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## **CALDERWOOD URBAN DEVELOPMENT PROJECT**

## **STATE VOLUNTARY PLANNING AGREEMENT**

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State Infrastructure Contribution Proposal

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### **Concept Plan and State Significant Site Listing**

Delfin Lend Lease

August 2010





31<sup>st</sup> July 2010

Mr Sam Haddad  
Director General  
Department of Planning  
23 – 33 Bridge Street  
SYDNEY NSW 2000

Attention: Mr Michael File

Dear Mr Haddad,

**Calderwood State Significant Site, Concept Plan and Stage 1 Project Application Proposal  
MP 09-0082 and MP 09-0083 - Planning Agreement**

The purpose of this letter is to formally submit the proposal to enter into a Voluntary Planning Agreement (VPA) with the Minister for Planning for the delivery of infrastructure and facilities for the Calderwood Urban Development Project (The Project). As you are aware, the Project Concept Plan, State Significant Site Study and Environmental Assessment Report documentation recently placed on public exhibition contained a comprehensive Infrastructure, Services and Facilities Implementation Proposal for the Project. One of the key implementation and delivery mechanisms included in the Proposal is the use of commercially binding Planning Agreements.

Specifically, an Outline Planning Agreement with the Minister for Planning was included in the Environmental Assessment Report at Appendix DD. This document proposed contributions towards regional transport works and the provision of land for education, consistent with the Environmental Planning and Assessment Act and current State Government policy and guidelines.

For some time there has been an expectation of an imminent announcement about the State Infrastructure Contributions (SIC) Levy for the Illawarra Region. Delfin Lend Lease notes that the RTA has stated via its submission to the Department of Planning dated 15 June 2010 that the Government is currently considering the preparation of an Illawarra State Infrastructure Contributions Plan (SIC) to cover the land releases of West Dapto, Tallawarra and Calderwood and that the apportionments are outlined in a letter dated 15 October 2009. Delfin Lend Lease notes that the information referred to by the RTA has not been made available to Delfin Lend Lease.

However, Delfin Lend Lease is now in a position where, in order to meet Project timeframes the matter needs definition and resolution for the Calderwood Project. Consistent with recent discussions with the Department of Planning, Delfin Lend Lease has calculated a proposed SIC for the Calderwood Project based on the following:

- A detailed assessment of the full range of matters required by the Director General's Requirements issued on 10 June 2010;
- The Concept Plan Transport Accessibility Study and Transport Management and Accessibility Plan (TMAP);
- Estimates of cost for the transport works identified in the TMAP (in this respect RTA standards have been used);

- Apportionments for the transport works based on the TMAP methodology and modelling agreed with the Department and the RTA;
- Provision of 13 hectares of zoned and serviced land for 1 high school and 2 primary schools, one of which incorporates a special needs campus, in accordance with the Social and Community Planning Assessment and discussions with DET; and
- Authority and Council consultation conducted throughout the preparation of the Project Concept Plan, State Significant Site Study and Environmental Assessment Report.

In arriving at the proposed SIC that should apply to the Calderwood Project, Delfin Lend Lease has also had regard to the analysis undertaken by the Growth Centres Commission in its review of the West Dapto Release Area and changes to the regulatory framework since that time. Delfin Lend Lease also notes that there are many constraints that apply to the West Dapto Release Area that do not apply to Calderwood. In this respect Delfin Lend Lease notes that, in an effort to alleviate these constraints, the State Government has made a 10 year interest free \$26m loan to Wollongong Council to enable Council to implement its access strategy for the Release Area – a fact highlighted by Council as a relevant consideration in its submission to the Department on the Calderwood Project.

On the basis of the information and approach outlined above the proposed SIC is \$10,124 per dwelling. After allowing for the 25% credit for the land value attributed to sites dedicated for education purposes the net contribution is \$8,039 per dwelling. More detailed information is attached.

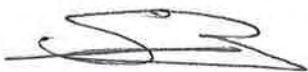
Delfin Lend Lease proposes the above SIC for the Project on the following basis:

- The SIC is equivalent or less to that which is to apply elsewhere in the Region;
- There is no cross subsidy to address infrastructure or site specific deficiencies in other release area projects;
- The SIC will be adjusted to reflect a reduced contribution if the Regional SIC is less than that proposed above, if and when it is announced; and
- The SIC can be covered in whole or in part by works-in-kind, for example dedication of land for education purposes.

Delfin Lend Lease is committed to a quick turn around on the resolution of matters and to meet Government approval target timeframes and would like to commence works to progress this document, including the schedules, to the next level of development.

We would welcome the opportunity to meet with the Department to progress the matter at the earliest opportunity. If required, I would be pleased to discuss the matter as soon as practicable.

