

2 May 2012

## **Determination of the Scottish Hospital Redevelopment Proposal, Paddington, Woollahra Local Government Area**

### **Background**

The site was originally developed around 1848 with the construction of a large Georgian style house and the establishment of extensive terraced gardens. The house was converted into a private hospital in the early 1900s. The building is now known as the Scottish Hospital building and has been extended to include an operating theatre wing. A four storey nursing home has also been constructed on the site.

The Presbyterian Church has a long association with the site and has used it to provide a variety of aged care and hospital services. The Scottish Hospital Building and adjoining operating theatre wing are now disused. The nursing home accommodates 88 beds, including 20 dementia care places.

### **Current Proposal**

The proponent is now seeking to redevelop the site for aged care and seniors housing. This would include:

- demolition of the nursing home and operating theatre wing;
- remediation of the site;
- conservation and adaptive reuse of the Scottish Hospital Building, for Independent Living Units;
- construction of a new 100 bed Residential Aged Care Facility, including 20 dementia care beds;
- construction of 79 Independent Living Units, to be located in the Scottish Hospital Building, the new Residential Aged Care Facility and in another three new buildings to be constructed on site;
- 132 car parking spaces;
- a loading dock on Stephens Street and a main entrance driveway on Brown Street; and
- a publicly accessible pocket park.

A draft Voluntary Planning Agreement with Woollahra Municipal Council was also prepared by the Proponent.

### **Delegation to the Commission**

On 21 March 2012 the Director-General of the Department of Planning and Infrastructure referred the application to the Commission for determination under the Minister's delegation, dated 14 September 2011.

Ms Gabrielle Kibble AO nominated Dr John Roseth to chair the Commission for the project and Mr Lindsay Kelly as the other member to constitute the Commission.

### **Director-General's Environmental Assessment Report**

The Director-General's Environmental Assessment Report considered the following key issues:

- Built form, including height, density, bulk and scale;
- Heritage;
- Landscaping;

- Amenity impacts to adjoining properties, including privacy and view impacts;
- Access, car parking and traffic;
- Residential Amenity, including building depth and separation, solar access and overshadowing;
- Contamination and remediation; and
- Voluntary Planning Agreement and Section 94 of the EP&A Act.

The Department concludes that:

- The heritage significance of the site and surrounding Heritage Conservation Area will be preserved;
- The proposed height, bulk and scale are acceptable;
- The special qualities of the surrounding streetscapes will be preserved; and
- There will be no unreasonable impact on the residential amenity for adjoining and neighbouring properties.

The Department concludes that the impacts of the proposal can be suitably mitigated and/or managed and that the proposal is appropriate and represents an efficient use of the land. Notwithstanding this, the Department has recommended a condition requiring a 2 m increase in the setback from Stephen Street for the upper levels of the Residential Aged Care Building.

### **Meetings**

On 17 April 2012 the Commission met with representatives from Woollahra Municipal Council. The issues discussed during the meeting were developer contributions, loading dock access and what the Council considered to be the overdevelopment of the site. The Commission asked the Council about the status of the draft voluntary planning agreement. The Council indicated that discussions had stalled but, should the application be approved, the proponent's proposal to dedicate 1366 m<sup>2</sup> of land to extend the Dillon Street Reserve would be an adequate contribution. The Council noted that two other areas of land had also been included in the draft provided by the proponent; but that these areas were not sought by Council. One of these areas was the dedication of land adjacent to Stephen Street to provide for eight 90 degree parking spaces, to be available for public parking.

On 17 April 2012 the Commission also met with representatives for the proponent. The Commission noted the issues of truck deliveries and loading dock access. The proponent indicated that the largest vehicles to regularly access the site would be 7-10 m long. Trucks accessing the loading dock would generally include one laundry truck a day and 6-8 food deliveries per week. The Commission also questioned the proponent on the status of the draft voluntary planning agreement. The proponent agreed that it had offered the land to extend the Dillon Street Reserve in the draft voluntary planning agreement and that it would accept a condition to this effect.

On Monday 23 April 2012 the Commission held a meeting at the Paddington RSL Club, 220 Oxford St, Paddington. About fifty people attended the meeting, of whom fourteen addressed the Commission. Speakers included representatives for Woollahra Council and the Paddington Society. A full list of the speakers is in Appendix 1.

