

Item 2.

Tech Central Innovation Precinct - Progress Update

File No: X084741

Summary

This report provides Council with an update on the City of Sydney's work to contribute to the development of the Tech Central innovation precinct in recognition of the critical role innovation will play in Sydney's economic recovery, jobs growth and productivity rise.

Innovation that drives economic development requires a healthy tech startup ecosystem, a high intensity of creative activity and industry, a strong pipeline of current and future talent, active research and commercialisation, large-scale investment and a large volume of knowledge-based jobs. Sydney, like other global cities, has significant concentrations of such high-value knowledge jobs and is home to some of our country's centres of specialised expertise and leading innovation organisations.

The best environment for innovation to flourish is in a vibrant and connected precinct where collaboration is enabled through the co-location of education, industry, talent, infrastructure and investment. High quality public domain, space for people, active and public transport, excellent pedestrian connectivity, affordable workspaces and affordable housing, sustainability outcomes and digital/tech infrastructure are all critical elements that facilitate and accelerate collaboration and innovation. Understanding and strategically planning for the future capacity needs, landuse and employment makeup of the precinct is also critical for success. These elements all directly support the strategic ambitions of Sustainable Sydney 2030. In 2008, the City adopted the inaugural edition of Sustainable Sydney 2030 which includes an action to identify, develop and support the creation of clusters of innovation and networks to facilitate research, collaboration and knowledge exchange.

As part of the research and stakeholder consultation for the development of Sustainable Sydney 2030-2050 the need for improved coordination and facilitation of innovation activities across this precinct was identified. Sustainable Sydney 2030-2050 will be reported to Council in the near future, as will the Community Strategic Plan, the first step in its implementation. The maturity of the innovation economy and this precinct is a key theme of the economic strategic direction.

In August 2018, the NSW Government announced its commitment to create a globally competitive innovation and technology precinct. The precinct was described in the Eastern City District Plan and in more detail in a place strategy published in February 2019 by Greater Sydney Commission under the working title Camperdown Ultimo Collaboration Area. It includes the area from the Surry Hill in the east, to Camperdown in the west, to South Eveleigh in the south and to Ultimo in the north.

The area has all the ingredients for a successful innovation precinct but only now is being recognised as the centre of place-based innovation in Sydney. On 29 November 2021, the precinct was re-launched by the NSW Government as Tech Central - Australia's Innovation Engine. Annie Parker, a globally recognised startup ecosystem leader and advocate for equity and inclusion, has been appointed Executive Director, Tech Central within the Greater Sydney Commission's innovation precincts team. Work is underway to develop a governance model for the precinct. Genuine collaboration between stakeholders in the precinct is gaining traction. As this continues, the precinct has the potential to become Sydney's strongest drawcard for attracting talent, researchers, investment, startups and scaleups and global companies looking for an international office location.

The City of Sydney has been active in the development of the innovation precinct from its inception and chairs the Camperdown-Ultimo Alliance comprising City of Sydney, University of Sydney, University of Technology Sydney, NSW Health and Inner West Council as funding partners and several other stakeholders as participants. The Alliance provides a coordination function to enable collaboration on projects of mutual benefit, share information and ensure that the organisations who have been present in the precinct for many decades are central to its development as an innovation precinct. The Alliance is supported by an officer hosted by the University of Sydney, the cost of which is shared by the funding partners.

In addition to this coordination role, the City's work to support innovation in the precinct spans a broad range of activities including strategic planning, public domain works, infrastructure projects, marketing, data and information projects, transport projects, connectivity projects and environmental performance activities. These projects and the City's role are outlined in this report for Council's information and includes a project in partnership with the Inner West Council to conduct a collaborative study to explore commercial potential of the Camperdown area which requires a financial contribution from the City of Sydney. Further consultancy projects and studies may be required over the next two years. These would be funded by CEO contingency. The Chief Executive Officer will advise Council of any future requirements to utilise CEO contingency as well as progress updates on work towards the development of the innovation precinct via CEO Updates.

Recommendation

It is resolved that:

- (A) Council note the current and upcoming work of the City of Sydney in the Tech Central innovation precinct;
- (B) Council approve the ongoing financial contribution to the University of Sydney of \$50,000 (exclusive of GST) per year for two years as the City's contribution towards the cost of an officer to provide secretariat and coordination support for the Camperdown Ultimo Alliance, which is coordinated and managed by University of Sydney;
- (C) Council approve the financial contribution of \$39,000 (inclusive of GST) as the City's contribution towards the Camperdown Structure Plan, which is coordinated and managed by Inner West Council; and
- (D) authority be delegated to the Chief Executive Officer to negotiate, finalise and administer contracts with the University of Sydney in respect of the contribution referred to in (B) above and Inner West Council in respect of (C) above.

