

10453 5 August 2010

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

Attention: Chris Wilson

Dear Mr Haddad

PART 3A REQUEST FOR MINISTER'S DECLARATION CITYONE, WYNYARD

We are writing on behalf of Thakral Holdings Limited, the proponent, to seek the Minister's opinion that the proposed City One development at Wynyard Station is a development of the kind described in Group 8 of Schedule 1 (classes of development) of State Environmental Planning Policy (Major Projects) 2005 (the Major Projects SEPP) and therefore, is a 'major project' to be determined under Part 3A of the *Environmental Planning and Assessment Act*, 1979 (the EP&A Act).

Should the Minister form the opinion that the development referred to is a major project to which Part 3A applies, we request that:

- a) The Minister authorise the proponent to submit a Concept Plan application for the proposed development; and
- b) The Director General issue the requirements for the preparation of an Environmental Assessment to accompany a Concept Plan for the proposed development.

To support the request for the Director General's requirements relating to the environmental assessment, this letter includes a Preliminary Assessment relating to the project. The Preliminary Assessment provides detail on the site location, an outline of the project, statutory context, and identifies the key likely environmental and planning issues associated with the proposal.

1.0 SITE DESCRIPTION

The City One site is located between George and York Streets, Sydney. The site has a total area of 11,124m² and comprises of the Menzies Hotel (including Shell House), Thakral House, Wynyard Station, part of Wynyard Park, the stratum lot above Wynyard Lane, and a number of stratum lots beneath Wynyard Park, Carrington Street, and York Street that together form the Wynyard Station Concourse - refer to **Figures 1** and **2**.

 Table 1 summarises the various properties (including several land stratums) that make up the site, and the owners of those lots. It is understood that the Crown is the owner of Wynyard Lane.



Figure 1 – Locality Plan



Figure 2 - City One development site

Table 1 - Development site

Site/lot "name"	Develop ment Site Area*	Owner	Description
A – East of Carrington Street		in the second	
Former Shell House <i>Lot 10, DP 595978</i>	1038 m²	Wynyard Centre Pty Limited.	An 11 storey commercial office building built in 1938. In 1979 was converted to hotel rooms as an extension of the Menzies Hotel. Shell House is a listed heritage item in the Sydney LEP.
The Menzies Hotel Lot 1, DP 853331	1462 m²	RailCorp - Occupied by Thakral subject to the Wynyard Centre Lease.	A14 storey hotel, completed in 1963. It provides no direct public access to the Station or retail levels that pass beneath it.
Thakral House Lot 2, DP 853331	1257 m²	RailCorp - Occupied by Thakral subject to the Wynyard Centre Lease.	A 13 storey commercial office building completed in 1962, with retail space on the ground and first basement levels.
Wynyard Lane (stratum lots above and below road level) Lot 4, DP 853331	275 m²	RailCorp - Occupied by Thakral subject to the Wynyard Centre Lease. Crown land below RailCorp stratum	Stratum lot that runs above Wynyard Lane between Thakral House and the Menzies Hotel. Also includes stratum lots below Wynyard Lane.
Subtotal	4032 m ²		
B – West of and including Carrington Street			
Concourse under Carrington Street Lot 5, DP 853331	1141 m ²	RailCorp	Stratum lots at concourse area
Concourse under Wynyard Park Lot 6, DP 853331	2923 m²	RailCorp - Occupied by Thakral subject to the Wynyard Centre Lease.	Stratum lots at concourse area.
Concourse under York Street Rail Plan 1024-41-781	3028 m²	RailCorp	Stratum lots at concourse area
Wynyard Park/ Wynyard Park Dome	Same as Lot 6, DP 853331 (already included in site area)	RailCrop / Crown Land	The portion of the lot located above Lot 6, DP 853331 that includes a triangular urban park and access points to Wynyard Station. Wynyard Park is a listed heritage item in the Sydney LEP.
Subtotal	7092 m²		<u> </u>
TOTAL AREA	11,124 m ²		

* Areas are approximate. A detailed survey of all areas will be undertaken as part of the finalisation of the Concept Plan Scheme and preparation of the EA.

2.0 THE PROJECT

The proposed project (as illustrated in drawings attached) includes:

- Demolition of the existing buildings which comprise the development site with the exception of Shell House and Wynyard Station Platforms.
- * Major works to Wynyard Station, including upgrades to:

- the concourse layout, railway station entries and circulation thoroughfares (from George Street to York Street);
- disabled persons access;
- the station facilities, ticketing areas, services and lifts; and
- fire and life safety systems to the upper and lower platforms.
- A new 29 storey office building consisting of an 11 storey podium and 18 storey tower on the land between Carrington Street and George Street.
- Conservation works to former Shell House and its internal refurbishment for use as office premises.
- Five levels of retail linking George Street and Carrington Street to the Station concourse.
- Retention of the existing basement public car park located partly on the site and partly in disused tram tunnels.
- Construction of associated tenant basement parking.
- The upgrade of the public domain surrounding the site and associated public domain improvements.
- Upgraded station entry in Wynyard Park.

