

Attachment C

Western Harbour Precinct - Prospectus

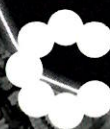
WESTERN HARBOUR



PRECINCT

BUSINESS IMPROVEMENT DISTRICT

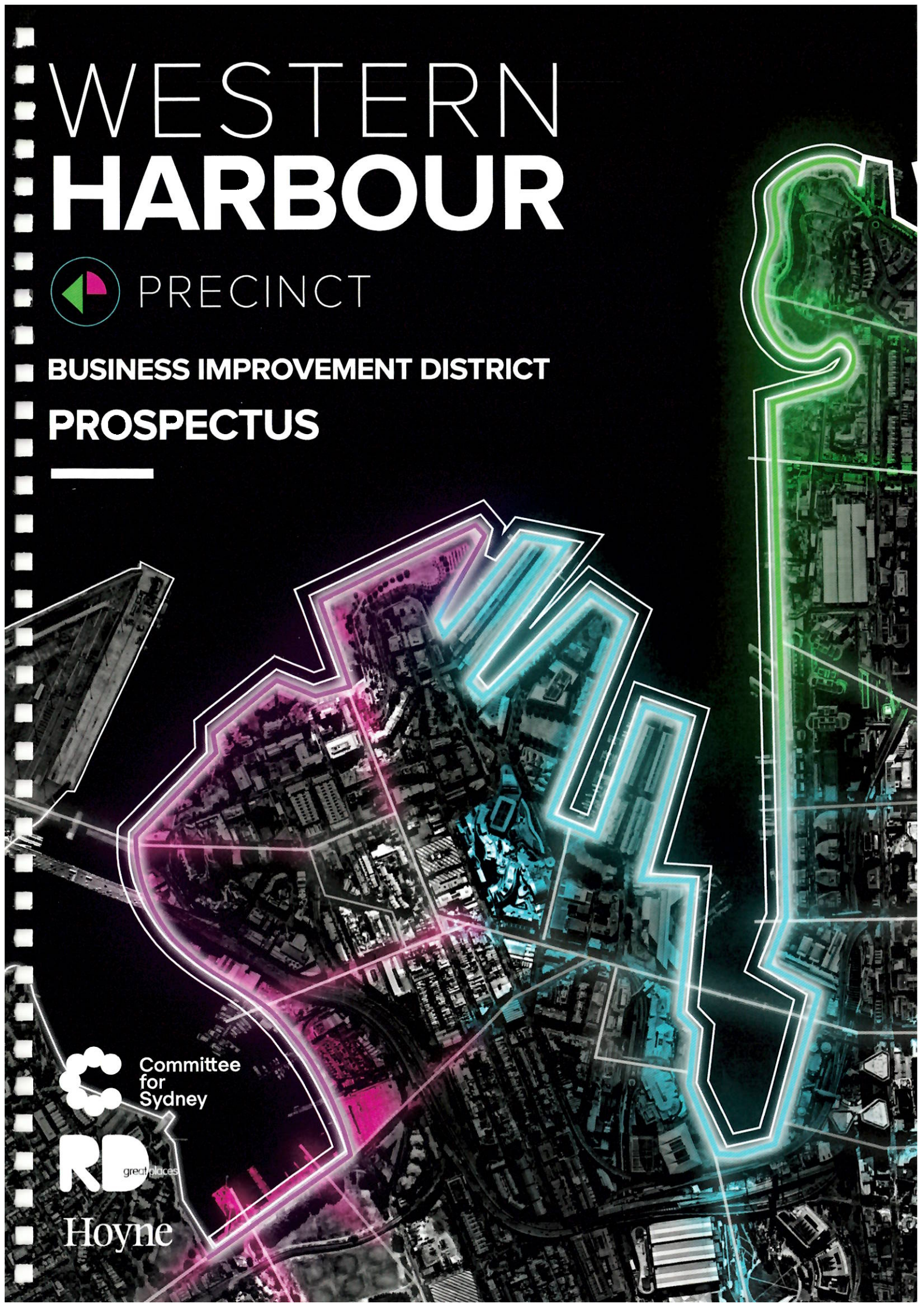
PROSPECTUS



Committee
for
Sydney



Hoyne



FOREWORD



For almost a decade now, New South Wales has enjoyed an extraordinary period of prosperity and growth. However, maintaining that momentum is challenging. It is therefore particularly important to put our most valuable assets to work as effectively as possible.

