



AMENDMENT OF THE FORRESTDALE BUSINESS PARK EAST DEVELOPMENT CONTRIBUTION PLAN

Precincts 7 and 7A

November 2021

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EXECUTIVE SUMMARY

Development within Forrestdale Business Park East Precincts 7 and 7A (FBPE) commenced in 2006 and is well established, with approximately 50% of the Precinct area complete. FBPE has experienced a steady development rate and is now home to a number of diverse businesses meeting the project objective for employment generation within the City of Armadale.

The success of FBPE is attributed to landowner development enabled by the planning framework, environmental approvals and provision of key infrastructure - funded, wholly or in part by the Development Contribution Plan (DCP).

The DCP has delivered \$49,270,141.60 in planning, environmental and infrastructure works with \$1,042,394.91 of development costs remaining, based on estimates prepared in July 2021. The DCP has received contributions of \$39,302,028.21, resulting in total outstanding contributions of \$11,268,348.30. There is an Outstanding Net Developable Area of 343,997m².

The validity period of the DCP expires on the date of normalisation of the Precinct, to enable normalisation of FBPE to occur by the end of 2021, while providing a mechanism to capture remaining DCP liabilities post normalisation to enable delivery of outstanding DCP works and repayment of the DCP debt to Treasury.

1. INTRODUCTION

This report and its attachments have been prepared in accordance with the Scheme and where appropriate aligns with the provisions of State Planning Policy 3.6 – Infrastructure Contributions (SPP 3.6) to set out in detail the calculation of the Cost Contribution for each Owner in FBPE.

Effective redevelopment of each of the Authority's Redevelopment Areas requires the cost efficient provision of shared infrastructure, such as utilities and roads.

The Authority's role in FBPE is to plan, promote and coordinate the implementation of development in consultation with developers, City of Armadale (the City) and State approval agencies and corporations.

To plan and provide for the infrastructure needs of FBPE in a holistic and timely manner, the Authority established a DCP for use in conjunction with the statutory planning framework, including the Scheme, the Forrestdale Project Area Design Guidelines and relevant Development Policies. The DCP apportions costs via contributions from land owners who will benefit from key investment in infrastructure and services required to activate landholdings for development in accordance with the Forrestdale Business Park (East) Structure Plan (the Structure Plan).

As part of the State's land agency reform, the Authority intends to return planning responsibilities for FBPE to the City in 2021. To enable normalisation of FBPE the Authority is proposing as part of this review to amend the validity period of the DCP to end at the date of normalisation of the Precinct. The Authority intends to enter into 'commercial agreements' with landowners who have outstanding DCP liabilities ensuring the ability to collect outstanding DCP liabilities post normalisation.

1.1 Precinct Context

FBPE comprises approximately 190 hectares of land located six kilometres west of the Armadale Strategic Regional Centre, within the Authority's Armadale Redevelopment Area.

FBPE is identified in the Government of Western Australia's Economic and Employment Lands Strategy: non-heavy industrial, Perth Metropolitan and Peel Regions 2012 ('EELS') as an industrial area.

The Western Australian Planning Commission (WAPC), through EELS, has projected a significant shortage in the supply of industrial land within the Perth Metropolitan Region. FBPE will assist in addressing this projected shortage of industrial land and facilitate development in accordance with the Authority's Redevelopment Objectives, including:

- Sense of Place;
- Economic Wellbeing;
- Urban Efficiency;
- Connectivity; and
- Environmental Integrity.

FBPE accommodates a variety of industrial uses, which significantly increases employment opportunities in the growing Forrestdale, Harrisdale, Piara Waters and Wungong regions. Together, FBPE and Forrestdale Business Park West are expected to accommodate up to 700 industrial lots with the potential to create more than 15,000 jobs within the region.

