

Item 3.

Public Exhibition - Planning Proposal: 187 Thomas Street, Haymarket - Sydney Local Environmental Plan 2012 and Sydney Development Control Plan 2012 Amendment

File No: X034468

Summary

To maintain the critical position in delivering economic growth and resilience for the economies of Greater Sydney, New South Wales and the nation, locations in Central Sydney must remain an attractive and competitive place for business, workers, residents and visitors. To continue to grow, it is important that capacity for employment growth, opportunities and development projects in Central Sydney are prioritised to attract new investment and highly skilled workers, particularly in emerging sectors. It is important the City is prepared for appropriate development to occur throughout and after the Covid-19 pandemic.

The draft Central Sydney Planning Strategy reviewed the quality of the place and set the City's planning vision to grow Central Sydney's competitive economic position, and further, strengthen its attractive qualities. It identifies opportunities for additional building height and density in the right locations where future development delivers high quality public domain improvements, protects public spaces and pedestrian amenity, and delivers environmental sustainability initiatives.

187 Thomas Street, Haymarket is located at the southern end of the Sydney's Central Business District and lies at the convergence of several precincts where the technology sector, knowledge intensive creative and start-up industries are emerging in the Ultimo-Camperdown Collaboration Area, the NSW Government's Tech Central precinct and the Western Gateway sub-precinct adjacent to Central Station. Fostered by different levels of government, academic institutions and private investment, the location of these precincts provide for collaboration of start-ups and emerging firms with nearby tertiary and research institutions and more established businesses in Central Sydney.

This planning proposal will facilitate the redevelopment of a strategic site in Haymarket for a new tower that will deliver additional employment generating floor space to support innovation enterprises comprising commercial work space in different configurations, retail and visitor accommodation along with a pedestrian connection and public domain upgrades.

The planning proposal will facilitate the development of 187 Thomas Street, Haymarket for:

- a 47,000 square metre commercial office tower up to RL 226.80 metres in height, with four storey podium;
- an innovation tech hub, comprising up to six levels of work space similar to co-working space - including a laboratory and auditorium, shared equipment, workshops and facilities to foster and support small and start-up businesses in the technology sector;
- additional publicly accessible open space adjacent to the planned future public plaza on Quay Street;

- improved pedestrian connections with an upgraded through-site link to George Street lined with fine-grain retail premises; and
- ecologically sustainable development benchmarks to ensure an energy efficient building is delivered.

Consistent with the draft Guideline, the landowner, Greaton Development, has submitted a public benefit offer to enter into a planning agreement which includes a monetary contribution towards affordable housing and community infrastructure.

This report recommends approval of the planning proposal for submission to the Department of Planning, Industry and Environment seeking a gateway determination, followed by public exhibition. It also recommends that a draft site-specific development control plan is endorsed for exhibition, and a draft planning agreement be prepared based on the public benefit letter of offer. It is proposed that all documents are exhibited concurrently.

Recommendation

It is resolved that:

- (A) Council approve Planning Proposal - 187 Thomas Street, Haymarket, as shown at Attachment A to the subject report, to be submitted to the Minister for Planning and Public Spaces with a request for gateway determination;
- (B) Council approve Planning Proposal - 187 Thomas Street, Haymarket, as shown at Attachment A to the subject report to public authority consultation and public exhibition in accordance with any conditions imposed under the gateway determination;
- (C) Council seek authority from the Minister for Planning and Public Spaces to exercise the delegation of all the functions under section 3.36 of the Environmental Planning and Assessment Act 1979 to make the local environmental plan and to put into effect Planning Proposal - 187 Thomas Street, Haymarket;
- (D) Council approve the Draft Sydney Development Control Plan 2012 - 187 Thomas Street, Haymarket Amendment, shown at Attachment B to the subject report for public authority consultation and public exhibition concurrent with the Planning Proposal;
- (E) authority be delegated to the Chief Executive Officer to make any variations to Planning Proposal - 187 Thomas Street, Haymarket, following receipt of the gateway determination;
- (F) authority be delegated to the Chief Executive Officer to make any minor variations to Draft Sydney Development Control Plan 2012 - 187 Thomas Street, Haymarket Amendment to correct any drafting errors or ensure it is consistent with the Planning Proposal following the gateway determination;
- (G) authority be delegated to the Chief Executive Officer to prepare a draft planning agreement in accordance with the letter of offer dated 14 April 2020 at Attachment C to the subject report, and the requirements of the Environmental Planning and Assessment Act 1979, to be exhibited concurrently with the Planning Proposal and Draft Development Control Plan for the site.

