

Item 5.**Development Application: 208-218 Riley Street, Surry Hills****File No.:** D/2018/1305**Summary****Date of Submission:** 30 October 2018**Applicant/Developer/Owner:** Cienna Group**Architect:** Tzannes**Cost of Works:** \$4,125,000**Zoning:** B4 - Mixed Use. The proposed hotel is permissible with consent.

Proposal Summary: This application seeks approval for partial demolition, excavation and early works at the rear of the Cambridge Hotel on Lower Campbell Street. The development will facilitate the construction of the new hotel building (refer below). The excavation will allow for increasing the existing five level basement which is currently confined in area under the Cambridge tower on the site.

The application is presented to the Local Planning Panel concurrently with a detailed design development application D/2018/1451 for the construction of an 11 storey hotel with five levels of basement accommodating parking and back of house facilities. The applications are consistent with concept approval D/2016/1177 granted on 11 December 2017 and amended on 17 June 2019.

The application is accompanied by plans and documentation regarding the extent of demolition, excavation and early works proposed, as well as plans to manage associated noise, vibration and traffic.

The applications are consistent with Clause 7.19 of the Sydney Local Environmental Plan 2012 in that demolition will not result in long term adverse visual impacts.

**Proposal Summary
(continued):**

The application was notified and advertised for a period of 14 days between 7 December 2018 and 12 January 2019 (the period was extended over the Christmas/New Year holidays). 277 properties were notified and there were 31 objections (25 unique) and 22 submissions in support (13 unique) received. Generally the objections raised the following concerns:

- construction noise, vibration, dust and traffic impacts on neighbour's amenity;
- dilapidation impacts from excavation;
- financial impacts on neighbours;
- the development will result in long term adverse visual impacts; and
- the concerns are discussed and resolved within the report.

Subject to conditions, and the approval of D/2018/1451, the application is recommended for approval.

**On Summary
Recommendation:**

The development application is recommended for approval, subject to conditions.

Development Controls:

- (i) State Environmental Planning Policy 55 - Remediation of Land
- (ii) Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005 (Deemed SEPP)
- (iii) Sydney Local Environmental Plan 2012
- (iv) Sydney Development Control Plan 2012

Attachments:

- A. Recommended Conditions of Consent
- B. Selected Drawings

Recommendation

It is resolved that consent be granted to Development Application No. D/2018/1305 subject to the conditions set out in Attachment A to the subject report.

Reasons for Recommendation

The application is recommended for approval for the following reasons:

- (A) Subject to the approval of D/2018/1451, demolition, excavation and early works will not result in long term adverse visual impacts on the streetscape and therefore satisfy Clause 7.19 of the Sydney Local Environmental Plan 2012.
- (B) The development is consistent with relevant planning policies and in the public interest.

Background

The Site and Surrounding Development

1. The application site has an area of 1,087sqm with a primary frontage to Riley Street (west) and secondary frontages to Lower Campbell Street (north and east). A part four, part 14 storey hotel with five levels of basement parking known as the Cambridge Hotel occupies the site. The hotel contains 137 guest rooms, a restaurant, pool, conference rooms and loading dock.
2. Adjoining the application site to the south is No. 220-222 Riley Street, a 10 storey building with ground floor cafe and 12 serviced apartments above. The serviced apartments are operated by the applicant, Nuova Surry Hills. Adjoining the serviced apartments to the south at No. 224 Riley Street is a building with shop-top housing.
3. To the north of the site and opposite on Lower Campbell Street is a part three, part 16 storey residential flat building at No. 251-263 Goulburn Street (known as The Darling). The building contains apartments with balconies overlooking the subject site. A semi-detached pair of dwellings is situated on Little Campbell Street to the east of the apartment building at nos. 58-60 Lower Campbell Street.
4. A five storey residential flat building with basement level parking is located to the east of the site on Lower Campbell Street, at No. 265-271 Crown Street. The apartments have balconies overlooking the application site. Adjoining this building to the south is a three storey rear wing extension to a commercial terrace. The terrace is occupied by a commercial premise known as Headquarters. The rear of the building accommodates a loading dock and the windows are internally screened.
5. A three storey mixed use building with basement car parking occupies the lot to the southeast of the application site, known as No. 277-285 Crown Street. The site contains commercial uses at ground floor level fronting Crown Street and residential apartments throughout the remainder of the building. A communal pool is located on the roof.
6. The following properties adjoin the southern boundary of the four storey component of the site - a two storey mixed use building with first floor residential is located at No. 166-168 Campbell Street; a pair of two storey sandstone terrace dwellings are located at Nos. 170-172 Campbell Street; and a three storey commercial building is located at 174-176 Campbell Street with a secondary frontage to Little Campbell Street.
7. To the west of the site is the Surry Hills Police Station, a prominent pre-cast concrete building.
8. The surrounding area is characterised by a mix of commercial and residential development. The site is not a heritage item and is not located within a heritage conservation area. The site is located within proximity to the former Crown Street reservoir to the south on Campbell Street (No. 285A Crown Street item 1490); the Oxford Street conservation area to the east of the site (C17) and the Reservoir Street and Fosterville conservation area (C66) to the south.
9. Photos of the site and surrounds are provided below:



Figure 1: Aerial image of subject site and surrounding area

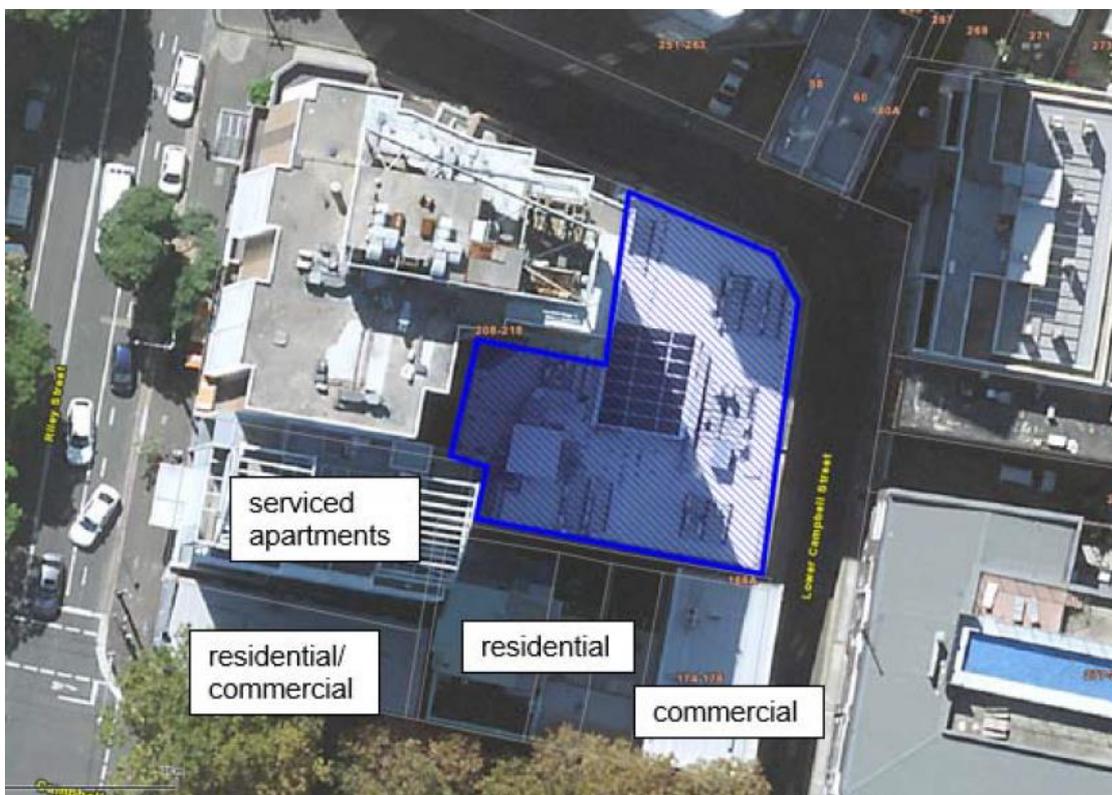


Figure 2: Aerial view of the subject site and surrounding area with the area of the proposed new tower outlined in blue



Figure 3: The four storey building on Lower Campbell Street to be demolished and replaced by the proposed tower. The existing driveway will be retained.

