

Item 5.

Public Exhibition - Planning Proposal - Sydney Metro West Hunter Street Station Sites, Sydney - Sydney Local Environmental Plan 2012 Amendment

File No: X089148

Summary

Central Sydney's competitive advantage will be sustained through the growth of attractive and high-quality floor space for business and enterprise located close to world-class transport infrastructure. This new space will help to attract new investment, innovate business, attract highly-skilled workers and strengthen Central Sydney's economic resilience in a mixed-use city centre, particularly following the Covid-19 pandemic,

The Central Sydney Planning Strategy (Strategy) was adopted by Council in December 2020 and was prepared to ensure Central Sydney continues to be Australia's leading economic centre, as well as a preferred location for new investment, workers, residents and visitors. The Strategy supports opportunities for additional building height and density in the right locations, where new development is balanced with the protection of public domain amenity, contributes to environmental sustainability, design excellence and towards new infrastructure.

The City Core precinct of Central Sydney, generally between Circular Quay, Wynyard and Martin Place railway stations, is the largest workplace sub-market in Australia. The precinct contains the largest number of premium office buildings favoured by financial, legal, property and technology sectors, and commands some of the highest rents in Central Sydney. As the most prestigious office sub-market in Sydney, the quality of tenant and workspace amenity, as well as public domain amenity, is critical to maintaining this market position and competitive advantage.

A planning proposal has been prepared for two sites fronting Hunter Street, which will accommodate the future Sydney Metro West Hunter Street station. This planning proposal has been prepared following a request from the proponent, Sydney Metro, to amend the planning controls for the two sites to facilitate redevelopment for new integrated office towers consistent with the Central Sydney Planning Strategy.

This planning proposal seeks to amend the planning controls for the two sites to facilitate future over station development that will deliver additional business and employment generating floor space in Central Sydney. The planning proposal consists of new site specific provisions to amend the Sydney Local Environmental Plan 2012 along with accompanying Design Guidelines.

This planning proposal facilitates the delivery of over station development on the two Sydney Metro sites, comprising:

- two new office towers consisting of over 150,000 square metres of new business and employment generating floor space;
- maximum building height of RL 269.1 metres for the eastern tower and RL 220 metres for the western tower, both of which are within the relevant sun access planes;

- maximum floor space ratio of 22.8:1 for the eastern tower and 18.8:1 for the western tower, comprising new office space and retail uses directly connected to the future Sydney Metro station;
- improved public domain conditions through the delivery of greater retail activation and an expanded Richard Johnson Square;
- delivery of new through-site links connecting the future Sydney Metro station to adjoining sites and future pedestrianised laneway network; and
- ecological sustainable development benchmarks to ensure an energy efficient building is delivered.

The proponent, Sydney Metro, has submitted a public benefit offer to enter into a planning agreement, which provides certainty through a commitment to pay the 3 per cent developer contribution prior to the first construction certificate stage, as well as commitments towards the delivery of environmental sustainability initiatives, which will exceed current development control plan requirements.

This report recommends approval of the planning proposal for submission to the Department of Planning and Environment seeking a Gateway Determination, followed by public exhibition. It also recommends that the accompanying draft Design Guidelines are endorsed and approved for public exhibition, and a draft planning agreement be prepared based on the public benefit letter of offer. It is proposed that all documents are exhibited concurrently.

Recommendation

It is resolved that:

- (A) Council approve Planning Proposal - Sydney Metro West Hunter Street Station sites, Sydney as shown at Attachment A to the subject report, to be submitted to the Minister for Planning and Homes with a request for Gateway Determination;
- (B) Council approve Planning Proposal - Sydney Metro West Hunter Street Station sites, Sydney as shown at Attachment A to the subject report, for public authority consultation and public exhibition in accordance with any conditions imposed under the Gateway Determination;
- (C) Council seek authority from the Minister for Planning and Homes to exercise delegation of all the functions under Section 3.36 of the Environmental Planning and Assessment Act 1979 to make the local environmental plan and put into effect Planning Proposal - Sydney metro West Hunter Street Station sites, Sydney;
- (D) Council approve and endorse the draft Design Guidelines - Sydney Metro West Hunter Street Station sites, Sydney, shown at Attachment B to the subject report, in their capacity as the relevant planning authority;
- (E) Council approve the draft Design Guidelines - Sydney Metro West Hunter Street Station sites, Sydney, shown at Attachment B to the subject report, for public exhibition for a period of 28 days;
- (F) authority be delegated to the Chief Executive Officer to make any minor variations to Planning Proposal - Sydney Metro West Hunter Street Station sites, Sydney and draft Design Guidelines - Sydney Metro West Hunter Street station sites, Sydney to correct any drafting errors or ensure it is consistent with the Planning Proposal following the Gateway Determination; and
- (G) authority be delegated to the Chief Executive Officer to prepare a draft planning agreement in accordance with the letter of offer dated 12 July 2022 at Attachment C to the subject report and the requirements of the Environmental Planning and Assessment Act 1979, to be exhibited concurrently with the Planning Proposal.

