



Item No: 2.10

Title: Review of Development Contributions -
DA/1260/2021/A - 24 Gallipoli Road, Long Jetty -
Seniors Housing Development Comprising 89
Dwellings, Strata Subdivision and Associated
Demolition and Other Works (Amended
Application)

Department: Environment and Planning

22 August 2023 Ordinary Council Meeting

Reference: DA/1260/2021/A - D15800662

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Executive: Alice Howe, Director Environment and Planning

Recommendation

That Council:

- 1 *Not support the request to amend the development contributions relating to DA/1260/2021/A at 24 Gallipoli Road, Long Jetty.***
- 2 *Advise the Hunter and Central Coast Regional Planning Panel of its decision.***

Report purpose

To determine a request to amend the development contributions relating to DA/1260/2021/A, levied under *The Entrance District Contribution Plan* and *Shire Wide Infrastructure, Services and Facilities Development Contribution Plan*.

Executive Summary

A Section 4.55(2) modification application has been lodged in relation to DA/1260/2021/A for a seniors housing development at 24 Gallipoli Road, Long Jetty. The modification application proposes a number of amendments relating to the unit mix, internal unit configurations, car parking, communal outdoor spaces, civil works and a proposed reduction in development contributions. The modification application will be referred to the Hunter Central Coast Regional Planning Panel for determination.

Under Section 2.26 of the *Environmental Planning and Assessment Act 1979*, the Panel cannot make any decision that may reasonably be expected to have a significant adverse financial impact on Council, without first consulting with Council. Therefore, a Council resolution is required to determine the development contribution request, prior to the modification application being determined by the Regional Planning Panel.

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A review of the request for a reduction of development contributions has been undertaken by staff and is not supported.

Background

DA/1260/2021 was approved on 26 September 2022 for a seniors housing development comprising 89 dwellings, strata subdivision and associated demolition and other works. The development consent includes condition 2.3 and 2.4 requiring the payment of Section 7.11 development contributions under *The Entrance District Contribution Plan* and *Shire Wide Infrastructure, Services and Facilities Development Contribution Plan*.

Council levies development contributions to assist in the provision of community infrastructure such as traffic and transport upgrades, community facilities, open space and drainage works. This infrastructure is required to support the future population which has been generated by new development.

Both the *Entrance District Contribution Plan* and the *Shire Wide Infrastructure, Service and Facilities Development Contribution Plan* levy development contributions based on the number of bedrooms per dwelling/apartment. Neither plan includes an exemption for seniors housing development.

A Ministerial Direction pursuant to Section 7.17 of the *Environmental Planning and Assessment Act 1979* provides an exemption from the payment of development contributions if a seniors housing development is being undertaken by or on behalf of a Social Housing Provider, which is defined as:

Social Housing Provider means the following—

- a) *the Secretary of the Department of Communities and Justice,*
- b) *the Land and Housing Corporation,*
- c) *a registered community housing provider,*
- d) *the Aboriginal Housing Office,*
- e) *a registered Aboriginal housing organisation within the meaning of the Aboriginal Housing Act 1998,*
- f) *a local government authority that provides affordable housing,*
- g) *a not-for-profit organisation that is a direct provider of rental housing to tenants.*

DA/1260/2021 does not fall into this category and therefore no exemption from the payment of development contributions apply.

A reduction of development contributions has previously been requested by the applicant as well as a request to enter into a planning agreement with Council. The applicant was advised

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on 21 June 2021 that Council did not support a discount or exemption from the payment of local infrastructure contributions and also declined the request to enter into a planning agreement in lieu of the payment of development contributions.

Current Status

A Section 4.55(2) modification application has been lodged in relation to DA/1260/2021/A for a seniors housing development at 24 Gallipoli Road, Long Jetty. The modification application proposes a number of amendments relating to the unit mix, internal unit configurations, car parking, communal outdoor spaces, civil works and a proposed reduction in development contributions.

Report

As part of the Section 4.55(2) modification application the applicant has requested:

- Deletion of condition 2.4 requiring payment of shire-wide Section 7.11 contributions on the basis that they do not apply to seniors housing developments as it is not specifically listed as a development type under the contribution plans.
- A change to condition 2.3 to correct an error in the calculation of the "Roads" Section 7.11 contributions on the basis that they had been overcharged.

The applicant's request has been reviewed and is not supported for the following reasons:

1 Applicability of Section 7.11 contributions to Seniors Housing

The *Entrance District Contribution Plan* levies development applications for residential development based on dwelling units. The plan describes these as "A Dwelling Unit (DU) is the basic unit used for planning purposes for this Plan and is defined as a dwelling with an occupancy rate of 2.2 persons. Where other than three bedroom dwellings are proposed, an equivalent number of dwelling units should be calculated and used as the basis for determining needs and contributions. This will be calculated in accordance with Council's Policy."