Attachments

Attachment A. Camperdown Ultimo Place Strategy

Attachment B. 9 December 2019 Council Resolution and Report - Camperdown Ultimo Collaboration Alliance and Work Plan

Background

1. In December 2019, Council considered a report and recommendations regarding the Camperdown Ultimo Collaboration Alliance and work plan. Council resolved to endorse the Place Strategy, the findings of an innovation study into the area conducted by the City of Sydney, ensure the local community is consulted and engaged in work throughout the precinct and approve the City's continued participation in the Camperdown Ultimo Alliance and work plan.
2. Tech Central comprises a large area and is broken into six innovation "neighbourhoods": Camperdown, Ultimo, South Eveleigh, Darlington/North Eveleigh, Haymarket and Surry Hills as identified on the illustration below:



3. Tech Central broadly focusses on fostering the growth and development of seven industries that have the highest potential to address key societal issues and accelerated economic growth, as well as leverage the expertise and assets that are already located in the precinct. They are:
 - Medtech - developing medical techniques, products and services to revolutionise treatment, saving and improving people's lives.
 - Digital Creatives - designing new products, goods and services, fuelled by increased connectivity and technological advancements.
 - Artificial Intelligence - using data to solve problems, support decision-making and perform tasks autonomously.
 - Quantum Technologies - devices, algorithms and computers that outperform classical technologies in their capacity to tackle complex challenges and seize emerging opportunities - by harnessing unprecedented speed, accuracy and data bandwidth.

- Connected and Autonomous Vehicles - using robotics, sensors and advanced software to automate driving, connecting the transport ecosystem to improve safety and traffic flow.
 - Applied Robotics - automating complex and dangerous tasks to overcome longstanding challenges and unlock bleeding-edge opportunities.
 - Cyber Security - increasingly crucial in a digital economy in both defending and protecting the economy, as well as underpinning its growth. It is critical across almost every industry.
4. Partners are progressively mapping the extensive number of innovation assets in the precinct to illustrate the diversity and intensity of what is already there. These assets include major universities, transport hubs, a major hospital, research institutes, major tech companies, startups and scaleups, coworking spaces, Quantum Central, Cicada Innovations, community facilities and many others. Mapping the assets in this way provides a platform to further attract talent, researchers, investment, startups and scaleups and global companies looking for an international office location, such as Atlassian who has already committed to relocating to the precinct. The assets can be explored through an interactive tool on the Tech Central website at tc.sydney.
 5. The Greater Sydney Commission has engaged The Global Institute on Innovation Districts, a not-for-profit organisation dedicated to the growth and development of innovation districts/precincts to undertake independent research on governance models that support the growth and evolution of innovation districts. The work also includes engaging with Sydney stakeholders to elevate what they see as the fundamental roles, powers, competencies and ambition underpinning a successful governance structure for Tech Central that best leverages the unique assets and champions in the precinct. This work is being led by international innovation precincts expert Julie Wagner, President of The Global Institute and the City has been consulted to provide input.
 6. There are many projects and investigations either proposed or currently underway in the precinct for which the City is a key collaborator. They are led by a range of precinct partners, including NSW Government, the City of Sydney, Inner West Council and other stakeholders, including universities and private developers. The following provides a high-level overview of these projects for Council's information.
 7. Proposed or current Public Domain projects include:
 - Pedestrian connections from Redfern Station to University of Sydney, including public domain and lighting upgrades. Future work to be funded by Voluntary Planning Agreements. Lead - City of Sydney.
 - Pedestrian and cycleway bridge connecting North and South Eveleigh. Identified in Transport for NSW Transport Study, however currently unfunded. Lead - Transport for NSW.
 - Redfern and Waterloo public domain masterplan. Currently in development, the masterplan will guide future upgrades in the public domain. Lead - City of Sydney.
 - Pedestrianisation of George Street to Railway Square. Underway. Lead - City of Sydney.

