

ITEM 12. 1-5 FLINDERS STREET, DARLINGHURST

FILE NO: S112425

SUMMARY

The former T2 nightclub at 1-5 Flinders Street was a major contributor to anti-social behaviour and featured prominently in the list of the State's most violent premises with numerous assaults, drug charges, instances of anti-social behaviour and was forced to close in late 2009 after fire safety regulation breaches.

Responding to calls by nearby businesses and local residents to end the notorious record of noise, crime and violence, the Council at its meeting on 7 December 2009 resolved to purchase 1-5 Flinders Street for the purpose of creating a bicycle hub with ancillary uses integrating with Taylor Square South and Bourke Street cycleway.

Extensive public consultation, including the provision of input from key cycling community stakeholders, and an Expression of Interest identifying a suitable proponent to operate and manage the likely uses, had informed the design development. On 23 February 2015, development consent was granted for the adaptive re-use of the property for a bike hub including a café, retailing, repair workshop and commercial office space with a new rooftop area including interventions that would integrate future building uses with the public domain and address the social imbalances.

The City's substantial achievements in development and ongoing implementation of the Cycle Strategy and Action Plan 2007-2017 have established a diverse and evolving cycling culture within the City and throughout the City's local government area and the wider Sydney area.

At the time of its acquisition of 1-5 Flinders Street, the City did not anticipate the extent of growth of a cycling culture over the last six years, or the participation of other parties in taking up on a commercial basis cycling support and related educational activities that the City considered would need its direct involvement.

Further, at its meeting in November 2015, Council considered tenders received for construction of the Taylor Square Bike and Community Hub. At the time it was noted that there were insufficient funds allocated for the project within the current year's capital works and future years' forward estimates, due to the preferred tender exceeding pre-tender estimates and higher than expected project costs.

It is recommended that the property at 1-5 Flinders Street be offered to the market with the objective of identifying a suitable purchaser to refurbish and introduce uses that will activate and positively influence the public domain and surrounding land uses. A restrictive public covenant prohibiting the introduction of any nightclub uses would be registered on title.

RECOMMENDATION

It is resolved that Council:

- (A) note that, through its advocacy, programs, initiatives and collaboration across all sectors, it has helped cultivate a multi-faceted cycling culture that continues to grow (B) and evolve and that the City no longer needs to be a direct facilitator; and
- (B) endorse in principle the disposal of 1-5 Flinders Street and request the Chief Executive Officer to conduct an Expression of Interest to identify suitable proponents to acquire, refurbish and use the property at 1-5 Flinders Street consistent with City's objectives of urban renewal and report back to Council on the outcomes of this process and recommendations.

ATTACHMENTS

Nil.

BACKGROUND

1. The Cycle Strategy and Action Plan 2007-2017 is a 10 year vision to ensure that cycling is seen as an equal transport choice and contributes to the City's vision for a sustainable transport future. It is one of the key objectives of the City's Integrated Transport Strategy.
2. The Cycle Strategy and Action Plan 2007-2017 adopted six action plans, being the Cycling City, Advocacy, Safe Cycling, Communications, Trip End Facilities and Infrastructure.
3. The City's leadership in this area has resulted in the development of a cycling culture including cycling networks, retail and public end of trip facilities. Within the City and throughout the City's local government area, there is an established cycling culture spreading to the wider Sydney area.
4. Some notable facts and outcomes follow:
 - (a) more than 7,000 people ride to work in the city centre each day – the equivalent of 116 full buses or seven Sydney trains;
 - (b) people riding and walking takes pressure off public transport and creates more space on the roads for delivery vehicles, taxis and couriers;
 - (c) the City of Sydney is working with the NSW State Government to build a safe and convenient 200 kilometre bike network, made up of different types of facilities, including 55 kilometres of separated cycle ways;
 - (d) the City of Sydney's population will grow by 60 per cent by 2036, as major developments come to life at Central Park, Green Square and Barangaroo;
 - (e) the City is examining the introduction of a public bike hire system similar to those in other cities around the world, covering key areas of Central Sydney through to the University of Sydney. The City, (along with Marrickville, Randwick and Leichhardt Councils) will undertake a feasibility study for the implementation of bike share in Sydney. This is an important step in providing active transport options for Sydneysiders and visitors; and
 - (f) the Sydney Rides Business Challenge encourages businesses to support staff to ride for fun, fitness and transport – championing Sydney's bike riding boom which has seen bike trips double since 2010. It also aligns with our Sustainable Sydney 2030 target for at least 10 per cent of City trips to be made by bike. In 2015, 261 businesses and 3,375 of their employees participated, collectively logging more than 19,000 trips and 336,000 kilometres – making it the biggest workplace challenge of its kind in the world.