The Western Harbour is a hugely valuable asset, that has not necessarily reached its potential for Sydney and New South Wales. Indeed, work undertaken by PwC in 2015 indicated that an optimised Western Harbour could contribute over \$20bn in economic output, and 10,000 new jobs by 2036.

Realising this opportunity requires collaboration around a shared vision for the Precinct, to dramatically improve its accessibility, connectedness, and the experience it offers to visitors. The benefits are manifest: a better place to live, with improved amenity and connectivity; increased visitation and increased dwell times and spend by visitors; an even more attractive place to work, improving talent attraction and employee retention for its many resident businesses; and an irresistible shopfront and showcase for all seeking to harness the brand-power of contemporary Sydney.

Now, a group of passionate corporate citizens, led by the Committee for Sydney with the support of the NSW Government and the City of Sydney, has taken the initiative and invested in developing a specific vision to enable this full opportunity to be realised.

The vision outlines an ambitious but achievable program of work that will make a tangible impact on the experience of locals and visitors in the Precinct over an initial three year period. It

will deliver meaningful, measurable value to all stakeholders as the first stage of a medium term strategy for optimising the Western Harbour as a vibrant and authentic destination and the city's official entertainment precinct.

That work has been complemented by the recent review of the area requested by the Premier and the Planning Minister and undertaken by the Greater Sydney Commission.

These important and complementary pieces of planning point the way towards optimising the Western Harbour both as a place to live in and visit, and as a strategic asset for the State. Its mix of tourism and entertainment attractions, regional financial and professional services headquarters, and an innovation, start-up and academic hothouse, set amongst authentic, high-density residential living in the most prime waterfront locale, presents the very best of tomorrow's Sydney. Whether we are seeking to attract talent and skills, investment, business events or leisure tourists, the Western Harbour should be the heart of the Sydney's "attraction engine".

In many ways, the Western Harbour with its unique mix of new and emerging facilities (like Barangaroo, the International Convention Centre and now the new Sydney Fish Market) and its very Sydney heritage (of sandstone, terraces and working waterfront) represents the very essence of contemporary Sydney. A diverse and vibrant integrated precinct offering locals and visitors the very best experiences of Sydney, 24 hours a day.

Through the Western Harbour Alliance (WHA), the private sector has taken the lead in defining this opportunity and setting out a compelling vision for the Precinct. In addition, NSW Government and its agencies are supporting and enabling

that vision. They have embraced and adopted the findings and recommendations of the Greater Sydney Commission's review and indicated that the program of work designed by the WHA is compelling.

Today we will take the next step, and announce with the NSW Government and the City of Sydney, new initiatives to help make this vision a reality.

