

# ANNEX I

## Environmental Impact Assessment

### Schedule III

(Screening according to S.L. 549.46)

<b>ERA Reference no.:</b>	EA 0040/19
<b>PA Reference nos.:</b>	(i) PA 1892/19 (ii) PA 0055/17
<b>Project Title:</b>	(i) To demolish the Go-Exchange building and excavate same site. To construct a 23 storey multi-purpose block housing 92 residential apartments, a hotel (Class 3B), swimming pool and amenities, retail (Class 4B), office (Class 4A) spaces and public open spaces. To restore and refurbish the underground vaults housing a Spa and extend the approved underground car park. To reorganise uses approved in PA 6955/17 to incorporate the addition of a residential floor at level 31, an amenity floor at level 32, a bar and swimming pools at roof level; resulting in an increase in the approved height of 8.11 m to reach an overall height of 121.06m above street level, the re-organisation of approved uses and lowering the height of the podium to 4 storeys.  (ii) To demolish the Go-Exchange Building and excavate the site as part of the phase 1 works forming part of the Mercury Towers Project.
<b>Location:</b>	Site at Mercury House Site and Go-Exchange Building, Triq San Gorg, Triq Sant Andrija, Triq Elija Zammit, Triq Gdida fi, Triq Sant'Andrija, San Giljan
<b>Screening date:</b>	August 2019

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## 1. Description of Proposal

### 1.1 Outline of project/development

1.1.1 The proposal seeks the demolition of the existing GO Exchange building, the excavation of six basement levels and the construction of a new high-rise building next to the 30-storey Mercury Tower approved on site through PA 6955/17. This tower is currently being constructed (photo 1 refers), however the new proposal also seeks to amend the development as approved through PA 6955/17 by:

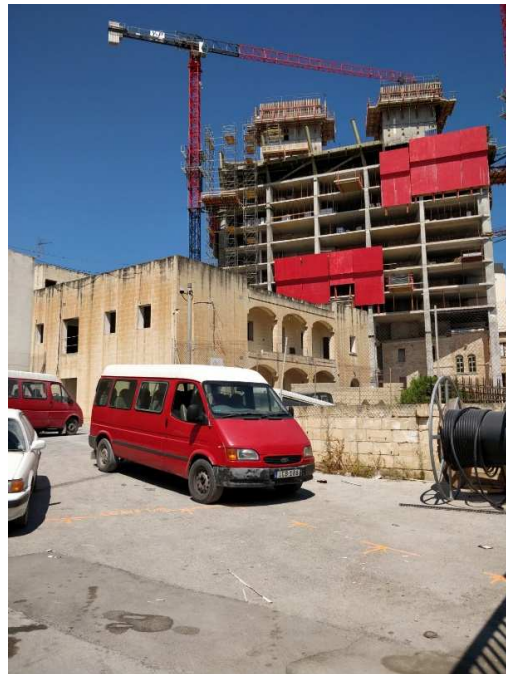
- the addition of three floors over and above the height of the 30-storey tower to accommodate more serviced apartments;
- the removal of the hotel and replacement of the area with serviced apartments; and
- the removal of the above ground retail component which originally formed part of the Mercury tower (photo 2 refers).

1.1.2 The two towers, that is the one approved through PA 6955/17 and the one being assessed through PA 1892/19, will be interconnected via a five-storey podium which will comprise the 5-star hotel, offices, amenities and retail uses. The hotel will only have 9 rooms whereas in PA 6955/17 the hotel was approved with 52 rooms and will be relocated to a podium. The central piazza approved in previous permits will be extended further to increase the public open space around the new tower. The latter will rise to a height of 23 floors to accommodate residential and commercial uses which will be distributed in two distinct building volumes (photo 3 refers). A 4-star hotel of 240 rooms and ancillary retail stores are proposed to occupy the entire commercial space in the tower (photo 3 refers). Car parking spaces – 227 in number, and back of house facilities are proposed to occupy five underground levels.

