

Irish Rail Kildare Route Project

Supplementary Development Contributions Scheme (SDCS)
Planning and Development Act 2000

Managers Report on Submissions



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1.0 Introduction

South Dublin County Council has prepared a draft Supplementary Development Contribution Scheme (SDCS) under Section 49 of the Planning and Development Act 2000 (as amended).

The draft Scheme is for the Iarnrod Eireann (Irish Rail) Kildare Route Project and applies to an area of 1,807 hectares either side of the railway line within South Dublin County (Appendix 1).

The Kildare Route Project includes the provision of two extra tracks alongside the existing two-track railway line and new stations at Fonthill Road (Clonburris) and Kishoge in the South Dublin County area. This will facilitate a significantly increased level of suburban rail service available in the County.

South Dublin County Council commissioned an economic assessment in order to determine the appropriate rate of levy for the draft Scheme having regard to, inter alia, the cost of the Project in the South Dublin area, the quality of service to be provided by the Project and the estimated benefit to different classes of future development.

Accordingly, the draft Scheme proposes contributions at the following rates:

Residential Development	€1,900 per unit
Commercial Development	€22.35 per m ²
Retail Development	€29.00 per m ²

The draft scheme was presented to the County Council, advertised and displayed in public for six weeks from September – November 2007. One submission was received during the public display period.

The purpose of this Report is to report on the written submissions received following the public display of the Kildare Route Project Supplementary Development Contribution Scheme (SDCS).

The Managers Report forms part of the statutory procedure for the Supplementary Development Contribution Scheme as set out under Section 49 of the Planning & Development Act 2000, as amended.

2.0 Legislative Background and Requirements

Under the terms of Section 49 (3) of the Planning and Development Act 2000, as amended, the legislative requirements outlined in subsections (3), (4), (5), (6), (7), (8), (9), (10), (11) and (15) of Section 48 apply to the making of a Supplementary Development Contribution Scheme.

Section 48 (6) (c) (i) of the Planning & Development Act 2000, as amended, requires that not later than 4 weeks after the expiration of the period for making submissions or observations on the SDCS, the Manager must prepare a report on any submissions or observations received, and submit the report to the members of the authority for their consideration.

Section 48 (6) (b) of the Planning & Development Act 2000 as amended states that the Manager's Report must:

- List the persons or bodies who made submissions or observations
- Summarise the issues raised by the persons or bodies in the submissions or observations, and
- Give the response of the manager to the issues raised, taking account of the proper planning and sustainable development of the area.

Section 48 (7) of the Planning and Development Act 2000 as amended, requires the Members of the Planning Authority to consider the draft SDCS, the report of the Manager and to have regard to any recommendations made by the Minister.

Section 48 (8) (a) of the Planning and Development Act 2000, as amended, requires the planning authority to make the scheme, unless it is decided by resolution, to vary or modify the scheme, otherwise than as recommended in the managers report, or otherwise decide not to make the scheme. A resolution under paragraph 48 (8) (a) must be passed not later than 6 weeks after receipt of the manager's report.

3.0 Public Consultation Process

On the June 19th 2007, an outline of the draft SDCS was presented to the Lucan Clondalkin Area Committee of South Dublin County Council. At the County Council Meeting on July 9th 2007 the Elected Members of the Council noted the Draft Scheme for public display.

In order to ensure that the draft SDCS would not be on display during the summer holiday period the statutory public consultation phase commenced on September 27th 2007 and continued until November 8th 2007. A public notice was published in the Irish Times on September 27th 2007 and in The Echo Newspaper on October 3rd 2007, with details of the consultation process.

Copies of the draft SDCS and the accompanying map, were available for public inspection during the consultation period at County Hall, Tallaght, the Civic Centre, Clondalkin and at Lucan Library. The draft Supplementary Development Contribution Scheme was also available on www.southdublin.ie

Copies of the draft Scheme were sent to the Minister for the Environment, Heritage and Local Government, to the Minister for Transport and to other relevant prescribed bodies and statutory organisations.

