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Department of Planning, Housing
and Infrastructure

Hornsby Infrastructure Delivery Plan

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Mecone



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* This document is for discussion purposes only unless signed and dated by the persons identified.
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1 Introduction

The Transport Oriented Development (TOD) program is part of the NSW Government's plan to create more well-located homes close to transport, jobs and services.

The TOD Accelerated Precincts program will deliver high- and mid-rise housing within 8 priority transport hubs, including Hornsby. Land within 1,200 metres of these rail and metro stations will be rezoned by the NSW Government to allow for more new and affordable homes.

The objectives of the program are to:

- Increase housing supply in well-located areas
- Enable a variety of land uses within walking distance of train and metro stations
- Deliver housing that is supported by attractive spaces, vibrancy and community amenity
- Increase the amount of affordable housing in these locations.

These State-led rezonings will create capacity for up to 47,800 new well-located homes over the next 15 years.¹

The NSW government has committed \$520 million for enabling transport and open space infrastructure across these eight TOD precincts. Infrastructure NSW (INSW) is managing the allocation of this funding and is preparing a strategic business case.

1.1 The Hornsby TOD Project

Hornsby Town Centre (HTC) is the major commercial centre in the Hornsby Local Government Area (LGA). The Town Centre encompasses a retail and commercial core surrounded by light industrial, community, civic and residential development with the Hornsby Rail Station at its core.

Hornsby Shire Council (Council) adopted a Masterplan for the HTC in November 2023. The Masterplan promotes development that takes advantage of the location of the Town Centre around a major transport node that provides local and regional connections across Hornsby, Sydney and the Central Coast. It seeks to deliver high quality design outcomes and a diversity of dwellings at higher densities within slim-line residential towers, as well as additional capacity for jobs. It aims to provide new community facilities, improved public domain and green spaces and better accessibility, safety and environmental sustainability for the Town Centre.

The Hornsby TOD precinct project aims to review and validate the Council Masterplan to bring forward the rezoning process in a holistic approach, accelerating housing delivery in the HTC. A State-led approach will also enable integrated urban design outcomes, facilitate State agency participation and ensure a coordinated approach to infrastructure funding and delivery.

¹ <https://www.planning.nsw.gov.au/policy-and-legislation/housing/transport-oriented-development-program/accelerated-precincts>



1.2 Purpose of this Report

This Infrastructure Delivery Plan (IDP) has been prepared for the NSW Department of Planning, Housing and Infrastructure (DPHI) by a project team led by Mecone, with inputs from Atlas Economics (land economics and feasibility) and Mitchell Brandtman (quantity surveying). It provides a summary of the project team's review of the necessary infrastructure initiatives, both at the State and local level, that would enable the implementation of the State-led rezoning of the HTC.

The IDP:

- Establishes the necessary infrastructure to support the HTC vision.
- Recommends a variety of funding mechanisms for the delivery of the rezoning.
- Recommends respective responsibilities of who will deliver the infrastructure.
- Identifies the estimated costs of the infrastructure.
- Recommends priorities and staging schedule for the delivery of infrastructure items.
- Recommends next steps to be taken in the implementation process.

The IDP has been informed by the review of a range of State and local level strategies, as well as technical studies by Council and DPHI as outlined below:

- Consultation Feedback Report (Council)
- Costing Spreadsheets (supplied by Hornsby Shire Council)
- Draft Hornsby Affordable Housing Contribution Scheme
- Draft Hornsby Town Centre Review Recommendations, Hornsby Shire Council 2022
- Draft Hornsby Town Centre s7.12 Local Infrastructure Contributions Plan 2024
- Draft Local Infrastructure Contributions Practice Notes (NSW DPHI)
- Economic Development and Employment Land Uses, JLL 2022
- Hornsby Shire 2023-2026 Delivery Program and Draft 2023/24 Operational Plan
- Hornsby Shire Community & Cultural Facilities Strategic Plan
- Hornsby Shire Council s7.11 Development Contributions Plan 2020-2030
- Hornsby Town Centre & Public Domain Costings for Road and Recreation Upgrades
- Hornsby Town Centre Masterplan
- Hornsby Town Centre Net Zero Carbon Precinct Strategy for Building Design, WSP 2022
- Hornsby Town Centre Public Domain Guidelines, COX 2024
- Hornsby Town Centre Review Landscape and Public Domain, COX 2022
- Hornsby Town Centre Review Transport Plan, WSP 2022
- Hornsby Town Centre Variation: Feasibility and Tipping Point Analysis, JLL 2023
- Hornsby Town Centre and Public Domain Costings for Road and Recreation Updates
- Social and Community Infrastructure Needs Assessment, Brickfields 2019
- Stakeholder Engagement Plan and Outcomes



1.3 Structure of this Report

This report is structured as follows:

- Chapter 1 – outlines the project background and purpose of this report.
- Chapter 2 – provides a summary of the HTC Masterplan, including theoretical planning capacity and anticipated take-up to 2041.
- Chapter 3 – outlines the necessary infrastructure at the local and State level to support the implementation of the Masterplan.
- Chapter 4 – describes the various infrastructure funding mechanisms.
- Chapter 5 – provides recommended next steps to finalise the IDP.



2 Hornsby Town Centre Masterplan

The HTC Masterplan, published by Hornsby Shire Council in November 2023, details a long-term plan for HTC by providing a vision and framework for how the area should develop. The Masterplan will guide the future growth and development in the Hornsby Town Centre supported by new and enhanced infrastructure.

2.1 Town Centre Precincts

The Hornsby Town Centre Masterplan consists of six precincts, each with a distinct vision. These precincts include the Central Heart, Retail Core, Central North, Western Heritage, Northern Employment and Transport Corridor as reflected in Figure 1.



Figure 1: Hornsby Town Centre Precincts

Source: *Hornsby Town Centre Master Plan, Hornsby Shire Council 2023*



Key features of the masterplan include:

- A new multi-purpose facility and library
- New public open space at Jersey Street Park and Burdett Street Park
- Upgraded public open space at Cenotaph Park and Hornsby Square.

Hornsby Shire Council intended for the Masterplan to be implemented through proponent-led planning proposals prepared to amend the zoning, building height, FSR and other planning controls that apply to their land. Planning proposals would need to align with the vision and planning provisions outlined in the Masterplan. The change in approach for the masterplan to be implemented as a State-led rezoning necessitates a review of the approach to infrastructure funding.



Figure 2: Hornsby Town Centre Master Plan Summary

Source: Hornsby Town Centre Master Plan, Hornsby Shire Council 2023



2.2 Urban Design Framework

The Hornsby Precinct TOD Urban Design Framework, prepared by Cox Architecture, seeks to:

- Review, validate and clearly document the proposals and strategies within Hornsby Shire Council's HTC Masterplan that align with the objectives of the TOD program
- Prepare an Urban Design Framework that is informed by Connecting with Country engagement processes and opportunities
- Document where the Urban Design Framework departs from Council's HTC Masterplan and provide justification for these departures
- Inform the preparation of a Design Guide, Explanation of Intended Effects (EIE) and infrastructure listing for the Hornsby precinct
- Test that the planning controls proposed within the HTC Masterplan and/or the State-led rezoning can deliver the desired housing outcomes, whilst achieving the amenity-based performance controls within the Masterplan and Design Guide.

The Urban Design Framework identifies six character areas, shown in the diagram overleaf.



