



3 April 2024

The General Manager
The Hills Shire Council
3 Columbia Court
Norwest, NSW, 2153
Attention: Michael Edgar

Dear Mr Edgar,

OFFER TO ENTER INTO PLANNING AGREEMENT - NORWEST MARKETOWN PLANNING PROPOSAL

4-6 CENTURY CIRCUIT, NORWEST

I write to make an irrevocable offer on behalf of Norwest City PTY Limited (**Mulpha**) to enter into a planning agreement with The Hills Shire Council (**Council**) to undertake works, dedicate land free of cost and make a monetary contributions to Council in connection with our planning proposal for the site at 4-6 Century Circuit, Norwest.

Our offer is informed by the Infrastructure Delivery Plan prepared by GLN Planning and submitted with the Planning Proposal. This letter addresses key matters a planning agreement must address under section 7.4(3) of the Environmental Planning and Assessment Act 1979 (**EP&A Act**) including a description of the land and proposed development to which the agreement will apply, and details of development contributions proposed to be provided as part of the offer.

We understand that, subject to support by Council staff, this offer will provide the basis for drafting a formal agreement that would be publicly exhibited and reported back to Council after the exhibition for execution.

1 Background

Mulpha Norwest has lodged the Norwest Marketown Planning Proposal with Council seeking to amend *The Hills Local Environmental Plan 2019* (**The Hills LEP**) to revise the planning controls for the land associated with this letter of offer.

To support the Norwest Marketown Planning Proposal, and in consultation with Council, GLN Planning prepared an Infrastructure Delivery Plan (**IDP**) identifying the local infrastructure demands, establishing a suitable development contributions framework and appropriate mechanisms to address these demands.

The key local infrastructure identified under the IDP to support the proposed development included the following:

- Works – construction of a 3,000 m2 community facility, high quality open space and public domain including Lakeshore Green, water park, foreshore recreation works, and The Hills Square public domain.
- Land – dedication of land (floor space) associated with the community facility above.
- Monetary contribution – towards offsite active open space / sports fields and a ‘first and last mile’ travel initiative.

The IDP also identified the appropriate mechanisms to secure the infrastructure requirements for the precinct. Given the site is under complete ownership of Mulpha Norwest, the IDP recommended that a planning agreement rather than a site-specific local infrastructure contribution plan be used to address the local infrastructure demands that will be generated from the planning proposal and associated future development. As noted, this offer has been informed by GLN’s analysis and recommendations.

2 Parties

The proposed parties to this agreement are:

- The Hills Shire Council
- Norwest City PTY Limited (ABN 26 695 958 023).

3 Land

The land which is the subject the proposed agreement is referred to as 4 Century Circuit (Lot 2 in DP 1213272) and 6 Century Circuit (Lot 5080 in DP 1008602), and any lot subsequently created by the subdivision of those lots (**the site**).

The land subject to the proposed planning agreement is shown in **Attachment A**.

4 Planning Proposal

The Planning Proposal seeks the following changes to THLEP 2019:

- Rezone the site from E1 Local Centre to MU1 Mixed Use;
- Increase in overall height within the site from RL116 to RL216;

Increase the Floor Space Ratio from 1.49:1 to 5.0:1, comprising a minimum 'commercial premises' and 'entertainment facility' FSR of 2.5:1 and a maximum 'residential flat buildings', 'shop top housing' and 'boarding houses' FSR of 2.21:1 and 854 dwellings;

- Dwelling size and mix requirements consistent with THLEP 2019 and Council's strategic goals for housing;
- Car parking provisions in relation to dwellings, dwelling visitors, retail and commercial uses;
- Additional Permitted Uses (Schedule 1) to allow for the land uses of: recreation area, retail premises, recreation facility (outdoor), water recreation structure, waterbody (artificial) and wharf/boating facilities, within the land zoned SP2 Infrastructure within the site; and
- Corresponding site-specific DCP amendments.
- Increase the Floor Space Ratio from 1.49:1 to 5.0:1, comprising a minimum 'commercial premises' and 'entertainment facility' FSR of 2.5:1 and a maximum 'residential flat buildings', 'shop top housing' and 'boarding houses' FSR of 2.21:1 and 854 dwellings;
- Dwelling size and mix requirements consistent with THLEP 2019 and Council's strategic goals for housing;
- Car parking provisions in relation to dwellings, dwelling visitors, retail and commercial uses;
- Additional Permitted Uses (Schedule 1) to allow for the land uses of: recreation area, retail premises, recreation facility (outdoor), water recreation structure, waterbody (artificial) and wharf/boating facilities, within the land zoned SP2 Infrastructure within the site; and
- Corresponding site-specific DCP amendments.

