

<b>ITEM 11.2</b>	<b>ADOPTION OF WARRIEWOOD VALLEY CONTRIBUTIONS PLAN (AMENDMENT 16, REVISION 3); WARRIEWOOD VALLEY LANDSCAPE MASTERPLAN (JUNE 2018) AND WARRIEWOOD ROADS MASTERPLAN (JUNE 2018)</b>
<b>REPORTING MANAGER</b>	<b>EXECUTIVE MANAGER STRATEGIC AND PLACE PLANNING</b>
<b>TRIM FILE REF</b>	<b>2018/452080</b>
<b>ATTACHMENTS</b>	<b>1 ⇒Warriewood Valley Contributions Plan (Amendment 16, Revision 3) (Included In Attachments Booklet)</b> <b>2 ⇒Warriewood Valley Landscape Masterplan &amp; Design Guidelines (Public Domain) (Included In Attachments Booklet)</b> <b>3 ⇒Warriewood Valley Roads Masterplan (Included In Attachments Booklet)</b> <b>4 ⇒Submissions Table (Included In Attachments Booklet)</b>

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## EXECUTIVE SUMMARY

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### PURPOSE

To inform Council of the outcomes of the public exhibition of the *Draft Warriewood Valley Contributions Plan* (Amendment 16, Revision 3), *Warriewood Valley Landscape Masterplan & Design Guidelines* (June 2018) and the *Warriewood Valley Roads Masterplan* (June 2018) and seek Council's approval for their adoption.

### SUMMARY

Council, at its meeting on 26 June 2018, considered the proposed amendments to the Warriewood Valley Contributions Plan (Amendment 16, Revision 2) and resolved to publicly exhibit these changes by way of the *Draft Warriewood Valley Contributions Plan (Amendment 16, Revision 3)*.

Additionally, the *Warriewood Valley Landscape Masterplan & Design Guidelines (June 2018)* and the *Warriewood Valley Roads Masterplan (June 2018)* were also exhibited, being the technical specifications that deliver the public domain and transport infrastructure for the Release Area. This ensures consistency across the suite of planning documents for the Warriewood Valley Release Area.

Five (5) submissions were received during the public exhibition period. Responses to the issues raised in these submissions are provided in the Submissions Table (Attachment 4) in this report. Several minor post-exhibition changes to the exhibited documents have been proposed as a result of the comments received.

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### RECOMMENDATION OF GENERAL MANAGER PLANNING PLACE AND COMMUNITY

That:

- A. Council adopt the *Warriewood Valley Contributions Plan (Amendment 16, Revision 3)*, the *Warriewood Valley Landscape Masterplan & Design Guidelines (2018)* and the *Warriewood Valley Roads Masterplan (2018)* subject to proposed post-exhibition changes.
  - B. Council give public notice of the commencement date of the *Warriewood Valley Contributions Plan (Amendment 16, Revision 3)*, *Warriewood Valley Landscape Masterplan & Design Guidelines (2018)* and the *Warriewood Valley Roads Masterplan (2018)* in the *Manly Daily*.
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**REPORT**

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**BACKGROUND**

Consistent with Council's adopted strategic framework for the Warriewood Valley Release Area, the *Draft Warriewood Valley Contributions Plan (Amendment 16, Revision 3)*, the 'Draft Plan', provides the legislative framework for levying residential, commercial and industrial developments in the Release Area to fund the provision, extension or augmentation of public infrastructure and services necessary to meet the increased demand in this area.

As a result of the 2017/18 review of the Plan, the exhibited key changes to the *Draft Plan* include:

- Updates to reflect current legislative reference numbers;
- Review/changes to the methodology in calculating contribution rate for 'residential care facilities' and commercial development (e.g childcare centres) in residential areas;
- Review of income assumptions and forecast expenditure within the Plan; and
- Updated economic inputs to the financial model underpinning the cash flow of the Plan.

The *Draft Plan's* 2018/2019 contribution rates for developments in the Release Area are:

\$66,245	per dwelling/residential lot
\$58,107	per dwelling within an independent living development submitted under the <i>SEPP (Housing for Seniors or People with a Disability) 2004</i>
\$5,945	per bed for residential aged care facilities and nursing home developments submitted under the <i>SEPP (Housing for Seniors or People with a Disability) 2004</i>
\$148	per m <sup>2</sup> for business and industrial development outside the Ponderosa Parade catchment
\$202	per m <sup>2</sup> for business and industrial development within the Ponderosa Parade catchment.

Supporting documents, the *Warriewood Valley Landscape Masterplan & Design Guidelines (June 2018)* and *Warriewood Valley Roads Masterplan (June 2018)* were also placed on public exhibition. These documents identify the design standards and strategies for enhancing the public domain and provide technical specifications for road and traffic measures required in the Release Area. The exhibited changes included:

- (i) Clarifications around on-street parking requirements for local roads and access streets within the Roads Masterplan.
- (ii) In conjunction with the Landscape Masterplan & Design Guidelines:
  - Updates to the active travel masterplan
  - Updates to the layout of the central local park with final design subject to future public consultation
  - Updates to strengthen landscape outcomes.

