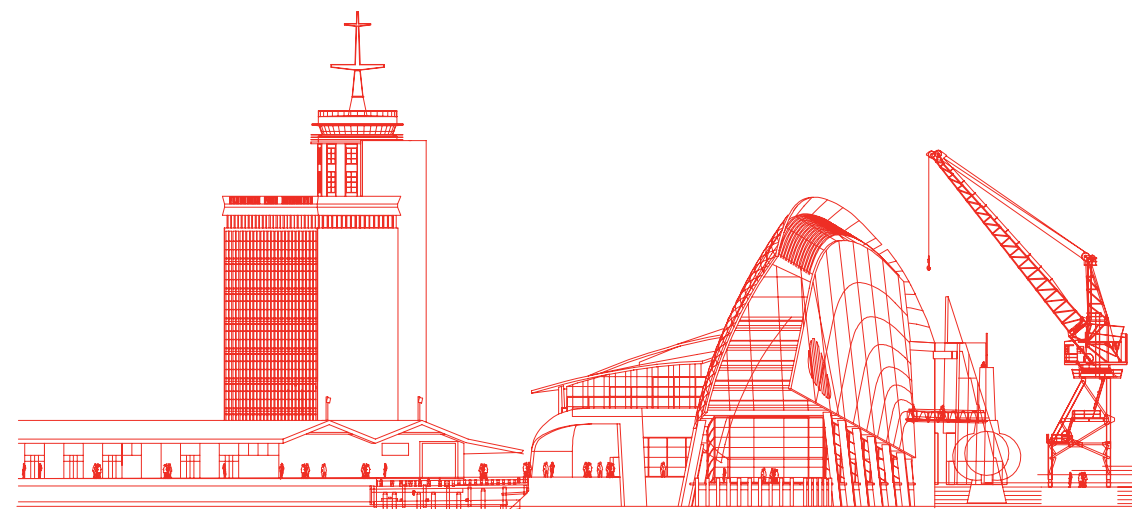




VICTORIA QUAY WATERFRONT



2012

WORKING GROUP REPORT



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EXECUTIVE SUMMARY

Fremantle Port

In times past, its port has been central to nearly every aspect of Fremantle's existence - an inter-related influence on so many aspects of its social, cultural, economic and industrial character. Truly, Fremantle was the **Port City**.

In more recent decades, the intensity of this relationship has diminished, as indeed it has for nearly every other urban-based port in the developed world. Most fundamentally, this has happened because of evolutions in the way that goods and people are moved. In the case of freight, containerisation has transformed the way that general goods are loaded and unloaded, transferred and stored. A highly labour-intensive activity has become a highly mechanised one. In the case of passengers, commercial airlines have ended the traditional means that people arrived and departed from our shores.

As a result, port workers and immigrants do not fill Fremantle's streets as they once did. There are no longer the strong cords to draw people back and forth between the wharves and the City streets. People are certainly still aware of the port's existence and for the most part they are still proud of it, but the railway line has emerged as a demarcation line over which many people now rarely cross.

There was a time when every person in Fremantle either worked at the port or knew somebody who did. The Fremantle wharves once played a key role for the State and the nation in a tangible way that every Fremantle citizen intimately understood.

Today, changes in port conditions mean that the western end of Victoria Quay is largely not required for port operations. Importantly, this does not denote a decline in the role of Fremantle Port: its throughput continues to grow substantially and it plays a pivotal role in the State economy. It does mean however, that Victoria Quay offers an unrivalled opportunity to re-connect the **Port and the City**.

Fremantle Ports has recognised this opportunity for some time. Considerable work has been done in pursuit of plans for Victoria Quay. It is as much in the interests of Fremantle Ports as it is in the interests of the City for Victoria Quay to be a lively and engaging place again, and for the City of Fremantle to re-embrace this important area.

