

Request for Secretary's Environmental Assessment Requirements

State Significant Development Application Walsh Bay Arts and Cultural Precinct

Prepared Infrastructure NSW on behalf of Arts and Culture Division

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1 Introduction

This report supports a request for the Secretary's Environmental Assessment Requirements (SEARs) for a State Significant Development Application (SSDA) for Walsh Bay Pier 2/3 and Wharf 4/5.

The scope of this application includes:

Pier 2/3

- The adaptive re-use of the building for new arts facilities including performance venues for the Australian Chamber Orchestra, Bell Shakespeare and Australian Theatre for Young People;
- Retaining a large heritage commercial events/art space for events such as Sydney Writers Festival, Biennale of Sydney and a wide range of commercial and artistic events;
- A series of stairs, external lift and balconies designed as a contemporary interpretation of the original gantries reflecting the precinct's former industrial heritage;
- Modifications to the roof.

Wharf 4/5 (including Shore Sheds)

- Refurbishment of the ground floor arts facilities and associated Shore Sheds for Bangarra Dance Theatre, Sydney Dance Company, Sydney Philharmonia, Gondwana and Song Company;
- New commercial retail opportunities;
- A series of stairs, external lifts and balconies designed as a contemporary interpretation of the original gantries reflecting the precinct's former industrial heritage;
- Modification to the roof.

Precinct

• Use of the precinct for arts festivals, events and pop ups

The proposed layout of uses is shown in Figures 1 to 4.

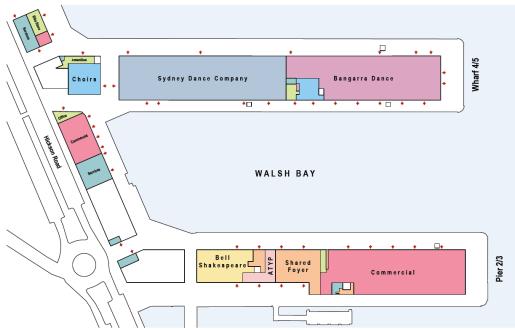


Figure 1: Proposed ground floor layout



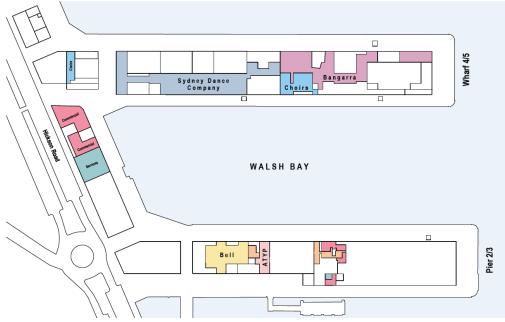


Figure 2: Proposed mezzanine layout

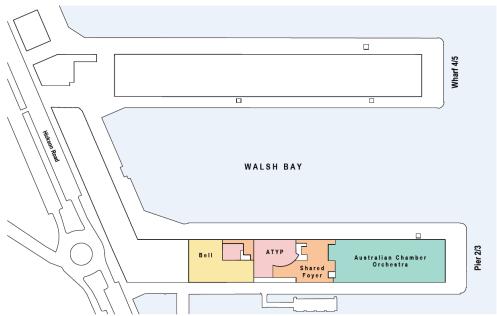


Figure 3: Proposed first floor layout



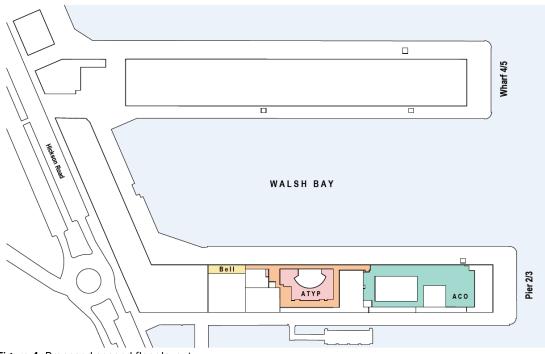


Figure 4: Proposed second floor layout

The project is a State Significant Development under Schedule 1 of State Environmental Planning Policy (State and Regional Development) 2011 ("State and Regional Development SEPP") as it is a cultural facility with a capital investment value (CIV) of over \$30 million. A Quantity Surveyor's Report will be submitted with the SSDA.

To support the request for the SEARs, this report provides an overview of the project, sets out the statutory planning context and identifies the key environmental and planning issues likely to be associated with the development.

