

Appendix 2

Land Use and Employment Review (CLE Town Planning + Design)



# LOT 6 EGLINTON AND ALKIMOS EGLINTON DISTRICT STRUCTURE PLAN

LAND USE AND EMPLOYMENT REVIEW NOVEMBER 2017

Prepared for Urban Quarter



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## LOT 6 EGLINTON AND ALKIMOS DISTRICT STRUCTURE PLAN

## LAND USE AND EMPLOYMENT REVIEW

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#### 1.0 INTRODUCTION

This Report and the attached MacroPlan Dimasi Economic and Employment Assessment have been prepared on behalf of Urban Quarter for Lot 6 Taronga Place Eglinton. They review the earlier land use and employment assumptions contained in the Alkimos Eglinton District Structure Plan (AEDSP) with a view to presenting a more contemporary and functional approach to land use and employment generation for both the service commercial portion of lot 6 and the rural portion east of the Freeway.

The document is also prepared to assist the City in its review of employment for the DSP area, and to demonstrate alignment of our conclusions with the Economic Development Strategy and Action Plan and to assist the City in addressing the requirements of Part 10 of the Alkimos Eglinton DSP (Part One).

It is hoped this work will form the basis of a subsequent amendment to the AEDSP to change the 'zoning' of the central portion of Lot 6 from 'service commercial' to'residential' and assist in supporting a rezoning of the eastern portion from 'Rural' to 'Urban' in the MRS.

The MacroPlanDimasi Report focuses on the more technical aspects of employment generation whilst his document synthesises the findings and integrates them within a broader land use planning context.



#### 2.0 BACKGROUND AND SUMMARY

The 2010 Alkimos Eglinton District Structure Plan (AEDSP) established a broad land use framework for the district, and included a range of objectives and assumptions relating to employment generating land uses, floorspace calculations and job creation estimates (refer Figure 1).

The aim of the AEDSP was to ensure that local residents had an appropriate supply of commercial and other non-residential floorspace to service their needs and that the land use framework could generate at least 40% Employment Self Sufficiency (ESS) as the target for the AEDSP (later increased to 60% as described below).

A number of key supporting technical reports were prepared to inform the AEDSP. These were:

- The AEDSP Retail Assessment (Ibecon, 2007);
- The Economic and Employment Strategy (Syme Marmion 2007).

The employment assumptions in these documents were based on:

- The 2001 ABS Census data; and
- The WAPC 2001/02 Land Use and Employment Survey (LUES).

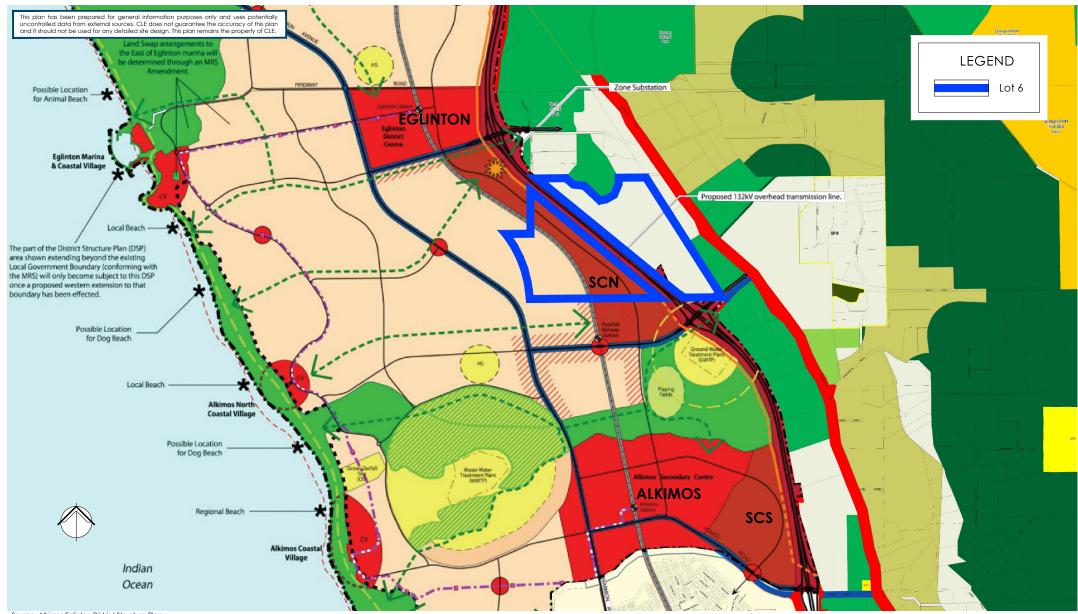
Shop/retail floorspace assumptions and allocations were based on criteria from Statement of Planning Policy 9 - Metropolitan Centres Policy Statement for Perth Metropolitan Region (SPP9), which was the relevant Policy at the time. In describing land use and employment scenarios for the two Service Commercial areas, the AEDSP examined three existing industrial/service commercial areas as potential templates. Myaree was selected as the preferred model. This underpinned much of the land use and employment strategy in the AEDSP, as summarised in Table 14 of the Economic and Employment Strategy (reproduced here as Figure 2).

Since that time, there has been considerable change in policy and practice impacting the contemporary applicability of these assumptions. SPP9 has been superseded and the role and function of Activity Centres, including their preferred land use and floorspace composition, has changed. They are now more mixed use orientated.

The evolving nature of full-time versus part-time employment and the growth in home-based business and fly-in/fly-out employment, together with the refined expectations affecting land use in service commercial areas all contribute to the need for review of all assumptions relating to employment in the AEDSP. To an extent, the changes we identify in this Report are already occurring through more recent local structure planning and centre planning initiatives and amendments to the AEDSP.



