

Author; Heather MacDonald

Article Title, Planning for the Public Benefit in the Entrepreneurial City: Public Land Speculation and Financialized Regulation

Journal Title Journal of Planning Education and Research

Date: 15 May 2019

pp. 0739456X1984751-0739456X1984751

Copyright © 2019 Sage Publications

Reprinted by permission of SAGE Publications.

online version available on the SAGE Journals website

<https://doi.org/10.1177/0739456X19847519>

Planning for the public benefit in the entrepreneurial city: public land speculation and financialized regulation

Heather MacDonald (corresponding author)

University of Technology Sydney, Faculty of Design Architecture and Building, PO Box 123 Broadway, NSW 2007, Australia.

heather.macdonald@uts.edu.au

Heather MacDonald is Professor of Planning and Head of the School of Built Environment at the University of Technology Sydney. Her research interests include urban redevelopment, planning reform, housing affordability and discrimination.

Abstract:

The redevelopment of Barangaroo, Sydney's last vacant central-city waterfront site, raised high expectations for the public benefits developers would provide in return. The story highlights the ways in which the entrepreneurial State's conflict of interest in the redevelopment eroded the quality of the public benefits negotiated in return for a valuable public asset. In contrast to previous redevelopment projects, the State used public land and its newly-centralised regulatory powers to maximise public revenues from Barangaroo, prioritising these over both the public's interests and, on occasion, those of private developers.

Keywords: common goods, entrepreneurial states, financialisation, public benefits, waterfront redevelopment, urban revitalisation.

Acknowledgements: I am grateful to Hayley Zheng for her improvements to the graphic quality of Figures 1 and 4, and to the Barangaroo Delivery Authority for permission to publish Figure 1.

Planning for the public benefit in the entrepreneurial city: public land speculation and financialized regulation

Entrepreneurial states often invoke an image of privately-funded redevelopment that will provide significant public benefit at no (apparent) public cost (Shaw 2013; Sagalyn 1997).

But urban redevelopment partnerships inevitably entail substantial commitments of public resources - land, regulatory concessions, risk-sharing agreements – and the promised public benefits often mutate into less valuable forms, while projections of risk and return demonstrate optimism rather than rigorous analysis (Haila 2008; Shaw 2013).

Redevelopment projects reflect the financial interests of investors and developers, rather than public interests (Halbert and Attuyer 2016; Theurillat et al 2016). Under pressure in an era of austerity, governments themselves have incentives to speculate with publically owned land, pursuing revenue that counters a shrinking tax base, in what Beswick and Penny (2018) describe as “financialised municipal entrepreneurialism;” the line between “public benefit” and “public revenue” is increasingly blurred (Van Den Hurk and Siemiatycki 2018).

How do entrepreneurial states respond to the contradictory imperatives they face in large scale urban redevelopment projects, of both providing the expected public benefits, and ensuring maximum profitability? What role does planning play in this effort, and what are the pressures exerted on the planning process by the public sector’s financialised entrepreneurialism?

This paper investigates these questions through close analysis of an urban redevelopment project in Sydney, Australia. Sydney has a long history of redevelopment projects intended to capitalise on the value of the public assets represented by ex-industrial harbour-front land (Searle and Bounds 1999) and commercial development sites in the CBD (Punter 2005). The

current redevelopment of a waterfront site along the CBD's western edge (Barangaroo)ⁱ exemplifies a targeted approach to improving Sydney's global competitive position, and foreign-source revenues: large footplate office towers for the regional headquarters of finance and development firms, hyper-luxury housing aimed at offshore investors, and high-end gambling aimed at attracting wealthy international tourists (see Figure 1). As the last vacant waterfront central city site, expectations were high for the benefits developers would provide in return for the opportunity. Conflicts have focused on the nature of public benefits, the role of the State in planning for a development project in which it has a significant financial stake, and its management of risks and returns. Efforts to re-define public benefits exacerbated legitimacy challenges to planning and to the state's entrepreneurial role, eroding trust in the regulatory framework that claims to protect public interests. The story represents a new episode in the financialisationⁱⁱ of urban redevelopment, one in which the State acts as an entrepreneur in its own right.

Figure 1 here

The paper begins with a discussion of the rise of entrepreneurial states, the challenges states face in negotiating public benefits in redevelopment projects, and debates about the role of financialization in shaping urban redevelopment. Section two explains the planning context and the basic chronology of the redevelopment. Section three examines the State's efforts to manage risks and returns, and analyses how these have redefined the public benefits the project offers, within the multiple forums in which 'planning' has occurred. The conclusion addresses the questions posed above: how do entrepreneurial states balance the need to provide benefits with the need to maximise revenues, and what role does planning play in this effort?

Research on the entrepreneurial state and urban redevelopment

In the late 1980s, David Harvey highlighted the transition from the managerial state (characterised by a relatively narrow focus on managing the politics of urban development and ensuring the provision of basic services), to the entrepreneurial state, organised instead around increasing revenues through economic development. Cities battled for position by lowering the costs of doing business, investing in “quality of life” assets that enhanced the city as a space of consumption, and targeting recruitment of multinational headquarters and other strategic command and control functions (Harvey 1989). Writing 25 years after the publication of Harvey’s article, Peck (2014) reflects on the ensuing retreat to “pragmatic imitation” of the same repertoire of entrepreneurial strategies, within a “competitively hollowed-out innovation vacuum” (Peck 2014, 399). Nevertheless, “[c]ities must act, and be seen to act, even if the aspirational reach exceeds the effective grasp” (Peck 2014, 398). The gap between the aspirational reach and the effective grasp has motivated a wide range of analyses of urban redevelopment. Here, we focus on three questions of most relevance to this case. First, what do we mean by “public benefit,” and how has the concept been reconfigured in contemporary entrepreneurial states? Second, what are the problems raised by state entrepreneurialism as an approach to providing public benefits? Finally, what role does financialisation play in the reconfiguration of urban redevelopment?

Public benefits and common goods

Wendy Brown argues that concern with public things and the common good has been undermined by the ascendancy of neoliberal reason, that “[re]configures both soul and city as contemporary firms rather than as polities” (Brown 2015, 27). It is useful to differentiate between the common good, a ‘collective and indivisible’ good for communities as a whole,

and the public interest, a utilitarian notion of the “aggregate of private interests” (Murphy and Fox-Rogers 2015, 232). As Campbell and Marshall (2000) argue, the common good “is frequently used as a device to cast an aura of legitimacy over the final resolution of policy questions where there are still significant areas of disagreement” (p. 308). Nevertheless, they and others (Alexander 2002; Boland, Bronte and Moore 2017; Rydin 2011) argue that the common good remains central to justifications of planning, and is the basis for trust in the planning system (Tait 2011).

