



Planning Proposal July 2024

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# **Executive Summary**

The City of Sydney (the City) has prepared this planning proposal for the site at 1-25 O'Connell Street and 8-16 Spring Street, Sydney (the site), in response to a request from the applicant, Lendlease, for the City to prepare a planning proposal for the site.

This planning proposal explains the intent and justification for the proposed amendments to the Sydney Local Environmental Plan 2012 (LEP) as it applies to the site. This planning proposal has been prepared by the City in accordance with Clause 3.33 of the Environmental Planning and Assessment Act 1979 and the Department of Planning, Housing and Infrastructure's Environment's Local Environmental Plan Making Guideline.

The planning proposal will enable development on the site that will be consistent with the Central Sydney Planning Strategy and contribute to the vision and aims of the Strategy through new employment space, improved public domain outcomes, contribution to environmental sustainability, and design excellence.

#### The site

The site is 6,737.4 square metres in area, contains six lots, and is irregular in shape. The site has three street frontages, to O'Connell Street, Spring Street and Bent Street. The site comprises the building known as 1 O'Connell Street which is a 36 storey office tower, and podium known as the "Wintergarden" at the most northerly part, as well as five other commercial-use buildings, including the State heritage listed 19-21 O'Connell Street building.

The south-western boundary of the site adjoins the State heritage listed former Wales building, used for the Raddison Blu Hotel. Surrounding development consists largely of office buildings with many featuring ground floor retail, as well as hotels, restaurants and club uses.

#### **Existing development controls**

Under the existing LEP controls, the site is zoned SP5 Metropolitan Centre, permitting a broad range of uses including office, retail, commercial and residential uses. The site has a mapped floor space ratio of 8:1, with additional floor space available, including where the development exhibits design excellence.

#### The planning proposal – Sydney Local Environmental Plan 2012 controls

The City has prepared this planning proposal following a detailed review of the proponent's planning proposal request and accompanying documentation.

This planning proposal seeks to insert a new site-specific clause in Division 5 of the LEP to:

- set a maximum floor space ratio of 23:1, inclusive of all available floor space bonuses
- allow a maximum height of RL 319.1 metres, subject to meeting all Sun Access Plane and Overshadowing of Certain Public Places controls
- allow development consent using these controls to only be granted if:
  - the tower known as 1 O'Connell Street is retained, and the corner podium element redeveloped with the same scale and form, with a new 'lantern' element on the roof, and improved relationship to the street
  - active frontages are maximised to O'Connell, Spring and Bent streets are maximised
  - a through-site link and shared loading dock are provided

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- there is adequate provision for loading and servicing for the development on the site
- the development does not include a commercial car park
- the development is for employment uses only
- clarify that the development exclusive of the 1 O'Connell Street portion is not an alteration or addition to an existing building under Clause 6.11(3) of the LEP
- not allow further variations to the controls under Clause 4.6 of the LEP
- allow redevelopment on the site using the underlying LEP and DCP controls if all of the above cannot be met.

#### Draft site-specific Development Control Plan

The City has prepared a draft site-specific amendment 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, through-site link, loading and servicing, public art, design excellence and sustainability. The City intends to publicly exhibit the draft DCP with this planning proposal.

#### Intended outcome for development on the site

The proposed changes to the planning controls facilitate development with the following key benefits:

- retention of business uses with flexible future workspace increasing Central Sydney's capacity for more sustainable business growth and new jobs.
- retention of the commercial tower at 1 O'Connell Street and Wintergarden podium form with adaptive reuse of three heritage items on the site.
- inclusion of a through-site link to improve pedestrian access between O'Connell Street and Spring Street.
- deliver acceptable daylight and wind conditions in the public domain, compared to a DCP compliant building envelope.
- provide a basement with loading dock spaces to service the development, as well as a shared precinct loading dock (logistics hub) to service surrounding development to reduce demand for on-street loading.
- meet ecologically sustainable development benchmarks to ensure an energy efficient built form is delivered.

# 1. Background

## 1.1 Site identification

This planning proposal relates to the site consisting of six lots as detailed in Table 1 ('the Site"). These six lots are all owned by the Lendlease, the proponent.

Address	Legal description	Area m <sup>2</sup>	Existing development
1-15 O'Connell Street	Lot 1 DP 814858	3,211	36 storey commercial building
19-21 O'Connell Street	Lot 1 DP 131917	560.4	8 storey commercial building, State heritage item
23-25 O'Connell Street	SP 63932	462.4	11 storey commercial building
8 Spring Street	Lot 2 DP 172068	537.7	13 storey commercial building
10-14 Spring Street	Lot 1 DP 74923 Lot 2 DP 74923 Lot 1 DP 176768	496.4	17 storey commercial building
16 Spring Street	Lot 1 DP 724946	460.5	12 storey commercial building

## 1.2 Site location

The site is located in Central Sydney, within the City of Sydney local government area. It has street frontages to O'Connell Street, Spring Street and Bent Street.

A map of the site is shown at Figure 1. An aerial photo of the site and surrounding area is shown at Figure 2.



Figure 1. Land affected by this Planning Proposal



#### Figure 2. Aerial photo of the site

### 1.3 Site characteristics and context

The site is irregular in shape and has total area of 6,737.4m<sup>2</sup>. The site's south-eastern boundary fronts O'Connell Street for a length of approximately 145 metres. The site's north-western boundary fronts Spring Street for a length of approximately 94 metres. The site also fronts Bent Street at the north-east corner of the site.

There are six buildings currently located on the site. These are:

- 1-15 O'Connell Street: this is a 36 storey commercial tower known as 1 O'Connell Street. It includes the Wintergarden podium containing food and other retailing and business premises. Driveway access is from Bent Street to a car park, which includes a commercial car park.
- 19-21 O'Connell Street: this is an eight storey building, and is a State heritage item known as the former Rofe Chambers, with the heritage listing including interiors. It is currently used as the Public Trustee of Guardian office.
- 23-25 O'Connell Street: this is an 11 storey commercial building with retail on the ground floor.
- 8 Spring Street: adjoining 1 O'Connell, this is a 13 storey commercial building with retail at ground level. It contains vehicle entry ramp from Spring Street.

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- 10-14 Spring Street: this is a 17 storey building with retail at ground floor retail and commercial uses above. It also has a frontage to O'Connell Street, where it adjoins 1 O'Connell Street. It has a vehicle access ramp from Spring Street.
- 16 Spring Street: this is a 12 storey commercial building with a lobby at ground level. It has a vehicle access ramp from Spring Street.

The south-western boundary adjoins a State heritage listed building known as 'former Wales House' and used by the Radisson Blu Plaza Hotel.

Other development in the vicinity of the site includes:

- South-east, on the opposite side of O'Connell Street includes the following:
  - 1 Bligh Street, a commercial building containing 29 storeys completed in 2011.
  - 6-10 'Connell Street, a commercial building containing 26 storeys, refurbished in 2016
  - 12-14 O'Connell Street, 9 storey heritage listed commercial building known as former Manufacturing House,
  - 16 O'Connell Street, an 11 storey heritage listed mixed use building containing commercial uses and lower floors and residential units on upper floors
  - 20-28 O'Connell Street, currently used for the Sydney Metro West construction, and will be the location of the southern over-station development, with proposed access from O'Connell and Hunter Street,
- North, in a generally northerly direction from the site includes:
  - Farrer Place Plaza with heritage listed palm trees
  - 35-39 Bridge Street, formerly the Education Building, approximately 8 storeys and a State heritage item and used for the Capella Sydney hotel
  - 23-33 Bridge Street, formerly the Land Department Building, a State heritage item also used for the Capella Sydney hotel.
- North-east, the opposite side of Spring Street includes:
  - 1-5 Spring Street, a 17 storey commercial building
  - 60 Pitt Street, a 12 storey commercial building
  - 62 Pitt Street, an 8 storey local heritage item with commercial uses
  - 87-95 Pitt Street, known as Australia Square, a local heritage item with outstanding example of late twentieth century International Style works of architecture by Harry Seidler, used for a mix of commercial uses.

Figure 3. Looking south-east from Bent Street, with 1 O'Connell and Wintergarden in foreground



Figure 4. View south-east of 1 O'Connell Street, including Wintergarden and heritage façade facing Bent Street





Figure 5. View along O'Connell Street, including 19 O'Connell Street

Figure 6. View at Bent and Spring Streets, with the two heritage facades



#### Figure 7. View north-east of Spring Street towards Bent Street

#### Figure 8. Internal view of the Wintergarden





Figure 9. View of the Raddison Blu Hotel building, adjoining Pitt and O'Connell Streets

Figure 10. View of Farrer Place from O'Connell Street



## 1.4 Planning Proposal request

In April 2024, a planning proposal request for the site was lodged by Lendlease. The request was accompanied by a number of specialist reports including a Planning Justification Report, Urban Design Report, Design Excellence Strategy, Sky View Factor Report, Pedestrian Wind Assessment, Ecologically Sustainable Development and Flood Study. The City has prepared this planning proposal following the consideration and assessment of the request.

