

## **ASSESSMENT REPORT**

### IMAX DARLING HARBOUR SSD 7388 MOD 3

#### 1. INTRODUCTION

This report is an assessment of an application seeking to modify the State significant development (SSD) approval (SSD 7388) for a mixed-use development comprising hotel, retail and entertainment uses at Darling Harbour in the Sydney local government area (LGA).

The request has been lodged by Grocon (Darling Harbour) (the Applicant) pursuant to section 96(2) of the *Environmental Planning and Assessment Act 1979* (EP&A Act). It seeks approval for internal and external amendments to the building, additional gross floor area (GFA), reduction of the eastern footpath width and changes to the number and location of bicycle parking spaces.

#### 2. SUBJECT SITE

The site is located at the southern end of Darling Harbour and is situated between the two elevated east-west roadways of the Western Distributor. The site adjoins the Darling Harbour public domain to the north and west and Darling Quarter public domain to the south, and fronts Harbour Street and Wheat Street to the east (refer to **Figures 1** and **2**).

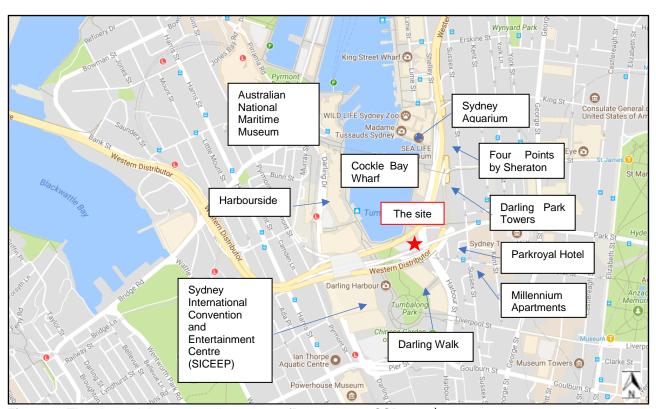


Figure 1: The site and the surrounding context (Base source: SSD 7388)



Figure 2: Aerial view of the site (outlined in red) and its surroundings (Base source: Nearmap)

The site was previously occupied by the IMAX theatre building, a tourist information centre and public amenities. These buildings have now been demolished. The site is owned by Property NSW and has a total area of 10,885 square metres (m<sup>2</sup>).

The surrounding area is characterised by the following development types and land uses:

- to the west, north and south are tourist/entertainment uses including the Sydney International Convention, Exhibition and Entertainment Precinct, Harbourside, Cockle Bay Wharf and Darling Walk/Quarter
- to the east is the Sydney Central Business District (the CBD), including the Parkroyal Hotel,
   Millennium Towers residential building and Darling Park commercial buildings.

### 3. APPROVAL HISTORY

On 16 June 2014, the Planning Assessment Commission (the Commission) approved an SSD application (SSD 5397) for a mixed-use office / commercial development comprising:

- demolition of the existing IMAX building, tourist office and amenities block
- construction of a new 20 storey building and separate 2 storey building
- office, retail and entertainment uses
- 86 car parking spaces within the podium levels of the 20 storey building and 332 bicycle spaces at ground level
- realignment of Wheat Road
- upgrade to the surrounding public domain including a new playground and relocation of heritage items
- installation of a City Screen and two signage zones on the 20 storey building.

On 28 June 2016, the Commission approved a revised SSD application (SSD 7388) for the site providing for a mixed-use hotel / retail development (the SSD Approval) comprising:

- demolition of the existing IMAX building, tourist office and amenities block
- construction of a new 25-storey building and separate 2-storey building

- hotel, serviced apartments, retail and entertainment uses
- 170 car parking spaces within the podium and 239 bicycle spaces at ground level
- · realignment of Wheat Road
- upgrade to the surrounding public domain including a new playground and relocation of heritage items
- installation of a City Screen and signage zones.

