older style industrial building measuring 144.2m² that until last year contained a manufacturing use. Therefore, using the relevant information in Table C of this plan, the applicant would be able to claim a credit of two persons (144.2 divided by 72.1= 2 persons). Accordingly, the total population to be levied would equate to 1 person.

D.2.2.e Contribution Rates

The contribution rates for the funding of new or improved community facilities and services under this plan are provided below.

Note: These monetary contribution rates will be adjusted on an annual basis (from the 1 July 2006) in accordance with any positive or negative percentage changes in the indices shown in section C.4 of this plan.

D.2.2.e.(i) Monetary Contribution Rates (Residential)

Table 15: Maximum permitted floor space ratio by density area

Density Area (current suburb boundaries)	Maximum Permitted Floor Space Ratio
Leichhardt	0.5:1
Annandale	0.6:1
Balmain	0.7:1

Monetary Contribution Rates – for Residential Development Involving Land Subdivision

Depending on the size of the proposed allotments, and utilising the maximum permitted floor space ratio, shown above (minus assumed internal car parking areas - 20m² per dwelling), then utilise the table below to determine the relevant monetary contribution based on the resultant gross floor areas.

Example: An additional 240m² allotment is to be created within the suburb of Leichhardt. This allotment would have a maximum permitted gross floor area of 120m². When the assumed internal parking areas are subtracted (20m²), then the resultant predicted floor area for the site is 100m². Using the table below (ie. the > 53m² – 106m² category), this would attract a monetary contribution of \$2,947.

Table 16: Monetary Contribution Rates – for Residential Development Not Involving Land Subdivision

Dwelling Size (Gross floor area as defined within this plan)	Monetary Contribution (based on a rate of \$1,535 per person)	Assumed Occupancy Rate
53m ² or less	\$2,042	1.33
>53m ² – 106m ²	\$2,947	1.92
>106m ² – 160m ²	\$3,945	2.57
>160m ² – 215m ²	\$5,066	3.30
>215m ²	\$6,109	3.98

Note: The monetary contribution rates have either been rounded up or down to form whole numbers

C.2.2.e(ii) Monetary Contribution Rates (Employment Generating Development)

Table 16: Contribution Rates – Employment Generating Development

Monetary rate per employee: \$265 based on the standard floor area rates per employee stated below.

Development Type	Floor Area per employee (m ²)
Retail/Commercial Uses	
Row Shops with frontage to a street	22.3m ²
Speciality Shops in Centres of Arcades	20.4m ²
Supermarkets	48.0m ²
Department Stores	40.1m ²
Showrooms	85.1m ²
Modern Offices	17.7m ²
Offices above Row Shops	19.0m ²
High-Tech Industrial Building Used For:	
Manufacturing	31.6m ²
Wholesale/Retail	47.7m ²
Financial/Property/Business Services	37.3m ²
Older Style Industrial Building (circa <1960) Used For:	
Manufacturing	72.1m ²
Wholesale/retail	82.4m ²
Modern Industrial Building Used For:	
Manufacturing	85.1m ²
Construction	124.2m ²
Wholesale/Retail	73.6m ²
Transport/Storage	66.5m ²
Financial/Property/Business Services	32.6m ²
Modern Multi-Unit Industrial Complex Used For:	
Manufacturing	57.9m ²

Construction	77.3m ²
Wholesale/Retail	86.6m ²
Transport/Storage	81.4m ²

Note 1: Contributions will be calculated on the basis of the total increase in floor area, whether or not this represents a fraction of the rate for a single employee (if the increase results in at least one additional employee).

Note 2: Where a building is to be erected and the future uses are not known at the time that the development proposal is submitted, the employee rate to be utilised will be an average of all of the examples for that particular building type (ie. for a modern multi-unit industrial complex, the rate would be an average of the rates for manufacturing, construction, wholesale/retail and transport/storage for that building type).