Attachments

- Attachment A.** Planning Proposal - Sydney Metro West Hunter Street Station Sites, Sydney and appendices
- Attachment B.** Draft Design Guidelines - Sydney Metro West Hunter Street Station Sites, Sydney and appendices
- Attachment C.** Planning Agreement - Public Benefit Offer - dated 12 July 2022

Background

1. To maintain and capitalise on Central Sydney's status as Australia's global city, it must continue to attract investment and remain an attractive location for workers, visitors and residents. The planning vision to grow Central Sydney's economic position and further strengthen its attractive qualities is set out in the Central Sydney Planning Strategy (the Strategy), adopted by Council in December 2020.
2. The Strategy's objectives are intended to be delivered in part through site-specific planning proposals, which allow for proponents to collaborate with the City in the preparation of new development propositions that meet the City's guidelines and realise the Strategy.
3. Ensuring the delivery of new incoming employment floor space in Central Sydney is essential for supporting a robust, resilient and competitive economy. Increased capacity for business and employment growth will encourage opportunities for new investment and development projects with a global focus. This is particularly important in the current climate, planning for development and growth throughout and beyond the Covid-19 pandemic.
4. The Strategy incentivises floor space for business, economic activity and employment by providing opportunities for additional building height and density in the right locations. It requires new development to deliver high quality public domain outcomes, including protecting pedestrian amenity in public spaces and achieve environmental sustainability initiatives.
5. The purpose of this planning proposal is to facilitate over station development to be located above and integrated with the future Sydney Metro West Hunter Street Station. The Sydney Metro West project is a new planned 24 kilometre metro line that will connect Central Sydney with Parramatta. The project will double the rail capacity along the corridor to Parramatta, with a target travel time of twenty minutes. Confirmed stations include Westmead, Sydney Olympic Park, North Strathfield, Burwood North, Five Dock, The Bays and Pyrmont, terminating at Hunter Street in Central Sydney.
6. This planning proposal request for the two sites that will integrate with the Metro station was lodged by the proponent, Sydney Metro through the NSW Planning Portal in May 2022 following pre-lodgement meetings. The request seeks to insert new site-specific provisions in the Sydney Local Environmental Plan 2012 (LEP) in line with the Strategy and the Guideline for Site Specific Planning Proposals in Central Sydney (Guideline).
7. The site specific provisions will facilitate the delivery of over station development at the Sydney Metro West Hunter Street station sites, as follows:
 - (a) delivering over 150,000 square metres of new employment generating floor space in two new office towers linked to the Hunter Street station;
 - (b) the eastern tower will have a maximum building height of RL 269.1 metres and the maximum building height for the western tower will be RL 220 metres;
 - (c) the maximum floor space ratio above ground for the eastern site will be 22.8:1 and 18.8:1 for the western site;
 - (d) new pedestrian connections across each of the sites and an expanded Richard Johnson Square; and

- (e) ecological sustainable development benchmarks to ensure an energy efficient building will be delivered.
8. Accompanying the planning proposal request from the proponent is a range of studies to support the proposed changes to the planning controls. These detailed studies are attached as appendices to the planning proposal at Attachment A to this report.

Site details

9. This planning proposal relates to two sites in Central Sydney that front Hunter Street. The sites will be referred to in this report as the 'eastern site' and 'western site'. An aerial image and diagram of the two subject sites and surrounding area are shown at Figures 1 and 2 below. The two sites comprise the following addresses:
- (a) eastern site - 28 O'Connell Street; 48 Hunter Street; 33 Bligh Street; and 37 Bligh Street, Sydney; and
 - (b) western site - 296 George Street; 300 George Street; 312 George Street; 314-318 George Street; De Mestre Place; 5 Hunter Street; and 7-13 Hunter Street, Sydney.
10. The eastern site has a total area of 3,694sqm, with frontages to O'Connell Street to the north-west, Hunter Street to the south-west, Bligh Street and Richard Johnson Square to the south-east, and common boundaries to commercial buildings at the north-east. A large portion of the eastern site is currently occupied by the Sydney Metro City and Southwest construction site, with three medium sized commercial buildings located at the southern end of the site with frontages to Hunter Street.
11. The western site has a total area of 3,736sqm and fronts George Street to the west and Hunter Street to the north, and shares common boundaries with commercial buildings to the east and south. The western site comprises a number of multistorey commercial and office buildings which include several retail arcades that provide pedestrian connections from George Street and Wynyard Station to Hunter Street and on to Pitt Street. De Mestre Place, a short laneway that provides servicing connections to a number of buildings is also contained within the site.
12. Both sites are adjacent to a number of heritage items, including the former Bank of NSW and former NSW Club buildings to the north of the eastern site and the former Wales House which fronts the intersection of Hunter Street with Pitt and O'Connell Streets. The western site includes two State heritage items, namely the former Skinner Family Hotel at the intersection of George and Hunter Streets and the Tank Stream which lies adjacent to the site's eastern boundary.

