

Attachment C

**Draft Ultimo Pymont Local Infrastructure
Contributions Plan 2023**



Draft Ultimo Pyrmont Local Infrastructure Contributions Plan 2023

December 2023



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Cover photo: Wentworth Park

Summary

Growth requires infrastructure

By 2041, Ultimo and Pymont are forecast to grow by approximately:

- 4,100 new dwellings
- 8,700 new residents
- 20,000 – 27,000 new workers.

This growing population will require additional or improved infrastructure to keep Ultimo and Pymont attractive, efficient and appealing for our existing community and to continue attracting jobs, visitors and investment.

This Plan enables the City to levy a contribution on new development to generate approximately \$148M in contributions towards infrastructure in Ultimo and Pymont to 2041. It is appropriate that new development contribute its fair share towards the cost of new and improved infrastructure from which it will benefit.

Levy rate under this Plan

To fund new infrastructure through contributions, this Plan applies the following levy rates as permitted under Section 209(1) of the Environmental Planning & Assessment Regulation 2021:

Development cost *	Levy
* Refer to Section 2.3 of this Plan for information on determining the development cost.	
Up to and including \$250,000	NIL
More than \$250,000, up to and including \$500,000	1%
More than \$500,000, up to and including \$1,000,000	2%
More than \$1,000,000	3%

Facilities funded by this Plan levy

This Plan funds a variety of infrastructure, services and amenities including:

- **Open space** – such as capacity improvements to Wentworth Park;
- **Public domain improvements** – such as the Harris Street Living Green Network Priority Route;
- **Community facilities** – such as upgrades and capacity improvements to existing community centres;
- **Roads, traffic and transport facilities** – such as cycleway extensions;
- **Sustainability measures** – such as tree planting in parks and streets to increase canopy cover; and
- **Stormwater** - such as drainage upgrades.

These works are programmed for delivery in the timeframes described in the Schedule of Works at Appendix B to this Plan.

Development affected by this Plan

This Plan applies to development that:

- is located within Ultimo and Pyrmont, as shown in Figure 1 of this Plan;
- needs consent (including complying development);
- has a development cost of more than \$250,000; and
- is not excluded under Section 2.2 of this Plan.

If approval is granted to a development subject to this Plan, a condition of consent will be imposed requiring the applicant to pay a monetary contribution ('the levy'), towards the cost of local infrastructure.

This levy is calculated at a rate of 1%, 2% or 3%, depending on the development cost.

This Plan provides transitional arrangements, information on how to calculate the development cost and what development may be excluded.

Life of this Plan

This Plan will operate until:

- (i) all of the contributions for works items listed in Appendix B of this Plan have been collected from relevant development approvals; or
- (ii) the time the Plan is repealed by the Council; whichever occurs first.

Key steps for applicants

Applicant estimates the development cost – before obtaining a construction certificate or commencing works authorised by a complying development certificate, the applicant provides information to the City about the development cost in accordance with requirements in this Plan together with copies of construction certificate or complying development certificate plans and details of any claimed exclusions from the development cost under Section 2.3 of this Plan.

The City determines the development cost, any exclusions, and the levy – the City reviews the information provided by the applicant and issues the applicant with a letter confirming the correct levy amount payable.

Applicant pays the levy – the applicant pays the levy to the City and obtains a receipt. If the applicant does not pay the levy within 3 months from the date the City calculates the levy, the applicant must provide an updated cost of works to the City, which will be used by the City to recalculate the levy.

Applicant provides payment receipt to certifier – the applicant provides the accredited certifier (the City or a private certifier) with the City's letter and levy payment receipt to obtain a construction certificate or prior to the commencement of any works authorised by a complying development certificate.

Applicants may also offer Works-In-Kind, dedication of land or a material public benefit as an alternative to a monetary payment. Council has sole discretion on whether these alternatives are accepted.

Further information

Further information on development contributions is also available on the City's website at www.cityofsydney.nsw.gov.au.



Union Square, Pyrmont

Background

1.1 Name of this Plan

This plan is called the Draft Ultimo Pymont Local Infrastructure Contributions Plan 2023 (or ‘this Plan’).

1.2 Legislation enabling this Plan

This Plan has been prepared in accordance with Section 7.18 of the Environmental Planning & Assessment Act 1979 (EP&A Act).

Under this Plan, if a consent authority imposes a condition of consent upon development requiring a contribution under Section 7.12 of the EP&A Act, the consent authority cannot impose a condition of consent on the same development requiring a contribution under Section 7.11 of the EP&A Act.

1.3 Purpose of this Plan

The purpose of this Plan is to enable the City to apply a levy upon development to be applied towards public amenities and public services to meet the needs of the growing residential, workforce and visitor populations in Ultimo and Pymont.

The Plan will assist in achieving the objectives and directions of key City of Sydney and New South Wales Government planning strategies including:

- the Greater Cities Commission’s *A Metropolis of Three Cities – the Greater Sydney Region Plan*;
- the Greater Cities Commission’s *Eastern City District Plan*;
- the Department of Planning and Environment’s *Pymont Peninsula Place Strategy*;
- the Department of Planning and Environment’s *Pymont Peninsula Infrastructure Delivery Plan*;
- the City’s *Sustainable Sydney 2030 – 2050 Continuing the Vision*; and

- the City’s *Local Strategic Planning Statement*.

The population growth generating demand for enhanced public amenities and public services over the life of this Plan is outlined in Appendix A, while the Schedule of Works in Appendix B identifies the public amenities and public services to be funded or recouped by the City using the levy. Appendix C provides a dictionary of terms used in this Plan.

