

14 November 2014

NSW Planning Assessment Commission Determination Report

ROYAL RANDWICK RACECOURSE HOTEL Draft Randwick Local Environmental Plan 2012 (Amendment No 1) and State Significant Development Application (SSD 5002-2011)

1. INTRODUCTION

The Australian Turf Club (the Applicant) has submitted a State Significant Development (SSD) application seeking consent to construct and operate an 8 storey hotel building accommodating 170 serviced apartments, associated amenities, conference and meeting room facilities, a new trackside bar and basement parking within the 79 hectare Royal Randwick Racecourse (RRR). The Applicant holds a 99-year lease on the RRR, which is Crown Land, for the purpose of conducting racing and associated activities.

Under the Randwick Local Environmental Plan 2012 (RLEP 2012) the RRR land is zoned RE1 Public Recreation where proposed *'tourist and visitor accommodation'* (including *'hotel or motel accommodation'* and *'serviced apartments'*), as well as *'function centre'* facilities, are prohibited uses. Accordingly, this SSD application was considered concurrently with a Planning Proposal to amend RLEP 2012 to allow the proposed additional uses on the site.

The site for the proposed hotel development is located within the Spectator Precinct of the RRR as identified in the Randwick Development Control Plan 2013, and has a primary road frontage to Alison Road. The RRR is identified as a heritage conservation area in the RLEP 2012. The Conservation Management Plan for the RRR identifies the Turnstile building wall and gate on Alison Road as well as a number of Port Jackson Figs on the subject site as having high local heritage significance. No part of the RRR site is listed on the State Heritage Register.

2. BACKGROUND TO THE PROJECT ASSESSMENT

Planning Proposal

The purpose of the planning proposal is to amend Schedule 1 of RLEP 2012 to allow additional permitted uses for the development of *'hotel and motel accommodation'*, *'serviced apartments'* and *'function centre'* facilities on the subject site. The amendment is a pre-requisite for the SSD Application for the proposed serviced apartments and associated guest facilities.

The planning proposal was exhibited by the Department of Planning and Environment (the Department) concurrently with the Environmental Impact Statement (EIS) for the SSD from 1 to 31 August 2012. Six (6) submissions were received, three from public authorities and three from the general public. Randwick City Council supports the proposed development uses being added to Schedule 1 of the RLEP 2012. Council requested that the additional permitted uses be confined to a single building. The Department of Trade and Investment (Crown Lands) and the NSW Heritage Council advised that they raise no objection to the proposal.

State Significant Development Application

The proposal has been classified as a State Significant Development because the Royal Randwick Racecourse is one of the identified sites in Schedule 2 of the *State Environmental Planning Policy (State and Regional Development) 2011* and the project has a Capital Investment Value in excess of \$10 million.

The EIS for the SSD application was exhibited from 1 to 31 August 2012 by the Department. Ten (10) submissions were received from the general public and special interest groups in response to the exhibition (nine objections and one in support), as well as six submissions from public authorities including Randwick City Council, Roads and Maritime Services (RMS)/Transport for NSW (TfNSW), NSW Heritage Council, Sydney Buses, Sydney Water and NSW Police.

The key issues identified in submissions, as well as by the Department in its assessment, related to built form, urban design, traffic and car parking, heritage impact, operations management and signage. The Applicant submitted a revised design in November 2012. To assist in its assessment of the amended design, the Department appointed GM Urban Design and Architecture (GMU) to undertake an independent urban design review. The Department, GMU and the Applicant participated in a number of discussions and design workshops regarding the proposal.

In response to matters raised in submissions, by the Department and by GMU, the Applicant revised the proposal and lodged a Response to Submissions (RtS) including an updated building design, on 16 June 2014.

3. DELEGATION TO THE COMMISSION

On 14 October 2014, the State Significant Development application (SSD 5002-2011) was referred to the Planning Assessment Commission (the Commission) for determination under Ministerial delegation under section 89E(6) of the Act. A reportable political donation has in addition been disclosed by the Applicant.

On 4 November 2014, Draft RLEP 2012 (Amendment 1) concerned with the carrying out of the proposed development that would otherwise be wholly prohibited, was referred to the Commission.

The Commission is the Minister's delegate for the making of the RLEP 2012 amendment in accordance with the Minister's Instrument of Delegation dated 14 September 2011, being circumstances where section 89E(6)(a) of the *Environmental Planning and Assessment Act 1979* (the Act), applies.

In accordance with section 89E(6) of the Act, both the planning proposal and the SSD application were considered and determined by the PAC concurrently.

4. SITE VISIT

The Commission members visited the site and surrounding area on 28 October 2014.

5. DEPARTMENT'S PLANNING PROPOSAL REPORT

A Gateway Determination issued by the Department on 18 July 2012 required the following matters to be addressed in the planning proposal prior to public exhibition: heritage, traffic and access, visual impact and stormwater management.

