

## **AMENDMENT NO. 3**

### TO THE

## **BANKSIA GROVE**

# **AGREED STRUCTURE PLAN NO. 21A**

# AMENDMENT 3 TO BANKSIA GROVE AGREED LOCAL STRUCTURE PLAN NO.21A

#### **PART 1 - IMPLEMENTATION SECTION**

#### Prepared by:



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> 981Rep561 August 2018

# RECORD OF AMENDMENTS MADE TO THE BANKSIA GROVE AGREED LOCAL STRUCTURE PLAN 21A

Amendment No.	Description of Amendment	Finally Endorsed Council	Finally Endorsed WAPC
1	Relocates the eastern Primary School site to the west and collocates it with a new active Public Open Space Site;	26.6.12	17.10.12
	Consolidates the central and eastern local centres into one local centre zoned 'Commercial' and recodes the two former Local Centre areas from R60 to R30/R60; and		
	Rezones the 'Commercial' land directly west of Glasshouse Drive from 'Commercial' to 'Mixed Use'.		
2	Modifies Map 1 'Agreed Local Structure Plan' by rezoning a portion of the 'Special Residential' zone to 'Residential';	15.11.17	Assessment ongoing
	Modifies Map 2 'Zoning Plan' by rezoning a portion of the 'Special Residential' zone to 'Residential';		
	Modifies Map 3 'R-Code Plan' by recoding a portion the 'Special Residential (SR2)' area from 'Special Residential (SR2)' to 'R10'; and		
	Inserts Clause 10.7 'Development Controls for R10 Coded Lots' into the Part 1 Statutory Planning Section.		
3	Amending Map 1 'Agreed Local Structure Plan' to show Lot 802 Glasshouse Drive as 'Residential'; and		
	Amending Map 2 'Zoning Plan' by rezoning Lot 802 Glasshouse Drive from 'Commercial' to Residential'.		

