

City of Joondalup
Local Commercial Strategy
Part A

Background Research, Economic Analysis
and Retail Needs Assessment
October 2013





Draft Local Commercial Strategy

Part A – Background Research, Economic Analysis and Retail Needs Assessment

City of Joondalup
2012



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Executive Summary

The report provides detailed analysis and information to inform the growth and maturation of activity centres within the City of Joondalup. The report includes a detailed review of activity centres within the City of Joondalup along with an analysis of the current distribution of retailing and the economic performance of each activity centre throughout the City of Joondalup. The findings of this report are intended to inform the subsequent Part B - Shop Retail Assessment and Part C – Bulky Goods and Commercial Office that will identify any specific amendments to the DPS to ensure that the scheme reflects the City's expectations for the long term economic growth of the City.

Statement of Planning Policy Activity Centres for Perth and Peel (SPP 4.2) was released in conjunction with Directions 2031 and Beyond in August 2010 by the WAPC. SPP 4.2 represents a new strategic direction for the Perth Metropolitan Area which aims to realise the benefits of a more consolidated city. SPP 4.2 specifies the broad planning requirements for the planning and development of new activity centres and the redevelopment and renewal of existing centres in Perth and Peel. With the release of Directions 2031 and Beyond as well as SPP 4.2, it is now an appropriate time to provide the City with guidance as to what changes may be considered and the implications these changes are likely to have for the City.

The challenge for the City will be to provide a sustainable and affordable place to work and live, retain overseas students and their families and to minimise the 'leakage' of investment and skills to other centres, including the Perth CBD. This will only be achieved through energetic economic development activities, incentives of project ready sites and streamlined planning approvals with a continued focus on attracting high quality tertiary and secondary education establishments and knowledge based businesses and industries. Maximum advantage must be taken of State and private investment opportunities in the short term, that is, for the next 15 years. This will enable the Joondalup CBD to mature and establish itself as a "place to do business", and to realise agglomeration economies.

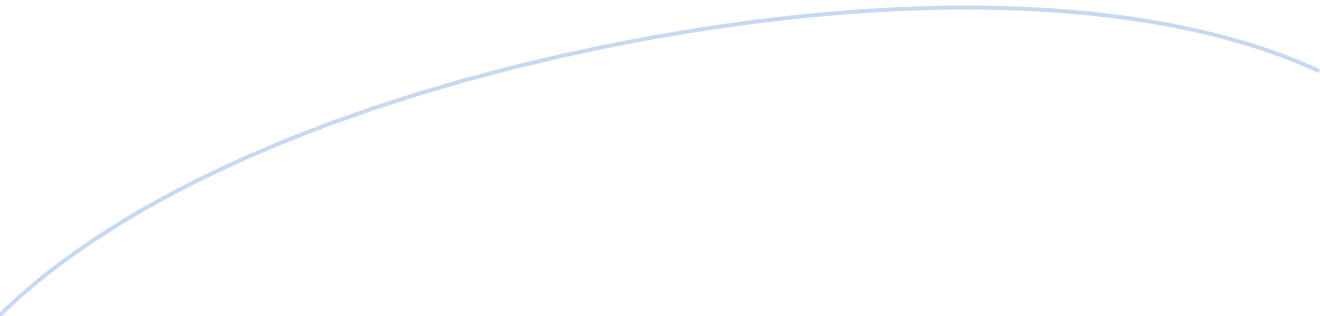
The quality of its centres is central to the quality of life in the City. The activity centres provide a meeting place where the spectrum of residents congregate and are thus an essential element of community building. The increasing capacity and take-up of e-commerce, e-health and e-learning reduces the pull of activity centres and increases the need for them to be attractive and accessible. They must be more than merely a functional location for accessing goods and services – they need to be a place where people want to be.

Shop Retail Provision

The original recommended Shop Retail floorspace provided in Table 21 of the report was derived iteratively through the development of a number of scenarios, in order to test trade impacts based on various floorspace areas. The Woodvale and Currambine Activity Centres were both modelled at 20,000m² and subsequently 12,000m² and 15,000m² respectively. The Joondalup City Centre was modelled at 100,000m² in order to test the level of growth identified in the current Local Planning Strategy and subsequently at 125,000m². A range of floor space areas was tested for the Whitfords Secondary Activity Centre during the scenario modelling.

The Gravity Model assessment was based on minimising impacts on centres and achieving a logical balance of floorspace between centre hierarchy types. The Shop Retail floorspace contained within the Winton Road industrial area has been included in the 2010 floorspace figure for Joondalup City Centre.

