

MONARD STRATEGIC DEVELOPMENT ZONE

# Development Contribution Scheme



2 July 2015

CORK COUNTY COUNCIL



## **Contribution Scheme for Monard SDZ**

Under the Planning Acts, a planning authority can make one or more Development Contribution Schemes, in respect of different parts of its functional area<sup>1</sup>. Until now, the General Development Contribution Scheme adopted in 2004 has applied to all parts of Cork County, and a Supplementary Contribution Scheme for the Cobh/Midleton – Blarney Suburban Rail Project also applies to areas within 1 kilometre of the rail line, including the southern part of Monard SDZ.

A new General Contribution Scheme - to apply to Monard SDZ only – was adopted in 2012 in parallel with the 2012 Monard SDZ Planning Scheme, because

- development costs in Monard differed widely from those in other parts of County Cork.
- creating a new town through an SDZ Planning Scheme in a previously undeveloped area involves a radically different development process, to which a contribution scheme drafted with incremental expansion of pre-existing settlements in mind would not have been appropriate.
- new items were added to the types of infrastructure which can be funded by a General Contribution Scheme in 2010<sup>2</sup>, and several of these have more than usual relevance in a new town project.

This revised Contribution Scheme takes account of changes affecting development contributions which have occurred since 2012, including the transfer of responsibility for water services other than storm water to Irish Water, the consequent reduction in the amounts charged under the Council's 2004 General Contribution Scheme from the end of 2013 onwards, and the 2013 Development Contributions Guidelines.

### **(A) Development Costs in Monard**

This Scheme has the advantage of being prepared in parallel with the Planning Scheme for Monard SDZ, which provides projections of future development, population and infrastructure needs in more detail than is usually available for a Contribution Scheme.

Table 1 indicates expected costs to public bodies and to the County Council of the various types of infrastructure listed in s.48.17 of the Planning and Development Acts 2000-2010 in Monard.

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<sup>1</sup> Planning and Development Act, 2000, s.48.2(a)

<sup>2</sup> Planning and Development Amendment Act, 2010, s.30(b)

**Table 1 Estimated Infrastructure Costs for Monard SDZ**

Sub-section, s.48.17	Type of public infrastructure	Expected net cost (€m)
(a)	Acquisition of land (excl. (b), (g))	1.5
(b)	Open spaces, recreation, community facilities and landscaping	2.5
	Advance planting grant scheme	0.24
(c)	Roads	16.9
(d)	Car parking	0.25
	Flood relief works	1.1
	Public transport, cycle and pedestrian facilities, traffic calming	2
(e)	Refurbishment or upgrading of existing infrastructure	4.7
(f)	Broadband	0.45
(g)	School sites	0.85
Total		30.49

Seeking to raise the full amount indicated in Table 1 poses some difficulties. At present, there would be a risk that the higher level of contributions needed to fully cover expected development costs in Monard would deter development there, through its effect in squeezing development land values and builders margins.

However, Monard is different from edge of town greenfield land. Even if the latter is unzoned and unserviced, this may change, and landowners' expectations are influenced by the value of adjacent zoned and serviced land. In areas such as Monard which have no realistic prospect of urban development in the absence of an overall package of infrastructure investment such as that set out in the SDZ Planning Scheme, landowners reserve prices might reasonably be expected to be somewhat lower.

In the longer term, recovery in either real or nominal property values (or both) is likely, and an increase in contributions at that stage would be reasonable, particularly in view of the unusual extent to which Monard requires new infrastructure, for development to be possible there. However, it would be desirable for this Contribution Scheme for Monard to have some built-in ability to respond to market conditions.

The way in which this can be achieved is outlined in section (F) below. This follows a description of the approach to setting contribution rates which is appropriate in the context of a completely new town - in the broad context set by the established policies of Cork County Council – in sections (B) – (E).

## **(B) Differences in Development Process**

The development and planning processes which will apply in the SDZ will involve an unusually strong need for:

- (a) **Networks:** The historical pattern of development in Cork's satellite towns involved incremental expansion along existing roads radiating out from the town centre. Blocks of farmland close to the centre were typically developed from the surrounding perimeter roads inwards, so housing estates ended up back to back when they met in the middle of the block. This often resulted in a layout which encouraged driving and discouraged walking and cycling, but convergence of the existing road system on the town centre partly compensated for this.

Even if this type of solution were acceptable in a planned new town and SDZ, it would not work in Monard, because there is only one – very large – developable block of farmland there, with no internal road system, other than two single track boreens. The two roads on the edge of the developable area converge on Blackpool, not on any existing centre or cross roads in the SDZ. The Planning Scheme therefore has to create a town centre (and local service centres), and ensure that the planned transport networks converge on them.

The developable part of Monard also slopes south and west towards the Old Mallow Road, and foul and storm drainage will also have to fall in that direction, from residential areas which will be up to 1 km away from it. This again requires the creation of networks internal to the existing large block of farmland.

- (b) **Substantial (but variable) proportions of sites for community, recreation and amenity uses:** Monard needs schools, playing fields, and linear open spaces which allow creation of attractive cycle and pedestrian routes in addition to their amenity value, and advance planting of tree belts.

