SSD 17_8665 THE MERCANTILE HOTEL RESPONSE TO SUBMISSIONS

2 APRIL 2019 SA6771 FINAL PREPARED FOR HBMS NSW PTY LTD



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Report Number	Final

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1. INTRODUCTION

This 'Response to Submissions' Report (RtS) addresses the matters raised by the community and stakeholders during public exhibition of the Environmental Impact Statement (EIS) for The Mercantile Hotel at 25 George Street, The Rocks (SSD 17_8665).

The EIS was on public exhibition between 28 June 2018 and 25 July 2018. During this period, ten submissions were received from Government agencies. These included submissions from:

- Department of Planning and Environment (DPE).
- Office of Environment and Heritage (OEH).
- Office of Environment and Heritage Heritage Division (Heritage Office).
- Place Management NSW (PM NSW).
- City of Sydney Council (Council).
- NSW Environment Protection Authority (EPA).
- Liquor and Gaming NSW (L&G).
- NSW Police Force (NSW Police).
- Transport for NSW (TfNSW); and
- Roads and Maritime Services (RMS).

During exhibition, seven public submissions were also received. The key matters raised in the agency and public submissions include:

- Heritage Impacts.
- Operational and Construction Noise.
- Operational Management of the Hotel.
- Architectural Design of the Rooftop.

This RtS incorporates additional information and amendments to the design to address the issues raised.

The amended plans and the RtS demonstrate that the proposal balances environmental impact with community benefit and should be approved. This RtS confirms that the there are no significant adverse impacts associated with the Project.

The specialist consultants have assessed the design and recommend mitigation measures to ensure the proposal will not have any unreasonable or significant noise, traffic and environmental impacts on adjoining or surrounding properties or the public domain. The content contained in this RtS and the EIS demonstrate that the application should be approved.

2. OVERVIEW OF AMENDMENTS TO THE PROPOSAL

In response to agency and public submissions the project team have provided the following additional information:

- Colour coded plans and sections to illustrate existing and proposed floor/wall structure.
- Colour coded elevations showing proposed alongside existing materials.
- Detailed section drawings at 1:50 showing typical bathroom pods, kitchen and roof details.
- Materials sample board.
- Details of proposed signage (provided for information only).
- GFA plans with breakdown by use.
- Services drawings.
- Coordination of kitchen hood/exhaust with mechanical engineer (shown on drawings).

The following amendments have been made to the scheme:

- The rooftop air conditioning strategy has been amended. It now comprises freestanding fan units in the joinery supplying air vertically; and
- Removal of freestanding terrace planters.

Overall the changes are considered to provide a superior outcome and encompass the recommendations of agencies.

3. DETAILED RESPONSE TO SUBMISSIONS

During the public exhibition period, a total of 17 submissions were received during the EIS exhibition period. Of these submissions, ten were received from government agencies (including NSW DPE) and Council and seven submissions were made by community members.

A response to issues raised by the DPE and all other government agencies is provided in Table 1 below. The concerns raised by the public have been captured in Table 2 below.

Table 1 – Response to Agency Submissions

Issue	Comment	Response	Refer to
NSW Departmen	nt of Planning and Environment		
1. Design	Provide a full schedule of materials, finishes and colours, keyed to elevations and a sample board of materials. Consideration should be given to the avoidance of highly reflective external surfaces, large areas of unshaded glass and bright white finishes, and to the use of external colours that are subdued and inspired by the Mercantile's existing materials and colours.	• Welsh + Major Architects have provided a sample board and coloured elevations as part of this RtS.	Appendix A
2. Design	Provide details of the location and size of the kitchen mechanical exhaust and associated ducting, which should confirm potential odour and emissions impacts and potential mitigation measures. The design of the exhaust and ducting should also aim to minimise visual and physical heritage impacts.	 The exact height of the kitchen exhaust remains to be confirmed at the construction certificate (CC) stage, although the mechanical engineer has advised a nominal height of 1.2m, which is reflected on the revised plans. The exhaust has been positioned to reduce impacts upon the heritage fabric of the building as far as possible and is located within the designated 'back-of-house/services' area. While it is not 6m from the boundary, it is well above the roofline of the (nearest) adjoining building. This location ensures no adjacencies, with the closest windows well away from the exhaust (and oriented in a different direction). 	N/A
3. Design	Confirm the proposed depth of excavation proposed for the new lift and ensure this is reflected consistently throughout the various consultant reports.	• The lift supplier has confirmed the depth of excavation is 1.3m. The Applicant has allowed 1.5m, accounting for tolerances.	N/A

Issue	Comment	Response	Refer to
4. Design	Give consideration to the removal of the roof terrace planter beds and plants.	• All 'freestanding' planters have been removed. Planters at the rear of the building (at the western end of the rooftop level) have been retained for privacy reasons.	Appendix A
5. Use	Provide a clear schedule of current and additional GFA, with a breakdown by use	• Welsh + Major Architects have prepared GFA plans as part of this RtS.	Appendix A
6. Use	Confirm the number of tables and chairs proposed on the rooftop area and adjust the Operational Noise Assessment accordingly if required, given it is based on noise output at a height of 1.5m, which assumes patrons will be sitting.	 The number of tables and chairs nominated on the rooftop is schematic only (i.e. DA level). The layout is consistent with BCA and Acoustic advice. The Noise Assessment Report provides parameters in terms of capacity and attenuation measures to meet the applicable criteria; and confirms these can be met by the proposal. 	N/A
7. Use	Provide further justification for the proposed operating hours and limiting the use of the rooftop until midnight. This should include a comparison with other similar businesses in the surrounding area.	• The proposal maintains compliance with the Hotel's existing license. Refer to the amended Plan of Management for a breakdown of hours proposed.	Appendix B
8. Heritage	Give consideration to the draft Better Placed: Design Guide for Heritage guidelines.	 Refer to the revised Heritage Impact Statement (HIS), Section 2.9 which assesses the proposal against the seven key objectives of the guidelines. 	Appendix C
9. Heritage	Consider revising the height and scale of the proposed lift and saw tooth roof, in order to reduce visual impact.	• The Applicant explored the option of reducing the lift height, however it has been confirmed (due to BCA compliance and minimum car weights) the lift height cannot be reduced. Refer to the revised HIS, Section 2.8 which assesses the visual impact of the lift and concludes that the minor visual impact as acceptable.	Appendix C

