

Attachment A24

Social and community needs assessment

Social and Community Needs Assessment

150 Day Street, Sydney

Prepared for
Success Venture (Darling Harbour) Unit Trust

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Project director

Sean Perry

Contributors

Joshua Murray

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Contact

MECONE

Suite 1204b, Level 12, 179 Elizabeth Street
Sydney, New South Wales 2000

info@mecone.com.au
mecone.com.au

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1 Introduction

1.1 Purpose of this report

This Social and Community Needs Assessment has been prepared by Mecone Group Pty Ltd on behalf of UOL Group to support a Planning Proposal for 150 Day Street, Sydney, NSW. It provides an evidence-based analysis of the social and community infrastructure requirements that may arise from the proposed development. In doing so, it aims to ensure that the local area has sufficient capacity to accommodate an increase in residents, students, or employees, and that these new community members will have appropriate access to essential facilities, services, and open space.

1.2 Scope and approach

This Social and Community Needs Assessment addresses the following questions, identified in the Department of Planning, Housing and Infrastructure ('DPHI') *Local Environmental Plan Making Guidelines* (August 2023)¹:

1. *Identifying the impact on existing social infrastructure, such as schools and hospitals.*
2. *Identifying the need for public open space or impacts on green infrastructure.*
3. *Identifying measures to mitigate any adverse social impacts, where necessary, and whether additional studies are required.*
4. *Addressing whether existing social infrastructure is adequate to serve or meet the needs of the proposal and how any predicted shortfall in infrastructure provision could be met.*

To respond to these requirements, the Assessment:

- Develops an understanding of the current community infrastructure provision within the City of Sydney (LGA) – and Sydney CBD – and their performance and role within the relevant region, district and locality
- Identifies infrastructure needs/gaps within the precinct and recommends actions and mechanisms to address them through delivery as part of this project, and
- Highlights best value community infrastructure delivery opportunities to inform potential inclusions in future infrastructure planning for the Proposal.

The approach taken to this study is based on established practice in community infrastructure planning which involves two core stages of analysis:

- Quantitative analysis of demand for infrastructure typologies generated by additional populations of residents, workers and visitors envisaged by a Planning Proposal,
- Qualitative analysis of:
 - the geographic distribution of supply from a population equity and accessibility/walkability perspective, and

¹ Refer esp. Table 3 regarding questions to consider when demonstrating justification for a proposal.



- the quality of supply (whether infrastructure is fit for purpose/ in need of maintenance etc).

1.3 Study areas applied

Social planning typically considers two primary typology levels:

- **Primary study area:** considers a local catchment of infrastructure to serve the daily needs of the community. The infrastructure is typically of a smaller scale and floorspace.
- **Secondary study area:** considers district and/or regional infrastructure needs. This infrastructure is typically accessed on special occasions, and is of a larger scale and catchment size.

This Assessment has selected the following study areas to best identify and appraise infrastructure impacts generated by this Planning Proposal:

- **Primary study area:** Due to data limitations, two study areas have been selected for the primary study area. These are:
 - Sydney SAL: representing the local CBD area for the purposes of understanding baseline population demographics and likely existing demand on infrastructure
 - CBD-Harbour and Chinatown-CBD South Village Areas: representing a more fine-grain view of local CBD area for purposes of future population changes and to understand variation within the primary study area, noting that the site sits at the boundary between these two 'village' geographies.
- **Secondary study area:** City of Sydney LGA

1.4 Assessment requirements

Source	Requirement	Where addressed
DPHI <i>Local Environmental Plan Making Guidelines</i> (August 2023) Attachment C – 'Supporting Technical Information'	Social and community needs assessment, which addresses the following: • Demographic context • Existing social infrastructure (i.e. local facilities including shopping and neighbourhood services, schools, childcare, community facilities, open space and recreation facilities), district and regional facilities need for the proposal (if proposal is responding to a particular need including additional housing, employment, education etc) • Housing and population projections (to support the assessment particularly if housing is proposed) • Demand for social and community facilities • Funding approach and delivery arrangements for local, district and regional facilities • Requirements for open space and recreation facilities (if relevant) including likely needs, quantum of open space, dual use of open space, delivery and funding arrangements • Housing diversity and affordability (if residential is proposed and/or the proposal results in the displacement of existing residents and businesses).	This report comprehensively addresses these requirements. The following sections can be referred to for each requirement, respectively: • Section 2: Demographic context; housing and population projections • Section 4.1: Existing social infrastructure • Section 4.3: District and regional facilities need for the proposal • Section 4.4, 4.5: Demand for social and community facilities; Requirements for open space and recreation facilities • Section 5: Housing diversity and affordability.



2 Baseline context

2.1 Current population

Population size and growth

Sydney SAL's population was estimated at 16,667 in 2021,² marking a 3.4% decrease from 17,252 in 2016.³ While specific projections at the Statistical Area Level (SAL) are unavailable, broader projections at the Local Government Area (LGA) level reveal substantial growth. The population of the LGA is expected to increase from 232,438 in 2025 to 304,049 by 2046,⁴ highlighting the importance of forward planning to address the growing social infrastructure needs of the community.

Age profile

The age distribution of a population offers valuable insights into community needs and vulnerabilities. For example, young children under four and older adults aged 65 and above are generally more susceptible to health risks, while older populations may be less adaptable to change. In 2021, the median age within the Sydney SAL was 32 years,⁵ notably younger than the median age of 34 across the City of Sydney LGA⁶ and 39 across New South Wales.

A closer analysis of age groups in Sydney SAL compared to the broader City of Sydney highlights several distinct trends. Sydney SAL had a smaller proportion of younger residents aged 0–17 and a lower proportion of older residents aged 60 and above. Conversely, the area recorded a higher percentage of "young workforce" residents, comprising 39.2% of the population compared to 32.2% in the City of Sydney. Additionally, there were smaller proportions of "empty nesters and retirees" (5.0% vs. 7.1%), "older workers and pre-retirees" (7.7% vs. 9.6%), and "seniors" (4.0% vs. 5.5%).

