

ITEM 5. PLANNING PROPOSAL - 60 MARTIN PLACE**FILE NO: S110780****SUMMARY**

Sydney is Australia's premier global city, and home to the headquarters of almost 40 per cent of the top 500 Australian corporations. As a leading regional financial centre, almost 70% per cent of banks and financial institutions with a presence in Australia have offices in the City. Almost half of all the multinational corporations with a presence in Australia also have their regional headquarters in the City.

In the last financial year the City's economic output was estimated at \$100 billion. This represents 7.6 per cent of the Australian economy, almost a quarter of the New South Wales economy, and over a third of the Sydney metropolitan region economic output. The City is home to Australia's largest and most globally connected clusters of finance and insurance employment, accounting for almost 50% of total employment in New South Wales in this sector.

The most recent census figures show that employment in the business and professional services sector is growing and continues to have a dominant share of total employment in the City.

To ensure that the New South Wales economy remains robust and continues to grow, it is necessary to provide adequate capacity for employment growth and create opportunities for investments and development projects which attract highly skilled employees and have a global focus. In order to attract the investment required for this growth, Sydney must also ensure that commercial buildings are of high quality and that good public domain design and amenity outcomes are achieved.

In July 2013 Investa submitted a Planning Justification Report to the City requesting the City prepare site-specific amendments to *Sydney Local Environmental Plan 2012* and *Sydney Development Control Plan 2012* to allow for replacement of their commercial office tower at 60 Martin Place. Many components of the existing building are approaching the end of their life cycle, and the building's underlying structure limits refurbishment as a long-term option. The amendment would enable the replacement of the building with a modern tower of high design and sustainability standards; would allow realisation of unused commercial floor space capacity; and will promote Martin Place as an attractive location for globally-focussed commercial activities.

The existing office tower breaches the sun access plane for Martin Place and maximum height of building control in *Sydney Local Environmental Plan 2012*. It is proposed to amend *Sydney Local Environmental Plan 2012* to allow an exception to the sun access plane and maximum height of building control for a replacement tower that is for employment uses. It is also proposed to allow the same exception for a portion of the adjacent site, St Stephens Church at 197 Macquarie Street, to facilitate use of part of the airspace on that site through a cantilever element from the tower.

In consultation with the landowner, the City has made some changes to the original request to amend the controls, aiming to improve the relationship of the proposed tower with the surrounding buildings and especially with St Stephens Church. These changes include increasing the separation of the proposed cantilever from the church, and reducing the proposed street wall height to Macquarie Street. The proposed cantilever depth has been increased to allow floor space to be distributed where it will have least impacts on heritage and sun access. The changes will be included in revisions of all the supporting technical documentation included with the Planning Proposal shown at **Attachment A** prior to public exhibition.

The proposed amendments to *Sydney Local Environmental Plan 2012* would not permit replacement of the commercial tower with a residential tower. City officers have worked with the proponent to ensure that environmental impacts, including heritage impacts and any loss of sun access to Martin Place, are minimised.

This report recommends that Council request a Gateway determination from the Minister for Planning to allow for public exhibition and public authority consultation of the *Planning Proposal – Sydney Local Environmental Plan – 60 Martin Place*; and that the draft *Sydney Development Control Plan 2012 – 60 Martin Place*, be exhibited concurrently with the Planning Proposal.

RECOMMENDATION

It is resolved that:

- (A) the Central Sydney Planning Committee approve the *Planning Proposal – Sydney Local Environmental Plan 2012 - 60 Martin Place*, shown at **Attachment A** to the subject report, for submission to the Minister for Planning with a request for a Gateway determination;
- (B) the Central Sydney Planning Committee note that the supporting technical documentation included in the *Planning Proposal – Sydney Local Environmental Plan – 60 Martin Place*, shown at **Attachment A** (Parts A2 through to A18), will be revised prior to public exhibition, to reflect the following changes:
 - (i) an increase in the maximum depth of the cantilever element from 5.5 metres to 8 metres;
 - (ii) raising the lowest level of the cantilever to a height above the spire of the adjacent St Stephen's church;
 - (iii) increasing the cantilever setback from Macquarie Street to 8 metres, from 4.85 metres; and
 - (iv) lowering of the street wall height at Macquarie Street from 45 metres to a height corresponding with the surrounding built form.
- (C) the Central Sydney Planning Committee approve the *Planning Proposal – Sydney Local Environmental Plan 2012 - 60 Martin Place* for public authority consultation and public exhibition in accordance with any conditions imposed under the Gateway determination;

- (D) the Central Sydney Planning Committee note the recommendation to Council's Planning and Development Committee on 9 September 2014 that Council seek authority from the Secretary of the Department of Planning and Environment to exercise the delegation of the Minister for Planning of all her functions under section 59 of the *Environmental Planning and Assessment Act 1979* to make the local environmental plan;
- (E) the Central Sydney Planning Committee note the recommendation to Council's Planning and Development Committee on 9 September 2014 that Council approve the draft *Sydney Development Control Plan 2012 – 60 Martin Place*, shown at **Attachment B** to the subject report, for public authority consultation and public exhibition in parallel with the *Planning Proposal – Sydney Local Environmental Plan 2012 – 60 Martin Place*;
- (F) the Central Sydney Planning Committee:
- (i) delegate authority to the Chief Executive Officer to make any minor variations to the Planning Proposal – Sydney Local Environmental Plan 2012 - 60 Martin Place; and
 - (ii) note the recommendation to Council's Planning and Development Committee on 9 September 2014 that Council authorise the Chief Executive Officer to make any minor variations to Sydney Development Control Plan 2012 – 60 Martin Place

following receipt of the Gateway determination to prepare for public exhibition; and

- (G) the Central Sydney Planning Committee note the recommendation to Council's Planning and Development Committee on 9 September 2014 that Council authorise the Chief Executive Officer to enter into a Deed of Consent, consistent with the intent outlined in the letter from Investa at **Attachment D** to the subject report.

ATTACHMENTS

Attachment A: Planning Proposal – *Sydney Local Environmental Plan 2012 – 60 Martin Place*.

(Note - This attachment will be circulated separately from the Agenda Paper and to Central Sydney Planning Committee Members and relevant senior staff only. A copy will be available for viewing on Council's website and at the One Stop Shop and Neighbourhood Service Centres.)

Attachment B: Draft Amendment to *Sydney Development Control Plan 2012 – 60 Martin Place*.

Attachment C: Letter from St Stephens Uniting Church in support of the proposal.

Attachment D: Letter from Investa proposing a Deed of Consent to place a restrictive covenant on the title for 60 Martin Place.

BACKGROUND

1. Delivering commercial office development to support Sydney's economic growth is increasingly difficult in the current strong residential market. The development of commercial office space in Central Sydney is strongly influenced by the market's preference for office buildings with large floor plates, and by competition from residential development. Central Sydney's broad zoning creates significant competition amongst a range of uses, including residential, commercial, tourist accommodation and retail.
2. Martin Place has had a prominent role in Sydney's emergence as an international commercial city, being a key location in the early growth of Sydney's financial and services industry. It is advantaged by its proximity to the centre of state government on Macquarie Street, and the legal precinct at St James. Its commercial role has been augmented over the years by an increasing civic role, as the focus of Remembrance Day services, cultural events and public forums. Its pedestrianization in the 1970's cemented its place as Sydney's commercial and civic heart, with a key place in Sydney's narrative as a commercial city.
3. The City has been working closely with the Martin Place Owners Group to understand the challenges the precinct faces, with a view to informing long-term strategies to promote revitalization. Development for a commercial office building at 60 Martin Place to provide a location for employment uses that is attractive to the market is supported.
4. A market preference for commercial floor space in modern buildings with large floor plates, employee amenities and modern sustainable design features have seen the rise of new commercial precincts such as Barangaroo, while Martin Place, with its older and less adaptable building stock, has struggled to attract and retain premium tenants. The current planning controls place constraints on the 60 Martin Place site which inhibit commercial development that is appealing to the market and commensurate with the prestigious location.
5. Carefully considered amendments to the planning controls can help deliver improved development outcomes. In doing so, the City has the opportunity to show leadership, unlock economic opportunities and investment in jobs, and support the commercial revitalisation of an important commercial precinct.