Attachments

- Attachment A.** Planning Proposal - 187 Thomas Street, Haymarket
- Attachment B.** Draft Sydney Development Control Plan 2012 - 187 Thomas Street, Haymarket Amendment
- Attachment C.** Planning Agreement - Public Benefit Offer

Background

1. Central Sydney will continue to play a vital role in the growth and economic success of wider Sydney and the national economy. The southern part of Central Sydney, including Haymarket, has developed into an emerging precinct containing knowledge intensive, creative, technology and start-up industries along with nearby research and academic institutions in the innovation corridor.
2. The draft Central Sydney Planning Strategy (the Strategy) seeks to incentivise additional employment generating floor space by providing opportunities for additional building height and density in the right locations and ensuring new development delivers a high quality public domain where pedestrian amenity and public spaces are protected and delivers environmental sustainability initiatives.
3. Capacity for employment growth in Central Sydney and Haymarket will contribute to a robust, resilient and competitive economy for Central Sydney and New South Wales. Where there is capacity for employment growth, opportunities for investment and development projects with a global focus and highly skilled jobs will arise. This is particularly important in the current climate, noting the need to plan for development throughout and after the Covid-19 pandemic.
4. This planning proposal aligns with the Strategy and will facilitate the redevelopment of the few strategic sites in Haymarket for a new mixed-use tower. The proposal also aligns with several NSW State Government activities in the area, including Tech Central, centred on Central Station, and wider Camperdown Ultimo Innovation Corridor work.
5. The site known as 187 Thomas Street is located in Haymarket, close to Central Station at the southern end of Central Sydney. The surrounding area comprises a mixture of commercial office, retail, residential and tourist accommodation uses. The site is in the future Haymarket/Ultimo tower cluster identified in the Strategy, where opportunities may be located to unlock additional capacity for economic and employment growth.
6. In April 2020, the landowner, Greaton Development, submitted a planning proposal request for 187 Thomas Street, Haymarket. The request seeks to insert site-specific provisions in the Sydney Local Environmental Plan 2012 (LEP) in line with the City's recently exhibited draft Central Sydney Planning Framework, as well as the draft Guideline for site-specific planning proposals in Central Sydney.
7. The site-specific provisions will enable the redevelopment of 187 Thomas Street, Haymarket with the following key components:
 - (a) a new tower consisting of 47,000 square metres of commercial floor space, comprising retail, commercial work space, visitor accommodation and an innovation tech hub;
 - (b) maximum building height of RL 226.80 metres, with a four storey podium;
 - (c) provision of ground floor retail and other active uses fronting an enhanced public domain and retained pedestrian connections;
 - (d) protection of the amenity of adjacent residential apartments with the inclusion of a large building opening between the podium and tower above to preserve existing views and daylight access.

- In preparation of their request, Groat Development has commissioned a range of studies to support the proposed changes to the planning controls. These studies are attached as appendices to the planning proposal at Attachment A to this report.

Site details

- The legal description of the land affected by this planning proposal is Lot 100 DP 204958. The site is referred to in this report as 'the site' or '187 Thomas Street'. An aerial image and diagram of the subject site and surrounds are shown in Figure 1 and Figure 2 below.

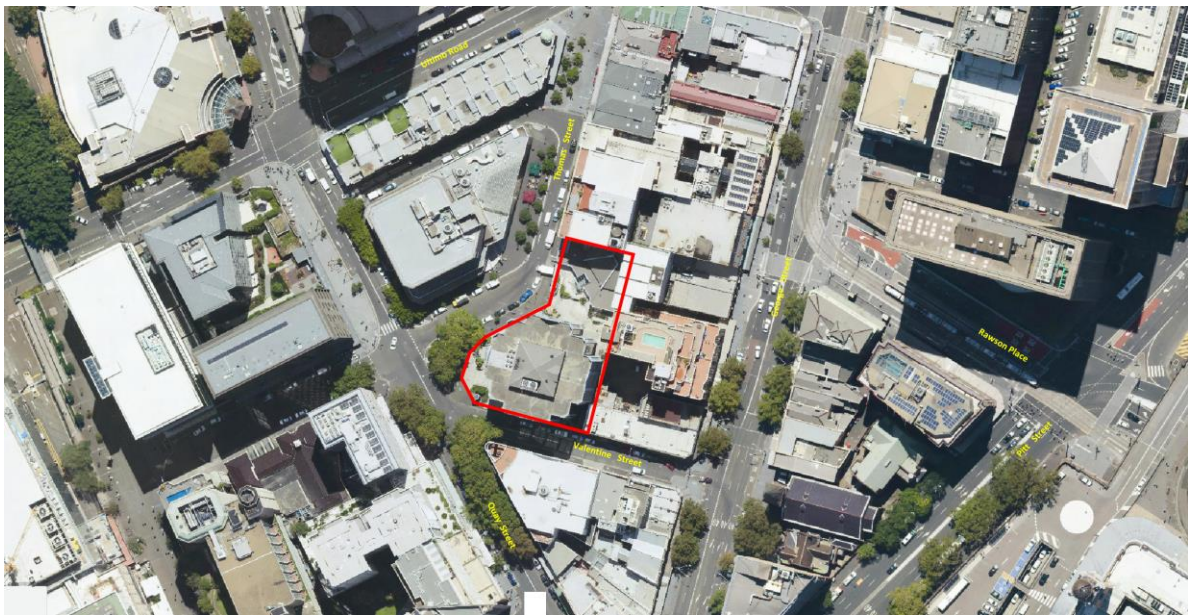


Figure 1: Aerial photo of subject site (in red) and immediate vicinity.