Yours sincerely,



**Simon Basheer**  
**General Manager NSW ACT**  
**Delfin Lend Lease**

## TRANSPORT CONTRIBUTIONS – BASIS FOR PROPOSED LEVY

### Overall Requirements:

- Meet Director General's Requirements
- Prepare TMAP in accordance with Government Guidelines
- Consultation RTA, MOT, DOP, SCC, WCC, Premier Bus Company
- Assess the impact of the Calderwood development and determine the potential road network and other improvements required
- Demonstrated capacity to undertake work
- Cardno commissioned to undertake Transport Study and related disciplines
- Integrated Master Plan outcome

### Traffic Modelling:

- Strategic traffic modelling using the WOLSH TRACKS model (RTA / Council preferred regional assessment tool)
- Intersection modelling using SIDRA
- Agreed area of influence for assessment (DOP, RTA)
- Agreed Regional Growth and Regional Land Use Planning Assumptions (DOP, RTA)
- Assumptions on major road network improvements to be included in the model eg F6 extension and Tripoli Way (DOP, RTA)
- 10% mode shift to achieve a 15% non-car based JTW mode share, based on existing mode share of 5% non-car trips (MOT)
- 2009 AM and PM peak base model calibrated to existing conditions
- 2031 AM and PM peak models developed to test appropriate road network improvements
- Staging of works tested through models run at 5 year intervals to 2031 (2016, 2021, 2026)

### Methodology:

- Define current traffic and transport conditions and existing travel patterns
- Define current and future traffic conditions excluding Calderwood
- Establish baseline without Calderwood but including other assumed regional, infill and external growth to establish road network performance and potential major road network improvements.
- Define future traffic conditions including Calderwood and other assumed regional growth to establish road network performance and required road network improvements.
- Sensitivity testing of the models to +/- 10% without adverse impact on the required contributions.
- Travel demand management measures to reduce car dependency

**Modelling Results (TMAP Chapter 10):**

- Upgrades 1 to 3 inclusive address existing deficiencies
- Upgrades 4 to 11 inclusive are complementary measures to address existing deficiencies (related to the F6 extension)
- Upgrades 12 to 31 inclusive are required at 2031 without Calderwood (if other assumed regional growth eventuates)
- Upgrades 32 to 37 inclusive are required if Calderwood proceeds (these are in addition to the above upgrades)

**Apportionments:**

- Existing deficiencies (upgrades 1 to 3) not attributable to new growth areas (Calderwood and other Regional Growth)
- Existing deficiency complementary measures (upgrades 4 to 11) attributable to new growth areas (Calderwood and other Regional Growth)
- New Growth Areas (Calderwood and other Regional Growth) apportioned to upgrades 4 to 37
- Apportionment determined by additional trips on each link or through an intersection. The additional trips were identified through modelling assessment (select link analysis) as being from new growth areas (Calderwood and other Regional Growth) or from external growth or infill growth only. Any trip associated with new growth was attributed to the new growth areas, other trips associated with external growth or infill growth only was not attributed to new growth areas.
- "Government" contribution based on remaining traffic growth compared to existing flows. If new growth areas (Calderwood and other Regional Growth) trips greater than net growth compared to existing flows then "Government" contributions is zero. The only trips attributable/allocated to government were additional trips between/within infill growth area and external growth areas.
- Apportionment is the technical input to the commercial framework. Technical apportionment needs to be converted to sensible packages of work and aligned with other available funding.

**Estimates Methodology**

- Network improvements which had been identified and optimised by Cardno's traffic modelling were sketched in concept over aerial photography in order to establish likely extent of physical works and impact of existing constraints.
- Quantities were then estimated for lengths of road, as well as for items such as bridges, major culverts, signalised intersections, freeway on and off ramps and land acquisition areas.
- Proposed road upgrades were broken down into various categories, from RTA freeway, through to regional, rural roads.
- For each category, rates were assigned for road construction (per lane km) and bridges (per sq.m of deck area).
- Rates were also assigned for land acquisition (rural, existing urban and proposed urban) and for items such as signalisation of intersections and freeway on / off ramps.
- Rates used were based on our experience with RTA projects, as well as for non-RTA projects where appropriate.