#### **AMENDMENT NO. 3**

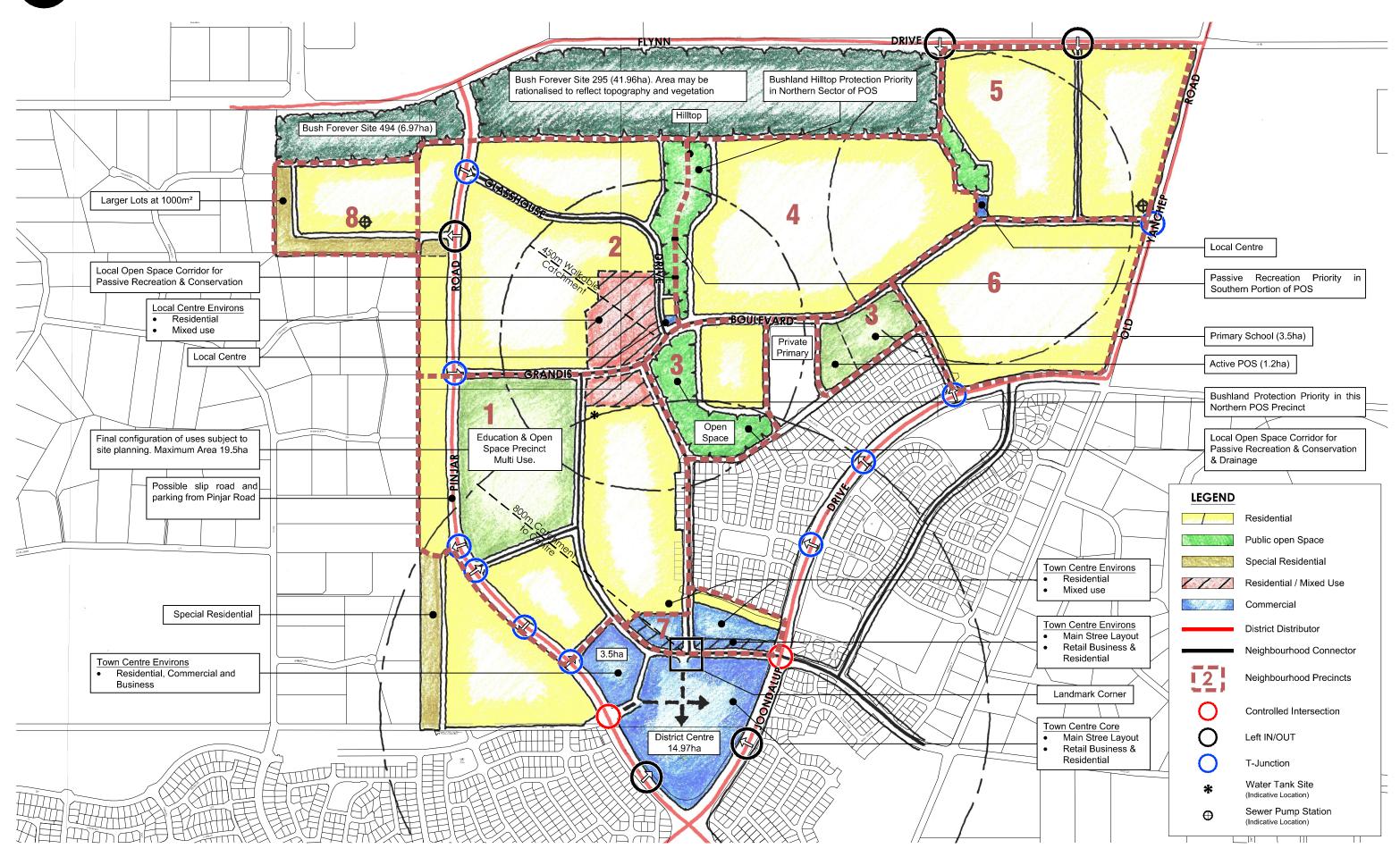
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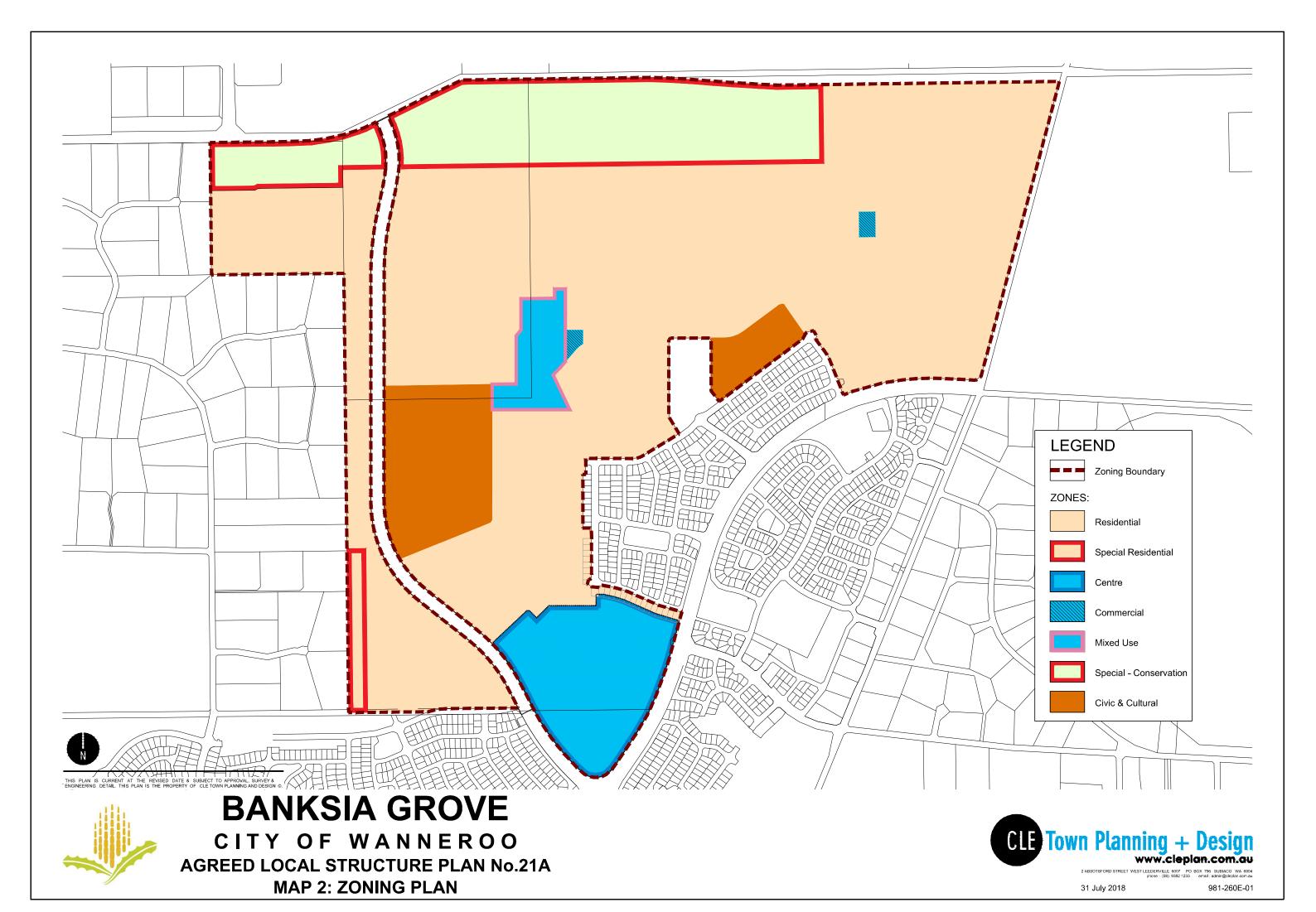
#### BANKSIA GROVE AGREED LOCAL STRUCTURE PLAN NO.21A