The challenges in appropriately redeveloping the quay are great. The new Victoria Quay has the potential to re-emerge as a vibrant mixed use quarter of the City while continuing to meet the important functions of the ongoing port activities around it. It must recognise, preserve and celebrate its authentic and treasured history. It must make profound commercial good sense, and reflect the wisest available advice on economics, planning, architecture and design. It must be imaginative and attractive, and it must be nourished out of, and be a steadfast contributor to, the spirit of Fremantle.

Achievement of these critical dimensions, on and adjacent to the waterfront, will stem from shaping places for people. With the processes

and directions we recommend in this report, and the continuing highest goodwill, the Working Group believes that the City and its residents can help Fremantle Ports make something special happen at Victoria Quay.





VICTORIA QUAY WATERFRONT
WORKING GROUP MEMBERS

Stuart Hicks
AO Chair

Franco Andreone
Manager, Fremantle Waterfront Development,
Fremantle Ports

Brian Cole
Director, Cole Advisory

Mike Day
Director, Roberts Day Planning

Geoffrey London
Winthrop Professor of Architecture, Faculty of
Architecture, Landscape and Visual Arts, The
University of Western Australia

Gino Valenti
General Manager Strategy and Planning,
Fremantle Ports

Steve Woodland
Director, Cox Howlett + Woodland Bailey
Architects Planners and Urban Designers

Chris Leatt-Hayter
Chief Executive Officer of Fremantle Ports, was
an ex officio member.



INTRODUCTION

INTRODUCTION
The Victoria Quay Waterfront Working Group was established by Fremantle Ports to undertake an independent assessment of key learnings from the work to date on development of the Victoria Quay Waterfront. This is the report of the Working Group.

BACKGROUND
The Port of Fremantle, and the Victoria Quay Waterfront in particular, has been a fundamental contributor to the economic productivity of Western Australia and, more locally, the City of Fremantle. For more than a hundred years, the Port of Fremantle has served as the gateway for people and goods entering the State. Fremantle Ports continues to be an active working port facilitating trade for Western Australia.

Whilst Fremantle has done particularly well in preserving its heritage and retaining its strong character as a port city, it is widely acknowledged that the city has fallen from its strong position as Western Australia's second city. Its relative economic strength has declined. There is a distinct need for a turnaround in the economic development of the area in order for it to be once again the second city of the West.

At the same time it has been recognised that the Victoria Quay Waterfront is connected with the City of Fremantle and can make a vital contribution in the revitalisation of Fremantle. By working together, the City and the port can achieve a strong, sustainable outcome ensuring the economic future of the Fremantle Activity Centre.

VISION
The vision is to lay the foundation at the Victoria Quay Waterfront for a vibrant and unique place that is compatible with a dynamic working port. The aim is for the Victoria Quay Waterfront to be: integrated with the local community and a major attraction for local, national and international visitors, acknowledging the historic significance of Victoria Quay and its strong connections to the City of Fremantle and the State of Western Australia.

It is acknowledged that Fremantle Ports will facilitate the reshaping of the Victoria Quay Waterfront by using the Fremantle Waterfront Masterplan as the framework and guiding document for the future development of this area. The Fremantle Waterfront Masterplan identifies two major sites for development, the Commercial Precinct site in the first instance and an area in the Slipways Precinct (currently used by Challenger Institute of Technology for car parking).

VICTORIA QUAY WORKING GROUP
Fremantle Ports formed a Working Group to review and consider new opportunities presented in the Commercial Precinct site on Victoria Quay. The Working Group was also asked to explore development options consistent with the Fremantle Waterfront Masterplan as well as the City of Fremantle's economic development and strategic planning directions for use as a basis of further consultation with key stakeholder groups.





The Victoria Quay Waterfront Working Group's main objectives were:

- To assess demand for future development of the Commercial Precinct both from a local and regional economic perspective.
- To assess findings from work and consultation undertaken to date on the Commercial Precinct site.
- To review concepts and development opportunities for the Commercial Precinct against the Fremantle Waterfront Masterplan and the City of Fremantle's economic development and strategic planning directions.

This report summarises the Working Group's response to its terms of reference. With this report the Working Group's consultation is complete, although its members, collectively and individually, remain ready to assist Fremantle Ports further.