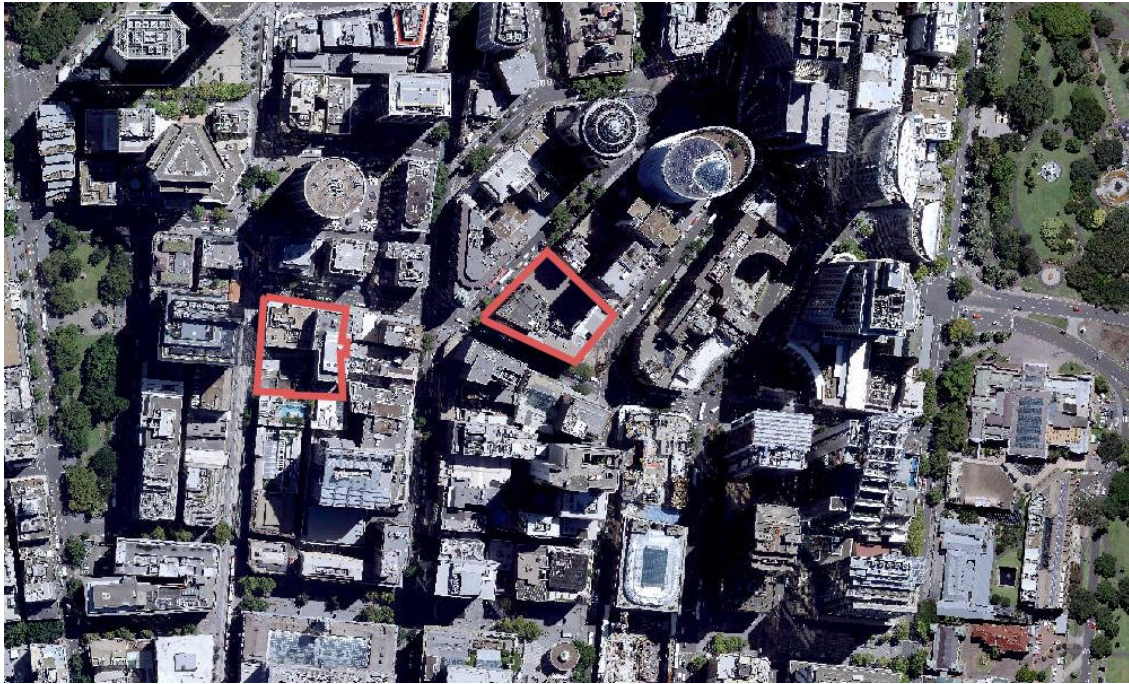


Figure 1: Aerial image of the two subject sites (in red) and immediate vicinity



Figure 2: Diagram of location of the two sites and surrounding area

Adjoining development

13. Existing development surrounding both subject sites is primarily commercial in nature, comprising a mixture of office, business and retail uses, as follows:
 - (a) eastern site - immediately adjoining the site to the north-west of the eastern site is the 11 storey former Bank of NSW building fronting O'Connell Street and fronting Bligh Street are the 30 storey Mulpha House and the former NSW Club. The subject site opens onto Richard Johnson Square, the public open space adjacent to the intersection with Hunter, Bligh and Castlereagh Streets. To the southern side of Hunter Street is Perpetual Trustee building, an 8 storey heritage listed building.
 - (b) western site - to the northern side of Hunter Street is the 25 storey Adina Hotel, a 20 storey office building and the heritage listed NSW Sports Club. A mixture of medium scale office buildings with ground floor retail adjoins the site to its east. To the south is the Ash Street and Angel Place precinct comprising a mixture of retail and entertainment venues. The entrance to Wynyard Station sits to the west of the site on the opposite side of George Street, above which is a 27 storey office building known as Brookfield Place.

Indicative scheme

14. An indicative reference scheme has been prepared by the proponent, shown in Figure 3 and 4. The scheme envisages two new towers as over station development on each of the Sydney Metro West Hunter Street Station sites, as follows:
 - (a) eastern site:

a new commercial tower up to a maximum height of sun access plane (RL 269.1 metres) comprising approximately 84,000 square metres of floor space for office, retail and other business uses. The tower will sit above a podium which will include new pedestrian connections between the station entry and an expanded Richard Johnson Square.
 - (b) western site:

a new commercial tower with a maximum height up to the no additional overshadowing and sun access plane controls (RL 220 metres) comprising up to approximately 70,000 square metres of business uses, in particular office space, retail and other active uses. The concept design includes the adaptive reuse of State heritage item former Skinner Family Hotel building and extensive pedestrian connections to adjacent sites and future laneway network.

Design Advisory Panel - pre lodgement design review

15. The proposal was referred to the City's Design Advisory Panel (DAP) in October 2021 as part of extensive pre-lodgement discussions. The City's DAP made a number of comments and recommendations, including the proposal's response to adjacent heritage, noting the retention of the heritage building on the corner of George and Hunter Street and the expansion of Richard Johnson Square.

16. The City's DAP also raised concern regarding built form impacts on the public domain, noting the amenity must remain high and suitable for people to sit and dwell. The scheme detailed in this planning proposal has been prepared with consideration of this feedback, and includes provisions to ensure public domain amenity is protected.



