

2 December 2019

16009

Jim Betts  
Planning Secretary  
Department of Planning, Industry and Environment  
320 Pitt Street  
Sydney NSW 2000

Attention: Emily Dickson, Senior Planning Officer

Dear Emily,

**SSD 7484 – SECTION 4.55(1A) MODIFICATION 6  
23-33 & 35-39 BRIDGE STREET, SYDNEY – THE SANDSTONE PRECINCT**

This modification application is submitted to the Department of Planning, Industry and Environment (DPIE) pursuant to Section 4.55(1A) of the *Environmental Planning and Assessment Act 1979* (EP&A Act) to modify State Significant Development 7484 (SSD 7484) relating to adaptive reuse of the Sandstone Precinct for tourist and visitor accommodation at 23-33 & 35-39 Bridge Street, Sydney.

The proposed modification relates to the proposed deletion of Condition B27 which requires the preparation of a natural ventilation strategy for the development.

This modification application has been prepared by Ethos Urban on behalf of Pontiac Land (Australia) Pty Ltd, and is based on the Engineering Statement prepared by Wood & Grieve Engineers (see **Attachment A**). Design Review Panel Meeting Minutes and Advice from Meeting No.8 where environmental performance was discussed are at **Attachment B**.

It describes the proposed amendments to the development consent conditions and provides an assessment of the environmental impacts of the proposed change. It should be read in conjunction with the documentation that accompanied State Significant Development Application 7484.

## 1.0 Consent proposed to be modified

On 25 August 2015, a delegate of the Minister for Planning granted development consent (SSD 6751) to a Stage 1 Concept Proposal for adaptive reuse of the Lands Building and Education Building for tourist and visitor accommodation, and ancillary uses. One modification has been approved for the Stage 1 Concept Proposal, to amend the building envelopes.

The Stage 2 detailed development application (SSD 7484), the subject of this modification application, was approved on 24 April 2018 by DPIE and granted consent for the adaptive reuse of the Sandstone Precinct for tourist and visitor accommodation, for a maximum of 253 hotel rooms, and a maximum gross floor area of 31,633m<sup>2</sup>.

The SSD 7484 has been subject to five modifications to date, with four having been approved at this time. This modification is the sixth to the SSD 7484 consent and is submitted under Section 4.55(1A).

## 1.1 Background to the Modification

Since approval was granted Pontiac and the project team has been closely working together to test and understand the feasibility of implementing natural ventilation into a world class luxury hotel. With the changes being pursued through Mod 4 to the Lands building, the only potential opportunity to incorporate natural ventilation is within the Education building. The end outcome of the testing and exploration phase is that implementing natural ventilation to the proposed addition to the Education Building is not reasonable and accordingly this modification application is being progressed.

## 2.0 Site Analysis

The site is located at 23-33 Bridge Street and 35-39 Bridge Street, Sydney within the northern part of the Sydney Central Business District (CBD). It is situated within the vicinity of both the commercial and tourist precincts surrounding Circular Quay, which is located 250m to the north. The site is situated within the City of Sydney Local Government Area.

The site is known as the Sandstone Precinct in recognition of the heritage buildings that occupy the site. The site is rectangular in shape, approximately 6,182m<sup>2</sup> in area and comprises the Department of Lands Building (Lands Building), Department of Education Building (Education Building) and the subterranean space beneath Loftus Street.

The Lands and Education Buildings are owned by GPNSW and are legally described as Lot 1877 in DP 8770000 and Lot 56 in DP 729620 respectively. Loftus Street is classified as a local road and is under the ownership of City of Sydney Council.

## 3.0 Proposed modifications to the consent

The proposed modification to the development consent comprises the deletion of Condition B27.

### **~~B27 Environmental Performance~~**

**~~Prior to the issue of the first Construction Certificate 4 – Structure, the Applicant is to provide a natural ventilation strategy to the satisfaction of the Secretary, prepared in consultation with the Government Architect NSW. This strategy is to demonstrate that the spaces created by the roof extension to the Education Building will be comfortable for the intended use throughout the year, by exploring and implementing all reasonable opportunities to maximise the use of natural ventilation rather than mechanical ventilation and having regard to industry best practice.~~**

### **Reason:**

Upon coordination with the engineering and architectural teams, it is concluded that there are no practical avenues to employ meaningful natural ventilation strategies throughout the Education building. The team does not believe this is an appropriate design solution for the Education Building nor is in line with the building use expectations.

