



Local VPA Proposal



Oakdale Planning Proposal

**1455-1475 Burragorang Rd and
1838 Barkers Lodge Rd, Oakdale**

Prepared for: Morehuman Oakdale ATF
MH Property No. 3
Date: March 2024
Our Reference: 030-22

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Contents

Contents 2

1. Introduction 3

2. Scope & Methodology 4

3. Site Details..... 5

4. Proposed Development..... 6

5. Local Contributions 8

6. Land and Works Contributions 9

 6.1. Introduction 9

 6.2. Assumptions for Land Values and Work Costs 9

 6.3. Proposed Local Government Land and Works 10

 6.3.1. Community and Cultural Facilities 10

 6.3.2. Open Space and Recreation facilities..... 10

 6.3.3. Stormwater Infrastructure 11

 6.3.4. Proposed Walking and Cycling Facilities 11

 6.3.5. Total Local VPA Items Offered 12

7. Summary of Contributions and Works 13

8. Benefits of the Proposed VPA..... 14

9. Conclusion 15

Issue	Date	Author	Approved
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1. Introduction

Colliers International Engineering & Design (NSW) Pty Ltd (CED) has been engaged by Morehuman Oakdale Pty Ltd Atf MH Property No.3 (MH Property No.3) to review current Local infrastructure contributions and identify potential infrastructure items that can be delivered under Local Voluntary Planning Agreements (VPAs) associated with the development of the subject site. This Report has been prepared to accompany the proponent's Planning Proposal and will be submitted to the Department of Planning, Housing and Infrastructure (DPHI) and Wollondilly Shire Council for consideration.

2. Scope & Methodology

An investigation has been undertaken by CED to determine the potential for the delivery of local infrastructure associated with the development of Site. The preparation of this report has involved the following tasks:

- Review the proposed development and its infrastructure requirements;
- Review the Social Infrastructure Needs Assessment Report prepared by Gyde;
- Review the Wollondilly Contributions Plan 2020 (the S7.11 Plan) and the recently executed Local VPAs in proximity to the Site;
- Determine the local Section 7.11 contribution charges liable for the proposed development;
- Identify Local VPA items to be delivered as part of the Planning Proposal and prepare their indicative land values and/or work costs;
- Prepare a short report describing the development and identify the likely value of material public benefits delivered via the proposed Local VPA. The report identifies the nature and quantum of land and/or work being offered, and how they may offset or satisfy the relevant contribution obligations of the future development of the Site.

3. Site Details

The detail of the Site is provided in **Table 1** below.

Table 1: Details of the Site

Lead Street Address	1455-1475 Burragorang Road and 1838 Barkers Lodge Road,
Lot Number & Deposited Plan	<ul style="list-style-type: none">• Lot 1 DP 734561• Lot 2 DP 734561• Lot 6 DP 734561
Site Area (Ha)	22.7 Ha
Suburb	Oakdale
State	New South Wales
Postcode	2570
Jurisdiction	Wollondilly Shire Council
Existing Uses	Rural residences
Zoning	RU1 – Primary Production



Figure 1: Site Boundary (Source: Nearmap 2024)

4. Proposed Development

A Planning Proposal is being prepared to rezone the Site from rural uses to primarily low-density residential land-uses, and some Environmental Conservation and Management. The rezoning is intended to facilitate a residential development accommodating approximately 208 new dwellings. Refer to **Figure 2** showing the proposed zoning for the Site.

Additionally, the proposal will include the delivery of the following public infrastructure:

- Works associated with upgrading the community facility into a multi-purpose facility;
- Works associated with provision of a passive open space near the community hall;
- Works associated with upgrading the multi-purpose court at Tennis Complex;
- Works associated with improvement of the pedestrian/ shared pathway between Oakdale Public School, Willis Park and a nearby Community Hall;
- Works associated with improvement to Willis Park and the sports field; and
- Works associated with upgrading the playground and fitness equipment at Willis Park.