Submissions and observations on the draft Supplementary Development Contribution Scheme could be made in writing to the Council between 27th September 2007 and 4.00pm on 8th November 2007.

4 Submissions and Responses

4.1 Number and Type of Submissions

One submission was received during the statutory 6 week period. This submission has been recorded and compiled in the Manager's Report, with comments and recommendations.

The submission was made by the Department of the Environment, Heritage and Local Government, a statutory organisation. The submission has been logged with a reference number and acknowledged.

4.2 Summary of Issues Raised in Submissions

The Supplementary Development Contribution Scheme makes no provision for exemptions for either protected structures or structures of architectural merit in the exemptions set out.

It is recommended that consideration be given to exemptions for works to protected structures or structures of architectural heritage merit from the charges imposed by the SDCS. It is unclear how the SDCS would apply in such cases. 'Development' may have to be determined on a case by case basis and be governed by the nature of any proposed work.

The exemption is considered appropriate in recognition of the value of structures of architectural merit and their wider contribution in helping to establish a sense of place and identity within their locality.

4.3 Manager's Response:

The categories of development that will be exempted from the requirement to pay development contributions are set out in Section 6.1 of the Supplementary Development Contribution Scheme (SDCS).

The issues raised by the Department of the Environment, Heritage and Local Government are noted. In recognition of the issues raised and South Dublin County Council's commitment to securing the preservation of the County's Architectural Heritage, it is considered appropriate to include a full exemption from the requirement to pay development contributions under this scheme, for works to protected structures. Exemptions will only be considered for works within the curtilage of a protected structure where the works are directly related to, and necessary for, the physical preservation of the protected structure. Exemptions will not normally be considered for extensions to protected structures. However, the Planning Authority may consider whether exemptions will apply, depending on the nature and extent of the extension.

5. Manager's Recommendations

RECOMMENDATION No. 1

Insert the following bullet points at the end of Section 6.1:

- Works to structures listed on the South Dublin County Council's Record of Protected Structures (RPS) that are necessary and directly related to the physical preservation of the protected structure.

6. Resolution.

South Dublin County Council.

Planning & development Act 2000 as amended.

Supplementary Development Contribution Scheme for the Kildare Route Project.

South Dublin County Council.

- A. In exercise of its powers under section 49 of the Planning & Development Act 2000 (the Planning Act);
- B. Having published on 27th September 2007 notice of this scheme as required under section 49(4) of the Planning Act.
- C. Having sent a copy of a draft of this scheme to the Minister for the Environment, Heritage and Local Government as required by section 49(5) of the Planning Act (and having received recommendations from that Minister and having considered and had regard to them);
- D. Having received (less than 6 weeks ago) and considered the managers report under section 49(6) of the Planning Act.

By resolution, MAKES this supplementary development contribution scheme.

1. This is a supplementary development contributions scheme under section 49 of the Planning Act.
2. This scheme relates and applies to the area (edged red) on Appendix 1 attached to and made part of this scheme (the scheme area)
3. This scheme is for the development, financing, operation, and maintenance of a railway between the borders of the County, including the provision of depots, stations, car parks, other ancilliary development, and diversion of utilities (the Project).
4. The project is to be carried out by Iarnrod Eireann, under an agreement with South Dublin County Council.
5. The estimated capital cost of the Project is €219 Million (2006 prices)
6. The Project will benefit development in the Scheme Area (the Project will enable the development of the Scheme Area in a sustainable manner to a high density in accordance with the County Development Plan and Residential Density Guidelines. The project will improve the Scheme Area's attractiveness and marketability for residential and commercial developments and will add significantly to the value of land in the Scheme Area.
7. The amount of contributions to be paid under this scheme (in 2007 prices) are:
 - Residential developments: €1,900 per house, apartment or other residential unit
 - Other developments: (Commercial €22.35 per gross square metre/ Retail €29.00 per gross square metre.

The amounts in this paragraph will increase on 1 January each year at the compound interest rate of (5%) per year. The contributions must be paid at the rate in effect at the time of payment.