The outcomes of the Gravity Model assessment for Shop retail floorspace was subsequently reviewed by RPS, on behalf of the City, in response to public submissions to the Local Commercial Strategy Part A.



The Gravity Model assessment now forms one of a number of considerations in the Local Commercial Strategy that contributes to the identification of centre-specific Shop Retail floorspace “thresholds”– floorspace levels above which a dedicated Retail Sustainability Assessment is required by the City as part of any proposal to expand. This approach is regarded as being in the spirit of SPP 4.2.

This update took into considerations feedback and analysis from public submissions on the size and scope of the current and future shortfall of Shop Retail floorspace in the City and the desire by the City for accommodative thresholds to be established to preserve and reinforce the City’s role as the major Shop Retail destination in the North West Corridor.

Centres Health Check

An overall “health check” was undertaken for each centre and considers elements such as vacancy rates, turnover rates, centre reliance on retail and the general amenity and accessibility.

The results indicate that the Beldon neighbourhood centre has very poor overall health, although there are plans for refurbishment of this centre.

The centres with poor overall health include:

- Heathridge;
- Coolibah Plaza; and
- Ocean Reef.

The Joondalup City Centre was found to be an average performing centre, which is a concern. This is mainly due to the centre having a land use intensity of less than 1,800m² per hectare as well as a lower than average Shop Retail turnover per square metre per annum. The centre will need to rely on catchment population growth and intensification of uses if it is to achieve the required intensity and retail performance expected of a Primary Activity Centre.

Implications for Part B – Shop Retail Assessment

The key implications emerging from the analysis include:

- The City of Joondalup requires a new Local Commercial Strategy to be adopted by Council in order to be in alignment with SPP 4.2;
- The current centres hierarchy, with Joondalup as the Strategic Metropolitan Centre with potential to become a Primary Activity Centre, is the key element in the commercial strategy and overrides all other considerations. Secondary Centres therefore perform a subsidiary function;
- Warwick Secondary Centre would benefit from a new structure plan. Given that the City of Joondalup owns land within the activity centre, there may be opportunity to significantly influence the outcome of any structure planning exercise;
- A number of centres have been identified for growth in Shop Retail floorspace, including the Gwendoline Drive Centre (Ocean Reef Road, Beldon), which is recommended to change from a neighbourhood centre to a district centre;
- The zones contained in the District Planning Scheme could be simplified and the land uses allowed within each could be clarified. A review or amendment of the DPS may enable more flexible uses within zones; and
- A revision of the DPS should ensure alignment with SPP 4.2 and the Western Australian Planning Commission (WAPC) Local Planning Manual.



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Introduction

Background

The City of Joondalup is undertaking a review of the District Planning Scheme (DPS) No. 2. As part of this review, the City requires the development of a draft Local Commercial Strategy (LCS). The LCS will complement the draft Local Planning Strategy, draft Local Housing Strategy, and draft Joondalup City Centre Structure Plan.

Population growth within the North Western corridor of the Perth Metropolitan Region is projected to result in an additional 110,000 persons between 2008 and 2031. On this basis there is a strong need to review the existing planning framework guiding the nature of growth and change of those activity centres within the City of Joondalup.

Most significantly, the North Western Corridor features a lack of employment opportunity and consequently has a low employment self-sufficiency rate (45% as at 2011). The Directions 2031 and Beyond (WAPC, 2010) and Statement of Planning Policy Activity Centres for Perth and Peel SPP 4.2 (WAPC, 2010) together provide guidance in the form of employment self-sufficiency targets and the desired hierarchy of Activity Centres. For the North West Sub-Region, the target is 60%.