5 Indicative Reference Scheme

The Norwest Marketown Indicative Reference Scheme, as prepared by FJC Studio, represents an optimised and refined reference scheme, to guide best practice design and the preparation of detailed planning controls to achieve an attractive transit-oriented development precinct with high amenity.

Key features of the Norwest Marketown Indicative Reference Scheme are:

- A master planned urban design of new building blocks, public streets, squares and open spaces; A total development density of up to 232,375 m² Gross Floor Area (GFA) comprising a Floor Space Ratio of 5.0:1. This includes the following components:-

- 117,330 m² of employment generating floorspace comprising commercial, retail and hotel accommodation;
 - 102,523 m² of residential floorspace comprising approximately 854 apartments; and
 - 12,523 m² of community, indoor recreation, civic, entertainment and education floorspace.
- Building heights above ground ranging from 5 storeys to 36 storeys;
- A Lower Ground level providing a direct connection to Norwest Metro through to Norwest Lake at grade with retail, food and beverage opportunities;
- Basement parking, loading, and servicing across 5 subterranean levels, with spaces for some 2,600 cars, which are intended to be allocated by way of a parking management system;
- Substantial open space provisions including:-
 - The Rivulet – pedestrian linkage connecting Norwest Boulevard to Norwest Lake;
 - Lakeshore Green – cascading open space, providing an enhanced Norwest Lake Foreshore; and
 - The Hills Square – local passive open space and alfresco dining.
- Significant enhancements to the existing Century Circuit, including intersections with Norwest Boulevard, the provision of internalised local streets within a pedestrian priority environment and opportunity for a future connection to Fairway Drive.
- Complementary on and off-site infrastructure to be delivered by way of a future planning agreement.

An Indicative Landscape Masterplan for the future intended development of the site is provided in **Attachment B**.

6 Development Staging

An indicative staging plan for the future intended development of the site is provided in **Attachment C**.

The staging and sequencing of development (and corresponding delivery of infrastructure) may be refined and updated throughout the planning proposal process. The indicative development staging will form part of a future development application.

7 Planning Agreement Offer

Mulpha Norwest proposes to dedicate land free of cost to Council, carry out works, and provide monetary contribution as outlined in the table below. The location of land and works offered is shown in **Attachment D**. This offer is made in accordance with Clause 7.4 of the EP&A Act as Mulpha have sought a change to the Hills LEP.

Table 1: Offer – Key Terms

| Item | Contribution | Staging | Value* |
|-------------------------------|--|---------|---------------------|
| Dedication of land | | | |
| 1 | <u>Community floor space</u> – dedication of approximately 3,000 m ² land at no cost to Council for the purposes of a community facility | Stage 3 | \$4,500,000* |
| Carrying out of work | | | |
| 2 | <u>Community facility</u> - construction of a community facility including a cold shell | Stage 3 | \$25,500,000* |
| 3 | <u>Open space / public domain</u> - 5,700 m ² of open space works associated with the delivery of Lakeshore Green | Stage 2 | Excluded |
| 4 | <u>Open space / public domain</u> – Embellishment of Lakeshore Green and Norwest Lake water quality to establish a District Level Offering including water park, outdoor fitness gym, family bbq facilities, integrated wild landscape play and public art | Stage 2 | \$1,500,000* |
| 5 | <u>Open space / public domain</u> – 1,770 m ² of public domain works associated with The Hills Square, including a public access easement. | Stage 1 | Excluded |
| 6 | <u>Transport</u> – works associated with the delivery of Century Circuit and Norwest Boulevard | Stage 1 | Excluded |
| Monetary contributions | | | |
| 7 | <u>Active open space</u> – payment of monetary contributions for the purposes of active open space / playing fields** | Stage 3 | \$2,500,000* |
| 8 | <u>Transport</u> – 'First and last mile' initiative, to be agreed with Council | Stage 3 | \$1,000,000 |
| Total | | | \$35,000,000 |

*Values as at October 2023. Values to be indexed for inflation in accordance with quarterly CPI updates.

