

Schedule 4

Explanatory Note

Environmental Planning and Assessment Regulations 2000

(Clause 25E)

Explanatory Note

Planning Agreement

The purpose of this Explanatory Note is to provide a summary to support the notification of the proposed planning agreement (**Planning Agreement**) under section 93F of the *Environmental Planning and Assessment Act 1979* (NSW) (**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* (NSW) (**EP&A Regulation**).

Parties

The parties to the Planning Agreement are:

- 1 Campbelltown City Council (ABN 31 459 914 087) (**Council**);
- 2 Stockland Development Pty Limited (ACN 000 064 835) (**Developer**); and

Land

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

- part Lots 1 and 2 in DP1185269;
- part Lot 5 DP1193006;
- part Lot 7 in DP1200698;
- Lot 9 DP1207461;
- Lots 18 and 19 in DP1215704;
- Lots 32, 33 and 34 in DP1439 (comprising Auto Consol 13532-141);
- Lot 11 DP135468;
- Lots 130 and 131 in DP135465; and

- Lot 108 in DP133315,
parts of which have already been subdivided and some of which will be subdivided, and which is located in the East Leppington Precinct, but excluding:
- Lot 12 DP1209044 which was sold to a third party for retail purposes; and
- Lot 150 in DP1211497, which was sold to another party for retirement living purposes.

1 Introduction and background

The Developer owns the Land. The Land is situated within the East Leppington Precinct and is wholly contained within the Campbelltown local government area.

The Developer has also submitted a development application to Council for the development of the Land. The proposed development is a staged development of approximately 2,555 low and medium density residential lots on the Land, as well as associated roads, shared pedestrian and cycleways, utilities, open space, recreation facilities and a trunk stormwater management network (**Development**).

The Development is proposed to take place in stages, with each stage being developed only after the Developer becomes the owner of the relevant part of the Land for that stage.

There is a significant amount of local infrastructure that is required to be provided to meet the demands of the urban development expected in the East Leppington development.

The proposed Planning Agreement will be the mechanism for the Developer to provide all of the onsite infrastructure, works and facilities required by the East Leppington development in the Campbelltown local government area.

2 Objectives of the Planning Agreement

The objectives of the Planning Agreement are as follows:

- To deliver the local infrastructure required as a result of the urbanisation of the Land.
- To ensure that local infrastructure is delivered in a timely manner, harmonising the delivery of public assets with the delivery of subdivided lots for sale.
- To maximise provision efficiencies by supporting the delivery of local infrastructure by the developer at or around the same time as land is subdivided and developed.
- To lock-in the infrastructure program for the entire East Leppington development, thereby allowing the Council to concentrate its planning effort on those parts of the Campbelltown local government area that

will need a more proactive approach to infrastructure provision (i.e. smaller landholdings and fragmented ownership areas).

3 Nature and effect of the planning agreement

3.1 Summary

The Planning Agreement imposes the following obligations on the Developer:

- Dedicate land and undertake all of the works required to facilitate the urbanisation of the Land, including open space and recreation, community facilities, environmental management, transport management and facilities, water cycle management and facilities and riparian corridors.
- Make a cash contribution to the Council for the purposes of Planning Agreement implementation. The contribution amount will be an amount of \$2,743 per hectare of the Land to be developed.

3.2 Land and works contributions

The Land and works contributions consist of the:

- (a) carrying out of road works, being the Heath Road extension;
- (b) creation of pedestrian and vehicle crossings of the riparian area or the Sydney Catchment Authority canal;
- (c) construction of shared pedestrian paths and cycleways;
- (d) trunk stormwater drainage facilities;
- (e) embellishment and dedication of the riparian corridor land, adjacent multi-purpose drainage and passive open space;
- (f) dedication of 14.1 hectares of structured open space including sports facilities; and
- (g) construction of a community facility.

Details regarding the timing of these contributions are included in Schedule 2 and clause 7.2(a) of the Planning Agreement, which is linked either to a percentage of Net Developable Area of a stage, the number of lots for which a subdivision certificate is issued, or is to be agreed between the Developer and Council at a later date.

