Item 6.6
At Council
24 August 2026

Relevant Information for Council

FILE:	**S076031**	**DATE:**	21 August 2026
TO:	Lord Mayor and Councillors		
FROM:	Monica Barone PSM, Chief Executive Officer		
SUBJECT:	Information Relevant To Item 6.6 – External Memberships		

For noting

This memo is for the information of the Lord Mayor and Councillors.

Purpose

To provide additional information on the City's memberships of Business Sydney and the Property Council.

Background

At the meeting of the Corporate, Finance, Properties and Tenders Committee on 17 August 2026, further information was sought on the following:

Business Sydney advocacy positions and consultation process

The Chief Executive Officer wrote to Business Sydney (Business NSW) on 18 August 2026 requesting clarification on Business Sydney Executive Director Paul Nicolaou's comments on the new square at Sydney Town Hall, the consultation process when Business Sydney takes advocacy positions and Business Sydney's position on development in the city further to the concerns raised about assumed disruption from the Town Hall square project, refer Attachment A.

Business Sydney provided a response on 20 August 2026, refer Attachment B.

Property Council membership

The Chief Executive Officer also spoke to the NSW head of the Property Council.

The Property Council membership adds value and is utilised by City staff in the following ways:

- by providing invitations to industry briefings and the release of research commissioned by them
- by providing opportunities to brief their members on planning changes proposed by the City (this was essential for the Central Sydney Planning Strategy in 2016 to 2020)
- occasional opportunity to review draft submissions
- participation in discussion panels – such as the annual commercial floor space report
- occasionally presenting at an annual event
- the City has achieved general support for some initiatives – including the Central Sydney Planning Strategy, and the amended Affordable Housing Program
- the research (especially the Office Market Report) is utilised by the Strategy team
- they have been represented and valuable contributors to the Business and Economic Advisory Panel and the Housing For All Advisory Panel
- participating in training programs thorough the Property Council Academy on topics including commercial leasing, development feasibility, valuation, planning for non-planners and asset management
- representing Council and the local government sector on Property Council committees to inform strategic policy development and information sharing (specifically our Academy: Property Asset Management Committee)

Memo from Monica Barone PSM, Chief Executive Officer

Prepared by: Erin Cashman, Manager OCEO

Attachments

Attachment A. Letter from City of Sydney to Business Sydney dated 18 August 2026

Attachment B. Response from Business Sydney dated 20 August 2026

Approved

P.M. Barone

MONICA BARONE PSM

Chief Executive Officer

Attachment A

Letter from City of Sydney to Business Sydney dated 18 August 2026

CITY OF SYDNEY

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18 August 2026

Our Ref: OLM2026/005327-03
File No: OLM000010

Daniel Hunter
Chief Executive Office
Business NSW
By email: [redacted]

Dear Daniel

Concern over accuracy of Business Sydney Executive Director Paul Nicolaou's comments on new square at Sydney Town Hall

As a member of Business Sydney, I write to express concern about the way your Executive Director has been repeatedly and publicly spreading misinformation about the City of Sydney's Town Hall square project.

Of course, it is Mr Nicolaou and anyone's prerogative to agree or disagree with the project and have their own opinions about it.

That is not the issue.

My concern is that Mr Nicolaou is inaccurate when he speaks publicly about the project. Sensationalism spreads easily and can divide communities along false lines. Truth in public discourse is a standard we should not so easily give up and should be expected from our peak bodies.

I wish to correct the following assertions made by Mr Nicolaou:

- **Extreme disruption, road and public transports closures:**
  "We cannot justify creating years of chaos and disruption in the very heart of Sydney, at a location where trains, light rail, the Metro, pedestrians, workers and visitors already converge. The impact could be enormous. Sydney businesses have already endured significant disruption from major infrastructure projects. They should not be asked to absorb another prolonged period of chaos for a project that can be reconsidered. We should be protecting movement and economic activity, not creating a construction bottleneck."
  Daily Telegraph, 14 August 2026

  There will not be "years of chaos". We do not expect this project to be any more disruptive that any other construction project in the CBD. Since the light rail has been operating in George Street, there has been the demolition of multiple buildings, excavation and construction of 84,699 m² of floorspace. This includes the Salesforce Tower and the Poly Centre directly adjoining an operational light rail, which remained unaffected throughout.

There is currently 132,704 m² under construction along the light rail route, including One Circular Quay, adjoining the light rail on two side at George and Alfred Streets, and the deep excavation for the western portal of Metrowest and a 51-storey tower at Hunter and George Streets facing the light rail.

In addition, there is 102,978 m² of fully approved development yet to commence directly facing the light rail – including the demolition, excavation and construction of a 79-storey tower on the Events cinema site and a 44-storey tower on the Greater Union site; as well as a 10-storey development at 683 George Street adjoining. All were approved without the concerns that light rail or Sydney Trains would be adversely affected.

