



IRF2/3558

Gateway determination report – PP-2022-867

Sydney Metro West Hunter Street Station Sites

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Acknowledgment of Country

The Department of Planning and Environment 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 proposal.....	1
1.1	Overview.....	1
1.2	Description of planning proposal.....	1
1.3	Objectives of planning proposal	2
1.4	Explanation of provisions	3
1.5	Site description and surrounding area.....	4
1.6	Mapping.....	8
1.7	Planning Background.....	10
1.8	Concept Design	11
2	Need for the planning proposal	14
3	Strategic assessment	15
3.1	District Plan	15
3.2	City Plan 2036: Local Strategic Planning Statement	17
3.3	Central Sydney Planning Strategy	17
3.4	Central Sydney Planning Committee recommendation	18
3.5	Section 9.1 Ministerial Directions	18
3.6	State environmental planning policies (SEPPs)	22
4	Site-specific assessment	23
4.1	Environmental.....	23
4.2	Social and economic.....	28
4.3	Infrastructure	30
5	Consultation.....	30
5.1	Community	30
5.2	Agencies.....	30
6	Timeframe	30
7	Local plan-making authority	31
8	Assessment summary	31
9	Recommendation.....	32

Table 1 Reports and plans supporting the proposal

Relevant reports and plans
Attachment A - Planning Proposal
Attachment A1 - Planning Proposal Request from Sydney Metro
Attachment A2 - Draft Design Guidelines
Attachment A3 – Reference Design Drawings
Attachments A4-A5 Urban Design Report
Attachment A6 – Site Map
Attachment A7 – Transport and Accessibility Impact Assessment
Attachment A8 – Heritage Impact Assessment
Attachment A9 – Preliminary Flooding Report
Attachment A10 – Pedestrian Wind Impact Assessment
Attachment A11 – Ecological Sustainable Development Report
Attachment A12 – Geotechnical Contamination Assessment
Attachment A13 – Visual Impact Assessment
Attachment A14 – Utilities and Servicing Assessment
Attachment A15 – Rail Impact Assessment
Attachment A16 – Aeronautical Assessment
Attachment A17 – Economic Impact Assessment
Attachment A18 - Waste Management Strategy

1 Planning proposal

1.1 Overview

Table 2 Planning proposal details

LGA	City of Sydney
PPA	City of Sydney Council
NAME	Sydney Metro West Hunter Street Station Sites
NUMBER	PP-2022-867
LEP TO BE AMENDED	Sydney LEP 2012
ADDRESS	Western Site: <ul style="list-style-type: none"> • 296 George Street, Sydney • 300 George Street, Sydney • 312 George Street, Sydney • 314-318 George Street, Sydney • 5 Hunter Street, Sydney • 9 Hunter Street, Sydney • 7-13 Hunter Street, Sydney • De Mestre Place, Sydney Eastern Site: <ul style="list-style-type: none"> • 28 O'Connell Street, Sydney • 48 Hunter Street, Sydney • 33 Bligh Street, Sydney • 37 Bligh Street, Sydney
RECEIVED	16/06/2022
FILE NO.	IRF22/3558
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 Description of planning proposal

The planning proposal seeks to amend the Sydney Local Environmental Plan (LEP) 2012 to facilitate the development of two over station tower developments relating to the future Hunter Street Sydney Metro Station sites. Specifically, the planning proposal seeks to implement the following amendments:

- Increase the maximum building height:

- Eastern site RL 269.1
 - Western site RL 220
- Increase the maximum floor space ratio
 - Eastern site 22.8:1 (above ground level)
 - Western site 18.8:1 (above ground level)
- Ensure that other types of additional floor space incentives available under the Sydney LEP 2012 are not applicable.
- Ensure development consent is not granted unless the consent authority is satisfied the development:
 - does not exceed the maximum building height;
 - includes end of journey facilities;
 - will not be used for residential accommodation or serviced apartments; and
 - has taken the Design Guidelines into consideration.
- Include provisions to ensure the application of heritage floor space.
- Restrict car parking to a maximum of 70 spaces.
- Remove the asterisk from the former Skinner Family Hotel heritage listing as it is no longer eligible under the heritage floor space scheme.
- Switch off competitive design process requirements.
- Include a provision to ensure clause 4.6 variations to development standards does not apply to the sites.

1.3 Objectives of planning proposal

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

The objective of the planning proposal is to facilitate the new over station development linked to the two future Hunter Street Sydney Metro Station sites, including the adaptive reuse of the former Skinner Family Hotel heritage item and expansion of Richard Johnson Square. The proposal seeks to:

- Deliver two new commercial office towers accommodated within the relevant sun access plane and produce no additional overshadowing to protected public spaces
- Improve pedestrian connections and amenity through improved street activation and through site links
- Respect and protect on site and neighbouring heritage items.

The proposal also seeks to achieve a series of urban design outcomes through the implementation of Design Guidelines to be given effect by the LEP:

- Building envelopes with setbacks that respect the local context and deliver acceptable public domain, wind conditions and daylight amenity
- Provision of high quality through site links and pedestrian connections between the metro station, adjacent streets and future connections to adjoining sites
- Delivery of improved public domain conditions, including an expanded Richard Johnson Square and extensive activation through fine grain retail and CPTED considerations
- Deliver heritage interpretation and public art that is appropriate and responsive to its setting
- Encourage greater use of active and public transport through equitable pedestrian access, bicycle parking, end of journey facilities

- Ensure sufficient servicing and loading space is provided to meet the needs of future development, prior to allocation of private parking
- Include best practice provisions for water, flood management and waste
- Achieve a high standard of ecological sustainable development, including 6 star Green Star rating, 6 star NABERS Energy and 4.5 NABERS water for office.

The objectives of this planning proposal are clear and adequate.

1.4 Explanation of provisions

The planning proposal seeks to amend the Sydney LEP 2012 per the changes below:

Table 3 Current and proposed controls

Control	Current	Proposed
Zone	B8 Metropolitan Centre	B8 Metropolitan Centre (no change)
Maximum height of the building	Eastern Site 235m Western Site part 235m, part subject to Sun Access Plane	Eastern site RL 269.1 Western site RL 220
Floor space ratio	A base mapped FSR of 8:1 Eligible for 4.5:1 bonus for business, retail, and office premises Eligible for 6:1 for hotel, motel, community and child care facility uses Eligible for 10% bonus for demonstration of design excellence Partially eligible for 50% bonus for sites located in identified tower cluster area.	A site specific clause within Part 6 Division 5 of the LEP to facilitate a maximum FSR of <ul style="list-style-type: none"> ○ 22.8:1 for the eastern site; and ○ 18.8:1 for the western site. The site specific clause is only to apply an FSR control to the above ground components of development at the subject sites.
End of Journey Facilities	Eligible for bonus floor space ratio of 0.3:1 if end of journey facilities are provided at the site.	Introduce a site specific provision which requires the consent authority to be satisfied end of journey facilities are to be provided.
Prohibition of Residential Uses	Residential uses are permitted.	A site specific clause will be introduced limiting the use of the site for residential accommodation or serviced apartments for development utilising the increased FSR and heights permitted under the proposed site specific clause.

Maximum Car Parking Provision	N/A	Introduce a site specific clause which restricts parking to a maximum of 70 spaces across the two sites.
Design Excellence	Existing Design Excellence provisions apply under clause 6.21D and 6.21E of the LEP which require a competitive design process to be undertaken in return for bonus floor space.	<p>Insert a site specific clause which will “switch off” design excellence requirements under the LEP.</p> <p>The site specific provision will however require consideration of the draft Design Guidelines accompanying the proposal at the development application stage.</p>
Heritage	Former Skinner Family Hotel is identified as being eligible for use under the Heritage Floor Space Scheme.	<p>Remove the asterisk next to the Former Skinner Family Hotel, as it is no longer eligible for the Heritage Floor Space Scheme.</p> <p>The proposal will also include a site specific provision to ensure the application of heritage floor space as part of any future development.</p>
Exceptions to development standards	N/A	Insert a subclause to Clause 4.6 Exceptions to Development Standards to exclude its application to the site-specific provisions.

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

1.5 Site description and surrounding area

Table 5 Western Site Properties

Address	Property Description
296 George Street, Sydney	DP 438188
298-302 George Street, Sydney	SP 596
304-308 George Street, Sydney	SP 71068
312 George Street, Sydney	DP 211120
314-318 George Street, Sydney	DP 622968

Address	Property Description
5010 De Mestre Place, Sydney	DP 1003818
De Mestre Place, Sydney	N/A
5 Hunter Street, Sydney	SP 65054
9-13 Hunter Street, Sydney	Lot 1 and 2 DP 850895
7-13 Hunter Street, Sydney	SP 50276

Table 6 Eastern Site Properties

Address	Property Description
28-34 O'Connell Street, Sydney	Lot 1 DP 1107981 Lot 1 DP 536538 Lot 1 DP 217112
44-48 Hunter Street, Sydney	Lot 1 DP 59871 Lot 2 DP 217112
20-26 O'Connell Street, Sydney	Lot 1 DP 626651
50-58 Hunter Street, Sydney	SP 58859

The planning proposal is to be updated to include the correct addresses and property descriptions as detailed in Tables 5 and 6 above in alignment with the Department's records. This is reflected in the recommended conditions of the Gateway determination.

Western Site

The western site comprises a total site area of approximately 3,736m² and is bound by Hunter Street to the north and George Street to the west. The site includes frontages of 58m to Hunter Street and 67m to George Street

The existing developments on the site include:

- An 11 storey commercial building known as Leda House
- A 20 storey commercial building
- An underground retail precinct known as the Hunter Connection
- A 6 storey commercial office building
- A 3 storey commercial and retail building
- De Mestre Place
- A 3 storey State heritage listed building known as the former Skinner Family Hotel (I1766).

