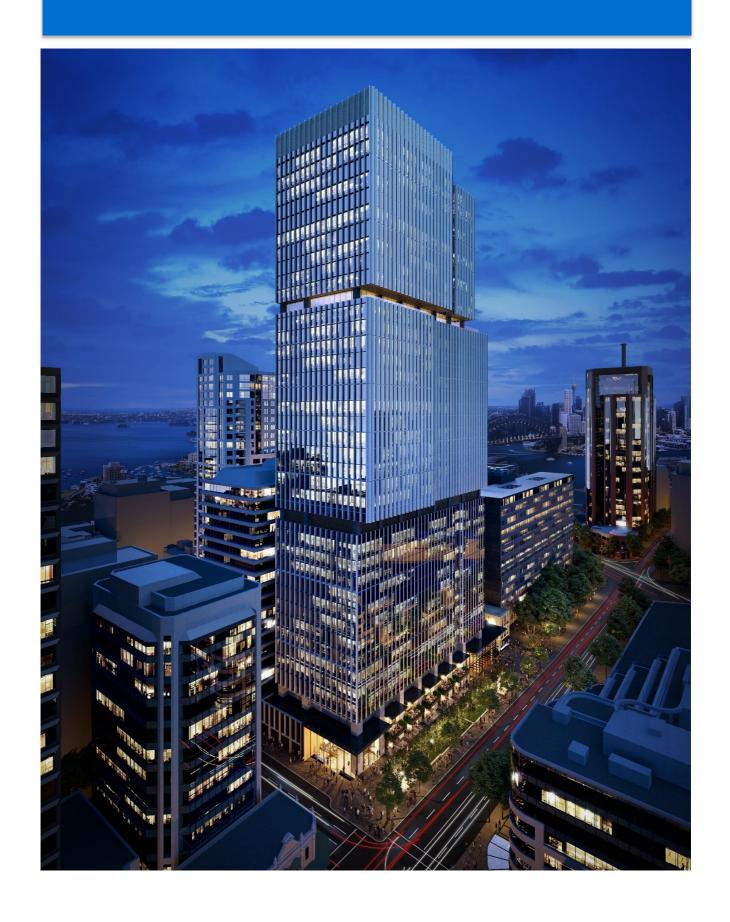
VICTORIA CROSS OVER STATION DEVELOPMENT (OSD) RETAIL STRATEGY REPORT

DETAILED STATE SIGNIFICANT DEVELOPMENT APPLICATION (SSDA) AUGUST 2019



BACKGROUND

Introduction

This report has been prepared to accompany a detailed State Significant Development (SSD) development application (DA) for a commercial mixed-use Over Station Development (OSD) above the new Sydney Metro Victoria Cross Station. The detailed SSD DA is consistent with the Concept Approval (SSD 17_8874) granted for the maximum building envelope on the site, as proposed to be modified.

The Minister for Planning, or their delegate, is the consent authority for the SSD DA and this application is lodged with the NSW Department of Planning, Industry and Environment (NSW DPIE) for assessment. This report has been prepared in response to the requirements contained within the Secretary's Environmental Assessment Requirements (SEARs) dated 6 May 2019.

The detailed SSD DA seeks development consent for:

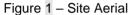
- Construction of a new commercial office tower with a maximum building height of RL 230 or 168 metres (approximately 42 storeys).
- The commercial tower includes a maximum GFA of approximately 61,500sqm, excluding floor space approved in the CSSI
- Integration with the approved CSSI proposal including though not limited to:
 - Structures, mechanical and electronic systems, and services; and
 - Vertical transfers;
- Use of spaces within the CSSI 'metro box' building envelope for the purposes of:
 - Retail tenancies:
 - Commercial office lobbies and space;
 - 161 car parking spaces within the basement for the purposes of the commercial office and retail use;
 - End of trip facilities; and
 - Loading and services access.
- Utilities and services provision.
- Signage locations (building identification signs).
- Stratum subdivision (staged).



The Site

The site is generally described as 155-167 Miller Street, 181 Miller Street, 187-189 Miller Street, and part of 65 Berry Street, North Sydney (the site). The site occupies various addresses/allotments and is legally described as follows:

- 155-167 Miller Street (SP 35644) (which incorporates lots 40 and 41 of Strata Plan 81092 and lots 37, 38 and 39 of Strata Plan 79612)
- 181 Miller Street (Lot 15/DP 69345, Lot 1 & 2/DP 123056, Lot 10/DP 70667)
- 187 Miller Street (Lot A/DP 160018)
- 189 Miller Street (Lot 1/DP 633088)
- Formerly part 65 Berry Street (Lot 1/DP 1230458)