Working Group Approach

The Working Group met on six occasions between July and September 2011. Between meetings, Group members explored and developed issues agreed at meetings. The Group's work was informed principally by the information and data available to Fremantle Ports and to individual members of the Working Group. While there was no need for public consultation during this process, it is acknowledged that public consultation would form a key part of any future pursuit of the opportunities under review.

The Working Group did not delve into the detail or produce new development plans/detailed design for the Commercial Precinct site, but focussed on broad learnings and provided strategic recommendations. The findings of this Working Group aim to provide a platform for further discussion and consultation with key stakeholders.





KEY FINDINGS

It is the view of the Working Group that the following key findings pertain.

Current conditions provide a timely opportunity for redevelopment of the Commercial Precinct of Victoria Quay.

The current political climate reflects a truly collaborative atmosphere. The four key agency groups; the Department of Planning & Western Australian Planning Commission (WAPC), the Department of Transport and Public Transport Authority (PTA), Fremantle Ports and the City of Fremantle have expressed their willingness and desire to work together to achieve a common vision for Fremantle, with each agency playing its role in an integrated manner. Collaboration was recently formalised between these agencies with the formation of the Fremantle Union.

The Working Group **recommends** that Fremantle Ports should commit to an early and vigorous pursuit of the redevelopment opportunities presented by the Commercial Precinct.

Head responsibility for the redevelopment is with the land's owner, Fremantle Ports.

Given the strategic location of Victoria Quay, Fremantle Ports will continue to have a high level of control and involvement in the redevelopment of this area. This continuing high-level involvement with both place creation and ongoing place management will be necessary to ensure that the development of the Victoria Quay Waterfront is compatible with and complements the operational aspects of the working port.

Genuine consultation is an important continuing necessity as redevelopment proceeds.

The opportunity to appropriately redevelop the Victoria Quay Waterfront will only be maximised if it is undertaken in consultation with a range of key players.

City of Fremantle

Although the City of Fremantle does not have statutory planning authority over the Victoria Quay Waterfront, this land abuts the City of Fremantle's municipal boundary. It is desirable that there is alignment between Fremantle Ports and the City of Fremantle with regards to any future plans for the Victoria Quay Waterfront.

Department of Planning and WAPC

The Victoria Quay Waterfront is reserved under the Metropolitan Region Scheme for 'Public Purposes - Special Uses' and the WAPC is the statutory planning authority to determine any non-port related works and development on the Victoria Quay Waterfront.

Department of Transport and PTA

The Fremantle Station and railway line, both under the control of the PTA are critical land parcels which sit between Victoria Quay and the City of Fremantle. The development of Victoria Quay needs to integrate fully with the Fremantle Station, thereby bridging the spatial gap between the City and the Waterfront. It is essential that Fremantle Ports consults further with PTA as a key stakeholder to ensure a seamless transition between Victoria Quay and the City of Fremantle.





Fremantle Chamber of Commerce

It is important for Fremantle Ports to canvas the views of the Fremantle Chamber of Commerce given that this business membership based organisation represents one of the largest 'community' groups in Fremantle. The revitalisation of Victoria Quay may have positive effects on some of its members.

The Community

Several established community groups and other stakeholders will also need to be consulted in order to gain their views and aspirations for the Victoria Quay Waterfront. Some of the groups which will need to be consulted include the Fremantle Society, the Victoria Quay Waterfront Taskforce, FICRA (Fremantle Inner City Residents' Association) and Fremantle Ports' Inner Harbour Community Liaison Group.

Note: this is by no means an exhaustive list of groups to be consulted.

Progress on redevelopment of Victoria Quay will be greatly aided by careful attention to the learnings of the ING experience.

A number of parties have willingly shared their organisation's key learnings.

The comments of the Fremantle Mayor, the Fremantle Society, the Fremantle Inner City Residents Association and Fremantle Ports are attached to this report as Appendices 1, 2, 3 and 4 respectively.