The Plan assumes a lower occupancy rate for 1 and 2 bedroom dwellings and therefore the contributions are charged at a lower rate. The *Shire Wide Infrastructure, Service and Facilities Development Contribution Plan* also levies development contributions based on dwelling units. The Plans do not include an exemption for any type of seniors housing, unless provided by a Social Housing Provider. Seniors housing is defined as a type of residential accommodation under the *Central Coast Local Environmental Plan 2022*, this includes independent living units and therefore are classified as dwelling units and charged development contributions under both Plans.

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2. Applicability of the *Shire Wide Infrastructure, Services and Facilities Development Contribution Plan*

The *Shire Wide Contributions Plan* applies to the former Wyong Shire local government area and levies contributions to deliver regional level community infrastructure such as cycleways, open space, the Wyong Art House and public art. The open space delivered under the plan includes Saltwater Creek Park at Long Jetty, Regional Sporting Complex at Tuggerah and extreme sporting complex at San Remo. The cost of these facilities has been apportioned to all future residential development in the former Wyong Shire, there is no specific exemption for seniors housing under this Plan.

Consultation undertaken as part of Council's Positive Ageing Strategy highlighted older residents value health and fitness activities, opportunities for social connection and outdoor experiences. Residents want to be able to get around the community with improvements to public domain, footpaths and bike paths, ensuring public places and spaces are accessible and age-friendly incorporating seating, lighting, signage and public toilets.

The applicant has advised that the development is providing its own private communal open space, internal meeting spaces and a direct link to Diggers @The Entrance. The proposed private facilities are not equivalent to the level of community infrastructure provided under Council's Plans and do not offset the need for new and upgraded infrastructure generated by future development.

3. Calculation of road contributions under *The Entrance District Contribution Plan*

The roads contributions in *The Entrance District Contribution Plan* are levied based on daily vehicle trips. The Plan includes a rate for residential dwelling houses/residential lots, medium density residential flat building and secondary dwellings based on number of bedrooms, tourist accommodation, office and commercial development, retail and restaurants. The Plan does not include a specific rate for seniors housing development, as this is captured in the medium density category, which is consistent with how contributions are levied under the Plan.

The apportionment of costs is calculated on the additional volume of traffic generated (vehicle trips per day) by developments in The Entrance and The Entrance North, based on the land uses and daily vehicle trips provided in Table 8 in the Plan. Table 8 includes a rate for one, two, three and four bedroom units and dwellings. The road calculations have been calculated using the table in the Plan, the smaller the unit or dwelling the lower the daily vehicle trips.

The applicant has provided an alternative rate for daily vehicle trips for seniors housing development based on Transport for NSW *Technical Direction TDT 2013/04a*. The Technical Direction includes a rate for seniors housing development based on different locations and

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scenarios. The applicant has chosen scenario SH7, there has been no information provided on why SH7 was chosen and how this relates to the dwelling mix proposed in DA/1260/2021/A, the age of the occupants or their vehicle use. The cost of the road infrastructure in *The Entrance District Contribution Plan* has been evenly proportioned across all proposed future development in The Entrance and North Entrance, the plan levies contributions on the number of bedrooms each dwelling unit contains, not on the future occupants of a development and therefore does not include a separate rate for seniors living developments. The Plan has been consistently and transparently applied to all residential development.

DA/1260/2021/A is also proposing to modify the dwelling mix to include more 3-bedroom apartments, which will change the calculation of the roads contributions.

Consultation

Consultation has been undertaken with Council's Development Assessment Unit.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Development contributions have been levied consistently under *The Entrance District Contribution Plan* and the *Shire Wide Infrastructure, Service and Facilities Development Contribution Plan* and the contributions received have been used to delivery priority community infrastructure included in the Plans.

The following works are to be designed and delivered as part of Council's Capital Works Program in 2023-2024 and 2024-2025, funded (in part) by development contributions collected under *The Entrance District Contribution Plan*:

- Grandview Street - Pedestrian Refuge
- Boondilla Road and Gosford Avenue - Intersection Upgrade
- Grandview Street and Bonnieview Street - Intersection Upgrade
- Toowoyn Bay Road and Tuggerah Parade - Intersection Upgrade
- Toowoyn Bay Road and Watkins Street - Intersection Upgrade
- Grandview St - Pedestrian Refuge

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Link to Community Strategic Plan

Theme 5: Liveable

Goal I: Balanced and sustainable development

R-I4: Provide a range of housing options to meet the diverse and changing needs of the community including adequate affordable housing.

Risk Management

There are no material risks to Council associated with the proposal. Determining development contributions is a regular activity of Council and is undertaken in accordance with Council's adopted policy and plans.

Options

Options available to Council are to support the proposed reduction in contributions or not. **It is recommended that the proposed reduction not be supported**, as this is consistent with Council's contribution planning methodology.

Attachments

Nil.