Attachment A6

Supplementary Information, dated 27 August 2021

ETHOS URBAN

27 August 2021

2190436

Ms Monica Barone
Chief Executive Officer
City of Sydney Council
456 Kent Street
Sydney NSW 2000

Attention: Tamara Bruckshaw, Manager Green Square & Major Development Projects

Dear Tamara,

RE: Planning Proposal – Clarification of Intent (Ref No. X026151)
Mirvac Green Square Town Centre Sites 7, 8A, 8B and 17

We write to you in relation to the above Planning Proposal within the Green Square Town Centre (GSTC). In response to discussions on 11 August 2021 and 18 August 2021 involving Council, Mirvac and the project team, we wish to clarify and amend key aspects of the Planning Proposal, in order to respond to Council's feedback.

In relation to Sites 8A and 8B, **Section 1.0** provides a request to refine the proposed land uses and gross floor areas (GFA) the subject of 'Area 1' specified use floor space provisions, within Clause 4.4A(2)(a) of the *Sydney Local Environmental Plan (Green Square Town Centre) 2013* (GSTC LEP).

In addition, **Section 2.0** of this letter requests the addition of Sites 7 and 17 to the scope of the Planning Proposal, for simplicity and expediency. Similarly for this site, additional land uses are sought to be included within the 'Area 4' specified use floor space provisions, within Clause 4.4A(2)(d) of the GSTC LEP.

Further, it is noted that separate correspondence will be provided in the short term in relation to Mirvac's preferred approach for the changes to the podium level and interconnecting bridges within Sites 8A and 8B.

1.0 Revision provisions applicable to Sites 8A and 8B

1.1 Background and further considerations

By way of background, Clause 4.4 of the GSTC LEP provides a base floor space ratio (FSR) of 0.3:1 or 1,297sqm of GFA for Sites 8A and 8B. The base FSR is achievable on all land uses permissible within the B4 Mixed Use zone. Clause 4.4A of the GSTC LEP provides exceptions to this base FSR. Sites 8A and 8B fall within a location defined as 'Area 1'. Under subclause (2)(a), 'Area 1' is eligible for additional GFA not exceeding 44,400sqm for 'office premises' or 'business premises' only. This provides the total allowable GFA on the site of some 45,697sqm.

In addition to 'office premises' or 'business premises', the subject Planning Proposal made the request for the addition of the following uses to form part of the additional 44,400sqm of GFA:

> *"retail premises, centre-based child care facilities, educational establishments, entertainment facilities, function centres, health service facilities and recreation facilities (indoor)."*

We note that Council is generally accepting of the economic justification report, provided with the Planning Proposal submission. Of the above listed land uses, Council acknowledge that 'centre-based child care facilities', 'educational establishments' and 'health service facilities' are land uses which are self-limiting in nature, in that market forces will determine what floor space size is appropriate to support the needs of the surrounding area. Accordingly, these three land uses are capable of being added together with 'office premises' and 'business premises' as being eligible for the full extent of the specified use floor space provisions for the site.

However, in recent discussions Council have requested that Mirvac consider a revision to the Planning Proposal to place GFA limits on the remaining land uses proposed. This is to ensure that job-creating land uses are prioritised within Sites 8A and 8B. This is supported by Mirvac and in response the following land uses are sought to be added to the specified use floor space provisions, subject to the following parameters:

- 'Retail premises'
  - The reference scheme provided with the Planning Proposal submission has a combined retail/lobby GFA at the Ground Floor (Sites 8A and 8B) of 1,735sqm and of that, approximately 1,050sqm is dedicated to retail premises. In addition, at Level 1 the reference scheme indicated 1,245sqm GFA within Site 8B at Level 1, as a combined co-working office and retail premises conceptual land use.
  - Mirvac wish to request a maximum specified use floor space for retail premises of 2,500sqm GFA. Conceptually, this may facilitate development of food and drink premises and boutique retail shops and potentially a neighbourhood supermarket, primarily to serve the needs of the building's occupants.
- 'Entertainment facilities' and 'function centres'
  - Initial considerations by Mirvac indicate there may be a market appetite for a component of these land uses within the building. Accordingly, the ability to dedicate an entire floor for these purposes is requested.
  - These uses are considered similar in nature, and it is therefore recommended that the maximum specified use floor space for these uses is treated as a combined GFA of 2,500sqm GFA.
- 'Recreation facilities (indoor)'
  - Preliminary investigations have considered that there may be a demand for floor space within the building the purposes of a gym, exercise rooms or potentially a swimming centre, sports courts and the like.
  - Mirvac request a maximum specified use floor space for recreation facilities (indoor) of 1,500sqm GFA.