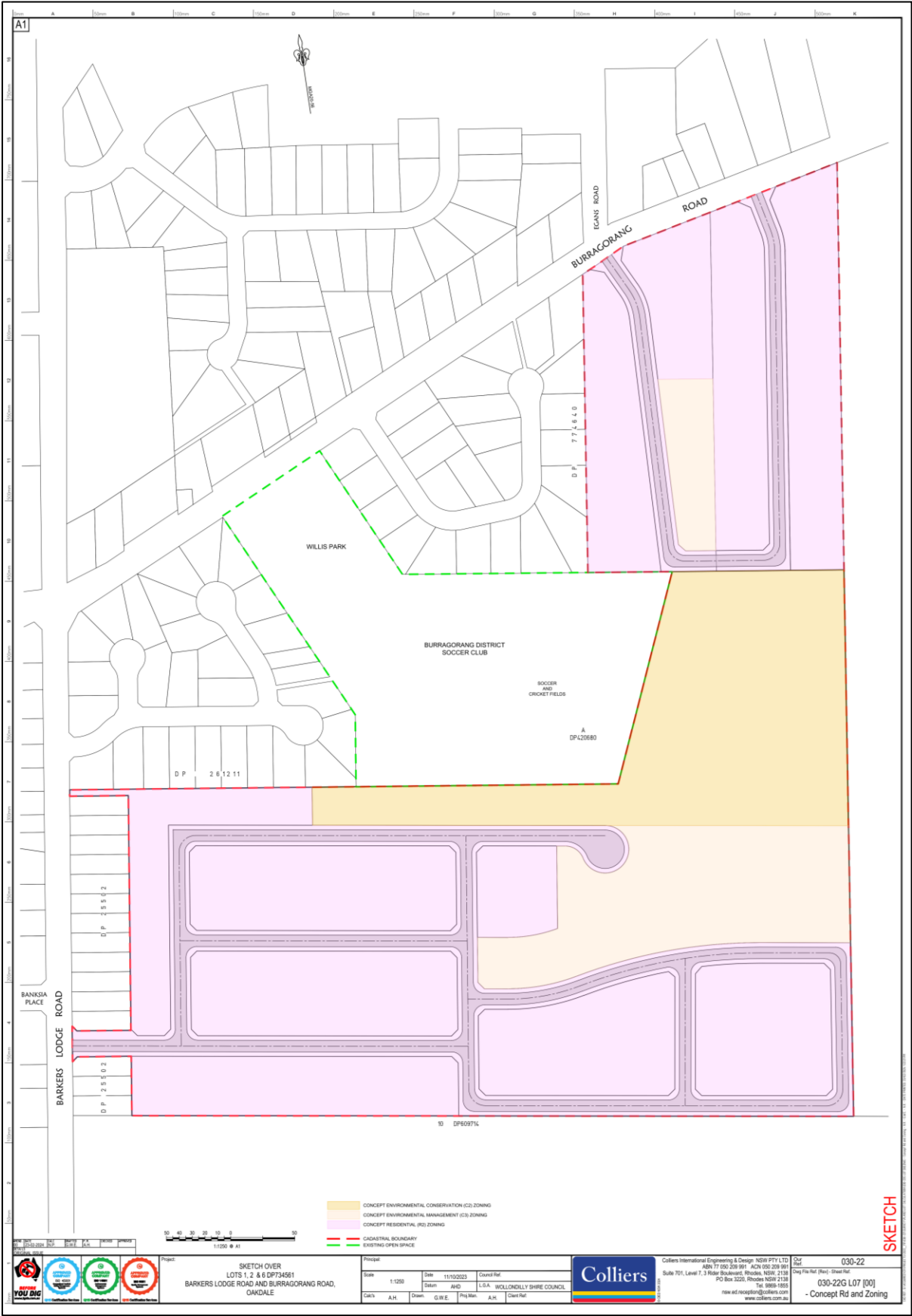


Figure 2: Proposed zoning overlay subdivision layout plan (Source: CED, 2024)

5. Local Contributions

5.1 Local Contribution Rates

Wollondilly Shire Council's Development Contributions Plan (2020)

The proposed development is located within the Wollondilly Development Contributions Plan (2020) (the S7.11 Plan) area A.

The current Section 7.11 contribution rates applicable to the proposed development and listed within the Contributions Plan for Oakdale is \$20,000 per lot or dwelling house. However, there are no specific local infrastructure item allocated to the Oakdale area.

