



# Sydney Metropolitan Development Authority

28 June 2011

Sam Haddad  
Director General Department of Planning and Infrastructure  
GPO Box 39  
SYDNEY NSW 2001

**Attention: Peter McManus**

Dear Mr Haddad

**RE: MAJOR PROJECT – EXHIBITION OF ENVIRONMENTAL ASSESSMENT FOR SYDNEY UNIVERSITY ABERCROMBIE PRECINCT REDEVELOPMENT (MP07\_0158)**

I refer to your letter of 25 May 2011 and the Environmental Assessment (EA) regarding the exhibition of the above Project Application lodged by the University of Sydney, and thank you for the opportunity to comment.

The Sydney Metropolitan Development Authority (SMDA) has reviewed the Environmental Assessment and supporting documentation submitted with the Project Application. This review has involved consideration of the Director General Environmental Assessment Requirements (DGEARs) and a site visit.

## **1. Introduction**

It is noted that the project is for the development of a \$267 million business school and student accommodation within Sydney University's Darlington Campus.

The site, referred to as the Abercrombie Precinct, is located within the University's Darlington Campus and is bound by Darlington Lane to the North, Codrington Street to the east, Abercrombie Street to the south and Darlington Public School to the west. The site has an area of 1.92 hectares, within the Darlington Campus which is around 16.7 hectares.

The site comprises 79 individual allotments, which is primarily due to the historic residential land uses. All lots are owned by Sydney University. Rose Street and Boundary Lane are located within the site. The streets provide access to buildings on the site, but do not provide through access.

The City of Sydney has approved the closure of both roads on 10 August 2009, in order to accommodate this project.

The site is currently occupied by various buildings/structures, which are described below and identified in Figure 1 below.



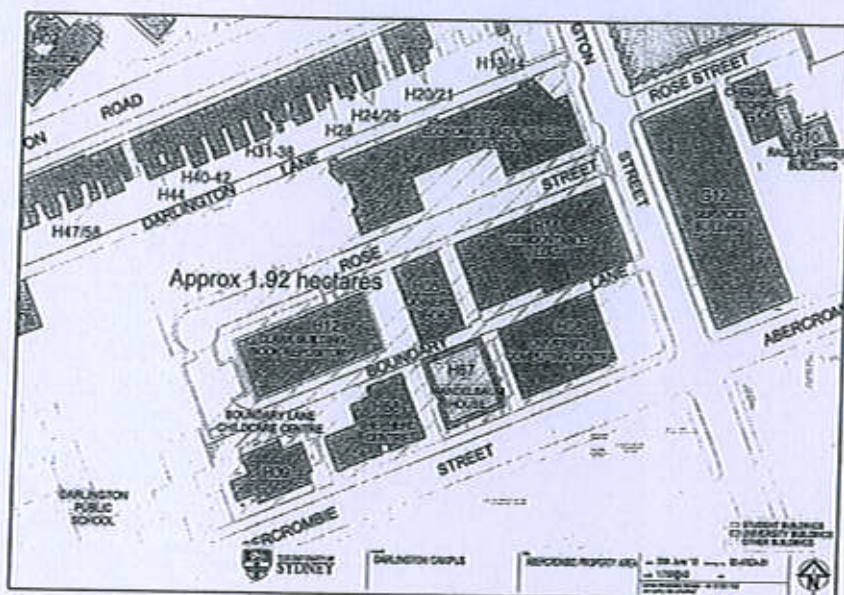


Fig 1: Existing Site Plan

## 2. Proposal

It is noted that the proposal is for the development of a new business school and student accommodation and includes the following:

### Land Use

The proposed land uses are for university purposes, predominately education/training and research, but also student housing, along with ancillary facilities including cafés/restaurants. The SMDA supports the proposed use as it promotes the NSW Government's strategic goals and direction for this part of Sydney, which is within the 'Sydney Education and Health Precinct' in the draft Sydney Sub Regional Strategy, which aims to promote the clustering of education (and health) facilities in the area.

### Subdivision

The subdivision will consolidate the existing lots, including the roads, and the creation of two new lots, one lot with are of approximately 17,017 sqm to accommodate the business school and a second lot of approximately 2333sqm to accommodate the student housing. No objection to this is raised, although it would be preferable if the student housing was not strata subdivided, so the use remains flexible and communal uses are readily available and properly managed.

