

IRF24/1156

Gateway determination report – PP-2022-4342

232-240 Elizabeth Street, Surry Hills

June 24



NSW Department of Planning, Housing and Infrastructure | planning.nsw.gov.au

Published by NSW Department of Planning, Housing and Infrastructure

dpie.nsw.gov.au

Title: Gateway determination report - PP-2022-4342

Subtitle: 232-240 Elizabeth Street, Surry Hills

© State of New South Wales through Department of Planning, Housing and Infrastructure 2024. You may copy, distribute, display, download and otherwise freely deal with this publication for any purpose, provided that you attribute the Department of Planning, Housing and Infrastructure as the owner. However, you must obtain permission if you wish to charge others for access to the publication (other than at cost); include the publication in advertising or a product for sale; modify the publication; or republish the publication on a website. You may freely link to the publication on a departmental website.

Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (June 24) and may not be accurate, current or complete. The State of New South Wales (including the NSW Department of Planning, Housing and Infrastructure), the author and the publisher take no responsibility, and will accept no liability, for the accuracy, currency, reliability or correctness of any information included in the document (including material provided by third parties). Readers should make their own inquiries and rely on their own advice when making decisions related to material contained in this publication.

Acknowledgment of Country

The Department of Planning, Housing and Infrastructure acknowledges the Traditional Owners and Custodians of the land on which we live and work and pays respect to Elders past, present and future.

Contents

1	Planning proposal1			
	1.1	Overview1	1	
	1.2	Objectives of planning proposal1	1	
	1.3	Explanation of provisions2	2	
	1.4	Site description and surrounding area2	2	
	1.5	Background	1	
2	Nee	d for the planning proposal	1	
3	Stra	Itegic assessment	1	
	3.1	Regional Plan	1	
	3.2	District Plan	5	
	3.3	Local6	3	
	3.4	Section 9.1 Ministerial Directions	7	
	3.5	State environmental planning policies (SEPPs)10)	
4	Site	-specific assessment10)	
	4.1	Environmental10)	
	4.2	Social and economic12	2	
	4.3	Infrastructure	2	
5	Cor	sultation12	2	
	5.1	Community	2	
	5.2	Agencies13	3	
6	Tim	eframe13	3	
7	Loc	al plan-making authority13	3	
8	Assessment summary13			
9	Recommendation14			

Table 1 Reports and plans supporting the proposal

Relevant reports and plans

Acoustic Assessment (Acoustic Logic, November 2022)

Archaeological Assessment (Curio Projects, November 2022)

Desktop Contamination Study (Douglas Partners, November 2022)

Draft Site Specific DCP (City of Sydney, April 2024)

Economic and Social Impact Report (Planning Lab, November 2023)

Flood Advice Report (IGS, January 2024)

Geotechnical Report (Douglas Partners, February 2024)

Heritage Impact Statement (Urbis, February 2024)

Landscape Concept Plan (Black Beetle, December 2023)

Oviform Sewer Investigations (Candalepas Associates, March 2023)

Planning Proposal (City of Sydney, April 2024)

Planning Proposal Proponent Justification Report (Planning Lab, November 2023)

Qualitative Wind Assessment (CPP, November 2022)

Section J Assessment Report (IGS, January 2024)

Survey Plan (Eric Scerri & Associates, January 2014)

Traffic Impact Assessment (Traffix, January 2024)

Urban Design Study (Candalepas Associates, July 2023)

Waste Management Plan (Ratio Consultants, January 2024)

1 Planning proposal

1.1 Overview

Table 2 Planning proposal details

LGA	City of Sydney
РРА	City of Sydney Council
NAME	232-240 Elizabeth Street, Surry Hills
NUMBER	PP-2022-4342
LEP TO BE AMENDED	Sydney Local Environmental Plan 2012
ADDRESS	232-240 Elizabeth Street, Surry Hills
DESCRIPTION	 Lot 1 and 2, SP 1379 Lot 1 and 2, DP 779385 Lot 1, DP 664653
RECEIVED	15/04/2024
FILE NO.	IRF24/1156
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal

1.2 Objectives of planning proposal

The planning proposal contains objectives and intended outcomes that adequately explain the intent of the proposal.

