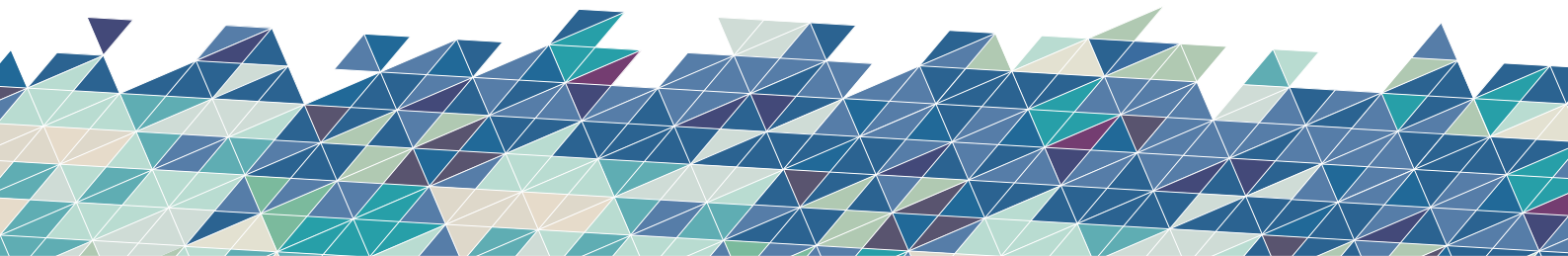


# ALKIMOS COASTAL NODE LOCAL STRUCTURE PLAN

## Appendix 7 Local Economic Strategy







# ALKIMOS COASTAL NODE

## Local Economic Strategy

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# Summary

## Introduction

Alkimos Coastal Node is a proposed activity centre in the North West Corridor of metropolitan Perth. It is located in the Alkimos-Eglinton District and is located adjacent to one of the only designated regional beach located between Joondalup and Yanchep. The proposed Coastal Node is located to the west of Marmion Avenue, northwest of the Alkimos Beach development of Lend Lease and west of the relocated Waste Water Treatment Plant (WTP). The site was previously the location of the WaterCorp WTP which was relocated further inland to improve development accessibility to the regional beach. It is located in the Alkimos-Eglinton District.

The establishment and growth of the Coastal Node is expected to play a combined lifestyle/domestic tourism role within the North West Corridor of Greater Perth, underpinning the development of a diversified, dynamic, prosperous and sustainable local economy in the Alkimos-Eglinton District. The level of economic activity of the Node will be dependent on the delivery of key enabling infrastructure in the medium to long –term (such as the potential regional marina), the effective integration of the Node with the regional beach and the promotion of residential and built-form density.

The purpose of this Local Economic Strategy is to define the likely future size, composition and character of economic activity in Alkimos Coastal Node and provide a framework and action plan for stakeholders to facilitate this growth and evolution over time.

## Economic and Employment Activity

Vision for Alkimos Coastal Node Economic Health:

*The Alkimos Coastal Node will be the amenity, lifestyle and tourism anchor of Alkimos and help achieve active visitation to the area from the broader corridor. The coastal amenity of the Node, and the desire for above average level of residential density, will create a unique lifestyle offering that will attract young families and older households alike. This will be supported by a diverse range of high quality café, restaurant and boutique retail as well as local health and lifestyle services.*

Alkimos Coastal Node has the following key economic drivers:

- Coastal location which has significant amenity benefits and tourism related benefits;
- Centrality on the coast in a high growth corridor – location of the Coastal Node between Sorrento (nearest surf lifesaving club to the south) and Yanchep which has a seasonal surf lifesaving club to the north;
- Relative location to the Alkimos City Centre which performs a complementary role in drawing activity from a wider catchment area and increases overall activity at the regional beach and also the Coastal Node;
- Local resident population and their relative affluence living in a coastal location;
- Potential for a marina, which would increase the overall destination drawcard to the coastal location and will benefit the Coastal Node, rather than impacting it through any additional retail and commercial floorspace delivery; and
- Strong potential for Government investment, particularly given the recent State Government policy to invest in and revitalise regional beaches.

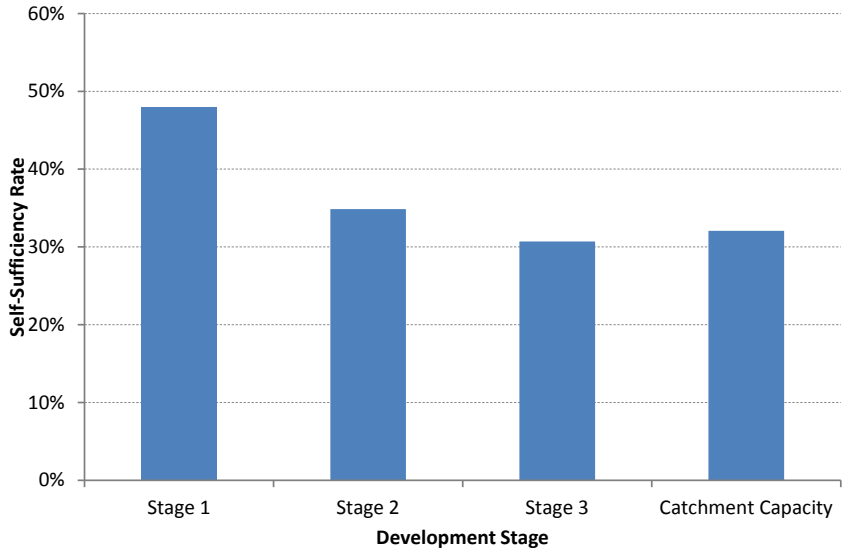
These economic drivers, if successfully captured and delivered, will underpin the economic health of the Alkimos Coastal Node and support the creation of a dynamic local economy.

Based on a review of previous economic modelling undertaken for the District and updated “bottom-up” analysis by RPS Economics in support of this Strategy, it is estimated that by residential build out of the Catchment, Alkimos Coastal Node will accommodate 903 jobs. This employment will be distributed across tourism, home-based business and retail/commercial uses.

These employment activity estimates assume that the potential Alkimos Regional Marina is not delivered within the assessment period. If such economically enabling infrastructure is delivered, the floorspace and employment potential of the Node would be greatly increased, facilitating higher employment densities.

The Alkimos Eglinton District Structure Plan established a minimum employment self-sufficiency target of 60%<sup>1</sup>. This means that there is to be minimum six jobs for every ten workers living in the Alkimos-Eglinton District.

Over the course of its development, Alkimos Coastal Node is expected to experience a growth in its local employment self-sufficiency rate. ESS is projected to reach 32% when the broader Alkimos Eglinton District is at capacity. Such employment self-sufficiency rates are expected for a predominantly residential area, particularly one promoting above average residential densities (and therefore higher population and workforce yields). The exposure to tourism activities and high amenity population servicing opportunities provides a boost to local employment.



**Figure ES1: Employment Self-Sufficiency Rate, Alkimos Coastal Node**

The employment generated and accommodated in Alkimos Coastal Node is expected to be primarily population-serving in nature in early stages of development. This reflects the community and convenience nature of employment generators such as retail, lifestyle and medical activities. However, strategic

<sup>1</sup> Alkimos Eglinton District Structure Plan (August 2008); page 10



industry employment generation will increase rapidly in later stages with the development of formal short-stay tourist accommodation and the expected maturity of the local economy.

A summary of key employment indicators for the Alkimos Coastal Node are outlined below.

**Table ES2: Key Employment Indicators, Alkimos Coastal Node**

Indicators	At Completion
Dwellings	2,420
Estimated Population	5,635
Estimated Workers	2,818
Estimated Employment	903
Employment Self-Sufficiency	32.1%
Strategic Industry Share of Employment	>70%
Employment Density <sup>2</sup>	10.4 jobs/ha

### Approach to Economic Development

The realisation of the potential, aspirations and objectives of the Alkimos Coastal Node will rely on a long term cooperative partnership between LandCorp, WaterCorp, private developers and the City of Wanneroo.

A proactive approach to economic development is required that includes early investment in:

- Human resources dedicated to achieving the objectives (e.g. Business and Economic Development Manager);
- Economic enabling infrastructure (such as a quality fibre optic network); and
- Services and initiatives that support innovation & entrepreneurship, sustainability, growing local business, health, recreation & wellness (indicative action plan).

### Strategic Themes

The economic development of Alkimos Coastal Node will be guided by a range of strategic themes. These themes provide an organising framework for economic development actions proposed for the Area in section 5.0 of this Strategy and include:

- Maximising Amenity
- Attracting Investment
- Growing Local Business
- Business Connectedness
- Retail and Population Servicing Industry
- Economic Flexibility
- Enabling Infrastructure
- Governance and Resourcing

<sup>2</sup> Including Regional Open Space. 5.6 EFT jobs per hectare when Regional Open Space is removed.