2. OVERVIEW

2.1 Purpose of the Development Contribution Plan

The purpose of the DCP is to:

- promote the efficient and effective provision of public infrastructure and facilities to meet the demands arising from new growth and development;
- ensure that Development Contributions are necessary and relevant to the development to be permitted and are charged equitably among those benefitting from the infrastructure and facilities to be provided; and
- ensure consistency and transparency in the system for apportioning, collecting and spending Development Contributions.

2.2 Administration of Development Contribution Plan

The Authority will administer the DCP for so long as the Authority is the relevant planning authority for FBPE.

The Authority maintains an interest bearing bank account for the purposes of accumulating monies raised under Chapter 7 of the Scheme. Money accumulated in the bank account, including any interest raised, will be applied in accordance with Clause 7.17 of the Scheme.

2.3 Relationship to the Scheme

The DCP is adopted by the Authority under provisions Clause 7.7 and 7.8 of the Scheme and is to be read in conjunction with the Scheme, notably Chapter 7 – Development Contributions, and any relevant planning framework documents adopted or approved under the Scheme.

2.4 Development Contribution Area

The Development Contribution Area is identified in Appendix 1.

In accordance with the Scheme, the Development Contribution Area encompasses all of the land within FBPE. The Scheme identifies two Precincts:

- Precinct 7 – Forrestdale Business Park East Light Industry; and
- Precinct 7A – Forrestdale Business Park East Industry.

2.5 Effective Date

The DCP has been amended in accordance with the Scheme and comes into effect on the date of adoption as defined by the Scheme.

2.6 Validity Period

The validity period of the DCP expires on the date of normalisation of the Forrestdale Business Park East Precinct.

The outstanding development contributions at the time of normalisation will be collected in accordance with Clause 7.10 of the Scheme, with an owner's liability to pay the owner's Development Contribution to the Authority arising on the last day before the time the land is subtracted from the Redevelopment Area under section 31(1) (b) of the MRA Act 2011, unless the Plan is transferred to the Local Government, or otherwise agreed by the Authority.

2.7 Principles

The DCP has been prepared in accordance with the following principles:

Need and nexus: *the need for the infrastructure must be clearly demonstrated (need) and the connection between the development and the demand created should be clearly established (nexus).*

The DCP provides a statement of Need and Nexus for each item funded by the DCP. In cases where the Need and Nexus are not clearly established, the Authority has provided a statement qualifying the current proposal.

Transparency: *both the method for calculating the infrastructure contribution and the manner in which it is applied should be clear, transparent, and simple to understand and administer.*

The DCP has adopted the same Cost Apportionment Schedule (previously referred to as the Development Cost Schedule) so the expenses apportioned to landowners, are more clearly understood and reimbursement of developer-constructed works are more certain. The DCP apportions costs to landowners by applying a square metre rate, based upon the actual Development Costs plus estimated Development Costs, Land Values, minus Paid Contributions.

Equity: *infrastructure contributions should be levied equitably from all identified stakeholders within a contribution area, based on the relative contribution to need.*

The DCP consists of one Development Contribution Area (DCA) within which all landowners with developable land will contribute equitably through payment of a cost contribution represented by a square metre rate.

Certainty: *the scope, timing, and priority for delivering infrastructure items, and the cost of infrastructure contributions and methods of accounting for escalation, should be clearly identified.*

The DCP provides:

- i. Details of Development Infrastructure and Administration Costs, funded wholly or in part by the DCP, alongside supporting information such as designs and cost schedules where appropriate.
- ii. The methodology for the calculation of cost contributions; and

- iii. The timing and priority for the delivery of infrastructure items in the Capital Expenditure Plan.

Efficiency: *contributions should be justified on a whole-of-life capital cost basis consistent with maintaining financial discipline on service providers by precluding the over-recovery of costs.*

The infrastructure items in the Capital Expenditure Plan have either been delivered or have been costed and independently peer reviewed. Should the estimated Development Costs (eDC) be reduced such that the Authority recovers contributions in excess of the estimated Development Costs, the Authority will equitably refund any landowners or developers who made contributions in accordance with Clause 7.17 of the Scheme.

