

ITEM 4. PITT STREET MALL REFURBISHMENT – REFINED CONCEPT DESIGN**FILE NO: S066996****SUMMARY**

Pitt Street is identified in Jan Gehl's Public Spaces Public Life Sydney 2007 and Sustainable Sydney 2030 as a key north - south pedestrian corridor linking Circular Quay and Central Station. The Pitt Street Mall was closed in 1987 to improve pedestrian amenity in the City's primary retail precinct. Additional improvements to the Mall were undertaken in 1998. Pitt Street Mall is recognised as one of the most intensely used public spaces in the city centre with over 60,000 pedestrian movements per day.

In recent years, the condition of the Mall has deteriorated with heavy use by service vehicles and underground service works. An opportunity has arisen to revitalise this space in conjunction with development consent conditions for the redevelopment of the Westfield and Mid City Centre (Lend Lease) sites. The mall comprises approximately 3,710m². The DA consents relate directly to nearly two thirds of this area, a total of 2,349.5m², which is made up of approximately 1,851.5m² (50%) for Westfield and 498m² (13.5%) for Mid City Centre.

A Refined Concept Plan for the refurbishment of Pitt Street Mall has been developed that builds on Council's Sustainable Sydney 2030 Strategy and Jan Gehl's proposals for enhancing public life and public domain amenity in city streets and spaces.

This report describes the Refined Concept Plan and procurement strategy for the project.

RECOMMENDATION

It is resolved that:

- (A) Council endorse the Refined Concept Plan for Pitt Street Mall, as shown at Attachment A to the subject report;
- (B) Council endorse the procurement strategy as outlined in the subject report;
- (C) Council note that the draft Planning Agreement and Refined Concept Plan will be exhibited to allow members of the public to express their views on the proposal;
- (D) authority be delegated to the Chief Executive Officer to approve minor amendments to the draft Planning Agreement, as detailed at Attachment C to the subject report, and enter into a Planning Agreement with Westfield to deliver the developed design; and
- (E) the Budget Allocations, Attachment F to the subject report, remain confidential in accordance with Section 10A(2)(c) of the Local Government Act 1993.

ATTACHMENTS

Attachment A: Pitt Street Mall Refined Concept Plan

Attachment B: Pitt Street Mall Refined Concept Plan Report

Attachment C: Draft Planning Agreement

Attachment D: 2008 Concept Scheme, Johnson Pilton Walker

Attachment E: Vision Statement

Attachment F: Budget Allocations (Confidential)

BACKGROUND

1. Pitt Street is identified in Jan Gehl's Public Spaces Public Life Sydney 2007 and Sustainable Sydney 2030 as a key north - south pedestrian corridor linking Circular Quay and Central Station. The Pitt Street Mall was closed in 1987 as a means to improve pedestrian amenity in the City's primary retail precinct. Additional improvements to the Mall were undertaken in 1998. Pitt Street Mall is recognised as one of the most intensely used public spaces in the city centre with over 60,000 pedestrian movements per day.
2. In recent years, the Mall has deteriorated with heavy use by service vehicles and underground service works. An opportunity has arisen to revitalise this space in conjunction with the redevelopment of the Westfield and Mid City Centre (Lend Lease) sites. The mall comprises approximately 3,710m². The DA consents relate directly to nearly two thirds of this area, a total of 2,349.5m², which is made up of 1,851.5m² (50%) for Westfield and 498m² (13.5%) for Mid City Centre.
3. Condition 4 of Westfield's Stage 2 consent (D/2007/1228/J) states:

"Within 6 months of the issue of a construction certificate for the Construction Phase 3, the applicant shall enter into a Deed of Agreement with Council to upgrade the whole of Pitt Street Mall as part of the construction of the Development. The terms of agreement may include:

- (a) *the provision by the applicant of project design and construction management services to deliver the works; and*
- (b) *a requirement that the costs of the works to the northern section of the Mall which are not adjacent to the properties owned by Westfield be discounted from the required Section 61 Contribution."*

The proposed form of the draft Agreement is set out in **Attachment C**.

4. Condition 34 of the Stage 2 consent for Lend Lease (Mid City Centre) (D/2005/293/E) states:

"The developer shall provide for a public domain upgrade of Pitt Street Mall. This may be provided as works-in-kind or by contribution to a Council adopted upgrade of the Mall dependent on the timing of the implementation of the development. Any works or contribution shall be equivalent to the costs of the provision and installation of Type 1 paving works and associated public domain furniture and fixtures for the full frontage of the Pitt Street elevation of the Mid City Centre to half the width of Pitt Street Mall. Plans, details and specifications documenting a works-in-kind proposal are to be submitted to, and approved by Council prior to completion of the level 25 structure, with upgrade works to be completed prior to the issue of an Occupation Certificate. Alternatively, a monetary contribution shall be made prior to completion of the level 25 structure."
5. Lend Lease has indicated that they may be willing to allow Westfield to perform the work, subject to a sufficient level of certainty that it will not impede the occupation of their development.

