

Item 4.

Public Exhibition - Planning Proposal - 150 Day Street, Sydney - Sydney Local Environmental Plan 2012 and Sydney Development Control Plan 2012 Amendment

File No: X090796

Summary

Central Sydney is an engine room of the NSW economy. The Central Sydney Planning Strategy is a 20-year growth strategy that recognises Central Sydney's role in metropolitan Sydney, NSW and Australia, and the need to maintain and grow its status as a global city with a dynamic economy and high quality of life. The Strategy prioritises employment growth with increased capacity, ensures development takes place in areas that can accommodate greater building height, encourages pedestrian connections and the use of public transport, and moves towards a more sustainable city.

A planning proposal, consistent with the Central Sydney Planning Strategy has been prepared for 150 Day Street, Sydney, following a request by the applicant to amend the planning controls for the site. The site is located on the boundary of Darling Harbour and close to tourist destinations such as the International Convention Centre and Theatre, Darling Square and Dixon Street. It is well positioned to support new tourism and visitor accommodation while taking advantage of existing transport connections.

The planning proposal seeks to amend the building height and floor space controls to facilitate the adaptive reuse of an existing hotel building and deliver a 22-storey hotel with more than 30,600sqm of commercial (hotel) floor space. The proposed controls require the substantial retention of the existing building on site, representing a significant amount of embodied carbon, and achieving environmental performance targets above City targets and controls.

A draft site specific Development Control Plan has been prepared to support the planning proposal and provide guidance on sustainability targets, landscaping, transport, flooding and design excellence. The applicant has submitted a public benefit offer to enter into a planning agreement to provide additional affordable housing contributions above the requirements of clause 7.13 of the Sydney Local Environmental Plan.

This report recommends approval of the planning proposal for submission to the Department of Planning, Housing and Infrastructure seeking a Gateway Determination, followed by public exhibition and referral to government agencies for comment. After this consultation, the planning proposal and any issues raised in submissions will be reported back to Council and the Central Sydney Planning Committee.

Recommendation

It is resolved that:

- (A) Council approve Planning Proposal - 150 Day Street, Sydney, as shown at Attachment A to the subject report, to be submitted to the Minister for Planning and Public Spaces with a request for Gateway Determination;
- (B) Council approve Planning Proposal - 150 Day Street, Sydney, as shown at Attachment A to the subject report, for public authority consultation and public exhibition in accordance with any conditions imposed under the Gateway Determination;
- (C) Council seek authority from the Minister for Planning and Public Spaces to exercise the delegation of all the functions under section 3.36 of the Environmental Planning and Assessment Act 1979 to make the local environmental plan and to put into effect Planning Proposal - 150 Day Street, Sydney;
- (D) Council approve the Draft Sydney Development Control Plan 2012 - 150 Day Street, Sydney, as shown at Attachment B to the subject report, for public authority consultation and public exhibition concurrent with the Planning Proposal;
- (E) authority be delegated to the Chief Executive Officer to make any variations to Planning Proposal - 150 Day Street, Sydney, to correct any drafting errors or to ensure consistency with the Gateway Determination;
- (F) authority be delegated to the Chief Executive Officer to make any variations to Draft Sydney Development Control Plan 2012 - 150 Day Street, Sydney, to correct any drafting errors or ensure it is consistent with the Planning Proposal following the Gateway Determination; and
- (G) Council note the Chief Executive Officer will prepare a draft planning agreement in accordance with the letter of offer dated 3 September 2025 at Attachment C to the subject report, and the requirements of the Environmental Planning and Assessment Act 1979, to be exhibited in accordance with the Act.

Attachments

- Attachment A.** Planning Proposal - 150 Day Street, Sydney and Appendices
- Attachment B.** Draft Sydney Development Control Plan 2012 - 150 Day Street, Sydney
- Attachment C.** Public Benefit Offer Letter dated 3 September 2025

Background

1. In March 2025, a request to prepare a planning proposal was lodged through the NSW Planning Portal on behalf of the landowner, UOL Group Limited, for 150 Day Street, Sydney ('the site'). The site is shown in Figure 1.

