

## Place, Design and Public Spaces

IRF20/4745

### Gateway determination report

<b>LGA</b>	Sydney
<b>PPA</b>	City of Sydney Council
<b>NAME</b>	<p>The planning proposal seeks to amend the Sydney Local Environmental Plan 2012 to introduce a site-specific provision for 187 Thomas Street, Haymarket to:</p> <ul style="list-style-type: none"> <li>increase the maximum building height from 50 metres (m) to RL226.8 m (approximately 215 m above ground);</li> <li>increase the maximum floor space ratio from 7.5:1 to 20:1, inclusive of design excellence;</li> <li>additional floor space of up to 1.5:1 to be located below ground level for limited purposes that will support the related uses in the above ground portion of the building;</li> <li>provide a through-site link and extension of the future Quay Street square;</li> <li>ensure the building is not used for residential accommodation or serviced apartment uses; and</li> <li>ensure additional floor space can be awarded where development demonstrates design excellence, with no additional height permitted through design excellence.</li> </ul>
<b>NUMBER</b>	PP-2020-1046
<b>LEP TO BE AMENDED</b>	Sydney Local Environmental Plan 2012
<b>ADDRESS</b>	187-189 Thomas Street, Haymarket
<b>DESCRIPTION</b>	Lot 100 DP 804958
<b>RECEIVED</b>	2 October 2020
<b>FILE NO.</b>	IRF20/4745
<b>POLITICAL DONATIONS</b>	There are no donations or gifts to disclose and a political donation disclosure is not required
<b>LOBBYIST CODE OF CONDUCT</b>	There have been no meetings or communications with registered lobbyists with respect to this proposal

## 1. INTRODUCTION

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### 1.1 Description of planning proposal

The planning proposal seeks to amend the Sydney Local Environmental Plan 2012 (Sydney LEP 2012) to introduce a site-specific provision for 187 Thomas Street, Haymarket to:

- increase the maximum building height from 50 metres (m) to RL226.8 m (approximately 215 m above ground);
- increase the maximum floor space ratio from 7.5:1 to 20:1, inclusive of design excellence;
- additional floor space of up to 1.5:1 to be located below ground level for limited purposes that will support the related uses in the above ground portion of the building;
- provide a through-site link and extension of the future Quay Street square;
- ensure the building is not used for residential accommodation or serviced apartment uses; and
- ensure additional floor space can be awarded where development demonstrates design excellence, with no additional height permitted through design excellence.

The planning proposal will facilitate a 47 storey mixed-use tower, consisting of retail, commercial, innovation and visitor accommodation uses which will be the subject of a future Development Application. The development will facilitate approximately 47,000m<sup>2</sup> of new commercial floor space.

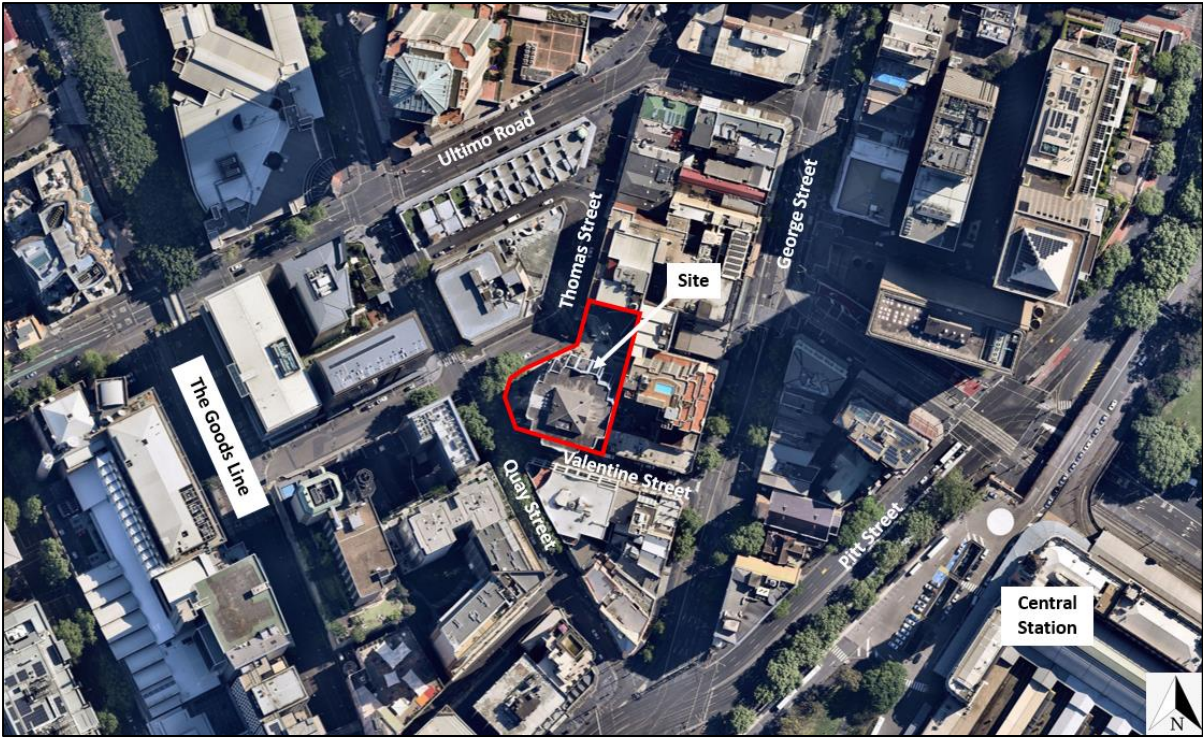
The planning proposal will also facilitate ground level retail and active uses, which front an upgraded public domain and new through-site link connecting Thomas Street and George Street.

The Economic Impact Assessment accompanying the planning proposal, prepared by Atlas Urban Economics dated 14 April 2020, states the proposal will facilitate 1,136 full time jobs (including 583 jobs directly employed in construction activity).

### 1.2 Site description

The site is located at 187-189 Thomas Street, Haymarket, in the southern part of the Sydney CBD (**Figure 1**). The site is an irregular shape with a total area of approximately 2,327m<sup>2</sup> and is legally known as Lot 100 DP 804958. The site has three site frontages, being Thomas Street to the north-west, Quay Street to the west and Valentine Street to the south.

The site currently contains a 10-storey commercial office building, consisting of ground floor retail opening up to a plaza facing the intersection of Quay Street and Valentine Street (**Figure 2**). Wilson Parking operate a car park underneath the site.



**Figure 1:** Site location (shown in red) (Source: Nearmap)



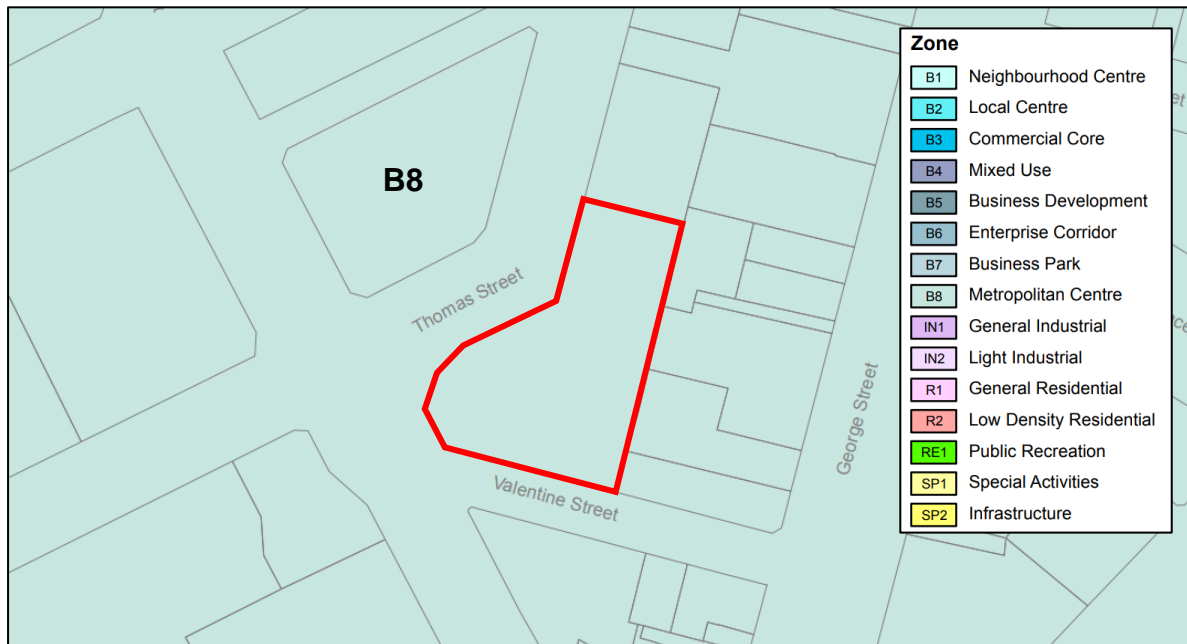
**Figure 2:** Existing building on site facing south (shown in red) (Source: Council's Planning Proposal)

### **1.3 Existing planning controls**

The site is subject to the following development controls under the Sydney LEP 2012, relevant to this Planning Proposal.

## Zoning

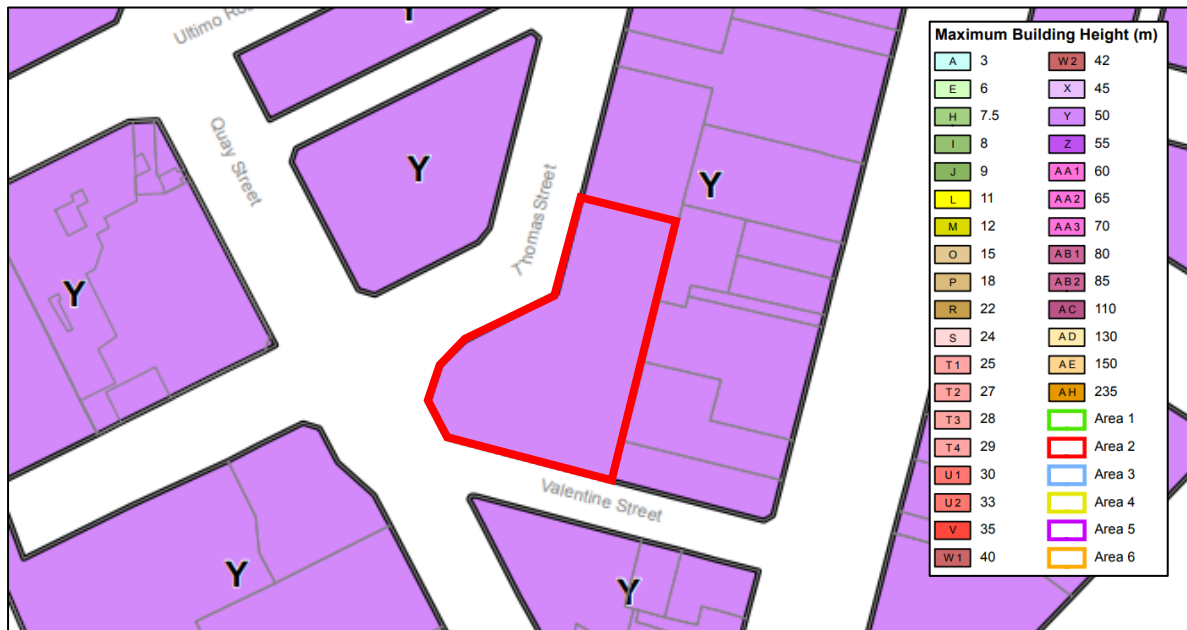
The site is zoned B8 Metropolitan Centre (**Figure 3**) which permits a broad range of uses including commercial premises, community facilities, food and drink premises, residential accommodation and tourist and visitor accommodation.



**Figure 3:** Existing Land Zoning Map (site shown in red) (Source: Sydney LEP 2012)

## Building Height

The site has a maximum building height of 50m (**Figure 4**). Under clause 6.21(7), and additional 10% building height (or floor space ratio) may be awarded if the development demonstrates design excellence.

