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MODIFICATION REQUEST: Commercial Building C3, Barangaroo South MP 11_0044 MOD 3



Secretary's Environmental Assessment Report Section 75W of the Environmental Planning and Assessment Act 1979

December 2015

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1. BACKGROUND

1.1 Introduction

This report provides an assessment of a section 75W modification application lodged by Lend Lease (Millers Point) Pty Limited, seeking to modify the project approval (MP11_0044) for the construction of commercial building C3 (C3) at Barangaroo South. The modification application (MOD 3) seeks approval for a minor increase in gross floor area, design modifications to the podium, tower and roof top of C3, changes to signage zones, changes to temporary landscaping and a minor increase in car parking.

1.2 The Site

Barangaroo is located on the north-western edge of the Sydney CBD. The site is bounded by the Sydney Harbour foreshore to the north and west, Hickson Road and Millers Point to the east, and Kings Street Wharf/Cockle Bay/Darling Harbour to the south. C3 is located within Block 3 of Barangaroo South. A location plan is provided at **Figure 1** below.



Figure 1: Location plan

1.3 Background to Project Approval

MP06 0162- Barangaroo Concept Plan

On 9 February 2007, the then Minister for Planning approved the Barangaroo Concept Plan (MP 06_0162) to guide the renewal of the Barangaroo site for a mix of land uses including residential, retail and commercial and public recreation.

The Concept Plan approved a set of built form principles and urban design controls to guide development within the mixed use zone.

Seven modifications have been approved since the Concept Plan was originally approved. An eighth modification (MOD 8) is currently proposed by Lend Lease. MOD 8 was publicly exhibited between the 18 March and 1 May 2015 and is currently being assessed by the Department.

The detailed planning history of modifications to the Concept Plan for Barangaroo is provided at **Appendix D.**

Commercial Building C3 (MP 11 0044)

On 24 April 2012, the then Director-General, acting under delegation, approved the construction of C3. The approved development comprises:

- piling and associated earthworks and remediation;
- construction and use of a new 49-storey (plus plant) commercial building (C3) with a maximum height of 209 m and a GFA of 115,448 sqm comprised of:
 - 7,021 sqm of retail floor space;
 - 105,488 sqm of commercial floor space; and
 - 1,145 sqm office lobby.
- allocation of 117 sqm of floor space within basement car park;
- allocation of 1,677 sqm on podium level 3 for potential use as a child care centre;
- operation and use of car parking spaces (175 commercial, 8 for all other uses) allocated to C3 within part of the basement car park;
- 401 bicycle spaces (65 temporarily located in the landscaped forecourt adjacent to Hickson Road and 336 located in the basement car park);
- pedestrian and cycle access and circulation arrangements;
- temporary works and uses including:
 - creation of a temporary forecourt and landscaping along Hickson Road;
 - surfacing of the surrounding streets and laneways, including part of Globe Street, part of City Walk and part of Shelley Lane; and
 - hoardings;
- signage zones on the building façade to accommodate building and business identification signage; and
- installation of utility services.

The C3 project approval has been modified on two occasions, as detailed below:

MP11 0044 MOD 1:

On 18 February 2013, the then Director, Metropolitan and Regional Projects North, approved a section 75W modification (MOD 1) to re-word Condition A7 to permit the progressive validation of remediation works within the project area.

MP11 0044 MOD 2:

On 25 June 2014, the then Executive Director, Development Assessment Systems & Approvals, approved a section 75W modification (MOD 2) comprising the following:

- increase in the approved GFA from 115,448 sqm to 117,968 sqm as a result of:
 - o decreasing the retail floor space from 7,021 sqm to 5,624 sqm;
 - increasing the commercial floor space from 105,448 sqm to 109,238 sqm, inclusive of an 1,740 sqm office lobby; and
 - allocation of 117 sqm of floor space within the basement car park, and 1,250 sqm of floor space for a potential child care centre on level 1 of the podium.
- increase in maximum building height for the installation of BMUs from RL 209m to RL 213m.
- increase in the number of car spaces allocated to building C3 to a maximum of car spaces comprising 182 commercial spaces and 7 retail spaces, and 10 motorbike spaces;
- decrease in the allocation of bicycle spaces to 373 spaces comprising 336 permanent spaces in the basement car park and 37 spaces in the landscaped forecourt/public domain;
- minor changes to façade detailing; and
- reconfiguration of the rooftop plant.

