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There is still time to save Chatswood's CBD – but will Willoughby Council listen?

Chatswood has gone from being the new CBD location of choice for new office towers in the early 1990s to a tumbleweed ghost town full of graffiti-covered hoardings today.

While the retail precinct has boomed – investment in new office jobs has simply ceased. Chatswood is no longer the “CBD of choice”.

NSW Treasury's Chief Economist, Stephen Walters, said that post COVID-19, Sydney's CBD will not return to pre-COVID employment levels. That means the planning system must be flexible and allow changes of use to apartments as has happened successfully throughout the world.

Government transport infrastructure investment, with the heavy rail line and the North West Metro, supports the Chatswood CBD's status as a Strategic Centre in the North District Plan and lends itself to new residential development. Yet Willoughby Council continues to dig their heels in with no residential development in the B3 Business zone permeating their draft planning proposal for the CBD.

Chatswood is a notable example of a CBD centre that has died under an unjustified obsession with preserving the town centre as “commercial core only”. This has been the folly of a small minority of planners who have held Chatswood back for decades. There has not been a new building constructed in the Chatswood B3 zone since the early 1990s. Stephen Walters' suggestion that a flexible mixed-use option is the key to the future is timely.

The last commercial development to take place in the CBD core of Chatswood was the Zenith Building in the mid-1990s. According to a March 2019 BIS Oxford Economics report prepared for the Council, the importance of Chatswood as a commercial centre has plummeted. As a percentage of Sydney's total office floorspace, Chatswood has dropped from a total of 3.2% in 1996 to only 2.1% in 2016 and has continued to drop since.

The report finds that many of the Chatswood CBD sites cannot be feasibly developed as commercial developments – but is hopeful that demand for office space will drive rents up and resolve this impasse. The fact is that this did not occur and COVID-19 has set back office demand in locations like Chatswood even further.

The Chatswood CBD desperately needs a face-lift but the commercials dictate that this means at least some residential development to support the commercial towers where people work is needed.

Willoughby Council's planning proposal prohibits any new residential development in the CBD core. The proposal requires “gateway” endorsement from the Department of Planning Industry and Environment before it can be publicly exhibited.

Ultimately it will be the decision of Government as to whether it accepts Willoughby's draft planning proposal, that despite significant Government investment in transport, would see Chatswood remaining as the CBD that time forgot.

The comments above can be attributed to Tom Forrest, CEO, Urban Taskforce.

*The **Urban Taskforce Australia** is a property development industry group, representing Australia's most prominent property developers and equity financiers.*

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