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Creating for Generations

Property Council of Australia
ABN 13 00847 4422

Level 1, 11 Barrack Street
Sydney NSW 2000

T. +61 2 9033 1900
E. nsw@propertycouncil.com.au

propertycouncil.com.au
 [@propertycouncil](https://twitter.com/propertycouncil)

14 September 2020

Mr Jim Betts
Secretary
Department of Planning, Industry and Environment
Locked Bag 5022
PARRAMATTA NSW 2124

Dear Mr Betts

Draft Pyrmont Peninsula Place Strategy

The Property Council of Australia welcomes the opportunity to provide the Department with comments on the draft Pyrmont Peninsula Place Strategy (the Strategy).

As Australia's peak representative of the property and construction industry, the Property Council's members include investors, owners, managers and developers of property across all asset classes.

Please find attached our response to the exhibition of the Strategy.

As the NSW economy begins its recovery from the COVID-19 induced recession, it is vital that land-use planning settings are tuned to deliver a strong economic and productive response. The Strategy provides a very strong platform for a boost in innovation, entertainment and service jobs, which will be crucial for the recovery of Sydney's economy. As such we are supportive of the vision for the precinct.

Should you have any questions regarding the content of this submission please contact Troy Loveday, NSW Policy Manager, on 0414 265 152 or tloveday@propertycouncil.com.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'Belinda Ngo'.

Belinda Ngo
Acting NSW Executive Director
Property Council of Australia

Submission to the Department of Planning, Industry and Environment

Draft Pyrmont Place Strategy

14 September 2020

1.0 Introduction

The Property Council welcomes the release of the Draft Pyrmont Peninsula Place Strategy (the Strategy) that will provide a 20-year vision for the transformation of the Pyrmont Peninsula into an innovative, connected and creative destination. The Strategy is closely aligned to the Eastern City District Plan and Greater Sydney Regional Plan and will allow for the implementation of these plans.

The Strategy's focus on job growth in entertainment, hospitality, tourism and technology businesses is appropriate. Pyrmont's proximity to the CBD makes it an attractive location for business investment and popular with international and domestic visitors. Currently access to the Peninsula is constrained and public transport services are limited. We support the State Government's consideration of Pyrmont for a Sydney Metro station and fully agree it can deliver transformational benefits for the entire Peninsula.

The identification of four key sites for renewal over the next 20 years is a positive outcome from the Strategy and call upon the Department to consider a flexible process for the design of future planning controls for these sites. The requirement that each site make a contribution towards additional public benefits is appropriate, however future development must have regard to the viability of individual projects that can be developed on each site.

2.0 Vision

Section 5 of the Strategy outlines a new vision for the precinct. Key themes of the vision are discussed below:

- *"A renowned and treasured cultural and entertainment precinct"* - The vision involves the Pyrmont Peninsula developing into a renowned and treasured cultural and entertainment precinct. As the home to many of Sydney's cultural and entertainment venues including the ICC, The Star, Maritime Museum, Powerhouse Museum and the Lyric Theatre, the Pyrmont Peninsula has a strong advantage that should be harnessed further through consolidation of its reputation. We support the expansion of visitor attractions and supporting development within the precinct.
- *"Pyrmont will be at the forefront of the future of work"* – The new Pyrmont Peninsula will be the home to more jobs in media, advertising and technology. It will leverage its position close to the CBD and to the Innovation Corridor to attract new employment opportunities. We support the draft Place Strategy and its focus on employment.
- *"Green and connected"* – The Pyrmont Peninsula has an opportunity to be a sustainable place to live, work and play and maximise the current areas of green space adjacent to the harbour. New walking and cycling infrastructure will contribute to the precinct's amenity. The Strategy should emphasise this outcome.
- *"Embracing a sensible approach to growth"* – The Strategy has embraced change, which is a positive outcome. It also recommends the development of "taller buildings" in Blackwattle Bay, Ultimo and around Darling Island. Identification of precincts for change and renewal is supported. The 20-year vision has embraced the tremendous opportunity to grow the Peninsula in a very sustainable way.
- *"A variety of building typologies"* – The Strategy has recognised the importance of well-designed buildings and places and will allow for several taller buildings on key sites. Long-term growth around Pyrmont must be supported by new transport infrastructure that will allow for an expansion of employment and tourist development.

