

EXPLANATORY NOTE PURSUANT TO SECTION 205 OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT REGULATION 2021

232-240 Elizabeth Street, Surry Hills

Planning Proposal: PP-2022-4342

Background

This explanatory note supports the notification of a draft Planning Agreement.

On 14 June 2024, the NSW Department of Planning Housing and Infrastructure issued Gateway Determination for a Planning Proposal at 232-240 Elizabeth Street, Surry Hills (**Land**).

In conjunction with the Planning Proposal, the City received a public benefit offer from the owners to enter into a Planning Agreement. A draft Planning Agreement was prepared for exhibition with the Planning Proposal to secure the construction and dedication (limited in stratum) of a new public laneway connecting Reservoir Street with Foster Lane.

The purpose of this explanatory note is to support the notification of the draft Planning Agreement, under section 7.4 of the *Environmental Planning and Assessment Act 1979* (**Act**) by meeting the statutory requirements of section 205 of the *Environmental Planning and Assessment Regulation 2021* (**Regulation**).

This explanatory note has been prepared jointly by the parties.

The public benefits set out in the Planning Agreement do not in any way exclude the developer or owner (as the case may be) from paying monies under sections 7.11 or 7.12 of the Act.

This explanatory note is not to be used to assist in construing the Planning Agreement.

1. Parties to the Planning Agreement

The parties to the Planning Agreement are Stasia Holdings Pty Ltd and The Owners - Strata Plan No. 1379 (**Owner**) and the Council of the City of Sydney (**City**).

2. Description of the Subject Land

The Planning Agreement applies to 232-240 Elizabeth Street, Surry Hills being Lots 1 and 2 in DP 779385, Lot 1 in DP664653 and Lots 1, 2 and CP in SP 1379.

3. Summary of the Objectives, Nature and Effect of the Proposed Agreement

The objective of the Planning Agreement is to secure public benefits in connection with the Planning Proposal for the Land.

The nature of the Planning Agreement is to secure the construction and dedication (limited in stratum) of a new public laneway connecting Reservoir Street with Foster Lane.

The effect of the proposed Agreement is for the public benefits to be delivered in a timely manner with the development of the Land (as set out in the Planning Agreement).

4. Assessment of the Merits of the Proposed Agreement

(a) How the Planning Agreement promotes the public interest and one or more of the objects of the Act

The Planning Agreement promotes the objects of the Act, in particular objects identified in section 1.3 (c) and 1.3(g) of the Act which is to promote the orderly and economic use and development of land and to promote good design and amenity of the built environment. The Planning Agreement promotes the objects of the Act by providing

improved community infrastructure which will support and service the existing and future population and will contribute to greater amenity and infrastructure in the locality.

(b) How the Planning Agreement promotes the elements of the Council's principles and objects under the Local Government Act 1993

The Planning Agreement promotes a number of elements of the principles for local government under Chapter 3 of the *Local Government Act 1993* (NSW) In particular, the Planning Agreement through the delivery of the public benefits allows Council to:

- (i) provide strong and effective representation, leadership, planning and decision-making;
- (ii) carry out functions in a way that provides the best possible value for residents and ratepayers;
- (iii) plan strategically, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community;
- (iv) manage lands and other assets so that current and future local community needs can be met in an affordable way; and
- (v) work with others to secure appropriate services for local community needs.

The Planning Agreement promotes the following purpose under section 7(e) of the *Local Government Act 1993* (NSW), namely providing for a system of local government that is accountable to the community and that is sustainable, flexible and effective.

(c) The impact of the Planning Agreement on the public or any section of the public

The Planning Agreement will benefit the public and local community by providing improved amenity and pedestrian connections to the area. In this way the Planning Agreement promotes the public interest.

This Planning Agreement is in accordance with the relevant provisions of the Planning Proposal.

(d) Whether the Planning Agreement conforms with Council's capital works program

The Planning Agreement does not impact on Council's capital works program.

(e) The planning purpose or purposes of the Planning Agreement

The Planning Agreement will serve a planning purpose by enhancing community infrastructure to reflect the changing nature of the area and the needs of the growing residential and workforce population within Central Sydney.

It is considered that the Planning Agreement provides for a reasonable means by which to achieve these planning purposes given the extent of the statutory tools that are available to Council by which it can deliver the proposed public benefits.

(f) Compliance with certain requirements prior to issue of construction, occupation or subdivision certificates.

The following requirements of the Planning Agreement must be complied with before:

- (i) **A construction certificate is issued:** The provision of a guarantee to the City (in relation to a construction certificate that approves the construction of any structures above the ground floor of the development).
- (ii) **An occupation certificate is issued:** Construction and dedication of a new public laneway (limited in stratum) connecting Reservoir Street with Foster Lane.

(iii) A subdivision certificate is issued: Nil.