

Attachment A

**Planning Proposal – 232-240 Elizabeth Street,
Surry Hills**

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Executive summary

The City of Sydney (the City) has prepared this planning proposal for 232-240 Elizabeth Street, Surry Hills (the site) in response to a request from the applicant, Stasia Holdings Pty Ltd, for the City to prepare a planning proposal for the site.

The planning proposal will enable development on the site consistent with the objectives and priorities of the Greater Sydney Region Plan, Eastern City District Plan and the City's local strategic planning statement. This proposal seeks to increase the maximum building height and floor space ratio for the site to support future redevelopment delivering the following key benefits:

- The delivery of 6,339 square metres of new commercial office space in Surry Hills, helping to promote development, investment and business opportunities in centres supported by existing infrastructure;
- By delivering development and investment within the Innovation Corridor, City Fringe, Eastern Creative District and Camperdown-Ultimo Collaboration Area, an area identified as an existing employment cluster, this is supporting employment uses particularly in knowledge-intensive sectors such as health, education, creative industries, professional services and information media;
- Helping to enhance the amenity of Surry Hills through the provision of a new pedestrian through-site link connecting Foster Lane with Reservoir Street and facilitating ground floor activation along the Elizabeth Street, Reservoir Street and Foster Lane frontages.
- A building form that will minimise overshadowing to nearby residents, while forming a good contextual fit and consistent street wall with neighbouring buildings on Elizabeth Street.

The site

The site is 906 square metres in area with three street frontages, to Elizabeth Street along the western boundary, to Reservoir Street along the southern boundary, and to Foster Lane in the north-eastern corner. Existing development on the site consists of a series of two- and three-storey buildings featuring ground-floor retail tenancies and a hostel occupying the first and second floors, with an outdoor terrace and rear dock. The buildings were originally five separate terrace buildings but are now interconnected and have all been heavily altered since their construction. The site shares common boundaries with a nine-storey residential building to the north and a six-storey commercial building to the east.

Existing development controls

Under the existing LEP controls, the site is zoned MU1 Mixed Use permitting a broad range of uses including office, retail and residential. The site has a maximum floor space ratio of 5:1 and a maximum building height of 35m.

The planning proposal – Sydney Local Environmental Plan 2012 controls

The City has prepared this planning proposal following a detailed review of the proponent's planning proposal request and accompanying documentation.

This planning proposal seeks to insert a new site-specific clause in Division 5 of the LEP to:

- Increase the maximum building height from 35m to RL 50.33 metres (39.3m)
- Increase the maximum floor space ratio from 5:1 to 7.3:1 inclusive of design excellence and end of journey floor space

- Prevent development consent being granted under this clause unless the consent authority was satisfied that the resulting building would not be used for the purpose of residential accommodation or serviced apartments.

Draft site-specific Development Controls Plan

The City has prepared a draft site-specific amendment to the Sydney Development Control Plan 2012 (draft DCP) to help ensure the objectives and intended outcomes of this planning proposal are achieved. The draft DCP includes controls relating to the built form of the proposed development, active frontages and public domain, provision of a pedestrian through-site link connecting with Foster Lane, and amenity. The City intends to publicly exhibit the draft DCP with this planning proposal.

This planning proposal has been amended, new text is shown in bold italics and deleted text is shown as ~~bold strikethrough~~.

1. Site identification

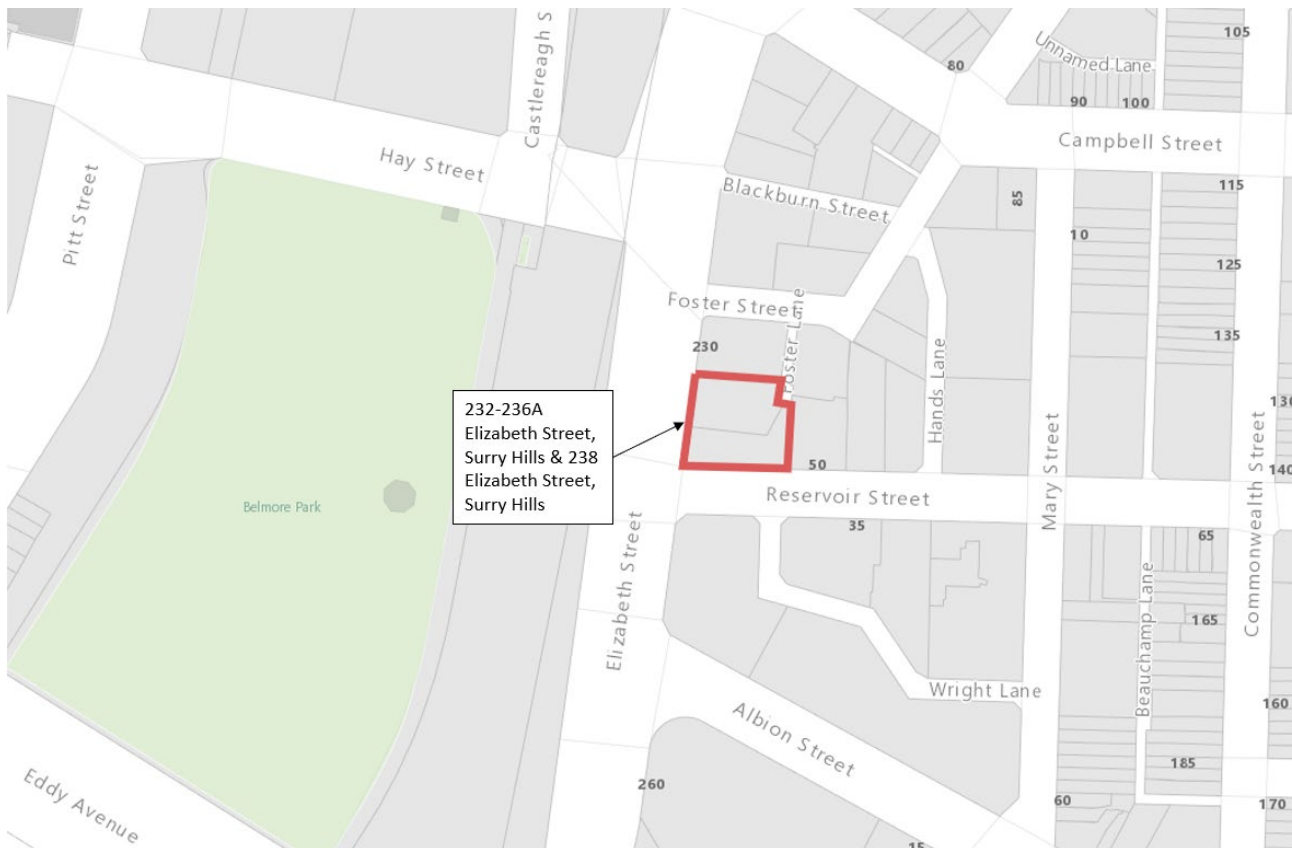
1.1 Site identification

The addresses and lot references affected by this planning proposal are collectively referred to as 'the Site'. They are identified in Table 1, and a map of the site, outlined in red, is shown at Figure 1.

Table 1. List of addresses and lot references comprising the site

Address	Lot numbers
232-236A Elizabeth Street, Surry Hills	Lots 1 & 2 SP 1379
238 Elizabeth Street, Surry Hills	Lots 1 & 2 DP 779385, Lot 1 DP 664653

Figure 1. Land affected by this Planning Proposal



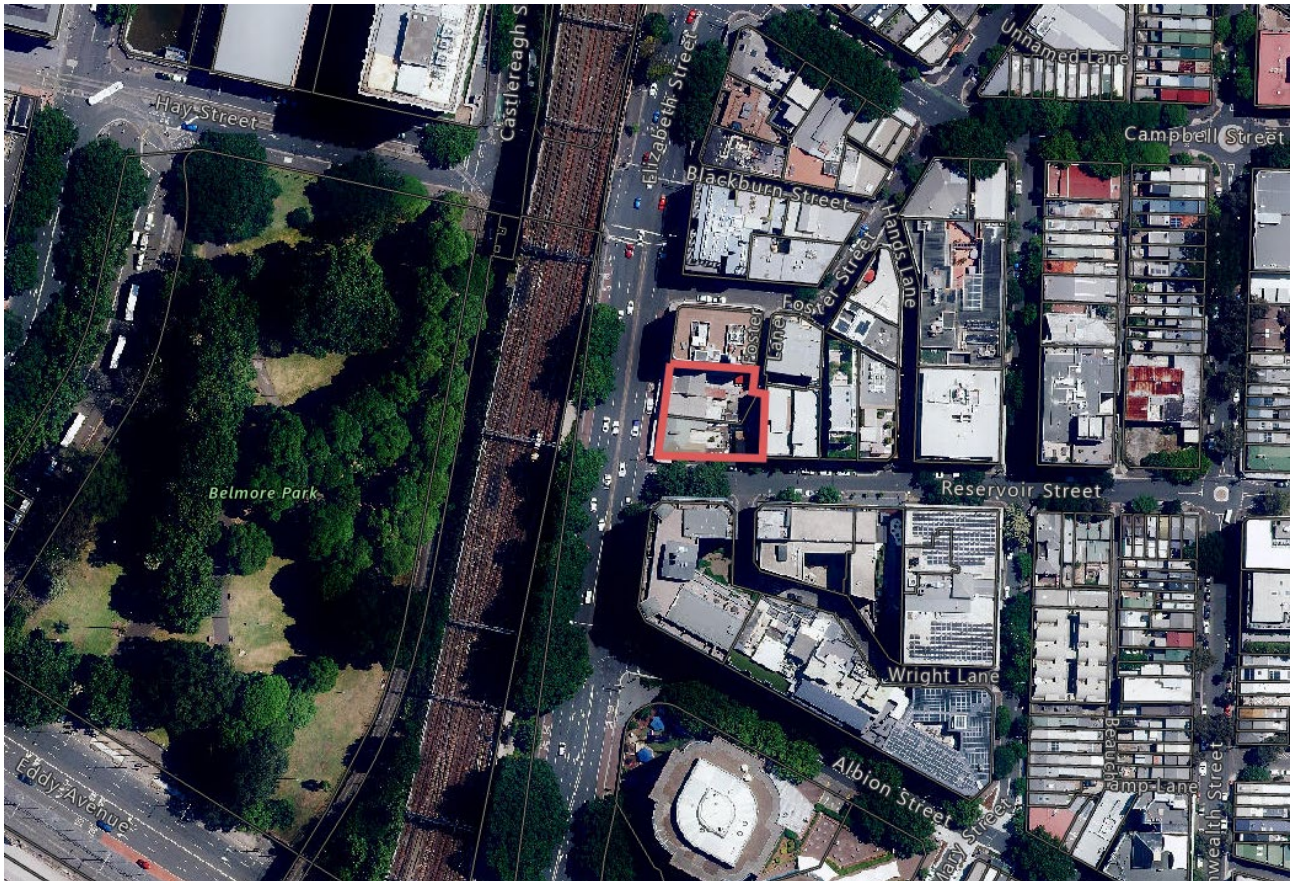
1.2 Site location

The site is located in the suburb of Surry Hills, to the east of Central Sydney within the City of Sydney Local Government Area. It fronts Elizabeth Street to the west, Reservoir Street to the south, and Foster Lane in the north-eastern corner. It shares common boundaries with a nine-storey residential building to the north and a six-storey commercial building to the east.

