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ABN 85 031 302 516

The Proper Officer
Penrith District Agricultural Horticultural and Industrial Society Limited
140 -147 Station Street
PENRITH NSW 2750

4 July 2022

Dear Sir/Madam

**Penrith Stadium redevelopment project
Proposed Acquisition of Lot 12 in DP 1176987 by Infrastructure NSW**

Infrastructure NSW recently contacted you about the Penrith Stadium redevelopment project.

As discussed previously, the proposed area for the project has been researched at length and will unfortunately require the acquisition of the whole of the property owned and occupied by the Penrith District Agricultural Horticultural and Industrial Society Limited at 127-141 Station Street, Penrith. Specific details of the property proposed for whole acquisition are shown over the page.

This letter commences the minimum six month negotiation period that is required under section 10A of the Land Acquisition (Just Terms Compensation) Act 1991 (Just Terms Act). During the next six months we will make a genuine attempt to acquire the property by means of an agreement reached with you. This time enables you to understand the process, have your questions and concerns addressed and consider your options.

Following this period, if an agreement is unable to be reached, Infrastructure NSW may commence the compulsory acquisition process which will occur in parallel to any ongoing negotiations with you. Please be aware that you have the right to shorten the minimum six month negotiation period if you wish and in this regard you may advise Infrastructure NSW.

Kiara Neasy, Director Communications and Engagement and Tom Gellibrand, Head of Projects NSW, who is overseeing the acquisition process, will discuss with you the technical aspects of the valuation acquisition process as follows:

- explain the key elements of the NSW Government's property acquisition process which is conducted under the Just Terms Act
- explain how engaging early will help maximise the time you have available to negotiate an agreement with Infrastructure NSW
- explain their roles and answer any questions you may have about the negotiation process

OFFICIAL

- help identify any additional support or assistance you may need based on your individual circumstances.

I have included some additional information on the following pages to outline the next steps and help you engage a solicitor and qualified valuer. Also enclosed are two copies of the Roads and Maritime Services (now Transport for NSW) Land Acquisition Information Guide which explain the acquisition process in greater detail.

If you, your solicitor, or valuer have any specific questions about the technical aspects of the valuation and acquisition process, they can contact me directly in the first instance.

Please be aware that a Property Acquisition Support Line has been established by the NSW Government, which is available to all property owners, tenants, business owners who feel emotionally or mentally affected by property acquisition. This service is delivered independently by Converge International, who have a team of qualified psychologists and social workers available. The service is free of charge and completely anonymous. For more information on the Property Acquisition Support Line, please visit www.propertyacquisition.nsw.gov.au.

We would be grateful if you could advise if there are any other interests in the land that Infrastructure NSW should be aware of. Please contact me on mobile _____ or email _____ to provide this information as required.

Yours sincerely

Tom Gellibrand
Head of Projects NSW

Proposed land acquisition

The Penrith Stadium redevelopment project requires the proposed acquisition of the property at 127-141 Station Street, Penrith NSW 2750.

- Lot 12
- Deposited Plan 1176987

Infrastructure NSW would like to execute a Deed of Release for the whole purchase of the property by April 2023 and wishes to commence negotiations on the terms of the compensation. If agreement on the terms of the purchase is unable to be reached within six months of the date of this letter, a compulsory acquisition process will commence.

The Acquisition Process

The acquisition process for compulsory acquisition of land and interests in land for major infrastructure projects involves a number of stages and is subject to the requirements of the Just Terms Act. The aim of the process is to ensure that land required for a project is obtained within the project's timeframes and, if possible, by negotiated agreement, consistent with the objects of the Just Terms Act.

Stage 1 – Negotiation of acquisition by Agreement

Infrastructure NSW will make a genuine attempt to acquire the property by means of private agreement with you for at least 6 months from the date of this letter. This time enables you to understand the process, have your questions and concerns addressed and consider your options.

There are certain circumstances where the Just Terms Act permits Infrastructure NSW's obligation to continue to negotiate with you to cease, including where you notify Infrastructure NSW that you are not prepared to negotiate with Infrastructure NSW for the acquisition of the property by agreement. Infrastructure NSW will write to you separately if this circumstance arises after the date of this letter.

Following this period, if an agreement has not been reached, Infrastructure NSW may commence the compulsory acquisition process (which will occur in parallel to any ongoing negotiations with you).

Stage 2 – Proposed acquisition notice if no agreement

If agreement cannot be reached with you within the six-month negotiation period, Infrastructure NSW may start the compulsory acquisition process. This process would begin with Infrastructure NSW issuing you a proposed acquisition notice (**PAN**) under the Just Terms Act.

