

Central Place Sydney

Block B Response to Submissions

17 June 2020 |

Prepared by MG Planning Pty Ltd



EXECUTIVE SUMMARY

The Western Gateway sub-precinct rezoning proposal was publicly exhibited by the State Government from 16 October 2019 to 27 November 2019. The rezoning proposal seeks to introduce a new land use and development control framework for the sub-precinct, including land identified as Block B owned and controlled by Frasers Property Australia and Dexus Funds Management Limited (the Consortium) via long term lease.

Since public exhibition of the rezoning proposal the Consortium has continued to progress design and planning for Block B. It has been working collaboratively with Transport for NSW and Atlassian to holistically coordinate responses to issues raised in public and agency submissions. In March 2020 the Consortium also commenced an Architectural Design Competition for Block B, reflecting its strong commitment to engaging a renowned design team, with the capability to respond to Block B's opportunities and constraints while also fulfilling the State Government's strategic objectives for the Western Gateway sub-precinct and Central Precinct more broadly.

The key issues relating to Block B that were raised in response to the rezoning exhibition broadly relate to:

- Strategic role and land use
- Design quality and building scale
- Amenity, including wind impacts and solar access
- Infrastructure delivery
- Heritage
- Sustainability
- Pedestrian and cycling connectivity.

The Consortium and its consultant team have carefully considered all issues raised in submissions. This Response to Submissions report, together with the following additional documents, address the issues raised in feedback:

- Wind Assessment Addendum (Annexure A)
- Response to heritage submissions (Annexure B)
- Response to ESD submissions (Annexure C)
- Assessment against strategic objectives and planning priorities (Annexure D)

In response to feedback and to ensure stronger alignment with the Architectural Design Competition, the Consortium has revised its proposal to:

- Provide for a 30 metre building separation between the tower forms on Blocks A and B
- Provide for a 6 metre setback above the podium along Lee Street, with the opportunity to consider reducing to 3 metres
- Revise the podium height from RL63 as shown in the Draft Design Guide to RL63.8 (excluding balustrades and hand rails)
- Include a Terrace Pavilion at the north-eastern corner of the site in the location of the future connection between Block B and the Over Station Development (OSD). The Terrace Pavilion will be a publicly accessible and exciting programmable space which, if left empty, would risk becoming an unsafe and unused leftover space until such time as the OSD is developed.

The Consortium welcomes the opportunity to provide this response to the rezoning exhibition. Despite the current uncertain global economic environment, the Consortium remains fully committed to delivering a dynamic civic space and workplace of the future and is confident that its proposal will contribute to the delivery of the strategic objectives of both the NSW Government and the City of Sydney Council.

1) INTRODUCTION

The Western Gateway sub-precinct rezoning proposal was publicly exhibited by the State Government from 16 October 2019 to 27 November 2019. The rezoning proposal seeks to introduce a new land use and development control framework on land, identified as Block B, that is owned and controlled by Frasers Property Australia and Dexus Funds Management Limited (the Consortium), via long term lease.

In response to the public exhibition, a total of 94 submissions were received from individuals, community groups, local landowners and government agencies. In addition, the Precinct Review Panel (PRP) which forms part of the established governance arrangements for the rezoning proposal, issued a letter and addendum to Transport for NSW (as lead proponent) identifying the key issues it considered required clarification and further justification.

A summary of all submissions is included in Transport for NSW's Response to Submissions Report.

The key issues relating to Block B that were raised in submissions and in the PRP advice can be broadly categorised as follows:

- Strategic role and land use
- Design quality and building scale
- Amenity, including wind impacts and solar access
- Infrastructure delivery
- Heritage
- Sustainability
- Pedestrian and cycling connectivity.

The Consortium and its consultant team have considered all issues raised in submissions. This report summarises the key issues raised in relation to Block B and provides a response to each of these issues. To address the issues raised in feedback, the Consortium has coordinated the preparation of the following additional documents with input from the consultant team:

- Wind Assessment Addendum (Arup) (Annexure A)
- Response to heritage submissions (GML) (Annexure B)
- Response to ESD submissions (the Consortium) (Annexure C)

- Assessment against strategic objectives and planning priorities (the Consortium) (Annexure D)

This report is structured as follows:

- Executive Summary
- Section 1: Introduction
- Section 2: Project update
- Section 3: Summary of the Consortium's amendments to the Block B proposal
- Section 4: Consideration of the key issues raised in submissions comprising a summary of feedback and the Consortium's response
- Section 5: Conclusion.

2) PROJECT UPDATE

Since Public Exhibition of the Western Gateway

The Consortium has continued to progress design and planning for the Western Gateway. It has also continued to work collaboratively with Transport for NSW and Atlassian to holistically coordinate responses to issues raised in submissions received during the consultation process.

The Consortium has contributed to Transport for NSW amendment and refinement of the Draft Design Guide and the proposed Site Specific LEP provisions, where requested. This input has been provided to reflect the Consortium's revised proposal (refer to Section 3), and as part of the drafting process to verify that the development controls are well understood and can be readily achieved.

Architectural Design Competition

The Consortium commenced an Architectural Design Competition for Block B on 24 March 2020 which is expected to conclude shortly with the publication of the Architectural Design Competition Report.

The Architectural Design Competition Brief was prepared in consultation with City of Sydney Council. Key design parameters included in the Architectural Design Competition Brief relate to:

- the size and configuration of the building envelope and built form within it (including quantum of GFA, building separation and setback requirements)
- compliance with the Prince Alfred Park solar access plane
- response to publicly accessible open space within the Western Gateway sub-precinct
- Block B's public domain interfaces, including consideration of wind
- recognition of heritage values.

The Architectural Design Competition is an important project milestone. The Competition Brief released to competitors provides further details of the Consortium's Reference Scheme and

maximum planning building envelope, both of which have been amended to respond to feedback received during the exhibition of the rezoning proposal.

The Design Competition also reaffirms the Consortium's strong commitment to engaging a renowned design team, with the capability to respond to Block B's opportunities and constraints while also fulfilling the State Government's strategic objectives for the Western Gateway sub-precinct and Central Precinct more broadly.

3) PROPOSED BLOCK B AMENDMENTS

The Consortium has revised its proposal to respond to feedback received during the public consultation process and ensure stronger alignment with the Architectural Design Competition.

Amendments to building envelope

The Block B building envelope has been amended to:

- Provide for a 30 metre building separation between the tower forms on Blocks A and B
- Revise the podium height from RL63 as shown in the Draft Design Guide to RL63.8 (excluding balustrades and hand rails).
- Provide for a 6 metre setback above the podium on Lee Street, with the opportunity to consider reducing to 3 metres
- Include a Terrace Pavilion in the north-eastern corner of the site.

