

Adopted by Council on 23rd February, 2004.

Supplementary Development Contributions Scheme - Cobh/Midleton - Blarney Suburban Rail Project

Under Section 49 of the Planning & Development Act, 2000

Section 49 of the Planning and Development Act, 2000 allows the Council to make Supplementary Contributions Schemes, which relate to a specific public infrastructure project or service (including rail projects, as well as specific new roads and sanitary projects). They are supplementary in the sense that they are separate from, and in addition to, the General Development Contributions Scheme under section 48.

A Supplementary Scheme is needed for the Cork suburban rail project, as it is central to the Cork Area Strategic Plan. This envisages that;

“there will be a major growth corridor in the northern and eastern part of the Metropolitan area between Blarney and Midleton... The location for the development must be close to the existing rail system in order to avoid the traffic gridlock that would occur if a simple roll out of the City were to be adopted as a policy....Central to this strategy is the upgrading and better utilisation of the rail system, and the location of development to avail of rail infrastructure”

Early implementation of the suburban rail project would build on the planning and property market momentum already developed, and give the overall project the credibility to ensure that land use trends and transport improvements are mutually reinforcing. This in turn will maximise both the benefits of the project, and its viability. An efficient suburban rail system will also raise property values in the areas served, and both developers and users of property should benefit significantly.

The Project

The project will consist of works and provision of rolling stock associated with:

- reopening of, and operation of suburban services on, the Cork-Midleton line
- provision of new services between Blarney and Cork (some to continue to Mallow)
- upgrading of rolling stock and frequency on the Cobh line, as demand increases

The project was supported by the Feasibility Study on the Cork Suburban Rail project by Faber Maunsell (for Iarnród Éireann), and the (national) Strategic Rail Review (2003) carried out by Booz Allen Hamilton. Both saw it as good value for money. Both also refer to Section 49 as a potential source of funding.

The reports estimate the cost of the project at between €115 and €124 million. (€120 million has been used in the calculation of the development contributions).

Area to which the Scheme Applies

The Scheme applies to areas, which are:

(a) within 1 kilometre of the Cork-Blarney, Cork-Cobh and Cork-Midleton lines, or of Cobh Station and (the disused) Blarney Station, or of the point where the disused Cork-Youghal line crosses the eastern boundary of Midleton Town, **and**

(b) in the functional area of Cork County Council

This includes all areas within 1 kilometre of a station, and also areas served by main roads (including the new and old N20 and N25 routes), which run parallel to the rail lines, and which could provide convenient access for residents of the corridor to park and ride stations. Businesses would benefit from reduced road congestion.

Sections of these lines run through Cork City, and Cobh and Midleton Towns. The Council will consult with these authorities regarding the possibility of co-operation with them in promoting this project.

The Supplementary Scheme does not apply to agricultural developments.

Basis for Determining Contributions

The Cork Area Strategic Plan includes estimates of population and employment in settlements on the rail line for 2000 and 2020. Having regard to these estimates, and 2002 census data, estimates of current and 2020 population and employment within 1 kilometre of the rail line have been made. The cost of the project has then been allocated to existing and expected development within this area, which is projected as follows:

	Population	Households	Dwellings	Employment
2002	63,600	20,300	20,300	38,800
(obsolescence)			(-95 per annum)	(-580 per annum)
+ CASP gain	36,900	17,600	19,500	18,900
2022	100,500	37,900	37,900	57,700
Of which is new development:			19,500	30,500

There will be some self-selection by those occupying new development built during this period, as households and firms which will benefit from the rail system are more than averagely likely to locate in the corridor. Average benefits to new development are assumed to be 25 % greater than to a similar unit of existing development. Benefits to housing units within the City are treated as half those in the County, as the service would mainly facilitate reverse commuting there, and fewer residents would do this.

On these assumptions, circa €55m to €60m of the cost of the project is attributable to new development, circa €45m to existing development, and circa €15m to replacement of obsolescent buildings. Development within 1 kilometre of the rail line

will be distributed between four different planning authority areas, but most greenfield land within 1 kilometre of potential stations is in the County area, so perhaps 60% to 80% of new development may occur there. Not all benefits to future development can be captured by contributions schemes, as some land is developable on the basis of existing permissions, and there will be some benefits to development outside the defined 1 kilometre corridor.

