

Redfern – Waterloo Authority Draft Contributions Plan

A submission from the Council of the City of Sydney

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EXECUTIVE SUMMARY & RECOMMENDATIONS

The City of Sydney welcomes the opportunity to comment on the *Draft Redfern-Waterloo Authority Contributions Plan 2006* (Draft Plan). The Draft Plan follows on from the suite of three documents which the Redfern-Waterloo Authority (RWA) has developed to guide the revitalisation of these areas being the *Human Services Plan*, the *Employment and Enterprise Plan* and the *Built Environment Plan*.

The City of Sydney supports the aim of revitalising the Redfern-Waterloo area. However, the City is concerned about a number of issues arising from the Draft Plan. While supportive of the need to seek contributions from development towards urban renewal, the City of Sydney considers that the proposed 2% levy is likely to be inadequate to provide infrastructure to meet the ongoing community needs. These needs are expected to increase, with more residents and workers to be located in Redfern as the State Significant Sites are re-developed.

The inter-relationship between the Draft Plan and the City of Sydney's *Draft Development Contributions Plan 2006* is also an issue. The City of Sydney's Draft Contributions Plan commenced exhibition on 2nd December 2006. The City remains concerned that the development implied for the State Significant Sites and the infrastructure proposed to support this development will have a negative impact on heritage issues and on the heritage significance of these State Significant Sites. In summary, the City of Sydney's key issues and recommendations are:

- **Open Space provision:** The Redfern-Waterloo Authority has not made a commitment to maintain the current per capita rates of open space and the relatively low 2% contribution rate cannot provide enough open space to maintain current rates. It is critical that new development provides for its fair share of additional open space. It is recommended that a detailed public domain and an open space strategy be prepared to ensure a sufficient quantity of additional high quality, safe, accessible public spaces;
- **Financial Risk:** The works programme is general in nature and there is uncertainty as to the scope of cost estimates for these works. The City of Sydney may thus be left with liability to complete unfunded or under-funded works arising from the operation of the Draft Plan. It is recommended that the Redfern-Waterloo Authority identify infrastructure standards and outcomes, and ensure adequate funding to achieve them;
- **Adequacy:** While a low rate may encourage development and investment in the short term, it could be to the detriment of the wider precinct in the medium to longer term. The City questions whether the proposed rate will be sufficient to provide the required infrastructure for the future of the area. It is recommended that the Redfern-Waterloo Authority investigate an increase in the proposed 2% levy in the range of up to 7% to ensure adequate open space and infrastructure are provided; and

- **Infrastructure Working Group:** The City strongly supports the establishment of a working group of the Redfern Waterloo Authority, the Roads and Traffic Authority, Ministry of Transport, State Transit, State Rail Authority and the City of Sydney to coordinate infrastructure planning. The Council would seek this group to ensure that:
 - o works to come under the care and control of Council meet appropriate standards; and
 - o appropriate consultation, studies and investigations are conducted to ensure infrastructure meets community needs.

I. BACKGROUND

The Redfern-Waterloo operational area is currently covered by South Sydney Section 94 Contributions Plan 2003. The City of Sydney is in the process of reviewing its existing developer contributions plans and its *Draft Development Contributions Plan 2006* is currently on exhibition. The area covered by this draft plan is divided into three (3) precincts, each of which has different contribution rates. The precinct boundaries reflect development potential and future infrastructure requirements. The Redfern-Waterloo Authority operational area is located wholly within the Southern Precinct.

The proposed contributions are in the range of 7% of the cost of developing a mixed-use development. In comparison, the 2% levy proposed by the Draft Plan raises questions as to whether the Draft Plan will provide for its fair share of additional open space and infrastructure that will be required by the incoming population.

2. GENERAL COMMENTARY

The City of Sydney notes that the Draft Plan was prepared in accordance with Section 31 and Section 32 of the *Redfern-Waterloo Authority Act 2004*. It is not a Section 94 Contributions Plan or a Section 94A Contributions Plan. In the absence of a *Redfern-Waterloo Authority Regulation*, there appears to be no active limitation on the amount of the percentage levy despite the operation of the *EP&A Regulation* limiting Section 94A Plans to 1%. The Draft Plan generally follows the requirements of the *Environmental Planning and Assessment Act and Regulation* but is not bound by it. This is particularly the case in respect of the amount of levy.

