

**Item 6.****Development Application: 265-273 George Street, Sydney - D/2024/367**

File No.: D/2024/367

**Summary**

<b>Date of Submission:</b>	15 May 2024, amended on 25 September, 11, 24 and 29 October 2024
<b>Applicant:</b>	The Trustee for 60 Margaret Street Sydney Property Trust No. 1
<b>Developer:</b>	Ashe Morgan
<b>Owner:</b>	60 Margaret Street Sydney Property No. 1 Pty Ltd 60 Margaret Street Sydney Property No. 2 Pty Ltd
<b>Architect:</b>	Grimshaw
<b>Planning Consultant:</b>	Ethos Urban
<b>DAP:</b>	1 August 2024
<b>Cost of Works:</b>	\$74,967,889.00
<b>Zoning:</b>	The site is zoned SP5 Metropolitan Centre under the Sydney Local Environmental Plan 2012. The proposed development maintains the existing use of the site, which is defined as a 'mixed-use development', comprising business premises, retail premises, food and drink premises, and indoor recreation facilities (gym), all of which are permissible with consent.
<b>Proposal Summary:</b>	Development consent is sought for the demolition and construction of a new podium, reconfiguration of the existing plaza on Margaret Street, alterations to level 3 (basement) loading and end of trip facilities, and the provisions of new awnings. The new podium will accommodate retail tenancies, food and drink premises, office tenancies and a gym.

The application is referred to the Central Sydney Planning Committee (CSPC) for determination as the proposed development is defined as a "major development" for the purposes of the City of Sydney Act 1988.

The application is not required to undergo a competitive design process in accordance with clause 6.21D of the Sydney Local Environmental Plan 2012. Notwithstanding, the proposal has been reviewed by the City's Design Advisory Panel, and subsequently amended to incorporate the necessary design refinements to positively address the panel's comments.

The application has also been amended, and additional information submitted, to address issues identified by City staff during assessment. The key issues relate to:

- design amendments to better respond to the datum height of the former Telford Trust Building (261 George Street); and the more solid facade in the immediate surrounds;
- modifications to increase the provision of on-site loading and servicing facilities and end of trip facilities; and
- additional information to demonstrate acceptable external passive shading, stormwater management, and traffic management.

The application was notified and advertised for a period of 28 days between 16 May and 14 June 2024. One (1) submission was received, which requests conditions be imposed to manage construction-related impacts to neighbouring properties. The issues raised in the submission are addressed in the report and appropriate conditions of consent are recommended in Attachment A to address these issues.

As a result of the site area and the scope of works, the proposal triggers the following requirements of the Sydney Local Environmental Plan 2012:

- the preparation of the site-specific development control plan (or Stage 1 DA) under the provisions of Clause 7.20; and
- that a competitive design process be undertaken pursuant to Clause 6.21D.

It is recommended that the consent authority consider both these requirements to be unreasonable and unnecessary in this instance as the scope of works is limited to alterations and additions to the basement and podium of the existing tower building. The works themselves are not of a scale that would trigger a competitive design process on their own. The technical trigger is that the works are on a 1500 sqm site associated with an existing tower over 55m. Waiver for podium upgrades has been granted in previous circumstances. It is considered that the undertaking of both a site-specific DCP (exploration of built form options) and competitive design process (for major buildings) would have limited or no value on this site due to the scope of works, the existing built form and the quality of the design.

Subject to conditions, the proposal is generally compliant with the relevant planning provisions contained in the Sydney Local Environmental Plan 2012 and the Sydney Development Control Plan 2012. Any non-compliances have been assessed as having merit in the context of the site and are addressed in this report.

The proposed development is considered to exhibit a high standard of architectural design, materials and detailing. The proposed development presents a high-quality outcome, comprises an appropriate response to the site conditions and locality and will result in a podium that better respond to the desired future character of the area.

**Summary Recommendation:** The development application is recommended for approval, subject to conditions.

- Development Controls:**
- (i) Environmental Planning and Assessment Act 1979 and Environmental Planning and Assessment Regulation 2021
  - (ii) City of Sydney Act 1988 and City of Sydney Regulation 2016
  - (iii) SEPP (Transport and Infrastructure) 2021
  - (iv) SEPP (Biodiversity and Conservation) 2021
  - (v) SEPP (Sustainable Buildings) 2022
  - (vi) Sydney Local Environmental Plan 2012
  - (vii) Sydney Development Control Plan 2012
  - (viii) Sydney Landscape Code 2016 - Volume 2
  - (ix) City of Sydney Guidelines for Waste Management in New Developments
  - (x) City of Sydney Guidelines for Public Art in Private Developments 2006
  - (xi) Central Sydney Development Contribution Plan 2020
  - (xii) City of Sydney Affordable Housing Program 2023
  - (xiii) City of Sydney Community Engagement Strategy and Community Participation Plan 2023

- Attachments:**
- A. Recommended Conditions of Consent
  - B. Selected Drawings
  - C. Submission

## Recommendation

It is resolved that:

- (A) the requirement under clause 7.20(3) of the Sydney Local Environmental Plan 2012 requiring the preparation of a development control plan is unreasonable and unnecessary in the circumstances;
- (B) the requirement under clause 6.21D(2) of the Sydney Local Environmental Plan 2012 requiring a competitive design process is unreasonable and unnecessary in the circumstances; and
- (C) consent be granted to Development Application D/2024/367 subject to the conditions set out in Attachment A to the subject report.

## Reasons for Recommendation

The application is recommended for approval for the following reasons:

- (A) The proposed development satisfies the objectives of the Environmental Planning and Assessment Act 1979, in that, subject to the imposition of conditions as recommended, it achieves the objectives of the planning controls for the site for the reasons outlined in the report to the Central Sydney Planning Committee.
- (B) The proposed development generally satisfies the objectives and provisions of the Sydney Local Environmental Plan 2012 and the Sydney Development Control Plan 2012.
- (C) The proposal complies with the maximum floor space ratio development standard in Clauses 4.4, 6.4, 6.6 and 6.9 of the Sydney Local Environmental Plan 2012, and an appropriate condition is recommended to require the allocation of heritage floor space in accordance with Clause 6.11 of the Sydney Local Environmental Plan 2012.
- (D) The proposed development complies with the maximum height of building development standard and the Wynyard Park sun access plane in accordance with Clauses 4.3 and 6.17 of the Sydney Local Environmental Plan 2012.
- (E) The architectural design, facade articulation, and materiality of the proposal combine to achieve a high-quality design outcome to satisfy the relevant provisions and matters for consideration in Clause 6.21C of the Sydney Local Environmental Plan 2012.
- (F) The proposed development has a height, scale and form suitable for the site and its context, and subject to conditions, satisfactorily respond to the heights and setbacks of neighbouring developments, is appropriate in the streetscape context and setting of the broader locality.
- (G) Subject to the recommended conditions of consent, the proposed development achieves acceptable amenity for the existing and future occupants of the subject and adjoining sites.

- (H) The public interest is served by the approval of the proposed development subject to recommended conditions imposed relating to the appropriate management of associated potential environmental impacts.

## Background

### The Site and Surrounding Development

1. The site has a legal description of Lot 100 DP597228, and has a street address of 265-273 George Street, Sydney. The site is irregular in shape with area of approximately 4,464m<sup>2</sup>. It has a street frontage to Jamison Street to the north, George Street to the east, and Margaret Street to the south.
2. The site contains a 36 storey development comprising a triangular tower, a 3 storey podium, and 3 levels of basement. The podium is commonly referred to as the 'MetCentre', and can be accessed from all three frontages. The main lobby for the commercial tower is located on Margaret Street; while vehicular access to the basement is located on Jamison Street.
3. The site also contains a private plaza in the southwestern corner and a through-site link connecting Margaret Street and Jamison Street along the western edge of the tower. The existing building onsite is connected to the Wynyard train station by a tunnel that runs under Margaret Street, and the site is approximately 80m south of the Bridge Street light rail stop.
4. The existing triangular tower was designed as a response to the T-shape of the site, and the podium originally designed as an elevated 3-storey banking chamber accessed via escalators at the corner of George Street and Margaret Street (Figure 8). The podium, however, has been substantially altered over time, resulting in irregular street setbacks and various steps and terraces along Margaret Street.
5. The surrounding area is characterised by a mixture of land uses, primarily being commercial in nature, including to the:
  - (a) north, at 255 and 259 George Street, two commercial towers with a shared retail plaza on the ground floor;
  - (b) northeast, at 263 George Street, a 4-storey commercial building with ground floor retail, and at 261 George Street, a heritage-listed 9-storey former Telford Trust Building;
  - (c) northwest, at 11-19 Jamison Street, is a 36-storey hotel;
  - (d) east, the heritage-listed Australia Square, with its forecourt and its circular tower recessed from George Street;
  - (e) south, at 275 George Street is a 15-storey commercial development with ground floor retail, and the heritage-listed 'Shell House' building at 2 Carrington Street; and,
  - (f) southwest, is the heritage-listed Wynyard Park, which is an important public space and a major public transport node.
6. The site itself is not a heritage item, nor located within a heritage conservation area. It is, however, located within the Wynyard Park/Lang Park special character area. As demonstrated by a site-specific flood report, the site is not affected by flooding.
7. A site visit was carried out on 17 July 2024. Photos of the site and surrounds are provided below:

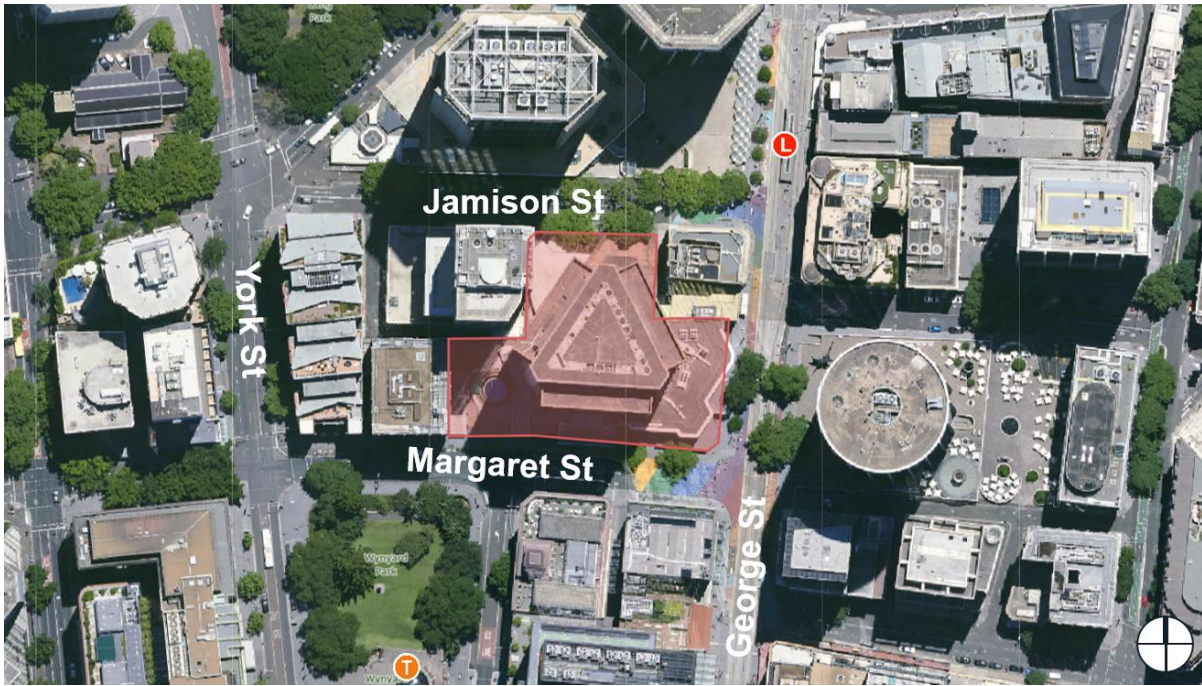


Figure 1: Aerial view of site and surrounds

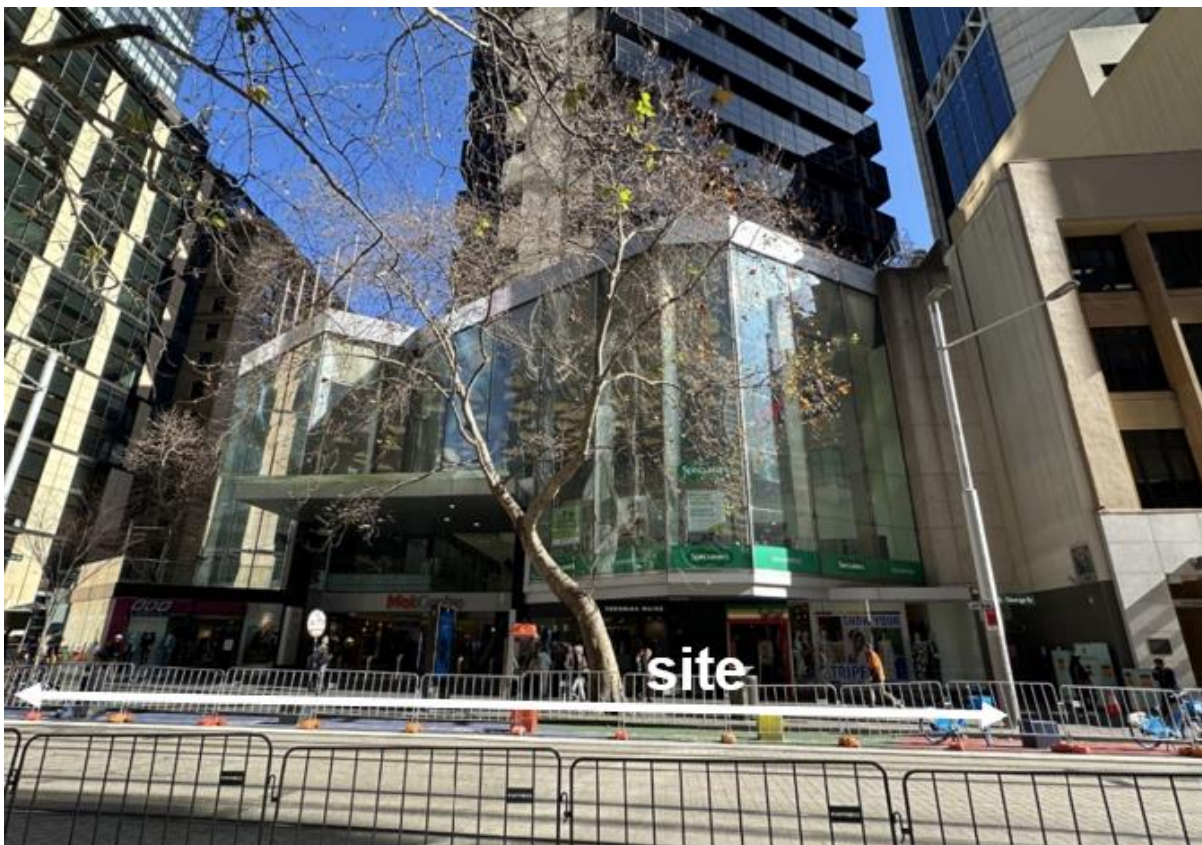


Figure 2: Site viewed from George Street





Figure 3: Site viewed from Margaret Street



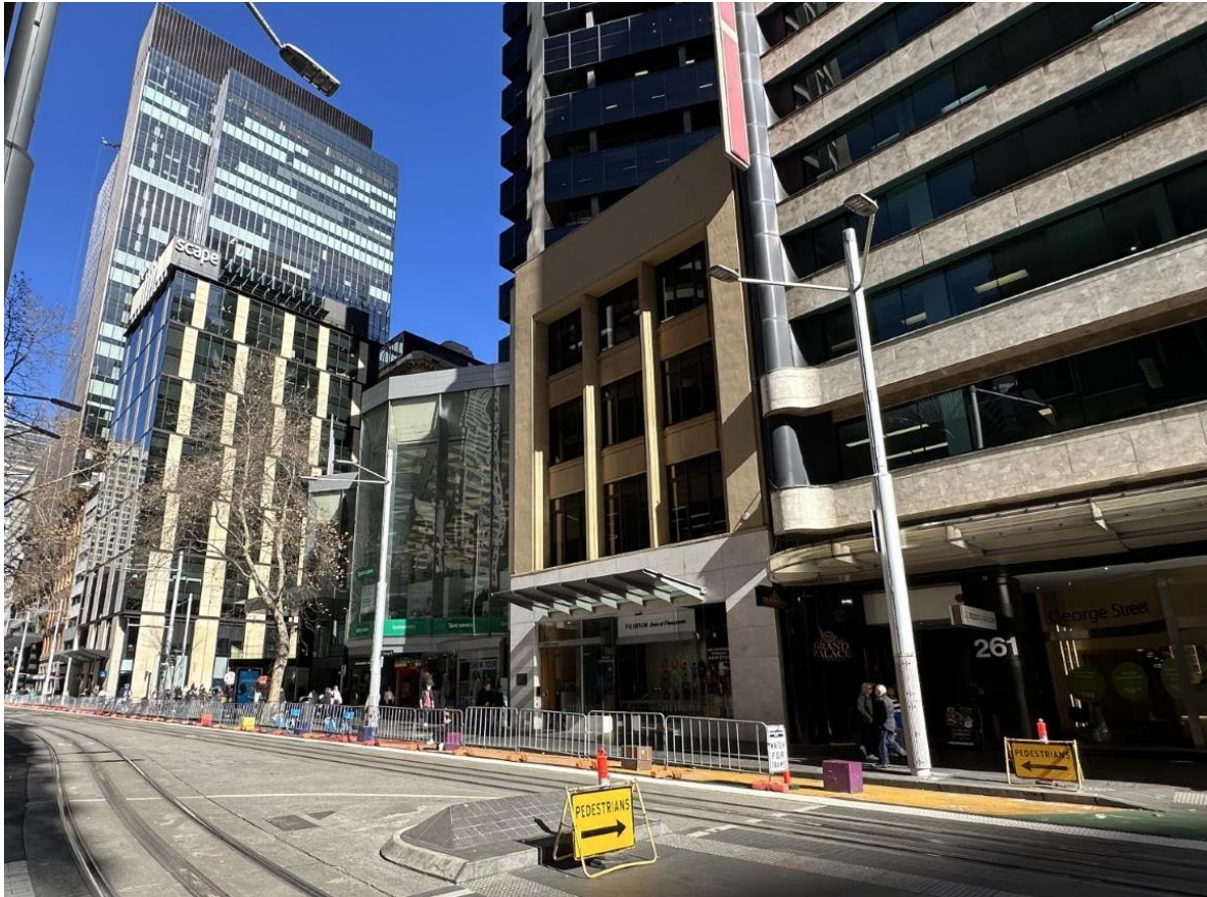
Figure 4: Site viewed from Margaret Street



