

21 November 2016

Mr Charles Moore
Chief Executive Officer
Locked Bag 3
Sydney Olympic Park NSW 2127

Dear Charles,

SUBMISSION TO DRAFT SYDNEY OLYMPIC MASTER PLAN 2030 (2016 REVIEW) AND DRAFT AMENDEMENTS TO SEPP (STATE SIGNIFICANT PRECINCTS) 2005 - 1 FIGTREE DRIVE, SYDNEY OLYMPIC PARK

1. PREVIOUS CONSULTATION WITH KADOR GROUP

This letter has been prepared on behalf of Kador Group Holdings Pty Ltd (**Kador Group**), owners of the property at 1 Figtree Drive, Sydney Olympic Park (**subject site**), in relation to the draft Sydney Olympic Master Plan 2030 (**2016 review**) and draft amendments to State Environmental Planning Policy (State Significant Precincts) 2005. The site is described in the Sydney Olympic Park Master Plan 2030 (**Master Plan 2030**) as Site 45.

The purpose of this submission is raise concern in relation to proposed amendments. Our specific concerns are detailed under separate headings in Section 3 of this letter.

On 27 May 2016, representatives of Kador Group were invited to meet with SOPA as part of the early landowner consultation activities that SOPA were undertaking to inform the review of the Master Plan 2030. The purpose of the meeting was for Kador Group to discuss the following:

- An outline of Kador Group's current interests in Sydney Olympic Park;
- Kador Group's aspirations for the future development of these interests;
- Feedback to SOPA on how well does the Master Plan support and align with these aspirations; and
- Recommendations and suggestions that could be considered as part of the review.

The key points made by Kador Group at the meeting are summarised, as follows:

- Concerned that SOP is 'off the radar' as a competitive commercial office location;
- Noted that earlier versions of the Master Plan 2030 specified residential use across the entire site, and was adjusted to accommodate the employment targets;
- Noted that the emerging character surrounding the site to the east and south is residential;

- Advised the current Master Plan 2030 provisions affect viability of the 1 Figtree Drive site, in particular:
 - Future road alignment divides the site into unequal parts – two parts to the west of the future road are too small to be useable, too difficult to value at current size and shape.
 - Mix of uses – 36m deep residential component is too small to develop, and remaining commercial component is too small to develop.
 - The current Master Plan controls make the site not viable for long term commercial use.
 - Strong residential demand with commercial stagnant.
- Advised the best outcome is to specify 100% residential use;
- Sought a reconsideration of the new north-south Street, as it is not essential for vehicle access. If it is to be retained reconsider the alignment to maximise development parcels; and
- Requested further briefings once MP is on public exhibition.

2. REVIEW OF CONSULTATION IMPLEMENTATION

Kador Group does not believe concerns and input for early landowner consultation were adequately taken into consideration when undertaking the review of the Master Plan 2030. Specifically,





- The initial concerns raised with the new street alignment dividing the site into two unequal parts has worsened with the implementation of a new east-west service road. The road layout has created two small unusable and commercial unviable parcels of land at the current size and shape.
- It was advised that the most appropriate land use outcome was entirely residential; however the draft Master Plan further fragments into five parcels due to land use allocation. Site 45D is the only proportion that is entirely residential however the site is too small and would require amalgamation with the adjoin site to the west to be developed as a functional and feasible residential development. It is uncertain whether an adjoining landowner would consider it essential to amalgamation with Site 45D, leaving Site 45D undeveloped.
- The north-south Street was not reconsidered or realigned.

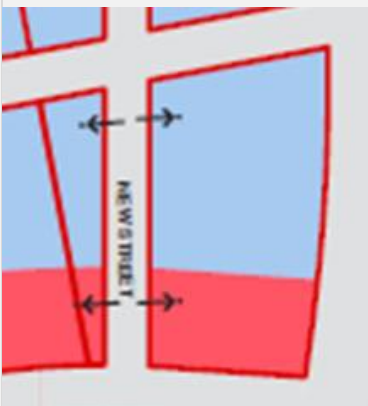
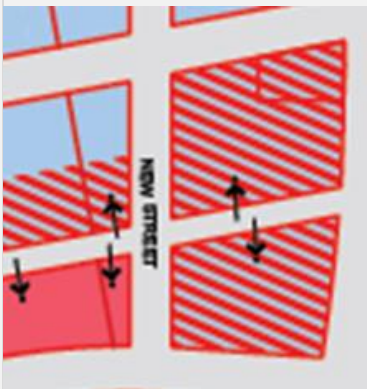


