

Item 3.

Sydney Light Rail Project Update and Smoke-Free George Street

File No: S124266

Summary

The CBD and South East Light Rail is a new light rail service delivered by ALTRAC for Transport for NSW. The City of Sydney is contributing \$220 million for public domain improvements along the light rail route, including the pedestrianisation of George Street between Bathurst and Hunter Streets.

The introduction of light rail into George Street is the realisation of over a decade of planning and advocacy by the City of Sydney and Transport for NSW. Conceived by Jan Gehl and articulated in Sustainable Sydney 2030, the light rail will transform Sydney from a car-centric past to a city for people and an environmentally responsible, mass-transit focused future.

The removal of vehicular traffic between Bathurst and Hunter Streets and the introduction of new street trees and furniture has delivered a cleaner, safer pedestrian environment that is already popular with visitors and locals. The transformation has also been the catalyst for billions of dollars' worth of private investment into Sydney.

The commencement of passenger services in December 2019 will be a major milestone for the development of Sydney and an outstanding example of Local and State Government collaboration and achievement.

This report provides an update on the status of the project, including information on critical aspects such as compliance with the obligations of the Development Agreement, tree planting, non-potable water network, road closures and hostile vehicle mitigation. It also proposes the creation of a smoke-free zone in the pedestrianised sections of George Street.

Recommendation

It is resolved that Council:

- (A) note the information contained in this report;
- (B) note the commercial information contained within Confidential Attachment E to the subject report;
- (C) note the proposed pedestrianisation of other sections of George Street and Devonshire Street, which is in line with the original Sustainable Sydney 2030 project idea and that the public domain works associated with these additional pedestrianised sections will need to be funded from future capital works budgets; and
- (D) approve the designation of smoke-free zones along George Street from Hunter to Bathurst Streets, along with adjacent public places as outlined in Attachment D to the subject report.

Attachments

- Attachment A.** Plan of the Light Rail Route and Public Domain Improvements
- Attachment B.** Plan of Proposed Future Extension of Pedestrianised Sections
- Attachment C.** Plans of Wimbo Park and Ward Park
- Attachment D.** Smoke Free Zones Map
- Attachment E.** Commercial Information (Confidential)

Background

1. The CBD and South East Light Rail is a new light rail route for Sydney, currently under construction by ALTRAC for Transport for NSW. The City is contributing \$220 million to the project for public domain upgrades and improvements, culminating in the pedestrianisation of George Street between Hunter and Bathurst Streets, and other improvements in Surry Hills, including a much larger Wimbo Park.
2. The City's financial contribution is paid over the life of the project to an agreed payment schedule listed in the Development Agreement. It is dependent on the project delivering certain urban design outcomes outlined in the Agreement's Fundamental Obligations.
3. The project is nearing completion and will be compliant with the Fundamental Obligations of the Development Agreement at the conclusion of the handover process and acceptance of the works by the City.

Key Implications

Program

4. Public domain works and landscaping will be completed over the next few months. Testing and commissioning of the light rail system has commenced, including the running of light rail vehicles along the length of the route. The first stage of services are expected to commence in December 2019.
5. Handover of the 22 Fee Zones along the light rail route within the Local Government Area back to the City has commenced. This is occurring zone by zone, starting at Circular Quay and moving towards Moore Park. The handover process requires the Independent Certifier and the City to inspect the finished works and develop a defects list. Defect rectification is currently underway.
6. Upon handover, the City will resume care and control of all areas outside of the Permanent Light Rail Corridor. Transdev will maintain the track area and light rail stops.

Trees

7. A key element of the George Street Concept design was a tree-lined boulevard using the hardy, deciduous species *Zelkova serrata*. The amount and location of underground utilities and services along George Street has made achieving viable soil volumes for tree pits very challenging.
8. City staff have, however, successfully negotiated the installation of 270 new street trees along the alignment. This achievement has involved highly detailed technical investigations as well as collaboration with utility providers and the light rail contractor to design bespoke service protection solutions.
9. Prior to the commencement of the project there were just three trees in the pedestrian area of George Street between Bathurst and Hunter Streets. By the completion of construction, there will be 62 new street trees in this same section. Tree planting in Devonshire Street and its pocket parks is now complete, with 88 new trees being planted in Surry Hills over the last few months.

Footpath paving

10. Paving in Devonshire Street is now complete with defects being progressively rectified. Paving in George Street is nearing completion with areas of damaged and missing pavers being repaired over the next month. Attachment A indicates the extent of paving works being delivered as part of the Light Rail project.

Pocket parks

11. Four new pocket parks have been completed in Surry Hills: Buckingham Street, Holt Street, Waterloo Street and High Holborn Street. These parks will provide much needed public open space and provide local businesses the opportunity to create new outdoor dining precincts and strengthen the economic vitality of the area. The Elizabeth Street Reserve has also been upgraded as part of the project and features new furniture and additional tree planting.

