



Public Agenda Briefing Forum

Notes

10 September 2024



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1. Official Opening

The Presiding Member opened the meeting at 6:28pm and welcomed Councillors, Staff, Members of the Public Gallery and those watching via live stream. The Presiding Member also acknowledged the Traditional Owners of the land on which we meet the Whadjuk Noongar people.

2. Attendance, Apologies and Leave of Absence

Mayor

Margaret Thomas JP (Presiding Member)

Councillors

South East Ward

John Giardina

Geoff Stallard

South West Ward

Mary Cannon

Brooke O'Donnell

North West Ward

Dylan O'Connor

North Ward

Kathy Ritchie

Members of Staff

Chief Executive Officer

Anthony Vuleta - Chief Executive Officer

Executive Team

Sinead McGuire - Director Asset Services

Gary Ticehurst - Director Corporate Services

Nathan Ritchie - Director Development Services

Management Team

Chris Lodge - Manager Strategic Planning

Administration Support

Darrell Forrest - Governance Advisor

Donna McPherson - Executive Assistant to the CEO

Members of the Public 8

Members of the Press Nil.

Apologies

Cr Lisa Cooper

Cr David Modolo

Freya Ayliffe - A/Director Community Engagement

Leave of Absence Previously Approved Nil.

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3. Declarations of Interest

3.1. Disclosure of Financial and Proximity Interests

- a. Members must disclose the nature of their interest in matter to be discussed at the meeting. (Section 5.56 of the *Local Government Act 1995*.)
- b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Section 5.70 of the *Local Government Act 1995*.)

3.1.1 Nil.

3.2. Disclosure of Interest Affecting Impartiality

- a. Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the member or employee had given or will give advice.

3.2.1 Anthony Vuleta declared an Interest affecting Impartiality on Item 10.2.1 for RFT 2413 Supply and Lay of Major Asphalt – Award of Tender. Mr Vuleta declared an impartiality interest as a family member is associated with a tender submitter.

4. Announcements by the Member Presiding Without Discussion

4.1 Nil.

5. Public Question Time

Public questions will be allowed and received following the presentation of the report.

6. Public Statement Time

Public statements will be allowed and received following the presentation of the report.

7. Public Submissions Received in Writing

7.1 Nil.

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8. Petitions Received

8.1 Nil.

9. Confidential Items Announced But Not Discussed

9.1 Item 10.1.1 Amendment 113 to Local Planning Scheme No. 3 - High Wycombe South (Residential Precinct) Development Contribution Plan - Final Adoption – **Confidential Attachments** – 1. Amendment 113 to Local Planning Scheme No. 3 - Submitter table; 2. Amendment 113 to Local Planning Scheme No. 3 - Submitters Map

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (b) - "the personal affairs of any person."*

9.2 Item 10.2.1 RFT 2413 Supply and Lay of Major Asphalt - Award of Tender – **Confidential Attachment** -

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (c) - "a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting."*

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10. Reports to Council

10.1. Development Services Reports

10.1.1. Amendment 113 to Local Planning Scheme No. 3 - High Wycombe South (Residential Precinct) Development Contribution Plan

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

The Manager Strategic Planning provided a presentation on this report.

Cr O'Connor sought clarification to various aspects of the report and the recommendation. The Manager Strategic Planning and the Director Development Services provided confirmation of information provided in the presentation.

Cr Ritchie sought clarification in relation to interest in interim arrangement prior to the introduction of the DCP. The Manager Strategic Planning provided information in relation interest in the precinct.

Ms Diane English, High Wycombe, provide questions in writing these questions are taken on notice and responses will be provided within the agenda of the Ordinary Council Meeting of 24 September 2024.

Q. *Why isn't the buffer along the interface in Sultana Road West, which will protect the residential housing from General industry noise in Stage 1, mentioned in the DCP for High Wycombe South.*

A 100 metres wide buffer is 4.5 hectares along the interface. DCP for HWS increases to \$82/m2.

A 200 metres wide buffer is 9 hectares. DCP for HWS increases to \$90/m2.

Or property is part of the buffer.

Where submissions speak to matters which would have been dealt with as part of the structure plan these would not be revisited.

Mr Michael Ryan, High Wycombe, provide questions in writing these questions are taken on notice and responses will be provided within the agenda of the Ordinary Council Meeting of 24 September 2024.

Q1. *Please provide a list of the pages and paragraph in the 377 page DCP report which address complying with the legal obligations of a duty of care owed to us, and the health and welfare of people in this precinct. Most submissions from landowners for the DCP included a focus of these issues.*

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Q 2. *Do the City Executive and Councillors agree they must always comply with the law.*

Q3. *Para 36 of Item 10.1.1 ". A similar approach was successfully taken with the City's Forrestfield /High Wycombe DCP (Amendment 101) in 2023 (OCM08/2023)".*

Please provide a copy of the Minister for Planning's approval of 20 years mentioned in para 36.

Mr Jason Hunt, State west Planning, had a query in relation to the current "methodology for apportioning acquisition for new roads" (point 3.5.2) detailed in the DCP.

The Manager Strategic Planning advised a submission was received in relation to this and a decision was made to retain the current methodology. The Director Development Services advised subject to Council endorsement of the DCP all submissions would be forwarded to the Department of Planning.

| | |
|---------------------------|---|
| Previous Items | OCM 14/2015, SCM 05/2015, OCM 15/2017, SCM 67/2018, SCM 231/2018, OCM 280/2019, OCM 243/2019, OCM 304/2021, OCM 37/2022, OCM 45/2022, OCM 46/2023, OCM 103/2023, OCM 179/2023, |
| Directorate Business Unit | Development Services Strategic Planning |
| File Reference | PG-LPS-003/113 |
| Applicant Owner | N/A |
| Attachments | <ol style="list-style-type: none"> 1. Proposed Scheme Amendment 113 [10.1.1.1 - 8 pages] 2. High Wycombe South Development Contribution Plan Report 2024 (September) [10.1.1.2 - 377 pages] 3. Submission Table [10.1.1.3 - 84 pages] |

TYPE OF REPORT

| | |
|---------------|--|
| Advocacy | When Council is advocating on behalf of the community to another level of government/body/agency |
| Executive | When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets) |
| Information | For Council to note |
| ✓ Legislative | Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal |

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

Objective 1.1 - To be a community that advocates, facilities and provides quality lifestyles choices.

Strategy 1.1.1 -- Ensure the entire community has access to information, facilities and services.

Strategy 1.1.2 - Empower, support and engage all of the community.

Priority 1: Kalamunda Cares and Interacts

Objective 1.3 - To support the active participation of local communities.

Strategy 1.3.1 - Support local communities to connect, grow and shape the future of Kalamunda.

Priority 3: Kalamunda Develops

Objective 3.2 - To connect community to key centres of activity, employment and quality amenities.

Strategy 3.2.2 - Develop improvement plans for City assets such as parks, community facilities, playgrounds to meet the changing needs of the community.

Priority 3: Kalamunda Develops

Objective 3.3 - To develop and enhance the City's economy.

Strategy 3.3.3 - Plan for strong activity centres and employment areas to meet the future needs of the community, industry, and commerce.

Priority 4: Kalamunda Leads**Objective 4.1** - To provide leadership through transparent governance.**Strategy 4.1.1** - Provide good governance.**EXECUTIVE SUMMARY**

1. The purpose of this report is for the Council to consider whether to support the proposed modified Amendment 113 (A113) to the City of Kalamunda (City) Local Planning Scheme No. 3 (LPS3) - High Wycombe South (HWS) Residential Precinct Development Contribution Plan (DCP) and forward its recommendation to the Western Australian Planning Commission (WAPC), and ultimately the Minister for Planning (Minister) for consideration.
2. A DCP is required to facilitate the coordinated delivery of infrastructure necessary for the implementation of the Residential Precinct Local Structure Plan (LSP) which will activate and transition the former rural lifestyle area into high-quality medium to high density residential development, public open space, environmental conservation, and community infrastructure (future primary school and sporting facilities). The DCP and LSP together will form an important part of the planning framework to realise the vision to create a liveable, vibrant and accessible urban community in HWS.
3. It is recommended that the Council resolve to:
 - a) Note the submissions received and responses to submitters in relation to A113 and the draft DCP Report (DCPR).
 - b) Support A113 to the LPS3 (Attachment 1), which will establish the statutory provisions to give effect to the DCP;
 - c) Support with modified DCP Report (DCPR) (Attachment 2) for the HWS Residential Precinct, which provides the detailed provisions required for ongoing management of the DCP (i.e. needs analysis, designs and quantities) and variable information (i.e. rate estimates and priority of delivery);
 - d) Note the updated forecast contribution rate of \$76.52/m²;
 - e) Note the City will continue to make representations to the WAPC regarding the City's MRS Amendment request in relation to the Green Link, seeking to reclassify urban zoned land under the MRS to Parks and Recreation; and
 - f) Note the City's continued advocacy campaign focused on minimising the infrastructure costs in the DCP.