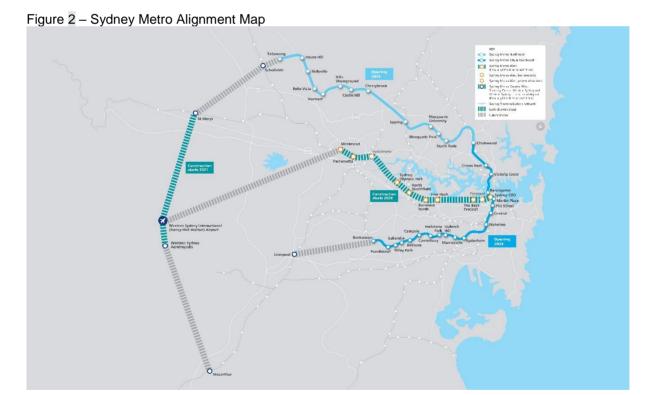
Sydney Metro Description

Sydney Metro is Australia's biggest public transport project. Services started in May 2019 in the city's North West with a train every four minutes in the peak. Metro rail will be extended into the CBD and beyond to Bankstown in 2024. There will be new metro railway stations underground at Crows Nest, Victoria Cross, Barangaroo, Martin Place, Pitt Street, Waterloo and new metro platforms under Central.

In 2024, Sydney will have 31 metro railway stations and a 66 km standalone metro railway system - the biggest urban rail project in Australian history. There will be ultimate capacity for a metro train every two minutes in each direction under the Sydney city centre. The Sydney Metro project is illustrated in the Figure below.

On 9 January 2017, the Minister for Planning approved the Sydney Metro City & Southwest - Chatswood to Sydenham project as a Critical State Significant Infrastructure project (reference SSI 15 7400) (CSSI Approval). The terms of the CSSI Approval includes all works required to construct the Sydney Metro Victoria Cross Station, including the demolition of existing buildings and structures on both sites. The CSSI Approval also includes construction of below and above ground improvements with the metro station structure for appropriate integration with the OSD.

With regards to CSSI related works, any changes to the "metro box envelope" and public domain will be pursued in satisfaction of the CSSI conditions of approval and do not form part of the scope of the detailed SSD DA for the OSD.



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RETAIL STRATEGY



Retail Vision

The Victoria Cross integrated station development provides a unique opportunity to integrate retail into a mixed-use and transport-oriented precinct to create a positive urban experience to key customer markets within its North Sydney setting.

The delivery of a strong retail offer as part of the Victoria Cross integrated station development is an important contributor to the successful creation of people-orientated places that are vibrant and engaging with the North Sydney worker and resident community.

We want to introduce new best-in-class retailers to North Sydney – retailers who want to extend their offer from the working day into evenings and the weekend.

Our retail vision has emerged from an understanding that our customers - metro users, commercial workers, North Sydney residents, students and visitors - are actively seeking out retail experiences that are authentic and meet their changing needs.

An Urban Experience

The ground plane and retail of the Victoria Cross integrated station development seeks to add to North Sydney's existing urban experience. We are refreshing and expanding an existing retail precinct in the heart of its CBD. Creating new but old laneways, street-based food offers and a convenient and service orientated retail component. Sitting alongside Miller Street and connecting to Denison Street, the retail offers support North Sydney Council's objective of revitalising and re-imagining Sydney's second CBD.

We have a number of development objectives, that our base retail design supports:

- Strong public space credentials with external retail spaces encouraging public use of the precinct.
- Creating a vital hub within North Sydney where people watching, informal business catch-ups, after work drinks and dinner can occur with trade for residents and visitors extending into the weekend.
- Retail offers that caters for a wide variety of customer mindsets those that want to catch their Metro but have 10 minutes to spare, those who want to explore, those who are on a mission to find that particular product and those people who simply want to socialise after work with friends.



Key Principles

Move from an office dominated CBD to a city (and village) experience

Create spaces that attract retailers who share a vision to extend the typical North Sydney day into the evenings and onto the weekend. Create clusters of retail offers that stay open longer, that endorse the sense that North Sydney is a cool place to work and live. All the benefits of working and living in a CBD without the hassle.

Blurring the edges of public and retail spaces

Designing retail tenancies respond to public spaces without creating any sense of privatisation. Architecture and design that supports a sense of openness and free flowing spaces. North Sydney Council has a long history of curating pop-up activity and we wish to create spaces that support Council's masterplan ambitions for the core of their CBD.

Multi-level activity is a part of CBD life, and we will celebrate it

The precinct's topography is challenging. Each of our retail spaces are well connected visually and physically. We will use multi storey spaces to reinforce vibrant activity and add to the street level experience. The southern building is four stories from Denison Street and three from Miller Street. We will create a retail experience with movement and light in the upstairs spaces. Operable windows will provide places to express the retail offer and connect to the street below.

