

Section 7.11 Western Corridor Local Infrastructure Contributions Plan 2013 (Update February 2020) Submissions Report

Purpose

The purpose of this Report is to:

- respond to issues raised during public exhibition of the draft Western Corridor Local Infrastructure Contributions Plan (the Plan) and
- document amendments made to the Plan in response to issues raised in submissions.

Introduction

A review of the Plan has been undertaken and the projects listed on the Schedule to the Plan have been updated to ensure adequate transport and social infrastructure can be provided to support anticipated future development. The contribution rate has been recalculated as a result and the rate is proposed to increase to the residential cap of \$20,000. A request has been made to the Minister for Planning and Public Spaces to increase the contribution rate to \$30,000 for the Planned Future Development Sites.

The revised Plan was placed on public exhibition and three submissions were received requesting additional information and clarification in relation to identified infrastructure projects and nexus with the planned future development.

The updates to the Plan are based on a new Traffic and Transport Study (the Study) prepared by Bitzios Consulting (finalised in 2019). This Study is available on City of Newcastle (CN) webpage. The social infrastructure projects have been updated to be in accordance with CN's adopted standards of provision / benchmarks and principles contained within the Parkland and Recreation Strategy 2014, Community Asset and Open Space Policy 2017 and Library Strategy 2019.

The Plan is based on the identified likely level of demand, required infrastructure to meet expected future demand and the estimated cost of the infrastructure and apportioning costs amongst those who will benefit. The Plan will be continually reviewed and updated to ensure appropriate infrastructure is identified and funded by the Plan. The next review of the Plan is scheduled for no more than 5 years after its adoption date.

Calculation of a reasonable development contribution

The formulas used to calculate the contribution rate per lot or dwelling have not changed from the previous Western Corridor Contributions Plan, as follows:

Traffic and transport infrastructure formula

Monetary contributions for traffic and transport infrastructure are calculated on a per peak hour trip basis, then factored up to a per lot or per dwelling amount.

The monetary contribution per peak hour trip in a development containing residential dwellings or lots is calculated as follows:

$$\text{Contribution per resident (\$)} = \frac{\$INF}{T}$$

Where:

\$INF = the estimated total cost of all the traffic and transport infrastructure required to meet the future development expected under this Plan

T = the estimated total number of peak hour vehicle trips that will be generated by the future development expected under this Plan. The per dwelling amount is determined by multiplying the per trip contribution by the estimated increase in peak hour vehicle trips as a result of the development, using the assumed trip generation rates.

The updated peak trips based on the Bitzios Traffic and Transport Study are:

Traffic Generation Summary (planned plus approved developments)

Development Stage	Expected Dwellings	Weekday Peak Hour Vehicle Trip Rate	Vehicle Trips/hour	Daily Vehicle Trip Rate	Vehicle Trips/day
Planned	3,130	Various	2,470	Various	26,075
Approved	2,634		2,110		22,220
TOTAL	5,764	-	4,580	-	48,295

Social infrastructure formula

Monetary contributions for social infrastructure are calculated on a per person or per resident basis, then factored up to a per lot or per dwelling amount.

The monetary contribution per person in a development containing residential dwellings or lots is calculated as follows:

$$\text{Contribution per resident} \quad \frac{\$INF}{P}$$

(\$)

Where:

\$INF = the estimated total cost of all the social infrastructure required to meet the future population in development expected under this Plan (i.e. \$50,349,174)

P = the estimated resident population that will require the social infrastructure included in this Plan (i.e. 8,943 persons)

Determination of required traffic and transport infrastructure for planned development sites

Bitzios Consulting was commissioned by CN to assess traffic infrastructure and pedestrian and cyclist infrastructure needed in the Western Corridor suburbs of Minmi, Fletcher and Maryland.

Existing traffic and transport conditions and Year 2017 Network Performance Modelling

A microsimulation traffic model was created to assess issues and network requirements to cater for expected traffic levels in 2021, 2026 and 2036.

A base model was created for the study area for the base year 2017 and intersection performance and travel times on Minmi Road were assessed. Origin and destination surveys of existing development and estimation of external traffic growth were included in the base model.