Murphy and Fox-Rogers (2015) challenge this centrality. Their empirical study of how planners understand and use the concept suggests that it is neither a legitimiser of planning nor a normative guide for practice. Some planners saw the common good as “minimising the worst effects of the development process” (p. 239) but most could not define it, nor did they believe it was achievable. The urban renaissance of post-industrial cities offer ambivalent public goods; extracting “maximum value” from the built environment “changes how the city works and for whom it works” (Ward 2003, 209). Public benefit has been redefined in more individualistic terms so that “those that have benefited most ... [from urban redevelopment]... are the young professionals who populate the waterfront” (Boland, Bronte and Muir 2017, 125).

State entrepreneurialism to provide public benefits

Using publicly owned land as “currency in bargaining for public benefits” often results in “deal-specific returns [that] do not get evaluated in the context of competing city priorities, and ... [that] typically throw off few benefits for those poorer urban areas most in need” (Sagalyn 1997, 1968). While the dual role of municipalities as land owners and regulators helps drive urban redevelopment, it also puts municipalities in “a biased position that risks

undermining the the legitimacy of governmental actions in general, and the planning system in particular” (Olsson 2018, 633). The interests of developers and investors limit development types to those that will be reliably profitable: luxury housing and retail, and large-floor-plate office towers, leading to a global convergence in urban form and a reduction of urbanity, rather than development that truly benefits residents (Fainstein 2008, 783). Increasingly, developers take the initiative to define the “public interest” on which their projects will deliver, rather than responding to public interests defined within communities (Galland and Hansen 2012).

Lehrer and Laidley (2008) argue that a significant shift has occurred in planning for urban redevelopment, from mega-projects “where the public benefit was celebrated as an expression of democratic objectives, ...toward a much more competitive environment where public benefits are provided in order to attract those who are most desired” (Lehrer and Laidley 2008, 799). A crucial part of this reinvention of the urban to attract particular sorts of consumers of “public” space, has been the de-politicization of the process compared to earlier generations of redevelopment projects. Opposition is stilled by providing fragments of “public goods” such as environmental sustainability ratings and affordable housing, that effectively “obfuscate their major beneficiaries and ideologies” (Lehrer and Laidley 2008, 800). Thus, “[t]he legitimation of mega-projects through a rhetoric of environmental sustainability and the provision of public amenities makes open debate on their real aims and consequences difficult” (Orueta and Fainstein 2008, 764).

Haila’s Helsinki case study exemplifies the political consequences of state entrepreneurialism: “it is irrelevant how ‘democratic’ the planning law is and how much citizens can ‘participate’ in the planning process if the development process is agreed through

contracts” (Haila 2008, 811). The lack of effective democratic oversight may undermine the public bargain: Haila argues that the city’s agreement to sell the Kamppi Centre once it was profitable, rather than retain ownership and benefit from lease payments over the long term, represented a poor deal for the public sector.

Financialisation and the reconfiguration of urban redevelopment

Financial structures and intermediaries play a vital role in shaping urban redevelopment (Halbert and Attuyer 2016; Theurillat et al 2016; Rutland 2010; Guironnet, Attuyer and Halbert 2016). But cities are not passive objects on which financial intermediaries impose their interests; instead, financial actors are participants in an “unstable and open-ended” (Halbert and Attuyer 2016) process of city-making. Investors rely on intermediaries (developers, planners, special purpose authorities) to “anchor capital” by producing a built environment yielding high returns (Theurillat et al 2016). The outcomes of urban redevelopment projects differ based on the relative power of these partners; when the financial partners dominate, value is likely to be interpreted from a short-term perspective, while projects dominated by local interests are more likely to take a long-term perspective on value (Theurillat et al 2016).

Given the indispensable role of financial capital in any sizeable redevelopment, some question whether “financialisation” is new in any meaningful sense (Christophers 2015). Beswick and Penny (2018, 612) argue, however, that austerity has brought with it strong incentives for local states to “financialize...[their] practice ...as property speculator,” distinguished by a new approach that “view[s] [municipal] land as a quasi-financial asset” (p. 629). Anguelov, Leitner and Sheppard identify “a subtle but vital shift from local state actions seeking to attract private sector investment by subsidizing profitability, to using the

logic of finance to select and fund ... development projects on the basis of their potential return on investment” (2018, 588).

The Sydney case study contributes to these debates by highlighting how the entrepreneurial state’s conflicts of interest in the redevelopment reshaped the nature of the public benefits negotiated in return for a valuable public asset. The following section explains the case study, discussing the state, government, and the planning system in New South Wales, and outlining the chronology of the redevelopment of the site. It is important to differentiate the State (of New South Wales, an entity of governance) from the ‘state,’ the more abstract concept we would use to refer to Australia’s territory, people, and sovereignty (and which is also fragmented, along even more complex fault lines). The State government is multi-faceted: the party in power, the Premier’s Office, and Cabinet Ministers, do not necessarily speak with one voice. Still less is there continuity of interests between governments (as parties lose and regain power) and certainly not amongst levels of government. Ministers may have sharply opposing interests in the agencies that they head (and the constituencies that they represent). What is seen as being in the interests of the Treasury is not (necessarily) in the interests of Infrastructure, Housing, or Transport. As a Westminster-style parliamentary democracy, “conflicts are managed by a robust Cabinet process where different interests are championed by different Ministers” (Sussex and Penn 2011, 9). Figure 2 summarises the structure of the executive branch.ⁱⁱⁱ

Figure 2 here

Redeveloping Barangaroo

This section explains the economic and political underpinnings of the redevelopment, and outlines the chronology of this process. New South Wales's overriding concern with enabling development stems from its fiscal basis. Australian states do not collect income taxes,^{iv} so are reliant on a limited range of revenue sources, amongst which real estate transfer taxes, land taxes on income-producing property, and the so-called "sin" taxes, on alcohol and gambling, are most important. Given that Australian states have no independent powers of taxation, their array of entrepreneurial incentives is limited: regulatory waivers and the contribution of public assets are the main levers the state has to encourage economic development. New South Wales owns most harbour-front land close to the city centre, and this has been a significant asset the State has used to drive development and, I argue, to capture new revenue.

States have primary responsibility for land use planning in Australia. They delegate limited powers to local governments, and since 2005 New South Wales has been in a continuous process of reforming its planning system to limit even those powers, in order to streamline development and accommodate growth (McFarland 2011; MacDonald 2015). The State's 1979 planning legislation was notable for the strong role it provided for public consultation in the development assessment process, and for its progressive concern with environmental protection (Williams 2015). This 'hyper-democracy' had constrained developers, and the Labor government responded to their concerns in 2005 by centralising powers to decide on large complex projects in the hands of the Minister for Planning, with minimal requirements for public consultation (Searle and Bunker 2010).

Barangaroo exemplifies the consequences of the unconstrained Ministerial discretion and the de-democratisation that were argued to be necessary to streamline development and grow the

State's economy. Widespread public dissatisfaction with the effects of this centralisation contributed to the electoral victory of the opposition Liberal-National Coalition in 2011 (McFarland 2011). A new statute moderated ministerial powers, requiring the Minister to take advice from a Planning Assessment Commission in contentious cases .

