

Fact sheet

Draft Central Sydney Development Contributions Plan 2020

Figure 1 updated August 2020



What is the Draft Central Sydney Development Contributions Plan 2020?

The Draft Central Sydney Development Contributions Plan 2020 (the Draft Plan) enables the City of Sydney Council (the City) to levy a contribution on new development to fund local infrastructure needed by growing resident, visitor and worker populations.

The Draft Plan is proposed to replace the existing Central Sydney Development Contributions Plan 2013 (the existing plan).

Where does the Draft Plan apply?

It applies to the area of Central Sydney shown in Figure 1. This is the area generally bounded by Circular Quay and Millers Point to the north, Garden Island, Woolloomooloo, parts of East Sydney and Surry Hills to the east, Prince Alfred Park and Central Station to the south, and Ultimo, Darling Harbour and Barangaroo to the west.

The remainder of the local government area is subject to different development contributions plans.

What does the Draft Plan propose?

The Draft Plan proposes a sliding scale contribution levy as per the following table:

Development cost	Levy
From \$0 to \$249,999	NIL
From \$250,000 to \$499,999	1%
From \$500,000 to \$999,999	2%
Over \$999,999	3%


Noting that the contribution levy in the existing plan is 1%, the Draft Plan proposes an increase to the levy for developments of \$500,000 and above.

The proposed rates are similar to the levies adopted in other major city centres in NSW. For example, Parramatta, Chatswood and Newcastle centres all apply a 3% levy for developments with a cost of more than \$250,000.

The levy will require new development to contribute towards the cost of new and improved infrastructure from which it will benefit. Contributions collected will be used to fund local infrastructure, services and amenities as set out in the Schedule of Works in the Draft Plan.



Figure 1: Land to which this Plan applies

 Land to which this plan applies

Updated August 2020 to include 10A Lincoln Crescent, Woolloomooloo within blue boundary.





Does the levy apply to complying development?

Yes, if the development cost is \$250,000 or more. The accredited certifier is responsible for ensuring that a condition requiring payment of the levy has been imposed prior to issuing a Complying Development Certificate. The levy must be paid prior to the commencement of any work authorised by the certificate.

Is any development excluded from the levy?

Yes. The Draft Plan does not apply to development that:

- does not need consent (including exempt development); or
- has a development cost of less than \$250,000.

There are also some types of development which may be excluded from the need to pay the levy. If the City is satisfied that the development is consistent with a relevant exclusion listed in the Draft Plan, it will exclude the development from the need to pay a contribution. Examples of exclusions listed in the Draft Plan are:

- places of public worship (charity or not-for-profit);
- emergency services facilities;
- government schools;
- affordable housing or social housing; and
- City of Sydney development.

When is the levy payable?

Applicants must pay the levy:

- in cases where a construction certificate or subdivision works certificate is required – before the issue of those certificates;
- in cases where a complying development certificate is required – before the commencement of any work authorised by the certificate; and
- in any other situation – before the commencement of the use or activity.

Are levy payments indexed for inflation?

Yes, through the requirement for the applicant to pay the levy within 3 months of the City's issue of a written 'Statement of Contributions Owing'. This Statement must be calculated on the basis of up-to-date development cost information. If the levy is not paid within three months of the issue of a Statement, then the applicant must seek another Statement which relies on up-to-date development cost information.



How will the City use levy payments?

The City will use levy payments to contribute to the cost of additional or improved public infrastructure to meet the needs of our growing population. Appendix B of the Draft Plan contains a Schedule of Works which describes:

- works already delivered by the City, the costs of which are to be recouped through payment of the levy; and
- works anticipated to be delivered over the life of the Draft Plan which are to be funded wholly or partly through payment of the levy.

When will the new levy come into force?

The Draft Plan will be on public exhibition from 1 May 2020 to 10 July 2020. It is being exhibited alongside a wider package of draft planning documents relating to Central Sydney. Following a review of consultation responses, the Draft Plan will be reported back to Council.

If Council approves the Draft Plan, changes to Government legislation are needed to bring the new levy rates into effect. It is therefore difficult to predict when the new levy may come into force. Furthermore, given the current climate of economic uncertainty, the City is open to considering the timing and process for implementation.

The Draft Plan includes transitional arrangements. It will apply to any development applications made on or after the date of the Plan's commencement. It does not apply to any development applications made before the date of commencement of the Plan.

Where can I get more information?

For further information:

- Visit the City of Sydney's website at: www.cityofsydney.nsw.gov.au/central-sydney
- Contact Siobhan Fox-Roberts, Senior Specialist Planner (Contributions) sfoxroberts@cityofsydney.nsw.gov.au