Figure 5: Existing plaza viewed from Margaret Street



Figure 6: Site viewed from Jamison Street



**Figure 7:** Site viewed from George Street, and neighbouring properties



**Figure 8:** The original podium shortly after its completion in circa 1980

## History Relevant to the Development Application

### Development Applications

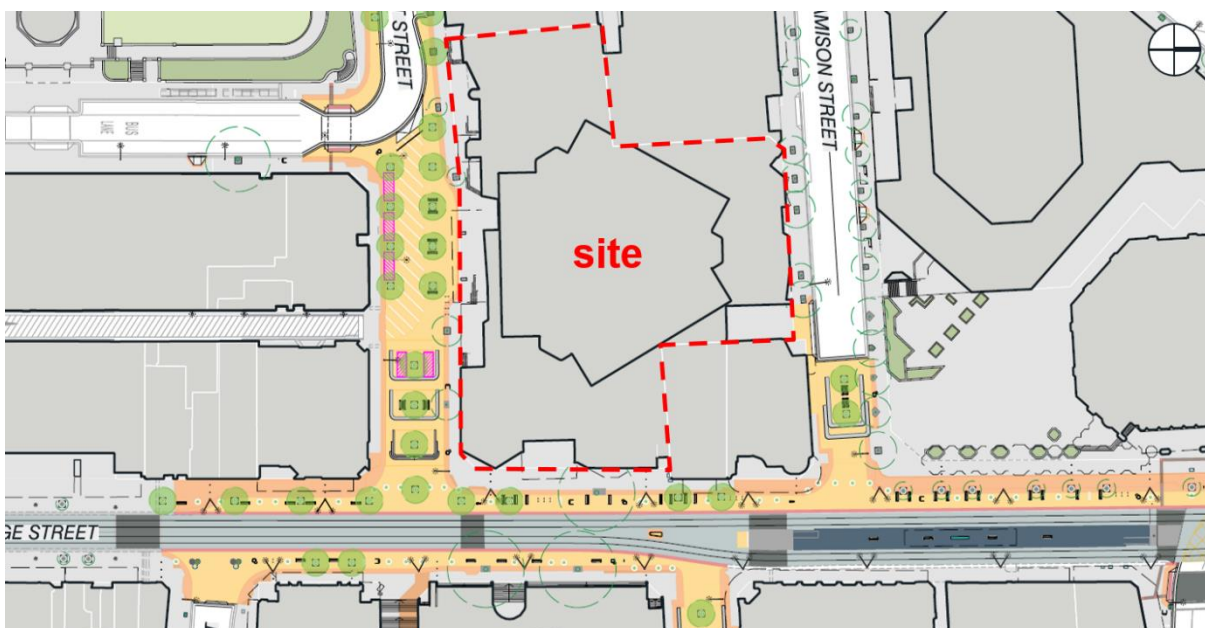
8. The following applications are relevant to the current proposal:

- **D/2017/1068** – Development consent was granted on 12 September 2017 for demolition of existing shower areas and store room, removal of 11 car parking spaces and relocation of 2 car spaces; and construction of new end of journey facilities on level 3 (basement).

A restriction of title has been registered on 23 May 2018 to limit the use of the end of journey facilities as such facilities benefit from the end of journey floor space under clause 6.6 of the Sydney LEP 2012.

### George Street North Pedestrianisation

9. The George Street North Pedestrianisation project was approved by the Council on 12 December 2022 to extend the George Street pedestrian boulevard between Hunter Street and Alfred Street. The project includes, as relevant to the subject application, footpath widening, traffic changes, permanent road closure of Margaret Street and Jamison Street, and the creation of a shared zone on Margaret Street (Figure 9).
10. As part of the George Street North Pedestrianisation project, additional drainage, including the need for an underground onsite detention tank underground in Margaret Street public domain is currently being explored. The project is being designed to ensure no adverse impacts to properties downstream, including the property frontage of the subject site and Sydney Light Rail.
11. The proposed development has been coordinated with the design of the George Street North Pedestrianisation project, and the applicant has been liaising with the City's Construction Regulation Unit to coordinate the delivery of the proposed development concurrently with the George Street North Pedestrianisation project.



**Figure 9:** Planned public domain upgrades on Margaret Street, George Street, and Jamison Street

## Amendments

12. Following an assessment of the proposed development by City staff, a request for additional information and amendments was sent to the applicant on 22 August 2024. The following were requested:
  - (a) amend the design of the Margaret Street and George Street corner to better respond to the street wall height of the former Telford Trust Building at 261 George Street, and to provide greater solidity to the podium facade to better respond to the more solid street walls in the immediate surrounds;
  - (b) additional details to demonstrate the efficacy of the proposed horizontal shading to the Jamison Street elevation;
  - (c) evidence of consultation with the original architect to address the moral rights provisions of the NSW Architects Code of Professional Conduct;
  - (d) additional loading and servicing facilities and end of trip facilities to support the proposed additional retail and commercial floor space;
  - (e) updated waste management plan; public art plan, wind assessment report, and floor space calculations to support any amended design; and
  - (f) updated stormwater concept plan and water sensitive urban design assessment.
13. The applicant responded to the request on 25 September, 11, 24 and 29 October 2024, and submitted the requested information.

## Proposed Development

14. The application, as amended, seeks consent for the following:
  - demolition and construction of a new 5-7 storey podium, with a sandstone 'base' and a uniform parapet height across all frontages
  - reconfiguration of the plaza, including new access ramp, stairs, and food and drink tenancies
  - provision of new awnings along George Street, and at the entrances on Margaret Street and Jamison Street
  - reconfiguration of existing retail and food court tenancies on levels 4 and 5 and the gym on levels 6 and 7
  - provision of new office tenancies within the upper levels of the podium
  - alterations to level 3 (basement) to provide 2 additional loading bays, and modify the existing end of trip facilities to include additional bicycle parking spaces, showers, and lockers.

