



2018

Proposed Special Infrastructure Contribution

Wilton

September 2018



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Department of Planning and Environment

Printed September 2018

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Introduction

Planning for growth means planning to deliver new homes, jobs, open space, transport, infrastructure and services in time with growing demand.

A Special Infrastructure Contribution (SIC) is a charge paid by developers within Special Contribution Areas (SCAs) to ensure funding for key infrastructure required to support growing communities.

Special Infrastructure Contributions allow priority infrastructure to be funded and delivered at the same time development is occurring, ensuring new and growing communities have access to the infrastructure and services they need in a timely manner.

By identifying priority infrastructure items to be funded by SIC before rezoning and collecting contributions from developers at the time of development application, the Department can coordinate the delivery of roads, schools, health facilities, open space, emergency services, transport, and pedestrian and cycling connections before existing infrastructure can no longer keep up.



Proposed Special Infrastructure Contribution for Wilton

A draft Special Infrastructure Contribution (SIC) scheme is proposed to help fund the costs of new and upgraded state and regional infrastructure required to support growth in Wilton. The SIC ensures developers will contribute to the cost of delivering infrastructure to support new homes and jobs across the growth area, estimated to be \$771 million over the next 30 years, including:

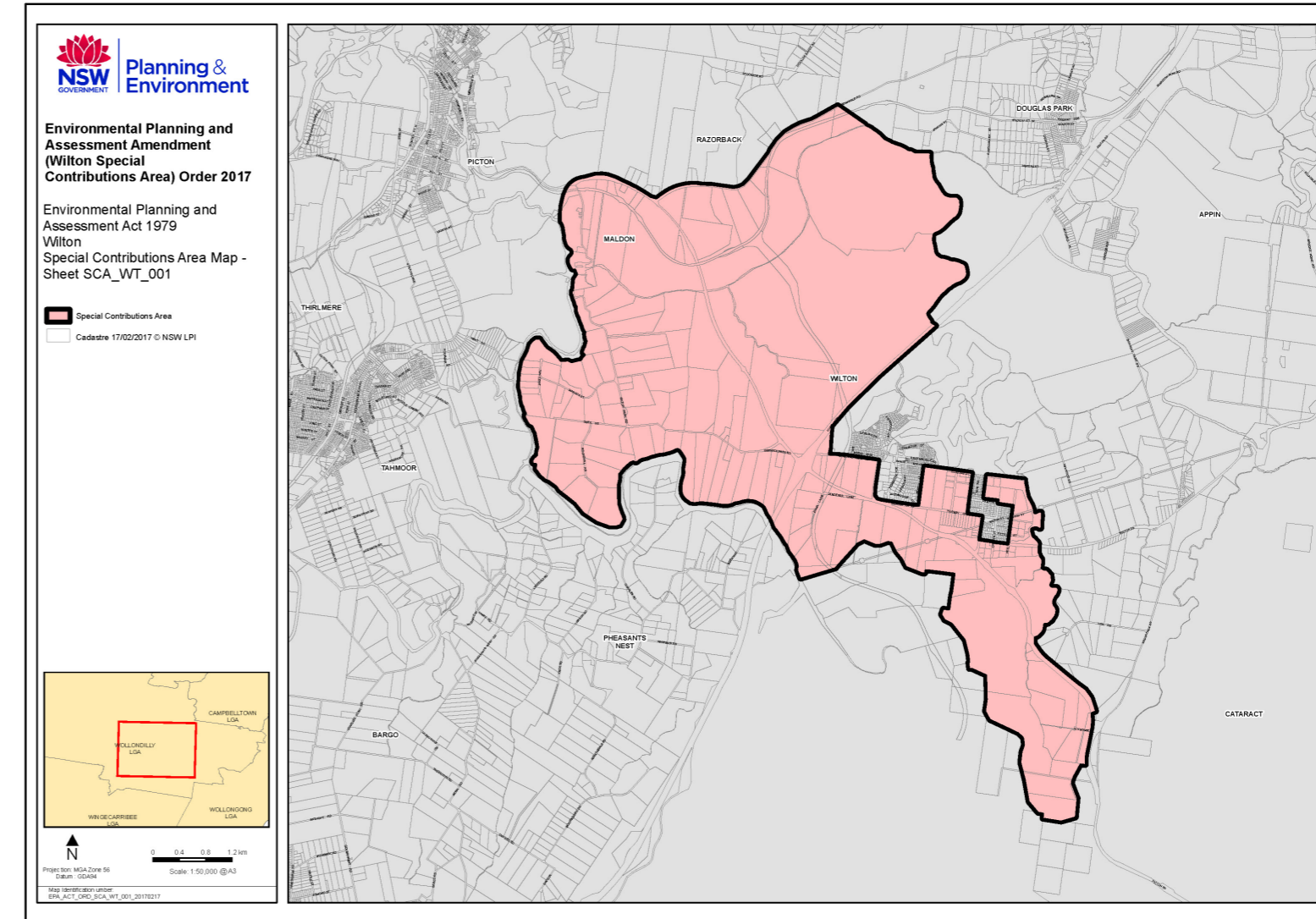
- + Roads, intersections, bridges and cycleway improvements - \$655 million;
- + Biodiversity conservation and regional open space - \$65 million;
- + Education - \$31.25 million;
- + Public transport facilities - \$5 million;
- + Health and emergency service facilities - \$1.375 million and
- + Planning and delivery - \$14 million.

