Explanatory Note

Draft Planning Agreement

Development Consent SSD 9139102

1 Background

- 1.1 The purpose of this explanatory note is to provide a plain English summary to support the notification of the draft planning agreement (**Planning Agreement**), prepared pursuant to section 7.4 of the *Environmental Planning and Assessment Act 1979* (the **Act**).
- 1.2 This explanatory note has been prepared jointly by the parties as required by Clause 205 of the *Environmental Planning and Assessment Regulation 2021* (**Regulation**), and section 4.6 of the *Planning Agreements Practice Note February 2021*.

2 Parties to the Planning Agreement

2.1 The parties to the Planning Agreement are ESR KECT (Australia) Pty Ltd, and ESR Investment Management 1 (Australia) Pty Ltd, (together the **Landowners**) and ESR Developments (Australia) Pty Ltd (the **Developer**) and the Penrith City Council (**Council**).

3 Description of the Land

- 3.1 The Planning Agreement applies to
 - (a) the whole of the following lots:
 - Lot 111 DP1296469;
 - Lot 112 DP1296469;
 - Lot 113 DP1296469;
 - Lot 114 DP1296469;
 - Lot 115 DP1296469; and
 - (b) part of Lot 10 DP 1296455,

as shown hatched and labelled "Land Subject to the VPA", on the land map at Annexure D in the draft Planning Agreement (**Land**), which is attached to this explanatory note – see attachment 1.

4 Nature of the Development Proposed

4.1 The development to which the Planning Agreement applies is the development approved in relation to SSD 9138102 on 21 April 2023 as modified on 7 June 2024, (the **Development Consent** (as defined in the Planning Agreement)) in respect of the Land:

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- Construction of the first stage of an industrial estate including bulk earthworks, subdivision, construction, fit out and operation of two warehouse buildings and ancillary office space with a total gross floor area of 81,417m2, landscaping, construction of estate roads and external road upgrades, site servicing and stormwater infrastructure, and
- Construction of external road works including upgrade of Mamre Road/Abbotts
 Road intersection, widening of Abbotts Road and widening a section of Aldington
 Road, (together defined in the Planning Agreement as Stage 1 Development
 Consent).

5 Summary of the Objectives, Nature and Effect of the Proposed Agreement

- 5.1 The Planning Agreement requires the Developer to:
 - undertake road upgrade works; and
 - dedicate land necessary for the road upgrade works.

(Road Work and Land Dedication)

- 5.2 Plans of the Road Work and a plan of Land Dedication are attached to this explanatory note see attachment 2 & 3.
- 5.3 The Road Work and Land Dedication conforms with the Council's Mamre Road Precinct Development Contributions Plan (2022), being a contributions plan prepared in accordance with section 7.11 of the Act (**MRP CP**).
- 5.4 Under the Stage 1 Development Consent, the Developer is required to pay development contributions under the MRP CP. However, having regard to the value of the land to be dedicated, and the cost of the construction of the road works, Council has agreed to off-set the amount of contributions payable as against the value of the Road Work and Land Dedication.
- The Developer is required to provide bank guarantees as security for the obligations under the Planning Agreement to carry out the Road Work. This security will ensure that, notwithstanding Council's agreement to off-set the contributions payable, the Council will be able to complete Road Work if the Developer was unable to complete the work. The Dedication Land is to be dedicated in any event.
- 5.6 Timing for the completion of the Road Works and Land Dedication will be at least 18 months from the date the Planning Agreement is executed.
- 5.7 The Planning Agreement will be registered on the title to the Land.

6 Assessment of the Merits of the Proposed Agreement

(a) How the Planning Agreement promotes the public interest and one or more of the objects of the Act

The Planning Agreement promotes the objects of the Act, in particular the objects identified in Section 1.3(c) and 1.3(g) of the Act which is to promote the orderly and economic use and development of land and to promote good design and amenity of the built environment.

The Planning Agreement will provide the timely delivery of critical public infrastructure required to unlock the Mamre Road precinct for the large format industrial development anticipated by the State Environmental Planning Policy Industry & Employment.

