

ATTACHMENT B

**PLANNING PROPOSAL:
7-15 RANDLE STREET, SURRY HILLS,
WITH SUPPORTING REPORTS AND
INFORMATION, AS REVISED FOLLOWING
EXHIBITION**

Planning Proposal

7-15 Randle Street, Surry Hills

February 2018

INTRODUCTION

In April 2016, Robinson Urban Planning on behalf of Hanave Pty Ltd, requested site specific amendments to Sydney Local Environmental Plan 2012 (SLEP2012) and Sydney Development Control Plan 2012 (SDCP2012) for four adjoining sites at 7-15 Randle Street, Surry Hills. The request sought to increase the development standards for the use of hotel or motel accommodation only, a use currently permissible in the B4 mixed use zone.

The site's location in close proximity to Central Station and the future light rail route means it is well-connected to the tourism generators of Darling Harbour convention and exhibition centre, Moore Park sports facilities and central Sydney.

Accordingly, this planning proposal seeks additional height and floor space on the site to incentivise redevelopment of 7-15 Randle Street for hotel or motel accommodation in a manner that ensures the heritage item at 11-13 Randle Street is appropriately retained and conserved and other impacts mitigated.

Building envelope controls and provisions for heritage, urban design, sustainability and public domain will be contained within an associated amendment to Sydney Development Control Plan 2012 (DCP) prepared alongside this planning proposal. The proposed amendments to the DCP will support the proposed changes to Sydney LEP 2012.

This planning proposal is prepared in accordance with Section 55 of the Environmental Planning and Assessment Act 1979 (the Act) and the relevant Department of Planning and Environment Guidelines including 'A Guide to Preparing Planning Proposals' and 'A Guide to Preparing Local Environmental Plans'.

BACKGROUND

Site Identification

7-15 Randle Street, Surry Hills, contains four lots in Surry Hills.

Table 1 details the legal description of the land affected by this planning proposal and the proposed amendments to Sydney LEP 2012.

Figure 2 shows the land affected by this planning proposal hatched in red.

Site	Legal Description	Proposed Amendments
7-15 Randle Street, Surry Hills	Lot 5, DP 78903 Lot 6, DP 78903 Lot 1, DP 538913 Lot 1, DP 74545	<ul style="list-style-type: none">• Change LEP to allow additional height and floor space where 'hotel or motel' use is proposed, with ancillary commercial uses at two lowest levels.• For listing of 11-13 Randle Street in the heritage schedule, correct land parcel description to correspond to the surveyed land parcels included within the heritage map listing boundary.

Table 1 – Site description and proposed amendment



Figure 1 – Land affected by this planning proposal

Site Characteristics

The subject site at 7-15 Randle Street contains four adjoining land parcels located on a small wedge-shaped block in Surry Hills, east of Central Station. The site has dual frontages to Randle Street and Randle Lane. Randle Lane backs onto Chalmers Street. The site is shown bound in red in Figure 1.

The site occupies half the small block, including the corner formed by the junction of Randle Street and Randle Lane. Located in close proximity to Central Station and flanked by major roads, the site is visible from Central Station platforms and surrounding streets including Chalmers, Elizabeth and Cooper Streets.

The combined site area of 7-15 Randle Street is 817.31 square metres. The largest of the three sites is 11-13 Randle Street at 423.65 square metres. The corner lot at 15 Randle Street is 102.80 square metres. The northern lots at 7-9 Randle Street measure 290.86 square metres.

The land slopes from east to west across the site resulting in Randle Lane being nearly a storey below Randle Street. This results in the buildings on this block having street frontages at the lowest two levels and a taller building height on Randle Lane. Only part of the basement level fronting the lane projects above street level on Randle Street.

Three brick former industrial buildings currently occupy this site with full site coverage. The heritage item is at the centre of the site at 11-13 Randle Street. This building is 7-storeys in height, including basement at the lane level. Tall parapet walls increase the street frontage height of the building. The two buildings flanking the heritage item are lower. At the corner of Randle Lane, 15 Randle Street contains a 6-storey building, including a 2-storey rooftop addition. At the north end of the site, 7 Randle Street contains a 4-storey building including basement at the lane level.

To avoid confusion about storey numbers as a result of two ground levels, this planning proposal refers to building levels or storeys as 1-9, with Randle Lane level as 1 and Randle Street level as 2,

with the additional levels as 8 and 9. The indicative drawings include a basement and ground level, so have corresponding upper storeys numbered 2 levels lower than noted in this planning proposal.

Current Planning Controls

Sydney Local Environmental Plan 2012 (LEP) contains zoning and principal development standards for the site including:

- B4 Mixed Use zone, which permits the proposed uses;
- Floor space ratio (FSR) of 5:1, with potential award of an additional 10% for design excellence up to 5.5:1; and
- Maximum building height of 27 metres.

Sydney Development Control Plan 2012 (DCP) contains specific controls for the site including:

- Maximum height of 8 storeys;
- Street frontage height of 3 storeys; and
- Prince Alfred Park East locality principles.

