

Planning Proposal

Sydney Local
Environmental Plan
2012
- 120 Victoria Street,
Potts Point

City of Sydney, April 2015

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Justification Report: Planning Proposal to Amend Sydney LEP 2012 to permit hotel or motel accommodation at 120 Victoria Street, Potts Point (Lot 120 DP 594467), Prepared by McKenzie Group Consulting Planning for Spicer's Hotel Group, December 2014

INTRODUCTION

The *Planning Proposal: Sydney Local Environmental Plan 2012 – 120 Victoria Street, Potts Point* (the Planning Proposal) explains the intent of, and justification for, the amendment to *Sydney Local Environmental Plan 2012* (the LEP).

The Planning Proposal is prepared in response to a request from the owner of 120 Victoria Street, Potts Point (Lot 120 on DP 594467) to amend Schedule 1 of the LEP to include ‘hotel or motel accommodation’ as an additional permitted use for the property.

The site is currently zoned R1 General Residential, which prohibits ‘hotel or motel accommodation’. The amendment to the LEP will retain the existing zoning of ‘R1 General Residential’ whilst enabling the future use as a hotel or motel, subject to future development consent.

The planning proposal supports the supply of diverse visitor accommodation in an appropriate location and is consistent with surrounding land uses.

‘Hotel or motel accommodation’ is defined in the SLEP 2012 as:

“a building or place (whether or not licensed premises under the Liquor Act 2007) that provides temporary or short-term accommodation on a commercial basis and that:

(a) comprises rooms or self-contained suites, and

(b) may provide meals to guests or the general public and facilities for the parking of guests’ vehicles,

but does not include backpackers’ accommodation, a boarding house, bed and breakfast accommodation or farm stay accommodation.

The applicant’s Planning Proposal submission is in the Appendix and includes a concept plan, land use survey and heritage impact assessment.

This Planning Proposal has been prepared in accordance with section 55 of the *Environmental Planning and Assessment Act 1979* (the Act) and the relevant Department of Planning & Environment Guidelines, including ‘A Guide to Preparing Planning Proposals’.

Background

Site identification

The subject site is 120 Victoria Street, Potts Point (Lot 120 on DP 594467), as shown in **Figure 1**. The site is bounded by Victoria Street to the west and Hughes Lane to the east. Private landholdings are located adjacent to the northern and southern boundaries.

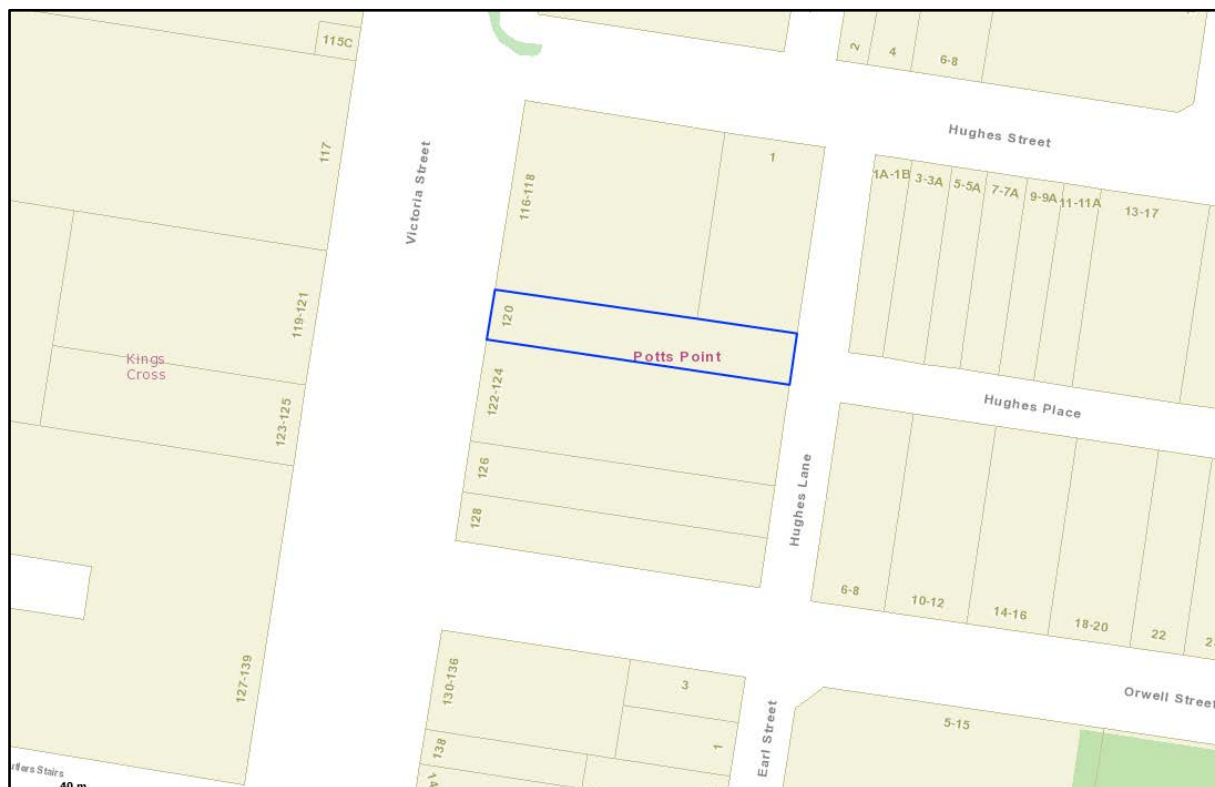


Figure 1: The subject site – 120 Victoria Street, Potts Point

120 Victoria Street is one of a row of three Victorian terraces. Each terrace is three storeys in height. Spicer's Hotel Group is the registered owner of all three properties.

The subject site is currently used as a residential dwelling, and the Victoria Court Hotel operates from the other two properties in the row of terraces at 122-124 Victoria Street, Potts Point. The hotel currently contains 25 rooms.

The row of terraces at 120, 122 and 124 Victoria Street are listed as heritage items in the LEP. The properties also form part of the 'Potts Point Heritage Conservation Area' under the LEP.

The adjacent properties to the north are residential dwellings.

A land use survey showing the use of surrounding properties is in the Appendix.



Figure 2: Aerial of 120 Victoria Street, Potts Point

Existing planning controls

Table 1 and Figures 4 to 6 summarise the key planning controls in the LEP that affect development of the site. Figure 7 shows the Victoria Street elevation of the terraces and the zone boundary which runs between 120 and 122-124 Victoria Street.

Control	Relevant Provision	Comment
Zoning	Map Extract A	- The site is zoned 'R1 – General Residential'. - The zone objectives are to provide for the housing needs of the community, to provide for a variety of housing types and densities, enable other land uses that provide facilities or services to meet the day to day needs of residents, and to maintain the existing land use pattern of predominantly residential land uses. <i>Tourist & visitor accommodation</i> is a prohibited use in the R1 – General Residential zone. <i>Hotel or motel accommodation</i> is a type of <i>Tourist & visitor accommodation</i>.

Control	Relevant Provision	Comment
Building Height	Map Extract B	- The maximum building height for the site is 15m. - The existing three-storey terrace on the property is less than 15m above ground level (existing). - This planning proposal does not seek any amendments to the maximum building height for the site.
Floor Space Ratio (FSR)	Map Extract C	- The maximum FSR for the site is 1.75 : 1. - This planning proposal does not seek any amendments to the FSR for the site.
Heritage	Map Extract D	- The row of terraces of 120, 122 and 124 Victoria Street are listed as heritage items in the SLEP 2012. - The site also forms part of the Potts Point / Elizabeth Bay Heritage Conservation Area in SLEP2012. - The applicant has provided a Heritage Impact Statement to support the planning proposal. This is discussed in more detail later in this report.

Table 1: Relevant planning controls in the LEP relating to the site**Figure 3:** Extract from SLEP 2012 Zoning Map

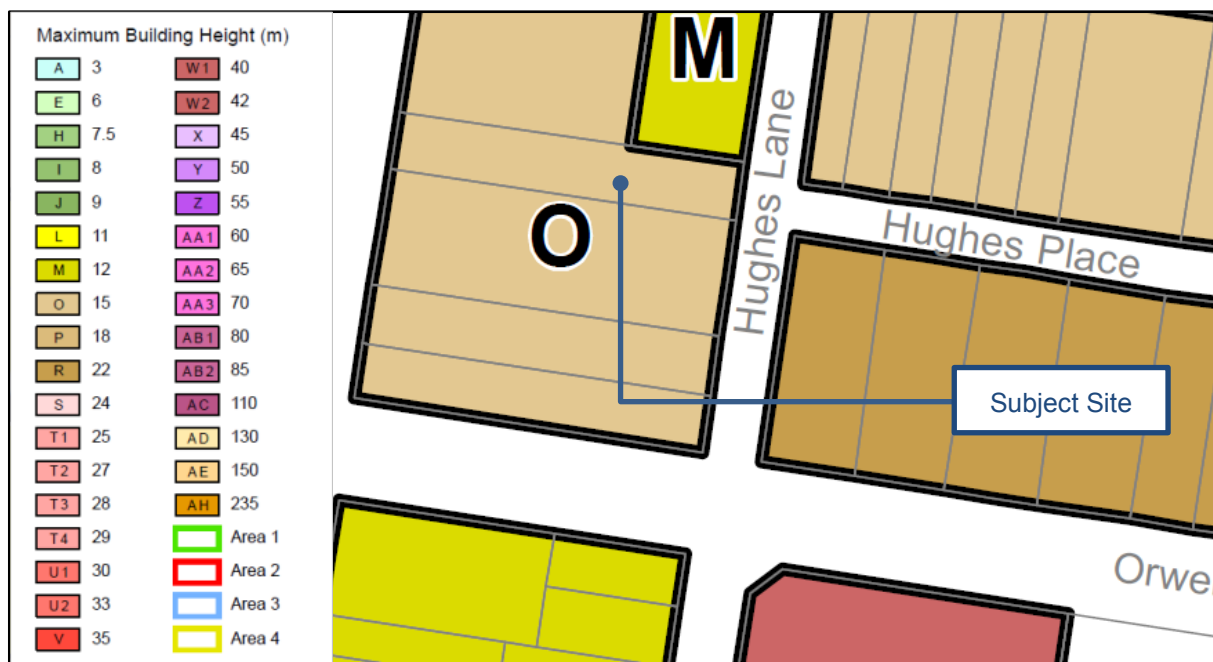


Figure 4: Extract from SLEP 2012 Building Height Map

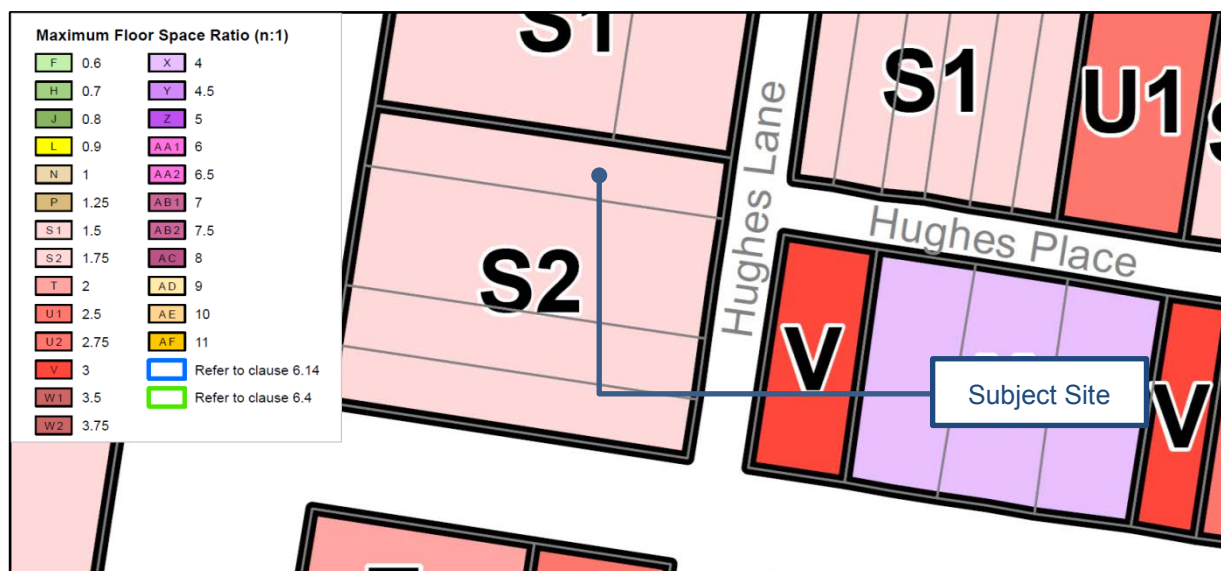


Figure 5: Extract from SLEP 2012 FSR Map

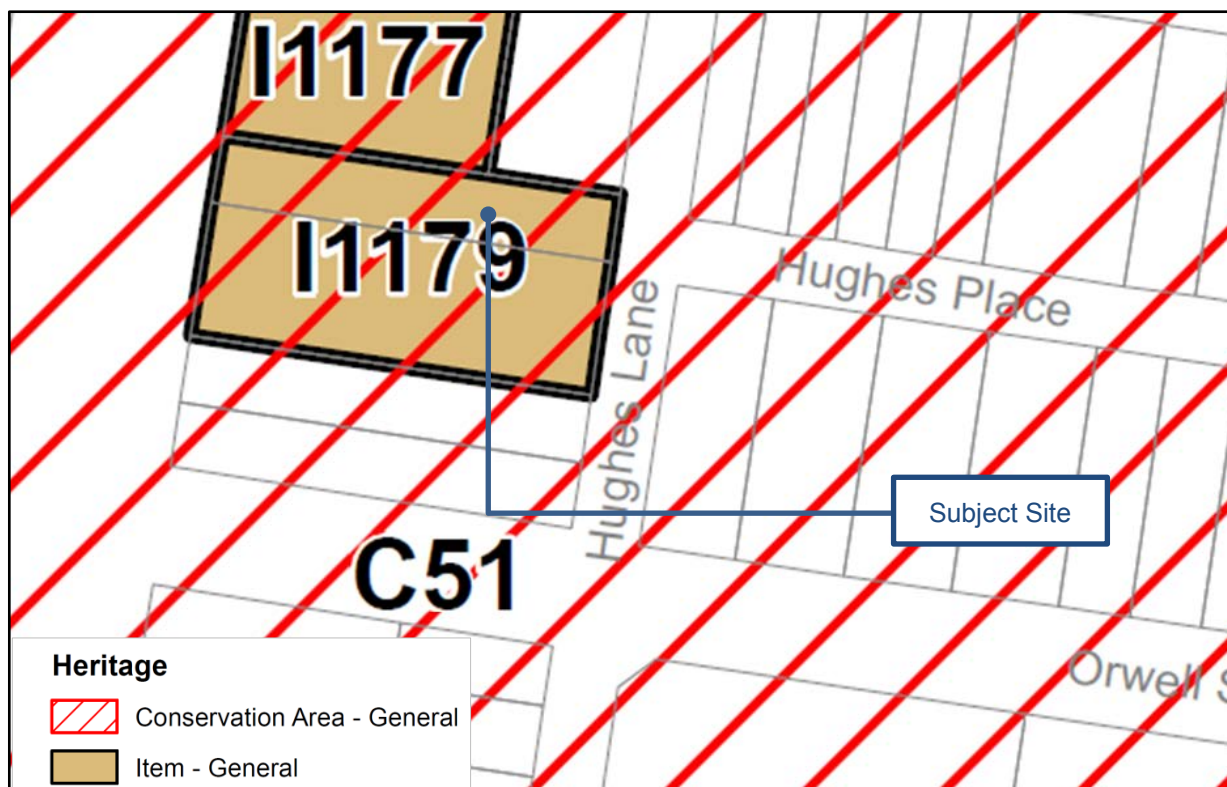


Figure 6: Extract from SLEP 2012 Heritage Map



Figure 7: 120 to 124 Victoria Street, Potts Point with zone boundary shown dashed in red

PART 1 – OBJECTIVES & INTENDED OUTCOMES

Objectives

The objective of this Planning Proposal is to remove a barrier to the supply of hotel accommodation in an appropriate location and consistent with Council's Draft Visitor Accommodation (Hotels and Serviced Apartments) Action Plan.

Intended Outcomes

The intended outcome of the Planning Proposal is to permit the use of 120 Victoria Street, Potts Point for hotel accommodation.

PART 2 – EXPLANATION OF PROVISIONS

It is proposed to insert 'hotel or motel accommodation' as an additional permitted use for the land at 120 Victoria Street, Potts Point (Lot 120, DP 594467) under schedule 1 of the LEP.

An example of the clause to be inserted in Schedule 1 (Additional permitted uses) of the SLEP 2012, is:

6 Use of certain land at 120 Victoria Street, Potts Point

- (1) This clause applies to land at 120 Victoria Street, Potts Point, being Lot 120, DP 594467.
- (2) Development for the purposes of 'hotel or motel accommodation' is permitted with consent.

PART 3 – JUSTIFICATION

The planning proposal is to allow hotel accommodation as an additional permitted use at 120 Victoria Street, Potts Point. The site is zoned R1 General Residential, which prohibits hotel accommodation.

The planning proposal is justified as it is consistent with City and NSW Government strategic objectives to support the supply of visitor accommodation and is also consistent with surrounding land uses.

Supporting a supply of visitor accommodation

The Australian and NSW tourism industries rely heavily on the City of Sydney's visitor economy. In 2012, 10.5 million visitors came to Sydney with 4.3 million of these staying in the Council area. Figures from Destination NSW and the Australian Bureau of Statistics demonstrate the number of tourists and tourist expenditure within Sydney and the LGA has grown strongly in recent years.

Tourism is a key economic priority for the City. It is a major source of jobs, economic growth and resilience. It increases international knowledge, business networks and cultural awareness and contributes to Sydney's reputation as a great place to visit, live, work and invest.

City and NSW Government plans and strategies identify the importance of the visitor economy to Sydney and the need to support a diverse supply of visitor accommodation in the council area. Facilitating the supply of visitor accommodation on a site specific basis is an action identified in the City's Draft Visitor Accommodation (Hotels and Serviced Apartments) Action Plan.

The Draft Action Plan responds to actions in the City's Tourism Action Plan and the NSW Government's Visitor Economy Industry Action Plan (2012) to investigate a planning and regulatory framework that will assist visitor accommodation.

The planning proposal responds to an opportunity to increase the supply and diversity of visitor accommodation in the council area. Although the proposal will lead to a very small increase in supply, it is consistent with the objectives of the draft actions in the Plan, including:

- Provide a positive environment for investment in visitor accommodation
- Identify and, where possible, remove planning system barriers to investment and development
- Assist demand led supply of new accommodation
- Encourage a more diverse sector

The proposed land use is consistent with the surrounding area

120 Victoria Street is zoned R1 General Residential and is located on the boundary between the General Residential zone and the B4 Mixed Use zone.

Hotel accommodation is consistent with surrounding land uses. The land use survey in Figure 8 below, and in the Appendix, shows that there are a range of uses along Victoria Street and the side streets including non-residential uses in the residential zone. There are also a number of instances in which the mixed use zone directly adjoins or is across the road from the residential zone. The zone boundary generally reflects existing uses and, in the case of the subject site, has been drawn mid-block and through a row of terrace houses to capture the existing hotel use within the mixed use zone.

A hotel has been operating at 122-124 Victoria Street for nearly 30 years. This use was operating within a residential zone under the previous planning controls. The mixed use zone was applied in Sydney LEP 2012 to recognise the existing hotel use. This also resulted in the mixed use zone being applied to the dwellings at 126 and 128 Victoria Street. The existing hotel use at 122-124 Victoria Street demonstrates that a hotel use

Figure 8: Land Use Survey

The concept plan for the adaptation of 120 Victoria Street, Potts Point indicates that permitting the hotel accommodation use would add two suites, a dining room and a kitchen to the existing hotel at 122-124 Victoria Street. The small number of rooms added are unlikely to significantly increase the intensity of the hotel use nor create unmanageable impacts to surrounding uses. The location of noise generating uses within the hotel can be addressed through the assessment of the development application. Procedures for deliveries and guest arrivals can be managed through a plan of management conditioned with any development application. Construction hours will be regulated through a condition of consent. Lighting impacts will be assessed and mitigated through the development application assessment and conditions of consent.

The proposal will not create a precedent for other rezonings. The situation is relatively unique as the site is on the boundary of two zones, the proposed use exists on the neighbouring site and the amendment will restrict the additional use to an existing neighbouring use.

Section A – Need for this Planning Proposal

1. Is the planning proposal a result of any strategic study or report?

The Planning Proposal is not the direct result of a strategic study or report.

Facilitating the supply of visitor accommodation on a site specific basis is an action identified in the City's Draft Visitor Accommodation (Hotels and Serviced Apartments) Action Plan.

The Draft Action Plan responds to actions in the City's Tourism Action Plan and the NSW Government's Visitor Economy Industry Action Plan (2012) to investigate a planning and regulatory framework that will assist visitor accommodation.

The planning proposal is consistent with the objectives of the draft actions in the plan, including:

- Provide a positive environment for investment in visitor accommodation
- Identify and, where possible, remove planning system barriers to investment and development
- Assist demand led supply of new accommodation
- Encourage a more diverse sector

2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

The Planning Proposal is the best means of achieving the objective of removing a barrier to the supply of hotel accommodation in an appropriate location and consistent with Council's Draft Action Plan.

The site is on the boundary between the R1 General Residential zone and the B4 Mixed Use zone. The R1 General Residential zones prohibits hotel accommodation but the B4 Mixed Use zone permits hotel accommodation.

The site is also located adjacent to an existing hotel at 122-124 Victoria Street, which has been operating on the site for nearly 30 years.

The owner of the site also owns the neighbouring hotel and aims to expand the hotel into 120 Victoria Street. This would increase the supply of hotel accommodation.

The options to address the planning proposal submission are:

- (a) Including 'hotel or motel accommodation' as an additional permitted use for the site under Schedule 1:

This is the preferred option as it retains the existing zone, limits the additional permitted use to only hotel accommodation and doesn't permit the wide range of uses that are permitted in the mixed use zone. This use is acceptable in this location because it is on the boundary with the mixed use zone and a hotel accommodation use has existed on the neighbouring site for nearly 30 years.

- (b) Rezoning the subject site to 'B4 Mixed Use':

This option is not preferred as it would permit a greater range of uses which would not contribute to the supply of hotel accommodation and may have impacts to neighbouring residential uses.

- (c) Recommend no change:

This option will not contribute to the supply of hotel accommodation and is considered unreasonable given the site is on the boundary of the mixed use and general residential zones, a hotel use exists on the neighbouring site and the potential impacts of the proposed use can be managed through the development application process.

Section B – Relationship To Strategic Planning Framework

3. Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including A Plan for Growing Sydney and the exhibited draft strategies)?

A Plan for Growing Sydney

In December 2014, the NSW Government published *A Plan for Growing Sydney*. The Plan outlines a vision for Sydney over the next 20 years. It identifies key challenges facing Sydney including a population increase of 1.6 million by 2034 needing 689,000 new jobs and 664,000 new homes by 2031.

In responding to these and other challenges, *A Plan for Growing Sydney* sets out four goals:

1. A competitive economy with world-class services and transport;
2. A city of housing choice with homes that meet our needs and lifestyles;
3. A great place to live with communities that are strong, healthy and well connected; and
4. A sustainable and resilient city that protects the natural environment and has a balanced approach to the use of land and resources.

To achieve these goals, the plan proposes 22 directions and associated actions. The Planning Proposal is consistent with relevant goals, directions and actions of the plan, in particular:

1. Direction 1.9 – Support priority economic sectors – ‘visitor economy (tourism)’ is identified as a priority industry.
2. The subject site is located within the Global Sydney Strategic Centre. An overarching priority is to “Provide capacity for additional mixed use development in precincts for offices, retail, tourism, arts, culture, services and housing”.