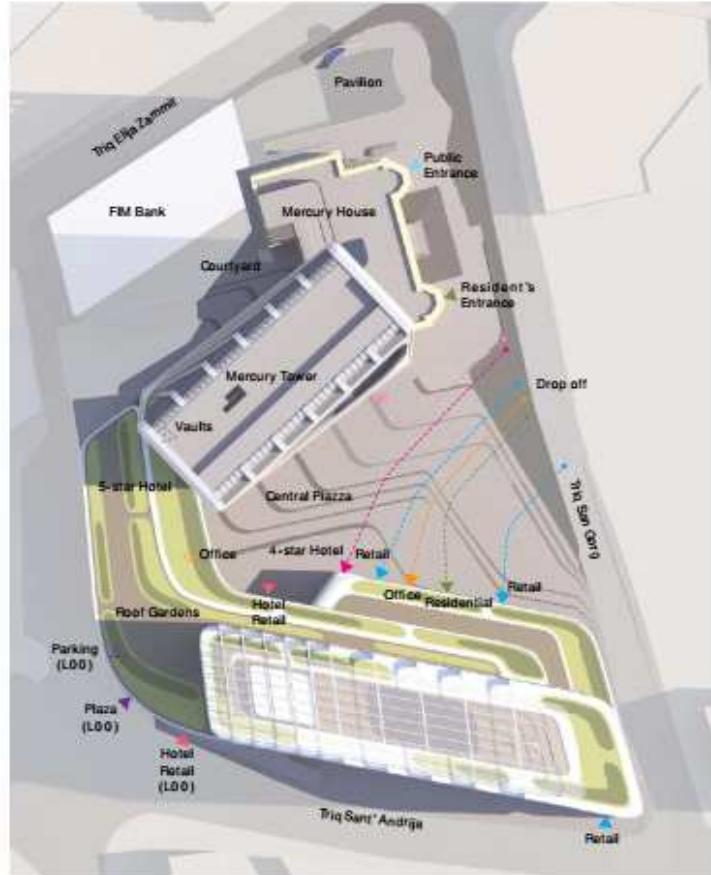
1.1.3 The gross floor area of the first Mercury tower as approved through PA 6955/17 will be modified due to the changes proposed in PA 1892/19 for a new total of 54,140sqm whilst the gross floor area of the second Mercury tower will be 52,646sqm (photo 4 refers). The total built-up area of the entire complex amounts to 106,786sqm out of which 62,076sqm have already been assessed through PA 6955/17. The respective gross floor area figures allocated for the two towers are shown in the following Table 1.

Land uses	Mercury Tower (as approved through PA 6955/17)	Mercury Tower (as proposed through PA 1892/19)	Tower 2 (as proposed through PA 1892/19)
Offices	/	/	4,821m <sup>2</sup>
Residential	21,874 m <sup>2</sup>	22,848m <sup>2</sup>	16,450m <sup>2</sup>
Retail	4,088 m <sup>2</sup>	888m <sup>2</sup>	3,285m <sup>2</sup>
4-star hotel including conference facilities	/	/	14,650 m <sup>2</sup>
5-star hotel	7,774 m <sup>2</sup>	/	2,648 m <sup>2</sup>
Amenities	7,938 m <sup>2</sup>	7,354 m <sup>2</sup>	3,440 m <sup>2</sup>
Car parking spaces	20,402 m <sup>2</sup>	20,402 m <sup>2</sup>	10,000 m <sup>2</sup>