**KEY CHANGES PROPOSED TO THE WARRIEWOOD VALLEY SECTION 94 CONTRIBUTIONS PLAN**

As outlined in the previous report to Council on 26 June 2018, the key changes to the plan are as follows:

1. Removal of references to 'Section 94' in the title and throughout the document to reflect legislative changes that came into effect on 1 March 2018. Section 94 is now known as Section 7.11 under the *Environmental Planning and Assessment Act* (as amended).
2. Amend the current methodology used to calculate the contribution rate for 'residential care facilities and nursing home' developments under the *State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004*. This update will reflect the different level of demand on local infrastructure between this development type, 'independent living and serviced self-care housing' and traditional 'residential' development. This recognises that residents in 'residential care facilities and nursing home' developments who typically require specialised care, as their movement and/or independence is severely restricted, will not place the same level of demand on some elements in the Plan as other residents and workers in the Release Area.

As demonstrated in table 1 below, for residential development, the Plan collects funds to provide infrastructure for traffic and transport, multi-function creek line corridors (both land and rehabilitation), community facilities, public recreation and open space, pedestrian and cycleway network and plan administration.

However, in relation to SEPP Seniors Living (residential care facility/nursing homes), due to the age, health and/or mobility restrictions of residents, these residents will not create the same demand for community facilities, public recreation and open space, and pedestrian and cycle infrastructure as other residents or workers in the Release Area. Accordingly, it is not proposed to collect funds from this development type for these elements.

Table 1: summary of contributing development in the Contributions Plan

Element	Development Type				
	Residential Development	SEPP Seniors Living (Independent living and serviced self-care housing)	SEPP Seniors Living (Residential care facility/Nursing Homes)	Business Parks and Industrial Estates	Commercial Development in Residential Areas (including childcare centres)
Traffic and transport	✓ *	✓ *	✓ *	✓	✓ *
Multi-functional creek line corridors	✓	✓	✓	✓	✓
Community facilities	✓	✓	✗	✗	✗
Public recreation and open space	✓	✓	✗	✗	✗
Pedestrian and cycleway network	✓ *	✓ *	✗	✓	✓ *
Ponderosa Parade drainage	✗	✗	✗	✓ **	✗
Administration & plan management	✓	✓	✓	✓	✓

\* Except development in Sectors 20, 202 & 203.

\*\* Only development in Sectors 7, 102, 103, 104 and 105.

For the development type, SEPP Seniors Living (residential care facility/nursing homes), it is proposed to amend the Contributions Plan to include an apportionment approach in relation to the elements for multi-functional creek line corridors and plan administration. This apportionment approach recognises the occupancy rate for an assisted living development is 1 person/bed compared to 2.7 residents/ dwelling based on census data for average residential development in Warriewood Valley. For the traffic and transport element, the RMS trip generation rate for assisted living developments will be used.

The revised contribution rate for SEPP Seniors Living (residential care facility/nursing homes) is proposed to be \$5,621.49 per bed compared to the current rate of \$44,862.18 per bed. For the reasons outlined above, this methodology is considered appropriate and reasonable, and provides equity in the funding of essential infrastructure generated by development in Warriewood Valley.

3. Changes to the description of the methodology for calculating a contribution for commercial development in residential zones.
4. Income assumptions have been revised to reflect two factors. Firstly, several Land & Environment Court decisions have established a precedent in providing a credit for allotments with existing development in certain circumstances. Secondly, recognition of a trend of properties not developing to their full potential as anticipated in the yield assumptions has also been identified and adjustments have been made accordingly. At the completion of development in the Release Area there are now anticipated to be 2,394 dwellings, reduced from 2,451 as previously expected.

Forecast expenditure has been revised to account for increasing land valuations and the reduced required quantum of open space and community facility floor space having regard for the reduced population. Indicative infrastructure delivery times have also been revised. The review or re-phasing of several infrastructure items seeks to maintain the required level of infrastructure delivery in alignment with the progress of development while ensuring the financial sustainability of the Plan. The review of the works schedule included:

- The removal of traffic and transport infrastructure works totalling \$941,000. The majority of this was a contribution to the RMS for the upgrade of the Mona Vale Road and Ponderosa Parade intersection. This upgrade is being fully funded by RMS as part of the Mona Vale Road East upgrade.
- The removal of creek rehabilitation work totalling \$1,074,000 at 120-122 Mona Vale Road and 3 Boundary Street. These properties are at the top of the Narrabeen Creek catchment and it is unlikely that any creek rehabilitation outside of weeding will be required. The Draft Plan will still fund the dedication of creek land at 120-122 Mona Vale Road at the time the property is developed however creek land at 3 Boundary Street has been removed as this property is unlikely to ever develop.
- For the reasons described above, the forecast income into the Plan has been reduced. To ensure the long term financial sustainability of the Plan is maintained and a positive closing position remains in place, a comprehensive review of expenditure items across all elements was undertaken. In undertaking the review of expenditure, regard has been given to the work completed to date (see Appendix A of the Plan) and the remaining items to be completed (see Appendix B of the Plan). Significant investment has already been made on the delivery of infrastructure to support the growing community in Warriewood Valley. With this in mind, there were limited opportunities to reduce expenditure on items that form part of the provision of a wider network i.e. to ensure a completed road network is provided, it was not considered prudent to reduce expenditure on this element and deliver a disconnected and/or unsafe road network. This same principle applies to the creekline corridor, and pedestrian and cyclist networks. Further, the provision of open space has long been identified as a high

