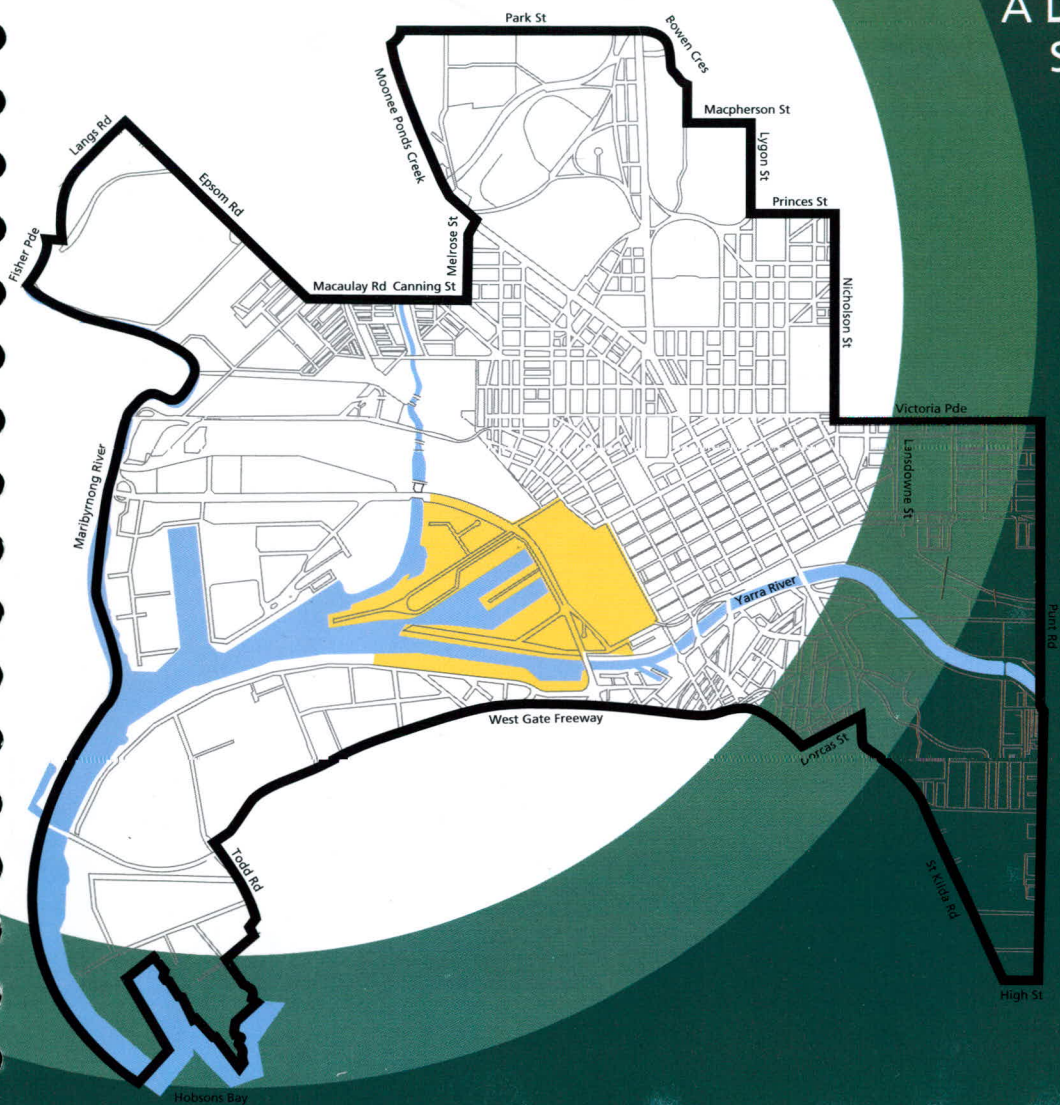


# The Governance of Melbourne Docklands

A Discussion Paper  
September 1998



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# **The Governance of Melbourne Docklands**

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## **Green Paper**

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**Docklands Advisory Panel**

**The Hon. Sir Rupert Hamer  
The Hon. Brian Howe  
Professor Cheryl Saunders**

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## **Introduction**

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Melbourne Docklands is one of the most significant redevelopment projects to be undertaken in Melbourne. It is both exciting and challenging. It is remarkable for its scale (involving some 220 hectares of land), its close proximity to the Central Business District and its seven kilometres of frontage to the Yarra River.

In recognising the importance of the Docklands to the future prosperity of Melbourne, the City of Melbourne appointed an independent Advisory Panel to review issues relating to the future governance of the area. The Panel has been given an open charter to determine what Docklands governance arrangements would be best for the City as a whole. The Terms of Reference for the Panel are included in Appendix 1.

This Green Paper has been prepared as a basis for public consultation in regard to the future governance arrangements for the Docklands. Its purpose is to identify the key issues and to raise options for consideration by interested parties and the public. You are encouraged to comment on these issues, or other matters you consider relevant, and to express your views on the principles which should apply to the future governance of Melbourne Docklands. In the light of the responses, the Panel will evaluate the options, identify a preferred mechanism for governance of the Docklands and analyse and explain the issues which arise. The Panel's final report will be presented before the end of 1998.

Submissions on this paper must be received by 9 October 1998 and can be sent to the Panel at the following address:

Docklands Advisory Panel  
C/ Mr. Jim Gifford,  
Governance Services,  
City of Melbourne,  
GPO Box 1603M,  
Melbourne Victoria 3000

The Docklands Advisory Panel welcomes your contribution to this important discussion.

**The Hon. Sir Rupert Hamer**  
**The Hon. Brian Howe**  
**Professor Cheryl Saunders**

***Members, Docklands Advisory Panel***

## **Executive Summary**

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The Docklands represents a major urban redevelopment opportunity for Melbourne, with the capacity to transform old ports and railway land into a prime waterfront development adjacent to the Central Business District (CBD).

Development of the area is currently being managed by the Docklands Authority, which has been established under its own Act of Parliament. It has been given extensive powers to ensure the effective and efficient implementation of the Government's vision for the area. As the project approaches implementation however, it is timely to consider what the ultimate arrangements for governance of the Docklands will be and the role, if any, which the City of Melbourne will play.

This Green Paper aims to explain the issues involved in relation to the future governance of Docklands and to encourage public consideration of possible options. To this end, it outlines the history and development of the Docklands area, and describes the developments currently proposed. It also describes the governance functions which must ultimately be performed for the Docklands. At least in part, these are affected by its status as an area within the Capital City, its proximity to the CBD and its inevitable relationship with the City of Melbourne, whatever governance arrangements are implemented.

The Green Paper documents a number of issues that are considered relevant to a decision about the future governance of Docklands. These include:

- The need to ensure effective management and coordination of the Docklands development.
- The relationship of the Docklands with the CBD identifying the degree to which the Docklands may be in competition with the CBD.
- The extent to which cross-subsidisation may arise in the provision of government services.
- The need for coordination in the marketing and promotion of the Melbourne.
- The physical integration of the Docklands with the rest of the CBD.

- The social integration of Docklands, and its likely needs in respect to human services.
- Issues of representation and participation of residents and businesses in the future governance of Docklands.

In addition to examining Melbourne Docklands issues, the Green Paper surveys experiences in other cities, both in Australia and overseas. It describes the way other development projects have been managed and governed and seeks to identify lessons that can be gained from these comparisons.

Having discussed the range of issues that may impact on a governance decision, the Green Paper outlines five feasible options for governance of Docklands. These five options are:

- A. Establishment of a New Docklands municipality with the powers and functions of any other Council.
- B. Establishment of a permanent Docklands Statutory Authority, which might be the successor of the current Docklands Authority.
- C. Immediate transfer of governance to the City of Melbourne with the Docklands Authority retaining its developer role and the Council regaining its municipal functions.
- D. Transfer of governance over the Docklands to the City of Melbourne on completion of the development, which is currently anticipated to be somewhere between 2023 and 2036.
- E. Progressive transfer to the City of Melbourne, in a staged or functional manner, over the duration of the development.