Character Areas

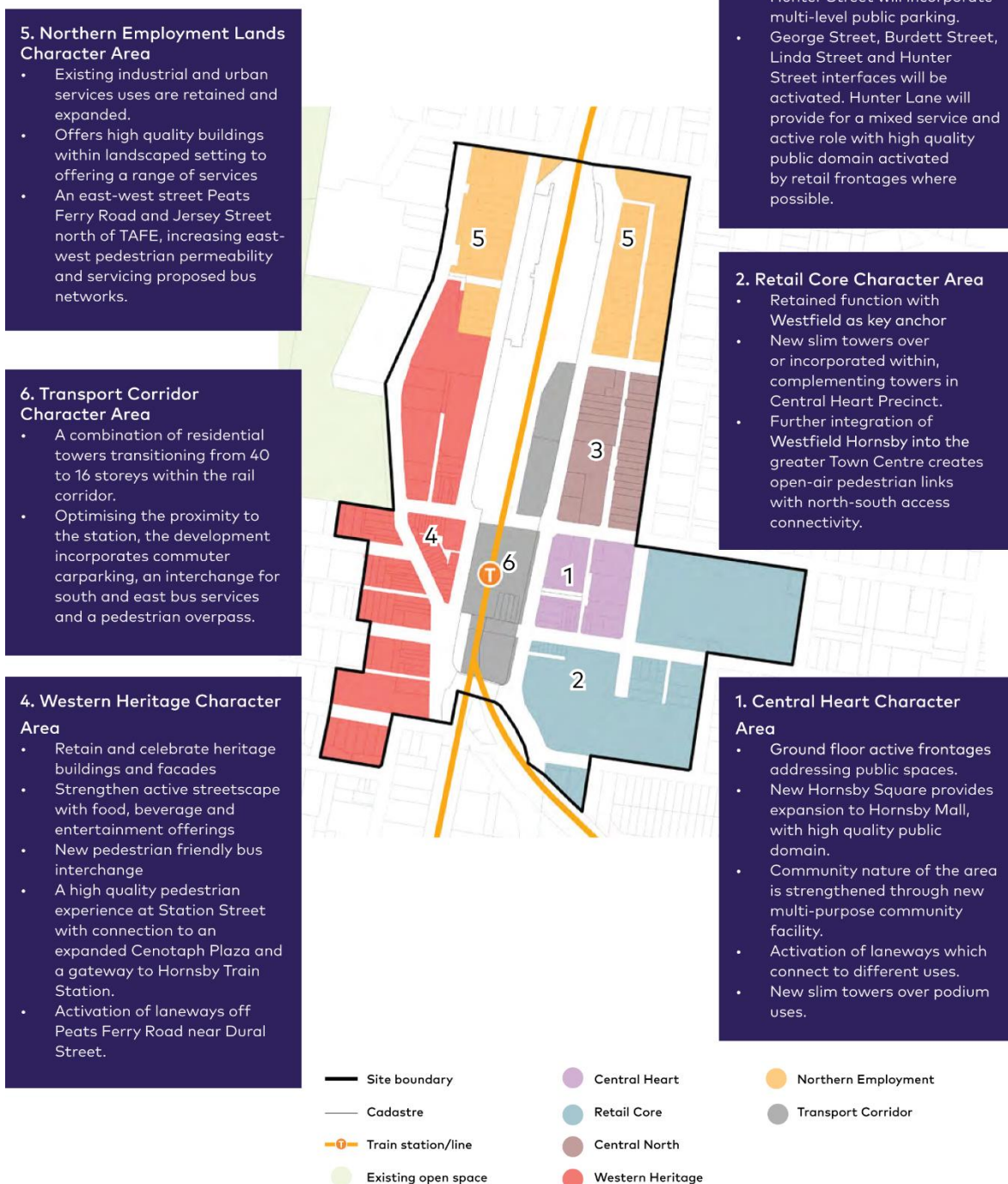


Figure 3: Hornsby Town Centre Character Areas

Source: Hornsby Precinct State-led Rezoning Urban Design Framework and Planning Controls, October 2024



The proposed planning controls are estimated to provide 6,244 new dwellings and 8,895 new jobs. Dwelling, population, and jobs yield for the existing development, current and proposed planning controls are outlined in Table 1 below.

Precinct	Existing Development			Current Planning Controls			Proposed Planning Controls		
	Dwellings	Population	Jobs	Dwellings	Population	Jobs	Dwellings	Population	Jobs
Central Heart	70	179	598	70	179	1,893	874	2,235	868
Retail Core	3	9	3,137	41	105	8,724	2,333	5,966	3,470
Central North	107	273	573	359	919	879	569	1,456	598
Western Heritage	1	3	800	840	1,901	1,400	1,279	3,271	1,103
Northern Employment	-	-	739	-	-	1,232	0	0	2,218
Transport Corridor	-	-	118	554	1,284	2,205	1,189	2,663	638
Total	181	464	5,965	1,864	4,388	16,333	6,244	15,591	8,895

Table 1: Existing, Current, and Proposed Hornsby Town Centre Precinct Yields

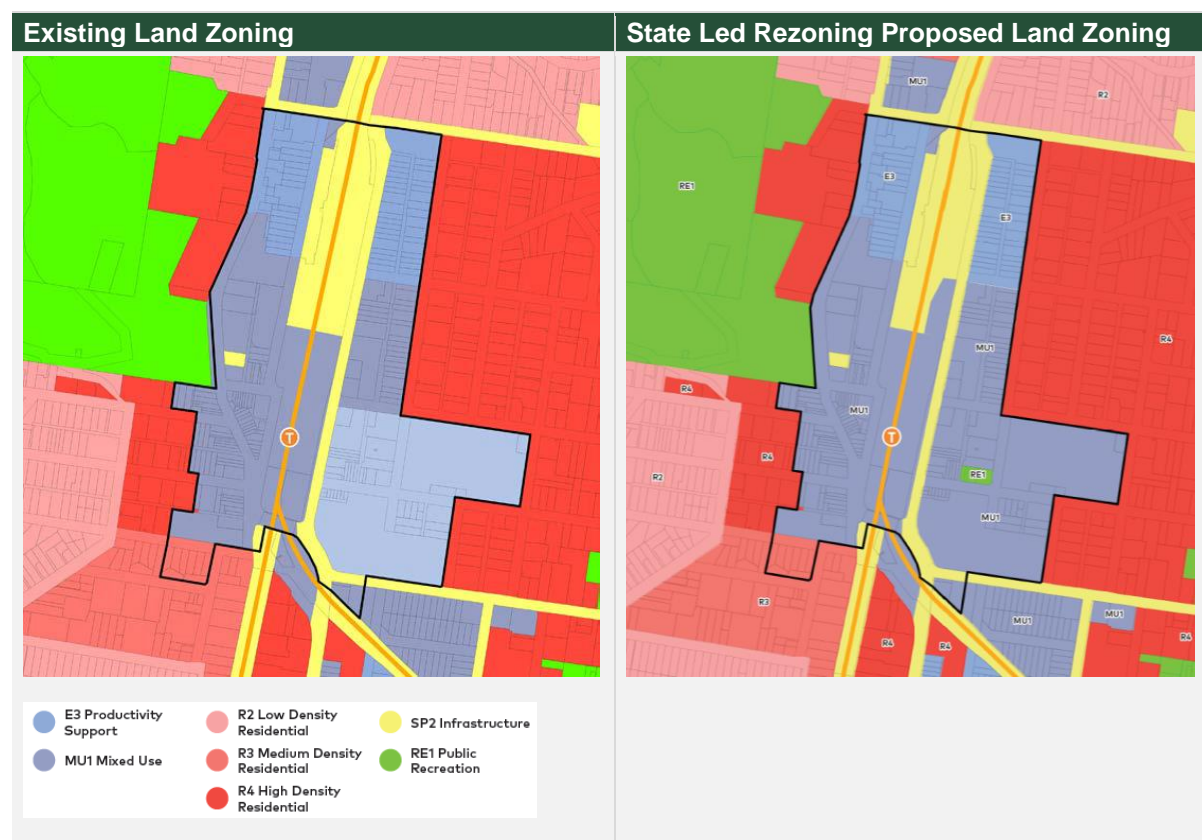
2.3 Planning Framework

Several amendments to planning controls are proposed to achieve the population growth and employment targets within the Town Centre that:

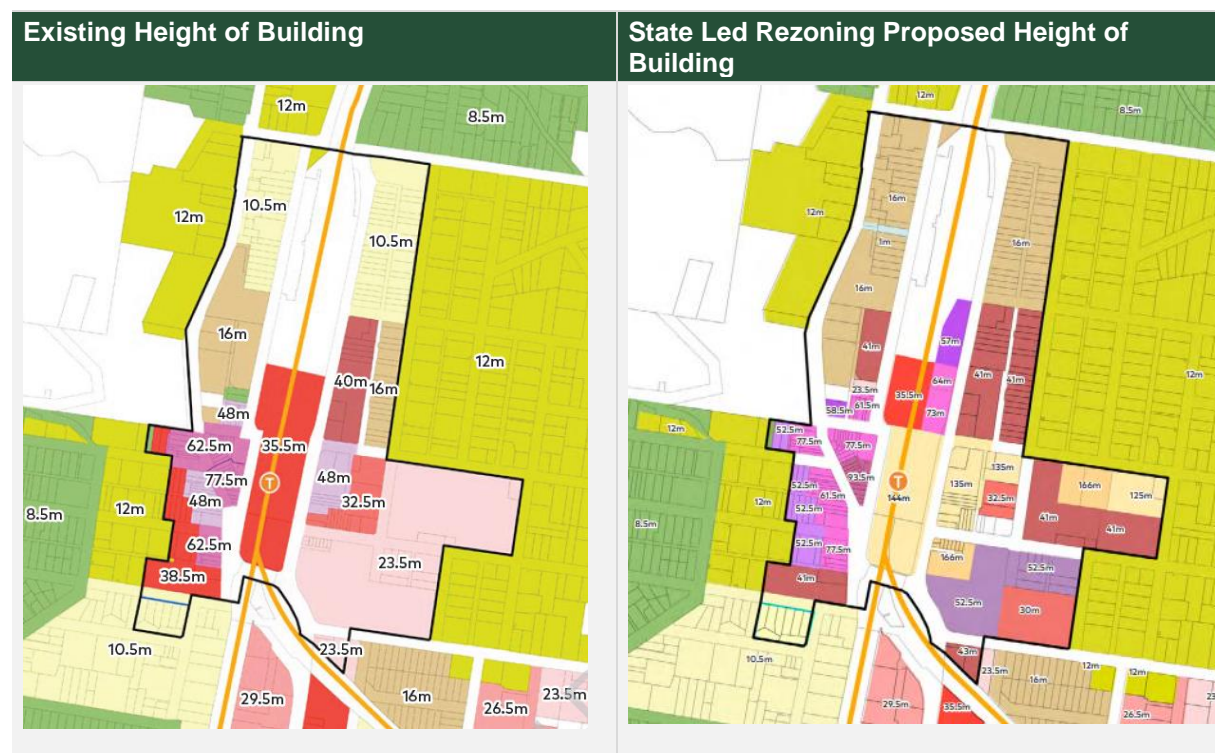
- Remain consistent with the intent of existing controls and vision for the Town Centre
- Consider feasible development outcome to ensure realisation of the vision for the Town Centre
- Ensure jobs and community outcomes are delivered in addition to housing delivery and diversity.

The proposed planning controls aim to deliver a built form that responds to adjoining areas, existing developments and reinforces high amenity. The intensification of development within 400 metres of the rail corridor will contribute to urban consolidation initiatives and support transit orientated development. A number of parks and open spaces will be improved to contribute to the re-greening of the centre.

