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## 1.0 Introduction

A Planning Proposal (PP\_2017\_SYDNE\_007\_00) for the Sydney Metro Martin Place Station Precinct was formally lodged with the Department of Planning and Environment (Department) on 19 June 2017, with the Secretary of the Department, the Relevant Planning Authority (RPA). This Planning Proposal sought to amend certain development standards applying to the Precinct via a site-specific provision in the *Sydney Local Environment Plan 2012* (Sydney LEP) that:

- increases the building height over a portion of the South Site (from 55m and up to the Hyde Park North Sun Access Plane); and
- increases the floor space ratio (FSR) across the Precinct to enhance employment generation in alignment with the substantial infrastructure investment in the Sydney Metro project.

On 20 July 2017, the Planning Proposal received a Gateway Determination, which confirmed that the amendments to the existing planning controls had merit and should proceed. The supporting reasons given for this decision were that:

- the Planning Proposal will contribute to the economic success of Sydney by providing additional office accommodation in Martin Place;
- the Planning Proposal is generally consistent with long term transport planning; and
- the Planning Proposal is generally consistent with the strategic planning framework and the inconsistencies are considered of minor significance.

The Planning Proposal and accompanying documents were then placed on public exhibition between 2 November and 1 December 2017. In total, 9 submissions were received in response to the public exhibition of the Planning Proposal. These included submissions made from government agencies and authorities and the general public, as follows:

- Government authorities and agencies – 8 submissions; and
- Members of the public – 1 submission.

The key issues raised in the submissions (agencies and members of the general public) can be broadly grouped into the following categories:

- South Site Tower Setback to Martin Place
- Martin Place Special Character Area and Views
- Floor Space Ratio
- Setbacks to Streets
- Impacts on MLC Centre

This report, prepared by Ethos Urban (formerly known as JBA) on behalf of the proponent, sets out the response to each of these issues raised in the submissions, on an issue by issue basis. Where individual issues have not been discussed in this report, these issues have been addressed in a detailed response which can be found in the table in **Appendix A**.

## 1.1 Response to Submissions and Further Assessment

To address issues raised in the submissions, additional documentation has been prepared. Advice from Tzannes Associates, urban design advisors, and TKD, heritage advisors, has been incorporated into this submission.

The following consultant reports and supporting information have been updated and further supplements the material originally submitted as part of the exhibited Planning Proposal:

- A Detailed Record and Response to Submissions (Ethos Urban)
- B MLC Centre - View Impact Analysis (Grimshaw)
- C MLC Centre - Qualitative Wind Assessment (CPP)

The revised supporting documentation would enable the Department to complete its assessment of the Planning Proposal. The findings of the revised supporting documentation are summarised in **Section 2** of this report. This report should be read in conjunction with the Planning Proposal report prepared by Ethos Urban and dated 27 October 2017.

## 2.0 Key Issues and Proponent's Response

### 2.1 Overview

This section of the report provides a response to the following key issues raised by government agencies and authorities and the general public during the public exhibition of the Planning Proposal:

- South Site Tower Setback to Martin Place
- Martin Place Special Character Area and Views
- Floor Space Ratio
- Setbacks to Streets
- Impacts on MLC Centre

A response to each of the individual issues raised by submitters is provided in the table in **Appendix A**. An overview of the parties who made submissions and their key issues for consideration is provided below.

#### 2.1.1 Government Authorities and Agencies Submissions

Eight (8) submissions were received from government agencies and authorities in response to the exhibition of the Planning Proposal. Specifically, responses were received from:

- City of Sydney Council;
- City of Sydney Council Design Advisory Panel;
- Heritage Council;
- Environmental Protection Agency of NSW;
- Transport for NSW;
- Civil Aviation Safety Authority;
- Sydney Airport Corporation Limited; and
- Office of Environment and Heritage.

A number of these submissions confirmed that the relevant agencies or authority had no further comment on the application, made general comments on consultation with other agencies, or recommended future considerations for future Development Applications. In this group were submissions from the Office of Environment and Heritage (OEH), Environment Protection Agency of NSW (EPA), Civil Aviation Safety Authority (CASA), Sydney Airport Corporation Limited (SACL), and Transport for NSW (TfNSW).

The remaining government authorities, being City of Sydney Council (Council), the Heritage Council, and the City of Sydney Council's Design Advisory Panel (DAP), made a variety of comments and sought clarification on a number of matters as detailed throughout this section and in **Appendix A**.

#### 2.1.2 Public Submission

Only one submission was received by a member of the general public in response to the public exhibition, which was prepared by BBC Planning on behalf of Dexu Funds Management and GPT Re Limited (Dexu/GPT) as joint owners of the MLC Centre, located to the west of the Precinct across Castlereagh Street. The matters raised in the Dexu/GPT submission are also responded to in this section and in **Appendix A**.

## 2.2 South Site Tower Setback to Martin Place

On 27 October 2017, the proponent provided an updated Planning Proposal to the Secretary of the Department of Planning and Environment, following an assessment of the proposal by the Department involving consultation with key stakeholders. This revised Planning Proposal responded to key concerns around the South Site, its relationship to Martin Place and the protection of sky views. The revised Planning Proposal increased the effective tower setback for the south tower to Martin Place from 6m to 8m (an increase of 2m to what was originally proposed). The proposal was revised for the purposes of Community Consultation in accordance with the Gateway Determination letter and as required under sections 56(2)(c) and 57 of the EP&A Act.

### 2.2.1 Issue

Submissions received to the revised exhibited Planning Proposal from the City of Sydney, the DAP, Dexu/GPT and the Heritage Council provide comment on the proposed amendments to the LEP height controls for the South Site, which would facilitate an 8m tower setback to Martin Place. These submissions made the following comments:

- Not maintaining a substantial tower setback as part of the long-term planning vision is inconsistent with the current planning intent for the site in the LEP and in the proposed *Draft Central Sydney Planning Strategy*.
- The reduced tower setback above the street frontage height to Martin Place causes the proposed tower presence to significantly intrude on the prominence of the GPO clock tower when viewed from Martin Place, closes in the sky view and overshadows the public plaza of MLC Centre.
- New development along Martin Place should be consistent with the current planning controls, being built to the boundary with a 45m high street wall, and with tower development above 55m being set back from Martin Place by 25m (Council, Council's DAP, Dexu/GPT)
- The proposed 8m setback is considered to be inadequate to minimise the visual impact of the South Tower on Martin Place, and that a minimum setback of 10-15m would be more appropriate (Heritage Council).
- Concerns about the adverse impacts on Martin Place generally, particularly from the combination of a reduced tower setback from Martin Place and the additional bulk and scale associated with the FSR increase.
- The proposal does not objectively evaluate the Martin Place precinct if a 25m tower setback is maintained for the South Site. When the South Site complies with DCP 2012 the scale and legibility of built form in Martin Place is substantially consistent and is able to be appreciated as a designed and planned civic precinct.