(b) The impact of the Planning Agreement on the public or any section of the public

The Planning Agreement will benefit the public and local community as it will provide for the upgrade of a major distributor road, which is not only of benefit to the occupants of the Mamre Road Precinct but also the broader Penrith area, as well as enable industrial development of the precinct providing new industrial road networks to the Land and also connecting other developers in the immediate vicinity of the Land to the broader road network.

(c) The planning purpose or purposes of the Planning Agreement

The Planning Agreement will serve the planning purpose by providing road infrastructure required to support the development of the precinct, which is consistent with the needs of the anticipated growth in freight and logistical development and other industrial activities within the precinct and near the Aerotropolis precinct.

It is considered that the Planning Agreement provides for a reasonable means by which to achieve these planning purposes given the extent of the statutory tools that are available to Council by which it can deliver the proposed public benefits.

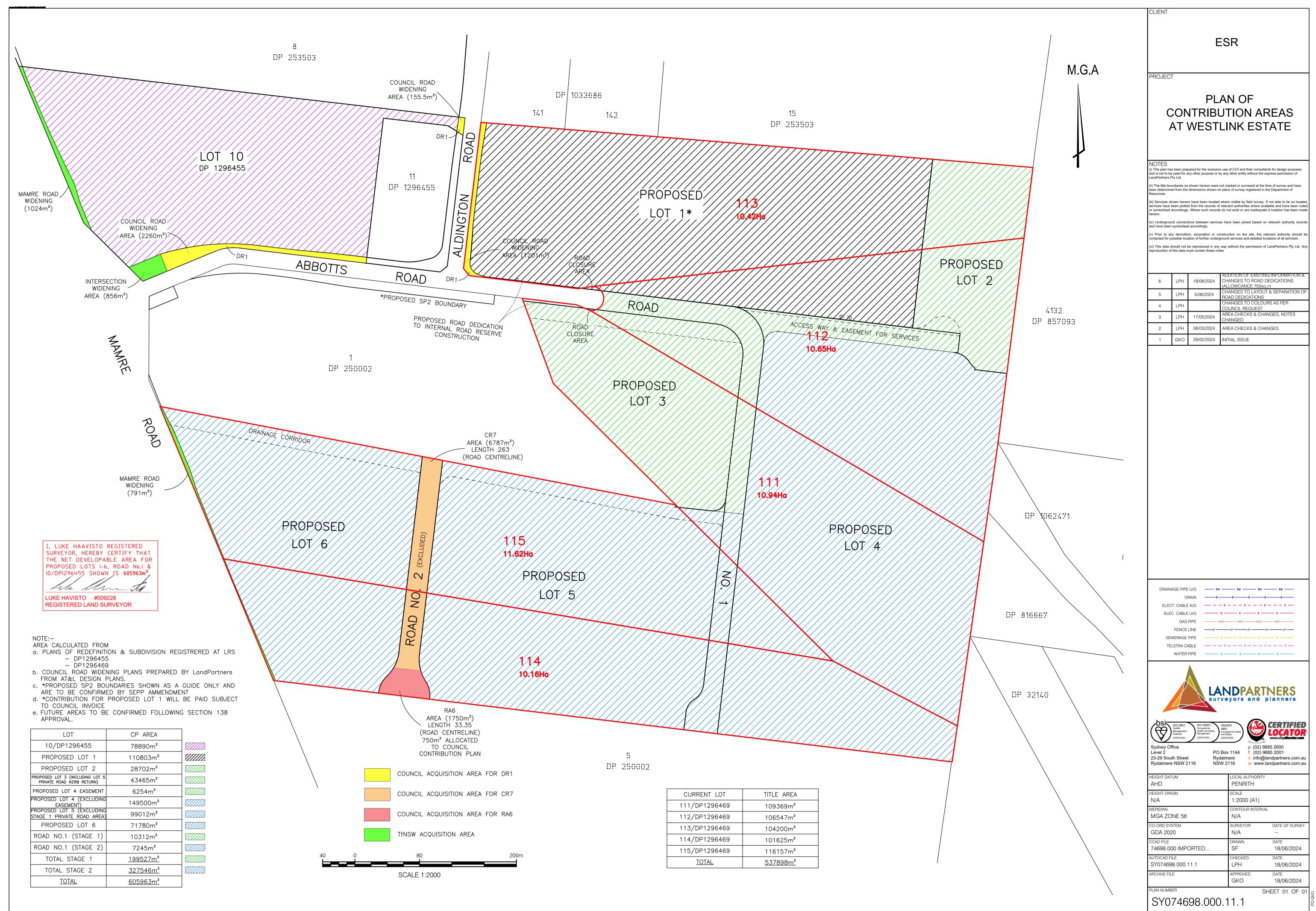
(d) Compliance of certain requirements prior to issue of construction, occupation or subdivision certificates.

