

## Explanatory Note

### Proposed Planning Agreement between the Minister and Dawson Properties (Ventures) Pty Ltd atf Bellbird Trust

#### Introduction

The purpose of this Explanatory Note is to provide a plain English summary to support the notification of the proposed planning agreement (the “**Planning Agreement**”) prepared under section 93F of the *Environmental Planning and Assessment Act 1979* (the “**Act**”).

The Explanatory Note relates to the Planning Agreement proposed to be entered into by the parties described below in respect of land at Tennant Street, Cessnock in the Local Government Area of Cessnock City Council.

This Explanatory Note has been prepared jointly by the parties as required by clause 25E of the *Environmental Planning and Assessment Regulation 2000*.

#### Parties to the Proposed Planning Agreement

The parties to the Planning Agreement are Dawson Properties (Ventures) Pty Ltd (the “**Developer**”) and the Minister for Planning and Infrastructure (the “**Minister**”).

The **Developer** owns and intends to develop certain land at Tennant Street, Cessnock (the “**Land**”). A development application has been made in relation to the **Land** to Cessnock City Council under Part 4 of the Act. The **Developer** has made an offer to enter into the Planning Agreement in connection with that development application.

#### Description of the Subject Land

The Planning Agreement applies to Lot 1 DP 196997 which is located at Tennant Street, Cessnock.

#### Description of the Development Application

The **Developer** has lodged a development application for the subdivision of 77 lots at Tennant Street, Cessnock (76 residential allotments (“**Urban Lots**”) and 1 residue lot for roads and public open space).

#### Summary of Objectives, Nature and Effect of the Proposed Planning Agreement

The Planning Agreement provides that the **Developer** will provide a monetary contribution of \$108,676 (subject to indexation) per hectare of Net Developable Area for the purposes of designated State public infrastructure within the meaning of clause 6.1 of Cessnock Local Environmental Plan 2011 (the “**Cessnock LEP**”).

Contributions are subject to indexation, based on the Sydney Consumer Price Index (CPI). Any monetary contribution instalments paid to the Minister prior to 1 July 2012 will be entitled to a one third reduction to the amount otherwise payable, as per the Government’s increased contribution towards infrastructure. The Planning Agreement requires the Contribution to be paid on the earlier of either 21 days prior to the transfer of an Urban Lot, or 3 years after the issue of a Subdivision Certificate in respect of an Urban Lot.

To secure the obligation to provide the monetary contribution in circumstances where the contribution has not been paid upon the dates stipulated in the Planning Agreement, the **Developer** has agreed to provide a Bank Guarantee to the Minister.

The Planning Agreement is required to be registered on title. The objective of the Planning Agreement is to facilitate the delivery of the **Developer’s** contributions towards the provision of State public

infrastructure, facilities and services referred to in clause 6.1 of the Cessnock LEP. No relevant capital works program by the Minister is associated with this Agreement.

## **Assessment of the Merits of the Proposed Planning Agreement**

### The Planning Purpose of the Planning Agreement

In accordance with section -93F(2) of the Act, the Planning Agreement has the following public purpose:

- the provision of (or the recoupment of the cost of providing) public amenities or public services and other infrastructure relating to land.

The Minister and the **Developer** have assessed the Planning Agreement and both hold the view that the provisions of the Planning Agreement provide a reasonable means of achieving the public purposes set out above. This is because it will ensure that the **development** makes an appropriate contribution towards the provision of infrastructure, facilities and services referred to in clause 6.1 of the Cessnock LEP.

### How the Planning Agreement Promotes the Public Interest

The Planning Agreement promotes the public interest by ensuring that an appropriate contribution is made towards the provision of infrastructure, facilities and services to satisfy needs that arise from the development of the Land.

### How the Planning Agreement Promotes the Objects of the Act

The Planning Agreement promotes the objects of the Act by encouraging:

- the promotion and co-ordination of the orderly and economic use and development of land.

The Planning Agreement promotes the objects of the Act set out above by requiring the **Developer** to make a contribution towards the provision of infrastructure, facilities and services referred to in clause 6.1 of the Cessnock LEP.

The **Developer's** offer to contribute towards the provision of State infrastructure will have a positive impact as funds from the **Developer** will be available towards the provision of infrastructure, facilities and services referred to in clause 6.1 of the Cessnock LEP.

### Requirements relating to Construction, Occupation and Subdivision Certificates

The Planning Agreement does not specify requirements that must be complied with prior to the issue of a Construction Certificate or an Occupation Certificate.

In relation to Subdivision Certificates, the following requirement must be complied with under the Planning Agreement:

- the relevant development contribution must be paid on the date that is the earlier of:
  - (a) 21 days prior to the transfer of an urban lot; or
  - (b) 3 years after the issue of a subdivision certificate in respect of an urban lot (see clause 2 of schedule 4 to the Planning Agreement).

## **Interpretation of the Planning Agreement**

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