Attachment B

Planning Proposal – 90 and 100-104 Brougham Street, Potts Point



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Executive Summary

The City of Sydney (the City) has prepared this planning proposal in relation to two properties at 90 and 100-104 Brougham Street, Potts Point (the site) following a request from Harrphil Pty Ltd (Harrphil).

The properties are currently zoned R1 General Residential, which prohibits the use of the land for hotel and motel accommodation. The purpose of this planning proposal is to insert hotel and motel accommodation into Schedule 1 of the Sydney Local Environmental Plan 2012 (Sydney LEP) as an additional permitted use for the sites. In doing so this would allow for the consolidation of the site and adjoining properties at 92-98 Brougham Street and 171-173 Victoria Street, that together comprise a concept proposal for a hotel development called the 'Piccadilly Hotel'.

This planning proposal is subsequent to a previous planning proposal, PP-2020-1128, that was also part of the Piccadilly Hotel concept proposal. The purpose of this previous planning proposal was to permit hotel accommodation uses on the properties at 92-98 Brougham Street, which are in-between the properties subject to this planning proposal. The previous planning proposal was made in 2021.

This planning proposal explains the intent and justification for the proposed amendments to the Sydney LEP as applied to the site. It also provides a more detailed assessment of the proposal's strategic and site-specific merit.

1. Background

1.1. Proponent request

The City of Sydney has received a request from Harphill Pty Ltd seeking to amend the Sydney LEP 2012 to permit 'hotel and motel accommodation' uses on the properties at 90 and 100-104 Brougham Street, Potts Point.

Under the existing R1 General Residential zoning that applies to the land, 'hotel and motel accommodation' is a prohibited use on the subject sites. The proposed amendment is to remove the prohibition.

The proponent intends to repurpose the properties as hotel accommodation rooms. The proponent has not requested any change to the site's existing zoning or built form controls including maximum height of building or floor space ratio (FSR).

1.2. Site identification

This planning proposal relates to the properties at 90 and 100-104 Brougham Street, Potts Point. The legal definitions of these properties are summarised in below in Table 1.

Table 1: Legal descriptions of the affected properties

| Address | Legal definition | Area (sqm) |
|-------------------------|--|------------|
| 90 Brougham Street | Lot 15 Sec 4 DP 28 Lot 1 DP 456813 | 190.3 |
| 100-104 Brougham Street | Lots 1, 3-4, 6-12, 14-22 and 24 SP 1560 Lots 25-28 SP 10531 | 556.4 |

90 Brougham Street is currently occupied by two contemporary three storey dwellings separated by a courtyard. The existing building at 100-104 Brougham Street is a four storey building with a total of 24 studio apartments above a ground-level covered carpark. The location of the properties is shown in Figure 1.

Figure 1. Aerial image showing the site's location



The site is located in Potts Point approximately two kilometres east of Central Sydney. Uses along Brougham Street are predominantly residential, and the most common building type is three storey terrace dwellings with dormer roofs. There is approval for a hotel use at 92-98 Brougham Street, which sits between these two properties.

The properties are highly accessible. They are 90 metres northwest of the Kings Cross train station, and close to Darlinghurst Road and William Street, which are both well serviced by bus routes.

The site's context is shown below in Figure 2.

Figure 2. Indicative plan showing the site's context and suburb boundaries



2. Existing planning controls

2.1 Zoning

The properties are currently zoned R1 Residential in Sydney LEP. Figure 3 shows the two properties outlined in blue. The pink area is the R1 General residential zone and the purple area is the B4 Mixed Use zone.

It is noted this planning proposal is subsequent to a previous planning proposal, PP-2020-1128, that came into effect 2021 and permitted hotel and motel accommodation on the properties at 92-98 Brougham Street, which are in-between the properties subject to this planning proposal, despite their RE1 zoning.

The R1 General residential zone permits a range of uses including residential, as well as neighbourhood shops, bed and breakfast accommodation, community facilities, hostels, shops, and food and drink premises. Hotel and motel accommodation is a prohibited use in the zone.