Example 1: A wholesale/retail business within a modern industrial building is planning to construct a mezzanine floor within their premises with a view to expanding their business. The mezzanine will have a floor area of 85m². Utilising the table above, the standard rate for one employee for this business is 73.6m², which has an equivalent monetary value of \$334. Accordingly, utilising this floor area rate for one employee in relation to the proposed gross floor area of the mezzanine, this business will be required to contribute the equivalent of one employee \$334, plus the remaining portion of the mezzanine as a fraction of one employee, as shown in the following calculation:

$$85 - 73.6 = 11.4\text{m}^2$$

Then divide this figure by the rate for one employee to convert the remaining portion of the mezzanine into a fraction of one employee = $11.4/73.6 = 0.15$,

Then multiply $0.15 \times \$334$ to get the monetary equivalent for the remaining portion of the mezzanine = \$50.10

Therefore the total contribution for the mezzanine is $\$334 + \$50.10 = \$384.10$
(Rounded down to \$384)

D.2.2.f Works schedule

The following works schedule comprises changes to Council's community facilities and service provision that are required to service the likely demands generated by the expected resident and employee population increases in the LGA, up to the year 2011, as explained in section D.2.2.a of this plan.

Where known, the total costs for these changes have been broken down into their component parts, that is the:

- Land Acquisition Component (L);
- Construction Component (C); and
- Other Goods (O) (ie. equipment costs).

For the purposes of this plan the construction costs also include design costs where these are to be carried out by an external consultant.

The inclusion of component costs within the schedule will facilitate a reasonably accurate indexing of the work schedule costs on an annual basis (see section C.4 of this plan for additional information).

As previously mentioned, the work schedule has projects that are to be carried out until 2011. The costs shown in this schedule (which are estimates) have been based on information that was current at the time of the drafting this plan. Therefore, it is expected that the final costs for the projects under this plan will vary by the time that they are implemented.

Priority system

The items on the works schedules have been given a priority listing, ranging between 1-4, with a rating of 1 being the highest priority items and 4 being the lowest priority items.

These have been based on Council's current work priorities (*these may change from time to time depending on changing community needs*).

Table 17: Works Schedule (Costings and Priorities)

<i>Schedule of Works</i>	<i>Total Cost (\$) (L) Land Component (C) Construction component (O) Other Goods etc</i>	<i>Developer Portion (\$) (Employ. Gen Dev.)</i>	<i>Developer Portion (\$) (Residential Dev.)</i>	<i>Council Portion (\$)</i>	<i>Overall Works Priority (Ranked in order of priority – highest 1 to lowest priority 4)</i>
1. Additional Multi-use Community Centre (Youth, Aged etc.)	6,500,000 50% CF&S Plan, OS&R Plan 50%. Therefore 3,250,000 this plan comprising 1,000,000 (L) 1,000,000(C)	Not Applicable	422,500	2,827,500	4
<i>(Apportionment)</i>	-	N/A	13%	87%	-
2. Whites Creek Corridor, Leichhardt/Lilyfield/Annandale – Community/Environmental Education Centre	600,000 50% CF&S Plan, OS&R Plan 50%. Therefore 300,000 this plan comprising 100% (C)	Not Applicable	39,000	261,000	1
<i>(Apportionment)</i>	-	N/A	13%	87%	-

Schedule of Works	Total Cost (\$) (L) Land Component (C) Construction component (O) Other Goods etc	Developer Portion (\$) (Employ. Gen Dev.)	Developer Portion (\$) (Residential Dev.)	Council Portion (\$)	Overall Works Priority (Ranked in order of priority – highest 1 to lowest priority 4)
3. Leichhardt Park Aquatic Centre Upgrade (Excluding child care component upgrade – see below for further information)	5,000,000 (C) 50% CF&S Plan, OS&R Plan 50%. Therefore 2,500,000 this plan comprising 100% (C)	225,000	450,000	1,825,000	1
<i>(Apportionment)</i>	-	9%	18%	73%	-
4. Additional Child Care Services Centre	4,000,000 1,500,000 (L) 1,500,000 (C)	360,000	400,000	3,240,000	4
<i>(Apportionment)</i>	-	9%	10%	81%	-
5. Alterations to Child Care at the Leichhardt Park Aquatic Centre	150,000 (C)	Not Applicable	19,500	130,500	1-3
<i>(Apportionment)</i>	-		13%	87%	-
6. Balmain Library – Alterations and Additions	3,000,000 (C)	270,000	300,000	2,430,000	1
<i>(Apportionment)</i>	-	9%	10%	81%	-