### Demolition

All existing buildings and structures are proposed to be demolished, with the exception of the five storey Economics and Business Building, identified as H69 in the above diagram. The EA indicates the child care centre (Stage 2) will be relocated to another site, which has been provisionally identified as a University site on Burren Street.

### Earthworks

Excavation of around 25,000 cubic metres of fill to be removed from the site. Appropriate management regulations should be imposed to protect the amenity of the surrounding locality.

### Construction

The project includes the construction of the following:

- A Business School Building with a variable height of 3 to 7 levels, plus two basements levels and rooftop plant. The building has a GFA of around 35,185 and will occupy the remainder of the site.

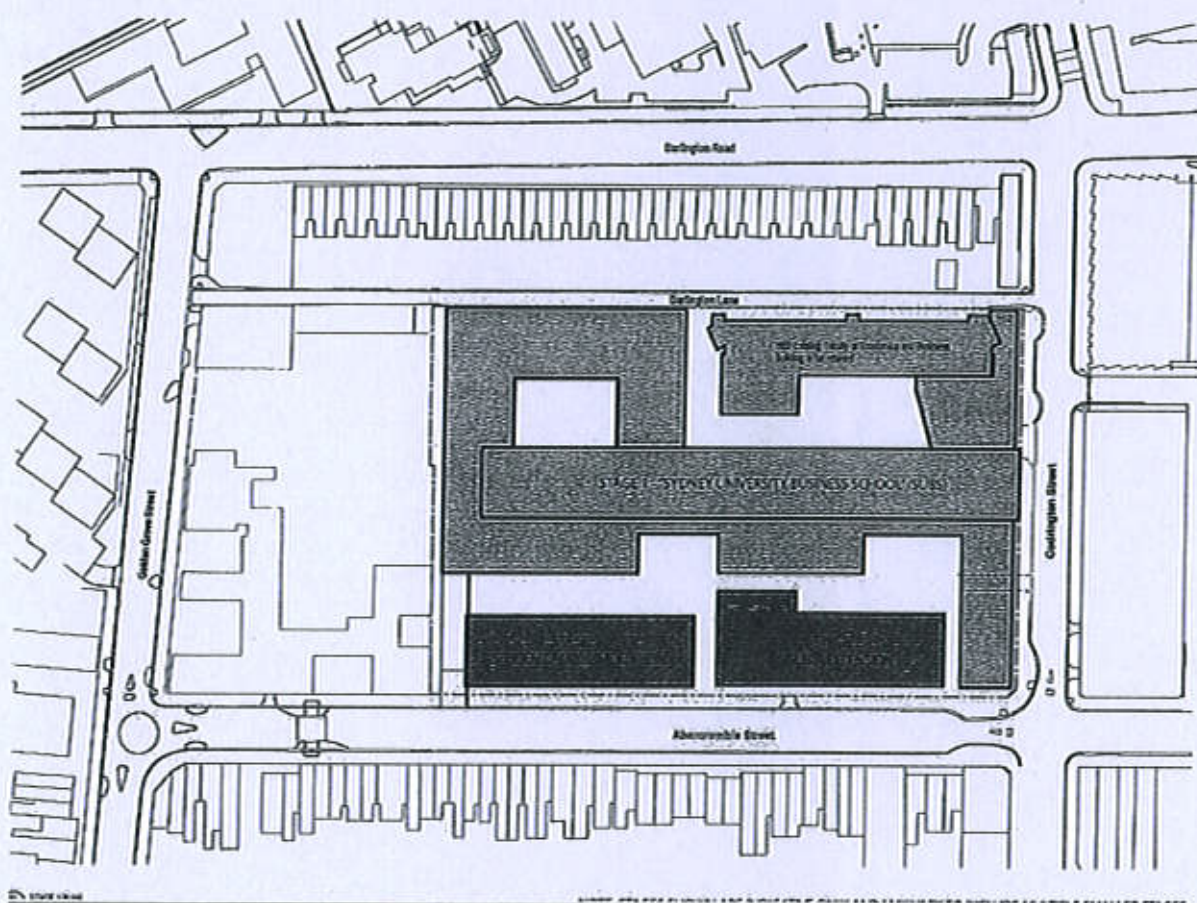


- A student accommodation building with a variable height of 3 to 4 levels and a GFA of 4,430 sqm to provide around 100 beds. This building fronts Abercrombie Street.
- Ancillary works, including servicing and minors works to Darlington Public School.

