

PA 6042/08: It is proposed to construct underground parking and commercial areas at level -1 and below, and commercial areas and office space at level 0 and above at the Mercury House site. This includes the transfer of floor space from Pender Place comprising of 3,501 square metres of commercial floor space from level -1 at Pender Place site to level -1 at Mercury House site, and the transfer of 6,458 square metres from Pender Place site from level 0 upwards, to Mercury House site above level 0. Restoration and alteration works Mercury House and Cold War rooms shall also be carried out.

Pender Place Project Phase IV, Triq Sant Andrija, San Ġiljan

1 INTRODUCTION

The Malta Environment and Planning Authority (MEPA) requested an update to Environmental Planning Statement (EPS) for the proposed development referred to above. The EPS prepared for PA 05804/05, PA 05805/05 and PA 02036/06 and certified on 30th March, 2007, was requested as per Schedule I, Category II, Section 3.1.2.2.ii, of the then EIA Regulations, 2001. An update to the EPS, following changes in the original Master Plan, was requested by MEPA and coordinated by Dr. Paul Gauci from ERSI consultants and included as Addenda 16 - 19 to the original EPS.

With respect to PA 6042/08 being assessed in this EIA Report, MEPA requested a further EPS update on 2nd March 2010, in view of the changes to the gross floor areas associated with this development. This update was requested to focus on the following issues:

1. Air quality and traffic;
2. Visual and landscape assessment;
3. Wind studies, in view of the changes in the Mercury House site;
4. Impacts on cultural heritage and cultural landscape; and,
5. Any other environmental considerations that may be of relevance to the said update.

2. EIA CONSULTATION

As part of the EIA process, a public consultation exercise was carried out following EPD's acceptance of the EPS Update. A hard copy of the document was delivered to the San Ġiljan Local Council. The EPS Update was also made available for public consultation from 15th March 2011 to the 5th April 2011 at the San Ġiljan and Swieqi Local Councils, MEPA and on the MEPA website.

No comments were received within the stipulated deadline.

3. THE PROPOSED DEVELOPMENT

The EPS undertaken for PA 5804/05, PA 5805/05 and PA 2036/06 addressed the proposed multiuse development located over two tracts of land, the Pender Place site and Mercury House site (Figures 0-1 to 0-3 of the EPS technical report). The development would provide the following uses (approximate values):

- 374 residential units (a mixture of 1, 2 and 3 bedroomed apartments);
- 16 villas;
- Ancillary developments/ amenities for residents including a community centre and a health club (1,689m²);
- Tourism facilities (80m²);
- Office space (4,512m²);
- Supermarket (2,422m²);
- Retail outlets including food and beverage (11,722m²); and,
- Car park (1,751 units) within the basements for both residents and visitors.

The proposal currently being addressed assesses revisions pertaining to Phase 4 of the Master Plan. These revisions relate to changes in the original plans for Phase 4, as had originally been proposed in application PA 05804/05. Such plans have been modified for the Mercury House site to be developed into a fully fledged financial and business centre; the centre piece being two business towers called 'The Exchange'. In addition to this, the EPS update also takes into consideration modifications to Phases 2, 3 and 4, thus modifying the approved Master Plan as follows:

- Pender Place site: residential (villas and apartments), commercial, including a supermarket, offices; and leisure (including a gymnasium);
- Mercury House site: offices, and commercial, including retail and food and beverage; and,
- Underground parking (similar to the current regime but with the following modifications): exclusive parking area for residents, supermarket customers to have a dedicated entrance, tunnel linking non-residents' parking area to Mercury House, employees and customers/clients of the other commercial establishments would have a dedicated entry point to Mercury House.

4. ASSESSMENT OF IMPACTS AND MITIGATION MEASURES

Given the proposed amendments to the approved Master Plan, the EPS update focused on the following issues:

- Impacts on Landscape and Visual Amenity;
- Cultural Heritage (Mercury House as a cultural heritage asset and a local landmark);
- Wind Climate; and,
- Air quality.