Issue	Comment	Response	Refer to
10. Heritage	Give further consideration to the impacts of the proposal on the Rocks Conservation Area, and on other nearby listed items.	• Refer to the revised HIS, Section 2.10 which provides a detailed response and concludes the proposal will have an acceptable impact on the surrounding heritage items and HCA.	Appendix C
11. Heritage	Provide information on building fabric or items proposed to be removed as part of demolition works, how these will be stored on site for future reinstatement, and how this is proposed to be undertaken.	 It has been assessed that the amount of joinery to be removed is minimal, therefore it is likely that any salvaged joinery will be reused for repairs and maintenance to the existing/retained joinery on site. Therefore, Urbis Heritage does not foresee there being any remnants for storage. It is proposed that any salvaged brickwork, which is not a substantial amount, be utilised as a new wall on the new ground floor extension housing the bathrooms adjacent to the new fabric as an interpretive feature. Refer to the revised HIS, Section 2.6 for further details. 	Appendix C
12. Heritage	Provide further information in relation to the provision of services, including mechanical, electrical and hydraulic, stormwater drainage, communications and data fittings, fire separation and acoustic separation measures, new plumbing and mechanical exhausts, in order to determine the extent of heritage impacts. This shall include information on removal of existing services and provision of proposed services, including any proposed fire upgrades and services being introduced onto the roof. The architectural documentation should align with this information and the works and their impacts, both individually and collectively, should be assessed in the Heritage Impact Statement (HIS).	 Refer to the schematic services drawings at Appendix A. The revised HIS has commented on these drawings at Section 2.2 and has separately dealt with: Fire Protection. Acoustic Treatment. Plumbing, Electrical and Data Upgrades. Mechanical Services. Air-conditioning. 	Appendix A and Appendix C

Issue	Comment	Response	Refer to
13. Heritage	Provision of the above information shall include updated drawings showing the hotel's varying floor and walls structures, brick, concrete or timber, in order to understand the impacts of works relating to the abovementioned provision of services.	Refer to the schematic services drawings at Appendix A.	Appendix A
14. Heritage	 Confirm the following: proposed foundations for the main lift in order to ensure the Hotel's existing foundations will not be affected or undermined the proposed structural support for the dumb waiters the practicality of the salvaging and storage of significant materials proposed to be removed. 	 Sumeer Gohil of Shreeji Consultant p/l is a skilled structural engineer and is experienced working on the refurbishment of heritage buildings. Shreeji Consultant has confirmed, in their letter at Appendix D, that the Hotel's existing foundations will not be affected or undermined; and the proposed structural support for the dumb waiters. The proposed storage has been reconsidered, the removed fabric would not be stored on site. 	Appendix D
15. Heritage	 Submit further information in relation to: details of new walls, in order to confirm the capacity of timber floors to support them detailed sections of the proposed ensuite 'pods' roof floor levels, roof floor structure, stormwater drainage and trafficable surfaces will be resolved impacts on existing plaster decoration and timber joinery. 	 1:50 sections have been prepared by Welsh + Major Architects addressing these comments. Urbis Heritage has provided a detailed response to impacts upon plaster decoration and timber joinery at Section 2.5 of the revised HIS. 	Appendix A and Appendix C

Issue	Comment	Response	Refer to
16. Heritage	 The HIS shall be revised to address the following proposed works and their associated impacts: proposed kitchens and bathrooms and associated services and exhausts and vents archaeological impacts of basement works. The Department notes there is a separate archaeological report included in the SSD, however the HIS should include a summary statement and assessment of the archaeological impacts proposed changes to the ground floor main bar and how this will retain and enhance the existing bar character. 	The revised HIS has commented on these works at Section 2.2, 2.12 and 2.3 respectively.	Appendix C
17. Operational Noise	Provide details of mechanical rooftop plant and confirm an allowance has been made in the Noise Assessment.	 SLR have provided a robust Noise Assessment to inform the project engineer of possible constraints relating to the noise emissions from mechanical plant. This will assist in the plant selection process (post-SSDA). It is common to undertake a subsequent noise assessment prior CC based on detailed plant information to confirm compliance with the project noise limits. 	Appendix E
18. Operational Noise	Provide further justification for the measurement of noise from the rooftop bar against Liquor and Gaming NSW criteria, given that these have been withdrawn.	 Notwithstanding the lack of direct reference to the City of Sydney 'standard conditions', compliance with the L&G criteria would also satisfy the intent of this conditions. Refer to the detailed explanation provided by SLR at Appendix E. 	Appendix E

Issue	Comment	Response	Refer to
19. Operational Noise	Give consideration to provision of screening at the northern end of the rooftop terrace (in addition to the proposed landscaping), in order to limit noise impacts.	 Additional screening is not required to meet the criteria listed in the SLR report. Introducing additional screening may have the unintended consequence of reflecting noise toward other receptors. Therefore, no additional screening is proposed. 	Appendix E
20. Operational Noise	Give consideration to commercial receivers in the operational noise assessment.	• SLR have completed an assessment which indicates compliance would be achieved at the commercial receivers on George Street east of the Hotel, which are the most exposed commercial receivers to rooftop bar noise emissions.	Appendix E
21. Operational Noise	Confirm that cumulative noise impacts have been considered, including the operation of the Rocks Market.	 Cumulative impacts have been considered to the extent that the operation of The Rocks Market and other sources are captured in the 'existing' measured noise levels used in the SLR Noise Assessment. The assessment has been based on noise limits 	Appendix E
		established for sensitive time periods when the markets would not normally be in operation (i.e. after 10:00 pm).	
		• There are other venues with entertainment noise in The Rocks area, however they are not particularly close to the Hotel and noise from those venues would be	
		required to comply with noise limits at other receptors much closer than those used in the SLR assessment.	

