

Ms Carolyn McNally
Secretary
Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2001

8 March 2017

Dear Ms McNally

**REQUEST FOR SECRETARY'S ENVIRONMENTAL ASSESSMENT REQUIREMENTS TO
VARY THE SYDNEY COVE REDEVELOPMENT AUTHORITY SCHEME - 22-26 PLAYFAIR
STREET, THE ROCKS**

Property NSW is proposing to relocate a long standing tenant, 'Pancakes on the Rocks', from 80 George Street to Level 1 of 'The Rocks Centre' (Penrhyn House) at 22-26 Playfair Street, The Rocks. As part of the proposed relocation, Property NSW will need to upgrade the public entry to the building and install a new lift service to improve disabled access.

The Sydney Cove Redevelopment Authority (SCRA) Scheme provides the planning framework for The Rocks area. The subject site is covered by Building Site Control Drawing XXXI-C of the SCRA Scheme which identifies the maximum permissible building envelope height (in the location of the proposed building entry) as RL15. The proposed new entry structure will exceed this maximum height limit (RL18.13) and the proposed works therefore do not comply with the SCRA Scheme.

As the proposed work does not comply with the SCRA Scheme, it is declared to be State Significant Development under Part 6, Schedule 2 of the State Environmental Planning Policy (State and Regional Development) 2011 ("State and Regional Development SEPP").

The purpose of this letter is therefore to:

- (1) request the Secretary's environmental assessment requirements (SEARs) for the preparation of an Environmental Impact Statement (EIS) for the proposed development, and
- (2) to foreshadow an application to seek variation to the SCRA Scheme in respect of the proposed height of the entry structure.

REQUEST FOR SEARS

1. BACKGROUND

In January 2017 Property NSW wrote to the Department of Planning and Environment (the Department) seeking to vary the SCRA to allow for the proposed additional height in accordance with the *Environmental Planning and Assessment (Sydney Cove) Savings and Transitional Regulation 1999*. By email dated 7 February 2017 the Department advised that:

.... the application to vary a SCRA needs to accompany a development application. The DA would be classified as State significant development under State Environmental Planning Policy (State and Regional Development) 2011 as it requires a SCRA variation and therefore the Minister for Planning would be the consent authority.

A copy of the Department's email is provided at Attachment A.

This request for SEARs is therefore in response to the Department's advice.

2. THE SITE

The site is known as 'The Rocks Centre' and is located on the corner of Argyle and Playfair Streets. Its street address is 22-26 Playfair Street, The Rocks and it is also known as "Penrhyn House".

The site is legally described as Lot 1 in Deposited Plan 264080. The land owner is the Sydney Harbour Foreshore Authority (now Property NSW).

The site is part of the historic Rocks precinct which is located adjacent to Sydney Harbour and north of Sydney's CBD. The subject property is located on the corner of Argyle and Playfair Streets.

The site is shown in Figures 1 and 2 below.

The site has its principal frontage to Argyle Street, with a second main frontage to Playfair Street and side laneway frontage to Kendall Lane. The subject property is a former warehouse building constructed in c.1924 and currently adapted to a commercial and retail building known as The Rocks Centre. The northern site boundary abuts Scarborough House, a mixed use commercial/retail building built in c.1978-79.



Figure 1: The site (Source: www.nearmap.com)

