

Notice of decision

Section 2.22 and clause 20 of Schedule 1 of the *Environmental Planning and Assessment Act 1979*

Application type	State significant development
Application number and project name	SSD-87245208 Mixed-use development with in-fill affordable housing at 13-15 & 17 Oxford Street and 2 Verona Street, Paddington
Applicant	17 Oxford St Pty Ltd
Consent Authority	Minister for Planning and Public Spaces

Decision

The Acting Director, Affordable Housing Assessments under delegation from the Minister for Planning and Public Spaces has, under section 4.38 of the *Environmental Planning and Assessment Act 1979* (**the Act**) granted consent to the development application subject to conditions.

A copy of the development consent and conditions [here](#).

A copy of the Department of Planning, Housing and Infrastructure's assessment report is available [here](#).

Date of decision

24 July 2026

Reasons for decision

The following matters were taken into consideration in making this decision:

- the relevant matters listed in section 4.15 of the Act and the additional matters listed in the statutory context section of the department's assessment report;
- the prescribed matters under the Environmental Planning and Assessment Regulation 2021;
- the objects of the Act;
- all information submitted to the department during the assessment of the development application and any additional information considered in the Department's assessment report;
- the findings and recommendations in the Department's assessment report; and
- the views of the community about the project (see **Attachment 1**).

The findings and recommendations set out in the Department's assessment report were accepted and adopted as the reasons for making this decision. Additional reasons for making the decision are also recorded in the Department's assessment report.

The key reasons for granting consent to the development application are as follows:

- the project would provide a range of benefits for the region and the State as a whole, including a direct investment of \$96,973,532 and creation of 339 construction and 30 operational jobs;
- the project is permissible with development consent, and is consistent with NSW Government policies to deliver well-located housing as it would deliver 64 residential apartments (including 14 affordable housing apartments) in an accessible location;
- the impacts on the community and the environment can be appropriately minimised, managed or offset to an acceptable level, in accordance with applicable NSW Government policies and standards;
- the issues raised by the community during consultation and in submissions have been considered and adequately addressed through changes to the project and the conditions of consent. Engagement on the project is considered to be in line with *Undertaking Engagement Guidelines for State Significant Projects*, including the community participation objectives outlined in these guidelines; and
- weighing all relevant considerations, the project is in the public interest.

Attachment 1 – Consideration of Community Views

The Applicant engaged with the community during the preparation of the environmental impact statement (EIS) as a requirement of the Secretary's environmental assessment requirements. The EIS detailed the findings of the engagement and how it influenced the scope and design of the project.

Once the EIS was submitted to the Department it was placed on exhibition from 2 December 2025 until 19 January 2026 (49 days). 23 public submissions were received, including 10 objections, 11 in support and two providing comments. Additionally, the City of Sydney Council objected to the proposal.

The Department officers also visited the site and the surrounding area, to gain a better understanding of the site context and the issues raised in submissions.

The key issues raised by the community (including in submissions) and considered in the department's assessment report and by the decision maker include built form and heritage, traffic and transport, cultural and creative uses and operations, landscaping and tree protection, affordable housing provision, residential amenity and construction impacts. Other issues are addressed in detail in the Department's assessment report.

<i>Matter for consideration</i>	<i>Department's assessment</i>
Built form and heritage - increased bulk, scale and building height - impacts to adjacent local heritage items - oversized apartments contributing to bulk and scale of building - impacts to Busby's Bore - over-scaled public entrances.	<i>Assessment</i> The development is located below the maximum permissible height plane for the site permitted under the State Environmental Planning Policy (Housing) 2021 (Housing SEPP) The Department has carefully considered the proposed increase in floor space and the design of the proposal, in its assessment report. The proposal would be compatible with the desired future character of the area, exhibits design excellence in accordance with the Sydney Local Environmental Plan 2012 (SLEP) and the floor space exceedance within 2 Verona Street would have no impacts on the overall bulk of the building or its relationship with the low-density properties to the south and west. The Applicant has amended the proposal to increase the number of apartments and reduce the oversized apartments. The design of the public entrance is compatible with the overall building design and contributes to design excellence. The proposal has been designed to not detrimentally impact the State heritage item Busby's Bore or surrounding local heritage items. The development retains the two-storey masonry façade and the 'Verona' signage to contribute positively to the heritage significance of the Paddington Heritage Conservation Area. <i>Recommended conditions:</i> implementation of measures to ensure the protection of Busby's Bore.
Traffic, access and parking - traffic impacts to Verona Street and Iona Lane - excess car parking in highly accessible location - vehicular access / swept path design.	<i>Assessment</i> The application includes a Traffic Impact Assessment prepared by a suitably qualified consultant, which demonstrates that the proposed traffic generation (7 and 6 additional trips in the AM and PM peaks, respectively) would have negligible impacts on the surrounding road network or nearby intersections. Conditions of consent are recommended to ensure that the proposed residential and visitor car parking rates comply with the SLEP maximum rates and that appropriate vehicular access and servicing arrangements (to cater for a 10.6 m long garbage truck) are provided on the site. <i>Recommended conditions:</i> - car parking provision to comply with the SLEP maximum requirements provision of on-site car parking and bicycle parking spaces in accordance with Australian Standards - provision of a car parking, loading and servicing management plan - preparation of a Construction and Pedestrian Traffic Management Plan (CPTMP).
Oxford Street Cultural and Creative Precinct - calculation of cultural and creative gross floor area (GFA) - applicability of clause 6.60D of the Sydney Local Environmental Plan 2012 (SLEP)	<i>Assessment</i> The application is assessed under the provisions of Clause 6.60D of the SLEP, as in force at the date of its lodgement, which allowed a shop top housing development to avail the floor space ratio (FSR) and height incentives under Clause 6.60D(3) in lieu of providing a certain quantum of cultural and creative floor space. The proposal includes 1,687 m² of cultural and creative floor space, exceeding the minimum requirement of 1,674 m² under the SLEP for the site to avail the FSR and height incentives. The Department has assessed the cultural and creative gross floor area (GFA) on the site and is satisfied that:

	- calculation of proposed cultural and creative GFA excludes ancillary facilities including the cultural and creative use entry/box office at ground level, amenities and staff end-of-trip facilities - the approach in calculating the net cultural and creative GFA on the site is consistent with DA/2022/1169, which was approved by Council on 21 December 2023 (see Section 1.4 of the assessment report) on the site - the fit-out and layout of the cultural and creative spaces is indicative and would be subject to future a future development application/s. <i>Recommended conditions:</i> - requirement for the provision of a minimum 1,674 m² cultural and creative floorspace.
Tree protection, landscaping and open space - protection of street trees - inequitable access to COS - lack of deep soil - proposed rooftop private open space limits provision of COS - lack of sunlight to ground level COS	<i>Assessment</i> The development includes 672 m² of communal open space (COS) (26.5% of the site area) at ground level and rooftop, which has access to direct sunlight throughout the year, and includes a variety of spaces for active and passive recreation. The area and quality of the COS are consistent with the design recommendations in the Apartment Design Guide (ADG). Access to the COS would be available for all residents via the western residential core. The proposal also includes 7% of the site as deep soil area and a tree canopy coverage of 15.9% of the site, consistent with the ADG. The Department has recommended conditions requiring the Applicant to prepare tree protection plans and strategies, to retain street trees on Oxford Street. <i>Recommended conditions:</i> - preparation and implementation of an updated Arboricultural Impact Assessment, incorporating tree protection strategies and measures - implementation and ongoing management of proposed landscaping works.
Affordable housing - inadequate provision of affordable housing - limited 15-year period of affordable housing provision - loss of existing affordable housing - impact on essential workers - poor amenity of affordable housing apartments.	<i>Assessment</i> The site does not contain any dedicated affordable housing as defined under the EP&A Act. The development proposes 14 affordable housing apartments to be managed by a registered community housing provider (CHP), in accordance with the requirements of Housing SEPP. The affordable housing apartments would be managed by the CHP, in accordance with relevant legislative requirements which requires the housing to be occupied by very low, low or moderate income households. The affordable apartments achieve reasonable standard of amenity including: - the apartments are generously sized and meet or exceed the ADG size, storage and balcony criteria - the mix of one-, two- and three-bedroom apartments support a range of household types - apartment sizes and balconies/terraces which meet or exceed the ADG recommendations - access to good level of amenity at the ground level and rooftop communal open space (COS) - functional layouts consistent with market housing. <i>Recommended conditions:</i> - provision of the 14 affordable housing apartments prior to or at the same time as the issue of an occupation certificate for the market dwellings - management of the 14 affordable housing apartments by a CHP for a minimum period of 15 years, in accordance with section 82(3) of the Environmental Planning and Assessment Regulation 2021.
Residential amenity - amenity of proposed terraces at 2 Verona Street (outlook and ventilation) - natural ventilation - amenity of apartments adjacent to road and entertainment noise sources - overshadowing of adjoining properties including 4	<i>Assessment</i> <u>Apartment layout and natural ventilation</u> All of the proposed 64 apartments are naturally ventilated including the proposed terraces at 2 Verona Street, which incorporate operable floor to ceiling windows or windows above entry doors to facilitate ventilation. All the terraces would be afforded with sufficient outlook with view to the sky and the landscaped ground level communal open space. <u>Natural ventilation and acoustic amenity</u> Apartments impacted by road and entertainment noise would include acoustically rated façade glazing systems. Alternative ventilation systems are also proposed to 47 noise