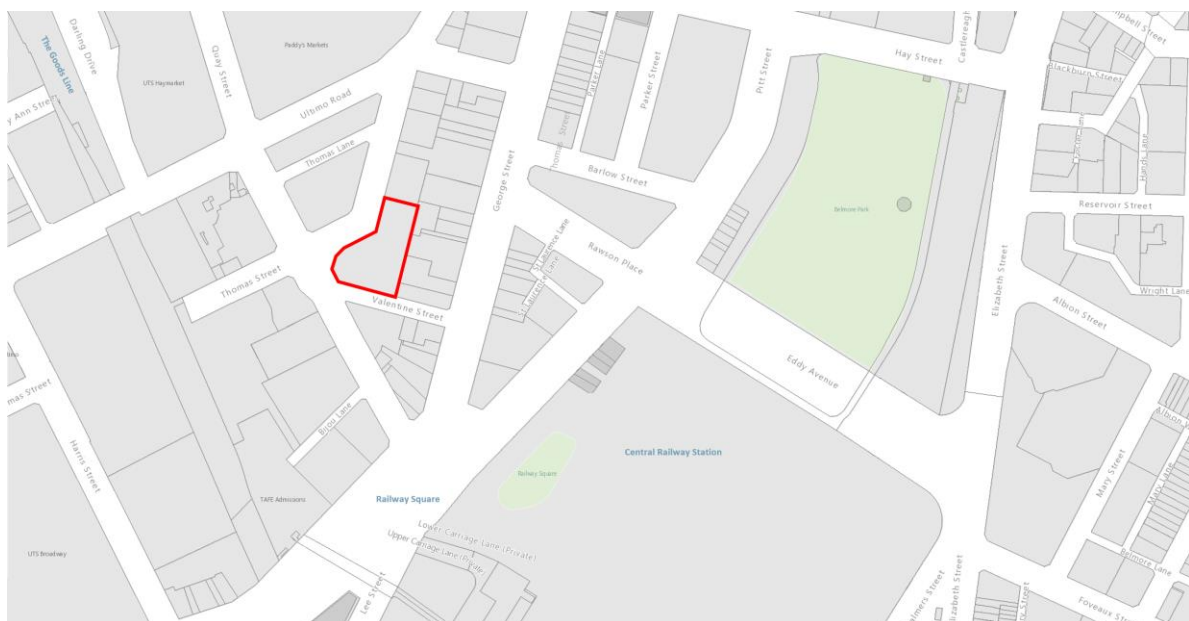


Figure 2: Diagram of site location and surrounding area.

10. The site is irregular in shape and has total area of 2,327 square metres. It has frontage to Thomas Street along its north-west boundary, Quay Street to the west, Valentine Street to the south and the east and north boundary is shared with adjoining lots that front George Street to the east and Thomas Street to the north.
11. Existing development on site consists of a ten storey commercial office building with ground floor retail that opens onto a publicly-accessible plaza that fronts the intersection of Quay Street and Valentine Street.

Adjoining development

12. Development surrounding 187 Thomas Street comprises a mixture of retail, commercial, residential, student and tourist accommodation uses, as follows:
 - (a) A cluster of heritage listed commercial buildings that range between two and four storeys front George Street to the south of the site between Railway Square and Valentine Street. Local heritage item, former 'Sutton Forest Meat' building adjoins the subject site along the eastern boundary and is adjoined by a small retail terrace. Capitol Terrace, which comprises ground floor retail and residential apartments above adjoins the subject site connected by a retail arcade that provides a pedestrian connection between George Street and Thomas Street.
 - (b) A six storey commercial building comprising retail, education and office uses directly adjoins the subject site to the north with frontage to Thomas Street. The Prince Centre is located to the north-west of the site and comprises office and commercial uses on the upper floors, with retail and food and drink premises on the lower floors. The footpath on the western side of Thomas Street has been widened to accommodate outdoor dining from the adjacent restaurants in the Prince Centre.
 - (c) To the west of the subject site, a consistent row of towers between 16 and 18 storeys in height front Quay Street, with residential, tourist and student accommodation above retail podiums. Outdoor dining is located on the widened footpath on the west side of Quay Street.
 - (d) Small and medium commercial buildings between two and six storeys in height are located to the south of the site on the block bound by Valentine Street, George Street and Quay Street. These buildings primarily consist of commercial office, retail, entertainment, food and drink and tourist accommodation uses.
13. The subject site does not contain any heritage items, however there are several heritage items located within its vicinity, including local heritage item, the former 'Sutton Forest Meat' building, which directly adjoins the site. The Christ Church St Laurence, a State heritage item, is located on the eastern side of George Street adjacent to the intersection with Valentine Street. A row of heritage listed commercial terraces between three and four storeys in height are located to the south of the site, fronting the western side of George Street.

Indicative scheme

14. The indicative scheme for 187 Thomas Street, shown in Figures 4 and 5, envisages a new 47 storey commercial tower up to RL 226.80 metres in height with approximately 47,000 square metres of employment generating floor space comprising retail, office and hotel accommodation uses and an innovation tech hub.
15. The proposed tower will have frontages to Thomas, Quay and Valentine Streets. Vehicle access to the basement carpark, off street loading and end of journey facility will be from Thomas Street. The proposal includes an expanded public plaza fronting Quay Street at the intersection with Thomas and Valentine Streets to integrate with the future public square to be located on Quay Street.



