

8 December 2011

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Dear Sir

**Jacfin – Horsley Park Concept Plan and Project Application
Contribution in respect of Lot A Burley Road**

As you are aware, we act for Jacfin Pty Ltd (**Jacfin**).

We refer to Jacfin's Concept Plan Application (MP10_0129) and Stage One Project Application (MP10_0130) lodged with the Director-General of the Department of Planning and Infrastructure. The purpose of this letter is to outline Jacfin's offer to enter into a planning agreement with the Minister for Planning on the terms set out below.

Clause 29 of *State Environmental Planning Policy (Western Sydney Employment Area) 2009 (SEPP (WSEA))* provides that a consent authority not consent to development on land within the Western Sydney Employment Area (**WSEA**) unless "satisfactory arrangements have been made to contribute to the provision of regional transport infrastructure and services (including the Erskine Park Link Road Network)".

On 12 August 2009, the Premier of NSW announced that the NSW Government would impose a \$180,000 state infrastructure charge per developable hectare in the WSEA. This announcement further stated that the state infrastructure charge levy across the whole of the SEPP (WSEA) area provides proponents with upfront certainty on the infrastructure costs they are asked to bear for development. However, no special infrastructure contributions plan (within the meaning of subdivision 4 of Division 6 of Part 4 of the *Environmental Planning and Assessment Act 1979* (NSW) (the **EPA Act**) currently exists that incorporates the state infrastructure charge.

In the absence of a special infrastructure contributions plan, under section 93I of the EP&A Act, Jacfin offers to enter into a planning agreement with the Minister for Planning on the following terms:

1. Jacfin will contribute a monetary contribution maximum of \$180,000 per hectare of Net Developable Area (**Development Contribution Amount**) for Planning for the provision of regional infrastructure within the broader Western Sydney Employment Area.
2. The Net Developable Area for each stage of the Development will be determined by reference to clause 12 of the *Environmental Planning and Assessment (Special Infrastructure Contribution – Western Sydney Growth Areas) Determination 2011*.
3. If a Special Infrastructure Contribution (SIC) is determined under section 94EE of the EPA Act that covers the Land:

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Melbourne
Perth
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Shanghai
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Sydney



- (a) Jacfin will pay the Development Contribution Amount or an amount equivalent to the SIC if that is less than the Development Contribution Amount; and
 - (b) if Jacfin has paid Development Contribution Amounts and the SIC is less than the Development Contribution Amount, Jacfin will be entitled to repayment of the difference between any Development Contribution Amounts paid and the SIC within 60 days.
- 4. With the agreement of the Minister for Planning, Jacfin may provide regional infrastructure with the Western Sydney Employment Area in relation to the Jacfin Approval, or dedicate land for the provision of this infrastructure, and obtain a credit to be offset against its obligation to pay future Development Contribution Amounts (**Jacfin Credit**).
- 5. The value of the Jacfin Credit shall be determined by an independent person, and
 - (a) in relation to the provision of regional infrastructure works, be based on the cost of providing the works; and
 - (b) in relation to the dedication of land for the provision of regional infrastructure works, be calculated in accordance with the land Acquisition (Just terms Compensation) Act 1991 (NSW) as if that land had been acquired by compulsory acquisition.
- 6. The planning agreement will:
 - (a) exclude the operation of sections, 94, 94A and 94EF of the EPA Act; and
 - (b) provide for the provision of suitable security.

Yours sincerely

Allens Arthur Robinson

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