

## **INQUIRY INTO GREATER SYDNEY PARKLANDS TRUST BILL 2021**

**Organisation:** Carsingha Investments Pty Ltd

**Date Received:** 13 January 2022

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The Hon. Robert Borsak, MLC  
Chair, Select Committee on the Greater Sydney Parklands Trust Bill 2021  
Parliament House,  
6 Macquarie Street  
Sydney NSW 2000

12 January 2022

Dear Chair,

### **Submission for the Select Committee on the Greater Sydney Parklands Trust Bill 2021**

Carsingha Investments Pty Ltd ('Carsingha') is the leaseholder of The Entertainment Quarter ('EQ'), a State significant and historic site within the Greater Sydney Parklands estate.

Carsingha have submitted an Unsolicited Proposal ('USP') to Government, who have agreed that the revitalisation of EQ at Moore Park into a world-class integrated leisure, events, cultural, creative and entertainment precinct is of sufficient interest in concept form to warrant progression to Stage 2 of the USP process.

Carsingha, therefore, has a direct and significant interest in the future governance of Sydney's parklands and we welcome the Legislative Council Select Committee inquiry into the *Greater Sydney Parklands Trust Bill 2021* (the 'Bill').

We believe EQ serves an essential and valuable purpose serving local communities, Sydney-wide entertainment industries and international visitors. We also believe that to fulfil its true potential, EQ requires a comprehensive reinvention to provide a precinct that can support and elevate Sydney's cultural and entertainment industries. These goals are paramount to Sydney's successful recovery from the COVID-19, growing its 24 hour and creative economies and supporting its social and economic future as a dynamic global city.

A revitalised EQ will play a vital role in enhancing Sydney's global attractiveness for investors, students, tourists and visitors, as well as Sydney's diverse communities of residents and workers.

**Partnering with its adjacent world class facilities, venues and businesses, our Vision for EQ is to become Sydney's premier entertainment and media district, within a world class sporting and entertainment precinct for Moore Park.** A significant investment will make a significant contribution to Sydney's competitiveness for visitors, major events and inward investment, and support its ongoing growth and development as a desirable international destination.

Ideally located within a strategic corridor of precincts connected by Sydney's Light Rail and within 3 kilometres of Sydney's Eastern CBD, major rail and Metro networks, this district is set to become a thriving live music and performance ecosystem and a growing Sydney's film, television and entertainment hub. **The c.\$2 billion investment will drive significant economic, social and environmental benefits:**

- Create over **17,000 jobs**, generate over **\$3.3 billion economic benefits**, and contribute **c.\$800m to Gross State Product each year**;
- **Improved entries, public access pathways, laneways, cycle paths and transport links** between Moore Park, Centennial Park, the Sydney Cricket Ground and surrounds;
- More than **\$100 million invested in a 5 hectare network of parks**, tree-lined pathways and paths including an **additional 1 hectare of new parks**;
- **Create a vibrant Film, Television and Entertainment ecosystem**, including multiple education, production and post-production spaces as well as short term accommodation for on-site workers;
- **New live performance and music district** featuring multiple small, intermediate and multipurpose live performance spaces, including a 5,000 capacity outdoor venue, rehearsal spaces, new comedy club, supper club and the possibility of a Lyric Theatre;
- **Significantly improved game day experience** for Sydneysiders and tourists as an integrated sporting and entertainment precinct, including additional parking, improved access to the Light Rail and Sydney Cricket Ground, a 4 star boutique hotel, pop-up events and quality casual food and beverage facilities ;
- **New world class community sport facilities and a revitalisation of the Show Ring**, for community clubs, a female pathway for AFL Women's training and competition, as well as dedicated Community spaces for health and wellbeing, indigenous, multicultural and school programs;
- **Curated hawker-style food markets** showcasing Sydney's multi-cultural culinary diversity across day and night, seven days a week, for on site workers, locals, tourists, music and sports visitors ; and
- **Transformative roof top urban farm** offering additional green space for the community including a productive working urban farm, multi-use event space and centre to run education programs on sustainability and urban agriculture.

This Vision has been developed in conjunction with the Community, local community groups and local businesses. In September 2021, statistically valid community research was undertaken which found very strong community support for the project with **71% of greater Sydney residents and, importantly, 70% of local residents backing plans for the precinct upgrade.** (Source: Taverner Research Group)

Further, EQ's Vision also aligns with critical State and Local planning directions, as well as the intents of the Centennial Park and Moore Park Trust Act.



This is a significant opportunity for the creation of shared social value, opportunity and innovation in sectors in need of support and confidence for the future. **However, as it stands, the Greater Sydney Parklands Trust Bill Act will block significant investment and sustainable community benefits over the long-term.**

As many members will appreciate, the precinct has never lived up to the initial vision proposed by the Carr Government in 1995. There have been a number of failed attempts (including Lend Lease, Colonial First State) to create a viable commercial solution but each has not worked due to the constraints governing the site.

**If the Bill is not amended to reflect the original intent of the legislation, there is a real possibility the Entertainment Quarter will continue to languish with no imperative for investment (potentially for another c.24 years)**

**We urge the Select Committee to reconsider the Bill in the context of direct adverse impacts on the potential revitalisation of the EQ site to realise important benefits for Sydney as a global city.**

We welcome any opportunity to present to the Select Committee to answer any questions they may have.