The City notes that the *Draft Redfern-Waterloo Authority Contributions Plan 2006* and the *City of Sydney Draft Development Contributions Plan 2006* are mutually exclusive; that is, applicants will not pay contributions under both plans for any one development.

The total value of the Redfern-Waterloo Authority works programme is \$36,700,000 to be delivered over ten years. Works on the Part 3A sites would need to amount to \$1,835,000,000 in order to raise \$36,700,000 in contributions by way of a 2% levy. No information has been provided by the Redfern-Waterloo Authority to adequately verify that this is a reasonable estimate and the City is concerned about any shortfall in the contributions yielded.

While there is a map of the proposed works insofar as they can be mapped there is no map of the area to which the Draft Plan applies. It is recommended that a map of the area to which the plan applies is included in the Draft Plan as part of Clauses 5 and 6. If contributions under the Draft Plan are proposed to be applied to any development other than the Part 3A sites, then the document also needs to specify the circumstances in which such development would fall under the Draft Plan. This is needed to enable the City to reasonably budget for future contributions from within the operational area.

The processes for calculating the contributions and for payments of contributions appear to be consistent with the *Environmental Planning and Assessment Regulation 2000*. In the City's application of the Section 61 levy under the *City of Sydney Act 1988*, the cost estimate is verified at time of payment. This process ensures that the final contribution is one percent of the final estimated building cost. The Consumer Price Index (CPI) is not applied to Section 61 contributions because this has the capacity to vary the contribution from a strict interpretation of a percentage of the actual estimated development costs, particularly if there has been a recent spike in the CPI compared to the cost of construction.

3. KEY ISSUES & RECOMMENDATIONS

The following key issues and recommendations are discussed in further in the following sections:

- Open Space provision;
- Financial Risk;
- Adequacy; and
- Infrastructure Working Group.

Additionally, the following section of this submission comments specifically on some of the projects in the Draft Plan's Work Schedule.

3.1 Open Space Provision

The City of Sydney is concerned that the Redfern-Waterloo Authority has not made a commitment to maintain the current per capita rates of open space. The relatively low proposed contribution rate cannot provide enough open space to maintain current rates. In the densely populated and growing inner urban areas of the City, open space is essential in providing appropriate amenity for residents and workers. It is critical that new development provides for its fair share of additional open space.

Over 60% of the contribution rate in the Southern Precinct of the City of Sydney *Draft Development Contributions Plan 2006* relates to the acquisition of additional open space. The cost of land in the area is the main driver.

The City of Sydney's *Draft Open Space and Recreation Needs Study* is now on exhibition until 2nd February 2007 and may provide some assistance. A copy of this study has been forwarded to the Redfern-Waterloo Authority. The study makes a range of recommendations regarding management and delivery of both new and existing parks across the City of Sydney Council area.

The *Redfern-Waterloo Built Environment Plan (Stage One)* and the draft plan envisages an additional workforce of 18,000 and an additional resident population of 3,200. In order to maintain the current rate of open space, 29,240m² of additional open space should be provided. If this amount of open space cannot be accommodated on the limited number of sites available, then a monetary contribution should be made to facilitate purchase of additional open space, or additional dedication by larger sites.

Recommendation: That the Redfern-Waterloo Authority conduct a detailed public domain and an open space strategy be prepared to ensure a sufficient quantity of additional high quality, safe, accessible public open spaces.

3.2 Financial Risk

The works programme of the Draft Plan is general in nature and, therefore, cost estimates are uncertain. While the level of detail provided in the Draft Plan does not allow a detailed assessment, the \$2.5 million cost estimate for the pedestrian/cycle bridge between North Eveleigh and the Australian Technology Park differs from the Redfern-Waterloo Authority's *Fact Sheet 7*. This document states that a \$6 million bridge is to be built between the Australian Technology Park and North Eveleigh. There are particular safety, access and design issues which will have a significant impact on its cost.

If the cost estimate in the works programme is only a partial cost and the Redfern-Waterloo Authority proposes to subsidise the construction cost, this should be clearly stated in the Draft Plan.

The City of Sydney anticipates that, at some point, the work of the Redfern-Waterloo Authority will come to an end. The City of Sydney should not, in the future, inherit any liability to complete unfunded or under-funded works arising from the operation of the Draft Plan. The City of Sydney would be very concerned if a shortfall emerged after the redevelopment of the major sites was completed.