1.4 The land where this Plan applies

This Plan applies to land in Ultimo and Pymont, as shown in Figure 1.

1.5 Relationship between the expected types of development in the area to which the Plan applies and the demand for additional public amenities and services related to that development

This relationship is described at Appendix A: Basis for the levy and the Strategic Framework.

1.6 The percentage of the Section 7.12 levy and quarterly updating or indexing of the proposed cost of development

The percentage of the Section 7.12 levy is determined by the development cost, as per the following table:

Development cost *	Levy
* Refer to Section 2.3 of this Plan for information on determining the development cost.	
Up to and including \$250,000	NIL
More than \$250,000, up to and including \$500,000	1%
More than \$500,000, up to and including \$1,000,000	2%
More than \$1,000,000	3%

The process for quarterly updating or indexing the cost of development is described in Section 2.4 of this Plan.



Figure 1: Land to which this Plan applies

Land to which this plan applies

0 75 150 300m



1.7 Payment of section 7.12 levies and deferred or periodic payment of levies

Section 2.4 of this Plan describes the requirements for the payment of levies under this Plan and the conditions that allow deferred or periodic payment of the levy.

1.8 Map showing the specific public amenities and services proposed to be provided by the City

A map showing the specific public amenities and services proposed to be funded in part or whole through contributions under this Plan is shown at Figure 2 in Appendix B to this Plan. A works schedule that contains an estimate of their cost and staging of delivery is at Appendix B to this Plan.

1.9 Pooling of levy payments

To assist in the delivery of works items in the Plan, the City may pool levy payments and apply the pooled levy funds to selected projects in the Schedule of Works.

The City is satisfied that the pooling and progressive application of the money paid will not unreasonably prejudice the carrying into effect, within a reasonable time, of the purposes for which the money was originally paid.

1.10 Complying development

This Plan makes provision for the imposition of conditions of consent under Section 7.12 of the EP&A Act in relation to the issue of complying development certificates.

The payment of monetary Section 7.12 levies in accordance with those conditions is to be made before commencement of any building work or subdivision work authorised by a complying development certificate.

1.11 Commencement date for operation of this Plan

This Plan was adopted by Council on XXXXX and Section 209(1) of the Environmental Planning and Assessment Regulation 2021 was amended by the Minister for Planning and Public Spaces XXXX on XXXXX.

This Plan commenced operation on XXXXX.

1.12 Transitional arrangements

This section of the Plan describes the arrangements for development applications and applications for complying development certificates made before, and after, the commencement of this Plan. It explains arrangements for modification applications. It also sets out arrangements for development consents that existed before the commencement of this Plan.

This Plan replaces and repeals the *City of Sydney Development Contributions Plan 2015* ('the 2015 Predecessor Plan') for development applications on land identified in this Plan at Figure 1 which are made on or after the date of commencement of this Plan, being XXX, as well as for applications to modify consents granted to those development applications.

This Plan applies to development applications or applications for a complying development certificate made on or after the date this Plan commenced.

This Plan does not apply to development applications or applications for a complying development certificate which were made before the date of commencement of this Plan. For those applications, the contributions plan in force on the date the application was made applies.

For applications to modify a consent under Division 4.9 of Part 4 of the EP&A Act, the contributions plan that applied to the original development consent will apply.

For development consents that existed before the commencement of this Plan, this Plan does not affect any conditions of consent referring to the 2015 Predecessor Plan or any earlier Plans. Any monies that were paid, or are required to be paid, under the 2015 Predecessor Plan for development on land where this Plan applies may be pooled with contributions under this Plan and applied to the Schedule of Works in this Plan.

1.13 Life of this Plan, accountability, review and status of elements

a) Life of this Plan

This Plan operates until all of the contributions for works projects listed in Appendix B of this Plan have been collected from relevant development approvals, or the time the Plan is repealed by the Council, whichever occurs first.

b) Accountability

The City is accountable for the administration of this Plan in the following ways:

- maintaining public access to a contributions register and a planning agreements register;
- maintaining public access to accounting records for levy receipts and expenditure;
- annual financial reporting of contributions;
- maintaining public access to this Plan and supporting information; and
- periodically reviewing this Plan and seeking public input as part of the review.

c) Review of this Plan

The City will review this Plan five years from the date it comes into force, to ensure the Plan addresses community needs, contemporary strategic planning directions and priorities, integrated community facilities planning, the City's capital works program and legislative requirements.

d) Status of selected Plan elements

The appendices to this Plan form part of the Plan.

The Summary in this Plan is provided for guidance and does not form part of the Plan.



Pirrama Park, Pyrmont



Union Street, Pyrmont

How to use this plan

2.1 Calculating the levy

As permitted under Section 209(1) of the Environmental Planning & Assessment Regulation 2021, this Plan applies the following levy rates to development:

Development cost *	Levy
* Refer to Section 2.3 of this Plan for information on determining the development cost.	
Up to and including \$250,000	NIL
More than \$250,000, up to and including \$500,000	1%
More than \$500,000, up to and including \$1,000,000	2%
More than \$1,000,000	3%

For development with a development cost of more than \$250K, the levy payable will be:

Development cost x corresponding levy rate

Examples:

- A new development has a cost of \$300K. The levy payable will be $\$300K \times 1\% = \$3,000$.
- A new development has a cost of \$750K. The levy payable will be $\$750K \times 2\% = \$15,000$.
- A new development has a cost of \$2.4M. The levy payable will be $\$2.4M \times 3\% = \$72,000$.

