



Final Report

Cockburn Central East Local Structure Plan
Market Feasibility Assessment

City of Cockburn

June 2017

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Report Details

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Preamble

Colliers International (WA) Pty Ltd has been commissioned by City of Cockburn to prepare this report regarding delivering the long terms vision for Cockburn Central East, in the context of the structure plan and the road alignment, while considering what is achievable in the short-to-medium term. This report will take into account the state of the economy, the commercial realities and competing development sites in achieving this.

Research Scope

Context

The scope of this report will cover:

- Market Analysis;
 - Consider State of WA economy and cycle in context of SPP4.2 targets and population driven spatial demand/requirements.
 - Consider current state of property cycle and market drivers in respect to commercial, mixed use and light industry.
 - Consider and discuss emerging development consideration in the vicinity of the project area and what the impact is likely to be on the subject area – taking into consideration the gap analysis findings for the activity centre.
 - Consider and discuss a range of short to medium term, and long term uses in the context of market and economy.
 - Consider competitive supply and current spatial use frameworks and hierarchy of locational preferences.
 - Consider transport infrastructure drivers and potential influence on market preferences.
 - Review and re-assess point 4 above and formulate a conclusion as to use hierarchy, lot sizes and transformation over time.
 - Consider short term alternate land use options and land tenure options.
 - Case Study Research
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Document Control

| Description | Prepared By | Reviewed By | Review Date |
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1. EXECUTIVE SUMMARY

Cockburn Central is currently considered a Secondary Activity Centre. The overall vision for Cockburn Central is to see it elevated from a Secondary Centre to a Strategic Metropolitan Centre.

The intent is that Cockburn Central East (CCE) will play a role in achieving this aspiration in the long term by contributing to employment targets and enhancing existing industrial and commercial uses. One of the main objectives of a proposed structure plan for CCE is to allow for the transitioning of the precinct over time, regarding both residential and commercial office space in order to meet higher order employment ideals.

Economic activity in WA remains sluggish and as such there has been a contraction across all of the property markets, and a subsequent excess of supply. Due to this it is likely that there will be limited appetite for development within the CCE in the short term.

In line with Directions 2031, there has been a general push for the development of a range of activity centres within the metropolitan area. Some of these centres, will present a competitive threat to Cockburn and are more likely in the short term to attract potential developers and become strategic employment generators. This includes the nearby Murdoch Activity Centre, which is part way through a process of development expansion similar to CCE, focussed on the delivery of strategic employment in the health and education fields.

Case studies show that the successful integration of traditional office/commercial floorspace into a mixed use centre is somewhat of a convoluted task. In general, the transformation of former industrial sites to higher uses over time is often the result of increased traffic volumes inhibiting operations combined with significant rises in land prices.

One of the other key attributes identified that meant development of such sites was more likely to proceed was the ultimate control and planning by a single entity. This allowed a staged approach that could adapt as required in order to maintain the vision for a mixed use activity centre.

Much of the land ownership within CCE is fragmented and privately owned, which means the ability to influence the outcomes for the area may be minimal. Fragmented ownership and control may reasonably stall the impetus to develop or on-sell existing land holdings within a timeframe that is desirable, even with long term improved economic conditions and underlying value of land.

Therefore the delivery of commercial and residential uses within CCE is likely to require development incentives and/or assistance in order to encourage private land owners to either consolidate and/or subdivide land into easily developable lots in the longer term.

In the short term recommendations for CCE are for;

- The State to maximise ownership and control of land with CCE,
- Preserve the land parcels A & B (see figure overleaf) closest to the train station for development in the medium to long term.
- Ground leases can be considered over the shorter term to activate the use of preserved lands including large format retail on super lots with 50 year leases – Ikea or Costco for example.

Land Parcels A & B



Figure 1

In the medium term to long term recommendations, dependant on market conditions, are;

- PTA parking should be transitioned, over time, to allow for further mixed business uses, particularly office, to be developed within parcel A.
- Residential development in parcel B should be delivered closer to the train station and the underpass to encourage the use of public transport.
- Commercial and office development should be located further from the train station as a buffer to existing industrial uses.

The assembly of large land parcels should be encouraged. This is necessary to enable the development of high density buildings.

Overall it will be important for the development of CCE to remain an iterative process to ensure that the vision and plans can evolve as the precinct does.

2. INTRODUCTION

Cockburn Central is considered a Secondary Activity Centre, as defined by Directions 2031. It is an emerging centre with many aspects of planning for the long term still to be determined in order to accommodate the fast growing population and employment areas nearby.

The Cockburn Central Activity Centre Strategy was released in 2016, and aims to guide the development of the centre over the short, medium and longer term. It identifies 10 distinct precincts at various levels of development within the activity centre. Some of these precincts are fully developed, while others are planned areas which are still to be realised.

As a part of this, the City is currently preparing a Structure Plan for Cockburn Central East (CCE) due to the intended North Lake Bridge and Armadale Road deviation project. This will result in changes to local roads, impacting on proximate landowners and potential land uses. This will also present opportunities to change the planning landscape for the precinct, which is predominantly industrial and mixed business.

Colliers International has been commissioned by the City of Cockburn to consider the long term aspirations for CCE, in conjunction with the short-to-medium term land use and development options available to land owners.

This report aims to provide guidance about how to deliver the long term vision, while taking into account what can be achievable in the short-to-medium term; based on the economy and market drivers within a commercial environment.

A variety of case studies have been explored regarding the transition of land uses in centres over time.

Location

Cockburn Central is located approximately 23km south of the Perth CBD and central to the southwest sub-region, and is a major hub for a high frequency rail transport for the surrounding areas. It is divided by both the Kwinana freeway and Armadale/Beeliar Drive.

Cockburn Central Activity Centre

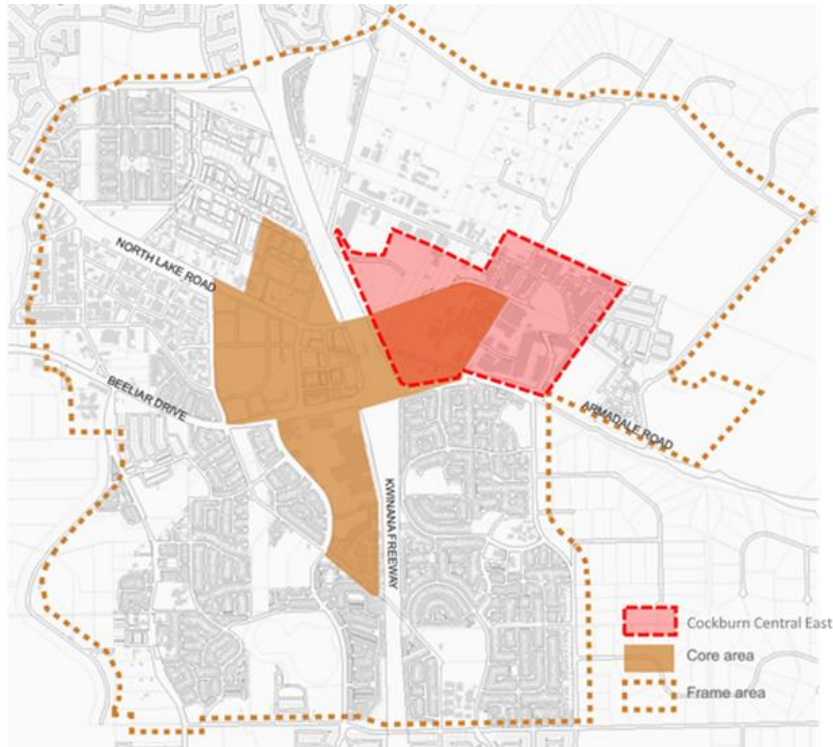


Figure 2: Cockburn Central Activity Centre Strategy, City of Cockburn, 2016

Cockburn Central East forms part of this activity centre. The proposed structure plan area, as shown above and below, is to be bordered by the Kwinana Freeway to the West and Armadale Road to the South. It is flanked by existing residential and industrial uses to the North and East.

Cockburn Central East Structure Plan Area



Figure 3: Nearmaps, May 2017

3. THE VISION FOR COCKBURN CENTRAL EAST

The overall vision for Cockburn Central is to see it elevated from a Secondary Centre to a Strategic Metropolitan Centre; and for it to become the most influential Activity Centre in the South West Metropolitan sub-region by 2031. In order for this outcome to occur there are a number of objectives that will need to be achieved in terms of employment self-sufficiency, diversity and intensity, along with the integration of higher density residential. In particular, there is a preference to grow knowledge intensive and export orientated strategic employment, specifically in the areas of education, healthcare and other strategic services.