Additionally, a state heritage listed Tank Stream Tunnel (I1656) is located below the eastern boundary of the site.



Figure 1: Photo of Existing Development at Western Site (Source: Planning Proposal)

Eastern Site

The eastern site comprises a total site area of approximately 3,694m² and fronts O'Connell Street to the north-west, Hunter Street to the south-west and Bligh Street and Johnston Square to the south-east. The site has frontages of 63m to O'Connell Street, 73m to Hunter Street and 42m to Bligh Street.

Whilst much of the site is currently vacant as it is occupied by the Sydney Metro construction site, there remains to be three existing developments at the site:

- 28 O'Connell Street, Sydney - a 19 storey commercial building.
- 48 Hunter Street, Sydney – a 13 storey commercial building.
- 37 Bligh Street, Sydney – a 14 storey commercial building with ground floor retail.



Figure 2: Photo of Existing Development at Eastern Site (Source: Planning Proposal)

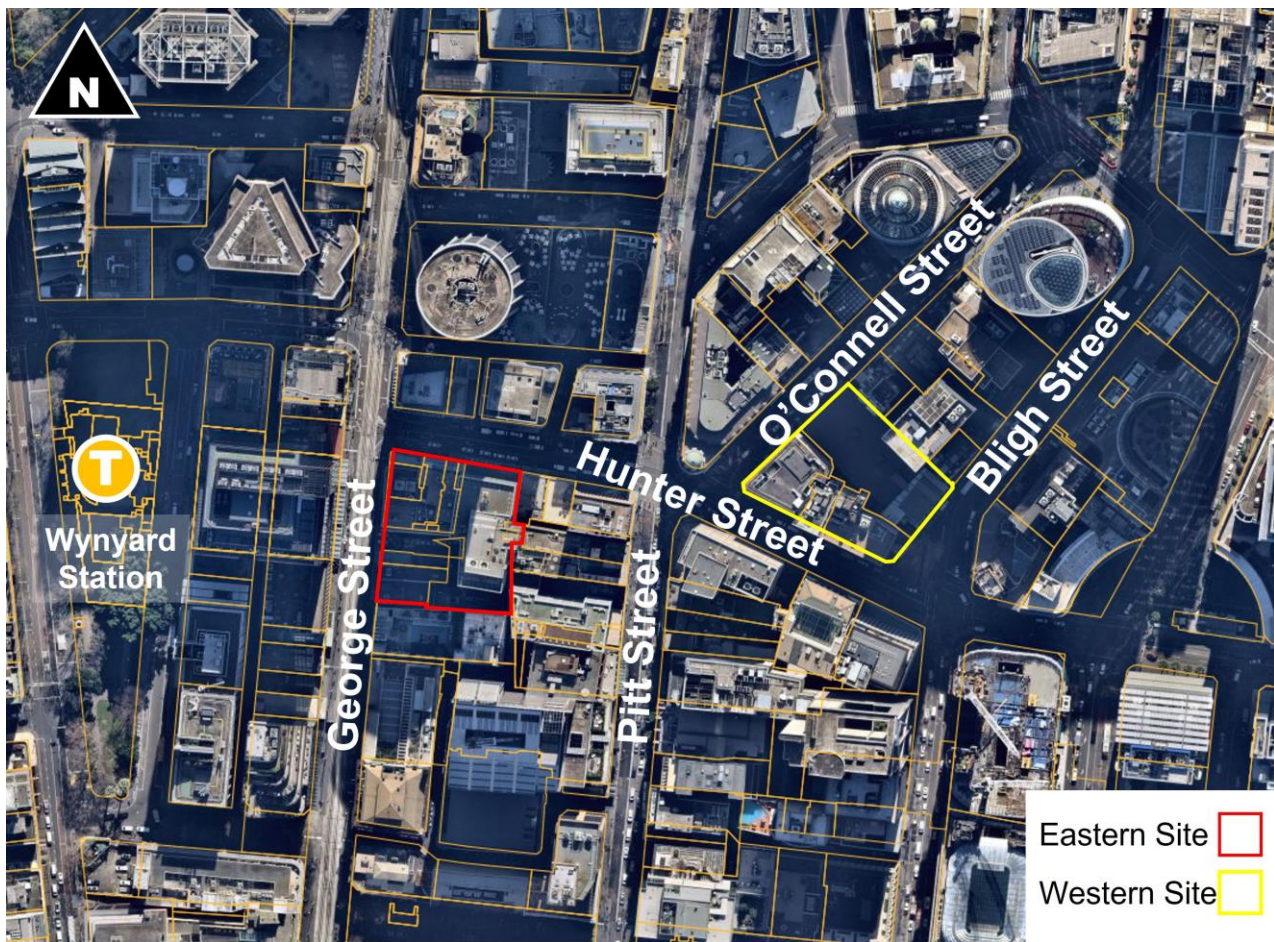


Figure 3 Subject Site (source: Nearmap)

1.6 Mapping

The planning proposal does not seek to make any changes to the existing maps under the Sydney LEP 2012. The proposal seeks to retain the existing controls contained within the maps and seeks to introduce a new site specific clause which incentivises commercial and sustainable development outcomes.

The planning proposal is considered to contain appropriate mapping demonstrating the existing planning context of the subject sites.

Figures 4-7 below depict extracts of the existing relevant maps under the Sydney LEP 2012.