6. To guide the direction of a holistic upgrade of the Mall, the City, in conjunction with consultants Johnson Pilton Walker (JPW), developed a Concept Scheme in November 2008 (**Attachment D**). This scheme established design, scope and quality parameters for the project as the basis for developing a refined design and Planning Agreement with Westfield. A preliminary cost plan was prepared by the City's Quantity Surveyors to accompany the scheme.
7. In addition, a Vision Statement (**Attachment E**) was developed by the City, with the Design Advisory Panel, Jan Gehl and the key contributing stakeholders (Westfield and Mid City Centre), to establish a set of guiding principles and characteristics for the refurbishment of the Mall. The Vision Statement was endorsed by the Design Advisory Panel in March 2009.
8. Following discussions with Westfield and Mid City Centre, it is proposed that the City manages and controls the design process, design quality and scope of works of the mall refurbishment, and that Westfield constructs the whole of the project, including the Mid City Centre portion.
9. The draft Planning Agreement between the City and Westfield sets out the proposed financial, procurement and management arrangements for the delivery of the project, from design refinement through to construction and handover.
10. In March 2009, the City appointed consultants Tony Caro Architects to develop the Refined Concept Plan (**Attachment A**). The Refined Concept Plan is based on the 2008 Concept Plan and Vision Statement. The Refined Concept Plan and costing forms the basis for the Planning Agreement with Westfield. The scope of design services includes four stages: Refined Concept Design, Design Development, Contract Documentation and Construction Stage Services.

Project Objectives

11. The Vision Statement establishes the following objectives:
 - (a) *Pitt Street Mall is to fulfil two key roles. It is a key public place within the CBD, which should be emphasised with a clear and unique identity. It is also part of a significant north-south link connecting Circular Quay with Central and in this way should be seamlessly integrated into the wider city network.*
 - (b) *The new Pitt Street Mall is to be a vibrant, unique and elegant world class pedestrian plaza with excellent retail experiences.*
 - (c) *Pitt Street Mall is to be renewed with a simple, uncluttered design that responds to its core functional and performance requirements. It is to be an inclusive and accessible public space that has active and legible edges, opportunities for sitting, resting, interaction and enjoyment.*
 - (d) *Use of Pitt Street Mall is to be facilitated beyond retail trading hours, through compatible night time uses and occasional events.*
 - (e) *Pitt Street Mall is to embody and explore ESD principles.*

12. The Vision Statement also identifies the primary characteristics for the Mall and principles for its key elements including improved shade, lighting, furniture, paving, public art, interpretation and treatments of building facades.
13. Investigations are being undertaken to remove loading or delivery access in the Mall following completion of the refurbishment.

Refined Concept Plan key elements

14. The Refined Concept Plan proposes a development of the 2008 Concept Plan based upon the Vision Statement principles, with the core objective of creating an urban design outcome of enduring image, identity and quality including:
 - (a) Pedestrian equity in Pitt Street – it confirms the significance and vision for Pitt Street between Circular Quay and Central Station as one of Sydney's priority pedestrian streets;
 - (b) Relationship to the City's water setting – thoughtful representation and interpretation of the Tank Stream as a primary feature and element;
 - (c) Pedestrian movement patterns and activation –
 - (i) linearity in the design of urban elements to reinforce movement patterns and flows,
 - (ii) a unified and memorable ground plane,
 - (iii) an integrated suite of urban furniture elements, and
 - (iv) lighting as a key feature, integrated throughout the design; and
 - (d) Connectivity to Pitt Street north and south –
 - (i) consistency of tree planting species alignment and rhythm with blocks north and south, and
 - (ii) consistency with the City's base paving material palette (Austral black granite).
15. The Refined Concept Plan (**Attachment A**) and the Refined Concept Plan Report (**Attachment B**) are attached. The Refined Concept Plan was presented to the Design Advisory Panel on 7 April 2009. The Design Advisory Panel commended the high level of analysis and design rigour and supported the proposals, particularly "the additional trees, the rationalisation of grading and drainage to the centre of the street, the approach of keeping the ground plane simple and the use of light to interpret the Tank Stream".
16. The Refined Concept Plan forms the basis of the Mall refurbishment design and cost arrangements of the draft Planning Agreement.
17. The Final Design for the Mall refurbishment will be reported to Council for endorsement in early July. Regular progress updates during construction will be provided to Council.