BACKGROUND

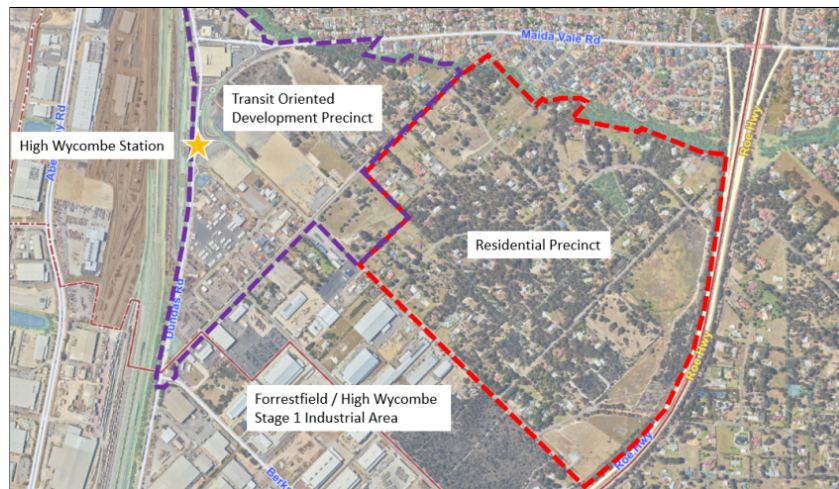
4.

Land Details

| | |
|---|--|
| Gross DCA2 Land Area: | 994,266m ² or 99.43 hectares |
| Net Contribution Area: | 594,129m ² or 59.41 hectares |
| Metropolitan Region Scheme Zone: | Urban |
| Local Planning Scheme Zone: | Urban Development |
| Local Structure Plan Land Use Classification: | High Wycombe South Residential Precinct Local Structure Plan <ul style="list-style-type: none"> - Environmental Conservation - Local Open Space - Public Purposes (Primary School) - Residential Medium Density (R30-R60) - Residential High Density (R60-R100) |

5.

Locality Plan



6.

The subject area is identified by the red boundary on the locality plan above.

7.

HWS Structure Planning

In September 2016 the WAPC approved the HWS District Structure Plan (DSP). The DSP identified the need to introduce a DCP to coordinate the delivery of infrastructure upgrades required to facilitate the development envisaged by the DSP. Further planning has occurred refine in the Transit Oriented Development (TOD) Precinct and Residential Precincts to identify localised development opportunities and associated infrastructure requirements.

8. In August 2023, the WAPC endorsed the Amended HWS Residential Precinct LSP to coordinate and guide urban development. The Residential Precinct is the same area the subject to A113, the draft DCP, and consequently this report.
9. A draft METRONET East High Wycombe Structure Plan (HWSP), formerly referred to as the TOD Activity Centre Structure Plan has been prepared to guide development in the TOD Precinct, and support planning direction for implementation by DevelopmentWA in the TOD Precinct (immediately surrounding the High Wycombe Train Station).
10. The proposed HWS DCP applies only to the Residential Precinct LSP requirements.
11. **Requirement for a DCP**
A DCP is a planning tool designed to support landowners and developers in areas in land use/development transition with fragmented land ownership, that require infrastructure to support development. A DCP enables the collection of funds (cost contributions) and coordinated delivery of infrastructure.
12. The City's preparation of the DCP has been a significant undertaking which, together with the preparation of structure plans, has been an important strategic investment towards further development in the area. The DCP will facilitate the coordinated and equitable funding and delivery of essential infrastructure and will establish a framework for the progressive development in line with the vision established through HWS Residential Precinct LSP.
13. The HWS DCP comprises two key parts:
 - a) Proposed Amendment 113, that establishes the statutory provisions to operationalise the DCP, including a Special Control Area (Development Control Area – DCA 2) on the LPS3 map and provisions in Schedule 12; and
 - b) The DCPR, which provides the background (i.e. needs analysis, designs and quantities) and variable information (i.e. rate estimates and priority of delivery).
14. **2023 Metropolitan Region Scheme Amendment – the Green Link**
Pursuant to the April 2023 resolution (OCM 46/2023), the City also lodged a Metropolitan Region Scheme (MRS) Amendment request with the Department of Planning Lands and Heritage (DPLH) to reclassify areas of Local Open Space (LOS) areas in the 'Green Link' (a regionally significant ecological corridor transecting the LSP area) from the existing zoning of Urban to be reserved as 'Parks and Recreation'. Further detailed discussion

and background regarding the Green Link is provided in the Ordinary Council Meeting reports to April and December 2023 (OCM 46/2023; OCM 179/2023).

- 15. The City will continue to liaison with the DPLH with a view to progressing the MRS Amendment request, which has significant relevance to A113 and the draft HWS DCP.
- 16. The draft HWS DCP omits the land costs for approx. 7.35ha of LOS currently identified in the 'Green Link' as it is expected the subject land will be reclassified to 'Parks & Recreation under the MRS, pursuant to the City's current MRS amendment request.

DETAILS AND ANALYSIS

17. **Development Contribution Plan Report**

The City has prepared a draft DCPR (Attachment 2) to accompany A113 and inform the draft DCP. Collectively, these documents set out the calculation of the cost contributions applicable for future development in the DCA, in accordance with the methodology to be outlined in LPS3 through A113. While A113 will be a fixed part of LPS3 until formal review, the draft DCPR is intended to be a dynamic document that is reviewed annually and accordingly does not form part of LPS3.

18. **Draft 2024 HWS Residential Precinct DCP Summary**

| | |
|--|---|
| DCA2 total gross area: | 994,266m ² |
| DCA2 Net Contribution Area (NCA): | 594,129m ² |
| Estimated cost of DCP funded infrastructure: | Construction: \$33.56m or \$56.48/m ² Land: \$9.35m or \$15.73/m ² |
| Estimated cost of administration: | \$2.56m or \$4.31/m ² |
| Proposed Cost Contribution Rate: | \$76.52/m ² |
| Operational period: | 30 years |

19. **DCP Infrastructure**

The draft HWS DCP facilitates the coordinated provision of various common infrastructure items as outlined in proposed Schedule 12 of LPS3 (Attachment 1), and further informed through Part 2 of the draft DCPR (Attachment 2). In summary, the draft HWS DCP facilitates the coordination of:

- a) Road and intersection construction;

- b) District drainage infrastructure;
- c) Land for public purposes (i.e. roads and intersections, LOS and drainage areas outside of the Green Link); and
- d) Administration costs.

20. **Infrastructure Designs**

The estimated costs identified in the draft DCP are based on a concept level of design (15 per cent design status) to inform the cost estimates of infrastructure. Refer to the draft DCPR (Attachment 2) appendices for all current infrastructure designs.

21. In 2024/25 the City has identified budget to further progress the infrastructure designs and investigations for all infrastructure in the DCP. Detailed Designs will further refine the quantities informing the DCP, thereby providing further confidence regarding the cost estimates and acquisition areas (land costs). The City's 2024/25 Budget includes \$300,000 for detailed planning in High Wycombe South to undertake these further investigations and design work.

22. Detailed designs provide an opportunity to determine cost implications with greater confidence. This process enables more meaningful engagement with servicing authorities (e.g., Western Power, Water Corporation and ATCO Gas) and could identify alternative design solutions that impact on estimates costs in the DCP.

23. The quantum of work and costs to prepare detailed designs (85%) is significant and it would not have been appropriate use of resources to prepare a draft DCPR with that level of design, however as greater certainty is provided regarding the inclusion of infrastructure in the DCP, it is appropriate to undertake further detailed design at this juncture to inform early reviews of the DCPR.

24. **Bill of Rates and Quantities (BOQs)**

The planning framework requires the costs of infrastructure to be transparent, appropriate and reviewed at least annually. The draft DCPR and appended BOQs provide a comprehensive breakdown of the above costs in the form of BOQ's and Estimates, including apportionment where relevant.

25. The BOQs were initially developed in 2022, and further peer reviewed in 2023 by independent and suitably qualified consultants having regard to:

- a) the concept designs to inform the rates; and
- b) market evidence to inform the cost estimates.

26. In 2024 the City engaged an independent quantity surveyor to:
- a) Establish an appropriate percentage of escalation figure to be applied to the 2023 Bill of Quantities; and
 - b) Undertake a comparative peer review of the Drainage and public open space (POS) BOQ's to ensure no duplications in quantities.

27. The below table summarises the findings, and any modifications made to the DCP as a consequence of the 2024 BOQ review:

| RECOMMENDATION/FINDING | CITY COMMENT | RATE IMPACT |
|--|---|----------------------|
| a) Recommended cost escalation percentage of +2.13% for Roads and Intersections. | a) Recommended rate applied to 2024 DCP. | +0.72/m ² |
| b) Recommended cost escalation percentage of +6.60% for Public Open Space. | b) Recommended rate applied to 2024 DCP. | +2.84m ² |
| c) Recommended cost escalation percentage of +6.39% for Drainage. | c) Recommended rate applied to 2024 DCP | -0.11/m ² |
| d) Identified a reduced assumption for clearing and earthworks within the Drainage BOQ's, to align with the POS Concept Plans. | d) Drainage BOQ's updated as recommended. | |

28. **2024 Infrastructure Cost Estimates**
The 2024 BOQs informing and appended to the DCPR have been updated with the recommended cost escalation.

29. A comprehensive breakdown of the 2024 cost estimates and appended BOQ's informing the proposed DCP are provided in the draft DCPR (Attachment 2).

30. The updated infrastructure cost estimated result in an forecast contribution rate of \$76.52/m².

31. **2024 Land Cost Estimates**
The DCP imbeds \$9.35 million in land estimates, intended to facilitate the acquisition of land required to enable the delivery of DCP infrastructure. The rate informing the estimates will be reviewed annually, informed by independent land valuations and pursuant to the City's statutory obligations. Part 3.5 of the draft DCPR (Attachment 2) provides comprehensive detail regarding land estimates.

