

29 April 2021

Department of Planning, Industry and Environment  
Bays West draft Place Strategy Submission  
Locked Bag 5022  
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***Submitted via online portal***

To Whom it May Concern.

**Bays West draft Place Strategy**

Business Sydney is dedicated to creating and promoting Sydney as a City of Opportunity – a global city to invest, work, live and visit. A division of Business NSW, formerly NSW Business Chamber, Business Sydney represents over 145 leading corporations and through our work we drive the economic growth, prosperity, and sustainability of our great City.

Business Sydney appreciates the opportunity to review the draft Bays West Strategy and congratulates the Government on the comprehensive and considered planning process they have undertaken in bringing forward this new precinct to Sydney.

We support the renewal of this precinct which has been the subject of previous detailed studies and plans and numerous development schemes over several decades. Each of these earlier planning and redevelopment studies failed because they were unable to resolve the many competing land use priorities for the precinct, nor were they ever able to remove the many constraints which have prevented the orderly development of the Bays in the past. While the commitment to a new Metro station removes some of these constraints, there are still others which make intensifying density and development difficult. There is a reason why this centrally located piece of publicly owned, foreshore land has not been redeveloped earlier.

If the constraints which have prevented development to date are to be overcome the Strategy needs to be clear in its vision and objectives and supported by strong public sector investment in enabling infrastructure.

Both vision and investment of public funds will require a strong and enduring governance model.

In responding to the draft Strategy, this submission follows the structure of the Strategy itself- Vision, Key Directions, Big Moves and Structure Plan. We deal with each in turn.

***Vision: "...a new kind of Sydney urbanism..."***

The vision outlined in the Strategy is laudable. Business Sydney supports the concept of new place firmly founded in the existing natural, cultural maritime and industrial history of the place. We also welcome the aspiration for *"a new kind of Sydney urbanism that respects and celebrates Country"*. However, it's not always clear in the draft Strategy, how this 'new urbanism' is to be achieved or supported. It is unclear how indigenous knowledge will be used to shape future plans and development and what this might look like or involve. It is also unclear if there will be any ongoing involvement of indigenous peoples and groups in the governance of the Bays. Without these issues being clarified in future planning documents it is not clear how the Bays Strategy is 'new' or any different to the urbanism and planning of places such as Pyrmont/Ultimo, Central to Eveleigh, Green Square, and every other brownfield site in Sydney.

## **Directions and Planning Framework**

The 14 Directions outlined in the Strategy are all individually commendable, however more detailed analysis needs to be undertaken to ensure each Direction is compatible with each other. Sydney Business is concerned that the draft Strategy is seeking to achieve too many planning outcomes on such a constrained precinct and that some of these outcomes may be mutually exclusive.

Inevitably with such a complex and difficult precinct, there needs to be compromises between each Direction to ensure an orderly, viable and sustainable development. Sydney Business is concerned that these compromises may undermine the future evolution of the place. While we deal with each in turn, consideration should be given to reducing the number of Directions and being clearer about what the Department is seeking to achieve and the costs of doing so.

### **Land Use and Function**

#### **Direction One: *"Deliver diverse employment that support knowledge intensive industries..."***

With the immanent opening of the Western Metro, the Bays Precinct can support much greater intensity and density of employment than currently exists. However, the constraints on land side transport still remain and careful consideration needs to be given to ensuring greater intensity of economic activity does not come at the expense of the existing port and working harbour and water-based tourism.

Sydney Business welcomes the prioritisation of commercial development which capitalises on and reinforces the port and working harbour and their need to operate efficiently and grow existing industrial uses in the area. We question whether there is a need for more space in Sydney for high tech start-ups or knowledge intensive industries as these are being catered for elsewhere, such as at Tech Central, Westmead and North Eveleigh, as well as in our cities existing Town Centres. Not every new Precinct in Sydney should be seen as a 'tech hub' or 'incubator'. We also question the need for more educational facilities, schools, or Universities unless they are ancillary to the existing working harbour industries or future cultural industries which may be accommodated in the precinct.

Retail activities are inherently automobile intensive, and these should be restricted to catering only to the local residential and employment population or to the port and working harbour, such as chandlers.

Direction One would benefit from a commercial land needs study before more detailed land use changes are considered.

#### **Direction Two: *"... a range of housing, including affordable housing..."***

The need for housing in the Bays Precinct will be critical in both activating the precinct and capitalising on the new Metro Station. However, it is important that this land use does not predominate to the extent that the Bays becomes another dormitory suburb of Sydney.

Housing is the most profitable land use in Sydney and the development typology most capable of funding the many expensive infrastructure and connectivity upgrades the precinct needs to become a great place. This does not necessarily mean it is always the best and highest use.