Recommendation: That the Redfern-Waterloo Authority identify infrastructure standards and outcomes, and ensure adequate funding to achieve them.

3.3 Adequacy

The Draft Plan states that any City of Sydney Contributions Plan will not apply to any sites to which the Draft Plan applies. The *Draft City of Sydney Contributions Plan 2006* commenced public exhibition on Saturday 2nd December 2006 and has been forwarded to the Redfern-Waterloo Authority, for the Authority's review and comment. This Draft Plan proposes contributions for sites within the Southern Precinct – the precinct in which the Redfern-Waterloo Operational Area is wholly located – in the order of 7% of construction costs – compared to the Redfern-Waterloo Authority's proposed 2% levy. As discussed previously, these rates are as they are due to the cost arising from maintaining the standard of open space provision for the City of Sydney Local Government Area.

The immediate implication is that the developers of the significant Part 3A sites will be subject to contributions which are substantially less in real terms than developers that are developing smaller sites in surrounding areas. This places a disproportionate onus for provision of infrastructure and facilities, especially additional open space, onto generally smaller developers for whom the Council of the City of Sydney will remain the consent authority.

While a low rate may encourage development and investment in the short term, it could be to the detriment of the wider precinct in the medium to longer term. The City questions whether the proposed rate will be sufficient to provide the required infrastructure for the future of the area.

Recommendation: Prior to finalising the Draft Plan, the Redfern-Waterloo Authority should rigorously review whether the proposed 2% levy is adequate to provide for adequate space and infrastructure that the incoming population will need.

3.4 Infrastructure Working Group

The City of Sydney strongly supports the establishment of a working group involving Council and the appropriate State Government stakeholders to coordinate infrastructure planning. In particular the City of Sydney has concerns about the design and construction of works on or affecting Council property and developer provided works.

Works on or affecting Council property

Some of the items in the works programme of the Draft Plan directly affect or abut Council property, chiefly road reserves and footpaths. For example public domain upgrades, signage for cycleways and pedestrian routes, street planting and street furniture all affect Council property.

There are references in the Draft Plan to intersection upgrades in Shepherd Street. These suggest that this road is intended to be the main access to the North Eveleigh Site. This has significant traffic and pedestrian implications because Shepherd Street is a narrow street which is currently used as a main pedestrian route by students from the University of Sydney. A Traffic Study must be undertaken before there is any alteration in the current role of this street.

Developer Provided Works

A number of the proposed works seem to be wholly on the key Redfern-Waterloo Authority Sites, in particular, the North Eveleigh Site. This suggests a significant role for developers in the delivery of in-kind works.

The chief implication for the City of Sydney Council in respect of developer provided works lies with the design standard of roads, parks and other facilities. In the future, these may come under Council's asset management and maintenance programmes. The City of Sydney requires public infrastructure to meet core standards to minimise future maintenance costs and issues of public liability.

It is important that the City of Sydney be involved in ongoing liaison on all such works from inception, design and public consultation, throughout construction and, if applicable, handover. The City of Sydney formally requests close involvement with the delivery of this infrastructure.

Recommendation: The City of Sydney strongly supports the establishment of a working group involving the Redfern Waterloo Authority, the Roads and Traffic Authority, Ministry of Transport, State Transit, State Rail Authority and the City of Sydney to coordinate infrastructure planning. The Council would like this group to ensure that:

- o works to come under the care and control of Council meet appropriate standards; and
- o appropriate consultation, studies and investigations are conducted to ensure infrastructure meets community needs.

4 SPECIFIC COMMENTS ON THE DRAFT WORKS PROGRAMME

4.1 Public Domain Infrastructure

a. Item 1 New Civic Space including upgrade to Redfern Street thoroughfare

- The proposed upgrade to Redfern Street in the vicinity of Redfern Station appears to involve that part of Redfern Street between Gibbons and Regent Streets. This would complement the work that Council is currently undertaking in that part of Redfern Street east of this intersection and in Regent Street. The City is concerned, however, that the work is listed for the medium term. The City believes this work should receive a high priority as it is critical to the amenity of the area for the new workforce and, hence, important in encouraging the selection of Redfern as a place to relocate by established businesses.

b. Items 2-5 New Open Space on the North Eveleigh Site and Item 6 New Open Space on the Rachel Forster Hospital Site

- The North Eveleigh site appears to incorporate most of the additional open space proposed in the Draft Plan. Of the approximately \$16 million in works proposed for this site or its environs, \$11.6 million relates to additional open space.
- The new open space works associated with this site include parks reflecting the former railway use of the site such as Fan of Tracks Park and Traverser 1 and Little Eveleigh Park. A new road is also proposed and a pedestrian/cycle bridge linking the site to the Australian Technology Park. Works to Council streets and lanes to facilitate ingress and egress are also listed. Further, the City is concerned that the infrastructure proposed will have a negative impact on heritage issues.

