

minutes

Special Meeting of Council

MEETING HELD ON **TUESDAY 18 DECEMBER 2018**

TABLE OF CONTENTS

Item No.	Title	Page No.
	DECLARATION OF OPENING AND ANNOUCEMENT OF VISITORS	1
	DECLARATIONS OF INTEREST	2
	PUBLIC QUESTION TIME	2
	PUBLIC STATEMENT TIME	2
	APOLOGIES/LEAVE OF ABSENCE	3
	IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC	3
	REPORT	4
JSC03-12/18	PROPOSED SHOP AND WAREHOUSE/STORAGE AT LOT 806 (11) INJUNE WAY, JOONDALUP	4
	CLOSURE	15

CITY OF JOONDALUP

SPECIAL COUNCIL MEETING HELD IN THE COUNCIL CHAMBER, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON TUESDAY 18 DECEMBER 2018.

DECLARATION OF OPENING

The Mayor declared the meeting open at 6.00pm.

ANNOUNCEMENT OF VISITORS

Mayor:

HON. ALBERT JACOB, JP

Councillors:

CR KERRY HOLLYWOOD	North Ward
CR PHILIPPA TAYLOR	North Central Ward
CR NIGE JONES	North Central Ward
CR CHRISTOPHER MAY	Central Ward
CR RUSSELL POLIWKA	Central Ward – <i>Deputy Mayor</i>
CR JOHN CHESTER	South-East Ward
CR JOHN LOGAN	South-East Ward
CR RUSS FISHWICK, JP	South Ward
CR SOPHIE DWYER	South Ward

Officers:

MR JAMIE PARRY	Acting Chief Executive Officer
MR MIKE TIDY	Director Corporate Services
MS JUDE THOMAS	Acting Director Planning and Community Development
MR BRAD SILLENCE	Manager Governance
MR CHRIS LEIGH	Manager Planning Services
MR STUART McLEA	Media and Communications Officer
MR JOHN BYRNE	Governance Coordinator
MRS LESLEY TAYLOR	Governance Officer
MRS WENDY COWLEY	Governance Officer

There were four members of the public and one member of the press in attendance.

DECLARATIONS OF INTEREST

Nil.

PUBLIC QUESTION TIME

Nil.

PUBLIC STATEMENT TIME

The following statements were submitted verbally at the special Council meeting:

Ms K Dunn, Joondalup:

Re: JSC03-12/18 – Proposed Shop and Warehouse/Storage at Lot 806 (11) Injune Way, Joondalup.

Ms Dunn spoke in support of the proposal and commented she is the Manager of a business located within close proximity to the Masters building. Ms Dunn advised since the closure of Masters customers to the area have declined thereby reducing turnover for local business.

Ms Dunn stated placing the Spud Shed in the locality would be advantageous to local businesses and the community.

Mr R Borbely, Joondalup:

Re: JSC03-12/18 – Proposed Shop and Warehouse/Storage at Lot 806 (11) Injune Way, Joondalup.

Mr Borbely advised he was a business owner in the area and supported the Spud Shed being located within the Masters building as it would increase foot traffic to his business.

Mr Borbely advised he would favour the Spud Shed as a wholesale outlet for purchases for his business.

Ms S Goodhew, Jandakot on behalf of the applicant:

Re: JSC03-12/18 – Proposed Shop and Warehouse/Storage at Lot 806 (11) Injune Way, Joondalup.

Ms Goodhew offered her thanks on behalf of the applicant for holding this evenings' Special Meeting of Council, commenting that the Spud Shed operation was a unique business proposal and provided broader benefits to the site and the community.

Ms Goodhew commented that unlike a traditional supermarket or grocery outlet, the majority of produce dealt with by the Spud Shed is primary produce, with bulk quantities being delivered in farm bins by semi-trailers and unloaded by forklifts from side curtains on the trailer.

Ms Goodhew advised the Spud Shed has a growing wholesale trade, currently representing 25-30%. Typically, 24 hour a day businesses attract other business traders such as restaurants. Ms Goodhew stated Spud Shed is a WA family owned business, stocking local produce from WA suppliers where possible.

Mr B Doyle, Director Planning Solutions, Perth on behalf of the applicant:

Re: JSC03-12/18 – Proposed Shop and Warehouse/Storage at Lot 806 (11) Injune Way, Joondalup.

Mr Doyle on behalf of the applicant offered his thanks for holding this evenings' Special Meeting of Council and commented delaying any discussion until February 2019 may have implications for the applicant.

Mr Doyle expressed his disappointment at the objection to the proposal raised by Lend Lease and made reference to the comprehensive report prepared by City officers addressing the issues raised. Mr Doyle referred to the advice received from City of Joondalup lawyers confirming the land use classification and in accordance with the City's guidelines there was no requirement to advertise for public comment for this type of proposal.

Mr Doyle referred to the retail sustainability assessment confirming 1.6% was the maximum impact to local business owners which was below the accepted level of 10% within a 15 kilometre radius of the location, including Lakeside Shopping Complex and a few smaller centres.

APOLOGIES/LEAVE OF ABSENCE**Apologies:**

Cr Tom McLean, JP;
Cr Christine Hamilton-Prime.

Leave of Absence Previously Approved:

Cr Mike Norman	15 to 21 December 2018 inclusive;
Cr Christine Hamilton-Prime	20 December 2018 to 1 January 2019 inclusive;
Cr Christopher May	20 December 2018 to 2 January 2019 inclusive;
Mayor Hon. Albert Jacob	18 to 25 January 2019 inclusive;
Cr Russ Fishwick, JP	1 to 20 February 2019 inclusive;
Cr Sophie Dwyer	2 to 12 February 2019 inclusive.

IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil.

**JSC03-12/18 PROPOSED SHOP AND WAREHOUSE/STORAGE AT
LOT 806 (11) INJUNE WAY, JOONDALUP**

WARD	North
RESPONSIBLE DIRECTOR	Ms Dale Page Planning and Community Development
FILE NUMBER	101954, 101515
ATTACHMENT	Attachment 1 Location plan Attachment 2 Development plans Attachment 3 Applicant's report Attachment 4 Retail sustainability assessment Attachment 5 Traffic impact statement
AUTHORITY / DISCRETION	Administrative - Council administers legislation and applies the legislative regime to factual situations and circumstances that affect the rights of people. Examples include town planning applications, building licences and other decisions that may be appealable to the State Administrative Tribunal.

PURPOSE

For Council to determine a development application for a 'shop' and 'warehouse/storage' at Lot 806 (11) Injune Way, Joondalup.

EXECUTIVE SUMMARY

An application has been received for approval of a fresh produce market (Spudshed) at Lot 806 (11) Injune Way, Joondalup.

The proposal was originally considered by the City as an 'unlisted use' in accordance with the City's *Local Planning Scheme No. 3* (LPS3), and a report was consequently prepared for Council's consideration at the December 2018 Council meeting, on that basis.

The City then received correspondence from lawyers, acting for Lend Lease, which challenged the City's land use interpretation and provided an opinion that the proposed use should be considered a 'shop'.

The City sought its own legal advice, which clarified it is more appropriate to consider the proposal as both a 'shop' and 'warehouse/storage' land use as defined under LPS3. Given the advice received, the item was withdrawn at the Ordinary Council meeting held on 11 December 2018 (CJ214-12/18 refers).

The reason the item was originally included in the agenda for the Ordinary meeting of Council in December 2018 was that there is no delegated authority for determination of applications for unlisted uses.

Now that the proposal is no longer considered an ‘unlisted use’, the delegation to determine the application rests with the Director Planning and Community Development and Manager Planning Services. Notwithstanding this, in this exceptional circumstance, the item is being presented back for Council’s consideration and determination as it is considered orderly and proper governance for Council to determine the application given its original inclusion on the Council agenda.

The application was not advertised as part of the assessment process and is not considered to impact any adjoining or surrounding landowners/occupiers.

It is considered that, notwithstanding the change in land use categorisation, this does not affect the planning merits of the proposal as the proposal complies with the objectives and provisions of the City’s LPS3 and the City’s *Joondalup Activity Centre Plan (JACP)*. As a result, it is recommended that Council approves the application.

BACKGROUND

Suburb/Location	Lot 806 (11) Injune Way, Joondalup.
Applicant	Planning Solutions.
Owner	Hydrox Nominees Pty Ltd.
Zoning	LPS3 Centre.
	MRS City Central.
Site area	44,260m ² .
Structure plan	Joondalup Activity Centre Plan.

Lot 806 (11) Injune Way, Joondalup (subject site) is bound by Joondalup Drive to the north-east, Injune Way to the north-west, Honeybush Drive to the south-west and Sundew Rise to the south-east (Attachment 1 refers).

The subject site is zoned ‘Central City’ under the *Metropolitan Region Scheme (MRS)*, ‘Centre’ under LPS3 and is located within the ‘Joondalup West’ precinct of the City’s JACP.

The land uses ‘shop’ and ‘warehouse/storage’ are identified as discretionary (“D”) uses under LPS3.

DETAILS

The application proposes the following:

- Change of use for 4,025m² gross floor area (GFA) of the existing former Masters building from ‘bulky goods showroom’ to ‘shop’ and ‘warehouse/storage’, to facilitate the operation of a ‘Spudshed’ from the premises.
- Includes the retail sale and wholesale of fresh food products.
- Proposed to operate 24 hours per day, seven days a week.
- No more than 25 employees will occupy the Spudshed at any given time.
- Customer access to the tenancy to be provided via an internal mall approved via a previous application.
- Waste will be stored and collected via the existing waste area located at the rear of the building.
- An average of 12 deliveries per day for the Spudshed tenancy which will occur via the existing service area located to the south-western side of the building.
- No material changes to the building elevations, landscaping, vehicle access or car parking are proposed as part of this application.

The proposal generally complies with the relevant standards and requirements of the City's LPS3 and JACP, with further detail included below on the following matters:

Classification and appropriateness of land use

Original classification as an 'unlisted use'

The City initially considered the proposal to be an 'unlisted use' because the operations of a Spudshed do not fall neatly into any existing land use definition in LPS3. The most closely related land uses were considered to be 'Bulky goods showroom' and 'Shop', but neither of these land use definitions were considered entirely appropriate for the use proposed.

A **bulky goods showroom** is defined under LPS3 as:

"a) *used to sell by retail any of the goods and accessories of the following types that are principally used for domestic purpose –*

- i) *Automotive parts and accessories;*
- ii) *Camping, outdoor and recreation goods;*
- iii) *Electric light fittings;*
- iv) *Animal supplies including equestrian and pet goods;*
- v) *Floor and window coverings;*
- vi) *Furniture, bedding, furnishings, fabrics, Manchester and home wares;*
- vii) *Household appliances, electrical goods and home entertainment goods;*
- viii) *Party supplies;*
- ix) *Office equipment and supplies;*
- x) *Babies and children goods including play equipment and accessories;*
- xi) *Sporting, cycling, leisure, fitness goods and accessories;*
- xii) *Swimming pools;*

and,

b) *used to sell by retail goods and accessories by retail if –*

- i) *a large area is required for the handling, display or storage of the goods; or*
- ii) *vehicular access is required to the premises for the purpose of collection of purchased goods."*

A **shop** is defined under LPS3 as:

"premises other than a bulky goods showroom, a liquor store – large or a liquor store – small used to sell goods by retail, to hire goods, or to provide services of a personal nature, including hairdressing or beauty therapy services."

In light of the above, the proposal was not considered a bulky goods showroom as it does not sell any of the goods listed in part a) of the definition under LPS3. In addition, the proposal sells fresh food products retail and wholesale, with a typical split of 75% retail and 25% wholesale. The majority of goods sold are primary produce (meat, vegetations, dairy, etc) and are displayed in bulk/large format. Therefore, all activities of the proposal did not comfortably fall within a shop land use definition either.

The City therefore considered it most appropriate that the proposal be considered an 'unlisted use'.

Legal advice received

After presentation of the item at the Briefing Session on 4 December 2018, but ahead of the Council meeting held on 11 December 2018, the City received correspondence from Moharich and More, lawyers acting on behalf of Lend Lease.

This correspondence requested that the Council defer consideration of the application to allow for investigation of the following matters:

- The failure to advertise the proposal.
- The failure to characterise the proposed land use as a 'shop'.
- The failure to consider whether the proposed use of the land as a shop would satisfy the requirements of the *Joondalup Activity Centre Plan* which requires land uses in the Joondalup West precinct to 'complement' the City Centre precinct.

The view expressed in the correspondence from Moharich and More is that the proposal is inconsistent with the Joondalup West precinct, and the application should be deferred to allow Lend Lease the opportunity to review the Retail Sustainability Assessment received as part of the application and to make a more detailed submission on the matter.

The City consequently sought its own legal advice, which outlined that the proposal should not be classified as an 'unlisted use' (as per the City's interpretation), but also not entirely as a 'shop' (as per the Lend Lease interpretation). Instead, the City's legal advice concluded the most appropriate land use classification(s) for the proposal are both a 'shop' and 'warehouse/storage' land use given that the applicant's Retail Sustainability Assessment indicates that 75% of the Spudshed sales will be retail and the remaining 25% will be wholesale (for example to restaurants, cafes, schools).

The legal advice explained that although the internal layout of the tenancy does not differentiate separate areas to be used for retail and wholesale sales, this is not necessary for there to be two applicable land uses. Instead, two uses can occupy the same space and share facilities without requiring the uses to be merged into a single hybrid use for the purposes of land use classification.

Appropriateness of land use

A 'shop' is defined under LPS3 as:

"premises other than a bulky goods showroom, a liquor store – large or a liquor store – small used to sell goods by retail, to hire goods, or to provide services of a personal nature, including hairdressing or beauty therapy services."

A 'warehouse/storage' is defined under LPS3 as:

"premises including indoor or outdoor facilities used for:

- (a) The storage of goods, equipment, plant or materials; or*
- (b) The display or sale by wholesale of goods."*

Both a 'shop' and 'warehouse/storage' are discretionary ("D") uses under LPS3, which means the use is not permitted unless the local government has exercised its discretion by granting development approval.

Officer comment

As a 'shop' and 'warehouse/storage' are both "D" uses, the Council is being asked to consider and determine the appropriateness of the proposed development, taking account of the objectives of LPS3 and the City's *Joondalup Activity Centre Plan* (JACP).

In accordance with clause 16 – Zones under LPS3, the objectives for the Centre zone are as follows:

- *"To designate land for future development as an activity centre.*
- *To provide a basis for future detailed planning in accordance with the structure planning provisions of this Scheme or the Activity Centre States Planning Policy."*

As the Centre zone objectives under LPS3 relate to the preparation of an activity centre plan, it is considered appropriate to consider the land use against the objective of the 'Joondalup West' precinct under the City's *Joondalup Activity Centre Plan* (JACP) specifically, which states the following:

- "a) *Provide a location for businesses with larger floor space requirements such as showrooms and bulky goods premises which complement the City Centre."*

The proposal includes the large format display of goods, particularly fresh produce, which is larger scale in terms of its gross floor area; being over 4,000m². The use also requires aisle widths typically much wider than a supermarket to accommodate pallet jack manoeuvring of 500kg farm bins for display of these goods. Therefore, the activities are of a size and scale appropriate within Joondalup West precinct.

The proposed activities of a 'Spudshed' do not generally lend itself to the pedestrian orientated City Centre precinct within the JACP due to the typical low-intensity built form required to facilitate the business, the number of deliveries (average of 12 per day), demand for car parking and the extent of storage required. As a result, its positioning within the Joondalup West precinct is appropriate in order to complement and ensure its operations do not impact the desired built form, intensity and pedestrian environment of the City Centre precinct.

As a result, it is considered that the proposed 'shop' and 'warehouse/storage' land use is consistent with the objectives of the Joondalup West precinct under the JACP and is appropriate in this instance.

Retail Sustainability Assessment (RSA)

The subject site is located within the Joondalup Activity Centre, which is identified as a strategic metropolitan centre under *State Planning Policy 4.2: Activity Centres for Perth and Peel* (SPP4.2).

The applicant has provided a Retail Sustainability Assessment (Attachment 4 refers) to ensure the proposal is consistent with the intent and relevant requirements of SPP4.2 and that the business will not have any undue impact on the strategic metropolitan centre as a whole.

Officer comment

The RSA prepared by Pracsys has been reviewed by the City and utilises a retail gravity model to arrive at the likely impact of the proposed retail establishment on other retail establishments in the region. This is considered to be usual practice and is consistent with the methodology employed in the City's Local Commercial Strategy that estimates long term retail floorspaces for all activity centres in the City using a gravity model.

The floorspace of 4,025m² will house bulk supermarket products such as fresh produce and will have a wide catchment of around 15km. The retail offering will not include a full range of convenience products usually found at neighbourhood centres, so it is not a direct competitor of general supermarkets over a full range of goods. The economic benefits indicate an additional 226 FTE jobs will be generated in total by the operation (includes 80 direct and 146 indirect).

In terms of impact, a number of sources and assumptions have been used to calibrate the model and are all considered reasonable and appropriate. The use of actual Spudshed turnover from other centres has been used to determine an estimated turnover for the proposed Joondalup development of \$21.6 million per annum (year one). The impacts on other centres catering for predominantly household demand assume that the Spudshed will cater for 75% retail and 25% wholesale (such as cafes and restaurants). As a result, the impacts on other centres are estimated to be below 2%, which is well below the industry benchmark of 10%. The RSA indicates it is likely that any impacts of the additional retail floorspace will be absorbed relatively quickly by the market due to natural growth of households in the catchment.

Overall, the assumptions and model used in the RSA are considered appropriate, and the impact of the business on turnover at other activity centres is less than 2%, which is well below the industry benchmark. It is also important to note that “free-market” competition between other surrounding businesses is not a valid planning consideration. The RSA instead focuses on the potential impact of the business on other surrounding activity centres and ensures the addition retail floorspace does not disrupt the wider centre hierarchy identified under SPP4.2.

Parking

In accordance with clause JW5 – *car parking and access* of the Joondalup West Precinct under the JACP, all non-residential development requires one car parking bay for every 75m² of NLA.

Officer Comment

The existing free-standing buildings (excluded from this application) on-site equate to 4,746m² of floor space, with 11,892m² of NLA proposed within the former Masters building. As a result, a total of 222 (221.84) car parking bays are required onsite in accordance with the City’s JACP.

As a total of 578 car parking bays are existing onsite, the site has a surplus of 356 car parking bays and therefore complies with the car parking standard under the JACP.

Issues and options considered

Council is required to determine the appropriateness of the discretionary land uses and may determine an application for development approval by:

- granting development approval without conditions
- granting development approval with conditions
- or
- refusing to grant development approval.

Legislation / Strategic Community Plan / policy implications

Legislation *City of Joondalup Local Planning Scheme No. 3 (LPS3).
Planning and Development (Local Planning Schemes) Regulations 2015 (the Regulations).
Joondalup Activity Centre Plan (JACP).*

Strategic Community Plan

Key theme Quality Urban Environment

Objective Quality built outcomes

Strategic initiative Building and Landscape is suitable for the immediate environment and reflect community values.

Policy None applicable.

City of Joondalup Local Planning Scheme No. 3 (LPS3)

Clause 16(2) – Table 2 Zone Objectives of LPS3

Centre Zone

- *To designate land for future development as an activity centre.*
- *To provide a basis for future detailed planning in accordance with the structure planning provisions of this Scheme or the Activity Centre States Planning Policy.*

Planning and Development (Local Planning Schemes) Regulations 2015 (the Regulations).

Clause 67 of Schedule 2 of the Regulations sets out the matters to be considered by Council when determining an application for development approval.