### 2.2.2 Proponent's Response

The submitted Planning Proposal details the rationale and justification for the proposed amendment to the building height for the South Site. In summary, the proposed height limit and resultant 8m tower setback is considered appropriate in the context of the Proposal for the following reasons:

- The proposed 8m tower setback is derived from a comprehensive review of past and current urban design studies, an analysis of existing tower setbacks along Martin Place, a review of the existing planning controls and an analysis of the immediate and broader context of Martin Place. This comprehensive review was undertaken by Tzannes in the Urban Design and Planning Context Review (Appendix K of the exhibited Planning Proposal).
- The analysis concludes that buildings along Martin Place are of varying heights which do not conform to a standard tower setback, and that Martin Place derives its distinctive character from other attributes including the definition of the street boundary, the street wall at the boundary, building materials, details and quality, its pedestrian use and its use for public events. An increase in the proposed setback from 8m to a setback of between 10-15m (as suggested by the Heritage Council) will not materially alter the impact of the tower on the important characteristics of Martin Place.
- To this end, the submissions places an undue emphasis on tower setbacks (in particular the requirement for a 25m setback) as being integral to the long-term vision for Martin Place and its special character. The submissions rightly acknowledge that the special character of Martin Place is also derived by its fine civic buildings, the palazzo forms that front Martin Place, as well as the height, scale and materiality of podium forms, which the proposal maintains. These are primary attributes which distinguish Martin Place from other CBD streets.

- 25m is neither a typical nor consistent tower setback to Martin Place, and is not aligned with the Urban Design Studies which underpinned the development of Martin Place's controls, as discussed in Section 2 of the Urban Design and Planning Context Review report prepared by Tzannes Associates (Appendix K of the exhibited Planning Proposal). As discussed in the Urban Design Report, the 25m setback is neither coherent nor consistent as a setback within Martin Place and is not a defining characteristic of Martin Place, as there are towers above 55m with a 0-10m setbacks. A defined and consistent street wall with consistent materiality, level of detail and quality are the defining characteristics of Martin Place (with the exception of the MLC Centre and the existing 39 Martin Place that has no podium or tower setback from Martin Place).
- Equally, the point raised by Council that 6-10m tower setbacks define the city and differentiate it with Martin Place is not considered to be accurate in reality, with many towers being substantially less than this setback and many exceeding this. What is consistent is the defined street wall of Martin Place (with the exception of the MLC and 39 Martin Place) and the level of architectural quality and detailing of the podiums that define the street. The articulation of the tower from the podium is a key determinant of this effective spatial definition.
- The 25m setback has not been consistently enforced with recent development on Martin Place, in particular:
  - 60 Martin Place: 60 Martin Place is a new building approved in breach of the 25m tower setback. The City in its submission has described this approval as the creation of an eastern 'gateway' to Martin Place in symmetry with the RBA Building opposite. However, as demonstrated in the Urban Design and Planning Context review (Appendix K of the Planning Proposal), this idea was not part of the 'long term vision' of Martin Place as there is no recognition of this in any planning controls prior to that approval or in the urban design reports that predate it. The City's assessment report for the 60 Martin Place Planning Proposal refers primarily to the feasible redevelopment of the larger built form envelope, as approved, together with promoting Martin Place as an attractive location for globally-focussed commercial activities. The same rationale equally applies to the South Site.
  - 20 Martin Place: The example of 20 Martin Place is quoted in the City's submission as a site which intrudes on the 25m tower setback, but which pre-dates 1984 and the formalisation of the Martin Place vision. However, 20 Martin Place was refurbished in 2015, and its 'refurbishment' in no way limits the significance of this approval as it demonstrates that all future redevelopments of non-complying buildings are likely to be 'refurbishments' and that the 25m setback may never, in reality, be implemented. The opportunity to implement the 25m tower setback was not realised in the example of 20 Martin Place, in-line with the feasible redevelopment case put forward on the 60 Martin Place site.
- Had the Metro project not been committed to by the NSW Government, the same set of circumstances as applied to both 60 Martin Place and 20 Martin Place would have applied to the South Site (39 Martin Place). Under this scenario the reality that a developer would demolish the existing building and put in its place a tower with a 25m setback to Martin Place is extremely unlikely in view of the constrained floor plate. More likely the developer would have worked with Council (as per 60 Martin Place) to develop a scheme that was able to contribute to re-establishing the key attributes of Martin Place (podium extended to the street boundaries, 45-55m street wall to Martin Place) with a tower setback above a podium that supports feasible commercial floor plates. The alternative to this scenario would have been a refurbishment of the existing building, as per 20 Martin Place, which would have delivered a poorer urban design outcome in terms of contributing to the special character of Martin Place.
- A podium with an 8m tower setback to Martin Place for the South Site will provide a strongly legible urban design response, reinforcing the distinctive attributes of Martin Place, and defining a threshold condition for Martin Place, the Station and the Precinct. It will also reinforce the existing spatial conditions and ameliorate the impact of the break in the spatial definition of Martin Place caused by the MLC Centre.
- Not dissimilar to the justifications for the tower setback variations with 60 Martin Place and 20 Martin Place, the proposed envelope will allow the feasible redevelopment of the South Site and the delivery of an outcome which would be substantially better than the existing building on the site. That development is non-compliant with the controls or urban design objectives in Council's DCP and is considered 'alien' to the desired future character of Martin Place.



- Whilst it is acknowledged that the *Draft Central Sydney Planning Strategy* has contemplated a change in circumstances which result from the delivery of the Sydney Metro, the proposed 8m setback appropriately balances the proposed threshold condition arising from the station opportunity and the historic podium and setback arrangement to Martin Place. The proposal respects the important 55m street frontage wall requirement and, as discussed in the Urban Design Report in Appendix A of the Planning Proposal, the position of the tower is a response to the specific urban design context of the site and built form relationships with both surrounding buildings and public space.
- The Planning Proposal envelope maintains the prominence of the GPO clock tower and street views to it, as demonstrated by the 'Visual Impact Analysis Report' submitted with the Planning Proposal in Appendix D. A response to the proposal's impact on the prominence of the GPO clock tower is provided in **Section 2.3** below.

### 2.2.3 Conclusion

In summary, the proposed height limit and resultant 8m tower setback to Martin Place is considered appropriate given it is a contextual response to the site and to existing tower forms along Martin Place, it maintains the prominence of the GPO clock tower, and it will ensure the characteristics which distinguish Martin Place from other city streets, including the definition of the street boundary, the street wall height and podium scale. Architectural quality and materiality will be realised through the detailed design of the South Tower. The 25m setback to Martin Place is a control is not reflective of the current, or approved and likely future built form of Martin Place. Nor does it adversely impact on the existing or future character of Martin Place.