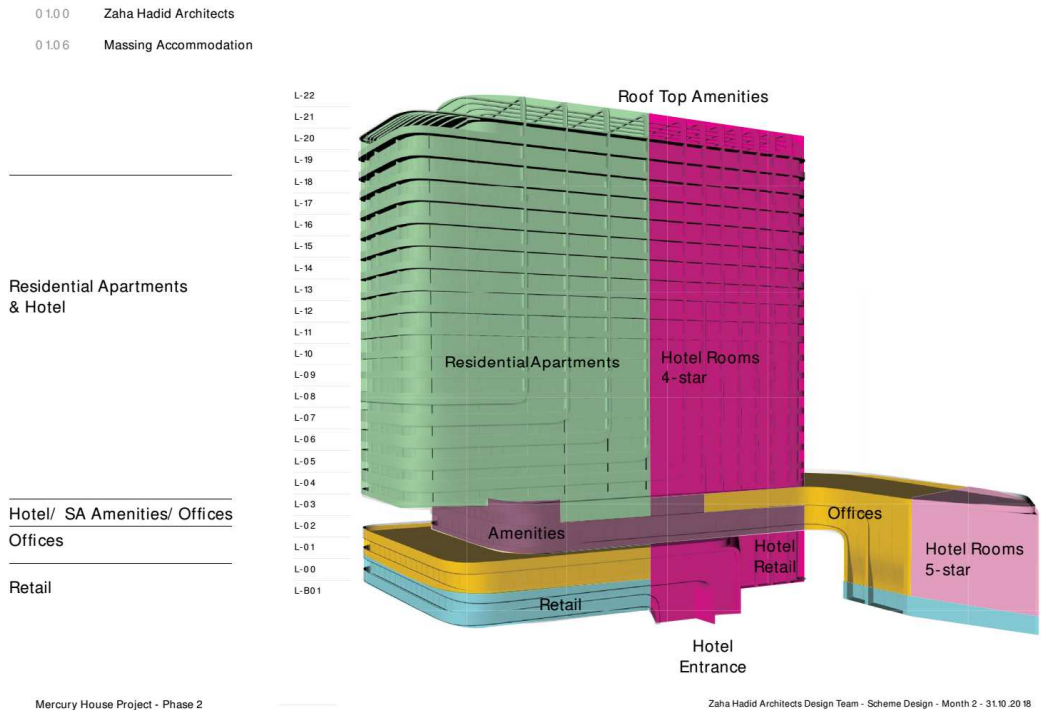
**Table 1: Schedule of land uses as approved in PA 6955/17 with amendments to same permit as proposed in PA 1892/19.**



**Photo 1: Construction of the Mercury Tower in progress. Source: ERA site visit**



**Photo 2: Comprehensive project design of the entire complex. Source: E-apps Project Description Report**



**Photo 3: Project design of proposed new tower and adjoining podium. Source: E-apps Project Description Report**



**Photo 4: Visual impression of the proposed project upon completion. Source: E-apps Project Description Report**

## **1.2 Site description and related considerations**

- 1.2.1 The entire site of the Mercury Towers development has an area of circa 9,600sq.m and is located within the development zone of Paceville, St. Julian's Local Council. It lies in the middle of two types of areas, specifically zones dominated by several land uses being leisure, recreation tourism facilities, office developments to the north, east and south east of the site (photo 5 refers). The zones which are essentially residential in character namely parts of Paceville, Swieqi and St. Julian's are located to the northwest, west and south/ southeast, respectively of the site.
- 1.2.2 The site is located between Triq Sant Andrija to the South, Triq San Gorg to the East, an unnamed minor access road to the west and Triq Elija Zammit to the North (refer to photo 4). It is bound by the FIM Bank building to the north west and the Go Exchange building site to the southeast. The northeastern part of the site includes Mercury House, a Grade 2 scheduled building of architectural and historic importance dating to 1903 (G.N. 839/06 - CO111/06). Mercury House consists of a 2-storey late-nineteenth century building that served as the main hub of Malta's International cable connections. At the western side of the site, separated from the Villa, the wider Mercury House site includes Grade 2 scheduled underground vaults, bombproof 'Cold War' service tunnels and chambers that were used to house communications equipment at sensitive periods in the mid-20th century including during the Cold War years (G.N. 839/06).



