

28 June 2016

NSW Planning Assessment Commission Determination Report State Significant Development (SSD) Application Redevelopment of the IMAX building and surrounding public domain (SSD 7388)

1. INTRODUCTION

Grocon, Darling Harbour (the Applicant) has submitted a State Significant Development (SSD) application (SSD 7388) to redevelop the existing IMAX site in Darling Harbour.

The site is located at the southern end of Darling Harbour and is occupied by the existing IMAX theatre building, a tourist information centre and public amenities. Sydney Harbour Foreshore Authority (SHFA) owns the site comprising a total area of 10,885sqm.

The site is bound by the Western Distributor both north and south and is located in the Darling Harbour Precinct, on the foreshore of Cockle Bay. Darling Harbour is a large tourist and entertainment precinct located on the western edge of the Sydney central business district. It surrounds Cockle Bay and offers leisure activities such as the Aquarium, Wildlife World, harbour cruise departures, a large hotel, Chinese gardens, a convention and exhibition centre, the Australian National Maritime Museum and a great many shopping and dining venues.

2. PROPOSAL

Background

On 16 June 2014, the Planning Assessment Commission (the Commission) approved a SSD for a mixed use commercial office, retail and entertainment development as follows:

- Demolition of the existing IMAX building, tourist office and amenities block;
- Construction of a new 20 storey building known as the 'ribbon building' and separate 2 storey building;
- Office, retail and entertainment uses;
- 86 car parking spaces within the podium levels of the ribbon building and 332 bicycle spaces at ground level;
- Realignment of Wheat Road;
- Upgrade to the surrounding public domain including a new playground and relocation of heritage items; and
- Installation of a display screen and signage zones on the 20 storey building.

Current Application

This current application is similar to the previously approved application. It is noted that there is no restriction on providing multiple development applications for the same site. Accordingly, this application seeks to change the use from commercial to include a hotel and serviced apartment uses containing the following:

- Demolition of the existing IMAX Theatre building, tourist office and amenities block;
- Construction of a 25 storey ribbon building for hotel, serviced apartments, retail, function and entertainment uses and a separate two storey building for retail, public amenities and workshop uses;
- 170 car parking spaces located within the podium levels of the ribbon building and at least 239 bicycle parking spaces at ground level;

- Upgrades to the surrounding public domain, including the Harbour Street pedestrian link, a new playground and the relocation of the carousel; and
- A display screen on the western building façade.

3. DELEGATION TO THE COMMISSION

On 7 June 2016, the application was referred to the Commission for determination under the terms of the Ministerial delegation dated 14 September 2011, as City of Sydney Council objected to the proposal.

Ms Lynelle Briggs AO, Chair of the Commission, appointed Mr Paul Forward (Chair) and Mr John Hann to determine the application.

4. DEPARTMENT'S ASSESSMENT REPORT

The Department's Assessment Report identified the following key issues:

- Land use;
- Built form;
- Traffic, access and car parking; and
- Public domain.

The Department's Assessment Report recommends approval subject to conditions. Overall, the Department is satisfied that the proposed uses are "compatible with the existing and desired future character of the Darling Harbour tourist and entertainment precinct".

5. MEETINGS & SITE VISIT

Site visit and meeting with the Applicant

On 22 June 2016, the Commission inspected the site and the surrounding area. The applicant attended the site visit so they could clarify details about the current application compared to the existing approval issued (see **Appendix 1**).

Subsequent to the site visit, the Commission met with the Applicant at the Commission offices (Appendix 2).

Meeting with Sydney Harbour Foreshore Authority (SHFA)

On 22 June 2016, the Commission met with representatives of SHFA (Appendix 3).

Briefing by the Department of Planning & Environment

On 22 June 2016, the Commission was briefed by representatives of the Department. They outlined the history of the site and the concerns raised during the assessment (see **Appendix 4**).

Meeting with City of Sydney Council

On 23 June 2016, the Commission met with City of Sydney Council to discuss their views and any outstanding issues in relation to the application (see **Appendix 5**).

The Commission is not required to hold a public meeting and does not consider it to be necessary for this application given the proposal has similar issues to the previously approved application.