The proponent's request includes a building envelope that has been subject to wind, daylight and solar access testing.

The request seeks to insert new site-specific controls in the LEP to permit redevelopment of the site to achieve a gross floor area of around 155,000sqm, comprising the retention of the existing floor area in the commercial tower at 1 O'Connell Street, new commercial tower approximately 94,000 square metres above the podium which will extend across the site and include the Wintergarden corner element.

The maximum height control for the site is proposed to be increased from 235m, to a maximum of RL 319.1 metres, which is an increase of approximately 75m. The maximum height is subject to meeting the Sun Access Planes for Martin Place, Hyde Park and The Domain Sun Access Planes, and Overshadowing of Certain Public Places control for Pitt Street Mall.



Figure 11. Photomontage of the proponent's indicative development scheme for the site

The proposal includes retail, food and beverage facilities, end of trip facilities and lobby spaces on the street-level ground floors and first floor of a future development. A 24/7 public pedestrian through-site link will connect O'Connell and Spring Streets at ground level. Vehicle access is to be from Bent Street via the existing driveway access, to a redesigned multi-level basement consisting of additional end of trip facilities, loading dock spaces, plant and other servicing, and a shared loading dock/logistics centre. Details about how these could be achieved are included in the reference scheme included in the proponent's submitted documentation.

#### **Design Advisory Panel**

The proposal was referred to the City's Design Advisory Panel (DAP) in May 2022 and August 2023. The DAP's recommendations included:

- Meeting 1 May 2022
  - Recommended proposed public realm improvements be coordinated with the City's urban design and studies for the precinct, noting the potential public domain upgrades and transformation in support of the development
  - To justify the proposed densities, delivering the public domain proposals is fundamental.
  - Removal of Wintergarden to create a plaza is not supported. Retention or creation of a new building here should be further studied to help define the corner and mitigate wind impacts
  - The proposal needs to be supported to a full and proper wind analysis for all times of the year
  - Tower setbacks should be consistent with DCP controls, with a 10m setback to the 1 O'Connell Street tower, 3m setback to the Raddison Hotel and 8m to O'Connell and Spring Streets
  - Supports the undercroft to the tower proposed (south east lower corner) near the Radisson provided it is strong and has adequate height and quality to mitigate impacts on the heritage building and allow better daylight through the site link.
- Meeting 2 August 2023 Revised Plans
  - Design principles will need to address sky view factor/daylight, wind impacts, street activation, public access, pedestrian flows, interface with the Radisson and street wall height
  - Design principles for the through-site link will need to address overall building design, and should be public, open 24 hours, be civic in nature, able to accommodate pedestrian numbers generated by the metro
  - The corner Wintergarden component be retained in full, especially if the 1 O'Connell Street tower is to be retained. This is a set piece that defines the edges of Farrer Place. Internal levels can be re-worked to better address the street, and surrounding footpaths widened
  - The retention of the 1 O'Connell Street podium will likely require adjustment of the envelope to satisfy sky view factor and daylight controls
  - Tower articulation should be averaged across the height, to have flexibility at the competition phase including provision for sun shading devices to improve sustainability.
  - Provide a clear analysis of the Radisson Hotel in terms of activation from internal levels at ground and address the through-site link

#### The City's Planning Proposal

- The City has prepared this planning proposal following detailed review and assessment of the proposed development concept. The planning envelope has been amended in response to DAP guidance and recommendations.
- The proposed planning envelope is responsive to its context, ensures acceptable wind and daylight conditions in the adjacent public domain will be maintained, and is consistent with the requirements of the Central Sydney Planning Strategy.
- An amendment to the Sydney Development Control Plan 2012 (DCP), to be exhibited with this
  planning proposal, contains more detailed site-specific planning provisions. The planning
  proposal and draft DCP address issues arising from the assessment of the applicant's planning
  proposal request.

# 2. Existing planning controls

The LEP contains zoning and principal development standards for the site. These are discussed below.

## 2.1 Zoning

The site is zoned SP5 Metropolitan Centre, as shown in Figure 11. The zone permits a broad range of uses, including commercial premises, community facilities, food and drink premises, as well as residential accommodation and tourist and visitor accommodation.

The SP5 zone objectives seek to recognise and provide for the pre-eminent role of business, office, retail, entertainment and tourist premises in Australia's participation in the global economy and to provide opportunities for an intensity of land uses commensurate with Sydney's global status. This planning proposal will not change the site's zoning.



Figure 12. Extract from Zoning Map in the Sydney Local Environmental Plan 2012

## 2.2 Building height

The maximum height for the site is 235m as shown on the height of buildings map. It is also identified as being within a Tower Cluster Area on the Locality and Site Identification Key Sites Map. Additional height control restriction applying to the site are:

- Clause 6.17 of the LEP, which requires no part of the development to project higher than specified sun access planes for specified dates and times. The Domain, Hyde Park and Martin Place sun access planes apply to this site.
- Clause 6.18 of the LEP, which requires no additional overshadowing of identified public spaces in Central Sydney during specified times, applies with regards to Pitt Street Mall.
- Clause 6.19 of the LEP, which requires view planes to Circular Quay along Pitt Street to be preserved and not obstruct public views.

Maps for each of these additional height restrictions are in Section 5 of the Sydney Development Control Plan 2012



Figure 13. Extract from Height of Building Map in the Sydney Local Environmental Plan 2012

## 2.3 Floor space ratio

The maximum floor space ratio for the site is 8:1, as shown in Figure 14. Clause 6.4 of the LEP provides additional FSR of up to 6:1 for uses including office, business, retail premises and entertainment facilities, subject to purchase of heritage floor space. Up to 10 per cent additional floor space may be granted under clause 6.21(7) of the LEP subject to a competitive design process and demonstration of design excellence.

The current controls provide for a maximum FSR of 13.75:1 for a mixed retail and commercial development on this site.

The tower cluster provisions under clause 6.21E apply to the site, which could result in a total FSR of 18.75:1 subject to meeting all the requirements of the clause.



Figure 14. Extract from Floor Space Ratio Map in the Sydney Local Environmental Plan 2012

## 2.4 Heritage

The subject site includes three heritage items. These are:

- former "Rofe Chambers" including interiors at 19-21 O'Connell Street (I1904) (State item)
- former Chatsworth House façade at 1-15 Spring Street (I1900)
- former Orient Building façade at 1-15 Spring Street (I1901)

Heritage items and adjoining the subject site are:

- former Wales House at 64-66 Pitt Street, adjoining the southern side of the site and used as the Raddison Blue Hotel (I1915) (State item)
- Former Department of Lands Building at 23-33 Bridge Street (I1683) (State item)
- Department of Education Building at 35-39 Bridge Street (1684) (State item)
- Palm trees in Farrer Place
- Former Liverpool and London and Globe building at 62 Pitt Street
- Australia Square at 264–278 George Street (and 87–95 Pitt Street)
- Former Manufacturing House at 12-14 O'Connell Street
- Former Bank of NSW at 16 O'Connell Street

#### Figure 15. Extract from Heritage Map in the Sydney Local Environmental Plan 2012



Figure 16. 19 O'Connell Street (left), Chatsworth House façade (centre) and Orient Building (right)



The subject site is also within the Farrer Place Special Character Area under Section 5.1.3 of the Sydney Development Control Plan

#### Figure 17. Extract from Farrer Place Special Character Area map in the Sydney Development Control Plan 2012



# 3. Objectives and intended outcomes

This planning proposal is to amend the Sydney LEP 2012 to provide an incentive for redeveloping the site at 1-25 O'Connell Street and 8-16 Spring Street, Sydney for commercial uses to deliver:

- built form consistent with the desired future character of Central Sydney, with acceptable environmental outcomes and achieves design excellence
- encourages land uses other than residential accommodation or serviced apartments
- the retention of the existing commercial office tower at 1-15 O'Connell Street and a second new commercial office tower on the site
- retention of the Wintergarden corner podium scale and form, with a new 'lantern' element on the roof, to respect the special character area and improve environmental conditions in the public domain
- that adaptively reuses the heritage items on the site, respects heritage significance of adjoining buildings,
- improved pedestrian access and amenity through provision of a publicly accessible pedestrian through-site link and improved activation of streets
- adequate provision of loading and servicing spaces within the basement to service the development on the site
- shared loading dock facility for a precinct wide logistics hub and reduce the demand for onstreet parking by service vehicles servicing other sites

The draft DCP accompanying the planning proposal will provide detailed guidance for the site.

