

Explanatory Note
Draft Planning Agreement – Westfield Penrith

Planning Agreement for Westfield Penrith, 569-595 High Street, Penrith NSW 2750

1. INTRODUCTION

- 1.1 The purpose of this explanatory note is to provide a plain English summary to support the notification of the draft planning agreement (**Planning Agreement**), prepared pursuant to s 7.4 of the *Environmental Planning and Assessment Act 1979* (the **Act**).
- 1.2 This explanatory note has been prepared jointly by the parties as required by s 205 of the *Environmental Planning and Assessment Regulation 2021* (the **Regulation**).
- 1.3 This explanatory note is not to be used to assist in construing the Planning Agreement.
- 1.4 Where words and phrases are capitalised in this explanatory note and not defined, reference should be had to those words and phrases as defined in the Planning Agreement.

2. PARTIES TO THE PLANNING AGREEMENT

- 2.1 The parties to the Planning Agreement are:
 - Penrith City Council (ABN 43 794 422 563) (**Council**); and
 - Scentre Management Limited (ACN 001 670 579) as responsible entity for Scentre Group Trust 1 (ARSN 090 849 746);
 - RE1 Limited (ACN 145 743 862) as responsible entity for Scentre Group Trust 2 (ARSN 146 934 536); and
 - GPT RE Limited (ACN 107 426 504) as trustee and responsible entity of General Property Trust (ARSN 090 110 357), (together, the **Developer**).

3. DESCRIPTION OF THE LAND

- 3.1 The Planning Agreement applies to Lot 1 in DP 1137699, known as Westfield Penrith, located at 569-595 High Street, Penrith (**Land**), and which is co-owned by the Developer.

4. DESCRIPTION OF THE INSTRUMENT CHANGE AND DEVELOPMENT TO WHICH THE PLANNING AGREEMENT APPLIES

- 4.1 On 17 May 2021, the Developer submitted a planning proposal (reference PP-2025-1540, File No. IRF25/1862) to the Council to amend the Penrith Local Environmental Plan 2010 (**LEP**) by way of a new site-specific clause (the **Amendment**).
- 4.2 On 29 May 2023, Council endorsed the Planning Proposal at its meeting.
- 4.3 On 12 August 2025, the Planning Proposal was accepted as lodged.
- 4.4 On 12 September 2025, the Planning Proposal received Gateway determination.

5. THE AMENDMENT

- 5.1 The Amendment is proposed to facilitate a redevelopment of the eastern portion of the Land for a mixed-use commercial and hotel development, comprising two towers above a podium, known as The Hub (**Block A**) and Borec House (**Block B**) (**Development**).

5.2 The Amendment will retain:

- 5.2.1 the maximum building height of 20m across the Land, except at the location of the two building towers, where the height will be increased to 84m for the part of the Land containing Block A, and 47m for the part of the Land containing Block B; and
- 5.2.2 the existing floor space ratio of 1.5:1 for the Land, except at the location of the two building towers, which will have no maximum floor space ratio but will instead be subject to a maximum gross floor area of up to 24,000m² for Block A, and 14,000m² for Block B.

6. **SUMMARY OF THE OBJECTIVES, NATURE AND EFFECT OF THE PLANNING AGREEMENT**

- 6.1 On 29 May 2025, in connection with the Planning Proposal, the Developer submitted a Letter of Offer to enter into the Planning Agreement to make a development contribution for public purposes associated with the Amendment, in circumstances where the Development occurs in the future.
- 6.2 The Planning Agreement requires the Developer to pay a monetary contribution to the Council where Hotel Floorspace (being gross floor area within the Development in Block A and/or Block B that is approved under a development consent to be used, or is used, for the purpose of Hotel Accommodation) is to be utilised as part of the Development.
- 6.3 The Monetary Contribution is to be calculated in accordance with the rate for 'Commercial office' under the *Penrith Civic Improvements Plan 2008* (indexed at the time of payment), unless an applicable rate for Hotel Floorspace applies at that time.
- 6.4 The Monetary Contribution must be paid prior to the issue of a Construction Certificate for the relevant part of the Development (or, if no Construction Certificate is required, prior to the commencement of any work in respect of Development where Hotel Floorspace is approved), applied on a pro rata basis where the Development is staged.
- 6.5 For clarity, this Planning Agreement pertains to contributions for the Hotel Floorspace in the Development. Contributions for other uses in the Development will be levied pursuant to the applicable Contributions Plan.
- 6.6 The Monetary Contribution will be used by the Council towards traffic improvement works on the surrounding road network, including projects identified in the *Penrith Civic Improvements Plan 2008*, or any other applicable Council contributions plan applying to land within the Penrith CBD.
- 6.7 The Planning Agreement does not exclude the application of sections 7.11, 7.12 or 7.24 of the Act.
- 6.8 The benefits provided under the Planning Agreement are not to be taken into account in determining a development contribution under s 7.11 of the Act.
- 6.9 The Developer must procure registration of the Planning Agreement on the title to the Land under s 7.6 of the Act, so that it is binding on, and enforceable against, the registered proprietors of the Land from time to time.
- 6.10 The Planning Agreement includes a dispute resolution mechanism and enforcement provisions, including a restriction on the issue of a Construction Certificate until the Monetary Contribution has been paid, and a right for any party to enforce the agreement in a court of competent jurisdiction.

7. **ASSESSMENT OF THE MERITS OF THE PLANNING AGREEMENT**

- 7.1 How the Planning Agreement promotes the public interest and the objects of the Act.

- 7.1.1 The Planning Agreement promotes the public interest and the objects of the Act, in particular the objects identified in
 - (a) s 1.3(h) of the Act, by providing increased opportunity for community participation in environmental planning assessment through public notification of the Planning Agreement, and the opportunity for the public to make submissions on it; and
 - (b) s 1.3(k) of the Act, being to promote the orderly and economic use and development of land.
- 7.2 The impact of the Planning Agreement on the public or any section of the public
 - 7.2.1 The Monetary Contribution payable under the Planning Agreement will fund traffic improvement works on the surrounding road network, benefiting the landowners and occupiers in the vicinity of the Land, as well as the broader Penrith community.
- 7.3 The planning purpose of the Planning Agreement
 - 7.3.1 The Planning Agreement serves the planning purpose of ensuring that appropriate development contributions are secured from the Developer as the Development will, or is likely to, increase the demand for public amenities and public services within the area, arising out of the increased development potential associated with the Amendment.
 - 7.3.2 The Monetary Contributions are calculated on a basis that reasonably relates to the scale and nature of the Development.
 - 7.3.3 The Planning Agreement provides a reasonable means of achieving this planning purpose, having regard to the statutory tools available to the Council to secure public benefits in connection with the Amendment and the Development.
- 7.4 Compliance with requirements prior to the issue of certificates
 - 7.4.1 The payment of the Monetary Contribution is required prior to the issue of the relevant Construction Certificate for the Development (or, where no Construction Certificate is required, prior to the commencement of any work in respect of Development where Hotel Floorspace is approved) as described in section 6 above.