## 2.3 Martin Place Special Character Area and Views

### 2.3.1 Issue

The Heritage Council, the City of Sydney, the DAP and Dexu/GPT in their submissions to the Planning Proposal note the following with regards to the Proposal's impact on the Martin Place Special Character Area and important views along Martin Place:

- The Planning Proposal is not consistent with the long-term vision for Martin Place, which is the primary factor in analysing the context of the site. The long-term vision is to accentuate the special character of Martin Place that distinguishes it from other Streets in Central Sydney.
- The Planning Proposal diverges from the long-term vision by not considering Martin Place as a continuous linear space, dividing it into separate and distinct parts.
- The impact of the planning proposal is to significantly reduce the prominence of the GPO clock tower in views along Martin Place, contrary to the long-term vision.
- New development should conform to the adopted controls, so that Martin Place continues to be distinguished from other streets as the civic and ceremonial heart of Sydney's community.
- The Planning Proposal fails to recognise the need for any new development to properly respond to the Martin Place Special Character Area.
- It could also be argued that the 25m setback establishes the reading of a lower scale for the Martin Place Special Character Area which is consistent with the character of Martin Place at the time of its establishment and the construction of key buildings, including 50 Martin Place, numbers 2 and 5 Martin Place and the GPO which define the special character of the place.

### 2.3.2 Proponent's response

The Planning Proposal supports Martin Place's ongoing role as the civic and ceremonial heart of Sydney's community. It is consistent with the long-term vision for Martin Place for the reasons set out below and as described in the Urban Design reports submitted with the Planning Proposal.

- The Planning proposal is consistent with the long-term vision for the Martin Place Special Character Area because it:
  - will encourage the redevelopment of a podium and viable tower that re-instates the desired built form along Martin Place, being a strong podium and linear enclosure of the street, with a street frontage height consistent with the prevailing form of buildings in the area, and a contextually responsive tower, clearly setback and distinguishable from the street alignment podium.
  - Provides the opportunity for the detailed design of the future OSD to reinforce the streets character through strong building materials and a sense of enclosure.
  - Protects existing significant public vistas to the east and west and ensures the South Tower will not undermine the appreciation of the GPO clock tower, or views of its silhouette.
  - Provides open views to the sky and respects pedestrian amenity along Martin Place particular with regards to solar access, daylight and wind conditions.
  - Strikes an appropriate balance between conserving and enhancing the significance of Martin Place as one of Central Sydney's grand civic and ceremonial spaces, and expanding on its role as a valued business and commercial location in the Sydney CBD with excellent access to public transport.
  - As discussed in Section 3.2.2 of the Planning Proposal, the principles of the Martin Place Special Character Area have helped inform the Precinct-specific Urban Design and Heritage Guidelines, that have been submitted with the Stage 1 SSD Development Application for the Precinct. The Guidelines will inform the detailed design of future development on the site and be used to assess the suitability of that future design.

- The Planning Proposal envelope maintains the prominence of the GPO clock tower as demonstrated by the 'View Impact Analysis Report Sydney Metro and Martin Place Station Precinct' (Appendix D of the Planning Proposal). This document and particularly the view studies of Martin Place show that the GPO clock tower remains unobstructed by the South Site envelope from all public spaces within Martin Place. The principal impact on the view of the clock tower from the public domain occurs as a result of the street aligned podium on the South Site, which is effectively mandated by all relevant planning controls and objectives.
- The Planning Proposal envelope appropriately reinforces the spatial significance of Martin Place and its ongoing role as the commercial centre of the Sydney CBD, and also responds to the significant improvement in public transport accessibility. It does this in a manner appropriate for the future sustainability of the city whilst respecting the historic and ceremonial significance of Martin Place by providing an envelope which responds reasonably to its context. The future detailed design of the podium will have a more profound and significant bearing on reinforcing the significance of Martin Place.
- Council's submission suggests Martin Place as a consistent and coherent linear space. The linear nature of Martin Place is defined by the consistent street wall definition, materiality and level of detail of the buildings, and its use as a pedestrian thoroughfare free of all vehicles. The towers over the podiums are varied in their setback and not consistently aligned, and do not contribute to the idea of Martin Place as a singular space.
- The urban design justification in the Planning Proposal identifies that a defining characteristic of Martin Place is the street wall, which is broken by the MLC Centre. This break aligns with a defined functional split in Martin Place with civic, ceremonial and event functions primarily occurring to the west, and commercial development and transport to the east. This is reflected by the 25 tower setbacks to the west established by heritage buildings such as the GPO, and re-affirms the appropriate contextual response of the proposed southern tower to conditions east of the MLC Centre.

### **2.3.3 Conclusion**

In summary, the Planning Proposal is consistent with the long-term vision for the Martin Place Special Character Area because it re-instates the desired podium form along Martin Place and preserves important vistas, whilst striking an appropriate balance between conserving and enhancing the significance of Martin Place as one of Central Sydney's grand civic and ceremonial spaces, and expands its role as a valued business and commercial location in the Sydney CBD, with excellent access to public transport.

## 2.4 Floor Space Ratio

The Planning Proposal seeks to increase the maximum permissible Floor Space Ratio (FSR) of the North Site to 18.51 and the South Site to 22:1, inclusive of a number of existing FSR bonuses applicable to the Precinct. The intent behind this proposed change is to capitalise on the strategic merit of the site and compensate for the GFA attributed by the Metro Station and related facilities, most of which is located below ground level and accounts for approximately 1.08:1 of the proposed FSR on the North Site and 1.31:1 of the proposed FSR on the South Site.

### 2.4.1 Issue

The City of Sydney and Dexu/GPT in their submissions to the Planning Proposal note the following with regards to the FSR sought with the Planning Proposal:

- The FSRs sought for the site are not supported by robust analysis. They are not matched to desired built form outcomes, and do not provide certainty and clarity for future development.
- The provision of a new metro rail station in Martin Place does not alter the overall context for the Martin Place planning controls. Commercial development to absorb the additional capacity provided by Sydney Metro can be spread throughout the station catchment, including at sites above the station that are subject to this planning proposal. This can be done by increasing the building heights on those sites to the relevant sun access planes, whilst maintaining the 25m tower setback to Martin Place for the south site.
- The planning proposal is not clear about what is included or excluded from the FSR calculation, pointing out that some of the FSR is below ground for the Metro Station and other purposes, and some applies to the commercial and other uses in the planned towers. This raises considerable uncertainty as to the ultimate outcome for development of the sites. Future applications by Macquarie (or another party should Macquarie divest or dilute their interest in the site) may not adopt the same definitional approach or distribution of FSR as the planning proposal.
- The South Site should maintain the current maximum FSR in Sydney LEP 2012. It is not suitable for the development sought as it is affected by long-standing planning and design principles and controls that have been consistently applied to other sites along Martin Place. Any proposal should maintain the 25m setback that is a long-standing and successful part of the planning controls.
- The North site should have an FSR that is matched to the desired above-ground form of any building on the site, with a maximum building height below the Martin Place sun access plane, a street wall height that relates to and reinforces the scale of 50 Martin Place, setbacks of at least 4m above this street wall to Elizabeth Street and Castlereagh Street for the full length of the building, and a street wall setback should be required to Hunter Street if the modelled wind conditions exceed existing conditions.