These trends paint a picture of a predominantly younger, workforce-driven population. This demographic composition suggests a need for infrastructure and services tailored to the demands of a vibrant, working-age community, while also considering the emerging needs of families and the gradual aging of the population.

Housing composition

An analysis of dwelling types in Sydney SAL in 2021 reveals that 0.1% of all dwellings were separate houses, 0.9% were medium density, and 97.9% were high density.⁷ In contrast, the City of Sydney had 1.9% separate houses, 19.9% medium density dwellings, and 77.1% high density dwellings.⁸

Between 2016 and 2021, the total number of dwellings in Sydney grew by 1,523. The most significant changes in dwelling types over this period were:

- High density: +1,671 dwellings

² ABS 2021 Census, Sydney SAL – Quickstats

³ ABS 2016 Census, Sydney SAL – Quickstats

⁴ .id, informed decisions, City of Sydney population forecasts

⁵ ABS 2021 Census, Sydney SAL – Quickstats

⁶ ABS 2021 Census, Sydney LGA – Quickstats

⁷ ABS 2021 Census, Sydney SAL – Quickstats

⁸ ABS 2021 Census, Sydney LGA – Quickstats



- Other: -263 dwellings
- Medium density: +84 dwellings

In 2021, 23% of households in Sydney were purchasing or fully owned their homes, 66.8% were renting privately, and 0.2% were in social housing.

2.1.1 Socio-economic advantage and disadvantage

The Socio-Economic Indexes for Areas (SEIFA), developed by the Australian Bureau of Statistics (ABS), provide insights into levels of advantage and disadvantage based on access to material and social resources and the capacity to participate in society. While the Study Areas are generally affluent, pockets of relative disadvantage are present, particularly in the Southern CBD, Haymarket, and Ultimo areas.

The ABS advises that SEIFA scores should be viewed as contextual indicators of an area's relative advantage or disadvantage, rather than definitive measures of individual circumstances. For instance, while some SA1s may reflect higher levels of advantage, this does not imply that all residents in these areas are advantaged, and the same applies to disadvantaged areas.

The Index of Relative Disadvantage considers factors such as income, employment, occupation, education, housing, and English proficiency, as illustrated in Figure 1. The site's SA1 is ranked in SEIFA quintile 5, indicating it is among the most advantaged areas.⁹

⁹ ABS 2021 Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA). [Link](#)

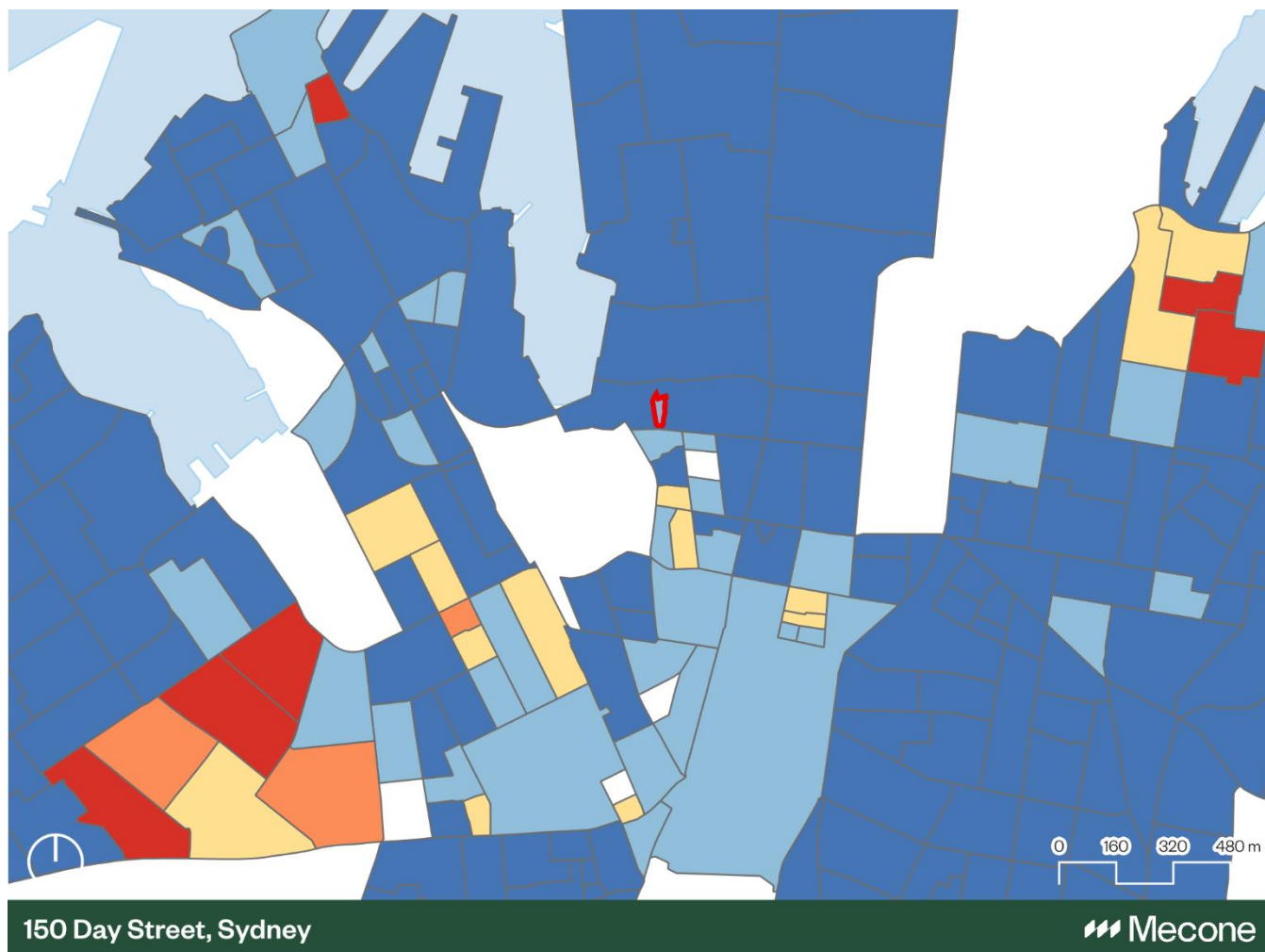


Figure 1: Distribution of socio-economic advantage and disadvantage

Source: ABS Census of Population and Housing (2021)