32. **Operational Period (30 Years)**
A DCPs lifespan commences following the gazettal of the Ministers approval of the scheme amendment to introduce the DCP and concludes when all development throughout the HWS Residential Precinct has occurred, or all infrastructure has been delivered, and all cost contributions are accounted for.
33. The City is only able to levy cost contributions once the DCP has been approved by the Minister and at the time of development; that is when the land is subdivided and/or the site is improved through development. Consequently, the collection of DCP funds is contingent upon the rate of development within the HWS Residential Precinct, and should the nominated lifetime be inadequate to ensure all contributions are collected, it would result in a shortfall of funds required for the delivery of infrastructure.
34. Whilst the planning framework (SPP 3.6) suggests a maximum lifespan of 10 years, it also acknowledged the lifespan should be linked to completion of development or subdivision to ensure infrastructure costs are shared equitably amongst all beneficiaries.
35. The DCP proposed through A113 is proposed to have a 30-year lifespan, reflecting the scale and complexity of development, infrastructure provision, and anticipated build out horizon of the HWS Residential Precinct. Refer to Section 1.8 of the draft DCPR (Attachment 2) for detailed justification for the protracted lifespan of 30 years.
36. It is acknowledged that the current planning framework enables, at the discretion of the Minister, an inadequate lifespan (i.e. 20 years) to be further extended in the future. There is however no assurance that the relevant Minister of the day will approve an extension. A similar approach was successfully taken with the City's Forrestfield /High Wycombe DCP (Amendment 101) in 2023 (OCM08/2023).
37. The nominated lifespan of the DCP does not impact upon the priority and timing of infrastructure delivery. Infrastructure is delivered through the DCP as funds become available, through levied development contributions, or at times sooner through alternative funding mechanisms (i.e. loaning from municipal funds, advocacy funding etc.). While alternative pre-funding mechanisms can positively influence the priority and timing of infrastructure delivery, the levying of development contributions rate is contingent upon the rate of development in the HWS Residential Precinct. It is important for the DCPs lifespan to be sufficient to ensure development contributions are received from all future urban development in the HWS Residential Precinct, upholding equity in the application of the DCP.

38. ***Nominated Lifespan Impact on Administrative Cost***
The DCP includes costs for its administration, which are directly informed, and thereby variable, by the DCP's nominated lifespan:
- a) 10-year operational period = \$1.02 million, or \$1.72/m²
 - b) 20-year operational period = \$1.79 million, or \$3.01/m²
 - c) 30-year operational period = \$2.56 million, or \$4.31/m²
39. Whilst a reduced lifespan (<30-years) would reduce administration costs for early developers, it is likely that there would be future requests for extension to the operational life, which would re-introduce those administration costs later. Such an approach would result in a deficit of funds at the end of the DCP. Should development occur at a rate faster than forecast, the DCP can be closed / terminated earlier than forecast with any surplus funds redistributed throughout the HWS Residential Precinct.
40. Clause 6.5.17 of LPS3 outlines the required actions where there is a shortfall or excess of funds when all cost contributions have been made or accounted for in the DCP. In summary:
- a) Shortfall – the local government may make good the shortfall (municipal funds), enter into agreements with landowners to fund the shortfall, and/or loan fund the shortfall.
 - b) Excess – the local government is required to identify owners and their entitled amount and refund excess funds to contributing landowners. If it is not reasonably practical to identify owners and/or the entitled amount, funds should be applied to the provision of additional facilities or improvements throughout DCA2.
41. The financial risk of future amendments to the lifespan needs to be understood at the time of preparing and approving the DCP. The methodology for calculating development contributions applies a static estimate of costs. It is therefore important for the operational period to be accurate at commencement, to ensure equity and certainty throughout the lifetime of the DCP. Should the forecast lifespan be inadequate at the commencement of the DCP, it would result in an under collection of administrative costs at the start, thereby exposing the City to financial risk and compromising the certainty of infrastructure delivery due to a shortfall of funds at the end of the DCP.

42. **POS land costs in the DCP**
The planning framework requires ten per cent of gross subdividable area (9.32 hectares of the HWS Residential Precinct) to be POS at the time of development, provided through:
- Directly vesting the land to the crown; or
 - Alternatively, a cash-in-lieu contribution.
43. The LSP identifies a surplus of LOS throughout the HWS Residential Precinct. Excluding the 'Green Link', 15% (14.42 hectares) of the HWS Residential Precinct is comprised of LOS, of which:
- 10% (9.95 hectares) exists under public tenure (City of Kalamunda).
 - 5% (4.48 hectares) exists under fragmented private tenure, proposed to be acquired through the DCP.
44. Due to fragmented distribution and ownership of LOS throughout the HWS Residential Precinct, the DCP proposes to coordinate the acquisition of 5% of LOS land remaining in private tenure. This will provide a total of approximately 15% of LOS within the HWS Residential Precinct and represents \$6.88m, or a cost contribution of \$11.57/m².
45. **Method of Calculating Cost Contributions (\$/m²)**
There are two conventional approaches to calculating a unit of charge under a DCP:
- Density rate - per dwelling/lot unit; or
 - Development area rate - land area (ha or m²) unit.
46. State Planning Policy 3.6 (SPP3.6) recommends that cost apportionment for residential areas is based on a per dwelling unit of charge, rather than per land area unit, to scale the contribution according to the demand on infrastructure. This methodology provides a greater degree of equity applying a strict principle of 'beneficiary pays'. For example, higher density development would generate more residents/users than a medium density development, which would generate higher demand on roads infrastructure, POS and drainage. This methodology is appropriate where there is greater certainty regarding development yields and the rate of development.
47. In the context of this DCP, with a proposed 30-year lifespan, and a range of densities provided under the LSP, applying a density rate has the risk that varying development yields will result in a surplus or deficiency of development contribution funds over time.
48. There is uncertainty with applying a density-based rate. With the potential to create an inequitable environment for landowners and developers, and a financial risk to the City if additional municipal funds are required to supplement the provision of infrastructure.

49. A development area rate (e.g. per m²) provides a certain outcome, as the NCA will not change over the lifespan of the DCP, and therefore a consistent unit of charge will be applied through each review and recalculation period. This will reduce the risks of under or over collecting contributions.
50. For the reasons outlined above, there is strong justification under the principles established under SPP 3.6 (certainty and consistency) for a development area rate (per m²).
51. **Development Feasibility**
In 2023 the City engaged the services of an independent property advisory consultancy, to undertake a Feasibility Analysis. The Feasibility Analysis provided an evidence-based approach to satisfy SPP 3.6 requirements against the core principle of ensuring reasonable cost for the DCP. It recommended an appropriate threshold for the forecast cost contribution levy while maintaining feasibility and supporting densities and development product in line with the HWS Residential Precinct LSP.
52. In 2024 the City obtained updated advice to the Feasibility Analysis, further testing the developed financial model under the following variables:
- a) Consideration of *Operational Policy 2.4* which provides a framework for an additional development levy for government schools.
 - b) Further consideration of the land acquisition costs for POS within the Green Link.
 - c) Reducing the proposed lifespan of the DCP; from 30 to 20 years.
53. Together, the 2023 and 2024 Feasibility Analysis' make the following findings and recommendations notable to the current review:
- a) It was viewed by stakeholders that fragmented land ownership and land price expectations are the biggest constraints to development in the area.
 - b) Land costs associated with LOS within the 'Green Link' would significantly impact on the viability of development.
 - c) Reducing the lifespan of the DCP (30 to 20 years) would not provide the critical mass of contributions required to deliver all infrastructure within the DCP without alternative funding mechanisms (i.e. grant funding, municipal funds). Should a reduction be applied, a reduced NCA (contribution base), is encouraged to ensure the collection of all funds required to deliver all infrastructure proposed through the DCP.
 - d) Development in the precinct is highly sensitive to any cost increases to land value and construction costs.

54. It is important to note the costs presented in the 2024 Feasibility Analysis is based on preliminary information available at the time of undertaking the investigation and preparing the report (i.e. 2023 cost estimates). These costs have since been further refined and validated for the purposes of presenting A113 and associated draft DCPR within the consideration period specified by the *Planning and Development (Local Planning Schemes) Regulations 2015*. The discrepancies are noted and reflect information at a “point in time”, however the appropriate detail associated with the DCP, the subject of the Council's consideration, are contained in the draft DCPR.
55. **2024 Actions**
- Since the December 2023 update Report (OCM 179/2023) the following has occurred:
- a) A public consultation period of 97 days (refer to stakeholder engagement section of this report for further information).
 - b) Modifications to the DCP in response to submissions.
 - c) The rates applied to land costs have been updated, pursuant to the 2024 Land Valuation.
 - d) A peer review and update of all Bill of Quantities and estimates from a Quantity Surveyor.
 - e) The City has engaged with state agencies and key decision makers advocating with the intent to minimise the infrastructure costs in the DCP.
 - f) All estimates have been updated to reflect the above actions/findings.
56. **Modifications to Amendment 113 & the draft DCPR**
- The following notable modifications have been made to the 2024 DCP:
- a) Removal of improvement costs to the TOD Boulevard LOS.
 - b) Updated land rate, pursuant to external advice received from an independent Land Valuer.
 - c) Applied percentage of escalations to all 2023 BOQ's, pursuant to advice received from an independent Quantity Surveyor.
 - d) Applied a reduced assumption for clearing and earthworks within the Drainage BOQ's, to align with the POS Concept Plans.
 - e) Rephrased the NCA definition in the DCPR.
57. For completeness, each of the above noted modifications are discussed below including commentary on the potential risks, long term consequences and impacts associated with each modification.

