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URBIS

SCOPING REPORT – REQUEST FOR INDUSTRY SPECIFIC SEARS

13-15 & 17 Oxford Street and
2 Verona Street, Paddington

Prepared for
17 OXFORD ST PTY LTD
July 2025

URBIS STAFF RESPONSIBLE FOR THIS REPORT WERE:

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Acknowledgement of Country

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We recognise that First Nations sovereignty was never ceded and respect First Nations peoples continuing connection to these lands, waterways and ecosystems for over 60,000 years.

We pay our respects to First Nations Elders, past and present.

The river is the symbol of the Dreaming and the journey of life. The circles and lines represent people meeting and connections across time and space. When we are working in different places, we can still be connected and work towards the same goal.

Title: Sacred River Dreaming
Artist Hayley Pigram
Darug Nation
Sydney, NSW

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CONTENTS

1.	Introduction	1
2.	Site History and Background	4
3.	Strategic Context.....	6
4.	The Proposal.....	7
5.	Statutory Context	8
6.	Proposed Assessment of Impacts	15
7.	Conclusion.....	16
	Disclaimer.....	17

FIGURES

Figure 1 Site Aerial	2
Figure 2 Aerial image of site context (looking south)	3
Figure 3 Oxford Street Cultural and Creative Precinct Boundary (note: 2 Verona St outside boundary)	3
Figure 4 Render of Approved D/2022/1169.....	4

TABLES

Table 1 Applicant Details	1
Table 2 Identification of Statutory Requirements for the Project.....	9
Table 3 Pre-Conditions	9
Table 4 Mandatory Considerations.....	10
Table 5 Comparison of Maximum Permissible Controls and Proposed Development	14
Table 6 Matters requiring assessment in the EIS.....	15

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1. INTRODUCTION

This report has been prepared to request 'Industry Specific' Secretary's Environmental Assessment Requirements (**SEARs**) from the Department of Planning, Housing and Infrastructure (**DPHI**) for a State Significant Development (**SSD**) Application. The application pertains to an infill affordable housing project located at 13-15 & 17 Oxford Street and 2 Verona Street, Paddington (**the site**), submitted on behalf of 17 Oxford St Pty Ltd (**the Applicant**).

The proposed development qualifies as SSD under Section 26A of Schedule 1 of the *State Environmental Planning Policy (Planning Systems) 2021* (Planning Systems SEPP), as it:

- Is not prohibited under an Environmental Planning Instrument (EPI).
- Has an EDC that exceeds \$75 Million (for the residential component).
- Meets the locational requirements of the Housing SEPP; and
- Will provide at least 10% of the total GFA as affordable housing for at least 15 years.

In support of this Scoping Report, the following document has been submitted under separate cover:

- **Cost Summary Report:** A Preliminary Cost Summary Report prepared by a Quantity Surveyor, confirming the Estimated Development Cost.

1.1. APPLICANT DETAILS

The applicant details for the proposed development are listed in the following table.

Table 1 Applicant Details

Information	Applicant
Applicant	17 Oxford St Pty Ltd
Postal Address	Suite 5A, 2 New McLean Street Edgecliff NSW 2027
ABN	70 653 394 76
Nominated Contact	Zara Bennett (Consultant – Urbis) P: (02) 8233 9932 E: zbennett@urbis.com.au

1.2. SITE DESCRIPTION

The site is located at 13-15 and 17 Oxford Street, and 2 Verona Street, Paddington. It occupies a prominent corner position at the intersection of Oxford Street and Verona Street and comprises a total area of 2,555 square metres. The site consists of the following three allotments:

- 2 Verona Street, Paddington, legally described as Lot 1 in DP 75105.
- 17 Oxford Street, Paddington, legally described as Lot 1 in DP 137013.
- 13–15 Oxford Street, Paddington, legally described under Strata Plan 22113.

The site currently accommodates a mix of uses across three properties.

- 2 Verona Street contains a two-storey commercial office building with vehicular access from Verona Street.
- 17 Oxford Street is occupied by a three-storey building that formerly housed the Verona Cinema complex. The ground level includes retail tenancies fronting Oxford Street, with loading areas accessed from Verona Street.
- 13-15 Oxford Street is currently occupied by a three-storey residential apartment building comprising 27 dwellings. Vehicular access to a two level basement is currently obtained from Oxford Street.

Vehicular access to the site is provided from Oxford Street for 13-15 Oxford Street, and from Verona Street for both 17 Oxford Street and 2 Verona Street. It is noted that Oxford Street is a 'classified road'.

An aerial image of the site is provided in Figure 1.

Figure 1 Site Aerial



Source: TZG

None of the buildings on the site are listed as local heritage items under the *Sydney Local Environmental Plan 2012* (SLEP). However, the site is located above a State heritage item (Item I1, Busby's Bore), which includes associated tunnels, shafts, and wells. The rear of the site adjoins a heritage listed terrace group.

The site also falls within the Paddington Urban Heritage Conservation Area (HCA) (CA50). Under the Sydney Development Control Plan 2012 (SDCP), the existing building at 17 Oxford Street is identified on the Building Contributions Map as making a 'neutral' contribution to the heritage conservation area, while the buildings at 2 Verona Street and 13-15 Oxford Street are identified as making a 'detracting' contribution.