- Pedestrianisation of Devonshire Street - Chalmers to Elizabeth Streets. Underway. Lead - City of Sydney.
- Randle Lane upgrade. Design will commence when Sydney Metro - Central Station new eastern portal design is finalised. Lead - City of Sydney.
- Central Square. Design and investigation into potential major new public square (the third square) as described in Sustainable Sydney 2030. As part of the Central State Significant Development by Transport for NSW, funding and delivery of the public space is anticipated by the NSW Government, however some lands are owned by the City. In addition to developing the design direction of this civic square, the City is leading the development of a Central precinct public domain framework to guide public domain improvements in the Tech Central innovation precinct. This work sits alongside the City's Central Sydney public domain precinct plans. Lead - City of Sydney.
- Belmore Park upgrade. Design will commence when over-station design and development of Central Station is known. Lead - City of Sydney.
- City south public domain plan, including Central public domain framework. Published in November 2021, the plan illustrates potential design principles for particular streets and spaces within the precinct to stimulate further conversation. Lead - City of Sydney.
- Broadway place improvements (including cycleway). City is currently undertaking a transport feasibility study. Will be dependent on Transport for NSW approvals. Lead - City of Sydney.

8. Proposed or current Transport projects:

- Integrated transport strategy. Released in November 2021, the strategy was developed in partnership with the Camperdown Ultimo Alliance and outlines a 20-year vision for transport in Tech Central that is connected, liveable, sustainable and productive. Lead - Transport for NSW.
- Redfern Station upgrade. Accessibility improvements underway at Redfern Station which will also provide better connections to surrounding key destinations such as Redfern, South Eveleigh, North Eveleigh, University of Sydney and RPA Hospital. Lead - Transport for NSW.
- Sydney Metro - Waterloo Station. Part of the metro network, the station will improve access to Botany Road and South Eveleigh precincts. Lead - Transport for NSW.
- Sydney Metro - Central Station including the eastern portal. Part of the metro network, the station will improve access to Ultimo, Surry Hills and Haymarket. Lead - Transport for NSW.
- Metro West - Future-proofing for possible south-east extension from Hunter Street station. Parramatta Road public transport – Public transport improvements for Parramatta Road are currently being investigated by Transport for NSW. Lead - Transport for NSW.

9. Proposed or current Urban Renewal projects:

- Redfern North Eveleigh redevelopment (part of the wider Redfern-Waterloo Authority Sites State Significant Precinct). Investigation and consultation is underway to determine land use and built form opportunities to transform the precinct into a great new place, respectful of the Aboriginal and non-Aboriginal history of the area and the surrounding communities. Lead - Transport for NSW.
- Central Precinct Renewal, State Significant Precinct. Investigation and consultation is underway to determine land use and built form opportunities to transform the precinct into a great new place for communities and businesses. Proposal includes development over the InterCity platforms at Central Station and the Sydney Rail Yard to the south of the station. . The City has representation on the NSW Government working group for this project and observes the Government Architect Design Review Panel. Lead - Transport for NSW.

10. Proposed or current Tech/Digital Infrastructure projects:

- Atlassian Headquarters, Central Place Sydney (Dexus and Frasers at Lee Street) and Toga redevelopment (includes Adina Apartment Hotel and Henry Deane Plaza. Commercial space and technology hubs including new headquarters for anchor tenant Atlassian. Will include affordable space for startups and scaleups. Lead - private sector.
- Greateon "vertical integrated tech village" (Thomas Street). Hotel, commercial space and technology hub including laboratories. Design competition phase about to commence. Lead - Greateon.
- Greenhouse clean-tech scaleup hub. New City of Sydney tech hub located in the Salesforce Tower at 180 George Street currently under construction. Closely aligned with Tech Central. Lead - Investible/City of Sydney.
- Prince Alfred Substation adaptive reuse project. Advocacy to Transport for NSW to refurbish the unused heritage asset as a potential new space for tech and creative industries or startups. Lead - Transport for NSW.
- Tech Central place collaboration tool. Dynamic online spatial map of collaboration and innovation assets in the precinct. Lead - Greater Sydney Commission.
- Digitally connected precinct. Collaboration to ensure precinct is a smart, future ready place with the right digital plumbing (fibre, conduit, power, coordination) required to attract future investment, innovative projects and talent. Lead - NSW Government: Greater Sydney Commission/DPIE Smart Places unit/NSW Telco Authority

11. Proposed or current Social Infrastructure projects:

- Royal Prince Alfred Hospital masterplan and redevelopment. \$750M redevelopment of the hospital to enhance clinical care along with new opportunities for teaching, research and innovation. Lead - NSW Health.
- Ultimo Community Centre upgrade. Scope of upgrade works currently being developed. Lead - City of Sydney.

