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URBIS

Environmental Impact Statement

45-53 Macleay Street, Potts Point

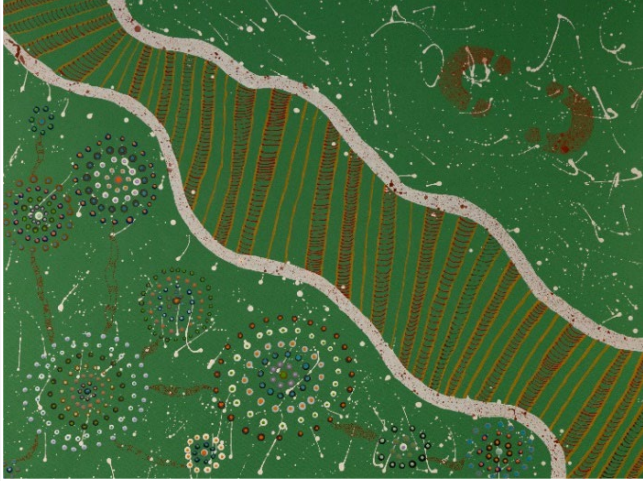
Prepared for

Time and Place Ltd

27 March 2025

URBIS STAFF RESPONSIBLE FOR THIS REPORT WERE:

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Project Code	P0035022
Report Number	FINAL



Acknowledgement of Country

Urbis acknowledges the Traditional Custodians of the lands we operate on.

We recognise that First Nations sovereignty was never ceded and respect First Nations peoples continuing connection to these lands, waterways and ecosystems for over 60,000 years.

We pay our respects to First Nations Elders, past and present.

The river is the symbol of the Dreaming and the journey of life. The circles and lines represent people meeting and connections across time and space. When we are working in different places, we can still be connected and work towards the same goal.

Title: Sacred River Dreaming
Artist Hayley Pigram
Darug Nation
Sydney, NSW

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EIS Declaration

Project Details

Project name	P0035022
Application number	SSD-79316759
Address	45-53 Macleay Street, Potts Point (SP 934)

Applicant details

Applicant name	Time and Place
Applicant address	Level 3/189 Flinders Lane, Melbourne VIC 3000

Environment Impact Statement (EIS) prepared by

Name and professional qualifications	Andrew Harvey (Director – Urbis) Bachelor of Planning (UNSW) Hons; Registered Environmental Assessment Planner (REAP) Vijay Prabhu (Associate Director – Urbis) Bachelor of Science ANU Master of Urban and Regional Planning USYD Annika Hather (Senior Consultant – Urbis) Bachelor of City Planning (Hons) UNSW Romany Miller (Consultant – Urbis) Bachelor of City Planning (Hons) UNSW
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Declaration

Name	Andrew Harvey
Qualification	Bachelor of Planning (UNSW) Hons; Registered Environmental Assessment Planner (REAP)
Registration number	73066
Organisation registered with	Planning Institute of Australia

The undersigned declares that this EIS:

- has been prepared in accordance with Part 8 Division 5 of the *Environmental Planning and Assessment Regulation 2021*.
- contains all available information relevant to the environmental assessment of the development, activity or infrastructure to which the EIS relates.
- does not contain information that is false or mis-leading;
- addresses the Planning Secretary's environmental assessment requirements (SEARs) for the project.
- identifies and addresses the relevant statutory requirements for the project, including any relevant matters for consideration in environmental planning instruments.
- has been prepared having regard to the Department's *State Significant Development Guidelines - Preparing an Environmental Impact Statement*.
- contains a simple and easy to understand summary of the project as a whole, having regard to the economic, environmental and social impacts of the project and the principles of ecologically sustainable development.
- contains a consolidated description of the project in a single chapter of the EIS;
- contains an accurate summary of the findings of any community engagement; and
- contains an accurate summary of the detailed technical assessment of the impacts of the project as a whole.

Project Details

Signature

A handwritten signature in blue ink, appearing to read 'A. Harvey', is centered within a light blue rectangular box.

Andrew Harvey (REAP)
27 March 2025

Glossary and Abbreviations

Reference	Description
ACHAR	Aboriginal Cultural Heritage Assessment Report
ACM	Asbestos Containing Material
AEP	Annual Exceedance Probability
AHD	Australia Height Datum
AHIMS	Aboriginal Heritage Information Management System
AIA	Arboricultural Impact Assessment
ASS	Acid Sulphate Soils
BAM	Biodiversity Assessment Method
BC Act	Biodiversity Conservation Act 2016
BC Reg	Biodiversity Conservation Regulation 2017
BCA	Building Code of Australia
BDAR	Biodiversity Development Assessment Report
CBD	Central Business District
CDA	Concept Development Application
CEMP	Construction Environmental Management Plan
CMP	Construction Management Plan
COPC	Contaminants of Potential Concern
CTMP	Construction Traffic Environmental Plan
CWC	Connecting with Country
DCP	Development Control Plan
DP	Deposited Plan
DPHI	New South Wales Department of Planning, Housing and Infrastructure
DSI	Detailed Site Investigation
EDC	Estimated Development Cost
EIS	Environmental Impact Statement
EP&A Act	Environmental Planning and Assessment Act 1979
EPA Regulation	Environmental Planning and Assessment Regulation 2021
EPBC Act	Environment Protection and Biodiversity Conservation Act 1999

Reference	Description
EIS	Environmental Impact Statement
EPA	New South Wales Environment Protection Authority
EPI	Environmental Planning Instrument
ESCP	Erosion and Sediment Control Plan
ESD	Ecologically Sustainable Development
GANSW	Government Architect New South Wales
GFA	Gross Floor Area
GTP	Green Travel Plan
HIS	Heritage Impact Statement
LAeq	A frequency-weighted Equivalent Continuous Sound Level
LEC	Land Environment Court New South Wales
LEP	Local Environmental Plan
LGA	Local Government Area
LSPS	Local Strategic Planning Statement
NSW	New South Wales
NVIA	Noise and Vibration Impact Assessment
OEMP	Operational Environmental Management Plan
R&H SEPP	State Environmental Planning Policy (Resilience and Hazards) 2021
PAD	Potential Archaeological Deposit
PCT	Plant Community Type
PMF	Probable Maximum Flood
POM	Plan of Management
PSI	Preliminary Site Investigation
Planning Systems SEPP	State Environmental Planning Policy (Planning Systems) 2021
SEARs	Secretary's Environmental Assessment Requirements
SEPP	State Environmental Planning Policy
SIA	Social Impact Assessment
Site	45-53 Macleay Street, Potts Point NSW 2011 (SP 934)
SSD	State Significant Development
SSDA	State Significant Development Application

Reference	Description
T&I SEPP	State Environmental Planning Policy (Transport and Infrastructure) 2021
TfNSW	Transport for New South Wales
TIA	Traffic Impact Assessment
VIA	Visual Impact Assessment
WCM	Water Cycle Management
WMP	Waste Management Plan

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 shop top housing 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 shop top housing 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 shop top housing 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	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. The Design Excellence Strategy includes strong Connecting with Country objectives to inform the future detailed design of the proposal following the concept approval.
Design Excellence / Better Placed	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. 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.
The project is consistent with strategic planning policies	▪ 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	The development is permissible with consent and meets the relevant statutory requirements of the relevant environmental planning instruments, including: - 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	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.
The project minimises impacts on the built environment	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.
The project has positive social impacts	The proposed development will contribute to housing diversity and affordability in a highly accessible location. The proposal contains the following positive social impacts: - 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	The proposal has an estimated development cost (EDC) of \$90,400,000. The proposal will therefore produce the following economic benefits: - 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	The site is highly suitable for the proposed development for the following reasons: - 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 shop top housing building in Potts Point, capitalising on its position in close proximity to the Sydney CBD and 750m from Kings Cross Station.

Matter	Response
	▪ 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.
The project is in the public interest	The proposed development is considered in the public interest for the following reasons: ▪ 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.

1. Introduction

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 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.

1.1. Applicant Details

The applicant details for the proposed development are listed in the **Table 2**.

Table 2 Applicant Details

Proponent	Time & Place (T&P Chimes Development Pty Ltd)
Postal Address	Suite 34.02, 264 George Street, Sydney, NSW 2000
ABN/ACN	83647909073 / 647909073
Nominated Contact	Justyn Ng, Time & Place 0402 036 378 Justyn.ng@timeplace.com.au

1.2. The Project

The SSDA seeks concept approval for a 13-storey shop top housing development comprising:

- Maximum gross floor area of 5,529.8 sqm including:
 - Retail - maximum 250m²
 - Residential – 5,279 m² including minimum 15% GFA for affordable housing
- Maximum building height of 50.05m (RL 78.12) or 13 storeys (*inclusive of 30% affordable housing bonus and 10% design excellence bonus*)
- Maximum floor space ratio of 4.29:1 (*inclusive of 30% affordable housing bonus and 10% design excellence bonus*)
- Ground floor retail and commercial uses with 12 storeys of residential tower above
- Three basement levels for parking, services and storage
- Vehicular and loading access from McDonald Street.

The proposal has been made under Chapter 2 Part 2 Division 1 of the Housing SEPP as the proposal includes more than 10% affordable housing and is located in an accessible area, as set out in Section XXX.

The proposal will include 15% of the gross floor area for affordable housing to be managed by a registered community housing provider for a 15-year period to utilise the height and floor space bonuses in the Housing SEPP. Refer to **Appendix Z** for further information regarding Bridge Housing (ABN 55 760 055 094), the chosen community housing provider.

The proposal will comply with the maximum height and FSR controls for the site when utilising the bonuses provisioned for under the Housing SEPP for affordable housing provision, and the Sydney LEP 2012 for design excellence.

1.3. Project Objectives

The intended outcome of the project is to provide a concept envelope that will enable a high-quality shop top housing 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.

1.4. Project Background

In the last five years, the NSW Government has recognised the need to build more homes for the State's growing population, boosting housing supply and improving affordability.

Under the National Housing Accord, NSW is tasked with delivering approximately 376,000 new well-located dwellings, including approximately 15,800 social and affordable dwellings by 2029.

In November 2023, the NSW DPHI released a policy initiative to incentivise and support the delivery of affordable housing under Chapter 2, Part 2, Division 1 of the Housing SEPP. This brings together all levels of government, investors, and the private sector to unlock quality affordable housing supply over the medium term.

The existing building on the site is in significant need of redevelopment as it was constructed in the 1960s and is over 60 years old. 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.

1.4.1. Previous Approvals/Applications

1.4.1.1. Concept Development Application D/2022/960

Prior to the recent amendments to the Housing SEPP (which provide incentives for in-fill affordable housing and different planning approval pathways) a previous 'local' Concept Development Application (D/2022/960) was submitted to the City of Sydney Council on 15 September 2022. This sought approval for:

- Concept building envelope up to a maximum height of 35 metres for a future shop top housing development including:
 - Demolition of existing building and excavation for 2 basement parking levels;
 - Indicative construction of a 9-storey building; and
 - Indicative land uses including basement car parking, ground floor retail, commercial and residential uses on upper floors.

A reference scheme was submitted as part of the Concept DA which provided:

- A total of 28 residential apartments
- A retail tenancy (250sqm) is located along the Macleay Street frontage
- Communal open space on the ground floor including landscaping planting and a swimming pool comprising 26% of the site area (337 sqm)

The Concept DA has not obtained approval and is the subject of an ongoing Land and Environment Court appeal with a Hearing set down for May 2025.

1.4.2. Design Excellence

Concurrently, a Design Excellence Strategy (DES) has been prepared for the site and was endorsed by the GANSW on 29 January 2025.

A design competition is currently underway and is expected to be finalised in mid-2025. The design competition winning scheme will inform subsequent detailed design SSDAs.

In accordance with the requirements under Clause 7.20(2)(b) of SLEP 2012 and Section 4.23 of the EP&A Act, this application is for a Concept SSDA seeking to outline the concept proposal and concept building envelope. No physical works are proposed by way of this Concept SSDA.

As the height of the concept envelope exceeds 25 m, it is acknowledged that SLEP 2012 requires both a Concept DA and competitive design process prior to determination of a Detailed Design DA.

1.4.3. Restrictions and covenants

No easements or covenants were identified on the Title Certificate.

1.5. Project Team And Supporting Documentation

Document Title	Consultant	Appendix Reference
SEARs Requirements Table	Urbis	Appendix A
Statutory Compliance Table	Urbis	Appendix B
Mitigation Measures	Urbis	Appendix C
Estimated Development Cost Report	WT Partnership	Appendix D
Engagement Report	Brilliant Logic	Appendix E
Design Excellence Strategy	Urbis	Appendix F
Architectural Plans - Concept Envelope Drawings	SJB	Appendix G
Design Report	SJB	Appendix H
Survey Plans	Veris	Appendix I
Visual Impact Assessment and View Sharing Report	Urbis	Appendix J
Traffic Impact Assessment	JMT Consulting	Appendix K
Concept Drainage Plans	Arcadis	Appendix L
Preliminary Site Investigation	JK Environments	Appendix M
Detailed Site Investigation	JK Environments	Appendix N
Remedial Action Plan	JK Environments	Appendix O
Landscape Report	Black Beetle	Appendix P
Arboricultural Impact Assessment	Arboreport	Appendix Q
Ecologically Sustainable Development Report	Elab	Appendix R
BDAR Waiver	DPHI	Appendix S
Waste Management Plan	SLR	Appendix T
Social Impact Assessment	Urbis	Appendix U
Flood Impact and Risk Assessment	Arcadis	Appendix V
Aboriginal Cultural Heritage Assessment Report	Urbis	Appendix W

Document Title	Consultant	Appendix Reference
Heritage Impact Statement	John Oultram	Appendix X
Preliminary Historical Archaeological Assessment	Urbis	Appendix Y
Community Housing Provider Letter	Bridge Housing	Appendix Z
Architectural Plans – Reference Scheme	SJB	Appendix AA
Stormwater Management Plan	Arcadis	Appendix BB
Reference Scheme Area Schedule	SJB	Appendix CC
Engineering Advice on Adaptive Reuse	Robert Bird Group	Appendix DD

2. Strategic Context

This section of the EIS describes the key features of the site and its relationship to its local context. It also discusses how the project aligns with relevant strategic planning policy. It identifies other projects that should be considered in assessing the cumulative impacts of the project and also outlines the potential feasible alternatives explored by the applicant.

2.1. Key Features of Site and Locality

The location of the site is illustrated in **Figure 2**. A map of the site in its regional setting is provided as **Figure 3**. The key features of the site are described in Table 3 below. Photographs of the current site condition are provided in

Figure 4.

Figure 2 Local Context Map



Source: Urbis

Figure 3 Regional Context



Source: Urbis

Table 3 Site and Locality Description

Characteristic	Description
Key Site Features	
Country	Gadigal Country
Address	45-53 Macleay Street, Potts Point NSW 2011
Legal Description (Title Particulars)	SP 934
Zoning	MU1 Mixed Use (Sydney LEP 2012)
Existing Use / Structures	The existing building was constructed in the 1960s and comprises a 12-storey residential flat building. The existing building is positioned in the north-east corner of the site, with parking situated on the remainder of the ground floor and Level 1.
Site Area	1,289sqm
Number of pre-existing dwellings on site	80 studio apartments
Site Frontage	The site has a primary frontage to Macleay Street (which accommodates pedestrian access to the building), a secondary frontage to McDonald Street (which provides vehicular access) and a laneway frontage to McDonald Lane.
Land ownership	T&P Chimes Investment Pty Ltd

Characteristic	Description
Vehicular/Site Access	The site has a primary frontage to Macleay Street (which accommodates pedestrian access to the building), a secondary frontage to McDonald Street (which provides vehicular access) and a laneway frontage to McDonald Lane.
Adjacent land uses North	On the opposite side of McDonald Street are 3 and 4-storey residential flat buildings.
Adjacent land uses East	On the opposite side of Macleay Street are several residential flat buildings, including the 10 level Macleay Regis apartment building.
Adjacent land uses South	Directly adjacent is a 4-storey hotel known as the “Whitehouse”, “The Yellow House” heritage building at 57-59 Macleay Street, and further south, various 3-storey residential buildings with retail on the ground floor.
Adjacent land uses West	On the opposite side of McDonald Lane are a series of predominantly 2-4 level Victorian era terrace housing and small apartment buildings.
Topography	The site is situated on relatively flat topography.
Vegetation	The site contains minimal vegetation, mostly overgrown plants. Surrounding streets support varying densities of street tree planting, in particular along Macleay Street and McDonald Street.
Stormwater and Flooding	The 1% AEP flood level varies from 29.053m AHD at the South-East Corner of the site adjoining Macleay Street to 27.474m AHD at the north-west corner of the site adjoining McDonald Street.
Heritage	The site is not listed as a local or State heritage item, however it is within the C51 Potts Point Heritage Conservation Area (HCA). The site also adjoins several heritage items, listed below: ▪ Item 1139 – Terrace house “<i>Santa Fe</i>” including interior. ▪ Item 1140 – Former artists’ studio “<i>The Yellow House</i>” including interior. ▪ Item 1141 – Flat building “<i>Wirrawa</i>” including interior. ▪ Item 591 – Flat building “<i>Macleay Regis</i>” including interior. ▪ Item 1198 – Flat building including interior.
Aboriginal Archaeology	An Aboriginal Cultural Heritage Assessment Report (ACHAR) was prepared by Urbis Heritage which concludes that the archaeological potential of the site is nil to very low, given the high level of historical ground disturbance.
Bushfire	The site is not mapped as bushfire prone.
Geotechnical	The site is underlain by Hawkesbury Sandstone.
Acid Sulfate Soils	Class 5
Contamination	A Preliminary Site Investigation (PSI) and a Detailed Site Investigation (DSI) were undertaken by JK Environments (Appendix M Appendix N) which identified potential contamination sources from fill material, pesticides, hazardous building materials and current and historical dry cleaners within proximity of the site. The findings of the PSI and DSI have been considered in detail in Section 6 below.
Surrounding Locality	

Characteristic	Description
Public Transport	The subject site is located 750m from Kings Cross Station which provides direct services into the Sydney CBD as well as key centres such as Bondi Junction, Redfern, Kogarah and Hurstville. Bus stops are located adjacent to the site on Macleay Street, servicing the 311 route. The 311 runs every 10 minutes on average throughout the day and provides a connection between Potts Point, Central Station and Barangaroo.
Surrounding roads	Vehicular traffic is contained to the linear connection of Cowper Wharf Road, Wylde Street and Macleay Street. This street system is two way and carries both private vehicles and public transport.
Social Infrastructure (Schools/Hospitals etc.) and Open Space	The site is in Potts Point, which is well serviced by public amenities such as a supermarket, cafes, destination retail shops and a library. Further afield is the Sydney CBD and the Royal Botanic Gardens to the west, and Elizabeth Bay and Rushcutters Bay to the east. Community facilities such as swimming pools, tennis courts, active open space are easily accessible, as are arts institutions such as the Gallery of New South Wales and the Darlinghurst Theatre.
Utility services	The site is located within an established urban area. All utility services already service the surrounding locality and are capable of being augmented to accommodate the proposed development.
Any other key regional characteristic	The site is located approximately 12km north of Sydney Airport.