1.3. SITE CONTEXT

The site is located on Oxford Street in Paddington. The properties at 13-15 and 17 Oxford Street sit within the Oxford Street Cultural and Creative Precinct (OSCCP), an area with a longstanding reputation as one of Sydney's key centres for culture and creativity.

The precinct's diverse land uses and distinctive built form are central to its vibrant and unique character. Oxford Street supports a mix of activities and accommodates a broad spectrum of workers, residents, and visitors.

The surrounding context includes:

- **North:** 1-11 Oxford Street, where construction is currently underway for a new hotel; further north is St Vincent's Hospital.
- **South:** The Berkelouw Bookshop and the Oxford House Hotel, which includes a restaurant and bar.
- **East:** Local retail shops along Oxford Street and medium-density residential development.
- **West:** Predominantly medium and low-density residential housing.

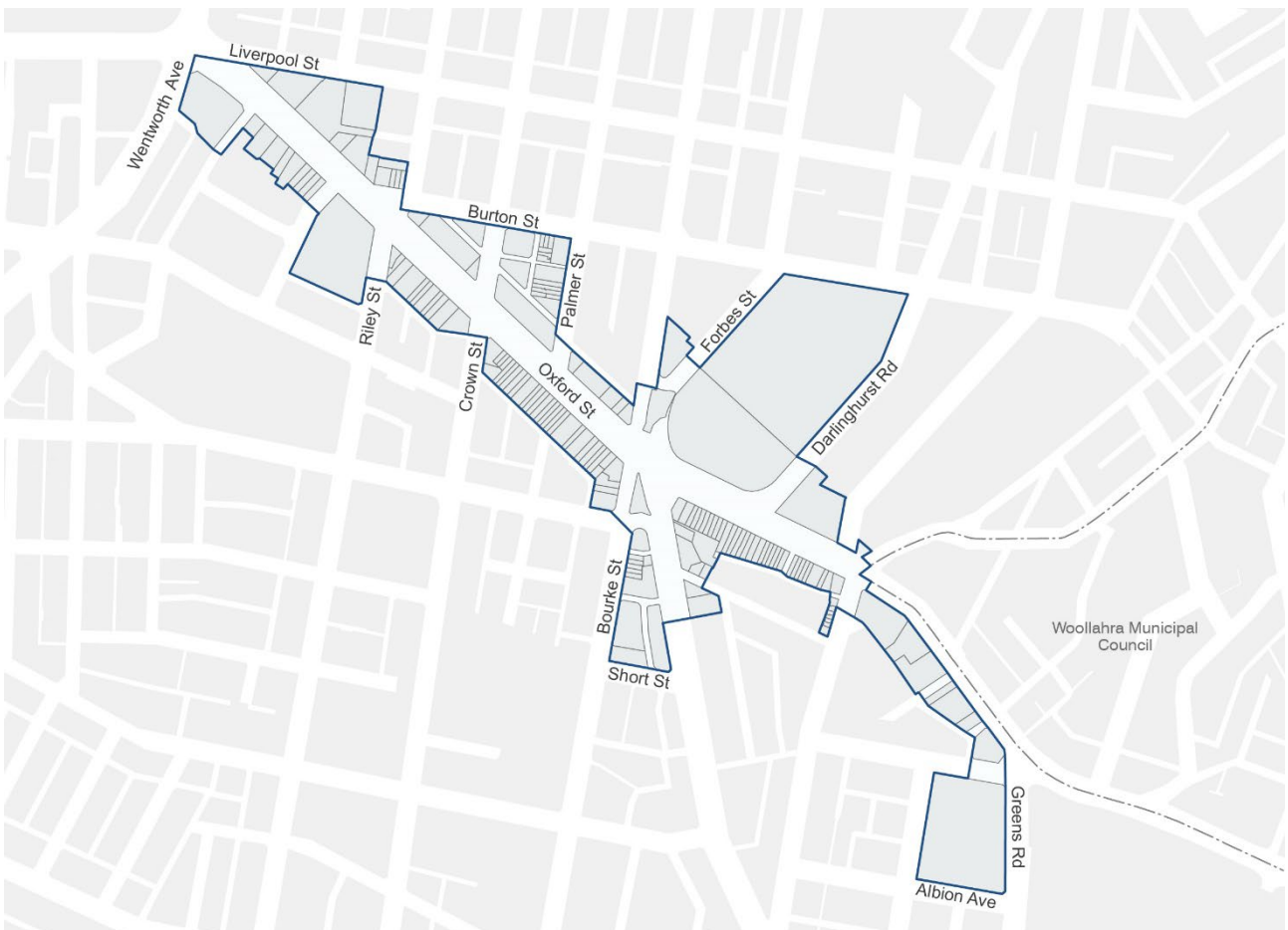
Figure 3 shows the boundary of the OSCCP. Notably, 2 Verona Street sits outside this boundary.

Figure 2 Aerial image of site context (looking south)



Source: Nearmap, Urbis

Figure 3 Oxford Street Cultural and Creative Precinct Boundary (note: 2 Verona St outside boundary)



Source: City of Sydney Council

2. SITE HISTORY AND BACKGROUND

2.1. EXISTING DEVELOPMENT CONSENT

On 21 December 2023, the City of Sydney Council approved Development Application D/2022/1169 for a mixed-use development at 17 Oxford Street, Paddington. The approved works included the substantial demolition of the existing Palace Verona building, retention of the masonry facades, excavation for a two-level basement, and construction of a new mixed-use development.