What are the benefits of the SIC framework?

The SIC framework has many benefits for the community, landowners, developers and councils:

- provides certainty to the community that the infrastructure identified in a Precinct Plan or Land Use Infrastructure and Implementation Plan will be funded and delivered;
- offers transparency about the collection and distribution of funds for required infrastructure;
- streamlines the planning process by reducing the number of individual planning agreements Councils and the Department of Planning and Environment have to negotiate;
- ensures the timely delivery of infrastructure in line with community expectations and rate of growth;
- provides certainty for business, councils and community that infrastructure is funded and will be provided alongside or soon after new developments;
- enables industry to contribute funding towards infrastructure that provides a direct benefit to the community and adds value to the development.

Proposed Special Contribution Area and Rate



The proposed Special Contribution Area (SCA) for the Wilton SIC is shaded in pink on the map.

The proposed contribution rate is \$59,274 per additional residential dwelling within the SCA.

Frequently asked questions

What is a SIC?

A Special Infrastructure Contribution (SIC) is paid by developers to share the cost of delivering the infrastructure required to support growing communities in time with demand. Special Infrastructure Contributions can be used to fund schools, regional space and biodiversity certification, health and emergency services, State and regional road upgrades, some public transport infrastructure and regional pedestrian and cycling links. The Department will work with other state government agencies and Council to determine the timing of project delivery, considering current and forecast development rates and infrastructure capacity.

Who is required to pay a SIC?

Anyone creating additional demand for infrastructure by delivering additional homes within the Wilton SCAs will be required to pay a SIC. If you are building a home on land that has already been subdivided, you will not be required to pay a SIC.

Collecting SICs at the development application stage will ensure key infrastructure is funded and delivered in time with development.

Developers may dedicate land for or build a piece of required infrastructure, instead of making a financial contribution. The delivery

of infrastructure instead of a financial payment is known as a Works-In-Kind agreement.

What will the SIC deliver in Wilton?

The SIC levies by developers will contribute to the cost of delivering infrastructure to support new homes in Wilton estimated to be \$771 million over the next 20-30 years, including:

- + Regional roads and cycling improvements
- + Land for schools, health and emergency service facilities
- + Regional open space, and biodiversity certification; and
- + Bus infrastructure
- + Planning and delivery costs.

A more detailed list and map of proposed infrastructure funded by the SIC can be found on pages 11 and 12.

SIC rates and projects will be reviewed regularly to ensure that the most appropriate infrastructure solutions are delivered to support growing communities into the future.

The SIC rates have been calculated based on:

- + the anticipated demand for new infrastructure that will be created by development;
- + the cost of infrastructure identified;

- + the impact of other contribution levies applied in the area;
- + the forecast number of additional residential dwellings to be delivered within the Special Contribution Area; and
- + ensuring adequate funding for infrastructure, while ensuring the rates applied do not impact development feasibility and housing supply.

SICs and other infrastructure contributions

Local contribution plans (such as Section 7.11 and 7.12) will still apply. Local contributions fund local infrastructure and are the responsibility of councils, while the SICs fund state and regional infrastructure and are the responsibility of the Department to administer. Items in local contribution plans are different to those included in a SIC plan so there is no double-up of funding.

Where a voluntary planning agreement (VPA) has been previously negotiated with a landowner or developer for the provision of state infrastructure, the Department will take this into account and developers will not be charged under both mechanisms (i.e. will not be double-charged).