Proposal

10. The application seeks approval for demolition of the four storey portion of the building fronting Lower Campbell Street, basement excavation and early works.
11. The existing basement has five levels, with the first level covering the extent of the site. The remaining four levels are primarily located under the existing tower. The proposed excavation works will extend the existing five level basement to the extent of the site.
12. Plans of the proposed development are provided below.

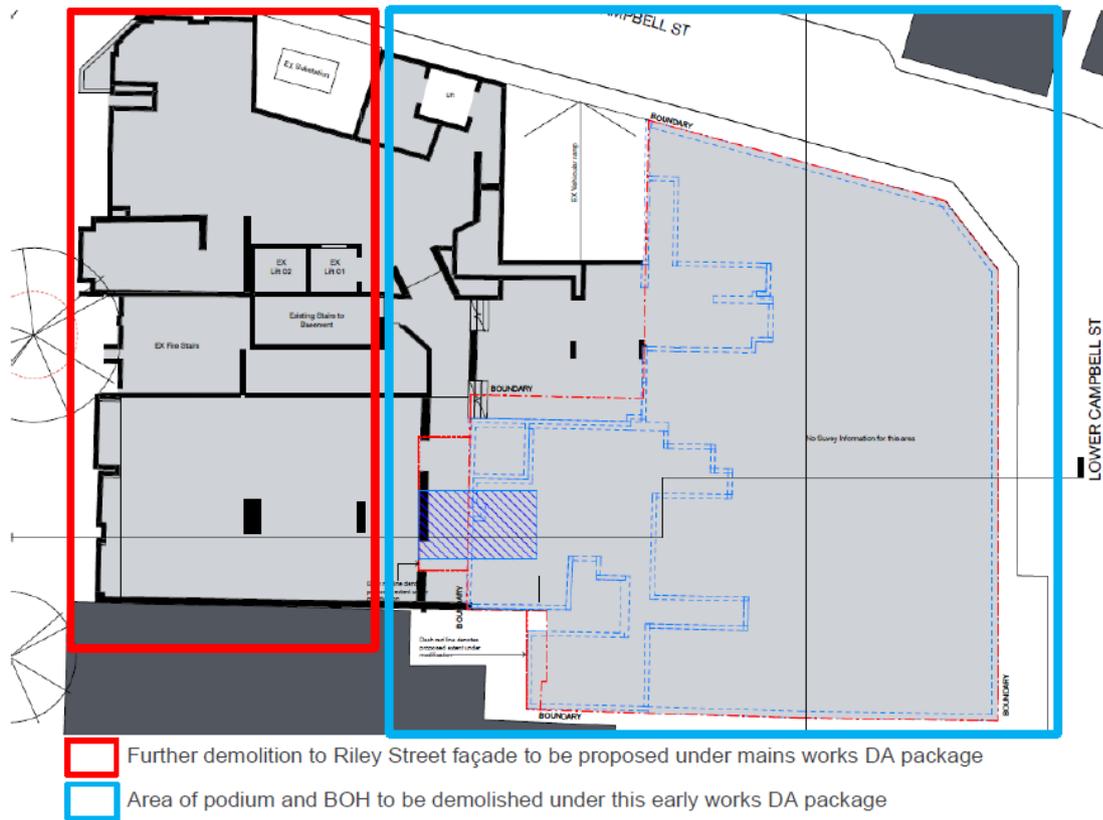


Figure 4: The areas of the subject to demolition are outlined in blue, whereas demolition within the area outlined in red is covered by the detailed design application D/2018/1451