Figure 3: Proponent's reference scheme of the two over station development towers, in red



Figure 4: The podium and tower of the proponent's reference scheme of the eastern site and larger Richard Johnson Square

Planning Proposal - amendments to the Sydney LEP 2012

17. This planning proposal, included at Attachment A, seeks to amend the LEP to insert new site-specific provisions to facilitate development over two Sydney Metro West Hunter Street station sites. The objectives of the provisions are to:
 - (a) facilitate redevelopment for new towers on the two subject sites, including the adaptive reuse of heritage item, the former Skinner Family Hotel building;
 - (b) permit two new towers in the form of over station development, to a maximum height and floor space ratio of:
 - (i) eastern site:
 - a. maximum building height of RL 269.1 metres; and
 - b. maximum floor space ratio of 22.8:1, above ground;
 - (ii) western site:
 - a. maximum building height RL 220 metres; and
 - b. maximum floor space ratio of 18.8:1, above ground;
 - (c) ensure that development consent may only be granted if the following criteria is met:
 - (i) proposal delivers employment generating uses;
 - (ii) delivery of new through-site connections and an increased Richard Johnson Square;
 - (iii) provision of end of journey facilities;
 - (iv) consideration of the endorsed Design Guidelines; and
 - (v) the development demonstrates design excellence;
 - (d) provision of a maximum of 70 car parking spaces across the two sites;
 - (e) allocation of heritage floor space of 2.25:1, equal to 50 per cent of the difference between the floor space ratios of 8:1 and 12.5:1; and
 - (f) switch off requirements for a competitive design competition. Future development will be subject to a specialised approach to design excellence through a competitive selection (tender) process.
18. In addition to the site-specific provisions for the two subject sites, the planning proposal will insert a provision to ensure future development applications do not further vary the development controls that apply to the site, under clause 4.6. The asterisk that applies to the former Skinner Family Hotel's listing under Schedule 5 of the LEP is to be removed as it is no longer eligible to the heritage floor space scheme.
19. It is recommended that Council and the Central Sydney Planning Committee approve the planning proposal, shown at Attachment A to this report, and request a Gateway Determination to enable public exhibition with the draft Design Guidelines and draft planning agreement.

Draft Design Guidelines

20. The LEP provisions proposed as part of this planning proposal are accompanied and supported by additional detailed provisions provided in the draft Design Guidelines (Guidelines), located at Attachment B to this report.
21. The Guidelines provide further guidance for the envisaged development on the two subject sites and include the following provisions:
 - (a) building envelopes, with setbacks that respect the local context, deliver acceptable public domain wind conditions and daylight amenity and an appropriate relationship to neighbouring heritage items;
 - (b) provision of high-quality through-site links and pedestrian connections between the Metro station, adjacent streets and future connections to adjoining sites;
 - (c) delivery of improved public domain conditions, including expansion of Richard Johnson Square and extensive activation through fine-grain retail;
 - (d) ensure future development will respond to future public domain upgrades to accommodate and protect increased pedestrian numbers;
 - (e) deliver heritage interpretation and public art that is appropriate and responsive to its setting;
 - (f) encourage greater use of active and public transport through equitable pedestrian access, bicycle parking and end of journey facilities;
 - (g) ensure sufficient servicing and loading space is provided to meet the needs of future development, prior to the allocation of private parking;
 - (h) include best practise provisions for water and flood management and waste;
 - (i) achieve a high standard of ecological sustainable development; and
 - (j) a design excellence strategy.
22. The Design Guidelines will be publicly exhibited with the planning proposal and will be referred to in the proposed site-specific LEP provisions and be a matter for consideration in future development.

Planning agreement

23. Section 7.4(1) of the Environmental Planning and Assessment Act 1979 (Act) enables a proponent to provide a material public benefit by entering into an agreement with a public authority. A planning agreement is the legal instrument for securing public benefits. Planning agreements are voluntary and must be freely entered into by the public authority and a proponent. They are also exhibited publicly and held on a publicly accessible register.
24. The City's position on planning agreements is informed by the City's needs and is outlined in our strategic plans. Opportunities to enter into planning agreements arise as the City changes and improves planning controls to help meet its strategic aims.

25. The offer from the proponent, Sydney Metro, is at Attachment C to this report and outlines the public benefits as part of this proposal. The offer includes a commitment to pay the 3 per cent development contribution under the Central Sydney Contributions Plan 2020 prior to the first construction certificate stage rather than the occupation certificate stage, as envisaged by the NSW Government's changes to contributions legislation. In addition, the Offer contains environmental sustainability commitments including 6 star Green Star building rating and 6 star NABERS energy for office rating, which exceed the best practice energy performance requirements in the LEP.
26. It is recommended that a draft planning agreement is prepared to secure the public benefits outlined in the letter of offer, to be delivered through the redevelopment of the two subject sites. This report also recommends that the planning agreement be publicly exhibited together with the planning proposal and draft Design Guidelines.

Key Implications

Benefits of the planning proposal and draft Design Guidelines

27. The planning proposal and accompanying draft Design Guidelines facilitate the redevelopment of the two subject sites. The key benefits are:
 - (a) an opportunity to unlock additional business and employment generating floor space in Central Sydney in the form of high quality office space, retail and other commercial uses;
 - (b) delivery of high-quality retail activated through-site links connecting the Metro station to the surrounding street network, improved public spaces and a future pedestrian laneway network;
 - (c) built form that responds to nearby heritage items and includes the retention and adaptive reuse of State heritage item, the former Skinner Family Hotel building; and
 - (d) additional environmentally sustainable development targets.