2.2 Future population

City of Sydney population and household forecasts have been undertaken by .id, informed decisions, on behalf of the City of Sydney and were last updated in December 2024. Population forecasts have been broken down by age, and are shown in



Table 1 and Table 2 below.

CBD-Harbour and Chinatown-CBD South

To estimate future population trends, the CBD-Harbour and Chinatown-CBD South village areas have been utilised. These areas were chosen because the site is situated on their border, and long-term population projections for the Sydney SAL are not available through to 2046. This approach ensures a comprehensive understanding of demographic trends influencing the site and its surrounding context.

Current estimates of the 2025 population show that the CBD-Harbour and Chinatown-CBD South village areas have a current resident population of 32,563.¹⁰ This accounts for approximately 14.0% of the City of Sydney's population, estimated at 232,438 persons for the same year.

Forecast population estimates for the village areas project that the resident population will increase by +23,949 residents between 2025 and 2046, reaching a total population of 56,512. This growth represents an average annual increase of 3.35% per annum.¹¹

Characteristics of population growth by age within the Village Areas include:¹²

- **Young adults (25–29 years):** The largest increase, with +4,414 residents, highlighting significant growth in this demographic.
- **Middle-aged adults (30–49 years):** A substantial rise of +11,700 individuals, reflecting the area's growing appeal to professionals and families.
- **Children and youth (under 20 years):** A modest increase of +1,854 residents, suggesting positive but limited growth in family households.
- **Elderly population (85 years and over):** An increase of +310 individuals, pointing to a gradual aging of the population.

These trends underscore the Village area's transformation into a hub for young professionals, families, and a growing workforce, while maintaining a modest increase in the elderly demographic.

Figure 2: Forecast change in age structure in CBD-Harbour and Chinatown-CBD South (2025-2046)

Source: .id, informed decisions

¹⁰ .id, informed decisions. City of Sydney, Population, households and dwellings. [Link](#)

¹¹ Ibid

¹² .id, informed decisions. City of Sydney, Population and age structure. [Link](#)



Forecast change in age structure in CBD-Harbour and Chinatown-CBD South
(2025-2046)

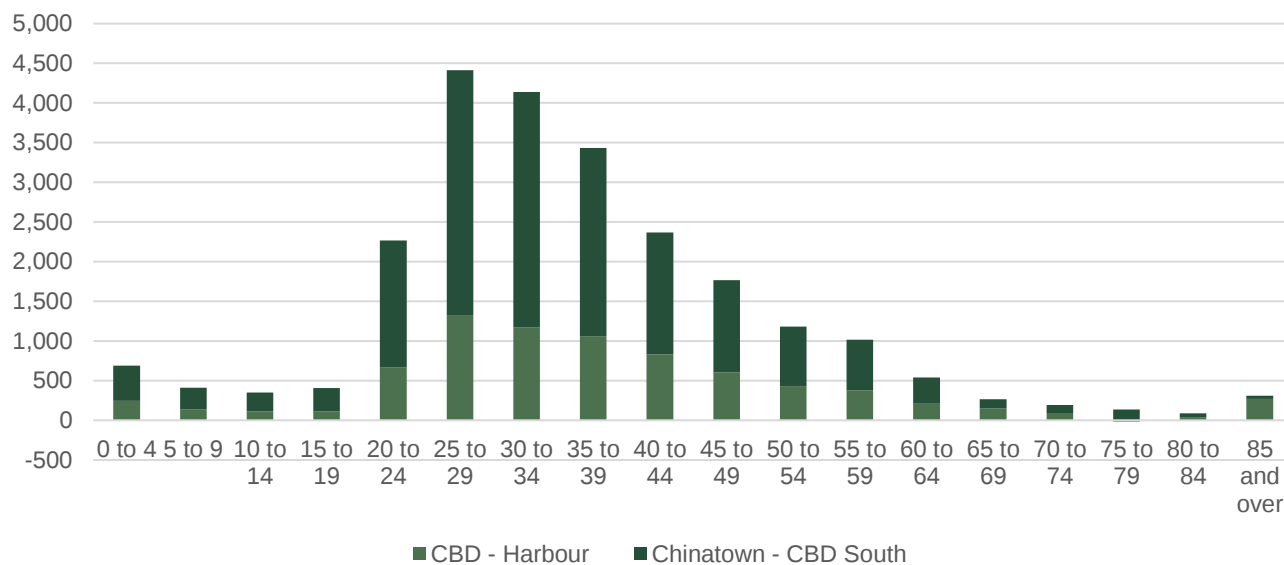




Table 1: Population forecast, CBD-Harbour and Chinatown-CBD South age profile (2025-2046)