Written responses are sought from interested persons to the matters raised in this paper. The Docklands Advisory panel will consider all responses before a White Paper on Docklands is prepared. The White Paper will present a recommended approach for the future governance of Docklands.

# **1. Melbourne Docklands**

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The development of Melbourne's Docklands has been proposed in forward plans for central Melbourne for decades. It began to be realised in 1991 with the establishment of the Docklands Authority. The role of the Authority is to oversee the planning and development process on behalf of the Victorian Government. Works have now commenced on the first stage in the transformation of the former railyards and port land. As it progressively is completed, the Docklands will become a major urban waterfront development for Melbourne that equals the existing CBD in size.

This section of the Green Paper provides a brief overview of the history of the Melbourne Docklands, the vision for the future and the current status of the project.

The Docklands area is shown in Map 1.

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## **1.1 Overview**

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Occupying the area known as Victoria Dock and part of the Spencer Street Railyards, for many years the Docklands area was an integral part of Victoria's port and railways systems. In the early part of the 20th century, the area was thriving and expanding.

Significant changes occurred in the area from the mid 20th century, as advances in modern-day transport began to impact on the nature of port and railway transportation. For example, the 1950s and 1960s saw the progressive extension of the port downstream with the construction of Appleton Dock and Webb Dock. The growth of container shipping and other changes in shipping operations have limited the usefulness of Victoria Dock for port functions. Similarly, there has been a gradual reduction in the need for shunting yards that occupied much of the area to the west of Spencer Street Station. This arose from an increasing reliance on other forms of transport for trade (eg. air and road) and changes in power sources (from coal to diesel) that reduced storage needs.

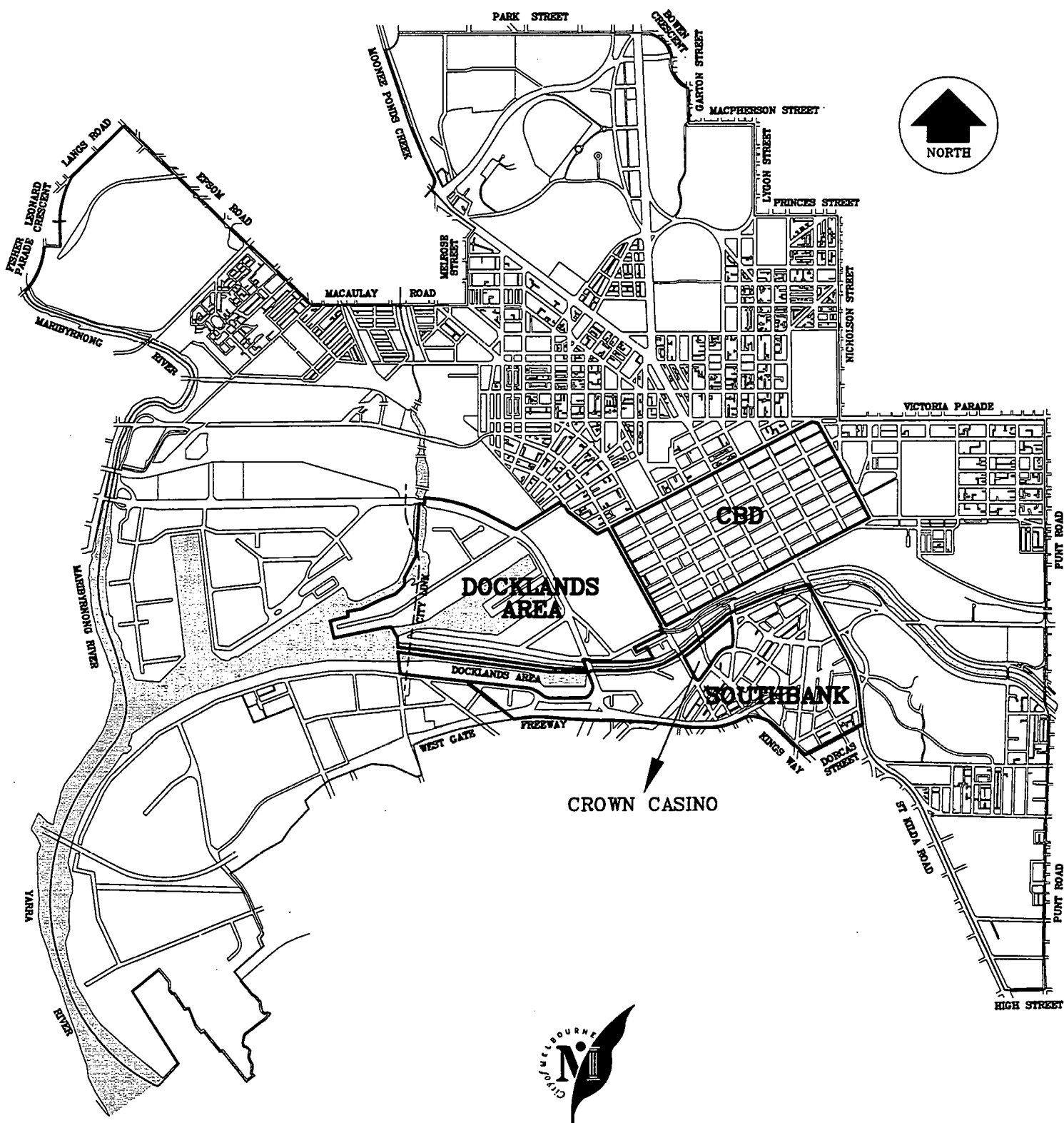
As the focus of the Port moved further downstream, land in the Docklands area was identified as a preferred location for substantial urban redevelopment. Various proposals were mooted in the 1980's, before the establishment of the Docklands Authority by the Victorian Government in 1991.



# Map 1:

## DOCKLANDS LOCALITY MAP

### CITY OF MELBOURNE



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## 1.2 The Vision

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In *Creating Prosperity – Victoria's Capital City Policy (1994)*, the Victorian Government and the City of Melbourne jointly recognised the importance of the Docklands development to the City. The development was considered a unique opportunity to link the City with Port Phillip Bay. It was envisaged that it could mirror and exceed the outstanding success of projects such as Southbank. In addition to its potential to enhance public access, open space and recreation links along the river, the area could increase inner city housing and provide a possible base for expanding high-technology enterprises and tourism attractions.

Premier Kennett noted that *'The timing of its conception at the beginning of the millennium is entirely appropriate. Melbourne Docklands will give one of the world's most livable cities a unique waterfront environment, a playground, a workplace, a tourism destination and an incomparably beautiful place to live'*

On completion, it is estimated that the Docklands will be home to around 15,000 residents. It is also expected that there will be many millions of visitors to the site each year. The area will have a variety of uses that will substantially affect its character and its governance requirements. Day and night uses will vary significantly. During weekdays, the population will largely comprise workers travelling to the area. During weeknights, residents will return home and occupy the area. On weekends, visitors will dominate, using either the stadium, theme park or various restaurants and retail facilities in the area. Overall, the social character of the area is likely to be atypical and fluid. Services and facilities must take account of the needs of residential, business and visitor communities. These needs will emerge as precincts or parts of precincts are developed.

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## 1.3 The Docklands Authority

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The Docklands Authority was created by the *Docklands Authority Act 1991* to promote, encourage and coordinate the development of the Docklands. In effect, it has the task of translating the vision for Docklands into reality. It is a statutory authority, with an eight-member board comprising largely commercial and professional interests with one representative from the Victorian Government. At this stage, there are no representatives of the City of Melbourne on this board.

The City of Melbourne has provided assistance to the Docklands Authority by seconding a Council staff member to work on the project for a period of 18 months. Other Council staff have acted as both specialist advisers and assessors for development bids. All these staff members are required to sign confidentiality agreements which prevent them from divulging commercial Docklands information to other persons, including to the Council or to Council management.

The Docklands Act confers extensive power on the Authority to hold land, arrange for the development of land and associated infrastructure, to lease and sell land and to be responsible for planning in the area. The Authority also has power to impose charges for a wide range of services. It may also open and close roads, administer building controls and make by-laws. The Act therefore effectively gives the Authority many of the functions of a local Council.