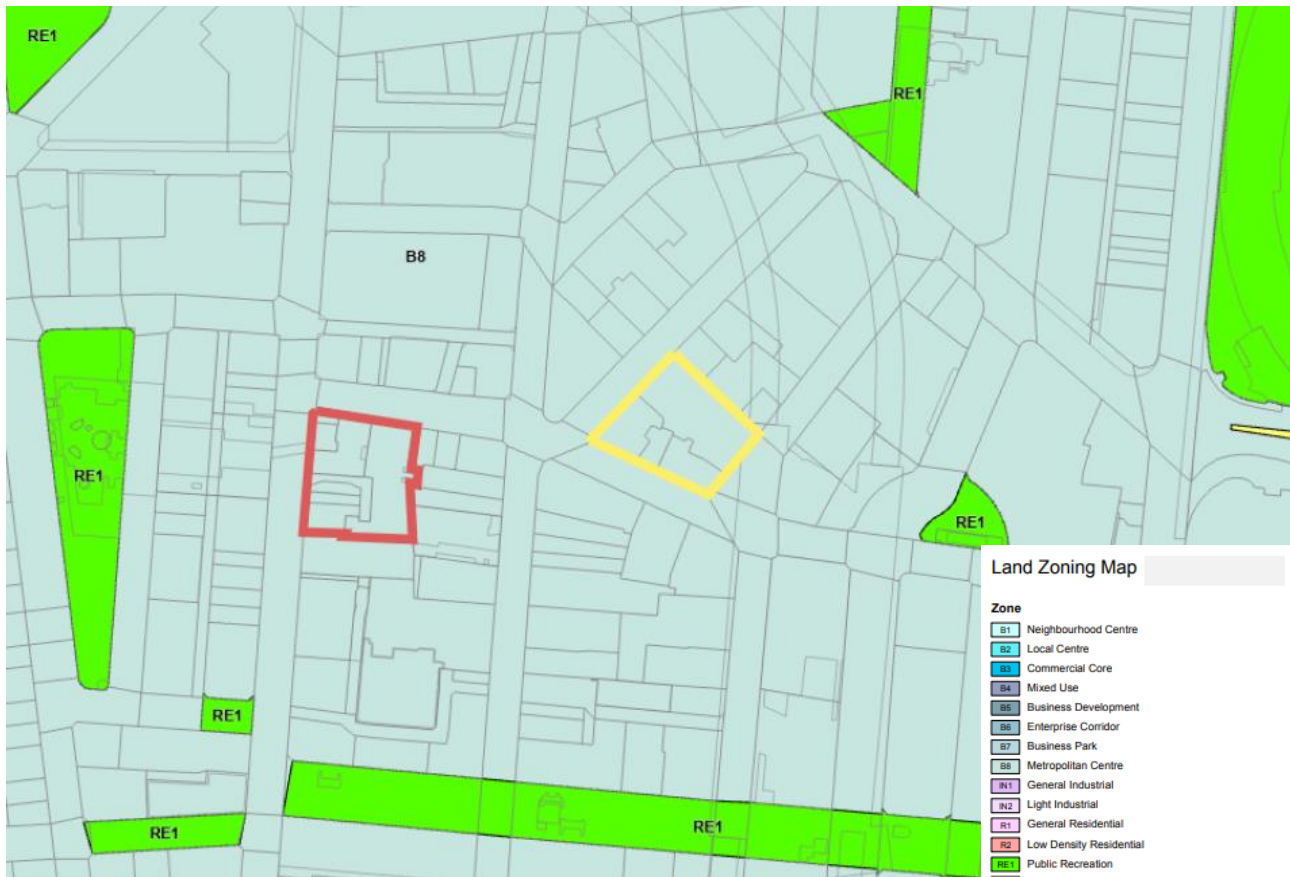


Figure 4 Current zoning map

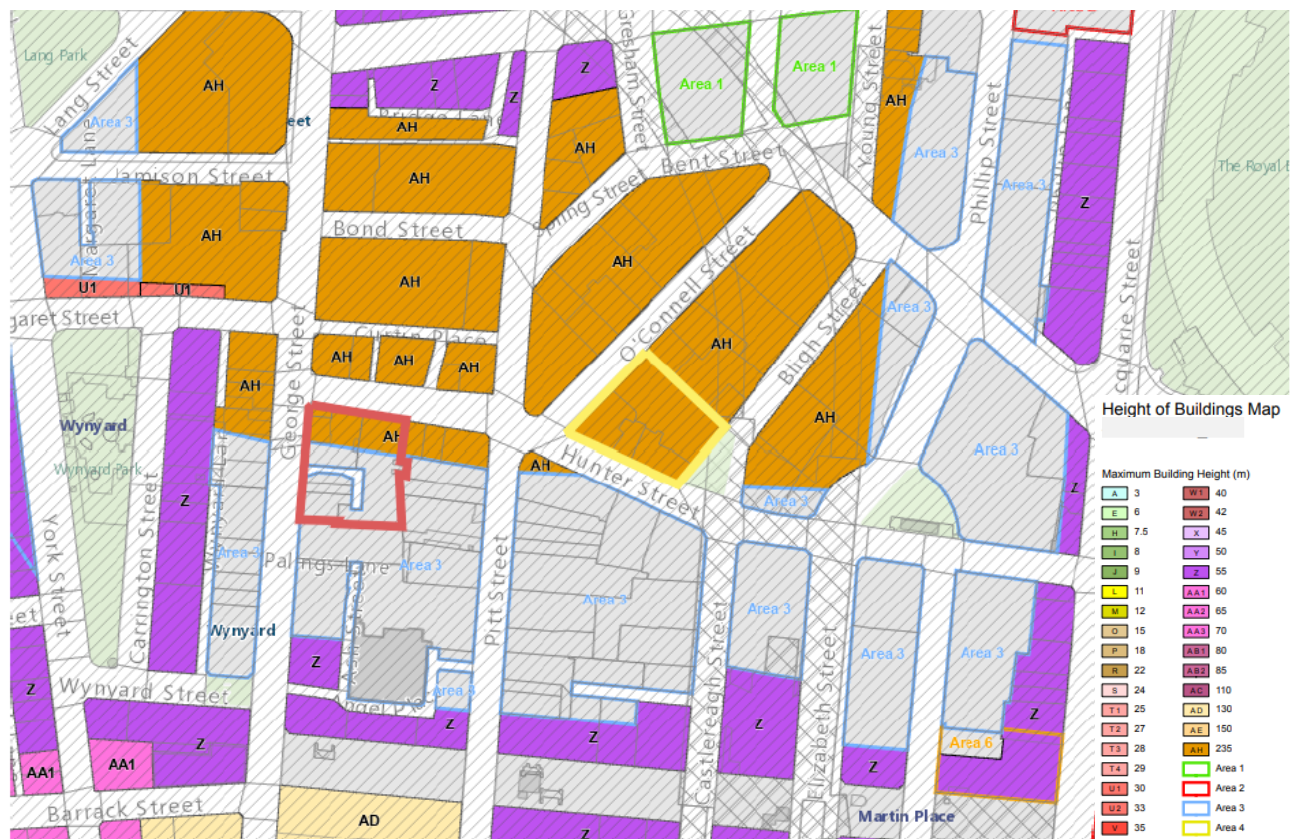


Figure 5 Current height of building map

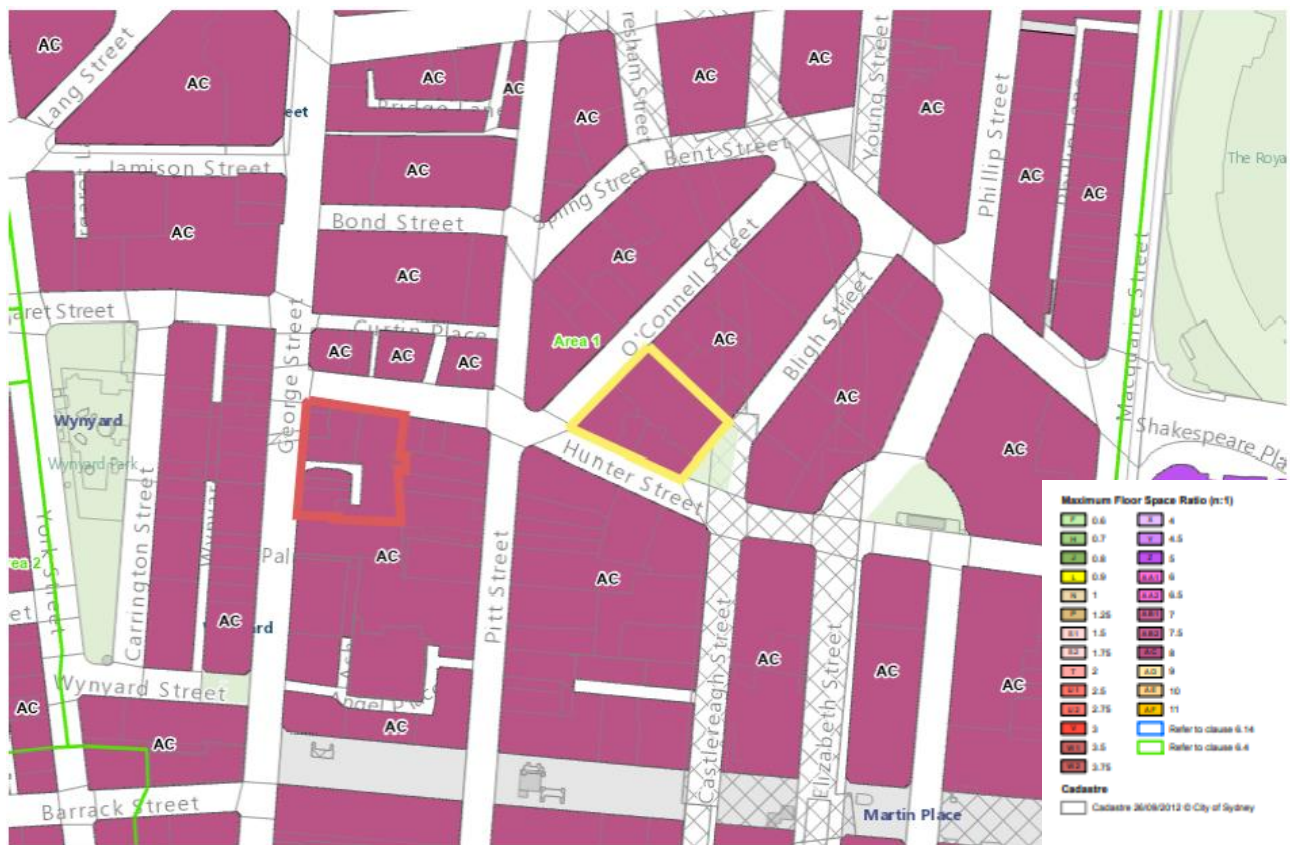


Figure 6 Current floor space ratio map

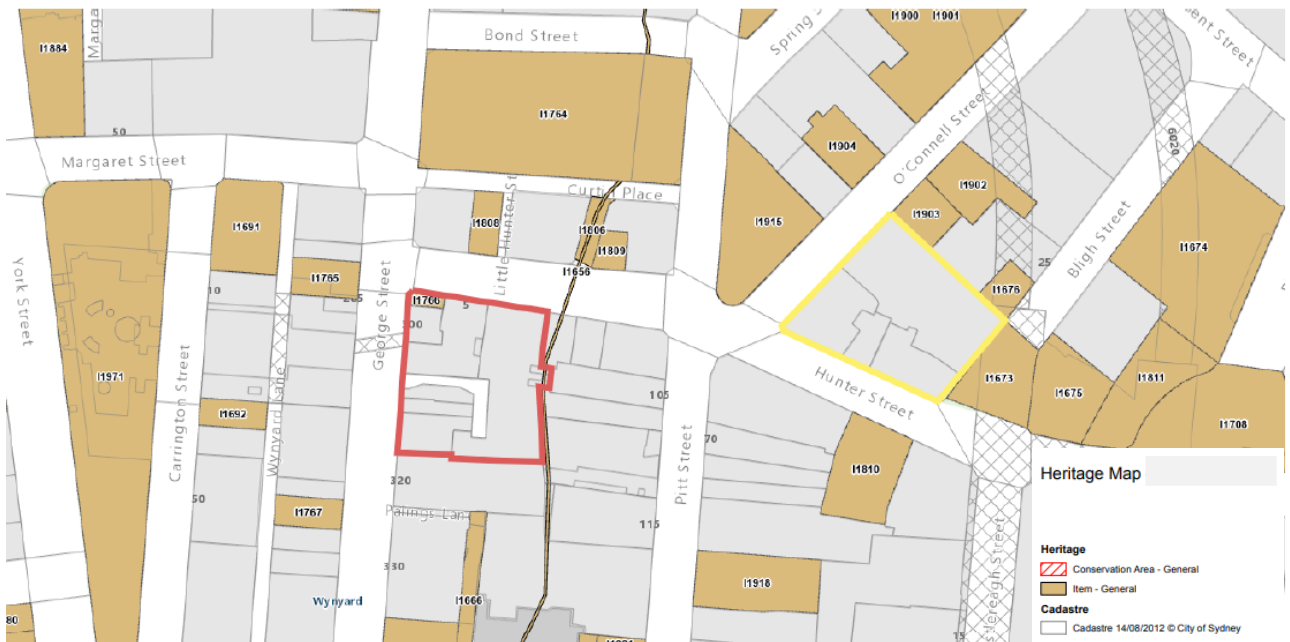


Figure 7 Current Heritage Map

1.7 Planning Background

In April 2020, Sydney Metro submitted a State Significant Infrastructure application under Part 5 of the *Environmental Planning and Assessment Act 1979*, seeking approval for the Sydney Metro

West Concept and Stage 1 construction, consisting of tunnelling and station excavation between Westmead and the Bays Precinct.

On 11 March 2021, the Stage 1 Concept approval (SSI-10038) was granted by the Minister for Planning and Public Spaces as part of the Horizon Projects program.

On 24 August 2022, the Stage 2 approval (SSI-19238057) for all major civil construction work, including station excavation and tunnelling, between the Bays and the Sydney CBD was granted by the Minister.

The Stage 3 application (SSI-22765520) for the construction and fit out of metro stations between Westmead and the Sydney CBD, was exhibited between 23 March 2022 and 4 May 2022. The Department is currently undertaking its assessment of the application.