Yours sincerely

**Max Moore-Wilton AC**  
Chairman, The Entertainment Quarter



## **Submission to the Select Committee inquiry: The Greater Sydney Parklands Trust Bill 2021**

### **Introduction**

Carsingha Investments Pty Ltd ('Carsingha') welcomes the Legislative Council Select Committee inquiry into the Greater Sydney Parklands Trust Bill 2021 (the 'Inquiry').

Carsingha holds a leasehold interest from the Centennial Park and Moore Park Trust (the 'Trust') over the site known as The Entertainment Quarter ("EQ"). The lease expires on 21 April 2036 with an option to renew for a further 10 years (ie potential remaining term of c.15 years + 10 years)

The Trust is also the lessor of the adjacent Fox Studios, Hordern Pavilion and Royal Hall of Industries.

Carsingha welcomes the Committee's inquiry into the management of some of Sydney's most iconic spaces. Further, we wish to provide the Committee with our views about how the proposed legislation should act to conserve and enhance the natural environment, the cultural and heritage value and the revitalisation of the existing built form spaces in the estate.

The Moore Park precinct, in the context of the Eastern Harbour City and Greater Sydney, is undergoing significant infrastructure and economic transformation. The precinct will play a key role in realising The Greater Sydney Commission's vision for the Eastern Harbour City as a 30 minute city, where jobs, services and quality public spaces are in easy reach of people's homes.

The Inquiry will provide the opportunity for many to reflect upon, and demonstrate, the multiple cultural, economic and social benefits investing in the parklands creates for the local community, visitors, workers and tourists to Greater Sydney and NSW.

## Executive summary

### Sydney ought to have a sports and entertainment precinct that is truly world class

We believe EQ serves an essential and valuable purpose serving local communities, Sydney-wide entertainment industries and international visitors. We also believe that to fulfil its true potential, EQ requires a comprehensive reinvention to provide a precinct that can support and elevate Sydney's cultural and entertainment industries. These goals are paramount to Sydney's successful recovery from the COVID-19, growing its 24 hour and creative economies and supporting its social and economic future as a dynamic global city.

A revitalised EQ will play a vital role in enhancing Sydney's global attractiveness for investors, students, tourists and visitors, as well as Sydney's diverse communities of residents and workers.

Greater Sydney's economic strength is mainly due to its role as a regional hub within global financial markets. Concentrated within Sydney's CBD, the finance industry is anchored by the ASX, Australia's monetary and financial institutions, as well as the majority of Australia's financial, insurance and investment banking companies.

Greater Sydney's overall global competitiveness is reinforced by the diversified aggregation of a number of significant assets, including:

- Tech Central, an innovation and technology precinct at Sydney CBD;
- Health and Education precinct, anchored by the University of NSW, Sydney Children's Hospital and Prince of Wales Hospital at Randwick;
- Redfern to Everleigh precinct, anchored by the Australian Technology Park;
- University of Technology Sydney precinct, combining Sydney School of Entrepreneurship and the UTS campus;
- Walsh Bay precinct, including Sydney Dance Company and the Sydney Theatre Company

However, Greater Sydney is missing a critical element in Eastern Harbour City: a similar aggregation of the sports and creative industries, providing entrepreneurial and job opportunities which arise from a critical mass of cultural, tourist and entertainment facilities.

### A revitalised Entertainment Quarter will realise significant cultural, social and economic benefits for NSW

#### *A new Vision*

The Moore Park precinct is the home of many world class facilities and organisations within the sporting, entertainment and broader creative industries, including the Sydney Cricket Ground, Hordern Pavilion, Fox Studios (Disney) and the Australian Film and Television School.

The NSW Government has investment substantial new capital in recent years to redevelop world class facilities in the Moore Park sporting precinct including the Sydney Football Stadium, Light Rail and related transport infrastructure

A revitalised EQ will play a vital role in enhancing Sydney's global attractiveness for investors, students, tourists and visitors, as well as Sydney's diverse communities of residents and workers.

Partnering with its adjacent world class facilities, venues and businesses, our Vision for EQ is to become Sydney's premier entertainment and media district, within a world class sporting and entertainment precinct for Moore Park. A significant investment will make a significant



contribution to Sydney's competitiveness for visitors, major events and inward investment, and support its ongoing growth and development as a desirable global city.