Figure 4 Site and Locality Photographs



Picture 1 View from North (Macleay Street)

Source: Urbis



Picture 2 View from North West (McDonald Street)

Source: Urbis

2.2. Other development in the area

The site is located within the suburb of Potts Point in Sydney's CBD. Approved and likely future major projects which may be relevant in the cumulative impact assessment of the proposal are summarised in **Table 4**.

Table 4 Nearby Projects / Development

SSDA Reference	Development Description	Current Status
SSD-78363487	Mixed-use development with affordable housing 134 William Street, Woolloomooloo	SEARs issued 20 December 2024
D/2024/493	2 Macleay Street, Potts Point Alterations and additions to the existing dwelling known as Jenner House, including conservation and restoration works, landscaping, extension of the existing basement, new glass house and reinterpretation of the stables.	Approved January 2025
D/2022/1251	95 Macleay Street, Potts Point Demolition of existing building and construction of six (6) storey shop top housing development including basement, ground floor commercial, and residential uses above.	Approved February 2024
D/2022/1363	61-63 Macleay Street, Potts Point Alterations and additions to the existing building, including excavation and construction of a new basement level, new ground floor extension, two storey addition, ground floor restaurant and hotel accommodation at levels 1-4.	Approved May 2024

The potential cumulative impacts of the project are addressed in **Section 6** of the EIS in accordance with the DPHI *Assessing Cumulative Impacts* guidelines.

2.3. Agreements with Other Parties

No agreements have been made with other parties at the time of writing this EIS.

2.4. Feasible Alternatives

Clause 192(1)(c) of the *Environmental Planning and Assessment Regulation 2021 (the Regulation)* requires an analysis of any feasible alternatives to the proposed development, including the consequences of not carrying out the development.

The project team examined several feasible alternatives to the proposed development as outlined in **Table 5**.

Table 5 Project Alternatives

Option	Discussion
Option 1 - Do Nothing	A 'do nothing' approach would fail to maximise on the site's locational amenity and proximity to Sydney CBD. The existing building is not heritage listed, and is nominated as a 'detracting' item in the heritage conservation area in Council's DCP. This approach would fail to provide an improved interface with both the public domain and surrounding neighbourhood, and would limit the potential to provide purpose-built affordable housing in a highly accessible area.
Option 2 – Adaptive reuse	The Applicant has invested significant time investigating the viability of retaining the existing building, constructed in the 1960s. However, the Applicant has undertaken technical analysis pertaining to architectural, building code, structural engineering and building services constraints. Ultimately, it was determined that retaining the existing building would result in a much poorer and constrained development outcome. Refer to additional detail in Section 2.4.1 below.
Option 3 – Alternative location	It has been determined that the site would provide the most favourable development outcome as it enables the location of affordable housing in close proximity to public transport, social infrastructure, public open space and Sydney's CBD which aligns

Option	Discussion
	with strategic and policy directions set out by the NSW Government. Further, the existing building on the site is over 60 years old and reaching its end of life, providing a significant opportunity for redevelopment.
Option 4 – The proposal	The NSW Government has recently gazetted new planning controls, which incentivise the delivery of affordable housing. The site qualifies for the locational criteria nominated under the Housing SEPP. The applicant has sought to accommodate the additional 30% height and FSR on the site. Accordingly, this option was selected as the most appropriate pathway forward as it delivers the most orderly development outcome, that is both viable for the applicant and delivers significant public benefit through the provision of 15% affordable housing. This option requires a design competition to be undertaken to ensure Design Excellence is achieved.

2.4.1. Adaptive Re-Use

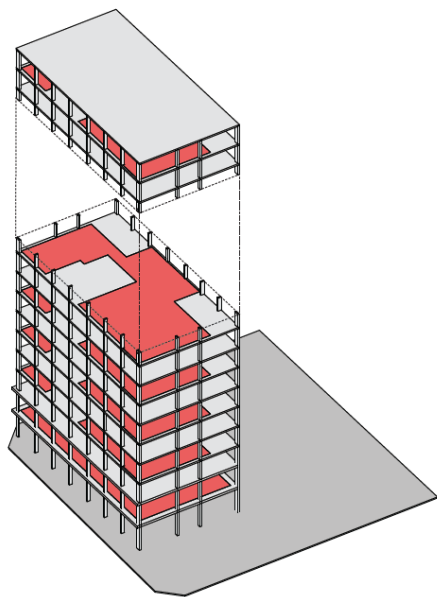
Following initial feedback from Council, the Applicant has invested significant time investigating the viability of retaining the existing building, constructed in the 1960s. However, the Applicant has undertaken technical analysis pertaining to architectural, building code, structural engineering and building services constraints. Ultimately, it was determined that retaining the existing building would result in a much poorer and constrained development outcome for the following reasons:

- Modifications to the existing façade to accommodate new openings and make it compliant with contemporary code requirements (i.e. waterproofing, thermal, cladding and BASIX requirements) would require 65% of the existing façade to be demolished and a further 15% to be significantly altered.
- The existing building is nominated as a 'detracting' item in the heritage conservation area in Council's DCP, requiring significant design intervention to meet Council's 'design excellence' objectives. Further puncturing and modifying an already detracting building is not considered to meet Council's 'design excellence' objectives or provide a positive urban renewal outcome for the site.
- All electrical, mechanical, hydraulic and fire services would need to be removed and upgraded to meet code requirements.
- The existing floor to floor heights (ranging from 2.67m to 2.75m) do not comply with current ADG standards. This would result in ceiling heights of approximately 2.4m over large sections of habitable areas, which by contemporary design standards is a poor amenity outcome. This constraint would also negate the opportunity to provide a larger ground (4m) and first floor (3.6m) height clearance, as required under the Sydney DCP 2012.
- Extensive sections of the floor slab would need to be removed on every second storey to provide sufficient floor to ceiling heights within the living areas of an adaptive reuse scheme. Additionally, the entire Level 1 (current parking) slab will need to be removed to provide sufficient clearance for the proposed retail use at ground floor. The new structure that would need to be inserted to counterbalance the removal of most existing structural elements would result in a poor space planning outcome for the apartments.
- The existing lift core and stair would need to be demolished to allow for a new vertical transportation system to meet code requirements and allow better spatial planning.
- The ADG requires minimum balcony areas for each unit. The existing building does not include any balconies, meaning new balconies would have to be inset within the existing building façade line, creating significant complications for construction detailing regarding waterproofing and level transitions from internal to external areas.

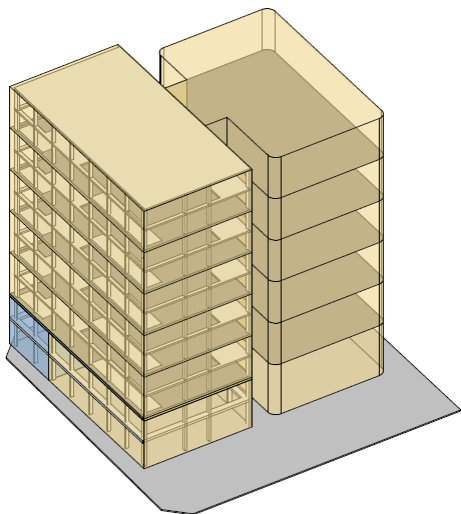
- The retention of the above ground parking would likely be required given the ability to excavate under the existing building is high risk and cost prohibitive. This existing arrangement detracts from the site's relationship with the public realm and should ideally be removed from any redevelopment scheme.
- The existing envelope is not in keeping with Council's planning framework, which requires a four-storey street frontage height with a 3m setback to levels above. The additional massing required to achieve the permitted FSR will result in a second building form that would cause significant negative impacts on solar access and view sharing to surrounding properties.
- Additionally, from a structural engineering perspective, Robert Bird Group have confirmed the building is unsuitable for adaptive reuse because:
 - The current building structure is past the intended design life of 50 years, furthermore, will not be able to satisfactorily meet code and serviceability requirements for an additional 50 years.
 - To adopt the architectural requirements to meet ADG compliance, the primary structure will not be able to support the loading conditions which would result from such works.
 - In its current form, the building does not meet, nor can be modified to achieve the criteria as per the Australian standards requirements.
 - Due to the changes in legislation and introduction the 'Design, Building and Practitioners Act', class 2 buildings are subject to additional requirements and approvals. This act was intended to protect the consumer. The adaptive re-use of this building would not meet the Acts requirements and meet the intent of the act as outlined in the legislation.

Additional information is included at **Appendix DD**.

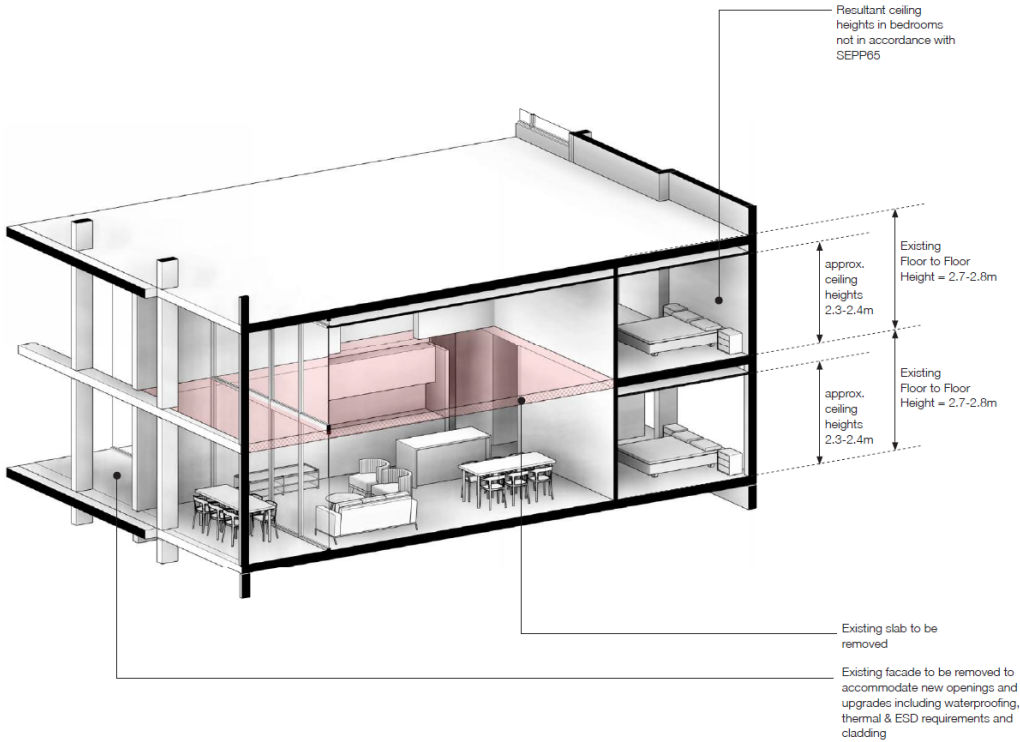
Figure 5 – Adaptive Re-Use Scenario



Picture 3 – Extent of Demolition Required



Picture 4 – Additional Envelope Massing



Picture 5 – Typical Apartment in Adaptive Re-Use Scenario

Source: SJB

2.5. Strategic Planning Alignment

The proposed development is aligned with the State, district and local strategic plans and policies applying to the site as outlined in **Table 6** below.

Table 6 Strategic Planning Consistency

Plan	Detail
National Housing Accord	Under the National Housing Accord, NSW is tasked with developing approximately 376,000 new well-located dwellings, including approximately 15,800 social and affordable dwellings by 2029. In November 2023, the DPHI released a policy initiative to incentivise and support the delivery of affordable housing under <i>State Environmental Planning Policy (Housing) 2021 (Housing SEPP)</i>. The proposal will deliver high-quality apartments, commercial spaces and affordable housing in a strategic location. The Housing SEPP identifies bonus height and FSR of up to 30% depending on the amount of the affordable housing provided that is equal to 10-15%. The in-fill affordable housing provisions outline specific site-based and land use criteria which must be met. The site and proposed development are eligible for the affordable housing bonus uplift.
Greater Sydney Region Plan – A Metropolis of Three Cities	The Greater Sydney Region Plan (Regional Plan) is the overarching strategic plan that seeks to shape future development for the Sydney metropolitan area over the next 40 years. Under the Region Plan, the site is located within the Eastern City District, which forms as part of the Eastern Harbour City. The project is consistent with the Regional Plan for these reasons: ▪ Objective 10 – Greater Housing Supply: The proposal would contribute to housing supply and affordability in a location with access to jobs, services and public transport and in close proximity to the Sydney CBD. The proposal also includes 15% affordable housing provision to assist in meeting the area's affordable housing targets. ▪ Objective 11 – Housing is more diverse and affordable: The proposal includes 15% GFA as affordable housing which would assist in meeting the significant demand for affordable housing in Sydney's CBD. ▪ Objective 22 – Investment and business activity centres: Through the integration of ground floor retail, the proposal would support the activation of urban areas and promote economic activity.
Eastern City District Plan	The Eastern City District Plan is a 20-year plan to manage growth in the context of economic, social and environmental matters to implement the objectives of the Greater Sydney Region Plan. The project is consistent with the Eastern City District Plan for these reasons: ▪ Planning Priority E3 – Providing services and social infrastructure to meet people's changing needs: The proposal supports the provision of much needed for well-located and diverse housing in accordance with the National Housing Accord. ▪ Planning Priority E5 - Providing housing supply, choice and affordability, with access to jobs, services and public transport: The proposal would provide housing supply, including both market and affordable housing, in close proximity to the economic centre of Sydney and in a location with strong public transport accessibility and social infrastructure ▪ Planning Priority E10 - Delivering integrated land use and transport planning and a 30-minute city: The proposal is located on a well-located site within walking distance of train and bus services providing access to Sydney CBD and other neighbouring suburbs.

Plan	Detail
NSW Housing Strategy: Housing 2041	In March 2021, the NSW Housing Strategy: Housing 2021 was released. It sets out a long-term (20 year) strategy for better housing outcomes across NSW. High density housing and affordable housing was identified as an important housing typology to expand housing choice across the state. This proposal is well positioned to deliver both housing choice and affordability through the varied apartment types and the use of 15% of the total GFA as affordable housing.
City Plan 2036: Local Strategic Planning Statement	The City of Sydney Council Local Strategic Planning Statement (LSPS), <i>City Plan 2036</i> identifies a 20-year vision for managing growth and change in land use in the local area and is intended to shape and inform how the <i>Sydney Local Environmental Plan 2012</i> and <i>Sydney Development Control Plan 2012</i> will evolve over time to facilitate strategic planning objectives. City Plan 2036 includes 13 priorities and a series of actions under five key themes: ▪ A city for people; ▪ A city that moves; ▪ An environmentally responsive city; ▪ A lively, cultural and creative city; and ▪ A city with a future-focused economy. As identified in the LSPS, the site is located within the Macleay Street and Woolloomooloo Village (Village). The LSPS provides a vision for the Village to develop 1,000 dwellings and deliver 600 jobs by 2036. The proposal will be able to help accommodate the goals and desired strategic outcomes of the Village through the delivery of new housing in an accessible location. The proposal relates to a shop top housing development that will deliver a diverse mix of housing typologies, including an infill affordable housing element. The site is well-located for new housing within a walkable neighbourhood close to public transport and Sydney CBD. The development will demonstrate design excellence, provide excellent residential amenity as well as ground floor retail that will contribute to street activation and vibrancy of the area. The proposal ultimately contributes to the LSPS's goal of achieving 11,000 affordable housing dwellings by 2036.
Housing for All – City of Sydney Local Housing Strategy	Housing for All – City of Sydney Local Housing Strategy provides a plan to increase housing supply, diversity, and affordability to meet the needs of current and future residents. The proposal is consistent with the Housing Strategy as it would contribute to the increase in housing supply and diversity, particularly through the provision of 15% GFA for affordable housing. This aligns with the strategy's emphasis on providing affordable and innovative housing solutions to meet the needs of diverse community groups. Additionally, the integration of ground-level retail supports the creation of sustainable and liveable communities, enhancing the overall quality of life for residents and fostering vibrant, mixed-use urban environments.
Sustainable Sydney 2030-2050	Sustainable Sydney 2030-2050 outlines the vision and strategic framework for the city's sustainable development over the next three decades. The plan focuses on creating a green, global, and connected city, addressing key areas such as environmental sustainability, economic resilience, social equity, and cultural vitality. The proposal is consistent with the key directions of Sustainable Sydney 2030 – 2050, particularly Direction 10, 'Housing for all' as it aims to increase housing diversity and affordable housing in the LGA.
Future Transport Strategy	The NSW Future Transport Strategy is a long-term plan for transforming the transportation landscape in New South Wales. It aims to create a modern, efficient, and customer-focused transport system that can adapt to emerging technologies and cater to the evolving needs of a growing population. The strategic location of retail and market and affordable housing units in the suburb of Potts Point which is an approximately 10-minute train ride to Sydney's

Plan	Detail
	CBD from Kings Cross station delivers economic benefits for Sydney by enhancing connectivity between businesses, dwellings and people. The proposal provides an opportunity to boost the city's productivity by allowing residents to access jobs faster and more reliably. The proximity of the site to community services, open space and public transport infrastructure encourages the use of existing active transport networks to reduce automobile reliance, to decrease congestion and to reduce environmental impacts.
Better Placed	Better Placed is an integrated design policy for the built environment developed by the NSW Government Architect. The policy aims to enhance the quality of life for the people of New South Wales by promoting good design in the planning, design, and construction of buildings, spaces, landscapes, and neighbourhoods. The project 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. The final design outcome will accommodate a built form that is sustainable, functional, sensitive to its context and visually distinctive as encouraged by objectives of Better Placed.
Connecting to Country Framework	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. The Landscape Concept has been informed by Connecting with Country principles including through the landscape elements and endemic planning. The landscaping and architectural features, materials and finishes will be further developed and informed by Connecting with Country principles as part of the detailed design of the proposal.

