

The logo for URBIS, featuring the word "URBIS" in a bold, white, sans-serif font. The text is contained within a white square frame that is partially open on the right side. A white vertical line extends from the top of the page down to the top of the square frame, and a white horizontal line extends from the right side of the square frame across the page.

URBIS

Environmental Impact Statement

45-53 Macleay Street, Potts Point

Prepared for
Time and Place Ltd
27 March 2025

Summary

Overview

This Environmental Impact Statement (**EIS**) has been prepared by Urbis Ltd (**Urbis**) on behalf of Time and Place (**the applicant**). The EIS is submitted to the NSW Department of Planning, Housing and Infrastructure (**DPHI**) in support of a concept State Significant Development Application (**SSDA**) for the site at 45-53 Macleay Street, Potts Point (**the site**).

This EIS has been prepared in accordance with the *Environmental Planning and Assessment Act 1979* (EP&A Act), *Environmental Planning and Assessment Regulation 2021* (EP&A Regulation) and the Secretary's Environmental Assessment Requirements dated 7 February 2025.

The site is located on Gadigal Country and we acknowledge the Gadigal people, their elders past and present and their deep and continuing connection to their land. In preparing this EIS we acknowledge the importance of a Country-centred approach to the design, guided by Aboriginal people, who know that if we care for Country, Country will care for us.

The SSDA seeks consent for an in-principle concept envelope for a 13-storey mixed-use development comprising market and affordable housing above ground floor retail and three levels of basement parking.

The intended outcome of the project is to provide a concept envelope that will enable a high-quality mixed-use residential development which provides both market-housing and purpose-built affordable housing that responds positively to the surrounding character and context. This will provide a highly sustainable built form outcome with high residential amenity for future occupants, and which carefully manages impacts on surrounding properties.

This Concept SSD will be assessed concurrently with a competitive design process (required under Sydney LEP 2012) and a future detailed design SSD which will occur following the outcome of the competition.

The proposal has an estimated development cost (**EDC**) of \$90,400,000 (excluding GST) and proposes 15% of the gross floor area as affordable housing. The project is therefore classified as a State Significant Development (**SSD**) under Schedule 1(26A) of the *State Environmental Planning Policy (Planning Systems) 2021* (**Planning Systems SEPP**).

An aerial photograph of the site detailing the development footprints is provided at **Figure 1**.

Figure 1 Aerial Photograph



Source: Urbis

The Project Story

On 14 December 2023 the NSW Government implemented in-fill affordable housing reforms to encourage private developers to boost affordable housing and deliver more market housing for sites in highly accessible areas.

Prior to these reforms coming into effect, the applicant had been pursuing a local development application for market housing with the City of Sydney Council (noting that these reforms were not in place at the time). That local application is still currently under assessment, and yet to be determined (with a NSW Land and Environment Court Hearing set down for May 2025).

However, the applicant has sought to pivot to a scheme which is aligned with the recent reforms and seeks to include 15% affordable housing as part of the proposed development. This would ensure that a Registered Community Housing Provider will manage that affordable housing component of the development for a minimum period of 15 years.

The existing building on the site (noted as a 'detracting item' in the Conservation Area) was constructed in the 1960s and has a number of serious challenges and is not conducive to adapt re-use for various reasons. The site is also strategically positioned proximate to transport corridors, services, Sydney CBD and recreational facilities, making it an ideal location to deliver fit for purpose affordable and market housing in accordance with the recent NSW Government policy direction.

This application seeks concept approval for a 13-storey mixed-use development comprising market and affordable housing atop ground floor retail and three levels of basement parking. The proposal unlocks an additional 30% height and FSR pursuant to Part 2 Division 1 of the State Environmental Planning Policy (Housing) 2021. This proposal is the most effective way to deliver the project objectives and will ensure that the site fulfils its strategic potential.