The site is 250m away from Central Railway Station with intercity, suburban, light rail and bus connections. Bus stops are located in front of the site on Elizabeth Street, and nearby cycleways are located on Campbell Street, Castlereagh Street and Chalmers Street. The site is centrally located with Railway Square, Devonshire Street Tunnel, Chinatown, Hyde Park, Belmore Park and Harmony Park all located within a 500m radius from the site.

An aerial photo of the site and surrounding area is shown at Figure 2.

Figure 2. Aerial photo of the site



1.3 Site characteristics

The multiple lots comprising the site have a total area of 906m². The Elizabeth Street frontage is approximately 30m and the Reservoir Street frontage is approximately 34m. The frontage to Foster Lane is approximately 11m, representing the termination of the laneway.

Existing development on the site consists of a series of two- and three-storey buildings featuring ground-floor retail tenancies and a hostel occupying the first and second floors, with an outdoor terrace and rear loading dock. The buildings were originally five separate terrace buildings but are now interconnected and have all been heavily altered since their construction.

Figure 3. 232-240 Elizabeth Street, viewed from the west, outlined in yellow (Elizabeth Street frontage)



Figure 4. 232-240 Elizabeth Street, viewed from the north-west, outlined in yellow



Figure 5. 232-240 Elizabeth Street, viewed from the south-west, outlined in yellow



Figure 6. 232-240 Elizabeth Street, viewed from the south-east, outlined in yellow (Reservoir Street frontage)



Figure 7. 232-240 Elizabeth Street, viewed from the north, outlined in yellow (access to Foster Lane)



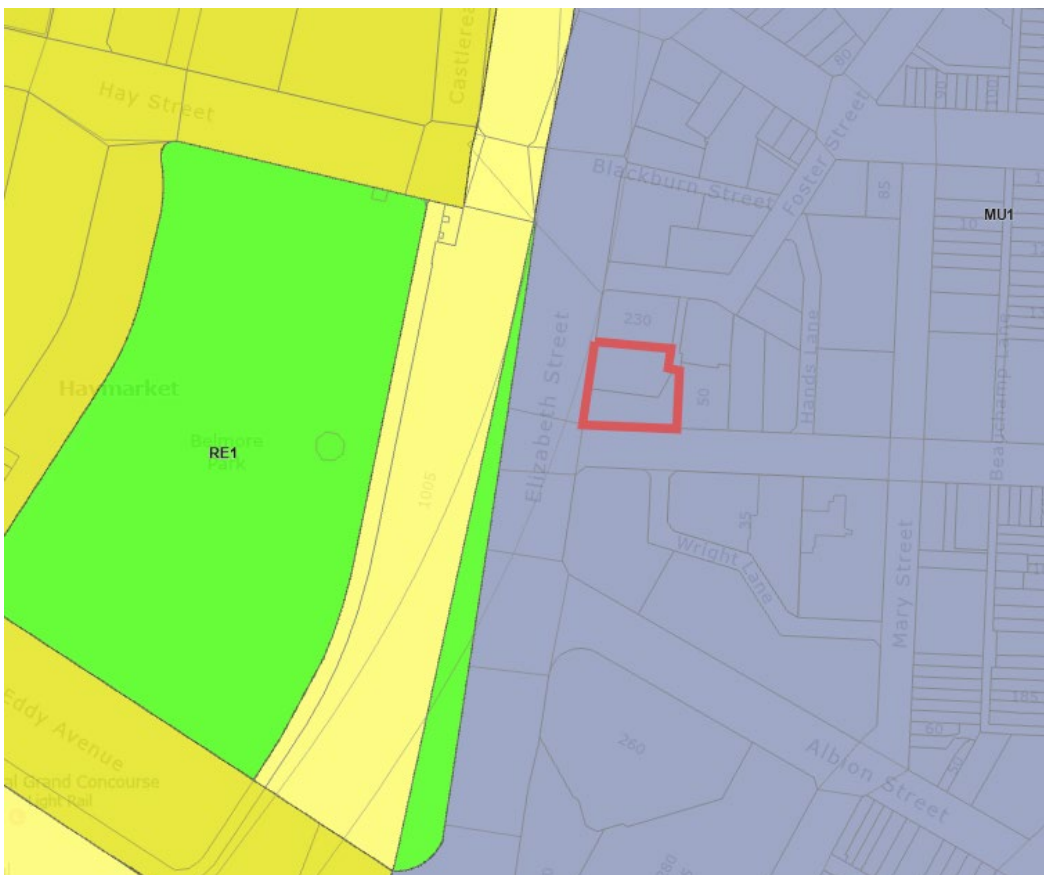
2. Existing planning controls

2.1 Zoning

The site is located within the MU1 'Mixed Use' Zone. The objectives of this zone are to:

- encourage a diversity of business, retail, office and light industrial land uses that generate employment opportunities.
- ensure that new development provides diverse and active street frontages to attract pedestrian traffic and to contribute to vibrant, diverse and functional streets and public spaces.
- minimise conflict between land uses within this zone and land uses within adjoining zones.
- encourage business, retail, community and other non-residential land uses on the ground floor of buildings.
- ensure land uses support the viability of nearby centres.
- integrate suitable business, office, residential, retail and other land uses in accessible locations that maximise public transport patronage and encourage walking and cycling.

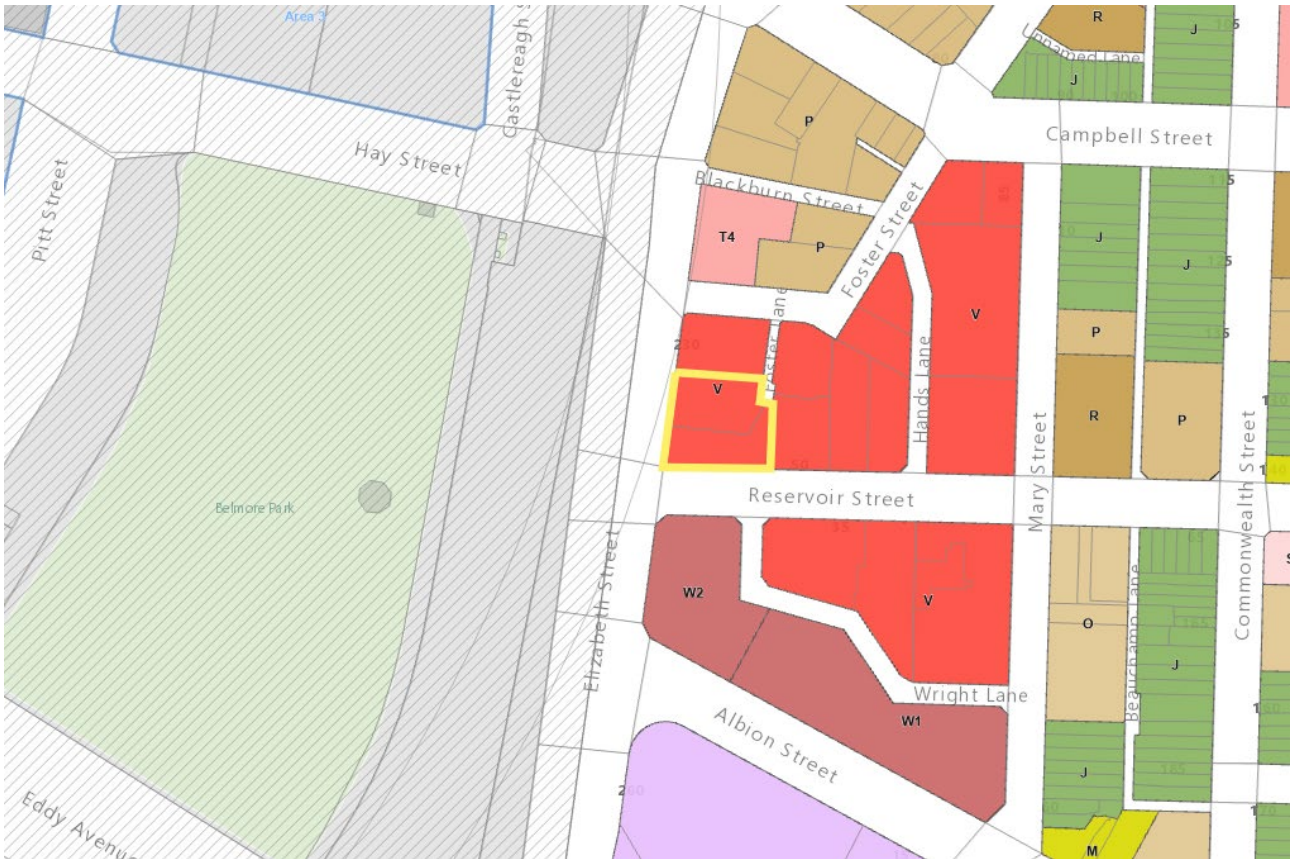
Figure 8. Extract from zoning map in Sydney LEP 2012



2.2 Building height

The site is subject to a building height control of 35m, as represented by 'V' and the red shading in Figure 9. It is not affected by any Sun Access Plane or No Additional Overshadowing controls.