The proposed Block B building envelope incorporating the amendments is shown in the drawing below.

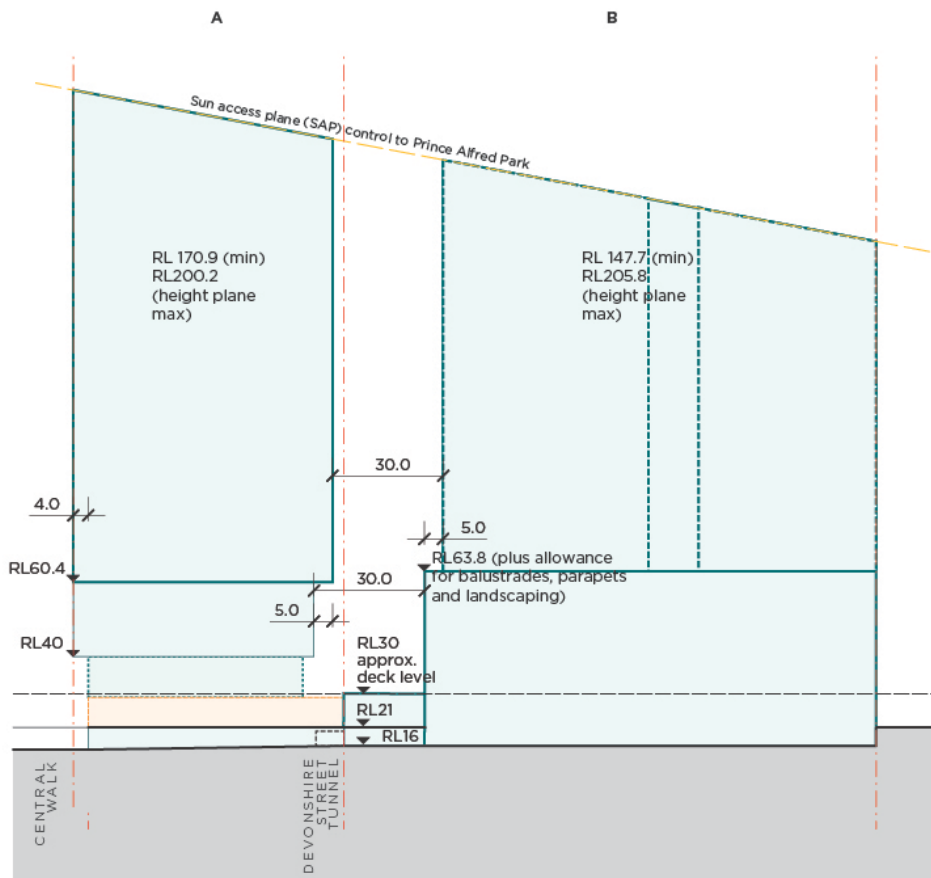


Figure 1: Updated building envelope

The Consortium has requested that the Draft Design Guide be revised to include the amended Block B building envelope.

Terrace Pavilion

The long term vision of the Consortium’s proposal is to provide the east west pedestrian link within Block B, connecting Lee St and Henry Deane Plaza through to the OSD deck onto Devonshire Street in Surry Hills.

The connection from Block B will comprise lifts, escalators and a series of steps and landings from RL 16 to the OSD deck at RL 30, largely to be utilised as a pedestrian access way. The connection will be accompanied by a series of public green terraced spaces that integrate with the adjacent building on Block B.

In the initial term, prior to the completion of the OSD, the stairs and landings are to be completed up to a Terrace Pavilion located at RL 21, as part of the Block B development.

The Terrace Pavilion is to be designed as a publicly accessible and programmable space, allowing for enhanced amenity, usability and activation – including retail, commercial and community uses. The Pavilion’s structure will enclose and protect the spaces whilst being a structure that is impressive in its design and shape.

The design and use of the Pavilion can be a contributor to the heritage interpretation of the precinct, and can assist to achieve the ESD objectives for Block B, contributing to a reduction in the heat island effect, whilst supporting climate change resilience by providing shade during elevated heat events.

The Pavilion is also proposed to house a calendar of changing experiences, activations and installations. The Pavilion will be designed to house a program of events that engage with local cultural and creative industries, attract increased visitation and activate the Western Gateway sub-precinct day and night. It will provide spaces that can accommodate a variety of uses from workshops and meetings to larger community gatherings (such as speaking events, sculpture installations and music performances).

The provision of the Terrace Pavilion removes the risk of this area being an unsafe, unused leftover space.

Once the OSD is completed, the east west link can be modified to its final vision to accommodate the pedestrian flows connecting Haymarket to Surry Hills via the OSD deck.

Further discussion on the Terrace Pavilion is provided in Sections 4.1 and 4.3.

This Response to Submissions report and supporting documents demonstrate these amendments are appropriate for Block B.

4) KEY ISSUES AND RESPONSES

4.1 STRATEGIC ROLE AND LAND USES

KEY ISSUES RAISED

The City of Sydney Council and UTS raised the strategic role of the Western Gateway and the proposed land uses in their respective submissions. The Property Council indicated its support for the proposal in meeting the need for high quality office space.

Stakeholder	Feedback / Recommendations
City of Sydney Council	<ul style="list-style-type: none"> • General support for rezoning to deliver high tech employment uses. • Support for a strong emphasis on innovation and technology businesses, particularly having regard to the objectives and strategic directions under the Eastern City District Plan and other strategic documents. • Recommended consideration of the role of the sub-precinct in the Camperdown-Ultimo Health and Education Precinct. • The opportunity for retail along with cultural and community activities to be provided in the sub-precinct. • 24/7 activation encouraged to support the night time economy.
UTS	<ul style="list-style-type: none"> • Supports prioritisation of employment uses within the sub-precinct. • Argued that residential uses within the Western Gateway would not be appropriate and that the focus should be on delivering employment land.
Property Council	<ul style="list-style-type: none"> • Emphasised the importance of providing quality office space to ensure Sydney remains globally competitive and can attract the best tenants and employee talent. • 24/7 activation encouraged to support the night time economy.
Design Collaborative on behalf of YHA Australia	<ul style="list-style-type: none"> • Highlighted the opportunity that the sub-precinct offers to meet demand for short-term accommodation and unique working and living spaces.

RESPONSE TO ISSUES

Strategic role of the Western Gateway

The Consortium is confident that its proposal will contribute to the delivery of the strategic objectives of both the NSW Government and the City of Sydney Council to deliver high tech employment uses and support the city's global competitiveness.

