

Explanatory Note

Minister administering the *Environmental Planning and Assessment Act 1979*
(ABN 20 770 707 468)

and

Pitt Street Developer North Pty Ltd (ACN 635 396 824)

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 7.1 of Part 7 of the *Environmental Planning and Assessment Act 1979* (the **Act**).

This explanatory note has been prepared having regard to the Planning Agreements Practice Note and its contents have been agreed by the parties.

Unless the contrary intention appears, expressions and phrases used but not defined in this explanatory note have the same meanings as they have in the Planning Agreement.

Parties to the Planning Agreement

The parties to the Planning Agreement are the Minister administering the *Environmental Planning and Assessment Act 1979* (ABN 20 770 707 468) (the **Minister**) and Pitt Street Developer North Pty Ltd (ACN 635 396 824) (the **Developer**).

Description of the Subject Land

The Planning Agreement applies to Lot 20 in Deposited Plan 1255509 (the **Subject Land**). The Subject Land is located at Pitt Street, Sydney.

Background and Description of the Development

On 26 February 2021, the Developer was granted Development Consent to SSD 10375 (**Development Consent**).

The Development Consent enables the Developer to construct the Pitt Street North Over Station Development on the Subject Land, which includes:

- (a) a commercial office tower with a maximum building height of Reduced Levels 176.8;
- (b) a maximum gross floor area of 55,743 square metres (including gross floor area approved under the Development Consent granted to CSSI 7400);
- (c) staged stratum subdivision;
- (d) signage zones; and
- (e) use of podium (approved under the Development Consent granted to CSSI 7400) for:
 - (i) commercial lobbies;
 - (ii) retail tenancies;
 - (iii) 200 bicycle storage and end of trip facilities;
 - (iv) 40 carparking spaces;
 - (v) loading dock and associated facilities;
 - (vi) plant and circulation,

(**Development**).

Condition B11 of the Development Consent requires the Developer to enter into a planning agreement with the Minister in accordance with clause 6.11A of *Sydney Local Environmental Plan 2012* (the **LEP**) and the Minister for Planning and Public Spaces' Alternative Heritage Arrangements Scheme dated December 2021 and/or purchase Heritage Floor Space in accordance with clause 6.10 and clause 6.11 of the LEP.

The Developer has made an offer to the Minister to enter into the Planning Agreement in connection with carrying out the Development and to satisfy Condition B11 of the Development Consent.

Summary of Objectives, Nature and Effect of the Planning Agreement

The Planning Agreement provides for the Developer to purchase 23,125 square metres of Heritage Floor Space (**Required HFS**) in connection with the Development by the timing provided in Condition B11 of the Development Consent.

If the Developer has not purchased the Required HFS by the timing provided in Condition B11 of the Development Consent, the Developer will make the following **Development Contribution** by the timing provided:

Development Contribution	Timing
Pay a monetary contribution of \$2,147.35 per square metre of Heritage Floor Space that has not been purchased by the timing provided in Condition B11 of the Development Consent.	<p>By no later than:</p> <ul style="list-style-type: none"> 28 December 2023; and if the Planning Agreement has not commenced by 28 December 2023, upon its commencement. <p>In any case, prior to the issue of the first Occupation Certificate for a building or part of a building in respect of the Development.</p>

The Developer is required to provide the following bank guarantees as security for the following obligations:

Bank guarantee (amount)	Secured obligation
\$200,000	All obligations imposed on the Developer under the Planning Agreement.
An amount that equals the value of the Development Contribution calculated in accordance with the Planning Agreement.	All obligations imposed on the Developer under the Planning Agreement.

The Planning Agreement provides the circumstances in which the security above could be returned to the Developer.

The Planning Agreement will be registered on title to the Subject Land.

The objective of the Planning Agreement is to facilitate the making of the Developer's contribution towards heritage conservation works in Central Sydney, which will in turn satisfy Condition B11 of the Development Consent.

Assessment of Merits of Planning Agreement

The Planning Purpose of the Planning Agreement

In accordance with section 7.4(2) of the Act, the Planning Agreement has the following public purpose:

- the funding of recurrent expenditure relating to the provision of public amenities or public services, affordable housing or transport or other infrastructure.

The Minister and the Developer have assessed the Planning Agreement and 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 enable the Developer to make an appropriate contribution towards funding heritage conservation works.

How the Planning Agreement Promotes the Public Interest

The Planning Agreement promotes the public interest by ensuring that an appropriate contribution is made towards funding heritage conservation works.

The Developer's offer to contribute towards funding conservation works for heritage listed buildings within Central Sydney will have a positive impact on the public who will ultimately use those buildings.

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 a subdivision certificate.

The Planning Agreement requires the Development Contribution to be provided prior to the issue of the first occupation certificate for the Development and therefore contains a restriction on the issue of an occupation certificate within the meaning of section 48 of *Environmental Planning and Assessment (Development Certification and Fire Safety) Regulation 2021*.