To ensure development feasibility and housing supply are not impacted by the SIC, other development costs, fees and charges are taken into account when setting the SIC rate.

How will infrastructure be delivered in Wilton?

The Department will coordinate with infrastructure agencies and Council to best prioritise funds collected from the Wilton SIC towards the infrastructure projects identified.

The early development of Wilton will be through developers entering into voluntary planning agreements with the Department. A key component of these agreements will be the delivery of infrastructure as works in kind. The works in kind agreements define the regional infrastructure to be funded and delivered by the developer in line with approvals for a specific numbers of dwellings. This means that infrastructure will be delivered in line with or in advance of the delivery of housing.

What happens if development begins before the SIC for Wilton is in place?

Before the proposed SIC for Wilton is in place, planning proposals will require satisfactory arrangements to be in place to ensure required regional infrastructure is provided. This is negotiated with the Department through a voluntary planning agreement (VPA), which can be made by a cash payment or works-in-kind to deliver the infrastructure. Any development application that is already approved will not be subject to a SIC charge.



SIC and the plan for Wilton 2040

Special Infrastructure Contributions will be applied to all Planned Precincts and Growth Areas across Sydney.

This means that infrastructure funding and delivery is coordinated at the same time development is occurring in high-growth areas.

The Wilton SIC will be essential to bringing the Wilton 2040 plan to life, funding infrastructure to support a growing and thriving community over the coming decades.



The proposed SIC forms part of the strategic planning framework that will support the growing community in Wilton over the coming decades:

- 1. Wilton 2040**
Provides strategic direction for Wilton Growth Area to achieve the Plan's vision, objectives and its implementation over the next 20 years as the area grows. Development will need to be consistent with this plan.
- 2. Draft Precinct Plans**
The Department leads development of Precinct Plans and Indicative Layout Plans in collaboration with landowners, Wollondilly Shire Council and other stakeholders. Development must give consideration to the Plan and its key principles.
- 3. Special Infrastructure Contribution Scheme**
The Special Infrastructure Contribution (SIC) Scheme ensures that development which relies on improvements to state and regional infrastructure financially contributes to the delivery of the infrastructure.
- 4. The Wilton Green Plan**
The Green Plan guides planning and design of open space and tree canopy in Wilton Growth Area. The Green Plan considers existing open space, accessibility of open space, tree canopy and projected open space demand and establishes guiding principles for future open space provision in the Growth Area.

Wilton 2040 identifies seven key actions towards implementing the strategic plan:

- + **Rezoning** of Wilton Growth Area precincts for urban development following public exhibition
- + **Finalisation of draft Wilton Special Infrastructure Contribution (SIC)**
- + **Strategic** bio-certification of the Wilton Growth Area through the preparation of the Cumberland Plain Conservation Plan
- + **Finalisation** of the Wilton Growth Area Development Control Plan to guide approval of neighbourhood plans within the precincts
- + **Finalisation** of an Infrastructure Phasing Plan for the Wilton Growth Area
- + **preparation** of a jobs creation strategy for employment areas in the Wilton Growth Area
- + **Collaboration** with Transport for NSW on business case for public transport improvements.

Progressing the Plan Wilton 2040

The Department has now finalised strategic planning work for the Wilton Growth Area. The proposed Special Infrastructure Contribution will provide funding to support the delivery of the plans.





How does a Special Infrastructure Contribution work for Planned Precincts and Growth Areas?

1. Planning

Planned Precinct identified
An area that has planned population and job growth, and land development potential.

Consultation
Community, landowners, councils, developers, government agencies and other stakeholders are consulted to develop the Precinct Plan and land is rezoned to allow for development.

SIC is drafted
The Department of Planning and Environment, in consultation with councils and government agencies, identifies: the infrastructure schedule - the planned infrastructure that can be funded by SIC, and the rate - how the cost will be shared across new developments.

Consultation
The draft SIC is put on public exhibition, during which time community, landowners, councils, developers, government agencies and other stakeholders can provide feedback and submissions through the Department website.

2. Contribution

SIC is determined
Once feedback is considered, the Minister makes the determination and the SIC will now apply to new developments in the contribution area.

Development application to council
Local councils consider the development application and direct the proponent to pay the SIC to the Department.

Contribution is made
Developers may pay the SIC to the Department or build a piece of infrastructure identified in the infrastructure schedule.