### 2.4.2 Proponent's response

A detailed justification for the Planning Proposal and an assessment of the suitability of the increased precinct capacity and density is provided in Section 6.0 and Section 7.2 respectively of the exhibited Planning Proposal Report prepared by Ethos Urban and dated 27 October 2017. This assessment provides a detailed justification for the proposed FSR and already addresses the concerns raised in the submissions of the City of Sydney and Dexu/GPT with regards to the proposed FSR for the precinct. In particular, it makes the following key points:

- With the construction of the Sydney Metro (a step change piece of transport infrastructure) there is a fundamental responsibility and reasonable expectation for the development capacity of the Precinct to increase based on future growth in Sydney. This is recognised in numerous government planning strategies, and the Planning Proposal responds to this important and unique opportunity. The proposal supports a significant financial investment in the ongoing renewal of Martin Place as the commercial heart of the Sydney CBD. A site redevelopment to the maximum proposed floor space would accommodate approximately 15,000 jobs.
- Even though local environmental planning instruments and their development standards do not apply to the Metro Station Critical State Significant Infrastructure (CSSI) project, Gross Floor Area (GFA) used for this purpose or class of development is not excluded from the Sydney LEP 2012 and the standard instrument definition of GFA, and must therefore be included in all calculations with SSD or local development. This results in a perverse outcome of effectively penalising projects that incorporate CSSI development by reducing a site's maximum development potential. The proposed FSR has therefore been increased to account for and counteract this penalising effect.

- The proposed FSR is the product of urban and architectural design testing, rather than a target figure. This established the appropriate maximum building envelope in terms of its impacts, with the design team then working to calculate a smaller FSR within that theoretical envelope. The smaller FSR allows a reasonably “loose fit” within the envelope (North Site), in which there will be sufficient room for the design team to respond at the detailed design stage with an articulated building form.
- The resultant FSR derived from this process is within the range of FSRs for similar sites tested by the City as part of its recent *Built Form Capacity Study* (Capacity Study), particularly considering some of the proposed floor space is dedicated to the below ground Metro Station, and not contributing to the above ground envelope or visible FSR.

In addition, and in response to the comments made during the exhibition period from the City of Sydney and Dexu/GPT noted in **Section 2.4.1**, the proposed FSR is considered justified for the following reasons:

- Unimpeded by the 25m ‘setback’ created by the 55m height limit, the size of the South Site provides an important opportunity to deliver a tower of increased scale that supports the office space floorplates commensurate with market demand within ‘Global Sydney’.
- The proposed FSR controls for the precinct are clearly outlined in the Planning Proposal, and represent the maximum permissible capacity of development on the site. These FSR controls are based on extensive design development and the testing of station and OSD components and will be enshrined in the site-specific provision in the Sydney LEP 2012.
- It is not agreed that “the provision of a new metro rail station in Martin Place does not alter the overall context for the Martin Place planning controls”. The delivery of the Sydney Metro represents step-change transport infrastructure project and one of the largest investments in public transport in the country’s history. Accordingly, there is a responsibility and reasonable planning expectation for the development capacity of the Precinct to increase. Therefore, to ensure consistency with the objectives of the FSR standard “*to provide for an intensity of development that is commensurate with the capacity of existing and planned infrastructure*”, there is a demonstrable need to review and increase the current permissible FSR limit applying to the Precinct as a result of the Sydney Metro project.
- The Sydney Metro project is fully committed and advanced in its planning and delivery, with OSD being a key component to the overall project. In order to deliver Martin Place Station, the South Site must be demolished to facilitate its construction. To this end, a ‘do nothing’ option (i.e. no OSD above the Sydney Metro Martin Place Station) is not a feasible alternative option available.
- In accordance with the Final Business Case for the Sydney Metro City & South West CSSI Project, over station development presents a significant opportunity to recover a portion of the project costs. In addition to place making and contributing towards the stimulation of urban development (consistent with the objectives for the Sydney Metro project) the OSD strategy by TfNSW supports the NSW Government in funding the cost of this step change piece of public transport infrastructure.

### 2.4.3 Conclusion

In summary, the proposed FSR is appropriate and has strategic merit, and satisfies the assessment criteria in the Department of Planning and Environment’s *A Guide to Preparing Planning Proposals* as it “responds to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls”.

## 2.5 Setbacks to Streets

### 2.5.1 Issue

The City of Sydney and Dexu/GPT in their submissions to the Planning Proposal note the following with regards to the proposed zero tower setbacks to streets (other than to Martin Place) which the Planning Proposal does not expressly prohibit:

- The lack of side street setbacks to the tower forms on both the North and the South Sites. This is inconsistent with the proposed *Draft Central Sydney Planning Strategy* in both cases. It will lead to a reduction in environmental comfort in public areas by reducing daylight and sky view, increasing overshadowing, and increasing uncomfortable wind effects and building fit.
- The absence of a podium form with tower setbacks to secondary streets, which will result in reduced environmental amenity in public places and poor building fit.
- The proposed *Draft Central Sydney Planning Strategy* is clear that priority actions flowing include stipulating street wall heights, street setbacks, and side and rear setbacks to ensure tall buildings develop as a tower on a podium. The planning proposal is not consistent with this approach as detailed in the proposed Central Sydney Planning Strategy in that it does not incorporate setbacks to produce the tower and podium typology for the North site or the South site.
- Setbacks of at least 4m above the street wall to Elizabeth Street and Castlereagh Street for the full length of the building, to allow light, air circulation and daylight to adjacent development and to the public domain, and to provide wind protection. The planning proposal is not consistent with this principle.
- A street wall setback should be required to Hunter Street if the modelled wind conditions exceed existing conditions. The planning proposal is not consistent with this principle.
- The Planning Proposal appears to totally disregard the setback control which would apply above street frontage height in Castlereagh Street and Elizabeth Street. These setbacks are vital in ensuring a satisfactory relationship between tower elements and the public domain and increase sky views and outlook, mitigate against adverse wind conditions and reduce overshadowing.