Specifically, the approval granted consent for the following:

- Demolition of various building elements, including the existing roof structures, the internal cinemas, retail tenancies, and servicing area while retaining and refurbishing the remnant post-War former industrial façade with minor alterations as required.
- The excavation to a depth of 9.5m to facilitate two basement levels comprising cinemas and live entertainment spaces (cultural/creative spaces).
- The construction of a five storey (20m) mixed-use building to accommodate:
 - Ground floor car parking, servicing and retail.
 - Commercial office and cultural/creative spaces over levels 1 to 5.
 - A roof terrace containing food and drink premises (small bar) and a landscaped terrace.
- The refurbishment of the ground-level awning.
- The augmentation and/or extension of services and utilities to service the development.

Figure 4 Render of Approved D/2022/1169



Source: Scott Carver

Despite the significant efforts by the Applicant to pursue the approved commercial office development, the absence of interest from prospective commercial office tenants has required the Applicant to explore alternative land use options.

The inclusion of 2 Verona Street and 13-15 Oxford Street has now created an opportunity to consolidate the land into a larger, integrated redevelopment. As outlined below, this expanded site presents the potential to deliver cultural and creative floorspace in alignment with the City of Sydney's strategic objectives, while also contributing to the State's priority of increasing the supply of housing, including affordable housing.

2.2. EARLY SCOPING MEETING

On 29 April 2025, the Applicant held an early scoping meeting with the Department of Planning, Housing and Infrastructure (DPHI) to discuss the proposed infill affordable housing development. The meeting provided an opportunity for the Applicant to present background information on the project, outline the preliminary design approach, and demonstrate the proposal's consistency with the applicable planning framework.

During the meeting, DPHI requested clarification regarding the application of the height and floor space ratio (FSR) bonuses available under the SEPP (Housing) 2021, specifically in relation to the mapped height and FSR controls in the Sydney Local Environmental Plan 2012 (SLEP), as well as Clause 6.60D, which applies to the Oxford Street Cultural and Creative Precinct.

In response, the Applicant has submitted legal advice, including a supporting opinion from Senior Counsel, under separate cover to DPHI. This advice confirms that the proposal satisfies the requirements of Clause 6.60D(4)(a) and (b) of the SLEP and is therefore eligible to access the height and FSR bonuses afforded under Clause 6.60D.

3. STRATEGIC CONTEXT

The proposed development is aligned with the State, district and local strategic plans and policies applying to the site as outlined in the table below.

Plan	Detail
National Housing Accord	The Federal Government announced the National Housing Accord in October 2022, committing to deliver 1.2 million well-located homes over five years from July 2024. The Accord aims to improve housing affordability by boosting supply and supporting more social and affordable housing. It includes: • An initial, aspirational national target of delivering a total of one million new, well located homes over 5 years from 2024; and • Immediate and longer-term actions for all parties to support the delivery of more affordable homes. The proposal is aligned with the National Housing Accord as it seeks to deliver a significant amount of additional high-amenity housing in an accessible location. The NSW Government has recently released 5-year housing completion targets for 43 councils across Greater Sydney, Illawarra Shoalhaven, Central Coast, Lower Hunter and Greater Newcastle and one target for Regional NSW. These targets reflect NSW's commitment to deliver 377,000 new homes, including approximately 15,800 social and affordable dwellings, across the state by 2029 under the National Housing Accord. A five year target of 18,900 new dwellings has been identified for the City of Sydney LGA, the achievement of which will be assisted by this proposal.
Sydney Region Plan & Eastern City District Plan	The proposal is consistent with the Greater Sydney Region Plan and the Eastern City District Plan in the following ways: • The proposal supports Objective 10 (Housing supply) and Objective 11 (Housing diversity and affordability) of the Greater Sydney Region Plan, and Planning Priority E5 of the Eastern City District Plan. By delivering a mix of housing typologies, including affordable housing managed by a Community Housing Provider, the development addresses critical housing needs in a highly accessible location within the Harbour CBD. • The development aligns with Objective 14 of the Region Plan and Planning Priority E10 of the District Plan by providing new housing, jobs, and cultural uses within close proximity to public transport and the Sydney CBD. The site's location enables residents to access employment, education, and services within 30 minutes, reinforcing the concept of a connected, sustainable, and liveable city. • Consistent with Objective 12 (Great places that bring people together) and Objective 13 (Environmental heritage is identified, conserved and enhanced), as well as Planning Priority E6, the proposal strengthens the Oxford Street precinct as a cultural and creative hub. It delivers over 1,600sqm of cultural and creative uses, activates the public realm with retail street frontages, and respects the heritage setting by retaining the masonry façade at 17 Oxford Street. Overall, the proposal efficiently leverages existing infrastructure, contributes to the liveability and economic vibrancy of the District, and aligns with the vision of a more productive, sustainable, and inclusive Greater Sydney.
Local Strategic Planning Statement	The City of Sydney's Local Strategic Planning Statement (LSPS) sets a 20-year vision for managing growth and land use change within the local government area. It guides how the Sydney Local Environmental Plan 2012 (SLEP) and Sydney Development Control Plan 2012 (SDCP) will evolve over time to deliver strategic planning objectives. According to the LSPS, the site is located within the Oxford Street village, a locality recognised for its strong creative character and cultural significance. It also forms part of the mapped 'Eastern Creative Precinct', which highlights its strategic role in Sydney's cultural landscape. The proposed development will strengthen this identity by introducing active ground-level retail fronting Oxford Street to enhance street vitality, while also providing dedicated cultural and creative space within the basement. Together, these elements contribute to the vibrancy, diversity, and long-term sustainability of the broader creative precinct. The proposal incorporates a diverse range of housing typologies, including an infill affordable housing component. The site is ideally positioned for new housing, being within a highly accessible area close to public transport and the Sydney CBD. Ultimately, the proposal supports the LSPS's objective of delivering 11,000 affordable dwellings by 2036 and aligns with the vision of creating a culturally vibrant, inclusive, and well-connected city.