The amounts in this paragraph have been determined having regard to the estimated cost of the Project, which is set out in paragraph 5 above. Benefits accruing to existing development have not been included in the determination.

8. It will be a condition of all planning permissions granted for development in the Scheme Area (subject to paragraph 10 below), while this scheme is in effect, in that the developer pay to South Dublin County Council the contribution required under this scheme.
9. Contributions under this scheme must be paid on commencement of the development, or on a phased basis agreed with South Dublin County Council. If payment is phased the outstanding balance will increase at the rate in paragraph 8 above. If payment is not made when due, interest will accrue on the unpaid balance at the rate specified in the European Communities (Late Payment in Commercial Transactions) Regulations 2002, or any law that replaces them.
10. The following developments are exempt from contributions under this scheme:
 - House extensions;
 - Granny flats that as a condition must be used as a family unit;
 - Public buildings such as schools and youth centres;
 - Developments by organisations having exemption from income tax and corporation tax under section 20 of the Taxes Consolidation Act 1997 and currently holding an exemption certificate from the Revenue Commissioners;
 - Large scale outdoor recreational developments such as golf courses, sports pitches and tennis complexes, but excluding buildings and ancillary facilities;
 - Protected Structures.
11. South Dublin County Council will receive the contributions to be made under this scheme, and pay them to Iarnrod Eireann in accordance with the agreement referred to in paragraph 5 above. Pending completion of that agreement, South Dublin County Council will retain the contributions collected and place them on investment with an investment company selected with the objective of maximising return and minimising risk. These contributions and interest will be paid to Iarnrod Eireann when the agreement is concluded. The agreement with Iarnrod Eireann will provide that the money received by South Dublin County Council under this scheme can only be used for the Project.
12. If South Dublin County Council enters a contract for a development to be carried out on behalf of, or jointly or in partnership with South Dublin County Council, and as a result the development is an exempted development under section 4(1)(f) of the Planning Act, the contract must require the developer to make the same contributions as would be required under this scheme if the development had planning permission.
13. This scheme will apply from the date it is made until the 30th anniversary of that date. This scheme will not be amended before that date so as to reduce the contributions to the Project, except when the cost of carrying out the project is less than the estimated amount as stated in paragraph 6 above.
14. [If the construction of the Project does not proceed, the contributions received under this scheme will be returned to those who have paid them. The agreement with Iarnrod Eireann will have provision for repayment in this event.]

15. This scheme can be referred to as the South Dublin County Council Supplementary Development Contribution Scheme for the Kildare Route Project.

Made at County Hall, [insert date].

Appendix 1: Scheme Map

Appendix 2: Public Notice



South Dublin County Council

Comhairle Contae Átha Cliath Theas

www.southdublin.ie

PLANNING AND DEVELOPMENT ACTS 2000-2006 DRAFT SUPPLEMENTARY DEVELOPMENT CONTRIBUTION SCHEME IARNROD EIREANN KILDARE ROUTE PROJECT

Notice is hereby given pursuant to Section 49 of the Planning and Development Acts 2000-2006 (as amended) that South Dublin County Council, has prepared a draft Supplementary Development Contribution Scheme (SDCS) for the Iarnrod Eireann Kildare Route Project.

The draft Scheme applies to an area of 1,807 hectares (as designated on Scheme map) approximately 1km either side of the Dublin-Kildare railway line in the South Dublin County administrative area. The Kildare Route Project includes the provision of two extra tracks alongside the existing two-track railway line and new stations at Fonthill Road (Clonburris) and Kishoge in the South Dublin County area. This will facilitate a significantly increased level of suburban rail service available in the County.

South Dublin County Council has commissioned an economic assessment in order to determine the appropriate rate of levy for the draft Scheme having regard to, inter alia, the cost of the Project in the South Dublin area, the quality of service to be provided by the Project and the estimated benefit to different classes of future development.