- *“People will use public transport, walk or cycle”* – The Strategy supports sustainable-transport modes and this is to be commended. The game-changing decision will be the delivery of a Metro station within the Pyrmont Peninsula connecting it to Greater Sydney and the CBD. We would fully support the decision to link Pyrmont to this transformational infrastructure project.
- *“New employment spaces for making, creating and producing, and new affordable and social housing”* – These activities will enrich the character of the Pyrmont Peninsula give it a vitality and experiences that will attract domestic and international visitors. Pyrmont has a long history of action to preserve affordable housing to retain the diverse community that has existed for generations. We support this part of the vision.
- *“A tapestry of publicly accessible open spaces”* – The Strategy reflects a desire for open public spaces that range in size from small pocket parks to the large foreshore promenade that will provide the seamless linkage between Fish Market to Walsh Bay and beyond.

3.0 Ten Directions

Section 6 of the Strategy has focused on a suite of 10 Directions addressing matters of strategic, economic, social and environmental significance for the Pyrmont Peninsula.

These are generally consistent with the directions subject to public consultation earlier this year. The Department has developed an appropriate suite of directions to guide future development on the Peninsula. The directions will be important tools to give effect to the vision for the precinct described above.

We support the 10 Directions that have been identified by the Strategy.

4.0 Big Moves for Pyrmont Peninsula

Section 7 of the Strategy outlines five “Big Moves” that will unlock the potential of the Pyrmont Peninsula.

These are described as opportunities to bring the vision for the Peninsula to life. Each of the Big Moves is supported by an action, or in some cases multiple actions, that will contribute towards the Pyrmont Peninsula moving in the ‘right direction’.

4.1: Big Move #1 – A world-class harbour foreshore walk.

We support this initiative and the associated actions required to make it happen.

4.2: Big Move #2 – A vibrant 24-hour cultural and entertainment destination.

We support this initiative and taking steps towards a strong cultural and entertainment destination. The Pyrmont Peninsula is home to a strong group of cultural institutions and entertainment venues, the views of those groups must be taken into consideration as these actions are implemented.

4.3: Big Move #3 – Connect to Metro.

We fully support the intention of building a Sydney Metro Station within the Pyrmont Peninsula as it will have a transformative effect on the economic potential of this area. The current level of accessibility to and from the Peninsula is highly constrained and the development of a new Metro station will boost the potential for new jobs and recreational trips during peak and off-peak times.

4.4: Big Move #4 – Low-carbon, high-performance precinct.

The Strategy considers several unconventional ideas to look at carparking and access. We support further consideration and socialisation of these ideas with the community and other stakeholders.

4.5: Big Move #5 – More, better and activated public space.

The Strategy is proposing an innovative approach to providing open space and we support these ideas being developed further for broader consultation and implementation.

5.0 Structure Plan

Part 8 of the Strategy outlines the proposed Structure Plan for the development of the precinct over the next 20-years.

The Structure Plan provides a clear spatial roadmap for the expansion of growth in the industries that have been identified in the vision and directions for the precinct.

It is appropriate for land for places for economic innovation to be identified on the Structure Plan. The plan indicates that many larger sites along the eastern and western edge as well as in the southern part of the Peninsula (Ultimo) provide the opportunity for significant renewal.

We support the outcomes that are indicated in the proposed Structure Plan.

6.0 Sub-precincts

The Strategy divides the Pyrmont Peninsula into seven (7) sub-precincts based on unique character and through discussions with stakeholders. This approach is appropriate.

This section of the submission considers three (3) of the sub-precincts that involve considerable opportunity for change and renewal:

- Darling Island
- Tumbalong Park, and
- Blackwattle Bay.

6.1 Darling Island – A place of entertainment, tourism and innovation

The purpose of this precinct is to cater for jobs in the entertainment, tourism and innovation industries. Accessibility to this location will ensure it is an attractive investment opportunity. The area is rightly identified to evolve over the next 20 years. Growth in tourism, visitor and innovation businesses will respond to the opportunity afforded by the Strategy with new investment and reinvention.

This sub-precinct is a thriving entertainment and hospitality location that offers visitors access to live entertainment, fine-dining and premium accommodation. The Strategy has recognised these strengths and provides opportunities for further expansion. We acknowledge the opportunities that the Strategy will allow for this sub-precinct and support the development of a landmark building that will underpin the growth of service and entertainment jobs.

Fifteen (15) place priorities have been developed for Darling Island which mostly reflect the precinct's 20-year vision. Priorities 9, 10 and 11 are important considerations for achieving the precinct's vision.

