

Resolution of Council

9 December 2019

Item 13.7

Oxford Street Development

Moved by Councillor Phelps, seconded by Councillor Vithoukias –

It is resolved that:

(A) Council note:

- (i) Oxford Street is an iconic part of the City of Sydney as:
 - (a) a historical and cultural hub for the LGBTQI community in Sydney;
 - (b) a centre of night life and night time activity in the City; and
 - (c) home to a unique and diverse range of businesses that have been part of the community, some for over 30 years;
- (ii) long periods of construction will severely impact the already fragile economy of the Oxford Street strip, and put the unique character of Oxford Street at risk of being lost;
- (iii) a managed development that occurs in stages across the strip will allow businesses to continue to operate with less disruption and reduce the risk of businesses being forced to close or move permanently as a result of the construction; and
- (iv) the Darlinghurst Business Partnership (DBP) has reached out to Council on behalf of the small business owners, who are extremely concerned that they will be unable to remain where they are, though have been given no notification of either the City or AsheMorgan's intents for them. The DBP said "the feeling is that everyone will be turfed out and that AsheMorgan will jack the rents to astronomical prices making sure no one can remain. Obviously, we don't know what is going to happen, but that's the point"; and

- (B) the Chief Executive Officer be requested to:
- (i) consult with long-term local tenants and businesses on what support they need as the area develops so that they can continue to contribute to the future revitalisation of Darlinghurst; and
 - (ii) investigate options the City can undertake to support the Oxford Street businesses currently under stress from the proposed development, and report suggestions back to Council.
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Note – the motion above was not carried. The resolution as below was carried –

It is resolved that:

- (A) Council note:
- (i) Oxford Street is an iconic part of the City of Sydney as:
 - (a) a historical and cultural hub for the LGBTIQI community in Sydney;
 - (b) a centre of night life and night time activity in the City; and
 - (c) home to a unique and diverse range of businesses that have been part of the community, some for over 30 years;
 - (ii) the City has entered into a 99-year lease with AsheMorgan for the City-owned properties 56-76, 82-106 and 110-122 Oxford Street, Darlinghurst, in order to achieve a shared vision of a revitalised lively Oxford Street, while retaining its human scale and heritage;
 - (iii) the lease arrangement with AsheMorgan is expected to activate more than 12,000 square metres of floor space for a diverse range of uses, including heritage-inspired office spaces, cafes, small bars, restaurants and retail spaces, with the potential of bringing hundreds of jobs to the area;
 - (iv) space currently dedicated to artists and creative businesses in these properties will be retained under the lease agreement;
 - (v) the lease arrangement should encourage further investment on Oxford Street;
 - (vi) the proposed transformation of the properties to achieve this vision, including as a staged development, will require a development application, subject to obtaining the City's consent as owner, which will require comprehensive consultation with the community, including local businesses;
 - (vii) the City has kept tenants and local businesses informed about progress during the Expressions of Interest process, including providing updates on 25 June 2019, 10 July and 14 August 2019;
 - (viii) handover notification letters were hand-delivered to all of the City's Commercial and Creative tenants on 25 November 2019, enabling staff to address any questions tenants may have, in person;

- (ix) all existing tenants are being transferred to AsheMorgan, enabling them to continue to occupy their premises and run their business under the conditions of their current lease agreement; and
- (x) the City and its service provider will continue to provide tenancy support until the end of the year, to ensure a smooth transition to AsheMorgan, with repairs, maintenance, cleaning and waste services continuing for up to six weeks post-handover, to ensure no disruption in service provision.

The substantive motion was carried on the following show of hands –

Ayes (8) The Chair (the Lord Mayor), Councillors Chung, Forster, Kok, Miller, Scott, Scully and Thalís

Noes (2) Councillors Phelps and Vithoukás.

Motion carried.

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