

Attachment A1

Planning Proposal Justification Report



150 Day Street

Planning Proposal

March 2025





Mecone acknowledges the Traditional Custodians of the land on where this project is undertaken and across the Mecone offices that this report is prepared, paying respect to the Elders past and present. We recognise the ongoing connection of Aboriginal and Torres Strait Islander peoples to land, waters, and culture.

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* This document is for discussion purposes only unless signed and dated by the persons identified.
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150 Day Street



UOL identifies an ambitious upgrade and expansion of the existing Park Royal Hotel at 150 Day Street.

The project aims to adaptively reuse the existing building to support a dual hotel offering with the introduction of the Pan Pacific Hotel above. This design approach directly aligns with the City of Sydney and UOL's Sustainability Framework which underpins UOL's commitment to shape a resilient built environment and contribute towards a clean, green and sustainable future.

The project responds to the growing need for hotel rooms in Sydney and the NSW's target to grow the NSW visitor economy to \$91 billion in visitor expenditure by 2035.

UOL brings substantive experience in delivering innovative green facades. Their vision seeks to weave the essence of coastal and bushland environments and respond to Sydney's unique ecosystem.

490-540 HOTEL KEYS

\$85.3M ANNUAL NET INCREASE IN OUTPUT

APPROX. 30,000M2 OF EMPLOYMENT / VISITOR GFA





The project will achieve...

**Substantive
Adaptive Reuse**



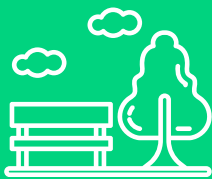
**Exceptional
Environmental
Performance
Targets**



**Increased
Biodiversity and
Tree Canopy**



**Enhanced Public
Domain Outcomes**



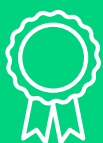
**Delivery of Dual
Hotel Offering**



**Reinforces the
City's Green Edge**



**Commitment to
Design Excellence
and Connecting
with Country**



**Improved Wind
and Flood
Conditions**



**Responds to
Existing Built
Form and Heritage**



Executive Summary

Introduction

This Planning Proposal has been prepared by Mecone Group Pty Ltd (**Mecone**) on behalf of UOL Group Limited (**UOL**) in relation to 150 Day Street, Sydney (**the site**). This planning proposal seeks an amendment to *Sydney Local Environmental Plan 2012* (the **LEP**). It satisfies the requirements of Section 3.33 of the *Environmental Planning and Assessment Act 1979* (**EP&A Act**) and aligns with NSW Department of Planning, Housing and Infrastructure (**DPHI**) *Local Environmental Plan Making Guideline* dated August 2023 (the **Guidelines**).

The Site

The site is located at 150 Day Street, Sydney and is legally described as Lot 20 in Deposited Plan (DP) 1046870. It has a total area of approximately 2,250m² with street frontages to Day Street, Bathurst Street and Sands Street. The site also abuts the Western Distributor to the north. The site is located 350m west of Town Hall Station and 240m south-east of Darling Park.

The surrounding area includes a mix of commercial and residential development as well as major arterial roads. Three residential towers are located to the east and south of the site. The site is also situated adjacent to a local heritage item on the opposite side of Sands Street.

Planning Background

The existing building was originally constructed in 1988 as a 10-storey hotel, featuring a concrete frame and concrete roof. This was subsequently upgraded in 1996 to add on a steel roof to the former concrete roof to facilitate a habitable space on the 11th storey.

The Proposal

The planning proposal for the existing PARKROYAL Hotel at 150 Day Street, Sydney (**the site**), involves an ambitious upgrade and expansion of the existing hotel. This project aims to enhance the existing hotel offering while introducing a new, distinct hotel experience above the current structure, enabling the coexistence of the existing PARKROYAL and a new Pan Pacific Hotel on the same site. Strategically positioned at the edge of the City of Sydney, the development reinforces the city's entry into Darling Harbour by maintaining and emphasising the city wall characteristic of this prominent location.

The project is defined by 3 key principles – maximising adaptive reuse (setting a benchmark for future developments in Sydney), energising the Sydney visitor economy, and significantly enhancing the greening of both the public realm and the skyline, in alignment with the City of Sydney's sustainability goals. Achieving this vision involves expanding the existing core to support the new hotel above, employing a 'strip to structure' approach from ground to Level 02 to facilitate amenity upgrades, lightly refurbishing existing hotel rooms, and comprehensively upgrading all building services. This initiative aims to establish a contemporary hotel destination while setting a new standard for sustainable urban redevelopment.

To achieve the intended outcomes, this planning proposal seeks to amend the *Sydney Local Environmental Plan 2012* by inserting a new site-specific clause for the subject site under Part 6 Division 5 Site specific provisions of the *Sydney Local Environmental Plan 2012* to allow a maximum building height of 85 metres and floor space ratio of 13.5:1 for hotel and associated land uses with achievement of design excellence.

The Planning Proposal is supported by a site-specific Development Control Plan (**DCP**) and reference design scheme, prepared by Hassell. Key elements of the site specific DCP and reference design include:

- Renovation of existing 2 level basement and existing 11 storey hotel, with the addition of a new 11 storey hotel above (including a transfer floor between the two structures), and a rooftop plant floor resulting:
 - Two hotel brand offerings – PARKROYAL Hotel (3.5 star) and Pan Pacific Hotel (5 star)
 - 490-540 hotel keys with gross floor area of ~30,000m²
 - Upgrade existing infrastructure and services (including new lift core),



- New and upgraded hotel facilities (including lobby, dining areas, meeting rooms, ball room, gymnasium, bar and restaurants, and pool).
- Removal existing Porte Cochere and exit ramp resulting in single vehicle entry/exit ramp from Day Street to be used by valet only.
- Ground floor public domain, public art and landscaping design, and
- Significant greening and landscaping of western façade.

The proposal is also accompanied by an initial public benefit offer to enter into a Planning Agreement to cater for increased infrastructure demand (refer **Appendix 5**).

Rationale for the proposed changes to the planning controls

The planning proposal has been developed in response to the Central Sydney Planning Strategy, which outlines objectives and a framework to prioritise employment growth and increase employment capacity to maintain and grow its status as a global city with a dynamic economy and high quality of life. Tourism is one of the fastest growing economic sectors with strong demand for hotel accommodation.

The Central Sydney Planning Strategy acknowledges that Central Sydney has a limited capacity to grow and adapt because of its natural containment, heritage and the growth of residential development. As Sydney is compact and growing, proactive efforts are needed to ensure efficiency and productivity. In Central Sydney's limited space, substantive adaptive reuse projects such as the proposed not only supports the aspiring sustainability objectives of the City but also provides the most efficient and productive use of the land.

The anticipated delivery of new hotel accommodation supply is expected to soften in the coming years. A detailed room supply analysis completed by Dransfield (Hotel Futures 2025), shows that room growth in the Sydney market is unlikely to exceed 2.7% per annum with even softer growth in the short-term. Accordingly, the Proposal plays a role in addressing some of the potential unmet future demand over the coming years.

The Proponent has commissioned various technical studies to support this planning proposal report, which demonstrates how the proposal aligns with the City's vision for a competitive Central Sydney. The supporting technical studies are provided as appendices to this report. The vision for the site aims to accommodate growth through increased building height and density while safeguarding public domain amenity.

Strategic Merit

The appropriateness of the planning proposal needs to be understood in the context of the strategic planning framework and the future surrounding development that will emerge in response to this framework.

Greater Sydney Region Plan – A Metropolis of Three Cities

The site is located on the south western edge of the Harbour CBD which is designated by the *Greater Sydney Region Plan – A Metropolis of Three Cities (the Greater Sydney Plan)* as Australia's global gateway and financial capital. A key objective of the Greater Sydney Region Plan is to make the Harbour CBD stronger and more competitive. The diversification of the Harbour CBD's assets and uses is noted as being integral to promoting its economic strength and competitiveness. The proposal aligns with the objective in that it will assist in increasing the variety of uses in the Harbour CBD by providing high quality visitor accommodation and retail floor space.

Visitor Economy Strategy 2030 and 2030 Review

The NSW Government's *Visitor Economy Strategy 2030* outlines a roadmap for rebooting the visitor economy to recover from the impact of drought, bushfires and COVID-19 and to grow in the future. Following a review in 2024, the NSW Government has announced a new target to grow the NSW visitor economy to \$91 billion in visitor expenditure by 2035. In achieving this, the review identifies the need *"expand and upgrade accommodation across the state adding 40,000 rooms"*. The proposal aligns with the ambitious targets of the NSW Government by maintaining and upgrading existing hotel stock and supporting the delivery of new hotel rooms.



City Plan 2036: Local Strategic Planning Statement

City Plan 2036: Local Strategic Planning Statement identifies that the demand for hotels in Central Sydney is anticipated to grow by 4.7% annually to 2020. In light of this, the Planning Proposal will address the growing demand for hotel accommodation precipitated by the flux of corporate travellers associated with the growing office market in southern Central Sydney. Of relevance to this planning proposal, the final principle of *City Plan 2036: Local Strategic Planning Statement* stipulates that:

*“Proposals must give consideration to strategically valuable land uses that are **under-provided by the market, such as but not limited to hotels, cultural space (including performance and production space), medical uses, education uses and childcare centres, and having regard to the appropriateness of the use for the context.**”*

The Planning Proposal identifies a dual hotel offering for the site. By providing mixed-range hotel accommodation offerings, the Planning Proposal will address the growing demand identified by the LSPS for affordable mid-range hotel options in the Sydney CBD. This will bolster the economy by providing genuine choice in accommodation options, catering for a diverse range of needs, preferences and price points.

Central Sydney Planning Strategy

The *Central Sydney Planning Strategy* aims to ensure strong planning for Central Sydney. It recognises Central Sydney's role in metropolitan Sydney, New South Wales and Australia, and the need to maintain and grow its status as a global city with a dynamic economy. A core objective identified within the *Central Sydney Planning Statement* is to protect and grow employment floor space to maintain its economic vitality and resilience, and to respond to the changing needs of markets.

Central Sydney has a limited capacity to grow and adapt because of its natural containment, heritage and the growth of residential development. As Sydney is compact and growing, proactive efforts are needed to ensure efficiency and productivity, including the support for larger towers which represent the most efficient and productive use of land in Central Sydney.

The *Central Sydney Planning Strategy* notes tourism as one of the fastest growing economic sectors and is a significant contributor to employment opportunities. Reflected in high occupancy rates and growth in room rates, demand in the hotel and accommodation sector is strong. Currently however, the large-scale development of new hotels is not financially feasible unless part of a mixed-use development.

The proposal aligns with the Central Sydney Planning Strategy in that it:

- Supports the delivery of new employment floor space.
- Aims to substantially reduce embodied carbon emissions for the site, closely aligning with the City of Sydney's sustainability objectives.
- Supports the most efficient and productive use of the land, maximising Central Sydney's limited space.
- Aims to improve the amenity, safety and accessibility of surrounding public spaces which will greatly enhance these spaces.
- Identifies a commitment to design excellence and setting a new benchmark for development in the City.
- Ensures greater certainty in the delivery of hotel development as an owner/occupied proposal.

Site Specific Merit

The proposed development is the outcome an iterative design testing process that has been underpinned by technical input from a supporting team of specialists. The planning proposal demonstrates site specific merit as it:

- Involves the substantive adaptive reuse of the existing hotel building and aims to achieve exceptional environmental sustainability targets.
- Will provide improved public domain outcomes for the surrounding area including improvements to safety and amenity of existing pedestrian links, expanding biodiversity typologies and public art installation opportunities.



- Will achieve equal or improved pedestrian wind conditions in all trafficable outdoor locations within and around the site.
- Will not cause additional overshadowing to protected public spaces (e.g. Future Town Hall Square) and manages overshadowing impacts to neighbouring residential developments in accordance with relevant design guidelines.
- Will not affect significant views from public places whilst maintaining acceptable private views in the context of a highly urbanised environment of Sydney CBD.
- Will have a negligible impact on the operation of the local road network and is delivered with a range of measures to improve and encourage access by active and sustainable modes, compliant with local and regional policy.
- Ensures a future built form that achieves a cohesive architectural connection with the surrounding heritage context, most notably "The Vintage Building".
- Will improve flood risk conditions for the site and surrounding area compared to existing conditions.
- Will deliver a range of public and economic benefits during operation compared to the existing scenario case, including:
 - \$85.3m annual net increase in output (additional \$52.8m in direct activity)
 - \$43.7m annual net increase in gross regional product (additional \$17.3m in direct activity)
 - \$26.3m annual net increase in incomes and salaries (additional \$17.3m in direct activity)
 - 368 full-time operational jobs, and
- Will capitalise on the sites excellent access to public transport infrastructure and increases the site's capacity to accommodate employment generating floor space.
- Is located in a well-established area, well serviced by public transport and utility infrastructure.

In light of the above, the Planning Proposal will facilitate the achievement of a myriad of site specific and economic benefits. These benefits can be realised without giving rise to any adverse environmental social or economic impacts.

Conclusion

The proposal is consistent with the aims and objectives of the relevant strategic and statutory plans and policies. It is therefore considered that the proposal satisfies both the strategic and site-specific merit tests. It is therefore requested that Council forward this planning proposal to DPHI for Gateway Determination.



Part A - Background

1. Introduction

This planning proposal has been prepared by Mecone Group Pty Ltd (**Mecone**) on behalf of UOL Group Limited (**UOL**) to facilitate alterations and additions to an existing hotel development. It seeks to amend the LEP in respect of the land at 150 Day Street, Sydney (the **site**).

1.1 Planning Proposal Overview

The planning proposal for the PARKROYAL Hotel at 150 Day Street, Sydney, involves an ambitious upgrade and expansion of the existing hotel. This project aims to enhance the existing hotel offering while introducing a new, distinct hotel experience above the current structure, enabling the coexistence of the existing PARKROYAL and a new Pan Pacific Hotel on the same site. Strategically positioned at the western edge of the Sydney Central Business District, the development reinforces the city's entry into Darling Harbour by maintaining and emphasising the city wall characteristic of this prominent location.

The project is defined by 3 key principles – maximising adaptive reuse (setting a benchmark for future developments in Sydney), energising the Sydney visitor economy, and significantly enhancing the greening of both the public realm and the skyline, in alignment with the City of Sydney's sustainability goals. Achieving this vision involves an expansion of the existing core and egress upgrades to service new floors over the existing hotel, the employment of a 'strip to structure' approach from the ground to Level 02, and a full upgrade of all existing building services. This initiative not only seeks to create a modernised hotel destination but also sets a precedent for sustainable urban redevelopment.

To achieve the intended outcomes, this planning proposal seeks to amend the *Sydney Local Environmental Plan 2012 (Sydney LEP)* by inserting a new site-specific clause for the site under Part 6 Division 5 Site specific provisions of the Sydney LEP to allow a maximum building height of 85 metres and floor space ratio of 13.5:1 for hotel and associated land uses with achievement of design excellence.

A draft Site-Specific Development Control Plan (DCP) also accompanies the Planning Proposal to provide certainty that a suitable development outcome is achievable at the detailed Development Application phase (refer **Appendix 6**). It is also accompanied by an initial public benefit offer to enter into a Planning Agreement to cater for increased infrastructure demand (refer **Appendix 5**).



1.2 Project Background

Originally constructed in the late 1980s, the PARKROYAL Hotel is in need of substantial upgrade and renovation to meet changing guest expectations, design trends, and operational needs.

Underpinned by UOL's Sustainability Framework, an exciting opportunity to adaptively reuse and expand the existing hotel development was identified for the site to renovate and upgrade the existing PARKROYAL Hotel and support a vertical expansion of the hotel to accommodate new hotel offering (Pan Pacific Hotel).

The development of this planning proposal has been an iterative process and design evolution, with feedback and consultation provided by officers at City of Sydney dating back to November 2022.

Written advice from Council pertaining to the current design approach was provided on 4 June 2024 which identified the following key items to be addressed and the Planning Proposal's response to these items.

Table 1: Response to Council Advice – June 2024

Council Advice	Planning Proposal Response
Strategic Merit <i>The site is not located in a tower cluster area as outlined in the Central Sydney Planning Strategy and so any proposal for uplift in this area must be well supported with clear strategic merit. Economic analysis should be provided showing the need for additional hotel rooms at the proposed standard in this part of Central Sydney. The age and expected lifespan of the existing building and hotel offering should also be considered as part of any economic analysis.</i> <i>All redevelopment sites in Central Sydney provide opportunities for the City to meet and exceed its net zero energy targets and align with the directions of Sustainable Sydney 2030-2050 Continuing the Vision. An Environmentally Sustainable Development (ESD) Report must be provided as part of any proposal, outlining how the new storeys and the existing structure can achieve exceptional environmental performance with consideration to, but not limited to, embodied carbon, thermal efficiency, ventilation, renewable energy, water efficiency, waste management, and green roofs and walls.</i> <i>Considering UOL's track record in delivering hotel concepts with notable green features such as the Parkroyal Collection, this issue should form a key part of any strategic merit argument.</i>	An economic report has been prepared by Atlas Economics (Appendix 4) discussing the need for hotel rooms within the locality and the expected lifespan. The main findings of the report demonstrate a strong demand and limited for hotel accommodation in Sydney, with economic modelling showing significant positive economic impacts to the Sydney LGA economy. For further details, please refer to Appendix 4 and Section 4 Part 3 of this Planning Proposal. An Ecologically Sustainable Development (ESD) Report has been prepared by Atelier Ten (Appendix 10) outlining the exceptional environmental performance target of 5 Star Green Star and 4.5 NABERS efficiency rating for the existing and new structure. The ambitious adaptive reuse project and commitment to ESD excellence is identified to greatly align with the objectives City's Sustainable Sydney 2030-2050 objectives and vision for Sydney and positive contribute to the City's sustainable tourism industry. For further details, please refer to Appendix 10, and Section 3 and 4 Part 3 of this Planning Proposal for further details.
Wind <i>The site's location on the western edge of the CBD leaves it highly exposed to wind. Initial proposals presented do not feature a tower setback or other building envelope features that</i>	A quantitative wind assessment has been prepared by Windtech (Appendix 9) which demonstrates comparative or improved wind



could interrupt downdrafts generated by the building. A quantitative wind effects report is required to evaluate the existing wind conditions and any changes caused by the proposed building envelope. The safety and comfort standards for wind conditions in Central Sydney are outlined in section 5.1.9 of the Sydney Development Control Plan 2012 (DCP). Note that the Wind Comfort Standard applied should be appropriate for the proposed use of the public place, noting the intention for the activation of street frontages along Day Street. Awnings and/or landscaping elements and trees cannot be relied upon to mitigate wind impacts.	conditions for the proposed massing as existing. Refer to Appendix 9 and Section 4 Part 3 of this Planning Proposal for further details.
Solar Access and View Analysis Some analysis of solar access to neighbouring residential buildings has been conducted, but more detail is required to ensure the proposal complies with the objectives of the Apartment Design Guide. The City's draft guidelines for Minimising overshadowing of neighbouring apartments can assist with the methods for measuring compliance. These calculations need to be completed for all affected neighbouring residential properties. A View Impact Assessment will also be required for nearby residential buildings, including those on the eastern side of Sussex Street that may not be directly affected by a loss of sun access.	Solar Analysis of the proposal building envelope has been prepared by Hassell (Appendix 2) to assess potential overshadowing impacts against the objectives of the Apartment Design Guide and the City's draft guidelines for minimising overshadowing of neighbouring apartments. As demonstrated in Section 7.3.2, the proposal complies with the relevant solar provisions applicable to the site and neighbouring developments. A View Impact Assessment has also been prepared by Urbis (Appendix 11) to assess the potential impacts to existing views. Whilst the report acknowledges that some views will be impacted by the proposal, the proposed impacts considered to be reasonable and acceptable within the highly urbanised environment CBD environment, For further details, please refer to Appendix 2, Appendix 11 and Section 4 Part 3 of this Planning Proposal.
No additional overshadowing analysis Initial sun access analysis provided states that the proposed building envelope has been delineated according to the indicative contours of the Future Town Hall Square No Additional Overshadowing control provided in section 5.1.7.2 of the Sydney DCP. Part of the additional sun access analysis required will need to prove that any proposal will satisfy section 6.18 'Overshadowing of certain public places' of the Sydney LEP, namely that any development will not cause additional overshadowing to the Future Town Hall Square between midday and sunset all year.	Solar Analysis of the proposal building envelope has been prepared by Hassell (Appendix 2) which demonstrates no additional overshadowing to Future Town Hall Square. Refer to Appendix 2 and Section 4 Part 3 of this Planning Proposal for further details.
Transport A Transport Impact Study will be required to consider the impacts of the increased traffic generated by the intensification of uses on the site. Earlier discussions proposed changes to vehicle access including the removal of one of the driveways, reorientation of the basement levels, a new vehicular exit to	A transport Impact Study has been prepared by PTC (Appendix 12) which assesses the potential traffic generated impacts associated with the development. The report demonstrates that the proposed development will have a negligible impact on



<i>Sands Street, and removal of the porte-cochere resulting in the use of the public place of Day Street for all visitor pick-ups and drop-offs. Impacts on surrounding streets including Sussex and Bathurst Streets must be clearly articulated, and it must be proven that the site can accommodate all servicing and loading requirements within its boundaries.</i>	the operation of the local road network and is being delivered with a range of measures to improve and encourage access by active and sustainable modes, compliant with local and regional policy. Refer to Appendix 12 and Section 4 Part 3 of this Planning Proposal for further details.
Public Domain <i>Internal discussions at the City will continue regarding the future intentions for the public domain of Day Street. Any additional information that can be provided regarding the landowner's vision for the space would be appreciated and should feature as part of the scoping proposal. It should be reiterated that the City will not support any removal of the fig trees currently on site.</i>	The Public Domain strategy prepared by Hassell (Appendix 2) has been prepared in consultation with CoS and adjoining land owners (TfNSW and Place NSW). Existing Fig trees are proposed to be retained as part of the Public Domain Strategy. Refer to Appendix 2 and Section 4 Part 3 of this Planning Proposal for further details.
Cross City Tunnel <i>The site is located on land identified as being affected by the Cross City Tunnel Ventilation Stack, as stated in section 7.24 of the Sydney LEP. Any planning proposal request will need to be accompanied with information showing how all future development applications will be able to satisfy the requirements of this clause.</i>	An Air quality report has been prepared by SLR Consulting (Appendix 15) to assess the potential impacts of the development on the dispersal of emissions from the Cross City Tunnel ventilation stack and persons using the development not being unduly affected by the emissions. The report confirms the air quality issues do not pose a constraint for the project. Refer to Appendix 15 and Section 4 Part 3 of this Planning Proposal for further details.



1.3 Report Structure

The Planning Proposal has been prepared in accordance with:

- Section 3.33 of the Environmental Planning and Assessment Act 1979 (**EP&A Act**); and
- The NSW Department of Planning Housing and Infrastructure (**DPHI**) Local Environmental Plan Making Guideline dated August 2023 (the **Guidelines**).

Specifically, the planning proposal includes the following information:

- A description of the site in its local and regional context,
- A statement of the objectives or intended outcomes of the proposed changes to the instrument,
- An explanation of the provisions that are to be included in the instrument, and
- The justification for those provisions and the process for their implementation including:
 - whether the proposed instrument will comply with relevant directions under Section 9.1 of the EP&A Act,
 - the relationship to the strategic planning framework,
 - environmental, social and economic impacts,
 - any relevant State and Commonwealth interests, and
 - details of the community consultation that is to be undertaken before consideration is given to the making of the proposed instrument.

