

The General Manager
Penrith City Council
P.O Box 60
Penrith NSW 2751

Attn: Natalie Stanowski

Dear Natalie,

RE: LETTER OF OFFER – ALDINGTON AND ABBOTTS ROAD UPGRADE

Fife Kemps Creek Pty Ltd (FKC) formally offers to enter into a joint planning agreement with Penrith City Council (**Council**). To provide local development contributions, the FKC propose to use a portion of its contributions to apply to the design and construction of a phased upgrade of Aldington and Abbotts Roads at Kemps Creek as a works-in-kind (**WIK**).

In accordance with *Penrith Developer Agreements Policy (Nov 2020)*, this submission follows the following format:

- Section 1: Background
- Section 2: Land Affected by the Agreement
- Section 3: Parties to the Agreement
- Section 4: Relevant Applications
- Section 5: Letter of Offer
 - Section 5.1: Contributions
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1. BACKGROUND

The Mamre Road Precinct was rezoned in June 2020 under *State Environmental Planning Policy (Western Sydney Employment Area) 2009 (WSEA SEPP)*. The rezoning unlocked approximately 850 hectares of IN1 General Industrial zoned land, which is forecasted to provide 5,200 construction jobs and 17,000 operations jobs.

Following the rezoning, the Department of Planning and Environment (**DPE**) finalised a precinct wide Development Control Plan (**DCP**) on 19 November 2021. The DCP set the road hierarchy for the Mamre Road Precinct with Abbotts and Aldington Roads identified as a 'Distributor Road'.

Below is an excerpt from the DCP with portions of Abbotts and Aldington Roads highlighted to show the extent of the works-in-kind agreement.



Following the finalisation of the DCP, Penrith City Council adopted the Mamre Road Precinct Development Contributions Plan 2022 on 28 March 2022 (**Contributions Plan**). The Contributions Plan details land acquisition rates and infrastructure works associated with roads and open space. In the Contributions Plan, the following assumptions were made in relation to the upgrade and delivery of Aldington and Abbotts Roads:

- Cost of works for the upgrade of Aldington and Abbotts Roads;
- Cost of constructing four signalised intersections along Aldington and Abbotts Roads; and

- The cost of the acquisition of land beyond the current road reservation for Aldington and Abbotts Roads.

Based on the above assumptions, the contributions rates for the Mamre Road Precinct are calculated and set out below.

Table 1 Contribution Rate

	Costs	Rate per ha of NDA
Transport works	\$130,375,587	\$179,742
Transport land acquisition	\$159,339,690	\$219,673
Open space works	\$20,904,288	\$28,820
Open space land acquisition	\$121,757,975	\$167,861
Plan administration	\$2,269,198	\$3,128
TOTAL	\$434,646,738	\$599,225

This is informed by a Background Report prepared by IDC, which itemises costs associated with road upgrade in the Mamre Road Precinct. Key costs associated with Abbotts and Aldington Roads are set out in Table 2.

Table 2 Abbotts and Aldington Roads Cost as per IDC Report

Item	Rate (\$/m)
Earthworks	\$96
Carriageway	\$2,971
Utilities and Stormwater	\$1,385
Verge	\$1,506
Design, Project Management, Legal etc	\$715
Contingency (30%)	\$1,787
Total	\$8,460

Land Type	Acquisition Rate (\$/m²)
Developable	\$575
Constrained	\$90

2. LAND AFFECTED BY THIS AGREEMENT

Land affected by this agreement are the following: ESR and Frasers are dedicating their frontages to enable the construction to be completed by FK. PCC are to provide credits to both ESR and Frasers based on the area dedicated.

Table 3 Land Affected by this Agreement

LOT	DEPOSITED PLAN
1*	250002
2	250002
11	254503
12	253503
13	253503
141	1033686

LOT	DEPOSITED PLAN
10	253503
24	255560
25	255560
26	255560
27	255560
28	255560

142	1033686
15	253503
16	253503
17	254503
18	254503
20	255560
21	255560
22	255560
23	255560
41	708347
42	708347

30	258949
31	258949
32	258949
33	258949
34	258949
35	258949
36	258949
37	258949
8	253503
9	253503

Land shaded dark grey forms part of the Phase 1 and Phase 2 Works.