Level of Contributions Payable from 10th March, 2004.

The level of contributions payable in respect of decisions to grant planning permission which are subject to the Supplementary Scheme are set out in Table S2 below.

Table S2: Initial and Target Levels of Development Contributions. Initial rates to apply from 10th March, 2004; €			
Development type	Unit	Initial Rate	Target Rate
Residential (no charge for first 40 m ² of conventional houses)	m ²	19.00	25.00
Office type (and retail type within 500 metres)	m ²	65.60	88.00
Other non-residential	m ²	16.40	22.00

The target contribution rates in Table S2 are expressed in 2004 prices.

For the purpose of this contribution scheme the “**office type**” development shall include: office based industry, banks, third level education, hospitals and surgeries and “**retail type**” uses shall include restaurants, bars and retail services.

Contributions are proportionate to the size of dwelling unit, with the amount levied being calculated on a square metre basis. The first 40 square metres of each conventional house is not levied. This should result in contribution levels being broadly proportionate to other costs involved in providing a dwelling, and minimises contributions for smaller houses which are most likely to be purchased as starter units. There is an additional argument for this approach in relation to contributions in areas served by rail, namely that

encouraging smaller units which would normally be provided at a higher density maximises the number of residents within walking distance of stations.

The target levels of contributions will be phased in to avoid an unduly abrupt increase initially, which could check development in the corridor and pose transitional problems for developers who had already agreed to purchase land at a value which did not take account of this prospective obligation. Construction inflation averaged circa 5% over the last decade. If this continued, convergence with the target level of contributions could be achieved, by applying a fixed 8% per annum increase for the first ten years, and 5 % per annum thereafter. The initial contribution rates will therefore rise at a uniform rate of 8 % per annum to the target level over the first ten years of the scheme.

The 8 % rate per annum increase will be used to determine the appropriate contribution to be levied by condition at the date of permission, and also as the rate of increase to apply in the interval between the permission and the date on which the contribution is paid. The rates applicable to new planning permissions will be updated quarterly.

Developments which are liable for supplementary contributions towards the rail project are eligible for a 75 % reduction in the roads component of the contributions to be levied under the Council's General Scheme of contributions, drawn up under Section 48 of the Planning and Development Act 2000 (though they may still be liable to special contributions for roads purposes). This reflects the lower expected level of car use generated by land uses accessible to a good rail service, and the reduced dependence on the road system which should result. Some reduction should also be possible in parking requirements in developments in close proximity to rail services.

Manner of Payment

The Planning Authority will collect the contributions, which will be transferred with accumulated interest to the Rail Procurement Agency (or other organisation designated by the Government to carry out the Project), once an agreement with the Agency under section 49 (4) of the 2000 Act has been concluded, and substantial works on the rail project have begun. Pending this, all monies collected by the Council under the Scheme will be retained and invested. Subsequent contributions will then be transferred as agreed with the Rail Procurement Agency.

If no substantial works have been carried out, or have been commenced, by a date ten years after the date of receipt of a contribution by the Council, the contribution will be returned to the developer, but less an amount corresponding to the 75 % reduction in roads contributions under the General Contributions Scheme, which applies to developments liable to contribute to the Supplementary Scheme, together with the appropriate interest. (The 75 % reduction in roads contributions under the General Scheme recognises that the suburban project will reduce the need for road investment, but this is only appropriate if the rail project is actually implemented).

Reduced Contributions

The following percentage reductions shall apply to the categories as listed hereunder:

Categories	Reduction
Provision of facilities by organisations which are considered to be exempt from planning fees as outlined in Part 12 Article 157 (1a-c) of the Planning & Development Regulations 2001 *	100%
Voluntary organisations / voluntary or co-operative housing bodies as outlined in Part 12 Article 157 (2) of the Planning & Development Regulations 2001 **	100%
First 60 m ² of extensions to private dwellings	100%
Works to Protected Structures ***	100%
Social Housing Units	100%
First 40 m ² of conventional houses (i.e. excluding apartments and duplexes)	100%
Dwellings provided for sale by voluntary bodies as prescribed in Article 157 (2), Planning and Development Regulations 2001 (including the first 40 m ²)	40%