## LOT 6 EGLINTON AND ALKIMOS DISTRICT STRUCTURE PLAN LAND USE AND EMPLOYMENT REVIEW



#### Source: Alkimos Eglinton District Structure Plan

FIGURE 1: EXTRACT OF ALKIMOS EGLINTON DISTRICT STRUCTURE PLAN



## This Figure is referred to generally in this Report as "Table 14"

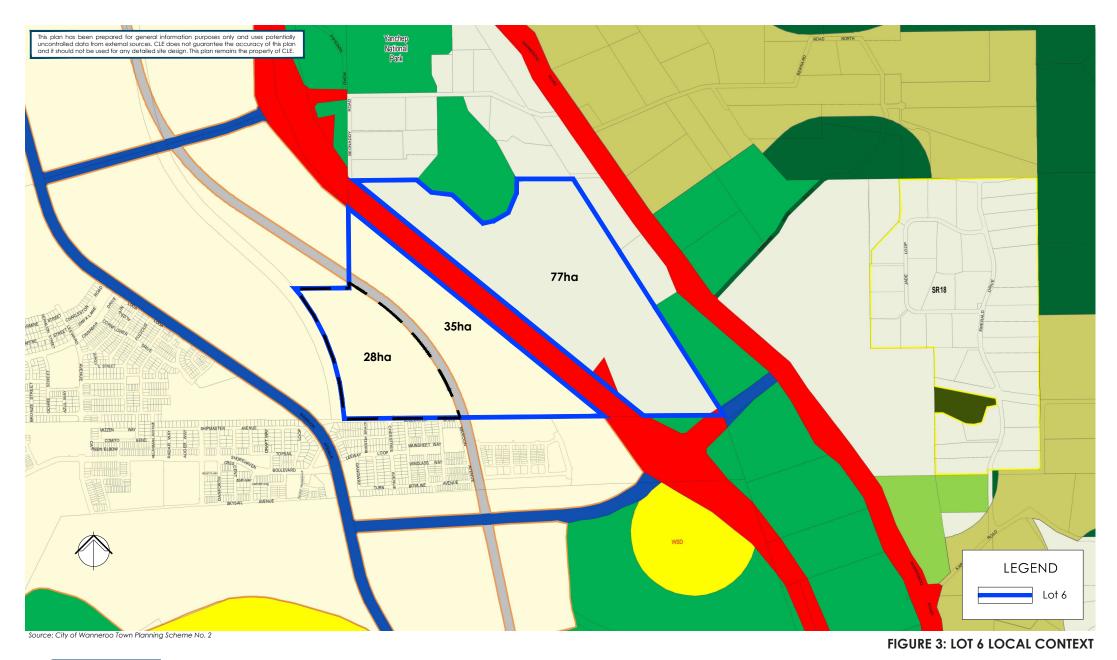
CENTRE/ACTIVITY	Primary/ Rural	Manufact/ Process/ Fabrication	Storage/ Distrib	Service Industry	Shop/ Retail	Other Retail	Office/ Business	Health/ Welfare/ Community Services	Entertain/ Recreation/ Culture	Residential (Short Stay Accomm)	Utilities/ Comm	Total (NLA)
Alkimos Regional Centre	0	1,343	2,384	4,500	50,000	15,000	46,121	13,609	6,830	1,346	884	142,017
Eglinton District Centre Service/Comm/Indust	0	316	1,474	1,673	17,220	2,780	7,399	1,421	3,991	1,530	359	38,163
South Service/Comm/Indust	373	33,335	18,994	40,759	6,734	19,378	19,792	2,559	3,588	0	3,854	149,367
North	595	53,160	30,289	64,999	10,739	30,903	31,563	4,081	5,721	0	6,146	238,196
Education Other Neighbourhood Centres (includes coastal nodes)	0	310	272	2,768	21,000	991	3,939	27,500	2,244	303	0	27,500 31,939
TOTAL m <sup>2</sup> (NLA)	968	88,464	53,413	114,699	105,694	69,052	108,813	49,283	22,375	3,179	11,242	627,181
Jobs (Excluding Home Based)	11	1,040	288	1,731	4,005	1,356	4,050	1,165	391	43	57	14,137
Home Based (4%) Total Jobs (Incl Home												955
Based)								an an an Chiel Charles a an an a Lead a bhailte				15,092

Source: Syme Marmion, Alkimos Eglinton Economic and Employment Strategy 2007 (table 14)

FIGURE 2: DISTRIBUTION OF FLOORSPACE BY TYPE AND LOCATION



## LOT 6 EGLINTON AND ALKIMOS DISTRICT STRUCTURE PLAN LAND USE AND EMPLOYMENT REVIEW





MacroPlan Dimasi and CLE Town Planning & Design have been appointed by Urban Quarter to undertake an assessment aimed at both informing the City of Wanneroo in its AEDSP review process and determining the most appropriate and relevant land use scenario for Lot 6 Taronga Place, Eglinton. This includes the Central Precinct which presently forms part of the Service Commercial North (SCN) zone in the AEDSP, and the 77ha eastern portion of Lot 6 which has potential as a strategic business enterprise zone to build on the employment options for this area (refer Figure 3).

A full copy of the MacroPlan Dimasi Economic and Employment Assessment is attached separately. This consolidated Planning Report draws heavily on those findings and references these where relevant. Both documents should be read together.



## 3.0 ALKIMOS EGLINTON DISTRICT STRUCTURE PLAN BACKGROUND CONSIDERATIONS

In considering this review and to understand how the Service Commercial North (SCN) area as depicted on the AEDSP has become largely redundant from a planning and employment generation perspective, it is necessary to first understand some of the initial key assumptions made in the AEDSP, so these can be tested for relevance and currency.

#### 3.1 Employment Generation 'Zones'

Six employment generation 'zones' (EGZs) were depicted on the AEDSP (refer Figure 1). These are (with approximate areas):

- Alkimos Regional Centre (ARC) 52ha;
- Eglinton District Centre (EDC) 68ha;
- Service Commercial North (SCN) 88ha;
- Service Commercial South (SCS) 61ha;
- Education Locations; and
- Neighbourhood centres including the coastal nodes (60ha).

All AEDSP land use expectations, floorspace predictions and subsequent job generation figures focused on these main employment zones, typically using the gross areas above as the basis for calculations. Table 14 in the AEDSP presents as a summary of the findings and is heavily referenced in this Report (Figure 2).



The 'Lot 6 Central' service commercial area is situated within the middle portion of SCN and forms 36ha of the total 88ha SCN area. The eastern 77ha precinct of Lot 6 did not feature in the AEDSP as it was proposed as rural at that time.

(It should be noted that different site and locational circumstances affect the viability and relevance of SCN (Service Commercial North) as opposed to the SCS (Service Commercial South). This is especially the case following AEDSP Amendment 1 and the Alkimos City Centre Activity Centre Structure Plan which relocated SCS to a more internalised and integrated location within the Alkimos Regional Centre. This is discussed further in Section 4.3).

#### 3.2 The Employment Self Sufficiency (ESS) Target

An original priority of the AEDSP land use framework was to ensure that these employment generation 'zones' could and would ultimately deliver an ESS target of 40%. This represented 11,080 jobs. It was calculated as follows:

- Total estimated dwellings in AEDSP = 23,884 du;
- Workers estimated per dwelling = 1.16;
- Total resident workforce therefore (23,884 x 1.16) = 27,700 workers;
- So 40% of 27,700 = 11,080 jobs (A 60% figure would equate to 16,600 jobs);

(Note: This initial aspirational job target for the district was less than the 60% set for the entire corridor in the NW Corridor Structure Plan, reflecting the primacy of the Yanchep Regional Centre in terms of employment for the corridor. The figure was later revised up to 60%, however the AEDSP still refers to 40%, and the arguments presented in this Report are not affected by this change).

The question now relevant to the target number is how these jobs are defined and counted (full-time vs part-time vs home-based) and where will or should they be located given the shifting land use scenarios this review addresses.

What this Report highlights is that most of the employment assumptions used in AEDSP Table 14 (Figure 2) were derived from land use compositions and mix predictions which are no longer relevant. Furthermore, they were based on policy that has since been superseded and data that is now outdated, leading to what is now an antiquated view of the role and function of these Service Commercial areas in the AEDSP.



CENTRE/ACTIVITY	Primary/ Rural	Manufact/ Process/ Fabrication	Storage/ Distrib		Shop/ Retail	Other retail	Office/ Business	Health/ Welfare/ Community Services	Entertain/ Recreation/ Culture	Residential (Short Stay Accomm)		Total jobs	Proportion of jobs
Alkimos Regional Centre	0	16	13	68	1,895	295	1,717	322	119	18	4	4,466	31.6%
Eglinton District Centre	0	4	8	25	653	55	275	34	70	21	2	1,145	8.1%
Service/ Comm/ Indust South	4	392	102	615	255	381	737	60	63	0	20	2,629	18.6%
Service/ Comm/ Indust North	7	625	163	981	407	607	1,175	96	100	0	31	4,192	29.7%
Education	0	0	0	0	0	0	0	650	0	0	0	650	4.6%
Other Neighbourhood Centres (includes coastal nodes)	0	4	1	42	796	19	147	3	39	4	0	1,055	7.5%
TOTAL JOBS (excl. home based)	11	1,040	288	1,731	4,005	1,356	4,050	1,165	391	43	57	14,137	100.0%

Source: MacroPlan Dimasi, Economic and Employment Assessment: Lot 6 Taronga Place, Eglinton, Table 13 (Syme Marmion, Alkimos Eglinton Economic and Employment Strategy 2007)



#### 3.3 Job Calculations – AEDSP Methodology

Floorspace demand/need and the employment outcomes as derived for the six employment generation zones were based on a population-driven employment assessment using 2001 Census data and the LUES data. The land use mix (i.e. how much of what PLUC is predicted) was based on the mix from Myaree.