Land Zoning

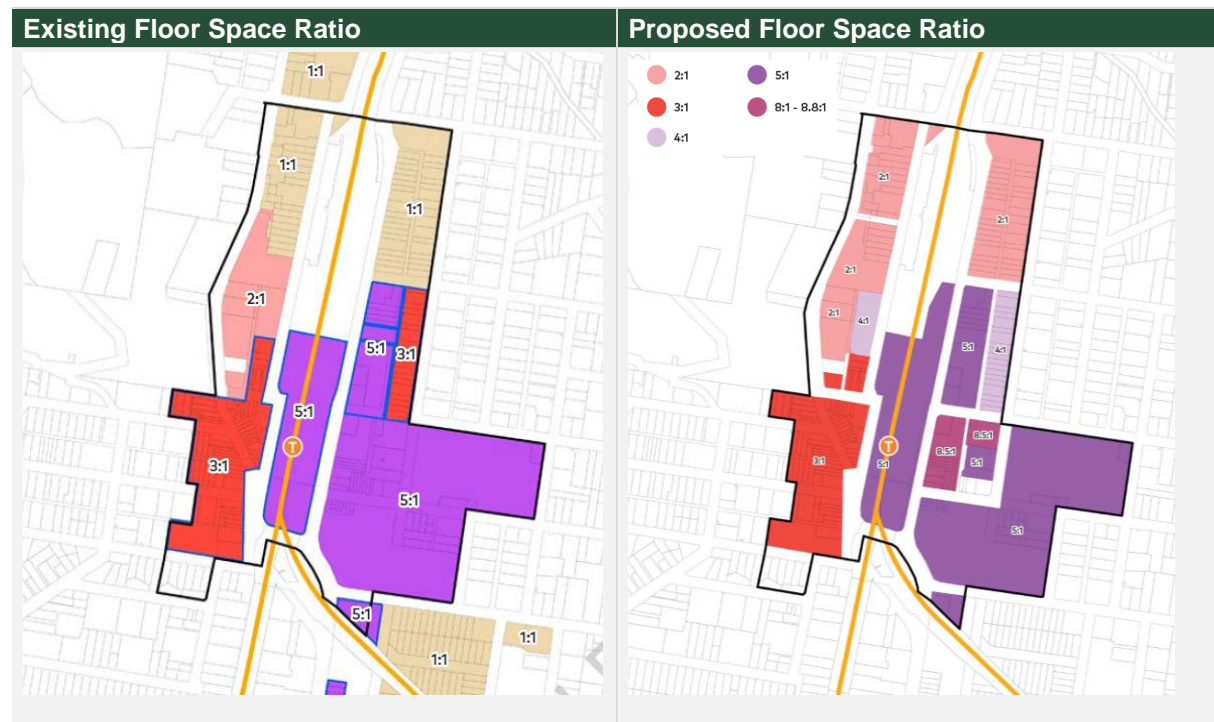


Maximum Height of Building

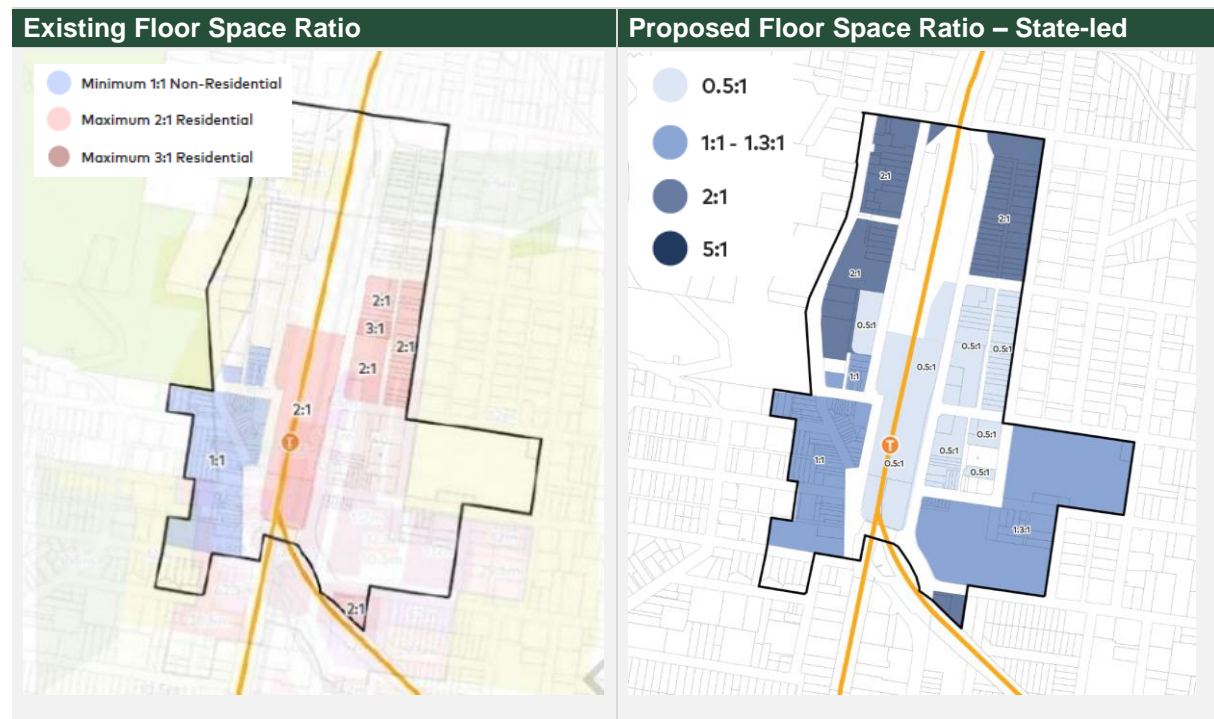




Maximum Floor Space Ratio



Additional Floor Space Ratio Controls





2.4 Economic Feasibility of Development

To determine the appropriate infrastructure delivery framework, it is necessary to first understand the commercial realities of different development types, their drivers and the factors that underpin their viability. For a contributions framework to be viable, the development activity in question needs to be viable in the first instance. If a development is not feasible to undertake, the development will not occur regardless of contributions requirement.

2.4.1 Types of Development Activity

The study recognises that development activity is unique, and no two developments are the same. The study therefore profiles a series of activity types based on a review of historical development activity.

The review generally observes two broad categories of development works:

NO NET NEW FLOORSPACE

This includes BCA compliance works and fit out or refurbishment works where the overall area of a building does not change. The accommodation could be upgraded for compliance/rectification purposes, or to accommodate a new tenant or use and secure a financial outcome. The financial outcome could be an avoidance of vacancy, securing a strong covenant (e.g. blue-chip tenant, longer lease period) and/or securing a higher rent or sale price.

CREATION OF NEW FLOORSPACE

This includes redevelopment (demolition and new development as well as new internal accommodation (e.g. bathroom), extension of building areas and/or additional storeys. Development activity could also serve to repurpose back-of-house floorspace (e.g. basement storage areas) for retail use (e.g. restaurant dining). These activities may or may not result in a change in a building's gross floor area (GFA) and therefore its FSR.

Some activity types result in new/additional lettable/saleable floorspace, whereas some do not.

NEW DEVELOPMENT

The majority of development activity is expected to be underpinned by new development. The pace and take-up of redevelopment is expected to vary across the Town Centre however.

Table 2 provides a summary of the proposed controls and commentary on the likelihood of development take-up.

Precinct	Existing Controls	Proposed Controls	Comments
Central Heart	E2 zone (residential not permitted), FSR 5:1	MU1 zone, FSR 8.5:1, 5:1 (min 0.5:1 non-residential)	Fine grain lot and ownership patterns. Existing commercial building accommodating established uses and businesses. Notwithstanding significant uplift associated with rezoning, the take-up of new development will be subject to ability to economically consolidate viable development sites.



Precinct	Existing Controls	Proposed Controls	Comments
Northern Employment	E3 zone (residential not permitted), FSR 1:1	E3 zone (residential not permitted), FSR 2:1 (min 2:1 non-residential)	Well occupied and functional light industrial / urban services area. Despite current permissibility of up to FSR 1:1 existing (built), much of the theoretical floorspace capacity is unrealised. This is due to requirements for vehicle circulation, loading areas etc. The proposed higher FSR 2:1 requires multi-storey typologies and is unlikely to be taken-up at large scale. Incremental take-up is more likely, as businesses intensify site utilisation through alterations and additions to existing buildings.
Western Heritage	MU1 zone, FSR 2:1, 3:1 (min 1:1 non-residential)	MU1 zone, FSR 2:1, 3:1, 4:1 (min 0.5:1, 1:1, 2:1 non-residential)	Fine grain lot and ownership patterns. Existing low-rise commercial/strip retail in suburban centre setting. Despite current MU1 zoning and permissibility of up to FSR 4:1, large scale redevelopment has not occurred. Due to fine grain lot and ownership patterns, the take-up of new development will be subject to ability to economically consolidate viable development sites.
Retail Core	E2 zone (residential not permitted), FSR 5:1	MU1 zone, FSR 5:1 (min 1.3:1 non-residential)	Anchored by super-regional shopping centre Westfield Hornsby (~90,000sqm lettable retail area). Proposed controls present opportunity for incorporating residential within the precinct. Take-up of new development will be subject to lease expiries of existing tenants and ability to stage development at minimal trading disruption.
Central North	MU1 zone, FSR 3:1, 5:1	MU1 zone, FSR 4:1, 5:1 (min 0.5:1 non-residential)	Well occupied and functional light industrial/urban services area. Despite current MU1 zoning and permissibility of up to FSR 4:1 and 5:1 large scale redevelopment has not occurred. Due to fine grain lot and ownership patterns, the take-up of new development will be subject to ability to economically consolidate viable development sites.
Transport Corridor	MU1 zone, FSR 5:1 (max 2:1 residential), SP2 zone	MU1 zone, FSR 5:1 (min 0.5:1 non-residential)	Not developed. In consolidated ownership and assumed to be developed to capacity.

Table 2: Summary of Proposed Controls and Commentary

Source: Atlas, 2024

The principal consideration of any contribution framework is demand. If there is no market demand for a proposed use (and consequent development works), any contributions requirement in those circumstances will not be tolerated.

Notwithstanding, there are market participants who take a long-term view. A phasing-in of contributions would allow for sites already purchased and in planning to be progressed.

2.4.2 Estimates of Development Take-up

This section develops estimates of development take-up over the period to 2041. The estimates of development take-up have regard to:



- Nature of lot and ownership patterns.
- Market demand and historical development activity.
- Expected constraints to development in each precinct.

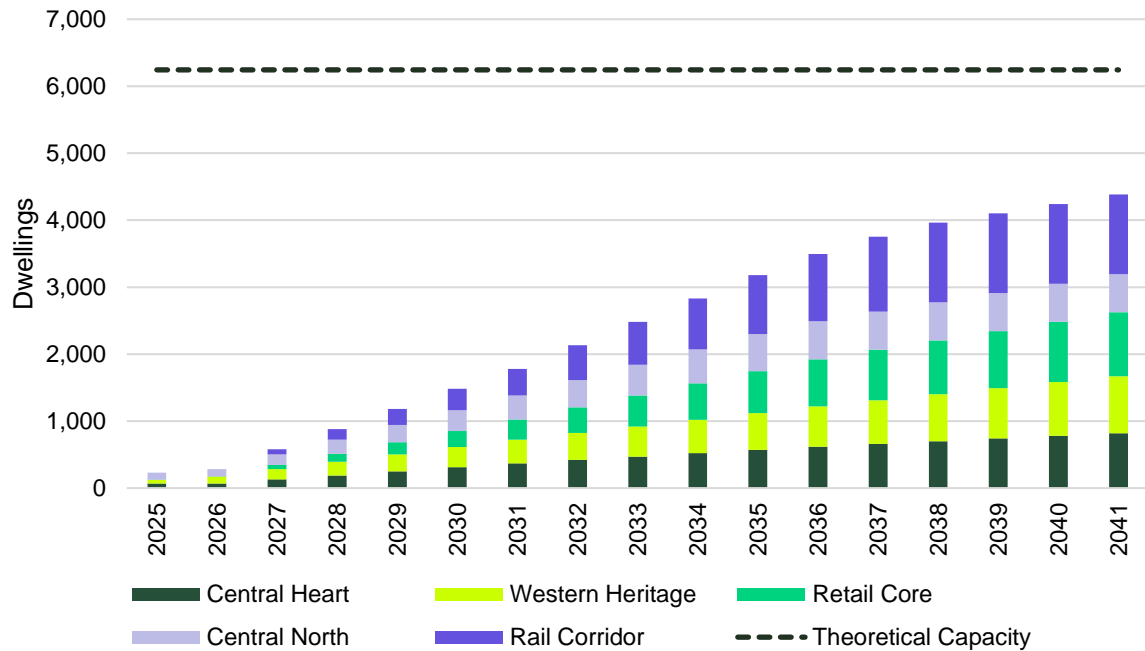


Figure 4: Residential Development Take-up (Dwellings)