As a special purpose agency responsible to the Minister for Planning, the Barangaroo Delivery Authority^v (the Authority) has interests distinct from the other government agencies with important roles in this project – Transport, Environmental Protection, and the Treasury. The Authority was established by Parliament in 2009 to “promote, procure, facilitate and manage orderly and economic development and use” (NSW Government 2009 Part 1, 3d) of the site, including providing necessary infrastructure. For practical purposes, it owns the site, but is empowered to lease it to developers, or dedicate parcels for public purposes (parks or roads). Its costs are covered by a combination of development contributions (levies), and Treasury funds.

Planning occurs at multiple scales in this story. The site is subject to the 2005 Sydney Harbour Regional Environmental Plan (REP), which sets explicit planning principles that protect a range of public interests.^{vi} The Barangaroo Delivery Authority has wide discretion to negotiate with the developers, to ensure the public interest is protected and that development “accords with best practice environmental and town planning standards” (NSW Government 2009, Part 3, 14 e). Development applications are assessed by the State's Department of Planning, and the Minister for Planning is ultimately responsible for approving large scale (‘state significant’) development proposals. Public engagement in this assessment process is very limited; under the legislation in place when the original concept plan was approved, the Minister had no statutory responsibility to respond to public input in

decisions about major projects (and retained wide powers to approve substantial changes to previously approved proposals).

Another layer of complexity is added by the conflict-ridden relationship between State entities and local governments. The City of Sydney is most directly affected by the redevelopment, but does not have any meaningful voice in the negotiations over the site's redevelopment (see endnote v, and City of Sydney 2016). Community activist groups and non-governmental organizations (such as the Environmental Defender's Office and the National Trust) have been active critics of the official planning processes. In two cases community groups have brought court cases, and thus the Land and Environment Court is another arena in which planning has occurred.

The redevelopment of the site was announced in 2003, under a Labor government; it continued after 2011 under a Liberal-National Coalition government. By mid-2018, most of the southern portion of the site and the Headland Park to the north had been completed; the Casino tower is still under construction. Figure 3 shows the site in May 2018, with the prominent three towers dominating the waterfront, and the Headland Park to the left of the image.

Figure 3 here

The initial concept plan for the site, approved in 2007, drew on elements of the top ranked submissions to a 2005 design competition. It reserved half of the 22ha site as open space, and proposed more intense (primarily commercial) development for the southern third of the site, with building heights stepping up from north to south. There was public enthusiasm for

redeveloping the vacant concrete strip; opposition has emerged around the nature of the redevelopment. One of the most contentious modifications occurred shortly after Lend Lease won the tender for Barangaroo South in 2010, proposing not just significant increases in height and density, but also a hotel constructed on a pier in the harbor. Combined with the Minister for Planning's flouting of regulations on contaminated land^{vii} (Kahagalle and Egan 2011), these perceived 'behind closed doors' negotiations galvanized community opposition (Moore 2010a; Sussex and Penn 2011). In 2011, the Mayor of the City of Sydney resigned in protest from the Board of the Authority, citing "slow release of contractual information and secrecy about project finances" and "inadequate and ineffective community consultation" (Moore 2010b).

The Liberal / National government that took office in March 2011 inherited a deal that had committed the State to substantial transport infrastructure investment, and had attracted significant public opposition. While the Labor government had claimed the redevelopment would be "cost-free," with developer contributions covering the costs of the public open space and associated infrastructure, the State retained responsibility for major transportation investments (BDA 2009). The public information about the agreement with Lend Lease described value sharing payments that would supplement the agreed lease payments, resulting in an estimated \$1bn in developer contributions over 12 years (NSW Auditor-General 2011). In reality, there was significant confusion about how 'value' would be estimated for these purposes.^{viii} In 2014, Lend Lease won the case it had brought against the Authority regarding the calculation of the 'value' to be shared, resulting in a reduction of approximately \$400m in developer payments (NSW Auditor-General 2015). This created a significant cash flow problem for the Authority, and intensified the State's interests in maximizing returns on the remainder of the site.

Perhaps fortuitously for the State (and the Authority), in 2012 Crown Resorts had submitted an unsolicited proposal to develop the hotel tower to include an exclusive casino (Crown Resorts and Office of the Premier 2013). Opposition to a second casino in Sydney exacerbated concern about the construction of the hotel on a pier in the harbour. The State Parliament approved the gaming license in late 2013, but stipulated that the casino must be relocated to a site on the north end of Barangaroo South, a location set aside for a park (NSW Government 2013). In the eighth significant modification to the original concept, the height of the hotel was increased from 160m to 275m, and Hickson Park was relocated to the rear of the hotel (see Figure 1). Public (and local government) protest over this was sufficient to require an independent evaluation by the Planning Assessment Commission in 2016.

By 2015, the Headland Park had opened to the public, as had the first of the commercial towers on Barangaroo South. The tender for the final portion of the site, Barangaroo Central, was deferred until after the announcement of a Barangaroo station for the new Metro rail line in 2015, and master-planning for the Central portion of the site was underway in mid-2018. The project is due to be completed mid-2020s.

The redevelopment process thus far raises interesting questions about how the State has managed risk and return in this complex project, while preserving the promised public benefits for which the previous government negotiated. In addition to lawsuits, two independent reviews (in 2011 and 2016) have been commissioned in response to the volume of public objections to the process.^{ix} At the heart of the objections is the perception that the Minister for Planning has a disproportionate degree of power to approve concept plan modifications that significantly increase the project's impact and dilute the promised

benefits, and that Ministerial powers are used to maximize State revenue through regulatory concessions that increase development intensity.

Managing risk and return while providing public benefits

Public benefits from the redevelopment

The initial vision for the site included a major waterfront park, balancing the Botanic Gardens to the East of the city centre with a new park to the West. The vision maintained two of Sydney's strongest planning principles - the preservation or restoration of harbour headlands as green space, and the development of a continuous, publicly accessible waterfront walkway along the entire harbour. These principles make an explicit connection to the public benefit: "...the public good has precedence over the private good whenever and whatever change is proposed for Sydney Harbour or its foreshores..." (NSW Government 2005 Part 1, 2b). The construction of the headland park, and cultural facilities^x reflecting the economic, social, and cultural contributions of Sydney's Indigenous population, represented valuable common goods for all Sydney residents (while also benefitting the tourists, office workers, and residents that Barangaroo attracts).

Other elements of the public realm raise more troubling questions about the extent to which the common good has been protected and enhanced. The original urban design concept placed the tallest buildings at the southern end of the site, and limited their floor-plates to protect views. As built, the office towers have bulky floor-plates of 2,500sqm, and they step up from south to north (culminating in the 71 story Casino hotel), maximizing overshadowing (PAC 2016c, 27; NSW Department of Planning and Environment 2017). The developed gross floor area has increased by nearly 50% (see Figure 4), and the quality of the open space has been compromised by increasing development intensity.

Figure 4 here

The relocation of the hotel / casino to a site set aside for a public park undermined the usefulness and appeal of the space, as the Planning Assessment Commission argued:

“In exchange for the development of [the hotel tower], the current proposal offers up the new Hickson Park—a handkerchief style city park above basement parking land-locked to the east ‘behind’ the [hotel’s] built form, and overshadowed for much of the day. In effect the location of the park presents as a consequence of the siting of this [hotel] development rather than as a strategic allocation of public open space.” (PAC 2016c, 4).

