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Cameron Sargent
Acting Manager, Key Sites
NSW Planning and Environment
22-33 Bridge Street
SYDNEY NSW 2000

Attention: Simon Truong, Senior Planner
simon.truong@planning.nsw.gov.au

Dear Simon,

RE: SSD 6751 – Sandstone Precinct Stage 1 State Significant Development

I refer to Planning & Infrastructure's recent exhibition of an Environmental Impact Statement (EIS) for a Stage 1 SSDA seeking concept approval for the adaptive re-use of the former Lands Building and former Education Building for tourist and visitor accommodation. The Stage 1 SSDA seeks to establish the proposed land use and building envelopes for extensions to the buildings, both external and subterranean.

This submission comprises the City of Sydney's (the City's) comments on the approvals process, subterranean development and extended building envelope associated with the SSDA.

The City is supportive of the overall concept for the Sandstone Precinct. In particular, the proposed hotel use is supported, as is the approach to limit an extension of the buildings to the existing extent of structures above the Education Building. It is also welcoming to see that no bridge connection has been incorporated into the concept, and would otherwise be discouraged by the Sydney Development Control Plan 2012 and urban design and heritage considerations.

However, the following key issues require resolution:

- (i) Make a clear distinction between the SSDA component, comprising the adaptive re-use of the buildings owned by Government Properties, and the non-SSDA component, comprising the potential subterranean use below the streets and plaza under the care and control of the City. These components have their separate planning and approvals processes and should be aligned at the Stage 2 DA phase;
- (ii) Furthering discussions with the Director of City Planning and Director of Property regarding the subterranean use;
- (iii) Rationalise the proposed building envelope of the Education Building additions, subject to Heritage Council advice; and

- (iv) Approach the roof of the Education Building as a fifth architectural elevation of the building to ensure appropriate architectural response to the highly visible nature of the new roof.

The following issues are raised for the Agency's and Applicant's consideration. At the application is a Stage 1 SSDA, the City does not have recommended conditions other than that listed under "Built Form" below.

Approvals Process

The City contends that the subterranean concept beneath the public domain of Loftus Street, Gresham Street and Farrer Place is not part of the SSDA as the boundary of the state significance resides in the property boundaries of the Lands Building and Education Building.

It was seen as an anomaly that the development was declared to be state significant development when other prominent hotel proposals have been approached as generic DAs determined by the Central Sydney Planning Committee. The inadvertent trigger comes from the changed schedule in the SSD SEPP.

To re-unite the approvals process, the City requests that the Minister delegate the assessment of the Stage 2 DA to the City of Sydney, and accordingly determination to the Central Sydney Planning Committee. There are precedents for this; the City can deal with the development application and any subterranean use concurrently.

Prior to lodgement, the Stage 2 detailed design should be subject to a competitive design process to ensure design excellence is achieved.

Subterranean Use

The City has held initial, high level, discussions with the Applicant regarding the potential development of the subterranean space. At a level of generality, a subterranean connection between the buildings could be supported and the concept of back-of-house and access activities occurring below the public domain may have merit depending on the detail in terms of reducing the heritage impacts associated with disturbing the existing fine architectural facades.

The Applicant's intentions to achieve conceptual approval for the subterranean space are noted. Section 6.6 of the EIS states:

"The concept proposal includes the potential for subterranean linkages between the two buildings (most likely underneath Loftus Street) for the provision of hotel and associated ancillary services and support infrastructure, including but not limited to such (sic) as back of house facilities, loading, access and car parking. At this stage there is no degree of certainty as to whether the proposed subterranean works are required by future long term leaseholders of the site.

Accordingly, the Stage 2 development application will clarify whether or not any works are proposed within the subterranean envelope the subject of this Stage 1 development application.

Ultimately, any future development beneath the road reserves will be subject to separate agreement with the City of Sydney as the relevant roads authority and landholder. This arrangement will be explored during the Stage 2 DA phase when there is more certainty regarding the

extent, if any, of subterranean works proposed within the subterranean envelope.

It is evident that the Stage 1 consent cannot provide any entitlement for the subterranean space. Accordingly, the current application will need to be assessed on the basis that the subterranean space outside the SSD area is not included.

As required by statute, a resolution of Council would be necessary for any lease or stratum entitlement below the road reserves. A resolution would only be possible following negotiation of the proposed intentions, including details of:

- (a) extent of works;
- (b) structural assessment;
- (c) service and infrastructure relocation/augmentation;
- (d) lease terms; and
- (e) construction methodology.

The City's Properties Unit advises that the City has the ability to enter into 99-year leases for uses below road reserves, subject to Council resolution. A working group should be established in relation to the subterranean concept including the Director of City Planning, Development & Transport, the City's Public Domain Unit and Planning Assessments Unit.

Council staff will meet with the successful tenderer regarding their intentions prior to lodgement of any Stage 2 DA.

Currently there is an Ausgrid electrical substation space below Farrer Place which is to be enlarged.

Vehicular access to the subterranean space should be coordinated with the public domain. The Council would not support a 1990s style access ramp carved into the footpath like the Piccadilly Centre car park entry or the MLC Centre car park entry.

Built Form

The roof of the proposed Education Building extension must be approached as a fifth elevation to the building and have a high architectural quality accordingly. The high visibility of the roof from surrounding buildings dictates that the design be flush, integrated with rooftop services and plant with no protrusions. Outdoor dining is encouraged.

The City recommends a condition requiring resolution of the roof level as follows:

"The roof plane of the Education Building shall be of high architectural quality. Plant and services must be recessed into the finished roof level".

The proposed building envelope of the additions to the Education Building is too loose at this stage and should have greater definition. The building envelope is too large at the south, east and west and should be setback from the existing building footprint a further 2m to appear less prominent.

As the buildings are listed on the State Heritage Register, the NSW Heritage Office will ultimately have an approvals role and a high degree of oversight on what an acceptable extension may be.

Although the DA has been lodged on the basis of the envelope being defined at Stage 2 phase, the City requests that the building envelope be better defined at this stage to provide greater certainty for the Stage 2 DA.

Farrer Place Substation

The City has had preliminary discussions with Ausgrid regarding the existing decommissioned substation below Farrer Place. Ausgrid has intentions to recommission and expand the substation including new external ventilation shafts within the plaza.

Any future development in the subterranean space below Farrer Place should be integrated with a substation. The City recommends the Applicant hold further discussions with Ausgrid's Large Installations and Major Projects Unit.

Traffic and Transport

The City supports the provision of minimal car parking on site. Although the application does not detail the number of car parking spaces that could be provided at Stage 2, the EIS states that no car parking may be provided. This would be supported. However, the design of any kerb-side drop off space must be integrated with long term transport planning in the northern end of the CBD for the post-light rail and bus relocation scenario. The Applicant will need to address pick-up / drop-off of hotel guests by taxis and tourist coaches and how this will be managed.

Appropriate and adequate bike parking facilities should be provided for employees and hotel guests at the Stage 2 phase.

Public Domain

The scale of the redevelopment will be required to review and upgrade where necessary the public domain, including street lighting, on all frontages of the two buildings. This must be documented at the Stage 2 DA phase in line with the requirements of the City's Public Domain Manual. The Stage 2 DA should identify specific protection and interpretation works to the existing moat around the Lands Building.

Should you wish to speak with a Council officer about the above, please contact Russell Hand, Senior Planner, on 9265 9333 or at rhand@cityofsydney.nsw.gov.au.

Yours sincerely,



Graham Jahn
Director

City Planning | Development | Transport