

Sydney Metro Pitt Street North Over Station Development

Retail and Commercial Office Strategy State Significant Development Development Application

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Common Abbreviations

Abbreviation	
CSSI	Critical State Significant Infrastructure
PSN OSD	Pitt Street North Over Station Development
DPIE	NSW Department of Planning, Industry and Environment
SM	Sydney Metro (refers to both the NSW Government authority and Metro system)
SSD	State Significant Development
DA	Development Application
OSD	Over Station Development
EIS	Environmental Impact Statement
SEARS	Secretary's Environmental Assessment Requirements
NSW DPIE	NSW Department of Planning, Industry and Environment

Introduction

General

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 Pitt Street North Station. The detailed SSD DA is consistent with the Concept Approval (SSD 17_8875) 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 25 October 2019.

The detailed SSD DA seeks development consent for:

- Construction of new commercial tower of approximately 38 storeys
- The tower includes maximum GFA, 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 lobby and commercial amenities;
 - Car parking spaces within the podium for the purposes of the commercial premises; and
 - Loading and services access.
- Utilities and services provision.
- Stratum subdivision (staged).

The Site

The site is located within the Sydney CBD. It has three separate street frontages, Pitt Street to the west, Park Street to the south and Castlereagh Street to the east. The area surrounding the site consists of predominantly commercial high-density buildings and some residential buildings, with finer grain and heritage buildings dispersed throughout.

The site has an approximate area of 3,150.1sqm and is legally described as follows:

- 252 Pitt Street (Lot 20 in DP1255509)

Figure 1 – Location Plan



Source: Urbis

Sydney Metro Description

Sydney Metro is Australia's biggest public transport program. A new standalone railway, this 21st century network will revolutionise the way Sydney travels.

There are four core components:

1. Sydney Metro Northwest (formerly the 36km North West Rail Link)

This project is now complete and passenger services commenced in May 2019 between Rouse Hill and Chatswood, with a metro train every four minutes in the peak. The project was delivered on time and \$1 billion under budget.

2. Sydney Metro City & Southwest

Sydney Metro City & Southwest project includes a new 30km metro line extending metro rail from the end of Metro Northwest at Chatswood, under Sydney Harbour, through new CBD stations and southwest to Bankstown. It is due to open in 2024 with the ultimate capacity to run a metro train every two minutes each way through the centre of Sydney.

Sydney Metro City & Southwest will deliver new metro stations at Crows Nest, Victoria Cross, Barangaroo, Martin Place, Pitt Street, Waterloo and new underground metro platforms at Central Station. In addition it will upgrade and convert all 11 stations between Sydenham and Bankstown to metro standards.

In 2024, customers will benefit from a new fully-air conditioned Sydney Metro train every four minutes in the peak in each direction with lifts, level platforms and platform screen doors for safety, accessibility and increased security.

3. Sydney Metro West

Sydney Metro West is a new underground railway connecting Greater Parramatta and the Sydney CBD. This once-in-a-century infrastructure investment will transform Sydney for generations to come, doubling rail capacity between these two areas, linking new communities to rail services and supporting employment growth and housing supply between the two CBDs.