Consideration of environmental impacts

28. This planning proposal is informed by detailed studies prepared on behalf of the proponent, and assessment of the potential impacts by the City, including referrals to internal specialist teams and the City's Design Advisory Panel. The studies are included as appendices to the planning proposal at Attachment A and will be exhibited as supporting documentation. The key relevant findings are discussed below.

Building envelope - height, setbacks and floor space ratio

29. The Central Sydney planning framework, provides opportunities to modify the building height and floor space ratio controls where the planning envelope provides a positive urban design outcome and will not result in adverse impacts to environmental amenity in the public domain, particularly in relation to wind conditions, daylight levels and urban design relationships.
30. The built form, massing and layout of both podiums on the eastern and western site have been designed with consideration of the surrounding streetscape, adjacent heritage items and the podium's requirements to integrate with the Sydney Metro station below and the tower above.

31. Figures 5 and 6 detail the proposed planning envelopes for each site. The envelope massing is the maximum extent of the built form, future development must be massed within this envelope.

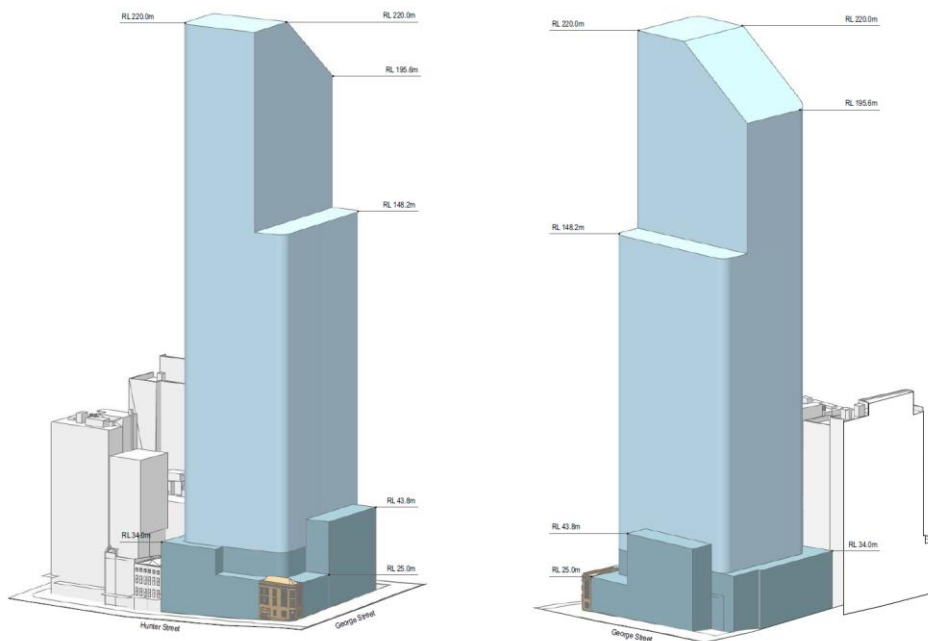


Figure 5: Western site – envelope massing (left – view from north west, right – view from south west)

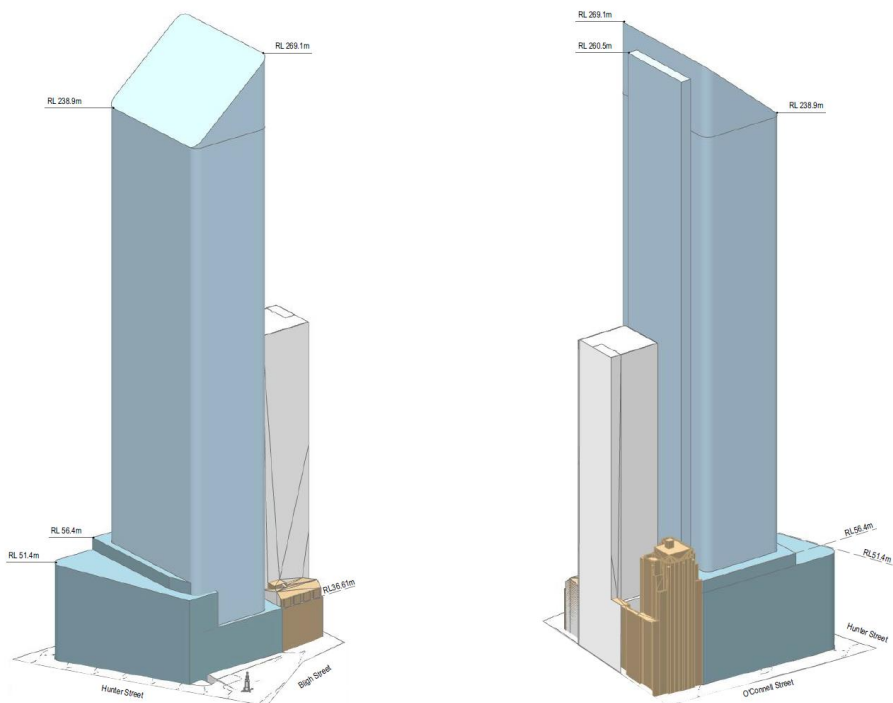


Figure 6: Eastern site – envelope massing (left - view from south east, right - view from north east)