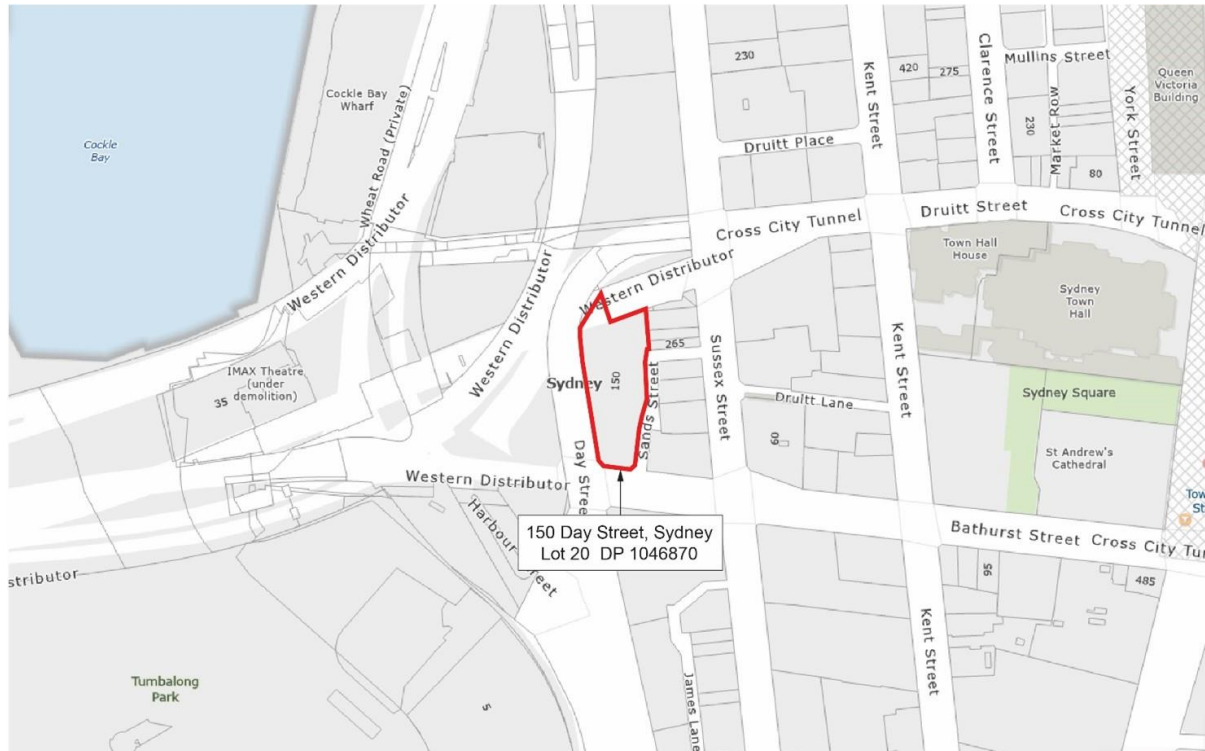


Figure 1: Land affected by this planning proposal

2. The site has an area of 2,279sqm and has frontages to Bathurst Street, Sands Street, Day Street, an on-ramp to the Western Distributor and the Cross City Tunnel Harbour Street exit. The existing development on the site is known as the PARKROYAL Darling Harbour, an 11-storey building containing approximately 17,000 square metres of tourist and visitor accommodation floor space, which was constructed in 1988.
3. Further details of the site and existing planning controls can be found in sections 1 and 2 of the planning proposal, attached to this report at Attachment A. Photos of the site and existing development are at Figures 2 and 3.



