

Explanatory Note

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

and

Goodman Property Services (Aust) Pty Limited (ACN 088 981 793)

and

BGMG 14 Pty Limited (ACN 661 888 884) in its capacity as trustee of
BGMG1 Oakdale East Trust No 2

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.

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**), Goodman Property Services (Aust) Pty Limited (ACN 088 981 793) (the **Developer**) and BGMG 14 Pty Limited (ACN 661 888 884) as trustee of BGMG1 Oakdale East Trust No 2 (the **Landowner**).

Description of the Subject Land

The Planning Agreement applies to Lot 103 DP 1268366, known as Oakdale East Industrial Estate, 2-10 Old Wallgrove Road, Horsley Park (**Subject Land**).

Description of the Proposed Development

The Developer is seeking to carry out a staged development of the Subject Land, including the construction of 11 warehouses, and associated infrastructure and works, generally in accordance with Concept Development Application SSD-37486043 and including:

- (a) the construction of 4 warehouses, with associated loading bays, office and ancillary buildings and other works, across Precinct 1 and Precinct 3 of the estate (described as part of “Stage 2” of the Oakdale Industrial Estate development in the Environmental Impact Statement), having approximately a gross lettable area of 117,876 m²; and
- (b) further stages of development involving the construction of 7 warehouses across Precincts 2, 4 and 5 proposed to be the subject of future development applications.

(Proposed Development).

The Developer has made an offer to the Minister to enter into the Planning Agreement in connection with the Proposed Development.

An indicative plan of the Proposed Development is at the end of this explanatory note.

Summary of Objectives, Nature and Effect of the Planning Agreement

The Planning Agreement requires the Developer to make a development contribution comprising the payment of monetary contributions by instalments (**Contribution Amounts**) determined at the rate of \$226,193 per hectare of net developable area of the Subject Land (subject to indexation in accordance with the Planning Agreement) (**Development Contribution**). The Development Contribution is provided for the purposes of the provision of regional transport infrastructure and services in Western Sydney Employment Area, being the land to which Chapter 2 of *State Environmental Planning Policy (Industry and Employment) 2021* applies (**WSEA**).

Each Contribution Amount is payable prior to the issue of the first construction certificate for a building to which a development consent for the Development relates.

However, the Developer is required to satisfy the requirement to pay each Contribution Amount by using its “Excess Contributions Credit” generated under an earlier planning agreement, namely, the Oakdale West Estate Planning Agreement, being an agreement between the Minister and Goodman Property Services (Aust) Pty Ltd and BGMG 11 Pty Limited as trustee for the BGMG 1 Oakdale West Trust dated 26 July 2019 (2017/8367).

Under the Oakdale West Estate Planning Agreement, the “Excess Contributions Credit” available to the Developer was \$22,576,932.04, as at 1 July 2023. The estimated Development Contribution under the draft Planning Agreement is \$11,140,570.73 (subject to indexation).

The Developer, together with BGAI 12 Pty Ltd (ACN 637 474 545) as trustee of the BGAI 1 Oakdale East Trust (**BGAI 12**), also has available “credit” under the Oakdale East Stage 1 Planning Agreement, being an agreement between the Minister and Goodman Property Services (Aust) Pty Ltd and The Austral Brick Co Pty Ltd dated 20 December 2019 (SVPA2019-11). (BGAI 12 replaced The Austral Brick Co Pty Ltd as a party to the agreement, by deed of novation dated 1 November 2021.) The Developer may, if BGAI 12 consents, also use the credit (referred to as the “Offset Amount”) under that agreement to satisfy its obligation to make the Development Contribution under the draft Planning Agreement.

The objective of the Planning Agreement is to facilitate the delivery of the Developer’s contributions towards the provision of regional transport infrastructure and services in Western Sydney Employment Area.

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

Assessment of Merits of Planning Agreement

The Public Purpose of the Planning Agreement

In accordance with section 7.4(2) of the Act, the Planning Agreement has the public purpose of facilitating the provision of (or the recoupment of the cost of providing) regional transport infrastructure and services in WSEA.

The Minister, the Developer 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 Developer makes an appropriate contribution towards the provision of infrastructure, facilities and services.

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 regional transport infrastructure and services in Western Sydney Employment Area that arise from development of the Subject Land.

The Developer's offer to contribute towards the provision of this transport infrastructure and services will have a positive impact on the public who will ultimately use it.

