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12 September 2013

Mr. Sam Haddad
Director-General
Department of Planning and Infrastructure
23-33 Bridge Street
SYDNEY NSW 2000

Attention: Ben Lusher

Dear Mr. Haddad

**SECTION 75W MODIFICATION APPLICATION TO MP 09_0076 (MOD 1)
ONE CARRINGTON STREET (FORMERLY CITYONE)**

This Section 75W Modification has been prepared to modify the Concept Approval for One Carrington Street, Sydney (formerly referred to as the CityOne development). It is submitted to the Minister for Planning and Infrastructure (or his delegate) pursuant to section 75W and clause 3 of Schedule 6A of the *Environmental Planning and Assessment Act, 1979* (EP&A Act), on behalf of Brookfield Office Properties (Brookfield) which now owns and controls the development site through its acquisition of the Thakral Holdings Group.

1.0 BACKGROUND

On 3 April 2012, the Planning Assessment Commission (PAC), as delegate of the Minister for Planning, granted Concept Approval to MP 09_0076 for Thakral Holding's 'CityOne development', comprising the upgrade of the eastern access ways to Wynyard Station, and retail and commercial development. The Concept Plan was approved, subject to the Terms of Approval and Modifications in Schedule 2, Further Environmental Assessment Requirements in Schedule 3, and Statement of Commitments in Schedule 4 of the Concept Approval.

Schedules 2-4 of the Concept Approval include conditions and commitments that require the proponent to demonstrate / provide certain actions or deliverables at various times during the future stages of the project. As new owners of the site, Brookfield undertook a review of the Concept Approval which revealed that the specified timing of some of the requirements of the Concept Approval are either premature or not practical, and could unnecessarily delay the future applications pursuant to the Concept Plan. Accordingly, Brookfield is seeking to modify Schedules 2-4 of the Concept Approval to amend the timing of certain conditions or commitments in order to allow for the timely delivery of the approved Concept Plan.

2.0 DESCRIPTION OF PROPOSED MODIFICATION

2.1 Modifications to the Terms of Approval and Future Environmental Assessment

Requirements

The proposed modifications to the Terms of Approval in Schedule 2 and Future Environmental Assessment Requirements in Schedule 3, and the reason for those modifications are set out below. The words proposed to be deleted are shown in ~~**bold-italics-strike-through**~~ and words to be inserted are shown in **bold**.

Voluntary Planning Agreement

A6. Prior to ~~the submission of~~ any future development consent becoming operable, ~~application~~ pursuant to this Concept Plan, the Proponent shall provide written evidence to the Director-General that it has ~~entered into~~ executed a Voluntary Planning Agreement with Transport for NSW consistent with terms outlined in the PPR, Revised Statement of Commitments and subsequent Commercial Offer dated May 2011 and Supplementary Proposal dated August 2011.

Reason for modification:

The proponent, Brookfield, is currently engaged in negotiations with the relevant NSW Government agencies, including Transport for NSW, about the commercial offer and other financial arrangements between parties as part of an Unsolicited Proposal process. It is unlikely that the VPA will be finalised for public exhibition and executed prior to the submission of the first development application which is scheduled for January 2014.

Furthermore, it is unreasonable to require the parties to the VPA to agree the final terms of the VPA without a final development approved on the site. The terms of the VPA also should be independent of the planning assessment process. Brookfield therefore requests that execution of the VPA be deferred until after the planning assessment process has been concluded rather than before any development application can even be lodged. In that way the commercial negotiations appropriately do not influence the assessment outcome.

“Entered into” (or executed) means exhibited (amended if necessary), signed and registered on the title. In this case the VPA is likely to relate to specific works and will only apply if and when the development proceeds. Without a development consent this will not be known or assured and therefore the title cannot be reasonably constrained.