Other NSW Strategies

The NSW Government’s State Plan, NSW 2021, sets a target to double overnight visitor expenditure by 2020. This target is consistent with the national Tourism 2020 Strategy. To achieve the target, the NSW Visitor Economy Industry Action Plan sets actions to grow accommodation capacity in Sydney.

The plan includes an action for the City to work with the Department of Planning and Environment on land-use and development standards in the City’s planning controls to encourage and incentivise visitor accommodation in key Sydney precincts and remove regulatory barriers in planning.

The City has developed its Draft Visitor Accommodation (Hotels and Serviced Apartments) Action Plan in response to the government’s plan. The planning proposal is consistent with the objectives of the Draft Action Plan.

5. Is the planning proposal consistent with Council’s local strategy or other local strategic plan?

The planning proposal aligns with a number of City’s strategic plans and action plans.

Sustainable Sydney 2030: Green, Global Connected

Sustainable Sydney 2030 ("Sydney 2030") outlines the Council's vision for a 'green', 'global' and 'connected' City, with targets, objectives and actions to achieve that vision. The vision was adopted by Council in 2008. Strategic directions and actions of Sydney 2030 that align with the planning proposal are:

- *Direction 1: A Globally Competitive and Innovative City* – the planning proposal is consistent with Objective 1.6 to enhance tourism infrastructure, assets and branding of the City.
- *Direction 6: Vibrant local communities and economies* – The establishment of a new hotel facility will support the diverse range of land uses and economic activity in the Kings Cross precinct and eastern fringe of Central Sydney. The visitors will support the range of existing businesses in the local area.
- *Target 5: By 2030, the City will contain at least 465,000 jobs, including 97,000 additional jobs with an increased share in finance, advanced business services, education, creative industries and tourism sectors.*

Economic Development Strategy 2013 and Tourism Action Plan 2013

The City's Economic Development Strategy 2013 has built on and updated the broad economic themes in Sydney 2030. It provides a comprehensive framework which guides the City's economic development initiatives. It sets out the City's economic development aspirations, role, priorities and approach.

Tourism has been identified as a priority within the City's Economic Development Strategy due to the size of the tourism sector relative to other industries, the number and diversity of jobs in the sector, and tourism's role as a catalyst for economic investment in NSW and Australia from international visitation.

Under the Tourism Action Plan 2013, the City is working to enhance tourism infrastructure, assets and branding, partnering with industry and government to develop visitor facilities and attractions, including new hotels and accommodation opportunities, promote the city as a global destination, assist way finding and support a calendar of globally significant events.

The Tourism Action Plan also identifies that the economic contribution of tourism-related businesses to the city is significant, as is their contribution more generally to the liveability of Sydney for residents, workers and visitors and the cross-cultural promotion of Australia as a destination for trade and tourism.

A specific action of the Tourism Action Plan is to 'support underlying demand for existing and new hotels resulting in higher occupancy levels as well as stimulate visitor and retail economic growth'.

Draft Visitor Accommodation (Hotels and Serviced Apartments) Action Plan 2014

The Draft Visitor Accommodation (Hotels and Serviced Apartments) Action Plan 2014 responds to actions in the City's Tourism Action Plan and the NSW Government's Visitor Economy Industry Action Plan (2012) to investigate a planning and regulatory framework that will assist visitor accommodation.

The Review has involved expert research into the supply and demand of visitor accommodation and consultation with key government and industry representatives.

The Draft Action Plan summarises the research and consultation and describes how visitor accommodation is affected by the City's planning framework. It also responds to stakeholder feedback about needing a more diverse sector, concerns about planning incentives, the high cost development environment, mixed use

development opportunities and the need for government to encourage development by increasing demand rather than incentivising supply.

Demand for rooms in the City will continue to grow driven by growth in international visitors from Asia, major projects such as Barangaroo and Darling Harbour and the continued growth of City businesses. About 5,800 new rooms are forecast to 2021 with almost half of those rooms in the supply pipeline at the end of 2013.

Challenges to delivering this new supply include high construction, land and operating costs and a market dominated by large and highly rated hotels which has held back room rate growth. There is also a challenge in developing mid-rated hotel stock that fits with the demand from short-stay business visitors, especially from Asia, which represents a growing percentage of the tourist and accommodation market. New development is difficult in a high cost environment without higher room rates.

Opportunities for new hotel development include the conversion of older office stock in Central Sydney, the western edge of the City as the commercial core expands towards Darling Harbour and Barangaroo and 3 star accommodation for the growing number of visitors from China.

The Draft Action Plan recommends actions to assist new and existing accommodation development. These actions focus on facilitating new supply by assisting and guiding investors through the planning process and carrying out specific reviews of planning controls.

Although the actions in the Draft Plan focuses on more substantial initiatives, this planning proposal is consistent with the objectives for the actions, which are:

- Provide a positive environment for investment in visitor accommodation;
- Identify and, where possible, remove planning system barriers to investment and development;
- Assist demand led supply of new accommodation; and
- Encourage a more diverse sector.

Q5. Is the planning proposal consistent with applicable State Environmental Planning Policies?

The proposal is consistent with the relevant State Environmental Planning Policies (SEPPs) and Regional Environmental Plans (REPs).

<i>SEPPs with which the planning proposal is consistent</i>
Not applicable
<i>SEPPs that are not applicable to the planning proposal</i>
State Environmental Planning Policy No 1—Development Standards State Environmental Planning Policy No 14—Coastal Wetlands State Environmental Planning Policy No 15—Rural Landsharing Communities State Environmental Planning Policy No 19—Bushland in Urban Areas State Environmental Planning Policy No 21—Caravan Parks State Environmental Planning Policy No 26—Littoral Rainforests State Environmental Planning Policy No 29—Western Sydney Recreation Area State Environmental Planning Policy No 30—Intensive Agriculture State Environmental Planning Policy No 32—Urban Consolidation (Redevelopment of Urban Land) State Environmental Planning Policy No 33—Hazardous and Offensive Development State Environmental Planning Policy No 36—Manufactured Home Estates State Environmental Planning Policy No 39—Spit Island Bird Habitat State Environmental Planning Policy No 44—Koala Habitat Protection State Environmental Planning Policy No 47—Moore Park Showground

State Environmental Planning Policy No 50—Canal Estate Development State Environmental Planning Policy No 52—Farm Dams and Other Works in Land and Water Management Plan Areas State Environmental Planning Policy No 55—Remediation of Land State Environmental Planning Policy No 59—Central Western Sydney Regional Open Space and Residential State Environmental Planning Policy No 62—Sustainable Aquaculture State Environmental Planning Policy No 64—Advertising and Signage State Environmental Planning Policy No 65—Design Quality of Residential Flat Development State Environmental Planning Policy No 70—Affordable Housing (Revised Schemes) State Environmental Planning Policy No 71—Coastal Protection State Environmental Planning Policy (Affordable Rental Housing) 2009 State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004 State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004 State Environmental Planning Policy (Infrastructure) 2007 State Environmental Planning Policy (Kosciuszko National Park—Alpine Resorts) 2007 State Environmental Planning Policy (Kurnell Peninsula) 1989 State Environmental Planning Policy (Major Development) 2005 State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 State Environmental Planning Policy (Miscellaneous Consent Provisions) 2007 State Environmental Planning Policy (Penrith Lakes Scheme) 1989 State Environmental Planning Policy (Rural Lands) 2008 State Environmental Planning Policy (SEPP 53 Transitional Provisions) 2011 State Environmental Planning Policy (State and Regional Development) 2011 State Environmental Planning Policy (Sydney Drinking Water Catchment) 2011 State Environmental Planning Policy (Sydney Region Growth Centres) 2006 State Environmental Planning Policy (Three Ports) 2013 State Environmental Planning Policy (Urban Renewal) 2010 State Environmental Planning Policy (Western Sydney Employment Area) 2009 State Environmental Planning Policy (Western Sydney Parklands) 2009
<i>REPs with which the planning proposal is consistent</i>
Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005
<i>REPs that are not applicable to the planning proposal</i>
Sydney Regional Environmental Plan No 8 (Central Coast Plateau Areas) Sydney Regional Environmental Plan No 9—Extractive Industry (No 2—1995) Sydney Regional Environmental Plan No 16—Walsh Bay Sydney Regional Environmental Plan No 18—Public Transport Corridors Sydney Regional Environmental Plan No 19—Rouse Hill Development Area Sydney Regional Environmental Plan No 20—Hawkesbury-Nepean River (No 2—1997) Sydney Regional Environmental Plan No 24—Homebush Bay Area Sydney Regional Environmental Plan No 26—City West Sydney Regional Environmental Plan No 30—St Marys Sydney Regional Environmental Plan No 33—Cooks Cove

Table 3 – Consistency with SEPPs and REPs

Q6. Is the planning proposal consistent with applicable Ministerial Directions (s117 directions)?

The planning proposal is consistent with applicable Ministerial Directions as shown in Table 4. A discussion of key issues arising from particular Ministerial Direction for the planning proposal follows. In this section, 'consistent' means that the planning proposal does not contradict or hinder application of the relevant SEPP.

<i>Ministerial Directions with which this planning proposal is consistent</i>
2.3 Heritage Conservation; 3.1 Residential Zones; 3.4 Integrating Land use and Transport; 6.1 Approval and Referral Requirements; 6.3 Site Specific Provisions; 7.1 Implementation of A Plan for Growing Sydney
<i>Ministerial Directions that are not applicable to the planning proposal</i>
1.1 Business and Industrial Zones; 1.2 Rural Zones; 1.3 Mining, Petroleum Production and Extractive Industries; 1.4 Oyster Aquaculture; 1.5 Rural Lands; 2.1 Environmental Protection Zones; 2.2 Coastal Protection; 2.4 Recreation Vehicle Areas; 3.2 Caravan Parks and Manufactured Home Estates; 3.3 Home occupations; 3.5 Development Near Licensed Aerodromes; 3.6 Shooting Ranges; 4.1 Acid Sulfate Soils; 4.2 Mine subsidence and Unstable land; 4.3 Flood Prone Land; 4.4 Planning for Bushfire Protection; 5.1 Implementation of Regional Strategies; 5.2 Sydney Drinking Water Catchments; 5.3 Farmland of State and Regional Significance on the NSW Far North Coast; 5.4 Commercial and Retail Development along the Pacific Highway, North Coast; 5.8 Second Sydney Airport, Badgerys Creek; 5.9 North West Rail Link Corridor Strategy; 6.2 Reserving Land for Public Purposes;

Table 4 – Consistency with Ministerial Directions under section 117

Direction 2.3 Heritage Conservation: the site is currently list as a heritage item and within a heritage conservation area. There is no change proposed to the provisions which protect the heritage significance of the item and area. A review of potential heritage impacts in the Appendix demonstrates the building is capable being sympathetically adapted for hotel accommodation. This also demonstrated by the other two terraces in the listed row at 122 and 124 Victoria Street being currently used as a hotel and retaining their heritage significance.

Direction 3.1 Residential Zones: The planning proposal affects land within an existing residential zone. The planning proposal is consistent with the direction as it retains provisions that encourage the provision of housing and does not reduce the permissible residential density. The proposed amendment to permit 'hotel

or motel accommodation' as an additional permitted use will result in the loss of one dwelling which is considered of minor significance to the overall provision of housing across Sydney and the local government area. The general residential zone will remain enabling the conversion back to a residential use.

Direction 3.4 Integrating Land Use and Transport: The Planning Proposal provides an opportunity to integrate land use and transport through its location in proximity to Kings Cross Station, and local bus transport routes. The proposed hotel will provide patrons with good public transport connectivity with the CBD and the wider metropolitan transport system. The development may generate additional traffic and as such has the potential to result in impacts on the surrounding public road network. The future development applications will be accompanied by an assessment of traffic impacts to determine the net traffic effects of the development and consequential actions required to manage traffic impact.

Direction 6.1 Approval and Referral Requirements: The Planning Proposal will not necessitate any additional concurrence of the Minister or other public authority.

Direction 6.3 Site Specific Provisions: The Planning Proposal will not create any unnecessary or unreasonably restrictive site specific planning controls.

Direction 7.1 Implementation of A Plan for Growing Sydney: the Planning Proposal is consistent with *A Plan for Growing Sydney*, as outlined in Section B.

Section C – Environmental, Social and Economic Impact

7. 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?

The Planning Proposal will not affect any critical habitats, populations or ecological communities. The subject site is located in a developed urban area where no such populations or communities are known to exist.

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

No. The proposed amendments will not result in environmental impacts that cannot be addressed through development assessment processes.

9. Has the planning proposal adequately addressed any social and economic effects?

The Planning Proposal has the potential to have a number of social and economic effects:

Positive Effects

- (a) Creating additional jobs within Sydney's Global Economic Corridor, and enabling people to live and work within their local area.
- (b) Contribute to the protection of existing employment at the adjoining hotel at 122-124 Victoria Street that is proposed to be expanded into the subject site.
- (c) Improving the opportunities for a range of visitor accommodation types within and on the fringes of Sydney's CBD.
- (d) The hotel will contribute to developing new hotels for Sydney to counter recent declines in tourist accommodation in the City's fringe.

- (e) Improving hotel competition within the area, which will deliver better economic outcomes to the local community.
- (f) The proposal will further improve the tourist precincts in Sydney on the fringe of central Sydney, whilst providing connectivity to other tourist precincts within the metropolitan area.

Effects Requiring Future Consideration and Management

- (a) A hotel or motel on the subject site will generate additional traffic on the surrounding public road network. A future development application for a hotel or motel will need to be accompanied by an assessment of traffic impacts to determine the net traffic effects of the development and consequential actions required to manage traffic impact. This may include a vehicle access and car parking analysis and methods to encourage the use of non-car travel methods.
- (b) Accessibility under the Building Code of Australia and Access to Premises Standards within and around the site for a future hotel will need to be addressed as part of the development application process. Use of the neighbouring terraces at 122-124 Victoria Street for a hotel show that compliance could be achieved.
- (c) The potential impacts from the operation of a hotel will be addressed in the assessment of a development application. The amenity impacts are expected to be consistent with those from the existing hotel on the adjoining sites at 122-124 Victoria Street, which has been operating for nearly 30 years. A plan of management will likely be needed to ensure any operational impacts are managed.
- (d) A comprehensive Waste Management Plan will need to be prepared as part of the development application process. This plan will aim to minimise waste and will detail measures to address waste disposal so that it does not affect the amenity of neighbours.

Section D – State and Commonwealth Interests

10. Is there adequate public infrastructure for the planning proposal?

It is expected that the existing infrastructure servicing the site has the capacity to accommodate future development.

Any upgrades to infrastructure to support future development on the site will need to be investigated as part of the development application, including any required augmentation and mitigation measures.

11. What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?

Given the site specific nature of the Planning Proposal, no preliminary consultation with state or commonwealth authorities is considered necessary. Consultation with other agencies will be conducted when Gateway determination is issued. If supported, the Department of Planning & Environment will inform Council as to which State and Commonwealth authorities must be consulted during the public exhibition period.

PART 4 – MAPPING

No changes are proposed to the maps.

PART 5 – COMMUNITY CONSULTATION

Statutory Requirements

If supported, the planning proposal will be exhibited for a period of not less than 28 days in accordance with section 4.5 of 'A Guide to Preparing Local Environmental Plans', to allow for proper consultation with the community and affected landowners.

Public exhibition will include:

- (a) advertisement on the City of Sydney website;
- (b) advertisement in The Sydney Morning Herald and relevant local newspapers
- (c) directly inviting comments from the private owners of land at within a 100m radius of the subject site will be notified in writing.

Exhibition material is proposed to be on display at the following City of Sydney customer service centres:

CBD
LEVEL 2, TOWN HALL HOUSE
456 KENT STREET
SYDNEY NSW 2000

KINGS CROSS
50 - 52 DARLINGHURST RD
KINGS CROSS NSW 2011

The exact requirements for community consultation are to be set out in the Gateway Determination issued by the Minister for Planning.

Preliminary Consultation

The owner of the subject site has already undertaken preliminary consultation with neighbouring landowners, residents and community stakeholder groups.

A community 'drop in session' was held at the Victoria Court Hotel, 28 October 2014 between 4.30pm and 7.30pm. This provided the opportunity for neighbouring residents to meet with representatives of the Spicer's Hotel Group to:

- (a) understand the future development intentions for the site;
- (b) provide feedback on the operation of the existing Victoria Court Hotel and any existing impacts on the surrounding locality.

In total approximately 20 people attended the session. A summary of feedback received from the drop in session is provided below:

SUPPORTING COMMENTS	NON SUPPORTIVE COMMENTS
Great initiative for the area and will lead to improvements to Hughes Lane frontage.	Management of guest arrival and departure is critical to ensure that taxis do not generate noise from 'honking horns'. Potential exists for noise disturbance and traffic disturbance from taxis.
Future surveillance and potential for lighting to Hughes Lane is supported.	Existing deliveries to the hotel (122-124 Victoria Street) do not bother some residents, however future delivery arrangements should not consider alternative solutions that will cause noise and disturbance.
Existing rubbish removal arrangements should remain.	Construction hours and noise should avoid impacts to surrounding residents.
The proposed improvements to the hotel will be excellent and well supported.	Lighting impacts should be kept at a minimum to avoid spill to surrounding residents.

The preliminary plans in the Appendix indicate the use of the site as a hotel will add two suites, a dining room and a kitchen to the existing hotel. The small number of rooms added are unlikely to significantly increase the intensity of the hotel use and create unmanageable impacts. Procedures for deliveries and guest arrivals can be managed through a plan of management conditioned with any development consent. Construction hours will be regulated through a condition of consent. Lighting impacts will be assessed and mitigated through the development application process and conditions of consent.

PART 6 – PROJECT TIMELINE

The indicative timeframe for the completion of the planning proposal is as follows:

	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015	NOV 2015	DEC 2015	JAN 2016
Commencement/ submit to DP&E for Gateway Determination									
Gateway Panel consider Planning Proposal									
Receive Gateway Determination									
Public Exhibition of Planning Proposal									
Consideration of submissions									
Post Exhibition report to Council and CSPC									
Council meetings									
Draft and finalise LEP									
LEP made (if delegated)									
Plan forwarded to DP&E for notification									

APPENDIX

Justification Report: Planning Proposal to Amend Sydney LEP 2012 to permit hotel or motel accommodation at 120 Victoria Street, Potts Point (Lot 120 DP 594467), Prepared by McKenzie Group Consulting Planning for Spicer's Hotel Group, December 2014



Planning Proposal

To Amend Sydney LEP 2012 to
permit hotel or motel accommodation
at 120 Victoria Street, Potts Point
(Lot 120 DP 594467)

Prepared by McKenzie Group Consulting Planning for
Spicer's Hotel Group

December 2014

ATTACHMENT A

Document Control Table

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Planning Proposal

To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

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To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

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Appendix B	City of Sydney Council Formal pre Lodgement Response
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Planning Proposal

To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

Executive Summary

Spicers Retreats, the owner and applicant for Lot 120 DP 594467 (120 Victoria Street) seeks to amend the Sydney Local Environmental Plan 2012 (SLEP 2012) to allow for the development of *hotel or motel accommodation* at the subject site.

This Planning Proposal seeks to permit *hotel or motel accommodation* on the site by way of a Schedule 1 Amendment to SLEP 2012 to permit '*hotels or motel accommodation*' as it relates to (Lot 120 DP 594467) and definition as it relates to '*hotel or motel accommodation*' under the SLEP 2012 as follows:

hotel or motel accommodation means a building or place (whether or not licensed premises under the Liquor Act 2007) that provides temporary or short-term accommodation on a commercial basis and that:

(a) comprises rooms or self-contained suites, and

(b) may provide meals to guests or the general public and facilities for the parking of guests' vehicles, but does not include backpackers' accommodation, a boarding house, bed and breakfast accommodation or farm stay accommodation.

A concept plan for the potential future development for a hotel is included at **Appendix A**.

The proposed SLEP 2012 amendment is considered appropriate for the following reasons:

- The proposal will create jobs to support the role of Sydney's Global Economic corridor and wider metropolitan area, enabling people to live and work within their local area.
- The future use of the land will improve tourist accommodation within the area, which will deliver better economic outcomes to the local community and serve Sydney's recreational and tourist offer.
- The proposed rezoning will not have any impact on the environment, and will give provision for improved community facilities and services for interstate and overseas visitors to Sydney.
- The proposed amendment to the SLEP 2012 will enable the Spicer's Group to revitalise the row of Victorian terraces and improve the tourist and visitor accommodation in the locality.
- The proposed amendment to the SLEP 2012 will enable Spicer's Hotel Group to modify the subject site and the adjoining hotel (122-124 Victoria Street) to provide an improved standard of tourist and visitor accommodation, and provide alternative accommodation types to the area as opposed to the existing high numbers of backpacker accommodation and hostel accommodation in the locality.
- The hotel will provide accommodation for those using the site as business or tourism and leisure alternative.
- The hotel is proposed to provide another alternative level of accommodation to the locality which will assist with drawing tourism to the State.
- Create the orderly development of three (3) heritage listed Victorian terraces to ensure they are operated under the same land uses type (120, 122, 124 Victoria Street).
- Ensuring Sydney continues to support tourism in iconic locations (Kings Cross), and remains competitive in the global tourism market.
- The proposal will further improve the tourist precincts in Sydney on the fringe of the CBD. Importantly, the precinct is well connected to other tourist precincts within the wider metropolitan area.
- The new hotel will combine a mix of employment opportunities, including hospitality and catering, and tourism within the Global Economic Corridor of Sydney.

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To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

- The new hotel will contribute to meeting the recent decline in hotels within Sydney through the provision of a 4 star hotel on the fringe of the CBD. The hotel will meet the documented significant shortfall of hotels, particularly in the 4 star market surrounding the subject site and the wider locality.
- The proposal integrates land use and transport through its location adjacent to the major public bus routes along with close proximity to Kings Cross Railway station (350m). The proposed hotel will provide patrons with good public transport connectivity with the CBD and the wider metropolitan transport system.
- The proposed SLEP amendment is unlikely to create a precedent or change the expectations of the site as its location within the Potts Point/Kings Cross locality is unique and provides an opportunity to deliver a modern boutique hotel development which is otherwise deficient within the locality.

Overall, it is considered that the proposed rezoning will provide compatible land use zones that will create additional hotel accommodation and provides opportunities to meet the existing and likely future needs of visitors to Sydney. The proposal will also contribute to utilising the established physical and social infrastructure which currently services the site and adjacent urban areas, whilst contributing to additional employment during construction and post construction.

The subject site is therefore considered appropriate for a hotel or motel accommodation land use and the proposed amendment to SLEP 2012, Schedule 1 Additional permitted Uses is supported.

PLANNING PROPOSAL

To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

1. Land to Which the Planning Proposal Applies**1.1 Site Description**

The subject site is known as 120 Victoria Street, Potts Point NSW, being legally described as Lot 120 DP 594467. The site is currently in use as a residential dwelling, and forms part of a row of three (3) Victorian terraces.

The site adjoins the Victoria Court Hotel which makes up the other two properties in the row of terraces. All three properties within the row of terraces are currently under ownership by the Spicer's Hotel Group.

This site is located within the City of Sydney Local Government Area.

The site is bounded by Hughes Lane to the east and Victoria Street to the west. The sites northern and southern boundaries are shared with similarly scaled buildings. The streetscape as a whole to the north predominantly consists of terrace housing, with some scattering of commercial uses (mainly cafes and retail, and backpacker accommodation).

