

### **Item 3.**

#### **Amendment to Award of Heritage Floor Space - Corporation Building, Haymarket**

**File No: X023843**

#### **Summary**

The City of Sydney property team is seeking to amend the approved staged award of heritage floor space for the Corporation Building at 181-187 Hay Street, Haymarket. The proposal is to amend one of the works required to be completed before registration of the second stage of the award, due to the impacts these works would have on fire safety requirements for the building.

At its meeting of 2 December 2019, Council approved the staged award of heritage floor space for this City-owned building (Attachment A). The first stage was awarded for the conservation works that had been completed, and the second stage to be awarded following completion of conservation maintenance works.

The application was independently assessed, consistent with Council's Practice Note, requiring the external assessment of development applications where the applicant or landowner is the City. A copy of the independent assessment is at Attachment B. The report recommended Council approve the award of 1,241.5 square metres in two stages, subject to meeting criteria to ensure the building was adequately conserved. It was also subject to the covenants for maintenance and development limits, as required under Sydney Local Environmental Plan 2012 and Sydney Development Control Plan 2012.

One of the works identified by the independent consultant to be completed for the second stage was the reconstruction of part of the Parker Street frontage of the building. Following the Council approval, the City's property staff advised that these works cannot be carried out due to the layout of the fire safety stairs within the building to meet the requirements of the Building Code of Australia. Alternative works to this part of the Parker Street frontage have been recommended to conserve this part of the building without impacting on fire safety requirements. The works are discussed in the report and described in the amended list of required works at Attachment C.

The application was previously exhibited for a period of 28 days from 2 October to 30 October 2019. The assessment of the application, including the list of required works to be completed prior to the second stage of the award, was prepared after the exhibition and took into account the issues raised in the submission received. For this reason the application has not been re-exhibited, with the previous submissions taken into account for this current proposal.

## Recommendation

It is resolved that:

- (A) Council approve the Corporation Building Conservation Management Plan, prepared by Urbis Pty Ltd, dated 13 August 2019, as required by the Sydney Local Environmental Plan 2012 and provided at Attachment D to the subject report;
- (B) Council approve the award of 744.75 square metres of heritage floor space (60 per cent of the total heritage floor space that could be awarded), subject to:
  - (i) placing covenants on title, as required by the Sydney Local Environmental Plan 2012, to ensure that no development can occur on the site that either:
    - (a) increases the gross floor area of the heritage building, or
    - (b) increases the height of the heritage building;
  - (ii) placing covenants on title that ensure the continued maintenance and conservation of the building in line with the Corporation Building Conservation Management Plan, prepared by Urbis Pty Ltd, dated 13 August 2019. This covenant must include a requirement for ongoing provision of adequate insurance and a maintenance fund, as required by the Sydney Development Control Plan 2012;
- (C) Council approve the award of the balance of the total heritage floor space being 496.5 square metres (40 per cent of the total heritage floor space that could be awarded) upon the completion of the conservation works set out in Attachment C (as amended) to the subject report. These works must be completed and verified by a suitably qualified person prior to registration of the heritage floor space in the Heritage Floor Space Register, and within 18 months of the registration of the initial award; and
- (D) authority be delegated to the Chief Executive Officer to confirm the calculation of the final award and finalise the deed and required covenants in accordance with clauses (B) and (C) above.

## Attachments

- Attachment A.** Council Resolution - 9 December 2019
- Attachment B.** Independent Assessment Report prepared by External Heritage Consultant (Hector Abrahms Architects)
- Attachment C.** Conservation Works to be Completed for the Second Stage of the Award - as amended
- Attachment D.** Conservation Management Plan - Corporation Building

## Background

1. The City's heritage floor space scheme provides an incentive for conserving and maintaining heritage buildings in central Sydney. The scheme provides for owners of eligible heritage listed buildings to be awarded heritage floor space after preparing a conservation management plan and completing agreed conservation works to their building. Clauses 6.10 and 6.11 of Sydney Local Environmental Plan 2012 and 5.1.9 of Sydney Development Control Plan 2012 provide the legislative framework for the scheme.
2. A heritage item owner can seek an award of heritage floor space for proposed conservation works or for previously completed conservation works. Once required conservation works are completed, covenants are registered on title, and an award registered with the City, the owner can sell the heritage floor space to developers who require it under conditions of consent for approved development.
3. The application for the retrospective award of heritage floor space for the Corporation Building was made by the City in 2019. The application sought approval for the award of heritage floor space of this City-owned building in two stages, with the first stage to be awarded for conservation works that had been completed in 2000, and the second stage to be awarded upon completion of conservation maintenance works.
4. The application was independently assessed, consistent with Council's Practice Note, requiring the external assessment of development applications where the applicant or landowner is the City. A copy of the independent assessment is provided at Attachment B. On 2 December 2019 Council approved the award of 1,241.5 square metres in two stages, subject to meeting criteria to ensure the building was adequately conserved in line with the recommendation of the independent assessment. A copy of the decision is at Attachment A. It was also subject to the covenants for maintenance and development limits, as required under Sydney Local Environmental Plan 2012 and Sydney Development Control Plan 2012.
5. The independent assessment included a list of works to be completed prior to registration of the second stage of the award, representing 40% of the total award. One of these works was the reconstruction of the Parker Street frontage of the building.

