

28 April 2022

Accor Vacation Club  
The Sebel Darling Harbour, The Pinnacle  
104 Pyrmont Street  
PYRMONT NSW 2009

Director – Transport Assessments  
Planning and Assessment  
Department of Planning, Industry and Environment  
Locked Bag 5022  
PARRAMATTA NSW 2124

Dear Sir/Madam

**Submission in relation to Sydney Metro West – Rail infrastructure, stations, precincts and operations (SSI-22765520)**

We refer to the Sydney Metro West Environmental Impact Statement – Rail infrastructure, stations, precincts and operations (**EIS**) which is on public exhibition from 23 March 2022 to 4 May 2022. APVC Ltd, which is the responsible entity for the Accor Vacation Club (**AVC**), makes this submission in relation to the EIS.

We note that APVC Ltd made a separate submission in relation to the Sydney Metro West Environmental Impact Statement – The Bays to Sydney CBD (SSI-19238057), in respect of which Sydney Metro is currently preparing its Response to Submissions (**Previous Submission**). Given the interrelationship between the two projects, we make reference at various points in this submission to relevant aspects of the Previous Submission.

APVC Ltd does not object to the proposed development, but provides comment on the proposal and submits that Sydney Metro should be required as a condition of approval to provide appropriate compensation specifically to it and implement site-specific mitigation measures, in recognition of the significant impacts that the development is likely to have on the operation of one of its club resorts, namely The Sebel Darling Harbour, The Pinnacle (**The Sebel**).

APVC Ltd does not have any reportable political donations to declare in the previous two years. We confirm that we have read and agree to the Department's terms and conditions as set out at <https://www.planningportal.nsw.gov.au/major-projects/help/disclaimer-and-declaration>.

**Executive Summary**

The Sebel is one of only a few properties that is uniquely positioned between both the western and eastern construction sites for the proposed Pyrmont Station. The primary haul routes to and from the construction sites will be positioned directly in front of/adjacent to The Sebel and primary site access to both sites is proposed to be left-in and left-out via Pyrmont Bridge Road, where The Sebel is located. Construction at Pyrmont Station is expected to last about four years, along with a further year of testing and commissioning.

APVC Ltd submits that, having regard to relevant aspects of the EIS, in particular the noise and vibration, parking and traffic, visual amenity, air quality impact and business impact assessments, it is clear that The

Sebel will be subjected to very severe and significant adverse impacts. Those impacts will affect not only the amenity and experience of AVC members and their guests, but are likely to lead to widespread member complaints, frequent cancellations (thereby increasing pressure and demands on other AVC properties to generate additional availability) and requests for membership terminations. It is entirely possible, having regard to the scale and projected duration of the proposed development, that The Sebel will be forced to cease operating for prolonged periods of time, despite the fact that occupancy rates for the period from the three-year period from 2022-2024 are projected to achieve pre-pandemic levels of between 98-100%.

APVC Ltd submits that the Minister should include a specific condition in the Infrastructure Approval for the project that Sydney Metro be required to enter into a compensation agreement with it in respect of the impacts of the project to its business, prior to commencement of construction works. The condition should include a dispute resolution mechanism to cover a situation where agreement cannot be reached, eg by way of resolution by the Secretary. It is submitted that the payment of monetary compensation will be the only means of appropriately compensating APVC Ltd for the full suite of adverse impacts it will likely experience, in particular where physical mitigation measures will not be adequate.

Although Sydney Metro anticipates the provision of assistance to small business adjacent to major construction sites that may be adversely impacted by construction, ie businesses employing fewer than 20 people, this support should be extended to any impacted businesses including The Sebel. In addition to entry into a compensation agreement, Sydney Metro should also be required by way of conditions of approval to undertake site-specific mitigation measures at The Sebel, specifically:

- (a) Establish acoustic sheds at both Pyrmont construction sites for the entire duration of proposed construction work;
- (b) Install triple-glazed windows throughout each of the apartments at The Sebel prior to commencement of construction;
- (c) Provide unobstructed access to The Sebel on Pyrmont Street (ie the main entrance) and Edward Street (ie the car park) and all areas leading up to these access points at all times, to guarantee the continuity of its business operations; and
- (d) In recognition of the heightened air quality impacts likely to be experienced at The Sebel by virtue of its location, undertake cleaning of the building and windows, cleaning and servicing of all major equipment and machinery and provide an extended warranty on all such equipment and machinery (in the manner/frequency described in this submission below).

With regard specifically to noise and vibration impacts, APVC Ltd agrees with and adopts the analysis previously provided by the NSW Environment Protection Authority in its advice dated 1 December 2021 in respect to SSI-19238057, as explained in further detail in this submission.

