

Local Government Planners Association

Acquiring Land to Achieve the Plan

Simon O'Sullivan – Manager City Growth, City of Gosnells

Experiences in land acquisition for Developer Contribution Schemes

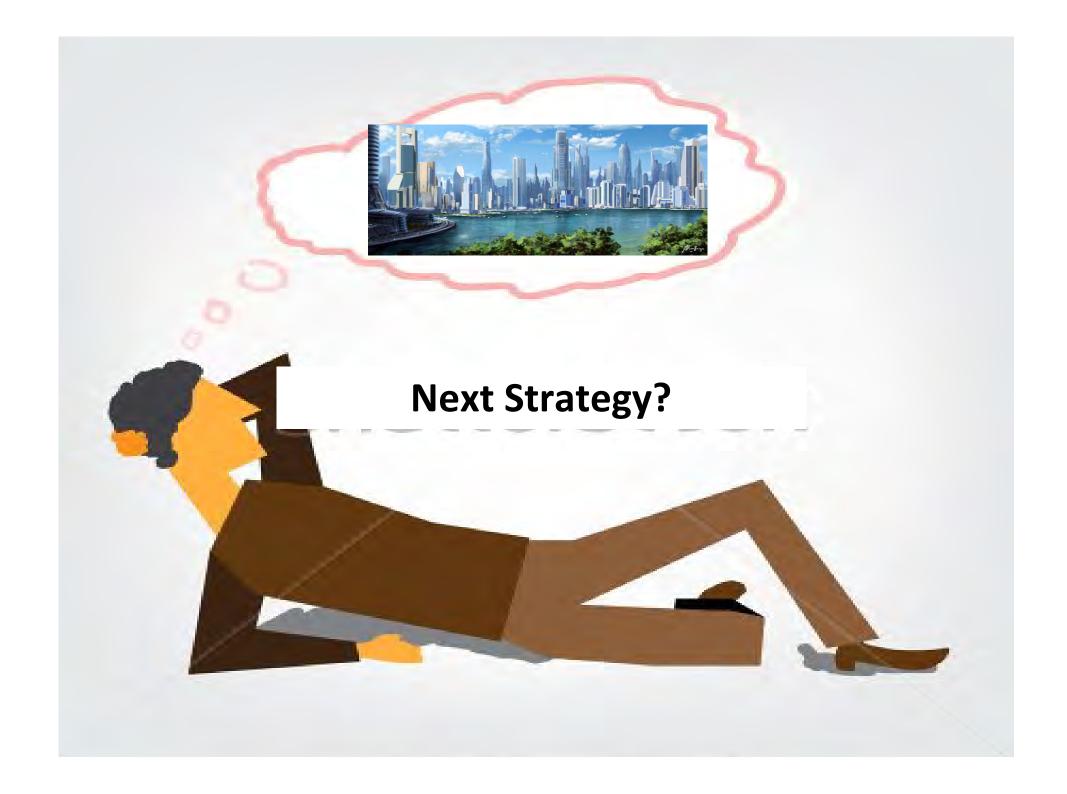
Simon O'Sullivan

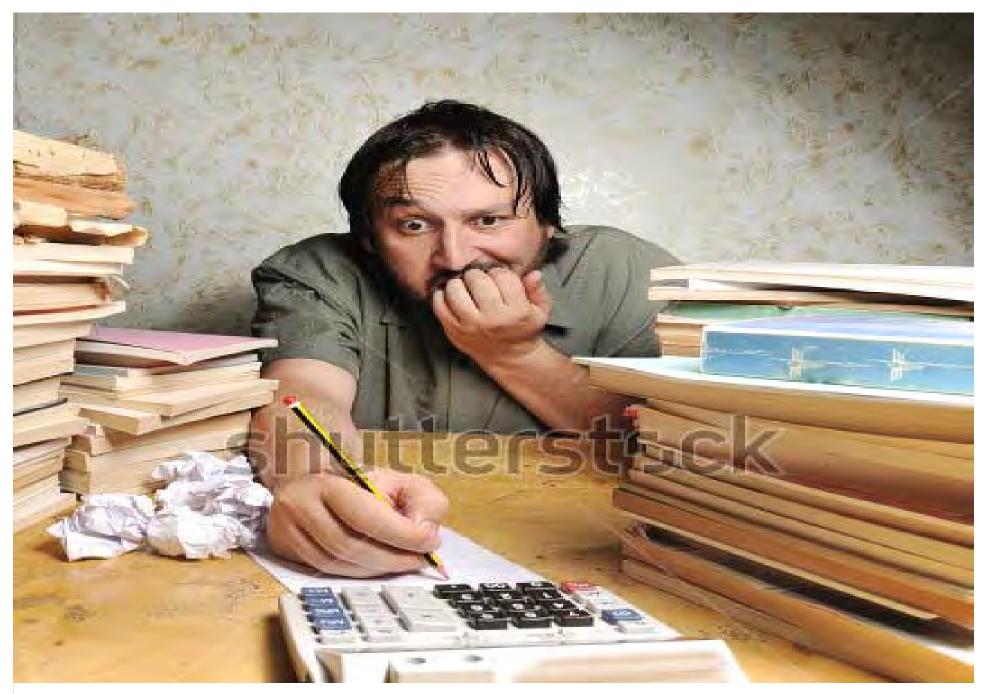
Manager City Growth

City of Gosnells

Metres² of land acquired for City over last 5 years ...







Nb - Not an actual City Employee with Land Acquisition responsibilities

Typical Land Acquisition Purposes

Road Construction/Widening

Public Open Space

Activity Centre revitalisation and/or creation



Land

If you have it, it is a great project enabler

If you don't, it can be the great project obstacle



Land Acquisition Obstacles

Legislative Powers?

(sufficient power usually exists – as long as it is to implement the Scheme)

Difficult Land Owners?

(they're everywhere)









Frie Lauwers, who lives in the Belgian village of Doel, stands next to an abandoned building in in the town

June 5, 2013. REUTERS/Yves Herman

Villagers in last stand to save Belgian ghost town

By Robert-Jan Bartunek

DOEL, Belgium (Reuters) - The Belgian village of Doel is facing its final battle for survival against plans to expand the adjacent port of Antwerp that will erase it from the map to make way for a new dock.

Doel is wedged between a nuclear power plant and an existing set of docks and once had a population of over a thousand. But it is now a collection of boarded up houses and vacated shops and home to only about 30 people.

The Flemish regional government aims to include the village in one of Europe's largest ports from June 17 over the objections of the remaining villagers who will ask the country's highest administrative court to block this change.

"You have to be very stubborn and you have to be willing to put up a fight, even if you can't be sure of victory," said Frie Lauwers, who is part of the initiative to keep the village alive, and lives in a former school building.