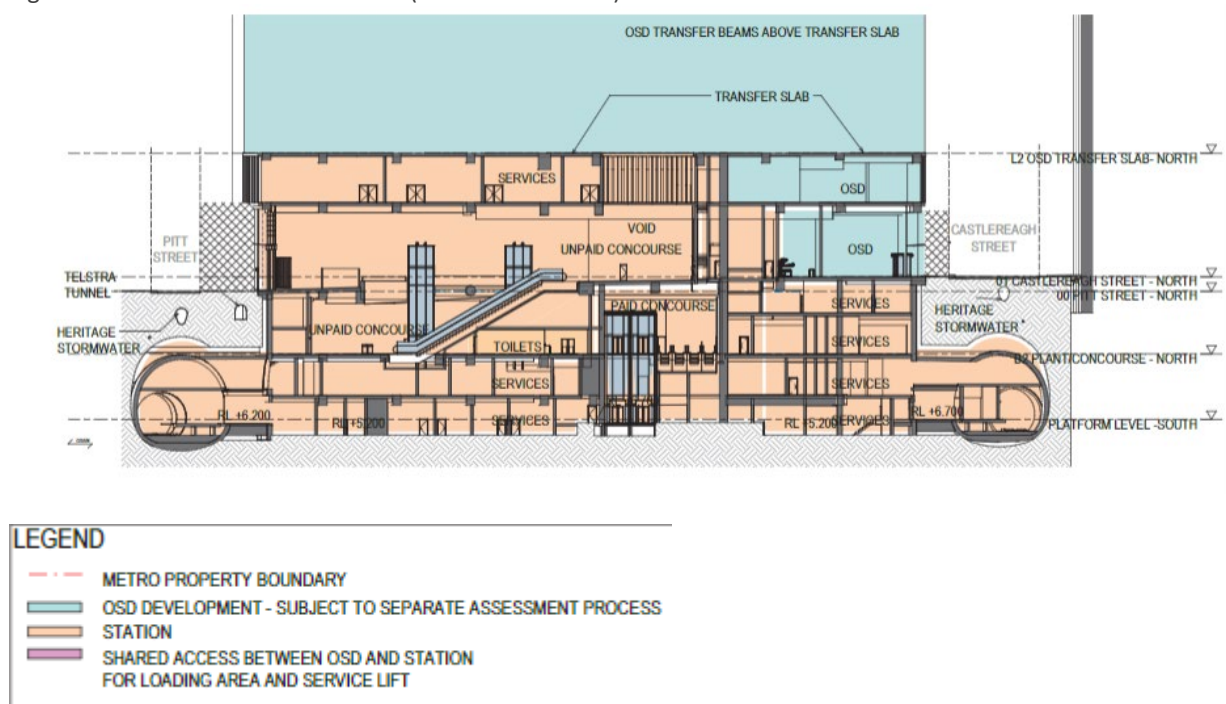
The locations of seven proposed metro stations have been confirmed at Westmead, Parramatta, Sydney Olympic Park, North Strathfield, Burwood North, Five Dock and The Bays.

The NSW Government is assessing an optional station at Pyrmont and further planning is underway to determine the location of a new metro station in the Sydney CBD.

4. Sydney Metro - Western Sydney Airport

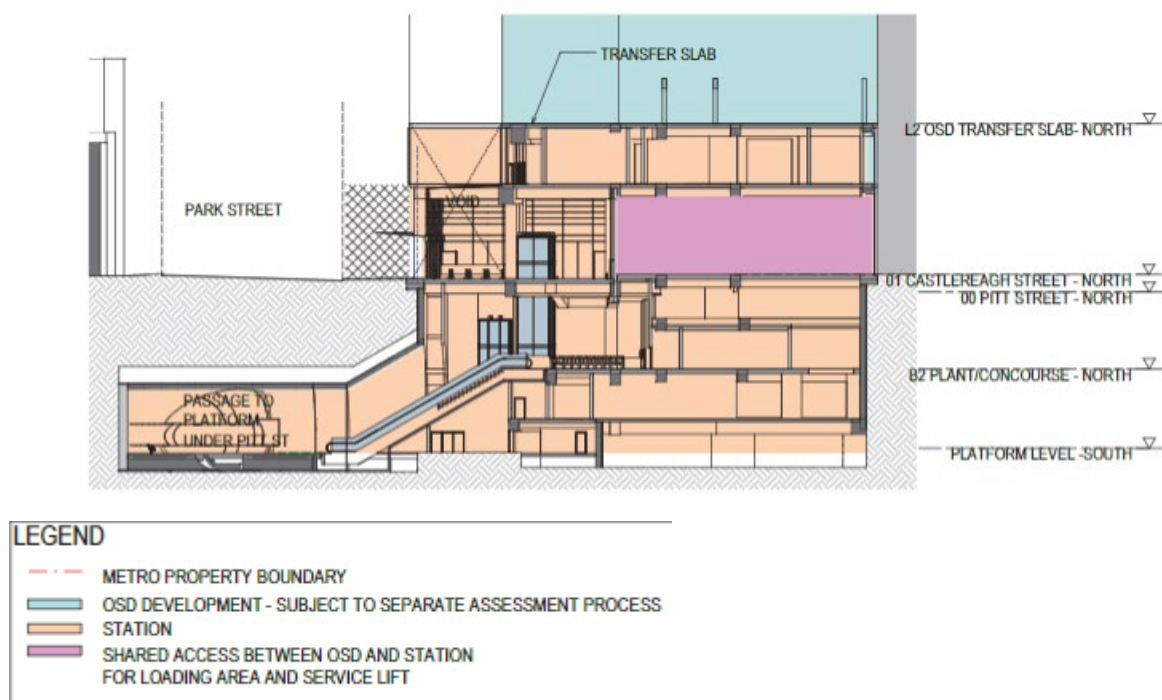
Metro rail will also service Greater Western Sydney and the new Western Sydney International (Nancy Bird Walton) Airport. The new railway line will become the transport spine for the Western Parkland City's growth for generations to come, connecting communities and travellers with the rest of Sydney's public transport system with a fast, safe and easy metro service. The Australian and NSW governments are equal partners in the delivery of this new railway.