## Works Estimates and Apportionments

Upgrade Item (TMAP)	Location and Description	Total Estimated Cost (\$)	Calderwood Apportionment	Apportioned Cost	Timing and Method of Contribution
4	F6 Extension Tripoli Way North Facing Ramps Single lane ramps on all approaches at roundabout	3,650,000	32%	1,168,000	SIC pro rata on issue of residential allotment certificate of title
5	F6 Extension Tripoli Way South Facing Ramps Single lane ramps on all approaches at roundabout	3,650,000	19%	693,500	SIC pro rata on issue of residential allotment certificate of title
6	Tripoli Way from F6 extension to Tongarra Road Construct divided two way-two lane carriageway with minimum 3.5m lane widths with kerb and gutter.	8,820,000	36%	3,175,200	SIC pro rata on issue of residential allotment certificate of title
10	Tripoli Way/Illawarra Highway New signalise intersection	2,850,000	68%	1,938,000	SIC pro rata on issue of residential allotment certificate of title
11	Tripoli Way/Tongarra Road New signalised intersection	850,000	18%	153,000	SIC pro rata on issue of residential allotment certificate of title
29	Illawarra Highway/Broughton Avenue Additional northern leg for Calderwood collector road	150,000	57%	85,500	WIK to coincide with adjoining Calderwood residential development
37	Illawarra Highway/Yellow Rock Road Upgrade existing T intersection to roundabout	350,000	66%	231,000	WIK to coincide with adjoining Calderwood residential development
<b>Sub Total</b>	<b>Works within Shellharbour LGA</b>	<b>20,320,000</b>		<b>7,444,200</b>	
9	F6 complementary measures Install LATM treatments along Princes Highway between F6 extension limits	1,500,000	7%	105,000	SIC pro rata on issue of residential allotment certificate of title
12	F6 northbound ramp at Tallawarra Provide additional off-ramp lane and associated freeway diverge upgrades	1,500,000	4%	60,000	SIC pro rata on issue of residential allotment certificate of title
13	F6 northbound ramp at Tallawarra Provide additional on-ramp lane and associated freeway merge upgrades - includes bridge	3,950,000	3%	118,500	SIC pro rata on issue of residential allotment certificate of title
17	Princes Highway from Mount Brown Road to Huntley Road Provide additional northbound traffic lane	1,575,000	9%	141,750	SIC pro rata on issue of residential allotment certificate of title
18	Princes Highway from Mount Brown Road to Huntley Road Provide additional southbound traffic lane	1,575,000	15%	236,250	SIC pro rata on issue of residential allotment certificate of title
19	Princes Highway from Huntley Road to F6 off-ramp Provide additional northbound traffic lane	2,450,000	4%	98,000	SIC pro rata on issue of residential allotment certificate of title
20	Princes Highway from Huntley Road to F6 off-ramp Provide additional southbound traffic lane	2,450,000	3%	73,500	SIC pro rata on issue of residential allotment certificate of title
21	Princes Highway from F6 off-ramp to Yallah Bay Drive Provide additional southbound traffic lane	1,750,000	3%	52,500	SIC pro rata on issue of residential allotment certificate of title
26	Princes Highway/Huntley Road Signalise existing priority controlled intersection	1,150,000	7%	80,500	SIC pro rata on issue of residential allotment certificate of title SIC pro rata on issue of residential allotment certificate of title
27	Princes Highway/F6 southbound off-ramp Signalise existing priority controlled intersection	2,350,000	4%	94,000	SIC pro rata on issue of residential allotment certificate of title
28	Princes Highway/Cormack Avenue Signalise existing priority controlled intersection	1,850,000	3%	55,500	SIC pro rata on issue of residential allotment certificate of title
<b>Sub Total</b>	<b>Works within Wollongong LGA</b>	<b>22,100,000</b>		<b>1,115,500</b>	
<b>TOTAL</b>	<b>STATE ROAD WORKS</b>	<b>42,420,000</b>		<b>8,559,700</b>	



**Transport Contributions Summary:**

- Existing deficiencies identified
- Future deficiencies with and without Calderwood identified
- There are significant deficiencies without Calderwood – Upgrades 4 to 31 inclusive
- The apportionments have been sensitivity tested to +/- 10% without the need for additional /reduced contributions.
- If Calderwood is approved, Calderwood contributes to future deficiencies (upgrades 4 to 31) at a rate of \$1,783 per dwelling at 2010 prices and reduces contributions from other regional growth developments.

**CONTRIBUTION OF LAND FOR EDUCATION PURPOSES**

The Social and Community Planning Assessment prepared by Elton Consulting identifies the need for 1 high school site of 6 hectares and 2 primary school sites of 3 hectares each, a special needs unit of 1 hectare co-located with one of the primary schools. This totals 13 hectares and based on a land value of \$3,080,000 per hectare equals a total value of \$40,040,000 (based on contract purchase price for DET acquisition of Tullimbar School site). Current State Government policy is that the proponent is responsible for 75% of the value of the land which equates to a net contribution of \$30,030,000. The indicative location of each site is shown on the attached plan.

