



Planning &
Environment

**STATE SIGNIFICANT DEVELOPMENT:
Alterations and additions to Campbell's
Stores, The Rocks
SSD 7056**



Environmental Assessment Report
Section 89H of the
Environmental Planning and Assessment Act 1979

March 2017

ABBREVIATIONS

Applicant	Tallawoladah Pty Ltd, or any other person or persons who rely on this consent to carry out the development that is subject to this consent
CIV	Capital Investment Value
Council	City of Sydney Council
Department	Department of Planning and Environment
EIS	Environmental Impact Statement entitled 'SSD 7056: Campbell's Stores, The Rocks' and accompanying appendices, prepared by Urbis Pty Ltd and dated October 2015
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	<i>Environmental Planning and Assessment Regulation 2000</i>
EPA	Environment Protection Authority
EPI	Environmental Planning Instrument
Minister	Minister for Planning
MD SEPP	<i>State Environmental Planning Policy (Major Development) 2005</i>
OEH	Office of Environment and Heritage
RMS	Roads and Maritime Services
RTS	Response to Submissions package prepared by Urbis Pty Ltd dated 4 May 2016
Revised RTS	Response to Submissions package prepared by Urbis Pty Ltd dated 25 October 2016
SCRA Scheme	Sydney Cove Redevelopment Authority Scheme
SEARs	Secretary's Environmental Assessment Requirements
Secretary	Secretary of the Department
SRD SEPP	<i>State Environmental Planning Policy (State and Regional Development) 2011</i>
SSD	State significant development
TfNSW	Transport for NSW

Cover Photograph: Artist's impression of proposed development viewed from Campbell's Cove (Source: Applicant's revised architectural plans)

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EXECUTIVE SUMMARY

This report assesses a State significant development application (SSD 7056) lodged by Tallallowdah Pty Ltd (the Applicant) seeking approval for alterations and additions to the existing Campbell's Stores building and its surrounding public domain at the Campbell's Cove foreshore, The Rocks.

The development is SSD under clause 6 of Schedule 2 of the *State Environmental Planning Policy (State and Regional Development) 2011*, as it is development in The Rocks with a capital investment value greater than \$10 million, therefore the Minister for Planning is the consent authority.

The Department of Planning and Environment (the Department) exhibited the Development Application and Environmental Impact Statement for the proposal for 30 days from 19 November 2015 to 18 December 2015.

The Department received six submissions from government authorities, including the NSW Heritage Council (NSW Heritage), City of Sydney Council (Council) and the Port Authority of NSW (Port Authority). None of the government authorities objected to the proposal, but provided comments relating to heritage issues and recommended conditions of approval.

The Department received 114 public submissions objecting to the proposal, including the National Trust of Australia and Mr Alex Greenwich MP, Member for Sydney. The key issues raised in these submissions were the heritage and visual impacts of the proposed contemporary designed three-storey building at the northern end of the site (known as Bay 12), and air quality and noise impacts from the operation of the Campbell's Stores.

On 4 May 2016, the Applicant submitted a Response to Submissions report (RTS) that detailed design amendments to the proposal and provided additional information to respond to key issues raised in submissions. The RTS refined the design of the Bay 12 building by reducing its overall height by 400 mm to better complement the existing Campbell's Stores and improve its relationship with the Park Hyatt Hotel to the north.

In response to the RTS, the Department received six submissions from government agencies, including NSW Heritage, Council, the Port Authority and TfNSW all raising comments. The then Minister for Heritage also lodged a submission objecting to the proposal, specifically in relation to the heritage impacts of the Bay 12 building and its compatibility with The Rocks area.

The Department also received a further 17 submissions from the public objecting to the proposal. The submissions reiterated concerns regarding the Bay 12 building and noise and air quality impacts from the operation of the site.

Given the sensitivity of the site's context and the high level of public interest, the Department sought independent, expert heritage and design advice on the proposed Bay 12 building to assist in its assessment. The independent review concluded the Bay 12 building was not consistent with the heritage significance and built form of the existing Campbell's Stores, as well as the broader historic context of The Rocks area.

On 25 October 2016, the Applicant lodged its revised RTS report which provided additional information to address concerns in submissions to the RTS and the independent heritage review. The three-storey Bay 12 building was removed from the proposal and replaced with a landscaped terrace.

In response to the revised RTS, the Department received 14 submissions, including three public authority submissions. No authorities raised any further issues, and recommended conditions

have been incorporated into the conditions of consent accordingly. The Minister for Heritage did not make a further submission on the revised RTS.

The public submissions generally supported the removal of the Bay 12 building. However, they maintained concerns in relation to potential air quality and noise impacts from the operation of the site. On 12 December 2016, the Applicant submitted additional information which satisfactorily addressed these concerns.

The Department has considered all relevant matters under section 79C of the *Environmental Planning and Assessment Act 1979* (EP&A Act), the objects of the EP&A Act and the principles of ecologically sustainable development. The key assessment issues associated with the proposal relates to heritage and visual impacts, particularly in relation to the proposed landscaped terrace and outdoor seating areas.

The Department has also considered other potential impacts, including noise and air quality impacts associated with the ongoing operation of the Campbell's Stores. The Department considers these impacts can be appropriately managed and mitigated by way of conditions of consent, particularly as future uses in the Campbell's Stores, such as restaurants or bars, will be the subject of separate development applications.

The Department's assessment has concluded the proposed works will facilitate the conservation, restoration and revitalisation of a prominent State heritage item in an iconic tourist area on Sydney's harbour foreshore. The works will also improve access in and around the site, enhance the quality of the public domain and will also facilitate the continued use of the Campbell's Stores for restaurants in accordance with the *Conservation Management Plan*, which seeks to maximise public access to the Campbell's Stores to enable an appreciation of its heritage significance.

As the Department has received more than 25 public submissions in the nature of objections, primarily due to the application as originally proposed, it is being referred to the NSW Planning Assessment Commission for determination.

The Department considers the modified proposal can be approved, subject to recommended conditions.

1. BACKGROUND

1.1 Introduction

This report assesses a State significant development application (SSD 7056) lodged by Tallawoladah Pty Ltd (the Applicant) for alterations and additions to the existing Campbell's Stores building on the Campbell's Cove foreshore, The Rocks (the site).

1.2 The Site

The site currently comprises a three-storey sandstone and brick warehouse building (known as the Campbell's Stores) and is located between Hickson Road and the harbour foreshore in The Rocks. The total gross floor area of the Campbell's Stores is approximately 4,243 sqm.

The Campbell's Stores is identified as an item of State heritage significance. It has been modified on a number of occasions since its initial construction in the 1850s and has been used for restaurant purposes since the 1970s.

The building is divided into 11 distinct bays (widths ranging between 8.7 m – 8.9 m) which house four tenancies that are used as restaurants. An outdoor seating area runs along the eastern side of the building. A single storey lightweight standalone structure and a large tree (*Celtis Sinensis*) are located at the northern end of the site (Bay 12) and a large fig tree is located to the east of Bay 12. The site is illustrated in **Figures 1 and 2**.



Figure 1: Subject site looking north-west viewed from Campbell's Cove (Source: Applicant's EIS).



Figure 2: Subject site looking north-east from Hickson Road (Source: Applicant's EIS).

The majority of the land is owned by Property NSW (formerly the Sydney Harbour Foreshore Authority). City of Sydney Council (Council) owns the land within the road reserve of Hickson Road, including a tunnel beneath Hickson Road that services the existing Campbell's Store's tenancies (see **Figure 3**).

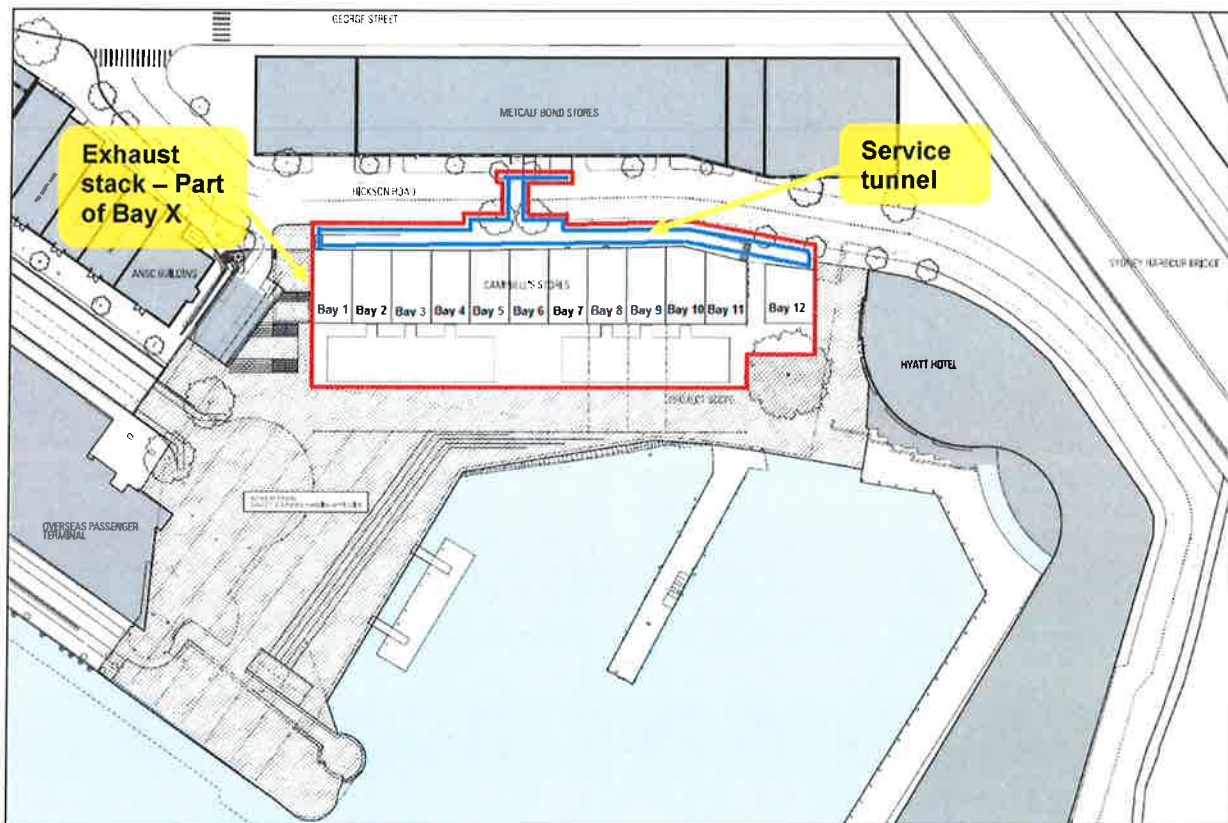


Figure 3: Project area outlined in red with Council's land outlined in blue (Source: Applicant's EIS).

1.3 Site Context

The site is located in the City of Sydney Council Local Government Area (LGA) and is located within The Rocks heritage precinct. The site is in a prominent foreshore location and is located opposite Campbell's Cove.

The site is separated from the water by a foreshore promenade which forms part of a broader continuous pedestrian promenade linking The Rocks with Circular Quay, Sydney Opera House, Royal Botanic Gardens, Walsh Bay and Barangaroo. The site and its surrounds are illustrated in **Figures 4 and 5**.

The surrounding area is characterised by a mix of buildings and uses, including:

- the Overseas Passenger Terminal to the south-east which services cruise passenger vessels and comprises a range of bars and restaurants;
- the Park Hyatt Hotel (five storeys) immediately north of the site;
- the Metcalfe Bond Stores (five to six storeys in height) to the west which accommodate a range of retail, commercial and residential uses; and
- the ASN Co Building to the south which houses a range of commercial and educational land uses.

The site is serviced by high levels of public transport, including Circular Quay Railway Station and ferry wharves approximately 500 m to the south, a range of bus services, and a light rail station currently under construction.

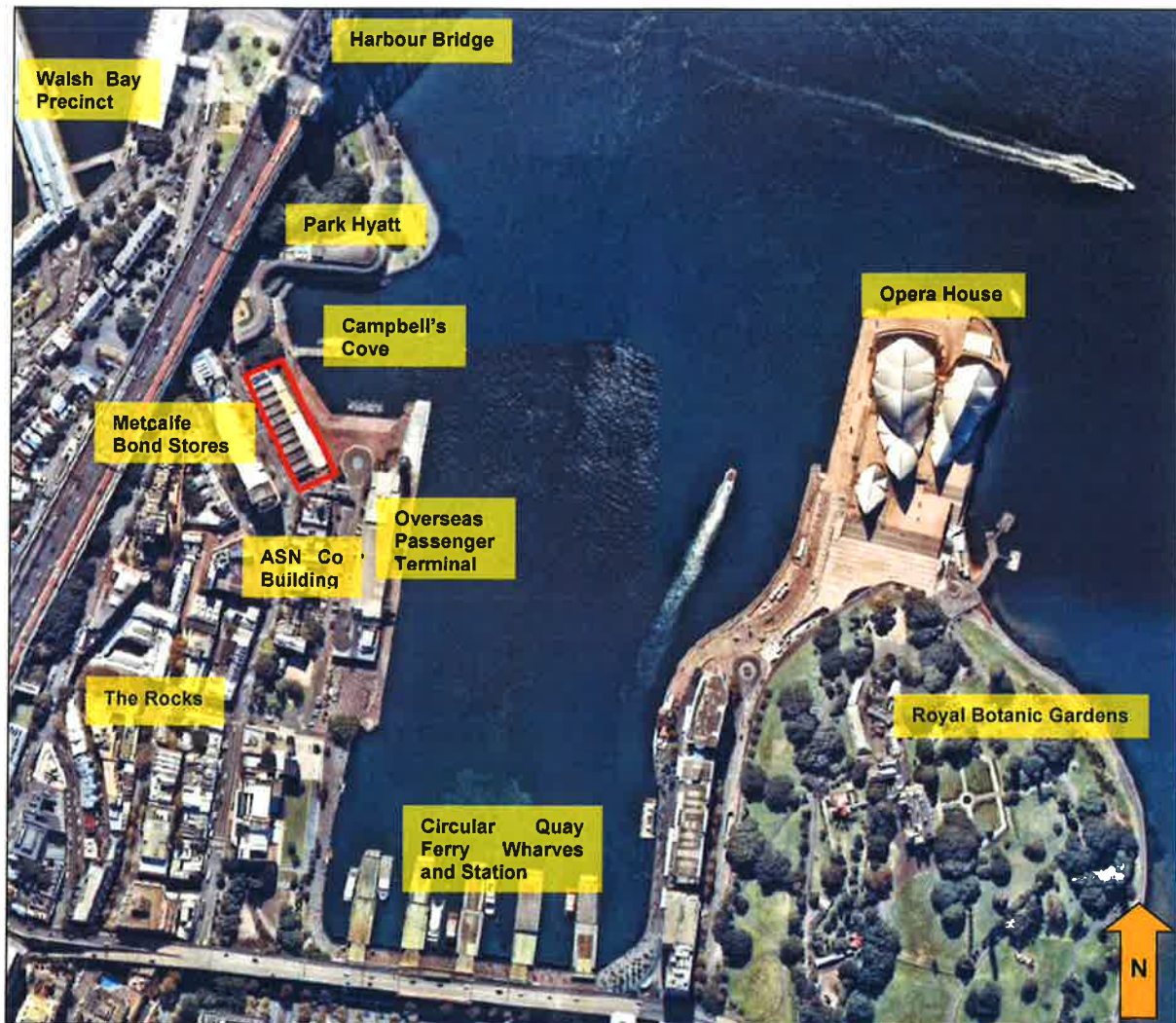


Figure 4: The site outlined in red (Source: Applicant's EIS).



Figure 5: The existing site viewed from the Overseas Passenger Terminal, looking to the north (Source: Applicant's EIS).

2. PROPOSED DEVELOPMENT

2.1 Development Summary

The application originally proposed alterations and additions to the existing Campbell's Stores building, public domain works and the construction of a new contemporary designed three-storey building (Figures 7 and 8) at the northern end of the site (within Bay 12).

In response to submissions received and discussions with the Department (see Section 4.4), the application has been subsequently amended twice during the assessment process. Most notably, the proposal now seeks to delete the originally proposed three-storey building at Bay 12 and instead provide a landscaped outdoor seating terrace and awning. The proposal (as amended) is detailed in Table 1 and illustrated in Figures 9 and 10.

Table 1: Key components of the development (as amended).

Aspect	Description
Future uses (restaurants/bars/cafes)	<ul style="list-style-type: none"> Internal and external building works, including the consolidation of services and amenities will enable the adaptive re-use of the building for restaurants/bars/cafes and retail uses; four existing restaurant tenancies will be converted into 13 smaller tenancies; and the future use and fitout of each tenancy will be subject of future separate development applications
Internal Alterations	<ul style="list-style-type: none"> Remove the existing restaurant fitouts and introduce a three-bay arrangement which would allow for centralised circulation and amenities, including lifts, kitchen locations, toilets and associated plant equipment (Bays 3, 6 and 9).
External Alterations	<ul style="list-style-type: none"> New centralised openings to Bays 3, 6 and 9; removal of the existing exhaust stack at the southern end of the site and new exhaust at Bay 11; restoration works including conservation and/or replacement of deteriorated sandstone and installation of slate roof tiles; upgrade existing stormwater infrastructure and fire egress; and new door opening to the northern façade of Bay 11.
Public Domain and Landscaping	<ul style="list-style-type: none"> Extension and reconfiguration of the outdoor dining area to the east of the Campbell's Stores, including the removal of the existing canvas awning and faux sail ship masts and replace with new glass awning; removal of the existing lightweight structure at Bay 12; construction of an outdoor terrace in Bay 12 for alfresco dining at the Hickson Road level with a glass and steel awning structure and basement with toilets; informal seating area at the base of the fig tree; construction of a pedestrian link between Bays 11 and 12 to link the foreshore with Hickson Road; modify levels along the portion of Hickson Road west of the Campbell's Stores and widen the kerb to allow for disabled access and construct a new pedestrian crossing and outdoor seating; removal of one tree (<i>celtis sinensis</i>) at Bay 12; and extend the existing street planting along Hickson Road including: <ul style="list-style-type: none"> four new trees in front of Bay 6 on both sides of Hickson Road; and two new trees in front of Bay 12.
Construction	<ul style="list-style-type: none"> Construction would take approximately 75 weeks and be undertaken in the following hours: <ul style="list-style-type: none"> Monday to Friday: 7:00 am to 5:30 pm; Saturday: 7:00 am to 5:00 pm; and no work is proposed on Sunday's and Public Holidays.
Jobs and Capital Investment Value (CIV)	<ul style="list-style-type: none"> Approximately 200 construction jobs and 165 operational jobs; and CIV of approximately \$30 million.



Figure 6: The existing Campbell's Stores looking to the south (Source: Applicant's EIS).



Figure 7: The proposed alterations and additions, including the original Bay 12 building (Source: Applicant's RTS).

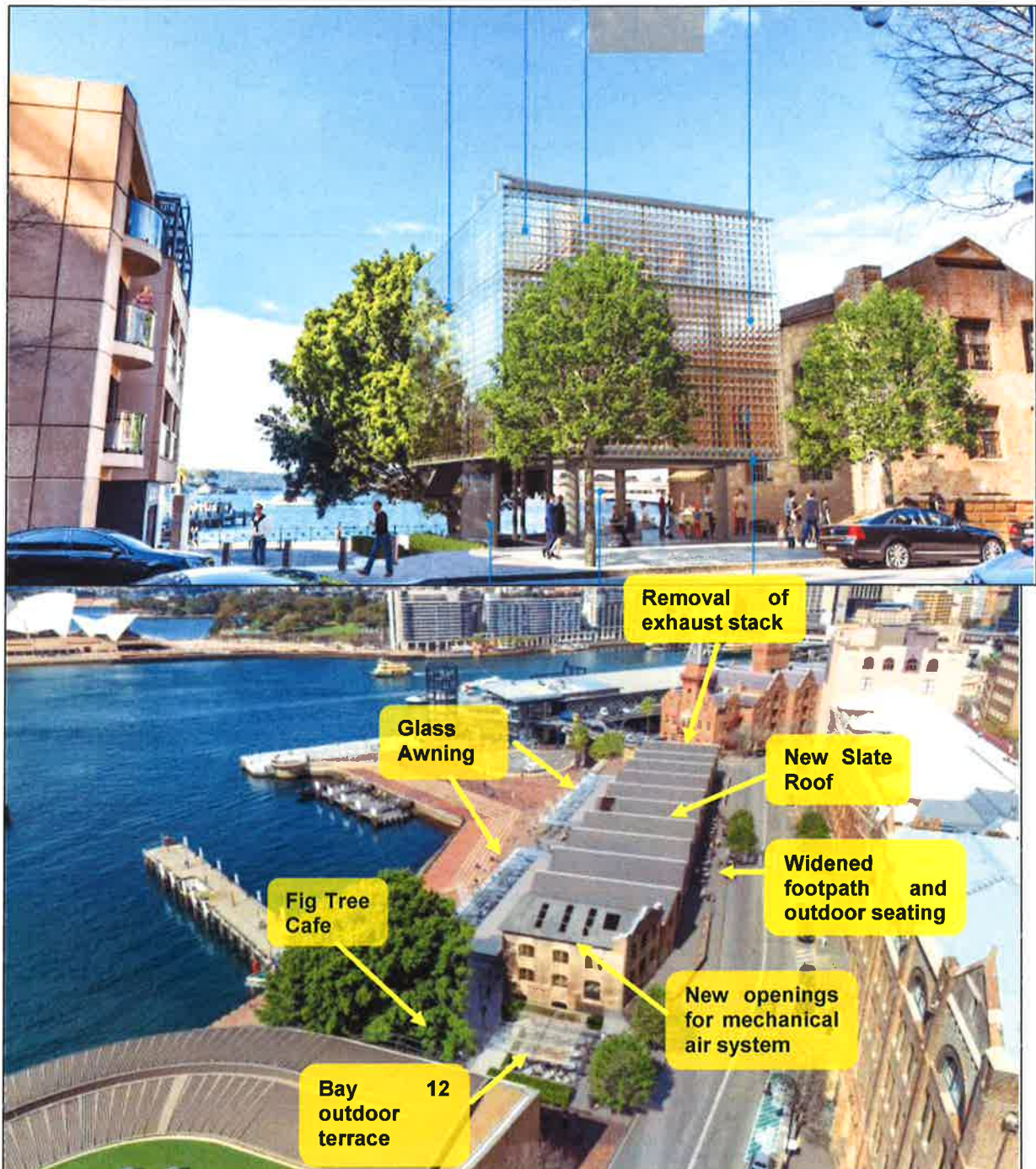


Figure 9: The proposed alterations and additions to Campbell's Stores, including the Bay 12 outdoor terrace looking to the south (Source: Applicant's revised RTS).

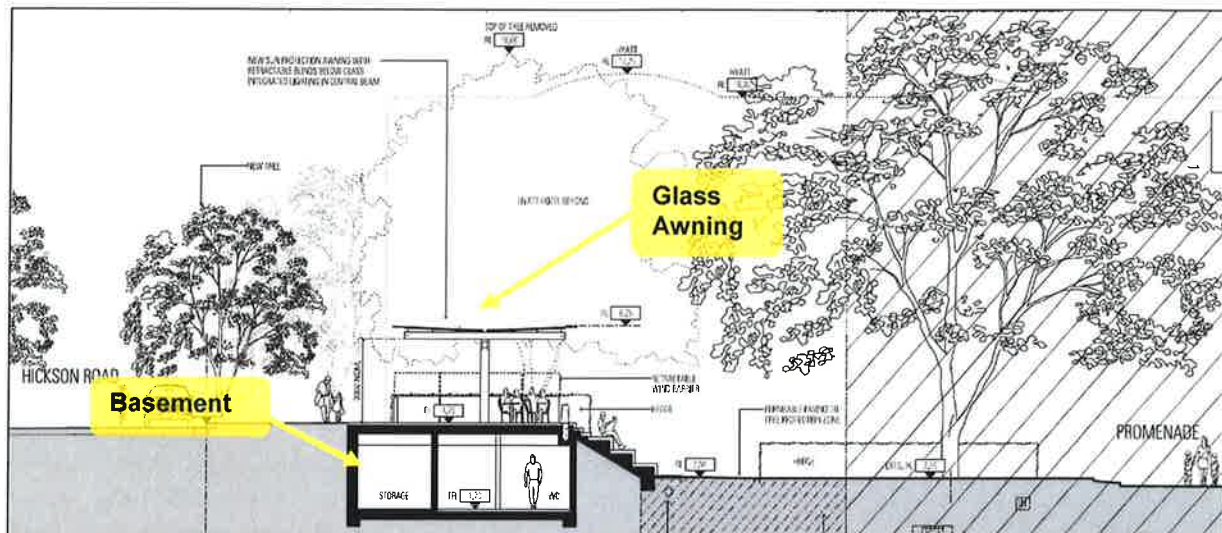


Figure 10: Southern section of the proposed Bay 12 landscaped terrace with glass awning and basement for services and amenities (Source: Applicant's RTS).

3. STATUTORY CONTEXT

3.1 State Significant Development

The proposal is SSD pursuant to section 89C of the *Environmental Planning and Assessment Act 1979* (EP&A Act) as it is on land identified as being within The Rocks with a CIV in excess of \$10 million. The proposal therefore satisfies the criteria for SSD in Schedule 2 of *State Environmental Planning Policy (State and Regional Development) 2011*.

3.2 Permissibility

The *Sydney Cove Redevelopment Authority Scheme* (SCRA Scheme) is the relevant EPI regulating development in The Rocks and prescribes building height limits, envelopes and permitted uses. Development within The Rocks area must be consistent with the relevant controls of the SCRA Scheme.

Campbell's Stores is located within Site XXVII under the provisions of the SCRA Scheme and includes 'Commercial' and 'Special' land uses as permissible for the site. The Campbell's Stores is currently used for restaurants which are permissible under 'Commercial' uses. The proposal seeks the adaptive re-use of the building for restaurants/bars/cafes and retail uses which are permissible under the SCRA Scheme.

3.3 Delegated Authority

On 14 September 2011, the Minister delegated functions to determine SSD applications to the Planning Assessment Commission (Commission) in cases where an objection has been received from the relevant local council, where the Applicant has provided a political donation disclosure statement, or where there are more than 25 public submissions objecting to the proposal.

As more than 25 public submissions have been received objecting to the application as originally proposed, it is being referred to the Commission for determination.

3.4 Environmental Planning Instruments

The following environmental planning instruments (EPIs) apply to the site:

- Sydney Cove Redevelopment Authority Scheme (SCRA Scheme);
- State Environmental Planning Policy (State and Regional Development) 2011 (SRD SEPP);
- State Environmental Planning Policy No.55 – Remediation of Land (SEPP 55); and
- Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005 (SREP 2005).

An assessment of compliance with the EPIs is provided at **Appendix B**. In summary, the Department is satisfied the application complies with the relevant provisions of the EPIs.

3.5 Objects of the EP&A Act

Decisions made under the EP&A Act must have regard to the objects of the EP&A Act, as set out in section 5 of the Act. SSD 7056 is considered to be consistent with the objects of the Act, as the application will promote the orderly and economic use of the site. The proposal is compatible with the surrounding character of nearby development in the Rocks. The Department has considered the objects of the EP&A Act in **Table 2** below and is satisfied that the proposal complies with all relevant objects.

Table 2: Consideration of the proposal against the objects of the EP&A Act

Objects of the EP&A Act	Consideration	Complies
(a) to encourage:		
(i) the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment	The proposal does not impact on natural and artificial resources, as it involves the development within an already disturbed urban area. The proposal will revitalise an existing commercial and retail building, which will enhance economic and social welfare.	Yes
(ii) the promotion and co-ordination of the orderly and economic use and development of land	The proposed development will better facilitate the future use of the site and the merits of the proposal are considered in Section 5 .	Yes
(iii) the protection, provision and co-ordination of communication and utility services	The proposal is unlikely to impact on existing communication and utility services.	Yes
(iv) the provision of land for public purposes	The proposal will result in improvements to the public domain with increased connectivity between Hickson Road and Campbell's Cove and public seating and dining areas.	Yes
(v) the provision and co-ordination of community services and facilities	The proposal does not include the provision of community services and facilities. As noted above, the proposal will improve the public domain with improved pedestrian connectivity and outdoor dining areas.	Yes
(vi) the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats	As noted in Section 2 , the proposal will retain the existing fig tree in front of Bay 12, remove the existing tree to the west of the existing Bay 12 lightweight structure and include new street trees along Hickson Road. The site does not contain any threatened species or their habitat.	Yes
(vii) ecologically sustainable development (ESD)	Section 3.7 considers the proposal against the principles of ESD.	Yes

(viii) the provision and maintenance of affordable housing	The proposal does not involve the provision / maintenance of affordable housing.	Yes
(b) to promote the sharing of the responsibility for environmental planning between the different levels of government in the State	The proposal is SSD in accordance with the SRD SEPP. The Department consulted with Council, Property NSW and other relevant agencies on the proposal.	Yes
(c) to provide increased opportunity for public involvement and participation in environmental planning and assessment.	Section 4 sets out details of the Department's public exhibition of the proposal.	Yes

3.6 Ecologically Sustainable Development

The EP&A Act adopts the definition of ecologically sustainable development (ESD) from the *Protection of the Environment Administration Act 1991*. Section 6(2) of that Act states that ESD requires the effective integration of economic and environmental 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; and
- (d) improved valuation, pricing and incentive mechanisms.

The Applicant has considered and addressed ESD principles as they relate to the proposal in Section 8.2 and Appendix I of the EIS. This describes the Applicant's approach to integrating energy efficient technologies and sustainable practices in the design, construction and ongoing operation of the development.

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

- **Precautionary Principle** - the proposal will not result in any serious or irreversible environmental damage, as:
 - the works aim to restore and conserve the significant heritage building fabric of the Campbell's Store and will be undertaken carefully and sensitively; and
 - the adaptive re-use of the Campbell's Stores will not involve significant construction works or operational activities that would give rise to air quality or water quality impacts.
- **Inter-Generational Equity** – the proposal will not result in adverse impacts on the health, diversity and productivity of the environment for the benefit of future generations, as:
 - the proposal considers existing environmental impacts in the area, such as noise and odour impacts and it is not anticipated these issues will give rise to health, diversity or productivity issues. Further detailed consideration of noise and odour issues associated with the future operation of tenancies will be considered in future applications by the relevant consent authority; and
 - the proposal will increase retail opportunities and deliver improvements to the surrounding public domain, including a new pedestrian site links between Hickson Road and Campbell's Cove and outdoor seating.
- **Biodiversity Principle** – the proposal will have no significant impact on biodiversity or ecological value, as the site contains existing buildings. The proposal involves the retention of a tree with high significance value located east of Bay 12 and the removal of a tree to the west of the existing lightweight structure in Bay 12. The tree proposed to be removed is not considered to be high in value. In addition, the proposal includes new street tree planting along Hickson Road.
- **Valuation Principle** – the proposal includes a number of energy, water and waste reducing measures that will reduce the ongoing operating costs of the development.

Having considered the objects of the EP&A Act, including the encouragement of ESD in its assessment of the application, the Department is satisfied that the proposal encourages ESD.

3.7 Environmental Planning and Assessment Regulation 2000

Subject to any other references to compliance with the regulation cited in this report, the requirements for notification (Part 6, Division 6 of the EP&A Regulation) and fees (Part 15, Division 1AA of the EP&A Regulation) have been complied with.

3.8 Environmental Assessment Requirements

In accordance with section 78A(8A) of the EP&A Act, the Secretary notified the Applicant of the environmental assessment requirements (SEARs) for the SSD application (SSD 7056). The Department is satisfied that the Applicant's Environmental Impact Statement (EIS) has adequately addressed compliance with the SEARs to enable a comprehensive assessment of the application for determination purposes.

3.9 Strategic Context

The Department considers the proposal is consistent with the following State strategies:

- the objectives of *NSW 2021* (the State Plan) via the creation of 200 full time equivalent jobs during construction and 165 full time jobs during operation once the upgrade works and future fitout works are completed;
- the objectives of *NSW 2021* including enhancing the cultural and natural heritage in NSW through the restoration, conservation, revitalisation and adaptive re-use of the Campbell's Stores and surrounding public domain in the State's most significant heritage precinct – The Rocks;
- the objectives of *A Plan for Growing Sydney* including *Action 1.1.3* which outlines the need to diversify the CBD by enhancing the cultural ribbon and *Action 1.1.4* which seeks to deliver the Government's vision for Sydney Harbour, incorporating the cultural ribbon and surrounding foreshore lands. The objectives and actions will be achieved by the renewal of the Campbell's Stores and public domain which will generate tourism, social, economic and community benefits and enable The Rocks to continue to remain one of Australia's pre-eminent tourist destinations;
- will enhance the Central District identified in the *Draft Towards our Greater Sydney 2056* and *Draft Central District Plan* by ensuring a more productive, livable and sustainable city through:
 - the creation of more jobs in the CBD;
 - respecting and enhancing the heritage value of the Campbell's Stores;
 - improving and diversifying lifestyle choices for people who live, work and visit The Rocks;
 - improving the accessibility and connectivity of the site with the public domain, foreshore and The Rocks area; and
 - the implementation of measures that will reduce water, energy and waste through a mixture of passive design and efficient systems, including water efficient fixtures and fittings, re-use of building materials and minimal demolition works.

4. CONSULTATION AND SUBMISSIONS

4.1 Exhibition

Under section 89F(1)(a) of the EP&A Act, the Secretary is required to exhibit the EIS for at least 30 days. The Department publically exhibited the application from Thursday 19 November 2015 until Friday 18 December 2015 (30 days) on its website, at its office and at the City of Sydney Council offices.

The Department also advertised the public exhibition in the Sydney Morning Herald, The Daily Telegraph and the Central Courier on Wednesday 18 November 2015, and notified adjoining

landholders, and relevant State and local government authorities in writing. The Department received 121 submissions during the exhibition of the EIS, comprising seven submissions from public authorities and 114 public submissions. The submissions are summarised below.

4.2 Public Authority Submissions

Table 3: Summary of public authority submissions to the EIS

<p>Heritage Council of NSW (NSW Heritage)</p> <p>NSW Heritage did not object to the application however, raised specific concerns in relation to:</p> <ul style="list-style-type: none"> the new doorway openings to Bays 3, 6 and 9, particularly the removal of significant fabric and the addition of new contemporary awnings and the potential to diminish the architectural character of the west façade from Hickson Road; the removal of the existing sandstone wall requires further consideration; and the installation of shade structures along the western footpath of Hickson Road. <p>In addition, NSW Heritage provided the following comments:</p> <ul style="list-style-type: none"> the originally proposed three-storey Bay 12 building is supported provided that high quality design and materials are utilised; the new shade structure/canopy for the outdoor dining areas for the tenancies is supported; a subdivision plan, tenancy fit out guide, details for ongoing management and conservation program be prepared; and provision of details for any archaeological works.
<p>City of Sydney Council (Council)</p> <p>Council did not object to the proposal, and provided comments in relation to:</p> <ul style="list-style-type: none"> the use of high quality design and materials for the Bay 12 building is needed due to its high visibility in the public domain and surrounding buildings; there may be a need for further sun protection in outdoor areas and umbrellas below the awning or plastic side covers should be avoided; potential view loss from the adjoining residential building; the LED sign at the southern end of the site is not supported; footpath widening along Hickson Road is supported; potential noise impacts from the operation of the site; inclusion of appropriate tree management conditions; and the need for the preparation of a tenancy fitout guide and signage strategy to give certainty to future heritage and visual impacts
<p>Port Authority of NSW (Port Authority)</p> <p>The Port Authority did not object to the proposal, however raised the following concerns:</p> <ul style="list-style-type: none"> clarification regarding the site boundary and works proposed on Port owned land; potential construction traffic impacts during cruise ship berthing days; and potential construction noise and vibration impacts on the Overseas Passenger Terminal.
<p>Transport for NSW (TFNSW)</p> <p>Transport for NSW did not object to the proposal, and provided comments in relation to the preparation of a Construction Traffic Management Plan and the consideration of works relating to the future rail corridor.</p>
<p>NSW Office of Water</p> <p>The Office of Water did not object to the proposal, and provided comments in relation to any groundwater/dewatering activities required during construction works.</p>
<p>Office of Environment and Heritage (OEH)</p> <p>OEH noted the proposal does not contain biodiversity, natural hazards or Aboriginal cultural heritage issues.</p>

4.3 Public Submissions

The Department received 114 public submissions all of which objected to the proposal, including a submission from Mr Alex Greenwich MP (Member for Sydney) and the National Trust of Australia. The objections were mainly related to the design, heritage and visual impacts of the proposed three-storey building. The submissions also raised concerns relating to the land use, hours of operation and potential noise and odour impacts from the operation of Campbell's Stores.

Table 4: Summary of key issues raised in public submissions objecting to the proposal

Issue	Proportion of Submissions
Bay 12 building – heritage impacts	87%
Bay 12 building – visual impacts	43%
Bay 12 should be used as open space	30%
Bay 12 building – public domain impacts	11%
Amenity Impacts – noise and odour	10%

Other issues raised in public objections to the exhibition included:

- potential view loss from the mechanical ventilation system at Bay 11;
- the proposal does not comply with the *Conservation Management Plan*;
- the application description is misleading;
- the public exhibition period should be extended; and
- the health risk of the fig tree during construction.

4.4 Issues raised by the Department

In addition to the issues raised in the EIS submissions, the Department requested the Applicant further consider the design of the Bay 12 building with regards to providing a more sympathetic relationship with the existing Campbell's Stores and the site's context.

4.5 Applicant's Response to Submissions

On 4 May 2016, the Applicant lodged its Response to Submissions (RTS) report that refined the design of the Bay 12 building and provided additional information to address the concerns raised during the exhibition period and to respond to key issues raised by the public authorities. In particular, the RTS detailed the following:

- the height of the three-storey Bay 12 building was reduced by approximately 400 mm to align with Bay 11;
- the roof and lift overrun was lowered by 600 mm to align with the Park Hyatt Hotel;
- detailed design and materiality for the Bay 12 building, including the use of warmer materials, to strengthen its relationship with the existing Campbell's Stores;
- the openings to Bays 3, 6 and 9 were reduced in size;
- the proposed umbrellas to the Hickson Road seating area were removed; and
- the LED sign at the southern end of the site was removed.

The Department notified the previous submitters and agencies of the RTS and made the amended design and associated documents publically available.

The Department received six further submissions from agencies including NSW Heritage, Council, the Port Authority and TfNSW. These authorities did not raise concerns about the proposal and provided comments for the Department to consider in its assessment and recommended conditions of approval, where relevant.

The Department also received a submission directly from then Minister for Heritage who objected to the proposal, specifically in relation to the heritage impacts resulting from the three-storey Bay 12 building and its compatibility with The Rocks area.

The Department received a further 17 submissions from the public objecting to the proposal. The submissions reiterated concerns about the three-storey Bay 12 building and noise and air quality impacts resulting from the future operation of the tenancies.

4.6 Independent Heritage Review

Given the high level of public interest in the application and the contentions associated with the impacts of the Bay 12 building, the Department sought independent, expert heritage and design advice to assist in its assessment of the Bay 12 building. Advice was not sought for the other components of the proposal. Professor Peter Webber was engaged to provide this advice and is the former NSW Government Architect and a founding member of the NSW Heritage Council.

The independent review concluded the Bay 12 building should not be supported due to its built form, architectural character, not being consistent with the heritage significance of the existing Campbell's Stores, as well as the broader historic context of The Rocks. The advice suggested alternative development options for Bay 12, including:

- a landscaped courtyard (preferred option);
- an attached new building complementing the adjoining Bay 11; or
- a detached Bay 12 structure.

4.7 Applicant's Revised Response to Submissions

Following further discussions with the Department regarding the findings of the independent review, the Applicant lodged its revised RTS report which provided additional information to address concerns in submissions to the RTS. In addition, the Applicant amended the proposal with the following:

- deleting the three-storey Bay 12 building and replacing it with an outdoor terrace, a single storey awning structure and basement; and
- temporary seating and shade structures beneath the fig tree (Fig Tree Café).

The Department notified all previous submitters and agencies of the amended proposal and made its amended design publically available. The Applicant also advised the revised proposal was presented to the office of the Minister for Heritage and NSW Heritage.

The Department received 14 submissions, including three public authority submissions (NSW Heritage, Council and the Port Authority). No authorities raised any continued concerns, and recommended conditions have been incorporated into the conditions of consent, where appropriate. No further submission was received from the Minister for Heritage.

The 11 public submissions generally supported the amended proposal and the removal of the Bay 12 building. However, they maintained concerns in relation to potential odour and noise impacts from the future operation of the site.

5. ASSESSMENT

5.1 Section 79C Evaluation

Table 5 identifies the matters for consideration under section 79C that apply to SSD. The EIS has been prepared by the Applicant to consider these matters and those matters detailed in the SEARs. The Department's assessment has also considered these matters which are further discussed, where relevant, throughout **Section 5**.

Table 5: Section 79C(1) Matters for Consideration

Section 79C(1) Evaluation	Consideration
(a)(i) any environmental planning instrument	Satisfactorily complies – see Section 3.4 and Appendix B of this report.

(a)(ii) any proposed instrument	Not applicable.
(a)(iii) any development control plan (not applicable to SSD)	Whilst DCPs do not apply to SSD applications, consideration has been given to the Sydney Harbour Foreshores & Waterways DCP in Appendix B of this report.
(a)(iia) any planning agreement	Not applicable.
(a)(iv) the regulations	Complies – see Section 3.8 of this report. The application satisfactorily meets the relevant requirements of the Environmental Planning & Assessment Regulation 2000 (EP&A Regulation), including the procedures relating to development applications, public participation procedures for SSDs, and Schedule 2 of the EP&A Regulation relating to EISs.
(a)(v) any coastal zone management plan	Not applicable.
(b) the likely impacts of that development	Impacts of the development have been considered in Section 5 of this report.
(c) the suitability of the site for the development	The suitability of the site has been considered in Section 5 of this report.
(d) any submissions	Consideration has been given to submissions received during the exhibition period in Section 4 of this report. Key issues raised in submissions have been considered further in Section 5 of this report.
(e) the public interest.	The development is considered to be in the public interest as it would restore, conserve and revitalise a State heritage item in one of Australia's most significant heritage precincts.
Biodiversity values exempt if:	
(a) On biodiversity certified land?	Not applicable
(b) Biobanking Statement exists?	Not applicable

5.2 Key Assessment Issues

The Department considers that the key environmental assessment issues related to the application include:

- works to the Campbell's Stores building;
- outdoor area and public domain works; and
- operational noise and odour associated with future uses.

Each of these key issues are discussed below. **Section 5.6** discusses the other issues that were taken into consideration in the assessment of the application.

5.3 Works to the Campbell's Stores Building

The Campbell's Stores is listed as a State heritage item, is located within a prominent site on Campbell's Cove and is within the Sydney Opera House (SOH) buffer zone identified in SREP 2005 which identifies the need for development to preserve views to the SOH and preserve its world heritage value. Also, the site is in close proximity to other State listed heritage items, including the ASN Co Building to the south and Metcalfe Bond Stores to the west.

The Rocks Heritage Management Plan: Volume 1, 2010 (Heritage Management Plan) prepared by SHFA, outlines the management of the heritage significance of The Rocks area. The Department has considered the relevant provisions of the Heritage Management Plan, particularly clauses 4.1.5 and 5.4.1, which seek to minimise impacts and retain the heritage value of The Rocks area through conservation and restoration works.

The *Conservation Management Plan 2014* (CMP), provides the overarching framework for consideration of impacts to the heritage significance to the Campbell's Stores and The Rocks area. The Department has considered the relevant provisions of the CMP (particularly Policies 1, 8, 9, 11, 14, 18 and 20) in its assessment of the proposal and a detailed consideration is provided in **Appendix B**.

The key provisions of the CMP, as they apply to the proposal, primarily relate to the continuing use of the site for restaurants and cafés, its importance as a tourist attraction, and consideration of the level of significance of fabric to be removed or altered to enhance its visibility and maximise public access. In addition, the CMP identifies areas of the building requiring conservation and restoration. This includes the stormwater system, the sandstone walls affected by salt and moisture and deteriorated fabric. The proposed internal and external works to the Campbell's Stores are considered separately below.

5.3.1 Internal building works

The proposal seeks to remove the existing internal fitouts of the Campbell's Stores, including the kitchens, toilets, stairs and services (**Figure 11**). This will facilitate the reinstatement of the original interior layout and fabric of the Campbell's Stores. The proposal then seeks to provide centralised circulation and amenities, including lifts, kitchen locations and associated plant equipment in three common Bays (Bays 3, 6 and 9) (**Figures 12 and 13**).

Conservation and restoration works will also be undertaken to important parts of the building's fabric, which in combination with other internal works will allow for the adaptive re-use of the Campbell's Stores for restaurants/bars/cafes and retail uses.

The new internal works include (**Figures 11 to 14**):

- openings between the floors and in the walls for stairways, lift shafts and services;
- openings in the internal common walls between the bays;
- installation of centralised services, lifts, stairs and toilets to Bays 3, 6 and 9;
- raised floors to cater for new electrical, hydraulics and mechanical services;
- upgrade fire egress and stormwater system;
- installation of an exhaust riser located at the northern end of Bay 11;
- reconstruction of redundant openings in internal walls and floors; and
- conservation and restoration works to significant joinery including windows, bargeboards, loading dock aprons and deteriorated sandstone.

The EIS included a Heritage Impact Statement (HIS) which provides a detailed assessment of the proposal on the heritage significance of the site, in accordance with the Heritage Management Plan and CMP.

The HIS details the proposal's consistency with the CMP in respect of the original form and fabric of the front and rear façades, original internal walls, timber beam, column and roof structure being retained. In addition, the proposal seeks to undertake restoration and conservation works identified in the CMP.

The HIS concludes that no significant features of the building are proposed to be removed, the works minimise fabric removal and adequately delineates between the old and new fabric. Council and NSW Heritage did not raise concerns about the internal works although recommended a Tenancy Fitout Guide for the site be prepared by a heritage consultant. This guide would inform future tenants when preparing documentation for future development applications in relation to building requirements, items or areas of heritage significance and suitable detailed fitout design options.

The Applicant subsequently prepared a preliminary Tenancy Fitout Guide as part of its RTS. The guide was prepared by a heritage consultant in accordance with the CMP, and identifies significant fabric and suitable fitout options.

The Department supports the preliminary Tenancy Fitout Guide and recommends conditions of consent including requiring the Applicant to prepare a final Tenancy Fitout Guide in consultation with NSW Heritage and that the ongoing design and detailed schedule of conservation works are reviewed by a heritage consultant.

The final Tenancy Fitout Guide will provide guidance for future fitout applications in relation to the provision of internal and external services, fitout, seating areas and furniture selection of future uses to ensure the heritage significance of the building is not compromised.

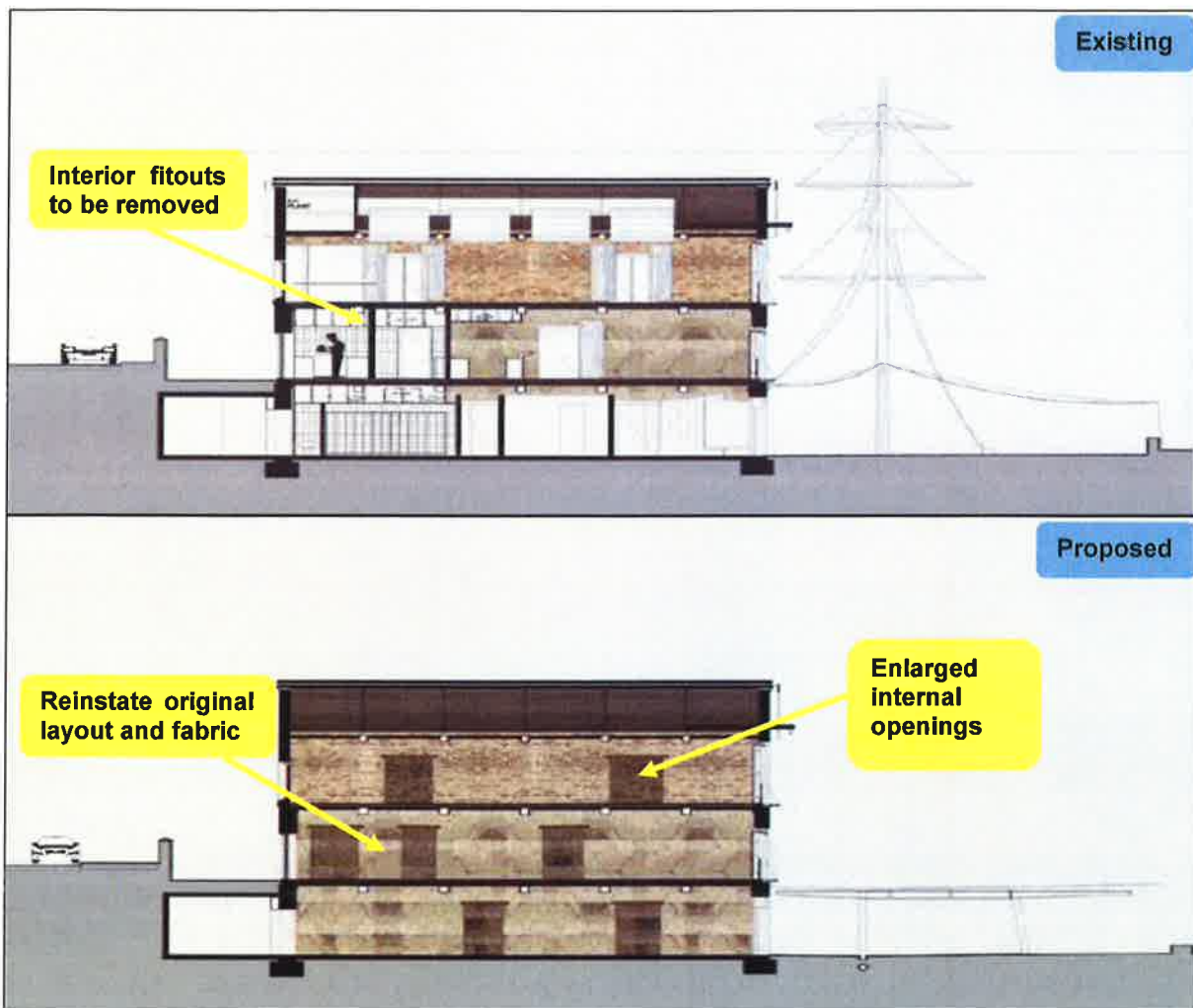


Figure 11: The proposed removal of the existing restaurant fit-outs to reveal original fabric. (Source: Applicant's EIS).



Figure 12: Bays 3, 6 and 9 shown in orange that will accommodate the proposed centralised services including internal lifts, stairs and toilets (Source: Applicant's EIS).

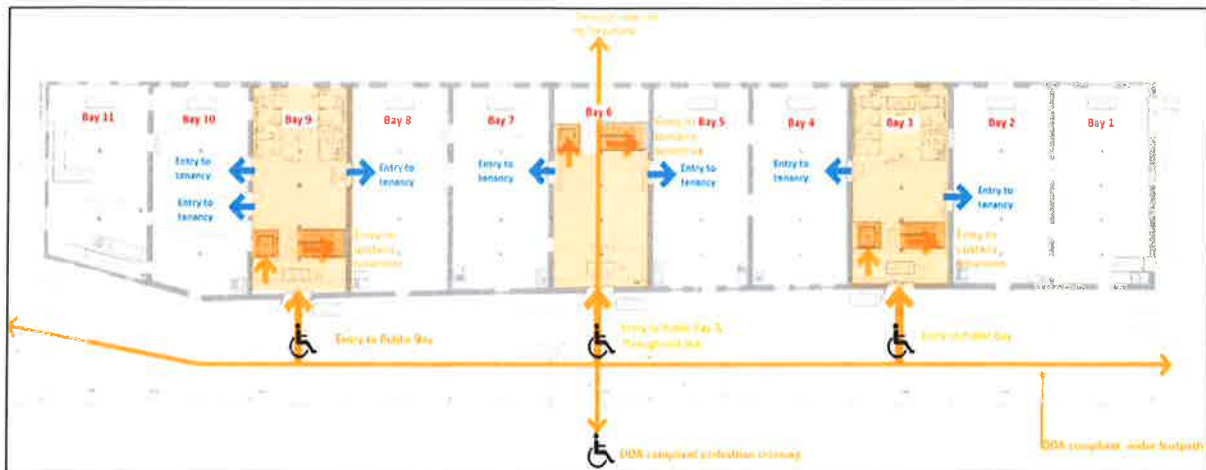


Figure 13: The proposed layout of the Campbell's Stores comprising three public centralised Bays. (Source: Applicant's EIS).



Figure 14: The proposed interior fitout to reveal original fabric. (Source: Applicant's EIS)

The Department is therefore satisfied that subject to the recommended conditions, the proposed internal works will not have adverse impacts on the heritage significance of the site as:

- the design and fitout is consistent with the CMP as they delineate between the old and new fabric and expose the original heritage fabric and artefacts, allowing increased public appreciation of the site;
- the proposed services minimise the alteration or removal of original fabric and would be reversible;
- consolidation of services, amenities, circulation and provision of disabled access improve the functionality of the site and minimise fabric openings; and
- the Tenancy Fitout Guide will adequately guide the fitout and use of the bays.

The Department therefore concludes the proposed internal works are acceptable and will make substantial improvements to the fabric and re-use of the Campbell's Stores building and its heritage significance.

5.3.2 External building works

The proposal seeks to undertake the following external works:

- conservation works including, upgrading the stormwater infrastructure and fire egress and the reconstruction of damaged sandstone;
- new openings to the Bay 11 roof for mechanical ventilation (**Figure 10**);
- the removal of aluminium windows to the ground floor of the eastern elevation;
- replacement of the deteriorated slate roof with new slate tiles (**Figure 15**);
- removal of the existing brick exhaust stack at the southern end of the building, adjoining Bay 1, known as Bay X (**Figure 15**);

- enlarge the Hickson Road openings to Bays 3, 6 and 9 to facilitate disabled access (**Figure 16**); and
- new opening in the northern wall of Bay 11 to provide disabled and pedestrian access from the landscaped terrace located in Bay 12 (**Figure 22**).

The CMP outlines key principles for the management of the Campbell's Stores heritage significance and the retention and conservation of significant fabric. Specifically, the CMP identifies conservation works that are required to achieve these principles, including upgrading the stormwater infrastructure, reconstruct or repair deteriorated sandstone and slate roof tiles. In addition, the CMP has identified the Bay X exhaust stack is intrusive to the site's heritage significance (**Figure 13**).

The EIS has considered the CMP and demonstrates the proposal is consistent in its aim to conserve and reconstruct the original fabric of the Campbell's Stores and remove intrusive elements.

NSW Heritage did not raise any concerns with the proposed external works and noted a substantial improvement in relation to the size of the openings to Bays 3, 6 and 9 (**Figure 13**). In addition, NSW Heritage recommended conditions in relation to archaeological works and the preparation of a schedule of conservation works. The Department has implemented these conditions where relevant. Council also did not raise any concerns in regard to the proposed external building works and supported the proposal.

The Department notes the nearby residents of the Metcalf Bond Building raised concerns about potential view loss from the proposed mechanical ventilation system to Bay 11.



Figure 15: The existing exhaust stack proposed to be demolished circled in red (Source: Applicant's EIS).

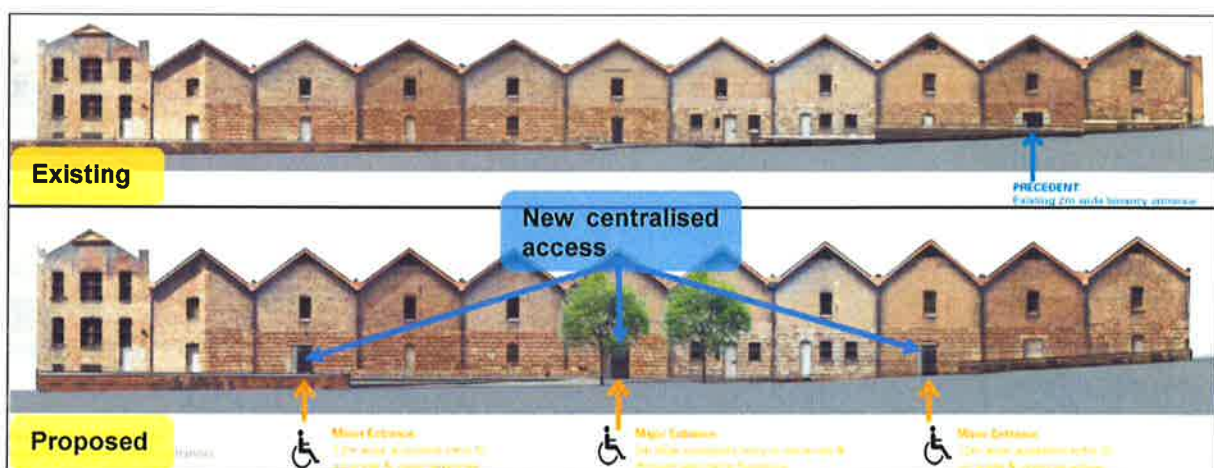


Figure 16: The proposed enlarged openings to Bays 3, 6 and 9 from Hickson Road (Source: Applicant's RtS).

The Department has given careful consideration to the external building works to ensure they minimise any adverse impact on the amenity of nearby residences and the significant fabric of the Campbell's Stores building. In this regard the Department notes:

- the proposed centralised mechanical ventilation system at Bay 11 will not protrude above the roof line and will therefore not impact upon views from the residences in the Metcalfe Bond building;
- the proposed conservation works will reverse the deterioration of the original building fabric/sandstone and roofing and will assist in the delivery of key recommendations contained within the CMP;
- the removal of the exhaust stack will expose the original southern façade of the Campbell's Stores and will remove an intrusive element with no heritage significance;
- the works, including the roof works will ensure the fabric remains in good condition and will facilitate the continued use of the site as a dining precinct which aligns with the CMP; and
- they will maximise public access, including disabled access, through the new central openings in Bays 3, 6, and 9 and enable an appreciation of the Campbell's Stores heritage significance; and
- they will provide disabled access into Bay 11 from the landscaped terrace and Hickson Road.

The Department therefore concludes the external works are acceptable and is satisfied they would contribute positively to heritage significance of the site.

5.4 Eastern Outdoor Seating Area and Public Domain Works

The site is in a key Sydney Harbour foreshore location which fronts Campbell's Cove. The surrounding public domain includes an outdoor seating area and foreshore promenade to the east, paved pedestrian linkages to the south and north and Hickson Road and its footpaths to the west.

An Architectural and Public Domain Study (Public Domain Study) has been prepared for the site outlining public domain principles for Campbell's Cove and the Campbell's Stores building. The key principles of this study relevant to the proposal are to improve the permeability of the site and provide active public spaces. The application was accompanied by a Design Statement and Accessibility Report detailing the intent and functionality of the public domain works in response to the principles of the Public Domain Study, the Heritage Management Plan and the CMP. The Department accepts the site and its immediate surrounds would benefit from improved permeability and pedestrian access and considers the need to activate public spaces around the Campbell's Stores well founded.

The amended proposal seeks to undertake the following works:

- alterations to the eastern outdoor seating area;
- create a new landscaped terrace at Bay 12; and
- undertake streetscape improvement works along Hickson Road.

These works are considered separately below.

5.4.1 Eastern Outdoor Seating Area

The existing outdoor dining area to the east of the Campbell's Stores extends across its entire eastern façade (**Figures 17, 18 and 19**). Located above the outdoor seating area are faux ship sails, canopies and drop-down blinds which provide sun, wind and rain protection. This public domain area is licensed by SHFA for the exclusive use of the four restaurants operating within the Campbell's Stores and their customers.



Figure 17: The existing canopies and sail masts proposed to be removed along the eastern outdoor seating area (Source: Applicant's EIS).

The proposal includes changes to the footprint of the outdoor seating area and the weather protection structures. These changes in combination provide for a reduction to the southern and an increase to the eastern extent of the outdoor seating area. A significant reduction to the footprint of existing overhead canopies by a glass and steel awning is also proposed (**Figures 18-21**).

The glass awning is proposed to be divided into two equally sized areas by a central open corridor running approximately 15 m in width outside of Bays 5, 6 and 7 and will be set back from the Campbell's Stores eastern façade by 3 m (**Figure 19**). Horizontal retractable blinds fixed to the underside of the glass awning are proposed for sun protection and retractable glass screens up to a height of 1.5 m running along the perimeter of the outdoor seating area are proposed for wind protection. The area is also proposed to be regraded and paved and will provide for the collection and disposal of rainwater directing water away from the building thus preventing further deterioration of sandstone blocks at its base.

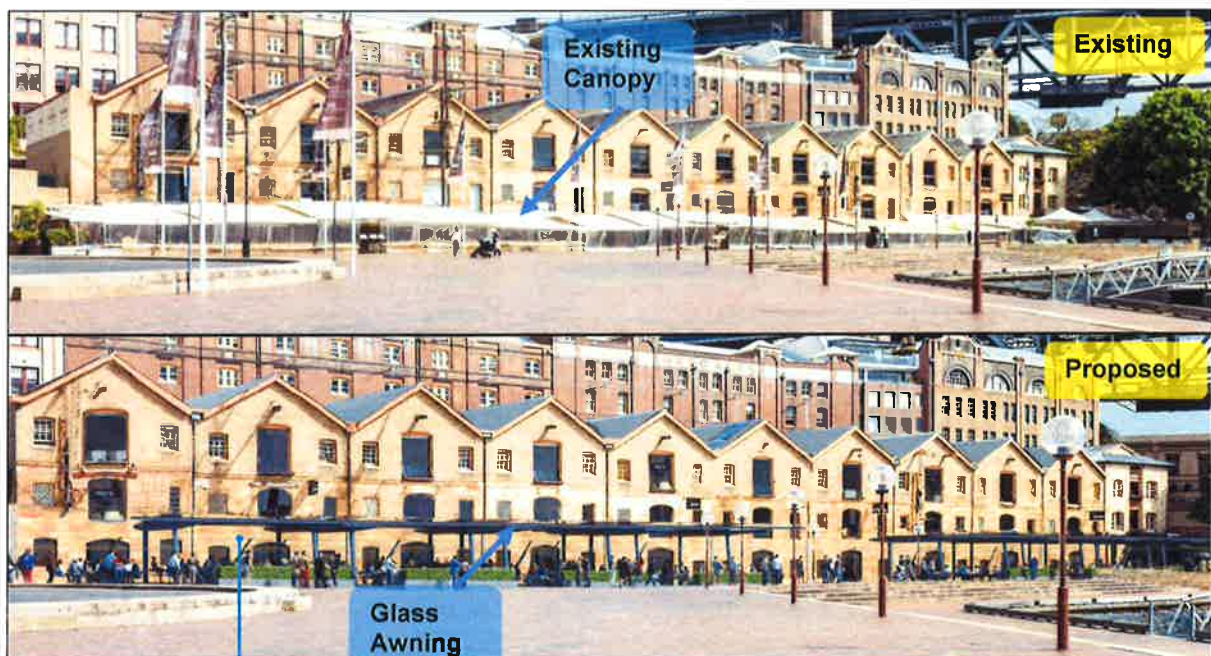


Figure 18: The proposed alterations to the outdoor dining area viewed from Campbell's Cove (Source: Applicant's EIS).

The Department has reviewed the design of the glass awning and notes its design aligns with the CMP's principles by improving permeability and enhancing activation of the public domain.

The CMP also outlines new works are not to obscure the heritage significance of the site and should be subservient to the primary architectural features of the existing structure and facilitate public appreciation and access. The CMP outlines specific design principles for a replacement canopy, including being adequately separated from the Campbell's Stores façade, visually permeable, uncluttered and transparent to allow views to and from the Campbell's Stores.

The HIS outlines the proposal's consistency with the CMP, particularly in relation to the removal of the intrusive faux ship sails, canopies and drop-down blinds. The HIS concludes the removal of these items will enhance the significance of the building and its ability to contribute to the streetscape and the conservation area.

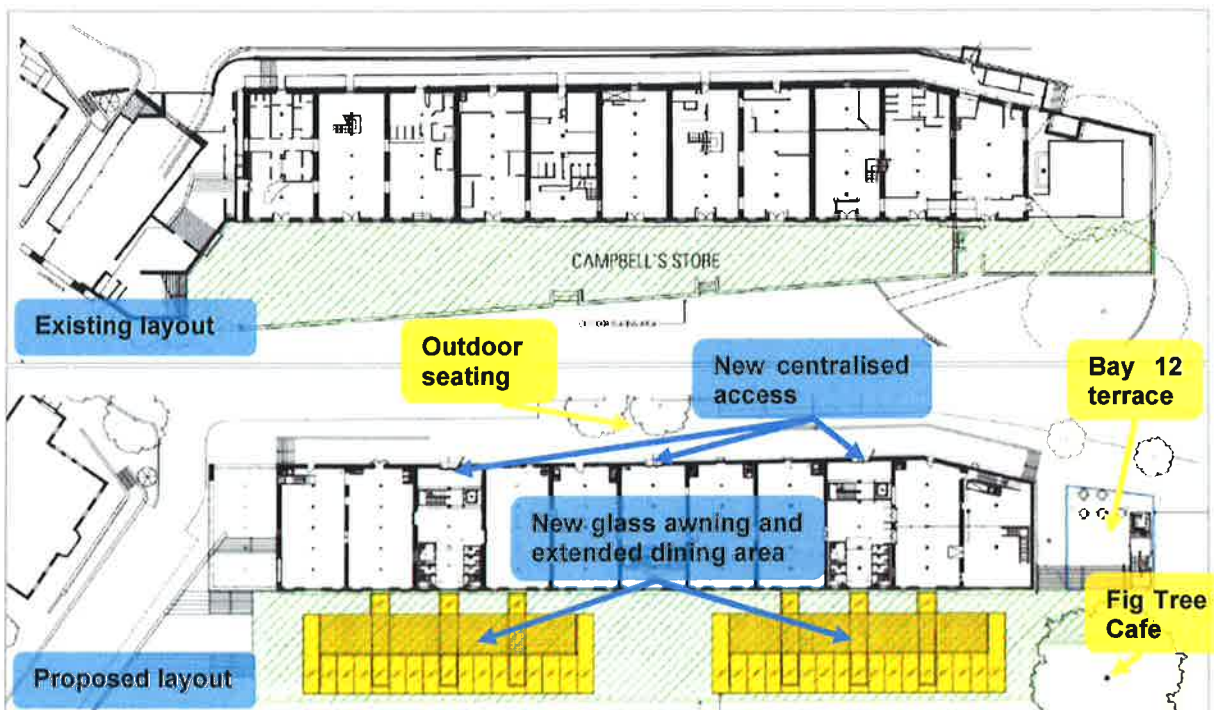


Figure 19: The existing and proposed layout of the site with the amended eastern outdoor dining area shown in green (Source: Applicant's EIS).

The HIS outlines the minimal skeletal structure of the new glass awning which replaces the faux sail ship masts and canopies. The HIS considers these works are in accordance with the CMP and Heritage Management Plan as they will maximise visual separation from the building and the use of glass would increase exposure of the original fabric of the Campbell's Stores.

The EIS also included a Visual Impact Assessment (VIA) detailing the proposed glass awning's consistency with the CMP, particularly with regard to its physical separation from the Campbell's Stores and the use of glass to maximise views (**Figures 19 and 20**). The VIA also identified the glass awning would significantly enhance views in and around the site and its surrounds, including to the Sydney Opera House, harbour foreshore and Sydney Harbour Bridge.

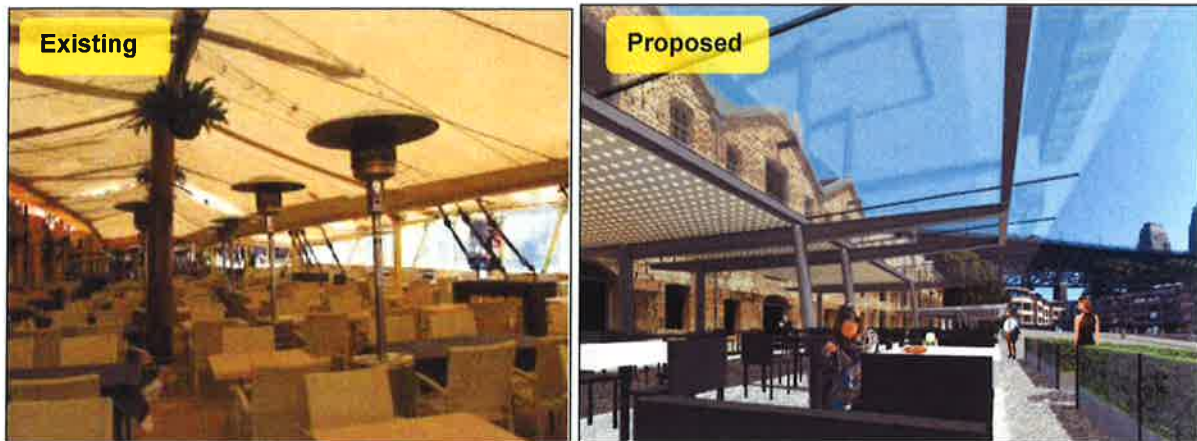


Figure 20: Views from the existing and proposed outdoor dining area (Source: Applicant's EIS).

Council and NSW Heritage did not object to the proposal and support the proposed glass awning and eastern outdoor area works.

The Department agrees with Council and NSW Heritage and supports the proposed eastern outdoor seating works as:

- they remove intrusive elements that are unsympathetic to the heritage significance of the Campbell's Stores building;
- the glass awning spatially reduces the extent of the existing covered area of the outdoor area and breaks up the awnings into two separate sections by the introduction of a central open corridor which is visually more appealing;
- the design of the awning provides enhanced opportunities for activation through its attractive, open, transparent and lightweight nature which engages with the foreshore and improves the scenic quality of the public domain, harbour foreshore and the setting of the Campbell's Stores building;
- they will enhance views to Sydney Harbour and its foreshore, Sydney Harbour Bridge and the Sydney Opera House;
- they are consistent with the CMP and Heritage Management Plan; and
- regrading of the area will prevent water pooling in the outdoor area, redirect water away from the sandstone exterior and provide for more efficient rainwater collection and disposal.

The Department therefore concludes the changes to the outdoor seating area and new glass awning are an improved change to the public domain and will substantially enhance the character and attractiveness of this part of the harbour foreshore within The Rocks. However, to ensure the retractable glass screens are not a detracting element in the public domain, the Department has recommended their detailed design be submitted to the Secretary prior to the issue of the relevant construction certificate. The Department has also recommended a condition not approving the installation of any drop-down blinds to ensure the open nature of the outdoor seating area remains uncluttered and is not compromised.

5.4.2 Bay 12 landscaped terrace and Fig Tree Café

Bay 12 is currently occupied by a lightweight structure and a tree (*Celtis sinensis*) both of which are proposed to be removed (**Figure 21**) and replaced with a landscaped terrace (**Figures 22 and 23**). The lightweight structure has no heritage significance and the tree is not of high value and is not considered to be important for retention.

To the west of the landscaped terrace, the proposed Fig Tree Café will sit within the curtilage of an existing fig tree (*Ficus macrocarpa* var *hilli*). This tree has been identified as being of high value and will be retained.

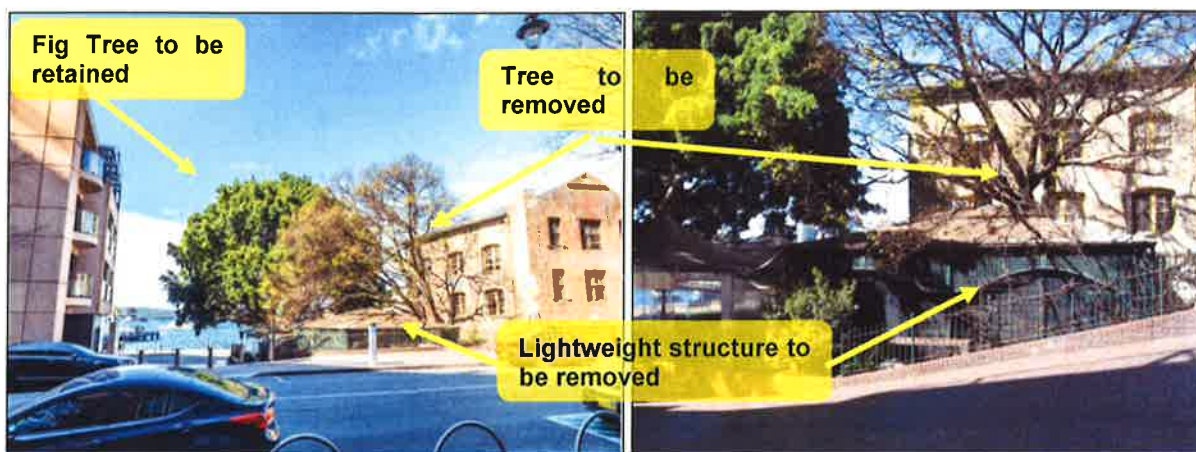


Figure 21: The existing lightweight structure and tree at Bay 12 proposed to be removed and fig tree to be retained (Source: Applicant's EIS).

The CMP identifies the existing lightweight structure at Bay 12 as an intrusive element that should be removed. The CMP states a contemporary addition could be constructed in its place, subject to the use of appropriate materials and colours, being adequately separated from, and enhance visibility of, the Campbell's Stores. The Department agrees with the CMP that the lightweight structure at Bay 12 is intrusive and physically and visually disconnects Hickson Road from the harbour foreshore.

The proposed Bay 12 public domain works includes a landscaped terrace, outdoor seating area, glass awning, basement with toilets and lift and a through-site link. Its design has been developed in discussions with the Department and its independent design advisor, Mr Peter Webber. In summary, Mr Webber's advice has provided that:

- the originally proposed Bay 12 building (**Figures 7 and 8**) could not be supported on built form, architectural character, visual and heritage grounds;
- a landscaped terrace is preferable in the social context of increasing popularity of The Rocks as a tourist venue; and
- the proposed design of the landscaped terrace, outdoor seating, glass awning and basement addresses all the concerns raised in relation to the original Bay 12 building, is thoughtfully designed and of excellent quality.

The proposed landscaped terrace as amended, will be constructed at the approximate level of the Hickson Road footpath below which will be a basement that will used for storage and public toilets (**Figure 6**). The landscaped terrace will be paved with planters situated at its northern, western and southern sides. Partially sitting above the terrace will be a steel and glass awning (**Figure 22**).

The landscaped terrace will be separated from the north wall of the Campbell's Stores by a 2 m recessed walkway which links to the basement and a flight of stairs connecting Hickson Road with the harbour foreshore. The western edge of the terrace will be framed by terraced public seating (**Figures 23 and 24**).

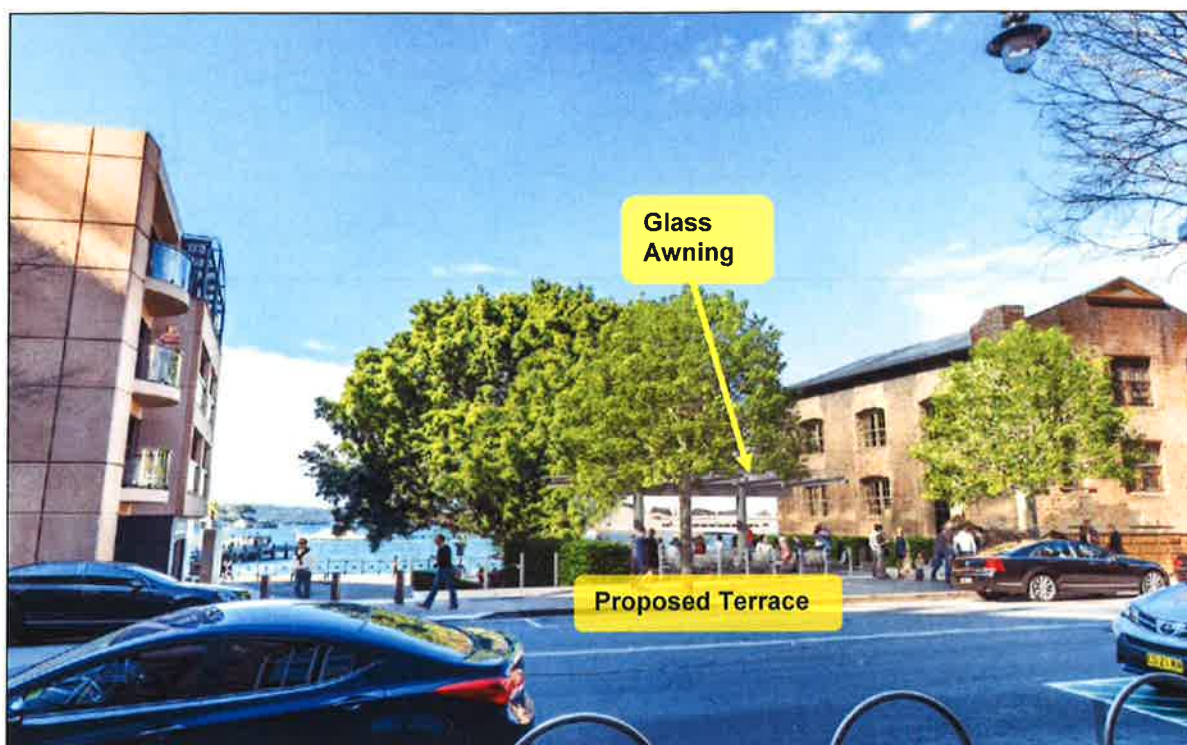


Figure 22: The proposed Bay 12 landscaped terrace, viewed from Hickson Road (Source: Applicant's EIS).

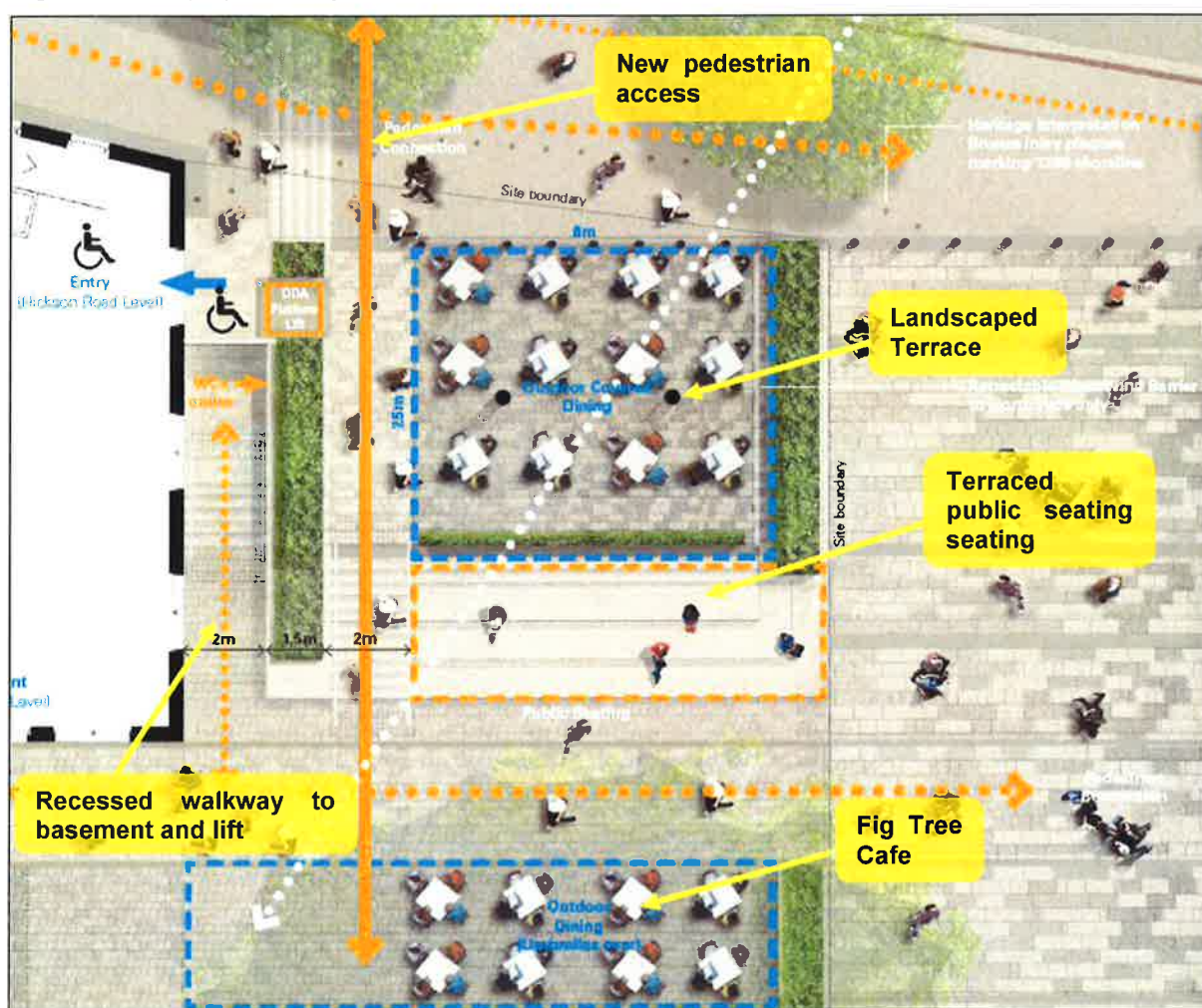


Figure 23: The proposed landscaped terrace and outdoor seating (Source: Applicant's RtS).

Council supported the landscaped terrace and noted it would have a reduced environmental impact compared to the originally proposed Bay 12 building. NSW Heritage has also expressed its support for the proposal, insofar as it is an improvement on the previous Bay 12 building. The Department's independent advice is consistent with the views of the Minister for Heritage whereby it is stated the original Bay 12 building would have had a significant adverse impact on views from nearby properties and from the public domain to the west. The public submissions have also largely commended the removal of the Bay 12 building and have not raised further heritage concerns with the current design.

The Department's independent advice highlighted the similar palette of materials and awning design to that of the eastern outdoor area and which presents as an extension to the waterside public area that is also directly accessible from Hickson Road which ingeniously utilises the lower level for services and toilets. It also outlined the outdoor terrace and glass awning above, together with the removal of the *Celtis sinensis* tree, would have a minimal impact on views and would be less visually obtrusive than the existing Bay 12 structure (**Figure 21 and 22**).

The Department agrees with this view and notes the outdoor terrace will significantly improve opportunities for members of the public to enjoy the scenic qualities of the foreshore and eastern views towards the harbour, Sydney Opera House and beyond. Furthermore, the basement structure below the landscaped terrace which includes toilets has been cleverly concealed by terraced public seating facing eastwards to the harbour. The terraced public seating provides enhanced opportunities for all members of the public to enjoy views from the public domain and will not be licensed for use by any restaurants/bars or cafes. It will therefore remain publicly accessible at all times for all members of the public to use which the Department supports (**Figures 24 and 25**).



Figure 24: The proposed Fig Tree café and terraced public seating (Source: Applicant's RtS).

NSW Heritage and the Department's independent advice both raised concerns regarding the visual impact of the umbrellas beneath the Fig Tree Café when viewed from the terraced public seating and landscaped terrace. The Fig Tree Café will be serviced by the future Bay 11 tenancy and will house eight sets of tables and chairs and removable umbrellas for shade and weather protection (**Figure 24**).

The Visual Impact Assessment outlined the umbrellas would have a maximum height of 2.5 m. It stated the umbrellas would be approximately 1 m below eye level of the landscaped terrace and Hickson Road based on the landscaped terrace being 2 m higher than the promenade and assuming an eye height of 1.5 m.

While the Department considers the visual impact of umbrellas to be minimal and below eye level of a viewer from the terrace and Hickson Road, it is acknowledged the umbrellas would obscure

some limited views towards the harbour for people sitting in the public seating area on the terrace steps. On balance, given the umbrellas are relatively small temporary structures and would only partially impede some views, they will create an inviting usable space. The Department considers the potential visual impact to be acceptable in this instance particularly when considering the current visual impacts caused by the existing structure at Bay 12.

The Department has recommended conditions to ensure the umbrellas remain as temporary structures, numbers do not exceed those indicated on the plans, are appropriately managed and maintained and stored away at the end of each day.

The EIS outlines permeable paving and structures in the vicinity of the fig tree have been designed so as not to impact on the fig tree roots. The EIS included an Arboricultural report that recommended conditions, including a tree protection zone and detailed design and construction works be reviewed by an arborist. The Department supports the recommendations to ensure construction management measures would not adversely impact the significant fig tree.

The Department considers the proposed Bay 12 landscaped terrace and Fig Tree Café works will have a positive impact on the public domain and visual character of Campbell's Cove as:

- the removal of the intrusive lightweight structure would enhance the visibility of the Campbell's Stores;
- the landscaped terrace and terraced public seating will increase the extent of public domain accessible to the public, as well as provide increase opportunities for the public to view and enjoy the existing building consistent with the CMP;
- the through-site link will improve access between Hickson Road and the foreshore;
- they will substantially improve views from Hickson Road to Sydney Harbour and the Sydney Opera House and would not detract from the Sydney Opera House Buffer Zone; and
- the fig tree will be retained and enhanced as a focal point.

With recommended conditions in place, the Department's assessment concludes the proposal would have a positive visual impact upon the Campbell's Stores and The Rocks area and will improve the scenic quality and character of the public domain and foreshore.

5.4.3 Hickson Road and footpath works

The current footpath which runs parallel to Hickson Road along the western façade of the Campbell's Stores is currently inactive and too narrow for wheelchair users. Wheelchair access is not able to be provided because the footpath is divided by a sandstone wall. The inside edge of the sandstone wall has steps at either end of the footpath which provides pedestrian access but prevents wheelchair access. While the footpath along outer edge of the sandstone wall is too narrow for wheelchairs and pedestrians (**Figure 25**).

The proposed development proposes to activate the footpath by improving paths of travel and accessibility, including disabled access, along the length of the Campbell's Stores by regrading and widening the footpath from approximately 4 m to 6m to 7.25 m on the outer edge of the sandstone wall (**Figure 26**).

The proposed works also include the rebuilding of the sandstone wall and steps at either end of the Campbell's Stores, reuse of the existing trachyte kerb, and construction of a pedestrian crossing near Bay 6. Further footpath widening (up to approximately 9 m), an area for outdoor seating and tree planting (four outside Bay 6 on both sides of Hickson Road and two outside Bay 12) is proposed adjacent to the pedestrian crossing on both sides of Hickson Road (**Figures 26 and 27**).

An Accessibility Report has been submitted with the EIS which outlines the public domain works attempt to deliver equality, independence and functionality to people with disabilities inclusive of people with sensory, mobility and dexterity impairments.

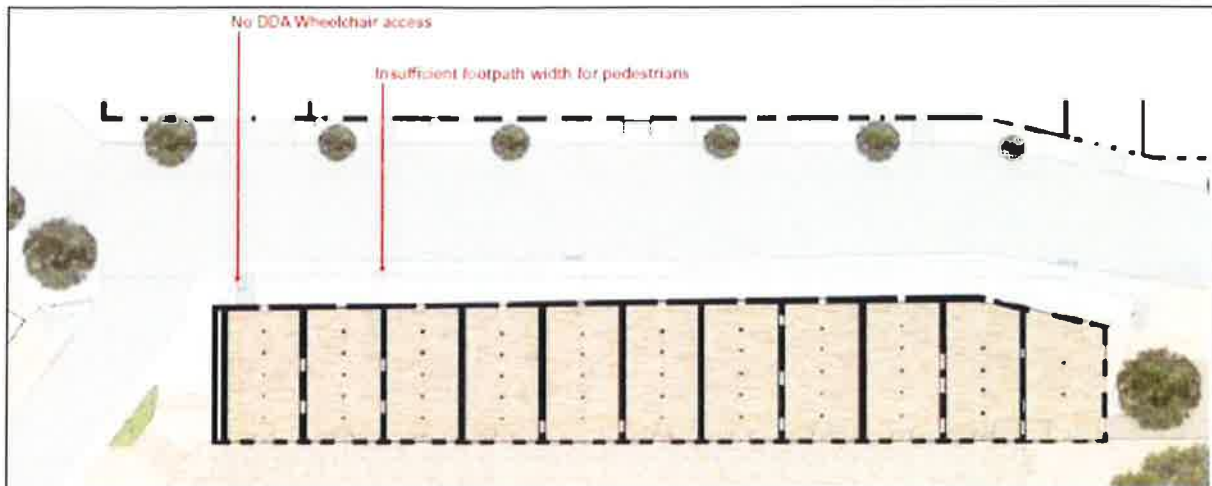


Figure 25: Existing footpaths on the Hickson Road (Source: Applicant's RTS).

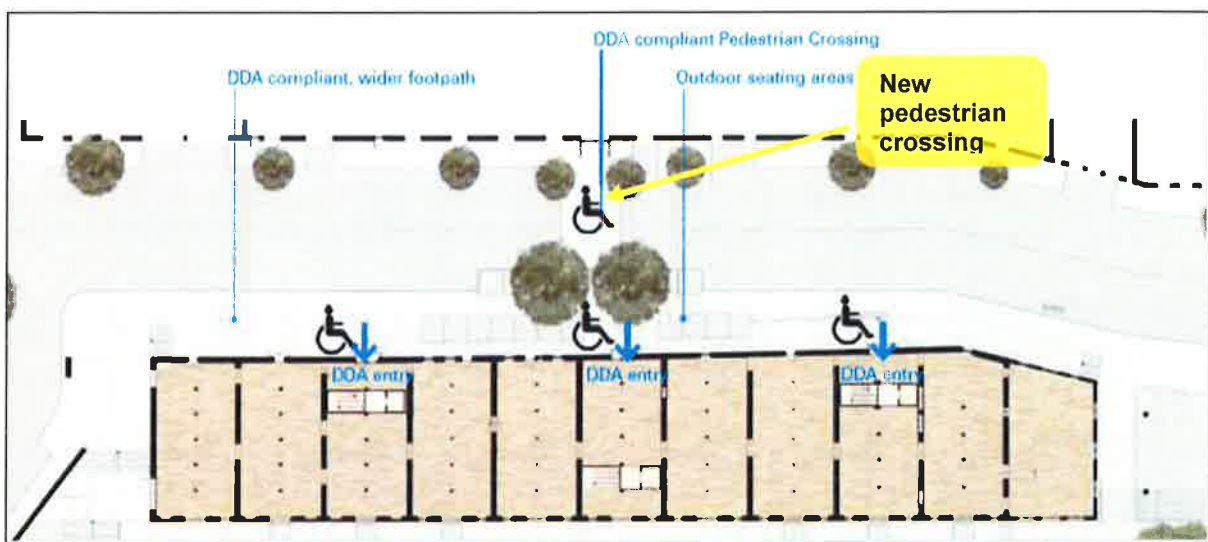


Figure 26: The proposed widened footpath on the eastern and western side of Hickson Road, pedestrian crossing and outdoor seating (Source: Applicant's RTS).



Figure 27: The proposed footpath widening and outdoor café seating area on Hickson Road looking east (Source: Applicant's RTS).

NSW Heritage did not object to the proposed works, however requested further consideration of the heritage significance of the low-lying sandstone wall. The RTS included a heritage impact assessment identifying photographic evidence in the CMP that the wall was not an original item and has minimal heritage significance. NSW Heritage did not raise continued concerns in regard to the removal and replacement of the sandstone wall after reviewing the RTS.

Council supported the proposed footpath widening and pedestrian crossing at Hickson Road. While initially raising accessibility concerns about the cobblestone paving for the pedestrian crossing and removal of the trachyte kerb, the Applicant's RTS advised the trachyte kerbs will be retained in-situ, and the detail and specifications for the cobblestones will ensure they will comply with RMS pedestrian crossing requirements. Council noted these changes and raised no further issues. Council did advise the road works require an application under the *Roads Act 1993* to the Local, Pedestrian Cycling and Traffic Calming Committee and referral to the Central Sydney Traffic and Transport Committee. The Applicant has advised an application is currently being prepared, and the Department has recommended a condition accordingly.

While NSW Heritage did not raise any objections to the public domain works, it recommended that shade structures not be provided for outdoor seating along Hickson Road. Noting the potential for visual clutter, the Department agrees and has recommended a condition to ensure shade structures would not be provided in this area. Notwithstanding, the Department considers the proposed street tree planting would positively contribute to the public domain.

The Department has reviewed the proposed works and considers they will activate the footpath and improve pedestrian flow around the Campbell's Stores. The works will also complement the internal and external accessibility upgrades being undertaken to the Campbell's Stores by linking with and utilising the through-site links at Bays 3, 6 and 9 and would positively integrate the building with the public domain.

The Department therefore concludes the above works are a positive contributing element to the public domain upgrade works and will improve the quality of the streetscape along Hickson Road.

5.5 Operational noise and odour impacts

The site currently operates as a dining precinct with four large restaurants occupying the Campbell's Stores and its outdoor searing area. It is envisaged the site will operate as restaurant/bar/café and retail uses after the adaptive re-use building works are complete and the individual tenancy fitout development applications are approved and construction completed.

The Department acknowledges the proposal does not include the operation of the tenancies and the relevant consent authority will be required to undertake an assessment of operational noise and odour impacts as part of any future development application. However, as City of Sydney Council and a number of public submissions, including the Park Hyatt Hotel have raised noise and odour impacts, the Department has considered these potential issues separately below.

5.5.1 Noise impacts

Potential noise impacts from the site include the use of the internal areas of the Campbell's Stores and the outdoor seating areas and mechanical plant equipment.

The outdoor seating areas include the existing eastern area which has been in use for over 30 years and two new areas, including the landscaped terrace in Bay 12 and Fig Tree Café (shown as outdoor dining area 1 in **Figure 28**) and sections of the footpath along Hickson Road (shown as outdoor dining area 2 in **Figure 28**).

The nearest sensitive receivers to these areas are the residential apartments in the Metcalfe Bond Building west of the site at 8 Hickson Road and the Park Hyatt Hotel to the north (**Figure 28**).

Council, the Park Hyatt Hotel and the adjoining residents raised concerns with potential cumulative noise impacts from the operation of the site and the proposed outdoor dining areas.

The Applicant has considered the impacts of noise associated with the new outdoor areas and has measured background noise levels and noted the predicted noise levels from these areas would comply with noise emission criteria (i.e. would not exceed 5dB above background).

The NIA has also recommended restricting the operating hours of outdoor areas (until 12 midnight), patron restrictions, noise and vibration monitoring and complaint response procedures.

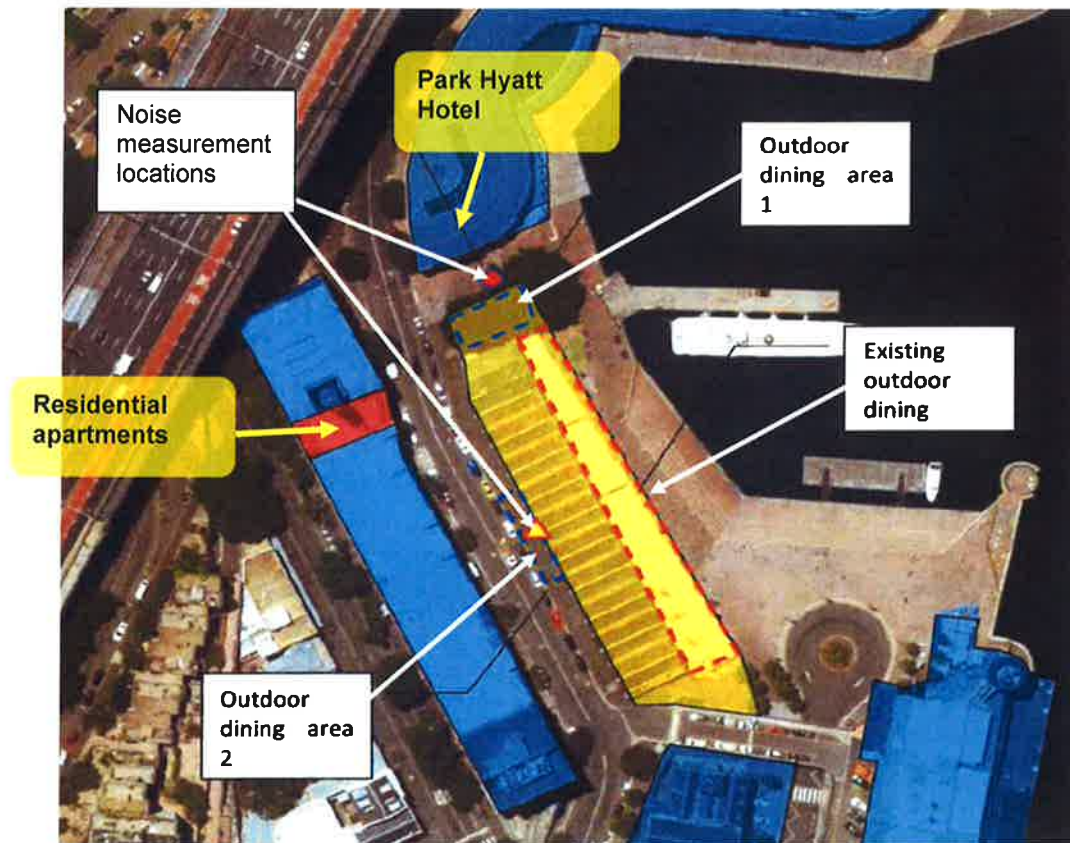


Figure 28: Outdoor seating areas, sensitive receivers shown in red and commercial receivers shown in blue (Source: Applicant's RTS).

The Department has given consideration to the use and location of the outdoor seating areas and nearby sensitive receivers and accepts the new outdoor dining areas on the northern and western sides of the building have the greatest potential to generate noise and amenity impacts. The amended eastern outdoor area is unlikely to generate noise impacts due to its orientation and distance from sensitive uses. Noise generated from within the Campbell's Stores would be dependent on the particular use of each separate future tenancy.

The Department notes the proposal does not include the operational use of the Campbell's Stores, as detailed uses and tenants have not yet been identified. The detailed consideration of noise impacts associated with the future use of the specific tenancies (indoor and outdoor areas) will be required to be assessed in detail as part of future operational development applications by the relevant consent authority.

Notwithstanding, the Department has reviewed the NIA and measures proposed by the Applicant submitted as part of this application and is confident the potential impacts associated with operational noise on sensitive receivers can be adequately addressed and managed.

The Department has recommended conditions to confirm that the recommended consent does not permit the operational use of internal and external areas of the Campbell's Stores and which also require the preparation of a Noise Management Plan for the whole of the site to manage noise impacts and outline noise mitigation measures and complaint procedures.

5.5.2 Odour impacts

Potential odour impacts from the site relate to the removal of the exhaust stack at Bay X (adjoining Bay 1 to the south) and the construction of a new centralised exhaust system at Bay 11. As a result, the exhaust stack has been moved north and is closer to the Park Hyatt Hotel and the residents of the Metcalfe Bond Building who are located opposite Bay 11. The nearby residents have raised concerns about potential odour impacts. The Department notes that Bay 11 accommodates an existing mechanical exhaust system.

The EIS included an Air Quality Impact Assessment (AQIA) which provides a detailed assessment of the potential odour impacts of the proposal. The AQIA recommended the proposed kitchen exhaust discharge points be located a minimum 6 m from sensitive receivers, include grease filtration, ozone odour treatment and an odour management system. Subject to these recommendations, the AQIA concludes that the site would be capable of operating within the relevant odour criteria and minimise any potential odour impacts.

The Department notes the proposal does not seek the use of the tenancies and any future development application seeking approval for the fitout and use of these tenancies would be required to undertake an AQIA. The consent authority would also be required at the relevant time to assess odour impacts on the residents of the Metcalfe Bond Building and other sensitive receivers. However, to ensure appropriate measures are in place to manage potential odour impacts, the Department recommends that an Air Quality Management Plan be prepared, detailing compliance with the relevant air quality criteria and mitigation and complaint handling procedures.

The Department is therefore satisfied the future operation of the tenancies would not give rise to unacceptable odour impacts and appropriate measures would be in place to manage and mitigate odour impacts.

5.6 Other Issues

Table 6: Assessment of Other Issues

Issue	Consideration	Recommendation
Construction Impacts	<ul style="list-style-type: none"> Construction would be undertaken for a period of 75 weeks with works undertaken during the following hours: <ul style="list-style-type: none"> Monday to Friday: 7:00 am to 5:30 pm; Saturday: 7:00 am to 5:00 pm; and No work on Sunday and Public Holidays. <p><i>Noise and Vibration/Air Quality and Dust</i></p> <ul style="list-style-type: none"> The Department considers the risk of significant construction noise impacts to be low as the majority of the development will consist of refurbishment works; there are potential impacts from the construction of the Bay 12 terrace to the Park Hyatt and the residential properties on the western side of Hickson Road; and the Applicant has committed to preparing a Construction Environmental Management Plan (CEMP) and monitor construction impacts and identify mitigation measures. <p><i>Traffic</i></p> <ul style="list-style-type: none"> The proposed works would generate up to 14 truck movements per day. The trucks would utilise Circular Quay West to access the site. The Department considers the proposed truck movements are minor and would have minimal impact on the amenity of the nearby residences and a negligible impact on the performance 	<p>A condition requiring the Applicant to prepare a CEMP outlining management and mitigation measures to minimise amenity impacts on nearby receivers, particularly noise and vibration and dust mitigation measures.</p>

Issue	Consideration	Recommendation
	of the surrounding road network. Notwithstanding, the Department has recommended a condition requiring the Applicant to prepare a Construction Pedestrian and Traffic Management Plan.	
Future Rail Corridor	<ul style="list-style-type: none"> TfNSW noted part of the Bay 12 shoring works would be within the future rail corridor and so requested prior to the issue of a construction certificate all architectural plans and consultant reports be submitted to the satisfaction of TfNSW and Sydney Trains prior to the issue of a construction certificate. TfNSW also recommended conditions to ensure that the proposed construction program would consider the works associated with the future Light Rail and Metro and that a Construction Pedestrian and Traffic Management Plan be prepared in consultation with the CBD Coordination Office within TfNSW and RMS. The Department supports the imposition of the conditions recommended by TfNSW. 	<p>A condition requiring documentation be submitted to TfNSW and Sydney Trains for approval.</p> <p>The CPTMP will have to be prepared in consultation with TfNSW and RMS.</p>
Archaeology	<ul style="list-style-type: none"> An Archaeological Assessment (AA) was undertaken as part of the EIS. Given the site's documented history of use, reclamation and development since European settlement, the site is disturbed and it is unlikely there are Aboriginal heritage sites. However, there is moderate to high potential for European archaeological remains. the Department notes potential works may give rise to archaeological issues include the construction of the elevator pits, and column supports for the glass awning and Bay 12 works; the AA recommends an excavation permit be required and archaeological monitoring and notification of relics found. The AA recommends qualified archaeologists be engaged for the works and if aboriginal relics are found that works cease immediately and notification undertaken under the <i>National Parks Act 1974</i>. The Department supports the AA's recommendations and recommends relevant conditions accordingly. 	<p>Conditions regarding archaeological works, notification procedures and requirements under the <i>Heritage Act 1977</i> and <i>National Parks Act 1974</i>.</p>

5.6 Consideration of key issues raised in submissions from Council and the public

Table 7 presents the key issues raised in the public and Council submissions (as summarised in Section 4), and how the Department has considered each issue.

Table 7: Consideration of key issues raised in submissions

Concerns raised	Department comments
Original Bay 12 Building including visual and heritage impacts (Minister for Heritage and public submissions)	<ul style="list-style-type: none"> The original proposal for the Bay 12 building has been deleted and replaced by a landscaped terrace. Public submissions on the landscaped terrace are supportive of its design. Council and NSW Heritage consider the landscaped terrace is an improved design and support the proposal as amended. The Department's independent advice considers the landscaped terrace is well designed and has substantially reduced view impacts. The Department is supportive of this view.
Noise impact from the operation of the site. Cumulative assessment to be undertaken. (Council and public submission)	<ul style="list-style-type: none"> The new outdoor dining and seating areas have the potential for noise impacts. The likely future uses of internal areas and restaurants/café's are not anticipated to generate noise material impacts. The Department has considered the NIA which concludes the use of the site in conjunction with the proposed outdoor seating areas can achieve the relevant noise criteria at the closest sensitive receivers subject to appropriate management and mitigation measures. The Department notes the proposal does not request the use of the site for

	<p>restaurants, cafés or bars and that any future use would be the subject of separate development applications and associated noise assessment to the relevant consent authority.</p> <ul style="list-style-type: none"> The Department has recommended a condition requiring the preparation of a noise management plan for the site.
<p>Odour impacts from the new mechanical air Air Quality</p> <p>(Public submission)</p>	<ul style="list-style-type: none"> A number of public submissions raised concerns relating to potential odour impacts from the proposed new mechanical exhaust system at Bay 11. The AQIA proposes a minimum setback from nearby sensitive receivers and recommends the system utilise grease filtration, ozone generation and an odour management system to minimise odour impacts. The future use of the land would be subject to separate development applications which will require an air impact assessment and ensure compliance with the relevant Australian Standards.
<p>Visual impact of the mechanical air system</p> <p>(Public submission)</p>	<ul style="list-style-type: none"> The Department received a number of public submissions raising concerns that the proposed mechanical air system would result in the view loss for the adjoining residential properties to the west. The kitchen exhaust will require opening to the roof of Bay 11 and will discharge at roof level. There will be no ductwork protruding above Bay 11 to ensure there is no view loss.
<p>LED signage / signage</p> <p>(Council)</p>	<ul style="list-style-type: none"> The proposed LED signage was removed from the application in the RTS. The Department has recommended that signage be the subject of future development applications. The Department has also recommended a Signage Strategy be prepared for the whole of the building.
<p>Hickson Road and footpath works</p> <p>(Council submission)</p>	<ul style="list-style-type: none"> Council has provided landowner's consent to the lodgement of the application as it involves work on their land (i.e. Hickson Road and footpath). Trachyte kerb will be retained and the materiality of the pedestrian crossing will comply with RMS pedestrian crossing requirements. Council supports the works and has recommended an application is submitted under the <i>Roads Act 1993</i> to the Local, Pedestrian Cycling and Traffic Calming Committee and referral to the Central Sydney Traffic and Transport Committee. The Department considers the Hickson Road and footpath works will improve access and has recommended Council's conditions accordingly.

6. CONCLUSION

The Department has assessed the merits of the proposal taking into consideration the issues raised in all submissions and is satisfied the impacts have been satisfactorily addressed within the applicant's EIS, revised RTS and the Department's recommended conditions.

The proposal was subject to a high level of public interest, predominantly in relation to the originally proposed Bay 12 building. Subsequently, the proposal has been amended twice, following the Applicant's review of Government authority and public submissions and in discussions with the Department. The key amendment to the proposal was the replacement of the three-storey Bay 12 building with a landscaped terrace.

Despite the key issue of the Bay 12 building being resolved through this process, a number of public submissions raised ongoing concerns relating to potential noise and odour impacts from the operation of the site. The Department notes the site is currently used as a dining precinct and whilst the proposal does not include the use of the site, it is envisaged it will continue to operate as a dining precinct. The continued use of the building is in accordance with the recommendations of the Conservation Management Plan which seeks to encourage public access to the Campbell's Stores.

The Department acknowledges the future use of the site is subject to separate DAs which would be required to consider potential amenity impacts including odour and noise. The Department has therefore recommended no consent be granted or implied for the use of the future tenancies and

therefore recommended no consent be granted or implied for the use of the future tenancies and their outdoor seating areas and respective operating hours to enable a more detailed assessment of the impacts at the relevant development application stage.

All key issues associated with the proposal have been assessed, and appropriate conditions recommended, where necessary. Key conditions of consent would require the Applicant to:

- submit separate development applications for the fitout and future use of the tenancies;
- prepare a final Tenancy Fitout Guide, Interpretation and Conservation Plan;
- obtain Council approval for the road works;
- obtain TfNSW approval for the works within the interim rail corridor;
- establish a tree protection zone for the fig tree; and
- prepare a Plan of Management, Noise Management Plan and Air Quality Management Plan for the whole of the site.

The Department is satisfied the development assessment of future uses would adequately identify management and mitigation measures required to ensure compliance with the relevant standards and minimise impacts to neighbouring properties.

The proposal results in significant public domain improvements, a revitalised dining precinct and improved pedestrian connectivity within The Rocks and Campbell's Cove. In addition, the proposed restoration and conservation works would restore deteriorated significant fabric and extend the life and enhance appearance of the building.

The proposal has carefully considered the Heritage Management Plan and CMP and the Department considers it exhibits a high quality of architectural design that delineates between the original and new fabric without detracting from the surrounding heritage items.

The Department's assessment has found the proposal is consistent with the strategic intent for the Campbell's Stores and The Rocks and is an appropriate development. The Department considers the application is capable of being approved, subject to the recommended conditions.

7. RECOMMENDATION

It is recommended that the Planning Assessment Commission, as delegate of the Minister for Planning:

- **considers** the findings and recommendations of this report, noting the Department considers the application is approvable, subject to conditions; and
- if the Commission determines to grant consent to the application, **signs** the attached development consent.

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APPENDIX A RELEVANT SUPPORTING INFORMATION

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

- 1 Environmental Impact Statement
http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7056
- 2 Submissions
http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7056
- 3 Applicant's Response to Submissions (RtS)
http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7056
- 4 Submissions to RtS
http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7056
- 5 Applicant's Revised RtS
http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7056
- 6 Submissions to Revised RtS
http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7056
- 7 Applicant's Additional Information
http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7056

APPENDIX B CONSIDERATION OF ENVIRONMENTAL PLANNING INSTRUMENTS

ENVIRONMENTAL PLANNING INSTRUMENTS (EPIs)

To satisfy the requirements of Section 79C(a)(i) and Section 79C(a)(ii) of the EP&A Act, this report includes references to the provisions of the EPIs that govern the carrying out of the project and have been taken into consideration in the environmental assessment of the project.

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

- *State Environmental Planning Policy (State & Regional Development) 2011*;
- *Sydney Cove Redevelopment Authority Scheme*;
- *State Environmental Planning Policy (Infrastructure) 2007*;
- *State Environmental Planning Policy No.55 Remediation of Land*;
- *Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005*; and
- *Sydney Harbour Foreshores and Waterway Area DCP 2005 (DCP)*.

Note: Clauses within the above EPIs and DCPs that are not relevant to the application or have been considered in Section 5 of this report have been omitted from the below assessment.

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

The development is SSD under clause 2(h) of Schedule 2 of the SRD SEPP, as it is a development in The Rocks area that has a CIV of more than \$10 million.

Sydney Cove Redevelopment Authority Scheme (SCRA Scheme)

Campbell's Stores is located within Site XXVII under the provisions of the SCRA Scheme and includes 'Commercial' and 'Special' land uses as permissible for the site.

The Campbell's Stores is currently used for restaurants which is permissible under 'Commercial' uses. The proposal does not include the use of the site and any future uses will be subject to separate development applications. Notwithstanding, it is envisaged that the site will continue to operate as a restaurant premises.

The Department is satisfied the proposal is consistent with the aims and objectives of the SCRA Scheme.

State Environmental Planning Policy No 55 – Remediation of Land

The site does not have a history of contamination and the proposal does not involve a change of use. The site is therefore considered suitable for the ongoing use of the building and public domain.

State Environmental Planning Policy (Infrastructure) 2007

The site is identified on the 'Interim Rail Corridor – CBD Rail Link and CBD Metro map and involves shoring and excavation within the corridor. Pursuant to clause 88(3) written notice of the application was given to TfNSW.

TfNSW has provided comments to the Department requiring the Applicant to provide detailed plans and documentation to TfNSW and Sydney Trains to their satisfaction, and preparation of a Construction, Pedestrian and Traffic Management Plan with the CBD Coordination Office within TfNSW and RMS. The Department supports these conditions and has recommended their imposition accordingly.

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

Consideration of the relevant clauses in the SREP (Sydney Harbour Catchment) 2005 is addressed in the below.

Table 6: Consideration of SREP (Sydney Harbour Catchment) 2005

SREP (Sydney Harbour Catchment) 2005	Criteria	Department Assessment	Comment /	Complies
Part 1, clause 3 (2)(c1)	<ul style="list-style-type: none"> Land to which the plan applies. Within the Sydney Harbour Catchment, particular provisions of this plan apply to the Sydney Opera House Buffer Zone, as shown on the Sydney Opera House Buffer Zone Map. 	<ul style="list-style-type: none"> The proposed works are located within the SOH Buffer Zone as identified on the relevant map. 		YES
Part 3, clause 17 Zoning W1 Maritime Waters	<ul style="list-style-type: none"> Land is divided into a number of zones as shown on the zoning map. However, the SCRA Scheme does not zone the land. 	<ul style="list-style-type: none"> Although the W1 Maritime Waters zone is adjacent to the site, no works will be carried out in the zone. 		N/A
Part 3, clause 20 Matters for Consideration	<ul style="list-style-type: none"> The matters referred to in Division 3 must be considered by the consent authority. 	<ul style="list-style-type: none"> The Department has considered the relevant matters below. 		YES
Part 3, clause 21 Biodiversity, ecology & environmental protection	<ul style="list-style-type: none"> The consent authority must take into consideration the matters listed in the clause in relation to biodiversity, ecology and environmental protection. 	<ul style="list-style-type: none"> The proposal would have a negligible impact on biodiversity, ecology or the natural environment. 		YES
Part 3, Clause 22 Public access to, and use of, foreshores and waterways	<ul style="list-style-type: none"> The consent authority must take into consideration the matters listed in this clause in relation to public access to, and use of, the foreshores and waterways. 	<ul style="list-style-type: none"> Public access along the foreshore would be enhanced and public access to the waterway would similarly be improved through new east/west pedestrian access routes. 		YES
Part 3, Clause 23 Maintenance of a working harbour	<ul style="list-style-type: none"> The consent authority must take into consideration the matters listed in relation to the maintenance of a working harbour. 	<ul style="list-style-type: none"> The proposal would not impact on the maintenance of a working harbour. 		N/A
Part 3, Clause 24 Interrelationship of waterway and foreshore uses	<ul style="list-style-type: none"> The consent authority must take into consideration the matters listed in this clause in relation to the interrelationship of waterway and foreshore uses. 	<ul style="list-style-type: none"> The proposal does not include any opportunities for waterway access and would not impact on the use of the waterway. 		N/A

Part 3, Clause 25 Foreshore and waterways scenic quality	<ul style="list-style-type: none"> The consent authority must take into consideration the matters listed in relation to the maintenance, protection and enhancement of the scenic quality of foreshores and waterways. 	<ul style="list-style-type: none"> The proposed works will improve the scenic quality of the foreshore and waterway. 	YES
Part 3, Clause 26 Maintenance, protection and enhancement of views	<ul style="list-style-type: none"> The consent authority must take into consideration the matters listed in relation to the maintenance, protection and enhancement of views. 	<ul style="list-style-type: none"> The proposal will make substantial improvements to views. 	N/A
Part 3, clause 29 Foreshores & Waterways Development Advisory Committee	<ul style="list-style-type: none"> A consent authority must not grant consent to a DA unless it has referred and considered the views of the Advisory Committee. 	<ul style="list-style-type: none"> The proposed development is of a type that does not require referral to the Advisory Committee. 	N/A
Part 4, clause 40 Strategic Foreshores Areas	<ul style="list-style-type: none"> Division 1 - Requirements for Master plans. This Division applies to development that is carried out on a strategic foreshore site. 	<ul style="list-style-type: none"> The site identified as a strategic foreshore site on Sheet 3 (City Foreshore Area). The Minister has not directed a master plan for the land be prepared. 	YES
Part 5 Division 3A Sydney Opera House	<ul style="list-style-type: none"> Clause 58A outlines this division applies to the Sydney Opera House buffer zone, as outlined on the Sydney Opera House Buffer Zone Map. Clause 58B outlines matters taken into consideration for development in the Sydney Opera House buffer zone to protect the World Heritage Value of the site. Clause 58C outlines parameters for minor development in which this division does not apply. 	<ul style="list-style-type: none"> The Department's assessment in Section 5.1 of this report concluded the proposal would not adversely impact on the world heritage significance of the SOH. 	YES

Conservation Management Plan 2014	Department Comment / Assessment
Policy 1 The future use of Campbell's Stores should be consistent with its outstanding cultural significance, should not impact on significant fabric and spaces, and should provide for public access to the building.	The proposal does not include the use of the Campbell's Stores however, it is envisaged that the building would continue to be used for restaurants, café's or retail in accordance with the SCRA Scheme. The proposal will not adversely impact upon the significant fabric of the building and will improve public access to and within the building.
Policy 8 Significant fabric should be conserved using conservation processes appropriate to the assessed level of significance. Restoration and reconstruction should aim to recover or reveal significance.	The main elements including the standstone walls, timber post and beam structures, internal walls and floors will be retained and restored where required.
Policy 9 Fabric identified as Intrusive should be removed where this would recover significance, or replaced in more appropriate materials and/or finishes.	The CMP identifies the sail ship masts and shade canopy along the eastern forecourt, the Bay X wall duct and the lightweight structure at Bay 12 as intrusive elements. The proposal seeks to remove these items and replaced with more sympathetic items.
Policy 11 External alterations or additions should be discouraged; however, if required to meet approved interpretation, re-use or cultural tourism requirements, these should be of a minor nature, and subservient to the primary architectural features and composition of the existing structure. New works should not obscure significance.	<p>The proposal seeks to replace the intrusive ship masts and canopy with a glass awning to the eastern forecourt dining area. The proposal will improve amenity for customers and views to and from the harbour foreshore. The Bay 12 landscaped terrace will similarly improve views to the harbour foreshore from Hickson Road.</p> <p>Both items have been setback from the Campbell's Stores and improve the permeability to the original fabric of the building.</p>
Policy 13 An appropriate physical and visual setting should be maintained for Campbell's Stores by allowing no development within the setting that would adversely impact on the place or on views to and from the place.	<p>As noted above, the proposed shade structure to the eastern forecourt dining area will be setback 3 m from the building with three sections attached over the building entry points. Similarly, the Bay 12 terrace is separated from Bay 11 and improves permeability to the building.</p> <p>The proposed works significantly improves views to and from the site.</p>
Policy 14 As a necessary minimum, the ongoing maintenance should include works that will ensure that each element retains its current level of significance and not allow the loss of significance due to the deterioration of fabric.	The proposal includes the restoration of deteriorated fabric. Notwithstanding, the Department has recommended a condition requiring the Applicant prepare a Conservation Program prepared in consultation with SHFA and NSW Heritage.
Policy 17 No external alterations or additions should occur to the Campbell's Stores building including minor additions for services.	In order to minimise impacts on the roof form of Bays 1 to 10, the proposal seeks to create openings to the corrugated iron roof of Bay 11 for the proposed mechanical ventilation system. The proposed works do not include the installation of any ducts that protrude above the roof plane.
Policy 18 Any new development must respect the cultural significance of the property and its setting and not destroy or obscure historical associations. The introduction of new fabric should be undertaken in such a manner that it does not result in a lessening of the cultural significance of the place. New work should	As discussed in Section 5.3 , the proposed works are sympathetic to the heritage value of the building and seek to enhance the significant fabric and spaces.

be identifiable as such and should, wherever possible, be capable of being removed without damage to significant fabric or spaces.	
Policy 19 The extension or alteration of existing services in Campbell's Store is acceptable in the context of re-use, but should not have a detrimental impact to the significance of the building components as a whole.	The proposal seeks to centralise existing services and amenities within three Bays (Bays 3, 6 and 9) to minimise impacts on the heritage fabric of the building.
Policy 20 Plant and equipment should be discreetly located and is not to impact on the significant roofscape of the Stores. Ideally plant and equipment should be contained within existing ancillary structures and not impede on the original building envelope.	Plant and equipment has been located within the existing building. Roof vents have been proposed to Bay 11 where existing plant is located. However, there will be no ductwork protruding above the roof line.
Policy 25 Any potentially encountered Aboriginal archaeological resources should be conserved in accordance with the requirements of the <i>NSW National Parks and Wildlife Act 1979</i> and their potential for interpretation considered.	The proposed works will be undertaken in accordance with the recommendations contained within the archaeology report prepared by Austral Archaeology, dated 1 September 2015 (see Appendix A).
Policy 26 Any potential archaeological resources on the property should be conserved in accordance with the requirements of the <i>NSW Heritage Act 1977</i> and their potential for interpretation considered.	The Department has recommended a condition requiring any artefacts recovered from the site be appropriately recovered and restored.
Policy 27 Where the site is identified as having archaeological potential all excavation should be carried out under supervision by a qualified archaeologist. Appropriate permits should be sought from the NSW Heritage Council prior to the commencement of works.	The Department has recommended a condition requiring that all works be in accordance with the Austral Archaeology report, dated 1 September 2015. In addition, the nominated excavation director must meet the criteria outlined by NSW Heritage.

Sydney Harbour Foreshores and Waterway Area DCP 2005

The site of the building is within the defined Foreshores and Waterways Area and is therefore subject to the controls in the DCP. The DCP includes aims and performance criteria in relation to ecological assessment, landscape assessment and design guidelines for development within the area.

The site does not contain any threatened species or their habitat. The proposal includes the removal of one tree located in Bay 12, however it is consistent with the landscape aims and performance criteria within the DCP as it will retain the significant fig tree at the northern end of the site and provide six new street trees along Hickson Road.

The proposal is consistent with built form guidelines as it maintains the existing siting and orientation of the building, improves foreshore access, has a positive visual impact when viewed from the water and is sympathetic to the heritage significance of the building and The Rocks Area.

APPENDIX C RECOMMENDED CONDITIONS OF CONSENT