2 Background

A master plan for a Walsh Bay Arts and Cultural Precinct was prepared in 2013 outlining the vision for an enhanced and integrated public arts and cultural destination on Sydney Harbour. The master plan included redevelopment of Pier 2/3 for new arts facilities and performance venues, refurbishment of existing facilities in Wharf 4/5 and creation of new public domain through a Waterfront Square.

A staged State Significant Development Application (SSDA) process to realise the master plan vision commenced in 2014 with consent for Stage 1 granted in May 2015. A Stage 2 application process commenced in 2016 and proceeded to exhibition in November 2016.

An appeal against the Stage 1 consent was heard in the Court of Appeal in April 2017. The Court ruled that the Stage 1 consent be declared invalid and set aside. As a consequence the Stage 2 application was withdrawn by the Proponent.

The NSW Government remains committed to the creation of a public arts and cultural destination at Walsh Bay. Key to achieving this commitment is the redevelopment of Pier 2/3 and refurbishment



of Wharf 4/5 in line with the 2013 master plan. The Waterfront Square component of the master plan will not be pursued at this time and remains subject to further design consideration.

To achieve the NSW Government's commitment to public arts at Walsh Bay, a SSDA will be lodged in relation to Pier 2/3 and Wharf 4/5. This SSDA will seek approval for the construction and operation of Pier 2/3 and Wharf 4/5 for arts and cultural uses with complementary commercial and retail offerings to activate the precinct.

This SSDA will complement the Sydney Theatre Company's (STC) proposal to improve its current facilities at Wharf 4/5 as part of the overall precinct regeneration. The project, known as STC50, is intended to create better theatre and rehearsal facilities, improve workspaces, enhance visitor experiences as well as improve revenue earning capacity. STC has prepared and submitted a development application for these works (SSD 7561). This application is currently with the Department of Planning and Environment.

3 The site

The site generally comprises Pier 2/3, Wharf 4/5, and Wharf 4/5 Shore Sheds. The site has a street frontage to Hickson Road and is shown in **Figures 5 and 6**. The site is part of the Walsh Bay area, which is located adjacent to Sydney Harbour within the suburb of Dawes Point. Walsh Bay is strategically located to the north of Sydney's CBD in the vicinity of major tourist destinations including the Sydney Harbour Bridge, the historic areas of Millers Point and The Rocks, Circular Quay and the Sydney Opera House. The Barangaroo redevelopment precinct is located immediately to the south-west. The site is located within the City of Sydney Local Government Area.



Figure 5: Site location





Figure 6: Site aerial

The site is legally described as follows:

- Pier 2/3 Lot 11 in DP 1138931
- Wharf 4/5 (including Shore Sheds) Lot 65 in DP 1048377

The total area of these lots is 18,090sqm.

The land owner of the site is Roads and Maritime Services (RMS). Both Pier 2/3 (excluding that part of the pier used for commercial uses) and Wharf 4/5 are occupied under various lease arrangements with Arts NSW, primarily for arts and cultural uses.

Walsh Bay comprises ten berths constructed between 1908 and 1922 for international and interstate shipping. These are collectively known as the Walsh Bay Wharves. The Walsh Bay Wharves Precinct is listed as an item on the State Heritage Register.

The Walsh Bay Wharves comprise the following:

- Pier One which contains the Pier One Sydney Harbour Hotel;
- Pier 2/3 is the last remaining undeveloped pier (has previously received approval for cultural uses, temporary arts events and some commercial events);
- Wharf 4/5 which is occupied by the STC, Australian Theatre for Youth Program (ATYP), Bangarra Dance Theatre and other arts organisations;
- Pier 6/7 which has been redeveloped for residential apartments and associated boat marina;
- Pier 8/9 which has been redeveloped for office uses; and,
- Shore Sheds aligning Hickson Road which contain a range of commercial activities, including restaurants, bars, shops and offices.