Appropriate construction management regulations should be imposed to protect the amenity of the surrounding locality including students of neighbouring Darlington Public School during the construction process.

#### Staging

The project is to be developed over two stages as shown in Figure 2 below.



**Fig 2: Proposed Site Plan**

The SMDA supports the proposal to develop a new world leading Business School, including student accommodation, within the Darlington Campus. We recognise the important contribution this would make to the revitalisation and renewal of the Redfern-Waterloo area.

Part of the Stage 2 development involves the removal of a Child Care Centre and a Shepherd Centre Building, both providing a valuable community facility, and the Shepherd Centre being a regionally significant facility for people with hearing impairments. The demolition of these buildings should be subject to their appropriate relocation elsewhere on the University Campus, to ensure continuity of service. This is discussed further later in this submission.



### **3. Existing Controls (South Sydney LEP 2005)**

The site is zoned 5 Special Uses (University) under the provisions of the South Sydney Local Environmental Plan 1998 (SSLEP) and as such is not subject to any height or floor space ratio controls. Under Clause 27 of the SSLEP all development must satisfy built environment design principles. Additionally Clause 27(2) requires consideration of a site Master Plan for development within the 5 Special Uses zone. The SMDA notes that the EA asserts the project is consistent with the University's draft Campus 2020 Master Plan as well as the design principles listed within Clause 27(1) of the SSLEP. Under SSLEP, the subject site is located within the Golden Grove Conservation Area.

As several heritage items are located in the vicinity of the development site, the Department needs to ensure that the scale and context of the development is acceptable in terms of its relationship with these nearby items.

### **4. Proposed Controls (Under Sydney LEP 2011)**

The site is proposed to be zoned SP2 – Infrastructure (Educational Establishment) under the City's recently exhibited Draft Sydney LEP 2011. Under the draft LEP the site is not subject to any specific height or floor space ratio controls. The project will remain permissible under the City's draft LEP 2011. The draft LEP does not contain any special provisions that substantially govern the project and it is considered that the project would be generally consistent with the provisions of the draft LEP. Under the draft LEP, the site is no longer included within the Golden Grove Conservation Area.

### **5. Pedestrian Permeability**

Several pedestrian site linkages are proposed across the site, including:-

- Darlington Lane (via series of steps) through to Abercrombie Street;
- Darlington Lane to Codrington Street; and
- Codrington Street to central student courtyard.

It is considered that site permeability is satisfactory and will ensure that the site is well integrated into the surrounding campus and neighbourhood pedestrian network particularly as the site is proximate to the University's Darlington Campus.

The site is characterised by a change in floor levels from Darlington Lane (RL 29.75) falling to (RL 26.00) at the southern student courtyard. A series of steps is proposed from Darlington Lane down to the central half of the development. It is considered that accessibility would be improved by the provision of lift access near the Darlington Lane pedestrian through site link, to facilitate greater access for persons with limited mobility across the site.

Consideration should also be given to incorporating design strategies into the public domain and landscaping works, to facilitate greater public access. Public access on site is considered beneficial as it would further activate the precinct, especially outside of teaching hours and during university recess when the majority of the student body is absent from campus.

The development's proximity to North Eveleigh is noted and the development has the potential to enhance the strategic pedestrian axis between Codrington Street and North Eveleigh, to complement the ongoing activation and urban renewal of this area.

Accordingly, the above issues should be reinforced in the Statement of Commitments and conditions on any approval issued.



## **6. Build Form and Design**

In the absence of height and floor space controls, the SMDA considers that Woods Bagot, the architect for the project, has achieved a well-designed development that provides an appropriate response to the site's context in terms of:

- The height and massing of the development, which responds to the scale of surrounding development within the Conservation Area, including the heritage listed terrace houses on Darlington Road;
- Minimising off site impacts, including overshadowing to the adjacent Darlington Public School, wind and noise impacts, as well visual impacts;
- Maintaining the amenity of surrounding development, while achieving a high level of amenity for future occupants of the development; and
- Achieving sustainable building design.