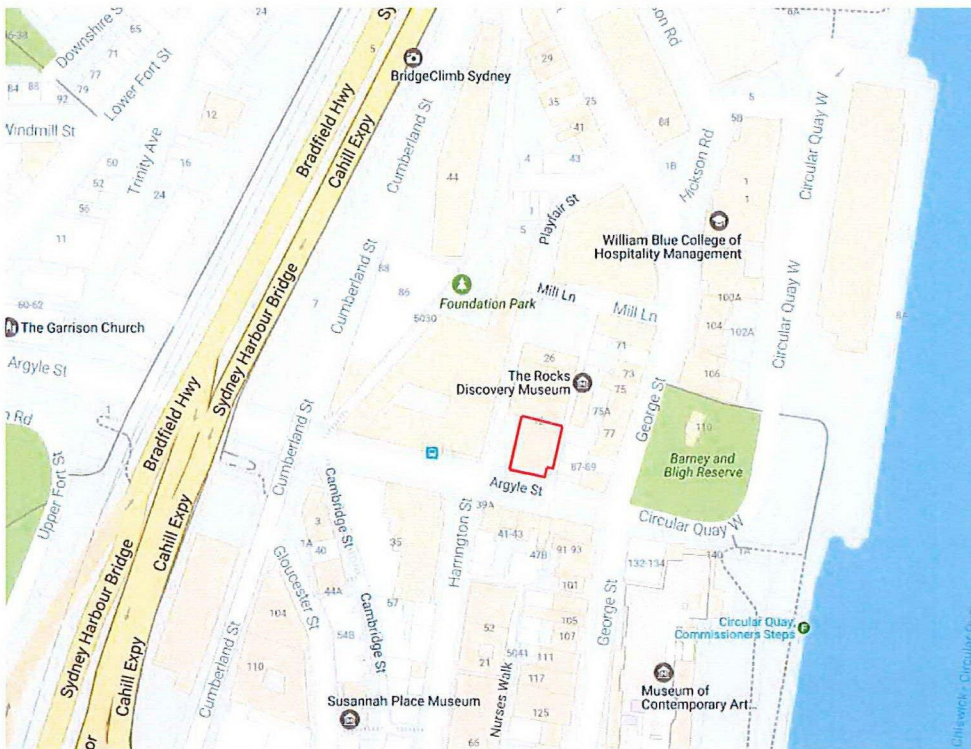


Figure 2: Location plan (Source: www.nearmap.com)

3. DESCRIPTION OF PROPOSED DEVELOPMENT

The SSD application will seek consent for the following building alterations:

- Demolition of existing entry structure, and
- Installation of a new steel framed glazed entry structure, new lift and footbridge at the entry to the existing historic building.

The new entry structure is to be steel framed with sliding glass entry doors and a glass roof over. A new BCA/DDA compliant lift will be installed within the entry structure. The lift will comprise a two sided glass lift within a steel mesh structural enclosure. A new steel plate awning will extend beyond the entry providing weather protection. The new structure will be connected to the existing building at the roof level with a new box gutter with the existing gutter to be retained above.

The proposed changes to the building are illustrated in the architectural plans prepared by Welsh + Major Architects at Attachment B.

The proposed entry structure has been designed in consultation with the heritage team at SHFA. Following an assessment by the heritage team of the original proposed design, the design was modified to reduce the prominence of the new entry structure. Changes to the design have included reducing the scale and height of the entry structure, making columns finer and eliminating the corner column at the lower level to reinforce the entry as a continuation of the public space of Playfair Street. The amendments to the design have aimed to reduce the visual impact of the glazed structure in its context, allowing it to sit more quietly adjacent to Penrhyn House, as well as reduce the visual impact of the lift within the structure.

4. PLANNING CONTEXT

The following key legislation and environmental planning instruments apply to the proposed development:

- *Environmental Planning and Assessment Act 1979 ("EP&A Act")*
- *Heritage Act 1977*
- *Environmental Planning and Assessment (Sydney Cove) Savings and Transitional Regulation 1999*
- *(State Environmental Planning Policy (State and Regional Development) 2011 ("State and Regional Development SEPP")*
- *Sydney Cove Redevelopment Authority Scheme ("SCRA Scheme")*

4.1 Environmental Planning and Assessment Act 1979

The *EP&A Act* establishes the assessment framework for State significant development and provides that under section 89D the Minister for Planning is the consent authority for SSD. Section 78(8A) requires that a development application for SSD is to be accompanied by an environmental impact statement (EIS).

4.2 Heritage Act 1977

The *Heritage Act 1977* provides the framework for the protection of the State's heritage. Penrhyn House (the Rocks Centre) is listed as an item on the State Heritage Register under the *Heritage Act 1977*. The site is also listed on the Sydney Harbour Foreshore Authority Section 170 register. However, as the proposal is classified as SSD, the approval of the Heritage Council to the development under Part 4 of the Heritage Act is not required.

