

# Planning Proposal

## **92-98 Brougham Street, Potts Point**

**Amendment to Sydney Local Environmental Plan 2012**

Amendments to Schedule 1 to permit *hotel or motel accommodation* at 92-98 Brougham Street, Potts Point

Submitted to  
**City of Sydney Council**

Prepared on Behalf of  
**Harrphil Pty Ltd ATF Harrphil Trust.**

Prepared by  
**Knight Frank Town Planning Sydney**

**June 2020**

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## Executive Summary

This Planning Proposal has been prepared on behalf of Harrphil Pty Ltd ATF Harrphil Trust in support of an amendment of *Sydney Local Environmental Plan Environmental 2012* (SLEP 2012) relating to 92-98 Brougham Street, Potts Point. Specially, the Planning Proposal seeks to permit ‘*hotel or motel accommodation*’ as an additional permitted use on the land by inclusion of an additional clause in Schedule 1 of SLEP 2012.

The Planning Proposal will facilitate the revitalisation and adaptive reuse for the purposes of a hotel and accompany food and beverage uses on the site which incorporates the Brougham Street terraces (92-98 Brougham Street) and the immediately adjoining buildings at 169 and 171-173 Victoria Street (Piccadilly Hotel).

A concept plan illustrating the future hotel use and built form of the site has been prepared as part of an Urban Design Report by Woods Bagot (see **Appendix A**).

It is considered that the Planning Proposal and the future development for a high-quality hotel offering. In turn, the Proposal supports the intent of State and local strategic plans and policies including a Plan for Growing Sydney, the Eastern City District Plan, Sustainable Sydney 2030 and the Visitor Accommodation Action Plan.

- The Proposal will generate a significant number of construction and operation employment.
- The Proposal is consistent with the Region and District Plans, and relevant directions and actions of Sustainable Sydney and the relevant priorities, objectives and actions in the LSPS
- The Proposal supports the strategic objectives in adopted strategies and Action Plans – including the Visitor Accommodation Actions Plan (Hotel and Serviced Apartments) as set out below
- The Proposal supports non-residential development and will contribute to meeting employment targets in the strategic centre of Kings Cross and Sydney LGA, particularly within the hotel and retail sector, identified as being a priority sector in the Economic Development Strategy
- The Proposal provides for an orderly, viable and place-led/people-led approach to realising a world class hotel site within Sydney’s fringe. The future design seeks to return the built form of Brougham Street frontage to its original configuration and reinvigorate the dilapidated Piccadilly Hotel.
- The Proposal “gives consideration to strategically valuable land uses that are under-provided by the market, such as hotels” and has appropriately considered to context of the use.
- The site has superior public transport access, as well as easy connections to Sydney major road network, including access to Sydney Airport (and future Western Sydney Airport).
- The Proposal will be designed to high quality standards, consistent with the Design Excellence provisions of Sydney LEP 2012 as well as the guidance of the relevant Conservation Management Plan.
- The Proposal will facilitate the delivery of non-residential floor space appropriate to the strategic location with primarily frontage to Victoria Street (Activity Street) and Kings Cross/Potts Point centre. The intended built form and floor space for the Brougham Street terraces will remain consistent with the existing floor space, and Hotel floor space is prioritised over permissible residential uses for 169 and 171-173 Victoria Street.
- The Proposal will create public benefit by triggering the revival of a set of buildings to provide a world class 5-star hotel.
- The Proposal is accompanied by relevant impact and traffic (loading and service) assessment.
- The Proposal will lead to an overall positive contribution to the built environment, which, by taking a strategic place/design led approach, will create a use that exceeds the potential outcomes envisaged by the current planning controls.
- The future use will be designed with exceptional amenity for occupants and patrons, whilst ensuring that any amenity impacts to surrounding land uses are suitably mitigated.
- Facilitate the viable, and orderly development of the combined sites, utilising a place-led approach to achieve superior economic, social and built form outcomes that development and reuse of the sites individually.

When considered against the requirements of the *Environmental Planning and Assessment Act 1979* and accompanying guidance, the Planning Proposal is:

- Consistent with the aims and objectives of the relevant strategic plans and policies, including the Sydney LSPS and City of Sydney Visitor Accommodation Action Plan
- Consistent with the relevant statutory plans and policies including the aims of the SLEP 2012 and the SDCP 2012
- Demonstrates Strategic merit
- Demonstrates site specific merit
- Will result in no unreasonable adverse environmental, economic or social impacts; and
- Will deliver significant investment to an identified sector whilst providing a substantial number of construction and operational jobs.

An amendment to SLEP 2012, Schedule 1 Additional Permitted Uses is supported. We request that Council forward this Planning Proposal to the Minister for Planning for a 'Gateway Determination' in accordance with Section 3.34 of the Environmental Planning and Act 1979 (EP&A Act).

# 1. Introduction

This Planning Proposal has been prepared on behalf of Harrphil Trust Pty Ltd in support of a Planning Proposal amend *Sydney Local Environmental Plan Environmental Plan 2012* (SLEP 2012) relating to 92-98 Brougham Street, Potts Point (The site). Specially, the Planning Proposal seeks to permit 'hotel or motel accommodation' as an additional permitted on the land by inclusion of an additional clause in Schedule 1 of SLEP 2012. The Planning Proposal does not seek to make any other amendments to controls applying to the site.

The planning proposal is to allow hotel accommodation at 92-98 Brougham Street, Potts Point as an additional permitted use in Sydney Local Environment Plan 2012 (Schedule 1). The site is zoned R1 General Residential, which prohibits hotel accommodation but adjoins the Piccadilly Hotel zoned B4 Mixed Use. The objective of this Planning Proposal is to remove a barrier to the supply of high quality hotel accommodation across the sites in an appropriate location consistent with the objectives and actions of City's Visitor Accommodation (Hotels and Serviced Apartments) Action Plan and recently endorsed Local Strategic Planning Statement.

This Planning Proposal has been prepared in accordance with Section 3.33 of the *Environmental Planning and Assessment Act 1979* and includes the requirements as set out in 'A guide to preparing planning proposals' published by the Department of Planning and Environment in October 2016.

- **Part 1** – A statement of the objectives and intended outcomes of the proposed instrument
- **Part 2** – An explanation of the provisions that are to be included in the proposed instrument
- **Part 3** – The justification for those objectives, outcomes and the process for their implementation
- **Part 4** – Maps, where relevant, to identify the intent of the planning proposal and the area to which it applies
- **Part 5** – Details of the community consultation that is to be undertaken on the planning proposal
- **Part 6** – Indicative Timeline of Planning Proposal

The report describes the site, outlines the proposed amendments to the SLEP 2012, sets out the strategic justification for the Planning Proposal and provides an assessment of the relevant strategic plans, state environmental planning policies, ministerial directions and the environmental, social and economic impacts of the proposed amendment. This report should be read in conjunction with the Urban Design Report prepared by Woods Bagot (**Appendix A**) and other accompanying reports included at the Appendix.

## 1.1 Background

### Pre-Lodgement Discussions with Council

Several meetings and discussions have been held with Council planning staff, Councillors, and Executive regarding the future potential of the site. A number of formal pre-lodgement meetings have been held in 2017 and 2019, with the most recent pre-lodgement package provided to Council in early 2020.

Taking on board the comments of Council from prior discussions, a revised urban design report/indicative scheme prepared by Woods Bagot was submitted to Council on 21 February 2020 and formal feedback received on 30 April 2020 (PDA/2020/42). A meeting was not held for this submission due to the health restrictions of COVID 19.

The revised scheme conveyed the proposed use of the sites for the purpose of hotel, including the need for an additional permitted use/Planning Proposal to the Brougham Street buildings, along with the extension of the upper level of the Piccadilly Hotel and return of no 96 Brougham Street to the original roof form.

The items raised by Council in the various pre-lodgement discussions are listed below, which have all been addressed in this Planning Proposal:

- Tourist and Visitor Accommodation use
- Height and built form of the indicative consent



- Site access and servicing
- Site amalgamation
- Heritage

### **COVID 19 – NSW Government Planning Acceleration Program**

In early April 2019, in response to the unfolding health and economic impacts of the COVID 19 Pandemic, the NSW government announced a package of measures designed to provide immediate support to the industry in managing the unfolding health crisis and also lay foundations for further reform and economic recovery.

The immediate reforms have sought to stimulate, investment, delivery and job creation (primarily in construction) where possible.

- Create opportunities for more than 30,000 construction jobs in the six months from April 2020
- Fast-track assessments of State Significant Developments, rezonings and development applications (DAs), with more decisions to be made by the Minister if required (based on the current powers available give orders to approved)
- Support councils and planning panels to fast-track local and regionally significant DAs;
- Introduce a 'one stop shop' for industry to progress projects that may be 'stuck in the system';
- Clear the current backlog of cases stuck in the Land & Environment Court with additional Acting Commissioners; and
- Investment to co-fund vital new community infrastructure to unlock plans for the construction of thousands of new houses.

A set of priority project criteria was released by the Government later in April 2020 that outlined how projects that may be eligible for fast tracking would be considered by Government, ensuring transparency and consistency in decision making process. The focus of these criteria is on 'project readiness' – how quickly it can be realised, 'jobs' – the number created and when, and public benefit – what

This Planning Proposal meets the criteria identified by government. In the context of the site, the proposal and the implications on the ability for a details DA to be submitted and assessed, the expediting of the Planning Proposal as part of this program is entirely appropriate.

As set out in further sections of this Planning Proposal, the site is largely vacant and can move quickly for submission of a detailed DA, the works would generate considerable construction jobs and an ongoing jobs in the hospitality, tourism and retail section which is currently facing significant hardship. Perhaps most importantly, the future use provides the necessary tourism infrastructure to position Sydney for the inevitable recovery to domestic and international travellers

### **Kings Cross Revitalisation**

In May 2020, City of Sydney Council approved funding to the Committee for Sydney to progress with the proposed Night-Time Precinct Vision for Kings Cross. The plan will examine the ways in which Kings Cross could be reinvented as a night-time precinct, particularly in light of the Covid-19 pandemic and the reinvention of Kings Cross through a range of measures including a diversity of uses during the day and night. The works compliment investigations already underway by Council with four key areas to be examined:

- a new positive vision and narrative for the precinct's future;
- a broad and overarching night-time precinct plan for business in the area;
- capacity for business and cultural sector growth and job creation in the precinct; and;
- a road map for advocating on key reforms for the area, in particular the removal of the lockout laws.

The final night-time precinct vision and strategy is proposed to be launched at the end of the 2020/21 financial year by the Committee for Sydney. Whilst the work is to be completed, the Planning Proposal and future hotel use is considered to appropriately align with this vision.



## 2. Site Description and Locality

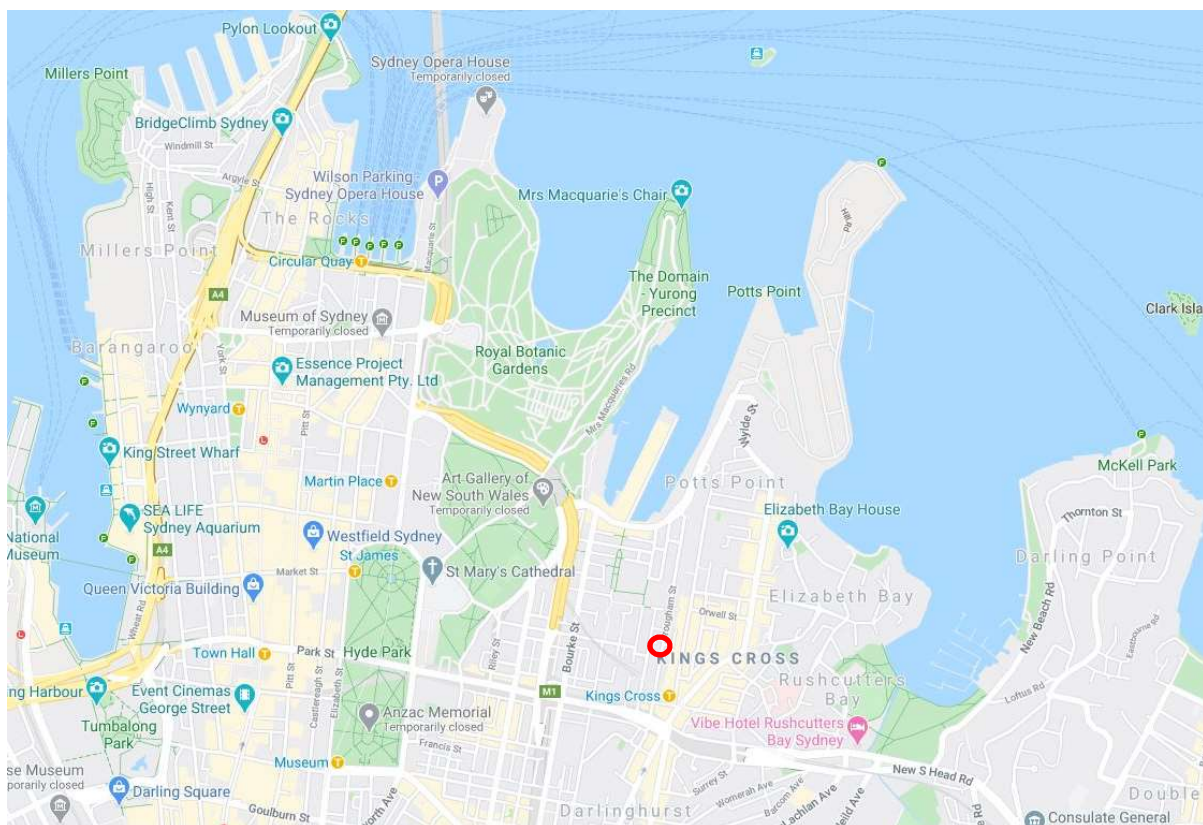
### 2.1 Site Location and Context

The site located in the suburb of Potts Point on the eastern edge of Sydney CBD, approximately 150m north of Kings Cross Railway Station and the junction of Victoria Street and Darlinghurst Road (see Figure 1). The site is within the Kings Cross Precinct, which has a long and intricate history as a landmark suburb within Sydney.