Key Imperatives

The development of the Victoria Quay Waterfront should proceed within a clear set of conditions, or imperatives, of which there will need to be a high measure of understanding and a good degree of acceptance among the key players. The views of the Working Group on the key imperatives are outlined in Section 3 of this report.

Commercial opportunity

Fremantle is coming from a low base of economic growth. The Working Group identified the coordinated development of the Commercial Precinct and the Fremantle Station precinct as a critical component of the overall revitalisation of Fremantle.

The development of the Commercial Precinct would attract additional consumer dollars to the Fremantle City and would act as a catalyst for further economic investment in the area (See details in Section 4).

Connectivity, Activation and Integration

The redevelopment of the Victoria Quay Waterfront has the potential to add considerable impetus, critical mass, quality of development and a different kind of experience to the rejuvenation and revitalisation of Fremantle. Mixed land uses will activate both the Waterfront as well as surrounding areas. An important spatial link is the extension of connections from Market and Queen Streets across the Fremantle Station to the Victoria Quay Waterfront.





The future of the City of Fremantle as an economic centre depends almost entirely upon its ability to operate properly as an activity centre within the Perth and Peel Activity Centres Hierarchy. This future needs to recognise and amplify the importance of the Fremantle Station precinct as the central hub of this activity centre, in line with Transit Oriented Development principles. Fremantle's redevelopment efforts should focus simultaneously on two key precincts the King's Square and vicinity (Fremantle CBD) and the Fremantle Station precinct which should incorporate the Commercial Precinct on Victoria Quay.

An important document which strengthens the connections and integration between Victoria Quay and the City of Fremantle is the endorsed Phillimore Street Integrated Masterplan. This plan envisages a new vehicle/pedestrian connection at the intersection of Pakenham and Phillimore Streets and an improved vehicle/pedestrian connection at the intersection of Cliff and Phillimore Streets. It is recommended that this Masterplan be implemented in a phased basis by the relevant Agencies.





KEY IMPERATIVES

It is important that all parties responsible for guiding the future of Fremantle and the Waterfront have open minds and few preconceived ideas on the urban pattern envisaged. It is, however, acknowledged that certain imperatives will most certainly be pertinent, and it is necessary that Fremantle Ports be explicit on these from the outset. It is not the role of this Working Group to determine the imperatives, although it is a key role for the Working Group to make some suggestions. These follow.

A clear objective

It is imperative that the objective of development of Victoria Quay be explicit and agreed.

In the view of the Working Group, the objective is to foster a truly distinctive, integrated and vibrant quarter of the city centre on the Victoria Quay Waterfront. It should be a place rich in higher-order urban functions including commerce, retail, cultural activities, education, administration, services, trades, short-term accommodation, entertainment, recreation and concessional uses. If planned in collaboration with its neighbours and stakeholders, the redevelopment of the Waterfront will positively contribute to the overall rejuvenation of the City of Fremantle.

Not stand-alone

It is imperative that Victoria Quay be viewed as part of a broader existing urban fabric. The Waterfront therefore needs to contribute to and enhance the City of Fremantle's vitality and vibrancy by connecting with the city physically, socially and economically. This will necessarily

involve active collaboration with the City, the Public Transport Authority (which is responsible for the Fremantle rail line and Fremantle Station), the Department of Transport, the Department of Planning and the Western Australian Planning Commission.

