

12 July 2022

Ms Monica Barone  
Chief Executive Officer  
City of Sydney  
GPO Box 1591  
Sydney NSW 2001

Dear Ms Barone,

### **Sydney Metro Hunter Street (Sydney CBD) – Request for Planning Proposal Public Benefit Offer**

Sydney Metro West, including Hunter Street Station, is a once in a century infrastructure investment that will transform Sydney for generations to come, doubling rail capacity and reducing travel times between the Sydney and Parramatta CBDs, and linking new communities to high frequency rail services. The new station will be in the heart of Sydney's central business district and become a transport hub with connections to light rail, train services at Wynyard the Sydney Metro City & Southwest station at Martin Place. Proposed underground walkways will allow for easy transit all the way from Martin Place to Barangaroo.

To realise its vision for Hunter Street Station, Sydney Metro is lodging a Planning Proposal request to support a proposed amendment to the *Sydney Local Environmental Plan 2012* (SLEP 2012) which would facilitate future over station development (OSD) integrated with the new Hunter Street Station in the Sydney CBD.

This Public Benefit Offer relates to the following properties:

- 28 O'Connell Street, 48 Hunter Street, and 37 Bligh Street, Sydney (eastern site); and
- 296 George Street, 300 George Street, 312 George Street, 314-318 George Street, 5010 De Mestre Place (Over Pass), 5 Hunter Street, 7-13 Hunter Street, 9 Hunter Street and De Mestre Place, Sydney (western site).

This Planning Proposal request seeks to enhance the capacity of the two Hunter Street sites to deliver high quality employment generating floor space, on sites that are to be serviced by high frequency public transport, in line with the City's Global status. The future OSD would comprise two commercial buildings (up to approximately 150,000 sqm of commercial floor space in total) on prominent corner sites in the northern CBD including new development that engages with the precinct, raises the urban quality and enhances the overall experience of the city.

The proposal has a number of public benefits which includes:

- Increased employment density integrated with the delivery of significant new public transport infrastructure servicing the surrounding precinct, contributing towards the establishment of an integrated transport hub within the northern end of the Sydney CBD which strengthens Sydney's rail network and improves connectivity.

- The delivery of high quality employment generating floorspace that aligns with the objectives for development within the tower cluster areas identified within the Central Sydney Planning Framework.
- The delivery of public art under the Critical State Significant Infrastructure application for the Hunter Street Station and the proposed future OSD.
- Improvements to the public domain to deliver:
  - quality pedestrian connections linking key CBD blocks to improve pedestrian connectivity and delivering a cohesive ground plane, unlocking the strategic vision for laneways as outlined in the Sydney Development Control Plan 2012 (DCP).
  - enhanced below ground linkages to Wynyard Station and Martin Place Station to enhance the accessibility of the transport infrastructure and overall connectivity of the city.
  - enhanced interface with Richard Johnson Square including an extension to the public domain at the eastern entry to the site, adjacent to Richard Johnson Square.

Sydney Metro is open to exploring other opportunities whereby Sydney Metro may undertake works to Richard Johnson Square on behalf of the City of Sydney as works in kind, subject to agreement with the City of Sydney for the offset of Sydney Metro's reasonable costs in undertaking these works from the total Section 7.12 contribution payable under Section 1 of this offer.

In addition to the broader public benefits resulting from the project, this Public Benefit Offer prepared by Sydney Metro outlines the proposal to enter into a Voluntary Planning Agreement (VPA) with the City of Sydney for the following items. It is noted that the VPA will apply to both Hunter Street Station sites, however, it will need to be structured such that commitments are satisfied across each site separately.

### **1. Monetary Contributions:**

As per the *Environmental Planning and Assessment (Levies – City of Sydney) Direction* dated 24 November 2021, the City of Sydney must not impose as a condition of development consent a levy under section 7.12 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) that exceeds 3.0% (for development with a cost of works greater than \$1 million) if the development application is made on or after 1 July 2022.

The proposed offer commits to the payment of a monetary contribution towards the cost of local infrastructure equivalent to 3.0% of the cost of the proposed over station development per site which will be the subject of future State Significant Development Applications (SSDAs), calculated in accordance with the Central Sydney Development Contributions Plan 2020 (the Contribution Plan). The payment of this contribution per site is proposed to be on or before the date of issue of the first Construction Certificate relating to the new development on that site (excluding demolition, excavation and early works). No further contributions pursuant to section 7.11 or section 7.12 of the EP&A Act or under the *City of Sydney Act 1988* will be payable.

### **2. Sustainability Commitments:**

In accordance with the Planning Proposal Request, Sydney Metro is committed to delivering the over station development on each site that will be designed to achieve the following sustainability commitments:

- a. 6-star Green Star Buildings

- b. 6-star NABERS Energy for Offices rating (Base building) (Commitment agreement) (without Green Power)
- c. 4.5-star NABERS Water for Offices rating

These commitments exceed the best practice energy performance nominated in clause 7.25A Sustainable development in Central Sydney tower cluster areas of the *Sydney Local Environmental Plan 2012 (Amendment No. 64)*.

Certification of the target ratings will occur in accordance with standard commercial practice, having regard to reaching minimum levels of occupancy.

It is intended that should the Planning Proposal request proceed, this offer will be consolidated and crystallised into a Voluntary Planning Agreement for each site with the City of Sydney. The agreements will comply with the requirements of the EP&A Act and *Environmental Planning and Assessment Regulation 2021* and contain mechanisms for completion of any works. The Planning Agreements may be registered by the Registrar General.

Sydney Metro will be a significant capital investment into Central Sydney. Sydney Metro is committed to delivering an exceptional outcome for the city with improved public domain, high quality architectural outcomes, environmental sustainability, public art and the celebration of heritage.

We are excited about the potential for the Hunter Street Station transform this part of the Sydney CBD in line with its global status and welcome a further discussion with Council in relation to this matter as the Planning Proposal progresses.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'I. Glavinic', with a horizontal line underneath.

**Ivan Glavinic**

Deputy Executive Director, Place Making and Property  
Operations, Customer and Place making  
Sydney Metro

Dated: 12 July 2022