



6 July 2018

General Manager
Ballina Shire Council
PO Box 450
BALLINA NSW 2478

Attention: Mr Patrick Knight

Dear Mr Knight,

RE: Draft Ballina Shire Roads Contribution Plan Version 4.1

We write regarding Ballina Shire Council's proposed amendment to the Ballina Shire Roads Contribution Plan Version 4.1 providing, in part, proposed modifications to the road network connection of Hutley Drive to Byron Bay Road, Lennox Head. The amended plan includes associated changes to the works program, subsequent changes to contribution rates and modifications to the staging of the works program.

Clarence Property Corporation submits its support of the proposed amendment to the Roads Contribution Plan. Furthermore, we acknowledge Council's business paper where Council has identified overall 'it is anticipated that Council will fund and complete the construction of Hutley Drive by the end of 2019, and this remains the number one priority in the works identified in the Roads Contribution Plan.'

Our support of the proposed amendment is based on the following grounds:

Population

The Epiq Lennox Head development, of which Clarence Property Corporation is the developer, will provide housing for potentially 1500 plus future residents. Having regard to the established Meadows Estate with approximately 400 residents, the future Outlook Estate with a potential 420 residents, and the Reservoir Hill Estate with a potential 250 residents, it is reasonable to assume that in the next 4 to 5 years there will be as many as 2,570 additional residents who would utilise the planned Hutley Drive north link to Byron Bay Road.

As Council will be aware, the ability to direct traffic generated by the expected 2,570 additional residents to Byron Bay Road, being a road network specifically designed to cater for this traffic will significantly improve the environmental amenity for residents on the current road network (e.g. Montwood Drive).

Economic Benefits

The development of the Hutley Drive northern extension as has been planned, albeit with a different connection point to Byron Bay Road, is a critical piece of infrastructure with recognised economic benefits.

With the development of the Hutley Drive extension, job creation through the activation of the already designated commercial land areas within Epiq may be realised. An assessment completed by REMPLAN in 2015 on behalf of Clarence Property Corporation identified some 183 jobs created directly through the operational phase of the commercial land in Epiq estate. This will itself generate an associated \$8.622 million of direct local turnover.

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REMPPLAN have further identified a total employment generation figure for Epiq of 336 new employment positions. Based on the total employment generation of 336 jobs, the total output generated in the Ballina economy, including all direct, industrial and consumption effects, is estimated at up to \$48.93 million. This represents a Type 2 Output multiplier of 1.75. That is, for every direct dollar of output generated by the development, it is estimated that the broader Northern Rivers economy benefits by up to a further \$0.75 once flow-on industrial and consumption effects are taken into consideration.

Funding Opportunities

Clarence Property Corporation has advised Council in writing that their anticipated cash flows for payment of roads contributions to Council are as follows:

- Release 3 – approximately \$1.4m to be paid January 2019 at subdivision certificate application
- Release 4 - approximately \$0.455m to be paid January 2019 at subdivision certificate application
- Shopping Centre - approximately \$2.4m to be paid April 2019 at construction certification application, subject to timing of the development application consent
- Release 5 – approximately \$1.1m to be paid November 2019 at subdivision certificate application, subject to timing of the development application consent.

Based on the above contributions and timing of works, the contributions from Clarence Property alone would cover any current shortfall Ballina Shire Council may have with the construction of the Hutley Drive northern extension.

We support Council in the amendment of the Ballina Shire Roads Contribution Plan to address the realignment of the Hutley Drive extension to Byron Bay Road. The infrastructure work, as highlighted by Council staff is a number one priority and the illustrated economic benefits to the Ballina LGA are significant. We strongly urge Council to adopt the exhibited Version 4.1 of the Ballina Shire Roads Contribution Plan.

We would welcome the opportunity to discuss this matter with Council further.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Paul Rippon', is written over a faint, grid-like background.

Paul Rippon
General Manager

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Our Ref: 124-0028Q
6 July 2018



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Dear Sir/Madam

RE: BALLINA SHIRE ROADS CONTRIBUTIONS PLAN V4

Ballina Shire Council on 24 May 2018 resolved to exhibit a revised Roads Contribution Plan Version 4.1. The draft Roads Local Contributions Plan is on exhibition until 6 July 2018.

This letter forms a letter of objection and outlines Intrapac Property's concerns for the proposed draft Plan on exhibition.

BACKGROUND

The purpose of the development contributions system is to enable the costs associated with infrastructure provision to be distributed equitably amongst those developments that generate the demand for the infrastructure. A contributions plan must be based on the key principles of:

- Reasonableness
- Nexus
- Apportionment
- Accountability

It noted that the draft Plan is a partial review of the Plan which has predominantly been undertaken to incorporate an adjustment of a single item to reflect the recent acquisition of land by Council as well as some amendments to the timing of provision of a number of items to ensure the prompt recoupment of funds for the Council investment.