Source: Atlas, 2024

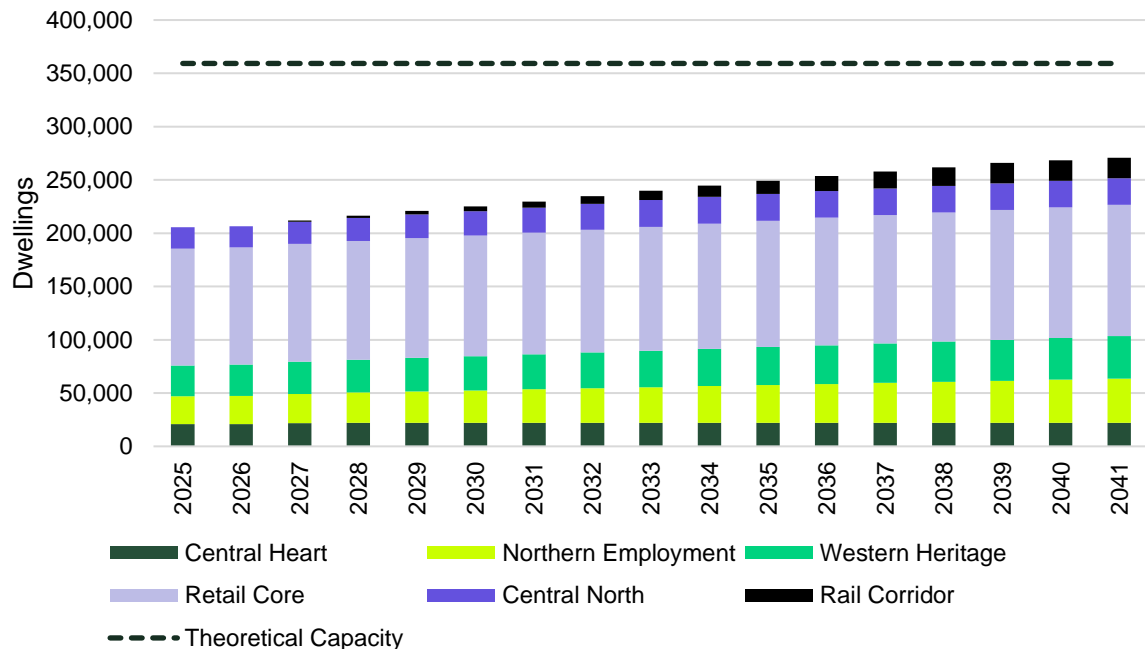


Figure 5: Non-Residential Development Take-up (GFA)

Source: Atlas, 2024

Figure 4 and Figure 5 illustrate the estimates of development take-up by precinct over the 2025-2041 period. Development is expected to be soft in 2025-26 as construction supply



disruptions and inflationary cost pressures continue to adversely impact development feasibility. The rate and level of take up is expected to have an impact both on the required infrastructure, and the revenue available to fund it under a contributions plan.

The feasibility of development in existing urban areas (including HTC), is challenging. The cost of site consolidation is arguably a key constraint with existing uses and buildings contributing to a high cost of land.

By 2041, development take-up is not expected to exhaust the theoretical capacity. There would still be available theoretical capacity for development beyond 2041.



3 Infrastructure Needs

The HTC Masterplan identifies a range of infrastructure projects at the State and local level, necessary to support growth within the town centre over the next 20 years.

Strategic cost estimates for the identified infrastructure items were prepared by Mitchell Brandtman, in consultation with DPHI and Council. This included the review of initial cost estimates commissioned by Council as part of the previous stages of the master planning process.

As input into the strategic costings, Atlas Economics undertook an assessment of the generic land values, leveraging work recently undertaken by JLL on feasibility and tipping point analysis (September 2023). Complementing this work, Atlas reviewed land use and density categories to assess generic and non-property specific land values for the specified land use categories.

For the purpose of this IDP, Council's land acquisition estimates (prepared as part of the original Council-led investigations) have been adopted. These figures likely represent the lower end of acquisition costs. This is because:

- The land would be more valuable following a rezoning to implement the HTC Masterplan.
- Many sites are only partly required, resulting in other compensation (over and above market value) to be paid.
- Several Council-owned sites were not ascribed a value.

All proposals and initiatives identified in this report are indicative and are subject to appropriate approval pathways and funding commitments for delivery. Table 3 below provides an overview of estimated infrastructure costs by category. An overview of the identified infrastructure projects, including indicative timing is provided in Tables 4 and 5.

All State infrastructure proposals are subject to further detailed investigations and funding decisions.



Infrastructure Type	Local Infrastructure Value	State Infrastructure Value	State/Local (subject to investigation) ²	Estimated Cost
Open Space, Conservation and Recreation	\$69,366,487	\$21,776,063	\$79,983,837	\$171,126,387
Community Facility	\$66,874,224	–	–	\$66,874,224
Open Space	\$82,476,100	\$21,776,063	–	\$104,252,163
Streetscape	\$47,146,946	–	–	\$47,146,946
Transport	\$32,653,871	\$169,013,929	–	\$201,667,800
Total	\$149,167,304	\$190,789,992	\$79,983,837	\$419,941,133

Table 3: Indicative Infrastructure Costs (Subject to further testing and confirmation)

Ref.	Project Name	Precinct	Staging	Responsibility
C1	Wallerobba Arts and Cultural Centre extension	Outside of TOD Precinct	Short-term	Local
C2	Multi-purpose community facility in Central Heart Precinct/Regional Library	Central Heart Precinct	Long-term	Local
OS1	Cenotaph Plaza	Western Heritage Precinct	Long-term	State
OS2	Under Investigation - Jersey Street Plaza	Transport Corridor Precinct	Long-term	State
OS3	Hornsby Square / Florence Street Mall	Central Heart Precinct	Short-term	State/Local ²
OS4	Burdett Street Park	Central Heart Precinct	Medium-term	Local

Table 4: Open space, conservation and recreation projects

Ref.	Project Name	Precinct	Staging	Responsibility
T1	Peats Ferry Road and Bridge Road intersection upgrade	Northern Employment Precinct	Medium-term	Local
T2	Upgrade Jersey Lane - New Laneway Peats Ferry Road to Jersey Street South	Northern Employment Precinct	Medium-term	Local
T3	Jersey Street/Bridge Street/ George Street overall rail and intersection upgrade	Northern Employment Precinct	Short-term	State
T4	Coronation Street, Station Street and Jersey Street south intersection signalisation Coronation Street one-way westbound	Western Heritage Precinct	Medium-term	Local

² OS3 Hornsby Square / Florence Street Mall responsibility of acquisition with State, subject to investigation of support from Council.



