

FACT SHEET

Infrastructure Charges Deferral 3.5 to 5 Star Rated Hotel Accommodation



Deferral for Hotel Accommodation

From 1 March 2017, new hotel accommodation developments that achieve a 3.5 to 5 star rating with Star Ratings Australia may seek to have their infrastructure charges deferred. This deferral policy is stated in section 8.2, 8.3 and 8.4 of the Logan Adopted Charges Resolution.

Logan City Council has introduced this economic initiative to defer infrastructure charges for new 3.5 to 5 star rated Hotel Accommodation to encourage investment and job creation, and to address the current the lack of short-term accommodation options within the city.

Which areas of Logan does the deferral apply to?

This policy only applies to new Hotel Accommodation developments located within the entire Logan City Council local government area, with the exception of any area located within a Priority Development Area.

How much can be deferred?

The total value of the infrastructure charges levied against the development approval may be deferred for eligible Hotel Accommodation development. The deferral only applies to the Hotel Accommodation component such as bedrooms and suites.

What criteria must be met for a deferral?

The following criteria applies for new 3.5 or 5 star hotel accommodation development seeking a deferral:

- The applicant must enter into an Infrastructure Agreement with Council to defer the levied charges.
- The applicant must provide Council a bank guarantee for the total value of the levied charges prior to the levied charges becoming payable.
- The hotel must obtain a 3.5 to 5 star hotel category accommodation rating under the Australian Star Rating Scheme within 12 months after the levied charge becomes payable.
- The hotel must maintain a minimum 3.5 star hotel category accommodation rating under the Australian Star Rating Scheme throughout the entire operation of the use.

What types of uses are not eligible for the infrastructure charges deferral?

The following types of uses are not eligible for the deferral:

- Uses associated with the hotel such as bar, dining, gaming, and conference facilities
- Motel
- Backpackers
- Cabins
- Farm stay
- Dual occupancy (auxiliary unit)
- Rooming accommodation
- Hostel
- Caravan parks
- Tourist park

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How do I apply for a deferral?

If the development is for a 3.5 to 5 star rated Hotel Accommodation, an applicant may, at any time after a development approval has been issued, but before the levied charge becomes payable, apply for a deferral against the levied charges by submitting the application form and supporting information to Council.

Council will then prepare an Infrastructure Agreement to defer the payment of the levied charges.

The Infrastructure Agreement will include clauses which stipulate:

- the applicant is required to provide Council a bank guarantee for the total value of the levied charge prior to the levied charge becoming payable;
- upon the provision of a bank guarantee to Council, the payment of the levied charges for the development will be deferred to 12 months after the levied charge becomes payable;
- if, within 12 months after the levied charge becomes payable, the Hotel Accommodation obtains a 3.5 to 5 star hotel category accommodation rating under the Australian Star Rating Scheme, then the Bank Guarantee will be released by Council, the levied charge the subject of the Infrastructure Agreement will not be payable;
- if, after 12 months after the levied charge becomes payable, the Hotel Accommodation has not obtained the minimum 3.5 star hotel category accommodation rating under the Australian Star Rating Scheme, the applicant will be required to pay the levied charges for the development in full. If the applicant fails to pay the levied charges, within the timeframes specified in the Infrastructure Agreement, Council will call up the Bank Guarantee to recover the infrastructure charges;
- the Hotel Accommodation must maintain a minimum 3.5 star hotel category accommodation rating under the Australian Star Rating Scheme throughout the entire operation of the use, otherwise, the levied charges become due and payable; and
- a credit for the amount of levied charges which are deferred and remain unpaid in accordance with the Infrastructure Agreement, will not be available for infrastructure charges levied for future development on the land.

Further information

For further information:

- visit Council's [Infrastructure Planning & Charging webpage](#);
- contact Council using the details provided in the footer of this Fact Sheet; or
- visit the Planning, Building and Plumbing counter at 150 Wembley Road Logan Central; opening hours and directions are available on Council's [website](#).