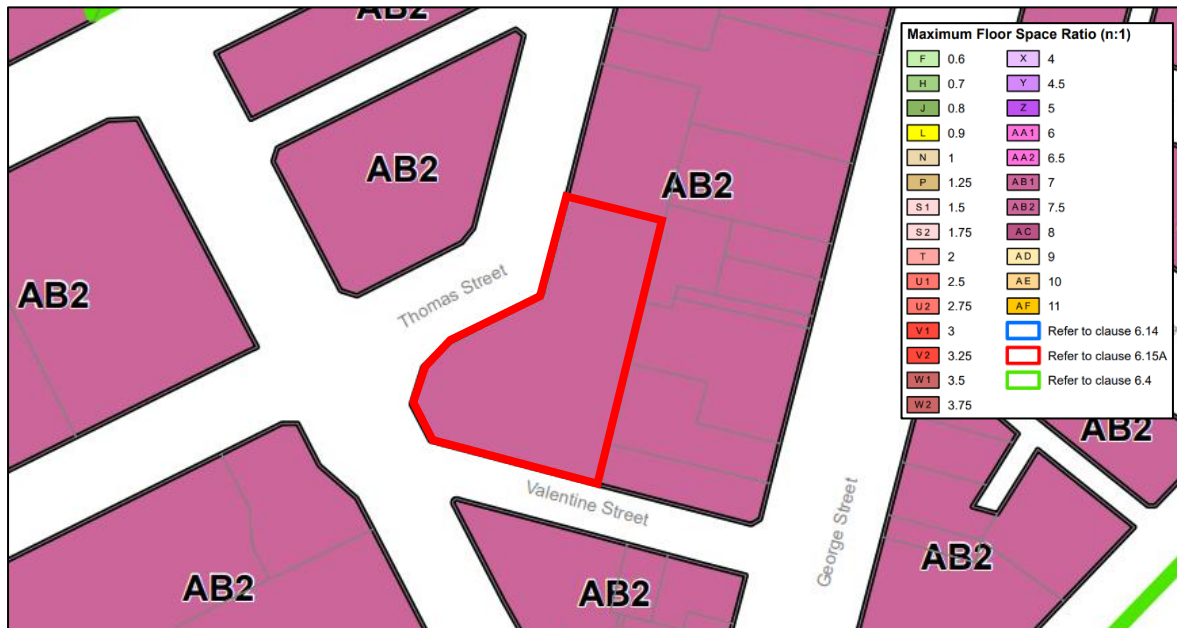


**Figure 4:** Existing Height of Buildings Map (site shown in red) (Source: Sydney LEP 2012)

## Floor Space Ratio

The site has a maximum floor space ratio of 7.5:1 (**Figure 5**). Under clause 6.4 of the Sydney LEP 2012 as the site is located in Area 4, accommodation floor space provisions allow an additional FSR of 1.5:1 for residential accommodation, serviced apartments, hotel or motel accommodation, community facilities or centre-based child care facilities. Under clause 6.21(7), and additional 10% floor space may be awarded if the development demonstrates design excellence.

As such, a total FSR of 9.9:1 can potentially be achieved for a residential or tourist accommodation development and 8.25:1 for a commercial development.



**Figure 5:** Existing Floor Space Ratio Map (site shown in red) (Source: Sydney LEP 2012)

## Heritage

There are no heritage items located on the site, nor is the site within a Heritage Conservation Area (HCA). However, the site is located within vicinity of several heritage items and directly adjacent to the former Sutton Forest Meat Building (shown as '1843' on **Figure 6**).

The Sutton Forest Meat Building is of local significance, as it has a long association with the wholesale meat trade and it is a rare example of this practice within the city. In addition, it reflects the period of major redevelopment in the city during the late 19<sup>th</sup> century.

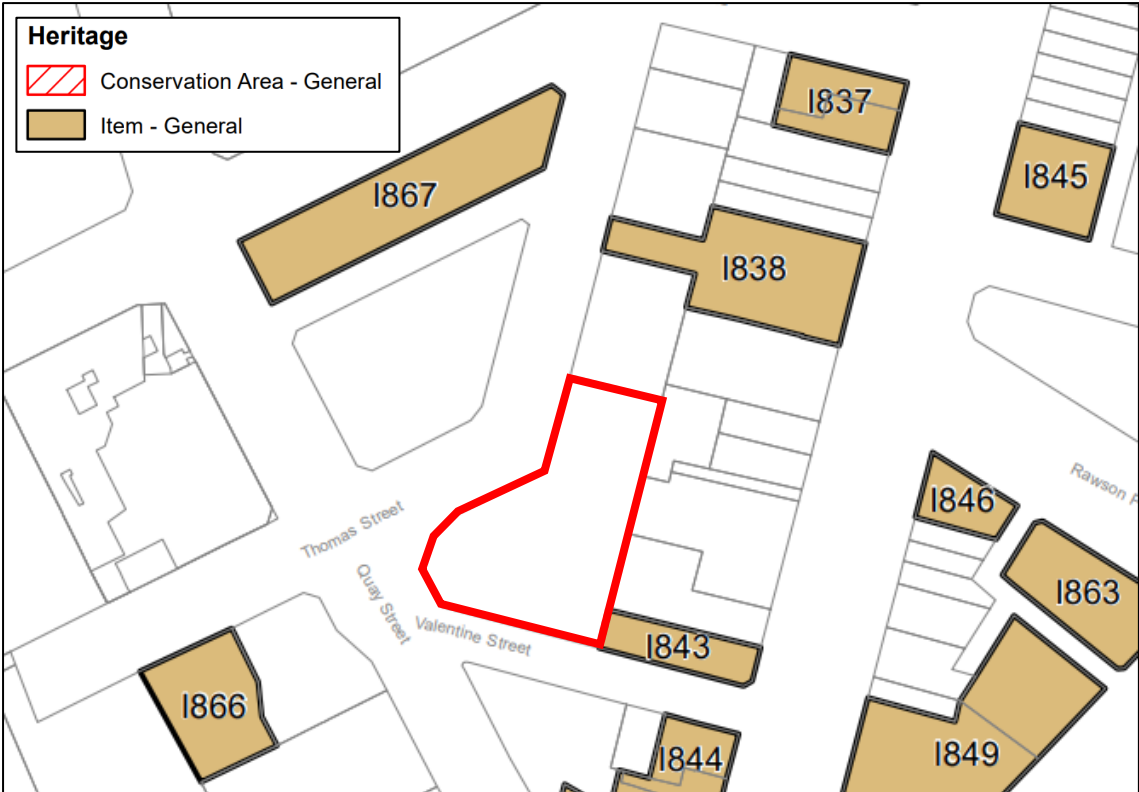


Figure 6: Heritage Map (site shown in red) (Source: Sydney LEP 2012)

Acid Sulfate Soils

The site is classified as Class 5 under Clause 7.14 (Acid Sulfate Soils) under the Sydney LEP 2012 (Figure 7).

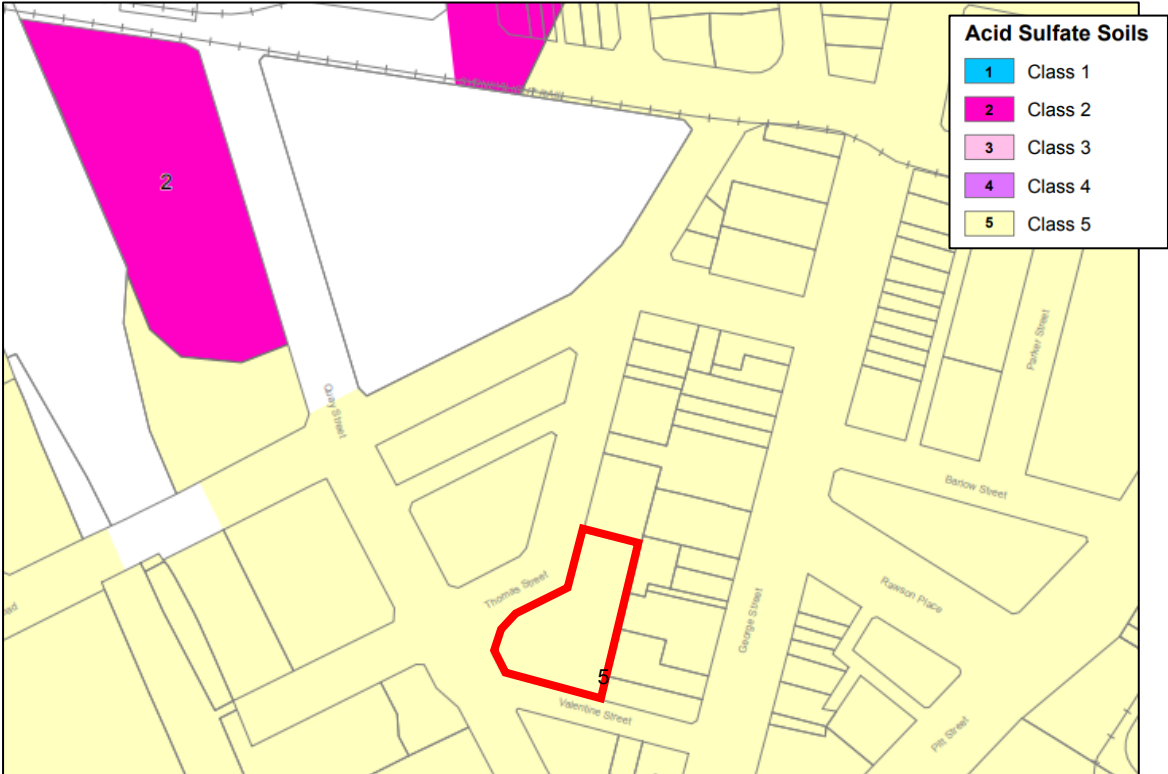
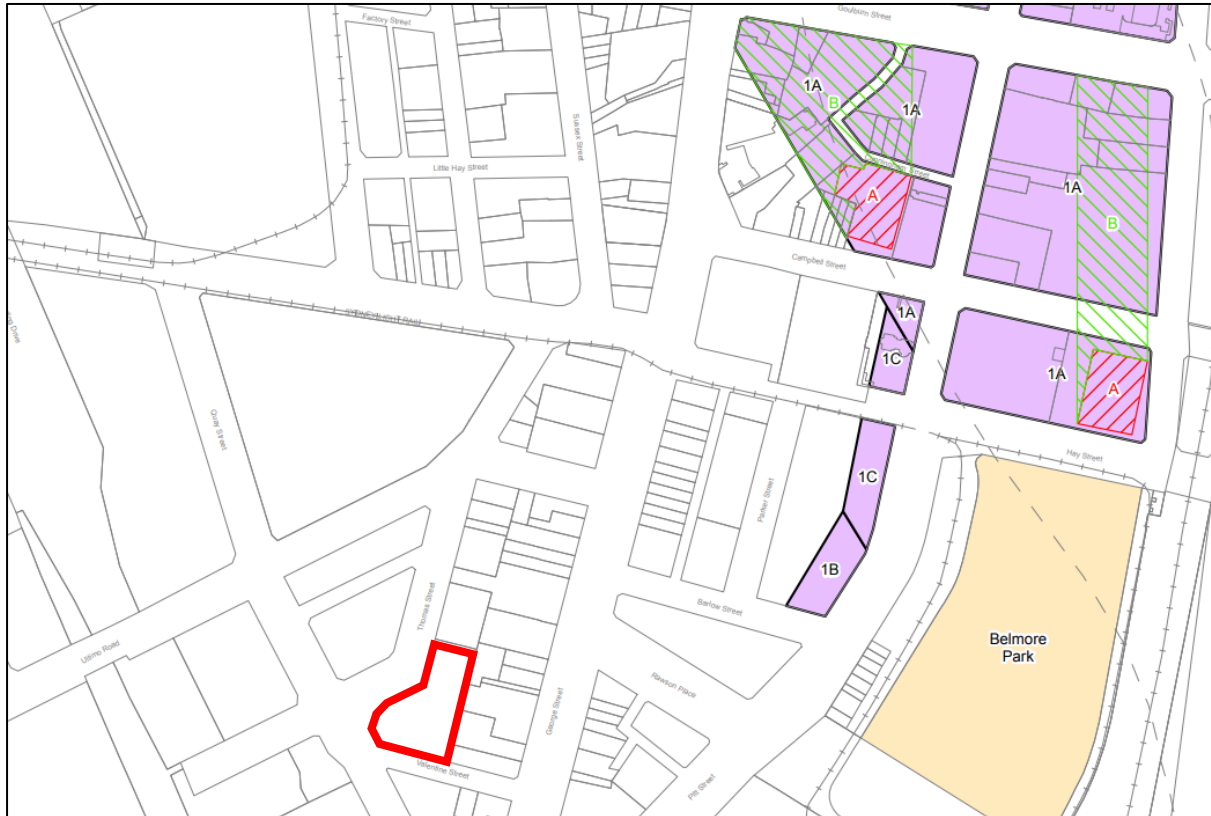


Figure 7: Acid Sulfate Soils Map (site shown in red) (Source: Sydney LEP 2012)

## Sun Access Protection

Clause 6.19 of the Sydney LEP 2012 – Overshadowing of certain public places states development consent must not be granted to development that results in any part of a building causing additional overshadowing to public places within Sydney (**Figure 8**). The Central Sydney Planning Proposal provides further sun access protection requirements, which is discussed in section 4.2 of this report.