The Concept Plan will seek approval for:

- the building envelope (above and below ground);
- a floor space area (FSA) of approximately 85,000m²;
- all land uses;
- pedestrian and vehicle access arrangements;
- car parking numbers.

Should the Concept Plan be approved it is anticipated that staged Project Applications will be lodged for the development. The staged applications may include:

- Project Application for demolition and excavation of Thakral House/Menzies Hotel, including geotechnical and contamination investigation works, temporary traffic, pedestrian and access arrangements/structures.
- Project Application for demolition and excavation works to Shell House (note facade to be retained), including geotechnical and contamination investigation works, temporary traffic, pedestrian and access arrangements/structures.
- Project Application for construction of basement structures and station concourse areas including works to "paid" and "unpaid" areas and associated retail.
- Project Application(s) for the detailed design and construction of CityOne tower and podium and refurbishment of Shell House.

RailCorp may seek separate approval for upgrades to station platforms and other facilities within the "paid" area of the station.

3.0 PLANNING CONTROLS

The planning instruments, development control plans and planning policy documents relevant to the proposed development or applying to the site are listed below, and a short summary of the primary controls of the Sydney Local Environmental Plan 2005 (SLEP 2005) and Central Sydney

Development Control Plan 1996 (CSDCP 1996) follows. The proposal clearly satisfies the Major Projects SEPP criteria (see Section 3.1) and as such the EAR will consider and address the other environmental planning instruments and policies as relevant to the proposal.

- State Environmental Planning Policy No.55 Remediation of Land;
- State Environmental Planning Policy (Major Projects) 2005;
- State Environmental Planning Policy (Infrastructure) 2007;
- Sydney Local Environmental Plan 2005;
- Central Sydney Development Control Plan 1996;
- City of Sydney Access Development Control Plan 2004;
- City of Sydney Contaminated Lands Development Control Plan 2004;
- City of Sydney Heritage Development Control Plan 2006; and
- City of Sydney Policy for the Management of Laneways in Central Sydney.

3.1 Major Projects SEPP 2005

Clause 6 of the Major Projects SEPP provides that development that in the opinion of the Minister is development of a kind referred to in Schedule 1 (classes of development) or Schedule 2 (specified sites) is declared to be a project to which Part 3A of the EP&A Act applies.

Clause 23(2) (Group 8) in Schedule 1 in the Major Projects SEPP - Rail and related transport facilities, identifies:

(2) **Development within a railway corridor or associated with railway infrastructure** that has a capital investment value of **more than \$30 million** and that the Minister determines is of strategic State or regional planning significance, and is for the purpose of:

- (a) commercial, residential or retail development, or
- (b) container packing, storage or examination facility, or
- (c) bus interchange development.

our emphasis

The proposed development is for such development as identified above, and has an estimated "capital investment value" of approximately \$425 million. The capital investment value of the rail infrastructure (station) works will be significantly in excess of \$30 million. It is therefore requested that the Minister advise his opinion that the proposed development is of a type listed in Schedule 1 of the SEPP and is therefore a Major Project to which Part 3A of the EP&A Act applies.

3.2 Sydney Local Environmental Plan 2005

A preliminary analysis of the proposal's consistency with the relevant provisions of SLEP 2005 including the zoning, floor space ratio (FSR), height, heritage, special areas, and design excellence is as detailed below.

Zoning

Two land use zones occur within the City One site under the LEP (see Figure 3). These land use zones comprise the:

- City Centre Zone; and
- Parks and Community Places Zone.

The proposal is consistent with the land use zone objectives and is permissible with consent under the current zonings. The Parks and Community Uses Zone permits only a limited range of uses. All the uses proposed on the land zoned 'Park and Community Uses' (namely the rail station concourse and associated retail uses) are permissible. The development proposed on the land zoned 'City Centre' is also wholly permissible in that zone.



Figure 3 – Zoning Plan (extract from SLEP 2005 Central Sydney Zoning Map)

Floor Space Ratio

The maximum FSR for the site is 8:1, with the potential to increase to a maximum of 12.5:1, subject to satisfying height limits and other development controls and merit considerations within the LEP.