Procurement Strategy

18. The Mall comprises approximately 3,710m². The DA consent conditions require Westfield to renew, to City standards, approximately 1851.5m², or 50%, of the mall fronting their development site. The DA consent conditions also require Mid City Centre to renew, to City standards, 498m² fronting their development site, or approximately 13.5% of the Mall. The refurbishment of the balance of the Mall (to the north of the Westfield site) is anticipated by the consent to be undertaken by Westfield in lieu of payment of s.61 contribution monies. The relationship between the s.61 monies and the design is being monitored through the project, and further allowance is proposed in Council's forward estimates to allow a level of flexibility in the design process if required.
19. It is proposed that the City manages and controls the design process, design quality and scope of works of the mall refurbishment, and that Westfield constructs the whole project, including the Mid City Centre portion. This proposal currently has the concurrence in principle of Mid City Centre (Lend Lease) and Westfield.
20. The City will also monitor the program, cost, staging, stakeholder and community liaison and quality control of the works to ensure the design and quality objectives are met, disruption to adjoining retailers is minimised, and all attempts are made to maintain customer and service access to adjoining retailers.
21. The Refined Concept Design forms the basis of the draft Planning Agreement. A Quantity Surveyor will be engaged by the City to review the cost plan for the project and to monitor the costs and cost apportionment throughout the project. Westfield's professional team (project management and experts, including architect and quantity surveyor) were involved throughout the refinement process, minimising any risks in relation to delivery.
22. A Project Control Group (PCG) has been formed which will direct the project throughout the design and construction phases. The PCG is chaired by Council, and includes City staff and key stakeholders from Westfield and Lend Lease (Mid City Centre)

KEY IMPLICATIONS

Strategic Alignment

23. A key principle of the Refined Concept Plan recognises the recent work by the City, namely with Sustainable Sydney 2030 and Jahn Gehl's Public Spaces Public Life study, which highlight Pitt Street as one of the primary pedestrian priority streets, connecting Circular Quay with Central Station.

Alignment with Sustainable Sydney 2030

24. The project aligns with the following strategic directions:
 - 1 – A lively, engaging city centre;
 - 2 – Vibrant local communities and economies;

- 3 – A cultural and creative city;
- 4 – Sustainable development, renewal and design; and
- 5 – Implementation through effective governance and partnerships.

Environmental Strategy

- 25. The design for the upgrade of Pitt Street Mall will embrace current best practice ESD initiatives to support the City's Sustainable Sydney 2030 vision for achieving high quality sustainable outcomes on all new capital works developments.

BUDGET IMPLICATIONS

- 26. The preliminary cost plan prepared by Council quantity surveyors for the Concept Plan in November 2008, identified project costs in the order of \$9.5M. This initial figure included allowances for design and consultant costs as well as a design and construction contingency. The preliminary costing was based on a schematic, rather than final design, and some cost movement is anticipated to reflect design refinement.
- 27. The broad outline of cost arrangements between the City, Westfield and Mid City Centre is as follows:
 - (a) Westfield acknowledge an obligation to pay s.61 contribution monies. While the precise amount of contribution is to be verified, the overall estimated contributions are approximately \$4.938 million. Westfield has affirmed that they are willing to undertake works (at their risk) to this estimated value;
 - (b) Westfield has confirmed they will undertake works adjoining their Centrepoint development in accordance with their Stage 2 consent; and
 - (c) the Lend Lease (Mid City Centre) contribution, works or money, will contribute to the balance of the Mall in accordance with their consent.
- 28. One issue, for both Lend Lease and Westfield, is certainty of scope of work with the design developed by Council. Lend Lease has additional concerns in relation to a wholly proportionate approach, however they remain committed to ensuring the area fronting Mid City Centre (approximately 498m²) is upgraded in accordance with their consent.
- 29. Additional information on budget allocations is contained in **Confidential Attachment F**.

RELEVANT LEGISLATION

- 30. Environmental Planning and Assessment Act 1979.
- 31. Local Government Act 1993.
- 32. Roads Act 1993 (Pitt Street Mall is classified as a 'road').

CRITICAL DATES / TIME FRAMES

33. The program for the project has been negotiated with Westfield and Lend Lease, and works toward the critical deadline of Mid City Centre opening in April 2010 and Westfield opening in October 2010.

34. The program for the project is:

Design Development and Documentation	May 2009 – October 2009
Final Design Approval by Council	July 2009
Tenders for long lead time trade packages (paving, lighting, trees etc)	July 2009
Commence construction	January 2010
Completion of Stage 1 Works (Mid City opening)	April 2010
Completion of balance works (Westfield opening)	October 2010

OPTIONS

35. At present, the Stage 2 consent for Westfield anticipates that Westfield will construct the whole of the Mall. Alternative strategies (for example, Westfield/ Mid City constructing part only, with COS building the balance) are more difficult to integrate and may have both timing and cost inefficiencies. This could involve three separate contracts (Westfield, Mid City Centre and Council) and is not recommended.

36. The draft Planning Agreement between Council and Westfield anticipates that work to the Mall must be completed in accordance with the key dates. It is probable that Lend Lease in particular will seek some involvement and level of assurance. The process of public notification of the draft Agreement and concept design should allow other stakeholders to identify any issues of particular concern, and allow these to be addressed.

PUBLIC CONSULTATION

37. The draft Planning Agreement and Refined Concept Plan will be exhibited and will allow members of the public to express their views on the proposal.

38. City Engagement, in conjunction with City Projects, will use a range of communication methods to inform stakeholders and keep them updated throughout the design and construction process. This will include:

- (a) reporting the final design for Council endorsement, and construction progress updates to Council;
- (b) regular stakeholder consultation with adjoining retailers throughout the design and construction stages; and

- (c) community information and feedback throughout the design and construction stages.
39. A range of communications tools is proposed, including project webpage, stakeholder forums, targeted mail-outs, print media updates and on-site displays.

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