Land shaded white forms part of the Phase 3 Works.

The delivery of the Phase 1, Phase 2 and Phase 3 Works are discussed below.

3. PARTIES TO THIS AGREEMENT

Fife Kemps Creek Pty Ltd	Stockland Development Ltd and Fife Land 3 Pty Ltd
(ACN 628 770 141) in its capacity as trustee of Fife Kemps Creek Trust (ABN 47 273 439 938)	(ACN 000 064 835 and ACN 654 088 838) in their capacity as trustee of the Fife Land 3 Trust (ABN 64 318 343 693)

4. RELEVANT APPLICATIONS

SSD-10479 200 Aldington Road Industrial Estate

Applicant: Fife Kemps Creek Pty Ltd

Description: Staged development including a Concept Proposal and Stage 1 Development Application comprising estate-wide earthworks, infrastructure and services, construction, fit out and operation of Stage 1 warehouse building.

Status: Assessment

90 Aldington Road Estate

Applicant: Stockland Development Ltd and Fife Land 3 Pty Ltd

Description: DA Lodged with PCC DA No 0530

5. LETTER OF OFFER

FKC propose to enter into a planning agreement with Council in regard to the phased upgrade for Abbots and Aldington Roads.

5.1 CONTRIBUTIONS

FKC do not propose to exclude the application of sections 7.11, 7.12 or 7.24 of the *Environmental Planning and Assessment Act 1979* from the planning agreement. Rather, the planning agreement proposes that the Council accepts the dedication of land and the provision of a material public benefit (being the upgrade works for Abbots and Aldington Roads) in part satisfaction of any contribution payable under the Contributions Plan. Based on the approved contribution rate, the indicative contribution obligations for FKCis as follows:

Table 4 Indicative Contribution Rates

Developer	Indicative Contribution Obligation
Fife Kemps Creek Pty Ltd	\$39,828,884.30
Stockland Development Ltd and Fife Land 3 Pty Ltd	\$8,099,964.02
TOTAL	\$47,928,848.30

The final contribution obligation will be confirmed at the determination of each developer's development application.

5.2 DESCRIPTION OF WORKS

5.2.1 UPGRADE STRATEGY

FKC propose to maximise the road upgrade via a phased upgrade to unlock the land for first movers within the Precinct. The road upgrade works are designed to minimise redundant works and enable Council or other development parties to integrate in with the completed road works. The upgrade is proposed to be phased as follows:

- Phase 1: The upgrade of the road reservation on Abbots Road, the delivery of the ultimate intersection at Mamre and Abbots Road including land dedication
- Phase 2: The upgrade of the road reservation on Aldington Road, ultimate road upgrade and land dedication along proponent owned properties, delivery of signalised intersections.
- Phase 3: The acquisition of land along the existing Abbots and Aldington Roads corridor outside of proponent owned lands. This can occur via developer dedication or Council acquisition, whichever comes first. The ultimate road upgrade for remaining land will be delivered and will complete the corridor.
- Phase 4: land acquisition and road works associated with the Aldington Road extension.

FKC seeks to deliver Phase 1 and 2, which will provide sufficient capacity for each developer to develop their individual parcels of land in accordance with their respective development applications.

The Phase 1 and 2 Works will be delivered as follows:

- The developers will make available the land directly adjoining their properties (**Developer Frontages**) available to carry out the upgrade works. This land is shown in red on the enclosed plan;

- Once the upgrade works are complete, the Developer Frontages will be dedicated to Council as public road;
- The developers will fund the construction of the road within the existing Council road corridor and Developer Frontages;
- In order to deliver the whole of the Aldington Road upgrade as envisaged by the Contributions Plan, agreements will need to be reached with adjoining landowners so that the road works can be constructed in their frontages (**Non-Developer Frontages**);
- In the event that no agreement can be reached with the Non-Developer Frontages, the Developers will only upgrade the road in the existing road reserve to the extent shown on the enclosed '500 Series' Phase 1 & 2 drawings.