### **Background to AVC and The Sebel**

AVC is one of Australia and New Zealand's leading holiday and lifestyle programs. The responsible entity for the Club, APVC Ltd, is part of the Accor Group, the largest and fastest growing hotel management group in the Asia Pacific region with operations across 17 countries. AVC is an innovative holiday ownership club offering members holidays via a points system. AVC members receive an annual allocation of Premiere Points which they can use to stay at holiday locations throughout Australia, New Zealand and Indonesia. The price of membership in AVC ranges from \$18,400 to an unlimited amount, depending on the level of membership which is based on the specific holidaying needs of members. As an example, our most popular membership purchased by members is the Platinum 5 Membership (presently available at a price of \$29,250 which gives the Member 5000 Premiere Points annually to allocate towards their stay at AVC properties). This number of points will provide the Member generally with a weekly annual stay at a high end property like The Sebel. Some memberships are considerably higher in value, depending on the holidaying requirements of the particular member.

The Sebel is one of 24 AVC club properties. It is currently ranked number one on Tripadvisor out of 35 listed apartments and 224 specialty lodgings in Sydney. The Sebel is located at 104 Pyrmont Street in Sydney on the land legally described as Lot 7 SP73043.

APVC Ltd owns 15 of the 18 apartments in The Sebel. The remaining 3 apartments are independently owned and used for residential and commercial purposes. Each of the 15 apartments can accommodate up to 6 members or their guests and is comprised of 2 bedrooms, 2 bathrooms, a fully equipped kitchen, a dining and lounge area, and balcony. All members have access to a rooftop relaxation area with views across the city and Darling Harbour, as well as underground car parking on site.

### **Proposed development**

Sydney Metro seeks approval for Stage 3 of the Sydney Metro West project, a new 24-kilometre metro line between Westmead and the Sydney CBD. The proposed development comprises tunnel fit-out, construction of stations, ancillary facilities and station precincts, and operation and maintenance of the Sydney Metro West line. Stage 1 included major civil construction between Westmead and The Bays and was approved on 11 March 2021. Stage 2 included all major civil construction including station excavation and tunneling between The Bays and Sydney CBD and is currently under assessment.

Stage 3 construction works are expected to commence in late 2024, subject to planning approval. The construction period will last around four years, followed by another year of testing and commissioning. Under the indicative construction program,<sup>1</sup> construction will begin in the final quarter of 2024 with tunnel fit-out and rail systems. Work at Pyrmont Station is expected to run from Q4 2025 to Q3 2028 and finishing, testing and commissioning is expected to run from Q3 2028 until Q1 2030.

Sydney Metro states in the EIS that wherever possible, aboveground and external construction activities will be carried out between 7am to 6pm, Monday to Friday, and 8am to 6pm on Saturday (which includes a proposal to extend the standard construction hours on a Saturday to include 1pm to 6pm to apparently reduce the duration of construction related disruption). Underground and internal construction activities, on the other hand, will generally take place 24/7, including access to the tunnels via the stations and service facility sites, as well as material deliveries at these locations.<sup>2</sup> It is estimated that a peak construction workforce of 110 workers will be required for Pyrmont Station.<sup>3</sup>

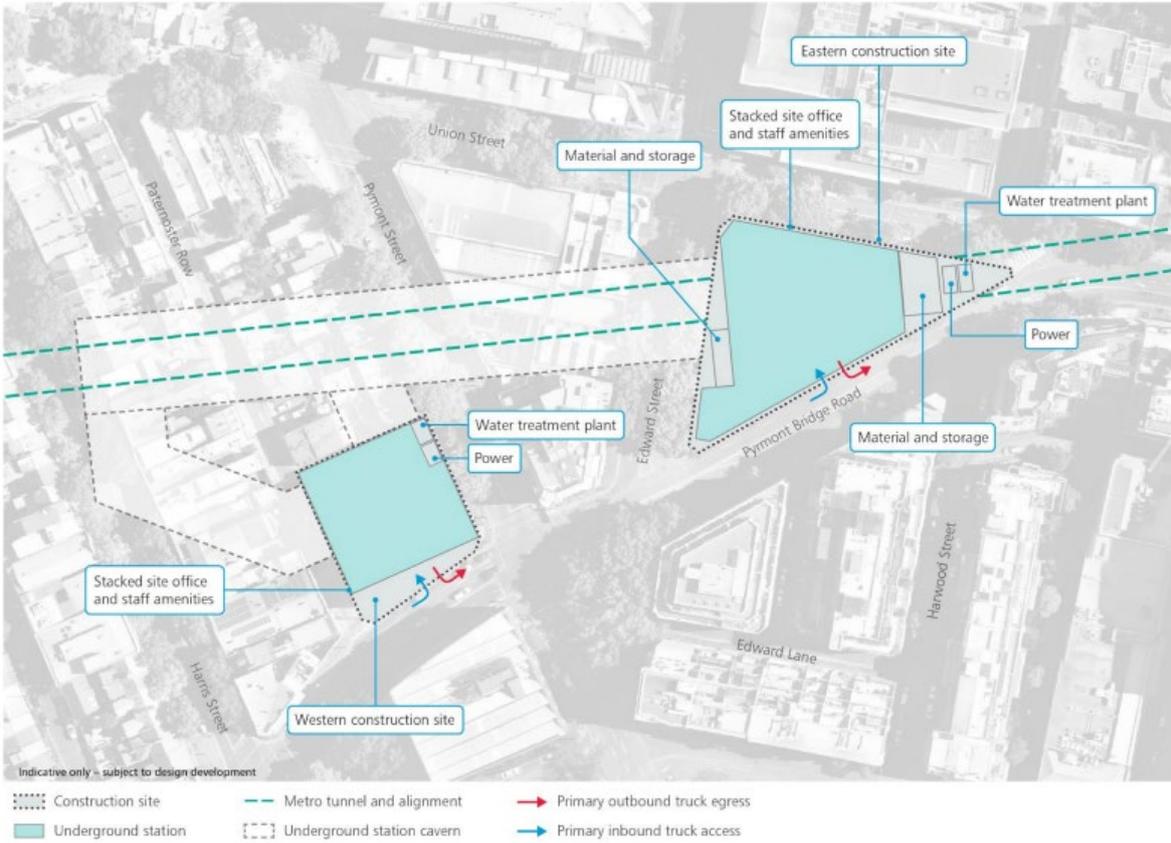
The Sebel is located on the intersection of Pyrmont Street, Pyrmont Bridge Road and Edward Street. As such, **it will be surrounded on both sides by the western and eastern construction sites for the proposed Pyrmont Station**. As depicted in the figure below, the proposed egress routes for the two construction sites cross directly in front of The Sebel. Once operational, the entrances to Pyrmont Station will be located on Pyrmont Bridge Road and Union Street.