The row of terraces of 120, 122 and 124 Victoria Street are listed as local heritage items and also form part of the surrounding heritage conservation area under the provisions of the *Sydney Local Environmental Plan 2012*.

The adjacent Victoria Court Hotel (122-124 Victoria Street) contains a 25 room hotel over two x three storey Victorian Terraces which is also under ownership of the Spicer's Hotel Group. The adjacent properties to the north consist of residential dwellings.

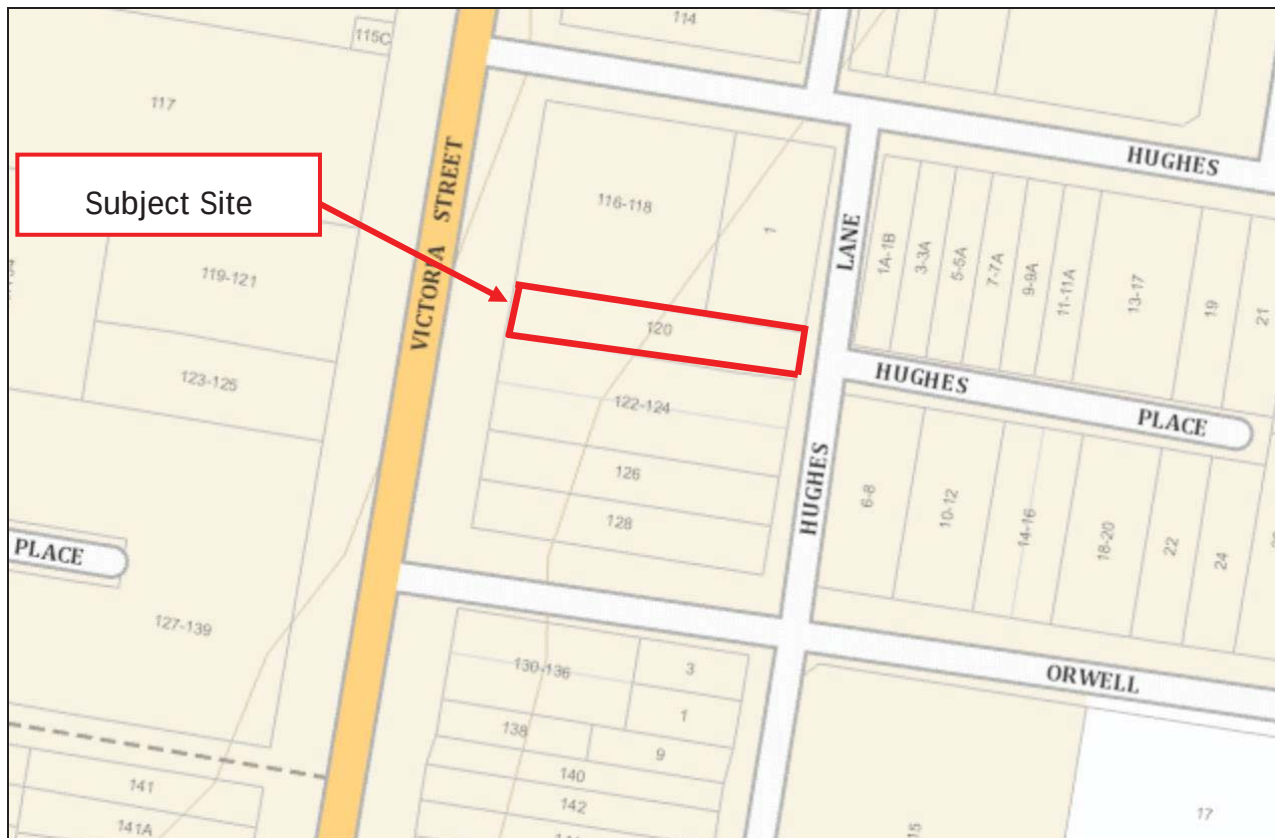


Figure 1. Cadastral Plan (SIX Viewer, 2014)

PLANNING PROPOSAL

To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point



Figure 2. Site Location (SIX Viewer, 2014)

1.1.1 Local Context

The site is located within the suburb of Potts Point, where land use is dominated by a mix of residential development, as well as ground floor commercial development predominantly typified by retail and food premises incorporating the Kings Cross “strip”. There is also a high presence of backpacker accommodation.

Residential uses are primarily located within upper levels of buildings and within Victorian styled terrace housing and apartment buildings existing to the sites north on Victoria Street.

Land uses to the south of the site in Victoria Street predominantly consist of ground floor commercial uses with some upper floors used for residential development. There is also a number of backpacker accommodations to the south of the site, with the Holiday Inn and Mecure Hotels further south at the southern entry to Victoria Street.

Under the Sydney LEP 2012 the land surrounding the subject site to the south is predominantly zoned B4 Mixed Use however the Kings Cross “strip” is zoned B2 Local Centre. Land to the north of the site, including the subject site is predominantly zoned R1 General Residential.

Located directly adjacent the site to the north and the south is a mix of residential dwellings and apartments.

The site is located within easy walking distance of Kings Cross Railway Station (under 5 minutes) and is accessible by local bus networks.

The location of the site within this context is shown in **Figure 2**. Photographs of the site is shown in **Figure 3** and **Figure 4**.

PLANNING PROPOSAL

To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point



Figure 3. The subject site and adjoining Victoria Court Hotel (122-124 Victoria Street)



Figure 4. The subject site at the rear from Lughes Lane and adjoining residential properties.

PLANNING PROPOSAL

To Amend Sydney LEP 2012 to permit 'hotel or motel accommodation' at 120 Victoria Street, Potts Point

1.2 Land Use Survey

A land use survey of the surrounding area is included at **Appendix C**. The land use survey demonstrates the existing land uses within the immediate vicinity of the site which consists of a mix of hotels, backpacker accommodation and residential accommodation.

1.3 Planning Context**1.3.1 Environmental Planning and Assessment Act 1979**

A rezoning application must have consideration of the objectives of the Environmental Planning and Assessment Act (the Act). The objectives are as follows:

(a) to encourage:

- (i) the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,*
- (ii) the promotion and co-ordination of the orderly and economic use and development of land,*
- (iii) the protection, provision and co-ordination of communication and utility services,*
- (iv) the provision of land for public purposes,*
- (v) the provision and co-ordination of community services and facilities, and*
- (vi) the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and*
- (vii) ecologically sustainable development, and*
- (viii) the provision and maintenance of affordable housing, and*

(b) to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and

(c) to provide increased opportunity for public involvement and participation in environmental planning and assessment.

This submission is consistent with, and has considered the objects of the Act which have been addressed in the various sections of this report and summarised as:

- The proposal will create jobs to support the role of Sydney's Global Economic corridor and wider metropolitan area, enabling people to live and work within their local area.
- The future use of the land will improve tourist accommodation within the area, which will deliver better economic outcomes to the local community and serve Sydney's recreational and tourist offer.
- The proposed rezoning will not have any impact on the environment, and will give provision for improved community facilities and services for interstate and overseas visitors to Sydney.

1.3.2 Sydney Local Environmental Plan 2012

The subject site (120 Victoria St) is zoned R1 General Residential, and 'hotel or motel accommodation' is prohibited within the R1 General Residential Zone under the Sydney Local Environmental Plan 2012.

PLANNING PROPOSAL

To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

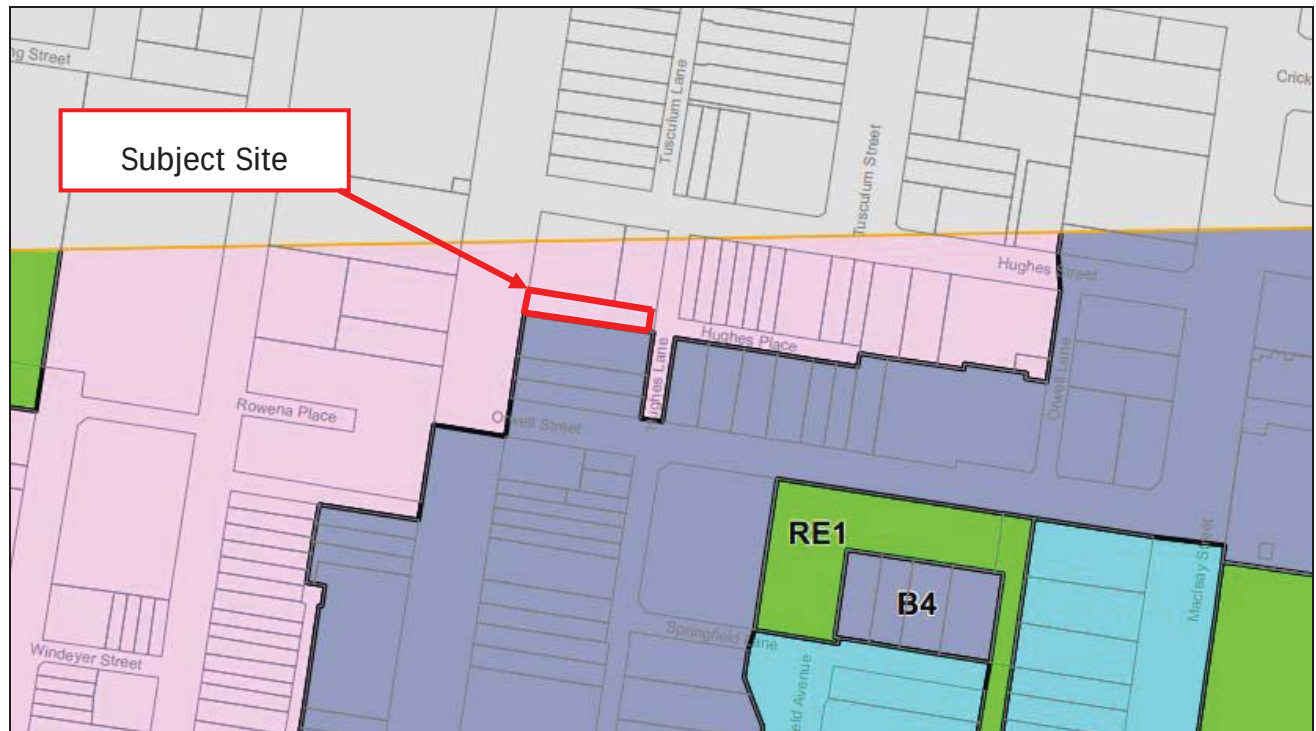


Figure 5. Land Zoning Map Sydney LEP 2012

This planning proposal seeks to amend the Sydney LEP 2012 to permit '*hotel or motel accommodation*' on the subject site to enable a future expansion of the adjoining Victoria Court Hotel (122-124 Victoria Street) into the subject site.

1.4 Pre Lodgement Meeting Sydney Council and Request to Prepare a Planning Proposal to Amend the Sydney LEP 2012

At a pre lodgement meeting with Council, 22 September 2014, the owner's future development intentions were discussed with Council's Strategic and Statutory planning officers, including the future intentions to lodge a Planning Proposal to amend the Sydney LEP 2012 to permit '*hotel or motel accommodation*' uses at 120 Victoria Street, Potts Point.

As a follow up to this meeting a letter was sent to Council (02/10/14) at their request formally seeking Council's initial opinion in respect of the following:

- Council is requested to indicate its general level of support for Spicer's Hotel Group to proceed to prepare a planning proposal for the site to permit *hotel and motel accommodation* uses on the site.
- Provide a level of indication that any future planning proposal should seek to amend the Sydney LEP 2012 as either a Schedule 1 Amendment to permit '*hotel or motel accommodation*' as an additional permitted use for the site, or alternatively amend the SLEP 2012 to rezone 120 Victoria Street, Potts Point from R1 General Residential to B4 Mixed Use Zone to enable the permissibility of a hotel use/expansion on the subject site.

To assist Council in providing their initial position, the preliminary request outlined the following:

- Site description and location;
- Background to the Spicer's Hotel Group
- Current Planning Context;
- Proposed Amendments to Sydney LEP 2012 and Proposed Strategic Justification;
- Preliminary Review of regional and local strategic planning documents;
- Future development potential of the site;
- Intended stakeholder consultation prior to Gateway lodgement;

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To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

- The way forward.

In response to the request to prepare a Planning Proposal Council's response is summarised below. A copy of Council's formal response is included at **Appendix B**.

COUNCILS RESPONSE	ACTION
The City will accept the submission of a planning proposal to amend Sydney LEP 2012. It is understood that identifying the use under Schedule 1 is your preferred option. The City may consider both options to ensure the best planning outcome.	This Planning Proposal seeks to include '<i>hotel or motel accommodation</i>' as additional permitted uses within Schedule 1 of the Sydney LEP 2012 as it relates to (Lot 120 DP 594467)
Your submission of a planning proposal is to describe the proposed changes to the Sydney LEP and provide supporting information to justify the changes, including but not limited to: - A survey of surrounding land uses; - An assessment of whether the proposed use has the capability of complying with the City's heritage controls and is able to manage likely amenity impacts arising from the use; - The outcomes of any consultation undertaken to date; - An assessment of the matters identified in the Department of Planning and Environment guides for preparing local environmental plans and planning proposals;	A survey of surrounding land uses has been provided at Section 1.2 of this report and Appendix C. A Heritage Impact Statement prepared by Graham Brooks and Associates accompanies this Planning Proposal at Appendix D. A record of consultation activities undertaken to date and feedback received is included at Section 5 of this report. This Planning Proposal has been in accordance with the NSW Department of Planning and Environment guides for preparing local environmental plans and planning proposals

Table 1: Councils Response to Request to Prepare Planning Proposal

PLANNING PROPOSAL

To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

2. Objectives or Intended Outcomes**2.1 Objectives**

The key objective of this Planning Proposal is to obtain the necessary rezoning of the subject site by amending the provisions of the SLEP 2012 to facilitate its development for '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point and integrating it into the existing hotel at 122-124 Victoria Street.

This Planning Proposal seeks to include the following land uses as additional permitted uses within Schedule 1 of the Sydney LEP 2012 as it relates to (Lot 120 DP 594467):

hotel or motel accommodation means a building or place (whether or not licensed premises under the *Liquor Act 2007*) that provides temporary or short-term accommodation on a commercial basis and that:

- (a) comprises rooms or self-contained suites, and
- (b) may provide meals to guests or the general public and facilities for the parking of guests' vehicles, but does not include backpackers' accommodation, a boarding house, bed and breakfast accommodation or farm stay accommodation.

A conceptual design for future development of the site for a hotel has been prepared and accompanies this Planning Proposal in **Appendix A**. However, the scheme will be refined as part of the future development application process once the Planning Proposal has been endorsed by the Department of Planning and Environment (DOPE) that supports the preparation of an LEP amendment.

2.1.1 Spicer's Hotel Group

The Spicer's Hotel Group specialise in boutique upmarket hotels, spas and retreats in NSW and Queensland. Currently in NSW they have a property in the Hunter Valley, and are expanding their NSW accommodation profile into Sydney.

The Group currently own and operate the Victoria Court Hotel at 122-124 Victoria Street, Potts Point and have intentions to lodge a development application to the City of Sydney in late 2014 for alterations and additions to the existing hotel, and to improve the overall hotel experience to make it align with their boutique hotel and retreat chain.

Spicer's also have intentions, subject to this proposed amendment of the City of Sydney LEP 2012 to expand the Victoria Court Hotel into 120 Victoria Street, the site subject of this Planning Proposal.

2.1.2 Development Objectives and Intended Outcomes

The primary objective of the proposed rezoning is to enable the expansion of the adjoining Victoria Court Hotel into 120 Victoria Street, Potts Point. This will be achieved through:

- Providing a boutique hotel development which has the highest regards for heritage and design. The aim is to develop a unique and luxury hotel aligned with the Spicer's Hotel Groups high standard of hotel accommodation.
- Providing compatible land use zones that will create additional hotel accommodation to meet Sydney's growing demand for '*hotel or motel accommodation*', whilst respecting the amenity of the surrounding community.
- Integrating the site with the adjoining Victoria Court Hotel through internal connections between the adjoining established hotel and the subject site.
- Avoiding unacceptable impacts on the character and amenity of the adjoining and surrounding residential development.

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To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

- Provision of additional employment opportunities to the local and regional community.

The indicative development concept plan prepared by IA Group (**Appendix A**) has been prepared based on a comprehensive assessment of the site and its context, as well as the outcomes of a number of specialist consultant inputs.

PLANNING PROPOSAL

To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

3. Explanation of Provisions**3.1 Overview**

It is proposed to permit *hotel or motel accommodation* on the site by way of an amendment to Sydney Local Environmental Plan (SLEP) 2012. An explanation of the proposed written provisions is provided within the following sub-sections, including:

- Schedule 1 Amendment to Sydney LEP 2012 to permit '*hotels or motel accommodation*' as it relates to (Lot 120 DP 594467).

3.2 Schedule 1 Amendment to Sydney LEP 2012

The objectives of this Planning Proposal can be achieved through the inclusion of the following amendment to the SLEP 2012:

- Amend Schedule 1 Additional Uses as follows:

LAND	ADDITIONAL DEVELOPMENT ALLOWED
Lot 120 DP 594467	<i>hotel or motel accommodation</i> means a building or place (whether or not licensed premises under the <u>Liquor Act 2007</u>) that provides temporary or short-term accommodation on a commercial basis and that: (a) comprises rooms or self-contained suites, and (b) may provide meals to guests or the general public and facilities for the parking of guests' vehicles, but does not include backpackers' accommodation, a boarding house, bed and breakfast accommodation or farm stay accommodation.

The proposed amendment to the Schedule 1 of SLEP 2012 to permit '*hotel or motel accommodation*' is considered appropriate, having regard to the following matters:

- The proposed amendment to the SLEP 2012 will enable the Spicer's Group to revitalise the row of Victorian terraces and improve the tourist and visitor accommodation in the locality.
- The proposal will create jobs to support the role of Sydney's Global Economic corridor and wider metropolitan area, enabling people to live and work within their local area.
- The future use of the land will improve tourist accommodation within the area, which will deliver better economic outcomes to the local community and serve Sydney's broader recreational and tourist offer.
- The proposed amendment to the SLEP will enable Spicer's Hotel Group to modify the subject site and the adjoining hotel (122-124 Victoria Street) to provide an improved standard of tourist and visitor accommodation, and provide alternative accommodation types to the area as opposed to the existing high numbers of backpacker accommodation and hostel accommodation in the locality.

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- The proposal integrates land use and transport through its location in close proximity to Kings Cross Railway Station and the local bus network.
- The hotel will provide accommodation for those using the site as business or tourism and leisure alternative.
- The hotel is proposed to provide another alternative level of accommodation to the locality which will assist with drawing tourism to the State.
- Create the orderly development of three (3) heritage listed Victorian terraces to ensure they are operated under the same land uses type (120, 122, 124 Victoria Street).
- Ensuring Sydney continues to support tourism in iconic locations (Kings Cross), and remains competitive in the global tourism market.
- The proposed SLEP amendment is unlikely to create a precedent or change the expectations of the site as its location within the Potts Point/Kings Cross locality is unique and provides an opportunity to deliver a modern boutique hotel development which is otherwise deficient within the locality.

3.3 Built Form

The proposed amendment to the SLEP 2012 does not propose any changes to the built form provisions of the SLEP 2014, and is related to land use only.

Any future changes to built form on the site will be subject of future separate development applications.

PLANNING PROPOSAL

To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

4. Justification for Proposed LEP**4.1 Need for Planning Proposal**

The Department of Planning and Environment document "*A Guide to Preparing Planning Proposals*" includes the following questions in describing the need for the Planning Proposal.

4.1.1 Is the Planning Proposal a Result of any Strategic Study or Report?

The Planning Proposal is not the direct result of a strategic study or report. The proposed amendment to the SLEP 2012 to enable the use of the site for '*hotel or motel accommodation*' does however align with a number of state and regional strategic studies and reports including:

NSW 2021

NSW 2021 is a state strategic plan and was delivered in December 2012. It is a 10 year plan to rebuild the economy, provide quality services, renovate infrastructure, restore government accountability, and strengthen the local environment and communities.

It replaces the State Plan as the NSW Government's strategic business plan, setting priorities for action and guiding resource allocation. NSW 2021 is a plan for change with ambitious goals and challenging targets. These targets will be hard to meet and there will be many factors outside the control of the NSW Government.

The NSW State Plan 2010 presents new targets for service improvements across a range of areas including (amongst other things) objectives for providing more land available for housing and jobs, and transport improvements which include the following relevant priority actions and targets:

Target: Improve Housing Affordability and Availability

Priority Actions:

- Increase the supply of land for housing to help reduce the costs of home ownership;
- Continue to set dwelling targets for Councils outlined in subregional strategies;
- Partner with local Council's to ensure that targets for housing and growth and the priorities within the subregional plans and regional plans are reflected in relevant planning proposals and in local planning instruments;
- Facilitate the delivery of 25,000 new dwellings in Sydney per year;

Comment:

The proposed amendment to the Sydney LEP 2012 to permit the use of the site for '*hotel or motel accommodation*' will result in the loss of one (1) dwelling house. The loss of one (1) dwelling house is considered of minor significance to the overall provision of housing across Sydney and the local government area. Subsequently the economic benefits and potential job creation through the provision of a future employment generating use on the site is considered to far outweigh the loss of 1 dwelling house.

The proposed Schedule 1 amendment to SLEP 2012 sill still allow the site to revert to residential accommodation in the future if required.

PLANNING PROPOSAL

To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

Target: Increase the Share of Commuter Trips Made by Public Transport

Comment:

The proximity of the subject site to King Cross Railway Station (350m) and local bus networks will enable both business and recreational travellers to optimise the use of public transport through the ability to provide greater connectivity to the Sydney CBD and surrounding suburbs.

Target: Grow employment by an average of 1.25% per year to 2020

Priority Actions:

- Ensure average employment growth continues at a steady rate and that opportunities are shared by all of the community;
- Target the creation of 100,000 new jobs through the Jobs Action Plan.

Comment:

The proposed expansion of the existing adjoining Victoria Court Hotel into the subject site will allow for the potential creation of both construction jobs, and jobs associated with the operation of the hotel including management, cleaning and food and beverage staff.

Target: Grow GSP per capita by an average 1.5% per year to 2020 with specific industry growth targets.

Priority Actions

- Increase tourism in NSW with double the visitor expenditure by 2020.

Comment:

The potential future provision of additional *hotel or motel accommodation* will significantly contribute to the State increasing visitor expenditure through providing additional alternative accommodation options for tourists.

Sydney Metropolitan Plan to 2036

The 2005 Sydney Metropolitan Plan identified corridors around transport routes connecting centres and activities. Economic corridors were identified as places that should play a key role in the metropolitan and state economy.

The Global Economic Corridor (also known as the Global Arc) extending from Macquarie Park to North Sydney and continuing through Sydney City to Port Botany and Sydney Airport is recognised as playing a critical role in the metropolitan economy. Renewal corridors were identified in the 2005 Metropolitan Strategy as suitable for a broad range of land uses. This continues to be the case but with a stronger focus on centres within or along such corridors.

Specifically the proposed *hotel or motel accommodation* use on the site will contribute to achieving the following objectives and actions which in turn meet the key directions of the Plan.

- A6.1 – Improve the integrations of tourist precincts with the regular fabric and people of the city.
- A6.3 – Implement the recommendations of the Joint Ministerial Taskforce on Tourism, Planning and Investment, 2010 that found that Sydney had experienced a decline in two, three and four star hotel rooms over the past 10 years.
- A7 – Ensure Sydney continues to support major events in iconic locations, and remains competitive in the global event and convention market.

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To Amend Sydney LEP 2012 to permit '*hotel or motel accommodation*' at 120 Victoria Street, Potts Point

- C2 – Build on Sydney's strengths by further integrating transport and land use planning and decision making to support increased public transport mode share.