Figure 3. Excerpt of Sydney LEP zoning map

2.2 Development standards

The Sydney LEP determines principal development standards which apply to the properties. These include:

- a maximum building height of 12 metres, and;
- a maximum FSR applied of is 1.5:1.

2.3 Heritage

The subject properties, shown in blue at Figure 4, are not heritage items. They are located within the C71 Woolloomooloo conservation area, with 100-104 Brougham identified as a detracting element and 90 Brougham Street a neutral element in Sydney DCP 2012.

This planning proposal will not change any heritage controls that are applied to the land.

Figure 4. Indicative plan showing the locations of heritage items and the boundary of the heritage conservation area



3. Objectives and intended outcomes

The objective and intended outcome of this planning proposal is to amend Sydney LEP to allow hotel and motel accommodation on land comprising 90 and 100-104 Brougham Street, Potts Point. The land is zoned R1 General residential.

This will be achieved by adding 'hotel and motel accommodation' as an additional permitted use in Schedule 1 of Sydney LEP.

4. Explanation of provisions

To achieve the intended outcomes of this planning proposal, it is proposed to amend Schedule 1 of Sydney LEP to include 'hotel or motel accommodation' as an additional permitted use at 90 and 100-104 Brougham Street. A draft of the proposed amendment to Schedule 1 of the Sydney LEP is shown in **bold**, and strikethrough below:

9 Use of certain land at 92-98 90-104 Brougham Street, Potts Point—

- 1. This clause applies to the following land at 92-98 90-104 Brougham Street, Potts Point
 - a) Lot 15 Sec 4 DP 28, Lot 1 DP 456813,
 - b) Lot 1, DP 724376,
 - c) Lot 1, DP 904094,
 - d) SP 17354,
 - e) Lot 100, DP 613011,
 - f) Lots 25-28 in SP 10531 and Lots 1, 3-4, 6-12, 14-22, 24 in SP 1560
- 2. Development for the purposes of hotel or motel accommodation is permitted with development consent.

5. Justification

Harphill Pty Ltd seek to incorporate their properties at 90 Brougham Street and 100-104 Brougham Street as part of an expanded hotel proposal for the Piccadilly Hotel (169-173 Victoria Street & 92-98 Brougham Street). Allowing 'hotel and motel accommodation' as additional uses on 90 Brougham Street and 100-104 Brougham Street would enable hotel use subject to future development consent.

The intention is to repurpose these properties as hotel accommodation rooms.

The extent of the future hotel is indicated in Figure 5 showing.

- The area within the orange outline comprises 169-173 Victoria Street & 92-98 Brougham Street. 169-173 Victoria Street is the original Piccadilly Hotel. These properties have development consent for a hotel use (D2021/927, approved 14 December 2022).
- The orange hatched area are former terrace houses at 92-98 Brougham Street.
- The blue coloured area is the properties subject to this planning proposal.





Strategic merit

This planning proposal would provide additional hotel accommodation rooms in a highly accessible location, contributing to the City's tourist and visitor accommodation supply. By providing a buffer to nearby residences it will allow for an improved experience for hotel patrons by allowing greater use of courtyard space for eating and dining.

The proposal is consistent with the City's Tourism Action Plan (2013) and Visitor Accommodation Action Plan (2015) which aim to facilitate development of additional visitor accommodation. It also aligns with The Eastern City District Plan which seeks to strengthen and grow a more competitive Harbour CBD through the growth of targeted industry sectors, including tourist and visitor accommodation. It will support priorities and actions in City Plan 2036 to drive job creation in the City Fringe area.

The properties at 90 and 100-104 Brougham Street currently comprise 2 contemporary three-bed dwellings and 24 private market studio apartments. The loss of these dwellings is and will not impact the overall supply of dwellings against the City's housing targets.

Site-specific merit

Incorporating these properties in to an expanded hotel would provide a buffer between the future approved hotel use and neighbouring residences. It will allow for use of the courtyard area proposed for the hotel for outdoor dining without impacting on residential neighbours. The buffer between the expanded hotel and neighbouring residential properties will allow for easier management of any noise and privacy impacts that could arise. These will be assessed as part of any development application against the relevant planning controls. Any impacts will be managed through design approaches and plans of management which is partly made possible by the orientation of the apartments at 100-104 Brougham Street away from neighbouring properties.