Accordingly, the draft Scheme proposes contributions at the following rates:

Residential Development	€1,900 per unit
Commercial Development	€22.35 per m ²
Retail Development	€29.00 per m ²

Copies of the draft Supplementary Development Contribution Scheme, and accompanying map, are available for inspection from **27th September 2007 to 8th November 2007 (inclusive)** at the following locations:-

Main Foyer, County Hall, Tallaght

- 9.00am-5.00pm Monday-Thursday and 9.00am-4.30pm on Fridays

Main Foyer, Civic Centre, Clondalkin

- 9.00am-1.00pm and 2.00pm-4.00pm Monday-Friday

Lucan Library, Superquinn Shopping Centre, Newcastle Road, Lucan

- 9.45am-8.00pm Monday-Thursday and 9.45am-4.30pm Fridays and Saturdays

The draft Supplementary Development Contribution Scheme is also available on www.southdublin.ie

Submissions and observations on the draft **Supplementary Development Contribution Scheme** may be made **in writing** to the Council between **27th September 2007 and 4.00pm on 8th November 2007**.

Only submissions received by **4.00pm on Thursday 8th November 2007** and addressed as set out below will be considered. Submissions cannot be accepted in any other format or to any other postal address or email address.

Submissions must be clearly marked **"Kildare Route Supplementary Development Contribution Scheme Submission"** and either **delivered to:** Paddy McNamara, Administrative Officer, Planning Department, South Dublin County Council, County Hall, Tallaght, Dublin 24 **or sent by email to:** krps49@southdublin.ie

T. Doherty
Director of Planning

www.southdublin.ie for all your information needs

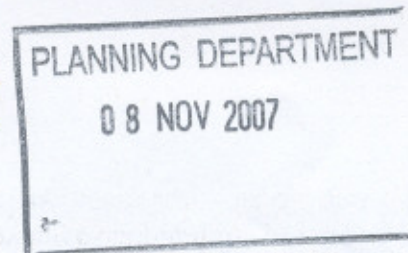
Appendix 3: Submission Received

8 November 2007

Our ref: G2007/660

Mr. Paddy McNamara,
Administrative Officer,
Planning Department,
South Dublin County Council,
County Hall,
Tallaght,
Dublin 24.

V-McN.



Re: Kildare Route Supplementary Development Contribution Scheme Submission

A Chara,

We refer to your recent notification concerning the above. Outlined below are the architectural heritage recommendations of the Department of the Environment, Heritage and Local Government.

Architectural Heritage

A schedule of exemptions is set out in Section 6 of the Supplementary Development Contribution Scheme (SDCS). No reference is made to exemption for either protected structures or structures of architectural heritage merit.

It is recommended that consideration be given to allowing exemption for works to protected structures or structures of architectural heritage merit from the charges imposed in the SDCS.

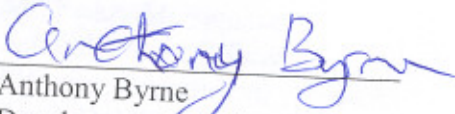
While it is not clear how the SDCS would apply in such cases in terms of 'development' it would likely have to be determined on a case by case basis and be governed by the nature of any proposed work. However, the number of applicable instances is likely to be small.

It is considered that some recognition of the value of structures of architectural heritage merit and their wider contribution in helping to establish a sense of place and identity within their locality is appropriate within the terms of the scheme. This might be achieved by setting out an appropriate level of exemption



indicating the planning authority's commitment to the protection of these structures, including their continued use and development.

Mise le meas,


Anthony Byrne
Development Applications Unit

Appendix 4: Section 49 Kildare Route Project Supplementary
Development Contributions Scheme.

**South Dublin County Council
Comhairle Chontae Atha Cliath Theas**



**Iarnród Éireann Kildare Route Project
Supplementary Development Contributions Scheme
(SDCS)**

Draft

PLANNING AND DEVELOPMENT ACT 2000-2006

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- 4. Basis on which the Contributions have been Determined**
- 5. Rate of Contributions to be Paid**
- 6. Exemptions and Reductions**

- 7. Appendix 1 Scheme Map**

1. Introduction

1.1 The basis for a Supplementary Development Contribution Scheme (SDCS), also known as a 'Section 49' contribution scheme, is set out in Section 49 of the Planning & Development Act 2000. A Planning Authority may, when granting a planning permission for development, include a condition requiring payment of a financial contribution towards the cost of any "public infrastructure service or project" that when carried out, will benefit the development to which the permission relates.