The Act provides that the Governor in Council may declare that any land in the Docklands area can become part of a municipal district. Presently, the Authority is required to complete its involvement in the Docklands development by 31 December 2005.

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## **1.4 The Development Process**

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Title to most of the land in the Docklands area was transferred to the Docklands Authority on 28 June 1996. The Authority has divided the Docklands area into seven development precincts; each with its own land uses. Each precinct is subject to separate bidding for development. These areas are shown in Map 2.

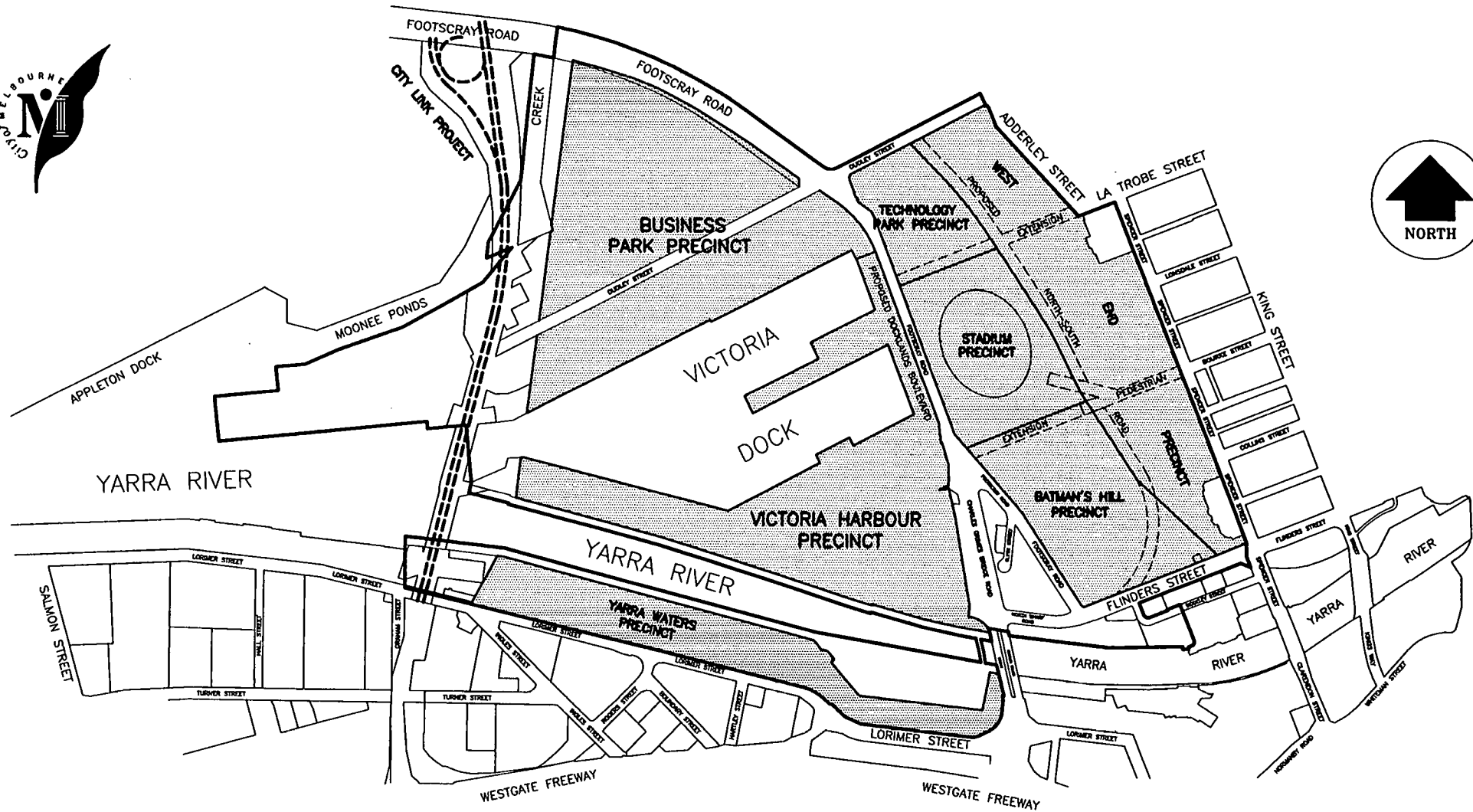
The development of the Docklands consciously emphasises financial viability and market orientation. It is a major objective of the process that the costs of infrastructure provision to the area are funded by developer contributions, relieving the government and the taxpayer of the cost. The selection of developers for each precinct is subject to a two stage commercial bidding process where bidders are first short-listed and then a final developer is selected. Once approved, developments will be progressive, responding to market demand.

Initial expressions of interest for development of five of the precincts were invited in early 1996. Submissions were received from 250 organisations from Australia and overseas. Later, in October 1996, expressions of interest were also invited for the Stadium precincts. Bids were received from 10 consortia. The provision of trunk infrastructure, such as roads, tram works, pedestrian facilities, utilities and drainage services, was the subject of a separate bidding process in 1997.

Table 1 provides an overview of the development of each precinct in terms of its current status and projected completion date. Developers may negotiate extensions of contract timelines in response to market demand. This makes it difficult to specify project completion dates with certainty.

Development of the Docklands will be completed in stages. The Stadium is expected to be open from January 2000, and the Theme Park by 2001. The only other definite contract at this point is the Yarra Waters residential precinct, which is expected to be completed in 2010. Completion dates for other precincts are dependent upon approval dates and individual contracts. It is anticipated that final project completion will not be before 2020.

# MAP 2: DOCKLANDS AREA



**Table 1: PRECINCT INFORMATION & TIMELINE**

PRECINCT	CURRENT STATUS	DEVELOPMENT TYPE	TIMELINE
Stadium	Contract awarded to Docklands Stadium Consortium	Sporting Stadium	Completion January 2000
Business Park	Two preferred developers & contracts anticipated November 1998. Both consortia to integrate. ❖ Entertainment City  ❖ YARRANOVA Consortium	Entertainment/Leisure complex Theme Park, Resort Hotel  24-hour City – residential, industrial, commercial, retail and entertainment sectors	Theme Park open by 2001  12 year staged development. Waterfront to be open in time for Theme Park opening
Victoria Harbour	Contract awarded to Victoria Harbour Consortium subject to meeting certain conditions	Export City Square – 24 hour shop of local & South East Asian goods & services. Healthcare complex, marina berths, hotel & entertainment, low density residential units.	Completion is 10 years from approval
Yarra Waters	Contract awarded to Mirvac Group	Residential, retail, restaurants, commercial, marina & public parks	Completion 2010
Batman's Hill	Two preferred developers shortlisted ❖ Melbourne Tower Pty Ltd  ❖ YarraCity Consortium	World's tallest tower – 560 metres incorporating office space, residential apartments, hotel and retail activity	Completion is 5 years from approval
		Multimedia & entertainment/leisure concept. Includes 'Cyberia' & 'Rollerdome', home-office units	No timeframe indicated as yet
Technology Park	Preferred developer – Tech2000 – withdrawn. No new proposals as yet. Interest from Universities and Business.	Technology & multi-media centre, hotel & residential units are anticipated.	Unknown
Trunk Infrastructure	Contract awarded to Transfield-Powercor Consortium in March 1998	Design and construction of roads, bridges, services and landscaping. Also construction of Latrobe Street bridge and Bourke Street pedestrian bridge to Stadium.	Dependent on precinct.  Pedestrian bridges by January 2000, coinciding with Stadium opening.

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## 2. Likely Governance Requirements for Docklands

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All communities need systems for decisions to be made which affect the community as a whole or in part. This section describes the range of such decisions likely to be required in an area like the Docklands. In a sense, this is the broadest possible definition of *governance*. In compiling it, the Panel has drawn upon the functions generally performed by local government, the additional capital city role of the City of Melbourne and its own expectations of the particular needs of the Docklands area.