---

## Economic Development Action Plan

The Action Plan outlined in section 5.0 of the Local Economic Strategy outline a range of potential initiatives and outlines relevant objectives, deliverables and stakeholder responsibilities. Examples of initiatives identified include:

- Development of Foreshore Areas;
- Recycled Water Reuse;
- Alkimos Coastal Node Investment Prospectus;
- Innovative Co-Working Space;
- Business Networking Program;
- Temporary of Commercial and Group Dwelling Sites;
- Regional Marina;
- Alkimos Coastal Node Employment Modelling; and
- Business and Economic Development Manager

## Conclusions

The Alkimos Coastal Node will be a high amenity, coastal node in the North West Corridor of Perth. It will leverage the natural comparative advantages of its collocation with a regionally-significant beach to support high quality population servicing and tourism/visitor activity. It will also accommodate a diverse range of housing products, including above average residential densities that will enable the area to achieve its true economic potential.

Early support and facilitation of the local economy is essential. This will entail strong commitment from all levels of Government to the provision of enabling infrastructure and proactive growth strategies and initiatives by project proponents. Failure to do so will undermine the capacity of stakeholders to facilitate the realisation of the Coastal Nodes economic potential and constrain its contribution to the achievement employment self-sufficiency targets for the broader District.

Ongoing monitoring of the Coastal Node's economic evolution will provide opportunity for project stakeholders to manage the growth of the local economy in the volatile and uncertain post GFC environment. This will be supported by greater flexibility in local land use and built form planning and design, to enable the emergence of challenges and opportunities to be responded to quickly.

This Local Economic will be reviewed and updated annually to ensure it remains aligned with the related strategies of both Government and key stakeholders.

# 1.0 Introduction

## 1.1 Alkimos Coastal Node Project Overview

Alkimos Coastal Node is a proposed activity centre in the North West Corridor of metropolitan Perth. It is located in the Alkimos-Eglinton District and is located adjacent to one of the only designated regional beach located between Joondalup and Yanchep.



Figure 1 Alkimos Coastal Node Illustrative Masterplan

The proposed Coastal Node is located to the west of Marmion Avenue, northwest of the Alkimos Beach development of Lend Lease and west of the relocated Waste Water Treatment Plant (WTP). The site was previously the location of the WaterCorp WTP which was relocated further inland to improve development accessibility to the regional beach.

The establishment and growth of the Coastal Node is expected to play a combined lifestyle/domestic tourism role within the North West Corridor of Greater Perth, underpinning the development of a diversified, dynamic, prosperous and sustainable local economy in the Alkimos-Eglinton District.

## 1.2 What is Economic Development?

Economic development is any effort or undertaking which aids in the growth of the economy. Measures of success are many and varied, which reflects the broad interpretation of 'economic development' activities. These efforts are particularly important for Greenfield locations which lack an existing local economy and therefore require additional investment, facilitation and support from both private and public sectors.

Primary indicators for the development proponent include:

- Employment yield - both onsite and offsite (Full Time Equivalents or FTEs)
- Short-term and construction employment (FTEs)
- Business expenditure during construction and operational phase
- Local household wealth and expenditure
- Level of business attraction (number of businesses, level of investment)
- Employment self-sufficiency (Percentage)

Typically, strategies for regional economic development aim to:

- increase the flow of money into the region
- improving the efficiency of existing businesses
- improve the recirculation of finance and resources within the region

If achieved, these aims should result in the growth in value of the regional economy. This is more or less the basis for a region 'moving forward' and meeting the kinds of community aspirations (e.g. housing choice, lifestyle, employment, education, health, security) so often referred to as 'must haves' in modern day Australia.

Economic Development is particularly important – and difficult – in Greenfield locations. The lack of an established residential population, enabling infrastructure and business and investment profile all limit the capacity for local villages of economic activity to establish and grow, without significant support and facilitation by Government. It is also the case when diversification of employment is important, particularly with regards to tourism as part of the Alkimos Coastal Node. While the Alkimos City Centre will add to the critical mass on employment and economic activity, the Coastal Node will likely play a dual role of servicing local residential needs, while also performing a daytrip and domestic overnight tourism role.

A collaborative approach to economic development, building upon Government's traditional role in facilitating local economies through partnership with private sector organisations, is critical to achieving the goals and objectives established for the North West Corridor generally, including with the Alkimos Coastal Node due to its important tourism role.

## 1.3 Post GFC Environment

In recent years, Western Australia's (WA's) economic prosperity has been well documented and widely reported. Economic growth rates have exceeded national averages and the influx and increase in population levels has mirrored this success.

Post the Global Financial Crisis (GFC) uncertainty remains in markets across the globe. Compared to other nations, Australia still retains some sense of economic stability with an acknowledgement of our heavy reliance of the resources sector.

Despite these events, WA has performed better than other State economies. As of December 2013, WA's unemployment rate was 5.9%, above the 2012 lows of 3.8% due to the peaking of mining investment but below the national rate of 6.0%. This environment is being driven by a combination of a relatively soft landing of mining sector investment and the growth in other sectors of the Western Australian economy, namely residential construction, housing expenditure and tourism activity. The interesting dynamic for WA in both the pre and post GFC environment is that proactive economic interventions are still required in order to create local employment, prosperity, diversity and self-reliance. This is true for good economic times or bad.

Why is this so? Quite simply the attractiveness of Perth and its surrounds as an economic and lifestyle destination will ensure that migration to the City and State continues for some time yet. Population projections by the Australian Bureau of Statistics, suggest Perth will overtake Brisbane as the third largest metropolitan area in Australia by 2056<sup>3</sup>. The City of Wanneroo is currently one of the fastest growing locations in the country and has been identified as a growth hot spot for decades to come. A diversified economic base and localised economic initiatives are required to ensure meaningful jobs for today as well as new (yet to be created) jobs for the future.

Without the right economic development strategies in place, Alkimos, Perth and Western Australia cannot continue to grow and support the lifestyle we find so attractive.

#### 1.4 Strategy Purpose

The purpose of this Local Economic Strategy is to define the likely future size, composition and character of economic activity in the Alkimos Coastal Node and provide a framework and indicative action plan for stakeholders to facilitate this growth and evolution over time.

The strategy is comprised of the following key sections:

- **Economic and Employment Activity** – including identification of the key drivers of and challenges to the economic health of the Coastal Node and estimates of projected employment, floorspace and self-sufficiency over the next 20 years.
- **Approach to Economic Development** – outlining the approach to be adopted by project stakeholders to facilitate the development of the Node economy.
- **Strategic Themes** – identification and definition of the strategic themes which will characterise the development of the Coastal Node economy.
- **Economic Development Strategy** – including potential strategic direction for the local economy by stakeholders, including economic drivers and investment focal points.
- **Conclusion** – summarising the key findings of the Strategy.

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<sup>3</sup> ABS (2014), Population Projections, Australia, Cat No 3222.0, Australian Bureau of Statistics, Canberra

## 2.0 Economic & Employment Activity

### 2.1 Vision for Coastal Node Economic Health

The Alkimos Coastal Node will be the amenity, lifestyle and tourism anchor of Alkimos and help achieve active visitation to the area from the broader corridor. The coastal amenity of the Node, and the desire for above average level of residential density, will create a unique lifestyle offering that will attract young families and older households alike. This will be supported by a diverse range of high quality café, restaurant and boutique retail as well as local health and lifestyle services.

Yanchep currently has strong visitation from international and domestic tourists, which is partially as a result of the regional beach status and additional facilities in and around the beach. As the Alkimos Coastal Node develops, it is anticipated that this area will also provide significant amenity benefits for the local population, and will become increasingly attractive as a day trip and overnight visitation destination within the North West Corridor.

### 2.2 Key Drivers of Economic Health

The following list outlines the key drivers of the economic health of the Alkimos Coastal Node:

- Coastal location which has significant amenity benefits and tourism related benefits;
- Centrality on the coast in a high growth corridor – location of the Coastal Node between Sorrento (nearest surf lifesaving club to the south) and Yanchep which has a seasonal surf lifesaving club to the north;
- Relative location to the Alkimos City Centre which performs a complementary role in drawing activity from a wider catchment area and increases overall activity at the regional beach and also the Coastal Node;
- Local resident population and their relative affluence living in a coastal location;
- Potential for a marina, which would increase the overall destination drawcard to the coastal location and will benefit the Coastal Node, rather than impacting it through any additional retail and commercial floorspace delivery; and
- Strong potential for Government investment, particularly given the recent State Government policy to invest in and revitalise regional beaches.

These economic drivers, if successfully captured and delivered, will underpin the economic health of the Alkimos Coastal and support the creation of a dynamic local business, investment and employment environment.

### 2.3 Proposed Locations of Economic Activity

The Alkimos Coastal Node will be located to the west northwest of the City Centre along the Western Australian Coast. The layout is proposed as follows:

- Estimated Coastal Node will comprise a combination of land uses, including a diversity of low density detached and higher density townhouse and apartment housing product. Non-residential land uses will be largely comprised of retail space, with complementary amounts of office and community uses.
- Coastal Node Core will be located to the north of the Alkimos Coastal Node precinct. This position will connect with the regional beach to the west, provides a discrete destination from the Alkimos Beach Neighbourhood Centre and maximises the flexibility of the potential marina development to the south of the Node area;



- To the north of the Coastal Node, there is regional public open space which will include playing fields and other recreational facilities. This will increase the level of activity around the centre and further add to the attraction and viability of the Coastal Node;
- Mixed use activity will also be included in a range of other areas throughout the Coastal Node, primarily up the Special Transit System (STS) route and along the coastal strip. This will allow for additional activities to occur along visible locations and to take advantage of tourism and public transport.