**Photo 5: Site area outlined in blue. Source: Google Earth, 2016**

## **2. Site history**

2.1 The site that was originally included in the Pender Place and Mercury House Development Brief has been subject to the following development permit applications:

- PA 5804/05: *Development at Pender Place & Mercury House sites as per development brief included in the CFO issued by the Malta Government Investments Limited. Permit granted.*
- PA 5805/05: *Excavation of Pender Place site (to accommodate underground parking as per development brief included in the CFO issued by the Malta Government Investments Limited) and the formation of the villa residential private road between PP2 and PP3. Permit granted.*
- PA 2036/06: *To demolish building at Mercury House site, except for Mercury House, and to level the surface to accommodate a temporary car park until the completion of the public car park at Pender Place site. Permit granted.*
- PA 8094/06: *It is proposed to develop phase 1 of the Pender Gardens project comprising underground residential parking and 156 residential apartments in 5 detached blocks and landscaping. Permit granted.*
- PA 6325/07: *To excavate Mercury House site as approved in outline permit PA 5804/05. Permit granted.*
- PA 4269/07: *It is proposed to construct 4 underground floors and overlying commercial and residential floors and the transfer of 1344 square meters of commercial floor space from level -1 at Pender Place phase 2 site to level -1 at Mercury House site, and to use level -1 at Pender Place phase 2 site for car parking; and to change of use of an equivalent area of the vacated commercial floor space at level -1 to domestic storage, plant, equipment of service areas or other acceptable uses, from the parking levels -2, -3 and -4 at Pender Place. The development comprises parking for residents, public parking, commercial areas, residential units and domestic storage spaces at Pender site. Permit granted.*

- PA 6137/07: *It is proposed to construct 4 underground floors and overlying commercial and residential floors and the transfer of 2,157 square metres of commercial floor space from level -1 at Pender Place phase III site to level -1 at Mercury House site, and to change of use of an equivalent area of the vacated commercial floor space to domestic storage, plant, equipment or service areas or other acceptable uses, from the parking levels -2, -3 and -4 at Pender Place. The development comprises parking for residents, public parking, commercial areas, residential units and domestic storage spaces at Pender site.* Permit granted.
- PA 0055/17: was submitted for the excavation of the phase 2 part of the Mercury Towers project which forms part of the proposal for PA 1892/19 and following clarifications from architect confirming such, the said application is being included in this EIA screening document. This application is still being reviewed by the PA.

2.2 The original proposal for the Pender Place and Mercury Tower development had been subject to an Environmental Planning Statement (EPS), covering both the outline and full development stages (PA 5804/05, PA 5805/05 and PA 2036/06). An update to the EPS, following changes to the original Master Plan, in terms of land uses and amendments to the proposal was also carried out in 2008. Permit was granted in 2007 for Pender Place and Mercury House project. The project was subsequently divided into a number of phases and separate planning applications covering both the Pender Gardens site and the Mercury House site. In March 2010, a second update to the EPS was carried out for PA 6042/08, in relation to changes in the gross floor areas and land-uses associated with this development and permit was issued. The subsequent application PA 06955/17 proposed a number of amendments to the Mercury House area, which include an increase to the building height of approximately 10 storeys and a change from the approved use of the proposed tower, i.e. from the approved office space to residential use through serviced apartments, which also include retail facilities. An Addendum to the EPS was carried out in 2017 and the planning permit was issued.

### 3. EIA-relevant history

3.1 **Relevant EIA/screening criteria:** (citations refer to EIA Regulations, 2017 (S.L 549.46), except where otherwise specified):

The proposed development falls under the scope of Schedule I, Category II, Section 7.1.2.1 (*Projects which have: (ii) a gross floor area of 30,000m<sup>2</sup> or (iii) a gross floor area of 10,000m<sup>2</sup> or more for commercial use, including shops, shopping centres, offices or other business.*); and

Section 13.0.2.1 (*Any change to, or extension of, projects (even if the project is already authorised, executed or in the process of being executed), particularly projects covered by Category I or Category II, where the change or extension itself does not fall under Category I but: (i) meets the thresholds or criteria set out in Category II;* of the Environmental Impact Assessment Regulations, 2017 (S.L. 549.46).