3. Delivery

New homes
Newly developed homes are sold to buyers at market value. The cost of the SIC should not be passed on to buyers.

New infrastructure
The Department coordinates councils, government agencies including Transport for NSW, Roads and Maritime Services, Education, and Health, to deliver SIC-funded infrastructure, and regional open space.

Community revitalised
New homes, jobs and facilities for a growing community.

Special Infrastructure Contributions pay for:

-  Schools
-  Emergency services
-  Regional pedestrian paths
-  Regional Roads
-  Bus infrastructure
-  Health facilities
-  Regional open space
-  Regional cycleways

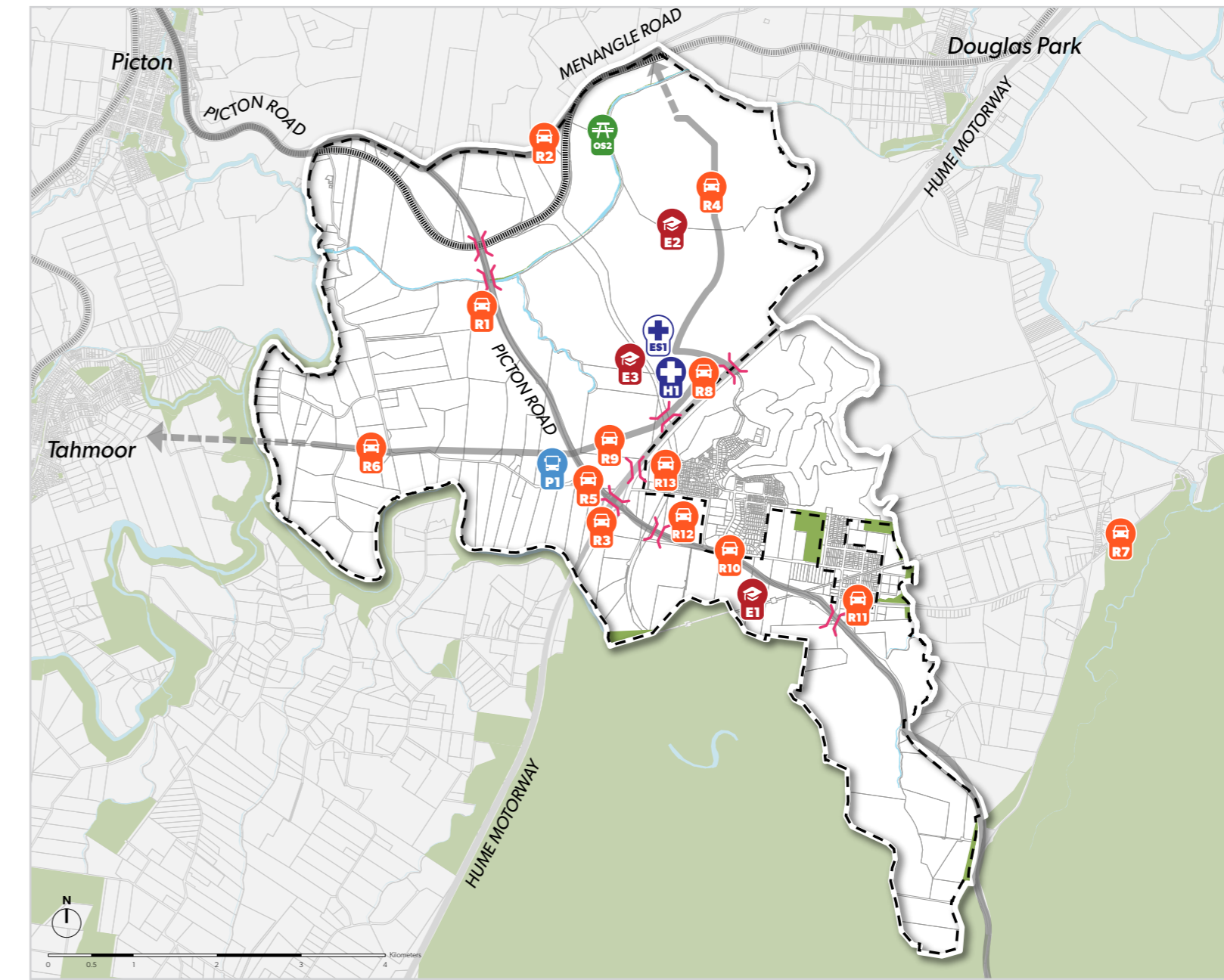
Proposed Infrastructure Schedule and Map

The Department will work with other state government agencies and Wollondilly Shire Council to determine the timing of project delivery, considering current and forecast development rates and infrastructure capacity. Other state infrastructure identified in the plan and not funded by the SIC will be the responsibility of the relevant agency to fund and deliver.