As such this development will be underpinned not just through the strategic coastal location which will benefit from the tourism and 'beyond trade' benefits, but also from a higher density of residential population. The Coastal Node will therefore bolster the local economy in providing a location for local businesses and employment and diversification in the residential product within the wider Alkimos region.

## 2.4 Development Floorspace

RPS has estimated projected local employment using a "bottom up" approach. This approach seeks to identify land uses and floorspace commonly associated with Coastal Nodes, taking into consideration the economic drivers and advantages of the local area. This floorspace is then converted to employment by applying national standard workspace ratios to estimate the number of Full-Time Equivalent (FTE) jobs that the Centre will accommodate.

It should be noted that this analysis **does not include the provision for a Marina** to be delivered in the precinct. While a marina will likely include a level of commercial floorspace, RPS believes that the additional supply will meet the needs of additional tourist driven to the site through a marina destination. In short, a marina development will draw enough demand to offset any impact from new commercial space.

The Coastal Node is expected to support approximately 24,000sqm Gross Floor Area (GFA) of commercial, tourism and community floorspace at capacity. This will be comprised of a combination of shop-retail, commercial office, medical and health, community services and hotel developments.

This floorspace is expected to be delivered in a staged approach, responding to the growth of the residential population of the District and Corridor and changes over time in the socio-economic characteristics and expenditure profiles of local residents. Floorspace, by development stage, is illustrated in the figure below.

Overall, population and visitor servicing activities are expected to comprise the majority of early floorspace delivery, particularly retail and lifestyle/leisure services. However, the growth of the residential population and realisation of the visitation potential of the development will see activity diversify, with greater levels of commercial office and hotel/short-stay accommodation activity expected.

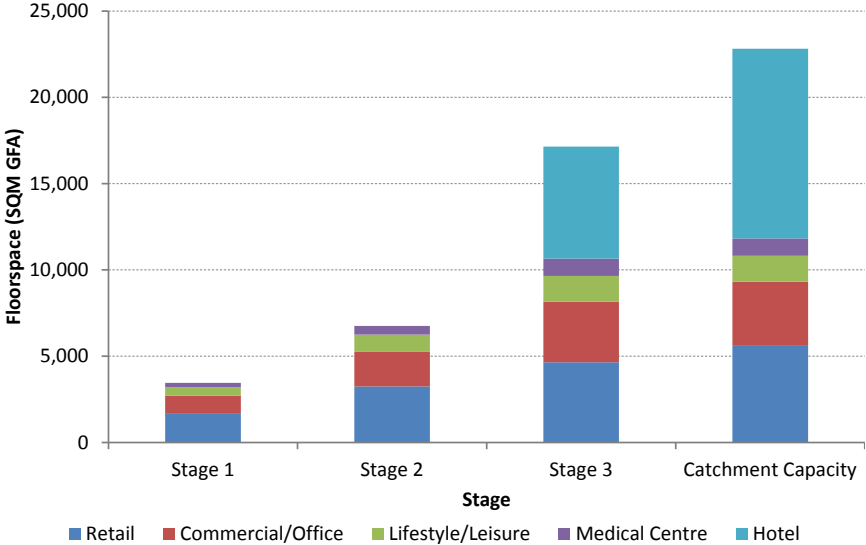


Figure 2 Floorspace Staging by Type, Alkimos Coastal Node

2.5 Employment Generation

The local employment generation potential of the Alkimos Coastal Node has been estimated by applying industry specific workspace ratios to the floorspace estimates for different land uses.

RPS estimates the Node has the potential to accommodate 903 jobs when the Catchment is at residential capacity. Employment growth is expected to be skewed towards the end of the development lifecycle, with stronger levels of employment generated from visitor accommodation and beyond-catchment retail and café expenditure. This staging of employment generation is illustrated in the figure below.

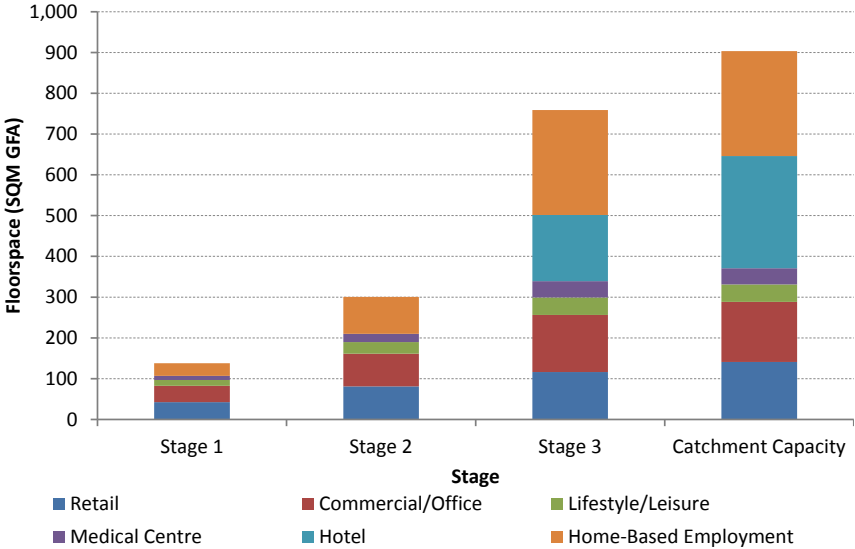


Figure 3 Employment Staging, by Type, Alkimos Coastal Node

As expected, this employment profile is similar to that of the floorspace profile of the Node, reflecting similar workspace ratios across the different floorspace types expected in the area.



Home-based business employment is expected to be slightly below the averages forecast for the broader Alkimos-Eglinton District due to an above average share of attached dwellings in the housing mix and the flow on impact to the number of trades people (almost exclusively associated with detached homes) who use the area as a base to service the broader District/Corridor. Nevertheless, the significant volume of residential dwellings proposed for the Node means it is expected to be the second largest employment generated in the area after short-stay accommodation.

## 2.6 Local & District Employment Self-Sufficiency

The Alkimos Eglinton District Structure Plan established a minimum employment self-sufficiency target of 60%<sup>4</sup>. This means that there is to be minimum six jobs for every ten workers living in the Alkimos-Eglinton District. Self-sufficiency means that these jobs are not necessarily filled by local workers (that is employment self-containment), though it is expected that the provision of a diversified range of high order local employment will be a major driver in residential settlement and therefore enhance the levels of economic-based travel containment over time.

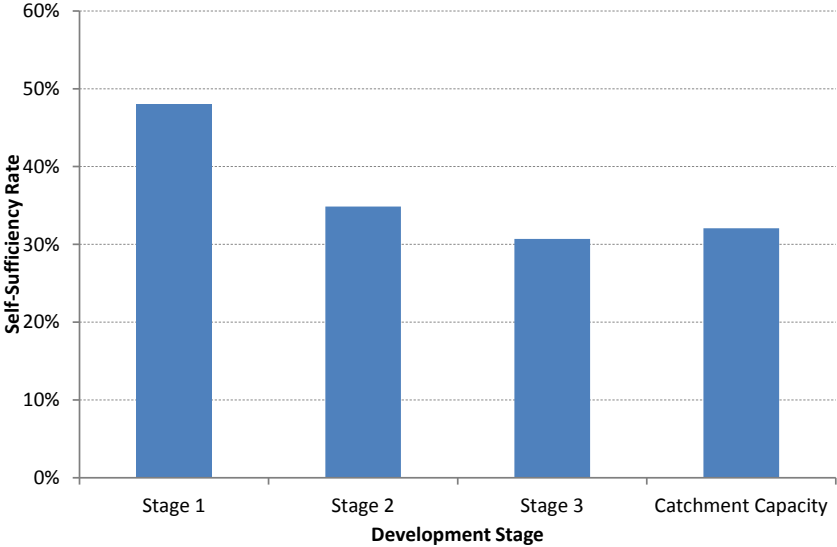
Assuming a workforce share of total residential population of 50% (in line with corridor averages and accounting for the demographic breakdown of the population) and the 60% employment self-sufficiency rate, there will need to be approximately 18,000 jobs provided within the Alkimos Eglinton District (and 30,000 in the broader Catchment). This is illustrated in the table below.

**Table 1: Alkimos Eglinton District and Catchment Employment Requirement**

Measure	AE District	Catchment
Population	55,000 to 65,000	90,000 to 110,000
Labour Force	30,000	50,000
Jobs Required (60% ESS)	18,000	30,000

Analysis of the employment and residential staging of the Alkimos Coastal Node indicates that local Employment Self-Sufficiency is expected to reach 32.1% at residential build out of the Catchment. This is ESS varies across the development profile and staging, reflecting the evolution of the local economy over time and changes in the composition of economic activity. This staging is illustrated in the figure below.