Schedule of Works	Total Cost (\$) (L) Land Component (C) Construction component (O) Other Goods etc	Developer Portion (\$) (Employ. Gen Dev.)	Developer Portion (\$) (Residential Dev.)	Council Portion (\$)	Overall Works Priority (Ranked in order of priority – highest 1 to lowest priority 4)
7. Additional Equipment - Aged Persons Programs– Hannaford Centre & Annandale Community Centre	150,000 (O)	Not Applicable	19,500	130,500	1
<i>(Apportionment)</i>	-	N/A	13%	87%	-
TOTAL WORKS	13,350,000	855,000	1,650,500	10,844,500	-
Subtotal				+188,730	
Revised subtotal	13,350,000	Employee total reduced by 27.96% to avoid double dipping & this cost transferred to Council total → (-239,058) 615,942	1,650,500	11,083,558	
Plus service charge (10%)	See next columns (sum of a + b included below) 226,644	(a) 61,594	(b) 165,050	-	
Sub-total (inclusion of total service charge)					
TOTAL	13,576,644	677,536	1,815,550	11,083,558	-

Part E - Supporting Information

E.1 Bibliography

Section 94 Contributions Manual (2nd edition), 1997, Department of Urban Affairs and Planning.

Leichhardt Town Plan – Leichhardt Municipal Council.

Review of Business and Industrial Lands in Leichhardt – Urbis Pty Ltd, June 2002.

E.2 Glossary:

ABS: Australian Bureau of Statistics.

Apportionment: is the method of identifying and adjusting developer contribution requirements to ensure that a contributing (levied) population only pays for its share of the total demand for the facility.

Contributions plan: a contributions plan is a public document prepared by Council pursuant to section 94 of the EP&A Act and the Regulation. This document describes Council's policy on the collection and management of contributions. A contributions plan provides, amongst other matters, details of the following:

- The purpose of the contributions plan, and
- The land to which it applies.

Community Facilities and Services: For the purposes of this plan, refers to those facilities and services that Council provides to support, educate and enrich the local community (eg. child care and neighbourhood centres).

Council: refers to Leichhardt Council unless otherwise stated.

Development: relates to land, under section 94 of the EP&A Act, in the following way:

- The erection of a building on that land;
- The carrying out of a work in, on, over or under that land;
- The use of that land or of a building or work on that land; and
- The subdivision of that land.

Development Contribution: is a contribution from developers comprising the dedication of land (free of cost), or the payment of a monetary contribution, or both, for the purpose of partly or wholly supplying new or improved public amenities or services required as a consequence of the demands generated by their new development. These development contribution requirements are required to be reasonable and to be embodied within an approved developer contributions plan before they are imposed upon developers.

Note: A reference to a ‘development contribution’ may also include a reference to undertake works as an alternative to the full or partial payment of a monetary contribution, or dedication of land, or both. For example, a section 94 plan may include provisions for the offer of a material public benefit (ie. for works in kind).

Dwelling: means a room or suite of rooms occupied or used or so constructed or adapted as to be capable of being occupied or used as a separate domicile.

Dwelling house: is a building containing one (but not more than one) dwelling.

Employment Generating Development: means any land use, other than residential, which typically involves the use of employees (ie. retail, commercial, industrial uses etc., irrespective of the zoning of the site upon which it operates).

EP&A Act: unless stated otherwise the EP&A Act for the purposes of this plan, means the *Environmental Planning and Assessment Act 1979* (as amended).

Gross Floor Area: in this plan has a similar meaning to the definition of ‘gross floor area’ within the *Leichhardt Local Environmental Plan 2000*, with the exception that areas used for car (vehicular) parking are not included. Therefore, for the purposes of this plan, gross floor area, means the total area of a buildings floorplates, measured between the outer edges of the outside walls or the centre line of any party wall, and includes mezzanines, attics, lofts and studios. It does not include projections outside the external walls of the building, paved areas, voids, any internal carparking spaces, including basements or garages or any other areas used for car parking purposes.