2.6. Justification Summary

The project is considered to be aligned with the overall strategic context for these reasons:

- The project has considered the key site characteristics through a detailed analysis of the relevant constraints. The proposal will increase the diversity and affordability of the dwellings on the site, contributing to the NSW State Government's commitment to deliver 377,000 new well-located homes by 2029 in accordance with the National Housing Accord. The design of the development has been carefully considered to respond to the surrounding built form and environmental characteristics, including appropriate sustainability measures.
- The project has considered the wider locality including surrounding infrastructure, public transport and the cumulative impacts of other projects in accordance with DPHI's Cumulative Impact Assessment Guidelines for State Significant Projects. The development of the proposal has taken into consideration other projects within Central Sydney including the management of any concurrent construction impacts.
- The project has considered feasible alternatives and how these would meet the objectives of the development, this includes the consequences of not carrying out the development. The analysis has found that the proposal offers a balanced land use mix that responds to changing market conditions and provides additional affordable housing in comparison to the existing development on the site.
- The project is aligned with the relevant State and local strategic planning policies as it would contribute to the diversity and affordability of the State's housing stock. It supports the location of residential and retail uses in a highly accessible area of Sydney's CBD, boosting city productivity by improving access to jobs.

3. Project Description

The following section of the EIS summarises the key numeric components of the proposed development and describe the demolition, site preparation, construction and operational phases in further detail.

3.1. Project Overview

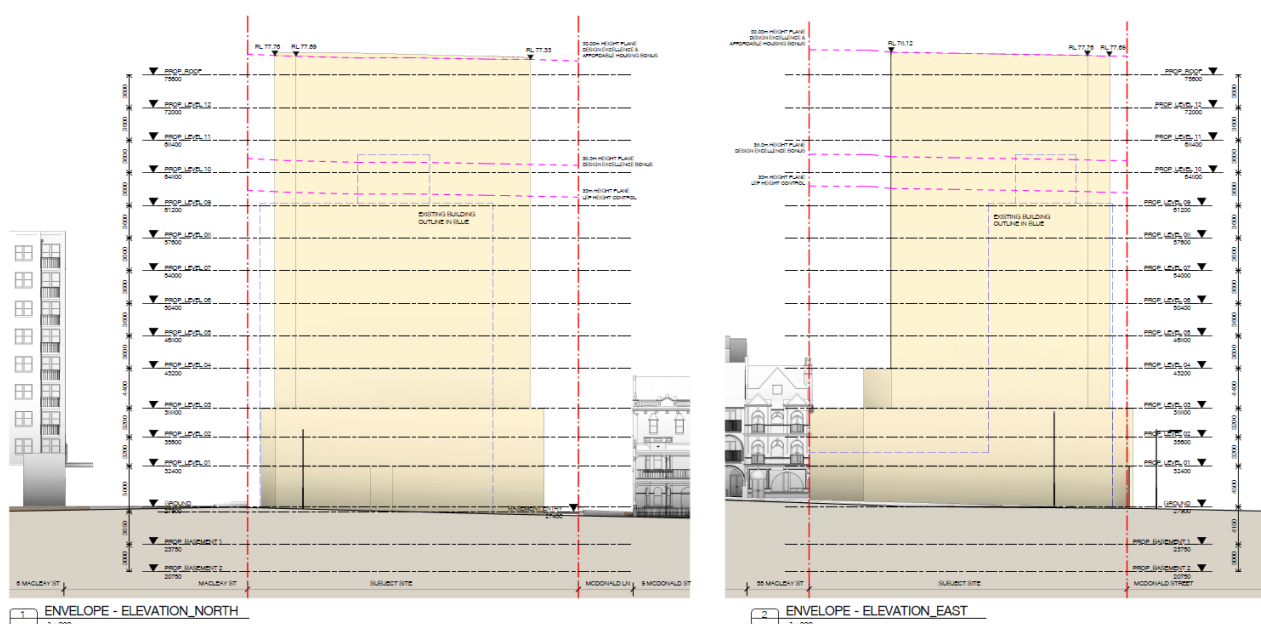
The key components of the proposed development are summarised in **Table 7** and below. A copy of the architectural concept drawings is provided as **Appendix G**. The proposal is a concept application only and does not seek consent for any site preparation or physical building works which would be subject to a separate detailed application.

Table 7 Project Summary

Project Element	Summary								
Project Summary	Concept approval for a 13-storey shop top housing development comprising three levels of basement car parking, ground floor retail and residential (market and affordable housing) above.								
Site/Project Area	1,289 sqm								
Site frontage lengths	31.09m to McDonald Street 32.03m to Macleay Street 36.55m to Southern boundary 33.41m to McDonald Lane								
Proposed uses	Retail Residential – market and affordable housing								
Gross Floor Area (GFA)	Maximum 5,529.8 sqm, which includes: - Retail - maximum 250m² - Affordable housing - minimum. 829 m²								
Floor Space Ratio (FSR)	4.29:1								
Maximum height	Maximum 50.05m (RL 78.12) or 13 Storeys (Figure 6)								
Setbacks	<table> <tr> <td> - North (McDonald Street) </td><td> - Ground to Level 2: nil setback - Levels 3 to 12: 3m setback </td></tr> <tr> <td> - East (Macleay Street) </td><td> - Basement levels: 2m setback - Ground to Level 3: 1.5m setback - Levels 4 to 12: 3m setback </td></tr> <tr> <td> - South (neighbouring property) </td><td> - Ground to level 3: nil setback where aligned with neighbouring terrace, 6m for levels 1 to 2 where not aligned with neighbouring terrace - Level 4: 6m setback - Levels 5 to 12: 9m setback </td></tr> <tr> <td> - West (McDonald Lane) </td><td> - Ground to Level 3: 3.8m setback - Levels 4 to 12: 5.3m setback </td></tr> </table>	North (McDonald Street)	- Ground to Level 2: nil setback - Levels 3 to 12: 3m setback	East (Macleay Street)	- Basement levels: 2m setback - Ground to Level 3: 1.5m setback - Levels 4 to 12: 3m setback	South (neighbouring property)	- Ground to level 3: nil setback where aligned with neighbouring terrace, 6m for levels 1 to 2 where not aligned with neighbouring terrace - Level 4: 6m setback - Levels 5 to 12: 9m setback	West (McDonald Lane)	- Ground to Level 3: 3.8m setback - Levels 4 to 12: 5.3m setback
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West (McDonald Lane)	- Ground to Level 3: 3.8m setback - Levels 4 to 12: 5.3m setback								
Vehicular Access	Vehicle access to be provided off McDonald Street								
Parking	- Indicatively 58 spaces including: - Residential: 45 residential spaces, 4 accessible spaces (including one visitor) and 5 residential visitor spaces - Retail: 4 spaces								
Cycle Parking	Bicycle parking provision to be provided in accordance with the relevant requirements (to be confirmed as part of the detailed SSDA)								
Open Space	270 sqm communal open space on the ground floor 158 sqm communal open space on the roof top								

Project Element	Summary
Deep Soil Area	10.3% of the site area as unimpeded deep soil (approximately 133.5 sqm) with opportunities to increase the deep soil provision to be explored as part of subsequent detailed SSDAs.
Site preparation works	Site preparation works that will be required as part of a future detailed application on the site include: - Demolition of the existing building - Site preparation and bulk earthworks - Site remediation - Shoring and excavation for basement car park - Removal of planted vegetation on site.
Jobs	Construction – approximately 160 direct full time equivalent jobs Operation – approximately 12-13 jobs
Estimated Development Cost	Approximately \$99.44 million

Figure 6 Proposed building envelope elevations



Source: SJB

3.2. Building Envelope and Land Uses

The intention of this Concept SSDA is to establish a building envelope which responds to a site's opportunities and constraints and sets the framework within which a detailed building design can be established. The proposed building envelope is:

- 13 storeys in height (maximum height of 50.05m or RL 78.12), accommodating a three storey street wall with upper levels setback 3m.
- Chamfered at the south-western edge to ensure appropriate view sharing and overshadowing outcomes are maintained to surrounding buildings.
- Compliant with the relevant setback and building separation requirements under the ADG and DCP (albeit that noting the DCP is not a matter for consideration for SSD).
- Compliant with the Sydney LEP building height and floor space ratio controls, subject to design excellence and Housing SEPP bonuses.

- Predominantly concentrated in the north eastern portion of the site to provide an appropriate relationship to surrounding buildings.

The concept proposal seeks approval for a maximum GFA of 5,529.8 sqm on the site, comprising:

- A maximum 250sqm retail GFA
- A minimum 15% of the GFA or 829 sqm affordable housing GFA.

The distribution of the land uses within the building is explored in the reference scheme and discussed in **Section 3.3** below.

3.3. Reference Scheme

A reference scheme has been prepared by SJB and is detailed in the Architectural Drawings at **Appendix AA**. The intent of this design is to demonstrate how a building can be established within the proposed envelope while maintaining reasonable view sharing and overshadowing outcomes, achieving a practical floor plate that achieves good residential amenity and enabling a positive streetscape presentation. No approval is sought for the reference scheme as part of the Concept SSDA, and the eventual layout and detailed design of the building will be determined through a competitive design process and detailed SSDA.

The reference scheme would indicatively provide 34 apartments, comprising nine affordable and 25 market housing apartments. The key features of the reference scheme are shown in **Table 8**.

Table 8 Key features of the reference scheme

Level	Land use
Basement	▪ Three levels of basement car parking for 58 cars
Ground floor	▪ Loading and servicing ▪ Communal open space (270 sqm), landscape planting and a pool ▪ 202 sqm retail tenancy
Levels 1 to 2	▪ 9 affordable housing apartments, comprising: – 1 bedroom: 4 apartments (44%) – 2 bedroom: 3 apartments (33%) – 3 bedroom: 2 apartments (22%)
Level 3	▪ Planters, commercial terrace and BBQ facilities area and pool
Levels 4 to 12	▪ 25 3-bedroom market housing apartments
Roof	▪ Rooftop terraces and plunge pools

3.3.1. Affordable housing

15% of the GFA will be provided as affordable housing or 829 m² in accordance with the Housing SEPP. The proposed reference scheme provides a diverse mix of affordable housing typologies, which will be further developed as part of the design excellence process.

The affordable housing will be maintained in perpetuity for a period of at least 15 years and will be managed by a registered community housing provider. Refer to **Appendix Z** for further information regarding Bridge Housing (ABN 55 760 055 094), the chosen community housing provider.

3.4. Design Excellence

The Applicant is committed to achieving design excellence through the redevelopment of the site in accordance with Council's design excellence objectives. It is intended that, as required by Clause 6.21 of SLEP 2012 for buildings taller than 25m outside Central Sydney and where a Concept DA is required, a competitive design process will be undertaken prior to the lodgement of a detailed DA. A Design Excellence Strategy (DES) has been prepared for the site and endorsed by the Government Architect NSW (**GANSW**) (**Appendix F**).

The DES proposes the following design excellence strategy for the site:

- Undertake an 'invited' architectural design competition for the site that will inform a detailed state significant development application
- Invite a minimum of five (5) competitors to participate
- The selection of competitors will be undertaken in consultation with the GANSW and will: – Include a range of emerging and established architectural and landscape practices to participate in the Competition.
- Require that each competitor will be a person, corporation or firm registered as an architect in accordance with the *NSW Architects Act 2003* or, in the case of interstate competitors, eligible for registration with their equivalent association.
- A Competitor shall have demonstrated capabilities in design excellence by being the recipient of an Australian Institute of Architects award or commendation, or in the case of overseas competitors the same with their equivalent professional association.

The Design Competition is currently underway in accordance with the DES, with final submissions from competitors due on 7 March 2025.

Any subsequent detailed SSDA for the site will be developed on the basis of the design competition winning scheme to ensure it exhibits design excellence.

3.5. Landscaping and Open Space

Black Beetle have prepared a Landscape Concept for the site (**Appendix P**), which includes landscaped planting across all levels of the proposal. The key landscaped areas are on the ground floor, level 3 and the roof and are described in **Table 10** and shown in **Figure 7** to **Figure 9**.

Table 9 Key features of the reference scheme

Level	Land use
Ground floor	▪ Deep soil planting on the western edge of the site (129 sqm) ▪ Communal open space (270 sqm) ▪ 3 x 10m pool
Level 3	▪ Planters (800mm soil depth) ▪ Commercial terrace and BBQ facilities area ▪ Pool
Roof	▪ Planters (1000mm soil depth) ▪ Rooftop terrace and BBQ facilities area ▪ Pools

The proposal will achieve a total of 50% green cover within the project SSDA boundary and will provide 40% canopy cover.

Figure 7 Landscape concept - ground level

Ground



Source: Landscape Concept (Black Beetle)

Figure 8 Landscape concept - level three

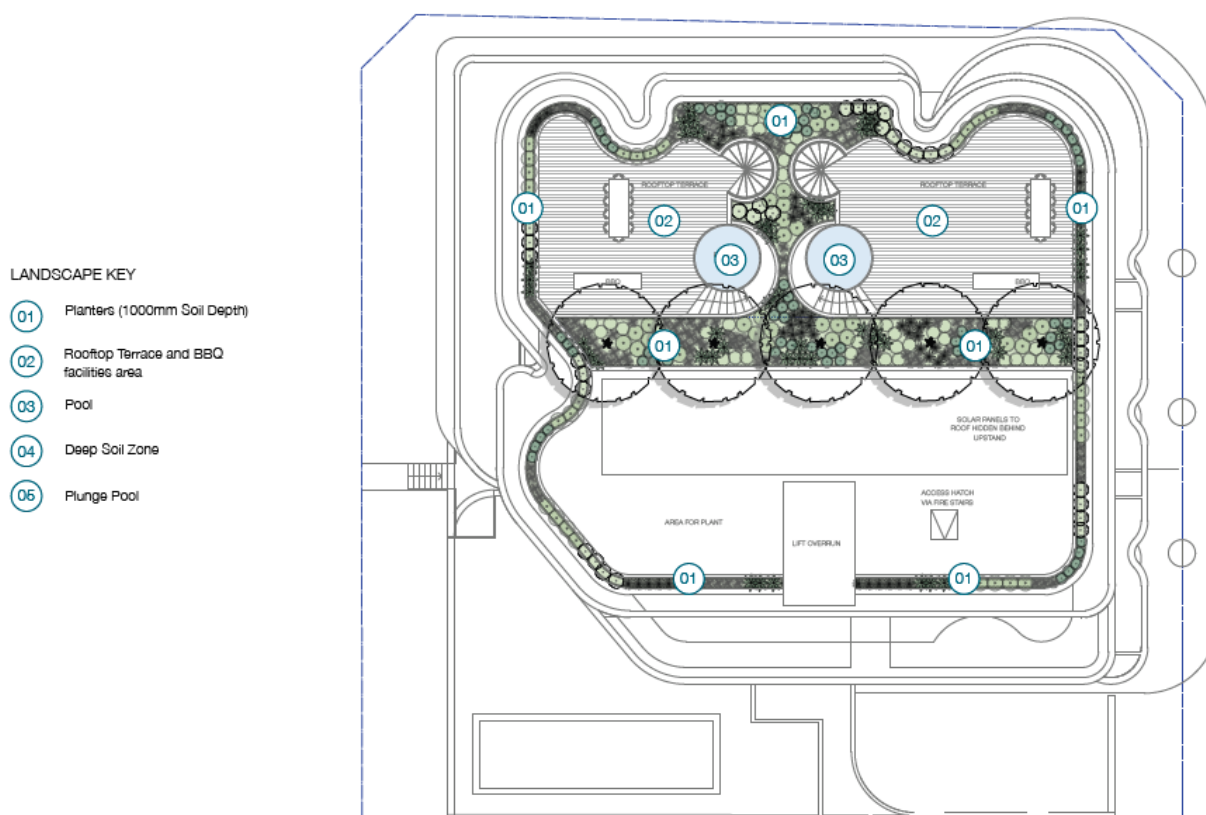
Level 03



Source: Landscape concept (Black Beetle)

Figure 9 Landscape concept - roof

Roof



Source: Landscape Concept (Black Beetle)

3.6. Public Art

Future detailed applications on the site would be supported by a Preliminary Public Art Plan to analyse and identify the best potential approaches for the inclusion of public art within the development, integrated with the architectural design.