The objectives of the planning proposal are to enable:

- A 10 storey infill commercial building appropriate to the surrounding context and the MU1 Mixed Use Zone;
- The provision of additional commercial workspace within Surry Hills, located within the City Fringe and the Eastern Creative Precinct, and in close proximity to Central Railway Station and associated transport links;
- A pedestrian through-site link connecting Reservoir Street to Foster Lane;
- Additional height and floor space while protecting sun access to 242-254 Elizabeth Street;
- A reinforced street wall along both Elizabeth and Reservoir Streets by maintaining the parapet heights and all massing above the street wall to be set back and not visible from the street; and
- A built form capable of achieving design excellence and acceptable sustainability outcomes.

The objectives of this planning proposal are clear and adequate.

1.3 Explanation of provisions

The planning proposal **(Attachment A)** seeks to amend the Sydney Local Environmental Plan 2012 (Sydney LEP 2012) to enable an increased floor space ratio (FSR) and increased maximum building height for development at 232-240 Elizabeth Street, Surry Hills that is used wholly for purposes other than residential accommodation and serviced apartments.

This is to be achieved by introducing a new site specific clause under Part 6, Division 5 to:

- permit a maximum building height of RL50.33 metres;
- permit a maximum FSR at or above ground level for the site of:
 - o **6.36:1**;
 - Additional floor space, of up to 10%, if the building demonstrates design excellence (under clause 6.21D(3)(b)); and
- permit a maximum floor space ratio of 0.3:1 of end of journey floor space below ground level (under clause 6.13).

The total FSR calculated under the new site-specific provision must not exceed 7.3:1.

The proposal also intends that Clause 6.21D(3)(a) should not apply to these site-specific controls and no additional building height should be available to exceed the maximum set at RL50.33 metres.

The planning proposal notes a site-specific amendment is intended to the Sydney Development Control Plan 2012 (draft DCP) to help ensure the objectives and intended outcomes of this planning proposal are achieved. The draft DCP includes controls relating to the built form of the proposed development, active frontages and public domain, provision of a pedestrian through-site link connecting with Foster Lane, and amenity. Council intends to publicly exhibit the draft DCP with this planning proposal.

The planning proposal contains an explanation of provisions that adequately explains how the objectives of the proposal will be achieved.

1.4 Site description and surrounding area

The site is located to the southeast of the Sydney CBD at the intersection of Elizabeth Street and Reservoir Street, Surry Hills. The site has an area of 906sqm and has a frontage to Elizabeth Street of approximately 30 metres, a frontage to Reservoir Street of approximately 34 metres and a frontage to Foster Lane of approximately 11 metres (see **Figure 1** below).

The site currently contains various two and three storey buildings with ground floor commercial development and a hostel on the first and second floor (see **Figure 2** below).

The surrounding area contains a mix of residential, commercial and retail uses. The scale of buildings to the north, east and south of the site range from 6 storeys to 15 storeys. To the west of the site on the opposite side of Elizabeth Street is the suburban railway line adjoining Belmore Park to the west.

The site adjoins a 10 storey commercial building to the north and a 7 storey commercial building to the east.

The site is highly accessible by public transport and is located approximately 250 metres from Central Railway Station with bus stops located in front of the site on Elizabeth Street.



Figure 1 Site Location, site bound in red (source: City of Sydney)



Figure 2 Subject Site (source: City of Sydney)

1.5 Background

A Stage 1 Concept Development Application (DA) (D/2016/1451) was approved by the NSW Land and Environment Court on 21 July 2017, granting approval for demolition of the existing buildings and construction of a mixed-use building to a maximum height of 35 metres on the subject site. This application was subsequently modified (D/2016/1451/A) and approved on 25 November 2020. The development application is yet to be acted upon.

Condition 3 of D/2016/1451/A required the building envelope to be modified to reduce overshadowing impacts to Apartments 601 and 602 in 242-254 Elizabeth Street, Surry Hills.

2 Need for the planning proposal

Q1. Is the planning proposal a result of an assured local strategic planning statement, or Department approved local housing strategy, employment strategy or strategic study or report?