Infrastructure NSW will continue to negotiate with you to agree compensation after the PAN is given (unless you have notified Infrastructure NSW that you choose not to continue negotiations). However, if an agreement is not reached (or you choose not to continue to negotiate) then Infrastructure NSW may proceed to compulsorily acquire the property following the expiration of the period of notice set out in the PAN.

If you agree on the terms of the acquisition with Infrastructure NSW (including the compensation amount), then Infrastructure NSW will acquire the property without proceeding to compulsory acquisition (except as may be necessary as part of an agreement reached with you under section 30 or section 63 of the Just Terms Act).

Stage 3 – Compulsory acquisition

If the property is compulsorily acquired (other than under an agreement with you under section 30 or 63 of the Just Terms Act), then the compensation for the acquisition of the property will be determined by the Valuer-General in accordance with the Just Terms Act.

Please let us know as soon as possible if you are not prepared, or not in a position, to negotiate with Infrastructure NSW for the acquisition of the property.

Determining Compensation

The determination of the compensation payable for the acquisition of the property will be in accordance with section 55 of the Just Terms Act as follows:

- (a) the market value of the land on the date of its acquisition,*
- (b) any special value of the land to the person on the date of its acquisition,*
- (c) any loss attributable to severance,*
- (d) any loss attributable to disturbance,*
- (e) disadvantage resulting from relocation,*
- (f) any increase or decrease in the value of any other land of the person at the date of acquisition which adjoins or is severed from the acquired land by reason of the carrying out of, or the proposal to carry out, the public purpose for which the land was acquired.*

For Infrastructure NSW to properly assess the amount of compensation payable, Infrastructure NSW will appoint a suitably qualified independent Valuer. The independent Valuer will require access to your property to prepare a valuation report which will detail the compensation payable by Infrastructure NSW.

You are also encouraged to engage the services of a qualified independent Valuer. The valuation report must be prepared by the appointed Valuer as an independent assessment of compensation. The compensation assessed as payable under the Just Terms Act will include a component for the valuation fees of a qualified Valuer reasonably incurred in connection with the compulsory acquisition of your property.

Please note that a qualified independent Valuer is a reference to a person who maintains:-

- Membership of the Australian Valuers Institute (other than a student membership);
- Membership of the Australian Property Institute (other than a student membership), acquired in connection with his or her occupation as a Valuer; or
- Membership of the Royal Institution of Chartered Surveyors as a chartered valuer.

You are also entitled to seek legal advice. The compensation assessed as payable under the Just Terms Act will include a component for the legal costs reasonably incurred in connection with the compulsory acquisition of your property.

Please contact Tom Gellibrand, Head of Projects NSW, who is overseeing the acquisition process, whose details are on page 2 of 11 and 11 of 11 of this letter, prior to:

- engaging your Valuer to confirm that their proposed fees are reasonable and acceptable for the work to be undertaken and all costs are reimbursable in accordance with the Just Terms Act; and
- engaging your Lawyer.

In relation to the engagement of your Lawyer, we request that you:

- send to your Acquisition Manager your Lawyer's itemised estimate of legal costs for the negotiation process and for the making and implementation of an agreement (if agreement is reached). If an agreement is reached, Infrastructure NSW will arrange for an appropriate form of legal agreement to be prepared and submitted to your Lawyer; and
- notify the Acquisition Manager in writing if the legal costs you have incurred reach 80% of that estimate.

The fee estimate and notification processes will assist us in progressing our negotiations with you, and so they should be to your advantage.

The Acquisition Manager can also assist with providing a high-level indicative scope of legal work that your Lawyer would normally need to undertake for you to negotiate and implement an agreement with Infrastructure NSW, if that would assist your Lawyer in providing an estimate. Please contact us if this is an option you would like to discuss.

If your Lawyer or Valuer has specific questions about the technical aspects of the valuation and acquisition process, please have them contact your Acquisition Manager.

Negotiating purchase terms

Once you have selected your legal, conveyancing and valuation service providers, please encourage them to prepare a valuation report and contact Infrastructure NSW as quickly as possible. This will ensure you have the maximum time available to negotiate on the terms of the purchase agreement.

Exchanging contracts

Exchanging contracts on a replacement property prior to exchanging contracts on your current property with Infrastructure NSW may financially disadvantage you. To avoid this occurring, please consult your Lawyer.

