

Attachment 3 – Verons Information

REPORT OF GENERAL MANAGER

ORDINARY MEETING

TUESDAY, 9 SEPTEMBER 2008

STRATEGIC PLANNING

1. **Small Lot Rural Subdivisions - Construction Funding**

File 34567, 35416, 34747

Reason for Report

This report is referred to Council to clarify Council's intention with regard to the extent of budget in 2008/09 for the commencement of roadwork construction to Jerberra, Nebraska and Verons Estates.

Background

When considering a report on "Small Lot Rural Subdivisions – Proposed Special Rates for road Construction", Council resolved (in part) on 17th June 2008 –

“c) Council match the funding from land owners and that such funding be provided from the Strategic Project Reserve.”

The recommendation in the report was –

“c) Council consider the extent of additional ‘matching’ funds to be provided and that such funding be provided from the Strategic Project Reserve.”

Council staff interpreted the resolution to be that the proposed 2008/09 budget will be double the income raised in 2008/09 by the Special Rate for Road Construction. This is the budget that was subsequently included and adopted in the 2008/11 Management Plan.

It has now been suggested by representatives of the Jerberra Landholders that Council should be matching all funding to be expended on road construction that was raised by Special Rates noting that the funding to be transferred from the funds for Road Design to Road Construction is also raised by a Special Rate.

The following is a comparison of both those options.

Funding Source				
Option 1 (as adopted)	Road Design Special Rate	Road Construction Special Rate	Strategic Reserves	Totals
Jerberra	\$84,400	\$41,020	\$41,020	\$166,440

Verons	\$22,800	\$20,738	\$20,738	\$64,276
Nebraska	\$22,800	\$11,750	\$11,750	\$46,300
Option 2				
Jerberra	\$84,400	\$41,020	\$125,420	\$250,840
Verons	\$22,800	\$20,738	\$43,538	\$87,076
Nebraska	\$22,800	\$11,750	\$34,550	\$69,100

If Council resolves to also match the Road Design funds that will most likely be transferred for expenditure on Road Construction, then additional funds, for the 3 Estates, of \$130,000 (estimate) will need to be allocated from Strategic Reserves either this year or in future years. It is to be noted that the funds for Road Design are loan funds being repaid by Special Rate.

- # It is also to be noted that Council has committed to the future expenditure of funding to finalise road designs once the final configuration of the estate roads is determined. The estimate of this future funding is \$130,000, being the loan funds for design that is to be used for (interim) road construction. This aspect was included in the report to the Extra-Ordinary Meeting of 17 June 2008 regarding the proposed Special Rates for Road Construction (copy attached "A").

Options

- a) Council confirm the funding for Road Construction for the Small Lot Rural Subdivisions to be as adopted and outlined in the 2008/11 Management Plan.
- b) Council allocate from Strategic Resources and vote and authorise expenditure of additional funding for Road Construction for the Small Lot Rural Subdivisions of –
 - Jerberra Estate - \$84,400
 - Verons Estate - \$22,800
 - Nebraska Estate - \$22,800

SUBMITTED for consideration

1276. Small Lot Rural Subdivisions - Construction Funding

File 34567, 35416, 34747

Clr Ward returned to the meeting at the commencement of this item.

Clr Finkernagel declared his pecuniary interest in the matter being he is a land owner in Verons Estate and left the room and did not take part in discussion or vote on this matter

A MOTION was moved by Clr Green, seconded by Clr Ward, that Council allocate from Strategic Resources and vote and authorise expenditure of additional funding for Road Construction for the Small Lot Rural Subdivisions of –

Jerberra Estate -	\$84,400
Verons Estate -	\$22,800
Nebraska Estate -	\$22,800

The MOTION upon being PUT to the meeting was declared LOST.

The RECORD OF VOTING ON THIS MATTER WAS AS FOLLOWS:

The following Councillors voted “Aye”;

Clrs Ward, Green

The Following Councillors voted “No”;

Clrs Watson, Bates, Young, Willmott, Anderson, Kearney, Kerr, McCrudden, Murphy, Rudd

RESOLVED on a MOTION of Clr Anderson, seconded Clr Kearney, that Council confirm the funding for Road Construction for the Small Lot Rural Subdivisions to be as adopted and outlined in the 2008/11 Management Plan.

Verons Estate – Proposed Special Rates to Upgrade Roads

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2. Background

In 1993, Council resolved to investigate rezoning Verons Estate (Lots 1-32 DP 9897) to allow a dwelling to be approved on each lot, subject to the benefiting owners meeting the costs of rezoning the land and providing infrastructure. This 'benefiter pays' position has consistently been conveyed to landowners and the community since that time.

New planning controls for the Estate were adopted by Council on 14 October 2014. As part of this decision (MIN14.724), Council also resolved that:

- c) *A report be prepared on the following financial and cost recovery issues:*
 - i) *Reconciliation of the rezoning budget deficit;*
 - ii) *The cost of the proposed road upgrades shown on the Supporting Map;*
 - iii) *The feasibility of constructing a perimeter fire trail along Taramung Road between Wandra and Advance Roads; and*
 - iv) *A review of cost recovery options and properties which will derive a benefit from the proposed upgrades.*

In accordance with the above resolution, a report was prepared for Council's consideration on [11 October 2016](#). As a result, Council resolved ([MIN16.964](#)) to:

1. Council authorise staff to notify IPART of its intention to prepare a Special Variation application for a \$2.13m loan-funded special rate levy ('Special Rate Variation') so that Council can provide essential road infrastructure in Verons Estate;
2. 17% of the total cost be met by the broader rate base based in recognition of the potential benefit of the road upgrades to the broader community including properties fronting Sussex Inlet Road which have rear access onto Mokau Road.
3. Further details of the proposed funding arrangement be refined in consultation with the affected landowners; and
4. Unless there are substantial changes to the details provided in this report, the Special Rate Variation application to IPART be submitted before the February 2017 deadline.

3.