### 2.5.2 Proponent's response

As discussed in Section 7.3 of the Planning Proposal report as exhibited, the following is noted with regards to the zero tower setbacks to city streets:

- The zero setbacks to both Elizabeth and Castlereagh Streets play important roles in the urban morphology of this part of the city. Zero setbacks, in contrast to the typical setbacks of the city, provide distinctive thresholds into major public spaces in the City, namely Chifley Square and Martin Place. This is particularly important in the case of Martin Place which has a typical street morphology. In the case of the North Site and the threshold to Chifley Square, both 8 Chifley and the Deutsche Bank Building have zero street setbacks for the full height of their towers.
- The zero setback to Hunter Street is a site-specific response related to the predominant zero setback of the towers directly to the east; 8 Chifley and the Deutsche Bank Building. Compared to the DCP controls which call for an 8m tower setback above podium, the proposed alignment provides an enhanced definition of Chifley Square, Richard Johnson Square and also of the changing street network of Hunter Street. This street is the northern boundary of the north-south orthogonal grid of the city and the southern boundary of the city's original topographic street network.
- Compared to the existing LEP/DCP Compliant Envelope, the modelling of the Planning Proposal Envelope reveals that there are negligible additional impacts with regards to shadows, wind and sky view, as summarised below:
  - The additional shadows either fall onto surrounding streets and roofs/buildings or generally fall within the shadow cast by the existing LEP/DCP Compliant Envelope that is deemed to satisfy the objectives of the controls. There would be minor additional shadowing of a small section of Hyde Park North at the "worst case" period of the year (i.e. winter) between 1:30pm and 3:00pm. This impact is considered reasonable given this occurs largely outside the Sun Access Plane's design period (12:00 – 2:00pm) and the ground level of this section of Hyde Park is already largely in shadow from the trees located in the affected area.

- The Planning Proposal envelope will not significantly alter the sky view thresholds currently enjoyed from streets surrounding the Precinct. Whilst there will be nominal changes in the detailed Skyview Factor percentages, the thresholds will remain largely consistent with the existing environment (see Appendix L of the Planning Proposal)
- LEP/DCP Compliant Envelopes change wind patterns in the area, causing some areas to be windier and others less windy, compared to existing conditions. The setbacks under the Planning Proposal Envelope and the Concept Proposal/Stage 1 SSD DA Envelope have a relatively minor impact on wind amenity at the ground plane, with a small improvement in wind conditions at some locations and slight degradation at others. Accordingly, the Planning Proposal will generally protect, and in some cases, enhance the wind environment for pedestrians in the precinct.
- The City's position that 4m setbacks would be acceptable is at odds with its own controls (with an average 8m setback provided under its DCP) and as noted above would be inconsistent with key contextual development in terms of 8 Chifley and Deutsche Bank building, both of which were approved under similar LEP and DCP controls
- The proposed envelopes are the starting point, with the future detailed design to go through a rigorous design excellence process, and importantly, are considered capable of achieving a positive relationship with the surrounding built form context. Setbacks are incorporated in the Council's DCP, not the LEP, and the Planning Proposal does not alter that arrangement of development standards or the relationship between what is in the LEP and what is in the DCP.

## 2.6 Impacts on MLC Centre

### 2.6.1 Issue

The City of Sydney and Dexus/GPT in their submissions to the Planning Proposal raise the following concerns regarding potential impacts to the MLC Centre:

- The Planning Proposal will cause significant additional overshadowing of a public forecourt at MLC. The 25m tower setback on the south site has the effect of allowing sun to the MLC steps and public forecourt, and through the skylights to the basement retail areas. By not respecting the setback it will cause additional overshadowing of this area. The overshadowing is produced by the component of the tower that is proposed within the 25m tower setback above 55m.
- The Planning Proposal package details no specific impacts on the MLC Centre, notwithstanding that the MLC Centre is the immediate neighbour to the west of the "south site" and that it is prone to adverse overshadowing, wind conditions and other impacts including on publicly accessible space within the MLC Centre site, by virtue of increased bulk, scale and height on the "south site".
- The Planning Proposal will result in increased overshadowing of the publicly accessible spaces on the MLC Centre site. This appears to have been ignored by the Planning Proposal because the MLC Centre is private land.
- The MLC Centre appears in the distance of View D (from Chifley Square looking south). Views have not been selected to allow analysis of the impact of the Proposal for the South Site on the MLC Centre.
- Commentary on the impact of the proposed envelope for the South Site is reported at 3.2.1 (Martin Place) of the Analysis and repeated at 3.4.1 (Elizabeth Street) and 3.5.1 (Castlereagh Street) and again at Section 4 Conclusions. The assessment appears to ignore potential impacts on the MLC Centre.
- Both of the Planning Proposal's over-station tower envelopes reduce the amount of sunlight received by the MLC Centre public plaza in the morning, throughout the year.
- There is a notable reduction in the duration and extent of loss of sunlight by the Sydney LEP2012 and DCP2012 compliant envelope.
- Wind tunnel testing has not been carried out on the footpaths adjacent to the MLC Centre or within the MLC Centre boundaries.



## 2.6.2 Proponent's response

The following sections address concerns relating to impacts from the Planning Proposal Envelope on the MLC Centre raised in submissions.

### Solar Access / Overshadowing

The MLC Centre and forecourt is privately owned land that is not afforded any special protection under Sydney LEP 2012.

The shadow diagrams included in Appendix E of the Planning Proposal indicate that only minor additional overshadowing will occur as a result of the Planning Proposal Envelope over and above an existing LEP/DCP compliant envelope to a limited portion of the MLC forecourt, which will generally be limited to between 9am and 10:30am in the months outside of midwinter. In the warmer months, the additional shadow will be cast to the forecourt steps at the northern end of the site, and in April / September / August, the additional shadow will be cast to a minor area at the southern end, closest to the MLC tower.

The majority of the MLC Centre forecourt will still receive direct sunlight for 2-3 hours over the lunch time period outside of midwinter despite the additional minor overshadowing cast by the Planning Proposal Envelope. This is considered acceptable as the minor additional overshadowing will not materially impact on the amenity enjoyed by the MLC forecourt from direct sunlight during lunch time hours. **Figure 1** and **Figure 2** demonstrate the extent of the impact of shadows on the MLC Centre forecourt resulting from the Planning Proposal Envelope on 21 December, to demonstrate the impact in the warmer months, and on 14 April, to demonstrate the impact outside of midwinter and the summer months. The potential impacts also need to be considered in the context that the MLC Centre is identified as an opportunity site under the Sydney LEP (refer to Clause 6.9), with the infill of the forecourt encouraged through the allocation of bonus floorspace.