Figure 4: Photo montage of the future development concept



Figure 5: Photomontage of the podium, outdoor terrace and void of the future development concept

Planning proposal - amendments to the Sydney LEP 2012

16. The planning proposal at Attachment A proposes to amend the LEP to insert new site-specific provisions for 187 Thomas Street, Haymarket under Division 5 Site specific provisions. The objectives of the provisions are as follows:
- (a) to permit new development that demonstrates the appropriate distribution of built form and floor space that is consistent with the surrounding context;
 - (b) permit a new tower on site to a maximum building height of RL 226.80 metres;
 - (c) allow maximum floor space ratio of 20:1, including design excellence, comprising:
 - (i) mapped floor space of 7.5:1;
 - (ii) accommodation floor space of 1.5:1 (anticipated to be delivered as part of the changes to the LEP in the Central Sydney planning proposal or this proposal whichever is drafted first);
 - (iii) end of journey floor space of 0.3:1;
 - (iv) site specific floor space of 8.89:1;
 - (v) additional floor space up to 10 per cent if the proposal demonstrates design excellence, to a maximum floor space ratio of 20:1;

- (d) an option of up to 1.5:1 additional FSR located below ground for the provision of a laboratory, auditorium and back of house facilities for the hotel only; and
- (e) a mechanism so that development consent can only be granted if the proposal delivers employment generating uses, a through-site link and public domain improvements.

Site specific draft Development Control Plan

17. A site-specific draft development control plan (draft DCP) is at Attachment B to this report and provides further guidance for development of the site consistent with the LEP amendments. The draft DCP provisions include:
- (a) built form
 - (b) tower location
 - (c) setbacks
 - (d) street frontage heights
 - (e) vehicular access
 - (f) environmental impacts
 - (g) design excellence
 - (h) environmentally sustainable development targets.
18. It is recommended that Council approve the draft DCP, shown at Attachment B to this report, for public exhibition in parallel with the planning proposal and draft planning agreement.

Key Implications

Benefits of the planning proposal and draft DCP controls

19. The planning proposal and accompanying draft DCP facilitates the redevelopment of the subject site. The key benefits are:
- (a) opportunity to unlock additional employment generating floor space to meet demand in Central Sydney for premium work space and visitor accommodation;
 - (b) facilitate the delivery of an innovation tech hub in the future development to contribute to the wider technology and innovation precinct in the City fringe;
 - (c) maximised ground floor fine grain retail that supports activation of the surrounding public domain and future public square on Quay Street;

- (d) public domain upgrades including more public accessible space adjacent to the future public plaza on Quay Street;
- (e) enhancements of pedestrian connections to be more accessible and activated by fine-grain retail premises; and
- (f) off-street loading, increased bicycle parking and an end of journey facility adjacent to bicycle corridors to encourage greater use of active transport.

Consideration of environmental impacts

20. The planning proposal is informed by several detailed studies prepared on behalf of Greaton, the landowner. The studies are included as appendices to the planning proposal at Attachment A and will be publicly exhibited as supporting documentation. The key relevant findings of the studies are discussed below.
21. The draft Central Sydney Planning Strategy provides opportunities to unlock additional employment generating floor space through additional building height and density in select locations that do not result in adverse impacts to public domain amenity, including daylight access. The Strategy sets out a process for developing an appropriate built form. The Strategy establishes a baseline envelope using maximum height and standard setbacks at street, podium and upper levels. Any variation proposed as part of a planning proposal request is then tested against environmental and built form criteria relating to wind, daylight and built form context and must achieve an equivalent or improved performance compared to the baseline envelope.

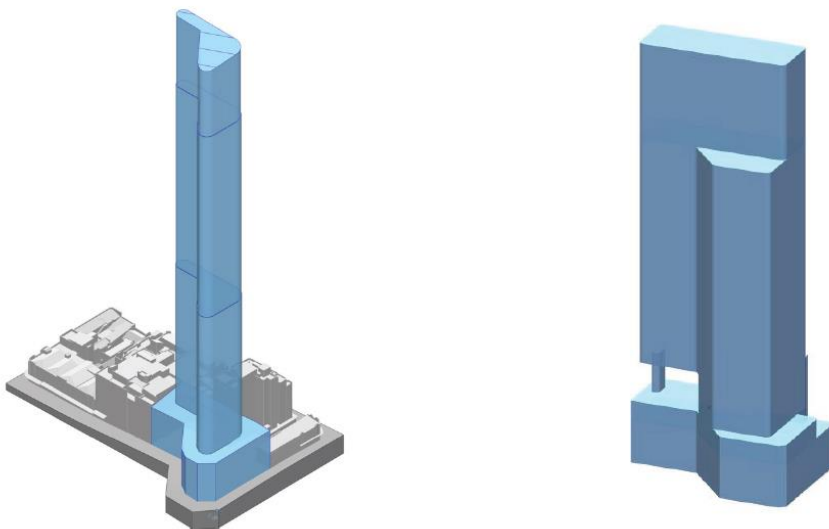


Figure 6: Draft Central Sydney Planning Strategy envelope (left) and proposed envelope under this planning proposal (right)

Building height, setbacks and building opening (void)

22. The maximum planning envelope facilitated by this proposal varies the potential envelope outlined in the draft Central Sydney Planning Strategy, which enables a maximum height (to the aviation PANS OPS level RL 290 metres at this location) with minimum street setbacks of 8 metres. The variations have been tested against the Strategy envelope and can achieve an improved performance against environmental criteria as allowed by the Strategy. The variations are described below.

