

26 November 2024

WOLLONDILLY SHIRE COUNCIL
62-64 MENANGLE STREET
PICTON NSW 2571

Attention: Ron Dowd - Team Leader Contributions Planning

Dear Ron,

RE: Proposed Local Voluntary Planning Agreement for South-East Wilton Stage 2A

Following recent discussions and a review of your comments to our first VPA offer issued 17 June 2024, Risland are pleased to make the following amended proposal for a Local Voluntary Planning Agreement (VPA) with Wollondilly Shire Council (Council) for the development of Stage 2A of the South-East Wilton Precinct, Wilton Greens, at 15 Janderra Lane, Wilton (the Site).

The proposed Risland VPA seeks to:

- Deliver works listed in the Wollondilly Development Contributions Plan 2020 (the S.7.11 Plan) and nominated by Risland,
- Dedicate to Council land listed in the S.7.11 Plan as required for the provision of infrastructure, and
- Pay monetary contributions for regional infrastructure that future residents will utilise.

It is intended that the value of the works, land and monetary contributions will be used to fully offset the required Section 7.11 charges associated with Wilton Greens Stage 2A.

The proposed Risland VPA will deliver essential local infrastructure that is generally consistent with the S7.11 Plan and will provide a greater community benefit than what is otherwise capable under a Works-In-Kind Agreement.

This letter and the information herein will:

- Provide context of the Site and proposed draft VPA;
- Summarise the proposed VPA offer;
- Explain in detail the VPA items being delivered;
- Clarify contribution items that have been excluded from the VPA offer based on Council's initial comments on the first VPA submission;
- Compare the infrastructure rates listed within the S7.11 Plan and updated cost estimates assessed by Collier's International Engineering and Design (CED) NSW; and
- Conclude with a recommendation for Council to endorse this VPA offer.

1. Context

Rezoning

The South-East Wilton Precinct was rezoned in 2017 and included a Structure Plan to guide its development. On 1 September 2023, the South-East Wilton Neighbourhood Plan was adopted along with a corresponding amended Structure Plan (refer to **Appendix A**). Amendments to the Structure Plan comprise the reconfiguration of road alignments and land-uses to produce better urban design outcomes that address the existing site topography and future road geometry. The Precinct will predominantly comprise low-density residential development, with some medium density housing and enterprise / commercial land-uses anticipated within a local centre fronting Picton Road.

Stage 1

South-East Wilton is comprised of six proposed development stages. Stage 1 received development consent (DA/2018/339/1) on 17 October 2019 for a 696 residential lot subdivision; this is currently being constructed. The initial developer of Stage 1, Walker Group, entered into a VPA agreement with Council on 5 August 2019 valued at \$50,601,754. The Stage 1 VPA included roads, parks, stormwater infrastructure and monetary contributions. An additional State VPA has been executed with the NSW Government on 10 April 2018 for the dedication of land and works for upgrading Picton Road and delivering a primary school.

Stage 2

Stage 2 is intended to accommodate 496 residential lots with 1.7ha of Enterprise zoned land. The approval for Stage 2 will be split across two DAs:

1. Stage 2A – DA/2023/1020/1 (the DA) lodged with Council on 6 November 2023 for 362 low density residential lots, six super lots (to accommodate 42 future medium density dwellings), one open space lot, 3 landscaped areas lots and associated civil and earthworks (refer to **Appendix B**).
2. Stage 2B – 92 low density residential lots with associated civil and earthworks. Risland is anticipating lodgement of the Stage 2B DA to Wollondilly Shire Council in the first half of 2025. Stage 2B is expected to have 2 substages.

Construction of Stage 2A and 2B will commence in the first half of 2026 and 2027, respectively. The Subdivision Certificates for each substage in Stage 2A are estimated to be issued from 2027-2028. The Subdivision Certificates for each substage in Stage 2B are estimated to be issued from 2028-2029.

The proposed Risland VPA will apply to the low-density dwelling lots in **Stage 2A only** and will include all relevant infrastructure referenced in the S7.11 Plan and nominated by Risland.

Council Draft Stage 2 VPA

In a meeting dated 22 February 2024, Council issued to Risland a draft VPA for Stage 2A which included the following S7.11 Items; SELC01 and SELC02 – Landscape Corridor and SELP03 – Local Park (refer to **Appendix D**).