The site specific amendments sought by the planning proposal are intended to inform a future staged state significant development application for two over station development towers for the new Hunter Street Metro site. The future development application will be assessed as a state significant development as the capital investment value will exceed \$30 million.

The interrelationship of the planning proposal and the Sydney Metro Critical State Significant Infrastructure and State Significant Development applications is depicted in Figure 8 below.

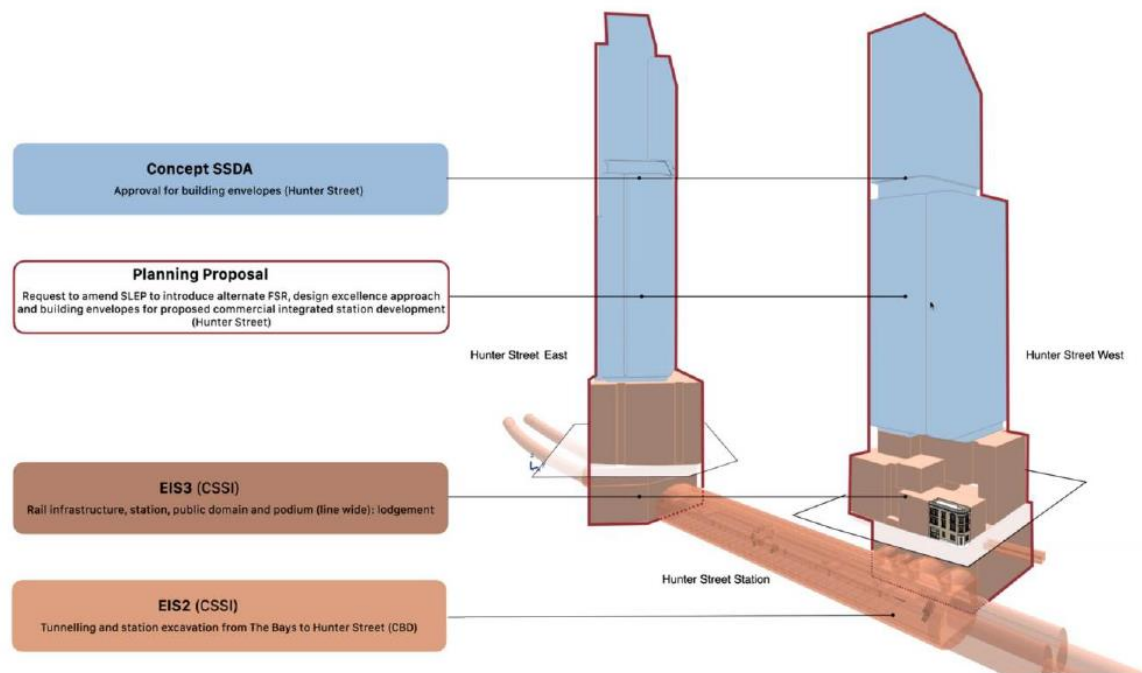


Figure 8: Interrelationship between proposal and staged development application process

1.8 Concept Design

The planning proposal seeks to enable the development of two commercial towers over the eastern and western exits of the imminent Hunter Street Sydney Metro Station. The proposed development will include approximately 148,000m² of new commercial office space and 2,400m² of retail floor space across the two sites.

The following table provides a summary of the anticipated built form of the two towers:

Site	Height	Storeys	GFA
West	213m (RL 220)	49	69,912m ²
East	257.7m (RL 269.1)	56	84,287m ²
Total			154,199m²

The eastern site is proposed to contain an integrated over station development comprising a commercial tower development of up to 56 storeys. The peak of the tower tapers from a maximum building height of RL 269.1 to RL 238.9 to ensure optimal solar access provision to nearby public spaces in compliance with Council's Sun Access Planes contained under the Sydney LEP 2012.

Adjacent to the eastern site is Richard Johnson Square, the proposal has been prepared to include a generous ground floor setback to allow for the expansion of the state heritage listed public space. The 2.7m-6.8m setback is depicted in yellow in Figure 9 below.

The street wall heights have been selected to respond to the differing heritage contexts at each of the site's frontages. The eastern concept development also includes a through site link with at grade connections between Richard Johnson Square, O'Connell Street and the imminent Hunter Street Metro Station

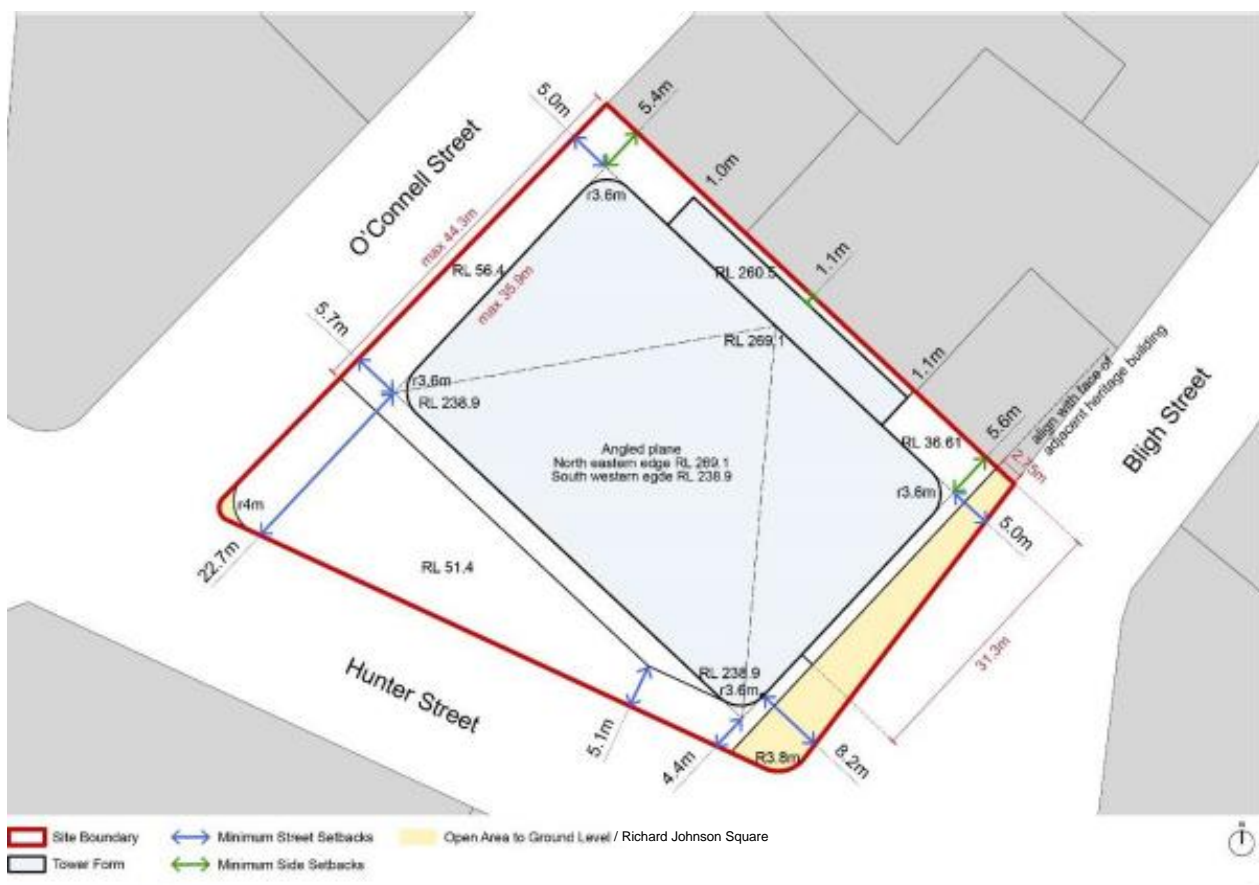


Figure 9 Eastern Tower Setbacks and Podium

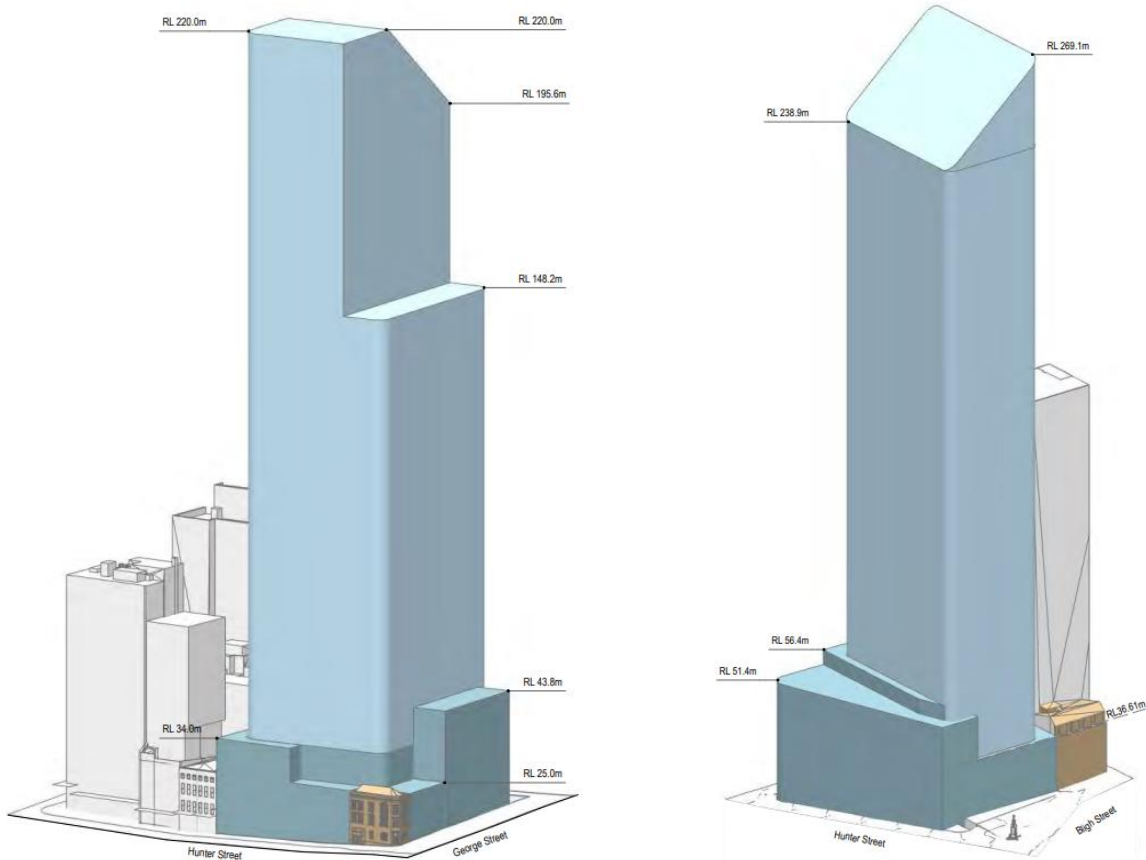


Figure 10 and 11: Western Tower Form (Left) and Eastern Tower Form (Right)