- Although the North Eveleigh site is undoubtedly a major development site, there is still the likelihood that contributions from other development in the area will be subsidising infrastructure provision on this site. If this is the case then the funding arrangements should be spelt out, at least in principle, in a formal Planning Agreement.
- The Rachel Forster site is also identified for the provision of additional open space and should also follow the same principles.
- The works in these two key sites are likely to be delivered by developers as work in kind. It is the City of Sydney's primary concern that these works are design and constructed to appropriate accessibility and liability standards. As they are likely to come under the care and control of Council there are implications for budget and asset management strategies to maintain the parks into the future.
- The City remains concerned for the majority of State Significant Sites that development and the provision of infrastructure required to support the incoming population is not delivered at the expense of the heritage significance of these sites.

c. Item 7 Upgrade to Gibbons Street public domain

- The Draft Plan proposes to raise \$550,000 towards works in the Gibbons Street Public Domain including improvements to footpaths, planting, lighting and street furniture.
- While Gibbons Street is a State Road, the area between the kerb and the property boundary normally remains the responsibility of Council. It is likely that any works provided by the Redfern-Waterloo Authority on the footpath area of Gibbons Street will become the future operational responsibility of Council.
- The City of Sydney has current contracts with an external provider for the installation and maintenance of street furniture and therefore requests close liaison with the Redfern-Waterloo Authority regarding this proposal.
- This project provides scope for cooperation between the City of Sydney and the Redfern-Waterloo Authority – including the possibility of the Council undertaking or supervising some of the works and employing apprentices from the Redfern-Waterloo Authority's Aboriginal employment scheme.

d. Item 8 Minor public domain works to Wilson Street

- Additional planting is proposed on Wilson Street. It is unclear whether this means the side of Wilson Street which adjoins the North Eveleigh Redevelopment Site – or both sides. Both sides of a street domain should be in harmony with comparable street treatments and planting.
- The footpath is under the care and control of the City of Sydney and Council should be consulted on the tree species to be planted. Proposed species should be in accordance with the *City of Sydney Street Tree Masterplan 2004*.

e. Item 9 Improvements to Public Domain in Eveleigh Street Site

- The comments made above on Gibbons Street and Wilson Street generally apply to the proposed public domain improvements in Eveleigh Street.

f. Other Public Domain Infrastructure

- Works to the Marion Street Reserve are unclear in the Draft Plan. This park is sometimes known as the Gibbons Street Park and it is possible that some works may be incorporated within Item 7: Upgrade to Gibbons Street public domain. The City of Sydney requests that the Draft Plan clarify whether works to this park are proposed.

- Since the Redfern-Waterloo Authority will retain the park, it is appropriate that improvement works be included in the Draft Plan for funding by development. There appears to be an unfunded liability in respect of this community expectation.

4.2 Roads, Public Transport and Access Infrastructure

a. Item 10 Gibbons Street Traffic Management

- The City of Sydney supports the need to address traffic management in this vicinity for the benefit of the community as a whole. Consequently, the City reiterates the need for the City of Sydney to be included in an Infrastructure Working Group.

b. Item 11 North Eveleigh Pedestrian and Cycle Bridge

- The proposed Pedestrian and Cycle Bridge linking North Eveleigh and the Australian Technology Park is a critical link. It will provide essential access for residents and workers from the area to other facilities in the City of Sydney area such as the aquatic facilities at Victoria Park and Sydney University. It will also provide access for the future residents and workers on the North Eveleigh Site to mainstreet Redfern.
- The cost estimate for the pedestrian/cycle bridge between North Eveleigh and the Australian Technology Park is listed in the Draft Plan at \$2.5 million. The Redfern-Waterloo Authority's *Fact Sheet 7* states that a \$6 million bridge is to be built between the Australian Technology Park and North Eveleigh. This conflict needs to be resolved.
- It is essential that this bridge makes provision for disabled access – which needs to include a lift at both ends and sufficient width to allow two wheelchairs to pass. The bridge will need to be substantially enclosed to protect rail infrastructure from vandalism. The length of the bridge suggests that some climate protection would be appropriate, as well as addressing lighting and security issues.
- If the Redfern-Waterloo Authority proposes to subsidise the cost of this major item of infrastructure, this should, at least in principle, be clearly stated in the Draft Plan.

