



# SEARs Request Report

## Sydney Metro Martin Place Station Precinct

On Behalf of Macquarie Corporate Holdings Pty Limited



March 2017 ■ 15879

Reproduction of this document or any part thereof is not permitted without prior written permission of JBA Urban Planning Consultants Pty Ltd.

This report has been prepared by:



Alexis Cella

23/03/2017

This report has been reviewed by:



Julie Bindon

23/03/2017

# Contents

1.0	Introduction	1
2.0	Background	1
3.0	The Precinct	2
4.0	The Project & Planning Applications	4
5.0	Statutory & Strategic Planning Context	7
5.1	State Environmental Planning Policy (State and Regional Development) 2011 (SEPP SRD)	7
5.2	Sydney Local Environmental Plan 2012 (Sydney LEP)	7
6.0	Preliminary Key Issues Identification	8
7.0	Expected Deliverables	9
8.0	Consultation	10

---

# Contents

Figures

---

1	Aerial photo of the Precinct	2
2	Location map of the Precinct	3
3	Site Plan	4
4	Relationship of key planning applications	6

## 1.0 Introduction

This report is prepared on behalf of Macquarie Corporate Holdings Pty Limited (Macquarie) in support of a request for the Secretary's Environmental Assessment Requirements (SEARs) relating to the creation of a World Class Transport and Employment Precinct at Martin Place.

As this proposed transformative project is within a rail corridor/related to rail infrastructure, involves commercial premises and has a capital investment value of more than \$30 million, it is State Significant Development (SSD) for the purposes of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

The SEARs will inform the preparation of an Environmental Impact Statement (EIS) to accompany a future Staged State Significant Development (SSD) Development Application (DA) for the proposal. The Staged DA (otherwise known as a Concept Proposal) will be made under section 83B of the EP&A Act.

To support the request for the SEARs, this report provides an overview of the proposed development, sets out the statutory context, and identifies the key likely environmental and planning issues associated with the proposal.

## 2.0 Background

The New South Wales (NSW) Government is implementing *Sydney's Rail Future* (Transport for NSW, 2012), a plan to transform and modernise Sydney's rail network so that it can grow with the city's population and meet the needs of customers in the future.

Sydney Metro is a new standalone rail network identified in *Sydney's Rail Future*. The Sydney Metro network consists of Sydney Metro Northwest (Stage 1) and Sydney Metro City & Southwest (Stage 2).

Stage 2 of the Metro entails the construction and operation of a new metro rail line from Chatswood, under Sydney Harbour through Sydney's CBD to Sydenham. The project also involves the delivery of seven (7) new Metro stations, including Martin Place.

Once complete this step-change piece of public transport infrastructure will have the capacity for 30 trains an hour (one every two minutes) through the CBD in each direction catering for an extra 100,000 customers per hour across the Sydney CBD rail lines.

Approval of the Stage 2 Metro was secured by Transport for NSW (TfNSW) as Critical State Significant Infrastructure (CSSI) (SSI 15\_7400) on 9 January 2017. That approval relates to all of the land within the Sydney Metro Martin Place Station Precinct, except for the two properties owned by Macquarie. Under the terms of the CSSI consent, approval has been granted for demolition of all the buildings not owned by Macquarie, and for excavation to construct the approved Martin Place Metro Station.

TfNSW is also planning for possible future Over Station Development (OSD) on the land it has acquired for the Stage 2 Sydney Metro project, as well as works below ground level under Martin Place.