The City of Wanneroo, pursuant to Part 4 of the *Planning and Development (Local Planning Schemes) Regulations 2015*, hereby amends the above Structure Plan by:

- 1) Amending Map 1 'Agreed Local Structure Plan' to show Lot 802 Glasshouse Drive as 'Residential'; and
- 2) Amending Map 2 'Zoning Plan' by rezoning Lot 802 Glasshouse Drive from 'Commercial' to Residential'.

# CLE Town Planning + Design





# IT IS CERTIFIED THAT AMENDMENT NO. 3 TO THE BANKSIA GROVE AGREED LOCAL STRUCTURE PLAN No.21A

# WAS APPROVED BY RESOLUTION OF THE WESTERN AUSTRALIAN PLANNING COMMISSION ON:

Date
Signed for and on behalf of the Western Australian Planning Commission:
an officer of the Commission duly authorised by the Commission pursuant to section 16 of the

Planning and Development Act 2005 for that purpose.

# AMENDMENT 3 TO BANKSIA GROVE AGREED LOCAL STRUCTURE PLAN NO.21A

#### **PART 2 – EXPLANATORY REPORT**

Prepared by:



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> 981Rep561 August 2018

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#### 1.0 INTRODUCTION

The Banksia Grove Agreed Local Structure Plan No. 21A was adopted by the Western Australian Planning Commission (WAPC) on 16 June 2010.

Since adoption, the Structure Plan (or 'ASP') has served as the key planning instrument guiding subdivision and development of the Banksia Grove estate. It is estimated that to date approximately 2,500 lots have either been constructed or approved under the ASP and completion of the estate is projected for 5-10 years.

#### 1.1 Purpose

The purpose of this amendment is to propose that Lot 802 Glasshouse Drive, Banksia Grove be designated for 'Residential' purposes under ASP 21A. This is in lieu of its existing 'Commercial' designation.

It is anticipated that amending the Structure Plan as proposed will stimulate the development of Lot 802, which has been undeveloped and vacant since 2012. The development of the site for 'Commercial' purposes has not occurred because it is not financially viable in the given location. A lack of financial viability is in this instance evidenced by the ongoing inability of the developer to secure a prospective purchaser or operator for the site.

On the basis that a 'Commercial' use cannot be developed, 'Residential' has been determined the most appropriate alternate use in the circumstances. Once this amendment is adopted, it is expected that the land will readily be subdivided and developed for housing. The resultant product will enjoy a high level of amenity given the vast network of existing public open space located nearby.

The development of Lot 802 will also benefit the local community by:

- resolving the void in the urban fabric;
- preventing casual car parking on the Lot, as occurs presently; and
- limiting the potential for anti-social behavior on this unoccupied, unmanaged landholding.