23. The proposed maximum planning envelope facilitated by this proposal is in the order of up to RL 226.80 metres in height with setbacks of 10 metres to Quay Street, between 8 and 9.5 metres to Valentine Street, zero setback to Thomas Street, 3 metres to the northern boundary and between 1 and 5 metres to the eastern boundary. A four storey, 20 metre opening is located above the podium at the north of the site to maintain light and views to the adjacent residential windows.

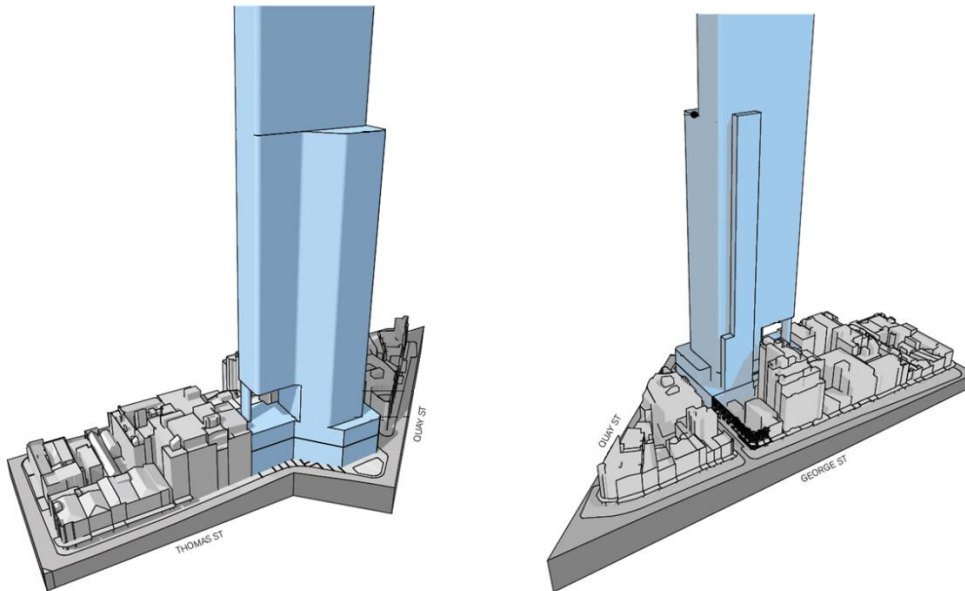


Figure 7: The proposed maximum planning envelope

24. The maximum planning envelope has been designed with four distinct visual elements to decrease bulk as the tower rises and maximise daylight access. The tower is within the Central Sydney Planning Strategy's Haymarket/Ultimo tower cluster with the proposed height and form being consistent with the Strategy's direction for this part precinct.
25. The height of the proposed planning envelope provides sufficient flexibility for a building with architectural articulation and to accommodate mitigation measures required to address any issues that may arise. The full proposed planning envelope has been tested for wind and daylight to the surrounding public domain with the results discussed in the sections below.
26. The podium of the proposed envelope provides a consistent street wall height that matches the adjacent office building to the north and the adjacent buildings on the south side of Valentine Street. Furthermore, the proposed envelope includes appropriate tower setbacks, varied in accordance with the proposed Central Sydney DCP provisions in Schedule 11 that mitigate amenity impacts in the public domain and provide a suitable visual curtilage to the nearby heritage items.
27. The proposed envelope, with the setback variations, is consistent with the Strategy in that the planning proposal will facilitate additional employment generating floor space without detrimentally impacting public domain amenity.

28. The indicative design concept includes an auditorium and laboratory floor space to be located below ground level. The laboratory is required to be situated in this location to minimise noise and vibration impacts to sensitive equipment. The site-specific provisions include additional floor space of up to 1.5:1, below ground level, restricted to laboratory floor space for the innovation tech hub, an auditorium and back of house facilities for the hotel only.

Solar access and overshadowing

29. A shadow and solar access analysis is contained within the Urban Design Study included as an appendix to the planning proposal at Attachment A. The analysis demonstrated the proposed planning envelope would not intersect the Prince Alfred Park or future Railway Square sun access planes and as such would not result in additional overshadowing of any nominated public places as required by the LEP.
30. The analysis also assessed the impact of the proposed building envelope on existing residential development within the vicinity of the site. The analysis found that most overshadowing as a result of the proposed envelope would occur closest to the site, however two hours of solar access is maintained.
31. Due to the orientation of the west-facing windows of the adjoining residential apartment building, there is potential impact to direct solar access in mid-winter. To address this, the proposed building envelope includes a 4 storey, 20 metre high void to ensure solar access are protected to these existing apartments.
32. A detailed solar access and overshadowing analysis will be included as part of a detailed development application.