Source: .id, informed decisions

Age group	2025				2046				2025-2046
	CBD-Harbour		Chinatown-CBD South		CBD-Harbour		Chinatown-CBD South		Total change
	No.	%	No.	%	No.	%	No.	%	No.
0 to 4	232	2.2	553	2.5	479	2.6	994	2.6	+689
5 to 9	151	1.5	328	1.5	288	1.6	600	1.6	+409
10 to 14	114	1.1	258	1.2	225	1.2	496	1.3	+349
15 to 19	266	2.6	851	3.8	377	2.1	1,148	3.0	+407
20 to 24	1,232	11.8	3,120	14.1	1,901	10.4	4,717	12.3	+2,267
25 to 29	1,862	17.9	4,534	20.5	3,187	17.5	7,622	19.9	+4,414
30 to 34	1,454	14.0	4,200	18.9	2,624	14.4	7,167	18.7	+4,137
35 to 39	1,168	11.2	2,899	13.1	2,227	12.2	5,270	13.8	+3,431
40 to 44	814	7.8	1,811	8.2	1,645	9.0	3,346	8.7	+2,366
45 to 49	527	5.1	998	4.5	1,130	6.2	2,161	5.6	+1,766
50 to 54	523	5.0	668	3.0	952	5.2	1,422	3.7	+1,182
55 to 59	386	3.7	490	2.2	766	4.2	1,127	2.9	+1,016
60 to 64	412	4.0	439	2.0	620	3.4	771	2.0	+540
65 to 69	371	3.6	358	1.6	521	2.9	475	1.2	+267
70 to 74	265	2.6	294	1.3	356	2.0	397	1.0	+194
75 to 79	293	2.8	177	0.8	275	1.5	312	0.8	+117
80 to 84	183	1.8	92	0.4	221	1.2	142	0.4	+88
85 years +	145	1.4	96	0.4	416	2.3	135	0.4	+310
Total	10,397	100.0	22,166	100.0	18,210	100.0	38,302	100.0	+23,949

City of Sydney LGA

The projected Village Area's population growth will account for 33.4% of the estimated growth in the City of Sydney, which is forecast to increase by +71,611 residents between 2025 and 2046. In total, the City of Sydney resident population is forecast to grow to 304,049 by 2046, increasing at an average annual rate of 1.27% per annum.

Similarly to Sydney SAL, a large share of growth within the LGA is forecast to occur in residents aged 20–34 years, with significant increases in the 25–29 (+10,049 persons) and 30–34 (+9,054 persons) age groups. Notably, while the 35–49 years cohort will also see strong growth, particularly in the 35–39 (+7,842 persons) and 45–49 (+5,657 persons) groups, the share of young adults aged 20–34 will remain high, accounting for a significant portion of the population in 2046.

Older adults will also experience noticeable growth, with the 85+ age group projected to increase by +2,669 persons, suggesting an aging population. This shift reflects longer life expectancy and improved healthcare, alongside growing demand for services catering to older residents.

These trends are influenced by factors such as ongoing migration into the LGA, particularly among young professionals, families, and retirees seeking urban amenities. However, there may also be challenges related to housing affordability and the provision of age-appropriate services as the population grows across different age groups.



Table 2: Population forecast, City of Sydney Population age profile (2025-2046)

Source: .id, informed decisions

Age group	2025		2046		2025-2046
	No.	%	No.	%	Total change (no.)
0 to 4	8,109	3.5	10,778	3.5	+2,669
5 to 9	5,073	2.2	6,970	2.3	+1,898
10 to 14	4,310	1.9	5,518	1.8	+1,208
15 to 19	9,313	4.0	11,261	3.7	+1,949
20 to 24	25,690	11.1	32,743	10.8	+7,054
25 to 29	36,535	15.7	46,585	15.3	+10,049
30 to 34	34,794	15.0	43,848	14.4	+9,054
35 to 39	25,823	11.1	33,665	11.1	+7,842
40 to 44	18,285	7.9	23,849	7.8	+5,564
45 to 49	12,685	5.5	18,342	6.0	+5,657
50 to 54	11,344	4.9	15,315	5.0	+3,971
55 to 59	9,391	4.0	13,368	4.4	+3,978
60 to 64	8,690	3.7	10,959	3.6	+2,269
65 to 69	7,093	3.1	8,511	2.8	+1,417
70 to 74	5,731	2.5	7,073	2.3	+1,342
75 to 79	4,553	2.0	5,808	1.9	+1,255
80 to 84	2,683	1.2	4,449	1.5	+1,767
85 years +	2,338	1.0	5,006	1.6	+2,669
Total	232,438	100.0	304,049	100	+71,611



3 Overview of the Proposal

The planning proposal for the existing Park Royal Hotel at 150 Day Street, Sydney (the site), involves an ambitious upgrade and expansion of the existing hotel. This project aims to enhance the existing hotel offering while introducing a new, distinct hotel experience above the current structure, enabling the coexistence of the existing Park Royal and a new Pan Pacific Hotel on the same site. Strategically positioned at the edge of the City of Sydney, the development reinforces the city's entry into Darling Harbour by maintaining and emphasising the city wall characteristic of this prominent location.

The project is defined by 3 key principles – maximising adaptive reuse (setting a benchmark for future developments in Sydney), energising the Sydney visitor economy, and significantly enhancing the greening of both the public realm and the skyline, in alignment with the City of Sydney's sustainability goals. Achieving this vision involves expanding the existing core to support the new hotel above, employing a 'strip to structure' approach from ground to Level 02 to facilitate amenity upgrades, lightly refurbishing existing hotel rooms, and comprehensively upgrading all building services. This initiative aims to establish a contemporary hotel destination while setting a new standard for sustainable urban redevelopment.

To achieve the intended outcomes, this planning proposal seeks to amend the Sydney Local Environmental Plan 2012 (the LEP) by inserting a new site-specific clause for the subject site under Part 6 Division 5 Site specific provisions to:

- allow a maximum building height of 85 metres,
- permit a maximum floor space ratio of 13.5:1 for hotel and associated land uses,
- restrict use to employment/hotel use and not residential accommodation or serviced apartments.