Speakers raised a wide range of concerns including:

- Excessive scale, particularly the height and floor space ratio (FSR);
- Impacts on the heritage significance of the area, including both the Scottish Hospital Building and the surrounding Paddington Heritage Conservation Area;
- Inconsistencies and insensitivities to the landscaping and topography of the site and the surrounding streetscapes and built form;

- Removal of trees and landscaping, and impacts on the microforest environment, inadequate deep soil for remaining trees;
- loss of green space;
- Other issues of built form, including inadequate setbacks, poor design, loss of privacy and solar access;
- View loss;
- Traffic and associated amenity impacts from the Stephen Street loading dock;
- Loss of on street parking;
- Odour and noise impacts from the RACF kitchen, laundry, garbage storage and loading dock;
- Creation of a gated community – inter-linkages and pedestrian permeability are important in Paddington;
- Insufficient justification for the proposal;
- That the proposal is not fit for purpose;
- Inaccuracies in the Department's assessment;
- Construction impacts

Speakers also requested that the Commission set out the reasons for its decision. In response to this request, below are the Commission's comments on the major issues raised and the reasons why the Commission accepted the Department's recommendation to grant consent to the proposal.

### **Commission's Comments**

#### **Built form**

The main issue for the objectors was the scale of the proposed development, particularly the FSR and height of the proposal. Concerns were raised that the proposal would have an adverse impact on the Paddington Heritage Conservation Area, within which it is located. In support of this position, the speakers at the meeting noted that the predominant scale of Paddington is two storeys and the permissible FSR in the areas adjoining the site is 0.75:1, whereas the proposal is up to seven storeys high and its FSR is 1.28:1. Woollahra Council noted that it had approved a proposal for this site at the FSR of 0.9:1 and that it considered that proposal to have the maximum amount of development appropriate for the site. (That approval was not acted on and has since lapsed.) Several people mentioned that the project, if approved, would be a precedent for further inappropriate development.

Speakers at the meeting conceded that there were several large buildings in close vicinity of the site but maintained that these were aberrations and should be disregarded. The Commission notes that two of these buildings were designed by Australia's internationally renowned architect, Harry Seidler. This illustrates that the consideration of appropriate scale is a value judgment: speakers considered these buildings, despite their eminent designer, to be out of scale.

The Department's assessment report considered the objections but concluded that the scale of the project was acceptable for various reasons, including the steeply sloping nature of the site, the large setback of the buildings facing Brown Street and the well-articulated design of the buildings.

The Commission accepts the conclusion of the Department's assessment report. It notes that the FSR of Paddington terraces is higher than the 0.75:1 permissible in the area (although not as high as the proposal's FSR of 1.28:1); that in traditional development the accommodation of cars takes up considerable space, while in this project it is underground; and that in large comprehensively designed developments individual backyards can be grouped into more effective communal landscaped areas. Finally, while the out-of-scale

buildings near the site should not be considered as examples to follow, they are highly visible, have been there for forty years and are part of the visual setting.

To be of compatible scale does not require being of the same scale. The Commission accepts that the proposal is a denser form of development than its surroundings; however, it does not believe that its density and height are so different as to render the project incompatible with the rest of Paddington.

Some speakers also objected to the architectural design, which, in their opinion, did not reflect or respond to the characteristics of traditional Paddington terrace housing. This is an area of debate that the Commission is reluctant to enter, because it is so highly subjective.

Several speakers referred to the large size and luxurious nature of the apartments in the project, pointing out that a development for the privileged should not be given any concessions because of a perceived fulfilment of social need. Neither the Department's assessment report nor the Commission's consideration of the project gave it extra credit because it responds to a social need. The proposal's floor space is what it is; whether that floor space accommodates large apartments or small studios was not a consideration.

#### Setback of the Residential Aged Care Building and its relationship to the Scottish Hospital

The Department has recommended that parts of the upper floors of the proposed Residential Aged Care Building should be set back an additional 2 m from Stephen Street. Speakers pointed out that this could result in encroachment on the Scottish Hospital heritage building, compromising the integrity of the heritage building. The Commission agrees that this is an important consideration.

Following the objectors' raising this point at the meeting, the Proponent provided preliminary drawings to the Commission in order to illustrate that the integrity of the Scottish Hospital heritage building would be maintained. The Commission is not satisfied that the drawings adequately illustrate this point, but is nonetheless certain that a satisfactory solution can be found. Consequently the Commission has modified Condition B1 to require the proponent to gain the approval of the Director-General of the Department of Planning and Infrastructure for the final plans. The plans must demonstrate that the integrity of the Scottish Hospital building would not be compromised by the upper levels of the Residential Aged Care Facility being moved 2 m in a westerly direction.

#### Landscaping and removal of trees

Many speakers commented on the removal of 88 trees. The site is now heavily treed and from some viewpoints has the appearance of a park. People generally prefer to look at trees rather than buildings, so any tree being removed is of concern. However, the present park-like nature of the site is a result of its being underdeveloped. The Commission notes that the proposal will retain 56% of the site as landscaped area, most of which is suitable for deep landscaping. The internal open space flows into Dillon Street Reserve and the applicant will dedicate 1,366 square metres of private land to be incorporated in the Reserve.