The planning proposal is the result of a request made to Council by the land owner (Stasia Holdings). It gives effect to the local planning priorities in Council's endorsed Local Strategic Planning Statement (LSPS) because it will:

- Enable additional employment floor space, helping to support innovative and diverse business clusters in the City Fringe (Priority P2)
- Help align growth with supporting infrastructure, by providing additional employment floor space in a highly accessible location (Priority L2)

This is discussed further in Section 3.3 of this report.

Q2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

The intended outcomes of the proposal cannot be delivered under the current planning framework and a planning proposal is required to amend the Sydney LEP 2012.

The planning proposal seeks to introduce a site-specific clause into the Sydney LEP 2012 to enable additional employment floor space, in a highly accessible location. It is considered the best means of achieving the objectives and intended outcomes of the proposal because it ensures that additional floor space is used for purposes other than serviced apartments and residential accommodation, consistent with the planning priorities identified in Council's LSPS.

An alternative approach to the site-specific clause would be to amend the existing 'Height of Buildings Map' and 'Floor Space Ratio Map'. However, doing so would provide no guarantee that additional floor space would be for employment generating uses.

3 Strategic assessment

3.1 Regional Plan

The Greater Sydney Region Plan – A Metropolis of Three Cities (March 2018) was prepared by the Greater Sydney Commission. Key objectives of the Region Plan are Infrastructure and Collaboration, Liveability, Productivity and Sustainability. The proposal is consistent with the Region Plan as it will enable additional employment floor space, generating jobs and supporting the strength and competitiveness of the Harbour CBD.

3.2 District Plan

The site is within the Eastern City District and the Greater Sydney Commission released the Eastern City District Plan on 18 March 2018. The plan contains planning priorities and actions to guide the growth of the district while improving its social, economic and environmental assets.

The planning proposal is consistent with the priorities in the plan for infrastructure and collaboration, liveability, productivity, and sustainability as outlined in Table 3 below.

The Department is satisfied the planning proposal gives effect to the District Plan in accordance with section 3.8 of the *Environmental Planning and Assessment Act 1979*. The following table includes an assessment of the planning proposal against relevant directions and actions.

Table 3 District Plan assessment

District Plan Priorities	Justification	
Planning for a city supported by infrastructure (Planning Priority E1)	This planning proposal would facilitate the delivery of new office space in proximity to existing and planned transport infrastructure, maximising the efficient use of rail, light rail, Metro and bus services.	
Creating and renewing great places and local centres, and respecting the District's heritage (Planning Priority E6)	This planning proposal would facilitate the redevelopment of the site in a way that would contribute to the existing well-designed built environment and fine grain urban form of Surry Hills. The proposed pedestrian link between Foster Lane and Reservoir Street will contribute to creating and renewing great places.	
Growing a stronger and more competitive Harbour CBD (Planning Priority E7)	The subject site is located on the fringe of the Harbour CBD. The proposal will enable the development of additional employment floorspace and the creation of jobs supporting the strength and competitiveness of the Harbour CBD.	
Growing and investing in health and education precincts and the Innovation Corridor (Planning Priority E8)	The site is located within the Innovation Corridor, Camperdown- Ultimo Collaboration Area and Haymarket activity node, and as a result the planning proposal would assist efforts to facilitate an innovation corridor with supply of adaptable commercial spaces, co-location with other similar uses, high walkability and high amenity.	
Delivering integrated land use and transport planning and a 30-minute city (Planning Priority E10)	This planning proposal would facilitate the delivery of new office space in proximity to existing and planned transport infrastructure, maximising the efficient use of rail, light rail, Metro and bus services.	
Growing investment, business opportunities and jobs in strategic centres (Planning Priority E11)	The proposal will enable the development of additional employment floorspace on the fringe of the Harbour CBD contributing to the creation of jobs as well as growth in investment and business opportunities.	

