

Melbourne Airport Rail Project: *Sunshine Station Masterplan*

Submissions from Western Melbourne Tourism Inc
April 10, 2022

Introduction

This document has been prepared as a submission in response to the request for input (via Engage Victoria) for the future planning of the Sunshine Precinct Masterplan associated with the Melbourne Airport Rail Project.

The focus of our interests are the opportunities for the visitor economy and the associated development of the Sunshine / Albion precinct.

The operation of the new Melbourne Airport Rail service will introduce a future supply of visitors to Melbourne moving through Sunshine. This is forecast to be in the order of 6-8 million visitors annually* once the service commences. (*Refer footnote p8)

The future development of the Sunshine precinct represents a once in a generation opportunity, particularly for the region's visitor economy.

Despite our correspondence and previous representations in the MAR project engagement process, there remains no formal representation of the visitor economy in this process. This project is proceeding forward blindly, and we fear will result in a substantial squandering of public investment and 'once in a generation' lost opportunity with a substandard development outcome for Sunshine.

Summary of key submissions

Our submissions can be summed up under *five* main areas.

- **Statewide Visitor Economy Strategy** – The strategic positioning of Sunshine as *the* major future gateway interchange hub needs to be incorporated into the overall State masterplan for the Visitor Economy, and particularly involving much more thorough strategic thinking about the future gateway arrival/ departure experience for all visitors to Melbourne.
- **Accommodation** – There must be an understanding of the future market demands for accommodation in Sunshine and Albion; and thereafter, have in place the right frameworks and means to facilitate relevant private sector investment.
- **Visitor Infrastructure** – We need to ensure we have the right infrastructure in place to meet the future user needs and demands of the forecast 6-8 million visitors travelling through Sunshine.
- **Destination attributes for Sunshine and Albion** – Given the large flow of visitors expected to move through Sunshine (as a gateway hub), both Sunshine and Albion have enormous potential to be repositioned as key visitor destinations. Sunshine and Albion will need hallmark attractions to ensure visitors have a reason to visit, dwell and spend time.
- **Jobs and skill development** – Given the future anticipated demand, plan for the regional growth in jobs in the visitor economy and expand local programs and infrastructure to deliver quality training and skill development.

Background about Western Melbourne Tourism

Before elaborating on our submissions, we will provide some background about Western Melbourne Tourism (WMT).

WMT is an entity incorporated for the purposes of promoting and developing the tourism sector across the western metropolitan region, embracing the municipal boundaries of Brimbank, Hobsons Bay, Maribyrnong, Melton, Moonee Valley and Wyndham councils. WMT is overseen by an independent board comprising representation from these six western metropolitan partner councils along with Parks Victoria, Victoria University, local arts sector and other representation from the tourism industry in the region.

As a regional board WMT offers a partnership with other Councils, universities, service operators and local businesses with a dedicated focus on the visitor economy interests. We are also working closely with organisations at a broader industry level such as the Victoria Tourism Industry Council, Visit Victoria, Committee for Melbourne as well as the State government through departments including the Departments of Jobs, Precincts and Regions (DJPR) and Department of Transport (DoT).

The WMT Board holds a very keen interest in the future vision for Sunshine and the likely impacts on the future development of the region's visitor economy, none the least being the Melbourne Airport Rail.

We appreciate the complexity of this planning and competing community needs, different sector priorities along with the substantial technical (and cost) challenges of integrating the MAR infrastructure into Sunshine. Notwithstanding we believe there is a need for a much stronger strategic focus on the visitor economy. This sector will add substantial jobs and future economic benefit and will support a much-needed transformation in the perceptions and profile of Sunshine and the western region more broadly.

1. Statewide Visitor Economy Strategy: A broader context - The visitor experience and role of Sunshine as a destination for visitors

Sunshine will be a new interchange hub and point of connection between the city, the airport and the regional centres of Geelong, Ballarat and Bendigo (as well as interconnections with other key regional centres in the other parts of the State). Being a new locus will open substantial opportunities for the visitor economy, and a major opportunity for re-positioning of Sunshine as a visitor destination.

