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Dear Annie,

**SSD 8875 (Pitt Street North) and SSD 8876 (Pitt Street South) Over Station  
Development Concept Proposals – Response to Submissions**

Thank you for your correspondence dated 10 January 2019 which invites the City of Sydney (“the City”) to review the Response to Submission (“RTS”) provided by Sydney Metro in respect of SSD 8875 (Pitt Street North) and SSD 8876 (Pitt Street South) and to provide final comments on the proposals.

The City has reviewed the RTS provided and **maintains its objection** to the applications with respect to the proponent’s unwillingness to enter into a competitive design process as defined in Sydney Local Environmental Plan (LEP) 2012.

The City have carefully considered the proponent’s response to items previously raised in our letter dated 12 September 2018. Unless otherwise specified, the following comments provided for your consideration relate to both proposals:

Design Excellence Approach

No amendments to the Design Excellence Strategies submitted have been made in response to the City’s submission to the concept proposals. As stated previously, the Design Excellence Strategies do not specify a competitive design process that involves either an independent architectural design competition or the preparation of design alternatives on a competitive basis, as defined in the Sydney LEP 2012.

The City remains concerned that any detailed designs to emerge from the process outlined in the submitted Design Excellence Strategies would be precluded from a floor space bonus. Please note that due to the proposed design excellence approach, the proposals would not be eligible for up to a 10% design excellence bonus at the detailed application stage.

Notwithstanding additional justification provided in the Submission Reports, the proponent has failed to convince the City that a suitable framework for the achievement of design excellence is proposed by the subject applications and that a competitive design process would be unreasonable or unnecessary in the circumstances of the proposal.

Consequently, the City **maintains its objection** to the proposals with respect to the tendered 'design excellence' pathway.

#### Impacts on Princeton Apartments

The proponent claims that the reduced setback (3m) from the top of the station component (RL 58.75) up to RL 71.10 on the southern site boundary of the Pitt Street South site adjacent to the Princeton Apartments (308 Pitt Street), is to allow for structurally required elements, in particular the structural load transfer from the station to the OSD.

While a continuous 12m tower setback continues to be recommended, should the Department be of the mind to support a reduced setback, in order to minimise privacy and outlook impacts between the adjoining buildings on the southern boundary of the site, the Department is strongly advised to ensure that non-residential floor space is allocated within this reduced setback under a future detailed proposal.

#### Environmentally Sustainable Design (ESD)

Addendum ESD reports for each site have been submitted by the proponent. As stated by the City in its previous letter, definitive performance targets that provide a clear indication of performance expectations should be set out from an early stage. The Department are requested to ensure the following matters are embedded in any approvals:

- a) For Pitt Street North, the BASIX Energy Target of 40 is considered appropriate however, this target is assumed to apply to residential development of at least 6 stories. If for any reason less than 6 stories of residential development are proposed in a future detailed application, then BASIX Energy Target of 50-60 should apply.
- b) For Pitt Street South, BASIX Energy Target of 35 has been nominated though no reason has been given for the difference in target at this site when compared to the North site. If this is because residential development on the south site may be more shaded than the north site (no modelling evidence has been provided to justify different target for the south site), then a lower target is not justified as the total energy impact of winter shading to northern glazing is not warranted. The difference in thermal loads will be modest. BASIX Energy 40 should apply to both sites (subject to the qualifier stated in point (a) above).
- c) With respect to commercial office energy targets, both ESD addendums state NABERS Energy 5 star (presume Base Building) as the target for office development. The Department is no doubt aware of the adopted changes to the Energy Efficiency provisions (Commercial buildings) of the National Construction Code (NCC) that will come into effect from May 2019. Even allowing for any transitional period, by the time construction of any office tower component commences on either site, equivalency to NABERS 5 Star will be standard (i.e. base compliance). Some premium grade offices in Sydney already achieve NABERS 5.5 Stars without reliance upon Green Power and the *NCC 2019 Energy Efficiency Commercial Buildings Premium Office - Case Study 2* report, which provides a clear example of 5.5 Star Energy and 4 Star NABERS water as being achievable for a 50 storey office development in Sydney.

The NSW governments Net Zero carbon by 2050 position requires that it set ambitious building energy performance targets for development that it has considerable control over and anything less than NABERS Energy 5.5 does not align with a demonstrable government focus on carbon abatement. Documentation going forward should refer explicitly to the use of NABERS Energy Commitment Agreements as the method to secure a 5.5 Star outcome.