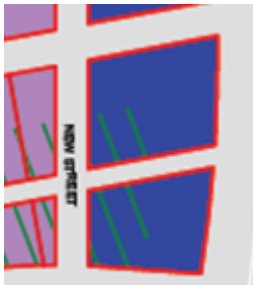
3. REVIEW OF DRAFT AMENDMENTS


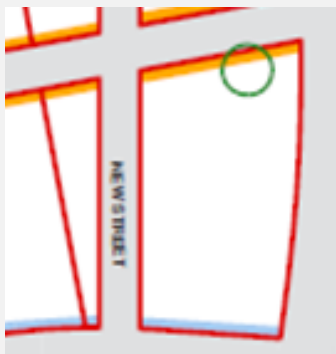

We understand that a review of Master Plan 2030 was undertaken earlier in 2016 by SOPA in partnership with the Department of Planning and Environment. The review seeks to promote more mixed use development, introduce tower building zones, increased densities with changes to floor space ratios (FSR) standards, change building setbacks to encourage active frontages and alter the street structures.

Table 1 compares key changes to planning controls applying to Site 45 under the current Master Plan 2030 and the draft Master Plan, as well as any key SEPP SPP amendments.

TABLE 1 – KEY PLANNING CONTROLS AND CONSIDERATIONS

Element	Current Master Plan	Draft Master Plan	Comment
Site Boundaries and Road Layout			Site 45A and 45B are separated by a "New Service Road," to form 4 development parcels 45A, 45B, 45C and 45D.
FSR			The SEPP SPP supports the new FSR, an increase of 2:1 FSR. This excludes an additional FSR achieved as a result of holding a design competition.

Element	Current Master Plan	Draft Master Plan	Comment
Land Use Zoning	 <p>Commercial (blue) and residential (red).</p>	 <p>Commercial (blue), red (residential) and mixed commercial, residential, hotel and serviced apartments (cross-hatched red).</p>	<p>SEPP SPP maintains the land B4 Mixed Uses and supports the uses outlined in draft Master Plan 2030.</p> <p>The arrows on the map indicated preferred vehicular access routes; all sites now have preferred access from the newly proposed “service road.”</p>
Height of Buildings	<p><u>Masterplan:</u></p>   <p><u>SEPP:</u></p> <p>U1 = 30 metres & U2 = 33 metres</p>	<p><u>Masterplan:</u></p>  <p>Site 45 A & C – Tower 30 storeys (6-8 storeys at block edge, tower above).</p> <p>Site 45 B & D – Tower 20 storeys (6-8 storeys at block edge, tower above).</p>	<p>The draft Master Plan and SEPP SPP amendment establish significant floor space and building height uplift for the site and identify the sites as tower zones.</p>

Element	Current Master Plan	Draft Master Plan	Comment
		<div>SEPP:</div> <div></div> <div>AA = 79 metres & AC = 102 metres</div>	
Setbacks	<div></div> <div><ul style="list-style-type: none">Northern Front Setback – 3mSouthern Front Setback - 5mTree to be retained in north east corner of Site 45A.</div>	<div></div> <div><div><div>Key</div><div><div><div> New Site Boundary</div><div> Building Zone</div><div> Public Domain</div><div> Build to Line (Minimum 90%)</div></div><div><div> Front Setback – 3m</div><div> Front Setback – 5m</div><div> Front Setback – 8m</div><div> Setback above 8 Storeys – 5m minimum & 10m maximum</div></div><div><div>Note: All other frontages setback 2m above 6 storeys</div><div><div> View Corridor – 20m wide</div><div> Trees to be Retained</div><div> Land Dedicated for ICF Funded Streets</div><div> Land Dedicated for Development Funded Streets</div><div> Landscaped Urban Forecourt Setback, Publicly Accessible</div></div></div></div><div><div>North</div><div></div><div><div>Scale</div><div><div>0</div><div>75m</div><div>150m</div></div></div></div></div><div>A proportion of Site 45A (north east corner) is now required to be dedicated as an ‘Landscaped Urban Forecourt’, which is publicly accessible.</div></div>	

4. KEY ISSUES

4.1.1. New East-West Service Road

The draft Master Plan 2030 alters the road layout and site boundaries of the existing Site 45; a “New Service Road” now transects site 45A and 45B to form 4 separate development parcels Site 45A, 45B, 45C and 45D. We understand that the new street is to improve connectivity, produce a finer grain network, promote pedestrian activity, active street frontages and provide a separate service access.