Figure 2: 150 Day Street, western façade fronting Day Street and Cross City Tunnel Harbour Street exit, outlined in red



Figure 3: 150 Day Street, northern and eastern façades fronting Western Distributor onramp, outlined in red

The proponent has requested amendments to building height and floor space ratio controls to enable an expansion of the hotel on site

4. The proponent requested a planning proposal to facilitate a redevelopment to achieve:
 - (a) a total of 30,617sqm of tourist and visitor accommodation floor space in Central Sydney, aligning with the strategic direction of the Central Sydney Planning Strategy and City of Sydney Economic Development Strategy 2025-2035
 - (b) an adaptive reuse of the existing structure, with 11 storeys added to the existing 11-storey building, and the primary structure and floors (including columns, beams and slabs) substantially retained, representing significant embodied carbon and achieving environmental performance targets above and beyond City targets and controls
5. Illustrations of the indicative scheme are shown at Figures 4 and 5.

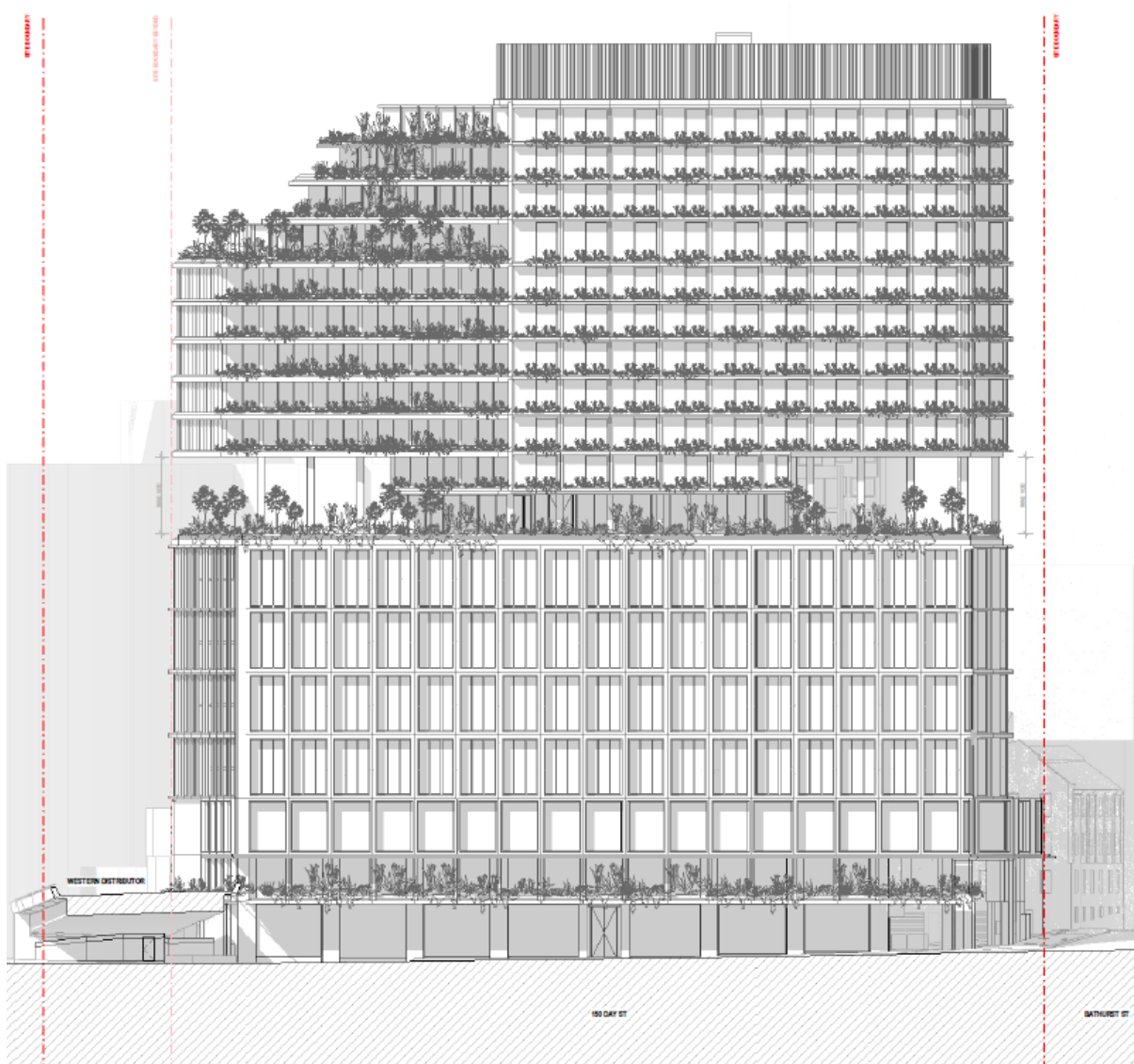


Figure 4: Technical drawing of indicative design - western (Day Street) elevation



Figure 5: Artistic representation of indicative design - northwestern perspective

The City has prepared a planning proposal to increase the height and floor space controls for a commercial hotel development

6. The planning proposal details the proposed amendments to the Sydney Local Environmental Plan 2012 (Sydney LEP 2012) by inserting new site-specific provisions to incentivise productive floor space. The provisions are to:
 - (a) permit a maximum building height of RL 87.7 metres (approximately 85 metres), an increase from the current control of 45m
 - (b) increase the maximum floor space ratio control from 9.9:1 to 13.5:1 inclusive of design excellence and end of journey floor space
 - (c) ensure development would not cause any additional overshadowing of Town Hall Steps, Sydney Square and future Town Hall Square
 - (d) ensure the resulting building would not be used for the purposes of residential accommodation or serviced apartments
 - (e) ensure any development taking advantage of these amended controls must feature substantial retention of the existing structure, including columns, beams and slabs
7. Further explanation of the provisions can be found in section 4 of the Planning Proposal at Attachment A.

Changes to the Development Control Plan will ensure the development demonstrates a high-quality built form and protects the public domain

8. A draft site-specific Development Control Plan (draft DCP) is at Attachment B and provides further guidance for development facilitated by this Planning Proposal. The draft DCP provisions include:
- (a) dimensions of a maximum building envelope as shown at Figure 6
 - (b) sustainability targets above standard requirements for hotels in Central Sydney
 - (c) additional requirements regarding landscaping, transport, flooding and contamination for any future development application
 - (d) a design excellence strategy