In considering an application for development approval the local government is to have due regard to the following matters to the extent that, in the opinion of the local government, those matters are relevant to the development the subject of the application —

- (a) the aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area;*
- (b) the requirements of orderly and proper planning including any proposed local planning scheme or amendment to this Scheme that has been advertised under the Planning and Development (Local Planning Schemes) Regulations 2015 or any other proposed planning instrument that the local government is seriously considering adopting or approving;*
- (c) any approved State planning policy;*
- (d) any environmental protection policy approved under the Environmental Protection Act 1986 section 31(d);*
- (e) any policy of the Commission;*
- (f) any policy of the State;*
- (g) any local planning policy for the Scheme area;*

- (h) *any structure plan, activity centre plan or local development plan that relates to the development;*
- (i) *any report of the review of the local planning scheme that has been published under the Planning and Development (Local Planning Schemes) Regulations 2015;*
- (j) *in the case of land reserved under this Scheme, the objectives for the reserve and the additional and permitted uses identified in this Scheme for the reserve;*
- (k) *the built heritage conservation of any place that is of cultural significance;*
- (l) *the effect of the proposal on the cultural heritage significance of the area in which the development is located;*
- (m) *the compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development;*
- (n) *the amenity of the locality including the following —*
 - (i) *environmental impacts of the development;*
 - (ii) *the character of the locality;*
 - (iii) *social impacts of the development;*
- (o) *the likely effect of the development on the natural environment or water resources and any means that are proposed to protect or to mitigate impacts on the natural environment or the water resource;*
- (p) *whether adequate provision has been made for the landscaping of the land to which the application relates and whether any trees or other vegetation on the land should be preserved;*
- (q) *the suitability of the land for the development taking into account the possible risk of flooding, tidal inundation, subsidence, landslip, bush fire, soil erosion, land degradation or any other risk;*
- (r) *the suitability of the land for the development taking into account the possible risk to human health or safety;*
- (s) *the adequacy of —*
 - (i) *the proposed means of access to and egress from the site; and*
 - (ii) *arrangements for the loading, unloading, manoeuvring and parking of vehicles;*
- (t) *the amount of traffic likely to be generated by the development, particularly in relation to the capacity of the road system in the locality and the probable effect on traffic flow and safety;*
- (u) *the availability and adequacy for the development of the following —*
 - (i) *public transport services;*
 - (ii) *public utility services;*
 - (iii) *storage, management and collection of waste;*
 - (iv) *access for pedestrians and cyclists (including end of trip storage, toilet and shower facilities);*
 - (v) *access by older people and people with disability;*

- (v) *the potential loss of any community service or benefit resulting from the development other than potential loss that may result from economic competition between new and existing businesses;*
- (w) *the history of the site where the development is to be located;*
- (x) *the impact of the development on the community as a whole notwithstanding the impact of the development on particular individuals;*
- (y) *any submissions received on the application;*
- (za) *the comments or submissions received from any authority consulted under clause 66;*
- (zb) *any other planning consideration the local government considers appropriate.*

Joondalup Activity Centre Plan

Clause 1.5.5.1 - Joondalup West Objective:

- a) *Provide a location for businesses with larger floor space requirements such as showrooms and bulky goods premises which complement the City Centre.*

Risk management considerations

The proponent has a right of review against the Council decision, or any conditions included therein, in accordance with the *State Administrative Tribunal Act 2004* and the *Planning and Development Act 2005*.

Financial / budget implications

The applicant has paid fees of \$295.00 (excluding GST) in accordance with the Schedule of Fees and Charges, for assessment of the application.

Regional significance

Not applicable.

Sustainability implications

As the application is for a change of land use to an existing building, an Environmentally Sustainable Design Checklist is not necessary in this instance.

Consultation

Contrary to the position outlined in the correspondence from Moharich and More, in accordance with Schedule 2, Part 8, clause 64(1) of the *Regulations*, the proposal is not required to be advertised for public comment due to the following:

- It does not relate to a non-conforming use.
- It is not an unlisted use which may not comply with the objectives of LPS3.
- It complies with the requirements of LPS3.
- It does not require a heritage assessment.
- It is not listed as a land use which requires advertising under LPS3.

It is considered that the use of an existing building and parking area for the proposed new uses will not unduly impact on neighbouring properties or the surrounding area generally.

Given this, it was not considered necessary or appropriate to advertise the proposal.

COMMENT

Moharich and More, on behalf of Lend Lease, requested that Council defer consideration of this application to allow time for Lend Lease to prepare its own RSA and then make a more detailed submission on the proposal under consideration.

This not considered reasonable given the findings of the RSA done by Pracsys, in support of the proposed new use, which indicate the proposal will not have undue negative impact on the hierarchy of centres under *State Planning Policy 4.2: Activity Centres for Perth and Peel* (SPP4.2) and will not unduly impact on the Joondalup Activity Centre as a whole.

The proposed 'shop' and 'warehouse/storage' is considered to be consistent with the objectives of the JACP and will not impact on any surrounding landowners or the streetscape.

The application is therefore recommended for approval, subject to conditions.

VOTING REQUIREMENTS

Simple Majority.

MOVED Mayor Jacob, SECONDED Cr Hollywood that Council APPROVES under clause 68(2) of Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulation 2015* of the application for development approval, dated 6 September 2018 submitted by Planning Solutions, on behalf of the owners, Hydrox Nominees Pty Ltd., for a Proposed 'Shop' and 'Warehouse/storage' (Fresh Produce Market) at Lot 806 (11) Injune Way, Joondalup, subject to the following conditions:

- 1 This approval relates to the proposed 'Shop' and 'Warehouse/storage' (fresh produce market) in tenancy 2 only as indicated on the approved plans. It does not relate to any other development on the lot;**
- 2 A Delivery and Waste Management Plan indicating the timing, location and method of deliveries and waste collection shall be submitted to the City and approved prior to occupation of the tenancy. Delivery and waste management shall then be undertaken in accordance with the approved plan;**
- 3 The subject tenancy shall not be used for any purpose other than a 'Shop' and 'Warehouse/storage' (fresh produce market) without further development approval from the City.**

PROCEDURAL MOTION – THAT THE ITEM BE REFERRED BACK TO THE CHIEF EXECUTIVE OFFICER

MOVED Cr Poliwka, SECONDED Cr Chester that Item JSC03-12/18 – Proposed Shop and Warehouse/Storage at Lot 806 (11) Injune Way, Joondalup be REFERRED BACK to the Chief Executive Officer to allow advertising for a period of 21 days seeking public comment on the proposed development application.

The Procedural Motion was Put and

LOST (3/7)

In favour of the Procedural Motion: Crs Fishwick, Hollywood and Poliwka.

Against the Procedural Motion: Mayor Jacob, Crs Chester, Dwyer, Jones, Logan, May and Taylor.

The Motion as Moved by Mayor Jacob, and Seconded by Cr Hollywood was Put and

CARRIED (7/3)

In favour of the Motion: Mayor Jacob, Crs Chester, Dwyer, Jones, Logan, May and Taylor.

Against the Motion: Crs Fishwick, Hollywood and Poliwka.

Appendix 1 refers

To access this attachment on electronic document, click here: [Attach1agn181218.pdf](#)

CLOSURE

There being no further business, the Mayor declared the meeting closed at 6.33pm the following Elected Members being present at that time:

MAYOR HON. ALBERT JACOB, JP
CR KERRY HOLLYWOOD
CR PHILIPPA TAYLOR
CR NIGE JONES
CR CHRISTOPHER MAY
CR RUSSELL POLIWKA
CR JOHN CHESTER
CR JOHN LOGAN
CR RUSS FISHWICK, JP
CR SOPHIE DWYER

LEGEND

--- Subject Site



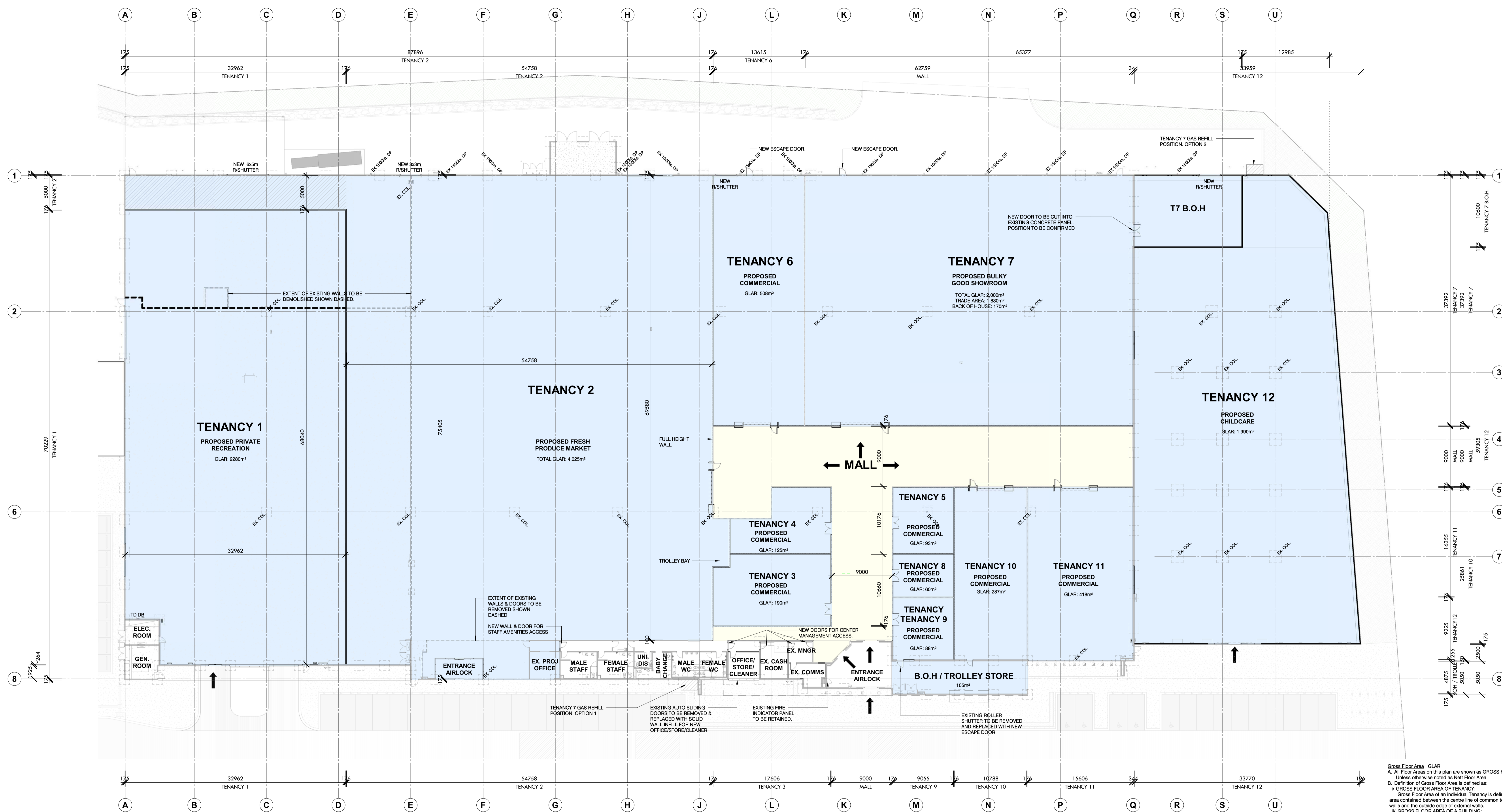
PLANNING SOLUTIONS PS
URBAN & REGIONAL PLANNING

SCALE 1:2,000 @ A4
DATE 3 September 2018
FILE 180820 5843 Plan.dwg
REVISION 1/DR/First Draft/20.08.2018



AERIAL PHOTOGRAPH
LOT 806 (11) INJUNE WAY
JOONDALUP, WESTERN AUSTRALIA

FIGURE
01



GROUND FLOOR PLAN
SCALE: 1:250

Gross Floor Area - GLAR
A. All Floor Areas on this plan are shown as GROSS FLOOR AREA. Unless otherwise noted as Net Floor Area
B. Definition of Gross Floor Area is defined as:
i/ GROSS FLOOR AREA OF TENANCY:
Gross Floor Area of an individual Tenancy is defined as the area contained between the centre line of common tenancy walls and the outside edge of external walls.
ii/ GROSS FLOOR AREA OF A BUILDING:
Gross Floor Area of a Building is defined as the total area contained between the outside edge of external walls

Gross Lettable Area - Retail : GLAR (Property Council of Australia Method of Measurement Definition)
Defined as the aggregate floor space contained within a tenancy at each floor level using the following rules:

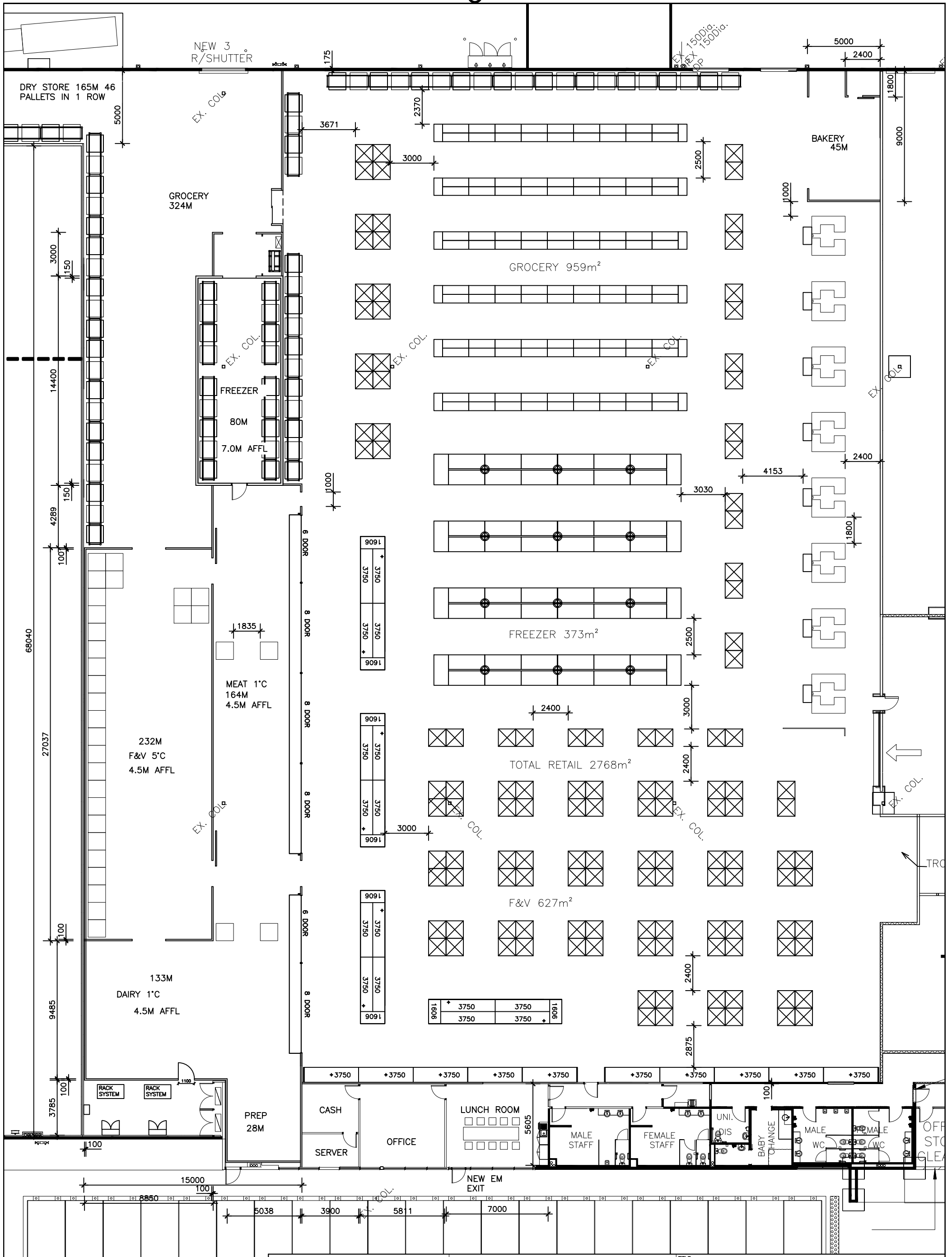
- i/ In the case of external building walls, fire passage walls, service passage walls, standard and service facility walls and the like, measuring from the internal finished surface of the dominant surface of the dominant portion of those walls;
- ii/ In the case of inter-tenancy walls, measuring from the centre line of those walls;
- iii/ In the case of shopfronts on or inside the mall line, measuring from the mall line as shown on appropriate floor plans of the tenancy regardless of whether or not the shop front is set back, in whole or part from the mall line; and
- iv/ In the case of shopfronts outside the mall line, measuring from the external finished surface of the dominant portion of those walls.

PROPOSED LARGE FORMAT RETAIL REDEVELOPMENT
LOCATION: 11 INJUNE WAY, JOONDALUP
FOR: FOR: HOME CONSORTIUM

SK030
MAY 2018
A202
As indicated @ B1

8146 **shircore** **50**
and associates ARCHITECTS
Member Australian Institute of Architects
1963 | 2013

© Meyer Shircore & Associates ACN 115 189 216
Suite 2, Ground Floor, 437 Roberts Road Subiaco WA 6008
PO Box 1294 Subiaco WA 6904
t: 08 9381 8511 f: 08 9388 1339



OPTION C

DAC (WA) Pty Ltd
 (ACN166 825 476)
 The Trustee for the DAC Unit Trust
 (ABN 55 438 126 296)
 T/A DAC Refrigeration Services

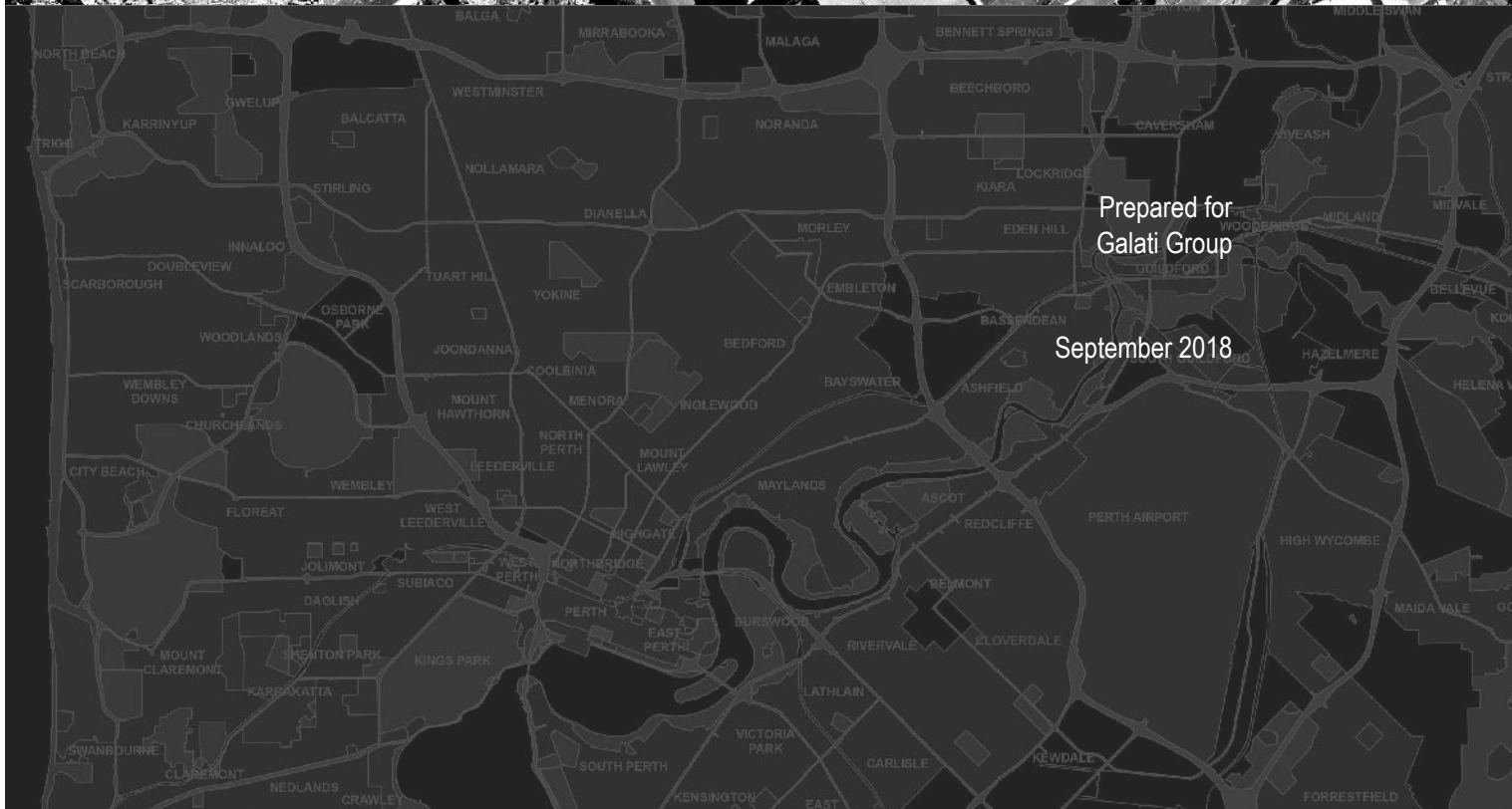
PROPOSED WAREHOUSE AND RETAIL
 LAYOUT FOR SPUD SHED AT 11 INJUNE
 WAY JOONDALUP COMPLEX

TITLE		
GENERAL ARRANGEMENT		
SCALE	1:250	DWG No
DATE	13-8-2018	SS-JOON-001
DRAWN	J.A.	CHECKED
		H.C.
		REV
		C
		JOB No
		Sheet Size
		A3

Development Application Report

Lot 806 (11) Injune Way,
Joondalup

PLANNING SOLUTIONS
URBAN & REGIONAL PLANNING



Copyright Statement 2018

© Planning Solutions (Aust) Pty Ltd

All rights reserved. Other than for the purposes of and subject to the conditions prescribed under the *Copyright Act 1968* (Cth), no part of this report may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic or otherwise, without the prior written permission of Planning Solutions (Aust) Pty Ltd.