Ideally located within a strategic corridor of precincts connected by Sydney's Light Rail and within 3 kilometres of Sydney's Eastern CBD, major rail and Metro networks, this district is set to become a thriving live music and performance ecosystem and a growing Sydney's film, television and entertainment industry. **The c.\$2 billion investment will drive significant economic, social and environmental benefits:**

- Create over **17,000 jobs**, generate over **\$3.3 billion economic benefits**, and contribute **c.\$800m to Gross State Product each year**;
- **Improved entries, public access pathways, laneways, cycle paths and transport links** between Moore Park, Centennial Park, the Sydney Cricket Ground and surrounds;
- More than **\$100 million invested in a 5 hectare network of parks**, tree-lined pathways and paths including an **additional 1 hectare of new parks**;
- **Create a vibrant Film, Television and Entertainment ecosystem**, including multiple education, production and post-production spaces as well as short term accommodation for on-site workers;
- **New live performance and music district** featuring multiple small, intermediate and multipurpose live performance spaces, including a 5,000 capacity outdoor venue, rehearsal spaces, new comedy club, supper club and the possibility of a Lyric Theatre;
- **Significantly improved game day experience** for Sydneysiders and tourists, including additional parking, improved access to the Light Rail and Sydney Cricket Ground, a 4 star boutique hotel, pop-up events and quality casual food and beverage facilities ;
- **New world class community sport facilities and a revitalisation of the Show Ring**, for community clubs, a female pathway for AFL Women's training and competition, as well as dedicated Community spaces for health and wellbeing, indigenous, multicultural and school programs;
- **Curated hawker-style food markets** showcasing Sydney's multi-cultural culinary diversity across day and night, seven days a week, for on site workers, locals, tourists, music and sports visitors ; and
- **Transformative roof top urban farm** offering additional green space for the community including a productive working urban farm, multi-use event space and centre to run education programs on sustainability and urban agriculture.

In short, a revitalised EQ will add significant global competitive strength to Sydney's Eastern Economic Corridor and provide much needed social infrastructure to a growing local community.

#### *Revitalisation of the Show Ring*

A key component of the new Vision is to recapture the significance of the Show Ring and return it to its historic use as an active sports and events venue.

Refurbished as an industry-leading multi-purpose space, the Show Ring will host outdoor performances such as live music events and Christmas Carols as well as Community AFL training and competition. This will host schools, community clubs, female pathway training and up to 5 AFLW matches per season.



In addition, the adaptive reuse of heritage buildings adjacent to the Show Ring will be the home of dedicated multi-purpose Community Clubroom and female change room facilities. In partnership with the AFL, this space will also host community health and wellbeing programs, as well as youth leadership camps for Indigenous and Multicultural athletes, school holiday camps, gala days and a range of community activities.

To enhance the experiences on the Show Ring and within the adjacent world class stadiums, hawker-style markets, a playground and flexible stage infrastructure will be installed.

### **The new Vision is overwhelmingly supported by the Community and by business, community and sporting organisations**

Developed in consultation with the local community over 70% local and Greater Sydney residents recently expressed their strong or very strong support.

Recent constructive conversations with local business, community and sporting organisations about the new Vision have not raised any objections in principle. These organisations include:

- Fox Studios;
- Australian Film, Television and Radio School;
- Screen Australia;
- Venues NSW;
- Tourism and Transport Forum;
- Business Sydney;
- AFL NSW/ACT;
- Sydney Swans,
- Cricket Australia;
- Cricket NSW;
- Maroubra Saints Junior Australian Football Club;
- Moore Park Tigers Junior Australian Football Club; and
- Eastern Suburbs Bulldogs Junior Australian Football Club.

Collectively these groups represented tens of thousands of individuals, as well as countless Not For Profit organisations and Small to Medium Enterprises.

### **As it stands, the Greater Sydney Parklands Trust Bill Act, will block significant investment and sustainable community benefits over the long term**

Delivering the new Vision will require c.\$2 billion of investment and is predicated upon Carsingha being granted a new long-term lease. Reducing the term of future leases would have a significant adverse financial impact, threatening the quality and scale of future amenities that could be provided to the Community.

To illustrate, under the terms of a new 50 year lease, it would not be feasible to construct a new hotel, short term accommodation, appropriate carpark facilities and integrated performance facilities. To use one feature as an example, the addition of two levels to the existing carpark to accommodate the estimated demand for visitors to the Stadiums would cost c.\$30 million and require a c.40 year period to achieve a positive financial return.

Further, limiting the term of a new lease to significantly less than 99 years would result in an inability to attract the institutional capital required to fund the \$2 billion proposed redevelopment.

This is a vital component of any institutional investment considerations for The Entertainment Quarter and all State Significant Precincts in NSW, including The Rocks, Darling Harbour, Sydney Olympic Park and Western Sydney Parklands.

### **If the Bill is not amended to reflect the original intent of the legislation, there is a real possibility the Entertainment Quarter will continue to languish with no imperative for investment (potentially for another 24 years)**

As it stands, the Bill requires that any new leases over 10 years will be required to be subject to open tender, with parties with a unique or innovative proposal unable to utilise the Government's Unsolicited Proposal process.

In this scenario, very limited capital investment could be financed to upgrade EQ over the remaining lease term of c.24 years.

Moreover, if any new lease term was limited to 50 years, it is likely that substantial investments would be curtailed.

The previous legislative framework allowed for flexibility and for the NSW Government (including Centennial Park and Moore Park Trust, Investment NSW, Treasury, Department Planning, Industry & Environment) to be involved in full, meaningful negotiations that would justify an appropriate lease term.

This would be severely restricted under the proposed legislation.