**Figure 8:** Sun Access Protection Map (site shown in red) (Source: Sydney LEP 2012)

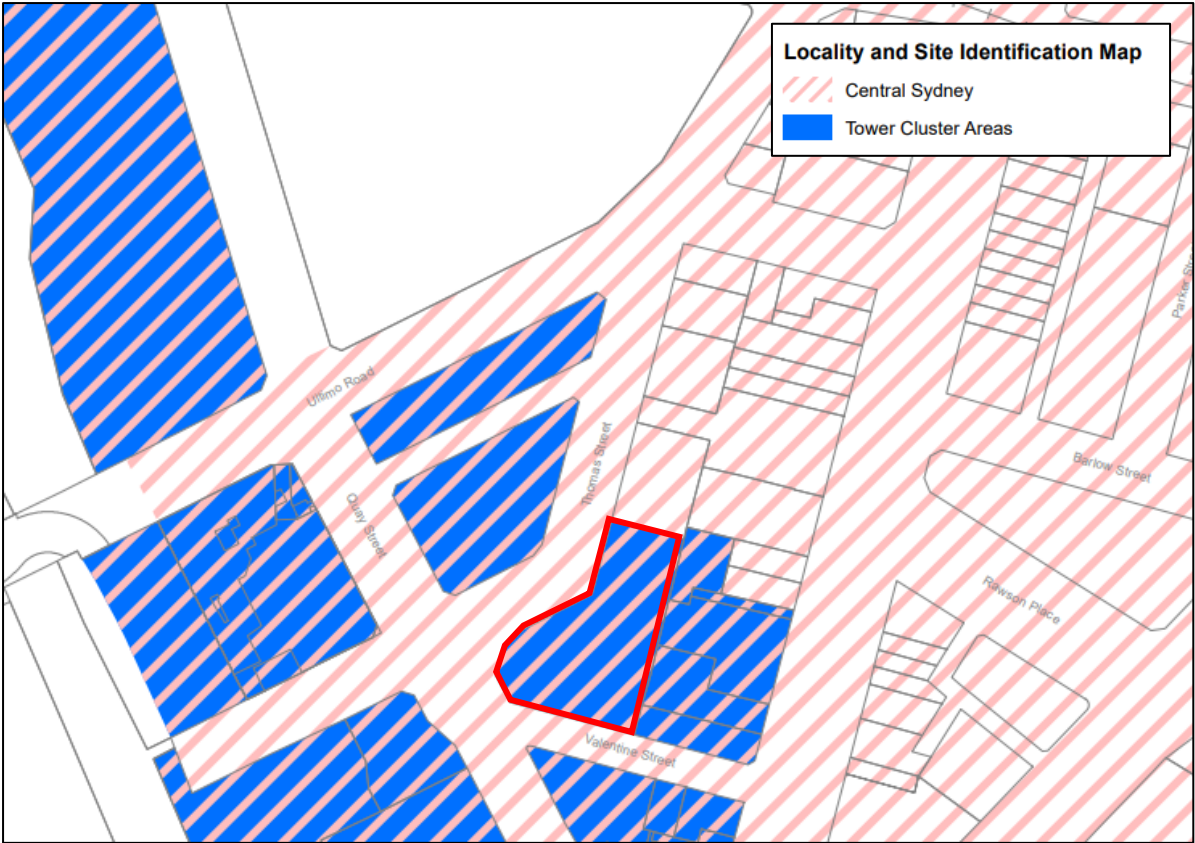
## **1.4 Draft Planning Controls**

### Tower Cluster

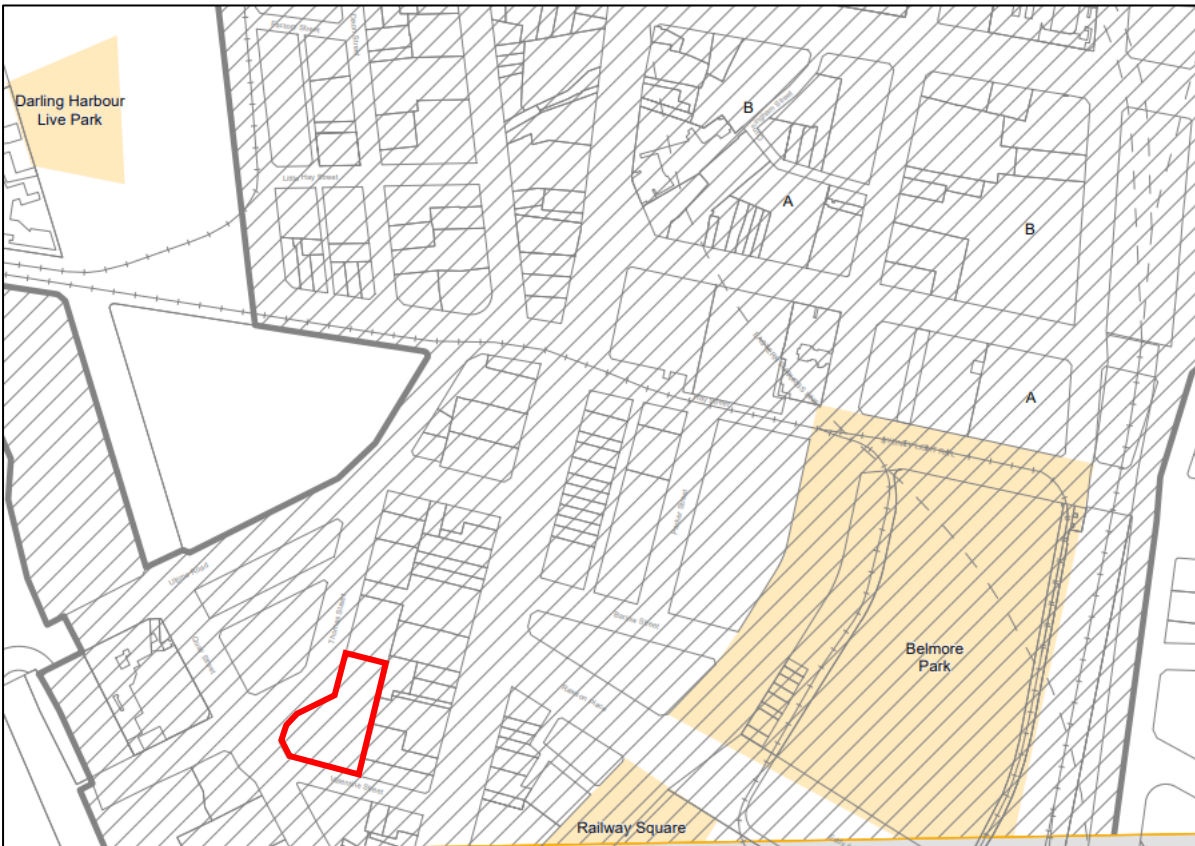
The site is located within the proposed Haymarket/Ultimo tower cluster area as identified in the Central Sydney Planning Proposal (CSPP) (**Figure 9**). This means the site could be eligible for a new design excellence bonus pathway for us to 50% more floor space, subject to satisfying certain criteria.

### Sun Access Protection

The CSPP seeks to revise and update Sun Access Plane controls to improve accuracy and levels of protection of important public parks and places. This includes Belmore Park, Prince Alfred Park and Railway Square (future Third Square) which are in proximity to the site (**Figure 10**).



**Figure 9:** Locality and Site Identification Map (site in red) (Source: Central Sydney Planning Proposal)



**Figure 10:** Sun Access Protection Map (site in red) (Source: Central Sydney Planning Proposal)



The Central Sydney Planning Proposal and its implications on this planning proposal is discussed in further detail in section 4.2 of this report.

### **1.5 Surrounding area**

The site is located in the southern part of the Sydney CBD, and has frontages to Thomas, Quay and Valentine Street. The site is located within close proximity to Central Station and Surry Hills.

To the east of the site, is the former 'Sutton Forest Meat' building which a local heritage item. The heritage item is adjoined by a small retail terrace. Also, to the east of the site is Capitol Terrace, which comprises residential apartment above ground floor retail. The retail arcade located on the ground floor of Capitol Terrace adjoins to the site, providing a connection between Thomas Street and George Street.

To the north of the site, is a 6-storey commercial building which consists of ground floor retail, education and office uses. To the north-west of the site is the Prince Centre, which is a 9-storey building consisting of office and commercial uses, retail and food and drink premises.

To the west of the site, along Quay Street are buildings ranging between 16 and 18 storeys. These buildings include residential, tourist and student accommodation, retail and active uses.

To the south of the site, are commercial buildings which range between 2 and 6 storeys, which are bound by Valentine, George and Quay Street. In addition, a row of heritage listed commercial terraces are located along George Street which are used for commercial offices, retail, entertainment, food and drink and tourist accommodation uses.

### **Transport and Access**

The site is located approximately 200m from Central Station, which provides connections to other parts of the Sydney CBD, Sydney Airport and the greater Sydney rail network. Central Station also provides light rail and bus connections, which can provide further connections to shops and entertainment precincts such as Moore Park and Pymont.

## **2. PROPOSAL**

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### **2.1 Objectives or intended outcomes**

Council states the planning proposal will enable the redevelopment of 187Thomas Street, Haymarket to deliver:

- additional floor space for employment uses;
- a built form consistent with the future character of Central Sydney and with acceptable environmental outcomes; and
- greater street activation, public domain improvements and pedestrian connections.

### **2.2 Explanation of provisions**

The planning proposal seeks to amend the Sydney Local Environmental Plan 2012 to introduce a site-specific provision for 187Thomas Street, Haymarket to:

- increase the maximum building height from 50 metres (m) to RL226.8 m (approximately 215 m above ground);

- increase the maximum floor space ratio from 7.5:1 to 20:1, inclusive of design excellence and additional floor space of 8.89:1;
- additional floor space of up to 1.5:1 to be located below ground level for limited purposes that will support the related uses in the above ground portion of the building;
- provide a through-site link and extension of the future Quay Street square;
- ensure the building is not used for residential accommodation or serviced apartment uses; and
- ensure additional floor space can be awarded where development demonstrates design excellence, with no additional height permitted through design excellence.

#### Draft site-specific Sydney Development Control Plan 2012 (Sydney DCP 2012)

Further to the LEP amendments, Council has prepared a site-specific DCP (**Attachment D**). The DCP controls relate to built form, wind impacts, Haymarket Special Character Area, development adjacent to heritage items, public domain, residential amenity, parking and vehicular access, design excellence, and sustainability.

#### **2.3 Mapping**

The planning proposal does not propose any mapping amendments to the Sydney LEP 2012.

### **3. NEED FOR THE PLANNING PROPOSAL**

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The planning proposal is not a result of any strategic study or report. The planning proposal has been initiated by the landowner and is supported by various technical studies including, but not limited to, urban design report, development control plan, economic impact assessment, environmental wind assessment, footpath pedestrian capacity study, heritage impact statement, indicative computation fluid dynamic study (supporting wind report), planning justification report, geotechnical assessment, and traffic impact assessment.

A planning proposal is one mechanism to increase the development standards on the site to facilitate proposed mixed use development as the current standards under the Sydney LEP 2012 do not enable the proposed development. The site is also located within a tower cluster under the draft Central Sydney Planning Strategy. On 11 March 2020, Gateway determination was issued for the CSPP. The planning proposal was publicly exhibited from 1 May 2020 until 10 July 2020. It is likely to be finalised in late 2020 or early 2021.

### **4. STRATEGIC ASSESSMENT**

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#### **4.1 Regional / District**

##### Eastern City District Plan

The Eastern City District Plan, released in March 2018, identifies 22 planning priorities and associated actions that are important to achieving a liveable, productive and sustainable future for the district, including the alignment of infrastructure with

growth. This planning proposal is consistent with the key relevant planning priorities in the District Plan as demonstrated in **Table 1**.