58. **Modification A: removal of improvement costs for the TOD Boulevard LOS**

The TOD Boulevard POS is a 5,824m² lineal site identified as LOS on the LSP, designed to run parallel to the eastern and western reservations of the TOD Connector (New road - RD04).

59. Location of TOD Boulevard LOS (Source: POS Conceptual Designs):



60. The 2023 DCP proposed to include improvement costs for the TOD Boulevard POS; with a total improvement cost of \$538,871, which equated to \$0.91/m² (2023 estimates).

61. Submissions were received objecting to the inclusion of this cost to the DCP, noting the site will not function as a POS site, and rather a landscaped verge.

62. The City has modified the 2024 DCP in response to this concern; removing improvement costs for the TOD Boulevard POS.

63. Modification A has reduced the DCP infrastructure estimates by \$574,436 or \$0.97/m² (2024 cost escalation applied).

64. **Modification B:** Updated land rate, from \$140/m² (R30-R60) and \$145/m² (R60-R100), to \$150/m² (R30-R60) and \$155/m² (R60-R100), pursuant to external advice received from an independent Land Valuer (Attachment 2, Appendix J).

65. Modification B has increased the forecast DCP land estimates by \$610,019 or \$1.03/m².
66. **Modification C:** Pursuant to advice received from an independent Quantity Surveyor, applied percentage of escalations to all 2023 BOQ's.
67. Modification C has increased the DCP infrastructure estimates by \$2.05 million or \$3.45/m².
68. **Modification D:** Refined drainage quantities in the BOQ's to align with the spatial assumptions applied through the LOS Concept Plans, pursuant to external advice received from an independent Quantity Surveyor.
69. **Modification E: rephrasing of the NCA methodology**
 The Net Contribution Area (NCA) methodology has been modified in Section 4.2 of the DCPR (Attachment 2) as follows (modifications are in bolded text):
- "In calculating a landowners NCA and the total area of land in the DCA that is liable to this DCP, the following land is identified as unviable for development and therefore excluded from the NCA:*
- a) *Classification as 'Environmental Conservation'.*
 - b) *Classification as 'Local Open Space'.*
 - c) **Existing approved roads** *All roads identified on the High Wycombe South Local Structure Plan Map, inclusive of widening and realignment requirements.*
 - d) *Drainage basis in required in accordance with the approved Local Water Management Strategy.*
 - e) **Land** *identified for other public purposes (i.e. primary school site).*
 - f) *Portions of land which are otherwise constrained for development due to their size, shape, tenure and access limitations. "*
70. **High Wycombe South Advocacy Priority**
 Through effective advocacy and planning, Council is creating a future for High Wycombe and broader district that supports employment opportunities, good connections and liveability for its residents.
71. The City's Advocacy Strategy – Kalamunda Advocates is a structured process of influencing others to create change. It is often aimed at decision makers to make positive changes to public policy or resourcing for community benefit. The strategy seeks to drive effective change at Government policy and steer investment towards ensuring local priorities are supported.

- 72. There is a strong evidence base of Council strategies and plans that support this initiative being considered as a strategic priority for the City, including the Local Planning Strategy, Strategic Community Plan and suite of technical documents.
- 73. Having regard to the potentially significant risks, long term consequences and impacts on the City's current and future community enabled via the draft DCP, there is a role for the City to detail this project as a priority project for its future advocacy strategy, particularly as it relates to the transition and early activation of the HWS Residential Precinct.
- 74. The development of appropriate supporting documentation and approach to help make positive decisions and changes will require expenditure on consultant services and development of advocacy material. Budget allocation has been set aside for detailed planning in High Wycombe South. Any expenditure on advocacy material is unlikely to be cost recovered through the DCP.
- 75. The DCP will provide a clear and accountable instrument for the City to seek external grant funding from third parties (e.g. State Government) to support the delivery of all infrastructure identified in the DCP and to supplement municipal funding. In particular, there is strong justification to advocate for State and Federal funding to facilitate affordable and diverse housing in the HWS Residential Precinct, leveraging off significant infrastructure investment (e.g. Gateway WA and the Metronet Airport Link Railway).

APPLICABLE LAW

- 76. **Planning and Development (Local Planning Schemes) Regulations 2015 (LPS Regulations)**

Part 7 of the LPS Regulations establishes that a DCP must set out the development contribution area, items of infrastructure included, method of determining the cost contribution, priority and timing for infrastructure, review frequency and the operation period.
- 77. Regulation 37(4) of the *Planning and Development (Local Planning Schemes) Regulations 2015* (LPS Regulations) required the WAPC to examine Amendment 113 documents and advise the City if the Commission considers that any modification to the documents is required before the amendment is advertised.

78. Scheme amendments for DCPs are required to be progressed as a 'complex amendment', requiring additional approval requirements from the WAPC prior to an extended advertising period (60 days). It is noted that the City sought, and received approval from the WAPC for, an extended advertising period of 90 days.
79. Once Amendment 113 is approved and published in the Government Gazette, it will have effect of law and will enable the levying of contributions triggered by development, for infrastructure identified in the DCP.
80. Should the City determine development or subdivision applications within the HWS Residential Precinct prior to the gazettal of A113, Regulation 73 of the *LPS Regulations* further supplemented by *Local Planning Policy 25 (Interim Development Contribution Arrangements)*, enables the City to require interim development contribution arrangements to secure a future contribution upon gazettal of Amendment 113.
81. **City of Kalamunda Local Planning Scheme No. 3 (LPS 3)**
 A113 proposes to establish the DCP in LPS3 through:
- a) Introducing a Special Control Area on the LPS3 Scheme Map, known as DCA2; and
 - b) Amending Schedule 12 of LPS3 to include the DCP for the HWS Residential Precinct as DCA2.
82. Proposed Schedule 12 of LPS3 provide the statutory provisions to enable the administration of the DCP and set out the following details:
- a) The area name.
 - b) Relationship to other planning instruments.
 - c) Infrastructure and administrative items to be funded through the DCP.
 - d) Method for calculating contributions.
 - e) Period of operation.
 - f) Timing and priority principles for future infrastructure delivery.
 - g) Review process and reporting obligations.
- Refer to Attachment 1 for the proposed LPS3 modifications.
83. Schedule 12 is to be read in conjunction with Clause 6.5 (Development Contribution Areas) of LPS3; which sets out the establishment, implementation and operation of DCPs operable within the City.

APPLICABLE POLICY

84. **Liveable Neighbourhoods**
Liveable Neighbourhoods 2009 is an operational Policy of the WAPC for the design and assessment of new urban development within Western Australia. The Policy has guided specifications for infrastructure forecast by the DCP, for instance, road classifications.
85. **State Planning Policy 3.6 – Infrastructure Contributions**
SPP 3.6 provides the State’s policy control and guidance to DCPs, setting out a framework for the coordination and delivery of infrastructure in new and established urban areas throughout WA. The central intent of SPP 3.6 is to establish the eight (8) core principles to be applied when preparing and administering a DCP.
86. **WAPC Development Control Policy 2.3 – Public Open Space in Residential Areas**
DC 2.3 establishes the principles of 10% of gross subdividable area being provided as Public Open Space (POS), and seeks to ensure that all residential development is complemented by adequate areas of POS that will enhance the amenity of development and provide for recreational needs of residents.
87. **WAPC Development Control Policy 2.6 – Residential Road Planning**
DC 2.6 outlines the WAPC’s specifications and requirements for the planning and design of roads in residential areas.
88. WAPC Operational Policy 1.1 – Subdivision of Land (General Principles)
89. WAPC Development Control Policy 2.2 Residential Subdivision
90. WAPC Development Control Policy 2.3 – Public Open Space in Residential Areas establishes the principles of 10 per cent of gross subdividable area being provided as POS.
91. City of Kalamunda Local Planning 11 – Public Notification of Planning Proposals
92. City of Kalamunda Local Planning Policy 24 - Development Contribution Arrangements
93. City of Kalamunda Local Planning Policy 25 - Interim Development Contribution Arrangements

STAKEHOLDER ENGAGEMENT

94. The City concurrently advertised Amendment 113 (Attachment 1) and the modified draft DCP Report (Attachment 2) for a period of 97 days (31 January 2024 to 6 May 2024) via the following methods:
- a) A publication on the City's website;
 - b) A copy of documents available for inspection at the City's Administration Centre;
 - c) Letters to all landowners within and adjacent to DCA2;
 - d) Letters to all relevant public authorities and utility agencies; and
 - e) A newspaper advertisement.
95. A total of 42 submissions were received during the advertising period. In summary:
- a) 3 were from public authorities.
 - b) 2 were re-submitted multiple times by different landowners.
 - c) 37 submitted objections.
96. **Summary of Public Submissions**
Attachment 3 provides a copy of all verbatim submissions, alongside the City's response to each individual submission.
97. The following common themes were identified throughout the submissions:
- a) The DCP is economically unviable.
 - b) The Contribution Rate is too high in comparison to other residential DCPs.
 - c) The DCP lifespan should be 10 years.
 - d) Disagreement with the road acquisition methodology.
 - e) Further information is required in the DCPR.
 - f) Improvement costs for POS sites 3-5 (Green link) and the TOD Boulevard site should be removed from the DCP.
 - g) The delivery of the TOD Connector (road item) should not be wholly borne by the DCP.
 - h) DCP is not the appropriate mechanism.
 - i) DCP fails to consider the financial implications of WAPC Operational Policy 2.4 (Planning for School Sites) (OP2.4).
 - j) Other matters not relevant to Amendment 113 and associated DCP.
98. For completeness, each of the above noted themes are discussed in further detail below.
- Theme A: The DCP is economically unviable*
99. The City commissioned an independent Feasibility Analysis in 2023 to test the viability of the contribution rate, which was further extended and

updated in 2024. Ultimately, the Feasibility Analysis concluded, using financial modelling, that the proposed contribution rate (\$76.52/m²) is viable to enable the development of the HWS Residential Precinct, however, is highly sensitive to development cost shock or higher land values.