A range of sustainability initiatives are intended to be implemented in lieu of providing natural ventilation strategies to significantly improve the overall environmental performance and the ecological state of the Education Building.

## 4.0 Substantially the same development

Section 4.55(1A) of the EP&A Act states that a consent authority may modify a development consent if “*it is satisfied 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)*”.

With the above in mind, the development, as proposed to be modified, is substantially the same development as the development for which consent was originally granted as:

- the proposed modifications do not alter the key components of the approved development description;
- the proposed building envelope and configuration of the proposed building remains the same;
- there is no change to the overall building height, scale or bulk; and
- the environmental impacts of the modified development remain consistent with the approved development.

For these reasons, the DPIE can be satisfied that the modified proposal is substantially the same development for which consent was originally granted.

## 5.0 Environmental assessment

Section 4.55(1A) of the EP&A Act states that a consent authority may modify a development consent if “*it is satisfied that the proposed modification is of minimal environmental impact*”. Under section 4.55(3) the consent Authority must also take into consideration the relevant matters to the application referred to in section 4.15(1) of the EP&A Act and the reasons given by the consent authority for the grant of the original consent.

The following assessment considers the relevant matters under section 4.15(1) and demonstrates that the development, as proposed to be modified, will be of minimal environmental impact.

### 5.1 Statutory and Strategic Context

The Environmental Impact Statement submitted with the original State Significant Development application addressed the proposed development’s level of compliance against the relevant strategic plans, policies, guidelines and statutory planning instruments, including:

- *Environmental Planning and Assessment Act 1979*;
- *Environmental Planning and Assessment Regulation 2009*;
- State Environmental Planning Policy (State and Regional Development) 2011;
- State Environmental Planning Policy (Infrastructure) 2007;
- State Environmental Planning Policy 55 (Remediation of Land);
- Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005;
- A Plan for Growing Sydney;
- Sydney 2030 (City of Sydney);
- Development Near Rail Corridors and Busy Roads: Interim Guideline;
- Guide to Traffic Generating Developments;
- NSW Planning Guidelines for Walking and Cycling;
- NSW Long Term Master Plan;
- Sydney Local Environmental Plan 2012; and
- Sydney Development Control Plan 2012.

The proposed modifications do not affect the development's level of compliance with the majority of the relevant planning instruments and strategic documents.

## 5.2 Reasons given for granting consent

During the assessment of the Stage 2 SSD 7484, the DPIE considered a number of key issues including:

- Design quality;
- Traffic, parking and servicing;
- The Voluntary Planning Agreement;
- Construction impacts;
- Archaeology; and
- Heritage.

The DPIE was satisfied that these issues could be appropriately dealt with and considered that the impacts of these key items could be managed and mitigated accordingly. Furthermore, the adaptive re-use of the Sandstone Precinct buildings was considered to activate and add further vitality to the northern end of the CBD, with the project considered to sensitively respond to the heritage significance of the broader precinct. The DPIE concluded the proposal was in the public interest and recommended the application for approval.

The proposed modification will not have any additional environmental impact outside those previously assessed and approved.

## 5.3 Consistency with Stage 1 consent

The Stage 1 approval granted consent under the Stage 1 SSD 6751 establishes the vision and planning framework to assess the detailed design of the future development on the site.

The original Stage 2 SSD 7484 was assessed in terms of consistency with the Stage 1 consent and found to be entirely consistent, in particular with regards to the subterranean space, and heritage and archaeology. The proposed development as proposed to be modified remains consistent with the Terms of Approval as set out in the SSD 6751 consent for the Stage 1 SSD. The modification as part of this S4.55 application does not change the overall development's consistency with the approved Stage 1 SSD.