A planning agreement (VPA) will be exhibited to secure the delivery of and public access to the pedestrian through-site link and establish principles for the access to and operation of the shared precinct loading dock.

# 4. Explanation of provisions

## 4.1 Sydney Local Environmental Plan 2012

To achieve the objectives and intended outcomes, this planning proposal seeks to amend the Sydney Local Environmental Plan 2012 by inserting a new site-specific clause under Division 5 Site Specific Provisions as follows:

- Identify the maximum floor space ratio of 23:1 that could be accommodated within the planning envelope for the site, comprising the following:
  - floor space ratio as shown on the Floor Space Ratio Map (under clause 4.4); and
  - accommodation floor space (under clause 6.4), which the City's heritage floor space scheme will apply to; and
  - end-of-journey floor space (under clause 6.6); and
  - shared loading dock facility floor space (under clause 6.5A); and
  - maximum site-specific above-ground floor space ratio in addition to the above; and
  - additional floor space, of up to 10%, if the building demonstrates design excellence (under clause 6.21D(3)(b) and no design excellence bonus under clause 6.21E.
  - no additional floor space is applicable.
- Allow a maximum height of RL 319.1 metres, subject to meeting all Sun Access Plane and Overshadowing of Certain Public Places controls.
- Not permit development to utilise this clause unless the resultant development:
  - retains the existing tower at 1-15 O'Connell Street, and the scale and form of the Wintergarden Podium, with a new single storey roof top addition,
  - provides improved maximum active frontages to O'Connell, Bent and Spring Streets
  - includes a pedestrian through-site link connecting O'Connell and Spring Streets, with retail premises to front the through-site link
  - provides for loading and servicing spaces to adequately service development on the site
  - includes a shared loading dock facility, in addition to the site's own loading and servicing requirements, for use by surrounding businesses
  - would not be used for the purpose of a commercial car park
  - will not be used for residential accommodation or serviced apartments
  - demonstrates design excellence as the winner of an architectural design competition.
- Clarify that the development exclusive of the 1 O'Connell Street portion is not an alteration or addition to an existing building under Clause 6.11(3) of the LEP.
- The planning proposal also seeks to insert a provision in Clause 4.6 Exceptions to development standards, so that future development applications lodged under these proposed site-specific provisions do not further vary the controls for this site. Clarify these controls are to be on an opt-in basis for development for uses other than residential accommodation or serviced apartments, otherwise the mapped FSR, additional floor space under Division 3 Subdivision 2, and any additional floor space from a competitive design process under Clause 6.21D, will apply.

A detailed explanation for these controls, and justification are provided in Section 5 of this Planning Proposal.

#### The City's Planning Proposal

The City has prepared this planning proposal following detailed review and assessment of the proposed development concept. The planning envelope has been amended in response to DAP's guidance and recommendations, which has resulted in a revision to the scheme to that included in this planning proposal.

The proposed planning envelope is responsive to its context, ensures acceptable wind and daylight conditions in the adjacent public domain will be maintained and is consistent with the requirements of the Central Sydney Planning Strategy.

An amendment to the Sydney Development Control Plan 2012 (DCP), to be exhibited with this planning proposal, contains more detailed site-specific planning provisions. The planning proposal and draft DCP address issues arising from the assessment of the applicant's planning proposal request.

#### Maximum building height

The maximum building height development control of 235 metres applies to the site. In addition there are Sun Access Planes for The Domain, Hyde Park and Martin Place and Overshadowing of certain public spaces for Pitt Street Mall controlling the site.

This planning proposal seeks to insert new site-specific provisions with a maximum building height of RL 319.1 metres, subject to meeting all the Sun Access Plan and Overshadowing of Certain Public Places controls. The increased maximum building height control facilitates a new tower on the subject site which will not result in additional overshadowing within the protected period. Clause 6.21D(3)(a) will not apply to the proposed site-specific controls.

#### Floor space ratio

The mapped floor space ratio for the site under clause 4.4 of the LEP is 8:1. Future development is also eligible to additional floor space under Division 1 of the LEP, being accommodation floor space, shared loading dock facility floor space and end of journey floor space, as well as design excellence additional floor space of up to 10% if the building demonstrates design excellence.

Despite the various types of floor space available, the floor space ratio for the subject site facilitated by this planning proposal will be expressed in Division 5 of the LEP as a maximum and shall not exceed 23:1. Clause 6.21D(3)(b) will not apply to the proposed site-specific controls as the expressed FSR is the maximum, inclusive of all applicable additional floor space types.

#### Non-residential uses

To facilitate the delivery of new employment generating floor space, only non-residential uses will be eligible for the additional building height and floor space site-specific provisions delivered as part of this planning proposal. As such, residential or serviced apartment uses are excluded from the proposed provisions and employment floor space is protected from residential uses.

This planning proposal will not change the zoning for the site, which permits a range of uses, including business, retail, residential and visitor accommodation. Any future redevelopment of the site for residential or serviced apartment uses will however be limited to the existing building height and floor space ratio controls.

The planning proposal includes a provision to clarify that the proposed site-specific provisions are opt-in for uses other than residential accommodation and serviced apartments, otherwise the mapped height and FSR, additional floor space under Division 3 Subdivision 2, and any additional floor space from a competitive design process of 6.21D, will apply.

#### Through-site link

An objective of this planning proposal is deliver an improved pedestrian experience with greater activation and connections. To achieve this, the planning proposal will make it a requirement that future development provides a through-site link connecting Spring Street with O'Connell Street and the new Hunter Street Metro.

#### Logistics hub / Shared loading dock facility

To facilitate the delivery of the logistics hub, the proposed site-specific provisions will require the consent authority to be satisfied the shared, precinct loading dock facility is included in future development. The subclause will also specify that the shared, precinict loading dock facility is to be in addition to the site's own servicing requirements and is to function for the use of surrounding businesses.

#### Clause 4.6 - Exceptions to development standards

The planning proposal proposes to insert a provision in Clause 4.6 Exceptions to development standards, so that the future development application lodged under these site-specific provisions do not further vary the development controls.

This planning proposal addresses the criteria detailed in the Department of Planning, Housing and Infrastructure's Guide to Exclusions from Clause 4.6 of the Standard Instrument dated November 2023 and is discussed in greater detail in Section 5.3.

#### Design excellence

Future development on site will be subject to an architectural design competition consistent with the requirements of clause 6.21 of the LEP to ensure a high design quality outcome is achieved. This planning proposal will prevent development consent being granted unless future development has been subject to an architectural design competition and demonstrates design excellence in accordance with clause 6.21 of the LEP.

The building height and floor space ratio development controls are expressed as a maximum, therefore clause 6.21(3) (a) and (b) is not applicable as a bonus in this instance.

#### **Drafting instructions**

To deliver the objectives and intended outcomes of this planning proposal, a new site-specific clause for the O'Connell Street precinct site will be inserted to Division 5 Site specific provision of the LEP.

An example of how this provision may be drafted subject to agreement with Parliamentary Counsel is included in Appendix 1.

## 4.2 Sydney DCP 2012 amendments

As a consequence of the proposed site-specific controls in the LEP, it is also proposed to insert site-specific DCP controls into Section 6 of the Sydney DCP 2012. The draft DCP amendments will be publicly exhibited with the planning proposal.

The draft DCP amendment includes provisions to ensure delivery of the future development on site in a manner that is consistent with this planning proposal. The draft DCP addresses the following key design considerations:

- maximum building envelope including setbacks and street wall heights
- façade and articulation
- active frontages
- through-site link including minimum widths, height, openness to the sky and activation

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- loading, servicing, parking and vehicular access
- shared, precinct loading dock facility
- design excellence
- environmentally sustainable development targets; and
- public art
- no requirement for a heritage committee to be appointed under section 5.1.3.1 of the DCP.

# 5. Justification of strategic and site specific merit

## 5.1 Need for the planning proposal

## Is the planning proposal a result of an endorsed Local Strategic Planning Statement, strategic study or report?

This planning proposal is a result of a request from the landowner to change the planning controls that relate to the subject site to be consistent with the Central Sydney Planning Strategy. The landowner has undertaken a number of studies in support of the request, including an Urban Design Report.

