



West Mundijong Industrial Development Contribution Plan

Report No. 2



Shire of
Serpentine
Jarrahdale

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Revision Schedule

No.	Date	Details	CM
1	13/02/18	Gazettal	JE
1.1	01/11/19	Draft Revision	JE
1.2	13/03/20	Draft Revision and reformatting	SM
1.3	26/03/20	Final Draft for Submission	SM
1.4	08/05/20	Final for advertising	SM



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1. Introduction

1.1 Background

The West Mundijong Industrial area is located within the Shire of Serpentine Jarrahdale, and is generally bound by the Kwinana Freight Rail Line to the north, the proposed Tonkin Highway to the east, Mundijong Road to the south and Kargotich Road to the west.

The Mundijong Urban Development zoned areas under the Shire of Serpentine Jarrahdale's Town Planning Scheme No.2 are generally bound by Bishop Road and Norman Road to the north, Mundijong Road and Watkins Road to the south, South Western Highway to the east and Kargotich Road to the west.

Provision 1 of Development Area 1, and Provision 1 of Development Area 2, listed under Shire of Serpentine Jarrahdale Town Planning Scheme No. 2, provides that a single District Structure Plan is to be adopted to guide subdivision and development and will cover the areas of Development Areas No. 1 and 2. This updated Draft District Structure Plan, adopted by Council for advertising at the 17 December 2018 meeting, represents the latest version of the District Structure Plan and is advertised concurrently, though independently, to this amendment, for community consultation in its draft form. If Council adopts this Draft District Structure Plan following advertising, it will become the latest version of the single District Structure Plan, in accordance with Provision 1 of Development Area 1, and Provision 1 of Development Area 2.

As a District Structure Plan, it is not being prepared or determined under the Deemed Provisions of the Scheme. Rather, it is being considered in accordance with the specific Development Area provisions.

The proposed 2020 Council Approved Mundijong District Structure Plan (CAMDSP) is an informing, relevant and strategic document that enables the consideration and exercising of discretion for Structure Plans and Local Development Plans, which fall under the auspices of the deemed provisions.

The CAMDSP has been prepared, and updates the original draft West Mundijong Industrial DSP, to guide the preparation of more detailed local structure plans (LSPs) facilitating subdivision and development within the whole Mundijong area.

The CAMDSP forms the basis for the West Mundijong Industrial Development Contribution Plan and the update to Appendix 10 into the Local Planning Scheme.

A copy of the original CAMDSP Map is contained in Figure 1 and the updated proposed 2020 CAMDSP Map is shown in Figure 2.

NOTE:

The cost estimates and assumptions in this documentation are based on the best available information at this point in time. This documentation has been prepared for the basis of public advertising and may change during the statutory planning and approval process.