4. Consultation process

a. Communication strategy

A communication strategy was subsequently prepared in October 2016, a copy of which is provided in Appendix 1.

b. Community consultation

i. Documentation

A community consultation package was prepared comprising:

- [Verons Estate - Outline of Proposed Special Rate Variation](#)
- [Frequently Asked Questions \(FAQ\)](#)
- Landowner survey

A copy of the landowner survey is provided in Appendix 2.

ii. Notifications

A letter dated 8 December 2016 was sent to the Estate's landowners (Appendix 3). The letter included copies of the above documents, and invitation to attend a public meeting on 19 January 2017, and requested written feedback by 20 January 2017.

The FAQ and proposal outline were also uploaded onto Council's dedicated Verons Estate webpage: (<http://shoalhaven.nsw.gov.au/Planning-and-Building/Strategic-planning/Paper-subdivisions/Verons-Estate>) along with other relevant information.

The landowner survey was also available for completion online (using Survey Monkey) via a hyperlink on the above webpage.

Council wrote to landowners between Sussex Inlet Road and Verons Estate on 8 December 2016, to ensure they were aware of the proposed road upgrade at the rear of their properties (even though it would not impact on them financially). The Sussex Inlet and Districts Community Forum was also advised in writing and the proposal was discussed at the Forum's meeting on 16 January 2017.

An article was published in the Sussex Inletter (a local online weekly newsletter) on 18 January 2017 (Appendix 4)

iii. Deputation to Council meeting on 11 October 2016

As noted above, details of the proposed special rate arrangement were reported to Council on 11 October 2016. In accordance with Council community engagement strategy, notifications were sent to landowners within the Estate prior to this meeting. Mr John Finkernagel, a landowner within the Estate, made a deputation to the meeting opposing the proposal. Council adopted the report's recommendations to proceed with the special rate variation application, adding part 5 to hold a public meeting as part of the community consultation process ([MIN16.794](#)).

iv. Public Meeting: Thursday, 19 January 2017

Venue: Sussex Inlet Community Centre

Time: 7:00 – 8:30 pm

Chairperson: Councillor Patricia White

Format: staff presentation ([available online](#)) followed by group discussion.

Council staff: *Corporate and Community Services Group:* Craig Milburn (Director), Peter Timmins; *Planning and Development Services Group:* Tim Fletcher (Director), Eric Hollinger; *Assets and Works Group:* Tom Dimec, Troy Punnet.

Other Councillors: Cllr Mark Kitchener, Cllr Bob Proudfoot

Attendees: approximately 33 members of the public, including at least 15 landowners

Attendees were reminded of the deadline for written feedback of 5 pm on 20 January, and copies of the questionnaires and the background documents were provided.

A range of issues were raised during the discussion. These are reflected in written feedback, which is provided later in this report. While the formal meeting closed at 8:30 pm, staff remained to talk to individual landowners until 9 pm.

5. Landowner survey and other written feedback

a. Response rate and survey representativeness

Surveys were received for 16 properties in total, representing 50% of the Estate. Representation was considerably higher for properties that do not have dwelling entitlement potential, compared to properties with dwelling entitlement, as explained below and shown in Figure 1.

- 80% of owners without dwelling entitlements completed surveys.
- 36% of owners with dwelling entitlements completed surveys.

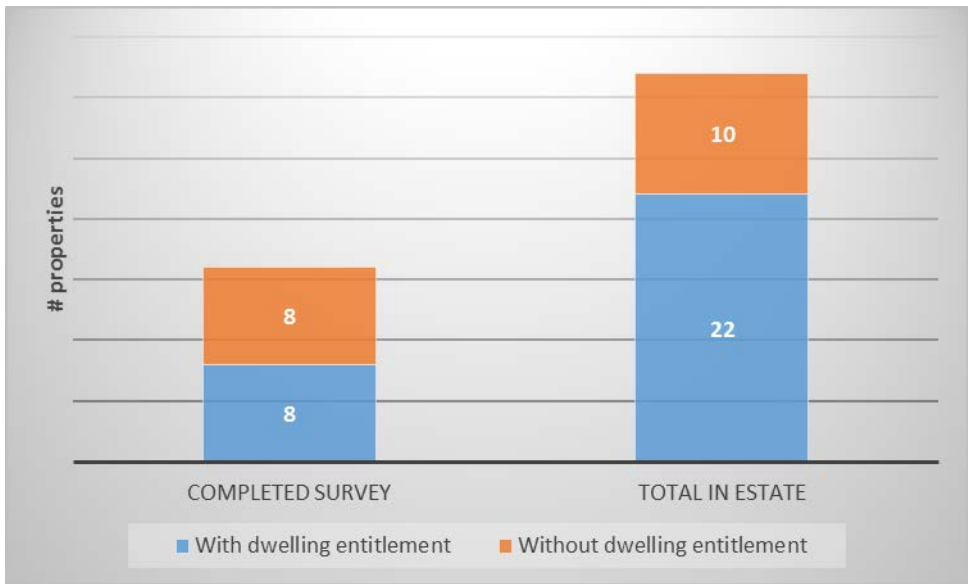


Figure 1 - land represented by completed surveys

b. Length of ownership

The length of ownership is shown in Figure 2.