In considering the provisions of the Metropolitan Plan for Sydney 2036, the Planning Proposal is acceptable in the following respects:

- The proposal will further improve the tourist precincts in Sydney on the fringe of the CBD. Importantly, the precinct is well connected to other tourist precincts within the wider metropolitan area.
- The new hotel will combine a mix of employment opportunities, including hospitality and catering, and tourism within the Global Economic Corridor of Sydney.
- The new hotel will contribute to meeting the recent decline in hotels within Sydney through the provision of a 4 star hotel on the fringe of the CBD. The hotel will meet the documented significant shortfall of hotels, particularly in the 4 star market surrounding the subject site and the wider locality.
- The proposal integrates land use and transport through its location adjacent to the major public bus routes along with close proximity to Kings Cross Railway station. The proposed hotel will provide patrons with good public transport connectivity with the CBD and the wider metropolitan transport system.

Draft Metropolitan Strategy for Sydney to 2031

The most recent update to the relevant strategic planning policies affecting the site is the draft Metropolitan Strategy (Metro Strategy). The Metropolitan Strategy supports and implements the NSW 2021 State Plan, which identifies restoring economic growth as its number one priority.

Specifically the proposed hotel use on the site is capable of achieving the following objectives and actions of the Metro Strategy.

- The site is located within 'Global Sydney' which is made up of the Sydney CBD and adjacent precincts (City East Precinct specifically). The Metro Strategy seeks to create additional new jobs and services to support the role of global Sydney.
- The site is located within the Global Economic corridor, and is capable of contributing to strengthening and reinforcing this corridor.
- NSW 2021 and the Metro Strategy identify the visitor economy (tourism) as a high growth industry and priority that needs to be supported. Sydney received 2.6 million international visitors in 2008. The rate of increase identified in the Metro Strategy in visitor numbers each year to 2020 is projected to be 3.1%. The proposed amendment to the LEP 2012 to permit *hotel or motel accommodation* on site will contribute to the Industry Action Plans relating to the visitor economy.
- Plan and deliver land use and transport that are integrated and promote sustainable transport choices.

In considering the provisions of the draft Metropolitan Strategy the Planning Proposal will assist in achieving the objectives outlined above.

The draft Sydney City Sub Regional Strategy 2008

The draft Sydney City Subregional Strategy is due to be updated in the future by a new subregional strategy. Until this update occurs there is still however an important need to give consideration to the draft Sydney City Subregional Strategy. Key objectives of the Sydney City Strategy include:

- Potential exists for an employment capacity target of 58,000 additional jobs to 2031.

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- The Eastern Precinct of the City is required to play a supporting role to the functioning of the Sydney CBD.
- Tourism NSW, together with Sydney Harbour Foreshore Authority and the City of Sydney Council to continue to promote key tourist and visitor destinations in Sydney City Subregion, identify future visitor accommodation and facility demands.
- The *Towards 2020 Masterplan* being prepared by Tourism NSW identifies key tourism facilities that will need to be provided to cater for the projected increase in visitor numbers (an extra 1.1 million visitors in the Sydney Metropolitan Area by 2016). This includes ensuring sufficient accommodation capacity for visitors and tourists.

In considering the provisions of the draft Sydney City Sub Regional Strategy the Planning Proposal will assist in achieving the objectives outlined above. Specifically the intended future use of the site for *hotel or motel accommodation* will assist in meeting the identified shortfall of accommodation for visitors to the city and providing additional jobs for those that reside in the city or surrounding locality.

4.1.2 Is the Planning Proposal the Best Means of Achieving the Objectives or Intended Outcomes or is there a Better Way?

It is considered that the Planning Proposal is the best means of achieving the objectives stipulated in Section 2 of this report.

Due to the site currently being zoned R1 General Residential '*Hotel or Motel Accommodation*' is not permissible on any part of the site. Therefore an amendment to the SLEP 2012 is required to permit the hotel concept on the site.

The Schedule 1 Amendment to Sydney LEP 2012 to permit *hotel or motel accommodation* as it relates to (Lot 120 DP 594467) is considered the best means of achieving a future hotel use on the site.

Overall, it is considered that the proposed rezoning will provide compatible land use zones that will create additional hotel accommodation and provides opportunities to meet the existing and likely future needs of visitors to Sydney. The proposal will also contribute to utilising the established physical and social infrastructure which currently services the site and adjacent urban areas, whilst contributing to additional employment during construction and post construction.

4.1.3 Is There a Net Community Benefit?

Net community benefit has been assessed in accordance with relevant guidelines and as outlined in the following table.

CRITERIA	Y/N	PROPOSAL
Will the LEP be compatible with agreed State and regional strategic direction for development in the area (e.g. land release, strategic corridors, development within 800m of a transit node)?	Y	The proposal is consistent with key elements of the NSW 2021, Metropolitan Plan for Sydney, the draft Metropolitan strategy for Sydney, and the draft Sydney City Subregional Strategy as discussed above.
Is the LEP located in a global/regional city, strategic centre or corridor nominated within the Metropolitan Strategy or other regional/subregional	Y	The Metropolitan Plan for Sydney 2036 and draft Metropolitan Strategy 2031 recognises the site within the Global Economic Corridor (also known as the Global Arc) extending from Macquarie Park/Parramatta to North Sydney and continuing through Sydney City to Port Botany and Sydney Airport and is

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CRITERIA	Y/N	PROPOSAL
strategy?		recognised as playing a critical role in the metropolitan economy. The sites locality in proximity to the Sydney CBD, a centre of strategic importance cannot be understated particularly given its proximity to public transport, the CBD, and the potential to improve visitor accommodation.
Is the LEP likely to create a precedent or create or change the expectations of the landowner or other landholders?	N	The proposed Schedule 1 amendment is unlikely to create a precedent or change the expectations of the site as its location provides a unique opportunity to deliver a modern hotel development aligned with the adjacent properties within the existing row of terraces.
Have the cumulative effects of other spot rezoning proposals in the locality been considered? What was the outcome of these considerations?	Y	There are no other known spot rezoning's in the locality.
Will the LEP facilitate a permanent employment generating activity or result in a loss of employment lands?	Y	The proposal is anticipated to have a positive impact on the ability of the site to generate employment. The proposed development concept would generate employment for approximately 14 full time employees. In addition, the project will generate jobs during construction. Importantly many of the ongoing and construction jobs will be filled by people in the Sydney metropolitan region which will be beneficial to the local economy. As it is anticipated that the development will assist in elevating the profile of the immediate area.
Will the LEP impact upon the supply of residential land and therefore housing supply and affordability?	Y	The proposed amendment to the Sydney LEP 2012 to permit the use of the site for ' <i>hotel or motel accommodation</i> ' will result in the loss of one (1) dwelling house. The loss of one (1) dwelling house is considered of minor significance to the overall provision of housing across Sydney and the local government area. Subsequently the economic benefits and potential job creation through the provision of a future employment generating use on the site is considered too far outweigh the loss of 1 dwelling house.
Is the existing public infrastructure (roads, rail, utilities) capable of servicing the proposed site? Is there good pedestrian and cycling access? Is public transport currently available or is there infrastructure capacity to support future transport?	Y	The proximity of the subject site to King Cross Railway Station (350m) and local bus networks will enable both business and recreational travellers to optimise the use of public transport through the ability to provide greater connectivity to the Sydney CBD and surrounding suburbs.
Will the proposal result in changes to the car distances travelled by customers,	N	It is anticipated that the majority of visitors to the site will utilise public transport as they will be from overseas and interstate, or areas of regional NSW.

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CRITERIA	Y/N	PROPOSAL
employees and suppliers? If so, what are the likely impacts in terms of greenhouse gas emissions, operating costs and road safety?		To the extent that the use will provide for additional car travel, the amount of car parking is consistent with Council provisions. This car parking provision will be complemented with a high standard of public transport accessibility that will assist in a significant modal shift toward public transport.
Are there significant Government investments in infrastructure or services in the area where patronage will be affected by the proposal? If so, what is the expected impact?	N	The proposal does not require further government investment in public infrastructure, it will utilise the existing infrastructure and services beyond the property boundaries. It is anticipated that the existing surrounding road network has sufficient capacity to support the hotel development of the site.
Will the proposal impact on land that the Government has identified a need to protect (e.g. land with high biodiversity values) or have other environmental impacts? Is the land constrained by environmental factors such as flooding?	N	The proposal will not impact on land that the government has identified a need to protect.
Will the LEP be compatible/ complementary with surrounding adjoining land uses? What is the impact on the amenity in the location and wider community? Will the public domain improve?	Y	The proposed LEP amendment to permit <i>hotel or motel accommodation</i> is compatible with the adjacent site of 122-124 Victoria Street, Potts Point as this site is currently used as a hotel. Minimal impacts on the amenity of surrounding occupiers is anticipated. The development would be compatible with surrounding land uses with consideration on amenity and design including in the future DA stage. The future DAs will include public domain benefits in conjunction with the overall development of the site.
Will the proposal increase choice and competition by increasing the number of retail and commercial premises operating in the area?	Y	The proposal will increase the choice of accommodation options within the immediate locality through the provision of a modern upscale hotel facility. Currently the area is deficient of such types of accommodation with a high concentration of backpackers within the locality.
If a stand-alone proposal and not a centre, does the proposal have the potential to develop into a centre in the future?	NA	NA
What are the public interest reasons for preparing the draft plan? What are the implications of not proceeding at that time?	Y	The development will improve competition and diversity of accommodation facilities within the Sydney metropolitan area which will lead to better prices and services to customers. Additionally, the proposed development concept will generate approximately 15 jobs (full time) and will generate direct jobs during construction.

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CRITERIA	Y/N	PROPOSAL
		Importantly these new jobs will be attractive to people in the wider locality.

4.2 Relationship to Strategic Planning Framework**4.2.1 Is the Planning Proposal Consistent with the Objectives and Actions Contained Within the Applicable Regional or Subregional Strategy (Including The Sydney Metropolitan Plan and Exhibited Draft Strategies)?**

As previously discussed at Section 4.1, the Planning Proposal is generally consistent with the NSW 2021, Metropolitan Plan for Sydney 2036, the draft Metropolitan Strategy 2031 and the draft East Subregional Strategy.

4.2.2 Is the Planning Proposal Consistent with the Local Council's Community Strategic Plan of Other Local Strategic Plan?Sustainable Sydney 2030

Sustainable Sydney 2030 (SS2030) outlines the City's vision for a 'green', 'global' and 'connected' City of Sydney and sets targets, objectives and actions to achieve that vision. Two of the ten strategic directions of SS2030 relate to the planning proposal, namely:

- A globally competitive and innovative City
- Vibrant local communities and economies

Consistency of the proposal with these strategic directions are outlined below.

SUSTAINABLE SYDNEY 2030 STRATEGIC DIRECTION	CONSISTENCY
Direction 1 A globally competitive and innovative City	The Concept includes the delivery of a new hotel facility that will support the diverse range of land uses the Sydney CBD and its surround contains. The proposal will enhance the provision of tourism infrastructure and will be an additional tourism asset to the City. The proposed redevelopment will strengthen the connections between the Kings Cross area and the Sydney CBD and will maximise active uses fronting streets and improve traffic and parking operations to create pedestrian friendly street environments.
Direction 2 Vibrant local communities and economies	The proposed development will contribute to the economic re-quipping and re-energising of the CBD and its surrounds; adding to Sydney's stock of jobs and hotel accommodation.

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City of Sydney draft Economic Development Strategy 2013 and City of Sydney Draft Tourism Action Plan July 2013

The City of Sydney draft Economic Development Strategy 2013 has built on and updated the broad economic themes in *Sustainable Sydney 2030*. It provides a comprehensive framework which guides the City's economic development initiatives. It sets out the City's economic development aspirations, role, priorities and approach.

The Economic Development Strategy is intended to be read in conjunction with the detailed action plans prepared for priority industry sectors, new and emerging sectors, and the development of places, one of which is the Tourism Action Plan which was released in draft form July 2013.

Tourism has been identified as a priority within the City's Economic Development Strategy. The size of the tourism sector relative to other industries, the number and diversity of jobs associated with the tourism industry and the role tourism plays as a catalyst for economic investment in NSW and Australia through international visitation support this priority status.

The draft Tourism Action Plan identifies that the focus of the City's actions will be directed to the maintenance and growth of tourism-related industry in the city to ensure Sydney remains a highly desirable destination for the global tourist travel and business markets. The draft Tourism Action Plan also identifies that the economic contribution of tourism-related businesses to the city is significant, as is their contribution more generally to the liveability of Sydney for residents, workers and visitors and the cross-cultural promotion of Australia as a destination for trade and tourism.

Many of the initiatives set out in this plan focus on enhancing the quality of the experience of visitors to Sydney, strengthening partnerships to maximise visitor numbers and encouraging the development of tourism products and infrastructure, and the marketing of Sydney to a wider audience of potential visitors.

As specific action of the draft Tourism Plan is to '*support underlying demand for existing and new hotels resulting in higher occupancy levels as well as stimulate visitor and retail economic growth*'.

The proposed use of the site for a hotel use is aligned with the objectives and actions of the draft Tourism Plan July 2013.

4.2.3 Is the Planning Proposal Consistent with Applicable State Environmental Planning Policies?

The proposal is consistent with the relevant State Environmental Planning Policies (SEPPs). The relevant SEPPs are identified below.

POLICY	DETAILS
SEPP 1 – Development Standards	The Planning Proposal will not contain provisions that will contradict or hinder the application of the SEPP.
SEPP 55 Remediation of Land	The potential for site contamination is considered low and unlikely given the use of the site historically has been for residential purposes. Overall it is considered that the site is suitable for <i>hotel or motel accommodation</i>.
SEPP (Infrastructure) 2007	The Planning Proposal has considered the relevant part of the SEPP (Infrastructure 2007), namely traffic developments and is

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POLICY	DETAILS
	considered consistent. The project envisages a Hotel. Clause 104 of the SEPP requires that development of tourist facilities, recreational facilities and showgrounds which provide for 50 or more cars and have access to a classified road are required to be referred to the RMS. The proposed development will not exceed 50 parking spaces.

4.2.4 Is the Planning Proposal Consistent with the Applicable Ministerial Directions (S117 Directions)?

The Planning Proposal has been assessed against the s117 Ministerial Directions and is consistent with each of the relevant matters, as outlined below.

Direction	Comment
1. Employment and Resources	
1.1 Business and Industrial Zones	Not applicable
1.2 Rural Zones	Not Applicable
1.3 Mining, Petroleum Production and Extractive Industries	Not Applicable
1.4 Oyster Aquaculture	Not Applicable
1.5 Rural Lands	Not Applicable
2. Environment and Heritage	
2.1 Environment Protection Zones	Not Applicable
2.2 Coastal Protection	Not Applicable
2.3 Heritage Conservation	The proposal will not alter the local heritage significance of the site. The proposed hotel development does not contain any state significant heritage items. The overall impact of a new hotel in principle on the site has been assessed at Appendix D as part of a heritage statement. Any impacts on the heritage significance of the site will be assessed in more detail as part of the future development application.
2.4 Recreation Vehicle Areas	Not Applicable

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Direction	Comment
3. Housing, Infrastructure and Urban Development 3.1 Residential Zones	The proposed amendment to the Sydney LEP 2012 to permit the use of the site for '<i>hotel or motel accommodation</i>' will result in the loss of one (1) dwelling house. The loss of one (1) dwelling house is considered of minor significance to the overall provision of housing across Sydney and the local government area. Subsequently the economic benefits and potential job creation through the provision of a future employment generating use on the site is considered too far outweigh the loss of 1 dwelling house. The proposal integrates land use and transport through its location in proximity to Kings Cross Station, and local bus transport routes. The proposed hotel will provide patrons with good public transport connectivity with the CBD and the wider metropolitan transport system. The development will generate additional traffic and as such has the potential to result in impacts on the surrounding public road network. The future development applications will be accompanied by an assessment of traffic impacts to determine the net traffic effects of the development and consequential actions required to manage traffic impact.
4. Hazard and Risk	Not applicable
5. Regional Planning 5.1 Implementation of Regional Strategies.	Section 4.1 of this planning proposal identifies the proposals consistency with the relevant Regional Strategies.
6. Local Plan Making 6.1 Approval and Referral Requirements 6.2 Reserving Land for Public Purposes 6.3 Site Specific Provisions	Not Applicable Not applicable

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Direction	Comment
	No other restrictive site specific planning controls are proposed.
7. Metropolitan Planning 7.1 Implementation of the Metropolitan Plan	Section 4.1 of this planning proposal identifies the proposals consistency with the relevant Regional Strategies.

4.3 Environmental, Social and Economic Impact**4.3.1 Is there any Likelihood that Critical Habitat of Threatened Species, Populations or Ecological Communities, or Their Habitats, will be Adversely Affected as a Result of the Proposal?**

The Planning Proposal will not affect any critical habitats, populations or ecological communities. The subject site is located in a developed urban area where no such populations or communities are known to exist.

4.3.2 Are There any Other Likely Environmental Effects as a Result of the Planning Proposal and How are they Proposed to be Managed?Traffic and Parking Impacts

- The development will generate additional traffic and as such has the potential to result in impacts on the surrounding public road network. The future development applications will be accompanied by an assessment of traffic impacts to determine the net traffic effects of the development and consequential actions required to manage traffic impact.
- Vehicular access to the site is proposed to be provided off Hughes Lane.
- The level of parking proposed will be determined with regard to relevant parking standards as well as consideration of the highly accessible location of the site and the availability of public transport.
- The proposed development will seek to promote the use of sustainable modes of transport in preference to car use. Kings Cross Railway Station is located 350m from the site.
- A detailed analysis of access and parking capacity relative to the proposed use will be undertaken as part of the development application process.

Heritage

- The proposed hotel development site and properties at 122-124 Victoria Street are a locally listed heritage item under the Sydney LEP 2012.
- A preliminary review of potential heritage impacts has been provided at **Appendix D**.

Accessibility

- Accessibility within and around the proposed hotel development site will be addressed as part of the development application process in accordance with the Building Code of Australia and relevant Australian Standards.

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Construction and Operational Management

- Technical investigations as well as consultation outputs will be used to inform a Construction and Operation Management Plan for the proposed development. Draft documents will form part of the initial development applications.

Waste Management

- A comprehensive Waste Management Plan will be prepared as part of the development application process. This plan will aim to minimise waste and will detail measures to address waste disposal through the demolition, construction and on-going operation of the facility.

4.3.3 How has the Planning Proposal Adequately Addressed Social and Economic Effects?

The proposed development is considered to generate the following positive social and economic effects:

- Creating additional jobs (approximately 15 full time) within Sydney's Global Economic Corridor, and enabling people to live and work within their local area.
- Contribute to the protection of existing employment at the adjoining hotel at 122-124 Victoria Street that is proposed to be expanded into the subject site.
- Improving the opportunities for a range of accommodation types within and on the fringes of Sydney's CBD.
- The hotel will contribute to developing new hotels for Sydney to counter recent declines in tourist accommodation.
- Improving hotel competition within the area, which will deliver better economic outcomes to the local community.
- The proposal will further improve the tourist precincts in Sydney on the fringe of the CBD, whilst providing connectivity to other tourist precincts within the wider metropolitan area.
- The proposed hotel will give provision of a high quality hotel, in an area predominantly consisting of a high concentration of backpacker's accommodation.

4.4 State and Commonwealth Interests

4.4.1 Is there Adequate Public Infrastructure for the Planning Proposal?

It is understood that the existing infrastructure has the capacity to accommodate development on the site. Accordingly, it is not anticipated that it will place unnecessary or additional demands on public infrastructure. Any upgrades to infrastructure to support a future development on the site would be investigated and potentially form a condition of consent for the development.

A full audit will be undertaken as part of the future development application reporting with any augmentation and mitigation outlined.

4.4.2 What are the Views of State and Commonwealth Public Authorities Consulted in Accordance with Gateway Determination?

No consultation with State or Commonwealth authorities has been carried out to date on the Planning Proposal. It is acknowledged that City of Sydney Council will consult with relevant public authorities following the Gateway determination.

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5. Community Consultation

Clause 57 of the Environmental Planning and Assessment Act 1979 requires the relevant planning authority to consult with the community in accordance with the Gateway Determination. It is anticipated that the Planning Proposal will be required to be publicly exhibited for 28 days in accordance with the requirements of the Department of Planning and Environment guidelines '*A guide to preparing local environmental plans*'.

It is anticipated that the public exhibition would be notified by way of:

- A public notice in local newspaper(s).
- A notice on the City of Sydney Council website.
- Written correspondence to adjoining and surrounding landowners.

The Gateway determination, Planning Proposal and specialist studies would be publicly exhibited at Council's offices and any other locations considered appropriate to provide interested parties with the opportunity to view the submitted documentation.

The proposed planning proposal has already included extensive consultation with neighbouring landowners and occupiers and community stakeholder groups. The key stakeholders that have been notified about the proposed rezoning have included:

- City of Sydney Council – Statutory and Strategic Planning Staff;
- Local Elected Members;
- Neighbouring Occupiers and Land Owners;

A community drop in session was held at the Victoria Court Hotel, 28 October 2014 between 4.30pm and 7.30pm to allow neighbouring occupiers to meet with representatives of the Spicer's Hotel Group to understand the future development intentions for the site, and to receive feedback on the operation of the existing Victoria Court Hotel and any impact's it may have on the surrounding locality. In total approximately 20 people attended the session. A summary of feedback received from the drop in session is provided below:

SUPPORTING COMMENTS	NON SUPPORTIVE COMMENTS
Great initiative for the area and will lead to improvements to Hughes Lane frontage.	Management of guest arrival and departure is critical to ensure that taxis do not generate noise from 'honking horns'. Potential exists for noise disturbance and traffic disturbance from taxis.
Future surveillance and potential for lighting to Hughes Lane is supported.	Existing deliveries to the hotel (122-124 Victoria Street) do not bother some residents, however future delivery arrangements should not consider alternative solutions that will cause noise and disturbance.
Existing rubbish removal arrangements should	Construction hours and noise should avoid impacts

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remain.	to surrounding residents.
The proposed improvements to the hotel will be excellent and well supported.	Lighting impacts should be kept at a minimum to avoid spill to surrounding residents.

Emails were sent to the following elected members to ensure they were briefed about the proposed SLEP 2012 amendment.

- Councillor Clover Moore (Lord Mayor);
- Councillor Green

Both Councillors declined a briefing.

Throughout the assessment of the planning proposal and any future DAs the Spicer's Hotel Group will undertake a range of community consultation measures to the following stakeholders.

- Residents and businesses adjacent and within the immediate vicinity of the site;
- Potts Point Partnership;
- Local Councillors.

The Spicer's Hotel Group would be happy to liaise further with Council with regard to the identification of appropriate opportunities to further engage with the local community outside of the formal public exhibition process to provide a greater understanding of the likely future development that could be accommodated by way of the proposed LEP Amendment and to identify any additional issues that are relevant to the local community.

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6. Conclusion

The proposed Schedule 1 SLEP 2012 amendment to allow additional permitted uses to enable *hotel or motel accommodation* on the subject site will enable Spicer's Retreat revitalise their existing hotel at 122-124 Victoria Street and better utilise their three terrace properties currently under their ownership.

This Planning Proposal seeks to include the following land uses (and definition as it relates to '*hotel or motel accommodation*') as additional permitted uses within Schedule 1 of the SLEP 2012:

hotel or motel accommodation means a building or place (whether or not licensed premises under the *Liquor Act 2007*) that provides temporary or short-term accommodation on a commercial basis and that:

- (a) comprises rooms or self-contained suites, and
- (b) may provide meals to guests or the general public and facilities for the parking of guests' vehicles, but does not include backpackers' accommodation, a boarding house, bed and breakfast accommodation or farm stay accommodation.