We have three concerns with the new service road:

- (a) The ICF has been updated to account for the local infrastructure required for the proposed draft Master Plan changes. SOPA will now seek both land and monetary contributions from developers for land to which the ICF applies. Kador Group will be required to dedicate the land for the service road free for a public purpose.
- (b) The service road will result in a reduction of net developable area of the site and fragment the site into 4 separate development parcels. As a result of this, Site 45B and 45D may not be of a size or dimension to develop a standalone residential building or commercial building with floor plates that are economically and commercially viable.
- (c) It is noted in the SOPA Local Infrastructure Contributions Framework that:

“SOPA does not accept the dedication of land in part or in full satisfaction of a requirement for a monetary contribution under the ICF, as any requirement to dedicate land (whether under free-hold or lease-hold) includes the transfer of applicable development potential to the balance of the development site”.

If the additional FSR and height permitted on the subject site under the SSP SEPP is intended to provide a form of compensation for the requirement to hand over the new service road, we question whether the maximum FSR allocated to the site is sufficient for that purpose. We question this on the basis of the inequitable distribution of land to be dedicated for new roads and the same FSRs shown on land surrounding the site. For instance Site 53 to the south of the subject site has only part of a new street along its western boundary, however has the same maximum FSR as the subject site.

Recommendation:

Removal of the east-west service road and consider alternative options for improved access including shared site basements and basements under public domain including roads.

If the new service road is to remain a requirement of the Master Plan 2030, additional GFA for the subject site that is at least equivalent to the area of the north/south street and new service road is recommended, in recognition that the site has a disproportionate amount of land that is to be transferred to SOPA for new roads.

4.1.2. Inconsistent Land Use Zoning

The draft Master Plan 2030 proposes changes to the land use categorisation on site, changing from a site with commercial and residential land uses to essentially five fragmented sites that are either mixed use, commercial or residential.

The different land uses fragment Site 45.

Figure 1, an extract from the Draft Master Plan, illustrates an indicative precinct plan.

- 45A: The zone of site 45B is appropriate. However, it would be more desirable if the east-west service road was removed to provide a large site as provided in the current Master Plan 2030.
- 45B: The illustration assumes amalgamation of Site 46B and 45B to form a functional development parcel to accommodate a podium and one tower. The master plan acknowledges that site 45B is unviable without amalgamation and cannot support a tower.

Further, the site has two land use zones (mixed use and commercial) that further fragment the site and constrain development opportunities. The northern proportion of the site is not appropriate for a commercial building, as the site would not be able to accommodate large floor plates conducive for commercial or mixed use functionality.

- 45C: The zone of site 45B is appropriate. However, it would be more desirable if the east-west service road was removed to provide a larger development site as provided in the current master plan.
- 45D: The illustration assumes amalgamation of Site 46D and 45D to form a functional development parcel to accommodate a podium and one tower. The draft master plan acknowledges that site 45B is unviable without amalgamation and cannot support a tower. The site would not be able to accommodate a residential flat building as the size of the site is not conducive for development.

FIGURE 1 – TOWN CENTRE PRECINCT ILLUSTRATIVE PLAN: APPROXIMATE LOCATION OF SITE 45



Source: draft Master Plan 2030

Recommendation:

To create a consistent site, Kador request that Site 45 in its entirety be classified as mixed use that would permit shop top housing above ground level retail uses.

4.1.3. Landscaped Urban Forecourt on Site 45A

A proportion of Site 45A (north east corner) is required to be a “Landscaped Urban Forecourt”, which is publicly accessible. The aim of the new urban forecourt as outlined in the draft Master Plan 2030 is to protect and retain existing significant trees.

The requirement for an urban forecourt adds additional constraint to the subject site, restricting the design and functionality of the podium and tower located on Site 45A.