The Planning Proposal is accompanied by the following reports:

- Appendix 1 – Survey Drawings – Woolpert
- Appendix 2 – Urban Design Package – Hassell
- Appendix 3 – Building Envelopes – Hassell
- Appendix 4 – Economic Impact Assessment – Atlas Economics
- Appendix 5 – Initial public benefit offer - UOL
- Appendix 6 – Draft Site-specific DCP Amendments – Mecone
- Appendix 7 – Connecting with Country – Letter of Support and Aboriginal Design Principals - WSP
- Appendix 8 – Structural Engineering Report – TTW
- Appendix 9 – Qualitative Wind Assessment - Windtech
- Appendix 10 – Ecologically Sustainable Design Report – Atelier Ten
- Appendix 11 – View Impact Assessment - Urbis
- Appendix 12 – Traffic Impact Assessment – PTC
- Appendix 13 – Flood and Risk Assessment - TTW
- Appendix 14 – Statement of Heritage Impact – Weir Phillips
- Appendix 15 – Air Quality Assessment – SLR
- Appendix 16 – Noise Impact Assessment – Acoustic Logic
- Appendix 17 – Social and Community Needs Assessment – Mecone
- Appendix 18 – Infrastructure Report – LCI
- Appendix 19 – Preliminary Site Investigation Report – Douglas Partners
- Appendix 20 – Public Art Plan – UAP
- Appendix 21 – Desktop Geotechnical Report – Douglas Partners
- Appendix 22 – Report on Footing Investigation – Douglas Partners
- Appendix 23 – Preliminary Civil Engineering Report
- Appendix 24 – Existing Building Services Condition Report - LCI
- Appendix 25 – BCA Capability Statement – Metro BC



2. Site Description

2.1 The Site

The site is located at 150 Day Street, Sydney and is legally described as Lot 20 in DP 1046870. It has a total area of approximately 2,250m². It is located within the Sydney CBD and near Darling Harbour which is home to a variety of tourist, entertainment, recreational and cultural facilities.

It abuts the Western Distributor to the north and has street frontages to Day Street, Bathurst Street and Sands Street. The site is located 350m west of Town Hall Station and 240m south-east of Darling Park.

Originally constructed in 1988, the existing 11 storey hotel is occupied by the PARKROYAL Darling Harbour with 336 hotel rooms and amenities.

The location of the site is identified in **Figure 1** below with a summary of key features provided in **Table 2**.



Figure 1: Site Location

Source: Mecone



Table 2: Summary of Key Features

Item	Description
Address	150 Day Street, Sydney
Legal Description	Lot 20 DP 1046870
Total Site Area	2,250m ²
Description of the site	The site currently features the PARKROYAL Darling Harbour Hotel - an 11-storey hotel building. It was originally constructed in 1988, with structural upgrades made in 1996 to convert the roof into a habitable 11 th storey.
Topography	The site is irregularly shaped and is relatively flat (approximately 5m AHD). Surface levels across the site fall away from the south-eastern corner with a maximum fall of around 3m towards the north-west, in the direction of Darling Harbour. While the site itself is generally free from vegetation, the public domain area directly to the west of the site on Day Street features some attractive large fig trees.
Local Context	The surrounding area includes a mix of commercial and residential development as well as major arterial roads. Three residential towers located at 267, 273-279 and 289-295 Sussex Street are located to the east and south of the site.
Surrounding Uses and Development	North: The Western Distributor abuts the site to the north. West: Immediately west of the site is Day Street and redundant road reserve associated with the Western Distributor and Cross City Tunnel (see Figure 7), identified as part of Harbour Street (Lot 1 in DP 1199026). South and East: Three residential towers located at 267, 273-279 and 289-295 Sussex Street are located to the east and south of the site. The site is also situated adjacent to a local heritage item on the opposite side of Sands Street.
Transport and access	The site is also surrounded by major arterial roads and key vehicular infrastructure, such as the Cross City Tunnel and Western Distributor. The site is well serviced by existing public transport with the site located within 400m of nine bus stops and Town Hall Station, with Gadigal Metro station and QVB Light Rail just outside the 400m radius. A pedestrian through-site link is provided along the north-western boundary of the site.



2.2 Site Context

The surrounding area includes a mix of commercial and residential development as well as major arterial roads. Three residential towers located at 267, 273-279 and 289- 295 Sussex Street are located to the east and south of the site. The site is also situated adjacent to a local heritage item on the opposite side of Sands Street.

The site sits at the interface between the more traditional rectilinear urban forms of Sussex and Kent Streets to the east and the more idiosyncratic and curvilinear forms of Darling Harbour and the network of arterial roads forming the Western Distributor and Cross City Tunnel to the west.

Land to the west of the site features some attractive large fig trees. There is also a vehicular carriageway that currently serves as a porte-cochere to the hotel and provides little public benefit, other than connecting to the pedestrian underpass of the adjacent western distributor ramp, which currently offers very poor amenity and personal security.



Figure 2: Local context

Source: Mecone



Figure 3 View of Day Street from Bathurst looking north

Source: Hassell



Figure 4 View of Day Street from pedestrian link under Western Distributor

Source: Hassell



Figure 5 View north east of pedestrian link under Western Distributor
Source: Hassell

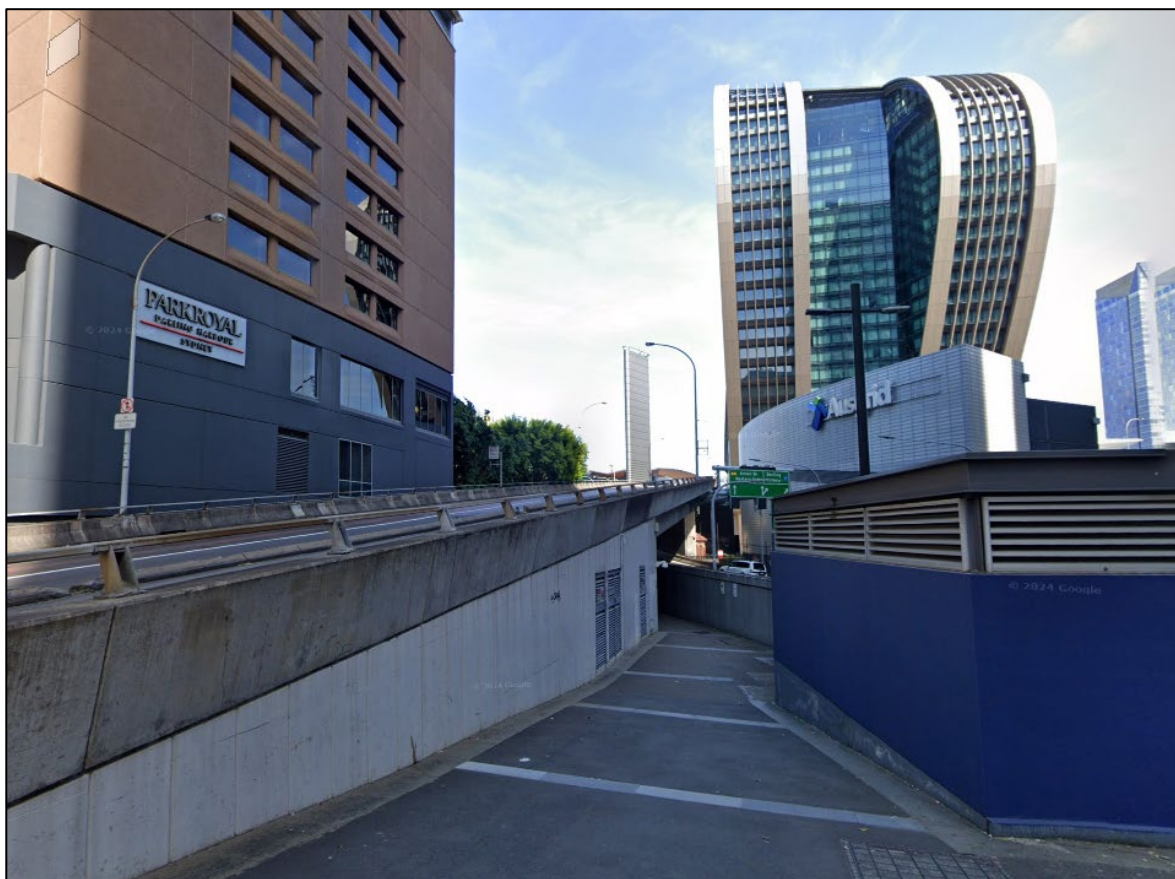


Figure 6 View south west of pedestrian link under Western Distributor
Source: Hassell

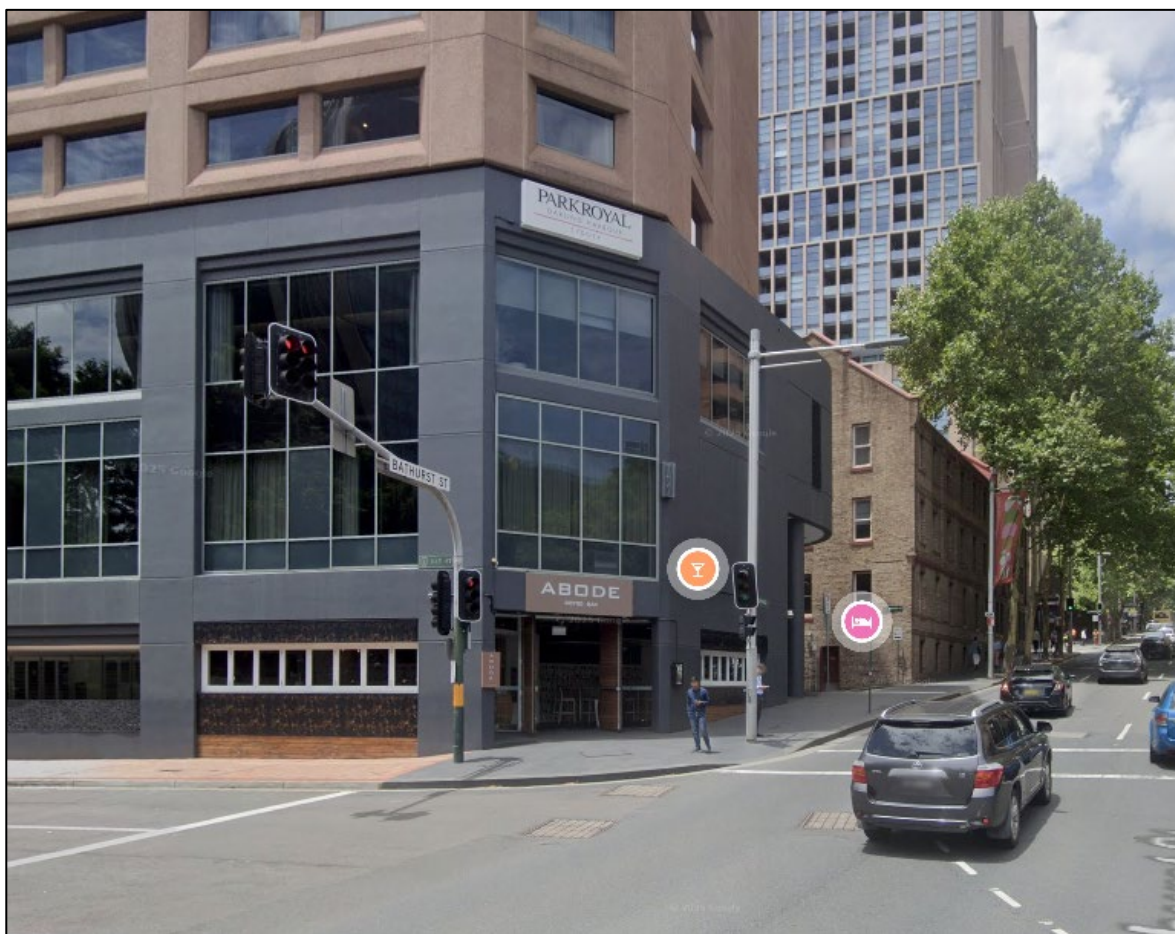


Figure 7 View from intersection of Day and Bathurst looking east

Source: Google maps



Figure 8 View of Southern Bathurst Street Elevation of site

Source: Weir Phillips

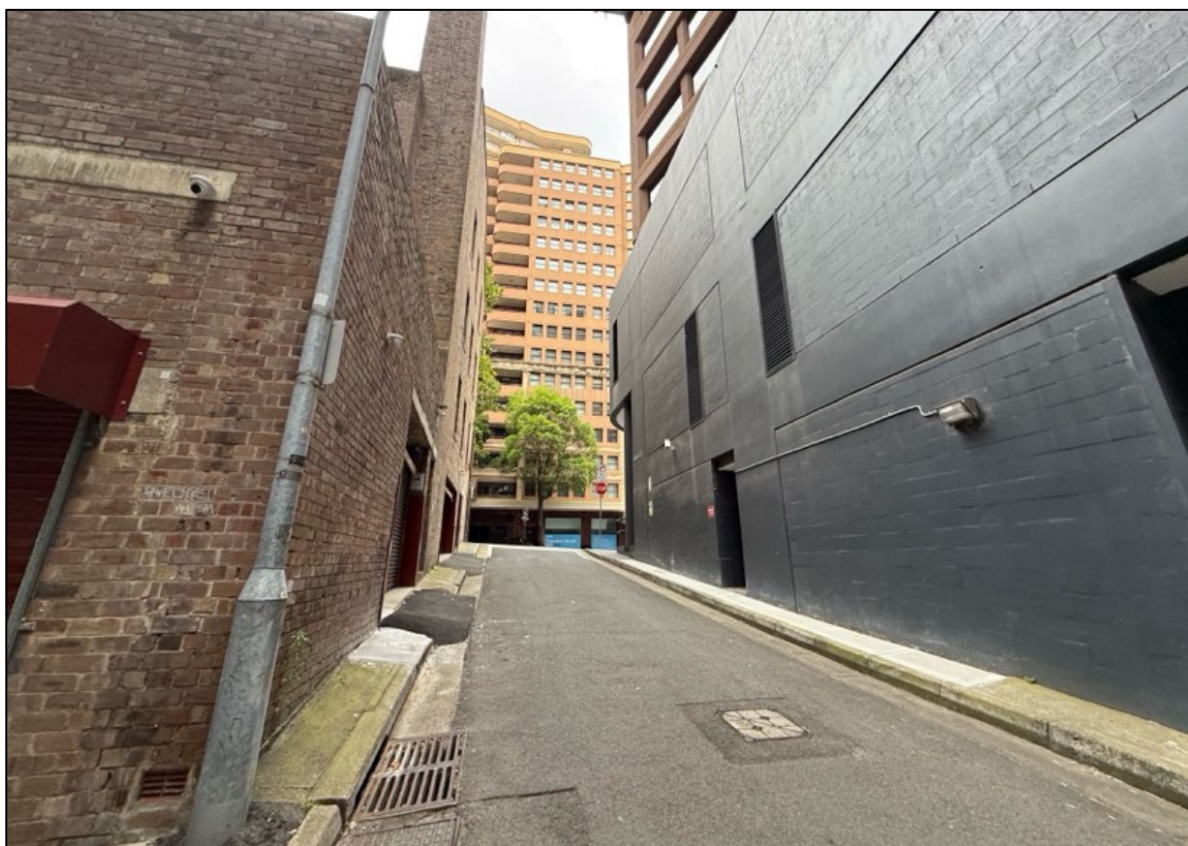


Figure 9 View of Sands Street looking south towards Bathurst Street

Source: Weir Phillips



Figure 10 View of Sands Street from Bathurst Street looking north

Source: Hassell



3. Planning Context

3.1 State Planning Policies

3.1.1 A Metropolis of Three Cities – The Greater Sydney Region Plan

A Metropolis of Three Cities sets a 40-year vision (**Region Plan**) and establishes a 20-year plan to manage growth and change for Greater Sydney in the context of social, economic and environmental matters. The Region Plan is underpinned by a suite of five District Plans, which drill down into more specific detail at a district level and act as a bridge between regional and local planning.

The vision for Greater Sydney is underpinned by the aspiration for most residents to live within 30 minutes by public transport of their jobs, education and health facilities, services and great places. The 30-minute city aspiration will guide future land use decision-making and brings new thinking to land use and transport patterns to boost liveability, productivity, and sustainability benefits.

The Region Plan identifies that opportunities for urban renewal need to be considered by location and capacity of existing and proposed infrastructure. Optimising development near existing and future mass transit nodes improves access to jobs, housing, schools and services and maximises utilisation of this infrastructure.

Greater Sydney is poised to continue to be Australia's prime international gateway. The Region Plan notes that the visitor experience is shaped by major attractions and events and equally by the places people visit, the facilities available and how needs are met. The Eastern Harbour City offers iconic landmarks, beaches and the Harbour, which must be supported by a network of cultural institutions and conference centres. Linking business and leisure visits provides better experiences and has widespread benefits.

The Region Plan notes that Greater Sydney's productivity and global competitiveness will be critical to increasing the region's economic activity by 2036. Central to boosting economic success will be Greater Sydney's high liveability and international tourist appeal.

3.1.2 Eastern City District Plan

The Eastern City District Plan (**District Plan**) was released by the then Greater Sydney Commission in 2018. The District Plan is a 20-year plan to manage growth in the context of economic, social and environmental matters to achieve the 40-year vision for Greater Sydney.

The planning priorities within the District Plan are focused on achieving a liveable, productive and sustainable future for the District. Relevant objectives, strategies and actions from *A Metropolis of Three Cities* are embedded in each of the planning priorities, including the underpinning vision of a 30-minute city.

It notes that the Eastern City District is one of the world's premier tourism and major events destinations. The Eastern City District boasts assets that attract global talent and encourage businesses to invest. Action 57 within the District Plan requires the consideration of opportunities to enhance the tourist and visitor economy in the District, including a coordinated approach to tourism activities, events and accommodation.

3.1.3 Visitor Economy Strategy 2030 and 2030 Review

The NSW Government's *Visitor Economy Strategy 2030 (the Visitor Strategy)* outlined a roadmap for rebooting the visitor economy to recover from the impact of drought, bushfires and COVID-19 and to grow in the future. The strategy sets a vision for NSW to be the premier visitor economy of the Asia-Pacific by 2030, with a target of \$65 billion in total visitor expenditure by 2030.

The Visitor Strategy describes five strategic pillars that underpin the NSW Government's vision to be the premier visitor economy in the Asia Pacific. *Strategic Pillar 5 - Facilitate Growth* focuses on ensuring increased levels of private sector investment into visitor infrastructure, specifically, to "ensure hotel supply meets future market demand".



Following a review of the Visitor Strategy in 2024 (the *Visitor Economy Strategy 2030 Review*), the NSW Government has announced a new target to grow the NSW visitor economy to \$91 billion in visitor expenditure by 2035.

The Review expects tourism-related employment to grow significantly by up to 50% (150,000 jobs) by 2035, making tourism one of the fastest growing employment sectors in the state and essential to the economic vitality of NSW.

To make this ambition a reality, the Review states that NSW should:

- *Enhance its unique experiences to capture greater market share.*
- *Improve access within and to NSW.*
- ***Expand and upgrade accommodation across the state adding 40,000 rooms.***
- *Increase airline capacity by 8.5 million seats.*
- *Develop and drive demand for compelling visitor experiences*

(our emphasis added)

Several key factors identified within the *Visitor Economy Strategy 2030 Review* justify a need for additional visitor accommodation in the coming years to meet the target, including:

Projected Visitor Growth

The completion of the Western Sydney International Airport in 2026, additional international airline routes and additional international routes from Newcastle Airport will all significantly expand international and domestic travel options.

Establishing a 24-hour Economy

NSW Government envisages a 24-hour economy for Sydney, cementing NSW as a world class nightlife destination. NSW Parliament passed the *24-Hour Economy Legislation Amendment (Vibrancy Reforms) Act 2024*. This legislation will facilitate growth and enhancement of Sydney's nighttime economy and increase visitor attraction.

The Vibrancy Reforms have been implemented from November 2024 to improve Sydney's night time economy. These reforms seek to help music and performance venues thrive, support significant community and cultural events, produce vibrant precincts, facilitate outdoor events/business and modernise licencing.

Building NSW's International Student Market

The *Review* seeks to further build NSW's international student market through advocating the Australian Government for policies that are favourable to international education and driving closer collaboration between the NSW Government and the international education sector.



3.2 Local Planning Policies

3.2.1 City Plan 2036: Local Strategic Planning Statement

The City of Sydney's City Plan 2036: Local Strategic Planning Statement (**LSPS**) sets out a 20-year land use vision that aims to balance the need for housing and economic activities while protecting and enhancing local character, heritage, public places and spaces.

Productivity

Council's LSPS recognises that Central Sydney is the economic powerhouse of the nation and the most economically productive and internationally competitive area in Greater Sydney. It notes that the night time and visitor economy is a key part of Sydney's success. The LSPS states that Sydney is Australia's primary international gateway and most visited city with the country's largest night time economy. In 2018, the City of Sydney (the **City**) had close to 20 per cent of hotel rooms across all major cities in Australia and received close to 45 per cent of all international visitors and 480,000 day visitors. Both the visitor and night-time economy make a significant contribution to the local area's economy, generating up to \$11 billion in both direct expenditure and economic benefits across a range of businesses, sectors and communities.

The night time and visitor economy supports the city's global standing in terms of liveability and productivity by providing diverse social and cultural offerings for residents, visitors and workers of all ages. The City's commitment to continue to be both a liveable and productive city calls for us to balance priorities to enable the continued growth of the night time and visitor economy, while maintaining a high standard of facilities and services and a wide range of options for residents, businesses, workers and visitors.

The LSPS seeks to build upon the economic significance of the CBD and has a key focus on productivity. It recognises that productivity is about enabling jobs and skills growth and a well-connected city to create conditions for a stronger economy. Therefore, job growth remains a key priority – with the LSPS setting a jobs target of 200,000 jobs to support the productivity of Greater Sydney, NSW and Australia. This exceeds the baseline targets set by the District Plan.

Central Sydney is a hub for tourism, which plays a major role in the local area's character and economy. It is recognised that providing a diversity of accommodation opportunities that respond to the different levels of demand in the market will be central to achieving this. A place-led and people-focused approach will unlock new sites for a diverse range of future hotel accommodation and deliver world-class public spaces that characterise Sydney as the nation's premier destination city.

Urban Design and Placemaking

The LSPS recognises that high-quality urban design, planning and place making can improve the amenity and safety of the city. The creation of walkable streets can support the liveability of the city, by providing safe, comfortable and well-connected paths so that people can access their day-to-day needs more easily and conveniently.

Environment and Sustainability

The protection and enhancement of the natural environment for a resilient city is a key priority of the LSPS. The LSPS acknowledges there are opportunities to implement canopy cover and biodiversity within the city, potentially through avenues such as site-specific planning proposals. It notes that planning proposals provide an opportunity to strategically reconfigure spaces to achieve both development and landscaping and canopy cover in deep soil areas.

The LSPS articulates that canopy cover and landscaping can also be realised through planting vegetation in the public realm. The City has a focus on working with other stakeholders to reprioritise space for pedestrians and to that effect, the LSPS notes that the City will identify opportunities to increase landscaping and canopy along streets, particularly on key pedestrian and cycling routes that require high amenity.



The LSPS notes that given space is limited, additional vegetation can be provided on the roofs and walls of buildings. It states that green roofs and walls can improve air quality, support biodiversity, better insulate buildings, reduce the heat island effect and improve stormwater management. They also create additional recreation space for people, beautify the city and promote physical and mental wellbeing.

Site-Specific Rezoning

The LSPS establishes principles for growth that must be considered as part of any spot rezonings. Of relevance to this planning proposal, is the final principle which stipulates the following:

*“Proposals must give consideration to strategically valuable land uses that are **under-provided by the market, such as but not limited to hotels, cultural space (including performance and production space), medical uses, education uses and childcare centres, and having regard to the appropriateness of the use for the context.**”*

3.2.2 Central Sydney Planning Strategy

The Central Sydney Planning Strategy (CSPS) aims to ensure strong planning for Central Sydney. It outlines how Central Sydney will grow in the future and includes development controls to promote the type of growth and environment for Central Sydney to remain part of one of the world's truly unique and memorable global cities, recognising its role as the State and nation's economic, cultural and social engine. It outlines several key objectives including:

- *Prioritise employment growth and increase employment capacity*
- *Ensure development responds to context*
- *Provide for employment growth in new tower clusters*
- *Move towards a more sustainable city*
- *Protect, enhance and expand Central Sydney's heritage,*
- *Reaffirm commitment to design excellence*

The CSPS also provides a framework of 10 'key moves' which aim to drive the continued growth and economic success of Sydney and its expansion. These are further discussed and addressed in **Section 7.3.1** of this report, whereby it is demonstrated that the planning proposal is consistent with the relevant key moves.

Employment Growth

The CSPS recognises Central Sydney's role in metropolitan Sydney, New South Wales and Australia, and the need to maintain and grow its status as a global city with a dynamic economy. A core objective identified within the CSPS is to protect and grow employment floor space to maintain its economic vitality and resilience, and to respond to the changing needs of markets.

Central Sydney has a limited capacity to grow and adapt because of its natural containment, heritage and the growth of residential development. Strong demand for residential development in particular, has resulted in the displacement of existing employment space and future opportunities for new employment space. This situation represents a direct risk to the Australian economy and must be rebalanced to retain metropolitan Sydney's international competitiveness.