Eastern site

32. On the eastern site, the podium includes a generous ground floor setback to Richard Johnson Square of 2.7 metres at the north and 6.8 metres fronting Hunter Street. This ground floor setback is to be read as an extension of the adjoining Richard Johnson Square and extends the building alignment established by the heritage listed NSW Club south to Hunter Street.
33. Similarly the lower podium street wall in this location responds to the adjoining heritage building. The taller street wall height on the O'Connell and Hunter Streets responds to its context, aligning with adjacent heritage items, particularly Wales House. The tower setback to Hunter Street increases from 5.1 metres to 20.4 metres, opening up views along Hunter Street towards Australia Square.
34. The indicative design concept for the eastern site includes a through-site link with an at grade connection from Richard Johnson Square to O'Connell Street and the Sydney Metro station. The tower on the eastern site rises above the podium to a maximum height of RL 269.1 metres to ensure the sun access planes are not encroached.

Western site

35. The planning envelope for the western site includes the retention and adaptive reuse of the former Skinner Family Hotel building and incorporation into the over station development. The directly adjacent podium responds to this heritage item, with a 12.5m street wall height and generous tower setback, providing an appropriate visual setting.
36. The podium on the western site includes several through-site links and public accessible pedestrian connections to adjoining sites with the intention of creating a larger laneway network across the precinct between George, Pitt and Hunter Streets and Angel Place. The indicative design concept envisages several through-site links activated by small scale retail and providing connection to the Sydney Metro station.
37. Above the podium on the western site, will be the tower of the over station development to a maximum height of RL 220 metres and RL 148 metres fronting George Street to comply with the relevant sun access planes.

Public domain amenity

38. The Guideline for site specific planning proposals in Central Sydney describes the planning pathway to access additional height and density through site specific planning proposals in Central Sydney. It outlines the steps for the preparation and consideration of planning proposal requests. The Guideline describes how to establish a base case envelope, which then sets the performance benchmark for testing the impact of a planning envelope with varied building heights and setbacks. Any proposed planning envelope must achieve equivalent or improved public domain wind and daylight conditions compared to the base case envelope.

Daylight / Skyview testing

39. The Urban Design and Indicative Built Form Report prepared by FJMT included sky view testing, prepared in accordance with the City's requirements. The proposed planning envelopes have demonstrated an equivalent or improved daylight conditions in the surrounding public domain and publicly accessible space, which includes the expanded Richard Johnson Square for the eastern site.

40. The sky view analysis demonstrates that the proposed planning envelopes for both sites will deliver a minor improvement from the base case envelopes, maintaining acceptable daylight access to the public domain. The planning proposal is consistent with the equivalence testing requirements for tower cluster sites, ensuring the future development will maintain acceptable amenity for pedestrians.

Wind assessment

41. A pedestrian wind assessment accompanied the planning proposal, testing comfort and safety levels as a result of the future over station development. Over 40 locations were tested for both the base case and proposed envelopes, testing public spaces within, between and around each of the sites. Existing wind conditions were found generally to be calm, suitable for sitting and well within the wind safety criteria.
42. The proposed over station development tower envelopes were also tested, with results indicating generally calm wind conditions, demonstrating compliance with the Strategy. The results found that while there may be some localised increase in wind speeds, conditions are unlikely to become uncomfortable or unsafe as a result of future development on the subject sites.
43. Additional publicly accessible locations were also tested as a part of the wind tunnel testing to ensure they would not be subject to adverse impacts as a result of the proposal. Additional locations tested included the open space between the Australia Square tower and Plaza building which is currently used for outdoor dining. The testing found that this location would not experience a significant or adverse increase in wind speeds, which would remain generally calm and acceptable for its current use.
44. The Design Guidelines accompanying this planning proposal and the site-specific LEP provisions provide additional guidance on future wind tunnel testing to ensure public domain conditions are not adversely impact as a result of the future over station development towers. This additional testing would occur at the detailed design phase and accompany a future development application.

Heritage

45. The planning proposal was accompanied by a heritage impact statement that concludes the two planning envelopes sought through this planning proposal will have an acceptable impact from a heritage perspective.
46. The Design Guidelines also includes provisions to ensure the future over station development podium and towers will sympathetically relate to adjacent heritage, through the use of appropriate street wall heights, setbacks, materials and separation.

Eastern site

47. The eastern site is adjacent to a number of heritage items, including Richard Johnson Square directly fronting the site to Bligh Street. The former NSW Club and Bank of NSW buildings adjoin the site along its northern boundary, fronting Bligh and O'Connell Streets respectively. State heritage item, Wales House is located opposite the site fronting the intersection of Pitt, Hunter and O'Connell Streets.
48. The podium responds to the adjoining heritage items by extending their alignment and height datum in the corresponding podium street wall. This will deliver a consistent streetscape and visual setting for the heritage items that will not adversely impact upon their significance.

49. Furthermore, the increased ground plane setback of the podium to Richard Johnson Square will maximise the feeling of openness to the heritage listed public space, contributing towards the public domain and important vistas.