The eastern site is proposed to contain an integrated over station development comprising a commercial tower development of up to 56 storeys. The peak of the tower tapers from a maximum building height of RL 220 to RL 195.6 ensure optimal solar access provision to nearby public spaces in compliance with Council's Sun Access Planes contained under the Sydney LEP 2012.

The proposed building height along the sites George Street frontage is depicted as RL 148.2 to ensure compliance with solar access requirements to Martin Place.

The proposed development also demonstrates that it can enable the retention and adaptive reuse of the state heritage listed Former Skinner Family Hotel, located at the corner of Hunter Street and George Street. The concept development depicts a street wall height of 3 storeys to align with the existing envelope of the item.

The podium on the western site incorporates several through site links to adjoining sites with the intention of creating a larger laneway network across the precinct between George, Pitt, Hunter Streets and Angel Place. The indicative design concept envisages several through-site links activated by small scale retail and providing connection to the Sydney Metro station.

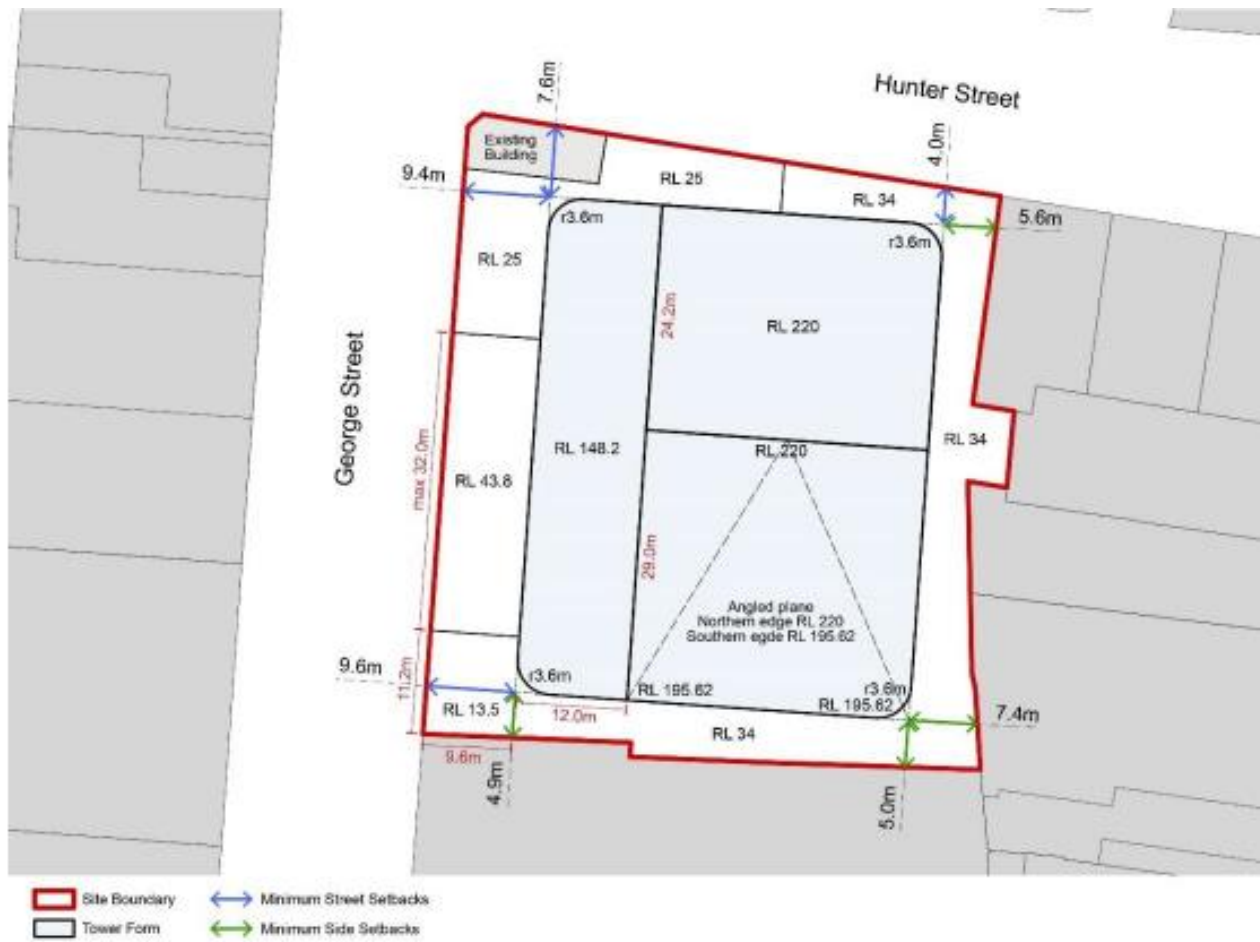


Figure 12: Western Tower Setbacks and Podium

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?

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

The planning proposal notes that it has been prepared in response to and is consistent with Council's Central Sydney Planning Strategy and Local Strategic Planning Statement.

The Central Sydney Planning Strategy informs planning proposals for sites within Central Sydney to ensure that proposals incentivise growth to be employment focused and respect special places. It seeks to deliver highly sustainable development which is resilient and responds to climate change.

The planning proposal is considered to be necessary as it has been prepared in direct response to and supports the State Government's investment in the Sydney Metro West project. The proposal is considered to actively support the economic growth of Central Sydney in accordance with Council's endorsed strategic planning studies.

The planning proposal is considered to be required to facilitate the development of the two proposed office towers as they are not permissible under the existing controls of the Sydney LEP 2012. As such, the proposal is considered to be the best means of achieving the objectives and intended outcomes.

3 Strategic assessment

3.1 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 for infrastructure and collaboration, liveability, productivity, and sustainability in the plan as outlined 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 5 District Plan assessment

District Plan Priorities	Justification
Priority E1: Planning for a city supported by infrastructure	The planning proposal is considered to be consistent with the direction as it seeks to leverage off and support the state government's investment in the Sydney Metro West project. The over station development will support the infrastructure investment as it will provide employment growth in proximity to and ensure the efficient use of the new Hunter Street Metro Station.
Priority E3: Creating and renewing great places and local centres, respecting the District's heritage	<p>The planning proposal states that it is consistent with the Priority as the future indicative concept design for the development appropriately responds to the adjoining public domain, heritage listed Richard Johnson Square and adjoining heritage items. The proposal also highlights that the concept development will allow for the adaptive reuse of the former Skinner Family Hotel as part of the western site.</p> <p>The planning proposal is supported by a Heritage Impact Statement that concludes that the site can appropriately respond to adjoining heritage items and the Former Skinner Family Hotel within the site. The planning proposal also seeks to give statutory weight to Design Guidelines which will inform future development to ensure that the proposal appropriately responds to heritage items.</p>
Priority E7: Growing a stronger and more competitive Harbour CBD	<p>The planning proposal is considered to actively implement the Priority as it will enable the delivery of up to 150,000m² of new commercial floorspace in Central Sydney and continue to promote the Harbour CBD as the primary employment hub in Australia.</p> <p>The proposal states that it will maximise the competitive advantage of the CBD due to the site's location to transport connections.</p>
Priority E10: Delivering integrated land use and transport planning for a 30-minute city	<p>The planning proposal seeks to enable two over station developments linked to the imminent Hunter Street Metro Station and will directly connect to transport infrastructure. The sites are also excellently located in proximity to existing transport infrastructure at Wynyard and Martin Place stations.</p> <p>The proposal is considered to actively implement the vision for a 30-minute city as the site is located with direct access to planned and existing railway infrastructure with connections to many parts of Greater Sydney within 30 minutes travel time.</p>
Priority E11: Growing investment, business opportunities and jobs in strategic centres	<p>The planning proposal notes that the future development of the sites will deliver additional employment floor space which will add to the viability of the Harbour City as the primary employment hub for the state.</p> <p>The planning proposal is considered to be consistent with the Priority as it will enable investment for future commercial development and provide new business and employment opportunities in an identified metropolitan centre.</p>
Priority E19: Reducing carbon emissions and managing energy, water and waste efficiently	<p>The planning proposal seeks to include a site specific provision which will provide statutory weight to Design Guidelines which seek to ensure high levels of sustainable development are achieved.</p> <p>The Guidelines set target ratings of a 6 star GreenStar, 6 star NABERS energy and 4.5 NABERS water for offices to ensure a high standard of ecologically sustainable development. The proposal is also accompanied by a public benefit offer which commits to these same targets which exceed the nominated ratings under clause 7.25A of the Sydney LEP 2012.</p>

3.2 City Plan 2036: Local Strategic Planning Statement

The LSPS sets out the land use planning context, 20-year vision and planning priorities to positively guide change towards the City's vision for a green, global and connected city.