Darling Island place priorities	Response
Priority 9 – Establish planning controls for renewal sites to encourage design excellence and 'open up' connections through large buildings and sites, better walking and cycling connections, reinstated harbour views, protected heritage items, green space, and precinct-wide infrastructure.	Priority #9 is supported. Development controls of this sub-precinct must be informed by a range of design considerations including, internal and external amenity, development feasibility and optimal use of internal spaces.
Priority 10 – Transition building heights from Union Street (and higher land around Harris Street) to the foreshore so taller buildings are located to respect privacy, open space such as Union Square, views to and from the harbour, heritage items and existing buildings.	Priority #10 is generally supported however decisions regarding building heights should not just be limited to these factors. Consideration must also be given to the contribution these projects contribute to jobs, economic growth and site enhancement.
Priority 11 – Provide limited residential development without compromising the sub-precinct's tourism, entertainment and commercial functions and include affordable housing in any residential development.	Priority #11 is supported and consideration should be given to the benefits of emerging housing typologies, such as Build-to-Rent housing, currently being proposed in a new Housing Diversity SEPP.

6.2 Tumbalong Park – A place of attraction and interaction

The purpose of this precinct is to develop as the home to world-class tourism and visitor attractions including the Harbourside Shopping Centre, the ICC Sydney, connection to the Darling Harbour waterfront and Tumbalong Park itself. Over the next 20-years this sub-precinct will be an important element of Sydney's globally recognised tourism and visitor economy and be a meeting place for innovators, entrepreneurs and businesses.

This sub-precinct needs to have a clear identity to ensure that investors understand its purpose and character. The redevelopment of the ICC Sydney into a premier exhibition and convention space has reinvigorated this location. Where there are opportunities to create a cluster of similar and aligned uses together in this precinct that should be encouraged. Incompatible land uses should be discouraged to other sub-precincts.

Fifteen (15) place priorities have been developed for the Tumbalong Park area. These will allow for the continued economic transformation of this sub-precinct. Priorities 1, 3, 4 and 5 are important considerations for achieving the precinct's vision.

Tumalong Park place priorities	Response
Priority 1 – Create new space for jobs in tourism and entertainment and supporting services, such as shops, restaurants, cafes and bars and transport, to create smaller activity areas.	Priority #1 is supported as Pyrmont has a significant role to play in the future development of the Innovation Corridor.
Priority 3 – Provide new commercial space to cater for jobs in industries aligning with the Innovation Corridor.	This sub-precinct is well placed to support jobs growth and become an extension of the Sydney CBD in terms of employment land uses. This is supported.
Priority 4 – Provide limited residential development without compromising the sub-precinct's tourism, entertainment and commercial functions and include affordable housing in any residential development.	Priority #4 is supported and consideration should be given to the benefits of emerging housing typologies, such as Build-to-Rent housing, currently being proposed in a new Housing Diversity SEPP.
Priority 5 – Transition building heights from higher areas to the waterfront and open space so taller buildings are located to respect privacy, public space such as the waterfront promenade, Pyrmont Bridge and Tumalong Park, views, heritage items and existing buildings.	Priority #5 is generally supported, however decisions regarding building heights should not just be limited to these factors. Consideration must be given to the contribution towards economic value and site configuration.

6.3 Blackwattle Bay – A place of transformation and renewal

The purpose of this precinct will be a major transformation that will reconnect Pyrmont with its western harbour edge. It will become a new destination as much as a connection – a new urban quarter and place of metropolitan significance.

Blackwattle Bay will transform from industrial and infrastructure to a place attracting businesses, employees, visitors and tourists along the connected waterfront linking the new Sydney Fish Market with the Sydney CBD. A potential Sydney Metro station will deliver a high degree of accessibility to the precinct's services and amenities. Investment in a new Metro station would be a 'game changer' in terms of growing Pyrmont's economic potential.

Sixteen (16) place priorities have been developed for the Blackwattle Bay area. These will foster the revitalisation of this sub-precinct. Priorities 1, 2, 3, 4, and 5 are important considerations for achieving the precinct's vision.