4. THE PROPOSAL

The Applicant is currently exploring a mixed-use housing development on the site. While the design is still being progressed, the proposed scheme is likely to include the following:

- Demolition and Retention: Demolition of existing structures on the site, with retention of the two-storey masonry façade at 17 Oxford Street.
- Mixed Use Development
 - Apartments are proposed along the Oxford and Verona Street frontages.
 - Ground-level retail and a small proportion of cultural and creative uses are proposed fronting Oxford Street to support active street frontages.
 - Townhouses are proposed in a perpendicular arrangement on the 2 Verona Street lot.
 - Approximately 1,669sqm of 'cultural and creative' uses (equivalent to the existing amount plus 10% of the proposed GFA) are proposed at basement and ground floor levels, in accordance with the provisions of Clauses 6.60D and 6.60E.
 - One level of basement car parking is proposed to support the development.
- Public Domain and Landscaping: A central deep soil zone, co-located with communal open space, is proposed to meet landscaping and amenity requirements. A through site link is also proposed at the site's western boundary (behind the terraces), which will link Verona Street to Marshall Street.
- Affordable Housing: 12.5% of the maximum permissible GFA will be delivered as affordable housing. This will be managed by a registered Community Housing Provider (CHP) for a minimum period of 15 years. The affordable housing provision corresponds with a 25% uplift in base / local built form controls.
- Built Form and Planning Controls: The proposal has been designed with consideration of the surrounding context, including the maintenance of solar access to adjacent properties. The proposed development parameters are generally:
 - Floor Space Ratio (FSR): 4.08:1 across the site (noting the site is subject to two FSR controls).
 - Maximum Building Height: 25 metres.

The estimated development cost (EDC) of the residential component exceeds \$75 million. A Cost Summary Report has been prepared and submitted under separate cover to confirm the EDC. The affordable housing component will be managed by a CHP.

5. STATUTORY CONTEXT

5.1. SSD QUALIFICATION

The proposal is SSD pursuant to Schedule 1, Section 26A of the *State Environmental Planning Policy (Planning Systems) 2021* (Planning Systems SEPP), as it is development to which Chapter 2, Part 2, Division 1 of *State Environmental Planning Policy (Housing) 2021*, (Housing SEPP) applies that:

- Is not prohibited under an Environmental Planning Instrument (EPI) applying to the land.
- Has an EDC that exceeds \$75 Million (for the residential component).
- Meets the locational requirements of the Housing SEPP; and
- Will provide at least 10% of the total floor space as affordable housing for at least 15 years.

In accordance with Section 4.5 of the *Environmental Planning and Assessment Act 1979* (EP&A Act), the Minister is the consent authority for the proposal.

5.2. APPLICATION OF THE HOUSING SEPP

The Housing SEPP, including the provisions relating to 'infill affordable housing' under Chapter 3, Part 2, Division 1, apply to the site.

There is nothing under Section 8 of the Housing SEPP, or Section 1.9 of the Sydney LEP 2012, that prevents the application of the Housing SEPP to the site. While other areas of the City of Sydney are excluded from the Policy, this location is not one of them.

In relation to Chapter 2, Part 2 (Division 1) of the Housing SEPP, the proposal is consistent with the SEPP as follows:

- Clause 15A (Objective of Division): The proposal is fully consistent with the objective as it will facilitate the delivery of new in-fill affordable housing to meet the needs of very low, low, and moderate income households.
- Clause 15B (Definitions): The proposed development is 'residential development' to which the policy applies. The definition of 'residential development' includes 'multi dwelling housing (terraces)' and 'shop top housing'.
- Clause 15C (Development to which Division Applies): The proposed development is
 - (a) Permitted with consent under SLEP 2012.
 - (b) Will provide at least 10% affordable housing.
 - (c) Carried out in an 'accessible' area.

The Oxford Street frontage of the site contains the Oxford Street at West Street bus stop (Stop ID 202196).

The bus stop meets the criteria of a regular service stop defined by the *Passenger Transport Act 1990*. It also complies with the service standards stipulated in the legislation, having more than one service per hour between 6:00 AM and 9:00 PM on a weekday and 8:00 AM and 6:00 PM on the weekend. This bus stop generally has between:

Weekday: approximately 18 services per hour during these hours of operation.

Weekend: approximately nine services per hour during these hours of operation.