The job calculations in the AEDSP are generally simple extractions based on the employment generation rate (worker/m<sup>2</sup> of floorspace) of the use in question multiplied by the estimated amount of floorspace for that use (with the floorspace figure also a prediction based on the gross area). AEDSP Table 14 (Figure 2) allocated the land uses and resulting floorspace and then derived the total jobs likely to be generated for each use.

The formula was;

- (Gross area of an EGZ) X (Ratio of employment floorspace to gross area) = Total floorspace;
- Total floorspace is then allocated out to each PLUC based on the Myaree mix;
- Total jobs are then derived based on a worker/floorspace ratio.

Table 13 in the MacroPlan Dimasi Report (refer Figure 4) has translated these job numbers in even more detail assigning them to each employment generation zone individually.

It is important to have this understanding of how these tables were derived (and how they work), to appreciate the many issues we detail later with respect to the AEDSP findings and why better land use planning options now exist.



Centre Type	Floor Area	Ratio
Regional (Alkimos)	50,000	0.87
District (Eglinton)	17,220	0.30
Neighbourhood/Local	21,000	0.37
Total	88,220	1.54

Source: MacroPlan Dimasi, Economic and Employment Assessment: Lot 6 Taronga Place, Eglinton, Table 6 (Syme Marmion, Alkimos Eglinton Economic and Employment Strategy 2007, table 16)

#### FIGURE 5: INDICATIVE SHOP / RETAIL FLOORSPACE RATIOS BY CENTRE TYPE

### 3.4 Shop/Retail (PLUC 5) Floorspace Demand

A closer look at shop/retail use is important to discussion about the composition and role of the two main activity centres in terms of their preferred land use composition, job generation capacity and the preferred role/land use composition and location of the two proposed service commercial areas.

Retail (PLUC 5) floorspace demand and the floorspace 'requirements' were calculated in the AEDSP based on SPP9 'per capita' ratios (as set for different centre types). This gave a total retail floorspace demand (based on population) of 88,200 m<sup>2</sup>. It was calculated as follows:

- 23,884 dus @ 2.4 persons per du = total AEDSP population of 57,320;
- 1.54m<sup>2</sup> of shop retail per resident (for local self sufficiency);
- $1.54 \times 57,320 = 88,273 \text{m}^2$  of total retail floorspace required.

This total retail floorspace demand figure was then allocated across the regional, district and local centres (refer Table 6 of the MacroPlan Dimasi Report and reproduced here as Figure 5) and used as a key input to AEDSP Table 14 to then extract the predicted job generation numbers for each centre.

It is important to note however that **this floorspace figure was NOT part of the shop/retail floorspace allocation assigned to the two SC zones in AEDSP Table 14**. The shop/retail in the service commercial zones was in addition to this population demand figure. The potential implications of that decision include oversupply, competition and threats to the centres themselves. These are discussed later in more detail.



#### 3.5 Predicted Land Use, Floorspace and Job Generation

As described above, AEDSP Table 14 lists the predicted and preferred breakdown of employment-generating land uses (expressed as PLUC categories), by floorspace across the six employment generation 'zones'. It then derives the number of jobs expected to be generated under each category (Figure 2).

The PLUC uses/categories listed are:

- Primary Rural;
- Manufacturing/Processing/Fabrication;
- Storage/Distribution;
- Service Industry;
- Shop/Retail;
- Other Retail (i.e. showrooms/bulky goods/vehicle based uses);
- Office/Business;
- Health/Welfare/Community;
- Entertainment/Culture;
- Short Stay Accommodation; and
- Utilities/Communications.

With respect to the two service commercial areas, the anticipated land use/floorspace (or PLUC) mix was based on the Myaree example. There are many issues which now arise with respect to these important but simplistic land use and floorspace mix assumptions as used back in 2007. Many are simply no longer relevant or applicable. This impacts on the role of the service commercial zones, the role of the Activity Centres as major mixed use employment generators and the calculation of real job numbers when addressing the ESS target.

For the two Service Commercial areas the single biggest issue is what can be seen as the over-estimation of the range of uses which could or should locate in these areas, as the assumptions were based on ratios from older more industrial based areas which are no longer applicable as models and based on redundant planning policy which encouraged Centres to have a more limited role dominated more by retail uses.

Importantly in redefining land use scenarios for the service commercial areas neither the uses predicted nor the jobs associated with them disappear. They simply;

- relocate to more appropriate areas (either locally or externally) based on contemporary land use planning and employment generation logic; or
- are created locally in other employment generating use categories. This has already started to occur through the LSP and Activity Centre Structure planning processes.

The ability to utilise the Lot 6 Eastern Cell as a business enterprise area will provide an additional employment response and a very generous "offset" to any perceived loss of employment land.



## 4.0 KEY ISSUES IN REVIEW OF THE SERVICE COMMERCIAL ZONES, LAND USE, FLOORSPACE AND JOB ASSUMPTIONS

This section addresses the relevance or otherwise of the data used in AEDSP Table 14 as it underpinned most of the land use, floorspace and employment predictions in the AEDSP and is very relevant to this review of the SCN area.

## 4.1 Policy Changes and the Changing Role for Activity Centres

The role of Activity Centres, their preferred land use mix and their employment generation capacity, has evolved significantly since the AEDSP was prepared back in 2007. This in turn now affects what might be considered a relevant and compatible land use mix in the service commercial areas. Many of the uses originally intended for these areas in the AEDSP (see below), would and should now seek a more integrated location as part of the Activity Centre core itself or elsewhere in the case of more industrial based activities.

The push for consolidation of Activity Centres and the aggregation therein of a wider mix of compatible employment-generating uses arises from the many commercial benefits and efficiencies that ensue. State Planning Policy 4.2 – Activity Centres for Perth and Peel encourages these more diverse, mixed use centres whilst SPP 9 tended to see such centres (i.e. Alkimos, Eglinton, and Neighbourhood centres) as predominantly retail based. The notion therefore of locating a substantial portion of shop and other retail/ commercial/business/entertainment uses to more peripheral service commercial areas, is now a less desirable planning strategy than it once was. This approach however was fundamental to the AEDSP predictions on land use, floorspace and jobs, as the following use categories were predicted to have a high representation in the two service commercial areas:

- Shop Retail;
- Other retail (Showroom & Bulky Goods);
- Offices;
- Business;
- Health Welfare Community; and
- Entertainment Recreation Culture.

It is worth considering each of these uses independently to understand why the AEDSP assumptions and strategies to locate outside of the main centres in the service commercial areas now require reconsideration.