The intent is that Cockburn Central East will play a role in achieving this aspiration in the long term by contributing to employment targets and enhancing existing industrial and commercial uses.

The main objectives for Cockburn Central East, as outlined in the Cockburn Central Activity Centre Strategy, are that:

- The movement network will deliver a viable solution that separates traffic with a regional mobility objective from local traffic accessing the core area of the activity centre;
- Modifications to the local road layout will consider how to transition the long narrow lots towards lot configurations that can facilitate a range of land use options over the short, medium and long term;
- To protect where feasible the quality vegetation within the centre of the precinct;
- To support the continued location of appropriate light manufacturing and light industry while encouraging a range of complimentary business and office type services;
- To encourage the continued location of the bulky goods uses emerging along Verde Drive, and;
- To plan for long term planning needs inclusive of transitioning uses to provide for residential development.

4. CURRENT STATUS OF COCKBURN CENTRAL EAST

Current land uses include industrial and commercial businesses generally servicing the local population, as well as park and ride facilities.

Land use within CCE is underutilised with a large amount of vacant land at the Western end within a walkable distance to the train station. Many of the lots in this area are long and narrow with limited access points thus hindering the ultimate subdivision and development of these lots. The State government, via the WAPC and PTA already have ownership of a large portion of this land, however much is in the hands of a variety of private owners.

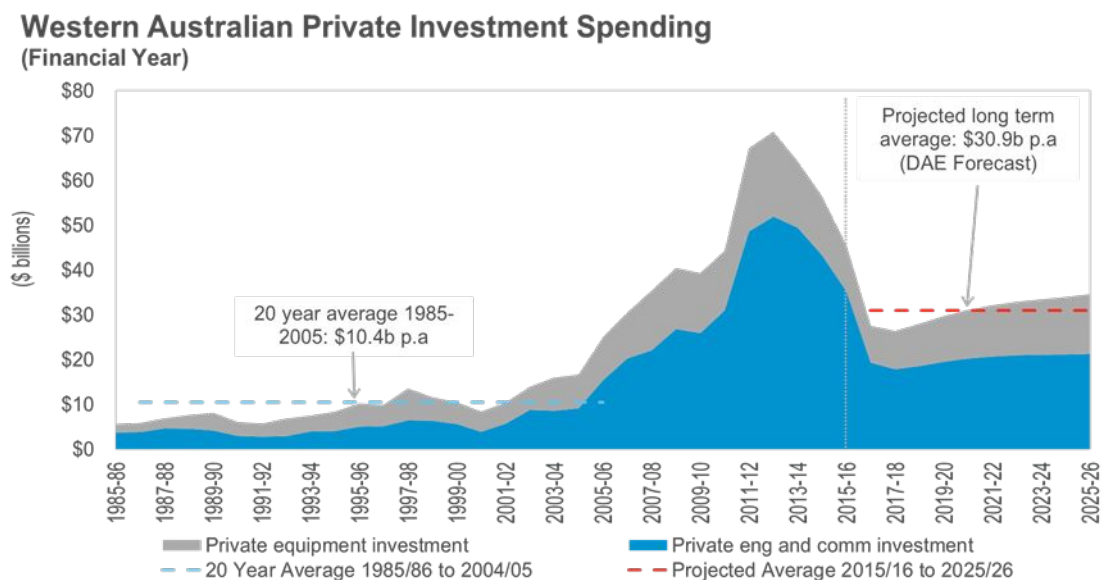
Lot 500 in the South Western corner of CCE bordered by Armadale road, Kwinana Freeway and Knock Place is currently being developed and will include a variety of commercial and retail uses. Due to market conditions a planned office component was excluded.

Infrastructure plans affecting the potential for development in CCE include the construction of the North Lake Bridge over the freeway and its subsequent connection to Armadale Road, as well as additional freeway access ramps. Further to this, the extension and construction of additional local roads is being planned which will connect to the existing road network and create additional access points for the land to the West.

Although outside the structure plan area, it is important to note that a significant amount of residential has, and is, being constructed along the border of the north east corner. Major access points for this residential enter from Dollier Street and Solomon Road, which will likely influence both the traffic use patterns and the ultimate land uses in CCE.

5. WA INVESTMENT CYCLE CONTEXT

It is important to predicate the following report by acknowledging that WA has just been through a 1:100 year cycle of private investment spending. This investment spending has for almost a decade greatly influenced not only the property industry but income levels and market confidence. With the contraction of the resources industry, so too we have seen a contraction in the property markets.



Source: Deloitte Access Economics Business Outlook - September quarter 2016, Colliers International

Figure 4

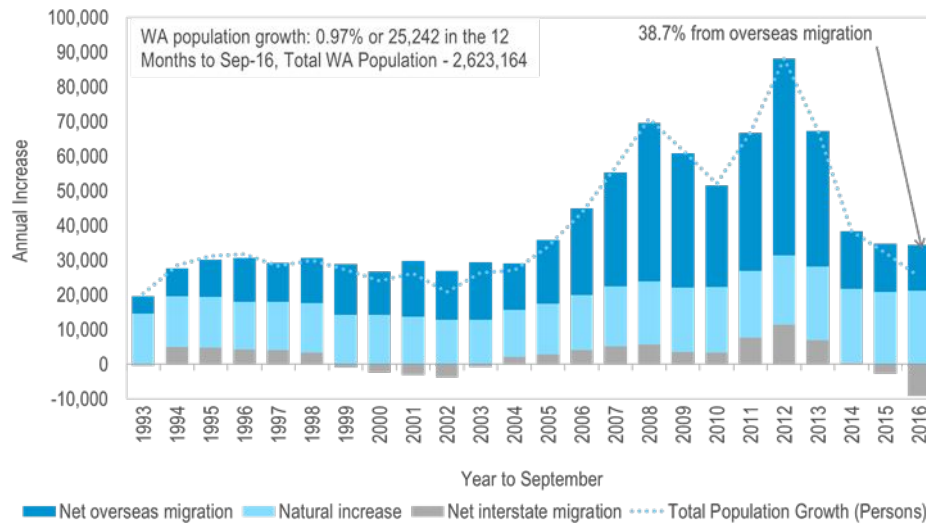
In the case of Perth, major investment cycles have influenced industry formation, employment and population growth levels beyond the 'normal' cycle. This investment has encouraged interstate and overseas migrants to relocate to Perth and Western Australia (WA) in search of the job opportunities created. Each time this has occurred, the base population has been reset at a higher level than the previous normal.

This population growth and employment ultimately underpins demand for the various property sectors. The flow-on effect of growth in household income influences transaction activity and demand. In simple terms, private and government investment stimulate employment and thereto population growth, wealth, consumption and further investment (business growth = more jobs).

The most recent population growth cycle commenced in 2004, and Perth only relinquished its mantle as the fastest growing Australian state in mid-2014. Much of what drove this previous growth was the substantial resource sector investment cycle that occurred over this period. This fall from grace now places WA as the 5th fastest growing state, with much of that contributed to by 'natural growth' or babies, rather than an influx of working age migrants.

The recent investment cycle saw significant expansion in business and services that flowed through to the property demand and consequent supply.

Western Australian Population Change



Source: ABS - Table 3101-02 / Colliers International

Figure 5

Now that the investment cycle has closed out we find an economy and market place with excess capacity. This has seen a contraction in demand and moreover a surplus of property and in turn the establishment of high availability driving down rental.

A key factor of the unwinding construction phase of the resource based project delivery of 2004 – 2017, is reduced services demand, business contraction, rising employment and slowing population growth; delivering an excess of stock in the residential, office, industrial and retail markets.

Although the underlying fundamentals of the WA and Perth economy are sound and the medium to long term outlook is positive, excess supply across the property sectors will need to be absorbed before there is any positive change in demand.