Issue	Comment	Response	Refer to
22. Operational Noise	Give consideration to acoustic treatment of the ground floor elevation of the hotel facing George Street, including the doors to the footpath. In addition, consider noise impacts from amplified music played on the George Street footpath.	 The SLR Noise Assessment relates to the rooftop bar area and has not considered noise emission from the ground floor area. The overall capacity of the Hotel is not proposed to change; and noise emission to George St would likewise also not change. Management measures in place to attenuate noise emission from the George St footpath would be maintained. Further, acoustic treatments to this elevation would not be supported on heritage grounds. 	Appendix E
23. Construction Noise	Revise the statement on p. 18 of the Construction Noise and Vibration Management Plan (CNVMP) that the relevant 'Noise Affected' construction noise management level at all the nearest residential boundaries is LAeq(15minute) 46dBA.	 The '46 dBA' in the CNVMP lodged for SSDA was incorrectly presented as the criterion for 'Noise Affected Receivers'. As stated on pp. 10 and 11 the report, this criterion was intended to be 68 dBA at all affected residential boundaries. This has been amended in the revised CNVMP (Appendix F). 	Appendix F
24. Construction Noise	The CNVMP should assess impacts on the residential receiver at 8 Hickson Road, which is addressed in the Operational Noise Assessment.	• This has been addressed in Table 5.1 of the revised CNVMP at Appendix F.	Appendix F

Issue	Comment	Response	Refer to
25. Construction Noise	 The CNVMP proposes rock breaking between 9 am and 5 pm, with no fixed respite periods. The respite periods proposed for receivers predicted to be affected by sustained high noise levels (greater than 75dBA) are: no commencement of noisy activities prior to 8 am no undertaking of noisy activities after 4.30 pm not undertaking of noisy activities for any sustained period greater than 3 hours without a minimum 30 minute period of respite. This should be revised to consider provision of fixed respite periods, for instance between 12 pm and 2 pm weekdays, and consideration of no rock breaking outside of 9 am to 12 pm on Saturdays. 	 Section 6.7 of the revised CNVMP has addressed this matter. It now includes fixed respite periods (summarised below): No noisy activities prior to 8:00am on weekdays. No noisy activities between the following hours on weekdays (i.e. fixed respite periods): 9:00am to 9:30am; 12:30pm to 1:30pm; and After 4:30pm. No noisy activities outside of 9:00am to 12:00pm on Saturdays; and No noisy activities for any sustained period greater than 3 hours without a minimum 30-minute period of respite. 	Appendix F
26. Transport	With reference to table 3.1 in the Construction, Pedestrian and Traffic Management Plan, provide a timeframe for each stage of construction, and confirm for what hours of the day the road lane closures are proposed.	 These stages of construction were indicative and provided for information only. A contractor has not yet been appointed, so timeframes cannot be confirmed. Road closures will be applied for on an 'as-needs' basis with PM NSW (the landowners), in consultation with the relevant transport agencies. 	N/A

Issue	Comment	Response	Refer to
27. Hours of Operation	Confirm the hours of operation noted in the Plan of Management are consistent throughout the documentation. For example, the Transport Impact Assessment states the operating hours of the premises are 10 am to midnight Sunday to Thursday and 9 am to 1 pm on Friday and Saturday, while the Plan of Management states 5 am to 1 am Monday to Saturday and 10 am to midnight Sunday.	An updated TIA has been provided which nominates the correct hours of operation.	Appendix G
28. Wind	The Department notes the Pedestrian Wind Environment Statement states the street environment will not be affected as its largely shielded from the prevailing winds, however further consideration should be given to the wind impacts of the proposal on other developments.	• Windtech has advised due to the relatively small scale of the redevelopment, it is highly unlikely that the wind conditions for the neighbouring developments would be impacted. It is expected that local wind conditions would be similar to existing conditions.	N/A
29. Waste Management	Clarify the amount of additional operational waste that would be generated in comparison to the existing business.	 Elephants Foot have confirmed waste generation is likely to remain very similar to the existing operation of the hotel. The figures quoted in the Waste Management Plan are based on the City of Sydney's <i>Policy for Waste</i> <i>Minimisation in New Developments 2005.</i> 	N/A
30. Signage	Provide detailed plans and drawings of the proposed signage, including colour, materials and dimensions, and an assessment against the relevant provisions of Sydney Development Control Plan 2012.	 Refer to signage drawings prepared by Welsh + Major at Appendix A. 	Appendix A
31. Visual Impact Assessment	Amend viewpoints 8 and 9 to show the "after" image that indicates the impact of the proposal.	 KI Studio has used their expertise and due diligence in arriving at the conclusion for Viewpoints 8 and 9. The rooftop would not be visible in Viewpoints 8 and 9; and therefore, these viewpoints do not affect the overall conclusion of the VIA. 	N/A

