

8 September 2022

The Department of Planning and Environment
Locked Bag 5022
PARRAMATTA NSW 2124

Electronic submission

To whom it may concern

Bays West Stage 1 Rezoning Proposal

The Bays West Stage 1 rezoning proposal is an important step in transforming a disused precinct into a vibrant place to live work and play immediately adjacent to a Metro Station.

According to the Plan, the proposed will enable the delivery of:

- 71,000 sqm commercial floor space and 4,700 sqm retail floor space (4,954 jobs)
- 23,900 sqm residential floor space (250 homes)
- 41,650 sqm of new public open and green space.

The Government has consistently stated that the Bays West precinct is one of the most significant urban renewal projects in the inner city.

Contrary to the recommendations of the NSW Productivity Commission White Paper 2021 and the Flood Inquiry 2022, this urban renewal proposal has ignored the need to deliver significant housing numbers where many people desire to live and when there is available transport infrastructure capacity.

Leadership is more than appeasing a vocal minority whose interests are to prevent housing supply for our growing population.

Insufficient residential development

Given the precinct's strategic location, complete with a Metro station minutes from the Sydney CBD, this important opportunity for the NSW Government to take the lead on housing supply is missed if this proposal prevails.

The proposal envisages a meagre 250 homes, with a total of around 500 residents planned for the precinct. That is not enough to create a natural market for ground floor activation. Nor does it realize the government's stated desire to take advantage of metro infrastructure investment.

The NSW Productivity Commission's 2021 White Paper, Rebooting the Economy, recommends that the Government maximises residential opportunities stemming from large investments in transport infrastructure.

Recommendation 8.1 of the NSW Productivity Commission 2021 White Paper calls on the Government to deliver housing where there is transport capacity, allowing "more housing and business activity within reasonable walking distance of transport hubs on underutilised corridors."¹

The NSW taxpayer is spending billions of dollars on the new metro, yet the current proposal, for a precinct minutes to the Sydney CBD and home to almost 5,000 jobs, only envisaging a residential target more befitting of a village rather than a centrally located site equipped with a modern metro system.

Further, the recent Flood Inquiry 2022 chaired by Professor Mary O'Kane and Mick Fuller, foreshadowed the need to identify locations for housing within the Sydney basin not subject to flooding. Whilst it is expected that the implementation of the Report's 28 recommendations will take considerable time, the potential for Government controlled sites like Bays West to help carry the weight and share the responsibility for meeting the growing demand for residential housing is not reflected in this plan.

Sydney is failing to build sufficient homes to meet existing and future demand. Opportunities presented by the Bays West precinct are rare and the Government must capitalise on the strategic site and the public investment in transport infrastructure and deliver more housing.

Proposed residential heights and FSR's (p.19 of EIE document) with maximum height of 89 metres) are far too conservative. Again, a maximum FSR of 4.4:1 lacks ambition and fails to embrace the potential of the site for residential purposes. The document is overly and unnecessarily prescriptive. In being so, it limits the design options available. There should be less emphasis on FSR and the focus should instead be on allowable GFA targets to allow greater flexibility in delivering appropriate residential development.

Recommendation 1: There should be less emphasis on FSR and the focus should instead be on allowable GFA targets to allow greater flexibility in delivering appropriate residential development.

More ambitious heights have been proposed at the Sydney Tech Central precinct, which itself has some wonderful examples of public buildings from the 19th and early 20th centuries, including Mortuary Station. The White Bay Power Station, while an important reminder of the precinct's past, is hardly an

¹ NSW Productivity Commission White Paper 2021, p. 311

aesthetic nor engineering marvel that should dominate the skyline (a view shared by many others in the community, including the NSW Premier).

While it is noted that the broader Bays West Precinct “may have higher amounts of housing” (p.26 of EIE), this is not guaranteed, and we are left in a situation of hoping that further housing opportunities are presented.

The opportunities that present themselves in this precinct must be captured and higher housing components realised.

Inner city sites like Bays West, with all its locational and amenity advantages and public funding commitments to a world class Metro, must be fully exploited.