Known for its bohemian culture and entertainment precinct, tightening licensing restrictions saw a decline late night activity over several years and a transition to a more diverse mix of uses including commercial office, serviced apartments, hotels and essential services for the growing population. The immediate area has also been subject to ongoing piecemeal development over the years, creating a diverse urban fabric comprising both historic and contemporary development of varied scale, uses, architectural style, and form.

The area is characterised by a mix of land uses with activation focused towards Victoria Street (including retail, restaurants, cafes hotels and backpacker accommodation). Brougham Street is predominantly residential in character with some non-residential/commercial office uses to the southern end towards William Street. Victoria Street is identified as being an “Activity Street”.

The site acts as a transition space in the urban form and topography, located on the border of the Woolloomooloo and Kings Cross Special Character Areas. Development fronting Brougham Street sits beneath an existing ridgeline and is typically lower in scale (2-3 storeys) to maintain the residential character below the tree canopy and preserve district views between the Domain and Kings Cross. Development fronting Victoria Street, however, is more varied and typically larger in scale (2-10 storeys) and transitions to significant towers above the ridgeline and Kings Cross Station and William Street underpass.



**Figure 1 - Context Plan (site shown in red)**

## 2.2 Site Description

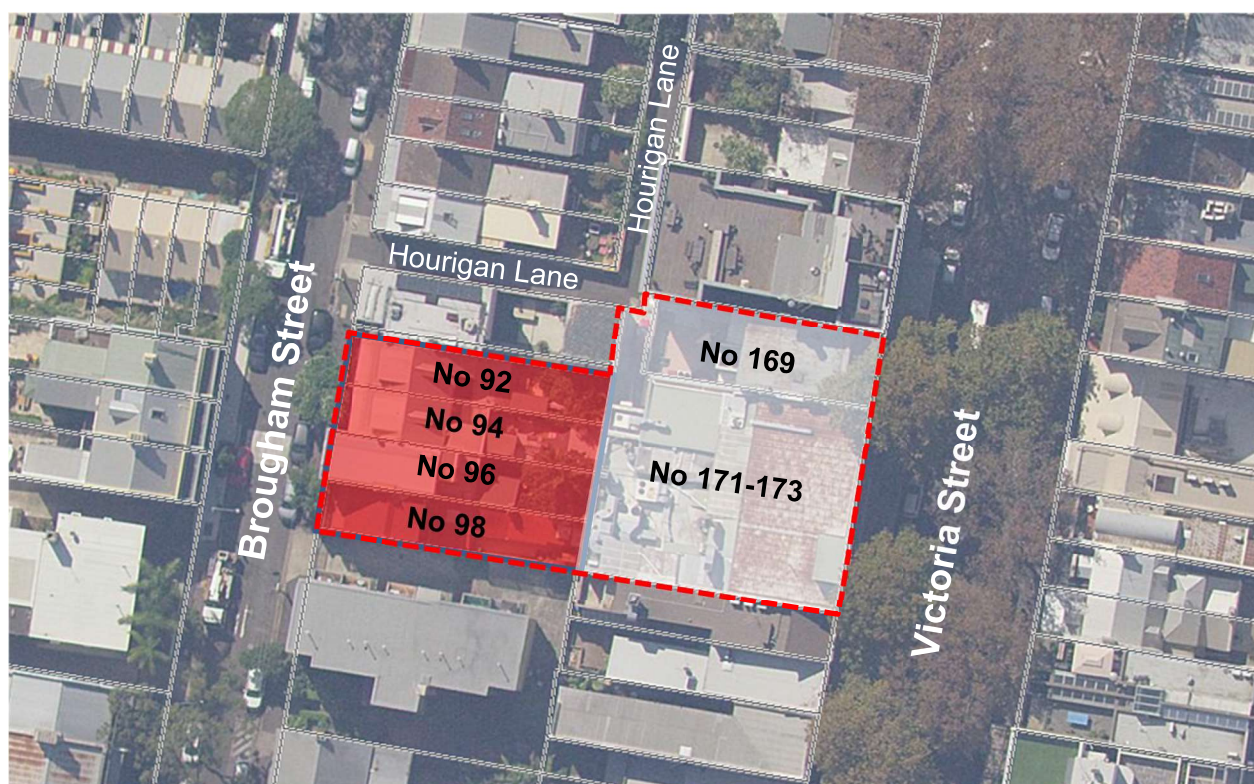
The site for the purpose of this Planning Proposal and amendments to SLEP 2012 relates to Nos 92-98 Brougham Street, Potts Point (the site). The 'combined site' which is proposed to be redeveloped as a hotel includes the adjoining two properties fronting Victoria Street being 169 and 171-173 Victoria Street Potts Point. A list of the relevant sites are provided in **Table 1** below, as well as an aerial photo identifying each parcel of land **Figure 2**.

The street address, legal description and lot size for each parcel of land is provided below in **Table 1**. All of the properties are owned by Harrphil Trust Pty Ltd. The site is regular in shape with a frontage to Victoria Street of approximately 30m and 20m to Brougham Street.

The site falls approximately -5.5m from east to west between Victoria and Brougham Street, with a cross fall to the north along both street frontages.

**Table 1** Site Identification Plan

| Address  | Lot and DP           | Site Area       |
|--|----------------------|-----------------|
| <b>Brougham Street (land subject to the proposed additional permitted use - Hotel)</b> |                      |                 |
| 92 Brougham Street, Potts Point  | Lot 1 in DP 724376   | 137sqm          |
| 94 Brougham Street, Potts Point  | Lot 1 in DP 904094   | 136sqm          |
| 96 Brougham Street, Potts Point  | – SP 17354           | 136sqm          |
| 98 Brougham Street, Potts Point  | Lot 100 in DP 613011 | 136sqm          |
| <b>Victoria Street</b>   |                      |                 |
| 169 Victoria Street, Potts Point<br>(formerly know as the Golden Apple)                | SP 19010             | 185sqm          |
| 171-173 Victoria Street, Potts Point<br>Piccadilly Hotel                               | Lot 1 in DP 82775    | 579sqm          |
| <b>Total</b>   |                      | <b>1,311sqm</b> |



**Figure 2:** Site Identification Plan



## 2.3 Existing Development

### Brougham Street Terraces

The existing development fronting Brougham Street comprises four Victorian terraces of between 2 and three storeys, which have been subject to extensive internal and external alterations. With contemporary additions to the rear. Many of the alterations, particularly at the rear added elements that are non-original and whilst keeping similar form, removed original fabric.

The terraces at 92, 94 and 98 are occupied single dwellings, whilst the building at no 96 Brougham Street, which has been externally modified from its original form (not in keeping with the character of the streetscape) and divided into three separate units.



**Figure 3 - Brougham Street façades of the site**



### **Victoria Street – 169 Victoria Street and 171-173 Victoria Street**

The development fronting Victoria Street is governed by the Piccadilly Hotel (171-173 Victoria Street) which is a three-storey building formerly occupied by a nightclub and bar. 169 Victoria Street (formerly the Golden Apple) is a three-storey + basement terrace with contemporary additions internally and to the rear and was formerly used as a brothel. Both the Piccadilly Hotel and former Golden Apple have remained vacant for a number of years, leaving them to be dilapidated and not contributing to activation of Victoria Street.

The properties have been progressively acquired by a single owner with the view to revitalise and adaptively reuse them for a new use, reinforcing the heritage features of the buildings. Both sites have direct access to Hourigan Lane at the rear which has previously been used as service access.



**Figure 4-** Images of 169 and 171-173 Victoria Street, Potts Point

## 2.4 Heritage

The Piccadilly Hotel and The Golden Apple buildings are located within the Potts Point Conservation Area, whilst the Brougham Street buildings are located within the Woolloomooloo Conservation Area. The Piccadilly Hotel is an item of local heritage significance (I1192), and both this building and The Golden Apple are identified as contributory items to the Potts Point Conservation Areas.

Whilst not listed heritage items, the terraces at 92, 94 and 98 Brougham Street are identified as being contributory items to the Woolloomooloo Conservation Area whilst the apartment block at 96 Brougham Street is identified as a neutral item.

## 2.5 Site Access and Parking

The site has frontages to Victoria Street, Brougham Street and access via Hourigan Lane, as shown in Figure 2. No on-site parking is currently provided. The existing Piccadilly Hotel has a keg/access chute directly to the basement from the Victoria Street frontage. 169 Victoria Street has vehicle access and garage to Hourigan Lane at the rear.

## 2.6 Surrounding Development

The two frontages of the site have different settings and context with Victoria Street acting as the activity Street and Brougham Street as a lower scale thoroughfare and access road. Detailed analysis of the buildings surrounding the site is included in the Urban Design Report at **Appendix A**.

To Victoria Street, the site is adjoined by buildings on the northern and southern boundary. Immediately north is a four-storey mixed use residential building with ground floor café, restaurant and shop. To the south of on Victoria Street is a set of 2 x two storey terraces with commercial at the ground level and residential above. Opposite the site are a number of backpacker accommodation uses contained within existing Victorian Terraces

The majority of the lots on Victoria Street are small and narrow with only a few larger lots that are occupied by mixed use residential development and backpacker. The Piccadilly Hotel site is one of the largest frontages in the section of Victoria Street, and when combined with no 169 and the terraces at the rear is likely to be one of the largest blocks of land.

On the Brougham Street frontage the site is adjoined to the north by 90 Brougham Street, which is a 3 storey modern residential development (including a separate access from Hourigan Lane). To the south of the site is 100 Brougham Street, a 4 storey residential flat building with ground floor car parking and driveway crossing to on the opposite side of Brougham Street are a row of Victorian Terraces.

## 2.7 Analysis of Existing Land Uses in the Precinct

An analysis of land uses along Victoria Street has been undertaken and provided at **Appendix H**. The analysis confirms the diversity of land uses land use along Victoria Street and how

Other than the Holiday Inn, Mercure and Spicers Hotel, there are no other hotels uses provided in the vicinity. The overwhelming majority accommodation is backpacker, low cost/short stay and Air BNB from residential dwellings (or leased for this purpose). The offering of restaurants and cafes is somewhat varied at the southern end of Victoria Street, however the size of the lots means that the uses are typically smaller uses in buildings that have been repurposed from original residential uses.





**Figure 5-** Photos of the surrounding buildings on Victoria Street



**Figure 6-** Photos of adjoining sites on Brougham Street

## 3. Current Planning Controls

The *Sydney Local Environmental Plan 2012* is the primary Environmental Planning Instrument (EPI) that applies to the site. The existing planning controls that apply to the site, including Sydney Development Control Plan 2012 are outlined in the Section below.

### 3.1 Sydney Local Environmental Plan 2012 (LEP 2012)

The key development standards and controls of SLEP 2012 are set out below.

#### Aims of the Plan

Of relevance to this Planning Proposal are the following aims of SLEP 2012:

- to support the City of Sydney as an important location for business, educational and cultural activities and tourism,
- to encourage the economic growth of the City of Sydney by—
  - providing for development at densities that permit employment to increase, and
  - retaining and enhancing land used for employment purposes that are significant for the Sydney region,
- to provide for a range of existing and future mixed-use centres and to promote the economic strength of those centres,
- to achieve a high quality urban form by ensuring that new development exhibits design excellence and reflects the existing or desired future character of particular localities,
- to conserve the environmental heritage of the City of Sydney

#### Zoning

The Site of the Brougham Street Terraces, the subject of this Planning Proposal is zoned R1 General Residential. 'Tourist and visitor accommodation', including 'hotel or motel accommodation' is prohibited in the zone. 'Food and drink premises' (including 'pubs' and 'small bars') are permissible with consent in the R1 General Residential zone along with 'hostels'.

The adjoining sites fronting Victoria Street (Piccadilly Hotel and 169 Victoria Street) are zoned B4 Mixed Use and permit 'tourist and visitor accommodation' and 'food and drink premises' with development consent.

#### Building Height

The site has a maximum building height control of 12m. As set out in the DCP, a height in storeys controls is also provided of four storeys to Victoria Street, with 2 storeys proposed to Brougham Street

#### Floor Space Ratio

The sites have varying FSRs of 1.5:1 and 1.75:1 as set out below.

#### Heritage

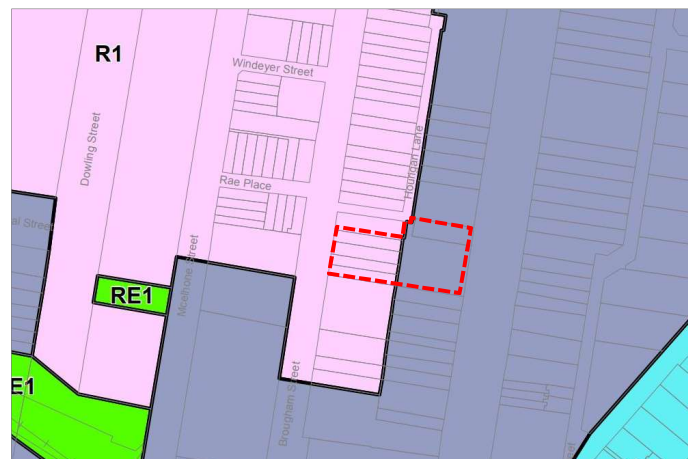
The site (Brougham Street Terraces) are not listed as heritage items but are located in the Woolloomooloo Heritage Conservation Area (C71). The Piccadilly Hotel is a locally listed heritage item. 169 Victoria Street (former Golden Apple) is not listed as a heritage item but is located within the Potts Point Heritage Conservation Area (C51) along with the Piccadilly Hotel.