No express or implied warranties are made by Planning Solutions (Aust) Pty Ltd regarding the information and analysis contained in this report. In particular, but without limiting the preceding exclusion, Planning Solutions (Aust) Pty Ltd will not verify, and will not assume responsibility for, the accuracy and completeness of information provided to us.

This report has been prepared with particular attention to our Client's instructions and the relevant features of the subject site. Planning Solutions (Aust) Pty Ltd accepts no liability whatsoever for:

1. a third party's use of, or reliance upon, this report;
2. use of, or reliance upon, this report in relation to any land other than the subject site; or
3. the Client's implementation, or application, of the strategies recommended in this report.

Direct all inquiries to:

Planning Solutions
251 St Georges Terrace
Perth WA 6000

All correspondence to:
GPO Box 2709
Cloisters Square PO 6850

Phone: 08 9227 7970
Email: admin@planningsolutions.com.au
Web: www.planningsolutions.com.au

Project details

Job number	5863	
Client	Galati Group Pty Ltd	
Prepared by	Planning Solutions	
Consultant Team	Town Planning Drafting and Design Economics	Planning Solutions Meyer Shircore & Galati Group Pracsys

Document control

Revision number	File name	Document date
Rev 0	180904 5863 DA Report (final)	4 September 2018

Contents

1	Preliminary	1
1.1	Introduction	1
1.2	Background	1
1.2.1	Previous Development Approvals	1
1.2.2	Engagement with the City	2
1.2.3	Current development applications with City	2
2	Site details	3
2.1	Land description	3
2.1.1	Notifications.....	3
2.2	Existing development	3
2.3	Location.....	3
2.3.1	Regional context	3
2.3.2	Local context, land use and topography	4
3	Proposed development	8
3.1	Development overview	8
3.1.1	Retail Sustainability Assessment	9
4	Statutory planning framework	10
4.1	Metropolitan Region Scheme	10
4.2	City of Joondalup District Planning Scheme No.2	10
4.2.1	Zoning	10
4.2.2	Land use classification and permissibility	12
4.2.3	Development Assessment.....	12
4.3	Joondalup City Centre Development Manual	14
4.4	City of Joondalup Draft Activity Centre Plan.....	14
4.4.1	Car parking.....	15
5	Matters to be considered	16
6	Conclusion	19

Figures

- Figure 1: Aerial Photograph
 Figure 2: District Planning Scheme No. 2 Zoning Map

Appendices

- Appendix 1: Existing Development Approvals
 Appendix 2: Certificate of Title and Deposited Plan
 Appendix 3: Restrictive Covenant Document K665867
 Appendix 4: Development Plans
 Appendix 5: Retail Sustainability Assessment
 Appendix 6: 2016 Traffic Impact Assessment

1 Preliminary

1.1 Introduction

Planning Solutions acts on behalf of Galati Group, the proponent of the proposed Spudshed development at Lot 806 (11) Injune Way, Joondalup (**subject site**). Planning Solutions has prepared the following report in support of an Application for Development Approval to Commence Development within an existing building on the subject site.

This report will address various issues pertinent to the proposal, including:

- Background
- Site details.
- Proposed development.
- Town planning considerations.

The proposal seeks approval to utilise a portion of the former Masters Home Improvement building on the subject site as a Spudshed Fresh Produce Market, to services the immediate vicinity and residents that surround it.

We respectfully request the City grant approval to the proposed development under delegated authority.

1.2 Background

1.2.1 Previous Development Approvals

Various development approvals have been obtained for the subject site since the approval of the former Masters Home Improvement store and various large format retail developments at the subject site, granted by the Metropolitan North-West Joint Development Assessment Panel (**JDAP**) in 2012.

Following the JDAP's 2012 approval, the following development approvals have been obtained for the subject site:

- 2013 JDAP form 2 approval for a range of minor design changes and an additional 'Take Away Food Outlet' on the subject site.
- 25 January 2017 (DA16/1407) development approval for a change of use from Hardware Store, additions and signage to Bulky Goods Showroom, Take Away Food Outlet and Market (retail).
- 20 October 2017 (DA17/0960) development approval for a change of use from Bulky Goods Showroom to Bulky Goods Showroom and Recreation Centre (for tenancy 7 as depicted on approved plans).

Currently, the approved plans depict eleven (11) tenancies comprising bulky Goods Showroom, Recreation Centre and Take Away Food Outlet land uses.

Refer **Appendix 1** – Existing Development Approvals.

Various tenants have now been secured to occupy the large format retail building. This application seeks approval to use a central portion of the building for the purposes of Spudshed Fresh Produce Market.

1.2.2 Engagement with the City

Detailed discussions were held in March and April 2018 with senior officers of the City, to discuss the proposed Spudshed development and appropriate land use classification. Following a meeting on 9 April 2018, at which the operational aspects of the Spudshed model were discussed, further information on activities and land use classifications was provided to the City. After reviewing the information, and considering the planning framework, the City's officers advised as follows:

[T]he City does not consider that the 'Bulky goods showroom' land use currently approved for the intended tenancy is the most appropriate land use for the activities and operation of Spudshed. This, in brief, is due to the following:

- *The specific nature of the Spudshed business model (in terms of its operations) was not considered under the current 'bulky goods showroom' approval and as such, appropriate conditions were not implemented on the current approval.*
- *Even in the event that the City considered the 'Bulky goods showroom' land use as appropriate for Spudshed, conditions would need to be imposed to ensure the business continues to operate in line with the 'bulky goods showroom' land use definition. I believe such conditions, that are likely to be linked to detailed operating conditions would be both difficult for the City to monitor and enforce, and equally difficult for the operator to comply with and maintain sufficient flexibility to operate as intended. Also, it is questionable whether these type of conditions begin to 'shift' the activities of the business away from the standard definition (and operation) of a typical 'Bulky goods showroom'.*
- *Equally, based on the information set out in your correspondence, the City recognises that the Spudshed business model does not readily align with the standard 'Shop' land use definition outlined in the City's District Planning Scheme No. 2 (or any other land use defined under the City's Scheme).*

Based on the above, the City is therefore of the opinion that the operation of Spudshed, as described in your correspondence, would best be treated as an 'unlisted use' (as defined under the City's District Planning Scheme No. 2). Therefore, a change of use application would need to be lodged with the City for determination.

On a 'without prejudice' basis, Planning Solutions accepts the characterisation of the use as described by the City's officers. Accordingly, the subject application is for an 'unlisted use' as recommended by the City's officers, nominally described as a Fresh Produce Market.

1.2.3 Current development applications with City

A separate signage application (DA08/0439) was lodged with the City on 24 April 2018, and a separate change of use application (DA18/0801) was lodged with the City on 2 August 2018 for the subject site. These applications are to be treated separately to the proposed Spudshed and do not overlap in any way.

2 Site details

2.1 Land description

Refer to **Table 1** below for a description of the land subject to this development application.

Table 1 – Lot details

Lot	Deposited Plan	Volume	Folio	Area (ha)
806	71347	2790	976	4.4260

2.1.1 Notifications

The following notifications exist on the Certificate of Title:

- Easement burden for drainage purposes to the City of Joondalup.
- Restrictive Covenant to the City of Joondalup, restricting access to Joondalup Drive.
- Notification under section 165 of the Planning and Development Act 2005.

None of the above encumbrances/notifications affect this application.

Refer to **Appendix 2** for a copy of the Certificate of Title and Deposited Plan, and **Appendix 3** for the Restrictive Covenant document K665867.

2.2 Existing development

The existing development comprises the following elements:

- Four separate buildings with a total floorspace exceeding 18,000m².
- 578 car parking bays throughout the site, with internal accessways and pedestrian crossings.
- 6 bicycle u-rails.
- 9,229m² landscaped areas throughout the site and offsite verge.
- Four crossovers to the site via Injune Way, Honeybush Drive and Sundew Rise.

2.3 Location

2.3.1 Regional context

The subject site is located within the Joondalup strategic metropolitan centre, and is located approximately 24 kilometres north-west of the Perth city centre.

The subject site fronts Joondalup Drive, classified as an 'Other Regional Road' under the Metropolitan Region Scheme (**MRS**) and providing a key north-south link through the Joondalup strategic metropolitan centre. Joondalup Drive provides further connections to other strategic metropolitan road links including Ocean Reef Road, Mitchell Freeway and Burns Beach Road.

The subject site is within the municipality of the City of Joondalup (**City**).

2.3.2 Local context, land use and topography

The subject site is located within the southernmost portion of the Joondalup City Centre, and is widely surrounded by a range of complementary commercial, retail and mixed use activities offering a mixture of goods for sale (eg. JB Hi Fi, Kitchen Warehouse, and Golf Box).

The subject site is bounded by Joondalup Drive to the east, Injune Way to the north, Sundew Rise to the south and Honeybush Drive to the west. The following uses surround the subject site:

- A Bunnings Warehouse and other large format retail premises to the south.
- Edith Cowan College to the north.
- Vacant land and partially completed commercial development under construction to the west.
- Multiple dwellings and residential development beyond Joondalup Drive to the east, within the Edgewater locality.

The subject site contains the former 'Masters Home Improvement' building and various large format retail and ancillary tenancies including Baby Bunting, RSEA Safety, PETstock, Relax, Winning Appliances, and Caffissimo.

Joondalup train station is located approximately 1.1 kilometres north of the subject site, and Edgewater train station is located approximately 1.6 kilometres south-east of the subject site. The subject site is located within walkable distance of bus services located along Joondalup Drive. Bus route 465 provides access to various locations including:

- Edgewater
- Whitfords
- Woodvale

The subject site gently slopes southward from the northern portion of the subject site.

Refer **Figure 1**, aerial photograph.

Photographs 1 to 6 depict the subject site and surrounds.



Photograph 1: Former Masters building façade and car parking area.



Photograph 2: Former Masters building façade and car parking area.



Photograph 3: Former Masters building façade and car parking area.



Photograph 4: View of rear of subject site looking east.



Photograph 5: View of rear loading dock, looking east.



Photograph 6: Car parking area and other existing showroom / shop developments on the subject site.

LEGEND
--- Subject Site



PLANNING SOLUTIONS PS
URBAN & REGIONAL PLANNING

SCALE 1:2,000 @ A4
DATE 3 September 2018
FILE 180820 5843 Plan.dwg
REVISION 1/DR/First Draft/20.08.2018



AERIAL PHOTOGRAPH
LOT 806 (11) INJUNE WAY
JOONDALUP, WESTERN AUSTRALIA

FIGURE
01

DISCLAIMER: THIS DOCUMENT IS AND REMAINS THE PROPERTY OF PLANNING SOLUTIONS AND MAY NOT BE COPIED IN WHOLE OR IN PART WITHOUT THE WRITTEN CONSENT OF PLANNING SOLUTIONS. ALL AREAS, DISTANCES AND ANGLES ARE APPROXIMATE ONLY AND ARE SUBJECT TO SURVEY. BASEPLAN SOURCE: NEARMAPS

3 Proposed development

3.1 Development overview

The proponent seeks to use a portion of the existing former Masters building on the subject site for a new Spudshed Fresh Produce Market (**Spudshed**). The proposed Spudshed will operate in line with existing stores across Western Australia, comprising the bulk display and sale of discounted fresh produce, meat, dairy, packaged foods, and ancillary grocery items.

The key aspects of the development from a town planning perspective are outlined below:

- 4,025m² GFA Fresh Produce Market land use and associated internal building works to accommodate the Spudshed, as depicted on the proposed development plans.
- 2,768m² retail floorspace as depicted on the proposed development plans.
- The Spudshed will operate 24 hours a day, 7 days a week.
- No more than 25 employees will occupy the Spudshed store at a given time.
- The southern portion of the building contains 961m² floorspace for the storage and preparation of fresh food products and groceries offered for sale within the primary retail display area.
- Customer access to the Spudshed will be provide via the previously approved internal mall.
- A portion of the existing 578 car parking bays will be utilised at the subject site. Vehicle access and existing crossovers are not proposed to change as part of this development application.
- Waste will be stored and collected via the existing waste area located at the rear of the former Masters building.

Signage associated with the proposal is subject to the separate signage application (DA18/0439) lodged with the City on 24 April 2018.

Delivery of goods of the Spudshed tenancy will occur via the existing service area located to the south-western boundary of the building (loading dock to the far south-western corner of the building). Storage and collection of waste for the Spudshed tenancy will occur within the existing bin storage area attached to the rear of the Spudshed tenancy.

No material changes to the building elevations, landscaping, vehicle access or car parking are proposed as part of this application which was previously approved by the JDAP in 2017, nor are any changes proposed which conflict with the previously lodged development applications currently being progressed with the City.

Refer **Appendix 4** for a copy of the development plans.

3.1.1 Retail Sustainability Assessment

While the application does not strictly require a formal Retail Sustainability Assessment (**RSA**) in accordance with State Planning Policy 4.2 Activity Centres for Perth and Peel, a RSA has been prepared to determine the likely impact of the proposed development.

The RSA confirms:

- Sufficient local market demand exists to support the development without significantly affecting the role and function of other centres.
- The increase in retail floorspace in the surrounding retail trade area indicates a healthy environment capable of sustaining an additional retail offering.
- The proposed Spudshed will have minimal market impact upon the turnover of small convenience-based centres in close proximity to the subject site.
- The proposal will provide a valuable community benefit to the Joondalup community and surrounding areas by promoting healthy competition, providing cheaper groceries and a variety of daily convenience needs.
- All impacts on existing and planned retail developments are well below 10%, including Lakeside Joondalup Shopping Centre.
- Approximately 80 full-time equivalent operational positions will be created, positively contributing to local employment growth within the locality.

Refer **Appendix 5** for a copy of the RSA prepared by Pracsys.

4 Statutory planning framework

4.1 Metropolitan Region Scheme

The subject site is zoned 'Central City Area' under the Metropolitan Region Scheme (**MRS**). The proposed development is consistent with the zone and may be approved accordingly.

4.2 City of Joondalup District Planning Scheme No.2

4.2.1 Zoning

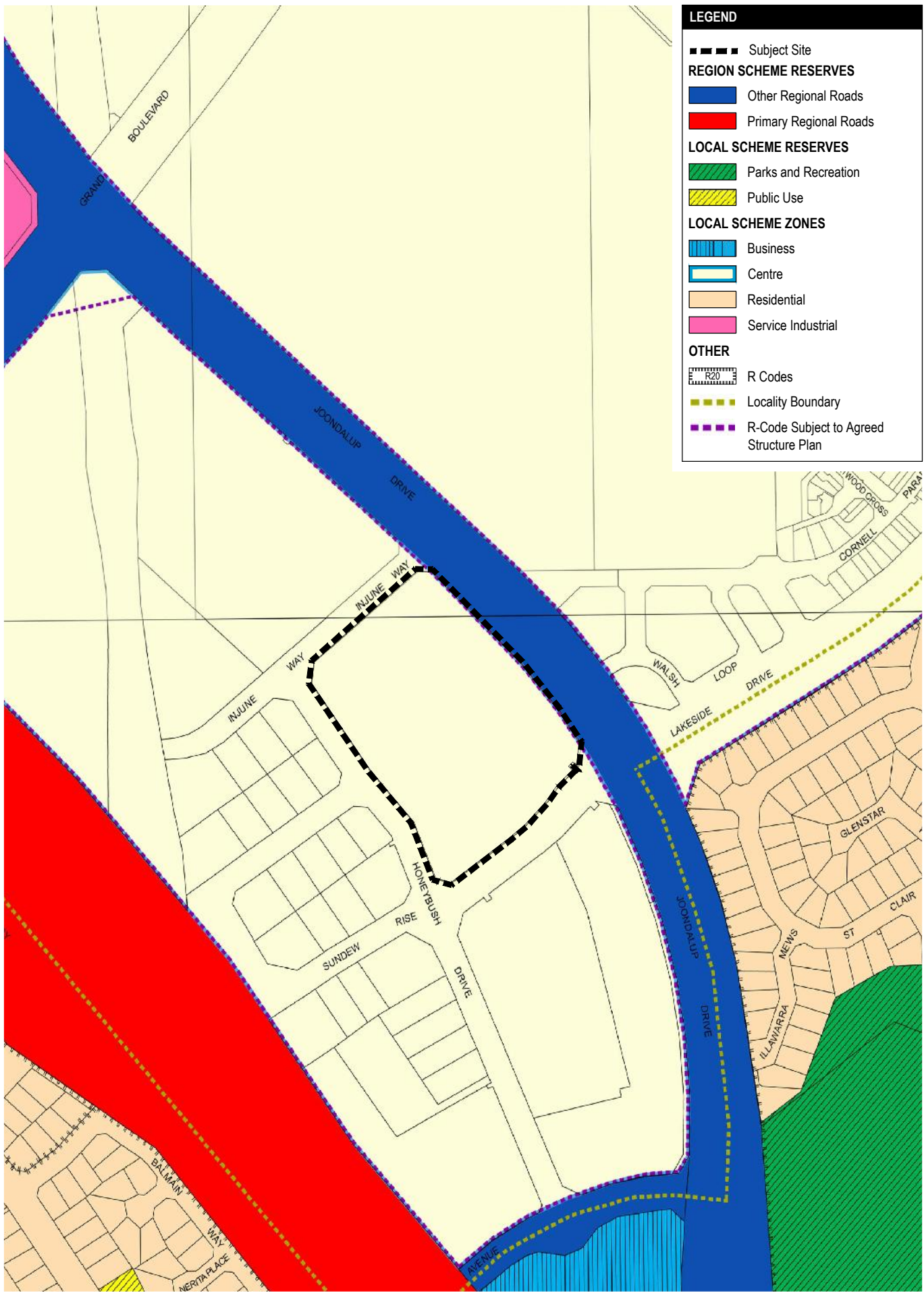
The subject site is zoned Centre pursuant to the provisions of the City of Joondalup District Planning Scheme No.2 (**DPS2**). Specifically, Clause 3.11.1 The Centre Zone of DPS2 provides the following objectives.