Consistency: *the system for infrastructure contributions for apportioning, collecting and spending contributions should be consistent, efficient and transparent.*

A square metre rate applicable to Total Balance Land (TBL) and Net Developable Area (NDA) has been adopted equally across land owners.

Accountable: *that there is accountability in the manner in which infrastructure contributions are determined, collected and expended.*

In accordance with the Scheme, the Authority is responsible for both determination and expenditure of development contributions.

Right of consultation and review: *Land owners and developers have the right to be consulted on the manner in which development contributions are determined, and the opportunity to seek a review by an independent third party regarding the calculation of costs, and return of funds.*

In accordance with Chapter 7 of the Scheme, as part of this amendment landowners and developers have a right of consultation and comment. Clause 7.11 of the Scheme provides landowners or developers with an opportunity to review the amount of any cost contribution.

2.8 DCP Review

In accordance with Clause 7.8 of the Scheme, the Authority may resolve at any time to review and amend the DCP.

The Authority will have due regard to market trends, paid contributions, actual development costs and the like, prior to determining whether an amendment to the DCP is required.

3. DEVELOPMENT INFRASTRUCTURE

The following section of the DCP Report identifies administration, infrastructure and other costs required to facilitate the orderly development of FBPE as identified under Appendix 2 and funded from Development Contributions collected from landowners within the DCA.

The estimates for Development Costs are listed under Appendix 2 of this report and include engineering, design and technical consultancy costs associated with delivering the works.

The Development Costs have been reduced to account for removal of costs for the delivery of footpaths and landscaping along Ranford Road, Alex Wood Drive and Remisko Drive, as contribution payments have resulted in funds being available in the DCP to deliver these DCP works. The funds will be committed to the City of Armadale to complete these works, and the value of these works are therefore considered as expended costs.

3.1 Road Works

3.1.1 Alex Wood Drive and Armadale Road Intersection

3.1.1.1 Proposal

In accordance with the Structure Plan, the Alex Wood Drive and Armadale Road intersection is currently serviced by an interim dual-lane T-intersection. The Structure Plan recognised that the intersection will be upgraded to a signalised intersection as and when required by Main Roads Western Australia (MRWA). Cost estimates reflect the value of works within the Development Contribution Area and include costs for provision of an additional right turn exit onto Armadale Road to accommodate predicted west bound traffic movement demand.

3.1.1.2 Need and Nexus

The proposed upgrade of the Armadale Road and Alex Wood Drive intersection reflects traffic demand anticipated by MRWA's Roads Operational Modelling (ROM).

The existing intersection serves as the main Armadale Road entry into the business park with Armadale Road being a Primary Distributor road under MRWA's road hierarchy classification.

3.1.1.3 Scope

Design and construction of the Alex Wood Drive/Armadale Road intersection to a signalised three-way intersection, including the relocation of existing streetlights in the verge, two right turn exit lanes from Alex Wood Drive onto Armadale Road and installation of traffic signals.

3.2 2018 DCP Landowner Payment Partial Refunds

Since the previous review of the DCP, adopted on 1 October 2018, three DCP liability payments from landowners have been received. The value of each payment was calculated based on the estimated development costs included in the 2018 DCP. The estimated development costs have since been reviewed resulting in the scope of works for the Armadale Road / Alex Wood Drive intersection being reduced.

The DCP costs include refunds for the three landowners who made DCP liability payments under the 2018 DCP on the basis, and to the extent of, the revised scope of works.

3.3 Land Acquisition

Land is required to be ceded in order to provide road and public infrastructure. To date, the majority of land required has been ceded to the Crown and reimbursed through the DCP.

Owners of land that has been ceded for public works but for which reimbursement has not been paid are anticipated to be reimbursed through the DCP in the 2021-22 financial year, in accordance with the recommendations of the Authority's auditor.