3.3 Monetary contributions

There is no existing section 94 contributions plan applying to the Land, therefore the proposed planning agreement is to be the sole development contributions mechanism for the Land. A section 94 contributions plan may be adopted in the future, however, any such contributions plan will have no effect upon land where the Planning Agreement applies.

Accordingly, the Developer is offering to make a cash contribution to Council as shown in Item 77 of Schedule 2 of the Planning Agreement, being an

amount of \$2,743.00 per hectare and is payable prior to the issue of a Subdivision Certificate for each Urban Lot.

4 Merits of the Planning Agreement

4.1 Promotion of the public interest (and impact on the public)

The public benefits to be secured by the Planning Agreement will flow from the achievement of the Planning Agreement's objectives (refer to part 2 of the Explanatory Note).

Significant efficiencies will be achieved through the Planning Agreement by allowing the Developer:

- greater involvement in the timing and scope of the infrastructure items that affect, and are required by, the Development; and
- the ability to coordinate the concurrent roll-out of Urban Lots and local infrastructure in the most efficient way.

The expected efficiencies, together with anticipated public benefits of the Planning Agreement, are described below:

- The Planning Agreement is likely to result in, over the life of the Development, a significant reduction in the resources required by Council to calculate and administer development contributions associated with the development.
- The Planning Agreement allows the Council to concentrate its planning effort on those parts of the East Leppington Precinct (and other precincts within its jurisdiction) that will need a proactive approach to infrastructure provision. By entering into the Planning Agreement, Council is relieved of the obligation of delivering infrastructure in East Leppington (which is more ably delivered by the Developer) and can instead focus on providing infrastructure in locations where it is less likely that developers would directly provide that infrastructure.

There are various provisions in the Planning Agreement relating to the implementation of the Planning Agreement which protect and uphold the public interest. These including the following:

- provisions (including clause 6.3) requiring the Developer to rectify defects in works provided under the Planning Agreement.
- various provisions relating to security including:
 - (i) where the Developer proposes a deferral of work, the Developer is required to provide security in the amount of 100% of the value of the work (other than the Community Centre) or up to an agreed capped amount for the Community Centre (clause 6.6 of the Planning Agreement);

- (ii) provision of a bank guarantee for some of the Development Contributions (clause 13 of the Planning Agreement); and
- (iii) compulsory acquisition of land by Council for \$1.00 in the event the land is not dedicated at the time required under the Planning Agreement (clause 13.5 of the Planning Agreement).

4.2 Promotion of the Council's Charter

A Planning Agreement is to promote elements of the Council's charter, which is established under section 8 of the *Local Government Act 1993 (LG Act)*.

It is considered that the Planning Agreement would further a number of elements of the charter, as shown below:

Element of the Council's charter (section 8 of the LG Act)	How does the Planning Agreement promote the element?
to provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively	<p>This element is embedded in the purposes and objectives of the Planning Agreement. That is:</p> <ul style="list-style-type: none"> the Planning Agreement will be the subject of community input prior to its consideration by the Council; the services and facilities to be provided reflect the requirements of the East Leppington Precinct; and the Planning Agreement includes arrangements for the handover of completed facilities, adequate security and a defects liability period.
to exercise community leadership	<p>The Planning Agreement:</p> <ul style="list-style-type: none"> secures the means of providing local infrastructure to meet the needs of a major development in one of Campbelltown's key growth areas; taps into and applies the expertise offered by land developers towards providing substantial public benefits for the future East Leppington community; and together with other similar agreements that have been negotiated, establishes Campbelltown Council as an innovative facilitator of Greenfield urban development schemes.
to promote and to provide and plan for the needs of children	<p>The Planning Agreement provides for the delivery of various facilities focused on the needs of children, including various sports facilities, cycleways, and natural areas for exploring.</p>

to properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development

to have regard to the long term and cumulative effects of its decisions

to bear in mind that it is the custodian and trustee of public assets and to effectively plan for, account for and manage the assets for which it is responsible

to engage in long-term strategic planning on behalf of the local community

to exercise its functions in a manner that is consistent with and promotes social justice principles of equity, access,

Riparian corridor lands are proposed to become public assets under the Planning Agreement.