While the project has been well-designed, ensuring that it exhibits design excellence will only be achieved through the construction and careful selection of materials, which age well. The project incorporates a variety of transparent and screening material within the facades. Unless the detailed construction and selection of these materials is undertaken to ensure longevity and low maintenance, the aesthetics of the development may diminish overtime.

Additionally the architectural firm responsible for the design of the project should subject to adherence to relevant procurement policy be retained as appropriate to oversee completion of the project, thereby ensuring design integrity of the project is not compromised.

Accordingly if appropriate, these issues should be reinforced in the Statement of Commitments and conditions on any approval issued.

## **7. Community Facilities**

### Child Care Centre

The EA indicates that the Boundary Lane Childcare Centre, which is located on the site, will be demolished to accommodate the new development. Page 13 of the EA includes a footnote which states that the childcare centre would be "relocated to another site (provisionally identified as a University site on Burren Street) subject to a separate application". Aside from this statement the SMDA has been unable to find further details regarding the relocation of the childcare centre within the documentation.

While it is reasonable to expect that the development of a replacement childcare centre will be the subject of a separate application, it is imperative that this be made a requirement of the current application, and timing be linked to demolition. To this effect the SMDA requests that the replacement of the existing childcare centre be specifically addressed in the State of Commitments, and included as a condition on any future approval. Given the shortage of childcare facilities within the Local Government Area and inner Sydney more broadly, it is important that there is no reduction in existing childcare places as a consequence of this development.

### Shepherd Centre

The EA also identifies the Shepherd Centre building will also be demolished. This building currently accommodates a facility for deaf and hearing-impaired children, and is a regionally significant facility. The SMDA assumes this facility will be relocated elsewhere as part of stage 2 of the development and seeks confirmation of this. To this effect the SMDA requests that the replacement of the Shepherd Centre be specifically addressed in the State of Commitments, and included as a condition on any approval issued. The conditions/commitments should ensure continuity of service.



## 8. Development Contributions

The EA indicates that the University is seeking an exemption to development contributions under the Redfern-Waterloo Authority Contributions Plan 2006 (CP) and the Redfern-Waterloo Authority Affordable Housing Contributions Plan 2006 (AHCP) for the proposal. Both Plans apply to land within the RWA Operational Area (CI 5) which includes the subject site. According to the EA the total contributions payable for the project under both plans amounts to some \$7.4 million.

Both plans apply to development on land within the Operational Area that is a Part 3A Project (refer to CI 6) and as such apply to the University's Project Application. Clause 6 of both Plans lists the following development as exempt from payment of developer contributions:

- *... development of the following kinds if exempted by notice in writing given by the Minister (or delegate):*
  - *development the subject of an application made, for or on behalf of the Crown for the sole purpose of a fire station, community health facility, public hospital, police station/police shop front, ambulance station, public school, or other public infrastructure as determined by the Minister;*
  - *...that part of the development for the sole purpose is the provision of affordable housing, that is, dwellings for the purpose of affordable housing provided by or on the behalf of a community housing organisation registered with the Office of Community Housing or the Aboriginal Housing Office, or an organisation approved by the Minister;*

The provisions of each Plan and the exemptions being sought by the University are outlined below. The University has requested that the Minister considers the request for exemption from the contributions in his determination of the project. While the Minister must determine whether to approve the exemptions, the SMDA's position is discussed below.

### • Redfern- Waterloo Authority Contributions Plan (CP)

In accordance with Clause 8 of the CP the Minister may impose, as a condition of consent to the carrying out of development to which this Plan applies, a requirement that the applicant pay a development levy of 2% of the proposed cost of carrying out the development. According to the EA this would result in a contribution payable by the University of \$5.02 million. This is based on a cost of works of \$251 million, which excludes the part of the development to be used for affordable student housing, in accordance with the exemption listed in Clause 6. This exemption is not considered reasonable on the basis that student housing is not "affordable housing" in that: accommodation is only available to students, it is not managed by a community housing provider with allocation based on need, it is only available on a temporary basis and the "housing" is more akin to share accommodation. On this basis the University's argument for an exemption is not supported.

The University maintains that this contribution is unreasonable in the circumstances for the following reasons:

- i. the project is being carried out by a public authority (ie. the University) for a purpose (ie. research and education) similar to the public infrastructure uses identified in clause 6 and will provide distinct and marked community benefits (ie. higher education).
- ii. the project will not result in any significant increase in staff or student numbers at the University, given that it simply seeks to consolidate the existing Business School into a



purpose-built facility. As such, the project would not significantly increase overall activity at the University, or demand on local facilities within the RWA operational area.