Before leaving the topic of landscaping, it should be mentioned that several speakers pointed out that landscaping should not be relied on as a screen to render an otherwise unacceptable building acceptable. The Commission agrees. It assessed the project on the assumption that all buildings are fully visible.

#### Loading Dock and associated traffic and parking impacts

Another major concern of objectors and of Council was the location of the proposed loading dock in Stephen Street. An alternative entry from Brown Street was put forward by the proponent and is preferred by the Council and the residents. The Department's recommendation is to keep the servicing of the site in Stephen Street. It appears that a

loading dock from Stephen Street is better for the internal planning of the project, while a Brown Street entry is better for the residents of Stephen Street.

In most cases, the choice would be to prefer the convenience of the surrounding residents to that of the project's. However, a further factor in the consideration is the *extent* of inconvenience to either group. **The proponent assured the Commission that the use of the loading dock would be restricted to a maximum of 15 service vehicles per week or 2-3 daily. (A much larger number of deliveries was mentioned in the Department's assessment report; however, the Proponent has confirmed and reconfirmed that this is incorrect.)**

The proponent confirmed that the largest vehicle using the dock would have a length of 10 m. Given the above, the Commission concluded that the inconvenience to Stephen Street residents would not be great; whereas the damage done to the internal open space of the project by a Brown Street entrance to the loading dock would be significant.

Residents also raised concerns about the loss of on street parking that would arise from the development of the Stephen Street loading dock. At the public meeting an objector presented a swept path analysis based on a 12.5 m truck, which would result in the loss of up to six parking spaces. The proponent assured the Commission that the largest vehicles servicing the loading dock would be 10 m long, thus resulting in the loss of three to four parking spaces.

The proponent originally proposed to provide eight parking spaces at 90 degrees on land to be dedicated adjoining Stephen Street and the Dillion Street Reserve, as compensation for the loss of parking. As mentioned before, the Council has indicated that it did not want to pursue this option, preferring the Brown Street loading dock access solution. Given that the Stephen Street loading dock will now proceed, the Commission notes that the Council may wish to revisit this issue in its negotiations on the Voluntary Planning Agreement.

#### Voluntary Planning Agreement

The Department's assessment report notes that the proponent has proposed a voluntary planning agreement (VPA) in order to dedicate land to Council for the purposes of public open space, parking and footpath. The Commission discussed this issue with both Council and the Proponent and both parties agreed they would be willing to enter into a VPA in relation to 1,366 m<sup>2</sup> of land to be added to the Dillion Street Reserve.

The Council has stated that it will not accept the other two dedications proposed, including land for parking adjoining Stephen Street. As noted above, since the proposed loading dock on Stephen Street will now proceed, the Council may change its mind to ensure that there is no loss of parking on Stephen Street. Because there is no Council agreement to the dedication of land adjacent to Stephen Street, it is not appropriate to refer to this in a condition of approval. However, the Commission hopes that the parties will nevertheless come to an agreement on this issue.

The Commission has added a condition to those recommended by the Department, requiring the Proponent to demonstrate it has entered into a VPA with the Council in regard to the land to be added to the Dillion Street Reserve.

#### Other issues


One resident of Cooper Street mentioned that an existing turning bay would no longer be available for drivers in that street to make U-turns. While this removes an existing convenience from Cooper Street, the turning bay is on private land. The Commission cannot require the applicant to continue providing it. Another speaker mentioned that the project

should provide public through-access. There is no such access now, nor does it appear necessary or reasonable to require it.

### **Commission's Determination**

The Commission has carefully considered the Director-General's Environmental Assessment Report, as well as the comments made during the public meeting. The Commission accepts that this development will change the character of the site and will have some negative impacts on the surrounding area. For example the residents of Stephen Street, who now look across the street and see greenery, will see the windows of a Residential Care Facility instead. The question for the Commission is not whether the proposal will have any negative impacts (which it no doubt will), but whether these impacts are so serious as to justify the refusal of this application. In the Commission's view, they are not.

The Commission has determined to approve the application, subject to conditions.



Dr John Roseth  
Member of the Commission



Mr Lindsay Kelly  
Member of the Commission

## Appendix 1

Speakers
Woollahra Municipal Council
- Mr Allan Coker, Director-Planning & Development
- Mr Peter Kauter, Executive Planner
- Cr David Shoebridge MLC
- Mr Jan Golembiewski
- Prof Ron Skurray
- Mr Darren Miller
- Mr Clint Yabuka
- Ms Dawn Muscat
- Mr John Richardson
- Ms Virginia Richardson
The Paddington Society
- Mr John Mant, President
- Mr Graham Stewart
- Ms Bem Le Hunte
- Ms Sara Stace