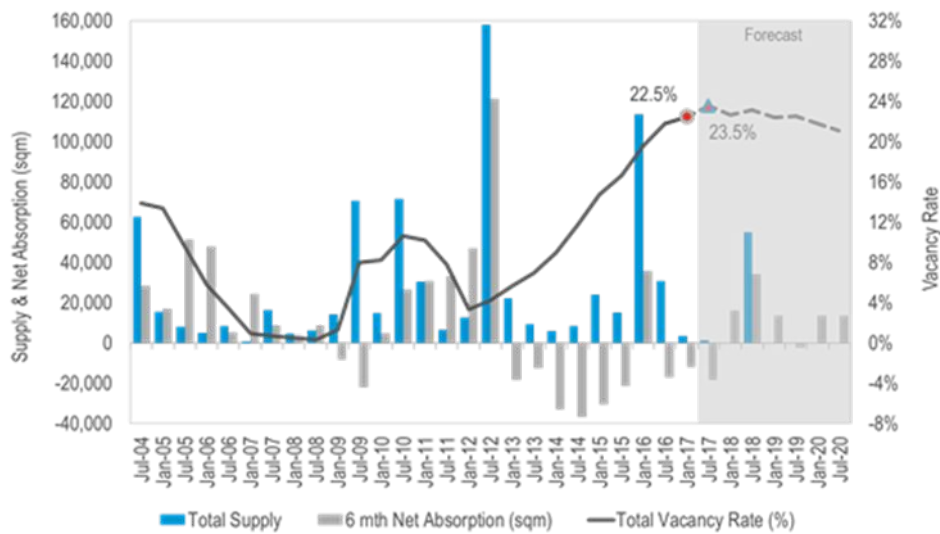
5.1. OFFICE MARKET

At present the Perth CBD office market continues to have high vacancy levels, as a result of soft tenant demand. According to the Property Council of Australia, vacant space was 22.5 per cent of total stock as at the end of December 2016. It has been over 20 years since this amount of vacant space has been available in the Perth office market

In general, the demand for office space is based on the growth of employment, specifically white collar. With business and investment conditions remaining subdued, white-collar labour market conditions have likewise been weak, which has translated into soft demand for office space.

Colliers International forecast modelling indicates vacancy will rise marginally and peak during 2017-18 at around 23.5 per cent. Following this vacancy is likely to remain high and is unlikely to reach an equilibrium of between 10 and 15 per cent until the next decade.

Perth CBD Supply, Net Absorption & Vacancy Rate



Source: Colliers International / PCA

Figure 6

Suburban office vacancy is currently lower than the Perth CBD. However, it is the strong presence of government agencies in many of the suburban office precincts that acts to stabilise these otherwise smaller, and therefore relatively volatile, sub markets.

According to Y Research, the suburban office vacancy rate was 16.5 per cent in October 2016. However, vacancies in suburban office precincts are being driven higher due to a ‘flight to centrality’ suburban tenants. Falling rents, higher incentives, accessibility for staff and superior retail of services amenity in city locations are proving attractive to suburban tenants seeking a better value proposition.

While economic activity remains sluggish, this fundamental shift in demand is likely to put more pressure on suburban office precincts, pushing vacancies up and achievable rents lower.

5.2. RESIDENTIAL MARKET

The Perth residential market is now moving towards stability. However, sales activity remains subdued with transactions and prices continuing to trend down, along with building activity and building approvals. These declines have been driven by a slowing population growth, particularly in interstate and international migrants; the main drivers of demand for new housing.

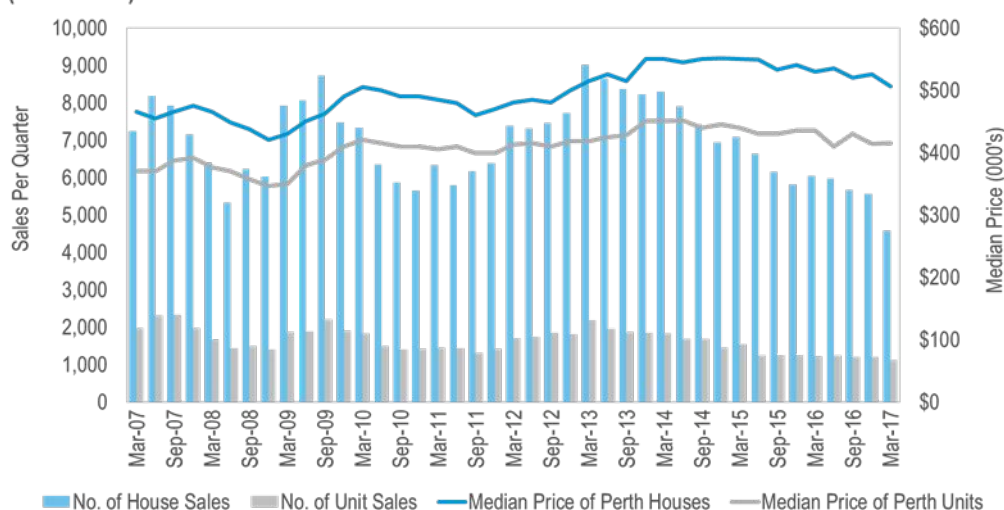
On the 27th December the WA State government announced changes to the First Home Owners Grant, raising the grant from \$10,000 to \$15,000 for new dwellings. This had a positive impact on first home buyer activity for new apartments. Although the improvement in activity is more likely to be a pull-forward of natural demand, rather than additional demand with a corresponding lull expected in later periods.

Investors remain the dominant purchaser of apartments. With the investor market adversely impacted by current credit restrictions plus add rising vacancy rates and lower rents, a withdrawal of activity has occurred. Owner occupiers are more wary of ‘off-the-plan’ sales as many medium to high density projects have been deferred or abandoned seeing a flight to existing stock. The consequences of reduced demand is less favourable debt support from the Banks for developers, with many struggling to obtain suitable finance.

The combination of changed credit conditions, a weak rental market, high levels of supply and lending restrictions for investors, is likely to keep a lid on the approval, construction and delivery of medium to high density projects in the short to medium term.

Perth Established Dwelling Sales

(Perth Metro)



Source: REIWA (Latest figures are preliminary figures), Colliers International

Figure 7

5.3. INDUSTRIAL MARKET

The industrial market has been the biggest loser in terms of the recent economic change. This market saw significant expansion from 2004 – 2014 through increased demand for improved logistic and supply chains in addition to service support for sectors invested in population change such as construction as well as fabrication and, oil and gas industries.

The industrial market has in excess of 900,000m² of vacancy with nearly a quarter of it in its core industrial precinct of Welshpool Kewdale. The effect has been a near 40% reduction in rents and near same in land values. The combined effect of vacancy and lower rents is limited new supply as design and construct options are not feasible.

The worst affected sub market is product catering to small to medium sized businesses who have been the winners in the market place with greater choice of premises at reduced rents.

Implications for the Cockburn Central East Structure Plan

Given the current state of the property markets in WA and the excess of supply, particularly for residential, industrial and office, it is likely that there will be limited appetite for development within CCE in the short term. Even if the interest of a developer can be piqued, the lacklustre market conditions are still likely to constrain the amount of development that might occur. Having said that, there may be unique land use opportunities that may prevail as intermediary/transitory uses.

In order to de-risk a project and meet credit requirements, developers need to achieve a minimum level of pre-leasing and or pre-sales, in regards to mixed use commercial, retail and residential uses before construction commences.

In regards to the office market it is likely to take 10 years for vacancy in the CBD to normalise. At which stage the price differential with suburban office may make these locations a better alternative choice. Even so, many employers will still desire to be centrally located and the attraction of a major private corporate tenant into CCE would be a challenge – particularly without any intervention.

Given the location of CCE, the most likely way to capture office is to attract and secure a government tenant. Government agencies tend to require larger swathes of space and commit to longer term leases. This aligns with the Government Office Accommodation Master Plan which pushes for the relocation of government agencies from CBD and fringe locations to metropolitan activity centres.

In order for a suburban office building to be considered by the State Government, it must be walking distance from a train station. However, with CCE Murdoch is likely to provide significant competition through both the health and education precinct leaving CCE as submarket for local business only. Canning Vale and Jandakot will likely continue to outpace CCE and other nearby locations in terms of industrial uses, suggesting that overtime the existing industrial uses may transition more to service commercial uses.

In reality, demand for office space within CCE is most likely to come from businesses who service the local area, or have owners who live proximate or organisations which have a connection to industries specific to the area, such as marine manufacturing.

6. ACTIVITY CENTRE CONTEXT

One of the main components influencing the appropriate land uses within CCE is the presence of the train station. Given that the location and number of train stations along the Mandurah line are limited it is important to optimise the benefits of this infrastructure in terms of reducing congestion and its associated advantages.

Therefore the full potential of this infrastructure should be maximised by the Activity Centre precincts directly surrounding it. Land uses that enhance the usage of the train station and gain the most from having this transit mode should ultimately feature nearby. Given this, the highest and best use of lands adjacent to a train station would be uses that facilitate the role of the train and public transport; such as park and ride facilities, bus transfer service, high density residential and higher order employment such as commercial. However the latter will only occur long term as local demography and market mature in the face of diminishing supply.

The common standard in terms of a walkable catchment to public transit is 400m, whilst this may be stretched in proximity of high speed rail transport to 800m. Therefore land use within this walkable catchment area should be preserved in the long term to ensure these higher order mixed uses can be effected or transitioned to.

