LAND SUPPLY FOR THE WORKING HARBOUR
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Background

As landowner of the bed of Sydney Harbour, as well as significant parcels on the foreshore occupied by working harbour activities, the Waterways Authority has a primary responsibility for working harbour uses. The Authority has commissioned several studies\(^1\) and initiated Government action\(^2\) on key working harbour decisions in recent years.

The definition of working harbour uses adopted by the Waterways Authority is broad and includes the following categories:

- commercial port (cargo movements and passenger movements)
- Government services (emergency services, coast guard, customs, etc)
- Department of Defence (bases and facilities)
- public transport (ferry routes and bases, water taxis)
- fishing industry
- marinas (commercial and club)
- maritime repair yards
- charter vessels (routes and bases)
- recreational boating clubs (sailing, rowing and canoeing), and
- marine contractors (construction storage and repair).

Previous work by the Government\(^3\) opened the discussion on working harbour issues and established the concept of maritime precincts - designated locations around the Harbour where water-dependent industrial functions can cluster and operate without the threat of relocation.

Purpose

The purpose of this report is to synthesise previous analyses of the working or industrial aspects of Sydney Harbour.

The report also outlines the future direction of working harbour policy and actions - a 'revival plan' for working harbour activities on Sydney Harbour.

Brief history

Two primary factors have influenced the changes in the working harbour over recent decades.

Changes in manufacturing methods and the decline in the use of the waterways to transport goods have meant that many of the industries on the Harbour have closed or relocated to more suitable sites in outer suburbs. In most cases these waterfront sites have been sold and the working harbour use replaced by residential development.

In recent years, the value of Sydney Harbour foreshore residential real estate has increased at a rate much greater than the Sydney average. This has accelerated industry relocation to other sites and increased pressure on all other foreshore land to be redeveloped for residential use in order to realise the significant profits to be made. Government agencies are under pressure along with private land owners.

As a result of these pressures, the land available for the working harbour has diminished to the extent that most of the key sites either in operation or vacant are in Commonwealth or State government ownership. This ownership places a responsibility on the NSW Government to ensure that a strategic plan is in place to protect potential working harbour sites from being lost to other forms of development.

What is known about demand?

The Authority commissioned the Rolls Report (April 1999) to provide an understanding of the sites available for the working harbour and the demand for these sites. The Rolls Report also identifies the industries likely to experience growth.

The Rolls Report establishes that the main areas of expected growth are:

- industries that serve recreational boating in all its forms. Recreational boating encompasses motor boats, yachts, dinghies and canoes, and the industries that serve them include boat storage, service and repair
- marine contractors that build and maintain waterfront structures on the Harbour

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\(^1\) Including The Future of Sydney's Working Harbour, J T Rolls Pty Ltd 1999.

\(^2\) Including Calls for Expressions Of Interest for Rozelle and Blackwattle Bays 2001.

• the commercial port activities (freight and cruise passengers) though it is anticipated that it will be handled within current facilities. No land holdings are anticipated to be redundant, and
• the charter boat industry — recent post-Olympic trends indicate that this may take the form of smaller vessels for specialised markets.

The boat repair industry is likely to undergo some rationalisation as the pressure to upgrade infrastructure and meet environmental standards forces change.

The Department of Defence has a strong and active presence on Sydney Harbour as well as several significant redundant sites where planning for future use is well underway.

Our understanding of demand is expanding as the response to the call for Expressions of Interest for Rozelle and Blackwattle Bays provides an indication of the market for land for the working harbour.

What is the supply situation?

For the purposes of this report, sites have been categorised into three classifications: active or planned sites, operational but under-utilised sites, and vacant sites. All the working harbour sites are shown in Maps 1–4. The planning and operational strategies appropriate for each of these categories vary significantly.

1. Active or planned sites
   • Garden Island (Defence and commercial boat repair)
   • Glebe Island/White Bay (commercial port)
   • Darling Harbour Wharves 3–7 (commercial port)
   • Darling Harbour Wharf 9–10 (charter vessels)
   • Gore Cove (Shell Oil terminal)
   • HMAS Waterhen (Navy)
   • Darling Harbour Wharf 8 and Circular Quay (overseas passenger terminals)
   • Mort Bay (ferry base)
   • Drummoynne (boat repair, requires modernisation)
   • Various sites around the Harbour that accommodate government services such as Customs (Neutral Bay), Pilot Services (Watsons Bay), Coastal Patrol (The Spit) and the Water Police (new facility to be located at Camerons Cove, Balmain).