The supporting documents commissioned by the applicant to support their request are attached as the following appendices to this planning proposal:

- Planning Justification Report Ethos Urban
  - Appendix A: Urban Design Report Matthew Pullinger Architect, Stewart Architect
  - Appendix B: Survey Plan Rygate
  - Appendix C: Draft Site-Specific Development Control Plan Ethos Urban
  - Appendix D: Draft Design Excellence Strategy Ethos Uran
  - Appendix E: Vision and Values Proposition Statement Lendlease
  - Appendix F: Traffic and Transport Impact Assessment ARUP
  - Appendix G: Pedestrian Assessment Study ARUP
  - Appendix H: ESD Strategy Lendlease
  - Appendix I: Pedestrian Wind Environment Study MEL Consulting
  - Appendix J: Statement of Heritage Impact Megan Jones Architecture
  - Appendix K: Sky View Factor Report Matthew Pullinger Architect, Stewart Architecture
  - Appendix L: Aeronautical Impact Report Strategic Airspace
  - Appendix M: Flood Study ARUP
  - Appendix N: Draft Public Benefit Offer Lendlease

The study describes how the planning proposal will be consistent with the City's vision for Central Sydney to remain economically competitive and capable of accommodating growth in employment generating floor space through additional building height and floor space in selected locations that do not result in unacceptable impacts on public domain amenity.

The planning proposal is consistent with the City Plan 2036: Local Strategic Planning Statement and the Central Sydney Planning Strategy. The Strategy describes objectives and a framework to ensure future growth is employment focused, occurs where it respects our special places and spaces, and is highly sustainable, resilient and responsive to climate change. A detailed review of the consistency of the proposal with the strategic planning framework is provided at section 5.2 below.

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

This planning proposal seeks to insert new site-specific provisions into the LEP for the subject site. The proposed envelope has been assessed to ensure future development is appropriate to its context and will not result in any unacceptable impacts on adjoining properties or the public domain. These changes are significantly greater than what would be acceptable through an application to vary development standards via clause 4.6 of the LEP. Therefore, the planning proposal approach is the most appropriate option.

## 5.2 Relationship to strategic planning framework

## Will the planning proposal give effect to the objectives and actions of the applicable regional or district plan or strategy (including any exhibited draft plans or strategies)?

#### The Greater Sydney Region Plan

A Metropolis of Three Cities – The Greater Sydney Region Plan is the NSW Government's overarching strategic plan for growth and change in Sydney. The 20 year plan provides a 40 year vision that seeks to transform Greater Sydney into a metropolis of three cities, being the Western Parkland City; the Central River City; and the Eastern Harbour City.

It identifies key challenges facing Greater Sydney, including a projected population increase of 1.7 million and the associated requirements to deliver 725,000 new homes and create 1 million new jobs by 2036.

The Plan outlines how Greater Sydney will manage growth and change and guide infrastructure delivery. The Plan is to be implement at a local level by District Plans. This planning proposal is consistent with several relevant directions and objectives of the Plan, as follows:

- Infrastructure Future development on the site will support the investment in new transport infrastructure, and benefit from additional passenger capacity, especially the planned Hunter Street Metro station close to the site.
- Liveability The proposed development concept includes retail activation at ground level fronting Spring, and O'Connell Streets, and the planned through-site link. It will facilitate public domain improvements to support pedestrian movement and improve the permeability of Central Sydney.
- Productivity The proposal will deliver additional commercial floor space close to existing and future transport infrastructure contributing to the growth of Central Sydney's economy.
- Sustainability Delivery of a new building with improved sustainability outcomes than the current building stock is a key priority of the proposed development concept.

#### Eastern City District Plan

The Eastern City District Plan sets out the NSW Government's vision, priorities and actions for the Eastern District of the Greater Sydney area, which includes the City of Sydney. It establishes a 20 year vision for the Eastern District to be a global sustainability leader, managing growth while maintaining and enhancing liveability, productivity and attractiveness for residents, workers and visitors. Planning priorities and associated actions for productivity, liveability and sustainability seek to deliver on this vision.

This planning proposal is consistent with the following priorities from the Plan:

 Planning Priority E1 – Planning for a city supported by infrastructure – To refresh and renew the offering of commercial floor space in this area of Central Sydney, this planning proposal seeks to expand and enhance commercial uses on the subject site by facilitating the delivery of new office space on a site located close to existing and planned transport infrastructure to maximise the efficient use of the existing and future new capacity.

#### Planning Proposal:

1-25 O'Connell Street and 8-16 Spring Street, Sydney

- Planning Priority E6 Creating and renewing great places and local centres and respecting the District's heritage The planning proposal will help the City to deliver on the City North Public Domain Plan, improving the public domain around the site and improve amenity and accessibility for pedestrians, while also being sympathetic to adjoining heritage buildings.
- Planning Priority E7 Growing a stronger and more competitive Harbour CBD Central Sydney lies at the core of the Harbour CBD, within the Eastern Economic Corridor. This Planning Proposal will help facilitate new commercial office space within Central Sydney to maximise the competitive advantage of this part of Sydney.
- Planning Priority E10 Delivering integrated land use and transport planning for a 30-minute city – The future development concept satisfies the 30-minute city objective as it will increase employment opportunities close to existing and future public transport connections across may part of Greater Sydney within a 30-minute travel time.
- Planning Priority E11 Growing investment, business opportunities and jobs in strategic centres – This planning proposal will facilitate the delivery of new commercial and retail development on the subject site delivering additional office space to Central Sydney, which will add to the viability of the Harbour CBD economy.
- Planning Priority E13 Supporting growth of targeted industry sectors This planning proposal will deliver additional retail and commercial floor space which will be available for investment from targeted industry sectors including retail, visitor economy and knowledge-intensive businesses.
- Planning Priority E19 Reducing carbon emissions and managing energy, water and waste efficiently – The proposed development concept will deliver a new commercial and retail building with significantly improved sustainability outcomes. Future development on the site is to achieve ambitious ecological sustainable development targets including a minimum 5.5 star NABERS Energy rating, 4 star NABERS Water rating and Green Star rating of 6 stars.

## Is the planning proposal consistent with a council Local Strategic Planning Statement that has been endorsed by the Planning Secretary, or another endorsed local strategy or strategic plan?

The planning proposal is consistent with endorsed City of Sydney strategies including Sustainable Sydney 2030-2050, City Plan 2036: Local Strategic Planning Statement and the Central Sydney Planning Strategy. These are discussed below.

#### Sustainable Sydney 2030-2050: Continuing the vision

Sustainable Sydney 2030-2050 is the vision for sustainable development of the City of Sydney to 2030 and beyond. The plan outlines the City's vision for a 'green', 'global' and 'connected' city and sets targets, objectives and actions to achieve this vision. It includes 10 strategic directions to guide the future of the local government area. This planning proposal is aligned with the following relevant strategic directions and objectives:

- Direction 2 A leading environmental performer This planning proposal will deliver ecologically sustainable development on the site by targeting a 6 Star Green Star Rating, 5.5 Base Building NABERS Energy Rating, 4 Star NABERS Water Rating and net-zero energy target.
- Direction 3 Public places for all The proposal will improve the public domain through the delivery of a through-site link connecting O'Connell and Spring Street and supporting pedestrian movement through the site. The proposal will also align with the City North Public Domain Plan through supporting the activation of Spring Street and the southern end of O'Connell Street which will be pedestrianised through the Plan.
- Direction 4 Design excellence and sustainable development The indicative reference design scheme will be informed by a future competitive design process to ensure the future development achieves design excellence. The proposed development will achieve ecological sustainable development in line with the City's sustainability requirements.

- Direction 5 A city for walking, cycling and public transport The mix of uses on the subject site will deliver greater activation and a livelier engaging city. This will be supported by future 'fine grain' retail premises with improved street activation and easier access adjacent to, and through the site. Future development on the subject site is well placed to capitalise on its proximity to existing and future transport infrastructure including the adjacent future Sydney Metro West Hunter Street Station, the Martin Place Metro station, Wynyard, Circular Quay and Martin Place railway stations, light rail, bus stops ferry wharves and Pitt Street cycleway.
- Direction 6 An equitable and inclusive city Future development facilitated by the planning proposal will contribute to the Central Sydney area through greater opportunities for business, as well as new retail activation for local workers, residents and visitors.
- Direction 7: Resilient and diverse communities this planning proposal will enhance the City Core precinct with increased business opportunities for investment, employment and improved public domain conditions for workers and visitors.
- Direction 8 A thriving cultural and creative life Public art delivered through the future development on the site will provide new creative and cultural experiences and opportunities for engagement with the public.
- Direction 9 A transformed and innovative economy The proposal will support new employment opportunities and contribute to maintaining Sydney attractive for global investors.