#### Acid Sulphate Soils

The site is located in Area 5 Acid Sulphate Soils. This is the lowest category of impact and Acid Sulphate soils are not typically found



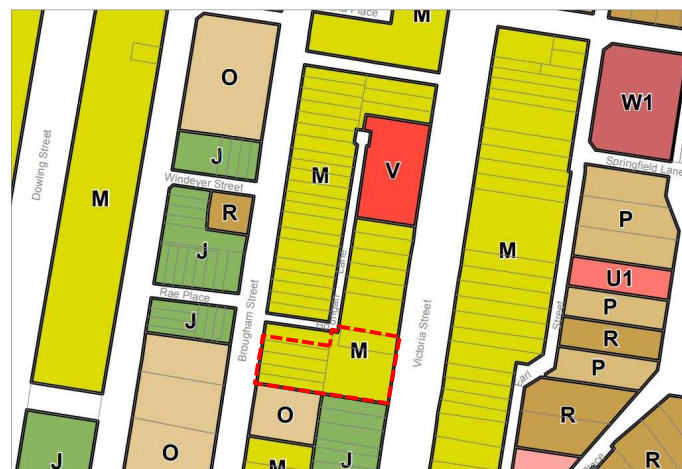
## Zoning



### Zone

|     |                         |
|-----|-------------------------|
| B1  | Neighbourhood Centre    |
| B2  | Local Centre            |
| B3  | Commercial Core         |
| B4  | Mixed Use               |
| B5  | Business Development    |
| B6  | Enterprise Corridor     |
| B7  | Business Park           |
| B8  | Metropolitan Centre     |
| IN1 | General Industrial      |
| IN2 | Light Industrial        |
| R1  | General Residential     |
| R2  | Low Density Residential |
| RE1 | Public Recreation       |
| SP1 | Special Activities      |
| SP2 | Infrastructure          |

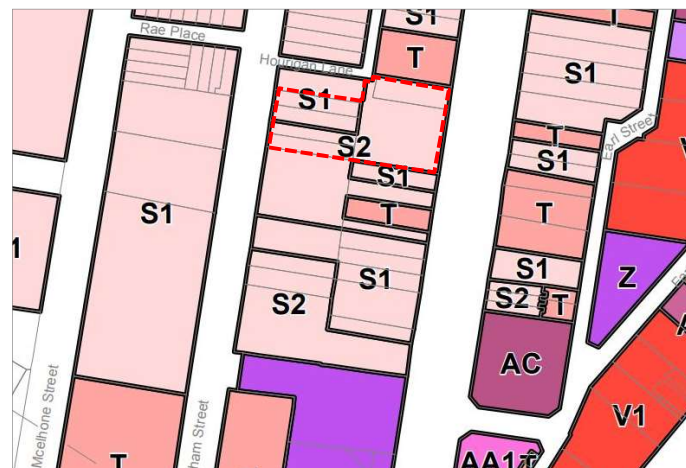
## Building Height



### Maximum Building Height (m)

|   |     |    |    |
|---|-----|----|----|
| A | 3   | S  | 24 |
| E | 6   | T1 | 25 |
| H | 7.5 | T2 | 27 |
| I | 8   | T3 | 28 |
| J | 9   | T4 | 29 |
| L | 11  | U1 | 30 |
| M | 12  | U2 | 33 |
| O | 15  | V  | 35 |
| P | 18  | W1 | 40 |
| R | 22  |    |    |

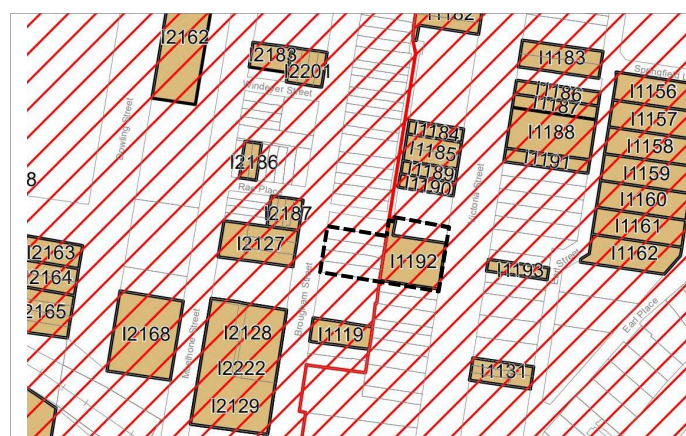
## Floor Space Ratio



### Maximum Floor Space Ratio (n:1)

|    |      |     |     |
|----|------|-----|-----|
| F  | 0.6  | X   | 4   |
| H  | 0.7  | Y   | 4.5 |
| J  | 0.8  | Z   | 5   |
| L  | 0.9  | AA1 | 6   |
| N  | 1    | AA2 | 6.5 |
| P  | 1.25 | AB1 | 7   |
| S1 | 1.5  | AB2 | 7.5 |
| S2 | 1.75 | AC  | 8   |
| T  | 2    | AD  | 9   |
| U1 | 2.5  | AE  | 10  |
| U2 | 2.75 | AF  | 11  |

## Heritage



### Heritage

|  |                             |
|--|-----------------------------|
|  | Conservation Area - General |
|  | Item - General              |

### 3.2 Sydney Development Control Plan 2012

The Sydney Development Control Plan 2012 (SDCP 2012) provides additional controls to SLEP 2012, including provisions that relate to the specific uses, built form, heritage, and locality statements.

#### Locality Statements

The combined site is split into two locality statements, being Woolloomooloo and Kings Cross. Development principles and relevant sections of the Locality Statements are set out below.

#### Woolloomooloo (92-98 Brougham Street Terraces)

- The area is to maintain its low scale residential character
- Development is to respond to and complement heritage items and contributory buildings within heritage conservation areas, including streetscapes and lanes.
- Encourage built form that relates to the topography of the neighbourhood. Maintaining taller buildings along the ridges and the lower scale built form in the centre of the neighbourhood.

#### Kings Cross (Piccadilly Hotel + 169 Victoria Street)

- Kings Cross has long been recognised as an international and regional destination for tourism and entertainment, with international, regional, and local roles to play.
- The area's role as a centre is to be strengthened by capitalising on its proximity to public transport, and by providing commercial and retail services for existing and future residents and visitors alike
- Heritage items such as the Kings Cross Hotel have a landmark presence to the street.
- Development is to respond to and complement subdivision, heritage items and contributory buildings within heritage conservation areas, including streetscapes and lanes.
- Increase uses that provide all day activity, particularly those that serve the broader community's social, cultural, and entertainment needs

#### Heritage

All of the sites fronting Brougham Street and Victoria Street are identified as 'contributory buildings' except for 96 Brougham Street which is identified as a 'neutral building'.

Heritage provisions included at Section 3.9 of SDCP 2012 provide controls relating to heritage items and buildings in heritage conservation areas. Works to a heritage item are to be undertaken in accordance with a Conservation Management Plan with new development in heritage conservation areas is to be designed to respect neighbouring buildings and the character of the area, particularly roofscapes and window proportions. Alterations and additions to neutral buildings should remove unsympathetic alterations and additions, including inappropriate building elements.

#### Late Night Trading

The sites fronting Victoria Street are identified as being in a 'Local Centre Area' as part of the 'Main Street' permitted trading up to 2am internally and 10pm externally. The sites fronting terraces are not categorised in a late-night trading area but as set out in Section 3.15 are identified as potentially able to trade until midnight internal and 10pm externally.

#### Street Frontage Heights

The SDCP 2012 specifies street frontage height for the sites fronting Brougham Street of 2 storeys. The building located at 196 Brougham Street current presents with an inconsistent 3 storey masonry façade to the street, adjacent two storey building forms 92, 94 and 98. No street frontage height provision applies to the Victoria Street sites.



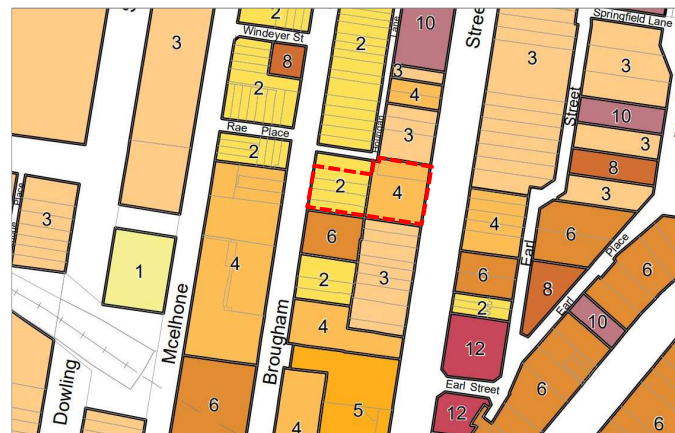
### Building Contribution (Heritage)



#### Legend

- Contributing
- Detracting
- Neutral
- Conservation Area - General

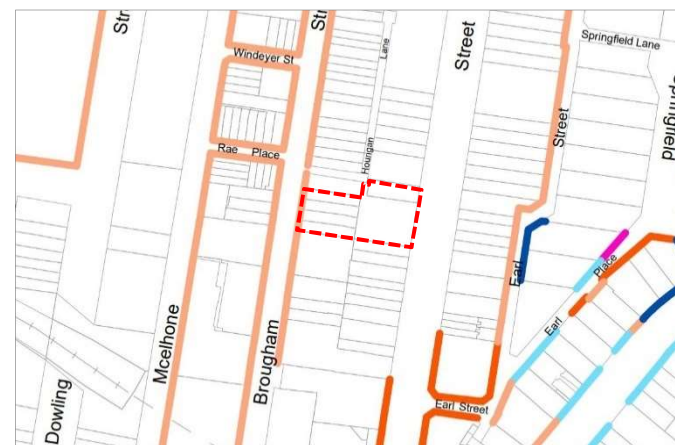
### Height in Storeys



#### Legend

- 1 Storey
- 2 Storeys
- 3 Storeys
- 4 Storeys
- 5 Storeys
- 6 Storeys
- 7 Storeys
- 8 Storeys
- 9 Storeys
- 10 Storeys

### Frontage Height



#### Legend

- 1 Storey
- 2 Storeys
- 3 Storeys
- 4 Storeys
- 5 Storeys
- 6 Storeys
- 7 Storeys
- 8 Storeys
- 9 Storeys
- 10 Storeys

### Late Night Trading



#### Legend

- City Living Areas
- Late Night Management Areas
- Local Centre Areas
- Main Street in Local Centre

## 4. Hotel Concept

This Planning Proposal is supported by an Urban Design Report and indicative hotel scheme prepared by Woods Bagot (**Appendix A**). The concept is indicative and seeks to demonstrate how the combined site would be adaptively reused for the purpose of hotel accommodation. The indicative concept will be converted to a detailed Development Application, accompanied by the various technical reports and assessments.

### 4.1 Vision for the Site

Visions for the combined site is to transform the existing buildings into a world class hotel and food and beverage offering, conserving and celebrating the heritage fabric, character and soul. The result will be a development outcome and land use that is better than the current controls permits. The site will re-engage Victoria Street, raising aspirations for future development and rebirth of neighbourhood amenity. The following aspirations are embedded into this vision:

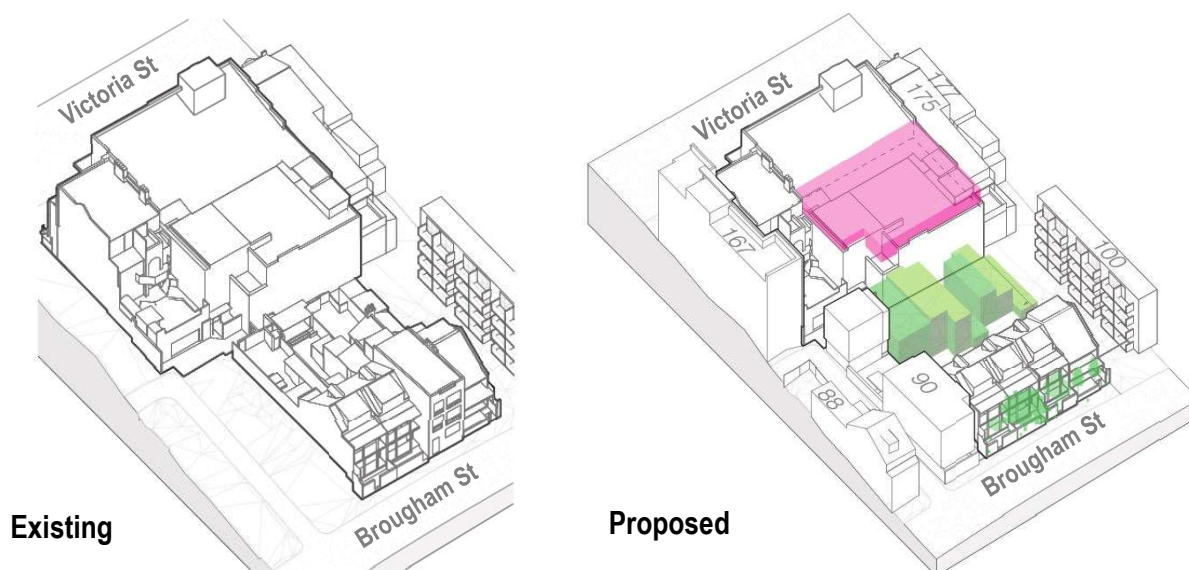
- Celebrating the identity and history of the Brougham Street Terraces, 169 Victoria Street and Piccadilly Hotel - from their origins to today.
- Placing heritage as foundation, informing the diverse character of spaces through the site
- Retaining and enhancing local street character and amenity.
- An adaptive re-use of structures demonstrating social, environmental and economic sustainability.

