

NSW GOVERNMENT
Department of Planning

Commercial Office Building Site 8A Murray Rose Avenue Sydney Olympic Park

**Proposed by HASSELL** (on behalf of Watpac Development Pty Ltd)

MP 06\_0175 (MOD 2)

Modification of Minister's Approval under section 75W of the *Environmental Planning and Assessment Act* 1979

April 2009



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### 1. EXECUTIVE SUMMARY

This is a report on an application seeking to modify the Project Approval for the construction of a commercial office building at Site 8A, Murray Rose Avenue, Sydney Olympic Park, approved under MP 06\_0175.

The commercial office building project application was approved by the Minister for Planning on 26 May 2008 and comprised the following:

- Construction of a six (6) storey commercial office building with a gross floor area (GFA) of 7,311m<sup>2</sup> including ground floor retail units and a café, plus associated rooftop plant equipment;
- Construction of two (2) basement car park levels consisting of 89 car spaces and at grade parking for 12 car spaces, totalling 101 spaces and 31 bicycle spaces;
- Provision of a designated loading area off the rear service lane and a restricted loading bay within the rear service lane.
- Erection of four (4) business identification signs located on the southern, northern and eastern buildings facades and at ground level to Murray Rose Avenue;
- Removal of six (6) street trees and retention of five (5) street trees along Murray Rose Avenue.

On 24 October 2008, the project was amended with approval of MP 06\_0175 MOD 1, which amended the project to allow an additional 16 stacked car spaces in the basement car park and removed the requirement to relocate the Energy Australia substation.

On 7 January 2009, Hassell, on behalf of Watpac Development Pty Ltd (the Proponent), submitted an application to modify the Part 3A project approval pursuant to section 75W of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

The Proponent is seeking to modify the approval as follows:

- Modify the size and design of the plant area;
- Increase the size of the loading zone located on the right of way / service lane and delete the internal loading area at the rear of the building within the site; and
- Delete the requirement to allocate car spaces for retail tenancies.

The modifications sought regarding increased plant area and increased loading zone are considered to be minor and will not result in amenity impacts to the surrounding properties. The deletion of the second internal loading area is considered acceptable given there is the provision of a loading zone on the service lane. The design and loading zone modifications will not compromise the public benefits achievable under the major project approval. The Department recommends that the modifications regarding plant design and loading zone be approved as set out in the Instrument of Modification Approval.

The modification sought to delete the allocation of car spaces for retail tenancies is not supported as it would result in an adverse impact on any future retail tenants. The Department recommends that the consent retains the provisions of a minimum of one space per retail tenant. The condition has been modified accordingly in the Instrument of Modification Approval.

# 2. THE SITE

The subject site is located on the corner of Murray Rose Avenue and Australia Avenue, in Sydney Olympic Park, Homebush (Lot 1021 & Lot 1023, DP 875723), and is identified as part of the Town Centre Precinct of Sydney Olympic Park.

Site 8A (see **Figure 1**) is to be formally created upon the subdivision of Site 8. Site 8 comprises a total area of 1,395m<sup>2</sup> and is under the ownership of the Sydney Olympic Park Authority (SOPA). Site 8 is a long and narrow development precinct extending along Murray Rose Avenue and will be subdivided into 4 rectangular development sites to be known as Sites 8A, 8B, 8C and 8D. Site 8A occupies the eastern end of Site 8 and is the first of these sites to be subject to a development proposal.





# 3. MAJOR PROJECT APPROVAL

### 3.1 MAJOR PROJECT APPLICATION MP 06\_0175

On 26 May 2008, the Minister for Planning approved the major project MP 06\_0175 for the construction of a six storey commercial building including basement parking, ground floor retail space, and commercial offices at Site 8A, Murray Rose Avenue.

Specifically the project application approval comprised:

• Five (5) levels of commercial office space with a net lettable area of approximately 5,774m<sup>2</sup>;

- Two (2) retail units (665m<sup>2</sup>) and a café and lobby at ground floor facing onto Murray Rose Avenue;
- Two (2) basement car park levels and at grade car parking spaces to the rear providing a total of 101 vehicle spaces and 31 bicycle spaces;
- Four (4) business identification signs located on the buildings facades and at ground level; and
- Removal of six (6) street trees and retention of five (5) street trees.

The project cost of the development is \$19.3 million and is expected to create 50 full time and 500 part time equivalent construction jobs and 10 full time equivalent operational jobs. The modifications would not alter the project value or the number of jobs created.

Key issues considered in the assessment of MP06\_0175 included:

- Sydney Olympic Park Master Plan 2002;
- Built form, urban design and landscaping;
- Traffic, access and parking;
- Sustainability;
- Overshadowing; and
- Contamination and remediation.

These issues were either addressed by way of documentation lodged by the Proponent or via conditions of approval.