- **Investment and business impacts:**
  "Demolition of the Woolworths *building and a number of others would rip out what should remain the commercial heart of the city."*
  "Losing the commercial heart of the city, including the Woolworths outlet, would be a backward step when we need to encourage more people to live in the city."
  Nine.com.au, 9 July 2026

  Investing in the city centre is great for business. The transformation of George Street into a people-friendly boulevard has led to over $8 billion in private development investment so far.

  Now a destination in its own right, George Street is home to shops, bars, restaurants and sought after commercial addresses. The new square builds on this success, drawing more people to visit the precinct, stay longer and support local businesses.

  We know Sydney's city centre is an economic powerhouse.

  Through rezoning under the Central Sydney Planning Strategy, the City of Sydney has created capacity for an additional 1.6 million m² of business floor space, that has the potential to accommodate over 50,000 jobs. So far, the City has approved more than 900,000 m² of this capacity.

  We've got more than 22,000 businesses in the local area, we welcomed almost 3.5 million international visitors to the city in the last year, and about 1 million people a day, live, work, visit and study in the City of Sydney.

  The constant flow of residents, workers, visitors and students drives a dynamic economy with impacts beyond the city centre itself.

- **Job losses:**
  "1,000 jobs will be lost"
  Nine News, 11 August

  The claim that 1,000 jobs will be lost as a result of this project is misleading.

  This figure does not accord with the City of Sydney's Floor Space and Employment Survey, so it is unclear how it has been calculated. We know that 175 City of Sydney employees make up a portion of the people working on the site, and all of those staff will be relocated with their operations to alternative premises. We have also worked directly with several small businesses affected by the project to help them relocate into other City-owned properties.

  If the majority of the remaining figure is intended to represent Woolworths employees, it is simply wrong to assume that the closure of one store means those workers must lose their jobs.

Woolworths is one of Australia's largest companies, with more than 200,000 employees nationally and a substantial network of stores across Sydney, including in and around the CBD. The company has also been aware for decades of the City's long-term plans for a public square at Town Hall, and its current lease contains a demolition clause.

Given current CBD vacancy rates, we are confident there will be opportunities for Woolworths to secure alternative premises in or around the Town Hall precinct if it chooses to do so.

Most importantly, Woolworths should give its employees certainty. It should commit to protecting the jobs of staff affected by the closure, whether by relocating the store, redeploying employees to other nearby locations, or providing them with other suitable roles across its extensive network.

The City's project does not require 1,000 people to lose their jobs. Suggesting otherwise wrongly treats the closure of a premises as the inevitable termination of its workforce. That is a decision for employers, and a company of Woolworths' size and resources should be in a position to ensure its workers are looked after.

- **Development application process:**
  …pointed to a "flawed local planning process" where "council should not be allowed to mark its own homework".
  Daily Telegraph, 13 August 2026

When the Development Application is lodged through the planning portal, it will be assessed by an independent planner. A report will be prepared for consideration by the Central Sydney Planning Committee.

At their Corporate, Finance, Properties and Tenders Committee meeting on 17 August, Councillors discussed the proposal for the City of Sydney to renew its membership of Business Sydney. To assist them to make their decision at their Council meeting next Monday, they have asked me to clarify with you:

- On what basis are the views as expressed by Paul Nicolaou representative of Business Sydney members?
- Who did Business Sydney consult with to inform these views?

I also seek clarification on Business Sydney's position on development in the city further to the concerns raised about assumed disruption from the Town Hall square project.

Yours sincerely

P. M. Barone

Monica Barone PSM
Chief Executive Officer

Attachment B

Response from Business Sydney dated 20 August 2026

BUSINESS NSW

20 August 2026

Monica Barone PSM
Chief Executive Officer
City of Sydney
456 Kent St
SYDNEY NSW 200

Dear Monica,

Thank you for your letter and raising your concerns. As you know, the City of Sydney have been highly valued members of Business Sydney for a long time. Business NSW and Business Sydney appreciate this and would like the productive relationship to continue into the future.

Business Sydney has supported the Council on many of its initiatives, over many years, on several projects and issues that benefit our wonderful city and the diverse people that live and work in it. On occasion, due to the nature of our work, we will have differences of opinion. This in no way reflects our respect and value that we have for the City of Sydney and all of the work that you do.

I will not address each of the individual points raised in your letter, however I acknowledge them and I understand your position on this. I can assure you that we do consult broadly with many of our stakeholders when we take advocacy positions on matters such as these, including members and our Sydney-based Region Advisory Committee.

To answer your question on our position on this project: Our key issue is not whether the Town Hall Square project is a good idea or not, it is whether this is the best use of the limited funding that the City of Sydney has at its disposal.

We would of course be disappointed if the City of Sydney did not renew their membership, but we would also understand if this is the decision that you take.

Thank you for raising your concerns and please don't hesitate to give me a call if you'd like to discuss this further.

Yours sincerely

Daniel Hunter
Chief Executive Officer