2. PROPOSED MODIFICATION

2.1 Modification Description

Lend Lease (Millers Point) Pty Limited has lodged a section 75W application seeking approval to modify the C3 project approval as follows:

Modification to the podium of C3:

- General:
 - o minor extension of podium at north-east corner of western podium;
 - increase in total area of the signage zone on the northern and southern podium elevations; and
 - o the introduction of four shopfront typologies for the ground floor retail frontages.
- Ground:
 - o modification to doors in the lobby and the northern through-site-link;
 - o addition of internal landscaping areas at the northern podium entry;
 - o amendment to location of southern entry;
 - o amendments to awnings;
 - o modification to flanking wall in the southern lobby;
 - o modification to proposed shopfronts;
 - o addition of shading structures;
 - o glass elements in lobby replaced with solid elements; and
 - o minor changes to podium facades to both west and east.
- Level 1:
 - o deletion of internal lobby bridge to Level 1;
 - o shading device added to the west and north elevation;
 - alteration and refinement to the design of the Level 1 slab above the basement entry ramp; and
 - o minor changes to the podium facades to both west and east.
- Level 2:
 - o minor changes to the podium facades to both the west and east.
- Podium Roof:
 - o refinements to the design of the north and south lobby entrance roof;
 - o modifications to the podium plant room and landscaping; and
 - o cornice refinements to respond to podium design development.
- Modifications to the Tower:
 - o General: minor refinement of the solar shading fins.
 - o Level 17: removal of the access to the mid-rise lift lobby.
 - o Levels 18 and 34:
 - removal of K-brace (in-line with development of C4 and C5); and
 - installation of a lifting beam.
 - Levels 21-47: the potential infill of voids within the vertical villages up to the GFA limit for the building.
 - o Levels 50, 51 and 52:
 - refinements to the access arrangements to the roof plant; and
 - removal of some solar photovoltaic cells from the roof.

<u>GFA:</u> minor increase in the building GFA by 943 sqm from 117,959 sqm to 118,902 sqm and an option to provide flexibility for the potential allocation of 1,452 sqm and 3,186 sqm of GFA to a child care centre and a gymnasium (recreation facility (indoor)) on Level 1 and Levels 2/3 of the podium, respectively;

<u>Site Area:</u> Minor administrative correction to the description of the land to which the application relates;

<u>Car Parking</u>: increase in the number of car parking space by 5 spaces comprising 186 commercial (from 182 spaces) and 8 retail spaces (from 7 spaces);

<u>Bicycle Parking:</u> modification to the approved location of the 373 bicycle spaces; and <u>Temporary Landscaping</u>: modification to the temporary landscaping requirement as it relates to the future C1 development site. The application includes amendments to the Statement of Commitments for the project to relevantly address the above modifications.

A comparison of the approved and proposed podium (north lobby) and tower elevation (north elevation) is provided in **Figures 2** to **3** below.



Figure 2: Comparison of approved (top) and proposed (bottom) design for the north lobby.



Figure 3: North elevation of the Commercial building C3- Approved (MOD 2) on left & Proposed (MOD 3) on right.

3. STATUTORY CONTEXT

3.1 Continuing Operation of Part 3A to Modify Project Approvals

In accordance with clause 3 of Schedule 6A of the *Environmental Planning and Assessment Act 1979* (EP&A Act), section 75W of the EP&A Act as in force immediately before its repeal on 1 October 2011, and as modified by Schedule 6A, continues to apply to transitional Part 3A projects.

Consequently, this report has been prepared in accordance with the requirements of Part 3A and the associated regulations, and the Minister for Planning (or his delegate) may approve or disapprove the modifications under section 75W of the EP&A Act.

3.2 Modification of the Minister's Approval

Section 75W(2) of the EP&A Act provides that a Proponent may request the Minister to modify the Minister's approval for a project. The Minister's approval of a modification is not required if the project, as modified, would be consistent with the original approval. As the proposed modification seeks to alter the approved drawings, conditions and the approved Statement of Commitments, the modification requires the Minister's approval.

3.3 Secretary's Environmental Assessment Requirements

Section 75W(3) of the EP&A Act provides the Secretary with scope to issue Environmental Assessment Requirements (SEARs) that must be complied with before the matter will be considered by the Minister. SEARs were not issued for this modification as the Proponent has addressed the key issues related to the modification request.

3.4 Permissibility

The site is zoned 'B4 Mixed Use' under Part 12 Schedule 3 of the State Environmental Planning Policy (Major Development) 2005 (MD SEPP). The proposed works are permissible within the zone subject to consent. MOD 3 seeks flexibility to incorporate a recreation facility (indoor) into the podium of the building (in addition to the child care centre approved in MOD 2). The Department notes that a recreational facility (indoor) is permissible with consent and is consistent with the objectives of the B4 mixed use zone and the diverse range of compatible land uses permissible in the zone.

