

SHARED INFRASTRUCTURE PLAN – EXPLANATION AND EXAMPLE

The purpose of the Shared Infrastructure Plan and associated Section 173 agreement is similar to the purpose of DCP's, ICP's and other mechanisms; it is to;

1. Identify the infrastructure items which can be considered to be shared; that is, they are necessary for the development of all, or multiple parcels, and deliver benefit to all or multiple parcels
2. Identify the loss of land and cost associated with each infrastructure item
3. Quantify the area and likely development yield of each parcel;
4. Apportion overall levies for shared infrastructure
5. Apportion these levies to individual parcels
6. Describe the mechanisms by which the SIFP will be implemented, including collection of levies, delivery of infrastructure, responsibilities for works in-kind and administration of the document.

For the purpose of illustrating these principles, the following documents have been prepared. **Please note these documents are examples only, are not accurate or comprehensive, and are to be used to illustrate the principles only. They bear no relationship to what an ultimate Shared Infrastructure Funding Plan will look like**

- A. The plan below, which is based on the western half of the subject land, and on four titles, for example only; these do not relate to actual titles or ownership. The infrastructure items used for this example in this case are land and works for public open space, and drainage, and planning costs. There will be typically others including intersections, paths, and community infrastructure levy.

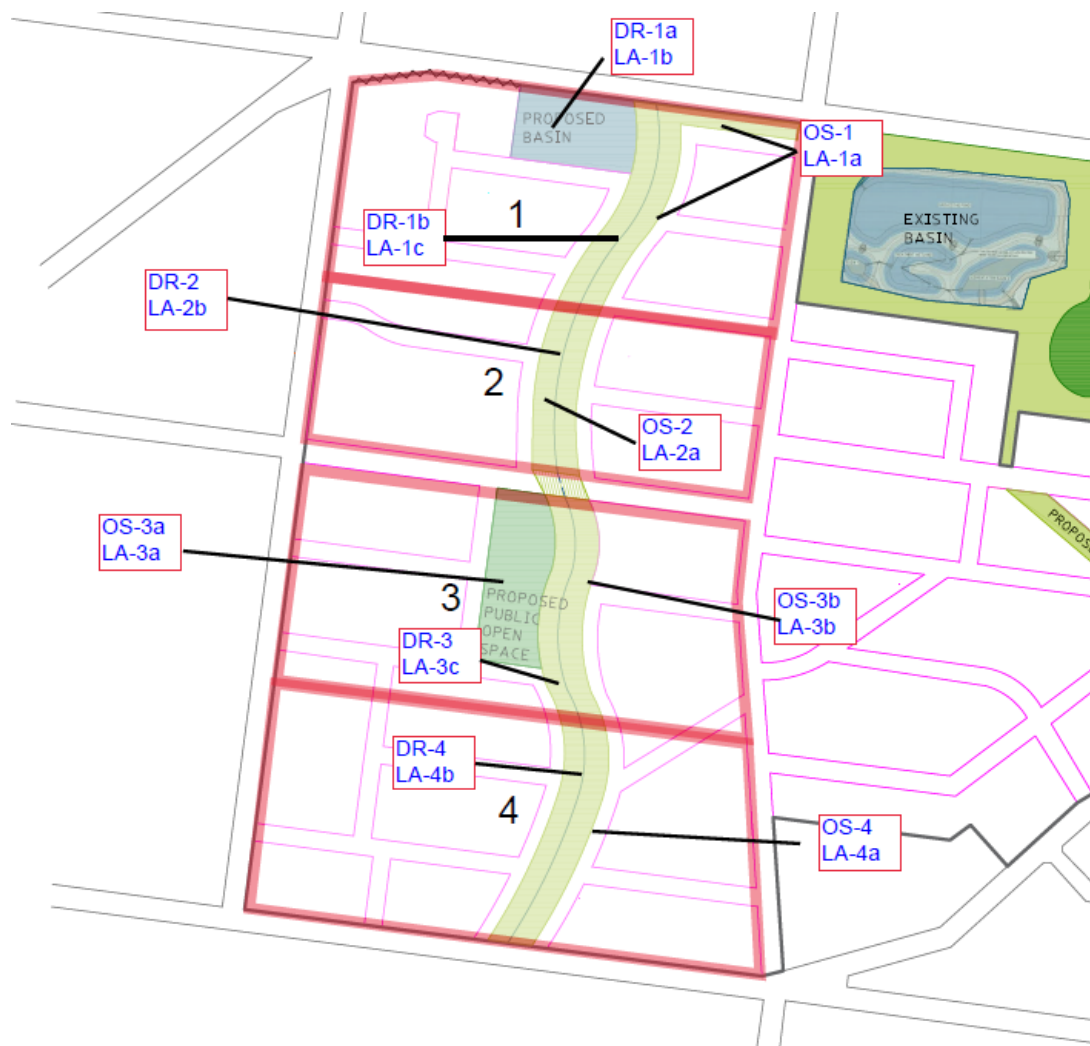


Figure 1 - Location of Shared Infrastructure Items



B. A land budget is prepared to arrive at a Net Developable Area for the site and for individual parcels. See below