### 4.2 Overview and Urban Design Analysis

The indicative concept proposes a single-use, high-quality boutique hotel with ancillary ground floor food and beverage uses. The concept is indicative and seeks to demonstrate how the site could be used should the hotel use be permitted on the Brougham Street terraces. The final proposal will be the subject of a details Development Application.

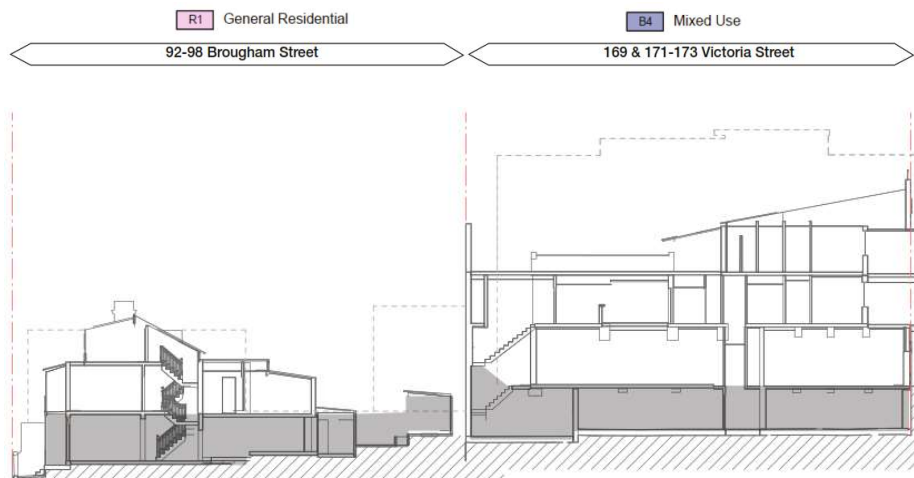
A summary of the key components of the concept are provided below:

- **Boutique Hotel:** a total of 43 boutique hotel rooms, comprising 31 rooms within the Piccadilly Hotel and 12 rooms within the Brougham Street buildings
- **Food & Beverage:** approximately 1,000sqm of food and beverage floorspace across two levels
- **Back of House & Storage:** approximately 450sqm – primarily located in the existing basement of the Piccadilly Hotel and 169 Victoria Street

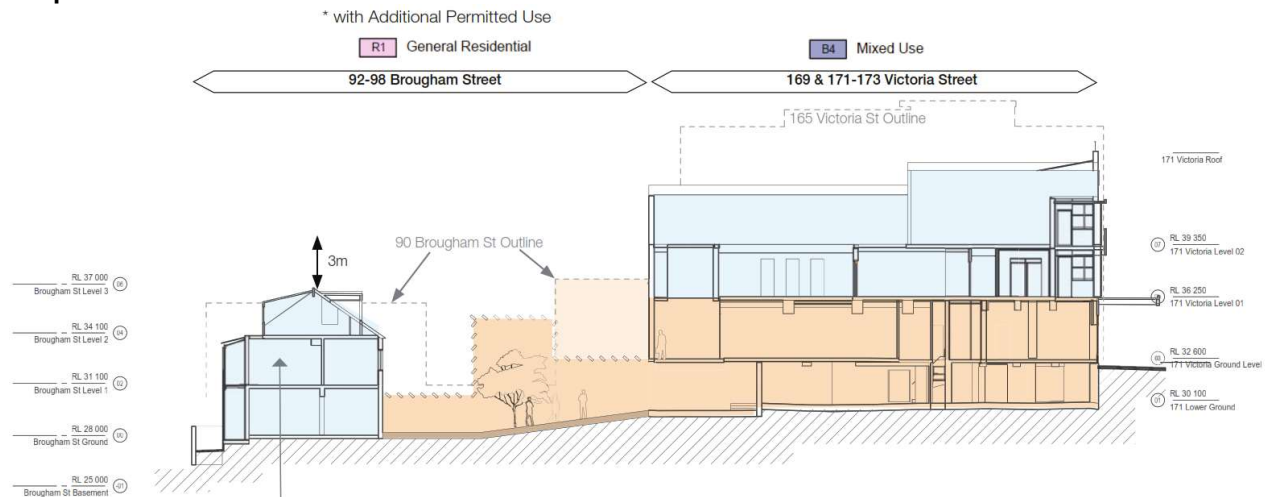


**Figure 7:** Existing and proposed built form

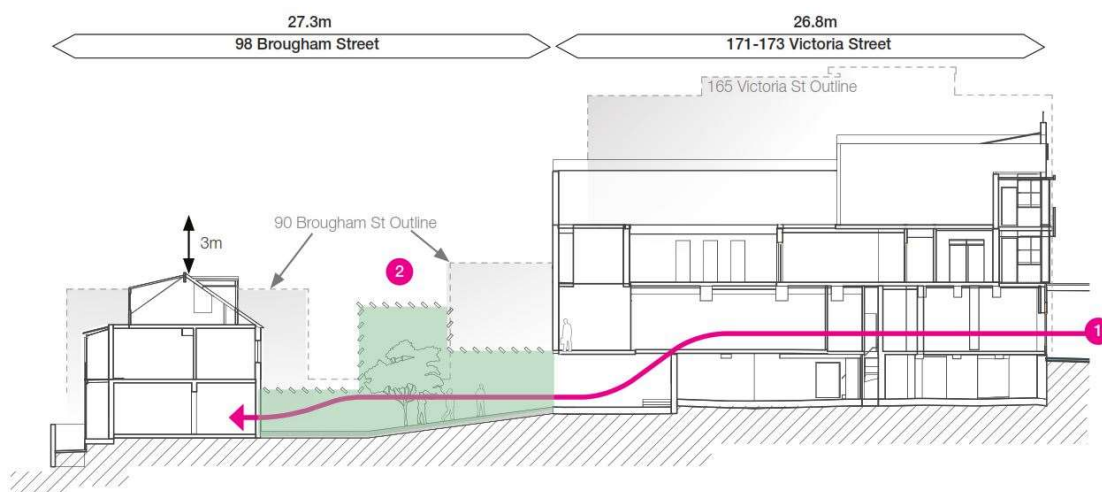
## Existing Built Form



## Proposed Built Form



**Figure 8:** Existing and Proposed built form (cross section between Victoria and Brougham Streets)



**Figure 9:** Connection and landscape between Victoria Street and Brougham Street

### 4.3 Descriptions of Works

A detailed description and diagrams are provided as part of the Urban Design Report (**Appendix A**) to articulate the proposed physical works on the site.

#### Brougham Street Terraces

- Remove enclosures to original terraces of 96 Brougham Street
- Remove larger 1st floor veranda and restore to original no. 98
- Detracting brick front walls to be removed and palisade fencing reinstated.
- Each building to have a different landscape design to ensure individuality of four lots is retained
- Out-buildings at the rear of terraces removed to be replaced with terraces and gardens, broken visually into structures that reflect existing subdivision pattern (see **Figure 7**)

#### Restoration of No 96 Brougham Street

- Removal of the non-original additional and return the façade and roof form, including terrace and balconies to create a consistent row of building as originally intended (refer to **Figure 10**).

#### Piccadilly Hotel

- Consolidated plant strategy for the future
- Secure and restore the existing building envelope including
  - rear windows
  - signage
  - brickwork
  - guttering
  - security and fencing
  - services (electricals, plumbing etc)
- Extension of the existing roof form at the upper level, to provide compliant roof height but remain below the existing Brick parapet to Victoria Street
- Consolidated plant strategy to the roof (behind parapet)
- No Change to the Victoria Street



**Figure 10:** Proposed restoration of 96 Brougham Street

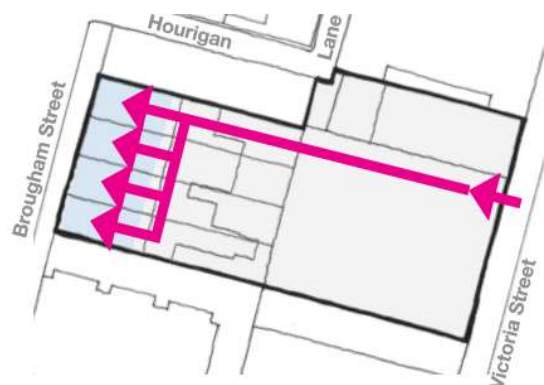
### 4.4 Building Height and Floor Space

As shown on the concept plans (**Appendix A**), the future scheme will seek a minor variation to the maximum height of buildings control at the rear of the Piccadilly Hotel, in the order of 10% due to the sloping nature of the site as it falls away from Victoria Street to the west and maintaining suitable clearance height. As discussed in **Section 7**, this will not be visible from the Victoria Street elevation will have no impact to existing iconic views and will not have any unreasonable impacts on overshadowing to 100 Brougham Street (refer to shadow analysis at **Appendix A**). The overall maximum floor space of the sites will comply with the maximum FSR provisions of SLEP2012.



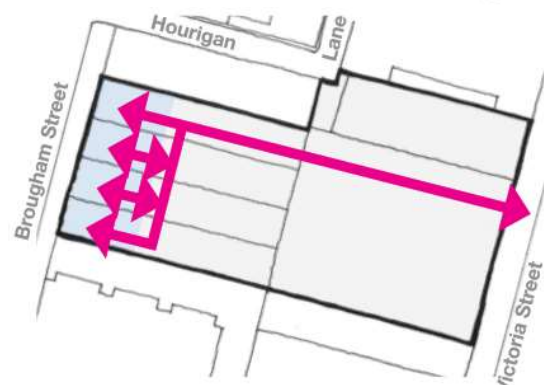
## 4.5 Access, Parking and Servicing

The concept proposal seeks to remove any pedestrian, vehicle or service access to Brougham Street, maintaining the character of the street and improving the on-street parking supply for existing residents. As shown in the diagrams below, all access (except for bicycles) will occur from Victoria Street.



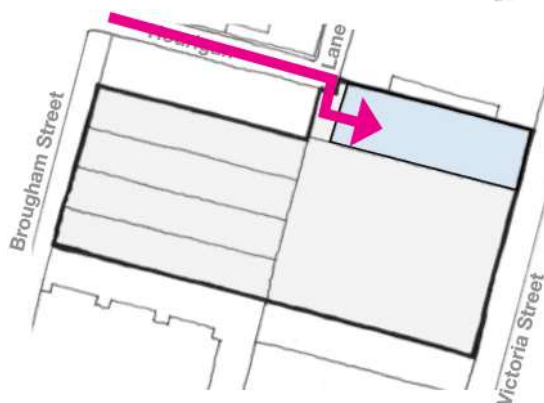
### Pedestrian Entries

- All pedestrian, patron and guest entry will be through the Victoria Street entry of the site.
- Whilst it will be possible to allow access from Brougham Street for hotel guests, this is not proposed to ensure the site is appropriately managed.



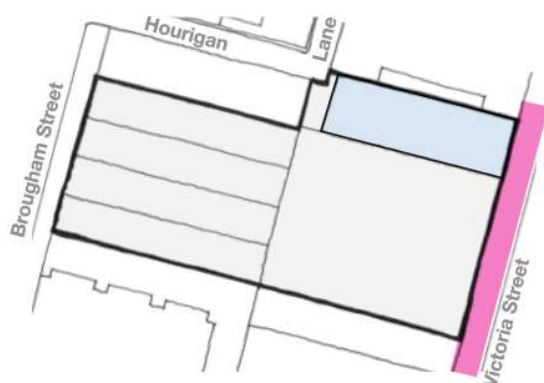
### Services Access and loading

- All Loading and Servicing will occur via the service lift in the location of the existing
- Connections will be provided through the site to all part of the use
- No deliveries and servicing will take place from Brougham Street



### Bicycle Parking

- Bicycle access will be permitted from Hourigan Lane for staff. This provides direct entry to the basement level where storage and services for staff will be located.
- No waste collection will occur from Hourigan Lane.



### Vehicle Access

- Victoria Street will be used as drop-off and pick up area for patrons as well as the location of waste collection/deliveries
- No access will be permitted from Brougham Street



## 5. Planning Proposal

This planning proposal is prepared in accordance with Section 5.1 of ‘A guide to preparing local environmental plans’ and consideration of the Planning Circular “independent review of plan making decisions”. The Planning Proposal has strategic and site-specific merit for the reasons set in this Proposal.

This section communicates the objectives and intended outcomes of the Planning Proposal and provides a description of the proposed provision for the outcomes to be realised. The strategic justification and assessment of Planning issues is set out in **Section 7**.

### 5.1 Objectives and Intended Outcome (PART 1)

The objective of this Planning Proposal is to remove a barrier to the supply of high quality hotel accommodation across the sites which are demonstrated to be appropriately located, consistent with the objectives and actions of City’s Visitor Accommodation (Hotels and Serviced Apartments) Action Plan and recently endorsed Local Strategic Planning Statement.

- To enable the orderly and feasible redevelopment of the entire site of 92-98 Brougham Street and 169-173 Victoria Street, Potts Point for ‘hotel or motel accommodation’
- To ensure that future development responds sympathetically to the heritage context and as part of the adaptive reuse of the Piccadilly Hotel
- To ensure that the additional use is appropriate to the urban context as part of a larger site

#### Intended Outcome

The intended outcome of the Planning Proposal is to permit ‘hotel or motel accommodation’ as an additional permitted use within the site by amending Schedule 1 of the SLEP 2012. It will facilitate a more efficient use of a large, part vacant and underutilised site as a world class hotel. The intended outcome will be realised by:

- Maintaining compatible land use zones (no change to the underlying zoning) will create additional hotel accommodation to meet Sydney’s growing demand tourist and visit accommodation, whilst respecting the amenity of surrounding land uses, and making significant improvements to the building.
- Opening-up the heritage item through adaptive reuse to allow access to visitors, patrons and guests – transforming a building in disrepair to an activated use that positively contributes to the character and vibrancy of the King Cross/Potts Point precinct and provides a diversity of uses.
- Minimising the potential unacceptable impacts on the character and amenity of the adjoining and surrounding residential development through management measures and design.
- Facilitating redevelopment of the site that will conserve and improve the existing heritage item of the Piccadilly Hotel and terraces including the buildings, its interiors and setting.
- Redevelopment of the site will achieve design excellence through a high quality and carefully curated adaptive re-use of the heritage item.