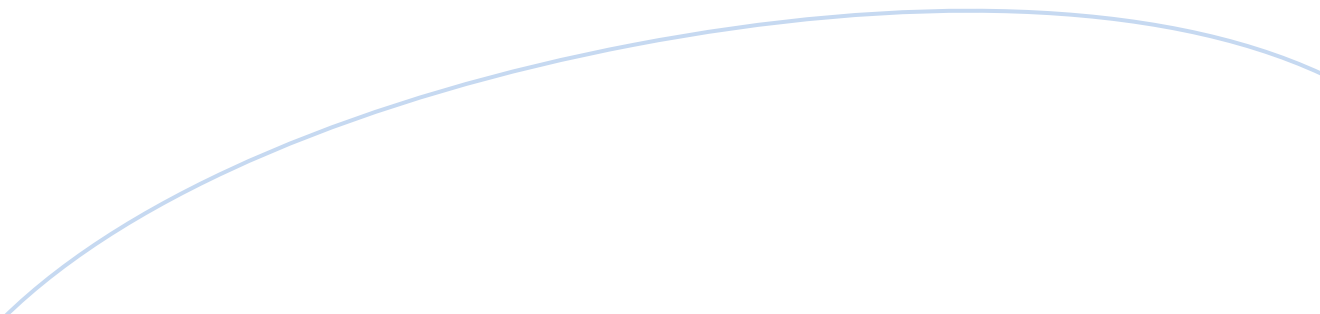
SPP 4.2 aims to enhance the level of amenity and liveability in the Perth and Peel regions through achieving a more efficient distribution of employment and activity. Resulting benefits will include the optimal use of infrastructure (such as the transport and services networks) along with fewer and shorter private trips to places of employment, access to services and shopping. The development of activity centres is therefore aims to improve access to a greater range of employment and shopping within the Perth and Peel regions by developing centres with high quality urban environments and with residential development reflecting the emerging needs of society. The form and level of retail development provides the anchor and amenity, attracting other forms of business investment resulting in employment within knowledge intensive producer and consumer service industries. Therefore, the appropriate distribution of retail development is necessary, as this is the foundation upon which future business agglomerations and synergies will establish and grow.

Of the existing and planned Strategic Metropolitan and other Regional Activity Centres within the North Western Corridor, the State and Local policy dictates that the Joondalup City Centre should function as the focal point for the attraction of investment and employment to the North West Sub-Region. On this basis, growth within the centre must occur at a rate consistent with its strategic role in relation to other activity centres within the North Western Corridor; and to a level sufficient to enable it to perform its desired role as a higher order central business district within the Perth Metropolitan Region. Furthermore, the growth of other activity centres within the City of Joondalup should also reflect this higher level objective.

Purpose

The development of the City of Joondalup LCS was to be conducted in two stages. This first stage Part A report is intended to provide the following:

- A policy context to the LCS;
- An assessment of current and future economic growth and trends; and
- A description of the issues, challenges and implications for commercial areas within the City.



The findings of this report will inform the subsequent Part B - Shop Retail Assessment that will identify any specific amendments to the DPS to ensure that the scheme reflects the City's expectations for the long term economic growth of the City. Subsequently, Part C has been prepared to consider the implications for Bulky Goods retailing and Commercial Office accommodation.

The report provides a framework to inform decision making with respect to the growth and maturation of activity centres within the City of Joondalup. It includes a detailed review of activity centres within the City of Joondalup, including the features and benefits of each activity centre including physical amenity, accessibility and land availability along with an analysis of the current distribution of retailing and the economic performance of each activity centre throughout the City of Joondalup. In addition, the report includes an analysis of the performance of each activity centre in terms of the diversity of land use and level of development required in order to meet the diversity requirements of the Activity Centres Policy - SPP 4.2.

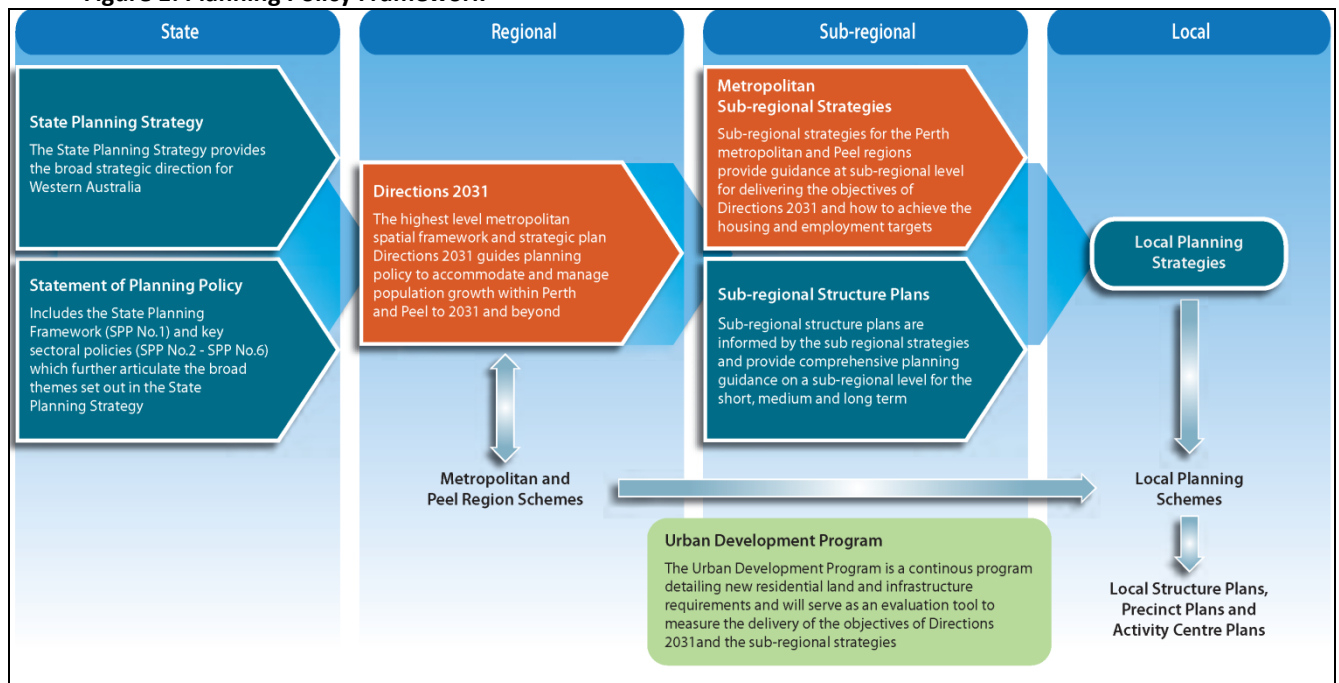
The research, analysis and recommendations of the commercial strategy will serve to implement the objectives of Directions 2031 and Beyond, while meeting the objectives and refining the outcomes sought under the Local Planning Strategy.