This proposal does not propose any changes to the heritage, FSR or building height controls in Sydney LEP. No additional development potential is created through this proposal.

Section A – Need for the planning proposal

| Question | City response |
|---|--|
| Q1. Is the planning proposal a result of any strategic study or report? | The planning proposal is consistent with the City's Tourist and Visitor Action Plan and Visitation Action Plan. It supports the priorities and actions in City Plan 2036 and Sustainable Sydney 2030-2050. |
| Q2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way? | Yes. The main objective of this planning proposal is to allow hotel and motel accommodation uses on the site. A planning proposal is required to amend the Sydney LEP and insert this use into Schedule 1, which contains the Additional Permitted Uses. |

Section B – Relationship to the strategic planning framework

| Question | City response |
|--|--|
| Q3. Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and the exhibited draft strategies)? | Yes. The Greater Sydney Region Plan and the Eastern District City Plan are both prepared by the NSW Government and are the regional plans relevant to the site. This proposal will help support growth in the tourist and visitor economy sector. |
| Q4. Is the planning proposal consistent with a council's local strategy or other local strategic plan? | Yes. The City's vision for land use and planning is set out within City Plan 2036, the City's local strategic planning statement, and Sustainable Sydney 2030-2050. It supports the City Plan 2036 for job growth, particularly within the City Fringe. |
| | The site is located in close proximity to the Oxford Street Cultural and Creative precinct. In adding to the supply of visitor accommodation nearby to this area, this planning proposal would support the City's strategic priorities for the precinct. |
| Q5. Is the planning proposal consistent with applicable State Environmental Planning Policies (SEPPs). | Yes, the planning proposal is consistent with applicable SEPPs. See section B2. |
| Q6. Is the planning proposal consistent with applicable Ministerial Directions (s9.1 directions)? | Yes, the planning proposal is consistent with applicable Ministerial Directions. See section B3. |

Section B2 – Assessment of planning proposal against applicable SEPPs

| SEPP | Comment |
|--|---------------------------------------|
| SEPP (Biodiversity and Conservation) 2021 | This planning proposal is consistent. |
| SEPP (Building Sustainability Index: BASIX) 2004 | Not applicable to this proposal. |
| SEPP (Exempt and Complying Development Codes) 2008 | This planning proposal is consistent. |
| SEPP (Housing) 2021 | This planning proposal is consistent. |
| SEPP (Industry and Employment) 2021 | This planning proposal is consistent. |
| SEPP (Planning Systems) 2021 | This planning proposal is consistent. |

| SEPP | Comment |
|---|---------------------------------------|
| SEPP (Precincts–Central River City) 2021 | Not applicable to this proposal. |
| SEPP (Precincts–Eastern Harbour City) 2021 | This planning proposal is consistent. |
| SEPP (Precincts–Regional) 2021 | Not applicable to this proposal. |
| SEPP (Precincts–Western Parkland City) 2021 | Not applicable to this proposal. |
| SEPP (Primary Production) 2021 | Not applicable to this proposal |
| SEPP (Resilience and Hazards) 2021 | This planning proposal is consistent. |
| SEPP (Resources and Energy) 2021 | This planning proposal is consistent |
| SEPP No 65 - Design Quality of Residential Flat Development | Not applicable to this proposal. |
| SEPP (Transport and Infrastructure) 2021 | This planning proposal is consistent |

Section B3 – Assessment of planning proposal against applicable Ministerial Directions

| Ministerial Direction | Response |
|---|---|
| Ministerial Direction 1.1 Implementation of Regional Plans | Consistent. The planning proposal will give effect to objectives and priorities of the Greater Sydney Region Plan as detailed in response to Q3 above. |
| Ministerial Direction 1.2 Development of Aboriginal Land Council Land | Not applicable. |
| Ministerial Direction 1.3 Approval and Referral Requirements | Consistent. The planning proposal does not include provisions that require the concurrence, consultation or referral of any future development application to a Minister or public authority. Future development in accordance with the proposed amendments will not be designated development. |
| Ministerial Direction 1.4 Site Specific Provisions | Consistent. The planning proposal will not further restrict the range of uses permissible on the site. Rather, it seeks to expand the existing range of permitted uses. |
| Ministerial Direction 1.5 Parramatta Road Urban Transformation Strategy | Not applicable. |