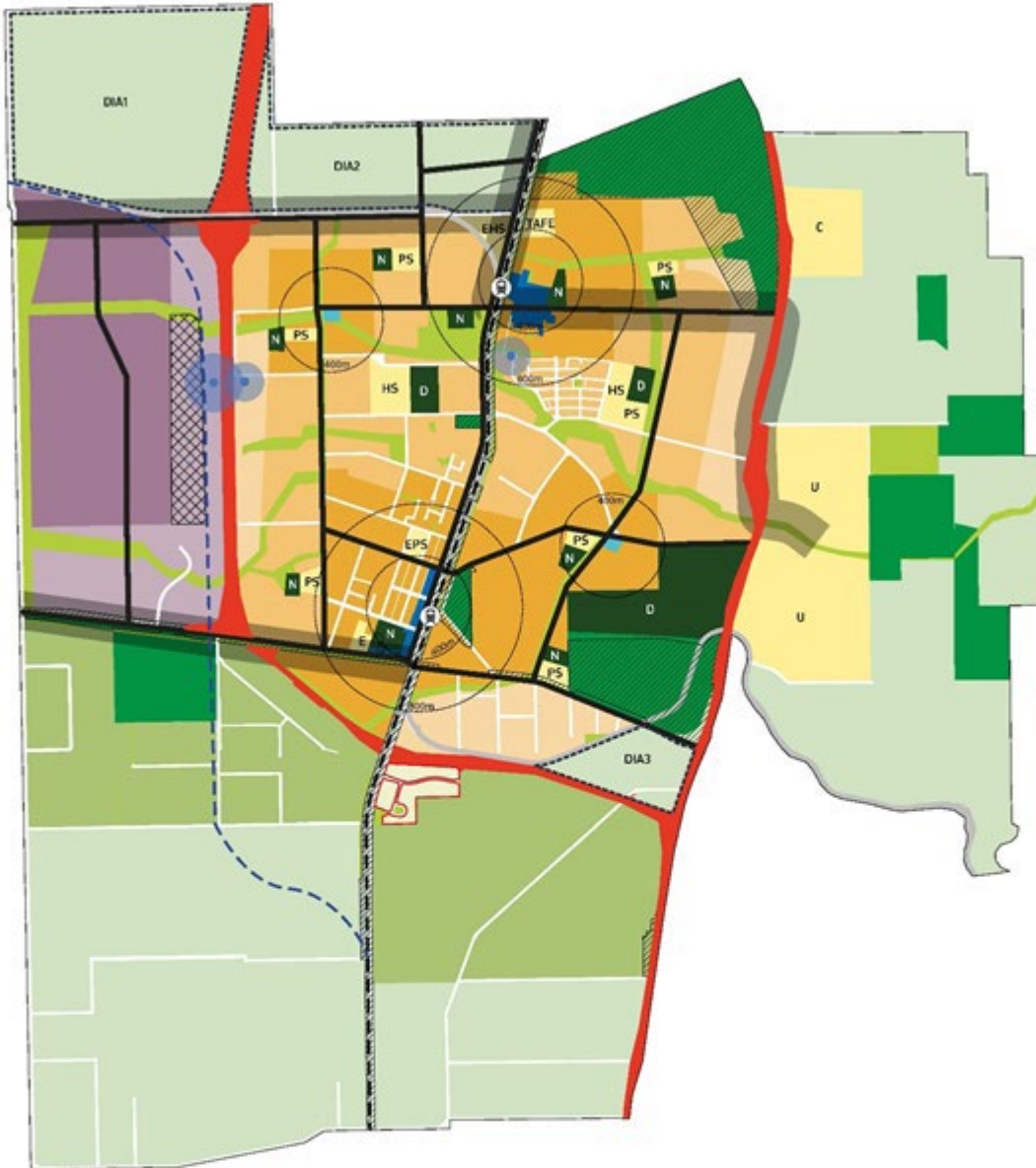


Figure 1 Original Council Approved West Mundijong District Structure Plan Map





Figure 2: Updated proposed 2020 Council Approved West Mundijong District Structure Plan Map



LEGEND

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|---|--|--|
| <ul style="list-style-type: none"> — CAMDSP BOUNDARY ■ DISTRICT CENTRE ■ NEIGHBOURHOOD CENTRE ■ COMMUNITY AND PUBLIC PURPOSE ■ LIGHT INDUSTRIAL ■ INDUSTRIAL ■ BUSH FOREVER ■ DISTRICT/ NEIGHBOURHOOD OPEN SPACE RESERVE ■ MULTIPLE USE CORRIDOR/LOCAL OPEN SPACE ■ INTER-MODAL FACILITY ■ HIGH FREQUENCY TRANSIT CORRIDOR | <ul style="list-style-type: none"> ■ MEDIUM - HIGH (R40-100) ■ LOW (SUBURBAN): R20-35 ■ LOW (TRANSITIONAL): R10-15 ■ SPECIAL USE ■ RURAL SMALL HOLDINGS ■ RURAL ■ PRIMARY DISTRIBUTOR ■ DISTRICT DISTRIBUTOR ■ RAILWAY RESERVE --- FREIGHT RAIL REALIGNMENT --- RAIL LINE ⊙ TRANSIT NODE | <ul style="list-style-type: none"> ⊙ WASTE WATER PUMP STATION AND BUFFER --- DIA BOUNDARY ■ DIA DEVELOPMENT INVESTIGATION AREA ● EHS EXISTING HIGH SCHOOL ● EPS EXISTING PRIMARY SCHOOL ● HS HIGH SCHOOL ● PS PRIMARY SCHOOL ● D DISTRICT OPEN SPACE ● N NEIGHBOURHOOD OPEN SPACE ● U UNIVERSITY/ INNOVATION HUB ● C CEMETERY ● E EMERGENCY SERVICES |
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Scale: 1:10,000
 Project Number: 2019/001
 Drawing Number: 2019/001-01
 Date: 20/01/2020
 Hames Sharley



1.2 Purpose of Development Contribution Arrangements

Due to the existence of multiple landholdings within the West Mundijong DSP area, the Shire has decided to prepare the West Mundijong Industrial Development Contribution Plan to share the cost of infrastructure, land and other items required to support the development of the area.