Theme B: The Contribution Rate is too high in comparison to other residential DCPs.

- 100. No two DCPs are alike; consequently, accurate comparisons aren't possible. Rather than compare the proposed contribution rate to others with the Perth Metropolitan Region, the City has commissioned the 2023 and 2024 Feasibility Analysis', which have ultimately determined that the proposed contribution rate is viable to enable the development of the HWS Residential Precinct.
- 101. Nonetheless, the following table outlines the findings of a desktop analysis, which ultimately concluded the proposed contribution rate is not only comparable, but at times lower, than comparative residential DCPs in the Perth Metropolitan Region.

| DCP | EST. | RATE |
|--|------|---|
| a) City of Gosnells DCA No. 4 - Central Maddington Structure Plan | 2013 | R20 - \$44.31/m ² R30 - \$66.47/m ² R40 - \$88.62/m ² R80 - \$177.24/m ² |
| b) City of Armadale - DCA No. 4 Anstey Keane Urban Precinct in Forrestdale | 2019 | \$45.60/m ² |
| c) City of Armadale - DCA No. 8 West of Rail Redevelopment Area (Draft) | 2021 | \$65.83/m ² |

Theme C: The DCP lifespan should be 10 years

- 102. The forecast development rates suggest that 25% of the HWS Residential Precinct will be developed, and consequently make a development contribution within the first ten years. A 10-year lifespan would therefore be insufficient to collect funds necessary for substantial infrastructure delivery to service the HWS Residential Precinct and will not provide the required certainty for delivery of infrastructure items, inconsistent with SPPP 3.6.
- 103. The City has reconsidered the proposed lifespan of 30 years, concluding the protracted lifespan is imperative to ensure an equitable and feasible DCP.

Theme D: Disagreement with the road acquisition methodology

104. When establishing the DCP, the City is required to apply the most equitable methodologies for administration. The road acquisition methodology, as outlined in the DCPR (Attachment 2), provides the most equitable outcome for acquiring land for DCP road upgrades.

Theme E: Further information is required in the DCPR

105. The City has acknowledged the feedback and updated the DCPR to provide further information as appropriate. Please refer individual responses to submissions (Attachment 3) for specific modifications.

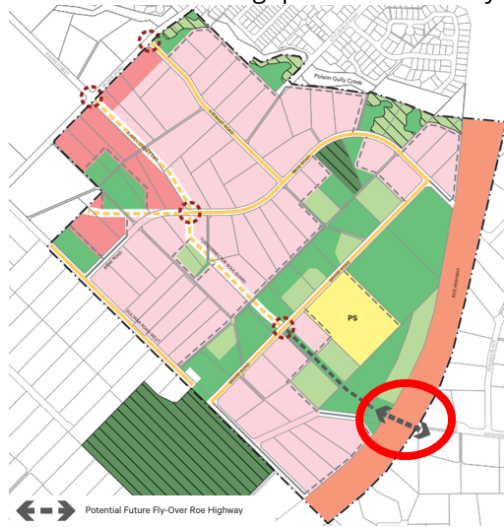
Theme F: Improvement costs for POS sites 3-5 (Green link) and the TOD Boulevard site should be removed from the DCP.

106. The improvement costs have been included given that, notwithstanding the environmental values that exist in the Green Link, and the justification for acquisition of this corridor to be funded through the MRIF, there are small areas of this corridor that will function as recreational parks that will serve the needs of the local community. The State Planning Framework provides for land reserves for Parks and Recreation to be used for an appropriate local (as well as a regional) purpose and therefore it is possible for any local improvement costs to be identified within the DCP.
107. As noted above in the LOS section of this report, the improvement costs associated with the TOD Boulevard have been removed as an item funded by the future DCP.

Theme G: The delivery of the TOD Connector should not be wholly borne by the DCP.

108. The TOD Connector (RD04) is a new road (neighbourhood connector A – two way, one lane divided carriageway) modelled to be required by 2031.
109. The 2024 DCP estimates \$2.65 million, or \$4.47/m² to deliver RD04; with the DCP proposed to fund 100% of the cost.
110. Submissions were received objecting to the proposed apportionment of 100%, suggesting the apportionment is not representative of future traffic distribution, once the “potential future flyover” identified on the LSP is delivered.

111. Extract of LSP showing “potential future flyover”:



112. The “potential future flyover” is intended to connect the HWS Residential Precinct with the future Maida Value South urban area, on the other side of Roe Highway.
113. At the time of writing this report, the “potential future flyover”, while identified on LSP documentation, is not approved or proposed for delivery within the proposed lifespan of the DCP (30 years). The demand for the “future flyover” will be explored as part of planning for Maida Vale South.
114. To inform the DCP and to ensure compliance with the need and nexus principles outlined in SPP 3.6, road infrastructure costs contained within the DCP have been apportioned, where appropriate, in accordance with the percentage of demand informed by the TMR (Attachment 2, Appendix A). The TMR determines the origin of demand or generator for upgrades to, or the provision of, the various established infrastructure items.
115. Acknowledging there are no approvals, and therefore no certainty, for the “future flyover” into Maida Vale South, the TMR models 100% of traffic on the TOD Connector Boulevard being generated from the HWS Residential Precinct.
116. Should the “future flyover” be approved in the future, the apportionment of this infrastructure item (RD04) could be modified, through a complex scheme amendment, in accordance with demonstrated modelling.
117. Nonetheless, the City actively continues its Advocacy Campaign for alternative funding for the HWS Residential Precinct, with the intent of reducing costs to the DCP.

Theme H: a DCP is not the appropriate mechanism

118. Alternative funding mechanisms were explored by the City in late 2022, with the findings summarised in the Feasibility Analysis. Ultimately, it was determined that a DCP provides the most equitable an outcome.

Theme I: the DCP fails to consider the financial implications of WAPC Operational Policy 2.4 (Planning for School Sites) (OP2.4)

119. OP2.4 establishes a framework for a state-wide development levy, used to develop new (public) schools throughout the state.
120. OP2.4 establishes that all new residential lots created through the subdivision process (including survey strata) generate demand for a public primary school sites based on a ratio of one 4-hectare primary school site for every 1,500 dwellings and each new eligible lot will contribute 1/1500th the value of a 4-hectare site. In the case of DCA2, this represents \$9 million for DCA2 or +\$15.19/m² (informed by the 2023 land valuation of \$140/m²).
121. This development levy is not included in the DCP and is an additional development cost when exploring feasibility of development in the HWS Residential Precinct.
122. The financial model developed to inform the 2024 Feasibility Analysis did consider the implications of OP2.4.
123. The implications of OP2.4 on development feasibility in DCA2 was further explored through the 2024 Feasibility Analysis. The analysis concluded that the current DCP remains viable with the additional development levy for school sites, although sensitive to development cost shock and higher land values.

FINANCIAL CONSIDERATIONS

124. Costs associated with public advertising were met through the Development Services annual budget.
125. There are significant long term financial uncertainties discussed in the Details and Analysis and Risk Management sections of this Report. In summary, these uncertainties include:
- a) Future costs of acquiring land within the Green Link
 - b) Future costs of improving LOS; and
 - c) Long term financial and capital expenditure planning regarding the operational life of the DCP.

- 126. The City's 2024/25 Budget identifies \$300,000 to undertake further investigation and design work for infrastructure in support of the DCP.
- 127. It is noted the updated forecast contribution rate is identified to be \$76.52/m².

SUSTAINABILITY

- 128. The DCP will create a framework for the facilitation of infrastructure to service new development in the HWS Residential Precinct. The planning and coordination of infrastructure through a DCP is important for the long term economic and social development of the community.