The Council's Recreation and Amenity Policy uses a points system to encourage developers to provide – say - playing fields, without necessarily indicating which development sites should make provision for them, or where they should go. The points system is used to equalise the recreational and amenity obligations of different developers, and allows for a majority of these obligations to be met by financial contribution if so desired. This solution needs modification to suit Monard, because

- for some community uses, Monard has only limited areas which are suitable
- an SDZ Planning Scheme needs to be specific on where large users of land are located
- the facilities need to be in Monard itself, not in some other settlement in the general area

- Monard requires a larger than normal amount of landscaped areas, because of the substantial proportion of the SDZ which is elevated and prominent
- Specifying where extensive recreational and other public uses should go within the SDZ will result in variations in the proportion of landholdings required for such uses. It is important that landowners or developers who are providing a higher than normal proportion of their sites for such uses do not feel that they are at a disadvantage, relative to adjoining landowners. Some substitute for the equalisation process offered by the points system will therefore be needed.

### **(C). New Forms of Infrastructure of Special Relevance to Monard**

While it is quite complicated and expensive to provide comprehensive ducting for **broadband** in an existing settlement, it is simple in a new town, as almost all roads will be new ones, and the necessary trenches can be dug and ducts laid as part of the process of constructing them. Requiring ducts to connect to each house as it is built is also a practical proposition. The main fibre optic cable providing trunk connections from Cork to Dublin and to places outside Ireland runs along the adjoining rail line, which will facilitate a high quality broadband service for Monard, and should be a source of competitive advantage for it. This trunk cable, and the cable connecting Cork and Blarney and running along the N20, could be connected to a loop laid along the service corridor, allowing onwards connection by developers to the various neighbourhoods.

It is also easier to apply the **Sustainable Urban Drainage** approach in a new town, as this allows SUDS principles to be implemented for the full length of a channel for surface water through a settlement, and the necessary works are simpler and more economic in undeveloped areas. Monard is upstream of settlements which have a history of flooding, and they will need to be protected from any increase in flood risk arising from its development.

A new town is particularly dependent on timely provision of **schools**. It is envisaged that the first primary school site will be provided to the Department of Education at cost on land to be acquired by the County Council. Availability of sites for the other three primary schools could be promoted by including them in an equalisation scheme, with this incentive reinforced by a provision making housing development in specified areas contingent prior construction of the primary schools serving them. As the proposed secondary school is likely to be provided only when substantial population growth has occurred in Monard, and is on a site detached which will not benefit from housing development, collection of a contribution towards the costs of this site would be appropriate.

Where possible, tree planting needs to occur well in advance of construction. As a way of encouraging early allocation of land for amenity planting - and thus improving the appearance of new development in Monard in challenging topography – **tree planting grants** are proposed, at a similar level to those offered by the Department of

Agriculture for forestry, taking account of the fact that trees planted for amenity rather than timber production would not be eligible for Department grants. This incentive would allow for the fact that almost all the land in the SDZ is owned by farmers, and that while they may make large development gains on their land in the longer term, they are likely to continue to run their farms as a business in the interim.

### **(D) Equalisation through Extension of the Recreational and Amenity Policy**

The contribution regime for Monard thus needs to

- (i) include a form of equalisation, which reflects differences in the proportion of a landholding or development site provided for recreational, amenity or community facilities, including school sites
- (ii) encourage the connection of infrastructure provided by developers on their own sites into networks
- (iii) include broadband, SUDS and advance tree planting as forms of infrastructure in the Scheme

The Council's existing Recreational and Amenity Policy awards points for the type of recreational facilities which include significant construction works, as well as requiring land. Specifically, it allocates points to different types of hard surfaced play areas, courts, playing pitches and community buildings. The points available for these facilities were based on estimated construction cost, plus the land required, with the latter valued at €250,000 per acre (€618,000 per hectare).

The Council's Recreation and Amenity Policy has been in operation since 2006. Some useful experience was gained in its operation before development largely came to a halt in 2009. It may be regarded either as a requirement on the form of new development, or as a form of contribution in kind. The latter aspect was highlighted by provision for converting part of it into a monetary payment, at the rate cited above.

The additional facilities which need to be brought within the remit of the Recreational and Amenity Policy in Monard include school sites, passive open space, linear open spaces containing cycle and pedestrian routes, and SUDS features. The works which a developer is expected to carry out in providing such facilities are more limited than for those qualifying for points under the existing Policy. They involve less or no hard structures, and works which are less intensive, relative to the area of land involved. The main need to supplement the existing Policy arises from the value of the land for such facilities, rather than the cost of the works.

To allow for inclusion of these additional facilities, points will be allowed for the provision of land for them, and there will be a balancing increase in the number of points required, from one point per 6 dwellings to one point per 5 dwellings. To avoid double counting, land used by developers to accommodate the facilities already listed under the existing Recreation and Amenity Policy, or in buffer areas around them, cannot be counted again, and only community land in excess of the 12-18% of site area already required for open space under the existing Recreational and Amenity Policy will be eligible.

