### 5.2 Explanation of Provisions (PART 2)

The Planning Proposal seeks to permit ‘hotel or motel accommodation’ at 92-98 Brougham Street as an Additional Permitted Use (APU) by way of an amendment to Schedule 1 of SLEP 2012. The proposal does not seek to revise the underlying zoning of the site. An explanation of the proposed written provisions is provided below.

#### Schedule 1 Additional Permitted Uses

The clause, included in the Additional Permitted Uses Schedule of LEP 2012 (Schedule 1), is proposed to be as follows:

### **Schedule 1 Additional permitted uses**

*[new clause number]*

*Use of certain land at 92-98 Brougham Street, Potts Point*

- 1) *This clause applies to land at 92-98 Brougham Street, Potts Point, being Lots 1 in DP 724376, Lot 1 DP 904094, SP 17354 and Lot 100 in DP 613011*
- 2) *Development for the purposes of hotel or motel accommodation is permitted with development consent.*

SLEP 2012 was gazetted in December 2012. The proposal does not seek to amend an LEP less than 5 years old.

### **Consideration of other LEP amendments to enable the use**

It is noted that an alternative to the proposed amendments of Schedule 1 would be to locate the additional permitted use in Division 5 of SLEP 2012 – Site Specific Provisions. Given the nature of the amendments being additional permitted land use, it is considered more appropriate for the clause to be located at Schedule 1 as an APU.

### **Building Envelope, Height and Floor Space Controls**

No changes to the maximum permissible gross floor area (GFA) or maximum building height of 92-98 Brougham Street, 169 Victoria Street or 171-173 (Piccadilly Hotel) are currently sought as part of this Planning Proposal. Assessment and compliance with relevant development standards would ordinarily be addressed as part of the concurrent Development Application.

However, if considered appropriate by Council, amendments (building height and FSR) could be incorporated at Division 5 (in addition to Schedule 1 Additional permitted use) to facilitate the indicative concept scheme. As discussed below, the planning proposal can be accompanied by a site-specific DCP and secured by way of a Voluntary Planning Agreement (VPA).

## **5.3 Mapping**

No changes are proposed, or required, to the existing SLEP 2012 maps. This remains generally consistent with the other existing APU clauses at Schedule 1.

However, should Council require, a minor amendment could be made to the Locality and Site Identification Map Foreshore Building Line Map – Sheet 22, by outlining the site of 92-98 Brougham Street heavy red edging, which cross references to Schedule 1. Should this be required, the identification of the site on this map would be included in the proposed wording of the clause Schedule 1.

## **5.4 Site-Specific Development Control Plan**

If considered necessary by Council, the proponent is agreeable to the preparation of a site-specific DCP to provide transparency on the future building envelopes and setbacks as illustrated in the Indicative Development Concept prepared by Woods Bagot (**Appendix A**). This includes the proposed reduction in building height at 96 Brougham Street and extension to Piccadilly Hotel behind the parapet. The site specific DCP controls would relate to the indicative built form across the combined site as shown in the Urban Design Report.

As noted above, the proposal does not currently propose to include a change in development standards to the Piccadilly Hotel, but if agreed to by Council these could be confirmed in the DCP 2012 provision at Section 6 (Site Specific controls), in addition to the necessary amendments for GFA and building height of SLEP 2012 at Division 5.

## 6. Strategic Justification

The planning proposal is justifiable and supportable in terms of its strategic and site-specific merit, as detailed below.

### 6.1 The need for a Planning Proposal (Section A)

#### Q1 – Is the Planning Proposal a result of any strategic study or report?

The Planning Proposal responds to the current strategic planning and economic policy of the NSW Government and City of Sydney Council.

Council's targeted Visitor Accommodation Action Plan (Hotels and Serviced Apartments) encourages opportunities for tailored planning outcomes to enable the delivery of the City's strategic aims that are not envisaged under the current planning controls. Recently adopted strategic planning policy also encourages a place-led and people-focused approach to unlock new sites for a diverse range of future hotel accommodation and deliver more world-class public spaces that characterise Sydney as the nation's premier destination city.

Removing the barrier to investment and supply of visitor accommodation is encouraged by Council, particularly in the context of the Kings Cross Precinct, focus on rejuvenation and fostering a diversity of uses. The Planning Proposal demonstrates that the site is suitable and strategically located to support the additional use.

#### Q2 – Is the Planning Proposal the best means of achieving the intended outcome or is there a better way?

Yes.

The site is zoned R1 General Residential under SLEP 2012. Under this land use zone, 'hotel or motel accommodation' is prohibited. By including 'hotel or motel accommodation' as an additional permitted use in Schedule 1, the intended future use will be permissible while retaining the existing underlying zoning on the site. Importantly, the Planning Proposal has selected the specific use of hotel or motel accommodation' rather than the parent term 'tourist and visitor accommodation' to ensure the intended outcome of hotel is clearly defined and not opened up to other potential uses such as backpackers' accommodation. Furthermore, in the R1 residential zoning 'food and drink premises' are otherwise permissible with consent.

The Planning Proposal is the best means of realising the aims and objectives of federal, state and local government planning policy on tourist and visitor accommodation. The nature of the lot arrangement, ownership, history of the Piccadilly Hotel and opportunity to revive Victoria Street and Brougham Street is unique and affirms the Planning Proposal is the most appropriate means to achieve the outcome.

An amendment to Schedule 1 is the preferred option as the underlying zoning is retained, limiting the additional use to 'hotel or motel accommodation' only – which is proposed to be submitted as a concurrent DA with potential VPA and site-specific Development Control Plan to further clarify the intended built form outcome.

Other options are outlined below that are not considered appropriate. These include

#### ***Rezone the land to B4 Mixed Use***

This option is not recommended to achieve the intended outcome as it would permit a significantly broader range of uses which would not contribute to the supply of hotel accommodation and that may not be appropriate in the context of the site.

### **No Change – Status Quo**

This option will not contribute to the identified demand in supply of hotel accommodation and is considered unreasonable given the site are immediately adjacent mixed use and general residential zones, and this Planning proposal demonstrated the use is appropriate and any impacts can be managed. This option would be inconsistent with the strategic aims of the City of Sydney's Visitor Accommodation Actions Plan.

With the indicative concept scheme (**Appendix A**), the additional permitted use will remain compatible with the underlying land use zone, but will deliver high quality hotel accommodation in the City Fringe that has been identified by Council (and the Greater Sydney Commission) as playing critical role in supporting and strengthening the tourist and visitor economy.

The proposed use of the Brougham Street terraces also allows for the layout, functionality, and efficiency of the Piccadilly Hotel to be maximised. In turn, this results in the most effective utilisation of both sites, achieving outcomes that have otherwise not been envisioned in the planning controls. As set out in Sydney Local Strategic Planning Statement, the proposal facilitates a future hotel accessible by all that that will be of world class standard, charactering Sydney as the nation's premier destination city.

## **6.2 Relationship with Strategic Planning Framework (Section B)**

**Q3 - Will the planning proposal give effect to the objectives and actions of the applicable regional, or district plan or strategy (including any exhibited draft plans or strategies)?**

### **Strategic Merit Test**

The DPIE has established a Strategic Merit Test for determining whether a planning proposal should proceed to a Gateway Determination. The Strategic Merit test criteria and response to each is set out below:

#### **a) Does the Proposal have strategic merit?**

- *Consistent with the relevant regional plan outside of the Greater Sydney Region, the relevant district plan within the Greater Sydney Region, or corridor/precinct plans applying to the site, including any draft regional, district or corridor/precinct plans released for public comment; or*
- *Responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls.*

### **National Tourism Strategy 2020**

Tourism 2020 is a national strategy to grow the tourism industry through a partnership of government working with industry to achieve the target of doubling overnight expenditure of domestic and international visitors to between \$115 and \$140 billion by 2020. Four policy priorities are identified in the plan, to:

- encourage high-quality tourism experiences, including Indigenous tourism
- limit the tax, red tape and other regulatory burden industry faces
- undertake coordinated and effective marketing campaigns to drive demand
- work with industry to support the development of tourism infrastructure that can drive demand.

The new national tourist strategy is due to commence in January 2021 with work currently underway. As part of this preparatory work Deloitte Access Economics were commissioned by Beyond Tourism 2020 Industry Committee in 2018 to prepare a report. The report titled *Tourism 2030: Supply side requirements to support the development of the 2030 tourism strategy* was considered as part of submissions to the preparatory work.

The report considers existing supply and demand in major cities. Based on the 2018 modelling undertaken, by 2030, almost half of the increase in total commercial accommodation needed across the capital cities will be required in Sydney and Melbourne combined. A summary of the hotel supply market in each of the capital cities is also included describes Sydney as follows.

*There is a unique constraint to tourist accommodation with the Sydney CBD being surrounded by the harbour and the botanic gardens. This has created a shortage of building sites available within the city core. Certain accommodation developments have created opportunities by converting office buildings, or demolishing existing buildings and having an open site.*

The Planning Proposal seeks to facilitate the delivery of a world class hotel in Sydney's fringe consistent with the identified demand.

### **NSW Visitor Economy Industry Action Plan 2030**

The Visitor Economy Industry Action Plan was prepared by the NSW Government following the previous version of the Plan to 2020. The Action Plan 2030 provides guidance and direction for the Government to continue to work with industry to drive the economic benefits of the visitor economy. It sets a new visitor economy target to more than triple overnight visitor expenditure aiming to achieve \$45 billion by 2025 and \$55 billion by 2030 as well as setting a regional overnight visitor expenditure target for 2025 and 2030.

Whilst the parameters around international tourist and visitor accommodation have been impacted by COVID 19 in the short to medium term, planning for future growth is crucial. The Action Plan specifically targets investment in critical infrastructure, future planning and better ways to do business to ensure the continued growth and future prosperity of the NSW visitor economy.

As discussed in further detail below, the proposal is entirely consistent with this Action Plan.

### **Greater Sydney Region Plan - A Metropolis of Three Cities**

The Greater Sydney Region Plan sets a 40-year vision and establishes a 20-year plan to manage growth and change for Greater Sydney in the context of social, economic and environmental matters. It sets the future planning framework, integrating land use, infrastructure and transport for Sydney Metropolitan Area.

The Region Plan is given effect by the relevant District Plans and further Local Strategic Planning Statements by each Council. The plan sets out a total of 40 objectives, each with corresponding strategies, under the headings of infrastructure and collaboration, liveability, productivity, sustainability, and implementation. The Planning Proposal is consistent with the social and economic objectives of the Plan as it:

- will enable the adaptive reuse of the combined site to be realised, enhancing the existing accommodation offering in the City Fringe and Kings Cross catchment, connected to existing tourism infrastructure, in proximity to tourism services, attractions and transport
- The future hotel will be a high quality five-star offering, bringing a diversity of accommodation offering to the precinct outside of Sydney CBD. This will provide diversity and variation in accommodation infrastructure for Sydney that further strengthens attraction of tourists.
- The hotel will bring substantial employment opportunities including the accommodation, retail/hospitality, services such as cleaning and catering, along with considerable construction employment.

### **Eastern City District Plan**

The Greater Sydney Commission's Eastern City District Plan sets a vision, priorities and actions for the development of the central district of greater Sydney. The eastern district includes the local government areas of Bayside, Burwood, Canada Bay, Inner West, Randwick, Strathfield, the City of Sydney, Waverley and Woollahra. The plan is intended guide the implementation of the Sydney Region Plan at a district level, linking between regional and local planning by informing Local Strategic Planning Statements (and LEP s and Planning Proposal)

In particular, the Eastern District Plan provides detailed planning priorities which integrate relevant objectives, strategies and actions in response to the identified challenges and opportunities. The planning priorities relate to the three key aims to create a productive, liveable and sustainable city.

The Planning Proposal will allow for a commercially viable redevelopment/adaptive reuse of the site to hotel and the revival of the Piccadilly Hotel that has been vacant for five years. In turn it will directly support the following productivity, liveability and sustainability priorities of the District Plan as set out in **Table 2** below.

**Table 2:** Proposals consistency with District Plan Priorities

| Action/Priority   | Planning Proposal  |
|---|--|
| <b>Planning Priority E1</b><br>Planning for a city supported by infrastructure  | Provides hotel accommodation as part of an identified sector in demand for Sydney and its fringe areas   |
| <b>Planning Priority E3</b><br>Providing services and social infrastructure to meet people's changing needs                 | Brings a diversity to the day/night economic offering and uses in the Potts Point/Kings Cross area   |
| <b>Planning Priority E6</b><br>Creating and renewing great places and local centres, and respecting the District's heritage | Facilitates the revival and adaptive reuse of the Brougham Street terraces as well as the landmark Piccadilly Hotel and 169 Victoria Street.                                   |
| <b>Planning Priority E10</b><br>Delivering integrated land use and transport planning and a 30-minute city                  | Locates tourist and visitor accommodation with superior transport options, including public transport, as well as providing food and beverage uses accessible to residents.    |
| <b>Planning Priority E7</b><br>Growing a stronger and more competitive Harbour CBD  | The use will bolster the competitiveness of Sydney as a tourism destination.   |
| <b>Planning Priority E13</b><br>Supporting growth of targeted industry sectors  | Tourism has been identified as a target sector at the national to local level. The proposal supports the growth and diversity in this section, in an area supported by Council |

**b) Does the proposal have site-specific merit?**

- *The natural environment (including known significant environmental values, resources or hazards); and*
- *The existing uses, approved uses, and likely future uses of land in the vicinity of the proposal; and*
- *The services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision*

The Proposal has Site Specific Merit as follows:

- The Proposal will facilitate the delivery of non-residential floor space appropriate to the strategic location with primarily frontage to Victoria Street (Activity Street) and Kings Cross/Potts Point centre. The intended built form and floor space for the Brougham Street terraces will remain consistent with the existing floor space, and Hotel floor space is priorities over permissible residential uses for 169 and 171-173 Victoria Street.
- The Proposal will create public benefit by triggering the revival of a set of buildings to provide a world class 5-star hotel.
- The Proposal is located within an accessible and desirable inner-city location.
- The Proposal is consistent with the desired future character of the surrounding mixed-use area as contemplated by the Locality Statement
- The Proposal is accompanied by relevant impact and traffic (loading and service) assessment.
- The Proposal will lead to an overall positive contribution to the built environment, which, by taking a strategic place/design led approach, will create a use that exceeds the potential outcomes envisaged by the current planning controls.
- The future use will be design with exceptional amenity for occupants and patrons, whilst ensuring that any amenity impacts to surrounding land uses are suitably mitigated.