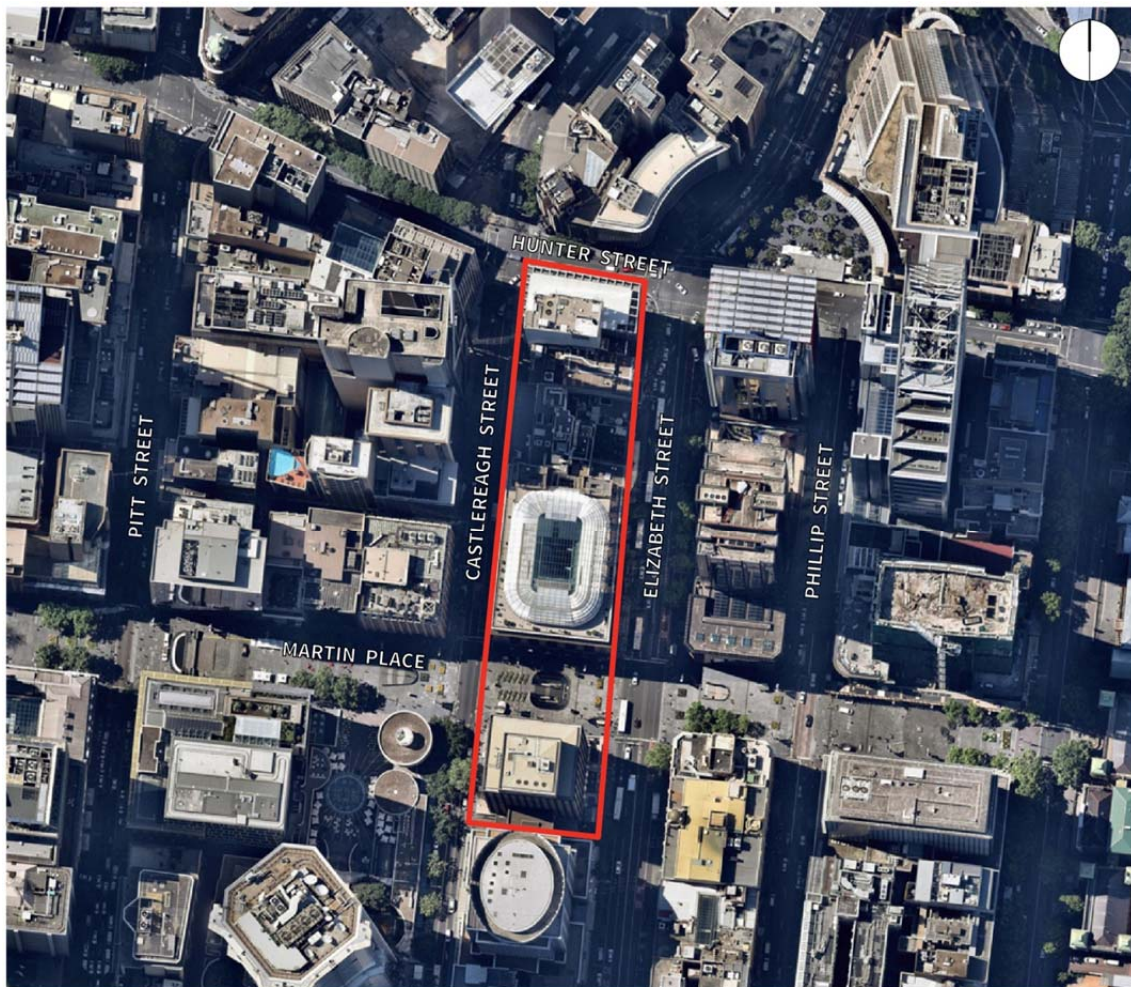
An Unsolicited Proposal submission has been lodged by Macquarie to the NSW Government for the delivery of a single fully integrated station/OSD solution for the new Sydney Metro Martin Place Station.

### 3.0 The Precinct

The Sydney Metro Martin Place Station Precinct (Precinct) project relates to the following properties (refer to **Figure 1** and **Figure 2**):