#### Local Strategic Planning Statement - City Plan 2036

City of Sydney's endorsed Local Strategic Planning Statement, City Plan 2036, sets 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 planning statement explains how the planning system will manage change to achieve the desired outcomes, and guides future changes to the City's controls, including those sought by proponents through planning proposals. This planning proposal gives effect to the following priorities of the Statement:

#### Infrastructure

- I1. Movement for walkable neighbourhoods and a connected city The future development concept for the subject includes a through-site link that will improve connections between Hunter and O'Connell Streets and aligns with the adjacent Metro station through-site link, providing increased accessibility and activation to encourage a permeable pedestrian network.
- I2. Align development and growth with supporting infrastructure The subject site is well located to take advantage of nearby existing and future transport infrastructure, including the new Sydney Metro currently under construction, which will significantly increase the public transport capacity within Central Sydney.

#### Liveability

• L2. Creating great places – The planning proposal will deliver improved street life and activation through a new public through-site link, and improved activation of streets where new retail, e.g. food and drink premises, would be encouraged for activation.

#### Productivity

 P1. Growing a stronger, more competitive Central Sydney – This planning proposal supports growth in Central Sydney by facilitating future development that will deliver additional capacity for economic and employment growth, and provide large, premium office floor place to attract globally competitive businesses.

#### Sustainability

• S2. Creating better buildings and places to reduce emissions and waste and use water efficiently – Future development facilitated through this planning proposal will be required to

meet ambitious sustainability benchmarks ensuring the new buildings will be more sustainable than the existing building stock.

#### Central Sydney Planning Strategy

The Central Sydney Planning Strategy is a 20-year growth strategy that revises previous planning controls and delivers on the City's Sustainable Sydney 2030-2050 Continuing the Vision. As the economic heart of Australia's global city, Central Sydney plays a critical role in the continued growth and economic success of Greater Sydney and the national economy.

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. This planning proposal is aligned with the following relevant key moves of the Strategy:

- 1. Prioritise employment growth and increase capacity This planning proposal will facilitate the delivery of additional employment generating floor space, in the form of office and retail uses, increasing the employment capacity and growth within Central Sydney.
- 2. Ensure development responds to context The site-specific DCP that accompanies this
  planning proposal includes provisions to ensure future development responds to its context
  with a built form that includes sufficient tower setbacks and does not result in adverse wind and
  daylight impacts in the public domain.
- 4. Provide for employment growth in new tower clusters The site is located within an identified tower cluster and the proposed development will deliver additional commercial floorspace.
- 5. Ensure infrastructure keeps pace with growth This planning proposal will result in development requiring contributions at the development application stage to support community infrastructure in Central Sydney and support the provision of affordable housing.
- 6. Move towards a more sustainable city future development will be required to achieve the City's 2026 performance standards for net zero energy buildings by delivering a minimum 5.5star NABERS Energy rating +25% and 100% renewable energy provision.
- 7. Protect, enhance and expand Central Sydney's heritage and public places the planning envelope facilitated by this planning proposal has been set to respond to onsite and adjacent heritage and will not result in any additional overshadowing to protected public places.
- 8. Move people more easily The site is well located to capitalise on existing public transport connections and the recent NSW Government investment in public transport including the new Sydney Metro project. Further the proposal includes a new through-site link and logistics hub moving loading and servicing off the street making more space for pedestrians.
- 9. Reaffirm commitment to design excellence Future development on site will be subject to a full architectural design competition with the draft DCP to include design excellence provisions to ensure a high quality built form.

## Is the planning proposal consistent with any other applicable State and regional studies or strategies?

Not applicable

#### Is the planning proposal consistent with applicable State Environmental Planning Policies?

This planning proposal is consistent with all applicable State Environmental Planning Policies (SEPPs), as summarised in Table 2

State Environmental Planning Policy	Comment
SEPP (Biodiversity and Conservation) 2021	Consistent. The site is located within the Sydney Harbour Catchment area but not within the Foreshores and Waterways Area.
	The planning proposal is accompanied by a Flood Study which identified the part of the site fronting the western end of Spring Street as being flood affected. The report modelled existing and proposed conditions detailing the flood depths in peak events. While the public domain adjacent to the site is affected in major events, floor levels of the proposed building will be able to comply with the requirements of this SEPP. This will be addressed further as part of the detailed design Development Application.
SEPP (Exempt and Complying Development Codes) 2008	Consistent
SEPP (Housing) 2021	Consistent
SEPP (Industry and Employment) 2021	Consistent
SEPP (Planning Systems) 2021	Consistent
SEPP (Precincts–Eastern Harbour City) 2021	Consistent
SEPP (Resilience and Hazards) 2021	Consistent. Further detailed investigation to detail the site's likely subsurface condition, groundwater impacts and potential for contamination will be required as part of any future development application process. The site is not located within the Coastal Environment Area nor the Coastal Use Area.
SEPP (Resources and Energy) 2021	Consistent.
SEPP (Sustainable Buildings) 2022	Consistent
SEPP (Transport and Infrastructure) 2021	Consistent. This SEPP aims to facilitate the effective delivery of infrastructure and identifies matters to be considered in the assessment of development adjacent to particular infrastructure.
	The subject site is located above the Sydney Metro corridor which passes directly beneath. This proximity requires future development application to consider potential impacts of the proposal on the corridor and will require concurrence.

#### Table 3: Consistency with State Environmental Planning Policies

State Environmental Planning Policy	Comment
	Additionally, as any future development on the site will be considered a `traffic generating development' for the purposes of the SEPP as over 10,000sqm of commercial floor space is proposed, concurrence from Transport for NSW is also required.
SEPPs that are not applicable to this planning proposal	SEPP (Precincts – Central River City) 2021, SEPP (Precincts – Regional) 2021, SEPP (Precincts – Western Parkland City) 2021, SEPP (Primary Production) 2021,

## Is the planning proposal consistent with applicable Ministerial Directions (section 9.1 Directions) or key government priority?

The planning proposal is consistent with the applicable ministerial directions as shown in Table 4.

#### Table 4: Consistency with Ministerial Directions

Ministerial Direction	Comment
Focus area 1: Planning Systems	
1.1 Implementation of Regional Plans	Consistent. This proposal gives effect to the Greater Sydney Region Plan as detailed above.
1.3 Approval and Referral Requirements	Consistent. No provision includes concurrence, consultation or referral provisions, or identifies any designated development.
1.4 Site Specific Provisions	Consistent. This proposal does not restrict the permitted uses on the land. This planning proposal provides an uplift for commercial development, consistent with local, district and State strategies. Other uses remain permissible on the site pursuant to its zoning.
1.4A Exclusion of Development Standards from Variation	Consistent. This planning proposal is consistent with the criteria detailed in the Department of Planning, Housing and Infrastructure's Guide to exclusions from clause 4.6 of the Standard Instrument.
	This planning proposal will ensure clause 4.6 exceptions are not permitted. The planning envelope is subject to considerable uplift from the mapped development controls.
	The proposal has undergone considerable testing, it is not considered appropriate to further vary the controls without causing significant adverse amenity impacts.

Ministerial Direction	Comment
Focus area 3: Biodiversity and Conservation	
3.1 Conservation Zone	Consistent. No amendment in this proposal hinders the application of this Direction
3.2 Heritage Conservation	Consistent. The site contains three heritage items and there are several heritage items in the vicinity. This planning proposal does not alter heritage controls applicable to the site. Any future development application will be assessed on impacts on heritage items within the site, and nearby heritage.
3.5 Recreation Vehicle Areas	Consistent. No amendment in this proposal hinders the application of this Direction
3.7 Public Bushland	Consistent. No amendment in this proposal hinders the application of this Direction
3.9 Sydney Harbour Foreshores and Waterways Area	Consistent. The site is not located within the Foreshore and Waterways Area.
3.10 Water Catchment Protection	This planning proposal is consistent. The site is located within the Sydney Harbour Catchment but outside the Foreshore and Waterways Area Boundary. The proposal does not conflict with the objectives of the Direction and the proponent has provided appropriate technical studies to address this and are included as appendices to this planning proposal.
Focus area 4: Resilience and Hazards	
4.1 Flooding	Consistent. Future development on the subject site is capable of complying with the City's Interim Floodplain Management Policy meeting the requirements of this Direction. A Flood Study accompanies this planning proposal detailing flood depths in the public domain at peak events. Notwithstanding the proposal complies with the City's policies and the requirements of this SEPP. This will be addressed further as part of the detailed design Development
4.2 Coastal Management	Application. Consistent. The site is not located within the coastal
	environment area or coastal use area.
4.4 Remediation of Contaminated Land	Consistent. This subject site is suitable for the proposed land uses. Further investigation regarding potential contamination and remediation will be undertaken as part of any future development application process.