“A central business district that fails to manage the growth of residential strata risks becoming primarily residential in character, alienating economic and business growth as well as the ability to compete for investment in jobs and global talent¹.”

Accordingly, the CSPA aims to refocus the current development environment that favours residential use of land towards accommodating employment needs. In order to protect and grow employment floor space, the CSPA aims to strike a balance in land use that serves its people while ensuring that the mix of land use contributes to a city that is dynamic and world-class.

With respect to the significant constraints existing residential development places on the development of new employment floor space, the CSPA acknowledges that:

- *maintenance of sunlight access to residential apartments should not unduly restrict the economic performance and growth of Central Sydney, and*
- *new development is not [to be] impeded by the preservation of private views*

Refer to Section 7.3.2 of this report for further discussion.

Tourism

It notes that tourism is one of the fastest growing economic sectors and is a significant contributor to employment opportunities. Tourism generates more than \$30 billion of the state economy every year and contributes approximately \$36 million a day across metropolitan Sydney.

At the end of 2012, metropolitan Sydney's accommodation providers recorded close to 80 million visitor nights. Most hotels are located in Central Sydney, but with a growing number to the south in the precincts surrounding Central Railway Station and Broadway, where a large number of backpacker hostels attract visitors.

The CSPA notes that in 2012, about 60 per cent of Sydney visitors who stayed in paid accommodation were leisure travellers, almost 30 per cent were corporate travellers, and about 4 per cent visited for meetings, incentives, conventions and exhibitions (MICE). While there are fewer corporate travellers, they occupy a similar number of rooms as leisure travellers, who tend to have more people per room.

It notes that the proportion of corporate and MICE visitors staying in upscale hotels has increased, but there has been a decline of these visitors in standard hotels. Standard hotels have had growth in leisure and education visitors, who are also choosing to stay outside of Central Sydney.

It recognises the importance of climate change. New buildings and renovation and extension of existing building stock should be highly water and energy efficient and be designed to conserve resources conservation and limit waste.

The Strategy notes that many of Sydney's major hotels were developed from the mid to late 1980s. Development activity slowed from 2001, and the global financial crisis held back a recovery in the late 2000s, but strong trading in recent years has led to the planning of new accommodation. The CSPA notes that future demand will be strongest in the three-star category, assuming the conversion of old office building stock in the city centre and changes in the profile and preferences of international visitors. Reflected in high occupancy rates and growth in room rates, it notes that demand for space in the hotel and accommodation sector is strong.

¹ City of Sydney, Central Sydney Planning Strategy (page 173)



3.2.3 Sustainable Sydney 2030 – 2050: Continuing the Vision

The Sustainable Sydney 2030-2050 (SS) establishes the broad Sydney 2030 vision of a green, global, connected city. It is a blueprint for a city that is environmentally, economically, socially and culturally sustainable and establishes 10 ambitious targets for sustainability.

Of relevance to this planning proposal, the SS identifies:

- an ambitious strategy to achieve **net zero emissions by 2035**.
- A **minimum overall green cover, including 27% tree canopy cover** by 2050 including the use of innovation and design to create more planting opportunities.
- By 2050, 9/10 people working in the city centre and 2/3 people working in the rest of the local area will **use public transport, walk or cycle when travelling to and from work**.

The SS identifies the opportunities for private developments to contribute towards the City's net zero energy targets and ensuring the city grows sustainably and with good design.

The proposal includes an ambitious adaptive reuse project and commitment to ESD excellence which demonstrates significant alignment with the objectives City's Sustainable Sydney 2030-2050 objectives and vision for Sydney and positive contribute to the City's sustainable tourism industry.

3.2.4 Economic Development Strategy

The City of Sydney's Economic Development Strategy (December 2013) is the City's 10-year strategy to strengthen the city economy and support business. It centres on further improving the solid foundations for success; creating opportunities for individuals, businesses, the community and future generations and addressing the challenges that might otherwise limit Sydney's potential growth as a global city.

The Strategy sets out the City's vision for the economy of Sydney and the strategies and actions to achieve that vision. With respect to tourism, it emphasises the importance of tourism as it leads to increased knowledge and cultural awareness between countries and distributes information about a particular country's history, civilisation, traditions and customs. It notes that tourism is a major contribution to national and international recognition of Sydney as a great place to visit, live, work, invest, study and stage events.

The Strategy notes that the supply of visitor accommodation in the City is an issue. It notes the City is working in partnership with industry and Government to stimulate investment in hotel development to address the current capacity constraints.



3.2.5 Tourism Action Plan

The City of Sydney's Tourism Action Plan (December 2013) sets out how the City will work with partners to maintain and further develop the vibrant tourism sector in Sydney.

It notes that the size of the tourism sector relative to other industries, the number and diversity of jobs associated with the tourism industry and the role tourism plays as a catalyst for economic investment in NSW and Australia through international visitation support this priority status. However, there are many challenges facing the sector. They include increased competition over Sydney as a destination of choice for tourists and business travellers within the Asia-Pacific region and high hotel occupancy levels which limit the capacity for growth and the attraction of conferences and events.

The Strategy notes that the Australian tourism market has experienced declines in domestic and international tourist numbers due to the high value of the Australian dollar relative to other global currencies. The focus of the City's actions will be directed to the maintenance and growth of tourism-related industry in the city to ensure Sydney remains a highly desirable destination for the global tourist travel and business markets. It notes the economic contribution of tourism-related businesses to the city is significant, as is their contribution more generally to the liveability of Sydney for residents, workers and visitors and the cross-cultural promotion of Australia as a destination for trade and tourism. Many of the initiatives set out in the Tourism Action Plan focus on enhancing the quality of the experience of visitors to Sydney, strengthening partnerships to maximise visitor numbers and encouraging the development of tourism products and infrastructure, and the marketing of Sydney to a wider audience of potential visitors.

In terms of accommodation, the Strategy notes that demand for accommodation in Central Sydney has risen significantly since 2000. Between December 2000 and December 2012, the number of visitor arrivals increased by 37%, and the number of visitor nights increased by 15.9%. However, tourism accommodation supply decreased by 3.9% in this period, which has resulted in an occupancy rate of 85.4% for the year to December 2012 – one of the highest on record for the city, and in Australia. The Strategy notes the City has benefitted from increased global connectivity particularly with visitors from East Asia – China, Indonesia and South Korea. It also notes visitor arrival numbers have increased by more than a third since 2000, with an extra 1.5 million visitor nights per year

Growing numbers of interstate and international visitors will continue to create a demand for tourist accommodation in the City, especially due to the ongoing growth of the cruise ship industry and the increased importance of major business events.

The Strategy notes that new hotels have not been built due to competing demands for land and the large capital investment required constructing them. Of note, there is a particular shortage in the 3–3.5 star range as well as in the diversity of product on offer in terms of boutique accommodation. Different industry forecasts estimate that somewhere between 5,000 and 9,000 additional hotel rooms are required in the next decade to meet the demand of growing tourist numbers in Sydney. Sydney has long-standing and successful tourism products like the Sydney Opera House, Sydney Harbour Bridge and Bridge Climb, Taronga Zoo, Sydney Aquarium and Wildlife Sydney, harbour cruises and the Sydney Tower, but to remain competitive, it needs to invest in new products to target new markets and offer a new experience to return visitors.

It also notes that there is emerging demand for sustainable tourism options in the business events industry where customers are demanding improved environmental performance by tourism accommodation providers and facilities to satisfy their own corporate responsibility goals. To capture and grow this lucrative market, tourism product and service providers in the city will need to deliver greater sustainable tourism options and also capitalise on the 'green consumer' tourism market by offering accommodation options that reflect sustainable design and management.



3.2.6 Visitor Accommodation Action Plan

The Visitor Accommodation Action Plan focuses on how the City's planning framework and processes can provide an investment and regulatory environment that supports and encourages visitor accommodation which includes hotels and serviced apartments. It builds upon the City's Sustainable Sydney 2030, Economic Development Strategy and Tourism Action Plan. It responds to Australian and NSW government strategies. It also forms part of the City's review of the planning framework for the city centre.

The Visitor Accommodation Action Plan proposes a series of actions related to the City's planning framework that will support investment in new and existing visitor accommodation and help deliver benefits to the visitor and city economies. It sets out the City's actions to make sure the planning framework supports private sector investment in new and existing visitor accommodation. The actions will assist a sustainable, demand driven supply of accommodation that encourages long term investment in visitor accommodation for Sydney and helps grow the local, state and national visitor economy.

The Action Plan articulates that Sydney is Australia's premier destination city and the gateway to New South Wales and Australia. It notes that 10.5 million visitors came to Sydney in 2012 with 4.3 million staying in the council area. About 50 per cent of Australia's international visitors come to see Sydney's iconic attractions.

Visitors are important to the City's economy. They contributed over \$5 billion to the economy in 2012. This supported over 10,000 businesses in the transport, accommodation, education, retail, cultural and recreation sectors and almost 27,000 jobs or 7 per cent of the city's workforce.

The Action Plan recognises that tourism is a priority for the City, as it creates jobs, growth and resilience. It increases international knowledge and networks. It contributes to Sydney's national and international reputation as a great place to visit, live, work and invest. Tourism is also important for the success of the City's international and national business networks.



4. Statutory Planning Framework

4.1 Sydney Local Environmental Plan 2012

The Sydney LEP is the principal environmental planning instrument that applies to the site. The key applicable development standards are outlined below.

4.1.1 Land Use Zone

The site is zoned part SP5 Metropolitan Centre and part SP2 Infrastructure (Classified Road).

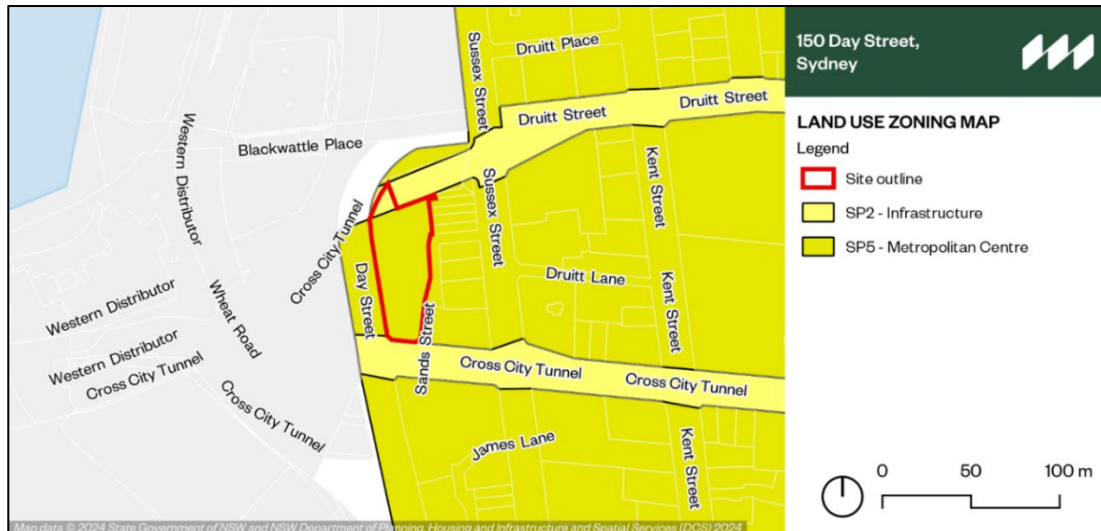


Figure 11 Existing Land Use Zones

Source: Mecone

4.1.2 Building Height

The site is currently subject to a maximum height of building control of 45m.

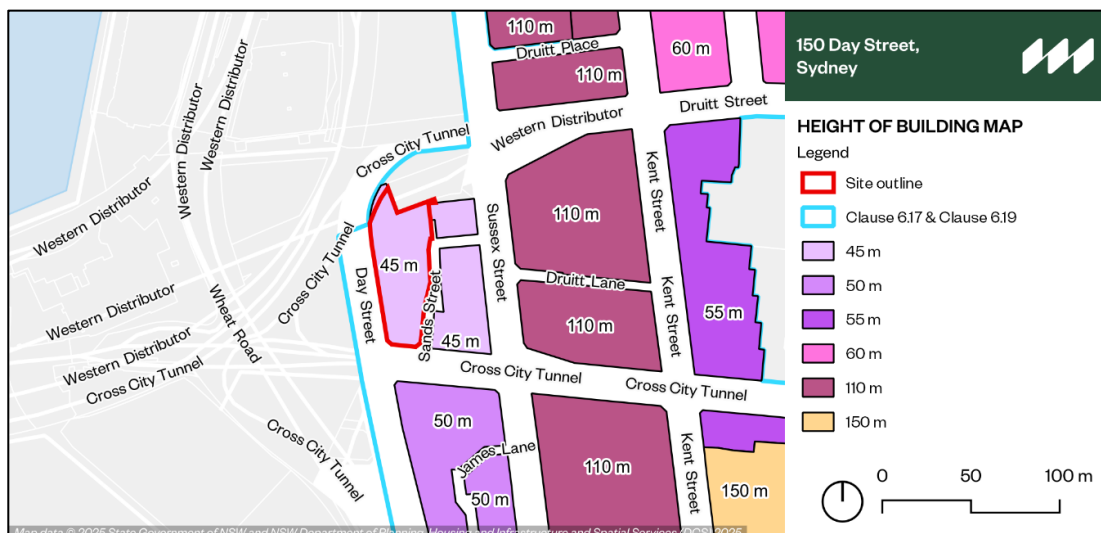


Figure 12 Existing Maximum Height of Building Controls

Source: Mecone

The site is also affected by Clause 6.17 – Sun Access Planes and Clause 6.19 View Planes of the Sydney LEP, along with the proposed public view protection planes provision.

4.1.3 Floor Space Ratio

The site is currently subject to a maximum FSR control of 7.5:1.

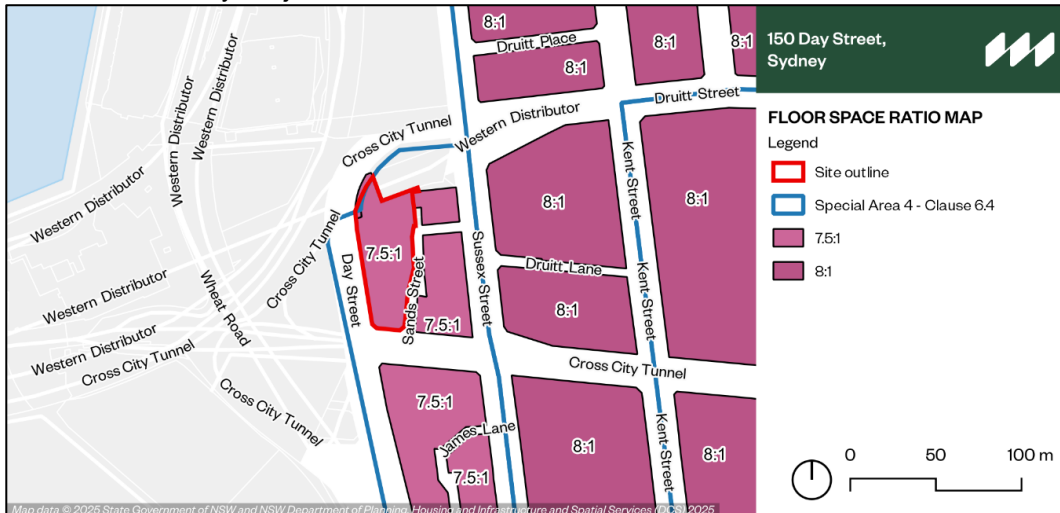


Figure 13 Existing FSR Controls

Source: NSW Legislation, Sydney LEP 2012

Clause 6.4 (Accommodation Floor Space) of the LEP also applies to the site, which triggers additional floorspace ratio entitlements for certain land uses (including hotel or motel accommodation). Given the site is mapped in Area 4, an additional FSR of 1.5:1 is currently available for the purposes of hotel or motel accommodation.

Additionally, Clause 6.21D (Competitive Design Process) of the LEP requires a competitive design process to be held for developments greater than 55m. As the proposal envisages a building height of up to 85m, any future development application would be required to undertake a competitive design process. Buildings that demonstrate design excellence under a competitive design process may be eligible for additional floor space of up to 10% of the FSR map (Clause 4.4) and accommodation floor space (Clause 6.4).

Therefore, the site is capable of achieving a maximum FSR 9.9:1 under current controls.

4.1.4 Heritage

A local heritage item (Item No. I1964 – Former warehouse including interiors) is located to the east of the site at 281-287 Sussex Street, Sydney on the opposite side of Sands Street. Various other heritage items are scattered throughout the broader locality.

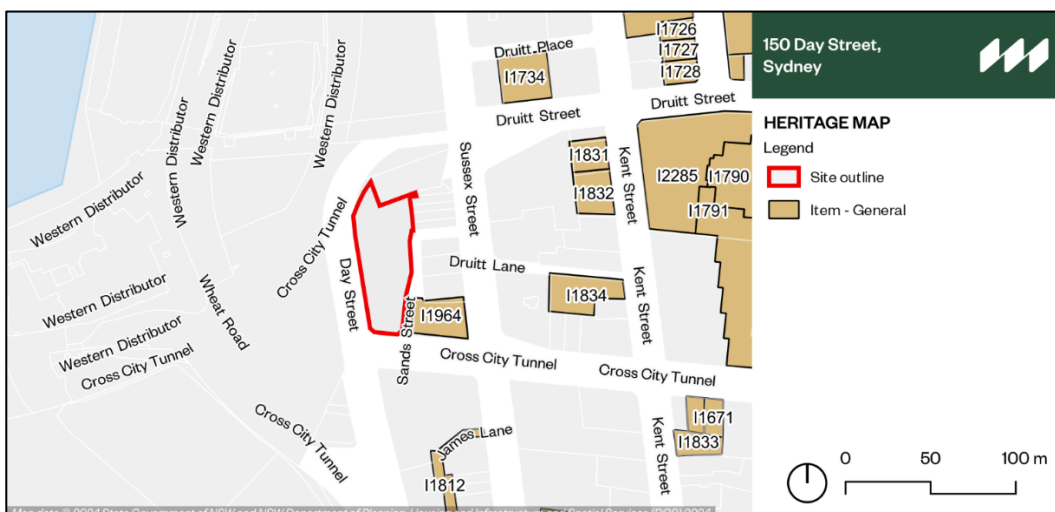


Figure 14 Existing Heritage Items

Source: NSW Legislation, Sydney LEP 2012

5. Project Vision and Design Approach

Constructed in the 1980s, the existing PARKROYAL Hotel is in need of major renewal / redevelopment to meet the current needs and expectations of guests. Existing building services are also fast approaching end of life requiring a full upgrade to existing building services to meet current building standards. As such, redevelopment of the site is of crucial timing for site.

Recognising the site's strategic location within Sydney CBD and proximity to Darling Harbour, UOL aim to upgrade and expand the existing PARKROYAL hotel offering whilst providing the addition of a new separate 5-star hotel over. The co-location of two hotels significantly reduces the development footprint of the new hotel and will allow for the optimisation of shared services.

To achieve this, UOL identifies an ambitious adaptive reuse to retain the existing hotel building and support an additional 11 storeys above. In supporting this vision, extensive investigations and structural advice has been undertaken to provide the necessary strengthening and to maximise the extent of retained structure (refer to further discussion in Section 6.3). Additionally, UOL aim to achieve exceptional environmental performance targets of 5 Star Green Star and 4.5 NABERS efficiency rating. This design approach directly aligns with UOL's Sustainability Framework which underpins UOL's commitment to shape a resilient built environment and contribute towards a clean, green and sustainable future.

Noting UOL's track record in delivering hotel concepts with notable green features, such as PARKROYAL on Pickering, PARKROYAL Marina Bay, PARKROYAL Kuala Lumpur, a key design objective of the proposal is to increase biodiversity in the city. Through collaboration with Gadigal/First Nations Elders and Knowledge Holders and experienced landscape architect(s), future design seeks to weave the essence of the coastal natural environment and bushland into the project and ensures that plantings flourish and responds to Sydney's unique ecosystem.

Redevelopment of the site also provides an opportunity to enhance and improve the amenity, safety and accessibility of surrounding public domain which is to be developed further through discussion with relevant public authorities and build on initial engagement with First Nation knowledge holders undertaken to date (refer to **Appendix 7**).



Figure 15 Conceptual Design Render

Source: Hassell



6. Building Envelope and Reference Scheme

The proposed building envelope and reference scheme has been prepared by Hassell to illustrate the intended design outcome intended to be facilitated by the proposed planning controls. This is included in Hassell's urban design package in **Appendix 2**.

The reference design supports the project vision to upgrade and expand the existing PARKROYAL hotel and vertical extension to support a dual hotel offering for the site. Key aspects of the reference design are as follows:

- Retention and adaptive redevelopment of existing 11 storey hotel and 2 levels of basement and new 11 storey extension (including transfer level plus plant) of new hotel space resulting:
 - Two hotel brand offerings – PARKROYAL Hotel (3.5 star) and Pan Pacific Hotel (5 star)
 - 490-540 hotel keys with gross floor area of ~30,000m²
 - Upgrade existing infrastructure and services (including new lift core),
 - New and upgraded hotel facilities (including lobby, dining areas, meeting rooms, ball room, gymnasium, bar and restaurants, and pool).
 - Removal existing exit ramp resulting in single vehicle entry/exit ramp from Day Street to be used by valet only.
- Ground floor public domain, public art and landscaping design, and
- Significant greening and landscaping of western façade.

A site-specific Development Control Plan (**DCP**) has been prepared in support of this Planning Proposal which supports the project vision and design approach identified in the reference scheme.

The following headings provide additional detail of the reference design scheme. For full details, please refer to the Urban Design Report in **Appendix 2**.

6.1 Height

The maximum building height identified for the site is defined by the Future Town Hall Solar Plane as provided in Section 6.18 of the Sydney LEP. This results in a maximum building height of 90m at its tallest point, with the massing stepping down to the north of the site to align with the solar plane contours. However, when considering the existing building environment (i.e. Crown Plaza Hotel), the maximum building envelope may be extended 110m.

The reference scheme identifies a maximum building height of 85 metres before stepping down to the north and ensures no additional overshadowing to the Future Town Hall.

6.2 Built Form

The proposed building utilises the existing hotel structure to support a vertical extension on the site. As such, the new floor levels are largely defined by the location of existing columns and the geometry of the existing building.

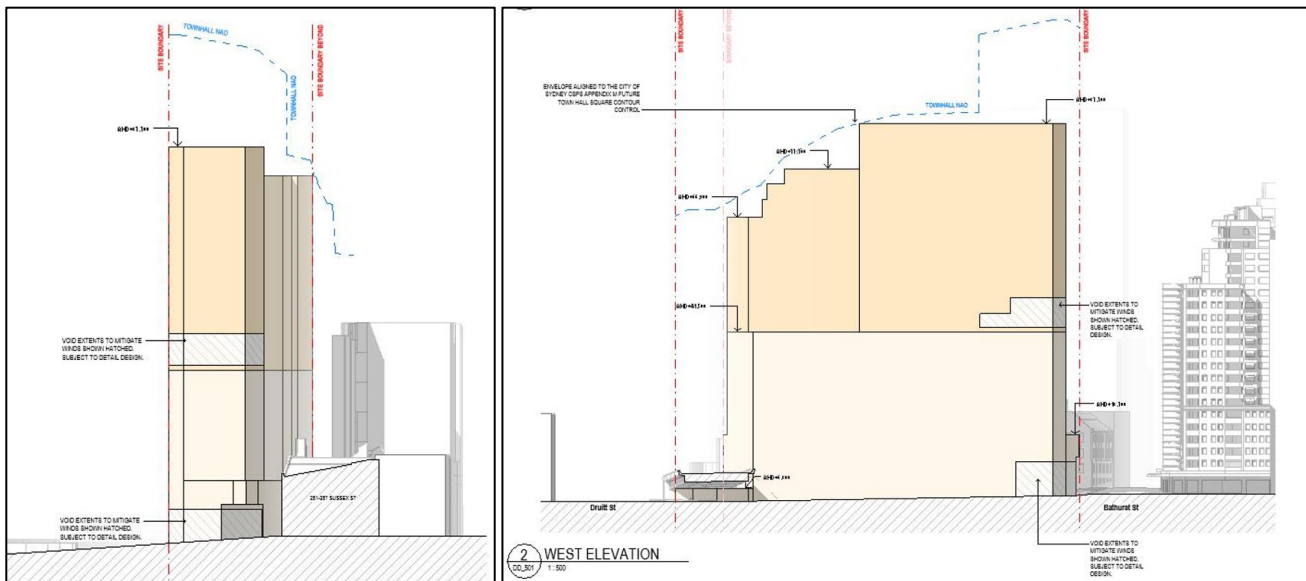
The existing building is largely built to its boundary with some minor upper-level setbacks accommodated above the podium level at Bathurst Street and part of Sands Street. In order to address structural and operational requirements for the new hotel floors, no additional setbacks to the west, south and east are able to be accommodated in the proposed design. Notwithstanding, setbacks along the northern façade have been identified within the reference scheme in an effort to reduce the scale of the western façade and to allow extensive greening opportunities as discussed further in Section 6.4 below.