4 **Project overview**

Table 1: Project overview

Address	Pier 2/3 and Wharf 4/5, Walsh Bay
Address	
Site Description	Lot 11 DP1138931 (Pier 2/3), and Lot 65 DP1048377 (Wharf 4/5 and Shore Sheds 4/5)
Area	Approximately 18,000sqm
Ownership	RMS under lease to Arts NSW
LGA	Sydney City Council
Zoning	Sydney Regional Environmental Plan No. 16 Walsh Bay – Zone 1
Permissibility	A wide range of uses are permissible with consent
Project	 Pier 2/3 The adaptive re-use providing for new arts facilities including performance venues for the Australian Chamber Orchestra, Bell Shakespeare and Australian Theatre for Young People; Retaining a large heritage commercial events/art space for events such as Sydney Writers Festival, Biennale of Sydney and a wide range of commercial and artistic events; A series of stairs, external lift and balconies designed as a contemporary interpretation of the original gantries reflecting the precinct's former industrial heritage; Modifications to the roof. Wharf 4/5 (including Shore Sheds) Refurbishment of the ground floor arts facilities and its associated Shore Sheds for Bangarra Dance Theatre, Sydney Dance Company, Sydney Philharmonia, Gondwana and Song Company; New commercial retail opportunities; A series of stairs, external lifts and balconies designed as a contemporary interpretation of the original gantries reflecting the precinct's former industrial heritage; Modifications to the roof.
Capital Investment Value	The estimated project cost is in the order of \$100m
Employment [estimates]	An estimated 70 operational jobs and an estimated 600 construction jobs



5 Description of the proposed development

This SSDA will seek consent for design and construction works as outlined below:

Early works

• Early construction works comprising infrastructure upgrades, demolition, hazmat removal and minor sub structure works.

Pier 2/3

- Internal alterations and reconfiguration to provide for the following:
 - Performance venues;
 - o Rehearsal rooms, production workshops, back of house facilities and offices;
 - Function spaces, bars, and foyer spaces extending onto external gantry platforms (balconies) providing breakout space for internal foyers;
 - o Construction of some mezzanine spaces for offices and back of house facilities;
 - Upgrading of some walls to meet the requirements of Section J of the BCA;
 - Removal of some storey posts and beams to facilitate internal reconfiguration/new uses; and
 - Retention of a large proportion of the ground floor in its existing 'raw' heritage state for venue commercial hire and continuation of events and festivals including Sydney Writers' Festival and Biennale.
- External alterations and additions comprising:
 - Raised roofs within central valley of Pier 2/3;
 - New balconies and external stairs for fire egress;
 - Installation of glazing in existing cargo sliding doors and other solid panels on the eastern, western and northern elevations to allow for views into and out of the building. The glazing is to be installed mostly consistent with the building's existing chequerboard pattern;
 - Raising of the floor level on the eastern side by introducing a new raised deck and continuous set of stairs beyond the existing column line;
 - External lift western side of Pier 2/3;
 - Installation of solar photovoltaic panels to roof;
 - Installation of roof plant platform in roof valley.

Wharf 4/5

- Internal alterations and reconfiguration to the Bangarra Dance Theatre (BDT) tenancy to provide for the following:
 - Upgrade of the main rehearsal and performance space to provide improved daylight and natural ventilation;
 - Upgraded foyer/exhibition space along the eastern frontage;
 - Improved office space at mezzanine level including a new lift;
 - Provision of function space at ground level of northern end of wharf;
 - New entrance to BDT and new glazing in bays of sliding cargo doors, opening up the foyer and main studio to Wharf 4 apron.
 - New offices for Choirs located between BDT and Sydney Dance Company.
- Minor internal alterations to the SDC tenancy including:
 - o Reducing the existing workshop space to create a fifth dance studio; and,
 - Upgrading office and reception areas.
- External alterations and additions to SDC comprising:
 - raising of timber wharf deck adjoining the SDC café and opening of facade with new glazing.
- External fabric alterations around the STC tenancy comprising:



- Improved street entry at Hickson Road involving relocation of the stairs to allow for a greater landing and point of arrival to the STC;
- New 'gantry' balconies, stairs and lifts mid-wharf and at the end of the wharf to provide for improved accessibility and a compliance with fire engineering solutions;
- Minor amendments to the existing façade to accommodate new entries and exits along the wharf; and
- Lifting the roof valley above the workshop roof to allow for flexibility in set design and above Wharf 1 theatre to improve the audience viewing experience.

Shore Sheds 4/5

- Relocation of choir rehearsal spaces;
- Creation of new commercial tenancies at ground and mezzanine levels;
- Creation of a plant and services room and switch room; and
- Provision of office space at ground level.

New Uses

• Use of the pier and wharf aprons for arts festivals, events and pop ups associated with the internal use of facilities.