**Works / principles to be agreed e.g., location, timing, distance from site. Potential opportunity includes active recreation upgrades to Bella Vista Farm.

8 Costs of Preparing Agreement

Mulpha Norwest offers to reimburse costs incurred by Council associated with preparing the agreement, such as external legal adviser costs and public notification costs, but excluding staff costs, at cost up to a maximum of \$10,000.

9 Other Matters

The agreement would wholly exclude the application of section 7.11 and 7.12 per section 7.4(3)(d) of the EP&A Act.

Other terms (for example, dispute resolution) would be agreed during drafting of the formal agreement. We expect these would be generally in accordance with Council's standard requirements and planning agreement template.

10 Public Benefit

Mulpha Norwest's offer as outlined in this letter, if accepted by Council, will provide significant public benefits as follows:

- Support realisation of Council's long-term vision for the development of the Norwest Strategic Centre as a vibrant, mixed use, transit location contributing to long term employment, social, economic and sustainability benefits in the region.
- Ensure infrastructure will be provided to accommodate and meet the demands of future developments and mitigates the potential impacts of the development on existing Council infrastructure.
- Relieve Council of the financial burden of providing the community facility and open space works to help meet the future residents' needs.
- Ensure that the works are provided concurrently with the development – so there will not be a lag between the residents moving into the area and the community facility being provided.
- Support the proper management, development, and orderly and economic use of land.
- Enable the land to be developed in a timely and efficient manner, with associated economic development and employment opportunities.
- Provide increased certainty as to provision of contributions.

- Provide an opportunity for involvement and participation by members of the community – through the ability to provide their comments and feedback in connection with the public exhibition of the draft planning agreement.

11 Conclusion

This letter outlines Mulpha Norwest's offer to enter into a planning agreement with Council to undertake works, dedicate land free of cost and make a monetary contribution to Council. The offer as outlined will address infrastructure demands arising from the planning proposal and provide a significant public benefit.

We would be grateful if Council could consider our offer as outlined above at its earliest convenience.

We understand that if our offer is supported it would provide the basis for preparing a draft planning agreement reflecting agreed terms. The draft agreement would need to be approved by Council for the purposes of public exhibition, publicly exhibited, amended as necessary to address any submission issues, and reported back to Council for approval to execute the agreement under delegation. This assumes any post-exhibition amendments, if any, are minor and do not need to be re-exhibited.

If you require any further information, or to discuss next steps, please contact Michael Watt – Planning Manager 0448 076 361 or at Michael.Watt@Mulpha.com.au.

Yours faithfully



Tim Spencer

Head of Developments

MULPHA

Encl.

Attachment A: Land subject to proposed Planning Agreement

Attachment B: Indicative Landscape Masterplan

Attachment C: Development Staging

Attachment D: Location of land and works offered

ATTACHMENT A: LAND SUBJECT TO PROPOSED PLANNING AGREEMENT



 The Site

 NOT TO SCALE

Site aerial photograph, showing extent of the site. Source: Nearmap, edits by Ethos Urban

