THIS DEED OF AGREEMENT is made the 15th day of September, 2006.

PARTIES TO THIS AGREEMENT are:

 THE COUNCIL OF THE CITY OF GOSFORD of 49 Mann Street, Gosford in the State of New South Wales (hereinafter referred to as the 'Council') of the one part

AND

2. NORMAN AUGUSTUS McDONALD HUNTER of RMB 6157 Oliver Road, Mt Elliott in the said State and NORBET ENTERPRISES PTY LIMITED (ACN 087 394 303) a duly incorporated company having its registered office at Suite 5, Level 2, Kindarun House, 1 Pacific Highway, Wyong in the said State (hereinafter collectively referred to as the 'Applicant') of the second part.

RECITALS

- A. This is a planning agreement as defined in Section 93C of the *Environmental Planning and Assessment Act* and is made pursuant to Section 93F of that Act.
- B. Norman Augustus McDonald Hunter is the owner of Lot 651 in Deposited Plan 16791. Norbet Enterprises Pty Limited is the owner of Lot 140 in Deposited Plan 9359. The two parcels of land are hereinafter collectively referred to as the "Land".
- C. The Applicant has made application to the Council for the Council to exercise its powers pursuant to the *Environmental Planning and Assessment Act*, 1979 to prepare a Draft Local Environmental Plan (the "DLEP") and in due course to forward that DLEP to the Regional Manager of the Department of Planning with a request that the Minister make the plan.
- D. The purpose of the DLEP is to seek to change the Gosford Planning Scheme Ordinance ("the deemed Environmental Planning Instrument") to permit a particular development (which would otherwise be prohibited under the current zpning of the Land in the deemed Environmental Planning Instrument)

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to be carried out on the Land which incorporates the existing Avoca Beach Theatre; it consists of two new cinemas, a cultural gallery, a restaurant, 5 residential units and basement parking for 15 cars and a loading dock and associated works. The Council has now prepared the final form of the DLEP, a copy of which is annexed hereto and marked "A", which, subject to this deed, it proposes to forward to the Department of Planning with the request that the Minister make the plan.

- E. The Developer has proposed to the Council that it pay a monetary contribution in the sum of Five Hundred Thousand Dollars (\$500,000) for the public purpose of the provision of public amenities, namely, the construction and enhancement of car parking facilities near the development in South End Park, Avoca and the embellishment and beautification of the adjoining public open space known as Hunter Park, Avoca, all as depicted on the plan annexed hereto and marked with the letter 'B' ("Car Park and Embellishment Works").
- F. At its meeting on 13 December, 2005 the Council resolved that:
 - "A. Council, based upon its considerations and opinions expressed in this report relating to the provisions of the Environmental Planning & Assessment Act, 1979 (State), Threatened Species Conservation Act, 1996 (State), Environment Protection and Biodiversity Conservation Act 1999 (Cmth) and Local Government Act 1937 (State), resolve that in Council's opinion this DLEP will not affect critical habitat or threatened species, populations or ecological communities or their habitats.
 - B. Council amend the DLEP in the following manner:
 - Clause 4(j) of the exhibited plan be amended to read:

- The proposed building shall be set back 0.60 metres from the Avoca Drive boundary to retain the prominence of the north western corner of the existing cinema and to exhibit a clear visual differentiation between the existing cinema and proposed building.
- Outdoor dining be specifically mentioned as a permitted activity within the articulated zone in relation to the restaurant use as recommended in amended clause 4(f).
- Proposed amendments as detailed within Clause 4(e) and (i) be adopted.
- The setback of the building to Hunter Park be identified on sheet 2 (see amended drawing attached) and referenced in the instrument: and
- The reduced levels identified in the sections on Sheet 3 be amended to reflect the applicant's amended plan that has reference to Council's revised flood levels and reflecting a consistency with Sheet 2. (see amended drawing attached).
- The setback from Avoca Drive 0.6 metres be dimensioned on sheet 2 and 3, to reflect the proponents amended plans submitted as part of the exhibition and that have now been dimensioned.
- C. Council resolve pursuant to Section 68(4) of the EP&A Act to continue processing the DLEP and submit to Parliamentary Counsel for an opinion if the plan can be made and subsequently submit to Department of Planning after appropriate action, including concurrence required of the Director-General of Department of Planning, is taken

under s.69 in respect of Lot 140 DP 9359 and Lot 651 DP 16791, Avoca Drive, Avoca Beach.