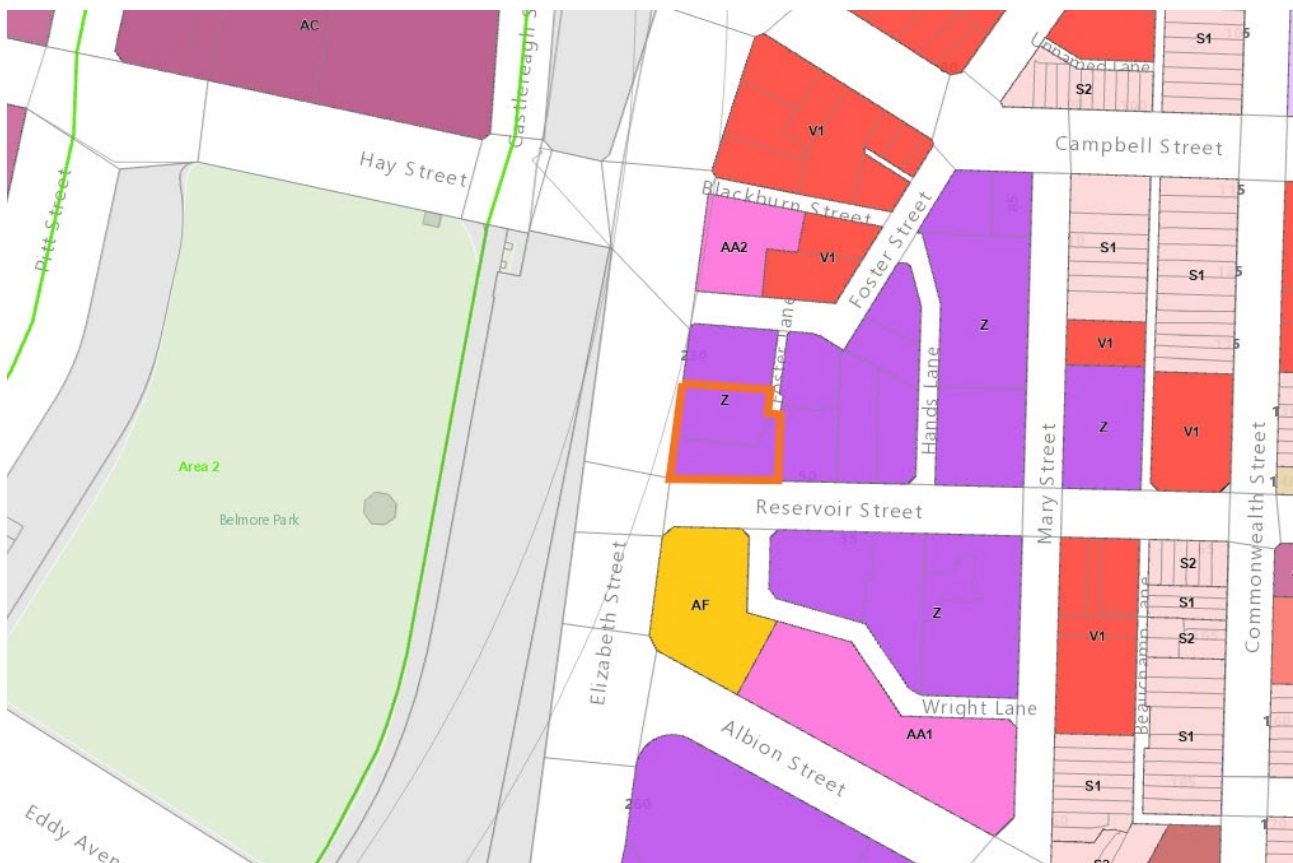
Figure 9. Extract from Height of building map in Sydney LEP 2012



2.3 Floor space ratio

The current maximum floor space ratio for the site is 5:1, as indicated by 'Z' and the purple shading in Figure 10. Up to 10 per cent additional floor space may be granted subject to a competitive design process and the demonstration of design excellence. A maximum of 0.3:1 additional floor space may be granted with the provision of end of trip facilities, should the building be used solely for commercial premises.

Figure 10. Extract from floor space ratio map in Sydney LEP 2012

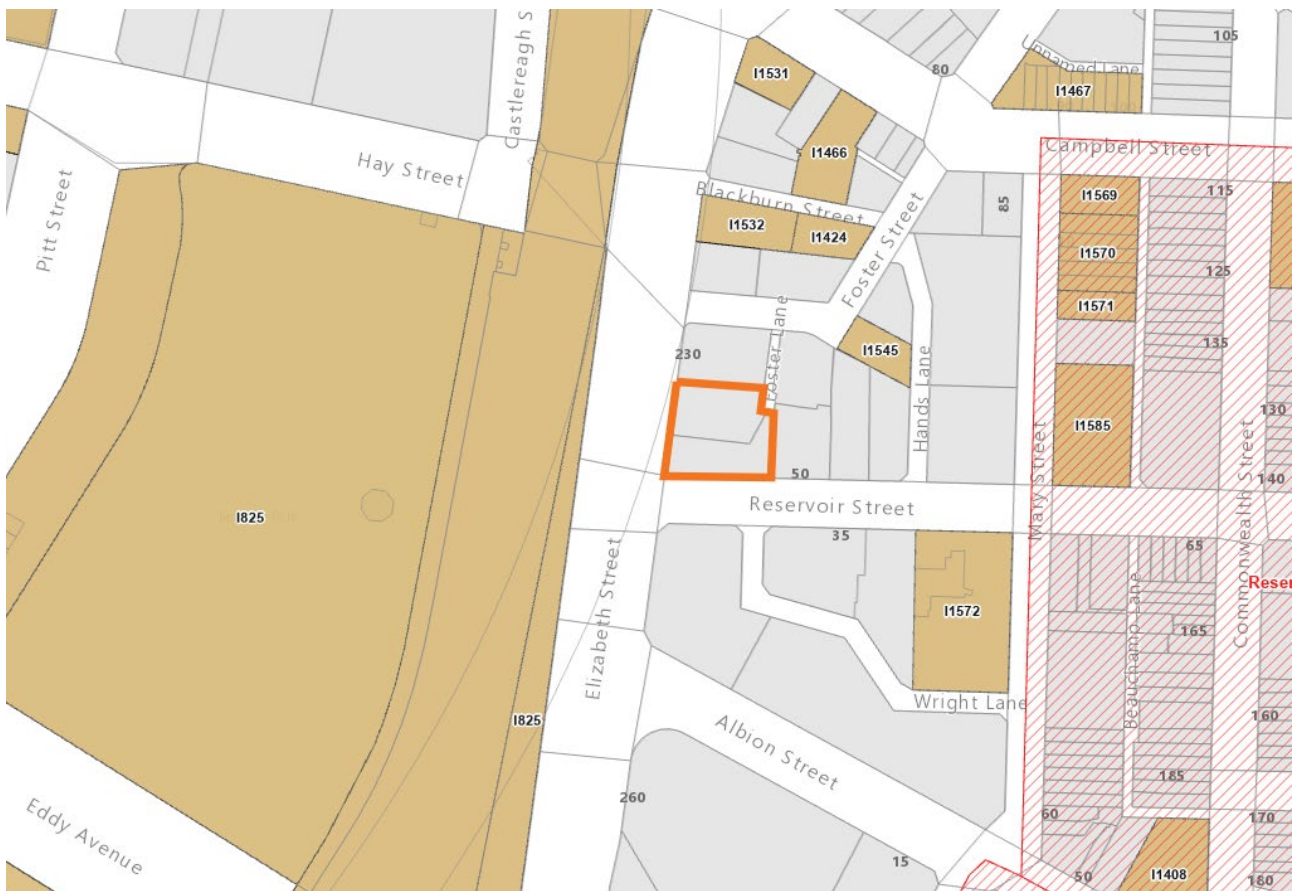


2.4 Heritage

The site is not heritage listed nor located in a Heritage Conservation Area. It is located adjacent to the State heritage-listed Central Station (including the City Circle railway viaduct) and the local heritage-listed Belmore Park. Other nearby heritage-listed buildings include the 'Edwards & Co' warehouse at 56-60 Foster Street (I1545), 'Prospect House' at 1 Blackburn Street (I1424), and the former 'Silknit House' at 23-33 Mary Street (I1572).

A brick oviform sewer runs below the site which has been dated to 1883. It is not heritage-listed but connects to the State heritage-listed Bondi Ocean Outfall Sewer at Hyde Park.

Figure 11. Extract from heritage map in Sydney LEP 2012



2.5 Approved development consent

A Stage 1 Concept Development Application (DA) (D/2016/1451) was approved by the NSW Land and Environment Court on 21 July 2017, granting approval for demolition of the existing buildings and construction of a mixed-use building to a maximum height of 35 metres. This application was subsequently modified (D/2016/1451/A) and approved on 25 November 2020.

Condition 3 of D/2016/1451/A required the building envelope to be modified to reduce overshadowing impacts to Apartments 601 and 602 in 242-254 Elizabeth Street. The part of the envelope to be modified is the portion fronting Reservoir Street in the southeast corner of the site. This is to maintain a minimum of 2 hours solar access to Apartments 601 and 602 at 242-254 Elizabeth Street on the mid-winter solstice.

3. Objectives and intended outcomes

3.1 Objectives

This planning proposal will enable the redevelopment of 232-240 Elizabeth Street to deliver:

- 10 storey commercial building representing infill development appropriate to the surrounding urban context and the MU1 Mixed Use Zone;
- the provision of additional commercial workspace within Surry Hills, located within the City Fringe and the Eastern Creative Precinct, and in close proximity to Central Railway Station and associated transport links;
- a pedestrian through-site link connecting Reservoir Street to Foster Lane;
- additional height and floor space while protecting sun access to 242-254 Elizabeth Street, as required by Condition 3 of D/2016/1451/A;
- a reinforced street wall along both Elizabeth and Reservoir Streets by maintaining the parapet heights and all massing above the street wall to be set back and not visible from the street; and
- a built form capable of achieving design excellence and acceptable sustainability outcomes.

The draft DCP accompanying the Planning Proposal will provide more detailed guidance for the site.

A Voluntary Planning Agreement (VPA) will be exhibited to secure the through-site link, its dimensions in stratum and its dedication to the City of Sydney.

4. Explanation of provisions

4.1 Sydney Local Environmental Plan 2012

To achieve the objectives and intended outcomes, this planning proposal seeks to amend the Sydney Local Environmental Plan 2012 by inserting a new site-specific clause under Division 5 Site Specific Provisions to:

- permit a maximum building height of RL50.33 metres;
- permit a maximum floor space ratio at or above ground level for the site of:
 - the gross floor area resulting from applying a floor space ratio of 6.36:1;
 - additional floor space, of up to 10%, if the building demonstrates design excellence (under clause 6.21D(3)(b));
- permit a maximum floor space ratio of 0.3:1 of end of journey floor space below ground level (under clause 6.13);
- prevent development consent being granted under this clause unless the consent authority was satisfied that the resulting building would not be used for the purpose of residential accommodation or serviced apartments.

The total floor space ratio calculated under the subclauses above must not exceed 7.3:1.

Clause 6.21D(3)(a) should not apply to these site specific controls, no additional building height should be available to exceed the maximum set at RL50.33 metres.

Appendix 1 of this Planning Proposal provides some example clauses of the proposed controls. The final version of the clauses to be inserted into Division 5 would be subject to drafting and agreement by the Parliamentary Counsel's Office.

4.2 Sydney Development Control Plan 2012

To ensure future development is consistent with the objectives of the planning proposal, site-specific provisions for the DCP will be drafted to ensure a high-quality built form and public domain. These provisions include the maximum building envelope dimensions, controls regarding the pedestrian through-site link, and servicing and access provisions. A draft of the new site-specific provisions for the DCP can be found at Attachment B.

5. Justification

5.1 Landowner request

The applicant, Stasia Holdings Pty Ltd, represented by Candalepas Associates and Planning Lab, sought initial pre-lodgement advice in April 2022 and lodged a formal request to prepare a planning proposal in February 2024. The intended use of the site would be as a commercial development. The reference design depicts ground floor tenancies and commercial offices on all upper levels.