In approving the SSD Approval, the Commission imposed condition B3 and B56 (below), which require the eastern portion of the podium be amended to allow for the provision of a public footpath with a sufficient width and that pedestrian capacity analysis be undertaken:

### Design Changes

- B3 Prior to the issue of the Construction Certificate for Stage 2, amended plans and documentation are required to be submitted to the Secretary for approval, showing:
  - a footpath width of 4.5 meters where achievable and variable width, as indicated on drawing SK-0235-1, dated 28 June 2016, along the eastern frontage to the main building to provide adequate pedestrian circulation
  - b) deletion of the following signage zones from the plans:
    - seven advertisement signs for IMAX (CIN-01, CIN-02, CIN-03, CIN-04, CIN-05, CIN-06 and CIN-07)
    - two advertisement signs for tenants and sponsors (TEN-01 and TEN-02)
  - deletion of the proposed demolition of the existing Druitt Street steps and construction of escalators.

All revised design schemes shall be developed in consultation with SHFA.

#### Pedestrian Management

- B56 Prior to the issue of a Construction Certificate for Stage 2, a pedestrian capacity analysis shall be undertaken in consultation with SHFA and TfNSW and to be endorsed by TfNSW for:
  - (a) pedestrian movements during weekends and special events when pedestrian volumes are higher; and
  - (b) north-east of the current IMAX building where the available width for pedestrians is reduced. Analysis of this location should be undertaken to ensure sufficient width is maintained.

The Department is concurrently assessing the following separate modification applications relating to the site:

- SSD 7388 MOD 4, which seeks approval to extend the hours of construction
- SSD 7388 MOD 5, which seeks approval for internal amendments to increase the number of hotel rooms and decrease the number of serviced apartments.

The Applicant has submitted two previous modification applications (SSD 7388 MOD 1 and MOD 2) relating to the staging of conditions. However, both of these applications were withdrawn prior to determination.

The SSD Approval is shown at Figures 3 and 4.



Figure 3: View south from Pyrmont Bridge towards the approved building (Source: SSD 7388)

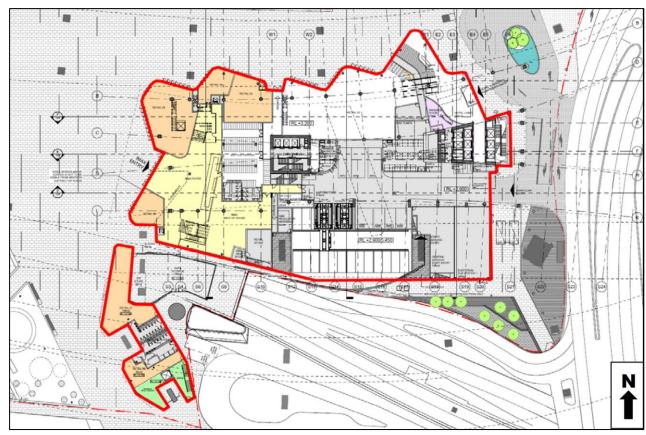


Figure 4: Approval ground floor and podium building footprint (outlined in red) (Source: SSD 7388)

### 4. PROPOSED MODIFICATION

On 20 June 2017, the Applicant lodged an application (SSD 7388 MOD 3) seeking approval to:

- amend the layout and design of the podium envelope including:
  - o amend the shape of the northern elevation of the podium from an undulating curved form
  - o expand the podium adjacent to the lift/stair cores further east by 1.18 metres (m)
  - o expand the podium adjacent to the cinema further to the west by 4.75 m
  - increase the height of the podium above the car-stacker and electrical substation by up to 2.35 m

- o other minor increases and decreases to the width of the podium
- minor amendments to the shape of the curved tower component of the building
- reduction of the width of the footpath along the eastern boundary
- incorporation of an awning over the north-eastern corner of podium
- deletion of Condition B3
- increase of 107 m<sup>2</sup> GFA (from 54,877 m<sup>2</sup> to 54,984 m<sup>2</sup>)
- reconfiguration of retail tenancies within the revised podium envelope
- amendments to bicycle parking including:
  - o reduction of 31 bicycle parking spaces (from 239 to 208 spaces)
  - relocation of 176 visitor bicycle parking spaces from within the building to the surrounding public domain
  - o reconfiguration of end of trip facilities (EoT).