The introduction of the rail link will have a dramatic impact on the patterns and movement of visitors in how they connect and access the city. Sunshine will most enviably be the most connected point on the rail network in Victoria. History has shown the economic value and the growth of city centres based on such connectivity, whether by air, sea or rail. There are substantial opportunities to create local value capture; we want to avoid a scenario where Sunshine becomes just a 'stop over hub' on a journey somewhere else. This would be an opportunity lost.

It is noted the [*Sunshine Precinct Opportunity Statement \(November 2021\)*](#) makes *no* reference to the visitor economy and/or the role of Sunshine as a destination.

The 'gateway' experience for visitors

An important aspect of the overall strategic planning is to understand how Sunshine will be integrated plays in the general arrival /departure experience for visitors to Melbourne more broadly.

Sunshine will be the key interchange hub. Ideally the gateway journey for visitors should be smooth and seamless. How will MAR service fit into the overall destination master planning for the State? How will the Sunshine interchange relate to the service planning for the new station being developed at Melbourne Airport, or existing experience at Southern Cross? How can that physical arrival experience in Victoria be unique in Australia and globally, and place Melbourne and Sunshine ahead of the pack? How can we transition visitors from the city to Melbourne's airports (including Avalon) as well as into the key regional centres? If there is a goal to disperse visitors to regional Victoria here is golden opportunity to plan for this and build it into the arrival and destination opportunities at Sunshine.

The Victorian Government is working on the development of a State-wide visitor economy masterplan (and note the recent release of the Visitor Economy Masterplan Directions Paper). WMT provided feedback to the consultants (TRC Tourism) running the consultation for this plan in September 2021. At the time there did not appear to be any consideration about the future role of Sunshine MAR, or the gateway arrival visitor experience. The Direction Paper subsequently released in early April 2022 provides a limited cursory reference to the project (Refer. p.18)

First impressions are important. Visitors (including first time visitors to Melbourne) are a major segment of users on this service. In quite practical and detailed terms, we are seeking a much more resolved vision on the visitor experience: Where will information be sourced? What services will be provided and where? What physical impressions will visitors receive expressed in urban design? What cues, direction and navigation? What seating and pedestrian links will be provided? Or even, how will luggage be managed?

For the purposes of the Sunshine Masterplan there is need for a design thinking process to work through the user experience and how an interface will be developed in Sunshine with a development masterplan to reflect these needs.

It is also appreciated that more information/services are increasingly being sourced through digital channels as opposed to 'face-to-face' services, but the need for a coordinated and singular 'branding' and smooth/ seamless experience remains just the same.

This is an area requiring review and focus, noting that the Melbourne Metro rail project has also required the removal of the Melbourne Visitor Centre, another key gateway point.

There is no single agency with strategic oversight of the management of this experience and it falls between a range of agencies – amongst DJPR (TEVE), Visit Victoria, City of Melbourne, Other Councils, Melbourne Airport, Skybus, Transport Victoria. This project offers the catalyst for some much-needed review. The "Melbourne arrival experience" is now well below the standards of other comparable cities.

2. Accommodation – A key element

By its strategic location Sunshine (and Albion) will emerge as a centre for future accommodation, particularly:

- Short term transit accommodation (day or overnight) eg visitors departing on early morning flights or laying over between flights/ or delays
- Business meetings and conferences – 'fly in/fly out' meetings
- Corporate travel and accommodation servicing the expanding commerce and industry in the immediate region
- Leisure travel seeking a strategic point to hub eg Ballarat/Bendigo/ Geelong (more cost effective without returning to the central city) or connect to events, other tours and experiences
- Extended stay for local visitation

The market is showing already showing the appetite for this location. It is understood Brimbank Council has already received four permit applications* for new hotel or serviced apartment developments for Sunshine and Albion (*we note a further six accommodation developments in adjacent municipalities across the western region have also been recently approved).

A future accommodation demand study will be an important piece of strategic work. We are not aware of any recent accommodation market studies for the western region, other than work completed in the early 2000's by consultants Urban Enterprise.

The gaps in the supply of accommodation (particularly mid-tier, 3-4 star) in the western region was one of the key findings of work completed in 2018-19 by the AEC Group, as part of the Greater Melbourne Destination Visitor Management Plan project and subregional Plan for Melbourne's west. Final copies of these plans with recommendations can be found here:

[Destination Management Plan - Western Melbourne Tourism \(melbourneswest.com.au\)](http://melbourneswest.com.au)

There is a Melbourne-wide trend for the development of newly opening suburban-based hotels, and it would be very fruitful to explore and understand the market demand underpinning these developments.