To ensure the best design for the site, a Design Excellence Strategy was prepared and endorsed by GANSW in January 2025. A design competition is currently underway, with the winning design expected to be finalised by mid-2025. This will guide the detailed design of the project, which would be subject to a separate approval process, and ensure that the future built form achieves design excellence.

Community and Stakeholder Engagement

The needs of the local community and stakeholders are very important to the applicant.

Proactive community and stakeholder engagement has been undertaken by Urbis and the Project Team in the preparation of the SSDA. This includes direct engagement and consultation with:

- Traditional custodians;
- Adjoining landowners and occupants;
- Government, agency and utility stakeholders

The outcomes of the community and stakeholder engagement have been incorporated into the design of the concept proposal and are discussed in detail at **Section 5** and **Appendix E** of this EIS. Community consultation will be ongoing and also inform the detailed design of the proposal, which is subject to a separate approval process.

Strategic Justification

The EIS has assessed the project against the requirements of the Secretary's Environmental Assessment Requirements (SEARs) (**Appendix A**), and the relevant planning instruments and policies (**Section 7.3 and Appendix B**).

The key issues identified within the SEARs have been assessed in **Section 6** of the EIS. This assessment has been informed by specialist reports which include recommendations and mitigation measures. The assessment of key issues includes the mitigation measures which can be adopted to ensure the project does not result in any significant impacts. These mitigation measures are included at **Appendix C**.

The project is a positive development outcome for the site and surrounding area for the reasons outlined in **Table 1**.

Table 1 Summary of Development Outcomes

Matter	Response
Connecting with Country	<p>The NSW Government Architect's "Connecting to Country" framework aims to integrate Aboriginal cultural knowledge into the planning, design, and development of the built environment. It seeks to foster a deep respect and understanding of the Aboriginal connection to Country, promoting its recognition and celebration in contemporary design and planning. The framework serves as a guide to create spaces that are culturally inclusive, sustainable, and reflective of Australia's rich Aboriginal heritage.</p> <p>The Design Excellence Strategy includes strong Connecting with Country objectives to inform the future detailed design of the proposal following the concept approval.</p>
Design Excellence / Better Placed	<p>The proposed concept envelope is consistent with the seven key Better Placed objectives as it has been subject to an extensive design review that involved a collaborative, cyclical, and iterative process.</p> <p>The future design for the site is subject to a design excellence competition, ensuring that the future built form is of a high architectural standard. The final design outcome will accommodate a built form that is sustainable, functional, sensitive to its context, and visually distinctive as encouraged by the objectives of Better Placed.</p>
The project is consistent with strategic planning policies	<ul style="list-style-type: none"> ▪ Greater Sydney Region Plan: A Metropolis of Three Cities ▪ Eastern City District Plan ▪ NSW Housing Strategy: Housing 2041 ▪ City Plan 2036: Local Strategic Planning Statement ▪ Housing for All – City of Sydney Local Housing Strategy ▪ Sustainable Sydney 2030-2050 ▪ Future Transport Strategy