Daylight access

33. The Strategy sets out a process for establishing a 'base case' planning envelope and then requiring the proposed planning envelope to demonstrate equivalent or better performance. To establish the level of daylight access for the proposed planning envelope, a study was prepared that measured daylight levels in the public domain expressed numerically as a sky view factor and compared it to the maximum allowable envelope available under the Strategy. This daylight analysis is included in the Urban Design Study, included as an appendix to the planning proposal at Attachment A.
34. The daylight analysis found the proposed envelope results in a minor improvement from the base case envelope and would maintain an acceptable level of daylight access to the public domain.

View analysis

35. A preliminary view analysis is included in the Urban Design Study appendix to the planning proposal, which explored the visual impact of the indicative concept design from key viewpoints in Central Sydney, Haymarket, Surry Hills and Chippendale.
36. The inclusion of appropriate podium height and tower setbacks provides a sympathetic relationship to the adjacent buildings and heritage items. In particular, the tower setbacks will provide an adequate visual curtilage to the Christ Church St Laurence as viewed along Valentine Street.

37. The proposed tower will be visible above lower buildings as viewed from locations in Haymarket, as it will be taller than other existing buildings in its immediate vicinity. However, the proposal remains consistent with the Strategy as it is located in an identified future tower cluster where additional building height may be located subject to adequate public domain conditions.

Wind assessment

38. An Environmental Wind Impact Assessment prepared by ARUP is included as an appendix to the planning proposal at Attachment A. It assessed pedestrian wind comfort as a result of future development. The assessment included a wind tunnel test on the surrounding area to 480 metres from the site. The wind equivalence testing was conducted on two scenarios - a base case envelope to the maximum building height and with tower setbacks consistent with the Strategy and the proposed building envelope.
39. The assessment found that the proposed building envelope would result in improved overall wind conditions in relation to the base case envelope. Conditions would generally remain within the comfort range, suitable for pedestrian standing activities, the same rating as the existing wind conditions.
40. However, wind conditions close to the site on Thomas Street and Valentine Street needed improvement by additional work to the proposed envelope. Additional testing was carried out to demonstrate an ability to accommodate satisfactory wind mitigation measures within the proposed envelope. These design measures to mitigate the surrounding wind conditions are proposed to be incorporated in the design competition brief and detailed building design. These design measures include extending the opening/void from the north of the building to the western elevation and smoothing the south-west corner of the tower. Additional testing found that the measures causes a portion of the wind to be redirected away from the public domain and will improve the wind conditions on Thomas Street and Valentine Street.
41. It is anticipated that once a detailed design is established following a full design competition, additional wind tunnel testing will take place. The draft DCP includes provisions and mitigation measures to ensure public domain conditions are sufficiently addressed.

Traffic and transport

42. The future development concept includes basement loading facilities, bicycle parking and an end of journey facility and parking for up to 79 vehicles, accessed through a driveway on Thomas Street at the north of the site. The quantum of parking spaces is less than the maximum parking rate of 91 spaces set by the LEP for this site.
43. The Traffic Impact Assessment Report that is included as an appendix to the planning proposal notes that the proposal would result in a minor increase in traffic generation. However, the assessment also noted that such volumes are considered minimum and are within the typical fluctuations in traffic volumes and that the local road network could absorb any additional volumes.
44. The draft DCP includes provisions to encourage lower numbers of car parking and to ensure future development anticipates and responds to the pedestrianisation of nearby streets. A further detailed traffic, access and parking assessment will occur as part of any future detailed application for the redevelopment of the site.

Pedestrian activity and comfort

45. The planning proposal is accompanied by a Footpath Pedestrian Capacity Study that assessed the impacts of the proposed scheme on the pedestrian network. The study found that most surrounding footpaths could safely accommodate the increased pedestrian numbers.
46. The modelling found that the Valentine Street footpath would require widening or conversion to a shared zone to handle the increase in pedestrian numbers. Conversion of Valentine Street to a shared zone is consistent with the City's vision for the precinct. As such, the draft DCP includes relevant provisions to ensure the proposal is capable of responding to any future pedestrianisation on Valentine Street and to other streets surrounding the site.

Public domain

47. Existing development on site includes a pedestrian connection linking George Street to Thomas Street through a retail arcade in Capitol Terrace. The proposed indicative concept will retain and enhance this connection, providing a wider, more direct and accessible connection lined by fine-grain retail premises and entries to the hotel and commercial components of the building.
48. The subject site is close to several upgrades to the pedestrian, cycle and road network identified in the Chinatown Public Domain Plan and the City's vision for the precinct. Identified future projects include the closure of Quay Street between Thomas and Valentine Street to create a new public plaza, conversion of Valentine Street to a shared zone and pedestrianisation of George Street to the City's future third square at Railway Square. Relevant provisions are included in the draft DCP to ensure that future development is designed and constructed to respond to the future pedestrianisation on the streets surrounding the site.