The total development site has an area of 11,124m². However, in applying the relevant definition and clause 58 of the LEP, the "site area" for the purposes of the FSR calculation is reduced to 8,828m². The 8,828m² comprises the "development site" area of 11,124m² but **excludes** 2,296m² of land in Wynyard Park, being land on which the proposed development (as a whole) is 'not allowed' by virtue of the Parks and Community Places zoning of this land.

The stratum lots beneath Carrington Street and York Street and the stratum lots above and below Wynyard Lane are <u>included</u> in the 8,828m² site area for the purpose of calculating FSR. The land which comprises the stratum allotments beneath Carrington Street, York Street and Wynyard Lane do not form part of the land that is dedicated for the purposes of a 'street, a public place, a public reserve or community land'. Consequently, this land is not excluded from the site area calculation.

This interpretation is confirmed in legal advice from the proponent's solicitors Black Dawson Waldron.

As the area of Wynyard Park has been excluded from the 'site area' the FSA contained within the Wynyard Park Stratum has also been excluded from the FSR calculations for consistency.

Therefore the FSR calculation, based on the above is: $85,000m^2$ FSA/ $8,828m^2$ site area = 9.63:1 FSR

Therefore the proposed FSR complies with the maximum permitted under SLEP.

Height

A range of maximum building heights apply to the site (see **Figure 4**). The maximum permissible building height along the Carrington Street frontage is 55m. The northern portion of the George Street frontage allows for development up to 235m, whilst the southern portion is controlled by the sun access plane to Martin Place which allows for development up to approximately 200m.

The tower of the proposed development will exceed the 55m height limit along the Carrington Street frontage although the maximum building height of 235m will not be exceeded and the sun access plane will not be breached.



Figure 4 - Height Plan (extract from SLEP 2005 Central Sydney Height Map)

Overshadowing

The following statutory provisions in SLEP 2005 relate to overshadowing:

- Clause 47(f) aims to provide sun access to significant sandstone buildings in Special Areas in order to improve the ground level environmental quality of public spaces
- Clause 48 and Schedule 2E of SLEP 2005 Sun Access Plane for Martin Place Non-compliance with the Sun Access Plane is a prohibition under SLEP 2005.
- Clause 49 no additional overshadowing permitted to Martin Place (between Pitt and George Streets) between 12 noon and 2pm between 14 April and 31 August (in addition to that existing at 27th December 1996). Non-compliance with the Clause 49 is a prohibition under SLEP 2005.
- Clause 79 requires consideration of the objectives of the Special Area controls and the character statement and specific objectives for the Martin Place Special Area found at Schedule 6. One of the stated objectives for the Martin Place Special Area is to protect and extend sun access and reflected sunlight to Martin Place during lunchtime hours from mid April to the end of August.

Wynyard Park is also a Special Area in Schedule 6. One of the stated objectives for the Wynyard Park Special Area is to protect and extend mid-winter lunchtime sun access to Wynyard Park.

Heritage

Shell House and Wynyard Park are listed heritage items under the LEP but are not on the State Heritage Register. The proposed podium will maintain the existing building façade of Shell House to ensure the heritage significance of the item is preserved.

It is not the intention of the proponent to purchase any heritage floor space for the purposes of this development.

Special Areas

The City One site is located within Special Area 11 – Wynyard Park/Lang Park which provides provisions to retain and enhance the special character, identity and quality of the area. The proposed development will take into account Schedule 6 of the LEP.

Design Excellence

Clause 26 requires development to exhibit design excellence. Due to the previous consideration of alternative schemes and high level of design excellence demonstrated in the proposal no design competition is proposed. A design report will be lodged with EAR which demonstrates the different design options that were explored for the site, why the proposed concept was selected, and the strategy to be employed by the proponent to deliver design excellence at the Project Application stage.

3.3 Central Sydney DCP 1996

The CSDCP 1996 prescribes a range of development controls, including, but not limited to: street frontage heights, setbacks above street frontages, commercial floor plates, views, street frontage activities, building exteriors, pedestrian amenity, artwork & public domain, and environmental management. The proposal will be designed having regard to the provisions of the DCP.

4.0 PRELIMINARY ENVIRONMENTAL ASSESSMENT

Should the Minister form the opinion that the proposal is a project to which Part 3A applies, and authorise the preparation of a Concept Plan, it is requested that the Director General issue environmental assessment requirements for the project. The scope of environmental planning issues proposed to be addressed in an Environmental Assessment Report (EAR) to accompany the Part 3A Concept Plan is provided below to assist the Department and Director-General in this process.

