Item 13.7

Notices of Motion

Persistent Vacancy on High Streets

By Councillor Maxwell

It is resolved that:

(A) Council note:

(i) persistent vacancy is harming some of the City's key high streets. Media reporting earlier this year put vacancy on Oxford Street, Darlinghurst at 31%, and the City's Haymarket and Chinatown Revitalisation Strategy reported ground-floor vacancy in Haymarket of 18.3% in 2022, compared with 6.9% elsewhere in Central Sydney

(ii) the City has invested heavily in the health of its high streets, through public domain upgrades, planning reforms, grants providing below-market space, place-based strategies, and advocacy for transport improvements such as light rail

(iii) on 28 October 2024, Council resolved, through the Lord Mayoral Minute Supporting Sydney's Nightlife, to investigate other measures the City can take to support the activation of precincts, including vacant shops and commercial spaces

(iv) the City's existing tools rely on willing owners. Where an owner chooses to hold premises vacant, even for many years, the City has little means to encourage or require their reuse, and the Local Government Act 1993 does not allow rates to vary according to whether premises are occupied

(v) the causes of persistent vacancy are likely to differ between areas, and the City has little information on how long premises have been vacant or why they remain empty

(vi) other jurisdictions have given councils new tools to address persistent vacancy. For example, legislation in the United Kingdom now allows councils to auction the lease of high street premises that have been vacant for 12 months or more

(B) the Chief Executive Officer be requested to scope/investigate for Council's consideration as part of the preparation of the 2027/28 Operational Plan:

(i) options for better understanding the extent, duration and causes of persistent ground-floor vacancy in different areas, including Oxford Street and Haymarket, such as through the Floor Space and Employment Survey and engagement with property owners and industry bodies such as the Property Council of NSW

(ii) the options available to the City under its existing powers to address persistent vacancy, including the outcomes of the investigation requested on 28 October 2024, any planning controls that may prevent the reuse of vacant premises, and the use of the City's own vacant tenancies

(iii) the additional powers that would enable the City to achieve better results, including those available to councils in other jurisdictions, to inform advocacy to the NSW Government

(C) the Lord Mayor be requested to write to the NSW Minister for Local Government and Local Government NSW seeking amendments to the Local Government Act 1993 to allow councils to apply differential rating to persistently vacant commercial premises.

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