While separate approval to the project from the Heritage Council is not required, Property NSW is very aware of the heritage significance of the site. SHFA's heritage office has been consulted on the proposed alterations. As discussed above, this consultation has resulted in amendments to the original proposal to protect the significance of the item.

4.3 Environmental Planning and Assessment (Sydney Cove) Savings and Transitional Regulation 1999

The *Environmental Planning and Assessment (Sydney Cove) Savings and Transitional Regulation 1999* sets out the process for amendments to the SCRA Scheme. In particular under Part 2 clause 4 an application for a variation must:

- (a) *describe the respects in which the proposed development does not comply with the approved scheme, and*
- (b) *set out the reasons for the variation to the approved scheme for which the person is applying, and*
- (c) *address the matters referred to in clause 9 (2) in relation to which the Minister must form an opinion before making a variation to the approved scheme.*

The process includes a decision on whether to prepare a variation, public notification and exhibition of the variation, and approval of a variation. Clause 9(2) provides that the Minister for Planning may only make a variation to the Scheme, following consideration of any submissions, if he is of the opinion that the variation:

- (a) *will not permit development that will adversely affect:*
 - (i) *development on adjoining land, or*
 - (ii) *the heritage significance of buildings, structures or sites in the locality, or*
 - (iii) *the quality of the public domain in the locality, and*
- (b) *will not permit development that will have an adverse impact on the natural or built environment or an adverse social or economic impact in the locality, and*
- (c) *will conform with the general planning and design principles for the Sydney Cove Redevelopment Area.*

These matters have been considered in the design proposal and will be addressed in the EIS.

4.4 State Environmental Planning Policy (State and Regional Development) 2011

Schedule 2 of the State and Regional Development SEPP identifies development which is declared to be State Significant Development on identified sites. The Rocks is an identified site under Schedule 2, as shown in Figure 3 below. Under clause 6 of Schedule 2 development in The Rocks that does not comply with the approved scheme within the meaning of clause 27 of Schedule 6 to the EP&A Act is declared to be SSD. The SCRA Scheme is an approved scheme for

the purposes of the SEPP. As the subject proposal does not comply with the SCRA Scheme by virtue of its height, it is therefore declared to be State Significant Development (refer section 5.6 below for further details of SCRA provisions).

SSD applications are to be accompanied by an EIS that has been prepared in accordance with requirements issued by the Secretary of the Department of Planning and Environment. This report therefore seeks the SEARs to enable preparation of an EIS for the project.