In addition, there are 37 commercial marinas on Sydney Harbour along with four club marinas. A significant proportion of boat storage, servicing and repair, particularly for the recreational boating industry, is carried out at these marinas. In particular, the Spit, Careening Cove and Rushcutters Bay represent a concentration of recreational boating marina facilities on the Harbour.

More than 50 sailing, rowing and canoeing clubs are located throughout the Harbour, including the upper reaches of Lane Cove and Parramatta rivers and Middle Harbour. While these are not strictly working harbour sites, they often contain boat repair and related facilities. The presence of these clubs and their activities certainly generates significant working harbour spin-offs.

2. Operational but under-utilised sites
   • former ADI site at Ryde (boat repair)
   • Waverton Peninsula, including the Coal Loader site and Berrys Bay (boat repair)
   • Rozelle Bay (super-yachts, harbour cleaning and harbour administration)
   • Blackwattle Bay and Bank Street (fish market, concrete batching and other activities)
   • Jones Bay Wharf (casual commercial berthing)
   • Walsh Bay Wharf 2/3 (casual berthing)
   • Goat Island (boat repair)
   • Snails Bay dolphins.

3. Vacant sites
   • Homebush Bay West
   • Woolwich Dock
   • Cockatoo Island
   • Chowder Bay
   • Ballast Point
   • Duck River
   • Mort Bay Wharf.

Several of these vacant sites contain significant infrastructure, including fuel tanks, docks and wharf structures.

The under-utilised and vacant sites represent significant potential for development of working harbour facilities in Sydney.
## Future use of working harbour sites

The schedule below summarises potential future uses for the working harbour sites on Sydney Harbour that are considered under-utilised or vacant.

<table>
<thead>
<tr>
<th>SITE</th>
<th>OWNERSHIP</th>
<th>OPTION FOR THE FUTURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rozelle Bay</td>
<td>NSW Government</td>
<td>Master Plan provides for a range of uses. Expressions of interest under review. The site (along with Blackwattle Bay) is the most recent working harbour site released onto the market and preliminary analysis indicates a high demand.</td>
</tr>
<tr>
<td>Blackwattle Bay southern shore</td>
<td>NSW Government</td>
<td>Master Plan provides for a range of uses. Expressions of interest under review. The site (along with Rozelle Bay) is the most recent working harbour site released onto the market and preliminary analysis indicates a high demand.</td>
</tr>
<tr>
<td>Blackwattle Bay –Bank Street (including fish markets)</td>
<td>Various private ownerships/NSW Government</td>
<td>The draft Framework Plan proposes to establish a mix of uses, including public open space, business and industrial activities. There is potential for a public boat ramp in the area under the Anzac Bridge.</td>
</tr>
<tr>
<td>Jones Bay Wharf</td>
<td>NSW Government/private leases</td>
<td>Draft Framework Plan for the water proposes to establish berthing primarily for commercial vessels. Recreational vessels confined to 10 per cent of berth frontage. There is capacity for on-land support facilities for commercial vessels.</td>
</tr>
<tr>
<td>Walsh Bay Wharf 2/3</td>
<td>NSW Government</td>
<td>Draft Framework Plan being prepared. Water conditions mean that berthing space is limited to medium to large vessels. Possible uses include Sydney Ferries (including back of house), tall ships, large charter vessels, maritime/heritage research centre, unique craft associated with maritime industry.</td>
</tr>
<tr>
<td>Waverton - Coal Loader</td>
<td>NSW Government</td>
<td>Draft Framework Plan being prepared. Specialised commercial working marina proposed within existing wharf space. Temporary berthing for large vessels.</td>
</tr>
<tr>
<td>Waverton - Berrys Bay</td>
<td>NSW Government</td>
<td>Draft Framework Plan being prepared. Boat repair, storage and maintenance. Maritime precinct to be created (Woodleys and Noakes boat repair facilities complement this site).</td>
</tr>
<tr>
<td>Homebush Bay West</td>
<td>NSW Government</td>
<td>Draft Framework Plan being prepared. Centre for small recreational vessels (dry stack storage, boat launching, boat service). Possible marine salvage area.</td>
</tr>
<tr>
<td>ADI Ryde</td>
<td>Private</td>
<td>Draft Framework Plan being prepared and Master Plan exhibited and under assessment. Boat storage (dry stack) and maritime industrial uses supported by up to 80 pontoon berths.</td>
</tr>
<tr>
<td>Ballast Point</td>
<td>Private</td>
<td>Draft Framework Plan being prepared. Total site under acquisition by NSW Government. Lower level suitable as marine service centre (fuel, sewage pump-out, water and provisions).</td>
</tr>
</tbody>
</table>