Following the public exhibition in August 2012, the Department assessed the planning proposal and considered it to be consistent with the conditions of the Gateway determination.

The Department's assessment found that the planning proposal is also consistent with the draft Metropolitan Strategy for Sydney 2031, the draft East Subregional Strategy, RLEP 2012 and the Randwick City Plan 2011, which encapsulates Council's local planning and policy strategy. The proposal was also consistent with applicable State Environmental Planning Policies and Ministerial Directions under S.117 of the Act. The report concluded that *'the hotel development is part of a longer term plan to safeguard the economic sustainability of the Racecourse as a major community facility'*.

In response to Agency submissions the number of additional permitted uses and the area where they would be permissible were reduced compared to the original proposal. Also, the additional permitted uses were proposed to be confined to a single building with associated curtilage development. This has been reflected in the recommended wording of the draft RLEP 2012 Amendment No 1. This requirement does not restrict separate buildings on the subject site for land uses that are already permissible under the prescribed zoning in the RLEP2012.

The Department recommended that the RLEP 2012 (Amendment No.1) should be made as drafted.

6. SECRETARY'S SSD ENVIRONMENTAL ASSESSMENT REPORT

6.1 Key issues

The Secretary's Environmental Assessment Report (under Section 89H of the Act (September 2014)) summarised the RtS as seeking approval for:

- Demolition of existing structures (amenities block, two stewards towers and part of the existing boundary fence);
- Construction of an 8 storey building providing 170 serviced apartments;
- Construction of a new trackside bar/café/restaurant with external terrace;
- Conference and meeting room facilities;
- Outdoor swimming pool and terrace;
- Basement parking for 50 cars;
- Associated infrastructure works;
- Landscaping, including removal/relocation of two existing trees ;
- Conservation works on the former Turnstile building wall and heritage gate; and
- Erection of 7 signs.

The report identified the following key issues:

- Built form and urban design;
- Vehicular access, traffic and car parking;
- Impacts of operation of a hotel on surrounding development;
- Heritage; and
- Signage.

The report supported the project need and justification and concluded that the project reinforces the objectives of the NSW 2012 State Plan, Draft Metropolitan Strategy and Draft East Subregional Strategy.

The Secretary's report recommends approval of the proposal (as amended by the RtS) subject to conditions.

7. MEETINGS

7.1 Randwick City Council

The Commission met with Council officers on 28 October 2014 to discuss the findings and recommendations of the Secretary's Environmental Assessment Report. Officers acknowledged improvements to the final design from the original, including greater setback from Alison Road, improved activation along that street frontage, and inclusion of a vista to the racecourse from the public domain. Other points raised by Council included:

- Some of the draft conditions of consent, specifically recommended condition B2, were in their view ambiguous;
- A desire for what they considered to be an overly flat façade on Alison Road to be further articulated by the inclusion of more vertical elements;
- A preference for the setback from Alison Road to be further increased (acknowledging the limitations of the site given the alignment of the existing racecourse);
- A preference for the Parking Management Plan to be submitted prior to issuing of the Construction Certificate (CC) rather than prior to issuing an Occupation Certificate (as proposed in recommended condition E4). They noted that the Plan should address among other matters:
 - Event management, including triggers for the use of overflow parking;
 - Signage for patrons;
 - Heavy vehicle access routes, to be resolved in consultation with the RMS.
- A view that insufficient detail had been provided on the potential for the relocation of the L45 Fig tree;
- A desire to see local precedents regarding parking rather than only reference to USA survey data on parking for similar facilities.

Further correspondence was received from the Council on 10 November 2014. The correspondence was primarily in relation to parking management and heavy vehicle access.

7.2 Applicant

The Commission met with the Applicant and its consultants on 28 October 2014 to discuss the findings and recommendations of the Secretary's Environmental Assessment Report. The Applicant's consultants acknowledged improvements to the final design as a consequence of discussions and workshops with the Department to address issues raised in submissions and by GMU. The following changes, in particular were considered to be beneficial:

- greater setback from Alison Road;
- sculptural modulation of the east and west building ends;
- retention and reinterpretation of the heritage Turnstile building wall and gate;
- greater activation of the Alison Road frontage;
- inclusion of a vista to the racecourse from the public domain;
- contextual relevance of the façade design on Alison Road.