1.3 Purpose of the Development Contribution Plan Report

This development contribution plan (DCP) report has been prepared to set out in detail:

- The infrastructure, land and other items for which development contributions are to be collected.
- How land values are calculated and the valuation methodology applied.
- The cost estimates of infrastructure and other items.
- The cost contribution rate applicable within the West Mundijong Industrial contribution area (DCA).
- The methodology to calculate development contributions applicable to landowners/developers and the operational aspects of the methodology.
- Principles for the priority and timing of infrastructure provision and land acquisition.
- The period of operation and review of the DCP.
- Various other operational matters.

1.4 Status

This West Mundijong Industrial DCP report has been prepared pursuant to Clause 9.3.10 of the Shire of Serpentine Jarrahdale Town Planning Scheme No. 2 (TPS2).

The report should be read in conjunction with Clause 9.3 and Appendix 10 of TPS2, the West Mundijong District Structure Plan and any relevant precinct-level LSP.

This West Mundijong Industrial Development Contribution Plan report does not form part of TPS2.

1.5 Principles

This West Mundijong Industrial Development Contribution Plan report has been prepared pursuant to the guiding principles for development contribution plans, as set out in State Planning Policy 3.6 Development Contributions for Infrastructure (SPP 3.6) and Clause 9.3.6 of TPS 2 as detailed below:

a) Need and the nexus

The need for the infrastructure included in the plan must be clearly demonstrated (need) and the connection between the development and the demand created should be clearly established (nexus).

b) Transparency

Both the method for calculating the development contribution and the manner in which it is applied should be clear, transparent and simple to understand and administer.



c) Equity

Development contributions should be levied from all developments within a development contribution area, based on their relative contribution to need.

d) Certainty

All development contributions should be clearly identified and methods of accounting for cost adjustments determined at the commencement of a development.

e) Efficiency

Development contributions should be justified on a whole of life capital cost basis consistent with maintaining financial discipline on service providers by precluding over recovery of costs

f) Consistency

Development contributions should be applied uniformly across a development contribution area and the methodology for applying contributions should be consistent.

g) Right of consultation and review

Owners have the right to be consulted on the manner in which development contributions are determined. They also have the opportunity to seek a review by an independent third party if they believe the calculation of the costs of the contributions is not reasonable.

h) Accountable

There must be accountability in the manner in which development contributions are determined and expended.

i) Risk Minimisation

The financial risk to the local government and other stakeholders is to be mitigated through the minimisation of items included.

