



2.0 BACKGROUND

2.1 Evolution of the Town Centre During 1990's and Early 2000's

The decision by the NSW Government to create a new GSTC for the inner south coincided with the 1991 announcement of the railway link between Sydney CBD and the airport.

GSTC was to capitalise on the renewed strategic importance this gave the area, which would now be more central than ever to the thriving employment hubs of Sydney Airport, Port Botany and the CBD.

The new Town Centre formed the centrepiece of the plan for a revitalised Green Square area, generally known as the Green Square Urban Renewal Area. The Green Square Urban Renewal Area is considered to be the largest urban renewal project in Australia, comprising 278 hectares of land in what was Sydney's oldest industrial area, and including the suburbs of Zetland and Beaconsfield, and parts of the suburbs of Alexandria, Rosebery and Waterloo.

The Town Centre covers an area of 13.74 hectares containing some large key sites owned by various public entities, both state and local, such as the former Waterloo Incinerator site previously owned by Waverley and Woollahra Councils and now owned by Landcom, Waverley Council's Works Depot, the NSW Police Service Centre (now controlled by Landcom), and the former South Sydney Hospital site owned by the City of Sydney. The Town Centre also contains the Green Square Railway Station and other privately owned land holdings.

Throughout the years of 1998, 2001 and 2003 a number of competitions and exhibitions led to the creation of master plans and design concepts for the Town Centre project. These processes were at various stages managed jointly or individually by Landcom, the former South Sydney Development Corporation and the former South Sydney City Council.

2.2 Introduction of Current Planning Controls

The current planning controls for the Town Centre were developed by the City of Sydney Council following the amalgamation of the former South Sydney City Council in 2004. The City of Sydney Council conducted extensive reviews on the existing planning material before finalising these planning controls.

The current planning controls for the Town Centre were adopted by the Central Sydney Planning Committee (CSPC) and City of Sydney Council in April 2006. The gazettal of the Local Environmental Plan took place in December 2006.

The package of new planning controls for the Town Centre includes:

- South Sydney Local Environmental Plan 1998 Amendment No 17 – Green Square Town Centre
- South Sydney Local Environmental Plan 1998 Amendment No 19 – Green Square Town Centre
- South Sydney Development Control Plan 1997 Amendment Part H: Green Square Town Centre
- Green Square Town Centre Infrastructure Strategy

The LEP defines permissible land uses, development sites, building heights and gross floor areas. The LEP breaks up the land to which it applies into public domain and development sites. The LEP enables a higher development potential to encourage high density redevelopment, supported by adequate infrastructure and high quality public domain.



The Town Centre LEP is an amendment (No.17) to the parent legal instrument, South Sydney Local Environmental Plan 1998. The LEP was gazetted on 22 December 2006, however, it does not currently operate in respect of land within the Town Centre, as the whole of this land is a "deferred matter" (under Section 68(5) – now Section 58 – of the *Environmental Planning and Assessment Act 1979*). The process of land "un-deferral" is linked to the provision of essential infrastructure.

The Town Centre DCP provisions contain guiding principles and define in detail the main structural elements that will realise the Town Centre. The DCP focuses on the details that need to be considered for the design of buildings (eg. location of activities, building alignment, sun access etc) as well as the design of the public domain.

The Infrastructure Strategy details how the delivery of the infrastructure can take place. It recognises that the identified infrastructure is essential to achieve appropriate public amenity and meet basic needs to support higher density development. The Strategy also recognises land within the Town Centre can only be rezoned as set out in the LEP if the appropriate level of services and public domain can be provided and Council is satisfied of this requirement.

Essentially, rezoning of Town Centre land will only proceed for those sites where the infrastructure requirement can be met. The remainder will be deferred until this requirement can be satisfied. The process of 'un-deferring' or activating land is expected to be by way of Voluntary Planning Agreements between the Council and landowners.

The Infrastructure Strategy also recognises the fundamental requirement that development must occur in order to generate the necessary contributions and provide access to land for infrastructure delivery.

It is important to recognise that the current planning controls were adopted prior to formulation of the City of Sydney's SS2030 strategy. SS2030 identifies and supports the role of GSTC as a major location for transformative and sustainable urban renewal. Both Landcom and GSC, and the City of Sydney Council, have acknowledged that the objectives of SS 2030 can be better achieved through amendments to the existing planning controls for the Town Centre.

2.3 Role of Landcom

Landcom continues to play a major role in realising the future Town Centre.

Preparation of planning controls

In 2001 Landcom was directed by the Minister for Planning to assist the then South Sydney Development Corporation in planning for the Town Centre. From this time Landcom played a major role in assisting with the preparation of the current suite of planning controls, ultimately adopted in 2006.

Delivery of infrastructure

Landcom's role in planning for delivery of the Town Centre evolved into a formal Implementation Agreement with the City of Sydney Council, where Landcom is responsible for managing the delivery of infrastructure and public domain for the Town Centre on behalf of the City of Sydney Council. This agreement also provides for the City of Sydney Council and Landcom to provide early funding for essential infrastructure ahead of contributions being received.