Recognising potential wind impacts associated with increased height proposed, additional measures have also been incorporated into the design including:

- Tapering of building along north-western corner,
- 8m high void across levels 11 and 12 on the southern aspect of the building, and

- Double height void on ground and first floor at Bathurst Street.

These measures ensure that the proposed massing is able to mitigate adverse downdrafts impacts from the development, however, are to be reviewed in further detail during detailed design development.



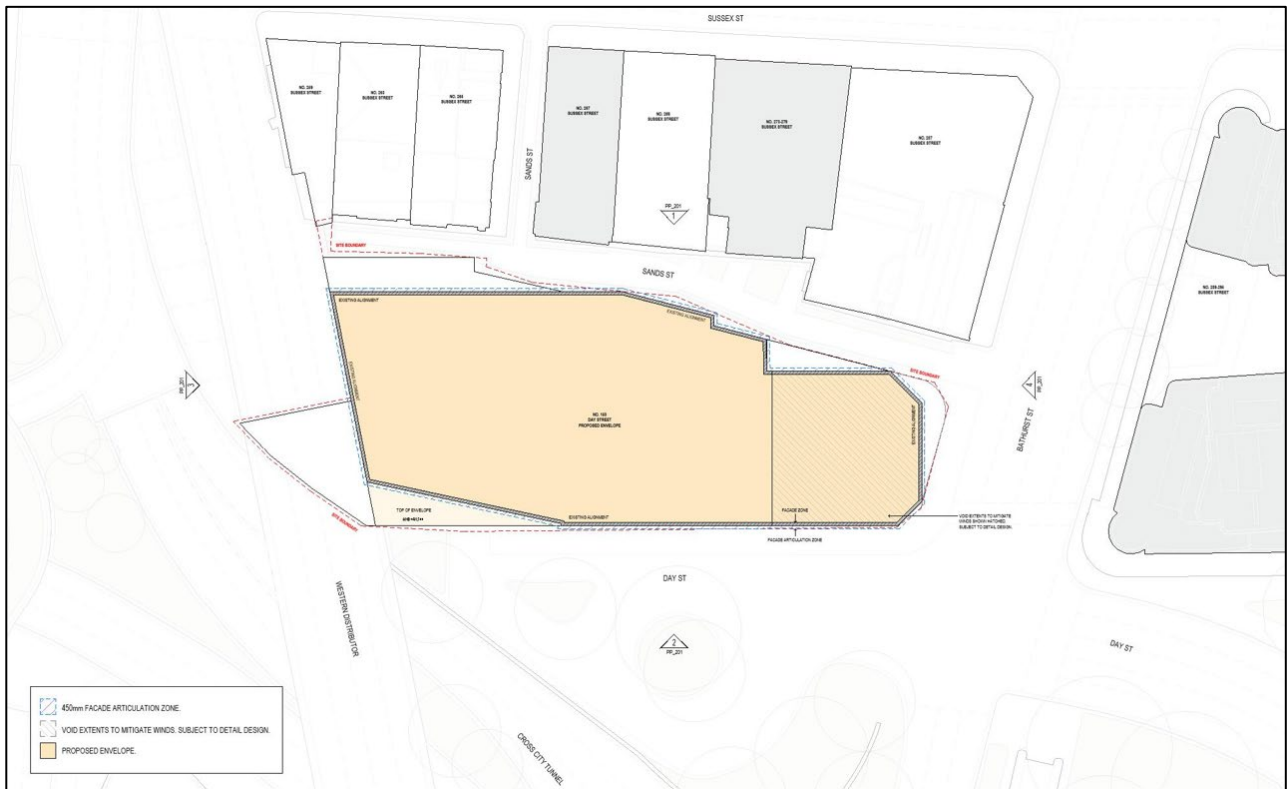


Figure 18 Building Envelope – Transfer Setback (Level 11 Floor Plan)
Source: Hassell

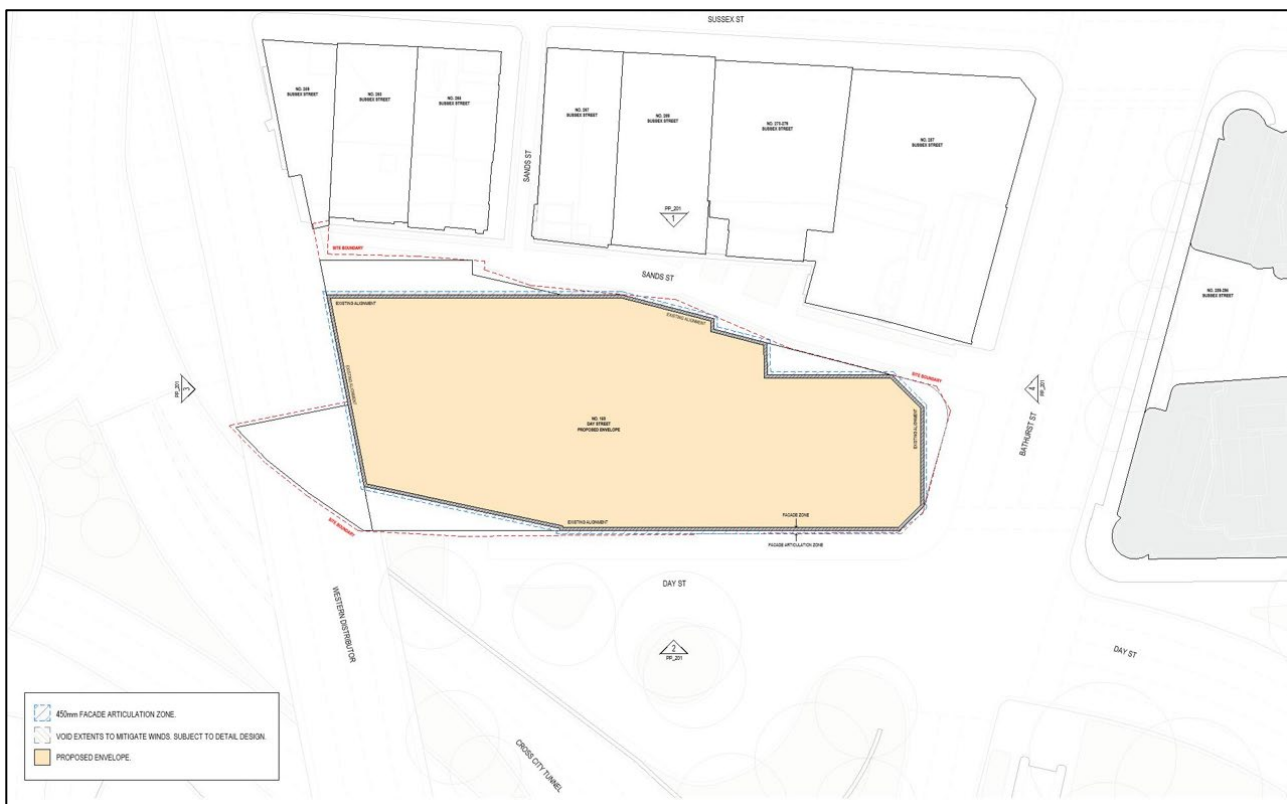


Figure 19 Building Envelope – New Tower Setback (Level 13-17 Floor Plan)
Source: Hassell

6.3 Adaptive Reuse and Structural Approach

The proposed reference scheme identifies an ambitious adaptive reuse strategy to retain the existing hotel building and support an additional 11 storeys above.

In supporting UOL's adaptive reuse vision, extensive investigations and structural advice has been undertaken to maximise the extent of retained structure, which aims to set a benchmark for future developments in Sydney. To accommodate increased building height, significant strengthening works are required.

The building is founded on shallow pad footings, bearing directly onto sandstone. Given the high bearing capacity of the sandstone foundation, the proposal is able to incorporate a "jacketing approach" of existing columns and footings to accommodate the vertical extension. Where located between hotel rooms, this strengthening approach can be concealed within existing walls, however on non-typical hotel floors, a "strip to structure" approach is required due to compromised spatial layouts.

Strengthening of existing lift cores was also identified to structurally support the buildings increased load, whilst also bringing the lifts into compliance with current earthquake codes and maximising retention strategy. For additional lifts, the existing atrium void has been utilised to minimise impacts on the current structure.

For the new building component, a larger room grid (38m² rooms) with a wider frontage and a shallower layout is proposed. This is achieved through a transfer structural truss at Level 11 which enables the loads from the upper grid to be supported. This configuration aligns with the room size requirements of the Pan Pacific Hotel, offering a more functional design for the hotel's upscale offering. Additionally, this approach supports the project brief of maximum retention whereby the existing hotel rooms can undergo finishes upgrade only with minimal upgrades to structures.

Overall, the proposal showcases maximum retention and adaptive reuse by preserving the existing building structure, including the lift core and concrete frame, and integrating them into the new design. The design team has chosen to highlight retained structural features and repurposing of the existing atrium for additional lifts. The project seeks to significantly reduce embodied carbon while sustaining operational efficiency, setting a benchmark for future developments in Sydney.



Figure 20 Existing Building – PARKROYAL Hotel

Source: Hassell

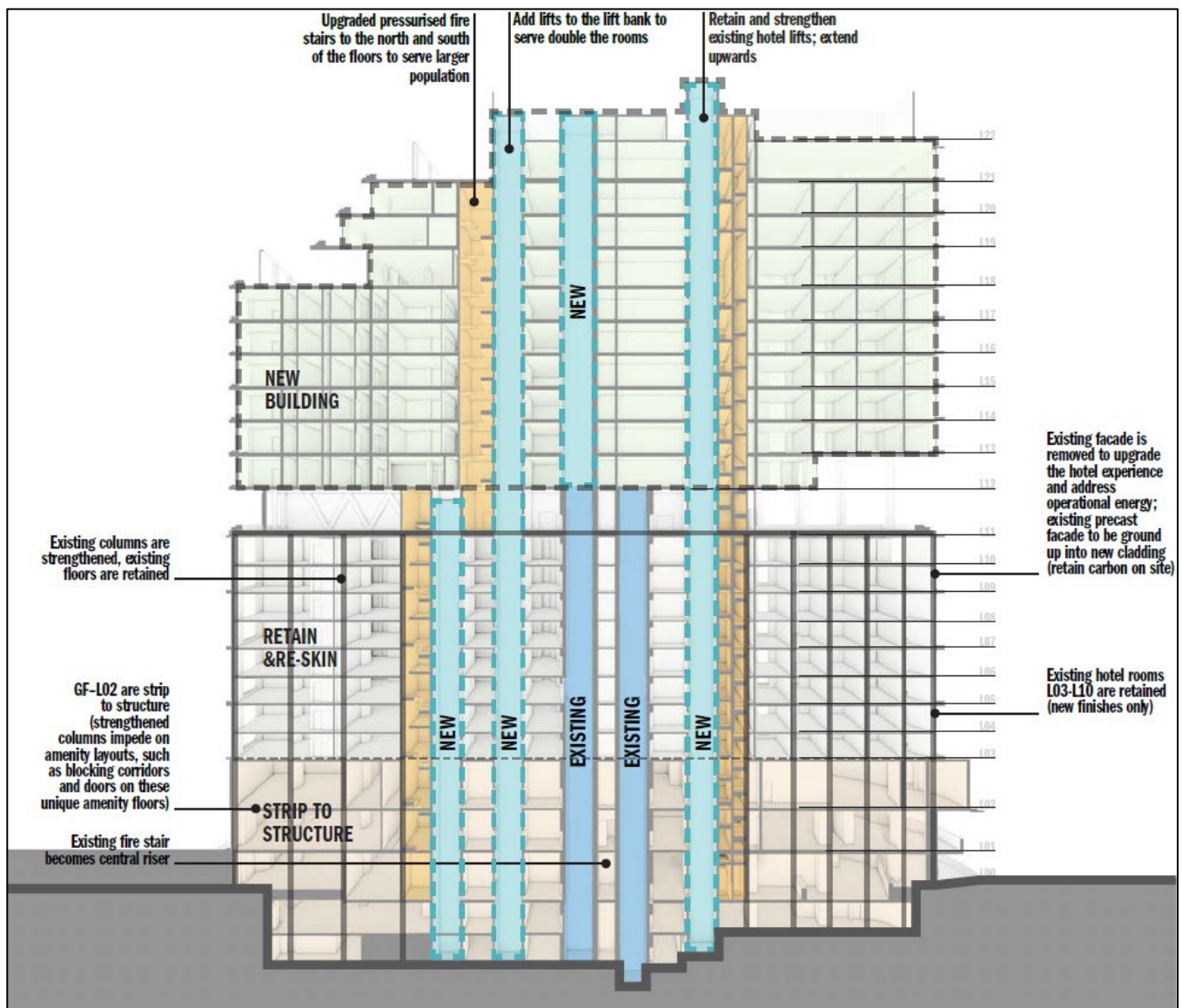


Figure 21 Adaptive Reuse / Retention Strategy

Source: Hassell

6.4 Façade Design and Landscaping

Following an audit on the existing precast concrete façade, it was revealed that the glazing was underperforming, both acoustically and thermally. This led to the installation of a secondary glazing layer in each hotel room to minimise noise. Additionally, the poor thermal performance resulted in excessive heat gain, necessitating higher operational carbon emissions due to increased heating, ventilation, and air conditioning usage.

To enhance the thermal and acoustic performance, the project proposes to strip the facade back to its structure and install a new lightweight system. This approach reduces the weight on the existing structure (minimising strengthening works) whilst significantly improving both thermal and acoustic performance in accordance with NCC 2025 facade requirements.

Whilst this approach remove carbon from the building, the works are necessary to meet new current building code requirements and ensure reduced carbon over the future life of the hotel. To minimise embodied carbon, the project team propose for the existing precast concrete panels to be crushed into a new product so that it can be retained on site.



The new hotel extension is to also consist of a lightweight façade structure with significant landscaping identified on terraces and balconies of the new building form. Proposed landscaping draws inspiration from three iconic vegetation typologies unique to Sydney: sandstone gully forests, sandstone ridgeline bushland, and coastal heathlands. Strategic species selection will ensure ecological success and foster a meaningful connection to Sydney's environment.

6.5 Public Domain – Initial Public Benefit Offer

Public domain works identified by this proposal have been informed by a wide-ranging analysis of the surrounding environment. The following opportunities as presented in our initial public benefit offer, aim to enhance the pedestrian experience and improve public domain offering, representing a significant public benefit to the community.

Day Street:

- **Vegetation:** Spontaneous vegetation and monocultures are the current conditions of planting on site. Expanding biodiversity typologies within existing garden beds will provide for a more vibrant and biodiverse typologies that will significantly improve guest experience and public alike.
- **Porte cochere:** The porte-cochere will be removed from the urban realm, increasing active frontage to Day Street and prioritising pedestrian movements over vehicles.
- **Paving:** Existing paving is inconsistent with more recent paving upgrades through the city. Improvements to paving will ensure consistency with the rest of the city and provide an improve amenity for pedestrians.

Pedestrian Link under Western Distributor:

- **Lighting and Safety:** The Western distributor underpass is currently under lit, poorly finished and incredibly hostile to pedestrians. Increasing pedestrian legibility, wayfinding and safety will return it to a key east-west pedestrian link and spread the revitalisation around the city.

Bathurst and Sands:

- **Permeable Paving:** Initial conceptual approach with new drainage infrastructure including use of permeable paving to address drainage and flooding issues along Sands Lane and to extend the useable city space for pedestrians.
- **Street Planting:** Opportunities for landscape planting on Bathurst Street and Sands Street aimed to improve pedestrian amenity.
- **Sands Street Interventions:** Subject to further design development with City of Sydney, there may be opportunities to extend the useable city space and human scale experience within Sands Street and Bathurst Street to improve pedestrian amenity and interest.

Public Art:

- **Public Art Integration:** Work alongside UAP will occur to procure, arrange and develop a public art strategy for the project in accordance with Council's Public Art Policy, with opportunities identified in the Public Art Strategy within the:
 - Northern Pedestrian Link (Western Distributor Underpass)
 - Arrival Experience along building façade at Day Street, and
 - Day Street Public domain.

Initial consultation of the preliminary has received in principle support from TfNSW (primary land owner of neighbouring public land) with no objection raised by City of Sydney during preliminary scoping meetings. Further detailed design of public domain works is subject to ongoing consultation with public authority landowners and future design excellence process.

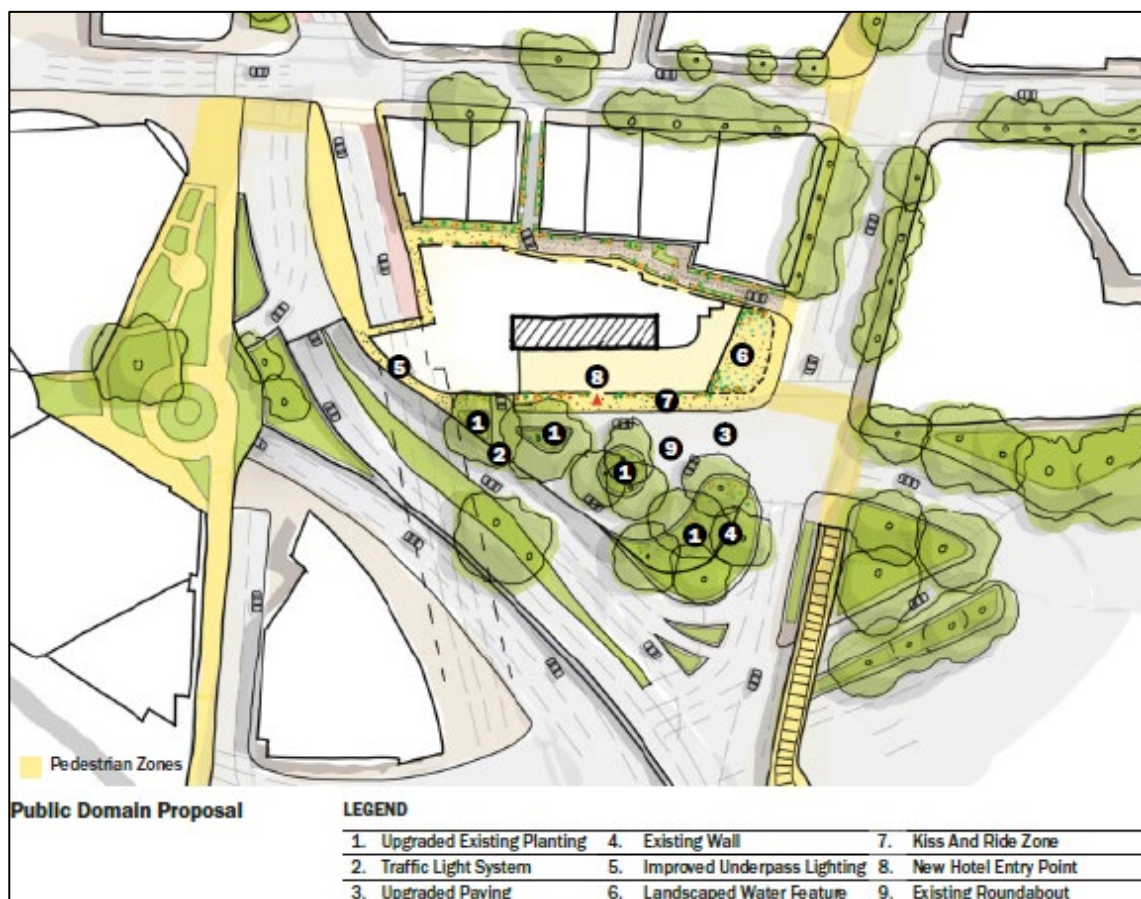


Figure 22 Preliminary Public Domain Proposal – Day Street

Source: Hassell



Part B – Planning Proposal

7. Planning Proposal Overview

7.1 Part 1 – Objectives and Intended Outcomes

Objectives

The key objectives of this planning proposal include:

- Enable additional hotel accommodation to address the growing demand for hotel floor space within the Sydney CBD.
- Provide additional employment generating uses that will strengthen the economic competitiveness of Central Sydney, energising Sydney's visitor economy and provide job opportunities.
- Facilitate a building envelope of intermediate scale suitable for the size of the site that provides an appropriate transition in scale.
- Adaptively reuse the existing hotel building - setting a benchmark for future developments in Sydney.
- Amend the applicable planning controls to provide the built form parameters for a future tower capable of exhibiting design excellence.
- Protect and enhance the amenity of the surrounding public domain and development

Intended Outcomes

The intended outcomes of the Planning Proposal are to:

- Provide revised planning controls to enable the transformative adaptive reuse of the existing building and delivery of additional employment generating floorspace / hotel accommodation within Central Sydney.
- Support a built form that is consistent with the future character of the surrounding area and with acceptable environmental outcomes.
- Significantly enhance the greening of both the public realm and the skyline, in alignment with the City of Sydney's sustainability goals.
- Enable redevelopment of the site which will enable greater street activation, public domain improvements and pedestrian amenity.
- Ensure a future detailed Development Application can achieve a high standard of environmental sustainability.

7.2 Part 2 – Explanation of the Provisions

7.2.1 Amendments to Sydney Local Environmental Plan

The Planning Proposal seeks to achieve the intended outcomes outlined under Part 1 above through the proposed introduction of a site-specific provision within the Sydney LEP. The proposal seeks to amend the Sydney LEP, by introducing a new site-specific LEP provision, as follows:

- (1) *The objective of this clause is to encourage—*
 - (a) *the delivery of additional hotel accommodation within Central Sydney, and*
 - (b) *a satisfactory distribution of built form and floor space that is appropriate to the surrounding area, and*
 - (c) *the sustainable and adaptive re-use of an existing hotel.*
 - (d) *Achievement of Design Excellence in design of future hotel.*
- (2) *This clause applies to Lot 20, DP 1046870, 150 Day Street, Sydney.*



- (3) *A building on land to which clause apply may have—*
 - (a) *A maximum building height of 85m, and*
 - (b) *A maximum floor space ratio of 13.5:1.*
- (4) *Development consent to which this clause applies must not be granted unless the consent authority is satisfied the development—*
 - (a) *will be used for hotel or motel accommodation and ancillary uses, and*
 - (b) *where required, be subject to a competitive design process under Division 4 and the building demonstrates design excellence within the meaning of that clause.*
- (5) *A building on land to which this clause applies is not entitled to additional floor space permitted by Clause 6.4 Accommodation Floor Space and 6.21D(3) Competitive Design Process.*
- (6) *In this clause—*
 - building demonstrating design excellence* has the same meaning as in Division 4.**

7.2.2 Proposed Site-Specific Development Control Plan Provisions

Given the substantive adaptive reuse of the base building and necessary structural strengthening required for the redevelopment, site specific development controls are necessary to support the redevelopment of the site and to give effect to proposed LEP amendments. The proposed draft Site Specific DCP amendment is provided at **Appendix 6**.

7.3 Part 3 - Justification of strategic and site – specific merit

This section of the report provides a detailed assessment of the proposal's strategic and site-specific merit. It also considers the interaction between these findings and demonstrates that the proposal will align with the strategic planning framework and context and have any environmental, social, or economic impacts.

7.3.1 Strategic merit

Section A – Need for the planning proposal

Q1. Is the planning proposal a result of an endorsed LSPS, strategic study or report?

The planning proposal is consistent with and supports key state and local strategic planning documents including:

- A Metropolis of Three Cities – the Greater Sydney Region Plan,
- Eastern City District Plan,
- Visitor Economy Strategy 2030 and Review 2030,
- City Plan 2036: Local Strategic Planning Statement,
- Central Sydney Planning Strategy,
- Sustainable Sydney 2030-2050: Continuing the Vision,
- City of Sydney's Economic Development Strategy,
- City of Sydney's Tourism Action,
- City of Sydney's Visitor Accommodation Plan, and
- Guideline for site-specific Planning Proposals in Central Sydney.

