

InterContinental Hotel – Refurbishment and Rooftop Expansion

State Significant Development Assessment SSD 10454

December 2020



NSW Department of Planning, Industry and Environment | dpie.nsw.gov.au

Published by the NSW Department of Planning, Industry and Environment

dpie.nsw.gov.au

Title: Intercontinental Hotel – Refurbishment and Rooftop Expansion

Subtitle: State Significant Development Assessment SSD 10454

Cover image: Proposal viewed from the corner of Bridge and Phillip Streets (Source: Applicant's EIS)

© State of New South Wales through Department of Planning, Industry and Environment 2020. You may copy, distribute, display, download and otherwise freely deal with this publication for any purpose, provided that you attribute the Department of Planning, Industry and Environment as the owner. However, you must obtain permission if you wish to charge others for access to the publication (other than at cost); include the publication in advertising or a product for sale; modify the publication; or republish the publication on a website. You may freely link to the publication on a departmental website.

Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (December 2020) and may not be accurate, current or complete. The State of New South Wales (including the NSW Department of Planning, Industry and Environment), the author and the publisher take no responsibility, and will accept no liability, for the accuracy, currency, reliability or correctness of any information included in the document (including material provided by third parties). Readers should make their own inquiries and rely on their own advice when making decisions related to material contained in this publication.

Glossary

Abbreviation	Definition
AHD	Australian Height Datum
Applicant	Bistrita Pty Ltd (Mulpha)
Application	SSD 10454
CIV	Capital Investment Value
СМР	Conservation Management Plan
Consent	Development Consent
Council	City of Sydney
Department	Department of Planning, Industry and Environment
EESG	Environment, Energy and Science Group
EIS	Environmental Impact Statement
EPA	Environment Protection Authority
EP&A Act	Environmental Planning and Assessment Act 1979
EP&A Regulation	Environmental Planning and Assessment Regulation 2000
EPI	Environmental Planning Instrument
ESD	Ecologically Sustainable Development
FSR	Floor Space Ratio
GA NSW	Government Architect NSW
GFA	Gross Floor Area
Heritage NSW	Heritage NSW, Department of Premier and Cabinet
IC Hotel	InterContinental Hotel
IPC	Independent Planning Commission
LEP	Local Environmental Plan
Minister	Minister for Planning and Public Spaces
Planning Secretary	Secretary of the Department of Planning, Industry and Environment
RBG	Royal Botanic Gardens
RBGDT	Royal Botanic Gardens and Domain Trust

RtS	Response to Submissions
SCA	Special Character Area
SEARs	Planning Secretary's Environmental Assessment Requirements
SEPP	State Environmental Planning Policy
SLEP 2012	Sydney Local Environmental Plan 2012
SRD SEPP	State Environmental Planning Policy (State and Regional Development) 2011
SSD	State Significant Development
TfNSW	Transport for NSW
TfNSW (RMS)	Transport for NSW, Roads and Maritime Services

Executive Summary

Introduction

This report provides an assessment of a State Significant Development Application (SSD 10454) seeking approval for alterations and additions to the InterContinental Hotel (IC Hotel). This proposal is the first application seeking approval for works approved in the concept development application (SSD 7693) for the site, and proposes:

- external alterations, including expansion of the club lounge and terrace on the IC Hotel tower roof
- internal refurbishment of State Heritage listed items, and adjoining areas.

The remaining works approved under SSD 7693 will be subject to future development application(s), including the Transport House rooftop addition.

The Applicant contends the proposal is justified as it would update accessibility compliance, provide refurbished accommodation to maintain the IC Hotel as an internationally renowned five-star hotel, help consolidate Sydney's position as a global destination and support the broader NSW economy.

The Applicant is Bistrita Pty Ltd and the site is located within the Sydney local government area. The Minister for Planning and Public Spaces is the consent authority for the application.

Engagement

The Department publicly exhibited the application for 28 days from Thursday 10 September to Wednesday 7 October 2020. In response to the public exhibition, the Department received seven submissions, comprising five submissions making comments from government agencies, a submission making comments from Council, and one public submission in support.

Council considers the proposal acceptable with regards to design, built form, views and visual impact and heritage, and recommended consideration should be given to glazing that will reduce the likelihood of bird strikes, however acknowledged the building's concrete facade would reduce this likelihood.

Heritage NSW stated the works are consistent with the Conservation Management Plan and would result in positive heritage outcomes, however it suggested the design of the Level 7 handrail should be more recessive.

In response to issues raised, the Applicant's Response to Submissions proposed five additional bicycle parking spaces, included further justification for the Level 7 handrails and proposed glazing, and provided further information regarding design excellence, operation of the bar areas, and wind impacts.

Assessment

The Department has undertaken a detailed assessment of the proposal and has carefully considered the issues raised in submissions. The Department considers the proposal is acceptable as:

 the rooftop expansion is consistent with the approved concept envelope and the internal refurbishment works are consistent with the recently endorsed Conservation Management Plan for the site

- the rooftop expansion exhibits design excellence as it provides a high standard of architectural design, materials and detailing, and the built form sensitively integrates with the existing building and public domain
- it would result in positive heritage outcomes for the site as it would conserve the existing State listed Former NSW Treasury Buildings and enhance them through restoration works with minimal intervention to the existing heritage fabric
- conditions are recommended to mitigate and manage heritage impacts, including refinement of the handrails in the detailed design phase, to be approved by Heritage NSW
- the rooftop expansion would not adversely impact on the amenity of surrounding occupiers and the public domain in regard to visual impacts, view loss and overshadowing
- it would facilitate upgrade works to an internationally rated hotel to preserve its heritage, assist in boosting tourism in Sydney and provide 50 operational jobs and 35 40 construction jobs
- Heritage NSW and Council support the proposal.

Conclusion

The Department considers the proposal is acceptable as it is consistent with the works approved in the concept development application and would facilitate upgrade works to an internationally rated hotel to preserve its heritage and assist in boosting tourism in Sydney.

The proposal exhibits design excellence, has an acceptable built form and visual impact. The proposal would also enhance the heritage elements of the State listed Former Treasury Buildings, consistent with the recently endorsed CMP for the site.

The Department's assessment therefore concludes the proposal is in the public interest and it is recommended the application be approved, subject to conditions.

Contents

1	Intro	oduction ·····	1	
	1.1	Site context	1	
	1.2	The site (InterContinental Hotel)	1	
	1.3	Surrounding site context	4	
2	Proj	ject	6	
	2.1	Description of proposal	6	
	2.2	Need and justification	8	
	2.3	Staging	8	
	2.4	Timing	9	
	2.5	Relevant approvals	9	
3	Stra	Strategic context10		
	3.1	Greater Sydney Region Plan and Eastern City District Plan	10	
4	Stat	Statutory context		
	4.1	State significance	11	
	4.2	Permissibility	11	
	4.3	Mandatory Matters for Consideration	11	
	4.4	Biodiversity Development Assessment Report	12	
	4.5	Consistency with Concept Development Application	12	
	4.6	Draft National Heritage Listing - Governors' Domain and Civic Precinct	12	
5	Eng	Engagement13		
	5.1	Department's engagement	13	
	5.2	Summary of submissions	13	
	5.3	Key issues – Government agencies	13	
	5.4	Key issues – Council and Community	14	
	5.5	Response to submissions	14	
	5.6	Additional information	15	
6	Ass	Assessment16		
	6.1	Key issues	16	
	6.2	Design excellence	16	
	6.3	Built form and visual impact	17	
	6.4	Heritage	20	
	6.5	Other issues	22	
7	Eva	luation	27	
8	Rec	ommendation······	28	
a	Deta	ermination	20	

Appendices ·····	30
Appendix A – List of referenced documents	30
Appendix B – Community Views for Draft Notice of Decision	31
Appendix C – Statutory Considerations	32
Appendix D – Recommended Instrument of Consent	41

1 Introduction

Bistrita Pty Ltd (the Applicant) seeks approval for the following components of the works approved in the concept application for alterations and additions to the InterContinental Hotel (IC Hotel) (SSD 7693):

- · external alterations, including expansion of the club lounge and terrace on the IC Hotel tower roof
- internal refurbishment of State Heritage listed areas of the site, and adjoining areas.

Bistrita Pty Ltd is a subsidiary company of Mulpha Australia Ltd, the Applicant for SSD 7693.

1.1 Site context

The site is located in the north-eastern part of the central business district (CBD), in an area characterised by historic Government buildings and streetscapes (**Figure 1**).

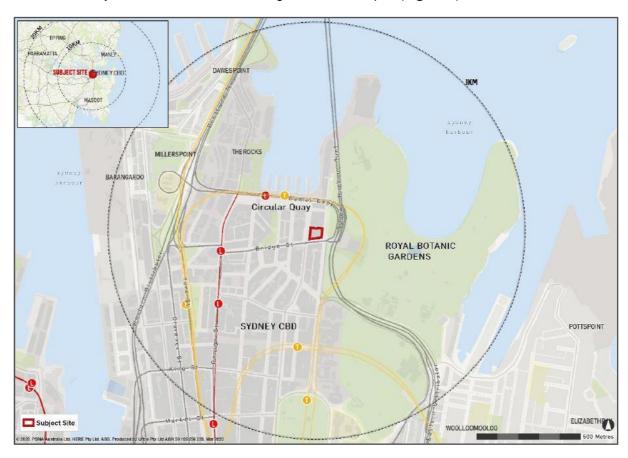


Figure 1 | Regional Context Map showing site outlined in red (Source: Applicant's EIS)

1.2 The site (InterContinental Hotel)

The site occupies the southern two-thirds of the block bounded by Macquarie Street, Bridge Street, Phillip Street and Albert Street (**Figure 2**), and is located within the City of Sydney local government area (LGA). The broader site comprises three allotments:

 Lot 3 DP 785393 containing Transport House at 99-113 Macquarie Street (a seven-storey commercial building, listed as a local heritage item) Lots 40 DP 41315 and 4 DP 785393 containing the IC Hotel, incorporating the State heritage listed former NSW Treasury Buildings at 115-119 Macquarie Street.