* *“Where a planning application consists of (a) is designed or intended to be used for social, recreational educational or religious purposes by the inhabitants of a locality, or by people of a particular group or religious denomination, and is not to be used mainly for profit or gain, (b) is designed or intended to be used as a workshop, training facility, hostel or other accommodation for persons with disabilities and is not to be used mainly for profit or gain, or (c) is ancillary to development referred to in paragraph (a) or (b) a fee shall not be payable when making any such application.”*

** *“Where a planning application consists of or comprises the provision of houses, or development ancillary to such provision, which is proposed to be carried out by or on behalf of a body approved for the purposes of Section 6 of the Housing (Miscellaneous Provisions) Act, 1992 (No. 18 of 1992) and is not to be used mainly for profit or gain, a fee shall not be payable in respect of any such development.”*

*** *“Where these works substantially contribute to the conservation or restoration of the protected structure”.*

Note: The Appendix attached hereto does not form part of the Scheme(s) and is for reference purposes only.

APPENDIX 1

Special Contributions may not be levied under the General Scheme. In the interests of clarity and user convenience it may be helpful to state the Councils approach to the levying of Special Contributions.

SPECIAL CONTRIBUTIONS

Special contributions may be levied under Section 48 (2)(c) where specific exceptional costs not covered by Cork County Council's General Development Contribution Scheme are incurred by any Local Authority in respect of public infrastructure and facilities which benefit the proposed development. Only developments that will benefit from the public infrastructure or facility in question will be liable to pay the special contribution. Conditions imposing special contributions may be appealed to An Bord Pleanála.

In the cases of the following types of development special contributions shall be levied and the amounts of the contributions shall be calculated on the basis of the criteria set down below.

Quarries and Gravel Pits

Special contributions for quarries and gravel pits shall be based on the following criteria:-

- The scale of the proposed development, i.e. the volume of materials that it is proposed to supply from and deliver to the site;
 - The condition of the road serving the development;
 - The length of the road or roads from the development to the nearest major road which is in good condition;
 - The cost of bringing the road or roads up to a standard necessary to facilitate the development and not cause an adverse impact on other road users.
 - And the cost of traffic control measures.
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- Buildings provided as part of a quarry or gravel pit development will however also be subject to the provisions of the general Contributions Scheme (i.e. based on the gross floor area of the buildings).

Windfarms

Special contributions for windfarms shall be based on the following criteria;-

- The scale of the proposed development, i.e. generating capacity;
- The condition of the road serving the development;
- The length of the road or roads from the development to the nearest major road which is in good condition;
- The cost of bringing the road or roads up to a standard necessary to facilitate the development and not cause an adverse impact on other road users.
- And the cost of traffic control measures.

Golf Courses and Other Leisure Facilities which incorporate Premises

Special contributions for these types of development shall be based on the following criteria;-

- The demand the development will place on water services;
- The traffic likely to be generated by the development;
- The condition of the road serving the development;
- The length of the road or roads from the development to the nearest major road which is in good condition;
- The cost of bringing the road or roads up to a standard necessary to facilitate the development and not cause an adverse impact on other road users.
- And the cost of traffic control measures.
- Buildings provided as part of a golf course development will however also be subject to the provisions of the general Contributions Scheme (i.e. based on the gross floor area of the buildings).

Car parking shall be charged through Special Contributions, on a per space deficient basis. In a County as large and diverse as Cork, a standard charge is inappropriate, as there are major variations in the cost of providing car parking. The cost of surface parking depends primarily on town/village centre land costs: for instance, car parking provided on land costing €0.25m per acre would cost circa €2,500 per space (including works), but this would rise to circa €7,000 per space on land costing €1m per acre. In a minority of larger towns, multi-level car parking may be necessary, and this would be more expensive again. However, such contributions in respect of car-parking deficiency levied up to and including 31st August, 2004, shall be at a standard rate as provided for in Appendix 2, Pages 16 and 17, and included in the composite contributions under the General Development Contribution Scheme.