The planning proposal's consistency with these documents is detailed in **Section B** below and previously in **Section 3**.

In summary, the need for the planning proposal is justified as follows:

- The proposal maintains and supports the delivery of new hotel floor space in support of the City of Sydney and NSW Government's efforts to grow hotel floor space.



- The substantive adaptive reuse of the existing hotel building and exceptional environmental sustainability targets aligns with the City of Sydney's ambitious sustainability targets, setting a new benchmark for future redevelopment in Sydney.
- Central Sydney has a limited capacity to grow and adapt due to its natural containment, heritage and the growth of strata subdivision residential development. The vertical extension of the site supports the efficient use of the site to support additional employment floor space.
- It will deliver substantive public and economic benefits during operation compared to the existing scenario, including:
 - \$85.3m annual net increase in output (additional \$52.8m in direct activity)
 - \$43.7m annual net increase in gross regional product (additional \$17.3m in direct activity)
 - \$26.3m annual net increase in incomes and salaries (additional \$17.3m in direct activity)
 - 368 full-time operational jobs, and
- The proposal will result in improved environmental outcomes in relation to flooding, wind and landscaping, whilst also supporting much needed public domain improvements around the site. Other potential environmental impacts identified by the proposal are either minor and/or acceptable for a development of this nature within the CBD context as discussed further in Section C below.

Q2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

Yes, it is considered that the Planning Proposal represents the best means of achieving the objectives and outcomes for the site and realising additional height and employment generating floor space. The intended outcomes of the proposal cannot be delivered under the current planning framework, therefore a Planning Proposal is required.

Section B – Relationship to the strategic planning framework

Q3. Will the planning proposal give effect to the objectives and actions of the applicable regional or district plan or strategy (including any exhibited draft plan or strategies)?

The Planning Proposal will give effect to the objectives and outcomes of the applicable regional/district plans or strategies, as outlined in **Table 3**, **Table 4** and **Table 5**.

Greater Sydney Region Plan – A Metropolis of Three Cities

The Greater Sydney Regional Plan 2056 was published in March 2018 and sets out a vision, objectives, strategies and actions for a metropolis of three cities across Greater Sydney. The Plan outlines 10 overarching directions supported by 40 objectives which aim to provide interconnected infrastructure, productivity, liveability and sustainability benefits to all residents. The Planning Proposal's consistency with the key relevant objectives is discussed in the following table.

Table 3: Consistency with The Greater Sydney Region Plan

Objective	Topic / Theme	Consistency with Objective
Objective 1 – Infrastructure supports the three cities.	Infrastructure and collaboration	This planning proposal is underpinned by transit-oriented development principles and seeks to capitalise on existing and planned public transport infrastructure within the Sydney CBD. It is also supported by an initial public benefit offer to enter into a Planning Agreement to ensure that the proposed uplift can be suitably serviced by infrastructure. Further details are provided in Section 6.5 and Appendix 5 of this report.
Objective 2 – Infrastructure aligns with forecast growth –	Infrastructure and collaboration	The proposal aligns with population, tourism and employment demand and will be addressed through additional hotel floor space.



Objective	Topic / Theme	Consistency with Objective
growth infrastructure compact.		
Objective 3 – Infrastructure adapts to meet future needs.	Infrastructure and collaboration	The proposal will provide enhanced public domain areas surrounding the site. It is also supported by an initial public benefit offer to enter into a Planning Agreement to ensure that the proposed uplift can be suitably serviced by infrastructure. Further details are provided in Section 6.5 and Appendix 5 of this report.
Objective 4 – Infrastructure use is optimised.	Infrastructure and collaboration	The proposal will locate hotel accommodation within the Sydney CBD, in close proximity to transport infrastructure, key tourism attractions, open space, social and road infrastructure.
Objective 6 - Services and infrastructure meet communities' changing needs.	Liveability	The proposal is within a highly accessible location which will assist in optimising the delivery and use social infrastructure. The proposal is also supported by an initial public benefit offer to enter into a Planning Agreement to ensure that the proposal can be appropriately serviced by local infrastructure. This is further discussed in Section D below.
Objective 7 - Communities are healthy, resilient and socially connected.	Liveability	The proposal will provide new pedestrian connections to form part of a broader integrated network, promoting walkability and pedestrian movement within the Sydney CBD. The proposal will reinforce the fine grain urban character in an area that is undergoing substantial revitalisation.
Objective 8 - Greater Sydney's communities are culturally rich with diverse neighbourhoods.	Liveability	The proposal will celebrate the identity and sense of place of the Sydney CBD. In particular, the proposal seeks to facilitate an adaptive reuse of the existing hotel on the site. The proposal aims to enhance the existing hotel offering while introducing a new, distinct hotel experience above the current structure, enabling the coexistence of the existing PARKROYAL and a new Pan Pacific Hotel on the same site.
Objective 9 - Greater Sydney celebrates the arts and supports creative industries and innovation.	Liveability	The proposal will provide opportunities for creative and artistic expression as part of the proposed development through potential public art installations. This is further discussed in the Public Art Plan prepared by UAP (refer to Appendix 20).
Objective 12 - Great places that bring people together	Liveability	Strategically positioned at the edge of the City of Sydney, the development reinforces the city's entry into Darling Harbour by maintaining and emphasising the city wall characteristic of this prominent location.
Objective 13 - Environmental heritage is identified, conserved and enhanced.	Liveability	The proposal has been carefully designed having regard for nearby heritage items, as discussed in Section C below and Appendix 14 .
Objective 14 - A Metropolis of Three Cities – integrated land use and transport creates walkable and 30-minute cities	Productivity	The site occupies a pivotal location as a primary entry point into Sydney. Positioned between Darling Harbour and the CBD, it serves as a critical threshold for visitors and residents arriving from the western approach. Its visibility and strategic placement offer a unique opportunity to define a strong sense of arrival and establish a dynamic



Objective	Topic / Theme	Consistency with Objective
		presence within Sydney's urban fabric. It is also located approximately 350m west of Town Hall Station. The site is situated within a highly active network of movement, where pedestrian pathways intersect with vehicular routes and public transport systems. Above-ground expressways, below-ground tunnels, and laneways converge here, creating a dynamic flow of activity. This makes the site a crucial connector, capable of uniting fragmented urban links and improving accessibility between key destinations like Tumbalong Park, Darling Harbour, and the city core.
Objective 15 - The Eastern, GPOP and Western Economic Corridors are better connected and more competitive	Productivity	Central Sydney is a hub for tourism, business visitors, students and faculty that are attracted to its world-class educational institutions, iconic landmarks, heritage buildings, civic and cultural places, and night-time economy. Therefore, tourism plays a major role in the local area's character and economy. This proposal seeks to support the success of the economy by providing a diversity of accommodation opportunities that respond to the different levels of demand in the market. It seeks to contribute to a diverse range of future hotel accommodation within the CBD and deliver world-class public spaces that characterise Sydney as the nation's premier destination city.
Objective 17 - Regional connectivity is enhanced	Productivity	The proposal will support increased connectivity of people across Greater Sydney by situating renewal within walking distance of major transport infrastructure.
Objective 18: Harbour CBD is stronger and more competitive	Productivity	The proposal seeks to support the Harbour CBD's tourism and economic offering, providing quality accommodation options in the heart of the CBD.
Objective 22 - Investment and business activity in centres	Productivity	The proposal seeks to optimise its central location within the CBD, noting it is well serviced by public transport and co-located with major trip generating activities (such as retail, hospitality, offices, health and education, community and administrative services).
Objective 27 Biodiversity is protected, urban bushland and remnant vegetation is enhanced	Sustainability	The site will be covered in a large, green offer to the wider city. It integrates Sydney landscape character onto the built form, enveloping the site in the mixture of colour and textures present in healthy Country.
Objective 28 Scenic and cultural landscapes are protected.	Sustainability	The proposal supports a considerate built form which protects the cultural heritage significance of the surrounding area. The northern facade opens towards the water, reducing the visual impact of the western elevation and providing optimal views while integrating with the urban context.
Objective 30 Urban tree canopy cover is increased.	Sustainability	Extensive greening will be provided on the northwest elevation. It draws inspiration from coastal shrubs, providing natural shading, improving thermal performance, and aligning with the Proponent's commitment to sustainability.



Objective	Topic / Theme	Consistency with Objective
Objective 31 Public open space is accessible, protected and enhanced.	Sustainability	As part of the planning agreement offer, the proposal seeks to improve the amenity, safety and accessibility of surrounding public spaces which will greatly enhance these spaces.
Objective 32 The Green Grid links parks, open spaces, bushland and walking and cycling paths	Sustainability	The proposal prioritises urban porosity. It seeks to create vibrant public spaces with active frontages, fine-grain connections and open plazas. It also seeks to introduce laneways and through-site links that improve connectivity to Darling Harbour, the CBD, and surrounding precincts.
Objective 33 A low-carbon city contributes to net-zero emissions by 2050 and mitigates climate change.	Sustainability	The proposal has been carefully designed with environmental sustainability at the core. The project's Sustainability Strategy is to meet the City of Sydney's ESD requirements at a minimum and focus additional efforts meeting aspirations of the Sustainability Vision. In this way, the ESD requirements underpin the project's Sustainability Vision and additional targets are captured in the Sustainability Strategy. This is further detailed in the ESD Report prepared by Atelier Ten (Appendix 10). It is important to note that UOL has a strong track record in delivering hotel concepts with notable green features such as the PARKROYAL Collection.
Objective 34 Energy and water flows are captured, used and re-used.	Sustainability	It seeks to reduce water use through inclusion of water efficient fixtures. This is further discussed in the ESD Report prepared by Atelier Ten (Appendix 10).
Objective 35 More waste is re-used and recycled to support the development of a circular economy	Sustainability	The proposal seeks to facilitate an adaptive reuse of the existing hotel on site. It seeks to retain and showcase key elements of the existing hotel to minimise demolition waste and preserve site heritage. Retained materials and structural elements will be prominently showcased as key design features, celebrating the site's history and craftsmanship while emphasising sustainable reuse.
Objective 36 People and places adapt to climate change and future shocks and stresses.	Sustainability	The proposal has been designed to build operational capacity over time, to ensure the project is resilient.

The Region Plan is supported by a suite of five District Plans, including the Eastern City District Plan. A summary of the planning proposal's consistency with the Eastern City District Plan priorities is provided in **Table 4**.

Table 4: Consistency with the Eastern City District Plan

Objective number / ref	Topic / Theme	PP Consistency with the objective
Planning Priority E1 Planning for a city supported by infrastructure	Infrastructure and collaboration	An initial public benefit offer to enter into a Planning Agreement is provided as Appendix 5 . This is further discussed in 6.5 of this report.
Planning Priority E3 Providing services and	Liveability	The site holds the potential to transform into a dynamic hub by linking key urban nodes, enhancing pedestrian and



social infrastructure to meet people's changing needs		transport flows, and turning underutilised areas into vibrant public spaces that extend Sydney's urban program. This is further discussed in the Urban Design Package prepared by Hassell (Appendix 2).
Planning Priority E4 Fostering healthy, creative, culturally rich and socially connected communities	Liveability	The proposal seeks to encourage an activated ground plane. It seeks to create vibrant public spaces with active frontages, fine-grain connections, and open plazas. This is further discussed in the Urban Design Package prepared by Hassell (Appendix 2).
Planning Priority E6 Creating and renewing great places and local centres, and respecting the District's heritage	Liveability	The proposed amendments will facilitate the realisation of a built form outcome that exhibits design excellence and contributes to the renewal of the area. The adaptive reuse of the existing building will be sensitively designed to maintain consistency with the future character of the surrounding area. It has also been carefully designed having regard for nearby heritage items, as discussed in Section C below of this report.
Planning Priority E7 Growing a stronger and more competitive Harbour CBD	Productivity	By delivering hotel accommodation, the proposal will provide a use that is complementary to the growing office market and emerging innovation and technology precinct.
Planning Priority E8 Growing and investing in health and education precincts and the Innovation Corridor	Productivity	Relative to the existing development on the site, the proposal will substantially increase the supply of employment generating floor space. In turn, it will foster job creation within the Innovation Corridor which is earmarked for economic growth.
Planning Priority E13 Supporting growth of targeted industry sectors	Productivity	The Plan identifies tourism is a key economic sector for the Harbour CBD's economy. It identifies the need for continued growth across all of the sector's facets including business and leisure. In accordance with the objective, the proposal will provide additional hotel accommodation in the context of a growing office market for both business and leisure purposes. The Plan also identifies that 'planning controls need to be flexible to allow for the needs of the innovation economy'. The site is within the Innovation Corridor. The Planning Proposal seeks to increase the amount of employment generating floor space on the site to support the growing innovation economy and the associated demand for temporary accommodation.
Planning Priority E14 Protecting and improving the health and enjoyment of Sydney Harbour and the District's waterways	Sustainability	The proposal relates to the adaptive reuse of an existing building in an existing urban context. It will not impact existing public access to Sydney's waterways, foreshores and the coast, and will in fact improve access for tourists and visitors access, particularly Darling Harbour, given its proximity and increased room capacity.
Planning Priority E15 Protecting and enhancing bushland and biodiversity	Sustainability	The project incorporates regenerative design principles to actively enhance Sydney's urban native environment.
Planning Priority E16 Protecting and	Sustainability	The proposal supports a considerate built form which protects the cultural heritage significance of the



enhancing scenic and cultural landscapes		surrounding area. The proposal will not cause additional overshadowing to protected public spaces (e.g. Future Town Hall Square) or affect significant views from public places.
Planning Priority E17 Increasing urban tree canopy cover and delivering Green Grid connections	Sustainability	Extensive greening will be provided on the northwest elevation. It draws inspiration from coastal shrubs, providing natural shading, improving thermal performance, and aligning with the Proponent's commitment to sustainability.
Planning Priority E18 Delivering high quality open space	Sustainability	As part of the initial public benefit offer, the proposal seeks to improve the amenity, safety and accessibility of surrounding public spaces which will greatly enhance these spaces.
Planning Priority E19 Reducing carbon emissions and managing energy, water and waste efficiently	Sustainability	A comprehensive sustainability strategy is central to the project, guided by six sustainability pillars: Innovation, Better Places, Strengthen Community, Emissions Reduction, Operate Efficiently, and Circular Economy. Each pillar will drive specific initiatives to reduce the environmental impact of the project while enhancing its social and economic value. The project will meet the required environmental standards, including achieving a 5 Star Green Star rating, a 4.5 NABERS Energy rating, and materially exceeding Section J of the NCC, making it a benchmark for sustainable development in Sydney.



Q4. Is the planning proposal consistent with a council LSPS that has been endorsed by the Planning Secretary or another endorsed local strategy or strategic plan?

Council's Local Strategic Planning Statement sets out a 20-year land use vision that aims to balance the need for housing and economic activities while protecting and enhancing local character, heritage, public places and spaces. This is further discussed in **Section 3.2.1** of this report.

Table 5 provides an overview of the LSPS planning priorities and the Planning Proposal's consistency with each priority.

Table 5: Consistency with the City Plan 2036: Local Strategic Planning Statement

Objective / Priority number / ref	Topic / Theme	PP Consistency with the priority / objective
I1 – Movement for walkable neighbourhoods and a connected city	Infrastructure	This planning proposal seeks to enhance the pedestrian experience. The Western distributor underpass is currently under lit, poorly finished and incredibly hostile to pedestrians. Upgrades to the area will return it to a key east-west pedestrian link and spread the revitalisation around the city. More broadly, the proposal also seeks to increase pedestrian legibility, wayfinding and safety. It introduces laneways and through-site links that improve connectivity to Darling Harbour, the CBD, and surrounding precincts.
I2 – Align development and growth with supporting infrastructure	Infrastructure	This planning proposal is supported by initial public benefit offer to enter into a Planning Agreement (refer Section 6.5 and Appendix 5 of this report), which seeks to ensure that infrastructure can appropriately service the proposed development.
I3 – Supporting community wellbeing with social infrastructure	Infrastructure	This planning proposal seeks to enhance pedestrian linkages to the broader open space network. It is anticipated that these pedestrian links will also provide attractive and convenient places for activities such as walking and cycling, social gatherings and public events. As previously discussed, this planning proposal is also supported by an initial public benefit offer to enter into a Planning Agreement (refer Section 6.5 and Appendix 5 of this report).
L1 – A creative and socially connected city	Liveability	The proposal seeks to create vibrant public spaces with active frontages, fine-grain connections, and open plazas. Public art for the site will be developed to align with the City's vision and goals for public art and drawing from the City's Sustainable Sydney 2030 vision and related public art policies, strategies and plans. This is further discussed in Section 6.5 of this report and within the Urban Design Package (Appendix 2) and Public Art Plan (Appendix 20).
L2 – Creating great places	Liveability	This planning proposal seeks to improve walkability by increasing the safety and comfort of streets and providing direct, pleasant, sociable and interesting walking connections to the broader locality. It is considered that the proposal will be a great asset to Sydney's tourism offering, by providing high quality accommodation opportunities in a well-located area, on the doorstep of iconic tourism destinations, everyday amenities and public transport hubs.



		This planning proposal has been carefully designed to exhibit exemplar urban design outcomes. Strategically positioned at the edge of the City of Sydney, the development reinforces the city's entry into Darling Harbour by maintaining and emphasising the city wall characteristic of this prominent location. Health and amenity have been key considerations throughout the design process. Potential wind, air quality, solar access and noise impacts are further discussed in Section C of this report. The future built form achieves a cohesive architectural connection with the surrounding heritage context, most notably "The Vintage Building". This is further discussed in Section C below and the Statement of Heritage Impact provided as Appendix 14.
P1 – Growing a stronger, more competitive Central Sydney	Productivity	This planning proposal seeks to contribute to the broader mix of land uses that supports Central Sydney's role as the metropolitan centre and its visitor and night-time economies. It will provide high quality hotel accommodation offerings in a key location that will suit visitor needs. The proposal aims to enhance the existing hotel offering while introducing a new, distinct hotel experience above the current structure, enabling the coexistence of the existing PARKROYAL and a new Pan Pacific Hotel on the same site. It has been carefully designed through a place-led and people-focused approach to ensure that it meets the needs of future visitors, while also being compatible with the local surroundings.
P2 – Developing innovative and diverse business clusters in City Fringe	Productivity	Additional hotel accommodation on the subject site will support the broader economic goals of the city, particularly within the Innovation Corridor. The proposal will not compromise commercial outcomes within the CBD. Rather, it could deliver significant positive economic impacts to the Sydney LGA economy. It would also play a role in addressing the expected supply imbalance in the Sydney CBD market over the coming years through the delivery of additional hotel rooms and renewal of existing ageing stock. This is further discussed in the Economic Impact Assessment prepared by Atlas Economics provided as Appendix 4 to this report.
S1 Protecting and enhancing the natural environment for a resilient city	Sustainability	The proposal has been designed to prioritise sustainability. This proposal not only seeks to create a modernised hotel destination but also sets a precedent for sustainable urban redevelopment. It has been carefully designed to significantly enhance the greening of both the public realm and the skyline, in alignment with the City of Sydney's sustainability goals. It seeks to maximise adaptive reuse, reduce embodied carbon, and create better places. In this way, the ESD requirements underpin the project's design brief and massing design approach. Existing systems have been audited and integrated into any hotel briefing requests. Extensive greening draws inspiration from coastal shrubs, providing natural shading, improving thermal performance and aligning with our commitment to sustainability.



S2 Creating better buildings and places to reduce emissions and waste and use water efficiently	Sustainability	The proposal introduces extensive rooftop greenery to enhance urban biodiversity, improve microclimates, and contribute to urban cooling. It also implements carbon capture systems and sustainable materials to reduce the project's environmental footprint. Another sustainability approach is that it incorporates shading, natural ventilation, and energy-efficient systems to optimise building performance and reduce reliance on mechanical systems.
S3 – Increasing resilience of people and infrastructure against natural and urban hazards	Sustainability	The proposal will improve flood risk conditions for the site and surrounding area compared to existing conditions and aims to support increased canopy cover to reduce urban heat island effects.

Q5. Is the planning proposal consistent with any other applicable State and regional studies or strategies?

Central Sydney Planning Strategy

Council's CSPS sets out a 20-year growth strategy that delivers on our Sustainable Sydney 2030 program for a green, global and connected city. Through 10 key moves, the strategy balances opportunities for development to meet the demands of growing numbers of workers, residents and visitors and their changing needs in Central Sydney.

Table 6 provides an overview of some of the LSPS planning priorities and the Planning Proposal's consistency with each priority.

Table 6: Consistency with the Central Sydney Planning Strategy

Key Move	PP Consistency with the priority / objective
1. Prioritise Employment Growth	The proposal supports the delivery of new hotel employment floor space. The adaptive reuse project supports the most efficient and productive use of the land which maximises Central Sydney's limited space.
2. Ensure Development Responds to context	The proposed built form is generally consistent with the surrounding locality, particularly other commercial developments which maintain a linear tower form. The proposal aims to set a new standard development for sustainable developments within the city as with the resulting built form to be celebrated as an exemplar in adaptive reuse.
5. Ensure infrastructure keeps pace with growth to sustain a resilient city with a strong community, economy and high standard of living	As part of the initial public benefit offer, the proposal seeks to improve the amenity, safety and accessibility of surrounding public spaces which will greatly enhance these spaces. Additionally, monetary contributions in accordance with Council's contribution plans will be payable as part of any future development application.
6. Move towards a more sustainable city	The proposal seeks to undertake an ambitious adaptive reuse project which will substantially reduce embodied carbon emissions for the site and future development. This closely aligns with the City of Sydney's sustainability objectives.
7. Protect, enhance and expand Central Sydney's heritage,	As stated above, the proposal seeks to enhance existing public spaces surrounding the site which aim to improve the use and amenity of these spaces.



public places and spaces	
9. Reaffirm commitment to design excellence	UOL are committed to delivering design excellence as part of the future development of the proposal into the development application phase.

Sustainable Sydney 2030 – 2050 Continuing the Vision

The SS establishes the broad Sydney 2030 vision of a green, global, connected city. It is a blueprint for a city that is environmentally, economically, socially and culturally sustainable and establishes 10 ambitious targets for sustainability.

Table 7 provides an overview of some of the 10 targets aimed to measure progress within the SS.

Table 7: Consistency with Sustainable Sydney 2030-2050

Target	Response
1. By 2035 we will achieve net zero emissions in the City of Sydney local area.	The proposal's ambitious adaptive reuse development and exceptional sustainability performance targets are aligned with the City's sustainability objectives and target for net zero emissions. As identified in Appendix 10 , the comprehensive sustainability strategy is central to the project. Guided by six sustainability pillars, the project will meet the required environmental standards, including achieving a 5 Star Green Star rating, a 4.5 NABERS Energy rating, and materially exceeding Section J of the NCC, making it a benchmark for sustainable development in Sydney.
2. By 2050 there will be a minimum overall green cover of 40% , including 27% tree canopy cover.	The proposal seeks to provide substantial greening to the building which supports the City's tree canopy targets. Furthermore, opportunities for additional landscaping within the public domain is also to be considered as part of the project's initial public benefit offer.
3. By 2030 residential potable water use will be reduced to 170 litres a person a day in the City of Sydney local area. Non-residential potable water use will be reduced by 10% (measured per square metre) from 2018/19 levels.	The dual hotel offering for the site will provide significant efficiencies in the use of water, particularly in relation to servicing and laundry operations. The efficient use of water will also be developed as part of the detailed design development of the proposal to align with the project's sustainability objectives.
4. By 2030 there will be a 15% reduction in waste generated by each person based on 2015 levels. And by 2030 there will be 90% recycling and recovery of residential waste, commercial and industrial waste, and construction and demolition waste, which will be maintained at that level to 2050.	The adaptive reuse of the existing hotel building will substantially reduce construction and demolition waste for the future development with opportunities to reuse existing material on site (i.e. the crushing of existing precast concrete existing precast concrete panels to create new product so that it can be retained on site).
5. By 2036 there will be approximately 700,000 jobs in the City of Sydney local area including 200,000 new jobs compared to 2017. An increased proportion of all jobs will be secure jobs.	The proposal supports the effective and efficient use of land through the vertical extension of the site which will provide additional employment floor space and jobs within Sydney CBD.
8. By 2050 people will use public transport, walk or cycle to travel to and	The site is well located to public transport.



from work. This includes 9 out of 10 people working in the city centre and 2 out of 3 people working in the rest of the local area.	The minimisation of parking on site also aligns with this target as it will also encourage the use of public transport by guests and staff.
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Visitor Economy Strategy 2030 and Review 2030

The NSW Government's *Visitor Economy Strategy 2030 (the Visitor Strategy)* describes five strategic pillars that underpin the NSW Government's vision to be the premier visitor economy in the Asia Pacific. *Strategic Pillar 5 - Facilitate Growth* focuses on ensuring increased levels of private sector investment into visitor infrastructure, specifically, to "*ensure hotel supply meets future market demand*".