As recommended by the City of Sydney Council in its submission, the Block B proposal will also contribute to the Camperdown-Ultimo Health and Education Precinct by:

- consolidating the area's research and innovation focus by providing high quality, large scale floorplates and appropriately configured commercial tech floorspace
- significantly improving pedestrian connectivity from the west to Central Station
- proposing complementary uses envisaged for the Camperdown-Ultimo Health and Education Precinct, including night-time uses
- transforming the Western Gateway sub-precinct into an open and progressive place of character.

Technology and innovation uses

The Block B proposal has been designed to support the Sydney Innovation and Technology Precinct through the provision of large and/or flexible floorplates desired by the corporate headquarters of local and international high-tech companies. The Consortium's proposal responds to the needs of technology, innovation and education tenants by offering a variety of floor plate options, both in the podium and tower levels, that can be adapted vertically and horizontally and also respond to changes in tenant demand and technology.

The Consortium supports the retention of the existing B8 Metropolitan Centre zoning which permits a wide range of employment, innovation and technology business uses. The B8 Metropolitan Centre zone is the broadest land use zone under the Sydney LEP 2012 and is therefore most appropriate for the Western Gateway.

Retail uses

The Consortium is committed to providing a high quality and unique retail offering that is a destination in its own right. Future retail uses will be designed to increase the attractiveness of the southern CBD and will:

- **Generate employment** – the proposal is forecast to generate 100 full time retail jobs and significantly more indirect retail employment opportunities. Additional on-site expenditure that meets the needs of the local community, workers and commuters is expected to lead to a range of increased full time, casual and part time retail sector employment opportunities.

- **Improve liveability** – through the provision of a curated retail layer with broad urban appeal due to its integration with transport and tech hub uses, cultural and community uses and access to other activities.
- **Provide safety and passive surveillance** - by increasing visitation, creating opportunities for longer dwell times, and improving experience and walkability.

Cultural and community uses

An array of cultural and creative activations is proposed for Block B. Exemplifying this is the proposed Terrace Pavilion. Designed as a prominent and accessible space, the Pavilion will be able to house a calendar of changing experiences, activations and installations. The Pavilion will be designed to house a program of events that engage with local cultural and creative industries, attract increased visitation and activate the site day and night. It will provide spaces that can accommodate a variety of uses from workshops and meetings to larger community gatherings (such as speaking events, sculpture installations and music performances). It will have capability for lighting, audiovisual, stage, seating and storage for events.

The Consortium has recommended the Draft Design Guide be amended to reiterate its commitment to providing the terrace pavilion and provide design guidance in relation to its size and function.

Another important space offering opportunities for cultural and community activation is the space referred to as 'The Market Place'. Located in the centre of the Block B podium envelope, this space will serve as a gathering and arrival space supporting various uses from performances and markets, to installations and events. Further detail on the Market Place is provided in the Public Domain Strategy included in Transport for NSW's Response to Submissions Report.

Co-living and other non-traditional residential uses

The Consortium maintains its position that the opportunity to provide co-living housing, student housing and other non-traditional residential housing models should not be precluded within the Western Gateway Sub-Precinct. Prohibiting these uses is contrary to the trends being witnessed globally in which tech companies are offering housing for employees who may otherwise be unable to afford to live close to the workplace. Housing is a critical issue for tech companies in terms of their ability to attract and retain talent.

4.2 DESIGN QUALITY, BUILDING SCALE AND SETBACKS

KEY ISSUES RAISED

Design quality, building scale and setback issues were raised by the City of Sydney Council, the PRP and in a small number of community submissions. The Property Council expressed its support for the rezoning proposal.

Stakeholder	Feedback / Recommendations
PRP	<ul style="list-style-type: none"> • Requirement for a minimum 30 metre clear separation between the planning envelopes of Block A and B. • Reliance on secondary/ancillary treatments to mitigate potential impacts arising from a narrower separation would not be supported. • Amendments to the Draft Design Guide be amended to require a minimum 6 metre setback above the podium along the Lee Street frontage to minimise negative wind impacts. (Note: it is understood that notwithstanding the City of Sydney Council’s recommendation for a 3 metre setback along Lee Street, the Council in fact supports the PRP’s position.)
City of Sydney Council	<ul style="list-style-type: none"> • Design controls in the Draft Design Guide be strengthened to achieve: <ul style="list-style-type: none"> ○ A minimum 30 metre separation between Blocks A and B ○ A minimum 3 metre setback above the podium along Lee Street and appropriate setbacks between tower elements to reduce bulk and scale ○ An 80% active building frontage requirement to maximise street and laneway activation ○ 75-80% envelope efficiencies to ensure building massing and envelopes provide flexibility for articulation and other design features.
Community	<ul style="list-style-type: none"> • Proposed building height and bulk concerns. • Potential overshadowing and view impacts.
Property Council	<ul style="list-style-type: none"> • Support for buildings in the Western Gateway that contribute to Sydney’s skyline, character and public identity.

RESPONSE TO ISSUES

The design quality, building scale and setbacks for Block B reflect the Consortium's vision to deliver a highly sought-after workplace that attracts both local and international interest and is comparable with global developments such as Hudson Yards in New York and Kings Cross in London. The Consortium's proposal is intended to reposition the Southern CBD landscape by leveraging its location adjacent to Sydney's public transport heart, and deliver office buildings that specifically cater for the tech and digital era.

The maximum planning envelope has been informed by a detailed analysis of Block B's opportunities and constraints, technology and innovation tenant requirements, and the Consortium's understanding of the overall development objectives for the Western Gateway. It has also been refined through the Design Review Panel process established for the rezoning proposal (prior to public exhibition). More specifically, three fundamental factors have underpinned the development of the Block B maximum planning envelope:

- (1) the importance of maintaining solar access to Prince Alfred Park
- (2) the provision for a major east-west pedestrian corridor proposed between Blocks A and B
- (3) the need to respect the heritage fabric of the sub-precinct and its broader context.

Prior to exhibition, an evidence-based consideration of the following parameters informed the maximum planning envelope:

- Daylight and shadowing
- Orientation of CBD views
- Adjacencies to neighbouring buildings
- Varied massing to break down scale and street walls
- Variety of commercial floor plate sizes to respond to tenant requirements
- Financial and staging flexibility
- Core locations to optimise the layout of the Integrated Distribution Facility in the basement as well as the podium and tower floorplates above.

These parameters have been further refined since public exhibition through a collaborative consultation process with City of Sydney Council staff during the preparation of the Architectural Design Competition Brief. The Council's expectations in relation to specific elements of the envelope such as building separation and podium height (amongst others) have been reflected by the Consortium in the Architectural Design Competition Brief. The maximum planning envelope (and consequently the Architectural Design Competition Brief) has been specifically developed to ensure the flexible application of key planning controls while allowing unexpected solutions to be developed which are capable of achieving, and potentially exceeding, the desired outcomes for Block B and its context.