In a constrained precinct like the Bays, residential development is a particularly hungry land use. Residential flat buildings require greater setbacks, generate greater demand for public and private open space and require greater solar access than other land uses. This can reduce the amount and location of other land uses and industries.

While new housing can be accommodated at the Bays, care needs to be taken to ensure other important land uses don't come into conflict with future residents. Sydney's port and working harbour is often noisy (both day and night) and can generate sometimes unpleasant fugitive emissions. Future residents may object to Sydney Ferries refuelling in the early morning, pressure for the removal or limitation of cruise ships

and marine cranes or object to shoreside boat repair and storage. Appropriate care needs to be taken to protect both land uses, and consideration should be given to providing appropriate buffers and screening between each.

The location of freehold housing also needs to be closely scrutinised. A complex and evolving precinct such as the Bays needs flexibility and the capacity to adapt as needs and demands change over time. However, once a sub-precinct has been developed for housing it is sterilised from future land use changes. This may restrict future uses and undermine the evolution of the precinct.

The provision of affordable housing is also strongly supported, and this should be further quantified and defined when the Strategy is finalised. Sydney Business does note however that subsidising housing is not without cost.

The issue and conflicts surrounding new housing in the Bays maybe resolved by restricting the tenure and ownership of future residents. In particular, the Built-to-Rent, and Co-living housing typologies outlined in the draft Housing SEPP may be more appropriate than free hold or strata tenures. There is considerable evidence that residents are less likely to object to surrounding industries when their tenure is time limited. Furthermore, these new format residential options can be changed over time as the needs of the precinct evolve.

### **Direction 3: “Retain, manage and allow the essential strategic port and maritime industry....”**

This is a critically important Direction and Sydney Business welcomes its inclusion in the Strategy. The Bays is the last substantial industrially zoned lands adjacent to a deep-water berth in Sydney. It plays an integral, but mostly uncelebrated role in countless industries and enterprises. It is a key component of our city’s visitor economy providing space and infrastructure to berth cruise ships, refuel ferries and charter boats, maintaining our sea walls, and rebuilding our wharves. The Cruise Ship industry alone provides nearly \$5 billion in economic benefit to Australia per annum and Sydney is the most important Port in the Oceanic region.

The Port also has critical infrastructure to support the construction industry supply chain, and the current and planned operations on Glebe Island, including the silos, are strategically located in close proximity to the markets they serve. Its economic importance might not be reflected in the rent these industries pay or the employment they generate but they serve a critical role in the wider metropolitan economy. Sydney will pay a high financial price if we lose this last remaining asset or limit its economic potential. The Port also serves to remove a significant number of trucks off our roads that otherwise would be required to deliver the same products into central parts of Sydney to serve market demands.

The importance of Sydney retaining a port and working harbour cannot be lost in the future planning of the Bays nor can its role be diminished or restricted by inappropriate or insensitive land use changes and developments. The access needs for the port and working harbour should not be crowded out by competing land uses such as high-density commercial development. The operations of the port cannot be restricted by the amenity needs of future nearby residents.

The Strategy articulates the importance of this well, though Sydney Business would like to see this further emphasised by making it the number one Direction when the Strategy is adopted. We would also like to see the Governments planned **Sydney Harbour Strategy** adopted before any land use changes are implemented.

We note however that the draft Strategy does foreshadow a significant reduction in the amount of land dedicated to port and working harbour and industrial uses. The Department should be more transparent with the Sydney community on what industries and assets they might lose when the Strategy is implemented. That the largest heritage fleet in the world will need to move elsewhere or the collection broken up. That many of the existing maritime uses and industries will no longer be available. The Strategy should clearly articulate the opportunity cost of redeveloping the Bays.

## **Design of Places and spaces**

### **Direction 4: ‘...open space and social infrastructure...’**

The careful design and placing of open space and social infrastructure is supported. Notwithstanding the large size of the Bays, available land is still very restricted, and this will be further limited by an increasing number and density of activities and industries planned in the Strategy. This means that what limited land is preserved for open space is of high quality and serves a range of recreational and environmental roles.

### **Direction 5: “... design excellence...”**

Supported.

### **Direction 6: “...biodiversity and improve water quality...”**

Outside the Great Barrier Reef, Sydney Harbour has the greatest biodiversity of any waterway in Australia. Within its waters are more diversity of marine life than is found in the British Isles or the entire Mediterranean Sea. Protecting and enhancing this unique environment is rightly a top priority.

Preserving biodiversity and natural systems from construction and economic activities is supported but more detail is needed on how this is to be achieved. The main priority suggested in the Strategy is green areas ‘...such as native gardens and meadows’. As laudable as these are, they are also land intensive and need to be substantial in size if they are to contribute to biodiversity in a meaningful way. Perhaps a better strategy is to focus on the Inter-tidal Zone, which is severely degraded across the western Harbour. This would suggest interventions like restoring foreshores, additions to enhance biodiversity and micro habitats such as ‘living seawalls’, and replanting mangrove forests or saltmarsh are more important for biodiversity, where there is scope to do so without disrupting the port or working harbour.