Future year traffic demands and assessment

Future year traffic demands were assessed, which included an estimation of future traffic volumes, forecast trip distribution throughout the road network and the increase in through (background) traffic within the study area. It also considered committed network improvements.

The analysis of traffic generation for planned future development found that 2,470 additional trips are expected to be generated during the peak hours from the expected 3,130 residential dwellings in the new development areas of Coal & Allied; Xstrata, 505 Minmi Road, Seniors Living – Elernmore Vale and the seniors living component of Coal & Allied.

The Study assessed traffic generation of approved developments (2,634 peak hour trips) to account for approved developments in future year modelling.

It is important to note that while the Study assessed both planned future development and approved development to determine overall road network needs, the Plan only uses the estimated total number of peak hour vehicle trips for planned future development in the calculation of the traffic and transport contribution in the Plan and the works schedule only includes new projects required as a result of the expected future development. Where the schedule contains items that benefit both future and approved development, the cost has been apportioned as discussed later in this report.

Newcastle Link Road Corridor

The Study considered key committed network improvements. In consultation with Transport for NSW and CN, a number of improvements were identified on both State and Local Roads as being committed or highly likely to be implemented. During the preparation of the study Transport for NSW was undertaking a parallel study to develop a corridor strategy for Newcastle Link Road and Thomas Street between M1 Pacific Motorway and Newcastle Road. No information on future infrastructure improvements for this corridor was available at the time of this study. However, Transport for NSW did indicate a potential upgrade of the existing roundabout at the intersection of Newcastle Link Road and Minmi Road to traffic signals. When the outcomes of the corridor strategy are known, the Plan will be reviewed and updated as required, noting that the Plan is prepared to collect local infrastructure contributions to fund local projects.

Traffic and Transport Infrastructure costs

Costing analysis has been undertaken of all intersection and road upgrades to determine the value of the suite of works. Pricing for each component was sourced from the Independent Pricing and Regulatory Tribunal (NSW) for each horizon year (2021, 2026 and 2036). The proposed suite of traffic infrastructure works to maintain an acceptable level of service across the study area is estimated to cost:

- \$36,480,260 in 2021

- \$28,670,551 in 2026

- \$152,533,002 in 2036 and

- additional footpaths are expected to cost \$7,069,819 by 2036 and additional cycling infrastructure is expected to cost \$1,096,621.

The Plan includes only new projects that can be delivered in the next 10 years and not all projects costed by the Study have been included. This has resulted in the total land and works cost to be met by development in the Plan to be \$25,167,560.

Determination of required social infrastructure for planned development sites

CN's adopted standards of provision / benchmarks within the Parkland and Recreation Strategy, Community Asset and Open Space Policy and Library Strategy have guided the required changes to the social infrastructure schedule to best support growth in the Western Corridor.

CN's adopted Parks and Recreation Strategy identifies a desired benchmark of 1:15,000 - 25,000 people for a district level recreation park. In line with current CN practices, sport specific infrastructure such as cricket nets is the responsibility of the individual sport to provide and has therefore been removed from the Plan. The Parkland and Recreation Strategy identifies a benchmark of one dog park per 5000 - 10000 people. There is also a known need for additional facilities to support juniors.

The Parkland and Recreation Strategy

The Parkland and Recreation Strategy has been developed to guide the provision of parkland and recreation facilities for current and future communities. The relevant information is below:

Proposed parkland standards of provision

Park Category	Role	Accessibility	Desirable Size	Characteristics likely to find	Desired Provision
Regional	Defined spaces that attract visitors from across the city and beyond due to their uniqueness, opportunity offered or the scale of events that may be staged.	Expectation is that people will drive to these spaces.	10 + hectares. Size will reflect location, natural setting and special features of individual sites.	Quality landscaping, public art, interpretative signage, appropriate supporting amenities and user facilities. Excellent access for people of all ages and abilities and excellent vehicles access with a substantial frontage to a major road. Highly visible and preferably adjacent to a local town centre.	One per 250,000 people.
District	A park area of substantial size, well developed, offering a broad range of quality recreation opportunities. Central to populations of approximately 15,000 – 25,000.	Not necessarily within walking distance. Expectation is that people will drive to these spaces	1.5 -10 hectares. It should be generally regular in shape, preferably not less than 50m wide.	A range of facilities to cater for a variety of users and recreational activities, including: quality landscaping, signage, playground equipment for toddlers, juniors and older children, seating, shade, paths, toilets, BBQ facilities, and lighting. May support community gardens and/or off leash dog exercise areas in larger sized parks.	One per 15,000 – 25,000 people.
Local	Defined spaces primarily serving a local population. Positioned in a visible location for safety.	300- 500 m/5-10 minutes walking time to majority of households. No busy road crossings to access.	0.5 – 1.5 hectares. Recommended minimum of 0.2 ha for existing parkland unless it adjoins other open space.	A limited range of facilities to support recreational activities including: minor landscaping reflecting existing vegetation, signage, some playground equipment, limited seating, shade and limited paths to enhance play opportunities. May support community gardens and/or off leash dog exercise areas in larger sized parks.	Ideally within 500 meters of residents.

Proposed recreation standards of provision

Recreation Infrastructure	Regional Facility	District Facility	Local Facility
Playgrounds	One per 150,000 people	One per 15,000 - 25,000 people	One per 1,500 people
Sports fields	In partnership with and in accordance with local and state sporting association facility guidelines.		One per 1,250 people
Specialised sports fields	In partnership with and in accordance with local and state sporting association facility guidelines.		-
Outdoor netball courts	In partnership with and in accordance with local and state sporting association facility guidelines.		One per 3,000 - 4,000 people
Outdoor basketball courts	-	-	One per 5,000 people
Tennis courts	One per 60,000 people	-	One per 3,000 - 4,000 people
Skate/BMX facilities	One per 150,000 people	One per 25,000 people	One per 10,000 - 15,000 people
Swimming pools	One per 150,000 people	One per 35,000 – 75,000 people	-
Indoor multi – purpose sport centres	One per 250,000 people	One per 50,000 – 100,000 people	-
Community gardens	-	-	In partnership with community and expressed demand.
Dog exercise areas	-	-	One per 5,000 - 10,000 people
Golf course	One per 30,000 people In partnership with commercial sector.		-
Service levels	Highest level of service	Second level of service	Third level of service

The Community Asset and Open Space Policy

This policy seeks to provide Council and the community of Newcastle with the following community asset and open space outcomes:

- encourage social connections, community participation, promote health and well being.
- multi-purpose, functional, safe and innovative places and spaces that are equitably distributed across the local government area.
- management of community assets and open space from a quadruple bottom line perspective.
- diverse places and spaces that accommodate a range of uses that are
- responsive to changing trends, aspirations and community needs.
- timely delivery of community assets and open space that is integrated with other assets provided by Council and partner agencies.
- co-location of community assets and open space to maximise the opportunity for long community connections and economies of scale.
- open and transparent governance and management of community assets and open space that provides the community with clear accountability of Council's actions.

Below are the standards that have also guided the updates:

Indicative Hierarchy for Community Assets and Open Space

Community Assets	Local Catchment Area	District Catchment Area	Regional Catchment Area
Open space	Parks < 2 hectares (ha) Outdoor sports area 5ha	Parks 2 to 5 ha Outdoor sports area 5 to 10ha	Parks > 5 ha Outdoor sports area >10 ha
Community facilities	Community Centre Floor area – 400 to 600 square metres (m ²)	Multipurpose Community Facility 600 to1000m ² Community Arts Centres	City Hall/Town Hall Performing Arts Centres Museums, Galleries
Libraries	Nil	Branch Library	City Library
Aquatic Centres	Nil	Outdoor aquatic centres	Indoor/outdoor recreation and aquatic centres

District means a number of neighbourhoods and may have a catchment extending beyond the local government area that hosts it. For community facilities, a district population catchment represents on average 20,000 people

Social infrastructure costs

Costs associated with delivering social infrastructure projects required to support the expected development have been applied based on standard industry rates, recent builds, better understanding of environmental constraints, and historical information.