Wimbo Park

12. The Development Application for the enhancement of Wimbo Park will be considered by the Local Planning Panel on 18 September 2019. The concept plan is included at Attachment C.
13. In principle approval of Parkham Lane as a Shared Zone has been received from Roads and Maritime Services. The creation of a Shared Zone will provide a low speed, safe environment at the southern edge of the park.
14. Completion of the park is scheduled for early 2021, noting that this is dependent on transfer of land from Transport for NSW.

Non-potable recycled water network

15. As part of the project, a non-potable recycled water network from Circular Quay to Central Station is nearing completion, overcoming numerous technical obstacles and construction challenges. One connection across the Park Street is yet to be constructed. Testing of the system has been undertaken progressively as sections reach completion.
16. Together with the non-potable recycled water network between Barangaroo and Wynyard station delivered as part of the Wynyard Walk project, this provides an opportunity to develop a recycled water scheme in central Sydney servicing commercial buildings and reducing potable water demand.

Safety

17. Transport for NSW's safety campaign is underway, increasing in activity as commencement of service approaches. A particular focus will be pedestrian awareness. Relevant City staff have received training to ensure that day-to-day operations continue safely in and around the new corridor.

Support for small business

18. Transport for NSW is assisting small businesses on the light rail alignment who believe they have been impacted where construction is taking longer than initially advised.
19. Since the beginning of the Small Business Assistance Program in August 2017, the program has supported 163 businesses by providing more than \$34 million in financial assistance.

20. Tram testing is ramping up along the 12km corridor, and major civil construction for the Sydney Light Rail Project is almost complete with finishing works progressing along the alignment.
21. Transport for NSW have advised that as such, the Small Business Assistance Program is being incrementally scaled down. Any new applications will need to be received by 1 October 2019.

New road closures

22. With agreement from Transport for NSW, City staff have temporarily extended some road closures that were put in place during light rail construction (see Attachment B). They are:
 - George Street southbound between Bathurst and Campbell; and
 - Devonshire Street eastbound between Chalmers and Elizabeth Streets.
23. The City, with Transport for NSW, have commenced the process to make these temporary closures permanent. This will take around six months. Design work for these new pedestrian spaces is underway and the paving works will require funding in future years capital works budgets.
24. The new road closures will provide additional pedestrian space and provide new opportunities for activation.

Anti-vehicular measures

25. Following the opening of the pedestrian area of George Street, Transport for NSW installed a large number of temporary concrete blocks. The City will progressively replace the concrete blocks and with improved seating and planter boxes. This work will commence in October 2019 and be complete before Christmas.

Outdoor dining

26. City staff are developing a plan illustrating the outdoor dining opportunities available along the length of the light rail corridor. This plan will be shared with business owners who could apply for outdoor dining licences through the usual process. The City is updating its outdoor dining policy to facilitate these new opportunities. The City will continue to waive outdoor dining fees until July 2020.

Moongate Artwork

27. The light rail contractor damaged the recently completed Moongate artwork in Thomas Street during construction of a light rail braking system control mechanism. The City will repair the artwork with the original artist and fabricator and costs will be recovered from the light rail contractor.

Smoke-free George Street

28. The City is committed to improving public health and amenity through the creation of smoke-free zones. To date the City has established smoke-free zones at Martin Place and Pitt Street Mall. Consultation is ongoing with other landowners to establish a smoke-free zone at Sydney Square. In response to further community requests and to deter the displacement of smokers, it is proposed to create smoke-free zones along the pedestrianised section of George Street and adjacent public places to coincide with the opening of the Light Rail (refer Attachment D).

29. The adjacent public places are:
- Sydney Town Hall surrounds, including the public domain between Town Hall and the entrances to Town Hall Station and the areas between the public and trade entrances to Town Hall from DrUITt Street;
 - Queen Victoria Building Plaza (bounded by George Street, York Street and DrUITt Street);
 - Temperance Lane;
 - Sesquicentenary Square – the pedestrianised section of Barrack Street, near George Street;
 - Regimental Square, between George Street and Carrington Street;
 - Angel Place – a laneway connecting George Street to Pitt Street;
 - Ash Street – a laneway off Argyle Place running parallel to George Street;
 - Palings Lane – a pedestrianised laneway connecting George Street to Ash Street;
 - De Mestre Place – a laneway off George Street, near Hunter Street, to deter displacement of smokers; and
 - Wynyard Lane – a narrow lane running parallel to George Street and York Street.
30. NSW Health are responsible for the enforcement of the Smoke-free Environment Act 2000 which prohibits smoking at public transport stops (Light Rail platforms, bus stops, and taxi ranks); at outdoor dining areas; and within four metres of the pedestrian entrance to a public building.