Response to ESD principles:

- **The precautionary principle, inter-generational equity and conservation of biological diversity and ecological integrity:** The Planning Agreement supports natural areas being retained, protected and integrated into the development scheme.
- **Improved valuation, pricing and incentive mechanisms:** The Planning Agreement:
 - establishes a framework whereby infrastructure users are accountable for the provision of that infrastructure;
 - allows earlier provision of the infrastructure (by the Developer) than would be the case with 'business as usual'; and
 - allows the most efficient means of delivering that infrastructure (i.e. by the Developer).

The development has a life of at least 3 years. The Planning Agreement sets out a framework for the efficient delivery and sustainable ongoing management of a substantial amount of public infrastructure on the Land.

The Planning Agreement would relieve Council of the project risk associated with the provision of local infrastructure on the Land and allows the Council to concentrate its planning effort on other parts of the Campbelltown local government area that will need a proactive approach to infrastructure provision.

The Planning Agreement includes provisions placing defects liability obligations on the Developer for a period after the works are completed and has a security regime.

The proposed agreement also includes appropriate asset handover and defects liability provisions.

The Planning Agreement spans at least a 3 year time frame, assuring the long-term provision and management of public assets and infrastructure.

The Planning Agreement creates spaces and places for public interaction and provides facilities for the delivery of public services to the local community.

participation and rights

to raise funds for local purposes by the fair imposition of rates, charges and fees, by income earned from investments and, when appropriate, by borrowings and grants

The Planning Agreement includes the payment of monetary contributions to the Council for administration of the Planning Agreement.

4.3 Planning purposes and the objects of the EPA&A Act

The planning purposes served by the Planning Agreement can best be addressed by reference to the objects of the EPA&A Act.

It is considered that the Planning Agreement would further each of the following objectives of the EP&A Act:

Objective of the EP&A Act (section 5)	How does the Planning Agreement promote the objective?
(a)(i) to encourage the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment	The Planning Agreement provides a basis for the comprehensive management of the delivery of the local infrastructure requirements of the East Leppington development.
(a)(ii) to encourage the promotion and co-ordination of the orderly and economic use and development of land	Orderly development of land is encouraged by the Planning Agreement through the delivery of local infrastructure at or around the same time as the surrounding development which requires it.
(a)(iv) to encourage the provision of land for public purposes	The Planning Agreement includes provision of land for open space, water management and riparian corridor purposes.
(a)(v) to encourage the provision and co-ordination of community services and facilities	The Planning Agreement will sustain provision and coordination of local infrastructure (which includes a community centre, open space, recreational areas, transport management and water cycle management facilities) delivered at or around the same time as the surrounding development which requires it.
(a)(vi) to encourage the protection of the environment, including the protection and	Refer to comments on ecologically sustainable development in Part 4.2.

conservation of native animals
and plants, including
threatened species,
populations and ecological
communities, and their
habitats

(a)(vii) to encourage
ecologically sustainable
development

Refer to comments on ecologically sustainable
development in Part 4.2.

4.4 Conformity with Council's works program

The Council's Capital works program does not apply to the Draft Planning Agreement.

4.5 Requirements to be complied with before a certificate is issued

Schedule 2 of the Planning Agreement contains details of when contributions of land, works or money are to be met by the Developer.

The Schedules states that:

- one double sporting field and associated works is required to be contributed before the issue of a Subdivision Certificate for the 2,000th Urban Lot and the remaining playing fields and amenities before the issue of a Subdivision Certificate for the 2,500th Urban Lot; and
- the Community Centre must be delivered before the issue of a Subdivision Certificate for the 3,000th Urban Lot.

For the remainder of the land and works contributions, the Schedule states that those contributions will be delivered either:

- at the same time as delivery of the sports fields (item 74 of Schedule 2);
- at 70% of the Net Developable Area in the relevant contribution area;
- at 90% of the Net Developable Area in the relevant contribution area;
or
- to the extent required for the development to be serviced at that time and as agreed between the Developer and Council,

so that all contributions are delivered in lock-step with the development.

The monetary contribution must be made to Council prior to the issue of a subdivision certificate for an Urban Lot.