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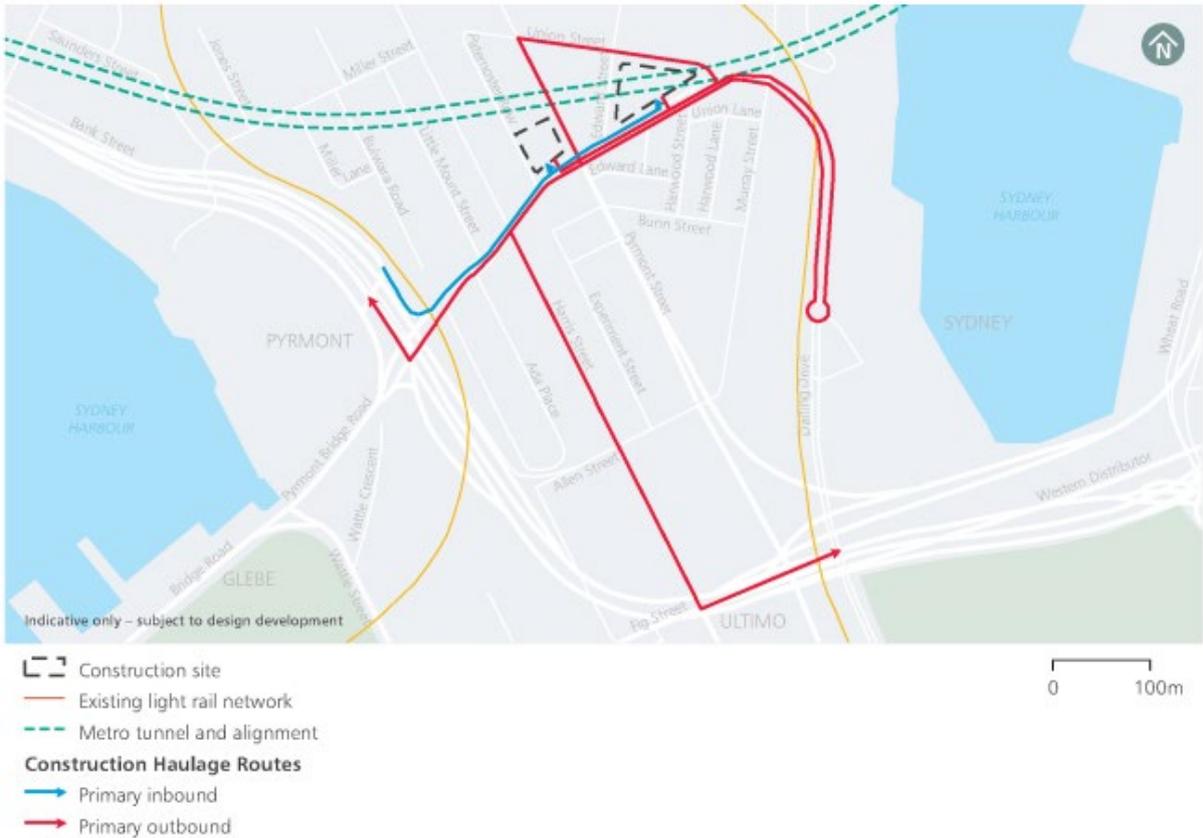
<sup>1</sup> EIS, Executive Summary, Figure ES-3, viii.

