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CBD and South East Light Rail Project Environmental Impact Statement

Submission to Transport for NSW

December 2013

Introduction

The Property Council of Australia welcomes the opportunity to make a submission to Transport for NSW on the CBD and South East Light Rail (CSELR) Project Environmental Impact Statement (EIS).

The Property Council believes that light rail has the potential to transform and revitalise the core of Sydney CBD.

The EIS and the recently released Business Plan provide more detail on the case for light rail and are a substantial step in the Project's progression.

Sydney is the nation's only global city, but our productivity and growth are constrained by deficiencies in the transport network.

The CSELR Project is a key part of the Government's transport master planning process, which promises a more reliable and regular service for passengers – both through the CBD and across an expanded network reaching into the suburbs.

Our submission focuses on:

- mitigating the effects of the construction window
- recognising and maintaining existing access rights on properties
- ensuring the operational phase aligns with the needs of George Street major asset owners and businesses.

The Property Council commends the leadership and vision demonstrated in the Government's transport master planning process. We recognise the in-depth research, design and planning undertaken.

In particular, we appreciate Government's close engagement with industry on the detailed design and planning for construction and operation.

We look forward to working further with the Government, Transport for NSW and other agencies in advancing the CSELR.

About us

The Property Council is the nation's peak representative of the property industry.

Our 2,200 members are Australia's major investors, developers and owners of commercial, residential, retail, industrial, retirement living and hotel assets worth over \$320 billion.

Our members shape, design, build and finance our cities and have a long-term interest in the vitality, sustainability and productivity of urban areas.

Our members own approximately 60 percent of all assets within the Sydney CBD, the vast bulk of commercial office and retail assets, and almost all institutional-grade stock.

The health and vitality of the property sector is crucial to the State's economy.

Independent research commissioned by the Property Council shows the sector:

- is the largest single contributor to NSW tax revenues of any industry – paying \$7.7 billion in state taxes in 2010-2011, including \$2.3 billion in land tax
- provided \$16.6 billion in wages to NSW families and workers
- generated almost 300,000 jobs across the state
- added \$44.5 billion to economic growth, and
- triggered \$63 billion in flow on economic benefits.

The Property Council has a history of working collaboratively with Government to advance solutions relevant to transport networks in the CBD.

This includes serving on the Strategic Light Rail Roundtable convened by the NSW Government and operating for the past two years.

We have been pleased to participate in the process to date as we see the genuine endeavours of Transport for NSW and the project team to engage meaningfully with asset owners and understand the implications of the CSELR.

What we think

The Property Council of Australia supports the CBD and South East Light Rail Project (CSELR) as an initiative to revitalise and improve the productivity of the Sydney CBD.

We support a vibrant city which is a good place to live and work.

We believe that improved transport and city planning will lead to a more efficient CBD. This will benefit the entire city through increased productivity and economic growth.

The CSELR is an important investment to manage the future challenges of the city, by improving transport access into and within the CBD, as well as delivering long-term value and better amenity to the CBD and beyond.

Transport for NSW will need to undertake significant changes within the city, and any change is likely to impact many groups within the Sydney CBD, including users and owners of existing commercial office and retail buildings.

Property owners are alert to the fact there will be a period of significant disruption along the George St corridor and associated parts of the CBD.

We are confident that the work being undertaken by Transport for NSW – along with the City Centre Access Strategy released for comment last month – shows the State is keen to minimise and mitigate impacts.

We welcome the Government's commitment to ensure that the requirements of business owners for commercial, service vehicle and delivery access are maintained during construction and operation of the CSELR.

We support:

- the introduction of light rail into Sydney CBD
- the maintenance of dedicated road access to George Street buildings for service and delivery vehicles and tenant parking
- the principle of comprehensive and in-depth analysis and planning for transport into and within the city centre.

Transforming the Sydney CBD

The Sydney CBD is arguably Australia's most complex transport environment and faces challenges across all modes of transport travelling into the city and within the city.

We welcomed the CSELR in our submission to Government on the City Centre Access Strategy as we believe it will respond to growth, while maintaining Sydney's position as Australia's only global city.

The current transport infrastructure within Sydney is insufficient to meet future demand from growth in employment and the residential population.

Introducing light rail along George Street will move more people more efficiently and create the opportunity for revitalisation.

There are opportunities for further revitalisation in precincts beyond George Street. Government should ensure that it has captured all the key pedestrian movements in Circular Quay, Hyde Park, Darling Harbour and Central Station.

Light rail construction should be undertaken in a way which enables future extensions to be easily added when the demand arises. For example, the second phase of light rail could extend via the Rocks to Barangaroo, enabling the rejuvenation of Millers Point through Hickson Road.

George Street – an iconic spine for the CBD

The Property Council supports the introduction of light rail along George Street as it will provide a catalyst to renew the city's major street. The pedestrian zone of George Street will lead to a revitalised midtown.

Pedestrianising George Street will allow workers to move more efficiently through the city, provide capacity to accommodate future employment growth, allow for an improved retail precinct, reduce bus usage and enhance the city's global competitiveness.

George Street will become a more vibrant and aesthetic thoroughfare by increasing pedestrian access and removing vehicle congestion. The Property Council strongly believes that this should be supported by ensuring that all light rail wiring is installed underground, rather than overhead.