15. Selected drawings of the proposed development are provided below.



Figure 10: Proposed level 3 (basement) plan



Figure 11: Proposed level 4 plan



Figure 12: Proposed level 5 plan



Figure 13: Proposed level 6 plan



Figure 14: Proposed level 7 plan



Figure 15: Proposed level 8 plan



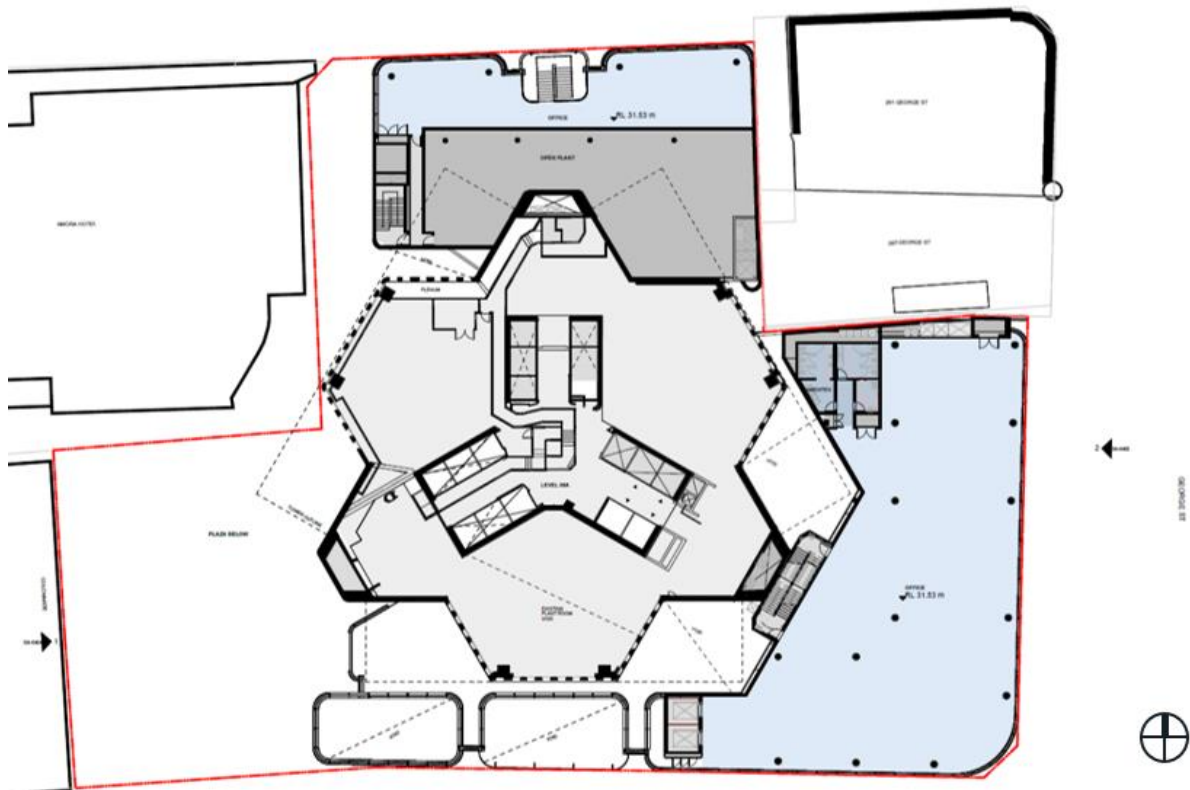


Figure 16: Proposed level 8A plan

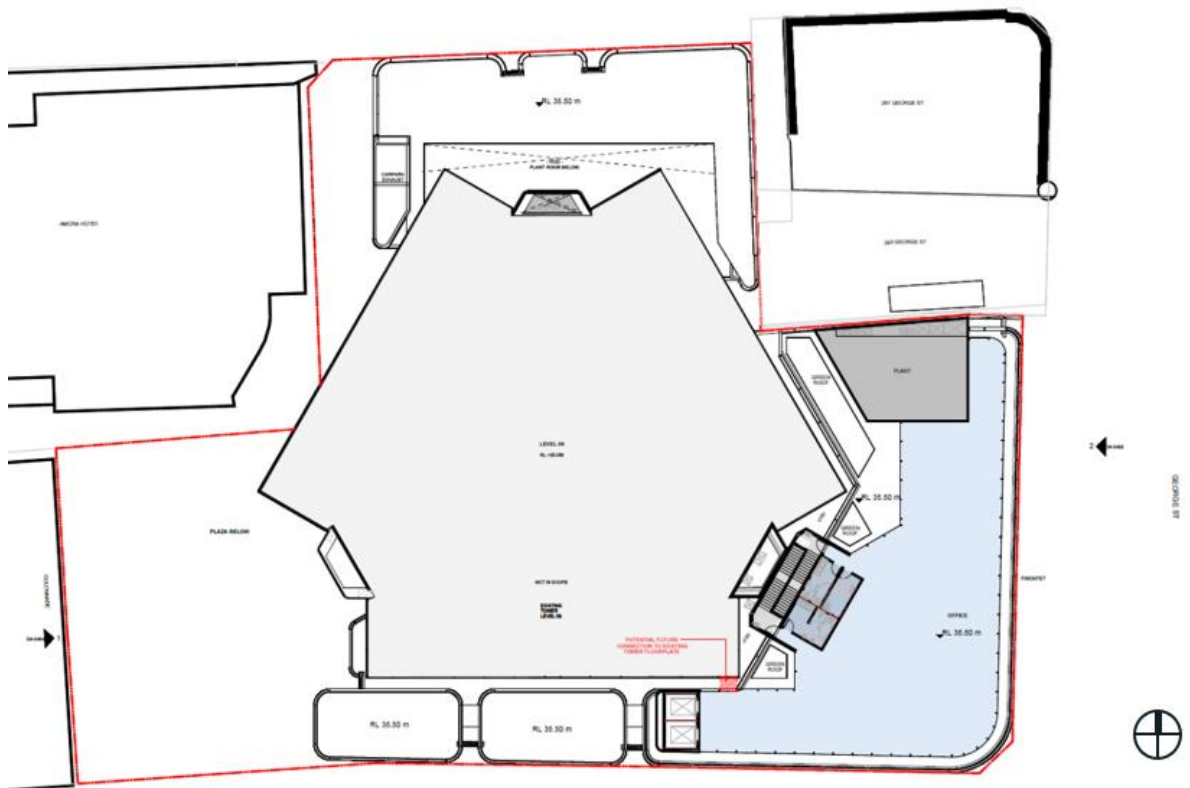


Figure 17: Proposed level 9 plan

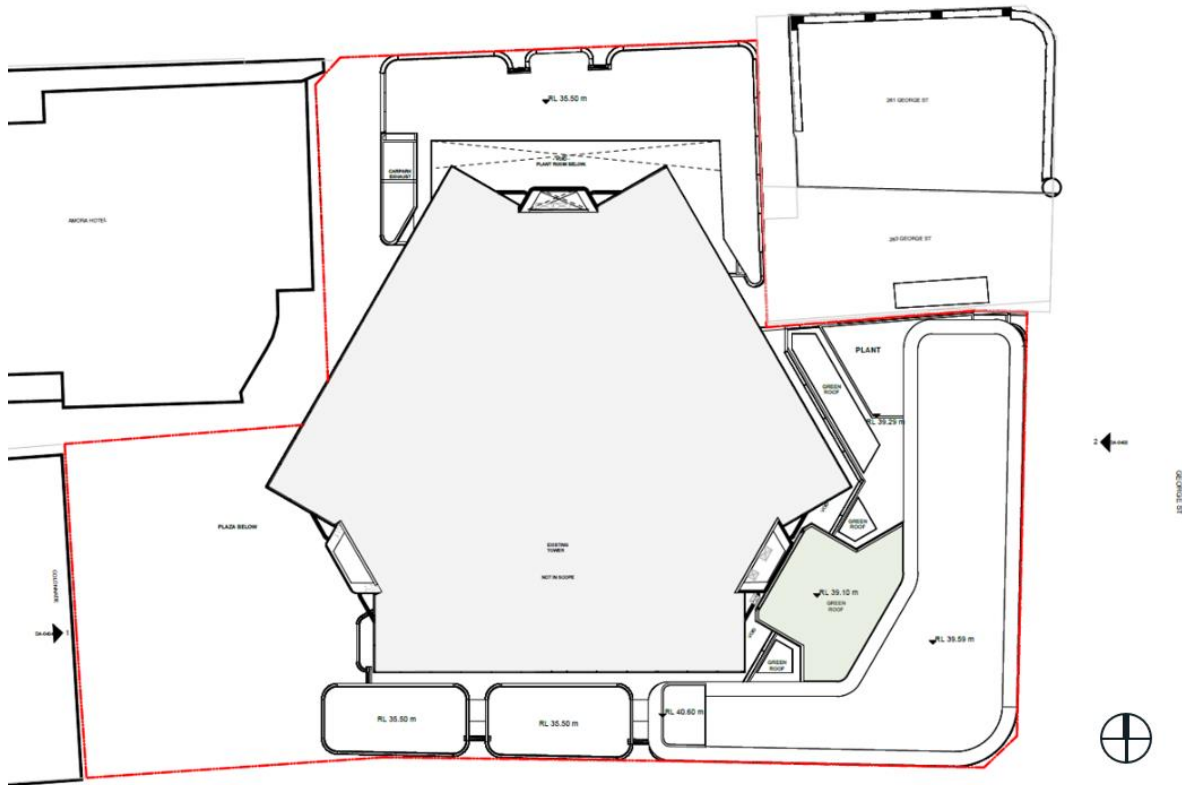


Figure 18: Proposed roof plan



Figure 19: Proposed east elevation - George Street



Figure 20: Proposed south elevation - Margaret Street



Figure 21: Proposed north elevation - Jamison Street

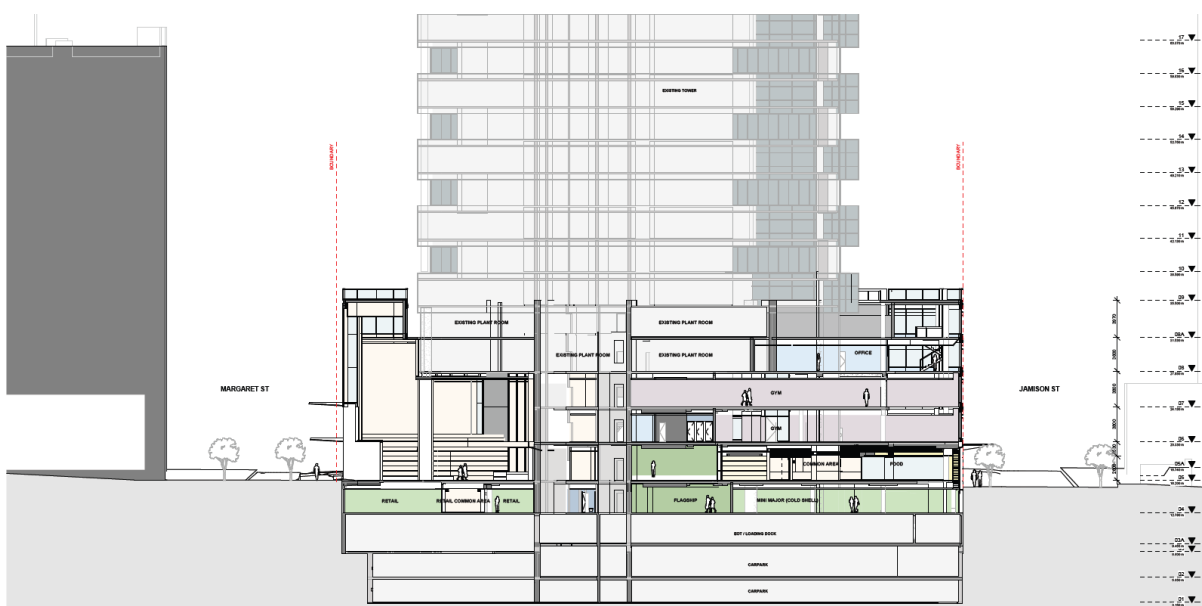


Figure 22: Proposed north-south section through the centre of the site



Figure 23: Proposed north-south section through the George Street podium

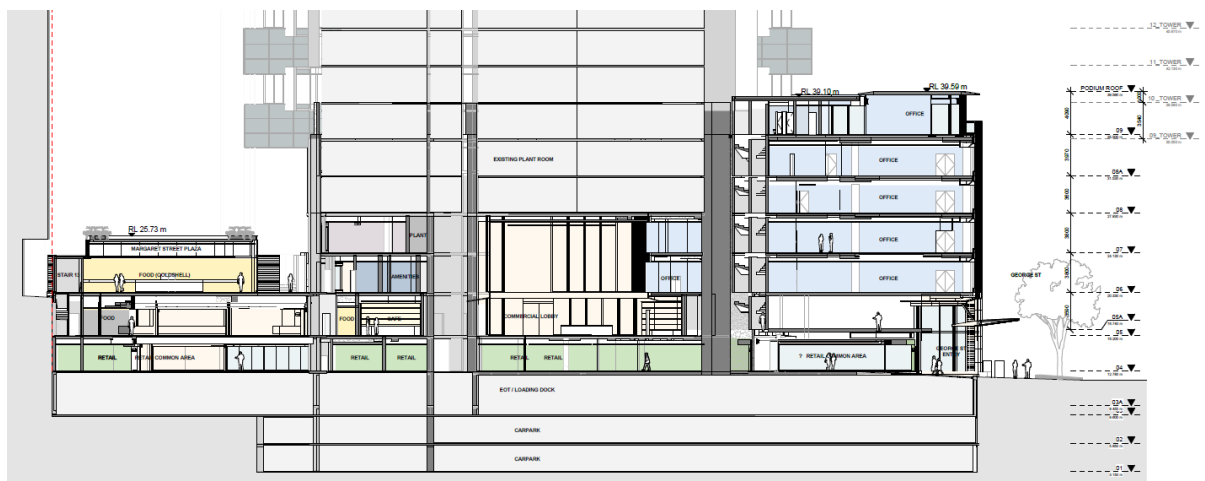


Figure 24: Proposed east-west long section

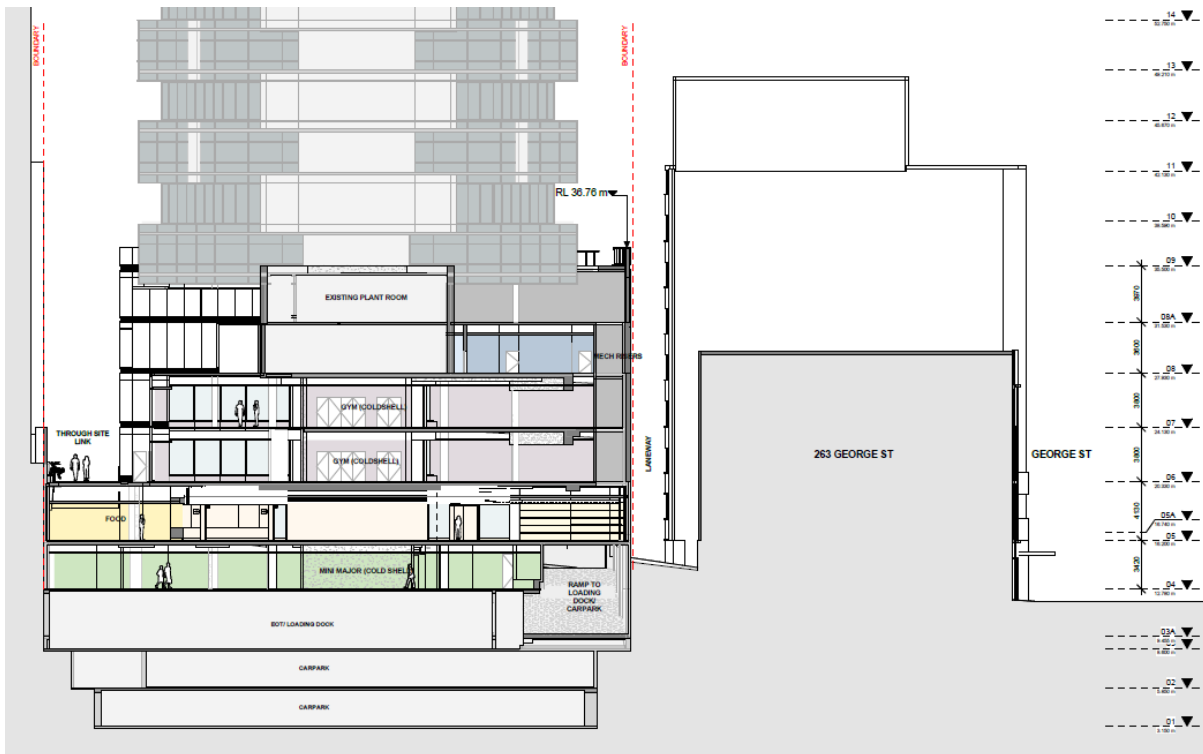


Figure 25: Proposed east-west section through the Jamison Street podium



Figure 26: Artistic impression - viewed from the corner of Margaret Street and George Street

## Assessment

16. The proposed development has been assessed under Section 4.15 of the Environmental Planning and Assessment Act 1979 (EP&A Act).

## State Environmental Planning Policies

### State Environmental Planning Policy (Sustainable Buildings) 2022

17. The proposed development is subject to Chapter 3 of the Sustainable Buildings SEPP as it is a non-residential development that involves the alterations of an existing building with an estimated development cost of more than \$10 million, and is defined as a 'large commercial development'.
18. Appropriate documentation has been submitted to adequately address the relevant considerations and to demonstrate that the proposed development can achieve the relevant energy and water use standards. Conditions of consent are recommended to ensure that the development achieves the required standards. Refer to the 'Discussion' section below for details.

### State Environmental Planning Policy (Transport and Infrastructure) 2021

#### *Clause 2.97 – Excavation in, above, below or adjacent to rail corridors*

19. The subject site is adjacent to the George Street light rail corridor. In accordance with section 2.97 of the Transport and Infrastructure SEPP, the subject DA was referred to Transport for NSW (TfNSW) for comment.
20. TfNSW provided comments on 5 August 2024 raising no objections to the proposed development subject to recommended conditions to protect light rail infrastructure and operation and to manage any likely traffic and pedestrian impacts.
21. The recommended conditions have been included in Attachment A.

#### *Clause 2.102 – Excavation in, above, below or adjacent to rail corridors*

22. The subject site is located within the Interim Metro Corridor. In accordance with section 2.102 of the Transport and Infrastructure SEPP, the subject DA was referred to Sydney Metro for comment.
23. Sydney Metro provided comments on 6 November 2024 raising no objections to the proposed development and recommending no conditions.

### Sydney Environmental Planning Policy (Biodiversity and Conservation) 2021 – Chapter 2 (Vegetation in Non Rural Areas) 2017

24. The proposal includes the clearing of vegetation in a non-rural area and is subject to Chapter 2 of the Biodiversity and Conservation SEPP, which states that the Council must not grant consent for the removal of vegetation within heritage sites or heritage conservation areas unless Council is satisfied that the activity is minor in nature and would not impact the heritage significance of the site.

25. The subject DA proposes to remove 1 existing street trees, being a London Plane on Margaret Street. The street tree is not within of the curtilage of a heritage item, separately identified as heritage items, or located within a heritage conservation area. Therefore, development consent can be granted for the removal of the street tree, and the proposed removal is considered acceptable as discussed under Section 3.5 of the DCP below.

**Sydney Environmental Planning Policy (Biodiversity and Conservation) 2021 – Chapter 10 Sydney Harbour Catchment**

26. The site is located within the designated hydrological catchment of Sydney Harbour and is subject to Chapter 10 of the Biodiversity and Conservation SEPP, which requires the Sydney Harbour Catchment Planning Principles to be considered in the carrying out of development within the catchment.
27. The site is within the Sydney Harbour Catchment and eventually drains into Sydney Harbour. However, the site is not located in the Foreshores Waterways Area or adjacent to a waterway and therefore, with the exception of the objective of improved water quality, the objectives of the SEPP are not applicable to the proposed development.

**Local Environmental Plans**

**Sydney Local Environmental Plan 2012**

28. An assessment of the proposed development against the relevant provisions of the Sydney Local Environmental Plan 2012 is provided in the following sections.

**Part 2 Permitted or prohibited development**

Provision	Compliance	Comment
2.3 Zone objectives and Land Use Table	Yes	The site is located in the SP5 Metropolitan Centre zone. The proposed development is defined as a mixed-use development, comprising office premises, retail premises, and indoor recreational facilities (gym), which are all permissible with consent in the zone. The proposed development is also consistent with the zone objectives.