Part A Report

1. Policy Overview

The development of a Local Commercial Strategy (LCS) for the City of Joondalup is undertaken within the context of a planning policy framework. This framework is outlined below.

Figure 1: Planning Policy Framework



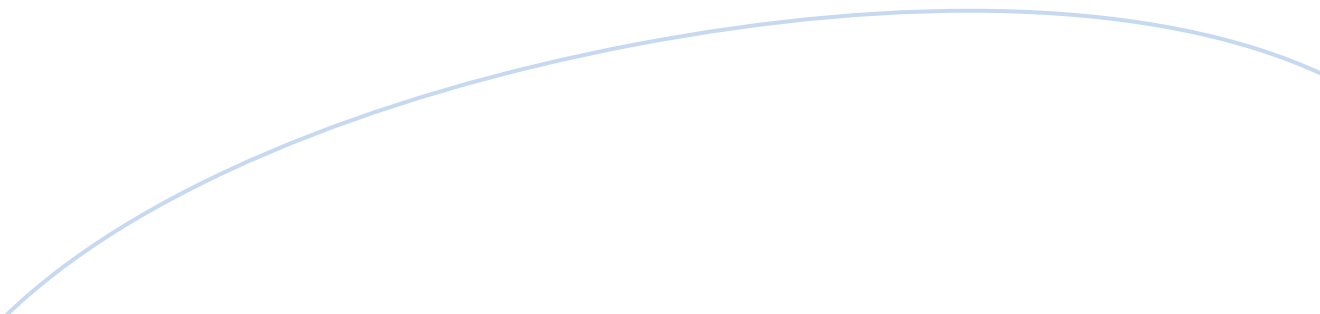
Source: *Directions 2031 and Beyond*, Figure 5

In order to further inform the context of the development of the LCS for the City of Joondalup, the following sections review the relevant policies and strategies relating to the above framework.

1.1 Federal and State Government Policies

The Commonwealth Government, State of Australian Cities 2010 report refers to the ABS population forecasts which project (in the medium series of three scenarios) that the population of Australia will grow to 35.5 million by 2056 and that Perth will reach a population of 3.4 million by 2056 based on ABS medium growth series. The ABS high growth series projections (cat. 3222.0, Sept 2008) show Perth with a population of 4.16 million at 2056.

The Council of Australian Government Communiqué in December 2009 agreed that by 1 January 2012, all states will have in place capital city strategic plans that will meet the national criteria and noted that the Commonwealth will link future infrastructure funding decisions to meeting those criteria. National criteria will provide the platform to reshape cities and the criteria will ensure cities have strong, transparent and long



term plans in place to manage population and economic growth, plans that address climate change, improve housing affordability and tackle urban congestion.

Directions 2031 and Beyond provides a framework to demonstrate how Western Australia will meet the national criteria.