For development resulting in buildings above 25 metres in this location, the LEP requires a site specific development control plan.

Planning Proposal

In April 2016, Robinson Urban Planning on behalf of Hanave Pty Ltd, requested site specific amendments to Sydney Local Environmental Plan 2012 (SLEP2012) and Sydney Development Control Plan 2012 (SDCP2012) for four adjoining sites at 7-15 Randle Street, Surry Hills. The request sought to increase the development standards for the use of hotel or motel accommodation only, a use currently permissible in the B4 mixed use zone. The proposed development standards are based on retaining the existing listed 7-storey building at 11-13 Randle Street with a 2-storey rooftop addition, and redevelopment of the buildings either side to continue the floor levels of the vertically-extended heritage item.

The City has reviewed the documentation lodged by Robinson Urban Planning and has prepared this planning proposal to amend the planning controls.

PART 1 – OBJECTIVES AND INTENDED OUTCOMES

Apart from the heritage item amendment which remains unchanged, post-exhibition changes are shown in bold as ~~strikethrough~~ for removed text and underlined for new text.

Objectives:

- To enable the orderly and feasible redevelopment of the entire site of 7-15 Randle Street, Surry Hills, for ‘hotel or motel accommodation’ with ancillary commercial premises at lowest two levels;
- To ensure that new development responds sympathetically to the heritage item at 11-13 Randle Street, Surry Hills, the former Henderson Hat factory; and
- To ensure that new development is appropriate to its urban context and integrates with surrounding changes to the public domain, road and rail transport.

Outcomes:

- The amendment to the maximum permissible height and floor space will facilitate the provision of ‘hotel or motel accommodation’ with ancillary commercial premises in a location appropriate to this use.
- Redevelopment of the site will conserve the heritage item at 11-13 Randle Street, including the building, its interiors and setting.
- Redevelopment of the site will achieve design excellence through a sympathetic adaptive re-use of the heritage item with compatible infill development and additions.

PART 2 – EXPLANATION OF PROVISIONS

To achieve the intended outcomes, this planning proposal seeks to amend Sydney Local Environmental Plan 2012 as follows:

- Introduce a new clause under ‘Division 5 Site Specific Provisions’ of Sydney Local Environmental Plan 2012 to enable additional height, above that shown in the Height of Buildings Map, and floor space greater than shown in the Floor Space Ratio Map, if the entire site is developed for ‘hotel or motel accommodation’ use, with ancillary commercial premises at the lowest two levels;
- Establish a concurrence role for Transport for NSW as requested by the state agency to address transport issues;
- Enable Council to award a design excellence bonus for additional floor space only, excluding additional height, based on the FSR contained in this clause instead of the mapped FSR.
- Amend clause 4.6(8) to ensure no additional height or floor space can be achieved by way of a variation to the proposed new clause; and
- Amend the land parcel description for the heritage item at 11-13 Randle Street, Surry Hills, to correspond with the listing boundary shown in the heritage map.

The final clause to be **inserted** into Division 5 would be subject to drafting and agreement by Parliamentary Counsel’s Office but may be written as follows:

Part 6 Local provisions—height and floor space
Division 5 Site specific provisions
6.xx 7-15 Randle Street, Surry Hills
(1) This clause applies to the site of 7-15 Randle Street, Sydney, comprising Lots 5 and 6 of DP 78903 (7-9 Randle Street), Lot 1 of DP 538913 (11-13 Randle Street), and Lot 1 of DP 74545 (15 Randle Street).

- (2) Despite clauses 4.3 and 4.4, development consent may be granted to the erection or use of a building on land to which this clause applies with a maximum height of RL 59.47 metres, and floor space ratio of 5.9:1.
- (3) Clause 6.21(7) does not apply to development on land to which this clause applies.
- (4) A building demonstrating design excellence is eligible for an amount of additional floor space, to be determined by the consent authority, of up to 10% of the amount permitted as a result of the floor space ratio shown in this clause.
- (5) Development consent must not be granted under subclause ~~(3)~~(2) unless the consent authority is satisfied that development for the entire site is solely for the purposes of 'hotel or motel accommodation', with ancillary commercial premises at the lowest two levels.
- (6) Despite any other provision of this Plan, a building erected in accordance with a development consent granted under subclause ~~(3)~~(2) must not be used for the purpose of residential accommodation or serviced apartments.
- (7) **Before determining a development application for development for the purpose of a new building or development that increases the gross floor area of an existing building on land to which this clause applies, the consent authority must:**
 - a) **within 7 days after the application is made, give written notice of the application to the Secretary of Transport for New South Wales; and**
 - b) **take into consideration any response to the notice that is received within 21 days after the notice is given.**
- (8) **Subject to subclause (10), the consent authority must not grant consent to development to which sub-clause (7) applies without the concurrence of the Secretary of Transport for New South Wales.**
- (9) **For the purposes of this clause, rail infrastructure facilities has the same meaning as in State Environmental Planning Policy (Infrastructure) 2007.**
- (10) **The consent authority may grant consent to development to which this clause applies without the concurrence of the Secretary of Transport for NSW if:**
 - a) **the consent authority has given the Secretary of Transport for NSW notice of the development application; and**
 - b) **21 days have passed since giving the notice and the chief executive officer has not granted or refused to grant concurrence.**