4.1 Landscape Assessment and Visual Amenity

The original assessment of the impacts of the Master Plan on the visual amenity assessed photomontages from 8 viewpoints (Annexe 2A to the EPS). The assessment in the original EPS indicated that the proposal would be visible from all of 8 viewpoints, namely the L-Aħrax peninsula, Siġġiewi, Santa Luċija, Valletta (Hastings), Madliena, Pembroke, Sliema (Exiles) and Ta' Ġiorni. The EPS undertaken for the Master Plan predicted that the impacts of the proposal on the landscape character and visual amenity are highly significant. The 2007 update to the EPS re-considered the above-mentioned viewpoints (Annexe 17 to the EPS) and confirmed that the proposal would be visible from these viewpoints. Based on this, the assessment predicted that the proposal has a highly significant impact on the landscape character and visual amenity. The 2007 updated EPS also commented that the quality of the architectural design, as well as individual attitudes towards high-rise development would determine whether the impact is beneficial or adverse. The impact is considered in the 2007 updated EPS as beneficial should the buildings be well designed, constructed and maintained.

The 2010 EPS Update in terms of landscape and visual amenity included the following:

- The presentation of a more detailed Zone of Visual Influence (ZVI) (Figure 3-1 in the Coordinated Assessment - Volume One);
- The preparation of new baseline photographs from Viewpoints within the ZVI;
- The preparation of verified photomontages of the proposed development.

Ten viewpoints within the ZVI were identified: two from Paceville (VPs 1 and 2), considered as the close-up views; VPs 3 to 7, which included Ta' Ġiorni, Sliema (Exiles), Madliena, Pembroke and Valletta Hastings, and considered as short-middle/middle distance views and long distance views (VPs 8 to 10) being Santa Luċija, Verdala and L-Aħrax tal-Mellieħa.

Impacts on Visual Amenity

The EPS Update identified the following significance of impacts with respect to visual amenity:

- Viewpoints 1 and 2 (Paceville A and B): High significance, in view of the impact of the proposed development on both the streetscape and Mercury House;
- Viewpoint 3 (Ta' Ġiorni): High significance;
- Viewpoint 4 (Sliema Exiles): Moderate to high significance;
- Viewpoint 5 (Madliena): High significance;
- Viewpoint 6 (Pembroke): High significance;
- Viewpoint 7 (Valletta, Hastings): Moderate to high significance;
- Viewpoint 8 (Santa Luċija): Low to moderate significance;
- Viewpoint 9 (Verdala): Low to moderate significance;
- Viewpoint 10 (L-Aħrax tal-Mellieħa): High significance.

Potential receptors of visual effects, identified in the EPS update, included the following:

- *Residents of San Ġiljan and Swieqi*, in particular residents living in areas closer to the Pendergardens site may be affected by the change in the visual scene. This is especially the case for residents in the zones surrounding the Pender Place site, e.g. the Gardens. Due to the proximity of the development site and the potential effect on amenity, the sensitivity of these receptors is considered high. The magnitude of impact is also considered high, as major changes in the visual scene can be expected. The same can be said for the significance of the visual impact on San Ġiljan residents.
- *Other residents of Sliema and Pembroke*, due to the scale of the proposed development, it may reasonably be expected that the change in the visual scene will also affect residents who live further away from the development site within the locality of Sliema and Pembroke. However, their sensitivity is considered to be on the low side since the view of the development will likely be intermittent and a less integral component of their daily life. The magnitude of impact is, nevertheless, considered high, as it will lead to major changes in the visual scene. The significance of the visual impact on other Sliema and Pembroke residents is therefore considered moderate.
- *Residents of other areas of the Maltese Islands*, from where the development will be visible: given the high-rise nature of the development, proposal will be visible from many areas in the Maltese Islands. All those affected by the change in the visual scene may thus be considered to be receptors of visual effects. Their sensitivity is, however, considered to be low due to their relatively low frequency exposure to the view. The magnitude of impact is considered to be moderate, as despite the large scale of the development, distance is considered as a mitigating effect. The significance of the impact is therefore considered moderate.
- *People who casually frequent Sliema/San Ġiljan coastlines and neighbouring areas*: Several individuals regularly frequent the commercial and recreational hubs of Sliema and San Ġiljan, as well as neighbouring areas, for various purposes. These individuals may be expected to be affected by a change in the visual scene, although due to their relatively infrequent exposure to such changes, their sensitivity is considered low. The magnitude of the impact is, however, high and thus significance of the impact is considered to be moderate.

