

Explanatory Note

Minister for Planning, Hardie Greta Pty Ltd (ACN 108 802 786)

Draft Planning Agreement

Introduction

The purpose of this explanatory note is to provide a plain English summary to support the notification of the draft 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* (the **Regulation**).

Parties to the Planning Agreement

The parties to the Planning Agreement are Hardie Greta Pty Ltd (ACN 108 802 786) (the **Developer**) and the Minister for Planning (the **Minister**).

Description of the Subject Land

The Planning Agreement applies to Lot 2 in DP 1151267 and Lots 2 and 3 in DP 1212829 known as Wyndham and West Streets, Greta (the **Land**).

The Land is owned by the Developer.

Description of the Proposed Development

The Developer is seeking development consent for subdivision of the land into approximately 248 residential lots, drainage reserves, open space, earthworks and associated infrastructure (**Proposed Development**) and has made an offer to the Minister to enter into the Planning Agreement in connection with the Proposed Development.

Summary of Objectives, Nature and Effect of the Planning Agreement

The Planning Agreement provides that the Developer will make a monetary contribution of \$1,600.00 per residential lot for the purposes of the provision of designated State public infrastructure within the meaning of clause 6.1 of the *Cessnock Local Environmental Plan 2011* (**LEP**).

The amount of the monetary contribution will be paid in instalments calculated on the basis of the number of residential lots for each development application for the subdivision of the Land. The instalments are payable prior to the issue of each relevant subdivision certificate as set out in Schedule 4 to the Planning Agreement.

In addition to the payment of the above contribution, the Developer has also agreed to make contributions towards State and regional public infrastructure under separate planning agreements which are registered on the title of the Land, including:

- the dedication of approximately 297 hectares of land to the Minister administering the *National Parks and Wildlife Act 1974* (**Environment Minister**) and contributions towards the establishment of the reserve that are secured by a planning agreement between the Developer, the Environment Minister and Cessnock City Council (the **Council**); and

- contributions towards regional parks and sportsgrounds that are secured by a planning agreement between the Developer and the Council.

The Developer is required to provide security in the form of a \$20,000.00 bank guarantee or insurance bond and register the Planning Agreement on the title to the Land in accordance with section 93H of the Act.

The objective of the Planning Agreement is to facilitate the delivery of the Developer's contributions towards the provision of infrastructure, facilities and services referred to in clause 6.1 of the LEP.

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

Assessment of Merits of 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 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 purpose set out above. This is because it will ensure that the Developer makes appropriate contributions towards the provision of infrastructure, facilities and services referred to in clause 6.1 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 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
- requiring the Developer to make a contribution towards the provision of infrastructure, facilities and services referred to in clause 6.1 of the LEP.

The Developer's offer to contribute towards the provision of State infrastructure will have a positive public 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 LEP.

Requirements relating to Construction, Occupation and Subdivision Certificates

The Planning Agreement does not include requirements that must be complied with prior to the issue of a construction certificate or an occupation certificate.

The Planning Agreement requires each instalment of the monetary contribution to be paid prior to the issue of the relevant subdivision certificate and therefore contains a restriction on the issue of a subdivision certificate within the meaning of section 109J(1)(c1) of the Act.