**Part 4 Principal development standards**

Provision	Compliance	Comment
4.3 Height of buildings	Yes	A maximum building height of 30m-235m is permitted.  The proposed development will not alter the existing height of the tower, and the

Provision	Compliance	Comment
		new podium has a compliant maximum height of 27.51m.
4.4 Floor space ratio (FSR) 6.4 Accommodation floor space 6.6 End of journey floor space 6.9 Opportunity site floor space	Yes	<p>A maximum FSR of 13.6:1 (60,710.4m<sup>2</sup>) is permitted by the following:</p> <ul style="list-style-type: none"> <li>• base FSR of 8:1 under clause 4.4;</li> <li>• accommodation floor space of up to 4.5:1 under clause 6.4;</li> <li>• end of journey floor space of up to 0.3: 1 under clause 6.6; and</li> <li>• opportunity site floor space of up to 0.8:1 under clause 6.9.</li> </ul> <p>The site has an existing FSR of 12.14:1 (54,172m<sup>2</sup>), which include the gross floor area contributed by the 54 car parking spaces beyond the maximum 89 car parking spaces permitted under Part 7 Division 1 of this LEP; and the existing 404m<sup>2</sup> of end of journey floor space.</p> <p>The proposed development results in an increase of 5,404m<sup>2</sup> of additional floor space (including 5m<sup>2</sup> of additional end of journey floor space). Thus, a compliant FSR of 13.35:1 (59,576m<sup>2</sup>) is proposed.</p>

#### Part 5 Miscellaneous provisions

Provision	Compliance	Comment
5.10 Heritage conservation	Yes	<p>While the site is not a heritage item nor located within a heritage conservation area, it is located adjacent to several heritage items, including the former Telford Trust Building at 261 George Street to the northeast, Australia Square to the east, and 'Shell House' and Wynyard Park to the south.</p> <p>The proposed development is not considered to adversely affect the setting, aesthetic value, or heritage significance of the neighbouring heritage items, and is considered acceptable from a heritage perspective.</p>



Provision	Compliance	Comment
5.21 Flood planning	Yes	The subject site was initially identified to be affected by the Probable Maximum Flood. A site-specific flood assessment report has been submitted and reviewed by the City's Water Asset Unit, confirming that the proposed development is not flood affected, and therefore compliance with the City's Interim Floodplain Management Policy is not necessary.

#### Part 6 Local provisions – height and floor space

Provision	Compliance	Comment
6.6 End of journey floor space	Yes	The proposed development will increase the size of the existing end of journey facilities on level 3 (basement) from 404m <sup>2</sup> to 409m <sup>2</sup> . A condition is recommended in Attachment A to require the existing restrictive covenant on title to be modified/replaced to ensure the proposed larger end of journey facilities will be maintained for that use at all times, and excluded from the overall calculation of FSR.
6.9 Opportunity site floor space	Yes	The proposed development is eligible for up to 0.8:1 of 'opportunity site floor space' as it satisfies the requirements of: <ul style="list-style-type: none"> <li>• clause 6.9(2) as it involves the infilling of existing setback areas adjoining a public road, and the reconfiguration of access between the street and the existing building; and,</li> <li>• clause 6.9(3) as it improves the amenity of the area immediately around the site, improves weather protection to pedestrians with new awnings, improves the podium's built form response to neighbouring buildings; and together with the George Street North Pedestrianisation project, improves traffic safety and pedestrian movement around the site.</li> </ul>

Provision	Compliance	Comment
6.11 Allocation of heritage floor space (HFS)	Yes	<p>Subclause (1) states that HFS is required to be allocated to the site equal to 50% of the accommodation floor space and/or opportunity site floor space utilised.</p> <p>Subclause (2) allows the required HFS to be reduced by 250m<sup>2</sup>, considering the development maintains covered pedestrian routes connecting Margaret Street, George Street and Jamison Street.</p> <p>In accordance with subclause (3), the required HFS is calculated solely on the additional floor space created by the proposed development, being 5,399m<sup>2</sup> (utilising 2,032m<sup>2</sup> of accommodation floor space, and 3,367m<sup>2</sup> of opportunity site floor space). After applying a 250m<sup>2</sup> reduction under subclause (2), a total of 2,449.5m<sup>2</sup> of HFS is required and a condition is included in Attachment A to require the HFS to be purchased and allocated.</p> <p><i>Note: The 409m<sup>2</sup> of end of journey floor space allowable under clause 6.6 have been excluded in the above calculations.</i></p>
6.17 Sun access planes	Yes	The proposed development only affects the podium component of the existing building. It does not alter the existing tower. It complies with the sun access plane for Wynyard Park.
6.21C Design excellence	Yes	The proposed development is underpinned by sound design principles to deliver a new podium that harmonises the various elevations and diverse site conditions between the site and its surrounds, including the use of a sandstone 'base' and a consistent podium height as two unifying height datums. The proposed development also adopts a strong horizontal emphasis as a contextual response to the heritage-listed former Telford Trust Building and the existing tower. The proposed development has also been amended to positively address the

