

8 April 2019



Mr Brett Whitworth
Deputy Secretary
Department of Planning and Environment
320 Pitt Street
SYDNEY NSW 2000

By Email: brett.whitworth@planning.nsw.gov.au

Dear Brett,

RE: Hunter SIC Draft Determination

The Urban Development Institute of Australia (UDIA) NSW is the leading industry body representing the interests of the urban development sector. UDIA NSW advocates for better planning, timely and affordable housing, and the building of vibrant communities to increase local job opportunities.

Thank you for the opportunity to meet on 29 March 2019 in Newcastle to discuss UDIA NSW's concerns, as stated in our correspondence dated 12 February 2019, regarding the Draft Determination of the Hunter Special Infrastructure Contribution (SIC) plan recently on exhibition. UDIA NSW and its members are grateful for the ongoing and open consultation that you and your Departmental colleagues have offered on this issue.

UDIA NSW supports the Premier's stated priorities of delivering key metropolitan, regional and local infrastructure projects and making housing more affordable. It is within that context that we offer our comments.

UDIA NSW is fundamentally opposed to any new or increased taxes, fees, levies or charges that detrimentally affect the affordability of delivering new housing. The Hunter SIC Draft Determination, if implemented in its current form, would fit into this category for all the reasons stated in our previous submissions since 2011 and is therefore not supported by UDIA NSW.

I attach for your reference:

- February 2019 UDIA Letter
- March 2018 UDIA Submission to Draft Hunter SIC Proposed Approach
- March 2018 Joint Submission to Draft Hunter SIC Proposed Approach
- June 2017 UDIA Hunter Development Cost Feedback Analysis and Letter
- December 2016 UDIA Submission and Letter to Hunter SIC Discussion Paper
- August 2016 UDIA Letter on Satisfactory Arrangements
- June 2011 UDIA Submission to Draft Hunter SIC

UDIA NSW continues to advocate for the timely, coordinated delivery of public infrastructure to support the growth of the region that does not adversely impact upon the affordability of housing in the Lower Hunter. The Greater Newcastle Metropolitan Plan (GNMP) states, "Infrastructure funded by the SIC will help support the development of housing release areas." (p45 GNMP) The Draft Determination would not achieve this objective.

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We note that the current Voluntary Planning Agreement (VPA) system has been in place in the Hunter since 2011 and that UDIA NSW and the Department agree that this is an undesirable situation. We appreciate your commitment to not increase the contribution rate during this period of uncertainty on the SIC.

We do agree that a more coordinated approach to infrastructure and development in the Hunter is needed. We strongly support the Department's initiative in establishing the Hunter Urban Development Program (UDP) Committee. We believe the UDP Committee, if structured appropriately, could play a critical role in helping to coordinate delivery of infrastructure to support development of housing release areas.

UDIA NSW supports the Committee for the Hunter's call for a Hunter Housing Delivery Fund to support the delivery of the housing goals in the Greater Newcastle Metropolitan Plan. This fund should respond to funding recommendations made via the UDP Committee for enabling infrastructure to support housing delivery.

The Premier has announced the new NSW Ministry that now includes the Planning & Industry Cluster, bringing together functions from the former Planning & Environment and Industry Clusters. UDIA NSW believes it would be prudent for the NSW Government to undertake further engagement with the development industry to consider a more holistic approach to the funding and delivery of the necessary infrastructure to support the development of housing release areas in the Hunter. I have requested a meeting with the new Minister for Planning and Public Spaces, Hon Rob Stokes MP.

This fundamental conversation should include further discussion in relation to the proposed Hunter SIC, the UDP Committee and a Hunter Housing Delivery Fund and how all elements could align with the Premier's priorities of delivering key metropolitan, regional and local infrastructure projects and making housing more affordable.

We would be pleased to meet with you to discuss this matter further. If you have any queries, please do not hesitate to contact Elliott Hale, General Manager Policy, Media and Government Relations on (02) 9262 1214 or at ehale@udiansw.com.au.

Yours sincerely



Steve Mann
Chief Executive

Enclosures

1. February 2019 UDIA Letter
2. March 2018 UDIA Submission to Draft Hunter SIC Proposed Approach
3. March 2018 Joint Submission to Draft Hunter SIC Proposed Approach
4. June 2017 UDIA Hunter Development Cost Feedback Analysis and Letter
5. December 2016 UDIA Submission and Letter to Hunter SIC Discussion Paper
6. August 2016 UDIA Letter on Satisfactory Arrangements
7. June 2011 UDIA Submission to Draft Hunter SIC
8. 2019 Committee for the Hunter Regional Priorities