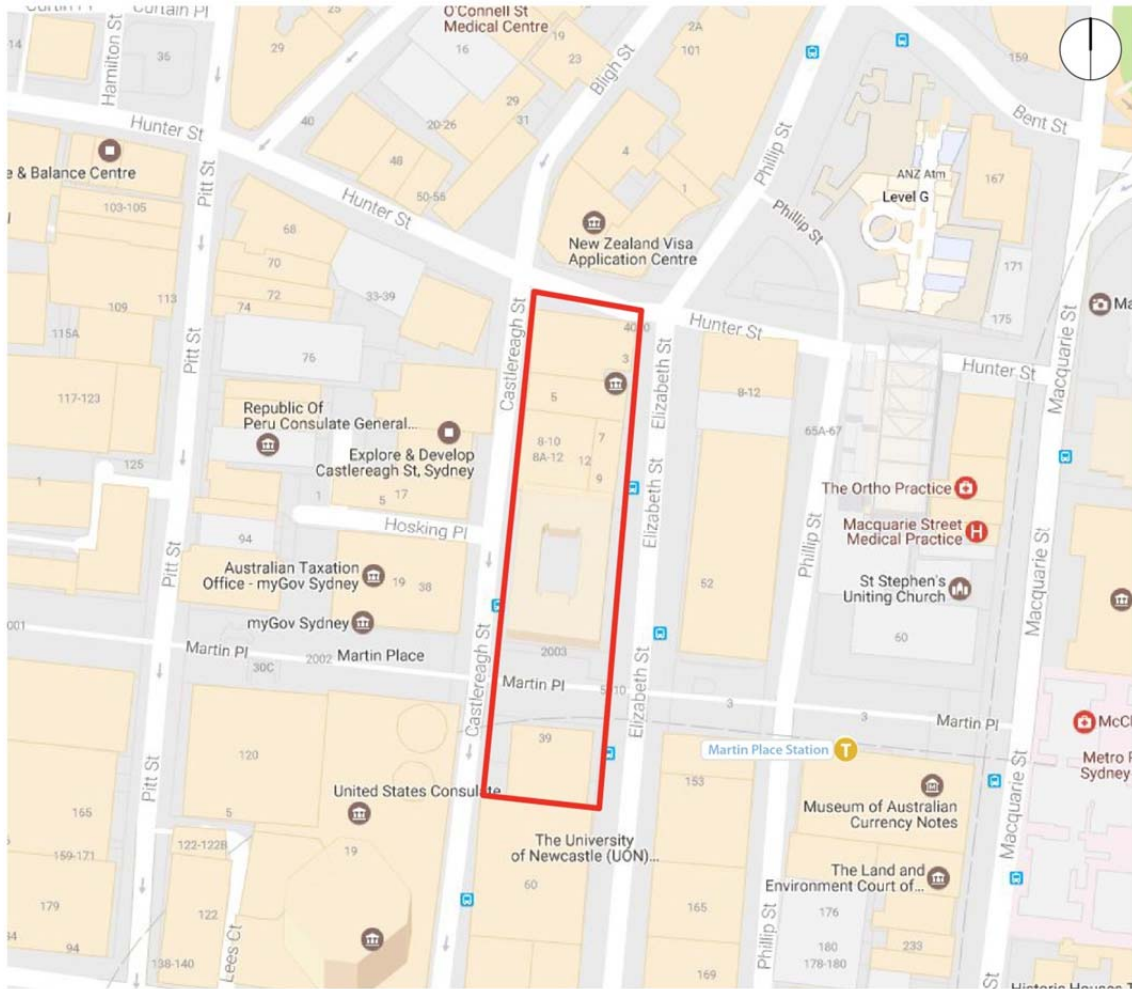
- 50 Martin Place, 9 – 19 Elizabeth Street, 8 – 12 Castlereagh Street, 5 Elizabeth Street, 7 Elizabeth Street, and 55 Hunter Street (**North Site**);
- 39 – 49 Martin Place (**South Site**); and
- Martin Place (that part bound by Elizabeth Street and Castlereagh Street).

This request for SEARs relates to the North and South Sites (refer to Figure 3). The land acquired for the Sydney Metro Martin Place Station is the same as for the Macquarie proposal, except that the Macquarie Proposal includes the two properties north of Martin Place owned by Macquarie, namely 50 Martin Place and 9-19 Elizabeth Street.