The modification is requested for the following reasons:

- the amendments to the podium would better integrate the podium retail uses into the overall development and the use of the tower component for hotel / serviced apartment use
- the modified eastern footpath would continue to accommodate peak pedestrian movements
- the changes to the car stacker would enable larger Ausgrid vehicles to access the site
- the development is oversupplied with bicycle parking and a reduction is warranted
- publicly accessible bicycle parking is best located within the public domain for ease of access.

Key aspects of the modification are shown at Figures 5 to 9.

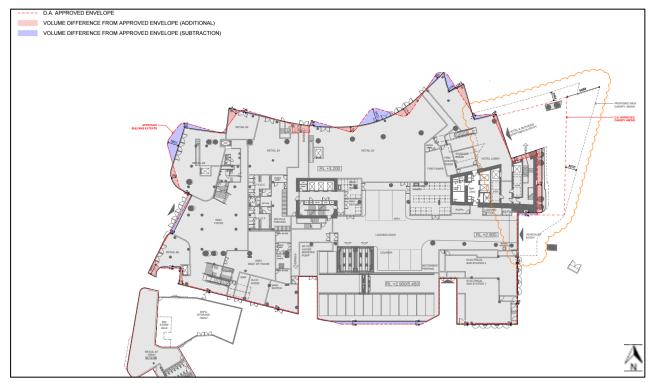


Figure 5: Proposed ground floor and podium building footprint (Source: modification application)

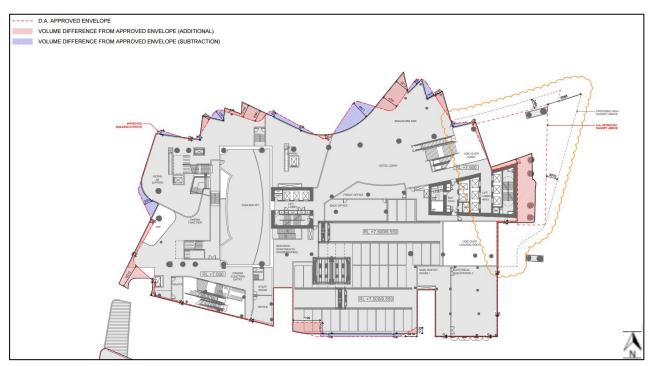


Figure 6: Proposed first floor (Source: modification application)

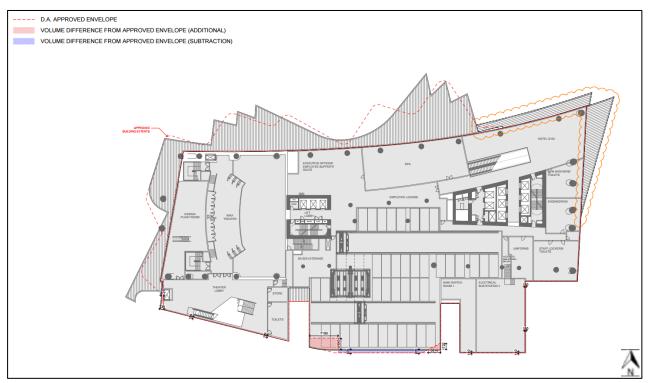


Figure 7: Proposed second floor (Source: modification application)



**Figure 8**: Proposed view towards the northern podium elevation beneath the Western Distributor (Source: modification application)

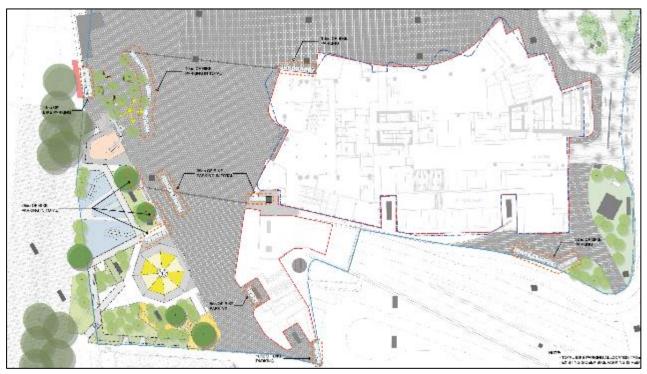


Figure 9: Proposed bicycle parking locations within the public domain (Source: Modification application)

### 5. STATUTORY CONSIDERATION

## 5.1 Modification of approval

Section 96(2) of the EP&A Act requires the consent authority to be satisfied that the matters listed in **Table 1** are addressed in respect of all applications that seek modification approvals.