<sup>2</sup> EIS, p 6-7.

<sup>3</sup> EIS, Table 6-4.



**Figure 14-8 Indicative construction sites layout – Pyrmont Station**  
*EIS Figure 14-8, Indicative construction sites layout – Pyrmont Station*



*EIS Figure 14-11, Primary construction haul routes – Pyrmont Station*

### **Impacts of the proposed development on The Sebel**

Given that The Sebel is one of only a few buildings located on the block between the western and eastern construction sites for Pymont Station, and given that it is the only business located at a critical intersection between the two sites on Pymont Bridge Road, APVC Ltd expects that the impacts of the proposed development will be very significantly and uniquely felt at this location. In particular, we submit that noise/vibration, transport/traffic, visual amenity/light pollution, air quality and business impacts will be acutely experienced at The Sebel, as explained in further detail below.

Chapter 14 of the EIS deals with the Pymont Station precinct specifically, whereas Chapter 18 deals with potential proposal-wide impacts during construction and operation. In Chapter 14 of the EIS, Sydney Metro states that the potential impacts of the proposed development will mainly relate to the continuation of construction activities carried out under previous Sydney Metro West planning applications, since construction of Pymont Station will require the continued use of the two construction sites established under the Stage 2 application. However, they also state that the construction impacts associated with this proposal would generally be more confined and of a less intensive nature. Sydney Metro states the following in the Executive Summary to the EIS:<sup>4</sup>

*“Where relevant, the baseline environment for each precinct has considered the impacts described as part of the previous Sydney Metro West planning applications. For example, the baseline environment for this proposal assumes that the construction sites identified in the previous Sydney Metro West planning applications would be cleared and established prior to commencement of this proposal. As such, during construction, impacts of this proposal would present largely a continuation of the impacts from work carried out under the previous Sydney Metro West planning applications – though for the most part, at a reduced extent and level of intensity. This is particularly relevant for impacts related to noise, traffic, air quality, social, local business, visual, heritage, water quality, flooding and groundwater.*

...

***During construction, key cumulative impacts of this proposal would primarily relate to the continuation of activities associated with the previous Sydney Metro West planning applications ... Potential cumulative impacts have generally been assessed as being minor in nature and more likely to increase the duration of impacts rather than the magnitude ...”***

In determining the appropriate mitigation measures that should be implemented by Sydney Metro in carrying out the proposed development, the determining authority should have regard to the fact that The Sebel will experience an extremely prolonged period of reduction in user amenity and of business interruption, given that construction work at the western and eastern construction sites at Pymont Station is forecast to run from Q2 2023 to Q4 2025 (per SSI-19238057) prior to the commencement of the proposal addressed in this submission. That is, The Sebel will experience in total approximately 7 years of amenity loss and business interruption as a result of Stages 2 and 3 of the Metro West project.

### **Noise and vibration**

The EIS states that the nearest commercial and ‘other sensitive’ receivers of noise and vibration impacts are predicted to be impacted during some of the noisier outdoor work activities. Moderate worst-case impacts are predicted specifically at The Sebel.<sup>5</sup> In particular, the highest construction noise impacts during the daytime are predicted during station/facility construction when noise-intensive equipment such as a concrete saw would be in use. The highest impact work is expected to last for around 24 months.<sup>6</sup> During the night-time, the highest construction noise impacts are predicted for internal construction and fit-out during station/facility construction. This work is expected to last for around 24 months.<sup>7</sup>

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<sup>4</sup> EIS, Executive Summary, viii and xxix.

<sup>5</sup> EIS, p 14-33; Technical Paper 4, pp 136-137.

<sup>6</sup> EIS, p 14-31.

<sup>7</sup> EIS, p 14-31.

Moderate to high noise impacts are predicted at the nearest residential receivers during a worst-case scenario, particularly surrounding the western construction site.<sup>8</sup> Moderate sleep disturbance impacts are predicted during a worst-case scenario at a small number of nearby residential receivers during external fit-out activities, such as during the installation of cladding.<sup>9</sup>

The receivers that are predicted to be Highly Noise Affected are identified in Figure 48 (p 139) to Technical Paper 4 to the EIS – Construction Noise and Vibration, as extracted below:



“Highly Noise Affected” refers to the point above which there may be strong community reaction to construction noise levels, being noise levels of  $\geq 75$  dBA.<sup>10</sup> Where noise is above this level, the relevant authority may require respite periods by restructuring the hours that very noisy activities can occur.<sup>11</sup> However it appears from Technical Paper 4 that this classification/threshold appears only to apply to residential premises. APVC Ltd submits that the determining authority should also take into account the amenity of Club members and their guests at The Sebel when determining appropriate respite periods for construction work. Members of the Club, who undertake residential activities and sleep at The Sebel apartments for short term residential stays are equally as sensitive to noise and vibration impacts from construction as local residents.