FKC bears the cost risk of delivering the Phase 1 and Phase 2 Works.

If land becomes available by a specified sunset date, FKC will agree to carry out the Phase 1 & 2 upgrade works in accordance with the enclosed '600 Series' Ultimate Upgrade Drawings. In the event that this occurs, the FKC bears the cost risk of delivering the Phase 3 Works.

We will deliver whatever frontage and road becomes available. Based on that party dedicating land.

5.2.2 CIVIL DESIGN

FKC, in consultation with Council, DPE and IDC Consulting, have prepared a concept ultimate design plans, known as 600 series, for the road corridor. The 600 series confirms the vertical and horizontal alignment for the upgraded roads. It also considers the phased delivery of the road corridor including existing driveway access, tie into existing RLs on lots, and ultimate utility locations. The ultimate design and phased delivery of the roads ensure redundant works are minimised. The design has been complete and is undergoing final approval by Council and DPE.

5.3 RELEVANT CONTRIBUTION PLAN

The Mamre Road Precinct Section 7.11 Contribution Plan applies to land.

It is proposed that Council accepts the dedication of land and the provision of a material public benefit (being the upgrade works for Abbots and Aldington Roads) in part satisfaction of any contribution payable under the Contributions Plan.

5.3.1 WORKS CREDIT

The part satisfaction of the applicable contributions are to be calculated as follows:

The developers will receive a credit calculated on the following basis:

$$Credit = A \times \frac{B}{C}$$

Where:

A = \$56,009,574.10 being the total value of the Aldington and Abbots Roads upgrade as identified in the Contributions Plan

B = the total area of the works completed by FKC

C = the total area of the Aldington and Abbots Road Corridor

The Works Credit will be apportioned to the developers in accordance with the following agreed proportions:

- FKC – 82%
- SFL3 – 100%

5.3.2 DEDICATION CREDIT

The cost of the land dedicated to Council by each developer will be credited to the relevant developer. The value of the land credit is to align with the Contributions Plan (being \$575/m² for developable land and \$90/m² for constrained land as at the date of this letter).

5.4 DESIGN SPECIFICATION

A Concept Design of the phased upgrade of Abbots and Aldington Roads has been prepared by AT&L (**Attachment A**). The design shows the 600 series ultimate road upgrade and the 500 series Phase 1 and 2 upgrade proposed under this letter of offer.

The Phase 1 and 2 works will provide sufficient transport capacity for the cumulative needs of the traffic generated from the proponent party. In addition, as the works are expected to progress in orderly fashion from Mamre Road intersection to the north, the delivery of Phase 1 and 2 will be separable portions to enable each landowner to receive Occupation Certificate, when the relevant portion of road works is delivered and certified.

5.5 ESTIMATED VALUE

The total value of works and land acquisition allocated within the Contributions Plan is outlined below.

Construction DR 1 \$55,181,847.00 + Administration fee \$827,727.11 =	\$56,009,574.10
Land Acquisition DR1A1 \$28,771,275.00 + DR1A2 \$591,390.00 =	\$29,362,665.00
Total Value	\$85,372,239.10

This total cost has been broken down into each phase of the road upgrade, including the Phase 1 and 2 works which is proposed to be delivered by the parties in this offer.

Item To be delivered by FKC	Cost (ex. GST)
Phase 1 and 2 works	\$31,097,077.70
Phase 1 and 2 Administration cash payment 1.5%	\$ 466,456.16
Phase 1 and 2 FKC land dedication	\$5,042,865.00
Sub Total	\$36,606,398.90

Balance remaining on completion of Phase 1 and Phase 2 **\$48,765,840.20**

Item To be delivered by other parties	Cost (ex. GST)
ESR Frasers Land Dedication	\$5,687,210.00
ESR Frasers WP	\$4,754,033.64
ESR Frasers Admin Fee	\$ 71,310.50
Phase 3 works	\$ 8,790,791.61