Site description and current building

6. The site is located at the corner of Martin Place and Macquarie Street. It is directly across Martin Place from the Reserve Bank of Australia (RBA) building. On the other side of Macquarie Street is the Sydney Hospital Group of buildings, and a little further north is the NSW State Parliament. The location is shown on the map in Figure 1.
7. The site has a land area of 2561 square metres, with a 71 metre frontage to Martin Place. It has traffic access available from both Phillip Street and Macquarie Street. The land slopes from east (Macquarie Street) towards the west, with a fall of approximately 5 metres.

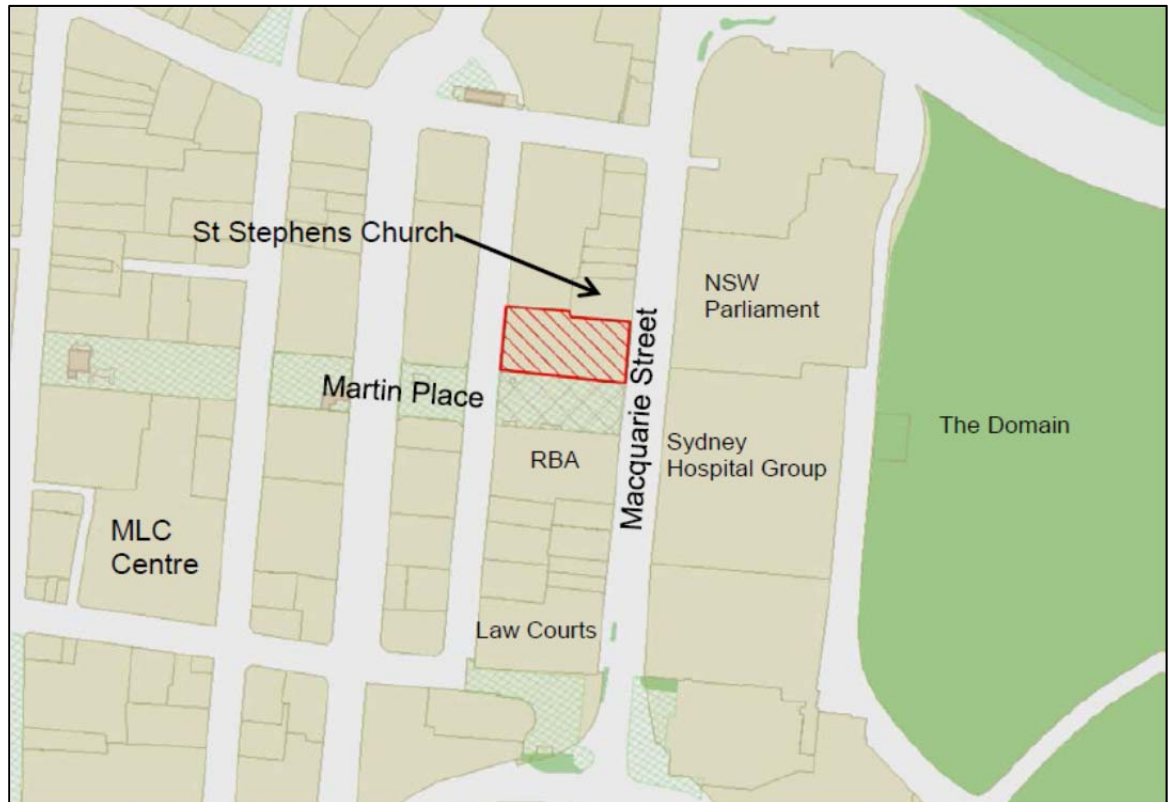


Figure 1 - The 60 Martin Place site is shown, outlined in red.

8. A 33 storey commercial office tower and podium structure occupies the site. The Peddle, Thorpe and Walker tower is 118 metres tall (RL 148.145 as surveyed), and was completed in 1971. The podium is a 1998 addition, and is 16m high at Macquarie Street, rising with the fall of the land to 20m at Phillip Street. The building has a gross floor area of 30,022 square metres, resulting in a floor space ratio (FSR) of approximately 11.72:1. The photographs in Figures 2 and 3 show the building in its current state.



Figure 2 - the podium at 60 Martin Place, looking along Martin Place towards Macquarie Street. Note the poor interface with Martin Place at the ground level, with very low levels of street activity.



Figure 3 - the tower at 60 Martin Place, viewed from Macquarie Street.

9. The landowner is the Investa Nominees Pty Ltd ATF 60 Martin Place Trust, which includes Investa and the Gwynvill Group. Investa and Gwynvill are both represented on the Martin Place Owners Group. The building is managed by Investa Property Group, and is currently leased to Westpac. It is understood that the lease is due to expire in December 2015, and Westpac will take up a new tenancy in the Barangaroo development.
10. The podium structure provides for a poor interface along the Martin Place frontage, with a lack of activity and little street presence due to the placement of external escalators and large areas of blank wall. The level change due to the fall of the land along Martin Place is also poorly resolved.
11. A number of aspects of the current building are outdated and in need of replacement, including building services and the façade. The potential to refurbish the building is very limited as a long-term option, due to the low floor-to-floor clearance imposed by the current structural framework, and the location of columns on the façade which limit views and solar access. The small floor plates with a net leasable area of approximately 850 square metres do not appeal to the market.
12. The building on the site does not comply with the planning controls in *Sydney Local Environmental Plan (LEP) 2012* and *Sydney Development Control (DCP) Plan 2012*. It projects through the Martin Place 5B sun access plane, and also exceeds the 55 metre height limit. Both of these controls came into force after the construction of the current building in 1971.

Current planning controls

13. Development at the 60 Martin Place site is restricted through a combination of height limits and sun access planes in *Sydney LEP 2012*. A height limit of 55m projects over the majority of the site, and the entire site is subject to the Martin Place 5B sun access plane control. These are illustrated in Figures 4 and 5 respectively.



Figure 4 - Extract from Sydney LEP 2012 Height of Buildings map, with the site highlighted by the red dotted oval. Dark purple shaded areas have a height limit of 55m. White areas are subject to sun access planes.

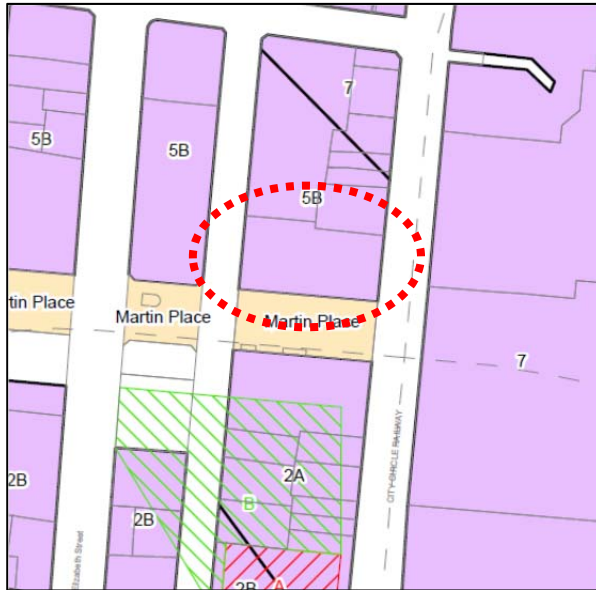


Figure 5 - Extract from the Sydney LEP 2012 sun access plane map, with the site highlighted by the red dotted oval. Light purple shaded areas are subject to sun access plane controls.

14. The Martin Place 5B sun access plane is defined as extending from points that are 45m above the ground level on the north side of Martin Place, and is drawn to closely approximate to the position of the sun on 14 April at 12pm (noon). The intent of the sun access plane is to protect and improve provision of sunlight both to the ground plane and the façades of the buildings on the south side of Martin Place between 31 August and 14 April (that is, the part of the year that excludes the 4 months of winter) from 12 noon till 2pm each day. The derivation of the sun access plane is illustrated in the image in Figure 6.