Other points raised by the Applicant included:

- While the design has been improved through the Department led discussions, further change has the potential to detract from the building design. The façade now both enhances the quality of the building and responds to the urban and landscape setting. The building is intended to read as a slim, elegant form along the Alison Street frontage. Adding vertical elements or further articulation is likely to increase the perception of scale and bulk of the

building. Greater setback from Alison Road is not possible given the configuration of the existing racecourse. The Department's proposed condition B2 is considered to have been largely addressed and would be hard to interpret further in a way that remains constructive and that would not dilute the architectural intent;

- Colours and patterning of the façade are sophisticated in their design and intended to complement the parkland setting, highly urban Alison Road streetscape, and racecourse context. The façade motif draws on the traditional use and context of the RRR site;
- Activation of the Alison Road frontage has been addressed by the inclusion of outdoor café seating areas on the Alison Road terrace, and the increased visibility of the kitchen area. The elevated level of the terraces above Alison Road are largely determined by the topography of the site, the alignment of the road and pedestrian walkways, and by the basement and hotel car access configuration. The elevated position has the potential to increase surveillance and engagement with the street.
- The parking rate was the strong recommendation of the serviced apartment's operator (Toga), based on their experience of similar developments elsewhere.
- Condition B4 should ensure flexibility in addressing the potential logistics and significant challenges associated with the L45 tree relocation. The viability of such a relocation, and the costs in relation to such action will not be fully evident until a detailed arborist's investigation has been undertaken.
- The free standing sign on the Alison Road frontage is required as proposed for advertisement of the calendar of racecourse events. The size of the sign is considered to be in proportion with the setting.

Further correspondence from the Applicant was received on 6 November 2014. This correspondence addressed primarily certification requirements of the draft conditions.

7.3 The Department

On 10 November 2014 the Commission met with Department officers regarding the planning proposal and SSD application in relation to feedback received from Council and the Applicant. The following matters were discussed in detail: built form and façade design; freestanding signage; relocation of the L45 Fig tree; access and parking requirements; groundwater discharge; complaints management and certification requirements.

8. COMMISSION'S CONSIDERATION

Having considered the material provided, the Commission supports the recommendations of the Department's planning proposal report and proposed amendment to the RLEP 2012 No.1 to permit additional uses as described therein as the Commission considers the proposal to be in the public interest and to the benefit of the local economy.

Having considered the information available to it, the Commission identified the following key issues in relation to the SSD application:

- o Built form and urban design;
- o Landscaping;
- o Traffic, access and parking;
- o Signage; and
- o Impacts of the operation of a hotel on surrounding development.

8.1 Built form and urban design

The Commission notes improvements to the architecture and urban design as a result of the collaborative process led by the Department to date. It considers that subclauses a) and c) of recommended condition B2 have already been adequately addressed, and taking into account the

comments of both Council and the Applicant, considers that further design modification could be counterproductive. Subclauses a) and c) of draft condition B2 are accordingly deleted. The remaining subclauses have been edited to clarify that confirmation of proposed changes is required rather than further design iteration.

8.2 Landscaping

The Commission acknowledges the importance of heritage tree L45 and considers that adequate provision has been made for its future in recommended condition B4. Minor edits have been made to conditions regarding landscaping for clarity.

8.3 Traffic, access and parking

Following Council's input, the Commission has modified draft condition E5 to ensure that direct access to the racecourse for large truck combinations associated with major events can still be provided without compromising safety or traffic flow on roads and streets (especially residential streets) alongside the racecourse. Other traffic, access and parking matters as raised by Council are considered to have already been adequately addressed.

8.4 Signage

The free standing advertisement sign at the site entry (Signage Plan 3, A-9002, interchangeable printed signage fabric on demountable aluminium framed structure) is approved as originally proposed. The Commission considers the size of the sign to be reasonable in the Alison Road streetscape on the racecourse side, where large structures dominate. The Commission however supports the Department's recommendation that the sign be for information regarding the RRR events only and not for third party advertising and has retained that requirement in condition F7.

8.5 Impact of the operation of a hotel on surrounding development

The Commission has modified draft condition G4 (now F4 due to a numbering error in the draft instrument) to more strongly specify the Applicant's obligations regarding the recording and resolution of complaints considering existing residential uses further south along Alison Road.

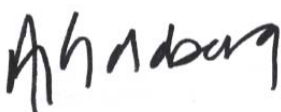
The Commission notes the Applicant's concerns regarding certification requirements, and Council's concerns regarding groundwater, and considers these to have been appropriately addressed.

9. COMMISSION'S DETERMINATION

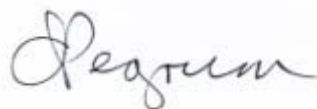
The Commission has carefully considered the relevant information in relation to the planning proposal and approves Amendment No.1 of the RLEP 2012.

The SSD application is also approved subject to conditions as modified by the Commission to address built form and urban design; traffic, access and parking; signage; and the impacts of the operation of the hotel on surrounding development.

The Commission encourages the Applicant to now move to prepare an updated Masterplan to comprehensively guide future development for the whole of the RRR site in an integrated way.



Abigail Goldberg (Chair)
Member of the Commission



Annabelle Pegrum
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