The maximum chargeable contribution per new lot or dwelling is capped at \$20,000. The rate is, however, indexed (last updated December 2023) and subject to change by the next quarter accounting for an updated CPI. A breakdown of contribution costs per infrastructure category is provided in **Table 2** below.

Table 2: Wollondilly S7.11 Indexed Rates for Area A - December 2023 (Wollondilly Shire Council 2024)

Wollondilly Shire Council							
Wollondilly Contributions Plan 2020							
	Dec 2023 (Current)	Capped Rates	CPI 136.4		LVI 192.6		
Area A Shire	_per final lot or dwelling house, dual occupancy dwelling, rural workers dwelling	_per semi detached dwelling, attached dwelling, multi dwelling housing, manor home dwelling	_per apartment, residential flat building, or shop top housing	_per seniors living self contained dwelling	_per secondary dwelling, studio dwelling, group home bedroom	_carpark picton	_carpark thirlmere
Road and Transport	\$10,170	\$10,150	\$8,588	\$5,856	\$3,904	\$0	\$0
Open Space	\$7,287	\$7,274	\$6,155	\$4,197	\$2,798	\$0	\$0
Community Facilities	\$2,285	\$2,281	\$1,930	\$1,316	\$877	\$0	\$0
Car Parking	\$0	\$0	\$0	\$0	\$0	\$20,876	\$12,101
Plan Management	\$258	\$257	\$217	\$149	\$99	\$181	\$181
TOTAL	\$20,000	\$19,962	\$16,890	\$11,518	\$7,678	\$21,057	\$12,282

Proposed Contributions

The current local contribution rates within the Wollondilly S7.11 Plan will apply to the proposed development.

5.2 Current Development Contribution Rates

Refer to **Table 3** (overleaf) providing a summary of the local contribution charges liable for the proposed development.

Some assumptions used to calculate this total include:

- 208 detached dwelling yield; and
- Local contribution rates will be based on the \$20,000/lot cap listed within the S7.11 Plan.

Table 3: Total Local S7.11 Contributions Applicable to the proposed Development

	Rate	Total
Wollondilly Shire Council Local Contributions (December 2023)	\$20,000/lot or dwelling house	\$4,160,000
	S7.11 total	\$4,160,000

6. Land and Works Contributions

6.1. Introduction

The proponent is prepared to deliver new public amenities and improve existing public infrastructure under this proposed Local VPA that will generate significant social benefits for the existing and future residences of the community.

The value of local infrastructure works being delivered as part of the proposed development is estimated at \$4.1 million (see **Table 7**).

The list of proposed local infrastructure works as part of this VPA is sourced from the following:

- The S7.11 Plan;
- Nominated local infrastructure items that would further benefit the future residents of Oakdale based on consultation with Wollondilly Council and the Community; and
- Social Infrastructure Needs Assessment, prepared by Gyde, 2024.

The following sections outline a schedule of each infrastructure item proposed to be delivered under the local VPA and the assumptions used to generate costs. The following VPAs have been referenced to understand the type of infrastructure required to accompany the proposed development and their cost assumptions:

- Local VPA for 1550 Burrgorang Road, Oakdale, Executed in 2020.
- Local VPA for 790 Montpelier Drive, The Oaks, Executed in 2019.
- Cost Estimation for Penrith Council's Infrastructure Needs, prepared by Craig & Rhodes/CED, 2022.

6.2. Assumptions for Land Values and Work Costs

Land

The proposed detention and bio-retention basins will be constructed by the developer and dedicated to Council at no cost. Therefore, the proposed VPA excludes any offsets regarding the land and works associated with the basins, unless otherwise permitted by Council.

No other land for infrastructure will be dedicated to Council as part of this VPA.

Works

The work rates are sourced from the Cost Estimation prepared by CED for Penrith Council as part of the Infrastructure Needs Assessment. It is noted that a 30% construction cost increase has been applied to reflect the increase in construction costs and material prices over the last three years according to KPMG. Additionally, an additional 20% for design and project management fees has been incorporated into the final cost estimation for works.