Building Height and Floor Space

The proposed height and floor space controls are required to deliver the State Government's and City of Sydney Council's vision for the Technology and Innovation Precinct and the nearby Camperdown-Ultimo Health and Education Precinct as well as accommodate a centralised integrated distribution facility to support the Western Gateway and service the adjacent OSD.

The maximum exhibited building height remains unchanged. The Consortium is committed to maintaining solar access to Prince Alfred Park, and accordingly, the Prince Alfred Park solar access plane has been integral to establishing the overall building height. The proposed Block B building height complies with both the requirement in clause 6.19 of Sydney LEP 2012 to protect solar access to the Park as well as the stipulated sun access plane for the site contained in the Draft Central Sydney Planning Strategy.

Recognising the need to respond to the scale of buildings around Railway Square, a maximum podium height of RL63.8 (excluding hand rails and balustrades) has been established for Block B through the Consortium's Urban Design Report and reinforced in the Architectural Design Competition Brief. The podium at RL63.8 will be a visually solid element that will complement existing structures and clearly define Lee Street and Railway Square. It will also reinforce the scale of the nearby heritage listed Former Parcels Post Office (i.e. the Adina Hotel).

Building Separation between Tower Forms

The 30 metre building separation between the tower forms on Blocks A and B to ensure pedestrian amenity is supported, and has been reflected in the Architectural Design Competition Brief and requested amendments to the Draft Design Guide. The Consortium welcomes the PRP's advice which indicates that *'there is sufficient scope for the building envelope to accommodate the 30 metre separation distance and that this can be best achieved through reallocation of the built form on Block B, without any loss to potential GFA'*.

The most optimum architectural design solution between the tower forms is currently being explored through the Architectural Design Competition.

Building Setbacks

The Consortium notes the PRP has requested a 6 metre setback above the podium along Lee Street to ensure design quality, to improve the relationship of the tower to surrounding buildings and the public domain, and to ensure future development achieves a comfortable wind environment at ground level.

The Consortium supports the Draft Design Guide identifying a minimum 6 metre tower setback above the Lee Street podium, subject to it providing sufficient flexibility to facilitate a reduction on the upper level setback of no more than 3 metres to facilitate an innovative architectural response.

This approach is consistent with the Architectural Design Competition Brief which requires a minimum 6 metre upper setback along Lee Street for built form above the podium. However, it also reflects the Consortium's view that sufficient flexibility needs to be provided within the development controls to facilitate an innovative architectural response to achieve design quality, particularly when the evidence demonstrates wind impacts at ground level on Lee Street will not be ameliorated solely through upper level setbacks.

Any proposed variation to the minimum 6 metre tower setback above the podium by a maximum of 3 metres would need to demonstrate:

- the podium is set forward of the tower façade line
- any future building on Block B is designed to visually read in the streetscape as a building of two parts, including a podium structure with a tower above
- the wind environment on the ground plane and in affected public domain areas is appropriate for its intended use
- effective articulation and modulation of the podium design is achieved.

It should be noted that the imposition of a 6 metre setback control alone will not deliver an appropriate wind environment at ground level. Additional mitigation measures will need to be explored through the detailed architectural design to achieve suitable pedestrian comfort levels. Further discussion on this issue is provided in Section 4.3 and the Wind Assessment Addendum at Annexure A.

In summary, the Consortium considers that a minimum setback of 6 metres is reasonable provided that this can be reduced to 3 metres to facilitate an innovative architectural response subject to meeting the above criteria.

Active frontages

The Consortium recognises the importance of providing activated frontages to the public domain. The Consortium's Proposal, as outlined in the Block B Planning Statement, incorporates active frontages and interface to Henry Deane Plaza as well as an activated Lee Street frontage.

However, it is important to acknowledge that portions of Block B cannot be activated as they perform an access, servicing and loading function. In particular, some portions of the Block B building frontage may need to accommodate plant, exhaust and other equipment that supports the integrated distribution facility the Consortium is providing to service all of the Western Gateway sub-precinct.

Having regard to the functional and operational requirements of the integrated distribution facility, the Consortium does not support the City of Sydney's view that the minimum active building frontage control should be increased to 80%. The Consortium considers the 75% active frontages control in the Draft Design Guide will achieve the intended outcome of creating a vibrant sub-precinct while at

the same time providing sufficient flexibility for the remaining area to accommodate plant, exhaust and the like.

To avoid uncertainty, the Draft Design Guide confirms by way of a plan which parts of Block B the control applies to. Internal areas within the Block B podium (part of the private realm) together with the southern façade (the location of the future driveway) and the eastern façade (fronting the OSD) should be excluded from the public domain for the purposes of the active frontages control.

Building Envelope Efficiencies

The Consortium confirms that its indicative design for Block B can achieve envelope efficiencies of 80%. The maximum planning envelope has been established to provide sufficient flexibility during the design excellence process and encourage an innovative design response.

The Consortium supports the inclusion of the proposed definition of Gross Building Area in the Draft Design Guide to facilitate interpretation and provide clarity on how the envelope efficiency is to be calculated.

4.3 AMENITY IMPACTS – WIND & SOLAR ACCESS

KEY ISSUES RAISED

Wind impacts were raised by the PRP and the City of Sydney Council. The Council also raised solar access provisions to public open space as a matter that required further consideration. Members of the public expressed concern about the potential overshadowing of Prince Alfred Park.

Stakeholder	Feedback / Recommendations
PRP	<ul style="list-style-type: none"> • Reiteration that wind impacts need to be addressed at the rezoning stage through changes to the proposed building envelope massing.
City of Sydney Council	<ul style="list-style-type: none"> • Stronger guidance in the Draft Design Guide to ensure appropriate wind mitigation is built into building envelopes and to require wind mapping. • Recommended the wind map identify appropriate criteria at key points within the development and in all areas affected by the development. • Building separation distances and setbacks need to better address wind issues.

Stakeholder	Feedback / Recommendations
	<ul style="list-style-type: none"> <li data-bbox="603 248 1426 371">• Acknowledged that temporary structures such as canopy, awnings or roofs could be utilised, but argued that these structures are not considered sufficient to adequately mitigate wind impacts. <li data-bbox="603 387 1385 510">• Strengthening of the Draft Design Guide to achieve direct solar access to existing and future public spaces between 9am-3pm mid-winter.
Community	<ul style="list-style-type: none"> <li data-bbox="603 542 1414 613">• Concern about solar access impacts, including overshadowing of Prince Alfred Park.