3.3 Local

The proposal states that it is consistent with the following local plans and endorsed strategies. It is also consistent with the strategic direction and objectives, as stated in the table below:

Table 4 Local strategic planning assessment

Local Strategies	Justification
Local Strategic Planning Statement	The site is located within the City Fringe, in the Camperdown-Ultimo Innovation District and Eastern Creative District. It is one of the largest and most comprehensive health and education precincts in Greater Sydney, in the specialised health and life sciences, education and research services, creative industries and information media sectors.
	The LSPS notes that there is an opportunity to deliver catalytic economic outcomes by linking internationally focused finance and professional services clusters in Central Sydney to those within the Innovation Corridor by accommodating more commercial floor space.
	The planning proposal is consistent with the LSPS because it will:
	 enable new office and commercial space in an existing employment cluster area to meet increasing floorspace demand for health, education, creative industries and professional services
	 provide more floor space in proximity to Central Station to take advantage of the considerable existing and imminent public transport connections
	 facilitate a commercial development well-positioned to integrate with existing and future transport connections while encouraging increased walking, especially through the provision of a new pedestrian through-site link.
Sustainable Sydney 2030-2050	Sustainable Sydney 2030-2050 is the City of Sydney's overarching Community Strategic Plan (CSP), setting out Council's vision for the LGA. The planning proposal is consistent with the CSP because it would support additional
	employment floor space in a highly accessible location, helping to:
	 encourage people to walk, cycle or use public transport to get to and from work
	 contribute to meeting the City of Sydney's target for 200,000 new jobs by 2036.
Camperdown- Ultimo Collaboration Area Place Strategy	This Camperdown-Ultimo Collaboration Area Place Strategy aims to direct private policy and investment decisions by establishing a vision for the Camperdown-Ultimo Collaboration Areas. The planning proposal is consistent with the Strategy because it:
	• Will facilitate the delivery of new commercial office space in an area earmarked for new cultural, creative and innovative uses, supporting convergence, the development of clusters, attracting investment and driving jobs growth, and
	 Provides for positive public domain outcomes through provision of retail spaces at ground floor and a pedestrian through site link to help prioritise pedestrians through the area.

3.4 Section 9.1 Ministerial Directions

The planning proposal's consistency with relevant section 9.1 Directions is discussed below:

Table 5 9.1 Ministerial Direction assessment

Directions	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
1.4 Site Specific Provisions	Inconsistent, but minor and justified.	While the planning proposal will introduce site specific provisions into the Sydney LEP 2012, inconsistency with the Direction is considered minor and justified.
		This is because the site specific provisions are the most appropriate mechanism for supporting the delivery of additional employment floor space on the site, consistent with the objectives of the District Plan and LSPS. In addition, the planning proposal does not restrict the permissible land uses in the MU1 Mixed Use zone.