The transformation plan would dig a ship-sized dock across the village and turn surrounding farmland into a nature reserve, an environmental requirement for the port's expansion.

The future of the 400-year-old village of Doel, which is overshadowed by the two cooling towers of a nuclear power plant to the north, appeared bleak as early as 1998 when the regional government first outlined plans to expand the port.

Years of uncertainty have turned Doel into a ghost town, covered in graffiti.

Many left in the late 1990s when authorities offered premiums to those who sold their homes. The government plans to dispossess the remaining 10 home owners.

Those, like Lauwers, who do not own homes, are still able rent after a court blocked termination of their contracts a few years ago.

Remaining villagers say that, in spite of its proximity to the port and the power station, Doel has its architectural attractions, such as a house which is said to have belonged to the family of baroque painter Peter Paul Rubens.

But years of looting, squatting and neglect have pushed the village beyond the point of no return, according to others.

"I think the village is dead now and you can't reanimate a dead calf," said Frans Sans, who lived in the village for most of his life but left about four years ago.

The villagers did win one battle in 2012 when the country's highest administrative court overturned a similar decision to turn the village into a part of the port. The government simply revised its plans.

Should the villagers lose the appeal, it remains unclear exactly when Doel would disappear. The authorities have no fixed time line for the new dock's construction and could also use the land for other ends, such as a container storage area.

Land Acquisition Obstacles

Legislative Powers?

(sufficient power exists – as long as it is implementing the Scheme)

Difficult Land Owners?

(they're everywhere)

Staff Resources?