Figure 6: Derivation of the Martin Place 5B sun access plane, with 60 Martin Place projecting through in the foreground.

15. If projected south, the sun access plane meets the ground very close to the southern boundary of Martin Place, as illustrated by the image in Figure 7. The effect is that at the date and time represented by the plane (14 April, 12 noon), sun access to the façade of the RBA building is protected, while the ground plane of Martin Place is in full shadow.

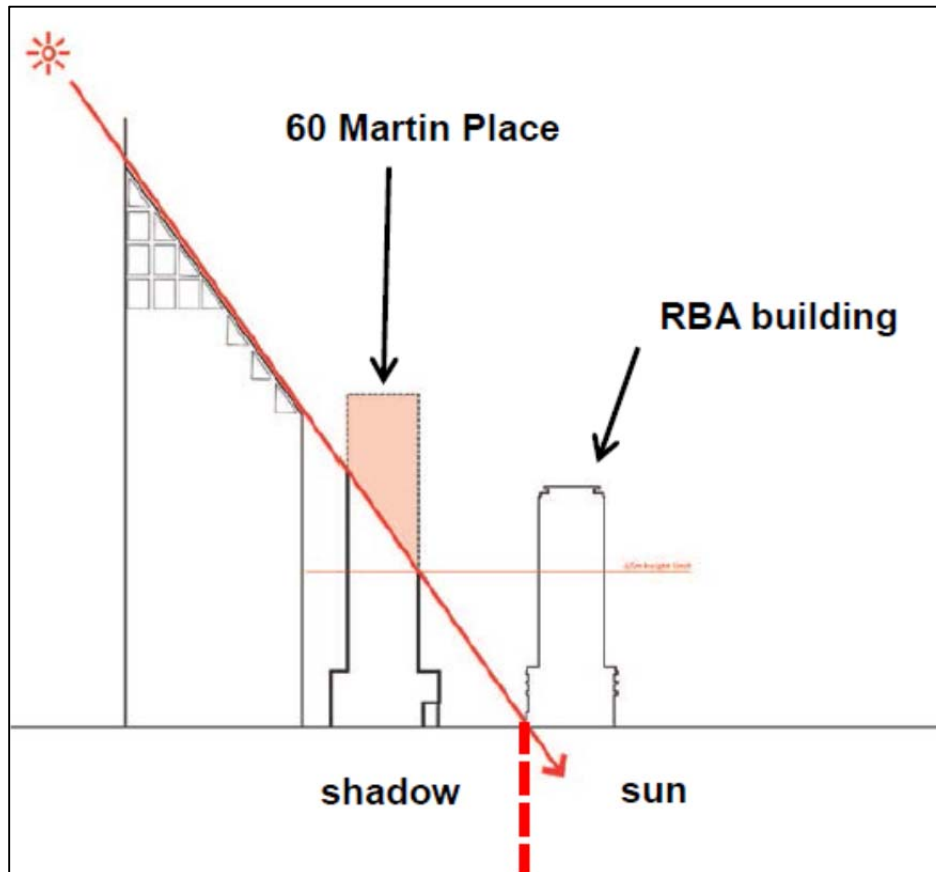


Figure 7: The sun access plane projected south.

16. The objectives of the sun access plane control are described in *Sydney LEP 2012* Cl. 6.17 as:
- Protecting the amenity of public places by preserving sunlight access; and
 - Maintaining sunlight access to sandstone buildings in Special Character Areas to assist in their conservation, and to maintain amenity to those places.
17. *Sydney Development Control Plan 2012* contains additional detailed design controls for the site, including setbacks above the street frontage height for sites in a Special Character Area that require a setback from a 45 metre street height limit for the majority of 60 Martin Place.
18. Taken together, *Sydney LEP 2012* sun access plane and maximum building height control, and the *Sydney DCP 2012* setback controls combine to produce a building form which would not be commercially feasible and would sit uncomfortably in the streetscape. A consistent 45 metre street wall height would cause increased overshadowing to the ground plane of Martin Place. Figure 8 depicts a building form that would comply with the current planning controls.

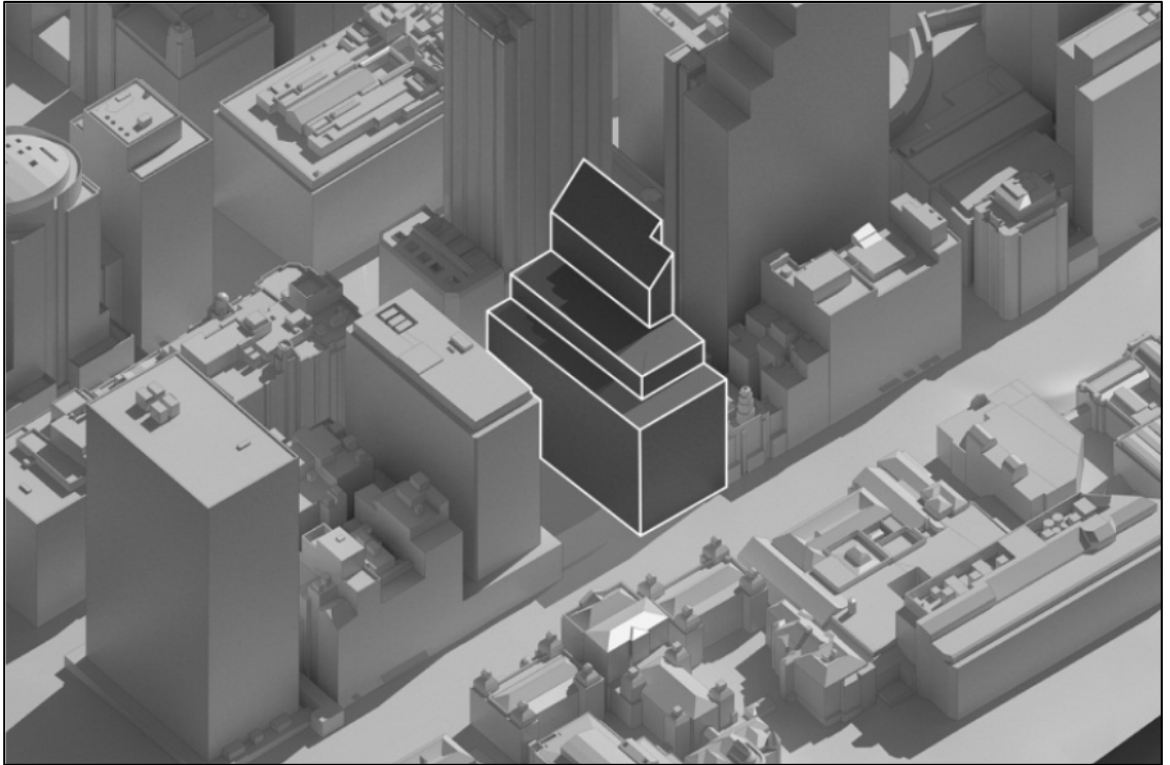


Figure 8: a building form which complies with the *Sydney LEP 2012* and *Sydney DCP 2012* controls for the site, including setbacks above the street frontage height.

19. The effect of these controls is to discourage redevelopment of the site, as the development outcome is not feasible. As noted, the current building is not appealing to tenants in financial services and supporting industries with a global focus. In addition, refurbishment is not viable as a long-term option.
20. Since late 2012, Investa have been in discussions with the City of Sydney about development options for the site, including presenting to City officers and to the Design Advisory Panel. As part of the discussions, the Panel and City officers provided advice to Investa, on aspects such as heritage, urban design, and sun access. The Panel advised that any proposal should be “*neutral with respect to sun access*”.
21. City officers clarified to the proponent that neutral should mean no additional overshadowing between 12 noon and 2 pm on 14 April, for both the ground plane of Martin Place and the façades on its southern edge. This date and time was chosen as it is the basis of the sun access plane, and also the broader intent of the controls to protect sun access during the lunch period. The proposal should also be neutral for other public spaces which are not directly protected by the sun access plane, but which are protected as a consequence of its application, including Hyde Park Barracks.
22. The proponent has prepared an indicative development scheme based on that advice, shown at Figure 9. The request to change the planning controls is for amendments which would facilitate the indicative scheme. The indicative scheme sits within a building envelope sculpted by the need to limit overshadowing to public spaces, as shown at Figure 10.