9am, 21 December



10am, 21 December



11am, 21 December



Noon, 21 December

**Figure 1 – 21 December, MLC Centre, Additional Planning Proposal Envelope Shadows (pink), LEP / DCP Compliant Envelope shown in red outline**

Source: Grimshaw



9am, 14 April



10am, 14 April



11am, 14 April

**Figure 2 – 14 April, MLC Centre, Additional Planning Proposal Envelope Shadows (pink), LEP / DCP Compliant Envelope shown in red outline**

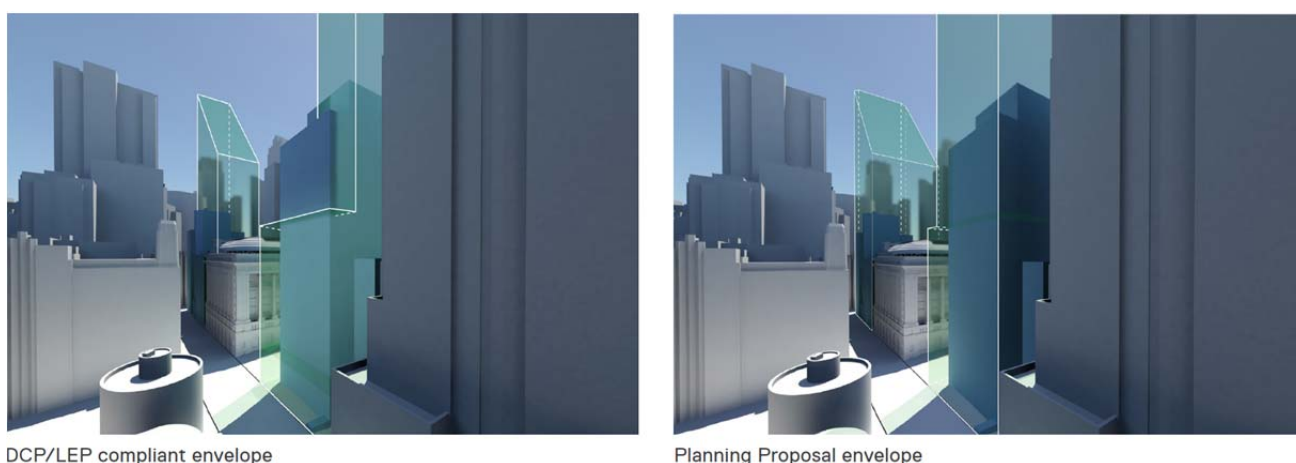
Source: Grimshaw

## View Impacts

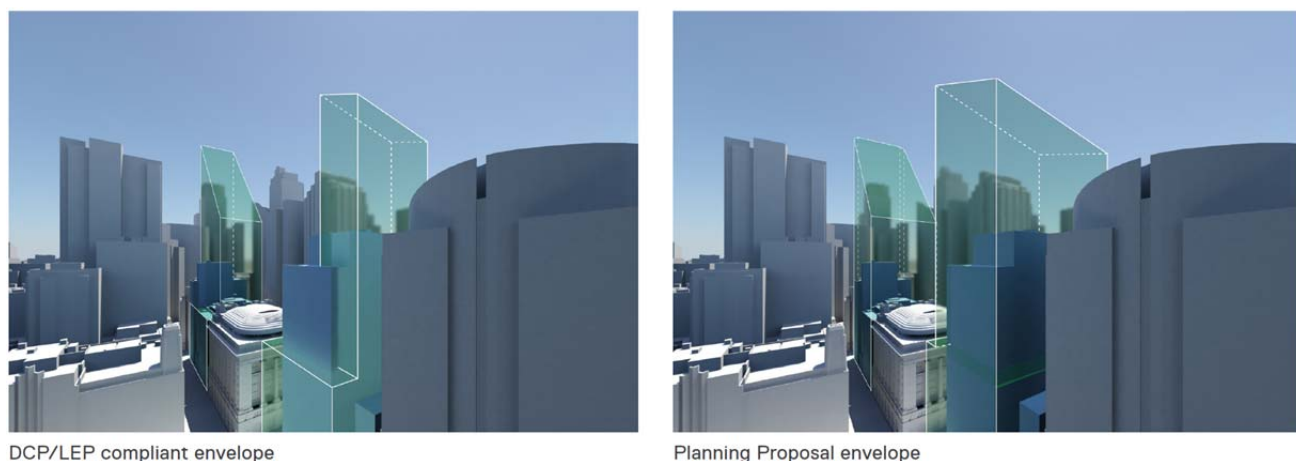
In response to concerns raised regarding impacts to views from the MLC Centre forecourt and tower, a focussed View Impact Analysis has been prepared by Grimshaw (**Appendix B** of this report) which models the change in views, as a result of the Planning Proposal envelope, compared to the existing LEP / DCP envelope. Whilst the Planning Proposal envelope will result in a change in views from the MLC Centre tower and forecourt, this will not adversely or unreasonably impact on the amenity of the MLC Centre for the following reasons:

- The change to existing views resulting from the Planning Proposal Envelope compared to an existing LEP / DCP envelope is minimal, with the Planning Proposal Envelope not blocking any significant views. Whilst it is recognised that there is a need to maintain the amenity of surrounding development, given the commercial office use and CBD context of the Precinct, the proposed outlook change is considered reasonable.
- The MLC Centre forecourt will continue to benefit from substantial views of Martin Place, CBD buildings and the sky despite the proposed envelope, particularly when looking north, as illustrated in **Figure 9**.
- The proposed envelopes modelled describe the maximum parameters within which any future development can sit, and do not describe a building form as such. There are many possible massing options that may sit within the proposed envelopes, and the future Stage 2 design will accommodate more detailed articulation which will result in a potentially reduced visual impact.
- The MLC building is a tower in the round, and taller than most other buildings, so view impacts need to be considered in this context. The MLC Tower above Level 30 has expansive 360 degree views of the CBD and beyond to the harbour and to other iconic views that will continue to be protected (refer to **Figure 10**).

**Figure 3 to Figure 8** below illustrates the minor nature of the additional view loss which results from the Planning Proposal Envelope compared to an existing LEP/DCP envelope.

