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Creating for Generations

26 August 2020

Department of Planning, Industry & Environment
Blackwattle Bay redevelopment submission
Locked Bag 5022
PARRAMATTA NSW 2124

Submission made via the Department of Planning Online Planning Portal

Blackwattle Bay - State Significant Precinct

The Property Council of Australia welcomes the opportunity to provide comments to the NSW Department of Planning, Industry & Environment (the Department) on the redevelopment of Blackwattle Bay.

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.

The following comments detailed in the attached submission are provided for your consideration.

We note that the Blackwattle Bay redevelopment proposal includes the following documents on exhibition:

- The Blackwattle Bay – State Significant Precinct – Explanation of Intended Effect
- The Blackwattle Bay State Significant Precinct Study

These documents are intended to support and facilitate the future rezoning of the Blackwattle Bay State Significant Precinct, outline the renewal proposal and strategic justification and planning pathways to rezone the precinct.

The redevelopment and renewal of the Blackwattle Bay precinct is critical to support the state's recovery from the COVID-19 economic downturn. The site's scale, location and development potential presents huge opportunities to stimulate growth and investment and provide a substantial number of jobs during and after construction. We urge the NSW Government to give consideration to the need to stimulate the NSW economy post-COVID.

Planning Pathway and Consent Authority

The Property Council supports the nomination of Blackwattle Bay as State Significant precinct and the proposed rezoning and redevelopment of the site through this process. We note that the Minister for Planning will remain consent authority for development with a Capital Investment Value (CIV) of over \$10 million and the City of Sydney will be the consent authority for all other development under this value. This approach is considered appropriate given the significance of the site due to size, prominent location, proximity to the CBD and development potential and is supported by the Property Council.

Recommendation: The Property Council strongly supports the nomination of Blackwattle Bay as a state significant precinct with the Minister for Planning as consent authority for all development valued over \$10 million in CIV.

Flexibility in Design

The design of the Blackwattle Bay precinct is rigid for this stage in the development process. Imposing limitations early in the development process limits the innovation and creativity that a development partner can bring to the successful renewal and revitalisation of the Blackwattle Bay Precinct.

The proposed *Design Code* has been designed under the pretext of development over land holdings not controlled by the proponent. In the foreseeable instance of adjacent private landowners not proceeding with the plan or within Government timeframes, the proposed Design Code will restrict alternative master plan proposals that can better respond to adjacent landholdings and environmental conditions and achieve Government's overarching Vision and Place Creation goals.

The proposed Design Code has prescribed the mix, location and size of each use within each building to address existing environmental conditions. This approach will decrease the development and economic potential of the precinct and will limit Government's future development partners. Successful urban renewal projects including Barangaroo, Central Park and Darling Square demonstrate unfavourable environmental conditions can be managed through innovation at the master plan level.

The ability to develop precinct-scale solutions to address climate resilience and transformation incorporating future technology are less likely to be easy to incorporate into the precinct, due to the prescribed design requirements. A precinct of the size, scale and significance of Blackwattle Bay needs flexibility to deliver successful outcomes into the future as technologies, regulations and market conditions shift and change over time.

Whilst the Property Council understands the intent of the design code, the prescribed controls illustrate one way of overcoming the environmental challenges on the site. Other alternative designs could be utilised. Until development partners are involved it is recommended that the detailed design controls be deferred for now.

To achieve the government's desired outcomes for this key site, flexibility in design is key. We understand that the NSW Government has attempted to accommodate site constraints and requirements of different stakeholders by prescribing design, but this approach limits innovation and the capacity of the market to deliver efficiently and cost effectively the Government's objectives for the Blackwattle Bay precinct.

Recommendation: Overly prescribed design requirements are not needed at this stage of the development process and will stifle innovation and the adoption of future sustainable technologies.

Flexibility is needed to ensure the site will still be developed as market conditions, regulations and technologies change. The development of detailed design controls should be deferred until development partners for the precinct are appointed.

