

4 February 2022

Pymont Peninsula Place Strategy Implementation

Introduction

Business Sydney is the leading advocate for Sydney as a competitive and global city. We are dedicated to creating and promoting Sydney as a city of opportunity – a global city to invest, work, live and visit. A metropolis which supports a thriving local economy providing quality jobs for our citizens, wherever they live in our city. Representing more than 100 of our leading business, community and government organisations and we are vocal advocates in advancing the economic, social, environmental, and cultural life of Sydney, and Sydneysiders.

Business Sydney has taken an active interest in the future of the Pymont Peninsula for many years. While we have members who are significant land holders in the precinct and have been active in the Western Harbour Alliance, the principal motivation for our interest stems from a strong view that Pymont has role to play in an expanded CBD, providing much needed commercial, tourism and cultural floor space. Sydney's constrained CBD is Australia's premier business district and an important generator of our national wealth. To continue to support our growing population, create jobs and attract business investment the CBD needs room to grow, generate capacity, and deliver quality amenity to attract talent and support tourism and hospitality.

The NSW Government is to be commended for the comprehensive and considered review of the future of Pymont Peninsula. The draft Place Strategy, and the accompanying studies, provide a valuable baseline of evidence and data to inform the future planning and economic development of this important precinct. While we welcome the Strategy, we believe there are some areas where it could be improved and some ideas which we would like to be considered before the Strategy is adopted.

10 Directions and the 5 Big Moves

In our submission in September 2020, Business Sydney expressed our strong support for the 10 Directions, and we are pleased to see they are retained in the Strategy. We also endorsed the 5 Key Moves, which are critical if we are to unlock the potential of Pymont. The significant investment of public funds in catalytic infrastructure - in particular, the Metro Station and completing Sydney's foreshore walk - will go a long way to removing the constraints which have prevent Pymont from realising its full potential.

Structure Plan and Sub-precincts

We endorse the Structure Plan which sets out how the Pymont precinct relates to, and connects with, surrounding precincts. It also clearly identifies how growth and change is to be distributed across the peninsular, while balancing the needs to protect local character and open space.

As we outlined in our previous submissions, taking a sub-precinct approach to planning, land use changes, and targeting investments is appropriate. Pymont is a collection of places and neighbourhoods, and each requires a bespoke approach to managing change. While we are hopeful that over the 20 years of the Strategy, Pymont will secure the investment needed to create the 20,000+ new jobs outlined in the Strategy, this investment and employment should be directed to the sub-precincts best placed to accommodate them.

The Strategy outlines a comprehensive list of Priorities for each of the seven sub-precincts, most of which make sense and are supported. We believe the following ideas and policy tolls should also be considered support the implementation of the Strategy and drive renewal and investment.

New format Housing

The Strategy rightly focuses on Pyrmont's potential to support commercial activities to drive employment growth and Business Sydney supports limiting new residential development in some of the sub-precincts. However, the pandemic has temporarily changed the demand for new commercial floorspace in Sydney and, while this will hopefully end soon, there is unlikely to be significant industry investment in new office space for some time. In the interim, new housing formats, such as Co-living and Build-to-Rent offer a means to deliver the activation Pyrmont needs, while still allowing future commercial activity when demand arises. We recommend the Department and Council consider further mechanism to support these new housing formats, including density and height bonuses.

Managing Heritage

Pyrmont has a rich heritage and is populated by many important historic buildings which need protection. However, the Heritage Act is often a blunt policy tool, protecting historic buildings, but leaving them without an economic, social, or cultural purpose. Pyrmont has many buildings which have been boarded up for years or are underutilised, leaving them at risk of neglect. Heritage should be an asset to the Pyrmont, not a constraint.

Business Sydney would welcome an expansion of the Sydney City's Heritage Floor Space Trading Scheme to cover the Pyrmont peninsula. This scheme has proven successful in restoring and renewing heritage buildings in the CBD while providing an incentive for the private sector to invest. It could do the same for Pyrmont's rich heritage.

Arts, Culture and Live Performance

The Strategy prioritises the growth of "*entertainment, culture and creativity*" while at the same time "*address potential impacts of 24-hour economy activities on amenity, including noise, safety, traffic and transport...*" for each of the sub-precincts, however, is silent on how this should be delivered.

Business Sydney has been advocating over recent years for the urgent need to address the shortage of places for live performance, rehearsal studios, and cultural spaces in Sydney. We've published papers and made submissions highlighting the lack of cultural infrastructure and how this is undermining our night-time and visitor economy.