(skills, workload)

Land Acquisition Project Workload

Existing DCAs:

34 land parcels to acquire

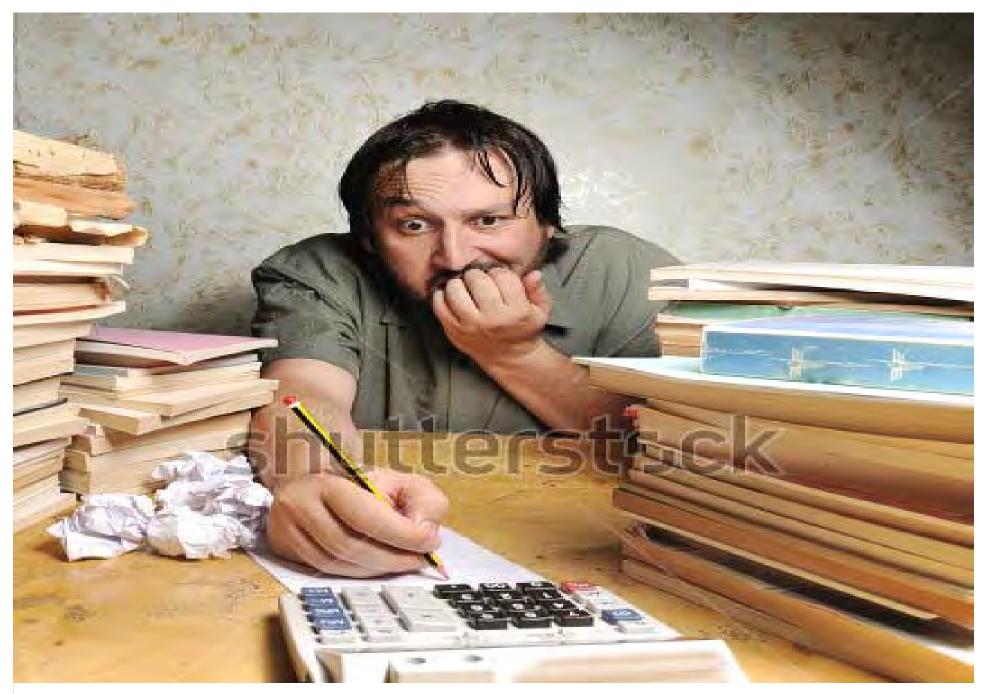
= 19ha @ \$28 million

Draft DCAs:

75 land parcels to acquire

= 35ha @ \$50 million

1 Land Administration Officer



Nb - Not an actual City Employee with Land Acquisition responsibilities

Land Acquisition Obstacles

Legislative Powers?

(sufficient power exists – as long as it is implementing the Scheme)

Difficult Land Owners?

