

23 December 2013

**Determination Report
Redevelopment of the former Carlton United Brewery Site
Modification of Blocks 1 and 4**

1. The Proposal

The proposal incorporates three Applications:

- MP 06_0171 MOD 8 - Concept Plan
- MP 08_0253 MOD 4 - Project Approval
- SSD 5700 – Student Housing

Concept Plan MOD 8

The proposed modification sought approval to:

- Modify the Gross Floor Area distribution and land use mix across the site (70/30 to 77/23%), with particular reference to Blocks 1 & 4 to enable a mix of residential and non-residential uses;
- Modify the building envelope to separate Blocks 4 North (4N) and 4 South (4S); and
- Modify the car parking requirements for the site.

Project Approval MOD 4

The proposed modification sought approval to:

- To delete building 4S from the Project Approval;
- Amendments to the floor plates and facades associated with the deletion with a pedestrian link between Blocks 4N and 4S; and
- Modification to the basement car parking area and provide additional service access off Abercrombie Street.

SSD 5700 Student Housing

The project application sought approval to:

- Construct a part 15, part 16 storey building providing student accommodation for up to 826 students in Block 4S;
- Provide a Total Gross Floor Area (GFA) of 24,132 m²; and
- Provide non-residential uses including a gym, theatre, laundry and lounge areas and an external courtyard.

The three applications were considered concurrently by the Department. Following exhibition of the applications, including the Environmental Impact Statement (EIS) for the student housing, the proposals were amended to address issues raised in submissions through a Response to Submissions (RtS). The RtS as assessed by the Department amended the proposal to:

MP 06 0171 MOD 8 & MP 08 0253 MOD 4

- Seek relocation of a digital screen to the new building facade above the Australian Hotel in accordance with the requirements of Condition 10b; and
- Provide an indicative plan of subdivision following the removal of Block 4S from Block 1 and 4N (formal approval being sought at a later stage through Council).

SSD 5700

- Provide clarification of the GFA of the site;
- delete the temporary loading/unloading area and provision of a new retail tenancy resulting in an overall increased GFA of 50m²;
- provide facade treatments comprising introduction of metal louvers at various windows to improve privacy and natural ventilation;
- provide two (2) on street car parking spaces (Irving Street);
- remove on street car parking spaces at Central Park Avenue;
- provide retail awnings at Irving Street;
- provide a revised Public Domain Plan; and
- minor internal access amendments.

2. Delegation to the Commission

On 25 October 2013, the Applications (MP06_0171; MP08_0253 & SSD5700) were referred to the Planning Assessment Commission (the Commission) for determination under Ministerial delegation issued 14 September 2011, as the City of Sydney Council objected to the proposal and the Department received more than 25 public objection submissions.

For this determination, Ms Gabrielle Kibble AO, Chair of the Planning Assessment Commission, nominated Ms Jan Murrell (chair) and Mr Garry Payne to constitute the Commission for the project.

3. Department's Assessment Report

The Director-General's Assessment Report provided an assessment of the following key issues:

Concept Plan MOD 8:

- Redistribution of residential and non-residential floor space;
- Modification to approved building envelopes; and
- Public car park use.

Project Approval MOD 4:

- Access and parking provisions; and
- Signage.

SSD 5700 (student housing):

- Density/Gross Floor Area;
- Building height;
- Building envelope and footprint; building design and form; and
- Public domain.

A summary of the GFA for Blocks 1, 4N and 4S are provided below.

	Concept Plan MP06_0171 9 February 2007	Concept Plan MP06_0171 MOD 2 5 February 2009	Concept Plan MP06_0171 MOD 8
	235,000 m ² GFA Residential - 60.5% Non-residential - 39.5%	255,500 m ² GFA Residential - 70% Non-residential - 30%	255,500 m ² GFA Residential - 77% Non-residential - 23%
Block 1	Commercial - 41,315 m ² Residential - 0 m ²	Commercial - 25,000 m ² Residential - 0 m ²	Block 1 Commercial - 702 m ² Residential - 25,000 m ²
Block 4	Commercial - 11,754 m ² Residential - 13,841 m ²	Commercial* - 59,800 m ² Residential* - 0 m ²	Block 4N Commercial - 25,000 m ² Residential - 0m ² Block 4S Commercial - 1,500 m ² Residential - 23,000 m ²

* A greater commercial percentage was proposed to reflect Fraser's intention to increase commercial floor space and focus the commercial element in the north west corner of the site.