Figure 3 – Pitt Street Station – North (East-West Section)



Source: CSSI Preferred Infrastructure Report (TfNSW)

Figure 4 – Pitt Street Station – North (North-South Section)



Source: CSSI Preferred Infrastructure Report (TfNSW)

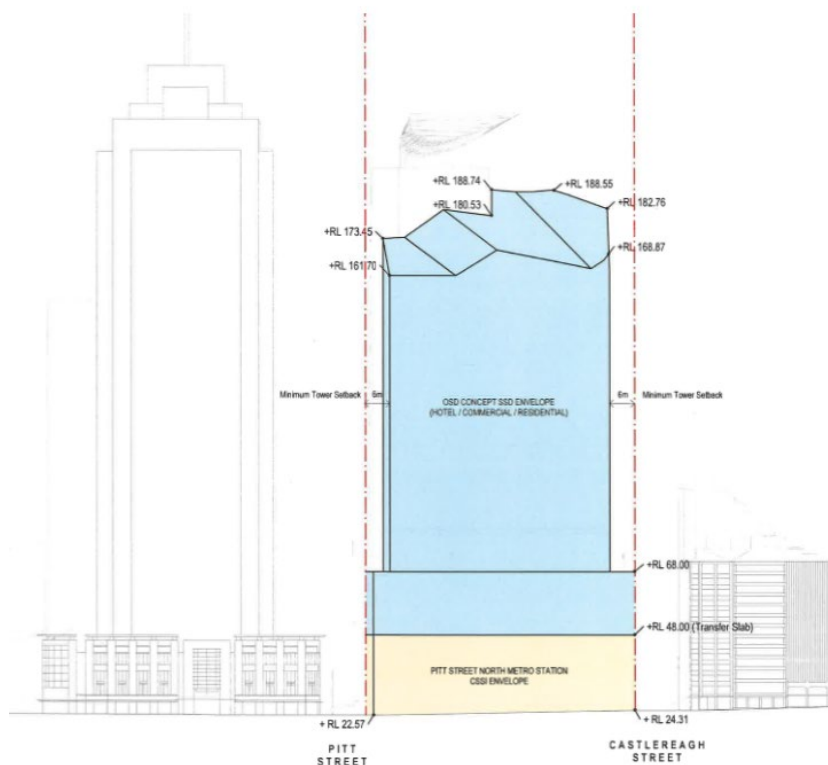
The Preferred Infrastructure Report (PIR) noted that the integration of the OSD elements and the metro station elements would be subject to the design resolution process, noting that the detailed design of the “metro box” may vary from the concept design assessed within the planning approval.