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 6 Local strategic planning assessment

Priorities	Justification
I1: Movement for walkable neighbourhoods and a connected city	The proposal seeks to facilitate future development on the subject which will result in improved accessibility and activation to encourage a permeable pedestrian network. It is noted the development concept includes additional through site link to assist in improving connections between Hunter Street, Pitt Street, George Street and the Hunter Street Metro station. It should also be noted that the proposed development will allow for an extension of the existing Richard Johnson Square.
I2: Align development and growth with supporting infrastructure	The planning proposal is considered to be consistent with the priority as it has been prepared in response to the Sydney Metro West project. The proposal will provide up to 150,000m ² of new commercial floorspace as part of an integrated over station development leveraging off state government investment in the new infrastructure project. Notwithstanding, the subject sites are also excellently located in proximity to existing transport infrastructure, with access to Wynyard, Martin Place and Circular Quay within walking distance.
L2: Creating great places	The redevelopment on the subject sites has been informed by urban design work which optimises pedestrian, wind and solar amenity in the surrounding context in alignment with Council's strategic and statutory planning framework. Council has carefully prepared design guidelines and controls through its Central Sydney Planning Strategy to ensure design excellence criteria is achieved to ensure the creation and retention of great places in Central Sydney.
P1: Growing a stronger, more competitive Central Sydney	The planning proposal actively supports the growth of Central Sydney through investment in future development which will deliver additional capacity for economic and employment growth. The proposed developments are anticipated to deliver \$503 million in Gross Value Added to the NSW economy through construction.
S2: Creating better buildings and places to reduce emissions and water and use water efficiently	The planning proposal has been prepared in a manner which ensures that future development at the site will achieve high levels of sustainability. The proponent has committed to achieving high sustainability ratings through both NABERS and Green Star through its letter of offer to enter into a Voluntary Planning Agreement, and the draft Design Guidelines which the proposal seeks to give statutory weight to.

3.3 Central Sydney Planning Strategy

The CSPS is a 20-year growth strategy that revises previous planning controls and delivers on the City's Sustainable Sydney 2030 program. The Strategy includes opportunities for additional height and density in the right locations balanced with environmental sustainability and sets criteria for excellence in urban design.

Directions	Consistency
1. Prioritise employment growth and increase capacity	The planning proposal seeks to introduce new site specific provisions which increase development potential at the subject sites for employment generating uses. The proposal will incentivise commercial development by ensuring the increased FSR and maximum building heights will not apply to development for residential accommodation or serviced apartments.
2. Ensure development responds to context	The proposal is accompanied by design guidelines which include provisions to ensure that the future over station developments respond to its context with a building form including articulated podiums and generous tower setbacks. The proposal has carefully considered its context and will ensure it is sensitive to surrounding heritage items and has been designed to minimise adverse wind and solar access impacts.
4. Provide employment growth in new tower clusters	The subject sites are located in identified tower clusters which are identified to accommodate additional building heights.
5. Ensure infrastructure keeps pace with growth	The planning proposal is accompanied by a letter of offer to enter into a voluntary planning agreement which will ensure sufficient local infrastructure is delivered as part of any future development.
6. Protect, enhance and expand heritage and public places	The reference scheme accompanying the proposal demonstrates that the proposed developments can be designed in a manner that is sympathetic to its contained and surrounding heritage context. The proposal will ensure the retention and adaptive reuse of the Former Skinner Family Hotel and improve the quality of Richard Johnson Square. Building heights and setbacks have been carefully chosen to align street wall heights with adjacent heritage items.
7. Move people more easily	The proposal seeks to leverage off the imminent Hunter Street Metro Station by locating employment generating floorspace in proximity to planned transport infrastructure. The proposed development will also improve pedestrian movements in north Central Sydney through the provision of improved through site links.

3.4 Central Sydney Planning Committee recommendation

Section 39 of the *City of Sydney Act 1988* prohibits Council from preparing or submitting a planning proposal prior to obtaining the approval of the Central Sydney Planning Committee.

On 15 September 2022, the planning proposal was considered by the Central Sydney Planning Committee and subsequently endorsed to be forwarded to the Minister requesting a Gateway determination.

3.5 Section 9.1 Ministerial Directions.

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

Table 7 9.1 Ministerial Direction assessment

Directions	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
------------	----------------------------	--

1.4 Site Specific Provisions	Consistent	<p>The objective of the direction is to discourage unnecessarily restrictive site specific provisions.</p> <p>The planning proposal is considered to be technically inconsistent with the terms of the direction as it seeks to implement a series of site specific provisions under the Sydney LEP 2012.</p> <p>However, the inconsistency is considered to be justified as the proposed site specific provisions will not restrict future development from being undertaken in accordance with the site's existing controls as they will remain applicable.</p>
3.2 Heritage Conservation	Consistent	<p>The objective of the direction is to conserve items, areas, objects and places of environmental and indigenous heritage significance.</p> <p>The direction applies to the planning proposal as the western site contains heritage items being the Former Skinner Family Hotel and the Tank Stream which runs adjacent to its boundary, and the eastern site adjoins several local heritage items including a frontage to Richard Johnson Square.</p> <p>The planning proposal is supported by a Heritage Impact Statement which concludes that the proposed controls are capable of resulting in an acceptable impact to the aforementioned heritage items.</p> <p>The planning proposal seeks to include a site specific provision to give effect to the Design Guidelines which will provide guidance to ensure the appropriate adaptive reuse of the Former Skinner Family Hotel.</p> <p>The planning proposal is considered to be consistent with the terms of the direction as it has adequately considered its potential heritage impact and seeks to implement provisions that facilitate the conservation of relevant heritage items</p>

4.1 Flooding	Consistent	<p>The direction seeks to ensure that development of flood prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005.</p> <p>The planning proposal is supported by a Preliminary Flood Impact Assessment which includes a high level review of flooding risks and constraints. The Preliminary Assessment concludes that the proposed development is capable of achieving compliance with the City's Flood Management Policy.</p> <p>The scope of the CSSI approval includes the future Hunter Street Sydney Metro station, tunnels, associated infrastructure, ground floor entries and provisions for the over station development. As such, the proposal states that flood and stormwater management and mitigation measures are managed through the CSSI process.</p> <p>The Department notes the Design Guidelines that accompany this planning proposal align with the Sydney Metro West System Requirement Specification for flooding and stormwater, which will apply additional requirements at the development application stage.</p>
4.4 Remediation of Contaminated Land	Consistent	<p>The objective of the direction is to reduce the risk of harm to human health and the environment by ensuring that contamination and remediation are considered by planning proposal authorities.</p> <p>The planning proposal notes that the proposal does not seek a rezoning of the site and that the site has primarily been utilised for commercial purposes which are anticipated to be retained.</p> <p>As the planning proposal only relates to the tower components of the over station development. It is considered that remediation impacts can be best assessed as part of the CSSI assessment process for the excavation and construction of the metro station and associated tunnels.</p>

4.5 Acid Sulfate Soils	Consistent	<p>The objective of the direction is to avoid significant adverse environmental impacts from the use of land that has a probability of containing acid sulfate soils.</p> <p>The planning proposal notes that the subject site is located on land identified as containing Class 5 Acid Sulfate Soils and is located within 500m of a Class 2 acid sulfate soils site on Bridge Street.</p> <p>The planning proposal outlines that as it relates only to the over station development above the future Hunter Street Sydney Metro Station sites, it does not apply to any underground excavation works. Council outlines that any acid sulfate management is to be addressed through the CSSI application for the excavation and construction of the new Metro Station.</p>
5.3 Development Near Regulated Airports and Defence Airfields	Unresolved	<p>The direction seeks to ensure the safe and effective operation of regulated airports and defence airfields by ensuring their operation is not compromised by development that constitutes an obstruction or hazard to aircraft flying within the vicinity.</p> <p>The proposed developments seek to enable the development of two new towers of up to RL 269.1 and RL 220 respectively. The two sites are both identified as being located within the Outer Horizontal Surface which prescribes an OLS of RL 156. As such, the proposed controls will allow for an encroachment into the Obstacle Limitation Surface.</p> <p>As the proposal constitutes a controlled activity under section 182 of the <i>Airports Act 1996</i>, the PPA will be required to consult with and seek approval from the Civil Aviation Authority prior to public exhibition. In this instance, a condition has been imposed requiring consultation during public exhibition.</p> <p>The planning proposal notes that it is currently inconsistent with the terms of the direction as the PPA is required to consult with the operator or the airport to prepare appropriate controls to ensure development is not incompatible with the airports operation.</p> <p>The conditions of the Gateway determination require the PPA to consult with the Civil Aviation Safety Authority (CASA) and Sydney Airport during the public exhibition period.</p>

7.1 Business and Industrial Zones	Consistent, but unresolved.	<p>The direction seeks to encourage employment growth in suitable locations whilst protecting exiting employment land and supporting the viability of identified centres.</p> <p>The direction applies as the planning proposal pertains to B8 Metropolitan Centre zoned land.</p> <p>The proposal is considered consistent with the direction as it retains the sites existing B8 Metropolitan Centre and increases the potential permissible floor space for employment uses.</p> <p>The planning proposal is also considered to actively give effect to the terms and objectives of the direction as it seeks to ensure the retention of employment uses at the site. The proposal contains site specific provisions which incentivise the use of the sites for solely commercial purposes.</p> <p>The proposal is anticipated to generate the delivery of up to 150,000m² of new commercial floor space in Central Sydney.</p> <p>Whilst the planning proposal is considered to be consistent with the terms of the direction and gives effect to its objectives, the planning proposal fails to fully address the direction. Prior to public exhibition the planning proposal should be updated to adequately demonstrate the proposals consistency with the terms of the direction. This is reflected in the conditions of the Gateway determination.</p>
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3.6 State environmental planning policies (SEPPs)

The planning proposal is consistent with and does not hinder the application of any relevant SEPPs as discussed in the table below.