**Table 1:** Consistency with Eastern City District Plan

<b>Consistency with Eastern City District Plan</b>	
<b>Priority</b>	<b>Comment</b>
Planning priority E1: Planning for a city supported by infrastructure	The Department considers the proposal to be consistent with this priority as it will provide new commercial floor space and visitor and tourist accommodation within close proximity to current and planned transport infrastructure, which provides connections to greater Sydney.
Planning priority E7: Growing a stronger and more competitive Harbour CBD;	The Department considers the proposal to be consistent with this priority as it will provide new commercial floor space and visitor and tourist accommodation within Central Sydney within close proximity to public transport to provide access to employment opportunities.
Planning priority E10: Delivering integrated land use and transport planning for a 30 minute city	The Department considers the proposal to be consistent with this priority as it provides employment opportunities and hotel accommodation within close proximity to current and planned transport infrastructure, which provides connections to greater Sydney. The site is also well located, with access to significant existing infrastructure and a range of land uses which would also support the 30minute city.
Planning priority E11: Growing investment, business opportunities and jobs in strategic centres	The Department considers the proposal to be consistent with this priority as it will provide new commercial floor space and an innovation hub located within Central Sydney and within close proximity to academic and research institutes in Ultimo and Camperdown.
Planning priority E13: Supporting growth of targeted industry sectors;	The Department considers the proposal to be consistent with this priority as it the innovation hub will provide collaborative working spacing, equipment and support for start-ups and small entrepreneurs
Planning priority E19: Reducing carbon emissions and managing energy water and waste efficiently.	The Department considers the proposal to be consistent with this priority as the site-specific DCP provides sustainability targets.

## **4.2 Local**

### Sustainable Sydney 2030

Council's Sustainable Sydney 2030 Community Strategic Plan is the vision for the sustainable development of the City of Sydney to 2030 and beyond. It includes 10 strategic directions to guide the future of the City and 10 targets against which to measure progress. This planning proposal is consistent with key directions of the strategic plan as demonstrated in **Table 2**.

**Table 2:** Consistency with Sustainable Sydney 2030

<b>Consistency with Sustainable Sydney 2030</b>	
<b>Direction</b>	<b>Comment</b>
Direction 1 – A Globally Competitive and Innovative City	The Department considers the proposal is consistent with Direction 1, as it will support Sydney’s economy, and provide new employment opportunities including the innovation hub which will provide floor space for start-ups and entrepreneurs.
Direction 2 – A leading environmental performer	The Department considers the proposal is consistent with Direction 2, as the site-specific DCP will provide ecological sustainable development measures and requirements.
Direction 3 – Integrated Transport for a Connected City	The Department considers the proposal is consistent with Direction 3, as it will leverage the location being within proximity to public transport links to the CBD, eastern suburbs and other centres across Sydney.
Direction 4 – A city for walking and cycling	The Department considers the proposal is consistent with Direction 4, as it will provide ground floor retail activation and a new through-site link connecting Thomas and George Streets.
Direction 5 – A Lively and Engaging City Centre	The Department considers the proposal is consistent with Direction 5, as it will provide a new retail activated laneway, contributing to a livelier and engaging city.
Direction 6 – Vibrant Local Communities and Economies	The Department considers the proposal is consistent with Direction 6, as it facilitates new opportunities for businesses, start-ups and entrepreneurs.
Direction 7 – A Cultural and Creative City	The Department considers the proposal is consistent with Direction 7, as it will provide new retail activated laneways and a new through-site link.
Direction 9 – Sustainable development, renewal and design	The Department considers the proposal is consistent with Direction 9, as it provides employment opportunities in an accessible location, and development with ecological sustainable development measures and requirements.

### Local Strategic Planning Statement

Council’s Local Strategic Planning Statement (LSPS) has been assured by the Greater Sydney Commission. The Department considers that the principles of the planning proposal are generally consistent with the LSPS (**Table 3**).

The Department notes that in Council’s LSPS there are principles for growth to be considered for planning proposals. The Department recommends a condition that the planning proposal be updated to address the principles for growth.

**Table 3:** Consistency with Local Strategic Planning Statement

Action	Comment	Complies
<p><b>Priority I1:</b> Movement for walkable neighbourhoods and a connected city.</p> <p><b>Priority I2:</b> Align development and growth with supporting infrastructure.</p> <p><b>Priority L2:</b> Creating great places.</p> <p><b>Priority P1:</b> Growing a stronger, more competitive Central Sydney.</p> <p><b>Priority P2:</b> Developing innovative and diverse business clusters in City Fringe.</p> <p><b>Priority S2:</b> Creating better buildings and places to reduce emissions and water and use water efficiently.</p>	<p>The Department considers the planning proposal is consistent with the LSPS as it will:</p> <ul style="list-style-type: none"> <li>• deliver additional capacity for economic and employment growth;</li> <li>• provide employment opportunities in an accessible location, utilising Central Station and the future Sydney Metro; and</li> <li>• provide significant improvements to the public domain and pedestrian amenity.</li> </ul>	Yes

### Draft Central Sydney Planning Strategy

Setting out a 20-year vision for Central Sydney the strategy outlines how Central Sydney will best grow and includes aims, objectives and actions to help promote and further expand Central Sydney’s role as the State and nation’s economic, cultural and social engine. The Strategy’s main aims is to unlock economic opportunities and investment in jobs while also supporting public improvements that make Sydney an attractive place for business, workers, residents and visitors.

In December 2019, the NSW Government and the City of Sydney Council agreed in-principle to a new design excellence bonus pathway for up to 50 per cent more floor space and additional height for development in four tower cluster areas where the development demonstrates design excellence and meets the intent of the draft Strategy. On 11 March 2020, Gateway determination was issued for the Central Sydney planning proposal. The planning proposal was publicly exhibited from 1 May 2020 until 10 July 2020, and is likely to be finalised in later 2020 or early 2021.

This planning proposal is consistent with key moves of the CSPPS as demonstrated in **Table 4**.

**Table 4:** Consistency with Draft Central Sydney Planning Strategy

Consistency with Draft Central Sydney Planning Strategy	
Direction	Comment
Key Move 1 – Prioritise employment growth and increase capacity	The Department considers the proposal is consistent with Key Move 1, as it will increase commercial floor space within Central Sydney creating employment opportunities and growth. This includes floor space for start-ups and entrepreneurs.
Key Move 2 – Ensure development responds to context	The Department considers the proposal is consistent with Key Move 2, as the proposed development is suitable within the character of the locality, with the built form responding to the context and the development setting a desirable outcome for the future character of the

Consistency with Draft Central Sydney Planning Strategy	
Direction	Comment
	area. An assessment on environmental impacts can be found in Section 5.2 of this report.
Key Move 4 – Provide employment growth in new tower clusters	The Department considers the proposal is consistent with Key Move 4, as the site is located within the Haymarket/Ultimo tower cluster, and the proposed development will deliver commercial floor space and increase employment opportunities.
Key Move 5 – Ensure infrastructure keeps pace with growth	The Department considers the proposal is consistent with Key Move 5, as it will facilitate the delivery of new commercial floor space serviced by public transport.
Key Move 6 – Move towards a more sustainable city	The Department considers the proposal is consistent with Key Move 6, as the DCP implements sustainability measures for future development on the site.
Key Move 7 – Protect, enhance and expand Central Sydney’s heritage, public places and spaces	The Department considers the proposal is consistent with Key Move 7, as the subject site is located within tower cluster area, locating development in areas which preserve the amenity of Central Sydney’s heritage, public places and spaces.
Key Move 8 – Move people more easily	The Department considers the proposal is consistent with Key Move 8, as the site is located within proximity to public transport, including trains, light rail, and buses, which connects to all parts of the Sydney transport network.
Key Move 9 – Reaffirm commitment to design excellence	The Department considers the proposal is consistent with Key Move 9, as future development will be subject to a design competitive to ensure design excellence is achieved.

### 4.3 Section 9.1 Ministerial Directions

The proposal is consistent with the following applicable section 9.1 Ministerial Directions as identified in **Table 5**.

**Table 5:** Consistency with Ministerial Directions

Section 9.1 Direction	Consistent	Comment
<b>1. Employment and Resources</b>		
1.1 Business and Industrial Zones	Yes	<p>The objectives of this direction are to:</p> <ul style="list-style-type: none"> <li>encourage employment growth in suitable locations;</li> <li>protect employment land in business and industrial zones; and</li> <li>support the viability of identified centres.</li> </ul> <p>The planning proposal is consistent with the objectives and requirements of this Direction as it seeks to retain the existing B8 Metropolitan zone and will provide for commercial uses, including an innovation hub.</p>
<b>2. Environment and Heritage</b>		
2.3 Heritage Conservation	Yes	<p>The objective of this direction is to conserve items, areas, objects and places of environmental heritage significance and indigenous heritage significance.</p> <p>The planning proposal is supported by a Heritage Assessment and Impact Statement, prepared by Weir Phillips Heritage and Planning, which found the proposal will not cause any significant impact to the heritage significance of the nearby heritage items. Detailed</p>

Section 9.1 Direction	Consistent	Comment
		assessment of the heritage impact is discussed in section 5.2 of this report.
2.6 Remediation of Contaminated Land	Yes	<p>This direction applies when a planning proposal authority prepares a planning proposal applying to land which it is proposed to carry out development on it for residential, educational, recreational or childcare purposes, or for the purposes of a hospital:</p> <ul style="list-style-type: none"> <li>i) in relation to which there is no knowledge (or incomplete knowledge) as to whether development for a purpose referred to in Table 1 to the contaminated land planning guidelines has been carried out, and</li> <li>ii) on which it would have been lawful to carry out such development during any period in respect of which there is no knowledge (or incomplete knowledge).</li> </ul> <p>The planning proposal authority must consider whether the land is contaminated.</p> <p>The planning proposal is accompanied by a Preliminary Geotechnical Assessment, which noted further investigation is recommended to be undertaken. The assessment notes that contamination was found on the adjacent site, 757-763 George Street. The Detailed Site Investigation, which was conducted as part of the adjoining DA, found that contaminants were encountered in the groundwater tests results, and uncontrolled and possibly contaminated fill were encountered in all boreholes across the site.</p> <p>This planning proposal does not seek to change the zoning of the land; therefore, it is consistent with the Direction.</p> <p>However, there was no Detailed Site Investigation which accompanied the planning proposal. Prior to the planning proposal being finalised, the Department requires information addressing the likelihood of site contamination</p>
<b>3. Housing, Infrastructure and Urban Development</b>		
3.4 Integrating Land Use and Transport	Yes	<p>The objective of this direction is to ensure that urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following planning objectives:</p> <ul style="list-style-type: none"> <li>(a) improving access to housing, jobs and services by walking, cycling and public transport, and</li> <li>(b) increasing the choice of available transport and reducing dependence on cars, and</li> <li>(c) reducing travel demand including the number of trips generated by development and the distances travelled, especially by car, and</li> <li>(d) supporting the efficient and viable operation of public transport services, and</li> <li>(e) providing for the efficient movement of freight.</li> </ul> <p>The planning proposal is consistent with the objectives and requirements of this Direction, as it seeks to increase commercial floor space within proximity to public transport and major connections.</p>

Section 9.1 Direction	Consistent	Comment
3.5 Development Near Regulated Airports and Defence Airfields	No	<p>The objectives of this direction are:</p> <ul style="list-style-type: none"> <li>(a) to ensure the effective and safe operation of regulated airports and defence airfields;</li> <li>(b) to ensure that their operation is not compromised by development that constitutes an obstruction, hazard or potential hazard to aircraft flying in the vicinity;</li> <li>(c) to ensure development, if situated on noise sensitive land, incorporates appropriate mitigation measures so that the development is not adversely affected by aircraft noise.</li> </ul> <p>The planning proposal seeks to increase the maximum building height to RL 226.80 m within Central Sydney. The Obstacle Limitation Surface (OLS) defines the airspace surrounding an airport that must be protected from obstacles to ensure aircraft can fly safely.</p> <p>This Direction requires consultation with the lessee/operator of the regulated airport and the Commonwealth Department responsible for airports during the preparing the planning proposal. The future development concept will require approval under the <i>Airports Act 1996</i> before development concept can be granted.</p> <p>The Department recommends a condition of Gateway that the relevant agencies are consulted during public exhibition.</p>
<b>4. Hazard and Risk</b>		
4.1 Acid Sulfate Soils	Yes	<p>The objective of this direction is to avoid significant adverse environmental impacts from the use of land that has a probability of containing acid sulfate soils.</p> <p>The relevant planning authority must consider the Acid Sulfate Soils Planning Guidelines when preparing a planning proposal that applies to any land identified on the Acid Sulfate Soils Planning Maps as having a probability of acid sulfate soils being present.</p> <p>The planning proposal is accompanied by a Preliminary Geotechnical Assessment. The assessment states that as the site is within 500m of a site which classified as Class 2 Acid Sulfate Soils, and an Aggressive and Acid Sulfate Soils Assessment would be required. Information about the aggressivity of the soil and groundwater was not encountered during the assessment.</p> <p>The Department notes that the planning proposal does not address this Direction, and recommends a condition for the planning proposal to be updated.</p>
<b>5. Regional Planning</b>		
5.1 Implementation of Regional Strategies	Yes	Refer to Section 4.1 of this report.
<b>6. Local Plan Making</b>		
6.3 Site Specific Provisions	No	This Direction applies as the planning proposal will allow a particular development to be carried out through a site-



Section 9.1 Direction	Consistent	Comment
		<p>specific planning control. The objective of the Direction is to discourage unnecessarily restrictive site-specific planning controls.</p> <p>The landowner submitted a planning proposal request to Council to facilitate a new tower on the site. The planning proposal is inconsistent with this Direction, however it is justified as the proposed controls align with the desired future vision within the area.</p>
<b>7 Metropolitan Planning</b>		
7.1 Implementation of a Plan for Growing Sydney	Yes	Refer to Section 4.1 of this report.