Following a review of the Visitor Strategy in 2024 (the *Visitor Economy Strategy 2030 Review*), the NSW Government has announced a new target to grow the NSW visitor economy to \$91 billion in visitor expenditure by 2035. To make this ambition a reality, the Review states that NSW should:

- *Enhance its unique experiences to capture greater market share.*
- *Improve access within and to NSW.*
- ***Expand and upgrade accommodation across the state adding 40,000 rooms.***
- *Increase airline capacity by 8.5 million seats.*
- *Develop and drive demand for compelling visitor experiences*

With Sydney expected to provide the 'lions share' of future hotel rooms, the Proposal plays a significant role in delivering additional hotel room supply. The renewal of existing, ageing rooms would also assist in mitigating some of the pressure demonstrated to be building in the local hotel market.

Tourism Action Plan

The Tourism Action Plan sets out how the City will work with partners to maintain and further develop the vibrant tourism sector in Sydney.

In supporting and enabling the growth of the tourism sector, the Tourism Action Plan identifies the need to develop the capacity of hotel accommodation throughout the city, particularly within the 3-4 star range.

The proposal aligns with the objectives of the Tourism Action Plan in maintaining and refurbishing the PARKROYAL hotel, to be provided as a 3.5 star hotel, whilst enabling supporting additional hotel rooms in the delivery of an additional hotel rooms to be operated by the Pan Pacific hotel (5 star).

Q6. Is the planning proposal consistent with applicable SEPPs?

The proposal is consistent with all relevant Environmental Planning Policies (SEPPs). The following outlines the intent of the relevant SEPPs and consistency of the Planning Proposal.

Table 8: Consistency with State Environmental Planning Policies

SEPP	Consistent?	Assessment
SEPP (Biodiversity and Conservation) 2021	Yes	The proposal does not contradict or hinder the application of the SEPP.
SEPP (Exempt and Complying Development Codes) 2008	Yes	The proposal does not contradict or hinder the application of the SEPP.
SEPP (Housing) 2021	Yes	The proposal does not contradict or hinder the application of the SEPP. The Urban Design Report (Appendix 2) demonstrate the proposal is capable of complying with the key design criteria of the Apartment Design Guide in relation to solar.



SEPP (Industry and Employment) 2021	Yes	The proposal does not contradict or hinder the application of the SEPP.
SEPP (Planning Systems) 2021	Yes	The proposal does not contradict or hinder the application of the SEPP.
SEPP (Precincts – Eastern Harbour City) 2021	N/A	Site located outside of Bays West Precinct and Darling Harbour area identified in the SEPP.
SEPP (Resilience and Hazards) 2021	Yes	The proposal does not contradict or hinder the application of the SEPP.
SEPP (Transport and Infrastructure) 2021	Yes	The proposal does not contradict or hinder the application of the SEPP.

Q7. Is the planning proposal consistent with applicable Ministerial Directions (section 9.1 Directions) or key government priority?

The planning proposal is consistent with the applicable Section 9.1 Ministerial Directions as detailed in **Table 9**.

Table 9: Consistency with Ministerial Directions

Ministerial Direction	Consistent?	Comments
Focus area 1: Planning Systems		
1.1 Implementation of Regional Plans	Yes	As demonstrated in Section 3 and above of this report, the planning proposal is consistent with the Region Plan and Eastern City District Plan. It will encourage employment growth by increasing the supply of employment generating floor space
1.2 Development of Aboriginal Land Council land	N/A	Not applicable.
1.3 Approval and Referral Requirements	Yes	No new concurrence provisions are required.
1.4 Site Specific Provisions	Yes	The planning proposal will not result in any unnecessarily restrictive site-specific planning controls. The proposed site-specific LEP provision is intended to facilitate the orderly development of the site. The proposal is also accompanied by a site-specific development control plan to guide future development on the site. Further details are provided in Section 7.2.2 and Appendix 6 of this report.
1.4A Exclusion of Development Standards from Variation	N/A	The proposal does not seek to exclude clause 4.6 variations.
Focus area 1: Planning Systems – Place-based		
	N/A	No place-based strategies are applicable to the site.
Focus area 2: Design and Place		



	N/A	[This Focus Area was blank when the Directions were made]
Focus area 3: Biodiversity and Conservation		
3.1 Conservation Zones	N/A	The site is not within a conservation zone.
3.2 Heritage Conservation	Yes	The proposal appropriately considers heritage conservation and is consistent with this Ministerial Direction. This is further discussed in Section C below and the Statement of Heritage Impact prepared by Weir Phillips (refer Appendix 14).
3.3 Sydney Drinking Water Catchments	N/A	The site is not located within the Sydney Drinking Water Catchment.
3.4 Application of C2 and C3 Zones and Environmental Overlays in Far North Coast LEPs	N/A	Site is not located in Far North Coast or zoned C2 or C3.
3.5 Recreation Vehicle Areas	N/A	The site is not sensitive land or land with significant conservation values that is intended to be used by recreational vehicles.
3.6 Strategic Conservation Planning	N/A	The site is not identified as a conservation zone.
3.7 Public Bushland	Yes	The proposal is consistent with the objectives of this direction and seeks to enhance the biodiversity environment within the public domain and on the proposed development.
3.8 Willandra Lakes Region	N/A	The site is not located in the Willandra Lakes Region.
3.9 Sydney Harbour Foreshores and Waterways Area	N/A	The proposal is located outside of the Foreshores and Waterways Area as defined in the <i>State Environmental Planning Policy (Biodiversity and Conservation) 2021</i> .
3.10 Water Catchment Protection	Yes	This direction applies as the site is located within the Sydney Harbour Catchment area. The proposal is consistent with the objectives of the direction and is not likely to have an adverse impact on natural waterbody, or terrestrial, aquatic or migratory animals or vegetation.
Focus area 4: Resilience and Hazards		
4.1 Flooding	Yes	The proposal does not create, remove or alter the existing land use zone for the site. The proposal seeks to improve the flood risk to the development compared with the existing hotel building. For further details relating to the project's compliance with this direction, refer to the flood risk and assessment report in Appendix 13 .
4.2 Coastal Management	N/A	Site is not located within a coastal zone.



4.3 Planning for Bushfire Protection	N/A	The site is not identified as Bushfire Prone Land.
4.4 Remediation of Contaminated Land	N/A	The site is not on land within an investigation area, a development for a purpose referred to in Table 1 to the contaminated land planning guidelines, or used for the purpose of residential, educational, recreational or childcare purposes. Notwithstanding, the Preliminary Site (Contamination) Investigation (Appendix 19) concludes that the site maintains the existing use on site and presents a generally low risk to future site users from a contamination perspective. This is further discussed in Section C below.
4.5 Acid Sulfate Soils	Yes	The site is identified as Class 1 and Class 2 Acid Sulfate Soils. The proposal maintains the existing basement levels and is anticipated to have minimal excavation works to accommodate additional strengthening. It is anticipated any relevant technical studies can be provided at the DA stage.
4.6 Mine Subsidence and Unstable Land	N/A	The site is not within a declared mine subsidence district.
Focus area 5: Transport and Infrastructure		
5.1 Integrating Land Use and Transport	Yes	The proposal will support access to housing, jobs, services by walking, cycling and public transport in the Sydney CBD. It provides limited opportunities for on-site parking and therefore will foster the use of public transport and reduce the reliance on private vehicles.
5.2 Reserving Land for Public Purposes	Yes	The proposal does not create, alter or reduce existing zonings or reservations of land for public purposes.
5.3 Development Near Regulated Airports and Defence Airfields	Yes	The Planning Proposal facilitates a development with a height of 85m (<100m AHD) which will not penetrate the Obstacle Limitation Surface (OLS), which is 156m AHD over the site
5.4 Shooting Ranges	N/A	The proposal does not affect, create, alter or remove a zone or a provision relating to land adjacent to and/ or adjoining an existing shooting range.
Focus area 6: Housing		
6.1 Residential zones	Yes	The proposal does not change the permissibility of residential development on the site or contain provisions that reduce the permissible residential density on the site.
6.2 Caravan Parks and Manufactured Home Estates	N/A	The proposal does not alter provisions that permit development for the purposes of a caravan park.
Focus area 7: Industry and Employment		



7.1 Employment Zones	Yes	The proposal will retain the current land use and zoning. It will not reduce the potential floor space area for employment uses and related public services. The proposal will encourage employment growth through the delivery of additional non-residential floor space, consistent with the objectives of this Ministerial Direction. Further details relating to potential employment benefits are provided in the Economic Impact Assessment prepared by Atlas Economics (Appendix 4).
7.2 Reduction in non-hosted short-term rental accommodation period	N/A	The site is not within the Byron Shire Council local government area.
7.3 Commercial and Retail Development along the Pacific Highway, North Coast	N/A	The site is not within the relevant council areas between Port Stephens Shire Council and Tweed Shire Council.
Focus area 8: Resources and Energy		
8.1 Mining, Petroleum Production and Extractive Industries	N/A	The proposal will not prohibit or permit mining, petroleum production and extractive activities.
Focus area 9: Primary Production		
9.1 Rural Zones	N/A	The site is not located within a rural zone.
9.2 Rural Lands	N/A	The site is not located within rural lands.
9.3 Oyster Aquaculture	N/A	The proposal does not relate to oyster aquaculture.
9.4 Farmland of State and Regional Significance on the NSW Far North Coast	N/A	The site is not located on the NSW Far North Coast.

7.3.2 Site-specific merit

Section C – Environmental, Social and Economic Impact

Environmental Effects

Q8. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

There are no critical habitat or threatened species, populations or ecological communities, or their habitats on or around the site that will be affected by this Planning Proposal.

Q9. Are there any other likely environmental effects as a result of the Planning Proposal and how are they proposed to be managed?

The planning proposal has been carefully prepared having regard to various environmental considerations as detailed below:

Built Form and Massing

Existing Context

The site is located within a highly urbanised environment on the edge of Sydney CBD and Darling Harbour. Surrounding developments vary in building form, height and scale, characterised by a mix of commercial, residential, and hospitality development.

Existing built forms are largely built to boundary with some of the larger residential developments (e.g. Maestri Towers and Millenium Towers) incorporating a step back in the tower form.

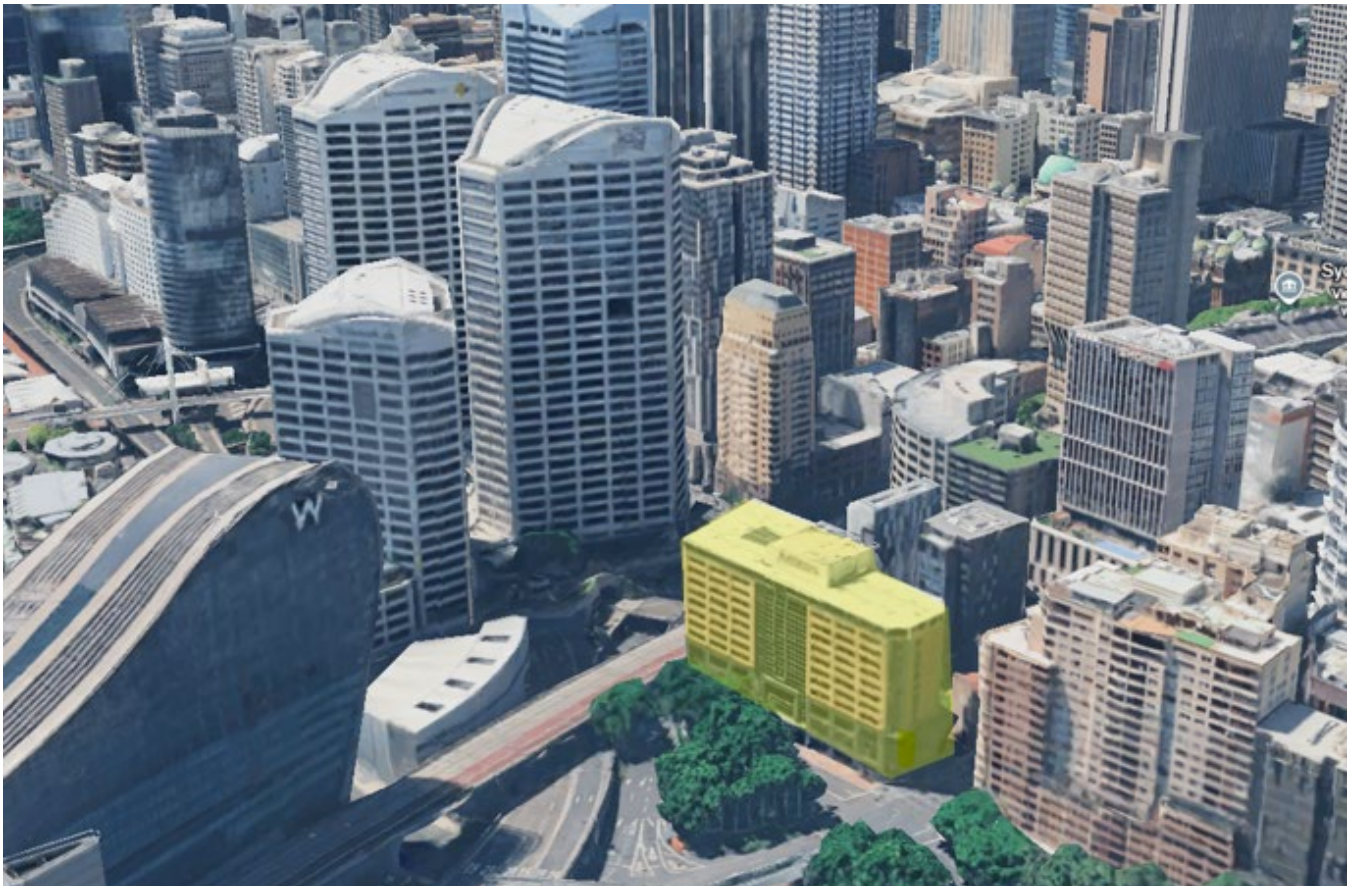


Figure 23 Existing Built form Context

Source: Google Earth

Proposed Built Form

The built form and massing of the base building is largely consistent with the existing built form, albeit with some amendments anticipated to address wind conditions and new façade as discussed in Section 6.

Due to nature of the proposal being an adaptive reuse project, new floor levels are largely defined by the location of existing columns and the geometry of the existing building, to a maximum building height. Notwithstanding, setbacks along the northern façade have been identified within the reference scheme in an effort to reduce the scale of the western façade and to allow extensive greening opportunities.

The proposed built form is generally consistent with the surrounding locality, particularly other commercial developments which maintain a linear tower form. The proposal aims to set a new standard development for sustainable developments within the city as with the resulting built form to be celebrated as an exemplar in adaptive reuse.

Guideline for Site Specific Planning Proposals in Central Sydney

The City of Sydney's *Guideline for Site Specific Planning Proposals in Central Sydney* details the planning pathway to access additional height and density through site specific planning proposals in Central Sydney.



Consistent with the CSPS, the Guideline limits these growth opportunities to employment floor space and promotes the efficient use of land.

The Guideline outlines the methodology for determining a possible maximum building envelope as well as the minimum submission requirements. With regard to height and FSR, the proposal satisfies the minimum submission requirements as provided in **Table 10** and **Table 11** below

Table 10 – Minimum Submission Requirements - Height

Analysis	Minimum Submission Requirements	Response
Overshadowing of protected public spaces	A detailed site survey and demonstrated compliance via an overshadowing envelope analysis of sun protection controls including Sun Access Planes and No Additional Overshadowing as detailed in tables 4_19 and 4_20 of the Strategy.	As demonstrated in the overshadowing analysis below and within the Urban Design Package (Appendix 2), the proposed built form will not overshadow the Future Town Hall Square between midday and sunset, and is not identified to overshadow any other protected public spaces.
Public view protection planes	To demonstrate compliance with No Additional Overshadowing controls buildings and land between the subject site and the protected space will require detailed surveys. An indicative model of the sun protection controls can be provided by the City.	The site is not identified within any protection planes or of a height that would significantly impact a view protection plane.
Sydney Airport Prescribed Airspace	For envelopes within 30 metres of an airspace protection surface detailed construction methodology must be provided demonstrating no temporary penetrations of surfaces are required for cranes and other construction equipment (see Figure 5)	The outer horizontal surface of Sydney Airport's Obstacle Limitation Surface is 156m AHD. At a maximum building height of 85m, the proposal will be located substantially below the Sydney Airport Prescribed Airspace.
Wind tunnel testing	A quantitative wind effects report prepared by a suitably qualified wind specialist. The report is to detail findings of wind tunnel testing conducted in accordance with Schedule 11 of Sydney DCP. The report is to identify all locations and elements requiring wind management. Note: Wind tunnel testing is a mandatory requirement for all Requests. This wind tunnel testing may also apply where setback and separation variations to Sydney DCP are proposed	A Quantitative Wind Assessment (Appendix 9) has been prepared in support of the proposal in accordance with Schedule 11 of Sydney DCP.
Wind and daylight equivalence test	Where variations to Minimum Street Setbacks, Minimum Side and Rear Setbacks, Street Wall Heights, Building Form Separations and Tapering controls under Sydney DCP are proposed a Procedure B: Wind and Daylight Equivalence report is to be prepared in accordance with Schedule 11 of Sydney DCP	The proposed built form includes variations to the minimum street setback distances. As demonstrated within the Quantitative Wind Assessment (Appendix 9), the proposal demonstrates improved or equitable wind conditions compared to existing circumstances. With regard to solar impacts, the overshadowing analysis below and within the Urban Design Package (Appendix 2) demonstrates acceptable solar impacts to neighbouring developments



Table 11 – Minimum Submission Requirements - FSR

Analysis	Minimum Submission Requirements	Response
Podium and tower forms	Towers are to have podium form with a Street Frontage Height in accordance with the Sydney DCP unless otherwise justified by an equivalency variation test	As provided above, the proposal includes variations to the minimum street setback distances which have been adequately justified within the Quantitative Wind Assessment (Appendix 9) Urban Design Package (Appendix 2).
Roof/construction zones	Where the maximum height of the building is determined by a sun or view control – a 15 metre roof/construction zone should be provided below the control height. Where the maximum height of the building is determined by Sydney Airports Prescribed Airspace - at least 30 metres roof/construction zone should be provided below the control height with construction methodology provided for constructing the upper floors without cranes penetrating Sydney Airports Prescribed Airspace. Or an amount as demonstrated by best practice and a reference design.	The proposed building envelope provides sufficient consideration for a roof/construction zone below the Future Town Hall sun plane.
Floor to floor heights	5 metres clear floor to floor for ground and first floors, and allowances for new pedestrian links and public domain improvements supported by urban design analysis. 3.3 metres floor to floor for typical hotel floors and structural transfer zones at steps in the building massing.	Existing floor to floor heights exceeds 5m on ground and first floors with typical floors for new hotel rooms greater than 3.3m. Due to the adaptive reuse of the existing building, existing hotel rooms cannot be changed
Vehicle access, servicing and services at ground level	Floor space configuration and calculations are to be precedent based on reference examples.	Substantive vehicle access, servicing and service investigations have been undertaken as part of the proposed Planning Proposal and incorporated in the reference scheme.
Plant	A full floor plant level for every 20 occupied levels at minimum 6 metres high floor to floor should be provided for.	two plant levels are provided within the reference scheme less than every 20 storeys.
Architectural articulation	A minimum proportion of the entire design envelope for architectural articulation and external façade depth and external sun shading (not occupied by floor space) of 8.0% plus 0.5% for each 10metres in height above 120m up to a maximum value to 16% articulation. Note: the proportion (percentage) is established according to the maximum building height, this proportion is then applied to the whole envelope.	A minimum 8% proportion of the design envelope has been considered for architectural articulation and external façade depth and external sun shading (not occupied by floor space).
Core	Minimum 16% floor space exclusions associated with the core.	Average 21% floor space exclusions allocated to building core and other non-floor space elements achieved across all floors existing and proposed.
Balconies	Balconies, voids or other areas not counted as floor space (including voids for vertical villages) should be determined from a reference design	balconies, voids or other areas not counted as floor space are provided for within the reference design.

As identified above and in the following sections below, the proposed built form is suitable within the CBD context.

Overshadowing of Public Spaces

The proposed building envelope has been designed to ensure no additional overshadowing of the Future Town Hall Square between midday and sunset in accordance with Section 6.18 of the Sydney LEP.

As demonstrated in the **Figure 24**, the Future Town Hall Square solar plane reaches a maximum height of RL 90m at the southern extent and tapers down towards the north of the site. Additionally, the Crowne Plaza, located between the site and the Future Town Hall Square, extends above the Town Hall solar plane. As such, the southern extent of the site would be capable of extending to a maximum height of approximately RL 110m without causing additional overshadowing of the Future Town Hall Square.

The proposed building envelope provides for a maximum building height of 85m with a tapering of height to the north to ensure no additional overshadowing of the Future Town Hall Square between midday and sunset in accordance with Section 6.18 of the Sydney LEP.

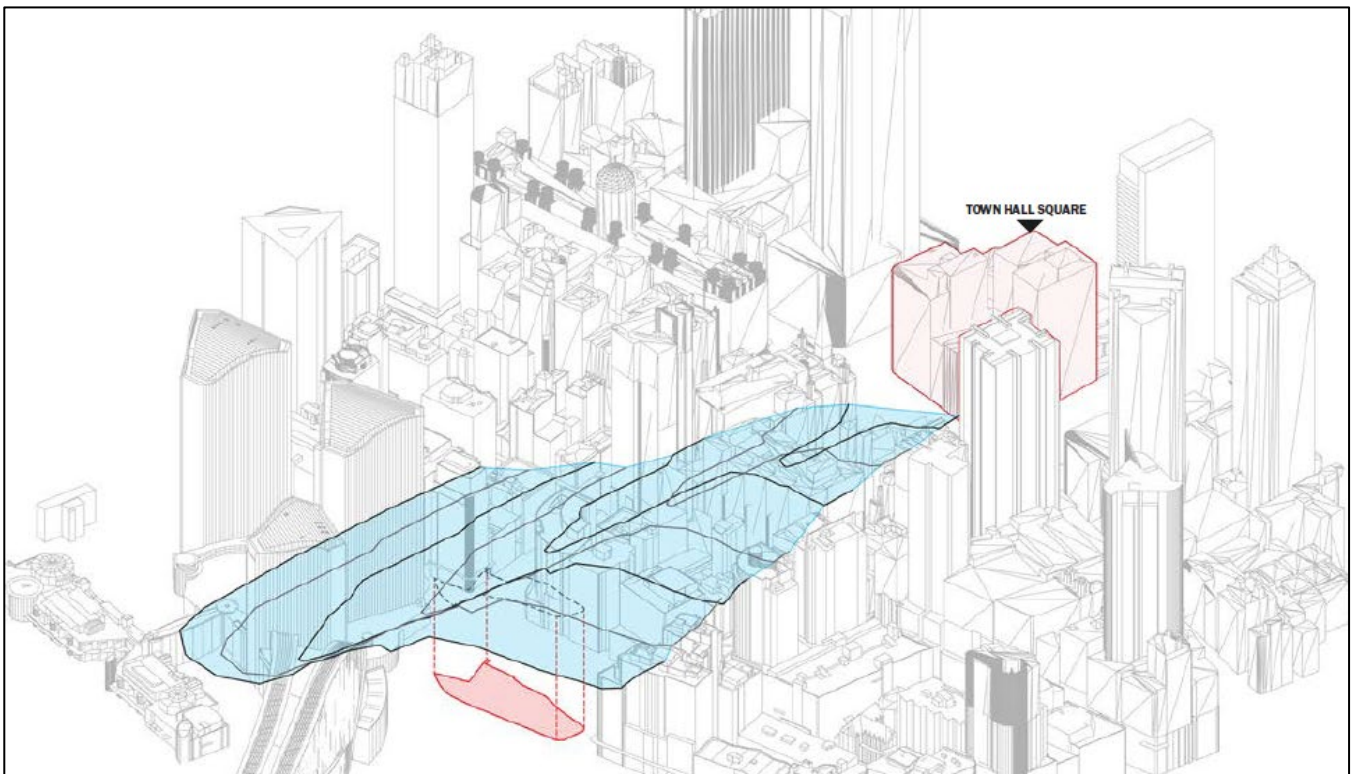


Figure 24 Future Town Hall Solar Plane Analysis

Source: Hassell

Overshadowing of neighbouring residential developments

Strategic Background and Context

The CSPS recognises that Central Sydney has a limited capacity to grow and adapt due to its natural containment, heritage and the growth of residential development. With regard to residential development, the strategy recognises that the maintenance of sunlight access to existing residential apartments can place significant constraints on development of new employment floor space, placing a direct risk to the Australian economy and Sydney's international competitiveness.