Ref.	Project Name	Precinct	Staging	Responsibility
T5	Station Street one-way northbound	Transport Corridor Precinct	Medium-term	Local
T6	South pedestrian crossing at William Street	Western Heritage Precinct	Medium-term	Local
T7	George Street widening and associated works	Transport Corridor Precinct	Short-term	State
T8	Widen over-rail bridge by one lane George Street/Peats Ferry Road/Westfield Access and Pacific Highway/Edgeworth David Avenue intersection upgrade	Retail Core Precinct	Short-term	State
T9	Florence Street closed George Street to Hunter lane Hunter Lane closed: Florence Street to new lane New lane George Street to Hunter Lane	Central Heart Precinct	Medium-term	Local
T10	George Street / Burdett Street intersection upgrade	Central Heart Precinct	Medium-term	State
T11	George Street / Linda Street intersection signalisation/upgrade	Northern Employment Precinct	Short-term	State
T12	Linda Street and Hunter Street intersection signalisation	Central North Precinct	Short-term	Local
T13	Hornsby Bus Interchange	Transport Corridor Precinct	Medium-term	State
T14	Jersey Street North and Mildred Avenue intersection signalisation	Outside of TOD Precinct	Medium-term	Local
T15	Bridge Road/Sherbrook Road/King Road roundabout amalgamation	Outside of TOD Precinct	Medium-term	Local
T16	Sherbrook Road and Northcote Road intersection signalisation	Outside of TOD Precinct	Medium-term	Local
T17	Sherbrook Road upgrade	Outside of TOD Precinct	Medium-term	Local
T18	Intersection upgrade / widening Bridge Road and Peats Ferry Road	Northern Employment Precinct	Medium-term	State
T19	Edgeworth David Avenue/Sherbrook Road right turn	Outside of TOD Precinct	Medium-term	Local
T20	Reconfigure Albert Street/Westfield Entry/Exit	Retail Core Precinct	Medium-term	Local
T21	Burdett Street and Muriel Street intersection signalisation	Retail Core Precinct	Medium-term	Local
T22	George Street and Hunter Lane median	Northern Employment Precinct	Medium-term	State
T23	Edgeworth David Avenue/Romsey Street Traffic phasing	Outside of TOD Precinct	Medium-term	Local
T24	Peats Ferry Road and Station Street pedestrian signals	Western Heritage Precinct	Medium-term	Local
T25	Peats Ferry Road and TAFE car park exit – Keep Clear	Northern Employment Precinct	Medium-term	Local



Ref.	Project Name	Precinct	Staging	Responsibility
T26	Peats Ferry Road lane guidance	Northern Employment Precinct	Medium-term	Local
T27	Hornsby Station concourse upgrades	Transport Corridor Precinct	Medium-term	State
T28	New commuter car park	Transport Corridor Precinct	Short-term	State
T29	Enhance cycle network	Precinct-wide	Long-term	Local

Table 5: Transport projects



Figure 6: Map of Identified Transport Items

Source: Mecone, 2024



Figure 7: Map of Identified Open Space, Conservation and Recreation Items

Source: Mecone, 2024



4 Infrastructure Funding Opportunities

4.1 Overview of Funding Mechanisms

The following table outlines possible funding mechanisms for infrastructure projects, offering insights into legislative provisions and considerations. These include, Section 7.11 contributions, Section 7.12 contributions, planning agreements, conditions of consent, LEP/DCP provisions, Housing and Productivity Contribution, Affordable Housing Contribution Scheme, general revenue, special rate variation, borrowing and forward funding, State/Commonwealth grant funding, State budget allocations, and User fees and charges.

Mechanism	Description	Infrastructure type	Notes	Legislative provision
Section 7.11 contributions	Contribution of money or land based on transparent relationship between demand for and provision of infrastructure to support development	Local Infrastructure: <ul style="list-style-type: none">Exempt development: seniors housing, affordable housing, development in Port Botany lease area, Port Kembla Lease area, Port of Newcastle Lease area, certain crown development.Councils can exempt other types of development in consideration of social benefit of the development, financial implications for council, capacity to pay.	<ul style="list-style-type: none">Strict application of reasonableness, nexus and apportionment.Does not apply if a 7.12 applies.After considering apportionment, this type of plan can fund the full cost of infrastructure.Can only include capital cost.Needs IPART review over a certain threshold.	S7.11 EP&A Act 212 (1,2,3) EP&A Regulations
Section 7.12 levies	Simple and administratively efficient way of collecting monetary contributions for development Monetary contribution (not land dedication or works in kind)	Local Infrastructure: <ul style="list-style-type: none">Exempt development: seniors housing, affordable housing, development in Port Botany lease area, Port Kembla Lease area, Port of Newcastle Lease area, certain crown development.Councils can exempt other types of development in consideration of social benefit of the development, financial implications for council, capacity to pay.	<ul style="list-style-type: none">Does not need to establish direct nexus and apportionment.Requires a relationship between infrastructure and demand.7.11 and 7.12 conditions cannot be imposed on the same development consent.Not necessarily intended to recover the full cost of infrastructure, rather, a simple mechanism to collect contributions towards infrastructure.Can only include capital cost.	S7.12 EP&A Act S208 and 209 EP&A Regulations



Mechanism	Description	Infrastructure type	Notes	Legislative provision
			<ul style="list-style-type: none"> No IPART review. S7.12s can be charged multiple times on a piece of land, cannot be charged if S7.11 has already been charged for subdivision unless development will result in increased demand. 	
Planning Agreements	Tools that can be used in connection with planning proposals or development applications to deliver innovative or complex infrastructure solutions with public benefit outcomes. Dedication of land, monetary contribution, or material public benefit offer	<p>State/Local – can be used for a wider scope of public purposes than other local contributions.</p> <ul style="list-style-type: none"> Planning agreements related to affordable housing have additional considerations (EPA Direction 2019) 	<ul style="list-style-type: none"> Should not be wholly unrelated to development. Can include funding for recurring costs. Can be used in addition to 7.11 or 7.12 conditions. No IPART review. 	Part 7 EP&A Act Part 9 EP&A Regulations
Conditions of consent	In some circumstances, councils can require infrastructure to be provided through conditions of consent instead of through contributions.	<p>Local Infrastructure:</p> <ul style="list-style-type: none"> Examples - Traffic management at entry to development, internal drainage, footpaths. 	<ul style="list-style-type: none"> Councils should consider whether the works: <ul style="list-style-type: none"> Are required as a direct result of a single development; Are not covered by an existing contribution plan; Can be reasonably provided by the developer as part of their development; and Will be undertaken by the developer. 	4.17(1)(f) EP&A Act
LEP/DCP provisions	May be formalised through a planning agreement. An agreement where developer provides infrastructure on or	<p>Local Infrastructure:</p> <ul style="list-style-type: none"> Open space, through site links, community facilities etc 	<ul style="list-style-type: none"> Updated practice note states that councils should not pursue contributions schemes through DCPs or LEPs (other than affordable housing contributions) – to ensure 	



Mechanism	Description	Infrastructure type	Notes	Legislative provision
	adjacent the development site that has a broader public benefit in exchange for the right to develop the site for alternative and/or more intense land use.		contributions system is transparent and consistent.	
Housing and Productivity Contribution	A levy on developers to fund infrastructure to support increased housing and economic productivity.	Local and State Infrastructure <ul style="list-style-type: none">• Active transport• Transport• Education• Health• Emergency• Justice• Open Space and conservation	<ul style="list-style-type: none">• Contributions vary based on projected infrastructure demands created by development.• No direct nexus between where contributions are collected and where funding is applied	
Affordable Housing Contribution Scheme	Developers provide contributions for the provision or subsidisation of affordable housing within developments.			S7.32 EP&A Act
General revenue	Councils use their collected rates, fees, and charges to fund infrastructure projects.		<ul style="list-style-type: none">• Rates peg set annually by IPART.	
Special rate variation	Special variation to general income above the rate peg amount.			S495 Local Government Act

Table 6: Infrastructure Funding Mechanisms

Source: Mecone, 2024

Additional infrastructure funding mechanisms may include:

- State/ commonwealth grant funding
- State budget allocation
- Proceeds from sale of assets or redevelopment of government-owned land
- User fee charges
- Council borrowing and forward funding.