#### 4.5 State environmental planning policies (SEPPs)

The proposal is considered consistent with relevant SEPPs, noting that the application of current SEPPs would be ongoing and unlikely to be hindered by future development in accordance with the proposed amendments to Sydney LEP 2012.

Notwithstanding, further consideration of key SEPPs is provided at **Table 6**.

**Table 6:** Assessment of proposal against relevant SEPPs and deemed SEPPs

SEPP	Requirement	Proposal	Complies
SEPP (Infrastructure) 2007	This SEPP provides permissibility and development application provisions which apply across the State for each infrastructure sector.	<p>The concept development proposes over 10,000m<sup>2</sup> of commercial floor space, which classifies the proposal as a 'traffic generating development'.</p> <p>Any future DA will be required to be referred to Transport for NSW for concurrence during the assessment.</p>	Yes

## 5. SITE-SPECIFIC ASSESSMENT

### 5.1 Social

#### Public Benefit Offer

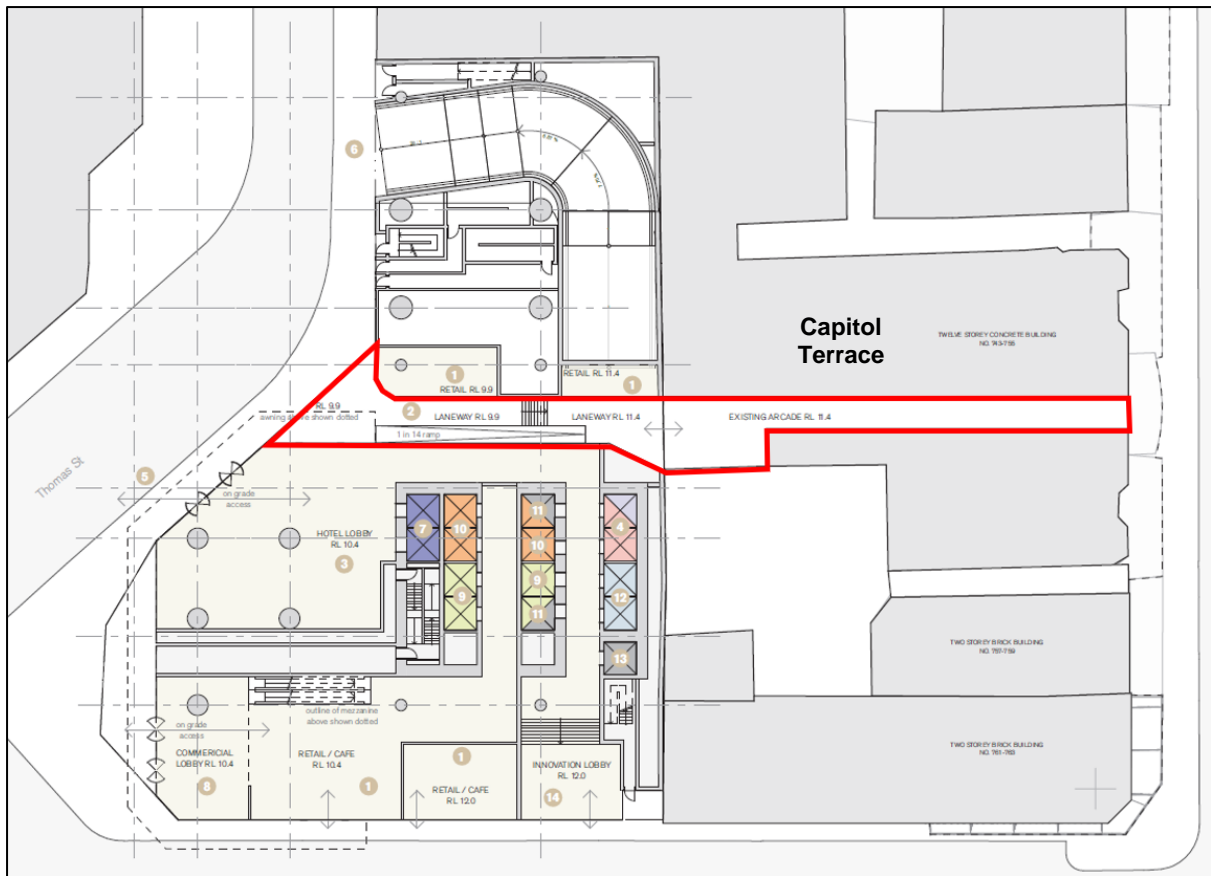
The planning proposal is accompanied by a letter of offer from Greaton Development, which outlines an offer to enter into a Voluntary Planning Agreement (VPA) (**Attachment E**). Greaton outlines its intention to provide a community infrastructure contribution and an affordable housing contribution.

The Department notes the agreement has not been executed.

#### Through site link

The planning proposal will deliver a pedestrian through-site link joining Thomas Street to George Street. This will be delivered by the new through-site link adjoining the existing arcade located on the ground floor of Capitol Terrace.

The indicative concept plans (**Attachment F**) propose retaining the pedestrian connection to George Street, and provide a wider, more direct and accessible connection to Thomas Street (**Figure 11**). The through-site link will feature retail tenancies and entries to the hotel and commercial components of the proposed development.



**Figure 11:** Through-site link (site shown in red) (Source: Proponent's Indicative Scheme)

The Department considers the through-site link will provide social benefits as part of the planning proposal.

## 5.2 Environmental

There are no known critical habitats, threatened species or ecological communities on the site and therefore the likelihood of any negative impacts is minimal.

### Compatibility of Uses

The planning proposal seeks to insert a site-specific clause within the Sydney LEP 2012 to facilitate a mixed-use development comprising of retail, commercial and visitor accommodation uses.

The planning proposal does not seek to change the zoning of the site. All proposed uses are permissible within the B8 Metropolitan zone of the Sydney LEP 2012.

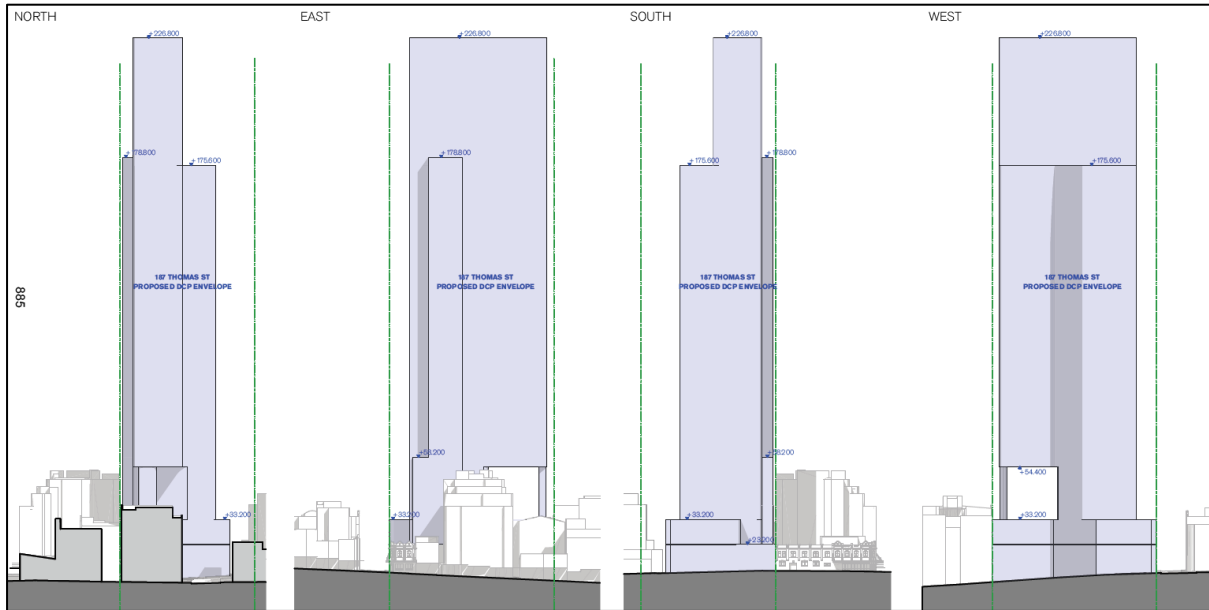
In addition, the site-specific clause will ensure that the building is not used for residential accommodation or serviced apartment uses, and solely for the uses outlined in the concept development.

The Department considers the proposed future uses of the site to be acceptable.

### Built Form

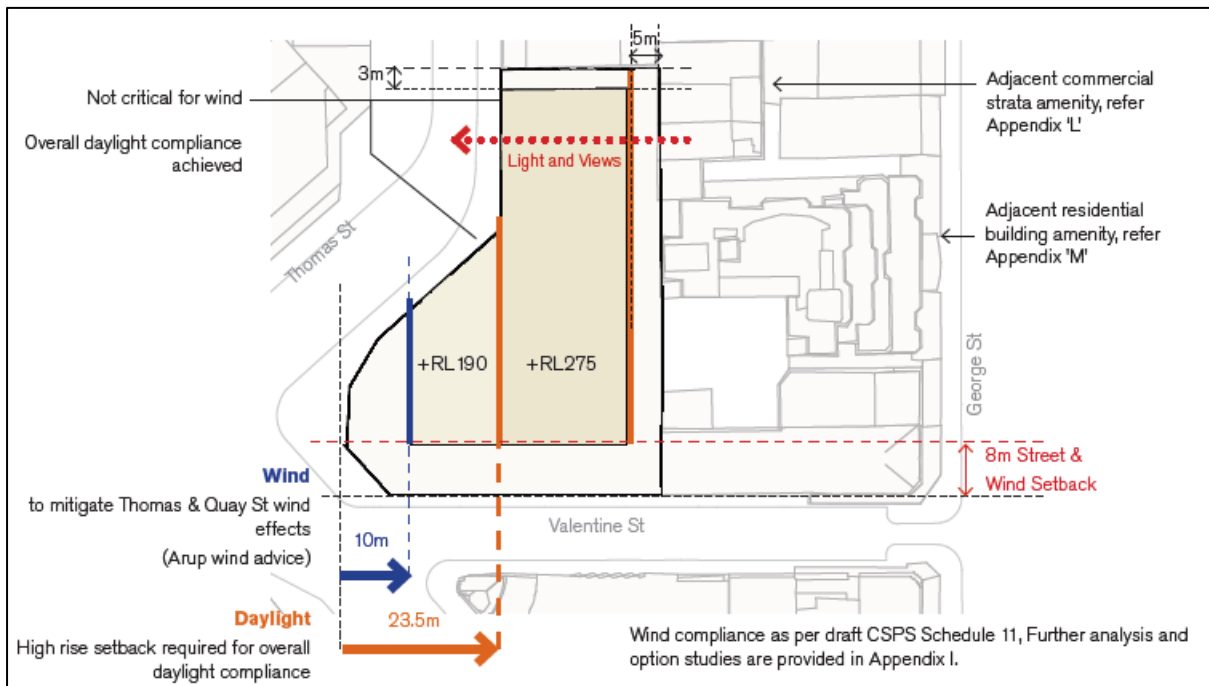
The planning proposal seeks to increase the maximum building from 50m to RL 226.80m (approximately 215m above ground level). The planning proposal will facilitate a new mixed use tower, accommodating 47 storeys with a 4 storey podium. The podium is RL 33.20 in height. The planning proposal is accompanied by an

Urban Design Report, prepared by fjmt dated 14 April 2020 (**Attachment G**). **Figure 12** illustrates the proposed building envelope outlined within the urban design report.