The design competition process currently underway for the site also requires competition schemes to identify opportunities for public art on the site. The location and type of artwork will be further developed during the design excellence process and form part of a detailed application on the site, in consultation with the City of Sydney Council.

3.7. Parking and Access

The proposal seeks to maintain existing vehicle access to the site via the driveway on McDonald Street which would allow cars and bicycles to enter the basement parking area (three basement levels). This same driveway will be used for service vehicles to access a ground floor loading dock area. Pedestrians will access the site from Macleay Street.

The loading bay and driveway has been designed to accommodate a 10.6m long City of Sydney waste collection vehicle. An 11m diameter turntable is provided so that vehicles can enter and exit the site in a forward direction.

The car park access driveway and entry/exit ramp has been designed to accommodate the simultaneous two-way movement of traffic into and out of the site. Vehicle manoeuvring from all directions on McDonald Street is possible with the proposed design, with no alterations required to the existing landscaped median or on-street car parking.

The three basement levels provide for the following (compliant) parking numbers:

- 45 residential spaces
- 5 residential visitor spaces
- 4 retail spaces
- 4 accessible spaces (including 1 visitor space)
- 4 motorcycle spaces
- Bicycle parking in accordance with the Sydney DCP rates, including 34 bicycle parking spaces for residents within individual storage areas.

The final number of spaces will be determined in relation to the detailed design and number of apartments as part of the Detailed DA. However, the design demonstrates the capability of the site to provide appropriate car parking spaces, with regard to the relationship between the basement levels and the surrounding road network.

3.8. ESD Measures

Identification of ESD measures and establishment of a sustainability framework has been undertaken by E-LAB Consulting (**Appendix R**) to demonstrate an ongoing commitment to sustainability throughout the project evolution. This framework has been informed by the sustainability measures outlined in the Sydney LEP 2012, Sydney DCP 2012 and the Building Sustainability Index (BASIX), and includes:

- Improving upon minimum legislated BASIX benchmarks in line with City of Sydney Design Excellence guidelines:
 - Energy 60%
 - Water 40%
- Delivering a high level of thermal performance, demonstrated through an aspirational minimum 7 star average NatHERS rating across the development.
- Following a range of sustainability initiatives across the site spanning energy efficiency, water efficiency, indoor environment quality, materials selection, waste management and user/visitor comfort.

The strategies and initiatives presented in the ESD Report demonstrate a strong commitment to sustainability, which meets and exceed expectations for the development. Further opportunities for optimisation of the building's performance will be developed during subsequent stages of the project.

3.9. Waste Management

Collection of waste will occur wholly within the site at the ground level via a designated loading bay located adjacent to the waste storage areas. The loading bay and access driveway have been designed to accommodate a 10.6m long City of Sydney waste collection vehicle.

3.10. Construction Management

The proposal seeks concept approval only and does not involve any physical works. Construction works would be managed through future detailed applications for the site.

A detailed Construction Management Plan (**CMP**) will be prepared following determination of future detailed SSDAs and prior to issue of any Construction Certificate, and will include detail on pedestrian and cyclist movements, a site management plan, work health and safety plan, environmental management plan and quality plan.

4. Statutory Context

This section of the report provides an overview of the key statutory requirements relevant to the site and the project, including:

- *Environmental Planning and Assessment Act 1979 (EP&A Act)*;
- *Environmental Planning Assessment Regulation 2021 (the Regulations)*;
- *NSW Biodiversity Act 2016 (BC Act)*;
- *State Environmental Planning Policy (Planning Systems) 2021 (Planning Systems SEPP)*;
- *State Environmental Planning Policy (Transport and Infrastructure) 2021 (T&I SEPP)*;
- *State Environmental Planning Policy (Resilience and Hazards) 2021 (R&H SEPP)*;
- *State Environmental Planning Policy (Biodiversity and Conservation) 2021 (B&C SEPP)*;
- *State Environmental Planning Policy (Industry and Employment) 2021 (I&E SEPP)*;
- *State Environmental Planning Policy (Sustainable Buildings) 2022 (SB SEPP)*
- *State Environmental Planning Policy (Housing) 2021 (Housing SEPP)*
- *Sydney Local Environmental Plan 2019*
- *Sydney Development Control Plan 2012*

It identifies the key statutory matters which are addressed in detail within the EIS, including the power to grant consent, permissibility, other approvals, pre-conditions and mandatory considerations.

4.1. Statutory Requirements

The following sections provide a summary of the relevant statutory requirements having regard to the *State Significant Development Guidelines*. A detailed statutory compliance table for the project is provided at **Appendix C**.

4.1.1. Power to Grant Approval

The legal pathway under which the consent is sought, why this pathway applies, and the relevant consent authority is outlined in **Table 10**.

Table 10 Power to Grant Approval

Matter	Consideration
Declaration of SSD	Under Schedule 1(26A) of the Planning Systems SEPP, residential development with at least 10% affordable housing that has an Estimated Development Cost (EDC) of more than \$75 million is classified as SSD. The residential component of the proposed development has an estimated EDC of \$82,310,000 (Appendix D). The proposal also proposes 15% GFA as affordable housing. As such the proposal is SSD.
Consent Authority	Under section 4.5 of the EP&A Act

4.1.2. Permissibility

The permissibility of proposed development is outlined in **Table 11**.

Table 11 Permissibility

Matter	Consideration
Land use(s)	Ground floor retail / commercial (likely food and beverage) with residential above (including affordable housing).
Land use zone(s)	MU1 Mixed Use under the Sydney LEP 2012
Permissibility	Development for the purpose of shop top housing is permitted with consent in the MU1 zone.

4.1.3. Applicability of Housing SEPP Chapter 2 Part 2 Division 1 Infill Affordable Housing

Chapter 2 Part 2 Division 1 of the Housing SEPP applies to development that includes residential development if-

- (a) The development is permitted with consent under Chapter 3, Part 4, Chapter 5 or another Environmental Planning Instrument, and
- (b) The affordable housing component is at least 10%
- (c) All or part of the development is carried out in an accessible area (for development in the Six Cities Region).

The proposed development is permissible with consent in the MU1 mixed use zone as set out above and will include an affordable housing component that exceeds 10%.

Additionally, the development will be carried out in an accessible area as defined by the Housing SEPP. The site is located approximately 750 metres walking distance of the public entrance to the Kings Cross Train.

The site is also located within 200m walking distance of a bus stop used by a regular bus service. The nearest bus stops on Macleay Street are serviced by the 311 bus service, which provides multiple services throughout the hour (including but not limited to between 6 am and 9pm Monday to Friday and 8am to 6pm on Saturday and Sunday).

The Housing SEPP defines 'walking distance' as *"the shortest distance between 2 points measured along a route that may be safely walked by a pedestrian using, as far as reasonably practicable, public footpaths and pedestrian crossings"*.

The case of *Bennett v Northern Beaches Council* [2022] NSWLEC 1720 further establishes that:

"The words of the definition of "walking distance" do not require consistent lighting of the path, and do not require a paved pathway for the full length of the distance to the bus stop. Additionally, there is no requirement for the route to be flood free at all times. Further, neither the definition of "accessible area" nor that of "walking distance" require that the route to the public transport be suitable for access by means of a wheelchair or pram. The use of the word "walked" in the definition of walking distance makes it clear that the focus is on the action of walking. To require something beyond what the ordinary text conveys falls foul of Jagot J's observations in Matic v Mid-Western Regional Council [2008] NSWLEC 113 that the proper interpretation of words in a planning instrument is "not to be discerned by reference to pre-conceived ideas or vague notions of what might or might not be desirable".

The route between the site and the bus stop can be safely walked upon by pedestrians. A paved pedestrian footpath and street lighting is located along McDonald Lane and Macleay Street.

Accordingly, the site satisfies the definition of “accessible area” as set out within the Housing SEPP, through both its proximity to the public entrance of the Kings Cross train station and bus stops on Macleay Street, and Chapter 2 Part 2 Division 1 is applicable to the development.

4.1.4. Other Approvals

Given the application seeks ‘Concept’ SSD consent and does not involve any physical works, no additional approvals are required under the following Acts:

- *Environment Protection and Biodiversity Conservation Act 1999.*
- *NSW National Parks & Wildlife Act 1974.*
- *NSW Heritage Act 1977.*
- *NSW Roads Act 1993.*
- *NSW Water Management Act 2000.*
- *NSW Rural Fire Service Act 1997; and*
- *NSW Protection of the Environment Operations Act 1997.*

4.2. Pre-Conditions to Granting Consent

Table 12 outlines the pre-conditions to exercising the power to grant approval which are relevant to the project and the section where these matters are addressed within the EIS.

Table 12 Pre-Conditions

Statutory Reference	Pre-Condition	Section in EIS
EP&A Act – Section 4.24 Concept Development Consent	The proposal seeks a ‘Concept’ approval in accordance with Section 4.24 of the EP&A Act.	Section 3
Resilience and Hazards SEPP	Chapter 4 Remediation of Land: requires the consent authority to be satisfied that the land is suitable in its current state – or will be suitable, after remediation – for the purpose for which the development is proposed to be carried out.	Section 6.2.1
SEPP Housing Chapter 2 Part 2 Div 1 Infill Affordable Housing	Clause 20 Design Requirements requires that the consent authority consider whether the residential development is compatible with the desirable elements of the character of the area or for precincts undergoing transition, the desired future character of the precinct. Clause 21 Consent Authority must be satisfied that the affordable housing component will be maintained for at least 15 years and that it will be managed by a registered housing provider.	Section 6 Appendix Z

4.3. Mandatory Considerations

Table 13 outlines the relevant mandatory considerations to exercising the power to grant approval and the section where these matters are addressed within the EIS

Table 13 Mandatory Consideration

Statutory Reference	Mandatory Consideration	Section in EIS
Consideration under the EP&A Act and Regulations		
Section 1.3	The relevant objects are	Appendix B

Statutory Reference	Mandatory Consideration	Section in EIS
	▪ <i>To promote the social and economic welfare of the community and a better environment by the proper management, development and conservation of the State's natural and other resources</i> ▪ <i>To facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment,</i> ▪ <i>To promote the orderly and economic use and development of land</i> ▪ <i>To promote the delivery and maintenance of affordable housing,</i> ▪ <i>To protect the environment, including the conservation of threatened and other species of native animals and plants, ecological communities and their habitats</i> ▪ <i>To promote the sustainable management of built and cultural heritage (including Aboriginal cultural heritage),</i> ▪ <i>To promote good design and amenity of the built environment,</i> ▪ <i>To promote the proper construction and maintenance of buildings, including the protection of the health and safety of their occupants,</i> ▪ <i>To promote the sharing of the responsibility for environmental planning and assessment between the different levels of government in the State,</i> ▪ <i>To provide increased opportunity for community participation in environmental planning and assessment.</i>	
Section 4.15 (1)(a)(i) Relevant environmental planning instrument	All relevant EPIs will be addressed in the EIS, these include; ▪ Resilience and Hazards SEPP ▪ Planning Systems SEPP ▪ Transport and Infrastructure SEPP ▪ Housing SEPP ▪ Sydney LEP 2012	Appendix B
Section 4.15 (1)(a)(ii) Relevant draft environmental planning instrument	Relevant proposed instruments include ▪ Sydney Local Environmental Plan – Policy and Housekeeping Amendments 2024 (PP-2024-709) ▪ Sydney Local Environmental Plan – Dwelling Retention 2024 (PP-2024-27)	Section 4.4 Appendix B
Section 4.15 (1)(a)(iii) Relevant development control plan	▪ Relevant plans include ▪ Sydney Development Control Plan 2012	Appendix B
Section 4.15 (1)(a)(iiia) any planning agreement or draft planning agreement	Not relevant to the proposed development.	N/A
Section 4.15 (1)(a)(iv) relevant matters prescribed by the Regulations.	Not relevant to the site or proposed development.	N/A
Section 4.15(1)(b) the likely impacts of that development,	The likely impacts of the development including environmental impacts on both the natural and built environments, and social and economic impacts on the locality.	Section 6
Section 4.15(1)(c)	The suitability of the site for the development	Section 7.6
Section 4.15(1)(d)	Any submissions made in accordance with the Act or regulations	
Section 4.15(1)(2)	The Public Interest	Section 7.7

Statutory Reference	Mandatory Consideration	Section in EIS
Section 4.24	Sets out the provisions for concept approval which will need to be considered for the concept component of the SSDA and any subsequent DA.	
Mandatory relevant considerations under EPIs		
State Environmental Planning Policy (Resilience and Hazards) 2021	Chapter 4 – as the development require remediation.	Section 6.2.1
State Environmental Planning Policy (Housing) 2021	Chapter 2 Division 1 Infill affordable housing	Appendix B
State Environmental Planning Policy (Sustainable Buildings) 2021	Chapter 2 Standards for Residential development - BASIX	Appendix B
State Environmental Planning Policy (Biodiversity and Conservation) 2021	Chapter 2 Vegetation in non-rural areas	Appendix B
State Environmental Planning Policy (Transport and Infrastructure) 2021	Section 2.122 and Schedule 3	Appendix B
Considerations under other legislation		
Biodiversity Conservation Act 2016 Part 7 and Part 8 (2) (BC Act)	Under section 7.9(2) of the Biodiversity Conservation Act 2016 (BC Act), SSD applications are to be accompanied by a Biodiversity Development Assessment Report (BDAR) unless the Planning Agency Head and the Environment Agency Head determine that the proposed development is not likely to have any significant impact on biodiversity values. A Biodiversity Development Assessment Report (BDAR) waiver has been obtained and therefore a BDAR is not required as part of the SSDA.	Appendix S
Development Control Plan		
Sydney Development Control Plan 1012	Clause 2.10(1) of the Planning Systems SEPP provides that the provisions of Development Control Plans do not apply to SSD. Notwithstanding, the SDCP 2012 has been considered as a reference point for the design of the proposed development, including the concept. The proposal has considered the following provisions of the Sydney DCP: ▪ 2.44 Potts Point ▪ 3.3 Design excellence and Competitive Design process ▪ 3.4 Hierarchy of Centres, City South ▪ 3.5 Urban Ecology ▪ 3.6 Ecologically Sustainable Development ▪ 3.7 Water and Flood Management ▪ 3.9 Heritage ▪ 3.11 Transport and Parking ▪ 3.12 Accessible design ▪ 3.13 Social and Environmental Responsibilities ▪ 4.2 Residential flat, non-residential and mixed-use developments Schedule 7 – Transport, parking and access	Appendix B
City of Sydney Development	The City of Sydney Development Contributions Plan (2015) applies to areas in the City of Sydney LGA outside of Central Sydney, which includes the site. The site is located in the	

Statutory Reference	Mandatory Consideration	Section in EIS														
Contributions Plan 2015	East Precinct of Sydney. The Contributions Plan details the following contribution rates for the East Precinct: <table><tr><th>Rate</th><th>Amount</th></tr><tr><td>Per additional worker</td><td>\$2,544</td></tr><tr><td>Per additional visitor</td><td>\$6,251</td></tr><tr><td>Per additional resident</td><td>\$9,218</td></tr><tr><td>Per 1 bed dwelling (assumes 1.3 residents)</td><td>\$11,984</td></tr><tr><td>Per 2 bed dwelling (assumes 1.9 residents)</td><td>\$17,515</td></tr><tr><td>Per 3+ bed dwelling (assumes 2.7 residents)</td><td>\$20,000</td></tr></table>	Rate	Amount	Per additional worker	\$2,544	Per additional visitor	\$6,251	Per additional resident	\$9,218	Per 1 bed dwelling (assumes 1.3 residents)	\$11,984	Per 2 bed dwelling (assumes 1.9 residents)	\$17,515	Per 3+ bed dwelling (assumes 2.7 residents)	\$20,000	
Rate	Amount															
Per additional worker	\$2,544															
Per additional visitor	\$6,251															
Per additional resident	\$9,218															
Per 1 bed dwelling (assumes 1.3 residents)	\$11,984															
Per 2 bed dwelling (assumes 1.9 residents)	\$17,515															
Per 3+ bed dwelling (assumes 2.7 residents)	\$20,000															
	As the proposal seeks concept approval only, the Applicant expects a condition of consent to be imposed on future detailed development applications requiring a payment to be made before the first construction certificate, in accordance with the Contributions Plan (Section 7.11 Plan).															
HPC development contributions	Housing and Productivity Contributions (HPC) apply to Central Sydney but do not apply to replacement residential dwellings (knock down rebuilds) and affordable housing. Contributions will be determined as part of a future detailed development application on the site.															

4.4. Planning Proposals Under Consideration

4.4.1. Dwelling Retention

In January 2024, Council lodged a planning proposal to amend the Sydney LEP 2012 to introduce a new local provision to require that the redevelopment of a residential flat building or mixed-use development will not result in a reduction of more than one dwelling or 15% of the dwellings in the building, whichever is the greater (PP-2024-27). The planning proposal received gateway determination in July 2024. The Planning Proposal is currently in finalisation stage and is expected to be completed on or before 28 March 2025.

This concept SSDA seeks approval for a concept envelope only and does not seek approval for specific dwelling numbers. As a result, this draft planning proposal would be a relevant consideration at the detailed design stage, subject to any transitional / savings provisions.

It should be noted that at the time of writing this EIS the draft planning proposal also includes a savings provision which outlines that the amendments do not apply to a concept development application made but not finally determined before the commencement of the amendments. Whilst this savings provision is in draft only and subject to further review, its current wording means that the dwelling retention policy would not apply to this proposal.