Phase 4 works	\$10,539,943.46
Phase 3 and 4 Administration cash payment 1.5%	\$ 289,961.03
Phase 3 land dedication	\$ 7,641,175.00
Phase 4 land dedication	\$10,991,415.00
Sub Total	\$48,765,840.20

The proportional split between the phases has been calculated using the following formula:

Road	Description	Dimensions	Interim Carriageway (500 series)	Ultimate Carriageway (600 series)	% complete of Ultimate
Abbotts Road (west) Phase 1	Eastern end of Mamre Road intersection (at SP2 boundary) to Aldington Road/ Abbotts Road Intersection	Cross section 1 3.5+3.0m+3.0m+3.5m lanes +1.6m median (2.8m verge)	14.6	17.6	83%
Aldington Road (phase 1)	From Abbotts Road to northern end of ESR site (Lot 13/DP 253503)	Cross section 2 3.5m (single lane northbound) +1.6m median +3.5m+4.5m lanes (southbound)"	13.1	17.6	74%
Aldington Road (phase 2)	Northern end of ESR site (Lot 13/DP 253503) to southern end Frasers site (Lot 10/DP253503)	"Cross section 3 2 x 3.5m traffic lanes (centre median 1.6m), both sides 2m shoulder (incl 1.5m sealed shoulder)"	11.6	17.6	66%
Aldington Road (phase 2)	Southern end Frasers (Lot 10/DP253503) to Southern end FKC (Lot 20/DP255560)	Cross section 4 4.5m+3.5m lanes northbound + centre median 1.6m + 3.5m lane (southbound) + 2m shoulder (incl 1.5m sealed shoulder)	14.6	17.6	83%
Aldington Road (phase 2)	Southern end FKC site (Lot 20/DP255560) to northern end Frasers (Lot33/DP258949) Including intersection with roads CR4 and CR2 (S7.11 plan ref.)	Cross section 5 2.5m shared path 4.5m+3.5m lanes both directions + centre median 1.6m "	17.6	17.6	100%
Aldington Road (phase 2)	northern end Frasers (Lot33/DP258949) to southern end Frasers (Lot 37 DP258949) –	Cross section 6 2m shoulder (incl 1.5m sealed shoulder) +3.5m lane northbound + centre median 1.6m + 3.5m +4.5m lane (southbound) "	14.6	17.6	83%

Aldington Road (phase 2)	southern end Frasers (Lot37/DP258949) including intersection with Local Industrial road west/east	Cross section 5 2.5m shared path 4.5m+3.5m lanes both directions + centre median 1.6m"	17.6	17.6	100%
Aldington Road (phase 2)	North of intersection with Local industrial road adjacent west Lot 38/DP708347 and east Lot 41 DP708347	"Cross section 7 Tapering to 2 x 3.5m traffic lanes in taper section upgrade pavement and provide both sides with 1.5m shoulder (incl 1m sealed shoulder)"	9	17.6	51%

5.6 PROPOSED STAGING/TIMING

The proposed staging and time of Abbotts and Aldington Roads is as follows:

- **Phase 1 Upgrade**
Upgrade of existing road reservation and ultimate upgrade of ESR-owned lands along Abbotts Road and the signalised intersection of Abbotts and Aldington Roads
Completed Works Timeframe: Q4 2023
- **Phase 2 Upgrade**
Upgrade of the existing road reservation and ultimate upgrade of FKC and Fraser owner lands along Aldington Road including signalised intersections.
Completed Works Timeframe: Q4 2023
- **Phase 3 Upgrade**
Upgrade of additional land along Abbotts and Aldington Roads to its ultimate state where land is dedicated by a sunset date and funded works can be delivered parallel to Phase 1 and 2.
Completed Works Timeframe: Q4 2023 (Pending owners consent endorsement from external landowners or Council acquisition)
- **Phase 4 Upgrade**
Upgrade of Aldington Road extension
Completed Works Timeframe: To be facilitated by Council

The attached program sets out target milestones for the voluntary planning agreement and delivery of the phased upgrade.