1.6 Area of Operation

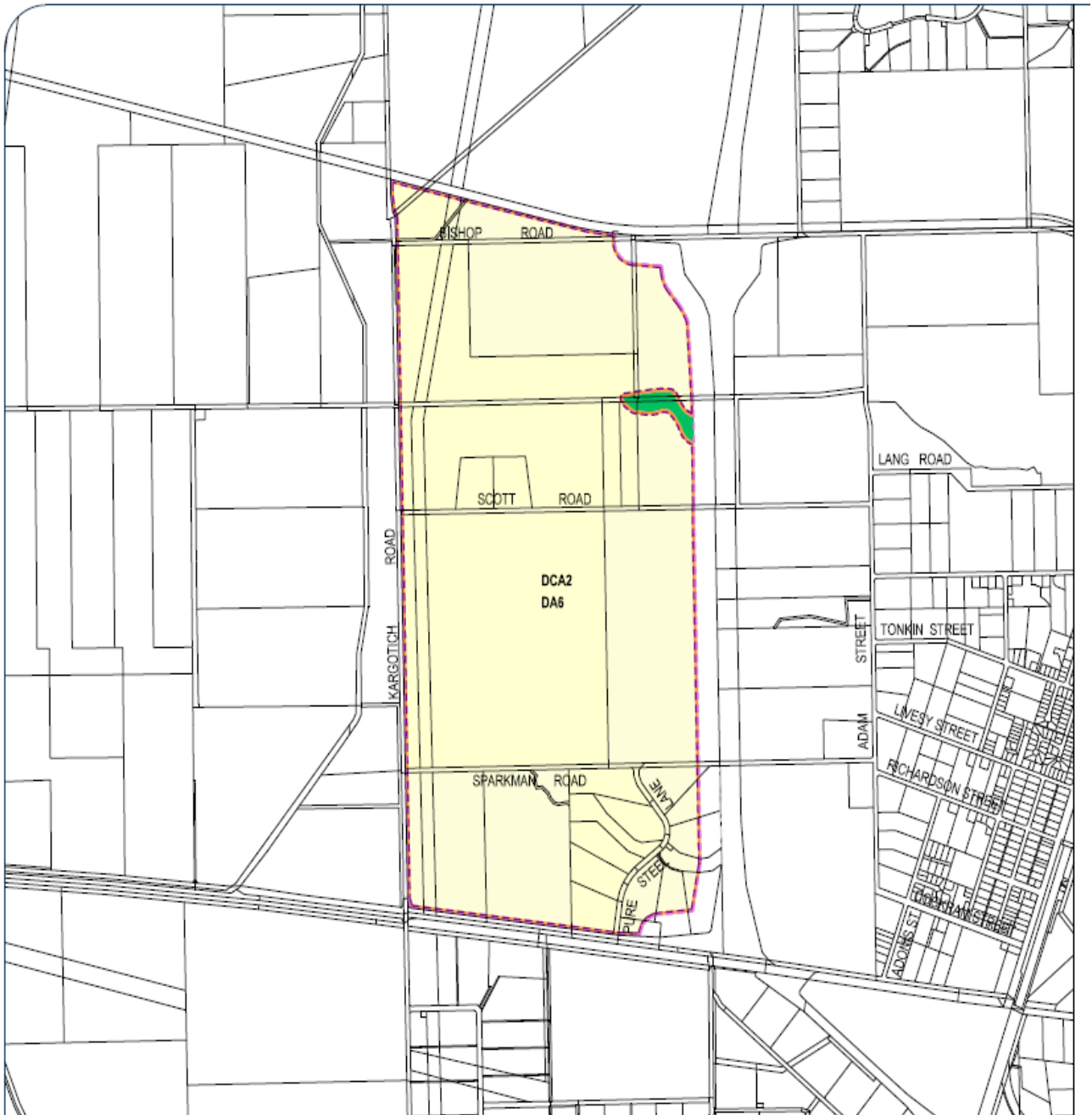
The West Mundijong Industrial Development Contribution Plan Report applies to the West Mundijong Industrial development contribution area referred to as DCA2 and as indicated on the TPS 2 Scheme Maps and detailed within Part 9 of TPS 2 (see Figure 2).

1.7 Strategic Basis

The West Mundijong DSP guides the preparation of LSPs, which facilitate the eventual subdivision and development of land within West Mundijong. This subdivision and development necessitates the provision of new and upgraded infrastructure and land for drainage purposes. In this context, the West Mundijong DSP forms the strategic basis for the DCA and DCP report for West Mundijong Industrial.



Figure 2 – West Mundijong Industrial Development Contribution Area





2 Infrastructure, Land and Other items

This section of the DCP report identifies the infrastructure, land and other items for which development contributions will be collected in West Mundijong. These items include:

- District distributor and connector roads playing a district function;
- Land for drainage; and
- Administration costs.

2.1 Land Value

Roads and drainage include a significant land component. To determine the total cost of the items, a land value therefore needs to be identified. Pursuant to Clause 9.3.12 of TPS 2, the rate for the purpose of calculating the value of land for public open space, drainage and infrastructure is based on land valuations undertaken, as detailed in **Appendix F**.

Pursuant to Clause 9.3.11 of TPS 2, the land value will be reviewed at least annually.

For the purposes of TPS 2, the Scheme DCP for West Mundijong Industrial and the West Mundijong Industrial DCP report, one englobo land value will apply to the entire West Mundijong Industrial development contribution area, irrespective of precinct or structure plan classification or similar. This approach is considered to be the simplest, effective and equitable method of addressing land valuation.

2.2 Roads

The land, earthworks, paving/surfacing, drainage, traffic control devices, shared paths, utilities and associated costs for the upgrading and/or construction of:

1. Mundijong Road between Kargotich Road and Tonkin Highway reservation;
2. Kargotich Road between the freight rail crossing and Mundijong Road; and
3. Bishop Road between Kargotich Road and Tonkin Highway reservations.
4. North South Spine Road between Mundijong Road (West) and Bishop Road (West)

2.2.1 Mundijong Road – District Distributor

Mundijong Road borders a significant portion of the West Mundijong DSP area to the south. Under the Metropolitan Region Scheme (MRS), the road is reserved as an Other Regional Road and is identified as a district distributor. The portion of Mundijong Road abutting the West Mundijong DSP is under control of the Shire.