Land Values

Land values have been independently reviewed and now reflect recommendations from an updated Land Valuation Report. They have increased from \$12.50 per sqm to \$15 per sqm to reflect current land values. This update is based on the original report prepared by Preston Rowe Paterson in 2013 and referenced in the current Background Report as the “Valuation Report on Indicative Land Values Various Lots within the Draft Western Corridor Development Contribution Plan”.

The Plan has been updated to reflect this rate. \$45,000 is now included for the cost of a 3,000 sqm site for the district multi-purpose community facility.

Multipurpose community hub

The Plan had included two community facilities (one local and one district level). The local facility has been completed at Fletcher. The Plan has been updated to include a multipurpose community hub that incorporates a library in accordance with the principles of CN’s Library Strategy in place of the district level community facility originally proposed.

Infrastructure costs and apportionment

Traffic infrastructure

The Study identified that when considering total traffic generation from planned and future development, that approved development generates 46% of peak vehicle trips/hour and future development contribute 54% of peak vehicle trips. The cost of most of the identified traffic and transport infrastructure has been fully apportioned to the future development sites as the schedule contains infrastructure items that are required due to expected traffic generation from future development. The exception is Item T4 – road widening and intersection upgrades (shown in the box below) and to new Pedestrian and Cycling Infrastructure on the basis that approved development will also benefit from the proposed infrastructure.

T4	Cowper Street/Cameron Street/Sandgate Road/Minmi Road – intersection upgrade works - add lanes (1 to 2 lanes) Cameron Street to Newcastle Road (SB) Longworth Avenue – road widening upgrade works	Road widening and intersection upgrades	\$3,185,205+ \$9,890,000 (-46%) = \$7,060,611	2021-2026
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The estimated costs contained in the Plan have been reduced from those contained in the Study where funding is available through other mechanisms. Some projects flagged for 2026 (and all beyond the medium term) were not considered to be deliverable within the medium term and were not included. Longer-term projects will be reviewed within the next update.

Social infrastructure

The cost of most facilities in the social infrastructure works schedule have been fully apportioned to yet-to-be approved development in the study area, except for the District Sports Fields and Multipurpose Community Hub.

The District Sports Fields had an apportioned rate determined in the original plan. As per the adopted benchmarks / provisions and supporting principles, a library is proposed to be co-located with the multipurpose community facility; this has significantly increased its cost. As the multipurpose community facility is a district level facility and district level facilities have been apportioned in the Plan to pay 33 % of the total cost, this rate has been applied to the multipurpose community hub.

Total value of works to be funded by the Plan

The total value of works to be funded by the plan is:

Traffic and Transport	\$25,167,560
Social Infrastructure	\$50,349,174
Total	\$75,515,734

Calculation of contribution rate

Traffic and transport infrastructure

The calculation for the traffic and transport contribution rate is:

Contribution per vehicle trip = $\frac{\$25,167,560}{2,470}$ (total cost of new traffic and transport projects on the schedule)
(total additional trips generated during peak hours from new dwellings in planned future development areas)

Contribution rate per dwelling (except seniors housing)	\$8,660.90
Seniors housing	\$2037.90

Social infrastructure

The calculation for the social infrastructure contribution is:

Contribution per resident (\$) = $\frac{\$50,349,174}{8,943}$ (total cost of social infrastructure)
(estimated future resident population)

Contribution rate per dwelling (except seniors housing)	\$16,890
Seniors housing	\$8,445

**A cap of \$20,000 applies to all residential lots/dwellings. CN has sought approval from the Minister for Planning and Public Spaces to increase this amount to the cap applied to greenfield development, which is \$30,000 per lot / dwelling in recognition of the additional infrastructure requirements for these types of development. The map within the Plan has been further refined to better clarify the intensions of the Plan and clearly identify the potential greenfield sites. The remaining areas (not hatched on the map) will be considered infill and is capped at \$20,000.*