The following clause and heritage schedule description will be **amended**, with words to add **underlined** and remove **struck-through**:

Part 4 Principle 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: <u>(xx) Clause 6.xx (7-15 Randle Street, Surry Hills)</u>

Schedule 5 Environmental heritage					
Part 1 Heritage items					
Locality	Item name	Address	Property description	Significance	Item no
Surry Hills	Former R. C. Henderson Ltd factory including interiors	11-13 Randle Street	Lot 1 DP 538913; <u>Lots 5 and 6 DP 78903</u>	Local	I2270

The site-specific provisions establish the maximum height and base floor space ratio to achieve the intended outcomes. This clause is intended to allow for additional floor space awarded through a competitive design process, to be accommodated within the specified maximum height and the building envelope established in the accompanying site-specific DCP. The amendments do not permit further increases to the development standards through clause 4.6 or conversion of a building using these standards to residential accommodation or serviced apartments.

The above concurrence provisions are modelled on the State Environmental Planning Policy (Infrastructure) 2007 in response to Transport for NSW submissions, as proposed by the proponent and reviewed by City of Sydney.

PART 3 - JUSTIFICATION

Section A – Need for the planning proposal

Q1. Is the planning proposal a result of any strategic study or report?

This planning proposal is the result of detailed work undertaken by the City in response to documentation lodged by a consultant team on behalf of Hanave Pty Ltd. This preliminary work was undertaken on the basis of advice given by the City to Robinson Urban Planning that a planning proposal would be required to amend the height and floor space control for the site and providing advice on the requisite supporting documentation.

The package of supporting documentation provides a reasonable basis upon which to progress this planning proposal. The key findings of these studies are described and discussed in detail in Section C of this planning proposal.

The individual studies and documents are attached as appendices to this planning proposal as follows:

- Appendix 1: Architectural design statement (Luigi Rosselli)
- Appendix 2: Indicative planning proposal drawings (Luigi Rosselli)
- Appendix 3: Building envelope, setbacks and heights diagrams (Luigi Rosselli)
- Appendix 4: Views photomontages (Luigi Rosselli)
- Appendix 5: Site analysis diagrams for options, view corridors, traffic, access, active frontages, building elevations and envelopes (Luigi Rosselli)
- Appendix 6: Site survey (Geosurv)
- Appendix 7: Shadow diagrams (Luigi Rosselli)
- Appendix 8: Conservation management strategy (John Oultram Heritage & Design)
- Appendix 9: Phase 1 preliminary site contamination investigation (Getex)
- Appendix 10: Structural engineers report (Mott MacDonald)
- Appendix 11: BCA report (Vic Lilli & Partners)
- Appendix 12: Transport reports (Colston Budd Rogers & Kafes)
- Appendix 13: Waste management plan (Elephants Foot)

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

This planning proposal is required to increase the development standards to provide for orderly and economic development of the land for visitor accommodation, allowing the community and surrounding landowners an opportunity to comment on changes to the controls and providing certainty for all affected stakeholders.

Section B – Relationship to strategic planning framework

Q3. Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including A Plan for Growing Sydney and the exhibited draft strategies)?

In December 2014 the NSW government published 'A Plan for Growing Sydney'. Consistency with the plan and draft Sydney City Subregional Strategy is discussed below.

A Plan for Growing Sydney

The Plan for Growing Sydney outlines the state government's vision for Sydney over the next 20 years. It identifies key challenges facing Sydney including a population increase of 1.6 million by 2034, 689,000 new jobs by 2031 and a requirement for 664,000 new homes.

In responding to these and other challenges, the plan sets out four goals:

1. a competitive economy with world-class services and transport;
2. a city of housing choice with homes that meet our needs and lifestyles;
3. a great place to live with communities that are strong, healthy and well connected; and
4. a sustainable and resilient city that protects the natural environment and has a balanced approach to the use of land and resources.

To achieve these goals, the plan proposes 22 directions and associated actions, including: Direction 1.1 Grow a more internationally competitive Sydney CBD; Direction 1.7 Grow strategic centres – providing more jobs closer to home; Direction 3.3 Create healthy built environments; and Direction 3.4 Promote Sydney's heritage, arts and culture.

The Planning Proposal is consistent with relevant goals, directions and actions of the plan in that it will promote tourism and facilitate development of a site which is highly accessible by public transport and encourage the re-use of a heritage building.

Draft Central District Plan

The Greater Sydney Commission's draft District Plan sets a vision, priorities and actions for the development of the central district of greater Sydney. The central district includes the local government areas of Bayside, Burwood, Canada Bay, Inner West, Randwick, Strathfield, the City of Sydney, Waverley and Woollahra.