6. COMMISSION'S CONSIDERATION

On the basis of the information available to the Commission, including the Department's Assessment Report, the Response to Submissions and submissions to the Department. The following key issues were identified by the Commission for further consideration:

6.1 Change of Use

The development involves a change of use from commercial, to hotel and serviced apartments in addition to entertainment uses for an IMAX theatre and retail uses.

The Commission acknowledges the concerns raised by Council, in particular the suitability of the site to include residential use in the future. The Commission has given consideration to the potential for strata subdivision in the future. However, the Commission is also mindful that residential use or strata subdivision is not proposed as part of this proposal.

Additionally, the Commission is in agreement with the Department's assessment, that serviced apartments can be strata subdivided as complying development pursuant to *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008*.

The Commission notes the Department's conditions to include a management arrangement (**Condition B20**) for the proposed uses. Consequently, the Commission acknowledges that the current proposal includes a hotel and serviced apartments and considers these uses to be suitable for the site, and compatible with the surrounding uses within the entertainment precinct.

6.2 Traffic

Traffic was a concern raised by Council in submission to the proposal.

The Commission notes Councils concerns and is aware that the Traffic Impact Assessment (TIA) report prepared by GTA Consultants concluded that the development will not have a significant impact on the surrounding road network in the context of existing traffic volumes.

The proposal includes 170 car parking spaces within a three-storey car stacker to accommodate the hotel and serviced apartments. Notwithstanding, the Commission acknowledges that the change of use from commercial to include a hotel and serviced apartments will also result in changes to traffic. The Commission notes that correspondence received from Transport for New South Wales (TfNSW) and Roads and Maritime Services (RMS), raised no objection to the development.

However, the Commission is mindful that the proposal has potential to impact upon the surrounding road network. Accordingly, the Commission is satisfied that through the implementation of **Condition F12**, to incorporate traffic audits during the operation of the site in terms of how pedestrian and vehicular ingress and egress will be managed, will provide for appropriate monitoring and management of traffic operations.

6.3 Public Domain

The Commission previously raised concern about amenity and functionality of the public domain to the west of the site.

The Commission notes the concerns of the Council in relation to the impediments to pedestrians traversing through the public domain and disruption of the sight lines as a consequence of the proposed building footprint. Additionally, Council raised concern about the suitability of un-fixed furniture being placed in areas susceptible to high winds.

The Commission is aware that the proposal includes the relocation of the carousel, the upgrade and relocation of the Palm trees in addition to new paving and landscaping. However, the Commission notes that the proposed changes, including outdoor licenced areas, will result in a reduction in the width of the usable north-south pedestrian thoroughfare along the western alignment of the site. Accordingly, the Commission has imposed a condition requiring the outdoor seating for the two-storey building to be removed.

The Commission is satisfied that **Condition F2** will enhance the legibility of this main north-south pedestrian flow, along the western alignment of the site. Further to that, the Commission notes that the proposal will retain the 20 metre wide pedestrian boulevard which is existing to the north of the site. The Commission agrees with the Department's recommendation for **Condition B6** to require an updated wind assessment to provide acceptable amenity levels for all outdoor seating areas.

The Commission notes concern about the impact of the vehicular access, porte cochere and hotel entrance on pedestrian circulation within the eastern boundary area. The Commission agrees with the Department's condition to require footpaths to be a minimum width of 4.5 metres where possible, to ensure adequate circulation widths and pedestrian safety. However, the Commission notes the physical constraints along the eastern alignment of the site restricting 4.5 metre footpath in its entirety.

Notwithstanding, the applicant has provided an updated plan (see **Appendix 6**) indicating where a 4.5 metre footpath is achievable on the eastern alignment. As such, the Commission is satisfied that through effective management of the porte cochere in addition to **Condition B3** requiring 4.5 metre footpaths where possible, the movement and safety of pedestrians will not be adversely impacted.

6.4 Overhang

The Commission notes that the proposal retains the portion of the building that overhangs Harbour Street on the eastern component of the site. However, this has been reduced from 18.5 metres to 17.8 metres at a height of 16.73 metres above the road at its lowest point.

The Commission has been advised that this air space is controlled by stratum SHFA air lot. The Commission notes that there will be no substantial works that will compromise the stability or integrity of the freeways and structures and their maintenance. The Commission has been advised that RMS has endorsed the proponent's construction methods adjacent to the State road network.