- iii. the site is not within or adjacent to the RWA state significant sites yet the levy payable under the contributions plan amounts to almost 14% of the total estimated cost of infrastructure identified in the Works Schedule of the Plan (ie. \$36.7 million). It is considered that most of the works in the Works Schedule have little if any nexus or relationship to the project.

The SMDA does not agree that the above warrants an exemption from payment of contributions under the CP for reasons outlined below:

- In response to item (i) above, the SMDA does not consider that the proposed Business School constitutes public infrastructure as identified in Clause 6 of CP and AHCP. It is noted that the wider public have access to, or benefit from, the infrastructure identified in Clause 6. In this regard the proposed Business School does not constitute public infrastructure. Further it is noted that the general provision of MBA's (a central role of the Business School) is a more market driven aspect of the University's functions although this has not been the key consideration here.
- In response to items (ii) and (iii) above, while the CP identifies public infrastructure demands that will be generated by new residential and working populations associated with development on RWA Sites, this is not a consideration for levying contributions on development. Despite this, the issue of levying contributions on development within the Redfern Waterloo Area, now also referred to as *Redfern Waterloo Potential Urban Renewal Precinct under the SEPP (Urban Renewal) 2010* will be revisited as part of the SMDA's Urban Renewal Planning Study of the area.
- Under the CP a contribution may be levied on development within the Operational Area for which the Minister is the consent authority. It does not require a nexus to be established between the proposed development and the infrastructure on which the contributions are to be spent.

This is reinforced by subclause 31(4) of the Redfern Waterloo Authority Act which states the following:

*A condition imposed under this section is not invalid by reason only that there is no connection between the development the subject of the approval or consent and the object of expenditure of any money required to be paid by the condition.*

This also applies to fixed levy contributions applied to development under Section 94A of the Environmental Planning and Assessment Act.

#### • **Redfern- Waterloo Authority Affordable Housing Contributions Plan (AHCP)**

In accordance with Clause 7 of the AHCP the Minister may impose, as a condition of consent to the carrying out of development to which this Plan applies, a requirement that the applicant pay an affordable housing contribution determined in accordance with the AHCP. The contribution rate under AHCP plan is set at \$59/m<sup>2</sup> of gross floor area (GFA) as at 2006, indexed to inflation. The current rate is approximately \$67.58/m<sup>2</sup> of GFA. As stated in the EA, applying this contribution rate to the project in accordance with the AHCP (i.e. excluding the part of the development to be used for student (affordable) housing from the calculation of GFA), translates to an affordable housing contribution of \$2.38 million. The University considers it reasonable that the project be exempted from paying affordable housing contributions as outlined below:



- i. The project includes the provision of a considerable amount of affordable housing. Approximately 4,430m<sup>2</sup> of student housing, or approximately 100 student beds is proposed. The AHCP states that the contribution rate is based on the equivalent estimated cost of providing affordable housing comprising 1.25% of the total GFA of development in the RWA operational area. Based on the estimated development potential of 600,000m<sup>2</sup> in the RWA operational area, approximately 7,500m<sup>2</sup> of affordable housing (or 75 deliverable units at 100m<sup>2</sup> per unit) is proposed to be provided within the RWA operational area. The proposed 4,430m<sup>2</sup> of student housing constitutes around 65% of the affordable housing proposed in the entire RWA operational area
- ii. The proposed student housing meets the definition of affordable housing, given that the student housing would generally meet the income thresholds in the affordable housing definition. At the very least, the proposed student housing would significantly offset the need for affordable housing in the area, given that student accommodation constitutes a significant portion of the rental demand (and therefore rental prices) in the area.
- iii. The contributions plan provides that, where proposed development makes satisfactory arrangements for the provision of affordable housing, the consent authority may take that contribution into consideration in determining a contribution required under the plan.
- iv. For the same public infrastructure/community benefits argument outlined in relation to the CP.

