



Hon Tony Kelly MLC  
Minister for Planning  
Minister for Infrastructure  
Minister for Lands  
Deputy Leader of the Government in the Legislative Council  
Leader of the House in the Legislative Council

## MEDIA RELEASE

14 January 2011

### **SUPPORT FOR ADDITIONAL HOUSING AND INFRASTRUCTURE IN ILLAWARRA**

The NSW Government has developed a draft plan to get housing construction underway by raising **up to \$165 million for new regional infrastructure** to support new development **in the southern Illawarra** through a State contributions framework.

Minister for Planning, Tony Kelly, said the new scheme will cut red tape and provide greater certainty for land owners bringing new housing stock online.

Contributions towards State infrastructure are currently negotiated between the Department of Planning and developers on a site-by-site basis, which has a number of drawbacks including:

- High administration costs of negotiating, approving and implementing numerous agreements; and
- Delays in providing new housing and employment while negotiations take place involving the Department of Planning mediating between landowners and government infrastructure providers; and
- A lack of certainty for landowners.

The existing system has been particularly difficult for large land release sites with fragmented ownership like West Dapto, which has almost 200 separate land owners.

Mr Kelly said the contribution plans would shortly be placed on exhibition to seek feedback from landowners and other stakeholders.

“The contribution would only be applied after a new release site - land not previously used for urban development such as farmland - is rezoned residential or industrial and when development occurs,” the Minister said.

“The Government has endorsed a draft Illawarra contribution of **\$73,219 per hectare of residential land**, and **\$29,180 per hectare of industrial land**.

“**If monetary contributions are paid by July 2011**, Mr Kelly said a 50% discount would apply under existing arrangements which brings the levy down to \$4,120 per average residential lot.

After July 1, the NSW Government will continue to meet 25% which will keep contributions down to \$6,180 for the average residential lot.

“The Government is committed to ensuring **the cost of developing residential land with the necessary infrastructure is kept to the lowest possible level.**”

“These contributions would apply to land releases in Illawarra such as West Dapto (Stages 1 to 5) and Tallawarra, and potentially raise \$165 million over 40 years, dependent on the rate of development, to help pay for \$219 million of infrastructure.

Mr Kelly said for Calderwood, the current Voluntary Planning Agreement which is on public exhibition until February 7 is broadly consistent with these proposed contributions, taking into account the dedication of land and payment of cash.

“This State infrastructure contribution will provide certainty and consistency for the development industry in the Illawarra,” the Minister said.

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**“Around 38,000 new homes will need to be built in the Illawarra during the next 25 years and half would be in new release sites.**

The proposal will go on exhibition from 21 January 2011 to 25 February 2011.

<b>ILLAWARRA REGIONAL INFRASTRUCTURE</b>	<b>REGIONAL INFRASTRUCTURE COST ATTRIBUTED TO NEW DEVELOPMENT</b>
<b>Roads</b> Albion Park interchange Yallah interchange Tallawarra on and off-ramps Emerson Road on and off-ramps Fowlers Road on and off-ramps Kanahooka Road on and off-ramps Illawarra Highway upgrade Northcliffe Drive extension Princes Highway – Mullet Creek crossing Princes Highway upgrades	<b>\$193,848,000</b>
<b>Education (land only)</b> 11 primary schools 3 high schools	<b>\$26,000,000</b>
<b>Total</b>	<b>\$219,848,000</b>

\* Existing and planned upgrades to other regional infrastructure is adequate to service additional population, and additional environmental offsets/ open space are not required.