

Attachment B

**Letter from Department of Planning,
Industry and Environment dated 11
November 2021**



Ms Monica Barone
Chief Executive Officer
City of Sydney Council
GPO 1591
SYDNEY 2001

Dear Ms Barone

I refer to a recent request by City of Sydney officers for confirmation on the status of the amendment to Clause 25K of the *Environmental Planning and Assessment Regulation 2000* to increase the maximum levy under section 7.12 of the *Environmental Planning and Assessment Act 1979* for development in Central Sydney (Regulation Amendment).

The Regulation Amendment will increase the maximum levy to 2% for development costing more than \$500,000 in Central Sydney until 30 June 2022. From 1 July 2022, the maximum levy will increase to 3% for development costing more than \$1 million. This staged introduction is consistent with the NSW Government's priority to support the business and jobs recovery from the COVID-19 pandemic.

I can advise the Regulation Amendment has been approved by the Minister for Planning and Public Spaces and Executive Council. The Regulation Amendment needs to be published on the NSW legislation website before it comes into effect.

It is proposed for both the Regulation Amendment and the Central Sydney Planning Proposal, Sydney Local Environmental Plan Amendment No. 64 (CSPP LEP) to be published on the NSW legislation website concurrently. This approach of joint notification was advocated for by the City and will ensure appropriate infrastructure funding mechanisms are in place when the growth enabled by the CSPP LEP comes into effect.

The timing for finalising CSPP LEP and its concurrent notification with the Regulation Amendment is imminent. The Department will continue to liaise closely with your staff and confirm the timing of the notifications once this is known.

I trust this advice allows the City to take relevant steps to update the Central Sydney Development Contributions Plan prior to the notification of the Regulation Amendment.

If you have any questions, please contact David McNamara, Director Eastern District City of Sydney at the Department of Planning, Industry and Environment on 9383 2101.

Yours sincerely

11 November 2021

Malcolm McDonald
Executive Director, Eastern Harbour City
Greater Sydney, Place and Infrastructure



New South Wales

Environmental Planning and Assessment Amendment (Development Levy) Regulation 2021

under the

Environmental Planning and Assessment Act 1979

Her Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Environmental Planning and Assessment Act 1979*.

Minister for Planning and Public Spaces

Explanatory note

The object of this Regulation is to provide for the maximum percentage of the cost of a proposed development in Central Sydney that may be imposed as a levy as a condition of consent to the development.

Environmental Planning and Assessment Amendment (Development Levy) Regulation 2021

under the

Environmental Planning and Assessment Act 1979

1 Name of Regulation

This Regulation is the *Environmental Planning and Assessment Amendment (Development Levy) Regulation 2021*.

2 Commencement

This Regulation commences on the day on which it is published on the NSW legislation website.

3 Amendment of Environmental Planning and Assessment Regulation 2000

Clause 25K Section 7.12 levy—maximum percentage

Insert the following in appropriate order in clause 25K(1)(b), Table—

Land identified in Figure 1 to the Central Sydney Development Contributions Plan 2020, as adopted by the Council of the City of Sydney on 14 December 2020

Up to and including \$250,000	Nil
More than \$250,000, up to and including \$500,000	1 per cent
More than \$500,000, up to and including \$1 million	2 per cent
More than \$1 million	On or before 30 June 2022—2 per cent On or from 1 July 2022—3 per cent