Figure 12. Artistic representation of indicative design – Elizabeth Street perspective



Figure 13. Artistic representation of indicative design – Reservoir Street perspective



5.2 Need for the planning proposal

Is the planning proposal a result of an endorsed LSPS, strategic study or report?

The Local Strategic Planning Statement includes actions to:

- strengthen the economic and productive role of the Innovation Corridor by prioritising and safeguarding space for specialised and knowledge-based clusters and businesses and
- identifying and supporting opportunities to appropriately increase capacity for commercial and other enterprise uses particularly those contributing to specialised and knowledge-based clusters, in mixed use ~~(B2 and B4)~~ zoned areas.

This planning proposal is the result of a request from the landowner to change the planning controls that relate to the site.

The landowner has undertaken a number of studies in support of the request, including an Urban Design Study prepared by Candalepas Associates. The study describes how the proposal is consistent with the City's vision for Surry Hills and demonstrates how the site is capable of accommodating growth in employment generating floor space through amending building height and floor space ratio controls without unacceptable impacts on public domain and amenity.

The supporting documents commissioned by the applicant to support their request are attached as the following Attachments to this planning proposal:

- Attachment A1: Planning Proposal Justification Report – Planning Lab
- Attachment A2: Urban Design Study – Candalepas Associates
- Attachment A3: Economic and Social Impact Report – Planning Lab
- Attachment A4: Traffic Impact Assessment – Traffix
- Attachment A5: Heritage Impact Statement – Urbis
- Attachment A6: Desktop Contamination Study – Douglas Partners
- Attachment A7: Flood Advice Report – IGS
- Attachment A8: Oviform Sewer Investigation
- Attachment A9: Archaeological Assessment – Curio
- Attachment A10: Geotechnical Desktop Investigation – Douglas Partners
- Attachment A11: Landscape Concept Plan – Black Beetle
- Attachment A12: Section J Assessment Report – IGS
- Attachment A13: Acoustic Assessment – Acoustic Logic
- Attachment A14: Qualitative Wind Assessment – CPP
- Attachment A15: Waste Management Plan – Ratio
- Attachment A16: Survey Plan

Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

This planning proposal seeks to insert new site-specific provisions into the LEP for the site. The resultant conditions have been assessed to ensure any future built form is appropriate and does not result in any unacceptable impacts on adjoining properties or the public domain. The amended controls would facilitate the delivery of additional employment generating floor space consistent with the objectives of the City Fringe and Eastern Creative District.

5.3 Relationship to the strategic planning framework

Will the planning proposal give effect to the objectives and actions of the applicable regional or district plan or strategy?

A Metropolis of Three Cities – The Greater Sydney Region Plan

The planning proposal gives effect to the following objectives of the Greater Sydney Region Plan:

- **Objective 5: Benefits of growth realised by collaboration of governments, community and business** – The site is located within the Camperdown-Ultimo Collaboration Area, also known as Tech Central. The increase in commercial floor space is well-positioned to service major digital and creative innovators within the Surry Hills and the Haymarket activity node.
- **Objective 12: Great places that bring people together** – Improving accessibility, connectivity and amenity through the provision of a pedestrian through-site link connecting Reservoir Street with Foster Lane, enhancing the existing fine-grain, walkable nature of Surry Hills.
- **Objective 14: Integrated land use and transport creates walkable and 30-minute cities** – The site is located 250m away from Central Railway Station and nearby bus connections and cycleways provide additional linkages with the metropolitan transport network. The location within a Mixed Use Zone and proximity to residential areas within the Inner East promotes the vision of a 30-minute city.
- **Objective 18: Harbour CBD is stronger and more competitive** – The site's location within the Harbour CBD and the provision of additional commercial office space, helps to achieve the strategies for an internationally competitive commercial sector to support an innovation economy and to support the growth of the Camperdown-Ultimo Collaboration Area.
- **Objective 22: Investment and business activity in centres** – The site is located within the metropolitan centre of the Eastern Harbour City, supporting the economic significance of the Harbour CBD.

Eastern City District Plan

The planning proposal gives effect to the following Planning Priorities of the Eastern City District Plan:

- **Planning Priority E1: Planning for a city supported by infrastructure** – To refresh and renew the offering of commercial floor space in this area of the Harbour CBD, this planning proposal would facilitate the delivery of new office space on a site well-positioned to take advantage of existing and planned transport infrastructure, maximising the efficient use of rail, light rail, Metro and bus services.
- **Planning Priority E6: Creating and renewing great places and local centres, and respecting the District's heritage** – This planning proposal would facilitate the redevelopment of the site in a way that would contribute to the existing well-design built environment and fine grain urban form of Surry Hills, especially through the provision of a new pedestrian link between Foster Lane and Reservoir Street. It would promote a people-friendly public realm, and high amenity and easy walkability on the edge of the metropolitan centre.
- **Planning Priority E7: Growing a stronger and more competitive Harbour CBD** – The provision of additional commercial office space in the Harbour CBD would contribute to the goals to strengthen the international competitiveness of the CBD and support an innovation economy.
- **Planning Priority E8: Growing and investing in health and education precincts and the Innovation Corridor** – The site is located within the Innovation Corridor, Camperdown-Ultimo Collaboration Area and Haymarket activity node, and as a result the planning proposal would assist efforts to facilitate an innovation corridor with sufficient supply of scalable spaces, increased business-to-business interaction and co-location, high walkability and high amenity.

- **Planning Priority E10: Delivering integrated land use and transport planning and a 30-minute city** – Any redevelopment of the site under the controls made by this planning proposal would be designated for employment uses, which would be well-positioned to take advantage of the metropolitan transport network, including the rail, light rail and Metro connections of Central Railway Station only 250 metres away, as well as nearby bus services and cycleways.
- **Planning Priority E11: Growing investment, business opportunities and jobs in strategic centres** – The site is located within the metropolitan centre of the Eastern City District (Harbour CBD) and any redevelopment facilitated by controls made by this planning proposal would provide new commercial floor space to support employment growth, while being well-positioned to take advantage of existing services and transport connections.

Is the planning proposal consistent with a council LSPS that has been endorsed by the Planning Secretary or GCC, or another endorsed local strategy or strategic plan?

City Plan 2036 (Local strategic planning statement)

The planning proposal gives effect to the following priorities of City Plan 2036:

- **Priority I1: Movement for walkable neighbourhoods and a connected city** – This planning proposal would facilitate a commercial development well-positioned to integrate with existing and future transport connections while encouraging increased walking, especially through the provision of a new pedestrian through-site link.
- **Priority I2: Align development and growth with supporting infrastructure** – This planning proposal would facilitate the development of new commercial office space well-positioned to take advantage of existing and planned infrastructure, including the rail, light rail and Metro connections of Central Railway Station, as well as bus routes along Elizabeth Street and cycleways in Surry Hills and the CBD.
- **Priority L5: Creating great places** – The planning proposal would deliver improved street life and activation by creating a new pedestrian through-site link connecting Foster Lane and Reservoir Street which, in addition to new opportunities for new retail premises, would further enhance the character and walkable nature of this part of Surry Hills.
- **Priority P2: Developing innovative and diverse business clusters in City Fringe** – The site is located within the City Fringe, Camperdown-Ultimo Collaboration Area (Tech Central) and Eastern Creative Precinct. This planning proposal would facilitate the delivery of new office space in an existing employment cluster, supporting employment uses particularly in knowledge-intensive sectors such as health, education, creative industries, professional services and information media.

Sustainable Sydney 2030-2050: Continuing the Vision

- **Direction 5: A city for walking, cycling and public transport** – The site is well-positioned to take advantage of existing and planned transport infrastructure, most notably the train, light rail, and Metro connections of Central Railway Station, as well as bus routes along Elizabeth Street and cycleways in Surry Hills. The provision of a new pedestrian through-site link enhances the existing pedestrian permeability of Surry Hills.
- **Direction 9: A transformed and innovative economy** – The site is located within the City Fringe, Camperdown-Ultimo Collaboration Area (Tech Central) and Eastern Creative Precinct. This planning proposal would facilitate the delivery of new office space in an existing employment cluster, supporting employment uses particularly in knowledge-intensive sectors such as health, education, creative industries, professional services and information media.

Is the planning proposal consistent with any other applicable State and regional studies or strategies?

Camperdown-Ultimo Collaboration Area Place Strategy

This planning proposal gives effect to the following priorities of the Place Strategy:

- **Priority 5: Foster healthy, creative, culturally rich, socially connected and welcoming communities** – This planning proposal would encourage active street frontages and ground floor areas through the provision of new retail spaces and help to prioritise pedestrians through the provision of a new through-site link connecting Foster Lane and Reservoir Street.
- **Priority 7: Cultivate an internationally competitive health, education, research and innovation area** – This planning proposal would facilitate the delivery of new commercial office space in an area (Haymarket activity node) earmarked for new cultural, creative and innovative uses, supporting convergence, the development of clusters, attracting investment and driving jobs growth.

Is the planning proposal consistent with applicable SEPPs?

The following table (Table 2) outlines the consistency of this planning proposal with applicable State Environmental Planning Policies (SEPPs).

Table 2. Consistency with applicable SEPPs

SEPP	Comment
SEPP (Biodiversity and Conservation) 2021	This planning proposal is consistent.
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 (Precincts – Eastern Harbour City) 2021	This planning proposal is consistent.
SEPP (Resilience and Hazards) 2021	This planning proposal is consistent.
SEPP (Resources and Energy) 2021	This planning proposal is consistent.
SEPP (Sustainable Buildings) 2022	This planning proposal is consistent.
SEPP No 65 – Design Quality of Residential Flat Development	This planning proposal is consistent.
SEPP (Transport and Infrastructure) 2021	This planning proposal is consistent. As the site subject to development is on land shown as 'Zone B' on a rail corridors map and involves the penetration of ground to a depth greater than 2m below existing ground level, and is on land within the Interim Metro Corridor, the consent authority must give written notice of the application to the relevant rail authority and

SEPP	Comment
	the Secretary of the Department of Transport within 7 days of receiving any development application, in accordance with sections 2.101 & 2.102 of the SEPP.

The following SEPPs are not applicable to this planning proposal:

- SEPP (Precincts – Central River City) 2021, SEPP (Precincts – Regional) 2021, SEPP (Precincts – Western Parkland City) 2021, SEPP (Primary Production) 2021

Is the planning proposal consistent with applicable Ministerial Directions (section 9.1 Directions) or key government priority?

The following table (Table 3) outlines the consistency of this planning proposal with applicable Ministerial Directions.