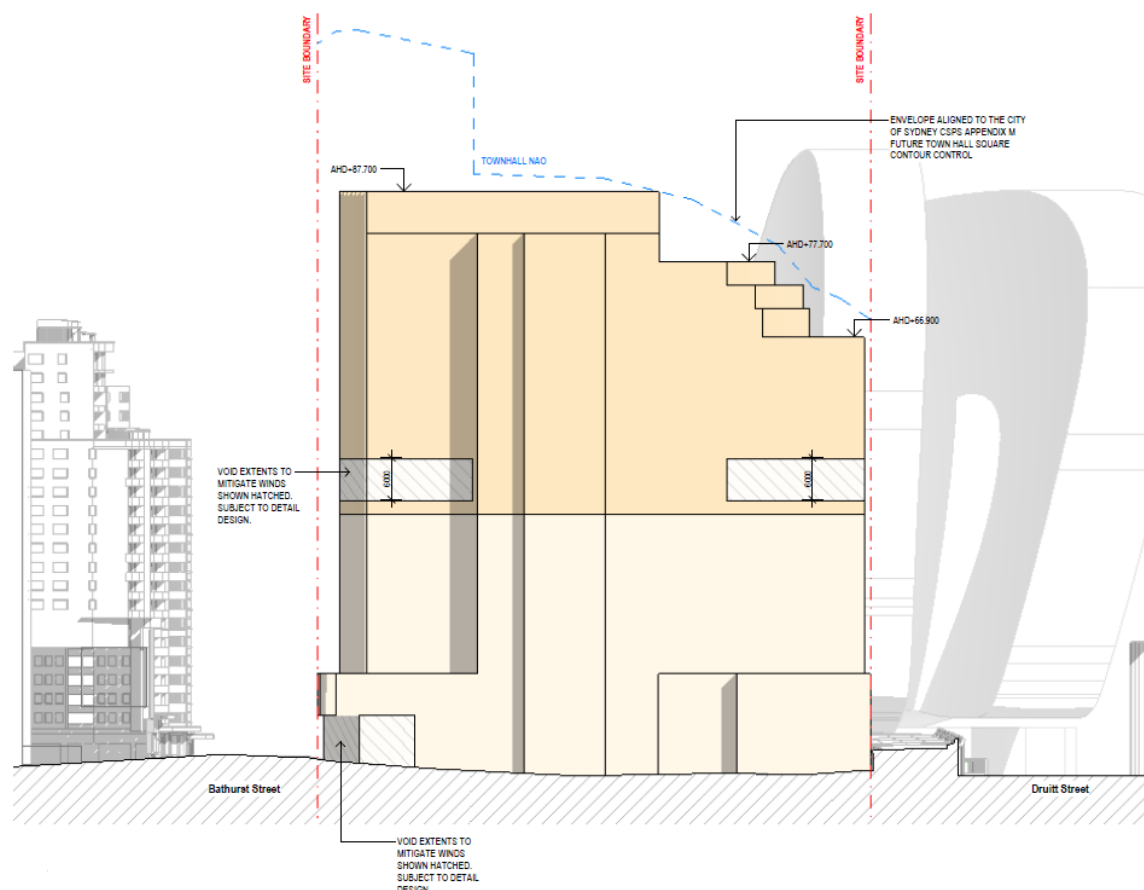


Figure 6: Maximum building envelope - east elevation

The proposal demonstrates strategic and site-specific merit

Supporting the visitor economy

9. The planning proposal provides an opportunity for the redevelopment of the site to provide in total more than 30,000sqm of tourist and visitor accommodation floor space - approximately 490-540 hotel rooms over 22 storeys. This represents an increase on the current capacity by 150-200 rooms and 13,000sqm of gross floor area. This capacity increase is in alignment with the objectives of the NSW Government's Visitor Economy Strategy 2030 Review, which seek to increase the value of the NSW visitor economy by \$91 billion per year and increase hotel room supply by 40,000 statewide. According to Tourism Research Australia's September 2024 data for average domestic expenditure per trip per night, the expansion in tourist and visitor accommodation on this site could inject more than \$31 million into Sydney's tourist economy each year.

Improved sustainability outcomes

10. The existing building was constructed in 1988, and due to the 37-year age of the structure and subsequent changes to National Construction Code (NCC) standards, a range of mechanical, electrical, communications, hydraulics, fire, emergency and vertical transportation services in the building have been identified for upgrade or replacement. Rather than pursue a full demolition and rebuild, with the substantial associated loss of embodied carbon, the proponent intends to undertake an adaptive reuse approach and retain the existing structure.
11. The full range of opportunities and strategies to improve the environmental performance of the structure will be explored during the design competition process and subsequent development application. This planning proposal requires that the increased building height and floor space controls are only available to proposals which demonstrate substantial retention of the existing structure. In addition, the draft DCP will require new structure to maximise landscaping on walls, terraces, balconies and roofs, and all development is to achieve Green Star Buildings and NABERS Energy ratings which exceed the energy performance standards required for new hotels in the Sydney DCP.