While the rationale for residential development is apparent, this report will address the implications of the proposed change at a strategic level; specifically how the amendment might impact the retail network as envisaged by the adopted Structure Plan.

#### 1.2 Site Description & Context

The land the subject of this Structure Plan amendment comprises Lot 802 Glasshouse Drive. Lot 802 forms part of the 'North West Precinct' of the broader Banksia Grove estate. The Lot is generally bound by Glasshouse Drive to the west, Honey Possum Park to the north and east; and an existing childcare centre to the south. Refer Figure 1 – Site Plan.

Lot 802 is a 3,122m² property of rectangular proportions on a north-south alignment. The Lot is located within a street block predominantly developed for public open space. The only other property within the street block is Lot 887, which adjoins the site on its southern side. Lot 887 is 1,650m² and developed for a child care centre. Together Lots 802 and 887 comprise a 'Local Centre' under the adopted Structure Plan.

#### 2.0 PLANNING FRAMEWORK

#### 2.1 Metropolitan Region Scheme

The entirety of the Banksia Grove estate, including Lot 802, is zoned 'Urban' in accordance with the Metropolitan Region Scheme (MRS).

The proposed amendment to the Structure Plan is consistent with the regional zoning.

#### 2.2 City of Wanneroo District Planning Scheme No.2 (DPS)

The local zoning for Banksia Grove estate is set out in the City of Wanneroo District Planning Scheme No.2. Again the entire estate, including Lot 802, is zoned 'Urban Development'.

The provisions of the 'Urban Development' zone require the preparation of a Structure Plan as a precursor to subdivision or development. The Scheme states:

"3.14.3 Subject to Clause 27 of the deemed provisions, no subdivision (including strata or survey strata subdivision) or other development should be commenced or carried out in an Urban Development Zone until a Structure Plan has been prepared and adopted under the provisions of Part 4 of the deemed provisions.

The adoption of ASP 21A in 2010 satisfied the requirement of clause 3.14.3 as stated above. However, the clause goes on to state:

"No subdivision (including strata or survey strata subdivision) should be commenced or carried out and no other development shall be commenced or carried out otherwise than in conformity with a Structure Plan which is in existence at the time the application for approval of the subdivision or other development is received by the responsible authority."

Extensive discussions with the City and the Department of Planning indicates that the progression of a predominantly residential development over Lot 802 is contrary to the intent of the Local Structure Plan (and the sites designation of 'Local Centre') and therefore, warrants amendment to the Structure Plan.

The proposed amendment is otherwise consistent with the DPS No.2.

#### 2.3 Banksia Grove Agreed Local Structure Plan No.21A (ASP)

As already noted the ASP identifies Lot 802 for 'Commercial' purposes on the Structure Plan (Map 1) and on the 'Zoning' Plan (Map 2). The proposed amendment will see this modified to 'Residential' on Map 1 and Map 2. This action will also cause the 'Local Centre' to reduce to the extent of Lot 887.

Refer to proposed Map 1 and Map 2 in Part 1. Also refer to the Figure 2 which shows the existing and proposed situations.

#### 3.0 IMPLICATIONS OF THE PROPOSED AMENDMENT

#### 3.1 Impact on the Banksia Grove Retail Network

A key consideration of this proposed amendment is whether it will impact the operation of the retail network planned for Banksia Grove in the adopted Structure Plan. To address this, independent retail consultant Urbis has provided advice in the form of a technical note; this is attached at Appendix 1.

The conclusion of Urbis' work is that an alternate use for Lot 802 should be considered. Where such use is 'Residential', the consequent population growth (albeit small) will support the ongoing viability of the District Centre.