Heritage

49. 187 Thomas Street is not identified as a heritage item, nor is it located in a special character area. Adjoining the site to the east is the former 'Sutton Forest Meat' building, a local heritage item identified by the LEP. State Heritage item, Christ Church St Laurance is located on the eastern side of George Street adjacent to the intersection with Valentine Street. The site is however located within the Haymarket/Chinatown Special Character Area under section 2 of the DCP.
50. The redevelopment of the site facilitated by this planning proposal does not include the demolition of any heritage item. Notwithstanding, the planning proposal was accompanied by a Heritage Impact Statement which advised that although the proposed building envelope will be significantly larger than the existing building, the proposal will have limited impact on the significance of nearby items.
51. The 14 metre podium height and tower setbacks of proposed reference scheme directly adjoining the heritage item offers a design that is capable of better relating to its context. The proposed building envelope ensures key view corridors along George Street, Valentine Street and George Street will not be further interrupted or obscured as result of the proposal.

Design excellence

52. Future development on site will be subject to an architectural design competition consistent with clause 6.21 of the LEP, the Central Sydney planning proposal and the draft Guideline for Site Specific Planning Proposals. The accompanying site-specific draft DCP establishes a design excellence strategy which includes provisions for an architectural design competition.

Planning agreement

53. Section 7.1(1) of the Environmental Planning and Assessment Act 1979 (Act) enables a proponent to provide a material public benefit by entering into an agreement with a public authority. A planning agreement is the legal instrument for securing public benefits. Planning agreements are voluntary and must be freely entered into by the public authority and a proponent. They are also publicly exhibited and held on a publicly accessible register.
54. The City's position on planning agreements is informed by the City's needs, as outlined in our strategic plans. Opportunities to enter into planning agreements arise as the City changes and improves planning controls to meet its strategic aims.
55. The letter of offer from Greaton at Attachment C to this report outlines the public benefits as part of this proposal. It includes a monetary contribution towards the provision of affordable housing and community infrastructure.
56. It is recommended that a planning agreement be prepared to secure the public benefits outlined in the letter of offer, so they can be delivered through the redevelopment of the site. This report also recommends that the planning agreement be publicly exhibited together with the planning proposal and amendments to the DCP.
57. The public benefit offer does not affect or offset any development contributions that may be payable pursuant to section 61 of the City of Sydney Act 1988 or subsequent contributions plan.

Strategic Alignment - Greater Sydney Region Plan

58. A Metropolis of Three Cities - The Greater Sydney Region Plan is the NSW Government's overarching strategic plan for growth and change in Sydney. The 20 year plan provides a 40 year vision that seeks to transform Greater Sydney into a metropolis of three cities. It outlines how Greater Sydney will manage growth and change and will guide infrastructure delivery.
59. The Greater Sydney Region Plan is to be implemented at a local level by District Plans. This planning proposal is consistent with the following relevant directions and objectives of the Plan:
 - (a) Infrastructure - redevelopment of the site will benefit from the planned additional transport infrastructure capacity and will contribute towards new community infrastructure to be delivered in Central Sydney and close to the site.
 - (b) Liveability - the proposed indicative concept includes retail activation and upgrades to the surrounding public domain including extension of the adjoining future public square improving the liveability of the surrounding area for local residents.

- (c) Productivity - the proposal will deliver additional employment generating floor space close to the Central State Significant Precinct and the Camperdown-Ultimo Collaboration Area, the information, communication and technology cluster where industry and research partnerships are fostered.
- (d) Sustainability - this planning proposal will facilitate the redevelopment of the subject site with a new with markedly improved sustainability outcomes.

Strategic Alignment - Eastern City District Plan

60. The Eastern City District Plan sets the local planning context for the City of Sydney local government area and provides a 20 year plan to manage growth. This planning proposal gives effect to relevant planning priorities from the Plan:
- (a) Planning Priority E1 - Planning for a city supported by infrastructure
 - (b) Planning Priority E7 - Growing a stronger and more competitive Harbour CBD
 - (c) Planning Priority E10 - Delivering integrated land use and transport planning for a 30 minute city
 - (d) Planning Priority E11 - Growing investment, business opportunities and jobs in strategic centres
 - (e) Planning Priority E13 - Supporting growth of targeted industry sectors
 - (f) Planning Priority E19 - Reducing carbon emissions and managing energy, water and waste efficiently.

Strategic Alignment - Sustainable Sydney 2030 Vision

61. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This plan is aligned with the following strategic directions and objectives:
- (a) Direction 1 - A globally competitive and innovative city - the proposal will support and foster new employment and investment opportunities through the provision of employment generating floor space and the proposed innovation tech hub.
 - (b) Direction 2 - A leading environmental performer - the draft DCP that accompanies this planning proposal delivers ambitious sustainability targets for future development on the site.
 - (c) Direction 3 - Integrated transport for a connected city - the subject site is well located to capitalise on existing and future public transport infrastructure at Central train station, bus stops, the new light rail stop and the future Metro station.
 - (d) Direction 4 - A city for walking and cycling - the proposal maintains the existing pedestrian connection to George Street and will deliver public domain upgrades including extending the future public square on Quay Street.
 - (e) Direction 5 - A lively and engaging city centre - a mix of active uses including fine grain retail, outdoor dining and tourist accommodation will deliver greater levels of activation to this part of the city, contributing to a livelier, engaging city.