The proposed modification to the condition will still ensure that a VPA is entered into, and the framework for delivery of the associated public benefit is in place, before any development consent can become operable on the site. However, it will not prevent lodgment of a development application, or prevent the consent authority from independently considering and determining that application. We note that requiring a deferred commencement condition for the entering into of a VPA is current standard practice in the City of Sydney where VPAs are required to deliver community benefits.

Work Place Travel Plan

*B7. Any future application for works east of Carrington Street seeking approval for commercial or retail (or similar) floor space shall provide details of a Workplace Travel Plan (WTP) **prior to issue of the relevant Occupation Certificate for that application**, which shall include travel demand management measures aimed at increasing the use of sustainable travel modes.*

Reason for modification:

Workplace Travel Plans are for the future tenants of the commercial building and are therefore most effective when they are prepared specifically with the future tenants in mind. As the future tenant(s) are not currently known it is proposed to defer the timing of providing the work place travel plan(s) until prior to the issue of the occupation certificate when the tenants are likely to be known.

Sydney Airport

*B10. Any future application for works east of Carrington Street shall demonstrate **prior to determination, that all necessary approvals have been obtained from Sydney Airport Corporation Limited and any other relevant government authority in relation to air safety matters.***

Reason for modification:

Brookfield first sought approval from Sydney Airport Corporation Limited (SACL) in January 2013. In September 2013 SACL advised that CASA, Air Services Australia and the airlines had confirmed that there would be no adverse impacts from the development. Brookfield has been advised by SACL that they have sent the application on to the Department of Infrastructure & Transport for a determination. Whilst the process is underway, it should not prevent the lodgement of a future application. It is noted that considering the advice to date and the location and height of the building in the context of the Sydney CBD, it is unlikely that the building will not be supported by relevant stakeholder authorities.

2.2 Modifications to the Statement of Commitments

The proposed modifications to the Statement of Commitments and the reason for those modifications are set out below. The words proposed to be deleted are shown in ***bold italics strike through*** and words to be inserted are shown in ***bold italics***. A consolidated revised Statement of Commitments is provided at **Attachment A**.

1. Public Benefit

Commitment	Timing
1.b) Thakral The proponent will enter into a Project Delivery Agreement with Transport for NSW Rail Corp , relating to the delivery of public infrastructure works on land generally west of Carrington Street.	To be demonstrated prior to <i>a development consent becoming operable the lodgement of the first Project Application</i> for physical works on land generally east of Carrington Street.

Reason for modification:

As per the modification to Condition A6 relating to the timing of the VPA, it is proposed to defer the timing to enter into a Project Delivery Agreement with Transport for NSW until prior to the development consent for physical works east of Carrington Street becoming operable. This means the approved process can proceed at the same time the delivery details are resolved with Transport for NSW, without unnecessarily delaying the project.

2. Design – Concourse Areas

2.d) The future Project Application(s) relating to the detailed design of the eastern access ways will include detailed information on proposed materials, fixtures and finishes. Proposed materials, surfaces, lighting etc to be used in the public station accessways will be coordinated with Transport NSW and where necessary, the City of Sydney Council, to ensure that the Wynyard Precinct reads as a totality.	To be demonstrated <i>to the certifying authority prior to issue of the relevant Construction Certificate for construction of the eastern access ways. with any relevant Project Application relating to works east of Carrington Street.</i>
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Reason for modification:

As indicated by the commitment, the detailed design, including selection of materials, fixtures and finishes to be used in the eastern access ways should be consistent with the materials being used within the remainder of the Wynyard Precinct. However, as the eastern access ways will form part of the first development application, in advance of the application for the remainder of the Station, it is likely that this information will not be finally co-ordinated prior to submission of the first Development Application. In order to allow Brookfield and Transport for NSW sufficient time to develop their preferred materials, fixtures and finishes, it is proposed that the timing for this

commitment be modified to; prior to the issue of the relevant Construction Certificate for the eastern accessways.