The plan establishes a 40-year vision for the central district to be a global sustainability leader, managing growth while maintaining and enhancing the district's liveability, productivity and attractiveness for residents and visitors. Priorities and associated actions for productivity, liveability and sustainability seek to deliver this vision.

By incentivising redevelopment of the site for a hotel and the adaptive re-use of a heritage building with sustainability benchmarks, this planning proposal is consistent with this vision. It will support the following productivity, liveability and sustainability priorities of the district plan:

Productivity Priority 3.3.4: Supporting international tourism destinations

The planning proposal provides for additional visitor accommodation in the under-supplied 3-star range. Its close proximity to Central station and the planned light rail route will support use of public transport. The retention of the listed former factory adds to the visitor experience of the hotel and Surry Hills.

Liveability Priority 4.7.1 Conserve and enhance the District's environmental heritage

The planning proposal will adaptively re-use the heritage item, a former factory, at 11-13 Randle Street, in a way that enhances and respects its heritage value. Conservation provisions are included in the accompanying site-specific DCP.

Sustainability Action 10: Support the development of initiatives for a sustainable low carbon future

Sustainability benchmarks included in the site-specific DCP will help to ensure the development achieves reasonable environmental performance to support Sydney's resilience.

Q4. Is the planning proposal consistent with council's local strategy or other local strategic plan?

The City's Sustainable Sydney 2030 Strategic Plan is the 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 planning proposal is consistent with the key directions of Sustainable Sydney 2030 as demonstrated in the below table.

Consistency with Sustainable Sydney 2030	
Direction	Comment
Direction 1 – A globally competitive and innovative city	This planning proposal will facilitate redevelopment of the site for a future hotel, delivering needed mid-range visitor accommodation and supporting Sydney's tourist economy. It will also offer employment opportunities. This investment in the site will contribute to making Sydney attractive to global visitors and investors.
Direction 2 – A leading environmental performer	The accompanying site-specific DCP sets sustainability targets for the development.
Direction 3 – Integrated transport for a connected city	The future use of the site as a hotel will capitalise on its excellent proximity to public transport infrastructure including trains, buses and future light rail. Zero on site car parking provision will encourage sustainable transport use.
Direction 4 – A city for walking and cycling	The proposal is consistent with this direction, potentially increases active uses addressing the street frontages on Randle Street and Lane.
Direction 5 – A lively and engaging city centre	The provision of hotel hospitality at the lowest level on Randle Lane, as facilitated by this planning proposal, will contribute to the revitalisation of this part of Surry Hills.
Direction 6 – Vibrant local communities and economies	This planning proposal will increase provision of hotel rooms surrounding Central Station in Surry Hills.
Direction 7 – A cultural and creative city	The planning proposal incorporates re-use a heritage item, which contributes to place-making and the diversity of buildings in Surry Hills.
Direction 8 – Housing for a diverse population	This direction is not applicable to this planning proposal which provides visitor accommodation, rather than residential housing.
Direction 9 – Sustainable development, renewal and design	The proposal is consistent with the principle of transit oriented development by co-locating accommodation and employment opportunities in a highly accessible location. The accompanying site-specific DCP sets sustainability targets for the development.
Direction 10 – Implementation through effective partnerships	The City has worked with Robinson Urban Planning in developing this planning proposal and will collaborate further with Transport for NSW and other stakeholders through the public exhibition.

Q5. Is the planning proposal consistent with applicable State Environmental Planning Policies (SEPPs)?

The consistency of the planning proposal with applicable State Environmental Planning Policies (SEPPs) is outlined in the table below. SEPPs that are repealed or not finalised are excluded from this table.

Consistency with SEPPs	
State Environmental Planning Policy (SEPP)	Comment
SEPP No 1—Development Standards	Consistent. This planning proposal does not contradict or hinder application of this SEPP.
SEPP No 4—Development Without Consent and Miscellaneous Exempt and Complying Development	Consistent. This planning proposal does not contradict or hinder application of this SEPP.
SEPP No 6—Number of Storeys in a Building	Consistent. This planning proposal does not contradict or hinder application of this SEPP.
SEPP No 10—Retention of Low Cost Rental Accommodation	Not applicable.
SEPP No 14—Coastal Wetlands	Not applicable.
SEPP No 15—Rural Landsharing Communities	Not applicable.
SEPP No 19—Bushland in Urban Areas	Not applicable.
SEPP No 21—Caravan Parks	Not applicable.
SEPP No 22—Shops and Commercial Premises	Consistent. This planning proposal does not contradict or hinder application of this SEPP.
SEPP No 26—Littoral Rainforests	Not applicable.
SEPP No 29—Western Sydney Recreation Area	Not applicable.
SEPP No 30—Intensive Agriculture	Not applicable.
SEPP No 32—Urban Consolidation (Redevelopment of Urban Land)	Not applicable
SEPP No 33—Hazardous and Offensive Development	Consistent. This planning proposal does not contradict or hinder application of this SEPP.
SEPP No 36—Manufactured Home Estates	Not applicable.
SEPP No 39—Spit Island Bird Habitat	Not applicable.
SEPP No 41—Casino Entertainment Complex	Not applicable.
SEPP No 44—Koala Habitat Protection	Not applicable.
SEPP No 47—Moore Park Showground	Not applicable.
SEPP No 50—Canal Estate Development	Not applicable.
SEPP No 52—Farm Dams and Other Works in Land and Water Management Plan Areas	Not applicable.
SEPP No 53—Metropolitan Residential Development	Not applicable.
SEPP No 55—Remediation of Land	Consistent. The Phase 1 Preliminary Contamination Investigation report by Getex identifies potential sources of contamination and concludes the site would be suitable for the proposed development once a Phase 2 Contamination Investigation is completed and other possible mitigation measures. Further investigation can occur at subsequent stages through the design competition or development application. This planning proposal does not contradict or hinder application of this SEPP.
SEPP No 59—Central Western Sydney Regional Open Space and Residential	Not applicable.
SEPP No 60—Exempt and Complying Development	Consistent. This planning proposal does not contradict or hinder application of this SEPP.

