

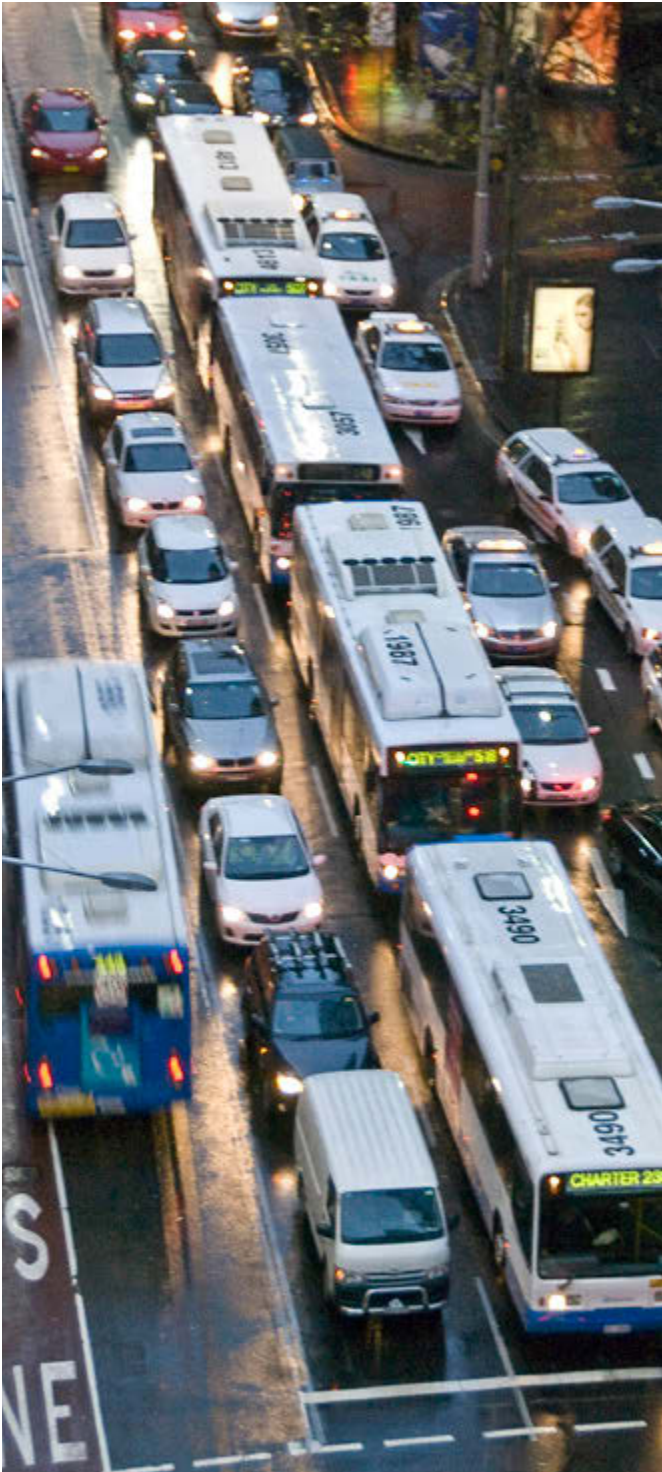
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CASE STUDY:  
GEORGE STREET LIGHT RAIL  
GREEN SQUARE

# CITY OF SYDNEY COUNCIL FIT FOR THE FUTURE ATTACHMENTS

# Case Study



## Light Rail

### Congestion is crippling Sydney

Congestion costs Sydney \$3.5 billion each year and this will grow to \$8 billion by 2020. Sydney's main street, George Street, is dominated by vehicle traffic and poor pedestrian amenity, which has significant impacts for its retail vibrancy.

In 2014, Sydney was ranked 9th of 30 cities in the PricewaterhouseCoopers 'Cities of Opportunity' global ranking behind cities such as London, New York, Singapore, Toronto and Hong Kong.

Our lowest ranking was in the category 'Transportation/Infrastructure' coming 25th, or 6th last, just head of Jakarta and Los Angeles. Out of ten categories, this ranking was a full 10 places below our next worst result, and pushed Sydney down overall from high-ranked achievements in Liveability and Sustainability.

We need to urgently address this to maintain our global competitiveness.