Requirements relating to Construction, Occupation and Subdivision Certificates

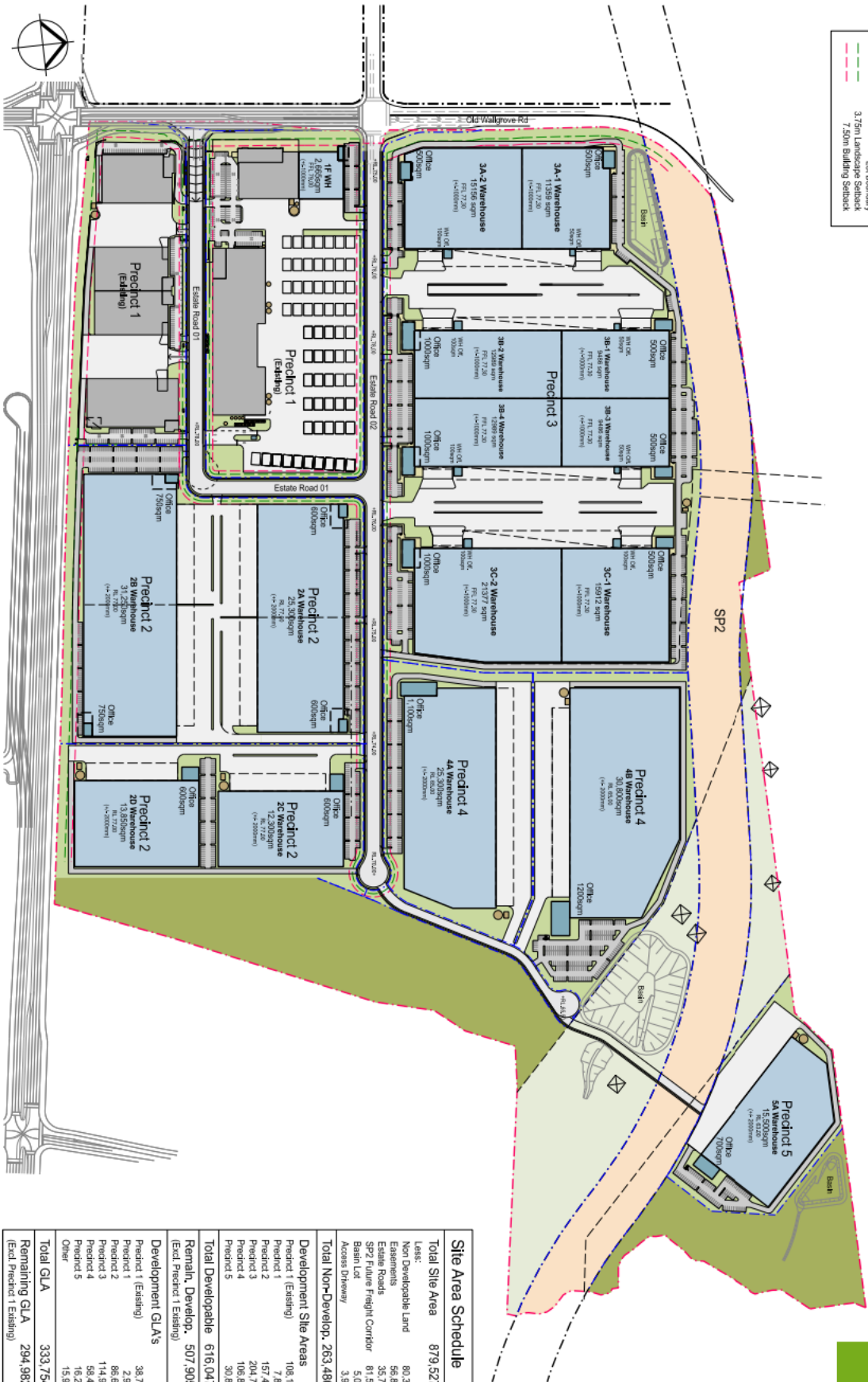
The Planning Agreement does not specify requirements that must be complied with prior to the issue of a subdivision certificate or an occupation certificate.

The Planning Agreement requires an instalment of the Development Contribution, being a Contribution Amount, to be paid prior to the issue of the first construction certificate for a building to which a development consent for the Development relates, and therefore contains a restriction on the issue of a construction certificate for the purposes of section 21 of the *Environmental Planning and assessment (Development Certification and Fire Safety) Regulation 2021*.

Indicative Plan of the Proposed Development

See following page.

| Legend | |
|---|-------------------------|
| --- | Site Boundary |
| --- | Lot Boundary |
| --- | 3.75m Landscape Setback |
| --- | 7.50m Building Setback |



| Site Area Schedule | |
|---------------------------------------|-------------|
| Total Site Area | 879,527 sqm |
| Less: | |
| Non-Developable Land | 80,355 sqm |
| Essentials | 56,817 sqm |
| Estate Roads | 35,726 sqm |
| SP2 Future Freight Corridor | 81,551 sqm |
| Basin Lot | 5,051 sqm |
| Access Driveway | 3,940 sqm |
| Total Non-Develop. 263,480 sqm | |
| Development Site Areas | |
| Precinct 1 (Existing) | 108,112 sqm |
| Precinct 2 | 157,263 sqm |
| Precinct 3 | 157,450 sqm |
| Precinct 4 | 204,758 sqm |
| Precinct 5 | 106,893 sqm |
| Total Developable 616,047 sqm | |
| Remain. Develop. 507,905 sqm | |
| (Excl. Precinct 1 Existing) | |
| Development GLAs | |
| Precinct 1 (Existing) | 38,772 sqm |
| Precinct 2 | 2,927 sqm |
| Precinct 3 | 86,630 sqm |
| Precinct 4 | 114,904 sqm |
| Precinct 5 | 58,400 sqm |
| Other | 16,200 sqm |
| Total GLA 333,754 sqm | |
| Remaining GLA 294,982 sqm | |
| (Excl. Precinct 1 Existing) | |