

EXPLANATORY NOTE PURSUANT TO REGULATION 205 OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT REGULATION 2021

174, 174A & 180 GEORGE STREET & 11-15, 12-22 & 17-23 SAI YING LANE, SYDNEY

Sydney Local Environmental Plan 2012 (Amendment No. 30): Lendlease Circular Quay site – Alfred, Pitt, Dalley and George Street block, Sydney

Background

The Council of the City of Sydney amended the controls that applied to 174-186 George Street and 33-35 Pitt Street, Sydney (**Land**) under Sydney Local Environmental Plan 2012 (SLEP 2012) to enable a 248m tall commercial office tower, with reconfigured publicly accessible open space along with public benefits.

At the same time the City entered into a Planning Agreement in relation to that development. The planning agreement provides for land dedication and works-in-kind for the creation of new public plaza and laneways, road widening, Public Art, Public Cycle Facility, Business Innovation Space, Community Building, easements and covenants to the commercial tower to deliver commercial floor space, covenants for the protection of fine grain retail adjacent to the laneways, commitment to environmental sustainable development and a monetary contribution for the fitout of the Business Innovation Space.

The parties to the Planning Agreement have agreed to vary the Planning Agreement, amending the due date for part of the laneway and laneway plaza works.

The purpose of this explanatory note is to provide a summary of the proposed Deed of Variation of Planning Agreement in accordance with regulation 205 of the *Environmental Planning and Assessment Regulation 2021* (**Regulation**), to support the notification of the Deed of Variation of Planning Agreement under section 7.5 of the *Environmental Planning and Assessment Act 1979* (**Act**).

This explanatory note has been prepared jointly by the parties.

The public benefits partially exclude the developer or owner (as the case may be) from paying monies under s.7.11, 7.12 or 7.24 of the Act.

This explanatory note is not to be used to assist in construing the Deed of Variation of Planning Agreement.

1. Parties to the Deed of Variation of Planning Agreement

The parties to the Deed of Variation are Lendlease (Circular Quay) Pty Limited as trustee for the Lendlease (Circular Quay) Trust (**Developer**) and the Council of the City of Sydney (**Council**).

2. Description of the Subject Land

The Land to which the Planning Agreement applies has been subdivided since its execution. The draft Deed of Variation to Planning Agreement applies to 174, 174A and 180 George Street, Sydney being Lots 103, 106 and 101 in DP 1287187, and 11-15, 12-22 and 17-23 Sai Ying Lane, Sydney being Lots 108, 107 and 104 in DP 1287187.

3. Background to the Deed of Variation of Planning Agreement

As part of the Planning Agreement, the Developer is required to design and construct a Lane Level Public Plaza and Laneways as part of the Developer's Works component of the Public Benefits.

Owing to construction works occurring to adjacent development sites, it has been proposed to extend the timeframe for completion of the outstanding works to the Laneway and Laneway Plaza to coincide with the completion of the adjacent laneway works, by no later than 1 January 2027.

4. Summary of the Objectives, Nature and Effect of the Deed of Variation

The objective of the Deed of Variation is to facilitate adjustments to the completion milestone of certain Public Benefits in the Planning Agreement.

The nature of the Deed of Variation is to amend the Due Date of the Developer's Works for a component of the Laneway and Laneway Plaza Works, being the Outstanding Laneway works to 1 January 2027.

The effect of the Deed of Variation is that the works will be delivered in an orderly manner without ongoing disruption to their use.

5. Assessment of the Merits of the Proposed Agreement

(a) How the Deed of Variation of Planning Agreement promotes the public interest and one or more of the objects of the Act

The Deed of Variation of Planning Agreement promotes the objects of the Act, in particular objects identified in Section 1.3 (c) and 1.3(g) of the Act which is to promote the orderly and economic use and development of land and to promote good design and amenity of the built environment. The amended agreement will provide a contribution towards community infrastructure which will support and service the existing and future population and will contribute to greater amenity and infrastructure of those areas.

(b) How the Deed of Variation of Planning Agreement promotes the elements of the Council's charter

The Deed of Variation of Planning Agreement promotes a number of elements of the Council's charter under section 8 of the *Local Government Act 1993* (NSW). In particular, the Planning Agreement through the delivery of the public benefits allows Council to:

- (i) provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively;
- (ii) exercise community leadership;
- (iii) properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development;
- (iv) bear in mind that it is the custodian and trustee of public assets and to effectively plan for, account for and manage the assets for which it is responsible;
- (v) engage in long-term strategic planning on behalf of the local community; and

- (vi) keep the local community and the State government (and through it, the wider community) informed about its activities.

(c) The impact of the Deed of Variation of Planning Agreement on the public or any section of the public

The Deed of Variation of Planning Agreement will benefit the public and local community as it will improve the cost effectiveness of the delivery of community infrastructure in the commercial core of the City.

(d) Whether the Deed of Variation of Planning Agreement conforms with Council's capital works program

Yes. The Deed of Variation of Planning Agreement conforms with Council's capital works program.

(e) The planning purpose or purposes of the Deed of Variation of Planning Agreement

The Deed of Variation of Planning Agreement will serve a planning purpose by implementing the site-specific planning provisions set out in the Planning Proposal for the Land and the site specific DCP, to facilitate development of a commercial tower in an alternative configuration with additional height, than could be achieved under the existing planning controls.

It is considered that the Deed of Variation of Planning Agreement provides for a reasonable means by which to achieve these planning purposes given the extent of the statutory tools that are available to Council by which it can deliver the proposed public benefits.

(f) Compliance of certain requirements prior to issue of construction, occupation or subdivision certificates.

The following requirements of the Deed of Variation of Planning Agreement must be complied with before:

- (i) **A construction certificate is issued:** Nil
- (ii) **An occupation certificate is issued:** Nil
- (iii) **A subdivision certificate is issued:** Nil