The Draft Council VPA also included the dedication and construction of stormwater basins at no cost to Council. The overall value of the Draft Council VPA is currently \$14,928,414, comprising:

- \$2,670,518 in offsets resulting from the dedication and construction of the abovementioned parks; and
- \$12,257,896 remaining in monetary contributions.

Risland suggest modifications to the Council draft VPA offer because it currently excludes;

1. The upgrade of Janderra Lane into a collector road (S7.11 Item WT1.1);
2. Any credit for the extent of land being dedicated for the local park beyond what is allocated in the S7.11 Plan; and
3. Additional nominated infrastructure (Cycleways / share paths / basin amenities) not included in the S7.11 Plan that Risland would like to deliver to enhance the liveability of Stage 2A.

The proposed Risland VPA offer herein is sought to supersede Council's current draft VPA in order to provide additional infrastructure that will significantly benefit future residents.

Draft Risland VPA Submissions

On 25th March 2024, Risland submitted the first iteration of the Stage 2 VPA to Council which included all applicable S7.11 Plan items and nominated infrastructure being delivered. Council has since reviewed this VPA offer and provided comments on 17 June 2024, relating to the details of contributions for roads, open space, stormwater, community facilities and plan administration.

Risland issued a second iteration to the VPA offer to Council on 29 October 2024 that was used as a talking point in a meeting held on 12 November 2024 to negotiate amendments to the VPA that can be endorsed by Council.

As a compromise, many of these changes requested by Council have been adopted in this third amended VPA offer, including monetary contributions for stormwater maintenance, external playing fields and community centres within the Wilton Growth Area, and plan administration. Refer to **Figure 4** for details.

2. Summary of the Amended Risland VPA Proposal

The expected overall S7.11 charges liable for Stage 2A (indexed at September 2024) is estimated at **\$10,860,000** (Refer to **Table 1**). This amount is calculated using the maximum S7.11 contribution payable from the current Council Contributions Plan, which is based on 362 detached dwelling houses at \$30,000 per lot.

This proposed Risland VPA intends to dedicate land and deliver works in order to fully offset the overall S7.11 liabilities for Stage 2A. The local infrastructure items being delivered / dedicated under this proposed VPA have a direct nexus to the development and have been sourced from either the S7.11 Contributions Plan or are nominated items based on infrastructure earmarked in the approved Neighbourhood Plan and DA documentation for Stage 2A.

Based on the indexed rates contained within the S7.11 Contributions Plan, the value of works, land and monetary contributions being offered under this proposed VPA is **\$12,786,753**. The surplus of value or potential credits after deducting the S7.11 charges will be **\$1,926,753** (Refer to **Table 2**).

This VPA has been developed in accordance with Council's Planning Agreement Policy (CP0027), which does not exceed the rates for infrastructure listed in the S7.11 Plan.

It should be noted that CED NSW have been engaged to provide a high-level assessment of the actual value of delivering stormwater basins and the other local infrastructure being offered within this VPA. The combined value of monetary contributions and dedicating and delivering this infrastructure is estimated at **\$29,392,866**. Although Risland does not expect any surplus value to be credited or reimbursed by Council, we expect Council will endorse this proposed VPA given that it is consistent with the S7.11 Contributions Plan and its overall deliverables will be significantly beneficial to the community.

Table 1 – S7.11 Liabilities for Stage 2A (Indexed at 26 November 2024)

Section 7.11 Infrastructure Types	S7.11 Residential Lot Rates (Indexed Sept 2024)	Total S7.11 Liability
Roads and Transport	\$4,167 / lot	\$1,508,454
Open Space	\$18,968 / lot	\$6,866,416
Community Facilities	\$6,393 / lot	\$2,314,266
Plan Management	\$472 / lot	\$170,864
TOTAL	\$30,000 / lot	\$10,860,000

Assumptions (current on 26 November 2024):

- CPI (as per Australian Bureau of Statistics Consumer Price Index, Australia)
 - March Qtr 2020 = 117.4
 - Sept Qtr 2024 = 139.8
- LVI (as per Wollondilly Shire Council)
 - March Qtr 2020 = 177.4
 - Sept Qtr 2024 = 225