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### 2.1 Service Provision

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Local governments provide a range of services for their communities. The main ones are described below.

#### Human Services

Local Governments provide a number of human services. These are targeted according to need and coordinated with services provided by other levels of government.

Human services generally provided by councils include:

- Library services
- Meals on wheels, home help and carer services for the aged and disabled
- Child care, maternal and child health, and family counselling services
- Youth support services and facilities
- Recreational facilities and programs
- Community arts and support for cultural activities

Councils may also provide other services in response to identified local needs. The City of Melbourne, for example, conducts extensive City safety programs and programs for homeless and disadvantaged people.

#### City Infrastructure

Local governments commit significant proportions of their resources to the development and maintenance of essential infrastructure assets. This usually includes maintenance and improvement of roads, pavements, drains and bridges; professional monitoring, engineering design and planning coordination of all works; maintenance of areas of public open space, including parklands. The City of Melbourne plays a major role in maintaining the City's extensive and internationally recognised parks and gardens.

Local governments also initiate, fund and undertake new infrastructure projects. In the City of Melbourne in recent years, this has included involvement in major projects such as Federation Square and Riverside Park, the Turning Basin and other areas of the Yarra River northbank.



## **Environmental Services**

Local governments provide services to make their environments safe and livable. These include:

- Refuse collection
- Recycling services
- Traffic planning and management
- Street cleaning
- Tree planting and watering
- Public lighting

## **City Promotion and Marketing**

Local governments promote their municipalities to wider audiences. Such promotion takes many forms, depending on local needs and characteristics. It aims to support the growth of business and employment as well as enhancing the municipality's appeal as a place to live or visit.

Marketing and promotional activities of the City of Melbourne which could expect to be relevant to the Docklands include the following:

- Joint funding of the Melbourne City Marketing Board with a focus on promoting Melbourne as the pre-eminent retail, leisure, business and visitor destination in the region.
- Direct support, funding and coordination of major City festivals and events, such as Moomba, the Melbourne International Festival of the Arts, the Comedy Festival and the Melbourne Osaka Yacht Race and the Yacht Race festival (which is held in the Docklands).
- Civic and ceremonial roles, including receptions, welcoming VIPs, international promotion through Sister City programs and support for business and trade delegations.
- Visitor information centres and information material.
- Business support and encouragement through the Small Business Development Fund and Business 3000.

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## **2.2 Planning and Coordination**

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In addition to their service delivery functions, local governments also exercise planning and coordination roles within their areas. This serves two purposes: to support complementarity in land use development and in the location of activity, and to ensure that local government services are appropriately targeted and coordinated across service categories.

Typically, the range of local planning activities is extremely broad. Local councils necessarily prepare formal local plans relating to urban and economic development as well as undertaking other planning responsibilities in relation to other matters, such as community development, traffic planning, environmental planning, and recreation planning.

It is noted that, while many services are now delivered by external agencies under contract, local governments themselves still retain ultimate responsibility for the planning and delivery of these services.

Associated with their service planning roles, councils are generally a key source of information about their local areas. They are used by community organisations, developers, students, government agencies and members of the general public as sources of various information regarding physical conditions and human activity within their areas.

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## **2.3 Regulation**

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In addition to their planning and service delivery roles local governments are also engaged in legal regulation in the exercise of authority conferred under several State Acts of Parliament.

These regulatory functions include:

- Administration of local planning, including the determination of town planning applications and planning scheme amendments, and the enforcement and prosecution of illegal uses and developments (Planning and Environment Act 1987).
- Registration and inspection of food premises and, where necessary, enforcement of health standards (Food Act 1984 and Health Act 1958).
- Building approvals, inspections and enforcement of standards for building safety and fire risk and the issuing of certificates of occupancy (Building Control Act 1993).
- Traffic management and safety, and the implementation of parking controls (Road Safety Act 1986).
- Administration of aspects of the Subdivision Act 1988, including certification of applications for subdivision.
- Control of street trading and resident parking, under the Local Government Act 1989
- Control of building works, road openings, mobile cranes, hoardings and scaffolding under the Local Government Act 1989.

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## **2.4 Local Government Funding**

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The traditional source of funding for local government services is through the levying of property rates. These rates are a tax on property ownership in a municipality that is levied at a defined rate per dollar value of property owned. Other sources of funding include service fees and fines, as well as government grants, although grant funding to the City of Melbourne is not significant.

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## **2.5 Melbourne's Capital City Role**

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In addition to its normal local government functions, the City of Melbourne undertakes some activities that derive from its status as the Capital City of Victoria. This status derives from the city's roles as the centre of government and business for the State, the location of the state's primary cultural and sporting facilities and the State's main centre for national and international visitors.

Additional functions of the City of Melbourne that are related to its Capital City position include the civic and marketing roles described previously, as well as the Council's responsibilities to maintain the City environment and infrastructure to an appropriate international standard. In addition the Council works in partnership with the State government in planning and developing the City, including partnership roles in major initiatives such as Federation Square.

The importance of Melbourne's Capital City role was re-emphasised with the boundary restructure in 1993. The changes were designed to enhance the Council's Capital City role and include major Capital City assets within its boundaries. This resulted in the inclusion of the Port of Melbourne, Southbank and the Showgrounds, but excluded some predominantly residential areas that previously formed part of the municipality. The boundary changes also saw the inclusion of the Docklands area south of the Yarra into the City of Melbourne, along with the larger portion that has been in the municipality of Melbourne since 1905.

The new structure for Melbourne was linked to the Agenda 21 program and the Minister for Local Government, Roger Hallam explained the changes saying; *"We need to show the world exactly what Melbourne stands for and that can best be done when the management and development of our major assets are consolidated as much as possible into one municipality and not excluded because of artificial or outdated lines on a map."*

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### **3. Key Issues for Consideration**

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The assessment of alternatives for the governance of the Docklands requires consideration of a number of issues. The evaluation of these issues will assist in establishing objectives for the governance of the Docklands and in determining what is best for the City and the community as a whole.

Issues identified in preparatory consultations are presented in three groups below:

1. Mechanisms to ensure the effective development of the Docklands area itself,
2. The multi-faceted relationship of the Docklands to the rest of the City, and
3. The relevance of participation and representation for future occupants of Docklands.

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#### **3.1 Effective Docklands Development**

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In developing a model for governance, weight should be given to ensuring the comprehensive and effective development of the Docklands area. The mechanism used to develop the project to its present stage is a single purpose authority with broad ranging powers and a limited tenure. The general principle behind an organisation such as the Docklands Authority, is that a single authority can combine a number of roles to ensure a consistent and economically viable approach to development.

Development is not just physical but social and economic, and residents and business occupiers generally have a range of needs that must be addressed as soon as they move into an area. This is an argument for more broadbased local governance at an early stage. Dealing with the competing needs of different groups is the normal practice for local government, and its experience in this regard helps it to balance competing claims. In fact, it can be argued that the resolution of these conflicts is a fundamental reason for the existence of that level of government.

From a different perspective, there may be a concern that the involvement of local government before development is complete will lead to conflicts with the development authority that could stymie progress. This would be a danger if a council did not share the project objectives or accept the direction that has been set by the State Government and implemented by the development authority, for example. Conflict of this nature would undoubtedly lead to delays in the development process. It could also undermine the public credibility of the project and create uncertainty in the market, which can have serious implications for a project which relies on market perceptions for its success.

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## 3.2 City – Docklands Relationship

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The Docklands and the CBD are similar sizes, share common boundaries and will interrelate in a number of ways. The success of that interrelationship will be of fundamental significance both for the success of the Docklands and for the future of the City as a whole.

The following identifies some aspects of the future relationship between the two areas which should be taken into account in defining any form of governance arrangements.

### **Economic Competition**

The development of Docklands is a market driven process. This means that demand plays an integral part of determining both the composition and number of developments constructed. From the outset, the Docklands Authority established the principles of competition within the development process. Bids were invited and potential developers competed with each other in terms of design, costs, services and infrastructure in each precinct.

