



**POLICY No 9
OPEN SPACE
CONTRIBUTIONS**



DOUGLAS SHIRE COUNCIL PLANNING SCHEME POLICY NO 9

Open Space Contributions

Intent

This Policy is intended to support the local dimension of the Planning Scheme by ensuring that adequate parks and open space areas are provided for the enjoyment of residents and visitors to the Shire and to set guidelines to maintain a balanced, functional and holistic approach to the provision of parkland in the Shire.

Objectives

The objectives of this Policy are:

- where an area of land is to be provided for use as a park, to prescribe the area to be so provided;
- to prescribe the amount of any contribution and to provide a method for the payment of that contribution where a monetary contribution is required in substitution for an area of land; and
- to provide guidelines in determining which of the options available to it should be exercised by the Council when assessing its parkland requirements of a proposal for reconfiguration.

Dedication of Land for Park

The provision of parkland may be made by the surrender of an area of land for use as a park, by a cash-in-lieu contribution, by the provision of works or by any combination of the above. Where an area of land is to be provided, it may be land from within or without the proposed area of reconfiguration.

Where the Council requires as a condition of approval of an application to reconfigure land for residential, commercial or industrial use that an area of land be provided for use as a park, and the surrender of that area of land is the sole requirement made by the Council in respect of the contribution towards parkland, the area of land to be provided is to be an area that is 10% of the area of land to be reconfigured.

Note: An example of the practical application of this requirement is provided in Example 1 of Schedule 1 to this Policy.

Where an application is made to further reconfigure land which has formed part of a previous application in respect of which an area of land was required to be provided for use as a park, the Council may at its discretion elect not to require a further contribution to be made for park purposes, or to require a contribution that is less than 10%. Under such circumstances, any area of land



previously provided for use as a park will be taken into account when calculating the further contribution required, if any. In exercising such discretion, the Council will seek to ensure that the contribution required for park purposes is adequate and reasonable under all the circumstances.

Calculation of Monetary Contributions

Where the Council requires as a condition of approval of an application that a monetary contribution be made in substitution for an area of land for use as a park, and the payment of that monetary contribution is the sole requirement made by the Council in respect of the subdivision's contribution towards parkland, the amount of that contribution is to be calculated by use of a formula so that the amount of that contribution will always equate as closely as possible to the value of the area of land for which it is substituted. This formula is:

$$\text{Park Contribution per allotment} = \text{Valuation of allotment} \times 10\%$$

In this formula, valuation means the valuation made by the Department of Natural Resources and Mines (DNRM) of the unimproved value of the lot created by the subject plan of reconfiguration. The valuation referred to is the issued rating valuation of the lot made under Section 25 of the *Valuation of Land Act 1944* subsequent to the registration of the survey plan.

A monetary contribution in substitution for the provision of an area of land for use as a park is to be assessed by the Council using the above formula to calculate the contribution per allotment. The contribution from the reconfiguration is calculated by adding together the contributions required per allotment. The assessment is to be made following registration of the subject plan of reconfiguration and upon receipt by the Council of the rating valuations of the new lots made by the DNRM. Upon assessment, the amount of the monetary contribution constitutes a debt owing to the Council by the applicant.

Note: An example of the practical application of this requirement is provided in Example 2 of Schedule 1 to this policy.

The Council may at its discretion elect not to require a monetary contribution to be made in respect of individual allotments in a subdivision under special circumstances, for example where it is obvious that the relevant allotment is capable of further subdivision, or for any proposed allotment containing a dwelling or other building which was in existence at the time the relevant application was made. Discretion will not be exercised with respect to existing dwellings or buildings which are located on land included in the Rural Planning Area at the time the application is made. In exercising such discretion, the Council will seek to ensure that the contribution required from reconfiguration is adequate and reasonable under all the circumstances.

In any event, where an application is made to further reconfigure land which has formed part of a previous relevant application in respect of which a monetary contribution was required, the Council may require a further monetary contribution to be made. Under such circumstances, any contribution previously made will be taken into account when calculating the contribution required. In doing this, the value of the previous contribution made will be estimated, as closely as possible, in current terms.



This will be done by measuring the contribution previously made against the DNRM unimproved value of the land at the relevant date to calculate a deemed contribution. The following formula will be applied:

Deemed Contribution = Actual Contribution x DNRM valuation of the land at the date of development. DNRM valuation of the land as at the date of the original contribution.

Note: Examples of the practical application of this requirement are provided in Examples 4 and 5 of Schedule 1 to this Policy.

As security for the payment of a monetary contribution, the applicant must, prior to the Council signing and sealing the plan of survey, provide to the Council a security deposit and concurrently execute an agreement with the Council setting out the amount of the security deposit and the respective parties' rights and obligations in respect of it. The amount of the security deposit is to be a sum equal to the value of ten per cent of the Council's estimate of the total selling price of the allotments proposed by the plan of survey.

Pro Rata

The Council may, at its discretion, elect to satisfy its parkland requirements of a reconfiguration by a combination of requirements on a pro rata basis, not exceeding the maximum area or monetary value provided for in this Policy.