Accordingly, the Commission is satisfied that the overhang provides ample clearance and separation between the proposed building and the overpass/pylons.

7. COMMISSION'S FINDINGS AND DETERMINATION

The Commission has carefully considered all the information available to it including the Secretary's Environmental Assessment Report, public submissions, associated documents and agency submissions.

After careful deliberation, the Commission is satisfied that the intended use is in unison with the surrounds. The Commission is encouraged by the design refinements however it considers that the reduction of outdoor seating outside the two-storey building within the western public domain will further enhance movement through this space.

The Commission acknowledges that the proposal has potential to impact upon the surrounding road network. Consequently, the Commission has included an additional condition (**F12**) requiring further traffic monitoring during the operation of the site. With this in place, the Commission is satisfied that traffic can be managed effectively.

The Commission notes that the building responds to the scale and massing of the city buildings within close proximity and will complement the new Sydney International Convention, Exhibition and Entertainment Precinct (SICEEP) development located to the west of the site.

The Commission has considered the merits of this application and has approved the application subject to the conditions set out in the instrument of approval.

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Paul Forward
Commission Member (Chair)

John Hann Commission Member

Meeting note taken by Muriel Maher Date: Wednesday, 22 June 2016 | Time: 9:30am

Project: IMAX

Meeting place: Darling Harbour

Attendees:

Commission Members: Paul Forward (Chair) and John Hann Commission Secretariat: Muriel Maher and David Mooney

Applicant: Grocon – Chris Carolan – NSW General Manager and Justin Clark – Senior Design Manager; Hassell

Architects - Andrew Low – Principal and Tony Grist – Head of Architecture; JBA Town Planning Consultants – Clare Swan – Director and Rob Stark – Principal Planner, GTA Traffic Consultant –

Brett Maynard - Director.

The purpose of the meeting: Site visit

Overview

The Commission met with the applicant on site and walked around the site.

The applicant indicated the specific amendments to the previously approved application:

- The current proposal is the same height as approved in the 2014 application;
- The building footprint has been modified on the western elevation;
- 170 car parking spaces are provided within the podium levels with 239 bicycle parking spaces;
- Upgrades to the public domain including the relocation of the carousel;
- A display screen on the western elevation; and
- The overhang on Harbour Street has been reduced.

Outcomes/Agreed Actions: The applicants informed the Commission that the plans for the western public domain area are not corresponding to the measurements they provided and will provide the measurements that the applicant calculated.

Site visit concluded at 10:40am

Meeting note taken by Muriel Maher Date: Wednesday, 22 June 2016 Time: 11:00am

Project: IMAX

Meeting place: Planning Assessment Commission Offices

Attendees:

Commission Members: Paul Forward (Chair) and John Hann Commission Secretariat: Muriel Maher and David Mooney

Applicant: Grocon – Chris Carolan – NSW General Manager and Justin Clark – Senior Design Manager; Hassell

Architects - Andrew Low - Principal and Tony Grist - Head of Architecture; JBA Town Planning Consultants - Clare Swan - Director and Rob Stark - Principal Planner, GTA Traffic Consultant -

Rhys Hazell - Associate

The purpose of the meeting: Meeting with the applicant to provide additional commentary on the proposal

The applicant briefed the Commission on the project and provided an overview of the proposal:

- The current proposal is the same height as approved in the 2014 application;
- The additional 5 levels will be included within the approved height of 93.5 metres;
- The glare from the external façade will be managed through vertical shading elements along the northern glazed elevation;
- The street address was not considered legible for an office building;
- A new cinema sponsor is yet to commit to the running of IMAX; and
- The refined design provides less solar access impacts in addition to increased legibility within the public domain.

Public Domain

- Landscaping has been provided;
- The width of the western public domain will be legible with the removal of trees in comparison to the existing layout;
- A revised wind report has been provided for the outdoor seating areas; and
- The applicants advised that 1.7 million has been allocated to the Druitt Street escalator however the refurbishment of this is included in the Darling Park 4 proposal and yet to be finalised.

Traffic

- The vehicle arrival and departure are closely managed by the hotel; and
- There will be a call-up plan in place for taxis.