 The Precinct

**Figure 1** – Aerial photo of the Precinct  
Source: Nearmap and JBA



The Precinct

**Figure 2** – Location map of the Precinct  
 Source: Google maps and JBA

Located close to the centre of the Sydney CBD, the Precinct comprises the entire City block bounded by Hunter Street, Elizabeth Street, Martin Place and Castlereagh Street; that portion of Martin Place located between Elizabeth Street and Castlereagh Street; and extending south of Martin Place to include part of the southern block bounded by Martin Place, Elizabeth Street, Castlereagh Street, and King Street. Together it constitutes an above ground site area of approximately 9,400 square metres, with a dimension from north to south of approximately 210 metres and from east to west of approximately 45 metres. It incorporates a significant portion of one of Sydney’s most revered public spaces – Martin Place.

Martin Place is recognised as one of Central Sydney’s great public, civic and commemorative spaces, as well as being a historically valued commercial and financial location of Sydney’s CBD. Martin Place and a large number of buildings on, or in close proximity to, Martin Place are identified as heritage items, either as items of National, State or Local significance. Number 50 Martin Place, which forms part of the North Site, is one of these major heritage items.

There has been a number of redevelopment and refurbishment proposals in recent years along Martin Place that have improved existing assets and recaptured their premium commercial status (e.g. 5 Martin Place, 50 Martin Place, 20 Martin Place, upgrades of the MLC Centre, and 60 Martin Place). The City of Sydney Council has also identified a need to more broadly reinvigorate Martin Place and upgrade the public spaces.

The surrounding locality is characterised by a variety of built forms and architectural styles, with many of the buildings, including those of relatively recent years, not complying with the current planning controls with respect to building heights, setbacks and street wall heights.

In terms of land use the area is characterised by a predominance of office uses, with some ground floor retailing, cafés or restaurants, and hotels (most notably the Westin and the Sofitel Sydney Wentworth) to support its primary business centre function.

## 4.0 The Project & Planning Applications

The proposal by Macquarie is unique and innovative in aligning the aspirations for public transport improvements, civic amenity and the long term sustainability of Sydney as a financial centre. This will be achieved through a development designed to maximise the opportunities for an improved Metro Station, integration of the existing and new public transport infrastructure, integration of that infrastructure with modern commercial office towers and retailing, along with rejuvenating and complementing some of Sydney’s most revered public spaces, and substantially improving station access and connectivity.

More specifically the subject application relates to the future OSD for the North and South Sites (refer to **Figure 3**). The ultimate development proposal will be designed as a fully integrated Station and OSD project that, subject to approval, will be built and delivered as one integrated project in time for the opening of the Sydney Metro.



**Figure 3 – Site Plan**  
 Source: Grimshaw & JPW

### The North Site

The Concept Proposal on the North Site is for a new 40+ storey predominately commercial office building. Podium level opportunities to integrate with existing/retained 50 Martin Place building are proposed, supporting large commercial floor plates. No connections to 50 Martin Place are proposed for the basement levels of that building, including the level of the significant heritage Safe Deposit Vault.

The North Site will have a Floor Space Ratio (FSR) that will exceed the *Sydney Local Environmental Plan 2012* (the Sydney LEP) development standard. It is therefore proposed to include a request under clause 4.6 of the Sydney LEP to vary the FSR limit. The proposed building envelope complies with the Sydney LEP's height controls.

Demolition of 9-19 Elizabeth Street to accommodate an amended Martin Place Metro Station, and excavation additional to that contemplated in the current CSSI approval, will be the subject of an application to modify that approval. The modification application will be lodged around the same time, or shortly after, the Staged SSD DA to enable concurrent assessments.

## The South Site

The Concept Proposal for the South Site is for a new 28+ storey predominately commercial office building. Under the Concept Proposal the building envelope and FSR complies with the Sydney LEP development standards.

To maximise the opportunities afforded by the significant increase in public transport capacity arising from the Martin Place Metro Station, Macquarie is also proposing an alternative tower building on the South Site. The alternative tower has a larger above-podium floor plate, and more floor space, but is no greater in its maximum height. The larger tower is currently precluded by a 55m LEP height limit on the northern portion of the South Site. To permit the alternative tower Macquarie will submit a Planning Proposal<sup>1</sup> to amend the LEP so as to increase the permissible maximum building height of some of the constrained northern portion of the site, and increase the maximum permissible FSR for the whole of the South Site.