1.1.1 Directions 2031 and Beyond (2010) and Draft Outer Metropolitan Perth and Peel Sub-Regional Strategy

Directions 2031 and Beyond: Metropolitan Planning Beyond the Horizon was published by WAPC in August 2010. The final report has been adopted by WAPC; it replaces the Network City Strategy and is a high level spatial framework and strategic plan to manage the growth of the metropolitan Perth and Peel region over the medium to long-term planning horizon to 2031 and beyond. The spatial framework outlines population growth scenarios and land use patterns for a medium to long term increase of half a million people by 2031, and prepares for a city of 3.5 million people through the adoption of a connected medium density model. Directions 2031 and Beyond is closely aligned with SPP 4.2. Directions 2031 and Beyond has led to the establishment of sub regional strategies. The sub regional strategies for the central and five outer Metropolitan areas, including the NW sub-regional planning area, were released for comment in late 2010. The over-riding purpose of the outer sub-regional strategies is an urban expansion management program.

Overall the strategy has 2 key targets:

- 50% improvement on current infill trends, with a target of 47% or 154,000 of the required 328,000 dwellings as urban infill.
- 50% increase in the average residential density of 10 dwellings per gross urban zoned hectare, with a target of 15 dwellings per hectare in new development areas.

The draft Outer Metropolitan and Peel Sub-Regional Strategy outlines the key planning actions required in the north-west subregion. For the City of Joondalup, the key actions include:

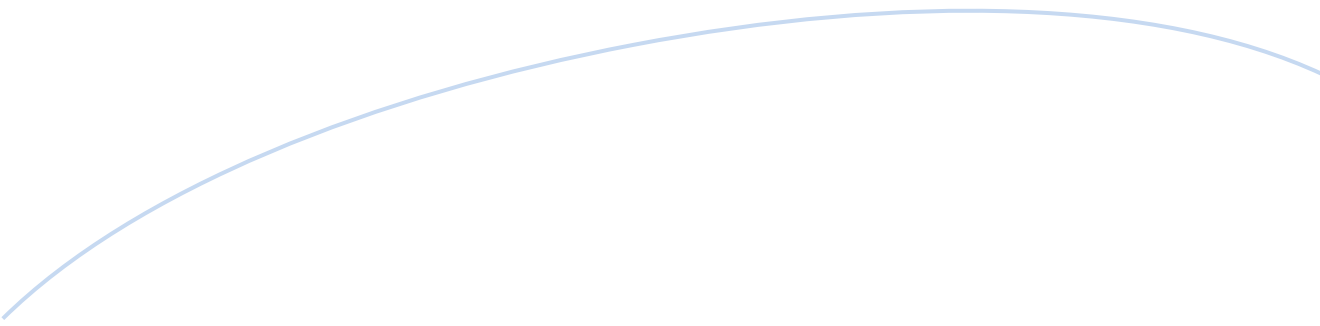
- Develop an economic development and employment strategy for the north-west sub-region; and
- Finalise structure plan for the north-west sub-region, informed by the outer metropolitan and Peel subregional strategy final report.

Economic development and employment growth is regarded as essential in all local planning strategies and other local planning policies.

Analysis suggests that Directions 2031 and Beyond is based on low historic migration rates (average 120,000 per annum) and that a substantially higher population could be anticipated if ABS high, medium or low growth scenarios were adopted which assume a much higher migration rate (140,000 to 220,000 persons per annum). The strategies for outer metropolitan regions contain a range of population growth assumptions and make provision for 25 years undeveloped land in order to maintain a sufficient supply for future growth. The rate of urban growth will be monitored annually by the urban land monitor (Office of Land and Housing Supply) and the strategies will be reviewed every 5 years. In the NW corridor the key growth areas are identified as:

- Alkimos-Eglinton; and
- Yanchep-Two Rocks.

With areas for investigation at:

- 
- East Wanneroo; and
 - South Pinjar (industry).

The City of Joondalup is expected to contribute to the growth prospects in the NW Corridor. Directions 2031 and Beyond identifies the potential dwelling supply of 167,400 dwellings in the North West sub region under a Connected City scenario, with 1,400 new dwellings in Joondalup greenfield sites (principally at Burns Beach) and 10,900 new dwellings in Joondalup infill locations including Joondalup City Centre redevelopment. (It is noted that the 1,800 dwelling redevelopment yields for Tapping and Ashby were included for the City of Joondalup figures in the Draft Outer Metropolitan Perth and Peel Sub-Regional Strategy and should have been included in the City of Wanneroo. These dwellings and have been subtracted from the data for this report). This gives a total target for Joondalup of 12,300 additional dwellings by 2031.