The Assessment report concluded that subject to recommendations and approval conditions, the proposed modifications and the new student housing development would not result in any negative impacts.

The applications were recommended for approval by the Department, subject to conditions to enforce these modifications and ensure residual impacts are properly managed.

4. Commission's Site Visit

After reviewing the assessment report and public submissions, the Commission visited the site and the surrounding area on the afternoon of Tuesday, 26 November 2013 and on other occasions to familiarise themselves with the environment and existing conditions in the area. They paid close attention to the local context of the development and its relationship to existing residential and commercial buildings and the public domain.

5. Consultation

The Commission's decision making process requires it to hold a public meeting to hear public views on the assessment report and recommendation when the application receives more than 25 objection submissions. The procedures also require the Commission to meet with the City of Sydney Council (Council) and the proponent. The following is a brief summary of these meetings.

21 November 2013

The Commission met separately with the Council and the proponent on this day.

City of Sydney Council

The meeting with the Council included a briefing of the history of the site and issues of concern to the Council. The key concern raised by Council revolved around a strategic context with Council of the opinion the site should maintain the approved ratio of commercial GFA so the precinct can retain the potential to provide future employment opportunities within the precinct.

Proponent

At this meeting, the proponent also provided a brief history of the site and their justification for the proposed modification to the GFA for the site. The issue of private and open space amenity was discussed, and the proponent confirmed that the proposal would not significantly reduce the level of amenity for existing and future residents or future students.

26 November 2013

A public meeting was held. Twelve (12) people registered to speak at the meeting but only nine (9) people spoke at the meeting.

Key issues raised at the meeting included planning and built form; heritage impacts; high concentration of student housing on a confined area; impact on the public domain, in particular the Chippendale Reserve; application of the National Rental Affordability Scheme (NRAS); visual impact; air pollution (through increased vehicle usage); lack of affordable housing; SEPP 65 compliance; construction hours; on site student housing management; solar access; and impacts on residential amenity.

6. Commission's Consideration

The Commission has reviewed the Department's assessment report and associated documents, including submissions from the City of Sydney Council, agencies and the public, and the proponent's changes in response. It has also considered the views expressed by the Council, the presenters who spoke at the public meeting, the proponent and the written submissions received prior to, at, and after the public meeting.

The key community concerns relate mainly to built form (density/open space/domain); amenity impacts on existing residents that will be generated by the proposed modification to increase the residential GFA for the project; heritage; and the introduction of student housing associated with the redevelopment of the former Carlton Brewery site through this project application.

7.1 Built Form

Both Council and the community raised concern with the Commission to the further reduction in commercial floor space for the project, with the GFA being transferred to residential. Council made particular reference to Metropolitan Strategies 'City of Cities: A Plan for Sydney's Future' (2005); Metropolitan Plan for Sydney 2036 (2010); and the Draft Metropolitan Strategy for Sydney to 2031 (2013) which identify Sydney CBD as a potential location for employment generation and a site to contribute to Sydney's employment quota target.

The Commission notes the Metropolitan Plan for Sydney 2036 identifies the former Carlton United Brewery site as a potential location for high density and high amenity to support urban development.

The Commission acknowledges the Departments consideration of the Draft Metropolitan Strategy for Sydney to 2031 in its assessment of the project applications where the Department considered the changing land use, development pressures and contemporary strategic land use policies were appropriate as a means of achieving a diversity of uses, including residential uses which are close to services and attractions and generate afterhour's activity.

The Commission supports this view however it also acknowledges the concern of Council and the community and the driving objectives of the various strategies along with the aims and objectives of the Local Environmental Plan for the precinct with regard to ensuring the site maintains its role as a positive mixed use location with the ability to act as an employment generator in addition to servicing residential needs.

The Commission therefore is of the opinion that any further diminution in commercial GFA to below 23% would impact on the intended character and nature of the precinct ultimately reducing the GFA available to accommodate the facilities and services that would be provided to the incoming residents and the educational precinct; reducing the activation of the locality which acts as both a point of origin and destination for trips; and any further reduction in commercial GFA would result in the site being predominantly residential in nature.