#### 4.1.1 Shop Retail (PLUC 5)

Clearly traditional shop retail should now be integrated wherever possible into the activity centre cores and not externalised to more removed service commercial areas. To do otherwise sets up undesirable competition to the centres affecting their commercial viability and the subsequent employment and lifestyle benefits that would flow to residents from consolidation and a healthy vibrant centre.

The AEDSP however assumed a substantial 'over-allocation' of 17,473m<sup>2</sup> of retail floorspace (when considering the population predicted) to the two Service Commercial zones. This was an allocation made **in addition** to the calculated total retail floorspace demand figure in the DSP *Economic and Employment Strategy* of 88,000m<sup>2</sup>. All of that retail floorspace was allocated to the Alkimos, Eglinton and neighbourhood centres.

To put the impact of this 'over-allocation' into perspective:

17,473m<sup>2</sup> is **more** retail floorspace in the SC zones than the entire Eglinton Activity Centre (17,220m<sup>2</sup>);

- Creates more retail jobs in the two service commercial areas (672 jobs) than for the Eglinton Activity Centre (653 jobs);
- The floorspace and job numbers derived almost exceed the totals allocated for all the local and neighbourhood centres (including the coastal nodes) combined;
- It represented a massive 16.5% of all the shop retail jobs predicted across the entire DSP area.

This 'extra' allocation of 17,473m<sup>2</sup> to the service commercial areas (refer AEDSP Table 14) was done as it reflected the Myaree land use mix being adopted. However there was no analysis or testing of the relevance to this area and no demand assessment or assessment of likely impacts on the activity centres.

So there appears to be only two possible outcomes from what the AEDSP was suggesting. Neither is attractive;

- Either this extra retail component allocated would not occur as it would be unviable (and therefore fail the retail sustainability test under SPP 4.2 in any case),
- if encouraged or required through a planning framework would directly compete with the main activity centres and impact their commercial viability contrary to current Policy.

A better outcome, as achieved recently at Alkimos, is to allocate land for service commercial purposes close to the Activity Centre core, making it part of the land use mix. In this scenario, a greater emphasis is placed on the commercial and office business components rather than the industrial components, and the outcome is integration of the retail elements of the service commercial land use typology with the Activity Centre.Activity Centre



#### 4.1.2 Other Retail (PLUC 6)

These were described at the time as retail uses which by virtue of their scale and special nature are retail uses not normally accommodated in a shopping centre. Really these are typical mixed business/showroom activities – auto parts, light fittings, carpets, household (bulky goods or goods in bulk). Typically they require good exposure to passing traffic and good access.

It is now accepted that these types of retail uses can form part of, and support, an activity centre as part of the broader use mix. This is in fact exactly what has happened at Alkimos (See Section 4.3) with the refinement of SCS through AEDSP amendment No 1 and the accompanying local structure planning process.

The AEDSP at the time however allocated a significant proportion of this use type (50,000m<sup>2</sup>) to the service commercial areas.



#### 4.1.3 Office Business (PLUC 7)

Most office/business activities clearly help activate and support an activity centre, sustaining in turn other businesses and jobs. The AEDSP however takes a more contrary approach and allocates a significant proportion of this use (and the jobs that go with it), to the two service commercial areas potentially to the detriment of the main centres.

#### Consider this:

- A substantial 51,355m<sup>2</sup> or 47% of the Office Business floorspace is allocated to the two SC areas alone.
- 31,563m<sup>2</sup> of this floorspace is allocated to SCN area alone despite its relatively isolated location with compromised access and poor exposure;
- Half of all the office business jobs in the AEDSP area are allocated to the two SC zones. That is 1,912 jobs from a total of 4,050 with 1,175 allocated to SCN alone;
- Both figures exceed allocations for the Alkimos Regional Centre and are about **eight times** the floorspace and job allocation for the Eglinton Centre.

This represents significant competition for the activity centres. Even in an undeveloped form this allocation would likely compromise the development timing and viability of the main activity centres.

## <u>4.1.4 Health, Welfare, Community, Entertainment, Recreation &</u> <u>Culture</u>

Health, welfare, community, entertainment, recreation and culture are also key activities which should be located within the main activity centres and not in peripheral locations. The AEDSP however assumed a very large allocation to the SC areas as follows:

- 15,949m<sup>2</sup> of floorspace and 319 jobs representing 20% of the total AEDSP allocation to these uses is in the SC areas;
- This is only marginally less than the amount allocated to the Alkimos Regional Centre and triple the allocation for Eglinton.

Once again both are unlikely and highly undesirable scenarios, inconsistent with current best practice related to consolidation of activity centres. This also reflects on how potentially questionable was the use of the Myaree template in conducting the land use and employment analysis.

#### 4.1.5 Summary

It is now recognised that these types of non industrial, employment generating uses should be more directly integrated into the activity centres or immediately adjacent where key infrastructure (major roads/public transport, etc.) can be shared and where the proximity directly adds to the vibrancy and consolidation of the centre.

As will be described later, the SCN area possesses none of these locational attributes which might aid centre consolidation and as a more remote and somewhat isolated area of land is not appropriate for these centre based land uses.



#### 4.2 Larger Scale Industrial and Related Activities

The uses described in the previous sections are ones now considered better located within or immediately adjacent activity centres rather than in more isolated service commercial areas. The activities addressed in this section are the larger scale industrial and business type activities which the AEDSP, in Table 14, assumed (based on the Myaree template) would also locate in significant proportions in the SC areas.

However by virtue of their bulk, scale and operational characteristics these activities are more suited to other less urban intensive and peripheral locations with better regional and local access and on flatter sites somewhat removed from the activity centres themselves. As the AEDSP did not identify large scale industrial areas in the DSP area and as Neerabup/Meridian and other areas east of the Freeway including Lot 6 East were not as advanced in planning terms, these industrial uses were placed largely in these SC areas.

Once again to understand why this is not appropriate now it is important to examine each of these use types as referenced in Table 14.

#### 4.2.1 Manufacturing Processing and Fabrication

These are larger scale industrial uses (as opposed to lighter service commercial/ service industry activities) and they should and will seek to locate within designated industrial areas that:

- Have excellent and immediate access to the regional/ freight network;
- Can access and interact with other important industrial 'business to business' suppliers and services in these areas;
- Allow for the generation of a higher level of off-site impacts such as noise and truck traffic that may be unacceptable next to urban uses;
- Are both larger and flatter than SCN;
- Are not immediately adjacent to residential areas and residential activity but where possible buffered.

As will be discussed in more detail later, the SCN area lacks key transport infrastructure links, main road exposure, and would feed heavy traffic through local residential areas (and past schools). The area is also topographically unsuited to such uses which demand larger flatter sites (this site constraint is discussed later).

It is more likely – and preferable – that this form of larger scale activity would seek more strategic sites east of the Freeway and this is where Lot 6 east is ideally located to accommodate such uses thereby generating more local employment. Similarly Neerabup/Meridian or the proposed Carabooda industrial area (refer Frameworks) are also suitable neither of which were a major consideration in the original AEDSP.



Despite this there was still a significant allocation of floorspace to this use made in the AEDSP. Over 88,000m<sup>2</sup> of floorspace within both the SC areas and 1000 jobs demonstrating the now questionable fundamentals upon which many of the assumptions on employment were made.

#### 4.2.2 Storage and Distribution

These are also typically larger footprint industrial/logistics activities, ideally located in the same major industrial areas mentioned above which feature good access to the regional (freight) road network and being physically separated from residential uses. The constraints detailed above relative to the SCN area also apply here as does the likelihood these activities will seek more strategic sites east of the Freeway which is ideal as it is situated nearby but has the benefit of the Freeway as a buffer to residential uses.