Strategic Alignment - Sustainable Sydney 2030 Vision

31. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This program aligns with the following strategic directions and objectives:
- (a) Direction 3 - Integrated Transport for a Connected City - Sydney Light Rail provides a sustainable and high-volume transport alternative that integrates with and complements existing public transport systems.
 - (b) Direction 4 - A City for Walking and Cycling - The removal of vehicular traffic from a portion of George Street and the creation of a pedestrian boulevard contributes to a greatly improved city centre.
 - (c) Direction 5 - A Lively and Engaging City Centre - The improvements to the public realm along the length of the light rail corridor have greatly improved the pedestrian experience on George Street.

- (d) Direction 6 - Vibrant Local Communities and Economies - Pocket parks in Surry Hills have created new places for the community as well as opportunities for outdoor dining and seating.
- (e) Direction 9 - Sustainable Development, Renewal and Design - Light rail will reduce bus traffic in the city centre and will be a catalyst for new development in the CBD.
- (f) Direction 10 - Implementation through Effective Governance and Partnerships - Sydney Light Rail demonstrates effective collaboration between government agencies and private enterprise.

Risks

- 32. Transport for NSW have commenced safety campaigns to educate drivers and pedestrians about the light rail system.
- 33. The City has held risk workshops and training sessions with staff who will interact with the light rail.

Social / Cultural / Community

- 34. There are significant benefits to the community, including better pedestrian amenity and safety. Jan Gehl's principles for creating world-class pedestrian environments are being implemented, including better seating, bubblers, lighting and tree planting.
- 35. The improved public realm will also provide new opportunities for outdoor dining and street activation. The new pedestrian space outside Town Hall is already popular with street performers and buskers, resulting in greatly increased pedestrian numbers and an increase in dwell time.

Environmental

- 36. Light rail has removed large numbers of noisy and polluting diesel buses from George Street and will provide a reliable, high-capacity public transport system.
- 37. The project will deliver 270 new street trees, new pedestrian areas, five new pocket parks and an expanded Wimbo Park. Increased tree canopy contributes to the City's canopy cover target.
- 38. The project will deliver a non-potable recycled water network under George Street.

Economic

- 39. According to Transport for NSW's Business Case (November 2013), the Sydney Light Rail will deliver an estimated \$4 billion in benefits to Sydney and NSW. A breakdown of benefits include:
 - (a) \$308 million in environmental and health benefits;
 - (b) \$333 million in benefits for pedestrians;
 - (c) over \$2 billion in benefits for public transport customers;
 - (d) \$264 million in benefits for road users;
 - (e) \$707 million in operating savings; and

- (f) \$222 million in wider economic benefits.
40. In addition to fiscal benefits, an estimated 10,000 jobs will be created.

Budget Implications

41. Of the \$220 million committed, the City has three payments remaining; \$38.6 million (due on or after December 2018), \$2.3 million (due December 2019) and \$0.2 million (due December 2020). An invoice for the December 2018 payment has not been received yet from Transport for NSW. The remaining payments of the \$220 million allocation have been budgeted for.
42. The public domain works associated with the proposed pedestrianisation of other sections of George Street and Devonshire Street will need to be funded in future capital works budgets.
43. Further information is contained in Attachment E - Commercial Information (Confidential).

Relevant Legislation

44. The project was approved as State Significant Infrastructure under Section 115ZB of the Environmental Planning and Assessment Act 1979.
45. Local Government Act 1993. The City has indirect power under section 632 of the Act to regulate smoking in a public place by erecting signage which prohibits smoking in that place. An offence is only committed if the sign is clearly legible and located in a prominent place.
46. The NSW Smoke Free Environment Act 2000 made the following areas smoke free:
- (a) within four metres of a pedestrian access point to a non-residential building;
 - (b) railway platforms, light rail stops, bus stops, taxi ranks and ferry wharves;
 - (c) swimming pool complexes, and spectator areas of sportsgrounds when sporting events are being held;
 - (d) commercial outdoor dining areas, being a seated dining area while food is being consumed or available for purchase and consumption; and
 - (e) within 10 metres of children's playgrounds.
47. Attachment E contains confidential commercial information which, if disclosed, would:
- (a) confer a commercial advantage on a person or company with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person or company who supplied it.
48. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

Critical dates / Time frames

49. The program is expected to be as follows:

- public domain work generally completed by September 2019;
- roll out of seating and planter boxes in the pedestrian area between October and November 2019;
- the first stage of services are expected to commence in December 2019 from Circular Quay to Randwick; and
- paid services will commence from March 2020 from Circular Quay to Kingsford.

Public Consultation

50. The Business Reference Group and Community Reference Group continue to meet, convened by Transport for NSW.

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