- a) *provide for a hierarchy of centres from local centres to strategic metropolitan centres, catering for the diverse needs of the community for goods and services;*
- b) *ensure that the city's commercial centres are integrated and complement one another in the range of retail, commercial, entertainment and community services and activities they provide for residents, workers and visitors;*
- c) *encourage development within centres to create an attractive urban environment;*
- d) *provide the opportunity for the coordinated and comprehensive planning and development of centres through a Structure Plan process.*

Refer **Figure 2** – Zoning Map.

The proposal is consistent with the Centre zone for the following reasons:

- The development will result in a significant community benefit through the provision of affordable fresh produce.
- The proposal will contribute to the creation of employment and local economic development.
- The proposed development will not, by nature of the proposed operations, detrimentally impact upon residential and other sensitive land uses outside of the zone.
- The proposal is appropriately located within an existing commercial locality, and will not detrimentally impact the range of retail offerings within the Joondalup locality, as supported by the RSA contained within **Appendix 5** of this report.
- The proposed development is consistent with the objectives, and applicable development requirements of the applicable structure plans as outlined further below in section 4.3 and 4.4 of this report.



The proposed development will not undermine current or future development within the Joondalup locality as it is simply repurposing a portion of the existing building at the subject site. The proposal is consistent with the objectives of the Centre zone and warrants approval accordingly.

In accordance with clause 3.11.1, the following structure plans apply to the subject site:

- Joondalup City Centre Development Plan Manual
- City of Joondalup Draft Activity Centre Plan

An assessment against the abovementioned instruments is provided in sections 4.3 and 4.4 of this report.

4.2.2 Land use classification and permissibility

The proposed Spudshed will operate in line with existing stores across Western Australia, comprising the display and retail sale of discounted fresh produce, meat, dairy, packaged food, and ancillary grocery items. The proposed Spudshed comprises 4,025m² gross floor area (**GFA**).

As outlined above within section 1.2.2 of this report, the City's officers have advised the proposed Spudshed Fresh Produce Market is characterised as an 'unlisted use' under DPS2. Clause 3.3 of DPS2 outlines:

[[If the use of the land for a particular purpose is not specifically mentioned in the Zoning Table and cannot reasonably be determined as falling within the interpretation of one of the use categories the local government may:

- a) determine that the use is consistent with the objectives and purposes of the particular zone and is therefore permitted; or*
- b) determine that the proposed use may be consistent with the objectives and purpose of the zone and thereafter follow the procedures set down for an 'A' use in Clause 6.6.3 in considering an application for planning approval; ...*

As outlined above in section 4.2.1 of this report, the proposed development is consistent with the 'Centre' objectives. Further, an assessment against the applicable objectives of the relevant structure plans are addressed further below in section 4.3 and 4.4 of this report. The proposed Spudshed Fresh Produce Market is capable of approval at the subject site and warrants the City's approval accordingly.

4.2.3 Development Assessment

Part 4 of DPS2 stipulates general development requirements that apply to all development not controlled by the Residential Design Codes. Having regard to Clause 3.11 of DPS2, an assessment is only provided against those development requirements not already set out by the relevant structure plan.

Table 2 below provides an assessment against the requirements relevant to the proposal.

Table 2 – DPS2 Development Requirements

Requirement	Provided	Complies
Cl. 4.8 Car parking standards		
<p>4.8.1 <i>The design of off-street parking areas including parking for disabled shall be in accordance with Australian Standards AS 2890.1 or AS 2890.2 as amended from time to time. Car parking areas shall be constructed and maintained to the satisfaction of the Council.</i></p>	<p>All existing car parking areas and access aisles are compliant with the relevant Australian Standards. No modifications to the existing car park are proposed as part of this application.</p>	<p>✓</p>
<p>4.8.2 <i>The number of on-site car parking bays to be provided for specified development shall be in accordance with Table 2. Where development is not specified in Table 2 the Council shall determine the parking standard. The Council may also determine that a general car parking standard shall apply irrespective of the development proposed in cases where it considers this to be appropriate.</i></p>	<p>In accordance with the previously approved range of land uses granted by the City in 2017, a parking surplus in the order of 140 bays is provided at the subject site. The subject site currently contains 578 car parking bays and it is considered there are sufficient parking bays on site to cater for the anticipated demand.</p> <p>Notwithstanding, an assessment against the applicable car parking standards under the Draft Activity Centre Plans is provided in section 4.4.2 of this report.</p>	<p>✓</p>
Cl. 4.10 Traffic entrances		
<p>4.10 <i>The Council may where it considers it desirable and in the interests of traffic safety direct the owner of any lot to limit access and egress or provide such additional access and egress as it requires to any premises.</i></p>	<p>No changes to the subject site's approved access points are proposed as part of this development application.</p>	<p>✓</p>
Cl. 4.12 Landscaping requirements for non residential buildings		
<p>4.12.1 <i>A minimum of 8% of the area of a development site shall be designed, developed and maintained as landscaping. In addition, the owner of the lot on which the development is located shall landscape the road verge(s) adjacent to that lot. Prior to occupation of a development, the owner of the lot on which the development is located shall landscape the development site and the road verge(s) adjacent to the lot and thereafter maintain the landscaping and keep the road verge in a clean and tidy condition to the satisfaction of the Council.</i></p>	<p>This application for development approval simply seeks approval for a change of use within a portion of the building and is capable of operating at the subject site.</p> <p>No significant changes to the site are proposed requiring additional landscaping to be provided.</p>	<p>✓</p>
<p>4.12.2 <i>When a proposed development includes a car parking area abutting a street, an area no less than 3 metres wide within the lot along all street boundaries shall be designed, developed and maintained as landscaping to a standard satisfactory to the Council. This landscaped area shall be included in the minimum 8% of the area of the total development site referred to in the previous subclause.</i></p>	<p>No changes to the composition, layout or position of parking areas abutting a street are proposed.</p>	<p>✓</p>

Requirement	Provided	Complies
4.12.3 <i>Landscaping shall be carried out on all those areas of a development site which are not approved for buildings, accessways, storage purposes or car parking with the exception that shade trees shall be planted and maintained by the owners in car parking areas at the rate of one tree for every four (4) car parking bays, to the Council's satisfaction.</i>	Shade trees have already been provided on the subject site. No additional parking is proposed, which would require the provision of any additional shade trees.	✓

Having regard to **Table 2** above, the proposed development is consistent with the relevant development requirements contained within Part 4 of DPS2 and warrants approval accordingly.

4.3 Joondalup City Centre Development Manual

The Joondalup City Centre Development Plan Manual (**JCCDPM**) was prepared in the early 2000's, and subsequently modified in 2006.

The subject site is within an area identified as the Southern Business District of the JCCDPM. More specifically, the subject site falls within the 'Bulk Retail/Showroom' precinct. Section 6.1(a) of the JCCDPM provides the following objectives for the precinct:

- a) *Provide for retail and commercial businesses which require large areas such as bulky goods and large scale category/theme based retail outlets as well as complementary business services.*
- c) *Ensure development within this precinct can be progressed in an efficient, coordinated and flexible manner.*

The proposal simply seeks approval for a change of use within a portion of the existing building, capable of operating at the subject site. The proposal comprises approximately 2,768m² retail floorspace which requires large spaces and areas for the handling, preparation and sale of bulk and discounted fresh food produce. The proposed Spudshed operations is consistent with the overall intent of the Southern Business District.

The proposed development is consistent with the 'Bulk Retail/Showroom' precinct and warrants approval accordingly.

4.4 City of Joondalup Draft Activity Centre Plan

The City of Joondalup draft Activity Centre Plan (**JACP**) is a strategic planning document developed by the City which provides guidance on the development of the Joondalup city centre over the next 10 years. The subject site is located within Precinct 5 - Joondalup West (**JW5**) of the JACP.

At the time of writing, the draft JACP has been approved by the WAPC, subject to various text changes and the gazettal of the City's draft District Planning Scheme No.3 (**DPS3**). We understand the gazettal of DPS3 is imminent.

The proposed Spudshed will operate in line with existing stores across Western Australia, comprising the sale of discounted fresh produce, meat, dairy and daily grocery needs.

The proposed Spudshed is consistent with various objectives outlined within the draft JACP for the following reasons:

- The proposal would result in providing a greater variety of offerings conveniently to customers at the subject site.
- The proposal would contribute to providing a diverse mix of compatible uses at the site that will not conflict with surrounding developments.
- The proposal would encourage workers and visitors to improve local employment within the City.
- The use would be located within an existing adaptable building, responding to market demand.

The proposal is consistent with the objectives of the draft JACP and warrants approval accordingly.

4.4.1 Car parking

As demonstrated in the most recent application for planning approval (20 October 2017 DA17/0960), a large surplus of car parking is provided on site, having regard for the parking standards established under DPS2, in the order of 140 bays.

With consideration to the draft JACP as a 'seriously entertained' instrument and the imminent gazettal of LPS3, Section 1.5.5.1 Joondalup West Precinct Development Standards stipulates the applicable car parking requirement for the JW5 Precinct. JW5 – Car Parking and Access requires 1 bay per 75m² net lettable area (**NLA**) of non-residential development.

As this application for development approval is simply a change of use application within a portion of the existing building, no material change to the overall footprint of development previously approved on site is proposed. The existing development comprises four separate buildings with a total floorspace exceeding 18,000m². The subject tenancy comprises 4,025m² GFA. In accordance with the development requirements of the JW5 precinct, a parking demand of approximately 240 bays would be required.

Accordingly, the existing 578 car parking bays available at the subject site are more than capable of accommodating the proposed Spudshed tenancy and warrants the City's support accordingly.

5 Matters to be considered

Clause 67-Part 9-Schedule 2 (deemed provisions) of the *Planning and Development (Local Planning Schemes) Regulations 2015 (LPS Regulations)* stipulates matters to be given due regard by local government when considering development applications. **Table 3** below provides an assessment against matters relevant to this proposal.

Table 3 - Matters to be considered by local government

Relevant matters to be considered	Comment
(a) <i>the aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area;</i>	The aims and provisions of DPS2 are considered in section 4.2.1 of this report.
(b) <i>the requirements of orderly and proper planning including any proposed local planning scheme or amendment to this Scheme that has been advertised under the Planning and Development (Local Planning Schemes) Regulations 2015 or any other proposed planning instrument that the local government is seriously considering adopting or approving;</i>	There is no know amendment to DPS2 affecting the proposed development. As addressed within section 4.4 of this report, the City's draft LPS3 is near gazettal and will not affect the proposed development.
(h) <i>any structure plan, activity centre plan or local development plan that relates to the development;</i>	The subject site is located within the Joondalup City Centre Development Plan and draft Joondalup Activity Centre Plan area. This report demonstrates the proposed development complies with the relevant development requirements, objectives and overall long-term prospects of the applicable structure plans. Also note that the RSA contained within Appendix 5 of this report confirms the proposed development will not undermine planned or other retail centres.

Relevant matters to be considered	Comment
<p>n) <i>the amenity of the locality including the following:</i></p> <ul style="list-style-type: none"> (i) <i>environmental impacts of the development;</i> (ii) <i>the character of the locality;</i> (iii) <i>social impacts of the development;</i> 	<p>Environmental Impacts The proposed development will not result in any adverse environmental impacts.</p> <p>Character of the Locality The locality is characterised by large format retail and other similar commercial uses within the Joondalup West Precinct. The subject site contains the former Masters Home Improvement store which has been previously approved to accommodate a large format retail development at the site, consistent with existing activities within the locality.</p> <p>The proposal seeks approval to change the use of a portion of the existing building as a Fresh Produce Market, including internal building works associated with the internal fit out of the premises. The use is consistent with the objectives of the applicable planning framework and is appropriate in the context of the wider Joondalup locality.</p> <p>Social Impacts The proposed development will have a positive social impact, providing access to affordable fresh produce and other food and grocery items. The Spudshed will provide local employment, including for young people, and contribution to economic growth.</p> <p>Considerable anecdotal evidence indicates businesses on the site and immediate area have struggled to remain viable since the Masters store closed. This has seriously affected the livelihoods of local small business owners. The proposed Spudshed will bring much-needed customers back to the area, supporting the existing businesses.</p>
<p>(s) <i>the adequacy of —</i></p> <ul style="list-style-type: none"> (i) <i>the proposed means of access to and egress from the site; and</i> (ii) <i>arrangements for the loading, unloading, manoeuvring and parking of vehicles</i> 	<p>The proposal is simply to change the use of a portion of an existing building and to carry out associated internal building works for the fit out of the premises. No changes are proposed to the existing access arrangements which are comprised of four existing access points into the site via Injune Way, Honeybush Drive and Sundew Rise.</p> <p>The proposed Spudshed tenancy will be serviced by the existing service area located to the south-western boundary of the subject tenancy,</p>

Relevant matters to be considered	Comment
<p>(t) <i>the amount of traffic likely to be generated by the development, particularly in relation to the capacity of the road system in the locality and the probable effect on traffic flow and safety;</i></p>	<p>A Traffic Impact Statement (TIS) was prepared in 2016 for the conversion of the building as a multi-tenant large format retail development. This application simply seeks approval for a change of use within a portion of the existing building. The Traffic Impact Statement demonstrated the existing internal access arrangements are sufficient to accommodate a variety of land uses at the subject site.</p> <p>Refer Appendix 6 for a copy of the 2016 TIS.</p> <p>Traffic surveys carried out in relation to other Spudshed applications have indicated a Spudshed may be expected to generate approximately 14 vehicle trips per hour per 100m² of sales/display area, equating to 395 peak hour trips. It should be noted that the Spudshed is likely to trade 24 hours per day, 7 days per week, and traffic will therefore be distributed across a wider period.</p> <p>No alterations to the existing car parking, crossovers or internal access is proposed as part of this application.</p>
<p>(x) <i>the impact of the development on the community as a whole notwithstanding the impact of the development on particular individuals;</i></p>	<p>The proposed development allows for the provision of stable and secure work for a number of staff. Additionally, the proposal will enable the sale of fresh, healthy food and associated grocery products to the surrounding community, including wholesale to local food businesses.</p>

Having regard to **Table 3** above, the proposal appropriately addresses matters to be given due regard as set out in the deemed provisions. The proposal therefore warrants approval accordingly.

6 Conclusion

This proposal seeks to develop a portion of the former Masters Home Improvement store to 'Fresh Produce Market' facilitating the development of a new Spudshed in line with Galati Group's Spudshed stores across Western Australia. The development will allow for the sale of discounted fresh produce, meat, dairy, packaged food, and ancillary grocery items, servicing the wider Joondalup locality.

The proposal is consistent with the statutory planning framework provided for the subject site. The proposed Spudshed warrants support and approval as it:

1. Is consistent with the relevant standards and requirements of the City of Joondalup District Planning Scheme No.2 and applicable structure plans.
2. Will enable the sale of affordable, fresh, healthy food and associated grocery products to the surrounding communities.
3. Will support local food businesses by offering an alternative source of fresh ingredients, where currently many businesses are required to attend the Canning Vale markets.
4. Will support surrounding businesses which have been adversely affected by the collapse of the Masters chain.
5. Is entirely compatible with the approved activities on the subject site.
6. The proposed development will not adversely impact nearby centres and the surrounding retail trade network.

The proposed development is compliant with the prescribed planning and development standards as stipulated throughout this development application report and warrants the City's approval accordingly.



GALATI GROUP

Retail Sustainability Assessment for Spudshed Joondalup

SEPTEMBER 2018



Document Control				
Document Version	Description	Prepared By	Approved By	Date Approved
v 1.0	Retail Sustainability Assessment for Spudshed Joondalup Draft Report	Lucy Heales	Dawson Demassiet-Huning	31 August 2018
v 1.1	Retail Sustainability Assessment for Spudshed Joondalup Final Report	Lucy Heales	Dawson Demassiet-Huning	4 September 2018

Disclaimer

This report has been prepared for **the Galati Group**. The information contained in this document has been prepared with care by the authors and includes information from apparently reliable secondary data sources which the authors have relied on for completeness and accuracy. However, the authors do not guarantee the information, nor is it intended to form part of any contract. Accordingly, all interested parties should make their own inquiries to verify the information and it is the responsibility of interested parties to satisfy themselves in all respects.

This document is only for the use of the party to whom it is addressed and the authors disclaim any responsibility to any third party acting upon or using the whole or part of its contents.



CONTENTS

1	Introduction	4
1.1	Background.....	4
1.2	RSA Purpose and Objectives.....	4
1.3	Gravity Model Methodology.....	5
2	Development Context	6
2.1	Site Location	6
2.2	Proposed Development.....	7
2.3	Trade Area Definition.....	7
3	Retail Demand.....	10
3.1	Trade Area Dwellings.....	10
3.2	Retail Expenditure.....	12
4	Retail Supply	13
4.1	Current Supply	13
4.2	Expansions and Planned Developments.....	16
5	Impact of the Potential Development	18
5.1	Key Assumptions.....	18
5.2	Model Calibration.....	18
5.3	Market Capture	19
5.4	Gravity Modelling Impacts.....	20
5.5	Competitive Response	22
6	Impact on Community.....	23
6.1	Economic Benefits	23
6.2	Community Benefits	23
7	Conclusion	24
8	Appendix 1: Centre Impact	25
9	Appendix 2: Gravity Modelling Methodology	27



1 INTRODUCTION

1.1 Background

The Galati Group is lodging an application to establish a Spudshed in a former Masters building at 11 Injune Way, Joondalup. The site is located within the bulky goods precinct in Joondalup Activity Centre.

Under the State Planning Policy 4.2 – Activity Centres for Perth and Peel (SPP 4.2) *'any proposal that would result in the total shop-retail floorspace of a neighbourhood centre exceeding 6,000 m² nla, or expanding by more than 3,000m² shop-retail nla (also) requires an RSA¹ (Retail Sustainability Assessment).* The proposed Spudshed gross floorspace area is 4,025 m² and is below the threshold. While the application does not require a formal RSA under the SPP 4.2, the Galati Group decided to undertake an RSA to determine the likely impact of the proposed development. Pracsys has been engaged by Planning Solutions to undertake an independent RSA.

1.2 RSA Purpose and Objectives

As stated in SPP 4.2: *'A Retail Sustainability Assessment (RSA) assesses the potential economic and related effects of a significant retail expansion on the network of activity centres in a locality. It addresses such effects from a local community access or benefit perspective, and is limited to considering potential loss of services, and any associated detriment caused by a proposed development. Competition between businesses of itself is not considered a relevant planning consideration.'* This means that decisions should not be based on the impact on, or viability of, individual tenants. Only the potential impact on the centres and the effects on the catchment community should be considered under an RSA.

The RSA follows the requirements of SPP 4.2 to provide an assessment of the impact of the proposed development on the existing and planned activity centres, its impact on the centres hierarchy and economic and community benefits associated with the development. It should be noted that SPP 4.2 requires the assessors to follow the Commission's Guidelines for Retail Sustainability Assessments, however they have never been released.

The key objectives of this report are to:

- Define the trade area of the proposed development
- Estimate the population and retail demand
- Evaluate the competitive environment
- Assess the potential market impact of the proposed development
- Discuss economic impact and community benefits

The findings of this report are intended to provide an independent understanding of the potential impacts of the development.

¹ State Government of Western Australia 2010, 'State Planning Policy 4.2 – Activity Centres for Perth and Peel', Western Australian Government Gazette, Planning and Development Act 2005



1.3 Gravity Model Methodology

Pracsys uses a proven retail gravity model methodology to examine the supply of and demand for retail floorspace within a defined catchment and estimate the potential impact of proposed retail developments.

