

11 December 2015

tsc@tweed.nsw.gov.au
www.tweed.nsw.gov.au

Fax (02) 6670 2429
PO Box 816
Murwillumbah NSW 2484

Please address all communications
to the General Manager

ABN: 90 178 732 496

Mr Hugo Harmstorf
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
PO Box K35
HAYMARKET POST SHOP NSW 1240

Email: localgovernment@ipart.nsw.gov.au

Dear Mr Harmstorf

2016-17 Special Rate Variation application

Tweed Shire Council (Council) intends to make application for a special rate variation for the 2016-17 financial year.

Background

LEDA Manorstead (a Developer) has received various approvals from the NSW State Government and the Northern Joint Regional Planning Panel for a mixed residential/commercial development at Cobaki, a suburb at the very northern end of the Tweed Shire and adjacent to the Gold Coast Airport.

The applicable conditions of consent relating to land management include:

Concept Approval (MP06 0316)

C4 Management and Restoration Plans

- (1) All future applications are to include, where relevant, draft stage specific management plan updates to the Site Regeneration and Revegetation Plan, Freshwater Wetland Rehabilitation Plan, Fauna Management Plan, Vegetation Management Plan, Scribbly Gum Management Plan, Principal Buffer Management Plan, Landscape Concept Plan, Stormwater Concept Plan, Cultural Heritage Management Plan, Preliminary Acid Sulfate Soils Management Plan providing, where relevant, details on timelines for implementation of recommended works including maintenance periods, **funding arrangements** and measurable performance and completion criteria.

Each plan is to consider all other existing plans for the site to ensure management strategies do not conflict and each plan can be implemented without negatively impacting on the objectives of another.



Project Approval (MP08 0200)

11B Management and Maintenance of Environmental Lands

- a. The Proponent is responsible for the management of all Offset Areas for conservation purposes and the implementation of ongoing management and maintenance activities specified in all Environmental Management Plans from the date of the project approval modification (08_0194 Mod 1), until such time that an agreement is reached with Council regarding the dedication of that land.

Precinct 1&2 (DA10/0800)

- 60.1** Prior to the issue of a Construction Certificate for Civil Work the proponent must reach an agreement with Council regarding a mechanism to fund in perpetuity the ongoing maintenance of the environmental protection land.

It is proposed to apply for a permanent (S508(2)) special rate variation to generate sufficient rates to fund the maintenance of the environmental protection land, as outlined in the conditions of consent. The special rate would be levied solely on the Cobaki development and be used only for the purposes for which it was raised.

One option available for Council is to levy the special rate upon dedication to Council of the environmental protection lands. All funds generated from the special rate levy will be allocated to Council's management of the environmental protection land. Council would take over management of the environmental protection land once completion of the establishment phase criteria has occurred, in accordance with the approved management plans. Prior to this the developer would be responsible for management of the land.

On the 17 September 2015 Council resolved:

1. *Acknowledges LEDA Manorstead Pty Ltd's preference in support of a Special Rate Variation to meet condition of consent for the Concept Approval (MP06_0316), Project Approval (MP08 0200), Development Application 10/0800, and any future Development Applications for the site.*
2. *Prepares, with input from LEDA Manorstead Pty Ltd, a Special Rate Variation application to Independent Pricing and Regulatory Tribunal (IPART).*

Council further resolved on 10 December 2015:

That, in respect of the proposal to apply for a Special Rate Variation application to the Independent Pricing and Regulatory Tribunal (IPART) to fund the long term maintenance and management of environmental protection lands within LEDA's Cobaki development:

1. *Council endorses the Special Rate of \$100 average per 450m² lot as proposed by LEDA in a letter submitted to Council dated 16 November,*

2015, and that an application be submitted to IPART to advance this proposal.

- 2. Council adopts the ad valorem rating method for the raising of the special rate on the Cobaki development.*
- 3. Council and LEDA hold further discussions to address the future funding arrangements for the proposal, and how best to advance a legal agreement to enable the relevant conditions of development approval to be satisfied, and thereby allow the commencement of civil construction works for the initial precincts of the Cobaki development. The outcomes of these discussions shall be reported back to Council in early 2016.*
- 4. In conjunction with 3 above a report for Council's consideration be prepared in early 2016 identifying the nexus between the ongoing works funded by Council's general rates and the public benefit to the broader community.*

The funds to be generated from the special rate on the Cobaki development is \$550,000 in the first year (based on a 5,500 lot subdivision) – indexed with the rate peg in subsequent years. This equates to a 0.9% above peg rate increase giving an overall rate increase of 2.7% which includes the 1.8%.

Council intends to re-issue the 2015-16 Delivery Program, produce an additional Long Term Financial Plan that includes the special rate being successful and undertaking community consultation during January 2016, prior to the formal application in February 2016.

Yours faithfully



cosign

Troy Green
GENERAL MANAGER