RESPONSE TO ISSUES

Wind impacts

In response to issues raised by the City of Sydney and the PRP, further wind-tunnel testing and analysis of wind conditions around Block B have been undertaken by Arup (refer Annexure A). The key findings of the further analysis are summarised below.

Acceptable wind conditions can be achieved at the Lee Street corner. Wind modelling demonstrates that the introduction of a 6 m setback on its own would worsen the existing poor wind conditions. Due to the flow mechanism, acceptable wind comfort and safety conditions cannot be achieved around the south-west corner through increased setbacks above the podium fronting Lee Street. Wind modelling indicates a more appropriate solution is the introduction of design strategies to address the wind flow mechanism causing issues, which improves the wind conditions along Lee Street.

The subsequent wind modelling has confirmed that the 30 m building separation between Blocks A and B improves the wind conditions but to achieve acceptable wind comfort and safety conditions a terrace pavilion at RL 21 m between Block A and Block B is required. Wind conditions could be further improved with the provision of an awning along the east façade of Block B.

The Terrace Pavilion aligns with the future East-West pedestrian link proposed to connect the Western Gateway to the Over Station Development (OSD). Once the OSD is designed and completed, the East-West link would be appropriately modified to accommodate lifts, escalators and stairs to the OSD level at RL 30.

The cumulative impacts of the Block A and Block B developments have been assessed and can meet appropriate wind comfort and safety conditions for the intended use of the spaces, without reliance on temporary structures to mitigate wind impacts. These positive results have informed the preparation of a wind comfort criterion map.

Arup has concluded that the additional wind-tunnel testing and analysis do not support any further amendments to the Consortium’s building envelope. Furthermore, Arup conclude that through the preparation of the design for the detailed development application, wind conditions can be further improved.

Solar Access

As detailed in the Block B Planning Statement and Section 4.2 of this Report, the Block B maximum planning building envelope has been developed to ensure that solar access to Prince Alfred Park is maintained and overshadowing of Henry Deane Plaza is minimised. In particular, the Block B Proposal preserves solar access to Prince Alfred Park in accordance with the requirements of SLEP 2012 and the draft Central Sydney Planning Strategy. Clause 6.19 of SLEP 2012 requires that development should not cause any additional overshadowing to Prince Alfred Park from 14 April to 31 August between 12pm to 2pm (beyond the shadow that would be cast by a wall with a 20 metre frontage height on the boundary between the park and the railway land). The proposed building envelope conforms to these controls.

The Consortium is committed to achieving a high level of amenity and sun access to public spaces and places. The Consortium supports the current control in the Draft Design Guide (Clause 3.1.6) requiring an appropriate level of solar amenity is achieved for Henry Deane Plaza, although noting that further clarity is needed on the terms used in the control as outlined in its submission to the rezoning exhibition. The Consortium is concerned that the City of Sydney Council’s request that the controls be strengthened to ensure *protection of sun access on existing and future public spaces and places between 9am-3pm at mid-winter* raises similar issues around what is meant by public spaces and places. The Consortium is also concerned that protection of sun access between 9am-3pm mid-winter may in fact not be achievable depending on the extent and location of such spaces.

4.4 INFRASTRUCTURE DELIVERY

KEY ISSUES RAISED

The City of Sydney Council was the only stakeholder to raise infrastructure funding and delivery as an issue.

Stakeholder	Feedback / Recommendations
City of Sydney Council	<ul style="list-style-type: none"> • Infrastructure required to support the Western Gateway sub-precinct redevelopment should be determined prior to finalising the planning controls. • Infrastructure needs for the sub-precinct must be addressed holistically through the preparation of a definitive framework that specifically considers the needs of tech workers, transit users and the changing local community.

RESPONSE TO ISSUES

The Consortium will be making a significant contribution to the Western Gateway sub-precinct through a package of public works which will provide a pivotal catalyst function in delivering the NSW Government's strategic planning outcomes for the Central Precinct. These public works include:

- Delivering the Integrated Distribution Facility which will provide critical services infrastructure for deliveries, waste management, and utilities, not only supporting development within the Western Gateway but also the broader Central Station Renewal Program
- Delivering the southern access road to facilitate the removal vehicular access and pedestrianise Lee Street and Ambulance Avenue
- Delivering managed vehicular access to future OSD
- Providing connection from the IDF and southern access road into adjacent basements facilitating the integrated basement for the Western Gateway
- Delivering high quality through site pedestrian connection from Henry Deane Plaza to the future over station development
- Providing additional high quality pedestrian through site links to support secondary pedestrian connections

The public works will be formalised as works in kind through a Project Delivery Agreement which the Consortium intends to execute with the State Government in exchange for development rights to Block B.

The Consortium is also committed to paying monetary contributions to the City of Sydney Council in accordance with the current Section 61 Contributions Plan and delivering public art as part of any future development consent.

The collective benefit of the works in kind package, Section 61 and public art contributions cannot be underestimated. The total value of the offer exceeds the local contributions Council could expect to receive under a traditional development application process by a significant margin. Delivering the integrated distribution basement enables coordination of strategic innovation and tech uses hand-in-hand with State and Local Governments' significant infrastructure investment. Importantly, it complements and supports the State Government's significant investment in new public transport infrastructure, additional pedestrian capacity, open space and public domain within the Western Gateway and across the Central precinct more broadly. The capacity, or the ability to augment the capacity, of the other essential infrastructure needed to deliver the project (electricity, water supply, telecommunications, drainage and sewage treatment etc.) enabled by the rezoning proposal should rightly be documented in future development applications. Initial applications to the relevant service authorities (Sydney Water, Ausgrid, NBN etc) have been submitted, and the Consortium accepts to fund any required upgrades required for its development.

The Council's recommendation that the overarching infrastructure framework should be resolved is acknowledged. However, the Consortium strongly believes that the finalisation of a precinct wide infrastructure framework should not preclude the Western Gateway planning proposal from proceeding, particularly when the timing around the draft Central Sydney Planning Strategy (which is yet to be publicly exhibited) and the City of Sydney Council's infrastructure funding framework is uncertain. Furthermore, the Consortium understands that any revisions to Council's existing Section 61 Contributions Plan will necessitate not only exhibition and assessment of the future contributions plan but may also require a legislative amendment to the City of Sydney Act.

The Consortium further considers that deferring the Western Gateway planning proposal, and consequently delaying development activity by Atlassian and the Consortium, is directly at odds with the State and Commonwealth Governments' joint initiatives and legislative amendments to stimulate the economy and improve planning processes to cut red tape.