Consistency with SEPPs	
State Environmental Planning Policy (SEPP)	Comment
SEPP No 62—Sustainable Aquaculture	Not applicable.
SEPP No 64—Advertising and Signage	Consistent. Future redevelopment of the site as facilitated by this planning proposal is likely to include signage. This signage will be subject to separate future development applications which will include assessment against this SEPP. This planning proposal does not contradict or hinder application of this SEPP.
SEPP No 65—Design Quality of Residential Flat Development	Not applicable.
SEPP No 70—Affordable Housing (Revised Schemes)	Not applicable.
SEPP No 71—Coastal Protection	Not applicable.
SEPP (Building Sustainability Index: BASIX) 2004	Consistent. The Planning Proposal does not contradict or hinder application of this SEPP.
SEPP (Housing for Seniors or People with a Disability) 2004	Not applicable.
SEPP (Major Development) 2005	Not applicable.
SEPP (Sydney Region Growth Centres) 2006	Not applicable.
SEPP (Infrastructure) 2007	Not applicable.
SEPP (Kosciuszko National Park—Alpine Resorts) 2007	Not applicable.
SEPP (Mining, Petroleum Production and Extractive Industries) 2007	Not applicable.
SEPP (Temporary Structures) 2007	Not applicable.
SEPP (Exempt and Complying Development Codes) 2008	Not applicable.
SEPP (Rural Lands) 2008	Not applicable.
SEPP (Western Sydney Parklands) 2009	Not applicable.
SEPP (Affordable Rental Housing) 2009	Not applicable.
SEPP (Western Sydney Employment Area) 2009	Not applicable.
SEPP (Development on Kurnell Peninsula) 2005	Not applicable.

The below table shows the consistency of the Planning Proposal with former Regional Environmental Plans (REPs) for the Sydney and Greater Metropolitan Regions, which are deemed to have the weight of SEPPs.

Consistency with REPs	
Regional Environmental Plan (REPs)	Comment
Sydney REP No 5—(Chatswood Town Centre)	Not applicable.
Sydney REP No 8 (Central Coast Plateau Areas)	Not applicable.
Sydney REP No 9—Extractive Industry (No 2—1995)	Not applicable.
Sydney REP No 11—Penrith Lakes Scheme	Not applicable.

Consistency with REPs	
Regional Environmental Plan (REPs)	Comment
Sydney REP No 13—Mulgoa Valley	Not applicable.
Sydney REP No 16—Walsh Bay	Not applicable.
Sydney REP No 17—Kurnell Peninsula (1989)	Not applicable.
Sydney REP No 18—Public Transport Corridors	Not applicable.
Sydney REP No 19—Rouse Hill Development Area	Not applicable.
Sydney REP No 20—Hawkesbury- Nepean River (No 2—1997)	Not applicable.
Sydney REP No 24—Homebush Bay Area	Not applicable.
Sydney REP No 25—Orchard Hills	Not applicable.
Sydney REP No 26—City West	Not applicable.
Sydney REP No 28—Parramatta	Not applicable.
Sydney REP No 29—Rhodes Peninsula	Not applicable.
Sydney REP No 30—St Marys	Not applicable.
Sydney REP No 33—Cooks Cove	Not applicable.
Sydney REP (Sydney Harbour Catchment) 2005	Consistent. The site is located within the Sydney Harbour Catchment under this REP. The focus of this plan is on foreshores and waterways. Given the distance of this site from the foreshore or other waterways and the moderate extent of the development, the proposal does not contradict or hinder the application of this REP.
Drinking Water Catchments REP No 1	Not applicable.
Greater Metropolitan REP No 2—Georges River Catchment	Not applicable.

Q6. Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

The planning proposal has been assessed against each Section 117 direction. The consistency of the planning proposal with these directions is shown in the table below.