### **Direction 7: “...sustainable precinct which is carbon neutral...”**

The Bays precinct is a good opportunity to showcase best practise in sustainability and resilience. The goal of a carbon neutral precinct is strongly supported.

## **Transport and movement:**

### **Direction 8: “connectivity and integration into its surrounding areas”**

The main impediment to the Bays precinct renewal in the past has been the barriers to landside transport and, notwithstanding the introduction of a Metro Station, many of these barriers remain. There are unlikely to be any opportunities for increased road access to the precinct and the two existing road connections (Robert Street and James Craig Road) are already at capacity. Greater intensity of economic activity, combined with the introduction of new residential development and cultural facilities, will need to be supported and enabled by active transport and a significant boost to water based transport.

The Strategy is correct to state that future commercial and residential developments cannot be supported by the private automobile and that parking within the precinct will need to be significantly limited.

The Strategy will need to be supported by a detailed access plan for service vehicles freight and logistics and customers accessing the cruise terminal and facilities on White Bay. Catering for the needs of a large population of both residents and workers will require careful planning and considerable investment and this will need to be in place before new development can occur. It is also important that these new developments do not compromise the existing access needs of the working harbour and port. There is also a need for detailed Fire and Life Safety plan to ensure future users of the precinct can be evacuated in an emergency.

### **Direction 9: “...new connections to existing places by removing barriers...”**

The internal movement of people and goods within the precinct is a considerable challenge. The access ramps to the Anzac Bridge bisect the precinct and present a significant barrier to movement through the Bays and the sub precincts south of the Bridge will have a considerable walk to access the new Metro station. Exploration of a new pedestrian tunnel under this barrier should be explored as part of Action 2.

**Direction 10: “Prioritising walking, cycling and public transport...”**

The Strategy is right to prioritise active transport and the options for new bridges to Pyrmont in the east and Glebe to the south, though expensive, will likely be needed.

Identification of the need for a Bus interchange is noted, though where and how this can be achieved using the existing road network is unclear.

**Heritage and culture:**

**Direction 11: “...integrating rich layers of creativity, heritage and culture...”**

The intention of retaining and celebrating the precincts significant and diverse cultural and heritage attributes is supported. Incorporating Country in the renewal of the precinct and in its ongoing development is commended. Consideration should also be given to retaining the existing Heritage Fleet and some of its landside operations within the precinct.

**Direction 12: “...recognise, embrace, and create opportunities for deeper understanding of our culture and stories.”**

Supported.

**Infrastructure Delivery and Governance**

**Direction 13: “... a whole-of-government approach...”**

This would be welcome.

**Direction 14: “Provide services and infrastructure...”**

The Strategy’s identification of some of the infrastructure needed to enable the Bays renewal is welcomed, but the cost of this enabling infrastructure should not be underestimated. The uplift in land values generated by the new Metro, combined with land use and density uplift, may provide an opportunity for future development to contribute to the cost of infrastructure. However, Government should not assume that development contributions alone will cover all of this cost.

The precincts constraints, amenity impacts from the Anzac Bridge, land contamination and a difficult construction environment, may impact on the financial viability of even residential development. Excessive development levies may make private sector investment in the Bays unviable.

**6 Big Moves**

**Big Move 1: “White Bay Power Station to become a focal point...”**

The closure of all eight redundant power stations, including Balmain and Ultimo, in the 1980’s represented a considerable loss of Sydney’s industrial heritage and was strongly resisted by many Sydneysiders. The compromise was the pledge by the State Government to preserve forever the Casula and White Bay Stations. Business Sydney welcomes the Government fulfilling this promise.

The future uses for the Power Station should be identified early and these uses included in the land-use planning and infrastructure considerations. It is critically important that the building is restored with a clear

purpose in mind and that it become an active and vibrant anchor for the entire precinct. Heritage restoration should not leave the building as empty relic or without an economic purpose.

One option the Government might consider is to repurpose the Power Station as a place for live performance and theatre. Sydney is chronically underserved with suitable venues for all forms of live performance and remedying this is something Sydney Business has been campaigning for. Live performance venues can provide a catalyst for urban activation by attracting considerable numbers of people, supporting agglomeration, and stimulating local economic activity. It could serve as an anchor for the area's nighttime economy. Importantly for the Bays, this agglomeration and activation is less reliant on the private car, with considerable evidence that most visitors accessing a venue or theatre do so by public or active transport.

**Big Move 2: *"A crossing from Bays west to Pyrmont..."***

Access is the greatest challenge for unlocking the potential of the Bays and a link to Pyrmont is strongly supported.