The Road Works and Land Dedication will need to be completed prior to the issue of any occupation certificate for the approved warehouse number 4.

Attachments:

- 1. Map of Land Subject to the VPA (subject land shown hatched and labelled)
- 2. Plans of Road Work
- 3. Plan of Dedication

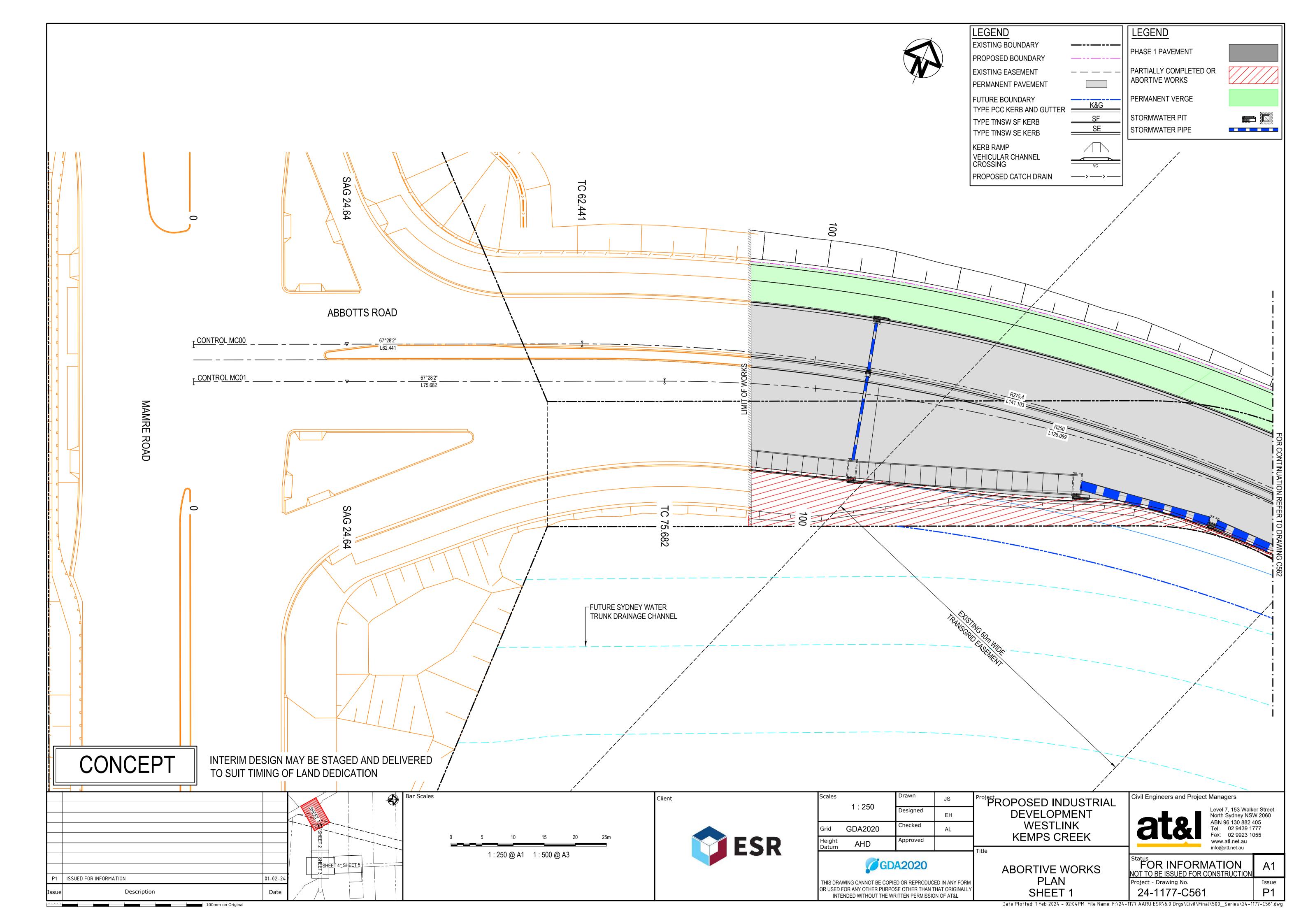
Attachment 1 - Land Subject to the VPA

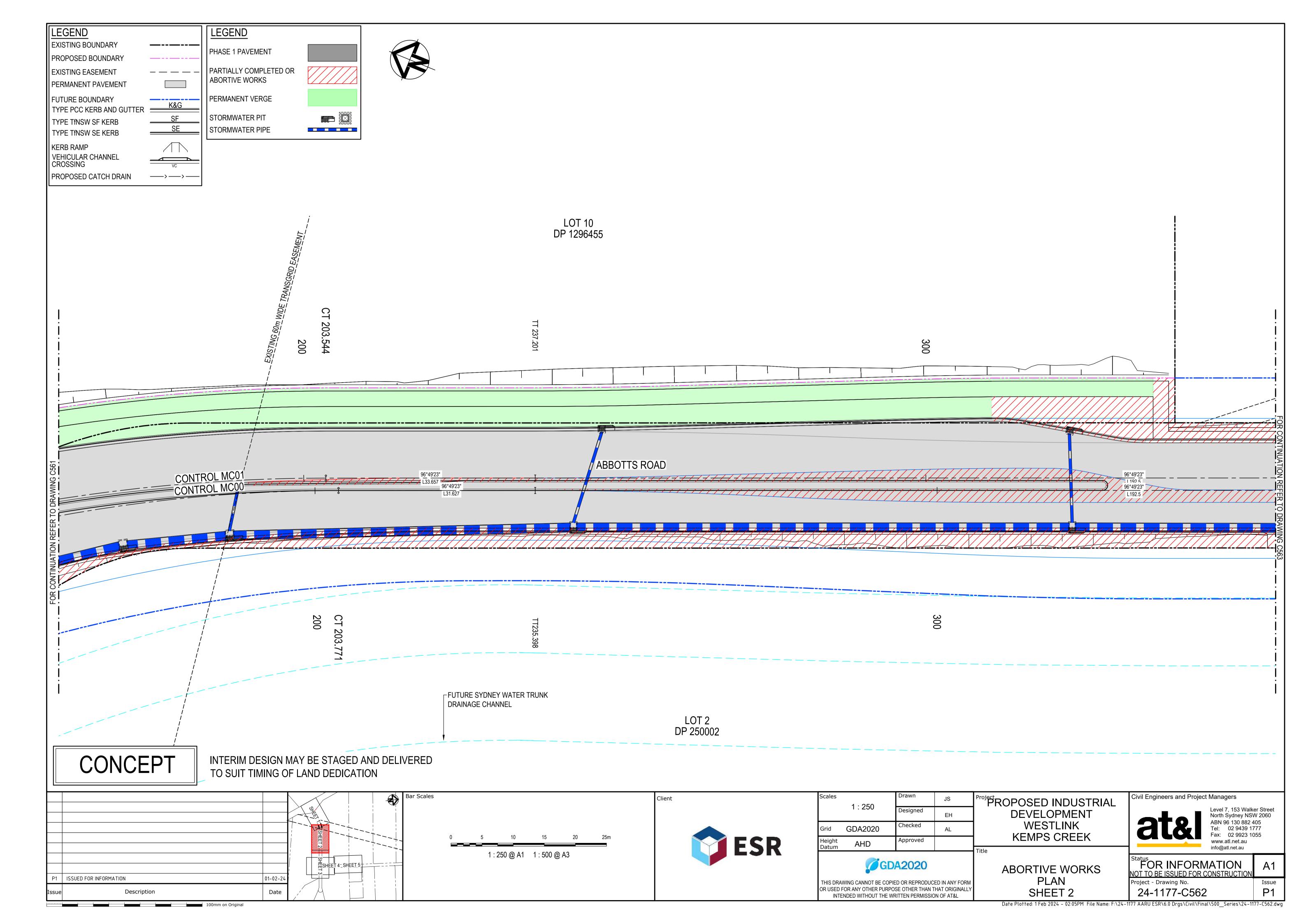


