

EXPLANATORY NOTE PURSUANT TO SECTION 205 OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT REGULATION 2021

383-395A Kent Street, Sydney

Planning Proposal: PP-2024-408

Background

This explanatory note supports the notification of a draft Planning Agreement.

On 30 August 2024, the NSW Department of Planning Housing and Infrastructure issued Gateway Determination for a Planning Proposal to amend the Sydney Local Environmental Plan 2012 (Sydney LEP 2012) to enable an increased floor space ratio (FSR) and increased maximum building height for development at 383-395A Kent Street, Sydney (**Land**).

In conjunction with the Planning Proposal, the City received a public benefit offer from the developer to enter into a Planning Agreement. A draft Planning Agreement was prepared for exhibition with the Planning Proposal to secure a Logistics Hub, pedestrian through-site link and environmental commitments.

The purpose of this explanatory note is to support the notification of the draft Planning Agreement, under section 7.4 of the *Environmental Planning and Assessment Act 1979 (Act)* by meeting the statutory requirements of section 205 of the *Environmental Planning and Assessment Regulation 2021 (Regulation)*.

This explanatory note has been prepared jointly by the parties.

The public benefits set out in the Planning Agreement do not in any way exclude the developer or owner (as the case may be) from paying monies under sections 7.11 or 7.12 of the Act.

This explanatory note is not to be used to assist in construing the Planning Agreement.

1. Parties to the Planning Agreement

The parties to the Planning Agreement are The Trust Company (Australia) Limited as custodian of Bieson Pty Ltd as trustee of 383 Kent Street Landowning Trust (**Developer**) and the Council of the City of Sydney (**City**).

2. Description of the Subject Land

The Planning Agreement applies to 383-395A Kent Street, Sydney being Lot 1 in DP778342.

3. Summary of the Objectives, Nature and Effect of the Proposed Agreement

The objective of the Planning Agreement is to secure public benefits in connection with the Planning Proposal for the Land.

The nature of the Planning Agreement is to secure a Logistics Hub, pedestrian through-site link and environmental commitments.

The effect of the proposed Agreement is for the public benefits to be delivered in a timely manner with the development of the Land (as set out in the Planning Agreement).

4. 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 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 promotes the objects of the Act by providing improved community infrastructure which will support and service the existing and future population and will contribute to greater amenity and infrastructure in the locality.

(b) How the Planning Agreement promotes the elements of the Council's principles and objects under the Local Government Act 1993

The Planning Agreement promotes a number of elements of the principles for local government under section 8 of the *Local Government Act 1993* (NSW) consistent with the guiding principles for Councils under that Act. In particular, the Planning Agreement through the delivery of the public benefits allows Council to:

- (i) 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;
- (ii) exercise community leadership;
- (iii) 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;
- (iv) in its capacity as the custodian and trustee of public assets, effectively plan for, account for and manage the assets for which it is responsible;
- (v) engage in long-term strategic planning on behalf of the local community; and
- (vi) keep the local community and the State government (and through it, the wider community) informed about its activities.

The Planning Agreement promotes the following purpose under section 7(e) of the *Local Government Act 1993* (NSW), namely providing for a system of local government that is accountable to the community and that is sustainable, flexible and effective.

(c) 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 by providing improved amenity and pedestrian connections to the area. In this way the Planning Agreement promotes the public interest.

This Planning Agreement is in accordance with the relevant provisions of the Planning Proposal.

(d) Whether the Planning Agreement conforms with Council's capital works program

The Planning Agreement does not impact on Council's capital works program.

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

The Planning Agreement will serve a planning purpose by enhancing community infrastructure to reflect the changing nature of the area and the needs of the growing residential and workforce population within Central Sydney.

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.

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

The following requirements of the Planning Agreement must be complied with before:

- (i) A construction certificate is issued:** The provision of a guarantee to the City (in relation to a construction certificate that approves construction under the Building Contract).
- (ii) An occupation certificate is issued:** Completion of the Logistics Hub, registration of the Instruments and preparation of the Plan of Management (in a form approved by the City).
- (iii) A subdivision certificate is issued:** Nil.