Table 2 – Summary of Proposed VPA Offer

S7.11 Plan Ref	S7.11 Item name	Extent of Works and Land to be delivered by Risland					
		Qty / Length / Area	Estimated Lot Trigger	Land Value	Works Cost	Monetary Contributions	Total Value
WT1.1	Janderra Road Upgrade (30m wide)	276m	362	-	\$1,557,853	-	\$1,557,853
SELC01	Landscaped Corridor 1	7,900m ²	250	\$801,578	\$564,440	-	\$1,366,018
SELP03	Local Park (with increased area as per Masterplan)	9,800m ²	250	\$1,553,692	\$1,598,769	-	\$3,152,461
N/A	Cycleway / Sharepaths (~ 2.5m wide)	1,605m	As dev occurs	-	\$765,746	-	\$765,746
N/A	Cycleway / Sharepaths (~ 2.5m wide) around basins	975m	As dev occurs	-	\$465,173	-	\$465,173
N/A	Public Seating near basins	6	362	-	\$31,500	-	\$31,500
N/A	BBQ Shelter / Facility near basin	1	362	-	\$52,500	-	\$52,500
N/A	Stormwater Basin 1	13,100m ²	362	*	*	*	*
N/A	Stormwater Basin 2	5,800m ²	250	*	*	*	*
N/A	Basin Maintenance by Developer	5 years	Ongoing	-	\$464,800	-	\$464,800
N/A	Monetary Contributions for Maintenance by Council	20 years	Ongoing	-		\$1,859,200	\$1,859,200
N/A	Monetary Contributions for Active Playing Fields	N/A	As dev occurs			\$495,216	\$495,216
N/A	Monetary Contributions for Community Facilities	N/A	As dev occurs			\$2,203,856	\$2,203,856
N/A	Monetary Contributions for Plan Administration	3% total value	N/A	\$70,658	\$165,023	\$136,748	\$372,430
Total Credits Generated				\$2,425,928	\$5,665,804	\$4,695,020	\$12,786,753
Total S7.11 Liabilities for Stage 2A							\$10,860,000
Balance							+\$1,926,753

*The dedication/construction of stormwater basins are included under the VPA, however, Council does not allow the value of land and works delivered for basins to be credited and offset against S7.11 liabilities.

3. Description of VPA Items

S.7.11 Items

1. **Janderra Road Upgrade (WT1.1)** – Partially reconstruct 276m of Janderra Road fronting the Site to facilitate its intended widening as a collector road (refer **Figure 1** below). The amount of road being upgraded represents approximately 81.2% of the total allocation (340m) listed in the S7.11 Plan, as this is the portion that has a direct nexus / frontage to the Stage 2 Risland Development.