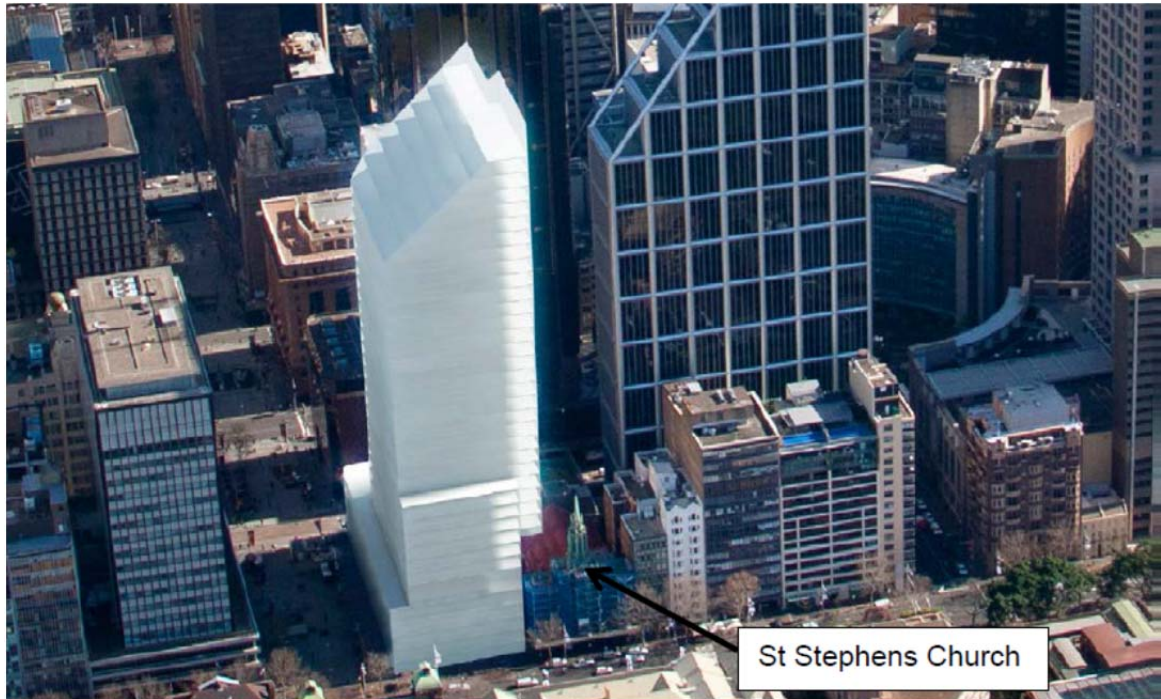


Figure 9 - Indicative development scheme

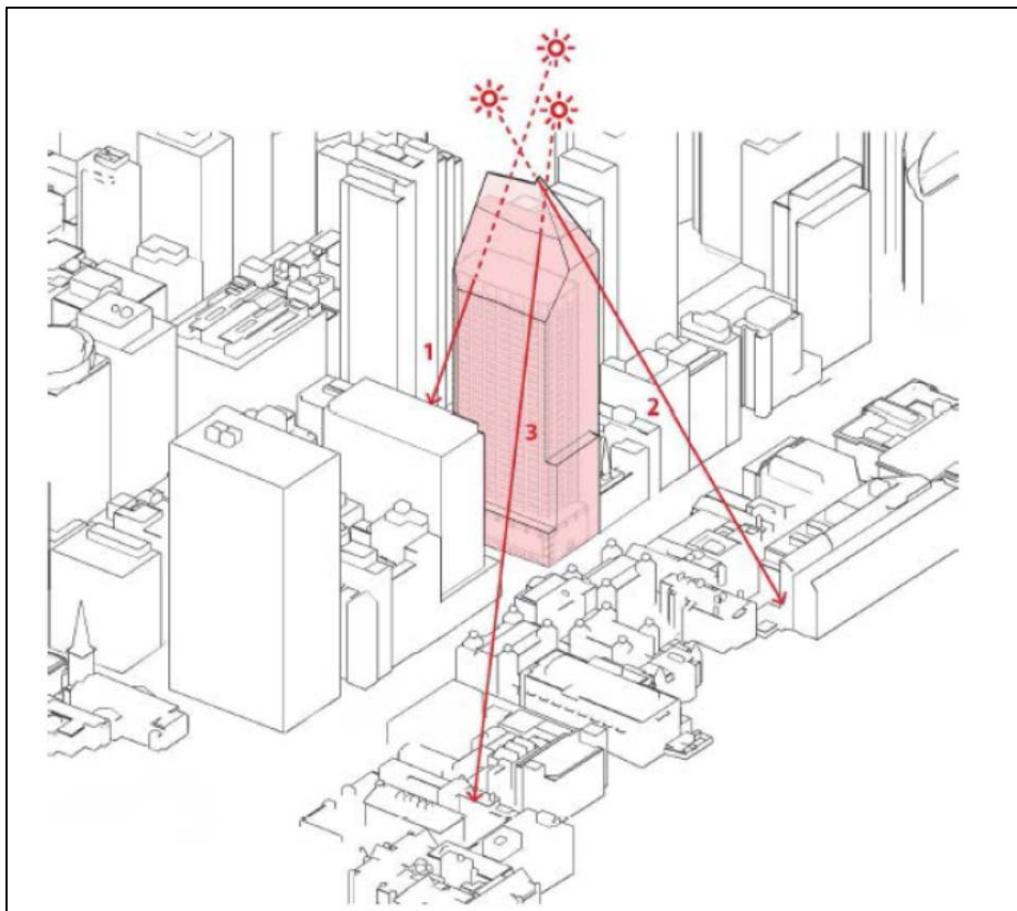


Figure 10 - Factors shaping the building envelope (1) Martin Place sun access plane; (2) Domain sun access plane; (3) Hyde Park Barracks.

St Stephens Uniting Church, indicative development scheme and design excellence

23. St. Stephens Uniting Church is immediately to the north of the 60 Martin Place site, fronting Macquarie Street. The church is listed as a heritage item in *Sydney LEP 2012*; and on the NSW Heritage Register as being of heritage significance to the state. As a heritage item, the site is unable to achieve its full development potential.
24. Investa and St. Stephens Uniting Church have been in discussions to allow Investa to incorporate unused development potential from St. Stephens in the redevelopment of 60 Martin Place. They have also discussed allowing Investa to use some of the 'airspace' on the St. Stephens site. For this reason, the envelope shown in Figure 9 - 11 includes an allowance for a portion of the building to cantilever into the St. Stephens airspace. The cantilever has the advantage of allowing Investa to deliver floor space for their building, but without causing additional overshadowing to Martin Place or other parts of the public domain.

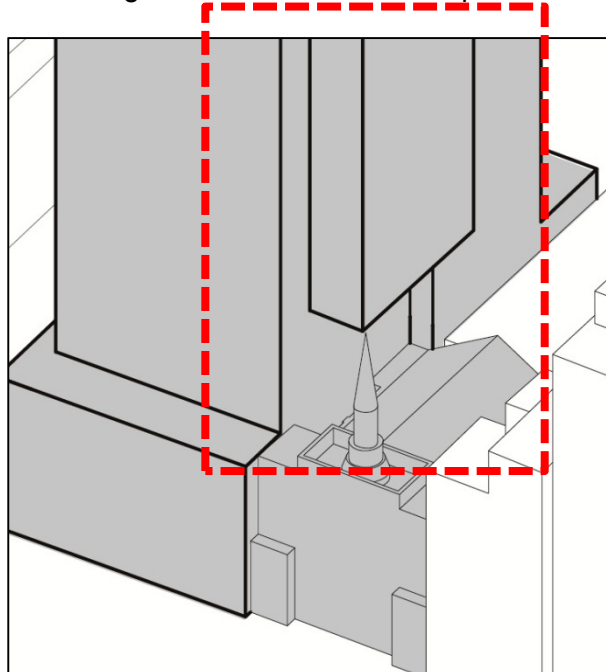


Figure 11 - the cantilever, highlighted in red, as viewed from Macquarie Street

25. In return for St Stephens' unused development potential, Investa will provide benefits to the church, including access to carparking and other facilities on weekends, and a possible financial contribution to the maintenance of the church. This type of arrangement has occurred numerous times in Central Sydney, and is usually dealt with during the development application process. Recent examples include the new ANZ 'Liberty Place' tower at 161 Castlereagh Street; Westpac Place on Kent Street (the KENS site), and a commercial new tower at 363 George Street.
26. The cantilever option will allow for greater flexibility in the design of the 60 Martin Place building, with more room within the envelope for design articulation, and making it more likely that future development will be of the high architectural design quality commensurate with the site's location.