- D. The applicant/owners be advised of Council's resolution.
- E. The owners have volunteered \$500,000 to Council for the embellishment of Hunter Park and provision of required (29) parking spaces in South End Park as well as the dedication of land 1.2m wide along the Vine Street frontage. The owners and Council are to enter into a Planning Agreement in accordance with the Environmental Planning and Assessment Amendment (Development Contributions) Act and Regulations prior to the submission of the Draft LEP to the Secretary, Department of Planning pursuant to Section 69 of the Environmental Planning and Assessment Act. Such agreement is to be prepared by Council's Solicitors, at the applicants cost.
- F. The Development Application come back before the full Council."

NOW THIS DEED WITNESSETH THAT:

In pursuance of the Council's resolution of 13 December, 2005 and in consideration of these presents the parties to this Deed agree as follows:

The Council agrees:

1. Pursuant to Section 68 of the Environmental Planning and Assessment Act, 1979 to forward the Draft Local Environmental Plan to the Regional Manager, Department of Planning requesting that the Minister make the plan pursuant to Section 70 of the Environmental Planning and Assessment Act, 1979 and to advise the Regional Manager that all environmental planning instruments and Section 117 directions have been taken into consideration and that the Council finds no inconsistencies therewith.

- (a) To expend within a period of 3 years of payment by the Applicant of the sum of \$500,000 pursuant to this agreement upon the Car Park and Embellishment Works;
 - (b) Of the \$500,000 to be provided by the Applicant under this agreement, \$300,000 is to be expended by the Council on the embellishment works in Hunter Park and \$200,000 on the car park works in South End Park;
 - (c) If the total cost of the embellishment works in Hunter Park is more than \$300,000, priority is to be given to the "Priority Works Area" identified on the plan at Annexure "C" or to a similar identified location on any alternate plan adopted by Council, over the other embellishment works.
- 3. If the said sum or any portion of it is not so spent within that period, to return it or that portion to the Applicant or in accordance with the Applicant's direction whereupon the outstanding obligations of both parties under this Agreement will be at an end. For clarity, it is agreed that money is spent only where it is paid out by Council for work undertaken as part of the Car Park and Embellishment Works and does not include consultants' fees or payment under contract or agreement for future works.

The Applicant agrees:

4. If the Minister, the Council or the Land and Environment Court on appeal grants a consent for the carrying out of any development permitted by the Local Environmental Plan as amended by the DLEP, then prior to the issue of a Construction Certificate under the Environmental Planning and Assessment Act for that development (whether proposed to be issued by the Council, a private certifier or the Court):

- (a) To pay the sum of \$500,000 offered by the Developer to the Council.
- (b) To consolidate the lots comprising the Land into one lot if required by a condition of Development Consent.
- (c) On the registration of a strata plan of subdivision for the Land or the issue of an Occupation Certificate for the development of the Land, whichever occurs first, to dedicate to the Council without costs to the Council the strip of land 1.2 metres wide along Vine Street frontage (Vale Street) depicted on the plan annexed hereto and marked with the letter "D".
- In lieu of Section 94 Contributions the Applicant must pay Council an amount of \$10,296 for the provision of public amenities by Council ("the Contribution Amount"). The Contribution Amount will be increased on each of 1 January, 1 March, 1 July and 1 October in each year from the date of this Agreement until the Contribution Amount is paid by the same percentage increase as the percentage change, if any, in the Consumer Price Index in the 3 months prior to the relevant review date. The Contribution Amount as adjusted by the Consumer Price Index must be paid by the Applicant prior to the issue of a construction certificate for the subsequent development of the Land.

Consumer Price Index means the All Groups Consumer Price Index applicable to Sydney published by the Australia Bureau of Statistics.

5. This Agreement wholly excludes the application of Section 94 and Section 94A of the Environmental Planning and Assessment Act to any development permitted by the DLEP. Council acknowledges that as the application of Section 94 and 94A of the Environmental Planning and Assessment Act to such a development is excluded Council as the consent authority cannot impose a condition of development consent in respect of that development

under either Section 94 or 94A of the Environmental Planning and Assessment Act.

