

SYDNEY METRO HUNTER STREET (SYDNEY CBD) PLANNING PROPOSAL PUBLIC BENEFIT OFFER

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 a future over station development (OSD) integrated with the new Hunter Street Station in the Sydney CBD. This request seeks to enhance the capacity of the two Hunter Street sites to deliver high quality employment generating floor space 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 proposed future development is located above and integrated with the Hunter Street Station. 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.

Key Public Benefits of the Proposal:

- Deliver employment density alongside and 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.
- Deliver high quality employment generating floorspace that aligns with the objectives for development within the tower cluster areas identified within the Central Sydney Planning Framework.
- Key public domain outcomes will include 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 City of Sydney 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; and
 - 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

This Public Benefit Offer has had regard to:

- The Central Sydney contributions framework which proposes to levy future development through a development contribution of 3% of the total cost of development.
- The endorsed Guideline for Site Specific Planning Proposals in Central Sydney.
- The endorsed Central Sydney Infrastructure Plan 2020 which identifies specific essential infrastructure (including precinct solutions) and community infrastructure.
- The City of Sydney Affordable Housing Program adopted 24 August 2020, which provides the detail for affordable housing contribution provisions in the City of Sydney.

Below, Sydney Metro sets out specific public benefits as part of the planning proposal request and delivery of the project.

01 Heritage:

The proposed future development celebrates the unique heritage character of the former Skinner Family Hotel on the prominent corner of Hunter Street and George Street, with plans to adaptively re-use this building, integrate it into the arrival experience of the commercial office lobby and re-activate its retail edges, subject to ongoing design.

The proposed future development will be designed to integrate with the City of Sydney's plans for the refurbishment of Richard Johnson Square at the prominent corner of Hunter Street and Bligh Street.

02 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 Applicant 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 which will be the subject of a future State Significant Development Application (SSDA), calculated in accordance with the Central Sydney Development Contributions Plan 2020 (the Contribution Plan). 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.

This commitment is made on the basis that Council will co-ordinate and fund the design and construction of the proposed enhancement works of Richard Johnson Square, as provisioned for in Schedule B of the Contributions Plan with Sydney Metro in order to deliver these works as a cohesive part of the public domain connected to the Hunter Street Station.

Sydney Metro is open to exploring other opportunities whereby Sydney Metro may undertake these works 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 this offer.

The development cost will be calculated and determined in accordance with the provisions of the Contribution Plan (i.e., before obtaining a Construction Certificate) for each site. The monetary contribution will be paid in accordance with the Contribution Plan.

In addition, the applicant commits to the payment of the affordable housing contribution to be calculated in accordance with the applicable formula included in the adopted City of Sydney Affordable Housing Program. The affordable housing contribution is to support the City of Sydney affordable housing targets and be applied in accordance with the adopted City of Sydney Affordable Housing Program unless otherwise agreed.

03 Sustainability Commitments:

In accordance with the Planning Proposal Request, Sydney Metro is committed to delivering the over station developments 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.

04 Public Art:

The proposed future development will support the continued application of the City of Sydney's Public Art Policy (**the Policy**) through the offer and commitment to public art, delivered in the form of public art installations with a value of no less than 0.5% of the cost for the proposed development of the sites calculated in accordance with the Policy. This commitment is in addition to and will be co-ordinated with the commitment to public art associated with the delivery of the Hunter Street station by Sydney Metro utilising a co-ordinated Public Art Strategy.

It is intended that should development consent be granted for the proposed development, this offer will be consolidated and crystallised into a Voluntary Planning Agreement with the City of Sydney. The agreement 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 Agreement 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 welcome a further discussion with Council in relation to this matter as the Planning Proposal progresses.

Name of Applicant – Sydney Metro

1. Glavini

Ivan Glavinic Deputy Executive Director, Place Making and Property Operations, Customer and Place making Sydney Metro Dated: 27 April 2022