

Proposed Planning Agreement – Bellbird North

Minister for Planning and Infrastructure and Bellbird Ridge Pty Ltd

Explanatory Note

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 Subdivision 2 of Division 6 of Part 4 of the *Environmental Planning and Assessment Act 1979* (the “**Act**”).

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 Planning Agreement

The parties to the Planning Agreement are Bellbird Ridge Pty Ltd (the “**Landowner**”) and the Minister for Planning and Infrastructure (the “**Minister**”).

The Landowner owns certain land at Bellbird North Urban Release Area within the Cessnock City Local Government Area. The Developer intends to develop that land for residential purposes. The development will be carried out in a number of stages.

The Johnson Property Group Pty Ltd (the “**Developer**”) has made development application to Cessnock City Council (“the **Council**”) under Part 4 of the Act. The first stage development application is to subdivide portions of three lots of land into 60 residential allotments.

The Landowner has made an offer to enter in the Planning Agreement in connection with that development application. The Planning Agreement will apply to the land the subject of the development application and to other land owned by the Landowner within the Urban Release Area (the “**Land**”).

Description of the Subject Land

The Land is Lot 1 DP 597266, Lot 1 DP327785 and Lot 1 DP 328498. The Land is located at Bellbird North in the Cessnock City Local Government Area.

Description of the Proposed Development

The development is for about 630 residential lots, and includes areas of open space and business (the “**Proposed Development**”). The Proposed Development will be carried out in stages over a number of years.

Summary of Objectives, Nature and Effect of the Planning Agreement

The Planning Agreement provides for payment of monetary contributions towards the cost of conservation and vegetation offsets and towards the cost of designated State public infrastructure identified in clause 66 of the *Cessnock Local Environmental Plan 1989*.

Specifically the Planning Agreement provides for the following:

- **Environmental offset** – either a monetary contribution of around \$154,656 (subject to indexation) or the acquisition of environmental offset land acceptable to the Minister.
- **Monetary Contribution** – a monetary contribution to be determined at the rate of \$72,451 per hectare of net developable area.

The monetary contribution will be payable in stages and will be calculated by reference to the net developable area of the Land to which each development application relates. The term net developable area will have the same meaning as in the draft SIC determination. The monetary contribution will be required to be paid prior to the issue of the subdivision certificate. The contribution rate will be indexed in accordance with the Sydney consumer price index (in July each year based on movement up to the March quarter).

The requirement to pay the monetary contribution will be secured by way of a Bank Guarantee for \$20,000 to be provided on execution of the Planning Agreement. The environmental offset contribution is secured by way of a Bank Guarantee for \$146,923 to be provided within 10 Business Days of the execution of the Planning Agreement.

The Planning Agreement also contains a provision that in the event that the Minister does impose a SIC and the monetary contribution has not been paid, the Landowner can pay the SIC contribution amount in lieu of the amount specified in the Planning Agreement. The amount payable will not exceed the rate (including indexation) in the draft SIC determination.

The Planning Agreement is required to be registered on title.

The objective of the Planning Agreement is to facilitate the delivery of the Landowner's contributions towards the provision of infrastructure, facilities and services referred to in clause 66 of the LEP.

No relevant capital works program by the Minister is associated with this Planning Agreement.

Assessment of the Merits of the 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.

The Minister and the Landowner 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 purpose set out above. This is because it will ensure that the Landowner makes appropriate contributions towards the provision of infrastructure, facilities and services referred to in clause 66 of the 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 provision of infrastructure, facilities and services to satisfy needs that arise from 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; and
- the provision of land for public purposes

The Planning Agreement promotes the objects of the Act set out above by requiring the Landowner to make a contribution towards the provision of infrastructure, facilities and services referred in clause 66 of the LEP.

The Landowner's offer to contribute towards the provision of State infrastructure will have a positive public impact as funds from the Landowner will be available towards the provision of infrastructure, facilities and services referred to in clause 66 of the 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, an occupation certificate or a subdivision certificate.

Interpretation of Planning Agreement

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