3.5 Delegated Authority

Under the instrument of delegation dated 16 February 2015, the Minister for Planning's function to determine applications under section 75W of the EP&A Act has been delegated to Directors who report to the Executive Director, Key Sites and Industry Assessments where:

- the relevant local council has not made an objection; and
- a political disclosure form has not been made; and
- there have been no public submissions in the nature of objections.

As Council did not object, a political donation has not been made, and no public submissions were received, the Director, Key Sites Assessment may determine the modification request under delegated authority.

4. CONSULTATION AND SUBMISSIONS

4.1 Exhibition

Under section 75X(2)(f) of the EP&A Act, the Secretary is required to make modification requests publicly available. On 19 March 2015, the modification request was placed on the Department's website. In addition, the Department notified relevant State and local government authorities in writing.

4.2 Public Authority Submissions

Two submissions were received from public authorities in response to the exhibition of the modification request. The submissions from public authorities are summarised in **Table 1** below.

 Table 1: Summary of Issues Raised in Public Authority Submissions

City of Sydney Council (Council)

- Council raised no objection to the application and acknowledges that many of the modifications
 proposed align with changes recently approved for Buildings C4 and C5.
- Council supports the changes to awnings and the introduction of the shopfront typologies.
- Council requests that a condition be imposed to address the following matters:
 - to restrict the size of any future signage within the modified signage zone, noting that the change is only intended to provide greater flexibility for future tenant/s and not an overall increase in the size of the signage; and
 - a mechanism for the applicant to surrender retail floor space in the event other land uses are introduced into the building, such as child care or a gym.

Transport for NSW (TNSW)

TNSW did not object to the proposed modification and raised no issues of concern.

4.3 Public Submissions

No submissions were received at the time of writing this report.

4.4 Response to Submissions and Preferred Project Report

The Proponent submitted a Response to Submissions and Preferred Project Report (RtS/PPR) on 28 August 2015. The RtS/PPR includes clarification in relation to the following matters raised by the Department and Council:

- the proposed GFA calculation, including to provide a mechanism to surrender equivalent GFA where a child care centre and/or a gymnasium is provided. The revised GFA for the building has subsequently been confirmed as 18,959 sqm;
- the proposed flexible design approach proposed for the commercial component of the tower so that the building can respond to future tenant needs. This includes to allow up to ten vertical villages within the tower to be filled, resulting in up to 560 sqm of additional GFA in the towers. Plans have been provided as part of the architectural drawing package and a new commitment has been added to the Statement of Commitments to address this matter;
- that the shopfront typologies are interchangeable and flexible in their location; and
- that the signage zones only seek approval to increase the area of the existing building identification signage zones to allow greater flexibility and that the size and number of signs within the signage zone will not increase. A Signage Strategy has also been provided to satisfy the terms of Condition A6(3)(c) of the project approval.

Further to the above, the Proponent has submitted amended plans and architectural renderings detailing the further design development of the building, including in respect to the following:

- Awning Design:
 - to amend the design to resolve concerns in relation to the environmental exposure of the ground floor retail spaces by lowering the awning soffit height from 4.4 to 3.7m; and
 - to amend the design to a more conventional, solid structure incorporating retractable folding arm awning that can be concealed when not required by retailers.
- Façade Design:
 - to refine façade design associated with the proposed north-east extension of the western lobby. It is proposed to replace the vertical glass fins in the façade with horizontal glass panels as illustrated in Figure 4 below.
- <u>Podium cornice detail</u>: to remove the cornice detail at the top of the podium. Instead it is proposed to extend the window features or surrounds as illustrated in **Figure 5** below.

- <u>Tower Modifications</u>: minor design refinements to the tower, including:
 - a balustrade at the top of the approved plant room. The balustrade does not increase the overall height of the building;
 - o the inclusion of a transformer crane;
 - o refinement of the doors of the BMU garage; and
 - o reduction in the height of the lift motor room.



Figure 4: façade design originally proposed in MOD 3 (left) and amended design proposed in PPR (right).



Figure 5: Architectural rendering showing resolution of podium design, including deletion of cornice and refined window feature design.

The Proponent's RtS/PPR is also accompanied by revised amendments to a number of Conditions in the project approval, including A1 (Development Description), B30 (GFA Certification) and E2 (GFA and Height Certification) and a revised Statement of Commitments.

5. ASSESSMENT

The Department considers the key issues for the proposed modification are:

- design changes;
- gross floor area (GFA);
- parking rates; and
- other issues.