Proposed or current Strategic Planning projects:

- Camperdown Structure Plan. A collaborative study being undertaken by Inner West Council, City of Sydney, Greater Sydney Commission and NSW Health to explore commercial potential of the Camperdown area of the precinct to support health and education uses. Lead - Inner West Council.
- Botany Road Corridor planning proposal. New draft planning controls have been exhibited to facilitate more commercial space jobs and affordable housing. Lead - City of Sydney.
- Pyrmont Peninsula (including Ultimo) place strategy. Implementation of the NSW Government's strategy is underway to amend planning controls to deliver additional housing, jobs and respond to new Metro station planned for the area. Lead - NSW Department Planning Industry and Environment.

12. Proposed or current Marketing and Programming projects:

- Tech Central brand and identity. Development of the Tech Central - Australia's Innovation Engine brand to articulate the promise of Tech Central and its neighbourhoods. Lead - Greater Sydney Commission.
- Tech Central website. Early online presence for the precinct tc.sydney. Requires ongoing development to become the primary destination for marketing of the precinct. Lead - Greater Sydney Commission.
- Tech Central master events calendar. Curation and presentation of all innovation activities happening across the precinct leveraging the City of Sydney's whatson.sydney events marketing platform. Lead - Camperdown Ultimo Alliance.
- Tech Central prospectus. Key marketing asset and pitch document to appeal to investors, startups, researchers, students, talent and business looking to relocate. Lead - Camperdown Ultimo Alliance.
- Visiting Entrepreneur Program 2022. Theme of the program will be reimagining the future of cities, innovation precincts, workspaces, lifestyle and talent attraction. Lead - City of Sydney

13. Proposed or current Environmental Sustainability projects:

- Sustainability engagement programs. Exploration of options around green leasing, tenant engagement and energy, water, waste and circular economy solutions to drive sustainability outcomes. Lead - Greater Sydney Commission.
- Water initiatives. Investigation of connection of western gateway to the CBD recycled water pipeline and innovative solutions to stormwater management. Lead - Sydney Water, Transport for NSW and City of Sydney.

Key Implications

Strategic Alignment - Sustainable Sydney 2030

14. 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 report is aligned with the following strategic directions and objectives:
- (a) Direction 1 - A Globally Competitive and Innovative City. A successful Tech Central innovation precinct will drive economic growth and productivity rise and will be home to many of Australia's most innovative people and organisations and cutting-edge technology, all of which are a major contributors to global competitiveness.
 - (b) Direction 2 provides a road map for the City to become A Leading Environmental Performer. The City can show leadership in the precinct by utilising resources from existing partnership such as Better Buildings Partnership to explore options for green leases and energy, water, waste and circular economy solutions.
 - (c) Direction 3 - Integrated Transport for a Connected City. The Tech Central place-based transport strategy for the precinct outlines a 20-year vision for transport that is connected, liveable, sustainable and productive.
 - (d) Direction 4 - A City for Walking and Cycling. The place-based transport strategy outlines a future where Tech Central is an activated, walkable and integrated innovation district where residents, visitors and workers can interact and linger in great places and public spaces.
 - (e) Direction 6 - Vibrant Local Communities and Economies. Tech Central is already home to vibrant and thriving local communities and economies. The people who live and work locally and operate the high street businesses all contribute to the character of the neighbourhoods within Tech Central. Continued involvement of the local communities will be critical to Tech Central's success.
 - (f) Direction 7 - A Cultural and Creative City. The human-scale connectivity of the precinct will enable planned and unplanned interactions between people in support of innovation and creativity. It is important to include creative people in an innovation precinct - working either directly in the creative industries, or in other organisations within Tech Central. They are critical to the long-term sustainability of creative industries in our local area as well as fostering a culture of diverse thinking and creative problem solving that will ultimately achieve the objectives of Tech Central.

- (g) Direction 9 - Sustainable Development, Renewal and Design - There is significant opportunity through the redevelopment and upgrade projects identified in Tech Central to deliver significant sustainability outcomes. Leadership from key precinct partners such as anchor tenant Atlassian who has made a public commitment to 100% renewables and a net-zero future and is developing their new headquarters to be one of the most sustainable in Sydney, is key to obtaining similar commitments for other development in the precinct.
- (h) Direction 10 - Implementation through Effective Governance and Partnerships. Collaboration on every level is required for Tech Central to be successful. The formal governance model will provide the leadership and collaborative decision making. The City has been an active contributor to the Camperdown Ultimo Alliance since 2019. This includes contributing \$50,000 per year towards the shared costs. To date, the Alliance has been the primary collaboration mechanism to bring together stakeholders to work on solutions to shared challenges and implement the Alliance work plan adopted by Council in 2019. Projects include the Integrated Transport Strategy (complete), investment prospectus and marketing (underway) and a digitally connected precinct (underway). Other collaboration mechanisms include Better Buildings Partnership and project specific working groups which will drive continued collaboration and project implementation.