Height and density

12. The planning proposal would increase the maximum floor space ratio for the site from 9.9:1 to 13.5:1 inclusive of end of journey floor space and a 10% award for achieving design excellence. This increase in gross floor area would facilitate an additional 11 storeys on the site, up to a maximum height of RL 87.7m (approximately 85m above ground level). This floor space ratio is specific to the building envelope identified in the planning proposal and draft DCP and the proposed envelope has been tested to ensure that the increased floor space can be accommodated within its dimensions. It should be noted that the existing structure being retained pre-dates the implementation of the Sydney DCP and has architectural features which are non-compliant, including floor-to-floor heights of 2.85m. However, all additional floors to be constructed above the existing structure will be DCP-compliant in terms of floor-to-floor heights (3.4m), plant levels, architectural articulation and floor space efficiencies.

13. The amendment to the LEP will increase the maximum building height from 45m to RL 87.7m (approximately 85m). However the site will remain subject to the no additional overshadowing controls in section 6.18 of the Sydney LEP, which protect Sydney Town Hall Steps, Sydney Square and future Town Hall Square. The interaction of these two controls results in a terraced roof form for the proposed building envelope which steps down to the north, as illustrated in Figure 6. More information on the proposed building envelope can be found in part 5.4 of the planning proposal at Attachment A.

Managing wind conditions

14. The site currently experiences wind conditions which exceed the City of Sydney's wind standards due to westerly winds which downwash off the long western façade and are funnelled down to Day Street and along Bathurst and Druitt Streets. The proposed building envelope improves wind conditions in the public domain through the inclusion of voids and chamfers in the built form, which have been included as requirements in the draft DCP and can be seen in Figure 6.

Overshadowing

15. The overshadowing is reasonable and acceptable. An overshadowing analysis of nearby residential buildings was conducted to assess any adverse impacts. Three residential buildings at 273-279, 289-295 and 298 Sussex Street were found to be partially impacted by the proposal. All 3 of these buildings currently do not comply with the Apartment Design Guide. The number of apartments at 273-279 Sussex Street which will receive less than 2 hours of direct sunlight at midwinter will increase by 5.6% as a result of this proposal, for 289-295 Sussex Street the number of apartments will increase by 3.7% and for 298 Sussex Street the number will increase by 2.1%.
16. 289-295 Sussex Street and 298 Sussex Street were both approved and constructed before the implementation of the Sydney DCP and Apartment Design Guide, and were not designed nor oriented to maximise direct sun access to living spaces at midwinter as current planning controls require. As a result, any increase to building height at 150 Day Street would increase overshadowing at midwinter to these residential properties. Without accepting some degree of overshadowing impact, no intensification of commercial activity could take place on this site at all, which is contrary to the strategic direction of the Central Sydney Planning Strategy which seeks to "ensure residential development does not restrict new commercial development".
17. At the time of approval and construction of 289-295 Sussex Street and 298 Sussex Street, the applicable development controls required sun access for 2 hours per day on the equinox (March 21). If the proposal were to be assessed according to controls in place at the time, the proposal would cause no change to the number of apartments receiving 2 hours of sun on the equinox. More information on the overshadowing analysis can be found in part 5.4 of the planning proposal at Attachment A.

Flooding

18. The site is located in the flood planning area, with various points vulnerable to both 1% AEP and PMF levels. The retention of the existing structure means that no changes to the ground plane are being proposed that would change or worsen existing flood conditions. The reference design proposes flood gates for lobby, basement and loading dock entrances. Further work will be required on flood mitigation options during the design competition and detailed development application process, noting that flood gates are a line of last resort and all other options must be explored. More information on the flood impact and risk assessment can be found in part 5.4 of the planning proposal at Attachment A.

Servicing

19. The proponent has provided a Transport Impact Assessment, at Attachment A11, which has found that additional traffic generated by the proposal will be minor. Due to the retention of the existing structure with no excavation, no changes are proposed for the basement space and existing car parking arrangements. The reference design proposes 26 car parking spaces, which is well below the maximum 112 allowable under the Sydney LEP. The loading dock currently accessed off Sands Street will remain, featuring 3 SRV and 2 B99 spaces. This is considered acceptable provided vehicle access is managed under a Servicing and Delivery Management Plan, required by the draft DCP at Attachment B.