1.2 The public infrastructure service or project must be specified in a SDCS. Section 49(7) of the Planning and Development Act 2000 defines eligible public infrastructure projects or services including, inter alia:

"The provision of particular rail, light rail or other public transport infrastructure, including car parks and other ancillary development"

1.3 It is a requirement of a Supplementary Development Contribution Scheme to specify:

- *The area or areas within the functional area of the planning authority to which it relates;*

- *The particular public infrastructure or service to which it relates;*

and to state:

- *The basis for determining the contributions to be paid.*

1.4 Different rates of levy may be applied to different classes or descriptions of development. Exemptions for specified classes of development may also be specified.

1.5 The Planning and Development Act sets out the public consultation process for a proposed SDCS as follows:

- *Notice must be given and the Scheme displayed in public for a minimum period of 6 weeks, during which time submissions and observations may be made;*

- *The County Manager must submit a report to the elected members, on any submissions or observations made, no later than 4 weeks after the end of the public display period;*

- *The elected members must determine the Scheme within 6 weeks of receipt of the Manager's Report.*

- 1.6 The detailed implementation of any adopted SDCS must be subject to an agreement between the Planning Authority and the provider of the public infrastructure service or project, in this case Iarnród Éireann, the Agency responsible for the implementation of the Kildare Route Project.

2. The Area to which the Scheme Relates

- 2.1 An area of 1km either side of the Dublin–Kildare rail line in the South Dublin County Council administrative area is identified as the transportation corridor within which benefit will accrue to development. The outer edge of the corridor has been rationalised to relate to roads, field boundaries and other identifiable features. This is in accordance with other approved Schemes elsewhere. (The Scheme map is included in Appendix 1)
- 2.2 The total area to which the Scheme relates comprises 1,807 hectares. Approximately 40% of this area is already developed, principally for housing, roads, public open space and employment uses. Whilst a limited part of this area may be suitable for future redevelopment, it is estimated that the lands to which the SDCS will mainly apply comprise an area of approximately 1,100 hectares.
- 2.3 All lands within the Adamstown Strategic Development Zone within 1km of the railway line are excluded from the SDCS. This is because the Adamstown Development Consortium, Chartridge Developments Ltd (CDL) has entered into a separate agreement with Iarnród Éireann which inter alia, has resulted in direct early provision of elements of the Kildare Route Project.
- 2.4 In particular, the CDL-Iarnród Éireann agreement has secured the completion of a new five-platform railway station and two new overbridges at Adamstown as well as the provision of land required for the additional track, including a fifth rail turnback facility at Adamstown Station. It would be unreasonable to subject the Adamstown SDZ area to a further development levy in respect of the Kildare Route Project.
- 2.5 In addition to the existing Adamstown Station, there will be new stations provided within the South Dublin County Council area at Fonthill Road (to replace Clondalkin) and Kishoge. Two further stations on the borders of South Dublin, in Kildare at Hazelhatch (existing) and in the Dublin City area at Parkwest (to replace Cherry Orchard) are also accessible to potential future development in South Dublin.
- 2.6 The South Dublin County Council Development Plan 2004-2010 supports the improvement of rail infrastructure in the County. Policy T8 of the Plan states:

'It is the policy of the Council to support Irish Rail's Interconnector Tunnel link to Dublin City Centre and the electrification of all rail services, existing and future, to facilitate maximum carrying capacity and number of stations, and to support the creation of a 25-metre buffer zone to the north of the existing Cork to Dublin railway line.'
(Note: this is as a reservation to accommodate the two new lines).

In support of this policy, accompanying paragraph 7.6.5.iii states:

'The Council will seek to develop and implement a supplementary development contributions scheme as provided under section 49 of the Planning and Development Act 2000, as amended, with a view to upgrading the rail corridor within the South Dublin Area. The proposed upgrade will have a significant beneficial impact on proposed developments in the vicinity of the railway, particularly those at or adjacent to the proposed stations, where high density development is envisaged on the assumption that the rail connections will be put in place. A scheme of development contributions would have a significant effect on the viability of the railway proposals.'