5.1 Design Changes

The modification application includes a number of changes to the design of the podium, tower and roof top of C3. These modifications are addressed separately below.

5.1.1 Modifications to podium

Retail shop fronts

The application seeks approval to introduce four shopfront typologies which have been developed to provide flexibility with the shopfront design whilst providing a unified design approach. Shopfronts are located on all four elevations of the building podium of C3. The proposal seeks to introduce flexibility for the future tenants through the potential to utilise the fixed glazing, single pivot opening doors (2 types) or retractable doors which are interchangeable within the structural frame of the podium, as detailed in **Figure 6** below.



Figure 6: Proposed interchangeable ground floor shopfronts.

The Department considers that the design of the proposed shopfronts will provide a high quality outcome and will complement the approved podium design of C3. In particular, the shopfront designs will enable the retail tenancies to integrate with the surrounding public domain through the potential use of bifold retractable and sliding doors, thereby contributing to the activation of the public domain. Furthermore, this design strategy will enable a consistent and integrated design approach to the retail tenancies within the podium. This aspect to the proposal has been supported by Council (**Section 4.2**).

The Department notes that the current approvals for Commercial Buildings C4 (MP10_0025) and C5 (MP10_0227) includes a similar design strategy whereby a range of interchangeable and flexible shopfront designs have been approved for the ground floor podium of the building. The approval of the

shopfronts for C4 and C5 are conditional on the final design approved for each tenancy being submitted to the Department for their information.

In order to ensure a consistent approach to the design resolution of the shopfront in C3, it is recommended that a condition consistent with the requirements for C4 and C5 apply in this instance. Subject to compliance with this condition, the Department supports this aspect of the modification application.

Façade changes

MOD 3 proposes design changes to the podium façades as a result of further design development. Renders of the approved and proposed changes to the podium design are provided below at **Figures 7** to **10** below. Full size renders are provided at **Appendix A**.

The Department has assessed the changes to the façade design and considers that they complement the approved façade design, including the composition and rhythm and materiality. In respect to the west podium (designed by Tony Caro), MOD 3 proposes the deletion of the feature metal cornice which terminates the podium (refer **Figures 9A/9B** and **10A/10B**). Instead and in order to ensure an appropriate alternative architectural treatment to the termination of the podium, MOD 3 proposes to refine the design of the concrete box frames on Level 2, including to increase their height to match that of the cornice (which is proposed to be removed). The Department considers that this design solution provide a strong, albeit simplified termination to the podium which is complementary to the approved façade design.

The design refinement of podium Level 2 also includes changes to the verandah room, which is an outdoor room exclusively for the use of the Level 2 restaurant patrons (refer **Figure 9B**). The changes to the roof form are considered to positively contribute the design quality of the building podium.



Figure 7A: Approved design south-east corner



Figure 7B: Proposed design south-east corner



Figure 8A: Approved design east facade

Figure 8B: Proposed design east facade

Secretary's Environmental Assessment Report

Commercial Building C3 MP11_0044 MOD 3



Figure 9A: Approved design north-west corner

Figure 9B: Proposed design north-west corner



Figure 10A: Approved design south-west corner

Figure 10B: Proposed design south-west corner

Ground floor layout

With reference to **Figure 12** below, the Proponent proposes a number of design changes to the ground floor level of the building, including the following:

- the north-east extension of the western lobby (marked 'A' on Figure 11);
- the potential for lobby planters to be integrated into the lobby design (marked 'B' on Figure 11);
- adjustments to the design of the foyers on the north and south elevations, including the lobby entrances, shading and awning details (marked 'C' on Figure 11, also refer to Figures 12 and 13 below);
- minor changes to the retail tenancy configurations (marked 'D' on Figure 11); and
- new awning on Scotch Row to denote the retail lobby (marked 'E' on Figure 11)

The Department has assessed the design implications of the above modifications and concludes that these modifications are generally minor in nature and will contribute to the design quality and functionality of the ground floor level of the building. The Department notes that the introduction of the planters is also consistent with the design detail approved for Commercial Buildings C4 and C5. For these reasons, the Department supports these modifications.

Further consideration is given to the design of the North Lobby and South Lobby and the podium rooftop design below.



Figure 11: Proposed modifications to ground floor plan

North Lobby and South Lobby

The refinement of both North Lobby and South Lobby represent the most significant changes at the ground floor level of the building and are illustrated in **Figures 12** to **15** below. It is evident from these comparison figures that the design has been refined and simplified.