Key observations taken from Urbis' work follow:

- The Local Centre, of which Lot 802 forms part, was earmarked under the Structure Plan for a maximum retail net lettable area (NLA) of 1,200m<sup>2</sup>.
- Retail planning in the early 2000's, commonly recommended the development of local and neighborhood centres in response to various policy positions of the Western Australian State Government. The underlying objective being to locate convenience retail and amenity within walkable catchment areas.
- Anecdotally, many of these local and neighbourhood centres have not included a retail component when actually developed.
- Urbis understands that limited analysis of the viability of the Local Centre was undertaken prior to the adoption of the Structure Plan.
- The Banksia Grove District Centre located 1 kilometre south of Lot 802, predominantly
  acts as a convenience based activity centre, catering to the daily and weekly needs of
  the Banksia Grove community.
- Over time it has been established that the site of the Banksia Grove District Centre is significantly larger than required to accommodate the ultimate potential of the Centre.
- In 2017 two additional supermarkets were developed at the District Centre, strengthening the Centre's role as a convenience based activity centre.
- The viability of Local Centres is increasingly being challenged by proliferation of integrated service stations offering convenience lines; alternate shopping platforms; and the evolution of regional and district shopping centres with increased food, beverage, and entertainment offer.
- Market demand thresholds are higher for local and neighbourhood centres than was the case 10-15 years ago.
- Urbis has undertaken demand analysis and determined there to be limited need for a convenience based Local Centre in this location in the next decade.
- Any employment generated at the Local Centre would be offset against equal loss of employment opportunity at the District Centre.
- The development of the Local Centre for retail purposes would likely draw spending and traffic away from the District Centre rather than achieve net growth.

To reiterate, the retail analysis undertaken by Urbis confirms that the proposed amendment can be supported on the basis that the retail network proposed by the Structure Plan will not be unduly impacted. Indeed the amendment might be of benefit to the network by precluding impact to the District Centre.

#### 3.2 Other Considerations

Where this Structure Plan amendment is supported, CLE acknowledges that the following matters will need to be addressed through the subdivision and or development process.

#### **Density**

The residential density proposed for Lot 802 is R60 in accordance with 'Map3: R-Code Plan' of the ASP.

The R60 density aligns with the prevailing pattern of subdivision and density already established around the site. There is no strategic planning imperative that warrants a higher density allocation.

At 3,122m² in size, Lot 802 may be subdivided for 20 lots of approximately 150m² each. Access requirements will reduce the subdivisible area by 25-30%, reducing the actual yield to approximately 14 lots.

Reconciliation of public open space provision will be undertaken at the time of subdivision but in the meantime it is understood that the required POS allocation can be achieved across the broader Banksia Grove estate. Currently open space provision across the estate exceeds the 10% requirement.

#### Interface with Public Open Space

Any future subdivision approval granted in respect of Lot 802 will be conditioned to require the preparation of a Local Development Plan (LDP) to the satisfaction of the City of Wanneroo. The purpose of the LDP would be to ensure an appropriate interface is achieved between future dwellings and the adjoining public open space (POS). The scope of the LDP will likely include consideration of dwelling orientation; setbacks; fencing; and the positioning of habitable rooms to achieve surveillance of adjoining POS.

#### **Bushfire Risk Management**

Lot 802 is located within a Bushfire Prone Area. Accordingly, any future subdivision or development of the Lot must comply with the approved Fire Management Plan prepared in support of the ASP.

The Fire Management Plan will be updated to address Bushfire Attack Levels and any requirements for higher building construction standards.

The issue of bushfire risk management will not, however, prohibit the subdivision or development of Lot 802 for residential purposes.

#### Servicing

It is expected that Lot 802 will be serviced by extending the existing infrastructure from within the Banksia Grove estate, most likely from the south at Lot 887. A requirement to connect to essential service infrastructure is expected to be imposed as a condition of any subsequent subdivision or development approval.

#### 4.0 CONCLUSION

The proposal involves the rezoning of 3,122m<sup>2</sup> of land from 'Commercial' to 'Residential' under the ASP. This will facilitate the development of the land, which would otherwise remain vacant for the foreseeable future.