Issue	Comment	Response	Refer to
32. Additional Information	 Confirm the conclusions of all reports are based on the current drawings. For example, the accessibility report references drawings that are Rev A. Provide the map that is referenced as figure 2.9 on p.8 of the Transport Impact Assessment. Correctly orientate Figure 3.3 the Transport Impact Assessment. Amend the Sustainability Report to correct the reference made to SSD 16_7610 (New Inner Sydney High School). Correct the error reference on p.3 of the Fire Safety Capability Statement. Provide land owners consent. 	 Refer to revised Access Report at Appendix I. Refer to revised TIA at Appendix G. Refer to the revised Sustainability Report at Appendix J. Refer to revised Fire Engineering Report at Appendix K. PM NSW will provide landowner's consent prior to determination. 	Appendix I Appendix G Appendix J Appendix K

Issue	Comment	Response	Refer to
NSW Office of Environment and Heritage			
33. Aboriginal Archaeological	 In addition to the recommendations contained in the Aboriginal Archaeological Assessment prepared by Unearthed Archaeology and Heritage dated October 2017 the consent for this project should include the following conditions: Inspection should be made of the ground surface underlying the existing slab/bitumen ground surfaces upon removal for the proposed development by a qualified archaeologist to confirm the historical disturbance within the areas of proposed works, any Aboriginal objects or evidence of Aboriginal occupation is uncovered, all work must cease in the vicinity of the suspected Aboriginal objects or evidence of occupation, and further advice should be sought from a qualified archaeologist. 	The applicant invites a suitable condition of consent.	N/A

Issue	Comment	Response	Refer to
NSW Office of Envi	ronment and Heritage – Heritage Division		1
34. Heritage	We recommended that the additional information should be requested to enable a full assessment of the following: The general arrangement drawings just describe an intent for the proposed services for stormwater drainage, electrical, hydraulic, mechanical, fire services and comms/data fittings and equipment and their reticulation. It is recommended that drawings showing removal of existing services and proposed services as well as any fire upgrades should be requested now. Without this information, the collective physical or visual impacts from the services upgrade cannot be understood, including but not limited to: any proposed fire rated doors and linings, wall chasing, all penetrations, fixing of equipment, any likely condensation and moisture problems, any loading concerns, provision of access for inspection and maintenance, any ducting, bulkheads, dropped ceilings and vents that may conceal significant finishes and decoration or affect the intactness of the internal decoration.	Refer to the schematic services drawings at Appendix A.	Appendix A
35. Heritage	The general arrangement drawings should show the hotel's varying floor and walls structures, brick, concrete or timber so the assessment can differentiate and understand any impact of the alterations, the new fitouts, new services and any fire separation.	Refer to the schematic services/colour coded drawings at Appendix A.	Appendix A

Issue	Comment	Response	Refer to
36. Heritage	The heritage impact statement advises that timber floor boards will be lifted to install services. This solution is reasonable only when it is used sparingly. There is concern that the extensive reticulation of new services will adversely affect the floors particularly when the floors feature old tongue and groove boards which are likely to split when lifted. Therefore, the extent of opening up and services work affecting the floors should be shown on the general arrangement plans.	 Refer to the schematic services drawings at Appendix A, which illustrate the detail and extent of these works. The removal of the existing timber floor boards would be carried out through the cutting of nails. The cutting of nails allows for the lifting of the boards, mitigating the chances of the boards splitting. It is noted that the floor boards were installed as a substrate and are understood to have been carpeted throughout much of the building's history. The installation beneath the floor boards has been assessed as acceptable and preferable to installation with the ceiling cavity. The revised HIS has commented on these works at Section 2.2. 	Appendix C
37. Heritage	The drawings should differentiate between any new stud framed walls and masonry walls so the capacity of any timber floors to carry new walls can be understood.	• Refer to the schematic services drawings at Appendix A, which illustrate the detail and extent of these works.	Appendix C
38. Heritage	The proposed foundations for the main lift and foundations should be confirmed to prove that the Hotel's existing foundations will not be affected or undermined. The structural support for the dumb waiters should also be confirmed.	• Refer to item 14 above.	-

Issue	Comment	Response	Refer to
39. Heritage	Information should be submitted to show how the proposed demolition for enlarged openings and any boxings will affect existing plaster decoration and timber joinery and how these new elements will be designed to avoid competing with or overwhelming any intact internal decoration and finishes.	 Refer to the schematic services drawings at Appendix A, which illustrate the detail and extent of these works. Proposed new openings feature finishes that are sympathetic to the heritage qualities of the site whilst clearly discernible as contemporary, so as not to overwhelm or compete with the existing original heritage features and fabric of the site. In instances where there would be an opening in the existing wall, these are generally door openings only. Significant header courses are retained up to the existing cornices and ceilings (plaster decoration), meaning there would be no impact to this plasterwork. Where enlarged existing openings affecting joinery, they are within the existing reveal size and therefore retain the reveal, highlights and architraves with a modification to the joinery suite. The revised HIS has commented on these works in more detail at Section 2.5. 	Appendix C
40. Heritage	The heritage impact statement (p71) advises that the ensuites will be inserted as pods. There is concern that the heritage impact statement underestimates the actual physical impacts of the structural work and services. Therefore, detailed sections of the proposal wet areas, ensuites, kitchen, new bars should be requested to show how the new false walls, floors, ceilings and fitouts will be constructed, supported and stiffened including their interface and impact on the existing floors, existing timber joinery, skirtings, doors and windows, their architraves sills etc. and any plaster decoration.	 1:50 sections have been prepared by Welsh + Major Architects addressing these comments. 	Appendix A and Appendix C