27. St Stephens Church is subject to the same *Sydney LEP 2012* building height and sun access plane restrictions as the adjacent 60 Martin Place site. To allow the cantilever option to be included, these controls would need to be adjusted. St Stephens has indicated its support for such changes in the letter at **Attachment C**.

Request to amend City of Sydney planning controls

28. Investa and the City have been discussing development options for the site since late 2012. During that time, a number of approaches have been considered to facilitate a development that aligns with the City's strategic desire for a strong commercial core, that protects important amenity values in the City, and that is also financially feasible for Investa. During that time Investa and city officers have met regularly, and City officers have presented options to the City's Design Advisory Panel and the Central Sydney Planning Committee.
29. Investa have now submitted a Planning Justification Report requesting that the City change the planning controls to allow for redevelopment in line with the indicative scheme, as a premium-grade commercial office tower attracting globally-focussed financial service industry tenants to the site and promoting the revitalisation of Martin Place.
30. The Planning Proposal at **Attachment A** puts forward changes to the planning controls in *Sydney LEP 2012* and *Sydney DCP 2012* that would allow for redevelopment of the site with a tower for non-residential uses. The redeveloped building would have a larger floor plate, higher ceilings up to 3.2 metres, enhanced sustainability measures and would be attractive to tenants in financial services and other globally-focused industries. It would present a significant rejuvenation of the building stock in Martin Place and potentially promote its revitalisation as a prestigious commercial location.
31. The Planning Proposal puts forward the following amendments to *Sydney LEP 2012*:
- (a) An exception to the sun access plane and the 55 metre height limit for 60 Martin Place, allowing instead development to RL 167.1 (approximately 33 stories) provided the development is for non-residential uses and is neutral for sun access to Martin Place; and
 - (b) An exception to the sun access plane and the 55 metre height limit for a portion of the St Stephens site, being no more than 8 metres from the common boundary with 60 Martin Place, provided it is part of the development for non-residential uses at 60 Martin Place referred to in (a).
32. Neither exception is available for a building proposing residential uses.
33. Accompanying the Planning Proposal are suggested amendments to *Sydney DCP 2012*, shown at **Attachment B**, with detailed provisions to shape the built form and manage impacts, including:
- (a) reducing the setback requirement above the street frontage height to allow for a tower with an expanded footprint;
 - (b) requirements for street frontage uses that will bring activation to Martin Place;

- (c) ensuring that the podium allows views through to the significant heritage fabric of St Stephens; and
- (d) managing the relationship between the tower cantilever and the church.
34. These amendments would operate as alternative planning controls, and would only be available for non-residential development. It presents the City with an opportunity to take a leadership role in maintaining and promoting globally-focussed commercial uses in Martin Place. Any proposal for residential development on the site would have to comply with the existing height and sun access plane controls in *Sydney LEP 2012*, and would not be able to make use of the cantilever option.
35. To ensure that the alternative planning controls are only available for non-residential uses, Investa propose to enter into a Deed of Consent with Council, agreeing to place a restrictive covenant on the property title for 60 Martin Place, prohibiting use of the site for residential development. A letter outlining Investa's proposal is at **Attachment D** The placement of the covenant would be timed to coincide with development under the proposed amendments to *Sydney LEP 2012* and *Sydney DCP 2012*.
36. In consultation with the landowner, the City has made changes to the landowners original request. These changes have been made to promote a more appropriate built form and scale along Macquarie Street, and to improve the relationship between the cantilever and St Stephens Church. The changes are detailed in Table 1.
37. The changes will be included in revisions of all the supporting technical documentation included with the Planning Proposal shown at **Attachment A** (Parts A2 through to A18) prior to public exhibition.

Area of change	Original	Change	Comment
Street wall to Macquarie Street	Maximum 45m	Approx. 16m	Improved bulk and scale to Macquarie Street. Improved sightlines to the spire of St Stephens Church
Increasing the height of the cantilever base.	Minimum 21m	To top of St Stephen's spire	Increased separation from St Stephens Church.
Increasing the setback of the cantilever from Macquarie Street	Minimum 4.85m	Minimum 8m	Improved bulk and scale to Macquarie Street. Increased separation from St Stephens Church.
Increasing the depth of the cantilever	Maximum 5.5m	Maximum 8m	Explore potential for floor space in area of least impact on sun access, heritage and urban design concerns.

Table 1 - changes made to the original request.

Floor space

38. The Planning Proposal does not propose any increase to the maximum permissible floor space for the site, which will remain at a floor space ratio of 13.75:1, including accommodation floorspace and design excellence. There will be a significant increase in the gross floor area of the building of approximately 14,000 m², from 30,022 m² to approximately 44,000 m². This increase is due to:
- (a) the proposed arrangement with St Stephens Uniting Church;
 - (b) additional floorspace under *Sydney LEP 2012* to cover the cost of undertaking the competitive design process; and
 - (c) unused floorspace under *Sydney LEP 2012*.
39. In the absence of significant development uplift in the form of additional permissible Floor Space Ratio as a result of the proposed changes, a planning agreement (VPA) offer is not warranted and should not be a consideration in supporting the Planning Proposal. The normal development contribution of 1% of construction costs would be levied under section 61 of the City of Sydney Act 1988.

Sun access to Martin Place

40. The building on the site projects through the sun access plane, and as a result it casts shadow onto the façade of the Reserve Bank between 12 noon and 2pm on 14 April. It also casts shadow on the ground plane of Martin Place, but that is not explicitly protected by the sun access plane.
41. Figures 12 to 19 illustrate the overshadowing impact of the indicative scheme at various times and dates, on both the ground plane of Martin Place and the façade of the RBA. In all these images, additional shadow cast by the indicative scheme is highlighted by the dashed black line. Further analysis on sun access impacts is provided in **Attachment A**.
42. Figures 12 and 13 illustrate the impacts at 12.00pm on 14 April. This is the time that most closely approximates the angle of the sun access plane. There would be no additional overshadowing at these times on Martin Place or the Reserve Bank facade, although there would be a narrow additional area of shadow on the footpath of Macquarie Street.



Figure 12: The additional shadow at 12 noon on 14 April is highlighted within the dashed black oval. The additional shadow is the narrow orange colour at the margins of the existing overshadowed area in green/grey. It falls on the pavement of Macquarie Street.