The Retail Gravity Model (also known as Huff's Gravity Model) is a modified version of Sir Issac Newton's Law of Gravitation. Gravity Model is a popular model, widely used in international trade modelling, transport modelling, regional planning and retail assessments. Department of Planning and Western Australian Planning Commission (WAPC) recommend the gravity model for transport impact assessments² and many local governments use the gravity model approach to prepare their local commercial strategies and activity centres planning strategies (for example, the City of Rockingham³, the City of Gosnells⁴, the City of Greater Geraldton⁵, the City of Armadale⁶).

Retail Gravity modelling studies retail supply, and the probability of a customer (demand) visiting a particular centre (supply). The model accounts for the distribution and attractiveness of competing centres, along with the distance a customer will have to travel to each centre. Floorspace quantum is used to represent the attractiveness of retail centres. Customers are willing to travel farther to shop at large centres, representing a higher level of attraction (they can generally satisfy multiple needs in one trip to a larger centre where there is a greater variety of convenience and comparison goods/services).

The model provides an objective method of distributing expenditure among centres. Calibration is used to match the calculated distribution of expenditure to actual published turnover levels, optimising the model outputs. Having established a benchmarked current distribution of expenditure, new floorspace can be introduced and changes in expenditure distribution across time can be examined, allowing for various retail centre transformations such as planned expansions and new developments.

This comprehensive approach creates a distribution of expenditure that is fundamentally unbiased as it is based on mathematical rules. It is a widely-used approach that has been accepted by the Department of Planning and Western Australian Planning Commission (WAPC) through the review of a wide range of Structure Plans, Local Commercial Strategies and Retail Sustainability Assessments both prior to, and post, the implementation of SPP4.2 in 2010.⁷

For more information on the gravity model methodology, please see Appendix 2.

² Department of Planning, Transport Impact Assessment Guidelines, August 2016

³ City of Rockingham, Local Commercial Strategy, 2013

⁴ City of Gosnells, Activity Centres Planning Strategy, 2012

⁵ City of Greater Geraldton, Commercial Activity Centres Strategy, 2012

⁶ City of Armadale, Local Planning Strategy – Town Planning Scheme No. 4, 2016

⁷ For example, in April 2014 the West Australian Planning Commission approved the Melville City Centre Structure Plan, which proposed the expansion of the Garden City shopping centre. The RSA prepared by Pracsys in support of the application was based on the gravity modelling. Please see Melville City Structure Plan 2015

2 DEVELOPMENT CONTEXT

2.1 Site Location

The site is located within an area of bulky goods and showroom commercial developments in the Joondalup Activity Centre. The area is adjacent to the Edith Cowan University Joondalup Campus and a large pocket of residential development to the south-east. The subject site is enclosed by Joondalup Drive to the east, Sundew Rise to the south, Honeybush Dr to the west and Injune Way to the north, and it is approximately 1.8 kilometres from Edgewater train station. The following map identifies the approximate location of the proposed development (**Figure 1**).

Figure 1. The Subject Site Location



Source: Google Maps 2018, Pracsys 2018

Currently the site contains several homemaker retailers such as Winning Appliances, Pet Stock Joondalup, Baby Bunting and a café. The building proposed for the development is currently vacant.



2.2 Proposed Development

The proposed development will consist of Spudshed and associated back of the house areas for servicing and storage of goods. The development will have a total floorspace of 4,025 m².⁸

Spudshed is a vendor that grows some of its produce and tends to sell it cheaper than other supermarkets. Spudshed will operate on a 24-hour basis. Whilst the amount of convenience retail floorspace may approximate that of a small neighbourhood centre, Spudshed has many distinct characteristics. Its operations are clearly different from that of a typical convenience-based centre:

- As opposed to neighbourhood centres, Spudshed does not have a wide range of convenience goods, its focus is almost exclusively on fresh produce;
- Spudshed products are sourced directly from growers and not via a distribution centre;
- Spudshed requires larger display areas and greater aisle widths;
- Produce is marketed for bulk quantity purchases such as wholesale to restaurants and cafes, reducing dependence on 'basket shoppers';
- The nature of the bulk quantity sales requires vehicular access to the premises for the collection of goods;
- A typical Spudshed catchment is approximately 15 km and much larger than that of a standard neighbourhood centre⁹, indicating that customers are prepared to travel further to shop at the store.

The Spudshed business model shares many similar characteristics with bulky goods retail operators as defined in State Planning Policy and the Model Provisions for local planning schemes¹⁰, such as the requirement of a large areas for handling, display and storage and direct vehicle access to the site. As with bulky goods retailers, Spudshed has a wholesale bulky retail element and a much wider catchment than a regular neighbourhood supermarket.

This unique Spudshed business model guides trade area definition, model calibration and impact analysis.

For the purposes of this analysis it is assumed that the centre will be open in 2019.

2.3 Trade Area Definition

Trade area is the spatial boundary from which a development generates the majority of its customers. The trade area definition allows for measurement of the number of potential customers, their demographics and expenditure potential as well as potential competition.

As per SPP 4.2, the trade area of a typical neighbourhood centre is approximately one km radius from the activity centre. As discussed above, the Spudshed trade area is much wider, reflecting the higher willingness of customers to travel. The Galati Group have estimated that the typical trade area for a Spudshed is around

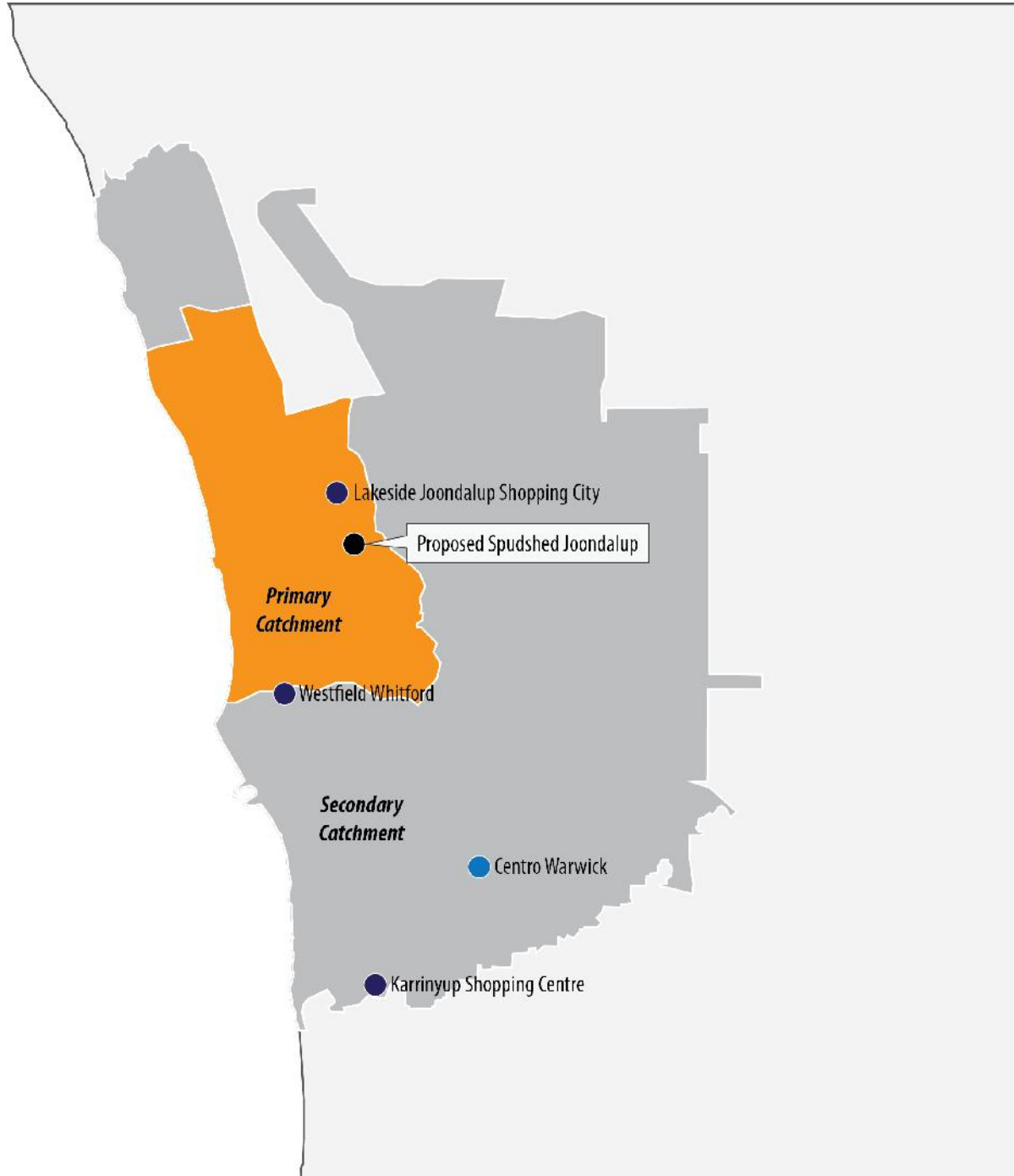
⁸ Meyer Shircore and Associates Architects, Proposed Large Format Retail Redevelopment 11 Injune Way Joondalup

⁹ Galati Group has estimated that at least 25% of the Baldivis Spudshed turnover is made up from bulky sales to restaurants, cafes, schools etc

¹⁰ Planning and Development (Local Planning Schemes) Regulations 2015

15 km, representing up to 20 minutes' drive time. The modelled Spudshed Joondalup trade area is shown in **Figure 2.**

Figure 2. Potential Development Trade Area



Source: Pracsys 2018

The trade area includes suburbs within rapidly expanding areas of Wanneroo and Joondalup. The expected catchment stretches from Quinns Rocks to the north, to Balcatta to the south, all the way to the ocean border to the west and Jandabup to the east.



The primary trade area, from which the majority of the expenditure is drawn, extends up to 10 km to the north-west due a comparatively limited competition to the north. The primary catchment is restricted to 1km to the east by Lake Joondalup and around 4.5km to the west by the ocean. To the south the primary catchment includes the suburbs of Craigie and Woodvale.



3 RETAIL DEMAND

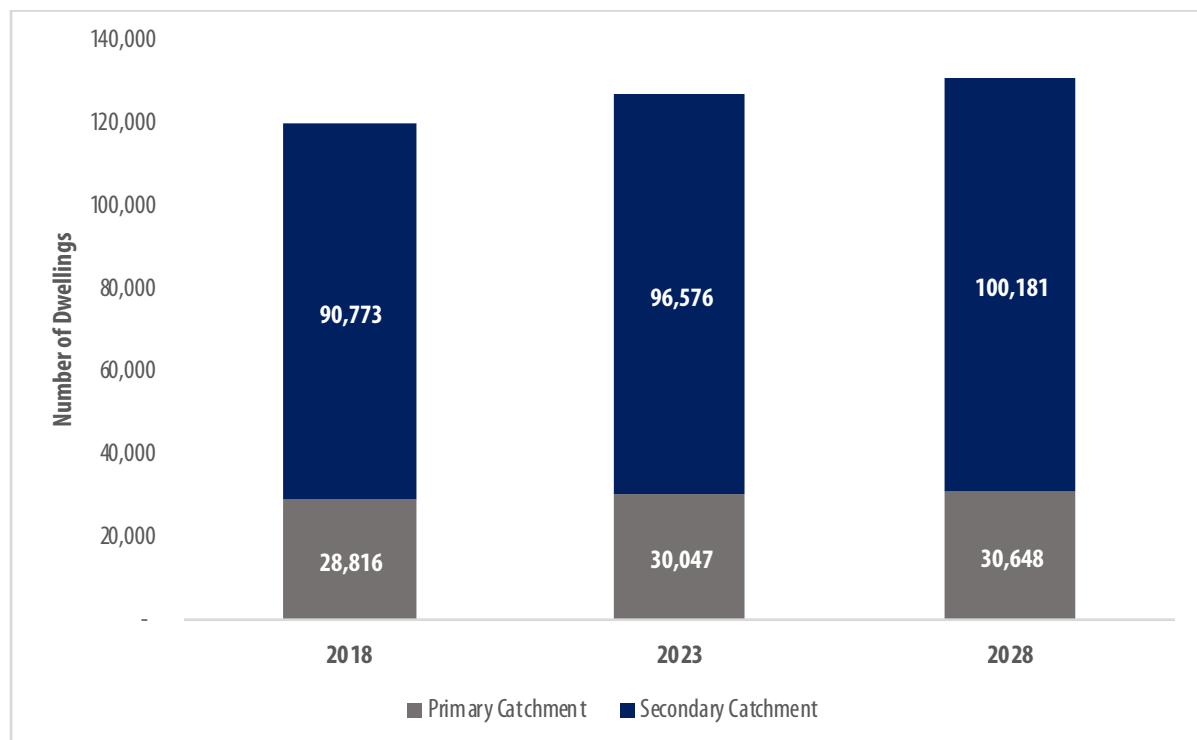
Understanding the local demographics and expected market growth is key in the assessment of the market impact of Spudshed Joondalup. This section provides an overview of the current and future dwellings and the expenditure patterns in the trade area.

3.1 Trade Area Dwellings

The trade area includes some of the fastest growing suburbs in Western Australia. The total trade area is estimated to contain approximately 119,590 dwellings in 2018 (**Figure 3**).¹¹ Based on the dwelling growth forecasts provided by the Department of Planning, the number of dwellings is expected to grow to 130,829 by 2028. This represents an increase of 9%, or 11,239 households. The dwellings are projected to grow at slightly faster rate between 2018 and 2023 with slower growth predicted after 2023. This indicates that a high proportion of suburbs in the catchment will almost be fully developed by 2023.

This strong growth in the number of households and local population will continue to foster and support a competitive and healthy retail network. It will also serve to dilute the potential impact of new expansions and developments and increases the likelihood that they can be sustainably supported by the trade area.

Figure 3. Trade Area Dwelling Growth Forecast



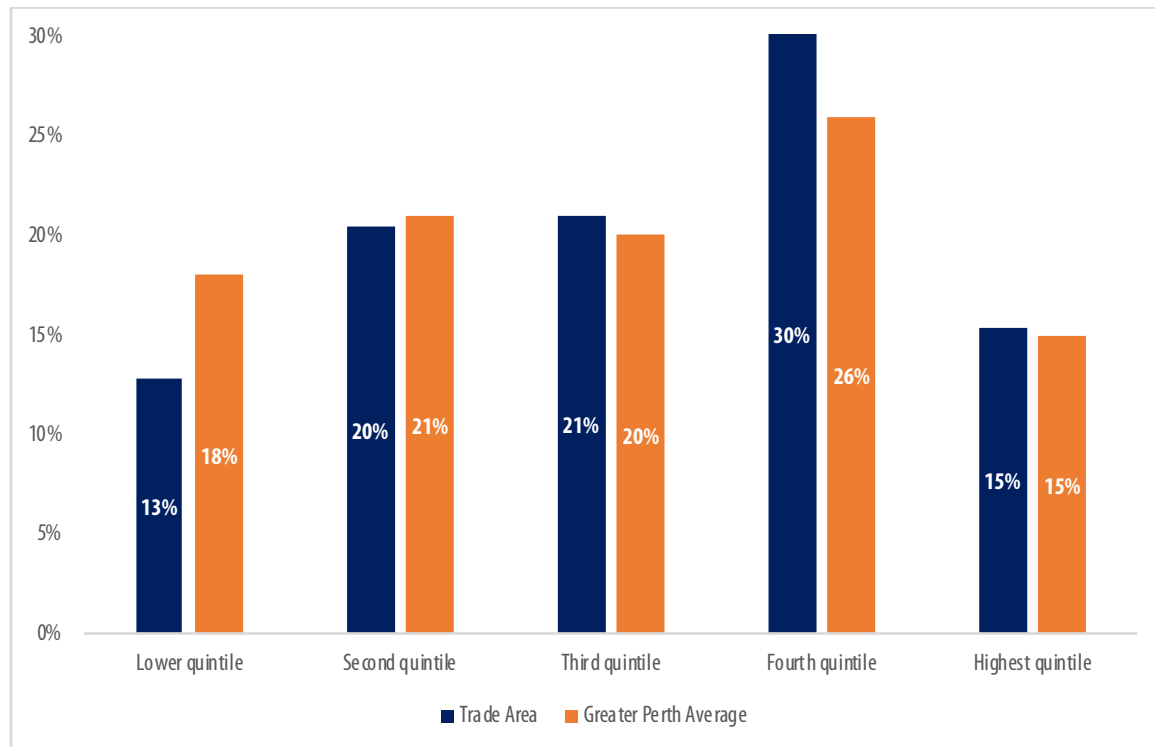
Source: ABS 2016, WA Tomorrow Band C 2015, Pracsys 2018

¹¹ The ABS Census 2016 dwelling count by SA1 areas was used to estimate the 2016 number of dwellings in the catchment. Department of Planning 2015 WA Tomorrow population projections, Band C were used to forecast dwellings.



Income demographics of the catchment play an important role in the success of retail developments. The level of spending on retail goods and services is primarily determined by household income. ABS Census 2016 data provides the estimated distribution of income level per dwelling in the trade area (**Figure 4**).

Figure 4. Trade Area Population Weekly Income Profile



Source: ABS 2016, ABS HHES Survey 2015/2016, Pracsys 2018

Incomes in the trade area are slightly above that of the Greater Perth average with a high number of higher income households in the catchment (45% versus 41%), indicating a slightly above average level of discretionary spend within the catchment.

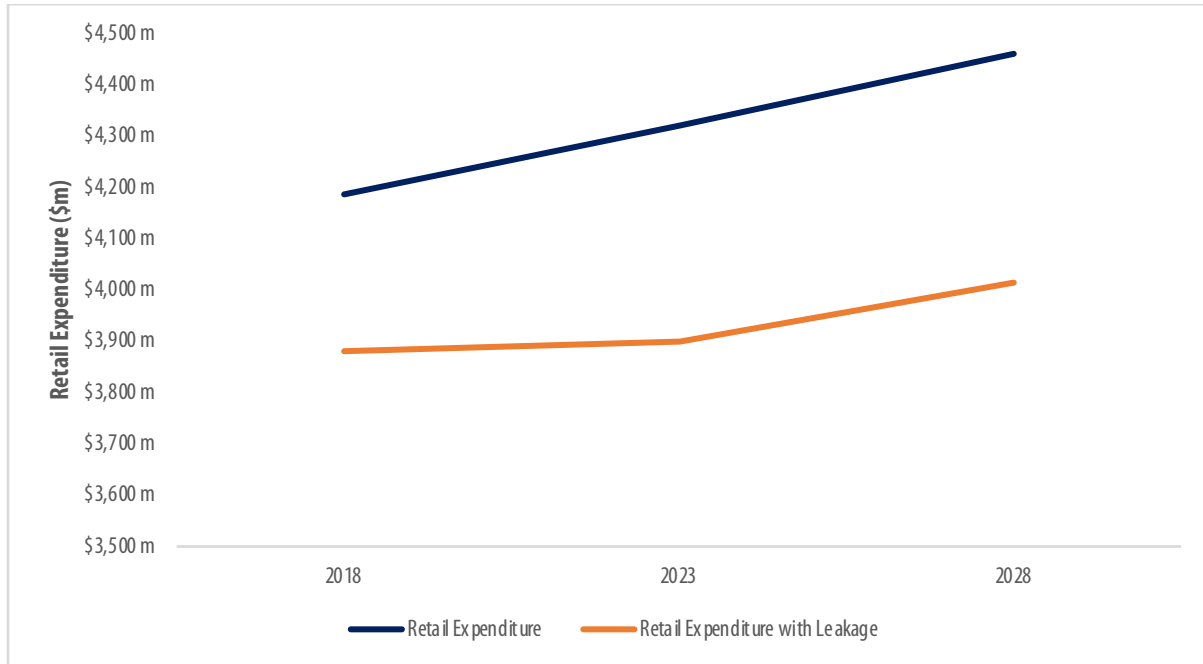
The income profile of the catchment population indicates that the area is likely to support additional retail floorspace through higher expenditure levels. Importantly, the demand for convenience goods is relatively elastic, which means that even a small reduction in price can lead to a noticeable increase in demand. Therefore, a discount grocery store such as the proposed Spudshed is likely to be a welcome addition to the community.