<sup>4</sup> Alkimos Eglinton District Structure Plan (August 2008); page 10



**Figure 4 Employment Self-Sufficiency, by Stage, Alkimos Coastal Node**

This profile is typical of Greenfield residential areas though overall ESS level for the Node is above average. This owes to the Node’s expected exposure to beyond-catchment visitor expenditure as well as future maturity as an overnight coastal visitor destination.

Employment and economic activity is more spatially concentrated than residential development. As such, the employment self-sufficiency rates of individual Local Structure Plan areas can be misleading unless viewed within the context of the broader district or corridor.

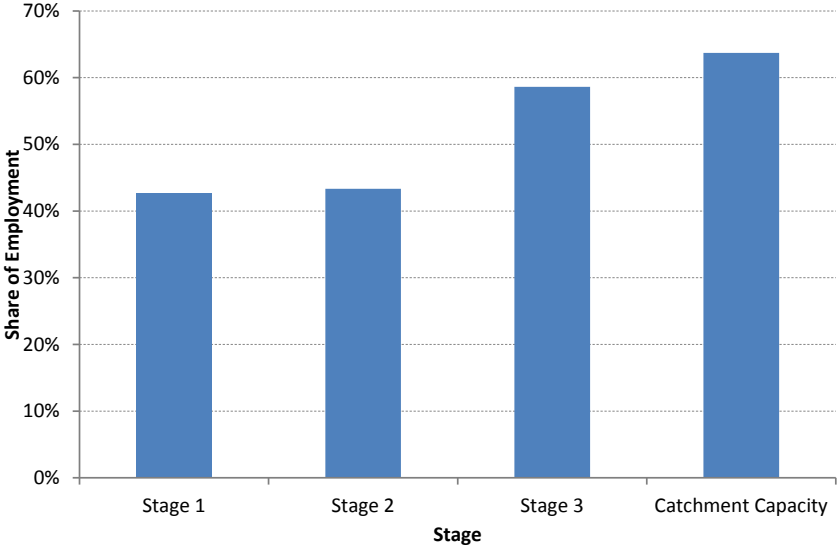
An effective way to analyse the employment generation of an area is to assess its contribution to meeting District employment self-sufficiency targets. At residential building out of the broader region, the Coastal Node is expected to contribute approximately 5% of the total employment requirement of the District. Considering Alkimos Eglinton includes a Secondary Centre, District Centre, three coastal nodes and a series of Neighbourhood Centres, this level of contribution to District employment is regarded as appropriate.

**2.7 Employment Diversity**

It is expected that population-serving industries will dominate early employment generation, responding to the growth of both local and District population catchments and associated expenditure levels and service demand. By Stage 1 of development, over half of employment in the Coastal Node will be population serving in nature, with retail and leisure services sectors comprising the majority of this employment.

However, as the Node develops, its exposure to tourism visitation and the provision of commercial office floorspace has the potential to drive significant growth in strategic industry employment - employment that is either knowledge intensive or export-intensive. After Stage 2, the Strategic Industry share of total employment will exceed 55% and reach almost 70% at residential build out of the catchment in line with the development of short-stay visitor accommodation.

This is illustrated in the figure below.



**Figure 5 Strategic Industry Share of Total Employment, by Stage, Alkimos Coastal Node**

These estimates of strategic industry employment are regarded as realistic. It is assumed that only 50% of commercial office and home-based employment in the Node will be Strategic Industry, which is potentially low.

### 2.8 Employment Density

The Alkimos Coastal Node will cover 86.9ha of land west of the WWTP. At residential build out of the catchment, the Node will have a gross employment density of 10.4 jobs per hectare. This concentration of employment is higher than the average for predominantly residential areas in the North West Corridor (3-5 jobs per hectare), reflecting the local servicing and potential tourist visitation role of the Coastal Node.

## 3.0 Approach to Economic Development

### 3.1 Approach

The realisation of the Alkimos Coastal Node's potential, aspirations and objectives will rely on a long term cooperative partnership between LandCorp, WaterCorp, private developers, Stage Government agencies and the City of Wanneroo.

LandCorp and the project developer will need to play a leading role through its commitment to and delivery of key components within its sphere of influence. It is understood that for Alkimos Coastal Node to become a recognised success, the broader District and Corridor will also need to be successful.

To this end, the intent should be to ensure that the key deliverables of the Coastal Node compliment and benefit the surrounding region. This cooperative approach is highlighted by the need for the Alkimos Eglinton District Structure Plan (DSP) area to "aim for a minimum 60% employment self-sufficiency"<sup>5</sup>.

### 3.2 Philosophy

The economic vision is to establish a high amenity, attractive and economically competitive Coastal Node in the North West Corridor of Perth.

The proposed residential density in the Coastal Node represents a transformative change in the way coastal nodes have been developed in Western Australia and will result in the economic potential of the local area being maximised. The unique economic drivers outlined in section 2.2 will underpin the Node's contribution to the District's economic health. Examples of these features include commitment to the a diversified local business and employment base, a shift to Strategic Industry employment and industries (e.g. commercial office and tourism) overtime and the delivery of critical enabling infrastructure like public transport connections.

Development will be characterised by integrated mixed use commercial land and built form as well as the delivery of supporting services for residents and visitors. This underpins the belief that for a vibrant and robust local economy to evolve, the growth of small and local business must be supported in tandem with accommodating the needs of larger and more traditional business types.

### 3.3 Government Support & Investment

Government support and investment is critical to the economic potential of Alkimos Coastal Node being realised and District and Corridor level employment self-sufficiency targets being achieved. Government plays a fundamental role in Western Australia's economic growth and prosperity by:

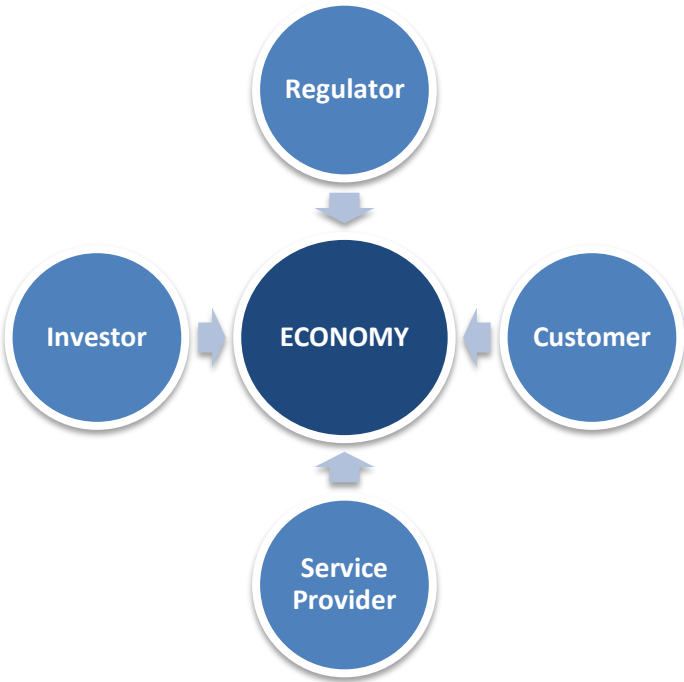
- Providing a regulatory framework conducive to private sector investment (regulator);
- Procuring goods and services from the private sector (customer);
- Delivering a range of community services (service provider); and
- Investing in enabling infrastructure that supports economic and business growth and employment

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<sup>5</sup> Alkimos Eglinton District Structure Plan (August 2008); page 10

generation (investor).

This role is illustrated in the figure below.



**Figure 6 Role of Government in the Economy**

In the case of the Alkimos Coastal Node, major potential contributions of State and Local Governments to the development of the local economy include:

- timely investment in major transport infrastructure (such as passenger rail and Mitchell Freeway extension) to maximise the labour force and visitor catchments of businesses that locate in the Node, supporting higher built form and development intensity; and
- Investment in recreational boating infrastructure, that intensifies the attractiveness of the Coastal Node as a day trip and overnight destination, and generates significant additional expenditure and employment for local, District and Corridor economies.

The absence of effective Government investment and facilitate will significantly constrain the economic potential of the Coastal Node, reduce its employment generation capacity and hamper the achievement of employments self-sufficiency targets into the District and broader Corridor.

### 3.4 Ongoing Monitoring

To ensure employment is continually monitored and measured, it is recommended project stakeholders actively contribute to formal modelling of local employment creation.

In response to the need for a robust and credible methodology for estimating and forecasting employment figures within a defined local area, current developers in the Alkimos Eglinton District have partnered with economic consultants, to develop customised and peer-reviewed tools for tracking and monitoring employment generation within local areas.

Reporting should be undertaken every two years during the development phase of the project after which time it will covert to 5 yearly in line with Australian Bureau of Statistics Census periods.

It is proposed that this information be made available to the local economic development committees and other key Government stakeholders in order to evaluate past performance and help set the best strategies and targets for future development activities.

Additionally, it is recommended that a range of other measures be monitored over time:

- Regional beach visitation;
- Day trip and overnight visitation levels; and
- Home-based business formation and operation rates.

Tracking changes in these indicators in the medium term will allow for key future investment decision to be made at appropriate times, while ensuring the development is sufficiently flexible to respond to changing conditions.