Special Infrastructure Contributions

Roads	\$654,936,429
R1 Picton Rd Upgrade - widening to 4 lanes	\$219,547,268
R2 Menangle Rd Upgrade - widening to 4 lanes	\$36,932,927
R3 Hume Motorway/Picton Rd Interchange Upgrade	\$35,904,621
R4 Wilton North Sub-arterial with potential future bridge links to Menangle Rd	\$64,549,482
R5 Picton Rd east and west of interchange - widening to 6 lanes	\$30,073,280
R6 West Wilton Sub-arterial with potential future Tahmoor Link	\$70,000,000
R7 Investigation of Wilton Rd including Broughton Pass Capacity Improvement	\$2,400,000
R8 Sub-arterial from Niloc Bridge Link to MDB Crossing including North Wilton Hume Motorway ramp access	\$92,699,130
R9 Sub-Arterial from MDB Crossing to Picton Rd	\$26,279,721
R10 Pembroke Rd and Picton Rd Intersection - Signalised upgrade	\$4,750,000
R11 Almond Street overbridge and connection to Picton Rd	\$15,400,000
R12 Picton Parade West Grade Separation	\$15,400,000
R13 Wilton Town Centre access bridge over Hume Highway	\$41,000,000

Public transport	\$5,000,000
Bus depot	\$5,000,000
Education	\$31,250,000
Land dedicated for Primary School - Wilton South East	\$7,500,000
Land dedicated for Primary School - Wilton North	\$7,500,000
Land Dedicated for K-12 School - Wilton Town Centre	\$16,250,000
Health	\$750,000
Community Health Facility - Land	\$750,000
Emergency services	\$625,000
Fire & Rescue Service Station - Land	\$625,000
Biodiversity Conservation and Regional Open Space	\$65,032,199
Biodiversity certification	\$60,540,300
Regional open space	\$4,491,899
Planning and delivery	\$13,863,904
Precinct planning	\$7,575,936
Precinct delivery	\$3,787,968
Wilton business development director	\$2,500,000



Legend

- Precincts Boundary
- SCA Boundary
- Railways
- Major Road
- Future Investigation
- Local Roads
- Bridges
- Waterways
- Green Space

Operation of the Wilton SIC

A SIC will be payable for all additional residential dwellings built within the contribution area.

This includes:

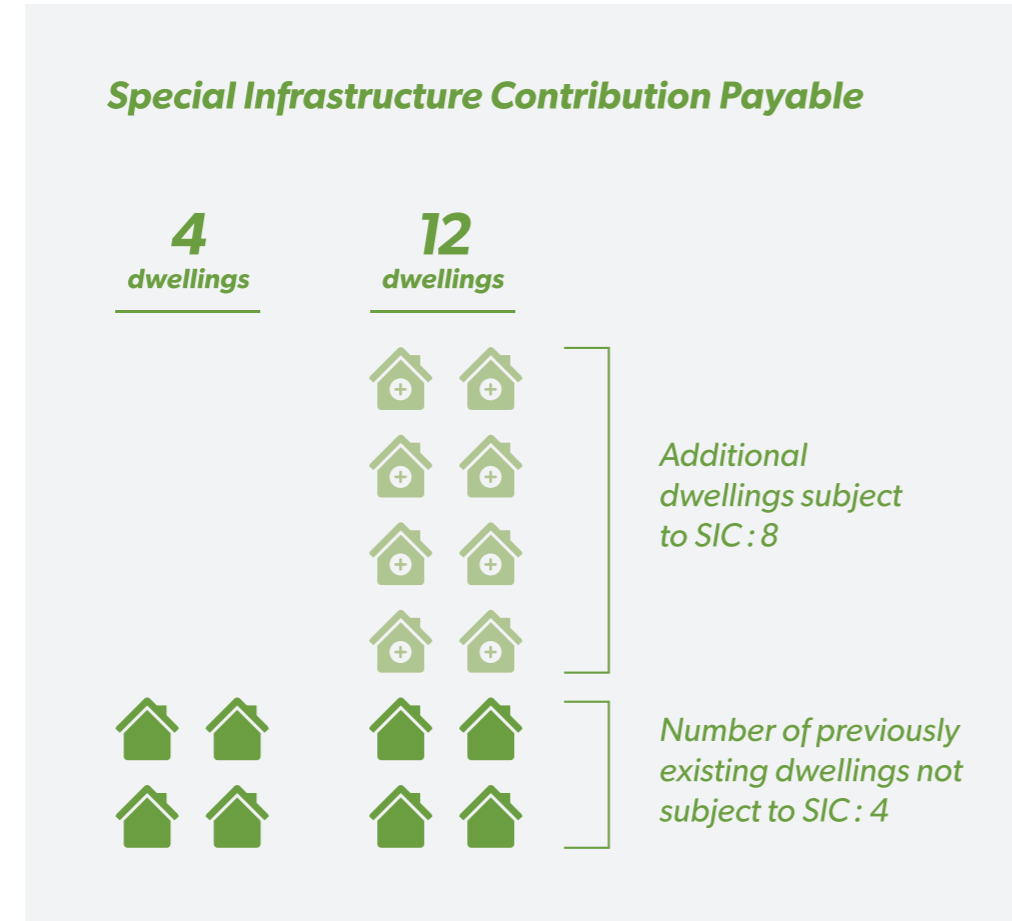
- + attached dwellings;
- + dual occupancy;
- + dwelling houses;
- + multi-dwelling housing;
- + residential flat buildings;
- + semi-detached dwellings;
- + a group of self-contained dwellings that is for seniors housing; and
- + shop top housing.