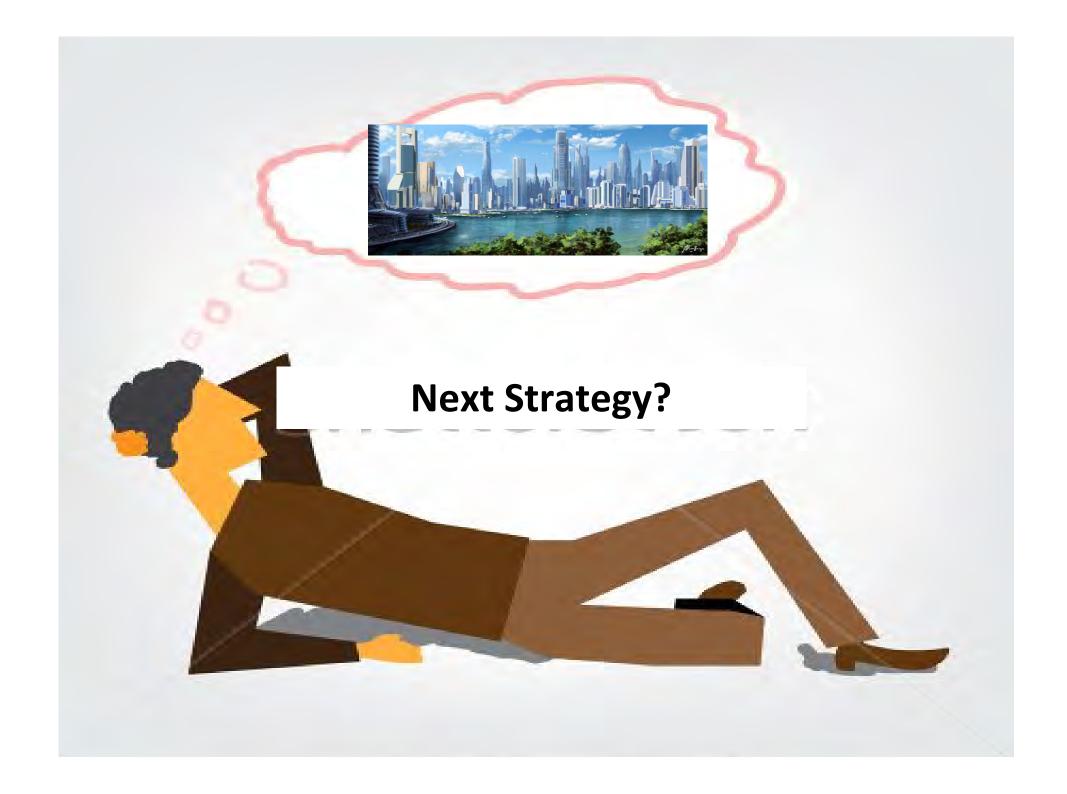
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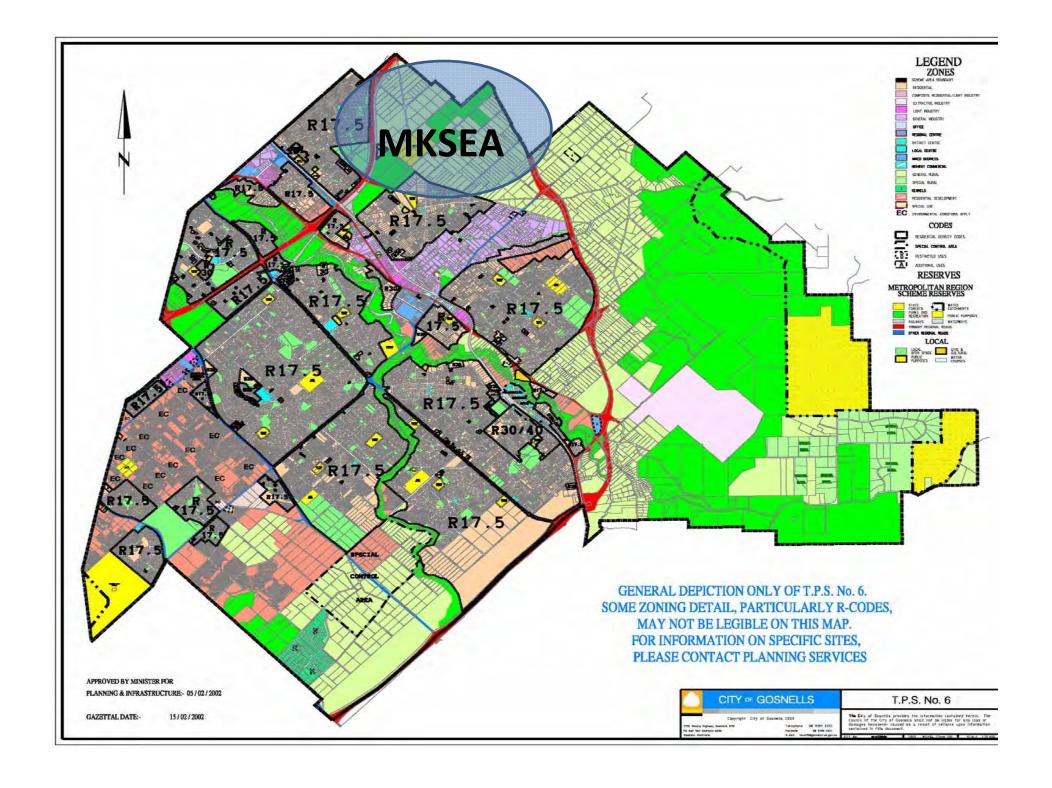
Staff Resources?

(skills, workload)

Others?









Nb - Not the actual Mexican Industrial Development Planning Expert

We asked Mr Corona...

Nb - Not his actual name

What are the key steps to facilitating industrial development in an area with numerous individual land owners and constraints?

What Mr Corona said?

