

September 2020

Bayside West SIC

The Bayside West Special Infrastructure Contribution (SIC) Determination has been informed by the Bayside West Precincts 2036 Plan and the Green Plan 2018.

The Bayside West SIC is a mechanism to collect contributions from residential development to help fund State and regional infrastructure. The SIC is imposed on development that occurs within the Bayside West Special Contributions Area (SCA).

Where does the SIC apply?

The Bayside West SIC will apply to any additional residential development which occurs within the SCA boundary.

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.

Image 1. Bayside West Special Infrastructure Contribution map



What does the SIC pay for?

The Bayside West SIC could provide \$88.3 million towards the delivery of key State infrastructure to support long-term growth in the Bayside West precincts. The proposed infrastructure schedule was developed in consultation with State government agencies and Councils and has been informed by the technical studies and land use and infrastructure planning outcomes that underpin the Bayside West 2036 Plan. Infrastructure projects funded through the Bayside West SIC could include:

- **Road and intersection upgrades** – undertake road improvements and intersection upgrades to roads within the Bayside West SCA such as the Princes Highway, Marsh Street, West Botany Street, and Forest Street.
- **Education** – provide funding towards additional primary school places generated by population growth within the Bayside West precinct.
- **Open space** – land acquisition for a future park in Arncliffe.
- **Pedestrian and cycleway improvements** – enhance and expand cycleways and pedestrian paths along critical links such as the Cooks River foreshore, the Southern and Western Suburbs Ocean Outfall Sewer (SWSOOS), Cahill Park and Tempe Reserve, and over the Princes Highway and Marsh Street.

Who would be required to pay the Bayside West SIC?

The Bayside West SIC must be paid by developers prior to the developer obtaining a construction certificate or, in some cases, an occupation certificate. The Department of Planning, Industry and Environment administers the SIC framework. The contributions are paid into a statutory fund administered by the Planning Secretary in consultation with the Secretary of the Treasury.

What is the proposed SIC rate?

The SIC rate is \$9,000 per additional dwelling. The calculation of the proposed SIC rate is based on the cost of the additional infrastructure required to service the additional population. It has also been informed by a Capacity to Pay Study.

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 transition to the new contribution rate. Transitional arrangements provide a mechanism for the Government to respond to the current economic climate brought on by COVID-19.

A discount would be applied to the residential SIC rate for Bayside West for the first two years to transition to the full rate. If a special infrastructure contribution is made as a monetary contribution:

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

SIC Determination, Direction and Order

A Determination made by the Minister is the legal instrument that sets the SIC rate of charge, specifies the classes of development to which the SIC applies, where it applies, and includes the infrastructure that contributions will assist in funding.

A Direction by the Minister gives effect to the Determination by requiring consent authorities (usually Council) to impose conditions of consent that require contributions to be made in accordance with the Determination. An Order under the Environmental Planning and Assessment Act creates the special contributions area that the Determination applies to.

What are the Covid-19 response measures?

Please refer to the Covid-19 Fact Sheet.

What is the process to calculate a SIC payment?

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 during the SIC assessment process.

To begin the process, please register for an account. [Visit the SIC Online Service](#)

What are the ways of making a contribution?

A SIC can be made either as a monetary contribution or as works-in-kind.

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

The Secretary of the NSW Department of Planning, Industry and Environment 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.

How can a developer find out more about the SIC charge for their development?

The SIC charge for each development is calculated on the number of additional dwellings and whether any exemptions apply. The Department will assess each application and confirm the SIC that is required. To find out more [visit the SIC Online Service](#).