c. Items 12-15 New Service Road on the North Eveleigh Site and consequential works

- The Draft Plan does not make clear whether this road is to be a private or public road. This factor has significant implications for the design of the road. Council would be likely to decline future care, control and management and/or ownership of the road if the design and construction standards could not be verified. This means that the road would remain a private road.
- The new road on the North Eveleigh Site appears to require a new intersection with Wilson and Shepherd Streets. An intersection upgrade is also proposed within the Draft Plan for Cleveland and Shepherd Streets.
- The description and location of these intersection works suggests that the main egress from the North Eveleigh redevelopment site will be into Shepherd Street, Darlington. Shepherd Street is narrow and is used as a pedestrian route by large numbers of Sydney University students. It does not currently have a major traffic function.
- The City of Sydney opposes any significant change in the role of Shepherd Street and consequently requests that the description of traffic works in the Draft Plan be more generally phrased to avoid pre-empting the outcome

and recommendations of the traffic study that will be required as part of any development proposal.

- In respect of Shepherd Street, Council also remains the Roads Authority as delegated under the *Roads Act 1993*. Any proposed traffic changes to Shepherd Street will require community consultation and a submission to Sydney Traffic Committee for consideration.

d. Item 16 Upgrade of Boundary Street between Regent and Gibbons Streets

- The nature of the works proposed for Boundary Street is unclear from the description provided. \$60,000 is a small budget for any proposed work.
- A detailed traffic impact statement is recommended to assess the effect of any increase in through traffic on residents and businesses. It should be noted that any proposed traffic changes to Boundary Street, as for Shepherd Street, will also require community consultation and a submission to the Sydney Traffic Committee for consideration.

e. Items 17-18 Cycleways and Signage

- The City of Sydney has existing pedestrian and cycleway networks which link to pedestrian and cycleway networks in adjoining Local Government Areas. The City of Sydney has prepared a cycling strategy which has been on display for public comment. The initiatives in the *City of Sydney Draft Cycle Strategy and Masterplan 2006-2016* should be considered by the Authority.
- While the Authority may wish to have a particular brand for the area, operational signage should conform to the prevailing design and standards in the interests of clear continuity for routes which pass through the Redfern-Waterloo Authority area.

4.3 Community Facilities

a. Item 19 New Childcare Facility

- The City of Sydney strongly supports the initiative of the Redfern-Waterloo Authority to provide additional childcare in the area.
- The Draft Plan proposes a new childcare centre which is complementary to Council's own proposals. The *Draft City of Sydney Contributions Plan 2006* proposes to provide childcare pro rata at the existing rate of Council provision of childcare places. There remains ample scope for childcare provided by other operators to contribute to maintaining total rates of childcare provision – both public and private.
- The City of Sydney is concerned about the proposed childcare centre's future ownership and the mechanism by which it is secured if it is to be privately owned and/or operated. Infrastructure provided by way of developer contributions should remain in government ownership. This does not preclude the property being leased to a private service provider.
- There is also a particular need for additional places for children aged under the age of two years in accordance with the *City of Sydney Childcare Centres DCP 2005*.

b. Other Community Facilities

- No other Community Facilities are proposed in the Draft Contributions Plan. This is a lost opportunity to provide for other sectors of the community. For example the provision of cultural facilities or aged persons' facilities would greatly benefit the local population. A percentage levy plan does not have the same restrictive nexus requirements as a Section 94 Contributions Plan and may provide for existing demands for general community benefit.

4.4 Drainage Infrastructure

a. Item 20 Local Flooding and Drainage Works

- The City of Sydney notes that the plan allows for \$100,000 towards a study which will inform a further works programme to be incorporated in future reviews. The City of Sydney's chief concern is that, in order to fund additional work, there must also be a source of additional funding from development over and above the \$1.8 billion worth of development which must occur to fully contribute towards the listed works.