The development of primary centres, which contain high levels of office development and decentralise CBD type activity from the City of Perth are considered critical in metropolitan sustainability and the long term goal of reaching a population of 3.5 million people. Whilst Directions 2031 and SPP4.2 do not identify such centres at present, it is anticipated that they will emerge as the metropolitan region matures. Such centres would have:

- A catchment of 250,000 people;
- House major institutions and higher levels of employment and economic activity than other centres in the region; and
- Make a significant contribution to national and state productivity.

Directions 2031 and Beyond forecasts the need for an additional 69,000 jobs (to achieve a target employment self-sufficiency of 60%) in the North West sub-region. As a starting point along this pathway, Joondalup has revised the City Centre Structure Plan to enable greater intensity and has made a submission to the State Government to attract large scale decentralising agencies seeking office sites and accommodation.

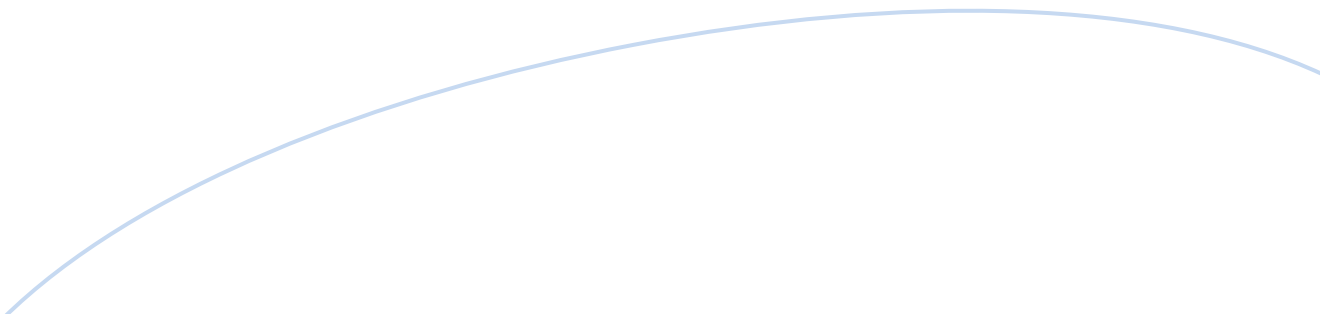
The Perth Capital City is the highest in the centre hierarchy followed by primary centres, of which none are identified in SPP 4.2. At the next tier down from primary centres are strategic metropolitan centres, including Joondalup, which have a broad metropolitan role. In the north metropolitan area, Yanchep (an emerging strategic metropolitan centre), Morley and Stirling are similarly identified. Each will act as a focus for a consolidating urban catchment and although they will have a strong retail focus, will also have a share of metropolitan sub regional offices, state government institutions (under the decentralisation policy) and a significant level of community health and education services.

The next tier of centres are the secondary centres, which in the wider Joondalup catchment include Alkimos (future secondary centre), Clarkson, Karrinyup, Two Rocks north (future), Wanneroo, Warwick and Whitfords.

Below the secondary centres are a multitude of district, neighbourhood and local centres. The strategy also identifies metropolitan attractors such as Hillarys Boat Harbour, Yanchep National Park and the Swan Valley.

Further state level planning studies to be released or finalised which impact upon the Joondalup Local Commercial Strategy will include:

- Perth Public Transport Plan
- Metropolitan Freight strategy
- Perth Bicycle Network Plan
- Metropolitan Parking Strategy

- 
- Economic Development and Employment Strategy for the North West Sub Region

1.1.2 Public Transport for Perth in 2031 (yet to be finalised)

The Perth Public Transport Plan impacts on the Joondalup Local Commercial Strategy by highlighting centres that have access to heavy or light rail and high frequency bus routes. The plan outlines three stages of public transport development including Stage One to 2020, Stage Two to 2031 and the final stage namely the “Ultimate Network” for a city of 3.5 million persons.

The centres impacted by the plan are:

- Joondalup – Existing rail infrastructure at 2010. Rail extension to Yanchep before 2020.
- Warwick – Existing rail infrastructure at 2010 (although some distance from the Activity Centre) and future Bus Rapid Transit post 2031 (identified in Ultimate Network)
- Whitfords – Future Bus Rapid Transit post 2031 (identified in Ultimate Network)
- Hillarys - Future Bus Rapid Transit post 2031 (identified in Ultimate Network)

The implications for the Joondalup City Centre are that there will be increased access to the centre for the growing population north to Yanchep. This will contribute towards the Joondalup City Centre becoming more of a destination.