The proposed rezoning has demonstrated that it is appropriate for the following reasons:

- The proposed amendment to the SLEP 2012 will enable the Spicer's Group to revitalise the row of Victorian terraces and improve the tourist and visitor accommodation in the locality.
- The proposal will create jobs to support the role of Sydney's Global Economic corridor and wider metropolitan area, enabling people to live and work within their local area.
- The future use of the land will improve tourist accommodation within the area, which will deliver better economic outcomes to the local community and serve Sydney's broader recreational and tourist offer.
- The proposed amendment to the SLEP will enable Spicer's Hotel Group to modify the subject site and the adjoining hotel (122-124 Victoria Street) to provide an improved standard of tourist and visitor accommodation, and provide alternative accommodation types to the area as opposed to the existing high numbers of backpacker accommodation and hostel accommodation in the locality.
- The proposal integrates land use and transport through its location in close proximity to Kings Cross Railway Station (350m) and the local bus network.
- The hotel will provide accommodation for those using the site as business or tourism and leisure alternative.
- The hotel is proposed to provide another alternative level of accommodation to the locality which will assist with drawing tourism to the State.
- Create the orderly development of three (3) heritage listed Victorian terraces to ensure they are operated under the same land uses type (120, 122, 124 Victoria Street).
- Ensuring Sydney continues to support tourism in iconic locations (Kings Cross), and remains competitive in the global tourism market.
- The proposed SLEP amendment is unlikely to create a precedent or change the expectations of the site as its location within the Potts Point/Kings Cross locality is unique and provides an opportunity to deliver a modern boutique hotel development which is otherwise deficient within the locality.

As such it is recommended that City of Sydney Council support the proposed amendment to SLEP 2012.

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Appendix A Concept Plan

[illegible]

Level 2, 37 Pitt Street
SYDNEY, NSW 2000
GPO BOX 5008
SYDNEY NSW 2001
Phone: (02) 9562 9770
Fax: (02) 9562 9701
Email: les.snyder@lsg.com.au

Project
SPICERS HOTEL
POTTS POINT

Address
120 VICTORIA ST
POTTS POINT

Job Captain
IW
Date: _____
Team Member
AT

Date :		
Drawn By A T		Created Date OCTOBER 2014
Sheet Size A1		Scale 1 : 100 @ A1

Project Number ST14025	Revision P - 1
Drawing Number A001	

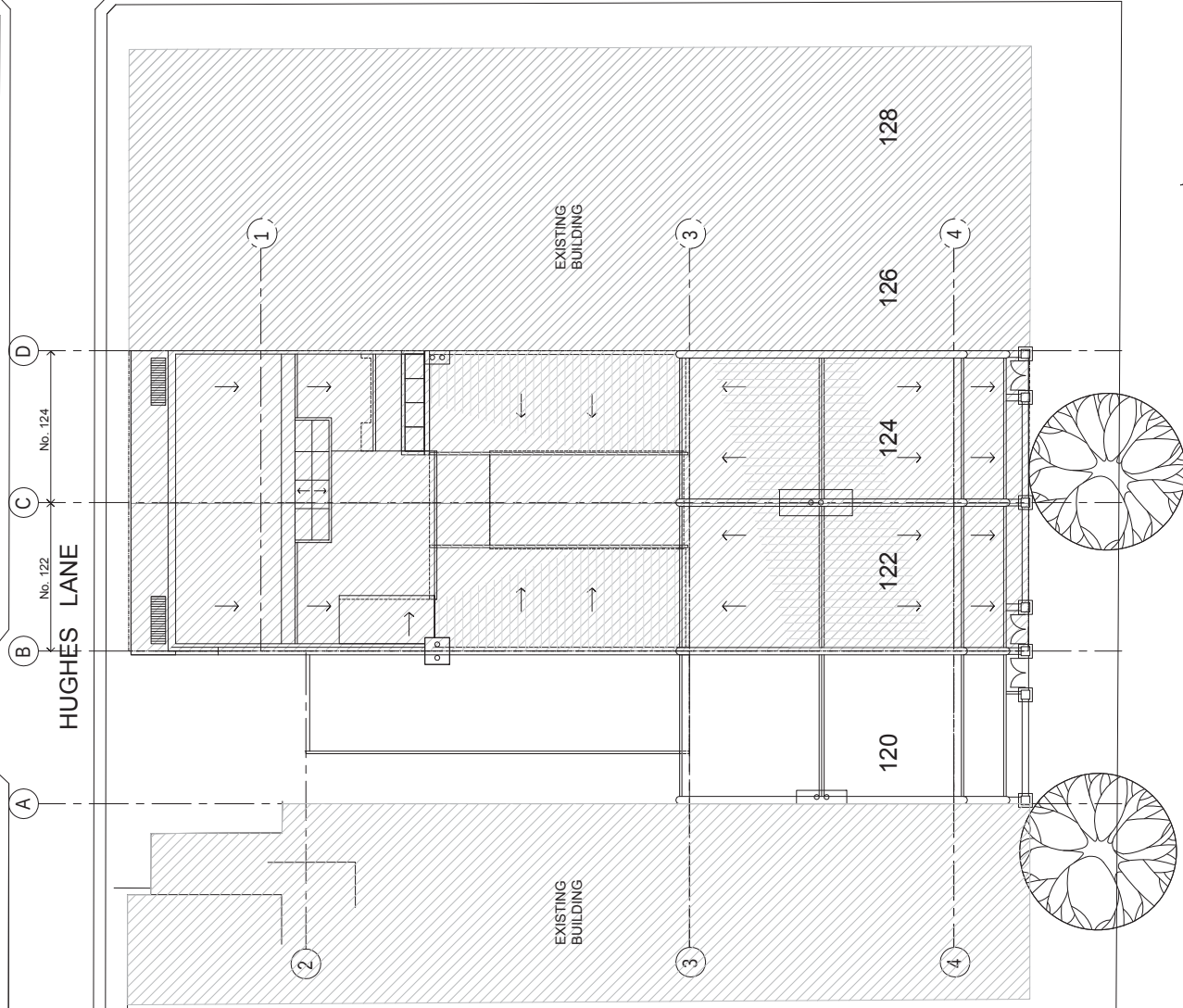
SCOPE OF WORKS TO BE READ IN CONJUNCTION WITH ARCHITECTURAL SPECIFICATION.

ATTACHMENT A



DRAWING LIST	
DWG NO.	DWG NAME
A001	SITE AND LOCATION PLAN
A002	GROUND AND 1ST FLOOR DEMOLITION PLAN
A003	2ND FLOOR DEMOLITION PLAN
A004	GROUND AND 1ST FLOOR PLANS
A005	2ND FLOOR AND ROOF PLANS
A201	EAST AND WEST ELEVATIONS

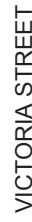
ORWELL STREET



VICTORIA STREET

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Project Number ST14025	
Drawing Number A002	Revision P - 1

01 FIRST FLOOR DEMOLITION PLAN



NOTE:
DOTTED LINES DENOTES EXISTING WORKS, FURNITURE, JOINERY, WALLS,
DOORS ETC. TO BE DEMOLISHED.

01 GROUND FLOOR DEMOLITION PLAN

[illegible]

Phone: (02) 9562 9740
Fax: (02) 9562 9701
Email: iasydney@iagrc.com



Drawing Title
SECOND FLOOR
DEMOLITION PLAN

Job Captain	Project Number	Revision
W. J. Davis	ST14025	P - 1
Date:	Drawing Number	
Team Member	A003	
AT		
Drawn By		
OCTOBER 2014		
Date:		
Created Date		
AT		
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DEVELOPMENT APPLICATION

ATTACHMENT A



[illegible]

Q Quality
Assurance
Australia
International
Standards
Certifications
Lic-OAC R61 0091

Address
120 VICTORIA ST
POTTS POINT

Drawing Title
GROUND FLOOR
PROPOSED PLAN

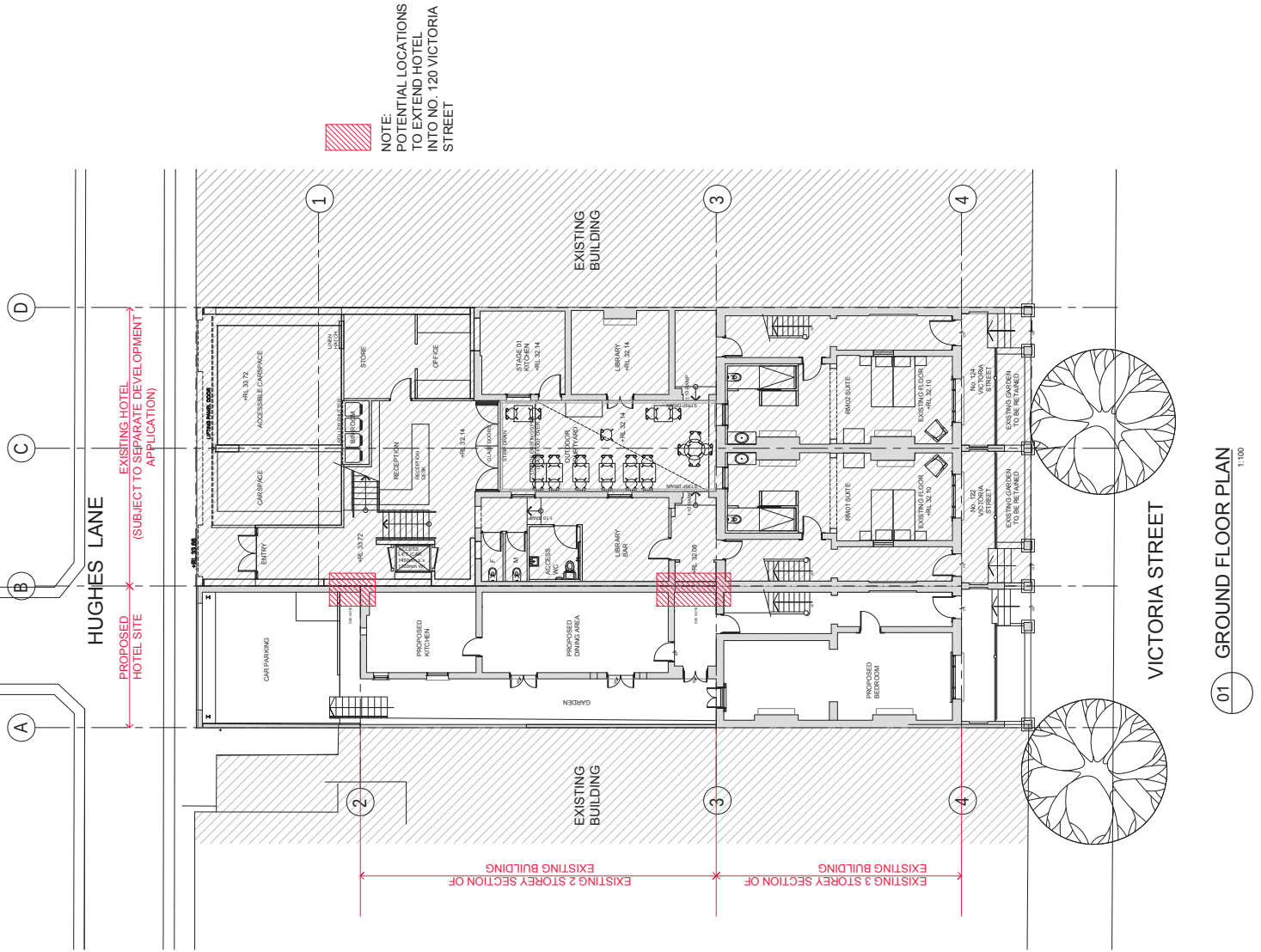
Team Member: _____

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A004	P-1
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ATTACHMENT A



01 GROUND FLOOR PLAN

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Phone: (02) 9562 9740
Fax: (02) 9562 9701
Email: info@laserlab.com.au

Project
SPICERS HOTEL
POTTS POINT

Drawing Title
SECOND FLOOR
ROOF
PROPOSED PLAN

Team Member

Sheet Size	Scale
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DEVELOPMENT APPLICATION



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Quality
Assurance
System
International
Standards
Certifications
Lic:QAC/R61/0091

**green building
council australia
MEMBER**

Address
120 VICTORIA ST
POTTS POINT

Job Captain	W. J. Davis
Team Member	AT
Date:	Created Date OCTOBER 2014
Drawn By	AT
Sheet Size	Scale 1 : 100 @ A1
Project Number	ST14025
Drawing Number	Revision P - 1
A201	

DEVELOPMENT APPLICATION



Appendix B
City of Sydney Council Formal pre Lodgement
Response

17 November 2014

Our Ref: S113124
File No: 2014/513707-02

Matthew O'Donnell
Level 6, Kent Street
Sydney NSW 2000
By email: modonnell@mckenzie-group.com.au

Dear Matthew

RE: Request to Prepare a Planning Proposal – Rezoning 120 Victoria Street, Potts Point

I refer to your letter dated 2 October 2014 requesting the City's feedback on the preparation of a planning proposal to amend the Sydney Local Environmental Plan 2012.

It's understood the property owner has acquired the existing hotel at 122-124 Victoria Street and is seeking to expand the hotel to 120 Victoria Street, which has also been acquired. The site is currently zoned R1 General Residential and is on the boundary of an area zoned B4 Mixed Use. Hotel and motel accommodation is prohibited in the R1 zone but permissible in the B4 zone.

On behalf of the property owner you are seeking an amendment to permit 'hotel or motel accommodation', whether by rezoning the site to B4 Mixed Use or identifying that use as an additional permitted use under Schedule 1 of the LEP.

The City will accept the submission of a planning proposal to amend Sydney LEP 2012. It is understood that identifying the use under Schedule 1 is your preferred option. The City may consider both options to ensure the best planning outcome.

Following an assessment of the planning proposal and supporting information the City may amend the planning proposal to address potential impacts or provide a better planning outcome.

Your submission of a planning proposal is to describe the proposed changes to the Sydney LEP and provide supporting information to justify the changes, including but not limited to:

- A survey of surrounding land uses;
- An assessment of whether the proposed use has the capability of complying with the City's heritage controls and is able to manage likely amenity impacts arising from the use;
- The outcomes of any consultation undertaken to date;
- An assessment of the matters identified in the Department of Planning and Environment guides for preparing local environmental plans and planning proposals;

- Lodgement fees as detailed in the City's current fees and charges at <http://www.cityofsydney.nsw.gov.au/Council/FeesCharges.asp> - this planning proposal is considered a 'minor application'; and
- 2 hard copies and an electronic copy of all documents.

If supported by council officers, a Planning Proposal will be prepared for the formal consideration of Council and Central Sydney Planning Committee with a recommendation that it be sent to the Department of Planning and Environment for a gateway determination and subsequent public exhibition.

Nothing contained in this advice implies endorsement of a planning proposal or precludes the Council from requesting additional information or changes as part of any assessment of a planning proposal.

Should you wish to speak with a Council officer about the above please contact Ben Pechey, Manager Planning Policy, on 9265 9570 or at bpechey@cityofsydney.nsw.gov.au.

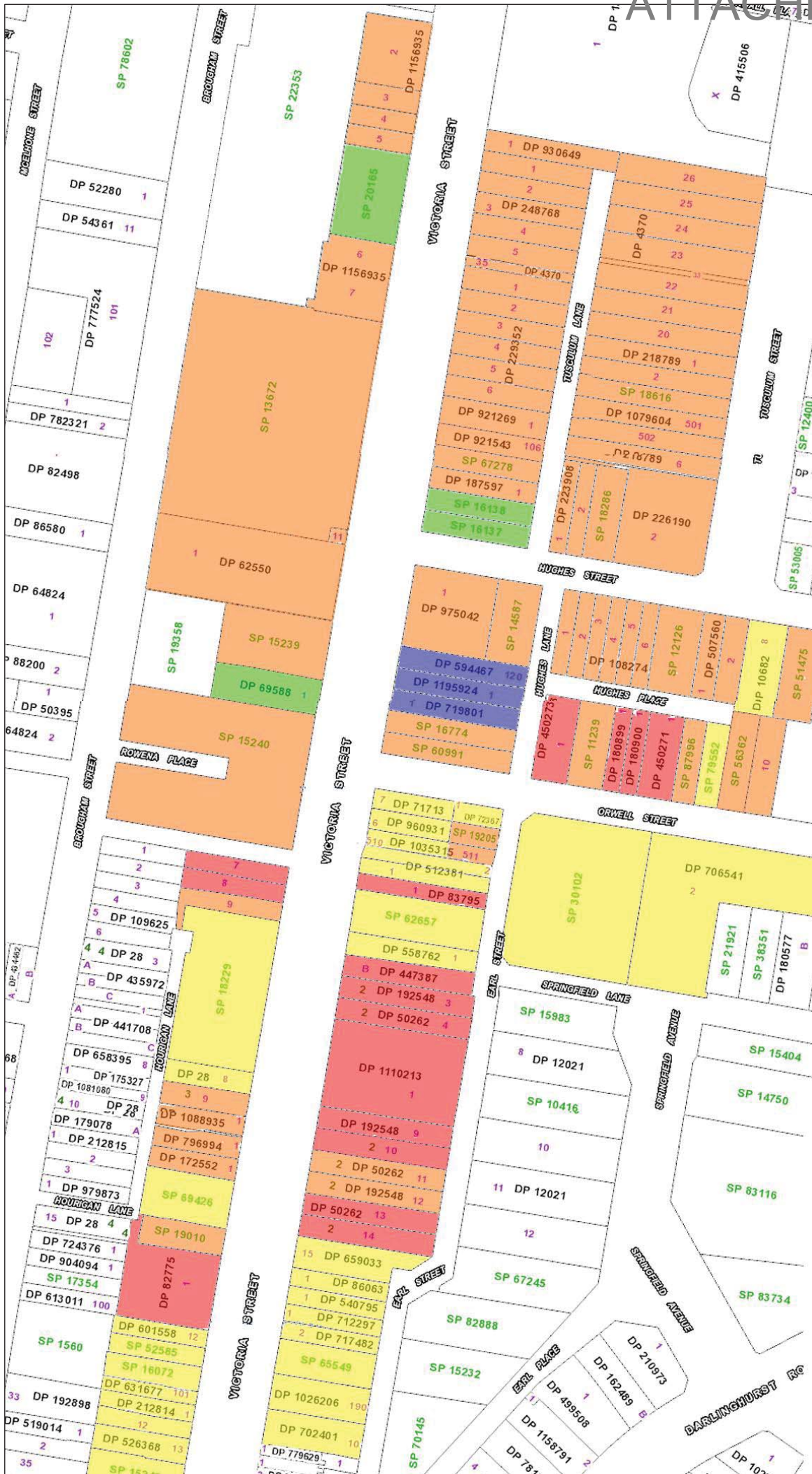
Yours sincerely,

A handwritten signature in black ink, appearing to read 'GJahn', with a stylized flourish at the end.

Graham Jahn AM
Director
City Planning | Development | Transport

Appendix C

Land Use Survey



Land Use Survey Legend					
	Residential	Backpackers	Existing Spicers Hotel	Proposed Hotel Expansion	
	Mixed Use				
	Shop/Café/Retail				

Appendix D

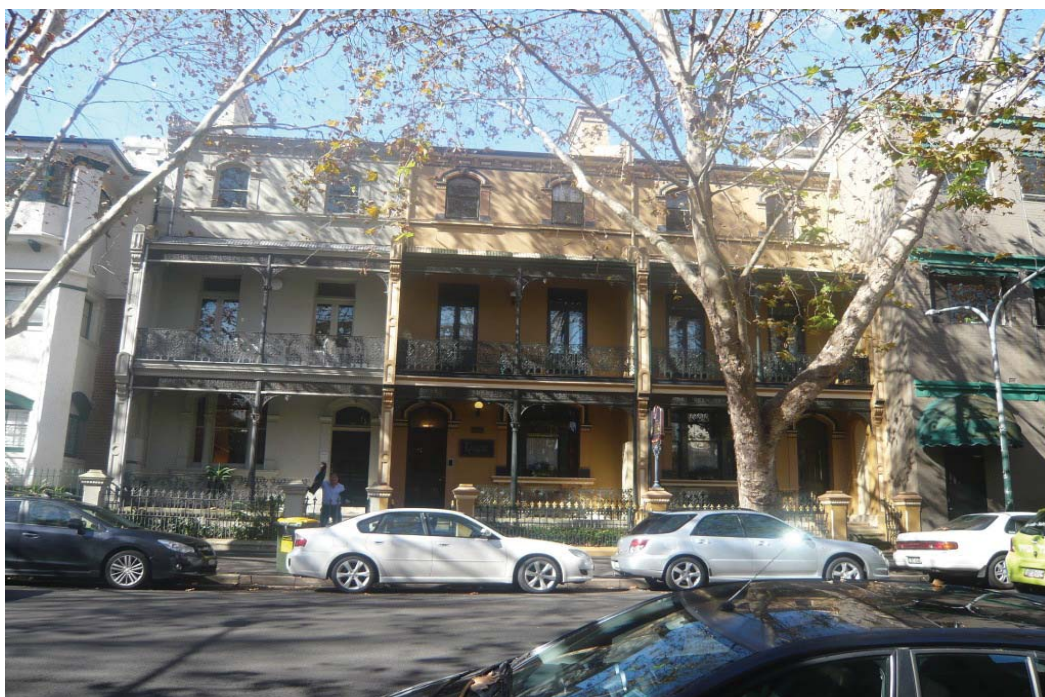
Heritage Impact Statement

ATTACHMENT A



Planning Proposal
120 Victoria Street, Potts Point

Statement of Heritage Impact



December 2014

ATTACHMENT A

Issue	Description	Date	Issued By
A	Draft for Review	18/12/14	MM
B	Issued for Submission	19/12/14	JB

Graham Brooks & Associates Pty Ltd
Incorporated in NSW
Architects, Planners & Heritage Consultants
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Sydney 2000 Australia
Tel: (61) 2 9299 8600
Fax: (61) 2 9299 8711
Email: gbamain@gbaheritage.com
www.gbaheritage.com
ABN: 56 073 802 730
ACN: 073 802 730
Nominated Architect: Graham Leslie Brooks
NSW Architects Registration: 3836

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Introduction

1.0

1.1 Background

This report has been prepared to accompany a Planning Proposal for 120 Victoria Street, Potts Point, to allow its future use for hotel or motel accommodation. 120 Victoria Street is part of a listed heritage item that comprises three terraces located at 120-124 Victoria Street, Potts Point. A separate Statement of Heritage Impact has been prepared by Graham Brooks and Associates to accompany a development application for alterations and additions at 122-124 Victoria Street, dated December 2014.

This report evaluates the Planning Proposal for 120 Victoria Street, Potts Point, which encompasses the proposed change of use from residential to hotel or motel accommodation. Overall, we consider that the Planning Proposal for 120 Victoria Street, Potts Point, will have an acceptable heritage impact.

1.2 Report Objectives

The objective of this report is to review the Planning Proposal and consider the implications, from a heritage perspective, of the proposed allowable future use.

1.3 Methodology and Structure

This Statement of Heritage Impact has been prepared in accordance with guidelines outlined in the *Australia ICOMOS Charter for Places of Cultural Significance, 2013*, known as *The Burra Charter*, and the New South Wales Heritage Office (now the Heritage Division of the NSW Office of Environment and Heritage) publication, *NSW Heritage Manual*.

The Burra Charter provides definitions for terms used in heritage conservation and proposes conservation processes and principles for the conservation of an item. The terminology used, particularly the words *place*, *cultural significance*, *fabric*, and *conservation*, is as defined in Article 1 of *The Burra Charter*. The *NSW Heritage Manual* explains and promotes the standardisation of heritage investigation, assessment and management practices in NSW.