Pyrmont is uniquely placed to address this shortcoming while building on the existing cultural institutions, theatres, and venues already in the area. We recommend the Department consider encouraging investment in cultural infrastructure through density and floor space incentives, similar to those proposed for Oxford Street and in the new CBD Plan. If the Strategy is successful in decoupling new development and parking, then there is scope for the sub-stratum of new development to repurposed for cultural spaces, while also protecting local amenity. However, this won't happen without incentives, such as excluding these from floor space calculations in new development.

Anchored by the existing Lyric Theatre, ICC's Darling Harbour Theatre and the Capitol, Pyrmont/Haymarket could provide Sydney with a vibrant and distinct theatre district. Something the Cities we compete with all have, but which Sydney lacks.

Key sites

Business Sydney supports the identification of key sites in Pyrmont, and we agree that these should be treated with a bespoke, place-based, planning framework. These sites offer the opportunity for some early wins, delivering many of the aspirations of the Strategy in the near future. However, it is important that the Strategy does not unduly restrict the development potential of these sites or impose conditions which might make them financially unviable.

The Star is currently the anchor for Pyrmont's night time and visitor economy. It plays a critically important part in the Sydney's cultural offering, providing employment to thousands of people. The advent of a new Metro Station offers a once in a lifetime chance to renew the Star and to expand its role in the cultural and economic life of the city. The extra connectivity provided by the Metro should support a much greater level of density and activity across the site and this should be guided and informed through the draft master plan.

UTS Ultimo and Haymarket are the anchors of the areas education and research industries. UTS and Sydney TAFE provide training, education, and skills for Sydneysiders and are an important part of our cities leading export - international education. However, the precinct suffers from poor urban design and amenity, a legacy of the ad hoc development in the past. Renewing this key site through the proposed Master Plan, and growing its contribution to Sydney, requires greater density and heights. Again, the future development of this key site should be determined through a comprehensive consultation process.

Implementation: A unified (and flexible) planning system

As we outlined in earlier submissions, Pyrmont has suffered from a lack of coherent and unified planning. The peninsula is littered with a variety of Regional Plans, Local Plans, Development Control Plans, as well as State led planning proposals. If the aspirations of the Strategy are to be realised, there is an urgent need for a single Plan covering the entire Peninsula. We support the suggestion that this be led by Sydney City Council through a redrafting of the Sydney LEP 2012. However, as the State is still the precincts largest landowner it is important that the DPE remain actively involved in crafting this new Local Plan.

Business Sydney has always seen Pyrmont as an opportunity to expand Sydney's constrained CBD. To this end we believe that the B8 Metropolitan Centre zone should be applied across more of the Peninsula. The complexity of a precinct like Pyrmont, requires a flexible zone which permits all possible land uses and activities, provides incentives to support preferred developments, and which seeks to manage land use conflicts at the DA stage. Alternatively, the new, performance based, SP4 Local Enterprise Zone could provide the flexibility industry needs if they are to invest in the precinct.

Governance

The current disjointed governance arrangements are one of the largest impediments to the realisation of the potential of the Pyrmont Peninsula. Over the years the precinct has been governed by a dizzying array of government agencies, including the Barangaroo Delivery Authority, Sydney Harbour Foreshore Authority, Sydney Ports, Darling Harbour Authority, Casino Licensing Board, the Ultimo/Camperdown Innovation Precinct, to name just a few.

The result is a tapestry of local sub-precincts, divergent planning schemes and a lack of coherent place making. This needs to change.

We support the need for an innovative governance model to drive the orderly development of the precinct and If the aspirations of the strategy are to be realised, there is the need for a single plan covering the entire peninsula. As the State is still the precinct's largest landowner, it is important DPE remains actively involved in crafting this new Local Plan.

Thanks and regards,

Business Sydney is a foundation member of the Western Harbour Alliance, and we have been active in working with the many members we have on the Peninsula to explore new forms of governance including the option a BID model to provide for industry and land-owner input into the future development of the precinct. While the Strategy suggest several other governance models it is important that local businesses have a seat at the main table when decisions affecting Pymont are being made.

Conclusion

As we face the challenge of rebuilding Sydney's economy, unlocking the economic value of the Pymont Peninsula has never been more critical. The steps taken by Government to engage stakeholders, improve planning and enhance connectivity for the Pymont Peninsula are commended.

We welcome the opportunity to continue working with the State Government to deliver the significant economic and strategic outcomes of the Pymont Peninsula.

Should you have any questions about this submission or would like to discuss in more detail, please feel free to contact me at Paul.Nicolaou@businesssydney.com

Yours sincerely

A handwritten signature in black ink, appearing to read 'Paul Nicolaou', written in a cursive style.

Paul Nicolaou
Executive Director
Business Sydney