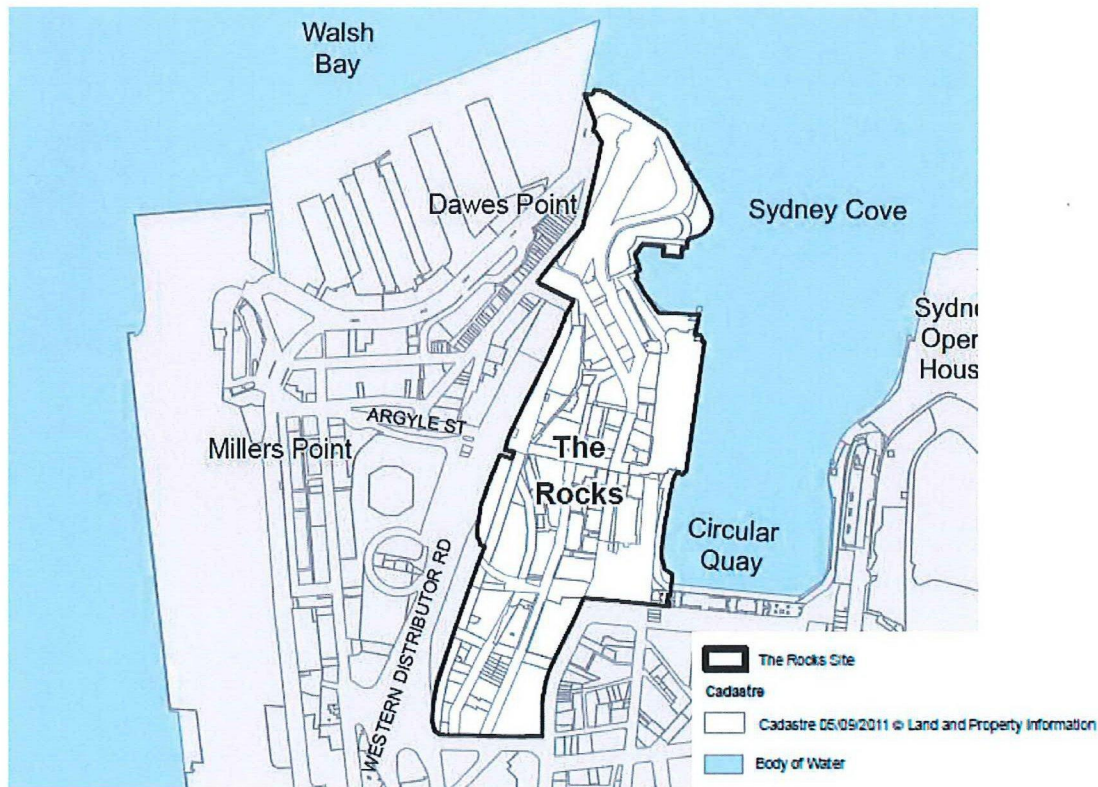


Figure 3: State and Regional Development SEPP Map

4.5 Sydney Cove Redevelopment Authority Scheme

Under the SCRA Scheme, the subject site is covered by Building Site Control Drawing XXXI-C which identifies the building as historic (refer Figure 4 below). It also prescribes a maximum permissible building envelope height, at the location of the proposed entry structure, of RL15.00 (refer Figure 5 below). Further it notes that only entry structures may be approved in the subject location (refer Note 3).

The proposed new entry structure will exceed the maximum height limit of RL 15, having a maximum height of RL18.13. The proposed works do not therefore comply with the SCRA Scheme. A variation to the SCRA Scheme is therefore sought in addition to SSD approval for the proposed works.

