Appendix 2

Example of computation of the 100% Temporary Development Levy

Location: Downtown Core
Sector 7 Sep 2007 DC rate at 70%
Use Group A (Commercial) : $7000
Development baseline = Approved commercial development 10,000sqm GFA

Proposal:
To convert surplus car parks, resulting an increase in additional 500sqm on 10 year Temporary Permission

<u>Development Ceiling</u>
500 sqm x $7,000 + 10,000 sqm x $7,000
= $73,500,000

<u>Development Baseline</u>
10,000 sqm x $7,000
= $70,000,000

<u>Development Charge at 70%</u>
= (Development Celing – Development Baseline)
= $73,500,000 - $70,000,000
= $3,500,000

<u>Development Charge at 100%</u>
(to convert 70% DC to 100% DC, the computed DC amount should be divided by a factor of 0.7)
$3,500,000/0.7 = $5,000,000

<u>100% Temporary Levy Leviable</u>

1 Year	= $ 5,000,000 x 3.8%	= $ 190,000
2 Year	= $ 5,000,000 x 7.5%	= $ 375,000
3 Year	= $ 5,000,000 x 10.9%	= $ 545,000
4 Year	= $ 5,000,000 x 14.1%	= $ 705,000
5 Year	= $ 5,000,000 x 17.1%	= $ 855,000
6 Year	= $ 5,000,000 x 19.9%	= $ 995,000
7 Year	= $ 5,000,000 x 22.7%	= $ 1,135,000
8 Year	= $ 5,000,000 x 25.2%	= $ 1,260,000
9 Year	= $ 5,000,000 x 27.7%	= $ 1,385,000
10 Year	= $ 5,000,000 x 30.0%	= $ 1,500,000

[Note: The above percentage used to discount Development Charge to determine Temporary Development Levy is based on the schedule corresponding to the period of the temporary permission as prescribed in the Planning (Temporary Development Levy) Rules]