4.5 HERITAGE

KEY ISSUES RAISED

The PRP, Heritage Council of NSW, National Trust and City of Sydney Council discussed heritage in their respective submissions.

Stakeholder	Feedback / Recommendations
PRP	<ul style="list-style-type: none"> • Noted the concerns raised by Heritage NSW regarding: <ul style="list-style-type: none"> ○ the proposed scale of the development and its impact on nearby heritage items, including impacts on views ○ the proposed building heights and FSR which the Heritage Council considers do not respond to the existing character of the area • Agreed with Heritage NSW recommendations that: <ul style="list-style-type: none"> ○ the project presents opportunities to provide high quality heritage outcomes in terms of sensitive placement, high-end design, materiality and form ○ new building elements should enhance the setting and provide for public realm spaces incorporating heritage interpretation. • Noted that cumulative impact of change, development density and erosion of the readability (legibility) of the heritage cultural landscape must be integral considerations in planning. • Recommended that TfNSW commence consultation with the Heritage Council or their Approvals Committee, prior to any Western Gateway SEPP finalisation.

Stakeholder	Feedback / Recommendations
	<ul style="list-style-type: none"> • Recommended that relevant conservation management documents need to be addressed in collaboration with Heritage NSW as part of TfNSW's response.
City of Sydney Council	<ul style="list-style-type: none"> • Recommended stronger guidance be provided in the Draft Design Guide to ensure new structures and development adequately respond to the heritage characteristics of the Central Station Precinct and surrounding area. • Recommended preparation of a site-specific Conservation Management Plan for Blocks A and B that ensures: <ul style="list-style-type: none"> ○ retention of three dimensional features of the former Inwards Parcels Post Shed and former Parcels Post Office heritage buildings; ○ architectural detail of new elements read as a contemporary structure; and ○ proportion and detailing of new development references and address heritage buildings through bulk, articulation, form and quality of materials used.
Heritage Council of NSW	<ul style="list-style-type: none"> • Impacts to the former Parcels Post Office, Inward Parcels Shed and Marcus Clarke Building. • The proposed building heights and FSR in the Western Gateway sub-precinct do not respond to the character, predominant scale, density and grain of the area and will result in adverse visual impacts to the Central Railway Station site and other heritage items. • The removal of the site from the Railway Square/Central Station Special Character Area will allow any new development to bypass principles relating to protecting Central Station views, the landmark significance of the clock tower, daylight access to Railway Square and the like. • Consideration should be given to reducing maximum building height envelopes. • New building elements should look to enhance the heritage setting, provide for uniform connected public realm spaces and consider high-end heritage interpretation. • Planning decisions relating to the sub-precinct must be informed by the cumulative impact of development on the heritage cultural landscape. • Supports the stated heritage aims in the draft Central Station Strategic Vision but considers these do not align with the proposed rezoning for the Western Gateway sub-precinct.

Stakeholder	Feedback / Recommendations
National Trust	<ul style="list-style-type: none"> • Concerns about the impact that the Western Gateway rezoning could potentially have on the former Parcels Post Office, Inward Parcels Shed and Marcus Clarke Building. • Proposed building heights are out of context with the clock tower and surrounding area and that the design controls cannot negate the height impact. • Questioned why the Western Gateway sub-precinct has been removed from the Special Character Areas Map in Sydney Local Environmental Plan 2012 (SLEP 2012). • Supports the stated heritage aims in the draft Central Station Strategic Vision but considers these do not align with the proposed rezoning for the Western Gateway sub-precinct.

RESPONSE TO ISSUES

GML Heritage prepared a Heritage Impact Statement for Block B (Block B HIS) which formed Annex J of Appendix E of the exhibited documents for the Central Precinct Western Gateway Rezoning Proposal. The Block B HIS provided a detailed analysis of the heritage context and demonstrated the Consortium’s proposal was suitable, subject to implementation of the recommended Heritage Design Guidelines.

In response to the submissions received from the Heritage Council and National Trust, GML Heritage has undertaken a review of the issues raised (Annexure B). The review confirms the matters raised by the Heritage Council and National Trust were addressed in the publicly exhibited Block B HIS and accompanying Heritage Design Guidelines. The request by the City of Sydney Council to strengthen the Draft Design Guide heritage provisions is also addressed through GML Heritage’s response.

GML Heritage’s response indicates as follows:

- The proposed Block B building height is consistent with both the City of Sydney Council’s solar access planes and the proposed view access plane for Central Clock Tower defined in the Planning Proposal for Central Sydney.
- The Heritage Design Guidelines identified in Section 6.0 of the Block B HIS provide appropriate guidance on how to respond to the existing heritage context. The implementation of the Heritage Design Guidelines will support mitigation of potentially adverse heritage impacts through setbacks, physical separation of taller components, character and materiality, and interpretation and stories among other initiatives.
- Issues of setting and protection of adjacent and nearby heritage items are addressed through the Heritage Design Guidelines which recommend:
 - physical and visual separation between development on Block B and the former Parcels Post Office building

- referencing the ‘edges’ of Railway Square and characteristic height datums through the proposed podium height
- using materiality to express heritage elements.
- The Heritage Design Guidelines also emphasise the importance of stories and interpretation. The development of an interpretation strategy is recommended as an important first step. However, the realisation of heritage interpretation will ultimately be a matter for future Development Applications, consistent with conventional processes. The Block B interpretation strategy would be coordinated with any Central-wide interpretation plan or strategy prepared by Transport for NSW.

Block B does not accommodate any locally or State heritage listed building/items and does not have any inherent heritage value as evidenced by the findings of the Block B HIS. In this context the Consortium considers that preparation of a Conservation Management Plan for Blocks A and B as requested by the City of Sydney Council is not warranted for Block B given it is a highly disturbed site, does not contain any heritage items and otherwise has little heritage value.

GML Heritage has reiterated that Block B is currently explicitly excluded from the Railway Square and Central Station Special Character Area listing and has not identified any heritage grounds for the City of Sydney Council’s recommended expansion of the Special Character Area.

It is acknowledged that intensification may have some impact on the settings of adjacent heritage buildings, however this needs to be balanced with both the State Government’s and City of Sydney Council’s strategic vision and objectives to facilitate high-tech employment uses to support the Sydney Innovation and Technology Precinct and the city’s global competitiveness. The draft Central Sydney Planning Strategy proposes to position the southern edge of the CBD for floor space and height uplift. Planning for the Central Precinct including the Western Gateway Sub-Precinct—and Block B in particular—considers this changing context. The Heritage Design Guidelines combined with the Draft Design Guide seek to manage change and retain adequate heritage settings within this changing context.