RISK MANAGEMENT

129.

| | | |
|--|-------------------|---------------|
| Risk: The WAPC / Minister for Planning does not support Amendment 113 and DCP Report as advertised and requires further modifications and re-advertising. | | |
| Consequence | Likelihood | Rating |
| Significant | Possible | High |
| Action/Strategy | | |
| Ensure that the WAPC and Minister for Planning understand the consequences of requiring the outstanding suggested modifications. | | |

130.

| | | |
|---|-------------------|---------------|
| Risk: The approach to not accept WAPC modifications relating to the Green Link and the operational period results in delays to finalise the DCP. | | |
| Consequence | Likelihood | Rating |
| Significant | Likely | High |
| Action/Strategy | | |
| Continue to engage with the DPLH to reach key decisions and consensus when finalising its assessment on Amendment 113. | | |
| Ensure that the WAPC and Minister for Planning understand the consequences of requiring the unsupported modifications. | | |

- 131.
- | | | |
|--|-------------------|---------------|
| Risk: Uncertainty regarding the outcome of Amendment 113 delays the activation of development in the precinct. | | |
| Consequence | Likelihood | Rating |
| Major | Possible | High |
| Action/Strategy | | |
| <p>Ensure that the WAPC and Minister for Planning understand the consequences of requiring the outstanding suggested modifications.</p> <p>Ensure appropriate communication with stakeholders.</p> <p>Continue to support landowners and prospective developers to facilitate due diligence and planning with as much certainty as possible at this stage of the planning process.</p> | | |
- 132.
- | | | |
|--|-------------------|---------------|
| Risk: The forecast cost contribution rate increases above the recommended threshold, resulting in an undue impact on development viability in the precinct. | | |
| Consequence | Likelihood | Rating |
| Major | Possible | High |
| Action/Strategy | | |
| <p>Seek grant funding and support prospective developers with their application for grant funding, for enabling infrastructure for development in the precinct.</p> <p>Ensure appropriate communication with stakeholders.</p> <p>Advocate for the State and any other interested parties to prefund items of infrastructure to mitigate future financial risk.</p> <p>Investigate alternative ways to fund additional Local Open Space costs.</p> | | |
- 133.
- | | | |
|---|-------------------|---------------|
| Risk: If Green Link costs or local open space improvement costs are not funded by the State or the proposed DCP, the City will need to find alternative funds. | | |
| Consequence | Likelihood | Rating |
| Critical | Possible | High |
| Action/Strategy | | |
| <p>Investigate alternative ways to fund additional Local Open Space costs including the possibility of implementing a development agreement plan and potentially special area rating mechanisms.</p> <p>Ensure appropriate communication with stakeholders.</p> | | |

134. **Risk:** A reduced DCP operational period of 20 years results in uncertainty about infrastructure funding and delivery and potential financial risks to the City.
- | Consequence | Likelihood | Rating |
|--|------------|--------|
| Critical | Possible | High |
| Action/Strategy | | |
| Illustrate long term capital expenditure implications to the WAPC and Minister for Planning as part of the finalisation of Amendment 113. Advocate for the State to prefund items of infrastructure to mitigate future financial risk. | | |
135. **Risk:** If WAPC requires that the DCP fund Green Link land costs, at the expense of local open space improvements costs, this could result in poor levels of service in parks, and associated social and amenity impacts on the future community.
- | Consequence | Likelihood | Rating |
|---|------------|--------|
| Major | Possible | High |
| Action/Strategy | | |
| Ensure appropriate communication with stakeholders. Ensure that the WAPC and Minister for Planning understand the consequences of requiring the outstanding suggested modifications. | | |
136. **Risk:** The WAPC / Minister for Planning does not support Amendment 113 and DCP Report and alters the forecast contribution rate.
- | Consequence | Likelihood | Rating |
|---|------------|--------|
| Critical | Possible | High |
| Action/Strategy | | |
| Ensure appropriate communication with stakeholders. Ensure that the WAPC and Minister for Planning understand the consequences of requiring the outstanding suggested modifications. | | |

CONCLUSION

137. DCPs by are complex planning instruments. Given the number of stakeholders involved and affected by DCPs, there is inherent risk that not all stakeholders will be satisfied with the outcomes of the DCP. It is important for Council to be cognisant of this and balance the outcomes of the DCP against the requirements of SPP 3.6, development viability throughout the HWS Residential Precinct and the broader interests of the community.

- 138. There are potential risks, long term consequences and impacts associated with the WAPC’s suggested modifications on the transition of the HWS Residential Precinct. It will be important for the City to work collaboratively with the DPLH and engage with the WAPC and Minister for Planning to facilitate a clear understanding of the issues and outcomes sought by the City. An advocacy approach is also considered necessary as it could support State Government investment and development opportunities, particularly as it relates to the transition and early activation of the precinct.
- 139. Ultimately and as prescribed in legislation, the decision to finally adopt or otherwise the DCP lays with the Minister for Planning. The Council plays a part in that process by providing recommendations however is not the ultimate decision maker.
- 140. Having regard to the above, it is recommended that the Council support a modified Support A113 to the LPS3 (Attachment 1), and draft DCPR (Attachment 2), and forward its recommendation to the WAPC and Minister for Planning for approval.

| |
|---|
| Voting Requirements: Simple Majority |
|---|

RECOMMENDATION

That Council:

- 1. NOTE the submissions received during advertising of Amendment 113 to City of Kalamunda Local Planning Scheme No. 3, and the draft Development Contribution Plan Report.
- 2. SUPPORT the modified Amendment 113 to City of Kalamunda Local Planning Scheme No. 3 (Attachment 1), pursuant to Regulation 41 (3)(b) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
- 3. SUPPORT the modified draft High Wycombe South Residential Precinct Development Contribution Plan Report (Attachment 2) for the purposes of submitting Amendment 113 for approval under section 87 of the *Planning and Development Act 2005*.
- 4. CONSIDER Amendment 113 to City of Kalamunda Local Planning Scheme No. 3 a complex amendment, pursuant to Regulation 35 (2) and 72 of the *Planning and Development (Local Planning Schemes) Regulations 2015* for the following reasons:
 - a. The amendment proposes a Development Contribution Plan.
 - b. The amendment is not a standard or basic amendment.

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5. PROVIDE the Council's resolution and associated documents regarding Amendment 113 to City of Kalamunda Local Planning Scheme No. 3 to the Western Australian Planning Commission pursuant to Regulation 44 of the *Planning and Development (Local Planning Schemes) Regulations 2015*
6. NOTE the City of Kalamunda Chief Executive Officer will continue to make representations to the Western Australian Planning Commission to amend the Metropolitan Region Scheme, to reclassify areas identified as Local Open Space within the 'Green Link' on the High Wycombe South Residential Precinct Local Structure Plan, from urban to Parks and Recreation Reserve.
7. NOTE the City of Kalamunda Chief Executive Officer continue to undertake an advocacy campaign focussed on minimising infrastructure cost to the DCP, encouraging government pre-fundings for enabling infrastructure, and supporting the transitions of landowners and activation of development in the High Wycombe South Residential Precinct.

10.2. Asset Services Reports

10.2.1. RFT 2413 Supply and Lay of Major Asphalt - Award of Tender

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Anthony Vuleta declared an Interest affecting Impartiality on Item 10.2.1 for RFT 2413 Supply and Lay of Major Asphalt – Award of Tender. Mr Vuleta declared an impartiality interest as a family member is associated with a tender submitter.

The Director Asset Services provided a presentation on this report.


Cr O'Connor asked if the City has an asset management plan for the treatment of roads and other assets. The Director Asset Services advised council would be presented with updated asset management plans in the coming months.

| | |
|----------------|---------------------------|
| Previous Items | OCM 86/2015; OCM 138/2020 |
| Directorate | Asset Services |
| Business Unit | Asset Planning & Delivery |
| File Reference | AD-TEN-005 |
| Applicant | N/A |
| Owner | N/A |

Attachments Nil

Confidential Attachment Reason for Confidentiality: *Local Government Act 1995 s5.23 (c)*
"a contract entered into, or which may be entered into, by the local government which relates to a matter to be discussed at the meeting."

TYPE OF REPORT

| | |
|---|---|
| Advocacy | When Council is advocating on behalf of the community to another level of government/body/agency |
|  Executive | When Council is undertaking its substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets) |
| Information | For Council to note |
| Legislative | Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences |

issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.2 - To connect community to key centres of activity, employment and quality amenities.

Strategy 3.2.1 - Ensure existing assets are maintained to meet community expectations.

EXECUTIVE SUMMARY

1. The purpose of this report is to consider the award of tender RFT 2413 for the Supply and Lay Major Asphalt for road resurfacing projects for the City.
2. It is recommended that the Council accept the tender from Asphaltech Pty Ltd, ABN 26 064 520 869 as per the Schedule of Rates set out in the Confidential Attachment 1 to this report. These works form part of the overall annual budget for both operational (maintenance) and capital works with an initial term for a period of three (3) years from the date of award with two (2) optional single-year extensions subject to satisfactory performance by the contractor, at the City of Kalamunda's (City) discretion.

BACKGROUND

3. The City, (the Principal), is seeking to engage a qualified and suitable Contractor/Supplier to Supply and Lay for the Major Asphalt Road Resurfacing Program. The Contractor is responsible for supplying equipment and services and to complete the scheduled works within the Financial Year.
4. The services proposed primarily require profiling existing road pavement and laying of various asphalt treatments as directed by the City. It also includes miscellaneous items associated with the road resurfacing projects, such as minor stormwater drainage adjustments, watering and rolling of pavement, minor pavements widenings works and minor kerbing requested by the City. There is also a provision to prepare traffic management plans (TMPs) and provide traffic controllers (TCs) for this work.

5. Due to the large scale of projects, a suitable contractor for the supply and laying of major asphalt is necessary to undertake work that is outside the City's capacity. This provision also allows the City to attend to works that need to be undertaken during weekdays and outside the City's normal operational hours in a safe and productive way.

DETAILS AND ANALYSIS

6. The Request for Tender (RFT 2413) was issued through the City's E-Tendering website: www.tenderlink.com/kalamunda and an advertisement in the West Australian newspaper on Wednesday 12 June 2024. The Tender closing date was advised as no later than 2:00pm AWST Wednesday 17 July 2024.
7. Four submissions were received, and an Evaluation Panel was convened of suitably qualified City Officers to assess the tender submissions received.
8. Procurement assessed the four submissions for compliancy as set out in the tender invitation. The Tender submissions were then assessed by three panel members on the 26 July 2024 to ensure Qualitative Criteria was met as set out in the tender invitation. Following meeting the compliance requirements, the submission was then assessed against the qualitative criteria as set out in the tender invitation.
9. The Qualitative Criteria and weighting were determined as follows:

| Qualitative Criteria | Weighting |
|-----------------------------------|-----------|
| Relevant Experience | 25% |
| Key Personnel Skills & Experience | 20% |
| Tenderer's Resources | 20% |
| Demonstrating Understanding | 30% |
| Local Benefits | 5% |

10. The Tender Assessment Panel Chair determined that a Qualitative Pass Mark (QPM) of 60% would be set for the tender of this nature.
11. The Tender Evaluation Report (TER) is provided as Confidential Attachment 1 to this report.

