

June 2020

Accelerated Infrastructure Fund – Frequently asked questions

This document answers frequently asked questions regarding the \$75.9 million Accelerated Infrastructure Fund (AIF).

What is the Accelerated Infrastructure Fund?

The Accelerated Infrastructure Fund (AIF) provides \$75.9 million to support the delivery of community infrastructure – including local roads, stormwater infrastructure and public open space – and temporarily reduce developer contributions in high growth areas of Blacktown and The Hills Local Government Areas (LGAs) in North West Sydney.

The AIF was announced by the Minister for Planning and Public Spaces on 3 April 2020 as part of the Planning System Acceleration Program to cut red tape and fast-track planning processes to keep people in jobs and the construction industry moving throughout the COVID-19 crisis.

The objectives of the fund are to:

1. Fund infrastructure that unblocks development approvals and enables development activity;
2. Stimulate construction activity by investing in ‘shovel-ready’ infrastructure projects;
3. Reduce local developer contributions; and
4. Encourage developers to enact development approvals and invest in construction.

The AIF assists councils in co-funding and accelerating the delivery local community infrastructure through providing the “gap” funding required to fund the portion of projects that cannot be funded through local development contributions plans.

The AIF sits alongside existing infrastructure programs and the Department of Planning, Industry and Environment infrastructure’s grant programs such as the Housing Acceleration Fund and Precinct Support Scheme, to support the continued delivery of new homes and jobs throughout NSW.

How were projects selected for AIF funding?

The Department worked with Blacktown City Council and The Hills Shire Council to identify ‘shovel ready’ projects that support the development of new housing and employment land and formally nominate these for AIF funding. AIF funds were subject to prioritisation and have been allocated to projects that help achieve the programs objectives. Projects selected for AIF funding underwent an extensive due diligence process and been verified through an independent, third-party review by an economic and engineering consultancy.

An inter-agency committee, consisting of representatives from the Department, NSW Treasury, Infrastructure NSW and Transport for NSW, provided oversight of the project selection process and endorsed the selected project list. The Minister approved and announced \$75.9 million in AIF funding for the selected projects on 19 June 2020.

Capping local developer contributions

To support the construction sector, existing local developer contributions caps in Blacktown and The Hills LGAs - due to end on 30 June - will be continued at \$50,000 per dwelling or residential lot through to 31 December 2020. The capping of local developer contributions will provide certainty and predictability for the development industry and promote new housing construction and economic activity.

The cap on local developer contributions will be implemented through a Ministerial Direction issued under Section 7.17 of the *Environmental Planning and Assessment Act 1979* applying to all development consents granted between 1 July 2020 and 31 December 2020. The Ministerial Direction will include a requirement that local developer contributions be paid prior to 30 June 2021. All development consents where local developer contributions are paid after 30 June 2021 would be subject to the uncapped local contributions plan amount.

How can you get involved?

Should you have any further questions, please contact the Department of Planning, Industry and Environment on 1300 305 695 or email planning.covidresponse@planning.nsw.gov.au. If emailing, please use the subject header "Accelerated Infrastructure Fund".

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