## **Recommendations**

### **1. Amend specific sections of the *Greater Sydney Parklands Trust Bill 2021* that threaten the future jobs and community benefits of a revitalised EQ, to reflect the original intent of the legislation drafted on the basis of an extensive community and stakeholder engagement process through the development of the White Paper<sup>1</sup>, specifically:**

- Remove the requirement for open tender processes for leases or licences over 10 years (s.9A CPMPT Act)
- Allow for future leases to directly or indirectly help the Trust achieve its objects (s.20(2) CPMPT Act)
- Reinstate the maximum lease term at 99 years (s.20(3) CPMPT Act)

### **2. Amend specific objects and powers of the Greater Sydney Parklands Trust and amend the objects of the Centennial Park and Moore Park Trust that would clarify and validate future leases over EQ, and reflect the original intent of the legislation, specifically**

- Allow the Greater Sydney Parklands Trust to support sustainable funding streams while protecting the parks from inappropriate commercialisation

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<sup>1</sup> 'White Paper – Parklands for People. A proposed legislative framework for Greater Sydney Parklands', Department of Planning, Industry & Environment, May 2021

- Allow the Greater Sydney Parklands Trust to grant a lease consistent with the objects of the Act, within the Greater Sydney Parklands Trust estate, including leasing land for financial benefit
- Allow for the redevelopment of the Entertainment Quarter land in a manner that is consistent with its status as an area of importance for the State



## Parklands serve a critical role in a growing city

### Parklands provides significant benefits for people across Greater Sydney

Parklands provide ecological, social, cultural, and economic benefits to people that live and visit Greater Sydney. Over the next 50 years, as Greater Sydney grows to 10 million people, the NSW Government's *Vision for Greater Sydney Parklands* aims to achieve both economic and social opportunities for the community.

This has become more evident during the COVID-19 pandemic, with Sydneysiders utilising parklands more than once a week and 60%<sup>2</sup> of people wanting to see more outdoor recreation areas near their home or work. Further, more than 70%<sup>3</sup> of people in the Eastern Harbour City feel that having good outdoor active recreation areas are important for their lifestyles and a great way to bring the community together.

### The diversity of utilised public open spaces available is also important

The Government Architect of NSW recognises the need to seek innovative ways of providing open spaces to reflect increasing housing demand and community expectations<sup>4</sup>. For example, district level open spaces should provide a range of activities for individuals, small and large groups and community gatherings. Further, sporting parks and active recreation should complement an increased tree canopy and rich landscape design.

## Sydney ought to have a sports and entertainment precinct that is truly world class

Greater Sydney's economic strength and global competitiveness is mainly due to its role as a regional hub within global financial markets. Concentrated within Sydney's CBD, the finance industry is anchored by the ASX, Australia's monetary and financial institutions, as well as the majority of Australia's financial, insurance and investment banking companies.

The strength of Greater Sydney is reinforced by the diversified aggregation of a number of significant assets, including:

- Tech Central, an innovation and technology precinct at Sydney CBD;
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- Walsh Bay precinct, including Sydney Dance Company and the Sydney Theatre Company.

However, Sydney is missing a critical element: a similar aggregation of the sports and creative industries, providing entrepreneurial and job opportunities which arise from a critical mass of cultural, tourist and entertainment facilities.

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<sup>2</sup> 'Open Spaces: A 50 year Vision for Greater Sydney's Open Space and Parklands', 2020

<sup>3</sup> 'Greater Sydney Outdoors Study', Department of Planning, Industry & Environment, 2019

<sup>4</sup> 'Draft Greener Places Design Guide'. Government Architect NSW, 2020

## The Moore Park precinct

### The Moore Park precinct should play an expanded role in Sydney's economic growth and global competitiveness

The Moore Park precinct is the home of many world class facilities and organisations within the sporting, entertainment and broader creative industries, including the Sydney Cricket Ground, Hordern Pavilion, Fox Studios (Disney) and the Australian Film and Television School.

In recent times, the NSW Government has invested significant funds to assist the Tourism and Major Events industries resident within the Moore Park precinct, namely the construction of the Sydney Football Stadium (c.\$830m) and the Light Rail (L2- Randwick line). Together, these investments attract marquee state, national and international sporting and entertainment events and drive growth in the visitor economy.

Targeted investment designed to enhance these key assets will make a significant contribution to Sydney's competitiveness for visitors, major events and inward investment.

### Growth in population in the Eastern Harbour City will require further investment in social infrastructure in the Moore Park precinct

By 2030, upwards of 60,000 additional people are estimated to reside around Moore Park, including the City of Sydney, Woollahra, Waverly and Randwick Council areas. This will place additional pressure on public spaces, access and pedestrian/cycling demands. Specifically for the Moore Park precinct:

- Access to Moore Park will continue to be challenged. While most visitors arrive by car, the Light Rail will increase the number of people arriving by public transport.
- Pedestrian and cycling will continue to be a growing mode of transport in need of infrastructure and access, particularly between the West of Anzac Parade and the connection to Centennial Park and the Eastern beaches.

The redevelopment of EQ will optimise the use of existing green space in the Moore Park precinct, and further enhance the facilities available for the community on the Show Ring site.