3.2 Heritage Conservation Consistent The site is not identified as a heritage item and is not located within a heritage conservation area (HCA). There are several within a heritage terms near the site as shown on Figure 3, including: • Central Railway Station group including buildings, station yard, viaducts and building interiors - Item 624 • Central Railway Station group including buildings, station yard, viaducts and building interiors - Item 624 • Warehouse "Edwards & Co" including interior – Item 1545. • Warehouse "Edwards & Co" including interior – Item 1545. • Figure 3: Nearby Horitage Items (source: Urbis Heritage Impact Statement) • Heritage items and the concludes the proposal in supported by a Heritage Impact Statement) • The planning proposal is supported by a Heritage Impact Statement that concludes the proposal would not impact on any significant views or settings of surrounding heritage items. The planning proposal is also supported by an Archaeological Assessment that recommends further archaeological lesting is done prior to exavation to confirm the presence of Aboriginal archaeological considered provisions within the LEP will also require further consideration at the development application. 3.9 Sydney Consistent. The site is located within the Sydney Harbour Catchment. However, the site is not located within the Foreshore and Waterways Area 3.9 Sydney Consistent. The site is located within the Sydney Harbour Catchment. However, the site is not located within the foreshore and waterways area. While the Department considers the planning proposal does not conflict with the Direction had will ensuru		I	
 yard, viaducts and building interiors - Item 824 Warehouse "Edwards & Co" including interior – Item 1545. Warehouse "Edwards & Co" including interior – Item 1545. Figure 3: Nearby Heritage Items (source: Urbis Heritage Impact Statement) The planning proposal is supported by a Heritage Items. The planning proposal is supported by a Heritage Items. The planning proposal is supported by a Heritage Items. The planning proposal is supported by a Heritage Items. The planning proposal is supported by a Heritage Items. The planning proposal is supported by a Heritage Items. The planning proposal is supported by a Heritage Items. The planning proposal is supported by an Heritage Items. The planning proposal is supported by an Heritage Items. The planning proposal is supported by an Heritage Items. The planning proposal is supported by an Heritage Items. The planning proposal is consistent with the Direction because it has adequately considered potential impacts on nearby heritage Items. Existing heritage provisions within the LEP will also require further consideration at the development application stage as appropriate. 3.3 Sydney Harbour Foreshores and Waterways Area Boundary. The planning proposal does not conflict with the objectives of the Direction and will ensure the environmental, scenic and visual qualities of Sydney Harbour rae protected given its design and location outside the foreshore and Waterways Area While the Dipartment considers the planning proposal to be consistent with the Direction. A Gateway condition has been 	•	Consistent	within a heritage conservation area (HCA). There are several heritage items near the site as shown on Figure 3, including:
 Warehouse "Edwards & Co" including interior – Item 1545. Figure 3: Nearby Heritage Items (source: Urbis Heritage Impact Statement) Figure 3: Nearby Heritage Items (source: Urbis Heritage Impact Statement) The planning proposal is supported by a Heritage Impact Statement that concludes the proposal would not impact on any significant views or settings of surrounding heritage items. The planning proposal is also supported by an Archaeological Assessment that recommends further archaeological testing is done prior to excavation to confirm the presence of Aboriginal archaeological deposits at the site. This will be undertaken with any future development application. The planning proposal is consistent with the Direction because it has adequately considered potential impacts on nearby heritage items. Existing heritage provisions within the LEP will also require further consideration at the development application stage as appropriate. 3.9 Sydney Ansessment. The site is not location within the Sorghey Harbour Catchment. However, the site is not located within the Foreshore and Waterways Area Boundary. The planning proposal does not conflict with the objectives of the Direction and will ensure the environmental, scenic and visual qualities of Sydney Harbour rare protected given its design and location outside the foreshore and waterways area. While the Department considers the planning proposal to be consistent with the Direction. A Gateway condition has been			
3.9 Sydney Habour Consistent. 3.9 Sydney Habour Consistent. The site is located within the Sydney Harbour Catchment. However, the site is not located within the foreshore and Waterways Area Consistent.			Warehouse "Edwards & Co" including interior – Item
Impact Statement)The planning proposal is supported by a Heritage Impact Statement that concludes the proposal would not impact on any significant views or settings of surrounding heritage items.The planning proposal is also supported by an Archaeological Assessment that recommends further archaeological testing is done prior to excavation to confirm the presence of Aboriginal archaeological deposits at the site. This will be undertaken with any future development application.The planning proposal is consistent with the Direction because it has adequately considered potential impacts on nearby heritage items. Existing heritage provisions within the LEP will also require further consideration at the development application stage as appropriate.3.9 Sydney Harbour Foreshores and Waterways AreaConsistent.The site is located within the Sydney Harbour Catchment. However, the site is not located within the Foreshore and Waterways AreaWhile the objectives of the Direction and will ensure the 			Foster Street 1824
Statement that concludes the proposal would not impact on any significant views or settings of surrounding heritage items.The planning proposal is also supported by an Archaeological Assessment that recommends further archaeological testing is done prior to excavation to confirm the presence of Aboriginal 			
Assessment that recommends further archaeological testing is done prior to excavation to confirm the presence of Aboriginal archaeological deposits at the site. This will be undertaken with any future development application.The planning proposal is consistent with the Direction because it has adequately considered potential impacts on nearby heritage items. Existing heritage provisions within the LEP will also require further consideration at the development application stage as appropriate.3.9 Sydney Harbour Foreshores and Waterways AreaConsistent.The site is located within the Sydney Harbour Catchment. However, the site is not located within the Foreshore and Waterways Area Boundary. The planning proposal does not conflict with the objectives of the Direction and will ensure the environmental, scenic and visual qualities of Sydney Harbour are protected given its design and location outside the foreshore and waterways area.While the Department considers the planning proposal to be consistent with the Direction, the planning proposal documentation does not include a statement to address consistency with this Direction. A Gateway condition has been			Statement that concludes the proposal would not impact on any
has adequately considered potential impacts on nearby heritage items. Existing heritage provisions within the LEP will also require further consideration at the development application stage as appropriate.3.9 Sydney Harbour Foreshores and Waterways AreaConsistent.The site is located within the Sydney Harbour Catchment. However, the site is not located within the Foreshore and Waterways Area Boundary. The planning proposal does not conflict with the objectives of the Direction and will ensure the environmental, scenic and visual qualities of Sydney Harbour are protected given its design and location outside the foreshore and waterways area.While the Department considers the planning proposal documentation does not include a statement to address consistency with this Direction. A Gateway condition has been			Assessment that recommends further archaeological testing is done prior to excavation to confirm the presence of Aboriginal archaeological deposits at the site. This will be undertaken with
HarbourHowever, the site is not located within the Foreshore and Waterways AreaWaterways AreaWaterways Area Boundary. The planning proposal does not conflict with the objectives of the Direction and will ensure the environmental, scenic and visual qualities of Sydney Harbour are protected given its design and location outside the foreshore and waterways area.While the Department considers the planning proposal to be consistent with the Direction, the planning proposal 			has adequately considered potential impacts on nearby heritage items. Existing heritage provisions within the LEP will also require further consideration at the development application
consistent with the Direction, the planning proposal documentation does not include a statement to address consistency with this Direction. A Gateway condition has been	Harbour Foreshores and	Consistent.	However, the site is not located within the Foreshore and Waterways Area Boundary. The planning proposal does not conflict with the objectives of the Direction and will ensure the environmental, scenic and visual qualities of Sydney Harbour are protected given its design and location outside the foreshore and
			consistent with the Direction, the planning proposal documentation does not include a statement to address consistency with this Direction. A Gateway condition has been