Organisational Impact

- 15. Internal coordination of work identified in this report is facilitated through a Tech Central Coordination Group.
- 16. External coordination of work identified in this report is facilitated through the Camperdown Ultimo Alliance which is the primary mechanism for collaboration between the key stakeholders, the proposed Tech Central governance body, regular staff meetings with the Executive Director Annie Parker and direct engagement with relevant government agencies and industry stakeholders through partnerships, working groups and project teams.

Risks

- 17. Tech Central is a geographically large and very complex place. There are many stakeholders and the expectations of government, industry, businesses and the local communities are high. Without appropriate coordination and collaboration, the precinct will not only fail to deliver to its full potential, there is the risk that some stakeholders will be adversely impacted by the development of the precinct. Precinct leadership and strong, formal governance will help to retain a "helicopter view" of how the precinct is developing.
- 18. Risk assessments should be conducted for each project to minimise the risk of inadvertent negative impacts, particularly for the local communities. Regular and accessible information about the development of the precinct as a whole as well as engagement opportunities around specific projects will be included in ongoing work.

Social / Cultural / Community

19. The Greater Sydney Commission is committed to connecting to Country in the precinct and is developing a strategic approach for this work. The Smart Places unit within the Department of Planning Industry and Environment has launched a Smart Places Customer Charter which includes the core value of connection with Country. Following the charter will help to see Country considered at all stages of creating smart places. Respect of First Nations peoples' rights, obligations and roles as Traditional Custodians of the land, sea and waterways will be prioritised in a way that contributes to economic independence and self-determination of First Nations peoples.
20. The Smart Places Customer Charter also includes the core value of benefits for people where smart places focus on real benefits for people before a technical solution is agreed. By responding to the needs of the people that the place serves, including their diversity, equity and inclusion needs, smart places can harness and embrace innovation and opportunity.

Environmental

21. The Smart Places Charter includes the core value of sustainability and resilience where the needs of the present are met without compromising the ability of future generations to meet their own needs and places can adapt in a complex and changing environment. The fast-paced nature of technological change and innovation, as well as the changing climate and growing population, sustainability and resilience are key considerations in developing the precinct as a smart place.

Economic

22. The economic potential of Tech Central is vast. The projects outlined in this report will deliver hundreds of thousands of square meters of commercial space, much of which will be subsidised for startups and scaleups, and tens of thousands of new future-focussed jobs across a wide range of industries. The focus on collaboration between universities and industry will maximise the commercial potential of research and development projects. The precinct will attract talent and investment which will in turn accelerate the productivity of the precinct.

Financial Implications

23. \$50,000 per year (exclusive of GST) paid to the University of Sydney for two years to contribute to the cost of secretariat and coordination support for the Camperdown Ultimo Alliance is available in the City's current year's operating budget and future years' forward estimates.
24. \$39,000 (inclusive of GST) paid to Inner West Council to contribute to the Camperdown Structure Plan, coordinated by Inner West Council is funded within the City's current year operating budget.

Relevant Legislation

25. Section 356 of the Local Government Act 1993 allows the Council to resolve to contribute money to persons for the purpose of exercising its functions.
26. Section 55(3)(c) allows a Council to enter into a contract with another Council without conducting a tender process. Inner West Council has undertaken a procurement process in respect of preparation of the Camperdown Structure Plan.

Critical Dates / Time Frames

27. Tech Central was re-launched under its new name in November 2021. Work will be ongoing for a decade as projects are delivered. A successful and mature innovation precinct will require ongoing commitment and support from government and non-government partners, but ultimately Tech Central will be a sustainable and self-fulfilling economic powerhouse.

Options

28. No other innovation precincts in the local area have been formally identified.

Public Consultation

29. In the 2019 report to Council regarding the Camperdown Ultimo Collaboration Alliance and work plan, Council noted the importance of community engagement and committed to ensuring that the community is given the opportunity to participate in the work of the "Camperdown Ultimo Collaboration Alliance" and associated outcomes. This commitment is ongoing and the City advocates strongly to the partners in the precinct to ensure the community is included, engaged and consulted as they deliver projects in the area.
30. Each project delivered in the precinct will have its own tailored engagement program to be incorporated into the work and reported along with the findings and recommendations relevant for each project.

KIM WOODBURY

Chief Operating Officer

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