Issue	Comment	Response	Refer to
41. Heritage	Information should be submitted to show how the roof floor levels, roof floor structure, stormwater drainage and trafficable surfaces will be resolved, taking into account structural and code compliance, the existing floor levels and the outdoor terrace.	 1:50 sections have been prepared by Welsh + Major Architects addressing these comments. Refer to Section 2.4 of the HIS that comments on the resolution of varying levels. 	Appendix A and Appendix C
42. Heritage	The roof terrace should not have planter beds and plants. While screening to maintain patron's comfort is acknowledged, the planters will seem incongruous with the character of the Hotel's robust architecture.	• All 'freestanding' planters have been removed. Planters at the rear of the building (at the western end of the rooftop level) have been retained for privacy reasons.	N/A
43. Heritage	The heritage impact statement advises that significant materials, removed as part of the proposal, should be salvaged and stored. However, no information has been provided to confirm the practicality of this recommendation, bearing in mind the fragility of the timber joinery, the practicality of storing loose bricks and lack of obvious safe storage areas in the building. Information should be submitted to confirm that this approach is achievable.	Refer to item 11 above.	Appendix C
44. Heritage	Highly reflective external surfaces, large areas of unshaded glass and bright white finishes should be avoided. External colours should be subdued and take inspiration from the Mercantile Hotel's existing materials and colours. This is to minimise the visual impact of the alterations on the Mercantile Hotel's character, setting and significant views	• Welsh + Major Architects have provided a sample board and coloured elevations as part of this RtS.	Appendix A

Issue	Comment	Response	Refer to
45. Heritage	It is recommended that the heritage impact statement be revised to discuss the issues listed above in detail and comprehensively address any impact. The heritage impact statement must prove conclusively to the determining authority that there is no cumulative adverse heritage impact from development on the heritage significance of Mercantile Hotel.	 A conclusion (Section 3) has been included in the revised HIS which surmises the key issues identified by Urbis Heritage and the agency submissions. The HIS concludes: "The proposed works have been assessed to be acceptable from a heritage perspective, as the proposed works would provide for universal access to the site, and extensively update the amenities in line with the expectations of contemporary patrons and guests in order to facilitate the long term ongoing historic use as a pub and hotel. The proposed works would facilitate this ongoing use through the upgraded back of house and amenities and provision of ensuite bathrooms and air conditioning for accommodation rooms, the retention of which is becoming rare. The provision of a roof terrace bar provides a further utilisation of the existing space and allows public appreciation of historic views to the surrounding precinct." 	Appendix C

Issue	Comment	Response	Refer to
Place Management N	ISW		
46. Additional Documentation	 The following documentation is required to be provided as part of the application to enable the heritage impacts of the proposal to be adequately assessed - including: Services documentation including mechanical, electrical, hydraulic, Fire engineering documentation for fire upgrade works Architectural documentation needs to be aligned with the services and show a resolved architectural response to their introduction Materials and colour sample board Show items/building fabric proposed to be removed as part of demolition works that will need to be stored on site for future reinstatement and how this is proposed to be undertaken. 	 Refer to the schematic services drawings at Appendix A. Welsh + Major Architects have provided a sample board and coloured elevations as part of this RtS. 	Appendix A and Appendix C
47. Additional Documentation	The description of works on page 36 does not include BCA and fire services upgrades, materials, colours etc	• Noted. These works have been commented on as part of this RtS.	-
48. Additional Documentation	 The Impact assessment on pages 66-77 does not address the following proposed works: Kitchens and bathrooms and associated services and exhausts and vents Air conditioning upgrades to the building, duct runs, risers, plant etc Fire upgrades - does not discuss penetrations through fabric, the significance of the fabric, or the impacts 	 The HIS has assessed the schematic services drawings provided by Welsh + Major at Section 2.2. Urbis Heritage have prepared a summary of the two archaeology reports submitted for SSDA (prepared by others) at Section 2.12. The impacts are considered acceptable subject to the implementation of mitigation measures. The HIS has assessed the impacts to the Ground Floor bar in light of the schematic services information which 	Appendix C

ssue Comment	Response	Refer to
 Archaeological impacts of the works to the basemen (there is a separate archaeological report included in SSD) - however the HIS should include a summary statement and assessment of the archaeological imp Additional services elements being introduced onto t roof - exhaust, mechanical plant including air conditivents and flues etc, and their locations and potential visual and heritage impacts from these works. Proposed changes to the ground floor main bar and this is retaining/enhancing the existing bar character atmosphere. Proposed materials and colours and appropriateness the heritage character of the interior and exterior of the buildings. Proposed signage and heritage impacts. 	 HIS. The report confirms the proposal to: Retain existing bar fit out with refinishing and repair to timber panelling. Retain existing floor boards and protected with new timber overlay floor installed over. The proposed works to the ground floor main bar have been designed to retain and enhance the significance of this central area in the building and have been assessed as being acceptable from a heritage perspective. The proposed materials and colours remain unchanged from ladaement of the SCDA. The proposed finishes are 	

Issue	Comment	Response	Refer to	
City of Sydney Cound	City of Sydney Council			
49. Conservation Management Plan	The CMP under Policy 7.2 Current and Potential Uses, the guidelines state that: external alterations or additions should be discouraged; however, if required to meet approved interpretation, re-use or cultural tourism requirements, these should be of a minor nature, and subservient to the primary architectural features and composition of the existing structure.	• Noted.	N/A	
50. New External Lift	Whilst the principle of provision of a lift is accepted, it would have far less visual impact if it was more slender and lower – the scale relationship with the existing chimney should ideally be such that the prominence of the chimney is retained. The proposed lift will also be visible from parts of Gloucester Street and Gloucester Walk resulting in some visual impacts. The applicant should be requested to investigate the possibility of a more slender and lower lift.	• The Applicant explored the option of reducing the lift height, however it has been confirmed (due to BCA compliance and minimum car weights) the lift height cannot be reduced.	N/A	