### 3.5 Relationship with Community Development

The Local Economic Strategy has a strong interrelationship with community development. This interrelationship is based on a number of factors including:

- The role of economic development in generating employment, wealth and prosperity for the local community;
- The role of businesses as both part of the broader community and as a community in their own right;
- The opportunity to leverage investments in community facilities and services to generate genuine local economic opportunities;
- The influences of demographic and socio-economic characteristics of the local residential population (i.e. population ageing or income levels) on local industry growth, development and investment (e.g. in health, education and retail)

The existence of these factors illustrates the fact that economic and community development are not mutually exclusive. Instead, the interrelationship that exists presents considerable opportunities for project stakeholders to facilitate the growth of a prosperous, dynamic and sustainable local community.

## 4.0 Strategic Themes

The economic development of the Alkimos Coastal Node will be guided by a range of strategic themes. These themes provide an organising framework for economic development actions proposed for the Coastal Node in section 5.0 of this Strategy.

These strategic themes are outlined in the table below.

**Table 2: Strategic Themes**

Strategic Theme	Description
<b>Maximising Amenity</b>	The Node is blessed with a regionally significant beach and a high amenity coastal environment. Investments and development in the Node should seek to maintain and enhance this natural amenity, activate public spaces and integrate the built form with the environment.
<b>Attracting Investment</b>	Proactive attraction of investment will drive the development of the Coastal Node as an integrated, dynamic and sustainable economic centre. Effective marketing and branding of the Node, particularly to tourist and investors and businesses will enhance the contribution of the Node's development to the Western Australian economy.
<b>Growing Local Business</b>	The sustainable of economic activity and growth requires medium and long-term growth of local businesses. The transition of local home-based and small businesses into medium and large employers helps to generate a critical mass of employment in Alkimos Eglinton overtime. Leveraging community facilities to establish flexible, technology-oriented facilities and services can provide significant benefits including greater levels of business integration, innovation, collaboration and communication. Collocation of such facilities and services with education and training facilities can further enhance the strength of the local economy.
<b>Business Connectedness</b>	The strength and resilience of the local economy will be contingent on the degree of connectedness among the local business community. This is a natural extension of the "Growing Local Business" theme. Promotion of connections between businesses through regular programs and events and guiding the establishment of a local business association are fundamental to reinforcing the beneficial interrelationships that exist between local businesses in successful and vibrant economic centres.
<b>Retail and Population Servicing Industry</b>	Population serving employment represents those jobs that service the immediate needs of the local community. "Retail" falls into this category and is one of the foundation employment categories required before attracting and retaining higher order (value adding) employment. The role of the Coastal Node as a major concentration of high quality retail convenience floorspace for District means that the attraction and retention of such activity is critical to the short and long-term achievement of employment self-sufficiency targets.
<b>Economic Flexibility</b>	The Post GFC environment (summarised in 1.4) has emphasised the volatile and unpredictable nature of the future. As such, static and inflexible planning frameworks and design guidelines have the potential to not only endanger the sustainability of local economic activity, but also constrain the ability of the private sector to capture and leverage new and emerging business opportunities. Flexibility in both planning and design, to enhance the longevity of the land use and built form environment is therefore needed.

Strategic Theme	Description
<b>Enabling Infrastructure</b>	<p>Local economies can only develop, grow and prosper when core enabling infrastructure is provided. This includes basic services (e.g. water, waste water, electricity), transport infrastructure and communication technologies. These enabling infrastructures not only provide business and industry with the capacity to function but also play important macro-economic and behavioural roles.</p> <p>Such investments can de-risk locations for private sector investment, by enhancing the locations profile as an economic centre. Early delivery of public transport, for example, can have a critical role in the travel behaviours of both residents and workers in a community, underpinning a more sustainable and competitive economic environment.</p>
<b>Governance and Resourcing</b>	<p>Managing, resourcing and monitoring the evolution of local economies are essential. The volatility of the economic environment in the Post GFC environment, not only necessitates “Economic Flexibility” but sufficient monitoring to know when such flexibility needs to be utilised.</p>

These strategic themes form the foundation of the indicative Economic Action Plan.



## 5.0 Economic Development Action Plan

The following Economic Development Action Plan outlines potential initiatives, objectives and deliverables of the responsible stakeholders to facilitate the development of the Alkimos Coastal Node economy.

**Table 3: Economic Development Action Plan**

Strategic Theme	Initiative	Objective	Deliverable	Lead	Key Partners	Prerequisite Deliverable
<b>Maximising Amenity</b>	Development of Foreshore Areas	Development of the Coastal Node should seek to integrate built form with the regional beach and coastal environment through high quality development of the foreshore.	Foreshore Plan and Delivery	Private Developer, LandCorp	Water Corp	NA
	Recycled Water Reuse	The proximity of the Coastal Node to the WWTP represents a significant opportunity to mine recycled water for irrigation. This will enhance the quality of public amenity through extensive vegetation coverage. This will support residential take-up and business attraction and differentiate the location from other parts of the Corridor.	Recycled and waste water usage in the LSP area	LandCorp, WaterCorp	Private developers, landscape architects	NA
	High Quality Urban Landscaping	Establishment of high amenity urban environment, including in service commercial land, to promote early redevelopment and evolution of major employment areas.	Deployed infrastructure	Private Developer, LandCorp	City of Wanneroo	
<b>Attracting Investment</b>	Alkimos Coastal Node Investment Prospectus	Development of a dedicated investment prospectus for use by stakeholders in marketing investment and business location at the City Village. Focus on residential, retail, commercial office and tourism development.	Documented report	City of Wanneroo, LandCorp, Private Developer	Business and Tourism networks/ associations	Business and Economic Development Manager
	City of Wanneroo	Roadshow of investment opportunities in	Program of	City of	LandCorp	Business and

Strategic Theme	Initiative	Objective	Deliverable	Lead	Key Partners	Prerequisite Deliverable
	Investment Roadshow	the Alkimos Eglinton District. Focus on interstate and international investment opportunities to the benefit of the WA economy.	ongoing events	Wanneroo, Private Developer		Economic Development Manager
<b>Growing Local Business</b>	Innovative Co-Working Space	Establishment of an innovative co-working space in the Coastal Node providing home-based and micro business owners in the area and broader District and open plan, high amenity temporary work environment. Encourages collaborative and innovation with a focus on environmental services, creative industries and professional services.	Deployed facility	City of Wanneroo, Private Developer, Co-working space provider	LandCorp, Business and Tourism networks/ associations	Library/Community Facilities or Commercial Office
<b>Business Connectedness</b>	Business-Education Connection Program	Establishment of a dedicated program of events connecting local businesses and secondary and tertiary education and training providers/institutions. Maximises utilisation of education facilities and practical relevance of education/training courses. Potential industry placement/research and development spin-offs	Ongoing program	City of Wanneroo, Private Developer	Business associations, LandCorp	Business and Economic Development Manager
	Business Networking Program	Series of regular events and seminars to promote awareness, interaction and cohesion amongst the local business community.	Program of ongoing events	City of Wanneroo, Private Developer		Business and Economic Development Manager
	Local Business Association Integration Plan	Development of a plan to facilitate establishment or integration of flexible and inclusive local business association through engagement with existing business associations and the City of Wanneroo.	Documented report	City of Wanneroo, Private Developer		Business and Economic Development Manager

Strategic Theme	Initiative	Objective	Deliverable	Lead	Key Partners	Prerequisite Deliverable
<b>Retail and Population Servicing Industries</b>	Retail Anchors and Business Mix	Strategy to identify the optimal retail and business tenants within the Coastal Node	Documented Strategy	Private Developer, LandCorp	City of Wanneroo	Business and Economic Development Manager
<b>Economic Flexibility</b>	Temporary Use of Commercial and Group Dwelling Sites	Allow for temporary commercial land uses in short-term to generate economic activity from land to be occupied when at capacity. Potential uses include caravan parks,	Documented structure plan	Private Developer, LandCorp	City of Wanneroo, WAPC	Structure Plan
	Ground Floor Activation and Pedestrian Permeability	Promote ground floor activation of mixed use buildings and facilities to encourage dynamism in the local urban environment. The permeability of the urban form should be maximised in the core commercial/retail area allowing for movement of pedestrians from the STS route to the regional beach.	Documented structure plan	LandCorp, Private Developer	City of Wanneroo, WAPC	Structure Plan
	Flexible Land Use Framework	Incorporation for flexible land use frameworks as part of Structure Plan to maximise ability of local economy and business community to evolve over time without planning constraints.	Documented structure plan	LandCorp, Private Developer		Structure Plan
	Flexible Building Design Guidelines	Promotion of flexible and convertible building design to future proof major development and allow for transition between commercial and residential uses.	Documents Design Guidelines	LandCorp, Private Developer		Structure Plan
<b>Enabling Infrastructure</b>	Regional Marina	Commitment by State Government to the delivery of a regionally-significant recreational marina and boat launching facilities at the Alkimos Coastal Node will induce substantial additional residential and commercial development and support higher employment self-sufficiency.	Investment Commitment and Deployed infrastructure	PTA	LandCorp, City of Wanneroo, Private Developer	

Strategic Theme	Initiative	Objective	Deliverable	Lead	Key Partners	Prerequisite Deliverable
<b>Governance and Resourcing</b>	Participation in Alkimos Economic Development Committee	Committee to facilitate active engagement and participation of key regional stakeholders in Alkimos economic development committee for Alkimos developments.	Appointed committee	Private Developer, LandCorp	City of Wanneroo	Business and Economic Development Manager
	Alkimos Coastal Node Employment Modelling	Annual modelling of employment generation in Alkimos Coastal Node during project delivery to track local economic performance against targets.	Documented report			Alkimos Economic Development Committee
	Business and Economic Development Manager	Dedicated resource to drive and coordinate economic development and business and investment attraction Alkimos.	Appointed Resource			Alkimos Economic Development Committee

This above list of actions is a live plan that will require ongoing monitoring and amendment to support their implementation. The Alkimos Economic Development Committee, supported by the Business and Economic Development Manager and informed by the Alkimos Employment Model will be responsible for annual reviews and updates of the Economic Development Action Plan.