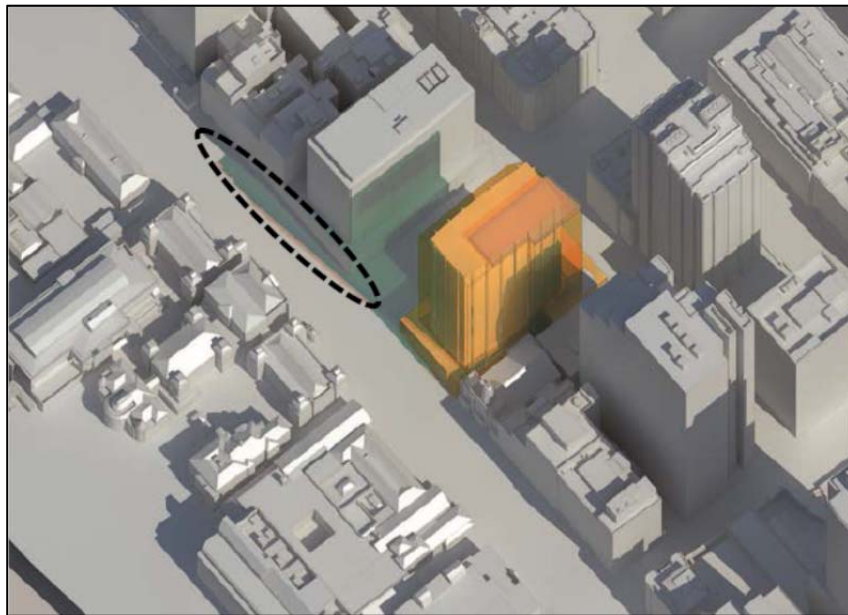


Figure 13: The additional shadow at 12 noon on 14 April is highlighted as the orange colour at the margin of the existing overshadowed area, within the dashed black oval. There are no additional impacts on the Reserve Bank façade.

43. There would be some additional overshadowing between 12 noon and 2pm at other times of the year. The following series of figures illustrate impacts on both the ground plane of Martin Place and the Reserve Bank façade at 1pm at various key dates throughout the year. 1pm has been chosen as it is representative of the lunch hour. Further sun access impact analysis is provided in **Attachment A**.
44. The images in Figures 14 and 15 illustrate additional overshadowing on 21 March at 1pm. There is some additional overshadowing at this time, although it is minor in comparison to the existing shadow.



Figure 14: The additional shadow at 1pm on 21 March is highlighted, as the narrow orange colour on the margins of the existing overshadowed area, within the dashed black oval. It falls partly on the ground plane of Martin Place, and partly on Macquarie Street.

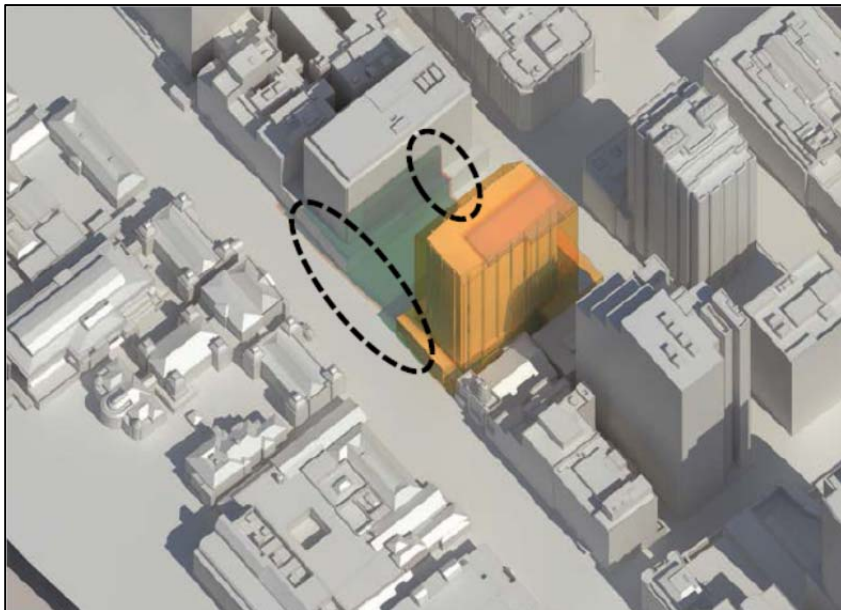


Figure 15: The additional shadow at 1pm on 21 March is highlighted, as the narrow orange colour on the margins of the existing overshadowed area, within the dashed black line. It falls on the façade of the Reserve Bank as well as on Martin Place

45. There is no additional overshadowing at 1 pm on 21 June, as both Martin Place and the Reserve Bank façade are in almost full shadow already.
46. Figures 16 and 17 illustrate additional overshadowing at 1pm on 21 December. The additional overshadowing is considered acceptable on this date as there is more sun access and shade becomes desirable in the public domain.

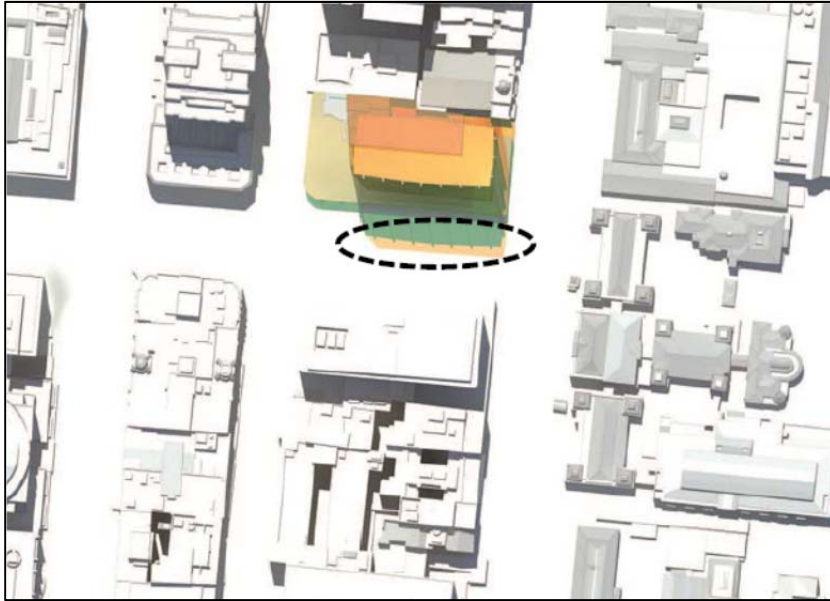


Figure 16: The additional shadow on 21 December at 1pm is highlighted as the orange colour on the margins of the existing overshadowed area, within the dashed black oval.



Figure 17: There is no shadow on the RBA façade on 21 December at 1pm.

47. Sun access to other public spaces would also be maintained under the indicative scheme. The building envelope has been shaped to comply with the Domain sun access plane, and sits beneath the Hyde Park sun access plane. It also minimises overshadowing to other important public spaces such as Hyde Park Barracks.

Comparison with current planning controls

- 48. As noted previously, the current planning controls do not specifically protect sun access to the ground plane of Martin Place at the critical period of 12 noon to 2pm, 14 April. Rather, they protect sun access to the facades of sandstone buildings on the southern edge of Martin Place. The Reserve Bank of Australia is not one of the historic sandstone buildings, but a post-War International Style commercial tower, with a granite and aluminium-framed curtain wall façade.
- 49. Figures 18 and 19 compare the overshadowing impacts of the indicative scheme, with a building that complies with the current planning controls (the LEP compliant scheme). Additional shadow impacts are highlighted by the dashed black line.

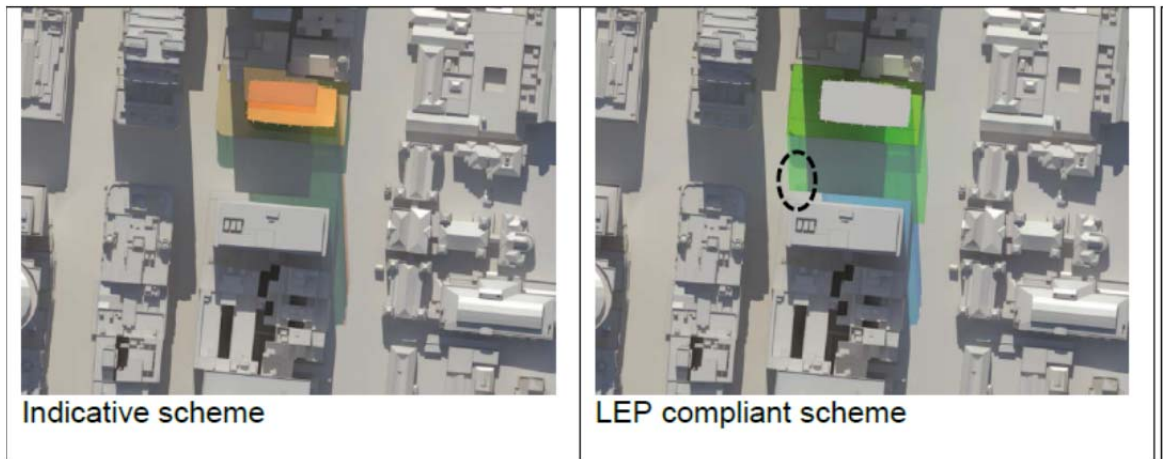


Figure 18: 12 noon, 14 April shows no additional overshadowing on Martin Place from the indicative scheme; and additional overshadowing from the LEP compliant scheme highlighted as the light green area within the dashed black line.