Also of relevance is the fact these businesses consume very large land areas with large floorplates but they typically have very low employment densities and hence are unsuited to more activity centre based locations. Once again a large allocation of 53,000m<sup>2</sup> of floorspace was made.

#### <u>4.2.3 Summary</u>

For these more industrial based land intensive uses which should be located in more suitable locations consider this:

- The AEDSP allocated over 13.5ha of floorspace and 1,282 jobs to them representing 35% of the total floorspace (all uses) assumed for the SC areas;
- Depending on how this floorspace developed it could have consumed (in the unlikely event it ever developed) over a quarter of the entire SC land areas in the DSP;
- The AEDSP allocated 1,282 jobs to these uses representing almost 20% of all the jobs within the SC areas.

AEDSP Table 14 and the assumptions drawn in the AEDSP really said more about what Myaree is, than what these SC areas could or should be – especially by today's standards. The uses were extrapolated from the Myaree template yet it is zoned 'Industrial' in the MRS and clearly has had an historical role in accommodating these sort of uses - and hence they dominate. To suggest that that situation remains valid now and is directly transferable as a template to these new SC areas is not acceptable by today's standards.



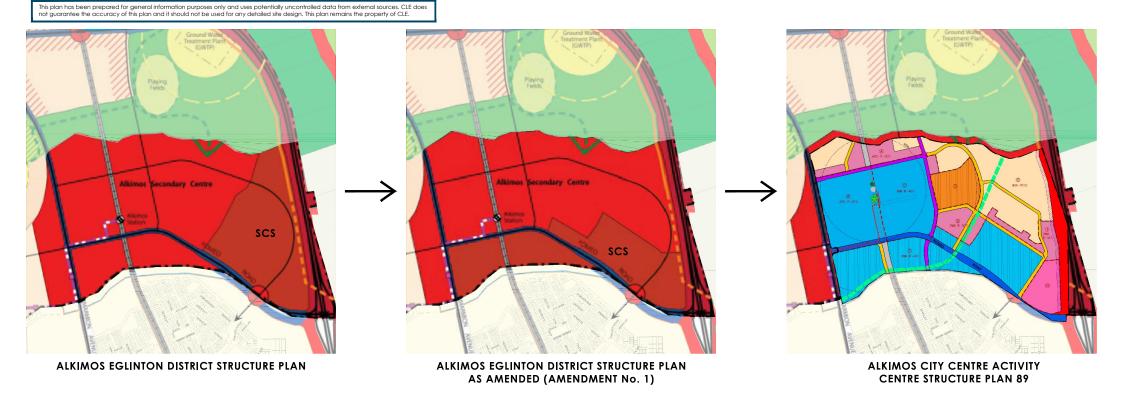


FIGURE 6: AMENDMENT No. 1 TO ALKIMOS EGLINTON DISTRICT STRUCTURE PLAN / ALKIMOS CITY CENTRE ACTIVITY CENTRE STRUCTURE PLAN 89



#### 4.3 Activity Centres - Expansion & Consolidation

Recent planning initiatives at Alkimos Eglinton demonstrate the primacy of the activity centres in attracting to their core and abutting fringe a wide range of employment generating uses in line with current Policy objectives. These initiatives also demonstrate that rationalising the SC areas does not mean a direct reduction in the number of jobs. It will simply improve the economic viability of the centres making the jobs-creation targets more achievable (and diverse) by shifting them into more logical locations. Recent planning initiatives have included:

The Alkimos City Centre Activity Centre Structure Plan (ACC89), and Amendment 1 to the AEDSP both relocated the Service Commercial South (SCS) from its more peripheral location on the east edge of the Alkimos Centre, to a more internalised location along Romeo Road near Marmion Avenue (refer Figure 6).

ACC89 has also increased the 'shop/retail' floorspace component of the Alkimos centre from 50,000m<sup>2</sup> to 67,500m<sup>2</sup> creating an extra 947 jobs.

ACC89 also created an additional 80,000m<sup>2</sup> of 'other retail' floorspace be added to the original 15,000m<sup>2</sup> as allowed for in the DSP. This is a substantial increase not anticipated for this Centre by the AEDSP and has added an extra 650 potential jobs to the Centre.

Similarly Amendment 1 to the Eglinton Local Structure Plan (LSP82) has included the northern 24.34ha of SCN within the Centre zone (refer Figure 7). Whilst an Activity Centre Plan for Eglinton is yet to be prepared it is clear that the uses likely to be proposed here (or likely to be insisted upon by the decision making authorities will be more centre based.

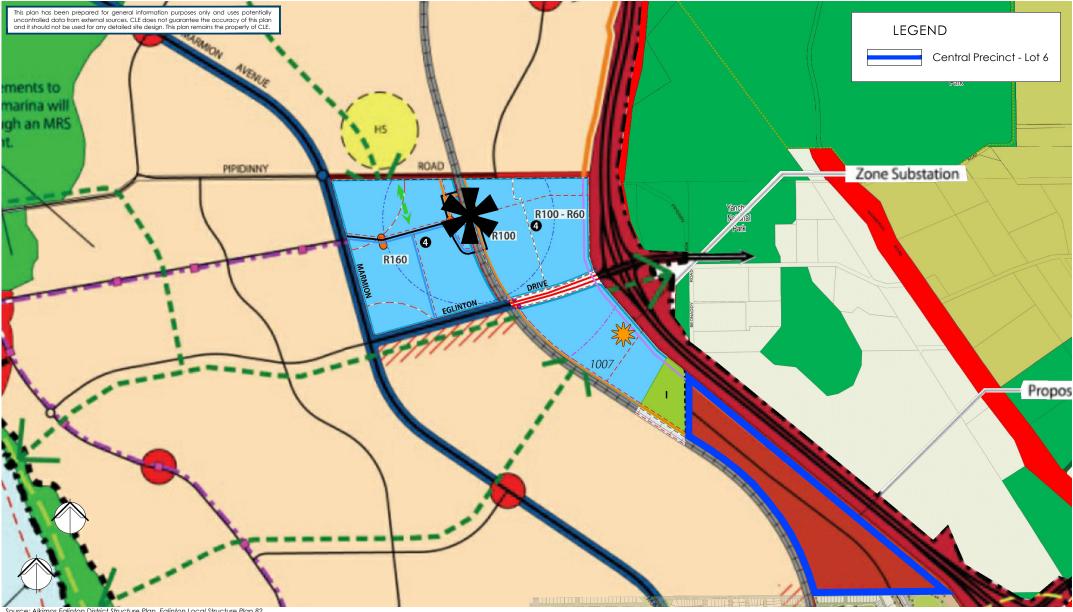
#### 4.4 Conclusions

It is clear that many of the land use and floorspace assumptions (and by extension the job estimates) for the SC zones in the AEDSP are now redundant for a range of reasons. Most of the uses described either should not, could not, or would not seek these particular locations. Most of the 'non-industrial' employment generators would (and are) seeking more centre based locations (as per SPP 4.2) as is demonstrated by the more recent planning initiatives above. Other industrial based activities in turn seek alternative and better located industrial or business park land with better access and less potential for land use conflict.

This all has a major impact on the relevance and role of SCN SCS is being rationalised already). The options without planning change are not good. It could either remain redundant and undeveloped or if developed as anticipated would compete with the activity centres. Neither is a good option. Alternatively the potential for residential use becomes a real opportunity.