Table 1: Section 96(2) matters for consideration

Secti	Section 96(2) matters for consideration						Comment
That	the	proposed	modification	is	of	minimal	Section 7 of this report provides an assessment of the
envir	environmental impact						impacts associated with the proposal. The Department is
							satisfied the environmental impacts of the proposed

	amendments to the podium of the building, amendments to the eastern footpath, minor increase in GFA and changes to bicycle parking have a minimal overall impact.	
That the development to which the consent as modified relates is substantially the same development as the development for which the consent was originally granted and before that consent as originally granted was modified (if at all).	The proposed modifications do not alter the nature of the development or its use. The modifications are considered to be acceptable and are minor in the context of the overall development. On this basis, the proposal would result in development that is substantially the same as the originally approved development.	
The application has been notified in accordance with the regulations	The modification application has been notified in accordance with the regulations. Details of the notification are provided in <b>Section 6</b> of this report.	
Any submission made concerning the proposed modification has been considered.	The Department received 7 submissions on the proposal. The issues raised in submissions have been considered in <b>Section 7</b> of this report.	

#### 5.2 Environmental Planning Instruments

The following EPIs are relevant to the application:

- State Environmental Planning Policy (State and Regional Development) 2011
- State Environmental Planning Policy (Infrastructure) 2007
- State Environmental Planning Policy No 55 Remediation of Land
- Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005
- Darling Harbour Development Plan No 1.

The Department undertook a comprehensive assessment of the redevelopment against the abovementioned EPIs in its original assessment. The Department has considered the above EPIs and is satisfied the modification is generally consistent with the EPIs.

#### 5.3 Approval Authority

The Minister for Planning is the approval authority for the application. However, the Executive Director, Key Sites and Industry Assessment may determine the application under delegation as:

- the relevant local council has not made an objection
- a political disclosure statement has not been made
- there are less than 25 public submissions in the nature of objections.

#### 6. CONSULTATION

#### 6.1 Consultation

The application was notified in accordance with the *Environmental Planning & Assessment Regulation 2000*. The modification request was made publicly available on the Department's website and referred to Sydney City Council (Council), Transport for NSW (TfNSW), Roads and Maritime Services (RMS), Heritage Council and Sydney Water. Letters were also sent to adjoining owners/occupiers. The Department also placed a public exhibition notice in the Sydney Morning Herald, Daily Telegraph and Central Courier.

**Council** did not object to the proposal and provided the following comments:

- the application should demonstrate how the modification maintains design excellence
- bicycle parking within the public domain should not create barriers or impede pedestrian movement and be located in accordance with Crime Prevention Through Environmental Design (CPTED) principles
- consideration should be given to enhancing sightlines through the public domain.

**TfNSW** did not object to the proposal and provided the following comments:

- the total number of bicycle parking spaces should not be reduced
- the Management and Operation Plan for the car stacker, loading dock, valet service and portecochere should be updated.

**RMS** did not object to the proposal provided:

- proposed buildings are erected clear of the Western Distributor and Cross City Tunnel
- access to RMS assets is not denied
- the integrity of RMS assets are not compromised.

**Sydney Water** did not object to the proposal and provided the following comments:

 the proposal does not comply with Sydney Water's guidance 'Building Over or Adjacent to Sydney Water's Stormwater Assets'. A feasibility report should be prepared providing options to divert Sydney Water's asset.

**Heritage Council** did not object to the proposal and stated the modification would not result in any additional impact on heritage values.

One public submission was received on the proposal, which objected to the provision of bicycle parking within the public domain.

### 6.2 Response to Submissions (RtS)

Following the notification of the modification application the Department placed copies of all submissions received on its website and requested the Applicant to provide a response to the issues raised in the submissions.