A copy of the major project approval is at **TAG B** and a copy of the report is at **TAG C**.

#### 3.2 MP 06\_0175 MOD 1

On 24 October 2008 MP 06\_0175 MOD 1 was approved under delegation to modify the conditions of consent to:

- Allow an additional 16 stacked car spaces in the basement car park, bringing the total number of stacked spaces to 28 in the basement levels of car parking, and the total number of car spaces on the site to 117;
- Delete a condition imposed requiring relocation of the Energy Australia substation as a result of Energy Australia design requirements; and
- Make minor amendments to several other conditions.

A copy of the consolidated modified approval is at TAG D.

## 4. DESCRIPTION OF PROPOSED MODIFICATIONS

On 7 January 2009 the Proponent submitted an application for modification of the approved development to permit the following changes:

- Modification to Condition A2 to refer to amended plans which illustrate the modified plant area design. The plans in Condition A2 that are proposed to be modified are: 0107, 0108, 0150, 0151, 0152 and 0153.
- Modification to Condition B1(1)(b) to delete the provision of a secondary internal loading area at the rear of the building, which would allow an additional four at grade car spaces to be provided.
- Modification to B11 to delete the requirement to allocate car spaces to retail tenancies.
- Modification to B13 to remove reference to 12m trucks servicing the site; remove the requirement to use car spaces 13-16 as a loading bay; and to remove the requirement to provide an internal loading bay.

## 5. STATUTORY CONTEXT

### 5.1 MODIFICATION OF A MINISTER'S APPROVAL

The modification application has been lodged with the Director General pursuant to section 75W of the EP&A Act. Section 75W provides for the modification of a Minister's approval including *"revoking or varying a condition of the approval or imposing an additional condition of the approval"*.

The Minister's approval for a modification is not required if the project as modified will be consistent with the existing approval. In this instance, the proposed modification is consistent with the existing approval, however the modification requires changes to conditions of the Minister's approval, and accordingly requires formal approval.

### 5.2 ENVIRONMENTAL ASSESSMENT REQUIREMENTS (DGR'S)

It is considered unnecessary to notify the proponent of environmental assessment requirements, pursuant to section 75W(3) with respect to the proposed modification as sufficient information was provided to the Department to consider the application, and issues are not different to the original DGR's.

## 6. CONSULTATION AND EXHIBITION

Under section 75W of the EP&A Act, a request for a modification of an approval does not require public exhibition. However, under section 75X(2)(f) of the EP&A Act, the Director General is to make publicly available requests for modifications of approvals given by the Minister. In accordance with clause 8G of the *Environmental Planning and Assessment Regulation 2000*, the request for the modification was placed on the Department's website.

The modification application was also referred to SOPA for comment. The following comments have been received (see **TAG E**):

- The anticipated parking permissibility on Murray Rose Avenue would not be sufficient to accommodate a permanent loading facility and may result in vehicles illegally parking on the main thoroughfare to undertake loading and unloading activities. Loading should be located on the site at the rear as specified in the original consent.
- The removal of dedicated retail tenancies parking is undesirable however can be supported.
- The expansion of mechanical plant can be supported but should be adequately screened given the visual impact.

Given the modifications sought are primarily amending conditions of consent and minor design modifications, no other referrals to government agencies was considered necessary.

The issues raised in SOPA's comments are addressed in detail below.

# 7. CONSIDERATION OF PROPOSED MODIFICATIONS.

#### 7.1 INCREASED PLANT AREA, SCREENING AND EXTENSION TO NORTHERN WALL

The Proponent seeks to modify the design of the plant area as illustrated in drawings 0107, 0108, 0150, 0151, 0152 and 0153. The amendments would require a modification to Condition A2 – Development in Accordance with Plans to amend the plan references to those submitted

with the modification application. The proposed amendments have been sought as a result of design development to progress the design for construction stages. The proposed amendments include a minor increase to the size of the plant area, an extension to the northern wall and proposed screens to the generator area.

The modification in the size of the plant area from 576m<sup>2</sup> to 628.6m<sup>2</sup> results in an increase of 52m<sup>2</sup> (9%). The Proponent seeks part of the increase (12m<sup>2</sup>) to allow for a secondary set of emergency access and egress stairs to meet Australian Standards. The approved plant area exceeds controls outlined in the Sydney Olympic Park Urban Design Controls for Site 8 regarding size and setbacks, however the plant area has been designed to minimise visual impact. Notably, the design locates the plant area towards the northern edge of the roof top to protect the visual amenity to the south from Jacquranda Square. The extension of the northern wall corresponds with plant room extensions and is integrated with vertical elements of the northern façade. Additional screening provided for the emergency generator will also be visible from the north.