- 2.7 The South Dublin County Development Plan promotes the integration of land use planning with a high quality, sustainable and integrated transport system and seeks to ensure that the Kildare Route Project maximises opportunities for such integration. Section 11 of the Development Plan promotes increased densities of development in locations within walking distance of high quality public transport routes.

3. The Project

3.1 The Project is as set out in the 'Kildare Route Project Railway Order 2006. The Kildare Route Project (KRP) extends approximately 13km from a point just west of Heuston Station in the Dublin City Council area to a point just west of Hazelhatch in the Kildare County Council area. Approximately 7.6km, or just under 60% of extent of the Project runs through the South Dublin County Council area. The Project comprises:-

- The provision of two extra tracks to create a four-track system;
- The remodelling of the existing track layout at Hazelhatch Station to provide for the turnback of suburban trains;
- The provision of new train stations at Fonthill Road and Kishoge and ancillary carparks;
- The relocation of Cherry Orchard Station to a new station at Parkwest;
- The relocation of Clondalkin Station to a new station at Fonthill Road with enhanced pedestrian access from Clondalkin;
- The reconstruction or refurbishment of existing footbridges along the route;
- The demolition or reconstruction of eight existing vehicular overbridges;
- The extension of existing underbridges.

3.2 The Kildare Route Project Railway Order was signed by the Minister for Transport on the 5th of December 2006. Contracts have now been awarded and work on the implementation of the Project has commenced. The construction period is from mid 2007 to mid 2010.

3.3 The quality of rail service to lands within 1km of the Kildare rail line will be significantly improved as a result of the Kildare Route Project. In addition to improving access to rail services through the provision of new and more accessible stations within and immediately adjoining South Dublin, the doubling of rail lines from two to four will enable a greater number of suburban, regional and national trains to operate. Trains will be able to stop at all stations, and suburban train size and capacity will double with an increase from four to eight carriages per train.

3.4 Suburban train services are of most benefit to development along the line. The existing suburban service has a total capacity of 11,050 passengers in 17 no. four car trains in each direction per day and this will increase to a capacity of 36,400 suburban passengers in 28 no. eight car trains in each direction per day on completion of the Project in 2010.

- 3.5 The improved rail line will also accommodate a greater number of regional and intercity trains. The overall total number of all types of train on the line per day in each direction will increase from 52 no. to 94 no. to an overall capacity of more than 100,000 passengers per day in each direction. It is likely that some regional and inter city services may stop in addition to suburban services at certain suburban stations along the route, but this level of operational detail has yet to be determined by Iarnród Éireann.
- 3.6 The capital cost of the Kildare Route Project is estimated at €420 million. (2006 prices). This figure includes land acquisition and construction costs. Iarnród Éireann consider that revenue from the new services would cover the additional direct operating costs. However, the project will not generate funds to cover financing costs, depreciation and overhead costs. Therefore the project would yield a direct negative financial return (Source. KRP Public Inquiry Document).
- 3.7 Iarnród Éireann has advised that the total cost of the works and land acquisitions within the South Dublin County Council area including VAT is estimated at €219,250,000 (2006 prices). Excluding VAT, the cost is €213,100,000. This figure does not include Adamstown Station or other works undertaken by the Adamstown development consortium nor does it include land within the Adamstown SDZ that is required for the KRP.