Walkable Distance from Cockburn Central Train Station

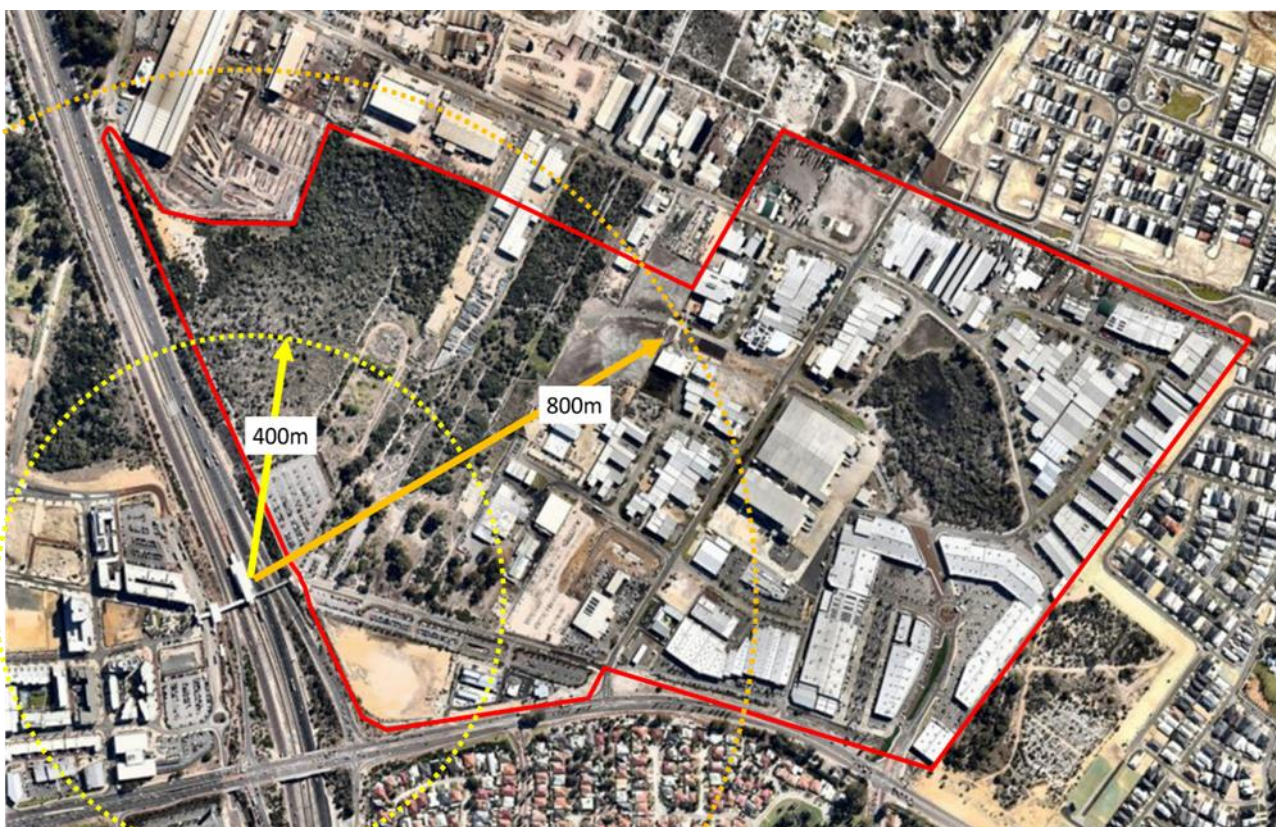


Figure 8: Nearmaps, Colliers International

In reality, for at least the next 10 – 20 years the CBD will be the major pull for travel, with most of this being one-way into the city, whether that be for employment, retail or entertainment needs. Cockburn Central is far more likely to be the starting point of a journey, rather than the end destination.

Although it is true that the positioning of employment lands is also useful in close proximity to a train station, in comparison this is a secondary benefit in terms of transport. The primary benefit being local investment and economy. Most employees that work in suburban areas are likely to be situated close to these employment precincts and therefore less likely to require the direct access provided by the train. Of the 29,747 people who work in the City of Cockburn, 38% also live in the area¹. In addition to this the City of Cockburn is aiming to increase its level of self-sufficiency, thereby increasing the number of jobs taken up by residents in the area.

6.1. EMPLOYMENT

As outlined in the Cockburn Central Activity Centre Strategy, Cockburn Central aims to increase knowledge intensive and export orientated strategic employment, in addition to commercial employment targets set in the Local Commercial and Activities Centre Strategy.

In terms of creating strategic employment, Cockburn Central is competing with a variety of other activity centres (discussed later in the report) which are more centralised and locationally superior.

Attracting and retaining knowledge workers at both a city and a local level has been the subject of much research and attention. It is well known that these knowledge workers are valuable commodities to an economy and therefore well sought after. In short these workers can afford to be choosy, as they are generally specialised and therefore in demand. For example; City of South Perth has white collar employment persons of 82.3% (Census 2011) well above Cockburns 59.4%. Reason being proximity to the CBD where the majority work. Businesses who require such employees need to provide competitive benefits in order to attract and retain staff. The establishment of knowledge precincts where these employees can live and work will require the following;

- Living and Working – the opportunity to live and work within mixed use, high amenity environments.
- Centrality – premium access to different infrastructure, services, and amenities, place quality, and a clustering of firms in proximity to one another within an accessible centre.
- Branding – the creation of identifiable places with symbolic value.
- Learning and Playing – the encouragement of social interaction, place experiences and innovative creativity i.e. via a university.
- Connectivity – the promotion of face to face interaction to encourage networking and knowledge transfer².

The issue with attracting knowledge workers and therefore businesses is that these people are not only national but often global commodities and have the propensity to be highly mobile and are usually highly paid therefore tend to live in higher net worth suburbs.

¹ City of Cockburn Community Profile

² Yigitcanlar, Tan and Velibeyoglu, Koray and Martinez-Fernandez, Cristina (2008) Rising Knowledge Cities: the Role of Urban Knowledge Precincts. *Journal of Knowledge Management*, 12(5). pp. 8-20.

Cockburn Central is however, well positioned to develop a higher order export oriented commercial sector. With nearby specialist industries, and potentially the outer harbour, Cockburn Central may indeed be able to become a more strategic employment centre; but needs to play a long term game. This will require targeted economic and business development strategies to be implemented by the City in order for this to come to fruition, although the high supply and same strategies for Murdoch will make this a difficult challenge for Cockburn.

6.2. RESIDENTIAL

Cockburn Central is currently on track to achieve residential density targets. Therefore in the short term pressure is reduced to encourage residential development within CCE. This will allow the transition and maturation of the centre in line with desired commercial land uses, thus making the inclusion of residential as a work and play initiative more palatable at a later stage.

The risk, of course is that pressure would be applied, to achieve shorter-term outcomes with potentially sub-optimal results and the demise of the greater long-term vision.

Having said that, residential is the easy universal long term play with station attractor and high retail services offered with Cockburn. It may reasonably contribute to demand for more local services and see some expansion in demand for civic and community services as well as government front offices.

6.3. PUBLIC TRANSPORT LANDS

As outlined in the Public Transport Plan: Transport @ 3.5 Million, an effective public transport system is essential for the long-term health, vitality, and sustainability of Perth. In this instance a long term view and a commitment to sustain this network as well as allowing for its expansion as population densities increase.

In conjunction with this parking is an important component of the public transport system, until either the public transport feeder services “carrot” becomes more effective or the cost of the parking “stick” becomes more unfavourable. Until such time the demand for parking around the train station is likely to increase, particularly given the new growing residential estates surrounding the CCE and the proposed Metronet link via the Thornlie line.

However the location of these lands can be relocated over time within the CCE as development demand emerges or incorporated into the built form.

In the medium to long term the introduction of a multi storey carpark may become feasible. If this occurs it will make additional land available to transition to other uses.

7. COMPETITIVE CONTEXT

In line with Directions 2031, and on the back of strong population growth, there has been a general push for the development of a range of activity centres and the transformation of many underutilised existing centres to be reimaged into vibrant mixed-use hubs. There are currently 10 metropolitan centres identified as strategic, with a further 19 characterised as secondary (including Cockburn Central) as well as five specialise centres.

Most of these centres are on a development continuum from unplanned and emerging through to fully-developed. Some of these centres, detailed below, present a competitive threat to Cockburn and would be more likely in the short to long term attract potential developers and become strategic employment generators.

- Short term is typically 1 – 3 years.
- Medium term is typically 4 – 7 years.
- Long term is typically 7 – 10+ years.