1.2 Translation into development standards

Mirvac's intent is to retain the overall maximum GFA of 45,697sqm, to ensure a consistent built envelope outcome associated with the specified additional floorspace amendments sought for Sites 8A and 8B. Accordingly, the following is requested:

- Retain the base 0.3:1 FSR applicable to all B4 Mixed Use permitted land uses under Clause 4.4 and the current associated mapping.
- Seek to re-word Clause 4.4A(2)(a). Words proposed to be deleted are shown in **~~bold strike through~~** and words to be inserted are shown in ***bold italics***.

  (2) Specified use floor space

  A building that is on land in an Area, and is used for a purpose specified in relation to the Area in paragraph (a), (b), (c) or (d), is eligible for an amount of additional floor space (specified use floor space) as follows—

  (a) Area 1, **~~office premises or business premises~~** additional floor space not exceeding ***a total of*** 44,400 square metres, ***associated with following land uses:***

  (i) office premises,

  (ii) business premises,

  (iii) centre-based child care facilities,

  (iv) educational establishments,

(v) health service facilities,

(vi) retail premises with a combined maximum gross floor area of 2,500 square metres,

(vii) entertainment facilities and function centres with a combined maximum gross floor area of 2,500 square metres,

(viii) recreation facilities (indoor) with a combined maximum gross floor area of 1,500 square metres.

2.0 Addition of provisions applicable to Sites 7 and 17

2.1 Background and further considerations

During discussions on 17 August 2021 involving Council, Mirvac and the project team, it was requested by Council that the submitted Planning Proposal be amended to accommodate 960A Bourke Street, Zetland, known as GSTC Sites 7 and 17. Development consent was granted for Sites 7 and 17 on 20 June 2019 (D/2017/564) for the purposes of a mixed-use development comprising retail, commercial, entertainment and residential uses. The detailed design included a 5-screen cinema complex.

In response to changing market demands, Mirvac has reviewed the viability of the approved cinema use. Further research has indicated that there is a shortfall of other entertainment, cultural, lifestyle and recreation opportunities within the GSTC for the surrounding community. Accordingly, Mirvac have made the decision to proceed with seeking additional land uses for the cinema component of the development. These additional uses are centred on providing a more diverse range of land uses to realise the GSTC as an activated and desirable Strategic Centre, with greater flexibility to more closely align to emerging trends.

Development consent D/2017/564 approved approximately 2,000sqm of entertainment facility floorspace in the form of a cinema, from Levels 1 to 5, in addition to other retail and commercial space within the development. Mirvac's catchment analysis has identified that there is a local demand for entertainment and recreation uses, contemporary music and architecture and design sectors for uses such as a creative bar, distillery or brewery, fashion design and textile incubator, and digital services. **Figure 1** below illustrates a potential concept to repurpose the cinema floorspace for these alternative uses. Importantly, the proposed repurposing maintains the volume necessary to allow for a cinema use in the future.