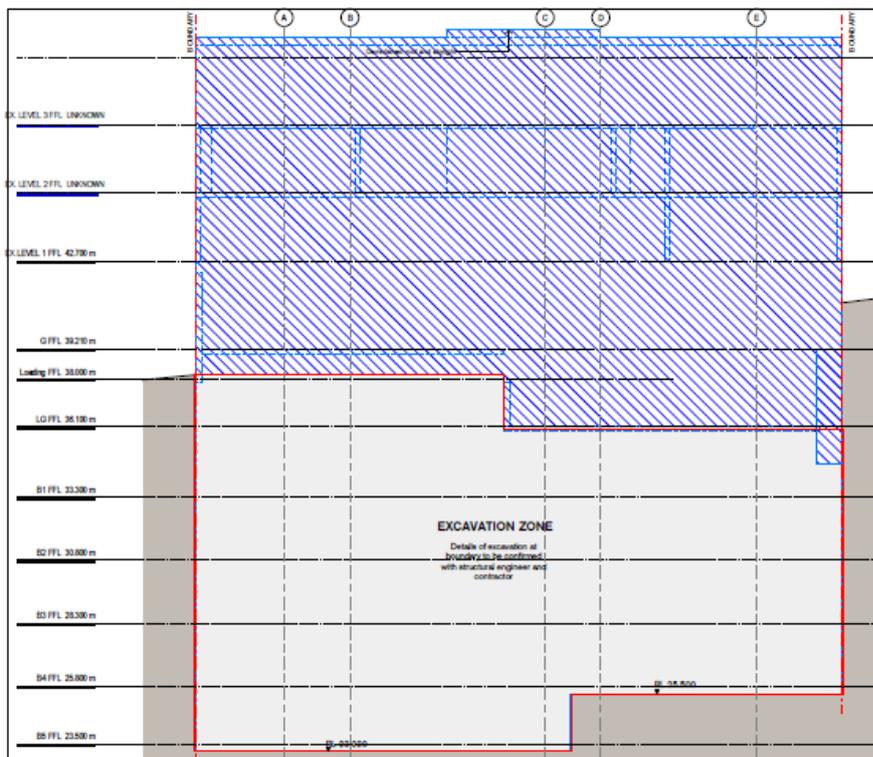


Figure 5: A north-south section plan, illustrating the area of the building to be demolished (in blue) and the extent of excavation below

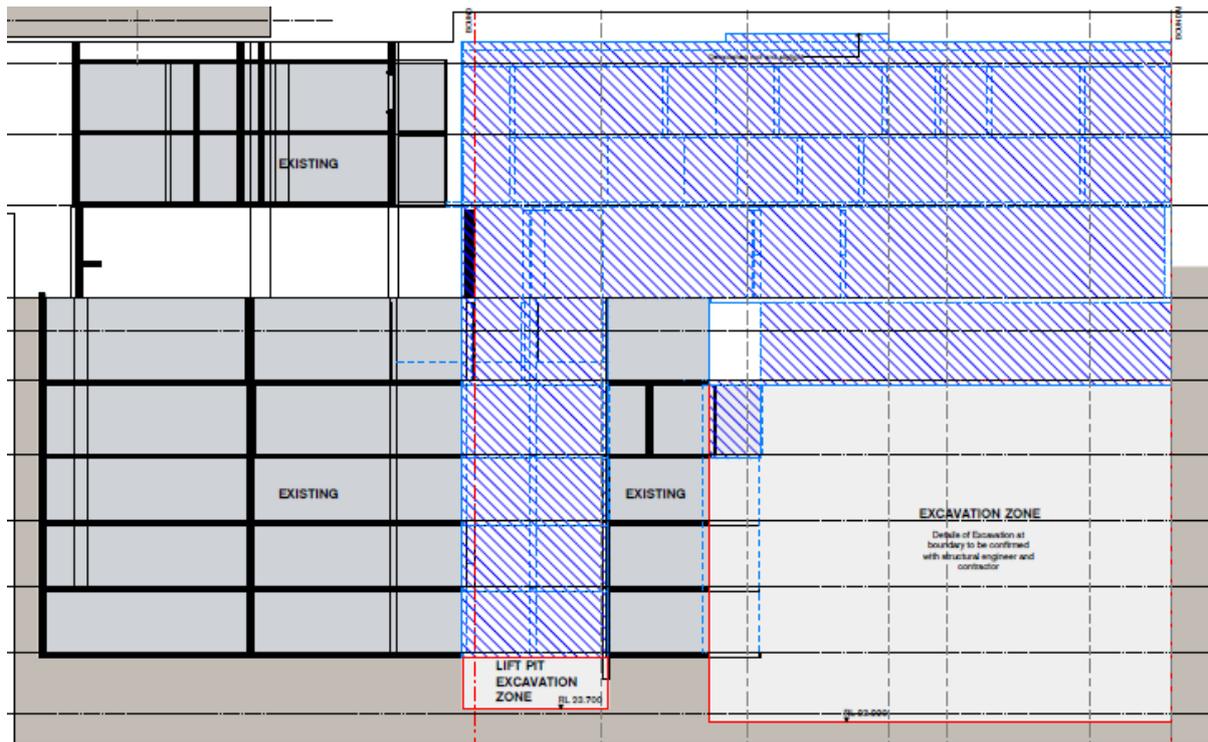


Figure 6: An east-west section plan, illustrating the area of the building to be demolished (in blue) and the extent of excavation below

History Relevant to the Development Application

13. The proposed extent of excavation is consistent with concept approval D/2016/1177.
14. A detailed discussion regarding the history of the site is provided within the assessment report for the detailed design development application D/2018/1451.