Operation of the hotel

- The operation of the hotel will be managed through sufficient protocol to ensure there is no impacts upon the surrounding road network;
- The serviced apartments would be managed as part of the hotel under contract; and
- There is a 20 year operating agreement with Starwood for the management of the Hotel and serviced apartments.

Outcomes/Agreed Actions: The applicants provided reference material.

Meeting closed at 12:00pm

Meeting with Sydney Harbour Foreshore Authority (SHFA)

This meeting is part of the determination process

Meeting note taken by Muriel Maher | Date: Wednesday, 22 June 2016 | Time: 1:00pm

Project: IMAX

Meeting place: Planning Assessment Commission Offices

Attendees:

Commission Members: Paul Forward (Chair) and John Hann Commission Secretariat: Muriel Maher and David Mooney

SHFA: Paul Robinson – Executive Director and Willem Clasie – Development Manager

SHFA representatives advised that the Foreshore Authority do not object to the proposal.

SHFA representatives noted the following:

- The outcome for the site is acceptable;
- The public domain is leasehold not freehold;
- SHFA confirmed that the grounds would operate on a 99 year lease agreement;
- The air space where the overhang sits is a stratum owned by SHFA, created when the Western Distributor was constructed;
- The area to the right of the site is leased with Cockle Bay Wharf;
- The renovations to the stairway, located north-east of the site is between Darling Park and Grocon;
- The city screen will be limited to events being held, the IMAX theatre schedule, other businesses within the complex and the IMAX theatre sponsor only; and
- There is a staging plan to retain as much of the public domain as possible during construction to mitigate impacts on the use of the area.

Outcomes/Agreed Actions: SHFA agreed to provide the current licensing for the area outside the two-storey building.

Meeting closed at 1:30pm

Meeting note taken by Muriel Maher Date: Wednesday, 22 June 2016 | Time: 2:30pm

Project: IMAX

Meeting place: Planning Assessment Commission Offices

Attendees:

Commission Members: Paul Forward (Chair) and John Hann Commission Secretariat: Muriel Maher and David Mooney

Department of Planning and Environment: Amy Watson – Team Leader and Simon Truong – Senior Planning Officer.

The Department outlined their approach to the project assessment and responded to issues raised by the Commission. The Department noted the following:

- The change of use constituted a new application;
- Strata subdivision is not included in this application.

Traffic

- TfNSW provided extensive comment on the environmental impact statement and return to submission;
- The Department will draft a condition requiring traffic audits to be conducted as requested by the Commission; and
- There are hotel function rooms proposed on level 3 which has been taken into consideration during the Departments assessment in terms of traffic and patrons using the site.

Public Domain

The width of the public domain outside the two-storey building is 12.5 metres.

Outcomes/Agreed Actions: The Department agreed to draft a condition pertaining to the requirement for traffic audit at subsequent stages of the application.

Meeting closed at 3:10pm

Meeting note taken by Muriel Maher Date: Thursday, 23 June 2016 Time: 8:30am

Project: IMAX

Meeting place: Planning Assessment Commission Offices

Attendees:

Commission Members: Paul Forward (Chair) and John Hann Commission Secretariat: Muriel Maher and David Mooney

City of Sydney Council: Graham Jahn – Director, Chris Corradi – Area Planning Manager and Russell Hand –

Senior Planner

The purpose of the meeting: To discuss any concerns City of Sydney (Council) has with the project.

Council outlined their concerns and the discussion surrounding these concerns is summarised below:

Suitability of the proposed uses

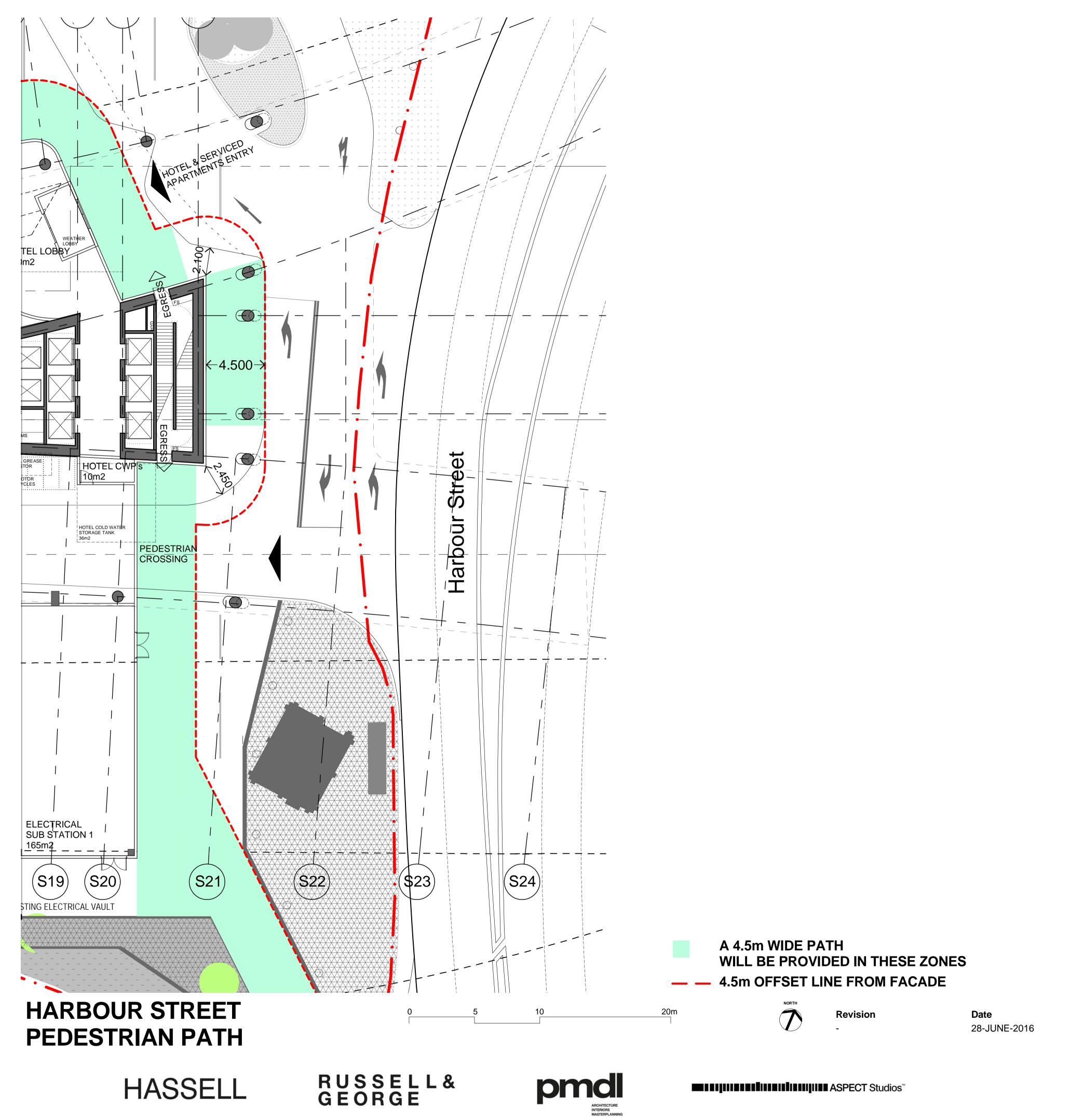
- Council raised concern about the serviced apartments and the potential strata subdivision in the future;
- That serviced apartments when strata subdivided could be used unlawfully for residential dwellings;
- Strata subdivision diminishes the "recyclability" and future renewal of the city's building stock;
- Council are strongly supportive of visitor accommodation however, not with the accompanied risks of unlawful use and diminished recyclability;
- The recyclability of the building is limited in its ability to respond to changing need and demands;
- The building location and form is inconsistent with the principles of the 'valley form' of Darling Harbour; and
- The wind assessment and traffic safety audit should be carried out prior to approval.

Outdoor seating and pedestrian flow

- The approval and costs associated with issues surrounding equipment to provide an adequate seating area need to be considered for such an area affected by wind;
- The growth in the footprint east of the site will impact upon the pedestrian link through; and
- The response to submissions included a request for further signage.

Meeting closed at 9:10am

Appendix 6 Harbour Street Pedestrian Path



Grocon

Grocon

Project Name

The Ribbon Hotel, Serviced

Apartments and Retail

Drawing

SK-0235.1

Scale

1:150@A3 1:75@A1