4. Basis on which the Contributions have been Determined

- 4.1 The Planning and Development Act 2000 requires an SDCS to state the basis for determining the contributions to be paid in respect of the public infrastructure project to which the Scheme relates.
- 4.2 In this regard, South Dublin County Council commissioned KHSK Economic Consultants to advise in respect of the following:
- 1) *To estimate the benefits that will arise as a result of the infrastructure in the form of enhanced property values.*
 - 2) *To identify the percentage of the total cost of the KRP that is applicable to the South Dublin County Council area and the contribution of the SDCS as a proportion of this value.*
 - 3) *To identify the optimum rate of levy based on the above.*
 - 4) *To identify the optimal levy rates to be applied for alternative types of development i.e. residential, commercial and retail.*
 - 5) *Appropriate inflation and discount factors to be adopted.*
 - 6) *To identify the appropriate basis of the application of the levy.*
- 4.3 The full text of the KHSK Report is available as a separate document. The principal conclusions of the Report are as follows:-

4.3.1 **The benefits that will arise as a result of the infrastructure in the form of enhanced property values.**

Three approaches were used to provide an estimate of the potential impact on property values:

- Review of material from other studies;
- Views of property professionals in other areas of Dublin where major investments in transport infrastructure have been completed or are proposed;
- Consultations with property professionals to identify their views on the potential impact.

The research indicated that the KRP will have a positive impact on property prices. Although this impact is difficult to quantify, leading to a wide range for the estimates. Analysis suggests that the impact will potentially be greatest on residential property prices with somewhat lower impacts on commercial property. The research produced the estimates shown in Table 4.1.

Table 4.1: Projected Increase of Property Values Subject to SDCS

	Percentage	€m, low impact	€m, high impact
Residential	3 to 5%	245.63	409.38
Office/commercial	2 to 4%	29.93	59.85
Retail	1 to 2%	5.05	10.10
Total		280.61	479.33

The actual property benefit in South Dublin, including all property in the study area, is estimated at €353 to €603 million and €281 to €479 million for property subject the levy.

4.3.2 The percentage of the total cost of the KRP that is applicable to the South Dublin County Council area and the contribution of the SDCS as a proportion of this value

The KRP passes through Dublin City, South Dublin and Kildare administrative areas. Irish Rail has provided estimates that the cost of the infrastructure to be located in South Dublin will be just under €220 million. However, this should be used only as a theoretical upper limit of the value of the SDCS in the context of the legislation and not as a basis against which the value of the SDCS should be assessed.

Significant benefits that result from this infrastructure will arise outside the SDCC area i.e. towards the main origin and destination termini in Kildare and the Dublin City. There will also be additional benefits arising in a wider area as a result of the contribution of this infrastructure to improving the overall connectivity of the mainline rail network. In this respect, this mainline rail based project differs significantly from the light rail projects in Dublin City for which SDCSs have been developed. As such, when providing an estimate for comparing costs and benefits in the context of designing the SDCS, a straightforward application of the cost of the infrastructure on the basis of location is inappropriate. In effect, it allocates costs to the SDCC area that provide benefits to commuters originating in Kildare with the Dublin City as their destination.

This would indicate that a different allocation of costs would be more appropriate but no methodology is readily available that would provide an unbiased estimate of the costs that should be allocated for the purposes of providing a comparator to indicate an appropriate level of contribution that should be raised. For this reason, the criterion as discussed below that the levy should raise a particular proportion of the cost should be applied conservatively and simple comparisons with the proportions

raised in other schemes should be avoided. An additional point that also arises in the context of the contribution of this infrastructure to areas outside South Dublin is that it is important that South Dublin County Council recoups the administrative costs of implementing this SDCS. This issue should be considered in the overall operation of any adopted Scheme.

4.3.3 The optimum rate of Levy based on the above

The levy rate set under the scheme must meet a number of criteria. These are:

- It must be set at a level that will raise revenue with a present value that is adequate to finance in part construction of the infrastructure;
- The amount raised must be proportionate to the service that is provided by the KRP;
- It must not inhibit the competitive position of South Dublin by diverting development to other areas;
- The present value of the projected revenue must be an appropriate portion of the increase in property values that has been calculated.

The requirement for the levy to raise a particular percentage of the cost of the infrastructure is not used to identify an appropriate rate for the reasons discussed above. In terms of the service provided, the analysis indicates that the rate should be above the rates used on the Navan-Dublin rail but somewhat below those applied in the light rail schemes that have been developed for the Luas and Metro North. The levy must also not exceed an appropriate percentage of the value created in any property category and must not place South Dublin at a disadvantage relative to other areas where a SDCS is proposed. This issue of remaining consistent with other areas has been stressed in recently developed SDCSs. However, consistency requires that a similar impact is achieved as well as similar measures.