On balance, GML Heritage has confirmed the Block B heritage response is appropriate and Heritage Design Guidelines do not require amendment to respond to the issues raised.

4.6 SUSTAINABILITY

KEY ISSUES RAISED

The PRP, City of Sydney Council and members of the community raised sustainability and environmental performance as matters that required further consideration.

Stakeholder	Feedback / Recommendations
PRP	<ul style="list-style-type: none"> • ESD performance targets should achieve a high benchmark and that a precinct wide approach should be further considered by Transport for NSW.
City of Sydney Council	<ul style="list-style-type: none"> • The Council stated that the Western Gateway sub-precinct must be a leading example of best practice sustainability and environmental performance and should aim to achieve net-zero emissions by 2050. • Recommended amendments to the Draft Design Guide to: <ul style="list-style-type: none"> ○ Meet increased energy rating targets, increased water rating targets and increased green star and other building design ratings; ○ Achieve net zero emissions; ○ Include an integrated water management strategy; and ○ Incorporate ambitious waste reduction and recycling measures.
Community	<ul style="list-style-type: none"> • Need to focus on sustainability and importance of greening spaces and providing additional tree planting.

RESPONSE TO ISSUES

The Consortium is committed to the creation of a benchmark urban renewal project that leads the world on sustainable place-making and anchors a technology hub in Sydney, establishing the broader Central Precinct as the first-choice home for technology firms in the Asia Pacific. It will be a place that navigates the major sustainability challenges of our times, enabling opportunities and mitigating threats from: the growth of our cities, the transition of major economic systems in energy, transport and digital technology, the impact of society on eco-systems and the challenges posed by a changing climate.

World-leading sustainability performance will be underpinned by the following objectives:

- Net zero emissions¹; a precinct utility for shared energy systems with highly efficient building design, full building electrification, 100% renewable energy supply, minimisation of embodied emissions and offset of residual emission
- Climate adaptation and resilience initiatives that address key climate risks of heat and water management, emergency operations and world class connectivity to the broader city

¹ The approach to net zero emissions will make allowance for the continued use of onsite fossil fuels for commercial kitchens and emergency/stand-by generation.

- Delivering urban habitat that supports mobile species in urban ecosystems, enhances city biodiversity and connects people to place and nature through biophilic design
- Materials and waste management aligned with the circular economy to mitigate the impacts of resource depletion and mitigate embodied emissions
- Enhanced connectivity with the interface of public transit (heavy rail, metro, light rail, bus and possibly high-speed rail), active transport infrastructure for cyclists, world class walkability and pedestrian amenity and future mobility: shared vehicles, electric vehicles and connected and autonomous vehicles.

A detailed response to the issues raised in submissions regarding sustainability is provided at Annexure C. In particular, the Consortium has given careful consideration to the recommendations of both the City of Sydney Council and the PRP regarding sustainability targets and other initiatives that should be adopted. The Consortium's response is provided in the table included in the report at Annexure C. The table indicates that there are several factors that make compliance with some of the City of Sydney Council's recommendations impractical and/or inoperable. In other instances, the Consortium's approach aligns with that of the Council.

In general, the Consortium is supportive of ambitious targets and other sustainability outcomes for Block B and will continue to work closely with Transport for NSW, the City of Sydney Council and other Western Gateway proponents to deliver an exemplar in best practice sustainability and explore opportunities for precinct wide solutions.

4.7 PEDESTRIAN AND CYCLIST CONNECTIVITY

KEY ISSUES RAISED

The City of Sydney Council recommended an overarching transport strategy. Community submissions expressed general support for proposed improvements to pedestrian connectivity.

Stakeholder	Feedback / Recommendations
City of Sydney Council	<ul style="list-style-type: none"> • Recommended an overarching transport strategy for the Western Gateway sub-precinct to provide a consistent approach to: <ul style="list-style-type: none"> ○ managing traffic impacts ○ staging and managing pedestrian and vehicular access ○ providing appropriate car parking and vehicular and loading and servicing access arrangements, including: <ul style="list-style-type: none"> - ensuring that temporary vehicular access and servicing arrangements prioritise pedestrian safety and future development of Central Walk West; and - ensuring that vehicular access on Lee Street north (Upper Carriage Laneway) will be closed once the consolidated basement is delivered - providing a car parking strategy that ensures it is limited to service vehicles and mobility parking. • Recommended future pedestrian and cyclist movement corridors and links should be provided primarily at-grade.
Community	<ul style="list-style-type: none"> • General support in submissions for proposed improvements to pedestrian connectivity. • Some submissions questioned whether proposed links would have sufficient capacity to accommodate the growth in pedestrian numbers. • The UTS noted that there was an opportunity to extend the Goods Line to Mortuary Station. • A number of submissions questioned the adequacy of proposed cycle links and end of trip facilities.

RESPONSE TO ISSUES

Both the Block B Planning Statement (Appendix E to rezoning exhibition documents) and the Transport, Traffic, Pedestrian and Parking Report (Annex M to Block B Planning Statement) detail significant improvements proposed to be made to pedestrian and cycling connectivity and facilities as part of the Block B proposal. These improvements align with the controls in the Draft Design Guide which are aimed at ensuring that development in the Western Gateway sub-precinct results in

a high quality, integrated, permeable and accessible pedestrian and cycle network that gives priority to future pedestrian and cyclist movement.

The Block B proposal will improve transport connectivity with better pedestrian amenity, integrating with the redeveloped Henry Deane Plaza to accommodate increased movement from existing and future pedestrian connections (including Central Station’s new Central Walk pedestrian link) to various modes of transport.

More specifically, pedestrian connections will be improved by providing:

- A north-south pedestrian connection from RL 17.7 to RL 19.2, linking Block B to any future Central Walk extension exit via the ground plane
- A north-south pedestrian connection at RL 21
- An east-west pedestrian link between Blocks A and B to future Over Station Development
- Enhancing pedestrian access along Lee Street.

The Block B proposal will also include bicycle parking and end of trip facilities for staff as well as bicycle parking spaces for customers/visitors in line with City of Sydney/Green Star requirements. Block B site is well located to take advantage of the City of Sydney Council’s existing and planned network of high-quality cycleway facilities, with the proposed bi-directional cycleway on Pitt Street forming the main north-south spine through the CBD for cyclists into the area.

The Consortium does not agree with the submission from the City of Sydney Council that parking on site be limited to service vehicles and mobility parking. It is intended that a small amount of on-site parking will be provided to meet the operational needs of tenants, along with parking for service vehicles and mobility parking. However, given that the site will offer unrivalled access to heavy rail, light rail, metro and bus services along with excellent pedestrian and cyclist connections, the demand for car parking on site is likely to be modest. As noted in the Block B Planning Statement, it is proposed that the number of parking spaces to be provided in the Block B development will be less than the maximum allowable under Sydney LEP 2012.