We would like to ensure any brief for an accommodation demand study will address:

- a base assessment of the current accommodation supply and demand
- forecast demand because of the new MAR
- contemporary versions of hotel accommodation involving new evolving brands and likely market attraction to the Sunshine and Albion precincts
- models of accommodation investment and development facilitation, partners and commercial synergies
- effective incentives to attract investment in accommodation development
- future 'conceptual' opportunities

What the market is doing: Case studies



***CitizenM** is a case study of segmenting the customer and having a more basic 'less frills' offer to reduce the cost and yet achieving better reviews. 'Low cost- High end' hotels. The model starts at all stages of the project in the cost approach to the build and fit out.*

Also refer links:

<https://www.citizenm.com/company/overview>

<https://www.citizenm.com/company/centralised-business-model>

<https://www.inc.com/magazine201406/liz-welch/citizenm-low-cost-high-end-hotels.html>

***Hyatt Place at Essendon Fields** is another local example following a comparable service philosophy. It provides a good example of what the market might need for Sunshine, which will be a similar functional, 'transitory' market.*

Refer link:

[Airport Hotel | Hyatt Place Melbourne, Essendon Fields](#)



3. Visitor Infrastructure - Demand for visitor economy service businesses more broadly

Beyond accommodation, there will be anticipated demand for a range of other services related to an interconnected aerotropolis/visitor economy. The strategic planning frameworks for the Sunshine precinct need to anticipate and allow for:

- Food and beverage, hospitality services
- Travel services for visitors, being a hub for further bespoke touring experiences
- Support services for visitors – eg. banking/ money exchange/internet access, phone cards, pharmacy, Travellers Aid (eg as currently available at Southern Cross)
- Shopping/retail/ markets/dining
- Transport services and connections
- Visitor information and retail travel services
- Cultural /interactive attractions ie venues/activities to dwell and fill time;

The context of the current services and businesses existing at the western end of the Melbourne CBD, or within the Melbourne airport precinct provide some indicators to the nature of these businesses.

4. Destination Attributes: Developing a destination profile for Sunshine and Albion with drawcard visitor attractions

An important question is understanding the role of Sunshine in the overall 'Melbourne visitor experience'. For travellers in mode there will be a reluctance to break the journey. What will be the reasons to dwell and/or visit Sunshine? There is some substantial work to be done to define the role of Sunshine as a destination in the hierarchy of experience of the city.

What is needed is/ are a unique attraction(s) with enough profile of metropolitan significance ie to be a destinations in their own right and providing the reason(s) to drive a visit. The concept proposals already mooted for a Centre of Indigenous culture, an annexe to a major institution eg National Gallery of Victoria (NGV) or Museum Victoria, large scale markets are all options to be explored. A new stadium is also being considered in Energy Park. There may be other proposals.

A key goal of this strategic brief must be to refine what are these opportunities are, explain market feasibility and where each could be located. These proposals could also embrace:

- Multicultural dining - ie restaurants/ food markets
- Retail
- Conference and meeting facilities
- Cultural attractions
- Performing arts venue (of scale)

Ensuring re-use of existing built fabric of industrial character

The **Albion precinct** offers particularly special opportunity with existing silos and building fabric. Good urban design should enable this to develop into a distinctive 'enclave' precinct.

There also many examples globally of the conversion of redundant industrial sites into new centres of 'urban cool' providing bases for start -up enterprises, business focused technology, design, and the creative sector (arts, fashion, music etc). This provides new a whole energy and is strongly interconnected and grounded in sustainability as well as new enterprise and job creation. These precincts have developed as vibrant community hotspots as well as major visitor attractions.

What the market is doing: Case studies

LX Factory – Lisbon is a revitalisation of a redundant manufacturing complex (one of Lisbon's largest) which has become one of the most creative and innovative hubs in Portugal. Occupied by professionals of the creative industry, it also serves as a hub for a wide range of happenings related to fashion, arts, architecture, music and much more.