The Ultimate Network map shows bus rapid transit infrastructure connecting Joondalup, Whitfords, Hillarys and Karrinyup. The implications are that significant expansion of these activity centres to the extent that they will require high frequency public transport access will not be feasible until sometime after 2031. It is therefore preferable to promote the Joondalup City Centre as a destination and centre for employment growth over other centres.

1.1.3 Statement of Planning Policy Activity Centres for Perth and Peel SPP 4.2 (2010)

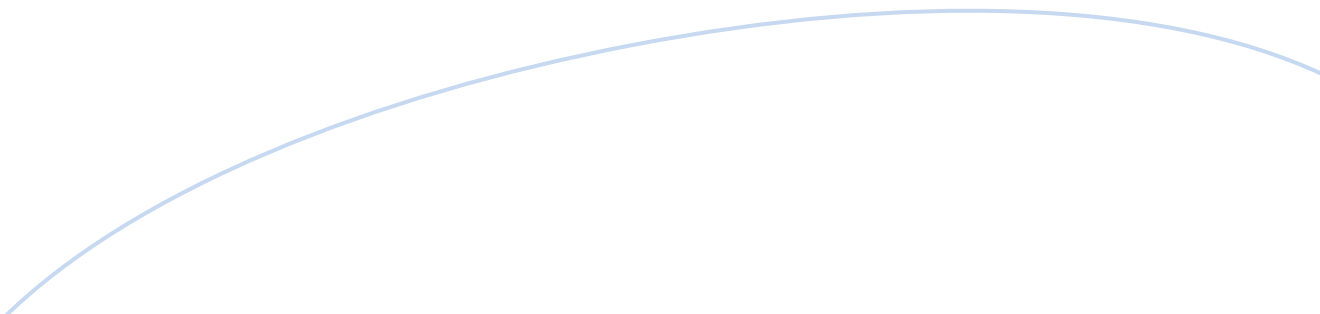
Statement of Planning Policy Activity Centres for Perth and Peel (SPP 4.2) was released in conjunction with Directions 2031 and Beyond in August 2010 by the WAPC. SPP 4.2 represents a new strategic direction for the Perth Metropolitan Area which aims to realise the benefits of a more consolidated city, which include:

- A reduced overall need for travel;
- Support for the use of public transport, cycling and walking for access to services, facilities and employment; and
- A more energy efficient urban form.

SPP 4.2 specifies the broad planning requirements for the planning and development of new activity centres and the redevelopment and renewal of existing centres in Perth and Peel. Activity centres are taken to be places which vary in scale, composition and character but in essence are commercial focal points which include a combination of activities such as offices, retail, higher-density housing, entertainment, civic/community, education and medical services.

The now former 2001 Joondalup Centres Strategy is a good example of a traditional commercial centres strategy prepared in compliance with the now replaced Metropolitan Centres Policy. To achieve the strategic objectives of SPP 4.2 and Directions 2031, the revised 2011 Commercial strategy (and any review of the City’s Housing strategy) will need to consider all aspects of SPP4.2, including matters previously not covered including:

- Integration with public transport;

- 
- Employment targets outlined in Directions 2031 and Beyond;
 - Residential dwelling targets set out in SPP 4.2;
 - Diversity performance targets (excluding residential land uses) for strategic regional centres and finer grained centre design considerations such as movement networks and associated accessibility, the quality of the public realm, land use mix and any associated synergies or conflicts, particularly opportunities to co-locate land uses within a centre. Sufficient land should be included in the definition of the centre to support a range of uses;
 - Retail sustainability assessments (RSA); the WAPC has yet to prepare relevant practice guidelines for these; and
 - Physical and spatial characteristics, for example unduly elongated centres or corridors will not be supported. A place based and integrated approach rather than a segregated and zoned approach is recommended.