Table 3. Consistency with Ministerial Directions

Ministerial Direction	Comment
1.1 Implementation of Regional Plans	This planning proposal is consistent, as demonstrated in section 5.3 of this document.
1.3 Approval and Referral Requirements	This planning proposal is consistent. No provisions are being proposed that would require the concurrence, consultation or referral of development applications to a Minister or public authority, nor identify the development as designated development.
1.4 Site Specific Provisions	This planning proposal is consistent. The planning proposal does not unnecessarily restrict the permitted uses on the land. The planning proposal provides development uplift for a range of commercial uses. This is consistent with strategic priorities established in the relevant regional and district plan and LSPS. Development that does not make use of the uplift provided by the planning proposal can continue to make use of the full range of uses permitted in the MU1 zone.
3.2 Heritage Conservation	This planning proposal is consistent. There are no heritage-listed items within the site, nor is it located within a heritage conservation area. The planning proposal considers impacts on adjacent heritage items, and a Heritage Impact Statement and Archaeological Assessment, provided by the proponent, are attached to this document at Attachments A5 and A9 respectively.
3.10 Water Catchment Protection	This planning proposal is consistent. The site located within the Darling Harbour Catchment in the Sydney Harbour Catchment but outside the Foreshore and Waterways Area Boundary. The planning proposal does not conflict with the objectives of the Direction and the proponent has provided a Desktop Contamination Study, Flood Advice Report and Geotechnical Desktop

Ministerial Direction	Comment
	Investigation, attached to this document at Attachments A6, A7 and A10 respectively.
4.1 Flooding	This planning proposal is consistent. The proponent has identified flood risk in alignment with the objectives of the Direction and provided a Flood Advice Report (Attachment A7) showing that the proposed building envelope is capable of hosting a development which complies with all flood planning levels.
4.4 Remediation of Contaminated Land	This planning proposal is consistent. The possibility of land contamination has been considered, and the site will be suitable for all proposed land uses.
4.5 Acid Sulfate Soils	This planning proposal is consistent. Development on this site is not likely to disturb, expose or drain acid sulfate soils and cause environmental damage. It is classified as Class 5 under section 7.14 of the Sydney LEP, is not located within 500m of land designated Class 1,2,3 or 4.
5.1 Integrating Land Use and Transport	This planning proposal is consistent. The site is located in an area that is well serviced by existing public and private transport options.
6.1 Residential Zones	This planning proposal is consistent. The planning proposal does not prevent a residential use from occurring on the site under the current zoning and development standards. It introduces additional standards to encourage commercial uses.
7.1 Business and Industrial Zones	This planning proposal is consistent. It will encourage employment growth in a suitable location, as well as protect and support the viability of an area identified in the relevant regional and district plans and LSPS for commercial uses.

The following Ministerial Directions are not applicable to this planning proposal:

- Ministerial Direction 1.2 Development of Aboriginal Land Council Land, 1.4A Exclusion of Development Standards from Variation, 1.5 Parramatta Road Urban Transformation Strategy, 1.6 Implementation of North West Priority Growth Area Land Use and Infrastructure Implementation Plan, 1.7 Implementation of Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Implementation Plan, 1.8 Implementation of Wilton Priority Growth Area Interim Land Use and Infrastructure Implementation Plan, 1.9 Implementation of Glenfield to Macarthur Urban Renewal Corridor, 1.10 Implementation of the Western Sydney Aerotropolis Plan, 1.11 Implementation of Bayside West Precincts 2036 Plan, 1.12 Implementation of Planning Principles for the Cooks Cove Precinct, 1.13 Implementation of St Leonards and Crows Nest 2036 Plan, 1.14 Implementation of Greater Macarthur 2040, 1.15 Implementation of the Pymont Peninsula Place Strategy, 1.16 North West Rail Link Corridor Strategy, 1.17 Implementation of the Bays West Place Strategy, 1.18 Implementation of the Macquarie Park Innovation Precinct, 1.19 Implementation of the Westmead Place Strategy, 1.20 Implementation of the Camellia-Rosehill Place Strategy, 1.21 Implementation of the South West Growth Area Structure Plan, 1.22 Implementation of the Cherrybrook Station Place

Strategy, 3.1 Conservation Zones, 3.3 Sydney Drinking Water Catchments, 3.4 Application of C2 and C3 Zones and Environmental Overlays in Far North Coast LEPs, 3.5 Recreation Vehicle Area, 3.6 Strategic Conservation Planning, 3.7 Public Bushland, 3.8 Willandra Lakes Region, 3.9 Sydney Harbour Foreshores and Waterways Area, 4.2 Coastal Management, 4.3 Planning for Bushfire Protection, 4.6 Mine Subsidence and Unstable Land, 5.2 Reserving Land for Public Purpose, 5.3 Development Near Regulated Airports and Defence Airfields, 5.4 Shooting Ranges, 6.2 Caravan Parks and Manufactured Home Estates, 7.2 Reduction in non-hosted short-term accommodation period, 7.3 Commercial and Retail Development along the Pacific Highway, North Coast, 8.1 Mining, Petroleum Production and Extractive Industries, 9.1 Rural Zones, 9.2 Rural Lands, 9.3 Oyster Aquaculture, 9.4 Farmland of State Regional Significance on the NSW Far North Coast.

5.4 Environmental, social and economic impact

Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected because of the proposal?

The planning proposal applies to a site located in Surry Hills, on the fringe of the CBD, currently occupied by 3 storey buildings without any vegetation within its boundaries. Any redevelopment would be of similar use and intensity to surrounding buildings. It is highly unlikely for any adverse impact on a critical habitat or threatened species, population or ecological community to take place as a result of this proposal.

Are there any other likely environmental effects of the planning proposal and how are they proposed to be managed?

Floor Space Ratio

This planning proposal will insert site-specific floor space ratio (FSR) controls in the LEP for the site, 232-240 Elizabeth Street. These FSR controls are specific to the building envelope outlined in this planning proposal, and have been tested to ensure that it is possible to accommodate the proposed FSR within the dimensions of the proposed building envelope while applying standard assumptions for space efficiencies and floor-to-floor heights.

The planning proposal establishes a maximum FSR of 7.3:1 for the site, with a maximum FSR of 7:1 above ground inclusive of design excellence. An Urban Design Study, prepared by Candalepas Associates, is attached to this Planning Proposal at Attachment A2 and demonstrates how the desired density is consistent with the surrounding area and will result in additional commercial floor space without significant adverse impacts. In particular, it is demonstrated that the increase is consistent with surrounding buildings when considering their FSRs as built. The mixed-use building to the immediate north of the site at 230 Elizabeth Street has an FSR of approximately 8:1, and the residential building to the immediate south at 242-254 Elizabeth Street has an FSR of approximately 10.3:1. Other commercial buildings in the immediate vicinity along Reservoir Street feature FSRs between 5:1 and 6.5:1.

Considering the proximity of the site to the boundary of Central Sydney, and the strategic context of the site considering its location within the City Fringe, Tech Central and Eastern Creative District, the planning proposal is an appropriate response to encourage redevelopment of the site for employment generating uses.

Urban design

This planning proposal will insert site-specific building height controls in the LEP. The increase in the maximum building height from 35m to RL 50.33m (39.3m) would facilitate the increase in FSR while remaining consistent with neighbouring buildings on Elizabeth and Reservoir Streets. Proposed site-specific DCP controls will establish a maximum street wall height of RL 46.03 (35m)

to maintain a consistent street wall along Elizabeth Street, with additional massing setback from the Elizabeth Street frontage by 3m.

Figure 14. Proposed building envelope – isometric view

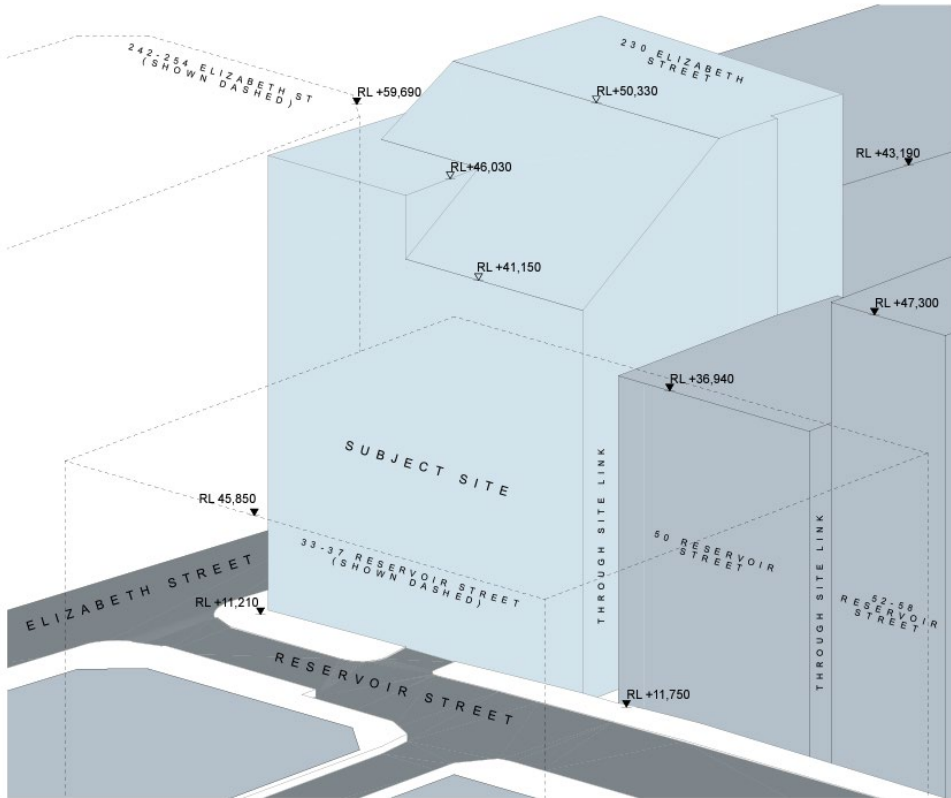


Figure 15. Proposed building envelope – Reservoir Street elevation

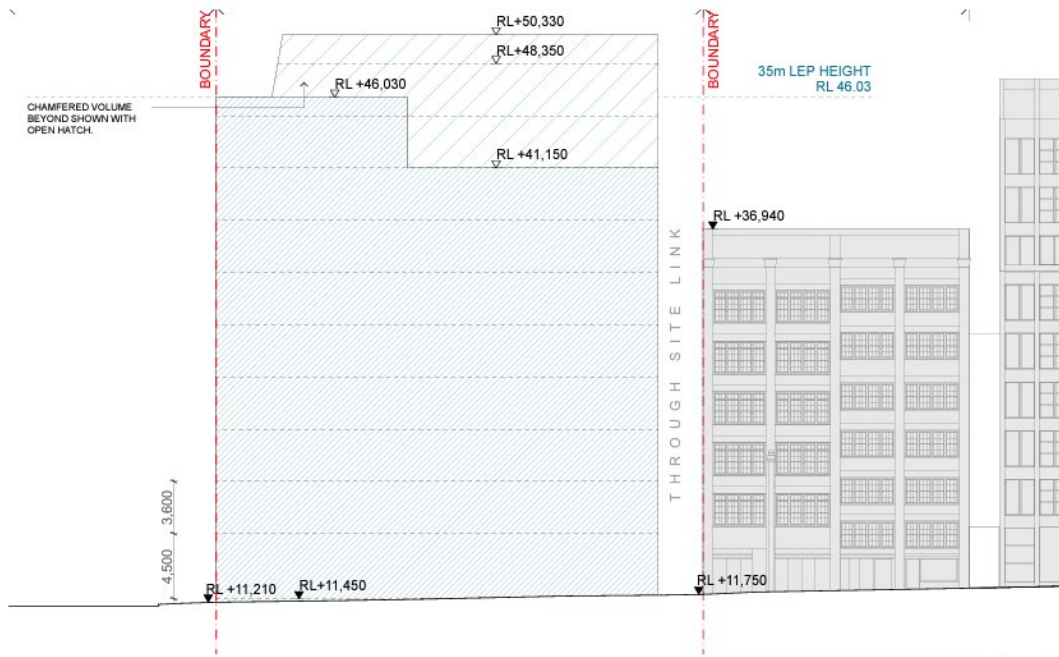


Figure 16. Proposed building envelope – roof plan



The proposed building envelope is a good contextual fit with neighbouring buildings on Elizabeth Street, which show a gradual increase in height when travelling south from the intersection with Wentworth Avenue towards Central Station.