The Planning Proposal is supported by a site-specific Development Control Plan (DCP) and reference design scheme, prepared by Hassell. Key elements of the site specific DCP and reference design include:

- Renovation of existing 2 level basement and existing 11 storey hotel, with the addition of a new 11 storey hotel above (including a transfer floor between the two structures), and a rooftop plant floor resulting:
 - Two hotel brand offerings – Park Royal Hotel (3.5 star) and Pan Pacific Hotel (5 star)
 - 90-540 hotel keys with gross floor area of ~30,000m²
 - Upgrade existing infrastructure and services (including new lift core),
 - New and upgraded hotel facilities (including lobby, dining areas, meeting rooms, ball room, gymnasium, bar and restaurants, and pool).
 - Removal existing Porte Cochere and exit ramp resulting in single vehicle entry/exit ramp from Day Street to be used by valet only.
- Ground floor public domain, public art and landscaping design, and
- Significant greening and landscaping of western façade.



4 Social infrastructure needs assessment

4.1 Existing social infrastructure

A review of the existing local social infrastructure has been undertaken to inform this Social and Community Needs Assessment. An overview of the local social infrastructure context is provided below, identifying key social infrastructure within a local 800m catchment of the site (a distance equivalent to a 10-minute walk). A map illustrating the approximate area is shown in Figure 3 over page.

The Sydney CBD locality comprises a concentration of social infrastructure. As a regionally and nationally significant centre, there are a number of state and district level social infrastructure and various heritage, cultural, or built form landmarks within walking distance from the site, for example Sydney Town Hall, the Powerhouse Museum, National Maritime Museum, the International Convention Centre, and the Queen Victoria Building. There are various other historic sites and monuments distributed within the locality.

The locality also includes popular open spaces, such as Darling Harbour foreshore, Tumbalong Park, and Town Hall Square. Whilst the locality primarily functions as an employment and visitor destination, there is a range of social infrastructure located within walking distance of the site, such as a small number of childcare centres, schools and medical centres within walking distance of the site. City of Sydney community assets within walking distance include the Darling Square library, Town Hall library link and Community Service Hub, and Ultimo Community Centre.



LOCAL CONTEXT MAP

Legend

Site outline	Train station	Rail line	Hospital	Shopping centre
Recreation	Light rail stop	Metro line	Library	Swimming pool
Bus stops	Ferry wharf	Light rail line	Primary/secondary school	
Metro station			Tertiary education facility	
			Museum/gallery	

Figure 3: Local context

Source: Mecone



The following categories of social infrastructure relevant to the project are identified as being within walking distance of the site:

- **Parks, open space and recreational facilities:** There are several parks and open spaces within 800 meters of the site, of varying significance. Some of the most accessible for this site include Tumbalong Park, Town Hall Square, Darling Harbour and Barangaroo Foreshores, and Darling Park.
- **Community facilities:** There are five community facilities within walking distance of the site, including Town Hall library link, Town hall Community services hub, Ultimo Library, Ultimo Community Centre, and the Darling Exchange library. Note that there are numerous privately owned community and social spaces within the study area on top of the public provision.
- **Cultural facilities and tourist attractions:** The site is located on the perimeter of Darling Harbour, a popular tourist and cultural destination. The site therefore includes a host of significant creative and cultural facilities, including the Powerhouse Museum, National Maritime Museum, Harris Street Motor Museum, the Chinese Garden of Friendship, Sydney Wildlife World, Sydney Aquarium and the International Convention Centre facilities.
- **Emergency services:** Emergency services within walking distance of the site include fire stations in Sydney and Pyrmont, and City Central and Town Hall Police Stations.
- **Health care facilities:** There are some medical centres and primary care services within walking distance of the site. The closest are bunched around George Street South, next to Town Hall Square and the Pitt Street Mall precinct. MyHealth Darling Square, MyHealth Sydney CBD, and World Square CBD Medical Centre are some of the most significant and proximate to the site.
- **Child care facilities:** There are numerous childcare facilities located throughout the 800m catchment, spread throughout Pyrmont, Ultimo, Darling Square and Sydney CBD. Many of these services, particularly in the CBD, cater towards city workers.
- **Educational facilities:** There are a range of educational facilities near the site. Primary and secondary schools include St Andrew's Cathedral School, Ultimo Public School, Australian International high School and Macquarie Grammar School. Many major metropolitan universities have CBD campuses in proximity, including the University of Sydney, University of Technology, Macquarie University, and the University of Newcastle.
- **Places of worship:** Places of worship catering for all major religious and denominational beliefs are located in proximity to the site. These include the St Andrew's Cathedral, Central Baptist Church, St Peter Julian's Catholic Church, The Great Synagogue, St George's Presbyterian Church of Eastern Australia, Pitt Street Uniting Church, St James Church, and Darling Exchange Muslim Prayer Room.
- **Civic facilities:** There are numerous civic facilities in walking distance to the site, including Sydney Town Hall, numerous post offices and local, district, and supreme courts.



4.2 City of Sydney social infrastructure priorities

The City of Sydney's social infrastructure priorities aim to foster community connection, enhance quality of life, and adapt to the evolving needs of its diverse population.

The following strategic policy review highlights several key areas related to City of Sydney's social infrastructure priorities.