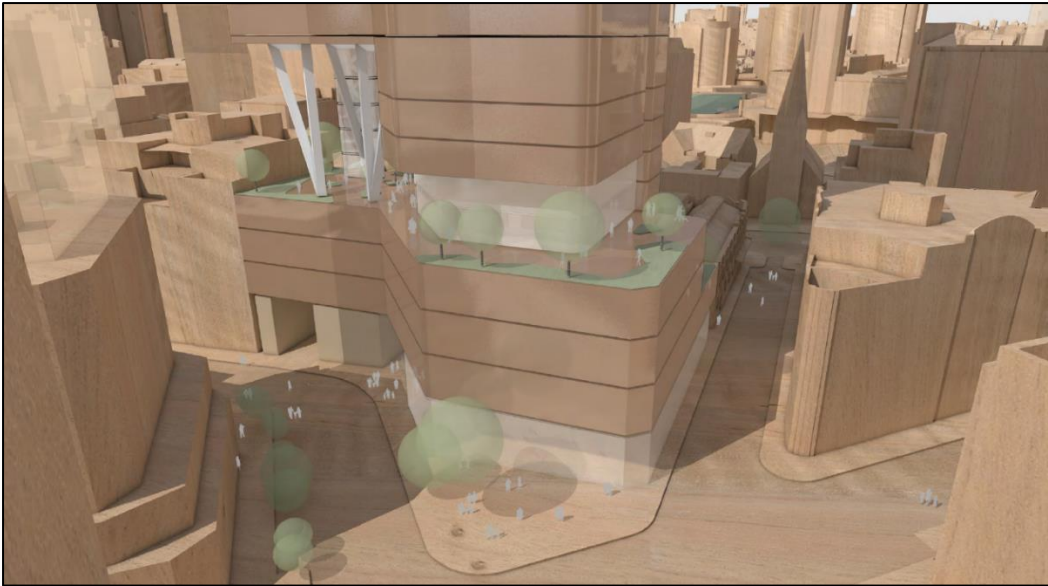


**Figure 12:** Proposed Building Envelope (Source: Proponent's Urban Design Report)

The proposed tower will have setbacks of 10m to Quay Street, 8m to Valentine Street, 5m to the adjacent properties to east, and 3m to the north (**Figure 13**). However, a 20m void on the northern façade creates a larger setback above the podium level (**Figure 14**).



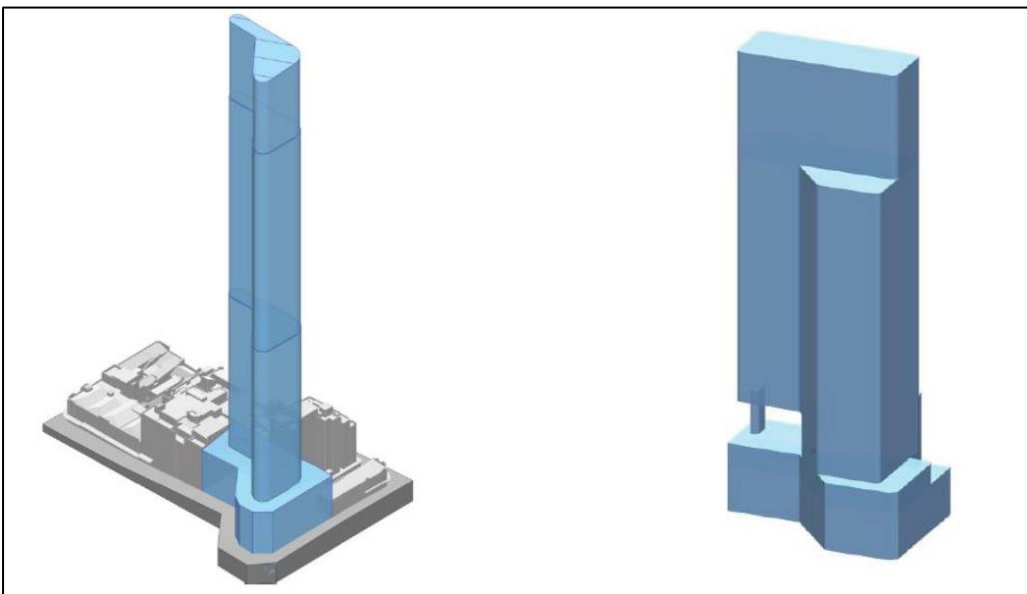
**Figure 13:** Proposed Setbacks (Source: Proponent's Urban Design Report)



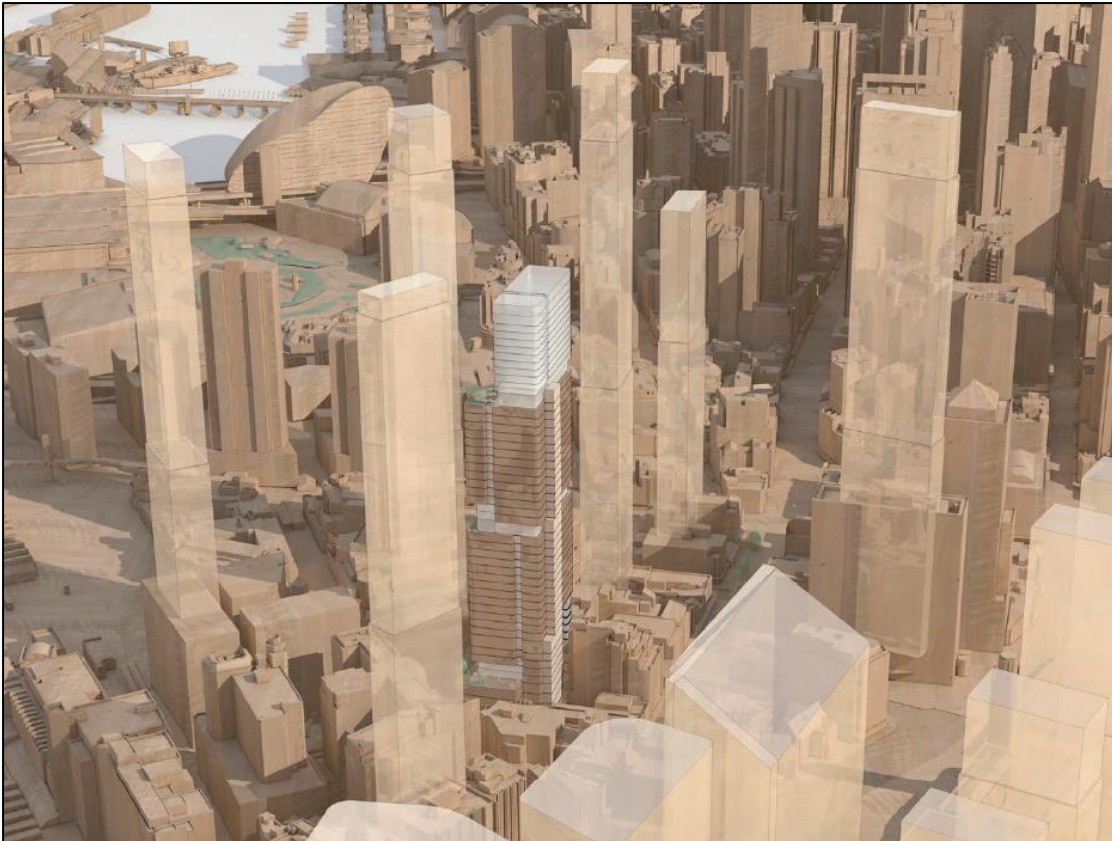
**Figure 14:** Proposed Building Envelope (Source: Proponent’s Urban Design Report)

The proposed development will be visibly and significantly taller than buildings within the immediate surrounds of the site. However, there is strategic justification for a tower of such size and scale. As mentioned in Section 4.2, the CSPA identifies the site being located within a tower cluster. The proposed development could be one of the first within the new tower cluster. While the proposed development departs from the current character of the area, it aligns with the vision established by the CSPA. Should the planning proposal be placed on exhibition it will afford the community an opportunity to comment on the appropriateness of the proposed controls for the area.

Council states the tower is consistent with the heights envisaged for this part of Central Sydney under the CSPA, with **Figure 15** illustrating the draft CSPA and proposed building envelope. **Figure 16** illustrates the proposed building envelope amongst the potential uplift within the tower cluster.



**Figure 15:** Draft CSPA envelope (left) and proposed building envelope (right) (Source: Council’s Planning Proposal)



**Figure 16:** Proposed Building Envelope within future tower cluster (Source: Proponent’s Urban Design Report)

The planning proposal seeks to increase the maximum FSR from 7.5:1 to 20:1, inclusive of additional FSR provided through design excellence. The proposed site-specific provision will ensure that additional floor space can be awarded where development demonstrates design excellence. A breakdown of the total FSR is shown in **Table 7**.

**Table 7:** Proposed Floor Space Ratio

<b>Applicable Floor Space</b>	<b>Proposed Floor Space</b>
Mapped Floor Space Ratio	7.5:1
Accommodation Floor Space	1.5:1
End of Journey Floor Space	0.3:1
Site-specific Floor Space	8.89:1
<b>Total</b>	<b>18.19:1</b>
Design Excellence (10% of 18.19:1)	1.81
<b>Total (with Design Excellence)</b>	<b>20:1</b>

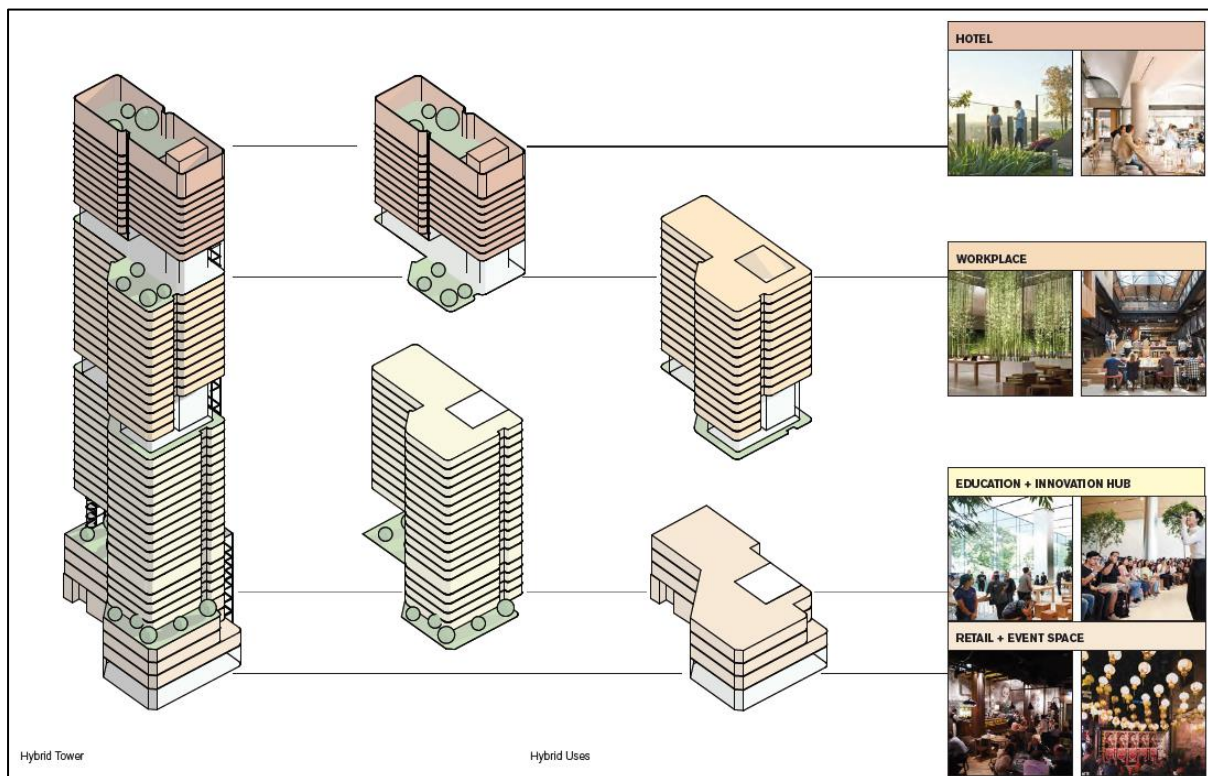
The planning proposal also seeks to include 1.5:1 of floor space below ground for limited purposes. The proposed concept development states this space will consist of an auditorium and laboratory for the innovation tech hub, and back of house facilities for the hotel. The planning proposal states the laboratory will be located below ground to minimise noise and vibration impacts to sensitive equipment.