7.1. MURDOCH ACTIVITY CENTRE

The closest activity centre is Murdoch, which is located 12 km south of the Perth CBD and less than 7km north of Cockburn Central. This is a specialised centre focussed around existing knowledge and health institutions. The precinct contains the Fiona Stanley Hospital, St John of God Hospital, Murdoch University, South Metropolitan TAFE and the Murdoch train and bus interchange. Similar to Cockburn Central, it aspires to be an emerging new city centre for Perth's southern corridor.

The Murdoch Activity Centre aims to become a knowledge intensive centre with a focus on health, education and research, which is in direct competition to the strategic employment types that Cockburn Central wishes to attract.

Within this the Murdoch Mixed Use Precinct (MUP) is currently being progressed and includes 14 development sites. The planned 9.6ha MUP site will include residential, office, retail, commercial, civic uses and entertainment facilities.

It is proposed that the development will occur in two stages (see figure overleaf), with stage 1 lots currently being marketed. Stage 2 will occur at a later date, when there is an alternative strategy to relocate the park and ride facility on the western side. Overall the MUP is set to add approximately 900-1,200 new dwellings, 33,120m² of commercial space, a further 89,240m² of commercial health floorspace and approximately 2,900-3,800m² of retail.

Further, the immediate suburbs north and west contain higher order housing which is generally preferred by higher paid white collar professional and knowledge based workers.

Murdoch Mixed Use Precinct



Figure 9: Murdoch Mixed Use Precinct Activity Centre Structure Plan, Taylor Burrell Barnett, 2016.

In addition to this Murdoch University is aiming to create its own mixed use Knowledge and Health precinct on-campus. The proposed development site has the potential to include a combination of office, commercial, residential, short-term accommodation, retail and research facilities. Preliminary planning for this is already underway.

7.2. CANNING BRIDGE PRECINCT

The Canning Bridge Activity Centre area is less than 8km from the Perth CBD, and approximately 13km north of Cockburn Central. Similar to other activity centres it aims to comprise a mix of residential, civic, office, retail and entertainment uses against the backdrop of the Swan and Canning Rivers and the adjacent open space.

Canning Bridge is described as a district centre in Directions 2031, although, its retail activities are more in line with a neighbourhood centre. Notwithstanding this, commercial and office space functions are currently comparable to other secondary centres. The centre is already attractive to office use due to its proximity to the CBD, resident workforce and access to public transport, along with the high level of physical and social amenity in the area. The employment generating role of the activity centre aims to be encouraged in the future through a land use mix which is heavily weighted towards office functions.

Moreover, it sits within a suburban environment more preferential to white collar professional and knowledge based workers.

Canning Bridge Activity Centre

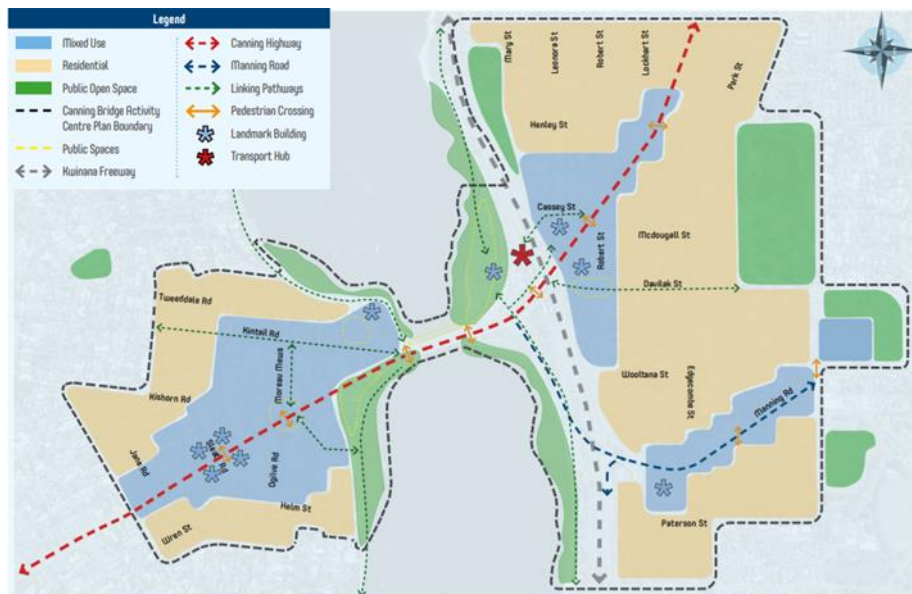


Figure 10: Canning Bridge Activity Centre Plan, City of Melville & City of South Perth, 2016.

In the next decade infrastructure investment is planned to facilitate development in the mixed use areas closest to the Canning Bridge Station and to boost existing commercial activities. Medium term staging (within 11 to 20 years) will continue to support mixed use areas, and facilitate a growth in high density residential. In the longer term, continued improvements in services and infrastructure aim to strengthen the position of the Canning Bridge area.

The Canning Bridge area aims to deliver an additional 2,100 dwellings by 2031 and a further 8,000 by 2051. Likewise non-residential land use targets are expected to increase to 17,500m² by 2031 and an additional 85,000m² in 2051.

As much of the surrounding area is already developed and land ownership is fragmented, much of this development will rely on market forces and private investment to utilise applied zonings in order to deliver the vision. Although the precinct is a better choice than CCE for office, land assembly options may present some challenges; until market conditions and potential profits improve.

7.3. BURSWOOD PENINSULA

Similar to the other activity centres mentioned, the Burswood Peninsula is also being planned and will accommodate future development across nine precincts. Although not in the direct vicinity of Cockburn Central; it is in close proximity to the CBD and is situated on the banks of the Swan River – so is likely to be highly attractive to developers. The Peninsula will also be home to a major sporting stadium, a significant area of parkland, an extensive tourism and entertainment precinct along with several public transport nodes.

The area is being planned with the potential to accommodate 12,500 dwellings, along with forecasts for office/commercial and retail space in the order of 250,000m² and 65,000m² respectively.

Although some precincts within the Peninsula have already been delivered, there is still significant development to occur.

Burswood Peninsula



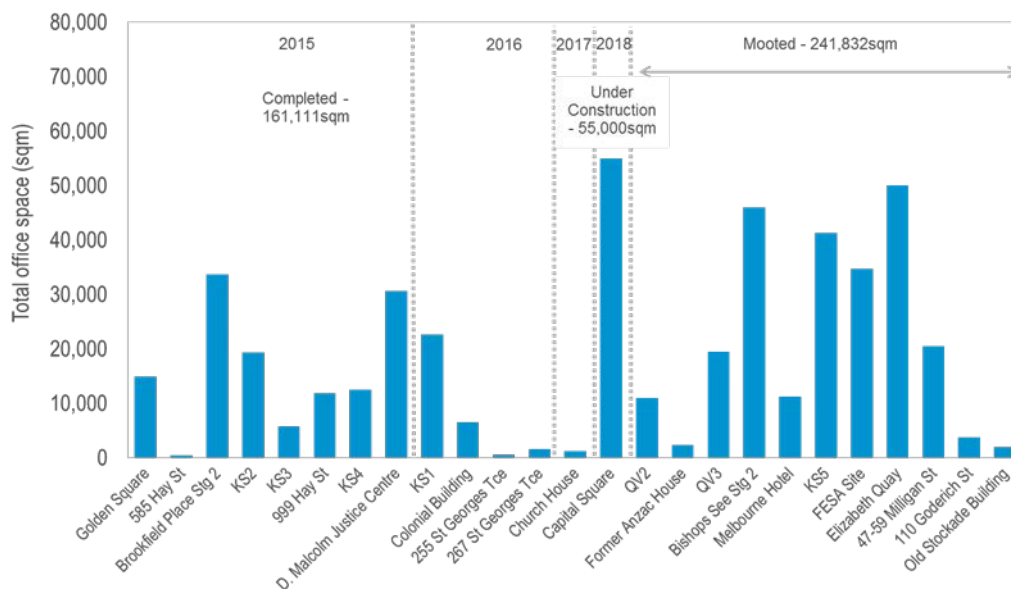
Figure 11: Burswood Peninsula District Structure Plan, West Australian Planning Commission, 2015.

7.4. PERTH CBD

The CBD is the main employment location in the Perth metropolitan area, due to amenity and access. Therefore the city will continue to attract strategic employment firms. There is still a lot of development planned within the city and its fringes, including Elizabeth Quay, Perth City Link, East Perth Power Station, MRA's Riverside and the World Trade Center environs towards Claisebrook.

Presently there is a large degree of vacant space that is still available for lease. In addition to recent additions to the office space there is also a secure pipeline of office projects that have been mooted but not yet started construction due to market conditions (refer below).