Impacts on Landscape

The EPS Update identified the following significance of impacts with respect to landscape character:

- Viewpoints 1 and 2 (Paceville A and B): The Mercury House site development would contribute to the radical modification of the character of the local streetscapes, and of the manner in which Mercury House relates to its immediate surrounds – High significance;
- Viewpoint 3 (Ta' Ġiorni): The proposed development would appear to rise out of a flat skyline to literally take over the townscape - High significance;
- Viewpoint 4 (Sliema Exiles): The view of Paceville from this receptor point would be redimensioned, through the modification of the highpoint of the existing cluster of buildings between the Balluta and Paceville coastline - Moderate to high significance;

- Viewpoint 5 (Madliena): The Pendergardens Project will take over from the Portomaso Business Tower the status of the dominant component of the landscape as observed from this particular receptor-location - High significance;
- Viewpoint 6 (Pembroke): From this viewpoint, the Pendergardens and Portomaso towers look like three separate features on the skyline - High significance;
- Viewpoint 7 (Valletta, Hastings): From this viewpoint, the Pendergardens and Portomaso towers look like three separate features on the skyline - Moderate to high significance;
- Viewpoint 8 (Santa Luċija): The existing and proposed towers are not so visible. Visibility would depend on the clarity permitted by weather conditions - Low to moderate significance;
- Viewpoint 9 (Verdala, Rabat): The existing and proposed towers are not so visible. Visibility would depend on the clarity permitted by weather conditions - Low to moderate significance;
- Viewpoint 10 (L-Aħrax tal-Mellieħa): Although this receptor-location is the farthest from San Ġiljan, the Pendergardens and Portomaso towers enjoy a presence on the landscape - Moderate to high significance.

With respect to mitigation measures, the EPS Update suggests that in the event that MEPA considers the proposed project a beneficial addition to the Sliema/San Ġiljan/Swieqi townscape, all efforts should be made to ensure that the project attains the highest levels possible of architectural, urban and landscape design. These relate to both landscape and visual impacts and to cultural heritage. No residual impacts have been identified in the EPS Update.

4.2 Cultural Heritage

The main issues identified by the EPS update vis-à-vis cultural heritage are as follows:

- Prior to the demolition of the west extension to Mercury House, the original context of this building had already been drastically altered in the twentieth century when Paceville became a suburb of San Ġiljan, that eventually engulfed the entire peninsula (and its hinterland) situated between Il-Bajja ta' San Ġorg and Il-Qaliet. The architectural quality of the newly-created buildings had then not only dramatically modified the Mercury House context, but also influenced the change within the site context (with a reduction in 'value' and 'meaning');
- The proposed development, with the introduction of the vertical element, is considered to be a 'studied' change and thus it clearly observes internationally-recognized norms of design practice, creating an interface between the 'old' and the 'new';
- An important aspect in the integration of Mercury House with the proposed development concerns the preservation of its remaining authentic interior architecture, providing a unique 'value' and 'prestige' to the proposed shopping centre within Mercury House;
- The EPS update concludes that the new development for the Mercury House site will have a positive impact on the site in question and will in this respect contribute significantly to the upgrading of the surrounding area.

With respect to mitigation measures, the same conclusion applies for the cultural heritage aspect which was closely linked to the landscape and visual impacts. Thus, also in this regard, no residual impacts have been identified in the EPS Update.

4.3 Wind Climate

The meteorological data for the site indicate prevailing winds from directions 270° through to 300° with minor secondary peaks from 90° to 180°. The data was obtained from Luqa airport, which is only 7.5km away to the southwest and will therefore provide a good representation of the wind climate affecting the site. Wind conditions around the Pender Place development and the Mercury House zone, when tested

without any landscaping, range from being suitable for sitting through roadway use which covers the complete range of pedestrian activities defined by the Lawson Comfort Criteria. There are also a number of occurrences annually of occasional strong winds in excess of Beaufort Force 6, 7 and 8.

A large number of the pedestrian zones within and around the proposed development experienced a wind microclimate that was considered to be windier than desired in terms of the intended pedestrian use. In some places there were, on occasion, strong winds which would impede pedestrian movement and were classified as unsafe for general pedestrian access. This was also the case for both the original EPS and the first EPS update. Many of the entrances within the different zones are suitable for pedestrians to enter/exit the buildings. However, there were some entrances which required mitigation in order to achieve the desired wind conditions throughout the year. There are areas within and round the Pender Place developments and the Mercury House zone where the wind conditions were considerably windier than desired, particularly at the terrace levels and throughout the ground level and lower level piazza areas of the Mercury House zone.