Local Government Area (LGA): unless otherwise stated this refers to the Leichhardt local government area.

LMC: Leichhardt Municipal Council.

Material Public Benefit (MPB): Council may accept an offer from a developer of a MPB in lieu (partially or fully) of the contribution requirements imposed on the developer via the issuing of a development consent or complying development certificate. Although an MPB is not defined under the EP &A Act, DIPNR accepts that an MPB would comprise some physical (material) component (other than the dedication of land or the payment of a monetary contribution – as stated in section 94(5)(b) of the EP&A Act.

An offer by a developer to undertake works, or the provision of a facility (or facilities) which is/are nominated in the works schedule of a section 94 plan in lieu of their section 94 contribution requirements, arising from the issuing of a development consent, complying development certificate or subdivision certificate is an example of an MPB offer. The works, which are the subject of this type of offer, are commonly called ‘works in kind’.

Median: 'Situated in or relating to the middle – the middle number in a given sequence of numbers' (The Macquarie Concise Dictionary. Third Edition 1998. P.708); 'A median is a measure of central tendency. It is a mid value which divides a population distribution into two, with half the observations falling below it and half above it.' (ABS Regional Profiles 1998 - Leichhardt LGA 1998. Glossary Section).

Medium Density Housing: refers to townhouses, walk up residential flat buildings and similar development.

Nexus: is the relationship between the expected types of development in the *area* and the demand for additional public open space and recreational facilities required to meet the demands created by that development.

Note: *a relevant judgement the NSW Land and Environment Court has held that the term 'area' in section 94 of the EP&A Act can mean the local government area of a particular council.*

Occupancy Rate: For the purposes of this report, is the result of dividing the number of occupied private dwellings by the number of persons in occupied private dwellings.

Planning Agreement: is a legally binding voluntary deed of agreement between Council and a developer concerning the provision of public services and facilities, the need for which has been generated by the developer's development proposal.

A planning agreement can occur either as an alternative to or co-exist with the contribution requirements of a developer contributions plan. Although this planning concept is not included in the EP&A Act and Regulation, it has been mentioned in this section 94 contributions plan on the basis that a draft bill is currently in the State Parliament on this issue which would create the required legislative support for this concept. Therefore, this plan will be able to accommodate its implementation, subject to the inclusion of any necessary amendments to the plan.

Private Dwelling: 'Usually a house, flat or part of a house, but can also be a house attached to, or rooms above, shops or offices; an occupied caravan in a caravan park or on a residential allotment; a craft in a marina; a houseboat; or a tent if it is standing on its own block of land. Manufactured home estates and self-care units for the retired or aged are also treated as private dwellings' (ABS – Sydney ...A social Atlas 1996. p.85. (Note: Non-private dwellings are hospitals and hotels etc.))

Public amenity, public infrastructure and public facility: are synonymous terms, which in respect to section 94 include all capital items which may be required as a consequence of expected development.

Regulation: Unless stated otherwise the Regulation for the purpose of this plan means the *Environmental Planning and Assessment Regulation 2000* (as amended).

Separate house: for the purposes of this plan refers to a detached house/dwelling.

Sources of this Glossary:

1. Report to the Minister for Urban Affairs and Planning from the Section 94 Review Committee, April 2000, titled – ‘Review of the Developer Contributions System – Section 94 Environmental Planning and Assessment Act 1979’.
2. Section 94 Contributions Manual – Second Edition 1997, Department of Urban Affairs and Planning.
3. Relevant sections of this draft sections 94 contributions plan.
4. *Environmental Planning and Assessment Act 1979* (as amended) with notes prepared by the Lawbook Company.
5. *Environmental Planning and Model Provisions* (as amended) with notes prepared by the Lawbook Company.
6. Draft New South Wales Parliament Bill – *Environmental Planning and Assessment Amendment (Planning Agreements) Bill 2003*.
7. *Leichhardt Local Environmental Plan 2000*.