

Resolution of Council

24 August 2026

Item 14.7

Town Hall Square - Supermarket Access for CBD Residents

Moved by Councillor Maxwell, seconded by Councillor Arkins –

It is resolved that:

(A) Council note:

- (i) in 1983 Council resolved to begin purchasing buildings for a future Town Hall square, with the first building purchased by the City of Sydney acquired in 1985 being the building leased by Woolworths supermarket
- (ii) Town Hall square will strengthen the civic heart of Sydney, creating necessary open space infrastructure for the growing population visiting and living in the CBD
- (iii) the Town Hall Square project will replace the Woolworths supermarket at 540 George Street, which is located in the Sydney CBD, trading until midnight and located directly above Town Hall Station, one of Sydney's busiest transport interchanges, with approximately 190,000 people moving through the precinct daily
- (iv) the store serves the residents of the Sydney CBD, as well as workers, students and visitors who rely on it for affordable grocery access within walking distance
- (v) Woolworths has known of the City's plans to build a public square at this site for 43 years and has leased their premises from the City with a demolition clause in its contract
- (vi) that the Woolworths supermarket at Town Hall Square, and the Big W store located above it, employ more than 300 staff, the majority of whom are engaged on an ongoing basis and many of whom have worked at the site for more than a decade

- (vii) commercial vacancy rates in the city centre are currently running at approximately 14%, suggesting that suitable alternative sites for a full-line supermarket may be available within the CBD
 - (viii) the City has already taken positive steps in this regard, including showing Woolworths an alternative space nearby that the City owned in mid-2025 and through ongoing direct engagement with Woolworths most recently this month when the Lord Mayor met with senior executives of Woolworths to further discuss the Town Hall Square project scope
 - (ix) this month the City also let Woolworths know of other potential development sites on George Street that may be suitable
 - (x) the Lord Mayor has publicly expressed confidence that Woolworths, one of Australia's largest companies, valued at \$48 billion and with a profit last year of over \$1 billion, far exceeding the City's annual budget, will find another home nearby given there is 100,000 sqm of vacant retail floorspace in the CBD
 - (xi) the Shop, Distributive and Allied Employees Association (SDA) represents workers employed at the Town Hall store and has a direct interest in ensuring any transition protects their jobs and conditions
 - (xii) with demolition not scheduled to commence until early 2028, there remains sufficient time to identify and progress a suitable alternative site before the current store closes
 - (xiii) all business were formally notified in mid-2025 that the buildings would be demolished in 2028
 - (xiv) to ensure jobs and businesses are retained in the CBD, the City has been actively working with all businesses in the buildings that will be demolished and interested businesses have been shown available spaces in other properties we own, with some small businesses already relocating
- (B) the Chief Executive Officer be requested to:
- (i) write to Woolworths Group and the Shop, Distributive and Allied Employees Association (SDA) to affirm Council's willingness to continue to assist in identifying potential alternative sites for a similar sized supermarket within the CBD
 - (ii) seek Woolworths' assurance that, every job presently associated with the Town Hall sites will be protected, through relocating staff to one of their many other outlets across Sydney and that no job losses will occur
 - (iii) report back to Council through the CEO Update on the outcome of correspondence with Woolworths.

The motion was carried on the following show of hands –

Ayes (9) The Chair (the Lord Mayor), Councillors Arkins, Ellsmore, Gannon, Kok, Maxwell, Miller, Thompson, and Worling

Noes (1) Councillor Weldon*.

*Note – Councillor Weldon abstained from voting on this matter. Pursuant to the provisions of clause 10.4 of the Code of Meeting Practice, Councillor Weldon is taken to have voted against the motion.

Motion carried.

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