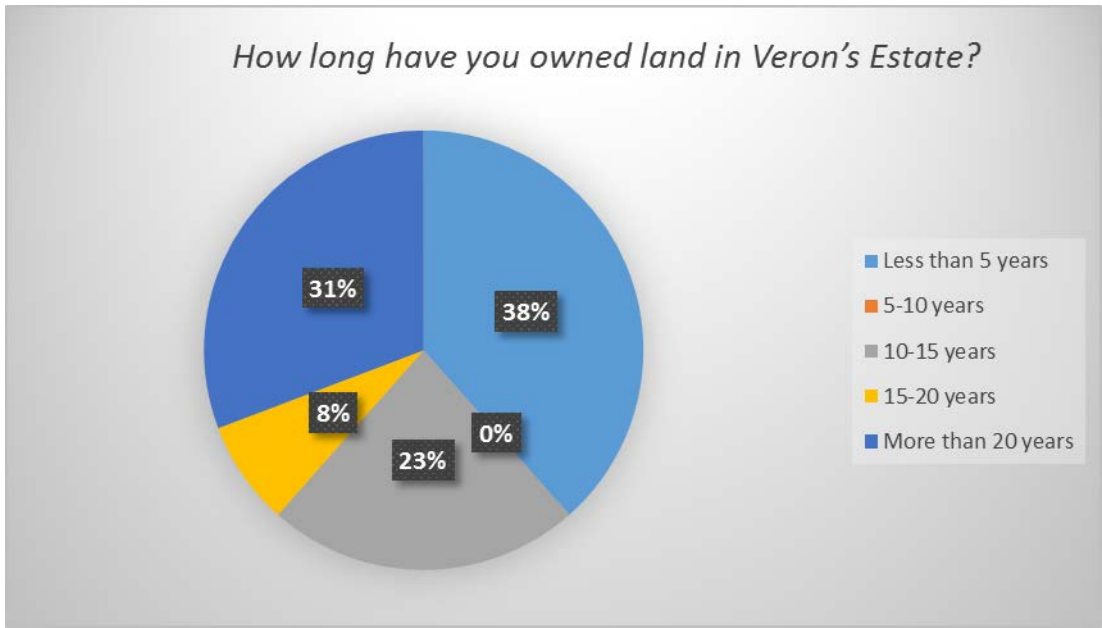


Figure 2 - Length of ownership

The length of ownership was typically shorter for properties with dwelling entitlement compared to those without. For example, 4 out of 8 properties with dwelling entitlements were purchased by the current owner less than 5 years ago, whereas only 1 of 8 properties without dwelling entitlement were purchased less than 5 years ago.

c. Owners' views on Council's benefiter pays principle

As shown in Figure 3, more than 80% of respondents oppose or strongly oppose Council's position that owners will need to meet the cost of providing infrastructure.

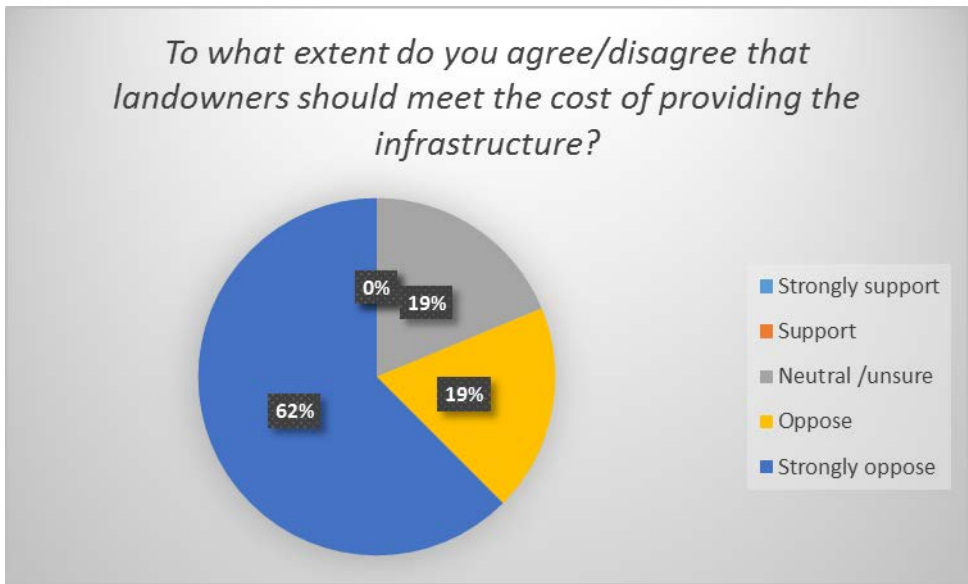


Figure 3 - Respondents' views on having to meet the cost of providing the infrastructure

d. Loan period preferences

Most respondents (86%) understood that the proposed special rates will be in place for the life of the loan. Those that didn't, also indicated that they had not read the background documents (summary and FAQ).

While only 8% of respondents indicated a preference for a 10 year loan, the majority (54%) indicated that they were unsure about the preferred loan period, as shown in Figure 4.