Figure 2 | Site Map showing IC Hotel & Transport House (Base source: SSD 7693 EIS)

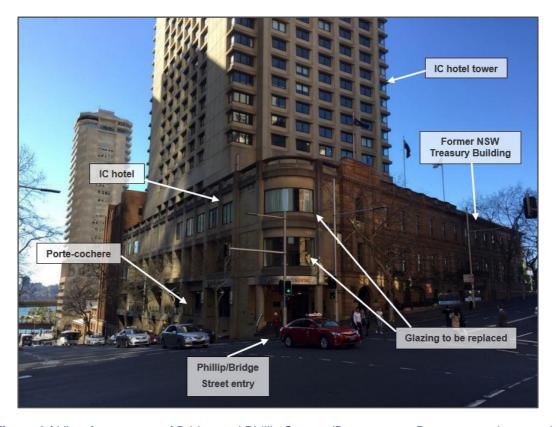


Figure 3 | View from corner of Bridge and Phillip Streets (Base source: Department photograph)

This application relates to the IC Hotel tower only. The proposal does not involve any works to Transport House. The mid-1980s constructed 32-storey, five-star IC Hotel is located on the corner of Phillip and Bridge Streets. The inter-connected former NSW Treasury Buildings fronting Macquarie and Bridge Streets are incorporated into the lower levels of the hotel (**Figures 3, 4** and **5**), with an internal courtyard/atrium area (the Cortile) sitting between the tower and the former NSW Treasury Buildings. The Cortile is currently in use as a lounge and bar area.



Figure 4 | The cortile (Base source: Department photograph)

The hotel tower sits partly above the western wing of the former NSW Treasury Buildings, and includes 509 guest rooms, a restaurant, bar and retail spaces. The hotel tower also includes the Club InterContinental Lounge on Level 32 (the club lounge), the top floor of the building.

At full occupancy, the IC Hotel accommodates up to 1000 guests and employs 300 staff. Vehicular access to the hotel is from Phillip Street via a two-driveway entrance to a basement car park containing 121 spaces, a loading dock and one way porte-cochere, which exits to Albert Street via a right-of-way.

The eastern part of the site, fronting Macquarie Street, is located within the Macquarie Street Special Character Area (SCA) under Sydney Local Environment Plan (SLEP 2012) and contains a collection historic Government-based buildings. The south-western corner of the site is located within the Bridge Street/Macquarie Place/Bulletin Place SCA, characterised by a cohesive group of landmark sandstone buildings. The site is also adjacent to the Circular Quay SCA.

The site is also located within an area currently being considered for inclusion as the Governor's Domain and Civic Precinct on the Australian National Heritage List (**Figure 1**, **Appendix C**).



Figure 5 | View south-west from Macquarie Street (Base source: Department photograph)

1.3 Surrounding site context

The surrounding site context (**Figure 6**) includes various historic sandstone buildings (some being State heritage listed) including:

- the Justice and Police Museum (including the former Traffic Courts and Phillip Street Police Station) and the 10-storey Sir Stamford at Circular Quay Hotel to the north, which has a concept approval (D/2017/1609) for a mixed-use building envelope to a height of 55 m (approximately 16 storeys)
- Macquarie Street (identified as a SCA under SLEP 2012), the Royal Botanic Gardens (RBG), and Conservatorium of Music to the east
- the Chief Secretary's Building on the southern side of Bridge Street and the Astor residential apartments to the south
- the AMP Tower to the west, approved for a new 50-storey tower commercial and residential tower.

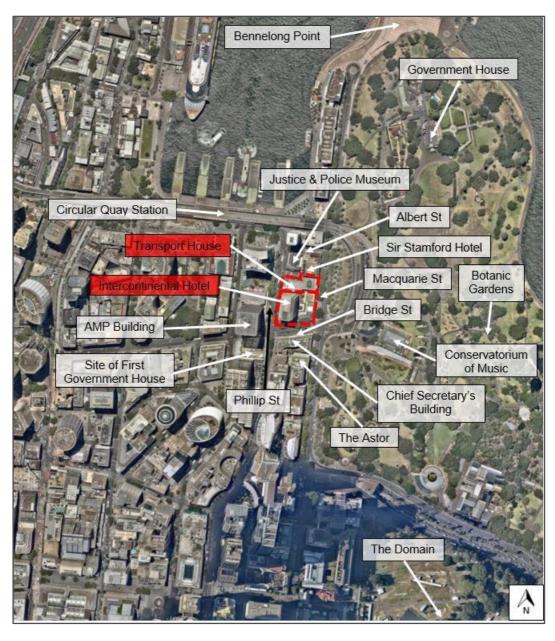


Figure 6 | Surrounding site context map (Base source: Nearmap)

2 Project

2.1 Description of proposal

The proposal seeks approval for alterations and additions to the IC Hotel, including refurbishment and an expansion of the existing Level 32 club lounge, in accordance with the concept envelope approved under SSD 7693. The key components of the proposal are outlined in **Table 1** and depicted in **Figures 7** to **10**.

Table 1 | Main Components of the Project

Aspect	Description
Demolition	Demolition of the following, in order to facilitate the works: onon-original walls in the Strong Room floor finishes, stairs and slab (where required) Level 32 (top floor) parapet, slab and mechanical equipment sandstone coping Phillip Street water features.
IC Hotel tower	 Refurbishment and fitout of the rooftop club lounge and terrace, including expansion with an enclosed space to the east and enclosed and outdoor space to the west. Replacement of rooftop exhaust outlets. Re-glazing of corner façade at Bridge & Phillip Streets. Architectural & finishes upgrade to Phillip & Bridge Streets entry, including new ramp, balustrade and handrail. Upgrades to porte-cochere, including finishes, new dark bronze metal planter box, built-in seating, water feature, bell desk and lighting. Upgrade to existing external lighting. Replacement of non-illuminated signage with illuminated signage Increase existing bicycle spaces from 5 to 15.
Former Treasury Buildings	 Alterations and upgrades to State Heritage listed areas and adjoining spaces, including: refurbishment of the Café Opera, Strong Room, cortile and adjacent spaces, including refurbishment of the existing bar, removal of 1980s additions, and adjustments to levels to improve accessibility and pedestrian flow upgrades to balustrades to address BCA compliance issues.
Use of club lounge	 No proposed increase to existing patron capacity of 115 Hours of operation: Monday to Thursday: 6.30 am to 12 midnight Friday and Saturday: 7 am to 1 am Sunday: 6.30 am to 10.30 pm (liquor trading from 10 am to 10 pm) The external deck area would shut at 11 pm (10.30 pm Sunday).
GFA	 Overall GFA increase of 250 m², equating to a total GFA of 40,919 m² across the entire site as approved in the concept application (FSR of 7.43:1), consisting of: net increase of 254 m² at rooftop level (increase of 265 m² from club lounge & reduction of 11 m² from extension of new fire egress stair from level below) net reduction of 4 m² at ground level (increase of 5 m² from demolition of lightweight walls & reduction of 9 m² from new fit out).
CIV/Jobs	\$10,330,310.50 operational jobs and 35-40 construction jobs



Figure 7 | Proposal viewed from the corner of Bridge and Phillip Streets (Base source: Applicant's EIS)

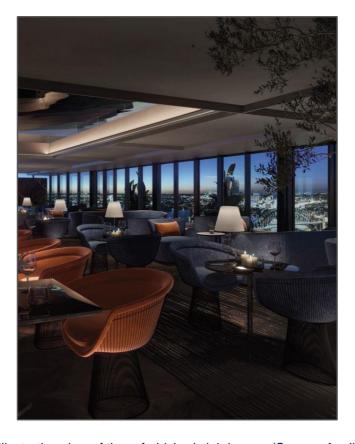


Figure 8 | Illustrative view of the refurbished club lounge (Source: Applicant's EIS)

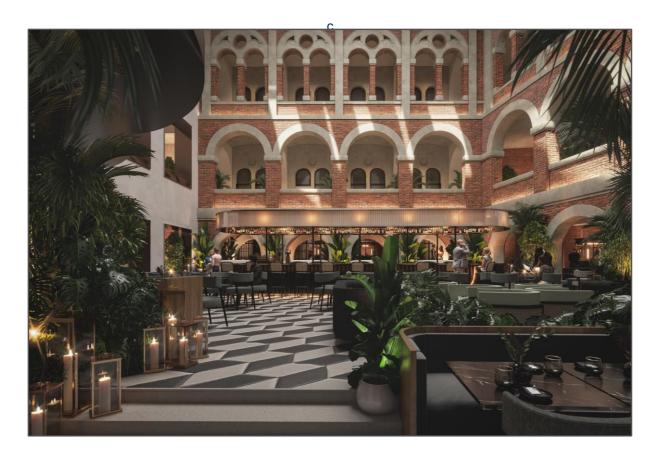


Figure 9 | Proposed upgraded ground floor bar/cortile space (Source: Applicant's EIS)

2.2 Need and justification

The Applicant contends the proposal is needed and in the public interest as it would:

- provide refurbishments to maintain the IC Hotel's role as an internationally renowned five-star hotel, help consolidate Sydney's global position and support the NSW economy
- expand a facility (the club lounge) that is a major attraction to guests, in order to provide increased capacity and improved functionality to better capitalise on world class views of Sydney Harbour
- capitalise on the site's location close to high profile tourist destinations and public transport
- deliver benefits to the NSW community by providing 50 operational and 35-40 construction jobs
- be consistent with key strategic and statutory policies and guidelines
- be suitable for the site and its context given its consistency with the concept approval and environmental planning instruments (EPIs)
- achieve design excellence whilst respecting, preserving and investing in the significant heritage components of the site to ensure their ongoing use and longevity
- not result in any adverse significant social, economic or amenity impacts
- include measures to improve accessibility and deliver ESD.

2.3 Staging

This application is the first that includes works approved under SSD 7693 (see **Section 2.4**), and would be staged as follows (**Figure 10**):

- Stage 1: all works with the exception of those in Stage 2.
- Stage 2: Rooftop extension and fitout.

The remaining works approved under SSD 7693 would be subject to future application(s), including for the Transport House rooftop addition.

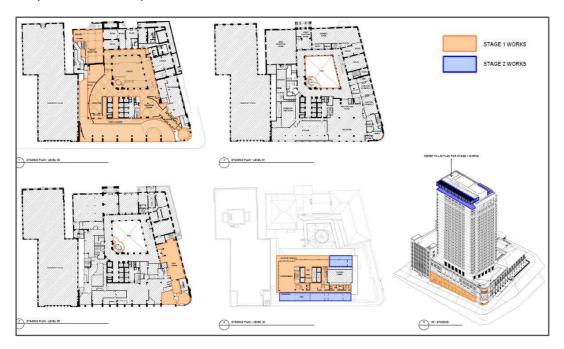


Figure 10 | Staging plan (Source: Applicant's EIS)

2.4 Timing

Construction is anticipated to take approximately one year.