The outstanding land values have been included in the estimates as Land Values (LV).

4 METHOD FOR CALCULATING DEVELOPMENT CONTRIBUTION

4.1 Approach

Actual and estimated costs have been determined by the Authority and verified by independent auditors and quantity surveyors (refer to Appendix 3). The verified costs are apportioned equitably among landowners through a formula, which divides costs by undeveloped land.

The result is a per metre rate which the formula then applies indices and interest to ensure consistency in apportionment to landowners – accounting for the date a Development Contribution is paid.

4.2 Cost Contribution Calculation

Development Contributions are determined in accordance with the following formula:

$$[aDC - PC + eDC + LV]x\left(\frac{OBL}{TBL}\right)$$

Where:

aDC is the actual Development Costs (expenditure incurred by the Authority);

PC is the Paid Contributions;

eDC is the estimated Development Costs with respect to the proposed works;

LV is the Land Values which have been acquired or purchased for DCP works;

OBL is the Owner's Balance Land (total Net Developable Area of an owners land less the area of the owner's land for which the Development Contribution has been paid); and

TBL is the Total Balance Land.

4.3 Exemptions

The Authority may in accordance with Clause 7.15 of the Scheme exempt certain minor development proposals from being liable under Clause 7.10 to pay the Development Contribution.

Should such an exemption be granted, this does not preclude the ability of the Authority to require a Development Contribution as a result of any subsequent development or subdivision.

5 PAYMENT OF CONTRIBUTIONS

5.1 Liability for Development Contributions

In accordance with Clause 7.10 of the Scheme, an owner's liability to pay the owner's Development Contribution to the Authority arises on the earlier of:

- the approval of any development on the owner's land within the Development Contribution Area, unless the development constitutes 'minor' development under Clause 7.15 of the Scheme;
- the approval of any subdivision of the owner's land within the Development Contribution Area;

- the last day before the expiry (if stipulated) of the Development Contribution Plan; or
- the last day before the time the land is subtracted from the Redevelopment Area under section 31(1) (b) of the MRA Act 2011, unless the Plan is transferred to the Local Government, or otherwise agreed by the Authority.

The Authority intends to normalise FBPE in 2021. The validity period of the DCP will expire on the date of normalisation of the Precinct such that owners' liability to pay their cost contribution will become due and payable the day before the date of normalisation of the Precinct, or otherwise agreed by the Authority.

On the day before the date of normalisation of the Precinct, affected landowners can either pay the DCP liability in full or enter into a 'commercial agreement' with the Authority to defer payment of the DCP liability until the time of subdividing or developing the land, whichever occurs first. Where payment is deferred, a caveat is required to be placed on the certificate of title of all land with an outstanding DCP liability, unless an alternate legal mechanism for identifying DCP liability is agreed with the Authority.

5.2 Method of Payment

Subject to the agreement of the Authority, a landowner is to pay their Development Contribution in accordance with Clause 7.12 of the Scheme by:

- cheque, cash or electronic transfer of funds;
- providing infrastructure to the value of the Development Contribution;
- providing land to the value of the Development Contribution;
- providing a community facility or other identified community benefit, which is preferable to the Authority than other means of payment, and which is of equal or greater value to the Development Contribution;
- any combination of these methods, where acceptable to the Authority; or
- some other method acceptable to the Authority;

In accordance with clause 7.14 of the Scheme the amount of any cost contribution for which an owner is liable under clause 7.10, but has not paid, is a charge on the owner's land to which the Development Contribution relates, and the Authority may lodge a caveat, at the owner's expense against the owner's title to that land.

The owner, subject to the agreement of the Authority, may pay the owner's Development Contribution in a lump sum, by instalments, or in such other manner acceptable to the Authority.

Payment by an owner of the full Development Contribution consistent with the Development Contribution Plan at the time of payment, including a contribution based on estimated costs, constitutes full and final discharge of the owner's liability under the Development Contribution Plan and the Authority shall provide certification in writing to the owner of such discharge.