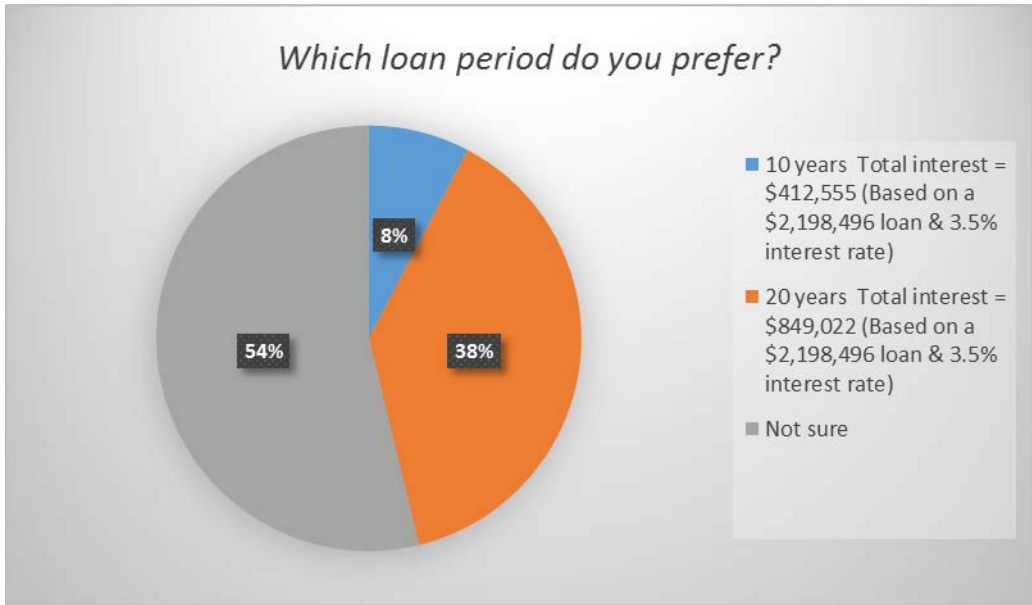


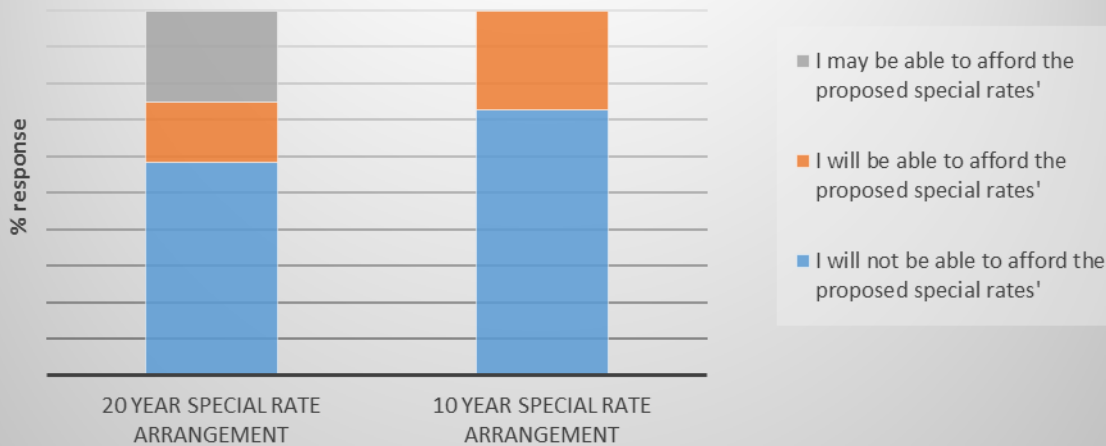
Figure 4 Loan period preference

The above results must also be considered in context of the relatively low response rate (36%) from those owners whose special rates will be higher (i.e. those with a dwelling entitlement).

e. Ability to pay

Just over 40% of respondents indicated that they *may* or *will be able* to pay the special rates under the 20 year loan scenario, compared to just under 30% for the 10 year loan scenario. Taken on face value, this suggests that a substantial proportion of properties within the Estate will change ownership whichever loan period is used, but more so under the 10 year loan option.

Which statement best describes your ability to pay the proposed special rates?



f. Landowner comments

Property &/or Author	Dwelling entitlement?	Submission	Staff comments
[Redacted] (D16/395354)	No	<p>2014 - VG \$75,000 - paying for Verons roads. Does NOT reach my block.</p> <p>2015 - VG \$75,000 - no road payment - Rates \$128</p> <p>2016 - VG \$75,000 - no road payment - Rates \$216 - nearly double</p> <p>2017 - 27 or 37 An increase to pay for a road which does not reach my land. You also liberally increased VG estimate by 50% from \$75,000 to \$111,000?? I see nothing justifying an increase in my rates when I can't drive to my land along it! I benefit in no way.</p> <p>Inferring its to help fire brigade - ridiculous. After 7 bushfires in Sussex Inlet I know their priorities remain in centre of Sussex. They will not fight fires this far from a vulnerable town.</p>	<p>Valuations are issued to Council by the NSW Valuer General (VG). They are not determine by Council.</p> <p>The VG value of \$111,000 was the average for the lots without dwelling entitlement.</p> <p>The Planning Proposal was finalised on the basis that the roads would be upgraded.</p>
[Redacted] (D16/401601)	Yes	I am happy to leave things as they are. No change.	Now that the planning status of the Estate has been resolved, the roads need to be upgraded to enable it be developed.
[Redacted] (D17/5607)	Yes	<p>I oppose the SRV because:</p> <p>A. Council has been collecting rates on these properties probably since 1928 or at least since 1961. This money should never have gone into consolidated revenue ...</p> <p>B. Council has proven its inability to provide the proposed infrastructure without wasting money on sub-standard efforts (i.e. roadwork provided recently meant to be 100 mm of roadbase already returning to mud due to inadequate thickness) and ridiculous consultancy costs accounting for large amounts of money.</p> <p>C. Roads receive more general traffic and, given the sad state of the city's road maintenance and construction, it is unlikely that the roads will last as long as it takes to pay for them. Costs will inevitably blow out just like Council's budget. With promised reviews of recent special rate variations not done or not supplied to rate payers.</p>	<p>It is not practical to allocate the rates collected from each area in the City to be spent specifically on works or services in that particular area.</p> <p>The gravel road previously constructed was only ever intended to be an interim measure, pending the land being rezoned. The cost estimates are based on detailed design to appropriate contemporary standards. Council will contribute 17% in lieu of potential use by others.</p> <p>Council's longstanding position that the Estate's owners will need to meet the</p>