Fair commercial return

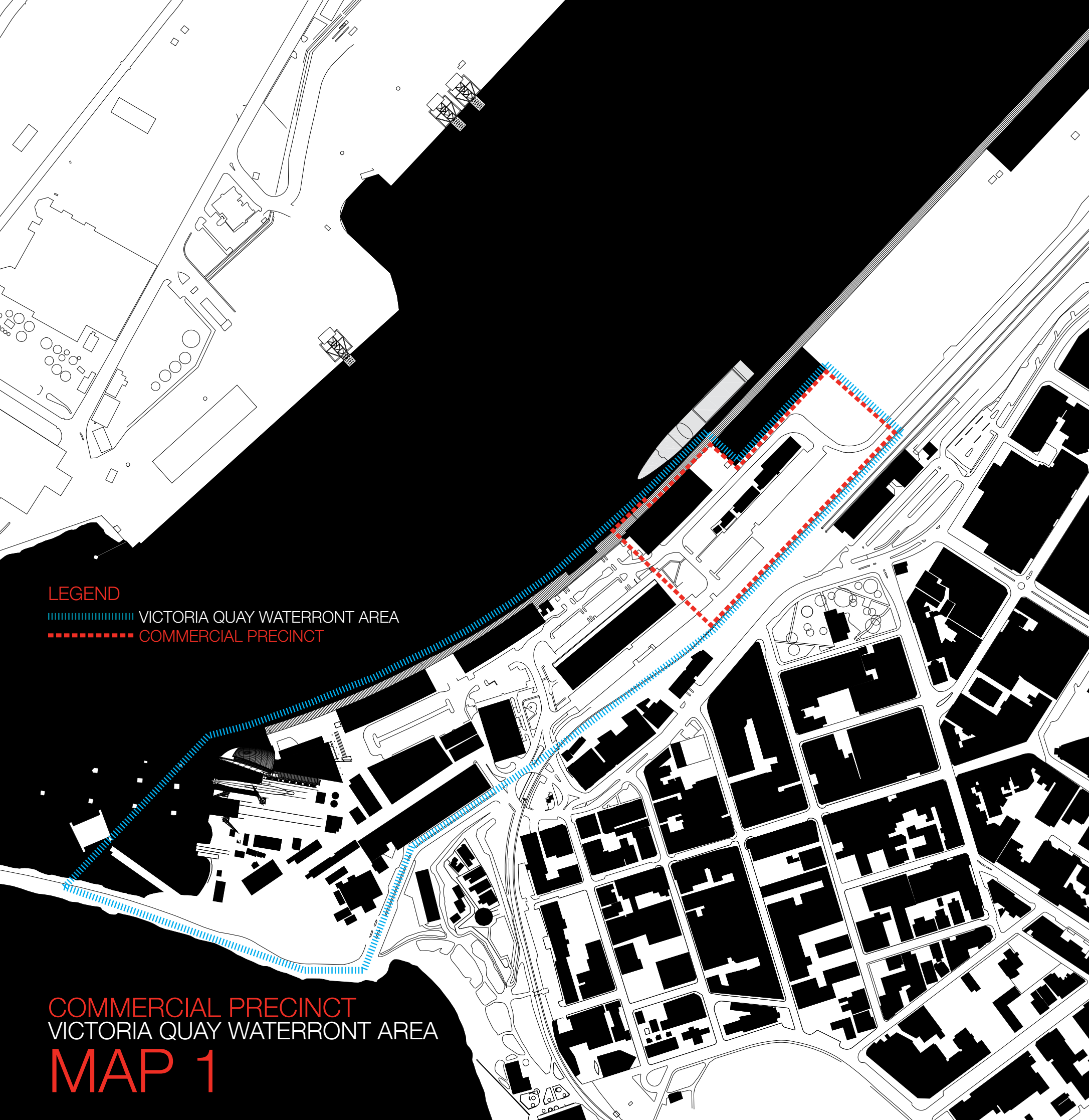
Fremantle Ports expects to receive a fair market based commercial return for the redevelopment of the Victoria Quay Waterfront including development costs and ongoing maintenance and management costs, but Fremantle Ports advises it does not expect this imperative to occur at the expense of any of the other key imperatives listed under Section 3 of this report.

The precinct must be outside port operational areas

The redevelopment cannot be permitted to encroach on port operations. This reflects the primary, statutorily determined, function of Fremantle Ports. All port operational areas are excluded from the Victoria Quay Waterfront area.

The area covered by the Victoria Quay Waterfront is clearly demarcated in the Fremantle Waterfront Masterplan and is the area reserved under the Metropolitan Region Scheme for 'Public Purposes - Special Uses'. This area comprises approximately 12 hectares, bounded by the Swan River to the north, the Slipways to the west, the eastern end of South Mole and Fleet Street to the south, the railway line to the south-east and the western border of the Port Customs controlled area to the east.