Further, the afforded level of public open space is not considered suitable to cater for further residential development on the site below that currently proposed.

7.2 Public domain

As a result of the Commission's concern with optimising residential amenity and integrating the new development into the existing urban fabric, the Commission requested further information from the proponent.

On the information provided, including clarification on the ratio of open space to residential occupier and the increased separation between buildings as recommended by the Department, the Commission is satisfied that the public domain issue has been addressed in the Department's assessment report, and through the additional clarification provided to the Commission.

7.3 Impacts on internal amenity

The Commission notes a mix of land uses can create a diverse and interesting inner city character however it also may create conflict at the interface between the land uses. Potential impacts on residential amenity raised with the Commission by the community included visual impact, noise (*for future tenants in the student housing accommodation, particularly from traffic when opening windows*) and solar access.

The Commission is empathic to these concerns, and placed priority on achieving effective integration of the redevelopment into the existing urban fabric of Chippendale. The Commission emphasised these concerns in discussions with the proponent. As a result, the proponent provided further details to the Commission, including:

- Confirmation the housing will be provided with air conditioning and mechanical ventilation; and
- Detailing on the transition from the project site to the existing development on the western side of Abercrombie Street.

The Commission is satisfied that the additional detailing that was provided will ensure that the potential impacts on the residential amenity for future tenants and existing residents will be minimised. Any residual impacts could be properly managed via the approval conditions.

7.4 Heritage

The Commission notes the community concern with regard to the transition of the precinct to the Chippendale Heritage Conservation Area and adjoining heritage items including St Benedict Church and the Australian Hotel (*which forms part of the site*).

The Commission discussed this issue with the proponent who clarified the facade treatment incorporates recessed banding to clearly delineate between the heritage item and new development.

The Commission requested the Department also confirm that Condition 10b of the Concept Plan (*which related to the facade treatment to minimise visual impact on the Australian Hotel building*) had been satisfied. The Department advised the Commission that detailed plans had been submitted and approved to satisfy this condition which was reflected in the Director Generals Assessment Report for Buildings 1 and 4.

The Commission notes the proposed building treatments to the western facade including the articulated facade elements, the expressed superstructure and in particular the recessed neck zone, will provide two separate forms working to reduce the appearance of bulk along Abercrombie Street.

The Commission is satisfied that the heritage concerns have been addressed through the additional clarification provided to the Commission by the proponent.

7.5 Student Housing

The community raised concern with the Commission to the level of compliance with SEPP 65 for the student housing; the operational management of the facility, traffic/parking and with the National Rental Affordability Scheme (NARS) applicable to the development.

To address student amenity, a number of options were discussed with the proponent leading to further clarification of the project including:

- The student housing building will not be strata subdivided, remaining a single owner asset;
- Student housing is permissible in the zone;
- The amendment to the GFA will contribute to the vitality and vibrancy of the precinct, providing activation throughout varying hours of the day;
- The student accommodation building is provided with internal communal space of 1,250 m² which equates to 1.5 m² per student which generally complies with both the City of Sydney's DCP 2012 requirement of 1.25 m² as well as the State Environmental Planning Policy (Affordable Rental Housing).

On-Site Management

The proponent advised the Commission that with respect to on-site management, provision for staff and security will be available, twenty-four hours a day, seven days a week in addition to requiring a caretaker/manager to be contactable under Condition F4 of the draft Instrument.

The Commission also notes Condition E14 which requires a Plan of Management to be prepared to ensure the facility will operate without creating disturbance for surrounding residential receivers.

Traffic

The existing traffic conditions in the area and the potential amenity impact resulting from the proposed development was also key concern to the Council and the community. Particular local amenity issues relate to the capacity of the local road network, increased demand for on-street parking, increased vehicle movements should the site parking be utilised as a public car park and connectivity with surrounding residential areas.

The Commission is satisfied that the additional detailing that was provided and the specific condition imposed in the Concept Plan approval which ensures that no public car parks are available within the precinct, will ensure that the potential impacts on the residential amenity for future tenants and existing residents will be minimised.

National Rental Affordability Scheme (NARS)

The proponent advised the Commission that with respect to the NARS, the grant provided for the precinct is specific in identifying the scheme is for student housing with allocation to the type of development to be provided and the grant funding is subject to compliance with relevant provisions and standards the project is required to satisfy.