5.3 Review of Cost Contribution

A review of the cost contribution can be requested by an owner in accordance with Clause 7.11 of the Scheme.

If an owner objects to the amount of a cost contribution, the owner may give notice to the Authority requesting a review of the amount of the cost contribution by an appropriate qualified person ('independent expert') agreed by the Authority and the owner at the owner's expense, within 28 days after being informed of the cost contribution.

If, following a review, the valuer's determination of the value of the cost contribution is still not a figure acceptable to the owner, the value is to be determined;

- by any method agreed between the Authority and the owner; or
- if the Authority and the owner cannot agree, the owner may apply to the State Administrative Tribunal for a review of the matter under part 14 of the *Planning and Development Act 2005*.

5.4 Recovery of Development Contribution

Development Contributions are recoverable by the Authority from:

- the owner of the land at the time that the Development Contribution became payable; or
- a person who, whilst the Development Contribution is payable but unpaid, becomes the owner of the land.

In accordance with Clause 7.10 of the Scheme an owner of land in a Development Contribution Area is required to make a Development Contribution in accordance with the applicable Development Contribution Plan. An owner's liability to pay their Development Contribution to the Authority is detailed under Clause 7.10 of the Scheme and arises on the last day before the time the land is subtracted from the Redevelopment Area under section 31(1)(b) of the *Metropolitan Redevelopment Authority Act 2011*.

6 AMENDMENT OF DEVELOPMENT CONTRIBUTION PLAN

In accordance with Clause 7.8 of the Scheme, the Authority may resolve at any time to review and amend a DCP.

6.1 Consultation

Following a review of the Development Contribution Plan or Cost Apportionment Schedule, including assessed values, the Authority shall notify by way of public advertising the outcome of the review advising of the availability of details concerning the review and inviting comment.

A period of no less than 28 days shall be allowed from the date such advertising commenced for an owner affected by the review to submit comments on the review.

Following the issue of the invitation to comment on the review, a period of 28 days shall be allowed from the date such advertising commenced for an owner affected by the review to provide comment on the revision of Contribution Costs and any other finding of the review.

7 DEFINITIONS

Terms in the DCP shall have the same meaning as defined in Appendix 2 of the Scheme. Additional terms used in this report that are not defined in the Scheme shall have the following meanings:

“actual Development Costs (aDC)” means the amount of Development Costs expended, as determined by Authority.

“estimated Development Costs (eDC)” means the estimate determined by the Authority.

“Cost Apportionment Schedule” means the schedule outlining the Development Contribution Plan Actual Development Costs, estimated Development Costs, Land Values, paid Development Contributions and Total Balance Land.

“Infrastructure Works” means the activities associated, directly or indirectly, with the performance of the scope outlined in the Cost Apportionment Schedule.

“Land Values (LV)” means the land value determined by the Authority for land which has been acquired or purchased for DCP works.

“Net Developable Area” means the total land area in the Development Contribution Area less land required to undertake works identified in the Development Costs Schedule or exempt land; as determined by the Authority.

“Owner’s Balance Land (OBL)” means the Net Developable Area of a landowner’s specific Lot, or Lots, for which the Development Contribution has not been fully paid, as determined by the Authority.