### Our vision for George Street

The City has developed a bold design for George Street which will reclaim tens of thousands of square metres of road space, transforming George Street from a noisy, congested and polluted traffic corridor into a premier boulevard for shopping, socialising and outdoor dining – a destination in its own right. The implementation of light rail will reduce congestion, provide improved public transport options as well as associated economic and social benefits – particularly for retail and tourism.

**“The light rail project will return 40 per cent of George Street to pedestrians and make it a beautifully designed space for people, free of the noise of the hundreds of buses that now choke it every day.”**

Lord Mayor Clover Moore (20 December 2013)

## Chronology

DATE	MILESTONE
2004	Clover Moore elected Lord Mayor of Sydney
2005	Independent studies into mass transit for the CBD and inner Sydney commissioned by the City
2005–2007	The City undertakes technical feasibility and patronage work on different light rail route options
2007	The City begins the most extensive public consultation in its history to develop Sustainable Sydney 2030
2007	Gehl Architects develop the Public Spaces Public Life report on behalf of the City, recommending George Street as a light rail and pedestrian boulevard
2008	Sustainable Sydney 2030 is adopted by Council
2010	The City signs a five year ‘Transforming Sydney’ MOU with the former NSW Government with a focus on transport improvements
2011	Lord Mayor Clover Moore meets with the NSW Labor Government and Liberal opposition to discuss the City’s vision for central Sydney
March 2011	New State Liberal Government elected in NSW
June 2011	The City’s financial plan reserves \$180 million towards the light rail project
December 2012	The NSW Liberal Government releases “Sydney’s Light Rail Future”, announcing light rail will run down George Street
December 2012	The City’s George Street Concept Design goes on public exhibition
March 2013	The City agrees to commit \$220 million to the project and is the first key stakeholder to negotiate a Sydney Light Rail MOU with the NSW Liberal Government
September 2013	The City’s George Street Concept Design is adopted by Council
December 2013	A Development Agreement is signed between the City and Transport for NSW to ensure the City’s vision is delivered on George Street and in Surry Hills

## Building the case for light rail

The City commissioned two independent studies in 2005, which showed light rail would work in central Sydney and provide the patronage and level of service needed to make it a success.

In 2007, we engaged Gehl Architects to create a blueprint to turn Sydney's city centre into a people-friendly, public transport-oriented and green city. The Public Spaces Public Life report assessed how our streets and public spaces can better promote public life and outdoor leisure. It benchmarked our city against other global cities including London, Copenhagen and Stockholm. The report recommended transforming George Street into a light rail and pedestrian boulevard and new civic spine of central Sydney.

During consultation on the development of Sustainable Sydney 2030, light rail was in the top four suggestions of people living in the local government area, for enhancing the lifestyle and accessibility of their neighbourhood.

We commissioned a number of evidence-based research studies (including 'Global Cities Retail Study' by SGS Economics and Planning, 2011) to understand successful, contemporary global city retail environments and how they compare with the performance of Sydney's city centre. We examined global cities that had undergone major transformation through initiatives such as light rail and the lessons we could learn and quantified the benefits that retailers on George Street might see from the introduction of light rail and pedestrianisation of the street.

A key finding was the potential uplift for retail and the property sector, with benefits expected to extend to the tourism sector. Significant development is already proposed or underway on George Street, before construction of the light rail has even begun. In 2014, a record \$2.8 billion of private developments were approved by the Central Sydney Planning Committee.

The City engaged key stakeholders from the property, retail and tourism sectors through group discussions, forums and individual briefings to consider the issues and benefits associated with transforming the city centre. The City of Sydney Retail Advisory Panel, Property Council, Tourism Transport Forum, Tourism Accommodation Australia, Australian Hotels Association, Australian National Retailers Association and Sydney Business Chamber were just some of the organisations who informed the proposal for light rail and pedestrianisation of George Street.

We hosted over 40 stakeholder presentations to George Street building owners and tenants, developers, industry groups, institutions, as well as government and non-government agencies. We hosted a variety of roundtable discussions, industry functions and public forums, and launched an online discussion forum, Sydney Your Say.

The City negotiated a City/State Partnership 2010–2015 with the NSW Department of Transport and Department of Planning by signing a five-year MOU in September 2010. This was a commitment to work together to improve public transport, taxi access, walking and cycling in the city. Under the agreement several practical changes to the operation of public transport, taxis and traffic signals have been completed.

