New Levies to Invigorate Tired Neighbourhoods

Strata schemes or other occupants of areas which are less vibrant than they once were have a new option, with the commencement of key provisions of the Community Improvement Districts Act 2025 and Community Improvement Districts Regulation 2025 late last year.

The key aspects of this legislation are as follows:

- Successful use of the framework would require engagement of diverse interests, including Transport for NSW as the regulatory authority, relevant council(s), local businesses and other local owners and residents.
- At its root, the framework involves local businesses funding agreed activities through additional levies on rateable land. Accordingly, it will be necessary to persuade a significant majority of them that the relevant proposal makes sense from their point of view. That may or may not be in tension with persuading councils and other stakeholders of the merits of the proposal.
- Funded activities could be on public or private land and could have a broad scope, e.g.:
  - events, marketing and promotions services and activities to activate and revitalise places.
  - safety and security services, cleaning services and environmental and amenity improvements.
  - data analysis and market research.
  - activities and projects to improve access, mobility and connectivity within a CID.
  - activities to help attract new businesses into the CID, including activities to fill vacant business premises.
  - services, activities and projects to support businesses and residents of the CID in achieving net zero outcomes and participating in circular economy activities and projects.
  - community wealth building activities.
  - other similar services, activities or projects.

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- The procedure will be cumbersome and time-consuming involving:
  - a proposal by a CID proponent to the Authority (Transport for New South Wales).
  - Submitted to community consultation.
  - Approved (or not) by the Authority in light of certain criteria.
  - Submitted to a ballot of specified entities.
  - Submitted to council(s) for approval.
  - Approved (or not) by the Authority in light of additional criteria.
  - Publication of approval of the proposal in the Gazette or on the Authority's website.
  - Creation of a CID entity, comprising businesses and business landowners within the area, the structure constitution and operations of which will be regulated.

This would likely necessitate operation through a group structure and engagement of suitable consultants, while traversing a number of controversial issues.

We have considerable experience with these issues and would be pleased to provide you with whatever assistance you may require.

****The information contained in this article is general information only and not legal advice. The currency, accuracy and completeness of this article (and its contents) should be checked by obtaining independent legal advice before you take any action or otherwise rely upon its contents in any way.*

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