1.4 Site Identification

The subject site at 120 Victoria Street, Potts Point, is located on the eastern side of Victoria Street and runs through to Hughes Lane. It is described by NSW Land and Property Information as Lot 120, DP 594467.

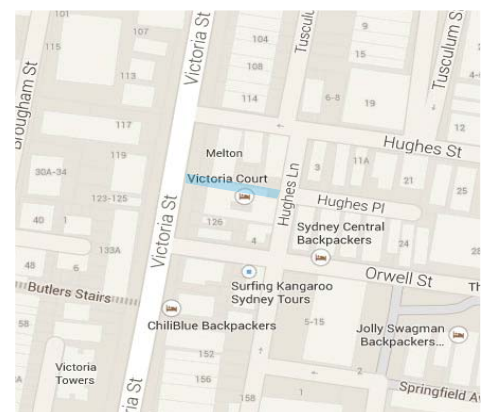


Figure 1.1
Location map showing the subject site shaded in blue.

Source: street-directory.com

1.5 Heritage Management Framework

The subject site at 120 Victoria Street is a component of a listed heritage item (I1179) in Schedule 5 of the *Sydney Local Environmental Plan (LEP) 2012*. The heritage item is identified as “120-124 Victoria Street, Potts Point” and described as “Terrace group including interiors and front fence”. Accordingly, the City of Sydney Council is the consent authority.

The subject site is located within the Potts Point Heritage Conservation Area (C51).

The subject site is also in the vicinity of a number of individually listed heritage items, the most relevant being:

- 122-124 Victoria Street, Potts Point (I1179), two terraced houses located to the immediate south of the subject site, being the second and third component of the site’s heritage listing;
- Melton Flats at 116–118 Victoria Street, Potts Point (I1177) which is located to the north of the subject site;
- Terrace group at 119–121 Victoria Street, Potts Point (I1178) which is opposite the subject site;
- Terrace group at 123-125 Victoria Street, Potts Point (I1180) which is also opposite the subject site; and
- Terrace group at 127-139 Victoria Street, Potts Point (I1181) which is opposite the subject site, to the south.

As there are no physical changes proposed, these items are not referenced in the analysis of this report.

1.6 Authorship

This report has been prepared by Jonathan Bryant, Associate Director and Dr Martina Muller, Heritage Consultant, of Graham Brooks and Associates Pty Ltd and has been reviewed by the Director, Graham Brooks. Unless otherwise noted all of the photographs and drawings in this report are by Graham Brooks and Associates Pty Ltd.

1.7 Report Limitations

This report is limited to the investigation and analysis of the European history of the site. Recommendations have been made on the basis of documentary evidence viewed and inspection of the existing fabric.

Because 120 Victoria Street, Potts Point is part of the listed group of terraces that also includes 122 and 124 Victoria Street, Potts Point, the historical summary, site description and assessment of significance has addressed the group rather than individual terraces.



Figure 1.2
Aerial photograph showing the subject site shaded in yellow and outlined in red

Source: NSW LPI, SIX Maps

ATTACHMENT A

Archaeological assessment of the subject site is outside the scope of this report.

1.8 Copyright

Copyright of this report remains with the author, Graham Brooks and Associates Pty Ltd.

Historical Summary

2.0

2.1 Concise History of the Locality

The complex cultural landscape of Potts Point has evolved through a number of phases.

At the time of European settlement the area presented as a sandstone ridge with thick vegetation, a rocky shoreline and a steep escarpment to the west.¹ Very little obvious evidence remains of pre European topography or human habitation

Potts Point remained undeveloped Crown Land until the 1820s. In 1828 Governor Darling ordered the subdivision of Woolloomooloo Hill (including what is now Potts Point) into suitable town allotments for large residences and extensive gardens.² He then issued deeds of grant to select members of colonial society - in particular his senior civil servants, ensuring that the colony's growing professional middle class should live in an area not too distant from the town. Some of these villas were designed by prominent architects such as John Verge, Sydney's most prominent and fashionable architect of the 1830s, who designed Elizabeth Bay House, Tusculum and Rockwall. By the mid 1830s seventeen grand estates with elegant houses and extensive landscaped gardens had been constructed down the spine of the ridge creating a genteel enclave that was, after Government House, the centre of Colonial society.³ This development presented a picturesque sight, but the restful atmosphere of the area was an illusion. Residents were often fearful of confrontations with convicts, the local Indigenous people and escapees from nearby Darlinghurst Gaol.⁴

Of the original seventeen villas only five have survived to the 21st century: Barham, Telford Lodge, Tusculum, Rockwall and Elizabeth Bay House.⁵ However the memory of other early estates, such as Grantham and Orwell remains in street and apartment building names around Potts Point.

By the late 19th century many of the grand mansions began to be demolished and their large estates broken up reflecting a changing demography, economic climate and the massive development of Sydney.⁶ Roads, such as Macleay, Wylde and Victoria Streets, Ward and Challis Avenue were lined with large houses and grand terraces resulting in an increasingly fine grained subdivision pattern that reflected a changing demographic profile. Butler & McElhone Stairs were built in 1870 to connect the workers of Woolloomooloo,



Figure 2.1
"Sketch of the coast from Darling Harbour to Elizabeth Bay, showing the grants to Mr. McLeay and six other gentlemen" by Sir Thomas Mitchell, 1832. The subject site was located on John Stephen's grant, indicated by the red arrow.

Source: National Library of Australia, Digital Collections, Map F 324

¹ Graham Brooks and Associates, *Bomera and Tarana, 1 Wylde Street, Potts Point - Conservation Management Plan*, 2001, p 8.

² Whitnall, A., *Villas of Darlinghurst*, Sydney: State Library of New South Wales, 2002, p 3.

³ Historic Houses Trust of New South Wales, *A Walk Around the Cross: The Villas of Woolloomooloo*, Sydney: Historic Houses Trust of New South Wales, 1980, p 4

⁴ *Ibid.*, p 3

⁵ Whitnall, A., *Villas of Darlinghurst*, Sydney: State Library of New South Wales, 2002, p 3.

⁶ Jeans, D. N. and Speeritt, P., *The Open Air Museum*, Sydney: George Allen and Unwin, 1980, p 105

below the escarpment, to the employment opportunities of the wealthier households of Potts Point.

At the beginning of the 20th century many of the grand terraces and remaining mansions were converted into hotels and flats reflecting a changing demography and economic climate. The dawning of the new century saw the development of the area as a traveller's accommodation precinct.⁷

Potts Point is the site of some of Australia's earliest apartment buildings, and from the 1920s through to World War II the area was intensively developed along those lines resulting in an even finer grained subdivision pattern.⁸ As a result the area boasts the highest concentration of Art Deco architecture in Australia radically changing the building typology of the area. In the interwar years the press christened the area flatland.⁹

This new building trend was caused by changing economic, social and technical and administrative developments such as increased tourism, smaller households, development of high rise construction methods etc.¹⁰

Potts Point witnessed a significant influx of refugees fleeing fascism in Europe during the 1920s and 1930s and became the place where many Continental Europeans chose to live and operate businesses.¹¹ The area became known for its cosmopolitan ambience. During the interwar years the area also became known for its creative, bohemian inhabitants as well as the well heeled residents that have traditionally lived there.¹²

The Potts Point area was at the core of the growing trend towards conservation in Sydney in the late 20th century. The threat to the historic houses in Victoria Street in the mid 1970s resulted in residents like Juanita Nielsen and Mick Fowler galvanising an eventually successful resident's protest with the Builders Labourers Federation. The Victoria Street Green Ban is recognised as a significant milestone in the development of conservation awareness in Sydney.¹³ Located at 202 Victoria Street, the house of Juanita Nielsen, who disappeared in July 1975, is now a State heritage listed item.¹⁴

From the early 20th century until now tourism facilities have been a major component of Potts Point contributing to its cosmopolitan atmosphere.¹⁵ Although the quantity of hotels in Potts Point has

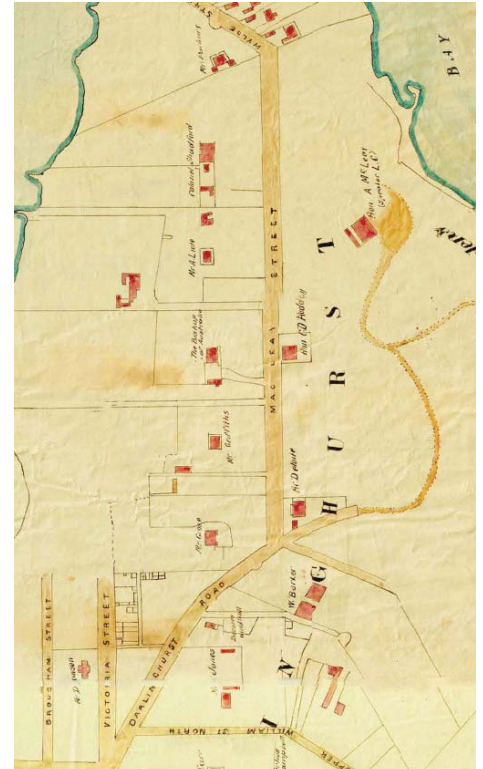


Figure 2.2
Francis Webb Sheilds Map of Sydney, 1844, showing the development of Potts Point at that stage, including Macleay's house near Elizabeth Bay. Macleay Street was lined with a series of houses on large properties, while Victoria Street had not been extended all the way to the north as yet.

Source: City of Sydney Archives - Digital Information, Historical Atlas of Sydney

⁷ Spearritt, P. and Davidson, J., *Holiday Business – Tourism in Australia since 1870*, Melbourne: Melbourne University Press, 2000, p 211.

⁸ Irving, R. (ed), *The History and Design of the Australian House*, Sydney: Mead and Beckett, 1985, p 135

⁹ Spearritt, P., *Sydney Since the Twenties*, Sydney: Hale and Iremonger, 1978, p 96.

¹⁰ Irving, R. (ed), *The History and Design of the Australian House*, Sydney: Mead and Beckett, 1985, p 134.

¹¹ Kings Cross Community Aid & Information Services, *Memories, Kings Cross: 1936-1946*, Sydney: Kings Cross Community Aid & Information Services, 1981, p 82

¹² *Ibid.*, p 52

¹³ Butel, E. and Thompson, T., *Kings Cross Album*, Sydney: Atrand Pty Ltd, 1984, p 117.

¹⁴ NSW Heritage Inventory, Juanita Nielsen's House, Database No. 5061009

¹⁵ Spearritt, P. and Davidson, J., *Holiday Business – Tourism in Australia since 1870*, Melbourne: Melbourne University Press, 2000, p 220

radically reduced in number since 2000 there are still a number of boutique and larger hotels in the area as well as many backpacker hostels. The area continues to be a sought after housing location and attracts many visitors to its well known food and beverage offerings.

2.2 Early Ownership of the Site

The subject site is located on the original grant of 11 acres 37 perches made to Justice John Stephen in October 1831.¹⁶ Justice Stephen (1771-1833) was the first puisne Judge of the colony after the Charter of Justice,¹⁷ and father of Sir Alfred Stephen (1802-1894), chief justice and legislator.¹⁸ John Stephen built 'Orwell House' (Fig. 2.4) on the site which was later transferred to the postmaster-general James Raymond (1786-1851),¹⁹ Colonel Henry Croasdaile Wilson (police magistrate)²⁰ and Justice Samuel Frederick Milford (1797-1865).²¹

The property is said to have been transferred to George Richard Griffiths in 1846,²² however, Griffiths' name is already inscribed on two plans dated 1844 (Figs 2.2 and 2.3). Griffiths (1802-1859) was a merchant and banker who lived at "Orwell" until 1847 when he bought and moved to "Clarens", another property in Potts Point.²³

"Orwell" was then acquired by barrister and politician Sir William Manning (1811-1895)²⁴ and was subsequently subdivided and the portion of land fronting Victoria Street, including the subject site, was bought by Thomas Farrell. He first appears in the City of Sydney Assessment Books in 1855, as the owner and occupier at 116 Victoria Street, and again in the 1861 entry. From 1863, he appears to have let the property, as other names are listed as the rate payers.

In 1882, his wife was listed as the owner, presumably because of his recent death, as in 1883 the "*Estate of the late Thomas Farrell*" on Victoria Street was subdivided into eight allotments and advertised for sale by auction in November 1883 (Fig. 2.5). By the time of his death, Farrell had acquired a large number of properties, including a "*most commodious and roomy town mansion known as No. 74 Macleay Street*" and land in Sydney, Potts Point and Randwick.²⁵

16 In the early Days - Potts Point and Darling Point, *The Sydney Morning Herald*, 1 October 1906, p 5; Progress of the Suburbs - Potts Point and Darlinghurst, *The Sydney Morning Herald*, 1 November 1913, p 8

17 Currey, C. H., 'Stephen, John (1771-1833)', *Australian Dictionary of Biography*, Vol. 2, 1967

18 Rutledge, M., 'Stephen, Sir Alfred (1802-1894)', *Australian Dictionary of Biography*, Vol. 6, 1976

19 Parsons, V., 'Raymond, James (1786-1851)', *Australian Dictionary of Biography*, Vol. 2, 1967

20 King, H., 'Wilson, Henry Croasdaile (?-?)', *Australian Dictionary of Biography*, Vol. 2, 1967

21 Holt, H. T. E., 'Milford, Samuel Frederick (1797-1865)', *Australian Dictionary of Biography*, Vol. 5, 1974

22 Progress of the Suburbs - Potts Point and Darlinghurst, *The Sydney Morning Herald*, 1 November 1913, p 8

23 Ibid.; cf. Walsh, G. P., 'Griffiths, George Richard (1802-1859)', *Australian Dictionary of Biography*, Vol. 1, 1966

24 Rutledge, M., 'Manning, Sir William Montagu (1811-1895)', *Australian Dictionary of Biography*, Vol. 5, 1974

25 Auction Sales, *The Sydney Morning Herald*, 24 November 1883, p 15

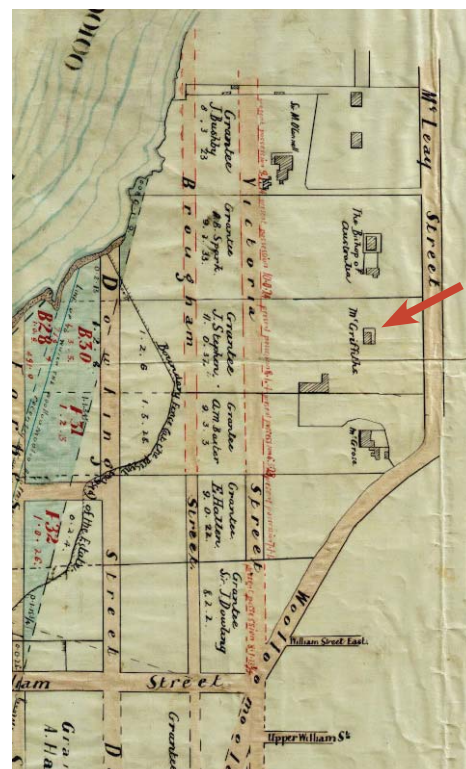


Figure 2.3
Copy of a 1844 plan for the Riley Estate (1898), showing the location of "Orwell", indicated by the red arrow, at that time owned by merchant and banker George Richard Griffiths. The subject site is located to the west of the original house which has since been demolished.

Source: City of Sydney Archives - Digital Information, Historical Atlas of Sydney



Figure 2.4
"Orwell House", watercolour and pencil drawing by Samuel Thomas Gill, c 1870.

Source: State Library of New South Wales, Manuscripts, oral history & pictures, Digital Order No. a1560001

Farrell's Victoria Street estate was by then bounded by Victoria Street North, Albert Street (later renamed Hughes Street), Orwell Street and Orwell Lane. The 1883 auction sales poster by Hardie and Gorman shows a house at the corner of Albert Street and Orwell Lane and a cottage on Lot 8. These residences were said to be located at 116 and 126 Victoria Street, respectively. At that time, No. 116 was occupied by F. A. Ficus and John Meacle is said to have lived at 126 Victoria Street.²⁶ However, this does not correspond with the Assessment Book entry for 1882, which locates Alice Charbonnet in the two storey timber house at 126 Victoria Street. Frederick Ficus and Alice Charbonnet were also noted at 116 and 126 Victoria Street, respectively, in the 1883 and 1884 Sands Directories of Sydney.

The buildings occupied by Ficus and Charbonnet were also indicated on an earlier, c1856 plan (Fig. 2.6). This locates the timber cottage with ancillary structures to the rear, then located at 126 Victoria Street, at what is today 122-124 Victoria Street. 120 Victoria Street does not appear to have contained any structures at that time. The cottage occupied by Alice Charbonnet was demolished soon after subdivision of the Farrell Estate to make way for new terraced houses on the newly created lots. The 1885 Sands Directory of Sydney still noted Frederick Ficus at 116 Victoria Street, but there was no entry for Number 126, indicating that it had been demolished by then.

2.3 Construction of Airlie, Marly & Keba (c1886)

In 1886, the Sands Directory of Sydney listed for the first time the following new properties and their occupants:

- 120 Victoria Street - Gilchrist, James, "Airlie"
- 122 Victoria Street - James C., "Marly"
- 124 Victoria Street - Slattery, Hon., T. M., M.L.A., "Keba"
- 124 Victoria Street - O'Connor, J. G., "Keba"

The same persons were listed in 1887, with the occupant of 122 Victoria Street more correctly entered as James C. Ellis. The two terraced houses to the south were known under the names "Idala" (No. 126) and "Guylyu" (No. 128).

"Airlie", "Marly" and "Keba" were all owned by James Gilchrist who lived at "Airlie".²⁷ The terraced houses were of three storey brick and stone construction with slated roofs and each contained 10 rooms. From 1907 onwards, Louisa Gilchrist, likely James' wife or daughter, was indicated as the owner of the three houses and the occupant of No. 120. The other houses continued to be occupied by various tenants.

²⁶ *Ibid.*

²⁷ City of Sydney Assessment Book, 1891

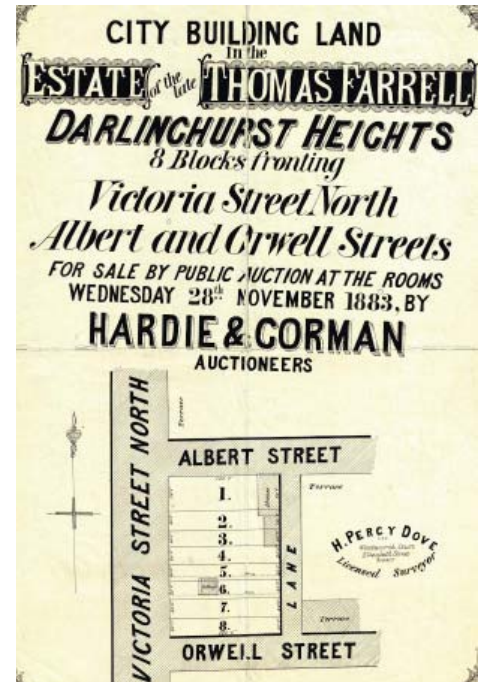


Figure 2.5
Auction Sales Poster for the Farrell Estate subdivision. The subject site contains Lots 4, 5 and 6 of the subdivision. The cottage on Lot 6 would have been 126 Victoria Street at that time, occupied by French music teacher Alice Charbonnet. Today, this is 124 Victoria Street.

Source: City of Sydney Archives - Digital Information, Historical Atlas of Sydney

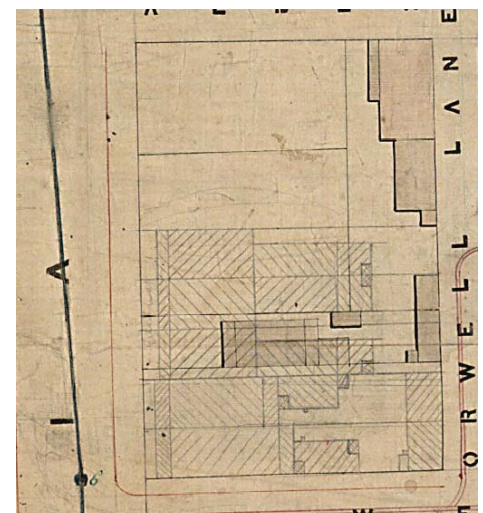


Figure 2.6
Trigonometrical Survey of Sydney, 1865, Block L2. The early timber structures are shown in grey, extending across what is today 122-124 Victoria Street. The terraced houses constructed in c1886 were later added (shown hatched).

Source: City of Sydney Archives - Digital Information, Historical Atlas of Sydney

120 Victoria Street, Potts Point
Statement of Heritage Impact
December 2014

Graham Brooks & Associates Pty Ltd

2.4 Subsequent Guest House/Boarding House Use

By 1918, “Airlie” at 120 Victoria Street had changed hands to Isabella Lane who from now on occupied the building. Louisa Gilchrist moved to 124 Victoria Street and Alice Gilchrist was now noted as the owner of number 122.²⁸

122 and 124 Victoria Street continued to be in the ownership of the Gilchrist family until at least 1948, with either Alice or Louisa, or both, noted in the Assessment Books as the occupants of number 124 from 1931 until 1948.²⁹ Dr Gilchrist was still listed as the owner of 124 Victoria Street until 1953 in a development application dated 1959, suggesting that the two buildings had been owned by the Gilchrist family for over 65 years.³⁰

The 1959 development application was by the new owners, Marie and Yvonne Davin from Coogee who had bought 124 Victoria Street in February 1953. Their application for “use for professional letting” of 124 Victoria Street indicates that “Keba” was used as a guest house at the time, a use which had been going on for an unknown period of time prior to the development application being lodged. The 1953 application, which requested a change from “casual letting” to professional letting, was refused by Council, as the proposed non-residential use was seen as an undesirable form of development that was out of character with the area.

Not only “Keba” appears to have been used as a guest house at some stage, there is also evidence that “Airlie” at 120 Victoria Street and “Marly” at 122 Victoria Street were once used as guest or boarding houses. A Council file in relation to a development application lodged in 1968, for the proposed addition of three self-contained flats to the existing premises at 120-122 Victoria Street, noted that all first floor bedrooms at number 120 contained gas cooking facilities when inspected on 2 September 1969.³¹ The application itself stated that both buildings were at the time used as “houses let as rooms”, a use which had commenced in the 1940s.

While the application and subsequent amendments, which included detailed plans, had been refused by Council, the two extremely dilapidated buildings subsequently underwent some refurbishments. These included, among others, the renovation of the ground floor kitchen and bathroom, enclosure of the first floor balcony³² and remodelling of the bathroom on that level at 120 Victoria Street, as well as replacement of the original slate roof with a tiled roof at 122 Victoria Street. It was specifically noted, that apart from the division

²⁸ City of Sydney Assessment Book, 1918

²⁹ City of Sydney Assessment Books, 1921-1948; c

³⁰ City of Sydney Archives, Development Application 864/59, 124 Victoria Street Potts Point. Use for professional letting. M & Y Davin, Container 3152. Town Clerk's Correspondence File 6471/59 relates to this

³¹ City of Sydney Archives, Development Application 983/68, 120-122 Victoria Street Potts Point. Lloyd & Earle. Proposed addition of (3) three self contained flats to existing premises, Container 3389. Town Clerk's Correspondence File 5700/68 relates to this application

³² City of Sydney Archives, Development Application 983/68

of the ground floor bathroom at 120 Victoria Street, all works were either approved or merely constituted refurbishment of the existing.

Hauser & Hauser Pty Ltd (120 Victoria Street) and Mr and Mrs Baca (122 Victoria Street) were the owners and joint applicants for the refused 1968 scheme. Among the plans prepared by architect Lloyd R. Earle was one showing the existing buildings in 1968, which is provided below (Fig. 2.7). The plan suggests that the buildings had not undergone major changes over the years and still largely contained the original configuration, with a three storey section at the front and a two storey extension to the rear, followed by a one storey addition housing the kitchen and laundry.

