

Lynn Race - Fwd: More information on S.94 levies

From: Glenda Baker
To: Lynn Race
Date: 24/07/2009 9:49 AM
Subject: Fwd: More information on S.94 levies

This is an addition to the email I sent previously

Cheers
Glenda

>>> "Sharon Fingland" <sharon@wsroc.com.au> 23/07/09 16:42 >>>

Glenda

Since sending the last email I have now received some more information from Blacktown Council as follows:

Council submitted a number of its current Contributions Plans to the Minister for Planning to obtain approval to exceed the \$20,000 threshold imposed by the State Government. Council received approval from the Minister to continue imposing these contributions.

It may be of interest to you that Council placed on public exhibition in November 2008, Draft Section 94 Contributions Plan No. 20 ? Riverstone and Alex Avenue Precincts. This Contributions Plan is to provide an estimated **\$869 million** worth of local infrastructure to service an estimated 44,000 future residents in the Riverstone and Alex Avenue Precincts. The Plan provides for a levy across these precincts of between **\$49,000 and \$56,000 per lot**, depending upon location within 2 specific drainage catchments. As the Draft Contributions Plan is in excess of the announced \$20,000 per lot limitation, the Contributions Plan will now require Ministerial approval to maintain the exhibited level of local infrastructure provision. However, the draft contributions plan was not submitted to the Minister as part of the first round of reviews.

When this plan is reviewed by the review panel, and should the Minister determine to cap the Contributions Plan at \$20,000 per lot, Council will either have to fund the estimated shortfall of **\$568 million** from other revenue sources or substantially scale back its level of provision.

For example, the \$20,000 per lot will enable Council to provide drainage land and drainage infrastructure to the Riverstone and Alex Avenue Precincts, but nothing else. Council will be unable to buy land for parks or playing fields, will be unable to provide open space facilities, will be unable to build sub-arterial roads and will be unable to provide baseline community facilities to support the incoming population.

If this shortfall of \$568 million was to be recovered through a rate increase over 20 years (the anticipated life of the Contributions Plan) on **all existing residents in Blacktown, the rating increase required would be 38%**. Alternatively, if the shortfall of \$568 million was to be recovered through a rating increase over 20 years, only on the properties in the Riverstone and Alex Avenue Precincts, the rating increase required **would be 459%** for the anticipated 15,000 properties in both precincts.

More alarmingly, the above scenario is only based on 2 future Growth Centre precincts, Riverstone and Alex Avenue. The future residential precincts in the North West Growth Centre within the City of Blacktown are anticipated to create a further **44,000 residential dwellings**, over and above the estimated 15,000 dwellings in the Riverstone and Alex Avenue Precincts, which will require similar baseline local infrastructure.

I hope that this information is of assistance.

Sharon

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