Ministerial Direction	Comment
4.5 Acid Sulfate Soils	Consistent. The site is classified as part Class 2 and part Class 5 Acid Sulfate Soils as per the LEP. Further detailed investigation and the need for an Acid Sulfate Soils Management Plan will be addressed through any future development application.
Focus area 5: Transport and Infrastructure	
5.1 Integrating Land Use and Transport	Consistent. The site is well-located close to key public transport connections in Central Sydney.
5.3 Development near Regulated Airports and Defence Airfields	Not consistent. The maximum height of RL 319.1 metres exceeds exceed the Obstacle Limitation Surfaces (OLS) for Sydney Airport. This Direction states that in preparing the planning proposal, consultation with the operator of the airport shall be undertaken to ensure development is not incompatible with the airport's operation.
	It is anticipated that public authority consultation will take place as part of the public exhibition process following the issue of a gateway determination. In this instance, consultation with the Sydney Airport Corporation, Airservices Australia and the Civil Aviation Safety Authority will be undertaken.
	Following consultation, the planning proposal will be amended where necessary and reported back to Council and the Central Sydney Planning Committee for final approval prior to the drafting. It is not anticipated that this planning proposal will compromise the effective and safe operation of Sydney Airport, considering the large number of tall buildings in Central Sydney.
Focus area 6: Housing	
6.1 Residential Zones	Consistent. The planning proposal does not prevent a residential use from occurring on the site under the current zoning and development standards. It introduces additional standards to encourage commercial uses.
6.2 Caravan Parks and Manufactured Home Estates	Consistent. No amendment in this proposal hinders the application of this Direction
Focus area 7: Industry and Employment	
7.1 Employment Zones	Consistent. This planning proposal shall deliver employment growth in a suitable location.

The following Directions are not applicable to this planning proposal:

1.2 Development of Aboriginal Land Council Land, 1.5 Parramatta Road Urban Transformation Strategy, 1.6 Implementation of North West Priority Growth Area Land Use and Infrastructure Implementation Plan, 1.7 Implementation of Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Implementation Plan, 1.8 Implementation of Wilton Priority Growth Area Interim Land Use and Infrastructure Implementation Plan, 1.9 Implementation of Glenfield to Macarthur Urban Renewal Corridor, 1.10 Implementation of the Western Sydney Aerotropolis Plan, 1.11 Implementation of Bayside West Precincts 2036 Plan, 1.12 Implementation of Planning Principles for the Cooks Cove Precinct, 1.13 Implementation of St Leonards and Crows Nest 2036 Plan, 1.14 Implementation of Greater Macarthur 2040, 1.15 Implementation of the Pyrmont Peninsula Place Strategy, 1.16 North West Rail Link Corridor Strategy, 1.17 Implementation of the Bays West Place Strategy, 1.18 Implementation of the Macquarie Park Innovation Precinct, 1.19 Implementation of the Westmead Place Strategy, 1.20 Implementation of the Camellia-Rosehill Place Strategy, 1.21 Implementation of the South West Growth Area Structure Plan, 1.22 Implementation of the Cherrybrook Station Place Strategy, 3.3 Sydney Drinking Water Catchments, 3.4 Application of C2 and C3 Zones and Environmental Overlays in Far North Coast LEPs, 3.6 Strategic Conservation Planning, 3.8 Willandra Lakes Region, 4.3 Planning for Bushfire Protection, 4.6 Mine Subsidence and Unstable Land, 5.2 Reserving Land for Public Purpose, 5.4 Shooting Ranges, 7.2 Reduction in non-hosted short-term accommodation period, 7.3 Commercial and Retail Development along the Pacific Highway, North Coast, 8.1 Mining, Petroleum Production and Extractive Industries, 9.1 Rural Zones, 9.2 Rural Lands, 9.3 Oyster Aquaculture, 9.4 Farmland of State Regional Significance on the NSW Far North Coast.

## 5.3 Environmental, social and economic impact

## Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

The planning proposal is unlikely to adversely affect any critical habitat or threatened species, populations or ecological communities or their habitats. The subject site is located in Central Sydney, within the Harbour CBD, which does not contain any critical habitats or threatened species, populations or ecological communities.

## Are there any other likely environmental effects of the planning proposal and how are they proposed to be managed?

The environmental effects of the proposal have been considered, including the planning envelope testing to inform the LEP controls and Draft DCP controls.

The proposed amendments are unlikely to result in any adverse amenity impacts that cannot be controlled. Existing policies, regulations and standards are in place to ensure environmental impacts are mitigated during the construction phase and eventual use of the development.

This planning proposal is the result of detailed and collaborative consultation between Lendlease and the City. During this time, the proposal has progressed through a number of iterations that have been further refined to address the specific challenges of the site, ensure compliance with the Central Sydney Planning Strategy, and to respond to the particular urban design issues relating to this site.

The key environmental consideration arising from the planning proposal, particularly in relation to urban amenity, are discussed below.
#### Planning Envelope Testing for Future Built Form

The planning envelope informing the planning proposal has been rigorously tested against public domain amenity, including Sky View Factor and Pedestrian Wind Impacts which are an improved outcome to that of a building envelope that is consistent with the requirements of the Central Sydney Planning Strategy.

This planning envelope has been demonstrated to be capable of comfortably accommodating the proposed indicative concept design with sufficient flexibility to accommodate any required mitigation to respond to and address any issues and provide architectural articulation without resulting in adverse conditions at ground level.

The site is subject to the Martin Place, Hyde Park and The Domain Sun Access Planes, and Pitt Street Mall No Additional Overshadowing control. The planning envelope has been designed to comply with these requirements though a sloping form at the top of the envelope.

The podium envelope provides for a future building to respond to elements of podiums or buildings within and adjoining the site, including aligning with the top of the 19 O'Connell Street parapet, and to align with the adjoining Raddison Blue Hotel building cornice. The two heritage facades are to be integrated into the redevelopment. Appropriate tower setbacks have been incorporated into the proposed building envelope, along with controls in the draft DCP for an undercroft area above 19 O'Connell Street to provide visual separation to respect the heritage significance of this building.

Notwithstanding the variations to tower setbacks, the proposed maximum planning envelope is consistent with the objectives of the Central Sydney Planning Strategy in that the planning proposal will facilitate additional employment generating floor space through additional building height and floor space without detrimentally impacting pedestrian amenity, solar access and wind conditions in the public domain.

Controls in both the LEP and DCP are to achieve the desired built form outcome.

The draft DCP, which accompanies the planning proposal, includes detailed site-specific provisions to describe and outline the desired future development on site to ensure a high quality built form and public outcome is delivered.





Figure 19. Heights and setbacks of the building envelope podium



#### Floor Space Ratio changes

Informed by the above impact assessment, the planning proposal will insert site-specific floor space ratio controls (FSR) in the LEP for the subject site.

The planning proposal provides for site specific provision to achieve a maximum floor space ratio of 23:1, inclusive of the following:

- floor space ratio as shown on the Floor Space Ratio Map (under clause 4.4)
- accommodation floor space (under clause 6.4), which the City's heritage floor space scheme will apply to
- end-of-journey floor space (under clause 6.6)
- shared loading dock facility floor space (under clause 6.5A); and
- design excellence floor space of up to 10 per cent for a competitive architectural design competition.

The proposed maximum FSR is 23:1.

The site-specific provisions to be inserted into the LEP can accommodate the indicative concept design prepared by the proponent within the tested building envelope.

It is considered that the resultant FSR and gross floor area is consistent with the Central Sydney Planning Strategy and will result in additional commercial floor space to ensure Central Sydney remains competitive without significant adverse environmental impacts.

To be eligible for the proposed development controls, future development on the site is to meet the site-specific requirements in the LEP, including, but not limited to restricting future development on site to non-residential uses only and provision of a through-site link, shared loading dock, and ground floor active uses.

A clause is proposed to clarify the calculation of heritage floor space allocation required for the site, by dealing with each tower and related portion of the podium separately, to clarify that the new tower and podium portion are not alternations and additions to 1 O'Connell Street.

#### Daylight access / Sky view factor

The Central Sydney Planning Strategy seeks to unlock additional employment generating floor space in Central Sydney through opportunities for additional height and density that will not result in adverse impacts to public domain amenity including daylight access.

The Strategy provides for a base case building envelope to establish the minimum performance benchmarks for daylight levels or sky view factor in public places adjacent to the site. Planning proposals may vary the building envelope set by the Strategy subject to equivalent or improved daylight access to the surrounding public domain.

The Sky View Factor Report accompanying the planning proposal request included sky view factor test which is calculated as the proportion of sky visible when viewed from the ground up. The testing analysed of the extent of sky visible above various points in proximity to the site as a proportion of the total possible sky hemisphere above the point, comparing the base case envelope with the proposed building envelope. The results found that the proposed building envelope increases the amount of sky visible compared to the DCP base case envelope. The proposed envelope achieves an average sky view factor (SVF) score of 12.832135% compared to the DCP base case envelope score of 12.825652%. This is an increase of 0.00646483%, and therefore satisfies this requirement.