Table 8 Assessment of planning proposal against relevant SEPPs

SEPPs	Requirement	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
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SEPP (Transport and Infrastructure) 2021	The SEPP contains a series of requirements which set referral and concurrence criteria from Transport for NSW and the Sydney Metro Authority.	Yes	<p>The SEPP requires concurrence from Transport for NSW as the proposal is considered to be 'traffic generating development' as it proposes more than 10,000m² of commercial floor space.</p> <p>The site is also identified within the Metro Zone B – Tunnel) Zone under the SEPP for the Sydney Metro project. This requires the future state significant development application to receive concurrence from the Sydney Metro Authority.</p> <p>As such, Transport for NSW and the Sydney Metro Authority are required to be consulted during the public exhibition period.</p>
State Environmental Planning Policy (Biodiversity and Conservation) 2021	The SEPP contains objectives and actions with respect to the Sydney Harbour Catchment area to ensure that the catchment, foreshores, waterways and islands of Sydney Harbour are recognised, protected, enhanced and maintained. The Sydney LGA is identified as being part of the Sydney Harbour Catchment area	Yes	<p>The subject sites are identified as being part of the Sydney Harbour Catchment area.</p> <p>It should be noted that the sites are not identified within the foreshores or waterways areas and do not contain any areas identified as having heritage significance under the SEPP.</p> <p>The proposal is not considered to hinder the application of the SEPP.</p>

4 Site-specific assessment

4.1 Environmental

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

Table 9 Environmental impact assessment

Environmental Impact	Assessment
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Overshadowing

Division 3 of the Sydney LEP 2012 contains a series of clauses which seek to ensure that no additional overshadowing occurs to certain public places at certain times within and around Central Sydney.

The proposed concept design utilises a tapered form at the upper levels of the two towers to ensure compliance with the sun access planes under the LEP. The reference design demonstrates that a built form utilising the proposed building heights sought under the planning proposal can be compliant with the sun access planes contained under Schedule 6A of the Sydney LEP 2012.

It is noted that the planning proposal will result in some additional overshadowing to The Domain during the Winter Solstice. However, this minimal overshadowing occurs outside the hours of protection prescribed under the LEP.

The proposal will also result in some additional overshadowing to Wynyard Park during the morning at mid-summer. However, the overshadowing will occur outside the protected sunlight areas for the park and therefore is not considered to have an adverse impact on the amenity of the park.

As noted in the planning proposal, Chifley Square will also experience additional overshadowing. However, this public space is no longer protected from overshadowing under the LEP.

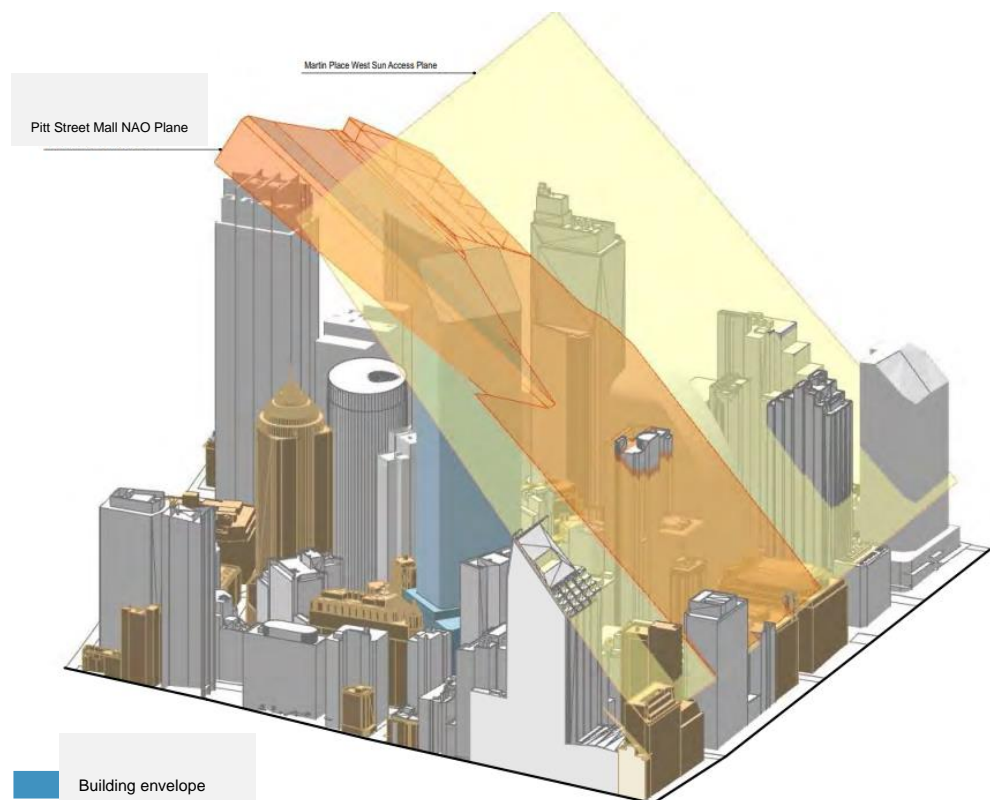


Figure 13: Western Site Solar Access Modelling (Urban Design Report) showing Pitt Street Mall No Additional Overshadowing Plane and Martin Place Sun Access Plane as defined by Sydney LEP 2012

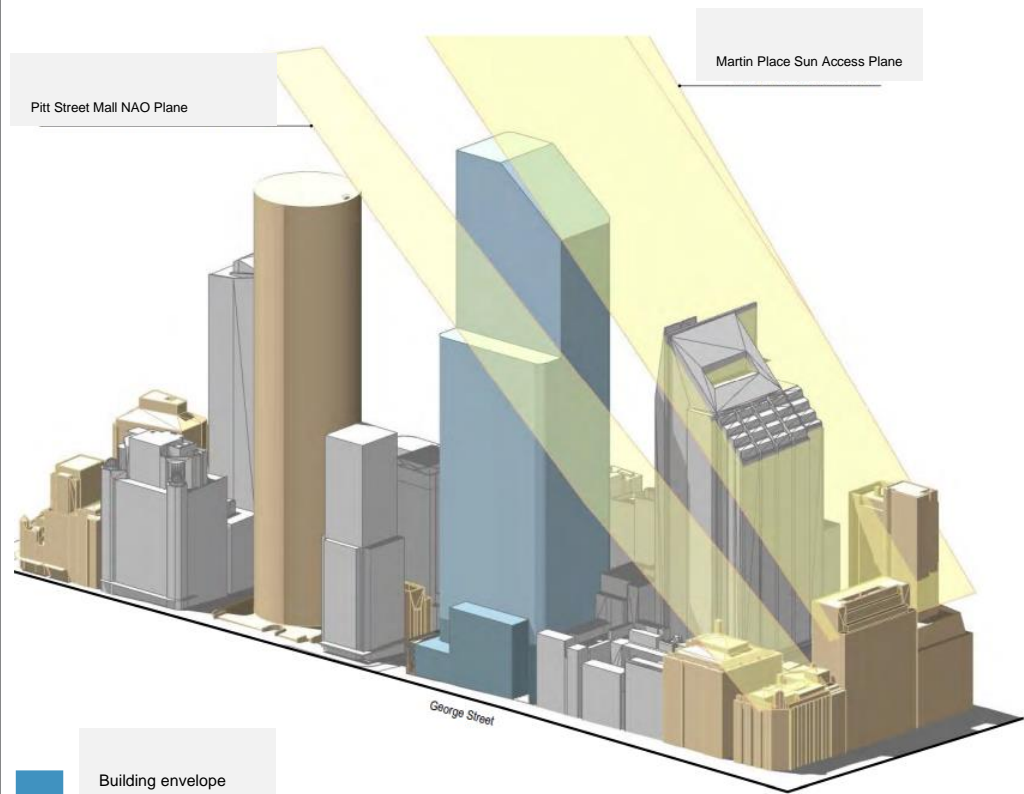


Figure 14: Western Site Solar Access Modelling (Urban Design Report) showing Pitt Street Mall No Additional Overshadowing Plane and Martin Place Sun Access Plane as defined by Sydney LEP 2012



Figure 16: Former Skinner Family Hotel (Source: Heritage Impact Assessment)

As the western site contains two state heritage items, it is recommended that Heritage NSW be consulted during the public exhibition period. This is reflected in the recommended conditions of the Gateway determination

The planning proposal is accompanied by a Heritage Impact Assessment that concludes that the podium levels in the proposal respect the historic context, which allows the tower envelopes to form part of the contemporary city above.

The heritage impact assessment also notes that the proposal will ensure the retention of the State Heritage Listed Former Skinner Family Hotel including its interiors ensuring its viability within the future commercial development.

The Department considers that the retention of the former 3 storey hotel building can be achieved in an appropriate manner as the adjacent podium is considered to appropriately respond with a 12.5m street wall height and generous tower setback.

The proposal seeks to include provisions to ensure that 2.25:1 of Heritage Floor Space is required across the subject sites, to enable the application of the City's Heritage Floor Space Scheme. This will ensure that development at the site contributes to heritage conservation within Central Sydney.

The planning proposal is accompanied by a series of draft Design Guidelines which seek to inform future development. The planning proposal will introduce site specific provisions which provide these guidelines with statutory weight at the development application stage. The draft Design Guidelines include a series of heritage impact considerations which must be satisfied for any future development consent to be granted.