Verona Street - reduced building separation between 2 and 4 Verona Street resulting in visual privacy impacts - operational noise from COS and plant	affected apartments to ensure these apartments can be naturally ventilated with windows closed, to maintain internal noise amenity. <u>Overshadowing</u> While the proposed development will result in some increased overshadowing of the surrounding developments, the Department is satisfied additional overshadowing would be minimal with limited impacts to primary living spaces beyond shadows cast by existing developments. <u>Visual privacy</u> The minor variation to the building separation between the terraces at 2 Verona Street and the existing developments at 4 Verona Street is acceptable, subject to recommended conditions requiring additional privacy measure to the south-western edge of the rooftop private open space areas for the terraces. <u>Operational noise impacts</u> The Applicant's Noise and Vibration Impact Assessment Report (NVIA) includes measures to mitigate noise impacts from the plantrooms and the use of the rooftop COS usage including restricting use between 10 pm and 7 am. <i>Recommended conditions:</i> - implementation of the façade glazing systems recommended by the NVIA - noise from rooftop plant and machinery to be minimised and mitigated in accordance with the NVIA - implementation of the COS noise management measures recommended by the NVIA.
Operational impacts and accessibility - operational impacts of the cultural and creative spaces - limited accessibility of basement cultural and creative spaces - provision of an additional life to access the cultural spaces.	<i>Assessment</i> The proposed cultural and creative spaces located within the basement levels in accordance with clause 6.60D of the SLEP. The proposal includes the provision of a lift granting access to the basement level cultural and creative spaces. Given the quantum of cultural and creative floorspace proposed, the Department has recommended a condition of consent requiring two lifts to service the space. Subject to this condition, the Department is satisfied that equitable access would be provided for all users of the basement cultural and creative spaces. The proposal retains the existing two storey brick façade and 'Verona' signage on Oxford Street, creating an inviting streetscape atmosphere and encouraging pedestrian traffic into the cultural and creative spaces within the development. The NVIA includes construction techniques to insulate the cultural and creative spaces at the basement levels and reduce noise generation impacts due to future use of these areas. While the fit-out of the cultural and creative spaces would be subject to a future DA, the Department has recommended a condition of consent requiring the Applicant to prepare a preliminary Operational Plan of Management (OPM) for the spaces to ensure operational impacts are mitigated and managed. <i>Recommended conditions:</i> - implementation of an OPM to manage noise impacts arising from the cultural and creative spaces - provision of two lifts to service the cultural and creative spaces.
Engagement lack of consultation with neighbours	<i>Assessment</i> The EIS Engagement Outcomes Report states that the Applicant engaged with the community prior to lodgement of the application, including: - distributing community newsletter to 6,041 surrounding properties - undertook street walks to engage with local businesses - held a consultation session for nearby neighbouring residents - provided a community information line and email address. The Department publicly exhibited the proposal in accordance with the EP&A Act, including notifying neighbouring landowners and residents and displaying the application on the Department's website. The Department also referred the application to Council, Woollahra Municipal Council and six government agencies/authorities. The Department has considered the comments from the public authorities/agencies and recommended relevant conditions.
Commercial use viability of commercial uses and impact on existing commercial uses in the	<i>Assessment</i> The proposed retail uses at the ground floor level of 13-15 & 17 Oxford Street are permissible within the E1 zone of the SLEP. The objective of the zone encourages non-residential uses and therefore the proposed new retail premises would have no negative

locality	impact on existing commercial premises in the locality.
Cumulative and construction impacts - multiple nearby State significant development applications - traffic impacts and works zones - parking - noise impacts	<i>Assessment</i> The site is in a dense urban area, in proximity to existing residential properties. The construction would result in some temporary unavoidable impacts. However, the Department has recommended several conditions to minimise potential impacts during construction within acceptable limits. The Department is satisfied the proposal would not result in any adverse cumulative impacts as per the Department's Cumulative Impact Assessment Guidelines for State Significant Projects subject to recommended conditions of consent. <i>Recommended conditions:</i> - Construction Environmental Management Plan, including construction noise and vibration sub-plan - management of vehicular access during construction works - dust and odour management in accordance with the EPA's guidelines - hours of construction limited to between 7 am to 6 pm Mondays to Fridays, between 8 am and 1 pm Saturdays and no work to be carried out on Sundays or public holidays - construction noise limits and vibration criteria - construction traffic management plan - measures to manage construction worker parking - pre and post construction dilapidation reporting.
Stormwater and groundwater - design of stormwater management system - tanking of basement	<i>Assessment</i> The Department is satisfied the development includes a suitable stormwater management system, which can be satisfactorily implemented subject to recommended conditions. The Department is satisfied the drained basement is acceptable and that groundwater impacts can be managed, subject to conditions. <i>Recommended conditions:</i> - provision of a detailed operational stormwater management strategy, to be generally in accordance with the proposed stormwater design and Council's stormwater requirements and specifications - preparation of a Dewatering Management Plan.
Easement ensure the easement at the rear of Rose Terrace is maintained.	<i>Assessment</i> The existing wall along the boundary with Rose Terrace is to be retained, and conditions of consent would ensure that the lateral support required in accordance with the obligations of the easement are maintained. <i>Recommended conditions:</i> the existing easement for support at the rear of Rose Terrace be maintained.