We have a number of concerns relating to the reasonableness and apportionment components of the draft Plan and consider that the Plan should have been subjected to a holistic review to address the changing development patterns in the Shire.

SUMMARY OF KEY POINTS OF OBJECTION

Intrapac Property's key issues are:

- That this Contributions Plan must be based on the key principles of reasonableness, nexus, apportionment and accountability.
- There is a need to totally overhaul the Ballina Shire Road Contributions Plan first implemented in 2012 and reviewed in 2016 rather than changing it piecemeal.
- The principles applied in the draft Road Contribution Plan set the policy for the reasonable, common and fair implementation across the Shire and the principles should be implemented at Intrapac Property's proposed Skennars Head development.

11.3 Roads Contribution Plan Amendment - Post Exhibition Report.DOC

- The draft Contributions Plan does not currently relate to road works for the Intrapac Property's Skennars Head development, however the draft proposals have an indirect effect due to the scheduling and delays on other Projects such as Project 12-14 (as shown in the Ballina Shire Road Contribution Plan V 4.1).
- The proposed arrangements for access to Huntley Drive (Project 42, 42a and 43) is being funded by all developers in Ballina Shire and is not specified to a catchment area. There is no real nexus demonstrated in the Plan. Intrapac Property do not believe that all developers, including at Skennars Head, have a 100% nexus to those works.

The key objection or issues are outlined below.

EXTENSIVE REVIEW OF THE WHOLE ROAD CONTRIBUTION PLAN

In fact, the Roads Contribution Plan should be revised as a whole, and not just in part, as since 2015 there have been significant developments occurring in Ballina where some developments has more a catchment based nexus while others may have some Shire wide applicability.

Changing the Roads Contribution Plan in a piecemeal manner will create consequential impacts to the rest of the Shire, as well as could result in an increase in the Roads Contribution. A holistic Local Contributions Plan may then need to be considered by IPART, as the combination of all Local Contributions may exceed the State Government Cap.

REASONABLENESS

The draft Plan is not considered reasonable in the following ways:

- The original Plan was adopted in 2012 and contains a large number of items. In order to ensure that the items within the Plan remain relevant it should be regularly reviewed to ensure that all items can be provided in a reasonable timeframe. The current review should have incorporated a holistic review of all items within the Plan and the development patterns that form the basis of the Plan.
- The current approach to review in a piecemeal manner lacks a holistic strategic basis and contributes to a plan that is unlikely to deliver the infrastructure required to service development in a well-structured and timely manner. More work needs to be done on the justification of the inclusion of the items within the Plan to ensure the scope of works and the contribution towards those works are reasonable.
- The Plan does not appear to apply a consistent contributions policy across all roads infrastructure. Of the road works required within the Shire some are included in the Contributions Plan and apportioned across all development in the Shire, whilst others that benefit multiple demand generates, are expected to be funded by a single developer. The roundabout at the entrance to our development at Skennars Head which will deal with traffic generated from the Coast Road, the adjacent residential development and traffic accessing the beach car park. This is clearly unreasonable.
- The Plan has not incorporated items that have been identified in Council's DCP as being required such as the roundabout at the entry to the Skennars Head development, which have been shown to cater for the demand generated by multiple sources as Council is seeking to impose the full cost of provision of a single developer whilst continuing to require a contribution to all other items within the plan regardless of nexus.
- The central purpose of the draft Plan appears to be delay certain works within the plan to enable the immediate recoupment of costs incurred by Council in the acquisition of land for roadworks that does not currently reflect the items within the Plan. It is standard practice for such costs to be recouped over time rather than immediately on inclusion in the Plan at the expense of items within the Plan for which there is an expectation that Council will provide in a timely manner

INCLUSION OF ADDITIONAL ROADS INTO THE ROAD CONTRIBUTION PLAN

- In our view the proposed Plan is of relevance to Skennars Head development.
- The construction of Hutley Drive Extension, which was currently planned for construction in 2011-2019, is proposed to be changed in the Plan to a construction period of 2028 – 2036. This is generally a delay of 17 years. The proposed Plan however does not vary the timing of the Project No 18 (North Creek Road and bridge), as it proposes to vary Project 12, based on traffic volumes. The draft Plan proposes that all costs

associated with Project 12-14, 42, 42a and 43 will be entirely developer funded out of the Roads Contribution Plan. This may not necessarily be reasonable.

- Hence the delay of Project 12-14, which are to be funded by the Local Contributions Plan, will have a direct impact on The Coast Road, and in particular the intersection of The Coast Road and Headland Drive, which Intrapac Property has a development proposal. The timing of the delay of these projects will impact on the volume of traffic on The Coast Road. With the required works which are associated with the traffic volume exceeding 18,000v/d on The Coast Road, will have an impact on Skennars Head.
- This proposed inclusion is considered to be reasonable.