There is a question regarding the extent to which Docklands will need to compete for residents, retail customers, office space and/or investment, and differing views have been expressed about the degree to which the Docklands will be in direct competition with the CBD. In July 1998, a report by Access Economics queried whether there would be sufficient demand for all the proposed Docklands developments, and suggested that the Docklands would need to attract tenants away from the CBD. More recent analysis by JLW Advisory, on behalf of the Docklands Authority, argues that Docklands will comprise only a small proportion of total demand for inner City office, retail, residential and hotel floorspace over the period of the development.

The value of such projections is limited however. The Docklands project will not be completed for another two or three decades, in which time the property market should see at least two complete cycles. The issue for this review is to evaluate what effects different governance arrangements would have over the duration of the project.

Will separate governance agencies find themselves in competition for tenants in their parts of the City? Evidence suggests that in circumstances of low demand for new office space, for example, governance authorities might compete in attracting developers and tenants through the provision of incentive schemes, which could possibly exacerbate oversupply in the process.

The 1996 Industry Commission (now Productivity Commission) report *State, Territory and Local Government Assistance to Industry* indicates how local governments have been involved in direct bidding for investment projects, notably between areas with similar physical or economic features. The report highlights the possibility that firms 'play off' areas against one another in order to realise the best deals, and raises concern about possible outcomes of excessive bidding wars that may negatively impact upon an economy, encouraging inefficiencies and unnecessary costs for all parties involved.

There are a number of examples that can be considered when assessing the effects of competition between areas. New York City and Jersey City are located adjacent to each

other, however they are in different states with separate municipal governments. Jersey City has offered substantial tax breaks to businesses, abolishing payroll tax, city sales tax, taxes on commercial leases and corporation tax. This has contributed to a reported 95% office occupancy rate. Jersey City now boasts that over \$1 billion in private investment will flow into the City over the next two years. Comparable figures for New York City are difficult to obtain, but reports indicate that Wall Street will suffer the consequences as large corporations move to Jersey City. New York City has responded by cutting their tax rates in an effort to lure business back to Manhattan and the City.

In the London Docklands, the London Docklands Development Corporation (LDDC) offered ten-year rate holidays in order to attract developers, leading to a period of competition with the Corporation of London to attract developers and tenants. It is worth noting that in 1998 when the Docklands was returned to the London Boroughs, with the rate holidays still in place, it became necessary for the UK Government to subsidise the Boroughs for the additional costs incurred in undertaking their municipal roles in the Docklands.

In Victoria, the incentive that has traditionally been offered to attract investment at a local government level is rate relief. In Victoria, the *Local Government Act 1989* indicates that a council can offer a rebate or concession in rates to a particular development. Waiver of statutory fees has also been used, however, in relation to the cost of a major development, such fees in some instances are relatively minor. 'In kind' assistance is perhaps a more widely used means of assistance by local governments in the form of information and facilitation of statutory approvals.

The economic circumstances of specific areas would be expected to influence whether a situation of competition arises. However, even if it does, it must be questioned whether this is a problem or whether it provides an opportunity for the City? Therefore, key issues are:

- *To what extent will the Docklands compete with the CBD?*
- *Is competition between Councils or Authorities a likely outcome if a separate Docklands municipality is created?*
- *Would competition create benefits for the City as a whole? What might some of the benefits be, and how could they be maximised?*
- *What costs or disadvantages might result from direct competition? How could these be addressed or alleviated?*
- *What could be the benefits of cooperation compared with competition? Are they mutually exclusive?*

### **Cross- Subsidisation**

The consideration of municipal structures and boundaries often raises the issue of who pays for services not provided directly to a stakeholder.

The Australian public may generally accept that some degree of subsidisation is acceptable in taxation so long as it either serves a social benefit, such as tax benefits for research and innovation, or is justified on social justice grounds, such as lower tax rates



for low-income earners. However, the willingness of people to accept taxation regimes that are arbitrarily distorted is doubtful.

In relation to municipal rates, distortions can occur in two main ways:

- As rates are paid on the basis of property values, people or organisations with property of greater value pay higher rates. This can be regarded as equitable in that people with lower valued property assets pay lower rates.
- To the extent that municipal boundaries are arbitrary, differences in rate levels between municipalities can represent disproportionate tax burdens. This can often be justified by the different levels of service between municipalities.

Scope for distortion, leading to cross subsidisation, might occur where the City of Melbourne undertakes major activities in support of the Capital City that also benefit Docklands. This might include:

- provision of significant capital works that add value to the Capital City (including Federation Square & Riverside Park, the development of the Turning Basin and other parts of the Yarra River northbank;
- maintaining substantial City assets and public land including most of the City's major parks gardens, boulevards and squares;
- provision of many marketing and promotional activities that benefit the entire City. This includes funding festivals and subsidising and coordinating many City events. The Council also contributes to the direct marketing of the City through its contributions to the Melbourne Convention and Marketing Bureau.
- Council also undertakes many ceremonial roles for the City - (Citizenship ceremonies, overseas delegations and related activities).

In addition, major events and substantial new public facilities serve the wider metropolitan community and visitors to the City. Economic benefits from some activities are substantial, for example, it has been estimated that the Melbourne International Festival results in flow-on benefits of some \$20 million. These benefits accrue to businesses in the City and in other locations where people may stay, eat or visit.

Cross subsidies are especially relevant in this review as many of the property owners and businesses in the Docklands may be in direct competition with owners and businesses in the rest of the City of Melbourne. Further, if the Docklands was to be governed by another Council or statutory organisation, the comparative financial responsibilities of the organisations will affect their abilities to support their respective stakeholders.

Another factor affecting the relative municipal costs of Docklands and CBD ratepayers is the cost of servicing non-rateable land. Over one third of the properties in the City of Melbourne (by value) are currently exempt from Council rates because they are government owned or used for some public or charitable purpose. The municipal service costs associated with these properties are paid by existing City of Melbourne ratepayers. The extent to which Docklands does or should benefit from services and activities provided by the Melbourne City Council, and the extent to which it should contribute to the costs of these, are relevant to the future governance arrangements of the precinct.

- *Should some services provided by the City of Melbourne provide shared benefits to both Melbourne and Docklands?*
- *Should Docklands stakeholders contribute to the cost of activities and services that they benefit from or directly use?*
- *Is it preferable that Docklands be sheltered from some shared costs to enhance its economic viability during development?*
- *If Docklands does contribute to shared costs, who should decide contribution levels?*
- *How could such contributions be collected if Docklands is not part of City of Melbourne?*

## **City Marketing**

The City of Melbourne has a significant commitment to City marketing, and its involvement in marketing and promoting Melbourne has been described previously in section 2.1.

It is noted that the Docklands Authority is also actively engaged in marketing its area and, for as long as the Docklands remains a separately administered area, it is expected that these marketing roles will continue.

An important question therefore is "Is it better to have one marketing program for Melbourne, or separate programs for the CBD and Docklands?"

It might be regarded as important that the Docklands continue to have its own marketing to ensure its establishment as a viable location for investment and activity. The Docklands might be seen as an unique and different part of the City and a broad City marketing program may not be sufficient for the Docklands needs.

From the alternative viewpoint, there may be several negative consequences of separate marketing efforts:

- Firstly there may be scope for considerable waste and duplication. It is noteworthy that while the Council is planning to establish an international standard visitor information centre at the gateway to the City in Federation Square, the Docklands Authority is also establishing an international standard visitor information centre at the gateway to the City in Docklands.
- Associated with duplication is a potential for inconsistent, and even conflicting, images of Melbourne to be presented by the organisations governing two parts of the same City.
- Finally there are the lost opportunities. If the City and Docklands are complementary to each other, a single and coherent marketing program, with a common branding, that allows each aspect of the City to support and enhance the other could have major benefits for Melbourne and Victoria.

While it clearly would not be impossible for two neighbouring governments to cooperate in their marketing activities, there have been many years of work in Melbourne in integrating the marketing efforts of the State Government, the Council and the private sector to produce a coordinated and consistent marketing program for the City. In the event that a separate governing body is established for the Docklands, current marketing arrangements may need to be revisited.