The Department considers the increase in FSR to be acceptable. However, the Department recommends a condition to update the planning proposal to include a definition of ground level, to remove any ambiguity relating to above ground and below ground FSR.

The planning proposal will facilitate a 47 storey mixed-use tower, consisting of retail, commercial, innovation and visitor accommodation uses. The development will facilitate approximately 47,000m<sup>2</sup> of new commercial floor space. The planning proposal will also facilitate ground level retail and active uses, which front an upgraded public domain and new through-site link connecting Thomas Street and George Street.

Above ground floor, the proposed development comprises of three main components (**Figure 17**):

- an innovation tech hub located within the podium and low-rise tower.
- Commercial work space comprising up to 20-storeys across the low-rise and high-rise sections of the tower.
- Hotel located in the upper 10-storeys of the tower.



**Figure 17:** Uses within proposed development (Source: Proponent's Urban Design Report)

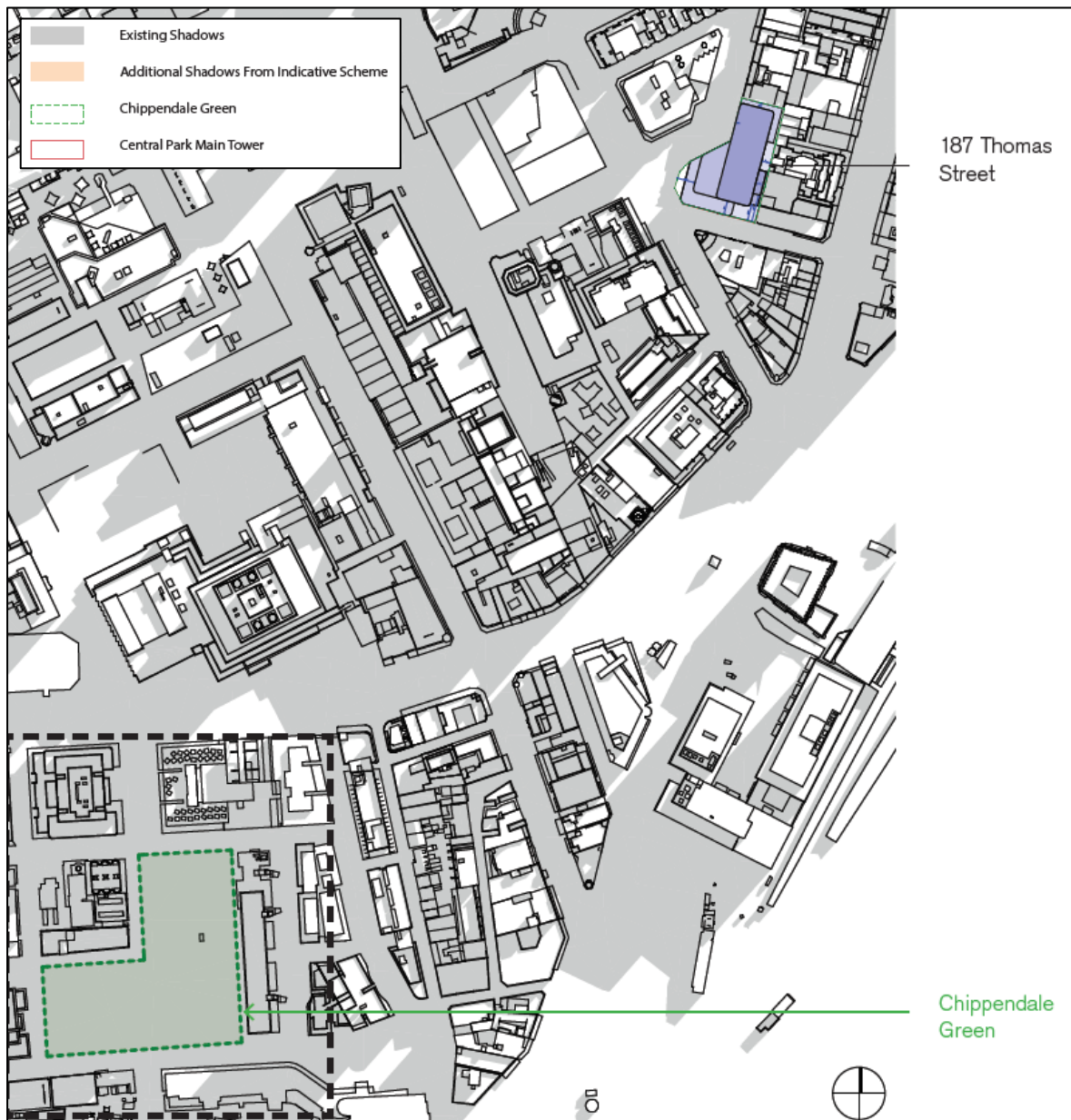
Below ground level, the proposed development consists of an auditorium and laboratory for the innovation tech hub, and back of house facilities for the hotel.

The Department considers the built form impacts to be acceptable, noting the desired future character of the area.

### Overshadowing

The Proponent's Urban Design Report provides a public space overshadowing analysis and a residential overshadowing analysis.

The public space overshadowing analysis assesses the potential impact on Chippendale Green (**Figure 18**). The analysis states any potential impact would occur before 10am on 21 June.



**Figure 18:** Uses within proposed development (Source: Proponent’s Urban Design Report)

**Figures 19-21** illustrate the impact on Chippendale Green at 8am, 9am and 10am on 21 June, showing there is no additional overshadowing.

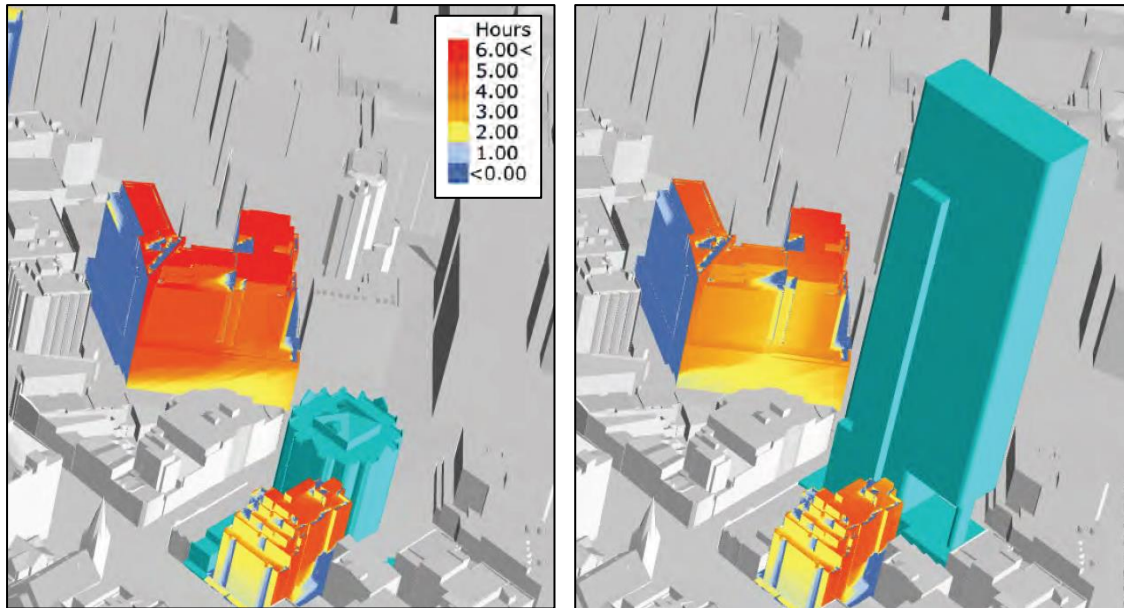


**Figures 19-21:** Overshadowing impacts on Chippendale Green at 8am, 9am and 10am on 21 June (Source: Proponent’s Urban Design Report)

Given there are no further impacts to Chippendale Green, the Department considers the impacts to be acceptable.

The residential overshadowing impact analysis assessed the impacts on the southern downstream neighbouring residential buildings. The requirements from the Apartment Design Guide (ADG) were used for the assessment, which requires sun access for a minimum of 2 hours to living spaces between 9am and 3pm on 21 June. **Figures 22 and 23** illustrate the existing sun access and proposed sun access on the nearest residential building on Quay Street.





**Figures 22 and 23:** Existing and proposed solar access to residential buildings on Quay Street (Source: Proponent’s Urban Design Report)

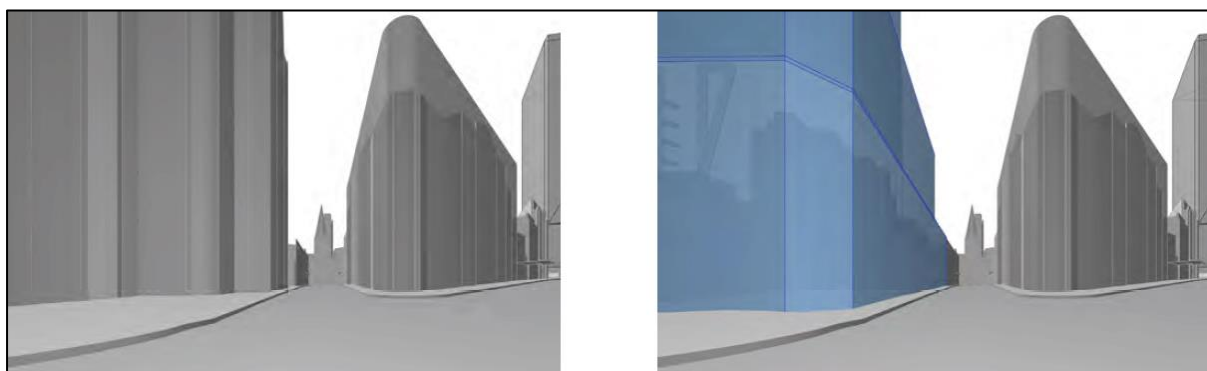
The figures show a significant decrease in solar access for neighbouring residential buildings. However, the report states 2 hours sun access is maintained to the facades of potentially affected residential buildings, and the proposed development envelope does not reduce existing sun access to living spaces of surrounding residential developments below the ADG requirements.

The analysis states a more detailed study of the nearby buildings on Quay Street would be required as part of a detailed design. In addition, the future detailed study will have to consider the Sun Access Protection Maps of the CSPP which aims to protect Belmore Park, Prince Alfred Park and Railway Square (Future Third Square) (**Figure 11**). The Department accepts the findings of the overshadowing analysis, and notes a further detailed study will be undertaken.

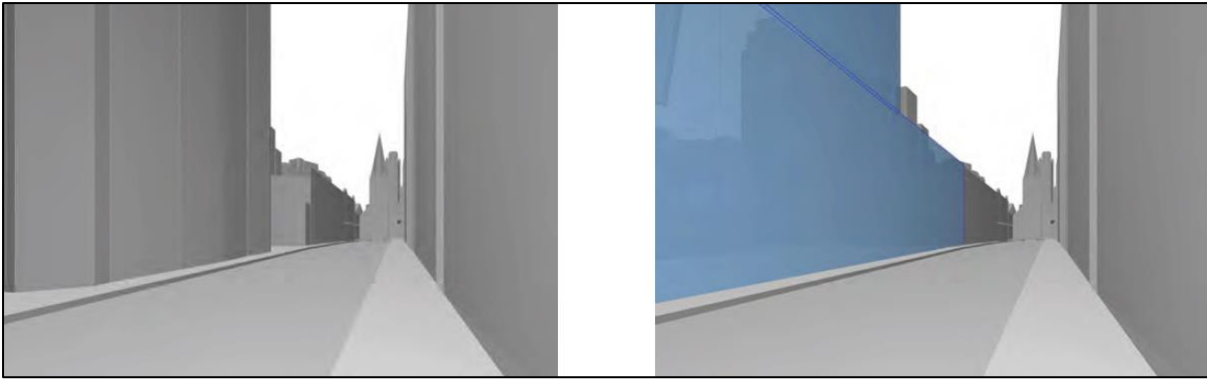
Views

The Proponent’s Urban Design Report provides a public view analysis.