Economic/Social/Environmental Impacts

15. The application has been assessed under Section 4.15 of the Environmental Planning and Assessment Act 1979, including consideration of the following matters:
 - (a) Environmental Planning Instruments and DCPs.

State Environmental Planning Policy No 55 - Remediation of Land

16. The aim of SEPP 55 is to ensure that a change of land use will not increase the risk to health, particularly in circumstances where a more sensitive land use is proposed.
17. An archival search of the site's history does not reveal a risk of contamination as the site has been used for a hotel since c.1979 and for residential premises prior to that. There is therefore no requirement for a preliminary site investigation in accordance with Clause 7.
18. Council's Environmental Health officer has raised no objections to the proposal with regard to the SEPP. As such the site is considered to be suitable for the proposed development and satisfies the provisions of the SEPP.

Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005 (Deemed SEPP)

19. The site is located within the designated hydrological catchment of Sydney Harbour and is subject to the provisions of the above SREP.
20. The Sydney Harbour Catchment Planning Principles must be considered in the carrying out of development within the catchment. The key relevant principles include:
 - (a) protect and improve hydrological, ecological and geomorphologic processes;
 - (b) consider cumulative impacts of development within the catchment;
 - (c) improve water quality of urban runoff and reduce quantity and frequency of urban run-off; and
 - (d) protect and rehabilitate riparian corridors and remnant vegetation.
21. The site is within the Sydney Harbour Catchment and eventually drains into the Harbour. However, the site is not located in the Foreshores Waterways Area or adjacent to a waterway and therefore, with the exception of the objective of improved water quality, the objectives of the SREP are not applicable to the proposed development. The development is consistent with the controls contained with the deemed SEPP.

Sydney Local Environmental Plan 2012

22. The site is located within the B4 - Mixed Use zone. The proposed hotel use is permissible in the zone with consent.
23. The relevant matters to be considered under Sydney Local Environmental Plan 2012 for the proposed development are outlined below.

Clause 7.15 - Flood planning

24. A flood certificate was submitted during the assessment of D/2018/1451 demonstrating that the part of the site subject to excavation is below the 1% Annual Exceedance Probability by between 0.01 metres and 0.06 metres. A condition of consent is recommended requiring details of flood mitigation during excavation and early works construction in accordance with the City's Interim Floodplain Management Policy.
25. Amended plans were received regarding D/2018/1451 demonstrating that the detailed design complies with the City's Interim Floodplain Management Policy.

Clause 7.19 - Demolition must not result in long term adverse visual impact

26. An application for demolition will not be granted consent unless there is either
 - (a) a site specific development control plan listed under Part 6, Division 5 of the Sydney LEP 2012 for the site, or
 - (b) the site will be comprehensively redeveloped under the application or an existing consent
27. Adequate measures to assist in mitigating any adverse visual impacts that may arise as a result of the demolition with regard to the streetscape and any special character area are also to be considered.

28. A detailed design development application D/2018/1451 is submitted to the Local Planning Panel concurrently and is recommended for approval. Conditions of consent regarding hoardings during demolition and excavation are proposed to protect the visual amenity of the streetscape. As such the development satisfies the provisions of the clause.

Clause 7.20 - Development requiring or authorising preparation of a development control plan

29. Concept approval D/2016/1177 was granted in lieu of a site specific development control plan pursuant to Section 4.23 of the EP&A Act. The proposed early works are consistent with the concept approval.

Sydney Development Control Plan 2012

30. The relevant matters to be considered under Sydney Development Control Plan 2012 for the proposed development are outlined below.

2.11.3 Surry Hills North Locality

The subject site is located in the Surry Hills North locality. The proposed early works facilitate the construction of a hotel which is consistent with the locality.