The Commission noted that the Barangaroo Delivery Authority had ignored similar criticisms made by its own Design Advisory Panel. To ameliorate aspects of the problems of overshadowing and lack of visual connection with the water, the Commission recommended restricting the development allowed on the adjacent lot (part of Barangaroo Central) (PAC 2016c, 21). The Commission also pointed out that nearly one third of the waterfront walkway was designated for bars and restaurants, and thus would be open only to paying customers: “...the promenade [in front of the hotel] is most likely to read as a forecourt to the building rather than as public realm.” (PAC 2016a 6). Despite significant reservations about the hotel’s likely impact on the public realm and the foreshore, the Commission concluded it did not have the power to change its location, because this was a condition of the Casino license legislation.

A community group, Millers Point Fund Inc., challenged the Commission’s decision, arguing that it had paid more regard to Casino licensing laws than to planning laws. The judge found no grounds for the suit (EDO 2016), but the case highlighted the lack of transparency perpetuated by Ministerial powers to approve concept plan modifications without public

consultation (EDO 2017). The suit also illustrates the level of public frustration with a planning process that happens through contracts and business licensing processes rather than through public engagement and open negotiation. The 2011 review of the redevelopment planning process had found that “consultation about the project has been more a selling of a decision than a genuine effort at community engagement to improve the outcome, and that there is a lack of transparency in relation to the project” (Sussex and Penn 2011, 9). Despite the incoming government’s efforts to rebuild legitimacy, this criticism remained valid in 2016.

Other public benefits claimed for the development less clearly respond to the public’s interests than to those of the developers, tenants, or investors. The Authority (and Lend Lease) emphasise the triple-bottom line approach to sustainability as a key source of public benefits. While the Climate Positive development speaks to the City of Sydney’s Green Global and Connected positioning (City of Sydney 2015), it does little to address the environmental and social challenges of the sprawling car dependent metropolitan region. High sustainability ratings are very attractive to corporate tenants and investors (Eicholtz, Kok, and Quigley 2010), and have become ubiquitous in the new premium-grade office space market, not just in Sydney. In this instance too, sustainability may be “another imaginary too easily enlisted to the project of capitalisation and commodification of land” (Shaw 2013, 2160).

The transit accessibility of the development is excellent, but the bulk of these benefits were funded and provided by the State. Transport for New South Wales covered the \$45m cost of moving the ferry wharves a few hundred meters north, and \$248m of the \$286m cost of upgrading the nearest station and the pedestrian connection to the site (NSW Auditor-General 2015). The major new rail line that will serve the site (Sydney Metro) is fully funded by the

State, and there was an opportunity cost to aligning it to serve Barangaroo in preference to other less well-served parts of the inner city.

In the context of Sydney's severe affordable housing crisis, contributing 3% of residential space to key worker housing is ineffectual at best. The Commission's assessment estimates this will result in 39 onsite and 25 offsite homes (PAC 2016c, 23). Set alongside the estimated 14,300 commuters to the site by 2023, many of whom will work in retail, facilities maintenance, and food service, there is little basis for arguing the development will address the significant impact it will have on affordable housing demand, let alone contribute to public benefit.

Managing risk and returns

Barangaroo is vulnerable to several categories of risk – financial, market, political, and regulatory factors all had the potential to derail the redevelopment. In most public private partnerships, the public sector assumes the less manageable and quantifiable risks, and the returns it receives are often in the form of longer term economic regeneration. In this case, the public-sector entities involved have actively tried to minimize the effects of financial risk by controlling regulatory risk, and the State has negotiated returns in the form of short to medium term guaranteed revenues.

Thus far, the redevelopment has benefited from a rapidly inflating property market (Knight Frank 2017). Market risk has had positive rather than negative outcomes. Financial risks have been more difficult to manage. While it is difficult to assign ultimate culpability for the \$400m over-estimation of value-sharing payments, it is unclear why the Authority expected that cash-flows from a parent company to cover construction expenses could be interpreted as

progress payments (the resignation of the Authority's CEO the day before the announcement that Lend Lease had won its lawsuit, may be only coincidental).

The costs of remediation have escalated from the \$112m estimated in 2011 to what appears to be a cost of \$400m as of late 2018, far exceeding the \$78m the agency had set aside for contingencies (NSW Auditor-General 2011; McNab 2018). Initial estimates of cleanup costs were based on assumptions that in-situ treatment and re-use of contaminated soil would be possible. This risk might have been managed if the Authority had investigated appropriate solutions much earlier. Under the Voluntary Management Plan approved for the site in 2009, pilot tests of this approach were to have been completed by September 2011. After a delay of more than 5 years, the State's Environmental Protection Authority issued a legally enforceable Management Order in early 2016, with the pilot test reports due in early 2017 (EPA 2016). This is the point at which the Authority appears to have recognized the likely full costs of the remediation. While cleanup costs are covered by the 'polluter pays' principle, the previous occupant disputed its liability in the courts, and an undisclosed share of those costs will be borne by the previous occupant (Jemena), and the developer (Lend Lease).

The Authority's deficit has crept steadily upwards. By 2017, the Auditor General singled out the agency as having a liquidity level of concern, at 0.24 (i.e. there is a 1:4 ratio between current assets and short-term obligations). Its total debt was \$735m in 2017 (Auditor-General 2017, 12). As an agency of State government, and the principal entity responsible for delivering public benefits, the Authority faces a significant conflict of interest. The Authority's precarious financial position intensified the need to increase development returns, and thus the pressure for maximum regulatory flexibility the Authority has exerted on other government agencies.

One example of this is the Authority's response to the Planning Assessment Commission's 2016 recommendations. The Authority objected that the enlargement of Hickson Park, and provision of view corridors down to the water, increased the "non-developable" area of the site and limited the development envelope on part of Barangaroo Central. The Commission's recommendation posed a 'material risk' to the government (according to the Barangaroo Delivery Authority), because it undermined the development potential for Barangaroo Central (PAC 2016b, 4). The Authority had issued a tender for development on the central portion of the site that was clearly designed to push the envelope on the intensity of development that would be acceptable. The approved concept plan limited Barangaroo Central development to 59,225sqm, while the tender documents encouraged developers to consider an upper limit of 150,000sqm (PAC 2016b). The Authority appeared confident that development intensity would be continuously revised upwards.

For similar reasons, the Authority reversed its original position on the Casino tower uses; apartments were specifically excluded from the project in the 2013 development deed, in order to respond to public concerns about the scale and bulk of the building. But in 2015 this restriction was reversed, with 48% of the much-larger building approved for apartments. The justification was that with the relocation of the tower to the land, "the apartment component was now necessary to make the casino and hotel viable" (Davies 2015). The Authority defended its about-face, arguing that "...the authority retained absolute discretion in relation to its approval as land owner of any proposal" (Barangaroo Delivery Authority spokesperson quoted in Davies 2015). The public benefit the Authority had claimed to be defending in 2013 had been sacrificed in order to maximise development returns, and thus the contributions it receives, to cover the higher costs for which it was liable.