Blackwattle Bay place priorities	Response
<p>Priority 1 – Redevelop Blackwattle Bay into a new urban quarter based around jobs, visitor and entertainment uses connected to public transport, including a potential Sydney Metro station, and anchored by the new Sydney Fish Market.</p>	<p>We fully support and endorse the NSW Government giving careful consideration to a new Sydney Metro station at Pyrmont. The impact of this investment will be transformational in terms of business investment and opportunities for urban renewal and growth and align with principles of Transport Oriented Development which unlock opportunity in line with transport infrastructure investment..</p>
<p>Priority 2 – Provide commercial space for contemporary jobs and businesses to support the Innovation Corridor.</p>	<p>Priority #2 is supported.</p>
<p>Priority 3 – Investigate the establishment of new entertainment, events and cultural space in the redevelopment of Blackwattle Bay to support a vibrant 24-hour entertainment and cultural precinct.</p>	<p>Priority #3 is supported and would be commercially viable proposition with the delivery of a new Sydney Metro station.</p>
<p>Priority 4 – Ensure any residential development does not compromise the quality and attractiveness of Blackwattle Bay as a place for commercial or entertainment uses and includes the provision of affordable housing.</p>	<p>Priority #4 is supported and consideration should be given to the benefits of emerging housing typologies, such as Build-to-Rent housing, currently being proposed in a new Housing Diversity SEPP.</p>
<p>Priority 5 – Establish planning controls for renewal sites to encourage design excellence, better walking and cycling connections, reinstated harbour views, protected heritage items and green space, and precinct-wide infrastructure.</p>	<p>Contributions towards design excellence, open space, passive movement accessibility and heritage protection need to be acknowledged and reflected in the eventual planning controls for the sites within this sub-precinct. This is supported.</p>

7.0 Framework for key sites

Four sub-precincts have been found to have significant capacity for growth and renewal and where the greatest change and growth will take place over the next 20 years. Within each of the four sub-precincts, a key opportunity site has been identified. These sites are

Sub-Precinct	Key Site	Description
Blackwattle Bay	Blackwattle Bay	INSW's masterplan scenarios to revitalise the current Sydney Fish Market and neighbouring sites at Blackwattle Bay.
Darling Island	The Star	The Star Entertainment Group's aspiration to redevelop its site in Darling Island.
Tumbalong Park	Harbourside Shopping Centre	Mirvac's proposed redevelopment of Harbourside Shopping Centre.
Ultimo	UTS Ultimo	The University of Technology Sydney's plans to expand new teaching and complementary space into Ultimo.

The Strategy recognises that each key site has the potential to deliver strategic change in the Peninsula through the delivery of "broader public benefits". An example of these includes connecting and activating the public domain or contributing to the delivery, in whole or in part, one or more of the 'Big Moves' identified elsewhere in the draft Place Strategy.

Each key site will be expected to provide for the local infrastructure needs to support additional growth plus deliver public benefits to both the Peninsula-wide and sub-precinct outcomes. At this stage there is very little information available regarding the estimated costs of these public benefits. Landowners should be provided with available cost estimates of all public benefit obligations to allow them to understand the financial implications of developing their sites under the draft Place Strategy.

It is understood that a clearer set of public benefit expectations and mechanisms to deliver them (for example, planning agreements) will be finalised once the Place Strategy is finalised having regard to the feedback provided by landowners. It is acknowledged that this process will also allow for incentives (additional density up to 10%) to be made available, where additional public benefits (considered to be of exceptional community value or outcome) are provided.

This is an appropriate policy response to the future growth of Pyrmont.

8.0 Infrastructure

8.1 Infrastructure Planning and Delivery

Part 11 of the Strategy examines how the infrastructure needs of a transformed Pyrmont Peninsula will be funded and delivered. It is acknowledged that there are significance challenges involved with the delivery of new infrastructure for the precinct and the innovative approach being adopted is supported.

It is welcome the Department researching current infrastructure across the Peninsula and gaps in service provision. Any current infrastructure deficit that exists in Pyrmont (to meet the needs of the existing population) should not become the responsibility of proponents of new growth unless there is landowner agreement. It is imperative the State Government and the City of Sydney work together on infrastructure program for the Pyrmont Peninsula to avoid duplication in the planning and delivery of physical and community infrastructure is not unnecessarily delayed

We welcome further consultation regarding the preparation of the Infrastructure Delivery Plan and potential mechanisms for the funding, staging and sequencing of important infrastructure items for the Pyrmont Peninsula.