- Clause 16 (Affordable Housing requirements): The proposed development seeks to provide a minimum of 12.5% of the maximum permitted GFA as affordable housing, to be managed by a registered CHP for a period of 15 years. This provision is intended to facilitate an uplift of up to 25% in building height and floor space above the base / local controls permitted under Clause 6.60D and 6.60E within the *Sydney Local Environmental Plan 2012*.
- Clause 19 (Non-Discretionary Standards): The Applicant will consider these provisions as part of the preparation of the application.

- Clause 20 (Design Requirements): The Applicant and design team are confident in demonstrating the proposal will be compatible with the desirable elements of the character of the local area.
- Clause 21 (Must be Used for Affordable Housing for 15 Years): The Applicant will commit to the affordable housing element being operated and used by a CHP for a period of no less than 15 years.

5.3. STATUTORY REQUIREMENTS

The following table categorises and summarises the relevant requirements in accordance with the DPHI *State Significant Development Guidelines*.

Table 2 Identification of Statutory Requirements for the Project

Statutory Relevance	Action
Power to grant approval	The proposal is SSD pursuant to Schedule 1, Section 26A of the <i>State Environmental Planning Policy (Planning Systems) 2021</i> (Planning Systems SEPP), as it is development to which Chapter 2, Part 2, Division 1 of <i>State Environmental Planning Policy (Housing) 2021</i>, (<i>Housing SEPP</i>) applies that: • Is not prohibited under an Environmental Planning Instrument (EPI). • Has an EDC that exceeds \$75 Million (for the residential component). • Meets the locational requirements of the Housing SEPP; and • Will provide at least 10% of the total GFA as affordable housing for at least 15 years.
Permissibility	The site is zoned E1 (Local Centre) and R1 (General Residential) under the Sydney LEP 2012. Development for the purpose of 'shop top housing' is permitted with consent under R1 (General Residential) and E1 (Local Centre) zone.
Other approvals (General)	The following Acts were considered, but by virtue of the application being SSD and the nature of the proposal, no further approval is required under the following: • NSW National Parks & Wildlife Act 1974. • NSW Water Management Act 2000. • NSW Heritage Act 1977. • NSW Roads Act 1973; and • NSW Rural Fire Service Act 1997. No requirements for other approvals have been identified at this stage.

5.4. PRE-CONDITIONS

Table 3 outlines the pre-conditions to exercising the power to grant approval, which are relevant to the project.

Table 3 Pre-Conditions

Pre-conditions to Granting Consent	Comment
State Environmental Planning Policy (Resilience and Hazards) 2021	A consent authority must be satisfied that the land is suitable in its contaminated state, or will be suitable, after remediation, for the purpose for which the development is proposed to be carried out. A preliminary site investigation and subsequent documents if required, will be submitted as part of the EIS.

5.5. MANDATORY CONSIDERATIONS

Table 4 outlines the relevant pre-conditions to exercising the power to grant approval and the section where these matters are addressed within the EIS.

Table 4 Mandatory Considerations

Statutory Reference	Mandatory Consideration	Comment
Consideration under the EP&A Act and Regulations		
Section 1.3	The relevant objects of the EP&A Act will be addressed in the EIS.	
Section 4.15 Relevant environmental planning instrument	The matters for consideration outlined in section 4.15 of the EP&A Act will be addressed in the EIS. The likely impacts of the development have been identified in Section 6 of this Request for SEARs, including those matters requiring further assessment in the EIS. An assessment of the suitability of the site will be undertaken within the EIS, including whether the proposal fits within the locality and whether the site attributes are conducive to the proposed development. The public interest of the project will be fully detailed and addressed within the EIS. Given the alignment of the project with Federal, State and local strategic policy, it is considered that the project is in the public interest. Appropriate engagement will be undertaken with the community and agencies to ensure that the views are appropriately considered and detailed in the EIS. A detailed response to any submissions will be provided following lodgement and public exhibition of the EIS.	
Mandatory relevant considerations under EPIs		
<i>State Environmental Planning Policy (Housing) 2022</i>	Chapter 4 of the Housing SEPP applies to development for the purpose of shop top housing or mixed-use development with a residential accommodation component. The proposed development will be prepared in accordance with the relevant provisions of Chapter 4, Schedule 9, and the Apartment Design Guide (ADG). The development is seeking to utilise the affordable housing provisions set out in Chapter 2, Part 2, Division 1 of the Housing SEPP. The Proponent intends to provide 12.5% affordable housing (managed by a CHP) for a 15-year period to receive up to an additional 25% in height and floor space above the base / local controls.	
Section 16 - Affordable housing requirements for additional floor space ratio	<u>Affordable housing requirements for the additional floor space ratio</u> Additional FSR of up to 30% based on the minimum affordable housing component, calculated: $\text{Affordable housing component} = \frac{\text{additional FSR (as \%)} }{2}$ Affordable housing component must be at least 10% The additional maximum building height is the same percentage as the additional floor space ratio. This section does not apply to development on land for which there is no maximum permissible floor space ratio.	Noted. The applicant seeks to utilise the bonuses available under Section 16.