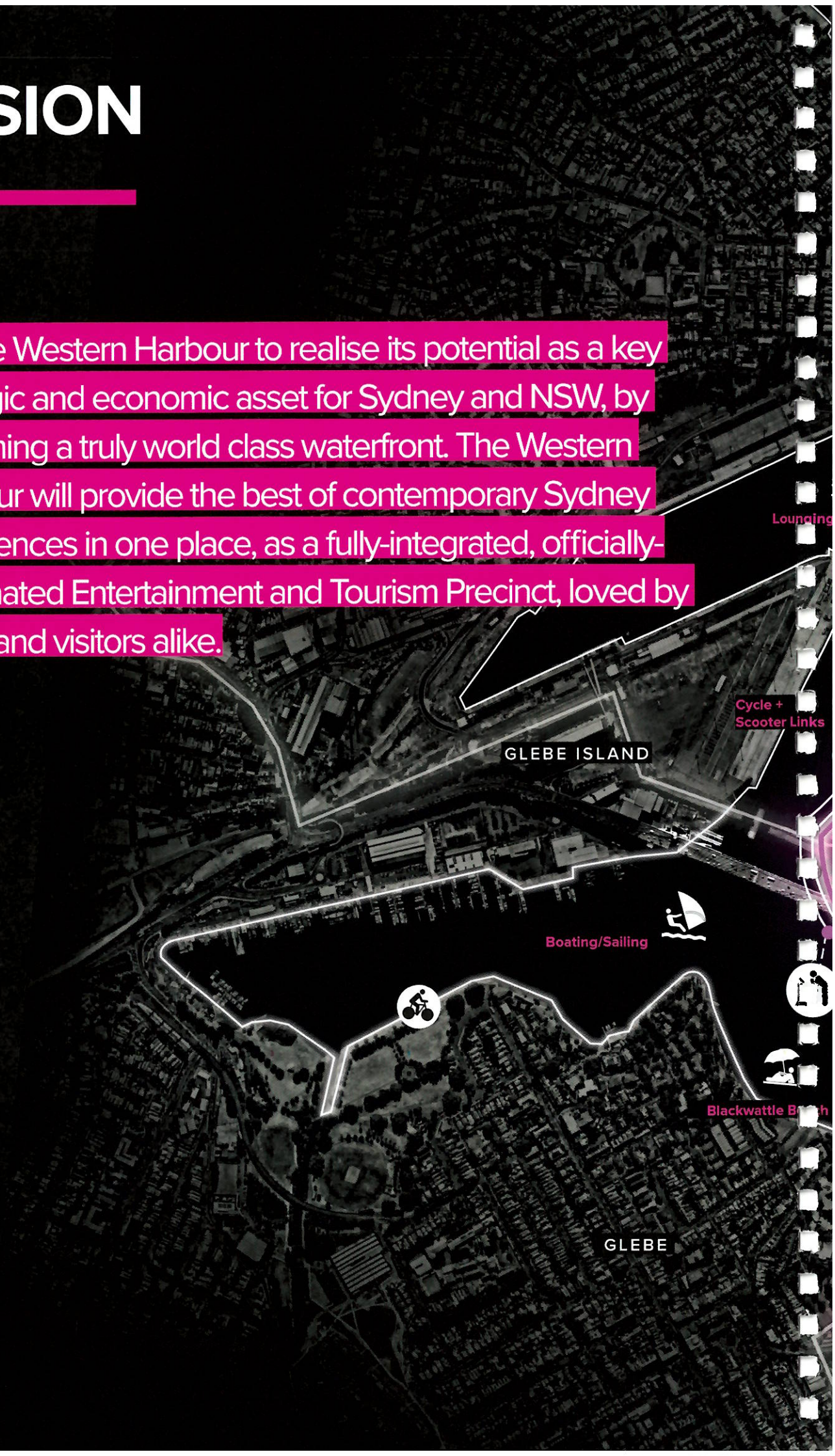
With their support, we will implement a trial of an adapted version of a Business Improvement District (BID) governance model for the Western Harbour. This will maintain the momentum and leadership generated so far by the WHA, and fully unlock the real potential and value of the Precinct. The NSW Government will also appoint a Director of Precincts to join the BID Committee for the Western Harbour. That role will have the mandate and authority to bring together the range of relevant state and local government departments and agencies, remove red tape, and provide the necessary traction for the trial to deliver real benefits from year one. The three year trial will start on July 1, 2020, after its design is finalised.