The CSPS aims to refocus the current development environment that favours residential use of land towards accommodating employment needs while keeping a balance with social infrastructure and amenity. Accordingly, it identifies an action to “*ensure residential development does not restrict new commercial development*”.



The site is located in proximity to five residential flat buildings which have the potential to be overshadowed as part of the proposed development. These include:

- Crown Plaza (58 Bathurst Street)
- Jade Luxury Apartments (267 Sussex Street)
- Kaz Towers (273 – 279 Sussex Street)
- Maestri Towers (298 - 304 Sussex Street), and
- Millennium Towers (289 - 295 Sussex Street)

Solar Analysis Criteria and Assessment

The Apartment Design Guide (**ADG**) provides useful consideration of overshadowing impacts to neighbouring residential flat buildings and has been analysed as part of the Hassell's solar analysis for neighbouring residential buildings (**Appendix 2**).

Objective 3B-2 of the ADG, provides the following design guidance in relation to overshadowing impacts to neighbouring residential properties:

Living areas, private open space and communal spaces should receive solar access in accordance with sections 3D Communal and public open space and 4A Solar and daylight access

Solar access to living rooms, balconies and private open spaces of neighbours should be considered,

Where an adjoining property does not currently receive the required hours of solar access, the proposed development ensures solar access to neighbouring properties is not reduced by more than 20%.

For the purposes of satisfying the design criteria above, 4A Solar and daylight access provides the following relevant design criteria:

Living rooms and private open spaces of at least 70% of apartments in a building receive a minimum of 2 hours direct sunlight between 9 am and 3 pm at mid winter (Sydney Metropolitan Area), and

A maximum of 15% of apartments in a building receive no direct sunlight between 9 am and 3 pm at mid winter

Millenium Towers and Maestri Towers were both designed prior to 2000 with the relevant development controls pre-dating the ADG and Sydney DCP. As such, we consider it reasonable for the consideration of solar access controls at the time of assessment.

Maestri Towers (originally approved in 1997), was subject to the development controls of the *Central Sydney Development Control Plan 1996*. The relevant solar access controls applicable at the time of assessment of Maestri Towers are as follows:

- 6.1.4. *Living rooms and private open space should be the main recipients of sunlight in dwelling units. Where possible, sun access should be for a **minimum of two hours per day on the equinox (March 21)** measured on the main window of the rooms or at the front edge of the open space. Buildings should be designed to maximise the number of dwelling units with sun access to the principal windows.*
- 6.1.5. *On west facing facades subject to direct sunlight, external shading or other energy saving measures should be integrated into the design of residential buildings and serviced apartments. Alternatively, the area of glazing should be restricted to about 2% of the floor area served, in accordance with solar design principles.*
- 6.1.6 *The maximum depth of a habitable room from a window providing light and air to that room is to be 10 metres.*

(Emphasis added)

Millenium Towers (originally approved December 1995) pre-dates the Central Sydney Development Control Plan 1996. Following review of Z95-00757, there does not appear to be any consideration for solar access in the assessment of the proposed apartments. As the solar access controls in Central Sydney Development Control Plan 1996 came into effect soon after the approval of Z95-000757, and in the absence of any other solar access



controls at the time of assessment, we consider it reasonable in this instance to consider the *Central Sydney Development Control Plan 1996* in determining solar access to Millenium Towers.

For overshadowing analysis of the proposal has been prepared by Hassell as part of the Urban Design Package (**Appendix 2**) with a summary of the findings and further analysis provided below.

Table 12 – Solar Compliance ADG (Winter Solstice)

	Existing	Proposed	Change
Crown Plaza			
≥ 2-hours 9am – 3pm Living and Private Open Space	67 / 95 = 71%	67 / 95 = 71%	No change
Jade Luxury Apartments			
≥ 2-hours 9am – 3pm Living and Private Open Space	20 / 21 = 95%	20 / 21 = 95%	No change
Kaz Towers			
≥ 2-hours 9am – 3pm Living and Private Open Space	21 / 36 = 58%	19 / 36 = 53%	2 = 5%
Maestri Towers			
≥ 2-hours 9am – 3pm Living and Private Open Space	83 / 284 = 29%	77 / 284 = 27%	6 = 2%
Millenium Towers			
≥ 2-hours 9am – 3pm Living and Private Open Space	118 / 318 = 37%	106 / 318 = 33%	12 = 4%

Table 13 – Maestri Towers and Millenium - Solar Compliance (Equinox – March 21)

	Existing	Proposed	Change
Maestri Towers			
≥ 2-hours 9am – 3pm Living and Private Open Space	89 / 284 = 31%	89 / 284 = 31%	No Change
Millennium Towers			
≥ 2-hours 9am – 3pm Living and Private Open Space	92 / 318 = 29%	92 / 318 = 29%	No Change

Crown Plaza and Jade Luxury Apartments

As identified in Table 12, the proposal will not affect the number of apartments within Crown Plaza or Jade Luxury Apartments from complying with the 4A Solar and daylight access under the ADG.

Kaz Tower

Kaz Tower, located at 267 Sussex Street, west of the site, does not currently satisfy the required hours of solar access under the ADG. This is principally attributable to its CBD context and limited to no setback from the property boundary. The property is a 14-storey mixed use development in single ownership (i.e. not strata subdivided).



The proposed building envelope will reduce the number of units receiving 2 hours of solar access by 2 (5%) and increase the number of units receiving no solar access by 1 (3%). Moreover, the total number of solar hours affected by the proposed building envelope is 6%. Accordingly, the proposal is compliant with this design criteria in that the solar access to Kaz Towers is not reduced by more than 20%.

Maestri Towers and Millenium Towers

Maestri Towers (267 Sussex Street) and Millennium Towers (289 - 295 Sussex Street) are located south east and south of the site respectively. As identified above, both developments were approved and constructed prior to the commencement of the ADG and DCP. As such, compliance with the previous control under has been considered as part of solar access analysis *Central Sydney Development Control Plan 1996*.

As identified in **Table 13**, the proposal does not affect the number of apartments receiving 2 hours of solar access at Equinox.

Notwithstanding, the proposed building envelope will reduce the number of apartments receiving 2 hours of solar access at winter solstice by less than 20%, consistent with design criteria within Objective 3B-2 of the ADG.

Summary

Having regard to the findings of the Solar Access Analysis and the guidance of the ADG, potential overshadowing impacts of the proposal is reasonable because:

- The proposal achieves the guidance with respect to Part 3B-2 of the ADG to minimise overshadowing to adjoining properties as there is less than a 20% reduction in the number of apartments receiving 2 hours of solar access.
- Maestri Towers and Millennium Towers were built pre-ADG and were not orientated to maximise solar access or achieve compliance with any solar access controls. Considering the solar access provisions under the *Central Sydney Development Control Plan 1996*, the proposal will not reduce the number of apartments 2 hours solar access at equinox.
- The site is located within a CBD context characterised by tall tower buildings. Maintaining existing solar access inhibits change and would render Central Sydney uncharacteristically static. As recognised by the CSPS, the delivery of new employment floor space within the CBD context should not be unreasonably restricted by the need to maintain sunlight access to residential apartments.

View Impact Analysis

A View Sharing Analysis (**VSA**) has been prepared by Urbis and is provided as **Appendix 11** to this report.

The site is identified to be within a highly urbanised location located at the south end of Sydney's CBD, near Darling Harbour. The surrounding visual context is characterised by mid-height and taller tower forms of varied height and scale.

The CSPS recognises Central Sydney's role in metropolitan Sydney, New South Wales and Australia, and the need to protect and grow employment floor space to maintain and grow its status as a global city with a dynamic economy.

With respect to views, the CSPS recognises that views are subject to change as redevelopment occurs and regulating for maintenance of private views "*is overly restrictive and complex*". It adds that "*maintaining existing private views inhibits change and would render Central Sydney uncharacteristically static*". Importantly, it notes that there is often no scope available within the confines of planning requirements to adjust the shape of a building in Central Sydney or move its location on the site. The CSPS states that for these buildings, better design to provide a better view is rarely possible.

Urbis' analysis has been considered in context of the Tenacity planning principle, based on computer generated images (CGI's) which show the potential views (see and extent of visual change that would occasion the approval and construction of the proposed development. The analysis also considers a base case model for the site identifies the maximum building height envelope for the site for the future town hall square under Clause 6.18 of



the Sydney LEP and street wall setbacks of 8m above the existing building in accordance with the City of Sydney's development control plan.

In total, seven buildings were assessed with findings of the VSA provided below:

View Point 1 – 252 Sussex Street: Minor to Moderate impact

- The existing composition of views are characterised by a mixture of urban built-form development including tower forms of varied height and scale as well as lower height development with large floorplates and significant bulk and scale arranged around Tumbalong Park.
- The proposal will be visible in the context of other development of comparable height, scale and character to those within the immediate and wider visual context.

View Point 2 – 273 Sussex Street: Moderate to Severe impact

- The existing foreground composition is comprised of the existing roof and plant overrun of the PARKROYAL.
- The proposal impacts the mid ground composition of views to existing tall urban development around Darling Harbour to the top floor dwelling only. Lower levels of the of the building would not experience any view loss as the existing view from each level is comprised of the eastern elevation of the existing hotel on site.

View Point 3 – 58 Bathurst Street: Moderate to Severe impact

- The existing mid-ground composition includes views of tall urban development around Darling Harbour and a section of open water in Darling Harbour.
- The proposal would introduce a new built-form development to the foreground composition which blocks views to the parts of the mid-ground composition including Darling Harbour and built-form surrounding it. The land-water interface that is blocked by the proposal is however of an artificial construction and would not be considered a scenic interface if compared to a natural foreshore.

Viewpoint 4 – 289 Sussex Street: Moderate impact

- The existing mid-ground composition includes views of tall urban development around Darling Harbour and a section of open water in Darling Harbour.
- The proposal blocks a section of the Pyrmont Bridge and Darling Harbour, as well as the narrow view of Sydney Harbour and Balls Head Reserve, as well as a distant section of residential development.
- The proposal is visible in the context of other development of comparable height, scale and character to those within the immediate and wider visual context. Due to the oblique nature of the view of the proposal, compositions to the left and right of the development would be unaffected.

Viewpoint 5 – 298 Sussex Street: Moderate impact

- The existing mid-ground composition includes views of tall urban development around Darling Harbour and a section of open water in Darling Harbour.
- The proposal would introduce a new development to the foreground composition which blocks views to the parts of the mid-ground composition including Darling Harbour, built form surrounding it and 'Pyrmont Bridge'. The land-water interface that is blocked by the proposal is however of an artificial construction and would not be considered a scenic interface if compared to a natural foreshore.

Viewpoint 6 – 72 Liverpool Street: Minor impact

- Existing foreground and mid-ground composition is characterised by urban development which includes development of varied height and scale ranging from tower forms through to mid-height development which creates a varied urban skyline with a small section of Darling Harbour, Pyrmont Bridge and development in Pyrmont visible between commercial development.
- The majority of the composition is unaffected by the proposal and the intrinsic character of the view is maintained.

Viewpoint 7 – 528 Kent Street: Minor impact

- Existing foreground and mid-ground composition is characterised by urban development which includes development of varied height and scale ranging from tower forms through to mid-height development

which creates a varied urban skyline with a small section of Darling Harbour, Pyrmont Bridge and development in Pyrmont visible between commercial development.

- The majority of the composition is unaffected by the proposal and the intrinsic character of the view is maintained.

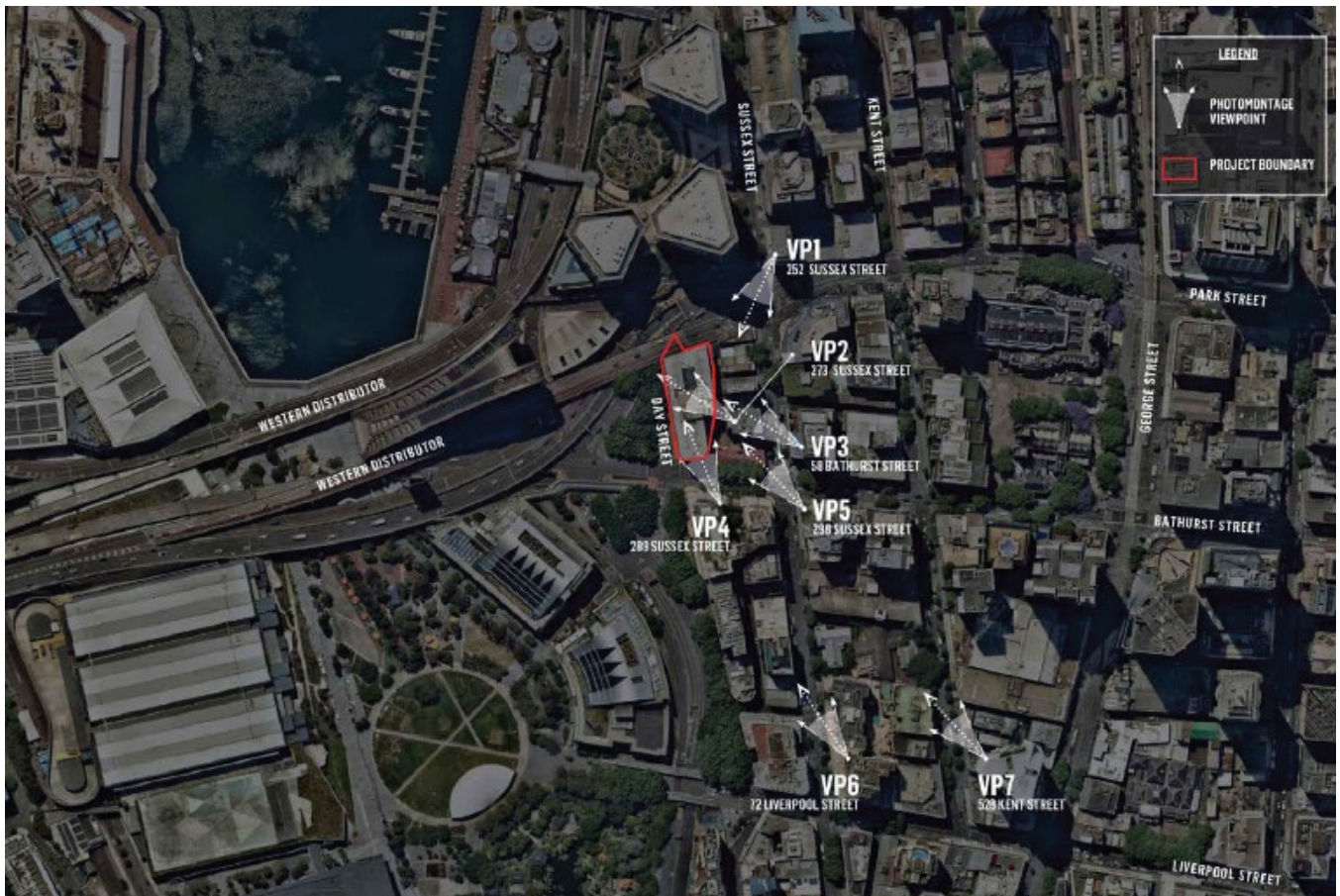


Figure 25 Viewpoint location map

Source: Urbis

As established in the CSPS, private views within a highly urbanised environment of Sydney CBD are subject to change as redevelopment occurs. Maintaining existing private views inhibits change and would render Central Sydney uncharacteristically static which would create a direct risk to the Australian economy and the international competitiveness of Sydney.

The proposal relates to the substantive reuse of the existing building which not only supports the aspiring sustainability objectives of the City through the reduction of embodied carbon emissions but supports the delivery of additional visitor accommodation and employment floor space within the CBD.

Noting the highly urbanised environment CBD environment, the proposed impacts are acceptable in this instance.

Wind

A Qualitative Wind Assessment has been prepared by Windtech and is provided as **Appendix 9** to this report.

The Assessment includes a wind tunnel study which has been undertaken to assess wind speeds at select critical outdoor trafficable areas within and around the site using a scale model of the proposed built form as well as surrounding buildings and topography.

The model was tested in the wind tunnel without the effect of any form of wind ameliorating devices such as screens, balustrades, etc. The effect of vegetation was also excluded from the testing, although it is noted that the western edge of the site is heavily vegetated and is expected to enhance comfort levels. The existing site conditions were also tested, for comparison. In-principal treatments have been recommended for any area exposed to strong winds including:



- Tapering of building along north-western corner,
- 8m high void across levels 11 and 12 on the southern aspect of the building, and
- 1.5-meter horizontal facade articulation zone across Level 18 and 21.

The results of the study indicate that wind conditions for all trafficable outdoor locations within and around the development will either satisfy the safety limit/relevant comfort criterion or will be equivalent to/better than the existing site conditions. Hence, it is expected that wind conditions for all outdoor trafficable areas within and around the development will be suitable for their intended uses.

It is recognised that further wind tunnel testing will be reviewed as part the future design development for the site with opportunities for further improvements and design refinement to be considered.

Heritage

A Statement of Heritage Impact (**SoHI**) has been prepared by Weir Phillips and is provided as **Appendix 14** to this report.

The site is not listed as a heritage item nor located in a Conservation Area as identified by Schedule 5, Parts 1 and 2 of the Sydney LEP. The site is, however, located in the vicinity of heritage items listed by this Schedule 5 Part 1 of the Sydney LEP, including *Former warehouse 'The Vintage Building'* (1964) which is directly opposite the site across Sands Street. The site is also further removed from other heritage items as well as items listed on the State Heritage Register under the *NSW Heritage Act 1977*.

The SoHI notes that it presents the opportunity to enhance the setting of nearby items by providing both a better backdrop and streetscape frontage to the heritage items in the immediate vicinity. With regard to nearby heritage items and the assessment of heritage impacts, it notes the Planning Proposal is considered acceptable for the following reasons:

- The potential impact of a larger building within the limits sought by the proposal (and described by its reference design) will not cause any significant impact to the heritage significance of nearby heritage items.
- Historic views from, *the Vintage Building* will not be further blocked, impeded or unreasonably disrupted; the proposed building envelope will read as a in keeping with current and future development of the Sydney CBD. This is reinforced by the accompanying 3D views showing photomontages of the proposed building envelope on site.
- No significant view corridors to or from the items identified in Section 3.2 of the SoHI will be blocked, impeded or unreasonably disrupted. Views from the site are not considered to have heritage significance.
- The proposal offers a future opportunity to activate the intrusive and inactive ground plane at Bathurst and Sands Street which forms the closest interface to the Vintage Building.
- Changes to the controls will still facilitate a tower which will require the major alteration to the building on site. The buildings on site are not considered to be of heritage significance, either through the assessment of City of Sydney Council or by the authors of the SoHI.

It concludes the concept design by Hassell successfully establishes a future built form that achieves a cohesive architectural connection with the surrounding heritage context. It ensures the preservation of the historical character and setting of nearby items while accommodating modern development. The Planning Proposal aligns with the Council's vision for a vibrant and dynamic city centre, enhancing connectivity and activation at the CBD edges adjoining Darling Harbour.

Traffic and Parking

A Traffic Impact Assessment Report has been prepared by PTC and is provided as **Appendix 12** to this report, which provides the following key findings with respect to traffic and parking:

- The hotel is located in Sydney's CBD, which offers excellent public transport connectivity throughout the broader Sydney region.



- A review of walking and cycling infrastructure indicates that the hotel is highly accessible on foot due to high-quality footpath coverage.
- The basement parking will be reduced from 52 double-stacked parking spaces to 26 spaces. As the Sydney LEP does not mandate a minimum parking requirement, this reduction aligns with the project's sustainability goals.
- An external pick-up and drop-off area with four spaces will be provided in place of the undercroft Porte Cohere, improving the pedestrian environment on Day Street and reducing conflicts with vehicle crossovers.
- As part of the proposed upgrades, a minimum of 55 bicycle parking spaces, 55 personal lockers and six showers are planned to better accommodate the needs of the hotel to better promote sustainable transportation options.
- The resultant traffic impact of the proposed development is negligible, and therefore, no mitigation is necessary.
- The adaptive reuse of an existing hotel leads to some efficiencies in relation to servicing and waste, as these will be collated in the back of the house, which has a marginal reduction in heavy vehicle activity.
- A queueing assessment for pick-up and drop-off operations estimates that, with four designated spaces, there is a 95% likelihood of no significant queueing along Day Street.

In conclusion, it has been demonstrated that the proposed development will have a negligible impact on the operation of the local road network and is being delivered with a range of measures to improve and encourage access by active and sustainable modes, compliant with local and regional policy.

Contamination and Acid Sulfate Soils

A Preliminary Site Investigation (**PSI**) Report has been prepared by Douglas Partners and is provided as **Appendix 19** to this report. The objective of the PSI was to assess the potential for contamination at the site based on past and present land uses and to comment on the need for further investigation and/or management.

The investigation comprised a desktop study and a limited scope of opportunistic soil investigation from boreholes drilled to assess current footings. The site history shows that the site has been used for commercial or industrial purposes since the 1930s before being developed into a hotel in the 1980s and 1990s.

Limited fill was identified in the boreholes (**BH**), with no fill recorded at BH102, BH103 and BH106. However, this may not be representative of conditions away from the current footings. Samples were tested from the fill (two samples) and from the natural sandstone (three samples). The concentration of contaminants in all analysed soil / rock samples were below the adopted site assessment criteria.

The report concludes that the site presents a generally low risk to future site users, from a contamination perspective, under the proposed development subject to the following recommendations:

- Additional soil vapour sampling is conducted within the lower basement to assess potential risk of volatile organic compounds (**VOC**) / diesel contamination impacting air quality in the building. If results indicate the potential for VOC or total recoverable hydrocarbons (**TRH**) in soils vapour at the site, further assessment (including of groundwater) may also be warranted.
- If there is any change in land use, or significant excavation proposed further assessment of soils may be warranted.
- Undertaking a hazardous building materials survey of the current buildings within the site to assess the presence or otherwise of hazardous building materials prior to redevelopment. Identified hazardous building materials are then to be appropriately managed in accordance with applicable legislation.
- It is also recommended that waste classification assessment will be required for any excess fill or natural soils / rock arising from the proposed redevelopment that may require offsite disposal.

Geotechnical Engineering

A Geotechnical Report has been prepared by Douglas Partners and is provided as **Appendix 21** to this report. The purpose of this desktop assessment is to provide preliminary information on subsurface soil, rock and



groundwater conditions to support the submission of a Planning Proposal, and to provide preliminary information for the design of the proposed redevelopment.

The assessment involved a review of previous investigations undertaken by Douglas at the site during the development of Day Street Hotel (now PARKROYAL Hotel), in 1988. A summary of findings from neighbouring sites is also provided in this report, together with preliminary comments relating to design and construction practice.

The report notes that the primary geotechnical issues that should be considered for the proposed development include the following:

- Due to the presence of the G.P.O Fault zone, which runs from the northeast to the southwest of the site, areas of lower strength rock and a high degree of fracturing occurs within the rock mass. As a result, a reduced bearing pressure of 1,500 kPa was adopted for foundations within the fault zone. Outside of the fault zone, fracturing and discontinuities in the rock mass limit the allowable bearing pressure to 3,500 kPa.
- To accommodate the expected two-fold increase in bearing pressure, the footings of the existing building will need to be assessed and strengthened.
- Groundwater levels were measured during the 1988 investigation at depths between 1.9 m to 5.4 m below ground level. These levels can vary seasonally and long-term due to climatic conditions, prolonged rainfall, and local factors such as drainage changes and nearby developments. Localised excavations within the existing basement levels (such as lift pits) may need to consider the possible presence of groundwater within the design.