Statutory Reference	Mandatory Consideration	Comment
Section 18 - Affordable housing requirements for additional building height	<u>Affordable housing requirements for additional building height</u> The maximum height for residential flat buildings or shop top housing is the max LEP height plus up to 30% based on the minimum affordable housing component, calculated: Affordable housing component = additional building height (as %) / 2	N/A – this clause only applies if the development does not require additional floor space above the local controls. In this case, the development will require minor variations to the local FSR controls and as such Clause 18 of the Housing SEPP will not be enlivened.
Section 19 - Non-discretionary development standards	The intent of the below provisions is to prevent the consent authority from requiring more onerous standards for these matters. Section 4.15(3) of the Act does not prevent development consent being granted if a non-discretionary development standard is not complied with.	
	Minimum Site Area	The site is greater than 450sqm.
	Minimum Landscaped Area	To be confirmed at EIS stage.
	Deep Soil	A deep soil zone and communal open space are planned for the central part of the site.
	Solar Access	The EIS will be accompanied by detailed solar access diagrams.
	Car Parking	The proposed development includes basement car parking with a single consolidated vehicular access point from Verona Street, reducing the number of access points on the site from four to one.
	Minimum Internal Area	The EIS will be accompanied by a detailed ADG compliance table.
	Design Requirements	The proposed development will be compatible with the desired future character of the area as envisioned in the LSPS and Housing SEPP.
	Must be used for affordable housing for at least 15 years	The affordable housing component of the development will be managed by a registered CHP for a period of at least 15 years.
State Environmental Planning Policy (Sustainable Buildings) 2022	Chapter 2 of the State Environmental Planning Policy (Sustainable Buildings) 2022 applies to the proposal. As such, the development will be assessed against BASIX requirements, and the embodied emissions of the project will be calculated and included in the Environmental Impact Statement (EIS).	
Sydney Local Environmental Plan 2012		
Land Use Zoning	The site comprises two separate zones as outlined below: - E1 (Local Centre) at 13-15 & 17 Oxford Street - R1 (General Residential) at 2 Verona Street	
Land Use Permissibility	<u>13-15 & 17 Oxford Street</u> 'Shop top housing' is permitted with consent in the E1 zone. - Cultural and Creative purposes are also envisioned for the site. 'Entertainment facilities' are permitted with consent in the E1 zone. <u>2 Verona Street</u> 'Multi dwelling housing' (as a form of 'residential accommodation') is an innominate permitted land use in the R1 (General Residential) zone.	

Statutory Reference	Mandatory Consideration	Comment
4.3 Height of buildings	The site is affected by two base maximum height controls: 13-15 & 17 Oxford Street: 15m 2 Verona Street: 12m	An alternative height control of 20m applies to 13-15 & 17 Oxford Street under CI 6.60D. 2 Verona is not subject to alternative height controls. The proposal seeks to utilise the alternative controls under CI 6.60D.
4.4 Floor Space Ratio	The site is affected by two base FSR controls as follows: 13-15 & 17 Oxford Street: 2.5:1 2 Verona Street: 1:1 An alternative FSR control of 4.3:1 (3.5:1 + 0.8:1) applies to 13-15 & 17 Oxford Street under CI 6.60D & 6.60E. 2 Verona is not subject to alternative FSR controls.	An alternative FSR control of 4.3:1 (3.5:1 + 0.8:1) applies to 13-15 & 17 Oxford Street under CI 6.60D & 6.60E. 2 Verona is not subject to alternative FSR controls. The proposal seeks to utilise the alternative controls under CI 6.60D & 6.60E.
4.6 Exceptions to development standards	It is noted that under Clause 4.6(8)(cl) and (cm), clause 4.6 does not apply to Clauses 6.60D and 6.60E. In consequence, this means Clause 4.6 cannot be used to vary the bonus height and floor space controls available to land within the 'Oxford Street Cultural and Creative Precinct'.	13-15 & 17 Oxford Street are within the 'Oxford Street Cultural and Creative Precinct' and will comply with the applicable Height of Buildings and Floor Space Ratio controls. While 2 Verona Street will not technically comply with its (separate) FSR control, this is capable of being varied via Clause 4.6, as 2 Verona Street sits outside the 'Oxford Street Cultural and Creative Precinct'. Refer to Figure 3 above, which shows the boundary of the 'Oxford Street Cultural and Creative Precinct'.
5.10 Heritage Conservation	The site is located in the Paddington Urban Heritage Conservation Area (HCA) (CA50). The State Heritage listed Busby's Bore is also located underneath the site. Directly behind 13-15 Oxford Street is the local heritage item I1103 (2-20 Rose Terrace, terrace group including interiors).	The EIS will be supported by an appropriate assessment of heritage considerations (both built and archaeological). Notably, extensive underground surveying has already occurred under the previous local DA approval.
6.21C Design Excellence	Development consent must not be granted to development to which this Division applies unless, in the opinion of the consent authority, the proposed development exhibits design excellence.	The EIS and supporting reporting will demonstrate that Design Excellence has been achieved. Notably, the proposal does not 'trigger' the requirement for a design competition (i.e., is not above 25m).