6 Planning context

The following legislation and environmental planning instruments will apply to the proposed development:

- Environmental Planning and Assessment Act 1979 ("EP&A Act")
- Heritage Act 1977
- State Environmental Planning Policy (State and Regional Development) 2011 ("State and Regional Development SEPP")
- State Regional Environmental Plan No 16 Walsh Bay ("Walsh Bay REP")
- Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005 ("Sydney Harbour Catchment REP")
- State Environmental Planning Policy No 55 Remediation of Land ("SEPP 55")

6.1 Environmental Planning and Assessment Act 1979

The EP&A Act establishes the assessment framework for State significant development and under section 89D provides that the Minister for Planning is the consent authority for SSD. Section 78(8A) requires that a development application for SSD is to be accompanied by an environmental impact statement (EIS).

6.2 Heritage Act 1977

The Walsh Bay Wharves are listed on the State Heritage Register under the *Heritage Act* 1977. Under section 89J of the EP&A Act, an approval under Part 4, or an excavation permit under section 139, of the Heritage Act are not required for approved SSD.

While separate approval to the project from the Heritage Council is not required, Infrastructure NSW (INSW) and Arts and Culture Division are very aware of the heritage significance of the site and have been liaising closely with the Heritage Council during the design development phase. The heritage impact of the proposed development will be addressed in detail in the EIS including any requirements identified by the Heritage Council for the SEARS.



6.3 State Environmental Planning Policy (State and Regional Development) 2011

Schedule 1 of the State and Regional Development SEPP identifies development which is declared to be SSD. Clause 13 of Schedule 1 provides that the following development is SSD:

13 Cultural, recreation and tourist facilities

(1) Development that has a capital investment value of more than \$30 million for any of the following purposes:

- (a) film production, the television industry or digital or recorded media,
- (b) convention centres and exhibition centres,
- (c) entertainment facilities,

(d) information and education facilities, including museums and art galleries, (e) recreation facilities (major),

(f) zoos, including animal enclosures, administration and maintenance buildings, and associated facilities.

The Walsh Bay project is a cultural facility with a value over \$30 million and is therefore considered to be SSD.

An SSDA is to be accompanied by an EIS that has been prepared in accordance with requirements issued by the Secretary of the Department of Planning and Environment. This report therefore seeks the SEARs to enable preparation of an EIS for the project.

6.4 Walsh Bay Regional Environmental Plan

The Walsh Bay Regional Environmental Plan (REP) is a "deemed SEPP" and is the principal environmental planning instrument applying to the site. In general, the REP is a flexible instrument allowing for a wide range of uses within the precinct, including commercial, retail, residential and entertainment/recreation uses.

There are two zones under the REP:

- Zone 1 Walsh Bay Conservation Zone
- Zone 2 Walsh Bay Waterway Zone.

As shown in **Figure 7**, Zone 1 applies to the wharves and surrounding precinct on land. Zone 2 applies to the harbour area between the wharves. The proposed development is located within Zone 1.

A wide range of uses are permissible with consent within Zone 1, subject to consistency with the zone objectives which provide as follows:

- a) to allow an appropriate range of uses to encourage the adaptive re-use of existing structures while not required for commercial port uses,
- b) to ensure that development is consistent with the heritage significance, the scale, the built form and the materials of existing structures in the zone and adjoining areas,
- c) to ensure that development is compatible with and does not detract from the financial, commercial and retail functions of the existing city central business district and the Sydney Cove Redevelopment Area, and
- d) to ensure that development is compatible with and does not adversely impact on the residential amenity and function of the adjoining areas.

The proposed development is consistent with the zone objectives.



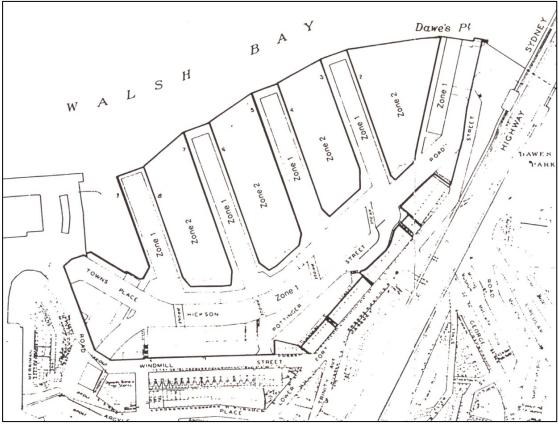


Figure 7: Zoning under the Walsh Bay REP

6.5 Sydney Harbour Catchment REP

The site is within the Sydney Harbour Catchment as identified under the Sydney Harbour Catchment REP. The REP is also a deemed SEPP.