4.4.2. City of Sydney Policy and Housekeeping Planning Proposal

In April 2024, Council lodged a planning proposal to amend the Sydney LEP 2012 to update the planning controls including for example deep soil zones, car parking, sun access planes, design excellence and affordable housing contributions (PP-2024-79). An overview of the amendments relevant to the project are provided in detail at **Appendix B**.

5. Community Engagement

The following sections of the report describe the engagement activities that have been undertaken during the preparation of the EIS and the community engagement which will be carried out if the project is approved.

5.1. Engagement Carried Out

Community and stakeholder engagement has been undertaken by the Project Team in the preparation of the SSDA.

The engagement carried out for the project with key agencies is summarised below:

- 17th May - Early Scoping Meeting DPHI to discuss the proposal and assessment pathway and gauge preliminary feedback
- 4th July - Design Excellence Discussion GANSW
- 30 Sept - Design Excellence Discussion GANSW/DPHI
- 8 October - Meeting with City of Sydney to discuss Design Excellence Strategy
- 1 Nov - Meeting with GANSW to discuss competition brief
- 9 Dec - Meeting with GANSW/DPHI to discuss Design Competition

The following actions were taken to inform the community regarding the project and seek feedback on the proposal:

- A community newsletter, distributed to nearby residents and businesses (approximately 1,350 people)
- A project webpage and inbox for stakeholder queries
- Online survey and feedback forms
- In person focus groups and online webinar

Consultation was also undertaken with the certain stakeholders to inform the detailed assessment of key matters including:

1. Department of Planning, Housing and Infrastructure (DPHI)
2. Government Architect NSW
3. City of Sydney
4. Sydney Water
5. Department of Climate Change, Energy, the Environment and Water
6. Transport for NSW (TfNSW)
7. NSW State Emergency Service
8. Endeavour Energy
9. Ausgrid
10. Registered Community Housing Providers.

This engagement was consistent with the community participation objectives in the Undertaking Engagement Guidelines for State Significant Projects and complies with the community engagement requirements in the SEARs.

In accordance with the Regulations, the EIS will be placed on formal public exhibition once the DPHI has reviewed the EIS and deemed it 'adequate' for this purpose. Following this exhibition period, the applicant will respond to any matters raised by notified parties.

5.2. Community Views

The Engagement Report prepared by Brilliant Logic (**Appendix E**) presented key themes of feedback received from the community across all engagement activities. The feedback gathered highlights both support and concerns from local residents, businesses, and other stakeholders. The following themes were identified as central to the community's input:

- **Retail and Food & Beverage Offering:** There is strong support for the inclusion of shops, cafés, and open eating areas at street level. The community values the introduction of these uses, which are seen as contributing to vibrant street life and enhancing the public realm. One comment highlighted the desire for “the introduction of shops at street level [to] provide street life, as do small cafes and coffee shops, enhanced by open eating areas at ground level.”
- **Demolition of the Existing Two-Storey Car Parking Structure:** The proposal to replace the existing two-storey car park with active retail spaces has been positively received by the community. This change is seen as improving the site's visual presence and contributing to the overall urban revitalisation.
- **Visual and Laneway Improvements:** The community has expressed support for the design's focus on improving the visual aspects of both the streetscape and the rear laneway, noting that the introduction of retail spaces will significantly enhance the area's appeal.
- **Affordable Housing:** Concerns were raised regarding the potential negative impacts of social housing in the area. However, the inclusion of affordable and key worker housing has been welcomed by the community as an important step in addressing the growing need for housing options that are accessible to a broader range of residents.
- **Community Identity and Village Vibes:** The protection and enhancement of Potts Point's unique village and community character were identified as key priorities for local residents. The proposal has been designed to respect and integrate these aspects while introducing modern amenities that support the ongoing vibrancy of the neighbourhood.
- **Waste Management and Environmental Impact:** Feedback indicated concerns about existing rubbish collection practices in the area. In response, the applicant has committed to addressing these concerns by incorporating improved waste management systems to minimise any environmental impact.
- **Gentrification and Displacement:** There were concerns about the potential for gentrification and the displacement of existing residents. The proposal has taken these concerns into account, aiming to balance the need for new development with the protection of affordable housing and support for the area's diverse population.
- **Impact on Views, Scale, and Overshadowing:** Community feedback highlighted concerns about the impact of the proposed development on surrounding views and the scale of the building, with particular emphasis on potential overshadowing. In response, the design has been adjusted to reduce the impact on views, ensure an appropriate building scale, and minimise overshadowing, in line with planning guidelines.

Since 2022, the applicant has actively engaged with a wide range of stakeholders, including local residents, businesses, referral agencies, and community groups. This ongoing dialogue has allowed for a detailed understanding of local concerns, which have been thoughtfully addressed throughout the concept design process. As a result, the concept envelope reflects the input gathered during the consultation period and aims to balance modern development with the preservation of the area's unique character.

The design includes the following key elements, reflecting community input:

- **Retail and F&B Offering:** Shops, cafés, and open eating areas at street level have been incorporated to enhance street life and vibrancy, aligning with the community's preference for more active and engaging ground-level spaces.
- **Demolition of the Existing Car Parking Structure:** The two-storey car park will be replaced with retail spaces, improving both the functionality and aesthetic quality of the site, which aligns with community support for this change.
- **Visual and Laneway Enhancements:** The proposal includes improvements to the streetscape and rear laneway, providing a more attractive and accessible public space, in response to community feedback.

- **Affordable Housing:** The inclusion of affordable housing, managed by a registered Community Housing Provider, directly addresses the growing demand for accessible housing in the area, in response to community concerns about housing affordability.
- **Social and Key Worker Housing:** A mix of affordable and key worker housing has been incorporated into the design, reflecting the community's call for more diverse and accessible housing options.
- **Preservation of Potts Point's Community Vibe:** The design respects the unique village atmosphere of Potts Point, ensuring that the character of the area is maintained while introducing new, modern amenities that support the continued vibrancy of the neighbourhood.
- **Waste Management Improvements:** Measures have been put in place to address local concerns about rubbish collection, with improved systems designed to minimise environmental impact and enhance cleanliness in the area.
- **Balanced Development to Address Gentrification:** The development has been designed to avoid displacement of existing residents by offering a balanced mix of housing types that support the ongoing diversity of the community.
- **Adjustments to Views, Scale, and Overshadowing:** The design has been refined to reduce impacts on views, adjust the building scale, and mitigate overshadowing, responding to community concerns while adhering to planning controls.

Through comprehensive and ongoing consultation, the applicant has demonstrated a commitment to being responsive to community concerns and ensuring that the final design reflects both the needs of the community and the aspirations for future development. This development aims to make a positive contribution to the area, enhancing its vibrancy and inclusivity for years to come.

5.3. Engagement to be Carried Out

The applicant welcomes feedback on the current and future proposals and will continue to keep stakeholders and the community informed at key project milestones.

6. Assessment of Impacts

This section describes the way in which the key issues identified in the SEARs have been assessed. It provides a comprehensive description of the specialist technical studies undertaken regarding the potential impacts of the proposed development and recommended mitigation, minimisation and management measures to avoid unacceptable impacts.

Detailed tables have been provided within the appendices as outlined in **Table 14**. This information includes a reference to where these matters have been addressed in the EIS.

Table 14 Key Appendices

Key Appendix	Reference
SEARs compliance table	Appendix A
Statutory compliance table	Appendix B
Proposed mitigation measures table	Appendix C

The detailed technical reports and plans prepared by specialists and appended to the EIS are individually referenced within the following sections.

Detailed Assessment	Standard Assessment
Built form and Urban Design	Contamination and Remediation
Residential Amenity	Trees and Landscaping
Environmental Amenity	Ecologically Sustainable Development
Visual Impact	Biodiversity
Heritage	Waste Management
Transport	Social Impact
	Aboriginal Cultural Heritage
	Stormwater and Flood Risk

6.1. Detailed Assessment Impacts

This section of the report provides a detailed assessment of the key issues which could have a significant impact on the site and locality. It provides a comprehensive assessment of the relevant issues, and the mitigation measures required to avoid, mitigate and/or offset the impacts of the project.

6.1.1. Built Form and Urban Design

Existing Environment

The site currently accommodates a 12-storey residential flat building, shown in **Figure 10**. The existing building is atypical in the urban form of Potts Point, provides limited architectural reference to its surrounding context and does not transition in scale and height to the surrounding Victorian terraces to the south or west. The site currently includes an above ground parking structure on the Macleay Street frontage which detracts from the active street environment for which Potts Point is renown.

We note that City of Sydney have recently prepared a Planning Proposal which seeks to heritage list a number of post-modern residential flat buildings in the Potts Point area. The current building is not one that has been identified for heritage listing. The current classification in Sydney DCP 2012 is that the building is 'detracting'.

Figure 10 Existing view of the site from Macleay Street



Source: SJB

Impact Assessment

The redevelopment of the site represents a significant opportunity for the built form massing to improve the relationship of a building on the site with the surrounding heritage and architectural context.

The proposal seeks concept approval for a residential building envelope with ground floor retail. Whilst the proposal does not seek approval for detailed building design, a reference scheme has been submitted with this EIS to indicatively demonstrate how a future development on the site may be delivered within the building envelope.

The proposed concept envelope has been designed to balance the relevant planning controls and uplift available under design excellence and affordable housing bonuses on the site with the need to carefully manage view sharing, overshadowing/impacts on surrounding properties and respecting the heritage considerations of the streetscape. The proposed concept envelope has been shaped by preliminary feedback received from Council.

SJB have prepared a reference scheme for the site, provided at Appendix AA. The proposed built form addresses the site frontages in the following way:

- Macleay Street – primary frontage containing the pedestrian entrance and retail activation.
- McDonald Street – secondary frontage containing vehicular access and services zone; and
- McDonald Lane – interface with the rear boundary, including a vegetated deep soil planting zone.

Height, bulk and scale

The proposal seeks approval for a residential and commercial building envelope with a height of 50.05m or RL 78.12 (13 storeys). The proposed height and FSR are compliant with the LEP controls subject to the provision of design excellence and affordable housing bonuses and therefore, the proposal is considered an appropriate scale of development of the site as envisaged by Council and the NSW State Government.

The building envelope has been designed to respond positively to the surrounding streetscape and ensure appropriate view sharing and overshadowing outcomes are maintained to surrounding buildings. The building envelope/footprint is concentrated toward the northeastern portion of the site to provide a strong corner definition.

The massing strategy establishes a three-storey street wall presentation to Macleay Street, which aligns with the predominant street wall height at 61-63, 57-59 and 55 Macleay Street. The upper floors are then setback 3m from this street wall.

The proposed envelope has also been setback at the upper levels to the south eastern corner of the site to align with the existing heritage facades to allow visual curtilage to their architectural features. The proposed setback provides adequate visual separation of the proposed podium mass and existing heritage fabric.

The shielded central courtyard area (on the ground floor) provides a private area for resident enjoyment, with surveillance of this space provided from internally facing residential balconies and windows. The inclusion of ground floor retail would activate the ground plane and increase the amenity of the Macleay Street frontage.

Future detailed design

The reference scheme also accommodates DCP compliant floor to ceiling heights on the ground floor (4.5m) to assist in the adaptation of this spaces into the future (if required).

The applicant is committed to undertaking a robust design excellence process to ensure that subsequent detailed applications on the site exhibit design excellence and exemplify good design in accordance with GANSW's Better Placed whilst minimising built form impacts. Future detailed design on the site will be shaped by the Design Excellence Strategy endorsed by GANSW and ensure the proposed materiality and architectural detail would respond positively to the Potts Point local character and heritage context.

6.1.2. Residential Amenity

The existing building on the site provides studio apartments only with no external private open space and little amenity for residents. The concept envelope represents a significant increase in residential amenity through providing ample areas of private and communal open space to enhance amenity for future residents and the streetscape.

Whilst the proposal seeks concept approval only for a building envelope, a reference scheme has been prepared by SJB to consider the ability for the built form within the proposed building envelope to provide adequate amenity for future residents. An assessment of the reference scheme against the key amenity criteria contained in the Apartment Design Guide is discussed in the sections below.

6.1.2.1. Solar Access and Ventilation

The ADG requires that living rooms and private open space of at least 70% of apartments are to receive a minimum of 2 hours direct sunlight between 9 am and 3 pm in mid-winter. The ADG also seeks to ensure that a maximum of 15% of apartments proposed in a building receive no direct sunlight between 9am and 3pm at mid-winter.

The proposed building envelopes provide a minimum of 2 hours of sunlight to living areas of more than 70% of apartments and therefore comply with this requirement under the ADG. Further, zero apartments achieve no direct sunlight in mid-winter.

93% of apartments achieve the ADG recommendation for natural cross ventilation, significantly exceeding the 60% ADG requirement.

6.1.2.2. Apartment Mix and Size

The apartment mix and size will be determined through the detailed design process. Notwithstanding, the reference scheme prepared by SJB demonstrates how the envelope would be able to achieve an appropriate range of apartment types and scales. Table 15 provides an overview of the indicative apartment size, quantum and proportion. The indicative apartment sizes comply with the minimum requirements of Objective 4D-1 of the ADG.

Table 15 – Apartment Mix

Apartment Type	Number of Apartments	Proportion	Size Range
1-bedroom	4	12%	54 to 58 sqm
2-bedroom	3	9%	108 to 117 sqm
3-bedroom	27	79%	127 to 260 sqm

6.1.3. Environmental Amenity

6.1.3.1. Solar Access and Overshadowing

SJB have prepared shadow diagrams and sun eye views at 15-minute intervals between 9am and 3pm (inclusive) on the 21 June (mid-winter solstice) within the Design Report (**Appendix H**) which compare the existing situation and proposed development with respect to shadow impacts on neighbouring properties in accordance with the guidance in the NSW Apartment Design Guide (ADG).

This analysis has undertaken a detailed analysis in relation to the following potentially affected properties in the vicinity of the site:

- 10-12 Macleay Street
- 14 Macleay Street
- 57-59 Macleay Street
- 12-16 Challis Avenue
- 10C Challis Avenue

This analysis demonstrates that in summary 10-12 Macleay Street, 57-59 Macleay Street and 10C Challis Avenue maintain the same number receiving greater than 2 hours direct sunlight in mid-winter to the existing scenario. With respect to the other properties and based off the proposed envelope a total of nine neighbouring apartments, including seven at 14 Macleay Street and two at 12-16 Challis Avenue will receive less than 2 hours solar access between 9am and 3pm in mid-winter because of the proposal.

However, this level of overshadowing impact is considered acceptable as:

- This overshadowing impact represents a worst-case assessment of the proposal as it assumes the entire concept building envelope would be utilised.

- A number of the shadow impacts to both the lower level and upper level apartments are the result of a scheme that complies with the maximum height and FSR controls, subject to design excellence and affordable housing bonuses.
- No surrounding apartments will receive no direct sun during mid-winter and would continue to receive greater levels of solar access at other times of the year.

Through the detailed design process, including the design competition, the built form on the site would be further modulated to reduce overshadowing impacts to neighbouring buildings. The proposed shadow impacts of the development are therefore considered appropriate for the subject site and would be reduced through further detailed design.

6.1.3.2. View loss and View Sharing

A View Sharing Report (VSR) has been prepared by Urbis (**Appendix J**) which provides an assessment of the private domain view impacts of the proposal.

19 dwellings were inspected and documented by Urbis. Multiple view places in each dwelling were independently surveyed by Craig & Rhodes registered surveyors. Five views from four dwellings were selected by Urbis for modelling and further analysis using photomontages to show the extent of visual effects generated by the proposed concept envelope (**Figure 11**).

Based on fieldwork observations, locations where view loss would be limited in quantitative and qualitative terms, for example, lower-level units at Macleay Regis, Selsdon and Pomeroy flat buildings, were excluded by Urbis from the modelling. The assessment of view loss and view sharing outcomes for potentially affected dwellings excluded from modelling is based on analysis of similar views from adjoining units above or below, where views are characterised by similar compositions.

Figure 11 Viewpoint location map of views assessed in the VSR



Source: Urbis

Urbis has applied the principles established by Tenacity Consulting Vs Warringah [2004] NSWLEC 140 to four dwellings as a representative sample of the types of views and compositions potentially affected. Of the four dwellings assessed, three were rated as Minor and one as Minor-moderate when considering all relevant factors required by *Tenacity* and for the whole dwelling (not just the view modelled) (**Table 16**). The

highest impact rating in this assessment was Minor-moderate, which is a low-ranking order using the *Tenacity* view impact rating scale.

Table 16 Summary of visual impact from identified private domain viewpoints

View	Viewpoint Location	Unit number	Impact rating for whole dwelling
View 05	57-59 Macleay Street, Potts Point (Yellow House)	Unit 7	Minor
View 06	10-12 Macleay Street Potts Point (Macleay Regis)	Unit 901	Minor
View 07	14 Macleay Street, Potts Point (Pomeroy)	Unit 801	Minor – moderate
View 08			
View 09	16 Macleay Street Potts Point (Selsdon)	Unit 60	Low

Urbis noted that the concept envelope provides for maximum development potential, such that the extent of potential view loss and view impacts of a future building is likely less than what is anticipated by the envelope shown. Urbis concluded that the overall view sharing outcome, based on representative modelled views, number of dwellings affected, the complying nature of the Concept SSDA envelope and the reasonable expectation to realise the development potential of the site, in our opinion the view sharing outcome is considered to be reasonable and acceptable. The proposed development can be supported on view sharing grounds and no further mitigation is required.

Any private view loss will be further assessed as part of future detailed SSDAs when architectural plans for the building design and façade articulation are prepared.