This is outlined in Map 1

This footprint includes (amongst others) the Maritime Museum, buildings leased to the Challenger Institute of Technology, Slipways, FP workshops, A, B, C and E Sheds and the FP Administration Building.

Whilst accepting this footprint as given and determined by port operating needs, the Working Group encourages Fremantle Ports to consider again whether it might be possible to include at least the western end of D Shed to provide two activated edges to the space between C and D Sheds, allowing it to be a vital space.

Consistency with Fremantle Waterfront Masterplan

The Fremantle Waterfront Masterplan provides the framework for the redevelopment of the Waterfront. Any major new development should be contained within the two development sites identified by this Masterplan, namely the Commercial Precinct and the 'development site' by the Slipways Area. (Part of this development site is currently used by Challenger Institute of Technology as a car park). For the rest of the area, development should be limited to restoration work and adaptive reuse of buildings and/or minor new developments or in-fill developments.

Genuine historical and heritage commitment

Future development should preserve and enhance heritage value and industrial character of the site. On any substantive heritage related matter, the Heritage Council of Western Australia (HCWA) is the appropriate referral authority for the Victoria Quay Waterfront area.

Fremantle Ports has previously undertaken indigenous consultation for Victoria Quay. It advises there are no identified sites and new developments will not require a Section 18 application.

A rich mix of land uses, but with no permanent residential development

The Victoria Quay Waterfront should offer a diversity of mixed uses including cultural, commercial, retail, entertainment and concessional uses. A vibrancy and uniqueness of the place will be achieved by the careful integration of building types; forms land uses and the introduction of a unique brand and logo for the Waterfront.

Map 2 shows the extent of the buffer areas that are incorporated in the Fremantle City Planning Scheme. These areas are the outcome of detailed assessment of potential impacts of noise, odour and risk from port operations. They are a critical component of ensuring that the Victoria Quay Waterfront remains compatible with the working port.