Statutory Reference	Mandatory Consideration	Comment
6.60D Oxford Street Cultural and Creative Precinct	13-15 & 17 Oxford Street, Paddington, are located within the Oxford Street 'Cultural and Creative Precinct'. Under the Oxford Street Cultural and Creative Precinct, the site qualifies for bonus building height and Floor Space Ratio (FSR), provided it meets the requirements outlined in CI 6.60D of the SLEP. To be eligible for these additional height and FSR incentives, future development must incorporate one or more of the following employment-generating uses: (a) commercial premises, (b) community facilities, (c) entertainment facilities, (d) health services facilities, (e) hotel or motel accommodation, (f) information and education facilities, (g) light industries Where a building already contains cultural and creative floor space, this GFA must be retained in addition to providing 10% of the proposed GFA for cultural or creative purposes.	The proponent has obtained legal advice confirming a 'shop top housing' development can utilise the height and floor space bonuses subject to meeting the required conditions. The EIS will demonstrate how this has been achieved. To qualify for the alternative height and floor space controls – the proposal must retain the existing 'cultural and creative' (C&C) GFA on site plus provide 10% of the proposed GFA for cultural or creative purposes. This is broken down as follows: • Existing C&C Use – 626sqm • 10% of Proposed GFA – 1,043sqm • Total Required – 1,669sqm The proposal will meet this requirement by providing 1,669sqm of 'cultural and creative use', in the form of an 'entertainment facility', in Basement Level 2 and on the Ground Floor.
6.60E Flinders Street and Oxford Street	This clause applies to land in the Oxford Street Cultural and Creative Precinct with a street frontage to Flinders Street or Oxford Street. A building on land to which this clause applies may have a floor space ratio exceeding the maximum permissible FSR by up to 0.8:1 if the additional GFA is: (a) located in a basement, and (b) used for the purposes of entertainment facilities.	The site has a street frontage to Oxford Street. It is intended to provide an 'entertainment facility' in Basement Level 2, utilising the uplift available under this clause. The 'entertainment facility' has a basement GFA of 1,403.61sqm (or 0.66:1 of the 2,117sqm site area). This additional 0.66:1 of floor space (i.e., compliant with the 0.8:1 'cap'), is available above the 3.5:1 FSR control established under Clause 6.60D(3)(b) via Clause 6.60E(1), (2) and (3).
Considerations under other legislation		
Biodiversity Conservation Act 2016	In accordance with section 7.9(2) of the <i>Biodiversity Conservation Act 2016</i> (BC Act), an SSDA is required to be accompanied by a biodiversity development assessment report (BDAR). However, a BDAR waiver may be granted should it be determined by DPHI and the DPHI's Biodiversity Conservation Division that the proposed development is not likely to have any significant impact on biodiversity values. It is requested that the requirement for a BDAR or BDAR waiver is removed from the SEARs for the proposal as the site has been fully developed for residential uses and there are no mature trees on the site.	
Sydney Development Control Plan 2012	Clause 2.10(1) of the State Environmental Planning Policy (Planning Systems) 2021 confirms that Development Control Plans (DCPs) do not apply to State Significant Development (SSD). Accordingly, the provisions of the Sydney Development Control Plan 2012 are not applicable to the assessment of this project.	

5.5.1. Explanation of Built Form Bonuses

Establishment of Base / Local Controls

As outlined above, given the required quantum of cultural and creative uses will be provided, the proposal will utilise the alternative height and FSR bonuses available under CI 6.60D and CI 6.60E of the Sydney LEP 2012. This results in the following 'base' local built form controls:

- 13-15 & 17 Oxford Street – 4.3:1 (FSR) and 20m (Height).
- 2 Verona Street – 1:1 (FSR) and 12m (Height). *It is noted that this site falls outside the OSCCP controls and as such, these are simply the base Sydney LEP height and FSR controls.*

Application of SEPP (Housing) Bonuses

The table below illustrates how the bonuses available under Section 16 of SEPP (Housing) are applied on top of this base / local framework and how the preliminary proposal sits relative to these maximum permissible controls. As the proposal will provide 12.5% of the maximum permissible GFA as affordable housing (to be managed by a Registered CHP for 15 years), a 25% uplift is available on the base / local built form controls.

Table 5 Comparison of Maximum Permissible Controls and Proposed Development

Parameter	Portion of the Site	Base Control (+ 25% AH bonus)	Proposal
FSR	13-15 & 17 Oxford Street	4.3:1 (base) + 25% = 5.375:1 Max permitted GFA: 11,378.8sqm [max 0.8:1 / 1,693sqm in basement]	4.6:1 (<i>complies</i>) Proposed GFA: 9,689sqm [0.66:1 / 1,403.61sqm in basement]
	2 Verona Street	1:1 (base) + 25% = 1.25:1 Max permitted GFA = 547.5sqm	1.7:1 (<i>does not comply</i>) Proposed GFA: 741sqm
	Total Permissible GFA	11,926.3sqm	10,430sqm (<i>1,496sqm under</i>)
Affordable Housing		12.5% of the max. permitted GFA = 1,490sqm	1,490sqm of AH to be managed by a Registered CHP for at least 15 years (<i>complies</i>)
Height	13-15 & 17 Oxford Street	20m (base) + 25% = 25m	25m (<i>complies</i>)
	2 Verona Street	12m (base) + 25% = 15m	11.41m (<i>complies</i>)

In consequence, a technical Clause 4.6 variation request will be required in relation to the FSR of 2 Verona Street. Although further design and amenity analysis will be undertaken at EIS stage, the Applicant considers there to be strong justification for the variation, based on the following grounds:

- On a 'whole-of-site' basis, the proposal remains 1,496sqm below the maximum permitted GFA.
- The existing building at 2 Verona Street contains 670sqm of GFA, which does not comply with the current FSR control under the Sydney LEP 2012. The proposed net increase represents a modest uplift of approximately 10%.
- All other built form controls are met, including height. At 2 Verona Street, the building sits 3.5 metres below the maximum permissible height.
- While in-fill affordable housing bonuses do not override local development standards, DPHI's *In-fill Affordable Housing Practice Note* (December 2023) emphasises that such standards "*should be applied flexibly and need to be balanced against the need to realise more affordable housing*". This proposal delivers 1,490sqm of affordable housing, directly supporting the objectives of recent State Government planning reforms.