Table 3: Key City of Sydney social infrastructure priorities

Theme	Summary	Relevant policy or strategy
Enhancing CBD amenity	Improving public spaces and amenities is essential to attract global talent and businesses. The City's Draft Economic Development Strategy 2025-2035 prioritises infrastructure and services that enhance liveability and attract skilled workers.	• Our Greater Sydney 2056: Eastern City District Plan, Greater Sydney Commission (2018) • Draft Economic Development Strategy 2025-2035 (2024)
Diversifying economic, cultural, and social activities	The CBD's global role is supported by a vibrant mix of activities, including cultural, entertainment, and tourism. Policies promote affordable spaces for small businesses and startups, fostering innovation and economic growth.	• Our Greater Sydney 2056: Eastern City District Plan, Greater Sydney Commission (2018) • Draft Economic Development Strategy 2025-2035 (2024)
Darling Harbour as a key precinct	Recognised as a major cultural and recreational hub, Darling Harbour plays a significant role in Sydney's tourism and entertainment offerings, supporting world-class infrastructure and public spaces. 'City South' is envisioned to be a thriving theatre scene and destination for world class events such as SXSW Sydney, and a 24-hour economy attract people from around the world to come study, work, live and visit.	• Our Greater Sydney 2056: Eastern City District Plan, Greater Sydney Commission (2018) • City Plan 2036: Local strategic planning statement (City of Sydney, 2019) • Draft Economic Development Strategy 2025-2035 (2024)
Walkability and connectivity	The City of Sydney aims to enhance pedestrian safety and connectivity, ensuring all major centres, including the CBD, are walkable, safe, inclusive and vibrant. Improvements in public transport and infrastructure linkages, particularly around Darling Harbour, are priorities.	• City Plan 2036: Local strategic planning statement (City of Sydney, 2020) • Our Greater Sydney 2056: Eastern City District Plan, Greater Sydney Commission (2018) • City Plan 2036: Local strategic planning statement (City of Sydney, 2019) • Draft Economic Development Strategy 2025-2035 (2024)
Green infrastructure	The need for more green spaces is highlighted, with strategies focusing on creating connected green environments, increasing tree canopy coverage, and ensuring accessible open spaces within urban areas.	• Sustainable Sydney 2030-2050 (City of Sydney, 2023) • Greening Sydney Strategy (City of Sydney, 2021) • Greener Places, NSW Government Architect (2020)



		• Draft Economic Development Strategy 2025-2035 (2024)
Community wellbeing and liveability	Policies stress the importance of social sustainability, adaptable infrastructure, and equitable access to services, with a focus on building resilient and connected communities through high-quality social infrastructure. The City aims to provide a liveable environment that promotes wellbeing and social connectedness.	• City Plan 2036: Local strategic planning statement (City of Sydney, 2020) • A City for All: Towards a socially just and resilient Sydney (City of Sydney, 2019) • Draft Economic Development Strategy 2025-2035 (2024) • Eastern City District Plan (Greater Sydney Commission, 2018)

The City has undertaken a midpoint review of its 'A City for All' policy and action plan, which aims to create a socially just and equitable Sydney.¹³ This has allowed for a clearer definition of infrastructure priorities and a streamlined measurement framework for assessing social impact. One of the identified goals is to renew social infrastructure to align with changing community needs. This involves developing a principle-based social impact framework that prioritises quality of life and wellbeing, ensuring urban renewal projects yield positive social outcomes.

The following actions are outlined under the Liveable strategic direction:

- **Renew social infrastructure to meet changing community needs and aspirations (3.3):** Develop a principle-based social impact framework to guide our efforts, focusing on the quality of life and wellbeing of our communities. This goal is closely aligned with Action 3.2, which aims to enhance the positive impact of urban renewal and development.
- **Enhance walking and cycling infrastructure to support active lifestyles (3.11):** Promote a greener, more walkable city through the walking strategy and action plan. This will include projects such as improved crossings, street upgrades, road space reallocation, planting, and public domain enhancements along key walking routes.
- **Deliver inclusive sport, recreation, health, and wellbeing programs through community facilities (3.12):** Ensure that community infrastructure and public spaces support growth, learning, and social connections for young people. Continue to create opportunities for personal growth and connection within our communities, with a focus on inclusive spaces for young people.

¹³ City of Sydney (2024). A City for All Midpoint Review. [Link](#)



4.3 Need for this proposal

Under the LEP-Making Guidelines, a Social and Community Needs Assessment should appraise the social and economic justification for a proposal if responding to a particular community need (e.g. additional housing, employment, education etc.).

Sydney CBD is an international gateway with world-class tourism attractions. There are established tourism facilities and attractions close to the site, including Sydney Aquarium, Wild Life Sydney Zoo, Madame Tussauds Sydney, Australian National Maritime Museum, Chinese Garden of Friendship, Tumbalong Park, Darling Quarter Playground and cafes, and IMAX theatre.

Many businesses in Sydney CBD rely on income from tourists, including hotels, hospitality, entertainment, tour operators and cultural infrastructure. Over 10 million domestic overnight visitors, 25 million domestic day-trippers and 3.2 million international visitors come to experience Sydney each year, supporting around 8,000 businesses in the food and drink, retails and personal services, and tourist, cultural and leisure sectors.¹⁴

International visitor spend now sits at 98.5% of pre-pandemic levels after adjusting for inflation, outperforming the recovery of visitor arrivals and signalling a boost in high-value tourism. In part, growth in spend is driven by international visitors staying longer.¹⁵

According to the Floor Space and Employment Survey undertaken by the City of Sydney in 2022:¹⁶

- In 2022, 20,268 jobs in tourism, culture, and leisure were located in the CBD and Harbour, and the Chinatown and CBD South Villages, accounting for 60.6% of the total jobs in this sector across the LGA.
- Across the LGA, there was a 10.1% increase in the number of hotel rooms (20,372 to 22,435), a 5.7% increase in serviced apartments (5,800 to 6,131), and a 14.4% decrease in the number of backpacker beds (7,719 to 6,639) between 2017 and 2022.
- The tourism, cultural and leisure sector occupies the largest amount of occupied business floor space in the City of Sydney, with 3,087,307m² (18.5%). This is more than 1.3 million square metres more than the industry sector with next largest floor space area. The Tourist, cultural and leisure sector had the highest increase in floor area used, with an additional 175,797m² between 2017 and 2022 (an increase of 6.0%).