Taylor Square – Public Domain

5. In late 2006, Council resolved to endorse a preliminary review of the design of Taylor Square South Public Domain with a view to crime prevention through environmental design.

6. In 2008, the City commissioned Jahn Associates Architects (JAA) to review reference and background reports, studies and strategies, and to undertake research which could inform or underpin design principles and a conceptual strategy to improve Taylor Square South. This Report (Stage 1) examined the various physical and social 'contexts' that would inform such a strategy.
7. JAA (2008) report concluded that Taylor Square is an historic and ingrained orientation and waypoint along Oxford Street, with very high visibility and a landmark scale. Taylor Square South is at the crossroads of three important cycle routes and lying at the mid-point between the Moore Park route, Centennial Park route and Woolloomooloo Bay route along the Bourke Street cycle path. Through this visibility, it paints the public image of the area and reflects the wellbeing of the lower Oxford Street economy.
8. The most powerful underlying issues for Taylor Square as identified by the JAA review were primarily social – a balance was required between attracting locals and visitors of different age groups and actions to address the history of antisocial and violent activity.
9. The conclusions of the JAA (2008) urban analysis aimed to inform future development of conceptual design options for the public domain. The study recognised that these options would need to balance short and long term aspirations of the community and Council, and current patterns of use with the need to drive a future realisation that can improve its urban role over time.

1-5 Flinders Street – Bike Hub

10. The former T2 nightclub at 1-5 Flinders Street was a major contributor to anti-social behaviour and featured prominently in the list of the State's most violent premises with numerous assaults, drug charges and instances of antic social behaviour. In late 2009, the businesses operating from the premises were forced to close after fire safety regulation breaches.
11. At its meeting on 7 December 2009, responding to calls by nearby businesses and local residents for the City to purchase the site and bring to an end the notorious record of noise, crime and violence, Council resolved to purchase 1-5 Flinders Street for the purpose of creating a bicycle hub with ancillary uses integrating with Taylor Square South and Bourke Street cycleway. The Resolution of Council also sought to rebalance the use of the Taylor Square South public domain with the social needs impacting Taylor Square South through an intervention that would provide for, and attract, positive uses.
12. At the time of this acquisition, the City could not have foreseen the extent of growth of a cycling culture or the participation of other parties in taking up on a commercial basis cycling support and related educational activities that the City considered would need its direct involvement.
13. Such is the case with the property at 1-5 Flinders Street, where the City's direct 'market' intervention in creation of a bike hub facility as a catalyst for developing a bike culture has, over the last six years, been surpassed.

14. The property at 1-5 Flinders Street, while no longer required for its intended purpose as a bike hub, remains influential in its capacity to rebalance the activation of Taylor Square South. The interventions and structural improvements, including closure of the laneway approved for 1-5 Flinders Street as part of the 2015 development consent for the bike hub, remain equally relevant for alternative uses.
15. Further, the distinct form of the building does not make it suitable for general public uses and the City considers a retail or commercial use is most appropriately provided by the private sector.
16. The City anticipates that the public domain around 1-5 Flinders Street will still be an important location for any future bike hire scheme due to its position at the crossroads of three significant bike routes. This use will help maintain and continue the activation of the public domain.
17. It is recommended that the property at 1-5 Flinders Street be offered to the market with the objective of identifying a suitable purchaser to refurbish and introduce uses that will activate and positively influence the public domain and surrounding land uses. A restrictive public covenant prohibiting the introduction of any nightclub uses would be registered on title.

BUDGET IMPLICATIONS

18. At its meeting in November 2015, Council considered tenders received for construction of the Taylor Square Bike and Community Hub. At the time it was noted that there were insufficient funds allocated for the project within the current year's capital works and future years' forward estimates, due to the preferred tender exceeding pre-tender estimates and higher than expected project costs.
19. The sale is not included in the current Long Term Financial Plan.
20. The refurbishment cost is included in the current 10 year capital works program.
21. Subject to the EOI process, and acceptance of any proposal by Council arising from the process, appropriate budgetary adjustments will be made.

PUBLIC CONSULTATION

22. No public consultation is required for the disposal of property.

AMIT CHANAN

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