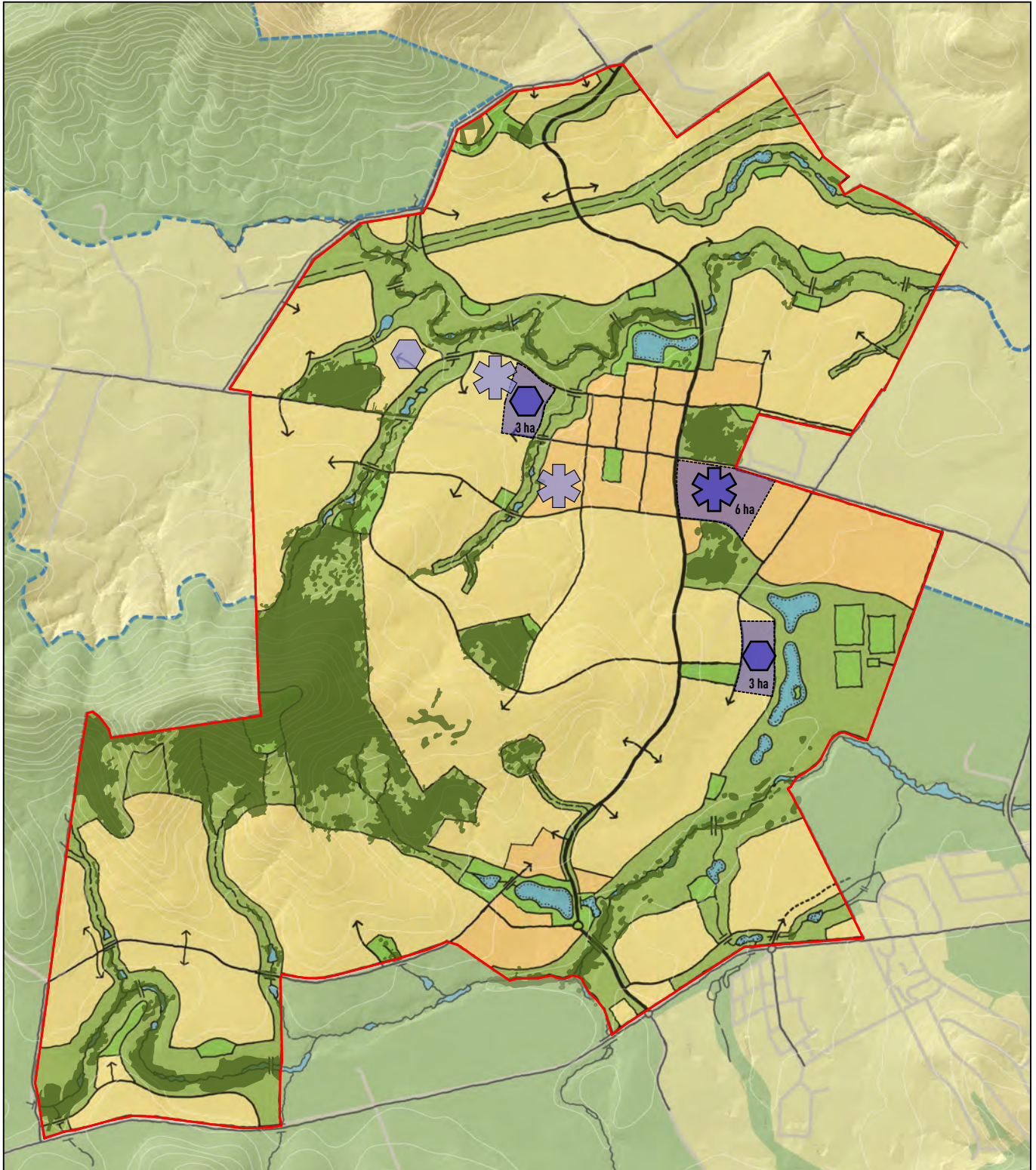
**CONTRIBUTION OF LAND FOR HEALTH PURPOSES**

The Social and Community Planning Assessment prepared by Elton confirms in that NSW Health (South East Sydney and Illawarra Area Health Service) does not require land for any capital facilities within Calderwood but suggested suitable space be made available for the establishment of GP and allied health practices. This is considered standard practice in DLL master planned communities. As a result, no specific contribution is proposed for "Health".

**SUMMARY**





ITEM	TOTAL \$	DWELLINGS	RATE/DWELLING \$
Transport	8,559,700	4,800	1,783
Land contribution for education (gross)	40,040,000	4,800	8,341
Health	Nil	4,800	Nil
Sub - total	48,599,700	4,800	10,124
Credit for 25% of land contribution	(10,010,000)	4,800	(2,085)
Total Proposed SIC levy for Calderwood Project	38,589,700		8,039

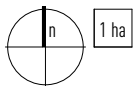




## Possible School Sites

## Part 3A | Calderwood Urban Development Project

-  Preferred High School Location  
6 ha allocation
-  Preferred Primary School Location  
3 ha allocation
-  Alternative High School Locations
-  Alternative Primary School Locations



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Subject to verification and detailed site survey 1:20,000 @ A4 10m Contours July 2010