There is a clear strategic and socio-economic need for this proposal. Providing for additional and high-quality hotel floorspace, the Proposal supports:

1. The provision of a significant number of new rooms in an ideal location, contributing to meeting the Minns Government's goal of providing 40,000 additional hotel rooms in NSW by 2035.¹⁷
2. Supporting the City's strategic goals of reinforcing Darling Harbour as the City's premier tourism hub (refer Section 4.2 above).

¹⁴ City of Sydney (2024). Draft Economic Development Strategy 2025-2035. [Link](#).

¹⁵ City of Sydney (2024). City Economic Insights. [Link](#)

¹⁶ City of Sydney (2022). Floor space and employment survey. [Link](#)

¹⁷ See NSW Visitor Economic Strategy Review (NSW Government, 2024). [Link](#)



3. Adaptive re-use of existing hotel floorspace to minimise impacts on other land uses, while generating increased employment in the short and long term in line with economic development goals for the Sydney CBD.

4.4 Increased demand for infrastructure attributable to this Planning Proposal

The presence of hotel guests in urban and regional areas can influence local social infrastructure, encompassing transportation networks, public utilities, healthcare services, and community amenities. These impacts, while variable based on the capacity and preparedness of local infrastructure, are critical to consider in urban planning and tourism development.

The following are key areas where hotel guests are likely to increase demand on social infrastructure, based on a high-level literature review undertaken by Mecone:

- **Essential services:** Hotel guests contribute to heightened demand for essential public utilities such as water, electricity, and waste management. Research by Sharma (2024) underscores that urban areas experiencing high volumes of tourists often face strain on these services, particularly during peak seasons.¹⁸ Infrastructure originally designed to cater to resident populations may struggle to accommodate the additional load generated by transient visitors.
- **Transportation:** Tourism-driven increases in hotel occupancy directly impact transportation infrastructure. According to Puspasari and Haslinda (2024), the influx of hotel guests leads to greater reliance on both public and private transportation, resulting in congestion, delays, and accelerated wear and tear on road networks.¹⁹ This heightened demand necessitates increased maintenance and investment, potentially reducing the quality and accessibility of transportation for local residents.
- **Healthcare:** The presence of hotel guests can also affect the availability of local healthcare services. In cases of medical emergencies, tourists may depend on public healthcare systems, as observed by Ziari and Rafiemehr (2024).²⁰ This increased reliance can place additional pressure on healthcare facilities, particularly in smaller cities or regions with limited medical infrastructure, potentially diminishing access and quality of care for residents.
- **Recreational and cultural amenities:** Hotel guests often utilise local recreational facilities and cultural attractions, contributing positively to the local economy. However, this increased usage also necessitates higher operational and maintenance expenditures for these amenities. Rajha (2024) notes that in some cases, the higher costs and greater demand associated with maintaining such amenities can limit accessibility for residents, creating potential friction between tourists and local communities.²¹

¹⁸ Sharma, V. (2024). Role of Tourism for Socio-Economic Development of Jammu & Kashmir. *ResearchGate*. [Link to PDF](#)

¹⁹ Puspasari, E.Y., & Haslinda, N. (2024). Pilgrimage Tourism for Sustainable Rural Development. *E3S Web of Conferences*. [Link to PDF](#)

²⁰ Ziari, K., & Rafiemehr, H. (2024). Evaluation of Brand Indicators of Tourist Destinations. *Urban Tourism Journal*. [Link to article](#)

²¹ Rajha, R.A.D. (2024). Impact of Responsible Tourism Towards Environmental Sustainability. *The Scientific Temper*. [Link](#)



The impact on local social and community infrastructure from additional demand from visitors generated by this Proposal is expected to be insignificant. In making this conclusion, the following can be noted:

1. The Proposal is providing for additional visitor numbers in an inner-city context and in an area with a pronounced tourism focus. This means that there is extensive local and district infrastructure that is capable of accommodating for additional demand.
2. The Proposal is providing a number of visitor amenities on-site (refer Section 3.0 above for full description). This will lessen the impact of additional demand for recreation and cultural amenities.
3. The Proposal, providing up to 540 rooms, is less than 2% of the expected growth in residential population in the Sydney CBD. Residential uses generally generate more demand on local social, health and cultural infrastructure compared to visitors due to differences in infrastructure utilisation preferences.

While additional demand on local social and health services may not be significant from this Proposal alone, in cumulation with broader growth in Sydney's tourism sector, there may be significant impacts. These impacts will require consideration from relevant government agencies and has been identified in numerous planning documents, including as part of the recent NSW Government Review of the Visitor Economy Strategy 2030.

4.5 Potential impacts of proposal on existing and proposed social infrastructure items

Changes to a site facilitated by a Planning Proposal can sometimes result in temporary or permanent impacts to local and regional social and community infrastructure items in a local area. These impacts may be from either direct change to the urban environment, such as from increased construction activities or overshadowing of sensitive assets, or indirect, such as from changes to the local demographic character, rents and affordability, or competition over existing spaces.

The following table outlines possible impacts from the Proposal on existing open space, recreation, community and cultural assets identified in the baseline assessment (Section 4.1). 200m has been selected as the radius within which direct impacts are likely to be experienced. This is a commonly accepted radius for inner-city areas and is often utilised in environmental impact reporting on issues such as noise, dust and vibration.²²

²² See, eg., MacEwan, K. (2019). *Strategic Environmental Assessment for Gas Pipeline Development*; Yevugah, L. L., Bannerman, S. D., Duker, A. A., & Osei, E. M. Jnr. (2018). *Environmental Noise Implications of Quarrying at Buoho Township and Surrounding Communities in Ghana*; Rorke, A. J. (2011). *Blasting Impact Assessment*; Boshjakovic, M., Hrkać, F., Stoić, M., & Hradovi, I. (2024). *Environmental Impact of Wind Farms*; Mwale, T. (2015). *Phenomenology of Control Blasting in Close Proximity to Densely Populated Communities*.