The Commission is satisfied that the concerns about student housing have been adequately addressed in the Department's assessment report, and through the additional clarification provided to the Commission by the proponent.

7.6 Other Matters

Other issues raised in submissions and during the public meeting, have been considered by the Commission and are considered to have been largely addressed in the Department's Assessment Report. The Commission is satisfied that the recommended conditions provide adequate controls to manage, and mitigate, these issues.

8 Commissions Findings

The Commission is of the opinion that the student housing and project approval modification would increase housing stock in the area with good accessibility to retail services, the educational precinct and employment opportunities, and on balance is generally consistent with State planning objectives.

While the Commission supports the current proposals, it is of the opinion that any further relaxation in the commercial GFA for the site below a ratio of 77/23% would not be appropriate. The current level of commercial GFA sought would ensure the site maintains the mixed use nature of the precinct thereby supporting the viability of business uses while ensuring it meets the Metro Strategy provisions of providing commercial opportunities for the future.

9 Commission's Determination

The Commission has carefully reviewed the application, the assessment reports, considered views expressed by stakeholders and the amendments to the proposals provided by the proponent in their Response to Submissions.

The Commission is satisfied that the proposals MP 06_0171 MOD 8 (Concept Plan); MP 08_0253 MOD 4 (Project Approval) and SSD 5700 (Student Housing), as amended, will be beneficial to the community and that the environmental and amenity impacts of the proposals can be adequately mitigated or managed by a suite of stringent conditions.

Therefore, the Commission has determined to approve the applications MP 06_0171 MOD 8 (Concept Plan); MP 08_0253 MOD 4 (Project Approval) and SSD 5700 (Student Housing), as recommended by the Department subject to their recommended modifications as well as approval conditions as amended and supplemented by the Commission. The amendments are:

SSD 5700

1. Insert a new condition, Condition A8 in Schedule 2:

Condition A8 Permissible Accommodation

Maximum number of student units 688 providing a maximum of 826 beds/occupants.

2. ***Condition E14 to be modified as follows:***

i. Delete ~~without~~ and insert **to minimise**:

*A Plan of Management must be prepared to address all operational and management procedures to be employed, to ensure that the premises can operate ~~without~~ **to minimise** disturbance to the surrounding locality. The plan must reflect the whole of the Student Accommodation operations, including Security Management.*

ii. Insert two new bullet points under 'The plan must include as a minimum':

- ***Provision for security staff, to be available twenty-four hours a day, seven days a week.***
- ***Provision for a member of the senior mentoring staff to be contactable twenty four hours a day, seven days a week.***

3. ***Condition F4 to be amended as follows:***

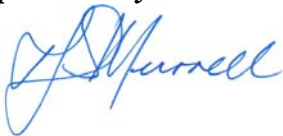
Prior to the issuing of an Occupation Certificate, Council's Health and Building Unit must be advised in writing of the business name, address, owner or company name, 24 hour contact details for the site manager, and the number of occupants approved for the premises. ~~A caretaker/manager must be contactable 24 hours a day.~~

The following must be contactable 24 hours a day, seven days a week:

- ***A caretaker/manager***
- ***Security personnel***
- ***A member of the senior mentoring staff***

The relevant contact details are to be contained in the Plan of Management identified under Condition E14 and be readily visible within the entry lobby/foyer of the student accommodation building.

The relevant out of hour's contact details are to be publically available on the website provided by the accommodation operator for the facility should one be available.



Jan Murrell
Commission Member



Garry Payne AM
Commission Member

Appendix 1 List of Speakers

Planning Assessment Commission Meeting Redevelopment of the former Carlton United Brewery Site Modification of Blocks 1 and 4

Date: 4 pm, Tuesday, 26 November 2013

Place: Aerial UTS Function Centre, Level 7, 235 Jones Street (Building 10), Ultimo

1. Chippendale Residents Interest Group
Jeanette Brokman
- ~~2. Barbara Hilliard~~
3. Sue Bowrey
4. Kimberly Daly
- ~~5. Marianne Pocklington~~
6. Halina Zawadzki
7. Ed Moes
8. Michelle Perry
9. Danelle Bergstrom
- ~~10. John Peisley~~
11. Coral Wynter
12. David Pocklington