NEXUS

- The current plan applies a consistent apportionment to the works across the Shire and does not address nexus. There is no change proposed to this approach under the draft Plan.
- Proximity to the works is the best indicator of nexus for the majority of local roadworks and as the contribution rate is applied consistently across the Shire the issue of nexus has not been adequately addressed.
- We understand that Council is able to seek to recoup costs for land acquired – based on the actual costs of acquiring that land. It is outlined that the demand for the connection has already been generated by existing development in and around Epiq, and thus why the connection is contemplated to allow the centre to build its commercial/retail component. In circumstances where existing demand has already been generated, new development who benefit (subject to there being a nexus between that development and the need for the infrastructure) should pay for the infrastructure. That proportion of the costs been generated by existing development should be for the Council to pay.
- New development should not have to pay all the costs associated with the Hutley Drive extension. Those residual costs should be paid for by those that generate the demand, or covered by Council, if the demand is as a result of existing traffic.
- The principle of nexus should apply across the whole Plan.

APPORTIONMENT

- The Plan does not adequately address apportionment.
- There is no adjustment within the revised Plan to account for contributions received or existing development.
- There is little or no allowance within the Plan, especially in relation to the new items, for the demand generated by existing development. This unreasonably inflates the contribution payable by new development and is contrary to the principles of the contributions system.
- The requirement for Intrapac Property to entirely fund The Coast Road/Headland Drive roundabout therefore should be tested against the principles of nexus and cost apportionment described in the draft Plan, and in context of Project 12-14 delay and the scheduling of Project 18 for 2019-2028. With the Project 18 constructed in the current and draft Contributions Plan at the later date, the number of vehicles moving past Skennars Head on The Coast Road is likely to increase traffic in excess of the threshold of 18,000 v/d in the period to 2036. Hence the roundabout at Skennars Head should be included into the draft Plan. It is considered that the principle of apportionment should be considered equally and be reasonable. Please refer to attached report by TPS Group for further details.
- The draft Plan would require other developers within the Ballina Shire to pay a monetary contribution towards the Hutley Drive extension – many of those developments don't contribute to the demand for the Hutley Drive connection. Costs of that infrastructure should therefore not be borne by other developments within the whole local government area.

FAIRNESS AND CONSISTENCY

- To the extent that Council's amended Roads Contribution Plan reflect a Council policy, it is fair and reasonable that the similar principles are consistently applied across the Shire. This principle is also included in the attached report provided by TPS Group dated June 2018.
- In this respect, as outlined in TPS Group report, the demand generated by Intrapac Property's development at Skennars Head, it should only be asked to pay for the demand generated by its development and not have to pay the costs associated with existing demand. However, currently Intrapac Property is being told to fund the current demand, the demand generated by Skennars Head, as well as the future demand of traffic travelling along The Coast Road. It is therefore forward funding the development, with no consideration or apportionment included in the revised Draft Contributions Plan.

ACCOUNTABILITY

- The review of the Plan to ensure that Council receives an immediate recoupment of expenses they incurred in relation to an item that is not currently within the Plan at the expense of the timely provision of works that were already contained within the Plan shows a distinct lack of accountability for the responsible expenditure of funds that they are currently holding in trust for the provision of the infrastructure within the Plan.

CONCLUSION

In summary the draft Plan fails to adequately address the principles on which the contributions system is based. This undermines the draft Plan's validity and we ask that Council not proceed with the amendment as proposed.

As an alternative we believe that Council should undertake a holistic review of Ballina Shire Roads Contributions Plan Version 4.0 to ensure it:

1. Reflects current development patterns within the Shire and the provisions of Council's strategic planning documents including the DCP.
2. Clearly demonstrates the nexus between the works proposed and the development that is contributing towards its provision, taking into account proximity to the works and the extent to which demand is generated by development within a specific area.
3. Addresses the apportionment not only between future development throughout the Shire but also between existing a future development.
4. Contains a realistic scope of works that can be provided within a reasonable timeframe.
5. Contains an implementation program that is based on the demand for infrastructure and development patterns rather than the recoupment of expenditure that Council has undertaken outside of the Plan.

If you have any queries in relation to the information provided, please don't hesitate to call me. We are happy to meet with you and provide an overview or further discuss our key issues.

Yours sincerely



BILL KNOBEL
State Development Manager – QLD/NSW
Intrapac Property Pty Ltd.