## Subject Site

6. The Corporation Building is located at 181-187 Hay Street, Haymarket, which has a legal description of Lot 2 DP 1002966. A map of the subject site is at Figure 1.

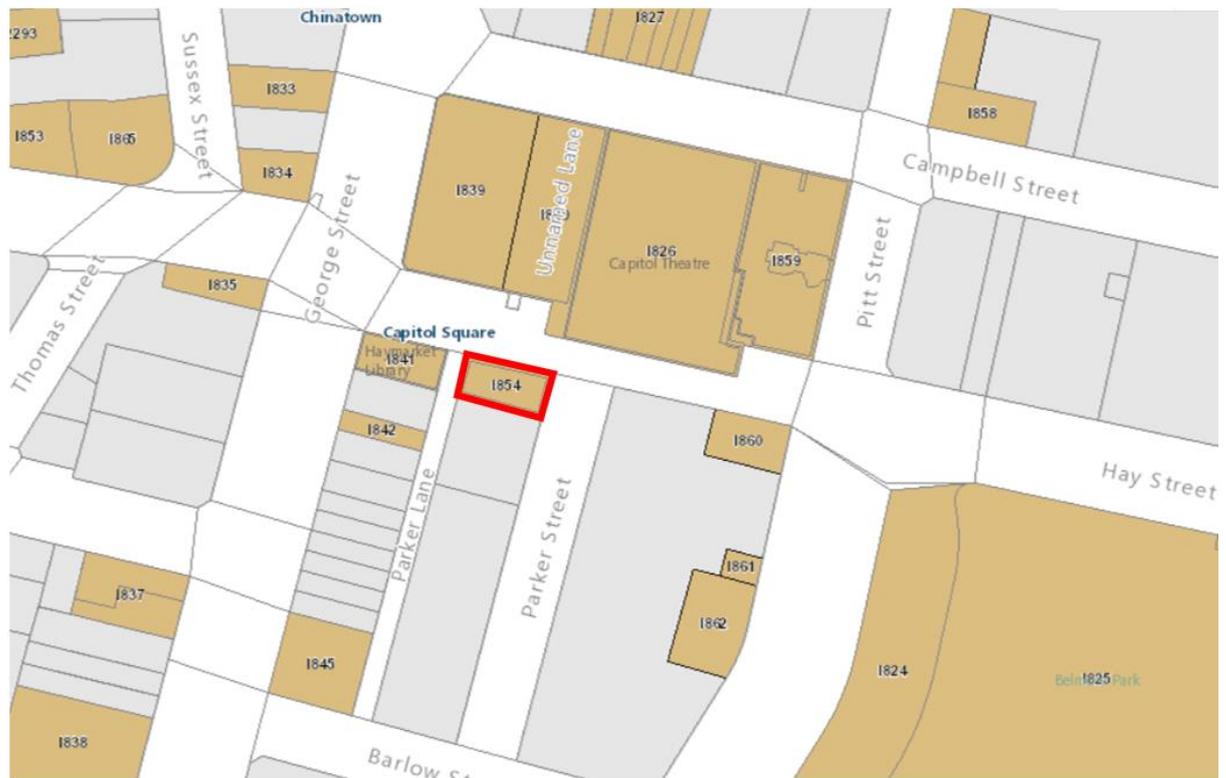


Figure 1 Site location detailing local heritage items in Sydney LEP 2012

7. The site is bounded by Haymarket Street to the north, Parker Lane to the west, and Parker Street to the east. The property at 13 Parker Street adjoins the southern boundary.
8. The Corporation Building is listed in Schedule 5 Environmental Heritage of the Sydney Local Environmental Plan 2012, and referred to as the “Corporation Building including interior, with the item number I854\*”. It is also listed on the NSW State Heritage Register as item number 00693 and known as the “Municipal Building”.
9. The site owned by the City of Sydney and is leased for retail uses and a gallery space.