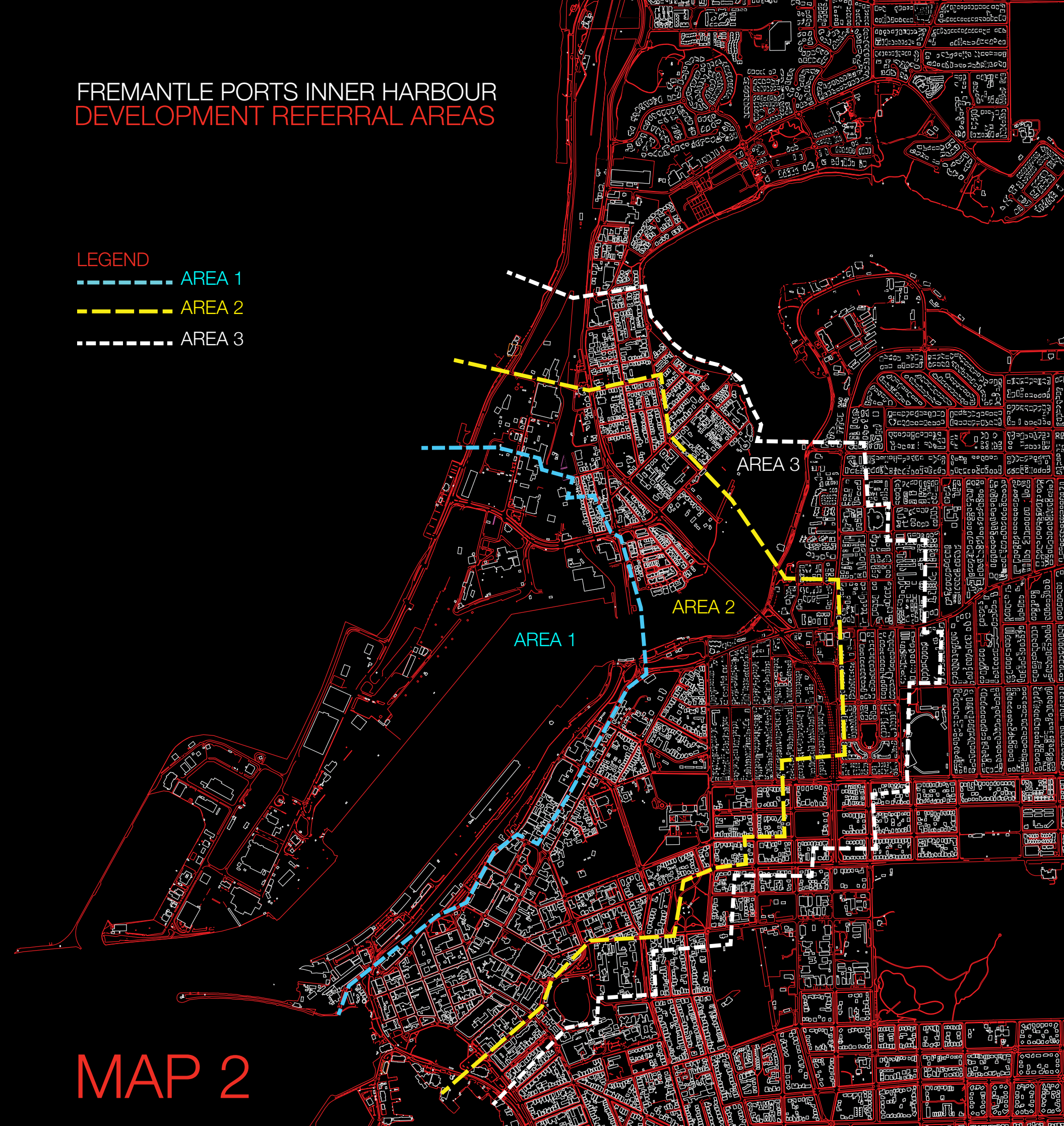
FREMANTLE PORTS INNER HARBOUR DEVELOPMENT REFERRAL AREAS

LEGEND

----- AREA 1

----- AREA 2

----- AREA 3



MAP 2

Map 2: Showing Buffer Areas

Buffer Area 1 is the area with the highest potential impact from port operations and therefore requires the highest levels of controls on land use and built form.

Buffer Area 2 is based predominantly on potential noise and odour impacts from port operations and does not have restrictions on land uses but does have built form controls in order to ameliorate potential impacts from port operations.

Buffer Area 3 represents a 'discretionary' area defined by modelling which indicates that port operations may have an impact. Built Form controls may be required by the relevant Local Government Authority if there is a history of impact at any specific location within this area (typically arising from noise and odour complaints) - hence the discretionary nature of the area.

It should be noted that the Buffer Area requirements are not retrospective - assessment and applications are only undertaken for redevelopments.

All of Victoria Quay lies within Area 1 of the Fremantle Port Buffer. In conformity with this buffer, Fremantle Ports advises that permanent residential and other sensitive uses cannot be permitted within the proposed development area.

An appropriate mix of land uses is likely to be drawn from a combination of:

- Public domain
- Commercial/office
- Retail
- Food and beverage
- Public cultural
- Short stay accommodation/hotel
- Markets and other special uses
- Entertainment and recreation
- Concessional uses

When considering overall land uses for Victoria Quay, a key test of acceptability is that the use in isolation or combination with other uses is compatible with and does not have an unacceptable adverse impact on port operations.

High quality urban form and design excellence

The Victoria Quay Waterfront development must encourage the highest standard of architecture, streetscapes, landscaping and finishes which contribute to the creation of an exceptional public realm. The design and material palettes of signage, street furniture, and buildings must reinforce the character of the port environment. In order to achieve its aim of adding to the economic output of Fremantle, the development of the Commercial Precinct must be "outward looking", designed such that it belongs to, and blends seamlessly with the urban fabric of the port and Fremantle Station. Buildings must also be designed with sustainable principles in mind.