On 24 August 2017, the Applicant provided a RtS (**Appendix A**) containing further information and clarification of the key issues raised in public submissions and by the government authorities. The RtS did not include any amendments to the proposal.

The Department made the RtS publicly available on its website and referred it to relevant government authorities.

**Council** reviewed the RtS and confirmed it has no further comments on the proposal.

**TfNSW** reviewed the RtS and confirmed the revised width of the eastern pedestrian footpath is sufficient to accommodate predicted pedestrian movements. TfNSW confirmed it has no further comments on the proposal.

### 7. ASSESSMENT

The Department considers the key issues associated with the proposed modification are:

- footpath width along the eastern boundary
- amendments to the built form

All other issues are considered in Table 2 below.

#### 7.1. Amendments to built form

The modification seeks approval to increase and decrease the layout and shape of the podium and includes the following key amendments (**Figures 5** to **9**):

- amend the shape of the northern elevation of the podium from an undulating curved form
- expand the eastern portion of the podium by up to 1.18 m
- expand the western portion of the podium by up to 4.75 m
- increase the height of the podium above the car-stacker and electrical substation by up to 2.35 m
- incorporation of an awning on the north-eastern side of podium
- other minor increases and decreases to the width and height of the podium.

The modification also includes minor amendments to the shape of the curved tower component of the building above the podium and the Western Distributor.

The Applicant has provided an assessment of the modification against design excellence provisions of the Sydney Local Environmental Plan 2012 (SLEP). The assessment concludes the proposal would continue to meet the requirements.

The Department notes the podium is confined to the areas between and below the Western Distributor overpasses and therefore the proposed changes to the podium are not readily visible from middle and distant views to the site.

The Department considers the proposed changes to be minor in the context of the overall development and acceptable, as:

- the amendment of the northern elevation from an undulating curved shape would continue to provide an aesthetically pleasing architectural treatment and would also integrate appropriately with the overall shape of the tower component of the development.
- the increases and decreases in podium height would be largely screened by the Western Distributor, and are unlikely to be noticeable
- the proposed amendments to the tower component are minor in nature and would not have a noticeable impact on the overall design or appearance of the building
- the amendments would not adversely interrupt pedestrian sight-lines around the north-east and north-west corners of the podium
- the updated Accessibility Statement submitted with the application confirms the modified podium would continue to be accessible.

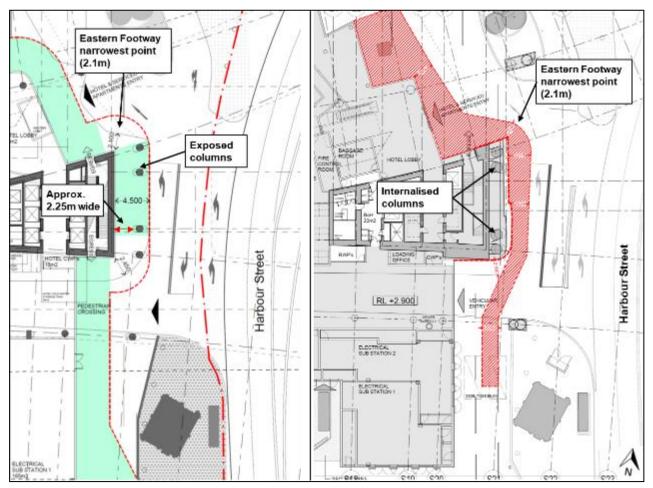
The Department notes the amendments would result in an increase of 107 m<sup>2</sup> GFA. The Department considers this increase to be minor in the context of the overall development and is therefore acceptable.

The Department therefore concludes the amendments to the podium are minor in nature and would not result in any adverse impacts. The Department recommends condition B26 is modified to refer to the updated Accessibility Statement.

## 7.2. Footpath width along the eastern boundary

The modification proposes to amend the approved width of the north-south footpath located along the eastern boundary of the site, adjacent to Harbour Street, from 4.5 m (required by Condition B3) to a minimum of 2.1 m. The modification includes the expansion of the podium eastward and the internalisation of previously exposed structural support columns within the building. This amendment results in the relocation of the eastern footpath to the outside eastern edge of the podium, which alters the route and the width of the footpath. A comparison between the approved variable footpath width plan and the modified footpath is provided at **Figure 10**.