		<p>D. I have been paying rates on other properties in the city for >30 years with the money going into general revenue for roads and maintenance. Therefore it is only fair that all rate payers contribute to these roads on the same basis. Any other way is discriminatory.</p> <p>E. By being more efficient with the massive amount of DA and building approval funds to be received from the proposed rezoning Council should have no problems funding the road works.</p>	<p>infrastructure cost.</p> <p>See above.</p>
<p>(D17/12922)</p>	<p>Yes</p>	<p>I believe as a landholder in Verons Estate that the roads do not require the proposed upgrades. Not only are they not a requirement for the estate, but the road upgrade would not fit in with the rural setting and low environmental impact that the estate is supposedly meant to offer. The quote is extremely unreasonable and the council cannot keep up with sealed road maintenance in the local area as it stands.</p> <p>There is no real benefit to landowners and at more than 100k per property owner this is downright disgusting. It will only force landowners out of the Estate - especially since there are many pensioners and hobby farmers that own land in the estate that will no longer be able to afford the rates. I personally would not be able to afford them and this would place a large deal of unnecessary stress on the people of the estate.</p> <p>Verons Estate SRV should at no time be compared to Jerberra Estate. Their SRV included mains power, substantially less road to be upgraded and more land owners to share the cost of the infrastructure.</p> <p>Specifically, in the FAQ document under "Why do the roads in Verons Estate need to be upgraded?" it is stated that the long dead end roads are potentially dangerous in a bushfire situation. The end of Advance road terminates at the start of Natonal park (southdown fire trail) it is not a dead end and simply needs to be maintained by the relevant authority (NPWS). Mokau road ends abruptly but these blocks wouldn't be getting a road upgrade anyway.</p> <p>It also states under this heading that the roads were to be upgraded at the buyers expense to more contemporary standards. This is not true. The cost of the roads was to be shared 50-50 between council and land owners (reported on 02/11/2005). A private quote for the upgrade of the roads was 380k in 2005. The mayor agreed to the 50-50 split of the cost and it was adopted by the council on June 17 2008 minute 818. The estate is not "contemporary" and these so called "contemporary" standards are not a requirement nor are they wanted by the majority of landowners in Verons Estate.</p> <p>The FAQ's also states that the estate as a whole cannot be safely developed without the new roads. Yet the DCP has already been approved. If the Estate could not be safely developed without these new roads then the DCP would never have been approved in the first place.</p> <p>The FAQ's also states that this is "Essential Infrastructure" this is a blatant lie. Tared roads are NOT essential and do not fit in with the estates atmosphere.</p> <p>The only good suggestion in the both the documents are the changes to Taramung road.</p>	<p>See above.</p> <p>Upgrading and sealing the roads will reduce noise and dust, and will result in significantly less soil erosion. Hence, maintenance of the swale drains will be less costly compared to unsealed roads.</p> <p>There are currently no approved dwellings in the Estate. Owners will have the option of selling their land if they cannot afford or do not wish to pay the rates. Sale prices have increased significantly in recent years.</p> <p>Council is following the same process for Verons Estate as it did for Jerberra Estate (another paper subdivision near Tomerong), hence the reference to Jerberra in the documentation.</p> <p>The Southdown Trail is not a registered fire trail. The RFS only supported the Verons Estate PP on the basis that the roads would be upgraded, along with other measures, to mitigate the significant bushfire risk.</p> <p>Council resolved to make a one-off matching contribution in 2008/2009 only (MIN08.1276).</p> <p>This is addressed in detail in the supporting documentation:</p> <ul style="list-style-type: none"> • Verons Estate - Outline of Proposed Special Rate Variation • Frequently Asked Questions (FAQ) <p>The Development Control Plan (DCP) Chapter S1 includes the bushfire risk mitigation measures, including road upgrades.</p> <p>Refer to previous comments on maintenance and life cycle costs.</p>
<p>(D17/15712)</p>	<p>No</p>	<p>Before you can charge me these Special Rates you must consider that I obtain no usage or entitlement for this extra cost - thus devaluing my Lots 31 and 32. Also, a large sum of special rates has previously been collected from me over the last 20 years in prior special rates. Also the road upgrade to date is not even completed to what we paid for and I feel the main usage of the road was for the NBN tower and infrastructure and everyone who connects to the NBN will benefit from the SRV as the trucks to NBN are the main users of the road.</p>	<p>Road construction special rates were previously levied to fund the minimum standard gravel road that has been constructed. Access to Lots 31 and 32 is via this gravel road even though it does not extent all of the way to the land.</p> <p>The NBN tower will generate negligible traffic.</p>

<p>[REDACTED] (D17/30086)*</p>	<p>No</p>	<p>1. Presumably the owners of the 32 lots in Veron's Estate have been paying Council rates for the past 96 years, even though throughout that time Council has provided absolutely no services in respect of those lots. It is understood that the rates paid by said landowners each year have gone into "General Revenue" and therefore used for the benefit of the wider community within the Local Government area. Despite approving the subdivision in 1920, Council has only recently acknowledged its responsibility for the roads within the estate. One must therefore ask the question how much money has Council saved in the last 96 years by not having maintained roads or provided any services to this estate. Arguably, whatever that saving is, it should now be converted to current monetary values and deducted from the total of special rates to be levied on current owners.</p> <p>2. The proposed roadworks offer absolutely no value in respect of my land without a building entitlement, yet I am expected to pay a special levy. It remains as it always has been, a bush block to which I don't need a sealed road.</p> <p>3. Proposed roadworks are said to be a requirement of the RFS, yet the proposal does not even meet RFS minimum road width standards.</p> <p>4. The alleged 'sealed road' requirement of the RFS will do nothing to prevent or even reduce the risks associated with potential bushfires. It is obviously more of a "nice to have" if in fact it was to meet the minimum RFS requirements.</p>	<p>Refer to previous comments regarding general rates and Council's longstanding position on the cost of infrastructure for Verons Estate.</p> <p>The status of the roads in Verons Estate was resolved in 2005 following a landmark court decision in relation to the Pacific City paper subdivision. Prior to that, their status was uncertain.</p> <p>Refer to previous comments regarding general rates.</p> <p>The properties which do not have a dwelling entitlement will contribute 4%, reflecting their lower use of the roads.</p> <p>The perimeter road specifications in Planning for Bushfire Protection are for urban subdivisions. The RFS have agreed to a trafficable width of 6m instead of 8m, in recognition that the Estate is low density rural, with no need for on-street parking.</p> <p>It is proposed to seal the road to minimise maintenance and avoid dust and noise issues that frequently arise when dwellings are located adjacent to unsealed roads.</p>
<p>[REDACTED] (D17/30194)*</p>	<p>Yes</p>	<p>I think the proposed amount of providing infrastructure is way above and beyond necessities and affordability for any of the few people involved, as we are already struggling to pay the \$3,000 rates, considering that for 29 years we have been paying rates for little return. The council and the community have been benefiting from Veron's Estate land owners since early 1900s. This road, council is trying to procure money for, as apposed to fully draining, earthworks and tar sealing, far exceeds a main arterial road (Turpentine Road) per klms., for far less money than this access road for 32 lots.</p>	<p>The total length of roads to be upgraded is 3.6 km (excluding 0.8 km of fire trail) equating to less than \$600K per km. This is at the low end of rural road construction costs.</p>
<p>[REDACTED] (D17/23678)*</p>	<p>No</p>	<p>We don't even have a permission to build. Nonsense</p>	
<p>[REDACTED] (D17/23950)</p>	<p>Yes</p>	<p>We don't even have a permission to build, and have to pay such unrealistic amount of money. Nonsense.</p>	<p>A dwelling can potentially be approved on Lot 20 as it is a '1964 holding'.</p>
<p>[REDACTED] (D17/23989)</p>	<p>Yes</p>	<p>I oppose the costing of a road I'll only use 50m of.</p>	<p>It is neither practical nor equitable to attempt to apportion the cost on a lineal basis. The road/fire trail network as a whole will benefit all properties in terms of bushfire protection.</p>
<p>[REDACTED] (D17/23967, D17/22425)*</p>	<p>Yes</p>	<p>I don't want a loan. Separate submission provided (D17/22425). Excerpt copied below. I strongly oppose the proposed special rate that the Shoalhaven City Council is planning to apply to IPART for approval. I purchased Lot 17 Mokau Road, Vernons Estate 2 years ago. Prior to purchasing the lot I had lengthy discussions with Shoalhaven City Council in relation to any problems I may have obtaining a building permit. I was advised there was a Road Construction special rate that would cease on 1 July 2017. No other rates or proposed rates ever mentioned this would have had a substantial impact on my decision to buy. When I found this block I felt I had found my dream property to eventually retire too. My reasons for purchasing this property</p>	<p>Staff do their best to ensure potential purchasers of paper subdivision properties are aware of complications such as Council's position that owners will need to meet the cost of any infrastructure. In this case, the 'Part 2 Section 149 certificate' issued by Council in 2015 for Lot 17, contained a link to an attachment on Verons Estate. The attachment included information proposed road upgrades and cost recovery options. (Council recommends that a full 149 certificate (i.e.</p>