Development covered by this Plan and information about determining the development cost is provided in Sections 2.2 and 2.3 of this Plan.

2.2 Development subject to the levy

This Plan applies to any development that:

- is located on land within Ultimo and Pyrmont, as shown in Figure 1;
- needs development consent, including complying development;
- has a development cost of more than \$250,000; and
- is not excluded in accordance with subsection 2.2(b) below.

a) Complying development

This Plan applies to complying development. For complying development where this Plan applies, the accredited certifier, including any private certifier, must, subject to the provisions of this Plan, impose a condition pursuant to s7.12 of the EP&A Act requiring payment of the levy in accordance with Section 2.1 of this Plan.

The levy must be paid in accordance with the provisions of Section 2.4 of this Plan.

b) Development excluded from the levy

Development excluded from the need to pay a contribution is listed in the following table. Applicants should describe how their development is consistent with the relevant exclusion in their development application. If the City is satisfied the development is consistent with the relevant exclusion, it will exclude the development from the need to pay a contribution.

For complying development, the City must first verify any exclusions in writing, following submission of relevant details on the nature of the proposal.

Where the proposal includes a range of works or a mix of land uses, only the works or uses excluded under this Plan will be excluded from the need to pay a contribution. All other works and uses are to be levied with development contributions in accordance with this Plan.

A development application seeking a partial exclusion must identify the spaces, works and costs relevant to the land use said to be the subject of the exclusion.

Development excluded from the need to pay a contribution

1. Places of public worship provided by or on behalf of a charity or not for profit organisation*
2. Emergency services facilities (fire stations, police stations and ambulance stations)
3. Development excluded from contributions by a Ministerial Direction under section 7.17 of the EP&A Act
4. Government schools (established under the *Education Act 1990* by the Minister for Education)
5. Affordable housing* or social housing* – development for the purpose of providing affordable housing or social housing by a social housing provider. (For the avoidance of doubt, development to which Chapter 3, Part 4 of the State Environmental Planning Policy (Housing) 2021 applies is not development excluded from the need to pay a contribution).
6. Alterations and additions to an existing:
 - dwelling house;
 - attached dwelling; or
 - dual occupancy
7. Temporary development* of no more than 90 days from the start of set up to the completion of clean up.
8. City of Sydney development – development undertaken by or on behalf of the City of Sydney. Notes: (a) this is limited to those works costs associated with delivering only the City asset, not any costs associated with a wider structure or space; and (b) works costs undertaken by tenants of City-leased buildings are subject to contributions
9. Development listed in Appendix B to this Plan

Notes

* Definitions of terms described in this table are provided in the Dictionary at Appendix C.

c) State significant development and Critical state significant infrastructure development and contributions

The Plan applies to State significant development.

For Critical state significant infrastructure (CSSI) development, the City will assess the public services and public amenities needs of any ancillary land uses or works not directly associated with the operation of the CSSI (e.g. retail or commercial uses), in providing advice to the Department of Planning and Environment regarding the levying of contributions.

2.3 Determining the development cost

This section must be read in conjunction with Section 208 of the Environmental Planning and Assessment Regulation 2021, which sets out provisions for the determination of development cost for the purpose of calculating contributions pursuant to section 7.12 of the EP&A Act.

The proposed cost of carrying out development must be determined by the consent authority. The applicant must provide the City with information on the proposed development cost prior to the City issuing a written Statement of Contributions Owing. The City will review the estimated development cost submitted and if considered necessary, carry out independent cost verification. The City will issue the applicant with a letter confirming the levy amount payable for the proposed development. This requirement also applies to complying development and any modification application (where relevant).

a) Items to include or exclude from the development cost

The proposed development cost generally includes:

- any costs and expenses associated with carrying out the proposed development; and
- any costs and expenses incurred that are necessary to make the site, building, or premise suitable for its intended use.

When determining the development cost, a project is considered in its entirety, irrespective of whether an individual component or components may not require development consent. Examples of items to include and exclude in the development cost are listed in the following tables.

If an applicant seeks an exclusion for any of the works listed in Section 2.3 of this Plan, the applicant should still include the cost of the item in the development cost. This is to permit the City to determine the appropriate value of the exclusion if made, or, if the City does not exclude the works from the levy, to include the development cost without the need to request a further cost estimate from the applicant.

Examples of items to include in the development cost

1. Preliminaries, e.g., scaffolding, hoarding, fencing, site sheds, delivery of materials, waste management
2. Internal fit out, e.g., flooring, wall finishing, fittings, fixtures, bathrooms and equipment
3. Demolition works including cost of removal from the site and disposal
4. Professional fees as part of the design e.g., architects and consultant fees
5. Site preparation, e.g., clearing vegetation, decontamination or remediation
6. Excavation or dredging including shoring, tanking, filling and waterproofing
7. Internal services, e.g., plumbing, electrics, air conditioning, mechanical, fire protection, plant, lifts
8. External services, e.g., gas, telecommunications, water, sewerage, drains, electricity to mains
9. Building construction and engineering, e.g., concrete, brickwork, plastering, steelwork / metal works, carpentry / joinery, windows and doors, roofing
10. Other structures, e.g., landscaping, retaining walls, driveways, parking, boating facilities, loading area, pools
11. GST Charges
12. Other related work including any other items not expressly excluded
13. If the development involves a change of use of land – the costs of or incidental to doing anything necessary to enable use of the land to be changed
14. If the development involves the subdivision of land – the costs of or incidental to preparing, executing and registering the plan of subdivision and any related covenants, easements or other rights