GST liability

To help Infrastructure NSW determine if there is any GST liability on the sale of your property, please complete the enclosed GST questionnaire and return it to Tom Gellibrand, Head of Projects NSW on

Capital Gains Withholding (CGW) liability

As you may be aware, the Federal Government imposes a tax on foreign residents with Australian property. If your property has a market value of \$750,000 or more, you will be required before settlement to provide Infrastructure NSW with a certificate stating that you are not a foreign resident for tax purposes. Otherwise, Infrastructure NSW must give 12.5% of the purchase price to the Australian Tax Office. We enclose a fact sheet providing you with information on how you, or

your solicitor who may be undertaking the conveyance of the acquisition, may apply for a certificate.

Other interests

While you are the owner, we note that there may be other persons who may have an interest in the property. Examples of those persons may be a mortgagee, tenant, licensee, person with access rights or any other person to whom you have granted a right or interest in the property. Such a right or interest may be granted in writing or through verbal agreement. If there are any other persons who have a right or an interest in the property, please contact us as soon as possible to let us know details of those other persons and their interests.

If you are proposing to enter into an arrangement with another person to allow that person to occupy your property now or in the future, please also let us know the details of such proposed arrangement.

Further questions

If your enquiry relates specifically to technical aspects of the valuation and acquisition process, please contact Tom Gellibrand, Head of Projects NSW on _____ or _____

For any questions regarding the project or any relocation assistance required, please contact Kiara Neasy, Director Communications and Engagement on _____ or _____

Next Steps

1. Infrastructure NSW will appoint a qualified independent Valuer to assess the compensation payable for the acquisition of the property. Your Acquisition Manager will contact you to advise who has been appointed to undertake the valuation and to agree a suitable time for the Valuer to undertake an inspection of the property.
2. Infrastructure NSW encourages you to engage a qualified independent Valuer and to obtain a valuation in readiness for discussion with your Acquisition Manager when Infrastructure NSW's valuation is received.
3. Your Acquisition Manager will contact you to arrange a meeting with you and/or your Valuer to discuss compensation payable for the acquisition of the property and exchange valuation reports (if your valuation report is available at that time).

INFRASTRUCTURE NSW PROPERTY ACQUISITION - VENDORS LIABILITY FOR GST QUESTIONNAIRE

INFRASTRUCTURE NSW FILE: [0001]

Infrastructure NSW proposes to acquire the whole of Lot 12 in DP 1176987.

To enable terms of acquisition to be prepared it is necessary for Infrastructure NSW to know the owner/occupier's liability for GST in respect of the sale of this property.

Unless the owner/occupier advises Infrastructure NSW that GST is payable on the sale to Infrastructure NSW will make no allowance for GST when formulating the offer to purchase this property. If there is any doubt as to your liability, you should seek independent advice.

The purchase Infrastructure NSW is to be in full satisfaction of all claims arising from the acquisition and after settlement Infrastructure NSW is not prepared to re-open an acquisition matter if GST is later found to be payable. Accordingly, it is in the vendor's interest to respond now to this questionnaire.

Q1. As Owner/Occupier of Lot 12 in DP 1176987, do you believe GST is payable by you to the Australian Tax Office?

A. Please tick: YES OR NO

If you ticked **NO** please disregard Question 2 then, sign and date this questionnaire at the bottom and return to Infrastructure NSW at the address below.

Q2. If you ticked YES at question 1 what is your ABN?

A. Your ABN is

If you ticked **YES** to Question 1 and you have provided your ABN to Infrastructure NSW the appropriate amount of GST will be added to Infrastructure NSW offer.

As Infrastructure NSW will increase the compensation by the amount of GST in return for a Tax Invoice Infrastructure NSW requests that you use 10% GST instead of the Margin Scheme.

At settlement of this acquisition you or your solicitor will be required to furnish to the Infrastructure NSW's solicitor a Tax Invoice for the amount of the GST which will be detailed in Infrastructure NSW's letter of offer. Your cooperation in completing this questionnaire is appreciated. Please sign and date this form.

Registered Owner's Name:

Registered Owner's Contact Number:

Signature:

Date:

Please return to:

Infrastructure NSW
PO Box R220
Royal Exchange NSW 1225
Attention Tom Gellibrand – Head of Projects NSW

Foreign Resident Capital Gains Withholding Tax Fact Sheet

This factsheet is a brief summary of the foreign resident capital gains withholding tax regime and should not be relied upon without further advice.

What is foreign resident capital gains withholding tax?

The foreign resident capital gains withholding tax regime (**Regime**) imposes a withholding tax on foreign owners of property. For certain transactions, including the sale of property over \$750,000, the Federal Government requires the purchaser to withhold 12.5% of the purchase price and provide this amount to the Australian Taxation Office (**ATO**).