APPLICABLE LAW

12. Section 3.57 of *Local Government Act 1995* and Part 4 of the *Local Government (Functions and General) Regulations 1996*.

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APPLICABLE POLICY

- 13. Policy C-PP01 – Purchasing has been followed and complied with.

FINANCIAL CONSIDERATIONS

- 14. The use of major asphalt works under this contract, will form part of approved annual budgets in Infrastructure Services and Capital Works Projects.

SUSTAINABILITY

- 15. This contractor has the experience and expertise to use innovative methods and materials such as crumbed rubber in line with our Kalamunda Clean and Green Local Environment Strategy.

RISK MANAGEMENT

- 16.

| | | |
|--|-------------------|---------------|
| Risk: Contractor unable to attend to urgent work in a timely manner, which increases safety risk | | |
| Consequence | Likelihood | Rating |
| Significant | Possible | High |
| Action/Strategy | | |
| a) Embedding contractual mechanisms to ensure response to emergency situations has been agreed to. b) The capacity of the organisation to respond was assessed as part of the qualitative assessment. | | |

- 17.

| | | |
|---|-------------------|---------------|
| Risk: The Contractor fails to provide skilled and experienced personnel and equipment, to fulfil the requirements of the contract leading to low quality work produced. | | |
| Consequence | Likelihood | Rating |
| Significant | Unlikely | Moderate |
| Action/Strategy | | |
| a) Personnel and equipment to respond was assessed as part of the qualitative assessment. b) Start-up meeting will be held with the contractor to outline City's expectation for timely attendance of the site and quality of work c) Contract will be managed to ensure the requirements of this contract are met and communication with contractor will be held if and when required. | | |

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CONCLUSION

- 18. The delivery of Tender RFT 2413 The Supply and Lay Major Asphalt will assist the City with the delivery of the Major Asphalt Road Resurfacing Program and major maintenance works. The City is satisfied that the recommended tenderer has the capability, capacity and experience to provide the City with the required services.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council ACCEPT the tender RFT 2413 Supply and Lay Major Asphalt from Asphaltech Pty Ltd, ABN 26 064 520 869 as per the Schedule of Rates set out in the Confidential Attachment 1, for an initial term for a period of three (3) years from the date of award with two (2) optional single-year extensions subject to satisfactory performance by the contractor, at the City of Kalamunda’s discretion.

Public Agenda Briefing Forum - 10 September 2024

10.2.2. Elizabeth Street Railway Road Safety Treatment

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

The Director Asset Services provided a presentation on this report.

Cr Stallard sought clarification in relation to funding sources for this project. The Director Asset Services further explained the process, and eligibility, for the funding of this project.

| | |
|----------------|--|
| Previous Items | OCM 147/2020 |
| Directorate | Asset Services |
| Business Unit | Asset Planning & Delivery |
| File Reference | EG-RDM-004 |
| Applicant | N/A |
| Owner | N/A |
| | |
| Attachments | <ol style="list-style-type: none"> 1. Railway Road & Elizabeth Street Final Traffic Study April 2024 [10.2.2.1 - 68 pages] 2. Letter Drop - Community Consultation Area - Attachment 2 [10.2.2.2 - 1 page] 3. Railway Rd & Elizabeth St - Roundabout - rev A [10.2.2.3 - 5 pages] 4. #3510 ER MRWA 4495-10 Rev 4 [10.2.2.4 - 1 page] |

TYPE OF REPORT

| | |
|-------------|--|
| Advocacy | When Council is advocating on behalf of the community to another level of government/body/agency |
| ✓ Executive | When Council is undertaking its substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets) |
| Information | For Council to note |
| Legislative | Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal |

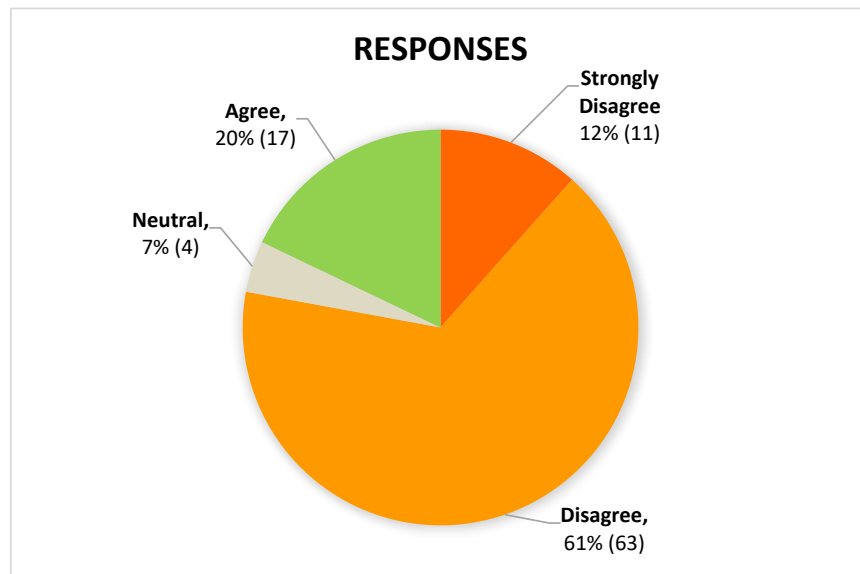
STRATEGIC PLANNING ALIGNMENT*Kalamunda Advancing Strategic Community Plan to 2031***Priority 1: Kalamunda Cares and Interacts****Objective 1.2** - To provide a safe and healthy environment for community to enjoy.**Strategy - 1.2.1** Facilitate a safe community environment.**Priority 3: Kalamunda Develops****Objective 3.2** - To connect community to key centres of activity, employment and quality amenities.**Strategy 3.2.3** - Provide and advocate for improved transport solutions and better connectivity through integrated transport planning.**EXECUTIVE SUMMARY**

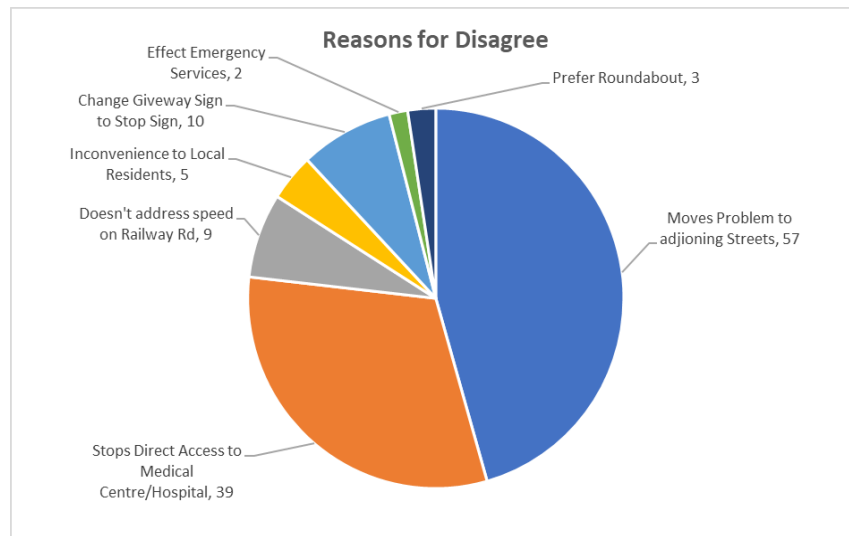
1. The purpose of this report is to seek direction from Council about the proposed works for the Elizabeth Street and Railway Road intersection. This follows the outcomes of the community engagement, traffic study report, and subsequent reintroduction of a roundabout treatment.
2. The City of Kalamunda (City) currently has a Black Spot funding application approved by Main Roads Western Australia (MRWA) for \$91,500. The scope of this funding consists of closing the eastern leg of Elizabeth Street at the Railway Road intersection.
3. Following advice from Main Roads Western Australia (MRWA) and the results of the community consultation, the City has revisited the roundabout treatment option. The roundabout is anticipated to enhance safety and retain traffic flow.
4. The City has completed the concept design for a new roundabout at the intersection with a cost estimated at approximately \$550,000. Should Council support this proposal, a request for variation will be submitted to MRWA to be delivered as part of the Federal Black Spot Funding program.

BACKGROUND

5. Initially, this intersection qualified for the Black Spot Program, with 24 crashes reported over five years. 21 out of 24 crashes over this period (Jan 2018 to Dec 2022) were of a Right-Angle type. 11 out of the 24 crashes were caused by the westbound vehicles in Elizabeth Street to the intersection. To address these safety concerns, a roundabout was proposed by the City to MRWA as part of the Black Spot Funding Program.