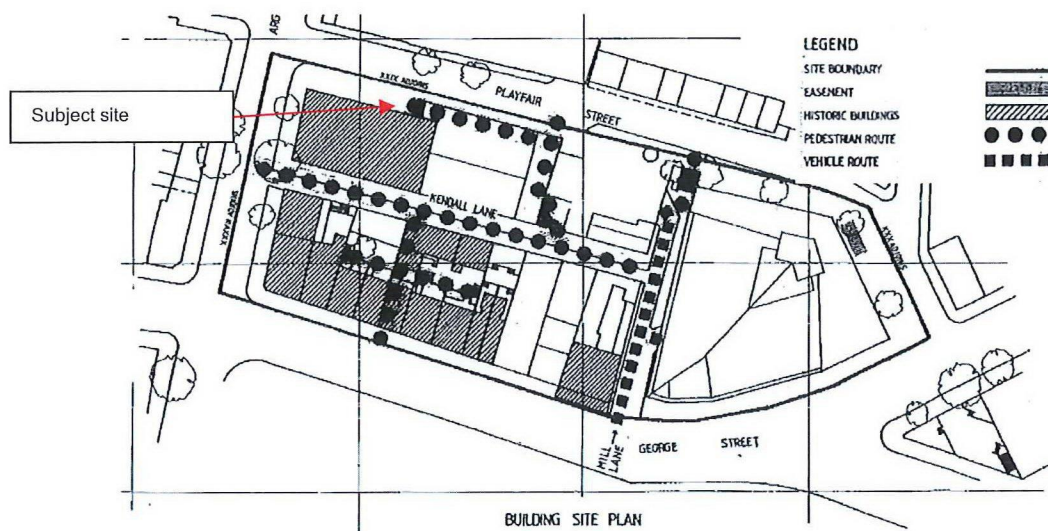


Figure 4: SCRA Scheme - Building Site Plan

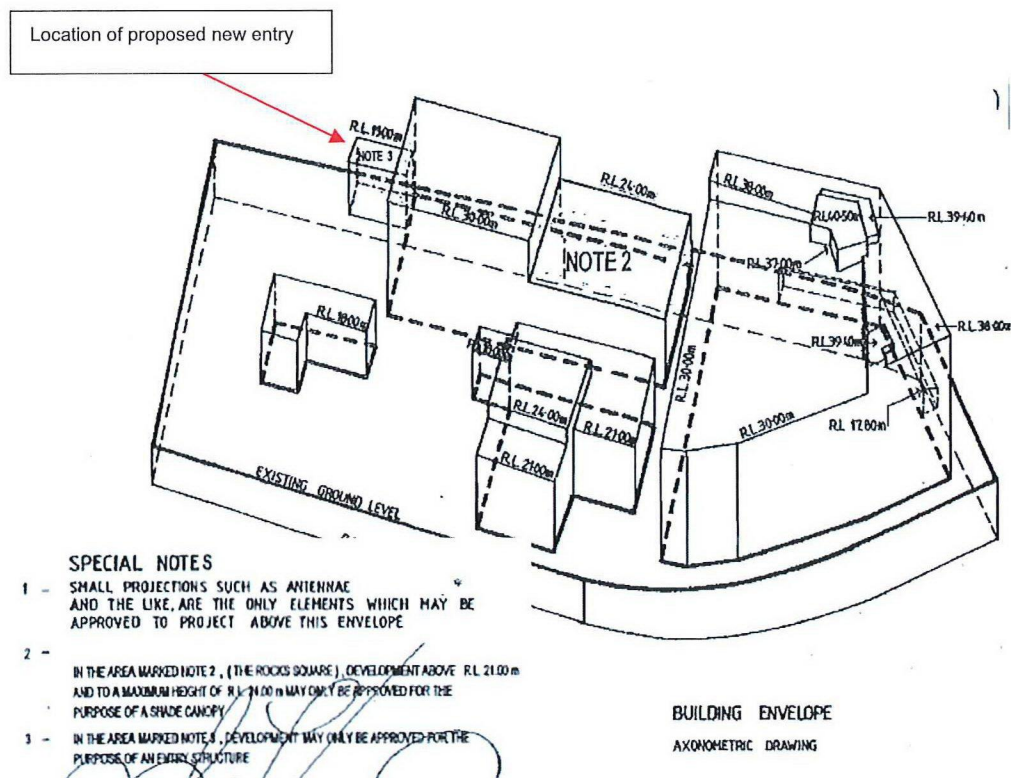


Figure 5: SCRA Scheme – Building Envelope

5. OVERVIEW OF LIKELY ENVIRONMENTAL AND PLANNING ISSUES

Based on our preliminary environmental assessment, the following are the key environmental assessment issues that will need to be considered as part of the EIS:

- Compliance with statutory plans and justification for variation to the SCRA Scheme
- Heritage and archaeology
- Urban design and public domain
- Contamination and hazardous materials
- Disabled access
- BCA and Fire Safety
- Construction impacts and management.

These matters will be addressed in detail in the EIS. They will be supported by appropriate specialist documentation. It should be noted that this is a minor development and any environmental impacts are expected to be minimal.

6. CONSULTATION

Given the minor nature of the proposal, it is considered that a detailed program of consultation with agencies and stakeholders is not required. Appropriate consultation with relevant agencies and the community can occur during public exhibition of the EIS.

7. CONCLUSION

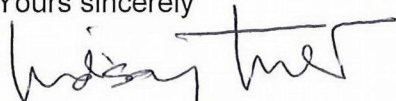
Property NSW is seeking to relocate a long standing tenant 'Pancakes on the Rocks' from 80 George Street to Level 1 of 'The Rocks Centre' (Penrhyn House) at 22-26 Playfair Street, The Rocks. As part of the relocation, Property NSW works is proposing to undertake works to the existing historic building including an upgrade of the public entry. The proposed works will require a change to the current height of the entry structure as well as a minor increase to the building's footprint.

The proposed works will require the submission of a SSD application and accompanying EIS as the proposal is not consistent with the SCRA Scheme. Therefore the SSD application will also seek a variation to the SCRA Scheme.

This request for SEARs has been prepared as set out in Schedule 2 to the *Environmental Planning and Assessment Regulation 2000*.

We trust that the information contained herein is sufficient to enable the SEAR's to be issued. Should you have any queries about this matter or require any further information, please do not hesitate to contact me on 9240 8786.

Yours sincerely



Lindsay Turner
Senior Project Manager