Recommendation:

Provide greater clarity on the process of dedication and outline design expectation regarding the embellishments of the space. Consider removing the requirement for a publicly accessible forecourt and keep the provision of tree retention, this provides flexibility and reduces site constraints.

4.1.4. Contributions

SIC Framework

As the draft SIC framework has not been finalised at the time of the release of the Draft Master Plan 2030 and is due for public exhibition at the end of 2016, Kador Group reserves the right to make a submission when the framework is released to the public for exhibition.

Recommendation:

Kador Group requests that the SIC framework outline the rational and feasibility behind the contribution, as well as consideration be given to the economic impacts caused by the additional contribution and how the contribution may impact the development potential of the site.

ICF Framework

Attachment B of the Sydney Olympic Park Local Infrastructure Contribution Framework (ICF) outlines the development potential of sites affected by the ICF. The schedule shows each site’s current (2016) level of development and maximum development potential.

Site 45 is identified to provide a maximum of 61,588m² of total GFA, of which 59,588m² is identified for residential use and 2,000m² for retail use. This breakdown of land uses is inconsistent with the Central Precinct Land Use Plan that identifies the site for Mixed Commercial/Residential/Hotel and Serviced Apartments, Commercial and Residential.

Recommendation:

The inconsistency between the planning controls and the Attachment B of the ICF be rectified. The allocation of residential use identified in the Attachment B of the ICF is supported by Kador Group.

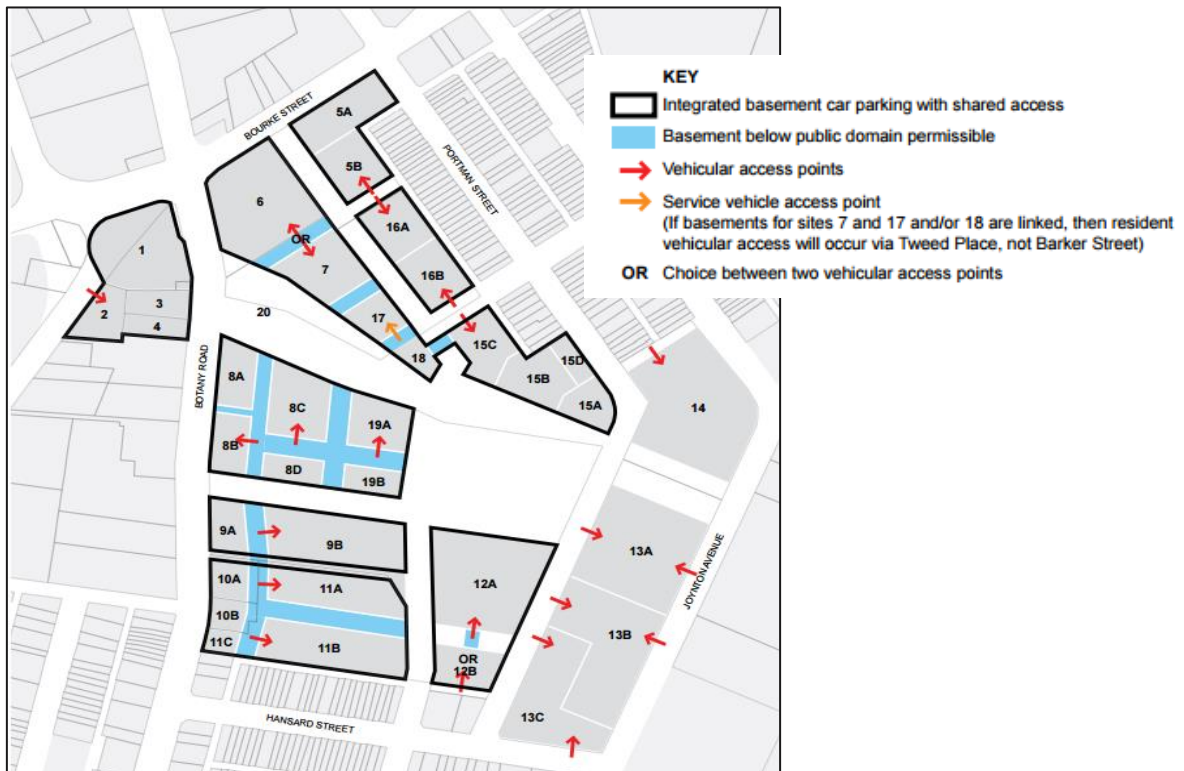
4.1.5. Integrated basements and basement below public domain permissible

We recommend SOPA consider the inclusion of a development control within the Master Plan 2030 that permits integrated basements and basements below public domain including roads. This provision would eliminate the requirement for separate basements for each development site, some

of which have dimensions that are not conducive to feasible development outcomes and the removal of the new east-west service road and reduce vehicular access points.

