

Infrastructure and Contributions Update to The Hills Shire Council for the West Gables Planning Proposal

13 November 2024

1 Purpose

The purpose of this memo is to respond to comments included in The Hills Shire Council's correspondence on the Draft Planning Agreement offers dated 25 September 2024 in relation to the West Gables Planning Proposal.

2 Contributions mechanism and land to which the offers apply

The proponents have engaged with the major landowners of each land parcel that forms part of the West Gables Planning Proposal to discuss the matters raised in Council's correspondence and the report to the Ordinary Meeting of 23 July 2024.

The landowners have been advised of Council's requirement for an appropriate contributions mechanism to be confirmed prior to the public exhibition of the planning proposal, and that any land parcels which do not have a contributions mechanism may be deferred from the rezoning until an infrastructure contributions mechanism is in place for that land.

The proponents expect to provide Council with a further update prior to the end of November 2024 regarding the status of discussions with the landowners.

3 Maintenance of conservation land

3.1 Cost of maintenance

To support the Vegetation Management Plans (VMPs) for the retained vegetation community that is proposed to be dedicated to Council, the proponents have sought advice from GW Landscapes on anticipated maintenance costs.

The key findings are as follows:

- The cost to establish and maintain the retained vegetation community during the first three years is estimated at \$791,443 and includes plantings, temporary irrigation during establishment and primary/secondary weed control.



- The cost of maintenance for a period of 40 years, using a net present value approach and applying a discount rate of 6% is estimated at \$2,064,129.

3.2 Apportionment of maintenance costs

The costs associated with the maintenance of the retained vegetation community will be included in the infrastructure contributions schedule prepared by GLN which informs the planning agreement offers made to Council, meaning that the cost of maintenance will be apportioned across the future lots to be delivered in the development.

3.3 Delivery of maintenance

It is proposed that the establishment and maintenance activities during the first three years will be undertaken by the developers who are delivering open space assets as works-in-kind through planning agreements.

The monetary contributions to facilitate the long-term maintenance of the retained vegetation community by Council will be made via the planning agreements.

4 Contribution towards active open space land

Council has requested a contribution towards the cost of acquiring the Horsecworld site. Council notes that no specific valuation has been undertaken for the Horsecworld land, however the contribution towards the value of the land should consider:

- the land area required to accommodate the demand for playing fields generated by the West Gables proposal; and
- the average cost incurred by Council to acquire land for active open space in the adjoining Box Hill precinct, resulting in an estimated contribution of circa \$17,000,000.

It is considered reasonable that West Gables makes an apportioned contribution towards the Horsecworld site based upon the current value of the land itself, rather than adopting Council's costs for acquiring land within the Box Hill precinct which is an urban release area which will have higher land acquisition costs that are not reflective of the Horsecworld site.

The proponents have commissioned a land valuation by KD Wood (attached) to inform an appropriate contribution towards land acquisition for the Horsecworld site. The valuation identifies a rate of \$200 per square metre as being appropriate and is informed by recent sales evidence for land with a similar zoning.

West Gables generates demand for 86% of a double playing field which equates to a land area of 3.44 hectares.



Applying the rate of \$200 per square metre to this land area results in a contribution of \$6,880,000 which is offered to Council as a reasonable apportioned contribution towards the Horseworld site land on behalf of the West Gables proposal.

5 Old Pitt Town Road and Fontana Drive intersection

Council has requested a contribution of \$829,453 towards the intersection upgrade, which we are advised represents of the 9% of the total upgrade cost. On this basis, the total cost of the intersection upgrade is \$9,216,144.

Positive Traffic's report indicates that West Gables generates 3% of the demand for this intersection. Applying this rate to the above cost results in a contribution of \$276,484 which is offered to Council as a reasonable apportioned contribution towards the intersection upgrade, as there is no correlation between Council's request of 9% and the demand generated for this upgrade by the proposal.

6 Old Pitt Town Road and Valetta Drive intersection

Council has identified that it is currently in negotiation with landowners for the acquisition of land required for this intersection upgrade, and whilst the dedication of land is included in the proposed planning agreements, Council may need to acquire the land before the planning agreements are executed. Council has suggested that this item could be instead listed as a reimbursement item of Council's costs associated with acquiring this land.

The proponent group would appreciate discussing this item in greater detail with Council to identify the implications of this approach.

7 Old Pitt Town Road upgrades

Council has requested a contribution towards the construction of half-roads along the northern frontage of Old Pitt Town Road.

GLN has reviewed the existing funding arrangements for Old Pitt Town Road through planning agreements as shown in **Figure 1** and has identified the two unfunded sections of road coloured green (490m) and orange (260m).

The two sections of half-road will be included in the infrastructure schedule for West Gables with a total contribution value of \$1,521,000 based upon cost estimates provided by civil works contractors. The cost of these works will be apportioned entirely to the West Gables development. The delivery of the half-road construction will occur via planning agreements.

Figure 1 – Old Pitt Town Road funding arrangements





8 Boundary Road

Council has requested the delivery of Boundary Road to four lanes fronting the West Gables site and references the previous traffic report prepared by Positive Traffic and dated December 2022.

Positive Traffic has provided updated advice which clarifies that the upgrade of Boundary Road to four lanes is not required to support the West Gables rezoning and is consistent with advice provided by Council officers at meetings with Positive Traffic and the proponents. A single lane of travel in each direction is adequate to support the West Gables rezoning.

On this basis, it is unreasonable to require the West Gables development to fully fund a four-lane upgrade to Boundary Road.

The existing Box Hill North VPA already includes significant upgrade works to Boundary Road including shoulder widening, kerb and gutter and drainage works (VPA Item 15) along with the removal of a crest across both existing lanes of travel (VPA Item 28) and intersection works at Red Gables and Cataract Roads (Items 8 and 9) with a collective contribution value of \$2,500,000 in January 2015 dollars.

Further, the West Gables proposal includes the delivery of new kerb and gutter which aligns with Council's ultimate design for the eastern side of Boundary Road and includes full-depth pavement reconstruction, verge and share path works with a value of approximately \$4,800,000.

In conjunction with the pavement and verge works proposed via the infrastructure schedule for West Gables, this represents the delivery of upgrades to Boundary Road exceeding \$7,300,000.

9 Conclusion

The proponent group thanks Council for its feedback on the draft planning agreement offers and requests an urgent meeting with Council officers to discuss the content of this memorandum and review the outstanding matters.

GLN PLANNING PTY LTD

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