As such in summary:

- The CSSI Approval provides consent for the construction of all structures within the approved “metro box” envelope for Pitt Street North.
- The CSSI Approval provides consent for the fit out and use of all areas within the approved “metro box” envelope that relate to the ongoing use and operation of the Sydney Metro.
- The CSSI Approval provides consent for the embellishment of the public domain, and the architectural design of the “metro box” envelope as it relates to the approved Sydney Metro and the approved Pitt Street North Station Design & Precinct Plan.
- Separate development consent however is required to be issued by the NSW DPIE for the use and fit-out of space within the “metro box” envelope for areas related to the OSD, and notably the construction and use of the OSD itself.

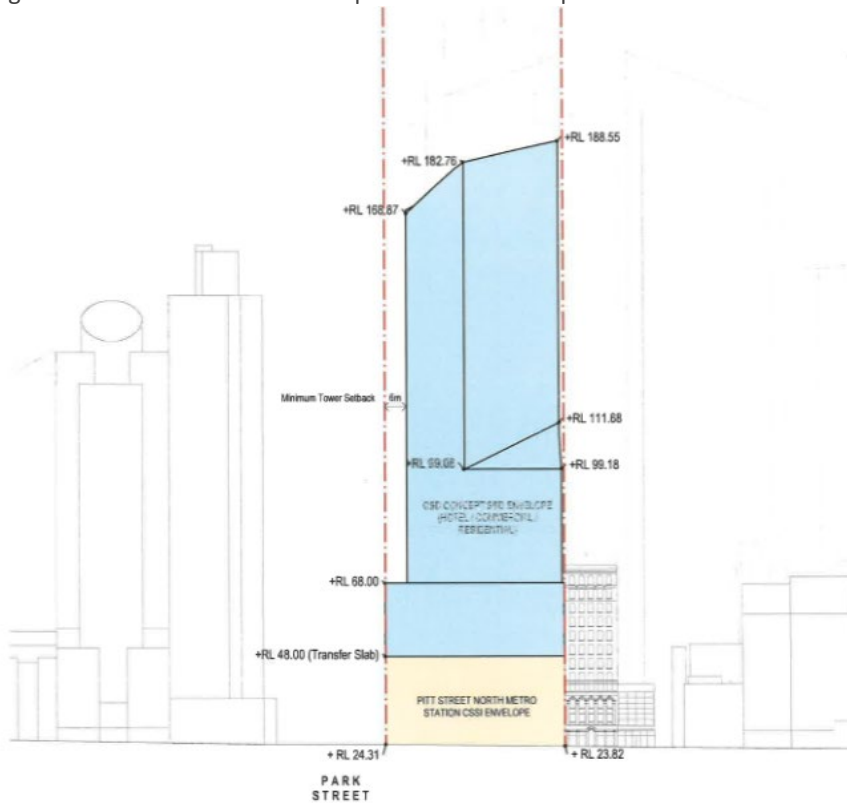
As per the requirements of clause 7.20 of the Sydney Local Environmental Plan 2012, as the OSD exceeds a height of 55 metres above ground level (among other triggers), development consent is first required to be issued in a Concept (formerly known as Stage 1) DA. This is described below.