4.3.4 The optimal levy rates to be applied for alternative types of development i.e. residential, commercial and retail.

The recommended rates on the basis of these considerations are shown in Table 4.2. (m² relate to gross floor areas)

Table 4.2: Recommended Levy Rates in 2007 Prices

Category	Rate
Residential	€1,900 per unit
Commercial	€22.35 per m ²
Retail	€29.00 per m ²

This commercial rate is the same as the rate for Metro North Schemes in Fingal and Dublin City while the residential and retail rate is 75% and 90% of these rates respectively. These lower rates are warranted on the basis of the lower overall impact of the infrastructure on property prices when compared to the light rail systems.

The value of the scheme using the recommended rates is €57.5 million i.e. 26% of the capital costs incurred in South Dublin. The levy amounts to 16.2% of the value created using mid-range estimates. This is not out of line with other recently developed SDCSs and is a more appropriate basis for comparison than comparing infrastructure costs in South Dublin with the value of the scheme as the benefits do not arise exclusively in South Dublin.

4.3.5 Appropriate inflation and discount factors to be adopted

The rates quoted are in 2007 prices and should be indexed at 5% per annum. All calculation of present values adopt a discount rate of 5% per annum in line with recommended practice. However, in order to ensure that South Dublin is not placed at a disadvantage in terms of attracting development it is recommended that the design of the Scheme should incorporate an option for the Council to suspend indexation for a period, should this be required.

4.3.6 The appropriate basis of the application of the levy

The levy should be applied on a per unit basis for residential and per m² for commercial and retail development. The main reason is that the introduction of the levy on the basis of gross underlying areas would not reflect the fact that densities and plot ratios will vary considerably across different parts of the study area. This approach will also help maximise the value of the scheme.

5. Rate of Contributions to be Paid

- 5.1 The rates below will be applied to planning permissions granted within the area subject to the levy subject to the exemptions and reductions detailed in Section 6 hereunder:

Table 5.1: Levy Rates in 2007 Prices

Category	Rate
Residential	€1,900 per unit
Commercial	€22.35 per m ² (Gross floor area)
Retail	€29.00 per m ² (Gross floor area)

- 5.2 The rates quoted on Table 5.1 above shall be indexed at the rate of 5% per annum subject to an option to the Council that it may suspend indexation for a period or periods should this be required.
- 5.3 The Scheme shall apply for a period of 30 years from the date it is made by the Council until the 30th anniversary of that date. The scheme may be reviewed periodically by the planning authority having regard to circumstances prevailing at that time.
- 5.4 South Dublin County Council will receive the contributions to be made under this scheme and they shall be paid to Iarnród Éireann in accordance with the terms of an agreement between the Council and Iarnród Éireann. The agreement with Iarnród Éireann will provide that the contributions received by South Dublin County Council under the scheme shall only be used for the project.
- 5.5 If the construction of the project does not proceed to completion, the contributions received under the scheme will be returned to those who paid them with interest.

Administration of the Levy

- 5.6 The Council will seek to retain a proportion of the cost of contribution for the administration of the levy.

6. Exemptions and Reductions

6.1 The following categories of development will be exempted from the requirement to pay development contributions under the Scheme:

- House extensions
- Registered charitable institutions
- Replacement dwellings on previously fully serviced sites
- Primary schools, Post primary schools, Voluntary non-profit making clubs and similar community facilities/centres, youth centres and similar non-commercial community related developments with a commercial element, to be exempt from assessment for financial contributions.
- Social and Affordable housing units, including those which are provided in accordance with an agreement made under Part V of the Act (as amended under the Planning & Development (Amendment) Act, 2002) or which are provided by a voluntary or co-operative housing body, which is recognised as such by the Council.

6.2 Open storage/Hard surface commercial space development – shall be liable for development contribution at one third of the rate.