The key environmental planning considerations associated with the proposed development are as follows:

- Built form and urban design
- Overshadowing
- Station design and access
- Public domain management
- Future station connections
- Public benefit
- Heritage impacts
- Survey/ownership
- Vehicular access and traffic
- Sustainability performance
- Construction methodology

4.1 Built Form and Urban Design

The development will be designed to achieve a high level of environmental amenity for commuters of the Station, commercial building and retail services. The EAR will address the height, bulk, and scale of the proposed development within the context of the locality and how potential impacts relating to solar access, view loss, and wind impacts will be managed. The EAR will also give specific consideration to the height, massing, setbacks and demonstrate that the building envelope will comply with the Martin Place Sun Access Plan E and not result in the overshadowing of Martin Place or Wynyard Park (see 4.2 below).

4.2 Overshadowing

An overshadowing analysis of the CityOne development will be prepared to assess solar access impacts to Martin Place and Wynyard Park. The proposed envelope will be designed to comply with the Martin Place Sun Access Plane under Clause 48 and Schedule 2E of SLEP 2005, and to meet the requirements and objectives at Clauses 47(f), 49 and 79.

The shadow analysis prepared by Whelans InSites (see attached) shows that the building envelope proposed, despite its compliance with the Martin Place Sun Access Plan E and the maximum height limit applying to the George Street portion of the site pursuant to Clause 50(1) of SLEP 2005, will cast minor additional shadows on Martin Place during the nominated period.

It should be noted that compliance with the Sun Access Plane under Clause 48 has not ensured compliance with the 'no additional overshadowing' provision of Clause 49 due to the existing building at 354 George Street (also 2 Martin Place) not being built to the maximum 45 metre height limit permitted on this site.

The additional overshadowing impact is limited to relatively small areas being a wedge shaped area at the western end of Martin Place, a narrow strip along the George Street footpath and a narrow horizontal strip along the southern edge of Martin Place adjacent to the GPO.

The proposed development will not result in any additional overshadowing of the GPO steps or building façade, or Wynyard Park.

4.3 Station Design

The Concept Plan will include indicative layouts of the station areas to a reasonably high level of detail, including the access to and from ground level at George Street, York Street and Wynyard Park. The EA will address station design issues such as passenger flows and emergency egress.

The Station designs will allow for future connections to Barangaroo and the future CBD Metro Station. Pending the resolution of the details of the Barangaroo/ Wynyard Station connection, the EAR will demonstrate how Wynyard Station will have the potential to connect with this future station.

4.4 Public Domain Management

The EA will provide details on the interface between the proposed uses and the public domain, and the relationship to and impact upon the existing public domain, including Wynyard Park.

4.5 Public Benefit

The redevelopment of Wynyard Station alone will provide a significant public benefit. The public benefits include:

- increased amenity of the Station and public domain associated with it;
- fire and safety improvements;
- enhanced passenger flows and capacity;
- future connections with proposed CBD Metro station and Barangaroo development;
- provision of improved, accessible retail services; and
- employment during the construction and post construction phases.

4.6 Heritage

The conservation of heritage is a significant consideration in the design of the proposal. The EAR will demonstrate how the proposal responds and preserves the heritage significance of Shell House, and Wynyard Park.

The site is also located in close proximity to a number of other heritage items scheduled under SLEP 2005, all of which will be considered during the design of the development.

4.7 Traffic and Access

A traffic and access report will be prepared for the EAR to address access, traffic generation impacts, parking, and pedestrian and bicycle access to Wynyard Station and the new City One building. The report will specifically address the impact of the proposal on operation of the existing public car park that will be retained.

4.8 Sustainability Performance

The EAR will include a sustainability assessment and commitments in terms of environmental performance and to the overall management of the development and its ongoing operations, including indoor environmental quality, energy, transport, water, materials, and waste management.

4.9 Construction Methodology

Maintaining the operation of Wynyard Station and its pedestrian access during the construction period is a key consideration for redevelopment of this site. A construction strategy will be included with the EAR to address how the works can be undertaken with minimal impact on:

public safety and access to Wynyard Station;

- RailCorp goods deliveries and access;
- operation of electrical substations and other services; and
- access to commercial areas, including the Hunter connection.

No alterations are proposed to the track way areas of the Station allowing train services and Station operations to be maintained at all times.

5.0 CONCLUSION

The proposed CityOne development is vital in bringing about the redevelopment of Wynyard Station at a time where it is imperative that the Station be modernised to handle the growing demands on the network and provide the ability to connect with Barangaroo and any future CBD Metro infrastructure.

We trust that the above Preliminary Assessment is sufficient to enable the Minister to form an opinion that the proposed development is a Major Project to be dealt with under Part 3A and to allow the Director General to issue the requirements for the preparation of the necessary Environmental Assessment.

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

Yours faithfully

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Lesley Bull Director

Enc. CityOne Concept Drawings CityOne Overshadowing Analysis



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