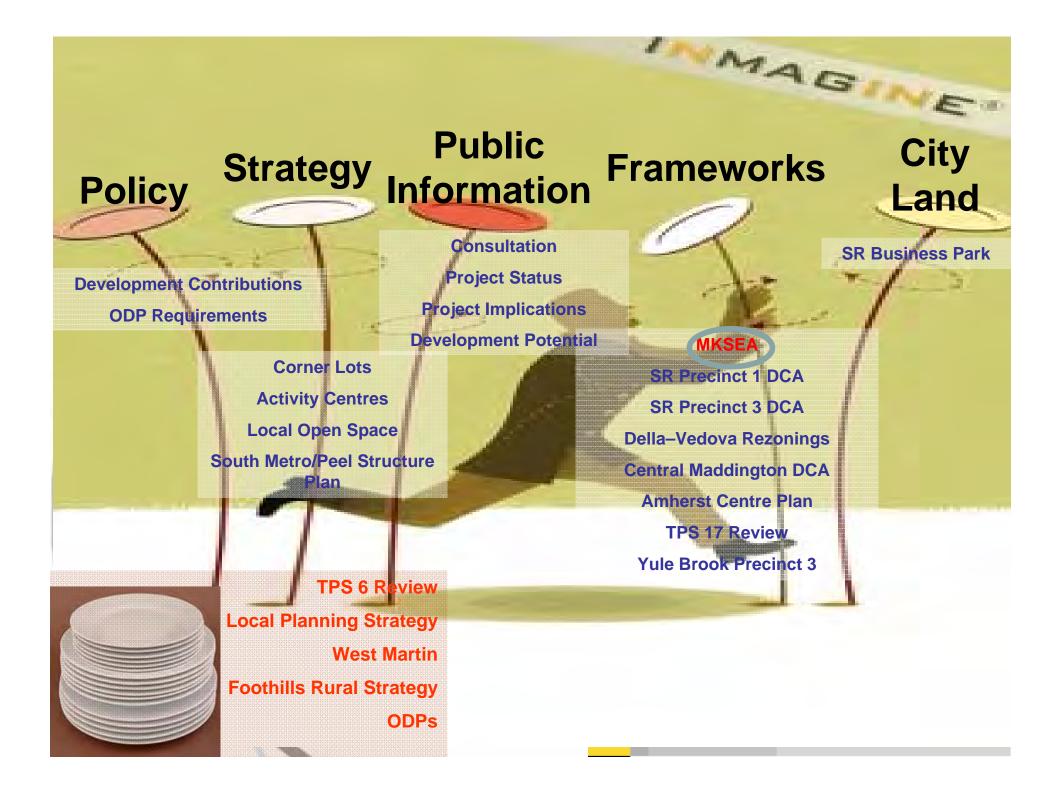
 Understand the land - complete all technical studies confidentially

•Take control of the required land asap

Our approach to MKSEA...

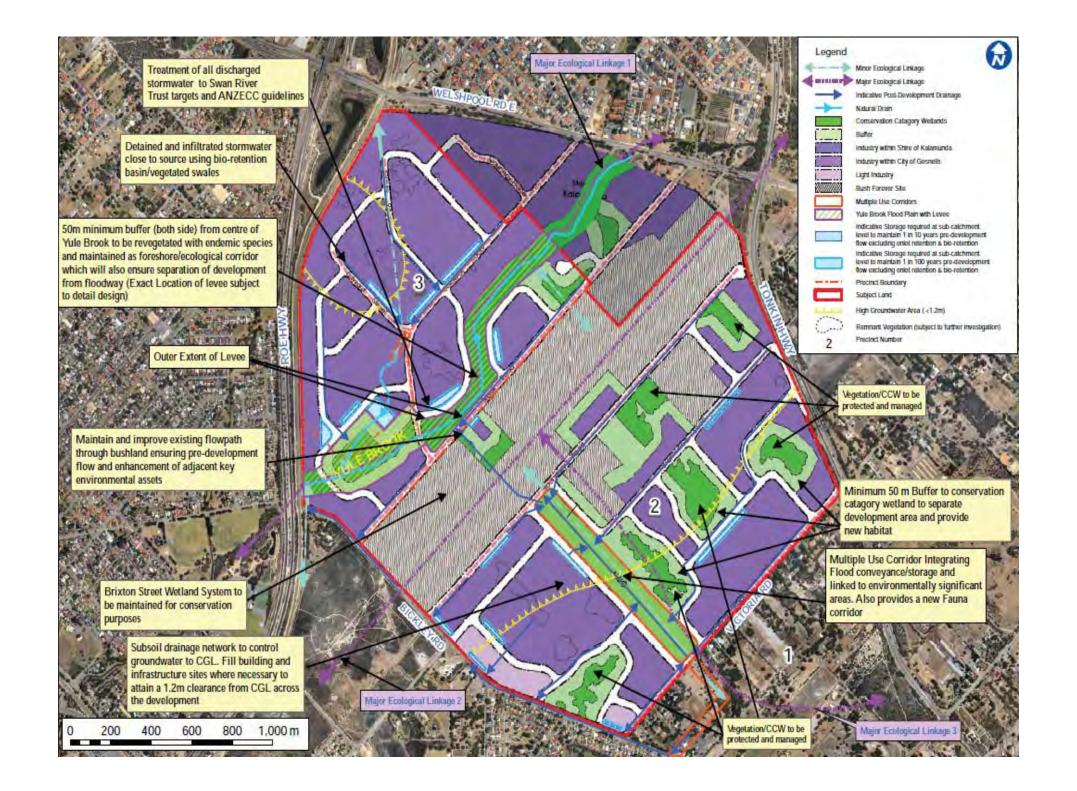
- No land owned by City in area
- Modest funds for key planning work
- Undertake each project step transparently - regularly informing land owners of progress or seeking comment
- Often have to defend the process and time taken











Taking the DCA Path?