Matter	Response
The project is consistent with State and local development controls	<p>The development is permissible with consent and meets the relevant statutory requirements of the relevant environmental planning instruments, including:</p> <ul style="list-style-type: none"> ▪ State Environmental Planning Policy (Planning Systems) 2021 ▪ State Environmental Planning Policy (Housing) 2021 ▪ State Environmental Planning Policy (Resilience and Hazards) 2021 ▪ State Environmental Planning Policy (Transport and Infrastructure) 2021 ▪ State Environmental Planning Policy (Biodiversity and Conservation) 2021 ▪ State Environmental Planning Policy (Housing) 2021 ▪ State Environmental Planning Policy precincts - (Eastern Harbour City) 2021 ▪ State Environmental Planning Policy (Sustainable Buildings) 2022 ▪ Sydney Local Environmental Plan 2012
The project minimises impacts on the natural environment	<p>The proposal is limited to a previously developed portion of land and therefore impacts on the natural environment are minimised. Tree protection measures will be put in place to ensure the ongoing vitality of the adjacent street trees.</p>
The project minimises impacts on the built environment	<p>The proposed concept development will ensure that the site is redeveloped into a built form that is highly compatible with the existing built form. The proposed concept envelope has been developed to be largely consistent with the built form patterns of the surrounding area while unlocking housing growth. Furthermore, the future built form will be subject to a design excellence competition, ensuring that the future building will integrate seamlessly into the site's heritage context.</p>
The project has positive social impacts	<p>The proposed development will contribute to housing diversity and affordability in a highly accessible location. The proposal contains the following positive social impacts:</p> <ul style="list-style-type: none"> ▪ Supporting housing affordability by providing 15% of the gross floor area as affordable housing units ▪ Supporting housing diversity through the delivery of market and affordable housing at a range of sizes ▪ Enhancing the heritage value of Macleay Street by removing what is identified as a '<i>Detracting Building</i>' on the Building Contributions Map for the conservation area. ▪
The project has positive economic impacts	<p>The proposal has an estimated development cost (EDC) of \$90,400,000. The proposal will therefore produce the following economic benefits:</p> <ul style="list-style-type: none"> ▪ The project will create 160 FTE jobs during the construction phase and 12-13 ongoing jobs during the operational phase of the development number of construction jobs ▪ The proposal will support future businesses through the provision of high-quality ground floor retail space. ▪
The site is suitable for the project	<p>The site is highly suitable for the proposed development for the following reasons:</p> <ul style="list-style-type: none"> ▪ The proposal is consistent with the MU1 Mixed Use zone objectives, is permitted with consent and satisfactorily addresses the relevant provisions in the Sydney LEP and DCP ▪ The site is currently considered as a detracting item from the Potts Point Heritage Conservation Area. The site presents a unique opportunity to provide a well-designed mixed use building in Potts Point, capitalising on its position in close proximity to the Sydney CBD and 750m from Kings Cross Station.

Matter	Response
	<ul style="list-style-type: none"> ▪ The proposal is highly compliant with the statutory controls (subject to the relevant bonuses) and does not include any variations to the height or floor space requirements. ▪ The site is not affected by critical constraints which cannot be successfully abated through skilful design or the implementation of mitigation measures. ▪ The character and scale of the development is compatible with its existing and desired future context. ▪ The proposal will co-locate housing and employment generating floorspace in an accessible area, contributing to dwelling and job targets set out in the LSPS for the Macleay Street and Woolloomooloo Village and supporting the '30-minute city' vision.
<p>The project is in the public interest</p>	<p>The proposed development is considered in the public interest for the following reasons:</p> <ul style="list-style-type: none"> ▪ The proposal delivers diverse and affordable housing in an accessible location, directly responding to the NSW Government's policy mandate to improve housing choice and affordability. The site's location allows easy access to employment centres, retail, open space, and social infrastructure (schools, hospitals etc). ▪ Future detailed applications would be subject to a competitive design process to ensure the detailed design of the proposal achieves 'design excellence'. This includes compliance with key NSW ADG design criteria, ensuring high standards of amenity for future occupants. ▪ The proposal is consistent with relevant State and local strategic plans and substantially complies with the relevant planning controls. The proposal delivers a development outcome consistent with the vision established by all levels of strategic planning which seek to facilitate additional housing (including diverse and affordable housing) and 'transit oriented development' through the '30 minute city' concept. ▪ Subject to the implementation of the recommended mitigation measures, no adverse social or environmental impacts result from the proposal during construction and operation of the development. ▪ The proposal will deliver 160 FTE jobs during the construction phase and 12-13 ongoing jobs during the operational phase of the development. This will create short and long term benefits for the local economy. ▪ No major issues were raised during the pre-lodgement consultation with the local community, Council, Government and agency stakeholders. ▪ The site will facilitate the orderly and economic use and development of the land.

The EIS demonstrates that the project has significant merit and should be approved subject to the implementation of the mitigation measures described in this report and supporting documents.