6. PROPOSED ASSESSMENT OF IMPACTS

In accordance with Section 4.15 of the Environmental Planning and Assessment Act 1979 (EP&A Act), the EIS must address the likely environmental, social, and economic impacts of the proposal on the locality.

This section outlines the key impact areas that will be subject to detailed assessment in the EIS, along with the proposed methodology for evaluating each matter. In addition to the impact assessment, the EIS will be supported by a comprehensive set of technical studies to demonstrate that potential impacts associated with the development can be appropriately managed and mitigated. The Applicant anticipates the following assessment requirements will form the basis of the SEARs to be issued by DPHI.

Table 6 Matters requiring assessment in the EIS

Matter	Consideration
Heritage	The site is located within the Paddington Urban Conservation Area (C50) and in proximity to the State and locally listed Busby's Bore (SHR 00568 / Local Item I1), as well as adjacent to local heritage item I1103 (2–20 Rose Terrace). A Heritage Impact Statement will assess impacts associated with demolition, excavation, façade retention, and new works, ensuring compliance with accepted conservation practices. Structural and geotechnical design will ensure no adverse impacts on Busby's Bore, guided by recent geotechnical investigations and surveys.
Built Form and Urban Design	A Design Report will assess the proposal's massing, height, and architectural expression, including articulation of retained façades and integration with the existing streetscape. The development response, including material selection, setbacks, and landscaping, will be justified with reference to local character and statutory design controls.
Public Domain & Landscaping	The SSDA will include a set of Landscape drawings and accompanying report which: • Outlines the scope of public domain improvements, pedestrian linkages, street activation and landscaping to be provided as part of the proposal. • Demonstrates how the proposal would provide sufficient communal open space for future residents; provide access for people with disabilities; minimise potential vehicle, bicycle and pedestrian conflicts.
Solar and Overshadowing	A Shadow Analysis will accompany the EIS, measuring the proposal's compliance with ADG Part 4A and applicable Sydney DCP overshadowing controls.
Residential Amenity	A Design Verification Statement and ADG Compliance Table will confirm compliance with the Housing SEPP and the ADG. Technical studies addressing solar access, cross-ventilation, visual privacy, and internal acoustic amenity will support these findings.
Access & Transport	A Transport and Accessibility Impact Assessment will be submitted, covering traffic generation, parking provision, pedestrian/cyclist connectivity, and delivery/loading arrangements. A Construction Traffic Management Plan will also address traffic impacts during construction.
Waste	A Waste Management Plan will address waste handling during demolition, construction, and operation, aligned with City of Sydney regulatory frameworks.
ESD	An ESD Report will demonstrate compliance with BASIX and the Sustainable Buildings SEPP, including strategies for embodied carbon minimisation, water-sensitive urban design, and energy efficiency.
Late Night Trading	The proposal's mix of uses, including cultural spaces and retail, will be assessed against SDCP 2012 Section 3.15.
Structural and Geotechnical Considerations	Geotechnical and structural reports will be submitted with the EIS. They will address stability, excavation, and subsurface conditions, ensuring that piling and basement design avoids any impact on Busby's Bore's curtilage or structural integrity.
Contamination	As part of the SSDA process, a Preliminary Site Investigation (PSI) will be undertaken to identify whether the site is suitable for the proposal, or if it can be made suitable following remediation works.
Archaeology (Aboriginal & European)	In accordance with the SSD framework, desktop due diligence assessments will be undertaken to confirm whether any further archaeology reporting (including test pits and stakeholder consultation) is required.

7. CONCLUSION

This report has been prepared to request the issue of industry-specific SEARs to guide the preparation of an EIS for a proposed mixed-use development, including infill affordable housing, at 13-15 and 17 Oxford Street and 2 Verona Street, Paddington. The proposal qualifies as SSD under Schedule 1, Clause 26A of the *State Environmental Planning Policy (Planning Systems) 2021*.

The project seeks to facilitate the renewal of the site through the delivery of residential apartments, including affordable housing, in a location that is well serviced and appropriately zoned for higher density residential development. The Applicant is committed to working collaboratively with relevant State agencies and the City of Sydney to achieve a high-quality planning and design outcome.

In addition to addressing urgent housing needs, the development will contribute to the ongoing revitalisation of Oxford Street by delivering approximately 1,669 square metres of cultural and creative floorspace, in line with the objectives of Clause 6.60D of the Sydney LEP 2012. The project will also introduce new retail frontages along Oxford Street, removing a hazardous vehicular access/egress onto a classified road, while enhancing the vibrancy, walkability, and economic vitality of this important cultural and commercial precinct.

This SEARs request outlines the proposed approval pathway, applicable legislative framework, and key matters for consideration in the assessment of the application. The EIS will demonstrate the suitability of the site for the proposed development and will include technical assessments to ensure that potential environmental impacts are appropriately avoided, minimised, or mitigated.

It is requested that the Department consider the information provided in this submission and issue the SEARs to enable the preparation of the EIS.

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