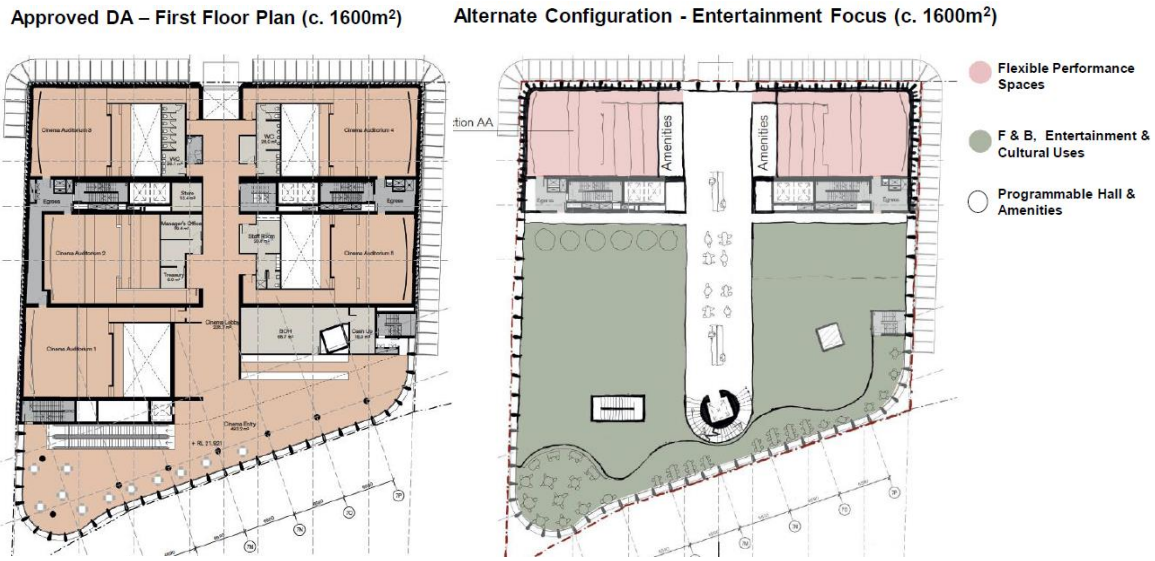

Figure 1 – Illustrative concept Ground Floor (Level 1)
Source: Mirvac

Clause 4.4 of the GSTC LEP provides a base FSR of 5.47:1 for Lot 6 DP 1199427 (which includes Sites 7, 17 and 18 and two stratum roads). This equates to a maximum of 18,964.7sqm of GFA which is applicable to Sites 7 and 17. Clause 4.4A(2)(d) affords additional specific use floor space provisions for 'Area 4' which provides a further 4,200sqm of GFA for 'office premises' or 'business premises', 'entertainment facilities' and 'centre-based childcare facilities'. This provides the total allowable GFA on the site of some 23,164.7sqm.

It is proposed to amend Clause 4.4A(2)(d) of the GSTC LEP to allow the following land uses to form part of the specified use floor space provisions within 'Area 4':

"Information and education facilities, artisan food and drink industry and recreation facilities (indoor)."

Accordingly, these three land uses are capable of being added together with 'office premises', 'business premises' 'entertainment facilities' and 'centre-based childcare facilities' as being eligible for the full extent of the specified use floor space provisions for the site.

2.2 Translation into development standards

Accordingly, Mirvac seek to re-word Clause 4.4A(2)(d). Words proposed to be deleted are shown in ~~**bold strike through**~~ and words to be inserted are shown in ***bold italics***.

(2) Specified use floor space

A building that is on land in an Area, and is used for a purpose specified in relation to the Area in paragraph (a), (b), (c) or (d), is eligible for an amount of additional floor space (specified use floor space) as follows—

…

(d) Area 4, office premises or business premises, entertainment facilities***, information and education facilities, artisan food and drink industry, recreation facilities (indoor)*** and centre-based child care facilities—additional floor space not exceeding 4,200 square metres.

2.3 Site and strategic merit justifications

The justifications provided in relation to site and strategic merit for the original Site 8A and 8B Planning Proposal are generally applicable and relevant to the proposed amendments for Sites 7 and 17. The changes intended will enable Mirvac to deliver a visionary and forward thinking development, which is able to adapt to changing trends and demands in the market.

Importantly, the proposed planning provisions will give effect to the Greater Sydney Region Plan, the Eastern City District Plan and the Local Strategic Planning Statement – in that the proposed amendments seek to optimise complimentary land uses, which support and respond to the current and future increase in the residential population of the Green Square Strategic Centre and surrounding urban renewal area. Further, the introduction of the additional, complementary uses to Sites 7 and 17 will strengthen the site in meeting the needs of the community, as well as creating diverse employment opportunities within an emerging and highly accessible precinct.

Overall, the amended Planning Proposal will provide recreation, entertainment and employment opportunities to meet the evolving needs of the Green Square community. It is this diversity of land uses that provides flexibility and will assist in creating an active and vibrant destination. The proposed amendments will also add to the high amenity environment of GSTC contributing to its vitality and viability and helping to deliver a 30-minute city. The proposal will provide accessible recreation and entertainment uses that are inclusive for diverse people and communities and contribute to the social life of the city.

The amended Planning Proposal will have positive social effects, meeting identified shortfall in the local area for recreation and entertainment uses. The amended Planning Proposal as it applies to a wider site, will have positive economic impacts as it will allow for a greater range of employment opportunities to be provided, including the potential for start-up or incubator businesses.

Mirvac is receptive to Council's desire to maintain the existing building volume within Site 7 and 17, in order to allow the flexibility for the floorspace to be adapted to a cinema use in the future, should it be viable and desired. It is noted that subject to the detailed design process, the composition and layout of the development is capable of being adapted to the identified additional land uses with appropriate measures to mitigate any potential impacts of these commercial uses on local residential amenity.

3.0 Conclusion

Mirvac together with the project team, is motivated to deliver the remaining elements of the GSTC in a timely matter. We believe that sufficient assessment has been provided to amend the Planning Proposal and as detailed within this correspondence, and request that any additional or supplementary reporting / assessment is undertaken prior to public exhibition.

We appreciate the assistance of Council in its prompt assessment of the Planning Proposal, in order to achieve consideration at the Transport, Heritage and Planning Committee on Monday 11 October 2021. Accordingly, we now recommend that the Planning Proposal proceed, in order for it to be reported to the Department of Planning, Industry and Environment for a Gateway determination.

Should you require further information or clarification, in relation to this correspondence and the requested amendments to the subject Planning Proposal, please don't hesitate to contact the undersigned.

Yours sincerely,

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