Issue	Comment	Response	Refer to
51. Roof Top Additions	The additions at roof top level will be clearly identifiable as new works and will appear largely as a roof top terrace with saw tooth roof. The roof sections proposed have excessively large overhangs to the glazing which add unnecessarily to the scale and bulk of the roof top additions. As the roof top additions will be clearly seen from a number of vantage points, lessening their visual impact of the saw tooth roof should be further considered by the applicant's architect and heritage consultant. This could be done, for example by reducing the pitch of each individual roof element and by minimising any overhang which would lower the overall height. It should be noted that traditional saw tooth roofs did not have overhangs to the glazing.	 Refer to the revised Design Statement at Appendix L which states: "The form and overhang of the proposed rooftop enclosure has been developed in consultation with Place Management NSW to address the important views to and from the Harbour Bridge. The highlight glazing when viewed from the Harbour Bridge pedestrian walkway provides clear views through the roof structure, creating a sense of lightness and transparency for the new structure. Likewise, the view through the highlight glazing from within the rooftop enclosure are directed to the unique of the Harbour Bridge structure from below. The large overhangs of the roof structure are designed to shade the majority of the north facing glass from summer to the solstice so as to minimise reflectivity when viewed from the bridge and reduce heat load within the rooftop enclosed area." 	Appendix L
52. Internal Alterations	The internal alterations are considered acceptable in principle, however there appears to be insufficient services information, relating to matters such as the proposed sprinkler system, fire separation and acoustic separation measures, new plumbing and mechanical exhausts, submitted with the application to entirely determine heritage impacts. This should be further developed with input of the applicant's heritage consultant whose involvement throughout the planning and construction stages of the project is crucial for ensuring impacts of the proposed works on significant fabric and spaces are minimised.	 Refer to the schematic services drawings at Appendix A. Urbis heritage has commented on these impacts. Refer to the Addendum Heritage Impact Statement at Appendix C. Welsh + Major have also prepared an amended design statement (Appendix L) to respond to the City of Sydney's comments. 	Appendix A, Appendix C and Appendix L

Issue	Comment	Response	Refer to
53. Kitchen Mechanical Exhaust	Details have not been submitted, and only an indicative location and size of the exhaust is shown on the submitted drawings. Details of new kitchen mechanical exhaust and associated ducting should be developed in consultation with the applicant's heritage consultant with the aim of minimising visual and physical heritage impacts. These details should be submitted for consideration prior to determination of this application.	 As above, the exact height of the kitchen exhaust remains to be confirmed at the construction certificate (CC) stage, although the mechanical engineer has advised a nominal height of 1.2m, which is reflected on the revised architectural plans. The exhaust has been positioned to reduce impacts upon the heritage fabric of the building as far as possible and is located within the designated 'back-of-house/services' area. The SCRA drawing submitted as part of this RtS includes a note permitting mechanical plant to exceed the SCRA envelope. 	N/A
54. Materials	Information provided on the proposed materials and finishes is inadequate, particularly given the building is a heritage item. A full schedule of materials, finishes and colours, keyed to elevations is required.	 Welsh + Major Architects have provided a sample board and coloured elevations as part of this RtS. 	Appendix A

Issue	Comment	Response	Refer to
EPA			
55. EPA has no further interest in the SSDA	EPA has previously provided advice in a letter dated 23 August 2017 (EPA reference DOC17/418375) which stated that the proposal does not constitute a Scheduled Activity under Schedule 1 of the Protection of the Environment Operations Act 1997 (POEO Act). The EPA does not consider that the proposal will require an Environment Protection Licence (EPL) under the POEO Act. The EPA understands that the proposal is not being undertaken by or on behalf of a public authority. The EPA maintains that it is not the appropriate regulatory authority for the proposal and has no further interest in this proposal.	• Noted.	N/A

Issue	Comment	Response	Refer to
Liquor & Gaming			
56. Change of Boundaries Application	Mercantile Hotel has a current full hotel license. The proposed changes will require the applicant to lodge a change of boundaries application with the independent Liquor & Gaming Authority and follow the normal process for that type of applicant. As the hotel is within the Sydney CBD Entertainment precinct they are subject to a temporary liquor license freeze and restrictions on changing the boundaries of the premises under section 47G of the Liquor Act 2007. During the freeze period, the Authority must not change the boundaries if the change is likely to result in an increase in the patron capacity of the premises.	 The Mercantile Hotel is located within the 'Sydney CBD Entertainment Precinct' liquor license freeze 'prescribed precinct'. A portion of the rooftop area is included within the existing premises license boundary. However, since the proposal includes a rooftop bar, the premises license boundary will need to be amended to include the entire rooftop area. Clause 47G of the Liquor Act 2007 provide that the Authority may change the specified boundaries during the freeze period if it will not result in an increase to patron capacity of the subject premises. We can confirm that the existing maximum patron capacity of 431 will be retained under the proposal scheme (i.e. no increase). The proponent is willing to accept a condition of consent in this regard. After the planning approval (determination) has been granted, the proponent will separately seek a change to the premises boundary with Liquor and Gaming NSW. 	N/A