## LOT 6 EGLINTON AND ALKIMOS DISTRICT STRUCTURE PLAN LAND USE AND EMPLOYMENT REVIEW



Source: Alkimos Eglinton District Structure Plan, Eglinton Local Structure Plan 82

FIGURE 7: EGLINTON LOCAL STRUCTURE PLAN 82 (EXTRACT)



## 5.0 SITE AND LOCATIONAL CONTEXT CONSIDERATIONS – LOT 6 AND SERVICE COMMERCIAL NORTH

The previous discussion focused on uses which are no longer considered suitable for these SC areas based on:

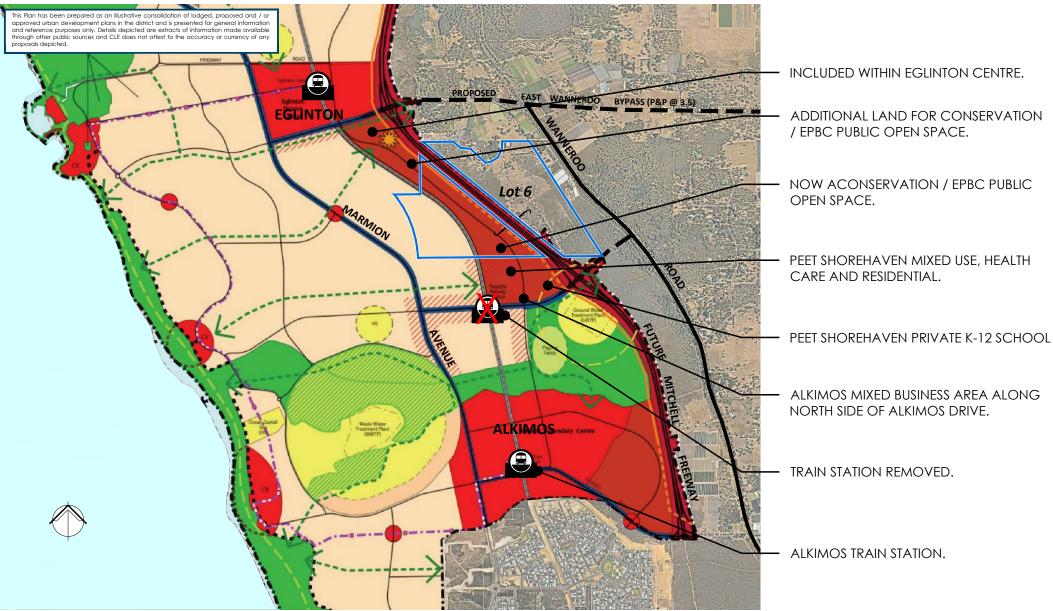
- Policy changes concerning Activity Centres;
- Commercial viability;
- Infrastructure considerations;
- Amenity issues;
- The need to consolidate and co locate many of the proposed uses within the centres;
- More appropriate alternative locations for some uses to the east; and
- The use of a non representative scenario template (Myaree) for key land use and employment assumptions.

It demonstrates why these service commercial areas would never meet the employment or floorspace expectations predicted in the AEDSP based on the mix it assumed, and why as stand-alone precincts they would actually pose a threat to the viability of the activity centres themselves. There are however other key considerations insofar as determining the realistic suitability of SCN and the Lot 6 Central Precinct for any non residential uses. These are:

- The diminished developable area of SCN arising from more recent planning initiatives. In fact Lot 6 Central is now all that remains of the original SC North;
- Constraints associated with this now relatively isolated site with low exposure to major roads as a result of local planning changes;
- The site suitability and topography of Lot 6 Central for SC;
- The attendant suitability of Lot 6 East for a range of 'Business Park' and other substantial non residential related activities.



## LOT 6 EGLINTON AND ALKIMOS DISTRICT STRUCTURE PLAN LAND USE AND EMPLOYMENT REVIEW



Source: Alkimos Eglinton District Structure Plan

FIGURE 8: SUMMARY OF CHANGED LAND USE CIRCUMSTANCES



## 5.1 Original SCN Assumptions

Many of the original AEDSP assumptions are no longer relevant. Specifically;

- SCN was originally a substantial 88ha stretch of land with direct frontage and major road access in the north (Eglinton Drive) and the south (Alkimos Drive). With the Freeway and rail preventing local access and movement east or west, direct frontage to these major roads was considered critical for the freight-reliant activities proposed, directly feeding the Freeway and, longer term, through to Neerabup and Bullsbrook.
- Though physically removed from the Alkimos Centre to the south the SCN still had a direct frontage presence and exposure to Alkimos Drive in the AEDSP providing not just excellent access but also commercial exposure opportunities critical to the success of such areas in any context.
- Underpinning the potential viability of employment generating uses at the southern end of SCN – and in fact providing much of the original rationale for SCN – was the proposed Alkimos North Railway Station on Alkimos Drive. Business, commercial and mixed-use development over the southern 20ha would have drawn significant benefit from this critical piece of infrastructure, creating real commercial and employment opportunities..
- The northern end of SCN as well as having a direct interface to Eglinton Drive transitioned directly and seamlessly into the Eglinton District Centre itself adding to the commerciality of SCN even as a standalone cell.

#### 5.2 What has Changed?

Since this time and for a variety of reasons these infrastructure, connectivity and exposure advantages underpinning the SCN rationale have all but disappeared. Further, a substantial proportion of the original SCN has been more recently allocated to other uses in more recent structure planning. The following is a summary of these important changes which impact the viability and current relevance of SCN. Figure 8 summarises these various changes discussed below.

#### 5.2.1 Eglinton Local Structure Plan (LSP82)

As mentioned previously approx 20ha or 13% of northern portion of SCN has now been included as Centre zone in LSP82 (Figure 7). It effectively creates a mixed business precinct connected to the Centre. Many of the more retail based, non industrial employment generating uses as previously recommended for the SCN, should locate here as an integrated part of the larger Centre and not in a standalone service commercial area.

This initiative has to some extent also diminished the SCN connection and frontage to Eglinton Drive and the direct route onto the Freeway, compromising both the freight access opportunity and valuable commercial exposure for the broader SCN precinct.

In addition a 4.8ha conservation area now seperates the Eglinton Centre from SCN creating a stronger land use 'edge' to the Centre's commercial uses and acting as yet another form of severance. There is now no certainty with respect to the north/south connector road (vital for local access here) as we understand it will now require separate approval under the EPBC Act.



## LOT 6 EGLINTON AND ALKIMOS DISTRICT STRUCTURE PLAN LAND USE AND EMPLOYMENT REVIEW





FIGURE 9: WHAT REMAINS OF SCN

#### 5.2.2 Alkimos North Rail Station

Of significance to the changed land use circumstances has been the deletion of the Alkimos North Station from the AEDSP. Its role in activating the southern end of SCN was of significance as it would help support the various shop/retail, other retail and office business uses here together with their higher employment densities.

Deletion of this Station compromises activation potential and commercial opportunities at the southern end of SCN. This changed land use circumstance has been recognised in the more recent Alkimos LSP 73 (discussed below).

#### 5.2.3 North Alkimos (Shorehaven) LSP73

With the removal of the rail station 24ha of the southern end of SCN (located within Shorehaven, was zoned to 'Mixed Use' and 'Business' in LSP73. This will now allow a strong residential flavour here with residential, residential mixed use, health (private hospital) and the K-12 Northshore Christian Grammar School (refer Figure 8).