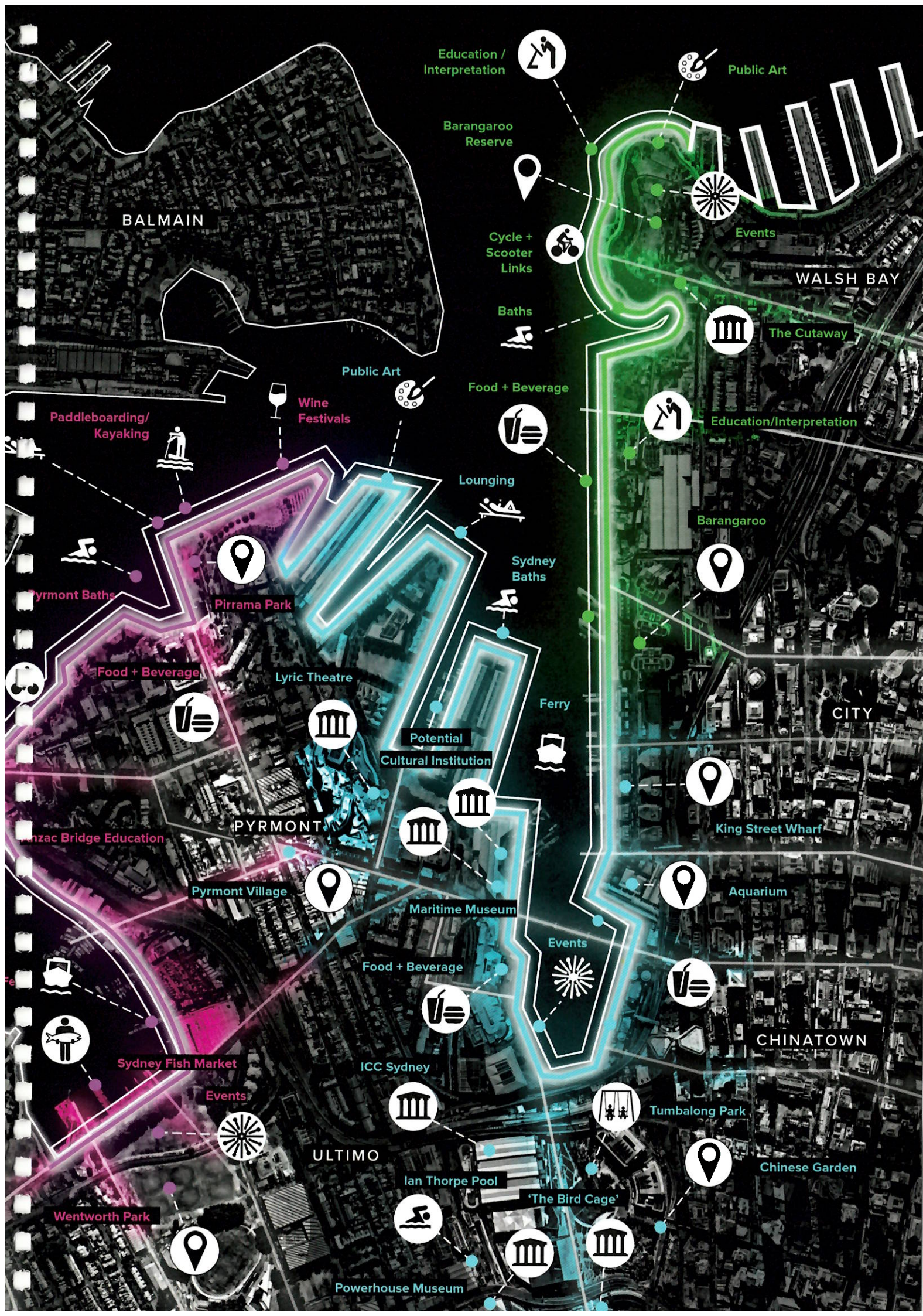
We believe the Western Harbour, achieving its full potential as a shopfront, can have a significant impact on Sydney's prosperity. We thank the NSW Government, the City of Sydney, the WHA and the Greater Sydney Commission for their work to date. And we invite you to join us and be part of this exciting new venture for Sydney

Michael Rose, Chairman,
The Committee for Sydney
The Western Harbour Alliance

VISION

For the Western Harbour to realise its potential as a key strategic and economic asset for Sydney and NSW, by becoming a truly world class waterfront. The Western Harbour will provide the best of contemporary Sydney experiences in one place, as a fully-integrated, officially-designated Entertainment and Tourism Precinct, loved by locals and visitors alike.