Wind Impact	<p>The planning proposal is accompanied by a Pedestrian Wind Impact Assessment (Attachment A10).</p> <p>The assessment provides a comparison of the base case against the proposed development which demonstrates that on average, the proposed development performed better than the base case, reducing the average wind speed from 3.5m/s to 3.4m/s.</p> <p>Whilst it is acknowledged that the assessment indicates that there are some areas where the average wind speed is increased, the wind speeds in these locations are still considered to be acceptable for their intended uses.</p> <p>The Wind Assessment concludes that all measured locations demonstrate that speeds are anticipated to be below the 24m/s wind speed safety criteria, deeming the impacts to be safe for all users.</p> <p>The Design Guidelines accompanying the proposal will ensure that further wind impact analysis is undertaken at the detailed design and development application stage. Notwithstanding, the planning proposal is considered to have appropriately considered potential wind tunnelling impacts at this stage of the planning process.</p>
Sky View Factor	<p>Sky view testing has been undertaken for the proposed planning envelope. The testing shows that the proposed building envelope will not result in adverse impacts to public domain amenity, especially wind impacts and daylight levels. This is consistent with the CSPS which seeks to ensure new development facilitates either equivalent or improved daylight access to the surrounding public domain.</p>
Design Excellence	<p>Under clauses 6.21D and 6.21E of the Sydney LEP 2012, all development in Central Sydney that includes the development of a tower exceeding 55m requires a competitive design excellence process to be undertaken. The planning proposal seeks to introduce a site specific provision which will “switch off” the design excellence clauses contained under the Sydney LEP 2012.</p> <p>Sydney Metro adopts an iterative design review process under the Sydney Metro West Design Excellence Strategy, which encourages partnering of accredited and experienced technically assured architectural practices for railway infrastructure and design excellence.</p> <p>In addition, the draft Design Guidelines accompanying the proposal also include provisions relating to design excellence, whilst still allowing for Sydney Metro to utilise its Design Excellence Strategy to ensure a consistent approach.</p> <p>Whilst it is acknowledged that the planning proposal will remove the design excellence requirements under clause 6.21D and 6.21E, the approach undertaken is considered suitable as it will still allow for a holistic design excellence approach to be undertaken which is appropriate for the type of development sought.</p>

4.2 Social and economic

The following table provides an assessment of the potential social and economic impacts associated with the proposal.

Table 10 Social and economic impact assessment

Social and Economic Impact	Assessment
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Voluntary Planning Agreement	<p>The planning proposal is accompanied by a letter of offer to enter into a Voluntary Planning Agreement with Council. The letter of offer outlines the following to be delivered as part of the future development envisioned for the site:</p> <ul style="list-style-type: none"> • Provision of public art • Quality pedestrian links improving permeability between key CBD blocks • Enhanced below ground linkages to Wynyard and Martin Place Stations • Extension and enhancement of the existing Richard Johnson Square • Commitment to payment of a monetary contribution towards the cost of local infrastructure to the equivalent of 3% of the cost of the proposed developments. • Commitment to achieving high standards of ecologically sustainable development including <ul style="list-style-type: none"> ○ 6 star Green Star rating ○ 6 Star NABERS office building rating ○ 4.5 Star NABERS water rating.
Public Domain	<p>The planning proposal is anticipated to produce a series of public domain improvements as the reference scheme has been designed in manner which will improve pedestrian permeability and expand existing open space.</p> <p>The podium of the development on the western site is proposed to include several publicly accessible pedestrian connections to adjoining sites, promoting increased permeability between George Street, Pitt Street, Hunter Street and Angel Place.</p> <p>The proposed development for the eastern site, includes a ground floor setback ranging from 2.7m to 6.8m to Richard Johnson Square allowing for an expansion of the existing public space. The proposal will also allow for public domain improvements through the provision of a through site link from Richard Johnson Square to O'Connell Street and the new Sydney Metro Station.</p> <p>The reference design also demonstrates that the proposed development can proceed in accordance with the sun access controls under the Sydney LEP, ensuring that no additional overshadowing to protect existing public spaces occurs during protected times.</p>
Economic	<p>Council's Central Sydney Planning Strategy anticipates that approximately 85,000 further jobs will be required in Central Sydney, which existing planning controls do not provide sufficient capacity for. The proposal will enable the development of up to an additional 150,000m² of new commercial floorspace to support the ongoing economic growth of Central Sydney. The proposal also includes provisions to disincentivise residential development given the site's strategic location.</p> <p>The planning proposal is supported by an Economic Impact Assessment (Attachment A17). The assessment highlights that the proposal will generate:</p> <ul style="list-style-type: none"> • 1,047 construction related jobs per annum over the forecasted three year construction period. • Approximately 15,767 jobs within the new office towers at full capacity. • \$502.3 million in Gross Value Added to the NSW economy from construction.

4.3 Infrastructure

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

Table 11 Infrastructure assessment

Infrastructure	Assessment
Traffic and Parking	<p>The planning proposal request indicates that a maximum of 70 carparking spaces will be provided across the two subject sites. The proposed car parking provision is less than the maximum of 148 permitted under the Sydney LEP 2012 and the total existing car parking provision of 86 spaces.</p> <p>The planning proposal is supported by a Transport and Accessibility Impact Analysis which concludes that the proposal is not expected to have a significant impact on local traffic due to low on-site parking provision and convenient access to on-site public transport infrastructure.</p>

5 Consultation

5.1 Community

Council proposes a community consultation period of 28 days. Under the new *Local Environmental Plan Making Guide* (December 2021), the exhibition period for a standard planning proposal is 20 working days. This forms a condition of the Gateway determination.

The proposal is considered a standard planning proposal as it relates to the alteration of a principal development standard of the LEP and is consistent with the Eastern District Plan and Local Strategic Planning Statement.

5.2 Agencies

The proposal does not specifically raise which agencies will be consulted, however notes that concurrent approval is required from Sydney Airports under Clause 7.16 of the Sydney LEP 2012.

It is recommended the following agencies be consulted on the planning proposal and given 21 working days to comment:

- Sydney Airport Corporation
- Civil Aviation Safety Authority
- Department of Infrastructure, Transport, Regional Development and Communication.
- Transport for NSW
- Sydney Metro
- Heritage NSW
- Relevant utility providers, including Sydney Water.

6 Timeframe

Council proposes an 11 month time frame to complete the LEP.

Under the new *Local Environmental Plan Making Guide (December 2021)*, a standard planning proposal is to achieve the following timeframes:

Stage	Actions	Working Days
Post-Gateway	Review gateway, action conditions, prepare relevant studies and consult with government agencies prior to exhibition	50 days (counted from date of Gateway Determination)
Public exhibition and assessment	Undertake public exhibition and consultation with authorities, review of submissions and endorsement of proposal by the PPA	95 (inclusive of a maximum public exhibition period of 25 days)
Finalisation	Finalisation of the LEP, including legal drafting and gazettal	55 days
Total days		200 days

In this instance, the Department supports Council's proposed 12 month time frame. While this timeframe is slightly longer than the recommended 200 days for a standard planning proposal it will provide appropriate time for Council to accommodate end of year shutdown periods, potential for extended exhibition periods and resolve any issues.

7 Local plan-making authority

Council has advised that it would like to exercise its functions as Local Plan-Making authority.

Given the planning proposal is located in an area of regional significance and located above state significant infrastructure, the Department recommends that Council is not made local plan-making authority for this proposal.

8 Assessment summary

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

- The proposal demonstrates strategic merit at the regional, district and local levels as it will facilitate the delivery of up to 150,000m² of new commercial floor space in the Sydney CBD
- The proposed developments will provide 1047 construction jobs per annum during the forecasted 3 year construction period
- Following completion, the proposed developments are anticipated to provide employment generating floor space for over 15,000 employees at full capacity
- The planning proposal seeks to leverage off and support the State Government's investment in the Sydney Metro West project
- The proposal will allow for public domain improvements, including the expansion of Richard Johnson Square
- The proposal has appropriately responded to its heritage context, including design guidelines to allow for the adaptive reuse of the state heritage listed Former Skinner Family Hotel on the western site
- The proposal can ensure the provision of improved pedestrian connections between the new Metro Station, adjacent streets and connections to existing sites
- The proposal encourages the efficient use of planned and existing transport infrastructure
- It includes design guidelines and is accompanied by a letter of offer that will ensure high levels of ecologically sustainable development are achieved.

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

- Ensure that consistency with Section 9.1 Ministerial Direction 7.1 Business and Industrial Zones is addressed.
- Update property addresses and descriptions within the planning proposal to ensure alignment with the Department's records.

9 Recommendation

It is recommended the delegate of the Secretary:

- Note that the inconsistency with section 9.1 Directions 5.3 Development Near Regulated Airports and Defence Airfields remains unresolved until further consultation has been undertaken.

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

1. The planning proposal is to be updated to:
 - Ensure that the property descriptions and addresses contained in the planning proposal are updated to align with the Department's records
 - Address its consistency with Section 9.1 Ministerial Direction 7.1 Business and Industrial Zones.
 - Provide an explanation for the exclusion of clause 4.6 variations.
2. Prior to community consultation, consultation is required with the following public authorities:
 - Sydney Metro.
3. Prior to community consultation, the planning proposal is to be revised to address conditions 1 and 2 and forwarded to the Department for review and approval.
4. Consultation is required with the following public authorities:
 - Sydney Airports and Civil Aviation Safety Authority
 - Department of Infrastructure, Transport, Regional Development and Communication.
 - Transport for NSW
 - Heritage NSW
 - Relevant utility providers, including Sydney Water.
5. The planning proposal should be made available for community consultation for a minimum of 20 working days.
6. The planning proposal must be exhibited 4 months from the date of the Gateway determination.
7. The planning proposal must be reported to the Department for a final recommendation 10 months from the date of the Gateway determination.
8. The timeframe for completing the LEP is to be 12 months from the date of the Gateway determination.
9. Given the nature of the proposal, Council should/ should not be authorised to be the local plan-making authority.



28/10/2022

(Signature)

(Date)

Aaron Nangle

Manager, Metro East and South (City)



28/10/2022

(Signature)

(Date)

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