## The Entertainment Quarter: its challenges and perceptions

### Context

The area now known as Moore Park was originally part of Governor Macquarie's 'Second Sydney Common'. The area was quickly transformed through the creation of sports facilities, the Zoological Garden and the Sydney Showground (which today incorporates EQ and Fox Studios)

By the turn of the century, Moore Park was Sydney's most popular sporting and entertainment precinct

The Royal Agricultural Society used the Sydney Showground to host the largest annual drawcards to the Park, being the Royal Easter Show, which was held at the site for 116 years. RAS sought to encourage and promote the rural industry through competition, education and events, with competitive displays showcasing the best animals and rural produce.

Over time, the event grew and diversified, and featured more commercial and entertainment activities in addition to rural industries.

Throughout its history, the Sydney Showground at Moore Park has been an important public asset, with a focus on a diverse range of cultural and recreational activity.



Importantly, it has never been used as general open public green space and it is illusory to expect that the site would be demolished in the future for passive recreational use.

### **Since the Royal Agricultural Society relocated in 1998, successive leaseholders have failed to capitalise on the site's history, location and key attributes**

In 1998, the RAS relocated to Homebush Bay and the Sydney Showground land and facilities were redeveloped as a working studio together with public entertainment, commercial and retail facilities.

In 1999, EQ and Fox Studios Back Lot opened, however, it was closed just three years later due to heavy commercial losses. Following this, EQ was then separated from Fox Studios and the ownership was transferred to News Corp's joint venture partner, Lend Lease Corporation.

EQ's land uses, activities and planning framework have restricted successive owners in the way the precinct has been positioned. As such, the local community has failed to embrace the retail and commercial offer.

### **EQ has suffered from difficult access, restricted range of uses and a lack of critical mass of people**

The Moore Park precinct has long suffered from a fragmentation of individual land holdings, that has resulted in poor integration and connectivity between EQ and adjacent lessees and owners, including the Stadia precinct (SCG and SFS), Hordern Pavilion, Royal Hall of industries, Fox Studios and the Equestrian Centre. Each space has, in effect, operated as its own independent 'walled precinct'.

In addition, the restrictive planning framework has restricted the activities at EQ to specific activities, being film, television and video industries. As wider economic activity and community expectations change over time, overly restrictive employment zones can limit employment opportunities and consumer choice.

Further, a mix of employment uses and short term accommodation is required to embed a critical mass of people within EQ to drive a sustainable daytime turnover of the retail precinct. This, in turn, will be critical in attracting the diversity, quality and number of food and beverage operators necessary to draw custom from outside the precinct and sustain a financially viable night time destination.

A critical mass of people will also be key to greater utilisation of public spaces.

### **Recent surveys of the local community and Greater Sydney residents recognised that the site felt tired and strongly advocate for revitalisation of EQ**

In September 2021, Taverner Research Group conducted a survey of 1,000+ adult Sydney residents to understand attitudes towards a proposed revitalisation of The Entertainment Quarter.

A random telephone survey of 400 residents in the City of Sydney, Randwick, Waverley and Woollahra Local Government Areas ('locals'), was augmented by an online survey of 604 residents living across the remainder of Greater Sydney.

Among the major survey conclusions:

- **Perceptions of the site were mixed.** While the vast majority across both cohorts agreed it was pedestrian friendly, felt safe and was a good place to take children, there was also majority agreement that the site felt tired, and/or was "cut off" from the SCG, nearby parks and local residents. And less than 50% of locals felt it was lively or had a good "buzz" (though Greater Sydney residents disagreed somewhat.)



- **Awareness of the proposed redevelopment was low** (locals 12%, Greater Sydney 19%).
- **Support for the redevelopment was high**, with 70% of respondents (locals 70%, Greater Sydney 71%) expressing either support or strong support. Meanwhile 5% opposed the redevelopment (locals 9%, Greater Sydney 2%), with the balance neutral.
- **Major (unprompted) reasons for supporting the redevelopment** included a belief that the current site needed upgrading, that it would provide more entertainment options, that it would be good for the City, and/or that the area would become more accessible.
- **The only (unprompted) concerns** were around traffic/congestion/noise (1.4% of all respondents) and/or a belief that redevelopment is unnecessary (1%).
- **Support rose further** if extra revenue generated by the redevelopment could be specifically allocated to maintaining or improving Centennial Parklands.

## A new Vision for EQ

### Overview

This Vision seeks to leverage the significant funds invested to support the Tourism, Major Events and Film & Television industries that reside at Moore Park, including the construction of the Sydney Football Stadium and Light Rail as well as ongoing funding of film and television projects.

Partnering with its adjacent world class facilities, venues and businesses, our Vision for EQ is to become **Sydney's premier entertainment and media district, within a world class sporting and entertainment precinct for Moore Park**. A significant investment will make a significant contribution to Sydney's competitiveness for visitors, major events and inward investment, and support its ongoing growth and development as a desirable global city.