*Framework Plans being prepared in conjunction with PlanningNSW provide a detailed analysis of the features and opportunities of the site. The Framework Plans will be released when all are complete.*
<table>
<thead>
<tr>
<th>SITE</th>
<th>OWNERSHIP</th>
<th>OPTION FOR THE FUTURE</th>
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</table>
| Woolwich Horse Paddock (to be integrated with parkland) | Commonwealth Government  
Sydney Harbour Federation Trust | Boat ramp and hard stand to accommodate recreational use and serve as a loading facility and land base for Cockatoo, Snapper and Spectacle islands.  
Associated car and trailer parking. Discussions between Commonwealth and NSW Governments to ensure compatibility. |
| Cockatoo Island             | Commonwealth Government  
| Chowder Bay                 | Commonwealth Government  
Sydney Harbour Federation Trust | Navy refuelling facility. Possible sailing school/outdoor education facility.  
Discussions between Commonwealth and NSW governments to ensure compatibility. |
| Duck River                  | Various private ownerships         | Eastern side of river offers opportunity for marine-related industrial development with access to the river.  
Western side of the river offers long-term potential with possible withdrawal of Shell from a major part of the site. |
| Snails Bay Dolphins         | State Government                   | Temporary mooring for various vessels, including barges.                               |
Temporary berthing for visiting vessels/superyachts/tall ships.  
Lack of services and security are a limitation. |
| Goat Island                 | NSW Government                     | Boat servicing and repair.  
Major slip to be retained. |
What are the priorities?
The amount of foreshore land available to the working harbour is diminishing. Many of the sites identified as under-utilised or vacant experience ongoing external pressures, including restrictive zoning, redevelopment proposals, and local government and community opposition.

It is therefore important to maintain these sites for potential working harbour uses, subject to detailed analysis of their characteristics and market demand.

What are the next steps?
Several tasks are planned to advance the strategy for the working harbour. These tasks are designed to provide a better understanding of the supply and demand for waterfront industrial land.

Demand analysis
A major release of waterfront industrial land at Rozelle and Blackwattle bays is currently before the market for expressions of interest. This will provide a firm understanding of the actual rather than anecdotal interest in these sites, as well as an indication of the price companies are willing to pay for such land on Sydney Harbour.

This response from the market will be supplemented by an economic analysis of a key sector of the recreational boating industry, namely boat storage and repair. This is an industry sector often cited as a potential use for several of our key sites on the Harbour. In order to make a clear judgement on release of land for such purposes, the NSW Government needs an independent assessment of the financial factors that determine the economic viability of such operations on Sydney Harbour.

Supply analysis
The Waterways Authority has initiated several projects to gain a clear understanding of the supply of waterfront land on Sydney Harbour. In particular, Framework Plans are being prepared for all major under-utilised and vacant sites and the Waterways Authority is working closely with the Sydney Harbour Federation Trust to ensure that the Commonwealth sites form part of that review.

Close liaison with PlanningNSW will also ensure that the comprehensive analysis being undertaken by that agency on the role of marinas and waterfront berthing will assist in this work. Finally, a review of the distribution of services, including water, fuel and sewage disposal, will complete the picture of the working harbour.

The objective of all this work is to develop a strategic plan for the use and release of the key waterfront industrial sites on Sydney Harbour and to ensure that the NSW Government fosters a thriving working harbour.

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<tr>
<th>TASK</th>
<th>JUNE 02</th>
<th>SEPTEMBER 02</th>
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<tbody>
<tr>
<td>1. Monitor Expressions of interest for Rozelle and Blackwattle Bays to gauge wider market interest.</td>
<td>✔</td>
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<tr>
<td>2. Liaise with Sydney Harbour Federation Trust re coordinated response to the market.</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>3. Liaise with PlanningNSW re role and capacity of marinas in Sydney Harbour.</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>5. Analyse economic viability of key market segments of the recreational boating industry, including boat storage and repair (possibly in conjunction with the boating industry).</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>6. Review distribution of services (fuel, sewerage disposal and supplies) around Sydney Harbour.</td>
<td>✔</td>
<td>on-going</td>
</tr>
<tr>
<td>7. Finalise working harbour strategy and site release program.</td>
<td>✔</td>
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