A future application (the type of application is subject to confirmation) relating to the South Site will therefore be necessary to align with any new planning controls established under the Planning Proposal, should that be approved.

The detailed design of the OSD is still in its initial stages. Critically it requires an integrated design approach to be adopted between the commercial OSD components classified as SSD, and the Station components, which are classified as CSSI and have already been approved. This is to ensure:

- all the operational needs of the Metro Station are accommodated in accordance with TfNSW requirements and the structural and other requirements of the OSD are accommodated within the Station building beneath, in what is essentially one building; and
- a cohesive public domain and built form outcome is achieved for Sydney.

In this regard, OSD uses and structural elements are located within the below ground and lower podium levels, as conceptually approved under the CSSI consent for the Martin Place Station.

**Figure 4** below is a diagrammatic representation of the suite of key applications proposed by Macquarie, to show the relationship of the SSD DA (the subject of this SEARs request) to the Planning Proposal and the Martin Place Metro CSSI.

As stated above, it is intended to lodge a Staged SSD DA under Section 83B of the EP&A Act for the development. The Staged SSD DA will seek consent for the broad development concept including land uses, gross floor area, building envelopes, and vehicle access arrangements for both north and south sites. The Stage 2 DA (or DAs) will be lodged for the detailed design and construction of the OSD buildings, including the detailed integration of those built elements with the Station elements. The Stage 2 DA/s will be lodged as soon as possible after consent is granted to the Stage 1 application, to ensure delivery coincides with the opening of the Sydney Metro line and stations in 2024.

The project will contribute to the achievement of a number of key State and local government objectives/policies, including *NSW State Priorities, A Plan for Growing Sydney, Draft Central District Plan, Sustainable Sydney 2030, Draft Central Sydney Planning Strategy, and Sydney City Centre Access Strategy*.

---

<sup>1</sup> A planning proposal in this context is a document that explains the intended effect of a proposed amendment to a local environmental plan (LEP) and sets out the justification for making that amendment.

### Timing of Applications

Macquarie’s proposed strategy to realising its vision for the precinct and balancing timing implications associated with both the USP process and timetable for delivering the Sydney Metro means there will effectively be two key steps:

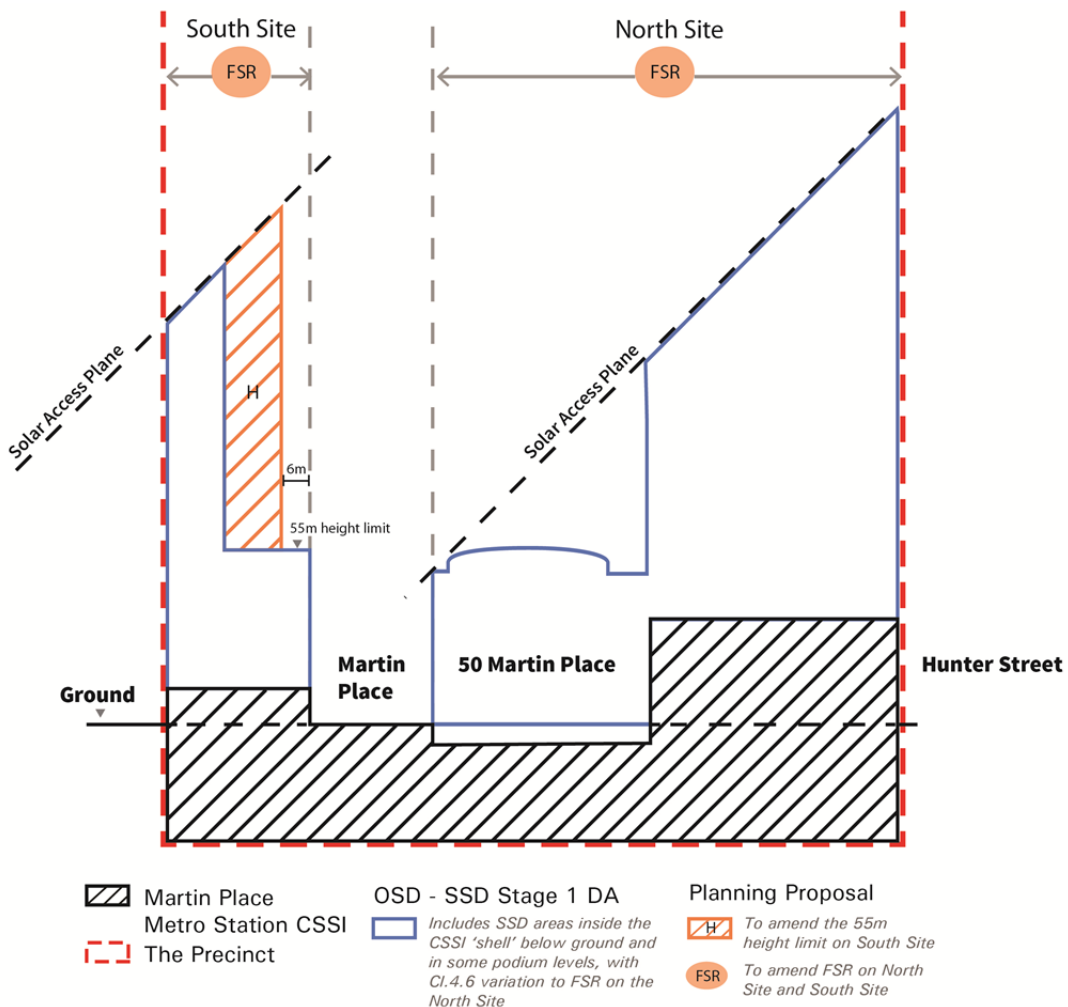
**Step 1: involves the lodgement and overlap of three applications in 2017:**