In the lead up to the 2011 NSW state election, Sydney Lord Mayor Clover Moore initiated meetings with the then NSW Labor Government and Liberal opposition, including a briefing to opposition transport minister Gladys Berejiklian.



**“George Street Light rail will connect tourists directly to our biggest attractions; from the Museum of Contemporary Art at Circular Quay to the fish market, the new exhibition centre, Darling Harbour, the Star and a world class array of hotels, shops, bars and restaurants.”**

TTF National Manager, Transport, Trent Zimmermann (22 May 2012)

## **Achieving positive outcomes for Sydney**

On 13 December 2012, the new Liberal Government announced “Sydney’s Light Rail Future” to be built down George Street and on to Randwick and Kingsford.

The City successfully negotiated and signed a development agreement with the NSW Government in December 2013. Our \$220 million investment will create a high quality public domain outcome benefitting businesses, residents and visitors. The pedestrianisation of George Street between Hunter and Bathurst is a condition of this investment.

“It’s not every day a local council, even one as big as the City of Sydney, puts \$180 million on the table, it’s not every day we have such strong agreement between businesses and levels of government, and it’s not every day we have such strong popular support,”

**TTF National Manager, Transport,  
Trent Zimmermann** (22 May 2012)

“This is exactly the sort of, bold, big city decision that Sydney has been crying out for. Decades from now this decision will be regarded as the one that got Sydney back on track.”

**Dr Tim Williams, Chief Executive, Committee for Sydney** (AAP Newswire Thursday 14 November 2013)

“We are now seeing some real significant number of businesses coming into the retail hub of George St and people are seeing a very positive future for Sydney. George St is an exciting street. Light rail will become very important with the connection of the CBD.”

Patricia Forsythe, Executive Director, Sydney Business Chamber (City News, 31 May 2012)

“We have never seen the amount of development between the Quay and Town Hall Square, ever; George Street is just going to be a completely different street. Every single block has got activity of some description over the next four to five years. Included in that will be a considerable amount of new retail space meeting the current demands of the global luxury retail brands who are looking for their new homes in the Sydney.”

**Michael Bate, International Head of Retail, Colliers** (AFR, 18 March 2015)



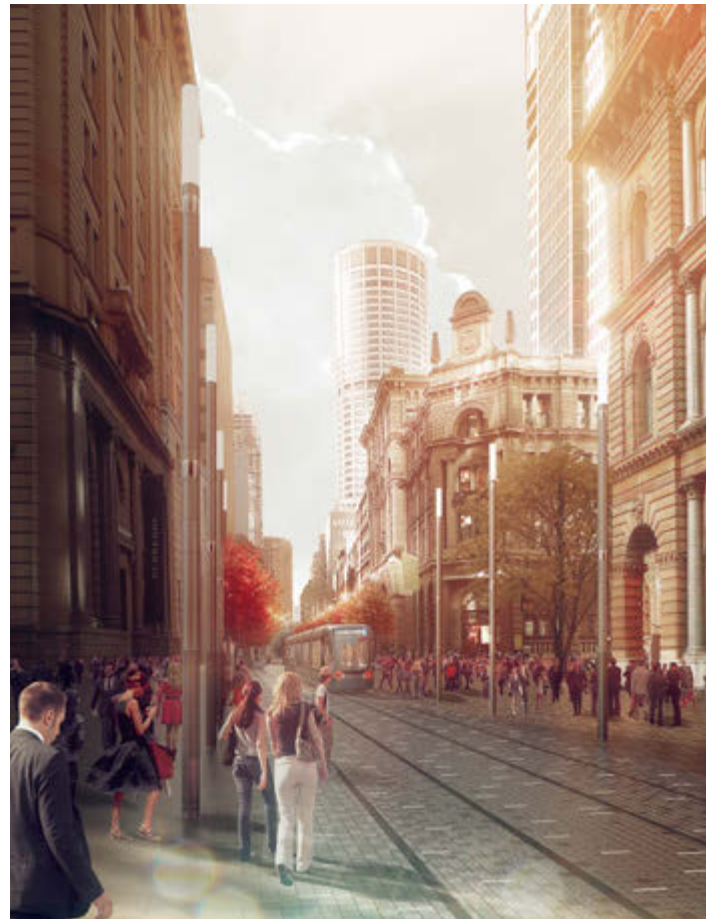
## Investing in Sydney's future

The City initially offered \$180 million in 2011 to help make light rail a reality, proving our commitment to work with the NSW Government.