The road currently exists, but will require changes in width, alignment and configuration to support development envisaged under the DSP.

The width of the Mundijong Road reserve will be 40m.

The upgrade of Mundijong Road will occur between the Tonkin Highway Metropolitan Region Scheme (MRS) Primary Regional Road Reserve and Kargotich Road to the West. The detailed design of Mundijong Road is still to be determined in conjunction with relevant State agencies.



In accordance with State Planning Policy No. 3.6 – Development Contributions for Infrastructure (SPP 3.6), the following items are included within the DCP for Mundijong Road, between Kargotich Road and Tonkin Highway reservation:

- Land required over and above a standard 20m road reserve, to achieve 40m wide road reserve;
- Earthworks for the whole road reserve;
- The construction and upgrade of one carriageway;
- Associated drainage works including water sensitive urban design measures;
- Traffic control devices and intersection treatments incorporating slip lanes and associated works;
- Shared paths;
- Utility removal, relocation and insertion; and
- Associated costs including design, administration and management.

A detailed breakdown of the costs is contained within a spreadsheet at **Appendix A**.

The following items are not included in the DCP for Mundijong Road:

- Any upgrades to Mundijong Road West of Kargotich Road; and
- Any intersection treatment with Tonkin Highway. Tonkin Highway is a Primary Regional Road under the MRS and is a responsibility of Main Roads.

2.2.2 Kargotich Road – Local Road

Kargotich Road is located to the west of the West Mundijong DSP area, providing a north south connection and linking in with the West Mundijong DSP. Kargotich Road is a Shire controlled road and is not reserved under the MRS. The existing state of Kargotich Road is rural in nature, with a narrow single carriageway allowing for one lane in either direction.

The width of Kargotich Road will be 30m.

The upgrade of Kargotich Road will occur between Mundijong Road reserve and the railway crossing to the north.

In accordance with SPP 3.6, the following items are included in the DCP for Kargotich Road:

- Land required over and above a standard 20m road reserve, to achieve 30m wide road reserve
- Earthworks for the whole road reserve;
- Complete road construction based on a single lane split carriageway with central median;
- Associated drainage works including water sensitive urban design measures;
- Traffic control devices including intersection treatments incorporating slip lanes and associated works;
- Shared paths;
- Utility removal, relocation and insertion; and
- Associated costs including design, administration, and management.



A detailed breakdown of the costs is contained within a spreadsheet at **Appendix B**.

The following items are not included in the DCP for Kargotich Road:

- Minor intersections treatments into Kargotich Road from the adjoining subdivisional road network. These will be subject to a standard subdivisional truncation requirements; and
- Modifications to the current railway crossing configuration; as this may change in the future when detailed planning is undertaken by the Department of Transport for the future freight rail realignment out of the existing Mundijong and proposed Whitby town sites.

2.2.3 Bishop Road – Local Road

Bishop Road is located in the northern portion of the DSP area, running east-west between Kargotich Road and Soldiers road. Bishop Road is a Shire controlled road and is not reserved under the MRS.

The existing state of Bishop Road is rural in nature, with a narrow single carriageway allowing for one lane in either direction. Changes to the alignment of the road are proposed towards Tonkin Highway and the road is proposed to connect into Tonkin Highway.

The width of Bishop Road will be 30m .

The upgrade and construction of Bishop Road will occur between the Tonkin Highway MRS Primary Regional Road reserve and Kargotich Road.

In accordance with SPP 3.6, the following items are included in the DCP for Bishop Road:

- Land required over and above a standard 20m road reserve, to achieve 30m wide road reserve;
- Earthworks for the whole road reserve;
- Complete road construction based on a single lane split carriageway with central median;
- Associated drainage works including water sensitive urban design measures;
- Traffic control devices including one set of traffic lights, intersection treatments incorporating slip lanes and associated works;
- Shared paths;
- Utility removal, relocation and insertion; and
- Associated costs including design, administration, and management.

A detailed breakdown of the costs is contained within a spreadsheet at **Appendix C**.

The following items are not included in the DCP for Bishop Road:

- Minor intersections treatments into Bishop Road from the adjoining subdivisional road network. These will be subject to a standard truncation requirement; and
- Any intersection treatment with Tonkin Highway. Tonkin Highway is a Primary Regional Road under the MRS and is a responsibility of Main Roads.



2.2.4 North South Spine Road – Local Road

The North South Spine Road bisects the developable land between Bishop Road to the north and Mundijong Road to the south. The road will be a Shire road and is not reserved under the MRS. The width of the road will be 30 metres.