Property	Area (ha)	Drainage (ha)		Open Space (ha)				Total land take	NDA (ha)
		Waterway	Basin	Park	Linear	Total POS	POS% of NDA		
1	5.010	0.660	0.720	0.000	0.215	0.215	6.30%	1.595	3.415
2	6.230	0.720	0.000	0.000	0.180	0.180	3.38%	0.900	5.330
3	7.240	0.830	0.000	1.000	0.190	1.190	22.80%	2.020	5.220
4	8.130	0.940	0.000	0.000	0.200	0.200	2.86%	1.140	6.990
Total	26.610	3.150	0.720	1.000	0.785	1.785	8.52%	5.655	20.955

Figure 2 – Land Budget

C. An open space equalisation table is prepared, identifying overall open space quantum, what is being provided on site, and the shortfall. This is prepared for both individual parcels and the overall site. See below

Property	NDA	10%	Value of 10%	POS provided	POS provided as % of NDA	Value of POS provided	Balance in cash
1	3.415	0.342	\$ 102,450	0.215	6.30%	\$ 64,500	\$ 37,950
2	5.330	0.533	\$ 159,900	0.180	3.38%	\$ 54,000	\$ 105,900
3	5.220	0.522	\$ 156,600	1.190	22.80%	\$ 357,000	-\$ 200,400
4	6.990	0.699	\$ 209,700	0.200	2.86%	\$ 60,000	\$ 149,700
Total	20.955	2.096	\$ 628,650	1.785	8.52%	\$ 535,500	\$ 93,150

Figure 3 – Open Space Equalisation Table

D. The shared infrastructure items are then itemised in terms of cost, and land take and demand units (that is, which area they serve, in this case the total site). The table arrives at a cost per Net Developable Hectare. There are a number of ways of calculating and applying cost, depending on the nature of the items. Some common methods in this example are as follows, bearing in mind this is an example only.

- a. Land – a per hectare rate (\$300,000)



- b. Linear open space improvement – a Lineal metre rate
- c. Waterways – a Lineal metre rate
- d. Basin costs, planning cost – best suited to a ‘Unit’ rate, that is, the total cost of the item.