We increased our investment to \$220 million, at the NSW Government's request, and to provide the best possible public domain outcome for Sydney residents, workers, businesses and tourists.

The City continues to contribute in-kind costs to the project. Our expertise, particularly in the fields of traffic operations, sustainability, services relocation, design, project management, and stakeholder engagement is recognised and highly sought by the NSW Government. At the request of Transport for NSW, we have provided resources in these areas by embedding City staff into joint project teams as required.

The City is also investing \$10 million in revitalising laneways connecting to George Street, rejuvenating underutilised spaces, and encouraging small businesses and bars. Over the past six years, infrastructure such as new paving, drainage, lighting and art installations, has been installed or upgraded in nine CBD laneways, including Ash Street, Angel Place, Bulletin Place and Albion, York and Temperance Lanes and Market Row, with additional laneways to be completed in 2015.



## Case Study



## Green Square

The 288 hectare Green Square redevelopment is one of Australia's largest urban renewal projects, with a population expected to peak at 53,000 residents and 20,000 workers by 2030.

The City wants the growth of Green Square to be supported by everything needed to make large cities liveable: a thriving town centre and main street, a sense of community sustained with markets, festivals and an active street life; and of course sustainable transport options allowing people to easily walk or cycle.



## 1996 to 2005: A decade of inaction

In 1996 the South Sydney Development Corporation was established under the **Growth Centres (Development Corporations) Act 1974** to “promote, coordinate, manage and secure the economic development of the South Sydney Growth Centre” which included the Green Square Urban Renewal Area.

When the new City Government was elected in 2004, the complex urban renewal project faced almost intractable challenges.

- The land in the Town Centre was in 18 lots of ownership split between NSW and local government and private landowners and the wider renewal area had dozens more landowners and complex land ownership patterns that constrained coordinated development.
- The predominantly industrial area had only small pockets of residential development serviced by basic infrastructure.
- Given the historical industrial uses, the land was heavily contaminated.
- Flooding was a significant issue that precluded development on many key sites.

During the decade, several studies, investigations and masterplans had been undertaken and redevelopment of sites in single ownership along the eastern boundary was occurring, such as Landcom’s Victoria Park development and Meriton’s redevelopment of the ACI site. The airport train line opened on the site’s western edge in 2000, with a high private operation access fee for the station.

There was a lack of overall coordination and development of the Town Centre was unfeasible as funding for the essential infrastructure was unresolved. There was no funding stream from NSW Government and land had not been set aside for public transport or other state infrastructure.

## 2006 to 2015: Development reviewed and revitalised

Following the election of the new City Government in 2004, the City took the lead for the urban renewal site.