3.2 Retail Expenditure

ABS Household Expenditure Survey 2015/2016 data was used to estimate the average spend per dwelling by income quintile, from which the total expenditure pool of the catchment was derived. The model combines propensity to spend on commodities based on household income quintiles to derive the total retail expenditure in the area.

Figure 5. Catchment Area Retail Expenditure Pool, \$2018



Source: ABS Census 2016, ABS HHES Survey 2015/2016, Pracsys 2018

Given the projected household growth, the estimated retail expenditure increases from \$4,186 million in 2018 to \$4,460 million in 2028, reflecting 7% overall retail expenditure growth. Some of this turnover is projected to be lost to online leakage; however, this is expected to be less prominent in respect to convenience retail than other types of retail.



4 RETAIL SUPPLY

4.1 Current Supply

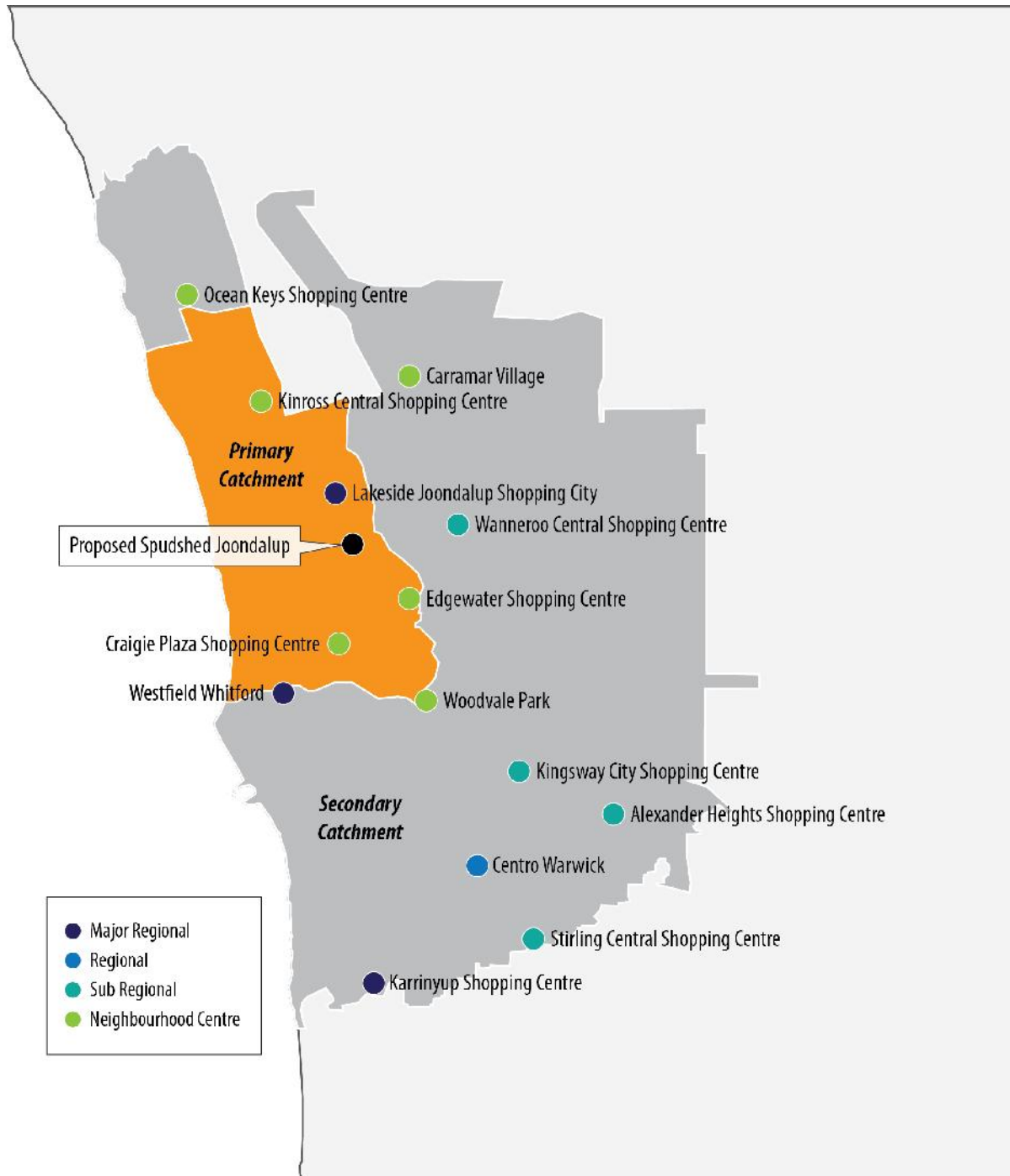
This section provides an overview of the competitive environment facing the proposed Spudshed Joondalup. As Spudshed sells fresh produce, the proposed development is likely to compete with activity centres in close proximity containing a significant convenience element. The majority of activity centres within the catchment offer some form of convenience shopping. As such, the proposed centre is expected to compete with centres ranging from local to strategic metropolitan.

The floorspace for the catchment was estimated through data from multiple sources:

- The Department of Planning Land Use Survey, PLUC 5 SHP category floorspace (2015/17)
- Property Council Shopping Centre Directory (2015)
- Secondary Research (Various Structure Plans, Vicinity Centres website etc)

A total of 78 developments containing retail floorspace within 15 km from Spudshed Joondalup were included in the analysis. Some of the developments are very small and will not directly compete with the proposed development. 47 of the developments contain some form of supermarket / convenience offering and may compete for the same expenditure.

Some of the competitors for the proposed centre are shown in **Figure 6**.

Figure 6. Selected Trade Area Retail Supply


Source: Shopping Centre Directory 2015, Land Use and Employment Survey 2015/17

The trade area includes a wide range of retail offerings from major regional centres to local centres. Overall there are three major regional centres within the trade area – Lakeside Joondalup Shopping Centre, Karrinyup Shopping Centre and Westfield Whitford City, each serving large population catchments, supplemented by a range of regional and sub-regional centres such as Warwick Grove, Kingsway City, Stirling Central and



Wanneroo Central. The majority of centres within the catchment are neighbourhood and local centres, providing for daily and weekly household shopping needs.

Smaller activity centres located near the proposed development and with a higher proportion of convenience-based retailing are likely to be more impacted than larger centres. Large centres are much more attractive to potential customers than small ones as they can cater for multi-purpose visits.

The total retail offering in the catchment is approximately 590,667 m² of retail floorspace (**Figure 7**). Almost 41% of this retail floorspace is attributed to three major regional centres in the area.

Figure 7. Floorspace Supply, 2018

Centre	Retail Floorspace (m2)	Supermarket
On the map		
Lakeside Joondalup Shopping City	98,575	Coles, Woolworths, ALDI, SUPA IGA
Karrinyup Shopping Centre	57,244	Woolworths
Westfield Whitford City	85,383	Coles, Woolworths
Warwick Grove	31,922	Coles, Woolworths
Alexander Heights Shopping Centre	12,281	Coles, Woolworths
Kingsway City Shopping Centre	24,141	Woolworths
Stirling Central Shopping Centre	8,533	Woolworths
Wanneroo Central Shopping Centre	21,103	Coles, ALDI
Carramar Village	5,069	Woolworths
Craigie Plaza Shopping Centre	2,665	IGA
Edgewater Shopping Centre	1,411	IGA
Kinross Central Shopping Centre	4,975	SUPA IGA
Ocean Keys Shopping Centre	40,695	Coles, Woolworths
Woodvale Boulevard	5,959	Woolworths
Wanneroo Industrial	30,721	Spudshed, Pinoy Asian Groceries
Total on the map	430,677	73% of total floorspace
Others with Supermarket		
Balga Plaza	2,650	IGA
Beaumaris City Shopping Centre	2,941	IGA
Beldon Shopping Centre	3,797	Woolworths
Candlewood Village	1,838	IGA
Carine Glades Shopping Centre	3,049	IGA
Coolibah Plaza	1,050	Farmer Jacks
Currambine Marketplace	18,186	Farmer Jacks, Woolworths
Duncraig Shopping Centre	3,349	IGA
Glengarry Shopping Centre	2,313	Coles Express, IGA
Greenwood Village	5,155	Coles
Gwelup Plaza Shopping Centre	4,724	Farmer Jacks



Centre	Retail Floorspace (m2)	Supermarket
Heathridge Village Shopping Centre	2,477	IGA
Kingsley Village	3,269	IGA
Koondoola Plaza	2,087	IGA, Smart Supermarket
Landsdale Forum	3,401	Farmer Jacks
Marmion Village Shopping Centre	1,530	IGA
Mullaloo Plaza Shopping Centre	2,304	IGA
Newpark Shopping Centre	9,689	Coles Express, IGA, Asian Grocer
North Beach Shopping Centre	3,043	Farmer Jacks
Quinns Village Shopping Centre	2,292	IGA
Summerfield Shopping Centre	4,572	NP Supermarket
Balljura	2,479	IGA
Banksia Grove Village	17,580	Coles, ALDI, Woolworths
Burns Beach Road	3,855	Drovers Market Place
Calabrese Avenue	1,790	Coles Express
Gwendoline Drive	2,752	Coles
Hillarys	3,109	Coles
Lake Neerabup	430	Neerabup Fresh Fruit & Veg
Lukin Drive	2,550	Farmer Jacks
Merriwa Plaza	2,784	SUPA IGA
Padbury	1,214	IGA
Pearsall	1,590	IGA
Total Others with Supermarket	123,849	21% of total floorspace
Total Others without Supermarket	36,141	6% of total floorspace
Total Floorspace	590,667	100%

Source: Land Use and Employment Survey 2015/17, Shopping Centre Directory 2015, Secondary Research

4.2 Expansions and Planned Developments

There has been an increase in the number of expansions planned as the State government has relaxed its restrictions on floorspace. As a result, the Spudshed Joondalup trade area has a number of expansions that have been considered in this analysis:

- Karrinyup Shopping Centre is set to more than double in size to 113,000 m², with 90,717 m² being PLUC 5 SHP category floorspace.¹² The revitalised shopping centre is due to be completed by early 2020. The expansion will include indoor and alfresco dining, a large piazza, residential apartments, extra supermarkets and fresh food district, international retailers, cinema and communal spaces with a play area and green spaces.

¹² Karrinyup Shopping Centre Works Set to Begin. As seen at: <https://constructive.net.au/latest-news/karrinyup-shopping-centre-works-set-begin/>



- Stirling Central was revitalised in 2017 with a new look Woolworths supermarket, new BWS and improved speciality shops.¹³ The redevelopment has resulted in 159 m² reduction in floorspace.¹⁴
- An \$80 million redevelopment of Westfield Whitford City was completed in September 2017 with the opening of a new dining, lifestyle and entertainment precinct.¹⁵
- Banksia Grove Village went through a second stage of its development earlier this year.¹⁶ The expansion has increased the total retail floorspace to 17,580 m².¹⁷

The expansion and redevelopments that happened in 2018 or earlier have been included in the **Figure 7. Floorspace Supply, 2018**. Karrinyup Shopping Centre expansion will see the total retail floorspace in the trade area increase by 33,473 m² or 6% by 2022.

Recent and future expansions in the trade area indicate a healthy environment that is able to sustain additional retail offering. Significant population growth will result in additional retail expenditure, further supporting these future expansions (**Section 3 Retail Expenditure**).

¹³ <https://www.stirlingcentral.com.au/your-centre-is-changing/>

¹⁴ Department of Planning, 2016. As seen at: [https://www.planning.wa.gov.au/daps/data/metropolitan%20daps/metro%20north-west%20jdap/meeting%20agendas%20and%20papers/\[s\]f3f660f1/20160620%20-%20Agenda%20-%20No%20133%20-%20City%20of%20Stirling000061-000080.pdf](https://www.planning.wa.gov.au/daps/data/metropolitan%20daps/metro%20north-west%20jdap/meeting%20agendas%20and%20papers/[s]f3f660f1/20160620%20-%20Agenda%20-%20No%20133%20-%20City%20of%20Stirling000061-000080.pdf)

¹⁵ As seen at: <https://www.scentregroup.com/our-portfolio/Centres/westfield-whitford-city>

¹⁶ As seen at: <https://www.pfeng.com.au/gallery/civil-engineering/retail-1/banksia-grove-village--1/>

¹⁷ As seen at: <https://www.wanneroo.wa.gov.au/consultations/downloads/5ab9bc9eac3d2.pdf>



5 IMPACT OF THE POTENTIAL DEVELOPMENT

Gravity modelling has been used to determine the impact on centres throughout the network. The modelling allows the user to estimate the level of impact through a probability function based on the attractiveness of a centre and its distance from households. For example, if a new shopping centre opens, it is possible to estimate the redistribution of household spending that would occur from such an addition. The model accounts for population growth in the network to estimate current and future levels of turnover at the centres in question. An analysis of likely impacts of the Spudshed Joondalup indicates that sufficient local market demand exists to support the development without significantly affecting the role and function of other centres.

5.1 Key Assumptions

The key assumptions used in assessing the retail impacts of the Spudshed Joondalup are as follows:

- The centre is assumed to be operational in 2019. The impact assessment and the forecast are therefore provided for 2019;
- The centre will be developed as per the plan discussed in **Section 2.2 Proposed Development**, including an allocation of 4,025 m² of retail floorspace;
- The proposed development will operate as a typical Spudshed with a proportion of turnover drawn from wholesale / bulky sales to restaurants and cafes;
- Only the proportion of turnover that will be drawn from 'basket' customers coming from trade area will be included in the impact analysis;
- Population and spending growth as detailed in **Section 3.2 Retail Expenditure**;
- The competitive environment is assumed to be as stated in **Section 4 Retail Supply**.

5.2 Model Calibration

The gravity model estimates of centre turnovers were calibrated against known turnover data. Once a model has been calibrated using known inputs for a base year to match known data from the real world, the model can be reliably used to forecast retail demand. Key centres used to calibrate the model are listed below with their respective turnover levels and sources:

Figure 8. Selected Centres Turnover

Centre	Turnover (\$million)	Productivity (\$/m ²)	Source
Lakeside Joondalup Shopping City	703.6	7,138	Lendlease website ¹⁸
Karrinyup Shopping Centre	373.9	6,532	AMP Capital website ¹⁹
Westfield Whitford City	447.7	5,243	Scentre Group website ²⁰

¹⁸ <https://www.lendlease.com/au/retail/retail-shopping-centres/lakeside-joondalup/>

¹⁹ <https://www.ampcapital.com/au/en/assets/shopping-centres/karrinyup>

²⁰ <https://www.scentregroup.com/our-portfolio/Centres/westfield-whitford-city>



Centre	Turnover (\$million)	Productivity (\$/m ²)	Source
Warwick Grove	208.3	6,525	Vicinity Centre website ²¹
Ocean Keys Shopping Centre	281	6,905	AMP Capital website ²²
Kingsway City Shopping Centre	130	5,385	Shopping Centre Directory 2015
Stirling Central Shopping Centre	89	10,430	Vicinity Centre website ²³
Greenwood Village	33	6,402	Shopping Centre Directory 2015

Source: Various Sources 2015 – 2018

Where published data was not available, a scan for outliers (centres where the gravity model may have distributed too much or too little expenditure) was undertaken. Average turnover productivity levels were applied in these cases based on benchmarked centre averages. These turnover averages also vary depending on the type of centre in the overall hierarchy.

5.3 Market Capture

Turnover estimates for Spudshed Joondalup have been derived using the gravity model and the actual turnover and productivity levels at Spudshed Baldivis. Galati Group has estimated that the recently opened store of similar layout in Baldivis is a good example of what can be achieved in Joondalup.

The overall turnover of Spudshed Baldivis in the last financial year was in order of \$39.3 million.²⁴ Galati Group have estimated that at least 25% of the turnover is made up from the wholesale and bulk sales to restaurants, cafes, schools etc, leaving around \$29.5 million to household sales. Therefore, the floorspace productivity from households within the trade area of Spudshed Baldivis is in order of 5,363 \$/m².

Based on the retail modelling and the benchmark productivity the proposed development is expected to turnover a maximum of \$21.6 million in the first year with a floorspace productivity of 5,363 \$/m².

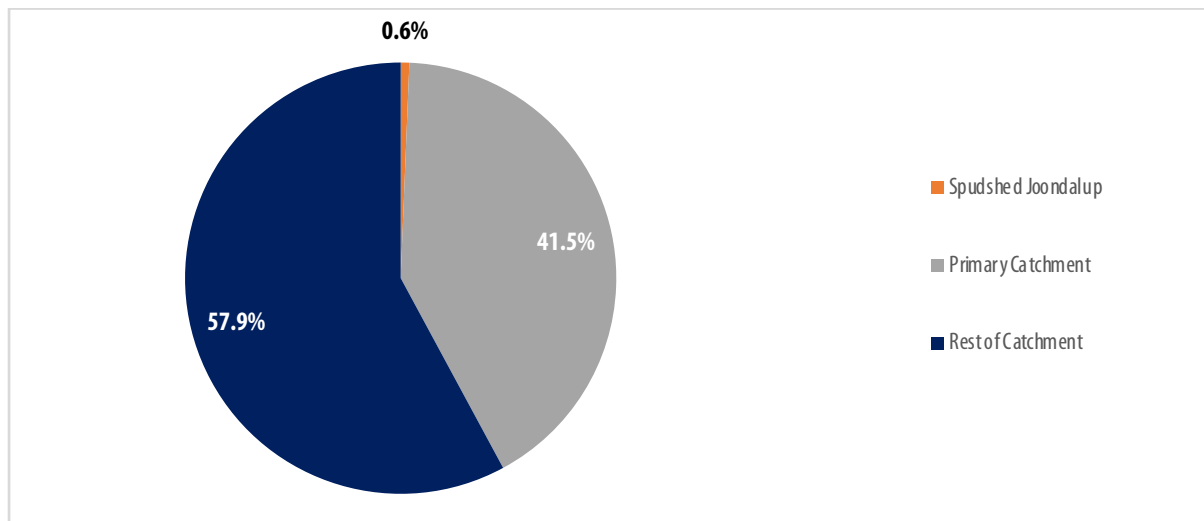
The turnover estimate represents an approximate upper bound for the development based on the characteristics given. It enables a conservative impact assessment (i.e. a higher impact than is expected). Given the scale of the catchment, turnover relative to the catchment's total shop retail expenditure is insignificant (**Figure 9**).