Item	Timing/Completion
Concept Design of Abbotts and Aldington Roads	Complete
Final letter of offer submitted	31 May 2022
Council and FKC draft Voluntary Planning Agreement for approval or WIK	30 August 2022
Letter of Offer and VPA presented to Council	25 July 2022
VPA to be placed on Public Notification	26 July 2022
VPA to be executed by all parties	31 August 2022
Detailed design for Abbotts and Aldington Roads	September 2022 – February 2023
Upgrade of Abbotts and Aldington Roads	February – November 2023
Completion of Upgrade	November 2023

6. CONCLUSION

FKC values Council's role in the delivery of infrastructure to support Mamre Road Precinct and seek our continued partnership in delivering Abbots and Aldington Roads. We believe this offer is sufficient to commence formal discussion on this upgrade and work toward drafting a VPA. We look forward to continuing discussions on the planning agreement and working jointly to deliver this essential road corridor.

If you have any questions, please do not hesitate to contact us.

Regards,

A handwritten signature in black ink, appearing to be 'Richard Harris', written over a horizontal line.

Richard Harris

FIFECAPITAL

Level 12, 89 York Street, Sydney NSW 2000

Penrith City Council
601 High Street
Penrith NSW 2750

Attn: Natalie Stanowski, Principal Planner

10 June 2022

Re: Owners Consent: Abbots and Aldington Road Upgrade

Dear Natalie,

I can confirm 290–308 Aldington Road, 59–62 Abbots Road and 63 Abbots Road, Kemps Creek are owned by the following entity:

- ESR Investment Management 3 (Australia) Pty Ltd (ACN 628 038 737) as trustee for ESR LVH Trust (ABN 46 808 844 248)

As the Company Director of ESR Investment Management 3 (Australia) Pty Ltd on behalf of ESR LVH Trust, I give consent for the lodgement of a development applications and associated modifications on:

- Lot 11, DP 253503 (63 Abbots Road, Kemps Creek)
- Lot 12, DP 253503 (59–62 Abbots Road, Kemps Creek)
- Lot 13, DP 253503 (290–308 Aldington Road, Kemps Creek)
- Lot 3, DP 250002 (1030–1048 Mamre Road, Kemps Creek)
- Lot 4, DP 250002 (1050–1064 Mamre Road, Kemps Creek)

including road upgrade works along Abbots and Aldington Road frontages.

If you have any questions regarding the above owner's consent, please do not hesitate to contact me.

Kind regards



Anthony Lenehan
Director
0457 504 914
Anthony.Lenehan@esr.com

15 June 2022

Department of Planning, Industry and Environment
Locked Bag 5022
Parramatta NSW 2124

and

Penrith City Council
601 High Street
Penrith NSW 2750

RE: OWNERS CONSENT


We provide owners consent for a development application for Aldington Road roadworks and associated, modifications, Subdivision Certificates and Construction Certificates to be lodged over the land described below.

Owner's consent is also granted to enter into a Voluntary Planning Agreement for Aldington Road roadworks with Penrith Council and Mamre Rd/Abbott Rd intersection upgrade with the Department of Planning.

Existing Lots		
Lot	DP	Address
10	253503	235-251 Aldington Road, Kemps Creek
24	255560	219-233 Aldington Road, Kemps Creek
25	255560	201-217 Aldington Road, Kemps Creek
26	255560	199 Aldington Road, Kemps Creek
27	255560	183-197 Aldington Road, Kemps Creek
28	255560	169-181 Aldington Road, Kemps Creek
33	258949	155-167 Aldington Road, Kemps Creek
37	258949	99-111 Aldington Road, Kemps Creek




Executed by Australand C&I Land Holdings Pty Ltd (ACN 107 356 641)
by

DocuSigned by:

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Signature of Attorney

Ian Barter

Name of Attorney

DocuSigned by:

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Signature of Witness

Roland Martin

Name of Witness

Roland Martin


Address of Witness

DocuSigned by:

B8FE1C6223544FE...

Signature of Attorney

Bradley Price

Name of Attorney

DocuSigned by:

FA0F7210F0344AF...

Signature of Witness

Jenni Maclean

Name of Witness

2941PNR3942

Address of Witness