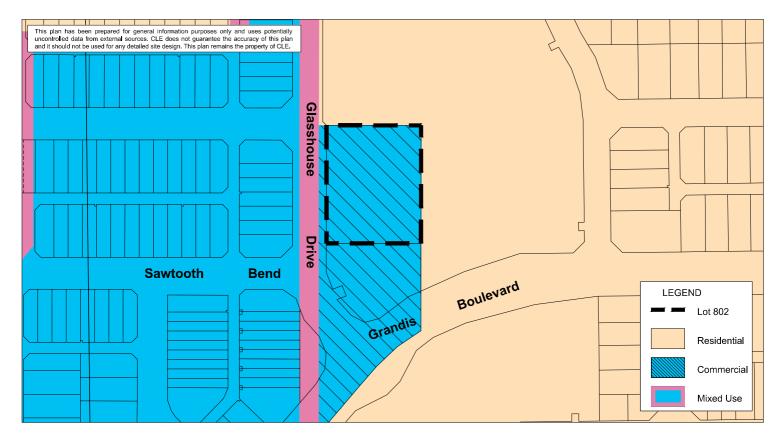
Analysis shows that there are few, if any, implications associated with the proposed amendment. The most obvious matter requiring investigation is the potential impact that might be suffered to the proper functioning of the Banksia Grove retail network. Specialist reporting undertaken by retail consultant 'Urbis' has addressed this. Urbis' findings are that the existing retail network would likely benefit from the repurposing of the subject land under the Structure Plan by removing potential competition (in the convenience retail sector) to the Banksia Grove District Centre.

The proposed amendment has been discussed at a local and state government level, by the City of Wanneroo and Department for Planning Lands & Heritage, respectively. The amendment is largely seen to be an administrative action required to deliver a mutually agreeable outcome.

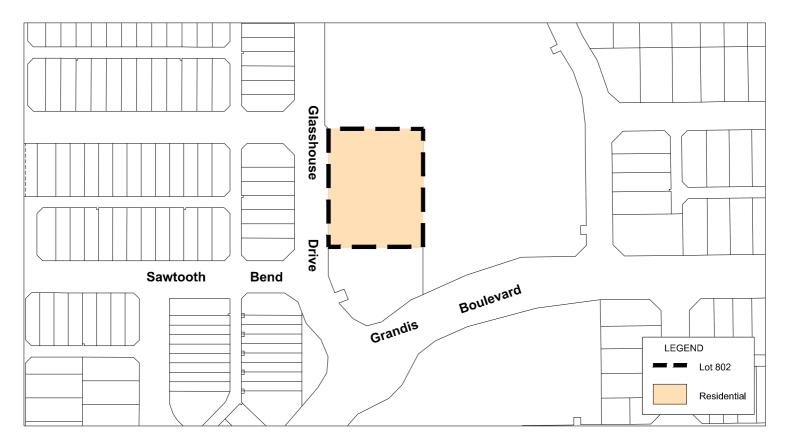
The formal support of the City and the Western Australian Planning Commission is now sought. It is requested that the amendment is processed under clause 29 of Schedule 2, Part 4 of the Planning and Development (Local Planning Schemes Regulations 2015) at the earliest possible convenience.

### **FIGURES**





**EXISTING ASP** 



PROPOSED ASP

#### **APPENDICES**

#### **APPENDIX 1**



### LEVEL 14, THE QUADRANT 1 WILLIAM STREET PERTH WA 6000

URBIS.COM.AU Urbis Pty Ltd ABN 50 105 256 228

17 July 2018

Mr Tony Naughton General Manager Banksia Grove Development Nominees 19 Hardy Street, South Perth WA 6951

Dear Tony,

## **LOT 802 GLASSHOUSE DRIVE, BANKSIA GROVE - RETAIL ADVICE**

Thank you for the opportunity to provide this technical note as input into the development planning for Lot 802 Glasshouse Drive, Banksia Grove. This technical note provides retail advice to support decisions regarding the proposed local centre.

#### Background

- 1. Banksia Grove is a master planned community nearing completion. According to forecast.id population projections developed for the City of Wanneroo, the suburb of Banksia Grove is expected to be fully-developed within 5 to 10 years, with the suburb's resident population expected to increase from 11,287 to 14,151 residents by 2026 before declining back to 13,342 residents by 2041 (as population ageing leads to smaller household sizes)<sup>1</sup>.
- 2. One of two identified local centres in the 2008 Banksia Grove Structure Plan (ASP 21A) is located within Lot 802 Glasshouse Drive, Banksia Grove. This site is located approximately 1km north of the Banksia Grove District Centre. South of the subject site is public open space and a discovery playground. The centre was identified in the structure plan to accommodate a maximum retail net lettable area of 1,200 square metres.
- 3. Despite efforts to develop retail offerings within the subject site, the site is currently undeveloped, cleared land apart from a child care centre.
- 4. During the 2000s the period in which the development was planned it was common to identify a range of small local centres, due to a desired policy intention to develop small retail hubs within walkable catchments. However, as noted within this technical note, many local centres have not developed retail floorspace within new developments in Perth's growth corridors and many established local centres have subsequently redeveloped or are now predominately unoccupied.