In this regard, the proposed mitigation measures consisted of landscaping and wind barriers. These measures were wind-tunnel tested and it was found out that they would work with a number of small exceptions during winds which would be stronger than the desired levels would occur. The EPS Update states that the residual impact is considered to be acceptable.

4.4 Air Quality

The following results were gathered from the air quality study:

- *NO₂*: The average daily concentration of NO₂ in Table 2-3 of the Technical Report (Vol. 1), only exceeds the annual limit value for NO₂ of 40µg/m³ twice in the period of study. However the average NO₂ concentration over the period of study is 21µg/m³. The average over the first three weeks was found to be 24.2µg/m³ and that over the second three weeks was 18.6µg/m³. All these averages are well below the annual limit value. There is in fact another limit value for this pollutant and that is 200µg/m³ over an hour which must not be exceeded on more than 18 occasions during a year. According to data presented in the Design Manual for Roads and Bridges (DMRB) when an annual average concentration of NO₂ is below 35µg/m³ then the number of exceedances of the hourly limit are very few (less than 10).
- *Particulate Matter*: Although two particulate matter fractions were monitored, there is no limit value in legislation for PM_{2.5}. A general comment on the values obtained for this fraction is that the average is fairly low at 30.4µg/m³. There were nine incidences where the daily average was over 40µg/m³. The average concentration of PM₁₀ was found to be 32.4µg/m³ over the six week monitoring period. This is below the annual average of 30µg/m³. However, there is also a daily limit for this pollutant which is 50µg/m³ and this should not be exceeded more than 35 times in one year. There were only three exceedances of this value during the survey period.
- *BTEX Compounds* (refers to the suite of compounds: benzene, toluene, ethylbenzene and xylenes). Of these compounds, only benzene, a carcinogen, features in the EC Air Quality Directive. The average concentration of benzene recorded in the air over the monitoring period is 0.75µg/m³. This is well below the limit value of an annual mean of 5µg/m³. Whilst the other compounds do not feature in the legislation, it was pointed out that all measured values were found to be lower than the guideline values.

Impacts during Construction

During the construction phase, the EPS Update states that the greatest concern is that of dust generation from digging, debris removal, and dressing of stone. This is difficult to model due to, amongst other facts, the paucity of emission factors. However, appropriate mitigation measures would limit the emission of particulate matter during the construction phase.

Impacts during Operations

During the operations phase of the project, the main source of pollution would be from vehicular traffic, which will be generated by the new part of the project. The increased concentration of various pollutants by the extra traffic generated by the project is very low. Coupled with the data, it suggests that there will be no exceedances of limit values. Furthermore, the level of traffic generated by the project will not increase in time. However, the traffic not related to the project (network traffic) is likely to increase. If one assumes a 2% increase in traffic from now till 2025, then a compound increase in traffic of 34% will take place. In reality, this is unrealistically unsustainable since it is likely to produce major capacity and queuing problems in the area. However, taking this worst case scenario and assuming the level of pollution from non-project traffic to increase by the same proportion, then the concentrations of pollutants from the traffic would still be below the limit values unless the topology of the area is changed to produce a canyon effect.

With respect to mitigation measures, as construction works on the Pendergardens Project have been in hand for some time, measures to protect the environment (including air quality) are already in hand and are currently being monitored. During this, it would be therefore important for the management of the Pendergardens complex to organise, in collaboration with the residents (through residents' associations, in the event that such associations are formed) and the owners/managers of the businesses located in the complex, campaigns and incentives-schemes designed to encourage residents, employees, and visitors to take advantage of the efficient and clean service that is being expected from the public transport reform.

5. ENVIRONMENT PROTECTION DIRECTORATE COMMENTS

Impacts on landscape and visual amenity, wind and cultural heritage were assessed as being overall significant in the 2010 update to the EPS, and are thus in line with what had been assessed in the original EPS assessment. With respect to air quality, the EIA Coordinator has confirmed that the predicted concentrations of PM₁₀ and PM_{2.5}, NO₂ and benzene shall be lower than EU limit values.

In light of the above, no new permit conditions are being proposed by EPD given that issues assessed in this EPS update are already covered by the permit conditions imposed for the approved permits related to the same project (i.e. outline application for the Pender Place and Mercury House Master Plan and the respective full development applications).

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Date: 30th May 2011