- 6. (a) In accordance with Section 93H(1)(a) of the Environmental Planning and Assessment Act, 1979 to the registration of this Agreement under that section and to procure the consent of any other person who has an interest in the Land necessary to permit registration.
 - (b) Council will consent to the release of the registration of this Agreement and, at the request of the Applicant, execute the relevant forms and provide such other assistance as may be reasonably requested to effect the release where:
 - (i) all moneys payable have been expended pursuant to this Agreement; and
 - (ii) this Agreement has been terminated under Clause 8.
- 7. That it will not assign, transfer, convey, mortgage or otherwise alienate or dispose of its interests in the Land or any part thereof without first procuring from the assignee, transferee, conveyee, mortgagee, alienee or disponee at its cost the execution of an agreement containing covenants and undertakings the same mutatis mutandis as those contained herein. Upon the obtaining of an executed agreement pursuant to this Clause the liabilities of the Applicant contained in this agreement shall cease.

Generally

8. Should the Draft Local Environmental Plan not be gazetted within 3 years of the date of this agreement either party may give notice in writing to the other party that it terminates this agreement and all obligations of the Council and the Applicant shall from the date of the notice of termination be at an end and each party releases the other party on and from that date from all its obligations under this agreement to the other.

- 9 Any notice, consent, information, application or request that must or may be given or made to a party under this Agreement is only given or made if it is in writing and sent in one of the following ways:
 - Delivered or posted to that party at its address set out below.
 - Faxed to that party at its fax number set out below.
 - Emailed to that party at its email address set out below:

Council

Attention:

The General Manager

Address:

49 Mann Street, Gosford NSW 2250

Fax number: (02) 4323 2477

Email: goscity@gosford.nsw.gov.au

Developer

Attention: Norm and Beth Hunter

Address: RMB 6157 Oliver Road, Mount Elliott NSW 2250

Fax number: (02) 4322 1665

Email: nbknj@ozemail.com.au

If a party gives the other party 3 business days notice of a change of its address or fax number, any notice, consent, information, application or request is only given or made by that other party if it is delivered, posted or faxed to the latest address or fax number.

Any notice, consent, information, application or request is to be treated as given or made at the following time:

- If it is delivered, when it is left at the relevant address.
- If it is sent by post, 2 business days after it is posted.
- If it is sent by fax, as soon as the sender receives from the sender's fax machine a report of an error free transmission to the correct fax machine.

If any notice, consent, information, application or request is delivered, or an error free transmission report in relation to it is received, on a day that is not a business day, or on a business day, after 5.00 p.m. on that day, in the place of the party to whom it is sent, it is to be treated as having been given or made at the beginning of the next business day.

10. Dispute resolution

- .1 A party to this agreement at any time may notify the other party of a dispute concerning any matter relating to or arising out of this agreement and require that it be resolved in accordance with this clause.
- .2 The notice pursuant to 10.1 must:
 - (a) be in writing;
 - (b) identify the subject matter of the dispute;
 - (c) set out in detail the facts upon which the dispute is based;
 - (d) identify the provisions of this agreement relevant to the dispute;
 - (e) have annexed to it copies of all correspondence and background information relevant to the dispute; and
 - (f) contain particulars of the quantification of any claim in relation to the dispute.

11. Mediation

.1 The parties must use their best endeavours to settle the dispute within 14 days of the date of issue of the notice of dispute or such further period as the parties agree.

- .2 If a dispute is not resolved under Clause 11.1 then the parties agree to mediate the dispute in accordance with the 1995 Australian Commercial Dispute Centre ("ACDC") Guidelines.
- .3 The mediator must be appointed by agreement between the parties but failing agreement must be appointed by the Chairman of the ACDC or by the Chairman's authorised representative.
- .4 In the event that the dispute has not settled within twenty eight (28) days or such other period as agreed to in writing between the parties after the appointment of the mediator the dispute must be submitted to expert determination in accordance with Clause 12.

12. Nomination of consultant.

- .1 Within ten (10) business days of the dispute not being resolved in accordance with Clause 11 the Council must nominate and notify the Applicant in writing of a panel of three independent consultants reasonably considered by the Council to be expert in the area of dispute.
- .2 Within five (5) business days of notification of the three consultants by the Council, the Applicant must nominate one of them to resolve the dispute.
- .3 If the Applicant fails to nominate one of them to resolve the dispute the Council may nominate one of the consultants and that person shall resolve the dispute.