## 6.0 Summary & Conclusion

The Alkimos Coastal Node will be a high amenity, coastal node in the North West Corridor of Perth. It will leverage the natural comparative advantages of its collocation with a regionally-significant beach to support high quality population servicing and tourism/visitor activity. It will also accommodate a diverse range of housing products, including above average residential densities that will enable the area to achieve its true economic potential.

Early support and facilitation of the local economy is essential. This will entail strong commitment from all levels of Government to the provision of enabling infrastructure and proactive growth strategies and initiatives by project proponents. Failure to do so will undermine the capacity of stakeholders to facilitate the realisation of the Coastal Nodes economic potential and constrain its contribution to the achievement employment self-sufficiency targets for the broader District.

Ongoing monitoring of the Coastal Node's economic evolution will provide opportunity for project stakeholders to manage the growth of the local economy in the volatile and uncertain post GFC environment. This will be supported by greater flexibility in local land use and built form planning and design, to enable the emergence of challenges and opportunities to be responded to quickly.

This Local Economic will be reviewed and updated annually to ensure it remains aligned with the related strategies of both Government and key stakeholders.

## Appendix I – Related Strategies

A scan of government and key stakeholder departments identified a number of important documents that will influence economic development initiatives and outcomes in the region and at Alkimos Coastal Node.

The following provides a summary list of primary and related documents with respect to economic development within the Alkimos Coastal Node. Also included under the primary documents are the key themes which must be acknowledged when planning and implementing economic development initiatives at Alkimos:

### **City of Wanneroo Strategic Plan 2006 – 2021 (Revised 2010)**

Economic Pillar – A prosperous region achieved through economic growth and employment:

- create strategic shifts in job markets to meet future needs and demands
- support business and initiatives
- provision of timely and coordinated regional infrastructure
- increase the capacity of education and training support to industry

### **City of Wanneroo Economic Development Strategy (2004 – 2007)**

Key action items:

- Internal monitoring & support: the economic development portfolio
- Innovation and entrepreneurship
- broadband
- commercial/industrial
- rural economy
- home-based-business
- tourism development

### **City of Wanneroo Draft Tourism Strategy and Supporting Actions (2011 – 2017)**

Six key strategies have been identified and proposed:

- Maximise tourism opportunities by ensuring that tourism receives adequate planning consideration
- Develop a coordinated and supportive approach to holding events in the City of Wanneroo
- Review internal processes to ensure that they support tourism outcomes
- Support an integrated approach to tourism signage across the City
- Maximise visitation through effective promotional activities
- Facilitate tourism opportunities and encourage stakeholder participation

### **Alkimos Eglinton Economic and Employment Strategy March 2007 (Syme Marmion & Co)**

Alkimos Eglinton economic programs:

- Waste Water Treatment Plant buffer zone

- Broadband
- Business outreach service
- Business Activity Centre
- Small business incubator
- Home Based Business support
- Early retail provision
- Contribution towards the Wanneroo Business Association
- Ancillary contribution to smaller projects
- External opportunities (St Andrews, Neerabup Industrial Area)

#### **State Planning Policy 4.2 - Activity Centres for Perth and Peel (2010)**

This Policy aims to provide a more flexible regulatory approach to enable appropriate commercial, residential, mixed business and retail redevelopment opportunities in activity centres, with a much reduced emphasis on retail floor space guidelines.

A portion of the South Alkimos site, known as the Gateway Village, is identified as a 'Secondary Centre' in accordance with the Activity Centres Hierarchy. The Gateway Village will be included in the Activity Centre Structure Plan which is to be prepared over the land to the east of the site, known as the Alkimos Regional Centre, in accordance with the Policy.

In accordance with the Policy an Activity Centre Structure Plan is not required for the Central or Beach Nodes.

#### **City of Wanneroo Local Planning Policy 4.2: Structure Planning**

This Policy requires the preparation of a Local Economic Strategy. The Strategy is to include the following elements:

- Demographic, planning, economic, infrastructure and land use context;
- Floorspace modelling addressing shop retail, industrial and public purpose floorspace, including health, education and leisure, as defined by the Western Australian Planning Land Use Categories; and
- Economic strategies detailing floorspace distribution, land uses infrastructure, employment density, employment self-sufficiency targets and employment staging.

This document is considered to meet the required elements as detailed in the Policy.

- City of Wanneroo Employment Policy (December 2003)
- City of Wanneroo Smart Growth Strategy 2005
- Alkimos - Eglinton District Structure Plan June 2007 (Revised August 2008)
- Alkimos Eglinton District Structure Plan. Appendix 6. Retail Assessment. October 2006 (Ibecon)
- Directions 2031 and Beyond (August 2010)

## Appendix 2 – Wanneroo Economic Profile

The following information was sourced from the City of Wanneroo website (economy.id) and ABS data. It is considered current at the time of preparing this document<sup>6</sup>.

### Economic Highlights

Indicator	Value
Headline Gross Regional Product	\$5.36 billion (2012) 2.2% of Western Australia's Gross State Product
Employment	31,825 people work in the City of Wanneroo (2012)
Businesses	11,698 registered businesses (2012)
Industry	Largest by employment (2012): Construction (4,865) Largest by value added (2012): Construction \$1,384 million Largest by output (2012): Construction \$3,814 million
Population	Estimated Resident Population 169,235 (June 2012) 9.14% growth per annum (over 10 years)
Unemployment	5.8% compared to 4.6% in Western Australia (December 2013)

### Gross Regional Product

The Gross Regional Product (GRP) of the City of Wanneroo was \$5.36 billion for the year ended June 2012. This represented 2.2% of WA's Gross State Product. The City of Wanneroo's GRP has grown at a healthy rate of 8.0% per annum over a 10 year period to June 2012.

The City of Wanneroo has 11,698 registered businesses in the region. Construction represents nearly one third of the businesses in the region, whilst the next highest proportion of businesses being in Professional, Scientific and Technical Services and the Transport, Postal and Warehousing sectors (with 9% and 8% respectively).

Businesses in the region are predominantly small in size, in reference to employment. Of the 11,698 registered businesses in the City of Wanneroo, 11,311 employ 19 or less workers, with many of these businesses operating as sole traders. Medium sized businesses (20-199 employees) account for 363 businesses whilst large businesses (200+ employees) makes up a small proportion with only 24 registered businesses.

<sup>6</sup> CoW (2014) Accessed at <http://economy.id.com.au> and <http://www.wanneroo.wa.gov.au/Business/Statistics> and <http://employment.gov.au/> on 15 March 2014



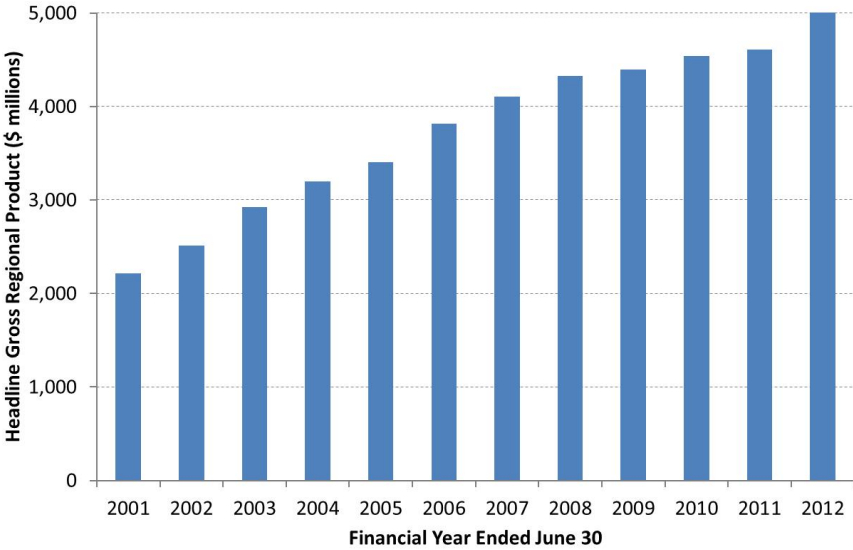


Figure 7 City of Wanneroo Gross Regional Product, 2001 to 2012

**Employment by Industry Sector**

Employment within the region was 31,825 during 2012, with employment in the Construction (15%), Manufacturing (14%), Retail Trade (13%) and Education & Training (12%) the dominant industries by total employment. In comparison to employment proportions in Greater Perth, these particular sectors represented a larger proportion in the City of Wanneroo.