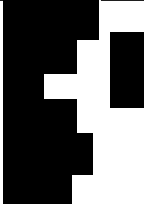
	<p>was its bush appeal, dirt track/road, self sufficient living off the grid in a bush environment.</p> <p>Now the council wants to take that all away. To say that it is a bushfire risk is ridiculous. Is Shoalhaven City Council trying to tell me that all roads in the Shoalhaven are sealed? I think not!</p> <p>We have already upgraded the roads and they are in a much better condition than numerous other roads in the Shoalhaven district.</p> <p>To ask me to pay another \$100,000 for roads to be sealed after we have already upgraded them is money gauging.</p> <p>The financial stress you would put on me and my family should you proceed with any special rate would be incomprehensible. To say that I have the option to sell should I not be able to pay my rates is disturbing. By imposing a special rate you are drastically decreasing the value of my property and limiting the number of potential purchasers who would willingly take on the exorbitant yearly rates.</p> <p>You send me what can only be described as an "insulting" questionnaire. – I'm fairly certain pre schoolers can not be land owners. Are you also telling me you need me to tell you what I own? Did you not send me the questionnaire? Do you not currently send me a rates notice? You now want me to assist your application to IPART!</p> <p>I would like the Council to answer some of the following questions for me.</p> <ul style="list-style-type: none"> - If the rezoning was finalised in 2014 how can it now be put on the current owners to pay for compliance standards? - Should this not have been part of the rezoning costs? - Who benefited from the rezoning? - Will the work go to tender? - After making your "preliminary costing" available to the "Public" how can we be assured of a fair tender process? <p>Which properties have to contribute.</p> <ul style="list-style-type: none"> - How were the traffic predictions obtained? You say Bitzios Consulting has predicted 19.8 trips per peak hour from lot 1-19 + lots 20,28 & 29. - The potential use of rear access from properties fronting Sussex Inlet would be covered by the Council, Why? If they are to benefit and therefore potentially increase the value of their property then why should they not also contribute? Or why should council not also pay for Vernons Estate landowners share? <p>Why can't landowners pay upfront? This was an option given to "Jerberra Estate" why would "Vernons Estate" landowners not be treated equally?</p> <ul style="list-style-type: none"> - Why should "Vernons Estate" landowners be forced into a loan that in unforeseeable circumstances potentially become a burden to their families. <p>My faith in Shoalhaven City's Councils ability to properly manage & coordinate any potential upgrades is extremely low. One of the reasons being that on three (3) separate occasions with in the two (2) documents Council have sent to me you have accounted for the sum of \$20,650 differently. Please explain?</p> <p>You've said its "existing deficit from previous special rates"</p> <p>You've also said it is "Deficit from Rezoning Investigations"</p> <p>You've also said "Any unspent monies from the above special rates will be transferred for the use on the Vernons Estate upgrades project. At this stage this amount is \$20,650"</p> <p>As I initially stated, I strongly oppose any application to introduce another Special Rate on the land owners of Vernons Estate.</p>	<p>Part 2 and Part 5) is purchased in relation to rural land, however it is not mandatory.) Furthermore, the supporting map for DCP Chapter S1 (Verons Estate) clearly identifies the roads that need to be upgraded. Further information is provided on Council's webpage dedicated to Verons Estate. The principle of caveat emptor applies when purchasing land in NSW and the onus is on the purchaser to do their due diligence.</p> <p>It is acknowledged that the proposed special rates will place financial stress on a significant proportion of owners. The cost of the road upgrades should be factored into the purchase price.</p> <p>The landowner survey was designed to be quick and easy to fill out, to maximise landowner feedback. The need for property details was to differentiate the results based on those that do/do not have a dwelling entitlement.</p> <p>It would not have been appropriate to upgrade the roads before the land's planning status had been resolved. The landowners benefited from the rezoning. The work will go to tender. Council uses eTendering, Australia's largest provider of state government tenders.</p> <p>Predicted traffic movements were based on rates provided in the <i>Guide to Traffic Generating Developments</i> (RTA, 2002).</p> <p>The properties along Sussex Inlet Road are not part of Verons Estate and hence, Council's cost recoupment position does not apply to them. The traffic report states that the estimates of potential traffic generated by these lots are conservative.</p> <p>Experience with Jerberra Estate found this option to be problematic.</p> <p>The loan will be taken out by Council.</p> <p>There is an error in the FAQ. The 2016/2017 road construction special rate surplus is actually \$5,763 not \$20,650. The road construction special rate surplus would be offset against the rezoning deficit \$26,413, equating to a net deficit of \$20,650. Council apologises for any confusion this error may have caused.</p>
No	We have paid rates on this property for over 30 years and seen	Council's contribution is based on a

& (D17/28161)		nothing done. We don't have access to our property. Council makes a token effort to construct an all weather road using sub standard material (shale siltstone) and now ask ask to personally fund a road to which they are making a pathetic 17% contribution. Our past rates have been used to fund infrastructure elsewhere in the area, now its their turn to fund us.	conservative estimate of traffic generation by properties fronting Sussex Inlet Road. As previously noted, general rates are not quarantined for use in the area in which they are collected. This would simply not be practical.
(D17/17031)	No	The lots which we own are not approved for residential development so I can't see y I should have to pay this special rate for land only.	Property owners without dwelling entitlement will still access their land via the upgraded roads. The contribution by these lots is comparatively small and is based on the assumed traffic generation rates used in the traffic assessment prepared by Bitzios Consulting.
(D17/29780)	Yes	I know this process is unjust. I believe Council has a lot to answer for!	