6. In July 2020, the City secured \$740,000 from the Federal Black Spot Program to build a roundabout at the intersection, including speed cushions on Elizabeth Street.
7. As of October 2022, it was anticipated that a detailed roundabout design would negatively impact traffic flow, reduce sightlines, and lead to vehicle stacking, along with incurring high construction costs and requiring mature tree removal. Hence a road closure option was identified as another option to reduce the right-angle crashes.
8. The City then amended the Black Spot application to close the eastern leg of Elizabeth Street, reducing the funding to \$91,500. By closing the eastern leg of Elizabeth Street, it is anticipated that the treatment would achieve more than 50% crash reduction at this intersection.
9. The City conducted community consultation on the proposed road closure through social media and letters to residents in close proximity to the works. The location of the letter drops to residents in close proximity can be seen in Attachment 2.
10. The consultation period was open from 2 July to 15 August 2023. The City received 95 responses, 22 responses were from the Engage Kalamunda website and the remaining 73 responses were direct letters/emails sent to the City. Of the 95 responses 73% disagreed or strongly disagreed with the proposed closure.





11. In order to explore further options, the City has undertaken a traffic study report investigating three differing options:
 1. Road Closure (Existing Proposal)
 2. Changing Road Priority
 3. Road Realignment and Speed Reduction

12. This report can be seen in Attachment 1.
13. The traffic study considered the Benefit-Cost Ratio for each of the project proposals. A Benefit-Cost Ratio (BCR) is a measurement of a project's worth by comparing its costs to the value of its benefits. If the benefits outweigh the costs (BCR > 1), the project is considered a good investment.

14. Option 1: The initial estimated cost for closing the eastern leg of Elizabeth Street was \$91,500. However, this estimate did not account for the broader impact on the surrounding road network. Following a comprehensive study that considered community feedback, the consultants recommended significant upgrades to the surrounding network infrastructure. These additional upgrades brought the total cost estimate to \$1,071,220, with a BCR of 1.57.

15. Option 2: Involved changing road priority by relocating Give Way controls to Railway Road and installing speed humps. This resulted in a cost estimate of \$48,304 and a BCR of 3.18, however risked shifting crash patterns to Railway Road.

15. Option 3: Suggested realigning Elizabeth Street and adding speed humps to slow traffic and increase visibility. This option had a cost estimate \$449,584, with a BCR of 2.16. However, it was noted that it would disrupt footpath alignments.
16. Through discussions with MRWA, it was advised that Options 2 and 3 would not be eligible for funding through the Black Spot funding program. It was advised that support would be provided for a roundabout treatment. Following this advice, the City revisited and further explored a roundabout solution.

DETAILS AND ANALYSIS

17. Following community objections to the road closure option and further discussions with MRWA, the City has revisited a roundabout at the intersection. The City has begun further investigation and early concept design of a new roundabout solution, addressing the issues previously identified. The concept proposal is included as Attachment 3.
18. Roundabouts are effective at reducing right-angle crashes because they eliminate the possibility of such collisions by directing all traffic in a single direction, lowering speeds, and reducing conflict points. The curved design forces vehicles to slow down, decreasing both the frequency and severity of crashes, while maintaining a safer and more efficient traffic flow.
19. The roundabout design considered the following key points:
 - a) Raised mountable centre island to cater for regular traffic deflection and larger vehicles to turn, in line with a “forgiving roads” environment.
 - b) Reconfigured roundabout islands on all the approaches to slow down and direct traffic.
 - c) New/improved pedestrian crossings with refuge median islands and adequate pram ramps at all legs.
 - d) Speed cushions to all entry lanes to create vertical deflection resulting in speed reduction.
 - e) Pre-deflection curve to be proposed on the south leg of the roundabout on Railway Road to restrict drivers to a safe entry speed.
 - f) Red-asphalt apron allowing for larger vehicles to turn left in both directions when exiting Elizabeth Street.

- g) Minimum road widening so the project will be kept within the road reserve and aim to not disturb existing service provider's assets.
- h) New pavement markings, with raised reflective markers and new roundabout standard signage.
- i) Clearing of the line of sight on all four legs of the roundabout.
- j) Will lower target speed but also have more efficient traffic flow.
- k) Asphalt resurfacing of the whole intersection.
- l) Provision for lighting improvements to the intersection, including new light poles where applicable.

20. The new roundabout addresses the previous concerns as follows:

Sightlines and Tree Removal: The concern regarding reduced sightlines has been addressed through a detailed sightline assessment. This reveals that minor tree trimming, rather than mature vegetation removal, will sufficiently improve visibility for the intersection. Some City recently planted trees (under establishment) may need to be removed, however will be offset planted in the vicinity of the area. A native plant clearing permit from the Department of Water and Environmental Regulation (DWER) will be undertaken to support this requirement.

Visibility: The new design incorporates a mountable roundabout with low-profile central islands, designed for larger vehicles. Enhanced road markings, reflective paint, raised reflective pavement markers (RRPMs), contrasting colours, and upgraded street lighting will ensure the roundabout is clearly visible to all drivers.

Turning Movements: The roundabout will follow standard prioritisation, requiring vehicles to yield to circulating traffic. Speed cushions on the approach will slow vehicles, enhancing safety.

Lane Management: The single-lane roundabout will ensure all vehicles follow a clockwise direction. Larger vehicles may mount the roundabout as needed without conflicting with oncoming traffic.

21. The new roundabout proposal has a cost estimate of \$550,000 and a BCR of 6.37. This indicated that the project provides significant value compared to its cost, well above the 2.0 threshold for the Federal Black Spot funding program. As this intersection is currently funded under this grant program, a variation request will be undertaken to request the project be fully funded by MRWA.

22. If the Officer recommendation is endorsed by Council, the following key project milestones can be seen below:

| Dates | Description |
|------------------------------|------------------------|
| September 2024 - April 2025 | Design |
| October 2024 - December 2024 | Community Notification |
| October 2024 - March 2025 | Third Party Approvals |
| May 2025 - August 2025 | Procurement |
| October 2025 - April 2026 | Construction |

APPLICABLE LAW

23. *Local Government Act 1995*
Main Roads Act 1930

APPLICABLE POLICY

24. Service Policy 04 – Asset Management
25. Service Policy 05 – Communication and Engagement

STAKEHOLDER ENGAGEMENT

26. The City will inform the public about the proposed new roundabout treatment at the Elizabeth Street and Railway Road intersection. This communication will provide detailed information about the design, its benefits, and how it will enhance the intersection. The aim is to ensure that the community is well-informed about the upcoming changes, understands the design and its benefits, and is aware of how these changes might impact them and the community.

The City will also seek to keep the public updated throughout the project’s subsequent construction.

27. An update on the project has been provided to the Local Member for Kalamunda, Matthew Hughes MLA, who has indicated their support for the revised project proposal.

FINANCIAL CONSIDERATIONS

28. This project is currently funded by a Federal Black Spot program.

- 29. To progress this project for future third party funding considerations, the design options must be developed to align with the Federal Black Spot criteria. The assessment undertaken on the currently design indicates that the project will be eligible under the funding program.
- 30. A variation form will be submitted to MRWA should Council endorse the new roundabout proposal. Once submitted, MRWA typically requires one month to assess and approve the variation. It is anticipated that MRWA will provided an outcome on the variation request by November 2024.

SUSTAINABILITY

- 31. The design prioritises the preservation of mature trees and vegetation, with only minimal clearing anticipated to smaller City planted trees. The City will engage with DWER to ensure compliance with environmental regulations and secure any necessary permits.

In the detailed design phase, additional sustainability measures will be considered with the possibility of incorporating native landscaping to the surrounding area to give environmental value.

RISK MANAGEMENT

- 32.

| | | |
|--|-------------------|---------------|
| Risk: Community concerns about the new roundabout design may arise. | | |
| Consequence | Likelihood | Rating |
| Minor | Unlikely | Low |
| Action/Strategy | | |
| The City will provide clear and detailed communication about the proposed new roundabout treatment at the Elizabeth Street and Railway Road intersection. This will include information on the design, its benefits, and its impact on the intersection. | | |

- 33.

| | | |
|--|-------------------|---------------|
| Risk: The roundabout design may face issues with traffic flow or congestion. | | |
| Consequence | Likelihood | Rating |
| Moderate | Unlikely | Moderate |
| Action/Strategy | | |
| Conduct detailed traffic modelling to ensure the design supports smooth traffic movement. Implement measures like speed cushions and clear signage to optimise flow. | | |

34.

Risk: The funding application may not be able to secure a variation to the scope, resulting in a need to resubmit the application at the end of the year.

| Consequence | Likelihood | Rating |
|--------------------|-------------------|---------------|
| Minor | Possible | Moderate |

Action/Strategy

Maintain proactive communication with MRWA, who have provided early feedback on the necessary information required for the variation form request. Based on their advice, the City will ensure that all required details are included for smooth assessment process.

CONCLUSION

35.

The City recommends that Council support this new roundabout proposal. If endorsed, officers will proceed with submitting the Request for Variation to MRWA under the Federal Black Spot funding program to progress the updated roundabout treatment.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. ENDORSE the revised roundabout treatment as the preferred proposal for the Railway and Elizabeth Street intersection.
2. NOTE that the City of Kalamunda will inform the community on the outcome of the previous survey and inform them on the new roundabout proposal.
3. AUTHORISE the submission of a Request for Variation to Main Roads Western Australia to extend the project timeline and increase the budget under the Black Spot funding program.

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10.3. Corporate Services Reports

No reports presented.

10.4. Community Engagement Reports

No reports presented.

10.5. Office of the CEO Reports

No reports presented.

11. Closure

There being no further business, the Presiding Member declared the Meeting closed at 7:20pm.