**Q4 – Is the Planning Proposal consistent with a Council's local strategy or other local strategic plan?**

**Sustainable Sydney 2030**

The City of Sydney's Sustainable Sydney 2030 sets the goals and aspirations for the development of Sydney LGA over a 20-year period. The Plan expresses the vision and City's commitment to a Green,



Global, Connected City. The Plan sets out 10 Strategic Directions to achieve Sustainable Sydney. Described as a 'Framework for Action' these Strategic Directions are:

- **Direction 1** - A globally competitive and innovative city
- **Direction 2** - A leading environmental performer
- **Direction 3** - Integrated transport for a connected city
- **Direction 4** - A city for walking and cycling
- **Direction 5** - A lively, engaging city centre
- **Direction 6** - Vibrant local communities and economies
- **Direction 7** - A cultural and creative city
- **Direction 8** - Housing for a diverse population
- **Direction 9** - Sustainable development, renewal and design
- **Direction 10** - Implementation through effective governance and partnerships.

The Planning Proposal will facilitate rejuvenation and revitalisation of the site that positively contributes to the city. The Planning Proposal will support the delivery of a globally competitive city, increasing diversity of Tourist and Visitor accommodation, providing much needed employment opportunities.

The Planning Proposal is consistent with Sydney 2030 as it will:

- facilitate redevelopment of the site for high quality hotel consistent with the policy direction of Council and diversity of uses in the Kings Cross/Potts Point precinct.
- Bring significant investment in the sites will contribute maintain Sydney as the renowned location for tourism.
- Take advantage of the site's location to public transport, Sydney CBD and harbour, vehicle connections form Sydney import, services, and cultural precinct of Kings Cross for tourism uses, consistent with the adopted strategies and action plan of Council.
- Contribute to the revitalization of Victoria Street and Kings Cross as a diversity of high-quality offering, Macleay Street and Woolloomooloo village in which it is located
- Facilitate the revival of the iconic Piccadilly Hotel building as a landmark to Victoria Street and Kings Cross. The use will strengthen the character and history of the area whilst positively contributing to the economy through the creation of substantial employment opportunities and a diversity in tourism offering.
- Improve the architectural and heritage response to Brougham Street by removing the unsympathetic addition to 96 Brougham Street.
- Support the work currently being undertaken by the Committee for Sydney funded by the Council for the revitalisation of Kings Cross – which also reflects planning for growth post COVID 19.

### **Economic Development Strategy 2013**

The City of Sydney's ten-year Economic Development Strategy provides the economic focus to Sustainable Sydney 2030. The Strategy establishes a framework to guide City of Sydney's economic priorities, developments, and approach. It is based on three priorities supported by Action Plans, including the Tourist and Visitor Accommodation Action Plan (Hotel and Serviced Apartments) discussed below. The priorities are to:

- Strengthen Sydney's competitiveness.
- Improve productivity and capacity.
- Promote opportunity.

As stated in the Strategy, Sydney is Australia's most significant global city and international gateway with world-class tourism attractions and sustained investment in cultural infrastructure, icons and amenities. Notably, the tourism industry is identified as a priority sector that delivers the greatest contribution to job numbers in the city amongst finance, professional and business services and retail.

The Strategy identifies the City's role to work with industry and government partners to create an environment that allows tourism to diversify, grow and develop with actions focused on enhancing the quality of the visitor experience, strengthening partnerships to maximise visitation potential and encouraging the development of product and infrastructure. The Proposal is consistent with the Economic



Development Strategy by seeking to bolster the investment and delivery of high quality Tourism Infrastructure.

### **Sydney Local Strategic Planning Statement**

The Sydney Local Strategic Planning Statement (LSPS) is the 20-year land use planning vision, balancing the need for housing and economic activities while protecting and enhancing local character, heritage, public places and spaces. The LSPS links state and local strategic plans with the City's planning controls to guide development.

Endorsed by the NSW Department of Planning in 2020, 13 priorities and accompanying actions are included achieve the vision for Sydney LGA and guide future changes to the City's planning control. Priorities and actions directly relevant to the Planning Proposal are addressed below.

#### *Tourist and Visitor Accommodation*

To ensure Sydney remains a drawcard to for tourists, Council has committed in the LSPS to taking a place-led and people-focused approach to unlocking new sites, allowing for a diverse range of hotel accommodation that reinforces Sydney as the premier tourist destination.

In combination with the City's Visitor Accommodation Plan, the LSPS supports the growth and diversity of high-quality hotel offerings in Sydney, particularly in the City Fringe and Activity Streets (Victoria Street). The Visitor Accommodation Plan encourages proponents to investigate visitor accommodation when proposing planning controls for strategic development sites, and sees hotel use on these sites as an opportunity for tailored planning outcomes consistent with the City's strategic aims but not envisaged by the current planning controls.

The importance of supporting hotels in the City Fringe was exemplified by the Greater Sydney Commission (GSC) in their assurance review of the draft LSPS. The GSC requested that Council revised the LSPS to define the role of the tourist and visitor economy in the productivity section. This resulted in Priorities P1 and P2 being amended to clarify that the tourist and visitor economy is an important sector for the whole council area and that Central Sydney, and that the City Fringe areas will play a critical role in supporting and strengthening this economy.

The LSPS confirms that "tourism plays a major role in City's character and economy – contributing more than \$7 billion with related businesses accounting for 11 per cent of the city's workforce (up to 50,000 jobs). Every dollar spent on tourism generates almost as much spend elsewhere in the economy. Tourism also creates international and national business networks as more than one third of Sydney's visitors are drawn to the city for conferences, exhibitions or meetings".

As it relates to the additional permitted use for 'hotel or motel accommodation' the following priorities of the LSPS are satisfied.

- **Priority P1.2** - Provide an appropriate mix of land uses that support Central Sydney's role as the metropolitan centre and its visitor and night-time economies, including a range of retail, recreational, community, cultural and entertainment activities and hotel accommodation in the right locations.
- **Priority P2.4** - Ensure a genuine mix of uses to support lively and thriving village economies within City Fringe, including residential development provided it does not compromise commercial or enterprise uses
- **Priority L2.5** - Undertake urban design studies for activity streets to protect character, provide amenity and ensure an appropriate mix of uses given their function.

#### **Principles for Growth**

Whilst the LSPS does not propose wholesale changes proposed to planning controls in the LGA other than Sydney CBD and limited areas of future investigation, it does identify the that opportunities for growth and change should be considered.

Council recognises the need to consider planning proposals to unlock existing capacity where there is impediment in the planning controls, clear site-specific and strategic merit; and where the changes align with the City's principles for growth.

Importantly, the LSPS identifies that there are circumstances where planning proposals can appropriately seek changes to the current framework, and which may also have genuine broader public benefits as well as achieving high-quality planning and urban design outcomes – achieving the objectives of the character areas. This Planning Proposal relates primarily to a single additional permitted use on land adjoining B4 Mixed Use zoning for the purpose of a hotel.

The 'principles for growth' included in the LSPS provide a local merits test to guide the Council in the consideration of, and consistent decision-making about, planning proposals in the local area. The proposal consistency with strategic and site-specific merit considerations is addressed in this section of the Planning Proposal and summarised below:

- The Proposal is consistent with the Region and District Plans, and relevant directions and actions of Sustainable Sydney and the relevant priorities, objectives and actions in the LSPS.
- The proposal supported the strategic objectives in adopted strategies and Action Plans – including the Visitor Accommodation Actions Plan (Hotel and Serviced Apartments).
- The Proposal supports non-residential development and will contribute to meeting employment targets in the strategic centre of Kings Cross and Sydney LGA, particularly within the hotel and retail sector, identified as being a priority sector in the Economic Development Strategy
- The Proposal provides for an orderly, viable and place-led/people-led approach to realising a world class hotel site within Sydney's fringe. The future design seeks to return the build form of Brougham Street frontage to its original configuration and reinvigorate the dilapidated Piccadilly Hotel.
- The Proposal "gives consideration to strategically valuable land uses that are under-provided by the market, such as hotels" and has appropriately considered to context of the use.
- The site has superior public transport access, as well as easy connections to Sydney major road network, including access to Sydney Airport (and future Western Sydney Airport).
- The future design will be designed to high quality standards, consistent with the Design Excellence provisions of Sydney LEP 2012 as well as the guidance of the relevant Conservation Management Plan.
- The Proposal will facilitate the delivery of non-residential floor space appropriate to the strategic location with primarily frontage to Victoria Street (Activity Street) and Kings Cross/Potts Point centre. The intended built form and floor space for the Brougham Street terraces will remain consistent with the existing floor space, and Hotel floor space is priorities over permissible residential uses for 169 and 171-173 Victoria Street.
- The Proposal will create public benefit by triggering the revival of a set of buildings to provide a world class 5-star hotel.
- The Proposal is accompanied by relevant impact and traffic (loading and service) assessment demonstrating capacity for the use.
- The Proposal will lead to an overall positive contribution to the built environment, which, by taking a strategic place/design led approach, will result in a use that exceeds the potential outcomes envisaged by the current planning controls.
- The future use will be designed with exceptional amenity for occupants and patrons, whilst ensuring that any amenity impacts to surrounding land uses are suitably mitigated.

#### **Visitor Accommodation Action Plan (Hotel and Serviced Apartments) + Tourism Action Plan 2013**

The Visitor Accommodation Action Plan (Hotel and Serviced Apartments) sets out the City's actions to ensure the planning framework supports private sector investment in new and existing visitor accommodation. These actions complement City, NSW and Federal government strategies for the visitor economy. This plan focuses on planning as it is a core responsibility and action.

The objectives of the plan are for Council to support existing and new visitor accommodation with actions that will:

- Provide a positive environment for investment in visitor accommodation, both new and existing

- Identify and, where possible, remove planning system barriers to investment and development
- Assist demand led supply of new accommodation
- Encourage a more diverse sector
- Continue to contribute to tourism demand and the tourist experience through public domain works, events and partnerships as outlined in the Tourism Action Plan 2013

A number of actions are identified to create positive and supportive environment for the investment in and development of visitor accommodation. As one of these key actions, the plan states that “The City will consider visitor accommodation, and encourage proponents to investigate visitor accommodation, when proposing planning controls for strategic or major development sites”.

That Plan also states that planning for sites with strategic value there is an opportunity for tailored planning outcomes consistent with the City’s strategic aims but not envisaged by the current planning controls. As demonstrated in this section of the Planning Proposal, the proposed use exemplifies this action. The Plan encourages Council to consider and encourage proponents to investigate accommodation uses across a range of standards.

### Sydney Local Environmental Plan 2012

The Planning Proposal’s consistency with the aims of SLEP 2012 are set out in **Table 3**.

**Table 3: Consistency with Aims of Sydney LEP 2012**

| <b>SLEP 2012 - Aims</b>   |            |    |     |   |
|---|------------|----|-----|---|
| Aims  | Consistent |    |     | Comment   |
|   | Yes        | No | N/A |   |
| a) to reinforce the role of the City of Sydney as the primary centre for Metropolitan Sydney,   | ✓          |    |     | The future hotel use reinforces Sydney’s role as Australia’s most significant global city and international gateway with world-class tourism attractions and sustained investment in cultural infrastructure, icons and amenities.  |
| b) to support the City of Sydney as an important location for business, educational and cultural activities and tourism,  | ✓          |    |     | The Proposal supports City of Sydney and its important fringe areas as a crucial location for cultural and tourism activities.  |
| c) to promote ecologically sustainable development,   | ✓          |    |     | ESD will be incorporated into the future hotel design.  |
| d) to encourage the economic growth of the City of Sydney by—<br>i. providing for development at densities that permit employment to increase, and<br>ii. retaining and enhancing land used for employment purposes that are significant for the Sydney region, | ✓          |    |     | The Proposal supports the economic growth of Sydney and will provide significant investment to an area that Council has identified as an area requiring revitalisation. The proposal will also deliver a significant number of employment positions both during construction and operation. |
| e) to encourage the growth and diversity of the residential population of the City of Sydney by providing for a range of appropriately located housing, including affordable housing,   |            |    | ✓   | Whilst the future use will convert four existing residential buildings, the future use will support the viability and vibrancy of the precinct, providing a diversity of uses for the existing residential population within Kings Cross/Potts Point.                                       |
| f) to enable a range of services and infrastructure that meets the needs of residents, workers and visitors,  | ✓          |    |     | The Proposal will facilitate a hotel use that will provide diversity to tourist accommodation options that has been identified as being of utmost importance for the area by Council  |
| g) to ensure that the pattern of land use and density in the City of Sydney reflects the existing and future capacity of the transport network and facilitates walking, cycling and the use of public transport,  | ✓          |    |     | The Proposal does not seek to make any significant changes to the land use pattern, density or building heights. The future use will provide opportunity for a greater proportion of public transport use by patrons, particularly of the food and beverage uses.                           |

|   |   |  |  |   |
|---|---|--|--|---|
| h) to enhance the amenity and quality of life of local communities,   | ✓ |  |  | The Proposal will allow of the future hotel to significantly enhance the amenity of the local community. It will allow the revival and adaptive reuse of the Piccadilly Hotel and 169 Victoria Street to be delivered at a viable scale. Any potential impacts from the operation of the use will be managed accordingly in accordance with existing planning controls. |
| i) to provide for a range of existing and future mixed-use centres and to promote the economic strength of those centres,   | ✓ |  |  | The Proposal provides for a range of uses on the site and will strengthen the economy of the centre and tourist sector.   |
| j) to achieve a high-quality urban form by ensuring that new development exhibits design excellence and reflects the existing or desired future character of particular localities, | ✓ |  |  | The future DA will exhibit design excellence. As shown in the Urban Design Report ( <b>Appendix A</b> ) the form remains largely the same to the street frontages, removing the unsympathetic addition to Brougham Street and no increase to the Victoria Street. Detailed design will be considered as part of the future DA.  |
| k) to conserve the environmental heritage of the City of Sydney,  | ✓ |  |  | The proposal will stimulate the adaptive reuse of the combined site, which will see the Brougham Street terraces retained, conserved and enhanced and the Piccadilly Hotel and 169 Victoria Street reinvigorated and opened for access to public. The proposal supports the conservation of the environmental heritage of the site and precinct.                        |
| l) to protect, and to enhance the enjoyment of, the natural environment of the City of Sydney, its harbour setting and its recreation areas.  | ✓ |  |  | The additional use will not impact the existing attributes of the natural environment of Sydney and its unique natural setting, but will provide high quality tourist accommodation for these to be enjoyed by visitors   |

#### Q5 – Is the Planning Proposal consistent with applicable State Environmental Planning Policies?

Yes.