THE PROGRAM OF ACTIVITY

Over the next three years the Alliance will work towards delivering several projects, across two key themes: Connectivity and Legibility, and Activation.

Several projects have been designed to address the key challenges identified through a range of, forums, planning projects, consultations, research and workshops since 2015. In particular, Connectivity and integrated Visitor Experience (co-ordinated Precinct Activation) have been targeted. The projects will be divided across these two key themed areas which are complementary and overlapping:

“Connected and Legible Precinct” – to improve the visitor experience by more effectively providing enhanced, timely, relevant information and mobility services to, from and within the Precinct, including powerful collective advocacy for the Pyrmont Station on the proposed Sydney Metro West line.

“Fully Activated Precinct” – to raise the profile, awareness and appeal of the Precinct by expanding and improving the experiential content offered, particularly through events.

A desired by-product of these activities will be to establish a clear and compelling identity for the Western Harbour in the eyes of locals and visitors. The activities will be delivered with deliberate emphasis paid to this outcome. The Program proposes to deliver the following projects over the next three years:

A CONNECTED AND LEGIBLE PRECINCT



Total indicative spend (3 years) \$4.38m (net \$1.94m); Year 1 \$1.2m (net \$0.84)

- 1 Development of digital wayfinding system for the Precinct, that may comprise
 - a dedicated Western Harbour app and/or
 - a dedicated Western Harbour website and/or
 - functionality and content fed to websites or other platforms developed/managed by relevant authorities and/or Precinct participant organisations
- 2 Development and implementation of a multi-model on-demand intra-precinct transport pilot project in partnership, as a basis for establishing a permanent service. This would comprise:
 - Small ferries
 - Light rail
 - Land based shuttle services
 - Ride share cars, and potentially electric bikes and scooters
- 3 Drive powerful collective advocacy for the inclusion of a station at Pyrmont, on the proposed Sydney Metro West line.

FULLY ACTIVATED PRECINCT



Total indicative spend (3 years) \$6.47m (net \$2.24m); Year 1 \$2.39m (net \$0.64m)

The Program will implement a strategy that builds upon the strong cultural offer in the area, to use better co-ordinated and custom-designed event content to encourage increased footfall, visitors, stay-time and spend in the area.

- 1 The means for Precinct participants to collaborate effectively in planning, leveraging and cross-promoting existing events in the Precinct, including a consolidated live calendar, and operational support to encourage and enable joint activations
- 2 Plans to support and enable Precinct-wide planning, leveraging and cross-promotion of an identified small set of existing profile events (such as Vivid Sydney and Lunar New Year)
- 3 A new major signature event for Sydney, and new Festival anchored in the Western Harbour, with its first edition targeting September 2020.

SYDNEY HARBOUR OF LIFE FESTIVAL

Significant preliminary planning and consultation around a proposed new Festival has led to the design of an annual showcase and celebration of all things in, on and under Sydney's world famous harbour. The Festival – working title “the Sydney Harbour of Life Festival” – is being developed around three lead themes: Lifestyle, Seafood and Fish and Fishing. Supporting content themes will follow, around “Eora”, Gateway/Port and Sustainability. It will feature large scale entertainment, participation, exhibition and conference content, with bespoke feature attraction events including a major floating installation, Fish Market “Big Catch & Cook” (100 seafood BBQs) shows, a fishing competition to try to catch a “million-dollar-king fish”, a Fishing Expo and major international business events such as the World Oceans Conference.