Items to exclude from the development cost - (Section 208(4) of the EP&A Regulation 2021)

1. The cost of the land on which the development will be carried out
2. The costs of repairs to a building or works on the land that will be kept in connection with the development
3. The costs associated with marketing or financing the development, including interest on loans
4. The costs associated with legal work carried out, or to be carried out, in connection with the development
5. Project management costs associated with the development
6. The cost of building insurance for the development
7. The costs of fittings and furnishings, including refitting or refurbishing, associated with the development, except if the development involves an enlargement, expansion or intensification of a current use of land
8. The costs of commercial stock inventory
9. The taxes, levies or charges, excluding GST, paid or payable in connection with the development by or under a law
10. The costs of enabling access by people with disability to the development
11. The costs of energy and water efficiency measures associated with the development
12. The costs of development that is provided as affordable housing
13. The costs of development that is the adaptive reuse of a heritage item.

b) What information must applicants provide?

Applicants must provide the City with the following information to assist it determine the development cost and contributions levy:

- **a cost summary report** – this sets out all the costs and expenses that have or will be incurred by the applicant to carry out the development. Applicants must use the template cost summary reports provided by the City to provide information on the development cost – further information on this is provided below;
- **plans** – copies of plans accompanying the construction certificate /subdivision works certificate or complying development certificate application; and
- **claimed exclusions** – in instances where an applicant seeks to exclude certain costs and expenses from the development cost under section 208(4) of the Environmental Planning and Assessment Regulation 2021, the City will require evidence in relation to the proposed exclusion.

In providing information on the development cost, the cost summary report to be used will depend on the cost of the proposed development:

- **More than \$3,000,000** – a AIQS¹ Certified Quantity Surveyor or a RICS² Chartered Quantity Surveyor must provide a completed City of Sydney *Quantity Surveyor's Detailed Cost Report*;
- **More than \$250,000 and up to and including \$3,000,000** – a suitably qualified person such as the Project Architect or Project Manager must provide a completed City of Sydney *Cost Summary Report*;
- **Below \$250,000** – a cost summary report will not usually be required, but the City reserves the right to request that a suitably qualified person such as the Project Architect or Project Manager provide a completed City of Sydney *Cost Summary Report*.

Electronic copies of the *Quantity Surveyor's Detailed Cost Report* and the *Cost Summary Report* are available from the City's website at www.cityofsydney.nsw.gov.au.

The City will use the information provided in the cost summary report, plans and any supporting evidence to determine the cost of carrying out the development and the amount of monetary contribution payable. The City may seek the services of an independent

qualified person to assist with determining the development cost.

2.4 Paying the levy

a) When is the levy payable?

In cases where a Construction Certificate or Subdivision Works Certificate is required, the levy must be paid prior to the issue of those certificates.

In cases where a complying development certificate is required, the levy must be paid before the commencement of any building work or subdivision work authorised by the certificate.

In any other situation, the levy must be paid before the commencement of that use or activity.

The levy is to be paid within three months from the date that the City issues the applicant with a written Statement of Contributions Owing. The applicant must make an application to the City for a written Statement of Contributions Owing prior to the payment of the levy.

b) How will the levy be adjusted?

If the levy is not paid within three months from the date that the City issues the applicant with a written Statement of Contributions Owing, then the applicant must provide the City with a revised development cost for the works. The City will then provide the applicant with a revised Statement of Contributions Owing.

The development cost for the works may, at the City's discretion as an alternative to submission of revised development cost, be adjusted to reflect the quarterly variations issued by the Australian Bureau of Statistics Consumer Price Index (CPI), between the date from when the Statement of Contributions Owing was issued to the date when the revised Statement of Contributions Owing was issued.

c) Payment methods

Once an applicant receives the City's written Statement of Contributions Owing, applicants should pay the levy to the City. When paying the levy, applicants must include the City's written advice confirming the levy amount payable. Payments may be made by EFTPOS (debit card only), cash (up to \$5,000 only), credit card (up to \$300,000 only) or bank cheque made payable to the City of Sydney council. Payments by direct bank transfer may be

¹ Australian Institute of Quantity Surveyors

² Royal Institution of Chartered Surveyors

made only in consultation with the City. Direct debit, personal cheques and company cheques will not be accepted. Once payment has been made, the City will provide a receipt which the applicant must use to obtain a construction certificate or as proof of payment for complying development.

d) Deferred payment

An applicant for non-residential development that has a development cost of \$50 million or more may apply to the City in writing – through an application under Section 4.55 or 4.56 of the EP&A Act – to defer payment of up to 50% of the levy from the first construction certificate/subdivision works certificate until prior to the issue of an occupation certificate.

Non-residential development includes:

- **commercial development** – such as retail and office space;
- **tourist accommodation** – including serviced apartments, motels and hotels; and
- **community facilities and amenities** – such as theatres, and cinemas.

If the City allows a payment to be deferred, the deferred payment must be secured by an unconditional Performance Bond (such as a Bank Guarantee or Insurance Bond), issued by institutions regulated by APRA, and which complies with the City's Performance Bonds Policy and is unlimited in time for the value of the deferred payment. The applicant must provide the Performance Bond to the City prior to obtaining a construction certificate or commencing works authorised by a complying development certificate.

The deferred amount will be indexed quarterly for inflation from the date the Statement of Contributions Owing was issued and in accordance with movements in the Consumer Price Index (All Groups Index) for Sydney, issued by the Australian Bureau of Statistics. The applicant should obtain the City's written advice regarding the indexation amount immediately prior to making a deferred payment.

Notwithstanding the value of the Performance Bond, any modification to the development made under Section 4.55 or 4.56 of the EP&A Act may result in changes to the value of the levy. If the levy is greater because of the modification, the Performance Bond must be replaced to reflect the revised value. A supplementary Performance Bond for the additional amount will not be accepted. The City will release the Performance Bond held upon acceptable submission of the replacement. The applicant shall meet all the

costs of preparing any Performance Bond and their replacements.

Where an applicant offers to provide Works-In-Kind, dedicate land or provide other material public benefits through a planning agreement in accordance with Section 2.5 of this Plan, any provisions in the Planning Agreement relating to the provision of guarantees and timing for the provision of Works-In-Kind, material public benefits or monetary payments prevail over the provisions in this subsection.

e) Payment by instalment/periodic payments

Requests for payment by multiple instalments will not be granted.

f) Payment for concept development applications

Notwithstanding Section 2.4(e) of this Plan, where a development site has been the subject of a concept development approval for a number of discrete buildings, the City may consider accepting staged payment of the levy for each building.

g) Refunds

Councils are not obligated under legislation to refund a development contributions payment. Refunds are at the City's discretion. Nevertheless, the City may consider refunding a development contribution payment in the following circumstances:

- If a development is modified by virtue of Section 4.17(5) or Section 4.63 of the EP&A Act or an application is modified under Section 4.55 or 4.56 of the EP&A Act, the levy will be based on the development cost of the modified development.
- If a development is modified and the levy increases but the applicant has previously paid the levy, credit will be given for the previous levy payment with only the difference needing to be paid. If the levy decreases, the applicant may apply for a refund for the difference, subject to the requirements for refunds described in this subsection of the Plan.
- The applicant has not commenced the development and decides not to proceed with the consent (i.e., a development consent or complying development certificate), including cases where the consent has lapsed. In this case, the applicant will need to surrender the development consent or complying development certificate to the City in accordance with Section 4.63 of the EP&A Act.

- The extent of works and associated cost of works is reduced under a complying development certificate. In this instance a new complying development certificate, limited to the revised works area and cost must be issued and the previous complying development certificate must be cancelled/surrendered and the City be notified of the cancellation and the City's records amended.

Refunds will only be considered where:

- the applicant has applied to the City for the refund in writing within 12 months of paying the contribution for which the refund is sought. Refund requests made after 12 months of payment will only be considered in exceptional circumstances;
- the development to which consent has been granted has not commenced; and
- where relevant, the applicant surrenders the development consent, or the complying development certificate to the City.

The City will not refund a levy payment if the levy payment has been committed to works under recoupment or to works scheduled in this Plan to be delivered.

Information to be submitted with refund applications

The following information must be submitted with any application for a refund of contribution payments:

- Written request for a refund, including the basis of the request;
- A receipt relating to the contributions payment made;
- Where a development is not proceeding, a notice of voluntary surrender of the consent (see Section 4.63 of the EP&A Act) addressing matters in section 68 of the EP&A Regulation 2021; and
- Payment details to permit electronic funds transfer if approved by the City, namely
 - The name of the payee (Note: Payment is made to the person/company indicated on the original contributions payment receipt)
 - Account name;
 - Bank name;
 - BSB number; and
 - Account number.

2.5 Alternatives to the levy

a) Works-In-Kind, land dedication and material public benefits

The City prefers that any levy under this Plan be settled through monetary payment to fund the items in the Schedule of Works at Appendix B.

By exception, the City may consider an offer by an applicant to provide either Works-In-Kind (WIK), dedication of land, or a material public benefit (see definitions in Appendix C) as an alternative to monetary payment of a levy under this Plan, either in part or in full. Offers to provide items listed in the Schedule of Works at Appendix B will be given more weight than offers of other infrastructure items not listed in this Plan.

The City may accept an offer by an applicant to provide Works-In-Kind, dedication of land or a material public benefit but is not obliged to do so. Where an applicant intends to offer Works-In-Kind, dedication of land or a material public benefit, the applicant should discuss the likely acceptability of the offer with the City before lodging the development application. Any offer must be accompanied by a detailed scope of works, design, cost summary, and timing for delivery.

Where an applicant offers to provide works listed in the Schedule of Works to this Plan and the City supports the offer, the City may agree but is not obliged to offset the value of the public benefits against the contribution payable under this Plan.

The City will generally not agree to offset against the contributions payable under this Plan in instances where the land and works will not be dedicated to the City.

b) Planning Agreements

Any offer by an applicant to provide Works-In-Kind, dedication of land or a material public benefit must be formalised through a planning agreement prepared in accordance with the EP&A Act. The draft planning agreement must be publicly notified, preferably as part of the development application exhibition. The City's Planning Agreement Guidelines are available on the City's website at www.cityofsydney.nsw.gov.au. Further information regarding Works-In-Kind, dedication of land, material public benefits and planning agreements is contained in the Department of Planning and Environment's *Planning Agreements Practice Note* (February 2021) available at www.planning.nsw.gov.au.



Cyclists riding along Pyrmont cycleways

Appendix A

Basis for the levy and the Strategic Framework

This Plan enables the City to impose a levy on new development to contribute to the cost of new, extended or augmented public facilities, amenities and services to support the growth and development of Ultimo and Pymont.