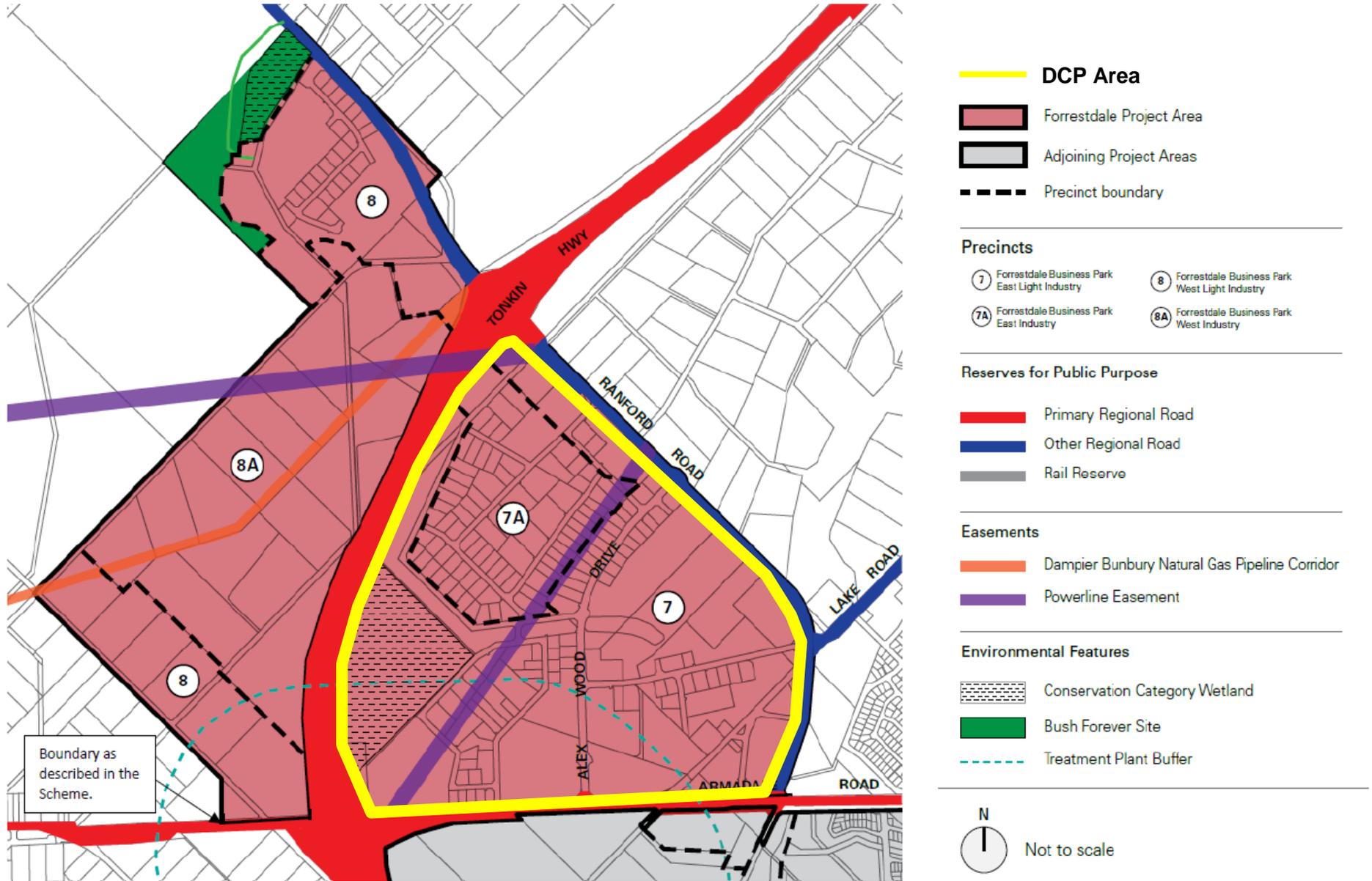
“Scheme” means Armadale Redevelopment Scheme 2 or any future Scheme amended from time to time under section 49, in operation under section 48(2) of the *Metropolitan Redevelopment Authority Act 2011*.

“Total Balance Land (TBL)” means the total Balance Land.

“Paid Contributions” means Development Contributions received by the Authority.

“WAPC” means the Western Australian Planning Commission.