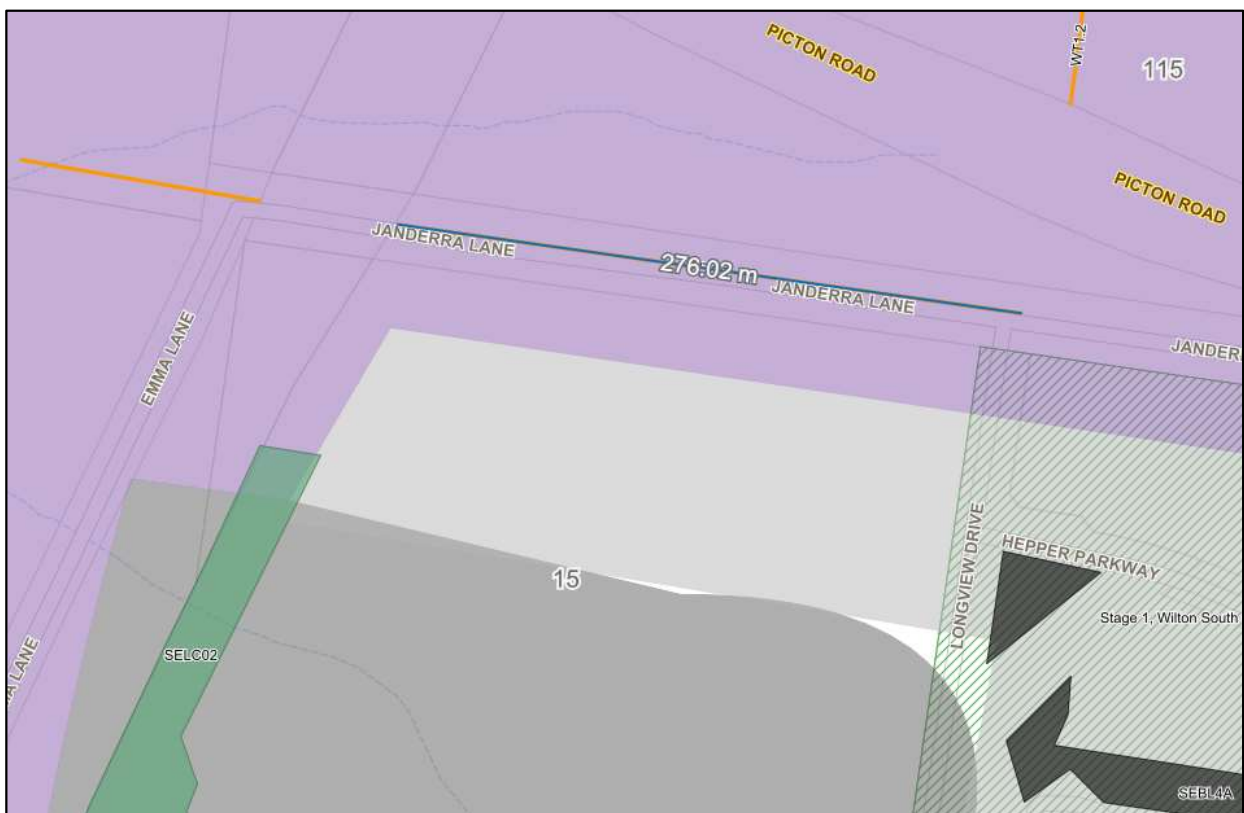


Figure 1: Extent of Janderra Lane being delivered under this VPA.

2. **Landscape Corridors (SELC01)** – Dedicate and embellish a total of 7,900m² for the southern landscape strip along the Maldon Dombarton Rail Corridor.

It should be noted that the total area allocation in the S7.11 Plan for this landscape corridor is 8,500m². Although the amount being offered falls short of this total area quoted in the S7.11 Plan, the landscape areas being delivered reflects the detailed design of the DA documentation.

3. **Local Park (SELP03)** – Dedicate and embellish a total of 9,800m² for a local park within the centre of Stage 2A as per the Landscape Plan lodged with the DA (refer to **Appendix C**). This local park is anticipated to accommodate a multitude of equipment and facilities for passive and active uses that the surrounding community will utilise. The embellishment of this park will include, but is not limited to:

- Informal playing field;

- Active play area including futsal and basketball courts;
- Playground with shade and nature integrated features;
- A central park ornament feature fig tree; and
- Picnic facilities, BBQs and associated shelters.

It is understood the S7.11 Plan only accommodates 3,227m² for this local park, and Council in their draft VPA only credited this extent for Item SELP03.

Risland is seeking endorsement from Council to credit the full extent of this local park at the indexed rate in the S7.11 Plan. Although the 6,573m² surplus area is not included in S7.11 Plan, this out-of-scope contribution is supported by Wollondilly Shire Council's Planning Agreement Policy as:

- The cost of the park is based on the indexed land and work rates in the S7.11 Plan for Item SELP03;
- The value of this park will be used only to reduce the open space monetary contribution liability; and
- The expansion and greater embellishment of this park will result in a significant social benefits to the wider community by providing an attractive place where new residents and young families within the Wilton Growth Area can live, play and connect.

Refer to **Figure 2** overleaf which shows the indicative location of each S7.11 Item.

Note this proposed VPA only utilises the indexed values for land and works quoted in the S7.11 Plan. No variance of these rates has been sought by Risland, despite the fact that the actual cost of this infrastructure will greatly exceeds the values assessed in the S7.11 Plan (see **Section 5**).



Figure 2: S7.11 Plan Infrastructure Items in Stage 2 of South-East Wilton.

Nominated Local Infrastructure

4. **Cycleways / Sharepaths** – Approximately 2,580m of 2.5m wide share paths are proposed to be included within this VPA as per the South-East Wilton Neighbourhood Plan. This will provide connectivity between residential lots, the local park, landscape corridor and stormwater basins within the Site.
5. **Stormwater Basins** – Two stormwater basins with a total area of 18,900m² along the western boundary of the Site are proposed to be dedicated and delivered to Council. In addition to this, there will be an allowance in the VPA for Risland to maintain the basins for 5 years.

We note that the dedication and construction of the basins themselves cannot be credited by Council in the VPA based on their existing policy.

