Fact sheet



August 2020

# St Leonards and Crows Nest SIC

The St Leonards and Crows Nest Special Infrastructure Contribution (SIC) Determination supports the implementation of the St Leonards and Crows Nest 2036 Plan.

The SIC is a mechanism to collect contributions from residential development to help fund State and regional infrastructure. The SIC is imposed on certain new residential development that occurs within the St Leonards and Crow Nest Special Contribution Area.

## Where does the SIC apply?

The SIC will apply to new additional residential development which occurs as a result of a change to planning controls within the Special Contributions Area (SCA) boundary. These sites are identified as an 'intensive residential use land'.

Dwelling types to which the SIC will apply include attached dwellings, dual occupancies, dwelling houses (but not secondary dwellings), multi-dwelling housing, residential flat buildings, semi-detached dwellings, a group of self-contained dwellings that is seniors housing and shop-top housing. The contribution does not apply to commercial development, except for the residential component of the development in mixed-use zones or where shop-top housing is permissible.





#### Fact sheet

# What does the SIC pay for?

The St Leonards and Crows Nest SIC supports the strategic objectives of the St Leonards and Crows Nest 2036 Plan, implementing an infrastructure contributions framework to recover some of the cost of State and regional infrastructure to support the new residential growth.

The infrastructure schedule was developed in consultation with State government agencies and councils, and has been informed by the technical studies, land use objectives and infrastructure planning outcomes that underpin the St Leonards and Crows Nest 2036 Plan. Some of the infrastructure projects funded through the SIC include:

- Road crossing Improvements to improve connectivity and pedestrian safety.
- Education providing funding towards additional school places generated by population growth in the precinct.
- Open space improvement of open space through funding new or expanding existing parks such as Hume Street Park or a new park at St Leonards South.
- Pedestrian and cycle link improvements enhance and expand cycleways and pedestrian paths along critical links such as Willoughby Road and Chandos Street.

### What is the proposed SIC rate?

The SIC rate is \$15,100 per dwelling and is only applied to new additional residential development that results from a change to planning controls. The calculation of the proposed SIC rate is based on the cost of new infrastructure required to service the additional population. It has also been informed by a 'Capacity to Pay' study and is set at a level that minimises the impact on development feasibility.

### How do developers pay contributions?

The SIC contribution is payable by developers as either a monetary payment, works-in-kind or both.

A works-in-kind agreement allows an applicant to provide land or capital works (or both) instead of a monetary contribution. Works-in-kind agreements provide opportunities to integrate public and private facilities into new communities and can deliver cost efficiencies when the proponent provides infrastructure works as part of development.

The Secretary of the NSW Department of Planning, Industry and Environment (Planning Secretary) decides whether to negotiate or enter into a SIC works-in-kind agreement proposed by an applicant. A works-in-kind agreement in lieu of making a monetary contribution is not a right under the Determination.

### When does the contribution need to be paid?

Developers are required to pay a contribution before obtaining a construction certificate or, in some cases, an occupation certificate.



#### Fact sheet

The Department of Planning, Industry and Environment administers the SIC framework and contributions are paid into a statutory fund administered by the Planning Secretary in consultation with the Secretary of the Treasury.

#### How is a SIC payment calculated?

To find out if a SIC applies to your development, and to calculate a SIC charge, please visit the SIC Online Service. This service also allows applicants to request a SIC assessment online for faster assessment and more efficient communication with the Department.

To find out if your site is subject to a SIC, please refer to the maps on the DPIE website. To begin the process, please register for an account.

Visit the SIC Online Service

#### What are transitional arrangements and how do they apply?

Transitional arrangements provide the ability to phase in the total charge rate in order for the market to adjust to the new contribution rate. The arrangement also provides some relief during the economic downturn brought on by the COVID-19 pandemic.

A discount would be applied to the SIC contribution for the first two years before the full rate is adopted from the third year:

(a) at any time before 1 July 2021 – the amount that would otherwise be payable is reduced by one half;

(b) at any time between 1 July 2021 and 30 June 2022 – the amount that would otherwise by payable is reduced by one quarter; and

(c) from 1 July 2022 – the full SIC contribution rate.

#### What are the Covid-19 response measures?

The NSW Government has made changes to the *Environmental Planning and Assessment Act 1979* in response to the COVID-19 emergency. In June 2020 new Ministerial directions and determinations were made to temporarily defer the payment of special infrastructure contributions until the issuing of an occupation certificate for certain types of development

Please refer to the COVID-19 Response Measures documents at the Department's website for further details.

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