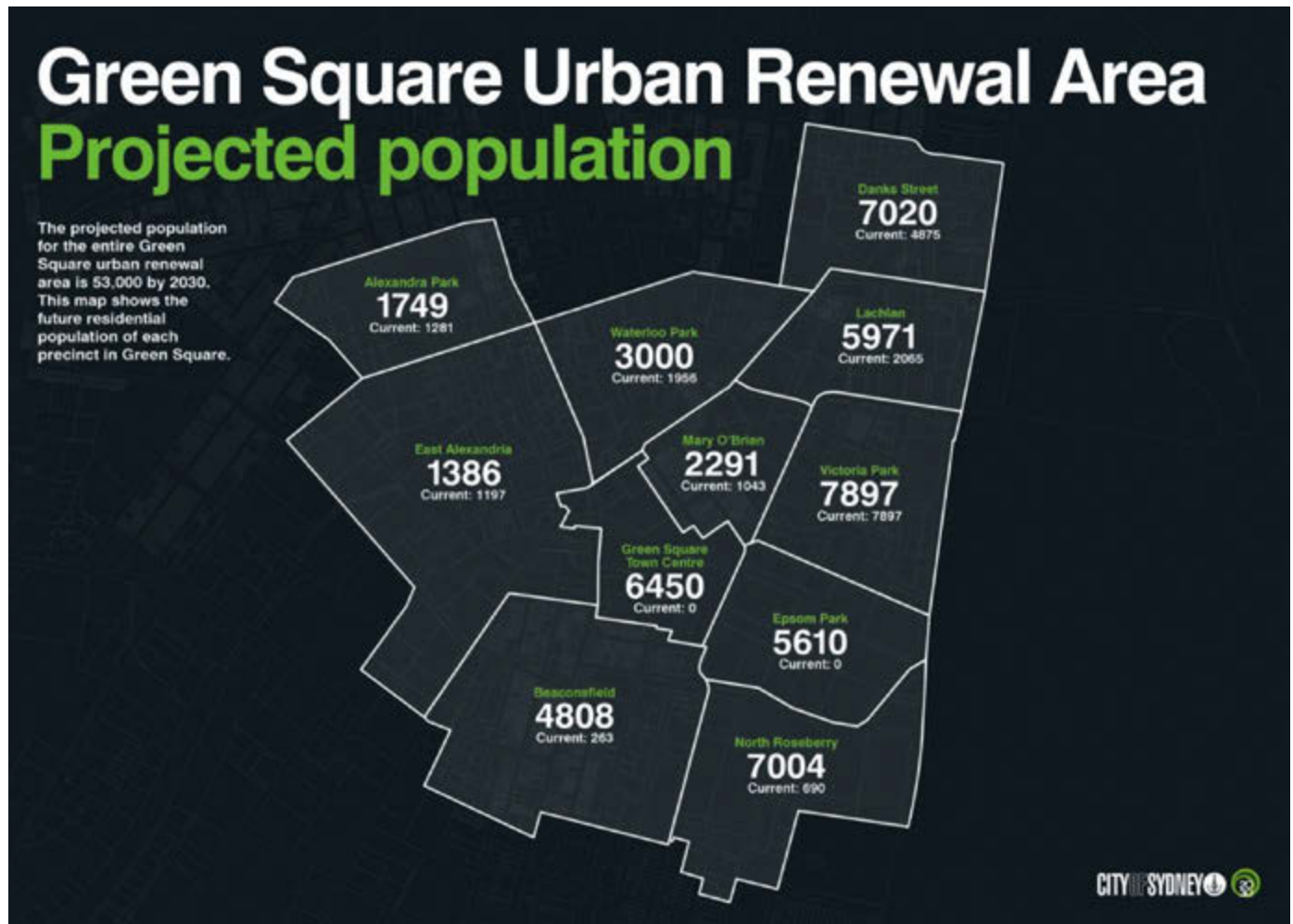
The City undertook a wide reaching review of land uses, urban design, traffic and transport, streets and open spaces, stormwater management, and social infrastructure and community facilities. The City prepared a financial framework for delivering infrastructure to enable and support redevelopment.

The South Sydney Development Corporation was dissolved in 2006 and the City took control of coordinating the planning and now delivery of infrastructure for the area.

A critical milestone was reached in 2009 when Landcom, the predecessor to UrbanGrowth NSW, selected the Green Square Consortium to redevelop significant sites in the Town Centre. The following year, when the consortium partners argued that without government contributions the Town Centre needed increased density to make it viable, the City agreed to consider a new proposal. It was put it to the community and endorsed.

A further critical milestone was reached in 2014 when agreement was secured for the 2.5 kilometre trunk stormwater drain from Zetland to the Alexandria Canal to address flooding, a key impediment to redevelopment and a Sydney Water responsibility. The City is funding approximately \$50 million, with Sydney Water funding the remaining \$47 million of the total cost.

Figure 1: Green Square total development capacity – dwellings and resident projections



## Population Growth

Redevelopment of land in the wider Green Square urban renewal area is now occurring more quickly than anticipated due in part to favourable market conditions.

Expected investment of \$8 billion over the next decade will see the total number of dwellings increase from 11,000 in 2015 to approximately 27,000, and the resident population increase from 21,000 to over 53,000 by 2030.

There is still no state public transport strategy to meet the needs of the rapidly increasing population, despite a joint State and City Government Transport Management and Access Plan (TMAP) in 2008 that concluded a policy of 'no net increase in private vehicle traffic' was required to prevent unsustainable congestion.

The infrastructure strategy prepared by the City shows Green Square could need up to five new primary schools, a new high school, around 125 extra hospital beds and 250 aged care beds, and an ambulance station to meet the needs of the new population by 2030.