An alternative could be to relocate the current recreational boating activities from Rozelle Bay to north of the Anzac Bridge. This may allow the reopening of the existing Glebe Island Bridge. Care needs to be taken to ensure that this does not compromise port operations.

**Big Move 3: *"Connect community to water wherever possible..."***

Ensuring access and connection to the harbour is supported. Balancing this with the needs of the working harbour and port is also supported.

The Department may want to consider amalgamating this with Big Move's 5 & 6 as a world class harbour walk and new public open space on the water will serve much the same purpose.

**Big Move 4: *"a significant connected, activated public open space..."***

This is supported. This open space should not be reserved for passive recreation as this is more than catered for in nearby precincts. Rather it should be a place for active uses such as a market, outdoor entertainment, and festivals. The Bays should be a place where Sydneysiders can make some noise.

**Big Move 5: *"Make the most of the opportunity that a new Metro Station presents..."***

Supported.

**Big Move 6: *"... a world class harbour walk"*.**

Connecting and continuing the existing harbourside walking paths through the Bays is an opportunity which should not be missed.

**Structure Plan, implementation, and further considerations:**

**Structure Plan:**

Business Sydney supports a precinct-based approach to establishing land use zones. Developing the Bays sub-precincts in sequence should allow for the orderly delivery of infrastructure and amenities. However, with the imminent opening of the Metro Station, the Department may wish to ensure the larger and potentially denser sub-precincts are developed first.

**Implementation:**

Early master planning of each sub-precinct is supported. The Masterplans need to ensure compatible uses and activities with the overarching Strategy and to ensure the timely delivery of infrastructure and services.

Given the complexity of the precinct, it is important that the zoning for each sub-precinct is flexible and allows for a range of economic and social activities. To this end, Sydney Business believes a B8 Metropolitan Centre Zone should be considered across the precinct except areas reserved for the port and working harbour activities. This zoning makes permissible all the potential land uses outlined in the Strategy subject to consent, a demonstration of design excellence and public benefit. A flexible, performance based, and outcomes focussed planning regime is best placed to deliver the Departments vision then a more prescriptive, input focused zone, such as B4 Mixed Use and R4 Residential.

#### **Further considerations:**

#### **A clearer vision for the Bays and its place in the future of Sydney**

The Department is commended for the breadth of its aspirations for the Bays and the range of land uses and activities it wants to encourage there. However, it is still unclear what role the Bays will play in the wider economic and social life of Sydney.

The addition of such a large precinct to a city is a rare opportunity to have a deep think about what the Sydney needs. What services and activities our city might be lacking and how they might be accommodated in the new precinct? The Bays should do more than try and replicate the existing economic and social activities that can, and probably should, be provided elsewhere.

Not all the aspirations outlined in the Strategy can be delivered and many are possibly mutually exclusive. While the precinct is substantial it is doubtful that the Bays can accommodate all of the following:

- High density, knowledge intensive technology and service industries, including educational facilities.
- High density housing for a growing city.
- A large, 24-hour working harbour and port.
- A strong visitor economy.
- A vibrant nighttime economy.
- Substantial open space and waterside parklands, including pastures and native gardens.
- Retention and celebration of significant and large heritage items and buildings.
- Vibrant cultural facilities.
- Retail.

Without a clearer understanding of what the Bays can and should achieve, Sydney Business is concerned that many of the above list might be lost. As development of the Bays occurs in stages over the coming decades, compromises and reassessments are inevitable. Resolving these compromises are likely to give greater weight to the highest value uses, which in Sydney is always residential. Lower economic land uses, such as open space and the port and working harbour will too often lose out.

The Strategy is likely to be more successful with fewer, more targeted land-uses and a clearer prioritisation of those industries and activities which cannot be provided elsewhere. For Business Sydney the main priority is clearly retaining the working harbour and port.

#### **Feasibility and constraints mapping**

The Department needs to be clear eyed about the costs involved in bringing this Strategy to fruition. While the access constraints are mentioned in the draft, these are expensive to remedy, and in many cases they can't be.

Yet these are not the only constraints. The site is mostly reclaimed land and has significant contamination issues. This makes construction of new structures expensive and difficult. The overshadowing and amenity impact of the Anzac Bridge restrict much of the land from more intensive land uses. The need for setbacks from the foreshore, through precincts links, protection of heritage curtilages, reduce the quantum of developable land. While notionally the precinct comprises some 77 hectares, much of this is undevelopable or will provide little economic yield.

The Strategy would be improved if it were informed by a detailed mapping of these constraints and a better understanding of the financial feasibility of the entire precinct.

Should you have any questions about this submission or would like to discuss in more detail, please feel free to contact me at [David.Borger@businesswesternsydney.com](mailto:David.Borger@businesswesternsydney.com)

Yours sincerely,



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on behalf of Business Sydney

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