* More than one survey received – only most recent survey used for statistical analysis.

g. Non-landowner submissions

Author & document ref.	Submission	Staff comment
(D17/18753)	<p>Dear Sir ,</p> <p>I owned one of the properties on verons estate . At the time of purchase it was explained to us that no building was allowed but that might change in the future. We landholders approached council several times and the end result was that we would have to foot the bill for all the required infrastructure prior to getting approval . The council was not financing any part of it .</p> <p>I read in the inletter of Sussex Inlet that the council is now proposing to borrow the money and having landowners repay the council . This is at the same time that council has approached IPART for a general rates increase because of financial shortfalls . To borrow \$2.1million to benefit only 19 landholders is a pure case of mismanagement . The blocks were bought knowing that they would have to pay for infrastructure that's why they were only \$1000/acre .</p> <p>I'm sure the council has more pressing projects that would benefit many more than 19.</p>	<p>This proposal dates back to Council's decision in 1993 to investigate rezoning the land on the basis that the costs are met by the owners. Now that the land's planning status has been resolved, significant upgrades are required to the road network, so that the Estate can be safely developed. To not do so would be contrary to Council's longstanding position and ignore the significant effort over several years to resolve the land's planning status. Apart from the 17% contribution by Council, the project will be cost neutral.</p>
(D17/19048)	<p>Attention General Manager,</p> <p>Following the recent letter we received from Shoalhaven Council, re 'Proposed Special Rate Variation to allow upgrades to Verons Estate Roads'</p> <p>I cannot understand Councils decision to upgrade the roads on the above estate.</p> <p>We have lived here for 37 years, and our property backs onto this estate.</p> <p>We have also been ratepayers in this shire since 1969.</p> <p>When the first subdivision was made, there was DEFINITELY no building to be accepted on it, and the original entry road into it was further up towards the highway. Somehow this land was allowed to have a residence built on it, and since then Mokau Road became a 'speedway' increasing with traffic over the years.</p> <p>The VERNON ESTATE landowners purchased this land knowing full-well it was to be NON RESIDENTIAL.</p> <p>But years later they are allowed to build on it, since then the road has been updated regularly, and edges slashed.</p> <p>It has had more attention paid to it than the Main Sussex Inlet Road.</p>	<p>Refer to comments above.</p> <p>The road should be sealed to reduce dust and noise, and protect water quality (by minimising erosion), as well as minimise ongoing maintenance costs (which Council will be responsible for).</p>

	<p>Resulting in unregistered motorcycles and cars constantly tearing around out there.</p> <p>We consider the 'tarring' of this estate - ridiculous. A total waste of ratepayers money.</p> <p>Money which could be better spent on Shoalhaven public roads.</p> <p>I suggest councillors come out and drive along this road, you will find it in better condition than most of our Public roads.</p> <p>There has been very little advertising re this proposal, and I feel that all residents of Sussex Inlet need to be informed by Council.</p>	<p>Council has consulted with the community in relation to the planning processes, and more recently as part of this special rate variation. For example, a dedicated Verons Estate webpage has been maintained for over 10 years, and both the Verons Estate Planning Proposal and DCP Chapter S1 were publicly exhibited before they were adopted.</p>
 (D177/24000)	<p>Yes – you [Council] should pay for roads.</p>	<p>This comment was provided on the landowner questionnaire designed for Verons Estate landowners. The author is a landowner in Jerberra Estate where infrastructure special rates are already in place.</p>

6. Appendices

Appendix 1: ENGAGEMENT PLAN AND COMMUNICATIONS STRATEGY

Special Rate Variation Application (Verons Estate Infrastructure) - October 2016

Background

At the October 2016 Council meeting approval will be sought to introduce a Special Rate Variation for the recovery of Special Rates from Veron's Estate ratepayers for the installation of essential infrastructure to enable development within the estate.

Purpose and Aim of the Engagement Strategy

The purpose of this engagement strategy is to demonstrate how Council will communicate with the individual group from Verons Estate, to gather their feedback into the proposed rates increase and the work to be carried out.

This consultation aims to determine how an increase in Veron's rates will affect the local community and that the benefits are accepted by the community.

Key Messages

- The Veron's community are being given an opportunity to comment on the infrastructure rate increase
- The engagement exercise seeks to find out the opinions and views of the Veron's community, affected by the proposed changes.
- Council remains the final decision maker but will be influenced and informed by the submissions of the community.
- Explanation of why and how the engagement process has been selected and why the project is required will be clearly communicated.

Relationship to Community Strategic Plan

The proposal to increase rates relates to the leadership component of the Community Strategic Plan which contains the objectives:

- 4.1 Active engagement between Council and the community and other stakeholders
- 4.2 Collaborative and rewarding partnerships and effective advocacy

The proposal to increase Veron's rates aligns to Activity 5.1.2.1 in the Delivery and Operational Plan and is a component in the preparation of the 2017/18 budget and Long Term Financial Plan.

Relationship to the Community Engagement Policy

The project is considered a low impact, localised project within the Community Engagement Policy Matrix. It is recommended within the policy that the use of a targeted approach for this type of project would be appropriate and in accordance with IAP2 recommendations.

Risks

This project is a low risk, but does need to be carefully managed, to ensure that Veron's ratepayers are given adequate understanding of the process, the reason behind the proposal and that they still have the opportunity to have their say.

- It is vital to be very clear about the level of consultation being offered to the local community, what they can and can't influence with regards to future changes.
- There is a need to remove the perception that Council has already made up its mind about what outcome will be achieved.
- The process needs to be transparent to ensure that community concerns of bias are removed
- Community expectation needs to be managed after the approach is approved.