| Ministerial Direction | Response |
|---|-----------------|
| Ministerial Direction 1.6 Implementation of North West Priority Growth Area Land Use and Infrastructure Implementation Plan | Not applicable. |
| Ministerial Direction 1.7 Implementation of Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Implementation Plan | Not applicable. |
| Ministerial Direction 1.8 Implementation of Wilton Priority Growth Area Interim Land Use and Infrastructure Implementation Plan | Not applicable. |
| Ministerial Direction 1.9 Implementation of Glenfield to Macarthur Urban Renewal Corridor | Not applicable. |
| Ministerial Direction 1.10 Implementation of the Western Sydney Aerotropolis Plan | Not applicable. |
| Ministerial Direction 1.11 Implementation of Bayside West Precincts 2036 Plan | Not applicable. |
| Ministerial Direction 1.12 Implementation of Planning Principles for the Cooks Cove Precinct | Not applicable. |
| Ministerial Direction 1.13 Implementation of St Leonards and Crows Nest 2036 Plan | Not applicable. |
| Ministerial Direction 1.14 Implementation of Greater Macarthur 2040 | Not applicable. |
| Ministerial Direction 1.15 Implementation of the Pyrmont Peninsula Place Strategy | Not applicable. |

| Ministerial Direction | Response |
|--|---|
| Ministerial Direction 1.16 North West Rail Link Corridor Strategy | Not applicable. |
| Ministerial Direction 1.17 Implementation of the Bays West Place Strategy | Not applicable. |
| 1.18 Implementation of the Macquarie Park Innovation Precinct | Not applicable. |
| Ministerial Direction 1.19 Implementation of the Westmead Place Strategy | Not applicable. |
| Ministerial Direction 1.20 Implementation of the Camellia-Rosehill Place Strategy | Not applicable. |
| Ministerial Direction 1.21 Implementation of the South West Growth Area Structure Plan | Not applicable. |
| Ministerial Direction 1.22 Implementation of the Cherrybrook Station Place Strategy | Not applicable. |
| Ministerial Direction 3.1 Conservation Zones | Not applicable. |
| Ministerial Direction 3.2 Heritage Conservation | Consistent. No heritage items are identified on the site and the planning proposal does not alter existing heritage controls applied to the site. The planning proposal forms a part of a broader concept proposal for the Piccadilly Hotel, which involves the sensitive refurbishment of an existing local heritage item. |
| Ministerial Direction 3.3 Sydney Drinking Water Catchments | Not applicable. |
| Ministerial Direction 3.4 Application of C2 and C3 Zones and Environmental Overlays in Far North Coast LEPs | Not applicable. |
| Ministerial Direction 3.5 | Not applicable. |

| Ministerial Direction | Response |
|--|--|
| Recreation Vehicle Area | |
| Ministerial Direction 3.6 Strategic Conservation Planning | Not applicable. |
| Ministerial Direction 3.7 Public Bushland | Not applicable. |
| Ministerial Direction 3.8 Willandra Lakes Region | Not applicable. |
| Ministerial Direction 3.9 Sydney Harbour Foreshores and Waterways Area | Not applicable. |
| Ministerial Direction 3.10 Water Catchment Protection | Not applicable. |
| Ministerial Direction 4.1 Flooding | Consistent. The sites are not identified as flood-affected |
| Ministerial Direction 4.2 Coastal Management | Not applicable. |
| Ministerial Direction 4.3 Planning for Bushfire Protection | Not applicable. |
| Ministerial Direction 4.4 Remediation of Contaminated Land | Consistent. The sites are already used for residential purposes. A preliminary site assessment for contamination was undertaken on the adjoining sites as part of the previous planning proposal. This assessment concluded the land was suitable for a hotel use. A detailed site investigation can be undertaken as part of a |
| | development application. |
| Ministerial Direction 4.5 Acid Sulfate Soils | Consistent. |
| Ministerial Direction 4.6 Mine Subsidence and Unstable Land | Not applicable. |
| Ministerial Direction 5.1 Integrating Land Use and Transport | Consistent. The site is located in an area that is well serviced by existing public and private transport options. |
| Ministerial Direction 5.2 | Not applicable. |