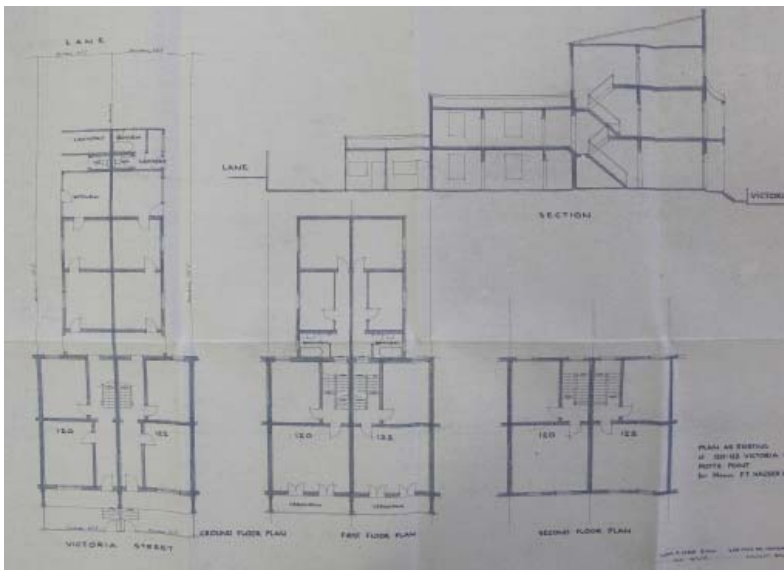


Figure 2.7
Undated plan by architect Lloyd R. Earle, Drawing No. 804/1, showing the existing floor plans of 120-122 Victoria Street in c1968.

Source: City of Sydney Archives - Digital Information, Historical Atlas of Sydney

Further changes to the subject site appears to have included the approved erection of a garage at 124 Victoria Street in 1953,³³ the enclosure of all first floor balconies by 1975 (Fig. 2.8), and, from the 1980s, extensive alterations to “Airlie” at 120 Victoria Street and the development of “Marly” and “Keba” at 122-124 Victoria Street into a hotel.



Figure 2.8
Photograph depicting the subject buildings in 1975, showing that the balconies of all three buildings had been enclosed by that date.

Source: City of Sydney Archives

³³ City of Sydney Archives, Building Inspectors Card, 1953/1401, Victoria St Potts Point. Application to erect garage, Container 43369

2.5 Alterations to 120 Victoria Street (late 20th Century)

In 1980, a development application to convert 120 Victoria Street into a flat building of 3 high quality strata titled apartments was submitted to Council by Allen, Jack & Cottier architects, for the owner, Greg Barrett.³⁴ The application was received by Council on 2 June 1980 and approved on 1 September 1980. The plans involved internal alterations for the flat conversion as well as external alterations, including restoration of the original terrace facade. However, the development application files indicate that no works had commenced by 19 October 1980, by which time the approval had lapsed and the documents were filed.

Despite this, the existing building fabric indicates that the building has undergone extensive modifications under the guidance of skilled architects or designers at some stage recently. Council's records do not indicate when these works were carried out.

The sketch floor plans for the proposed 1980 flat conversion by Allen, Jack & Cottier, which were not carried out, are provided below (Fig. 2.10). A photograph contained in the development application file (Fig. 2.9) shows 120 and 122 Victoria Street, and a small part of 124 Victoria Street in 1980.

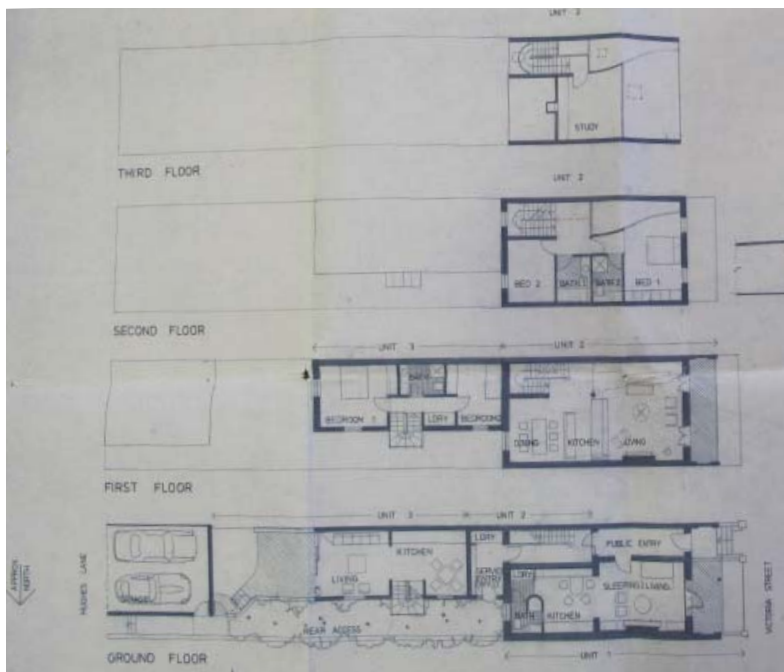


Figure 2.9
Photograph contained in the 1980 development application file, showing 120-122 Victoria Street in 1980.

Source: City of Sydney Archives, Development Application 44/80/0444, 120 Victoria Street Potts Point

Figure 2.10
Sketch floor plans by Allen, Jack & Cottier, dated May 1980, for proposed conversion of the terrace into three flats, with Unit 1 being a bedsit, Unit 2 a three bedroom flat and Unit 3 a two bedroom flat. These approved works were not carried out and the approval lapsed in October 1982.

Source: City of Sydney Archives, Development Application 44/80/0444, 120 Victoria Street Potts Point

³⁴ City of Sydney Archives, Development Application 44/80/0444, 120 Victoria Street Potts Point. Convert existing residential flat building into 3 high quality strata titled apartments, Container 28

2.6 Hotel conversion of 122-124 Victoria Street (1986)

In 1986, plans were lodged with Council for conversion of the two terraced houses at 122-124 Victoria Street into a hotel. By then, these buildings had been transferred to one single owner. Prior to this, in 1981, 124 Victoria Street, had been the subject of an approved development application for alterations to the one storey section at the rear as well as minor landscaping works.³⁵

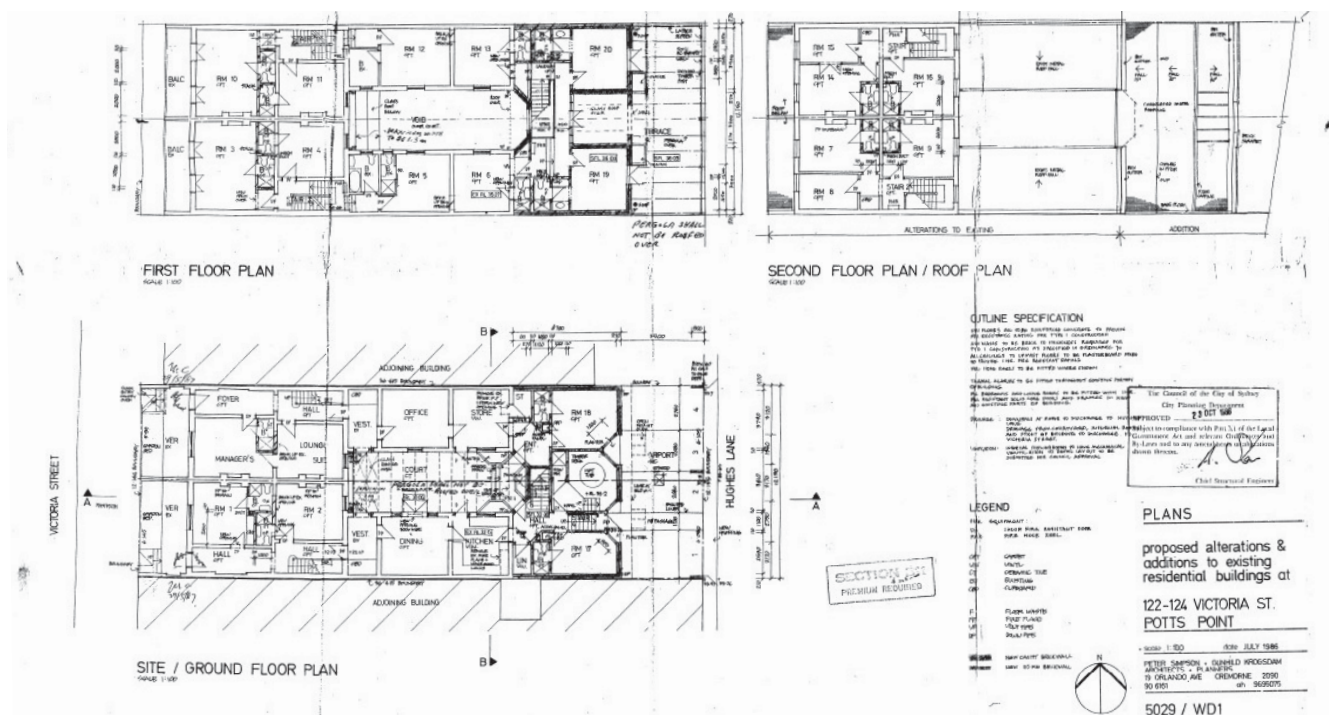
The 1986 development application for “proposed alterations and additions to existing residential buildings at 122-124 Victoria Street, Potts Point, was received by Council on 18 August 1986 and approved on 23 October 1986.³⁶ The plans by architects and planners Peter Simpson and Gunhild Krogsdam, dated July 1986, were for conversion of the two terraced houses into a hotel, involving internal alterations as well as demolition of the one storey section at the rear and its replacement with a new two storey addition with rear carport and terrace. The conversion created a new internal courtyard in the centre of the hotel which became known as the Victoria Court Hotel.

Internally, the new use required alterations in relation to circulation and access to individual rooms and some changes to the layout of rooms, including creation of new ensuite bathrooms.

The plans for the 1986 hotel conversion, including a subsequent plan showing amendments approved on 20 January 1988, are provided below.

Figure 2.11
Floor plans by Peter Simpson and Gunhild Krogsdam for proposed alterations and additions to 122-124 Victoria Street, dated July 1986.

Source: City of Sydney Archives, Building Application Plans, 1701/86, Victoria Street (122-124) Potts Point



35 City of Sydney Archives, Building Application Plans, 1670/81, 124 Victoria Street Potts Point. Rebuild Ground Floor Laundry & Bathroom [M]

36 City of Sydney Archives, Building Application Plans, 1701/86, Victoria Street (122-124) Potts Point. Alterations and additions to two terrace houses [M]

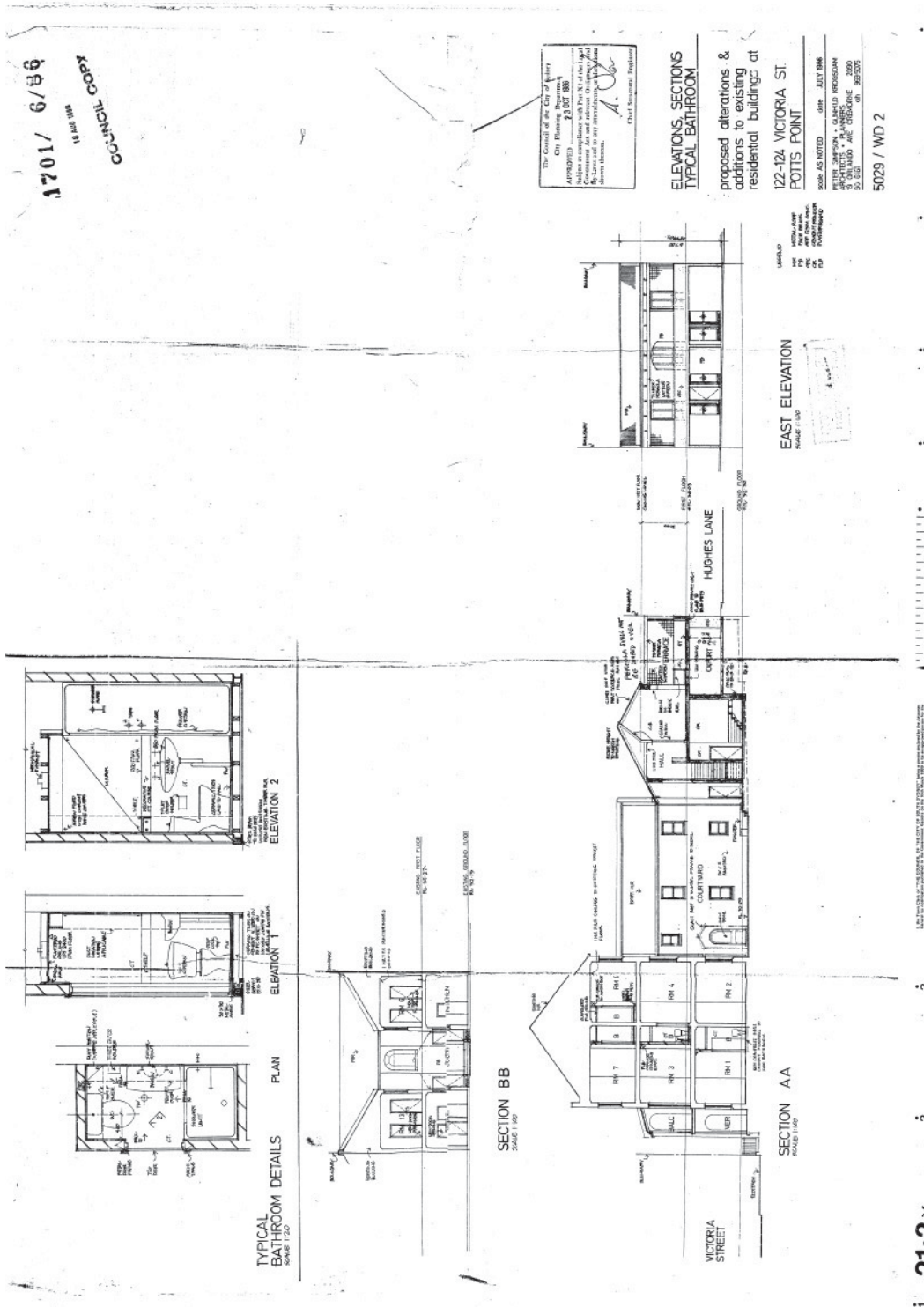


Figure 2.12
Elevations, sections and typical bathroom configurations by Peter Simpson and Gunhild Krogsdam for proposed alterations and additions to 122-124 Victoria Street, dated July 1986.

Source: City of Sydney Archives, Building Application Plans, 1701/86, Victoria Street (122-124) Potts Point

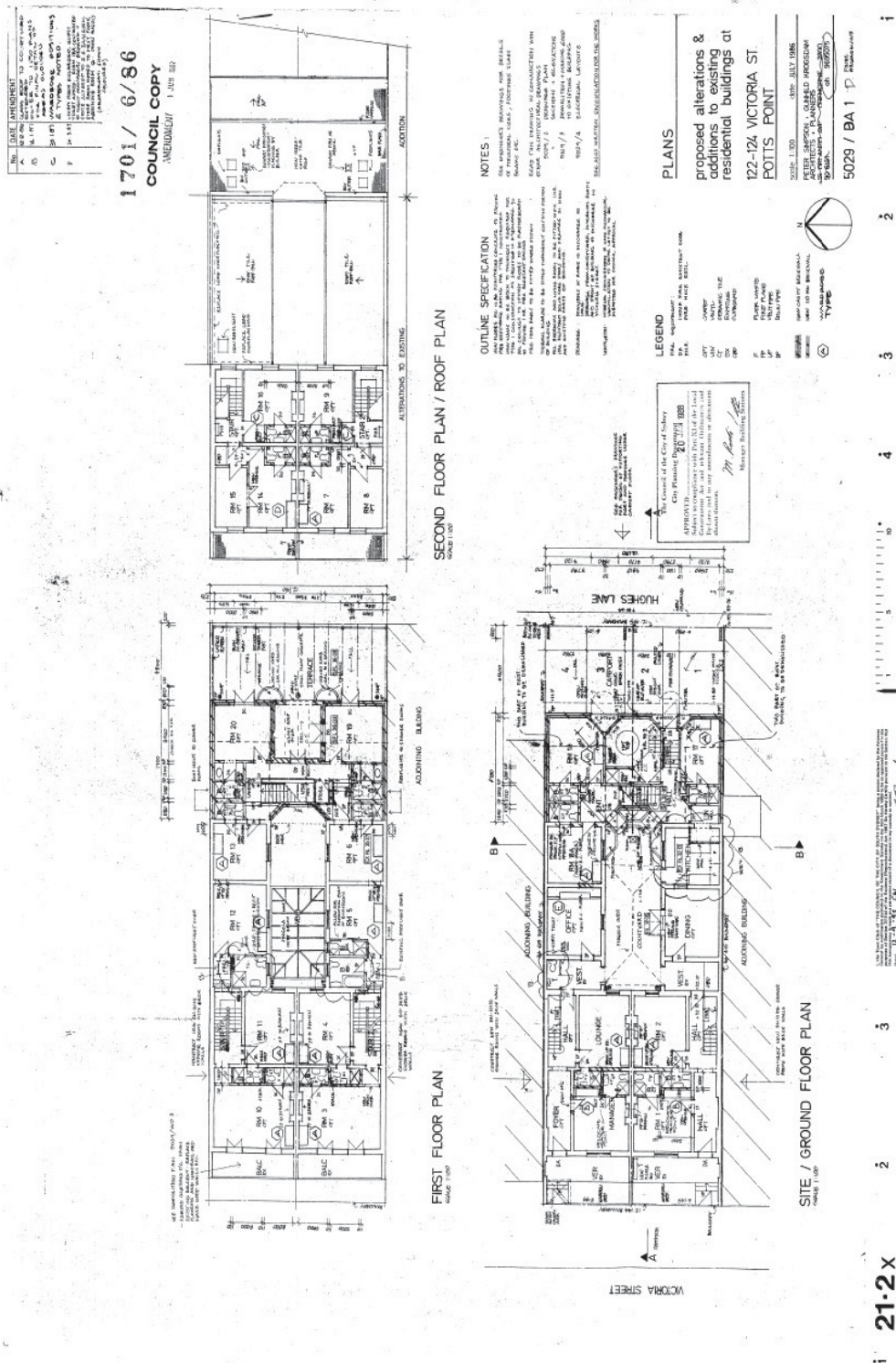


Figure 2.13
Amended floor plans by Peter Simpson and Gunhild Krogsdam for proposed alterations and additions to 122-124 Victoria Street. Although this drawing is dated July 1986, the amendments were received by Council on 1 June 1987 and approved on 20 January 1988.

Source: City of Sydney Archives, Building Application Plans, 1701/86, Victoria Street (122-124) Potts Point

Site Description

3.0

3.1 Urban Context

The subject site at 120 Victoria Street is part of a triple terrace group that is located at 120-124 Victoria Street, Potts Point.

Potts Point is a small, densely populated inner city suburb in the parish of Alexandria. Since 2004 it has been part of the Local Government Area of the City of Sydney. Potts Point sits on a ridge and is bounded to the west by a steep escarpment and the suburb of Woolloomooloo, The Navy's Fleet Base East at Garden Island to the north, Elizabeth Bay and Rushcutters Bay Park to the east and William Street and Darlinghurst to the south. At its greatest extent the suburb is no more than 1 kilometre long by 200 metres wide.

Victoria Street, which runs parallel to Macleay Street to the east, is one of the suburb's major thoroughfares. It is a wide tree lined avenue that features nineteenth century terrace houses, inter-war buildings and larger late twentieth century developments. Victoria Street links Kings Cross with Embarkation Park to the north. Embarkation Park is located directly above the Navy's Fleet Base East.

Victoria Street accommodates a diverse mix of apartment buildings, single residences, mixed use developments (that combine residences and retail uses) and short term accommodation, including hotels and backpacker hostels. The street also features numerous restaurants, cafes and other small businesses.

Hughes Lane is typical of the network of densely populated laneways that are located between Victoria and Macleay Streets. This area is also characterised by nineteenth century terrace houses, inter-war buildings and larger late twentieth century developments. The buildings directly surrounding the subject site, on Hughes Lane, are largely of two-three storey nineteenth century terraced houses and three storey inter-war buildings.

3.2 Views to the Site

Views of the subject site are available from both Victoria Street and Hughes lane. The Victoria Street facades are regarded as the most important views of the three terraced houses at 120-124 Victoria Street, Potts Point.

3.3 Description of the Building Exterior

The three terraces at 120-124 Victoria Street, Potts Point, are fine examples of Victorian Filigree style residences. They consist of



Figure 3.1
Melton at 116–118 Victoria Street, Potts Point which is located to the north of the subject site.



Figure 3.2
Looking south along Victoria Street, Potts Point, with part of the terrace group at 120-124 Victoria Street just visible to the left.



Figure 3.3
120-124 Victoria Street, Potts Point, indicated by a red ellipse.

primary, gable roofed three storey components that address Victoria Street from an elevated position. The front steps and ground floor veranda are paved in sandstone. The rendered western facades display typical features including cast iron palisade fences, gates, veranda columns, brackets, friezes, balustrades. Joinery consists of timber double hung sash windows, front doors and french doors to the second level balcony. Windows and doors are embellished with typical decorative rendered label moulds, architraves, sills and decorated party walls.

The primary three storey components have secondary, skillion roofed double storey rear wings. Windows in the secondary rear wings are of double hung timber sash configuration. The secondary wings of 122 and 124 Victoria Street terminate against a double storey rear wing of concrete and rendered brick infill that was constructed in the late 1980s. The 1980s extension, that addresses Hughes Lane, features covered car parking on the ground level and guest accommodation and associated garden terraces above. This rear component features a gabled roof.

The roof of 120 Victoria Street is clad in galvanised iron sheeting. The rear of 120 Victoria Street features a carport which is accessed from Hughes Lane

The roof of the primary three storey component of 122 Victoria Street is clad in ox-blood red corrugated metal sheeting. All other roofs at 122 and 124 Victoria Street are clad in grey concrete tiles.

A covered and paved courtyard is located between the two secondary rear wings of 122 and 124 Victoria Street. This area operates as a conservatory where guests are served breakfast.

3.4 Description of the Building Interior

The interiors of the main three storey components retain a substantial quantity of original fabric including timber floor structure and floor boards, timber staircases, timber skirting boards and architraves, chimney breasts, marble fireplaces, cast iron grates, tiled hearths and kerbs. The original vertical and horizontal circulation patterns have been retained in all three storey components.

The interiors of 120 Victoria Street were substantially modified when the building was recently refurbished. At this time, while key historic features were retained, the interiors were overlaid with a contemporary interior design programme.

The room layout of 122 and 124 Victoria Street was substantially altered during the late 1980s hotel conversion to include modestly proportioned bathrooms for all guest rooms. This intervention had the effect of altering the rooms' original symmetry and layout. The original openings between the ground floor reception rooms in both terraces was disrupted when the ensuite bathrooms were constructed.



Figure 3.4
Terrace group at 127-139 Victoria Street, Potts Point, on the left and terrace group at 123-125 Victoria Street, Potts Point, on the right. Both groups are opposite the subject site.



Figure 3.5
Terrace group at 119-121 Victoria Street, Potts Point, which is opposite the subject site.



Figure 3.6
Hughes Lane looking south, with the rear of the terrace group at 120-124 Victoria Street, Potts Point, indicated by a red ellipse. The lane at this point is characterised by two-three storey nineteenth century terrace houses and three storey inter-war buildings.