An assessment of the Planning Proposal against the applicable State Environmental Planning Policies (SEPP) and Sydney Regional Environmental Plans (SREP) is provided in the **Table 4** below.

**Table 4 - Consistency with State and Regional Environmental Planning Policies**

| Planning Policy                                   | Consistent |    |     | Comment   |
|---|------------|----|-----|---|
|   | Yes        | No | N/A |   |
| SEPP No 1 – Development Standards                 |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP No. 19 - Bushland in Urban Areas             |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP No. 21 – Caravan Parks                       |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP No. 30 – Intensive Agriculture               |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP No. 33 – Hazardous and Offensive Development |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP No. 36 – Manufactured Home Estates           |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP No. 44 – Koala Habitat Protection            |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP No. 50 - Canal Estate Development            |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP No. 55 – Remediation of Land                 | ✓          |    |     | This SEPP applies to the site as per clause 6. A planning authority must consider the potential for |

| Planning Policy  | Consistent |    |     | Comment   |
|--|------------|----|-----|---|
|  | Yes        | No | N/A |   |
|  |            |    |     | contamination in the making of an Environmental Planning Instrument.<br><br>A Preliminary Site Investigation for the site has been undertaken by Douglas and Partners ( <b>Appendix F</b> ). The report confirms that the risk of significant contamination being present on the site is low. Activities with the potential to cause contamination has not been identified in the historical information or from a site inspection. |
| SEPP No. 62 – Sustainable Aquaculture                              |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP No. 64 – Advertising and Signage                              |            |    | ✓   | The relevance of the SEPP would be addressed at the development application stage.  |
| SEPP No. 65 – Design Quality of Residential Flat Development       |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP No 70 – Affordable Housing (Revised Schemes)                  |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (Affordable Rental Housing) 2009                              |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (Sydney Drinking Water Catchment) 2011                        |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (Three Ports) 2013  |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (BASIX) 2004  |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (Miscellaneous Consent Provisions) 2007                       |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (State Significant Precincts) 2005                            |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (Mining, petroleum production and extractive industries) 2007 |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (Exempt and Complying Development Codes) 2008                 |            |    | ✓   | This SEPP applies to the site but is not applicable to this planning proposal.  |
| SEPP (Infrastructure) 2007   |            |    | ✓   | Not relevant to the proposed LEP amendment. Any consideration of operational impacts will be a matter considered in further detail as part of the DA. The Planning Proposal.  |
| SEPP (Housing for Seniors or People with a Disability) 2004        |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (Sydney Harbour Catchment) 2005                               |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (State and Regional Development) 2011                         |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (Urban Renewal) 2010  |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (Vegetation in Non-Rural Areas) 2017                          |            |    | ✓   | The relevance of the SEPP would be addressed at the development application stage.  |
| SEPP (Educational Establishments and Child Care Facilities) 2017   |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (Coastal Management) 2018                                     |            |    | ✓   | Not relevant to the proposed amendment.   |
| SEPP (Primary Production and Rural Development) 2019               |            |    | ✓   | Not relevant to the proposed amendment.   |
| Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005 | ✓          |    |     | The deemed SEPP applies to the Site. The Planning Proposal itself will not impact consistency.  |

#### Q6 – Is the Planning Proposal consistent with applicable Ministerial Directions (Section 9.1 Directions)?

Yes. The planning proposal is consistent with the relevant directions for planning proposals issued by the Minister for Planning under Section 9.1 of the EP&A Act, as detailed in **Table 5**.

**Table 5 - Assessment of relevant Section 9.1 Ministerial Directions**

| Ministerial Direction  | Comment   |
|--|---|
| <b>1. Employment and Resources</b>   |   |
| 1.1 Business and Industrial Zone   | NA  |
| 1.2 Rural Zones  | NA  |
| 1.3 Mining, Petroleum Production and Extractive Industries                             | NA  |
| 1.4 Oyster Aquaculture   | NA  |
| 1.5 Rural Lands  | NA  |
| <b>2. Environment and Heritage</b>   |   |
| 2.1 Environmental Protection Zones   | NA  |
| 2.2 Coastal Protection   | NA  |
| 2.3 Heritage Conservation  | <p>The site's the subject to the Planning Proposal are not listed heritage items but are located within a heritage conservation and adjoin the heritage listed building (as part of the combined site) on Victoria Street. The Proposal does not propose to make any amendments to current heritage listing or site identification.</p> <p>The Proposal's impact to heritage significance has been considered in the Heritage Impact Assessment prepared by Urbis (<b>Appendix B</b>).</p>  |
| 2.4 Recreation Vehicle Areas   | NA  |
| 2.5 Application of E2 and E3 Zones and Environmental Overlays in Far North Coast WLEPs | NA  |
| <b>1. Housing, Infrastructure and Urban Development</b>                                |   |
| 3.1 Residential Zones  | <p>The Planning Proposal relates to land currently zoned R1 General Residential.</p> <p>The Proposal is not inconsistent with the direction as it does not alter the underlying zoning or objectives of the zone. The loss of dwellings as part of a future development has been considered in detail (refer <b>Appendix G</b>) and is considered of minor significance to the overall provision of housing, availability and affordability across the local area. Retaining the existing zoning ensures that future conversion to residential is possible.</p> |
| 3.2 Caravan Parks and Manufactured Home Estates  | N/A   |
| 3.3 Home Occupations   | N/A   |
| 3.4 Integrating Land Use and Transport   | <p>The Planning Proposal is consistent with this direction, integrating an appropriate land use in suitable location proximate to a range of transport options and accompanying services. The impacts of the future proposal in terms of traffic generation, servicing on the road network has been considered in detail at <b>Appendix D</b>. The future development will provide specific details regarding the operational requirements and any revisions to on-street arrangements for the use.</p>   |
| 3.5 Development Near Licensed Aerodromes   | N/A   |
| 3.6 Shooting Ranges  | N/A   |
| 3.7 Reduction in non-hosted short term rental accommodation period                     | N/A   |
| <b>4. Hazard and Risk</b>  |   |
| 4.1 Acid Sulphate Soils  | N/A   |



| Ministerial Direction   | Comment  |
|---|--|
| 4.2 Mine Subsidence and Unstable Land   | N/A  |
| 4.3 Flood Prone Land  | N/A  |
| 4.4 Planning for Bushfire Protection  | N/A  |
| <b>5. Regional Planning</b>   |  |
| 5.1 Implementation of Regional Strategies   | N/A  |
| 5.2 Sydney Drinking Water Catchments  | N/A  |
| 5.3 Farmland of State and Regional Significance on the NSW Far North Coast  | N/A  |
| 5.4 Commercial and Retail Development along the Pacific Highway, North Coast  | N/A  |
| 5.9 North West Rail Link Corridor Strategy  | N/A  |
| 5.10 Implementation of Regional Plans   | N/A  |
| 5.11 Development of Aboriginal Land Council land  | N/A  |
| <b>6. Local Plan Making</b>   |  |
| 6.1 Approval and Referral Requirements  | The planning proposal does not propose any such provisions listed in Direction 6.1. Concurrence is not required from public authorities, state agencies or Minister for the Planning Proposal. |
| 6.2 Reserving Land for Public Purposes  | N/A  |
| 6.3 Site Specific Provisions  | The planning proposal aims to allow an additional land use on the site and will not result in  |
| <b>7. Metropolitan Planning</b>   |  |
| 7.1 Implementation of the Metropolitan Plan for Sydney 2036 Investigation   | As outlined in <b>Section 6.2</b> , the Planning Proposal is consistent with Sydney Region Plan, Eastern District Plan and Sydney Local Strategic Planning Statement.                          |
| 7.2 Implementation of Greater Macarthur Land Release Investigation  | N/A  |
| 7.3 Parramatta Road Corridor Urban Transformation Strategy  | N/A  |
| 7.4 Implementation of North West Priority Growth Area Land Use and Infrastructure Implementation Plan                 | N/A  |
| 7.5 Implementation of Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Implementation Plan | N/A  |
| 7.6 Implementation of Wilton Priority Growth Area Interim Land Use and Infrastructure Implementation Plan             | N/A  |
| 7.7 Implementation of Glenfield to Macarthur Urban Renewal Corridor   | N/A  |
| 7.8 Implementation of Western Sydney Aerotropolis Interim Land Use and Infrastructure Implementation Plan             | N/A  |
| 7.9 Implementation of Bayside West Precincts 2036 Plan  | N/A  |
| 7.10 Implementation of Planning Principles for the Cooks Cove Precinct  | N/A  |

### 6.3 Environmental, Social and Economic Impacts (Section C)

**Q7 – Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?**

No.

The subject site is located in a developed urban area of Potts Point/Kings Cross and the additional permitted land use will not impact on any critical habitats, populations or endangered ecological communities.



**Q8 – Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?**

No.

The proposal will not result in any environmental impacts that cannot be addressed through the development assessment process. Details regarding potential planning impacts to be considered in the future DA are outlined in further detail at **Section 7** and addressed in a range of accompanying technical report. The inclusion of the Brougham Street terraces as part of the site will:

- Have no change to vehicle movement arrangement, access, drop/off and pick up or servicing as a result of including the 12 rooms within the Brougham Street buildings.
- Have no increase in food and beverage services
- Enhance the street character outcome for Brougham Street, including restoration of building facades and removal of unsympathetic addition to No 96 Brougham Street.
- Provide stepped garden area with buildings that are protected and design to retain residential amenity and responds to heritage character and subdivision pattern.

**Q9 – Has the planning proposal adequately addressed any social and economic effects?**

The Planning Proposal will have positive social and economic effects to the area when compared to the current context of the site. An Economic and Social Impact Assessment has been prepared by Location IQ (**Appendix G**) to consider the social and economic impacts of the Planning proposal and future hotel use, including direct and indirect impacts. A summary of the Economic and Social Impact Assessment is provided below.

- **Employment, Income & Economic Activity:** the local community will experience direct impacts and benefits originating from construction and operation of the proposed development, including the creation of some 697 jobs, ongoing wages of some \$2.5 million and an additional \$15 million in economic activity (revenue).
- **Population & Housing Availability:** the potential loss of six residential dwellings would represent a small proportion of the housing stock throughout the Study Area and these residents would also have the opportunity to re-purchase or find rental properties in the area. A limited range of housing supply would be required to sustain projected population growth throughout the Study Area, with average population growth projected at some 100 persons (63 new dwellings) per annum.
- **Anchor:** the development would also serve as a key anchor tenant for the precinct that would benefit most shopfronts in the immediate area by increasing destination appeal, visitation and range of services, while not impacting the future viability of other operators.
- **Safety:** the development is anticipated to provide increased public safety and reduce opportunities for crime, by way of re-activating the largely disused site (perceived or actual).
- **Third Place:** the development would provide the local community with additional facilities that would serve as a 'third place', or informal settings where people can meet or be comfortably alone while still engaging socially with the community. This provides additional opportunity for social integration and increases prospects of more seamless interactions between the community, which is important for health and wellbeing.
- **Community Aspirations:** the development also aligns with broader community aspirations. The subject development already responds to core community issues and reflects the new positive vision/narrative for the precinct in several ways; bringing new visitation to the area by way of a boutique hotel; giving dilapidated former red-light uses/nightclub (which are characteristic of the old Kings Cross/Potts Point) a new life and identity which better-reflects the evolution of the precinct; enhancing the night-time precinct for business; and, providing the capacity for economic and tourist sector growth and job creation.

*Loss of Residential Accommodation*

The Planning Proposal will result in the loss of six residential dwellings (92 – 98 Brougham Street) would represent a small proportion of the housing stock throughout the Study Area, at 0.05% of total dwellings and 1.1% of existing, advertised rental properties. These residents would also have the opportunity to re-

purchase or find rental properties in the area with ease, given the substantial advertised stock on the market currently.