This is a residential-based land use scenario very different to service commercial. This logical shift to residential – in addition to adding weight to the argument that the station was a critical piece of infrastructure here – has completely changed the nature of land uses in this entry area and severed direct frontage opportunities for the Lot 6 Central portion of SCN (only a narrow strip of Business along Alkimos Drive remains here.

#### 5.2.4 Summary

All of these initiatives act to further physically isolate what remains of the SCN such that only a very small 36.24ha portion of Lot 6 is all that remains (Figure 9). Access and exposure are gone as are any synergistic links with the activity centres themselves and key infrastructure that may have previously been anticipated. In addition major topographic constraints render the site largely unusable for the type of land uses originally envisaged (see next section).

These locational disadvantages must also be considered within the context of SPP 4.2. A fundamental principle of SPP 4.2 is that planning should operate to ensure businesses can be financially viable and operate on an ongoing basis to continue to meet the needs of the community. The factors described above (and those below) make the site unsuitable for development as employment land as they cannot deliver this outcome.



#### 5.3 Reduced Developable Area oF SCN

The change in the land use areas at either end of the SCN has not only isolated the remnant portion but it has also substantially diminished the amount of developable land left for service commercial use. This impacts overall viability, economies of scale and the potential to generate jobs here.

The SCN has effectively been reduced from the original 88ha – with its direct exposure and access to major transport routes and a station – to only 36.24 ha of somewhat isolated land devoid of the original access exposure and servicing attributes – just the Lot 6 Central Precinct (refer Figure 9). In terms of actual developable area, this translates into only 25.35ha, which is considerably less than the originally-planned 88ha.

The impact of this reduction on potential employment numbers is assessed in Section 5.5, though the simple reality is that this remnant portion is now so compromised it simply could not function as a viable employment generating area.

This reduction in practical size of SCN west of the Freeway also highlights the real benefit to identification of Lot 6 East as a major and more sustainable 'employment generation zone' still in the local area but of a size and locational context which is far better suited to such activities.

## 5.4 Topographic Considerations for Lot 6 Central Precinct

The ability to develop Lot 6 Central for service commercial activities is further constrained by the site's steep topography and narrow, elongated shape (Figure 9). This site constraint was not considered in the AEDSP (given its high-level, strategic nature) but it is a major obstacle to development for larger floorplate uses. These require larger, flatter sites to avoid high development costs, access constraints and other operational issues associated with the slope.

This is particularly problematic for Lot 6 Central, which has around 15 metres of cross fall east to west over a relatively narrow (120m in width) throat of land with only one access point.

This issue alone would prevent development of this land for most of the uses described in the AEDSP. If developed, the constraint would result in a reduction of employment-generating potential by up to 90%, according to the MacroPlan Dimasi Report (Refer Section 5.5 of this report).



#### 5.5 Job Generation Potential – Lot 6 Central Precinct

To calculate just what employment and job numbers might be generated from the remnant 36 ha of the SCN (being Lot 6 Central) - realistic consideration of the land use mix and locational constraints as described in this Report is critical.

Table 1 of the MacroPlan Dimasi report includes each of the uses from Table 14 and then identifies those which might remain 'appropriate' (in theory at least) to a service commercial location (ignoring any other fatal flaws). These remaining uses would potentially be limited to just service industry and some other retail.

Applying the same floorspace and employment generation assumptions from the AEDSP to this area, MacroPlan Dimasi conclude (refer Table 1 below) that this remnant area would only ever generate **237 jobs** which is a significant reduction from the initial prediction of 4,192 jobs for this area in the AEDSP.

#### Table 1 - Service Commercial North - Remnant Job Yield

Land use and yield	
Total Precinct Area (ha)	36.2
EPBC area to be retained (ha)	3.2
Roads (ha)	6.08
Public Open Space (ha)	N/A
Drainage @ 5% (ha)	0.97
Nett developable area (ha)	25.35
Estimated net lettable floorspace yield (at 900m <sup>2</sup> per ha)	22,815
Estimated job yield (at 96.1m <sup>2</sup> floorspace per worker)	237

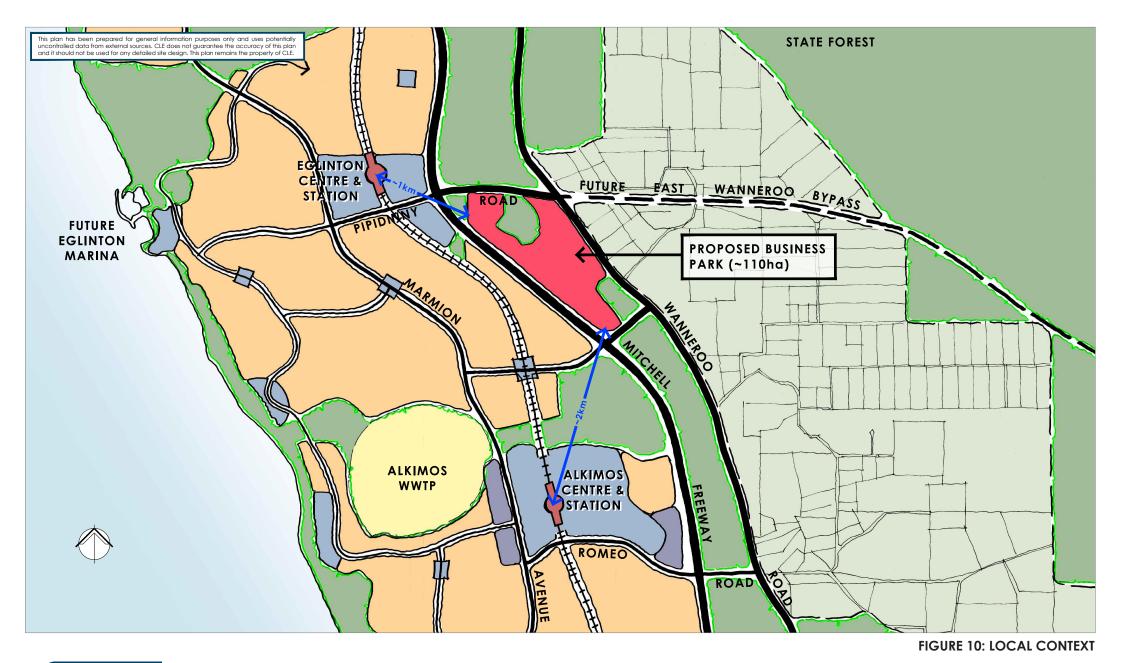
Source: MacroPlan Dimasi (2017)

In a sense this is still hypothetical only as this area would never develop for this lone purpose now anyway, but it does provide a realistic employment "benchmark" in terms of understanding the actual impact of rationalising the land use planning in this area. Plus in reality these jobs would simply relocate not disappear or be offset by job growth in other sectors given the way in which the centres are consolidating and expanding their land use range.

As a more realistic alternative the development of this land for residential use could deliver approximately 500 dwellings. The estimated job yield from dwellings at 0.132 jobs per dwelling (not including work from home or work at home) is 66 jobs (Table 21 of the MacroPlan Dimasi Report provides further detail in regards to this calculation). So in effect the conversion of the SCN to residential means only 170 jobs needs to be identified elsewhere to offset the potential impact.



