

# Bayside Council's Rockdale Contributions Plan 2016 – Urban Renewal Area



20 December 2016



## WHAT

IPART has reviewed the Rockdale Contributions Plan (CP) 2016 applying to the Rockdale Urban Renewal Area (RURA) that was submitted for assessment in July 2016. Land use within the RURA is changing from mainly industrial and low density housing to high density, mixed use residential and employment areas.

The RURA is expected to have around 17,485 residents and 1,251 workers by 2030.

### Cost-related recommendations

IPART's assessment of the Rockdale CP 2016 shows there is potential for Bayside Council (BC) to achieve significant cost savings in the plan.

Our recommendations could, in the short term, scale back the cost of essential works in the plan from \$256 million to around \$190 million (in the order of 26%). However, some of these costs are likely to be put back in the plan when BC does further work to establish the need for certain stormwater infrastructure in the RURA.

We have calculated the net impact of our recommendations in the short term to be a reduction of at least \$66.5 million, made up of:

- ▼ \$21.5m for transport land and works
- ▼ \$39.7m for stormwater management
- ▼ \$4.1m for open space and community facility, and
- ▼ \$1.2m for plan administration costs.

Some recommendations cannot be quantified at this stage.

### Other key recommendations

Most of the infrastructure in the plan is reasonable in terms of nexus (ie, meets the demand arising from the new development) and cost. We recommend BC remove items not on the essential works list or where nexus has not been shown, and revise some cost estimates for land and capital works in the plan.

For example, we found that BC has not established that most proposed stormwater infrastructure in Wolli Creek is required to meet the demand for flood mitigation arising from new development. We have recommended that BC remove the costs of these works from the plan until it undertakes further studies to establish this nexus.

We have also recommended that BC commit to a timetable for delivering infrastructure in the plan and prioritise the provision of open space.



## WHY

The NSW Government caps the amount of contributions that councils can collect from new residential development (\$20,000 per lot for infill development areas). For eligible plans, councils can apply for funding from the Government to meet the shortfall between the reasonable costs of infrastructure and the capped amount.

IPART has reviewed this plan because cost estimates resulted in maximum contribution rates above the cap, and BC intends to apply for funding from the NSW Government through the Local Infrastructure Growth Scheme (LIGS).



## HOW

IPART assesses plans against criteria set out in the *Revised Local Development Contributions Practice Note – For the assessment of Local Contributions Plans by IPART (2014)*, which include whether infrastructure and its costs are reasonable, and costs are reasonably apportioned.



## WHAT NEXT

We have provided our report to the Minister for Planning, who may request the council to amend the contributions plan. The report is available on IPART's website:

<http://www.ipart.nsw.gov.au>