#### *Net Impacts of Hotel Use*

The future hotel use will deliver long term positive social and economic impacts for the Study Area, Potts Point, and the Kings Cross precinct. As a destination precinct that will continue to evolve over time, it is important for the area to provide a diverse range of retail and complementary non-retail facilities that have broad appeal to all markets. This will ensure the area can remain popular, but also be revitalised/renewed in order to attract additional spending and visitation.

The development would also serve as a key anchor tenant for the precinct that would benefit most shopfronts in the immediate area, visitation and range of services, while not impacting the future viability of other operators.

## **6.4 State and Commonwealth Interests**

### **Q10 – Is there adequate public infrastructure for the Planning Proposal?**

Yes. The existing infrastructure servicing the site has the capacity to accommodate future development for hotel use. Any localised augmentation or upgrades support future development will be investigated as part of the concurrent Development Application.

City of Sydney Council has recently indicated its support for renewal of King Cross Train Station. Enabling a new hotel development on the doorstep of the Victoria Street Station entry would provide significant investment return utilisation of the infrastructure and return on investment

### **Q11 – What are the views of State or Commonwealth public authorities consulted in accordance with the Gateway determination?**

Due to the minor nature of the Planning Proposal, incorporating an additional permitted use and no change to the underlying zoning no consultation with State or Commonwealth public authorities is required. Following assessment and Gateway Determination, consultation will be undertaken as required, with specific authorities and agencies to be listed. The views of relevant State and Commonwealth public authorities will be confirmed as part of the exhibition period.

## **6.5 Mapping (Part 4)**

As discussed in **Section 5** no amendments are proposed to existing SLEP 2012 maps.

## **6.6 Community Consultation (Part 5)**

Confirmation of the requirement for public exhibition period and consultation will be included as part of the Gateway Determination. Community consultation will be conducted in accordance with Schedule 1 of the EP&A Act and *A Guide to Preparing Planning Proposals*.

Any future DA for the site would also be exhibited in accordance with Council's requirements, at which point authorities, stakeholders and the public would have an opportunity to make submissions on the development proposal.

It is anticipated that the Planning Proposal will be exhibited for a period of 28 days with public exhibition including:

- Placing notice of the proposal of City of Sydney Council website;
- advertisement in a metropolitan and relevant local newspapers; and
- letters to surrounding properties within 100m radius of the site.

Should a Planning Agreement be made with Council, this would be exhibited for the required period as set out in the EPA Act, and Council's Planning Agreement Guidelines. Where possible, this would occur concurrently as part of the Planning Proposal/Development Application exhibition period.

## 6.7 Indicative Project Timeline (Part 6)

The Department's 'Planning Proposals: A guide to preparing planning proposals' (August 2016) requires an indicative project timeline to be included with the Planning Proposal. This is provided below (**Table 6**) and assumes Council's endorsement of the Proposal and issue of the Gateway determination without delay.

The intention of the Plan Making Process is to minimise overall time taken from LEP and amendments to be considered. Assuming the Planning Proposal is endorsed by Council, the timeframe for the consideration and completion of the planning proposal is dependent upon several variables including:

- Council's assessment of the Proposal and need or otherwise for additional information.
- The need or requirement for referrals to any relevant Government agencies.
- The extent and duration of community consultation (public exhibition).

Given the nature of the Proposal and the supporting information provided, it is considered appropriate for the timing to be condensed from that of a 'typical' Planning Proposal. This has been reflected in the timeline below. **Table 6** provides the project timeline anticipated for the subject Planning Proposal which is predicated on the nature and scale of the Planning Proposal.

Furthermore, it is noted that the table below is based on anticipated timeframes prior to the introduction of the DPIE Planning Acceleration Program (April 2020), including streamlining of any Planning Proposal Processes for minor amendments (such as assumed Gateway). Given the nature of the proposal in the current economic context, it is recommended that the timeline should be compressed considerably to allow a concurrent DA to be determined and works to commence on-site as soon as practicable.

**Table 6:** Indicative Planning Proposal Timeline

| Stage   | Indicative Timeframe |
|---|----------------------|
| Lodgement of Planning Proposal with Council   | June 2020            |
| Consideration by Council of Planning Proposal (incl. review by CSPC)  | October 2020         |
| Referral to Department of Planning & Environment for Gateway Determination                                    | November 2020        |
| Gateway Determination   | January 2021         |
| Timeframe for completion of any technical information and any government agency referrals                     | February 2021        |
| Public exhibition   | March 2021           |
| Timeframe for consideration of submissions and consideration of planning proposal following public exhibition | April 2021           |
| Anticipated date the RPA will make the plan (assuming delegation to Council)                                  | May 2021             |
| Sign off and Gazettal   | June 2021            |
| <b>Overall estimated timetable</b>  | <b>12 Months</b>     |

## 7. Assessment of Planning Issues

This section considers the key planning issues associated with the Planning Proposal as well as those associated with future redevelopment of the combined site, incorporating the Brougham Street terraces (92-98 Brougham Street), Piccadilly Hotel (171-173 Victoria Street) and 169 Victoria Street (former Golden Apple).

As discussed in **Section 4**, Urban Design Study has been prepared by Woods Bagot (**Appendix A**), to demonstrate how the future hotel development would be delivered across the combined site.

### 7.1 Heritage

A Heritage Impact Statement has been prepared by Urbis (**Appendix B**) to assess the potential heritage impact of both the fundamental concept of an additional use for the Brougham Street building on the site preliminary impact assessment which addresses the concept scheme across the combined site, including the Piccadilly hotel and 169 Victoria Street. The report confirms the suitability of the proposal and makes the following conclusions:

- There are no proposed changes to the Heritage Conservation Area in which the Brougham Street terraces are located. The terraces would continue to be identified as contributory items within a Heritage Conservation Area and protected by the Sydney LEP 2012 and Sydney DCP 2012.
- The Brougham Street terraces were constructed as single residential dwellings in the 19th century. All terraces appear to have had continuous function for their original residential purpose since their construction. None of the terraces have individual heritage significance, however, they make a contribution to the significance of the conservation area (except 96 Brougham). While there is some value in the representation of the residential development of the area it is considered that this is achieved through the typology of the terraces and their presentation to Brougham Street rather than the residential use itself.
- The additional hotel use may require alterations and additions to the terraces. However, given the type of amenity required by the additional use is similar to that of a generic residential use, it is considered that this use can be reasonably implemented with no detrimental impacts on the remaining fabric of contributory value subject to heritage advice.
- The adaptive reuse of the Piccadilly Hotel, which is currently unused and redundant, is strongly encouraged from a heritage perspective
- It is considered that the principle of using the terraces for visitor accommodation would not obscure the residential origins of the place and would not diminish the contribution that the place makes to the conservation area. There is therefore no requirement to retain the generic residential use of the Brougham Street terraces from a heritage perspective. We also note this has been successfully implemented at the nearby Spicers Hotel at 122 Victoria Street, Potts Point.

Given the significance Piccadilly Hotel, heritage advice has been provided throughout the development of the Urban Design Report and concept plans prepared by Woods Bagot. As specified in pre-lodgement discussion with Council a Conservation Management Plan has been prepared by Urbis relevant to the Piccadilly Hotel and is provided at **Appendix C**. The works to the upper level of the Piccadilly hotel is fundamentally supported as opposed to locating additional GFA elsewhere on the site.

With respect to the proposed concept for the site to be submitted as part of a future Development Application, the Heritage Impact Assessment considers that the rear wings to the Brougham Street have been significantly altered from their original state and that those behind 92 and 94 Brougham Street have been removed and replaced entirely.

The fabric to the rear of the terraces obscure the original principal forms of the terraces and do not contribute to the presentation of the contributory items to Brougham Street. The removal of the wings would have no impact on an ability to appreciate the early subdivision pattern which is clearly demonstrated by the principal terraces form which would be retained.



Importantly, the indicative concept allows for the reinstatement of the terrace façade to 96 Brougham Street to match those others in the group which would significantly enhance the presentation to Brougham Street and the Woolloomooloo Conservation Area having a positive heritage impact.

## 7.2 Hotel Operation and Use

An indicative Plan of Management has been prepared to accompany the Planning Proposal (**Appendix E**). A final POM will be finalised once an operator is confirmed as part of the Development Application process. It is intended the entire site would be managed by a single operator, with the potential for the ground floor food and beverage uses to be tenanted by specialist operators.

The indicative POM has been included to provide clarity to the operational aspects of the future use, with particular reference to loading, servicing, drop-off and pick up of patrons. The indicative POM includes the required heads of consideration specified under Sydney DCP 2012 including operational management and security measures.

## 7.3 Amenity Impacts

A detailed assessment of any environmental impacts of the hotel use will be included as part of the Development Application for the site. Based on the concept Plans prepared by Woods Bagot and the existing requirements of SDCP 2012, the proposal will not result in any unreasonable amenity impacts by way of overlooking, visual or acoustic privacy impacts. As noted above, the Planning Proposal is also accompanied by an indicative Plan of Management (**Appendix E**).

## 7.4 Views and Visual Impact

As demonstrated in the Urban Design Report (**Appendix A**), the built form of the proposed concept will not result in any adverse impacts to existing views, particularly those towards Sydney harbour and the CBD skyline. The proposed works to the Piccadilly Hotel seek to extend the existing upper level to the west, with no increase in height above the existing parapet level. The works will not be visible from the public domain of Victoria Street.

A discernible reduction in the roof form of No 96 from the proposed restoration of the terrace will be visible from Brougham Street as well as the upgrades and restoration of the façades. A details view analysis will be provided as part of the future Development Application.

## 7.5 Transport and Access

A Transport Impact Assessment has been prepared by GTA consultants (**Appendix D**) to accompany the Planning Proposal. The Report considers the future use of the combined site based on the concept plans prepared by Woods Bagot (**Appendix A**) including accessibility, functionality, demand for parking and road network performance.

The report confirms that the proposed access arrangements to restrict access, drop off and servicing to Victoria Street are appropriate for the surrounding area. Given the nature of the use, the future development is expected to generate relatively low traffic volumes, particularly during the peak hour periods which will not unreasonably impacts the existing road network.

### Traffic and Parking

The future use will not provide on site parking which is is considered appropriate having consideration for the site's location and proximity to public and active transport as well as road network. The report notes that given the use, the demand for parking is low, with off-site commercially operated car parks meeting this demand, as is common practice for inner city hotels.

The removal of all private vehicle parking from the Brougham Street buildings will benefit the local residential street. The proposed amendments to on-street parking and creation of loading dock is considered appropriate in the context.

Given the low traffic volumes generated by the proposal, this additional traffic could not be expected to compromise the safety or function of the surrounding road network. In this respect it is evident that any additional vehicle activity on Victoria Street, including service vehicle activity is likely to be minor.

### **Accessibility and Bicycle Parking**

As discussed in other section of the Planning Proposal, the site is in a highly accessible are of Sydney to public and private transport options, which is extremely suitable for a hotel use with accompanying food and beverage uses.

With regard to bicycle parking, the indicative concept plans provide for bicycle parking within the basement of 169 Victoria Street that can be accessed via Hourigan Lane at the rear of the site.

## **7.6 Deliveries and Loading + Waste Management**

The proposed arrangements are addressed in the Transport Impact Assessment (**Appendix D**) in detail.

### **Deliveries and Loading**

As set out in the Transport Impact Assessment, it is proposed to re-instate the 17 metre Loading zone to Victoria Street directly in-front of the site that would provide space for three cars to access the site, as well as opportunity for increased loading capacity on-street for other surrounding uses. All loading and service delivery will take place from Victoria Street and not Brougham Street or Hourigan Lane.

Given the nature of the site it is considered to generate approximately five deliveries/services per day (for services such as linen and stock replenishment). Importantly, the inclusion of Brougham Street terraces as part of the use does not result in any substantial threshold change to lading, services and deliveries.

### **Waste Management**

A detailed Operational Waste Management Plan will accompany the Development Application that will detail the operation procedures within the site and for collection. As set out in the Traffic and parking Report, all waste Collection will occur from Victoria Street, and not from Hourigan Lane or Brougham Street. In accordance with Council policy, the plan will aim to minimise waste and will detail measures to address waste disposal. Detailed of demolition and construction waste will also be addressed as part of the Development Application.

## **7.7 Building Code of Australia Compliance, Fire and Accessibility**

The future use will implement required upgrades to all buildings on the site to provide compliant access, egress and fire safety. This will result in a significant improvement of the site. A BCA, Fire safety and access report will be prepared to accompany to detailed Development Application.

## **7.8 Construction Management**

Construction works on the site to facilitate the future hotel use will adhere to the conditions of consent and Council's code of precise for construction hours and noise. These will be detailed as part of the Development Application Process.

## 8. Conclusion

This Planning Proposal has been prepared in accordance with Section 3.33 of the EP&A Act and includes the requirements as set out in 'A Guide to Preparing Planning Proposals'.

It provides comprehensive justification for the proposed amendments to the SLEP 2012 with respect to land at 92-98 Brougham Street, Potts Point. Specifically, the Planning Proposal seeks to amend Schedule 1 of SLEP 2012 to permit 'hotel or motel accommodation' on the site.

It is intended that the Planning Proposal will facilitate the future redevelopment of the combined site, incorporating the Piccadilly Hotel and 169 Victoria Street for a 5-star hotel with accompanying food and beverage uses. The Planning Proposal:

- Is consistent with the aims and objectives of the relevant strategic plans and policies, including the Sydney LSPS and City of Sydney Visitor Accommodation Action Plan
- Is consistent with the relevant statutory plans and policies including the aims of the SLEP 2012 and the SDCP 2012
- Demonstrates strategic merit
- Demonstrates site specific merit
- Will result in no unreasonable adverse environmental, economic or social impacts; and
- Will deliver significant investment to an identified sector whilst providing a substantial number of construction and operational jobs.

Given the strategic planning merit of the proposed amendments, we request that Council forward this Planning Proposal to the Minister for Planning for a 'Gateway Determination' in accordance with Section 3.34 of the EP&A Act.