	1	
4.1 Flooding	Consistent	The site is affected by overland flow during 1% AEP storm events in accordance with the Darling Harbour catchment flood study undertaken by the City of Sydney.
		A site-specific flood assessment for the planning proposal has been undertaken. The assessment concludes that the floor levels of the proposed development meet the minimum required Flood planning levels per the City of Sydney's Interim Flood plain management policy.
		The planning proposal is consistent with the Direction because it has adequately considered potential flooding impacts resulting from the proposal.
4.4 Remediation of Contaminated Land	Consistent	A Desktop Contamination Study has been submitted with the planning proposal. The study concludes that widespread site contamination is considered to be low to moderate and it is unlikely that significant contamination is present at the site which would render the site unsuitable for the proposed development.
		The planning proposal demonstrates consistency with the Direction as there are no changes to the proposed land uses and the study demonstrates the site will be suitable for all proposed land uses.
4.5 Acid Sulfate Soils	Consistent	The planning proposal is consistent with this Direction as the land is classified as Class 5 under section 7.14 of the Sydney LEP, is not located within 500m of land designated Class 1,2,3 or 4 and the development on this site is not likely to disturb, expose or drain acid sulfate soils and cause environmental damage. A Desktop Contamination Study submitted with the planning proposal confirms the site is not located in a known acid sulfate soil area.
5.1 Integrating Land Use and Transport	Consistent	The planning proposal is consistent with the Direction because it will allow additional floor space close to public transport being approximately 250 metres from Central Railway Station.
6.1 Residential Zones	Consistent	The planning proposal is consistent with this Direction as it does not prevent residential uses from occurring on the site under the current zoning and development standards.
7.1 Employment Zones	Consistent	The planning proposal is consistent with this Direction as it will encourage employment growth on the fringe of the Harbour CBD contributing to the creation of jobs as well as growth in investment and business opportunities.

3.5 State environmental planning policies (SEPPs)

The planning proposal is consistent with all relevant SEPPs as discussed in the table below.