Limited availability of broadacre land for development that is:

- In single ownership
- Unconstrained by environmental or servicing constraints
- Does not require coordination

Taking the DCA Path?

Establishing and operating a DCA has a high degree of financial risk and ongoing cost.

A LG's decision to take the DCA path will be shaped by its:

- level of desire to facilitate development
- appetite for financial risk and long term commitment
- resources

Key DCA Risks/Issues

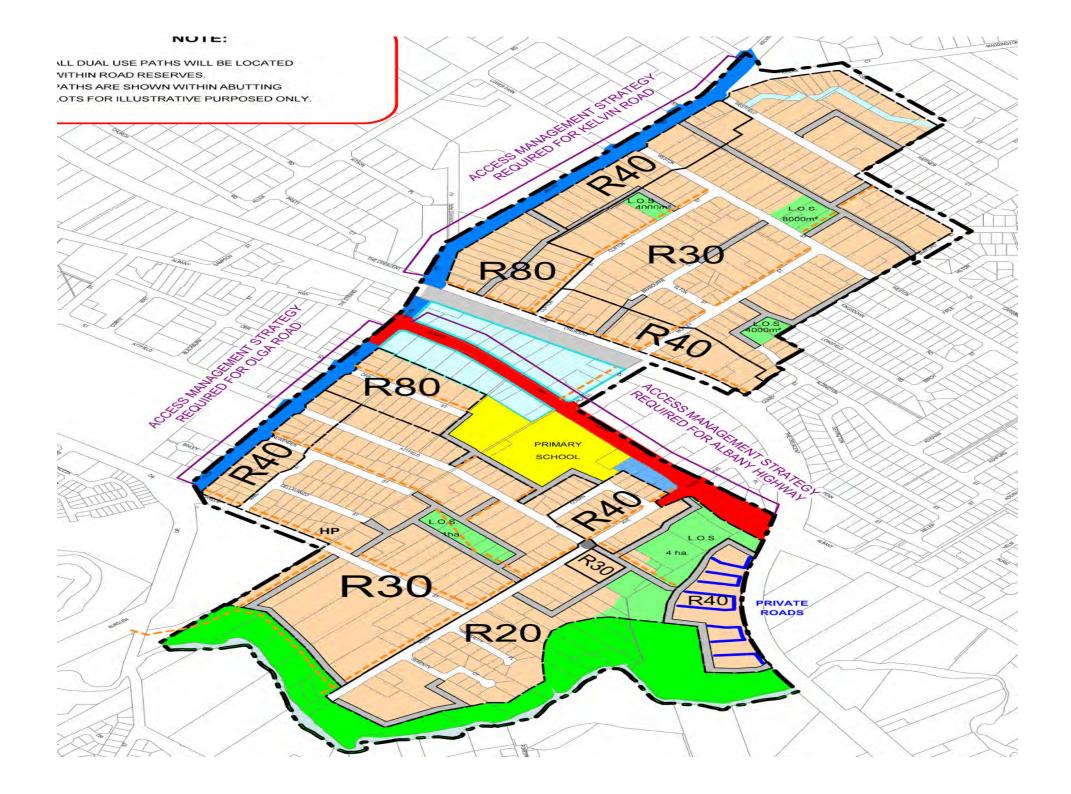
- Insufficient contribution funds to pay for infrastructure:
 - community burden to address \$ gap or
 - City can't complete required work

- Excessive contribution charges:
 - negative impact development feasibility
 - negative impact housing affordability
 - revitalisation/growth objectives fail