2.5 Relevant approvals

On 22 January 2020, development consent was granted by the Independent Planning Commission for a concept development application (SSD 7693) for the IC Hotel, including approval for:

- use of the roof and airspace above Transport House for tourist and visitor accommodation (an addition to the IC Hotel)
- establishment of building envelopes to facilitate external alterations and additions to the IC hotel, including:
 - additions to the northern and eastern elevations of the IC Hotel (including a new plant room enclosure at Levels 8 to 9, wellness centre at Level 9 and a grand ballroom at Levels 10 to 12) extending over part of Transport House and the existing hotel podium, including the former NSW Treasury building
 - alterations to the roof of the hotel tower, including expansion of the club lounge and terrace at Level 32
 - internal alterations and upgrade works to the IC Hotel.

On 2 October 2020, the Department approved SSD 7693 MOD 1, to amend conditions to correct minor errors and ensure that certain documents assessing heritage and structural adequacy are endorsed or provided with the relevant applications.

3 Strategic context

3.1 Greater Sydney Region Plan and Eastern City District Plan

The Greater Sydney Region Plan (GSRP) supports a 40-year vision for a metropolis of three cities that will rebalance growth and deliver its benefits more equally and equitably to residents across Greater Sydney. The site is located in the Eastern Harbour City.

The GSRP outlines how Greater Sydney will manage growth and guide infrastructure delivery. It sets the vision and strategy for Greater Sydney to be implemented at local level through District Plans. The site is located in the Eastern City District.

The proposed development supports the directions and objectives of the GRSP and Eastern City District Plan by:

- facilitating upgrade works to an internationally rated hotel to preserve its heritage and assist in boosting tourism in Sydney, supporting the global role of the Sydney CBD and contributing to the attractiveness of the city as a world-renowned tourist destination
- upgrading tourist accommodation close to high-profile tourist destinations with good access to the Circular Quay transport hub
- supporting growth in the Harbour CBD through direct and indirect economic activity and employment, including 50 operational jobs and 35-40 construction jobs.

4 Statutory context

4.1 State significance

The proposal is State significant development (SSD) under section 4.36 of the *Environmental Planning* and Assessment Act 1979 (EP&A Act) and clause 13 of Schedule 1 of State Environmental Planning Policy (State and Regional Development) 2011 (SRD SEPP), as it is development for tourist related purposes with a CIV in excess of \$10 million (\$10.33 million) and is located within an environmentally sensitive area of State significance. This includes land, places, buildings or structures listed on the SHR under the *Heritage Act 1977*, of which the former NSW Treasury Buildings is one.

Therefore, the Minister for Planning and Public Spaces is the consent authority for the project.

The application can be determined by the Executive Director, Key Sites and Regions under delegation as:

- a political disclosure statement has not been made
- there are less than 50 public submissions (other than Council) in the nature of objections
- the Council of the area in which the development is to be carried out has not made an objection under the mandatory requirements for community participation in Schedule 1 of the Act.

4.2 Permissibility

The site is zoned B8 Metropolitan Centre under SLEP 2012. The proposal is defined as tourist and visitor accommodation, which includes hotel or motel accommodation, and is permissible with consent.

The site is subject to a sun access plane (SAP) provision under clause 6.17 of SLEP 2012, which aims to protect sun access to the nearby RBG. Clause 6.17 states the consent authority must not grant consent to development resulting in any building on the land projecting higher than the SAP.

The proposed hotel tower roof expansion would extend outside the existing building envelope and above the SAP (see **Section 6**). However, the remainder of the development is permissible with consent. The proposal is therefore partly prohibited and partly permissible, subject to consideration of the merit/impact of the proposal. Development consent may therefore be granted as the development is not wholly prohibited, consistent with section 4.38(3) of the EP&A Act.

Clause 7.2 of SLEP 2012 states consent must not be granted to development on land in Central Sydney unless a development control plan (DCP) has been prepared, where the site for development is greater than 1500 m² or the development would result in a building higher than 55 m. However, section 4.23 of the EP&A Act allows for a concept development application (DA) to be carried out in lieu of the preparation of a DCP. A concept application (SSD 7693) was approved by the IPC (**Section 2.4**) and the Department notes the proposed rooftop addition is consistent with the approved concept envelope.

4.3 Mandatory Matters for Consideration

Section 4.15 of the EP&A Act outlines the matters that a consent authority must take into consideration when determining DAs. These matters could be summarised as:

- the provisions of EPIs (including draft instruments), DCPs, planning agreements, and the Environmental Planning and Assessment Regulation 2000 (EP&A Regulation)
- the environmental, social and economic impacts of the development
- · the suitability of the site
- any submissions, and
- the public interest, including the objects in the EP&A Act and the encouragement of ecologically sustainable development (ESD).

The Department has considered all of these matters in its assessment, as well as the Applicant's consideration of EPIs in its EIS, as summarised in **Section 6**. The Department has also considered the relevant provisions of the EP&A Act, including EPIs in **Appendix C**.

4.4 Biodiversity Development Assessment Report

Section 7.9(2) of the *Biodiversity Conservation Act 2016* (BC Act) requires all SSD applications to be accompanied by a Biodiversity Development Assessment Report (BDAR) unless the Planning Agency Head and the Environment Agency Head determine that the proposed development is not likely to have any significant impact on biodiversity values.

The Department waived the requirement for a BDAR following confirmation from the Environment Agency Head's delegate that the proposal is unlikely to significantly impact on biodiversity values.

4.5 Consistency with Concept Development Application

Clause 4.24(2) of the EP&A Act specifies that while any concept DA for a site remains in force, the determination of any further DA cannot be inconsistent with it. The Department has considered the concept DA and considers the proposal is consistent with it because it:

- exhibits design excellence
- is within the approved maximum height, setbacks and FSR
- would not increase visual and view impacts
- would not have any adverse impacts, including on heritage.

4.6 Draft National Heritage Listing - Governors' Domain and Civic Precinct

Australia's National Heritage List comprises places of outstanding heritage significance to Australia. The Australian Heritage Council (AHC) is seeking to recognise the outstanding national significance of buildings and places located within the 'Governors' Domain and Civic Precinct'. The precinct extends from Hyde Park in the south, to Government House and RBG in the north, and includes buildings along Macquarie Street and Bridge Street, including the former NSW Treasury Buildings (on the site) (**Figure 1**, **Appendix C**). The Draft National Heritage Listing was exhibited until 24 February 2017.

If included in the National Heritage List, the national heritage values of the former NSW Treasury Buildings relating to its contribution towards Australia's cultural history would be protected under *the Environment Protection and Biodiversity Conservation Act 1999* and may require separate approval from the Commonwealth Government.

The Department has referred the application to Heritage NSW and has carefully considered its response and any recommendations on suggested conditions (**Sections 5** and **6**).

5 Engagement

5.1 Department's engagement

In accordance with Schedule 1 of the EP&A Act, the Department publicly exhibited the application from Thursday 10 September until Wednesday 7 October 2020 (28 days). The application was made publicly available on the Department's website and at Service Centre NSW.

The Department placed a public exhibition notice in the Sydney Morning Herald and Daily Telegraph on Wednesday 9 September 2020, and notified adjoining landholders, Council and relevant government agencies in writing.

The Department has considered comments raised in submissions in its assessment of the application (**Section 6** and **Appendix B**) and by recommended conditions at **Appendix D**.

5.2 Summary of submissions

The Department received seven submissions in response to the application. The submissions comprised of:

- five submissions providing comments from government agencies
- one submission providing comments from Council
- one public submission of support.

The Department did not receive any objections to the proposal. A link to the full copy of the submissions is provided in **Appendix A**.

5.3 Key issues – Government agencies

The key issues raised by government agencies are summarised in **Table 2** below.

Table 2 | Summary of government agency submissions on the EIS

Government Agency	Comments	
Heritage NSW	 Heritage NSW made the following comments: the retention and enhancement of the central cortile space is a positive heritage outcome the 1980s philosophy of conservation forms part of the significance of the item and retaining evidence of these works such as the elliptical stair and lift enhances these values removal of intrusive 1980s elements will improve the condition of the building and enhance its heritage significance the design of the Level 7 handrail should be more recessive the Interpretation Strategy generally aligns with the Conservation Management Plan (CMP) all conservation and interpretation works shall be undertaken prior to the issue 	
Royal Botanic Gardens and Domain Trust (RBGDT)	of an Occupation Certificate, guided by a suitably qualified heritage consultant. RBGDT raised no concerns regarding overshadowing, given that the works would be contained within the approved concept envelope.	

Environment Protection Authority (EPA)	EPA stated it had no comments on the proposal, noting it does not require an Environment Protection Licence, is not being undertaken by or on behalf of a public authority and the EPA is not the appropriate regulatory authority.	
Environment, Energy and Science Group (EESG)	EESG noted a BDAR waiver was approved and made no flooding comments.	
Transport for NSW (TfNSW)	TfNSW raised no concerns with the proposal and recommended conditions of consent requiring: updated Construction Pedestrian and Traffic Management and Green Travel Plans a Transport Access Guide, to provide information to staff, guests and visitors about how to travel to the site by sustainable transport modes.	

bicycle parking spaces to be safe and accessible.

5.4 Key issues – Council and Community

5.4.1 Council Key Issues

City of Sydney Council (Council) provided comments as summarised in Table 3 below.

Table 3 | Summary of Council submission on the EIS

City of Sydney Council

Council made the following comments:

- a competitive design process for this proposal would be unreasonable and unnecessary
- the rooftop extension:
 - o is contained wholly within the approved envelope
 - is acceptable with regards to urban design as it includes the use of a high standard of materials that are consistent with the architectural integrity of the existing building
 - o would not result in overshadowing of the RBG
 - o is unlikely to impact on views from the public domain or surrounding developments
- · consideration should be given to a glass treatment that will reduce the likelihood of bird strikes
- the 1 m high balustrade on the rooftop terrace should be increased to 1.4 m to reflect the recommendation in the Wind Report
- the external works would have an acceptable impact on the Bridge Street, Macquarie Place and Farrer Place and Macquarie Street Special Character Areas, and streetscape of Phillip and Bridge Streets
- the internal heritage works would have a minor impact as they do not modify the building form or significant fabric, but improve the spatial quality and provide some code compliance upgrades
- bicycle spaces should be increased by 13 rather than the proposed five, in accordance with Sydney DCP 2012 (SDCP), and located close to existing spaces and end-of-trip facilities
- conditions are recommended to ensure works to the entry on the corner of Bridge and Phillip Streets are contained within the site and do not impact on the public domain, and all items within the site streetscapes are retained and protected during construction.

5.4.2 Community Key Issues

The Department received one public submission of support requesting a requirement for the proposal to recycle construction wastewater and eliminate liquid waste discharge.

5.5 Response to submissions

Following exhibition of the application, the Department placed copies of all submissions received on its website and requested the Applicant provide a response to the issues raised in the submissions.

On 10 November 2020, the Applicant provided a Response to Submissions (RtS) on the comments raised during the exhibition of the proposal, including further justification for the Level 7 handrails and not providing a glass treatment that will reduce the likelihood of bird strikes, further information regarding design excellence, operation of the bar areas, and clarification regarding wind impacts.

In conjunction with the RtS report, the Applicant provided five additional bicycle parking spaces, resulting in a total of 10 new spaces. The RtS was made publicly available on the Department's website.

The Department received submissions making comments from Council and Heritage NSW. A summary of issues raised is provided at **Table 4**. The Department received one public submission which reiterated the need for liquid waste to be managed during construction.

A link to all submissions is provided at **Appendix A**.

Table 4 | Summary of government agency and Council submissions to the RtS

Government Agency/Council	Comments	
Heritage NSW	Heritage NSW stated: review and reconsideration of the Level 7 handrail design is desirable, to minimise any visual impact the Applicant has noted all other recommendations, which should be reflected in conditions.	
City of Sydney Council	 Council stated: consideration should be given to glazing that will reduce the likelihood of bird strikes, however acknowledged the building's concrete facade would reduce this likelihood no objection is raised to the amendments to the rooftop balustrade heights made in accordance with the updated wind impact assessment the increased bicycle parking provision is sufficient, given there would be further opportunity to provide spaces and end-of-trip facilities as part of the ballroom addition a Transport Access Guide should be prepared, which specifies the provision of, and access to, staff and visitor bicycle parking, to support the use of the increase spaces. 	

5.6 Additional information

On 7 December 2020, the Applicant submitted additional information responding to the public submission received during exhibition. The Applicant stated the submission is not relevant to the matters for consideration under section 4.15 of the EP&A Act, and that construction impacts will be managed in accordance with the Preliminary Construction Management Plan and appropriate conditions of consent.

On 16 August 2020, the Applicant submitted the Former Treasury Buildings CMP (endorsed on 15 December 2020), accompanied by a statement that the proposal is consistent with the CMP. The Department received a submission from Heritage NSW stating the proposal is generally consistent with the endorsed CMP. Heritage NSW also recommended conditions requiring regular maintenance to ensure significant fabric is conserved and retained, in accordance with a maintenance plan guided by the CMP.

6 Assessment

6.1 Key issues

The Department has considered the proposal, the issues raised in submissions and the Applicant's RtS in the assessment of the application. The Department considers the key issues associated with the proposal are:

- design excellence
- built form and visual impact
- heritage.

Each of these key issues is discussed in the following sections of the report. The Department's consideration of other issues relating to this application are addressed in **Section 6.5**.

6.2 Design excellence

Clause 6.21 of the SLEP 2012 requires the consent authority to be satisfied the development exhibits design excellence. Clause 6.21(4) specifies the matters the consent authority must consider in determining the design excellence of the development, and include architectural design, public domain, view corridors, environmental impacts and sustainable design. These are addressed in full in **Appendix C**. The Department has also considered these matters in detail throughout **Section 6**.

The Department notes the concept approval requires a design competition for the Transport House rooftop addition, however this component does not form part of this application. In its assessment of the concept development application, the Department supported the envelope facilitating the rooftop expansion. The IPC also concluded that the IC Hotel tower building envelopes would not increase the overall height of the IC Hotel tower, are minor in nature and are acceptable.

The Applicant submitted a Design Report outlining how design excellence would be achieved. This includes review by Woods Bagot's (the Applicant's architect) Design Council.

GANSW considers the proposal exhibits design excellence in accordance with SLEP 2012 as the architect is recognised for design excellence, the proposal is visually recessive, improves accessibility, respects heritage fabric, and includes high quality materiality and detail.

Council stated the design of the rooftop works is acceptable as it includes a high standard of materials consistent with the building, and that a competitive design process would be unreasonable and unnecessary. Council stated consideration should be given to glazing that will reduce the likelihood of bird strikes, however acknowledged the building's concrete facade would reduce this likelihood.

As part of its RtS, the Applicant provided further justification for the proposed glazing, stating that impacts on birds would be minimal as the proposal is a minor extension in the context of a predominantly concrete tower, and noted the design aims to provide transparent windows for enjoyment of views.

The Department has considered the advice from GA NSW, Council and the matters under clause 6.21 of SLEP 2012 and is satisfied the proposal exhibits design excellence as:

- the rooftop extension is of a high standard of architectural design, materials and detailing that would distinguish the extension from the existing building and provide a contemporary finish, including dark bronze, non-reflective steel and a glass skylight to provide more natural light
- the rooftop extension glazing is unlikely to increase bird strikes because it is a minor extension in
 the context of a predominantly concrete tower and therefore would not provide large uninterrupted
 glazed areas. It would also reflect minimal vegetation or sky, and afford greater enjoyment of views
- the rooftop extension is within the approved envelope, including height, FSR and setbacks, sensitively integrates with the existing building and limits bulk through the proposed lightweight materials and cantilevering over the existing tower
- visual impacts are acceptable because the rooftop extension sits wholly within the approved envelope, is subservient to the existing building, and visually recessive when viewed from the public domain
- heritage impacts are acceptable because works are consistent with the CMP, the rooftop extension
 is subservient in form, there is limited visibility of external works in the context of the surrounding
 heritage items and internal works would enhance the heritage significance of the building
- the works to the Bridge and Phillip Streets corner façade would improve the streetscape presentation of the hotel and its integration with the public domain
- the internal works include improvements to entry and circulation spaces to improve accessibility and functionality
- it would deliver ESD through increasing access to natural light in the rooftop extension and using high-performance glazing and providing new high-efficiency LED lighting.

The Department notes Council, Heritage NSW and GANSW did not raise any concerns.

The Department's assessment therefore concludes the proposed development exhibits design excellence, satisfying the provisions of the SLEP 2012.

6.3 Built form and visual impact

The Applicant seeks approval for an extension to expand the rooftop lounge and terrace to the east and west with a new deck and enclosed space (**Figure 7**). The Applicant contends this is acceptable as it is within the envelope permitted by the concept application and would increase functionality of this space and capitalise on views of Sydney Harbour.

The Department notes that although the proposal would extend 41 m above the maximum 55 m height control and SAP, it would not exceed the maximum height of the existing IC Hotel tower, which already exceeds both these controls. The Department also notes the proposed FSR of 7.43:1 complies with the approved concept FSR of 7.852:1 and is below the permissible FSR for the site (14:1).

Neither the Department nor IPC raised concerns regarding the rooftop envelope during the assessment of the concept application.

The Applicant submitted a Visual Impact Assessment (VIA) to consider the potential view impacts of the proposal from public locations around the site, primarily in relation to the proposed rooftop extension. The VIA reviewed all 13 views included in the concept application and determined that three of these were relevant to this proposal, along with one additional view (**Figures 11** and **12**). The relevance of views was determined based on sensitivity, level of obstruction, and presence of landscape views or heritage items.

The VIA concluded the proposal is acceptable because it would have less impact than the concept application, limited visibility, and reduces impact through the use of lightweight materials.

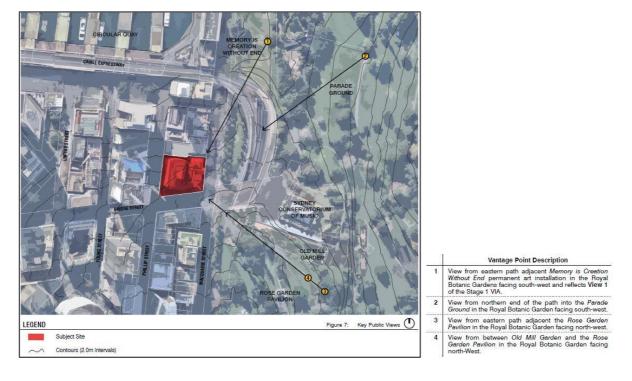


Figure 11 | Key viewpoints identified by VIA (Source: Applicant's VIA)

















Figure 12 | Viewpoints 1 – 4: approved envelope (left) and proposed extension (right) (Source: VIA)

Council stated the rooftop extension is unlikely to impact on views from the public domain as it is contained wholly within the approved envelope.

The Department raises no concerns with the works to the ground floor entry and Bridge and Phillip Streets corner façade, as these would improve the streetscape presentation of the hotel and its integration with the public domain.

The Department has reviewed the Applicant's justification and the SLEP 2012 controls and considers the proposal's built form and visual impact is acceptable because:

- it is of a modest scale and would not exceed the maximum height approved in the concept application
- although it would extend 41 m above the maximum 55 m height control and SAP, it would not
 exceed the maximum height of the existing IC Hotel tower, which already exceeds both these
 controls
- the proposed FSR of 7.43:1 (net increase in GFA of 250 m², predominantly for the rooftop lounge) can comfortably be accommodated within the approved concept FSR of 7.852:1 (including an allocation of 415 m² for the rooftop lounge), and the permissible FSR for the site (14:1)
- it is consistent with the existing building setbacks, approved envelope and exceed the required 30 m setback to the Macquarie Street Special Character Area
- it does not occupy the full approved envelope, and would therefore have less impact than the already low impact originally envisaged
- not all parts of the rooftop are easily visible from all viewpoints. In particular, the western façade (where the greatest additional bulk is proposed) is not visible from any of the viewpoints, and an additional view is partially screened by large-scale vegetation

- it is a contemporary and complementary extension and visually subservient to the existing building
- the materials (frameless glass and steel) present as lightweight and therefore limit bulk
- it respects and is submissive to the visual character and setting of surrounding heritage items and the streetscape.
- it demonstrates design excellence and would not result in any significant adverse visual bulk, overshadowing or other amenity impacts on the surrounding area (**Section 6.2**, **6.4** and **6.5**).

6.4 Heritage

The site contains two heritage items, the State listed former NSW Treasury Buildings and the locally listed Transport House. The site is also adjacent to and near several items, groups of items and streetscapes of local, State heritage and National significance (**Figure 6**).

The Department notes the key heritage concerns in the assessment of the concept application related to the proposed Transport House envelope, which does not form part of this application.

The Department considers the key heritage issues are the visual impact of the rooftop addition and works near the hotel entry, and the impact of the internal works on the heritage fabric and setting of the former Treasury Buildings. These are considered separately below.

External works

The ground floor entry works (**Figure 7**) include upgrades to the IC Hotel entry and porte-cochere, and re-glazing of the corner façade at Bridge and Phillip Streets. The Applicant states these works would improve accessibility and the appearance of the hotel.

To support the proposal, the Applicant prepared a Heritage Impact Statement (HIS), which concludes the works would have an acceptable impact as they are almost entirely located within the existing building envelope.

Heritage NSW made no comments regarding the proposed external works.

Council stated the external works would have an improved impact on the building's existing interface with the public domain and would have an acceptable impact on Bridge Street, Macquarie Place and Farrer Place and Macquarie Street Special Character Areas, and Phillip/Bridge Street streetscape.

The Department notes the CMP for the former Treasury Buildings was endorsed by Heritage NSW on 15 December 2020. The Department also notes the CMP was prepared by Urbis, who prepared the HIS for this proposal and the approved concept application. The Applicant considers the proposal is consistent with the CMP.

The Department considers the external works would have an acceptable heritage impact because:

- the works are proposed to the IC Hotel tower and not the heritage listed areas of the site, and are consistent with the endorsed CMP
- the rooftop works are relatively minor, compliant with the concept approval, and would have limited visibility in the context of surrounding heritage items and Special Character Areas

The Department also notes Heritage NSW and Council did not raise concerns.

The Department's assessment therefore concludes the proposed external works would not have an adverse heritage impact, subject to conditions to ensure the works are managed to prevent any heritage impacts, including a recommendation for a suitably qualified heritage consultant to oversee the works.

Internal works

The Applicant seeks approval for internal works and refurbishment of areas within the former Treasury Buildings (**Figures 8** and **13**), including the Strong Room, Café Opera, colonnade balustrades (**Figure 14**), and cortile/ground floor bar area adjoining the rear of the former Treasury Buildings.

The Applicant proposes the upgrades to provide general refurbishments, address BCA code compliance and improve heritage appreciation.

The Applicant's HIS states the proposed works are acceptable as they are essentially limited to refurbishment of 1980s spaces, consistent with the CMP and are sympathetic to the ongoing use and conservation of the adjoining heritage fabric.

Heritage NSW supported the retention and enhancement of the cortile space and removal of intrusive 1980s elements, and stated the works generally align with the CMP. However, it stated review and reconsideration of the Level 7 handrail design is desirable, to minimise visual impact.

Council considered the works would have a minor impact as they would not modify the building form or significant fabric but would improve the spatial quality and provide some code compliance upgrades.

As part of its RtS, the Applicant provided further justification for the design of the Level 7 handrail, including that they are consistent with the overall works and do not require new penetrations.

The Department concludes the proposed internal works are acceptable because:

- intervention would be minimal and consistent with the relevant CMP policies
- they would remove intrusive 1980s additions in order to maximise views of heritage facades and open up spaces similarly to original layouts
- they would conserve and complement original features and facilitate ongoing conservation
- they would improve accessibility and functionality through reconfiguring and simplifying levels
- the new balustrades would address existing BCA code compliance issues, are reversible, visually
 recessive (dark bronze) but readily apparent as new work and would not require new penetrations,
 and further refinement of the Level 7 handrail can be required by a condition of consent
- interpretation works would be finalised prior to occupation.

The Department notes that Council did not raise concerns and that Heritage NSW supported the works, subject to further consideration of the proposed handrail design.

The Department therefore concludes the proposed internal works would improve the building's heritage, subject to conditions consistent with Heritage NSW recommendations, requiring:

- further review of the Level 7 handrail design to be approved by Heritage NSW
- provision of an updated Conservation Works Schedule and Heritage Interpretation Strategy prior to construction
- conservation and interpretation works to be finalised prior to occupation
- regular maintenance to ensure significant fabric is conserved and retained, in accordance with a maintenance plan guided by the CMP.

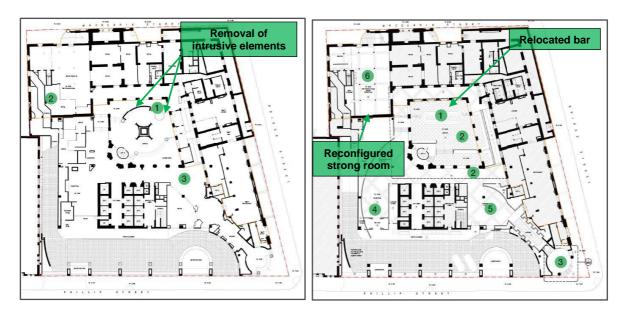


Figure 13 | Existing and proposed ground floor works (Source: Applicant's Design Statement)



Figure 14 | Existing and proposed balustrades (Source: Applicant's Design Statement)

6.5 Other issues

The Department's consideration of other issues is provided at **Table 5**.

Table 5 | Summary of other issues raised

Issue	Findings	Recommendations
Construction impacts	 The Applicant envisages construction would take approximately one year and will be undertaken during standard Council CBD hours of 7 am and 7 pm Monday to Friday and 7 am and 5 pm Saturday. The Applicant's Construction Environmental Management Plan (CEMP) concluded construction impacts would be manageable if mitigated. One public submission in support stated the proposal should recycle construction wastewater and eliminate liquid waste discharge. 	The Department recommends the following conditions: a CEMP is prepared in consultation with Council prior to commencement of works a CNVMP is prepared in prior to

- Council and other government agencies did not raise concerns regarding construction impacts, subject to recommended management conditions.
- The Department considers construction noise impacts would be acceptable as most exceedances of Noise Management Levels would be minor, there would be no exceedances of the highly affected noise level, the refurbishment works are internal and would not require heavy tools.
- The Department considers construction traffic would have minimal impact as daily movements would be in the order of 10-20 and can utilise the existing site access and loading dock.
- The Department recommends standard conditions to ensure all other construction impacts, such as waste, air and water quality, are effectively managed.
- The Department also recommends conditions requiring the construction management plans to be updated, and to apply CBD construction hours (as proposed by the Applicant).
- The Department concludes construction impacts would not be adverse, subject to recommended conditions.

- commencement of works
- a CPTMP is prepared in consultation with TfNSW and Council prior to commencement of works
- a Construction
 Waste
 Management
 Plan is prepared
 prior to
 commencement
 of works
- construction hours are restricted to between 7 am and 7 pm Monday to Friday and 7 am and 5 pm Saturday.

Traffic, access, and servicing

- The Applicant's Transport Impact Assessment (TIA) states employees typically walk to the site or travel by public transport and therefore the increase of 50 staff would not impact on the surrounding transport network.
- TfNSW recommended conditions of consent requiring updating of the Green Travel Plan (GTP) and preparation of a Transport Access Guide.
- Subject to the recommended conditions, the Department considers the proposal would not have significant traffic impacts because:
 - o there is no increase in rooms or patron capacity
 - o no additional car parking is proposed
 - 10 additional bicycle parking spaces are proposed and employees have access to end-of-trip facilities
 - the site is adequately serviced by public transport, reflected by approximately 80 per cent of workers in the area utilising non-car modes of travel to work
 - the GTP identifies the potential to further reduce car travel to the site by raising awareness of sustainable transport with staff and guests
 - the existing porte-cochere and loading dock can adequately cater for any increase in demand.

The Department recommends the following conditions:

- a GTP must be approved by TfNSW a minimum of six months prior to the issue of an Occupation Certificate
- a TAG is approved by TfNSW prior to the issue of an Occupation Certificate.

Bicycle parking

- The site currently provides five bicycle spaces.
- The Applicant originally proposed five new spaces.
- Council stated bicycle spaces should be increased in accordance with SDCP 2012 (i.e. 13 additional spaces for the 50 new staff).
- TfNSW stated bicycle parking spaces should be safe and accessible.
- In its RtS, the Applicant added five further spaces, therefore proposing 10 new spaces in total.
- The Applicant contends the proposed bicycle parking provision is sufficient because:
 - o there is currently limited staff demand
 - staff often finish late at night when they consider it is less safe or practical to travel by bicycle
 - the majority of guests are interstate or international tourists who do not need to park bicycles on site
 - bicycles can be provided externally to the site.

The Department recommends the following conditions:

- 10 additional parking spaces to be provided
- the TAG must specify the provision of, and access to, staff and visitor bicycle parking.

- Council stated the increased provision is sufficient, given there is further opportunity to provide spaces and end-of-trip facilities with the future ballroom addition, and recommended preparation of a TAG.
- The Department considers that despite a three-space shortfall, the additional bicycle parking would adequately cater for expected demand because:
 - it would triple the existing bicycle parking provision on the site, for a 17 per cent increase in staff
 - the spaces are within a secure area of the car park and adequate end-of-trip facilities are provided
 - the site is adequately serviced by public transport.
- The Department concludes the additional bicycle parking would adequately cater for expected demand, subject to the recommended conditions.

Solar Access

- SLEP 2012 maximises sunlight access to public places, including the RBG, through the SAP.
- The proposed club lounge extension is above the RBG SAP and would result in additional overshadowing.
- The Applicant contends this is acceptable as it would fall on the roof of the existing building at 50 Phillip Street, and therefore not generate any additional overshadowing of the RBG or Domain.
- · Council and RBGDT raised no solar access concerns.
- The Department considers the overshadowing acceptable because:
 - the works are within the approved envelope and would therefore not result in any overshadowing additional to that already considered
 - there would be no overshadowing of public open space, including the RBG or Domain, in accordance with SAP controls
 - the amount of shadowing is minor, would fall mainly on the roof of 50 Phillip Street and therefore would have minimal impact on its occupants
 - it would fall at midday on the winter solstice but is not present at 9 am or 3 pm, therefore indicating it would not have impacts at other times of the day.

No conditions recommended.

No conditions

recommended.

View loss

- The Department notes no view loss issues were raised in its consideration of the concept application and no view loss issues were raised during the assessment of the subject application.
- The Applicant contends that the rooftop additions would not obstruct any views from the Astor residential building to the south of the site, as they would not be visible from it.
- Council stated the rooftop extension is unlikely to impact on views from surrounding developments.
- The Department notes no issues were raised in its consideration of the concept application regarding view loss associated with the rooftop expansion.
- The Department concludes view loss would be minimal and there would be no impacts beyond those already considered in the concept application, particularly given the addition does not fully occupy the approved envelope.

Overlooking/ privacy

- The Department considers the proposal is unlikely to impact on privacy because:
 - the 13-storey Astor residential building sits at a significantly lower height than the Level 32 club lounge
 - there are only two areas of the club lounge extension with windows facing the Astor building (in the south-west and south-east corner of the club lounge), therefore minimising any potential overlooking opportunities

No conditions recommended.

the approved envelope height of the Stamford Hotel to the north, is approximately 40 m lower than the IC Hotel rooftop.

Lighting

- The Applicant seeks approval for:
 - upgraded lighting to the main hotel entry and façade above
 - o new porte-cochere lighting
 - new lighting to the Level 32 club terrace and underside of rooftop extension
 - replacement of lighting to the existing signage on the western side of the IC Hotel tower
 - replacement of two existing non-illuminated signs with illuminated signs containing the IC Hotel name and logo at the porte-cochere and main hotel entry.
- The Applicant's Lighting Impact Assessment (LIA) concludes that when considered in the context of the Sydney CBD, lighting impact would be limited and of similar intensity to the surrounding buildings.
- The Department considers the proposal would have acceptable lighting impacts because:
 - it would be capable of compliance with Australian Standard 4282:2019 – Control of the Obtrusive Effects of Outdoor Lighting (AS 4282:2019)
 - the club lounge would be largely internally lit
 - it would replace existing lower efficiency lighting with high-efficiency LED lighting, which would be dimmable and centrally controlled
 - it would be of similar intensity to existing lighting and consistent with surrounding buildings.
- The Department concludes the proposal would have acceptable lighting impacts on the surrounding environment, subject to a condition requiring compliance with AS 4282:2019.

The Department recommends the following condition:

 external lighting to operate in compliance with AS 4282:2019.

Operating hours / noise impacts

- The Department considers operational noise impacts associated with the proposal relate to the club lounge and plant room.
- The current club lounge operating hours are 6.30 am to 10.30 pm (until 10 pm Sunday).
- The Applicant seeks approval to open the club lounge to the public (currently only open to IC Hotel guests), and increase the operating hours to:
 - o Monday to Thursday: 6.30 am to 12 midnight
 - Friday and Saturday: 7 am to 1 am
 - Sunday: 6.30 am to 10.30 pm (liquor trading from 10 am to 10 pm).
 - The external deck area would shut at 11 pm (10.30 pm Sunday).
- The Applicant's NIA concludes the replacement of rooftop plant and the ground and roof level bars would not increase existing emissions levels, would not impact adversely on IC Hotel internal spaces and would be inaudible at receivers.
- · No concerns were raised in any submissions.
- The Department notes while DCPs are not applicable to State significant development, under SDCP the hotel is located within a late-night management area and classified as Category A – High Impact. If applied, the SDCP would therefore require a one-year trial period to operate the following hours:
 - o Indoor: Friday and Saturday: 12 midnight to 1 am
 - Outdoor: Monday to Saturday: 10 pm 11 pm, Sunday:
 10 pm 10.30 pm, and Monday to Sunday: 9 am to 10 am (with operation before 9 am not recommended).

The Department recommends the following conditions:

- permanent base operating hours as proposed by the Applicant
- a two-year trial period for extended trading hours as follows:
 - Indoor: Friday and Saturday: 12 midnight to 1 am
 - Outdoor:
 Monday to
 Saturday: 10
 pm 11 pm
 and Sunday:
 10 pm –
 10.30 pm
- an updated PoM is approved by the Secretary prior to occupation or commencement of use

- The Department has reviewed the proposed operating hours, NIA, PoM and SDCP and considers noise impacts would be acceptable because:
 - existing noise emissions would not increase, would not impact adversely on IC Hotel internal spaces and would be inaudible at nearby receivers
 - the majority of the rooftop space is enclosed
 - there is no increase to patron capacity or the function of the food and beverage spaces
 - the Applicant's PoM has adequately considered and addressed any potential impacts
 - the additional hours, including early morning hours, are consistent with what could reasonably be expected for a hotel bar in the CBD, particularly its use for breakfast by hotel patrons
 - although SDCP recommends a one-year trial for extended hours, the Department considers a two-year trial would be more appropriate, and that a trial should not be required for morning use of the outdoor area as this would be used for breakfast only
 - the proposed rooftop club lounge hours are within the IC Hotel's existing liquor licence hours
 - plant and patron noise can be managed by standard conditions.
- The Department therefore concludes the proposed operating hours are acceptable, subject to conditions requiring an updated PoM and a two-year trial period for extended nighttime hours.
- The Department also concludes the proposal would not increase existing operational noise impacts, and proposes a condition adopting standard Liquor and Gaming NSW noise criteria.

- noise emissions resulting from use of the premises must comply with of standard Liquor and Gaming NSW noise criteria
- monitoring is undertaken to confirm compliance with noise criteria, where directed by the Secretary.

Wind impacts

- The Applicant's Pedestrian Wind Environment Statement (PWES) concluded the proposal would not reduce existing ground level wind conditions, and that rooftop conditions would be similar to existing, subject to provision of a 1.3 m perimeter balustrade.
- · Council raised no concerns regarding wind impacts.
- The Department accepts the findings of the PWES and concludes the proposal would provide suitable wind conditions at both the ground and roof level.

No conditions recommended.

7 Evaluation

The Department has assessed the merits of the proposal and has carefully considered all issues raised in Council, government agency and public submissions. The Department has also considered all relevant matters under Section 4.15 of the EP&A Act, the objects of the EP&A Act and ESD principles.

The Department is satisfied the proposal should be approved for the following reasons:

- the rooftop expansion is consistent with the approved concept envelope and the internal refurbishment works are consistent with the recently endorsed Conservation Management Plan for the site
- the rooftop expansion exhibits design excellence as it provides a high standard of architectural design, materials and detailing, and the built form sensitively integrates with the existing building and public domain
- it would result in positive heritage outcomes for the site as it would conserve the existing State listed Former NSW Treasury Buildings and enhance them through restoration works with minimal intervention to the existing heritage fabric
- the rooftop expansion would not adversely impact on the amenity of surrounding occupiers and the public domain, in regard to visual impacts, view loss and overshadowing
- it would facilitate upgrade works to an internationally rated hotel to preserve its heritage, assist in boosting tourism in Sydney and provide 50 operational jobs and 35 40 construction jobs
- Heritage NSW and Council support the proposal.

A number of conditions are recommended to appropriately mitigate and manage potential impacts associated with the proposal, including a two-year trial period for the hotel rooftop bar's extended night-time hours, requirements for an updated Conservation Works Schedule and Heritage Interpretation Strategy to be provided prior to construction, and conservation and interpretation works to be finalised prior to occupation under the guidance of a suitably qualified heritage consultant.

The Department's assessment therefore concludes the proposal is in the public interest and recommends the application be approved, subject to the recommended conditions.

8 Recommendation

It is recommended that the Executive Director, Key Sites and Regions, as delegate of the Minister for Planning and Public Spaces:

- considers the findings and recommendations of this report
- accepts and adopts all of the findings and recommendations in this report as the reasons for making the decision to grant consent to the application
- agrees with the key reasons for approval listed in the notice of decision
- **grants consent** for the application in respect of SSD 10454, subject to the conditions in the attached development consent
- signs the attached development consent and recommended conditions of consent (see Appendix
 D).

Prepared by:

Karl Fetterplace Senior Planning Officer Key Sites Assessments

Recommended by:

Recommended by:

Cameron Sargent

Team Leader

Key Sites Assessments

Anthony Witherdin

Director

Key Sites Assessments

Shlisted.

9 Determination

The recommendation is adopted / not adopted by:

Dargeant 18/12/2020

Anthea Sargeant
Executive Director
Key Sites and Regions

Appendices

Appendix A – List of referenced documents

The following supporting documents and supporting information to this assessment report can be found on the Department's website as follows:

Environmental Impact Statement

https://www.planningportal.nsw.gov.au/major-projects/project/32581

Submissions on Environmental Impact Statement

https://www.planningportal.nsw.gov.au/major-projects/project/32581

Applicant's Response to Submissions

https://www.planningportal.nsw.gov.au/major-projects/project/32581

Submissions on Response to Submissions

https://www.planningportal.nsw.gov.au/major-projects/project/32581

Appendix B – Community Views for Draft Notice of Decision

Issue Consideration Materials Assessment (Council issue) The proposed glass treatment is unlikely to increase bird strikes because it is a minor extension in the context of a predominantly concrete tower and therefore would not provide large areas of uninterrupted glass. It would also not reflect vegetation or sky and has the benefit of affording greater enjoyment of views. These matters are further discussed in Section 6. Recommended Conditions/Response No conditions recommended. Wind impacts Assessment (Council issue) The Department considers the proposed rooftop balustrade is acceptable as the Applicant has provided drawings indicating it would 1.3 m high, in accordance with the recommendation in its Pedestrian Wind Environment Statement. The proposal would therefore provide suitable wind conditions at both ground and roof These matters are further discussed in Section 6. Recommended Conditions/Response No conditions recommended. Bicycle parking Assessment (Council issue) The Department considers that despite a shortfall of three spaces compared to the recommended thirteen, the additional bicycle parking would adequately cater for expected demand because: it would triple the existing bicycle parking provision, for a 17 per cent increase in staff the spaces are within a secure area of the car park and adequate end-of-trip facilities the site is adequately serviced by public transport. These matters are further discussed in Section 6. Recommended Conditions/Response Conditions include a requirement to provide ten additional parking spaces. Construction Assessment management The Department considers construction impacts, including impacts on the public domain (Council and can be adequately managed in accordance with standard conditions and procedures public issue) (including those recommended by Council), given the works are relatively minor in nature. These matters are further discussed in Section 6.

Recommended Conditions/Response

Conditions include standard construction management conditions and requirements for works to be contained within the site and not impact on the public domain, and all items within the site streetscapes to be retained and protected during construction.

Appendix C – Statutory Considerations

In line with the requirements of section 4.15 of the EP&A Act, the Department's assessment of the project has provided a detailed consideration to a number of statutory requirements. These include:

- the objects found in section 1.3 of the EP&A Act
- the matters listed under section 4.15(1) of the EP&A Act, including applicable environmental planning instruments and regulations.

The Department has considered all of these matters in its assessment of the project and has provided a summary of this assessment in **Tables 1** and **2**.

Table 1 | Consideration of objects of the EP&A Act

	Objects of the EP&A Act	Summary
(a)	to promote the social and economic welfare of the community and a better environment by the proper management, development and conservation of the State's natural and other resources	The proposal would provide social and economic benefit to the community by assisting in tourism growth in Sydney and providing 50 operational jobs and 35 – 40 construction jobs. The works would preserve and invest in the State heritage listed former Treasury Buildings. The proposal would not result in adverse impacts on natural or other resources.
(b)	to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment	The proposal is consistent with the principles of ESD, which are considered following Table 2 .
(c)	to promote the orderly and economic use and development of land	The proposal promotes the orderly and economic use of land through refurbishing an existing hotel and preserving and investing in the State Heritage listed former Treasury Buildings, maximising the contribution of the site to the NSW economy. The merits of the proposal are considered in Section 6 .
(d)	to promote the delivery and maintenance of affordable housing	The provision/maintenance of affordable housing is not relevant to the proposal.
(e)	to protect the environment, including the conservation of threatened and other species of native animals and plants, ecological communities and their habitats	The proposed development would not have an adverse impact on the natural environment.
(f)	to promote the sustainable management of built and cultural heritage (including Aboriginal cultural heritage)	As noted, the proposal would preserve and invest in the State Heritage listed former Treasury Buildings, enhancing their heritage significance (Section 6). The proposal would not have an adverse impact on Aboriginal cultural heritage.
(g)	to promote good design and amenity of the built environment	The proposal would exhibit design excellence and have acceptable amenity impacts on the surrounding environment (Section 6).
(h)	to promote the proper construction and maintenance of buildings, including the protection of the health and safety of their occupants	Recommended conditions would ensure the proposed development would be constructed in compliance with all relevant building codes and health and safety requirements.

to promote the sharing of the responsibility for environmental planning and assessment between the different levels of government in the State
 to provide increased opportunity for community participation in environmental planning and assessment.
 The proposal is SSD and therefore the Minister is the consent authority. The Department has consulted with Council and relevant government agencies.
 Section 5 details the Department's engagement.

Table 2 | Consideration of section 4.15(1) of the EP&A Act

Section 4.15(1) Evaluation	Summary	
(a)(i) any environmental planning instrument	The proposed development complies with the relevant legislation, as addressed in Section 4 . The consideration of other relevant EPIs is provided below.	
(a)(ii) any proposed instrument	Consideration of proposed instruments is provided below.	
(a)(iii) any development control plan	Under clause 11 of the SRD SEPP, development control plans (DCPs) do not apply to SSD. Notwithstanding, the Department has considered the Sydney Harbour Foreshores and Waterways Area Development Control Plan 2005 where relevant.	
(a)(iiia) any planning agreement	Not applicable.	
(a)(iv) the regulations	The application satisfactorily meets the relevant requirements of the Regulation, including the procedures relating to applications (Part 6), fees (Part 15), public participation procedures for SSD and Schedule 2 of the EP&A Regulation relating to EISs have been satisfied.	
(a)(v) any coastal zone management plan	Not applicable.	
(b) the likely impacts of that development including environmental impacts on both the natural and built environments, and social and economic impacts in the locality	The Department has assessed the likely impacts of the development and considers they are acceptable and/or have been appropriately managed by recommended conditions (Section 6 and Appendix D).	
(c) the suitability of the site for the development	The site is suitable for the development as discussed in Sections 4 and 6 .	
(d) any submissions	Consideration has been given to all submissions received (Sections 5 and 6).	
(e) the public interest	Refer to Section 6 .	
Biodiversity values exempt if: (a) On biodiversity certified land (b) Biobanking Statement exists	Not applicable.	
The likely impact of the proposed development on biodiversity values as assessed in the biodiversity development assessment report. (section 7.14 of the <i>Biodiversity Conservation Act 2016</i>)	The Department waived the requirement for a BDAR following confirmation from the delegate of the Environment Agency Head that the proposal is not likely to have any significant impact on biodiversity values.	

Ecologically Sustainable Development

The Act adopts the definition of ESD found in the *Protection of the Environment Administration Act 1991*. Section 1.3(b) of that Act states that ESD requires the effective integration of economic, environmental

and social considerations in decision-making processes and that ESD can be achieved through the implementation of:

- (a) the precautionary principle
- (b) inter-generational equity
- (c) conservation of biological diversity and ecological integrity
- (d) improved valuation, pricing and incentive mechanisms.

The Department has assessed the proposed development in relation to the ESD principles and has made the following conclusions:

- **Precautionary Principle** the works would not result in any serious or irreversible environmental damage.
- Inter-Generational Equity the proposal would ensure the ongoing commercial viability of the State heritage item within the site, allowing for its continued enjoyment by future generations.
- Biodiversity Principle the proposal would not have any adverse impacts on biodiversity.
- Valuation Principle the proposal includes a number of measures to limit the ongoing cost, resource and energy requirements of the development, including use of high-performance glazing, lighting, heating, ventilation and cooling systems, increased building insulation and minimisation of waste through the use of recycled construction materials.

The Department concludes the proposal is generally consistent with ESD principles and is satisfied the proposed sustainability initiatives will encourage ESD, in accordance with the objects of the EP&A Act.

ENVIRONMENTAL PLANNING INSTRUMENTS

Controls considered as part of the assessment of the proposal are:

- State Environmental Planning Policy (State and Regional Development) 2011
- State Environmental Planning Policy (Infrastructure) 2007
- State Environmental Planning Policy No 55 Remediation of Land
- Draft State Environmental Planning Policy for the Remediation of Land
- Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005
- Draft State Environmental Planning Policy (Environment)
- State Environmental Planning Policy (Coastal Management) 2018
- Sydney Local Environmental Plan 2012.

State Environmental Planning Policy (State and Regional Development) 2011 (SRD SEPP)

The SRD SEPP aims to identify development that is of State significance due to its size, economic value or potential impact. The proposed development constitutes SSD under clause 13 of Schedule 1 of the SRD SEPP as it is development for tourist related purposes with a CIV of more than \$10 million and is located within an environmentally sensitive area of State significance, which includes 'land, places, buildings or structures listed on the State Heritage Register under the Heritage Act 1977', of which the NSW Treasury Buildings are one.

State Environmental Planning Policy (Infrastructure) 2007 (ISEPP)

The ISEPP aims to facilitate the effective delivery of infrastructure across the State by improving regulatory certainty and efficiency, identifying matters to be considered in the assessment of

development adjacent to particular types of infrastructure development, and providing for consultation with relevant public authorities about certain development during the assessment process.

Clause 104 of the ISEPP requires traffic generating development to be referred to TfNSW (RMS) for comment. Although the development does not constitute traffic generating development in accordance with clause 104 of the ISEPP, the Department considered it appropriate to refer the proposal to TfNSW (RMS) for its consideration, who raised no concerns (**Section 5**).

The Department considers the proposed development to be consistent with the ISEPP given the consultation and consideration of traffic, access and parking issues in **Section 6**.

State Environmental Planning Policy No. 55 - Remediation of Land (SEPP 55)

SEPP 55 aims to ensure that potential contamination issues are considered in the determination of a development application. SEPP 55 requires the consent authority to consider whether the land is contaminated, and if so, whether the land is suitable for the proposed development.

As the proposal does not involve any excavation, the issue of land contamination is not applicable and the site is considered suitable for proposed development.

Draft Remediation of Land State Environmental Planning Policy (draft Remediation SEPP)

The Explanation of Intended Effect for a new Remediation of Land SEPP was exhibited until 13 April 2018. The draft Remediation SEPP proposes to better manage remediation works by aligning the need for development consent with the scale, complexity and risks associated with the proposed works.

The key operational framework of SEPP 55 is to be maintained in the new SEPP and new provisions are unlikely to significantly affect this application. As such, the Department considers the proposed development would be consistent with the intent of the draft Remediation SEPP.

Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005 (SHC SREP)

The SHC SREP provides planning principles for development within the Sydney Harbour catchment. The site is located within the Sydney Harbour Catchment area, but is not located in the foreshores and waterways area or the Sydney Opera House buffer zone.

The Department has assessed the proposal against the relevant provisions of the SHC SREP below.

Aims of the plan

The proposal is consistent with the aims of the plan as it would:

- not adversely affect the catchment, foreshores and waterways of Sydney Harbour, including access or views or visual impact (Section 6)
- not have adverse environmental impacts, subject to the Department's recommended conditions
- improve the existing use of the site and contribute to the culture and vibrancy of the area.

Heritage provisions

The Department has considered the proposal in relation to heritage impacts in accordance with Part 5 of the SHC SREP, and finds the proposal would not have unacceptable impacts in relation to any items of environmental heritage in the locality. Heritage is further discussed in **Section 6**.

Draft State Environmental Planning Policy (draft Environment SEPP)

The Explanation of Intended Effect for the Environment SEPP was exhibited until 31 January 2018. The Environment SEPP proposes to simplify the planning rules for the protection and management of the natural environment by consolidating seven existing SEPPs, including the SHC SREP.

The relevant matters for consideration and the general provisions relating to Sydney Harbour are proposed to remain in accordance with those in the current SEPP and therefore the proposed development would be consistent with the intended effect of the draft Environment SEPP.

The Sydney Harbour Foreshores and Waterway Area DCP 2005 is proposed to be transitioned into one or more guidelines that would cover the current content and provide updated guidance to consent authorities based on design principles and landscape character, however these guidelines are not currently in draft form.

State Environmental Planning Policy (Coastal Management) 2018 (Coastal SEPP)

The Coastal SEPP consolidates and replaces SEPP 14 (Coastal Wetlands), SEPP 26 (Littoral Rainforests) and SEPP 71 (Coastal Protection).

The Coastal Management SEPP gives effect to the objectives of the *Coastal Management Act 2016* (NSW) from a land use planning perspective. It defines four coastal management areas and provides assessment criteria tailored for each coastal management area. The consent authority must apply those criteria when assessing proposals for development that fall within one or more of the mapped areas.

The site is in proximity to the coastal environment, however is not located within the coastal environment area and coastal use area. Although no map has been developed at present, the proposal is not likely to be located in proximity to the coastal vulnerability area given it pertains to existing built form within the CBD context. As such, the Department is satisfied the proposal is consistent with the SEPP.

Sydney Local Environmental Plan 2012 (SLEP 2012)

Consideration of the relevant provisions of the SLEP 2012 is provided below.

Zoning

Under the SLEP 2012, the site is zoned B8 Metropolitan Centre. The objective of the zone is to recognise and provide business, office, retail, entertainment and tourist premises. The proposal is permissible with consent (**Section 4**) and is consistent with this objective as it proposes alterations and additions to a tourist premises.

Height of buildings

The site is subject to a maximum building height of 55 m. The maximum height is also affected by the SAP (clause 6.17). The existing IC Hotel tower exceeds these controls, however its expansion to accommodate changes to the rooftop club lounge is acceptable as it is within the approved concept envelope and would not increase any overshadowing of the RBG (**Section 6**).

Floor Space Ratio

A maximum FSR of 14:1 applies to the site, comprising a base of 8:1 and 6:1 of accommodation floor space in the form of hotel or motel accommodation. The approved concept envelopes equate to a FSR of 7.852:1, including an allocation of 415 m² for the rooftop lounge.

The Applicant seeks approval for a net increase in GFA of 250 m², predominantly from the rooftop lounge. This equates to a total GFA of 40,919 m² across the entire site as approved in the concept application (FSR of 7.43:1), and is therefore compliant. This matter is further discussed in **Section 6**.

Heritage

The Department concludes the proposal would have an acceptable level of heritage impact on the former Treasury Buildings, Transport House and heritage items in the surrounding area, and would comply with the relevant provisions of the former Treasury Buildings CMP (**Section 6**).

Sun Access Plane (SAP)

Clause 6.17 states the consent authority must not grant consent to any building projecting higher than any part of a SAP.

The proposed rooftop extension to the IC Hotel tower would extend outside the envelope of the existing building and above the SAP, but is within the approved concept envelope. The proposal is partly prohibited and partly permissible. Development consent may therefore be granted as the development is not wholly prohibited. This matter is further discussed in **Section 4**.

Design Excellence

Clause 6.21 states consent must not be granted for external alterations to an existing building unless it exhibits design excellence.

Clause 6.21 requires a competitive design process to be held if a building has, or will have, a height above ground level exceeding 55 m on land in Central Sydney. The subject building meets this requirement. However, the Department notes that in its assessment of the concept application, the IPC determined that a competitive design process was only required for the Transport House building envelope component of the proposal, which is not included in this application. Further, the Department agrees with Council that a competitive design process is unreasonable and unnecessary in this instance because the development:

- involves only alterations or additions to an existing building
- does not significantly increase the height or gross floor area of the building
- would not have significant adverse impacts on adjoining buildings and the public domain
- does not significantly alter any aspect of the building when viewed from public places.

The Applicant's Design Excellence Statement contends the proposal demonstrates design excellence in accordance with this clause.

The Department considers the proposal exhibits design excellence, as discussed in **Section 6**, and has assessed the proposal against the criteria in clause 6.21(4) in **Table 3**.

Table 3 | Consideration of clause 6.21(4) of SLEP 2012

	Criteria	Department's consideration
(a)	whether a high standard of architectural design, materials and detailing appropriate to the building type and location will be achieved	The proposal achieves a high standard of architectural design, materials and detailing, (Section 6).
(b)	whether the form and external appearance of the proposed development will improve the quality and amenity of the public domain	The works to the Bridge and Phillip Streets corner façade would improve the streetscape presentation of the hotel and its integration with the public domain.

(c)	whether the proposed development detrimentally impacts on view corridors	The proposal would have acceptable view impacts (Section 6).
(d)	how the proposed development addresses the following matters:	
	the suitability of the land for development	The site is suitable for the development as addressed in Sections 4 and 6 .
	the existing and proposed uses and use mix	The proposal does not introduce any new uses and is therefore consistent with the existing use of the site as tourist and visitor (hotel or motel) accommodation.
	any heritage issues and streetscape constraints	The proposal would have acceptable heritage impacts (Section 6).
	the location of any tower proposed, having regard to the need to achieve an acceptable relationship with other towers (existing or proposed) on the same site or on neighbouring sites in terms of separation, setbacks, amenity and urban form	The proposal is acceptable with regards to built form and impacts on the amenity of the surrounding area (Section 6).
	the bulk, massing and modulation of buildings	The built form of the proposal is acceptable (Section 6).
	street frontage heights	The proposal would not impact on street frontage heights.
	environmental impacts, such as sustainable design, overshadowing and solar access, visual and acoustic privacy, noise, wind and reflectivity	The proposal would have acceptable environmental impacts (Section 6).
	the achievement of the principles of ecologically sustainable development	The proposal is consistent with the principles of ESD (Appendix C).
	pedestrian, cycle, vehicular and service access and circulation requirements, including the permeability of any pedestrian network	The proposal has acceptable access and circulation (Section 6).
	the impact on, and any proposed improvements to, the public domain	The proposal would have an acceptable impact on the public domain (Section 6). The works to the Bridge and Phillip Streets corner façade would improve the streetscape presentation of the hotel and its integration with the public domain.
	the impact on any special character area	The proposal would not adversely impact on the character statement or significance of any Special Character Areas (Section 6).
	achieving appropriate interfaces at ground level between the building and the public domain	The works to the Bridge and Phillip Streets corner façade would improve the streetscape presentation of the hotel and its integration with the public domain.
	excellence and integration of landscape design	There are limited landscaping opportunities due to the existing development of the entire site, however the proposed porte-cochere planter boxes would enhance the appearance of the proposal from the public domain.

Car parking

The maximum number of car parking spaces for a building used for the purposes of serviced apartments or hotel or motel accommodation is:

- one space for every four bedrooms up to 100 bedrooms, and
- one space for every five bedrooms more than 100 bedrooms.

The site would continue to provide 121 car spaces in the basement, which exceeds the maximum parking requirement. The Department considers this non-compliance is acceptable given the number of car spaces is existing and no additional spaces are proposed (**Section 6**).

Development requiring or authorising preparation of a Development Control Plan

Clause 7.20 states development consent must not be granted to development on land in Central Sydney unless a Development Control Plan has been prepared where the site for development is greater than 1500 m² or if the development will result in a building higher than 55 m above ground level.

Section 4.23 of the EP&A Act provides that this obligation is satisfied by the making and approval of a Stage 1 development application (SSD 7693), and therefore a site-specific DCP is not required.

Conservation Management Plan – Former NSW Treasury Buildings

Urbis has prepared a CMP for the former Treasury Buildings to guide the conservation and management of this heritage item in perpetuity, and to assist property owners to manage maintenance and new works to the site. The HIS concludes the proposal is consistent with the CMP policies.

An assessment under relevant legislation should consider whether the works are likely to impact on the heritage significance and/or nominated significant fabric of the former Treasury Buildings, as identified in the CMP.

Heritage NSW has endorsed the CMP and considers the proposal is consistent with the CMP.

The Department notes there are no alterations or modifications proposed to the external form, fabric or fenestration of the significant former Treasury Buildings along Macquarie Street and Bridge Street.

The Department has considered the relevant CMP policies in its assessment of the proposal in **Section 6**, and concludes the proposal would comply with the relevant provisions of the CMP.

Draft National Heritage Listing – Governors' Domain and Civic Precinct

Figure 1 below illustrates the boundary of the Governors' Domain and Civic Precinct.

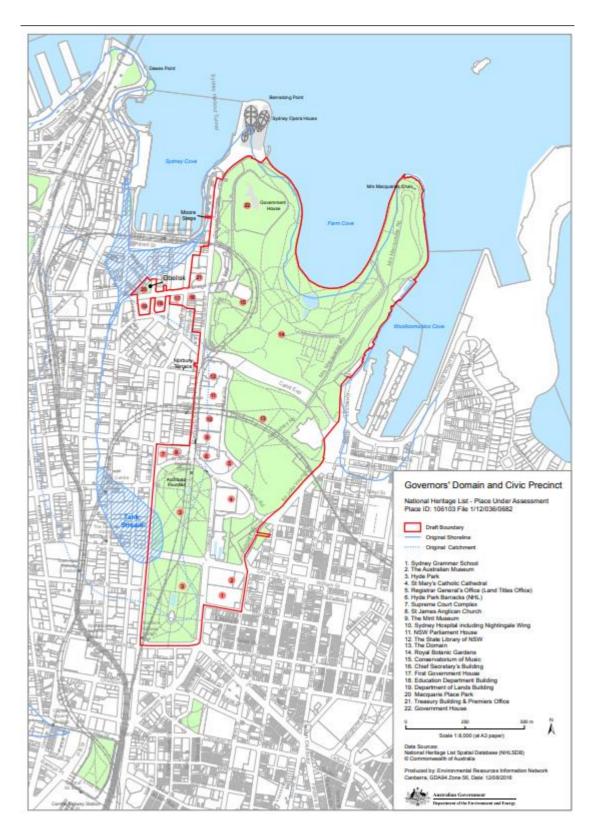


Figure 1: Proposed boundary of Governors' Domain and Civic Precinct (Source: Department of Agriculture, Water and the Environment)

Appendix D – Recommended Instrument of Consent

The recommended conditions of consent for SSD 10454 can be found on the Department's website at: $\frac{1}{2} \left(\frac{1}{2} \right) = \frac{1}{2} \left(\frac{1}{2} \right) \left(\frac{1}{2}$

 $\underline{\text{https://www.planningportal.nsw.gov.au/major-projects/project/32581}}$