Recommendation 2: That DPE consider greater height and yield for the residential component of the precinct Plan in recognition of its proximity to the new Metro station

Recommendation 3: The Government outline clear residential targets for the broader Bays Precinct as a matter of urgency

MU1 zoning

The Urban Taskforce is concerned the new MU1 zone appears to generally fulfil the purpose of the existing ‘B4 mixed use’ zone – but has an added objective that specifically says the zone is to encourage business, retail, community and other non-residential land uses on the ground floor of buildings.

Within the Bays West precinct, there is already considerable provision of commercial and retail floor space. As such the residential component of this precinct should allow for purely residential apartment buildings, to maximise the number of dwellings possible within this strategic site.

Give the strategic value of the precinct and the amount of public investment in its transport infrastructure, Urban Taskforce is generally concerned over any move that would lead to a down zoning of the site. Of course, these concerns may be allayed if there were much more bold residential targets for the site.

Recommendation 4: That DPE ensure the zoning objectives do not encourage downzoning of the site and that the rezoning proposal allows for residential development within the MU1 zone from the ground floor up.

Residential zoning in former industrial lands

The Urban Taskforce strongly supports great density and residential yield in such sites. More residents will only help transform the site and create a vibrant precinct that comprises with residents, workers and the broader public.

The White Bay site should be an example of how the Government will use these sites to revitalise former industrial lands and deliver the housing that Sydney desperately needs.

Urban Taskforce notes that including residential sites in industrial lands should extend to other industrial lands in Sydney and other parts of the State. This was a key recommendation (7.4) of the NSW Productivity Commission's 2021 White Paper.

Recommendation 5: That the NSW Government abandon its Retain and Manage Industrial Land Policy and replace it with a more flexible approach that retains national and state significant infrastructure areas, but other areas are examined for rezoning potential subject to a merit test.

Affordable housing

The plan sets an affordable housing contribution equivalent to 7.5% of the total floor area of the development. The Urban Taskforce notes that given the meagre residential component, the proposed contribution is very small in the context of the overall unaffordability in the Greater Sydney Metropolitan Area. Increasing housing supply will not only address unmet demand but place downward pressure on houses prices and improve affordability.

While affordable housing components may be appropriate for Government land, should not be seen to set a precedent for private landholders, who face additional acquisition cost of land. The Government must ensure such targets do not work against the provision of housing more broadly.

Recommendation 6: That the NSW Government do not set affordable housing targets on developments on Government-owned land as a precedence for private developers facing higher acquisition costs

Parking

While not capturing the opportunities offered by the site in terms helping meet Sydney's growing population and the high demand for residential in an area of high amenity and immediately adjacent to a Metro station, the draft appears to use the location to justify very prescriptive measures when it comes to car parking and active transport usage.

The Government seems to justify low parking rates as a consequence of the site's proximity to a Metro station, then does not use the Metro to deliver and justify the housing that was one of the key recommendations of the NSW Productivity Commission's White Paper.

Parking strategies on Government-owned land should not be used to set a precedent for private developments in the future, which, unlike Government owned sites face additional costs such as land acquisition and must market a product that meets their economic and financial imperatives.

Recommendation 7: That the NSW Government do not use vehicle parking strategies on developments on Government-owned land as a precedence for private developers who face additional costs such as land acquisition and must market a product that meets their economic and financial imperatives.

Should you wish to discuss this submission, please contact the Urban Taskforce's Head of Policy, Planning and Research, Mr Stephen Fenn, on 9238 3969 or by email stephen@urbantaskforce.com.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tom Forrest', with a stylized flourish extending from the end.

Tom Forrest
Chief Executive Officer

Urban Taskforce Recommendations

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Recommendation 2:

That DPE consider greater height and yield for the residential component of the precinct Plan in recognition of its proximity to the new Metro station

Recommendation 3:

The Government publicly commit clear residential housing targets for the broader Bays Precinct as a matter of urgency.

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That DPE ensure the zoning objectives do not encourage downzoning of the site and that the rezoning proposal allows for residential development within the MU1 zone from the ground floor up.

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