Project ID	Summary	Unit	Quantity	Rate	Cost	Demand Unit	Levy \$/ha	Trigger	Responsibility
Open Space									
OS-1	Linear OS improvements	Lin m	165	\$ 600	\$ 99,000	20.955	\$ 4,724.41	Development of Parcel 1	Parcel 1
LA-1a	Linear OS land	ha	0.215	\$ 300,000	\$ 64,500	20.955	\$ 3,078.02	Development of Parcel 1	Parcel 1
OS-2	Linear OS improvements	Lin m	180	\$ 600	\$ 108,000	20.955	\$ 5,153.90	Development of Parcel 2	Parcel 2
LA-2a	Linear OS land	ha	0.180	\$ 300,000	\$ 54,000	20.955	\$ 2,576.95	Development of Parcel 2	Parcel 2
OS-3a	Park Improvements	ha	1.000	\$ 200,000	\$ 200,000	20.955	\$ 9,544.26	Development of Parcel 3	Parcel 3
LA-3a	Park land	ha	1.000	\$ 300,000	\$ 300,000	20.955	\$ 14,316.39	Development of Parcel 3	Parcel 3
OS-3b	Linear OS improvements	Lin m	190	\$ 600	\$ 114,000	20.955	\$ 5,440.23	Development of Parcel 3	Parcel 3
LA-3b	Linear OS land	ha	0.190	\$ 300,000	\$ 57,000	20.955	\$ 2,720.11	Development of Parcel 3	Parcel 3
OS-4	Linear OS improvements	Lin m	200	\$ 600	\$ 120,000	20.955	\$ 5,726.56	Development of Parcel 4	Parcel 4
LA-4a	Linear OS land	ha	0.200	\$ 300,000	\$ 60,000	20.955	\$ 2,863.28	Development of Parcel 4	Parcel 4
OS-5	OS \$ contribution	ha	0.311	\$ 300,000	\$ 93,300	20.955	\$ 4,452.40	On subdivision	Council
Drainage									
DR-1a	Basin works	Unit	1.000	\$ 600,000	\$ 600,000	20.955	\$ 28,632.78	After first 20 lots in Parcel 1	Parcel 1
LA-1b	Land for basin	ha	0.720	\$ 300,000	\$ 216,000	20.955	\$ 10,307.80	After first 20 lots in Parcel 1	Parcel 1
DR-1b	Waterway works	Lin m	165	\$ 1,050	\$ 173,250	20.955	\$ 8,267.72	Development of Parcel 1	Parcel 1
LA-1c	Waterway land	ha	0.660	\$ 300,000	\$ 198,000	20.955	\$ 9,448.82	Development of Parcel 1	Parcel 1
DR-2	Waterway works	Lin m	180	\$ 1,050	\$ 189,000	20.955	\$ 9,019.33	Development of Parcel 2	Parcel 2
LA-2b	Waterway land	ha	0.720	\$ 300,000	\$ 216,000	20.955	\$ 10,307.80	Development of Parcel 2	Parcel 2
DR-3	Waterway works	Lin m	190	\$ 1,050	\$ 199,500	20.955	\$ 9,520.40	Development of Parcel 3	Parcel 3
LA-3c	Waterway land	ha	0.830	\$ 300,000	\$ 249,000	20.955	\$ 11,882.61	Development of Parcel 3	Parcel 3
DR-3	Waterway works	Lin m	200	\$ 1,050	\$ 210,000	20.955	\$ 10,021.47	Development of Parcel 4	Parcel 4
LA-3c	Waterway land	ha	0.9400	\$ 300,000	\$ 282,000	20.955	\$ 13,457.41	Development of Parcel 4	Parcel 4
Planning									
PL-01	Cost of rezoning/Dev Plan	Unit	1.00	\$ 190,000	\$ 190,000	20.955	\$ 9,067.05	Complete	Parcel 1
Total					\$ 3,992,550	20.955	\$ 190,529.71		

Figure 4 - Shared infrastructure costing



E. The final calculation is typically a property budget, as shown below. This calculates the total shared infrastructure liability payable for each property, and the value of the works-in-kind for each property. This calculation reveals whether each property will essentially 'owe' contributions or 'be owed' after works-in kind are complete.

Property Number	1	2	3	4	Total
NDA	3.415	5.33	5.22	6.99	20.955
Levy/ha	\$ 217,779	\$ 217,779	\$ 217,779	\$ 217,779	
Shared Infrastructure liability	\$ 743,714	\$ 1,160,760	\$ 1,136,804	\$ 1,522,272	\$ 4,563,550
Works in kind (WIK)	\$ 99,000 OS-1	\$ 108,000 OS-2	\$ 200,000 OS-3a	\$ 120,000 OS-4	
	\$ 64,500 LA-1a	\$ 54,000 LA-2a	\$ 300,000 LA-3a	\$ 60,000 LA-4a	
	\$ 1,171,000 DR-1a	\$ 189,000 DR-2	\$ 114,000 OS-3b	\$ 210,000 DR-4	
	\$ 216,000 LA-1b	\$ 216,000 LA-2b	\$ 57,000 LA-3b	\$ 282,000 LA-4b	
	\$ 173,250 DR-1b		\$ 199,500 DR-3		
	\$ 198,000 LA-1c		\$ 249,000 LA-3c		
	\$ 190,000 PL-01				
Value of WIK	\$ 2,111,750	\$ 567,000	\$ 1,119,500	\$ 672,000	\$ 4,470,250
negative = to be reimbursed at final stage					
positive = cash payable to Council	-\$ 1,368,036	\$ 593,760	\$ 17,304	\$ 850,272	

Figure 5 – Property Land Budget

F. The Shared Infrastructure Plan is implemented via a Section 173 agreement which directs on issues such as including collection of levies, delivery of infrastructure, responsibilities for works in-kind and administration of the document.