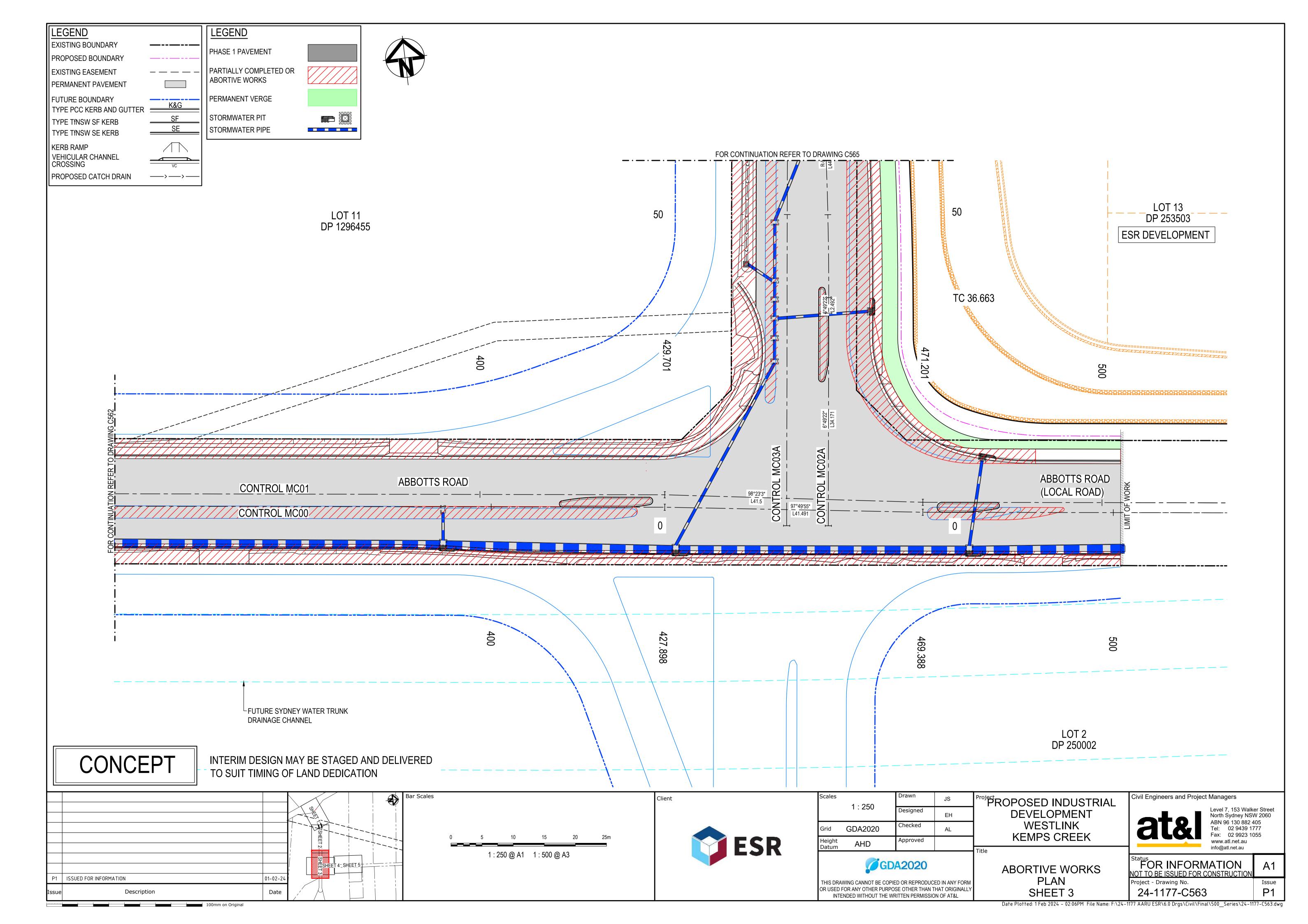
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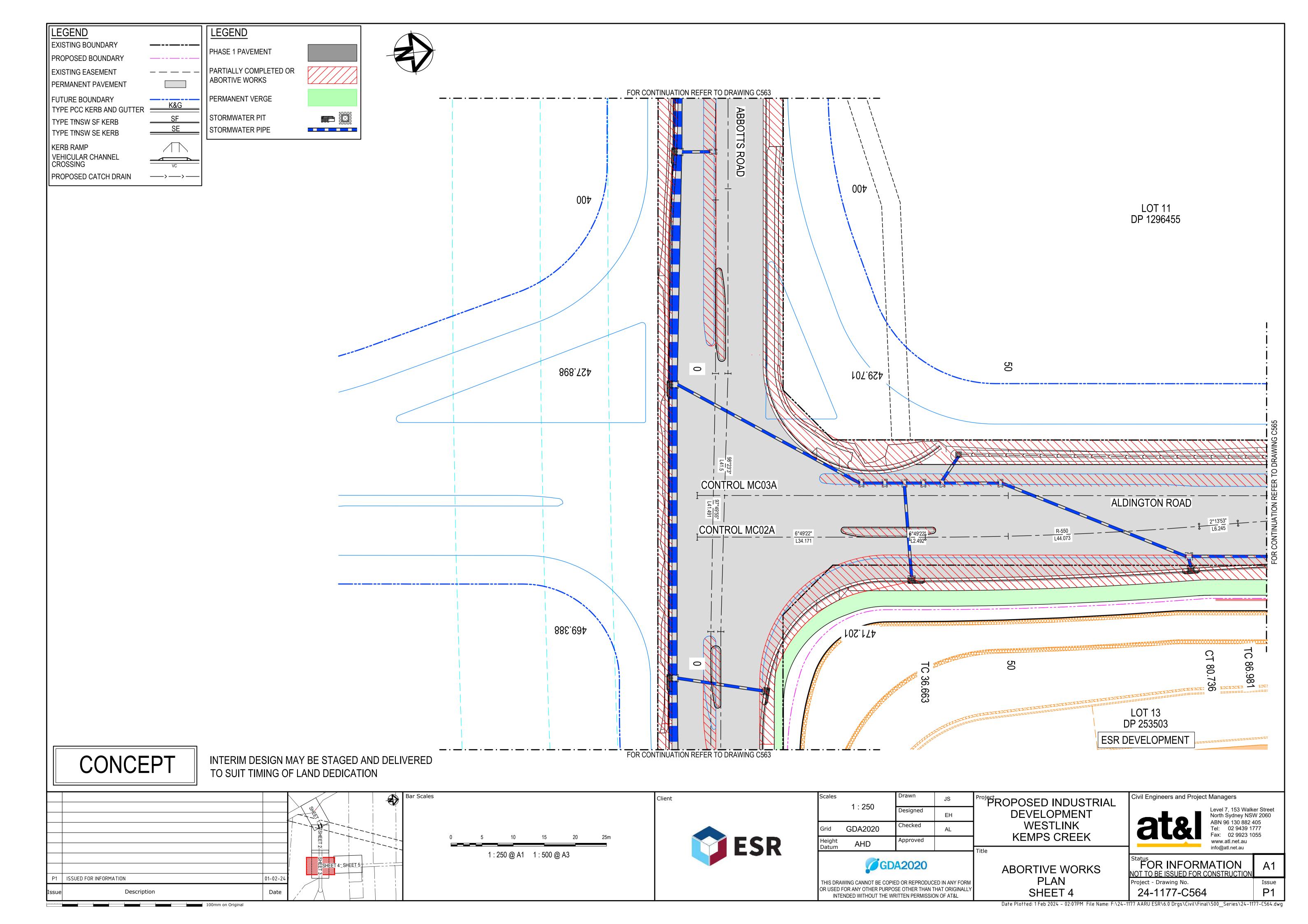
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