Key DCA Risks/Issues

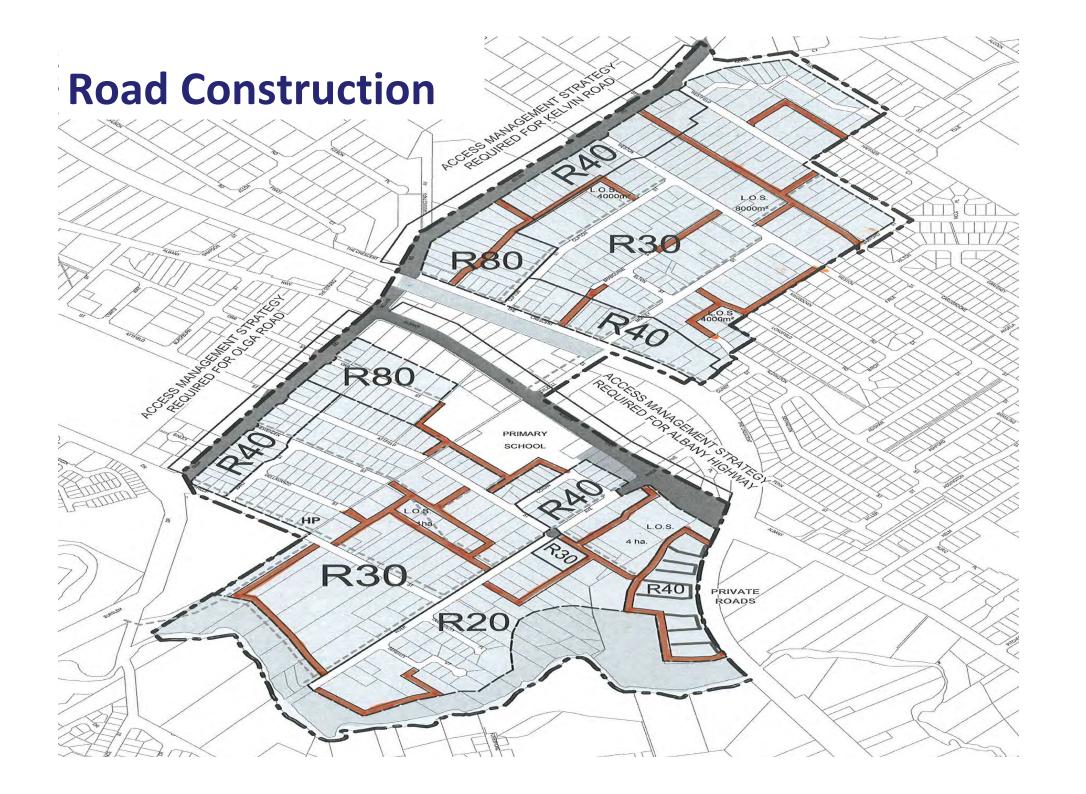
- Plan implementation
 - staged or holistic infrastructure roll-out?
 - City coordination = resource implications

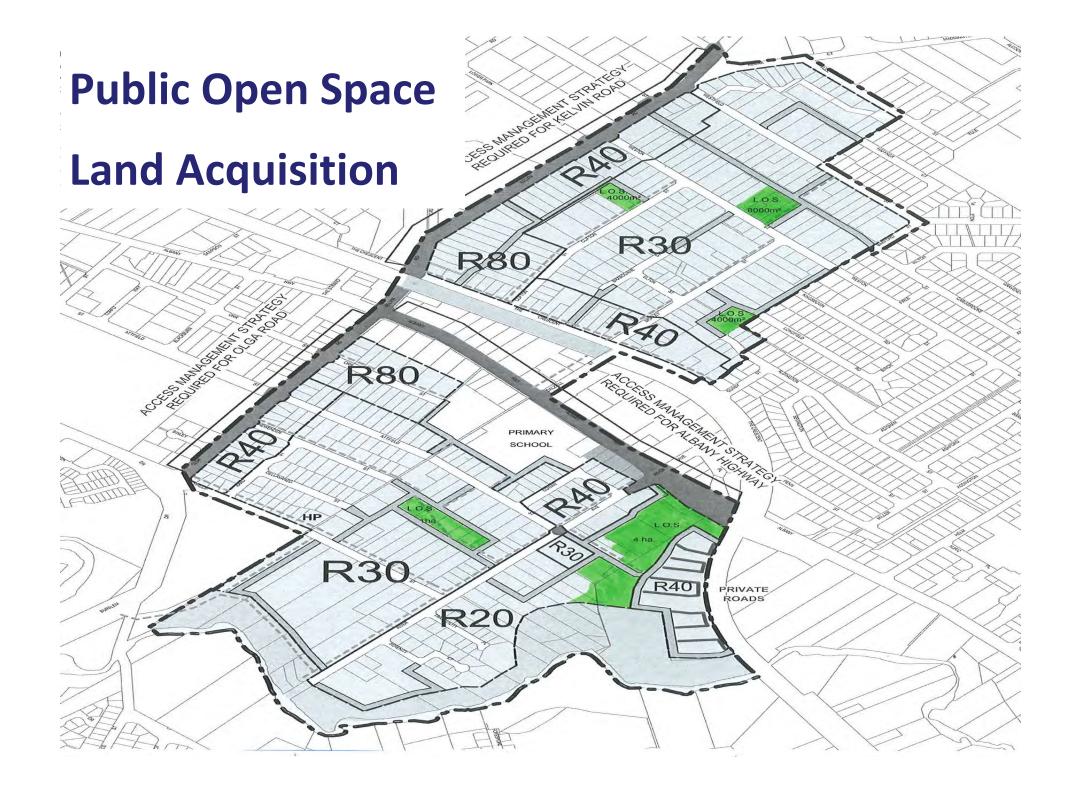
- Long timeframes
 - City: costs, reputation, amenity
 - Landowners: costs, uncertainty/stress,
 disputes, lifestyle