The City of Sydney Green Square Town Centre DCP 2012 permits integrated basements over multiple development sites. Figure 2 highlights the arrangements permitted at Green Square.

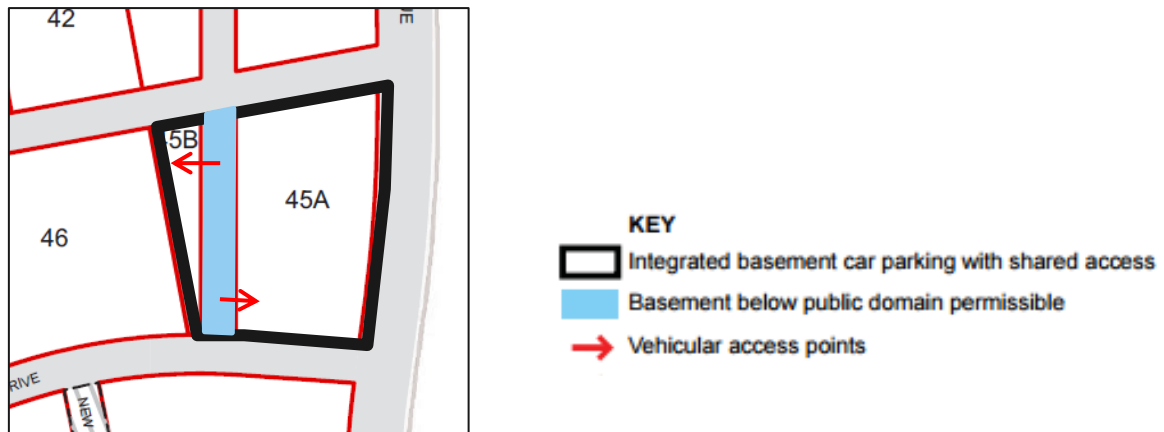
FIGURE 2 – INTEGRATED BASEMENT CAR PARKING (SOURCE: CITY OF SYDNEY GREEN SQUARE TOWN CENTRE DCP)



Source: Green Square Town Centre DCP 2012

Figure 3 illustrates the proposed access and basement arrangements for Site 45; the proposal eliminates the requirement for the east-west service road whilst not requiring additional access points from Australia Avenue. Permitting the basement below the public domain will reduce the amount of evacuation and required basement levels. Overall, this outcome will allow feasible and functional basement footprints.

FIGURE 3 – PROPOSED BASEMENT AND ACCESS ARRANGEMENTS (SOURCE: SYDNEY OLYMPIC PARK MASTER PLAN 2030)



5. CONCLUSION

This submission has identified significant impacts on 1 Figtree Street as a result of the draft Master Plan 2030. Kador Group is concerned that the Draft Sydney Olympic Master Plan 2030 (2016 Review) and Draft Amendments to SEPP (State Significant Precincts) 2005 have not adequately response to concerned raised during previous landowner consultation.

We recognise the overall vision as the amendments have the potential to activate and energise the town centre. However, as a minimum, we request the following:

- Removal of the east-west service road to avoid site fragmentation and sterilisation;
- Reclassification of land uses to permit Mixed Commercial/Residential/Hotel and Serviced Apartments over Site 45 in its entirety;
- Provide greater clarification and design guidance for the “Landscaped Urban Forecourt” located on the north-east proportion of Site 45A.
- Rectification of the inconsistency between the ICF and the planning controls.
- Implementation of a development provision to permit integrated basements and basements under road.



We welcome the opportunity to further outline and discuss these important concerns raised in this submission. If you have any questions please don't hesitate to contact me on 8233 9953.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Murray Donaldson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Murray Donaldson
Director

cc. Mark Ross, General Manager, Kador Group