However, the projected returns on the redevelopment are very positive from the perspective of total State revenues. Transaction taxes on the properties sold, and land taxes on the income-producing properties, are substantial. In addition to a \$100m upfront Casino licensing fee, the agreement with Crown guarantees the State a further \$1bn in gaming revenues and taxes over the first 15 years of the Casino's operation (Office of the Premier 2013). There are of course significant risks associated with an economic development strategy based on gambling revenues. The arrest of 15 Crown employees in the Chinese government's crackdown on offshore gambling has been linked with declines in revenues for Crown's Perth and Melbourne 'high-roller' casinos, of 39% and 47% respectively (Pascoe 2017). Crown itself is divesting from several international holdings. The inclusion of apartments priced up to AU\$40m may be even more important to making the development 'viable' in this environment.

Protecting the basis for these high values appeared to be another interest shared by the Authority, Lend Lease, and Crown; in meeting with the Planning Assessment Commission on 6 May 2016, the Barangaroo Delivery Authority confirmed "the agreements in place with Lend Lease and Crown require consultation with these parties, should there be any changes to Barangaroo Central that could affect sight lines to iconic views [of the Opera House and Harbour Bridge]" (PAC 2016d). However, the prospect of additional development revenues from a denser, higher-rise Barangaroo Central have undermined these commitments, and the developers are now suing the Authority for reneging on the agreement to preserve views (Toscano 2018).

Political risks have been more difficult to manage. In 2010 the Labor Minister for Planning had approved not only large increases in development intensity (without appropriate

independent advice), but also early site works without a Remediation Action Plan in place (as State Environmental Planning Policy required). Australians for Sustainable Development filed a lawsuit against the Minister and Lend Lease, but shortly before the judgment was due, the Minister changed the policy regulations to exempt Barangaroo from the law (Land and Environment Court 2011; Kahagalle and Egan 2011). This was widely condemned, and fed the perception that decisions made about Barangaroo were unconstrained by the democratic process.

The new Minister for Planning sought to distance his government from the errors of the previous government. He commissioned an independent review to broker a mediated solution to the court case, investigating both the specific planning processes and also the claims made by proponents and opponents. The terms of reference for the review were framed in unmistakably neoliberal terms: “The major issue for Lend Lease at present is the urgent need to proceed with the planning and development ... in order to confirm investor confidence in the project ... Lend Lease’s interests coincide with the interests of the Government, which wants to assure the world community that Sydney is open for business” (Sussex and Penn 2011, 3). The review concluded that while the previous government had made “...a raft of small and large mistakes and mishandlings, which taken together, have created an air of crisis around the development” (Sussex and Penn 2011, 8), no new evidence of corruption had been revealed. The review did recommend a number of governance changes, including establishing a joint planning committee between the Authority and the City of Sydney, and separating the roles of the Minister for Planning and the Minister for Barangaroo to manage conflicts of interest better (Sussex and Penn 2011, 9). The first of these was followed (although with little apparent impact on the City’s influence on the development process) (City of Sydney 2016); the second was not, and questions remain around the State’s conflicts of interest as both regulator and profiteer.

Most importantly, the Coalition government's limitations on Ministerial powers (described above) were intended to rebuild trust and legitimacy. But the Crown Casino licensing decision and the substantial increases in the tower's height and bulk undermined these efforts, and by 2016 community advocacy groups resorted to the Courts once more, this time challenging the independence and competence of the Planning Assessment Commission (a key element of the Coalition's efforts to legitimize centralized planning decisions). The State has not been able to manage political risks effectively.

Conclusions

How do entrepreneurial states manage the contradictions they face in large scale urban redevelopment projects, between providing the expected public benefits, and maximizing profitability? The story recounted above shows how promises of 'public benefit' have been subsumed by the State's interests in ameliorating risk and increasing development returns. The major public benefits were the additions to Sydney's waterfront parkland. While parts of this were delivered as promised, other parts have been compromised by the Barangaroo Delivery Authority's need to compensate for reduced developer contributions, and the State's interests in the revenue to be gained from the Casino hotel. Another element of the public benefit is the impact of urban design decisions on the public realm, including on adjacent sites. The Minister for Planning's more or less unconstrained power to approve substantial changes to the project's concept plan without public input, resulted in much greater overshadowing impacts.

The public's interests in the environmental impacts of the development of a contaminated site were threatened by the regulatory exemptions (although these were later withdrawn). The redevelopment, as we might expect based on experience elsewhere - including Melbourne Docklands, as Shaw (2013) demonstrates - has not been 'cost-free.' The Authority's

negotiation of development contributions to cover the public costs committed was flawed, and State revenues will have to cover costs that should have been borne by developers. Other benefits claimed for the development (the 6-star sustainability rating, transport accessibility, and affordable housing contributions) involve questionable tradeoffs. The first two provide substantial benefits to developers, tenants, and investors, the second represents a public rather than a private contribution that involves an unexamined opportunity cost, and the third offers little impact on the problem it claims to address.

The Barangaroo Delivery Authority, the Minister for Planning, and ultimately the Premier's Office, have a conflict of interest that has undermined their role in protecting public benefits. They have bargained away public benefits not, primarily, to benefit private developers, but to maximize public revenue. Often, developers do benefit, but not necessarily. The Authority's reneging on commitments to preserve views from the Barangaroo South towers demonstrates its pursuit of higher returns to the State, at the expense of the highest returns to the private developers involved.

Barangaroo has been a highly 'financialized' project, in two senses: it has served to 'anchor capital' (Theurillat et al 2016) by remaking the built environment to the benefit of investors and developers, but it has also used public land speculatively, to generate substantial financial returns for the State government. Maximizing development contributions, the casino revenue, and land and transaction taxes, overshadowed the public's interests in effective development regulation and a high quality public realm. Increasing development intensity has benefited the State as much as it has the developers, and on occasion the State has clearly prioritized its interests over those of developers. In this case study, the State indeed appears to be reconfigured as "contemporary firm rather than ... polit[y]" (Brown 2015), at the expense of the common good it protects in principle.

What role has planning played in this effort, and what are the pressures exerted on the planning process by the State's financialized entrepreneurialism? A crucial pre-requisite enabling the State's use of regulatory powers in the service of its speculative redevelopment ventures was the centralization of power in the hands of the Minister for Planning, constrained only by the Courts. In addition to the insulation of the development regulation process through private contracts and business licensing laws, and the exclusion of city governments, this ensured the State had the power it needed to drive redevelopment (and bargain over benefits) to maximize its revenues. However, this power is fragile: the erosion of the promised public benefits has intensified legitimacy challenges to a de-democratized planning system (MacDonald 2018). It has further damaged trust that the institutions of planning and development regulation will protect the public's interests in environmental safety, quality design, fair and consistent applications of law and regulations, and trust in the fiscal competence of the State.