- (f) Direction 6 - Vibrant local communities and economies - this planning proposal will enhance Haymarket with increased business opportunities for investment, employment and new facilities for local residents and tourists.
- (g) Direction 7 - A cultural and creative city - the draft DCP includes provisions to ensure public art is delivered on site, providing new creative and cultural experiences.
- (h) Direction 8 - Housing for a diverse population - the planning proposal will facilitate a contribution towards the provision of affordable housing in the City of Sydney local government area.
- (i) Direction 9 - Sustainable Development, Renewal and Design - future development will be subject to the attainment of key sustainability benchmarks.

Strategic Alignment - Local Strategic Planning Statement

- 62. The City of Sydney's Local Strategic Planning Statement sets out the land use planning context, 20 year vision and planning priorities to positively guide change towards the City's vision for a green, global and connected city.
- 63. This planning proposal gives effect to the following planning priorities of the Statement:

Infrastructure

- 11. Movement for walkable neighbourhoods and a connected city
- 12. Align development and growth with supporting infrastructure

Liveability

- L5. Creating great places

Productivity

- P7. Growing a stronger, more competitive Central Sydney
- P8. Developing innovative and diverse business clusters in City Fringe

Sustainability

- S11. Creating better buildings and places to reduce emissions and water and use water more efficiently.

Strategic Alignment - Draft Central Sydney Planning Strategy

- 64. As the economic heart of Australia's most global city, Central Sydney plays a critical role in the continued growth and economic success of Greater Sydney, the state and national economy. The draft Central Sydney Planning Strategy sets a planning approach to grow employment and productivity, create high quality places and deliver on the City's Sustainable Sydney 2030 program.
- 65. The Strategy includes opportunities for additional height and density in the right locations, balanced with environmental sustainability initiatives, and sets criteria for excellence in urban design.

66. This planning proposal is aligned with the following relevant key moves of the draft Central Sydney Planning Strategy:
1. Prioritise employment growth and increase capacity - this planning proposal will facilitate additional employment generating floor space in Haymarket, increasing the capacity and contributing to growth in Central Sydney.
 2. Ensure development responds to context - by ensuring compliance with wind and daylight requirements, this planning proposal ensures future development is responsive to its context and will not result in adverse impacts in the public domain.
 4. Provide employment growth in new tower clusters - 187 Thomas Street is located in the identified future Haymarket/Ultimo tower cluster where additional building height and density may be accommodated, delivering growth.
 5. Ensure infrastructure keeps pace with growth - in accordance with the Guidelines, this proposal facilitates a contribution towards community infrastructure in Central Sydney and towards the provision of affordable housing.
 6. Move towards a more sustainable city - the draft DCP for the subject site includes sustainability targets in accordance with the Strategy and Guidelines.
 8. Move people more easily - the subject site is well located to capitalise on recent public and active transport investment including the light rail, metro and upgrades to the pedestrian network, making it easier for people to move in Central Sydney.
 9. Commitment to design excellence - future development will be subject to an architectural design competition.
67. It is appropriate for this planning proposal to progress separate to the Central Sydney planning proposal. The City has been in ongoing discussion with Greaton, the landowner for some time since the draft Strategy was initially endorsed. This planning proposal is consistent with the vision and key moves of the Strategy.

Relevant Legislation

68. Environmental Planning and Assessment Act 1979.
69. Environmental Planning and Assessment Regulation 2000.

Critical Dates / Time Frames

70. Should Council and the Central Sydney Planning Committee endorse the attached planning proposal for public exhibition, it will be forwarded to the Department of Planning, Industry and Environment in accordance with section 3.34 of the Act for gateway determination to proceed with consultation or resubmit the planning proposal.
71. Following the gateway determination, the typical timeframe is 21 days for public authority consultation and 28 days for public exhibition. The gateway determination will also determine the general date for the completion for the amendment to the LEP.

72. Section 7.5(1) of the Act requires a draft planning agreement be publicly exhibited for at least 28 days and where possible, the agreement be exhibited with any other related publicly notifiable matters. As such, this report recommends that the City prepare a planning agreement to be exhibited with the planning proposal and draft DCP.
73. Following public authority consultation and public exhibition, the outcomes will be reported back to Council and the Central Sydney Planning Committee.

Public Consultation

74. The public exhibition process for this planning proposal will be determined by the Department of Planning, Industry and Environment. It is proposed that the public exhibition of the planning proposal, draft DCP and notification of the planning agreement will run concurrently. The consultation will be in accordance with the requirements of:
 - (a) the gateway determination issued by the Department of Planning, Industry and Environment under section 3.34 of the Act;
 - (b) the Environmental Planning and Assessment Regulation 2000;
 - (c) in relation to the Planning Agreement, section 7.5(2) of the Act; and
 - (d) the City of Sydney Community Participation Plan 2019.
75. It is likely that the public exhibition for the planning proposal would be a minimum of 28 days, with notification in accordance with the Gateway Determination and the City's Community Participation Plan.
76. The public exhibition, draft DCP and draft planning agreement will be publicly exhibited online on the City of Sydney website in accordance with the Planning and Assessment for Councils during Covid-19 guidelines issued by the Department of Planning, Industry and Environment in April 2020 and in accordance with the Environmental Planning and Assessment Regulation 2000.

GRAHAM JAHN, AM

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