Attachment: TPS Group Report dated June 2018

Paul De Fina

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Town Planner

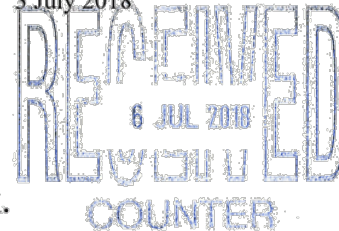
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General Manager
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3 July 2018



Dear Sir,

Re: Ballina Roads Contribution Plan Review – Draft Plan version 4.1.

On behalf of my clients I wish to submit the following comments regarding proposed changes to the Ballina Roads Contribution Plan as contained in the draft plan (Version 4.1).

I have made an assessment of the proposed contributions plan and wish to make the following submissions to the plan amendments.

1. The proposed amendment that most concerns my clients is the extraction of the “Hutley Drive Extension” (South) shown as Number 12 on Figure 1 that is recommended to be delayed until 2028 – 2036.

The existing Plan has the construction of the “Hutley Drive Extension” (South) happening in the period 2011 – 2019. The midpoint of the two construction periods is a potential delay of 17 years.

The delay of the “Hutley Drive Extension” (South) – Projects 12 – 14 for the next 17 years is justified in the Draft Plan as;

“Traffic modelling indicates volumes of 2,191 vdp south of Pacific Pines and 3,154 / 3,090 vpd adjacent to Aspects/Elevations up to the year 2036. These volumes do not support early prioritisation of works.”

The delay to Projects 42, 42a and 43 is proposed because the Council has an alternative road configuration following its purchase of Lot 2 DP 620838 that will extend Hutley Drive onto Byron Bay Coast Road with a new roundabout.

The alternative configuration above enables the deletion from the Works Programme of the deviation works on North Creek Road and its connection to Hutley Drive through lot 1 DP 517111.

Projects 12 – 14 were to be funded entirely from Section 94 Plan Contributions. The delay of these projects will have a direct impact on the traffic volumes travelling on

the Byron Bay Coast Road/ Lennox Head.

2. The proposed extension of Hutley Drive and connection to a roundabout on the Byron Bay Coast Road is described in the report *"to facilitate the community connectivity and social interaction between existing and proposed residential areas south of Lennox head and the existing Lennox Head Village"*. In addition, the proposed adjustments to the Road Contributions Plan from these roadworks *"will facilitate the orderly economic development of proposed residential areas and the shopping centre south of Lennox Head"*. It is not unreasonable however to assume this connectivity may now be in jeopardy for the reasons set out below.

The principle reason for building roundabouts is safety. There are fewer vehicle accidents at roundabouts than at intersections however my clients are concerned that this safety performance may not have included any allowance for the additional pedestrians and cyclists that may travel from the beach to the future shopping centre.

The design of any roundabout needs to include consideration of a number of factors including, capacity considerations, traffic movements through the roundabout, the number of heavy vehicles, the use by pedestrians and cyclists, operating speeds, form of control at adjacent intersections, future considerations, cost and the number and angle between lanes.

The 'community connectivity' referred to above makes no reference to pedestrian and cyclist safety given that the beach and commercial amenity is at one side and the new shopping centre is on the opposite side. Children, in particular, will travel between these two facilities.

My clients are concerned about the safety needs of both pedestrians and cyclists and therefore have raised a matter regarding the appropriate motorist sight distances and visibility at the planned roundabout on a major link road.

Council is asked to ensure a balance between public safety (pedestrians and cyclists) and operational requirements. The operational requirements are determined by geometric design and traffic volumes therefore it would be prudent to include in the proposed amendments to the Ballina Roads Contribution Plan that Council had regard to the RMS (RTA) *"Guide to Traffic Generating Developments."*

3. The proposed roundabout is very close to the existing roundabout on the Byron Bay Coast Road and my clients have real concerns regarding unacceptable traffic impacts if Hutley Drive (south) is delayed till 2028 – 2036.

The matters raised by my clients through this submission must be given appropriate considerations by Council's planners to ensure pedestrian and vehicle safety particularly for children and the elderly who will walk or cycle to the supermarket and specialty shops.

4. The Council is requested to seek comment from the RMS, the NSW Police and State Emergency Services regarding the safety of the final roundabout design and its location with regard the existing roundabout. Their response should be made public before any final decisions are made.

Conclusion

My clients have retained my office to comment on their behalf and a number of matters that concern them have been raised.

There is one final matter that was asked that I could not answer which was more a question that is:

Rather than make individual modifications / amendments to the Ballina Roads Contribution Plan would it not be more prudent to review the whole plan given the potential impact the delay of the "Hutley Drive Extension" (South) may have if its extended time of completion is not until 2028 – 2036 or to defer the current revision until a full review is carried out ?

Thank you for this opportunity to comment and I am happy to meet with Council staff to discuss any matter that has been raised that I may report back to my clients.

Yours faithfully

Paul De Fina
B.App.Sc. (Environmental Planning)
NSW LGT&CP
MPIA