1. a Staged SSD DA for OSD (the subject of this SEARs request);
2. a planning proposal, seeking to increase the permissible maximum FSR (North and South Sites) and increase the maximum building height (South Site); and
3. a modification application to the CSSI consent.

**Step 2: involves the lodgement and overlap of two applications in 2018:**

4. a detailed SSD DA for the design and construction of the tower buildings that have come out of a design excellence process; and
5. an application to amend the Envelope and Gross Floor Area approved for the South Site, to the extent permitted by the planning proposal.

Progressing to Step 2 is subject to the NSW Government’s decision to accept the USP final binding offer by Macquarie and subject to a successful outcome on all three applications within Step 1.



**Figure 4 – Relationship of key planning applications**  
Source: JBA

## 5.0 Statutory & Strategic Planning Context

The key planning instruments applying to the Precinct and its development are the *State Environmental Planning Policy (State and Regional Development) 2011* (SEPP SRD) and the Sydney LEP, as discussed in more detail below.

The EP&A Act establishes the assessment framework for State Significant Development. Under Section 89D of the EP&A Act, the Minister for Planning is the consent authority for State Significant Development. Section 78A(8A) requires that a development application for SSD is to be accompanied by an Environmental Impact Statement (EIS).

Pursuant to Section 83B of the EP&A Act a Staged DA may be made setting out concept proposals for the development of a site (including setting out detailed proposals for the first stage of development), and for which detailed proposals for separate parts of the site are to be the subject of subsequent DAs.

### 5.1 State Environmental Planning Policy (State and Regional Development) 2011 (SEPP SRD)

SEPP SRD identifies development which is declared to be State Significant. Under Item 19(2) of Schedule 1 of SEPP SRD, development within a railway corridor or associated with railway infrastructure that has a capital investment value of more than \$30 million and which is for the purposes of commercial premises is declared to be State Significant Development (SSD) for the purposes of the EP&A Act. All stages of the Macquarie OSD Proposal qualify as SSD and will be assessed under the relevant provisions under Part 4 of the EP&A Act.

SSD applications are treated differently to regular 'local' and 'regional' developments, with a range of other legislation not applying (Section 89J and 91 of the EP&A Act) and other legislation needing to be applied consistently with the terms of any SSD consent (Section 89K of the EP&A Act). Furthermore, Development Control Plans are also specifically excluded from being applicable to SSD (Clause 11 SEPP SRD).