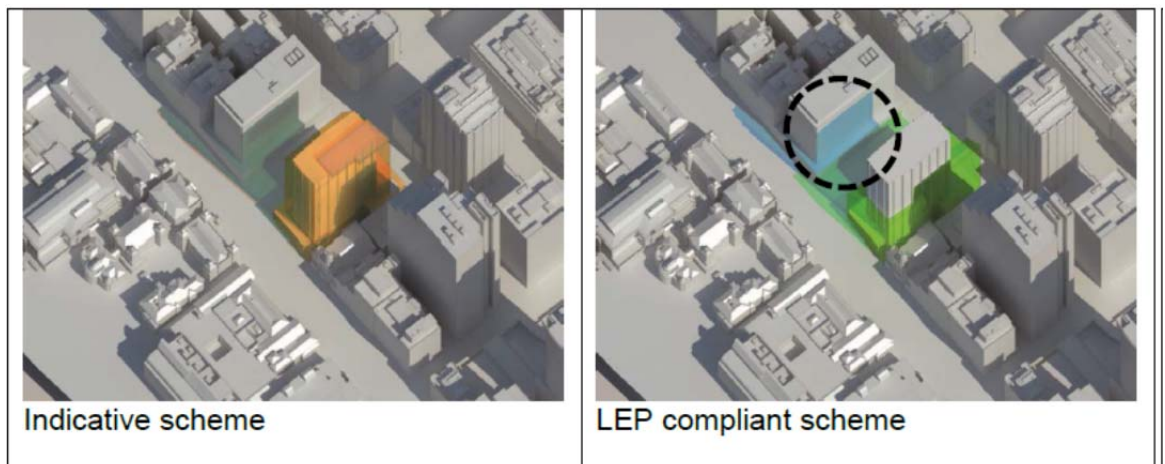


Figure 19: 12 noon, 14 April with areas of the Reserve Bank facade that would be free of shadow in an LEP compliant scheme coloured blue and highlighted within the dashed black line.

- 50. Figure 18 shows that the LEP compliant scheme causes additional overshadowing at 12 noon 14 April on the ground plane of Martin Place, while the indicative scheme under the proposed new controls does not.

51. Figure 19 demonstrates how an LEP compliant scheme will free the Reserve Bank façade from shadow at the same time and date, while the indicative scheme under the proposed new controls maintains this shadow.
52. In effect, the current controls prioritise sun access to the Reserve Bank façade, while the proposed new controls prioritise sun access to Martin Place. The proposed controls can offer a better outcome for sun access to Martin Place, and thus for amenity in the public domain, than the current controls.
53. There is a minor increase in overshadowing on the ground plane of Martin Place outside of the critical time of 14 April 12 noon to 2pm. Martin Place is a hard-surfaced space, with a civic square function that is most heavily used during the lunch period. It does not rely on sun access for the enjoyment of the space. The small amount of additional overshadowing is acceptable given the specific circumstances in this instance.

Other overshadowing impacts

54. The building height has been limited to ensure protection of Hyde Park Barracks from any significant additional overshadowing. There will be some minor overshadowing for a brief time between 1pm and 2pm during winter. This shadow will fall within the shadow already cast by existing fig trees and is not considered significant. Further details are contained in the Justification Report (p. 65), which is within **Attachment A**.

Wind impacts

55. Tower forms are a major determinant of wind conditions in dense urban environments. Winds striking the towers descend towards the ground as strong downdrafts, and produce eddies at building corners. Architectural solutions to this include the use of podiums, awnings, and other structures to disrupt the downdraft and protect the pedestrian environment. Additional façade and corner treatments, such as chamfered corners, can also help disrupt downdrafts and eddies.
56. The pedestrian-level wind environment in the vicinity of 60 Martin Place is characterised by areas of lower wind speeds close to the podium at the Martin Place frontage, with higher wind speeds further from the podium, and also at the south-east and south-west podium corners. The image in Figure 20 illustrates this existing distribution of wind effects, with higher winds shown as light colour, and lower winds as dark blue.

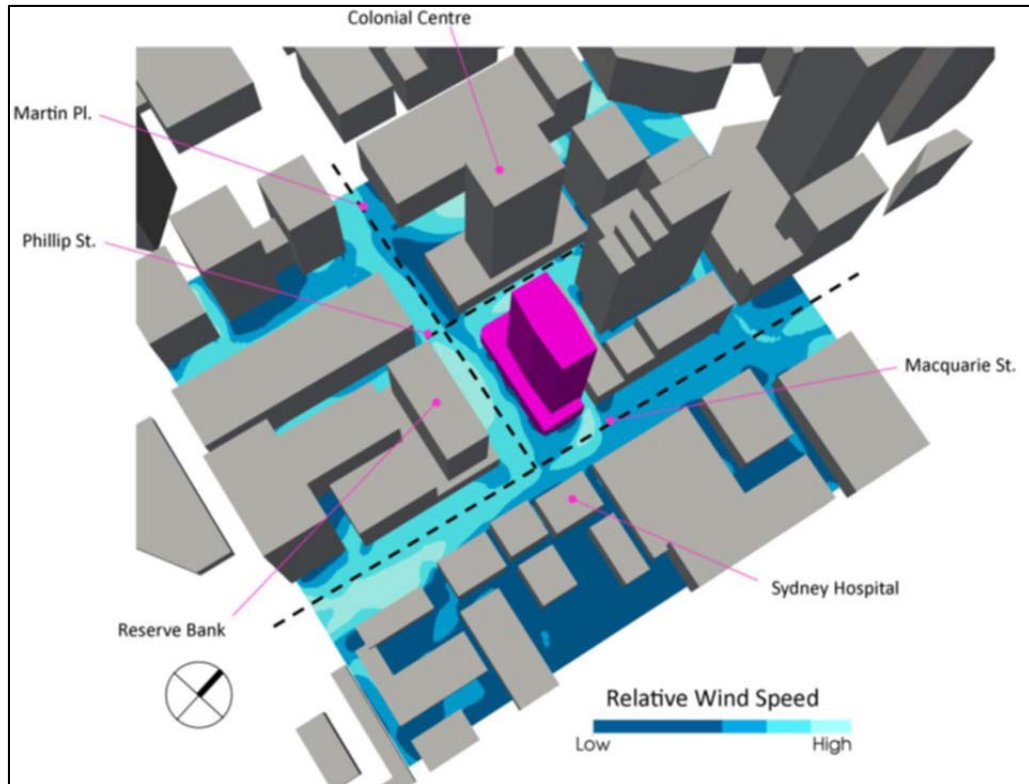


Figure 20: The current pedestrian-level wind conditions at 60 Martin Place, showing light areas of higher winds at the downwind corners of the podium, and lower speed winds closest to the building frontage.

57. Arup have modelled the indicative scheme to produce a relative analysis of the wind impacts in comparison to the existing building. The report is included in Attachment C. The image in Figure 21 illustrates the conclusions, which suggest a situation largely the same as currently exists. There is likely to be some expansion of the lower-wind environment directly under the podium; and an expansion of the higher wind environment at the northern corners of the podium. Further detailed analysis, including wind-tunnel testing, will be carried out as part of a Stage 2 Development Application, to determine the appropriate architectural response required to minimise wind impacts in accordance with the provisions in *Sydney DCP 2012*.