6. Basin Amenities – The following public amenities are anticipated around the two basins planned for Stage 2A:

- Sharepaths along the front face of each basin for public accessibility;
- Public seating; and
- One BBQ facility and shelter on the edge of the northern basin.

Monetary Contributions for Regional Infrastructure

7. Stormwater Basins – Monetary contributions to fund Council maintaining the two stormwater basins for 20 years.

8. Active Playing Fields and Community Facilities – As requested in a meeting on 12 November 2024, Council required that this VPA include monetary contributions for the following regional social infrastructure items (indexed to September 2024):

- a. South East Wilton Playing Fields (SEPF01) = **\$1,368 per lot**
- b. Community Facilities Total = **\$6,088 per lot** comprising the following:
 - i. Indoor recreation facility with ovals (CF1)
 - ii. Wilton Library (CF2)
 - iii. Wilton Multipurpose Community and Cultural Centre (CF3)

These monetary contributions valued at **\$2,699,072** in total have been incorporated within this VPA to assist Council fund and deliver this regional infrastructure for future residents within and outside Stage 2A.

4. Exclusions

In response to Council's requests for additional contribution items to be included in the VPA offer for Stage 2A, the following exclusions have been made:

- **Janderra Lane works between Picton Road and Longview Drive** –
The TfNSW Picton Road upgrade includes for a Left in/Left out arrangements, and this will be built in the future by TfNSW. Risland, as part of Stage 2A constructions works, and the S7.11 Plan obligation noted in Section 3, will complete any minor upgrades to ensure the road is in good condition and is safe to use by residents and construction traffic.
- **Janderra Lane Overbridge Connections** –
Janderra Lane overpass is part of the ongoing State VPA obligation for the South East Wilton Precinct, and will be delivered by the ongoing proponent of the development in due course and in line with the requirements of the adjacent development and the State VPA.
- **Janderra Lane / Longview Drive intersection** –
Any such planning of the intersection will be done based on associated traffic modelling/planning and project urban design. Until this intersection design is conceptualised by TfNSW, Risland have no intention of delivering this infrastructure.
- **Landscaped Corridor (SELC02)** –
SELC02 has been excluded from this VPA offer as it will not be constructed under Stage 2A.

5. Land and Work Values – S7.11 Plan vs Actual Rates

This amended Risland VPA offer has been developed in accordance with Council's Planning Agreement Policy, which states the values and type of items delivered under a VPA generally need to be consistent with the S7.11 Plan. As noted above, the proposed VPA utilises the rates within the S7.11 Plan for Janderra Road and all open space proposed.

However, for the appreciation of Council regarding the actual cost to be delivered by Risland, CED NSW have conducted an independent review of the actual cost of delivering the stormwater basins and infrastructure scheduled to be included under the proposed VPA (Refer to **Table 3**). The overall value of land being dedicated, cost of works being constructed and monetary contributions are estimated at **\$29,392,866**. This represents an additional value **\$18,532,866** worth of infrastructure being delivered by Risland beyond the S7.11 charges liable for Stage 2A.

Table 3 – Comparison of values between the Proposed VPA Offer and its actual value

S7.11 Plan ID	VPA Item	Proposed VPA Total Cost (S7.11 Plan Rates)	Actual Value of Local Infrastructure
WT1.1	Janderra Road Upgrade (30m wide)	\$1,557,853	\$2,996,532
SELC01	Landscaped Corridor 1	\$1,366,018	\$3,092,440
SELP03	Local Park (with increased area as per Masterplan)	\$3,152,461	\$5,488,000
N/A	Cycleway / Sharepaths (~ 2.5m wide)	\$765,746	\$765,746
N/A	Cycleway / Sharepaths (~ 2.5m wide) around basins	\$465,173	\$465,173
N/A	Public Seating near basins	\$31,500	\$31,500
N/A	BBQ Shelter / Facility near basin	\$52,500	\$52,500
N/A	Stormwater Basin 1	-	\$7,362,200
N/A	Stormwater Basin 2	-	\$3,259,600
N/A	Basin Maintenance by Developer (5 years)	\$464,800	\$464,800
N/A	Monetary Contributions for Maintenance by Council (20 years)	\$1,859,200	\$1,859,200
N/A	Monetary Contributions for Active Playing Fields	\$495,216	\$495,216
N/A	Monetary Contributions for Community Facilities	\$2,203,856	\$2,203,856
N/A	Monetary Contributions for Plan Administration	\$372,430	\$856,103
	Total	\$12,786,753	\$29,392,866
	Difference		+\$16,606,113

Although this VPA proposes minor variations and additions to the scope of infrastructure that is allocated for South-East Wilton in the S7.11 Plan, Risland believes this VPA represents a reasonable offer that Council should support considering the added value being delivered to the community at our expense.

