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## SUBMISSION: DRAFT SECTION 7.12 NEWCASTLE LOCAL INFRASTRUCTURE CONTRIBUTIONS PLAN 2019

Hunter Business Chamber (HBC) appreciates this opportunity to provide feedback on the Draft Section 7.12 Newcastle Local Infrastructure Contributions Plan 2019.

HBC is the largest regional business chamber in Australia, established in 1886. It represents around 2,000 predominantly Hunter region-based member organisations and is the peak industry association in the region, reflecting the interests of all business sectors.

We invited input on the Draft Section 7.12 Newcastle Local Infrastructure Contributions Plan 2019 from member businesses and organisations with a direct interest in planning matters in the City of Newcastle. On the basis of that feedback would like to make the following comments.

- Members have raised concern about the application of a 3 per cent levy on all City Centre developments over \$250,000 at a time when the CBD is still recovering from downturn brought on in part by the disruption of the revitalisation building program and there is vulnerability in the market. The inner-city remains in a transitional phase and there is a valid argument that raising developer contributions at this stage is premature. The 3 per cent levy is the maximum allowed under Section 25K (b) of the Environmental Planning and Assessment Regulation 2000, and Council has the option to vary this amount. It is suggested that Council undertake an impact analysis before proceeding with this recommendation.
- Similarly, members have questioned the application of a new levy on City Centre development between \$100,001 - \$250,0000 in the current environment.
- Members have also raised concern about the removal of exemptions for maintenance of heritage buildings and made the argument that such sites should remain exempt to encourage adaptive reuse of heritage sites and in recognition of



the additional expense that can be incurred in restoring and maintaining a building to heritage stipulations.

- Council should consider aligning the payment of levy funds with the issuing of the Occupation Certificate, rather than prior to the issue of the Construction Certificate to acknowledge the issues developers have with peak debt management.
- Members largely support Part C, relating to the inclusion of the Honeysuckle Development Area, but consideration should be given to also including infrastructure spending in the Wickham Master Plan on the schedule of works, to provide Council with flexible funding options for community infrastructure in that area.

Thank you again for the opportunity to make a submission on this matter. Contact details for further engagement are as follows:

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Regards,

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