The increase in size of the plant area and extension to the northern wall were considered acceptable by SOPA (**TAG E**). However, SOPA raised concerns over the visual impact of the screening. Given the proposed screening is consistent with materials and finishes approved in the major project application and the modifications have been designed to minimise visual impact, the additional area proposed is considered satisfactory.

### 7.2 LOADING BAYS

Condition B1(1)(b) of the approval specifies that a loading bay shall replace car parking spaces 13-16 to accommodate Small Rigid Vehicles. Condition B13 also specifies the need to provide a loading bay located wholly on site. The loading bay required to replace car spaces 13-16 will form one of two loading bays. The second loading bay is a 20 metre loading bay located along the right of way / service lane (service lane) at the rear of the site that shall accommodate 12 metre vehicles. The Proponent seeks to amend Conditions B1(1)(b) and B13 as follows:

#### Condition B1(1) – Design Modifications and Plans

- (1) In order to reduce the extent of stacked car parking and ensure that designated loading areas are provided on site, the car park design is to be amended as follows:
  - (a) repealed
  - (b) Delete a further 4 car spaces at grade to designate car spaces 13-16 as a loading area suitable for accommodating Small Rigid Vehicles.
  - (c) Provide a restricted <del>20m</del> **24m** loading bay alongside the building for Large Rigid Vehicles within the rear service lane.

Details shall be submitted to and approved by the Department prior to the issue of a Construction Certificate.

#### Condition B13 – Number of Loading Bays

A minimum of 2 loading bays are to be provided for the development and at least one of these is to be located wholly on the subject site. A restricted **A minimum of one** loading bay capable of accommodating 12metro trucks is to be provided in the service lane subject to approval by SOPA. A designated loading area within the building footprint is to be provided off the rear service lane in lieu of car spaces 13-16. Details of the loading arrangements to be submitted to the satisfaction of the Certifying Authority prior to issue of a Construction Certificate.

The Proponent has amended the plans to extend the loading zone from 20 metres to 24 metres on the service lane (**TAG F**), which can accommodate a minimum of three vehicles, large rigid vehicles and garbage trucks. The extension of the loading area will allow sufficient area to

service the site to mitigate against the loss of the internal loading area, and will not adversely impact traffic movement or egress paths within the service lane. The 24 metre loading zone on the service lane is considered satisfactory.

The Proponents seeks to delete reference to 12 metre trucks as the site is unlikely to be serviced by 12 metre vehicles. Even though 12 metre vehicles are currently not required to service the site, they may be required in the future. The deletion of the reference to 12 metre vehicles is not considered appropriate.

The Proponent has also stated that the dedicated loading zone would be supplemented with loading potential on Murray Rose Avenue through short term parking options being reviewed for Murray Rose Avenue by SOPA (**TAG G**). SOPA have confirmed that on-street traffic plan includes 15 minute parking on Murray Rose Avenue adjacent to the site as shown in the figure below.



Figure 2. SOPA On-street Traffic Plan

The Department recognises that smaller vehicles would be inclined to utilise short term parking spaces that are now available along Murray Rose Avenue given the convenience and that the internal loading area will require secured access entry, and access to the retail tenancies is hindered by stair access and lack of direct access to one tenancy. Larger vehicles would use the loading zone on the service lane, which has been approved by SOPA (see **TAG H**). Smaller vehicles would also have equal access to the 24 metre loading zone on the service lane if the parking spaces along Murray Rose Avenue were unavailable. Subsequently, the internal loading area will become redundant. Accordingly, the modification sought to delete the internal loading area is considered acceptable given there will be a 24 metre loading zone on the service lane.

The Department notes that the Proponent has not addressed loading arrangements for the site when access to the service lane is restricted. The Department recommends that loading arrangements be detailed in the Parking Management Plan required in Condition F13 and recommends amending this condition to include the following:

#### (8) The Parking Management Plan shall identify the loading arrangements that will be implemented during the Easter Show Special Events period when there will be no access to the service lane and loading zone. The arrangements shall address garbage collection measures and all loading activities.

The arrangements shall be developed in consultation with the relevant stakeholders including SOPA, future tenants and RAS, and shall outline arrangements to address garbage collection and loading activities in the Special Event periods.

#### 7.3 ALLOCATION OF CAR SPACES

The Proponent seeks to remove the restriction imposed under Condition B11 which requires eight car spaces be allocated for retail parking. The Proponent wishes to allow market demand determine the allocation of spaces given there is no precedence for designating commercial and retail car spaces in other development approvals within SOPA. Condition B11 is currently as follows:

### Condition B11 – Number of Car Spaces

The maximum number of car spaces to be provided for the development shall comply with the table below. Details confirming the parking numbers shall be submitted to the satisfaction of the Certifying Authority prior to the issue of a Construction Certificate.

| CAR PARKING ALLOCATION                  | NUMBER |
|---|--------|
| Parking Spaces                          | 117    |
| Inclusive of commercial disabled spaces | 2      |
| Inclusive of retail parking spaces      | 8*     |
| TOTAL CAR SPACES                        | 117    |

\* Retail parking spaces provided are to be a minimum of 1 car parking space per retail tenancy.