- *Should Melbourne have a single brand, or image, or are there benefits to be gained from competition in marketing?*
- *How will overseas investors and potential visitors react to receiving different sets of marketing for Melbourne?*
- *Is the Docklands an unique area which needs different marketing to the City or, are they compatible?*

### **Physical Integration**

If the Docklands and the CBD are to be complementary in the longer term, issues of their physical integration need to be addressed. This covers matters of coherence in planning and design as well as the coordination of infrastructure development and its maintenance after completion.

The Docklands has been promoted by the Victorian Government and the City Council as an extension of Melbourne's CBD. For this to occur it will be important to provide clear public access between the two areas. The number of north-south barriers between the areas complicates this access. These include existing barriers in King Street, Spencer Street and the railway station, as well as the proposed new north-south road to be constructed immediately to the West of the existing rail yards and likely to be designated a State highway. Access will further be compounded by the financial necessities that require initial development to occur in areas to the West of the rail yards, leaving the West End precinct development (over the rail yards) to be completed last.

Transport linkages between the CBD and Docklands are planned. It is intended to extend LaTrobe Street through to the current Footscray Road, and construct a pedestrian bridge as a continuation of Bourke Street, giving access to the Docklands Stadium from the CBD and the railway station. It is also planned to extend a City tram route through the Docklands. Irrespective of these links, some concerns may remain about the visual and access impacts of the significant north-south barriers.

As the Docklands develops, it is expected that the increased focus it gives to the Western end of the CBD will see changes to the character of the area between King Street and Spencer Street. Development of this part of the CBD, which is outside the Docklands area, will be important for the long-term integration of the Docklands with the CBD. Other areas that may be affected by the Docklands development include industrial areas in Fishermans Bend that border on the new residential precinct of Yarra Waters, and areas of North and West Melbourne that will border the West End precinct.

Ensuring effective development, that integrates the Docklands into its surrounding areas, will require coordinated planning that crosses the current Docklands/Melbourne divide. These planning issues will need to be addressed by whoever is given governance responsibilities for the Docklands, and if that is different from the City government, intergovernment coordination issues will also need to be addressed.

Coordination is also a relevant consideration in relation to infrastructure works and servicing. This can relate to facilities such as roads, pedestrian areas, public open space, drainage and sewerage systems and public transport in terms of maintenance of existing infrastructure as well as the augmentation or implementation of new services.

There are two main issues of relevance to infrastructure maintenance:

- Firstly, there is the issue of consistency of standards
- Secondly there is coordination of infrastructure maintenance.

The design of infrastructure raises issues about the standards to which they should be designed. Should they comply with the remainder of the drainage or road network for which standard design criteria apply through the City of Melbourne, or is there scope for the implementation of alternative standards? As a general rule, the maintenance costs of any particular category of infrastructure will be higher where varying types and standards have been applied in initial design and construction. Different types of pavement, for example, will require different skills and equipment to maintain, resulting in higher service costs.

It might be noted, in this context, that varying infrastructure standards could have impacts on the visual character of an area, further detracting from visual integration with surrounding areas.

In regard to coordination of infrastructure maintenance, the need to ensure consistency in decision-making and minimise duplication is well documented. As a general rule, the more organisations involved in maintaining an area, the greater the coordination difficulties.

While the ongoing maintenance of infrastructure could benefit from scale economies in services with standardisation, given the long lead time for development, it may be that infrastructure standards, for example greater environmental sustainability might justify the implementation of higher standards in a new area like Docklands. Meeting new higher standards may in turn result in different types of infrastructure maintenance needs

At a more detailed planning and policy level, one of the benefits of local government amalgamations has been to foster a greater consistency in decision-making and planning across larger areas. Different policies, local laws, rules and controls applying to the many municipal areas was seen as a particular disincentive to investment and a frustration for many customers. In principle, consistency in planning and decision-making may appear a reasonable objective to minimise risks for both areas of inconsistent or conflicting development. However individual views about the value of competition (if it exists) may lead to a different conclusion. Another view is that forward planning for the City may take account of different governing structures and achieve integration through cooperation.

- *Should owners and developers of land in the Docklands be responsible for the management of infrastructure and those services? If so, how should standards be specified and administered? If not, who should take this responsibility?*
- *What standards should be set for the design of infrastructure and services? To whose specifications should they comply?*
- *Should the City of Melbourne be preparing in any way for the physical integration of the Docklands with the City?*

## **Social Integration**

As half of the Docklands development floorspace will be committed for residential usage, there is likely to be a growing need for a range of human services. Surveys of residents in Southbank and the CBD give an indication of the likely demographic profile of Docklands. These areas have a high proportion of professional people and only 6% of households have children under the age of 12. The average age of residents is around 33 years. The surveys also show that 40% of the population had never married and 13% were under the age of 19 years. Additionally, 7% of people were aged 65 or over, indicating a proportion of older people moving from the suburbs to the City after their children have left home. In regard to the usage of Council services, the Southbank and CBD resident surveys noted that 33% of respondents had used library services whilst other services such as child care and aged services were used to lesser extents.

Most of the traditional human services provided by local councils may not necessarily required in the early stages of the Docklands development, but as the population grows and ages, increased demand for services may emerge. For instance, as young couples start families, they will generate greater demand for maternal and child health services and child care. Equally, as the so-called *empty-nesters* grow older they are likely to require services such as Meals on Wheels or home help.

While it is possible that many human services could be provided by a statutory authority, an integrated approach to service provision could be a more viable solution. Linking into existing City of Melbourne services may provide the most effective means of meeting any new needs. Additionally, as the resident population increases and changes, service levels will need to increase and adapt to developing needs. Benefits of integrating service provision could include cost savings, access to skilled personnel and accurate data to anticipate residents needs.

There is also the additional issue of Docklands residents using services currently provided for City of Melbourne residents (in CBD, Southbank and North and West Melbourne) by the Council. This issue is related to the cross-subsidisation issue indicated previously in the paper. There is a question about how much Docklands residents should benefit from services funded by City of Melbourne ratepayers.

Finally, the experience of the Southbank Residents Association and Residents 3000 indicate that the primary issues of concern to city residents are the impacts of other city developments and parking, as well as concerns about access to community facilities for meetings and events. Residents associations have formed quickly to deal with the pressures of city living and it is likely that residents in the Docklands will respond in similar ways.

The key issues that arise, or questions that can be asked are:

- *What services need to be provided in the Docklands?*
- *Will the market decide which services are to be provided or will some overriding concept of the 'public good' contribute to this decision?*
- *Who should provide or co-ordinate these services?*
- *How should these services be charged for?*

- *Will the atypical demographic nature of the Docklands have implications for its social integration with the remainder of the city?*

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### **3.3 Participation and Representation**

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Any system of governance for the Docklands must be able to meet the needs of those with a direct stake in the area. In so doing, it must also be able to balance often conflicting and sectionalised concerns.

In the traditional local government model, ratepayers elect representatives to advocate their needs. In a statutory authority, stakeholders are represented via the Board or Commissioner's accountability to the Minister and the market. This is often supplemented by specific participatory processes.

If a local council is to be the governing body for Docklands, it will commence with very few actual voters in the precinct. Docklands constituents are mostly only potential constituents at this stage, and if a council was to make decisions about the Docklands now, it would be doing so with little actual representation from the future occupiers. Nevertheless, it may be possible to achieve such representation through other participatory processes. As the Docklands area grows and develops however, there will be an increasing number of residents and businesses with legitimate representational needs.

Community and stakeholder participation in development projects has arisen as an issue in other locations. In London, for example, a major criticism of the LDDC, and of Urban Development Corporations in general, has been the absence of forward thinking whole-of-city approaches to planning issues. The impact of the London Docklands development across the whole of London City on issues such as retailing, housing and employment were not considered by the LDDC. The control of the LDDC over the planning process combined with its lack of consultation with the local community led to a situation where surrounding borough councils to the Docklands area were directly affected by developments while having little say in the form those developments would take. This included issues such as population shifts, increases in traffic levels, impacts on housing, education, health and leisure.