Provision	Compliance	Comment
		<p>recommendations provided by City's Design Advisory Panel, as detailed in the 'Discussion' section below.</p> <p>The amended proposal is considered to be of a high standard and uses materials and detailing which are both compatible with the existing developments along the street and will contribute positively to the character of the area. It achieves the principle of ecologically sustainable development and has an acceptable environmental impact with regard to the amenity of the surrounding area and future occupants.</p> <p>The proposed development is therefore considered to exhibit design excellence.</p>
6.21D Competitive design process	Yes	<p>While the existing tower on site exceeds 55m in height, and that the entire site area is greater than 1,500m<sup>2</sup>, triggering the requirement of clause 7.20 for a site-specific development control plan, it is recommended that the requirement of undergoing a competitive design process be waived as it is unreasonable and unnecessary in this instances as detailed in the 'Discussion' section below.</p>

#### Part 7 Local provisions – general

Provision	Compliance	Comment
Division 1 Car parking ancillary to other development 7.1 Objectives and application of Division 7.6 Office premises and business premises 7.7 Retail Premises Other land uses	Yes	<p>A maximum of 89 parking spaces are permitted for the site.</p> <p>The applicant submits that the site currently accommodates 143 parking spaces, and while the proposed development results in additional retail and office floor space, no additional car parking spaces are proposed.</p> <p>In accordance with clause 7.1(3), no reduction in the number of car parking spaces is required for an existing building. As such, the pre-existing numerical exceedance is considered acceptable, but the additional car</p>

Provision	Compliance	Comment
		parking spaces would contribute to additional gross floor area, which have been included in the FSR assessment above.
7.13 Contribution of the purposes of affordable housing	Yes	The proposed development is subject to affordable housing contribution. See 'Financial contributions' section below.
7.14 Acid Sulfate Soils	Yes	The site is located on land with class 5 Acid Sulfate Soils. The application does not propose works requiring the preparation of an Acid Sulfate Soils Management Plan.
7.20 Development requiring or authorising preparation of a development control plan	Yes	This clause applies as the proposed development will increase the gross floor area of an existing building.  While the site area is greater than 1,500m <sup>2</sup> and the existing tower on site exceeds 55m in height, a development control plan is not required to be prepared in this instance as it would be unreasonable and unnecessary in this instances as detailed in the 'Discussion' section below.
7.33 Sustainability requirements for certain large commercial development	Yes	The development satisfies the requirements of the sustainability requirements for large commercial development. Refer to the 'Discussion' section below.

## Development Control Plans

### Sydney Development Control Plan 2012

29. An assessment of the proposed development against the relevant provisions within the Sydney Development Control Plan 2012 is provided in the following sections.

## Section 2 – Locality Statements

30. The site is located within the Wynyard Park/Lang Park Special Character Area. The proposed development is in keeping with the unique character and the design principles of the special character area in that:
- (a) it will uniform the street wall heights across the three street frontages, and improve the site's response to varying street wall heights along George Street; and
  - (b) it will not result in any additional impact on the mid-winter lunchtime sun access to Wynyard Park and Lang Park.

## Section 3 – General Provisions

Provision	Compliance	Comment
3.1 Public Domain Elements		
3.1.4 Public Open Space	Yes	The proposed development will preserve solar access to the Wynyard Park.
3.1.5 Public Art	Yes	A preliminary public art plan has been reviewed by the City's Public Art Unit and is considered acceptable. A condition is recommended requiring a detailed public art plan to be submitted for approval, and the installation of public art to the City's satisfactory.
3.1.6 Sites greater than 5,000m <sup>2</sup>	Yes	The proposed development will maintain the existing through-site link connecting Margaret Street and Jamison Street, and the reconfiguration of the plaza will activate the plaza and improve the legibility of the through-site link.
3.2.1 Improving the Public Domain 3.2.2 Addressing the street and public domain 3.2.3 Active frontage	Yes	The proposed development will preserve solar access to Wynyard Park while improving the site's address to Margaret Street, George Street and Jamison Street by reducing the extent of blank wall to Margaret Street; maximising entries and windows to shops, food and drink premises and lobbies, and improving the standard of finishes and architectural detail at street level.
3.2.7 Reflectivity	Yes	A Reflectivity Report has been submitted to demonstrate the proposed development can comply with the maximum light reflectivity of 20%, and verification prior to occupation is

Provision	Compliance	Comment
		required by a condition recommended in Attachment A.
3.2.8 External Lighting	Yes	A condition is recommended in Attachment A to require the lodgement of a separate application for any external floodlighting or illumination of the building or site landscaping.
3.3 Design Excellence and Competitive Design Processes	N/A	A competitive design process is not required for the proposed development as discussed against clause 6.21D of the LEP above.
3.5 Urban Ecology	Yes	<p>The proposed development includes the removal of 1 existing street tree, being a London Plane on Margaret Street. The London Plane is identified to have a poorly developed form, and that replacement street trees will be provided along Margaret Street as part of the George Street North Pedestrianisation. As such, its removal is considered acceptable.</p> <p>Appropriate conditions are recommended to require the retention and protection of other existing street trees adjoining the site during construction of the proposed development.</p>
3.6 Ecologically Sustainable Development	Yes	The proposal satisfies the relevant sustainability requirements. Please refer to the 'Discussion' section below.
3.7 Water and Flood Management	Yes	<p>A site-specific floor report has been submitted to confirm that the proposed development is not affected by flooding.</p> <p>Adequate information has also been submitted to demonstrate an acceptable stormwater management solution and the achievement of improved stormwater quality to reduce the effects of stormwater pollution on receiving waterways.</p>
3.9 Heritage	Yes	As discussed under Section 5.10 of the LEP above, the proposed development

Provision	Compliance	Comment
		is considered acceptable from a heritage perspective.
3.11 Transport and Parking	Acceptable	<p>The proposed development will expand the existing end of trip facilities on level 3 (basement) to provide 12 additional bicycle parking spaces, 10 lockers, and a shower. The increased provision of end of journey facilities is anticipated to meet both existing and projected growth in demand for such facilities.</p> <p>The proposed development will also provide 4 additional loading spaces on level 3. While the overall number of loading spaces provided would represent a shortfall compared to the number of loading spaces recommended by the DCP, a condition of consent is recommended in Attachment A to require the preparation of a management plan to maximise efficiency and to avoid impact on the surrounding road networks.</p>
3.12 Accessible Design	Yes	An accessibility report is submitted to confirm the proposed development is capable of complying with the accessibility requirements of the NCC and DDA standards.
3.13 Social and Environmental Responsibilities	Yes	The proposed development provides adequate passive surveillance and is generally designed in accordance with the CPTED principles.
3.14 Waste	Yes	A condition is recommended to ensure the proposed development complies with the relevant provisions of the City of Sydney Guidelines for Waste Management in New Development.
3.16 Signage and Advertising	N/A	No signage is included as part of this application. Notwithstanding, a condition of consent is recommended to require a signage strategy for the new podium in accordance with provision 3.16.1(1) as the new podium will contain more than 4 business premises.

## Section 4 – Development Types

### 4.2 Residential Flat, Commercial and Mixed-Use Developments

Provision	Compliance	Comment
4.2.1 Building height 4.2.1.2 Floor to ceiling heights and floor to floor heights	Yes	The proposed development maintains the existing floor-to-floor heights of the podium, including the 3.9m height on the ground floor and 3.59m height on the first floor. While these represents a variation to the recommended 4.5m and 3.6m floor to floor height, respectively, the proposed floor to floor heights are acceptable as the proposed development will allow high level of daylight access into the interiors and contribute to the flexible use of the podium.
4.2.4 Fine grain, architectural diversity and articulation	Yes	The proposed development has been designed to achieve fine-grain frontages on the ground levels, and an articulated upper storey facade that is appropriate in the context of the site.
4.2.6 Waste and recycling Management	Yes	A condition is recommended to ensure the proposed development complies with the relevant provisions of the City of Sydney Guidelines for Waste Management in New Development.

## Section 5 – Specific Areas

### Section 5.1 Central Sydney

Provision	Compliance	Comment
5.1.1.2 Street frontage height and street setbacks in Special Character Areas	Yes	The site is located within the Wynyard Park /Lang Park special character area. The proposed development realigns the podium with the street boundaries to better reinforce the street alignment and define of the street corner.  The proposed frontage heights are also compliant with the maximum frontage heights recommended for the site, and the inclusion of a rooftop pavilion at the corner of Margaret Street and George Street reflects the desired taller street wall height at that corner and along George Street.



Provision	Compliance	Comment
5.1.1.3 Side and rear setbacks and building form separations	N/A	The proposed development does not alter the siting of the existing triangular tower, which is designed to appear 'in the round' as desired by the relevant provisions.
5.1.3 Heritage items, warehouses and special character areas	Yes	The proposed development appropriately responds to the horizontal expression, splayed corner, and street wall height of the heritage-listed former Telford Trust Building at 261 George Street, bookending the street block when viewed along George Street while providing a more subservient height on Jamison Street when it is directly adjacent to the heritage building.
5.1.4 Building exteriors	Yes	<p>The proposed development will significantly reinforce the street alignment on all 3 street frontages. It also appropriately responds to the horizontal emphasis of the heritage-listed former Telford Trust Building, and the existing triangular tower.</p> <p>The proposed development provides a predominantly glazed facade similar to the original podium, but with an increased solidity and masonry character through the masonry spandrels in the upper levels and the use of sandstone at the street levels to establish a masonry 'base'.</p>
5.1.6 Heritage floor space	Yes	<p>The proposed development relies on additional floor space. Therefore, heritage floor space is required to be allocated to the site.</p> <p>Appropriate conditions are recommended in Attachment A.</p>
5.1.7 Sun protection of public parks and places	Yes	The proposed development will preserve solar access to Wynyard Park, compliant with the relevant sun access plane.
5.1.8 Views from public places	N/A	The subject site is not located within or near any of the views nominated on the Public Views Protection Maps.

