



Barry O'Farrell MP Premier of NSW Minister for Western Sydney

MEDIA RELEASE

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CROWN HOTEL RESORT PROPOSAL MOVES TO STAGE 2

Premier Barry O'Farrell today announced the proposal by Crown Limited for a six-star hotel resort with VIP-only gaming facilities at Sydney's Barangaroo had moved to the second stage of government consideration.

Mr O'Farrell said Crown had lodged an unsolicited proposal for the development with the NSW Government on September 6 and it had been considered under the *Unsolicited Proposals Guide for Submission and Assessment* which came into force in January.

"Crown's submission is that the development would see up to \$1 billion invested in NSW and would result in more than 1,200 jobs," Mr O'Farrell said.

"As Sydney's first six-star hotel, it would be a world-class tourist facility which would help us compete with other global destinations particularly in the lucrative and booming Asian tourism market.

"The proposal has undergone an initial assessment – signed off by the heads of the Department of Premier and Cabinet and the Treasury - which concluded it should now be subject to a rigorous financial appraisal to see if it is in the state's best interests."

Mr O'Farrell said the NSW Government would not permit poker machines to be part of the development.

He said a project team would examine the proposal in Stage 2, with its independent chair to be appointed shortly. The team would report to government in the new year.

"In this next stage, the net benefit of granting a gaming licence at Barangaroo – and the conditions that should apply to ensure the maximum benefit to NSW over time - will be comprehensively assessed," Mr O'Farrell said.

"This process will be separate from the negotiations between Lend Lease, the Barangaroo Development Authority and Crown around the hotel's construction."

Mr O'Farrell said the move to Stage Two did not necessarily guarantee a gaming licence – it merely meant the proposal would be further assessed and developed in conjunction with Crown.

He said the NSW Government would honour the Star's existing exclusivity agreement which meant any new casino would not be operational before 14 November, 2019.

HOW UNSOLICITED PROPOSALS ARE HANDLED BY THE NSW GOVERNMENT:

Stage 1 - Initial submission and strategic assessment: a comprehensive initial assessment of the proposal to identify the potential benefit to government of further consideration and development with the proponent. The outcome is advice to the proponent of progression to Stage 2, or that the government does not wish to proceed.

Stage 2 - Detailed proposal: requires the proponent and government to work cooperatively in the development and assessment of a detailed proposal. The outcome is advice to the proponent of progression to Stage 3, or that the government does not wish to proceed.

Stage 3 - Negotiation of final binding offer: involves the finalisation of all outstanding issues with a view to entering into a binding agreement, if the government decides to accept the final offer.

Website: <http://www.nsw.gov.au/unsolicitedproposals>

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