The Regime can apply to different types of acquisitions undertaken by Infrastructure NSW including:

- negotiated sales with an agreed sale price
- compulsory acquisition.

Infrastructure NSW must withhold 12.5% of the purchase price if your property has a market value of **\$750,000** or more, unless Infrastructure NSW has a "foreign resident capital gains withholding clearance certificate" (**clearance certificate**).

Will the withholding tax impact you?

Yes, the Regime applies to all property transactions with a market value of \$750,000 or more. This is the case even if you are not a foreign resident for tax purposes.

To avoid Infrastructure NSW withholding the tax, you must provide Infrastructure NSW with a clearance certificate (see "What you need to do") 28 days before settlement or publication of the acquisition notice.

There are a number of limited exceptions to the Regime. To find out more, follow the link under "Find out more".

What you need to do

If you:

- are not a foreign resident for tax purposes; and
- have been advised by Infrastructure NSW or believe that the market value of your property is close to or above \$750,000; and
- wish to avoid having the tax withheld,

then you should provide Infrastructure NSW with a clearance certificate. A clearance certificate is usually valid for 12 months.

You, or your solicitor who is undertaking the conveyance of your acquisition, can apply online for a clearance certificate from the ATO, here:

<https://www.ato.gov.au/forms/capital-gains-withholding-clearance-certificate-application-online-form-and-instructions-for-australian-residents/>

You should apply for a clearance certificate as soon as possible. The ATO can take up to 28 days to issue you with a clearance certificate. Once received, you should provide the clearance

certificate to Infrastructure NSW as soon as possible, and at least 28 days before settlement or publication of the acquisition notice.

Important

Each owner named on the property's certificate of title must provide Infrastructure NSW with a separate clearance certificate. Infrastructure NSW must withhold the full 12.5% of the purchase price if any co-owner fails to provide a certificate.

Find out more

You can find out more about capital gains withholding, how it works and exceptions that can apply on the ATO's website by visiting:

<https://www.ato.gov.au/General/Capital-gains-tax/International-issues/>

Centre for Property Acquisition

Privacy Statement

Protecting your information

New South Wales government agencies are legally required to protect your privacy by complying with the Information Protection Principles in the *Privacy and Personal Information Protection Act 1998* (NSW) and the Health Privacy Principles in the *Health Records and Information Privacy Act 2002* (NSW). This Privacy Statement contains important information about how your information is collected, stored and used to improve the property acquisition process.

What information is being collected?

The government agency named at the end of this statement (Infrastructure NSW) is undertaking a property acquisition. The Acquiring Agency is contacting customers like you who may be affected.

To be able to do this, the Acquiring Agency needs to collect personal information from you, such as your name and preferred contact details (home phone, work phone, mobile number and email).

It may also, with your consent, collect other information from you about your circumstances, where those circumstances are relevant to the acquisition process.

How is information collected?

Generally, information is collected directly from you face-to-face, on the phone and via email by your Acquisition Manager. If you are under 16, we collect information from your parent or guardian.

The Acquiring Agency will record notes of all contact with you to better manage the property acquisition process and provide you with personal support.

Why is information collected?

The Acquiring Agency will only collect information from you about your personal circumstances to help provide tailored support for you during the acquisition process.

The purpose of collecting information about you is to make the process of acquisition and the support provided to you more efficient and effective.

Is the collection of information required by law?

You are not required to provide any information when you are contacted by your Acquisition Manager. However, if you decide not to volunteer any information, the Acquiring Agency may not be able to keep you fully informed about the acquisition process and may not be able to provide you with the tailored support you may need or request.

Who is the information for?

To support you during the acquisition process, the following government agencies and their contracted service-providers will use the information collected from you:

- the Acquiring Agency; and
- the NSW Government's Centre for Property Acquisition which manages the information technology system storing your information.

Your information may also need to be disclosed to the following recipients from time-to-time:

- only where you have specifically consented, third party service providers in order to assist with your specific needs in relation to the acquisition of the property and your relocation;
- members of the NSW Property Acquisition Standards Group, who are responsible for the development, maintenance and compliance with operating standards for the property acquisition process and advising on their continuous improvement; and
- other recipients to whom disclosure of your personal information is permitted or required under the law.

How are records stored?

Your information is stored subject to strict security procedures in accordance with NSW Government information technology policies.

Accessing and correcting your records

You can access your records on request at any time during this process. If you have any questions about how the Acquiring Agency handles your information, or wish to access your records, please contact your Acquisition Manager:

by phone:

by email:

by post:

Infrastructure NSW

PO Box R220

Royal Exchange NSW 1225

Acquiring Agency

Infrastructure NSW