Appendix 1 – Development Contribution Area



Appendix 2 – Cost Apportionment Schedule

		Total
Actual Development Costs (aDC) incurred to 8 July 2021		49,270,141.60
Paid Contributions (PC) received to 8 July 2021		39,302,028.21
Actual Development Costs - Paid Contributions (aDC - PC)		9,968,113.39
Daily rate of escalation to be applied at the Borrowing Rate (BR) as at 8 July 2021		0.00000%
Estimated Development Costs (eDC) as at 8 July 2021		
1	Intersection Upgrades at Armadale Road / Alex Wood Drive	1,003,598.68
2	2018 DCP Landowner Payment Partial Refunds	38,796.23
		1,042,394.91
Daily rate of escalation to be applied at the Development Costs Rate (DCR) as determined at 8 July 2021		0.00000%
Land Values (LV) as at 8 July 2021		
1	Land Ceded to State - Landowners not yet reimbursed by DCP	\$ 257,840.00
		\$ 257,840.00
Daily rate of escalation to be applied at the Land Value Rate (LVR) as at 8 July 2021		0.00000%
OUTSTANDING CONTRIBUTIONS		11,268,348.30
Adopted Rate Per m² <small>[aDC-PC-eDC-LV]/ONDA or OC/ONDA</small>		\$ 32.76
Outstanding Net Developable Area (ONDA) (m²)		343,997
MRA Endorsement		
Ryan Keys		Date
Head of Statutory Planning and Approvals		

Intersection Upgrades at Armadale Road / Alexwood Drive					
	Qty	UOM	Rate \$	Totals\$	
1.1 Preliminaries					
Traffic management and safety to MRWA spec	30	days	2,800	\$	84,000
Relocate existing streetlight in verge	1	Item	4,000	\$	4,000
Relocate existing streetlight in median	3	Item	5,000	\$	-
Upgrade existing intersection streetlight	7	Item	5,000	\$	-
Supply & install new intersection streetlight	2	Item	10,000	\$	-
Subtotal				\$	88,000
1.2 Earthworks					
Remove & dispose existing rubbish	1	Item	5,000	\$	5,000
Remove existing trees & vegetation	2	No	2,500	\$	5,000
Strip and re-spread topsoil	0	m ²	5	\$	-
Cut to fill (for roads box-out)	210	m ³	6.5	\$	1,365
Cut to stockpile (for roads box-out)	350	m ³	5.5	\$	1,925
E/O removal of stockpiled material offsite	350	m ³	28	\$	9,800
Subtotal				\$	23,090
1.3 Roadworks					
Demolition & offsite disposal of existing asphalt	552	m ²	25	\$	13,800
Demolition & offsite disposal of existing brick paving	90	m ²	27	\$	2,430
Demolition & offsite disposal of existing road pavements	0	m ²	21	\$	-
Demolition & offsite disposal of existing kerbing	320	m	9	\$	2,880
Demolition & offsite disposal of existing concrete footpath	175	m	14	\$	2,450
Demolition & offsite disposal of existing pram ramps	0	Item	500	\$	-
Subgrade preparation	672	m ²	6.75	\$	4,536
Subbase (200mm limestone)	672	m ²	20.25	\$	13,608
Basecourse (150mm crushed rock)	672	m ²	18	\$	12,096
Trim & prime new pavements	672	m ²	9	\$	6,048
Black Asphalt (30mm)	1,112	m ²	24.75	\$	27,522
Profile existing asphalt for tie-in	280	m	30	\$	8,400
Lay new kerbing	300	m	25	\$	7,500
Brick paving to median	52	m ²	70	\$	3,640
2.5m-wide concrete footpath	80	m	110	\$	8,800
Reinstatement of Landscape	130	m ²	50	\$	6,500
Pram ramps	5	item	500	\$	2,500
Subtotal				\$	122,710
1.4 Stormwater Drainage					
Side entry pits to median	2	each	2,500	\$	5,000
Soakwells	4	each	4,000	\$	16,000
Supply and lay stormwater drainage pipework (300mm)	60	m	100	\$	6,000
Subtotal				\$	27,000
1.5 Traffic Signals, Signage and Linemarking					
MRWA Signage and Linemarking	1	item	40,000	\$	40,000
Coloured Surface Treatment for Cycle Lane by MRWA	0	m ²	110	\$	-
Supply and installation of new traffic signals	1	item	350,000	\$	350,000
Subtotal				\$	390,000
SUB TOTAL				\$	650,800
1.6 Contingencies and Fees					
Mobilisation, survey and management			10.00%	\$	65,080.00
Contingency			20.00%	\$	143,176.00
Fees			8.00%	\$	68,724
Local Authority Fees			1.50%	\$	10,738
Engomeernmg Detailed Design Fees			10.00%	\$	65,080
Subtotal				\$	352,798.68
TOTAL (excluding GST)				\$	1,003,599