Ideally located within a strategic corridor of precincts connected by Sydney's Light Rail and within 3 kilometres of Sydney's Eastern CBD, major rail and Metro networks, this district is set to become a thriving live music and performance ecosystem and a growing Sydney's film, television and entertainment industry. **The c.\$2 billion investment will drive significant economic, social and environmental benefits:**

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- **New live performance and music district** featuring multiple small, intermediate and multipurpose live performance spaces, including a 5,000 capacity outdoor venue, rehearsal spaces, new comedy club, supper club and the possibility of a Lyric Theatre;

- **Significantly improved game day experience** for Sydneysiders and tourists, including additional parking, improved access to the Light Rail and Sydney Cricket Ground, a 4 star boutique hotel, pop-up events and quality casual food and beverage facilities ;
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- **Curated hawker-style food markets** showcasing Sydney's multi-cultural culinary diversity across day and night, seven days a week, for on site workers, locals, tourists, music and sports visitors ; and
- **Transformative roof top urban farm** offering additional green space for the community including a productive working urban farm, multi-use event space and centre to run education programs on sustainability and urban agriculture.

### Revitalisation of the Show Ring

A key component of the new Vision is to recapture the significance of the Show Ring and return it to its historic use as an active sports and events venue.

Refurbished as an industry-leading multi-purpose space, the Show Ring will host outdoor performances, such as live music events such as and Christmas Carols, as well as community AFL training and competition. This will host schools, community clubs, female pathway training and up to five AFLW matches per season.

In addition, the adaptive reuse of heritage buildings adjacent to the Show Ring will be the home of dedicated multi-purpose Community Clubroom and female change room facilities. In partnership with the AFL, this space will also host community health and wellbeing programs, as well as youth leadership camps for Indigenous and Multicultural athletes, school holiday camps, gala days and a range of community activities.

To enhance the experiences on the Show Ring and within the adjacent world class stadiums, hawker-style markets, a playground and flexible stage infrastructure will be installed.

### A revitalised EQ will complement the world class stadium infrastructure and light rail transport to establish the precinct as a significant Tourist destination

A revitalised EQ will provide a significantly improved game day experience for Sydneysiders and tourists. Ease of access, pop-up events and quality casual food and beverage facilities will provide people with more reasons to arrive early and stay longer. Specifically, the Vision will provide:

- Improved access and increased car parking capacity, enabling Moore Park East to return to passive green public space;
- Integrate the two Stadiums and EQ, with direct pedestrianised access to the Sydney Cricket Ground;
- Increase activation on game day, with pop-up events on the Show Ring and adjacent spaces;
- Create a new entrance to EQ that links directly with the Light Rail stop
- Hawker-style food markets, appropriate to cater for large volumes of visitors.



### **A new 4 star boutique hotel located next to the world class stadiums will support tourism objectives by enhancing the visitor experience and encouraging the night time economy**

Benchmark world class sporting and entertainment precincts, such as L.A. Live, successfully integrate multiple sport and entertainment venues and offer adjacent hotel facilities. For visitors, these facilities provide convenience to the events as well as the opportunity to enjoy bars, restaurants, cinemas and live performance options.

Premium and convenient accommodation will only add to the experience for visitors to sporting and major events at Moore Park and will more likely provide more reasons to travel, stay and return.

### **Short term accommodation for on-site workers and students will support the film and television industry**

Today, EQ hosts upwards of 4,000 workers, students and teachers employed in film production, post-production and related services organisations, including Fox Studios, the largest integrated facility in the Southern Hemisphere and AFTRS, Australia's premier screen and broadcast school. A significant number of these workers and students require short term accommodation, and typically source temporary residences in neighbourhoods across Greater Sydney.

Supply of on-site flexible and convenient accommodation within a diverse entertainment district will allow these organisations to attract and retain these workers and students vital to the film and television ecosystem.

### **Attracting related organisations servicing the film, television and entertainment industries to EQ will increase Sydney's global competitiveness**

NSW competes globally to attract large-scale screen projects and is a world class destination for film and television. One way to increase inbound investment and employment is to facilitate the collaboration of additional multi-disciplinary related organisations on site. Fox Studios currently partners with many local, national and global organisations onsite and further opportunities exist to attract similar and related organisations to EQ.

Providing purpose-built workplaces adjacent to Fox Studios and AFTRS will help increase the scale, productivity and collaboration of these important industries. A revitalised EQ will also offer these workers greater amenity and improved access to the surrounding heritage parklands.

### **Substantial economic and community benefits are expected**

Together, a revitalised EQ will help support the growth of NSW's \$18.3 billion Arts, Screen and Culture sectors, as well the State's \$14 billion Tourism sector, by:

- Support job growth and greater economic activity from new multiple indoor and outdoor venues and flexible spaces, integrated with the Sydney landmark Hordern Pavilion;
- Support the future growth of Fox Studios, the largest integrated film production facility in the Southern Hemisphere;
- Enhance future film training pathways for AFTRS, Australia's premier screen, arts and broadcast school; and
- Enhance the visitor experience to the world-famous Sydney Cricket Ground and state of the art Sydney Football Stadium.