<sup>1</sup> Forecast.id (2018) <a href="https://forecast.id.com.au/wanneroo/about-forecast-areas?WebID=130">https://forecast.id.com.au/wanneroo/about-forecast-areas?WebID=130</a> [accessed July 2018]



- 5. It is our understanding that limited analysis of the viability, role and timing of the local centre was undertaken prior to the adoption of the structure plan in 2008 which informed the identification of the two local centres.
- 6. Given that the master planned community is nearing completion and the district centre is planned to accommodate future retail and commercial uses, this technical note explores the potential viability and role of the local centre.

#### **Banksia Grove District Centre**

- 7. Urbis has a long history of advising Banksia Grove Development Nominees. This has provided Urbis with a thorough understanding of the site context, role and development potential of the local centre.
- 8. Urbis was commissioned in 2015 to undertake an assessment to inform the potential scale, mix and timing of development within the Banksia Grove District Centre<sup>2</sup>. This included recommendations as to the appropriate location of uses, site boundaries and the overall layout of the town centre.
- 9. This analysis found that the district centre would predominantly act as a convenience based activity centre that catered to the daily and weekly needs of the local community. This conclusion was based on analysis that demonstrated that the wider area was proposed to accommodate a mix of future centres in addition to the established regional centres of Joondalup and Ocean Keys. The analysis also recognised that the Wanneroo Activity Centre may expand moderately over the next 10 to 15 years.
- 10. Moreover, the Banksia Grove District Centre was estimated to have a long development timeframe, with the centre's trade area forecast to be developed to capacity by approximately 2040 to 2045 (based on expectations of residential development in East Wanneroo).
- 11. However, the Urbis analysis estimated that the district centre could accommodate 'good performing supermarkets and a mid-range performing DDS long-term...[and] an above average provision of shopfront floorspace' (p13).
- 12. Nonetheless, a core finding of this analysis was that the district centre site was deemed to be significantly larger than the required site areas for future retail and commercial uses. The excess land area was estimated to be between 9.5 and 13.6 hectares. The potential uses outside of the Coles and Woolworths landholdings were found to have a limited ability to support significant non-residential floorspace and employment. This conclusion was informed by analysis of the market demand for retail and commercial floorspace across the catchment area.
- 13. In late 2017, the Coles-anchored Banksia Grove Village was joined by a Woolworths-anchored development and an Aldi. These developments further strengthened the centre's role as a convenience centre for Banksia Grove residents.

<sup>&</sup>lt;sup>2</sup> Urbis (2015) Banksia Grove District Centre Market Potential Assessment, June 2015



- 14. Given the potential for significant excess non-residential land in the district centre, residential densities within the town centre are planned. The centre is planned to accommodate a range of townhouse / terrace, walk-up and small lot product, with a registration of interest now available for the CODA Living release within the northern edge of the centre (approximately 1km south of the proposed local centre).
- 15. Despite increased densities, the role and function of the Banksia Grove District Centre will likely remain a convenience-based town centre.