It is necessary to consider whether participation or representation could be addressed by other forms of governance arrangements. For instance, one scenario could be that owners in the Docklands may choose to obtain their services through arrangements with private contractors and could recoup the costs of such services through charges on users/occupiers of their land. They may be in a position to *rent* access to infrastructure (such as water supply reticulation networks), to providers of water, who would pass on the rental costs to users. In such a system, payment of 'rates' to a municipality may be unnecessary, as no services would be obtained from the municipality. In such a system, issues of representation and participation in normal democratic processes of decision-making would need to be addressed through non-traditional (although in some cases well-established) mechanisms such as bodies corporate or similar structures.

Some of the issues that require consideration in relation to participation are therefore:



- *Who are the community of Docklands?*
- *What community needs should be satisfied?*
- *Should stakeholders be represented in a governing body? If so, how? If not, how can participation be encouraged and facilitated to ensure that their needs are addressed?*
- *What other forms of governance arrangements might work in the Docklands?*
- *Should owners/occupiers in areas bordering on Docklands have a say in how Docklands are run (eg CBD fringe, Nth/West Melbourne) – what about the broader Melbourne community?*

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## 4. Models of Governance

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The role of the Panel is to explore how the needs of a 21st century Docklands community can be met in terms of governance. This section of the Green Paper describes five feasible options for the future governance of Melbourne's Docklands and outlines the types of arrangements that have been applied in other Cities.

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### 4.1 What is "Governance"?

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Governance is a broader concept than simply *government*. It describes the mechanisms, processes and institutions that are established to ensure that facilities and services are in place to meet the public interest. Governance can be defined as the nature of the arrangements reached between governments, their institutions, the private sector and the community for the delivery and management of facilities and services, especially those that are not for exclusive private use.

There is no necessarily fixed or best arrangement for effective governance, only a choice of mixed arrangements which appear to best serve the needs and interests of the community in particular circumstances and in relation to particular functions or activities.

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### 4.2 Governance in Other Development Projects

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With an area of 200 hectares, Melbourne's Docklands is somewhat smaller than a number of other major waterfront developments that have been or are being undertaken around the world. A number of examples of projects are outlined in Appendix Two.

The process through which such developments have proceeded has been relatively similar:

- Each has been undertaken under the auspices of a development authority.
- Authorities have been established under specific-purpose legislation with extensive powers relating the planning and development. In some cases, they have also had power to raise or levy funds.

Actual arrangements for management and governance of major urban developments elsewhere in Australia and overseas have varied.

In Australia:

- Sydney- Citywest and East Perth redevelopments have contained a degree of local government involvement throughout the development process and all functions have been transferred to council upon completion of the project.
- In Sydney – Darling Harbour, there are only a limited number of residents, with tourism and entertainment the primary focus of the area. The Darling Harbour

Authority has retained significant power in regard to all services and development and, remains a single-purpose authority.

- Similarly, the Homebush Bay site is primarily a sporting precinct with the Olympic Village a future residential site. The Auburn Council has been involved in consultation with the Olympic Co-ordination Authority and anticipates assuming more responsibility in the future.

Overseas:

- In London, the Docklands area was developed in part by the London Docklands Development Corporation in conjunction with the private sector, without local involvement. As the project progressed however there were increasing pressures on the LDDC to involve local communities in Docklands decision making, and in the past year, governance and planning responsibilities for London Docklands have been returned to the local boroughs.
- In Osaka, the local Council has complete financial responsibility and authority over the development project. The private sector is only involved to a small degree and the government provides all infrastructure in the area.

These examples highlight the variety of governance arrangements that can occur in a redevelopment project. They are designed to provide an indication of both the scope and breadth of development projects and provide possible comparisons with Melbourne Docklands.

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### **4.3 Possible Options for Melbourne Docklands**

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In the Panel's view, there are five feasible options for governing the Docklands that should be considered. These options in no way exhaust the choices facing Melbourne. They have been chosen as the options most likely to be practical in Melbourne's circumstances.

#### **1. A new municipality for Docklands**

Under this model, a new local government authority would be established for the Docklands. It would have its own municipal boundaries and would undertake all the statutory and service roles that have been outlined earlier in section two. Representatives would be elected to this Council in accordance with the *Local Government Act*.

A new municipality could take a number of geographic forms. The Area defined in the Docklands Authority Act might itself become the municipality or, as that is only a small area within the City of Melbourne, it has been alternatively suggested Docklands might be combined with the Port of Melbourne area to form a new municipality.

- *Can the establishment of a new small municipality be reconciled with the objectives of local government reform?*
- *What would be the advantages or disadvantages of this option?*

## **2. A permanent statutory authority for Docklands**

Another model is the use of a statutory authority, which could possibly be achieved by extending the current arrangements of the Docklands Authority and its powers to deliver and manage facilities and services.

Statutory authorities are established under specific legislation and are usually constituted with appointed Board Members or Commissioners.

To date, the Victorian Government's use of statutory authorities has tended to focus on selected, often single-purpose activities, such as the provision of individual services like electricity and water. In these cases, there has been a desire to distance service functions from the politics of the day or for an authority to provide the first step toward the provision of a service by the private sector.

Governments have also established statutory authorities to manage major, one-off projects (such as the Snowy Mountains Hydro-Electric Scheme and Albury-Wodonga Development Corporation) where efficient completion and clear direction are essential.

The establishment of a permanent statutory authority for Docklands might be regarded as a means of retaining strong management control of the area, although the possibility that a development authority that is also the municipal authority may raise concerns about conflicting objectives and public accountability.

- *What would be the advantages or disadvantages of this option?*
- *What would be the relationship between the permanent authority and the City of Melbourne?*
- *What would be the democratic rights of residents and ratepayers?*
- *How would such an authority determine needs and objectives, and how would it resolve competing priorities between constituents'?*

## **3. Immediate transfer of governance to the City of Melbourne**

This option would involve the return of the Docklands to the City of Melbourne in the very near future. The Docklands Authority would continue to exist, but exclusively as a development authority, with the municipal Council regaining all its normal functions.

Under this option, it is expected that the Docklands Authority would retain responsibility for the development of the area, including management of land transfer, selection of preferred developers and related issues associated with the development.

The Council would be involved in providing services to the Docklands area, as needs develop, as well as setting standards and ensuring they are complied with. It is presumed that the Council would need some involvement in the planning for the area. As properties were transferred to developers from the Docklands Authority they would become subject to Council rates, and the owners and occupiers of Docklands properties would become eligible to vote in Council elections.

- *What would be the advantages or disadvantages of this option?*

- *Would an immediate transfer interrupt the development process?*
- *Who should exercise planning controls under this option? The Council, the Authority or the Minister?*

#### **4. Transfer to City of Melbourne on completion**

Under this option, the Authority would retain its control over the Docklands until the project was completed, which is currently projected to be between 2023 and 2036. This enables the Authority to exercise complete control over the development of the area, and to make whatever arrangements it considers suitable for the collection of rates.

The Authority would be the effective municipal government for two or three decades and would need to ensure the provision of the municipal services required by the occupiers of the Docklands, as well as providing for appropriate regulation of planning, building, health, parking and other related activities.

On completion of the project the City of Melbourne would take over all normal governance responsibilities for the Docklands area. Consideration may need to be given to the ownership and maintenance of public infrastructure which is currently subject to contractual arrangements between the Docklands Authority and developers.

As this option would see the number people in the Docklands numbering many thousands before the transfer, and as the Authority will be making decisions that effect the daily lives of residents and businesses in Docklands, it is to be expected that the Authority would need to make arrangements for public participation and consultation in regard to its activities and that it would conform to normal requirements for public accountability.