The Festival program will also feature mass participation swimming and stand-up paddle-boarding in the Western Harbour, and the Precinct's 7km harbour front will be activated with an Eora sculpture walk, a fun-run, and even landscape painting events.

A partnership with Destination NSW and the City of Sydney will be sought, to provide stable event ownership/governance and marketing and operational support and investment.

TARGET OUTCOMES & STAKEHOLDER BENEFITS

The program will seek to deliver meaningful, measurable benefits to a range of stakeholders.

Key benefits of the program include:

- Increase visitation levels
- Increase dwell duration and expenditure
- Increase awareness of the Precinct as a destination and of key venues and attractions
- Increase qualitative measures of perceptions and experience of visitors, residents and workers in the Precinct

All activity delivered through this Plan will be measured against Key Performance Indicators that will be set with reference to these baseline levels.

The following benefits are anticipated for Western Harbour Precinct Stakeholders:

CORPORATE OCCUPIERS AND EDUCATIONAL INSTITUTIONS

- Boost talent attraction
- Reduce staff turnover
- A strong business voice on issues that matter to you in your business location.
- An enhanced, more accessible and legible environment for visiting clients
- Encouraging collaborative opportunities between business and academia
- To work with academia on specific research projects and develop a knowledge based quarter within and around the Western Harbour
- Provision of services and facilities for the student population
- To study in a vibrant safe and attractive part of the city

RETAILERS

- Improved awareness of the Precinct and its range of experiences and offerings
- Increased footfall and “dwell” time, especially throughout quieter periods
- Increased consumer spending, for all sizes of retail operator across the Precinct.
- Pre-visibility of events and activities across the Precinct for cross-promotional opportunities
- A cleaner and safer trading environment
- An enhanced retail offer
- Sustained investment in the Precinct area throughout the program period

TOURISM, HOSPITALITY AND LEISURE OPERATORS

- Attract visitors to stay longer and return
- Assist visitors and tourists to easily and quickly locate key sites and experiences
- Enhance and extend visitor experience and engagement
- Collective promotion of the visitor offer through an always-on seasonal marketing and events programme
- Position and promote the area nationally and internationally as a quality location

RESIDENTS

- Improved transport, walkability and way-finding
- A more vibrant and prosperous community

AN INNOVATIVE BID MODEL

TRIALING AN ADAPTED “BUSINESS IMPROVEMENT DISTRICT” (BID) MODEL FOR THE WESTERN HARBOUR PRECINCT

Business Improvement Districts (BIDs) operate effectively in more than 3,000 precincts across North America, the UK, New Zealand and South Africa. They provide a mechanism whereby operators and/or land owners in a defined district can deliver a layer of value-added activity to enhance the function, appeal or productivity of the precinct, over and above what state or local authorities are able to provide, by each making a relatively modest contribution towards funding an agreed budget for that program of activity.

BIDs function on a volume-based model. The individual contributions are small (small businesses might contribute, say, \$250 per quarter), but the large volumes of businesses enable such modest contributions to aggregate into a meaningful operating budget.

There are three key differences in the Western Harbour, which require some customization of the standard BID model:

- 1 Formal BIDs require legislation to oblige all the constituents in a defined precinct to contribute, as long as more than 50% vote to adopt the proposed program. There is no such legislation in NSW, so the Western Harbour BID would be voluntary, and would therefore need to represent sufficiently compelling value to the potential participants to elicit their participation and investment

- 2 While the program of activity proposed for the Western Harbour is over and above what state or local authorities are currently able to provide, the proposed layer of value-add from business in the Western Harbour relates as much to strategic prioritisation and co-ordination as to resourcing. The BID vehicle is expected to provide strategic focus and co-ordination, but the program costs are expected to be shared between the BID member businesses, and the relevant Government departments and agencies.

- 3 The Western Harbour BID would be a national-first trial. As such it will be structured to inform consideration of the future applicability of a formal BID model in the Western Harbour and other relevant precincts across NSW.