Clause 20 of the Sydney Harbour Catchment REP requires that the consent authority take into account a range of matters before granting consent to development under Part 4 of the EP&A Act. These relate to:

- Biodiversity, ecology and environmental protection;
- Public access to, and use of, foreshores and waterways;
- Maintenance of a working harbour;
- Interrelationship of waterway and foreshore uses;
- Foreshore and waterway scenic quality;
- Maintenance protection and enhancement of views; and
- Boat storage facilities.

6.6 State Environmental Planning Policy 55 – Remediation of Land

SEPP 55 provides controls and guidance for the remediation of contaminated land. It requires that a consent authority must not consent to the carrying out of any development on land unless it has considered whether the land is contaminated. If a site is contaminated, the consent authority must be satisfied that the site is suitable (or will be suitable, after remediation) for the proposed use.

While limited ground disturbance works are proposed for the Pier 2/3 and Wharf 4/5 redevelopment, the EIS will include a contamination assessment in accordance with the



requirements of SEPP 55 and the Managing Land Contamination Planning Guidelines (Department of Urban Affairs and Planning, 1998).

7 **Potential environmental assessment issues**

It is considered that the following environmental assessment issues will need to be addressed in the EIS.

7.1 Heritage

The proposed adaptive re-use of Pier 2/3 and Wharf 4/5 has been developed with the input and advice from Tropman & Tropman heritage architects who have extensive knowledge and experience in working in the Walsh Bay precinct.

The EIS will address the impact of the proposed development within the context of the precinct and in particular the proposal's integration with the existing State significant heritage fabric. The proposed internal and external works will need to be sensitively designed so they do not detrimentally impact on the heritage significance and fabric of the buildings.

A Heritage Impact Assessment will be submitted with the application that assesses the project in terms of compliance with the Conservation Management Plans applying to the site.

An archaeological assessment will also be submitted with the EIS.

7.2 Built form and urban design

The redevelopment of Pier 2/3 and Wharf 4/5 is intended to create an arts and cultural hub demonstrating architectural excellence, accessibility and sustainability to a world class standard. The following key parameters have guided the built form and urban design strategy for the Walsh Bay project:

- The conservation principles defined for this State-significant site, retaining and conserving the fabric of the precinct;
- The detailed requirements of the arts tenants who will occupy the buildings with a wide range of production and performance activities;
- Statutory and other conditions that will enable the building to continue to function as a public performance facility;
- The creation of new function spaces to enable cost-effective and flexible use;
- The creation of commercial spaces that will support the activities of the precinct financially and improve visitation numbers and the visitor experience itself; and
- The inclusion of elements that will help to define the precinct's identity and image worldwide.

The design will aim to retain the richness of the original fabric whilst meeting strict acoustic and energy-conservation principles, adopting strategies such as:

- Planning many of the spaces so that new walls required for acoustic or energy conservation are located within the buildings leaving the interior faces of the original multi-layered timber walls exposed;
- Installing new roof plant within the roof valley;
- Carefully modelling crowd flows and fire safety to reduce the impact of egress routes;



- Planning the audience journey to maximise the experience of the Harbour views and the heritage architecture; and
- Locating spaces where they can enjoy outdoor areas such as the gantry balconies and the wharf aprons.

Any proposed changes to the building fabric will need to reinterpret the site's heritage with a contemporary expression and overlay and demonstrate design excellence. An architectural design statement will be submitted with the EIS and will explain the design principles of the proposed building alterations and additions.

7.3 Transport and access

Access, traffic and parking will be key planning considerations associated with the project, particularly given parking constraints in the area and the need to facilitate public transport use, walking and cycling. The EIS will include an assessment of the overall traffic and parking impact of the Pier 2/3 and Wharf 4/5 redevelopment which will address:

- likely traffic and parking impacts on the local street network and intersections;
- existing and future public transport access;
- pedestrian and cycle accessibility;
- loading and unloading arrangements for the tenancies; and
- measures to encourage public transport usage.

It should be noted that there will be no parking provided on site.

7.4 Noise and vibration

The EIS will include a Noise and Vibration Impact Assessment that will assess the noise and vibration impacts of the construction and operation of the project. The following elements will be considered:

- Construction noise and vibration impacts;
- Mechanical and plant noise impact;
- Operational noise and vibration impacts from the use of the buildings and public domain.