North Lobby: As illustrated in **Figures 12** to **13**, MOD 3 proposes the further design refinement of the North Lobby. Specifically, the awning design has been refined, additional sun-shading has been provided above the awning level, and the geometry and design of the roof over the lobby has been revised and extended as an open structure over the first floor terrace to the east on Shelley Lane (Figure 13).

The Department considers that the revised design is well resolved and complementary to the overall architecture of the north elevation of the podium. In addition, the extension of the solid walls to define the entry to the to the car park are considered to provide an acceptable architectural treatment.

South Lobby: In relation to the South Lobby, MOD 3 represents a reconsideration of the entry detail in terms of the lobby's alignment, the form of the entry awning and the overall architecture of the entry. The design has been simplified and now represents a more conventional lobby entrance when viewed from the public domain. Whilst the Department considers the MOD 2 design to be more dynamic and sculptural in its form (**Figure 14**), the design proposed in MOD 3 (**Figure 15**) remains acceptable and represents a well-considered design solution which will also sit comfortably with the architecture and composition of the south elevation of the building podium.



Figure 12 Approved northern east elevation showing North Lobby resolution



Figure 13: Proposed north east elevation showing changes to awning, shade structures and North Lobby design



Figure 14: Approved design resolution of South Lobby



Figure 15: Proposed design resolution of South Lobby

Awning design

The approved design of the west podium includes a permanent structure at the awning edge supporting roll-down butcher blinds, in order to address western exposure. MOD 3 proposes to reduce the approved awning soffit height on the western side of the podium from approximately 4.4 to 3.7 metres. The design of the awning is also proposed to be modified and simplified to incorporate the retractable fabric awning that can be concealed when not in use (refer **Figure 16** and **17**). The Proponent has confirmed that the blind would have a maximum vertical drop of 1.3 metres. The Department finds the design for the retractable blinds to be acceptable and notes that its limited vertical drop will ensure that there is sufficient activation of the facades and integration with the public domain whilst enabling environmental control.



Level 3 modifications (podium roof top)

The application proposes the refinement of Level 3 of the building which forms the podium rooftop level of C3. The changes include the refinement of the building plant design and the rooftop landscaping (**Figures 18** and **19**). In addition, the application details the refinement of the cornice and the entrance roof to the North and South lobbies, as discussed above.

The Department notes that whilst the change to the cornice design on the north-western corner of the podium (as discussed above) results in the plant room being visually more prominent from the public domain (**Figures 8B and 9B**), the Department considers the plant rooms to be well designed and suitably integrated into the rooftop landscaping to reduce their visual impact. On balance, these modifications are not considered to diminish the design quality of the building and are supported by the Department.



Figure 18: Approved Level 3 podium design



5.1.2 Modifications to Tower

The modifications to the tower element of C3 are limited to refinement of the solar fins and the removal of the structural bracing ('K' bracing). The Proponent has advised that the refinement of the fins are necessary to reinforce the vertical reading of the tower and furthermore, that the structural bracing is no longer required and can be removed without impacting on the structural integrity of the tower. The location of the structural bracing is illustrated in **Figure 20** below.

These elements of the modification application are minor in nature and will not result in a significant change to the visual appearance and design quality of the building. Accordingly, the Department supports this aspect of the modification application.



Figure 20: Approved (left) and proposed (right) tower design.

5.1.3 Modifications to Roof Top Plant

Modifications to the rooftop levels (over Levels 49-52) are limited to minor adjustments to the plant terrace areas and the redesign of the access arrangement to the building plant to include new rooftop bridge links (**Figure 21**). A transformer crane is proposed at the rooftop level of the building and will have a maximum height of RL 208.1. The crane will therefore be below the maximum permissible height of RL 209 which applies to Block 3 pursuant to the MD SEPP and the Barangaroo Concept Plan approval.

The most apparent change to the visual appearance of the rooftop of the building is the removal of the photovoltaic cells from the northern core, as illustrated in **Figure 21** below. The Proponent has advised that this change will not impact on the buildings environmental performance and ability to meet the stated ESD targets.

Based on the minor nature of these modifications, the Department concludes that modifications will not result in any increase the bulk and scale of the building termination and would not result in any discernible additional environmental impacts when compared to the existing approved development. Therefore, the Department supports this aspect of the proposal.



Figure 21: Proposed resolution of rooftop levels of the building. Approved design (MOD 2) at the top and proposed design (MOD 3) below.

5.1.4 Design refinements

The Proponent has advised that a number of elements of the building are subject to further design refinement and may result in minor changes to the exterior treatment of the building. Specifically, these elements of the building are: