FACT SHEET

BLUE MOUNTAINS CITY-WIDE LOCAL INFRASTRUCTURE CONTRIBUTIONS PLAN 2017-22

(Section 7.12 (formerly 94A) Levy Plan* or Development Contributions Plan)

* On 1 March 2018, the updated *Environmental Planning and Assessment Act 1979* commenced which amended the numbering and names of parts, divisions, sections and schedules. Section 94A is now referenced under Section 7.12 of the updated Act. The title of the Plan has been updated to remove reference to the section number to simplify terminology along with numeric references to the Act.

What is a Local Infrastructure Contribution Levy?

Infrastructure contributions levies are contributions made to the provider of local public facilities by those undertaking development approved under the *Environmental Planning and Assessment Act 1979* (EP&A Act). Contributions are typically made by monetary payment however; dedication of land or some other material public benefit (or a combination of these) may be used in certain circumstances.

Infrastructure contributions levies are a percentage, either 0.5% or 1%, of the proposed cost of carrying out development. Contributions will be used to help provide public infrastructure, amenities and services that are associated with new development in the City.

About Local Infrastructure Contributions

1. What is Section 7.12 (formerly section 94A)?

Section 7.12 is the part of the EP&A Act that allows Council to impose, as a condition of development consent, a requirement that an applicant pay a levy of the percentage of the proposed costs of carrying out the development.

2. How much is the Infrastructure Contribution Levy?

The amount of the contribution is specified by legislation. It is a percentage of the proposed cost of carrying out the development as shown in the following table:

Proposed Cost of Development	Levy percentage
$0 - $100,000	0%
$100,000 - $200,000	0.5%
More than $200,000	1.0%

3. What does Council spend the money on?

The levy is used to help provide public infrastructure, amenities and services. A works schedule detailing the works that the contributions are spent on is summarised below. Refer to Appendix C: Schedule of Works in the Plan for more detail.

Project	Year	Estimated Cost of Works
Community Buildings & Facilities	2017-22	$1,000,000
Civic Improvements	2017-22	$1,390,000
Recreation Facilities	2017-22	$650,000
Total		**$3,040,000**

4. To what development does the levy apply?
The levy applies to all types of development within the Blue Mountains Local Government Area, except those identified in the Plan as exempt via legislation or Council policy.

5. Are there any exemptions to the levy?
In accordance with Section 94E Directions issued by the Minister for Planning, no contributions under this Plan will be required from developments where a development contribution under section 94 of the *Environmental Planning and Assessment Act 1979* has been required in respect of the subdivision of land (initial subdivision), a levy under section 94A of that Act may not be required in respect of any other development on the land, unless that other development will, or is likely to, increase the demand attributable to the initial subdivision.

Other variations or exemptions are as prescribed by any future Directions made by the Minister under section 7.17 of the Act.

The Council may also consider exempting the following developments, or components of those developments from paying contributions under this Plan:

a) Development that involves rebuilding after natural disasters such as bushfires, flooding or major storm events;
b) An application for demolition, where there is no replacement building.

6. How is the proposed cost of development determined?
The inclusions and exclusions for determining the cost of development are stipulated by clause 25J of the *Environmental Planning and Assessment Act 2000 Regulation*. An estimate of the proposed cost of carrying out development is to be provided by the applicant with an application for development. This is then verified by the consent authority, for the purpose of a Local Infrastructure Contributions levy, by adding up all the costs and expenses that have been or are to be incurred by the applicant in carrying out the development, including the following:

a) if the development involves the erection of a building, or the carrying out of engineering or construction work—the costs of or incidental to erecting the building, or carrying out the work, including the costs (if any) of and incidental to demolition, excavation and site preparation, decontamination or remediation,
b) if the development involves a change of use of land—the costs of or incidental to doing anything necessary to enable the use of the land to be changed,
c) 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.

The following costs and expenses are not to be included in any estimate or determination of the proposed cost of carrying out development:

a) the cost of the land on which the development is to be carried out,
b) the costs of any repairs to any building or works on the land that are to be retained in connection with the development,
c) the costs associated with marketing or financing the development (including interest on any loans),
d) the costs associated with legal work carried out or to be carried out in connection with the development,
e) project management costs associated with the development,
f) the cost of building insurance in respect of the development,
g) the costs of fittings and furnishings, including any refitting or refurbishing, associated with the development (except where the development involves an enlargement, expansion or intensification of a current use of land),

h) the costs of commercial stock inventory,
i) any taxes, levies or charges (other than GST) paid or payable in connection with the development by or under any law,
j) the costs of enabling access by disabled persons in respect of the development,
k) the costs of energy and water efficiency measures associated with the development,
l) the cost of any development that is provided as affordable housing,
m) the costs of any development that is the adaptive reuse of a heritage item.

7. When is the levy paid?

Infrastructure Contributions levies must be paid to the Council at the time specified in the condition of consent that imposes the contribution. If no such time is specified, the contribution must be paid:

a) In relation to a Development Application, prior to the issue of the Construction Certificate or the commencement of the use of the land, whichever occurs sooner; or
b) In relation to a Complying Development Certificate, prior to construction commencing or the commencement of the use of the land, whichever occurs sooner.

NOTE: This is a summary; applicants are advised to refer to the full version of the Blue Mountains Citywide Local Infrastructure Contributions Plan 2017-22, available on Council's website for detailed provisions.

Further information:

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