Conduct of Referral

- .1 The independent consultant will act as an expert and not as an arbitrator.
- .2 The independent consultant may (and must if so required by either party) appoint such other consultants as he or she thinks necessary to advise on any aspect of the dispute.

- .3 The decision of the independent consultant will be final and bind on the parties, except as to matters of law.
- .4 The Council and the Applicant may make written submissions to the independent consultant relating to the questions to be determined and costs. Such submissions must be made within ten (10) business days of the appointment of the independent consultant. The party making the submission must provide the other party with a copy of its submission within 24 hours of submission to the independent consultant.
- .5 The parties agree to co-operate with the independent consultant and promptly to provide the independent consultant with such information as requested by the independent consultant as is in the possession of that party and is relevant to the matter to be determined, except where such information would be subject to a claim for privilege if the matter were the subject of legal proceedings.
- .6 Within twenty (20) business days of his or her appointment the independent consultant must determine the matters in dispute having regard to the parties' written submissions, the provisions of this agreement and the independent consultant's own enquiries.

Costs of referral

The cost of any referral and determination as provided in this part must be paid as determined by the independent consultant or mediator and if no determination is made each pays 50% of the total cost.

No legal proceedings

Neither party is entitled to commence or maintain any action, whether by way of legal proceedings or arbitration, relating to any dispute until it has been referred and determined as provided in this agreement.

16. Any legal proceedings shall be determined by a Court of competent jurisdiction in the State of New South Wales.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals on the day and year first hereinbefore written.

SIGNED BY THE PARTIES

Executed for and on behalf of Gosford City Council by:

Executed by Alan John Ford on behalf of Gosford City Council pursuant to Power of Attorney Book No. 4150 No. 139

> DIANE GILLAN SECRETARY GOSFORD.

SIGNED SEALED and DELIVERED by NORMAN AUGUSTUS McDONALD

HUNTER in the presence of:

Alex BOALH.

THE COMMON SEAL of NORBERT ENTERPRISES PTY LIMITED (ACN 087 394 303) was hereunto affixed in

the presence of

Sere DIKETON /S

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Gosford Local Environmental Plan No. 456

under the

Environmental Planning and Assessment Act 1979

I, the Minister of Planning, make the following local environmental plan under the *Environmental Planning and Assessment Act 1979*.

Minister of Planning

Sydney,

2006

Gosford Local Environmental Plan No. 456

1 Name of plan

This plan is Gosford Local Environmental Plan No. 456.

2 Aims, objectives etc

This plan aims:

- (a) To enable the land to which this plan applies to be developed for a mixed-use commercial/residential development:
- (b) To specify a building envelope and density to any future development;
- (b) To ensure future development retains the character of the existing cinema; and
- (c) To remove the current provisions allowing an outdoor cinema on the land.

3 Land to which plan applies

This plan applies to Lot 140 DP 9359 and Lot 651 DP 16791, Avoca Drive, Avoca Beach as shown edged heavy black on the map marked "Gosford Local Environmental Plan No. 456" deposited in the office of the Council of the City of Gosford.

4 Amendment of the Gosford Planning Scheme Ordinance

The Gosford Planning Scheme Ordinance is amended as set out in Schedule 1.

Schedule 1 Amendment to Gosford Planning Scheme Ordinance

[1] Clause 3 (1)

Insert in appropriate order in the definition of Scheme map in clause 3(1):

Gosford Local Environmental Plan No. 456

[2] Clause 49DN

Insert after clause 49DM:

49DN Avoca Beach Theatre

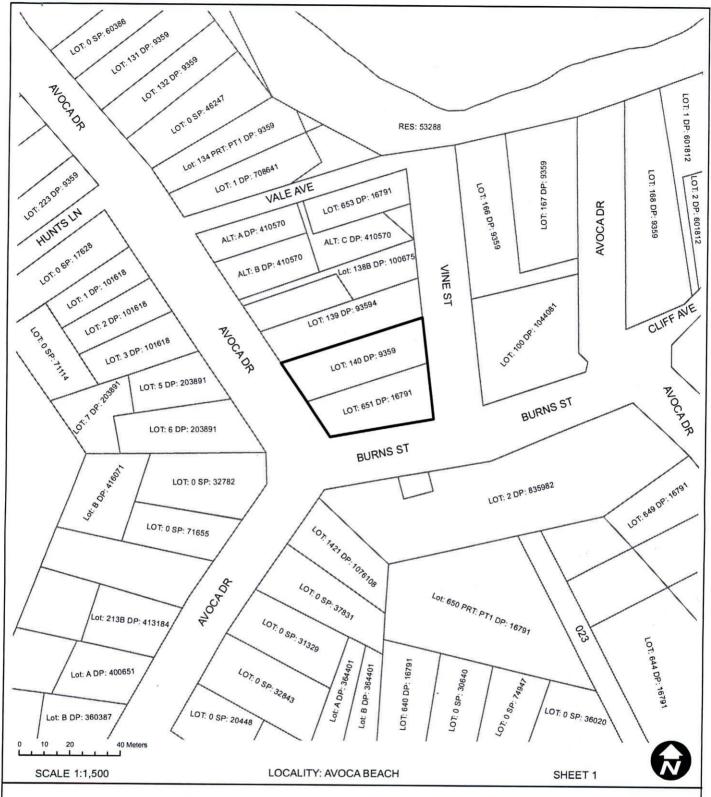
- (1) This clause applies to Lot 140 DP 9359 and Lot 651 DP 16791, Avoca Drive, Avoca Beach, as shown edged heavy black on Sheet 1 of the map marked "Gosford Local Environmental Plan No 456" deposited in the office of the Council.
- (2) The objectives of this clause are:
 - (a) Prescribe a maximum building envelope, height and density for development of the land.
 - (b) Permit commercial development and residential flat buildings on the subject land whilst preserving the existing cinema.
 - (c) Ensure future development on the site complements the form, scale and character of the existing cinema.
 - (d) Ensure differentiation between the blockwork and extent of the existing cinema and any proposed building along the Avoca Drive and Burns Street boundaries.
 - (e) Ensure high levels of amenity along all frontages to a public place.
 - (f) Limit the visual impacts of the proposed building on the scenic quality of the area and surrounding development.
- (3) Subject to sub-clause (4), nothing in this Ordinance prevents a person, with the consent of the Council, from carrying out development on the land to which this clause applies for the purposes of places of assembly (3 indoor cinemas and an outdoor cinema), a restaurant, gallery space and 5 dwellings and the subdivision thereof.
- (4) Notwithstanding any other provision of this Ordinance, the consent authority must not grant consent to a development application to which this clause applies unless it complies with the following matters:
 - (a) A building must not be erected on the land if it is not in accordance with the building envelope shown on Sheets 2 and 3 of the map marked "Gosford Local Environmental Plan No 456".
 - (b) The existing cinema on Lot 651 DP 16791 shall be retained as shown on Sheets 2 and 3 of the map marked "Gosford Local Environmental Plan No 456".

- (c) The maximum floor space ratio shall be 1.11:1.
- (d) The building uses along the Avoca Drive frontage and for at least 50% of the frontage adjoining Hunter Park shall be limited to cinema, outdoor cinema, restaurant and gallery.
- (e) The building uses along the Vine Street frontage and for at least 45% of the frontage adjoining Hunter Park shall be limited to the residential component.
- (f) The area indicated on the Sheets 2 and 3 of the map marked "Gosford Local Environmental Plan No 456" as "articulation zone" may only be used for the purposes of balconies, terraces, planting, planter boxes, sun shading, unit entry, and outdoor dining associated with the restaurant and gallery, except for uses connected with the basement parking at the lowest level.
- (g) The setback at ground level to Vine Street shall be 1.2 metres to permit a pedestrian footpath to be constructed.
- (h) There shall be a visual differentiation between the extent of the existing street awning and the proposed additional awning as indicated on Sheet $\check{2}$ of the map marked "Gosford Local Environmental Plan No 456".
- The proposed building shall be setback 1.2 metres from ground to eaves (i) at the Burns Street boundary to allow for a visual differentiation between the existing cinema and the proposed building.
- The proposed building shall be setback 0.6 metres from the Avoca Drive (j) boundary to retain the prominence of the north-western corner of the existing cinema and to exhibit a clear visual differentiation between the existing cinema and the proposed building.
- The proposed building shall be setback a maximum of 4 metres from (k) Hunter Park as shown on Sheet 2 of the map marked "Gosford Local Environmental Plan No 456".
- The proposed development shall not alter the existing parapet and awning (I) of the existing cinema.
- The internal architectural detail of the existing cinema foyer shall be (m) retained.