The Intersection Upgrades at Armadale Road / Alex Wood Drive costings, are based on preliminary 'concept' designs, and as such a 20% contingency allowance is required for these DCP infrastructure line items.

2018 DCP Landowner Payment Partial Refunds

	Rate \$	Area (m2)	Total \$
5.1 DCP 224			
Payment Received (October 2018)	\$ 42.54	4,941	\$ 210,190
Payment Due (based on 2021 aDC Calculations)	\$ 38.82		\$ 191,810
Refund			\$ 18,381
5.2 DCP 225			
Payment Received (October 2019)	\$ 43.85	3,110	\$ 136,374
Payment Due (based on 2021 aDC Calculations)	\$ 39.97		\$ 124,307
Refund			\$ 12,067
5.3 DCP 243			
Payment Received (April 2020)	\$ 44.57	2,103	\$ 93,731
Payment Due (based on 2021 aDC Calculations)	\$ 40.60		\$ 85,382
Refund			\$ 8,349
TOTAL			\$ 38,796

Appendix 3 – Independent Cost Verification



20 October 2020

DevelopmentWA

Level 2/40 The Esplanade

PERTH WA 6000

Attention: Robert Hall

Dear Robert,

FORRESTDALE BUSINESS PARK EAST – DEVELOPMENT CONTRIBUTION PLAN

RBB has been engaged by DevelopmentWA (DWA) to undertake a peer review of the Estimated Development Costs provided by DWA as part of the Forrestdale Business Park East Development Contribution Plan. RBB has reviewed the design documentation associated with the estimates provided to ensure the scope of works has been captured and appropriate costs included. Following our discussions with DWA, we reviewed the following reports.

- JDSi Consulting Engineers – Opinion of Probable Cost – Forrestdale Business Park East DCS dated 6th October 2020
- Josh Bryne & Associates – Forrestdale Business Park East DCP Cost Review dated 2nd October 2020

RBB has reviewed the quantities, rates and assumptions made in the above reports and made commentary where appropriate. Our assessment of the Estimated Development Costs (eDC) as of October 2020 is \$1,721,042 excluding GST.

Estimated development Costs (eDC) October 2020	Cost (\$)
1. Intersection Armadale Rd / Alexwood Drive	\$1,003,599
2. Landscaping – Ranford Rd (provided by DWA 2020)	\$83,050
3. Incomplete Landscaping – Verge Treatments	\$621,774
4. Administration, Management & Consultant Services	\$12,620
Total (Excluding GST)	\$1,721,042

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We have been advised that Item 2 above, the Landscaping to Ranford Rd project, does not require our review and no information was made available concerning these works. It is our understanding that works to Ranford Rd are close to completion and the remaining budget is for minor works only. Item 4, Administration, Management and Consultant Services, is as per DWA advice provided to reflect consultant fee agreements for the 2020 review process.

We have also been advised that Item 3, the Incomplete Landscaping Verge Treatments project, will not attract contingencies and associated fees and to exclude these costs from our review.

The above costs exclude escalation, land values, and GST. Further details of our analysis and verification is attached.

Regards,

Ralph Beattie Bosworth



Clayton Boyd

Director