## LOT 6 EGLINTON AND ALKIMOS DISTRICT STRUCTURE PLAN LAND USE AND EMPLOYMENT REVIEW





#### 6.0 LOT 6 EAST PRECINCT

Whilst the bulk of this Report demonstrates why retention of what is left of SCN cannot possibly create the job capacity predicted, it is important to also consider the real potentials that exists within the 77ha portion of Lot 6 immediately east of the Freeway (Figure 10). It can deliver what SCN cannot – real jobs in an economically sustainable way.

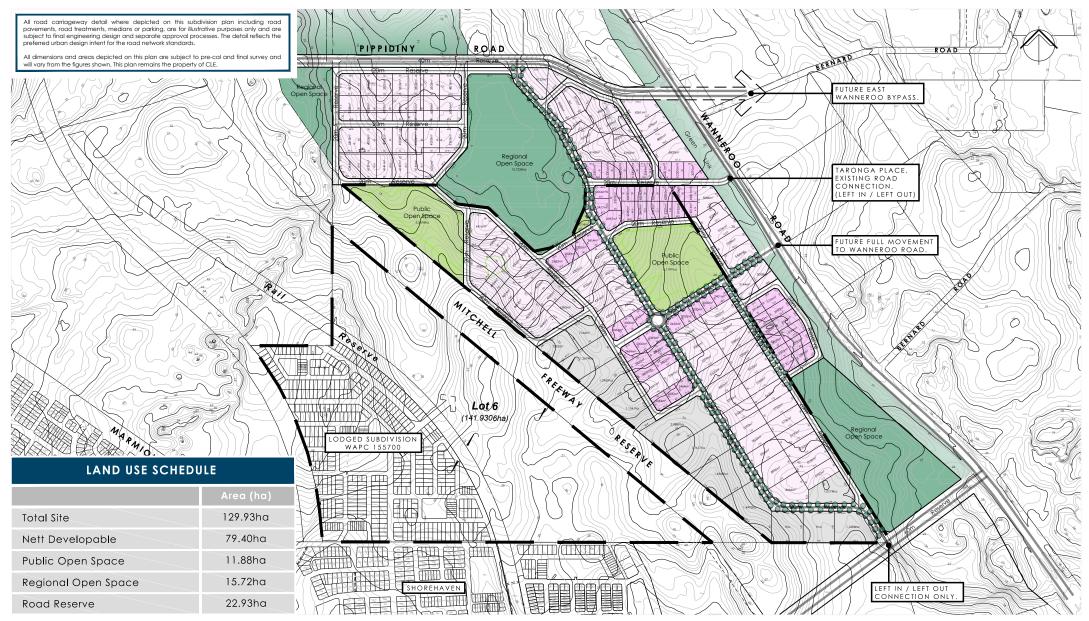
This land avoids those numerous problems and compromised potentials we have described with SCN and also offers some very distinct benefits for the local area and broader district if it is recognised as a new location for genuine employment generation. As an integrated business park it has locational and site benefits second to none.

Urban Quarter have made formal submissions to the WAPC to ask that the Lot 6 East Precinct be included as Future Urban in the Frameworks for the specific purpose of allowing more detailed planning and further analysis to commence, aimed at establishing the land as a large business park. Such a designation would allow to for a range of larger floor plate business and local industrial uses reliant on good access, exposure, economies of scale and proximity to infrastructure and population.

A draft plan showing what might be achieved is attached at Figure 11.



## LOT 6 EGLINTON AND ALKIMOS DISTRICT STRUCTURE PLAN LAND USE AND EMPLOYMENT REVIEW



#### FIGURE 11: LOT 6 EAST BUSINESS PARK CONCEPT PLAN



To support our requests we ask the WAPC and the City to consider the following in regard to the Lot 6 East Precinct:

- Substantial Size. At 77ha it matches (in size and scale) the area of the original SCN;
- Access. There are few sites as well located for business activity and freight movement. It has direct access to the Freeway, Alkimos Drive, Eglinton Drive and Wanneroo Road and the future East Wanneroo Bypass;
- Topography. It is better configured and has less topographical constraints for larger floor plate development;
- Cleared. The land is largely cleared, with relatively small areas of remnant vegetation which can, if in good condition, be protected through the detailed planning phase;
- Environment. The land forms part of the current EPBC assessment process and the Plan attached reflects preservation of the significant vegetation area.
- Compatible Adjacent Uses. The site is physically removed from residential areas avoiding conflicts/buffers, yet it is close enough to provide for local employment and local access;
- Allows for more residential land to be released west of the Freeway in the catchment of the two train stations and activity centres;
- Has good access to key urban infrastructure and services;
- Has future direct access to the Neerabup Business Park (via the proposed East Wanneroo Bypass road);

 Is the only piece of land with development potential providing a major development link between Wanneroo west through to Wanneroo east and beyond – a very important strategic consideration.

On the basis of these attributes, the Lot 6 East precinct warrants inclusion as a Future Urban area in the new Sub-regional Framework plans and an Urban zoning in the MRS. This will facilitate further planning for employment growth in accordance with contemporary planning practice and in response to sitespecific factors that does not compete with the Activity Centres designated in the AEDSP.



### 7.0 CONCLUSIONS

- The AEDSP land use and employment vision for the SCN is no longer relevant, achievable or desirable.
- The range of uses originally envisaged would simply act to compete with the Activity Centres both functionally and commercially.
- The assumed land use mix for the Service Commercial areas (refer Figure 2) is now completely redundant as it was based on a predominantly industrial area template with uses not suited to a new service commercial area located between two activity centres.
- The use of the Myaree scenario also ensured the unfortunate recognition of an overly large retail component in the SCN that would now be deemed undesirable for any new service commercial areas today.
- There has been a significant Policy shift from SPP9 to SPP4.2 with respect to the role of centres as mixed use hubs rather than being retail dominated impacting old assumptions about land use mix in the service commercial areas.
- Many of the "non industrial" employment generating uses suggested for the Service Commercial areas would now be encouraged to locate within the Activity Centre Precincts themselves and not in nearby standalone Service Commercial areas which would simply compete.



- Many of the "industrial" employment generating uses suggested for the Service Commercial areas would seek to locate in larger more specialised industrial locations east of the Freeway (such as Lot 6 East or Neerabup) which have better access, economies of scale and flatter land.
- Both the northern and southern ends of the SCN have changed their land use profiles significantly. The north end to more Centre based uses and the southern to more residential based activities.
- The change in character to the south has arisen largely as a result of the deletion of the Alkimos North Station which has a major impact on the viability of commercial uses in this southern area.
- Freight access, local access and exposure has been compromised by progressive DSP, LSP and ACP initiatives impacting viability and ensuring the area would fail the SPP 4.2 viability test.
- These land use changes embedded in new planning have significantly reduced the actual remaining SCN developable area from 88ha to 36ha gross.
- The remnant service commercial being Lot 6 Central, is isolated, constrained by topography and of insufficient area to support the uses proposed.

- Most of the jobs predicted for the SCN would never have occurred in this location but will in effect transfer to either the activity centres (as they expand their range of uses and consolidate) or to other specialist areas for the larger industrial uses.
- At best this remnant area could only generate 237 jobs but they would not happen in any case due to the other constraints detailed.
- The very particular circumstance surrounding SCN ensure no precedent would be set with its conversion from service commercial.
- The Lot 6 East Precinct presents a very viable option for a new business park/service commercial node as it does not have the constraints affecting SCN and instead has and many positive attributes for such employment generating uses.