ATTACHMENT B: INDICATIVE LANDSCAPE MASTERPLAN



Norwest Markettown, Indicative Landscape Masterplan – Source: Realm

ATTACHMENT C: DEVELOPMENT STAGING

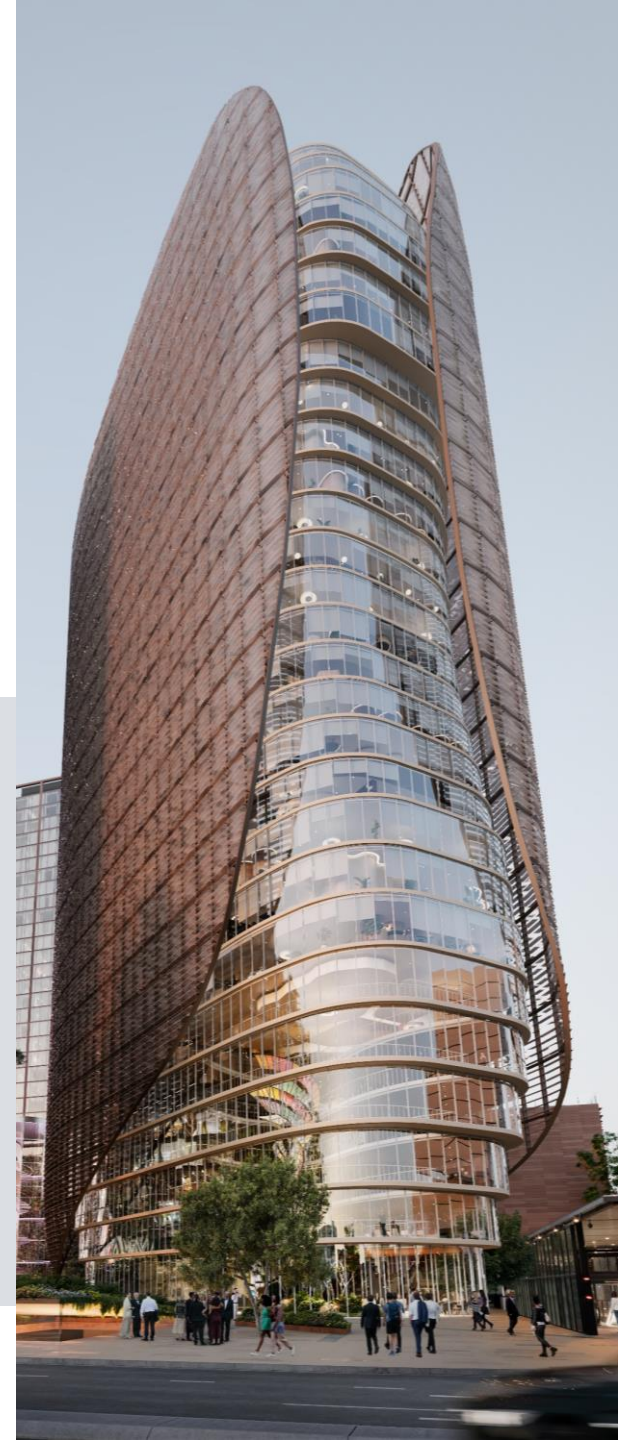
Development Staging

Delivering a project of this magnitude over an extended time frame can only be accomplished with a partnership mindset between all stakeholders, especially Council and the Parent Developer.