While the story supports Lehrer and Laidley's (2008) argument that the public benefits offered by waterfront redevelopment are aimed at a narrow segment of 'consumers', in this case the "obfuscation" of the limited public benefits delivered has been less successful. Community groups and local governments that have been excluded from the process have been vocal critics of the redevelopment's impacts on urban form. Legitimacy challenges have been exacerbated by the insulation of the planning process from democratic engagement or the need to respond to well-grounded critiques, including those from the local governments most affected by the development. But these challenges have not derailed the project; instead, they amplify the "unstable and open-ended" process of city-making that Halbert and Attuyer (2016) diagnose. The "state-executed, speculative development and financialization of public land" (Beswick and Penny 2018, 612) exemplified in this story may represent a new era in urban redevelopment: one where 'entrepreneurial states' morph into

‘quasi-firms,’ concerned with public benefits only to the extent that these are perceived to justify the regulatory waivers (and other public assets) necessary to maximize public revenues. The governance reforms necessary to resolve these conflicts of interest – greater financial and regulatory transparency, improved democratic engagement in negotiating public benefits, and effective checks and balances – are easy to prescribe, but very challenging to deliver in contemporary political economies driven by speculative ambitions.

References

Alexander, E.R. 2002. "The public interest in planning: from legitimation to substantive plan evaluation." *Planning Theory* 1 (3): 226-249.

Anguelov, D, H. Leitner, and E. Sheppard. 2018. Engineering the financialization of urban entrepreneurialism. *International Journal of Urban and Regional Research* 42(4): 573-593.

Architecture and Design. 2015. *Barangaroo South Mod 8 Concept Plan Summary*.
<http://www.architectureanddesign.com.au/getmedia/d6b84f23-fbe3-4140-932a-9e04e2e00c02/Mod-8-Brochure-March-2015-FINAL.aspx> (accessed April 30, 2018).

Barangaroo Delivery Authority (BDA). 2009. *Barangaroo congratulates stage one winner*.
https://resource.barangaroo.com/hc/article_attachments/115015164488/20091220%20Barangaroo%20congratulates%20stage%20one%20winner.pdf (accessed March 27, 2018).

Barangaroo Delivery Authority. 2017. *Barangaroo Concept Plan*.
<https://resource.barangaroo.com/hc/en-us/articles/115009409508-Barangaroo-Concept-Plan>
(accessed 22 January 2019)

Barangaroo Independent Remediation Review Panel (BIRRP). 2011. *Barangaroo Independent Remediation Review Panel Report*.
<http://www.environment.nsw.gov.au/resources/barangaroo/BRRP48.pdf> (accessed April 19, 2018).

Beswick, J. and J. Penny. 2018. Demolishing the present to sell off the future? The emergence of 'Financialized Municipal Entrepreneurialism' in London. *International Journal of Urban and Regional Research* 42(4): 612-632.

Boland, P., J. Bronte, and J. Muir. 2017. "On the waterfront: neoliberal urbanism and the politics of public benefit." *Cities* 61: 117-127.

Brown, W. 2015. *Undoing the Demos: Neoliberalism's stealth revolution*. New York: Zone Books

Campbell, H., and R. Marshall. 2000. "Moral obligations, planning, and the public interest: a commentary on current British practice." *Environment and Planning B: Planning and Design* 27: 297-312.

Christophers, B. 2015. "The limits to financialisation." *Dialogues in Human Geography* 5 (2): 183-200.

City of Sydney. 2016. *Submission to the Planning Assessment Commission – MOD 8*. 28 April. http://www.cityofsydney.nsw.gov.au/_data/assets/pdf_file/0003/254901/City-of-Sydney-FINAL-submission-MOD-8-to-Barangaroo-Concept-Plan.pdf (Accessed March 20, 2018).

City of Sydney. 2015. *City of Sydney Submission to Urban Growth NSW*. July. [City_of_Sydney_submission_-_UrbanGrowth_-_Bays_Precinct_Transformation_-_July_2015\(2\).pdf](#) (accessed April 19, 2018).

Crown Resorts and Office of the Premier. 2013. *Media Release: Crown proposal moves to Stage 3*. 4 July.

<https://www.asx.com.au/asxpdf/20130704/pdf/42gwgv7ljhslc0.pdf> (accessed April 19, 2018).

Davies, W. 2010. *Barangaroo Development: a review of the impact of site remediation*.

Report prepared for the Environmental Defenders Office, 17 December.

<http://www.environment.nsw.gov.au/resources/barangaroo/BRRP34.pdf> (accessed April 19, 2018).

Davies, A. 2015. “Barangaroo Delivery Authority deletes ban on apartments in hotel, public zone.” *Sydney Morning Herald* 25 May. <https://www.smh.com.au/national/nsw/barangaroo-delivery-authority-deletes-ban-on-apartments-in-hotel-public-zone-20150522-gh7hgc.html> (accessed April 11, 2018).

Eichholtz, P., N. Kok, and J.M. Quigley. 2010. "Doing Well by Doing Good? Green Office Buildings." *American Economic Review*, 100 (5): 2492-2509.

Environmental Defender’s Office. 2016. *Millers Point Fund Inc v Lendlease Millers Point Pty Ltd & others – Crown Casino at Barangaroo*.

https://www.edonsw.org.au/millers_point_fund_inc_v_lendlease_millers_point_pty_ltd_others (accessed April 12, 2018).

Fainstein, S. S. 2008. “Mega-projects in New York, London, and Amsterdam.” *International Journal of Urban and Regional Research* 32 (4): 768 – 785.

Galland, D., and C. J. Hansen. 2012. "The roles of planning in waterfront redevelopment: from plan-led and market-driven styles to hybrid planning?" *Planning Practice and Research* 27 (2), 203-225.

Guironnet, A., K. Attuyer, and L. Halbert. 2016. "Building cities on financial assets: The financialisation of property markets and its implications for city governments in the Paris city-region." *Urban Studies* 53 (7): 1442-1464.

Haila, A. 2008. "From Annankatu to Antinkatu: Contracts, Development Rights and Partnerships in Kamppi, Helsinki." *International Journal of Urban and Regional Research* 32 (4): 804-814.

Halpert, L. and K. Attuyer. 2016. "Introduction: The financialisation of urban production: Conditions, mediations and transformations." *Urban Studies* 53 (7): 1347 – 1361.

Harvey, D. 1989. "From managerialism to entrepreneurialism: the transformation of urban governance in late capitalism." *Geografiska Annaler* 71: 3-17.

Kahagalle, H. and A. Egan. 2011. "Implications from the Barangaroo legal challenge." *National Environmental Law Review* 3: 26-29.

Karskens, G. 2014. Barangaroo and the Eora fisherwomen. *Dictionary of Sydney*.
https://dictionaryofsydney.org/entry/barangaroo_and_the_eora_fisherwomen (accessed 21 August 2018)

Knight Frank. 2017. *Sydney CBD: Office Market Overview September 2017*.
<http://www.knightfrank.com.au/research/sydney-cbd-office-market-overview-september-2017-4986.aspx> (accessed April 20 2018).