[3] Clause 49E

Omit from the table to clause 49E:

Part Lot 140 D.P. 9359, Avoca Drive, Avoca Beach, as shown edged Outdoor cinema heavy black on the map marked "Gosford Local Environmental Plan No. 388" deposited in the office of the Council.



ENVIRONMENTAL PLANNING & ASSESSMENT ACT, 1979

GOSFORD LOCAL ENVIRONMENTAL PLAN NO.456

DEPARTMENT FILE:	STATEMENT OF RELATIONSHIP WITH OTHER PLANS: AMENDS GOSFORD PLANNING SCHEME ORDINANCE
RELATED FILE REFERENCES:	
CERTIFICATE ISSUED UNDER SEC. 65 E.P.A. ACT 1979 DATE: 9/5/2005	PUBLISHED IN GOVERNMENT GAZETTE OF
REZONING APPLICATION NUMNER: 2003.168	CERTIFIED INACCORDANCE WITH THE ENVIRONMENTAL
SPATIALMAPS on MEDUSA Q:\LEP\03\RA2003_168.PDF	PLANNING & ASSESSMENT ACT 1979 AND REGULATIONS FOR COUNCIL DATE

SHEET 2 LOCAL ENVIRONMENT PLAN No. 456 ENVIRONMENTAL PLANNING & ASSESSMENT ACT,1979 GOSFORD

STATEMENT OF RELATIONSHIP WITH OTHER PLANS: AMENDS THE GOSFORDPLANNING SCHEME ORDINANCE. CERTIFIED IN ACCORDANCE WITH THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT, 1979 AND REGULATIONS, AS AMENDED. PUBLISHED IN GOVERNMENT GAZETTE OF 9-5-05 RA 2003-168 DATE: MAP REFERENCE Q3LEP\03\RA2003_168_layout.dwg REZONING APPLICATION NUMBER: RELATED FILE REFERENCES: CERTIFICATE ISSUED UNDER SEC.65 E.P.A. ACT 1979

DEPARTMENT FILE:

SCALE: 1:250 @ A3

FOR COUNCIL

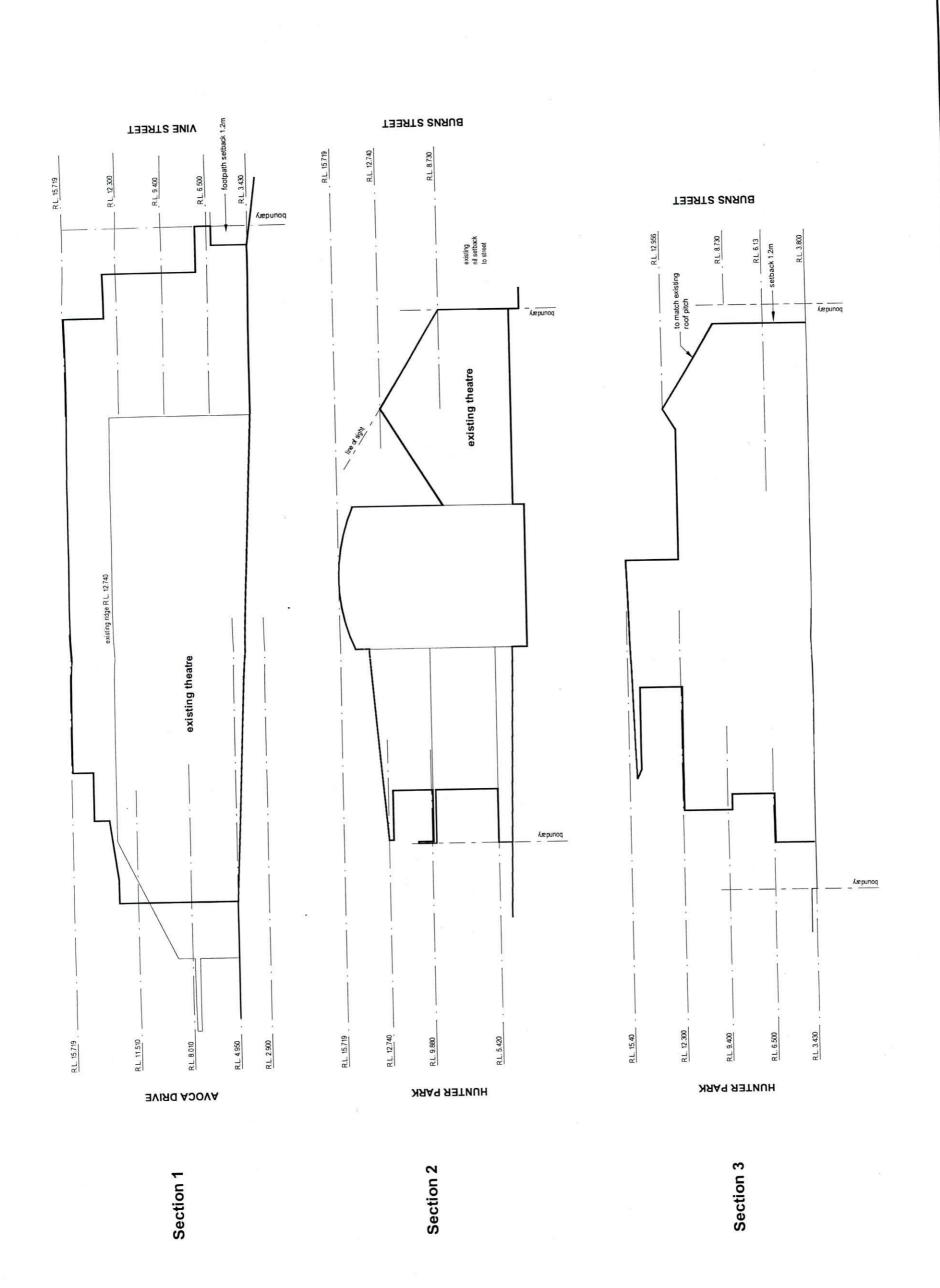
STREET NINE ridge R.L. 12.740 (m) 1 1 1.2m STREET PARK BURNS HUNTER

DRNE

MOCA

Articulation Zone

Existing Cinema



SCALE: 1:250 @ A3

DATE: 9 - 5 - 05

RAZ 2003-168

AMENDS THE GOSFORDPLANNING SCHEME ORDINANCE.

AMENDS THE GOSFORDPLANNING SCHEME ORDINANCE.

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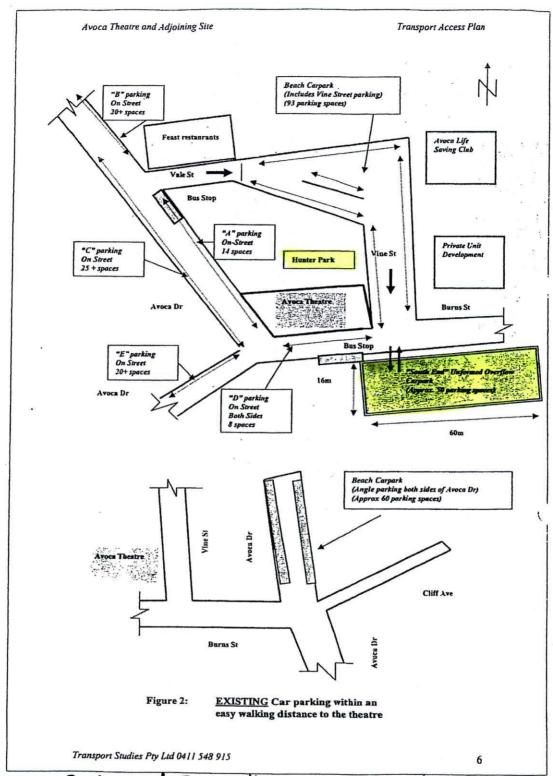
REZONING APPLICATION NUMBER:

RELATED FILE REFERENCES: CERTIFICATE ISSUED UNDER SEC.65 E.P.A. ACT 1979

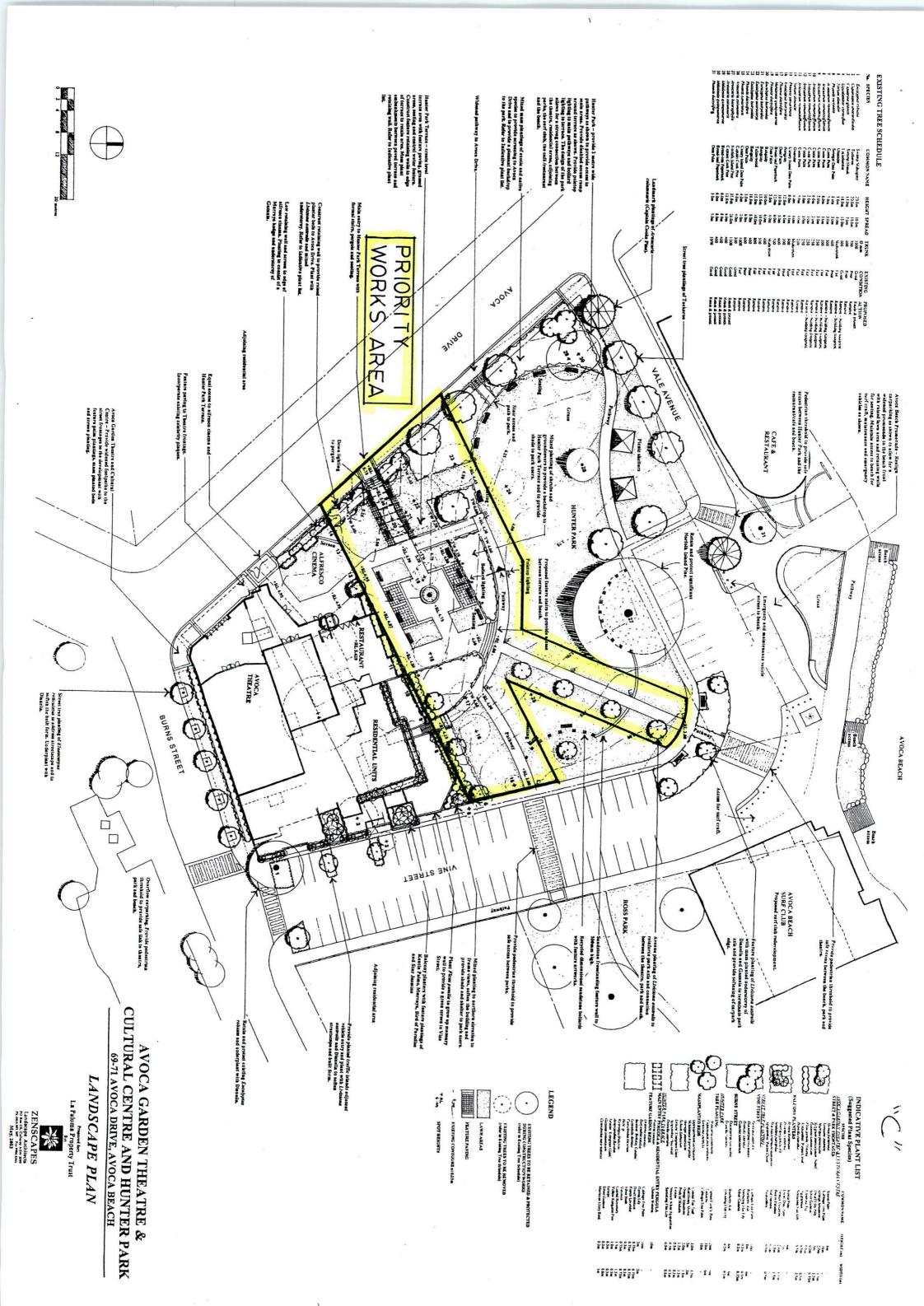
DEPARTMENT FILE:

LOCAL ENVIRONMENT PLAN No. 456

ENVIRONMENTAL PLANNING & ASSESSMENT ACT, 1979
GOSFORD



Car Park and Embellishment Works



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UNIT STRAYA DEVELOPMENT. PLAN ORIVE MOCA

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22. DOX 31 STATON
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IN DR 5369, VINE STREET AVOCA BEAC

'A' RIGHT OF FOOTWAY 1.2 WIDE 'V' RIGHT OF ACCESS 1.2 WIDE 'C' EASEMENT FOR SERVICES 1.2 WIDE