No.	Title	Comment
1. Employment and Resources		
1.1	Business and Industrial Zones	Consistent. This planning proposal will facilitate the delivery of floor space for employment uses and related activities.
1.2	Rural Zones	Not applicable
1.3	Mining, Petroleum Production and Extractive Industries	Not applicable
1.4	Oyster Aquaculture	Not applicable
1.5	Rural Lands	Not applicable
2. Environment and Heritage		
2.1	Environment Protection Zones	Not applicable
2.2	Coastal Protection	Not applicable
2.3	Heritage Conservation	Consistent. This planning proposal provides for the conservation and re-use of and appropriate infill development beside the heritage item at 11-13 Randle Street.

No.	Title	Comment
2.4	Recreation Vehicle Areas	Not applicable
3. Housing Infrastructure and Urban Development		
3.1	Residential Zones	Not applicable
3.2	Caravan Parks and Manufactured Home Estates	Not applicable
3.3	Home Occupations	Not applicable
3.4	Integrating Land Use and Transport	Consistent. This Planning Proposal is consistent with the aims, objectives and principles of <i>Improving Transport Choice – Guidelines for planning and development</i> (DUAP 2001), and <i>The Right Place for Business and Services – Planning Policy</i> (DUAP 2001). The site is well located in terms of access to existing public transport with major bus and rail services within close walking distance as well as future light rail.
3.5	Development Near Licensed Aerodromes	Not applicable
3.6	Shooting Ranges	Not applicable
4. Hazard and Risk		
4.1	Acid Sulfate Soils	Consistent. This planning proposal does not contradict or hinder application of acid sulphate soils provisions in Sydney LEP 2012.
4.2	Mine Subsidence and Unstable Land	Not applicable
4.3	Flood Prone Land	Consistent. This planning proposal does not contradict or hinder application of flood prone land provisions in Sydney LEP 2012.
4.4	Planning for Bushfire Protection	Not applicable
5. Regional Planning		
5.1	Implementation of Regional Strategies	Consistent. This planning proposal is consistent with key strategic goals and directions within A Plan for Growing Sydney and the draft District Plan for the region as outlined above.
5.2	Sydney Drinking Water Catchments	Not applicable
5.3	Farmland of State and Regional Significance on the NSW Far North Coast	Not applicable
5.4	Commercial and Retail Development along the Pacific Highway, North Coast	Not applicable
5.8	Second Sydney Airport, Badgerys Creek	Not applicable
5.9	North West Rail Link Corridor Strategy	Not applicable
6. Local Plan Making		
6.1	Approval and Referral Requirements	Consistent. This planning proposal does not include any concurrence, consultation or referral provisions nor does it identify any development as designated development.
6.2	Reserving Land for Public Purposes	Consistent. This planning proposal will not affect any land reserved for public purposes.
6.3	Site Specific Provisions	Consistent. This planning proposal does not introduce unnecessarily restrictive site specific controls and instead offers greater flexibility to achieve a high quality development outcome.
7. Metropolitan Planning		
7.1	Implementation of A Plan for Growing Sydney	Consistent. This planning proposal is consistent with this direction and does not hinder implementation of A Plan for Growing Sydney.

Section C – Environmental, social and economic impact

Q7. 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 site is located in a developed urban section of Surry Hills. This planning proposal does not apply to land identified as containing critical habitat or threatened species, populations or ecological communities or their habitats.

Q8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

The proposed increased height and floor space ratio (FSR) will incentivise redevelopment of 7-15 Randle Street for hotel or motel accommodation in a manner that ensures the heritage item at 11-13 Randle Street is appropriately retained and conserved and other impacts mitigated.

Further proposed provisions in the site-specific DCP establish sufficient measures to ensure the new building envelope will provide for appropriate heritage, urban design and public domain outcomes when the detailed design is resolved at subsequent design excellence competition and development application stages.

A range of potential environmental effects were considered during the preparation of this planning proposal and are discussed in detail below.

Heritage

The former Henderson's Hat factory at 11-13 Randle Street is located at the centre of the site, comprising a 7-storey brick building. The building and its interiors are listed as a heritage item.

Maintaining and extending this existing listed building is part of the justification for the additional building height and floor space for the heritage item and adjoining sites. A focus of the planning proposal and site-specific DCP is therefore to provide for the conservation of this building, including its interiors.

Maintaining the legibility, prominence and integrity of 11-13 Randle Street is a key heritage issue. Specific considerations for the planning proposal include conserving the building's structural integrity and historic building features, in particular its parapet walls. The parapet walls of the heritage item are a prominent skyline feature from key local vantage points.

Further heritage issues including maintaining views to, and the visual prominence of other heritage items in the vicinity. These include the Dental Hospital to the north at 2-18 Chalmers Street, and the Metro Goldwyn Mayer building to the west at 20–28 Chalmers Street.