#### Wind assessment

The planning proposal was accompanied by a Pedestrian Wind Environment Study prepared by MEL Consultants which assessed pedestrian wind comfort levels as a result of future development on the subject site.

The Strategy provides for a base case building envelope to establish the minimum performance benchmarks for wind impacts in public places adjacent to the site. The wind impacts have been assessed to the safety standard as well as the walking, standing, and siting comfort standards The wind testing compared the base case envelope to the proposed building envelope.

The wind assessment found that the proposed envelope results in improved overall wind conditions as compared to the base case envelope. Overall, the wind conditions remained generally within the comfort range, suitable for pedestrian standard – the same rating as the existing wind conditions.

Additional wind tunnel testing will take place following the design competition, to assess the winning detailed building design, as such, the draft DCP includes provision to ensure public domain conditions are sufficiently addressed. The proposed indicative scheme has been developed to respond to the conditions on the subject site while delivering acceptable daylight and wind conditions within the public domain.

#### Solar access and overshadowing

Clause 6.18 of the LEP prevents new buildings from creating additional overshadowing to certain public places, which include Matin Place, Hyde Park, The Domain and Pitt Street Mall. The proposed envelope is compliant with these controls. Comparison of the existing sun access plane breach, and the proposed envelope. The Urban Design Study that accompanies the planning proposal includes a solar and overshadowing analysis. The proposed envelope sits below the Pitt Street Mall No Additional Overshadowing control and is within the Martin Place, Hyde Park and Domain Sun Access Planes.

The study details that the proposal would result in a larger extent of overshadowing of the proposed reference scheme compared to the existing buildings on the site during the winter solstice. However, any additional overshadowing that would be generated by a future development on the site will be within the prescribed Sun Access Planes and No Additional overshadowing controls. The future building will be articulated within the planning envelope and will likely result in a reduced shadow impact when compared to the base case.

A detailed solar access and overshadowing analysis will be included as part of a detailed development application.

#### View analysis

The Urban Design Report accompanying the planning proposal provides a preliminary view analysis exploring the impact of the indicative concept from key viewpoints in the public domain in Central Sydney.

The Central Sydney Planning Framework includes controls for Views from Public Places that take in important buildings or urban landscapes that help define Central Sydney. One of the views identified that affects this proposal is a view along Pitt Street, to Sydney Harbour. The southwestern corner of the site is adjacent to this view.

A view analysis was undertaken as part of the Urban Design Study and found that there were no significant impacts to views. The proposed envelope does not obstruct the view along Pitt Street to Sydney Harbour.

#### Heritage

There are no additional heritage controls planned, but any future development would need to address existing heritage controls in the LEP on the site and adjoining.

The subject site contains three heritage items:

- 19-24 O'Connell Street (state item: I1904) Former "Rofe chambers" including interiors;
- 1-15 O'Connell Street (local item: I1901) Former "Orient Building" façade (2-6 Spring Street); and
- 1-15 O'Connell Street (local item: I1900) Former "Chatsworth House" façade (1-7 Bent Street)

The northern part of the site is also within the Farrer Place Special Character Area under Section 5.1.3 of the Sydney Development Control Plan

The proposed reference scheme offers a design that is capable of responding sympathetically to the heritage items on the site and in the vicinity.

The planning proposal is accompanied by site-specific provisions for the DCP to ensure future development on site relates sympathetically to adjacent heritage items in terms of façade treatments, massing and materials.

#### Traffic and transport

There is an existing basement within the 1-15 O'Connell Street lot, with driveway access from Bent Street. A commercial car park is located in the basement providing 95 spaces.

The reference scheme included a basement for the provision of car parking and loading spaces to service the development on the site, and a shared loading dock to service other businesses in the vicinity to reduce the demand for on-street loading. However the reference scheme and supporting documentation did not detail how a future development would be able to achieve the number of loading spaces to meet the City's controls. Therefore, the site-specific control will require the consent authority to be satisfied that any development using the proposed site-specific controls:

- provides for loading and servicing spaces to adequately service development on the site, and
- includes a shared loading dock facility, in addition to the site's own loading and servicing requirements, for use by surrounding businesses

The commercial car park will also be required to be removed from the site to reduce private vehicle use in surrounding streets.

#### **Basement/ Geotechnical**

The proposal documentation did not include details of proposed demolition, excavation, and construction of the basement. Standard requirements for basements and geotechnical will be required at the detailed Development Application stage, including for example, site investigations, acid sulfate soils for any demolition and excavation.

#### Flooding risk

A preliminary desktop flood assessment was prepared by Arup. The City's assessment found the desktop study was satisfactory for the planning proposal stage, however a detailed site specific flood impact and risk assessment is required at the detailed design stage to capture issues such as site topography and integration with the City North Public Domain Plan. In addition, a comprehensive floor emergency management plan is to be prepared to address all emergency management issues associated with all storms up to the PMF flood.

#### Employment uses

This planning proposal will facilitate the redevelopment of the subject site for a new tower, and podium at lower levels. The reference scheme developed to support the proposal features approximately 155,000 square metres, with approximately 47,000 existing square metres in the 1 O'Connell Street tower and podium to be retained.

Additional building height and floor space delivered by this planning proposal is only available to employment generating uses. This will be achieved through the insertion of a restriction into the new site-specific provisions for the site in the LEP.

This outcome is consistent with the objectives of the City of Sydney's Local Strategic Planning Statement and the Central Sydney Planning Strategy in that the planning proposal will deliver new growth and additional employment generating floor space in a key location that is well placed to take advantage of infrastructure and planned additional capacity.

#### Pedestrian activity and comfort

A Pedestrian Planning Report assessed the impacts of the scheme on adjacent footpaths and pedestrian links in accordance with the City's Pedestrian Level of Comfort assessment tool.

The pedestrian assessment looked at pedestrian facilities on Spring, Bent, Pitt, Hunter and O'Connell Streets surrounding the site and the proposed through-site link. Existing pedestrian numbers and conditions were compared to anticipated pedestrian volumes based on the proposed building envelope and reference scheme.

The assessment noted that without any changes, all footpaths surrounding the site are currently functioning at, and will continue to function at Level of Service F (the poorest level, with the most restricted movement) without intervention. The corner of Pitt, Hunter and O'Connell Street is currently performing poorly and likely to be extremely busy in the future. Significant additional demand as a result of the future Hunter Street station east exit and Martin Place stations is expected to strain already congested footpaths.

The assessment notes that the through-site link will provide a direct and convenient connection between the Metro stations and provides necessary pedestrian capacity. In addition to this, the proposed upgrades identified in the City North Public Domain Plan include the pedestrianisation of Spring and O'Connell Street South providing a coherent north-south connection and provide greater comfort and safety.

It is expected that most pedestrians from the south of the site would use O'Connell Street, with the proposed pedestrianisation improving pedestrian movement. However, the northern section of O'Connell Street, which is expected to be used less will continue to operate at a poor level without the City's Public Domain North Plan being implemented.

LoS A LoS B LoS C LoS D LoS E LoS F

Figure 20. Through-site link and O'Connell St pedestrianisation (source: Pedestrian Planning Report (ARUP)

#### Design excellence

Future development on site will be subject to an architectural design competition consistent with the requirements of clause 6.21 of the LEP.

A Design Excellence Strategy accompanied the planning proposal, which has been refined to be consistent with the Central Sydney Planning Framework. The competition requirements will require an invited architectural design competition consisting of a minimum of six competitors ranging from emerging and established local and national architectural firms and a competition jury that will comprise of representatives nominated by the City and who are part of the Design Advisory Panel. The accompanying draft DCP includes design excellence provisions for an architectural design competition.

#### Clause 4.6 exceptions to development standards

The planning proposal includes a provision in clause 4.6 Exceptions to development standards, so that the future development application lodged under these site-specific provisions do not further vary the development controls.

This proposal is consistent with the criteria detailed in the Department of Planning, Housing and Infrastructure's *Guide to Exclusions from Clause 4.6 of the Standard Instrument* dated November 2023. This planning proposal enables additional development potential to facilitate the delivery of substantial public benefits, to ensure employment generating land uses are encouraged in Central Sydney and includes development standards that safeguards public domain amenity.

The proposed controls provide for additional development potential to facilitate the delivery of substantial public benefits including new public open space, a through-site link, logistics hub and improved pedestrian infrastructure in the surrounding precinct. These public benefits align with the City North Public Domain Plan which has been approved by Council and is informed by detailed specialist studies for improving streets and open spaces in this northern part of Central Sydney.