The construction of the new road will occur between Mundijong Road reserve and the Bishop Road reserve to the north.

In accordance with SPP 3.6, the following items are included in the West Mundijong Industrial DCP for the North South Spine Road:

- Land required over and above a standard 20m road reserve, to achieve a 30 metre wide road reserve;
- Earthworks for the whole road reserve;
- Complete road construction based on a single lane split carriageway with central median;
- Associated drainage works including water sensitive urban design measures;
- Traffic control devices including intersection treatments incorporating slip lanes and associated works;
- Shared paths;
- Associated costs including design, administration and management.

A detailed breakdown of the costs is contained within a spreadsheet at **Appendix D**.

The following items are not included in the DCP for the North South Spine Road:

- Minor intersections treatments into the North South Spine Road from the adjoining subdivisional road network. These will be subject to standard subdivisional truncation requirements.
- Land required to achieve a standard 20m road reserve, which will be ceded free of cost as part of the subdivision process.

2.3 Land for Drainage

A significant amount of land will be provided within the West Mundijong DSP area for drainage purposes. This land includes:

- A mix of multiple-use and ecological corridors forming a drainage function; and
- Land purely for drainage purposes.

All land required for drainage is included in the DCP, this will ensure compliance with Clause 9.3.6 of TPS 2, containing the guiding principles for development contribution plans. This will ensure transparency and equity in terms of land required for district benefit. Without the provision of district level drainage the development of the area holistically could not proceed.

2.3.1 Estimated amount of land for drainage

A significant amount of water planning has been completed for the West Mundijong DSP area including a District Water Management Strategy (DWMS) and associated studies. This level of planning allows for the specific identification of land areas required for regional drainage purposes.



Based on the information contained in the DWMS, West Mundijong DSP and associated studies the estimated amount of land to be provided, and associated cost, is detailed in **Appendix G**.

2.3.2 Estimated cost of land for drainage

Based upon the land value detailed in section 2.1 of this report, the total estimated cost of creditable public open space and drainage in the West Mundijong Industrial DCP is detailed in **Appendix G**.

2.4. Land for Roads

Additional road reserve land is required for Mundijong Road (40 metre reserve), Kargotich and Bishop Roads (30 metre reserve). The new North South Spine Road requires an additional 5m to be acquired over and above the subdivisional 20m provided by adjoining landowners. This only applies to the section of road width wider than 20m i.e. if the road is 30m wide, only 10m will be compensated for through this Development Contribution Plan.

2.4.1 Estimated amount of land for roads

The total estimated amount of creditable land required for road improvements is detailed in **Appendix E**.

2.4.2 Estimated cost of land for roads

The total estimated cost of creditable land required for road improvements is detailed in **Appendix E**.

2.5. Items not included

Land identified as having purely a conservation value, for example Bush Forever sites and conservation category wetlands, are excluded from the DCP unless they form part of the district drainage network. Foreshore reserves are also excluded from the DCP in accordance with Liveable Neighbourhoods, which states that they will be ceded free of cost.

Whilst the DCP includes land for drainage purposes, it does not include drainage works themselves (i.e. earthworks, drainage infrastructure such as piping, pits, mechanical treatments, water sensitive design treatments or similar). These are considered to be subdivisional works, generally required by local water management strategies and urban water management plans, and are also very difficult to calculate given the varying nature of drainage infrastructure provided and proposed throughout West Mundijong. The drainage works contained within the proposed roads as depicted within the DCP are permitted to be included in accordance with SPP 3.6.

2.6 Total Cost

A summary of the total cost for all infrastructure, land and other items within the DCP is included within **Appendix H**.



Note: The Shire expended \$265,392 since 2011 towards the rezoning of the Mundijong West Industrial Estate and including the preparation of the Mundijong West Development Contribution Plan and District Structure Plan including associated Traffic Studies as discussed with the Mundijong West Industry Reference Group. This value has been added to the 1% administration costs which relate to the ongoing management of the DCP.

3. Development Contribution Methodology

This section sets out the methodology for determining the development contributions applicable within the West Mundijong Industrial development contribution area.

The formula for equating cost contributions on a per metre basis is as follows:

$$\text{Total Cost} / \text{Total Developable Area} = \text{Rate per metre squared}$$

Utilising information contained within the West Mundijong DCA, the total developable area for the site is as follows:

General Industry Core	269,000 m2
Light Industry Precinct	109,000 m2
Total	378,000 m2

Utilising the above formula the initial per metre cost contribution rate is detailed in **Appendix I**.