The building envelope controls through upper level setbacks and detailed street wall heights will allow the heritage item to maintain its legibility and prominence in the streetscape. The setbacks behind the line of the heritage item's parapet wall will also reduce pressure to insert windows or otherwise alter the parapet for the new additional floors. By reducing the bulk and scale of the additions through the upper level setbacks, this reduces the impacts on the setting of other heritage items in the vicinity.

Additional provisions are recommended for the site-specific DCP to maintain and conserve the structural and architectural integrity of the heritage item and guide compatible new works to the building and adjoining infill development. The DCP provisions clarify the intended outcomes from this planning proposal, giving direction for the detailed design to be resolved at subsequent stages through the design and development process. This includes a provision for deep vertical recesses flanking the heritage item to improve its legibility.

Other more specific heritage issues that do not affect the intent of the planning proposal, the building envelope and floor space calculations, such as revisions to the conservation management strategy, will be addressed at later development stages.

With these measures in place, it is considered that the changes to the development standards will allow for a reasonable development outcome for the heritage item, including its interiors and setting.

The amendment to the heritage schedule for the subject heritage item will remove land parcels from the item description that do not form part of the listing, as mapped for the subject item. This will improve the accuracy of the schedule, without varying its intent.

Urban design

The site is in a prominent corner location, occupying half a block. The buildings and upper levels of the heritage item are visible in the round from surrounding streets and Central Station platforms.

The key urban design issue is the visual impact of the bulk and scale of the increased height, including lift over-runs or services at roof levels, and the northern side wall presentation to surrounding streetscapes. Providing light and ventilation to upper levels, beyond skylights, without puncturing the parapet, is a further urban design issue.

The bulk and scale of the additional levels will be most prominent from Elizabeth Street aspects, where the additions and heritage item are visible in length and profile. From Chalmers Street and Central Station platform, the rooftop additions will also be visible. From these aspects, the additional height will project above the Randle Lane or side parapet walls, while the remainder of the heritage item is obscured or less visible.

The visual impacts and ventilation to the 8th level are addressed by the proposed building setbacks from the two street frontages and lower street frontage heights flanking the heritage item, as detailed above. The site specific DCP also includes a provision for the top two levels to be designed to present as a discrete, lightweight rooftop addition.

The curved ceiling of the building envelope is to accommodate lift over-runs and rooftop services, marked in the DCP as a roof services zone. It does not prescribe a curved roof. Alternative roof forms can be proposed within this envelope.

The site-specific provisions give greater direction on the intended design outcomes from the planning proposal, such as articulating the northern blank side wall and vertical recesses flanking the heritage item, which can be resolved at subsequent stages through the design excellence and development application process.

Overshadowing

The submitted shadow diagrams show that the proposed building envelope will cause minor additional overshadowing, compared to a compliant development under the existing controls. The additional shadow is to the roof of the Hills Tavern at 42-50 Chalmers Street and parts of the streets and pathways on Randle and Elizabeth Streets. There will be no reduction of sunlight access to the apartments at 38 Chalmers Street across the lane.

As the overshadowing is limited, compared to a development compliant with existing development standards, the impact on sunlight access is acceptable.

Traffic movements

The hotel and ancillary hospitality use will increase vehicular movements for hotel services, such as waste and laundry collections, as well as guest transportation, including shuttle buses and taxis.

Some guests and staff may travel by train, given the proximity of Central Station. For vehicular movements, the proponent's preference is for a drop-off zone on Randle Street, with a secondary drop-off and service vehicles using Randle Lane.

~~Potential road changes for the light rail along Chalmers Street could remove existing parking on Randle Street. This would remove the capacity for a drop-off zone or parking for the hotel on Randle Street and divert all hotel traffic movements to Randle Lane.~~

Road changes for the light rail along Chalmers Street will remove existing parking on Randle Street. This removes the capacity for a drop-off zone or parking for the hotel on Randle Street and diverts all hotel traffic movements to Randle Lane.

~~In the event that only Randle Lane is available for traffic movements,~~ The traffic report indicates that the lane can accommodate the necessary hotel vehicles. The lane is approximately 6.5 metres wide, including footpaths. Vehicles stopping for short periods on the lane will allow clearance for other vehicles to pass. The indicative floor plan includes an area for embarking and disembarking guests, adjacent to Randle Lane, for people arriving by taxi or mini-bus and a pedestrian connection between this area and the hotel foyer.

Vehicular movements for the hotel are calculated at fewer than 20 vehicles at peak morning and afternoon periods. Together with other traffic, this will result in traffic flows on Randle Lane of 25 to 35 vehicles per hour, which is less than the maximum flow for a shared access lane as recommended by the Roads and Maritime Service of 100 vehicles per hour.

Further provisions are included in the site-specific DCP to address traffic movement issues raised by Transport for NSW at subsequent stages. **At the request of Transport for NSW, concurrence provisions are also included in this planning proposal.**

Laneway activation and public domain

The hotel use will also increase pedestrian movements of guests to the public entrances and hospitality uses proposed on both Randle Street and Randle Lane. Activation of the laneway will need to be considered in line with transport changes in the vicinity.