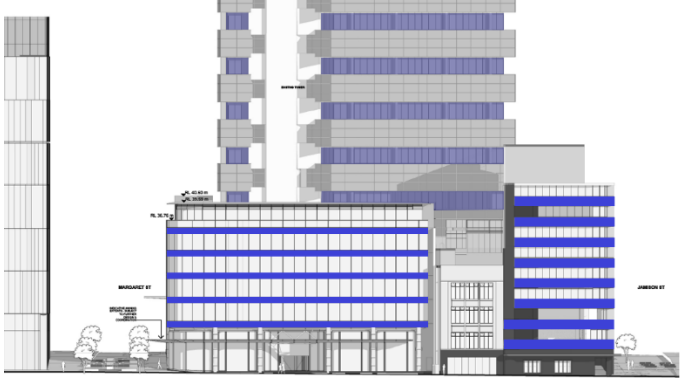
Provision	Compliance	Comment
5.1.9 Managing wind impacts	Yes	A wind report based on the amended proposed development has been submitted. The report demonstrates that the surrounding public domain would achieve at least the wind comfort standard for standing while the plaza on Margaret Street will achieve the wind comfort standard for sitting, which are considered appropriate. The report also demonstrates that plaza and the surrounding public domain will comply with the relevant wind safety standard.

**Discussion**

**Design Advisory Panel**

- 31. The proposed development was considered by the City's Design Advisory Panel on 1 August 2024.
- 32. The proposed development has been subsequently amended to positively address the Panel's recommendations as detailed in the table below.

Recommendations	Response
<p>More solidity in the proposed podium facade would reinforce the street wall and provide a better contextual response. Increasing the proportion of masonry (stone) in the podium facade would create a better contextual fit, which would also create opportunities for better integration with the existing tower, by referencing the tower's horizontal elements into the podium design for example.</p>	<p>The proposed development has been amended to increase the thickness of, and incorporate masonry elements into, the spandrels of the curtainwall facade to increase the solidity and masonry character of the facade.</p> <p>Consistent with the Panel's assessment, the curtainwall facade continues to have a strong horizontal emphasis as a contextual response to the heritage-listed former Telford Trust Building at 261 George Street and the existing triangular tower behind, as illustrated below:</p>

Recommendations	Response
	 <p><b>Figure 27:</b> Horizontal expression diagram</p>
<p>The proposed podium height does not align with the dominant street wall height set by the former Telford Trust Building at 261 George Street. It appears that the proposed podium height has been set to not obscure views from the tower behind. Nevertheless, it would be good to express the street wall in some way.</p>	<p>The podium height was proposed as a unifying datum for the site, and was indeed set originally to avoid obscuring views from the existing tower behind (Figures 28 and 29).</p> <p>The parapet height of the former Telford Trust Building is also some 5.8m above the proposed podium height. As such, it is difficult to fully express the parapet height of the former Telford Trust Building without compromising the integrity of the proposed podium design.</p> <p>Notwithstanding, a pavilion addition that is setback from the podium's curtainwall facade is added to express a taller height datum as a response to the parapet height of the former Telford Trust Building while preserving the proposed podium height and the unifying datum that is presents. This is considered to be a sensitive and acceptable response.</p>
<p>Wind safety and comfort in the plaza on Margaret Street should be improved from standing to sitting if possible.</p>	<p>A wind report has been submitted to confirm that the plaza on Margaret Street will achieve the wind comfort standard for sitting as recommended.</p>
<p>Any glazing on corners must be curved and not faceted.</p>	<p>The updated design report prepared by the project architect, Grimshaw, has confirmed the use of curved glass on corners.</p>

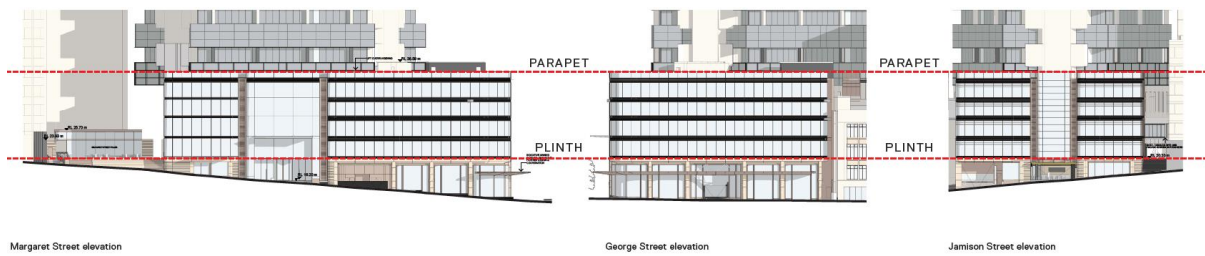


Figure 28: Unifying datum diagram of the original proposal

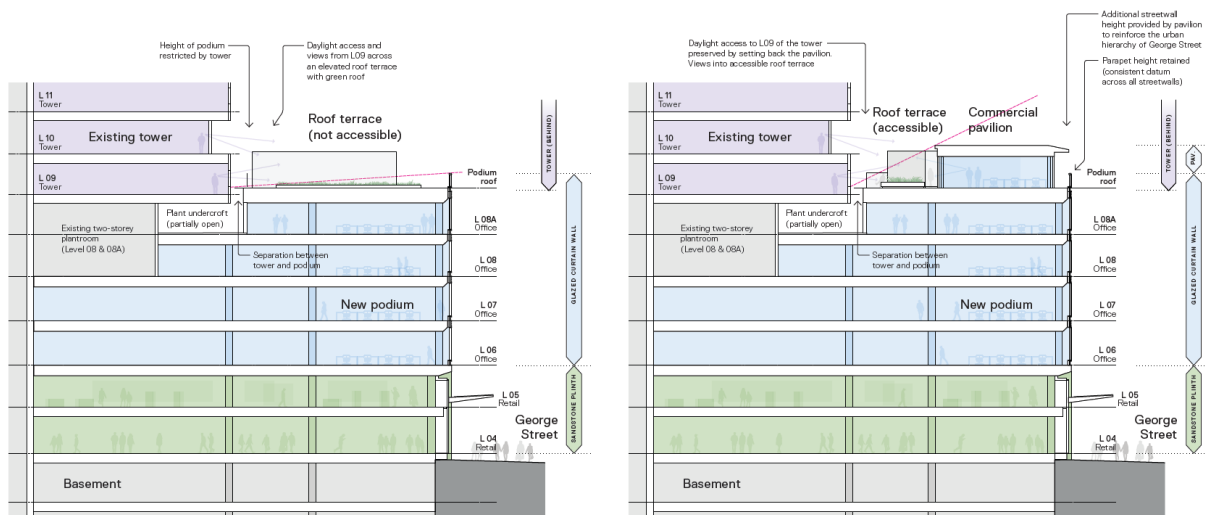


Figure 29: Diagrammatic section comparison of the George Street and Margaret Street podium design, original proposal on the left and amended proposal on the right

**Waiver of requirement to prepare a Development Control Plan and for a competitive design process**

- 33. As the site is located in Central Sydney, and has an area that exceeds 1,500m<sup>2</sup>, clause 7.20(2) and clause 6.21D(2) of Sydney LEP 2012 requires the preparation of a site-specific development control plan and the undertaking of a competitive design process, respectively.
- 34. As the proposed development is limited to alterations and additions to the existing building on site, the applicant has formally requested that the requirements of clauses 7.20 and 6.21D of Sydney LEP 2012 to be waived by the consent authority.
- 35. Under the provisions of clauses 7.20 and 6.21D of Sydney LEP 2012, the consent authority may waive the requirement to prepare a development control plan and undertaking a design competition where it is unreasonable or unnecessary in the circumstances or that the development:
  - (a) involves only alterations and additions to an existing building;
  - (b) does not significantly increase the height or gross floor area of the building;
  - (c) does not have significant adverse impacts on adjoining buildings or the public domain; and

- (d) does not significantly alter any aspect of the building when viewed from public places.
36. The request to waive the requirement for the preparation of a development control plan and a competitive design process is supported in this instance and it is considered that these provisions are unreasonable and unnecessary in the circumstances of the development. The scale of the proposal itself would not normally trigger these requirements - it is due to the association with the tower. The requirement to undertake the preparation of site-specific development control plan and a competitive design process are unreasonable and unnecessary as :
- (a) the subject application is limited to alterations and additions to the podium and level 3 (basement) of the existing building on site, with no works proposed to the existing tower, which represents the majority of the existing building;
  - (b) the proposed podium design has been referred to the original architect, being PTW, to address moral rights and to respect the original architecture and architectural concept;
  - (c) the proposed additions are marginal increases in height compared to the existing podium, and do not alter the existing height of the tower;
  - (d) the proposed additions (delivered as part of the new podium) will only result in the creation of an additional 5,404m<sup>2</sup> of gross floor area, being an increase of approximately 10%, which is not considered to be a significant increase and within the permitted FSR for the site;
  - (e) the proposed development is considered to enhance the public domain by reinforcing the street alignments, improving the activation of the site and its immediate surrounds, and improving the quality of the public plaza and the visibility of the existing through-site link; and the proposed development is not considered to result in adverse impacts to adjoining properties, thus, would not significantly benefit from a site-specific development control plan or a competitive design process; and,
  - (f) whilst the proposed development will be visible from public places, the proposed design is generally consistent with the key design intent of the original development, including the location of entrance points, and the interface with, and the view from, the public domain.
37. Based on the above and the individual circumstances of the proposed development, it is considered that the requirement to prepare a development control plan or undertake a competitive design process would be unreasonable and unnecessary. On this basis, it is recommended that these requirements of clauses 7.20 and 6.21D of Sydney LEP 2012 be waived.

## Sustainability

38. The proposed development is categorised as a 'large commercial development' as it involves alterations and additions to office/retail premises with an estimated cost of more than \$10 million. As such, it is subject to the sustainable buildings provisions of the Sustainable Buildings SEPP, Sydney LEP 2012, and Section 3.6.1 of the Sydney DCP 2012.