4.8 PUBLIC DOMAIN

KEY ISSUES RAISED

The PRP recommended the preparation of a coordinated public domain strategy for the Western Gateway.

Stakeholder	Feedback / Recommendations
PRP	<ul style="list-style-type: none"> • A coordinated public domain strategy for the Western Gateway should be prepared by TfNSW (and more broadly for the Central SSP).

Stakeholder	Feedback / Recommendations
	<ul style="list-style-type: none"> The public domain strategy should consider integration of heritage values for the Western Gateway

The DPIE has subsequently indicated its support for the PRP's recommendation, requesting that the public domain strategy should form part of TfNSW's Response to Submissions. The DPIE has advised that the public domain strategy must:

- establish high level principles
- ensure that future public domain opportunities across the wider central precinct can be accommodated.

RESPONSE TO ISSUES

In response to the DPIE's request, a Public Domain Strategy has been prepared for the Western Gateway which provides a holistic overview of the public domain aspirations for the sub-precinct. The Public Domain Strategy is included in Transport for NSW's Response to Submission Report (Appendix B). It represents a partnership between Transport for NSW, Atlassian and the Consortium to ensure a precinct that is high quality, activated and which creates opportunities for conversation and collaboration, transit and relaxation.

Along with a series of public domain design principles to guide the design of the public domain, the Public Domain Strategy provides design direction on key publicly accessible spaces within the Western Gateway. These are shown in Figure 2 below.

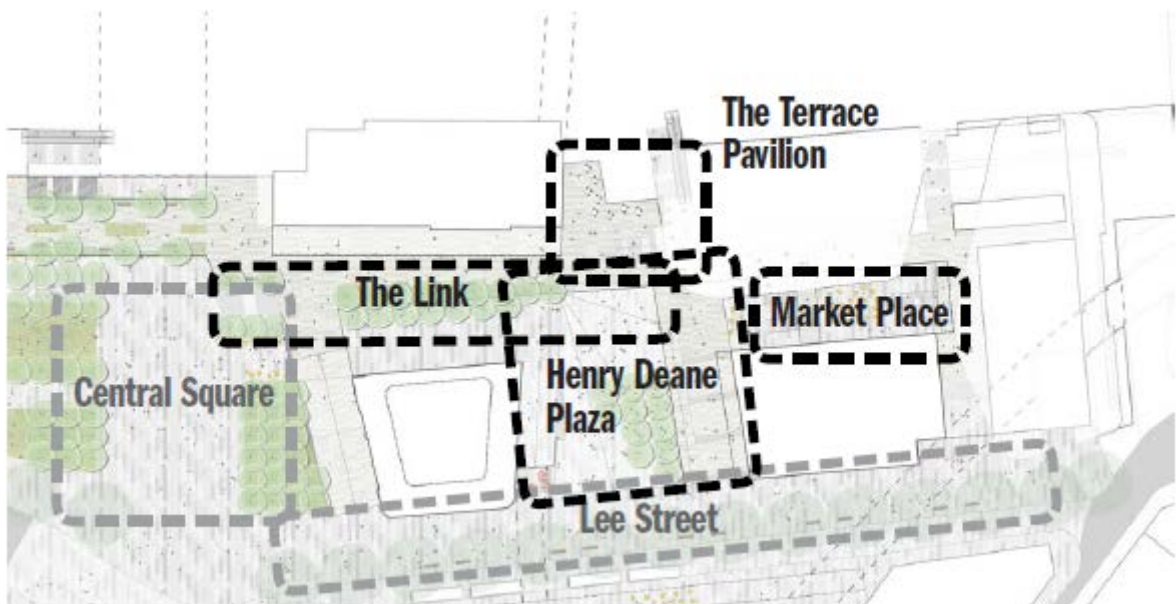


Figure 2: Key public spaces in the Western Gateway sub-precinct

The Consortium supports the design principles and specific directions for the key spaces contained in the Public Domain Strategy and will ensure future development of Block B achieves the public domain outcomes intended in this document.

4.9 STRATEGIC PLANS

KEY ISSUES RAISED

The PRP raised concern that the exhibited documents had not appropriately addressed the objectives and planning priorities in the Greater Sydney Region Plan and Eastern District Plan.

Stakeholder	Feedback / Recommendations
PRP	<p>The following objectives and planning priorities in the Greater Sydney Region Plan and Eastern District Plan need to be addressed.</p> <ul style="list-style-type: none"> • Consideration of a range of initiatives to address affordable rental housing (Objective 11) • Consultation with Local Aboriginal Lands Councils (Planning Priority E4) • Investigation of opportunities for precinct-based provision of adaptable car parking and infrastructure (Objective 12, Planning Priority E6) • Identification and conservation of heritage (Planning Priority E6) • Strengthening international competitiveness of the Harbour CBD and growing its vibrancy (Planning Priority E7) • Delivering integrated land use and transport planning and a 30-minute city (E10); and • Supporting growth of targeted industry sectors, in particular tourism and visitation and night time economy (Planning Priority E13).

RESPONSE TO ISSUES

Careful consideration was given to the objectives and planning priorities in the Greater Sydney Region Plan and Eastern City District Plan during the development of the Consortium's rezoning proposal and in the preparation of the supporting exhibition documentation. An assessment of how the Consortium's proposal aligns to key planning strategies is provided in Table 4 of the Block B Planning Statement. A detailed response to the specific objectives and planning priorities identified by the PRP are addressed in the table at Annexure D.

5) CONCLUSION

Despite the current uncertain global economic environment, the Consortium remains fully committed to delivering a dynamic civic space and workplace of the future on Block B. This project will be a strong driver for both economic and employment growth, with around 840 jobs (direct, indirect and induced) expected to be created during the 3-year construction phase and a further 11,000 on-site jobs and 9,800 off-site jobs expected once the towers and podium are completed. These operational jobs have been estimated to be worth \$3.2 billion in value added each year.

The Consortium has now commenced the Design Competition and is expecting to lodge the detailed development application for the project in Q4 of this year. It is therefore vital that the Department now expedite the rezoning so that the Consortium can proceed to the next stage of design development and lodgement of the development application in the latter half of 2020.

The Consortium is confident this Report and the accompanying documents satisfactorily address stakeholder feedback and enable the Department of Planning, Industry and Environment to finalise the rezoning proposal. The Consortium would welcome the opportunity to meet with the DPIE and expand on the responses contained within this report or any other feedback received during the consultation process.

Provided in soft copy only