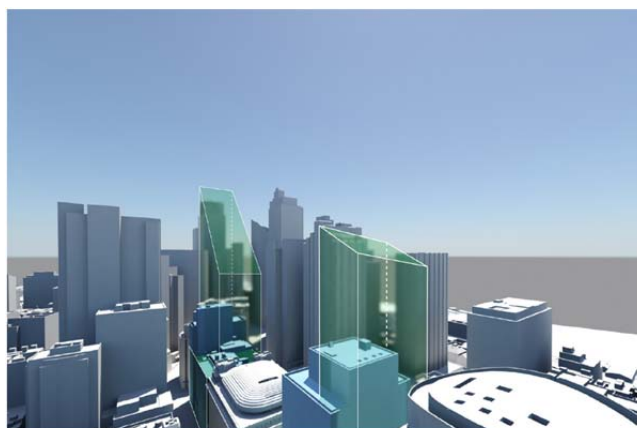


**Figure 3 – View from MLC Centre Level 10**

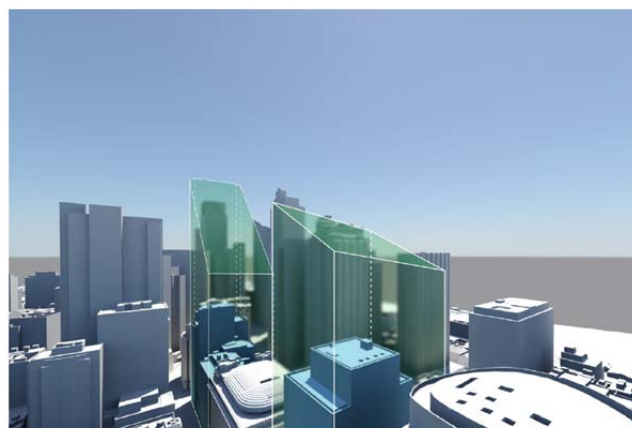


**Figure 4 – View from MLC Centre Level 20**





DCP/LEP compliant envelope

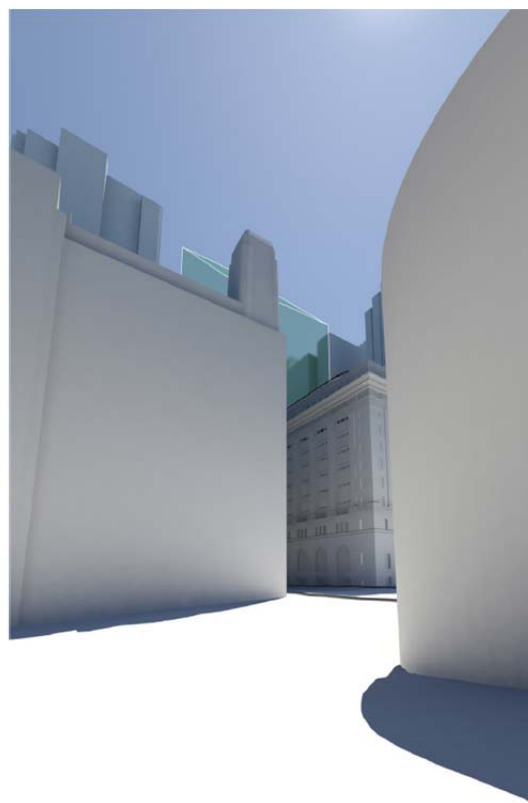


Planning Proposal envelope

**Figure 5 – View from MLC Centre Level 30**

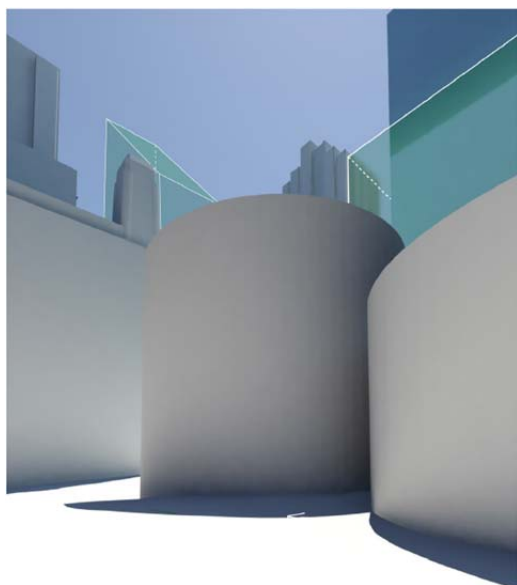


DCP/LEP compliant envelope

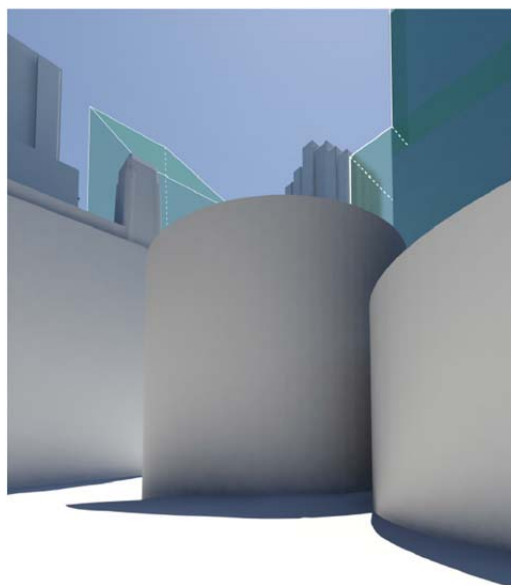


Planning Proposal envelope

**Figure 6 – View from front steps of MLC Centre looking north-east**

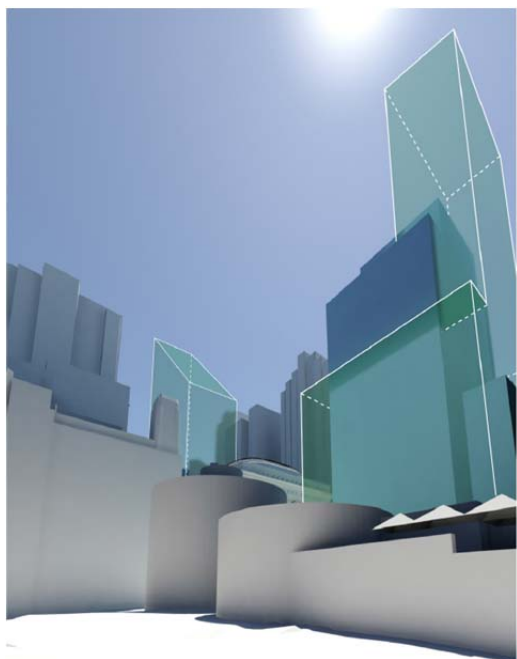


DCP/LEP compliant envelope

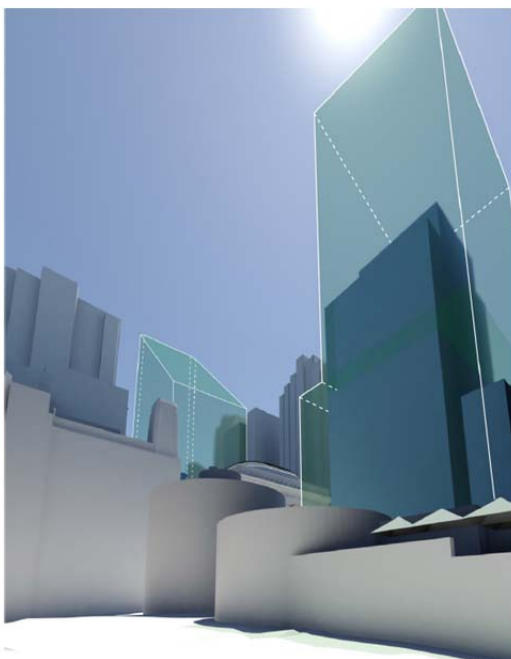


Planning Proposal envelope

**Figure 7 – View from MLC Centre forecourt looking north-east**



DCP/LEP compliant envelope



Planning Proposal envelope

**Figure 8 – View from MLC Centre rear forecourt looking north-east**



Figure 9 – Panoramic view of surrounding buildings views of the sky from the MLC Centre forecourt, looking north / north-east

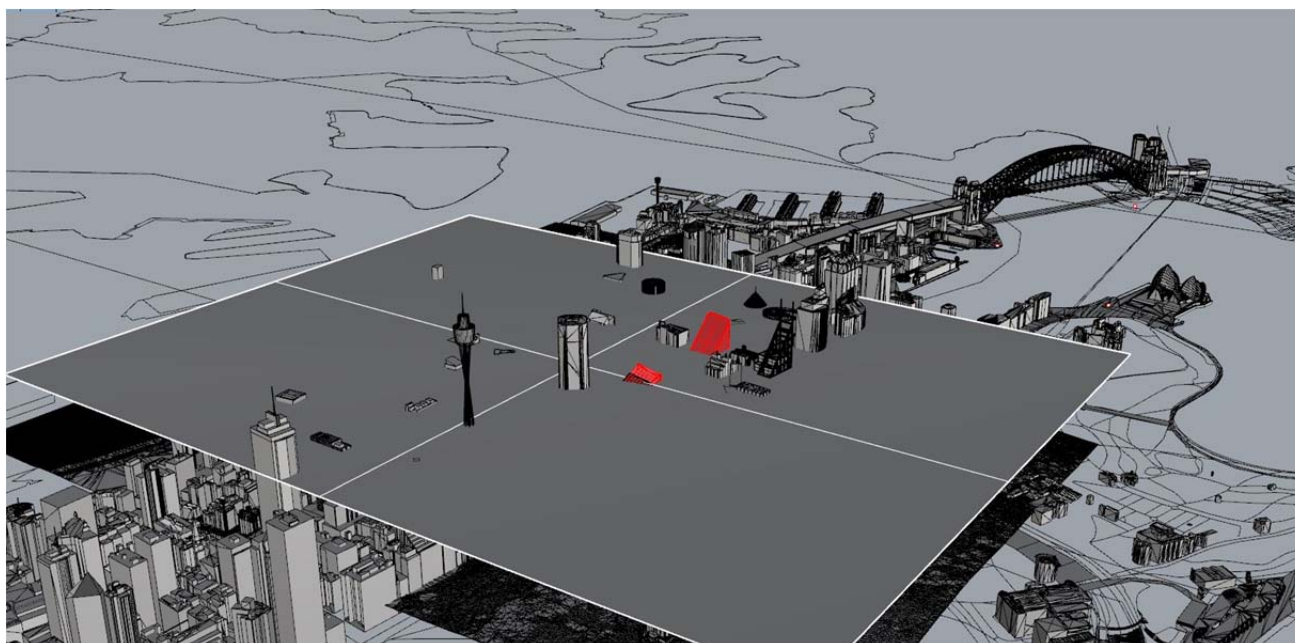


Figure 10 – Expansive 360 degree views available from the MLC Tower above level 30

## Wind Impacts

With regards to wind impacts, a Qualitative Wind Assessment has been undertaken by CPP and is included in **Appendix C** of this report. This report builds on the findings of the Wind Tunnel Study (Appendix F of the Planning Proposal Report) and provides an assessment of conditions to the immediate west of the South Tower, on the footpath, steps, and forecourt of the MLC Centre. This assessment makes the following findings:

- The results of the previous testing indicated that the wind conditions at pedestrian level in the areas surrounding the proposed development site are generally classified as suitable for pedestrian standing and walking.
- Between the two configurations, being the existing situation and the Planning Proposal Envelope with a 6m setback (note this has been amended to 8m), locations tested in close proximity to the MLC Centre were found to remain in the same comfort categories, being pedestrian sitting and pedestrian standing. In summary, it is expected that pedestrian wind comfort and safety in the area of concern will not be significantly affected by the inclusion of the south tower Planning Proposal Envelope. Conditions are likely to remain similar to or better than the existing. This conclusion is based on the previous wind tunnel data and knowledge of the local wind climate and flow dynamics.