Public housing, seniors housing or affordable housing carried out by or on behalf of a social housing provider will not be subject to a SIC.

The SIC may be made either as a monetary contribution (developer pays the SIC rate) or by delivering works-in-kind (developer provides land or works based on the infrastructure schedule instead of paying the SIC rate).

For any new residential development, the number of existing dwellings will be deducted from the total number of dwellings proposed to calculate the number of additional dwellings and therefore the amount to be paid via the SIC.

For example, on a site with a block of four existing dwellings that will be developed into a block of 12 residential dwellings, the SIC will only be payable on the 8 additional dwellings.



Calculating the SIC rate

The SIC rate is based on a range of factors, including the cost of infrastructure needed to support growth in the precinct, the anticipated number of additional dwellings and development feasibility.

The Department has been working closely with other Government agencies, Wollondilly Shire Council, external consultants and industry representatives to ensure that the proposed SIC for Wilton will not impact housing supply in the area.

The proposed SIC rates have been informed by a **feasibility assessment**. This means the cost of other developer contributions, construction and developer margins are considered when setting the rates for each charge area.

Once the SIC for Wilton has been determined by the Minister for Planning, the Department will be responsible for periodic reviews of the SIC rates, SCA boundaries, infrastructure projects and costs and adjust as required.

This will allow the Special Infrastructure Contribution framework to stay up-to-date with changes to land value and rezoning, key infrastructure projects and any other significant changes to the area.

To ensure the SIC remains up-to-date with the changing costs of land and construction services over time, the infrastructure costs and contribution rates will be updated each year. More information about the indexation process can be found on the Department's website.

An annual reporting framework is proposed to identify the contributions collected and the level of funding allocated in each Special Contribution Area to ensure transparency about the collection of funds and delivery of infrastructure.

Before the SIC has been Determined by the Minister, no SIC charge will be applied to development that is consistent with the Local Environmental Plan (LEP). Where a planning proposal is lodged and the SIC charge has not been Determined by the Minister, satisfactory arrangements will be made for the provision of state infrastructure.

The Department will continue to work with Wollondilly Shire Council and other government agencies to ensure the most appropriate project solutions are delivered to support growth and development in the precinct over time.

Have your say on the draft Wilton SIC

You are welcome to provide feedback on the proposed Special Infrastructure Contribution for Wilton, including the rate, special contribution area and infrastructure schedule until 9th November 2018.

You can have your say on the Department's website at:

planning.nsw.gov.au/wiltsonic

Or write to:

Director, Planned Precinct Infrastructure Delivery
Department of Planning and Environment
GPO Box 39
Sydney NSW 2001

Stay up-to-date on the progress of the Wilton Special Infrastructure Contribution by subscribing for notifications through the Department's website.

More information



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Phone 1300 305 695