Further, the improved access, refurbished Show Ring and substantial community facilities are expected to provide:

- More playgrounds and fun family-friendly activities for families;
- Safer and more attractive connections for surrounding suburbs for cyclists and pedestrians;
- Enhance quality and breadth of Community Health and Wellbeing activities and programs;
- More opportunities to value the history of First Nations and former RAS Showground ;
- More reasons for locals and Sydneysiders to visit, including events and activities on the Showring, bars, restaurants and new food and entertainment experiences;
- Enhanced game day experience at the Sydney Cricket Ground and Sydney Football Stadium; and
- More weekday amenities for workers, including better access to green spaces.

### Key industry and community partnerships are critical for EQ's revitalisation

To ensure that a revitalised EQ delivers on its expected social, economic and community benefits, a number of critical partners have been identified, including:

- **AFL NSW/ACT**, to community AFL training and competition, including schools, after-work co-ed social AFL 9s, female pathway training and up to 5 AFLW matches per season. In addition, a dedicated multi-purpose Community Clubroom and female change room facilities will also host community health and wellbeing programs, as well as youth leadership camps for Indigenous and Multicultural athletes, school holiday camps, gala days and a range of community activities;
- **Australian Film and Television School**, to provide up to 100 student accommodation spaces, new digital labs and joint industry/education spaces;
- **Fox Studios**, to provide short term accommodation for on-site workers; and
- Community health and wellbeing programs, through AFL's partnership with **Headspace**, the National Youth Mental Health Foundation

Critical industry and community partners will be formalised in the short term and will include:

- Pre-eminent 4 star Hotel operator, committed to immersive cultural experiences and health and wellbeing, for visitors and tourists;
- Leading event producers to draw world class musical and theatrical productions and live entertainment to the variety of live performance and music facilities; and
- Major sustainability organisations across a range of disciplines including urban farming and nature regeneration and protection, to operate the Rooftop Urban Farm.

### It is appropriate to expect significant investment is needed to create a world class sporting and entertainment precinct

The new Vision will result in significant economic and community benefits delivered over the long term, including over 17,000 new jobs, more than \$3.3 billion of economic benefits and c.\$800m sustained contribution to Gross State Product and substantial community facilities.

Realising the Vision will require c.\$2 billion of investment from the private sector and will require a long term lease to realise a market return.



While a substantially reduced investment would result in a substantially reduced lease term, it would also lead to a likely disproportionate reduction of economic and social benefits.

For private sector investors, certainty of long term tenure is a precondition to delivering substantial benefits over the long term, given their need to recover the cost of their investment.

To illustrate, under the terms of a new 50 year lease, it would not be feasible to construct a new hotel, short term accommodation, appropriate carpark facilities and integrated theatre facilities. To use one feature as an example, the addition of two levels to the existing carpark to accommodate the estimated demand for visitors to the Stadiums would cost c.\$30 million and require a c.40 year period to achieve a positive financial return.

## **A revitalised EQ is strongly supported by the local community and the greater Sydney community**

### **In September 2021, over 70% of local and Greater Sydney residents expressed strong or very strong support for a revitalised EQ**

The local and broader Sydney Community have voiced strong support for enhancing the precinct to support a more vibrant and well-utilised place in Sydney's inner east, with some describing its renewal as an important opportunity not to be missed

Recent community research conducted in September 2021, emphasise that there is very strong support for the proposal

- Over 70% of respondents (70% locals; 71% from Greater Sydney) expressed strong or very strong support, with only 5% opposed
- 62% of respondents (58% locals and 64% from Greater Sydney) supported the hotel and employment space elements, with only 5% opposed

### **A revitalised EQ is also supported by local businesses and local sporting clubs**

Numerous local Community, Government and private sector organisation recognise the significant benefits that additional investment in the wider precinct will provide.

Recent constructive conversations with local business, community and sporting organisations about the new Vision have not raised any objections in principle. These organisations include

- Fox Studios;
- Australian Film, Television and Radio School;
- Screen Australia;
- Venues NSW;
- Tourism and Transport Forum;
- Business Sydney;
- AFL NSW/ACT;
- Sydney Swans,
- Cricket Australia;
- Cricket NSW;
- Maroubra Saints Junior Australian Football Club;
- Moore Park Tigers Junior Australian Football Club; and

- Eastern Suburbs Bulldogs Junior Australian Football Club.

Collectively these groups represented tens of thousands of individuals, as well as countless Not For Profit organisations and Small to Medium Enterprises.

## Challenges with the current Greater Sydney Parklands Trust Bill 2021

### Requirement for Open Tender for leases over 10 years

As it stands, the Bill requires that any new leases over 10 years will required to be subject to open tender, with parties with a unique or innovative proposal unable utilise the Government's Unsolicited Proposal process.

In this scenario, very limited capital investment could be financed to upgrade EQ over the remaining lease term of c.24 years.

The previous legislative framework allowed for flexibility and for the NSW Government (including Centennial Park and Moore Park Trust, Investment NSW, Treasury, Department Planning, Industry & Environment) to be involved in full, meaningful negotiations that would justify an appropriate lease term.

This would be severely restricted under the proposed legislation.

### Ability to grant lease which directly and indirectly support the Trust's objects

A revitalised EQ will result in numerous subleases for various uses, including film and television, education, entertainment, retail, short term accommodation and general commercial uses.