2.e. The future Project Application for the development of CityOne Wynyard will be required to demonstrate the manner in which the detailed design satisfies the design criteria included at Appendix G of the PPR. In the event that an alternative design is proposed is must be demonstrated that it will achieve design excellence and generally satisfies the objectives of the criteria.	To be demonstrated with any relevant Project Application relating to works east of Carrington Street.
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Reason for modification

The Design Competition has the potential to produce design solutions which vary from the Concept Plan design criteria but result in a better outcome. In order to accommodate the potential for this to occur and maximise the opportunity to achieve design excellence, the Commitment has been modified to not preclude an alternative design that varies the design criteria but still largely satisfies the objectives of the criteria.

2.h) A signage strategy will be prepared for the development to the satisfaction of Transport NSW and consistent with Transport NSW's Interchange Guidelines.	To be submitted with any prior to any application Project Application for signage in the concourse.
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Reason for modification

A signage strategy is necessary to ensure a consistent approach is taken for signage within the Concept Plan site. However, approval is not being sought for this level of detail as part of the first application under the Concept Plan. Accordingly, it is proposed to provide the strategy prior to the lodgement of any application for signage in the concourse.

3. Design Commercial Building

3.d. The future Project Application for the development of CityOne Wynyard will be required to demonstrate the manner in which the detailed design satisfies the design criteria included at Appendix G of the PPR. In the event that an alternative design is proposed is must be demonstrated that it will achieve design excellence and generally satisfy the objectives of the criteria.	To be demonstrated with any relevant Project Application relating to works east of Carrington Street.
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Reason for modification

The Design Competition has the potential to produce design solutions which vary from the Concept Plan design criteria but result in a better outcome. In order to accommodate the potential for this to occur and maximise the opportunity to achieve design excellence, the Commitment has been modified to not preclude an alternative design that varies the design criteria but still largely satisfies the objectives of the criteria.

6. Heritage – Former Shell House

6.f) A heritage interpretation strategy of the history of the site will be prepared for Shell House be incorporated into the detailed design.	To be demonstrated / submitted with any the certifying authority prior to the issuing of the relevant Construction Certificate for works Project Application relating to Shell House.
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Reason for modification

Heritage interpretation is conventionally the subject of a properly documented Heritage Interpretation Strategy (HIS) lodged after development approval is obtained and heritage impacts and recommendations arising from the design are understood. The heritage interpretation will therefore be achieved through a HIS prepared prior to the relative Construction Certificate relating to Shell House.

7. Wynyard Lane

7.a) <i>If the detailed application requires the closure of Wynyard Lane, the proponent Thakral will seek a separate approval from the City of Sydney Council for the closure of Wynyard Lane at both the northern and southern ends of the development site to remove all conflict between vehicles and pedestrians (other than emergency vehicle access) and allow unimpeded pedestrian flow in an east west direction across Wynyard Land, generally in accordance with the concept illustrated Option 1 of the PPR prepared by JBA dated March 2011.</i>	<i>To be demonstrated / submitted with any Project Application relating to works east of Carrington Street as required by the design.</i>
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Reason for modification

Brookfield is still working with Transport for NSW to establish whether the closure of Wynyard Lane will achieve the optimum outcome for the site. Accordingly it is proposed to modify this commitment to only commit to closing the lane if it is required by the ultimate design arising out of the design competition.

7.b) <i>The detailed design of any public domain works proposed in relation to the closure of Wynyard Lane, should it be required, will be subject to further ongoing consultation with Transport NSW and City of Sydney Council and will be documented in the detailed project application relating to construction of the eastern concourse.</i>	<i>To be demonstrated / submitted with any Project Application relating to works east of Carrington Street as required by the design.</i>
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Reason for modification

As per the modification to Commitment 7.a. the commitment has been modified to only require the detailed design for the public domain works to Wynyard Lane should they be required by the design of the future development.