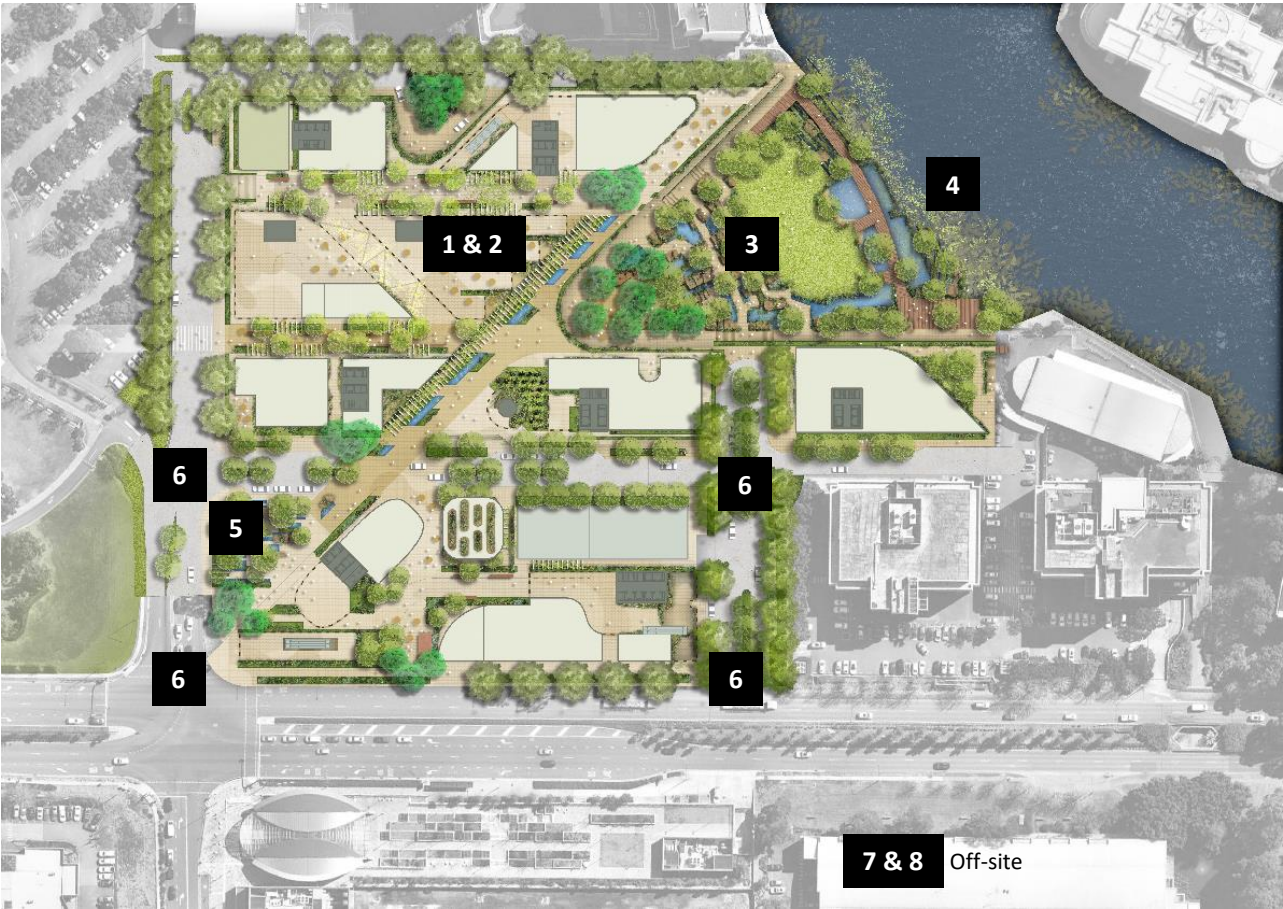
The development will be staged over a period of time and final realization of the Masterplan vision circa 2047. Factors influencing development include economic and market conditions, population growth and sector demand for commercial, retail, residential and community facilities.



Source: FJC, 2023



ATTACHMENT D: LOCATION OF LAND AND WORKS OFFERED



Indicative Landscape Masterplan showing location of works offered from Table 1.

| Item | Contribution |
|-----------------------|--|
| Dedication of land | |
| 1 | <u>Community floor space</u> – dedication of approximately 3,000 m ² land at no cost to Council for the purposes of a community facility |
| Carrying out of work | |
| 2 | <u>Community facility</u> - construction of a community facility including a cold shell |
| 3 | <u>Open space / public domain</u> - 5,700 m ² of open space works associated with the delivery of Lakeshore Green |
| 4 | <u>Open space / public domain</u> – Embellishment of Lakeshore Green and Norwest Lake water quality to establish a District Level Offering including water park, outdoor fitness gym, family bbq facilities, integrated wild landscape play and public art |
| 5 | <u>Open space / public domain</u> – 1,770 m ² of public domain works associated with The Hills Square, including a public access easement. |
| 6 | <u>Transport</u> – works associated with the delivery of Century Circuit and Norwest Boulevard |
| Monetary Contribution | |
| 7 | <u>Active open space</u> – payment of monetary contributions for the purposes of active open space / playing fields |
| 8 | <u>Transport</u> – ‘First and last mile’ initiative, to be agreed with Council |

Extract from Table 1 Offer- Key Terms