3.1. Exemptions

Clause 9.3.13.3 of TPS 2 details various situations in which a development contribution is not required.

3.2 Calculating the Contribution Rate for Landowners / Developers

At any point in time, the contribution rate/metre will vary according to number of days since the last Cost Review.

The contribution rate is adjusted after each cost review in terms of contributions received, expenditure, cost estimates for each cost item and number of metres with paid contributions.

To ensure costs are current during the time between cost reviews, all costs will be escalated on a daily basis calculated from an annual escalation rate. Escalation rates will separately apply to infrastructure costs, land costs and administration costs. The escalation rates will be set at each cost review. The starting point for daily escalation is the approval date for the prevailing cost review.

Three cost escalators are used:

- Administration escalation rate (AER): The Administration Escalation Rate (AER) is the rate used for wages and salaries in the Local Government Cost Index based on WA State Treasury forecasts.



- Infrastructure escalation rate (IER): The Infrastructure Escalation Rate (IER) is taken from a cost series produced by the WA Local Government Association (WALGA). The Road and Bridge Construction forecast is seen as the most appropriate index for infrastructure costs. This index is based on Construction Forecasting Council forecasts.
- Land value escalation rate (LVER): The Land Value Escalation Rate (LVER) is a forecast provided by the land valuer who assessed the englobo land value rate for this Report.

The rates associated with each escalator are detailed within **Appendix J**.

Given that each cost entail a different bundle of items, it is necessary to calculate a weighted escalation rate as follows:

$DCA\ ER = (\%IC/TC \times IER) + (\%LV/TC \times LVER) + (\%AC/TC \times AER)$ Where for each DCA:

ER - is the weighted Escalation Rate;

DER - is the daily escalation rate (ER/365);

IC - is the estimated Infrastructure Cost;

LV - is the estimated Land Value;

AC - is the estimated Administration Cost

TC - is the Total Cost being IC + LV + AC;

IER - is the Infrastructure Escalation Rate;

LVER - is the Land Value Escalation Rate;

AER - is the Administration Escalation Rate; and

D - is the number of days since the last cost review.

4 Priority and Timing of Provision

The priority and timing of provision shall be guided by the following key principles:

- Minimising financial risk to the Shire – This can be achieved through the early acquisition of land required for public purposes (public open space, roads etc.).
- Ensuring a constant turnover of funds – By ensuring the continuous spending of development contributions collected, the Shire minimises the negative consequences of inflation.
- Prioritising the purchase of land identified for public purposes which encompasses all of, or a substantial portion of one landholding – Many of these landholdings are essentially “quarantined” from subdivision and/or development and would be difficult to sell to a private buyer.
- Constructing infrastructure on an “as needs” basis – This is especially apparent in the context of road upgrades.



- Undertaking works and land acquisition in areas of fragmented ownership – This assists in the successful and coordinated development of these areas. In areas of consolidated ownership, most infrastructure and land is provided by the developer in lieu of providing cost contributions.

The identification of priorities will be undertaken on an annual basis as a minimum, in parallel with forward financial planning and annual budgeting processes. The following items have been determined by the Shire as current priority items in the order shown:

- i. North South Spine Road
- ii. Kargotich Road
- iii. Bishop Road
- iv. Mundijong Road

5. Period of Operation and Review

The DCP will operate for a period of 10 years from date of gazettal of the related scheme amendment to incorporate the Scheme DCP into TPS 2.

The DCP will be reviewed not less than annually, allowing for more frequent reviews to be completed on an as-required basis having regard to cost increases, the rate of subsequent development in the area since the last review and the degree of development potential still existing.

The estimated costs will be reviewed at least annually to reflect changes in funding and revenue sources and indexed based on the Building Cost Index or other appropriate index as approved by the qualified person undertaking the certification of costs referred to in clause 9.3.11.3 of TPS 2.

Where the costing and details of the DCP report are:

- indexed on a standard basis;
- revised based on construction cost increases/decreases;
- revised based on land value increases/decreases; and
- revised based on revisions to the likely lot/dwelling outcome.

6. Operational Matters

This section of the DCP report addresses various operational matters associated with the West Mundijong Industrial DCP.

6.1. Estimation of Costs

This matter is dealt with in Clause 9.3.11 of TPS 2.