Appendix 1: ENGAGEMENT PLAN AND COMMUNICATIONS STRATEGY

Stakeholders

The following list is a summary of key stakeholders.

Internal	External
<ul style="list-style-type: none">• Finance staff including Rates	<ul style="list-style-type: none">• Veron's ratepayers
<ul style="list-style-type: none">• Group Directors	<ul style="list-style-type: none">• Sussex Inlet Community Consultative Bodies
<ul style="list-style-type: none">• General Manager	<ul style="list-style-type: none">• Sussex Inlet Business Chamber
<ul style="list-style-type: none">• Councillors	
<ul style="list-style-type: none">• Pam Gokgur	
<ul style="list-style-type: none">• Eric Hollinger	
<ul style="list-style-type: none">• Jessica Rippon	

Strategy Methodology overview

Stage 1: Communication to New Council

1.1 Councillor Induction

Determine if a slot can be organised for an introduction to Small Lot Subdivisions.

1.2 Councillor Briefing on options

Organise a Small Lot Subdivision presentation prior to the Development Committee Meeting on 10th October 2016.

1.3 Report to Council

Aim to prepare a report to the Strategy and Assets Committee by the 11th October 2016, or if time frame too short to ensure the report gets to the Ordinary Council Meeting on 25th October 2016.

1.4 Media Coverage

- Project website

Stage 2: Communication to Ratepayers and Community

2.1 Communication with Veron's Ratepayers

- Letters to individual ratepayers that report going to Council in October
- Another letter after the Council Meeting in October, including:
 - Frequently asked questions
 - Survey for residents
- Letter to residents North of the Estate

2.2 Communication with CCB's

Communication to the Sussex Inlet CCB

- Setting the scene
- Covering legislative guidelines

2.3 Communication with Sussex Inlet Business Chamber

Communication to the Sussex Inlet Chamber

- Setting the scene
- Covering the legislative guidelines

2.4 Phone Calls to individual residents if required

Key considerations

Appendix 1: ENGAGEMENT PLAN AND COMMUNICATIONS STRATEGY

- The extent to which those who receive the benefits of council's services also pay for those services – the so called “**benefit principle**”
- The extent to which those who pay for council's services have the ability to pay for those services – the so called “**ability to pay principle**”

Media Coverage

- Given only 31 properties are affected by the proposed rate increase, full media coverage is not required.
- The Project website will make available the latest information with regard to the rate and the proposed works

Timeframe: October 2016 – June 2017

	<u>Verons Special Rate Timetable</u>
Oct-16	Present to Councillors
Oct-16	Calculate rates based on apportionment
Oct-16	Finalise Questions and Answers
Oct-16	Prepare Survey questions
Oct-16	Prepare Survey
Oct-16	Report to Council to approve Special Rate
Nov-16	Resourcing Strategy completed and on exhibition
Nov 16	Follow up letter to Ratepayers with Survey and FAQ's
Dec-16	Notify the IPART
Dec-16	Visit Veron's Estate
Jan-17	Meetings with ratepayers if required
Jan-17	Prepare submission
Feb-17	SRV Application to be submitted

Budget

Engagement estimate:

- Survey: \$300 estimate
(Internal – Survey Monkey – 31 ratepayers)
- Marketing and Printing: \$300 estimate
(Predominately using available internal resources)
- Advertising: \$500 estimate
(Placement of ads in South Coast register and Milton Ulladulla Times)

Commitment

Commitment needs to be sought from Council and the proposed approach adopted to ensure that the outcomes provided will be considered and utilised in the final decision making process.

Council and staff need to commit to the method employed and provide consistent messages to the community about the necessity for the rate increase and the methods used to communicate with ratepayers.

Appendix 2: Landowner Survey

Appendix 3: Letter to Verons Estate landowners dated 8/12/2016

Council Reference: 1422E (D16/383599)

«Address_Name»
«Address_Label_Line_2»
«SUBURB» «STATE» «POSTCODE»

Dear Sir/Madam

Proposed Special Rate Variation to allow upgrades to Verons Estate roads

I refer to Council's letter dated 4 October 2016 regarding a report on a proposed Special Rate Variation (SRV) for consideration by Council's Strategy and Assets Committee on 11 October 2016. The purpose of this letter is to advise that in response to the above mentioned report, Council resolved to notify IPART of its intention to prepare a Special Rate Variation (SRV) application so that it can borrow \$2.13m to upgrade the roads in Verons Estate. The loan would be repaid via special rates levied on properties within the Estate for the duration of the loan.

Note: you may be aware that Council is also seeking community feedback on a broader Special Variation. This should not be confused with the Verons Estate SRV, which is solely to enable road upgrading within the Estate.

Community engagement is an integral part of the SRV application process. A consultation package is enclosed and includes:

- Verons Estate – Outline of Proposed Special Rate Variation
- 'Frequently Asked Questions'
- Verons Estate landowner survey (Reply Paid Return Envelope enclosed)

Landowner survey

A survey has been prepared to enable you to provide feedback on the proposed special rates. Completed surveys must be returned to Council by 20 January 2017.

You can complete the survey either:

1. On-line (preferred) at <https://www.surveymonkey.com/r/YRDRPKM>
OR
2. By completing the attached copy and returning it either via post (Shoalhaven City Council, PO Box 42, Nowra, 2541)

If multiple surveys are received for a given property, only the most recent will be accepted. The survey results will be provided to IPART as part of the Special Rate Variation application.

Public information meeting

You are invited to attend a public information meeting to be held at:

Where: Sussex Inlet Community Centre
When: Thursday 19th January 2017
Time: 7:00 pm – 8:30 pm

If you are unable to attend the meeting and/or you would like to discuss the proposed Verons Estate SRV individually, contact numbers for the relevant sections of Council are provided below.

Revenue Management: (02) 4429 3368
Strategic Planning: (02) 4429 5377
Project Delivery: (02) 4429 3256

Appendix 3: Letter to Verons Estate landowners dated 8/12/2016
Please quote Council's reference 1422E (D16/383599).

Yours faithfully



Pamela Gokgur
Chief Financial Officer
8 December 2016

**Proposed Special Rate
Variation to allow upgrades to
Verons Estate roads**