Issue	Comment	Response	Refer to
NSW Police Force			
57. Saturation of Licensed Premises	There are a high number of licensed Restaurants, Cafes and Hotels in the near vicinity of the proposed licensed premises. There is a high concentration of licensed premises in the Sydney CBD and surrounding areas. The premises include a number of late trading venues and 24-hour businesses. Licensed premises are popular venues for entertainment, the consumption of alcohol and an important location for socialising, particularly among young people (Mcllwain & Homel 2009). However, these premises are also a high-risk setting for alcohol-related violence and injury, with a large number of assaults occurring in or within very close proximity to hotels and nightclubs (Fitzgerald, Mason & Borzycki 2010).	It is incorrect to suggest that all late trading licensed premises are problematic for alcohol related violence and injury. Research shows that a small minority of venues account for a highly disproportionate percentage of all assaults on licensed premises in inner Sydney (Briscoe & Donnelly, 2003 "Problematic Licensed Premises for Assault in Inner Sydney, Newcastle and Wollongong" Australian and New Zealand Journal of Criminology 36/18). The research showed that over a two year survey period, a very small number of hotels and nightclubs accounted for a majority (58%) of all assaults on licensed premises in inner-Sydney. The same research found that 100 out of 252 hotels and nightclubs were non- problematic, recording no assaults on their premises during the two year study period (p. 26). The research also shows that, whilst there is a general tendency for late trading venues to record higher numbers of assaults on premises, this is not universally true. Indeed, the authors' survey found that, of the 100 non-problematic hotels and nightclubs in inner-Sydney that recorded no assaults on their premises during the two year study period, 19 of those hotels and nightclubs were authorised to trade 24 hours (p. 28). That fact suggested to the authors that there were other factors at play – apart from just extended hours – which cause risk for alcohol-related violence. The authors then went on to consider other direct observational studies to explain why a small minority of licensed premises accounts for a majority of assault incidents. Those factors are set out at p. 30 of the research as follows: • Aggressive bouncers.	N/A

Issue	Comment	Response	Refer to
		 Discounted drinks. A hostile atmosphere. Staff continuing to serve obviously intoxicated persons. Overcrowding and inadequate numbers of bar staff. Low comfort. High boredom. Poor ventilation; and Lack of cleanliness. Notably these characteristics do not apply to the Mercantile Hotel. Following the proposed renovations (which will provide a more modern feel and a more efficient use of existing space) these characteristics are even less likely to apply. It is particularly notable that, throughout the 19 rounds of the State Government's "Violent Venues" Scheme which first commenced in 2008, the Mercantile Hotel has never appeared on the "declared premises" list. That is because the Mercantile Hotel is a low risk venue for alcohol related violence and associated anti-social behaviour. That conclusion is supported both by research and lived experience. 	
58. Lockouts and Last Drinks	Police have reviewed the application and "Do Not Object" to the application being granted. However, police have concerns based on issues discussed under Section 4 – Saturation of Licensed Premises, Section 5 - Lockouts and Last Drinks and the high volume of crime being experienced by licensed premises in the area.	• Noted.	N/A

Issue	Comment	Response	Refer to
59. CCTV footage on premises	A camera must be located at the main entrance to the venue and positioned to record any person entering through this entrance. The CCTV recordings of this camera must be sufficient to enable an individual to be identified, beyond reasonable doubt.	• The Applicant invites an appropriate condition of consent in this regard.	N/A
60. Maximum Patron Capacity	Signage (in lettering not less than 15mm in height on a contrasting background) is to be erected in a prominent position near the main principle entry to the premises. The signage shall state: 'Approved patron capacity is limited to XXX' and 'Upon leaving please respect local residents by minimising noise'.	• The Applicant invites an appropriate condition of consent in this regard.	N/A
61. Neighbourhood Amenity	The management of the premises shall ensure patrons do not crowd or loiter in the vicinity of the premises in such manner that pedestrian movement is obstructed or hindered. Shall ensure that the manner in which the business of the premises is conducted and/or the behaviour of persons entering and leaving the premises does not cause undue disturbance to the amenity of the neighbourhood. Shall record in a Register full details of any disturbance complaint/s made by a person to management or staff in respect to the manner in which the business of the premises is conducted and/or the behaviour of persons entering or leaving the premises. Shall respond to any disturbance complaint/s in a timely and effective manner. All actions undertaken by management / staff to resolve such complaint/s shall be recorded in the Register. An adequate queuing system for patrons must be implemented at the main entrance of the licensed restaurant so as to ensure that if patrons are queuing to gain entry they do not obstruct or impede pedestrian traffic flow. The licensee must join and be an active participant in the local liquor accord.	• Noted.	N/A

Issue	Comment	Response	Refer to
62. Smoke-Free Environment Legislation	The use and operation of the premises is to comply with the Smoke-Free Environment Act 2000 and the Smoke-Free Environment Regulation 2000. Guidance may also be obtained from the NSW Health Department (to ensure that smoking is not permitted on premise).	• Noted.	N/A
63. Plan of Management	The licensee is to operate the business in accordance with a suitable Plan of Management. A suitable Plan of Management should be suitable for a Category A – High Impact Premise and include any other legislative requirement for the premises. The business authorised by this licence must not operate with a greater overall level of social impact on the wellbeing of the local and broader community than what could be reasonably expected from the information contained in the Community Impact Statement, application and other information submitted in the process of obtaining this licence. A full copy of all current development consents (including approved plans) for the operation of the premises, any Registers required and any required Plan of Managements must be kept on the premises and made available for inspection immediately upon request by Council Officers, Police Officers and/or Liquor and Gaming NSW Authorised Officers.	 The Applicant is committed to operating the premises in accordance with the existing license and the submitted Plan of Management (Appendix B). Therefore, the Applicant does not accept these recommendations. An appropriate Plan of Management is provided with the SSDA, conforming with the City of Sydney Council's requirements for development applications involving hotels. The proposed condition requiring that the hotel business <i>"not operate with a greater overall level of social impact"</i> than is stated in a Community Impact Statement is inappropriate to this application. Such a condition is normally imposed by the Liquor Authority on applications for the grant of new licences, or removals of licences to new premises. Such applications create entirely new impacts upon local communities, requiring lodgement of a Community Impact Statement by law: s.49 Liquor Act 2007. The condition is imposed by the Liquor Authority in such applications. In the present case, the Mercantile has been operating at the current site for many years and the change of boundaries application will not require a Community Impact Statement. As such, the proposed condition is otiose and inappropriate. 	Appendix B