Land and Environment Court, NSW. 2011. *Australians for Sustainable Development Inc v Minister for Planning* [2011] NSWLEC 33.
<https://caselaw.lawlink.nsw.gov.au/decision/54a6344b3004de94513d8402> (accessed April 20, 2018).

Lehrer, U. and J. Laidley. 2008. “Old mega-projects newly packaged? Waterfront redevelopment in Toronto.” *International Journal of Urban and Regional Research* 32 (4): 786-803.

Lindsey, J. 2014. Lend Lease (Millers Point Inc.) v Barangaroo Delivery Authority. *Building and Construction Law Journal* 30 BCL 254

MacDonald, H. 2015. “‘Fantasies of consensus’: planning reform in Sydney, 2005-2013.” *Planning Practice and Research* 30 (2): 115-138.

MacDonald, H. 2018. “Has Planning been de-democratised in Sydney?” *Geographical Research* 56 (2): 230–240.

McFarland, P. 2011. “The best planning system in Australia or a system in need of review? An analysis of the New South Wales planning system.” *Planning Perspectives* 26 (3): 403-422.

McNab, H. 2018. Barangaroo construction clean-up to cost four times the estimate. *The New Daily*, 3 December. Accessed 19 December 2018 at

<https://thenewdaily.com.au/news/state/nsw/2018/12/03/barangaroo-construction-clean-up/>

Moore, M. 2010a. "Harbour high rise breaks all the rules." *Sydney Morning Herald* 24 February. <https://www.smh.com.au/national/nsw/harbour-highrise-breaks-all-the-rules-20100223-p0p7.html> (accessed April 19, 2018).

Moore, M. 2010b. "Moore quits over Barangaroo 'railroading'." *Sydney Morning Herald* 22 September. <https://www.smh.com.au/national/nsw/moore-quits-over-barangaroo-railroading-20100921-15ldg.html> (accessed April 19, 2018).

Murphy, E., and L. Fox-Rogers. 2015. "Perceptions of the common good in planning." *Cities* 42: 231-241.

NSW Auditor-General. 2011. *Performance Audit: Government expenditure and transport planning in relation to implementing Barangaroo*.

<https://www.audit.nsw.gov.au/news/governmentexpenditure-and-transport-planning-in-relation-to-implementing-barangaroo> (accessed May 15, 2018).

NSW Government. 2005. *Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005*. at <https://www.legislation.nsw.gov.au/#/view/EPI/2005/590/part1> (accessed April 20, 2018).

NSW Government. 2009. *Barangaroo Delivery Authority Act 2009 No 2* at: <https://www.legislation.nsw.gov.au/#/view/act/2009/2/part3> (accessed April 20, 2018).

NSW Government. 2013. *Casino Control Amendment (Barangaroo Restricted Gaming Facility) Act 2013 No 100*. at: <https://www.legislation.nsw.gov.au/#/view/act/2013/100/full> (accessed April 20, 2018).

NSW Parliament. n.d. The structure of government in New South Wales. <https://www.parliament.nsw.gov.au/about/Pages/The-Structure-of-Government-in-New-South-Wales.aspx> (accessed 21 August 2018).

Olsson, L. 2018. The neoliberalization of municipal land policy in Sweden. *International Journal of Urban and Regional Research* 42(4): 633-650.

Orueta, F. D., and S. S. Fainstein. 2008. "The new mega-projects: genesis and impacts." *International Journal of Urban and Regional Research* 32 (4): 759-767.

Peck, J. 2014. "Entrepreneurial urbanism: between uncommon sense and dull compulsion." *Geografiska Annaler: Series B, Human Geography* 96 (4): 396-401.

Planning Assessment Commission. 2016a. *Advice on the proposed State Environmental Planning Policy Amendment (Barangaroo) 2016*. 1 June. <http://ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2016/03/mod-8-barangaroo->

[concept-plan/determination/commissionbarangarooadvicpdf.pdf](#) (accessed March 20, 2018).

Planning Assessment Commission. 2016b. Supplement to the Commission's Advice. 21 June. <http://ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2016/03/mod-8-barangaroo-concept-plan/determination/commissionsupplementary-barangarooadvicpdf.pdf> (accessed March 20, 2018).

Planning Assessment Commission. 2016c. Determination Report. 28 June. <http://ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2016/03/mod-8-barangaroo-concept-plan/determination/barangarooconceptplanmod8reportpdf.pdf> (accessed March 20, 2018).

Planning Assessment Commission. 2016d. Report Appendices. 28 June. <http://ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2016/03/mod-8-barangaroo-concept-plan/determination/barangarooconceptplanmod8reportappendix123pdf.pdf> (accessed March 20, 2018).

Punter, J. 2005. "Urban design in central Sydney 1945–2002: Laissez-Faire and discretionary traditions in the accidental city." *Progress in Planning* 63 (1): 11-160.

Rutland, T. 2010. "The financialisation of urban redevelopment." *Geography Compass* 4 (8): 1167-1178.

Rydin, Y. 2011. *The purpose of planning: creating sustainable towns and cities*. The Policy Press: Bristol and Portland.

Sagalyn, L.B. 1997. "Negotiating for public benefits: the bargaining calculus of public-private development." *Urban Studies* 34 (12): 1955-1970.

Searle, G., and M. Bounds. 1999. "State powers, state land and competition for global entertainment: the case of Sydney." *International Journal of Urban and Regional Research* 23 (1): 165-172.

Searle, G. and R. Bunker. 2010. "New Century Australian Spatial Planning: Recentralization under Labor." *Planning Practice & Research* 25 (4): 517-529.

Shaw, K. 2013. "Docklands dreaming: illusions of sustainability in the Melbourne Docks redevelopment." *Urban Studies* 50 (11): 2158-2177.

Sussex, M., and S. Penn. 2011. *Barangaroo Review*.

<http://pandora.nla.gov.au/pan/133030/20120321-1202/www.barangaroo.nsw.gov.au/media/43967/barangaroo%20review%20final%20report%2031%20july%202011%20compressed.pdf> (accessed April 20, 2018).

Tait, M. 2011. "Trust and the Public Interest in the Micropolitics of Planning Practice." *Journal of Planning Education and Research* 31 (2): 157-171.

Theurillat, T., N. Vera-Buchel, and O. Crevoisier. 2016. "Commentray: from capital landing to urban anchoring: the negotiated city." *Urban Studies* 53 (7): 1509-1518.

Toscano, N., C. Kruger and M. Whitbourn. 2018. Crown takes legal action over Barangaroo's views. *Sydney Morning Herald*, 9 August.

<https://www.smh.com.au/business/companies/crown-takes-legal-action-over-barangaroo-s-harbour-views-20180809-p4zwf3.html>

Van den Hurk, M., and M. Siemiatycki. 2018. Public–Private Partnerships and the Design Process: Consequences for Architects and City Building. *International Journal of Urban and Regional Research* 42 (4): 704-722.