9. Crime and Public Safety

9.c) <i>A Crime and Public Safety Management Plan for the non-paid concourse areas owned and leased by the proponent Thakral is to be developed in consultation with Sydney Trains RailCorp and is to provide details with respect to operational management by trained staff and security personnel, regular patrolling of the Thakral leased areas, and installation of CCTV to provide a higher level of security and safety for the area.</i>	<i>To be demonstrated submitted to the certifying authority prior to the issue of an Occupation Certificate for the non-paid concourse areas. as part of any relevant Project Application</i>
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Reason for modification

There will be insufficient detail known about the design and operation of the future non-paid concourse areas to be able to prepare the Crime and Public Safety Management Plan for submission as part of the future development application. Accordingly it is proposed to modify the timing to require the plan prior to the issuing of the occupation certificate for the non-paid concourse areas.

12. Traffic, Parking and Servicing

12.c) 177 existing car spaces within the Wynyard Lane Public Car Park will be decommissioned and no longer available for use as public car parking spaces. The 177 existing public car parking spaces will be for commercial office tenant use.	To be demonstrated with any relevant Project Application for works east of Carrington Street.
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Reason for modification

The commitment is superseded by Condition B3 of the Concept Approval.

12.e) Off street bicycle parking and shower facilities are to be provided within the development in accordance with City of Sydney DCP 1996.	To be demonstrated with any relevant Project Application for works east of Carrington Street.
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Reason for modification

The commitment is superseded by Condition B4 of the Concept Approval.

16. Construction

<p>16.b The Construction Management Plan will be prepared in consultation with Transport NSW and City of Sydney Council and will include details:</p> <ul style="list-style-type: none"> ■ in relation to scheduling and staging of demolition and construction works; ■ on how compliant pedestrian access between George Street and Wynyard Station will be maintained; ■ on the pedestrian access arrangements during construction works including the appropriate staging, methodology and management requirements to ensure that access to relevant adjoining development is maintained during construction; and ■ noise and dust management measures. 	To be submitted with any relevant project application.
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Reason for modification

The existing access between George Street and Wynyard Station is not currently compliant with the Australian Standards and therefore it is not physically possible to maintain 'compliant' access during construction.

17 Environmentally Sustainable Development

17.c The detailed design of the development is to review the sustainability targets for commercial office buildings and retail centres with the aim of maximising sustainability and future flexibility whilst reducing energy use and carbon/CO2 emissions.	To be demonstrated with any Project Application relating to the design of the commercial tower.
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Reason for modification

FEAR 8 requires any future application to demonstrate that the development will incorporate the ESD principles outlined in the Sustainability Report prepared by Cundall for the Concept Plan. Commitment 17.a commits the proponent to a minimum 5 Green Star rating.

As this commitment is not quantifiable and there are best practice sustainability measures in place, it has been deleted.

22. Hazardous Materials

22.a) A Hazardous Materials Survey is to be prepared for existing building structures.	To be submitted to the certifying authority prior to the issue of a Construction Certificate for with any Project Application proposing demolition works.
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Reason for modification

The presence of hazardous materials on the site will affect the methodology for demolition of the affected areas. However, this information is not necessary at the development application stage. Therefore it is proposed to amend the timing of the preparation of the survey to prior to the issue of a Construction Certificate for demolition works.

3.0 ENVIRONMENTAL ASSESSMENT

The proposed modifications will not result in any adverse environmental impacts. As demonstrated in Section 2, where it is proposed to provide an alternative timing, the modified timing will still ensure the required action / deliverable is provided at an appropriate stage of the project and the underlying objective of that requirement is achieved. Furthermore, the proposed modifications to the timing will prevent unnecessary delays to the planning approvals process and enable a more timely delivery this important State Significant Development.

Should you have any queries about this matter, please do not hesitate to contact myself or Michael Rowe on 9956 6962 or mrowe@jbaplanning.com.au.

Yours faithfully



Julie Bindon
Director