Heritage

20. The site is not heritage-listed nor located in a Special Character Area. The site is located adjacent to a locally-listed heritage item, 'Former warehouse - The Vintage Building' (1964), which is directly across Sands Street to the east. A Statement of Heritage Impact prepared by the proponent, and available at Attachment A13, found that the existing PARKROYAL Darling Harbour already serves as a dominant backdrop to the heritage item, and the retention of the existing structure means the current interface, podium form and alignment will be unchanged. Views towards 'the Vintage Building' will remain unaffected.

A Voluntary Planning Agreement will deliver additional affordable housing contributions

21. The proponent has offered to enter into a Voluntary Planning Agreement (VPA) with Council to deliver public benefits as part of this planning proposal. The Environmental Planning and Assessment Act 1979 (the Act) allows the proponent to enter into a VPA with Council. Voluntary Planning Agreements are voluntary and must be freely entered into by the public authority and a proponent. They are also publicly exhibited and held on a publicly accessible register.
22. The letter from the landowner at Attachment C to this report offers to provide an additional affordable housing contribution of 1% of the increased floor area facilitated by this planning proposal as though the proposed changes to the affordable housing program had been updated and was in force. This addition amount does not offset any applicable AH contributions required under the Sydney LEP or the Act.
23. The Voluntary Planning Agreement will be prepared and publicly exhibited with the planning proposal.

The planning proposal is consistent with the City's strategic vision

Central Sydney Planning Strategy

24. The Central Sydney Planning Strategy is a 20-year growth strategy that revised previous planning controls to create opportunities for height and density for jobs growth where balanced with environmental initiatives and excellence in urban design. This planning proposal aligns with the Central Sydney Planning Strategy by:
- (a) prioritising employment growth in Central Sydney, delivering new tourist and visitor accommodation in walking distance of Central Sydney's major commercial, cultural and entertainment precincts (including Darling Harbour), supporting the visitor economy in a location with existing tourism infrastructure
 - (b) supporting moves towards a more sustainable city, where the building retention approach reduces greenhouse gas emissions by preserving the embodied carbon within the existing structure and improving energy efficiency through the implementation of Green Star Buildings and NABERS Energy targets
 - (c) ensuring development responds to context and protects Central Sydney's public spaces, ensuring no additional overshadowing protections for Sydney Square, Town Hall Steps and future Town Hall Square while the accompanying draft DCP contains a maximum building envelope designed to protect the amenity of the public domain
 - (d) reaffirming the commitment to design excellence, with future development on site subject to a full competitive design process and the draft DCP including a design excellence strategy

Local Strategic Planning Statement

25. The City's Local Strategic Planning Statement, City Plan 2036, sets out the 20-year vision for land use planning in the city and the planning priorities and actions needed to achieve the vision. This planning proposal gives effect to City Plan 2036 by:
- (a) supporting the priority to create walkable neighbourhoods, with this planning proposal facilitating redevelopment in a location within walking distance of Central Sydney's major commercial, cultural and entertainment precincts, and the transport hub of Town Hall
 - (b) aligning development and growth with supporting infrastructure, increasing visitor numbers and commercial activity in a location with existing and sufficient transport, utility and service infrastructure to accommodate more demand
 - (c) creating better buildings and reducing emissions through the adaptive reuse of the existing structure and improving energy efficiency through the implementation of Green Star Buildings and NABERS Energy targets

Economic Development Strategy

26. This planning proposal gives effect to the actions of the City's Economic Development Strategy. By supporting an expansion of tourist and visitor accommodation within walking distance of Darling Harbour, Town Hall and Chinatown it supports efforts to create world class visitor services in a location well-placed to leverage major events, festivals and business conferences. Darling Harbour and its surrounds is an area with a strong tourism sector specialisation and features a cluster of complementary economic activity. It also represents an opportunity to test new ideas and innovation in the transition to net zero and showcases Sydney as a global champion of net zero.