In any event, use of the terms “low” and “moderate” in this section of the EIS should be viewed with abundant and particular caution, for the reasons explained by the NSW Environment Protection Authority (EPA) in their advice dated 1 December 2021 in relation to the EIS for Stage 2 (SSI-19238057). That reasoning is equally applicable to Stage 3. In particular, APVC Ltd shares the following sentiment expressed by the EPA:<sup>12</sup>

*“The EPA is particularly concerned that impacts labelled as “low” and “moderate” are unlikely to align with community expectations. Noise levels described as “low” and “moderate” in [Technical Paper 2 – Noise and Vibration] will be very noticeable and potentially lead to complaints. Failure to manage community expectations by being upfront about likely impacts of the project can lead to a greater degree of noise complaint and an expectation that the EPA will take regulatory action to address these impacts ...*

<sup>8</sup> EIS, Executive Summary, xxiii.

<sup>9</sup> EIS, Executive Summary, xxiii.

<sup>10</sup> EIS Technical Paper 4, Table 5, p 28.

<sup>11</sup> EIS Technical Paper 4, Table 5, p 28.

<sup>12</sup> EPA Advice, Appendix A, pp 4-5.

*It is critical that an EIS should provide a realistic description of impacts so that community expectations can be managed.”*

For the purpose of the Previous Submission, APVC Ltd also adopted a number of additional statements made by the EPA in their 1 December 2021 advice. APVC Ltd again adopts those statements for the purpose of the present submission, namely:

- (a) Inadequate evidence has been provided to support the use of noise impact categories based upon predicted noise levels where levels up to 10 dB above the noise management level (**NML**) are described as “low impact” and noise levels up to 20 dB above the NML are described as “moderate impact”.<sup>13</sup> Terms such as “low impact” to describe levels which are up to 20 dB above the rating background noise level would likely be very noticeable and in some cases intrusive;<sup>14</sup>
- (b) These noise impact categories are applied to airborne noise, ground borne noise, and sleep disturbance which cannot be assessed using the same generic definition of impact;<sup>15</sup>
- (c) The noise impact categorisations are used to describe the impact, but do not take account of other important factors such as the period in which the noise takes place, the duration, the characteristics, and any community feedback, that would inform the selection of, and identify feasible and reasonable mitigation measures.<sup>16</sup> The EPA gives an example where receivers experiencing ground-borne noise levels more than 10 DB above the NML during the night are subject to so-called “moderate” impacts, although the *Sydney Metro Construction Noise and Vibration Standard (Metro CNVS)* suggests alternative accommodation for receivers experiencing such noise levels. As the EPA has stated, an impact requiring alternative accommodation to be offered could not be reasonably considered to be “moderate”;<sup>17</sup>
- (d) It is proposed that the extension of standard working hours from 1pm until 6pm on Saturdays “*would bring considerable benefit to the community*”, yet it is unclear how this conclusion has been reached and upon what information it was based. The difference in project duration has not been quantified, nor does it appear that community preference has been considered when balancing an unknown shortening of total project duration against providing regular respite periods on Saturday afternoons for the community during the works in exchange for a longer total project duration;<sup>18</sup> and
- (e) If the project is approved, the Department **should include relevant safeguards to ensure that feasible and reasonable mitigation is applied, which considers community views where appropriate, rather than allowing Sydney Metro to simply refer to generic mitigation measures outlined in the Metro CNVS.**

In responding to submissions, the proponent should be required to address the above matters, including proposing suitable mitigation measures (including compensation where suitable physical mitigation measures are not available) in consideration of the impacts of the project on specific properties, including The Sebel. APVC Ltd submits that monetary compensation should be extended to it, as the responsible entity for AVC, in combination with appropriate mitigation measures given the unsuitability of the “additional management

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<sup>13</sup> EPA Advice, Appendix A, p 4.

<sup>14</sup> EPA Advice, Appendix A, p 5.

<sup>15</sup> EPA Advice, Appendix A, p 4.

<sup>16</sup> EPA Advice, Appendix A, p 4.

<sup>17</sup> EPA Advice, Appendix A, p 5.

<sup>18</sup> EPA Advice, Appendix A, p 8.

measures” proposed by Sydney Metro in Technical Paper 4 (see Table 78, p 171), which include the provision of alternative accommodation and respite to local residents.