The Minister for Planning is the consent authority for SSD (Section 89D of the EP&A Act), although section 23 of the EP&A Act enables the Minister to delegate the consent authority function to (amongst others) the Planning Assessment Commission, Greater Sydney Commission, the Secretary or to any other public authority.

### 5.2 Sydney Local Environmental Plan 2012 (Sydney LEP)

Sydney LEP is the principal local environmental planning instrument applying to the Precinct, establishing (amongst other things):

- permissible land uses;
- development standards (e.g. height, FSR, car parking etc);
- design excellence requirements;
- heritage conservation requirements; and
- heritage floor space requirements.

The North and South Sites are located within the B8 Metropolitan Centre Zone. The objectives of the zone are:

- *To recognise and provide for the pre-eminent role of business, office, retail, entertainment and tourist premises in Australia's participation in the global economy.*
- *To provide opportunities for an intensity of land uses commensurate with Sydney's global status.*
- *To permit a diversity of compatible land uses characteristic of Sydney's global status and that serve the workforce, visitors and wider community.*
- *To encourage the use of alternatives to private motor vehicles, such as public transport, walking or cycling.*
- *To promote uses with active street frontages on main streets and on streets in which buildings are used primarily (at street level) for the purposes of retail premises.*

All of the proposed development is permitted with consent in the zone.

The proposal complies with the LEP maximum building height development standard (Clause 4.3 of Sydney LEP), sun access planes (Clause 6.17 of Sydney LEP), and overshadowing controls (Clause 6.19 of Sydney LEP).

A variation to the maximum FSR standard is proposed for the North Site, utilising Clause 4.6 of the Sydney LEP. Macquarie's proposal, despite the numeric non-compliance with the FSR development standard, is considered to be justified for numerous reasons, including that it is in the public interest because it is consistent with the objectives of the FSR standard and the objectives of the B8 Metropolitan Centre zone. This will be fully documented in Clause 4.6 variation request accompanying the application.

## 6.0 Preliminary Key Issues Identification

The following potential impacts and anticipated key issues have been identified.

- **Compliance with Strategic and Statutory Plans:** This will include a summary of all National, State, District or Regional, and Local plans and strategies relevant to the proposal, and how the proposal addresses those documents.
- **Built Form:** The proposed development will establish significant new built form elements. The design response of the development with respect to surrounding context will therefore be a key issue to be addressed. This will include a comprehensive response to:
  - The interface with adjoining development and the public domain;
  - Urban Design Report for the OSD, including recommended principles for the siting and design, environmental performance, heritage, vistas and connectivity, street activation, pedestrian spaces, building massing, articulation, materials and finishes.
- **Floor Space Ratio:** Macquarie's proposal for the North Site exceeds the Sydney LEP FSR standard, and therefore will rely on using Clause 4.6 to vary that standard. The application will clearly articulate why the Clause 4.6 request to vary the FSR standard is justified.
- **Heritage Impacts:** A large number of heritage items are located in the vicinity of the Precinct, as identified in the Sydney LEP. The Precinct itself includes Macquarie's landmark heritage building at 50 Martin Place, which will be retained and protected, as well Martin Place and the existing Eastern Suburbs Line Martin Place Train Station. Demolition of the heritage item at 7 Elizabeth Street has already been approved as part of the CSSI consent for the new Martin Place Metro Station. Parts of the Precinct are also within Special Character Areas in the Sydney LEP. Heritage impacts will therefore be an important consideration, particularly for the later Stage 2 DAs. A Heritage Impact Statement will be lodged with the application.
- **Airport Operations:** The applicable Obstacle Limitation Surface<sup>2</sup> (OLS) applying across the Sydney CBD is 156m AHD. The proposed envelopes for the North and South Sites will therefore penetrate the OLS and will require approval as a controlled activity under the *Airports Act 1996*.
- **Design Excellence:** Clause 6.21 establishes that the consent authority must be satisfied that development involving the erection of a building achieves design excellence. This is typically achieved through the undertaking of a competitive design process prior to the lodgement of a Stage 2 DA. The Macquarie proposal is not, however, comparable to other development, including other SSD projects, in Central Sydney, as it involves a complex integrated design and delivery process with the associated CSSI Metro Station (which will dictate potential above ground outcomes). Macquarie is, however, committed to achieving the objectives of Clause 6.21 of Sydney LEP, namely “*to deliver the highest standard of architectural, urban and landscape design*” and the process to do so will be included in the EIS. The Urban Design Report referred to above will include design principles to guide future detailed design, and will be submitted as part of the Stage 1 SSD DA.