Perth CBD Office Supply



Source: Colliers International

Figure 12

Implications for the Cockburn Central East Structure Plan

Based on white collar forecasts by Deloitte Access Economics, Perth will likely require close to 270,000m² of office space in the CBD over the next 10 years. Taking into consideration the amount of currently mooted projects, it appears there will be more than adequate supply to cater for this. With this in mind it will be some time before rents and vacancy become a motivator for business to look outside the CBD.

There is a great deal of focus on developing activity centres within Perth and Peel, with much of this planned to occur in the shorter term. Similar to Cockburn central, other activity centres are looking to deliver employment outcomes.

All of the aforementioned activity centres have features that are likely to make them more desirable to developers, particularly in regards to office. All are far more proximate to the CBD and have other unique features such as river frontage and specialist facilities to attract anchor tenants.

In terms of strategic employment regarding health and education, Cockburn Central will be hard pressed to compete against the likes of Murdoch in the short to medium term. Although, as a long term proposition, Cockburn Central is well positioned to capitalise on Murdoch's activities when the MUP is fully developed, although the Murdoch University's ambitions are far greater than the MUP and could reasonably compete well into the 2050's.

8. THE EVOLUTION OF COMMERCIAL CENTRES

An analysis of several Eastern States-based case studies were conducted as part of this report. This included Central Park, Chippendale (NSW); Green Square Town Centre, Green Square (NSW) and Clemton Park Village, Clemton Park (NSW) and Newacton (ACT) are detailed in Appendix A.

These cases studies showed that the successful integration of traditional office/commercial floorspace into a mixed use centre is somewhat of a convoluted task. While a mixed use precinct may possess all the required traits and characteristics to theoretically support commercial/office uses outside a designated CBD or metropolitan office market location, there are other considerations which ultimately determine the quantum and validity of commercial/office floorspace delivered.

A variety of catalysts are often responsible for the repositioning and ultimate transformation of centres. For the most part, these are market driven via population growth and expansion of city boundaries. The transformation of former industrial sites to higher uses over time was often the result of increased traffic volumes combined with significant rises in land prices. Both of these factors undermined the viability of industrial operations in inner and middle ring locations and meant that the trading up to mixed use development areas was viable.

In all of these case studies explored, public transport and infrastructure investment was essential. One of the other key attributes identified that meant development was more likely to proceed was the ultimate control and planning by a single entity. In some cases the entire site was owned by one entity, while others required land acquisition and consolidation to achieve this. Either way this allowed a staged approach that could adapt as required in order to maintain the vision. Although not covered as a case study, this was also true for the Norwest Business Park, which was originally solely owned and developed by Norbrik³.

In some case studies the intended amount of floorspace for office/commercial uses was lower than that planned for a precinct. This was often due to low demand levels based on the price-point necessary for a feasible development and being perceived as locationally inferior and less attractive in comparison to other competing sites. Despite being at the periphery of Sydney CBD, Central Park comprising of 2,200 dwellings (and over 4,000 residents) and within a short distance of Central Station (Sydney's main public transport hub), only 5,000m² of commercial floorspace has been delivered.

To a degree competition in Sydney is somewhat less than that in the Perth CBD at present, owing to high vacancy rate of 22.5% as at December 2016 – the highest vacancy rate since the 1991 recession.

Of the four precincts examined, only NewActon has achieved a significant portion of commercial/office floorspace – this is despite being less accessible from a public transport perspective compared to the Sydney-based precincts. In contrast to the other precincts, NewActon was able to tap into the significant Federal Government presence in Canberra, securing two major public sector tenants (ACCC and DISS), which then facilitated the securing of additional public and private sector tenants. It is unlikely that this outcome could be replicated in other state or territories.

³ <http://www.norwestassociation.com.au/history/>

Closer to home an example of a transition from industrial to higher uses is evident in the adjacent areas of The Springs, Rivervale and of Burswood Station East, Burswood. Until recently both of these areas were significantly underutilised and were occupied by older industrial buildings.

The Springs and Burswood Station East



Figure 13: Nearmaps, May 2017

The Springs is a 14.7 hectare site located between Graham Farmer Freeway, Great Eastern Highway and the Swan River in Rivervale. It was one of the first activity centres to be delivered under the State Government's Directions 2031 initiative, with the first building completed in October 2014.

It has been propelled from an underutilised industrial area, with fragmented ownership, to a high density residential and mixed use precinct. This was only due to the intervention of the State government and the assumption of control over the vast majority of the area. Main Roads had originally compulsorily acquired approximately 60% of land for the original Graham Farmer freeway design. This was later redesigned making much of these lands redundant. LandCorp then purchased these lands from Main Roads and through negotiations with remaining land owners was able to acquire approximately 85% of the site. This enabled the amalgamation and creation of suitably sized lots for completely new redesign in order to create an overall activity centred design along with development.

Burswood Station East, a similarly underutilised and ageing industrial area remains as such even though it has superior public transport. Development is slowly occurring, but piecemeal, due to small lot configurations and a multitude of land owners which presents a challenge to consolidating timely large-scale development parcels.

9. PLANNING AND LAND USE

One of the main objectives of a proposed structure plan for CCE is to allow for the transitioning of the precinct over time, regarding both residential and commercial office space in order to meet higher order employment ideals. Currently the land consists mostly of industrial and mixed business in the south east corner.

The best way for the City of Cockburn to achieve its desired outcome in terms of an overall vision and land uses in the CCE would be to maximise ownership, and therefore control, of all of the available land within the structure planned area by the State Government. Currently much of the land ownership is fragmented and privately owned, which means that the ability to influence the outcomes for the area are likely to be constrained.

The issue with fragmented ownership is that there is no impetus to develop or on-sell the land within a timeframe that is desirable, even with an uptick in the underlying value of the land. Therefore the delivery of commercial and residential within CCE is likely to require development incentives and assistance for private land owners in order to encourage either the consolidation or subdivision of land into easily developable lots in the longer term.

The creation of larger lots provides an opportunity for higher quality development. In general it is recommended that developable lot sizes upon subdivision be of approximately 2,000 – 4,000m². Larger lots provide a greater flexibility for the end user in terms of design, functionality and variety of uses. However it is also acknowledged that existing land patterns and road networks may to some extent influence the ability to achieve this.

In reality the only way to ensure the desired evolution of CCE is to have a strong vision and flexible timeframe for the development. It should be noted that even with the best intentions, when there are multiple landowners, planning may not reflect the final outcome.

Currently State government agencies, the WAPC and PTA, own several portions of land to the West of the site. It would therefore be useful to increase the interest of Government within these sites in order to better direct the potential outcome. The best result would be if the State Government could assume ownership of the lands nearest the train station within CCE, shown as A & B on the map overleaf.

Parcels A & B



Figure 14: City of Cockburn, Colliers International

9.1. CONSIDERATIONS FOR PARCEL A

In the long term, Parcel A is suited to quality employment outcomes including commercial and office developments. This is due to its location, the surrounding and isolating road network along with the abutting commercial mixed uses planned in lot 500. Residential developments in this parcel would likely achieve poor amenity for residents unless integrated into well designed mixed use structure capturing public parking, retail services and recreational amenity.

The North Lake Road extension has created an opportunity for the State Government to compulsorily acquire the Southern portion of the lots isolated by the construction of this infrastructure. This, along with the existing Knock Place road reserve and the PTA lands would form parcel A illustrated above.

It is understood that the current PTA parking on the western side of the station requires relocating to the east of the Station in area A. In the short term converting (and effectively quarantining) all of parcel B for park and ride facilities will afford the City time to consider the ultimate land uses for CCE and the broader activity centre.

For long term planning purposes the best approach to parcel A would be to maximise ownership by the State Government, including the road reserve bordering and including Knock Place. Unless some additional arrangements can be made with the PTA, a portion of lands would still continue under ownership of the PTA.

However, in order to preserve park and ride facilities within the CCE, an MOU and/or long term ground lease could be established with the PTA for the remaining land in parcel A. This would allow the movement of park and ride facilities over time to accommodate the changing needs of the CCE and market conditions – without negatively impacting the availability of parking.

This was a strategy considered as part of the development staging for the Forrestfield North District Structure Plan. As shown below, the location for the park and ride facilities are planned to be transitioned over time as the various components of the development come on-line.

Forrestfield North District Structure Plan – The Evolution of Park and Ride



Figure 15: Forrestfield North District Structure Plan Community Forum Presentation, City of Kalamunda, 2015

This is a strategy that could easily be employed in CCE to ensure parking can easily be transitioned to new uses, as required over time. An example of how this might occur is shown overleaf. Although the final location would be determined as CCE becomes more established.

It is also proposed that the City consider introducing public parking as a permitted or potential land use, in order to allow for multistorey car parking at a later stage on this site.