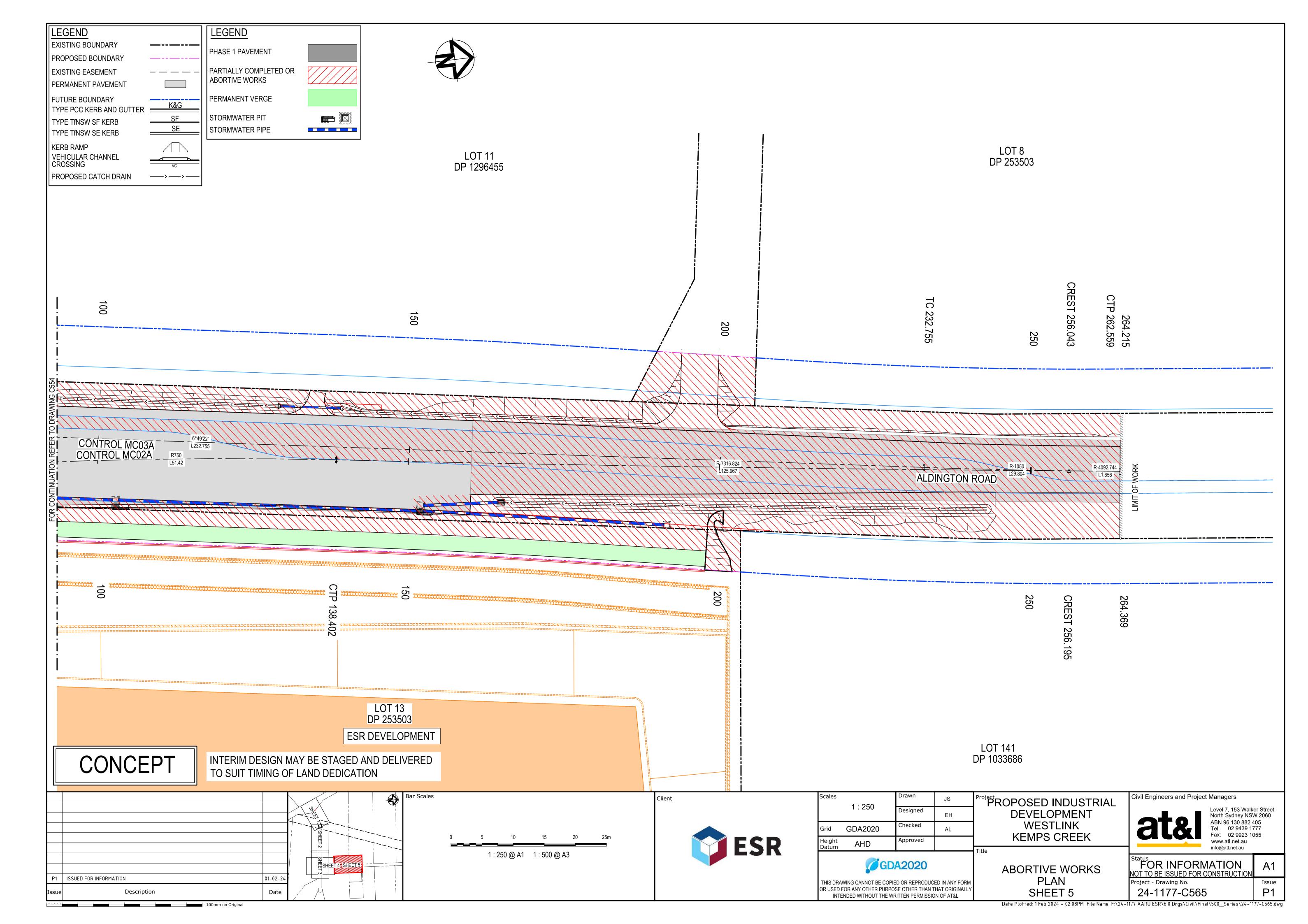
Attachment 2 - Plans of Road Work











Attachment 3 - Plan of Dedication