Transport for NSW should carefully consider the implications of any changes to traffic movements beyond George Street. For example, a pedestrian zone at Alfred Street in Circular Quay could impact access to buildings utilising access from Pitt Street and Underwood Street. Other laneways in the city are also used to service buildings and there is a risk of flow-on impacts.

Any permanent changes to traffic movements should occur within the context of the broader transport changes to be undertaken as outlined in the Sydney City Centre Access Strategy.

Managing the impacts on George Street buildings

We welcome improved amenity and vibrancy in the city, however our members will be affected by construction and the longer-term reshaping of transport and vehicle access.

Many of the major office buildings and retail centres within the pedestrian zone of George Street are owned by members of the Property Council. They face potential disruptions during construction and operation of the CSELR.

We have closely collaborated with Government on the development of the plan to introduce light rail and our members should be included in ongoing engagement.

We continue to seek the formation of a George Street Building Owners stakeholder group to work with the Government on the transformation of George Street.

[We recognise the Government has formed a CBD Light Rail Business Forum but are unclear as to whether this is a permanent vehicle for engagement. If so, it may meet the requirements of a dedicated Building Owners group.]

Construction

Businesses have a strong preference for short and intense works, rather than longer term less intensive works, in order to minimise disruption to CBD businesses.

The CSELR EIS does not outline the extent of disruption expected to buildings during the construction of light rail along George Street. Building owners and businesses are keen to understand the schedule of works and impact to their sites.

The Property Council is eager to see the Construction Environmental Management Plan (CEMP) in order to understand the expected impacts of construction and the planned mitigation and management options.

As the CEMP will detail ways to minimise disturbance created as a result of construction to businesses, pedestrians, visitors and workers, it is the most critical document for building owners.

Transport for NSW should engage with building owners in particular on the design and construction of light rail stops (LRS), as these are likely to front George Street buildings owned by Property Council members. LRS construction could impact access for pedestrians and services to some buildings, and could impact the overall appearance of building façades.

A number of CBD high-rise construction projects are currently underway or planned for the period during which light rail construction will occur along George Street. These construction projects require daily access to deliveries of materials to the site, which requires the use of George Street.

Developers need information about the potential impact on construction activities and completion dates to ensure they have appropriate construction zone access and can schedule financing and leasing arrangements. Any delays will trigger penalties for developers and will make future projects less attractive to investors.

It is also worth noting that the City of Sydney often conditions development approvals to constrain the hours in which sites can be accessed, particularly by heavy vehicles. This is a sound principle given the level of residential living within the CBD.

However, the intersection of requirements between light rail construction and commercial office - and other private development - may require greater flexibility in accessing sites.

We would urge the State to carefully explore this issue and commence negotiations with the City to ease conditions where appropriate and relevant.

Access for vehicles

The Property Council supports the commitment in the EIS that access to private properties for dedicated service or delivery vehicles and off-street parking will be maintained within the pedestrian zone of George Street.

Businesses will continue to require regular delivery access and any plan for George Street must maintain access for commercial and delivery vehicles during construction and operation of the CSELR.

Actions to shift the movement of these vehicles either by time of day, route or destination should be framed in consultation with building owners and tenants.

Off-street parking in the form of tenant parking or in parking stations within the CBD provides choices to passengers travelling into the city and access must be retained.

Any limitations to access during construction should be planned in consultation with building owners.

The EIS identifies that management of private property access within the pedestrian zone of George Street will be subject to further assessment by Transport for NSW. A George Street Building Owners stakeholder group should be involved in any planning.

We would also extend the point made above - that development sites require heavy vehicle access on occasions. This will continue to be the case during the operational phase of light rail.

However, alternative routes that can provide appropriate width for such vehicles will not always be available. In select case, George St will remain the sole choice.

If the State deems it inappropriate to have heavy vehicles accessing George St for peak periods, it will need to work with the City of Sydney to provide greater flexibility on the conditions of consent which constrain access hours.

Recommendations

The Property Council makes the following recommendations:

1. Form a George Street Building Owners stakeholder group to work with the Government on the transformation of George Street.
2. Maintain dedicated road access to George Street buildings for service and delivery vehicles and tenant parking.
3. Work closely with developers undertaking construction projects within the CBD to ensure appropriate access and scheduling.
4. Ensure that building construction projects have the appropriate council conditions of approval for hours of access which complement any access constraints posed by the light rail construction and operation.
5. Release the Construction Environmental Management Plan (CEMP) as soon as possible to ensure building owners and businesses can understand the schedule of works and impact to their sites.
6. Consult with building owners and tenants on any actions to limit access or shift the movement of vehicles during construction or operation.
7. Undertake short and intense works, rather than longer term less intensive works, in order to minimise disruption to CBD businesses.
8. Consult early with building owners on the location, design and construction of LRS.
9. Minimise changes to traffic movements beyond George Street which could adversely impact access to private property.
10. Ensure all light rail wiring is installed underground in the CBD to minimise aesthetic impacts.
11. Investigate opportunities for further revitalisation in precincts beyond George Street such as Circular Quay, Hyde Park, Darling Harbour and Central Station.

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Contact

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