Artist's impression: Green Square Aquatic Centre

## The City's infrastructure projects

The City has committed around \$800 million to Green Square, including \$440 million over the next 10 years towards world-class facilities and infrastructure in the Green Square Town Centre and surrounding neighbourhoods.

These facilities and infrastructure will serve the wider community and include a library and public plaza, community centre and halls, aquatic centre and public and open spaces, land acquisition and essential infrastructure, such as road, footpaths and transport corridors, drainage, utilities and services network, and landscaping. Approximately half of this budget is for streets and drainage and half for new community facilities and open spaces.

- **Upgrade of the 2.5km trunk stormwater drain from Zetland to the Alexandra Canal and through the Town Centre.** The trunk drain is a key measure identified in the Green Square-West Kensington Floodplain Risk Management Plan to mitigate flooding. The City is contributing approximately \$50 million, with Sydney Water funding the remaining \$47 million of the total cost.
- **New streets to access the high density development.** In the Town Centre alone, the City will be spending over \$100 million in new streets. Another \$100 million will be funded from developer contributions to deliver streets in Lachlan, Epsom & Ashmore precincts through work-in-kind agreements with developers.

- **Land for transport.** To ensure long-term sustainable transport can be delivered, the City is setting aside a major transit corridor to connect the Green Square train station with Central Station. This has been reserved and designed to accommodate light rail in the long term. The City is investing in extensions to the City's cycleway network from Central Station to the Town Centre and south along Bourke Street.
- **Land for critical infrastructure.** The City has acquired or set aside land for other critical infrastructure. The City facilitated relocation of the Waverley Council Depot at the core of the Green Square Town Centre and the Woollahra Council Depot on O'Dea Avenue to allow for renewal and infrastructure delivery on these sites.
- **Green Square Library and public plaza.** An international design competition was won by two young Sydney architects, Stewart Hollenstein, for the new \$55 million library and plaza. Their scheme fuses innovative buildings with an outdoor plaza, creating a flexible range of spaces for books and technology, meetings, performances and events, an amphitheatre, and space for festivals. It is due for completion in 2017.
- **Community facilities.** A \$50 million redevelopment of the Former South Sydney Hospital Site will deliver a community hall, meeting rooms, exhibition and studio spaces, medical facilities, approximately 100 affordable housing units (delivered by City West Housing) and a recycled water system supplying initially approximately 3,500 dwellings. This project is underway and will be completed in stages.
- **Aquatic Centre and open space.** The \$87 million Green Square Aquatic Centre and 15,500 square metre Gunyama Park were the subject of an open architectural design competition and will be delivered by the City. They are due for completion in 2019.





## Other funding mechanisms

In addition to direct funding, the City has developed and implemented a package of funding mechanisms to deliver infrastructure with development.

- **The City's Section 94 Contributions plan**, due to State Government restrictions, provides only part funding the required infrastructure.
- **The Green Square "Community Infrastructure Floorspace" scheme** was introduced when the area was rezoned to mixed uses from primarily industrial land in the late 1990s. This scheme provides that additional development floorspace up to a specified maximum may only be achieved where community infrastructure is provided. The scheme, a partnership between the City and private developers, has been successful in delivering important infrastructure at the time of development such as parks, streets and incremental drainage upgrades. In 2015 alone, \$52 million worth of public benefit offers have been made and are being negotiated and secured by the City under this scheme in the form of voluntary planning agreements.
- **The "Green Square Town Centre Development Rights" scheme**, introduced in 2006, is a source of critical funding to deliver the significant infrastructure needed to support the high densities of the Town Centre. This scheme establishes contributions for each site in the Town Centre. The scheme operates with an innovative rezoning model where development can only occur when landowners in the Town Centre request that council rezone their land and offer to commit to fund the identified infrastructure. This model has proven highly successful in funding and delivering key infrastructure and reducing unproductive land speculation activity.
- **The "Green Square Affordable Housing" scheme** was introduced in 1999 and will deliver about 330 affordable rental housing units across the urban renewal area for very low to moderate income earners. To achieve this target the scheme allows the City to collect contributions either through dedication of floor space for affordable housing units or through a monetary contribution. This scheme is administered by the City in partnership with the NSW Government. To date \$134 million in contributions have been received and approximately 150 units have been delivered by City West Housing.