Figure 5 – Pitt Street North Concept SSD DA – Envelope – South Elevation



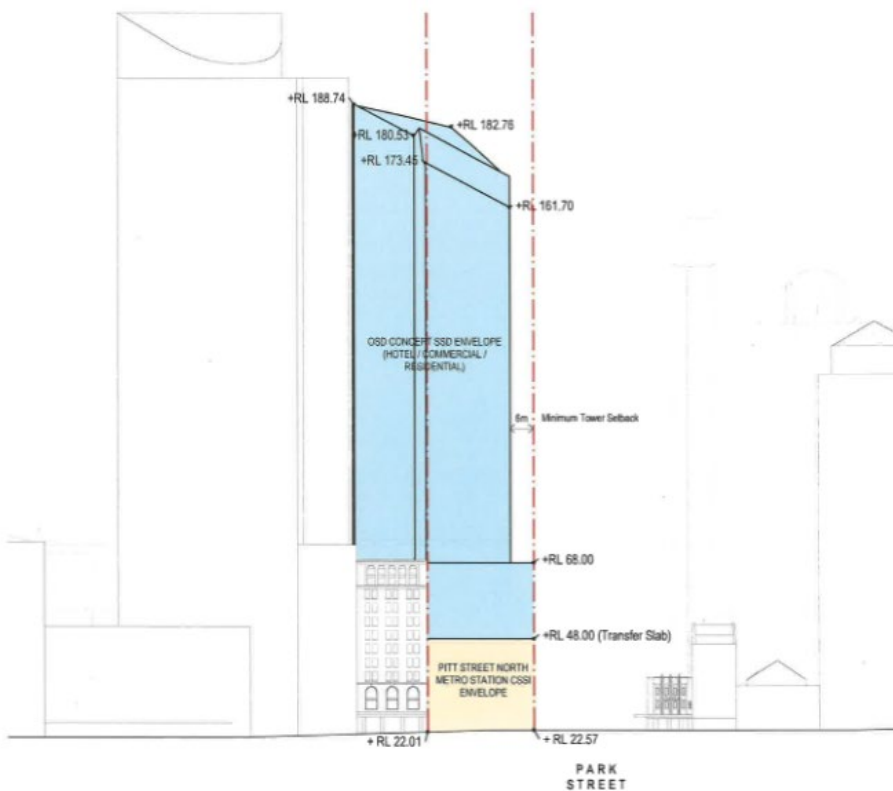
Source: SSD 8875 Concept Stamped Plans

Figure 6 – Pitt Street North Concept SSD DA – Envelope – East Elevation



Source: SSD 8875 Concept Stamped Plans

Figure 7 – Pitt Street North Concept SSD DA – Envelope – West Elevation



Source: SSD 8875 Concept Stamped Plans

Response to SEARS

This report has been prepared in response to the following Condition of Consent for the State Significant Development Concept (SSD 8875) for the OSD summarised in Table 1:

Item	Description of Requirement	Section Reference (this report)
B24.	Future Development Application(s) shall include detailed description and analysis for either a commercial or a mixed-use concept (not both) and justifications that the selected option is based on careful consideration of the benefits and potential impacts.”	This report

Objectives of the Development

The primary objective of the proposal is to provide additional commercial floor space within the Sydney CBD that will leverage from the significant NSW Government investment into Sydney Metro and specifically the new Pitt Street North Metro Station. In achieving this objective, the proposal also seeks to achieve the following project objectives:

- Deliver a landmark architectural building commensurate with the objectives of Sydney Metro Pitt Street – to leave an enduring legacy with a commitment to enhance the place making for the surrounding precinct;
- Enhance the site and its context through the development of a building that has been endorsed as meeting Sydney Metro Design Excellence Evaluation Panel (DEEP) and Sydney Metro Design Review Panel (DRP) requirements;
- Comply with the building height control for the site and the height envelope set by the sun access plane for Hyde Park;
- Use materiality, detailing and colours that are sympathetic to the two adjacent heritage buildings and general context of the area;
- Being part of a fully integrated transport system;
- Design a podium which offers retail and commercial opportunities;
- Improve activation and amenity of Central Sydney CBD outside of typical business hours, notably contributing to an active and safe public domain on weekends and in evenings; and
- Integrate seamlessly with station and precinct design delivered under the CSSI Approval.

The Detailed SSD DA seeks development consent for:

- The design, construction, and operation of a new commercial tower with a maximum building height of RL 176.8m (39 levels) including ground and plant levels;
- A total of 55,743m² GFA, including station floor space;
- Private landscaped terraces on levels 10 and 11 to support the commercial OSD use;
- 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 lobby and amenities including end of trip facilities;
 - 40 car parking spaces within the podium relating to the OSD commercial use;
 - Loading and service access; and
 - Pedestrian entrances to the OSD from Pitt Street and Castlereagh Street.
- Provision and augmentation of utilities and services (including within basement level 1);
- Provision of signage zones; and
- Stratum subdivision (staged) between Metro station and OSD uses.