Potential Evolution of Park and Ride in CCE



Figure 16



Figure 17



Figure 18: City of Cockburn, Colliers International

9.2. CONSIDERATIONS FOR PARCEL B

Parcel B is the most appropriate area to incorporate high density residential. This would allow for a vibrant mixed use area to be planned and established within a walkable distance from the train station. The size of parcel B would require the construction of internal roads and allow the opportunity to incorporate place making initiatives. This can only be done effectively through a coordinated approach to development. The existing green area to the north could also be utilised as a public asset as well as a buffer from other uses.

The proposed Verde Drive and Prinsep Road extensions in effect create parcel A. The majority of land in parcel B is owned by the WAPC. Although, amalgamation with portions of Lot 1 and Lot 802 are required for it to become singularly controlled. It should be noted that by slightly realigning the connection of Prinsep Road to Verde Road towards the South, the road intersection could fall within WAPC land. This would mean Lot 802 could be excluded from negotiations and acquisitions, particularly as this lot appears to be fully utilised at the southern end of the property.

It is also worth noting that the potential of this parcel may become diminished or constrained if portions became part of a land swap arrangement with existing landowners affected by the proposed road network changes and PTA car parking changes.

It is recommended that ownership of parcel B is retained by the State and that permanent development on this site be deferred in the short term.

In the short to medium term there is the potential for parcel B to be made available via a long term ground lease to large format retail (such as an Ikea or Costco on a 50 year ground lease). This use could then be transitioned to other uses more conducive to a transit orientated development at a later date.

9.3. CONSIDERATIONS FOR REMAINING CCE

The proposed structure plan zoning for the remaining portion of CCE is appropriate. Given that much of the existing improvements and uses are relatively new it is unlikely these will be transformed to other uses in the short term. Particularly as there is no pressure on demand, land value or land availability to do so.

Significant urban development surrounding CCE and the additional planned road networks may justify the conversion to 'Mixed Business' along high traffic areas such as North Lake Road and Solomon Road in the medium to long term. Additionally the western end of Dollier Street has the potential to be converted to 'Mixed Business' as it is a major access point for abutting residential – although the powerline easement may preclude any uses other than industrial.

Market demand for commercial uses, and particularly office, will fluctuate over time. Given this, and current economic conditions, it would be worth re-examining and adjusting land use zones over time to align with the evolution of the CCE. It is necessary for the planning of CCE remain an iterative process so that changes can be effected.

The best local example is Osborne Park which together with the Herdsman Business Park commenced as an industrial area, transitioned to office and service commercial including large format retail; and is now with the Stirling Alliance and Glendalough Station Precinct transitioning to a higher density integrated residential mixed use precinct.

10. CONCLUSIONS

WA's economy continues its gradual transition from the investment boom. Market demand across the property types is subdued and is expected to remain this way for some time, with a prolonged recovery likely.

Further to this, Cockburn Central will operate in a highly competitive market place seeking to anchor higher order employment options over the next 10 – 20 years. It is probable that the centres closer to the CBD will achieve greater success in this timeframe.

Therefore recommendations in the short term are;

- Aim to maximise State ownership and/or control of land within CCE.
- Preserve the land closest to the train station (parcel A & B) for development in the medium to long term
- Utilise long term ground leases to enable the use of preserved lands in parcels A & B in the shorter term (if required).

In the medium term to long term dependant on market conditions;

- PTA parking should be transitioned from parcel A to B, over time, to allow for further mixed business uses, particularly office, to be developed within parcel A or integrated into the built form.
- Parcel B should be planned to ensure a vibrant mixed use area that can embody a live, work, play outcome.
 - Residential development should be located closer to the train station and the underpass to encourage the use of public transport.
 - Commercial development should be located further from the train station as a buffer to existing industrial uses.
 - The staging and release of lots within this parcel can then be brought to market dependent upon market conditions, without vacant lots negatively impacting amenity.

The assembly of existing large land parcels to englobe sites should be encouraged. This is necessary to enable the efficient development of high density residential and or mixed use office/retail buildings, as well as standalone commercial office built form. However this will still need to take into consideration current lot orientations and existing businesses, although these will transition over time.

It needs to be acknowledged that even with a structure plan in place the assembly and subdivision of suitably-sized land parcels may be quite different to the intention, due to the involvement of multiple land owners and the lack of market driven financial rewards in the next decade. However long term, as demonstrated in the case studies, this should naturally occur.

It may be useful for the City of Cockburn, either directly or via a third party, to assist owners with this process through incentives or technical advisory assistance to encourage appropriate consolidation and/or subdivision of land holdings in a timely manner.

Overall it will be important for the development of CCE to remain an iterative process to ensure that the vision and plans can evolve as the precinct does.

APPENDIX A

EXEMPLAR 1: CENTRAL PARK, CHIPPENDALE

Background and evolution

- Prior to development, the Central Park site was utilised as a beverage manufacturing factory for over 150 years – open in 1835 as the Old Kent Street brewery. At the end of its tenure, this factory was the main manufacturing outlet for Carlton and United Breweries in New South Wales.
- However, being at the periphery of Sydney CBD and owing to a significant rise in residential and commercial density, the roadways surrounding the CUB factory became subject to congestion, which in turn, impacted the operations of the brewery.
- Demand for residential and commercial premises in Chippendale continued to rise significantly in the late twentieth century, which along with congestion, served as the main catalyst for the repositioning of the factory site. Inevitably, the site was rendered obsolete from a manufacturing and distribution perspective. CUB operations were wound up in 2005.
- The site was rezoned by the City of Sydney Council and Department of Planning and Environment and sold to Frasers Property in June 2007 for \$208 million. Although there was some contention relating to heights and overall yields, the new planning setting allowed mixed use development on the site, being residential apartments, shops, restaurants/café's, open space and a range of commercial land uses.

Features and traits

Pertinent features and traits of Central Park include:

- Located in the suburb of Chippendale, it is the premiere contemporary multiple-use precinct in Greater Sydney.
- It is positioned at the periphery of Sydney CBD, within 2km of Martin Place in Sydney CBD.
- It is nestled in a highly accessible location; Central Station is Sydney's public transport mega-node. This station is interconnected via all land-based public transport modes, with services apparent for heavy rail (Sydney Metro and Country Link networks), buses and in the foreseeable future, light rail.
- At completion, the precinct is expected to comprise 2,200 residential apartments, 20,000 m² of retail, 5,000 m² of commercial provision and 7,000 m² of open space provision.
- The precinct is on the verge of being completed – the final two buildings of the precinct are being delivered at present

Other key features and traits of the precinct is summarised below.

| | |
|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Location | Chippendale, Sydney NSW |
| Land Size | Approximately 5.8ha |
| Land Use | Commercial, retail, hotel, entertainment, residential |
| Locational Context | Bordered by Broadway to the north, Wellington Street to the south, Kensington Lane to the east, and Abercrombie Street to the west. The precinct is located on the periphery of the CBD, and is situated adjacent to the University of Technology, Sydney. |



| | |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Transport / Accessibility | Only a 5 minute walk from Central Station, Australia’s largest transport interchange which includes access to 55 bus routes and every train line in Sydney. |
| Allocation | <p>Residential: 2,200 dwellings over 9 buildings</p> <p>Retail: 20,000 m²</p> <p>Commercial: 5,447 m²</p> <p>Hotel: 400 rooms</p> <p>Open Space: 7,040 m² (Chippendale Green 6,400 m², Balfour Street Park 640 m²)</p> |

EXEMPLAR 2: GREEN SQUARE TOWN CENTRE, GREEN SQUARE

Background and evolution

- The Green Square Town Centre is part of the broader Green Square release area.
- Prior to development, Green Square was used predominantly for industrial purposes, being manufacturing, wholesaling, warehousing and to a lesser degree, retail uses.
- Additionally, affinity with Kingsford Smith Airport resulted in the settlement of major logistics and distribution businesses in surrounding areas such as DHL.
- Congestion and significant land price growth (and therefore rents) undermined the viability of most industrial-based operations in this location – most industrial operators were coerced out to other locations in Sydney, which was also facilitated by new infrastructure investment.
- Infrastructure investment in the form of a new heavy rail station (i.e. Green Square Rail Station) and road-based items (e.g. M5, Sydney Harbour Tunnel and Eastern Distribution) facilitated the introduction of high density residential dwellings to the Green Square site (and surrounding areas).
- Being located with 5km of Sydney CBD and adjacent to the highly desirable Eastern Suburbs and Sydney's premiere inner west suburb of Newtown, its unique location has also underpinned mixed use development.
- Development program announced in 1991, with land acquisition and consolidation commencing immediately. International competition held in 2001 to select design for Town Centre.
- Change in land use and planning settings prescribed in specific LEP for Green Square Town Centre, which has been updated on several occasions.
- Following the commencement of Stage 1 essential infrastructure civil works in 2014, major development site sales ensued e.g. Ovo site to Crown Group in 2015.
- The new scheme has allowed for a multiple-use format, including the co-location of residential, retail, commercial and community-based land uses.