Table 6 Assessment of planning proposal against relevant SEPPs

SEPPs	Requirement	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
SEPP (Transport and Infrastructure) 2021	The SEPP requires consultation with public authorities for certain types of development applications.	Consistent	The site is located within 'Zone B' on a rail corridors map and involves the penetration of ground to a depth greater than 2m below existing ground level and is on land within the Interim Metro Corridor. In accordance with this SEPP a future development application would require consultation with TfNSW. A Gateway condition has been included requiring consultation with Transport for NSW during the exhibition period.
SEPP (Biodiversity and Conservation) 2021`	The SEPP contains provisions to protect the catchment, foreshores, waterways and islands of Sydney Harbour.	Consistent	The site is located on land in the Sydney Harbour Catchment Area. However, the site is not zoned or identified as a foreshore and waterway area under the SEPP.
SEPP (Sustainable Buildings) 2022	The SEPP contains provisions to ensure non- residential development is designed according to sustainable development principles.	Consistent	The planning proposal does not contain any provisions that will impede the operation of the SEPP.

4 Site-specific assessment

4.1 Environmental

The following table provides an assessment of the potential environmental impacts associated with the proposal.

Environmental Impact	Assessment		
Solar Access and Overshadowing	A Stage 1 Concept Development Application (DA) (D/2016/1451) was approved by the NSW Land and Environment Court on 21 July 2017, granting approval for demolition of the existing buildings and construction of a mixed-use building to a maximum height of 35 metres on the subject site. This application was subsequently modified (D/2016/1451/A) and approved on 25 November 2020.		
	Condition 3 of D/2016/1451/A required the building envelope to be modified to ensure a minimum of 2 hours solar access to Apartments 601 and 602 at 242-254 Elizabeth Street, Surry Hills on June 21 between 9.00am and 3.00pm. The provisions of the planning proposal have been designed to ensure that these apartments receive adequate solar access.		
	The overshadowing diagrams submitted with the planning proposal illustrate that between 9.00am and 3.00pm on June 21 that Apartment 601 will receive solar access to 1sqm of living space between 9.00am and 1.15pm and Apartment 601 will receive solar access to 1sqm of living space from 11.00 to 11.15 and from 1.30pm to 3.00pm. This would also be subject to additional assessment through any future development application.		
	This planning proposal has amended the previously approved built form to address the overshadowing impacts by increasing the setback to Reservoir Street, reducing bulk on the southern side of the site and the provision of a 3.4m-wide through-site link along the eastern boundary of the site running north-south.		
Heritage	The site is located in proximity to several heritage items and there is potential presence of Aboriginal archaeological deposits. See further discussion in Section 3.4 of this report.		
Flood Risk	The site is affected by flooding. See discussion relating to this matter in Section 3.4 of this report.		
Contamination	The site involves excavation for basement car parking. See discussion relating to this matter in section 3.4 of this report.		
Sustainability	A Section J report has been submitted with the planning proposal to confirm the proposal will meet the deemed-to-Satisfy requirements for the National Construction Code 2022 provisions for energy efficiency.		
Wind	A Wind Impact Assessment has been submitted with the planning proposal and demonstrates that the proposal will not result in any significant impacts to pedestrian wind comfort in the surrounding public domain areas. The assessment concludes that wind conditions in and around the site are expected to remain similar to the existing environment.		
Acoustics	An Acoustic Assessment has been submitted with the planning proposal and demonstrates that the proposal can achieve the relevant EPA noise criteria. Further acoustic assessments will be undertaken as part of any future development approval to confirm the development will meet the relevant noise criteria.		

Table 7 Environmental impact assessment

4.2 Social and economic

An Economic and Social Impact Report was submitted with the planning proposal. The Report concludes that:

- The proposal will have a positive economic impact on the locality of Surry Hills and wider Sydney LGA as it will incentivise commercial uses in an area that has significant demand
- The proposal will also strengthen the economic and cultural of the Eastern Creative Precinct and Harbour CBD
- The modest increase in employment floor space is not expected to result in adverse social impacts and the provision of a through site link will improve the public domain interface and increase permeability of the block and safety.

4.3 Infrastructure

The following table provides an assessment of the adequacy of infrastructure to service the site and the development resulting from the planning proposal and what infrastructure is proposed in support of the proposal.