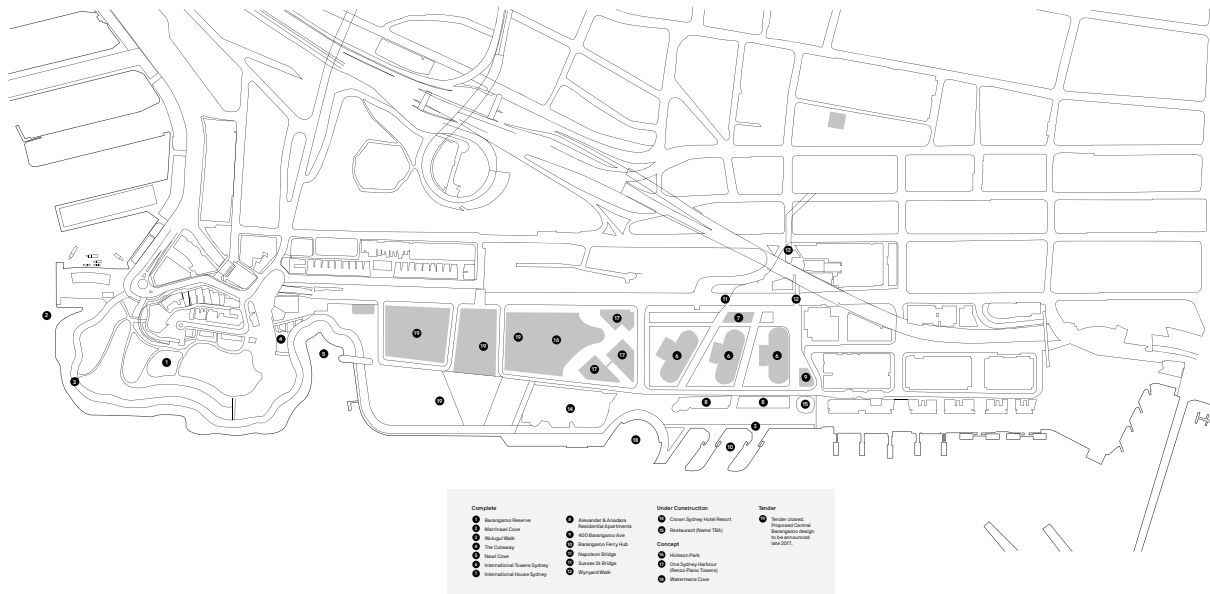
Ward, K. 2003. “The limits to contemporary urban redevelopment ‘Doing’ entrepreneurial urbanism in Birmingham, Leeds and Manchester.” *City* 7 (2): 199-211.

Ward, K. 2017. Financialization and urban politics: expanding the optic. *Urban Geography* 38 (1): 1-4.

Williams, P. (editor). 2015. *The Environmental Law Handbook – Planning and Land Use in New South Wales* (6th edition). Sydney: Redfern Legal Centre Publishing (Thomson Reuters)

Figure Captions

Figure 1: Barangaroo Site Plan, 2017.



Source: Barangaroo Delivery Authority 2017.

Figure 2: New South Wales Government: Structure of the Executive Branch

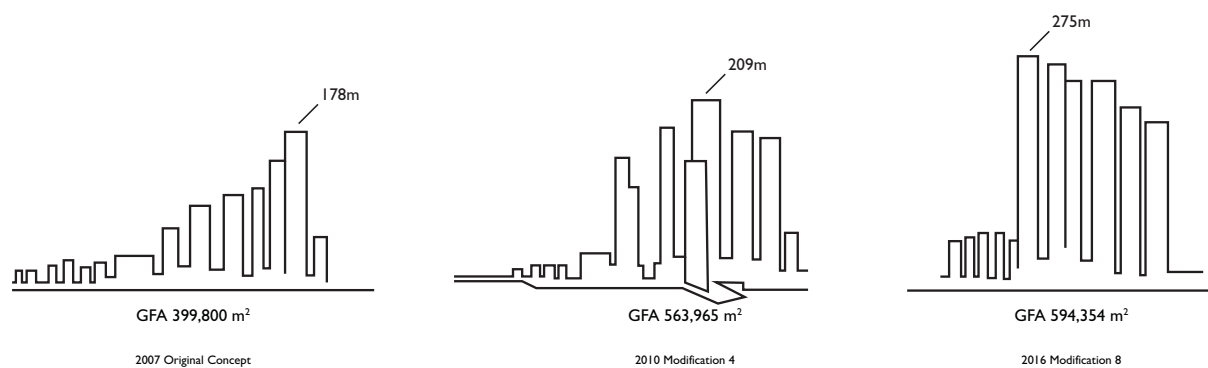
Source: NSW Parliament n.d.

Figure 3: Barangaroo under construction, May 2018



Source: Author

Figure 4: Height and bulk in concept plan revisions, 2007 to 2016



Source: Author, based on data from Planning Assessment Commission 2016c.

Endnotes

ⁱ Barangaroo is named for a woman of the Eora nation (Karskens 2014).

ⁱⁱ Financialisation may be succinctly defined as “shorthand for the growing influence of capital markets, their intermediaries, and processes in contemporary economic and political life” (Pike & Pollard, 2010, p.29, quoted in Ward, 2017, p. 1).

ⁱⁱⁱ The executive implements laws passed by the two-tier legislature, which are interpreted and enforced by an independent judiciary.

^{iv} Taxation powers are held by the Commonwealth government.

^v The Board of the Barangaroo Delivery Authority is composed of the organisation’s CEO, the Secretary of the NSW Treasury, a nominee of the City of Sydney Council (approved by the Minister for Planning) and up to four additional Ministerial appointees, one of whom is selected to serve as the Chairperson of the Board (NSW Government 2009). Since the Mayor of the City of Sydney resigned from the Board in 2010 (see Moore 2010b), that position has remained vacant. Other affected local governments (in particular the Inner West Council, which includes the peninsula directly opposite the redevelopment site) are not represented on this Board.

^{vi} In addition to principles aimed at protecting and enhancing hydrology and the natural environment, several principles are directly relevant to the Barangaroo redevelopment: “development that is visible from the waterways or foreshores is to maintain, protect and enhance the unique visual qualities of Sydney Harbour” (Part 2, 13, f); “the number of publicly accessible vantage points for viewing Sydney Harbour should be increased” (Part 2, 13, g); development should “avoid or minimise disturbance of acid sulfate soils” (Part 2, 13, l); and, “public access to and along the foreshore should be increased, maintained and improved” (Part 2, 14, b).

^{vii} The site is contaminated from a century of use as a gasworks, and by fill including asbestos (BIRRP 2011). Proposals to excavate, treat, and re-use contaminated soil for the Headland Park raised public health concerns (Davies 2010).

^{viii} The dispute centred on whether equity payments made to the project by Lend Lease’s capital arm constituted ‘financing’ payments or ‘progress’ payments (in which case they would count as revenue, inflating the value of improved land) (Lindsay 2014).

^{ix} The project also has supporters, beyond the development industry: visitors from other parts of the city clearly enjoy the Headland Park and the waterfront, but they are not necessarily vocal.

^x The facility is used for art and historical exhibitions