To mitigate the noise impacts of the development, APVC Ltd submits that Sydney Metro should be required (by way of a condition of approval) to carry out construction work within acoustic sheds at the two construction sites for the duration of the construction period and install triple glazed windows throughout each of the apartments at The Sebel prior to construction commencing. We understand this was found to be useful in other Accor managed properties during periods of construction. At present each of the apartments have double glazed windows in the bedrooms only. All other windows are presently single glazed. The implementation of these mitigation measures is consistent with Sydney Metro’s commitment to effectively manage potential environmental issues during construction, including through the identification of unique issues relating to impacted individuals/businesses and the delivery of tailored mitigation measures.<sup>19</sup>

As for potential vibration impacts arising from the development, APVC Ltd is unaware of any technical solution that may be available to mitigate the level of impacts predicted in the EIS. In the absence of a technical solution it is submitted that appropriate compensation be paid by Sydney Metro to APVC Ltd in recognition of this ongoing business risk to The Sebel and the experience of its members, which will likely see the value of AVC membership decrease. This is particularly relevant given the long duration of the construction period which will likely result in significant impacts on The Sebel. In this regard, we would seek that the Minister include a condition in the Infrastructure Approval for the project requiring Sydney Metro to enter into a compensation agreement with APVC Ltd in respect of the impacts of the project on its business, prior to commencement of construction works at Pymont Station (that is prior to Stage 2 and continuing throughout stages 2 and 3). The condition should include a dispute resolution mechanism (for example, by way of resolution by the Secretary) should agreement not be able to be reached between the parties as to the appropriate level of compensation to be paid to APVC Ltd.

### ***Transport and traffic***

The EIS states that the proposed development will involve a continuation of the modifications to the transport network caused by Stage 2.<sup>20</sup> In particular:

- (a) primary access to and egress from both the western and eastern construction sites via left-in from and left-out to Pymont Bridge Road.<sup>21</sup> Additional access and egress arrangements are also likely to be required as part of the proposed development, including secondary access to and egress from the eastern construction site via left-in and left-out from Union Street.<sup>22</sup> This will continue to reduce pedestrian amenity along the footpaths adjoining the eastern construction site, particularly at the site access points on Pymont Bridge Road;<sup>23</sup>
- (b) footpath closures and loss of parking along the southern side of Union Street between Edward Street and Pymont Bridge Road;
- (c) removal of about 27 on-street car parking spaces and a loading zone on Union Street between Pymont Street and Pymont Bridge Road. There is also the potential for on-street parking impacts resulting from construction workers parking on surrounding streets;<sup>24</sup>
- (d) additional removal of on-street and off-street parking spaces around Pymont Station, namely on Pymont Street, Union Street and Edward Street;<sup>25</sup> and

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<sup>19</sup> EIS, App C, p 34.

<sup>20</sup> EIS, Executive Summary, xxiii; Table 14-3.

<sup>21</sup> EIS, p 14-51.

<sup>22</sup> EIS, Table 14-3.

<sup>23</sup> EIS, p 14-51.

<sup>24</sup> EIS, Executive Summary, xxviii.

<sup>25</sup> EIS, p 14-23.

- (e) decommissioning of the bus stop on Pymont Bridge Road adjacent to the Pymont Station western construction site.

Sydney Metro expects there to be a deterioration in the performance of key intersections around the site during peak periods as a result of construction works and vehicles, including at the intersection of Pymont Bridge Road and Union Street, Union Street and Pymont Street, and Harris Street and Allen Street.<sup>26</sup> Peak daily travel movements for construction vehicles are projected to be substantial: From the western construction site, about 168 heavy vehicle and 228 light vehicle movements per day, and from the eastern construction site, about 168 heavy vehicle and 244 light vehicle movements per day.<sup>27</sup> The introduction of additional heavy vehicles on the road network has the potential to result in safety impacts to road users.<sup>28</sup>

The above traffic impacts, along with noise and vibration, air quality and visual amenity impacts, all have the potential to have a significant impact on The Sebel and APVC Ltd's business during the lengthy construction period of the project, and should therefore be the subject of appropriate and specific mitigation and compensation measures (as discussed further below). To guarantee the continuity of its business operations, APVC Ltd also submits that as a condition of approval Sydney Metro should be required to provide unobstructed access to The Sebel on Pymont Street (ie the main entrance) and Edward Street (ie the car park) and all areas leading up to these access points at all times.

### ***Visual amenity and light pollution***

The EIS predicts there to be minor to moderate impacts to landscape character and visual amenity associated with the continued presence of construction work,<sup>29</sup> in particular to the Pymont Street, Pymont Bridge Road, Union Street and Edward Street streetscapes.<sup>30</sup> The continuation of construction activity on the sites, lack of street trees along Pymont Bridge Road, and additional construction vehicles travelling along Pymont Bridge Road, including the vehicle access crossings of the footpath and accessing the sites, will maintain a reduced level of streetscape activation, comfort and amenity for pedestrians.<sup>31</sup>

Night work will be required for underground work at both the eastern and western construction sites. This will require lighting of much of the site including site offices, staff amenities, laydown areas and workshops, internal access routes and car parking areas. There will be additional headlights from heavy vehicles access the site and moving along Pymont Bridge Road and a general skyglow above the site and a view to direct light sources from surrounding areas.<sup>32</sup>

### ***Business impacts***

Sydney Metro states as follows in the EIS in relation to the impacts of the proposed development at Pymont Station:

*“Overall, the nature of the businesses within the Pymont Station local business study area and the existing environment suggests that most of the businesses would be resilient to construction impacts. This is because a large portion of them are destination businesses that do not rely on passing trade or amenity to a significant degree”<sup>33</sup>*

and

*“Some businesses surrounding the construction sites may have experienced impacts associated with reduced local amenity and visibility during the work carried out under the previous Sydney Metro*

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<sup>26</sup> EIS, Executive Summary, xxiii; p 14-25.