Refer links

[LX FACTORY, Lisbon - 2022 Tourist Guide \(lisbonportugal.com\)](https://lisbonportugal.com/en/visiting-lisbon/creative-industry/lx-factory)
[Lx Factory \(cityguidelisbon.com\)](https://cityguidelisbon.com/en/visiting-lisbon/creative-industry/lx-factory)





NDSM – Amsterdam is a former shipyard located on the banks of the River IJ in Amsterdam Noord. NDSM Wharf has blossomed into an enormous cultural hotspot with a vibrant artist community and an ever-expanding variety of bars and restaurants. With grounds exceeding the size of ten football pitches, the area hosts multi-disciplinary festivals, performances, exhibitions, dance parties and a wide range of other events in unique, post-industrial surroundings.

Refer links: [NDSM Wharf | I Amsterdam](#)
[NDSM in Amsterdam - Former Shipyard Turned Art Community Hotspot - Go Guides \(hotels.com\)](#)

The recent redevelopment at the **Summer Hill Flourmill** site in Sydney provides a great case study on what might be possible involving reuse of very similar built fabric as exists at Albion. The precinct design has been a catalyst for significant community activation and events.

Refer links for images:

[The Flour Mill at Summer Hill | Brand New apartments for Sale \(summerhillflourmill.com.au\)](#)
<https://www.hassellstudio.com/project/summer-hill-flour-mill>



Further aspects of ‘Destination design’

There are many other dimensions to developing a successful destination and this proffers a range of further questions.

- In this context, what will be the place brand/ destination attributes of Sunshine? How will Sunshine be differentiated? What is the role of Sunshine precinct versus the Albion precinct and how can they be differentiated?
- How will a ‘destination’ service culture be developed to ensure Sunshine is a welcoming location for visitors? How will these needs be integrated with other visitor gateway points of contact? What technology will apply?
- What are the partnership opportunities? (eg Victoria University as a training provider based in the precinct, or other visitor service providers?)
- What will be the urban design and how will public spaces be presented? Will public spaces be visitor friendly and easy to navigate? Will spaces foster activation and events?
- What is the governance model? What agencies and at what levels of government will be responsible for oversight of this visitor experience? Eg local council, state government, MAR transport organisation, Melbourne Airport, private sector?
- What will be the strategies for attracting private sector investment and marketing the ‘concept’ of the precinct?



5. Jobs and skill development

Victoria University already has well established footprint in the Sunshine precinct, as part of a network of campuses across the western region. Victoria University (VU) has a long tradition of delivering tourism and hospitality training. More recently it has developed the concept of a inter campus School for the Visitor Economy, linking across trade and polytechnic level to bachelor's degree and higher-level research

With Sunshine as a new locus of visitors, to leverage this we suggest the School for Visitor Economy can be expanded further. Sunshine can be developed much further as a new centre for training in hospitality and tourism.

As an element of this, we strongly support the concept of an 'immersive' teaching hotel based in Sunshine. This model involves the integration of a working hotel into the VU teaching programs:

- Build on the existing hospitality teaching programs and School for the Visitor Economy frameworks in place
- Potentially be developed based on an industry partnership with a hotel operator
- Leverage building developments to integrate new teaching spaces
- Introduce a new style of immersive learning as a residential based school (This doesn't exist in Victoria currently*,but does in other places eg Blue Mountains in NSW. (*Noted that William Angliss has its 'teaching' restaurant in the city). There are many successful hospitality/ hotel training schools based on this model based across Europe, Asia and the United States. These teaching hotels operate as commercial businesses and deliver revenue back to the teaching institutions
- Provide an 'industry / hospitality incubator' for research and trialling new concepts of accommodation or other tourism services
- Service a new market of visitors travelling through Sunshine, and support a new positioning for Sunshine
- Leverage the multicultural food and hospitality culture of Sunshine and Melbourne's west