Features and traits

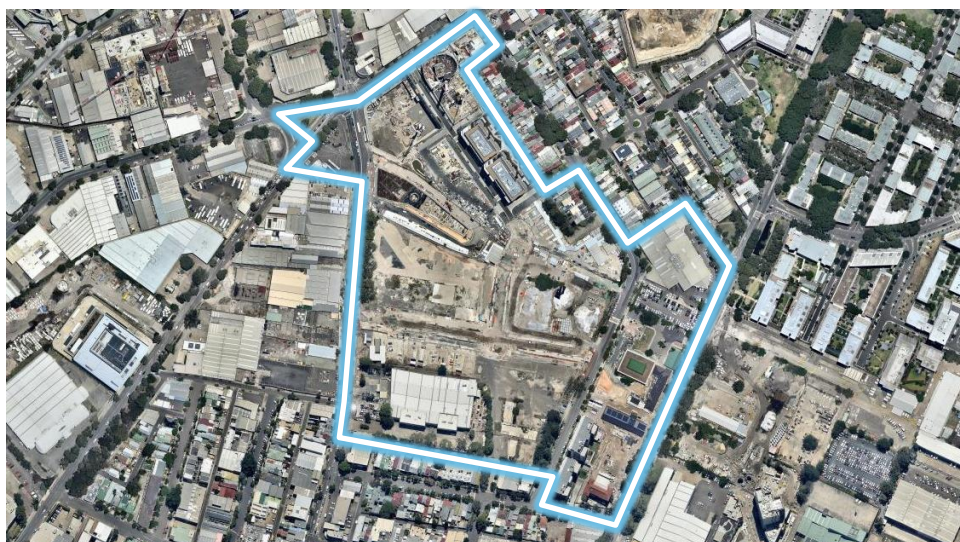
Pertinent features and traits of the future Green Square Town Centre site include:

- It is within 5km of Sydney CBD.
- The site is currently serviced by several bus services and the Sydney heavy rail network (Green Square Rail Station).

- In the future, it will also be serviced by Sydney Metro line (via a station at Waterloo), as well as the future light rail network.
- Once completed, the town centre site will be one of Australia's densest destinations, with 4,000 future dwellings accommodating 8,500-9,000 residents within an area of 13.74 hectares.

Other key features and traits of the proposed Green Square Town Centre are summarised below.

| | |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Location | Green Square, Sydney NSW |
| Land Size | Approximately 13.74ha |
| Land Use | Commercial, retail, entertainment, residential, community facilities |
| Locational Context | Bordered by Bourke Street to the north, Hansard Street to the south, Joynton Avenue to the east, and Botany Road to the west. The precinct is situated in the heart of Green Square, approximately 4km from the airport and 3.5km from Sydney CBD, and is central to the Green Square Urban Renewal Project (278ha), which will deliver approximately 484,400 m ² of commercial floor space over the mid to long term. |



Transport / Accessibility The precinct is well connected, containing both the Green Square Railway Station and access to busses available on Botany Road, Joynton Avenue and Elizabeth Street. The future tree-lined major boulevard Zetland Avenue will link the plaza with the residential and commercial in the precinct's east, as well as provide quick access to the precinct by car.

Allocation

- Residential:** 330,800 m² (approximately 4,000 dwellings)
- Retail:** 12,760 m²
- Commercial:** 142,000 m²
- Community Facilities:** 5,000 m²
- Open Space:** 14,000 m²

EXEMPLAR 3: CLEMTON PARK VILLAGE, CLEMTON PARK

Background and evolution

- Prior to development, the Clemton Park Village site was formerly used by Sunbeam (an electrical appliance manufacturer) as a factory.
- Sunbeam commenced outsourcing manufacturing operations in the late 1990s - over the past decade, Sunbeam products have been entirely made and assembled overseas.
- Additionally, Clemton Park, which is primarily residential in nature, emerged as a desirable location for families seeking an inner west location.
- The introduction of residential underpinned higher traffic volumes, which undermined the suitability of the site in question as an industrial going concern.
- Subsequently, the Sunbeam factory site was rezoned in 2001 through Part 3A – a streamlined process which bypassed the local government planning process.
- The new zoning setting allowed for mixed use development, being a combination of residential, commercial, retail and aged care land uses.
- The site was then purchased by Australand (now owned by Frasers Property), with building commencing in 2011.

Features and traits

Pertinent features and traits of Clemton Park Village include:

- Located in Canterbury Local Government Area (now the Canterbury-Bankstown LGA), the site is positioned approximately 15km from Sydney CBD.
- Multiple bus services available along Canterbury Road and William Street.
- At completion, the precinct is expected to comprise around 740 residential dwellings, 9,000 m² of retail and commercial floorspace, an aged care facility and approximately 4,500 m² of open space provision.

Other key features and traits of the precinct is summarised below.

| | |
|---------------------------|------------------------------------------------------------------------------------------------------------------------|
| Location | Clemtown Park, Sydney NSW |
| Land Size | Approximately 5.5ha |
| Land Use | Residential, aged care, retail, commercial, childcare and open space |
| Locational Context | Bordered by Campsie to the north, Kingsgrove to the south, Earlwood to the east, and Roseland and Belmore to the west. |



Transport / Accessibility Multiple bus services available on Canterbury Road (400 metres), William Street (650 metres) and Kingsgrove Road (600 metres).

Allocation

- Residential:** 740 dwellings
- Retail and commercial:** 9,000 m²
- Aged Care:** 100 beds
- Open Space:** 4,500 m²

EXEMPLAR 4: NEWACTON (A.C.T.)

Developed by Molonglo Group, the NewActon Precinct is a premiere multiple-use precinct in Canberra. It incorporates a diverse range of land use types including standard residential, commercial/office provision, food catering (retail space), entertainment, multiple hotels, open space and an art gallery (Nishi Gallery). Its contemporary design, features and true multiple-use format (i.e. standard residential stationed above a tier-one government department commercial tenant) of this precinct has obtained industry recognition, winning many accolades and awards.

A summary of the precinct and its attributes and features is presented below.

| | |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Location | Acton, Canberra ACT |
| Land Size | Approximately 6.5ha |
| Land Use | Commercial, retail, entertainment, residential, hotel |
| Locational Context | Bordered by Edinburgh Avenue to the north and west, Parkes Way to the south, and Marcus Clarke Street to the east. The precinct is situated on the periphery of Canberra CBD, adjacent to the Australian National University, and Canberra City Hill. |



Transport / Accessibility The precinct is situated within 100 metres of a bus stop, and enjoys quick access off major transport roadways. Parking is provided in the precinct both at-grade and in basement levels.

Allocation

- Residential:** 400 dwellings
- Hotel:** 2 hotels, comprising approximately 180 rooms
- Retail:** 1,200 m²
- Commercial:** 28,000-35,000 m²
- Community Facilities:** art gallery

Of all precincts, the portion of commercial to total yield is high. More importantly, there is a wide range of private and public sector office/commercial tenants including:

- Australian Competition and Consumer Protection (ACCC);
- Department of Industry, Innovation and Science (DIIS);
- Safe Work Australia;
- ServCorp;
- StatePlus;
- United Nations High Commissioner for Refugees;
- Molonglo Group;
- Clayton Utz;
- Colliers International;
- Cornerstone;
- DDCS Lawyers;
- Co-ordinate;
- Dionysus; and
- ED.

Overall, the quantum of office floor space is significantly less than Green Square Town Centre, but significantly higher than that achieved at Central Park. However, the attributes of the precinct, being limited public transport (albeit this is a standard feature of Canberra which relies heavily on private vehicle usage) and distance to the Civic Canberra are theoretically less accommodative of office/commercial uses relative to the two Sydney-based precincts. Yet, despite these limitations, this precinct has been able to secure an extensive range of commercial/office tenants.

In addition to contemporary design, the market-based reason for the successful integration of commercial uses in the NewActon Precinct is the fact that the Molonglo Group were able to secure several government office anchors, and subsequently, a few large private sector businesses i.e. through the initial government anchors, the precinct was able to achieve the critical mass thresholds needed to secure the next round of commercial/office tenants. Moreover, the precinct was able to attract these government departments as a result of Canberra's role as Australia's Federal Government and Administration Capital. This will be difficult to replicate in other states and territories where federal government presence is substantially lower.