Ultimo and Pymont are a primary focus for economic activity within the City of Sydney and greater metropolitan Sydney. Substantial growth in employment, services and housing in Ultimo and Pymont is expected.

New residents, workers and visitors to Ultimo and Pymont will have inadequate levels of service if the City does not provide new or improved public amenities and infrastructure. The levels of service for the existing residential population and workforce will also decline without adequate public investment.

The City will invest approximately \$148M in Ultimo and Pymont over the life of this Plan for new and improved public facilities, amenities and services to ensure that adequate service levels are maintained and improved. As new development will be a key beneficiary of this investment, it is reasonable that some of the costs of this investment are recouped through payment of the levy under this Plan. Additional finance for the Schedule of Works in this Plan will also come from Council's general fund.

Information about forecast population growth, floor space demand and strategic planning initiatives is provided in the subsections below.

A.1 Population growth

This Plan is expected to apply for the period between 2023 and 2041, inclusive. As set out in the Pymont Peninsula Place Strategy, significant resident and worker population growth is expected in Ultimo and Pymont over this period. The Eastern City District Plan – the metropolitan Sydney planning framework within which this Plan sits, also assumes considerable growth for the City of Sydney.

Resident and dwelling growth

The source of residential population growth forecasts is the Pymont Peninsula Place Strategy. A twenty-year framework identifies the areas that can accommodate growth. The Strategy estimates 4,000 new dwellings and approximately 8,500 new residents to 2041.

Worker growth

The Pymont Peninsula Place Strategy forecasts an additional 23,000 workers to 2041. The work force growth is expected to be mainly commercial and some retail floorspace.

A.2 Projected Plan contributions income

Approximately \$148M in development contributions are expected to be collected under this Plan. Final Plan income will be dependent on the rate, nature and value of development which occurs over the life of the Plan. Contributions levied under this Plan will be received over time, as there is a lag between when contributions are conditioned in consents, whether consents are activated and when payment occurs.

A.3 Strategic Planning Framework

This Plan is prepared within a wider strategic planning framework. The Plan plays its role in giving effect to the Greater Sydney Region Plan, the Eastern City District Plan and the Pyrmont Peninsula Place Strategy. It is also informed by the City's Local Strategic Planning Statement, the directions in Sustainable Sydney 2030 – 2050 Continuing the Vision as well as local characteristics and opportunities.

The following provides a summary of these plans and strategies:

a) A Metropolis of Three Cities – the Greater Sydney Region Plan

A Metropolis of Three Cities – the Greater Sydney Region Plan (the Region Plan), published by the Greater Sydney Commission in March 2018, is the overarching plan for the Greater Sydney Region.

The Region Plan:

- sets a 40-year vision (to 2056) and establishes a 20-year plan to manage growth and change for Greater Sydney in the context of social, economic, cultural and environmental matters;
- informs district and local plans and the assessment of planning proposals;
- assists infrastructure agencies to plan and deliver for growth and change and to align their infrastructure plans to place-based outcomes; and
- informs the private sector and the wider community of the growth management and infrastructure investment intentions of government.

The Region Plan is guided by a vision of three cities where most residents live within 30 minutes of their

jobs, education and health facilities, services and great places. Ultimo and Pyrmont lie within the established Eastern Harbour City. The Region Plan builds on the Eastern Harbour City's recognised economic strength and addresses livability and sustainability through a framework for development.

b) Eastern City District Plan

The Eastern City District Plan (the District Plan) was published by the Greater Sydney Commission in March 2018. It is a guide for implementing the Region Plan at a district level and is a bridge between regional and local planning. It recognises the important role of infrastructure in shaping and supporting growth. It asks the City of Sydney to:

- demonstrate how it will contribute to 5 and 10 year dwelling targets for the local government area;
- identify the capacity to contribute to the 20 year dwelling target of 157,500 for the Eastern City District;
- plan for and contribute to the 20 year jobs target for the Eastern Harbour CBD of between 662,000 and 732,000 jobs; and
- align forecast growth with infrastructure provision and adapt infrastructure to meet future needs.

The District Plan seeks to support the Harbour CBD become stronger and more competitive with an emerging Innovation Corridor on its western edge which extends through Ultimo and Pyrmont. The Innovation Corridor contains knowledge intensive, creative and start-up industries as well as health, education and research services that contribute to global competitiveness. Infrastructure should support connections between places within the precincts and allow for high levels of accessibility.

c) Pyrmont Peninsula Place Strategy

The NSW Government finalised the Pyrmont Peninsula Place Strategy (the Place Strategy) in December 2020. The provision of a Metro Station at Pyrmont is considered a key catalyst for public transport connectivity and a key enabler for residential and jobs growth in the Peninsula. The Place Strategy is designed to bring together the economic, environmental, public domain and urban design aspirations for Ultimo and Pyrmont in the one strategy. It seeks to guide the location and type of new development to balance the creation of new jobs and homes with maintaining the existing qualities of Ultimo and Pyrmont.

The Strategy recognises that the City will play a key role in delivering local infrastructure in the Ultimo and Pymont. Other infrastructure needed to support growth will need alternate funding and delivery mechanisms.

d) Pymont Peninsula Infrastructure Delivery Plan

The NSW Department of Planning published the final Pymont Peninsula Infrastructure Delivery Plan in July 2022. The purpose of the Infrastructure Delivery Plan is to set out what infrastructure is needed, who could deliver it and what mechanisms are available to deliver it. The Infrastructure Delivery Plan does not commit to the funding or delivery of infrastructure items. Rather, it identifies projects for further investigation to establish the scope and business case.