All doors at 122 and 124 Victoria Street are of recent construction and probably also date to the late 1980s. Similarly some of the ceilings, ceiling roses and cornices appear to date to the same period, although they were carried out in a typically Victorian style.

The secondary, skillion roofed rear wings at 122 and 124 Victoria Street retain less obvious interior heritage fabric and have been retrofitted with Victorian style adornments, such as ceiling roses and cornices to mirror the features of the main three storey component. Some of these features disrupt the original hierarchical legibility of the interior of the buildings. All ceilings appear to date from the 1980s refurbishment.

The 1980s extension to 122 and 124 Victoria Street was also fitted out with period style timber joinery and decorative plaster work to evoke the Victorian imagery of the historic main three storey component. This fitout blurs the legibility between original and recently constructed fabric.

3.5 Condition and Integrity

The buildings at 120, 122 and 124 Victoria Street remain in good condition due to the amount of conservation and adaptation which took place when they were refurbished in the late 1980s, combined with regular maintenance.

The original buildings retain various levels of integrity. The primary Victoria Street facades have a high level of integrity and make an important contribution to the streetscape. The interiors of the three storey components have a moderate degree of integrity. The rear secondary wings have a moderate-low degree of integrity.



Figure 3.7
Hughes Lane looking north. The rear of the terrace group at 120-124 Victoria Street is indicated with a red ellipse.



Figure 3.8
The Hughes Lane garage of 120 Victoria Street, Potts Point.



Figure 3.9
Looking east from the rear windows of 120 Victoria Street, Potts Point, over the rear secondary wing.

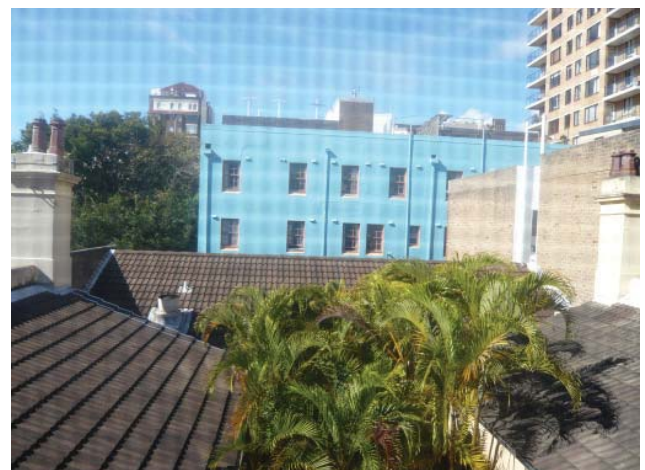


Figure 3.10
Looking east from the rear windows of 122 Victoria Street, Potts Point, over the rear secondary wings and courtyard of 122-124 Victoria Street.

ATTACHMENT A



Figure 3.11
The historic front entrance to 124 Victoria Street, Potts Point.



Figure 3.12
The Hughes Lane garage undercroft at 122-124 Victoria Street, Potts Point.



Figure 3.13
The historic front entrance to 120 Victoria Street, Potts Point.

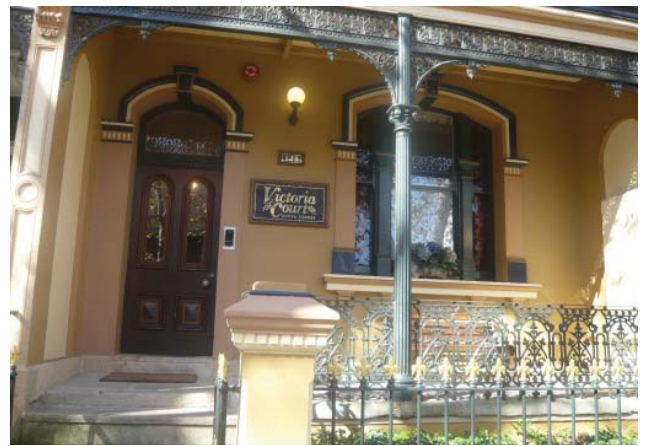


Figure 3.14
The historic front entrance to 122 Victoria Street, Potts Point.



Figure 3.15
The historic front entrance to 124 Victoria Street, Potts Point.



Figure 3.16
The partially covered courtyard between the rear wings of 122 and 124 Victoria Street, Potts Point.

ATTACHMENT A



Figure 3.17
The front hallway of 120 Victoria Street, Potts Point, as seen from the upper floor landing.



Figure 3.18
The ground floor window of 120 Victoria Street, Potts Point as it faces Victoria Street.



Figure 3.19
The interiors of 120 Victoria Street, Potts Point were substantially modified when the building was recently refurbished. At this time, while key historic features were retained, the interiors were overlaid with a contemporary interior design programme.



Figure 3.20
The ground floor interior of 120 Victoria Street, Potts Point, with retained fireplace.



Figure 3.21
Kitchen at 120 Victoria Street, Potts Point.



Figure 3.22
Bathroom at 120 Victoria Street, Potts Point.

ATTACHMENT A



Figure 3.23
The front hallway at 124 Victoria Street, Potts Point.



Figure 3.24
The timber staircase and front hallway at 122 Victoria Street, Potts Point.



Figure 3.25
A typical front guest room at 124 Victoria Street, Potts Point. This is one of the larger front guest rooms that leads out onto the Victoria Street balcony. These rooms retain their marble fire surrounds. Note how the bathroom has been installed to the left.



Figure 3.26
Modest bathrooms have been inserted within each existing guest room at 122-124 Victoria Street. This intervention has had the effect of altering the rooms' original symmetry and layout.



Figure 3.27
The interior of the ground floor kitchen of the rear secondary wing at 124 Victoria Street, Potts Point. The secondary wings retain few historic features.



Figure 3.28
The typical interior of the circulation spaces in the rear 1980s component of 122-124 Victoria Street that addresses Hughes Lane.

Assessment of Cultural Significance

4.0

4.1 Introduction

Heritage, or “cultural” value is a term used to describe an item’s value or importance to our current society and is defined as follows in *The Australia ICOMOS Burra Charter*, 2013, published by Australia ICOMOS (Article 1.0):

Cultural significance means **aesthetic, historic, scientific or social or spiritual value** for past, present or future generations.¹

This section establishes the criteria which are used to understand significance and identifies the reasons for the cultural value of the site and its components.

Significance may be contained within, and demonstrated by, the fabric of an item; its setting and relationship with other items; historical records that allow us to understand it in terms of its contemporary context, and in the response that the item stimulates in those who value it.² The assessment of significance is not static. Significance may increase as more is learnt about the past and as items become rare, endangered or illustrate aspects that achieve a new recognition of importance.

Determining the cultural value is at the basis of all planning for places of historic value. A clear determination of significance permits informed decisions for future planning that will ensure that the expressions of significance are retained and conserved, enhanced or at least minimally impacted upon. A clear understanding of the nature and degree of significance will determine the parameters for, and flexibility of, any future development.

A historical analysis and understanding of the physical evidence provides the context for assessing the significance. These are presented in the preceding sections. An assessment of significance is made by applying standard evaluation criteria to the facts of the item’s development and associations.

4.2 Comparative Analysis

The Victorian Filigree style terraces at 120-124 Victoria Street, Potts Point, are relatively common in the surrounding area and are ubiquitous throughout many of the inner suburbs of Sydney.

¹ *The Burra Charter: The Australia ICOMOS Charter for Places of Cultural Significance*, (2013), p.2.

² ie “social”, or community, value

4.3 Analysis of Cultural Significance

The following commentary discusses how each of the criterion established by the New South Wales Heritage Office (now the Heritage Division of the NSW Office of Environment and Heritage) relate to 120-124 Victoria Street, Potts Point.

Criterion (a) – An item is important in the course, or pattern, of NSW's cultural or natural history (or the cultural or natural history of the local area)

The subject terrace group are evidence that by the late 19th century many of the grand mansions of Potts Point began to be demolished and their large estates broken up reflecting a changing demographic profile, economic climate and the massive development of Sydney. Roads, such as Macleay, Wylde and Victoria Streets, Ward and Challis Avenue were lined with large houses and grand terraces resulting in an increasingly fine grained subdivision pattern that reflected a changing demographic profile.

Criterion (b) - An item has strong or special association with the life or works of a person, or group of persons, of importance in NSW's cultural or natural history (or the cultural or natural history of the local area)

The subject site does not meet the criterion.

Criterion (c) - An item is important in demonstrating aesthetic characteristics and/or a high degree of creative or technical achievement in NSW (or the local area)

Constructed in c1886, "Airlie" (120 Victoria Street, Potts Point), "Marly" (122 Victoria Street, Potts Point) and "Keba" (124 Victoria Street, Potts Point), are typical Victorian Filigree style terrace houses constructed in the late nineteenth century.

Criterion (d) - An item has strong or special association with a particular community or cultural group in NSW (or the local area) for social, cultural or spiritual reasons

The subject buildings bear witness to the fact that the Potts Point area was at the core of the growing trend towards conservation in Sydney in the late 20th century. The threat to many of the historic houses on the western side of Victoria Street in the 1970s resulted in residents like Juanita Nielsen and Mick Fowler galvanising an eventually successful resident's protest with the Builders Labourers Federation. The Victoria Street Green Ban is recognised as a significant milestone in the development of conservation awareness in Sydney.

Criterion (e) - An item has potential to yield information that will contribute to an understanding of NSW's cultural or natural history (or the cultural or natural history of the local area)

The subject site does not meet the criterion.

Criterion (f) - An item possesses uncommon, rare or endangered aspects of NSW's cultural or natural history (or the cultural or natural history of the local area)

The subject site does not meet the criterion.

Criterion (g) - An item is important in demonstrating the principal characteristics of a class of NSW's cultural or natural places; or cultural or natural environments (or a class of the local area's cultural or natural places; or cultural or natural environments)

The Victorian Filigree style terraces are relatively common in the surrounding area and are ubiquitous throughout many of the inner suburbs of Sydney.

4.4 Statement of Significance

"Airlie" (120 Victoria Street, Potts Point), "Marly" (122 Victoria Street, Potts Point) and "Keba" (124 Victoria Street, Potts Point) are Victorian Filigree style terrace houses constructed in the late nineteenth century that are typical of terrace style development in many of Sydney's inner suburbs. Their well preserved western facades, addressing Victoria Street, make an important contribution to the streetscape. Internally they have been subject to various degrees of intervention.

The subject terrace group is evidence that by the late 19th century many of the grand mansions of Potts Point began to be demolished and their large estates broken up reflecting a changing demographic profile, economic climate and the massive development of Sydney. Roads, such as Macleay, Wylde and Victoria Streets, Ward and Challis Avenue were lined with large houses and grand terraces resulting in an increasingly fine grained subdivision pattern that reflected a changing demographic profile.

The group of three terraces bear witness to the fact that the Potts Point area was at the core of the growing trend towards conservation in Sydney in the late 20th century. The Victoria Street Green Ban is recognised as a significant milestone in the development of conservation awareness in Sydney.

4.5 Grading of Significance

120-124 Victoria Street, Potts Point, has been carefully assessed to determine a relative grading of significance into five levels. This process examines a number of factors, including:

- Relative age
- Original design quality
- Degree of intactness and general condition
- Extent of subsequent alterations
- Association with important people or events
- Ability to demonstrate a rare quality, craft or construction process

Grading reflects the contribution the element makes to overall significance of the item (or the degree to which the significance of the item would be diminished if the component were removed or altered).

EXCEPTIONAL SIGNIFICANCE

Includes rare or outstanding building fabric that displays a high degree of intactness or can be interpreted relatively easily.

HIGH SIGNIFICANCE

Includes the original extant fabric and spaces of particular historic and aesthetic value. Includes extant fabric from the early phases of construction.

MODERATE SIGNIFICANCE

Includes building fabric and relationships which were originally of higher significance, but have been compromised by later, less significant modifications.

LITTLE SIGNIFICANCE

Includes most of the fabric associated with recent alterations and additions made to accommodate changing functional requirements. These are components generally of neutral impact on the site's significance.

INTRUSIVE

Recent fabric, which adversely affects the significance of the site.

Grading has been established as a valuable tool, to assist in developing appropriate conservation measures for the treatment of the building and its various elements. In general, good conservation practice encourages the focussing on change, or upgrading of, an historical building/site to those areas or components, which make a lesser contribution to significance. The areas or components that make a greater or defining contribution to significance should generally be left intact or changed with the greatest care and respect.

SITE ELEMENTS	GRADING OF SIGNIFICANCE
There are no elements considered to be of Exceptional significance	EXCEPTIONAL
- The western facades and palisade fences that address Victoria Street. - The exterior form of the primary three storey components of 120-124 Victoria Street. - Remnant original interior features of the primary three storey components of 120-124 Victoria Street including walls, fireplaces and hearths, floor structure and floor boards, skirting boards and architraves, timber staircases and original plasterwork. - Remnant original stained glass window elements and all original timber windows.	HIGH
The form and interior fabric of the rear secondary double storey wings of 120-124 Victoria Street.	MODERATE
- Recently constructed internal elements such as light weight partitions, bathrooms, kitchens, staircases and other joinery. - Recently installed decorative cornices and ceiling roses. - The conservatory at 122 and 124 Victoria Street located between the secondary rear wings. - Roof cladding.	LITTLE
The form and interior fabric of the recently constructed rear wing of 122 and 124 Victoria Street (that addresses Hughes Lane) which is of poor design quality and which blurs the legibility between original and recently constructed fabric.	INTRUSIVE

4.6 Curtilage Analysis

The NSW Heritage Office (now the Heritage Division of the NSW Office of Environment and Heritage) publication *Heritage Curtilages*³ defines “heritage curtilage” as the area of land surrounding an item or area of heritage significance which is essential for retaining and interpreting its heritage significance. Heritage curtilage can be classified as one of four types:

- Lot Boundary Heritage Curtilage
- Reduced Heritage Curtilage
- Expanded Heritage Curtilage
- Composite Heritage Curtilage

The subject terraces have Lot Boundary Heritage Curtilages.

³ Warwick Mayne-Wilson, *Heritage Curtilages*, NSW Heritage Office and the Department of Urban Affairs and Planning, NSW, 1996

Established Heritage Significance of the Conservation Area

5.0

120-124 Victoria Street, Potts Point, is located within the boundaries of the Potts Point Heritage Conservation Area which is listed as an item of local heritage significance on Schedule 5 of the *Sydney LEP 2012*.

The on-line NSW Heritage Inventory contains the following information for database entry number 2435711, Potts Point Heritage Conservation Area (C51).

Statement of Significance:

The Potts Point Conservation Area provides evidence of the subdivision of the early land grants and the consolidation of development in Potts Point during the nineteenth and twentieth centuries, reflecting the evolution of the locality from a district of substantial nineteenth century villas, to one characterised by terraces of late nineteenth and early twentieth century interspersed with early to mid twentieth century apartment housing and several surviving grand houses. Together with adjoining Elizabeth Bay and Rushcutters Bay, no where else in Australia were apartments built to this height or level of density. This creates streetscapes of strong urban form and Victorian, Federation and Inter-war character.

The area provides building types which represents the last 150 years of development and coexist in a harmonious way. Despite the intrusive nature of later high rise towers, whose impact is disproportionate to their proportion of built area, the area provides a highly cohesive character although the towers visually dominate the background of low scale streetscapes.

The commercial strip along Darlinghurst Road, together with Fitzroy Gardens and the El Alamein Fountain, provide a continuing civic and visual focus for the area.

Description:

The Conservation Area adjoins Garden Island Naval Depot to the north. The boundary follows roughly the rear of properties that front the western side of Victoria Street whilst Kings Cross Road forms its southern boundary. Ward Avenue and the rear of properties fronting Macleay Street are along its eastern boundary.

The area slopes north along Victoria Street and Macleay Street which is the highest point. The area has a dense urban character. Around Victoria Street and Tusculum Street the scale is predominantly three storey Victorian Terraces. Around Rockwall Crescent, Manning Street and Onslow Place high

early twentieth century apartments cluster around the original villas, Rockwall and Tusculum, on subdivided allotments.

There are some fine examples of grand terraces in particular in Challis Avenue and parts of Victoria Street and Rockwell Crescent.

Macleay Street provides a mixture of ten storey high-rise early twentieth apartment and late nineteenth three storey residential and commercial. Significant 20th century apartment blocks in the street include 4 Macleay Street, Macleay Regis at Nos 10-12, Seldson at No 16, 20 Macleay Street, Manar at Nos 40A -42, Kingsclere at No 48, Werrington at No 85, Byron Hall at Nos 97-99 and Cahors at 117 Macleay Street.

The north- western side of Wylde Street, which falls within the conservation area, is a continuation of Macleay Street and is characterised by a number of 20th century residential flats, mainly two to three storeys with the exception being the post - war International Style building at No 17, and a number of grand villas including Bomera at No 1 and Tarana at No 1A.

Darlinghurst Road forms part of a “bright light” entertainment and commercial strip, and features various forms of commercial and retail enterprises along with cafes, take away food shops, gaming venues, bars, hotels and adult entertainment venues. The built form is predominantly 3-4 storey commercial with some residential.

Important institutional sites include the St Vincent’s School Group in Victoria Street, which includes a Victorian Gothic style chapel, and the Wayside Chapel.

There are patches of open space provided at Springfield Gardens at the northern end of Springfield Avenue, Arthur McElhone Reserve in front of Elizabeth Bay House and Fitzroy Gardens.

The Planning Proposal

6.0

Spicers Retreats, the owner and applicant for Lot 120, DP 594467 (120 Victoria Street) seeks to amend the *Sydney Local Environmental Plan (LEP) 2012* to allow for use of the subject site as hotel or motel accommodation.

This Planning Proposal seeks to permit hotel or motel accommodation on the site by way of a Schedule 1 Amendment to the *Sydney LEP 2012* to permit 'hotels or motel accommodation' as it relates to (Lot 120 DP 594467) and definition as it relates to 'hotel or motel accommodation' under the *Sydney LEP 2012* as follows:

hotel or motel accommodation means a building or place (whether or not licensed premises under the *Liquor Act 2007*) that provides temporary or short-term accommodation on a commercial basis and that:

(a) comprises rooms or self-contained suites, and

(b) may provide meals to guests or the general public and facilities for the parking of guests' vehicles, but does not include backpackers' accommodation, a boarding house, bed and breakfast accommodation or farm stay accommodation.

Assessment of Heritage Impact

7.0

7.1 Introduction

This Statement of Heritage Impact has been prepared in relation to the following impact assessment criteria, the New South Wales Heritage Office (now the Heritage Division of the NSW Office of Environment and Heritage) guidelines, *Altering Heritage Assets* and *Statements of Heritage Impact*, and the Section 117 (S117) Direction issued under the *Environmental Planning and Assessment Act (EP&A Act) 1979*.

7.2 The Guidelines of the NSW Heritage Division

The NSW Heritage Office (now the Heritage Division of the NSW Office of Environment and Heritage) has published a series of criteria for the assessment of heritage impact. These are addressed below in relation to the impact of the Planning Proposal for 120 Victoria Street, Potts Point, on the listed item at 120-124 Victoria Street, Potts Point and the Potts Point Heritage Conservation Area.

The relevant 'questions in the *NSW Heritage Manual* 'Statements of Heritage Impact' guidelines relating to change of use are:

- *Has the advice of a heritage consultant or structural engineer been sought? Has the consultant's advice been implemented? If not, why not?*
- *Does the existing use contribute to the significance of the heritage item?*
- *Why does the use need to be changed?*
- *What changes to the fabric are required as a result of the change of use?*
- *What changes to the site are required as a result of the change of use?*

In addition to those above, the following questions have been formulated in determining the heritage impact of changing the LEP controls for the site:

- *What are the potential heritage impacts for this item arising from the future development of the subject site under the current planning controls?*
- *What are the likely consequences of the Planning Proposal?*
- *How can adverse impacts be mitigated?*

Comment

The heritage significance of "Airlie" at 120 Victoria Street, Potts Point, and the two other components of the heritage listed item at 120-124 Victoria Street, Potts Point, is primarily contained in their physical appearance as Victorian Filigree style terraced houses of the late 19th Century that provide evidence of the subdivision of the earlier grand estates and the development of the finer housing pattern in Potts Point.

Although initially constructed as residential dwellings, all three buildings within the group have subsequently been used for boarding house style accommodation, like many other houses on Victoria Street. The adjacent two terraces at 122-124 Victoria Street, which are part of the group's heritage listing, have been functioning as a hotel since 1986.

The likely consequence of the Planning Proposal is that the site will be developed for use as hotel or motel accommodation. As this is in keeping with former and current uses in the area and will bring the subject site in alignment with the current use of the two other components of the listed heritage item at 120-124 Victoria Street, Potts Point, it is considered that the proposed use will have no adverse impact on the established heritage significance of 120-124 Victoria Street, Potts Point, or the Potts Point Conservation Area.

The Planning Proposal is to permit an alternate use for the site and no physical changes are involved.

Any future development of the subject site will require approval from City of Sydney Council and will be subject to the heritage provisions of the *Sydney LEP 2012* and the guidelines of the *Sydney DCP 2012*, and will be assessed accordingly, mitigating any potential heritage impacts.

7.3 Consideration of Consistency with S117 Directions

The Planning Proposal seeks to permit hotel or motel accommodation on the site by way of a Schedule 1 Amendment to *Sydney LEP 2012*.

The current update to Section 117 (S117) Direction 2.3 Heritage Conservation, issued under S117 of the *Environmental Planning and Assessment Act (EP&A Act) 1979* on 1 July 2009, requires the following:

(4) A planning proposal must contain provisions that facilitate the conservation of:

(a) items, places, buildings, works, relics, moveable objects or precincts of environmental heritage significance to an area, in relation to the historical, scientific, cultural, social, archaeological, architectural, natural or aesthetic value of the item, area, object or place, identified in a study of the environmental heritage of the area,

(b) Aboriginal objects or Aboriginal places that are protected under the National Parks and Wildlife Act 1974, and

(c) Aboriginal areas, Aboriginal objects, Aboriginal places or landscapes identified by an Aboriginal heritage survey prepared by or on behalf of an Aboriginal Land Council, Aboriginal body or public authority and provided to the relevant planning authority, which identifies the area, object, place or landscape as being of heritage significance to Aboriginal culture and people.

ATTACHMENT A

As there are no changes proposed to the *Sydney LEP 2012* heritage schedule or mapping, or the compulsory heritage provisions in clause 5.10 Heritage Conservation, as part of this Planning Proposal, it is considered that the Planning Proposal is consistent with the S117 Directions in relation to European heritage.

Conclusions and Recommendation

8.0

- The subject site at 120 Victoria Street is a component of a listed heritage item (I1179) in Schedule 5 of the *Sydney Local Environmental Plan (LEP) 2012*. The heritage item is identified as “120-124 Victoria Street, Potts Point” and is described as “Terrace group including interiors and front fence” in this Schedule.
- The subject site is located within the Potts Point Heritage Conservation Area (C51).
- The Planning Proposal seeks an amendment to the *Sydney LEP 2012* to permit the use of the site for hotel or motel accommodation.
- The proposed use as hotel or motel accommodation will not have an adverse impact on the significance of the listed group or the conservation area. It is in keeping with former and current uses in the area and will bring the subject site in alignment with the current use of the two other components of the listed heritage item at 120-124 Victoria Street, Potts Point.
- Any future development of the subject site for hotel or motel accommodation will require approval from City of Sydney Council and will be subject to the heritage provisions of the *Sydney LEP 2012* and the guidelines of the *Sydney DCP 2012*, and will be assessed accordingly.
- No changes are proposed to the *Sydney LEP 2012* heritage schedule or mapping, or the compulsory heritage provisions in clause 5.10 Heritage Conservation, as part of this Planning Proposal.
- As such, the Planning Proposal is considered acceptable from a heritage perspective and is recommended for approval.

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9.0

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