Proposed retail and commercial land uses

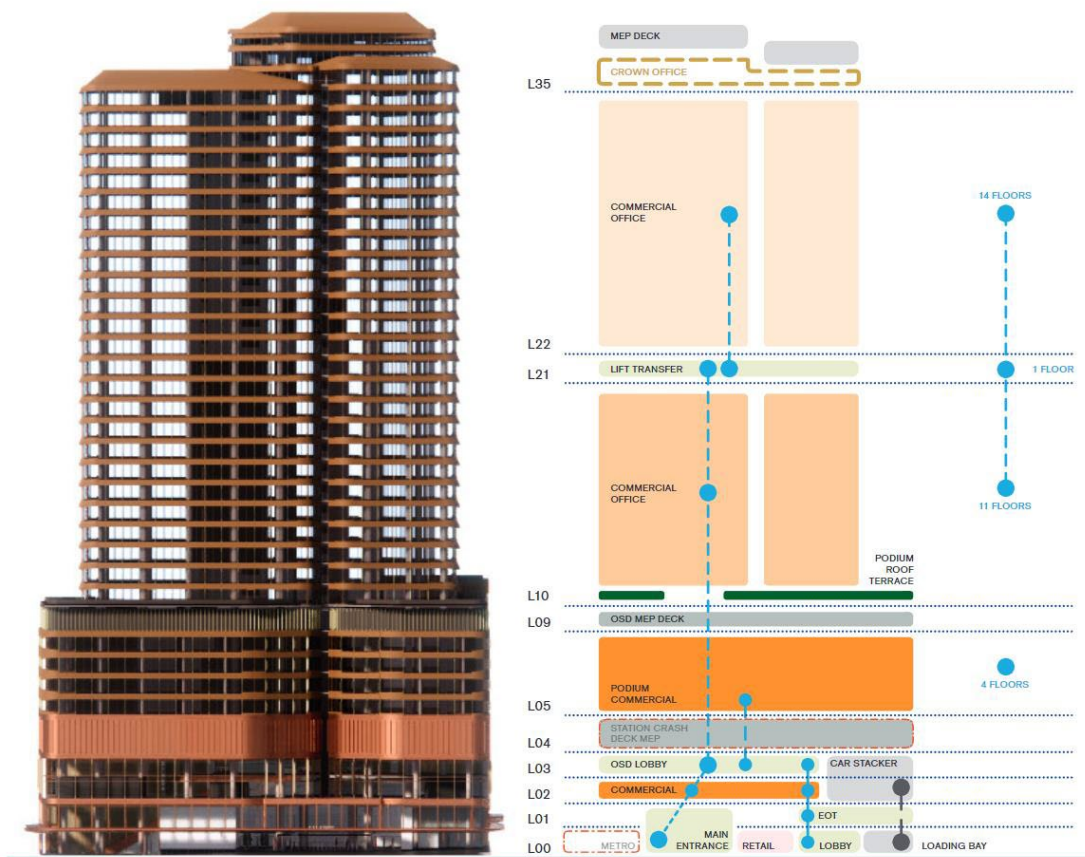
The Detailed SSD DA seeks approval for the use of the proposed OSD for a commercial tower including retail premises on the ground plane and a flexible retail / commercial space on Level 2.

The detailed design of the OSD building envelope yields a total GFA of 55,743m² (including station floor space) that specifically relates to the commercial uses within the podium and tower as illustrated in Figure 8 below. The design and configuration of the proposed use has been addressed with the Design Review Panel as part of the Design Excellence process.

The total GFA includes the primary use and design of the OSD commercial floor plates, use / fit-out of the OSD lobby space, OSD parking and loading, end-of-trip facilities, services facilities and retail tenancies (excluding fit-out).

The detailed design of the OSD building allows for the delivery of 54,651m² of commercial and retail premises across podium and tower floor plates. Figure 8 below broadly illustrates the land use allocation level by level.