A draft infrastructure schedule is included at Appendix A to the Infrastructure Delivery Plan. This schedule includes many local infrastructure items that are now listed in the Schedule of Works for this Plan.

e) Sustainable Sydney 2030 – 2050 Continuing the Vision

The City's long term vision for Sydney, *Sustainable Sydney 2030 – 2050 Continuing the Vision*, was endorsed by Council in June 2022.

It envisions a City that is:

- environmentally, economically, socially and culturally sustainable;
- planned so that housing, transport, facilities, infrastructure and open space allow people to be close to their jobs and what is needed for daily life;
- greener with more trees canopy cover to provide shade and reduce temperatures on the ground;
- socially connected with distinctive local neighbourhoods with strong focal points for community life;
- physically connected with more active transport (walking and bike park networks); and
- inviting, with public spaces and streets that have their own distinctive characters.

The works program funded by this Plan will deliver infrastructure and facilities that address these issues.

f) Local Strategic Planning Statement 2019

The City's Local Strategic Planning Statement (the Planning Statement) reinforces the links between the

New South Wales Government's strategic plans, region and district plans, and the City's community strategic plan, *Sustainable Sydney 2030 – 2050 Continuing the Vision*, and the planning controls that guide development in our city. The Planning Statement also informs the review of planning tools, such as this Plan, to ensure that local facilities are provided as the community's needs change.

In responding to the requirements of the District Plan's growth targets, the Planning Statement is informed by the technical studies and analyses that have informed the growth projections described in this Plan.

This Plan is therefore consistent with the growth requirements of the District Plan and the response to those requirements outlined in the Planning Statement.

A.4 Floor space growth and development

Significant additional floor space is likely to be generated in Ultimo and Pymont to meet the population growth outlined in A.1 above.

Commercial Floor space growth

The Pymont Peninsula Place Strategy forecasts an increase of 23,000 jobs between 2021 and 2041. The City's planning control changes will provide capacity for an additional 20,000 – 27,000 workers in approximately 600,000 sqm of non-residential floor space created over the life of this Plan.

Residential Floor space growth

The Pymont Peninsula Place Strategy forecasts an increase of 4,000 dwellings between 2021 and 2041. The City's planning control changes will provide capacity for an additional 4,100 dwellings in approximately 330,000 sqm of residential floor space created over the life of this Plan.

Projected additional floor space 2021 - 41 (inclusive)

Land Use	Floor space growth 2021-41 (inclusive)
Non-residential/ Commercial	600,000 m ²
Residential	330,000 m ²

A.5 Contribution to broader capital works program

Contributions received under this Plan will help fund the delivery of infrastructure provided by the City to ensure adequate service levels are provided for the growing residential and workforce populations envisaged in the strategies outlined above.

Contributions levied under this Plan on new development in Ultimo and Pymont are forecast to fund approximately \$141M of new or renewed infrastructure, services and amenities, to meet the needs of the growing residential and non-residential population.

The facilities and services funded by this Plan will include open space capacity improvements, public domain improvements, community facilities upgrades, cycleway extensions, tree planting and stormwater drainage upgrades.

Further information is contained in the Schedule of Works in Appendix B.



The Maybanke Community Centre, Pyrmont

Appendix B

Schedule of works

B.1 Completed works under recoupment and proposed works

The schedule describes:

- works already delivered by the City, the costs of which are now being recouped from development through payment of the levy; and
- works anticipated to be delivered over the life of this Plan, including those from the City's 10-year

capital works program and other long-term - projects, and which are to be funded wholly or partly through the payment of the levy.

The works provide additional or enhanced local infrastructure which will benefit the additional residential and worker populations forecast for Ultimo and Pymont from the commencement of this Plan to 2041. The works are subject to the budgeting and operating resources of Council.

Works item no.	Works item description	Estimated cost (\$2023)	Estimated delivery timeframe
Open Space			
1.	Wentworth Park South – capacity improvements	\$16,660,000	2023-2027
2.	Wentworth Park North – capacity improvements	\$39,520,000	2028-2035
Sub Total		\$56,180,000 (40% of total)	
Community Facilities			
3.	Pymont Community Centre Upgrade	\$10,500,000	2023-2027 Recoupment
4.	Ultimo Community Centre Upgrade	\$12,000,000	2028-2035
5.	Maybanke Recreation Facility – capacity improvements	\$9,100,000	2036-2041
Sub Total		\$31,600,000 (23% of total)	

Draft Ultimo Pymont Local Infrastructure Contributions Plan 2023

Works item no.	Works item description	Estimated cost (\$2023)	Estimated delivery timeframe
Public Domain Improvements			
6.	Pymont North Public Domain and Foreshore improvements	\$7,000,000	2036-2041
7.	Harris Street - Living Green Network Priority Route improvements	\$21,600,000	2028-2035
8.	Streetscape improvements to small streets	\$4,000,000	2028-2035
Sub Total		\$32,600,000 (23% of total)	
Roads, Traffic and Transport facilities			
9.	Forest Lodge to City South Bike Network Link	\$7,200,000	2023-2027 Recoupment
Sub Total		\$7,200,000 (5% of total)	
Stormwater			
10.	Drainage Upgrade Pymont Street to Outlet	\$4,440,000	2036-2041
Sub Total		\$4,440,000 (3% of total)	
Sustainability			
11.	Greening Sydney Increased Canopy: Park tree planting	\$1,480,000	2023-2027
12.	Greening Sydney Increased Canopy: Inroad Street Tree Planting	\$5,690,000	2028-2035
13.	Water Quality Improvements: GPTs to existing lines	\$1,700,000	2023-2027
Sub Total		\$8,870,000 (6% of total)	
Grand Total		\$140,890,000	



Figure 2: Works item locations

- Land to which this plan applies
- Open Space works
- Community Facilities works
- Public Domain works
- Transport + Traffic works
- Stormwater works
- Sustainability works

Works item No. described in the Schedule of Works in Appendix B of this Plan.