Convenient when customers want convenience

Within transport hubs and in a CBD, we must do the basics well – providing those shops that people need and seek out either as a destination or on their way somewhere else. Effortless shopping.

Great retail developments can stimulate new experiences and transform

The metro system will underpin renewed consideration of North Sydney as a place to work and live. This supports the work of many government agencies over many years.

The retail ground plane created by Lendlease at Barangaroo has in only a few years, created a vibrancy and a genuine sense of place. It has transformed a site on the edge of the city to a key part of City of Sydney CBD. The additional retailers and restaurants we have added has increased Sydney's appetite for cool places to go. We see the same outcomes in North Sydney as we connect streets and add more choice, new offers and do so in a tried and tested authentic urban framework.

Lease only to the best retailers

Based on a strong qualitative and quantitive research base, we will deliver a sound retail strategy for the Victoria Cross integrated station development. This assures good retailers of the sales potential that North Sydney offers and allows us in collaboration, to seek innovative and strong retailer responses. These retailers invest significant capital and must feel confident that the overall development meets the needs and aspirations of the North Sydney residential and worker market.

Good urban retail developments offer a blended mix of offers that allow for the precinct to be relevant throughout the day and into the evenings. The retail offers that we see in the mix are as follows:

- Food and beverage cafes, restaurants, bar, grab and go
- Service and convenience
- Leisure, lifestyle and some apparel;
- Health and wellbeing

Lendlease identify and target only great retailers – approaching them directly for a negotiated leasing deal. We place great emphasis in finding and encouraging retailers that have passion and energy for what they do. We only want to include retailers who are firmly on or ahead of trend.



Retail Opportunities



Lendlease has consulted widely and undertaken extensive customer and retail economic research as part of the project development process. This includes customer profiling, market trends, economic performance and forecasting coupled with a wider understanding of market trends. This work is ongoing as we continue to tailor our leasing efforts and fully develop our retail vision through design.

Retail space design, retailer leasing and placemaking considerations can only be best achieved through an integrated approach.

Miller Street retail

Miller Street retail proposes a street-based food and beverage precinct that trades out and visibly responds to the open civic public space of Miller Street. The retail mix is intended to offer a choice great food from a casual dining experience. It's visibility to Miller Street, is important to drive evening and weekend customers and to signal the precinct is open and trading. Our emphasis is on providing choice of food and experience.

The casual dining offers sit in proximity to the extended green spine on Miller Street. There is demarcation and clear pedestrian paths of travel. The civic green space has the capacity for North Sydney Council to instigate pop-up community activities from time to time.

Miller to Dennison Street laneway

The new pedestrian link from Denison to Miller Street will take the form of a vibrant and fine grain laneway. The topography is challenging, and the architecture and design of the laneway is critical to creating an authentic space that is a destination in its own right.

Adding these laneway links is critical in North Sydney to allow for finer grain urban retail to develop. The laneway will contain a combination of food and beverage, service and convenience offer that spill out to provide visual interest and a calculated degree of vibrancy.

The south side of the laneway is framed by a freestanding, small building that looks visually autonomous to the station buildings. Within this building, we will create a space that can trade through the day, into evening and onto weekends. It will provide an anchor to the retail space.

The building will offer visual cues to a casual food, bar and supporting services offer at Victoria Cross. Multilevel activity provides great opportunity for patrons to activate spaces above street level. Operability within the façade will add further liveliness and a point of difference.



Denison Street Concourse

The Denison Street Concourse retail convenience offers have been identified as important to Sydney Metro and its' customer patronage. There will be some emphasis on convenience and engagement as part of the daily commute.

However, these shops are not solely for customers of the metro but will have relevance to workers and residents nearby. Our challenge is to ensure that the fine-grained design and leasing activity does more than categorise this retail as just transport spaces. We will be looking to integrate with other Denison Street retail to create a seamless movement in the precinct.

Sky Lobby

Commercial office lobbies, although not private often deter outside visitors from using their facilities. The Victoria Cross over station development proposes that it's lobby – the 'Sky Lobby' is intended to be genuinely accessible for workers and visitors – providing a generous space with external balconies and a café offer.

Situated on level one off Miller Street, the retail offer, its seating and the lobby design seeks to provide a high-quality experience of the dual level commercial lobby. It will be a café aimed at the need for workers in the tower and in the precinct providing break out and small informal meeting spaces over coffee and café style food. A future proofed option will be created for prolonged trade into the evening, using balcony spaces overlooking Miller Street.