8.2 Additional Public Benefits

The table on page 79 of the draft Strategy identifies several additional public benefits for each of the four key sites. It is appropriate that these requirements are identified early so that they can be understood and incorporated into development project feasibility. The third column in the table identifies “special considerations” that are relevant to each key site. In each case these provide guidance regarding future land uses and the height of future development allowed on each site

As each key site is at different stage of planning and has unique characteristics that determine its potential for new development, the future planning controls will need to be flexible to allow for development capable of achieving the Place Strategy’s vision. We strongly urge the Department to work closely with landowners to ensure that these requirements are appropriate and achieve the most appropriate planning outcome for each key site.

9.0 Implementation

Part 12 of the Strategy considers implementation in terms of both planning and governance issues. As with any land-use plan, it is only as good as its implementation. It is vital that the Department commit resources from across the State Government, including other agencies to the Strategy’s delivery.

We look forward to further details being developed to give effect to the Strategy once it is approved.

9.1 Planning

9.1.1 Precinct-wide, place-based planning

We support the findings from the Independent Planning Commission review which found there is a need for a place-based approach that considers the cumulative impacts of individual State significant developments.

The intention to rely upon a collaborative governance and place-based planning framework is generally supported. However, there must be clear planning pathways for the delivery of the Place Strategy. The redevelopment opportunities for key sites must be clearly embedded into a new set of planning controls and assessment pathway for development projects.

9.1.2 Planning controls

The draft Place Strategy has correctly described the existing planning controls for the Peninsula as being overlapping and potentially confusing. Although the current planning framework allowed for the urban renewal of the 1990s by the City West Development Corporation, a new contemporary planning framework based on the Place Strategy is required.

Given the scale of transformational development that is expected around the eastern and western edges of the Peninsula, it is vital that the Department take a leading role in the establishment of new planning controls within a State Environmental Planning Policy (SEPP).

9.1.3 A unified planning system

Under the place-based planning framework identified in the draft Strategy, redevelopment of key sites can progress under existing Council-led or State-led planning processes that both align with the goals of the Strategy. It is intended a governance model will distinguish the roles of both the City of Sydney and the Department.

Three (3) considerations have been identified to guide the future planning for growth within the Pyrmont Peninsula.

<p>Consideration #1: Set a State significant planning framework for key sites identified in the Place Strategy.</p>	<p>Property Council response - We agree that key sites and other areas within the precinct identified for growth should be identified as State significant precincts or precinct-wide rezoning through a State Environmental Planning Policy. As development of each key site involves considerable investment by landowners and commitment towards public infrastructure, this type of development requires a high level of certainty around timeframes and planning decisions. We believe this approach would provide consistency of decision making and improve certainty regarding the implementation of the precinct's vision.</p>
<p>Consideration #2: Set a constant planning regime for the Pyrmont Peninsula that responds to the appropriate planning authority and reduces complexity.</p>	<p>Property Council response: Although the planning framework for the Pyrmont Peninsula has been found to work well, there is a significant risk that the intent of the Strategy will not be fully realised if decisions regarding its implementation were not made by the State Government.</p>

<p>Consideration #3: Explore the review of State planning instruments where layering of development controls is unnecessarily complex and can be better and can be better managed by the City of Sydney.</p>	<p>Property Council response: The development of the Strategy demonstrates Pyrmont's strategic and economic importance to the State Government. Consolidation of the existing patchwork of planning controls and instruments that apply to the Peninsula into a single instrument would be a desirable outcome, however, we hold concerns about any proposal to return planning controls to the City of Sydney without further clarification of the locations under consideration.</p>
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9.2 Governance

The Department is seeking feedback on several models of governance that will drive the implementation of the Place Strategy. We endorse the need for a collaborative approach towards the delivery of the Strategy involving landowners, State Government, City of Sydney, business and community groups. It is crucial that the governance model is selected has been designed to contribute towards achieving the Place Strategy's vision and directions.

9.3 Action Plan & Next Steps

Part 13 of the Strategy identifies ten actions related to delivery of the five "Big Moves". These actions are generally supported, especially those which contribute to new opportunities for new tourism, entertainment and economic growth. Action 5 to build a Sydney Metro station at Pyrmont is fully supported and encouraged as it will provide the key for the transformation of the precinct.

We support the intention for public exhibition of Sub-Precinct master plans before the end of 2020 that will outline the detailed planning, design and development requirements needed to implement the Place Strategy.

Contacts

Belinda Ngo

Acting NSW Executive Director
Property Council of Australia
Mobile: 0400 356 140
Email: bngo@propertycouncil.com.au

Troy Loveday

NSW Policy Manager
Property Council of Australia
Mobile: 0414 265 152
Email: tloveday@propertycouncil.com.au