<sup>27</sup> EIS, Table 14-3.

<sup>28</sup> EIS, Executive Summary, xxviii.

<sup>29</sup> EIS, Executive Summary, xxiii.

<sup>30</sup> EIS, p 14-45.

<sup>31</sup> EIS, p 14-51.

<sup>32</sup> EIS, p 14-53.

<sup>33</sup> EIS, p 14-69.

*West planning application, although these are anticipated to be unlikely. These impacts may continue during construction of this proposal.*

*Businesses along Union Street are most likely to be affected by continued reduced amenity. Businesses along Pyrmont Bridge Road are already subject to reduced amenity from being located on a busy major road and mostly separated from the construction sites by existing roads. Most of these businesses are also generally not of a type that are dependent on urban amenity.*

*Noise impacts arising during construction may potentially have some impact on nearby cafes and restaurants, pubs and bars, and entertainment facilities. In addition, construction hours over weekends could cause impact to businesses, particularly cafes, restaurants and entertainment venues”<sup>34</sup>*

The above summation does not adequately account for the particular circumstances of The Sebel, which is situated immediately adjacent to construction sites which are situated on both sides of The Sebel, particularly given that The Sebel is heavily reliant on user amenity. The Sebel is valued by AVC members as a luxury facility with a peaceful ambience. Although the qualitative assessment commissioned by Sydney Metro for the purpose of the EIS of direct and indirect construction impacts to local businesses at Pyrmont Station apparently showed that there will be no direct impacts anticipated for local businesses during construction and some limited degree of “continued temporary reduced local amenity” as an indirect consequence of the proposed development, the likelihood of which is said to be ‘unlikely’ and the significance of which is said to be a ‘slight negative’,<sup>35</sup> this is not true of The Sebel.

APVC Ltd does not accept that The Sebel will be less affected by relevant amenity impacts, by reason of the fact that it is located on a busy major road. As emphasized elsewhere in this submission, The Sebel is one of a few buildings that is uniquely situated in between both the western and eastern construction sites for Pyrmont Station. It is submitted that business impacts will be acutely felt and appropriate compensation should therefore be paid by Sydney Metro to APVC Ltd in recognition of those impacts. Sydney Metro states that it will provide assistance to business owners potentially impacted by construction activities, but only:

- (a) In the case of small businesses, being businesses employing fewer than 20 people; and
- (b) Where such businesses are located within 50 metres of a construction site.

It is unclear why such assistance is restricted to *small* businesses adjacent to major construction sites that may be adversely impacted by construction.<sup>36</sup> This support should be extended to any businesses that are adversely impacted by the project, and not only small businesses. The only mitigation measures proposed by Sydney Metro to address adverse construction impacts on local business – ie scheduling planned power and utility interruptions to before or after typical business hours, where feasible and reasonable, minimizing hoarding and screening impacting the visibility of business, and implementation of clear pathways and signage around construction sites to maximize visibility of retained businesses – fall well short of what is required in this case to adequately compensate APVC Ltd.<sup>37</sup>

### ***Air quality***

The results of the air quality assessment that was carried out in respect of the proposed development are set out in Chapter 18 of the EIS, being a chapter dealing with proposal-wide impacts. The relevant activities expected to give rise to dust-related impacts during construction include the construction of Pyrmont Station and ancillary buildings and structures, including enabling and site establishment works required for the station

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<sup>34</sup> EIS, Table 14-35.

<sup>35</sup> EIS, p 14-69; Table 14-35.

<sup>36</sup> EIS, App C, section 5.1, p 23.

<sup>37</sup> EIS, App F, Table B-1, p 57.

(assessed as being of a medium magnitude),<sup>38</sup> and track out of transported related handling of construction materials on site (assessed as being of a high magnitude).<sup>39</sup> Having regard to the nature of sensitive receivers close to Pymont Station, Sydney Metro assessed the potential sensitivity of the surrounding area to dust impacts as being high. Sensitivity was identified for nuisance impacts, including dust soiling, human health impacts, such as eye irritation, and ecological impacts. The EIS concludes in relation to Pymont Station that there are:

*“many high-density residential and commercial dwellings in close proximity to the station construction area in all directions ... special land use receptors close to the construction site including hotels ... that are likely to be sensitive to dust emissions ... Given the high-density residential and commercial nature of the area surrounding Pymont Station, there would be an expected high sensitivity to potential air quality impacts”<sup>40</sup>*

The magnitude of unmitigated air quality risks was assessed as being medium, in relation to construction activities, and high, in relation to track out activities.<sup>41</sup> Given the close proximity of The Sebel to both the western and eastern construction sites, as well as major haulage routes to and from those sites, the proposed development will likely generate significant dust impacts, in particular dust soiling or the unwanted settling of dust on property surfaces, thereby adversely impacting upon the amenity and experience for AVC members.