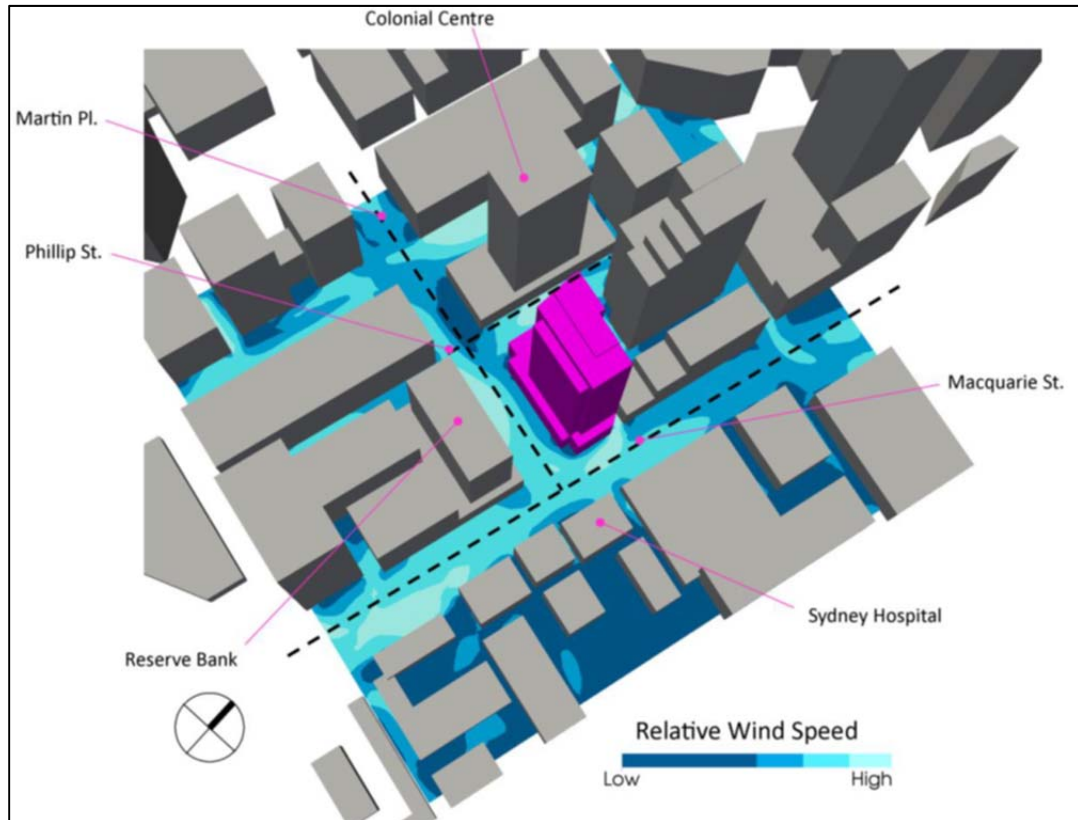


Figure 21: Indicating a similar distribution of high- and low-wind environments for the indicative scheme. There is a noticeable reduction in the extent of the low-speed wind environment on the corner of Macquarie Street.

Heritage and urban design

58. The building at 60 Martin Place is not a heritage item, however it is in the vicinity of a number of listings including Martin Place plaza and Martin Place Railway Station. It is near the Sydney Hospital group on Macquarie Street, and opposite the Reserve Bank of Australia building, which is listed on the Commonwealth heritage register. The proposed indicative development scheme cantilevers into the airspace above St Stephens Church, which has state heritage significance.
59. The proponent has engaged a heritage consultant to undertake a Heritage Impact Assessment to inform the Justification Report. The report establishes a series of guidelines to manage the key heritage considerations in the redevelopment. The report is included in **Attachment A**.
60. The report concludes that the demolition of the existing building, and redevelopment in accordance with the indicative scheme, would be acceptable from a heritage viewpoint.
61. The redevelopment is an opportunity to reinforce the podium-level relationship between the proposed new building, the RBA, and the Sydney Hospital group viewed from Martin Place; and with the St Stephen's Uniting Church viewed from Macquarie Street. These relationships are an important component of the design unity that characterises Martin Place.

62. The heritage report considers the potential impacts of the cantilever portion on St Stephens Church. It concludes that with due consideration during the detailed design phase, the building will not have undue impacts on the heritage values of St. Stephens Uniting Church.
63. The City has considered the potential impacts on the heritage values of St Stephen's Church, a listed item on the State Heritage Register. Any impacts of the cantilever can be managed through ensuring it is sufficiently separated in height from the main body of the church, and that it is set back from Macquarie Street so as not to inhibit views to the church spire. The draft development control plan at **Attachment B** includes provisions to this effect.

Views and Visual Impacts

64. The Planning Proposal considers impacts on views from the public domain to highly utilised public spaces, heritage buildings or monuments. A View Impact Analysis has been undertaken for the proponent, which is included in **Attachment A**. It concludes that the no public views would be obstructed or significantly affected.

Traffic, transport, and pedestrian impacts

65. The Planning Proposal would not result in any additional vehicle traffic in relation to the new building. The existing building has an allocation of 80 parking spaces. This would be reduced to approximately 50 spaces, in accordance with the parking rates in *Sydney LEP 2012*.
66. The building currently has vehicle access from both Macquarie Street and Phillip Street. In the indicative scheme, it is proposed to delete the Macquarie Street access, with the sole vehicle access from Phillip Street. This offers an improvement to the streetscape and the pedestrian environment along Macquarie Street and is supported.
67. The redevelopment will have no impact on Martin Place station, with any works occurring inside the existing excavated area. Railcorp will be required to provide their concurrence to the Planning Proposal. A Traffic, Transport, Parking and Pedestrian Study has been conducted and is included at **Attachment A**.

KEY IMPLICATIONS

Strategic Alignment - Sustainable Sydney 2030 Vision

68. *Sustainable Sydney 2030* is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This report is aligned with the following SS2030 strategic directions and objectives:
 - (a) Direction 1 - *A Globally Competitive and Innovative City* - The Planning Proposal will strengthen the role and function of Martin Place as a key global financial and economic hub within the Sydney CBD.
 - (b) Direction 2 - *A Leading Environmental Performer* – Investa have committed to delivering a building that performs to the highest Economically Sustainable Development standards

- (c) Direction 3 - *Integrated Transport for a Connected City* – The Planning Proposal will provide additional employment opportunities in close proximity to public transport networks; remove a vehicle access point on Macquarie Street; and provide enhanced facilities for cyclists within the development.
- (d) Direction 5 - *A Lively and Engaging City Centre* - The Planning Proposal provides for the establishment of retail, restaurants, bars and the like at the ground floor interface and the podium levels, encouraging after-hours activation of Martin Place.
- (e) Direction 7 - *A Cultural and Creative City* - The invigoration of the public domain will reinvigorate Martin Place's position as Sydney's major civic precinct.

RELEVANT LEGISLATION

69. *Environmental Planning and Assessment Act 1979; Environmental Planning and Assessment Regulation 2000.*

Delegation of Minister's Plan Making Functions

70. In October 2012, the Minister for Planning delegated plan-making functions to councils to improve the local plan-making process. In December 2012, Council resolved to accept the delegation. Council needs to receive an authorisation on a case by case basis to exercise the delegation, which is given through the Gateway Process.

PUBLIC CONSULTATION

71. The public exhibition process for the Planning Proposal is also determined by the Minister for Planning. It is proposed that public exhibition for the Planning Proposal and public exhibition of the draft SDCP 2012 amendment coincide. As such, the consultation would take place in accordance with:
- (a) the Gateway determination made by the Minister for Planning under s.56 of the *Environmental Planning and Assessment Act 1979*; and
 - (b) cl.18 of the *Environmental Planning and Assessment Regulation 2000*.
72. This would most likely mean the public exhibition would be a minimum of 28 days, with notification:
- (a) on the City of Sydney website;
 - (b) in newspapers that circulate widely in the City of Sydney Local Government Area; and
 - (c) in writing to the owners; the adjoining landowners, relevant community groups and the surrounding community in the immediate vicinity of the site.

73. Following public authority consultation and public exhibition, the outcomes would be reported to Council and the Central Sydney Planning Committee.

GRAHAM JAHN, AM

Director City Planning, Development and Transport

(David Fitzpatrick, Specialist Planner)