#### Viability Considerations

- 16. A local centre's trade area is where the centre will draw most of its trade. Whilst trade areas can be drawn for a variety of land uses, the main purpose for trade area analysis is to derive the retail floorspace potential for a specific site.
- 17. Trade areas are usually divided into primary and secondary catchments. Depending on the scale of the centre, the primary catchment will typically draw between 60% and 75% of the total trade for the centre and between 10% and 25% of the centre's trade will typically be drawn from the secondary catchment.
- 18. Centres may also receive trade from tertiary 'beyond' trade. This can include trade from other areas outside the catchment, including passing vehicle trade, the nearby working and tourism population and co-located uses such as sporting ovals and community facilities.
- 19. Trade areas can vary significantly based on a range of factors including centre size, role, competition, travel times including an understanding of future infrastructure (new roads and public transport) which may make it easier to travel to the site, as well as physical and manmade barriers (parklands, rivers, railway lines) which may make it harder to access the site. Future residential areas should also be considered in a catchment analysis.
- 20. For the proposed local centre, the trade area will be influenced by the following considerations.
  - a. Size and composition of proposed development the convenience nature of the proposed centre and floorspace maximum of 1,200sqm suggests that the site will trade to a predominantly local catchment;
  - b. **Local competition** the major existing competition is the Banksia Grove District Centre which is a regional and local convenience centre that is highly accessible for residents surrounding the proposed local centre; and
  - c. **Development trends** future urban growth is limited within the master planned community to approximately 2,800 residents within the north eastern section of the development which is located more than 1km from the proposed local centre and the infill development at the northern edge of the district centre.
- 21. Based on the above considerations, the primary trade area for the proposed local centre is expected to be defined by the urban areas north of Kurrajong Boulevard. The secondary catchment is expected to include the residential area to the south of the primary catchment.



- 22. In addition to the catchment, it is important to recognise that retail consumer trends are disproportionally affecting the viability of local centres and small neighbourhood centres across Australia's capital cities. Local centre viability is challenged by the following key trends.
  - a. Integrated service stations are offering convenience shopping options.
  - b. Online shopping, fulfillment centres and smart replenishment trends are providing alternatives to convenience retail centres.
  - c. Regional and sub-regional centres are increasing food, beverage and entertainment offerings and developing public amenities to support social interaction.
- 23. As noted above, the viability of a local centre is increasingly being challenged, especially in a suburban environment. The market demand threshold is therefore significantly higher than what was required 10 to 15 years ago. Local centres in Perth provided approximately 2.0% of shop retail floorspace across the city as of 2015 (according to the DPLH Land Use and Employment Survey). This proportion is below levels recorded in 2008 due to the aforementioned issues regarding the viability of local centres.
- 24. To inform the below calculations, Urbis applied small area MarketInfo estimates of retail expenditure. These estimates are widely adopted and take into consideration the demographic and socio-economic attributes of trade area residents. According to these estimates, the trade area was estimated to have retail expenditure levels approximately 12% below metropolitan Perth averages (\$12,800 as of 2016).
- 25. Urbis afforded focus to retail expenditure within shop retail categories. This equates to 77% of total retail expenditure.

Attribute	Primary Catchment	Secondary Catchment	Trade Area
Estimated Resident Population (2016)	4,375	1,770	6,145
Build-Out Population (2026)	6,880	1,770	8,650
Projected Local Convenience Retail Expenditure (2026)*	\$1.4m	\$0.3m	\$1.7m
Supportable Floorspace (@ \$13,000 / sqm)	225sqm	58sqm	283sqm

<sup>\*</sup> Constant 2016 dollars, real spending growth of 0.8% adopted

26. The above analysis demonstrates that there is expected to be limited need for local convenience retail offerings at the subject site over the next decade.



#### **Employment Considerations**

- 27. Based on the above retail demand, shop retail provision of approximately 283sqm would likely support minimal employment equivalent to approximately 9 roles<sup>3</sup>.
- 28. Any future retail provision within the subject site however is likely to come at the expense of development and employment within the district centre.

#### Recommendations

- 29. Development of retail floorspace within the local centre is expected to draw spending and traffic from the convenience-based district centre and result in no net additional employment. There is also the risk that reduced employment, patronage and investment in the district centre will reduce the ability of economy of scale to support ancillary commercial and other non-residential uses in the district centre that would support employment.
- 30. Alternative uses such as residential should be considered for the site. This additional population growth will support the viability of additional employment uses in the district centre approximately 1km south of the subject site. Residential development within the subject site will additionally help to activate the vacant site.

If you have any questions please don't hesitate to contact me on 0437 847 710.

Yours sincerely,

Tim Connoley

Director

<sup>&</sup>lt;sup>3</sup> Based on observed employment to floorspace ratios for shop retail (source: DPLH Land Use and Employment Survey)