The report provides the following recommendations for further investigation:

- Existing footings that need to support additional loads should be assessed to confirm their capacity and the suitability of the underlying foundation material for the required load. Such investigation can also be used to inform the design of footing strengthening that may be required. A preliminary assessment of a number of footings is currently underway and will be reported separately.
- Assessment of the possible increased settlement below the existing or strengthened footings should also be completed once detailed information is available about the increased loading and foundation design.
- All new foundation excavations or foundation strengthening should be inspected by a geotechnical engineer to confirm the suitability of the material for the design allowable bearing capacity. In addition, any unsupported excavations within rock should be inspected and geologically mapped by a geotechnical engineer/engineering geologist for the presence of adversely oriented discontinuities which may form unstable wedges.

As flagged in the recommendations above, a Report on Foot Investigations has also been prepared by Douglas Partners Pty Ltd and is provided as **Appendix 22** to this report. The aim of the investigation is to provide an assessment of the foundation conditions below the existing building footings and to provide information for the design of the proposed development.

The report concludes that given the potential for variability in the foundation conditions it is recommended that any footings that are to be subject to increased loading are individually investigated to confirm the bearing capacity of the foundation material. Assessment of foundation conditions of the existing footings on an individual basis may also provide opportunities to adopt higher bearing capacities which could reduce the need for footing strengthening, subject to the existing and proposed increased loading conditions.

Within proximity of the G.P.O fault zone a higher degree is variability, weathering and weaker material is anticipated, in line with the conditions considered within the original design. The presence of this material should be carefully considered in the design with regard to settlement and differential settlement of footings under increased load where footings are potentially bearing on material of differing strengths.

It is recommended that a detailed monitoring plan be developed for the redevelopment works, prior to any additional loading of the existing columns. The plan should include detailed survey monitoring of any columns



where load increases of more than 10% are proposed and / or locations where settlement is considered a higher risk due to either expected foundation conditions or residual uncertainty around foundation conditions.

Structural Engineering

A Planning Stage Structural Report has been prepared by Taylor Thomson Whitting (**TTW**) and is provided as **Appendix 8** to this report.

The report reviews the existing structure in order to define the key opportunities, requirements and risks associated with the project aims. More specifically, reviews have focused on the structural strengthening of required structural elements so that the existing structure can be fundamentally retained and reused with associated benefits to sustainability.

The findings of the report confirm the need for existing columns, footings and core-walls must be strengthened in order to support the increased weight from the new additions. However, the existing floor slabs can generally be maintained, with substantial environmental benefits from reducing the requirement to demolition and rebuild these elements.

The report, and the associated drawing mark-ups in the appendices, have been produced in order to communicate these items, with a particular emphasis on retention, strengthening, constructability and safety, which will assist in supporting the detailed design development of the proposal into the development application stage.

Stormwater

A Preliminary Civil Engineering Review has been prepared by TTW and is provided as **Appendix 23** to this report.

The report identifies that due to the site's location within the Sydney Water's 'City Area 30 Catchment', and the runoff is to be discharged into Sydney Water's assets, Sydney Water will dictate the OSD requirements. Initial correspondence from Sydney Water indicates that there is no need for any OSD required for any development located at 150 Day St.

With regard to Stormwater quality, the report recognises that the design intent to include expansive greenspaces on the hotel's new rooftop areas will drastically improve the quality of water runoff compared with the existing state of the building.

Flooding

A Flood Impact and Risk Assessment (**FIRA**) has been prepared by TTW and is provided as **Appendix 13** to this report.

Flood modelling analysis within the FIRA is based on Council's adopted Darling Harbour Floodplain Risk Management Study, WMA Water (2018). Updates were made to Council's model following topographical survey and site inspection in and around the development site and provide a better representation of the real world. Flood modelling has assessed the flood behaviour, flood hazard and flood risk associated with the planning proposal.

Flood modelling confirms that there is a trapped low point in Sands Street which provides a source of overland flooding to the east of the building. The solid boundary wall to the west of Day Street prevents overland flow escaping this area and provides a source of overland flooding to the west of the building.

A full range of flood events have been modelled, and additional sensitivity testing has been completed that allow for future potential increases in rainfall and sea level associated with climate change.

This assessment confirms that the planning proposal complies with the required Flood Planning Levels, with raised floor and threshold levels, flood gates where raised threshold cannot be met for the existing building and flood proofing for the loading dock. The planning proposal will improve flood risk compared with the existing hotel



building. There is no impact on flood behaviour associated with the development and the planning proposal therefore meets Council's Interim Floodplain Management Policy and state flood planning requirements.

Noise

A Noise Impact Assessment has been prepared by Acoustic Logic and is provided as **Appendix 16** to this report. The Assessment indicates that mitigation of noise impacts is needed to achieve compliance with the nominated assessment criteria. Some examples of these include glazed facades (windows and doors), external wall construction materials, entry door requirements, external roof and ceiling construction materials, and ventilation and air conditioning provisions.

The Noise Impact Assessment concludes that provided these mitigation measures are adopted, the development will comply with the acoustic requirements of the following documents:

- Council's DCP.
- Australian and New Zealand AS/NZS 3671:1989 Acoustics – Road traffic noise intrusion – Building siting and construction.
- Australian and New Zealand AS/NZS 2107:2016 Recommended design sound levels and reverberation times for building interiors.
- NSW Department of Planning Development near Rail Corridors or Busy Roads – Interim Guideline (DNRCBR) 2008.
- NSW EPA *Noise Policy for Industry (NPfi)* October 2017.

Air Quality

An Air Quality Assessment (AQA) has been prepared by SLR Consulting Australia (**SLR**) and is provided as **Appendix 15** to this report. The aim of the AQA is to address air quality requirements of the Sydney LEP and the DCP in relation to development near the Cross City Tunnel ventilation stack (CCT Stack). It has been prepared with reference to the New South Wales Environment Protection Authority (EPA) document *The Approved Methods for the Modelling and Assessment of Air Pollutants in NSW* (NSW EPA 2022).

The report concludes that air quality issues do not pose a constraint for the project. This is further detailed in the AQA provided as **Appendix 15**.

Q10. Has the planning proposal adequately addressed any social and economic effects?

Social Effects

Social and Community Needs

A Social and Community Needs Assessment has been prepared by Mecone and is provided as **Appendix 17** to this report.

The report finds that the proposed development aligns with the City's strategic objectives while addressing potential social and community infrastructure needs. The analysis confirms that existing infrastructure within the area, including open spaces, community facilities, and transport networks, has sufficient capacity to accommodate the projected increase in visitors generated by the Proposal. Additionally, the proposal includes on-site amenities to mitigate potential impacts on local services. The incremental demand generated by the project is minimal compared to broader residential and visitor growth, supporting the conclusion that it will generate negligible strain on public services, utilities, and cultural infrastructure.

Potential impacts, such as temporary disruptions during construction, have been identified and will be addressed at the Development Application stage, with measures to minimise noise, vibration, and overshadowing impacts on nearby assets.

Overall, the project's emphasis on adaptive reuse, sustainable urban design, and enhanced hotel offerings supports the revitalisation of the Sydney CBD and reinforces Darling Harbour as a premier tourism and cultural hub. It does so without adversely affecting housing diversity or affordability, given it is intensifying hotel use on an



existing hotel site, thereby supporting community resilience and inclusivity. The project aims to set a benchmark for sustainable urban redevelopment and aligns with the City of Sydney's vision for a liveable, connected, and globally competitive city.

Connecting with Country

WSP's Indigenous Specialist Services (ISS) team were engaged to assist with the development of Connecting to Country themes and outcomes for this planning proposal. A letter of support has been prepared by WSP and is provided as **Appendix 7** to this report.

WSP has also developed an Aboriginal Design Principles document for the project and is provided as **Appendix 7** to this report. It aims to:

- Provide further cultural context and competency for anyone with interest in the First Nations people and culture of the area.
- Propose principles that align with important guidelines, such as the Connecting to Country Guidelines by the NSW Government Architects Office, The International Indigenous Design Charters Principles, and the 3 tenors of the Reconciliation Australia of Respect, Relationships and Participation.
- Consider high level concepts for how project might engage and co-design with Aboriginal people.

As the proposed design develops into a future development application, the proposal will continue to:

- Organise and deliver additional Aboriginal engagement with Elders and Knowledge Holders to further inform and co-design the culturally appropriate elements for inclusion.
- Update the Aboriginal Design Principles document with outcomes from the engagement sessions and add to the design ideas and opportunities as the design is developed and refined.
- Review and input into the proposed design as it is developed during design workshops and via document reviews.

Public Art

A Preliminary Public Art Strategy has been prepared by UAP (**Appendix 20**). The Strategy notes that public art for the site will be developed to align with the City of Sydney's vision and goals for public art and drawing from the City's Sustainable Sydney 2030 vision and related public art policies, strategies and plans. **Figure 26** provides an overview of the potential public art zones identified for the proposal to be developed as part of the development application process.

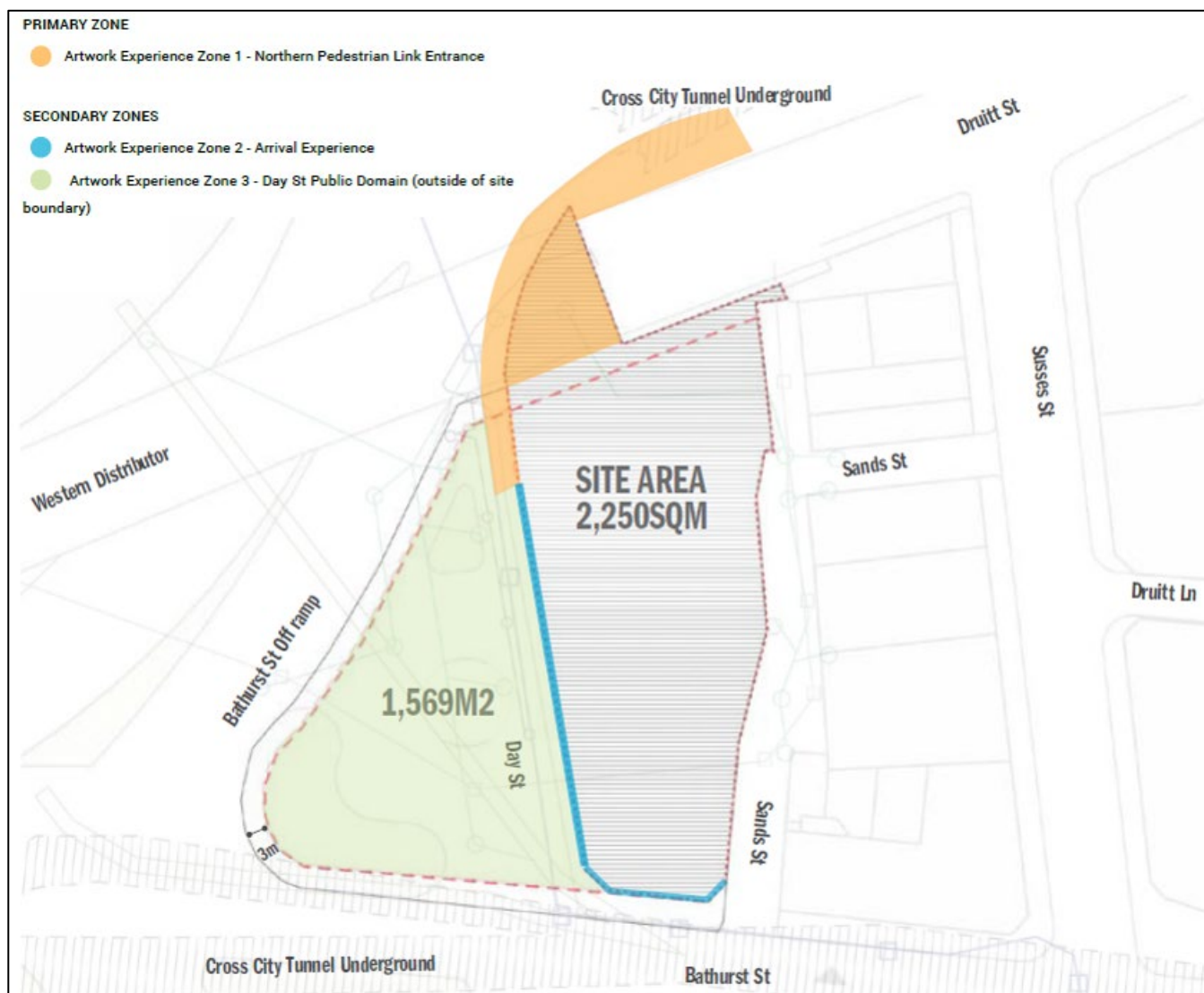


Figure 26 Potential Public Art Zones

Source: Urbis

Economic Effects

An Economic Impact Assessment has been prepared by Atlas Economics and is provided as **Appendix 4** to this report. It has been prepared to assess the need for the Proposal and examine the economic impacts of the Proposal if delivered. The report notes that the findings of the economic modelling shows that the proposal could generate significant and positive economic impacts:

- During construction, it is estimated to result in a significant (but short-term) increase in economic activity through a mix of direct and indirect (flow-on) activity, including:
 - \$307.3 million in output** (\$204.1 million in direct activity)
 - \$119.1 million contribution to GRP** (\$65.6 million direct contribution)
 - \$80.9 million in wages and salaries** paid to local workers (\$50.2 million paid directly)
 - 601 FTE jobs** (313 directly employed in construction activity).
- Critically, the Proposal would generate significant net additional economic impacts upon completion. Compared to the existing scenario (i.e. no change to the existing hotel), the proposal would generate an:
 - Additional \$85.3 million in output** (additional \$52.8 million in direct activity).
 - Additional \$43.7 million contribution to GRP** (additional \$26.7 million in direct activity).
 - Additional \$26.3 million in incomes and salaries** (additional \$17.3 million in direct income).



- **Additional 368 FTE jobs** (additional 276 FTE directly related to activity on the site).

The report concludes that in addition to the abovementioned impacts, the proposal has the potential to support the Meetings, Incentives, Conferences and Events (**MICE**) market and mitigate the risk associated with operators looking to other capital cities (e.g. Melbourne, Brisbane) for major events or trade shows where room supply is greater and more affordable.

Overall, economic modelling shows that development of the Proposal could deliver significant positive economic impacts to the Sydney LGA economy. It would also play a role in addressing the expected supply imbalance in the Sydney CBD market over the coming years through the delivery of an additional 219 hotel rooms and renewal of existing ageing stock.

Section D – Infrastructure (Local, State and Commonwealth)

Q11. Is there adequate public infrastructure for the Planning Proposal?

It is recognised that infrastructure upgrades will be required to cater for the proposed uplift. Therefore, this planning proposal is supported by an initial public benefit offer to enter into a Planning Agreement (refer to **Appendix 5**).

The proposal is strategically located in an established, urban area. It is located in the heart of the Sydney CBD and is well serviced by public transport.

An Infrastructure Report has been prepared by Lehr Consultants International (Australia) Pty Ltd (**LCI**) and is provided as **Appendix 18** to this report. A Water Cycle and Preliminary Civil Engineering Report has also been prepared by TTW and is provided as **Appendix 23** to this report. A summary of likely civil and building services considerations are detailed in **Table 14**.

TABLE 14: CIVIL AND INFRASTRUCTURE SERVICES

SERVICE	COMMENT
Electrical Supply	The proposed development site is within the authority of the Ausgrid network, with existing Ausgrid electrical assets adjacent to the site boundary. There are currently two (2) existing Ausgrid chamber substations to the north and one (1) chamber substation north east of the development. The existing development is currently fed from LV direct distributor No.9 from substation SUSSEX SANDS S.7983. It is assumed all existing surrounding substations do not have the electrical capacity for the development. Therefore, it is proposed that the development will be supplied via a dedicated Ausgrid triplex substation arrangement located on ground level, north east of the site. Incoming cables will be entering the development from Sands Street
Communications	The development currently has a NBN connection from Sands Street, with an unknown quantity of fibre connections from other telco providers as well terminating into an MDF room. It is proposed that this MDF room will be retained, and connection is maintained including any existing NBN equipment on site be relocated to the new Telecommunication Room in Basement 1 of the development.
Stormwater Drainage	As the site's location sits within Sydney Water's 'City Area 30 Catchment', and the runoff will be discharged into their assets, Sydney Water will dictate the OSD requirements. Initial correspondence from Sydney Water indicates that there is no need for any OSD required for any development located at 150 Day St.
Sewer Drainage	The site is serviced for sewer by an existing Gravity Sewer Main on the eastern side of the site in Sands Street, the existing sanitary drainage from site reticulates to this main. The sewer main is owned and operated by Sydney Water Corporation. The existing sewer main reticulates from Druitt Street and Druitt Lane down Sussex through Sands Street, under the existing building (within an existing easement) across Day Street and down towards Tumbalong Park. Upstream of 150 Day Street



	the sewer main captures the lots between Druitt and Bathurst Street and up to Kent Street. No upgrade to the sewer infrastructure is required for the proposed development.
Potable Cold Water	The site 150 Day Street, Sydney is serviced for potable and fire water from an existing 250mm water main located in Day Street owned and operated by Sydney Water Corporation. Preliminary calculations indicate that the flow rates required for water services are 7L/s for potable water and 40L/s for fire services. The development has designed in a “day tank” for the potable water service to allow for water mains outages, breaks and isolations. This tank will allow for reduced flow rates. The fire service design has allowed for a combined fire water tank. This is a DTS (deemed to satisfy) solution for a combined fire hydrant and fire sprinkler system. A pressure and flow statement has not yet been obtained from Sydney Water however annual testing from incumbent fire service contractors indicates that 500kpa is available through the main at 20L/s. Proposed designs are feasible and can be supplied from the existing water mains, they require further development and detailed pricing in detailed design, however no upgrades are expected to the existing water main.
Natural Gas Service	The existing site is serviced for natural gas from a DN200 1,050kpa main located in Sands Street. The existing building uses natural gas for heated water generation, space heating and commercial cooking. The proposed development will not be using natural gas for heated water generation or space heating. The development will retain natural gas for some commercial cooking uses, particularly for leased restaurant space. As the proposed development will be reducing the amount of natural gas being used on site it is expected there will be no capacity issues with the existing main.

Section E – State and Commonwealth Interests

Q12. What are the views of state and federal public authorities and government agencies consulted in order to inform the Gateway determination?

Consultation with State and Commonwealth agencies will be undertaken once the Gateway Determination has been issued, which is likely to include, but not limited to:

- Transport for NSW
- Sydney Metro
- Sydney Water
- Endeavour Energy
- School Infrastructure NSW
- Heritage NSW
- NSW Environmental Protection Authority (EPA)



Part 4 – Maps

No maps are requiring amendment as part of this Planning Proposal.

Part 5 – Community consultation

Schedule 1, Clause 4 of the EP&A Act requires the relevant planning authority to consult with the community.

Subject to the provision of a Gateway Determination from DPHI, the planning proposal will be placed on public exhibition. Confirmation of the public exhibition period and requirements for consultation will be detailed as part of the Gateway Determination.

The planning proposal will be publicly exhibited for at least 28 days in accordance with DPHI's Local Plan Making Guidelines. Consideration will also be given to the City of Sydney's Community Participation Plan.

At a minimum, the notification of the public exhibition of the planning proposal is expected to involve:

- Written correspondence to owners and occupiers of adjoining and nearby properties.
- Public notice on Council's website and a local newspaper.



Part 6 – Project timeline

An indicative project timeline is set out in the following table.

Table 15: Indicative Project Timeline

Stage	Timeframe and/or date
Lodgement of the Planning Proposal	April 2025
Consideration by Council	May – July 2025
Consideration by Local Planning Panel	August 2025
Council decision (pre-Gateway Determination)	September 2025
Issue to DPHI for Gateway Determination	October 2025
Gateway determination	November 2025
Pre-exhibition	December 2025
Commencement and completion of public exhibition period	January 2026
Consideration of submissions	February - March 2026
Council decision (post-exhibition)	April 2026
Submission to the Department for finalisation	June 2026
Gazettal of LEP amendment	July 2026



Conclusion

The planning proposal for the PARKROYAL Hotel at 150 Day Street, Sydney, involves an ambitious upgrade and expansion of the existing hotel. More specifically, the project aims to enhance the existing hotel offering while introducing a new, distinct hotel experience above the current structure, enabling the coexistence of the existing PARKROYAL and a new Pan Pacific Hotel on the same site. Strategically positioned at the edge of the City of Sydney, the development reinforces the city's entry into Darling Harbour by maintaining and emphasising the city wall characteristic of this prominent location.

The project is defined by 3 key principles – maximising adaptive reuse (setting a benchmark for future developments in Sydney), energising the Sydney visitor economy, and significantly enhancing the greening of both the public realm and the skyline. Achieving this vision involves an expansion of the existing core and lift upgrades to service new floors over the existing hotel, the employment of a 'strip to structure' approach from the ground to Level 02, and a full upgrade of all existing building services. This initiative not only seeks to create a modernised hotel destination but also sets a precedent for sustainable urban redevelopment.

To achieve the intended outcomes, this planning proposal seeks to amend the Sydney LEP by inserting a new site-specific clause for the subject site under Part 6 Division 5 Site specific provisions of the Sydney LEP to allow a maximum building height of 85 metres and floor space ratio of 13.5:1 for hotel and associated land uses with achievement of design excellence.

This planning proposal represents significant strategic merit in that it directly aligns with the relevant strategic plans, including the Greater Sydney Region Plan, the Eastern City District Plan, Visitor Economy Strategy 2030 and Review 2030, City of Sydney Local Strategic Planning Statement, Central Sydney Planning Strategy, Sustainable Sydney 2030-2050: Continuing the Vision, City of Sydney's Economic Development Strategy, City of Sydney's Tourism Action, City of Sydney's Visitor Accommodation Plan, and Guideline for site-specific Planning Proposals in Central Sydney. In summary, the strategic merit and need for the planning proposal is justified as follows:

- The proposal maintains and supports the delivery of new hotel floor space in support of the City of Sydney and NSW Government's efforts to grow hotel floor space.
- The substantive adaptive reuse of the existing hotel building and exceptional environmental sustainability targets aligns with the City of Sydney's ambitious sustainability targets, setting a new benchmark for future redevelopment in Sydney.
- Central Sydney has a limited capacity to grow and adapt due to its natural containment, heritage and the growth of strata subdivision residential development. The vertical extension of the site supports the efficient use of the site and delivery of additional employment and visitor floor space.
- It will deliver substantive public and economic benefits during operation compared to the existing scenario, including:
 - \$85.3m annual net increase in output (additional \$52.8m in direct activity)
 - \$43.7m annual net increase in gross regional product (additional \$17.3m in direct activity)
 - \$26.3m annual net increase in incomes and salaries (additional \$17.3m in direct activity)
 - 368 full-time operational jobs,

The proposed development is the outcome of an iterative design testing process that has been underpinned by technical input from a supporting team of specialists. The planning proposal demonstrates site specific merit as it:

- Will provide improved public domain outcomes for the surrounding area including improvements to safety and amenity of existing pedestrian links, expanding biodiversity typologies and public art installation opportunities.
- Will achieve equal or improved pedestrian wind conditions in all trafficable outdoor locations within and around the site.



- Will not cause additional overshadowing to protected public spaces (e.g. Future Town Hall Square) and manages overshadowing impacts to neighbouring residential developments in accordance with relevant design guidelines.
- Will not affect significant views from public places whilst maintaining acceptable private views in the context of a highly urbanised environment of Sydney CBD.
- Will have a negligible impact on the operation of the local road network and is delivered with a range of measures to improve and encourage access by active and sustainable modes, compliant with local and regional policy.
- Ensures a future built form that achieves a cohesive architectural connection with the surrounding heritage context, most notably "The Vintage Building".
- Will improve flood risk conditions for the site and surrounding area compared to existing conditions.
- Will capitalise on the sites excellent access to public transport infrastructure and increases the site's capacity to accommodate employment generating floor space.
- Is located in a well-established area, well serviced by public transport and utility infrastructure.

In light of the above, the Planning Proposal will facilitate the achievement of a myriad of economic benefits. These benefits can be realised without giving rise to any adverse environmental social or economic impacts.

The proposal is consistent with the aims and objectives of the relevant strategic and statutory plans and policies. It is therefore considered that the proposal satisfies both the strategic and site-specific merit tests. It is therefore requested that Council forward this planning proposal to DPHI for Gateway Determination.



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