Employment in Professional, Scientific and Technical Services (4%), Public Administration and Safety (4%) and Health Care and Social Assistance (8%) sectors displayed the most notable, lesser proportions, compared to Greater Perth.

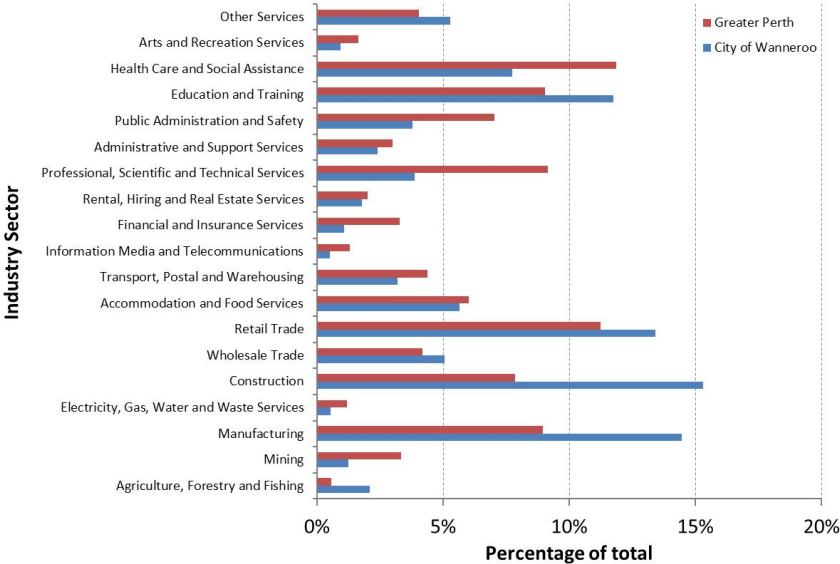


Figure 8 City of Wanneroo Employment by Industry Sector

### Changes in Employment by Industry Sector

Construction employment continues to outpace the other industry sectors, in terms of growth over a five-year period (2006 to 2011). Construction jobs increased by 1,746 over the period, with the next largest increase in the Education & Training sector, with an additional 1,086 jobs added over the same period. Agriculture, Forestry and Fishing and Information Media and Telecommunications were the only industries where jobs declined over that five-year period (a combined total decline of 89 jobs).

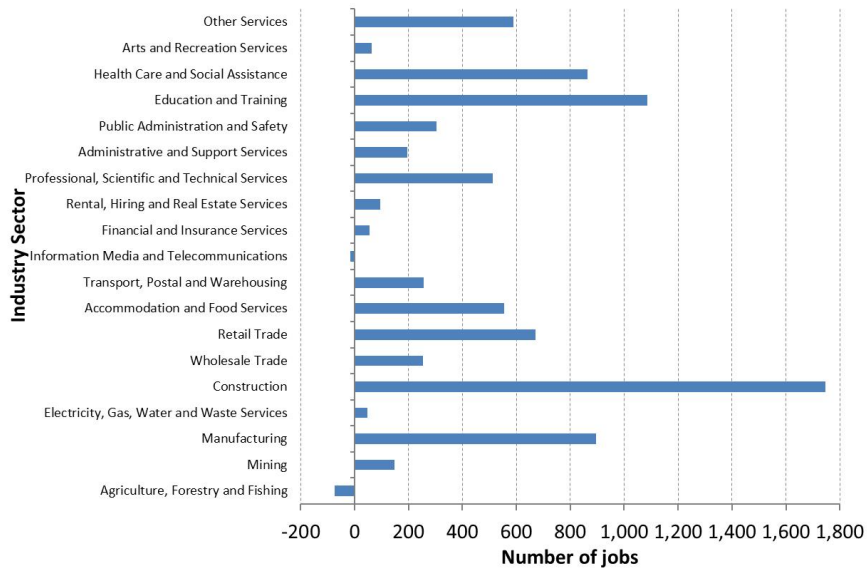


Figure 9 City of Wanneroo Changes in Employment by Industry Sector, 2006 to 2011

### Industry Self Sufficiency

The employment self-sufficiency ratio within the City of Wanneroo (2011) is 43.4%, as calculated in the table below:

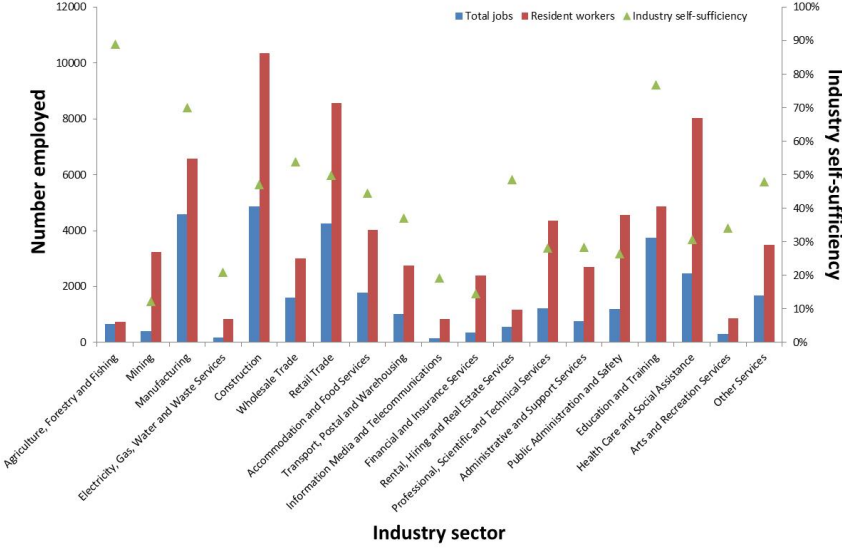
Table 4: City of Wanneroo Employment Self Sufficiency Comparison

	City of Wanneroo (2001)	City of Wanneroo (2011)	City of Joondalup (2001)	City of Joondalup (2011)	Perth NW Corridor (2001)	Perth NW Corridor (2011)	Perth Metro (2011)
Resident Workers	51,114	73,381	75,295	83,024	109,203	156,405	859,107
Total Jobs	17,191	31,825	28,611	38,576	45,802	70,401	744,728
Employment Self Sufficiency	50.7%	43.4%	38.0%	46.5%	41.9%	45.0%	86.7%

The above illustrates that the City of Wanneroo area has jobs available equivalent to 43.4% of the resident workforce but this ratio has declined from 50.7% since 2001, indicating that jobs growth has not kept pace with population growth. In comparison, the City of Joondalup experienced an increase in employment self-sufficiency between 2001 and 2011. Overall, the Perth metropolitan northwest corridor (Joondalup and Wanneroo combined) experienced a slight increase in employment self-sufficiency during the period.

If the projected population at 2021 for the City of Wanneroo as forecast by ID Consulting is realised and the labour force participation rate by age remains constant, the number of employed persons living in the City will be approximately 107,000 in 2021. This means that the City will need an additional 15,000 jobs to

be located in the City within the 10-year period from 2011 to 2021 to maintain the current self-sufficiency rate of 43.4%.



**Figure 10 Industry-Specific Employment Self-Sufficiency, City of Wanneroo, 2011**

Employment self-sufficiency rates in 2011 were highest for Agriculture, Education and Training, Manufacturing and Wholesale Trade, with Construction, Retail Trade, Rental Hiring and Real Estate Services and Other Services all also above 50%. Professional service sectors (Finance, IT) current have low ESS levels, as does Health. These sectors require significant focus for economic development activity in the future

The State Government has aspirational targets in regards for self-sufficiency in the North-West corridor. Therefore a coordinated strategy will be required to increase the local self-sufficiency or to maintain the current 43.4% ratio. Neglecting the regional employment self-sufficiency may have economic, social and environmental. This may potentially lead to higher local unemployment, lower median household income, road congestion, pollution, higher transport costs and reduced family/quality time.