Western site

50. The western site comprises the former Skinner Family Hotel, a State heritage item at the intersection of George and Hunter Streets. The State heritage listed Tank Stream, runs adjacent to the site's eastern boundary. The former Pangas House at 15-17 Hunter Street, recently identified by the City as worthy of heritage listing, directly adjoins the site.
51. The podium of the western site has been designed to respond to the former Skinner Family Hotel through a matching street wall height and generous setback providing a suitable visual setting that does not overwhelm and detract from the heritage item.
52. The Design Guidelines include provisions to safeguard the Tank Stream, ensure the significance of the former Skinner Family Hotel is maintained and ensure the over station development sympathetically relates to adjacent heritage through appropriate street wall heights, setbacks, materials and separation.

Public domain

53. Future development on the subject sites will deliver new through-site connections, and an expansion to Richard Johnson Square. Similarly, upgrades to surrounding pedestrian infrastructure will be secured through development contributions.
54. New connections and public space improvements will help manage the increase in pedestrians anticipated from the Hunter Street Sydney Metro station and over station development.
55. The Design Guidelines ensure development on the subject sites positively addresses the public domain. The provisions maximise active frontages and through-site links and set appropriate level changes and interfaces with adjoining sites, laneways and Richard Johnson Square.

Design excellence

56. Under the LEP, consent must not be granted unless 'design excellence' has been demonstrated and a competitive design process for buildings over 55 metres in Central Sydney. This process may however be waived where deemed "unreasonable or unnecessary". It is noted that, the Sydney Metro City and Southwest project, which delivered rail infrastructure and over station development, adopted a specialised approach to design excellence, with a similar approach proposed for the subject sites.
57. For the Sydney Metro West project, a 'line-wide' Design Excellence Strategy is proposed to provide consistency across the design processes for each over station development, including the Hunter Street Station.
58. In this instance, it is intended that design excellence will be achieved through a competitive selection (tender) and design review process. As such, the proposed site-specific provisions reflect that clause 6.21D and 6.21E of the LEP does not apply for future development.

59. The Design Guidelines include provisions relating to design excellence for the over station development, which is to include a series of design advisory and review processes and draws on the Sydney Metro West Design Excellence Strategy, endorsed by the Government Architect of New South Wales using an iterative process with experienced architectural practitioners having demonstrated design excellence ability and holistic design review process. The delivery strategy draws together design and construction of fully integrated and interconnected over station developments and station components to ensure excellent and coordinated design outcomes.

Strategic Alignment

Strategic Alignment - Central Sydney Planning Strategy

60. As the economic heart of Australia's global city, Central Sydney plays a critical role in the economic success of Greater Sydney, the state and the national economies. The Central Sydney Planning Strategy sets a planning approach to grow employment and productivity, create high quality places and deliver on the City's Sustainable Sydney programs.
61. The Strategy includes opportunities for additional height and density in the right locations, balanced with environmental sustainability initiatives, and sets criteria for design excellence.
62. This planning proposal is aligned with the following relevant key moves of the Central Sydney Planning Strategy:
1. Prioritise employment growth and increase floor space capacity - this planning proposal will facilitate the redevelopment of the two subject sites as over station development in the form of new office towers, delivering new employment floor space, increasing the employment capacity and delivering growth in Central Sydney.
 2. Ensure development responds to context - this planning proposal is accompanied by draft Design Guidelines which include provisions to ensure the over station development is responsive to its context, including an articulated podium, generous tower setback, reducing adverse wind and daylight impacts.
 4. Provide employment growth in new tower clusters - the two subject sites are largely located within identified tower clusters where additional building may be accommodated.
 5. Ensure infrastructure keeps pace with growth - future development will subject to a development contribution, delivering new infrastructure linked to growth.
 6. Move towards a more sustainable city - the draft Design Guidelines include provisions to ensure future over station development meets ambitious sustainability targets consistent with the Strategy.
 7. Protect, enhance and expand heritage and public places - the indicative design concept includes the retention and adaptation of the heritage building on site, while the eastern site includes an increased ground floor setback expanding the public domain.

8. Move people more easily - the two subject sites will be directly connected to the Sydney Metro projects, currently under construction and planned, which will deliver underground pedestrian connections from Martin Place to Barangaroo.

Strategic Alignment - Regional and Local Planning

63. The Greater Sydney Region Plan and Eastern City District Plan prepared by the Greater Sydney Commission shape strategic planning and infrastructure across metropolitan Sydney and align planning at the broad regional scale, down to the local area. The City's Local Strategic Planning Statement sets the overall land use planning strategy for the city which is required to align with the Region and District Plans. The City's planning controls are then required to give effect to the strategic plans.
64. The Region and District Plans and the Local Strategic Planning Statement adopt planning priorities of similar themes, being productivity, liveability, infrastructure, sustainability and governance. How this planning proposal gives effect to these priorities is discussed in detail in the planning proposal and is summarised below:
 - (a) **Productivity** - this planning proposal will deliver new additional employment generating floor space linked to future transport infrastructure in Central Sydney. In addition to meeting the Productivity objective of the Greater Sydney Region Plan, the planning proposal gives effect to the following strategic planning priorities:
 - (i) Eastern City District Plan priorities:
 - a. E7 - Growing a stronger more competitive Harbour CBD
 - b. E10 - Delivering integrated land use and transport planning for a 30 minute city
 - c. E11 - Growing investment, business opportunities and jobs in strategic centres
 - (ii) Local Strategic Planning Statement priorities:
 - a. P1 - Growing a stronger, more competitive Central Sydney
 - (b) **Liveability** - this planning proposal will help deliver improve street life through fine-grained retail premises in new pedestrian connections and retail activated street frontages, which will contribute life to the public domain and a larger and upgraded Richard Johnson Square. In addition to meeting this objective for the Greater Sydney Region Plan, the proposal gives effect to the following liveability strategic planning priorities:
 - (i) Eastern City District Plan priorities:
 - a. E6 - Creating and renewing great places and local centres, and respecting the District's heritage
 - (ii) Local Strategic Planning Statement priorities:
 - a. Creating great places

