

Explanatory Note

Clause 25E of the Environmental Planning and Assessment Regulation 2000

Summary

The purpose of this Explanatory Note is to provide a plain English summary to support the notification of the proposed planning agreement (**Planning Agreement**) under section 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)*.

This Explanatory Note is not to be used to assist in construing the Planning Agreement.

Parties

The parties to the proposed Planning Agreement are:

Lake Macquarie City Council (ABN 81 065 027 868) (**Council**); and

Stockland Development Pty Ltd (ACN 000 064 835) (**Developer**).

Land

The Planning Agreement applies to land known as the Stockland Glendale Shopping Centre, at 10 Stockland Drive, Glendale being Lot 1 in DP860494 (Land).

Development to which the Planning Agreement Applies

The Developer has obtained approval to a Modification Application (**Modification Consent**) for the shopping centre development consent (DA764/2014) on the Land (**Development**).

Summary of Objectives, Nature and Effect of the Planning Agreement

The Developer has offered to make the following Development Contributions in connection with the Modification Application:

- (a) **Monetary Contributions:** The Developer is to pay to the Council \$1,005,900 (increased by CPI from January 2015) towards the construction of road works by the Council associated with Section 1 of Stage 1 of the Lake Macquarie Transport Interchange and Stockland Drive. The calculation of the total contribution includes an offset of \$913,500 for the reconfiguration of the carpark within the Development as a consequence of the Land Transfer (see (b) below). The Monetary Contribution also satisfies Stockland's contribution under condition 8 of DA4413/2004 which applies to the Land; and
- (b) **Land Transfer:** The Developer will transfer land to the Council for the purpose of road widening associated with Section 2 of Stage 1 of the Lake Macquarie Transport Interchange (**Transfer Land**). The value of the Transfer Land agreed between the parties is \$1,299,030.

Sections 7.11, 7.12 and 7.24 of the EP&A Act **are not excluded** as they apply to the Development.

Security is to be provided for the delivery of the Development Contributions as follows:

- (a) a bank guarantee for the Monetary Contributions;
- (b) the VPA includes an agreement under section 30 of the *Land Acquisition (Just Terms Compensation) Act 1991* for the Council to acquire the Transfer Land for \$1.00, in the event the Developer fails to dedicate the Transfer Land in accordance with the terms of the Agreement.

The Planning Agreement is not to be registered on the Land.

Merits of Proposed Planning Agreement

1. How the proposed Planning Agreement promotes the public interest and objects of the EP&A Act

The Planning Agreement promotes the public interest by:

- securing the payment of Monetary Contributions to the Council in the amount of \$1,005,900 (subject to CPI increase) as a contribution to the construction of Section 1 of Stage 1 of the LMTI Works and Stockland Drive; and
- securing the provision of land to the Council for road widening as part of Section 2 of Stage 1 of the LMTI Works.

The Planning Agreement promotes the following objects of section 1.3 of the EP&A Act:

- (ii) to promote the orderly and economic use and development of land

2. How the proposed Planning Agreement promotes the guiding principles for councils under section 8A of the *Local Government Act 1993*

The Planning Agreement promotes the following guiding principles for councils set out section 8A of the *Local Government Act 1993*:

- Councils should carry out functions in a way that provides the best possible value for residents and ratepayers;
- Councils should plan strategically, using the integrated planning and reporting framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community;
- Councils should apply the integrated planning and reporting framework in carrying out their functions so as to achieve desired outcomes and continuous improvements;
- Councils should manage lands and other assets so that current and future local community needs can be met in an affordable way; and
- Councils should work with others to secure appropriate services for local community needs.

3. Planning purpose served by the proposed Planning Agreement

The Monetary Contributions and Land Dedication facilitated under the Planning Agreement will be used to achieve a positive outcome for the local community as part of the LMTI works.

The Planning Agreement is a reasonable means for achieving the planning purpose as it provides a timeframe for the payment of the monetary contribution and land dedication to be made to Council.

4. Whether the proposed Planning Agreement conforms with Council's Capital Works Program

Council will need to consider the relevant Capital Works Program when seeking to secure funding for Section 2 of Stage 1 of the Lake Macquarie Transport Interchange Council.

The monetary contribution to be made to Council relates to works already undertaken.

5. Requirements of proposed Planning Agreement to be complied with before Construction Certificate, Occupation Certificate or Subdivision Certificate issued

The Developer must pay the Monetary Contributions prior to the issue of the first Construction Certificate for any works subject of the Development Consent as modified (except where Council fails to provide a tax invoice within the relevant period of time).