The proposed development standards have been prepared to ensure the desired gross floor area of the tower can be comfortably accommodated within the proposed planning envelope, which has been subject to detailed amenity testing. The proposed development standards facilitated by this planning proposal constitute considerable uplift from the mapped controls, from approximately 92,600 square metres to approximately 155,000 square metres. Considering the scale of the uplift, there is sufficient flexibility for future development to be adequately accommodated onsite without the need for further variations that may result in adverse amenity impacts.

As these controls have varied from the standard setback controls, they have been thoroughly tested for daylight and wind impacts and as such, any variation may result in adverse public domain amenity impacts. Which may be exacerbated by cumulative impacts from geography and built form, for example the street grid, the site's alignment and prevailing winds can create high wind speeds affecting pedestrian comfort and safety. By not permitting variations to the controls, amenity impacts will remain acceptable and consistent with testing and minimises cumulative impacts that may erode the amenity of the public domain.

The proposed controls ensure development does not breach the relevant Sun Access Planes and No Additional Overshadowing controls in the LEP, which are also unable to be varied. The tested controls are based on industry standard assumptions for building efficiencies and floor to floor heights to accommodate the requested gross floor area, which is varied from the mapped control.

The exclusion from clause 4.6 reflects the detailed consultation and collaboration with the proponent, particularly in regard to the delivery of public benefits as part of redevelopment which utilises the proposed uplift.

#### Draft site specific Development Control Plan provisions.

A draft Development Control Plan has been prepared and will be exhibited with this planning proposal and provides site specific controls to be inserted into Section 6 of the Sydney DCP 2012. It includes objectives and provisions to ensure a high quality built form is delivered.

The draft DCP amendment includes provisions to ensure the delivery of future development is undertaken in a manner that is consistent with the objectives and intended outcomes of this planning proposal. This includes the following:

- Building envelope
- Façade design and articulation
- Active Frontages
- Heritage
- Through-site link
- Parking, servicing and vehicle access
- Shared, precinct loading dock facility
- Design excellence strategy
- Sustainability
- Public Art

#### Has the planning proposal adequately assessed any social and economic effects?

This planning proposal provides an opportunity for the redevelopment of the subject site, subject to acceptable public domain amenity conditions. Redevelopment will provide positive social and economic effects including:

- Providing approximately 155,000 square metres of floor space, mostly in the form of premium grade commercial floor space to contribute to and strengthen Central Sydney's role as a globally competitive city
- Capable of providing for around 12,000 to 14,000 jobs, a significant increase on the existing 2,500 current on the site.
- Increasing activation and accessibility of the surrounding public domain, delivering improved amenity for the public.

### 5.4 Infrastructure (Local, State and Commonwealth)

#### Is there adequate public infrastructure for the planning proposal?

As the subject site is in Central Sydney, it is well served by the full range of public utilities including electricity, telecommunications, water, sewer and stormwater. It is expected that these services would be upgraded where required by the developer.

The proposal will provide upgraded public domain and improved pedestrian accessibility through the site, capitalise on its location close to major retail, office, and other uses, close to existing and planned major transport nodes.

The detailed development application will be subject to the statutory development contributions (s7.12), which will contribute to the provision of other community facilities, the demand for which will be generated by the development.

## 5.5 State and Commonwealth interests

# What are the views of State and Commonwealth public authorities consulted in accordance with the gateway determination?

The gateway determination will advise the public authorities to be consulted as part of this planning proposal process. Any issues raised will be incorporated into this planning proposal following consultation in the public exhibition period.

Clause 7.16 of the LEP requires concurrent approval from Sydney Airport for all works proposed to penetrate the OLS height, which is RL 156 metres in this location. At up to RL 319.1 metres in height, the future development concept would require approval under the Airports Act 1996 before the detailed development application can be approved by the City.

As the building at 19 O'Connell Street is a heritage item, NSW Environmental and Heritage will be consulted as part of the public exhibition process. Transport for NSW will also be consulted due to the location of Metro tunnels beneath the site.

It is proposed that the relevant public agencies are consulted on the height at the planning proposal stage.



No change will be made to any maps in the LEP as part of this planning proposal. Additional floor space ratio is proposed to be included through new site-specific provisions under Division 5.

# 7. Community consultation

This planning proposal is to be exhibited in accordance with the Gateway determination once issued by the Department of Planning, Housing and Infrastructure.

It is anticipated that the Gateway determination will require public exhibition for a period of not less than 20 working days in accordance with the Environmental Planning and Assessment Act 1979 and the Local Environmental Plan Making Guideline of August 2023.

Notification of the public exhibition will be consistent with the Gateway Determination and the City's Community Participation Plan.

Consultation with relevant NSW agencies, authorities and other relevant organisations will be undertaken in accordance with the Gateway determination.

# 8. Project timeline

The anticipated timeframe for the completion of the planning proposal is as follows:

Stage	Timeframe	
Gateway Determination	September 2024	
Government agency consultation	October 2024	
Public exhibition	October 2024	
Consideration of submissions	November/ December 2024	
Post exhibition review of proposal	February 2025	
Draft and finalise LEP	March 2025	
LEP made	April 2025	
Plan forwarded to Department of Planning, Industry and Environment for notification	April 2025	



### **Example Clauses**

The final version of the clauses to be inserted into Division 5 would be subject to drafting and agreement by the Parliamentary Counsel's Office, but may be written as follows.

Divi	ision	5 Site specific provisions
		5 O'Connell Street and 8-16 Spring Street, Sydney
(1)		e objective of this clause is to:
(')		encourage built form consistent with the desired future character of the area, with acceptable environmental outcomes
	(b)	incentivise land uses other than residential accommodation and serviced apartments,
	(c)	provide a publicly accessible through-site link and shared loading dock facility for use by surrounding businesses
(2)	This	s clause applies to the following land:
	(a)	Lot 1 DP 814858, 1-15 O'Connell Street,
	(b)	Lot 1 DP 131917, 19-21 O'Connell Street,
	(c)	SP 63932, 23-25 O'Connell Street,
	(d)	Lot 2 DP 172068, 8 Spring Street,
	(e)	Lot 1 DP 74923, Lot 2 DP 74923, Lot 1 DP 176768, 10-14 Spring Street; and
	(f)	Lot 1 DP 724946, 16 Spring Street.
(3)		pite any other provision of this Plan, a building on land to which this clause applies may e a maximum floor space ratio of 23:1 comprising:
	(a)	mapped floor space ratio under clause 4.4, and
	(b)	accommodation floor space under clause 6.4, and
	(c)	end of journey floor space under clause 6.6, and
	(d)	shared loading dock facility floor space under clause 6.5A, and
	(e)	an additional site-specific floor space ratio in addition to the above, and
	(f)	additional floor space, of up to 10% if the building demonstrates design excellence within the meaning of clause 6.21D(3)(b).
(4)	The	e maximum floor space ratio must not exceed 23:1.
(5)		e maximum height for a building on the land to which this clause applies is RL 319.1 rres, subject to meeting clause 6.17 and clause 6.18.
		elopment consent must not be granted under this clause unless the consent authority is fied that the development will:
	(a)	retain the existing tower at 1-15 O'Connell Street, and the scale and form of the Wintergarden podium with a one storey addition on the podium roof, and
	(b)	maximise active frontages to O'Connell, Bent and Spring Streets, and
	(c)	includes a pedestrian through-site link connecting O'Connell Street and Spring Street, with retail premises fronting the link, and
	(d)	includes loading and servicing spaces to adequately service development on the site, and
	(e)	includes a shared loading dock facility of at least 7 loading bays, in addition to the site's own loading and servicing requirements, for use by surrounding businesses, and
	(f)	will not be used for the purposes of a commercial car park, and

#### Planning Proposal:

1-25 O'Connell Street and 8-16 Spring Street, Sydney

- (g) will not be used for residential accommodation or serviced apartments.
- (h) demonstrates design excellence as the winner of an architectural design competition.
- (7) Clause 6.21D(3)(a) and (b) and 6.21E do not apply to a building on the land to which this clause applies.
- (8) For the purposes of calculating an allocation of heritage floor space under Clause 6.11:
  - (a) Clause 6.11(3) only applies to development on the part of the site known as Lot 1 DP 814858 as of the date the amendment to the LEP is made
  - (b) For the remainder of the site, clause 6.11(3) does not apply.
- (9) The controls in this clause are to be on an opt-in basis for development for uses other than residential or serviced apartments, otherwise the mapped FSR and any additional floor space from a competitive design process under clause 6.21D will apply.

#### Part 4 Principal development standards

#### 4.6 Exceptions to development standards

(8) This clause does not allow development consent to be granted for development that would contravene any of the following:

(xx) Clause 6.xx (1-25 O'Connell Street and 8-16 Spring Street, Sydney)