Determining area of land to be provided

In determining whether the Council will require, as a condition of approval of an application, that an area of land from either within or without the proposed subdivision be provided for use as a park, the Council will take into consideration the following factors:

- the quality and suitability of the area of land to be provided for use as a park;
- an area within or in the same ownership adjoining the subdivision is included in the Community and Recreation Facilities Planning Area;
- the proximity of the reconfiguration to existing parkland in the vicinity;
- the proximity of the proposed parkland or any existing parkland to each allotment in the reconfiguration. (It is the Council's objective that each allotment should be within 400 metres of such site parkland);
- the accessibility of the proposed parkland;
- any perceived need to provide parkland of a particular type or function in the locality;
- the size of the area of land to be provided as parkland.

The Council recognises that parkland needs to be of an area sufficient to allow adequate space for leisure time activities. Accordingly, it will be Council's intention to develop parks of a minimum area of 1 hectare. Where such a contribution is not possible, and consolidation of a smaller area of parkland into a greater area to achieve a minimum of 1 hectare is not possible, but not only in such cases, Council may:



- require that area of land to be set aside for use as a connecting link between existing or proposed parkland or for other community purposes;
- require appropriate monetary contribution in lieu of land, to be used for acquisition, improvement or development of open space in the area; or
- any combination of the above requirements.

Note: An example of the practical application of this requirement is provided in Example 3 of Schedule 1 to this Policy.

Determining Need for Monetary Contributions

When the Council requires a monetary contribution in lieu of the provision of land the moneys so contributed shall be expended as determined by the Council and in accordance with the provisions of the *Integrated Planning Act 1997*. In making such determinations the Council shall utilise the following criteria:

- the needs, as assessed by the Council, for parkland and/or improvements to existing parks and/or development of recreation facilities to serve the residents (including future residents) of the Locality and the local area of the land being reconfigured; and
- if, in the Council's opinion, the needs for parkland, park amenities and recreational facilities of the future residents of the land being reconfigured have reasonably been met; or, if in the Council's opinion, the quantum of the subject moneys is not sufficient to achieve a worthwhile park acquisition or improvement in the Locality or local area, then the subject monies shall be expended on the acquisition of parkland and/or the provision of improvements of existing parks and/or the development of recreational facilities, which, in the opinion of the Council, serve or are designed to serve, the entire Shire.



Schedule 1

To demonstrate the flexibility and practical application of this Policy, a 5 hectare area of land for residential reconfiguration has been hypothesised. As the following examples indicate, under the provisions of this Policy, such a reconfiguration might provide either:

Example	To The Community	To The Developer
1	0.5 ha of parkland	45 saleable lots; or
2	\$150,000 park contribution	50 saleable lots; or
3	0.2 ha of parkland; and \$50,000 park contribution; and \$38,200 facilities	48 saleable lots

EXAMPLE 1: LAND

Area of land to be subdivided:	5 hectares
Area of land required to be provided for use as a park	0.5 hectares

EXAMPLE 2: CASH IN LIEU

Number of allotments:	50
DNRM's Valuation of each allotment:	\$30,000.00
Park Contribution per allotment: \$30,000.00 x 10%	\$3,000.00
Park Contribution from subdivision:	\$3,000.00 x 50
TOTAL cash in lieu contribution:	\$150,000.00

EXAMPLE 3: COMBINATION

Area of land which satisfies park requirements of the subdivision:	0.5 hectares
Area of land required by the Council to be provided	0.2 hectares*
Outstanding requirement:	0.3 hectares
 Number of allotments:	 49 (48 plus parkland)

DNRM valuation of each allotment:	\$30,000.00
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OUTSTANDING REQUIREMENT CONVERTED TO CASH:

Park Contribution per allotment: \$30,000.00 x 10% =	\$3,000.00
Park Contribution from reconfiguration:	\$3,000.00 x 49
TOTAL cash in lieu contribution:	\$147,000.00
PROPORTION Outstanding:	\$147,000 X 3/5
Outstanding Parkland Requirement in cash terms:	\$88,200.00



Required as follows:

Monetary Contribution:		\$50,000.00*
Facilities to be provided by developer:	<u>\$38,200.00*</u>	\$88,200.00

* Indicates a component of the combination of requirements made.

The following are examples of the calculation of cash-in-lieu contributions under special circumstances more completely described in the relevant parts of the Policy document:

EXAMPLE 4: CASH-IN-LIEU [DISCRETION EXERCISED RE BALANCE ALLOTMENT]

Number of allotments: 50 including one allotment obviously capable of further subdivision [a balance lot]

DNRM's Valuation of each allotment: \$30,000.00

Park Contribution per allotment:
 $\$30,000.00 \times 10\% = \$3,000.00$

The Council exercises its discretion and does not require a monetary contribution in respect of the balance lot.

Park Contribution from reconfiguration:
 $\$3,000.00 \times 49 + \$0 = \$147,000.00$

EXAMPLE 5: CASH-IN-LIEU [PREVIOUS MONETARY CONTRIBUTION MADE]

Previous contribution made: = \$20.00

DNRM's valuation of the land at the time and in respect of which the previous contribution was made: = \$5,000.00

DNRM's valuation of the land as at date of current development = \$45,000.00

Contribution deemed to have been made previously: = $\frac{\$20.00 \times \$45,000.00}{\$5,000.00}$

= \$180.00



Number of allotments:	5
DNRM's valuation of each allotment	\$30,000.00
Park Contribution per allotment: \$30,000.00 x 10%	= \$3,000.00
Park contribution from reconfiguration	= \$3,000 x 5 - \$180.00
	= \$14,820.00

ADOPTED: 21 August, 2006.
COMMENCEMENT: 04 September, 2006.
DUE FOR REVIEW: June, 2007.
REVOKED/SUPERSEDED,