6. Conclusion

We understand that Council will assess this proposal against criteria set out in Council's Planning Agreement Policy. We respectfully submit that the proposed VPA will deliver the best outcome for Council and Risland, given:

- It is consistent with rates provided in the S7.11 Plan, Council's past amendments to the VPA offer, and predominantly delivers contribution items listed in the Plan;
- The actual value of local infrastructure being delivered for Stage 2 significantly exceeds the value offered under this VPA in order to comply with Council's Policy;
- The level of embellishment being provided beyond what is quoted in the S7.11 plan, particularly for Item SELP03, the share paths, and basin amenities, will greatly enhance the liveability and amenity of the area; and
- It will ultimately accelerate the provision of local infrastructure to cater to the needs of the broader community.

To conclude, Risland request a response from Council to confirm that:

- The amended Risland VPA offer outlined herein is acceptable by Council to fully offset the S7.11 Charges liable for Stage 2A;
- Council can accept the inclusion of the nominated infrastructure items; and
- Council can credit the entire scope of Item SELP03 being delivered.

Risland would appreciate your written confirmation to the above matters, and we look forward to working with Council to progress a formal VPA at your earliest convenience.

Please do not hesitate to call if you have any queries or require any further information to assist in your review of our application.

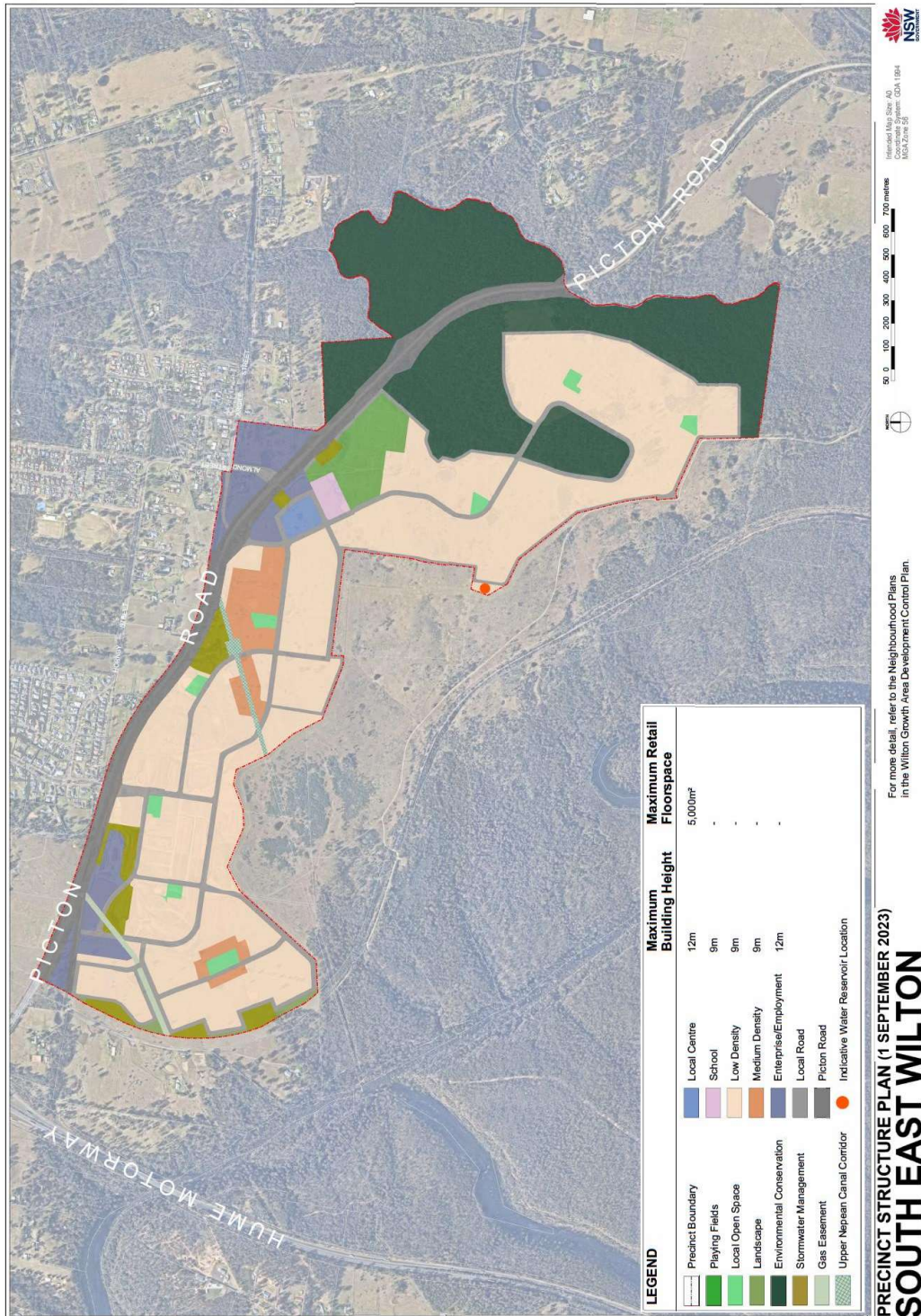
I can be contacted on sen.thangavel@countrygarden.com.au.