²¹ <https://www.vicinity.com.au/media/685636/170816-fy17-direct-portfolio.pdf>

²² <https://www.ampcapital.com/au/en/assets/shopping-centres/ocean-keys-shopping-centre>

²³ <https://www.vicinity.com.au/media/685636/170816-fy17-direct-portfolio.pdf>

²⁴ Total floorspace including the back of the house is 5,499 m²

**Figure 9. Market Capture 2019**

Source: Pracsys 2018

5.4 Gravity Modelling Impacts

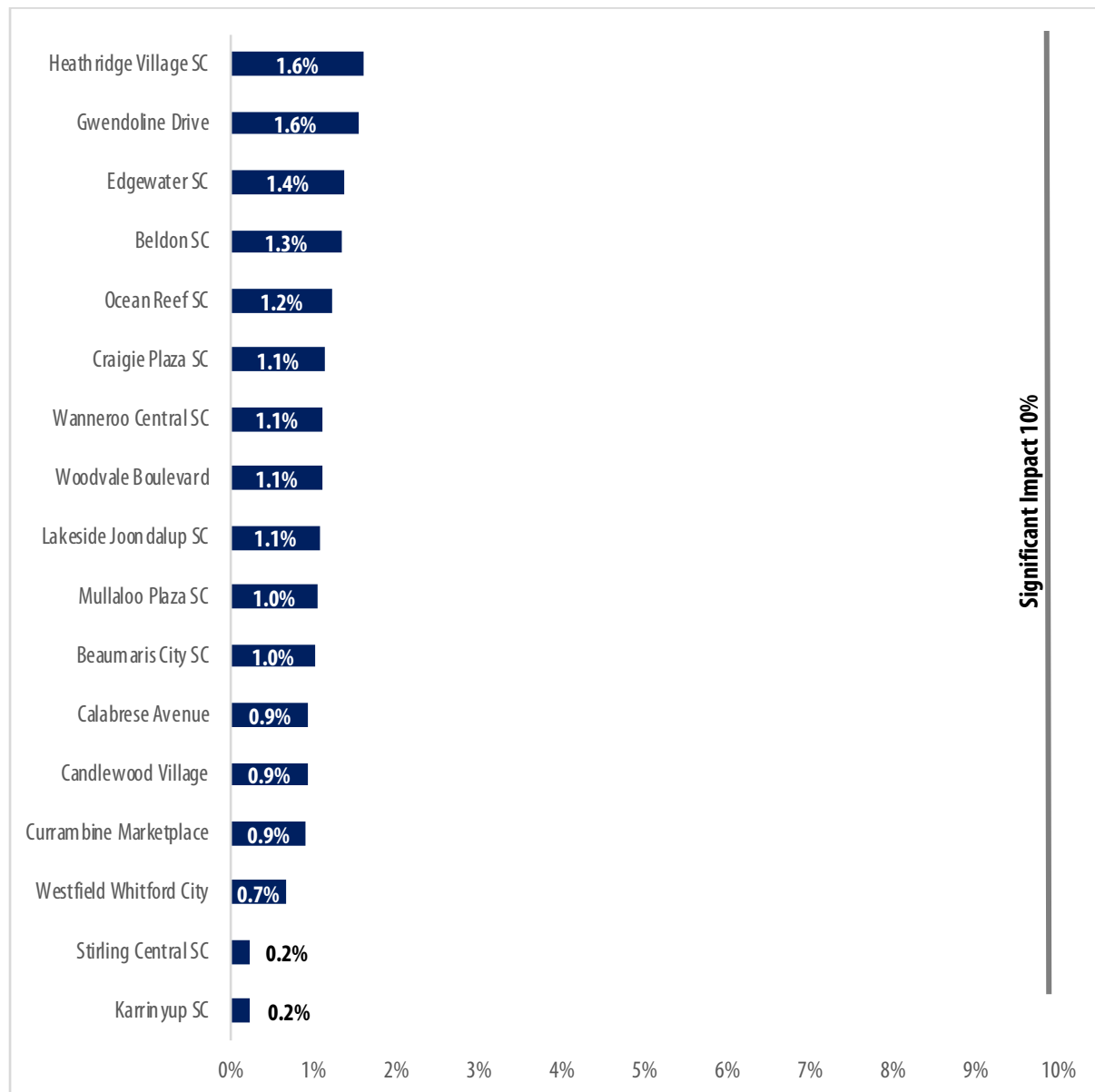
Turnover impact represents the reduction in a centres turnover resulting from new competition. Two scenarios are modelled, one with the proposed development and one without. The two levels of turnover across relevant centres are then compared to estimate the impact the proposed development is expected to have. The impact on individual centres will depend on many factors, including current performance levels, the degree of dependence of one store on another and the competitive response. The impact assessment is therefore representative and an indication of likely turnover declines.

The sustainability of a centre is typically considered significantly impacted when its turnover is reduced by more than 10%.²⁵ **Figure 10** displays the results of the retail sustainability assessment for Spudshed Joondalup using a gravity model approach (please note the full list containing all centre impacts is in Appendix 1). The results reveal the difference in retail floorspace productivity owing to the development of Spudshed Joondalup.

²⁵ This rule of thumb is often used by WAPC and SAT



Figure 10. Selected Centres - Turnover Impact 2019



Source: Pracsys 2018

All initial impacts are estimated to be well below the 10% level, owing to both the small scale of the development and the wide pull of the proposed development. Small convenience-based centres in close proximity to the potential development such as Heathridge Village, Gwendoline Drive, Edgewater are expected to be affected the most, experiencing impacts between 1.4% and 1.6%. However, even these centres will experience a relatively low impact, which will be quickly offset by the population growth within a few years.

Higher order centres with a high proportion of comparative and fashion-based offerings, experience the smallest impacts, ranging from 0.2% to 1.1%. Importantly, none of the impacts approach the significant impact level of 10%.



The estimated reduction in turnover of the selected centres does not significantly affect their floorspace productivity. All centres have sustainable floorspace productivity levels after the development takes place. As such, the impact from this development is expected to have no effect on the viability of any nearby centres and as such it will not affect the sustainability of the centre hierarchy.

It is important to note that as the catchment is in a fast growing area with high population growth forecast by the Department of Planning, any initial impact will be quickly absorbed by future growth. This strong growth not only limits and absorbs any impact but necessitates new retail developments to provide satisfactory levels of retail offering for current and future populations and to reduce the likelihood that there will be leakage from the area. Recently completed and planned expansions within the area confirm the hypothesis of a healthy retail environment in the trade area.

5.5 Competitive Response

Whether actual impacts on retail centres is similar to estimated impacts largely depends on the competitive response. The competitive response is usually targeted at improving the foot traffic and therefore turnover of a centre and can be affected at a centre level or an individual tenant level. At the centre level, the response can include but is not limited to: centre refurbishment and redevelopment, tenancy re-mixing and marketing events. At the tenant level, the response may involve store refurbishment, improving the level of customer service, improving in-store management, advertising and pricing. How competitors respond will naturally affect the level of impact that is experienced as a result of the proposed development. All these factors have a potential to significantly reduce the impact of the Spudshed Joondalup.



6 IMPACT ON COMMUNITY

6.1 Economic Benefits

Potential annual employment benefits resulting from the ongoing operation of the new Spudshed at 11 Injune Way have been estimated. The number of direct jobs for the proposed development was estimated by Galati Group. Overall it is expected that Spudshed Joondalup will create 120 direct retail jobs (full-time, part-time and casual), equivalent to 80 FTE (full-time equivalent). This is consistent with staffing requirements for shop land uses, based on metropolitan averages derived from the Land Use and Employment Survey.

ABS Input - Output tables were used at an Industry Input-Output Industry Group level to estimate the total indirect employment. The direct jobs are expected to induce a further 146 FTE indirect jobs in the broader economy.

Overall, the total employment impact from the operation of Spudshed Joondalup is expected to be in the order of 226 FTE jobs.

There will be an estimated \$6 million per annum in direct Gross Value Added (GVA) contribution to the economy generated from the Spudshed Joondalup operation. ABS Input - Output tables were used to estimate the GVA arising from retail activity. The number of direct jobs is multiplied by the GVA per employee in retail industry to estimate the total direct GVA.

6.2 Community Benefits

Development of the Spudshed in Joondalup will not only benefit the Joondalup residents, but also the population in the surrounding areas, such as Carramar, Currambine, Clarkson, Heathridge etc by creating a greater access to retail goods and reducing the travel time for the population to the north of the City to access these goods. Spudshed will offer variety, different shopping options and encourage healthy competition, all of which benefits the customers. This creates balance and equity of access as larger numbers of people are able to access the goods and services they desire in a timelier fashion.

These benefits indicate that the proposed Spudshed is likely to be a welcome addition from a community benefit perspective reducing travel time, providing variety, encouraging healthy competition and creating a case for equity of access.



7 CONCLUSION

This report assesses the proposed Spudshed Joondalup, its trade area and competition to estimate the potential impacts of the development on the retail network.

Modelling has shown that the estimated impacts are well below the 10% threshold and the sustainability of the centre hierarchy will be preserved. A number of factors contribute to this finding, including:

- Relatively small development, particularly in the context of other recent and planned expansions
- Strong population growth projections
- A profitable competitive environment
- Wide catchment of up to 15 km

Overall the development is expected to be a positive contribution to the retail network as it will create significant net economic and community benefit. It is expected that approximately 80 FTE operational positions will be created following the Spudshed Joondalup development, that will contribute around \$6 million per annum in GVA to the economy. Local communities will also benefit through reduced travel times, increased variety and healthy competition that will not undermine the activity centre hierarchy. This benefits all households and allows a larger share of income to be directed to other activities.

Given the above, it is suggested that the retail development be recommended for approval.



8 APPENDIX 1: CENTRE IMPACT

The table below summarises the impact of the potential Spudshed development on the viability of all centres containing convenience offering within the trade area.

CENTRE	SUPERMARKET	IMPACT 2019 (%)
Heathridge Village SC	IGA	-1.6%
Gwendoline Drive	Coles	-1.6%
Edgewater SC	IGA	-1.4%
Beldon SC	Woolworths	-1.3%
Wanneroo Central SC	Coles, ALDI	-1.1%
Woodvale Boulevard	Woolworths	-1.1%
Craigie Plaza SC	IGA	-1.1%
Lakeside Joondalup SC	Coles, Woolworths, ALDI, sisters SUPA IGA	-1.1%
Mullaloo Plaza SC	IGA	-1.0%
Beaumaris City SC	IGA	-1.0%
Candlewood Village	IGA	-0.9%
Calabrese Avenue	Coles Express	-0.9%
Currabine Marketplace	Farmer Jacks, Woolworths	-0.9%
Pearsall	IGA	-0.8%
Burns Beach Road	Drovers Market Place	-0.8%
Carramar Village	Woolworths	-0.7%
Kinross Central SC	SUPA IGA	-0.7%
Westfield Whitford City	Coles, Woolworths	-0.7%
Banksia Grove Village	Coles, ALDI, Woolworths	-0.6%
Kingsley Village	IGA	-0.5%
Wanneroo Industrial	Spudshed, Pinoy Asian Groceries	-0.5%
Padbury	IGA	-0.5%
Hillarys	Coles	-0.5%
Lake Neerabup	Neerabup Fresh Fruit & Veg	-0.4%
Coolibah Plaza	Farmer Jacks	-0.4%
Ocean Keys SC	Coles, Woolworths	-0.4%
Duncraig SC	IGA	-0.4%
Kingsway City SC	Woolworths	-0.3%
Landsdale Forum	Farmer Jacks	-0.3%
Glengarry SC	Coles Express, IGA	-0.3%
Lukin Drive	Farmer Jacks	-0.3%
Marmion Village SC	IGA	-0.3%
Greenwood Village	Coles	-0.3%
Merriwa Plaza	SUPA IGA	-0.3%
Quinns Village SC	IGA	-0.3%



CENTRE	SUPERMARKET	IMPACT 2019 (%)
Balljura	IGA	-0.3%
Carine Glades SC	IGA	-0.3%
North Beach SC	Farmer Jacks	-0.3%
Warwick Grove	Coles, Woolworths	-0.3%
Newpark SC	Coles Express, IGA, Asian Grocer	-0.3%
Alexander Heights SC	Coles, Woolworths	-0.3%
Koondoola Plaza	IGA, Smart Supermarket	-0.2%
Stirling Central SC	Woolworths	-0.2%
Summerfield SC	NP Supermarket	-0.2%
Karrinyup SC	Woolworths	-0.2%
Balga Plaza	IGA	-0.2%
Gwelup Plaza SC	Farmers Jacks	-0.2%

9 APPENDIX 2: GRAVITY MODELLING METHODOLOGY

Gravity models allow for the measurement of spatial interaction as a function of distance to determine the probability of a given customer shopping at a centre and provide an approximation of trade area and sales potential for a development. This modelling technique uses the distance between a household and each centre, and a measure of 'attractiveness' to define the probability model. The 'attractiveness' of a centre has been defined by total floorspace and the distance has been calculated by measuring straight-line distances between each centre and population. The gravity model probability formula is shown in **Figure 11**.

Figure 11. Gravity model probability formula

$$P_{ij} = \frac{\frac{A_{jk}^a}{D_{ij}^\beta}}{\sum_{j=1}^m \frac{A_{jk}^a}{D_{ij}^\beta}}$$

P_{ij} = Probability of customer living/working in statistical area i shopping at complex j.
 A_i = Area of floorspace in centre, j in square metres, according to the type of supply, k.
 D_{ij} = Distance between statistical area of households, i and complex j.
 a = Area exponent
 β = Distance exponent
 k = Type of supply or expenditure, either Convenience or Comparison
 i = Statistical area ($i=1, \dots, n$)
 j = Complexes ($j=1, \dots, m$)

Source: Carter, C (1993) 'Assumptions Underlying the Retail Gravity Model', *Appraisal Journal*, Vol 61, No 4, pp510; Pracsys (2014)

Figure 12. Gravity model demand formula

$$D_{kj} = \sum_{i=1}^n (P_{ij} * E_i)$$

D_{kj} = Demand for retail category k, at centre j.
 E_i = Expenditure pool of statistical area i.

Source: Carter, C (1993) 'Assumptions Underlying the Retail Gravity Model', *Appraisal Journal*, Vol 61, No 4, pp510; Pracsys (2012)

Figure 12 shows that the demand for retail category k²⁶, at centre j, is equal to the sum of the probabilities of customers living in statistical areas i to n, multiplied by the expenditure pool of statistical area i. In other words, the demand for retail is a function of the probability of customer from particular statistical area attending the centre multiplied by the expenditure pool of that statistical area. The expenditure pool is derived through the population multiplied by its income distribution.

In its core form gravity modelling provides a clearer, reproducible outcome that can be easily assessed. However, it does not consider local factors, including:

- The comparative value proposition of centres (e.g. the presence of an 'anchor' attractor that draws significant market share);
- The brand preference of users; or
- The efficiency of transport networks, as well as geographical barriers (e.g. in some cases it may be easier for customers to access a centre that lies physically further away).

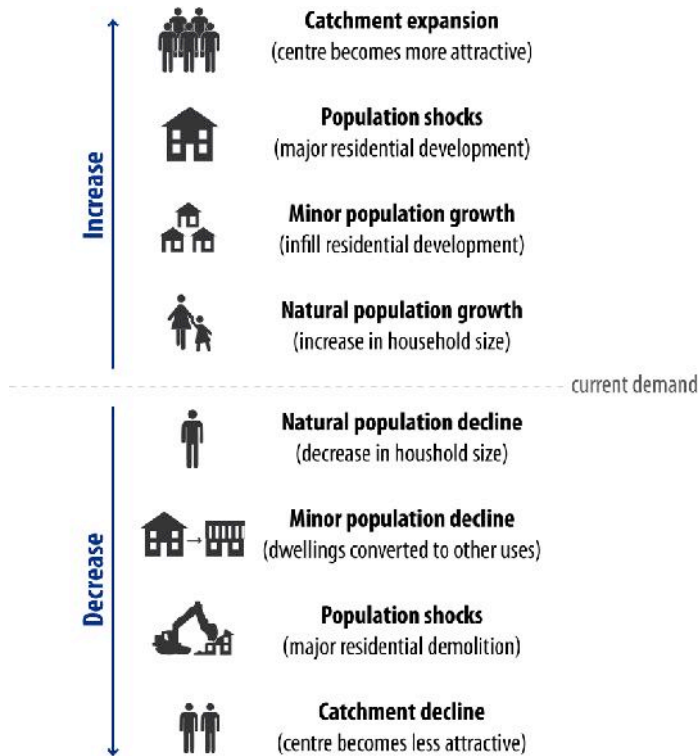
Drivers of retail floorspace supply and demand

Demand changes can result in increased or decreased expenditure. The potential causes of demand changes are shown in **Figure 13**. These largely show that an increasing population increases demand, and vice versa. There are significant amounts of commercial floorspace, especially office floorspace, flagged for the central sub-region of Perth and beyond. There will also be significant numbers of new dwellings provided across Perth. This increase in residents has the potential to boost demand for goods and services in the area.

Demand can also increase from rising incomes, or wealth, because people have more disposable income to spend on retail. Demand can also be increased by reducing leakage. Leakage for retail is largely caused by online retail, as well as travelling.

²⁶ Retail categories are determined by their PLUC code and whether they are convenience or comparison goods. Convenience goods are day-to-day items such as groceries, pharmaceuticals and fast food. Comparison goods are items where consumers are willing to travel further distances, and are bought less frequently such as clothing, furniture, electronics, or other household items.

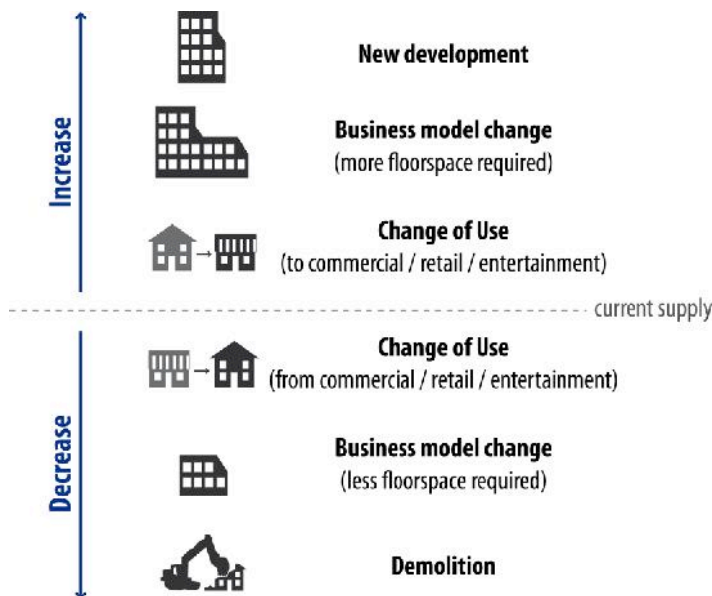
Figure 13. Drivers of retail floorspace demand



Source: Pracsys 2014

Supply changes can result in increased or decreased retail floorspace. The potential causes of supply changes are shown in Figure 14.

Figure 14. Drivers of retail floorspace supply



Source: Pracsys 2014



Proposed Commercial Conversion
Lot 806 (11) Injune Way,
Joondalup
Transport Impact Statement

PREPARED FOR:
Aurum Holdings Pty Ltd

November 2016

Document history and status

Author	Revision	Approved by	Date approved	Revision type
Paul Ghantous	r01	R White	25/11/16	
Paul Ghantous	r01a	P Ghantous	30/11/16	Final

File name: t16301pgr01a.docx
Author: Paul Ghantous
Project manager: Behnam Bordbar
Client: Aurrum Holdings Pty Ltd
Project: Masters Joondalup Redevelopment
Document revision: r01a
Project number: t16.301

Copyright in all drawings, reports, specifications, calculations and other documents provided by the Consultant in connection with the Project shall remain the property of the Consultant.

The Client alone shall have a license to use the documents referred to above for the purpose of completing the Project, but the Client shall not use, or make copies of, such documents in connection with any work not included in the Project, unless written approval is obtained from the Consultant or otherwise agreed through a separate contract.