No specific infrastructure item for the Oakdale area has been outlined in the S7.11 Plan and therefore, all the nominated infrastructure items are derived from consultation with council and the community in identification of the existing and future community needs.

6.3. Proposed Local Government Land and Works

The following sections provides a summary of infrastructure costs associated with each of the proposed infrastructure category.

6.3.1. Community and Cultural Facilities

The Oakdale Community Hall is planned by Council for upgrading through the fund awarded by WestInvest Grant Program 2022 to become a new accessible community facility. Notwithstanding, further opportunities to transfer the community hall to a local multi-purpose facility that can accommodate daycare, education and seniors' activities are considered in response to Council's recommendations. The assumption is alteration/additions are required to upgrade the hall to meet the community's needs for a multi-purpose community facility.

Work Cost Assumptions

A rate of \$5,400/sqm is listed for the cost to upgrade the Oakdale local community centre. This rate is deemed reasonable, and its indexed value will be adopted as part of this Local VPA (Refer to **Table 4** below).

Table 4: Proposed Works for Upgrading the Oakdale Community Centre

Item	Description	Length or Area	Total Cost of Work (\$)
1	Upgrade Local Community Centre	Existing Building: 186m ² Assumed Additional required area: 90sqm	\$486,000
Total			\$486,000

6.3.2. Open Space and Recreation facilities

As mentioned in **Section 6.2**, no specific infrastructure works has been identified in the S7.11 Plan for Oakdale. Refer to **Table 5** (overleaf) detailing works proposed for local open spaces at Willis Park and the grounds behind the community hall.

The improvement proposed for Willis Park includes:

- Upgrading the playground and fitness equipment;
- Improvements to the soccer field;
- Improvements to flood lighting; and
- Provision/ improvement of open space furniture, including public benches, picnic facilities, shade structures and barbeque equipment.

The improvement proposed for the Tennis Complex includes:

- Upgrading the existing multi-purpose court;
- Improvements to flood lighting;
- Improvements to landscape planting; and
- Provision/ improvement of open space furniture.

Table 5 (overleaf) provides the details of proposed infrastructure upgrades within Willis Park and Tennis complex.

Table 5: Proposed improvements for Upgrading Open Spaces in the Proximity of the Site

Item	Description	Area (m ²)	Quantity	Total Cost of Works (\$)
Willis Park				
2	Upgrading playground and fitness equipment – Provisional allowance	-	-	\$90,000
3	Upgrading the soccer field (oval)	15,908	-	\$1,193,000
4	Supply Flood lights	-	3	\$135,000
5	Supply and install seating benches	-	6	\$31,500
6	Shade Structure	-	1	\$30,000
7	Picnic shelter	-	2	\$75,000
8	Picnic Barbeque	-	2	\$30,000
			Sub-total	\$1,584,500
Tennis Complex				
9	Upgrading the multi-purpose court near the Community Hall	-	1	\$41,250
10	Supply and install seating benches	-	3	\$15,750
11	Supply Flood lights	-	2	\$90,000
12	Shade structure - Near Community Hall	-	1	\$30,000
13	Picnic shelter - Near Community Hall	-	1	\$37,500
14	Tree planting, allow for one tree per 5m of the passive open space near the community Hall	-	20	\$6,000
			Sub-total	\$220,500
Total				\$1,805,000

6.3.3. Stormwater Infrastructure

The future development of the Site following the rezoning will require two detention and bioretention basins to detain and treat stormwater, respectively. One of the basins will be located within the future R2 zoned land at Burratorang Road and the other will be located within the C3 zoned land on the southern portion of the Site.

It should be noted that the Wollondilly S7.11 Plan does not include stormwater infrastructure. Therefore, **the proposed stormwater infrastructure will not be included in the total local VPA offer to offset S7.11 liabilities unless otherwise permitted by Council.**

6.3.4. Proposed Walking and Cycling Facilities

According to consultation with Wollondilly Shire Council and the community, improvement to the pedestrian pathway and provision of a safe and consistent footpath between Oakdale Public School, the Community Hall and Willis Park were identified. **Table 6** below provides the details of the relevant proposed infrastructure updates and estimated cost.