3. General Provisions	Compliance	Comment
3.1 Public Domain Elements	Yes	A public domain plan is recommended under the detailed design application.
3.2 Defining the Public Domain	Yes	
3.3 Design Excellence and Competitive Design Processes	Yes	The development is consistent with the winning scheme of the competitive design process.
3.14 Waste	No	A waste management plan for demolition and construction has not been submitted. A condition of consent is recommended requiring a demolition and construction waste management plan in accordance with the City of Sydney Guidelines for Waste Management in New Developments prior to the commencement of works.

Construction Impacts

31. The Geotechnical report accompanying the application states that the subject site is located on sandy fill over residual silty clay with siltstone and sandstone bedrock. Demolition and excavation will require hydraulic rock hammering, ripping hooks, rotary grinders and rock saws to break up rock and floor slabs. The excavation will extend the existing four basement levels currently located under the tower to the extent of the site.
32. A demolition and excavation noise and vibration management plan prepared by Acoustic Group accompanies the application and has been drafted in accordance with Council's standard condition for such plans. The plan has been reviewed by Council's Environmental Health officer and identifies the use of high powered machinery during Council's standard construction hours.
33. It is noted that Council's standard hours differ to those recommended under the NSW Interim Construction Noise Guideline as shown below:

	ICNG	Council
Monday to Friday	7am - 6pm	7.30am - 5.30pm
Saturday	8am - 1pm	7.30am - 3.30pm
Sunday	No work	
Total/week	60 hours	58 hours

34. Council's standard construction hours have been applied consistently across the City (outside of Central Sydney) and are appropriate in this instance. It is noted that the City's controls provide two fewer hours of construction during the week.
35. Furthermore, the use of heavy machinery is recommended to be restricted to between 8am and 3pm Monday to Saturday (within Council's standard hours of construction), with a one hour respite period from 11am to midday.
36. Council's Traffic Operations Unit reviewed the Construction Traffic Management Plan accompanying the application and raised concerns with medium rigid vehicles obstructing access on Lower Campbell Street. A revised CTMP was submitted during the assessment of the application which proposes work zones on Riley Street and a loading platform on the site so as to not obstruct traffic on Lower Campbell Street. A condition of consent is recommended requiring the CTMP to be resubmitted prior to the issue of any Construction Certificate once construction traffic management is confirmed.
37. A condition of consent is recommended requiring a permit for any crane to be used, which will be assessed by Council's Construction Regulation Unit to ensure the protection of the surrounding area.

38. It is acknowledged that the works associated with the development will impact on residential amenity, however the recommended conditions ensure that the impacts are reasonable with regard to the scale of development. Reducing the hours in which construction is undertaken will lengthen the overall time it will take for the development to be completed. As such, Council's standard construction hours are recommended, with respite periods from the use of heavy machinery.

Other Impacts of the Development

39. The proposed development is capable of complying with the NCC.
40. The proposal will have no significant detrimental effect relating to environmental, social or economic impacts on the locality, subject to appropriate conditions being imposed.

Suitability of the site for the Development

41. The proposal is of a nature in keeping with the overall function of the site. The premises are in a commercial/residential surrounding and amongst similar uses to that proposed.

Internal Referrals

42. The conditions of other sections of Council have been included in the proposed conditions.

External Referrals

Notification, Advertising and Delegation

43. In accordance with Schedule 1 the Sydney DCP 2012, the proposed development is required to be notified and advertised. As such the application was notified and advertised for a period of 14 days between 7 December 2018 and 12 January 2019 (the period was extended over the Christmas/New Year holidays). As a result of this notification a total of 277 properties were notified and there were 31 objections (25 unique) and 22 submissions in support (13 unique) received.
44. Many objections received raised concerns to both the early works and detailed design development applications. Only those objections relevant to the early works development application are discussed below.
- (a) The proposed works with regard to construction hours, dust and noise will adversely impact the amenity of neighbouring properties.

Response - The development is required to comply with Council's standard hours of construction, which are consistent across the city with the exception of Central Sydney. As discussed above, Council's Environmental Health Officer has reviewed the demolition and excavation noise and vibration management plan and recommended respite periods from the use of heavy machinery during the day.

The development will be required to comply with construction standards for managing dust.

- (b) What monitoring procedures will be in place to ensure compliance with stated mitigation measures during construction?