6.1.3.3. Wind Impacts

A desktop Wind Assessment was prepared as part of a previous application on the site which considered wind conditions effecting the site and potential impacts of the proposal. Whilst this concept building envelope is higher than the previously proposed scheme, the conclusions of this desktop assessment are considered relevant to the proposal and can be further considered as part of the detailed design stage of the proposal.

The Wind Assessment concluded that being slightly larger than most surrounding structures, the proposed development will have some effect on the local wind environment, though any changes are not expected to be significant from the perspective of pedestrian comfort or safety, since the proposed development is slightly shorter than the existing tower on the site and is situated in a somewhat protected location. Wind conditions around the development are expected to be classified as acceptable for pedestrian standing or walking from a Lawson comfort perspective and pass the distress/safety criterion.

A Wind Assessment will be prepared to support a detailed application on the site.

The desktop Wind Assessment recommended that local amelioration may be necessary for areas intended for long-term stationary or outdoor dining activities. Wind mitigation measures typically relate to landscaping or physical barriers which can be incorporated into the design of the proposal as part of the detailed design application.

6.1.3.4. Lighting and Reflectivity

Lighting and reflectivity impacts would be considered at the detailed design stage of the proposal and would align with the relevant legislative requirements and as well as standards set out in the Sydney DCP 2012.

6.1.4. Visual Impact

A Visual Impact Assessment (VIA) has been prepared by Urbis (**Appendix J**) and provides an analysis of the development from key locations, vistas and view corridors from the public domain (including photomontages) and addresses the proposal's siting from a range of close and distant vantage points, including from Sydney Modern, The Domain and surrounding streets in the vicinity of the site.

6.1.4.1. Visual Impact Assessment

Methodology

The methodology adopted for the VIA is informed by a number of published methods including the Guidelines for Landscape and Visual Impacts Assessment 3rd edition, published by the Landscape Institute and Institute of Environmental Management and Assessment, the Environmental Impact Assessment practice note EIA -NO4 prepared by RMS in December 2018, and bespoke approaches developed by Sydney University.

The Urbis methodology identifies objective information about the existing visual environment, analyses the extent of visual effects on those baseline characteristics and unlike other methods, considers the importance of additional relevant factors including view place sensitivity, compatibility with existing and desired future character and visual absorption capacity.

Indicative massing models prepared by SJB have been used in the preparation of **four accurate and certifiable photomontages from four view places** which demonstrate a range of representative sample views from within the site's visual catchment. Photomontages have been prepared in a manner that satisfies the practice direction established by the Land and Environment Court of NSW.

The photomontages assessed in the VIA reflect the envelope established by the indicative concept design and general arrangement plans prepared by SJB.

Existing Environment

The existing visual environment is characterised by:

- Unique and varied architectural styles and ages and a substantial canopy offered by mature street trees along either side of the road on Macleay Street.
- Predominantly Victorian, Federation and Inter War architecture in the form of residential flat buildings and terrace dwellings in Potts Point
- the Potts Point Heritage Conservation Area and several heritage items in the vicinity of the site
- A low to medium scenic quality of the site as it does not include any features or visual compositions of high scenic quality.

To Urbis' knowledge, there is no historical evidence that views to and from the Sydney Modern or The Domain toward the Potts Point ridgeline or particular buildings such as the Macleay Regis, were deliberately intended, or should be afforded any particular significance of view corridor protection.

Impact Assessment and Cumulative Impact

Of the 19 public domain view places surveyed by Craig & Rhodes, Urbis has selected and assessed four view places for further analysis based upon a desktop review and fieldwork of the site. The selected views are identified in **Figure 12** and an assessment of the view impact at each location is summarised in the following table.

Figure 12 Viewpoint location map of views assessed in the VIA



Source: Urbis

Table 17 Summary of visual impact from identified viewpoint locations

View	Viewpoint Location	Visual Impact Rating
View 01	View south-east towards the site from north-western corner of McDonald Street.	Low
View 02	View north towards site from south-west corner of intersection between Challis avenue and McDonald Street.	Low
View 03	View north-east towards site from southern entry of The Domain carpark.	Low
View 04	View east towards site from Sydney Modern museum (no exit Path).	Low

Urbis have applied weighting factors (sensitivity, visual absorption capacity and compatibility) to assess the overall level of visual impact of the proposal and concludes that the visual effects and overall visual impact is considered low as:

- The majority of close views are likely to be for short periods of time from moving viewing situations. In close views from the surrounding streetscape the concept envelope is highly compatible with the existing visual context.
- The extent of visual change in close views from Macleay Street and Challis Avenue is limited, where access to distinctive foreground buildings within the streetscape (including heritage items) is maintained.
- From more distant, sustained and sensitive viewing locations such as The Domain, the proposal forms part of a wider composition and is seen in the context of dense built form including low and medium height building development and isolated mid-height tower forms which occupy the Potts Point peninsular.
- The proposal introduces a new, distinguishable elements in easterly views that is compatible with the predominant character of the Potts Point Peninsular.

- The extent of visual change that would be occasioned by the construction of a permissible envelope, is contemplated by the relevant built form controls such as height and setbacks
- Access to views to and from heritage items are not altered to any significant extent and the proposal does not block visual access to any listed heritage items from places of high sensitivity.

Therefore, the VIA concludes that the proposed concept envelope can be supported on visual impact grounds and no further mitigation is required. Further detailed design development of the built form would reduce visual impacts and ensure the materiality and articulation considers the heritage character of the surrounding area.

6.1.5. Heritage

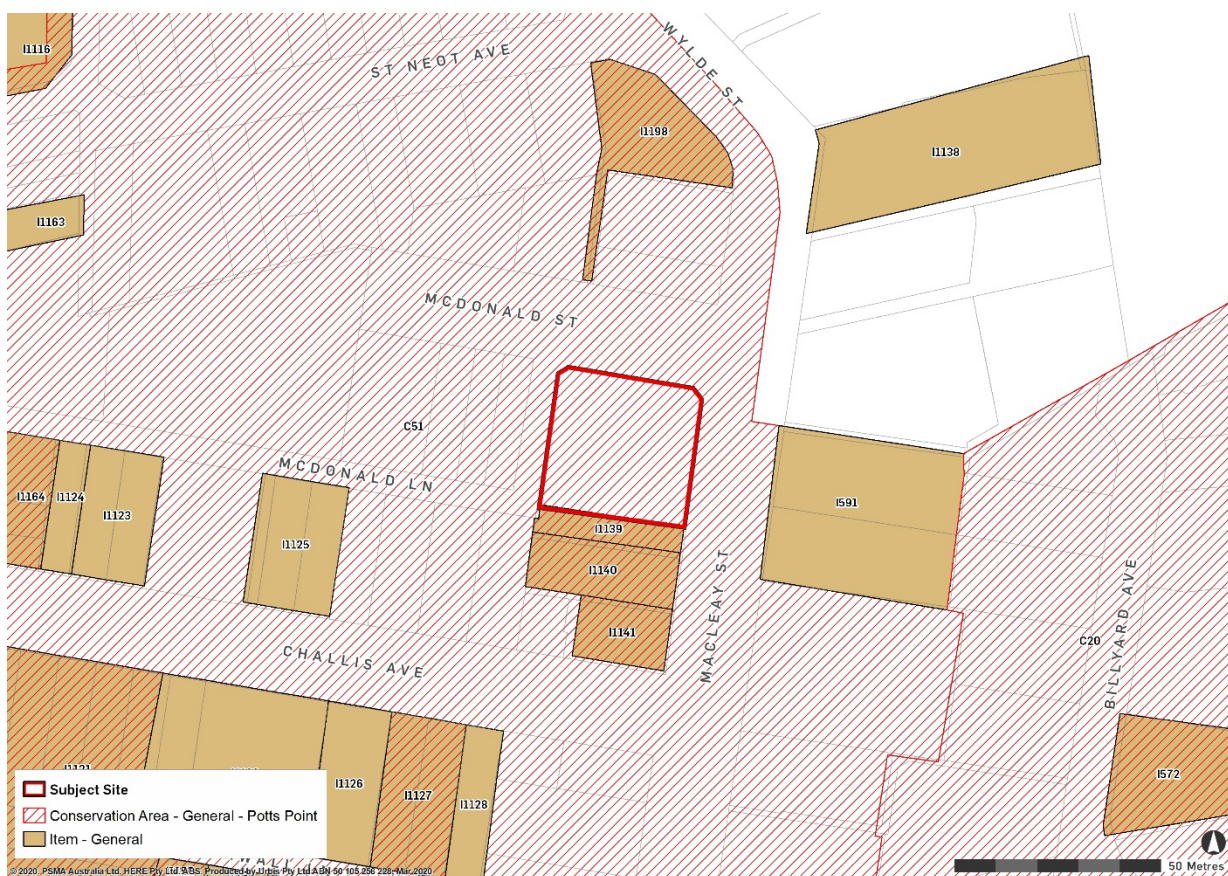
A Heritage Impact Statement (**HIS**) has been prepared by John Oultram Heritage and Design in support of this concept SSDA (**Appendix X**).

The HIS provides a historical overview of the site, including Aboriginal history and post-European arrival, and further identifies the heritage items within the study area and nearby to the site. An assessment of the item's heritage significance and the potential impact of the proposal is undertaken with recommendations provided.

6.1.5.1. Heritage status of the existing building

The HIS confirms that the site is not listed as a local or State heritage item, however it is within the C51 Potts Point Heritage Conservation Area (**HCA**). The site also adjoins several heritage items (**Figure 13**).

Figure 13 Heritage mapping



Source: Urbis

The site is identified as a detracting item to the Potts Point HCA in the Sydney DCP. The Sydney DCP defines detracting buildings are those that are intrusive to a heritage conservation area due to their inappropriate scale, bulk, setback, setting, design or materials.

However, the Statement of Heritage significance of the Potts Point HCA has been updated to recognise the significance of Interwar apartment buildings in the streetscape. It is the current view of Council that the

building is contributory within the HCA as the building dates to the mid-20th century and was designed by Hugo Stossel, a modestly well-known post-War émigré architect who designed several similar residential apartment buildings in Sydney's inner eastern suburbs.

As a result, the HIS carried out a detailed analysis and assessment of the potential heritage significance of the existing building on the site based on the findings in the independent report provided to Council and assessed the existing building on the site against the thresholds in the *Assessing Heritage Significance* guidelines published in May 2023 by the NSW Department of Planning. The HIS builds on previous analysis undertaken by Urbis of the heritage status of the site.

Both reports conclude that the building would not meet the threshold to warrant its listing as a heritage item, nor is it of such architectural quality or historical importance that it should be considered a neutral or even contributory item within the context of the HCA as:

- The historic significance of the Potts Point HCA largely relates to the earlier buildings on the site that were demolished for the existing development and therefore the building does not relate to the key periods of significance for the Potts Point HCA
- Whilst the building is associated with an architect of note (Hugo Stossel), it is not a particularly important representative example of his work
- The building is an undistinguished example of its type
- The building has been heavily modified internally and therefore has irreversibly lost its integrity as an example of a mid-20th century residential apartment building.

The HIS therefore concludes that the building's current listing as a detracting item in the HCA still stands. Nonetheless, the HIS recommends the existing building on the site is photographically archivally recorded in accordance with Heritage NSW's guidelines for digital capture prior to its demolition. This can be secured by a condition of consent imposed by the consent authority.

Subject to the implementation of this mitigation measure, the proposed demolition of the existing building on the site is acceptable and would not generate any adverse heritage impacts, including on the heritage significance of the Potts Point HCA.

6.1.5.2. Impacts of the proposal on the HCA

The concept envelope has been specifically designed to reduce impacts and respect the heritage significance of the surrounding area, including:

- The scale, massing and form of the development has considered potential impacts on views to the HCA and to and from heritage items
- Street wall heights have been selected to provide adequate visual curtilage around the neighbouring heritage items
- The setback to the southern boundary will allow views from heritage items to the CBD and The Domain, and views from The Domain to the heritage items.

The HIS also assesses the potential impacts of the proposed development on the heritage significance of the Potts Point HCA and the heritage items in the vicinity of the site. The assessment found that the proposed development would respect and enhance the established significance of the HCA and of those heritage items in the vicinity for the following reasons:

- The proposal would not entail any works to any buildings or sites which are listed as heritage items under Schedule 5 of the Sydney LEP 2012. Fabric, views and settings related to heritage items in the vicinity of the subject site would not be impacted by the proposal. Similarly, there would be no impacts on any contributory or neutral items within the context of the Potts Point HCA.
- The existing subdivision and street layout would not be modified by the proposal. This will maintain the integrity of the historic development pattern within the Potts Point HCA.
- Future development proposes an opportunity to introduce a high-quality example of architectural infill, subject to a competitive design process, which will respond more positively to adjoining heritage items and the wider Potts Point HCA than the existing building.

Therefore, the HIS concludes that the proposal would have a limited and acceptable impact on the setting and significance of the heritage items in the vicinity and the Potts Point Heritage Conservation Area.

Future detailed applications on the site will consider the materials and finishes and scale and modulation of the podium to respond to the Potts Point HCA and provide opportunities for heritage interpretation at the ground level. The heritage impacts of the concept envelope would be acceptable at this stage of the development and subsequent detailed design stages will further refine the proposal in response to its heritage context.

6.1.5.3. Historical Archaeological Impacts

Urbis has prepared a Preliminary Historical Archaeological Assessment (PHAA) (**Appendix Y**) to provide a preliminary assessment for historical archaeological potential on the site based on a review of heritage databases and relevant archaeological publications and a review of the historical development of the subject area.

The PHAA concludes that there is potential for disturbed but interpretable archaeological resources from Phases 1 and 2 of development which could meet at least the threshold for local heritage significance.

However, the PHAA also acknowledges that whilst there is potential for archaeological resources on the site, it is noted that this SSDA seeks concept approval only and does not seek consent for the carrying out of physical works. Therefore, it is considered appropriate for a Historical Archaeological Impact Assessment (HAIA) to be prepared prior to the lodgement of a detailed application on the site. This HAIA would provide an in-depth consideration of archaeological impacts, including any mitigation measures required should unexpected finds be encountered during excavation works.

6.1.6. Transport

An assessment of traffic and parking associated with the proposal has been prepared by JMT Consulting and is included at **Appendix K**. The assessment examines the existing transport conditions, as well as the proposed parking, access and servicing and traffic generation impacts of the proposal. The Transport Impact Assessment (**TIA**) also includes a preliminary Green Travel Plan (**GTP**) for the site and general principles for construction traffic management.

6.1.6.1. Parking

The site currently provides 27 parking spaces for the 80 existing studio apartments.

Whilst the proposal seeks concept approval only and car parking numbers and allocation would be subject to a future detailed application, indicative car parking has been assessed in the TIA to demonstrate that the concept envelope could adequately accommodate anticipated car parking.

The proposal seeks to provide residential car parking in accordance with the minimum car parking rates set out in the Housing SEPP and retail car parking in accordance with the Sydney LEP 2012. Motorcycle and bicycle parking would be provided in accordance with the Sydney DCP 2012.

The proposed car parking based on the reference scheme is shown in Table 18 below.

Table 18 Indicative car parking provision

Type		Number of units	Parking requirements		Proposed parking
			Minimum parking rate	Minimum number of spaces	
Non-affordable housing	1 bed	0	0.5	0	41
	2 bed	0	1.0	0	
	3/4 bed	27	1.5	41	
Affordable Housing	1 bed	4	0.4	1.6	4
	2 bed	3	0.5	1.5	

Type		Number of units	Parking requirements		Proposed parking
			Minimum parking rate	Minimum number of spaces	
	3/4 bed	2	1.0	2	
Residential visitor				5	5
Retail		220 sqm	1 space per 50 sqm	4	4
Motorcycle parking		N/A	1 space per 12 parking spaces	3	4
Bicycle parking	Residents	34	1 space per dwelling	34	34
	Visitors		1 space per 10 dwellings	3.4	4
	Retail	1	1 space per 250 sqm	1	1
	Retail visitors	N/A	2 spaces plus 1 space per 100 sqm over 100 sqm	3	3

Accessible parking and car share spaces would be provided in accordance with the requirements of the Sydney DCP 2012. The provision and layout of these spaces has been designed in accordance with the relevant Australian Standards (AS2890.1, AS2890.2 and AS2890.6).

While the Detailed SSDA will resolve the final provision and internal design of car parking, the Traffic Impact Assessment (TIA) illustrates that the proposed building envelope has considered an appropriate provision of basement facilities.

The TIA concludes that the proposed car parking is appropriate for the site given its accessibility to public transport and proximity to the Sydney CBD and would not impact on existing on-street car parking.

6.1.6.2. Access and servicing

The proposal seeks to maintain existing vehicle access to the site via the driveway on McDonald Street which would allow cars and bicycles to enter the basement parking area (three basement levels). This same driveway will be used for service vehicles to access a ground floor loading dock area. The driveway width has been minimised (based on swept path analysis) to reduce the extent of driveway crossover provided on McDonald Street. Pedestrians will access the site from Macleay Street.

The car park access driveway and entry/exit ramp has been designed to accommodate the simultaneous two-way movement of traffic into and out of the site. The access ramp has been designed with appropriate gradients and transitions to avoid vehicles 'bottoming out'. The design also provides for a 300mm freeboard above the level of McDonald Street to comply with City of Sydney flood management requirements.

Vehicle manoeuvring from all directions on McDonald Street is possible with the proposed design, with no alterations required to the existing landscaped median or on-street car parking.

