

EXPLANATORY NOTE

Mount Gilead 1 Planning Agreement

The purpose of this Explanatory Note is to provide a summary of the proposed Mount Gilead 1 Planning Agreement (**Planning Agreement**) to support the notification of the Planning Agreement under s 7.4 of the *Environmental Planning and Assessment Act 1979* (**EP&A Act**).

This Explanatory Note has been prepared jointly by the parties as required by clause 25E of the *Environmental Planning and Assessment Regulation 2000* (**EP&A Regulation**).

Parties

The parties to the Planning Agreement are:

- 1 Campbelltown City Council (ABN 31 459 914 087) (**Council**)
- 2 Lendlease Communities (Mt Gilead) Pty Ltd (ACN 605 278 331) (**Developer**)
- 3 Mount Gilead Pty Ltd (ACN 008 400 189) whilst they maintain ownership of the land (**Landowner 1**)
- 4 Stefan and Anna Dzwonnik whilst they maintain ownership of the land (**Landowner 2**)

Land

The Planning Agreement applies to the following land within Council's local government area (**Land**):

- Lot 3 in DP 1218887 (currently owned by Landowner 1)
- Lot 61 in DP 752042 (currently owned by Landowner 2)

1 Introduction and background

The Land is situated within the suburb of Gilead and is wholly contained within the Campbelltown Local Government Area. The Developer has commercial agreements with Landowner 1 and Landowner 2 to acquire the Land.

The Land was rezoned for urban development in September 2017 by an amendment to *Campbelltown Local Environmental Plan 2015* (**LEP**). The LEP was amended by the Department of Planning and Environment again in November 2017 to correct specific clause references to the Land.

At completion, the development will provide approximately 1,700 residential lots on the Land, as well as associated roads, utilities, open space, recreation facilities, community facility, stormwater management network and conservation areas to rehabilitate and conserve existing vegetation. The provision of local infrastructure has been determined to meet the needs for the future community that will be generated by the creation of 1,700 residential lots.

The land will be the subject of a series of development applications to allow for the staged development of the Land. Each stage will be developed only after the Developer becomes the owner of the relevant part of the Land for that stage.

The proposed Planning Agreement will be the mechanism for the Developer to provide all of the onsite infrastructure, works and facilities required by the development.

2 Objectives of the Planning Agreement

The objective of the proposed Planning Agreement is to provide certainty and funding for the construction of local infrastructure and facilities to meet the needs of the future community generated by the Development and facilitate the dedication of land to Council.

3 Nature of the Planning Agreement

The proposed Planning Agreement is a planning agreement under s7.4 of the EP&A Act. It is a voluntary agreement, under which the Developer provides development contributions (as defined by clause 1.1 of the Planning Agreement) for various public purposes (as defined by s7.4 of the EP&A Act) to deliver the necessary local infrastructure required to support the development of the Land.

4 Effect of the Planning Agreement

The proposed Planning Agreement:

- Excludes the application of s7.11 and s7.12 of the EP&A Act to the Development. Subsequent development that increases yield from a single lot or single dwelling may be subject to the application of s7.11 and s7.12 of the EP&A Act.
- Is required to be registered on title of the Land until such time as the Developer owns the Land and development consents have been issued for the relevant stage and appropriate security for the relevant local infrastructure works to that stage has been provided to Council.
- Requires the Developer to provide development contributions through the dedication of land and completion of local infrastructure works including open space, community facility, ecological vegetation rehabilitation and conservation, collector road network and stormwater management network required to support 1,700 final lots and associated dwellings.
- Requires the Developer to make an additional development contribution, of \$50,000 per lot, for any additional final lots delivered in excess of 1,700 lots.
- Whilst Landowner 1 and Landowner 2 own the land, provides certainty for Council for the acquisition of land associated with local infrastructure works.
- Establishes design approval, completion, maintenance and defect correction regimes for the delivery of local infrastructure works.

5 Merits of the Planning Agreement

5.1 The promotion of the public interest

The proposed Planning Agreement promotes the public interest by promoting the objects of the EP&A Act as set out in s1.3(b), (c), (g) and (j) of the EP&A Act.

5.2 The promotion of Council's charter

The proposed Planning Agreement promotes key elements of Council's charter by:

- Providing local infrastructure, including open space, community facilities, transport and storm water management network infrastructure for the anticipated community generated by development of the land.
- Providing additional certainty for the rehabilitation and conservation of vegetation on the site identified in the Biodiversity Certification Agreements that will apply to the land.
- Ensuring local infrastructure provided by the Development under the Planning Agreement are transferred to, and managed by, Council.
- Providing an opportunity for the wider community to make submissions to Council in relation to the Planning Agreement.

5.3 The Planning Purposes served by the proposed Planning Agreement

The proposed Planning Agreement:

- Promotes and coordinates the orderly and economic use and development of the Land.
- Provides for, and coordinates, the delivery of public purposes and local infrastructure to meet the needs of the future community generated by the development.
- Supports the revegetation and conservation of vegetation identified in the Biodiversity Certification that will apply to the site in line with the principles of ecologically sustainable development

5.4 Conformity with Council's works program

Council's capital works program does not apply to the Land of the proposed Planning Agreement. The Planning Agreement provides certainty for the delivery of local infrastructure to meet the needs of the community anticipated to be generated by the development and avoids the need for Council to deliver capital works for the land.

5.5 Requirements to be complied with before a certificate is issued

Schedule 1 of the proposed Planning Agreement provides details on when development contributions in the form of land dedications, works or monetary contributions are required to be provided by the Developer.

Security is to be provided for relevant works triggered at a different stage of development prior to the issue of a Construction Certificate.

Development thresholds, defined by final lots, are identified for each local infrastructure land and works items. All open space, community and transport infrastructure works are to be completed within 12 months of the registration of the Subdivision Certificate for final lots that meet the relevant development threshold for these items.

Water quality and treatment basin items are to be completed in two stages following the registration of the Subdivision Certificate for final lots that meet the relevant development threshold. The states and development triggers are as follows:

- Stage 1, including the formation of the water quality and treatment, within 12 months of the registration of the Subdivision Certificate for final lots the meets the relevant development threshold for these items.
- Stage 2, including installation of bio-retention media and other final water quality measures within 12 months of completion of 80% of dwellings in the relevant catchment.

The development thresholds reflect the timing for actual demand for infrastructure that is generated not at Subdivision Certificate stage but in line with the occupation of new dwellings and increase in residential population over the Land.

Where in excess of 1,700 final lots are delivered, the Developer is to make a monetary contribution of \$50,000/final lot to Council prior to the issue of the Subdivision Certificate for those lots.

If the parties form the view that the lot threshold of 1,700 final lots will be exceeded and the monetary contribution is insufficient or greater than necessary to allow Council to meet the need for public services and amenities generated as a result of lot threshold being exceeded, either party may request a review of the monetary contribution.