Table 6: Proposed works for pedestrian connectivity and cycling facilities

Item	Description	Length	Quantity	Total
16	Construct footpath/shared pathway between school & community hall – 2.5m wide	500sqm	-	\$234,375
17	Construct footpath/shared pathway between the intersection and development frontage to Barkers Lodge Rd – 2.5m wide	330sqm	-	\$154,688
18	Construct speed bump crossings (Blattman Ave. and Burratorang Rd)	-	2	\$1,400,000
Total				\$1,789,063

6.3.5. Total Local VPA Items Offered

This proposal includes **\$4,080,163** in local work contributions for improvements within the surrounding area, based on consultation with Council and the community. The total local contribution offered excludes costs for the dedication, construction and maintenance of basins and any costs to manage vegetation within the C2 and C3 zoned land.

Table 7 below summarises the total value of land and works offered as local contributions under this proposal.

Table 7: Total Local Works Offered

Item Category	Land Value	Cost of Works	Total
Community & Cultural Facility	N/A	\$486,000	\$486,000
Open Space & Recreational Facility	N/A	\$1,775,000	\$1,805,000
Proposed Walking & Cycling Facilities	N/A	\$1,789,063	\$1,789,063
Stormwater Infrastructure	N/A	N/A	N/A
Grand Total			\$4,080,063



7. Summary of Contributions and Works

A summary of the anticipated state and local contributions have been compared to the cost of offered items under the potential VPA below in **Tables 8**.

Table 8: Summary of Total Local Offered Contributions against Development Contributions

Local Infrastructure	
Total Proposed Local Infrastructure Works	\$4,080,063
Current Local Contribution Charge (December 2023)	\$4,160,000
S7.11 Liability	-\$79,838

8. Benefits of the Proposed VPA

As discussed in the previous sections, the infrastructure works proposed under this Local VPA will benefit the community through the delivery of infrastructure that cater to the specific needs of the community. The proposed VPA will benefit both the community and Council as it will:

- Revitalise and improve the existing public infrastructure, such as upgrading the community hall, active and passive open spaces, lighting, park furniture, tree planting etc.;
- Provide additional sharepaths to make the existing social infrastructure more safely accessible for different groups of the community;
- Be consistent with the Community's needs and Council's recommendations as per prior consultation;
- Ensure the timely delivery of necessary local infrastructure at no cost to Council;
- Accommodate the anticipated population growth and future needs of the community in the area;
- Deliver infrastructure that is tailored to benefit the surrounding community in the absence of any contribution items allocated in the S7.11 Plan for Oakdale; and
- Contributing to a more sustainable and liveable community in Oakdale than what Council could otherwise provision themselves via the S7.11 Plan.

9. Conclusion

This report aimed to evaluate the value of material benefits to be offered by MH Property No.3 as part of a Local VPA for the proposed development. A comparison between the total local development contributions has been made against the value of work items proposed to be offered under this VPA to meet the needs of Council and the community.

The total value of the proposed works attributed to local infrastructure are valued quite similarly to their respective S7.11 contribution rates. The proposed local infrastructure is valued approximately at **\$4,080,162**, which will be offset against the **\$4,160,000** local contribution liability upon Council's approval. This results in a remaining S7.11 liability of **\$79,838**.

All the proposed works have been derived from recent consultation sessions with Council and the community, and therefore, the proposed infrastructure is more aligned with the current needs of the community in the absence of any contribution items for Oakdale under the current S7.11 Plan.

The accelerated delivery of social infrastructure by the developer under this VPA will ensure the infrastructure is delivered at the same time as development with no risk to Council.

Therefore, it is recommended that Wollondilly Shire Council support the proposed VPA considering it will offer additional benefits to the Oakdale community beyond what is currently planned under the existing S7.11 Plan.

References

- Cove Residential Pty Ltd, 2019, Voluntary Planning Agreement – 790 Montpelier Drive, The Oaks, viewed 6th March 2024, <<https://www.wollondilly.nsw.gov.au/assets/Documents-NEW/Planning-and-Development/Developer-Information/Development-Contributions/9745234-Executed-Planning-Agreement-790-Montpelier-Drive-The-Oaks-5-March-2019.pdf>>.
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