## 5.4 Ecologically Sustainable Development

The origins for the imposition of Condition B27 stems from the submission made by the GANSW, where the Department agreed that the modern design of the new extensions should be capable of incorporating natural ventilation into the design.

WGE have prepared a supporting statement (included at **Attachment A**) outlining the rationale and justification for removing the requirement to implement natural ventilation.

The key rationale for WGE reaching its position that incorporation of natural ventilation is not an appropriate design solution for the education Building are:

1. **Acoustic compliance** – the Sandstone building's sit within an extremely urban setting and given their low scale are particularly vulnerable to noise generated by traffic (there are over 26 bus routes near the site), pedestrian/public noise, construction works, alarms, events etc. The façade design adopted for the building is one based on a double-glazed unit system. Implementation of a DGU system is required in order to meet Council acoustic requirements as stipulated within its DCP. The acoustic comfort of guests staying at a world class luxury 5 star hotel is paramount.

2. **Mech AC System operation and control** – the introduction of a mixed-mode ventilation system imposes challenges in designing appropriate room temperature controls and poses acoustic privacy and air quality issues for occupants.
3. **Building function and expectations** - central Sydney has seen a significant wave of investment in visitor and tourist accommodation, in particular 5 star hotels. With high expectations in terms of luxury and occupant amenity these buildings have been designed and approved as enclosed and conditioned spaces (e.g. Sofitel Darling Harbour, 1 Alfred Street, W Hotel – Darling Harbour, Crown Hotel etc). Given these precedents, the imposition of natural ventilation on the Sandstone Precinct is considered to be unreasonable.

## 5.5 Environmental Performance

Notwithstanding the intended deletion of Condition B27, the proposed development will continue to incorporate a range of sustainability initiatives including (as outlined in **Attachment A**):

- Energy
  - Thermally efficient façade system selection to exceed the NCC requirements;
  - Preservation of the existing sandstone building structure to retain excellent thermal mass for improved passive thermal performance of the building;
  - Re-use of existing buildings allows the development to make use of the low window to wall ratio, high thermal mass and the buildings' inherent building energy performance. Performance glazing and secondary glazing layers will further improve building efficiency;
  - New plant to the development includes high efficiency chillers, boilers, fans and pumps throughout. Control systems to the rooms and spaces will further drive energy efficiency.
  - Guest room management systems with master switches to reduce energy consumption
- Water
  - All water fittings and fixtures meet high Water Efficiency Rating Scheme (WELS) ratings; and
- Transport
  - The location of the site provides a multitude of opportunities for public transport use, with close proximity to buses, train and ferries.
- Materials
  - Re-use of the existing building structure and façade of the Education Buildings which allows for a significant reduction of material usage, embodied energy and associated greenhouse gas emissions as compared to a new build construction;
  - Existing materials are to be reused for the development to improve material efficiency

Further to the above considerations, the Education Building has been designed to achieve energy-efficiency through the facade as demonstrated to the DRP at Meeting Number 8 (22 August 2018), with the DRP considering the following:

*The proposed solution for the high levels (L6-9) is: Double glazed unit with low E coating; and for low levels within the existing building (up to L5) - Single clear glazing behind existing heritage windows. The Panel is satisfied with these options giving consideration to the duration and times of occupation and noting that there will also be blinds inside the windows, which will aid thermal performance and also give amenity to the occupants.*

## 6.0 Conclusion

Full consideration has been given to the potential to incorporate natural ventilation strategies to the new extension to the Education Building. There are however no practical avenues to employ any meaningful natural ventilation strategies, especially given the use and typology of the building, the precedent set for other comparable luxury 5-star hotels, and the need to meet high levels of acoustic performance.

It is therefore proposed to delete Condition B27. Notwithstanding its deletion, there remains a strong commitment to achieve high levels of environmental performance.

In accordance with section 4.55(1A) of the EP&A Act, Council may modify the consent as:

- the proposed modification is of minimal environmental impact; and
- substantially the same development as development for which the consent was granted.

We trust that this information is sufficient to enable a prompt assessment of the proposed modification request.

Yours sincerely,



**Alexis Cella**  
Director  
02 9956 6962  
acella@ethosurban.com