Top 10 'Principles for Success' – Sunshine as a Visitor Economy hub

1. *Land use and strategic planning frameworks* – Sunshine is identified as a key visitor gateway in the state government's planning of the visitor economy. To support this priority, land use controls must enable and facilitate development of future visitor infrastructure and services.
2. *Urban design vision around the rail infrastructure* – The planning of spaces in the public realm in and around new rail infrastructure must ensure easy orientation/navigation and complement private sector development of accommodation, food and hospitality, attractions, and other services. Public space should be designed to complement and foster urban activation, encourage a 'vibe' and facilitate awareness, visibility, and connectivity of the Sunshine precinct for visitors transitioning or stopping over in the precinct.
3. *Research and market data* – The modelling of future user demand is critical for the understanding of the expectations and possibilities for visitors (particularly drawing on overseas experience of transport connecting airports) is vital for a full appreciation of future needs and coordination of planning.
4. *Frameworks for accommodation investment* – The development of a range of accommodation to service a range of markets is key to destination success, to ensure visitors can spend time to experience the precinct.
5. *Governance framework* – In terms of strategic oversight there needs to be coordination of the range of government authorities to ensure the visitor experience is developed in a coordinated and integrated manner and is seamless in delivery.
6. *Partnerships for service delivery* - Government must support and facilitate a range of co-operative partnerships to support the delivery of the Sunshine visitor services and experience, spanning across many types of stakeholders including local industry operators and tourism industry networks, Councils, University, Airports, different departments of state and federal government.
7. *Investment in hallmark attractions* – Investment facilitation is required to development significant new visitor assets for the Sunshine precinct, that will ensure Sunshine can grow into destination of profile and standing.
8. *Placemaking, identity and brand* – Physical assets needs to translate into new an updated identity for the Sunshine precinct that will engage and resonate with visitors.
9. *Local training and skills* – The success of the precinct will depend strongly on the 'delivery of the promise' ensuring there is a strong and positive service culture underpinned by a strong base of training and development in the delivery of experience and services for visitors.
10. *Private sector co-investment* – Private sector investment will follow the investments in infrastructure by government, generating successful commercial returns and foster continued further investment and growth.

Measuring Success – How will we know if we have succeeded?

- *Growth in local jobs and local yield in the visitor economy*
- *Return visitation to the precinct/Increased stopover or 'dwelling' times*
- *Local ownership and community pride in the role of Sunshine and refreshed image as a key visitor gateway*
- *Coordination and common understanding of roles and responsibilities*
- *Bipartisan political support from government at a state and federal level*
- *Strong cooperative engagement and 'buy in' from stakeholders to ensure feedback and ongoing development and improvement.*

Conclusion

Western Melbourne Tourism is grateful for the opportunity to make these submissions. We believe the visitor economy can assist in a broad transformation of Sunshine (including Albion, the precinct and the National Employment and Innovation Cluster or NEIC) to play an entirely new role as a gateway to Melbourne. Building these place attributes supports the broader purpose and salience of developing Sunshine as a distinctive and vibrant centre to not only just visit, but also as a place to live, study, or work.

We have been engaged with Brimbank City Council's own [2050 Vision](#) and generally our ideas and vision related to the visitor economy opportunities are well aligned.

We anticipate further studies will provide refined insights into the forecast volumes, patterns of movement and needs of the users of Melbourne Airport Rail, as well as a more accurate picture of economic net benefit.

We are very keen to continue having input into this strategic masterplan development as this plan evolves.

We want to be sure that future land use and strategic planning makes full provision for the visitor economy opportunities. **To date, there has been very limited opportunity for formal representation of the visitor economy stakeholders in this process.** Future infrastructure requirements need attention now.

We imagine a future when people will hear about the new transformed Sunshine who will want to go out of their way to visit and experience it and be amazed with what they find.

Further contact

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*Footnote p.1**

Pre covid, Melbourne Airport serviced approximately 38 million passengers annually, which is expected to grow to 60 million by 2033.

Based on samples of overseas cities with airports with mixed modes of access including direct rail services the rail mode share varies from around 10–35% of total airport patronage. Assuming a total patronage of 60 million in 2033, it could be estimated to expect a range of patronage of 5 mill-21million passengers using a rail connection. Anecdotally this is roughly forecast to be in the order of 6-8 million passengers once the MAR service commences from 2030.

Sources: 2019 Presentation Professor Graham Currie, Monash University, Public Transport Research Group (PTRG), 11th Annual Victorian Transport Infrastructure Conference 2019, May 2019; Melbourne Airport Rail Link Strategic Appraisal, Transport for Victoria, March 2021.

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