6.2. Land Valuation

This matter is dealt with in Clause 9.3.12 of TPS 2.



6.3 Liability and Timing for Contributions

This matter is dealt with in Clause 9.3.13 of TPS 2

6.4 Payment of Contributions

This matter is dealt with in Clauses 9.3.14 of TPS 2.

6.5 Arbitration

This matter is dealt with in Clause 9.3.19 of TPS 2.

6.6 Implementation

Development contributions may be calculated and applied as conditions of subdivision, strata subdivision and development.

6.7 Form of Contributions

Pursuant to Clause 9.3.14 of TPS 2, conditions relating to development contribution requirements can, to the satisfaction of the Shire, be satisfied by:

- cheque or cash;
- transferring to the local government or a public authority land in satisfaction of the cost contribution;
- the provision of physical infrastructure;
- some other method acceptable to the local government; or
- any combination of these methods.

6.8. PRE-FUNDING OF INFRASTRUCTURE ITEMS

6.8.1. CONTEXT

The Shire will support pre-funding and delivery of the infrastructure, provided there are good reasons for doing so and in instances where:

- The Developer wishes to undertake works specified in Appendix 10;
- The works are necessary for the progression of an approved subdivision; and,
- The Shire does not hold sufficient West Mundijong Industrial Development Contribution Plan funds to undertake the works and/or has not prioritised such works.

6.8.2. PRE-FUNDING AGREEMENT

By way of an exchange of letters, the Shire and the Developer will agree the extent, composition and timing of the infrastructure works to be pre-funded. Once agreed, the works become the Approved Works. The Approved Works must be identified sufficiently to ensure the cost and quantities of remaining works in that item can be quantified. This is particularly relevant where linear rates are involved.



6.8.3. PRINCIPLES FOR COST RECOUPMENT

The recoup is to be based on the Current Cost Estimate in Accordance with TPS 2 clause 9.3.11 whereby:

- The current cost estimate (excluding contingency allowance) as described in the prevailing West Mundijong Industrial Development Contribution Plan report shall constitute the claimable amount for the completed Approved Works;
- The cost estimate will be subject to escalation at the rate prescribed from time to time in the West Mundijong Industrial Development Contribution Plan report up to the time of agreed practical completion of the works;
- The cost estimate may be revised due to the periodic Cost Review in which case the updated cost estimate will prevail;
- If the actual cost of the works exceeds the escalated cost estimate, the developer may claim an additional amount not exceeding the contingency allowance provided for this item of work. Such a claim shall be independently substantiated to the satisfaction of the Shire;
- Credit for land will be at valuation in accordance with 9.3.12 of TPS 2 where the valuation is current at time of transfer.

Note: Grants or other external Funding shall be deducted from any recoup or credit to the account of the developer.

6.8.4. ACCEPTANCE OF WORKS

The developer shall ensure the works are:

- Undertaken in a proper and workmanlike manner;
- In accordance with plans and specifications constituting the Approved Works; and
- Completed within the agreed period.

Following written notification from the Developer that the Approved Works are complete as above, the Shire will confirm the delivery of the Approved Works to its satisfaction.

The Shire can modify, accept or reject the claim where justified, following review of compliance with standards and the cost. Referral to the Mundijong Industry Reference Group for comment should be made where rejection of the claim is proposed.

6.8.5. ACCOUNTING FOR RECOUPMENT

On acceptance of the approved Works by the Shire, the cost of the works shall be credited to the West Mundijong Industrial Development Contribution Plan account of the Developer and escalated by the prevailing borrowing rate. The balance in this account may be used to offset any cost contribution liabilities owed by the Developer. Any balance owed to the Developer on completion of all subdivision on land held by the Developer within the Development Contribution area, shall be paid to the Developer within 90 days of the condition clearance of the final subdivision in the Development Contribution area, subject to:

- There being sufficient funds available in the West Mundijong Industrial Development Contribution Plan account; and
- Having regard to the business plan by the Shire for delivery of outstanding West Mundijong Industrial Development Contribution Plan works.



Appendices

- Appendix A – Mundijong Road Costing Spreadsheet
- Appendix B – Kargotich Road Costing Spreadsheet
- Appendix C – Bishop Road Costing Spreadsheet
- Appendix D – North South Spine Road Costing Spreadsheet
- Appendix E – Land for Roads
- Appendix F – Land Values
- Appendix G – Drainage Land
- Appendix H – Total Costs
- Appendix I – Contributions
- Appendix J – Escalation Rates