Development applications for the essential infrastructure (roads, drainage, services etc) and public domain (plazas, open space) within the Town Centre have been prepared under this working arrangement and were approved by Council in November 2008.



Landcom's role in developing the Town Core Sites with GSC is separate and distinct from its role working with the City of Sydney Council to implement the essential infrastructure.

Development of Town Core Sites

Landcom's role as a State-owned Corporation is to facilitate the delivery of the NSW Government's Metropolitan Strategy. Landcom often undertakes or facilitates key development opportunities that are integral to the Metropolitan Strategy, both in urban renewal and greenfield areas.

GSTC and the ongoing renewal of Green Square is a key element of the Metropolitan Strategy. Landcom has sought to bring greater influence and provide a catalyst for the Town Centre by investing in land consolidation through acquiring control of key sites within the Town Centre.

Landcom owns the former Waterloo Incinerator site, controls the NSW Police site via a commercial agreement and has entered into commercial arrangements to acquire the former Bourke Street depot site from the City of Sydney Council. These 3 key sites are shown in Figure 1 on page 15.

Under the existing deferred planning controls, the 3 key sites constitute approximately 40% of the land area of the proposed Town Centre and will deliver:

- Development sites 5, 7, 8, 15, 16, 17, 18 and 19
- A majority of the public domain, including:
 - Civic Plaza
 - Neighbourhood Plaza
 - The East-West transport corridor
 - A large section of East West Boulevard
 - The extension of Dunning Avenue
 - Other new public streets

Landcom has incurred significant costs in purchasing and demolishing the former Waterloo Incinerator and undertaking the relocation of NSW Police to unlock these sites and enable the Town Centre development to commence. These actions are strategically significant because they addressed key uncertainties for delivering the Town Core, as follows:

- The former Waterloo Incinerator was jointly owned by Waverley and Woollahra Councils. It had remained disused for 10 years since closure and was likely to remain an obstacle to the Town Centre without Landcom's intervention.
- The NSW Police site has operated in its current location for nearly 30 years. There was no plan to relocate these sensitive operations and they would have continued into the foreseeable future without Landcom's involvement.

The cost associated with making the Waterloo Incinerator and NSW Police sites available for the development of the Town Centre is disproportionate to the value of the land.

The Incinerator structures, now demolished by Landcom, were unique and substantial unlike anything in the Town Centre or surrounding area. Landcom is also required to relocate the existing NSW Police operations at considerable cost that is not entirely recoverable by the development potential the LEP offers.

The amalgamation of these sites provides control over the majority of land required for the public plazas that are fundamental to the overall intent of the Town Centre.



Landcom is partnering with GSC to develop these sites. The process of selecting a private sector partner has resulted in alternative proposals for the Town Cores Sites that are embodied in this Proposal. It is noted that the City of Sydney Council requested Landcom to seek alternative, 'non conforming' proposals as part of a tender process that would better respond to key SS2030 objectives.

This Proposal has evolved in response to a number of key issues, specifically:

- The need to modify the existing planning controls to achieve a development outcome that is commercially feasible and responds to market conditions and expectations;
- The policy objectives of the City of Sydney Council and State Government, particularly SS2030 objectives and key Metropolitan Strategy targets that emerged after the current planning control were adopted; and
- Initial discussions with the City of Sydney Council during 2009.

It is noted that Landcom also controls 'Development Site 1' above Green Square Railway Station via a Memorandum of Understanding with the Roads and Traffic Authority, and City of Sydney Council. Site 1 is excluded from Landcom's commercial arrangements with GSC and does not form part of this Planning Proposal.

Landcom has entered into commercial arrangements with the owner of 1 O'Riordan (RM Constructions) to purchase that part of the site required for the realignment of O'Riordan Street to Wyndam Street, part of the State road network.

Landcom anticipates that Development Site 1 will be the subject of a future development proposal.

2.4 Discussions with City of Sydney Council

Landcom and GSC held a series of meetings with senior representatives of the Council during mid 2009, in the form of an agreed "charette" or workshop process.

The key strategic matters dealt with through the charette process were:

- The proposed increase in development outcomes, building heights and floor space associated with the preferred scheme.
- Environmental sustainability outcomes associated with proposed development outcomes.
- The proposed public domain and urban design outcomes of the preferred scheme.
- The strategic importance of the Waverley Depot site to the future roll-out of the Town Centre.
- The staging of infrastructure works associated with the subject sites.
- The timing of future community facilities.

While the charette process provided the opportunity for the successful tender scheme to be tabled and considered, there were no firm actions or outcomes to take the matter forward. The Council has responded to clarify certain engineering related matters.

Further discussions between the parties have occurred during early 2010, resulting in agreement to the lodgement of a Planning Proposal for CSPC and Council consideration. Council officers have been clear in advising that the Planning Proposal should not include detailed or worked-up amendments to the environmental planning instrument or the relevant development control plan, but rather nominate the objectives of the proposal and indicate likely future amendments required. As a result this report does not include specific LEP and DCP amendments as these are capable of being drafted in the event that the Planning Proposal proceeds.

The NSW Department of Planning has also been briefed on the intended Planning Proposal.