Kind Regards,



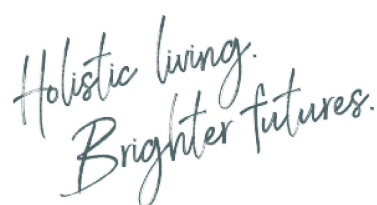
Sen Thangavel
Development Manager
Risland

Appendix A – Current Structure Plan for South-East Wilton (1 September 2023)



Appendix B – Stage 2A Subdivision Plan



[illegible]

Appendix D – Council proposed draft VPA for Stage 2A

Schedule 1

[\$values as at October 2023]

Development Contributions

A Monetary Contributions			
Item/ Contributions	Public Purpose	Manner / Extent	Timing
Contribution towards roads and transport facilities in Area B (Wilton) of the Contributions Plan	Roads and Transport	Monetary Contribution of \$4,368 per final residential lot (\$1,581,216 and indexed at the time of payment)	Prior to the issue of the Subdivision Certificate for final residential lot
Contribution towards open space facilities in Area B (Wilton) of the Contributions Plan	Open Space	Monetary Contribution of \$12,747.50 per final residential lot (\$4,614,594 and indexed at the time of payment)	Prior to the issue of the Subdivision Certificate for final residential lot
Contribution towards community facilities in Area B (Wilton) of the Contributions Plan	Community Facilities	Monetary Contribution of \$6,671 per final residential lot (\$2,414,902 and indexed at the time of payment)	Prior to the issue of the Subdivision Certificate for final residential lot
Contribution towards Plan Administration	Plan Management and administration of the VPA	Monetary Contribution of \$927 per final residential lot (\$335,736 and indexed at the time of payment)	Prior to the issue of the Subdivision Certificate for final residential lot
B Dedication of Land			
SELPO3 – Local Park	Open Space	CP Value \$541,424	Prior to the final subdivision certificate that completes Stage 2

Stormwater Basin (South)	Drainage and Stormwater Purposes	Dedicated at No Cost to Council	Prior to the final subdivision certificate for the adjoining development
Stormwater Basin (North)	Drainage and Stormwater Purposes	Dedicated at No Cost to Council	Prior to the final subdivision certificate for the adjoining development
Dedication of Linear open space corridor (Lots 272, 360,489)	Open Space	CP Value \$895,293	Prior to the final subdivision certificate for the adjoining development
C. Works			
SELPO3 – Local Park	Open Space	Completion of Passive open space in accordance with a development consent \$523,426	Prior to the final subdivision certificate that completes Stage 2
Stormwater Basin (South)	Drainage and Stormwater Purposes	Stormwater facilities in accordance with a development consent [conversion basins would be covered by DA Bonding conditions]	Prior to the final subdivision certificate for the adjoining development
Stormwater Basin (North)	Drainage and Stormwater Purposes	Stormwater facilities in accordance with a development consent [conversion of basin and defects liability covered by DA conditions]	Prior to the final subdivision certificate for the adjoining development
Linear open space corridor works (Lots 272, 360,489)	Open Space	Completion of Passive open space in accordance with a	Prior to the final subdivision certificate for the adjoining

		development consent \$710,375	development certificate that creates the Lot
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