- *Is a transfer to the City of Melbourne on completion desirable?*
- *What would be the advantages or disadvantages of this option?*
- *Would a statutory authority be able to provide for an acceptable degree of public participation and accountability until the transfer date?*
- *How would the transfer of assets and infrastructure take place?*

#### **5. Progressive Transfer to the City of Melbourne**

This option would see a progressive transfer of the Docklands to the City of Melbourne. There are a number of ways that a progressive transfer could be take place, although these are not mutually exclusive. These include:

- transfer as individual precincts are contracted/signed off;
- transfer as development in all or part of a precinct is completed;
- transfer as works are completed in specific areas (that may be different geographic areas than precincts);
- transfer of functions as required (eg. health approvals, local laws or planning enforcement)
- transfer as areas are occupied and communities develop.

Arrangements for transition might be specified by the State Government in the Docklands Authority Act, or they may be the subject of agreement between the Council and the Authority.

- *What would be the advantages or disadvantages of this option?*
- *How would the respective roles and responsibilities of the Council and the Authority be clarified in the interim?*
- *Who should determine how the transfer occurs, and resolve difficulties encountered?*



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## **Appendix 1: Docklands Advisory Panel Terms of Reference**

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The Docklands is an area within the City of Melbourne that is currently administered by the Docklands Authority under the auspices of the Docklands Authority Act 1991. It has been seen to be implicit in the Act, and supported by past public statements, that parts of the Docklands would revert to Council control at the completion of each development stage, and that the involvement of the Authority would be fully completed by 31 December 2005. As the development of the precinct draws nearer to being a reality, however, the future control and governance of the area is coming under closer examination. It is in this context that the Council's Docklands Committee has established the Docklands Eminent Persons Advisory Panel.

The Docklands Eminent Persons Advisory Panel will

- Undertake a review of matters associated with the future governance of the Docklands,
- Identify possible options for the future governance of the Docklands,
- Liaise and consult with key stakeholders and the wider community, and
- Develop and present a recommended option for future Docklands governance in a White Paper.

The overall aim of the Panel's brief is to *"determine what future governance arrangements will be best for the City as a whole"*.

As part of their brief, the Panel will prepare a Green Paper discussing issues and identifying options, that will be published and circulated as a basis for community consultation. The Panel will also prepare a subsequent White Paper incorporating their final recommendations.

## APPENDIX 2:

### Overview of Other Waterfront Redevelopment Projects

Project	Nature of Development	Managing and Governing Arrangements
London Docklands	<ul style="list-style-type: none"> <li>2,200 hectares in area.</li> <li>mix of residential, service, hotel, restaurant and entertainment facilities. Also includes commercial office space and new transport links with the City – primarily the Docklands Light Rail.</li> </ul>	<ul style="list-style-type: none"> <li>London Docklands Development Corporation (LDDC) designated the managing authority over the Docklands Urban Development Area (UDA) on 2 July 1981.</li> <li>LDDC was a quasi-public body headed by a private sector team.</li> <li>Local boroughs retained the power to prepare statutory plans for the areas within the London docklands. However, they were required to take into consideration the views and ideas of the LDDC when preparing these plans. In practice, the LDDC had the power to override these plans and was able to redevelop area without consultation with local councils.</li> <li>LDDC did not provide services – instead it provided funding for services, preferring to allow private developers to determine market demand for a service.</li> <li>October 1997 – initial step taken to return 575 hectares of the Docklands area to the London borough of Tower Hamlets. They became responsible for planning of the area.</li> <li>January 1998 – remaining planning functions of the Corporation were revoked and the borough of Newham became the responsible authority for the balance of the Docklands area.</li> <li>March 1998 – Land formerly under the Corporation's authority transferred to the councils of the London boroughs of Newham and Tower Hamlets and the British Waterways Board.</li> <li>24 March 1998 – parklands managed by the Corporation were transferred to the Lee Valley Regional Park Authority.</li> <li>31 March 1998 – LDDC is abolished and all other functions of the Corporation were transferred to other organisations such as the borough of Southwark and Tower Hamlets, the British Waterways Board and to the Royal Docks Management Authority Limited. Ownership of the Docklands Light Rail was transferred to the Secretary of the State. English Partnerships became the owner of any remaining land, rights or liabilities of the Corporation.</li> <li>The role of English Partnerships has changed since the abolition of the LDDC. It now also involves assisting local boroughs in planning and managing the Docklands area.</li> </ul>

### Overview of Other Major Waterfront Redevelopment Projects (contd)

Project	Nature of Development	Managing and Governing Arrangements
<b>Osaka</b>	<ul style="list-style-type: none"> <li>Construction of port facilities, public entertainment/leisure facilities, sporting facilities, commercial and residential development.</li> </ul>	<ul style="list-style-type: none"> <li>Overall redevelopment of the area is under the direct authority and financial responsibility of the Osaka City Council.</li> <li>For specific projects, the Council has entered into contracts with the private sector.</li> <li>Some land has been sold to private corporations for development but only after all infrastructure has been provided by the City.</li> <li>The City has a direct link with the national government through the Port with the collection of taxes, fees etc.</li> <li>Some tax/rate incentives are offered to the private sector however, government remains the dominant player.</li> <li>All Port Cities within Japan are highly competitive and compete for commercial interests.</li> </ul>
<b>East Perth redevelopment</b>	<ul style="list-style-type: none"> <li>146 hectares on banks of Swan River and situated on the edge of CBD.</li> <li>Major works started on the project in 1993 with land released in stages.</li> <li>Approximately 50-60% of land has been released.</li> <li>Mix residential and commercial project and includes a proposed technological centre.</li> </ul>	<ul style="list-style-type: none"> <li>East Perth Redevelopment Authority established in 1991</li> <li>Authority is responsible for approving all development applications.</li> <li>City of Perth comments and provides advice on all developments prior to their approval, has responsibility for health and building licences and the maintenance of parks and gardens.</li> <li>City of Perth assumes full responsibility for the area once development has been completed.</li> </ul>
<b>Sydney - Citywest Redevelopment</b>	<ul style="list-style-type: none"> <li>re-use of surplus government land in Pyrmont, Ultimo, Everleigh and the Bays area</li> <li>comprises residential, commercial and retail development with entertainment and hotel facilities. Includes 'Star City' Casino.</li> </ul>	<ul style="list-style-type: none"> <li>City West Development Corporation established in September 1992.</li> <li>Corporation is responsible for masterplanning, infrastructure provision and sale of government land.</li> <li>Corporation has planning control over areas designated 'Masterplan' areas - the City of Sydney has planning control over all other areas.</li> <li>Once areas are developed all public space, roads, drainage etc are handed back to the City of Sydney Council. Similarly, the City of Sydney Council has responsibility for rubbish collection, traffic management; rating and all usual Council services in the area.</li> </ul>

### Overview of Other Waterfront Redevelopment Projects (contd)

Project	Nature of Development	Managing and Governing Arrangements
<b>Sydney - Darling Harbour</b>	<ul style="list-style-type: none"> <li>entertainment, retail and hotel facilities. Includes IMAX Theatre, Sydney Aquarium, Star City, SEGA World and Sydney monorail.</li> <li>Site located on waterfront with harbour access.</li> <li>Limited number of residents on the outer edge of the area.</li> </ul>	<ul style="list-style-type: none"> <li>Darling Harbour Authority established in 1984.</li> <li>primary focus of the Authority is the development and promotion of tourist, educational, recreational, entertainment, cultural and commercial activities within the Darling Harbour area.</li> <li>Authority manages all services within the Darling Harbour area and privately contracts these services (eg rubbish collection, security etc).</li> <li>Authority does not collect rates within the area but rather, has leasing arrangements with operators.</li> <li>City of Sydney does not have any direct control over the Darling Harbour area.</li> </ul>
<b>Sydney Homebush Bay</b>	<ul style="list-style-type: none"> <li>760 hectare site offering a mix of uses in the long term— sporting and recreational, entertainment, residential and commercial.</li> <li>short term use is for the 2000 Olympics.</li> </ul>	<ul style="list-style-type: none"> <li>Olympic Co-ordination Authority is responsible for the development.</li> <li>State and Federal governments primarily fund the development of site, with infrastructure remaining government owned.</li> <li>Auburn Council has been involved in consultation with the OCA on planning and development issues.</li> <li>Auburn Council expects to provide services to the site in the future and assume greater responsibility.</li> </ul>

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