Note: Items 6, 8, 11 & 12 not shown (due to multiple locations or locations to be determined)

B.2 Substitution of works items

This City may amend this Plan to alter, remove or substitute items in the Schedule of Works to reflect relevant changes such as population forecasts, demand, and strategic initiatives at a local or state level.

The City can only allocate levy funds to works if they are listed in the Schedule of Works. If the City allocates levy funds to a works item that is subsequently removed from the Schedule of Works, the City will reallocate funds to the amended Schedule of Works.

Any alteration, removal or substitution of an item from the Schedule of Works does not affect an applicant's liability to pay the applicable levy, or require the City to provide a refund to the applicant.

B.3 Commitment of levy funds

The City will commit income from the levy to the works completed (and under recoupment) and anticipated future works described in the Schedule of Works.

The City may spend more or less on a works item than the amount specified in the Schedule of Works. For example, the City may modify the scope of a particular works item with an associated cost increase or decrease.

If the cost increases, the City will fund the cost increase through other sources. If the cost of the works item decreases, the City will allocate the excess funds to other items in the Schedule of Works

rather than refund the difference between the actual cost and the amount specified in this Plan.

B.4 Pooling of levy payments

To assist in the delivery of works items in this Plan, the City may pool levy payments and apply the pooled levy funds to selected projects in the Schedule of Works. Council is satisfied that the pooling and progressive application of the money paid will not unreasonably prejudice the carrying into effect, within a reasonable time, of the purposes for which the money was originally paid.

B.5 Prioritising expenditure of pooled funds

Expenditure of pooled levy payments will be prioritised generally towards completed projects under recoupment then to projects that have relevant approvals.

The indicative timeframe for each works item is subject to change as it is influenced by:

- rate of development and contributions received;
- pooling of funds;
- updates to the City's capital works program each year; and
- relationship between the works and other events, including but not limited to, approvals, NSW Government infrastructure delivery and development of adjoining lands.

Appendix C

Dictionary

Adaptive reuse	Means the modification of a heritage item to a new use that conserves its heritage values. The new use must not be for the original use or an existing or previous use.
Affordable housing	<p>Has the same meaning as contained in Section 1.4 of the EP&A Act.</p> <p>Note: At the time of publication of this Plan, Section 1.4 of the EP&A Act defines affordable housing as 'housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument'.</p>
Charity or Not-for-profit organisation	Means an organisation registered with the Australian Charities and Not-for-profits Commission
Complying development	<p>Has the same meaning as contained in Section 1.4 of the EP&A Act.</p> <p>Note: At the time of publication of this Plan, Section 1.4 of the EP&A Act defines complying development as 'development for which provision is made as referred to in Section 4.2(5)'.</p>
Concept development	Means a development that is carried out in accordance with Division 4.4 of the EP&A Act and is defined under Section 4.22 of the EP&A Act as 'a development application that sets out concept proposals for the development of a site, and for which detailed proposals for the site or for separate parts of the site are to be the subject of a subsequent development application or applications'.
Development cost	Means the cost of the development as determined at Section 2.3 of this Plan.
Material public benefit	<p>Means settlement or part settlement of the levy through the provision of public amenities or services which are not works listed in the Schedule of Works (see Appendix B) of this Plan.</p> <p>Material public benefit does not include the cost or value of works or dedication of land which is required as a condition of consent and these consent-conditioned works may include, but are not limited to:</p> <ul style="list-style-type: none"> • the provision of public art • public domain improvements to frontages of the site e.g. footpath upgrade provision of smart poles, planting of street trees • minor land dedications e.g. splay corners and land excess to the development • land dedications and embellishments required by the planning controls • the provision of through site links and associated easements. <p>Note: also see 'Works-In-Kind' in this Dictionary.</p>

<p>Planning authority</p>	<p>Has the same meaning as contained in Section 7.1 of the EP&A Act.</p> <p>Note: At the time of publication of this Plan, Section 7.1 of the EP&A Act defines a planning authority as any of the following:</p> <ul style="list-style-type: none"> • a council • the Minister • the Planning Ministerial Corporation* • a development corporation (within the meaning of the Growth Centres (Development Corporations) Act 1974) • a public authority declared by the regulations to be a planning authority for the purposes of this Division. <p>*Central Sydney Planning Committee is deemed a Corporation pursuant to Section 33 of the City of Sydney Act 1988.</p>
<p>Social housing</p>	<p>Means the provision of housing undertaken by a 'social housing provider'.</p>
<p>Social housing provider</p>	<p>Has the same meaning as in <i>State Environmental Planning Policy (Housing) 2021</i></p>
<p>Temporary development</p>	<p>Means development of the following types which are in place for no more than 90 days from start of set up to the completion of clean up:</p> <ul style="list-style-type: none"> • events • art installations • seasonal decorations • lighting.
<p>Works-in-kind</p>	<p>Means settlement or part settlement of a levy through the provision of physical works listed in the Schedule of Works to this Plan.</p> <p>Note: see also 'Material public benefit' in this Dictionary.</p>