In its assessment of the original application, the Department recommended the footpath located along the eastern boundary of the site should be 4.5 m where achievable. However, in determining the application, the Commission noted the physical constraints along the eastern boundary and amended Condition B3 to allow variable widths down to 2.1 m at its narrowest point.



**Figure 10:** The approved variable footpath width plan (left) and the modified footpath width (right) (Source: SSD 7388 and modification application)

To support the application, the Applicant submitted an Addendum Traffic and Pedestrian Impact Assessment (TPIA) which included an assessment of the pedestrian capacity of the footpath. The TPIA made the following predictions:

- the two-way pedestrian volumes along the eastern footpath peak at:
  - 2.25 pedestrians per minute during the PM peak hour
  - o 0.9 pedestrians per minute during the PM peak hour
- the modified eastern footpath is capable of accommodating approximately 45 pedestrian movements per minute at its narrowest point (**Figure 10**).

Based on the findings of the TPIA, the Proponent argues the reduced footpath width would comfortably accommodate pedestrians at this location.

The Department has carefully considered its previous assessment and is satisfied the additional evidence put forward by the Proponent warrants further consideration of the footpath width at this location.

The Department considers the revised footpath width is acceptable as:

- the TPIA confirms the modified footpath would continue to be capable of accommodating peak pedestrian movements
- the modified footpath would not be any narrower than the narrowest segment of the approved footpath (2.1 m)
- the eastern footpath is not a primary pedestrian route and due to its location and the constraints of surrounding road infrastructure it is unlikely to be a highly desirable route
- the removal of the structural columns from the footpath removes visual obstructions, and potential areas of concealment, which improves pedestrian sightlines and safety

- the TPIA includes a swept-path analysis confirming the amended footpath would not adversely affect the manoeuvrability of vehicles accessing the site, the turning circle of Harbour Street
- condition 56 requires ongoing management of pedestrian movements along the footpath in consultation with TfNSW and Property NSW (formerly SHFA) to ensure sufficient operational width of the footpath is maintained
- TfNSW has confirmed it is satisfied the footpath width is acceptable and Council raised no concerns.

The Department also notes the approved podium includes exposed structural columns located within the footpath. This would prevent the functional use of the full 4.5 m width of the footpath, effectively reducing its width to approximately 2.25 m.

Further, the Department considers the primary pedestrian routes to/from the IMAX building would be north-south along the main boulevard immediately to the west of the IMAX building and east-west via the elevated pedestrian bridge, which connects the CBD to Sussex Street. The Department does not consider the eastern footpath to be a primary pedestrian route. Pedestrians would be required to cross a 6-lane road, intersections and a loading dock entrance, reducing the desirability and use of this route.

The Department therefore considers the proposed revised footpath width is acceptable and recommends condition B3(a) be deleted.

#### 7.3. Other Issues

**Table 2**: Assessment of Other Issues

Issue	Consideration	Recommendation
Bicycle parking	<ul> <li>The proposal includes the following amendments to bicycle parking:         <ul> <li>reduction of 31 bicycle parking spaces (from 239 to 208 spaces) comprising 176 visitor and 32 staff spaces</li> <li>relocation of 176 visitor bicycle parking spaces from within the building to the surrounding public domain</li> <li>reconfiguration of end of trip facilities</li> </ul> </li> <li>The Department notes the reduction of 31 bicycle parking spaces, and associated changes to end of trip facilities, would comply with the Sydney Development Control Plan 2012 and therefore considers the changes are acceptable.</li> <li>Concern was raised in the public submission about bicycle parking reducing the usability of the public domain.</li> <li>The Department considers the proposed relocation of visitor bicycle parking to the public domain is acceptable in this instance as:</li></ul>	The Department has recommended condition B10 be modified to take account of the changes to bicycle parking.
Sydney Water assets	<ul> <li>Sydney Water raised concern about the proposed development not complying with its guidance on building over its stormwater infrastructure.</li> <li>In the Department's assessment of the SSD Approval, Condition B37 was included to require the Applicant to demonstrate the development will not interfere with the</li> </ul>	No additional conditions or amendments necessary.