A single loading bay has been provided which has been designed to accommodate a 10.6m long City of Sydney waste collection vehicle. Access to the loading bay is provided via the access driveway on McDonald Street. A 4m clearance height is provided within the loading dock to accommodate a Council waste collection vehicle and large delivery vehicles. An 11m diameter turntable is provided so that vehicles can enter and exit the site in a forward direction.

The TIA includes swept path analysis with demonstrates that the City of Sydney waste collection vehicle and motor vehicles can enter and leave the site in a safe manner.

The TIA concludes that the proposed loading and servicing arrangements on the site provides a significant improvement from the existing arrangement by providing all loading activity on the site, compared to current conditions which require service vehicles to utilise on-street parking areas.

6.1.6.3. Traffic Generation

The site benefits from excellent public transport access and a constrained on-street parking environment which would limit the additional vehicle movements generated by the proposal.

The proposed retail component of the development is expected to serve the local walk-up catchment, especially during the peak hours. Given the context of the site as well as the limited parking space proposed, it is assumed that the generation of the retail component will be low and based on the number of parking spaces provided.

The TIA includes a comparison of the traffic generated by the existing use of the site and by the indicative proposal as summarised at **Table 19**. The forecast traffic generation for the proposal has been determined based on the Sydney wide average traffic generation rates as published by TfNSW in the 2024 Guide to Transport Impact Assessment document.

Table 19 Forecast traffic generation

Travel mode	Vehicle movements per hour		
	Existing (residential only)	Proposed (residential and retail)	Difference
AM Peak	15	11	-4
PM Peak	12	10	-2

As shown in **Table 19**, the proposed traffic generation would be reduced in comparison to that generated by the existing site. The TIA concludes that the proposed changes to traffic generation are considered negligible in the context of the surrounding road network and would not impact its operation or the level of service of surrounding intersections.

6.2. Standard Assessment Impacts

This section of the report addresses the matters which require a standard assessment. It outlines the findings of the assessment and the key mitigation measures used to ensure compliance with the relevant standards or performance measures.

6.2.1. Contamination and Remediation

A Preliminary Site Investigation and a Detailed Site Investigation (DSI) have been prepared by JK Environments in support of this concept SSDA and are provided at **Appendix M** and **Appendix N**. The investigations involved a desktop based historical review of the site, site inspection, soil sampling from nine locations, soil vapour sampling and groundwater sampling from three monitoring wells.

The investigations identified potential contamination sources from fill material, pesticides, hazardous building materials and current and historical dry cleaners within proximity of the site. The DSI identified potential health and ecological risks associated with contamination in fill soil. Risks associated with soil vapour and groundwater were assessed to be low based on the DSI data.

The DSI concluded that the site can be made suitable for the proposed development via remediation and recommended the preparation of a Remediation Action Plan (RAP).

In accordance with the recommendations of the DSI, a RAP was prepared by JK Environments (**Appendix O**). The primary aim of site remediation is to reduce the human health and environmental risks posed by site contamination to an acceptable level. The RAP provides a methodology to remediate and validate the site and concludes that the site can be made suitable for the proposed development via remediation.

Several mitigation measures would be implemented at future development stages including:

- Remediation of the site in accordance with the RAP
- Preparation of a Validation Assessment Report for the remediation works undertaken at the site.
- The implementation of an Unexpected Finds Procedure for unexpected contamination finds during works
- If required, a Long-term Environmental Management Plan for the ongoing management or mitigation of contamination-related risks.

As the proposal is for concept approval only and does not involve any site preparation, excavation or demolition works, it is anticipated that a future detailed application on the site would include these mitigation measures as conditions of consent.

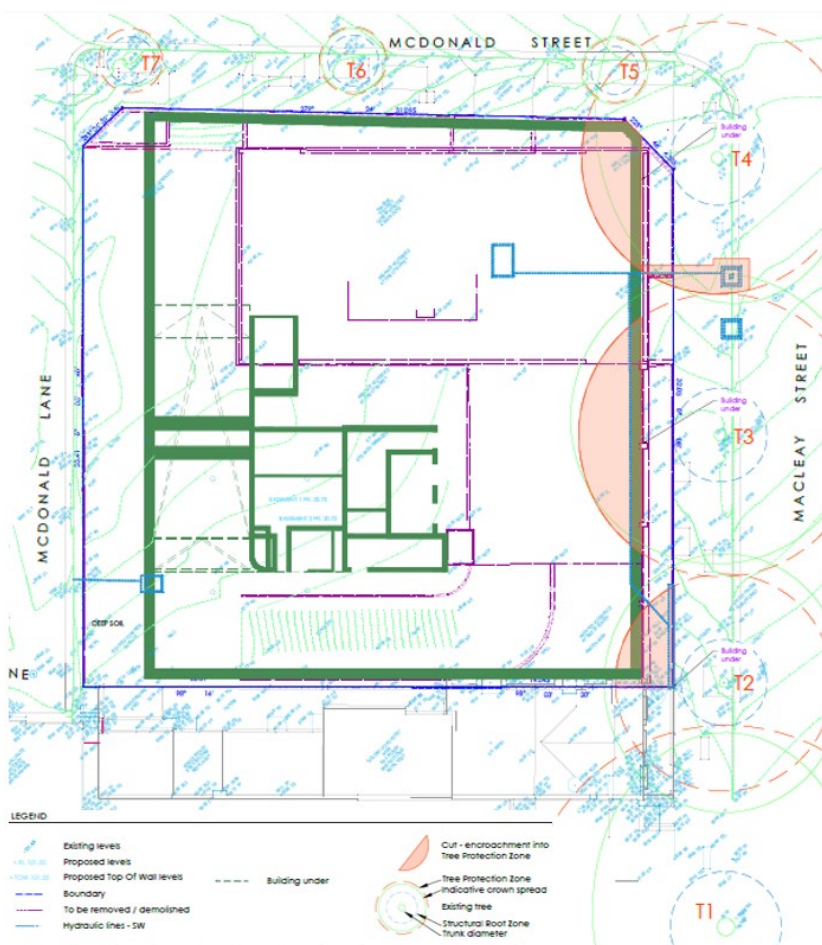
6.2.2. Trees and Landscaping

6.2.2.1. Tree retention and protection

An Arborist Report has been prepared by Arboreport (**Appendix Q**) which details that there are currently seven street trees immediately adjoining the site (in Council's public domain) on Macleay Street and McDonald Street (**Figure 14**). Of these, six are in good health and one is in average health. Four trees are considered to be of high landscape significance, two trees of medium landscape significance and one tree of low landscape significance. All trees are considered to be of low ecological value.

The proposal would retain all trees on site. The findings of the report demonstrate that four trees (trees 1, 5, 6 and 7) will not be impacted by the works. However, major encroachments are expected to three trees (trees 2, 3 and 4) which are 'high' value London Plane trees on Macleay Street if the basement is excavated/constructed to the Macleay Street boundary.

Figure 14 Tree location plan



Source: Arborist Report (Arboreport)

To protect and retain these trees, the Arborist Report recommends the basement is setback at least 2m from the eastern property boundary. Based on this recommendation, a 2m setback has been adopted for the basement to ensure the ongoing viability and health of the trees. The Arborist report also recommends detailed tree protection measures for the demolition, excavation and construction phases of the proposal. As this concept application does not seek consent for physical works, these measures will be included as part of a future detailed application on the site.

This matter will be further resolved at Detailed DA stage, where it is anticipated the retention of the trees will form a condition of development consent.

Therefore, the proposal, subject to the implementation of the proposed mitigation measures, would ensure the ongoing viability and health of the trees surrounding the site.

6.2.2.2. Landscaping and tree planting

Black Beetle have prepared a Landscape Concept for the site (**Appendix P**) which details a conceptual approach to landscaping and tree planting across the site which would be further developed as part of subsequent detailed applications.

The Landscape Concept seeks to maximise canopy cover and greening across the site and to provide shade and amenity throughout the open spaces.

It includes landscaped planting across all levels, with concentrated landscaping components at the ground floor, level three and the roof top, as described at **Section 3.5**.

The Landscape Concept also indicatively involves the planting of 18 trees across the site (50% of which would have a medium to large canopy spread). The proposed tree planting would consist of solely native species, including:

- Nine trees at the ground level, comprising four Sydney Red Gums (maturity height 20m) and five Cabbage Tree Palms (maturity height 20m)
- Four Blueberry Ash trees at level one (maturity height 10m)
- Five Water Gum Trees at the rooftop level (maturity height 10m).

The proposed landscaping represents a significant increase in greening and tree planting across the site in comparison to the existing development on the site and represents a positive impact to the urban landscape as:

- The proposed tree canopy cover of 536 sqm, or 41% of the site, would significantly exceed the Sydney DCP 2012 required 15% canopy cover and represents a significant increase from the existing development on the site which currently includes no canopy cover
- The landscape concept would result in significant greening across the site of 649.2 sqm, or 50% of the site area, which represents a 744% increase from the existing greening on the site
- There are opportunities for the landscaping design to be further refined as part of a subsequent detailed application on the site.

6.2.2.3. Deep soil provision

The concept landscape strategy includes 133.5 sqm of deep soil (10.3% of the site area).

Whilst the proposed deep soil provision would not meet the non-discretionary standard in the Housing SEPP for 15% provision on the site, it is noted that strict compliance with this standard is not required and the proposed deep soil provision is appropriate for the site as:

- the proposal represents a significant increase in deep soil from the existing site which currently provides no deep soil planting or tree canopy cover
- the proposed deep soil provision would support mature tree planting across the site which will positively contribute to the streetscape and significant increase tree canopy cover
- the proposed deep soil exceeds the minimum deep soil requirements in the Apartment Design Guide (**ADG**) and Sydney DCP 2012.
- Opportunities to further increase deep soil provision will be explored as part of subsequent detailed applications on the site.

6.2.3. Ecologically Sustainable Development

An Ecologically Sustainable Development (**ESD**) Report has been prepared by E-LAB Consulting (**Appendix R**) in support of this concept SSDA and provides an overview of the precinct and the key ESD design principles.

The ESD framework has been informed by the sustainability measures outlined in the Sydney LEP 2012, Sydney DCP 2012 and the Building Sustainability Index (BASIX), and includes:

- Improving upon minimum legislated BASIX benchmarks in line with City of Sydney Design Excellence guidelines:
 - Energy 60%
 - Water 40%
- Delivering a high level of thermal performance, demonstrated through an aspirational minimum 7 star average NatHERS rating across the development.
- Following a range of sustainability initiatives across the site spanning energy efficiency, water efficiency, indoor environment quality, materials selection, waste management and user/visitor comfort.

The strategies and initiatives presented in the ESD Report demonstrate a strong commitment to sustainability, which meets and exceeds expectations for the development, refer to Table 20. Further opportunities for optimisation of the building's performance will be developed during subsequent stages of the project.

Table 20 ESD strategies proposed for the development

ESD Strategy	Delivery
1. Energy efficiency	▪ Efficient Mechanical systems – heating and cooling will be provided via individual systems for each apartment. ▪ Energy Efficient Appliances – premium energy efficient appliances such as dishwashers, dryers, washing machines and fridge's will be provided to reduce operational energy consumption. ▪ Energy efficient appliances and lighting systems ▪ Potential use of the roof for solar photovoltaic system, to be further developed at detailed design stage Energy metering and monitoring systems
2. Water consumption	BASIX Water target of 50%, exceeding the minimum legislative requirement of 40% All sanitary fixtures to be provided to the WELS ratings identified below: ▪ Taps – 6 Star WELS ▪ Toilet – 4 Star WELS ▪ Showers – 3 Star WELS (<7.5 L / min) ▪ Appliances to be high WELS rated where supplied Efficient irrigation systems including underground surface drip systems, moisture sensors and use of native plants in landscaping plan. Fire test water will be contained in a closed loop system. A common area swimming pool will be provided, carefully sized to balance amenity for residents and control potable water consumption.

Further sustainability measures and detailed compliance of the proposal against the Sustainable Buildings SEPP are to be addressed as part of future detailed SSDAs over the site.

E-LAB Consulting have also completed an assessment of the development against the principles of ESD as per section 193 of the Regulations. Overall, the development achieves a high degree of consistency with these principles as outlined below:

- **Precautionary Principle:** To satisfy the precautionary principle, the project will employ proactive environmental protection measures and undertake risk assessments to ensure no irreversible environmental harm is acted as a result of the construction or operation of the development

- **Intergenerational equity:** The project will ensure no irreversible environmental harm is acted as a result of the construction or operation of the development.
- **Conservation of Biological Diversity and Ecological Integrity:** The pre-developed site can be considered to have low-ecological value and biodiversity significance. The project is committed to planting native vegetation and using integrated landscaping to enhance the overall ecological and biodiversity of the site.
- **Improved Valuation, Pricing and Incentive Mechanisms:** The project is committed to maximising construction and demolition waste diversion from landfill through the implementation of a well as project specific demolition and construction waste management strategy.

No further mitigation measures are required at this stage of the proposal. The strategies and initiatives presented in the ESD Report demonstrate a strong commitment to sustainability, which meets and exceed expectations for the development. It is anticipated that future detailed development applications will build on the above ESD strategy, include a BASIX assessment and demonstrate how best practice sustainable building principles have been incorporated into the proposal.

6.2.4. Biodiversity

The proposal includes the demolition of an existing building and removal of planted vegetation on the site.

From an ecological perspective, this vegetation is unlikely to contain habitat for threatened species and are not considered to have any biodiversity values.

Accordingly, a request to waive the requirement for a Biodiversity Development Assessment Report (BDAR) was prepared by Land Eco Consulting and submitted to DPHI on 3 February 2025. The waiver request was prepared on the basis that:

- The site is highly disturbed with little vegetation.
- No threatened ecological communities or threatened species have previously been mapped within the site
- The site has limited potential to provide breeding habitat for threatened species as it is too open and disturbed.
- The trees and vegetation present on the site are a mix of exotic and non-indigenous native species.
- The site has low habitat connectivity with natural areas.

The BDAR Waiver was issued by DPHI on 28 February 2025. Accordingly, no further assessment of biodiversity impacts is required.

6.2.5. Waste Management

A Waste Management Plan (WMP) has been prepared by SLR and is provided at **Appendix T**. The report outlines the requirements for the ongoing management of waste generated by the proposed land uses on the site.

6.2.5.1. Demolition and Construction Waste

The demolition of the existing building is expected to generate approximately 6,413 m³ of waste. In accordance with best practice waste management, records of the waste quantities recycled, reused or removed off-site will be maintained. Details of how this waste will be re-used, recycled or disposed of and the name and contact details for each receiving waste facility will be recorded.

The construction of the proposed building (in accordance with the reference scheme prepared by SJB) is outlined in Table 21.

Table 21 Estimated types and quantities of construction waste

Estimated types and quantities of construction waste							
Material	Timber	Concrete	Bricks	Gyprock	Sand and Soil	Metal	Other
Quantity	3.9	6.7	18.0	7.0	161.4	7.2	3.4

The WMP provides preliminary strategies for how waste should be avoided, reused and recycled during construction and demolition, which would be further developed as part of the subsequent detailed application on the site.

6.2.5.2. Operational Waste

The WMP has considered indicative operational waste, based on the reference scheme, to determine the storage requirements for the proposal:

- Residential: 5,520L of general waste and 5,520L of recycling waste per week.
- Retail: 1,540L of general waste, 7,700 L of recycling waste and 1,540L of food waste per week.

These operational waste figures are preliminary only and will be subject to refinement as part of any detailed application lodged on the site once apartment numbers, mix and allocation of gross floor areas have been finalised.

38.3 sqm of storage would be required for residential waste, whilst 12sqm of storage is required for the projected retail waste. The reference scheme architectural drawings demonstrate that the proposed concept envelope could accommodate two waste storage areas, which SLR deem would be adequate for future waste storage and collection.

Each residential floor will optimise a dual-chute system (two separate chutes, one for waste and one for recycling). Chutes will run through all floors and both waste streams will be collected in 1,100 L mobile bins located at the base of the chutes. Waste from the retail tenancy will be directly transferred to the waste storage area by the retailer.

Collection of waste will occur wholly within ground level via a designated loading bay located adjacent to the waste storage areas. A vehicle turntable will be utilised to ensure that waste collection vehicles can enter and exit from the site in a forward direction. Swept path drawings have been prepared to confirm the access and egress, internal manoeuvring, load requirements and collection vehicle dimensions are suitable to accommodate a waste vehicle, as discussed at **Section 6.1.6**.

Therefore, the proposed concept envelope can accommodate appropriate waste facilities and management measures which would be considered in detail as part of a future detailed application on the site.

6.2.6. Social Impact

A Social Impact Assessment (SIA) has been prepared by Urbis in support of this concept SSDA (**Appendix U**). It provides an overview of the locality, its 'social baseline' and the existing social infrastructure. Following from this, it provides an assessment of the potential social impacts of the proposal and identifies appropriate mitigation and enhancement measures.

Regarding the existing site and surrounds, and in what the SIA refers to as Potts Point's 'social baseline', the following was found:

- The population is expected to increase by approximately 22.6% by 2041, and will reach over 22,600 people
- 63.7% of households in Potts Point are single or lone person households, which is higher than City of Sydney (41.1%) and Greater Sydney (23.2%)
- Potts Point is predominantly high-density housing, with flats or apartments representing 86.9% of all dwellings, which is significantly higher than the City of Sydney LGA (78.5%) and Greater Sydney (30.7%)

- Potts Point is categorised as 'unaffordable' according to the SGS Rental Affordability Index (2024). With low vacancy rates and median weekly rent repayments higher than the Greater Sydney average, it is currently challenging for low-income residents to live in Potts Point.
- The weekly household median income tends to be higher in Potts Point than in the City of Sydney LGA.
- A significantly higher proportion of Potts Point households had no registered motor vehicles (55.9%) compared to the City of Sydney LGA (55.9%) and Greater Sydney (11.1%)

Whilst it is acknowledged that this proposal is for concept approval only and does not involve any physical works, the SIA has provided a preliminary assessment of potential social impacts arising from the construction and operational phase of the project. The SIA identifies a high positive impact to 'way of life' as a result of the delivery of significant affordable housing on the site, which will have a direct social benefit on people with very low to moderate incomes. The SIA identifies that whilst the proposal may have some temporary impacts, the improved amenity and increase in affordable housing proposed by the redevelopment would have positive impacts to the site.