39. The submitted ESD Report and attached City of Sydney Design for Environmental Performance template adequately address the requirements of section 3.2(1) of the Sustainable Buildings SEPP by demonstrating that the proposed development:
- (a) will minimise waste from associated demolition and construction by retaining the existing tower and basements, and only replace the podium to improve the building's long-term resilience and adaptability; and the use of materials that are certified under a credible Environmental Certification and/or Environmental Product Disclosure scheme,
  - (b) will reduce peak electricity demand through the use of energy efficient technology,
  - (c) has been designed to reduce the reliance on artificial lighting and mechanical heating and cooling through passive design;
  - (d) will install sub-metering for primary heating and cooling facilities in accordance with Section J of the NCC, and energy meters will be interlinked by a communication system that collates the time-of-use data to a single interface monitoring system for further analysis and review; and
  - (e) will minimise of the consumption of potable water through sub-metering major water end-users and the use of a building management control system for water efficiency, and the installation of all water supply fixtures within 1 star of the highest WELS star rating commercially available.
40. A NABERS embodied energy form prepared by an appropriately qualified person as required by the regulations has also been submitted to adequately quantified the embodied emissions attributable to the development, satisfying section 3.2(2) of the Sustainable Buildings SEPP.
41. A net zero statement has been submitted to outline a strategy for the development to operate as fossil fuel-free by 2035, satisfying section 3.3(1) of the Sustainable Buildings SEPP.
42. In relation to water use standards, the submitted ESD Report establishes that the existing building achieves 4-star NABERS Water Raing, and that the proposed development will commit to attaining a minimum 3 star NABERS Water Rating as required by Section 3.3(2) of the Sustainable Buildings SEPP.
43. In relation to energy use standards, Section 3.3(4) of the Sustainable Buildings SEPP defers to clause 7.33 of the Sydney LEP 2012, which requires the proposed development to be designed to optimise energy efficiency and the use of renewable energy generated on-site; while Section 3.6.1 of Sydnye DCP 2012 establishes the requirements.
44. The ESD report stated that given the office floorspace within the podium accounts for approximately 10% of the overall net lettable office floorspace onsite, the proposed development cannot improve the overall development's current performance at 4.5 star to achieve the City's requirement for a 5.5-star NABERS energy commitment agreement + 25%. Instead, a 5-star NABERS energy commitment, along with the reduction of fossil fuel use on site, is proposed, which is consistent with the alternative pathway provided by section 3.6.1(8)(b) of Sydney DCP 2012, and is considered acceptable.

45. Conditions of consent are recommended to ensure that the proposed development will achieve the relevant water and energy use standards as outlined above.

## Consultation

### Internal Referrals

46. The application was discussed with the City's Design Advisory Panel; Heritage and Urban Design Unit; Access and Transport Unit; Traffic Operations Unit; Public Domain Unit; City Design; Construction Regulation Unit; Tree Management Unit; Environmental Health Unit; and Cleansing and Waste Unit.
47. Relevant referral comments have been included in the assessment above, and where appropriate, recommended conditions are included in Attachment A.

### External Referrals

#### Transport for NSW

48. Pursuant to Section 2.97 of the Transport and Infrastructure SEPP, the application was referred to TfNSW for comment. TfNSW has raised no objections to the proposed development, and recommended conditions are included in Attachment A.

#### Sydney Metro

49. Pursuant to Section 2.102 of the Transport and Infrastructure SEPP, the application was referred to Sydney Metro for comment. Sydney Metro has raised no objections to the proposed development and did not recommend any conditions.

### Advertising and Notification

50. In accordance with the City's Community Engagement Strategy and Community Participation Plan 2023, the proposed development was notified and advertised for a period of 28 days between 16 May and 14 June 2024. A total of 686 properties were notified and 1 submission was received.
51. The submission raised the following issues:
  - (a) **Issue:** Potential structural impacts on 50 Margaret Street should be considered, and a condition should be imposed to require a site-specific dilapidation report.  
**Response:** A condition is recommended in Attachment A requiring pre-construction dilapidation reports.
  - (b) **Issue:** Potential impacts on pedestrian traffic between 50 Margaret Street and George Street should be considered and appropriately managed.  
**Response:** The George Street North Pedestrianisation project is currently being delivered by the City to improve the pedestrian environment on Margaret Street. The proposed development has been coordinated with the design of the George Street North Pedestrianisation project, and the applicant has been liaising with

the City's Construction Regulation Unit to coordinate the delivery of the proposed development concurrently with the George Street North Pedestrianisation project to minimise the duration of impact on pedestrian traffic on Margaret Street. A condition is also recommended in Attachment A to require a construction pedestrian and traffic management plan to be prepared in consultation with the City and TfNSW.

- (c) **Issue:** Construction noise and disruptions on weekdays should be considered and appropriately managed.

**Response:** A condition is recommended in Attachment A requiring works to comply with the standard construction hours and noise criteria for the CBD.

## Financial Contributions

### Levy under Section 7.12 of the Environmental Planning and Assessment Regulation 2000

52. The cost of the development is greater than \$250,000. The development is therefore subject to a levy under the Central Sydney Development Contributions Plan 2020.
53. A condition relating to this levy has been included in the recommended conditions of consent. The condition requires the contribution to be paid prior to the issue of a construction certificate.

### Contribution under Section 7.13 of the Sydney Local Environmental Plan 2012

54. The site is located within the Central Sydney affordable housing contribution area. The proposed development involves the demolition of existing floor area and the subsequent creation of more than 100m<sup>2</sup> of gross floor area. Therefore, it is subject to affordable housing contribution pursuant to clause 7.13(1)(d)(ii) of the LEP.
55. The contribution amount payable is calculated based on the 'total floor area' of the proposed development. Total floor area calculation plans have been provided to identify the total floor area of 5160.8m<sup>2</sup> created by the proposed development, and the contribution amount is calculated at a rate of \$11,176.22 per square metre on 1% of that total floor area, totalling \$576,782.48.
56. Section 7.32 of the Act outlines that the consent authority may grant consent to a development application subject to a condition requiring dedication of part of the land for the purpose of providing affordable housing, or payment of a monetary contribution to be used for the purpose of providing affordable housing where the section of the Act applies. The Act applies with respect to a development application for consent to carry out development within an area if a State environmental planning policy identifies that there is a need for affordable housing within the area and:
- (a) the consent authority is satisfied that the proposed development will or is likely to reduce the availability of affordable housing within the area, or
  - (b) the consent authority is satisfied that the proposed development will create a need for affordable housing within the area, or
  - (c) the proposed development is allowed only because of the initial zoning of a site, or the rezoning of a site, or



- (d) the regulations provide for this section to apply to the application.
57. The proposal is consistent with the criteria under parts (a) and (b) above.
58. An affordable housing condition may be reasonably imposed under Section 7.32(3) of the Act subject to consideration of the following:
- (a) the condition complies with all relevant requirements made by a State environmental planning policy with respect to the imposition of conditions under this section, and
  - (b) the condition is authorised to be imposed by a local environmental plan, and is in accordance with a scheme for dedications or contributions set out in or adopted by such a plan, and
  - (c) the condition requires a reasonable dedication or contribution, having regard to the following -
    - (i) the extent of the need in the area for affordable housing,
    - (ii) the scale of the proposed development,
    - (iii) any other dedication or contribution required to be made by the applicant under this section or section 7.11.
59. Having regard to the provisions of Section 7.32 of the Act, the imposition of an affordable housing contribution is reasonable.
60. A condition is therefore recommended in Attachment A requiring the payment of an affordable housing contribution prior to the issue of any construction certificate.

### **Housing and Productivity Contribution**

61. The development is subject to a Housing and Productivity Contribution (Base component) under the Environmental Planning and Assessment (Housing and Productivity Contribution) Order 2023.
62. The site is located with the Greater Sydney region, the development is a type of commercial development to which the Housing and Productivity Contribution applies, and the development is not of a type that is exempt from paying a contribution.
63. A condition relating to the Housing and Productivity Contribution has been included in the recommended conditions of consent.

### **Relevant Legislation**

64. Environmental Planning and Assessment Act 1979.
65. City of Sydney Act 1988.

## Conclusion

66. The application for the demolition and construction of a new podium, reconfiguration of the existing plaza on Margaret Street, alterations to level 3 (basement) loading and end of trip facilities, and the provisions of new awnings has been assessed in accordance with the relevant planning controls.
67. The proposed development complies with the key development standards applicable to the site, including the maximum floor space ratio, and sun access to Wynyard Park, under Clauses 4.4, 6.4, 6.9 and 6.18 of Sydney Local Environmental Plan 2012.
68. The scale, form, articulation, materiality, and environmental performance of the proposal is consistent with the desired future character of the locality and exhibits design excellence to satisfy Clause 6.21C of Sydney Local Environmental Plan 2012.
69. The requirements for the preparation of a site-specific development control plan and for a competitive design process in accordance with Clauses 7.20 and 6.21D of Sydney Local Environmental Plan 2012 are recommended to be waived as the proposed development is limited to alterations and additions and these requirements would be unreasonable and unnecessary in this instance.
70. The proposed development is generally consistent with other applicable planning provisions, including the relevant State Environmental Planning Policies, Sydney Local Environmental Plan 2012 and the Sydney Development Control Plan 2012. Where non-compliances arise, they have either been considered as having merit in the circumstances of the site, or addressed by conditions recommended in Attachment A.
71. The proposed development will improve the retail floorspace currently provided onsite and increase the provision of office floorspace at a location that is highly accessible to existing and planned employment, services, public transport infrastructure, and community facilities.
72. The proposed development will not result in any unreasonable impacts on existing or likely future developments surrounding the site. Subject to the conditions recommended in Attachment A, the proposed development responds appropriately to the site's constraints and contributes positively to the existing and desired future character of the locality.
73. The proposed development is therefore in the public interest and is recommended for approval by the Central Sydney Planning Committee.

### **GRAHAM JAHN AM**

Chief Planner / Executive Director City Planning, Development and Transport

Bryan Li, Senior Planner