- d) With respect to commercial office water targets, both ESD addendums state NABERS 3 star as target. Numerous commercial offices across Australia already achieve NABERS 4 Star for water performance, and 3.5 star is common. Thus the proposal to aim for 3 star lacks ambition. The target should be design to achieve NABERS Water 3.5 to 4 Stars. Similarly, a NABERS Water target of 3 for the hotel lacks ambition.
- e) Given clear modelling (completed by the Office of Environmental Heritage and Commonwealth Scientific And Industrial Research Organisation) and the City of Sydney's Adapting for Climate Change report that show metropolitan Sydney will experience more extreme heat days, more frequent heatwaves, and more intense rainfall events, it is essential that any development at the Pitt Street sites carefully considers internal comfort (offices, hotel suites, apartments) and addresses public shelter / respite from weather extremes and in the event of power outages. Solar exposed glazed areas should feature appropriate shading to control heat loads in any future detailed applications.

### Gross Floor Area

The City's concerns raised in its previous correspondence dated 12 September 2018 in relation to the Pitt Street North site seeking a quantum of GFA still stand and the Clause 4.6 variation requests for either land use option should not be supported. It is inappropriate to approve an amount of GFA at this stage of the planning process.

Given that the proposal for the North site is a *concept* application, the consent authority cannot be satisfied that the proposed development will be in the public interest because it is consistent with the objectives of the particular standard and the objectives for development within the zone in which the development is proposed to be carried out (clause 4.6(4) (a) (ii)). For example, objective (d) of the Gross Floor Area standard is '*to ensure that new development reflects the desired character of the locality in which it is located and minimises adverse impacts on the amenity of that locality*' (emphasis added). A full assessment of amenity impacts from the aspect of the development that contravenes the development standard (not the development as a whole) cannot be properly completed from either two indicative land use proposals or their respective schemes at this stage of a proposal. Accordingly, neither Clause 4.6 variation request can be supported by the consent authority.

### Transport and Flooding

With respect to flooding and transport matters, if the Department are minded to approve the application, they are requested to impose conditions that ensure specific concerns raised by the City in the previous correspondence referenced

above are appropriately addressed in the more detailed SSD applications to follow for both sites.

It is noted with respect to the alternative commercial scheme for the Pitt Street North site and the accompanying addendum to the traffic report, the same number of car parking spaces are proposed for this alternative scheme as the original mixed use scheme (approximately 50 spaces). Given that commercial development has an approximately three times greater traffic generation rate per car parking space than a mix of residential and commercial uses would, a higher trip generation for the development has been calculated. Considering the proposal is for over station development, the amount of car parking proposed for this alternative scheme should be significantly reduced with only accessible and servicing parking spaces accommodated. Generally with commercial uses, staff and visitors to the development are even more likely to utilise public transport modes given the highly accessible location of the site.

#### Retail Activation, Awnings and Colonnades

Recommendations by the City in its previous correspondence still stands in this regard. The proponent's commitment to retail activation is acknowledged. The Department are encouraged to impose conditions requiring the provision of awnings and building setbacks at ground level rather than colonnades in the future detailed applications in accordance with the stated specifications, guided by Sydney DCP 2012.

#### Heritage

Revised Design Guidelines have been submitted along with Mitigation Measures detailed in the Submissions Report that endeavour to address matters raised by the City with respect to heritage concerns and impacts on the NSW Masonic Club Building at 169-173 Castlereagh Street). The City reasonably expects *all* of the stated heritage recommendations to be reflected in any future detailed design including specific construction management measures to minimise excavation and construction impacts on nearby heritage buildings, as indicated by the proponent.

#### Signage

The proponent has not specifically responded to the City's concerns about the proposed locations and size of some of the signage zones proposed. Instead, they state that the size, location and specific dimensions of signage will be reviewed at detailed design stage. In light of that, the Department are advised not to approve either signage strategy at concept stage and impose a condition requiring future detailed applications to include signage strategies guided by the Sydney Development Control Plan (DCP) 2012 (not the City of Sydney DCP 2005 - Signage and Advertising Structures policy referenced in the updated Design Guidance Report).

#### General

It is noted that frequently throughout the submissions report, the proponent dismisses specific issues raised due to forming part of the Critical State Significant Infrastructure (CSSI) approval and therefore not relevant to or (in some cases) not necessitating consideration under the subject applications. By their very nature, the subject applications are *Integrated* Over-Station Development concept proposals and inherently raise issues that cross over both projects, which would have been

anticipated with approval of the CSSI and is reflected in the conditions of consent. The Department are encouraged not to be deterred from seeking changes to the CSSI approval so that the best possible outcome for the future development of the site as a whole can be achieved.

Should you wish to speak with a Council officer about the above, please contact Maria O'Donnell, Specialist Planner on 9265 9834 or [modonnell@cityofsydney.nsw.gov.au](mailto:modonnell@cityofsydney.nsw.gov.au)

Yours sincerely,

A handwritten signature in black ink, appearing to be 'GJahn', written in a cursive style.

**Graham Jahn, AM**  
**Director**  
City Planning | Development | Transport