- (c) **Infrastructure** - the proposed over station development on the two subject sites will benefit from the proposed and planned additional transport capacity in Central Sydney. In addition to meeting the infrastructure objective of the Greater Sydney Region Plan, the planning proposal gives effect to the following priorities:
- (i) Eastern City District Plan priorities:
 - a. E1 - Planning for a city support by infrastructure
 - (ii) Local Strategic Planning Statement priorities:
 - a. I1 - Movement for walkable neighbourhoods and a connected city
 - b. I2 - Align development with growth and supporting infrastructure
- (d) **Sustainability** - this planning proposal will facilitate the redevelopment of the two subject sites with new office towers with improved sustainability outcomes. In addition to meeting this objective of the Greater Sydney Region Plan, the proposal gives effect to the following sustainability strategic planning priorities:
- (i) Eastern City District Plan priorities:
 - a. E19 - Reducing carbon emissions and managing energy, water and waste efficiently
 - (ii) Local Strategic Planning Statement priorities:
 - a. S2 - Creating better buildings and places to reduce emissions and water and use water more efficiently.

Strategic Alignment - Sustainable Sydney 2030-2050 Continuing the Vision

65. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the city to 2050. 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 aligned with the following strategic directions and objectives:
- (a) Direction 2 - A leading environmental performer - this planning proposal will deliver new ecological sustainable development with ambitious minimum sustainability targets that align with the City's new zero energy targets.
 - (b) Direction 3 - Public places for all - the subject site will capitalise on its proximity to existing and planned transport infrastructure, including its direction connection to the future Hunter Street station. The proposed indicative scheme for the future development includes a mix of uses to activate the podium, pedestrian connections and street frontages.
 - (c) Direction 4 - Design excellence and sustainable development - this planning proposal will support new development that is more ecologically sustainable than the current building stock through aspirational sustainability benchmarks.
 - (d) Direction 5 - A city for walking, cycling and public transport - the indicative scheme includes substantial retail activated pedestrian connections through the subject sites and new end of journey facilities to encourage greater use of active transport modes.

- (e) Direction 6 - An equitable and inclusive city - future development will contribute to the surrounding area through increased opportunity for businesses as well as improvements to the public domain for local residents and visitors.
- (f) Direction 8 - A thriving cultural and creative life - new public art facilitated by the future over station development will provide new creative and cultural experiences and opportunities for engagement with the public.
- (g) Direction 9 - A transformed and innovative economy - this proposal will facilitate two new towers as part of the over station development, delivering new employment opportunities, helping Sydney attract global investment.

Relevant Legislation

- 66. Environmental Planning and Assessment Act 1979.
- 67. Environmental Planning and Assessment Regulation 2000.

Critical Dates / Time Frames

- 68. Should Council and the Central Sydney Planning Committee endorse the attached planning proposal for public exhibition, it will be forwarded to the Department of Planning and Environment in accordance with section 3.34 of the Act for Gateway Determination to proceed with consultation or resubmit the planning proposal.
- 69. Following the Gateway Determination, the typical timeframe is 21 days for public authority consultation and 28 days for public exhibition. The Gateway Determination will also provide the date for the completing the LEP amendment.
- 70. Section 7.5(1) of the Act requires a draft planning agreement to be public exhibited for at least 28 days where possible, the agreement be exhibited with any other publicly notifiable matters. As such, this report recommends that the City prepare a planning agreement to be exhibited with the planning proposal and the draft DCP.
- 71. Following public authority consultation and public exhibition, the outcomes will be reported back to Council and the Central Sydney Planning Committee.

Public Consultation

- 72. The public exhibition process for this planning proposal will be determined by the Department of Planning and Environment. It is proposed that the public exhibition of the planning proposal, draft Design Guidelines and notification of the planning agreement will run concurrently. The consultation will be in accordance with the requirements of:
 - (a) The Gateway Determination issued by the Department of Planning and Environment under section 3.34 of the Act;
 - (b) the Environmental Planning and Assessment Regulation 2000;
 - (c) in relation to the Planning Agreement, section 7.5(2) of the Act; and

- (d) the City of Sydney Community Engagement Strategy and Community Participation Plan 2022.
- 73. It is likely that the public exhibition for the planning proposal would be for a minimum period of 28 days, with notification in accordance with the Gateway Determination and the City's Community Participation Plan.
- 74. The planning proposal, draft Design Guidelines and draft planning agreement will be publicly exhibited on the City of Sydney website and in accordance with the Environmental Planning and Assessment Regulation 2000.

GRAHAM JAHN AM

Director City Planning, Development and Transport

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