<sup>2</sup> Means the airspace surrounding an airport that must be protected from obstacles to ensure aircraft flying in good weather during the initial and final stages of flight, or in the vicinity of the airport, can do so safely.

- **Connectivity and Integration with the Metro Station CSSI:** Macquarie’s Proposal will be a strong catalyst for growing and sustaining Sydney’s role as a Global business centre. This is in large part due to the Metro, and the arrival experience on entering the City through this new transport portal, the grand public spaces that will be created or enhanced, and the place making architecture and urban design. The EIS will provide a description and assessment of the interface between the OSD and the CSSI.
- **Solar Access:** The important Martin Place and Hyde Park Sun Access Planes will be complied with under this proposal, with a full shadow study submitted to demonstrate compliance.
- **Wind Impacts:** Wind tunnel testing of the built form will be undertaken as part of this application to identify any mitigation measures to be included in future Stage 2 DA/s for the detailed design of the Towers.
- **Ecologically Sustainable Development:** The Macquarie proposal will deliver a more ecologically sustainable development overall for the Precinct, replacing the existing poor performing building stock with new development that will target a minimum 6 Star Green Star Office Design and As Built 2015 V1.1, NABERS Energy 5 Star and NABERS Water 3.5 Star, consistent with that achieved for Macquarie’s 50 Martin Place building. An ESD Strategy will be included as part of the EIS.
- **Traffic, Access & Public Transport:** The Sydney Metro represents a monumental uplift in sustainable public transport for the Sydney Metropolitan Region. The Macquarie Proposal builds on this by offering integrated office and related land uses to create an inspiring and transformative transport hub that welcomes workers and visitors alike. The Macquarie Proposal truly supports transit oriented development, with minimal on-site car parking proposed. The Macquarie Proposal will also provide generous bike parking and end of trip facilities for all workers in the development. A traffic assessment will be included in the EIS, and will include the following:
  - Pedestrian desire lines and flows;
  - Integration with the proposed Metro and other rail infrastructure;
  - Provision for parking and service vehicles and vehicular access proposals; and
  - Accessibility to other public transport.

## 7.0 Expected Deliverables

To assist in confirming the SEARs, the following are the expected deliverables to support the EIS:

- DA Form and DA fees
- QS/CIV Certificate.
- Site Survey Plan
- Architectural Design Statement/Report
- Architectural Plans (for approval, and indicative plans of possible future North and South Towers).
- Urban Design Report
- Shadow Analysis
- Physical Model
- Structural Statement
- Flood Assessment/Stormwater Management Plan
- Heritage Impact Assessment
- Flight Path Report
- Transport, Traffic and Parking Report
- Waste Strategy
- Sustainability Framework
- Stakeholder and Community Engagement Strategy / Report (for more detail see section 8)
- CPTED Assessment

- Accessibility DDA Report
- Construction Management Statement
- Noise & Vibration Report
- Utilities Infrastructure Analysis
- Wind Tunnel Study
- Visual Impact Assessment

## 8.0 Consultation

The EIS will include a detailed Consultation Strategy for each stage of the approvals process, including all pre-lodgement consultation undertaken up to submission of the application. It is anticipated that the following key agencies and stakeholders will be consulted at appropriate stages in the process:

- Department of Planning and Environment (as the assessment agency)
- Transport for NSW (especially the Sydney Metro team)
- Sydney Trains
- City of Sydney Council
- Surrounding landowners / occupiers
- The broader community