TABLE OF CONTENTS

1.0	INTRODUCTION	1
2.0	PROPOSED DEVELOPMENT	3
3.0	VEHICLE ACCESS AND PARKING	4
3.1	ACCESS	4
3.2	PARKING	5
4.0	PROVISION FOR SERVICE VEHICLES	6
5.0	HOURS OF OPERATION	7
6.0	DAILY TRAFFIC VOLUMES AND VEHICLE TYPES	8
6.1	TRIP GENERATION AND DISTRIBUTION	8
6.1.1	<i>PREVIOUS USE (MASTERS) TRAFFIC GENERATION</i>	8
6.1.2	<i>PROPOSED CONVERSION TRAFFIC GENERATION</i>	9
6.2	IMPACT ON SURROUNDING ROADS	10
7.0	TRAFFIC MANAGEMENT ON THE FRONTAGE STREETS	11
8.0	PUBLIC TRANSPORT ACCESS	12
9.0	PEDESTRIAN ACCESS	13
10.0	CYCLE ACCESS	14
11.0	SITE SPECIFIC ISSUES	15
12.0	SAFETY ISSUES	16
13.0	CONCLUSIONS	17

APPENDIX A – PROPOSED DEVELOPMENT SITE PLANS

REPORT FIGURES

Figure 1: Location of the subject site and Masters tenancy	2
Figure 2: Subject site	2
Figure 3: Existing access arrangements	4
Figure 4: Public transport services (Transperth Bus Timetable 66)	12
Figure 5: Extract from Perth Bicycle Network (Department of Transport)	14

1.0 Introduction

This Transport Impact Statement has been prepared by Transcore on behalf of Aurrum Holdings Pty Ltd with regard to the proposed commercial conversion of the Masters Joondalup site, located at Lot 806 (11) Injune Way, Joondalup, in the City of Joondalup (refer to Figure 1).

The Transport Impact Assessment Guidelines (WAPC, Vol 4 – Individual Developments, August 2016) states: “A *Transport Impact Statement is required for those developments that would be likely to generate moderate volumes of traffic¹ and therefore would have a moderate overall impact on the surrounding land uses and transport networks*”.

Section 6.0 of Transcore’s report provides details of the estimated net change in trip generation as a result of the proposed conversion. Accordingly, as the net change in peak hour vehicular trips is estimated to be less than 100 trips, a Transport Impact Statement is deemed appropriate for the proposed conversion.

The subject site is located at the western corner of the signalised intersection of Joondalup Drive / Lakeside Drive / Sundew Rise.

As shown in Figure 1, the subject site is bound by Injune Way to the north, Honeybush Drive to the west, Joondalup Drive to the east and Sundew Rise to the south. The site is surrounded by a mix of land uses including retail, residential and showroom. Edith Cowan University is located on the opposite side of Joondalup Drive in the vicinity of the site.

The site currently accommodates several commercial showroom buildings and the subject tenancy building. The subject tenancy is occupied by Masters with a total floor area of approximately 13,600m² GFA for the trade, hardware and garden centres and receiving area. It is proposed to redevelop the existing Masters tenancy into nine tenancies occupied by large format retail uses and a café.

Accordingly, the key issues that will be addressed in this report include the additional traffic generation and distribution of the proposed conversion, access and egress movement pattern and assessment of service vehicle access.

¹ *Between 10 and 100 vehicular trips*



Figure 1: Location of the subject site and Masters tenancy



Figure 2: Subject site²

² Source: *Google Street view Image*

2.0 Proposed Development

The proposal for the subject site is for the conversion of the existing Masters building into a commercial development comprising:

- ✚ Eight 'large format' retail / showroom tenancies (11,643m² total GFA);
- ✚ One café tenancy (163m² GFA); and,
- ✚ Internal mall walking area (1,294m²), with approximately 80m² in retail 'pop-up' space.

There are currently around 551 car parking bays provided on-site which are shared between the existing land uses.

Vehicular access to the car park is currently provided via a left-in/right-in/left-out crossover on Sundew Rise and via a full movement crossover on Injune Way. The rear service area is accessed via a single wide crossover on Honeybush Drive at the rear of the site.

No changes to the existing car parking, road access and service vehicle arrangements are proposed as part of the conversion.

Waste collection, delivery and other service vehicle activity will be accommodated within the site in the existing service area at the rear of the site.

Pedestrians will continue to access the development from the external footpath network abutting the site, and the existing internal car park walkways.

Detailed development plans are included for reference in Appendix A.

3.0 Vehicle Access and Parking

3.1 Access

As detailed in Figure 3, vehicular access to the car park is currently provided via a left-in/right-in/left-out crossover on Sundew Rise and via a full movement crossover on Injune Way.

Access to Joondalup Drive is available via a left-in/left-out intersection with Injune Way and the signalised intersection of Joondalup Drive / Sundew Rise / Lakeside Drive.

No changes to the existing parking and access arrangements are proposed.

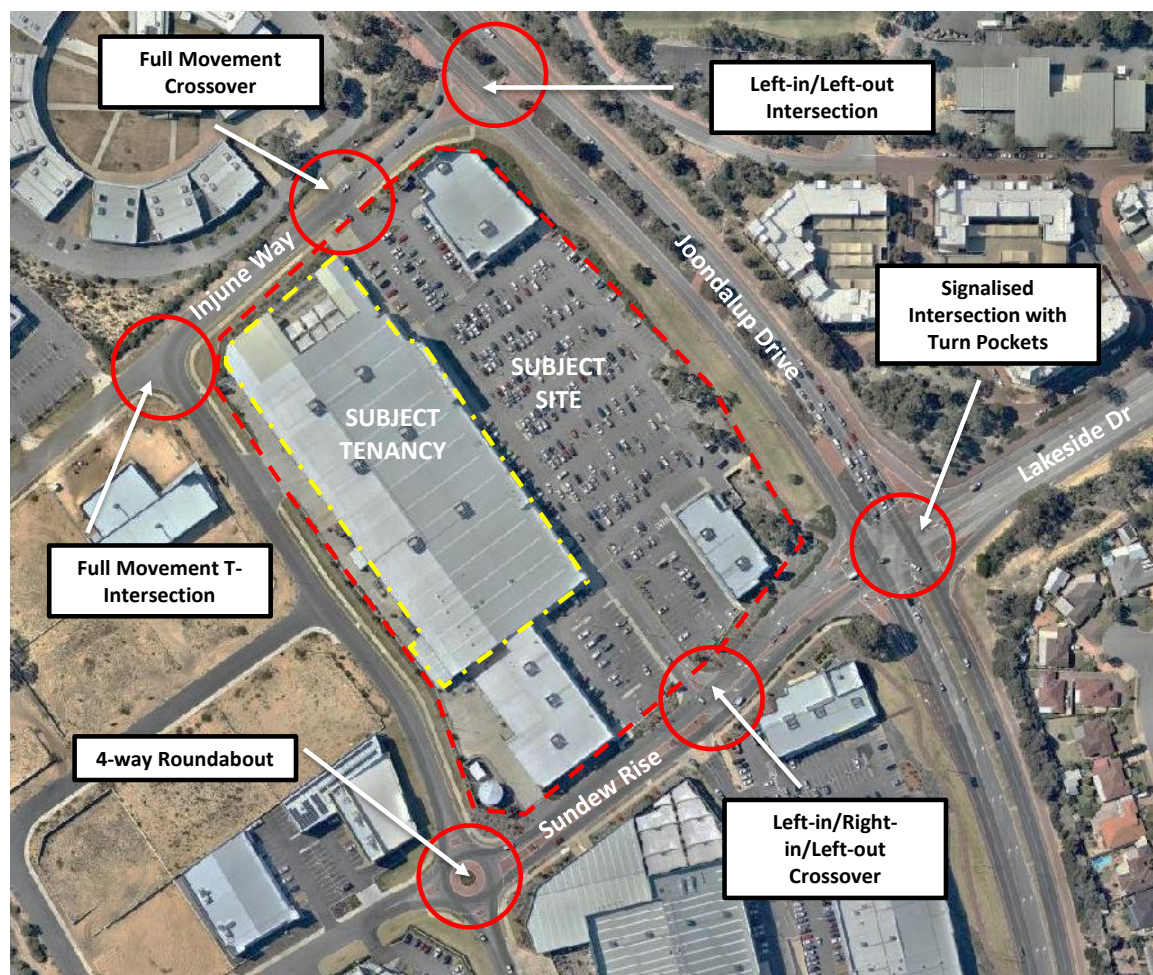


Figure 3: Existing access arrangements

3.2 *Parking*

There are currently around 551 car parking bays provided on-site including approximately 6 ACROD bays, which are shared between the existing land uses.

Based on the advice provided to Transcore, the relevant car parking requirements for the City of Joondalup have been reduced since the subject site was originally constructed. Therefore, there is a surplus of car parking provided on site in comparison to the current applicable parking requirements.

4.0 Provision for Service Vehicles

Waste collection, delivery and other service vehicles will be accommodated at the rear of the site in the existing service area.

The service area is accessed from Honeybush Drive and has been in operation for a number of years as part of the previous Masters use. Therefore, no issues are anticipated in the post-development situation.

5.0 Hours of Operation

The proposed development will be predominantly retail-oriented and will generate heaviest traffic movements during the weekday afternoons and Saturday midday periods.

The highest period of traffic generation to and from the site will be the Saturday midday period but the adjacent road network traffic peak will occur during weekday AM and PM peak periods.

Overall, the combined peak period of site traffic and road network traffic will be the weekday PM peak hour, typically 5-6pm.

6.0 Daily Traffic Volumes and Vehicle Types

6.1 Trip Generation and Distribution

The traffic volumes likely to be generated by the existing land use and proposed commercial conversion have been estimated in accordance with the RTA NSW “Guide to Traffic Generating Developments” and the RTA Technical Direction TDT 2013/ 04a, which provide daily and peak hour trip rates for relevant land uses.

6.1.1 Previous Use (Masters) Traffic Generation

The traffic volume generated by the existing Masters use has been estimated based on the trip rate for major hardware and building supplies stores as detailed in TDT 2013/04a:

Weekday Trip Rates

- ✚ Daily vehicle trips = 33 per 100m² gross floor area
- ✚ Peak hour vehicle trips = 4.2 per 100m² gross floor area.

Weekend Trip Rates

- ✚ Daily vehicle trips = 35 per 100m² gross floor area
- ✚ Peak hour vehicle trips = 5.6 per 100m² gross floor area.

Based on the existing Masters GFA of 13,600m², the existing Masters use is estimated to generate the following traffic volumes:

Weekday Traffic Generation

- ✚ Daily vehicle trips = 4,488 vpd
- ✚ Peak hour vehicle trips = 571 vph

Weekend Traffic Generation

- ✚ Daily vehicle trips = 4,760 vpd
- ✚ Peak hour vehicle trips = 761 vph

6.1.2 Proposed Conversion Traffic Generation

The traffic volume generated by the proposed conversion has been estimated based on retail trip rates derived from the RTA NSW “Guide to Traffic Generating Developments”. It was assumed that the proposed conversion will generate 75% ‘slow trade’ retail A(S) and 25% ‘specialty shop’ retail A(SS) traffic. Accordingly the derived trip rates based on the above percentage split are detailed as follows:

Weekday Trip Rates

- ✚ Daily vehicle trips = 37.4 per 100m² gross leasable floor area
- ✚ Peak hour vehicle trips = 2.65 per 100m² gross leasable floor area.

Weekend Trip Rates

- ✚ Assume same as weekday.
- ✚ Peak hour vehicle trips = 5.5 per 100m² gross leasable floor area.

Based on the proposed total tenancy floor area of 11,806m² (excluding mall floor area but including pop-ups), the proposed conversion is estimated to generate the following traffic volumes:

Weekday Traffic Generation

- ✚ Daily vehicle trips = 4,415 vpd
- ✚ Peak hour vehicle trips = 313 vph

Weekend Traffic Generation

- ✚ Daily vehicle trips = assumed to be similar to weekday traffic
- ✚ Peak hour vehicle trips = 650 vph

The proposed development traffic will be distributed to the external road network via the existing access crossovers and intersections detailed in Section 3.1 of this report.

Based on the above calculations and assumptions, traffic analysis indicates that there will be a net decrease in traffic on the surrounding road network as a result of the proposed conversion.

6.2 Impact on Surrounding Roads

The WAPC Transport Impact Assessment Guidelines (2016) provides guidance on the assessment of traffic impacts:

“As a general guide, an increase in traffic of less than 10 percent of capacity would not normally be likely to have a material impact on any particular section of road, but increases over 10 percent may. All sections of road with an increase greater than 10 percent of capacity should therefore be included in the analysis. For ease of assessment, an increase of 100 vehicles per hour for any lane can be considered as equating to around 10 percent of capacity. Therefore any section of road where the development traffic would increase flows by more than 100 vehicles per hour for any lane should be included in the analysis.”

The proposed conversion will not increase traffic flows anywhere near the quoted WAPC threshold to warrant further analysis. The proposed conversion will not increase traffic on any lanes on the surrounding road network by more than 100vph. In fact, it is anticipated to result in a decrease in traffic. Therefore, a positive impact on the surrounding road network is anticipated.

7.0 Traffic Management on the Frontage Streets

Joondalup Drive in the vicinity of the subject site is a 24m wide, dual carriageway, four-lane road with a 70km/h speed limit. It features on-street cycle lanes and wide pedestrian footpaths on both sides of the road. Pedestrian crossing facilities are currently in place at the signalised intersection of Sundew Rise / Lakeside Drive. It is classified as a Distributor A road in the Main Roads WA Metropolitan Functional Road Hierarchy.

This road is covered by an Other Regional Roads reservation in the MRS. SCATS intersection data provided by Main Roads WA indicates that Joondalup Drive carried average weekday traffic flows of 30,719 vehicles per day (vpd) south of Hodges Drive in November 2014.

Honeybush Drive is a two lane undivided road forming a four-way roundabout with Sundew Rise to the south and a give-way T-intersection with Injune Way to the north. A footpath is in place on the eastern side of the road. Three pedestrian crossing points are provided along Honeybush Drive adjacent to the subject site.

Sundew Rise connects halfway along Honeybush Drive at a roundabout intersection. Sundew Rise also provides access for the local area. It is a two lane, boulevard style road with a wide, red-asphalt median. It forms a four-way signalised intersection with Joondalup Drive and Lakeside Drive to the east. A footpath is in place on the southern side of the road.

Injune Way is a two lane undivided road. A footpath is in place on the southern side of the road and a pedestrian crossing facility with refuge island is provided at the intersection of Joondalup Drive.

Honeybush Drive, Sundew Rise and Injune Way are local access roads and operate under a default built up area speed limit of 50km/h.

8.0 Public Transport Access

The site is well served by existing bus services operating along Joondalup Drive. The closest bus stop on Joondalup Drive is north of the subject site on Joondalup Drive.

Bus routes provide connectivity to Joondalup City Centre, Joondalup Train Station and Edith Cowan University to the north and Whitfords Train Station to the south. A map showing nearby bus routes passing the site is included in Figure 4.

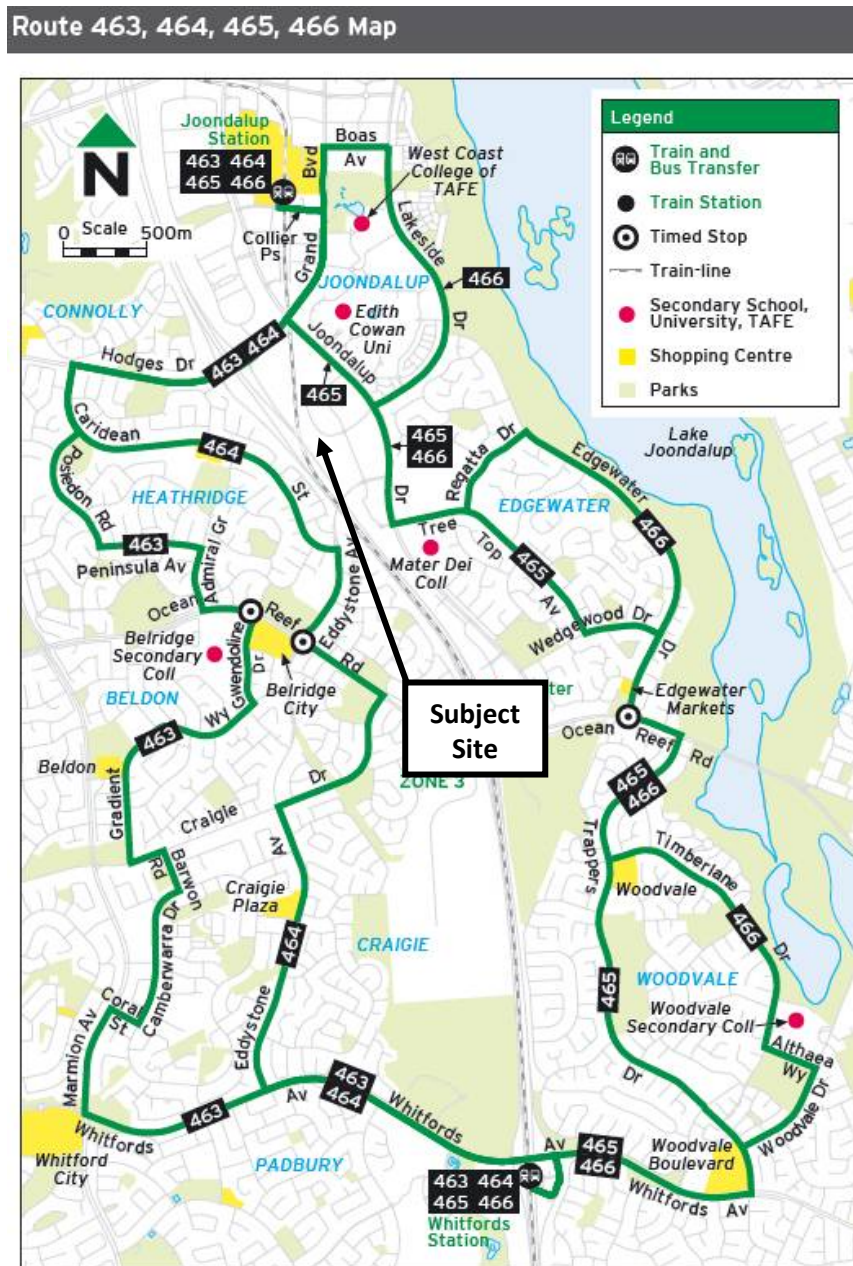


Figure 4: Public transport services (Transperth Bus Timetable 66)

9.0 Pedestrian Access

Pedestrian access to the proposed development is via the existing external footpath network comprising paved footpaths on roads adjacent to the subject site.

Pedestrian crossing facilities including drop kerbs and median refuges are currently provided at the signalised intersection of Joondalup Drive / Sundew Rise.

Several pedestrian crossing points are also provided on Sundew Rise, Honeybush Drive and Injune Way.

Pedestrian walkways are currently provided within the site to link the existing Masters building with other internal buildings and car parking areas.

11.0 Site Specific Issues

No site specific issues were identified within the scope of this assessment.

12.0 Safety Issues

No safety issues were identified within the scope of this assessment.

13.0 Conclusions

This Transport Impact Statement has been prepared by Transcore on behalf of Aurrum Holdings Pty Ltd with regard to the proposed commercial conversion of the Masters Joondalup site, located at Lot 806 (11) Injune Way, Joondalup, in the City of Joondalup.

The site features good connectivity with the existing road, cyclist and pedestrian network and public transport coverage through bus services.

The proposed conversion will entail reconfiguration of the existing Masters building into separate showroom / retail tenancies. Some floor area will be set aside to provide an internal mall for pedestrian movements between the different tenancies.

The traffic analysis undertaken in this report shows that the anticipated traffic generation of the proposed conversion uses is lower than the estimated traffic generation of Masters. Therefore, it is anticipated that there will be a net positive impact on the surrounding road network. It is also anticipated that the impact on the existing operation of nearby intersections would be positive with reduced traffic volumes during peak periods.

No changes are proposed to the existing parking supply, access and vehicle circulation arrangements. Service vehicles will access the site via the existing crossover on Honeybush Drive and will use the existing rear loading area.

In conclusion, the findings of this Transport Impact Statement are supportive of the conversion proposal.