### 3.0 Conclusion

The proponent, Macquarie, and its project team have considered all submissions made in relation to the public exhibition of the Planning Proposal which seeks to change development standards applying to the Sydney Metro Martin Place Station Precinct. A considered and detailed response to all submissions made has been provided with this report and the accompanying documentation.

In responding to and addressing the range of matters raised by government agencies and authorities and the general public, Macquarie has provided further justification and assessment for the Planning Proposal in order to confirm the strategic merit and impacts of the Proposal. It has been demonstrated that the proposed changes are warranted in the circumstances and will facilitate development with significant benefits to the Precinct and more broadly for the city.

The Planning Proposal represents the best means to achieve the many stated objectives and intended outcomes for integrated land use and transport planning associated with the Sydney Metro Martin Place Station Precinct. Ultimately the Precinct's capacity to enhance employment generation in alignment with substantial infrastructure investment is contingent on some amendments to the Sydney LEP 2012, which does not legislate for the change to the City the Metro will bring. The Planning Proposal is considered reasonable, justified, and in the public interest as:

- it will reinforce Sydney as a global economic centre for business, and a leader in attracting new talent;
- there is additional public transport capacity created by the new Metro infrastructure, and augmented by the infrastructure, to support the Planning Proposal;
- it better satisfies expectations for greater densities, in the right locations, within acceptable environmental impacts and supported by appropriate infrastructure investment;
- it will lead to a re-imagining of the Precinct and foster design flexibility and enhanced ability to deliver excellence;
- there are no significant adverse impacts from a public domain, environmental amenity and heritage perspective, and any impacts can further be reduced through design development/detailed building design; and
- it will contribute directly to the economic success of Sydney, NSW and more broadly Australia.