

Relevant Information for Council

FILE: X101016 **DATE:** 7 December 2023

TO: Lord Mayor and Councillors

FROM: Graham Jahn AM, Director City Planning, Development and Transport

SUBJECT: Information Relevant To Item 9.5 – Public Exhibition - Planning Framework for Ultimo Pyrmont - Sydney Local Environmental Plan 2012 and Sydney Development Control Plan 2012 Amendments, Draft Ultimo Pyrmont Local Infrastructure Contributions Plan 2023 and Central Sydney Development Contributions Plan 2020 Amendments

For Noting

This memo is for the information of the Lord Mayor and Councillors.

Background

At the meeting of Council's Transport, Heritage and Planning Committee on 4 December 2023, further information was sought on the following matters raised by speakers.

Employment targets and demand for office floor space

Comments were made regarding the viability of commercial floor space, given changes in how businesses operate and greater flexible working post-Covid. The City was set a target for commercial floor space within the Pyrmont Peninsula Place Strategy and the associated Ministerial Direction, which was underpinned by an Economic Development Strategy produced by NSW Treasury. The Economic Development Strategy states that it factors in the impacts of Covid in its employment forecasts.

The Ministerial Direction requires all planning proposals in Ultimo Pyrmont demonstrate how they meet the objectives of the Place Strategy, including job targets. The focus for the City has been on meeting the required job targets in the most appropriate way. This includes accommodating more jobs in less floor space informed by the City's comprehensive data on work space ratios and the existing and future business clusters that will demand floor space in the area.

Demand for office floor space will be determined by the market and will change as the population grows. The proposed changes to planning controls creates capacity for office floor space to be provided. Consultation with commercial landowners has indicated demand (albeit with smaller tenancies) particularly for the building typologies being planned in this highly accessible location.

Residential targets

There was a comment that Pyrmont and Ultimo was already very dense and that there was insufficient public transport and school infrastructure to support an increase in residential population.

The NSW Government's Place Strategy was prepared in expectation of the proposed Metro West station which has been effectively confirmed today. A resolution has been recommended that states that the City's proposal should not proceed unless a new Metro station is re-confirmed by the Government.

An additional public transport solution such as a new Metro station at Pyrmont will drive demand for additional people to live in the area, which is already one of Australia's most successful urban communities. Today, Ultimo and Pyrmont are home to 18,000 residents. The City was set a target for dwellings within the Pyrmont Peninsula Place Strategy and the associated Ministerial Direction, which was underpinned by a Demographic Profile produced on behalf of the NSW Department of Planning. The Ministerial Direction requires all planning proposals in Ultimo Pyrmont demonstrate how they meet the objectives of the Place Strategy, including dwelling targets. As such, the focus for the City has been on meeting the required dwelling targets in the most appropriate way. The City's response ensures the Ministerial Direction is achieved while ensuring good design, community input and alignment with infrastructure.

The City has met with School Infrastructure NSW following representations from community regarding school infrastructure capacity. School Infrastructure NSW have provided correspondence stating: "At this time, the anticipated demand in the Pyrmont/Ultimo area can be accommodated in existing schools."

26-38 Saunders Street, Pyrmont

Speakers commented on the City's proposed envelope controls for 26-38 Saunders Street. Some objected to the proposed controls and resultant impacts including overshadowing and private view loss while others requested even more development potential.

26-38 Saunders Street was identified by the NSW Government as capable of change in the Pyrmont Peninsula Place Strategy. The City met with the Strata Committee of 26-38 Saunders Street who encouraged the City to review their planning controls, citing problems with the existing building.

The City's urban design analysis of 26-38 Saunders Street is at page 87 of Attachment A2 to the planning proposal.

The City's proposed controls for 26-38 Saunders Street recognises the change in context due to the envelopes approved at Blackwattle Bay. The proposed envelope sets back from the street to allow for more trees, sunlight and daylight within the surrounding streets. This responds to engagement comments that the streets are 'dark'. However, the envelope complies with the Apartment Design Guide in relation to minimising overshadowing to neighbouring properties, its height is less than the maximum height in Blackwattle Bay, and it provides much needed housing in a highly accessible location, and is not an office building.

The City's proposed controls for 26-38 Saunders Street include an increase in maximum building height from 24 metres to RL120 (approximately 108 metres), and an increase in maximum FSR from 3:1 to 7.34:1 including design excellence floor space.

"City West Office Park", 1-33 Saunders Street, Pyrmont

A raised concern about the height and proposed use for 1-33 Saunders Street. The speakers reference was to the scheme the City presented at early engagement. What was not appreciated was that the City's proposal has been amended in response to the early engagement.

The zoning of 1-33 Saunders Street is proposed to be amended from E2 Commercial Centre to MU1 Mixed Use to permit residential development. Revised height and FSR controls have been developed to reflect this change of permitted use and the expected residential development.