Key ODP Attributes

- ODP covers 127ha (80.05ha developable).
- 550 existing properties 500 land owners
- Range of density codings (R20 R80)
- Existing commercial land/premises
- 2950 potential dwellings/lots (full buildout)
- 7.6ha new POS (affecting 28 properties)
- 6.2km new roads (affecting 113 properties)





Infrastructure Items Cost

- Road construction
- Land for roads
- Paths
- Traffic management devices
- Sewer mains
- Water mains
- Drainage
- Power/street lighting
- Telecommunications
- Land for POS
- POS works
- Administration

TOTAL

- \$9,583,800 (\$4332)
- \$4,073,700 (\$1841)
- \$540,750 (\$244)
- \$215,000 (\$97)
- \$1,235,300 (\$558)
- \$496,000 (\$224)
- \$1,060,000 (\$479)
- \$1,240,000 (\$560)
- \$310,000 (\$140)
- \$23,100,000 (\$10,443)
- \$3,464,000 (\$1566)
- \$6,700,000 (\$3,029)
- \$52,018,550 (*\$23,516*)

DCA Land Acquisition Issues

- Land cost escalation
- Compensation more costly when forced to resume land
- Staging/Priorities
- Timeframes

Land Acquisition – Staging Issues

Extract from Ordinary Council Meeting 23 April 2013 -

Mr X asked the following question:

I have a property in The Crescent, Maddington. In January 2013 Council offered me \$350,000 for the property (we brought at \$370,000 in 2006). Can Council remove this Outline Development Plan and allow me to build the house?

Response:

The Chief Executive Officer advised that Mr X's property is within the Central Maddington Outline Development Plan area and currently this property is vacant. The ODP shows a road on the property which will facilitate further development in the area.

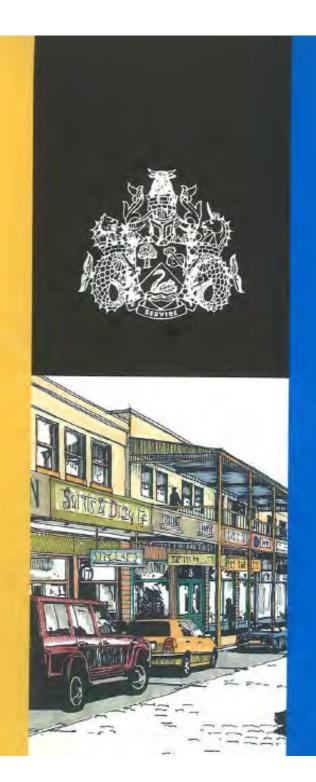
The Chief Executive Officer stated that he sympathised with Mr X and advised the Council that he had looked into the matter of the City compensating Mr X for the fact he could not develop his property under the ODP arrangement. The City engaged a valuer and the property was estimated to be worth \$350,000.

The Chief Executive Officer advised that he had offered Mr X \$350,000 for his property; however Mr X put forward an alternate valuation which was significantly higher than the City's valuation.

In conclusion the Chief Executive Officer encouraged Mr X to speak again with the City staff to see if the City can find a valuation that could be agreed upon as he could not advise the Council to spend more money for a property than the proposed valuation.

DCA Land Acquisition Solutions

- Allow for land cost escalation in estimates
- Allow for likelihood of some forced acquisition
- Develop staging plans based on priorities
- Pre-fund acquisition by borrowing



CITY OF GOSNELLS

THE REVITALISATION OF GOSNELLS TOWN CENTRE



























LISSIMAN STREET IMPROVEMENT PLAN
District Context Plan