4.2 Local Infrastructure Contributions

Hornsby Council currently administers two contributions plans that each apply to different development types on land within the HTC area.

Section 7.11 contributions apply to the following developments under Hornsby Shire 7.11 Development Contributions Plan 2020-2030:

- Residential development that results in the creation of additional private lots/ dwellings
- Non-residential development (excluding industrial development) which results in new or additional floorspace
- Non-residential development which is unable to provide the full on-site car parking requirement
- Agriculture, extractive industry, forestry, freight transport facilities, mining, rural industry, transport depots, truck depots and waste or resource management facilities, where heavy vehicles are used to haul goods, material, animals or livestock.

Section 7.12 levies apply to the following development under Hornsby Shire Council 7.12 Development Contributions Plan 2019-2029.

- Alterations or additions to residential accommodation (excluding development for additional dwellings).
- Alterations to commercial premises (excluding development for additional gross floor area)
- Industrial development
- Residential care facilities
- Hostel/ boarding house/ group homes/ hospital/ educational establishment
- Tourist and visitor accommodation and eco-tourist facilities.
- All other development that does not involve the creation of additional dwellings or, in the case of non-residential development – additional GFA.

Council plans to prepare a new contributions plan for the HTC and amend the existing plans so that they no longer apply to the town centre. Council has determined that applying Section 7.12 levies would offer greater simplicity and clarity for developers, landowners and other relevant stakeholders in calculating the applicable contribution amount for any development.

4.3 Affordable Housing Contribution

The NSW Department of Planning, Housing and Infrastructure has prepared an Affordable Housing Contribution Scheme to enable the collection of development contributions for the delivery of affordable housing in the HTC. The Scheme will apply to all types of residential accommodation development, except:

- Exempt development (as identified in Section 2.2 of the Scheme)
- Development solely for the purpose of social and/or affordable housing.
- Boarding houses.



- Group homes.
- Supportive accommodation.
- Alterations to dwelling houses under 200sqm.

For development which comprises a mix of market housing and affordable and/or social housing, this Scheme will only apply to the proportion of the market housing within the development.

Affordable housing contribution rates provided in the Scheme are in addition to other contributions, including the S7.12 contributions intended for the HTC.

As a condition of development consent, all eligible developments in the HTC must contribute affordable housing according to the rates provided in the Scheme.

Development contributions are to be made on the basis of gross floor area for new residential development, and may be satisfied by:

- Dedication of affordable housing units on site contribution – build and dedicate free of charge the required affordable housing dwellings.
- Monetary contribution – a monetary contribution that is equivalent to the affordable housing rate, as set out under the Scheme of \$6,420*³ per square metre.
- A combination of dedication of affordable housing units and monetary contribution.

As outlined in Table 7 and Figure 8 below, a base contribution rate of 3% is to be provided in perpetuity across all sites, and higher percentages of between 4 to 5% on key sites. Council and Government-owned land will have a provision of 10%.

Variations may be sought by proponents due to in-kind dedication of community benefit items, however a written request must be made to Council for consideration with appropriate evidence to support the variation.

Area	Contribution Rate
Area 1 – State Government and Council owned land	10%
Area 2 – Privately owned land	4%
Area 3 – Privately owned land	5%
Area 4 – Remainder of Precinct area	3%

Table 7: Affordable Housing Contribution Rates

Source: Hornsby Transport Oriented Development Precinct Affordable Housing Contribution Scheme, NSW Department of Planning, Housing and Infrastructure 2024

³ Correct as the date of publication of the Scheme (November 2024). The contribution rate applicable will be indexed and set out on Council's website.

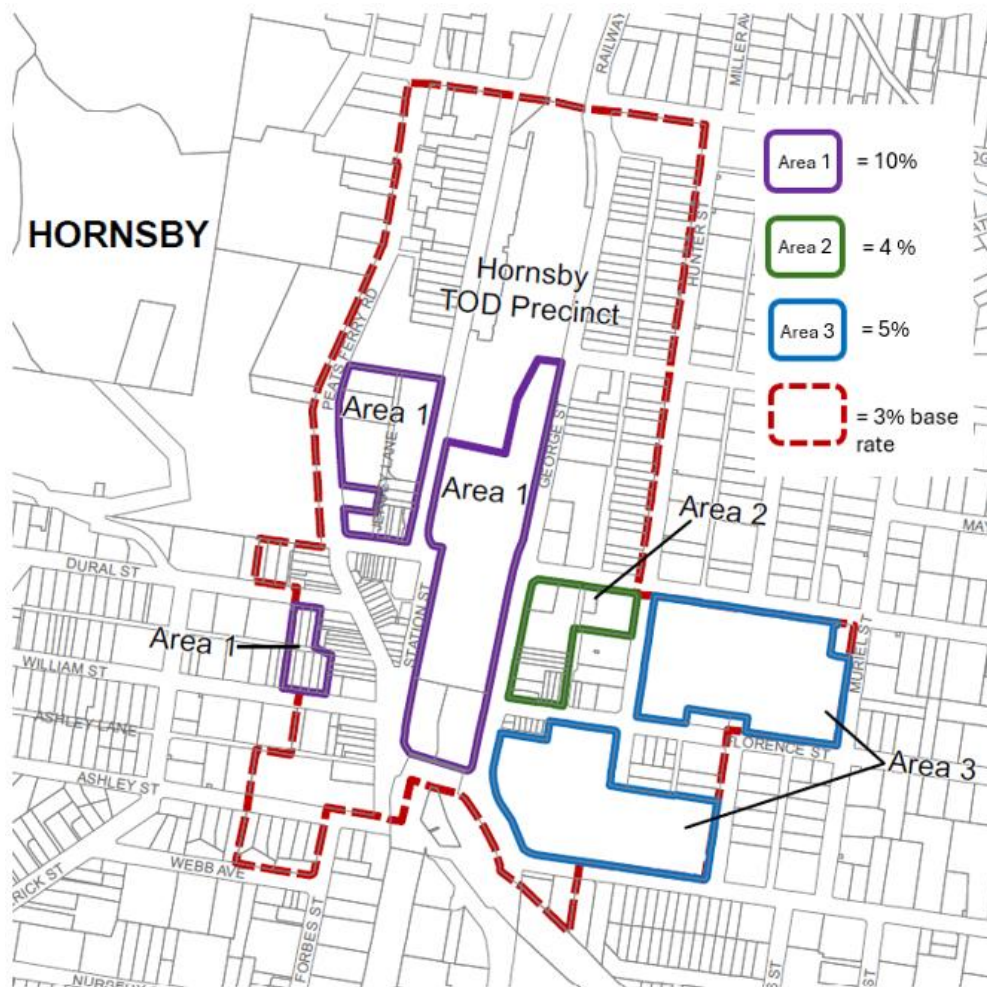


Figure 8: Affordable Housing contribution rate areas

Source: Hornsby Transport Oriented Development Precinct Affordable Housing Contribution Scheme, NSW Department of Planning, Housing and Infrastructure 2024

4.4 Housing and Productivity Contribution (HPC)

On 1 October 2023, the NSW Government introduced the Housing and Productivity Contribution (HPC) to make development contributions simpler and more consistent throughout the Six Cities region compared to the previously used Special Infrastructure Contributions (SICs) that only applied to small geographical areas and at different rates.

The HPC aims to deliver infrastructure in a timely manner to areas of housing growth. It is intended to fund projects that will contribute to growth-enabling infrastructure, such as active transport, conservation, education, emergency services, health, justice, open space and transport.

The HPC applies to new development in the Six Cities region for residential developments where land-use is intensified (i.e. where new dwellings are created) and any new gross floor area (GFA) created for industrial and commercial developments. Some exceptions apply – such as for public housing, affordable housing, seniors care facilities and knock-down rebuilds.