As it stands, the Bill provides for the Trust to permit the use of lands for the purpose of promoting the objects of the Trust, including the recreational, historical, scientific, educational, cultural and environmental value of those lands<sup>5</sup>. The Trust does not have the ability to permit the Trust lands to be used for general commercial purposes.

This will result in an unnecessarily restrictive conditions on the kinds of subleases that any leaseholder of Greater Sydney Parklands land will be able to grant.

### Future leases to be at a maximum length of 50 years

*Long term leases commensurate with significant private sector investment are not uncommon*

The NSW Government currently allows for long term leases for up to 99 years on land which is considered State Significant, including The Rocks, Darling Harbour, Western Sydney Parklands and Sydney Olympic Park.

Many redevelopments, such as Darling Quarter, have been completed successfully, while other projects, such as Harbourside Shopping Centre in Darling Harbour, are currently the subject of an Unsolicited Proposal assessment.

Typically, these redevelopments require up to \$3bn of investment from the private sector and result in multi-million dollar improvements in additional public space and infrastructure

Government's Unsolicited Proposal and procurement policies, recognise that a fair rate of return is appropriate and is proportionate to the risks and industry standards.

In contrast, Government-owned precincts that do not allow for long term leases find it more difficult to secure significant private sector investment for much-needed capital improvements. For example, The Sydney Harbour Federation Trust legislation prohibits the grant of leases over

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<sup>5</sup> Section.9 Centennial Park and Moore Park Trust Act



35 years; to date, this has limited private sector investment at Cockatoo Island and North Head in Sydney

*Reducing the maximum of any future lease term will permanently reduce the amount of social, environmental and economic benefits available to the Community and the people of NSW*

The current Masterplan's features and benefits are predicated upon the Leaseholders being granted a new long term lease. Reducing the term of the lease would have a significant adverse impact to the future amenities to be provided to the Community

Any reduction of lease term would significantly impact the ongoing income provided to Greater Sydney Parklands. The annual income provided to Greater Sydney Parklands would fall in proportion with a reduction of lease term, and is estimated to reduce to nil under a 65 year term. This would significantly limit the Government's ambition to maintain and expand Sydney's network of parklands.

Industry standard returns would not be achievable within a 50 year lease and, if the new lease term was limited, would require a reassessment of whether such investment is justified. Limiting the term of a new lease to significantly less than 99 years would result in an inability to attract the institutional capital required to fund the \$2 billion proposed redevelopment.

Under a 50 year lease, It becomes more likely that the existing lease term would be run down over the next c.24 years with no further significant investment. The previous legislative framework allowed for leases to be granted up to 99 years.

This is a vital component of any institutional investment considerations for The Entertainment Quarter and all State Significant Precincts in NSW. A maximum lease term of 99 years allows the Government to optimise the return to the State and the returns to the investor. This was illustrated most recently in June 2021, when the Western Sydney Parklands granted Charter Hall the right to develop commercial and industrial property under a 90 year ground lease at the Light Horse Business Hub at Eastern Creek.

*Reducing the maximum of any future lease term will reduce the flexibility of the Government*

As part of any Unsolicited Proposal process, the lease term would form part of the legal and commercial negotiations between the proponent and the Government.

Maintaining a maximum 99 year lease term reinforces the NSW Government's current approach to encouraging sporting and tourism investment.

## **Recommended amendments to The Greater Sydney Parklands Trust Bill 2021**

- 1. Amend specific sections of the Greater Sydney Parklands Trust Bill 2021 that threaten the future jobs and community benefits of a revitalised EQ, specifically:**
  - Remove s.9A Centennial Park and Moore Park Trust Act entirely, requiring open tender processes for leases or licences over 10 years
  - Amend s.20(2) Centennial Park and Moore Park Trust Act, to include a lease that would **directly or indirectly** (*emphasis added*) help the Trust achieve its objectives
  - Amend s.20(3) Centennial Park and Moore Park Trust Act, to prohibit granting of leases **over 99 years** (rather than 50 years)

**2. Amend specific objects and powers of the Greater Sydney Parklands Trust and amend the objects of the Centennial Park and Moore Park Trust that would clarify and validate future leases over EQ, specifically**

- Amend s.3 Greater Sydney Parklands Trust Bill 2021 to include the following paragraph:
  - H) to support sustainable funding streams while protecting the parks from inappropriate commercialisation
- Amend s.20(a) Greater Sydney Parklands Trust Bill 2021 in respect of leases or licences as follows:
  - A) The Trust may grant a lease, licence or easement that is consistent with the objects of this act over land within the Greater Sydney Parklands Trust estate, including leasing land for financial benefit
- Amend s.8 Centennial Park and Moore Park Trust Act to include:
  - D1) to enable the redevelopment of the Entertainment Quarter land in a manner that is consistent with its status as an area of importance for State and regional planning by promoting the development of public spaces, integration with adjacent precincts and public transport infrastructure and development of a diverse mix of uses including community, cultural, educational, recreational, short term accommodation, retail, employment and other commercial uses
- Amend s.9 of Centennial Park and Moore Park Trust Act to include the following:
  - A1) permit the use of the Entertainment Quarter land for the purposes of promoting the objects of the Trust