Although active uses on the laneway are supported in principle, the narrow service lane provides challenges for the desired clearance for safe increased pedestrian use and movement, as well as the necessary traffic movements, noted above.

Conversion of the roadway to a shared zone ~~would be~~ **may be** needed to allow more active hotel uses on the laneway, as well as traffic movements. A shared zone for greater lane activation will be considered ~~as part of the processing of the planning proposal, and~~ as transport plans are confirmed for the area.

The site-specific DCP provides for **widening the laneway footpath to 1.2 metres public domain upgrades** for safe and accessible pedestrian movements to new hotel entrances on the lane. These ~~will facilitate a shared zone conversion or to enable~~ alternate design solutions to be developed at subsequent stages once transport changes are more certain, while achieving the objectives for pedestrian safety, lane activation and continued operation of public roads.

Therefore the proposed active uses on the lane frontage, with ~~a widened laneway pathway an~~ **upgraded public domain** for safe pedestrian access to the hotel, is acceptable.

Sustainability

Target benchmarks for sustainability of the hotel development are established in the DCP. These include achieving certification for a 4-star or higher Green Star for the design, and at least 4-stars NABERS energy and water accreditation after construction.

The site-specific DCP includes provisions for the development to specify design measures and targets for energy, water and waste.

Combined with the positive sustainability benefit from reusing the existing building at 11-13 Randle Street and its embodied energy, these are reasonable sustainability standards.

Q9. Has the planning proposal adequately addressed any social and economic effects?

This planning proposal provides an opportunity to redevelop the site for visitor accommodation to support Sydney's tourism industry. Sydney's tourism industry makes a significant contribution to the local and state economy. In 2012, Sydney attracted 10.5 million visitors for business or leisure; with

4.3 million staying in the local area. The Australian government's tourism strategy set ambitious national targets to double visitor spending by 2020 to \$140 billion.

2013 analysis by the City of Sydney found that a sustainable supply of visitor accommodation is needed to support projected tourism growth. It calculated a need for 5,759 additional rooms between 2013 and 2021, plus a further 5,499 rooms between 2022 and 2030, particularly in the 3 star range.

City of Sydney's Sustainable Sydney 2030 and 2013 Tourism Action Plan established objectives to facilitate development of further visitor accommodation within the council area. Approaches such as this planning proposal deliver on this objective.

Redevelopment will allow for positive economic effects including greater choice of visitor accommodation and employment opportunities in both the hotel and the restaurant and retail offerings.

The redevelopment also offers social benefits of greater public access and enjoyment of the heritage item at 11-13 Randle Street and revitalised uses.

Section D – State and Commonwealth interests

Q10. Is there adequate public infrastructure for the planning proposal?

The site in Surry Hills is well serviced by public utilities including electricity, telecommunications, water, sewer and stormwater. It is expected that these services would be upgraded where required by the developer.

Q11. What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?

The gateway determination will determine the full list of public authorities to be consulted as part of the planning proposal exhibition. Issues raised will be addressed following the exhibition. The City proposes to consult Transport for NSW regarding traffic and parking changes to Randle Street and Randle Lane as a result of the light rail and the Heritage Council of NSW regarding heritage issues.

PART 4 - MAPPING

The planning proposal does not seek to amend any maps contained in Sydney LEP 2012. Instead, additional building height is proposed to be allowed through insertion of a new clause in Sydney LEP 2012 as discussed earlier in this report.

PART 5 – COMMUNITY CONSULTATION

Public consultation was undertaken in accordance with the requirements of the gateway determination.

This involved the notification of the public exhibition of the planning proposal:

- on the City of Sydney website;
- in the Sydney Morning Herald and/or a relevant local newspaper; and
- in writing to the owners and occupiers of the subject property, adjoining and nearby properties.

The Planning Proposal was publicly exhibited for 28 days in accordance with section 5.5.2 of 'A guide to preparing local environmental plans'.

The exhibition material will be made available on the City of Sydney Website and at the following Council locations:

- Town Hall House, 456 Kent Street, Sydney

Consultation with relevant NSW agencies and authorities and other relevant organisations was undertaken in accordance with the gateway determination, including a post-exhibition meeting with Transport for NSW.

PART 6 – PROJECT TIMELINE

The following project timeline will assist with tracking the progress of the planning proposal through its various stages of consultation and approval. It is estimated that this amendment to Sydney Local Environmental Plan 2012 will be completed by April 2018. **This timeline has been updated following the exhibition.**

Stage	Timeframe
Submit Planning Proposal to Department of Planning and Environment seeking a Gateway Determination	February 2016
Receive Gateway Determination	April 2017
Public exhibition and public authority consultation of Planning Proposal and DCP Amendment	May-June 2017
Review of submissions received during public exhibition and public authority consultation	June 2017 to January 2018
Council and Central Sydney Planning Committee approval of Planning Proposal and DCP Amendment	February 2018
Drafting of instrument and finalisation of mapping	March 2018
Amendment legally drafted and made	April 2018