Sustainable Sydney 2030-2050 Continuing the Vision

27. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the city to 2050. It includes 10 strategic directions for the future of the city, as well as 10 targets against which to measure progress. This planning proposal is aligned with the following strategic directions and objectives:
- (a) Direction 2: A leading environmental performer - This planning proposal requires building retention and adaptive reuse for any development wishing to take advantage of the new planning controls, reducing greenhouse gas emissions by preserving the embodied carbon within the existing structure and improving energy efficiency through the implementation of Green Star Buildings and NABERS Energy targets.
 - (b) Direction 4: Design excellence and sustainable development –Multiple architects will participate in a competitive design process to deliver design excellence, with the site-specific DCP including a design excellence strategy which requires competitors with demonstrated experience in environmental sustainability.
 - (c) Direction 5: A city for walking, cycling and public transport – The site is well-positioned to take advantage of existing transport infrastructure, including rail, light rail, Metro and bus services, and nearby cycleways. The site is located within walking distance of Central Sydney's major commercial, cultural and entertainment precincts, including Darling Harbour.
 - (d) Direction 9: A transformed and innovative economy – This planning proposal supports employment growth and the visitor economy in Central Sydney, helping to maintain the City's position locally, nationally and globally as a destination for business, investment and talent.

Risks

28. City staff have undertaken a thorough assessment of the planning proposal and found that it demonstrates strategic and site-specific merit in accordance with NSW Government guidelines. The planning proposal is consistent with City policies and strategies including City Plan 2036, Central Sydney Planning Strategy, Business Development Strategy and Sustainable Sydney 2030-2050 Continuing the Vision. Progressing the planning proposal is within the City's risk tolerance and appetite.

29. The planning proposal has demonstrated that development can be capable of complying with relevant environmental and planning laws, regulations and industry standards and is within the City's minimal appetite for non-compliance with environmental laws, regulations and industry standards.
30. Should Council and the Central Sydney Planning Committee endorse the attached planning proposal for public exhibition, it will be forwarded to the Department of Planning, Housing and Infrastructure in accordance with section 3.34 of the Act for Gateway Determination. Proceeding with the planning proposal will meet the City's minimal appetite for disruption to our regulatory functions as decisions will be within the timeframes set in the NSW Government's Statement of Expectations Order 2024.

Relevant Legislation

31. Environmental Planning and Assessment Act 1979.
32. Environmental Planning and Assessment Regulation 2021.

Critical Dates / Time Frames

33. Should Council and the Central Sydney Planning Committee endorse the attached planning proposal for public exhibition, it will be forwarded to the Department of Planning, Housing and Infrastructure in accordance with section 3.34 of the Act for Gateway Determination. The Gateway Determination will provide the required date for the completion of the Local Environmental Plan amendment. Following public exhibition, the outcomes will be reported back to Council and the Central Sydney Planning Committee.

Public Consultation

34. The public exhibition process for this planning proposal will be determined by the Department of Planning, Housing and Infrastructure. It is planned for the public exhibition of the planning proposal and draft Development Control Plan to run concurrently. The consultation will be in accordance with:
 - (a) the Gateway Determination issued by the Department of Planning, Housing and Infrastructure under section 3.34 of the Act;
 - (b) the Environmental Planning and Assessment Regulation 2021; and
 - (c) the City of Sydney's Community Engagement Strategy and Participation Plan.
35. It is likely that the public exhibition period for the planning proposal would be a minimum of 28 days.

36. The planning proposal and draft Development Control Plan will be publicly exhibited on the City of Sydney website in accordance with the Environmental Planning and Assessment Regulation 2021.
37. Following public consultation, the planning proposal and draft DCP will be reported back along with details on submissions received for consideration by Council and the Central Sydney Planning Committee.

GRAHAM JAHN AM

Chief Planner / Executive Director City Planning, Development and Transport

James Dirickx-Jones, Planner