

30 December 2013

Ms Ingrid Ilias
Environmental Planning Officer
Major Project Assessments
Department of Planning and Infrastructure
23-33 Bridge Street
SYDNEY NSW 2000

Dear Ms Ilias,

CBD and South East Light Rail Project

Thank you for the opportunity to comment on the Environmental Impact Statement (EIS) for the CBD and South East Light Rail project, on behalf of our members.

Tourism Accommodation Australia in NSW is the representative organisation for owners, operators and managers of 3, 4 and 5 star hotels and serviced apartments. In Sydney the accommodation sector directly employs 14,600 people, which is 14% of total tourism employment in Sydney, generates \$1.3 billion in Gross Regional Product and accounts for \$2.2 billion, or 20% of total visitor expenditure.

As noted in our previous submissions to both the City of Sydney and Transport NSW, the accommodation hotels in Sydney strongly support the concept of light rail and the pedestrianisation of George Street between Hunter and Bathurst Streets. Our accommodation properties, both those with frontages to George Street and those in adjacent streets, see the CBD and South East Light Rail project as vital in reducing the congestion in the CBD, improving accessibility and enhancing the overall visitor experience.

However as highlighted in our previous submissions we have two major concerns that specifically relate to accommodation hotels in the city centre:

1. The timing of the project and the implications for business within the city during the construction phase.
2. The impact on the properties along George Street during the construction phase.

Timing of the Project and implications for businesses in the CBD

The EIS points to a 2020 completion of the CBD and South East Light Rail project. The new Convention Centre will however be completed in 2016 and considerable monies are being invested both by Business Events Sydney and the major city hotels to attract major international convention business in that period. For example BE Sydney is currently bidding on a major international finance conference in 2017 with 6,000 high yield delegates. The potential income to the city is considerable and the bidding is now between Sydney and Melbourne.

Currently business events generate considerable revenue for the city and represent up to 30% of business within the city. This revenue flows not only to hotels but has significant flow on benefits to restaurants and retail businesses in the city.

Our member properties both along George Street and adjoining streets are seeking assurances that access is maintained between the new convention centre and hotels within the city, post 2016 and that the amenity of the area is maintained for these high spending visitors.

Equally as Barangaroo construction is completed there will be added pressure on the road system through the Rocks and Circular Quay area. Light rail works at the Circular Quay end post the opening of these major projects will add considerably to congestion and negatively impact businesses within the precinct.

Recommendation

That construction commences from the Circular Quay end of the city to minimise congestion and maximise amenity post the opening of the Convention Centre in 2017 and Barangaroo.

The impact on the properties along George Street during the construction phase

The three areas of major impact for properties along George Street during the construction phase are the management of agencies such as utilities providers, noise and vibration and access management.

- 1) We note and welcome the reference to consultation in the management of utility providers. Experience has demonstrated that despite good intentions, utility providers do not always work to the same timetable as businesses. We would therefore seek some assurance that time related penalty clauses are built into the contracts with utility providers to ensure this work is expedited so disruption to businesses is limited.

- 2) Re noise and vibration impacts we await the tabling of the Construction Noise and Vibration Management Plan referenced in the EIS before making comment. While we understand that all feasible attempts will be made to minimise noise and vibration impacts, we would see more detailed consultation with the accommodation providers in the impacted areas, specifically Four Seasons, The Westin, Mantra 2 Bond Street, Hilton, QT, Amora, Swissotel, Mercure Sydney, Capitol Square Hotel and The Marque.
- 3) Re access management the EIS advises that ‘Access Management Plans will be prepared in conjunction with affected businesses and landowners.....’. This will be essential to ensure that accommodation properties continue to trade well, thus protecting not only their investment but the considerable jobs provided in the sector.

We will continue to monitor the outcomes of the Access Management Plans with member hotels. The Hilton in particular is still awaiting final confirmation on the promised access to the QVB from the hotel, which will be vital to their business during the construction phase.

Recommendation

That there is a clear timetable of works to enable accommodation providers, within the city, to understand the timing of the impacts and manage their businesses accordingly.

That there is continued consultation with accommodation properties and TAA NSW, when the Construction Noise and Vibration Management Plan and the Access Management Plan are published. That these plans recognise the need for all businesses, large or small, to remain profitable during the period of construction.

Conclusion

TAA NSW members are very supportive of the outcomes of the CBD and South East Light Rail, but remain concerned at the delayed start of the project. While the EIS provides a further level of clarity, it does not reference the implications of the other major construction projects in the city nor does it clarify specific access management and noise management issues.

We would seek a clear timetable of works that demonstrate and reference an understanding of other major events/construction projects within the city. This would highlight that with the completion of the new Convention Centre in 2017 and Barangaroo and the revitalisation of the Walsh Bay precinct there is already

considerable concern about congestion issues in the Rocks area, which are still to be resolved. On behalf of members TAA NSW's preference is that construction commences from the Circular Quay end of the city to minimise congestion and maximise amenity in one of the City's main tourist precincts.

We would also seek further clarification around access issues for major accommodation providers both on George and adjoining streets. In particular we seek a positive outcome to access for the Hilton to the QVB during the construction phase. It is important to note that the majority of business for CBD hotels is corporate domestic business on annual negotiated contracts. This reinforces the importance of providing these hotels with clarity on timing and impacts a minimum of a year in advance.

We look forward to your favourable consideration of our response to the EIS and welcome the opportunity for further communication and consultation.

Yours faithfully,

Carol Giuseppe
NSW Director
Tourism Accommodation Australia