Given the proximity this site to the Western Distributor motorway, the planning controls ensure noise impacts are addressed for residential uses and DCP's provisions address noise attenuation, building separation and solar access. The overall maximum height has been reduced from 21 storeys to 15 storeys and FSR reduced from 7.18:1 to 4.2:1.

"The Accenture Building" 48 Pirrama Road, Pyrmont

A speaker raised concerns about the City's proposed controls for 48 Pirrama Road including impacts of the height increase given the site's harbour frontage and their conclusion that additional height in this location was inconsistent with the Place Strategy.

The City's proposal seeks to facilitate the following outcomes for the site:

- an extension to Metcalfe Park, with more trees;
- the creation of a public view corridor through the block to the water, looking north-east from John Street; and
- a critical mass of commercial office floor space close to the new Pyrmont Metro station.

These outcomes are not possible if 48 Pirrama Road is excluded from the planning proposal.

The City's proposal complies with the height objectives of the Place Strategy. The site is not close to or visible against the Pirrama Road sandstone escarpment and the proposed podium height matches heights established by the Star. Full urban design analysis for the site is detailed on page 138 of Attachment A2 to the planning proposal.

"The Gateway", 1-27 Murray Street, Pyrmont

A speaker referenced the City's proposed controls for the block bound by Murray Street, Union Street, Edward Street and Pirrama Road and the proposed change of use for 1-27 Murray Street. The key concerns related to the impacts of a potential height increase, given the site's harbour frontage and that the change in land use would lead to displacement existing residents in 1-27 Murray Street.

The Gateway Building at 1-27 Murray Street, Pyrmont is a mixed-use residential development containing approximately 90 residential strata units and six commercial/retail units. A light rail station sits within the site. The site and the surrounding block was identified as capable of change under the NSW Government's Place Strategy.

The City's proposed changes to planning controls seek to facilitate the following outcomes for the site and block:

- better pedestrian access to the existing light rail station;
- better pedestrian access north-south across the block, over the existing light rail line, linking the future metro station to the foreshore and surrounding areas;
- a larger area of publicly accessible open space, with more trees and better solar access;
- the creation of a public view corridor through the block to the water, looking north from Harwood Street; and
- a critical mass of commercial office floor space close to the new Pymont Metro station.

These outcomes are not fully realised if 1-27 Murray Street is excluded from the proposal.

The Strata committee of this building have been advised of the strategic planning process, and importantly that any redevelopment of the site will need to be initiated by the building's owners. The owners are not compelled to develop by the planning framework.

The City's proposal for the site complies with the Place Strategy which set a height limit of RL90m for the block. The City's proposal minimises overshadowing to existing residential apartments and dwellings and is set back from the group of heritage buildings on the corner of Union and Murray streets. The building therefore steps down towards Union Street from Pirrama Road and not the other way around as described by the speaker. Full urban design analysis for the site and block is detailed on page 25 and 42 of Attachment A2 to the planning proposal.

Local development contributions and community facilities

The draft Ultimo Pymont Local Infrastructure Contributions Plan 2023 seeks to recoup development contributions for two of the 13 works items in the Plan's schedule of works.

One of these items is the upgrade of Pymont Community Centre, where construction work is currently underway. The upgrade to the Pymont Community Centre will help meet the community infrastructure need of the growing Pymont population and it is therefore appropriate to fund under the Contributions Plan. The other recoupment item is the Forest Lodge to City South Bike Network Link.

Within contributions plans, councils prioritise the delivery of works items in recognition that contributions funding is not readily available as soon as a contributions plan comes into force. Rather, it takes time for new development to be planned, approved and ready for construction. It is only at the construction stage that contributions become payable. Councils also prioritise contributions funding according to where infrastructure projects are up to in the terms of planning under the City's long term capital works program.

The estimated time frames for infrastructure listed in the Ultimo Pymont schedule of works are a realistic response based on where projects are up to in their planning phase and when contributions funding may become available.

The Pymont Community Centre upgrade will be delivered in 2024 and will support future population increases as well as the existing community. It is reasonable to prioritise the recoupment of the costs of delivering this infrastructure. The proposed upgrade works to both the Ultimo Community Centre and the Maybanke recreation facility are on longer time frames for delivery based on where they are up to in terms of planning and also because contributions funding will take time to become available.

Western Distributor Network Improvements project

A speaker raised Transport for NSW's Western Distributor Network Improvements project including the additional traffic it will produce and the flow on impact it will have in relation to accessing properties.

The City's has raised its concerns with this project to Transport for NSW on numerous occasions including [a submission in October 2022](#). In response to the Western Distributor Network Improvements project the City has reduced the total number of dwellings that can be delivered on Harris Street sites to ensure noise impacts are addressed for residential uses.

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Approved



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