Council contends the tower setbacks will provide adequate visual curtilage and improve views to the Christ Church St Laurence as viewed along Valentine Street. **Figures 24 and 25** illustrate the proposed building envelope, and podium, will not obstruct views looking east along Valentine Street.



**Figure 24:** Proposed Building Envelope (Source: Proponent’s Urban Design Report)



**Figure 25:** Proposed Building Envelope (Source: Proponent's Urban Design Report)

The Department considers the public view impacts to be acceptable.

### Heritage

The planning proposal is supported by a Heritage Impact Statement (HIS), prepared by Weir Phillips Heritage and Planning, dated April 2020 (**Attachment H**).

It is important to note there are no heritage items on the site, nor is the site located within an HCA. However, the site is located within the vicinity of multiple local and state listed heritage items.

The former Sutton Forest meat building directly adjoins the site to the east. The Church St Laurence group (church, former school and rectory including interiors) and Central Station Railway Station, which are both items listed on the NSW State Heritage Register are located within the vicinity of the site.

The HIS states that the height of the podium forms a clear relationship with the parapet of the former Sutton Forest Meat building allowing a lower scale streetscape rhythm to be maintained.

The HIS concludes the proposed amendment to the controls has an acceptable impact on the significance of heritage items in the vicinity. The Department accepts the findings of the HIS, and considers the heritage impacts to be acceptable. The Department recommends a condition requiring Council to consult with Heritage NSW during public exhibition.

### Wind

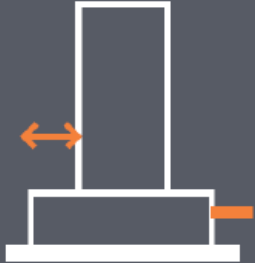







The planning proposal is supported by an Environmental Wind Assessment, prepared by Arup dated 31 March 2020 (**Attachment I**). The report summarises the wind climate in and around the site from the wind-tunnel testing study conducted on the existing, baseline and potential building configuration.

The wind-tunnel testing was conducted by RWDI. The wind comfort and safety criteria used in the assessment, was taken from the draft CSPA.

The proposed development will be the first tower within the tower cluster, and the assessment states that the first isolated building typically creates the largest change in wind conditions with the windiest locations at the building corners. The assessment also states that compared with the existing wind conditions, the inclusion of a large building will worsen the wind environment. Criterion levels range from sitting comfortably for outdoor dining, through to pedestrian sitting, pedestrian standing, pedestrian walking, business walking and uncomfortable. For the site, the

wind conditions change comfort classification category from pedestrian sitting to pedestrian standing.

The assessment also explicitly states that the current tests have shown that the wind conditions around the site are problematic in specific areas. The report states that architect teams would be expected to address the highlighted wind issues around the site, through incorporation of such features shown in **Figure 26**.

			
<p>Keep taller buildings to centre of block, and/or include a podium with min. 6 m offset to the tower from the podium edge, or at minimum include awnings around the corners.</p>	<p>Raise the tower at least above the podium to allow the flow to dissipate through this open level; best with a tower setback from the podium edge and minimum 3 storey gap.</p>	<p>Round or chamfer tower corners to encourage horizontal flow.</p>	<p>Provide setbacks or taper in the tower with height to reduce the windward area.</p>
			
<p>Include awnings at ground level, particularly around the corners, to offer wind and wind-driven rain protection to pedestrians.</p>	<p>Avoid constant width through site links, particularly directly under the tower. Better to have narrower entrances with central open area to concentrate fast flow.</p>	<p>Keep main entrances away from building corners, and preferably inset.</p>	<p>Consider revolving doors to main entry, particularly if lobby has multiple entrances. Double doors tend not be effective in high trafficked areas.</p>

**Figure 26:** Wind Mitigation Measures (Source: Environmental Wind Assessment)

The assessment found that amending the tower detail close to the podium has a beneficial impact on the wind conditions at ground level reducing the number of exceedances of the safety criteria.

Further wind testing was undertaken, with an Indicative Computation Fluid Dynamics (CFD) Study, prepared by Arup dated 12 August 2020, accompanying the planning proposal (**Attachment J**).

The CFD study found that architectural changes to the proposed massing of the development reduces the maximum mean wind speeds along Valentine and Thomas Streets by over 10%, and the size of the affected zone of high wind speeds is reduced.

Additional wind tunnel testing will be conducted following the design competition, with the draft DCP including provisions which ensure the public domain conditions are addressed.

The Department accepts the findings of the Environmental Wind Assessment and the CFD study, and notes further wind tunnel testing will be conducted, as part of subsequent DAs should the planning controls be amended.

### Traffic and Transport

The site is located in an area that is well serviced by public transport. Frequent major bus and train services are located within walking distance of the site. These public transport services provide access to various destinations in the Sydney metropolitan area, including the CBD, the eastern and inner western suburbs, and beyond.

The planning proposal is supported by a Traffic Impact Assessment (TIA), prepared by Traffix dated March 2020 (**Attachment K**). The TIA assesses the traffic impacts and parking requirements arising from the proposed concept development.

The TIA concludes the AM and PM peak periods will experience a minor increase in traffic movements, and the traffic impacts for the development being considered acceptable and can be readily accommodated by the network.

The TIA also states the internal configuration of the car park is to be designed with the various Australian Standards, and that compliance with the standards is to be assessed at DA stage.

The Department accepts the findings of the TIA, and recommends a condition requiring Council to consult with Transport for NSW (TfNSW) during public exhibition.

### Pedestrian Activity and Comfort

The planning proposal is accompanied by a Footpath Capacity Study, prepared by Traffix dated April 2020 (**Attachment L**). The study aims to provide guidance and direction towards creating a cohesive environment for pedestrians within the site and along the road frontages. The study also aims to understand the level of pedestrian comfort and experience as pedestrians walk through streets and crossings, and identify potential issues and apply appropriate mitigation measures.

The study concludes the increased pedestrian capacity can be achievable via a future shared zone along Valentine Street, subject to approval from Roads and Maritime Services (RMS), and the through-site link should operate satisfactorily with a total width of 4m.

The Department accepts the findings of the study, and considers the impacts to be acceptable. However, it is noted that Traffix anticipates an ongoing involvement

during the DA process, and further impacts will be assessed in the future design stages.

### Geotechnical and Contamination

The planning proposal is supported by a Preliminary Geotechnical Assessment, prepared by Arup dated 13 March 2020 (**Attachment M**).

The assessment notes that the building site is likely intersected by dykes and the GPO Fault Zone. The assessment states that as the site is within 500m of a site which classified as Class 2 Acid Sulfate Soils, and an Aggressive and Acid Sulfate Soils Assessment would be required (**Figure 7**).

The assessment notes that contamination was found on the adjacent site, 757-763 George Street. The Detailed Site Investigation, which was conducted as part of a DA, found that contaminants were encountered in the groundwater tests results, and uncontrolled and possibly contaminated fill were encountered in all boreholes across the site.

The study noted that a Geotechnical investigation will be required to inform the design for the foundations and basements. In addition, the investigation comprising boreholes and inclined boreholes will be required to identify the type and spatial variability of the subsurface materials. Specific requirements of the investigation are outlined within the report.

The Department notes the recommendations of the Geotechnical Assessment, and notes further investigation will be conducted during DA stage.

There was no Detailed Site Investigation which accompanied the planning proposal. Prior to the planning proposal being finalised, the Department requires information addressing the likelihood of site contamination.

### **5.3 Economic**

The planning proposal is accompanied by an Economic Impact Assessment, prepared by Atlas Urban Economics dated 14 April 2020 (**Attachment N**). The assessment finds that during construction, the proposal is estimated to result in:

- \$452m in output which is the gross value of goods and services transacted, including the cost of goods and services used in the development and provision of the final product (including \$269.6m in direct activity)
- \$179m contribution to Gross Regional Product (including \$79.6m in direct activity)
- 1,136 full time jobs (including 583 jobs directly employed in construction activity).

The assessment estimates that when the proposed development is operational, it will result in:

- \$1,776.7m in output (including \$906m in direct activity)
- \$955.9m contribution to GRP (including \$473m in direct activity)
- 5,162 full time jobs (including 2,576 directly related to activity on the site and direct tourism spend.

The Department notes the difference in figures between the Economic Impact Assessment and Council's Planning Proposal, however the planning proposal will facilitate economic benefits and deliver jobs.

#### **5.4 Infrastructure**

The TIA prepared by Traffix states the site is well connected to several forms of sustainable transport with reliable access to regular bus, light rail and train services.

The entire site is well serviced by a range of public utilities including electricity, telecommunications, water, sewer and stormwater. It is expected that these services would be upgraded by the developer and subject to further assessment and approvals during DA assessment and construction.

The Department also notes that the Council has identified that the outcome is consistent with the objectives of the City of Sydney's Local Strategic Planning Statement and the draft Central Sydney Planning Strategy, which ensures that development is well placed to take advantage of infrastructure and planned additional capacity.

### **6. CONSULTATION**

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#### **6.1 Community**

Council has proposed a public exhibition period of 28 days. The Department considers this to be appropriate.

Council, as the planning proposal authority, will be responsible for public consultation. Council has advised that this will include newspaper notification, displays at Council customer service centres and on Council's webpage.

#### **6.2 Agencies**

The Department recommends consultation with the following state agencies:

- Heritage NSW
- Sydney Airport Corporation;
- Airservices Australia;
- Commonwealth Department of Infrastructure, Cities and Regional Development;
- Civil Aviation Safety Authority; and
- Transport for NSW.

### **7. TIME FRAME**

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Council has included a project timeline of seven months. The Department considers a time frame of 12 months to be more appropriate. This does not preclude the planning proposal from being finalised sooner.

### **8. LOCAL PLAN-MAKING AUTHORITY**

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Council has requested to be the local plan making authority for this planning proposal. The Department recommends issuing an authorisation for Council to exercise delegation to make this plan, provided there are no agency objections.

## 9. CONCLUSION

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The Department recommends that the planning proposal proceed subject to conditions for the following reasons:

- it is generally consistent with the Eastern City District Plan and the relevant section 9.1 Ministerial Directions and State Environmental Planning Policies;
- it is consistent with Council's Local Strategic Planning Statement and Sustainable Sydney 2030;
- it is consistent with Council's Draft Central Sydney Planning Strategy;
- it will encourage employment within an accessible location, generating approximately 1,136 jobs;
- it will facilitate an innovation technology hub, which will support small and start up businesses
- it will provide visitor and tourist accommodation within close proximity to Central Station and the Sydney CBD; and
- it will activate the surrounding public domain and improve amenity.

## 10. RECOMMENDATION

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It is recommended that the delegate of the Secretary:

1. agree that any inconsistencies with section 9.1 Direction 3.5 and section 9.1 Direction 6.3 are minor or justified.

It is recommended that the delegate of the Minister determine that the planning proposal should proceed subject to the following conditions:

1. The planning proposal is to be amended prior to community consultation as follows:
  - (a) Provide a definition of 'above ground' and 'below ground' floor space ratio;
  - (b) Address the principles for growth within the LSPS; and
  - (c) Address section 9.1 Direction 4.1 Acid Sulfate Soils.
2. The planning proposal should be made available for community consultation for a minimum of 28 days.
3. Consultation is required with the following public authorities:
  - Heritage Council of NSW
  - Sydney Airport Corporation;
  - Airservices Australia;
  - Commonwealth Department of Infrastructure, Cities and Regional Development;
  - Civil Aviation Safety Authority: and
  - Transport for NSW.

4. Prior to finalisation of the planning proposal, information addressing the likelihood of site contamination is to be provided.
5. Given the nature of the planning proposal, Council should be the local plan-making authority to make this plan.



9.11.2020

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9.11.2020

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