Issue	Consideration	Recommendation
	<ul> <li>operation of and accessibility to Sydney Water's stormwater assets.</li> <li>The Department notes the modification does not increase the extent of the development being built over Sydney Water's asset.</li> <li>The Department is therefore satisfied, subject to condition B37, the impact on Sydney Water's assets can be appropriately managed.</li> </ul>	
RMS assets	<ul> <li>RMS advised the development should not have an adverse impact on its assets or their access (including the Western Distributor and Cross City Tunnel).</li> <li>The Applicant has confirmed RMS' requirement would be met by the modified proposal.</li> <li>The Department notes conditions B40 and B41 include requirements to protect RMS assets/infrastructure and allow for access/maintenance.</li> <li>The Department is satisfied, subject to conditions B40 and B41, the impact on RMS' assets can be managed.</li> </ul>	No additional conditions or amendments necessary.

#### Condition B3

- As part of its assessment of the original application, the Department imposed Condition B3.
- <u>Condition B3(b)</u>: requires deletion of the following signage zones from plans:
  - Seven advertising signs for IMAX (CIN-01, CIN01, CIN-03, CIN-04, CIN-06 and CIN-07)
  - Two advertisement signs for tenants and sponsors (TEN-01 and TEN-02).
- <u>Condition B3(c)</u>: requires deletion of the proposed demolition of the existing Druitt Street steps and construction of escalators.
- The Applicant has provided amended plans addressing these requirements and now seeks to delete Condition B3 from the approval as the conditions have now been satisfied.
- The amended plans show the advertisement signs deleted and the reference to the demolition of Druitt Street steps removed
- The Department considers the requirements of Condition B3
   (b) and (c) have been satisfied and can now be deleted.

The Department considers the proposed modification satisfies Condition B3 (b) and (c) the condition can be deleted.

#### 8. CONCLUSION

The Department has assessed the modification application and supporting information in accordance with the relevant requirements of the EP&A Act. The Department's assessment concludes the proposed modification is appropriate on the following basis:

- the modification to the built form of the building is minor in nature and the development would continue to achieve a high standard of design and appearance
- the modifications to the eastern footpath are acceptable and the footpath would continue to satisfactorily accommodate peak pedestrian movements
- the proposed amendments to bicycle parking is acceptable and would not have an adverse impact on the public domain
- the Department is satisfied existing conditions will adequately mitigate and manage impacts on Sydney Water's and RMS' assets.

Consequently, it is recommended the modification be approved subject to the recommended conditions.

#### 9. RECOMMENDATION

It is recommended that the Executive Director, Key Sites and Industry Assessments, as delegate for the Minister for Planning:

- consider the findings and recommendations of this report
- determine that the application falls within the scope of section 96(2) of the EP&A Act
- **approve** the IMAX Darling Harbour modification application (SSD 7388 MOD 3), subject to conditions
- **sign** the attached notice of modification (**Attachment A**).

Recommended by: Recommended by:

Natasha Harras Team Leader Modification Assessments Anthony Witherdin
Director
Modification Assessments

**DECISION** 

Approved by:

Anthea Sargeant
Executive Director
Key Sites and Industry Assessments

as delegate of the Minister for Planning.

## **APPENDIX A: NOTICE OF MODIFICATION**

A copy of the notice of modification can be found on the Department's website at:

http://majorprojects.planning.nsw.gov.au/index.pl?action=view\_job&job\_id=8572

# **APPENDIX B: SUPPORTING INFORMATION**

The following supporting documents and supporting information to this assessment report can be found on the Department of Planning and Environment's website as follows:

## 1. Modification request

http://majorprojects.planning.nsw.gov.au/index.pl?action=view\_job&job\_id=8572

### 2. Submissions

http://majorprojects.planning.nsw.gov.au/index.pl?action=view\_job&job\_id=8572

## 3. Response to Submissions

http://majorprojects.planning.nsw.gov.au/index.pl?action=view\_job&job\_id=8572