| Ministerial Direction | Response |
|---|--|
| Reserving Land for Public Purpose | |
| Ministerial Direction 5.3 Development Near Regulated Airports and Defence Airfields | Not applicable. |
| Ministerial Direction 5.4 Shooting Ranges | Not applicable. |
| Ministerial Direction 6.1 Residential Zones | Consistent. The planning proposal does not prevent a residential use from occurring on the site. The site is within a residential zone and development for that purpose will continue to be permissible. |
| Ministerial Direction 6.2 Caravan Parks and Manufactured Home Estates | Not applicable. |
| Ministerial Direction 7.1 Business and Industrial Zones | Consistent. The planning proposal will encourage employment growth in a suitable location, as well as protect and support the viability of an area prioritised for hotel accommodation uses. |
| Ministerial Direction 7.2 Reduction in non-hosted short-term rental accommodation period | Not applicable. |
| Ministerial Direction 7.3 Commercial and Retail Development along the Pacific Highway, North Coast | Not applicable. |
| Ministerial Direction 8.1 Mining, Petroleum Production and Extractive Industries | Not applicable. |
| Ministerial Direction 9.1 Rural Zones | Not applicable. |
| Ministerial Direction 9.2 Rural Lands | Not applicable. |
| Ministerial Direction 9.3 Oyster Aquaculture | Not applicable. |
| Ministerial Direction 9.4 | Not applicable. |

| Ministerial Direction | Response |
|--|----------|
| Farmland of State Regional Significance on the NSW Far North Coast | |

Section C – Environmental, social and economic impact

| Question | City response |
|--|---|
| Q7. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal? | No. The planning proposal will not result in any significant ecological impacts. |
| Q8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed? | No. The planning proposal is would not result in any other environmental effects. |
| Q9. Has the planning proposal adequately addressed any social and environmental effects? | The proposal is for the expansion of a small- scale and existing hotel use on an adjacent property. No significant social or environmental effects are likely as an outcome of this proposal. |

Section D – State and Commonwealth interests

| Question | City response |
|--|---|
| Q10. Is there adequate public infrastructure for the planning proposal? | Yes, there is adequate public infrastructure to support this planning proposal. It is noted that the site is located within close proximity to existing public and active transport infrastructure. |
| Q11. What are the views of the State and Commonwealth public authorities consulted in accordance with the Gateway determination? | The Gateway Determination will identify the public authorities to be consulted as part of the planning proposal process and any views expressed will be included in this planning proposal following consultation. Formal consultation has not yet commenced. |

6. Mapping

No amendments to the current Sydney LEP maps are proposed.

7. Community consultation

This planning proposal is to be exhibited in accordance with the Gateway Determination once issued by the Department of Planning and Environment.

It is anticipated that the Gateway Determination will require public exhibition for a period of not less than 20 working days in accordance with the Environmental Planning and Assessment Act 1979 and s4.5 of the Department's guide to Preparing Local Environmental Plans.

Notification of the public exhibition will be consistent with the Gateway Determination and the City's Community Participation Plan. This will include publication on the City of Sydney website and notification via letters to surrounding owners and occupiers.

Consultation with relevant NSW agencies, authorities, and other referred entities will be undertaken if and where needed and in accordance with the Gateway Determination.

8. Project timeline

The anticipated timeline for the completion of the planning proposal is as follows:

| Stage | Timeframe |
|---|------------------------|
| Commencement / Gateway Determination | June 2023 |
| Government agency consultation | July 2023 |
| Public exhibition | July 2023 |
| Consideration of submissions | August-September 2023 |
| Post-exhibition consideration of proposal | October 2023 |
| Draft and finalise LEP | November-December 2023 |
| LEP made | January 2024 |
| Plan forwarded to the Department of Planning and Environment for notification | January 2024 |