Figure 17. Street wall analysis – Elizabeth Street elevation (proposed building envelope shaded blue)

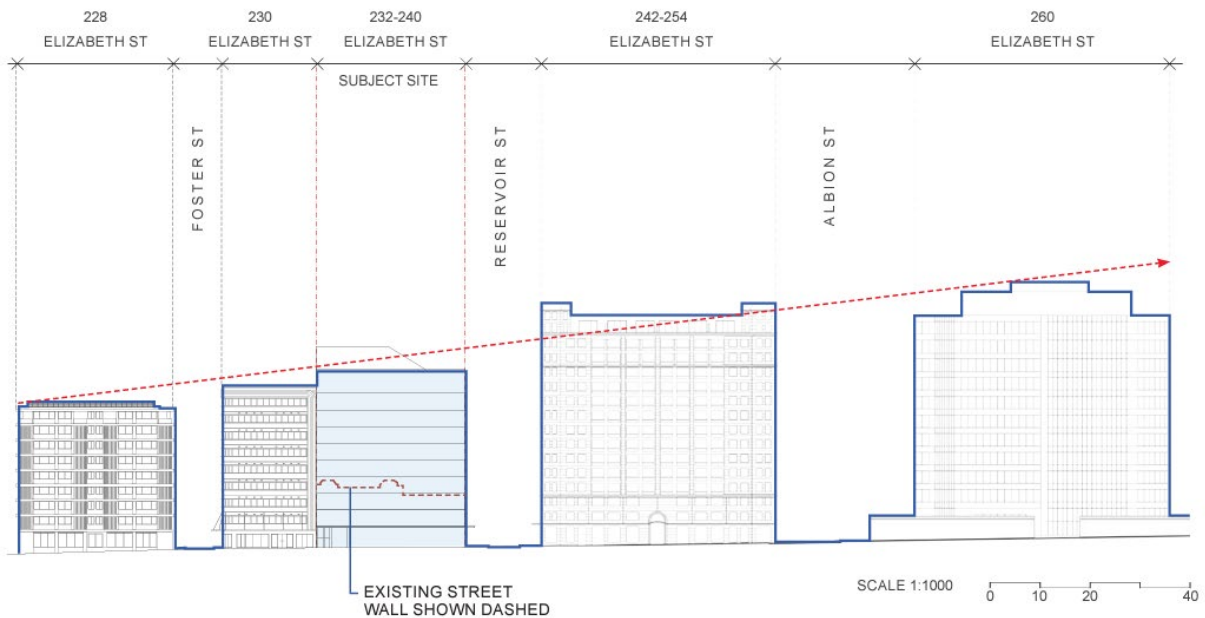
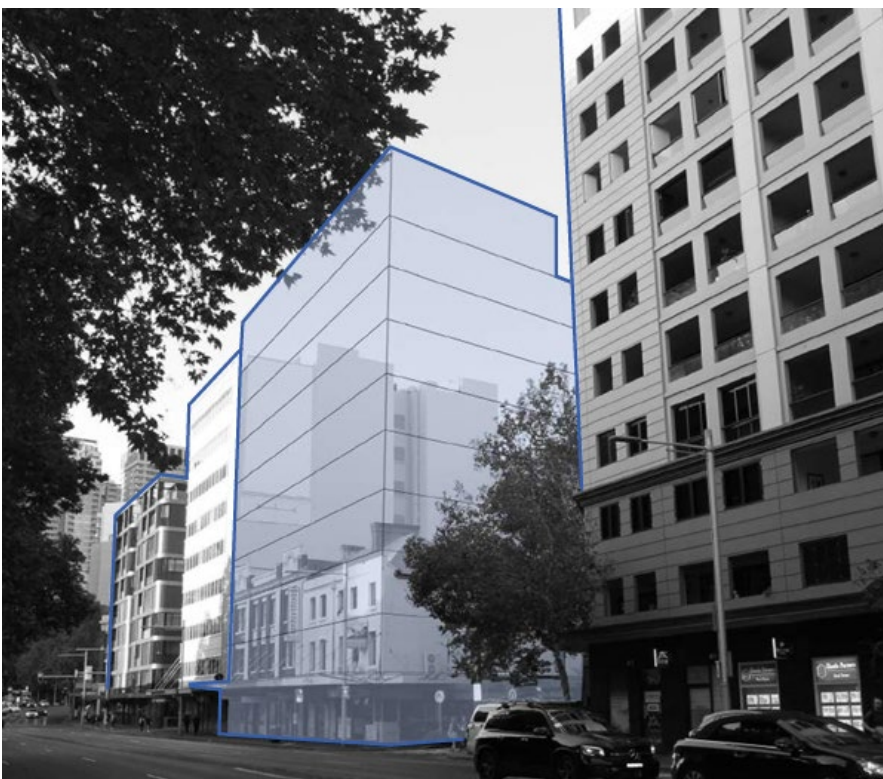
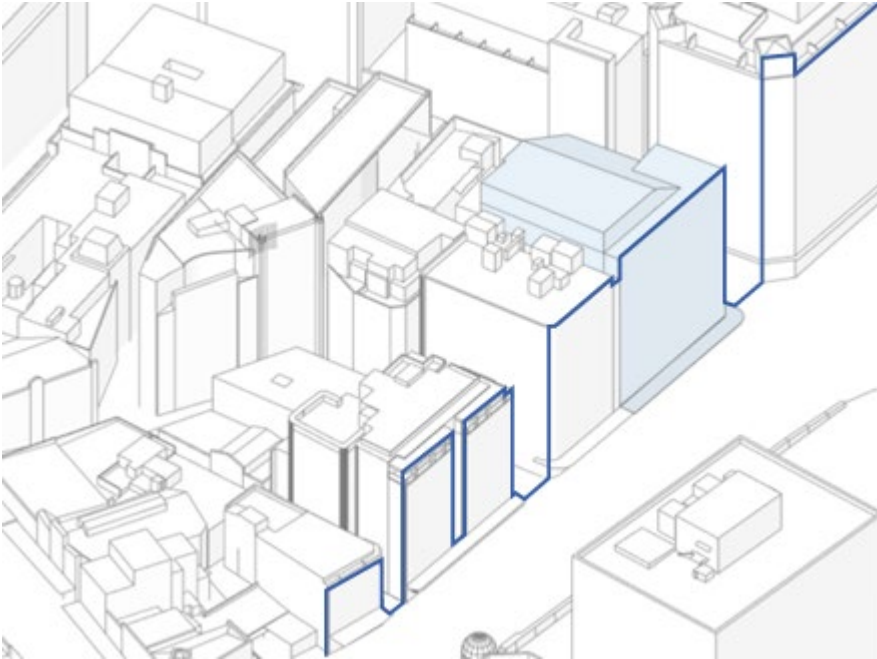


Figure 18. Proposed building envelope – viewed from Elizabeth Street facing north-east



The prevailing street wall is reinforced along Elizabeth Street by aligning the parapet heights, with all massing above the street wall to be set back by 3m from the Elizabeth Street frontage.

Figure 19. Proposed building envelope – isometric view facing south-west



The proposed building envelope maintains the gradual increase in building height and density westwards along Reservoir Street as the street approaches Elizabeth Street and the CBD.

Figure 20. Street wall analysis – Reservoir Street elevation (proposed building envelope shaded blue)

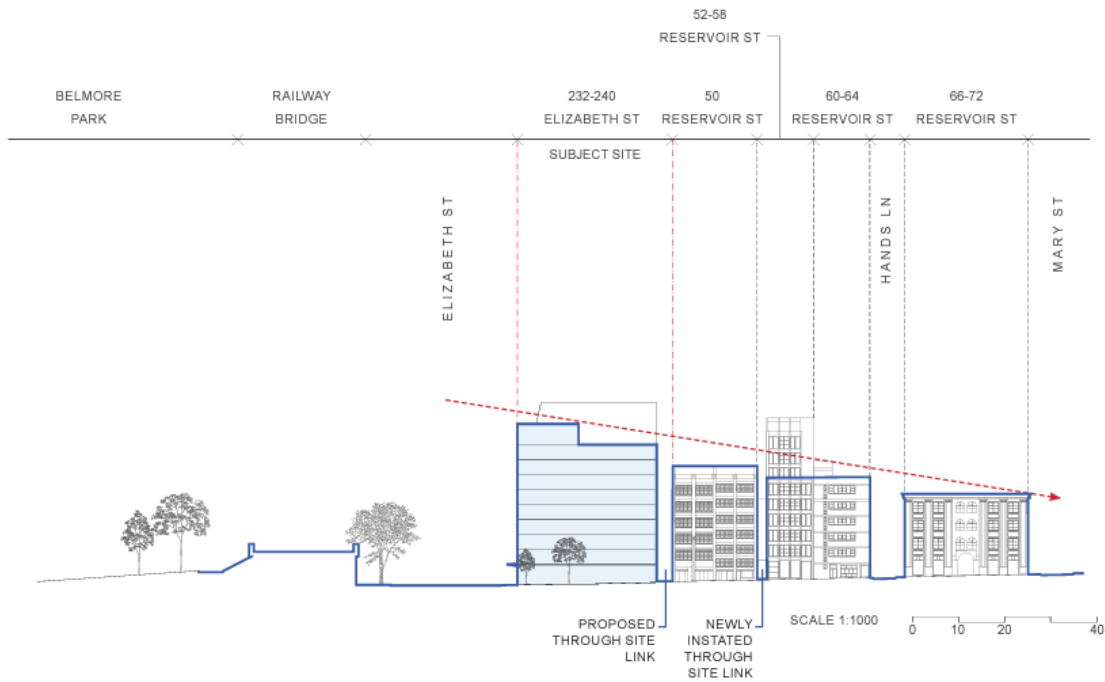
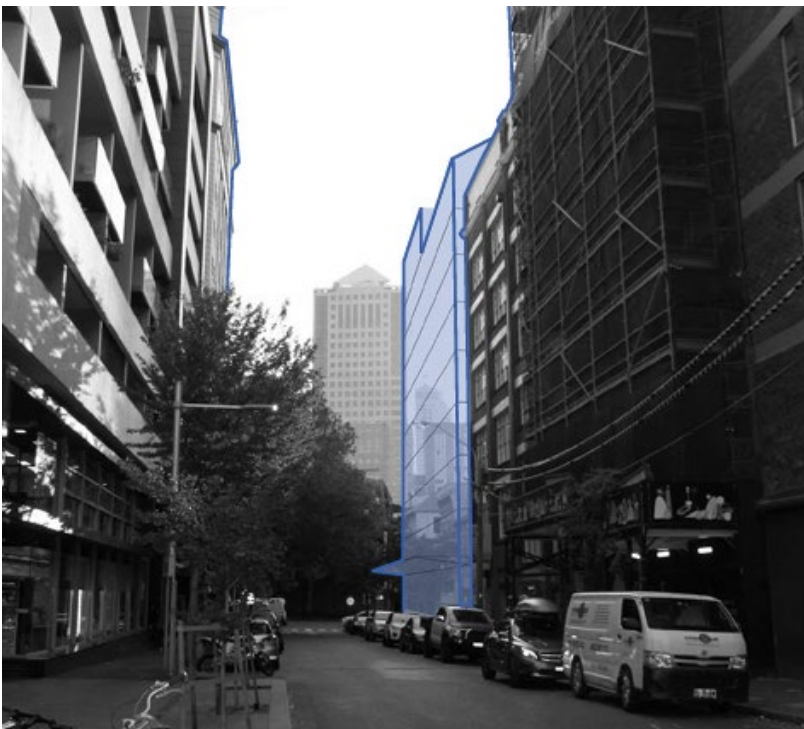