A Construction Noise and Vibration Management Plan (CNVMP) will also be submitted. The CNVMP will comply with the Interim Construction Noise Guideline (Department of Environment and Climate Change, NSW, July 2009).

7.5 Construction management

The EIS will address and consider the construction impacts of the project, including:

- Traffic, that is, truck and other vehicle movements associated with the transportation of machinery, equipment, workers and waste;
- Materials handling and construction plant;
- Maintenance of pedestrian and vehicular access;
- Noise and vibration impacts on sensitive receivers, notably surrounding residential and commercial development;
- Staging and decanting;



- Waste management;
- Air quality impacts; and
- Soil and stormwater management.

A Construction Environmental Management Plan will be submitted with the EIS. It will identify appropriate mitigation and management measures.

7.6 BCA and fire

A BCA report will be submitted with the EIS to confirm that the proposed new building works can achieve compliance with the Building Code of Australia (BCA) in accordance with Section 109R of the EP&A Act.

A fire engineering report will also be submitted with the EIS detailing the fire safety strategy for the development. The report will address issues previously raised by Fire and Rescue NSW.

7.7 Accessibility

The EIS will include an accessibility assessment of the project having regard to the relevant legislation, regulations and standards pertaining to the inclusive access for people with disabilities for a SSDA.

7.8 Contamination

As the works are primarily alterations and additions to existing buildings limited ground disturbance works are proposed. However, a contamination assessment will be submitted with the EIS.

7.9 ESD

The EIS will detail how ESD principles will be incorporated into the design and ongoing operation phases of the development.

7.10 Operational management

An Operational Plan of Management (OPM) will be prepared to guide the day-to-day management to ensure that the operation of the Pier 2/3 and Wharf 4/5 precinct:

- · minimises adverse impacts on the amenity of residents and businesses in the locality;
- will be safe for occupants and members of the public;
- will not damage the heritage fabric of the wharves;
- will not interfere with the public enjoyment of the wharf aprons and public domain generally;
- complies with the statutory requirements applicable to the precinct.

7.11 Services

The existing site services will need to be augmented to service the proposed development. Details of proposed service upgrades will be provided as part of the EIS.

8 Consultation

INSW and Arts and Culture Division is committed to working with stakeholders and the community during the development and finalisation of this SSDA for Walsh Bay. The purpose of the engagement will be to inform and consult with key stakeholders and the community about the updates to the Walsh Bay SSDA through a constructive and inclusive process.



Key communication objectives include:

- Proactively engage and motivate participation with key stakeholders and the community through the development of effective, two-way communications;
- Provide opportunities for key stakeholders and the community to comment and ask questions about Walsh Bay and the changes from the original Staged SSDA;
- Hold an Open Day to create excitement across Sydney about the new Walsh Bay and encourage visitors to the site;
- Minimise opportunity for speculation and misinformation about the updated SSDA by ensuring there are no information gaps;
- Proactively pre-empt issues that may arise during the consultation process;
- Improve relationships with key stakeholders;
- Ensure the project team has an opportunity to incorporate feedback into the SSDA;
- Assist in promoting Walsh Bay as one of Sydney's premier arts precinct.

The consultation process will occur in two stages, prior to lodgement and during formal public exhibition.

INSW and Arts and Culture Division will meet with stakeholders in the early stages, prior to lodgement and will provide detailed briefings about the SSDA. Following lodgement, and during formal public exhibition, Arts and Culture Division will host an Open Day for all of Sydney to visit Walsh Bay, including backstage areas. The Open Day will be widely advertised and will provide an opportunity for the general public to see the plans, meet the project team and visit usually closed off areas of Pier 2/3 and Wharf 4/5.

9 Conclusion

Arts and Culture Division is proposing to develop a new arts destination at Walsh Bay as identified in the NSW Government's State Infrastructure Strategy. This precinct will expand and strengthen the existing cluster of cultural institutions and attractions within the Sydney CBD and harbour. The development will provide an enhanced and integrated performing arts and cultural destination at Walsh Bay. The arts and cultural program will complement the other cultural initiatives in the surrounding areas, including those proposed at nearby Barangaroo.

INSW and Arts and Culture Division is proposing to prepare a detailed SSDA for the Walsh Bay project seeking full approval for the design and construction of the development. The SSDA will need to be accompanied by an EIS, as set out in Section 78A(8A) of the EP&A Act.

The information contained in this report is provided to assist the Secretary in determining the level and scope of an EIS to accompany the SSDA in accordance with the provisions set out under the EP&A Act and Regulation.