Assuming that The Sebel is still able to operate amid construction activities for Pymont Station, it is inevitable that additional cleaning services will be required for the duration of the construction period. As a condition of approval, and in recognition of the heightened air quality impacts likely to be experienced at The Sebel by virtue of its location, APVC Ltd submits that Sydney Metro should be required to, at a minimum:

- (a) Facilitate and pay for a complete building clean at the completion of the development, and two additional cleans over the following 12-month period, including the rooftop and basement/carpark areas;
- (b) Undertake window cleaning on all facades and the rooftop area of The Sebel on a monthly basis during the construction period and for the 12-month period following project completion;
- (c) Carry out cleaning and servicing of all major equipment and machinery at The Sebel throughout the duration of the construction period and for a 12-month period following project completion; and
- (d) Provide a further 5-year period of extended warranty on all such equipment and machinery.

### **Conclusion as to potential impacts of the proposed development on The Sebel**

As stated above, AVC is a time share club which provides its members with access to a number of resorts in Australia, New Zealand and Indonesia, including The Sebel in Pymont. Historically, over half of the bookings made by members at The Sebel have been made 150 days or more in advance. 2604 room nights have been booked at The Sebel for the 12-month period following the making of this submission and those bookings have been pre-paid using members’ Premiere Points.

Given that AVC properties are operated for and on behalf of their members, and that rooms at The Sebel are typically booked well in advance, the proposed construction of Pymont Station, once completed, will not generate any increase in bookings through ‘walk-ins’ or as a result of passing trade. Rather, a combination of

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<sup>38</sup> EIS, Table 18-5.

<sup>39</sup> EIS, p 18-8; Table 18-5.

<sup>40</sup> EIS, Table 18-4.

<sup>41</sup> EIS, Table 18-6.

substantial adverse impacts to the amenity and experience of members arising from the proposed development, as detailed in this submission by reference to relevant parts of the EIS, is certain to have a profound financial impact on APVC Pty Ltd. It is anticipated that as construction commences on the development, which is projected to last for a period of five years (including the final year of testing and commissioning), complaints will be made by members with existing bookings about the quality of their experience, frequent cancellations will be made (thereby increasing pressure and demands on other AVC properties to generate additional availability thus, exceeding the inventory threshold required by AVC to provide its members due to this forced decrease in total available club inventory). This lack of, or decrease in availability of accommodation at the Sebel will require APVC Ltd to find alternative accommodation for members and their guests to other properties that are not AVC properties, and the costs of doing so will impact AVC's budget and in will turn will impact AVC members who pay fees to AVC. This may also result in complaints being made by AVC members to the financial services ombudsman, AFCA seeking redress including directions to terminate their memberships altogether, and subsequently time and cost to AVC to address these complaints.

It is entirely possible, having regard to the scale and projected duration of the proposed development, that The Sebel will be forced to cease operating for prolonged periods of time, despite the fact that occupancy rates for the period from the three-year period from 2022-2024 are projected to achieve pre-pandemic levels of between 98-100%. If The Sebel were to close, APVC Pty Ltd would not only be losing customer revenue, but would still be required to pay all of its fixed costs, and in addition be obligated to provide alternate and comparable accommodation to members at its own cost whilst being unable to guarantee the availability required.

Certain impacts to AVC, APVC Ltd and Accor SA (being the ultimate parent company of Accor Asia Pacific who in turn is the parent company of APVC Ltd) arising from the proposed development, including resulting reputational and brand damage, cannot be easily quantified and compensated, however it is submitted that Sydney Metro should at a minimum be required by way of appropriate conditions of the infrastructure approval to pay reasonable monetary compensation to APVC Ltd and implement site-specific mitigation measures at The Sebel. For example, the Minister could require Sydney Metro to enter into a compensation and mitigation agreement with APVC Ltd, which would appropriately recognize the unique positioning of The Sebel between the western and eastern construction sites of Pymont Station.

Kindly confirm receipt of this letter to Mr Craig Wood, Chief Executive Officer, Accor Vacation Club by email, [Craig.Wood@accorvacationclub.com.au](mailto:Craig.Wood@accorvacationclub.com.au), or by telephone on +61 432 005 010.

Should you have any queries in relation to this submission or require clarification/elaboration of any matter raised by it, please contact Mr Phil Reid, General Manager, Hotel Operations, Accor Vacation Club by email, [phil.reid@accorvacationclub.com.au](mailto:phil.reid@accorvacationclub.com.au), or by telephone on +61 481 909 724.

Yours sincerely



Craig Wood (Apr 28, 2022 14:06 GMT+10)

Craig Wood

**Chief Executive Officer**

**APVC Ltd as responsible entity for Accor Vacation Club**

# Pyrmont Submission - April 2022

Final Audit Report

2022-04-28

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