Figure 8 – Pitt Street North Concept SSD DA – Retail and Commercial land uses



Source: Foster + Partners

Opportunities and benefits of the proposed land uses

Commercial opportunity and benefits

A new commercial office building above the Pitt Street Station (North) is considered an opportunity to enhance a strong commercial precinct within the Sydney CBD. The building will provide tenants and visitors easy access to the extensive amenity that the midtown has to offer, including retail, heritage listed buildings and parks, and a range of food and beverage options.

The detailed design of the OSD considered that a Premium Office tower was the best option in relation to Sydney Metro's objectives and criteria and summarised as follows:

- Better customer experience – uncluttered, intuitive, identifiable – through the rationalisation of building entry and service points, allowing clear articulation of building uses, and delivery of better public domain and street activation outcomes for the extensive street frontages of the site compared to separate use schemes;
- Highest value – assessed on the basis of investment and benefit to tenants or occupiers, retail, neighbours and visitors;
- Design excellence – clarity and quality of architectural and sustainable design;
- Only new significant office tower in mid-town, providing a vibrant workspace to positively influence the health, wellbeing and productivity of workers;
- Locally relevant and resonant with the existing commercial use of midtown, building on key commercial spaces of Citigroup and ANZ, and;
- Longevity of ownership (institutional owner) as compared to complex ownership structures in alternative uses (residential).

The proposed commercial use aligns with the City of Sydney's 10-year economic development strategy which recognises Sydney as a globally innovative city and premier place to work and live. The provision of high-quality, sustainably designed and operated commercial floor space assists in the City's goals of being globally competitive, and creating employment opportunities within the City.

Further consideration of the building form and massing considered that a dominant single-use provides a simpler and considered ground plane, providing:

- No compromise to the station entrance;
- The station entrance becoming the focus on the longest frontage;
- The tower entry along Pitt St address, complementing the ANZ and Citi towers;
- The loading dock and car park entry being retained on Castlereagh, providing separation from station and tower entries, and;
- Activation on the Park Street corners providing additional place making benefits.

Retail Opportunity

The surrounding neighbourhood to the proposed OSD has a well-established retail precinct and everyday needs and services are well catered for in the immediate one block vicinity.

The building will be surrounded by an established retail hierarchy and within one block from Westfield,

QVB and Galleries respectively. The detailed design provides a measured amount of retail space as to not compete, but rather embrace the successful retail precincts. The proposed focuses on providing the potential for great food and dining options to match the expectations of a premium building tenant and office worker population. The opportunity serves to capture other like-minded office workers in the immediate precinct that are not well catered for in terms of quality meeting places, great coffee and breakfasts, corporate dining, wine bars and some quick service food.

The provision of retail offerings at both corners of the Park Street frontage provides for enhanced placemaking of the Pitt Street station, consistent with Sydney Metro's objectives, and improves the amenity for building occupants, Sydney Metro customers and the public.

Commercial office lobbies, although not private often deter outside visitors from using their facilities. The detailed design of the OSD intend for the Level 2 retail space be genuinely accessible for workers and visitors and the broader community – providing a generous space with quality food and beverage offers.

The retail strategy allows for a layering of future food and dining concepts, ensuring a range of price-points, different food styles, places to meet and entertain and places to bring clients and friends. The proposal seeks to capture most tenant needs from a variety of quick and high-quality single origin offerings.

Potential impacts of proposed land uses

The assessment of proposed land uses considered potential impacts from the proposed use.

The table below outlines the impacts which were considered as part of this assessment. Recommendations to help manage and improve the potential impacts have been addressed within the detailed design.