The rates of the HPC in the Greater Sydney region as of its commencement (October 2023) and using the most recent Producer Price Index (PPI) data as at time of writing of this report (applying from January 2025) are shown below:

Land use	Initial rate (as of October 2023)	Indexed rate (as of January 2025)
Residential non-strata subdivision	\$12,000 per additional dwelling lot	\$12,748.37 per additional dwelling lot
Residential strata subdivision and non-strata multi-dwelling development	\$10,000 per additional dwelling/lot	\$10,623.64 per additional dwelling/lot
Industrial	\$15 per sqm of new GFA	\$15.94 per sqm of new GFA
Commercial	\$30 per sqm of new GFA	\$31.87 per sqm of new GFA

Table 8: Housing and Productivity Contribution Rates in Greater Sydney, October 2023 and January 2025

The rates of the HPC are indexed quarterly based on the latest PPI Road and Bridge Construction – NSW measure, applying a growth rate from the June 2023 index base. An initial discount period also applies, as detailed below:

- 1 October 2023 to 30 June 2024: 50% discount
- 1 July 2024 to 30 June 2025: 25% discount
- 1 July 2025 onwards: No discount.

The allocation of HPC funds will be made through a multi-step process. Initially, the Urban Development Program (UDP) will provide an evidence base behind the infrastructure priorities. The recommendations of each UDP will then feed into an Urban Development Program Oversight Committee (UDPOC). Following this, a Government Coordination Group (GCG) will review the infrastructure priority recommendations from the UDPOC to develop a shortlist of priority infrastructure projects to inform government funding allocation decisions.

Recommendations will be grouped into timeframes of 0–1 year, 2–5 years, and 6+ years to achieve a line of sight to strategic growth objectives. Once recommendations are received from each UDP, they will be considered by the UDPOC, which then develops a shorter infrastructure list and priorities for expenditure via the Housing and Productivity Fund.



5 Next Steps

This Infrastructure Delivery Plan identifies potential options for funding and delivery of local and State infrastructure required to support the implementation of the HTC TOD master plan. The following next steps are recommended to confirm approach to infrastructure funding and delivery within the Town Centre:

1. Review and confirm approach to infrastructure staging in consultation with Council.
2. Confirm support from Council for OS3 Hornsby Square / Florence Street Mall State acquisition.
3. Confirm the HPC funding allocation to the Hornsby TOD.
4. Finalise S 7.12 Contributions Plan for HTC following confirmation of rates.
5. Review and confirm acquisition costs for priority infrastructure items, in particular Hornsby Square.



Appendix A – Infrastructure Schedule

Infrastructure type	Ref.	Project Name	Responsibility	Attribution	Total cost
Open Space, Conservation and Recreation	C1	Wallarobba Arts and Cultural Centre extension	Local	6.9%	\$2,781,240
Open Space, Conservation and Recreation	C2	Multi-purpose community facility in Central Heart Precinct/Regional Library	Local	19.0%	\$64,092,984
Open Space, Conservation and Recreation	OS1	Cenotaph Plaza	State		\$9,602,464
Open Space, Conservation and Recreation	OS2	Under Investigation - Jersey Street Plaza	State		\$12,173,599
Open Space, Conservation and Recreation	OS3	Hornsby Square / Florence Street Mall	State/Local (subject to investigation)	100.0%	\$79,983,837
Open Space, Conservation and Recreation	OS4	Burdett Street Park	Local	100.0%	\$2,492,263
Streetscape	S1	Streetscape: Peats Ferry Road (Northern Employment Precinct)	Local	100.0%	\$7,119,877
Streetscape	S3	Peats Ferry Road streetscape works (Western Heritage Precinct)	Local	100.0%	\$4,150,582
Streetscape	S5	Streetscape: George Street (Central Heart/Northern Employment Precincts)	Local	100.0%	\$5,313,083
Streetscape	S7	George Street Alternative (Central Heart Precinct) streetscape works	Local	100.0%	\$8,316,401
Streetscape	S9	Streetscape: Burdett Street	Local	100.0%	\$2,097,240
Streetscape	S11	Streetscape: Florence Street (Retail Core Precinct)	Local	100.0%	\$1,792,206
Streetscape	S13	Streetscape: Hunter Lane	Local	100.0%	\$3,602,041
Streetscape	S14	Florence Street (Central Heart Precinct) - shopping mall streetscape works	Local	100.0%	Included in OS3



Streetscape	S15	Peats Ferry Road (Western Heritage Precinct) streetscape works	Local	100.0%	\$4,642,779
Streetscape	S16	Coronation Street streetscape works	Local	100.0%	\$1,602,038
Streetscape	S17	Station Street streetscape works	Local	100.0%	\$3,623,886
Streetscape	S18	Linda Street streetscape works	Local	100.0%	\$1,958,731
Streetscape	S20	Pacific Hwy (Retail Core Precinct) streetscape works	Local	100.0%	\$2,928,082
Transport	T1	Peats Ferry Road and Bridge Road intersection upgrade	Local	100.0%	\$10,831,508
Transport	T2	Upgrade Jersey Lane - New Laneway Peats Ferry Road to Jersey Street South	Local	100.0%	\$4,788,577
Transport	T3	Jersey Street/Bridge Street/ George Street overall rail and intersection upgrade	State		\$14,469,702
Transport	T4	Coronation Street, Station Street and Jersey Street south intersection signalisation Coronation Street one-way westbound	Local	100.0%	\$1,258,210
Transport	T5	Station Street one-way northbound	Local	100.0%	\$3,912,250
Transport	T6	South pedestrian crossing at William Street	Local	100.0%	\$441,092
Transport	T7	George Street widening and associated works	State		\$1,833,419
Transport	T8	Widen over-rail bridge by one lane George Street/Peats Ferry Road/Westfield Access and Pacific Highway/Edgeworth David Avenue intersection upgrade	State		\$17,274,387
Transport	T9	Florence Street closed George Street to Hunter lane Hunter Lane closed: Florence Street to new lane New lane George Street to Hunter Lane	Local	100.0%	\$0



Transport	T10	George Street / Burdett Street intersection upgrade	State		\$3,247,323
Transport	T11	George Street / Linda Street intersection signalisation/upgrade	State		\$2,016,962
Transport	T12	Linda Street and Hunter Street intersection signalisation	Local	95.0%	\$1,423,912
Transport	T13	Hornsby Bus Interchange	State		\$14,784,341
Transport	T14	Jersey Street North and Mildred Avenue intersection signalisation	Local	100.0%	\$687,205
Transport	T15	Bridge Road/Sherbrook Road/King Road roundabout amalgamation	Local	100.0%	\$2,526,939
Transport	T16	Sherbrook Road and Northcote Road intersection signalisation	Local	66.0%	\$801,728
Transport	T17	Sherbrook Road upgrade	Local	66.0%	\$221,803
Transport	T18	Intersection upgrade / widening Bridge Road and Peats Ferry Road	State		\$1,178,587
Transport	T19	Edgeworth David Avenue/Sherbrook Road right turn	Local	62.0%	\$212,141
Transport	T20	Reconfigure Albert Street/Westfield Entry/Exit	Local	100.0%	\$2,652,209
Transport	T21	Burdett Street and Muriel Street intersection signalisation	Local	100.0%	\$1,248,585
Transport	T22	George Street and Hunter Lane median	State		\$12,507
Transport	T23	Edgeworth David Avenue/Romsey Street Traffic phasing	Local	89.0%	\$216,469
Transport	T24	Peats Ferry Road and Station Street pedestrian signals	Local	100.0%	\$118,817
Transport	T25	Peats Ferry Road and TAFE car park exit – Keep Clear	Local	100.0%	\$8,659
Transport	T26	Peats Ferry Road lane guidance	Local	100.0%	\$151,048



Transport	T27	Hornsby Station concourse upgrades	State		\$39,357,981
Transport	T28	New commuter car park	State		\$74,838,720
Transport	T29	Enhance cycle network	Local	100.0%	\$1,152,720

Note: TfNSW has not endorsed road improvements allocated to State. Funding is subject to approval.