3.2 **Documents used for screening:**

- Project Description Report (PA 1892/19/1t);
- Project Description Statement (PDS) and Annual Average Daily Traffic (AADT), referred to ERA on 31<sup>st</sup> July 2019;
- PA 55/17/12a;
- ERA Screening Reply to PA (PA 55/17/42a);
- Plans as provided in Appendix 1 to the PDS version 31<sup>st</sup> May 2019;
- PA 1892/19/15b-15u/15z/31e/30b-30z/31a-31k/33a-h;
- PA 6955/17 Addendum to the Environmental Planning Statement; and
- ERA Report on EIA Addendum (PA 6955/17/170b).

## **4. Overall Assessment**

- 4.1 The Mercury House site has been committed for large-scale mixed use development by virtue of outline permit PA5804/05 and subsequent permits of which latest being PA 6955/17 (refer to sections 2.1 and 2.2 of this report). The first Mercury Tower, as approved through PA 6955/17, is predominantly a residential development consisting of a number of high-end apartments and a hotel. Through the changes proposed in PA 1892/19, the tower will be totally occupied by residential development following removal of the commercial component and the addition of three floors. The second tower proposed in PA 1892/19 will feature both residential and commercial uses albeit the design of this tower will differ from the first tower which is configured in two stacked volumes with the upper part twisted in plan from the lower plan. The EPS carried out for PA 6042/08 had provided a visual amenity assessment which identified significant visual impact on the sensitive receptors from specific viewpoints. This was supported in the Addendum of the updated EPS prepared for PA 6955/17, which concluded that the proposal will have an impact of higher significance in terms of landscape quality and visual amenity. In this respect, the increase in height of the approved tower together with the proposed additional new tower are expected to exacerbate such impacts.
- 4.2 From the information provided in the PDS, the excavation phase is expected to generate a volume of waste amounting to 54,000m<sup>3</sup>. Considering the current scenario with respect to waste management, such volumes would put further pressures on the void space available for backfilling. In this context, it is recommended that the applicant evaluates all the options available for the management of such waste material.
- 4.3 Through this proposal, it is also expected that the impacts on wind climate, cultural heritage, air quality, noise and traffic as revisited in the latest assessments carried out for PA 6955/17 will be altered in view that the proposed new tower will intensify the uses and construction activity within the site. In the absence of an approved, holistic masterplan for the Paceville/St. Julian's area, these impacts are further compounded by similar, ad hoc development applications for high-rise buildings for which cumulative impacts on traffic flows, air quality, and landscape and visual amenity are also unknown. Therefore, the proposal would require an EIA to assess the following issues:
- i. Impacts on landscape amenity and visual impacts in view of the introduction of an additional tower;
  - ii. Waste management;
  - iii. Impacts on air quality (including the likely impact of the proposed high-rise building on pollution levels in the immediate surroundings of the site) and traffic flows during operations;
  - iv. Impacts on noise amenity during construction and operations;
  - v. Impacts on cultural heritage and cultural landscape in view of the increased impact on the Mercury House site; and,
  - vi. Any other environmental considerations including cumulative effects.

## **5. Screening Conclusion and recommended way forward**

- 5.1 Based on the information provided in the PDS and the associated EIA screening, the development may potentially have significant effects on the environment which would need to be addressed through an update to EIA carried out in relation to the proposal assessed through PA 6955/17. The EIA Update shall include all the necessary updates for the studies previously undertaken for the site under review.

### ***Screening Disclaimer***

The above screening results, the ensuing conclusions and recommendations are without prejudice to any required changes or updates should the development proposal be eventually modified or should the information/assumptions provided turn out to be incorrect. Any deviations of the proposal from this submission would need to be re-assessed and the merits of this screening would need to be re-opened.