The SMDA would support Sydney University's claim for exemption from the affordable housing levy on that portion of their proposed development under the AHCP subject to the following:

1. The affordable housing as described in the proposal meets the Government's requirements for affordable housing;
2. The affordable housing is managed by a bone fide affordable housing provider; and
3. The the affordable housing is not exclusive to students

The University would need to provide formal assurances to the Department in relation to the above if the exemption is to be considered further.

The SMDA is aware that of the high demand and shortage of affordable student housing within the operational area. However the SMDA rejects the assertion that the proposed student housing would "significantly offset the need for affordable housing" in the operational area. There is a large cross section of the community that are in need of affordable housing within the operational area, students are only one such group.

As indicated in (iii) above, Clause 12 of the AHCP provides that where proposed development makes satisfactory arrangements for the provision of affordable housing, the consent authority may take that contribution into consideration in determining a contribution required under the plan. This clause essentially allows a consent authority to apply "credits" to a project which includes affordable housing provision.

The project provides for around 100 students beds, but it also involves the demolition of Mandelbaum House, an existing student accommodation facility. The EA does not include any details of student numbers accommodated within Mandelbaum House. According to information on the Madelbaum House website this facility accommodates 30 student beds. This being the case, the project provides a nett increase of some 70 student beds. Details of the existing student beds and gross floor area of Mandelbaum House must be provided to determine any exemption from



contributions under Clause 6 of the CP and AHCP, as well as affordable housing credits that may be applied under Clause 12 of the AHCP.

## **9. Other Matters**

### **Removal of Sydney Blue Gum (Rose Street)**

In the Arborist report that supports the EA, the Sydney Blue Gum in the vicinity of Rose Street is identified as having a very high retention value as it is *"mature, healthy and vigorous, structurally sound and visually dominant"*. The report notes that retention of the subject tree would require maintaining a tree protection zone of 12 metres radius from the base of the tree in all directions, with no excavation occurring under or near the tree.

The EA states that the University has considered in detail the potential to retain this tree in the design of the precinct. However, the location of the tree makes its retention impracticable for the following reasons:-

- the location of the required tree protection zone would sterilise a considerable portion of the eastern half of the site from development, which would consequently mean that building height and bulk of the project in other areas of the site may need to increase to accommodate the project's floorspace requirements; and
- the tree is located in an area of the site which will be subject to intensive pedestrian traffic and although the tree is currently healthy the tree is aged and many limbed and does present some hazard through limb loss. As such, the tree would require intensive maintenance to mitigate ongoing risk.

Although the EA states that the University has considered in detail the potential to retain this tree, no details are included in the EA. To this effect, the SMDA requests that the Department of Planning and Infrastructure review the options for retaining the subject tree considered by the University before consent is issued for the removal of the subject Sydney Blue Gum.

### **Reuse of existing sandstone retaining walls and kerbing**

A sandstone retaining wall exists along the northern side of Rose Street. The sandstone utilised to construct the retaining wall appears to be remnant stonework salvaged from the earlier demolition of terrace housing found in the Golden Grove area during the 1960s and 1970s. It is considered that this stonework should be salvaged and reused in future landscaping as part of this redevelopment or other landscaping projects across the University's Darlington Campus.

Additionally, sandstone kerbing along street and laneways now included in the redevelopment should be salvaged and used either for interpretation of the earlier street network or as part of any site landscaping on site or across the Darlington Campus. If reuse is not desired, consultation regarding possible reuse in other locations should be discussed with the City of Sydney Council.

To this effect the SMDA requests that the above matters be specifically addressed in the Statement of Commitments, and be included as a condition on any future approval.

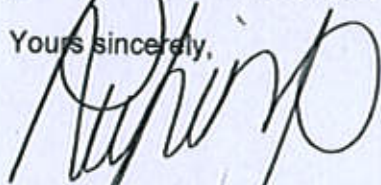
### **Investigate the potential for retaining the pocket park as the corner of Abercrombie and Codrington Streets**

The existing pocket park at the corner of Abercrombie and Codrington is to be demolished and redeveloped as part of this proposal. Although the site is owned by Sydney University, it has served as a pocket park for several decades. While its retention may be desirable, it is noted that the overall development incorporates a number of positive elements



If your staff have any questions in relation to this submission, they should contact Jason Perica  
(Acting Director Planning and Urban Renewal) on 92029127.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Roy Wakelin-King', written over the 'Yours sincerely,' text.

Roy Wakelin-King, AM  
Chief Executive Officer