Mitigation Measures

The SIA includes several mitigation measures to enhance positive social impacts and mitigate potential (or perceived) social impacts.

During the detailed design stage of the proposal, the SIA proposes the following mitigation measures:

- Prepare an Operational Management Plan to manage communal spaces and programming
- Provide the community with a forum to provide feedback around opportunities to further enhance expected positive impacts, such as enhanced local amenity and community wellbeing.
- During the Design Excellence process, ensure the successful architecture firm adequately addresses the design objectives relating to protecting and enhancing the local character of the site
- Prepare a Traffic Impact Assessment at the detailed design stage should outline measures to mitigate a possible increase in demand for on-street parking resulting from the proposed retail space.

Overall, the project is predicted to provide a range of key community benefits and a development outcome in line with the local and State government vision for the area. Positive impacts can be further enhanced and negative impacts can be successfully mitigated through the strategies proposed in the SIA.

Cumulative Impacts

The SIA also notes that several state-significant and local projects are operating or intended to operate in and around the social locality, which may contribute to cumulative impacts on the proposal.

This proposal may contribute to the overall gentrification and change in the socio-economic make-up of the local area's population, as outlined through the survey outcomes undertaken during the consultation period (section 4.4). In the longer term, existing and incoming residents can form new connections to the site and, in turn, to the emerging local character. Opportunities such as undertaking open days for new developments and incorporating a range of public art that reflects local values into the building design and public realm areas have been recommended by the SIA.

Adverse cumulative impacts can be mitigated subject to general monitoring and reporting, and adherence to the measures discussed directly above and detailed further within the report.

6.2.7. Aboriginal Cultural Heritage

An Aboriginal Cultural Heritage Assessment (ACHA) (**Appendix W**) was undertaken by Urbis Heritage to investigate whether future development of the subject area is likely to impact any Aboriginal objects or Aboriginal places that may exist within the subject area and to formulate measures for avoiding or minimising any such impacts.

Community consultation was undertaken in accordance with Part 6 of the NSW National Parks and Wildlife Act 1974. The requirements for consultation involve a 4 stage process, including notification of project proposal and registration of interest, presentation of information, gathering information about the cultural significance and allowing for a review of the draft ACHAR to the relevant Registered Aboriginal Parties

(**RAPs**). The final consultation period concluded on 28 February 2025 and no comments were raised by the RAPs other than general support for the conclusions made in the ACHA.

The ACHA notes that the site is located within 200m of Elizabeth Bay and on a ridgeline, both of which are considered indicative of past Aboriginal land use.

The ACHA identifies:

- No registered Aboriginal objects or Aboriginal places are located within, or are likely to be located within, the subject area
- Ground disturbance is high across the site due to land clearance, construction and demolition of buildings and installation of services in shallow topsoil
- The archaeological potential of the site is nil to very low
- The site has no specific historical, scientific or aesthetic value
- There are no known Aboriginal objects in the study area.

Therefore, the ACHA concludes that the site has low Aboriginal cultural heritage significance and that the archaeological potential of the site is nil to very low, noting that there is no evidence of a specific Aboriginal cultural association with the subject area and the high level of ground disturbance in the subject area is likely to have diminished any social and cultural value. The ACHAR also concludes that the proposed works are unlikely to cause either direct or indirect harm to Aboriginal objects or negatively impact inter-generational equity.

As a result, the ACHA recommends that no further investigation is required and the proposal can proceed, subject to the recommended mitigation measures.

The ACHA recommends the implementation of an Archaeological Unexpected Finds Procedure and Human Remains Procedure for future construction works. Given that the proposal is for a concept DA and no works are proposed, it is expected that relevant conditions of consent can be included on subsequent detailed development applications.

6.2.8. Stormwater and Flood Risk

6.2.8.1. Stormwater

Arcadis have prepared a Stormwater Management Plan (**Appendix BB**) and Concept Drainage Plans (**Appendix L**) to guide the redevelopment of the site.

The proposed stormwater management system for the development includes:

- A pit and pipe network to collect minor storm runoff from surface areas which will minimise nuisance flooding
- A tank for roof drainage connecting to the pipe network
- Notably, based on City of Sydney Council requirements and confirmation from Sydney Water, an OSD tank is not required on-site.

Arcadis also undertook MUSIC modelling of the proposed stormwater quality control measures for the site and found that they are able to satisfy the City of Sydney's water quality requirements/targets.

Therefore, the proposed development is supported on stormwater grounds and the stormwater management strategy would be further developed as part of a future detailed development application on the site.

6.2.8.2. Flood

A Flood Impact and Risk Assessment (FIRA) has been prepared by Arcadis in support of this application (**Appendix V**).

The FIRA confirms that whilst the site is impacted by flooding in the 1% AEP and PMF flood events, most of the proposed development lies outside the extents of flooding. The 1% AEP flood level varies from 26.605m AHD at the north-west corner of the site adjoining McDonald Street to 28.505m AHD at the south-east corner of the site adjoining Macleay Street.

The FIRA concludes that in the post-development conditions, the 1% AEP flood levels surrounding the site have slightly decreased due to the new pedestrian path in along McDonald Street but have also slightly increased (by approximately 14mm) near the southeastern corner of the building due to minor ground level adjustments. This 14mm increase is considered a neutral impact, remains localised to the road gutter area and does not impact surrounding buildings.

The City of Sydney Interim Floodplain Management policy requires proposed development to have floor levels, entry points and openings set at or above the relevant flood planning levels. The FIRA confirms that all areas of the building would comply with the flood planning requirements.

Therefore, the proposal is supportable on flood planning grounds and any detailed responses to further reduce flooding impacts on and surrounding the site can be incorporated as part of a future detailed application on the site.

7. Justification of the Project

This section of the report provides a comprehensive evaluation of the project having regard to its economic, environmental and social impacts, including the principles of ecologically sustainable development.

It assesses the potential benefits and impacts of the proposed development, considering the interaction between the findings in the detailed assessments and the compliance of the proposal within the relevant controls and policies.

7.1. Project Design

The concept proposal represents an orderly and economic redevelopment of the site and will promote the social and economic welfare of the community whilst managing the impacts on the environment, cultural heritage and surrounding landholders.

The building envelope will provide a suitable framework within which consent for future detailed SSDAs, and physical works will be sought. The concept envelope has been refined based on consultation with the community and key stakeholders and significantly improves the relationship of the building with its surrounding heritage and architectural context. The proposed building massing has been designed to respond positively to the surrounding streetscape and ensure appropriate view sharing and overshadowing outcomes are maintained to surrounding buildings.

The definition of the building envelope creates significant opportunities to improve public domain outcomes, through encouraging street level activation at Macleay Street and a significant increase in landscaping and tree planting on the site. The proposed redevelopment of the site will have a significant positive impact on the heritage character of the surrounding area which will be further developed through the detailed design stage of the proposal.

In summary, the building envelope establishes a robust framework for further stages of the planning and design process, including the design excellence process and detailed architectural form. The applicant will continue to work closely with the GANSW and City of Sydney in resolving the detailed design of the proposal.

7.2. Strategic Planning Consistency

This EIS has demonstrated that the proposal is consistent with the strategic framework and has been considered against key Government and Council documents including the following:

- Greater Sydney Region Plan – A Metropolis of Three Cities.
- Our Greater Sydney 2056: Eastern City District Plan.
- NSW Better Placed.
- City of Sydney Local Strategic Planning Statement (City Plan 2036)
- Housing for All – City of Sydney Local Housing Strategy
- Sustainable Sydney 2030-2050
- NSW Housing Strategy: Housing 2041.

All levels of strategic planning seek to facilitate additional housing (including diverse and affordable housing) and 'transit oriented development' through the '30 minute city' concept. The proposal meets these objectives, given it:

- Proposes high amenity residential accommodation in an accessible area. The site is located approximately 750m from the Kings Cross Station and proximate to several bus stops on Macleay Street. These transport services provide access to Greater Sydney, including key employment centres.
- Will help bolster housing the diversity and affordability of housing in the Potts Point area. This directly addresses the NSW Government mandate to boost housing supply and diversity and tackle housing affordability.

- Provides employment generating, non-residential floor space on the ground floor to activate the ground plane and provide a balanced mix of land uses, as envisaged by the City of Sydney LSPS for the Macleay Street and Woolloomooloo Village.

In conclusion, the proposal seeks the orderly and economic redevelopment of a detracting building with contemporary infill that exhibits design excellence. The Applicant has invested in a GANSW endorsed design excellence process to ensure that future built form on the site will achieve the vision set out in strategic documents.

7.3. Statutory Planning Consistency

The relevant State and local environmental planning instruments are listed in **Section 4** and assessed in **Appendix C**. The assessment concludes that the proposal complies with the relevant provisions within the relevant instruments as summarised in **Table 22** below.

Table 22 Statutory Planning Consistency

Matter	Consistency
Objects of Act – EP&A Act s1.3	The proposed development has been assessed and designed in respect to the relevant objects of the EP&A Act and addressed in Appendix C
Evaluation of development application (s4.15) – EP&A Act s4.40	The proposed development has been evaluated in accordance the relevant matters for consideration under s4.15(1) of the EP&A Act as outlined in Appendix C .
Compliance with environmental assessment requirements – EP&A Regulation s.191	This EIS has been all matters identified in the SEARs as outlined in Appendix A .
Principles of Ecologically Sustainable Development – EP&A Regulation s.193	
The precautionary principle	The precautionary principle relates to uncertainty around potential environmental impacts and where a threat of serious or irreversible environmental damage exists, lack of scientific certainty should not be a reason for postponing measures to prevent environmental degradation. The proposed development is not expected to result in any serious or irreversible damage. The proposed development has been designed to avoid environmental impacts as far as possible. Where adverse impacts are anticipated, measures are proposed to mitigate these. The proposal demonstrates a commitment to minimising environmental impact and implementing climate change resilience and resource conservation measures. A range of ESD measures are proposed, including significant landscaping and tree planting, and water efficiency fittings.
Inter-generational equity	The needs of future generations are considered in decision making and that environmental values are maintained or improved for the benefit of future generations. The proposed development will deliver a high-quality residential development on a site that is well located and benefits from strong public transport accessibility. The proposal will provide 15% affordable housing on a site in need of redevelopment. The development will also deliver high quality communal and open space, which will enhance the appearance of the site.
Conservation of biological diversity and ecological integrity	The pre-developed site can be considered to have low-ecological value and biodiversity significance. The project is committed to planting native vegetation and using integrated landscaping to enhance the overall ecological and biodiversity of the site.
Improved valuation, pricing and incentive mechanisms	This requires the holistic consideration of environmental resources that may be affected as a result of the development including air, water and the biological realm. It places a high importance on the economic cost to environmental impacts and places a value on waste generation and environmental degradation. The detailed design

Matter	Consistency
	stage of the proposal will ensure that the proposed materials support the efficient operation and maintenance of the development as well as achieve environmental outcomes.

7.4. Community Views

The applicant has undertaken significant community consultation which has shaped the concept envelopes and built form massing. Residents and businesses support the improved amenity and visual appeal which would result from the redevelopment of the site and introduction of ground floor retail. Community consultation has emphasised concerns about waste management, gentrification, displacement, and the impact on views, scale, and overshadowing which have been addressed through design adjustments to the concept envelope and would be further considered as part of a detailed application on the site. Community consultation emphasised that preserving Potts Point's unique village character is a priority which will be explored through detailed design.

7.5. Environmental Impacts

The proposed development has been assessed considering the potential environmental, economic and social impacts as outlined in the summary table below.

Table 23 Environmental Impact Summary

Matter	Summary
Impacts on the natural environment	The proposal is for concept approval only and does not involve any physical works. The concept proposal therefore has limited impacts on the natural environment. The site does not contain any trees and the proposal would ensure trees in road corridors surrounding the site would be adequately protected. A detailed assessment of impacts to the natural environment resulting from the construction and operation of the proposal would occur at the detailed design stage.
Impacts on the built environment	The proposal will optimise the development potential of a well-located site that is zoned MU1 Mixed Use. The height and floor space ratio proposed on the site is consistent with the legislative controls, subject to the relevant bonuses. The redevelopment will improve the site's relationship with its heritage and architectural context and provide affordable housing in a well located area with strong public transport access. The concept building envelope ensures appropriate view sharing, improved residential amenity and minimal overshadowing. The proposed concept envelope respects the heritage significance of the area, with setbacks and massing strategies to protect views and settings of nearby heritage items. Impacts to the built environment will be further refined through the detailed design phase of the proposal which will be subject to a separate assessment process.
Social impacts	An SIA has been prepared by Urbis in accordance with the NSW Department of Planning, Housing and Infrastructure's (DPHI) <i>Social Impact Assessment Guideline (2023)</i> . The SIA considers the likely changes to the following elements of value to people: way of life, community, accessibility, culture, health and wellbeing, surroundings, livelihoods, and decision-making systems. It identifies a high positive impact to 'way of life' as a result of the delivery of significant affordable housing on the site, which will have a direct social benefit on people with very low to moderate incomes. The SIA identifies that whilst the proposal may have negative impacts through the displacement of existing residents, the improved amenity and increase in affordable housing proposed by the redevelopment would have positive impacts to the site. The SIA also includes detailed mitigation measures to be implemented at the detailed design phase of the proposal to enhance positive social impacts and mitigate negative social impacts. Overall, the project is predicted to provide a range of key community benefits and a

Matter	Summary
	development outcome in line with the local and State government vision for the area. Negative impacts can be successfully mitigated through the strategies proposed in the SIA.
Economic impacts	The proposed development will have a positive economic impact by creating 160 construction jobs and 12-13 operational jobs.
Cumulative impacts	Cumulative impacts of the proposal have been considered in Section 6. The proposal would align with the desired future character of Potts Point and any cumulative impacts during construction would be considered further at the detailed application stage.

The potential impacts can be mitigated, minimised or managed through the measures discussed in detail within **Section 6** and as summarised in **Appendix C** to this EIS.

7.6. Suitability of the Site

The site is considered highly suitable for the proposed development for the following reasons:

- 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 HCA and its existing composition of solely studio apartments does not align with the strategic vision established for Sydney and NSW more broadly to provide diverse and affordable housing options for its growing population. The site presents a unique opportunity to provide a well-designed shop top housing building in Potts Point, capitalising on its position in close proximity to the Sydney CBD and 750m from Kings Cross Station.
- 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.

7.7. Public Interest

The proposed development is considered in the public interest for the following reasons:

- 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.

Having considered all relevant matters, we conclude that the proposed development is appropriate for the site and approval is recommended, subject to appropriate conditions of consent.

8. Conclusion

In conclusion, the proposed redevelopment project represents a well-considered and strategic approach to revitalising the site in Potts Point. The project aligns with key economic, environmental, and social objectives, promoting ecologically sustainable development while enhancing the community's welfare. The concept design has been refined through extensive community and stakeholder consultation, ensuring it respects the heritage and architectural context of the area.

The proposal is consistent with local and state strategic planning frameworks, supporting the vision for a '30-minute city' by providing diverse and affordable housing in a highly accessible location. The project will deliver significant public benefits, including improved public domain outcomes, increased employment opportunities, and enhanced social and economic vitality.

The detailed design phase will further refine the proposal, ensuring it meets high standards of design excellence and community expectations. Overall, the proposed development is suitable for the site and is recommended for approval, subject to appropriate conditions of consent and the implementation of the recommended mitigation measures.

9. Disclaimer

This report is dated 27 March 2025 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Ltd (**Urbis**) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of Time and Place Ltd (**Instructing Party**) for the purpose of Environmental Impact Statement (**Purpose**) and not for any other purpose or use. To the extent permitted by applicable law, Urbis expressly disclaims all liability, whether direct or indirect, to the Instructing Party which relies or purports to rely on this report for any purpose other than the Purpose, and to any other person which relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

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This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the reasonable belief that they are correct and not misleading, subject to the limitations above.

Appendix A

SEARs Requirements
Table

Appendix B

Statutory Compliance Table

Appendix C Mitigation Measures

Appendix D Estimated Development Cost Report

Appendix E Engagement Report

Appendix F Design Excellence Strategy

Appendix G Architectural Plans - Concept Envelope Drawings

Appendix H Design Report

Appendix I Survey Plan

Appendix J Visual Impact Assessment and View Sharing Report

Appendix K Traffic Impact Assessment

Appendix L Stormwater and Civil Drawings

Appendix M Preliminary Site Investigation

Appendix N Detailed Site Investigation

Appendix O Remedial Action Plan

Appendix P Landscape Plan

Appendix Q Arboricultural Impact Assessment

Appendix R Ecologically Sustainable Development Report

Appendix S BDAR Waiver Request and Waiver

Appendix T Waste Management Plan

Appendix U Social Impact Assessment

Appendix V Flood Impact and Risk Assessment

Appendix W Aboriginal Cultural Heritage Assessment Report

Appendix X Heritage Impact Statement

Appendix Y Preliminary Historical Archaeological Assessment

Appendix Z Community Housing Provider letter

Appendix AA Indicative Reference Scheme

Appendix BB Stormwater Management Plan

Appendix CC Reference Scheme Area Schedule

Appendix DD Engineering Advice on Adaptive Reuse