## Appendix 3 – Floorspace and Employment Table

Table 5: Floorspace and Employment, Alkimos Coastal Node

Alkimos Coastal Node	PLUC Category	Stage 1		Stage 2		Stage 3		Catchment Capacity	
Catchment Population		3,500		6,750		10,000		11,000	
Scale and Jobs		Scale	Jobs	Scale	Jobs	Scale	Jobs	Scale	Jobs
<b>Retail</b>									
Supermarket (SQM)	SHP	1,250		2,500		3,500		4,400	
Café/Restaurant (SQM)	SHP	200		300		350		390	
Specialties (SQM)	SHP	250		450		800		850	
<b>Sub Total</b>		<b>1,700</b>	<b>43</b>	<b>3,250</b>	<b>81</b>	<b>4,650</b>	<b>116</b>	<b>5,640</b>	<b>141</b>
<b>Community and Commercial</b>									
Commercial/Office (SQM)	OFF	1,000	40	2,000	80	3,500	140	3,680	147
Lifestyle (SQM)	ENT	500	14	1,000	29	1,500	43	1,500	43
Medical Centre (SQM)	HEL	250	10	500	20	1,000	40	1,000	40
Hotel (SQM)	ENT	0	0		0	6,500	163	11,000	275
<b>Sub Total</b>		<b>1,750</b>	<b>64</b>	<b>3,500</b>	<b>129</b>	<b>12,500</b>	<b>385</b>	<b>17,180</b>	<b>505</b>
<b>Other - Population Driven</b>									
Home Based Business (Dwellings)	OFF	250	31	750	91	2,420	257	2,420	257
<b>Employment (Estimate)</b>			<b>138</b>		<b>301</b>		<b>759</b>		<b>903</b>
Node Population			575		1725		4945		5635
Node Workforce (Estimate)			288		863		2473		2818
<b>ESS</b>			<b>48.0%</b>		<b>34.9%</b>		<b>30.7%</b>		<b>32.1%</b>



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**Date:** 11 August 2015

Attn: Adam D'Alessandro  
Town Planner  
Creative Design + Planning  
28 Brown Street  
East Perth WA 6004

cc: Glen Bliss <[glenn.bliss@landcorp.com.au](mailto:glenn.bliss@landcorp.com.au)>

Dear Adam

**Alkimos Coastal Node – Economic Implications of the New Proposed of the Surf Life Saving Club:**

Thank you for the opportunity to provide this letter, reviewing the potential economic impacts of the new proposed locations for the Surf Life Saving Club (SLSC) at the Alkimos Coastal Node.

RPS has previously provided strategic advice to both Lend Lease with regard to the Alkimos South LSP and LandCorp in support of the Alkimos Coastal Node. This has included detailed analysis on the development potential of the Alkimos coast, including adjacent the proposed regional marina. RPS drew upon this background understanding as part of the development of the Local Economic Strategy for the Alkimos Coastal Node.

This review provides:

- an outline of the rationale for the planned northerly location of the commercial and mixed use areas in the Coastal Node;
- the relationship between the proposed economic activity in Coastal Node and the potential regional marina;
- the potential implications of the new proposed location of the SLSC on planned commercial and mixed use areas in the Node;
- recommendations in response to the new proposed location of the SLSC.

It is important to note, that RPS has undertaken the review of the implications of the new proposed location of the SLSC from an economic development perspective. No consideration has been given to

potential environmental, community, operational or logistical factors that have influenced or driven the selection of the new proposed location.

### **Rationale for Location of Commercial and Mixed Use Areas in the North of the Coastal Node**

The Alkimos South LSP identified the potential for a regionally-significant marina on the Alkimos coast line. If delivered this asset would not only generate significant economic activity for local and regional economies, but anchor significant commercial and retail development.

However, the development of this commercial and retail floor space is contingent on investment in and delivery of the marina. The capital cost associated with this infrastructure investment is significantly and raises concerns regarding the timing of this the delivery of the marina and therefore the development of adjacent commercial and retail land areas.

Given this uncertainty, RPS recommended as part of the development of the Alkimos Coastal Node Local Structure Plan and the associated Local Economic Strategy and second cluster of commercial and mixed use floor space be developed at the north of the Coastal Node. This node will not be contingent on the development of the regional marina and therefore could progress in the short-term without significant economic opportunity costs being foregone.

This second cluster of economic activity at the north of the Alkimos coast will provide a range of benefits for the local community:

- the development provides a secondary point of access to the regional beach;
- the development will be collocated with regional public open space and associated amenity; and
- the development provides an additional destination on the proposed secondary transport system.

### **Relationship with the Surf Life Saving Club**

Original analysis by RPS as part of the Alkmios Coastal Node Local Economic Strategy assumed that commercial and mixed use areas in the north of the development will be collocated with the proposed Surf Life Saving Club.

This collocation was regarded as an important early economic asset to the development by providing a range of important benefits for the commercial and mixed use area. This includes:

- providing an independent visitation attractor in the north of the coastal node;
- providing early food, café/restaurant and entertainment spaces for local residents; and
- anchoring wider entertainment and restaurant offering in the commercial and mixed use area in the medium term.



These benefits reflect an important catalytic role that the Surf Life Saving Club can have in the development of a coastal “main street”. A pertinent example is the relationship between the Surf Club Mooloolalba and commercial, retail and short-stay accommodation activity along the Mooloolalba Esplanade on the Sunshine Coast in Queensland.

The surf club provides a range of entertainment, casual dining and secondary conference facilities that complement and anchor a wider entertainment precinct. This has helped to support higher density residential and short-stay accommodation development, maximizing both off season population and peak season visitation to the area.



**Figure: The Surf Club Mooloolalba and Mooloolalba Esplanade, Sunshine Coast, Queensland**

### **Potential Implications of the New Proposed Location of the SLSC**

Creative Design + Planning provided RPS with the proposed new location for the planned SLSC. This location is further south than the original location identified during the preparation of the Local Economic Strategy. The new location appears to be located within the foreshore conservation reserve area adjacent to the Strategic Open Space.

This change in location does have the potential to have significant implications on the economic development and commercial and mixed use land in the coastal node. Implications include:

- the proposed location will remove from the secondary economic cluster at the north of the coastal node an early anchor, attractor and catalyst of economic activity. This will delay the uptake and development of commercial and mixed use land in the core of the coastal village and impact short-term employment generation and employment self-sufficiency;
- the proposed location is not directly adjacent mixed use areas identified in the Local Structure Plan to the south the northern Village core. It is instead collocated with Strategic Open Space. This position limits the potential for SLSC to anchor economic activity within the mixed use area which would help to offset the delay in the economic development of the Village core.
- The small size of the economy and the likely absence of a regional marina in the short-to-medium term means that economic activity should be clustered as much as possible in the LSP area. This will assist to maximize the efficiency and economies of agglomeration benefits for the local economy. The proposed location will potentially distribute economic activity and visitation over too many locations across the Alkimos coast, diluting the concentration of commercial and economic development.

## **Recommendations**

The early economic development role and function of a successful, attractive and commercially-oriented surf life saving club should not be overstated. Such clubs have been highly successful around Australia in providing catalyst economic activity, capturing local and visitor expenditure and anchoring the development of wider retail, commercial, accommodation and entertainment precincts.

The new proposed location of the SLSC in the Alkimos Coastal Node will likely have implications for the early development of the local economy, with flow on implications for employment generation and self-sufficiency. The impact of the location is away from the northern cluster of commercial zoned land is further exacerbated by its collocation with Strategic Open Space. This further limits the potential for the economic development benefits of the SLSC to be leveraged and captured during initial phases of the development.

There are a number of recommendations that will assist to minimize the economic development impacts of the proposed new SLSC location. These include:

1. Move SLSC back to original location;
2. Reposition commercial area to directly north of the Strategic Open Space, with the northern part of the Coastal Node replaced by Mixed Use;



3. Reorient the commercial area to run along the coast in a linear development to the Strategic Open Space. Sleeve Mixed Use land behind parallel to the commercial area and the coast line.

Options 2 and 3 both require a slight movement northward of the new proposed SLSC location so that a more direct interface between the commercial area and the SLSC can be achieved. This will ensure the early economic catalyst and attractor benefits of the SLSC can be secured while allowing the Club to be located more centrally in the Coastal Node.

Thank you for the opportunity to provide this economic commentary. If you have any questions or queries, please do not hesitate to contact me on 0431 676 254 or via email at [mark.wallace@rpsgroup.com.au](mailto:mark.wallace@rpsgroup.com.au)

Yours sincerely

**RPS Australia East Pty Ltd**



**Mark Wallace**

Regional Technical Director - Economics

## Adam D'Alessandro

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**Subject:** RE: Alkimos Coastal Node

**From:** Mark Wallace [<mailto:Mark.Wallace@rpsgroup.com.au>]

**Sent:** Wednesday, 13 January 2016 6:28 AM

**To:** Kasia Betka <[KasiaB@creativdep.com.au](mailto:KasiaB@creativdep.com.au)>

**Subject:** RE: Alkimos Coastal Node

Hi Kasia

Apologies for the delay.

In terms of the reduction of 400sqm of mixed use floorspace, I estimate this will likely reduce total employment in the node by between 11 and 14 jobs (depending on the employment density). This represents a reduction of only 1.4% of employment (on a previous total of 903). End employment self-sufficiencies are only reduced marginally as well down to 31.6% (from 32.3%).

Mixed use activities are not major economic drivers and contributors and their inclusion is mostly driven by policy and urban design rather than economic development justifications. Ground floor mixed use does provide for ground floor activation and for convenience retail and service offering for local residents. This would be lost on the site from the removal of the mixed use floorspace. However, beyond these activation and convenience issues, the removal of mixed use floorspace from the residential sites has only marginal impacts on total employment and employment self-sufficiency.

Let me know if you need anything further.



**Mark Wallace**

**Regional Technical Director - Economics**

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**Please note the office will be closed for the Christmas break from  
COB Wednesday 23 December 2015 and will re-open on Monday 4 January 2016.**

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