priority for the incoming community and therefore a reduction in this element has not been proposed. This process resulted in a review of the expenditure on the proposed community facility. It is proposed to reduce expenditure on the community facility from \$7,000,000 to \$5,000,000 to ensure a balanced Plan is achieved. \$5,000,000 is still sufficient to deliver a multi-purpose community facility to meet the demands of the Warriewood Valley Release Area. Notwithstanding the above, the Plan remains dynamic and as part of a responsible approach to financial management, the Plan will be subject to a regime of ongoing future review. This may lead to a revisiting of the expenditure on this item.

5. Updated economic inputs to the financial model underpinning the cash flow of the Contributions Plan including the Consumer Price Index, Building Price Index and interest rates.

### CONSULTATION

The Draft Plan was publicly exhibited from 30 June to 29 July 2018 concurrently with Warriewood Valley Landscape Masterplan & Design Guidelines (June 2018) and the Warriewood Valley Roads Masterplan (June 2018). Exhibition of the Draft Plan was undertaken in accordance with the Environmental Planning & Assessment Regulation 2000 and included the following consultation:

- 'Your Say' web page enabling online submissions
- Notice in the Manly Daily
- Hard copies available at Council's Customer Service Centres.

At the completion of the exhibition, the 'Your Say' page received a total of 240 visits, with the *Draft Plan, Landscape Masterplan & Roads Masterplan* being downloaded a total of 64, 36 & 37 times respectively.

Four (4) submissions raising specific concerns and one (1) letter of support of the above-mentioned documents were received in response to the public exhibition. Responses to the issues raised in submissions are summarised in the Submission Table (Attachment 4).

### POST-EXHIBITION CHANGES

As a result of issues raised by the submissions, the following post-exhibition changes are proposed to the Draft Warriewood Valley Contributions Plan (Amendment 16, Revision 3), Warriewood Valley Landscape Masterplan & Design Guidelines (June 2018) and the Warriewood Valley Roads Masterplan (June 2018):

#### Warriewood Valley Contributions Plan (Amendment 16, Revision 3) (Attachment1)

- Remove reference to the 2017/18 contribution rate and replace with the 2018/19 rates;
- Map updates to reflect exhibited changes to the works schedule; and
- Minor typographical changes.

#### Warriewood Valley Landscape Masterplan & Design Guidelines (Public Domain) (Attachment2)

- Add technical specification & details of tree guards for street trees; and
- Include specific wordings advising that the Landscape Masterplan also applies to work undertaken by Council.

#### Warriewood Valley Roads Masterplan (Attachment 3)

- Minor changes to reflect current legislative references and grammatical corrections; and

- Updates to completed road works.

### **TIMING**

If adopted by Council, the Draft Plan, the Warriewood Valley Landscape Masterplan & Design Guidelines (June 2018) and the Warriewood Valley Roads Masterplan (June 2018) will come into force on the day that a public notice is published in the Manly Daily. All applications in the Release Area determined on or after this date will be subject to the provision of the adopted documents.

### **FINANCIAL CONSIDERATIONS**

Adoption of the *Draft Plan* will ensure the efficient and equitable funding and delivery of infrastructure in Warriewood Valley. The *Draft Plan* seeks to continue its financial sustainability and ensure that the existing Northern Beaches community is not burdened by the provision of local infrastructure in the Release Area.

The Plan forecasts approximately \$50 million in future income. This forecast income, combined with funds currently held in reserves and forecast interest will fund the delivery of approximately \$66 million in future capital works and land acquisitions by the end of the 2021/22 financial year.

The current financial position of the Contributions Plan will be outlined in the Annual Financial Report, anticipated to be reported to Council in September 2018. The Warriewood Valley funding and reserves balance will be available on request following the review of this financial year-end work.

### **SOCIAL CONSIDERATIONS**

The *Draft Plan* and the supporting *Masterplans* facilitate the timely funding and provision of local infrastructure such as open space areas, pedestrian/cycle networks, traffic improvements and community facility which will enhance social outcomes for current and future residents and workers in the Release Area.

### **ENVIRONMENTAL CONSIDERATIONS**

Funds levied under the *Draft Plan* will assist in the acquisition, conservation and enhancement of the creek line corridors within the Release Area. The rehabilitation of these creeks will ensure they become important habitat areas and linkages for native flora and fauna.

### **GOVERNANCE AND RISK CONSIDERATIONS**

The *Draft Plan* has been prepared to ensure that Council's mechanism for funding local infrastructure is contemporary and in accordance with all legislative requirements. To ensure a sound level of risk management, an ongoing review of the Plan with respect to cost estimates, income projections and economic factors will be undertaken.