COMMERCIAL CONDITIONS

The Working Group has reviewed the commercial climate within which the Commercial Precinct of the Victoria Quay Waterfront would be developed.

Fremantle is coming from a low base of economic activity. It is important that any development at Victoria Quay not only achieves economic self-sufficiency but also contributes strongly toward the future economic sustainability of the entire Fremantle CBD.

Whilst Fremantle has been identified as a Strategic Metropolitan Centre in State Planning Policy 4.2 'Activity Centres for Perth and Peel' (the Activity Centres Policy), it is generally agreed that it is underperforming in relation to other similar centres throughout the Perth Metropolitan Area. Moreover, Fremantle has expressed a desire to achieve a higher status, that of 'Primary Centre.' As well as Fremantle, Strategic Metropolitan Centres include:

- Rockingham
- Joondalup
- Armadale
- Midland
- Morley
- Cannington
- Stirling
- Mandurah
- Yanchep

Of these, Fremantle, Rockingham, Joondalup, Armadale, Midland and Mandurah are able to open on Sundays for retail trading. This gives

them an edge over competing centres (in Fremantle's case, Booragoon and Claremont). Notwithstanding this advantage, Fremantle still undertrades against Booragoon, whilst also exhibiting an under-representation of higher end department stores, relative to both Booragoon and Claremont.

With the establishment of the Fremantle Union and the stated objective to undertake coordinated simultaneous planning of the two activity hubs – Kings Square and the Fremantle Station Precinct – Fremantle has strong potential to develop as a true activity centre, where the intense activity is located in close proximity to the main access/egress points.

The 2006 census confirms that the income demographic of Fremantle is much lower than its competitors. Whilst 39% of Fremantle has a household income below \$800 per week, only 30% of Melville residents exhibit the same characteristic. At the other end of the scale, whilst only 22% of Fremantle households earn more than \$1,700 per week, over 30% of Melville households are in that income category. Hence locations such as Garden City are likely to be more attractive than Fremantle for major department stores. Such an income differential can be addressed by either attracting higher income residents, or alternatively creating an environment where the workers and visitors, other essential elements of the economic cycle, have higher disposable incomes.





A significant opportunity exists to develop the areas adjacent to the Fremantle Station, in accordance with Transit Oriented Development principles, thereby creating an activity centre consistent with the objectives of the Activity Centres Policy. This would involve harnessing the interest of visitors as soon as they alight from the Perth-Fremantle train or other public transport and creating an area of strong interest and economic activity.

The development of the Commercial Precinct, as part of a coordinated development of the Fremantle Station and the Fremantle CBD/ Activity Centre will harness the potential economic activity from all available catchments, and generate a strong base to underpin the interest of department store operators, who in turn will anchor the retail revitalisation of Fremantle as a whole.

Taking account of the significant economic inflows that can be achieved from enhanced utilisation of rail and public transport users (see Appendix 6) there is a strong economic justification for a mix of commercial and retail uses within the new development.

In addition, a coordinated development of a mix of commercial and retail uses will create an environment which is attractive to further significant levels of expenditure, either by way of retail spending or from workers who locate within strategically developed spaces, supportive of a much higher level of strategic employment than currently exists within Fremantle.

In this regard, whilst it is acknowledged that the retail industry is going through relatively tough time at present, due to the Global Financial Crisis as well as a switch to online shopping, two areas of the property market are thriving in Perth. These are high end retail outlets (world class brand names) and Premium and A Grade office accommodation. An opportunity exists to use the blank canvas that is the Victoria Quay Commercial Precinct as a basis upon which to create the missing link in the economy of Fremantle by developing a superior customised commercial/retail development.

If this is developed in such a way as to be integrated with the Fremantle Station and the Fremantle CBD, i.e. as an "outward looking" economic zone designed such that it belongs to the entire city, blending seamlessly with the urban fabric of the port, the Fremantle Station and the city, mixing workers and visitors with the existing user base of Fremantle, the result is a win-win for all parts of the Fremantle Activity Centre.