Issue Comment	Response	Refer to
Issue Comment Sale and/or supply of liquor must cease 15 minutes prior to the cessation of the respective hours of operation for the specified indoor seating areas.	 Copies of development consents and the Plan of Management will be kept on the premises and made available for immediate inspection by all enforcement authorities. The condition proposes certain drink restrictions. If imposed, those restrictions would apply at all times on all days that the Mercantile trades. The proposed conditions reflect conditions that the Mercantile abides by during the highest risk periods on the highest risk festive days (such as Australia Day, St Patrick's Day etc). It is simply inappropriate to apply those same restrictions on all trading days and at all times. 	Refer to
	• The Liquor Regulation sets out certain drink restrictions which apply to pubs in the Sydney Entertainment Precinct. Those restrictions generally apply only during the after-midnight period, which is regarded as the highest risk time for potential intoxication. Those restrictions do not apply during earlier hours of trade, when it is legitimate for patrons to demand and expect to be served a wide array of alcoholic drinks for their enjoyment.	

Issue	Comment	Response	Refer to
Transport for NSW			
64. Construction Pedestrian and Traffic Management	Several construction projects, including the Sydney Light Rail Project and Sydney Metro City and Southwest are likely to occur at the same time as this development within the CBD. The cumulative increase in construction vehicle movements from these projects could have the potential to impact on general traffic and bus operations within the CBD, as well as the safety of pedestrians and cyclists particularly during commuter peak periods.	 Noted. The Applicant invites an appropriate condition of consent to liaise with the applicable transport agencies in developing construction vehicle access to the site. 	N/A
RMS			
65. Recommended Condition of Consent	Roads and Maritime has reviewed the proposal and raises no objection to the proposed development but requests that the Construction Pedestrian and Traffic Management Plan, detailing construction vehicle routes, number of trucks, hours of operation, access arrangements and traffic control should be submitted to Council prior to the issue of a Construction Certificate.	Noted. The Applicant invites an appropriate condition of consent.	N/A

Table 2 – Response to Public Submissions

Issue	Comment	Response	Refer to
66. Operational impacts on residences / acoustic impacts	 No amplified music in external areas of the hotel, including the proposed open roof top terrace and the George Street footpath with the exception of 'Big Days'. Use of external areas including the roof terrace and George St footpath cease at 10:00pm. Doors between the open roof terrace and the enclosed roof bar be kept closed after 10:00pm. The main entrance be located as far from residential building as possible. Ground floor doors at the northern end of the hotel between the public bar and the George St be kept closed after 10:00pm. Ground floor elevation of the hotel, facing George St., including the doors to the footpath be acoustically treated so as to contain noise to within the hotel building. The roof terrace needs to have some form of screening to limit noise at the northern end of the building and onto George St. Where speakers are used internally, there should be a larger number of smaller speakers. 	Noted. Refer to the detailed response provided by SLR to each comment at Appendix E.	Appendix E
67. Mechanical exhaust / Cooking smells and odours	• Locate the mechanical exhaust systems to the far left of the building when viewed from George Street, which would place the exhaust as far away as possible from our building. Odours could be further mitigated by incorporating the latest filtration treatment.	• Refer to comments above on the kitchen exhaust.	N/A

Issue	Comment	Response	Refer to
68. Late Night Noise	 Impacts to residents resulting from late night noise, particularly during live music events post 10pm. 	 The Mercantile Hotel has been trading continuously since 1915, with Sunday night music performances occurring for the past three decades. The Hotel operates in compliance with its license and relevant DA conditions. This has recently been confirmed by an independent consultant engaged by the Hotel. It is noted there are several other venues within The Rocks which may also contribute to the noise environment at nearby residential buildings. The Mercantile Hotel is committed to complying with the standard LA10 requirements (of its license) and the parameters set out in the Operational Noise and Vibration Assessment submitted for SSDA. 	N/A

4. CONCLUSION

This RtS has considered the submissions received from NSW DPE, government/infrastructure agencies and the community during the exhibition of SSD 17_8665 for the refurbishment and rooftop works at Mercantile Hotel. The proposal has been refined, where appropriate, to respond to comments raised by all stakeholders. The EIS and RtS confirm that there are no significant adverse environmental impacts and the proposal should be approved.

The proposal is considered suitable for the site and worthy of support by the Minister for the following reasons:

- The proposal is consistent with strategic planning objectives. Specifically, the development will preserve an item of State Heritage significance and in turn promote The Rocks as a vibrant tourism and entertainment precinct.
- The proposal satisfies the applicable local and state planning policies. The proposed development is compliant with the applicable planning controls. Where variations are proposed, the objectives and intent of these provisions have been met.
- The design responds positively to the site conditions and the surrounding environment. The project has undergone extensive consultation with the landowners, Place Management NSW, who have provided rigorous independent review throughout the design process.
- The proposal is suitable for the site. The proposal represents a contemporary refurbishment solution which capitalises on the site's aspect/views toward Sydney Harbour while satisfying the commercial and heritage objectives of the brief.
- Has limited environmental, social, economic impacts. The proposed development will provide a positive social and economic contribution to The Rocks. There will be no adverse environmental, social, or economic impacts resulting from the proposed development.

In summary, the development warrants the support of the Minister and we therefore recommend that approval be granted to the proposed development, subject to conditions.

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