Figure 21. Proposed building envelope – viewed from Reservoir Street facing west



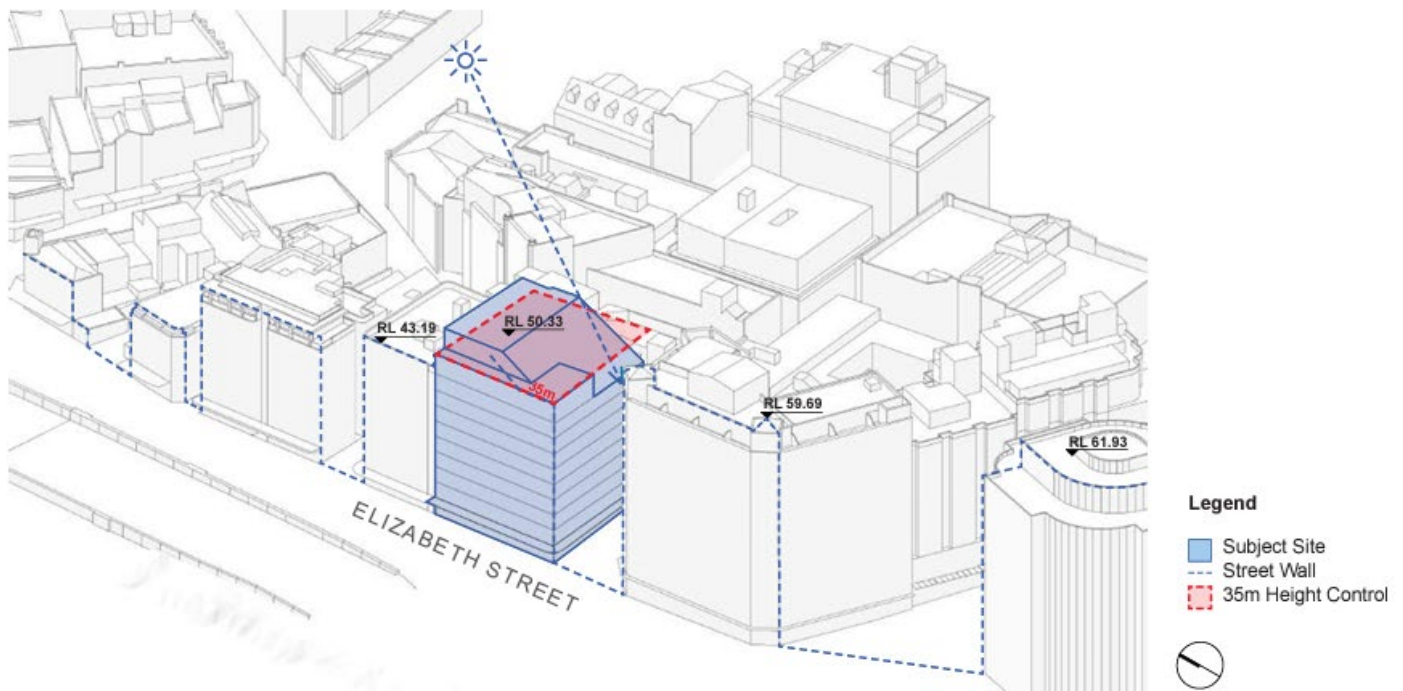
Overshadowing

The site is located north of two multi-storey residential apartment buildings at 242-254 Elizabeth Street and 33-37 Reservoir Street. A previous Development Application (D/2016/1451/A) for a mixed-use development approved for the site applied a condition requiring the building envelope

be modified to ensure a minimum of 2 hours solar access to Apartments 601 and 602 at 242-254 Elizabeth Street on the mid-winter solstice.

This planning proposal adheres to that condition through a sloped roof form and increased setback depth for the upper two levels on the Reservoir Street frontage.

Figure 22. Proposed building envelope showing sloped roof form



The following table shows the periods during which at least 1sqm of living space is exposed to direct sunlight for Apartments 601 & 602 at 242-254 Elizabeth Street. The proposed envelope provides over 2 hours of solar access to these apartments.

Figure 23. Solar analysis for Apartments 601 & 602 at 242-254 Elizabeth Street

PROPOSED															
UNIT NO.	9.00 AM	9.30 AM	10.00 AM	10.30 AM	11.00 AM	11.30 AM	12.00 PM	12.30 PM	1.00 PM	1.30 PM	2.00 PM	2.30 PM	3.00 PM	TOTAL HOURS	2 + HOURS
601	[Red]													4HR 15MIN	COMPLIES
602					[Red]					[Red]				2HR 15MIN	COMPLIES

[Red] INDICATES DIRECT SUN ACCESS TO GLAZING TO LIVING SPACE - OVER 1 SQM

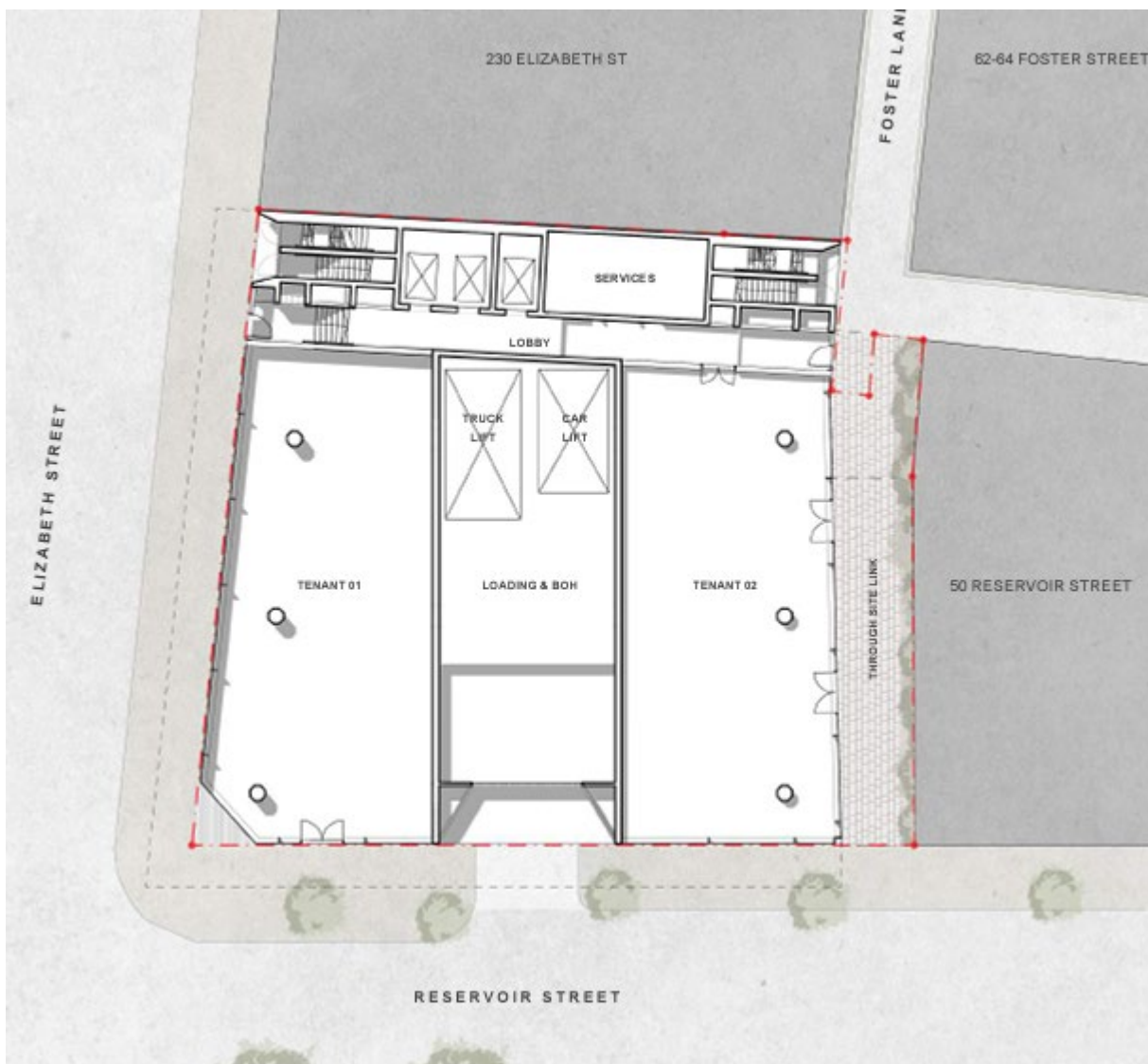
The Urban Design Study which accompanies the planning proposal (Attachment A2) includes solar and overshadowing analysis. The study shows that the proposal would result in a smaller degree of overshadowing to 242-254 Elizabeth Street and 33-37 Reservoir Street than that caused by the already approved building envelope for D/2016/1451/A in November 2020. This is as a result of the increased setback to Reservoir Street, the sloped roof form and the provision of a 3.4m-wide through-site link along the eastern boundary of the site running north-south. Therefore the overshadowing impacts would be acceptable.