Potential impacts	Potentially impacted communities	Assessment
Improved activation and amenity of Park, Pitt and Castlereagh Streets	Existing CBD community Nearby residents	<p>The proposal includes retail tenancies at the ground floor level fronting Park, Pitt and Castlereagh Streets. The design enhances pedestrian activation and movement within the public domain.</p> <p>The public plaza proposed fronting Park Street with the inclusion of retail tenancies will aid the movement of people walking along Park Street.</p>
Potential noise impacts from terraces on Level 10 and 11	Existing CBD community Residents in nearby residential developments	<p>The proposal includes two balcony terraces at levels 10 and 11 associated with the office uses.</p> <p>The proposal includes planters and balustrades at the balcony edges, large setbacks and is able to comply with relevant codes and criteria through acoustic treatments. It is also noted that the proposal is located in a CBD environment which is a noisy environment. It is likely the potential noise impacts can be mitigated adequately and will have a low impact on the community.</p>
Access to high quality commercial and retail uses	Existing CBD community	The proposal will contribute to the commercial core of Sydney CBD by providing a new premium office space in the precinct. The proposal will also provide additional retail premises at the ground floor level, contributing to the Sydney CBD retail sector.
Traffic and parking demand	Nearby residents Local businesses	<p>The proposal includes a total of 40 parking bays for commercial tenants and seven service vehicle bays. In addition, 200 bike parking spaces are proposed to service the commercial tenants.</p> <p>The proposal is estimated to generate vehicle trips below the previous land use. The traffic and carparking demand generated by the proposal is therefore likely to have a neutral impact on the community.</p>
Disruption during construction	Local businesses Nearby residents	<p>During construction of the building there will be some noise impacts and disruption to pedestrian and car movements around the site.</p> <p>A Preliminary Construction Management Plan has been prepared by CPB Contractors. This includes measures to mitigate potential impacts on the surrounding community including traffic and pedestrian management and stakeholder management. With the management measures provided in the Preliminary Construction Management Plan and the preparation of a specialist Construction Traffic Management Consultant, construction of the building is likely to have a low impact on the community.</p>

Justification for proposed land use

This proposal capitalises on the introduction of Sydney Metro by providing for a commercial tower integrated with the future Pitt Street North Station. retail uses in this location will strengthen Central Sydney's role as nurturing quality lifestyles through well-designed office spaces close to transport and other infrastructure and will align with a key action in the Eastern City District Plan (2018) by maximising the land use opportunities provided by the new Pitt Street Station.

The Detailed SSD DA proposal also responds to the need to provide additional employment capacity and sustainable development, renewal and design. As detailed in Sustainable Sydney 2030 (2019), the City of Sydney Council is seeking to make the City 'more green, global and connected'. The Sydney Metro Pitt Street North OSD project will deliver sustainable transport options whilst contributing to the supply of commercial office floor space and employment.

The Detailed SSD DA proposal responds to the City of Sydney's strategic aims for the CBD, showcasing Sydney as a globally innovative city and premier place to work and live. The objectives of the B8 Metropolitan Centre zone of the SLEP 2012 include to recognise and provide for the pre-eminent role of business, office, retail, entertainment and tourist premises in Australia's participation in the global economy. The zone also has as an objective to provide opportunities for an intensity of land uses commensurate with Sydney's global status. The proposed OSD supports the objectives of the SLEP for the B8 zone through provision of high quality commercial floor plates and A+ grade office space which will attract global businesses. The proposal provides a wide range of retail uses and commercial office floor space in a highly accessible location to optimise public transport patronage. It also adheres to the strategic vision for the site and surrounds, aligning with various strategic documents such as Sustainable Sydney 2030 and the Sydney Metro Planning Study (2016).

The Detailed SSD DA proposal provides a smaller building massing (than multiple use) and is compatible with and less prominent in height and volume to surrounding developments, including the ANZ and Citibank buildings. The proposal provides for diversity in use between the Pitt Street North and Pitt Street South OSD proposals (Pitt Street South OSD proposes residential use).

The Detailed SSD DA proposed use is consistent with the commercial concept proposal approved in the Stage 1 SSD DA process.

Conclusion

This report confirms that the proposed use of the land to provide Commercial floor space, and complementary retail spaces is an appropriate response to the local conditions and opportunities of the Sydney CBD. The project is consistent with the objectives of both the City of Sydney and Metro for the development. The proposal is consistent with the commercial concept proposal approved in the Stage 1 SSD DA process.

The project shall provide employment opportunities in excess of the previous use, and shall provide for an increase in amenity to building occupants, visitors and the public.