Notwithstanding other development approvals, the Department may impose a condition of approval to address the impacts of the development. Given the number of spaces permissible was determined with consideration of all the uses for the site, the Department considers it appropriate to ensure future retail tenants have equal access to the car parking provisions of the development. This can be achieved by removing the numerical allocation of spaces for retail tenancies, but requiring a minimum of one space per retail tenancy. This modification is recommended to recognise that the number of tenancies may vary in the future.

The modified condition shall be reflected in the Parking Management Plan, which shall identify the number of retail tenancies operating on the site and identify the spaces that will be allocated to the retail tenancies. The Department notes that the stacked car parking spaces shall be only be allocated to single tenancies in accordance with Condition F13(1). If the retail tenancies were allocated only a single space, they would need to be allocated a space within the basement car park that is not a stacked space.

It is noted that the number of retail tenancies illustrated in the ground floor plan submitted with the current application includes three retail tenancies and a café. This is also reflected in the Parking Management and Operation Plan submitted as part of the application for MP 06\_0175 MOD 1.

Condition B11 also requires amendment as a consequence of amendments to B1(1) and B13 which removes the requirement to locate a loading bay wholly on site and reinstates car spaces 13-16. This results in a total provision of 121 car spaces on site. The Department recommends Condition B11 be deleted and replaces with the following:

#### Condition B11 – Number of Car Spaces

- (1) The maximum number of car spaces to be provided for the development shall be 121 car spaces including two (2) car spaces being dedicated as spaces for persons with a disability.
- (2) A minimum of one car space shall be provided per retail tenancy and detailed in a Parking Management Plan. The Parking Management Plan shall identify the number of retail tenancies operating on the site and identify the parking spaces being allocated to the retail tenancies.

Note: Condition F13(1) of this consent requires stacked parking spaces to be allocated to single tenancies.

The Department also recommends Condition F13(2) be amended as follows to require approval of the Department of the Parking Management Plan prior to occupation given the modifications regarding loading zone activities and allocation of retail car spaces.

### Condition F13 – Parking and Traffic Management

(2) An operational traffic and parking management plan is required to be submitted **to the Department for approval and** to the PCA, prior to the issue of the Occupation Certificate.

# 8. PUBLIC BENEFIT

The public benefits resulting from the original approval include:

- Significant economic contribution to the Town Centre Precinct;
- Strengthening the role of the Sydney Olympic Park as a regional employment destination by providing employment opportunities within the town centre that will attract an estimated 480 workers;
- Activating the street frontage with ground floor retail and cafés uses;
- Diversifying the uses at Sydney Olympic Park to contribute to creating a vibrant town centre;
- An economic use of existing infrastructure at Sydney Olympic Park, thereby contributing to the overall commercial viability of the area;
- Provision of high quality architectural and urban design outcome on a constrained site;
- Incorporating ecologically sustainable development principles; and
- Developing in close proximity to Sydney Olympic Park Railway Station which will encourage maximum use of public transport.

The recommended modification would not compromise the projects ability to continue to provide these public benefits or alter the value of the project or the number of jobs created.

# 9. MODIFICATIONS TO CONDITIONS OF APPROVAL

The Department recommends that Conditions of Approval apply to the proposed modifications. These are included at **TAG A**.

# 10. DELEGATION

Under the instrument of delegation dated 4 March 2009, the Minister has delegated his functions under section 75W of the EP&A Act relating to modifying Part 3A approvals to the Director General. Having regard to the instrument of delegation, it is considered appropriate that the application be determined under delegation.

# 11. CONCLUSION

Under section 75W(4) of the EP&A Act, the Minister may modify the approval (with or without conditions) or disapprove the modification. This assessment report describes the Department's assessment of the requested modifications and supporting documentation as provided by the Proponent, and recommends approving the proposed modifications, subject to the amendments as discussed.

The proposed modifications are minor and do not result in significant changes to the overall development. The proposal achieves the same objectives as assessed for the originally approved development under Major Project 06\_0175 and does not alter the overall nature, need or justification of the approved project.

### 12. RECOMMENDATION

It is recommended that the Director General, as delegate of the Minister for Planning:

- (a) Consider the findings and recommendations of this report; and
- (b) **Approve** the modification, subject to conditions, under section 75W of the *Environmental Planning and Assessment Act, 1979*; and
- (c) Sign the attached Instrument of Modification Approval (TAG A).

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# APPENDIX A. Instrument of Modification Approval