Table 4: Potential impacts of proposal on existing and proposed social infrastructure items

Item	Likely impact	Assessment of significance
St Andrew's Cathedral School, BBC Campus	St Andrew's Cathedral School, Bishop Barry Centre (BBC) Campus Building located at 51 Druitt Street, Sydney is located approximately 50m from the project site. This proximity is likely to generate some noise, vibration, and visual impact. It is understood that the commercial grade building is constructed to withstand high levels of baseline city noise and activity. Further, it is understood that students are not permitted to access areas to the West of the building on Sussex Street and Day Street, and so additional construction vehicle movements are unlikely to impact students transiting between campuses.	Low. Impacts to be validated at the Development Application stage.
Town Hall Square	It is understood, on review of the Urban Design Report accompanying this Planning Proposal (Hassell, 2025), that the Proposal is compliant with the Town Hall solar plane and has incorporated setbacks to preserve solar access to this key public open space.	Negligible. No significant impacts expected to the use and enjoyment of Town Hall Square.
Kaz Incursions	Kaz Incursions is a children's theatre company that produces regular incursion for children aged 2 to 12. The shows occur during school hours, as an after school program, and during holidays. Kaz Incursions is located directly adjacent to 150 Day Street site, at 273 Sussex St NSW 2000. There may be impacts to the facility and the movements of school groups to and from the venue associated with construction activities to deliver this project. It is noted that these impacts are temporary and will be validated in detail at the Development Application stage.	Moderate. Impacts should be validated at Development Application stage. Social Impact Assessment to include direct engagement with Kaz Incursions venue.
IMAX Sydney	While the IMAX Theatre is located in close proximity to the 150 Day Street site (approx.100m), it is separated by a busy motorway. Any construction noise associated with this proposal is unlikely to be perceptible within the theatre given its extensive noise insulation and given the existing noisy inner-city environment.	Low
Darling Harbour, inc. Tumbalong Park	The Urban Design Report (Hassell, 2025) details how this Proposal has been developed to preserve solar access to Darling Harbour and surrounding development. Additionally, the Proposal incorporates substantial public domain improvements that are intended to enhance access and enjoyment to Darling Harbour and Tumbalong Park.	Negligible. No significant impacts expected to the use and enjoyment of Darling Harbour.



5 Impacts on local housing diversity and affordability

The development of hotel floorspace has been closely studied in urban contexts for its potential effects on housing affordability and diversity. Research highlights both the challenges and opportunities posed by such developments.

Adding hotel capacity in urban areas can raise property values and rents in adjacent neighbourhoods. Wang (2024) notes that the growth of short-term rentals and hotel spaces contributes to gentrification, displacing lower-income residents and exacerbating housing affordability issues in regions with constrained housing supply.²³ Similarly, Nwakupda et al. (2024) argue that hospitality-focused developments can displace socioeconomically diverse families, prioritising tourism infrastructure over residential needs.²⁴

Additionally, hotel projects often reduce the potential for delivering diverse housing stock by occupying land that could have been used for mixed-income residential developments. Katsoni and Cassar (2024) observe that large-scale hotel developments frequently lead to a shift toward tourist-centric urban landscapes, reducing opportunities for local residential communities to thrive.²⁵

While these findings underscore the potential for hotel developments to impact housing affordability and diversity, they do not apply to this Proposal. In this case, the Proposal involves, in effect, the addition of floorspace to an existing hotel, rather than converting residential properties or occupying land otherwise designated for housing. **Since the project does not reduce housing supply or limit opportunities to deliver residential developments, its impact on housing affordability and diversity is negligible.**

²³ Wang, N. (2024). *Understanding the role of peer-to-peer accommodation in disrupting the neighbourhood: A new form of gentrification*. White Rose eTheses Online. [Link](#)

²⁴ Nwakupda, E.I., Berry-James, R.J.M. (2024). *Psychosocial dimensions of health, homelessness, and diverse families*. Handbook on Diversity, Elgar Online. [Link](#)

²⁵ Katsoni, V., Cassar, G. (2024). *Recent advancements in tourism business, technology, and social sciences*. Springer. [Link](#)



6 Concluding comments

This Social and Community Needs Assessment has conducted a thorough assessment of social and community infrastructure needs generated by this Planning Proposal.

Overall, it concludes that the proposed development at 150 Day Street, Sydney aligns with the City's strategic objectives while addressing potential social and community infrastructure needs. The analysis confirms that existing infrastructure within the area, including open spaces, community facilities, and transport networks, has sufficient capacity to accommodate the projected increase in visitors generated by the Proposal. Additionally, the Proposal includes on-site amenities to mitigate potential impacts on local services. The incremental demand generated by the project is minimal compared to broader residential and visitor growth, supporting the conclusion that it will generate negligible strain on public services, utilities, and cultural infrastructure.

Potential impacts, such as temporary disruptions during construction, have been identified and will be addressed at the Development Application stage, with measures to minimise noise, vibration, and overshadowing impacts on nearby assets.

Overall, the project's emphasis on adaptive reuse, sustainable urban design, and enhanced hotel offerings supports the revitalisation of the Sydney CBD and reinforces Darling Harbour as a premier tourism and cultural hub. It does so without adversely affecting housing diversity or affordability, given it is intensifying hotel use on an existing hotel site, thereby supporting community resilience and inclusivity. The project aims to set a benchmark for sustainable urban redevelopment and aligns with the City of Sydney's vision for a liveable, connected, and globally competitive city.