The Government should also undertake 'market sounding' in the process of the developing the design controls to ensure these reflect current market conditions.

Potential for additional housing

We note that the proposed planning controls for the Blackwattle Bay Precinct will deliver an abundance of benefits to support growth and development, including:

- 5,600 new jobs close to the CBD
A continuous waterfront promenade – the missing link in 15km foreshore walk from Woolloomooloo to Rozelle, new active transport connections and improved pedestrian and cycling links
- Improved public transport, ferry wharf, opportunity for buses to service through site link, connections to the existing light rail and access to the future Sydney Metro West Station in Pyrmont
- New parks and green space with 30,000 square metres of new open space and a new Sydney Fish Market at the heart of Blackwattle Bay.

As outlined above, the Blackwattle Bay precinct benefits from quick and easy access to the Sydney CBD, extensive open and green space, close proximity to significant employment opportunities and substantial public transport options including Pyrmont Metro station.

Given the huge investment in infrastructure and services and the many services and opportunities this site benefits from, the housing target of 1,550 dwellings is insufficient given the potential of the precinct and should be increased.

Recommendation: The dwelling target of 1,550 should be increased to reflect the substantial public infrastructure investment and benefits provided to this precinct.

The Property Council supports the redevelopment of the Blackwattle Bay precinct and the benefits outlined in the Precinct Study

Key positive aspects of the renewal proposal identified in the Precinct Study include:

- Rezoning of development lots to B4 Mixed Use to allow a range of uses within the precinct, in particular employment and housing;
- The proposed scale and density of built form, mix of uses and floorspace for employment generating uses and housing outlined in the renewal proposal is in alignment with the precinct's role in supporting Tech Central and the future 'innovation hub' as highlighted in the Eastern District Plan;
- The building height controls proposed are suitable in the context of the 'spine' of the Sydney CBD skyline and concentrate the building envelopes with the greatest height closest to the CBD;
- The density and growth proposed in the renewal proposal is supported by the addition of a new Metro station at Pyrmont and the ongoing development of active transport

connections throughout the precinct. This growth underpins Government's investment in Sydney Metro;

- The growth is well supported by the inclusion of 30,000 square metres of open space, parks and green space;
- Key commercial marina operations are maintained on the precinct, in a more efficient configuration which respects the existing users and ensures the safety of paddlers and rowers entering the bay and allow higher frequency movements to be separated at the entrance of the bay and minimises wash and cross over with passive water craft; and
- The extension of a harbour foreshore public access loop from Jackson's Landing is a significant benefit to the public and enhances connectivity and public use and enjoyment of the harbour foreshore.

Recommendation: The Property Council supports the redevelopment and renewal of the Blackwattle Bay precinct, including a range of positive aspects identified in the Precinct Study.

Clarity is needed on infrastructure contributions

The absence of an infrastructure contribution scheme provides no clarity on how the required infrastructure will be funded or delivered. A high-level infrastructure contribution scheme should be developed, consistent with the infrastructure contributions reforms framework the Department is in the process of developing and implementing.

The Bays West Draft Place Strategy released by the Department Planning Industry and Environment has also outlined a requirement for service and infrastructure upgrades to support the future mixed-use precinct at Bays West. There is a missed opportunity to consider an infrastructure solution across both Blackwattle Bay and Bays West including a shared infrastructure contribution scheme.

Recommendations: A high level infrastructure contributions scheme, consistent with the Department's proposed infrastructure contributions reform framework, should be developed to provide clarity around future infrastructure costs.

The Department should investigate the possibility of establishing an infrastructure contribution scheme encompassing both Bays West and Blackwattle Bay precincts to see if economies of scale and efficiencies could be achieved.

Should you wish to discuss these issues further, please contact Annie Manson, NSW Policy Manager on email at amanson@propertycouncil.com.au or phone on 0422131741.

Yours sincerely



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Property Council of Australia