Response - The demolition and excavation noise and vibration management plan states that ongoing noise and vibration monitoring will be undertaken during works. Council officers will be able to request proof of this ongoing monitoring and results and review the impact of development on neighbours.

- (c) The proposed works must not adversely obstruct vehicular and bicycle access on Lower Campbell surrounding streets.

Response - The Construction Traffic Management Plan submitted with the application has been reviewed by Council's Traffic Operations Unit. A revised CTMP is required to be submitted, prohibiting vehicles from parking and obstructing traffic on Lower Campbell Street. The majority of deliveries are to be undertaken from Riley Street. While the development is likely to result in some impacts to the surrounding area, the revised CTMP subject to conditions will be reasonable and consistent with Council's policy.

- (d) The demolition and excavation noise and vibration management plan incorrectly states that residences at 277-285 Crown Street are 10 metres from the site, when they are actually 7.7 metres away.

Response - The difference of 2.3 metres is not anticipated to adversely affect the results of the acoustic monitoring. As previously discussed, Council's Environmental Health officer has reviewed the demolition and excavation noise and vibration management plan and is satisfied that residential amenity will be reasonably maintained.

- (e) If approved, a condition of consent should be imposed requiring a dilapidation report for neighbouring properties.

Response - A condition of consent is recommended accordingly.

- (f) Concern is raised that the applicant has underquoted the cost of development to avoid the application/s being presented to the Central Sydney Planning Committee.

Response - The QS report for the detailed design was peer reviewed and found to be accurate.

- (g) The development will result in financial hardship for adjoining properties.

Response - This is not a matter for consideration under Section 4.15(1) of the Act.

- (h) Concern is raised regarding the swing of the crane over neighbouring properties.

Response - Council's Construction Regulation team have reviewed the application and advised that a Luffing crane, rather than a Hammerhead crane, can be used to avoid swinging over neighbouring buildings. This will be investigated further when the applicant seeks a crane permit.

- (i) The application is inconsistent with Clause 7.19 of the Sydney LEP 2012, in that demolition will result in long term impact.

Response - Accompanying this application is a detailed design proposal for construction of a hotel. If approved together, the applications satisfy the provisions of the clause.

- (j) The developer should be required to pay for the cleaning of dust incurred by neighbouring properties.

Response - The applicant will be required to comply with standards to mitigate dust during construction. However, it is reasonable to anticipate that some dust may reach neighbouring properties when living beside a construction site.

- (k) Insufficient time was provided for neighbours to review the documentation over the holiday period and make submissions.

Response - In accordance with Schedule 1 of the Sydney DCP 2012, the exhibition period was extended to provide adjoining property owners and occupiers the opportunity to review the application. All submissions received up to the date this report was written were considered as part of the assessment.

45. The submissions in support raised the following reasons which are noted:

- (a) The development will contribute to the vitality of Surry Hills' economy and atmosphere.
- (b) The development will provide passive surveillance and activity in the immediate vicinity.
- (c) The development is consistent with the concept approval.

Public Interest

46. The proposal will have no detrimental effect on the public interest, subject to appropriate conditions being proposed.

Relevant Legislation

47. The Environmental Planning and Assessment Act 1979.

Conclusion

48. This application seeks approval for partial demolition, excavation and early works at the rear of the Cambridge Hotel on Lower Campbell Street. The development will increase the existing five level basement which is currently confined to the area under the existing tower.

49. The application is presented to the Local Planning Panel concurrent to a detailed design development application D/2018/1451 for the construction of an 11 storey hotel with five level basement parking and facilities. The applications are consistent with concept approval D/2016/1177 granted on 11 December 2017.

50. The application is accompanied by plans and documentation regarding the extent of demolition, excavation and early works proposed, as well as plans to manage associated noise, vibration and traffic.
51. The applications are consistent with Clause 7.19 of the Sydney Local Environmental Plan 2012 in that demolition will not result in long term adverse visual impacts.
52. The application was notified and advertised in accordance with Schedule 1 of the Sydney DCP 2012. 31 objections (25 unique) and 22 submissions in support (13 unique) received. The concerns raised are discussed and resolved within the report.
53. Subject to conditions and the approval of D/2018/1451, the application is recommended for approval.

GRAHAM JAHN, AM

Director City Planning, Development and Transport

David Zabell, Senior Planner