There are at least an estimated 1,000 small, medium and large businesses operating in the Western Harbour Precinct. For illustrative purposes only, if the 1,000 eligible businesses were configured as 900 small, 70 medium and 30 large, and the levy was \$1,000 per annum for small, \$25,000 for medium and \$50,000 for large, a BID-style arrangement would generate \$4.15m per annum if fully subscribed. This revenue would be sufficient to cover the full set of costs and revenues that would be generated by the proposed program of work each year. Depending on the extent to which businesses in the Precinct participate, options would be created to, in consultation with the stakeholders, (i) proportionally reduce the levy; (ii) reduce requirement for government funding; (iii) increase or accelerate the program of work; (iv) a combination of the above.

GETTING INVOLVED

"BID PILOT" APPROACH FOR THE WESTERN HARBOUR

In December 2019, NSW Government formally announced their intention to conduct a three year trial of the adapted BID model for the Western Harbour. The trial will start on July 1, 2020, with a voluntary BID levy, following finalisation of the trial design. NSW Government also intends to appoint a Director of Precincts for the Western Harbour, who would join the proposed BID Board.

An expanded set of Alliance foundation members, in partnership with State and Local Government, would fund a "launch campaign" in the first half of calendar 2020. The objectives of this campaign would be to (i) validate the budget assumptions related to potential government agency funding for proposed program activities; and (ii) seek voluntary contributions from Precinct businesses, based on the proposed program of work.

POTENTIAL GOVERNANCE TO OVERSEE PROGRAM IMPLEMENTATION

The Program would be implemented at the scale enabled by the funding secured. The Program elements and the extent of their implementation would be determined based on a prioritisation process overseen by an oversight board for the Western Harbour.

The oversight board could comprise some members of the Alliance, and the Western Harbour Director of Precincts. It will be chaired initially by the Committee for Sydney, and observers will be invited from the City of Sydney and a local community organisation.

After an initial establishment period, the board may evolve to a more formal structure, with representatives from across all sectors within the Precinct area to ensure balanced representation around the table.

The BID would be administered by a small team, commensurate with the scale and nature of the agreed program of work.

JOIN THE WESTERN HARBOUR BUSINESS IMPROVEMENT DISTRICT

NSW Government and the Western Harbour Alliance are inviting foundation members to join the Western Harbour Business Improvement District trial.

In addition to the general, precinct-wide benefits and outcomes of the proposed program outlined above, foundation members can also expect:

- Regular, timely information on and participation in all aspects of the Program of Work
- Advance exposure to “what’s on”, digital wayfinding and on-demand transport websites/app functionality and content
- Presence in the “what’s on”, digital wayfinding and on-demand transport websites/apps once operational
- Advance access to the precinct-wide co-ordinated event planning tools and processes
- Access to planning data used to inform precinct, mobility, connectedness and activation programs
- Advance access to tickets and hospitality for new and existing precinct events
- A voice in the program and governance of the BID and the trial
- Advance access to trial work in progress reports and trial results

REGISTER YOUR COMPANY'S INTEREST OR SUPPORT, OR SEEK FURTHER INFORMATION AT WESTERNHARBOURALLIANCE@SYDNEY.ORG.AU



CONTACT

For the Committee for Sydney and the Western Harbour Alliance

Geoff Parmenter
Geoff.Parmenter@me.com

James Hulme
James.Hulme@sydney.org.au

Western Harbour Alliance Partners

- Australian National Maritime Museum
- Celestino
- Google
- GPT
- Greateon Development
- ICC Sydney
- IMAX
- Infrastructure NSW
- Lendlease
- Mirvac
- Sofitel/Accor
- Sydney Fish Market
- The Star
- TransDev
- University Technology Sydney

This document has been produced by RobertsDay and Hoyne, in consultation with members of the Western Harbour Alliance. The work has been compiled in close collaboration with the Western Harbour Alliance, however all the content in the document might not be endorsed by all individual members of the Alliance.



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