A detailed solar access and overshadowing analysis will be included as part of a future development application.

Through-site link

The planning proposal will facilitate the delivery of a through-site link running north-south along the eastern boundary of the site, connecting Foster Lane to Reservoir Street. Controls for the through-site link will be contained within the site-specific DCP for the site (Attachment B), with the land dedicated to the City in stratum as part of a Voluntary Planning Agreement (VPA) between the City and the landowner. A draft VPA will be placed on exhibition concurrently with this planning proposal and **can be found at Attachment C** ~~the associated letter of offer is attached as Attachment C.~~

Figure 24. Ground floor plan of indicative design featuring through-site link



The site-specific DCP will require the through-site link to be 3.4m wide, matching the width of the existing Foster Lane. Extending Foster Lane to Reservoir Street will provide additional opportunities for ground floor activation, enhance the existing pedestrian laneway network to encourage walkability and mirror the success of Fracks Lane at 52 Reservoir Street, and improve security through the application of CPTED principles by removing the current dead-end alleyway,

as shown in Figure 7. This supports the objective of making the Eastern Creative Precinct an attractive location for a range of businesses and workers in creative industries.

Transport and servicing

The development concept for the site includes 18 parking spaces, including 2 accessible parking spaces, consistent with the maximum number of spaces allowable under section 7.6 of the Sydney LEP. In addition, 4 loading spaces have been provided for general servicing and private waste collection, which is in accordance with section 3.11.6 and Schedule 7 of the Sydney DCP. Parking and loading spaces are to be located in four basement levels accessed via a car lift and driveway off Reservoir Street (shown in Figure 24).

End of journey facilities are also shown to be accommodated below ground, with bicycle parking in accordance with section 3.11.3 of the Sydney DCP.

Modelling provided as part of a Traffic Impact Assessment, completed by Traffix on behalf of the proponent and attached to this planning proposal at Attachment A4, concluded that additional vehicle trips associated with the concept development equated to less than one vehicle every five minutes during both peak periods, having a negligible impact on the surrounding road network.

A more detailed traffic impact assessment would be included as part of any future development application for the site.

Flooding

The City's Darling Harbour Catchment Floodplain Risk Management Plan shows that the site is flood-affected. The TUFLOW model shows that the site is affected by overland flows from the eastern direction, along Foster Lane and Reservoir Street and towards Elizabeth Street before leaving through the railway corridor along the western side of Elizabeth Street.

A Flood Advice Report, prepared on behalf of the proponent by Integrated Group Services and attached to this planning proposal at Attachment A7, finds that the proposed building envelope is capable of hosting a development which complies with all flood planning levels as per the Interim Floodplain Management Policy.

A more detailed flood advice report would be included as part of any future development application for the site.

Sustainability

Any development application using the controls made by this planning proposal will be subject to the sustainability requirements outlined in section 7.33 of the Sydney LEP and section 3.6.1 'Energy efficiency in non residential developments' of the Sydney DCP, both of which came into force in October 2023.

An NCC 2022 Section J Assessment Report, prepared on behalf of the proponent by Integrated Group Services and attached to this planning proposal at Attachment A12, indicates that any future DA design within the proposed building envelope can be capable of compliance with the NCC 2022 provisions for energy efficiency.

Contamination

A Desktop Contamination Study, prepared on behalf of the proponent by Douglas Partners and attached to this planning proposal at Attachment A6, found that based on a review of site history information and a limited site walkover inspection, the potential for widespread site contamination is considered to be low to moderate, and it is unlikely that significant contamination is present which would render the site unsuitable for any development facilitated by this planning proposal.

A more detailed contamination study would be included as part of any future development application for the site.

Acoustics

An Acoustic Impact Statement has been prepared by Acoustic Logic on behalf of the proponent and is attached to this planning proposal at Attachment A13. It identified existing high levels of

background noise near Elizabeth Street which diminish moving east along Reservoir Street. It identified two potential sources of acoustic impact associated with a commercial development being loading dock operation and mechanical plant noise, and recommended that they be considered and addressed at development application stage.

The site-specific DCP will also feature objectives and provisions relating to noise, ensuring that the amenity of nearby residents will be maintained.

Has the planning proposal adequately addressed any social and economic effects?

Heritage

The site is not heritage listed nor located within a Heritage Conservation Area. As the existing buildings on site are more than 50 years old, a Heritage Impact Statement was prepared on behalf of the proponent by Urbis and is attached to this planning proposal at Attachment A5.

The statement found 232-236 Elizabeth Street to be a building with some components of a Federation Free style façade but with little noteworthy architectural detailing. The remaining 19th Century buildings at 238-240 Elizabeth Street are late Victorian residential structures which are common typologies within the area. All of the buildings on site have been heavily modified both internally and externally and their demolition is considered acceptable from a heritage perspective.

The proposed building envelope was not found to impact the heritage values of any nearby buildings or heritage items, including any significant views or settings, and the introduction of a new pedestrian through-site link was found to permit a visual distinction between new works on the site and early 20th Century building works on adjoining properties.

A preliminary Archaeological Assessment prepared by Curio (Attachment A9) found that there are no registered Aboriginal objects and/or sites located within or directly adjacent to the site, however the undisturbed soils below the existing structures have moderate Aboriginal archaeological potential. The assessment found a low to moderate likely potential for non-Aboriginal archaeological findings.

The site is traversed by a brick oviform sewer constructed in 1887, which connects to the heritage-listed Bondi Ocean Outfall Sewer. Preliminary investigations have been undertaken to ensure that future development can take place without impact on the sewer, including a minimum clearance requirement. It will be the responsibility of the proponent to undertake a Specialist Engineering Assessment (SEA), in consultation with Sydney Water, to demonstrate no adverse impact or nominate protection measures. A letter and approvals program has been provided (Attachment A8) which outlines the investigations already conducted and those yet to be performed, and proposes that the most appropriate stage to complete the SEA would be following the design excellence competition when the competition winning scheme would be subject to a detailed DA.

Economic Impact

An Economic and Social Impact Report, prepared by Planning Lab and attached to the planning proposal at Attachment A3, found that a commercial development with 6,000sqm of new commercial floor space will accommodate more than 300 jobs. This is 86 more jobs than is possible with a commercial development under the current FSR controls and is consistent with the land use and economic objectives of the Greater Sydney Region Plan, Eastern City District Plan, City Plan 2036 and Camperdown-Ultimo Collaboration Area Place Strategy. Surry Hills historically has a lower vacancy rate than Central Sydney and is an attractive location for business operating in creative and technology-based industries. Redevelopment of the site, including a new pedestrian through-site link, increases activation and accessibility of the surrounding public domain, delivering improved amenity and safety for the public.

5.5 Infrastructure (Local, State and Commonwealth)

Is there adequate public infrastructure for the planning proposal?

The site is located 250m from Central Railway Station on the fringe of the Sydney CBD. The site is well serviced by the transport network including rail, light rail, Metro, buses and cycleways. It is also located less than 100m from Belmore Park, and 250m from Harmony Park and Reservoir Street Reserve. The site is already serviced by public utilities including reticulated water, sewer and stormwater, electricity and telecommunications.

Any development application on the site will be subject to section 7.12 development contributions as outlined in the Central Sydney Development Contributions Plan 2020.

There is adequate public infrastructure to support this planning proposal.

5.6 State and Commonwealth interests

What are the views of the state and federal public authorities and government agencies consulted in order to inform the Gateway determination?

The gateway determination will advise the public authorities to be consulted as part of this planning proposal process. Any issues raised will be incorporated into this planning proposal following consultation in the public exhibition period.

6. Mapping

This planning proposal does not include any amendments to maps.

No change will be made to any maps contained in the LEP as part of this planning proposal, instead additional floor space ratio is proposed to be included through new site-specific provisions under Division 5 as discussed earlier in this planning proposal document.

7. Community consultation

This Planning Proposal is to be exhibited in accordance with a Gateway Determination issued by the Department of Planning, Housing & Infrastructure.

~~It is anticipated that the Gateway Determination will require public exhibition for a period of not less than 28 days in accordance with the Environmental Planning and Assessment Act 1979 and the Local Environmental Plan Making Guideline.~~

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

~~Consultation with relevant NSW agencies, authorities and other relevant organisations will be undertaken in accordance with the Gateway Determination.~~

The consultation period ran from 5 September to 3 October 2024. It was run in accordance with the Environmental Planning and Assessment Act 1979 and Local Environmental Plan Making Guideline, the City's Community Engagement Strategy and Participation Plan, and the conditions of the Gateway Determination.

821 notification letters were letterbox dropped to property owners and occupiers within a 75-metre radius of the site boundary, and a webpage and survey created for people to review the planning proposal and supporting documentation and provide their feedback. The planning proposal was referred to Transport for NSW and Sydney Water for consultation and comment as required by the Gateway Determination.

8. Project timeline

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

Stage	Timeframe
Commencement / Gateway Determination	14 June 2024
Government agency consultation	July – August 2024 September – October 2024
Public exhibition	July – August 2024 September – October 2024
Consideration of submissions	August – September 2024 October – November 2024
Post exhibition consideration of proposal	October – November 2024 November – December 2024
Draft and finalise LEP	November – December 2024 January – February 2025
LEP made	January – February 2025 February – March 2025
Plan forwarded to the Department of Planning, Housing & Infrastructure	January – February 2025 February – March 2025

Appendix 1

Example clauses

The final version of the clauses to be inserted into Division 5 would be subject to drafting and agreement by the Parliamentary Counsel's Office, but may be written as follows:

Part 6 Local provisions – height and floor space

Division 5 Site-specific provisions

6.XX 232-240 Elizabeth Street, Surry Hills

(1) This clause applies to Lots 1 & 2 SP 1379, Lots 1 & 2 DP 779385, Lot 1 DP 664653, 232-240 Elizabeth Street, Surry Hills.

(2) The maximum height for a building on the land to which this clause applies is RL 50.33 metres.

(3) The part of a building located at or above ground level may have a floor space ratio of up to the ratio of the sum of the following to the site area-

(a) the gross floor area resulting from applying a floor space ratio of 6.36:1

(b) if the building is a building demonstrating design excellence – the gross floor area, determined by the consent authority, of up to 10% of the sum of the amount specified in subclause (3)(a).

(4) The part of a building located below ground level may have a floor space ratio of up to 0.3:1 for the purpose of any end of journey floor space for which the building is eligible under clause 6.13.

(5) The total floor space ratio calculated under subclauses (2) to (4) must not exceed 7.3:1.

(6) Subclauses (2) to (5) do not apply unless the consent authority is satisfied the building will not be used for the purposes of residential accommodation or serviced apartments.

(7) Clause 6.21D(3)(a) does not apply to the building.