Infrastructure	Assessment	
Traffic, Transport and Car Parking	A Traffic Impact Assessment was submitted with the planning proposal. The assessment concludes that the proposal will not result in adverse traffic and transport impacts as:	
	• The existing proximity to the public transport network and pedestrian and cycle links will encourage the use of sustainable transport modes	
	 The provision of 18 parking spaces, including 17 commercial parking spaces and 1 retail parking space are suitable for the proposal 	
	• The net increase in traffic movements will not result in the need for external improvements.	
Utilities and Services Council has advised that the site is adequately serviced by public utilities and infrastructure, including electricity, telecommunications, water, sewerage and stormwater.		
	The additional employment floor space that would be enabled by the planning proposal is not expected to require additional supporting infrastructure. Consultation with relevant utility providers will occur as part of any future DA.	

Table 8 Infrastructure assessment

5 Consultation

5.1 Community

The planning proposal is categorised as standard under the LEP Making Guidelines (August 2023). Accordingly, a community consultation period of 20 working days is recommended and this forms part of the conditions to the Gateway determination.

5.2 Agencies

It is recommended the following agencies be consulted on the planning proposal and given 30 working days to comment:

- Transport for NSW
- Utility providers including Sydney Water.

Consultation with the above agencies has been included as a condition of the Gateway determination.

6 Timeframe

Council proposes a 8 month time frame to complete the LEP.

The Department recommends an LEP completion date of 19 March 2025 in line with its commitment to reducing processing times and with regard to the benchmark timeframes. A condition to the above effect is recommended in the Gateway determination.

7 Local plan-making authority

At its meeting on 8 April 2024, Council resolved to seek authority from the Department to exercise the delegation of all the functions under Section 3.36 of the EP&A Act 1979 as the Local Plan-Making Authority (LPMA).

Council also resolved to provide delegated authority to Council's CEO to make any minor variations to the planning proposal to correct any drafting errors or to ensure consistency with the Gateway Determination.

Given the nature of the planning proposal, the Department recommends that Council be authorised to be the LPMA. This is because the planning proposal is consistent with the District Plan, the endorsed LSPS, applicable SEPPs and has minor and justifiable inconsistencies with Section 9.1 Directions.

8 Assessment summary

The planning proposal is supported to proceed with conditions for the following reasons:

- It is consistent with the District Plan and Council's Local Strategic Planning Statement because it will enable the delivery of additional employment floor space in the City Fringe, helping to accommodate more jobs and supporting the continued economic growth of the Harbour CBD.
- Inconsistency with one Section 9.1 Directions are minor and justified, and it is consistent with all other relevant Section 9.1 Directions.
- An amendment to the Sydney LEP 2012 is the best means of achieving the objectives and intended outcomes of the planning proposal.
- Likely environment, social, economic and infrastructure impacts have been considered.

Based on the assessment outlined in this report, the proposal must be updated before public exhibition to:

- Provide a statement addressing consistency with Section 9.1 Ministerial Direction 3.9 Sydney Harbour Foreshores and Waterways Area
- Amend the planning proposal to confirm Section 9.1 Ministerial Direction 3.10 Water Catchment Protection is not relevant to the planning proposal.

9 Recommendation

It is recommended the delegate of the Secretary:

 Agree that any inconsistencies with Section 9.1 Direction 1.4 Site Specific Provisions is justified:

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

The following conditions are recommended to be included on the Gateway determination:

- 1. The planning proposal is to be updated to:
 - Provide a statement addressing consistency with Section 9.1 Ministerial Direction 3.9 Sydney Harbour Foreshores and Waterways Area
 - Amend the planning proposal to confirm Section 9.1 Ministerial Direction 3.10 Water Catchment Protection is not applicable to the planning proposal.
- 2. Consultation is required with the following public authorities:
 - Transport for NSW
 - Utility providers including Sydney Water.
- 3. The planning proposal should be made available for community consultation for a minimum of 20 working days.

Given the nature of the planning proposal, it is recommended that the Gateway authorise council to be the local plan-making authority and that an LEP completion date of 19 March 2025 be included on the Gateway.

Emmallitchens.

23 May 2024

Emma Hitchens Manager, Local Planning (North, East and Central Coast)

Houldeer

14 June 2024

Jazmin van Veen Director, Local Planning (North, East and Central Coast)

<u>Assessment officer</u> Ellen Shannon Senior Planning Officer, Local Planning (North, East and Central Coast) (02) 8275 1834