## History

10. The history of the Corporation Building was detailed in the independent assessment report prepared for the original application for the staged award of heritage floor space for the building, at Attachment B.
11. In summary, the building was designed by the City Architect George McRae in 1892 and completed in 1894. The building remained largely unaltered until it was damaged by fire in 1979, resulting in replacement of the roof and demolition of the original central stairs, and replacement of the slate roof with corrugated iron sheeting.

12. Conservation works were completed in 2000 including a partial restoration of the exterior and adaptive reuse of the building to accommodate retail at ground level and gallery on the first level.

### **Significance**

13. The heritage significance of the Corporation Building was detailed in the independent assessment report, at Attachment B.
14. In summary, the State Heritage Inventory lists the Corporation Building as significant at a local level because of its historical, aesthetic, representative, social, and rarity values. It is additionally significant at a State level for its aesthetic values. The Conservation Management Plan, dated 13 August 2019, prepared by Urbis Pty Ltd (the CMP) additionally identifies significance at a local level for its associative and research potential values, and at a state level for its rarity.

### **Conservation Works and Management Plan**

15. A Conservation Management Plan was prepared by Urbis Pty Ltd and dated 13 August 2019 (the CMP) for the original staged award application and is provided at Attachment D.
16. As detailed in the independent assessment report, restoration works in 2000 were carried out to a generally high standard and accurate to the available documentary evidence. The key alterations to the building included a new central stair and lift and rearrangement of the fire stair.
17. The external heritage consultant engaged to assess the staged award application identified 17 further works required to conserve the state significant values of the building. One of these works was to reconstruct the doorway and windows in southern bay on Parker Street elevation as per original drawings and historic photos.

### **Proposed Amendments**

18. Following Council's approval of the staged award of heritage floor space for the building, the City's property section advised that on detailed inspection, a concrete fire exit stair is located behind the part of the Parker Street elevation where the identified works are to be carried out. If the works were to be carried out, it would require removal of the stairs and make the building non-compliant with regards to fire safety requirements under the Building Code of Australia.
19. The City's Urban Design and Heritage Manager reviewed the list of works identified for the Parker Street frontage by the independent consultant. It was considered that the identified works to the Parker Street frontage are not able to be undertaken due to the layout and geometry of the existing internal stair. This is a Building Code of Australia compliant stair previously constructed to ensure the safety, viability and utility of the building. It was also noted that the demolition of this modern stairway and revision to an earlier configuration was not recommended in the conservation management plan for the building.

20. To address this issue, the Urban Design and Heritage Manager proposed the following works to address the conservation of the Parker Street elevation while not affecting the fire stars:
  - (a) At the time of the first scheduled cyclical painting of the building and external joinery, the existing rendered Parker Street (east) elevation south bay is to be painted as follows:
    - (i) Primary wall surface and niche reveals are to be painted in a matte mineral silicate paint to match the colour of the adjacent original face brick; and
    - (ii) The wall surfaces within the niches are to be repainted to match the scheduled colour of the painted original timber joinery window immediately to the north.
21. These amendments will enable the intent of the independent consultant's recommendation for the Parker Street elevation, which can be read through interpretation rather than being reinstated. The proposed amendments are provided at Attachment C.
22. No other changes are proposed to the approved staged award.

## **Key Implications**

### **Eligibility for a heritage floor space award**

23. Clause 6.10(2) of the Sydney LEP 2012 provides that Council may record an amount of heritage floor space in the heritage floor space register subject meeting the eligibility criteria.
24. Provisions 5.1.9.1 and 5.1.9.2 of the Sydney DCP 2012 provide additional eligibility criteria and prerequisites for the award of heritage floor space.
25. The independent assessment for the original staged award of heritage floor space, at Attachment B assessed compliance with these controls. On 2 December 2019 Council approved the staged award on the basis of the application complying, or capable of complying with the relevant statutory requirements.

### **Strategic Alignment - Sustainable Sydney 2030 Vision**

26. 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 proposal is aligned with the following strategic directions and objectives:
  - (a) Direction 7 - A Cultural and Creative City - Strategic direction 7 acknowledges that the City's culture extends beyond the arts to lifestyle, heritage and the natural environment. The ongoing conservation of the Corporation Building, which is enabled in part of the sale of heritage floor space, ensures its continued positive contributions to the cultural fabric of Sydney.

### **Relevant Legislation**

27. Environmental Planning and Assessment Act 1979.
28. Environmental Planning and Assessment Regulation 2000.

### **Public Consultation**

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### **GRAHAM JAHN, AM**

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