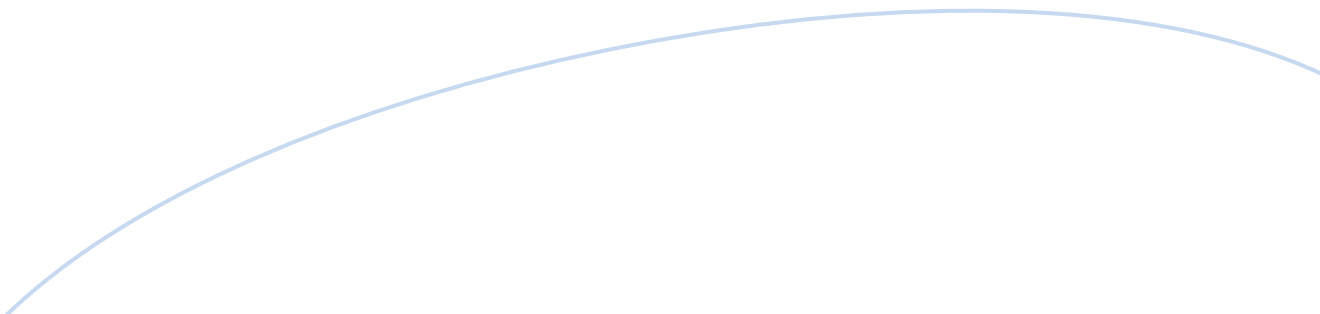
The Local Commercial Strategy will also need to consider the significant economic activities undertaken outside the City's commercial/retail centres and will be complemented by the new City of Joondalup Economic Development Strategy and the Directions 2031 Economic Development and Employment Strategy for the North West Sub Region. The City has a range of strategic employment centres including Joondalup, Whitfords and Warwick, which will be important in achieving the employment target of an additional 69,000 additional jobs required in the North West Sub-Region set out in Directions 2031 and Beyond.

Of significance to Joondalup is the designation as a strategic metropolitan centre (along with 9 others) which underscores the important role that the Centre will play as a high intensity central city area. In the draft version of SPP 4.2 Joondalup was regarded as a Primary Centre, along with Rockingham. Whilst this category remains in the final version of SPP 4.2, no centres are named, but it is recognised that some strategic centres have the ability to develop to the primary centre level. Joondalup does not contain any specialised centres focussing beyond regional economic or institutional needs but may do so in future. This could potentially include a State Government agency focussed on Perth or State service delivery needs for example.

The centres within the City will require centre plans which will need to be consistent with the Model Centre Framework (MCF – Appendix 2 of SPP 4.2), the WAPC Structure Plan Preparation Guidelines. The plans may be prepared by local government or the private sector (land owners, developers). Plans should be prepared within 3 years of the finalisation of SPP 4.2 and structure plans should be endorsed prior to major development being approved. In the absence of a structure plan major developments would need to satisfy the MCF (section 1.1 of SPP 4.2). Retail Sustainability Assessments (RSA) will also be required where proposals would result in the total shop retail floorspace of a neighbourhood centre exceeding 6,000m² or proposals seeking expansion of a neighbourhood centre by more than 3,000m². Major development is defined to exclude non-retail uses. An RSA is also required where a proposal seeks to significantly increase the shop retail floorspace beyond the indicative floorspace contained in an endorsed local commercial strategy, where the indicative floorspace has been derived from a retail needs assessment.

A retail needs assessment should be included in the local planning strategy in order to provide the projected retail needs of the communities in the local government areas and its surrounds. A retail needs assessment forms a major part of this report.

The City of Joondalup and the Development Assessment Panels will be responsible for most forms of development within Activity Centres. The WAPC is responsible for developments that may have significant regional implications. The WAPC will also be responsible for development proposals in the specialised centres such as major university and hospital precincts.



SPP 4.2 outlines the activity centre types that require an activity centre structure plan approved by the WAPC. These include strategic metropolitan centres and secondary centres and district centres if the floorspace exceeds 20,000m² Shop Retail.

The centres in the City of Joondalup required to have an activity centre structure plan endorsed by the Western Australian Planning Commission are:

1. Joondalup City Centre;
2. Whitfords; and
3. Warwick.

If any of the district centres in the City proposes to increase the Shop Retail floorspace beyond 20,000m² then this would trigger the need for the preparation of an activity centres structure plan in alignment with SPP 4.2 policy.

For all other centres an activity centre structure plan is not required, however SPP 4.2 suggests a specific area plan may be required by local government. For some centres less than 20,000m², the City may still recommend that a structure plan may be more appropriate.

1.1.4 Planning Bulletin 83 – Planning for Tourism (2011)

This policy guides decision-making by the WAPC and local government on subdivision, development and scheme amendment proposals for tourism purposes in the short term while detailed planning mechanisms are being established, including the preparation of a state planning policy. The recommendations are that local governments prepare a Local Tourism Planning Strategy which can be integrated with the Local Planning Strategy and Planning Scheme. Development proposals that impact upon potential or existing tourism sites will be referred to Tourism WA prior to WAPC or Local Government making a decision on development applications.

Tourism strategies are proposed to be incorporated into the City of Joondalup's new Economic Development Strategy.

1.1.5 Liveable Neighbourhoods (2007)

Liveable Neighbourhoods contains guidelines for new activity centres designed to achieve mixed use town centres and recommends a higher level of non-retail development than SPP 4.2. Desirable densities for residential land uses are also in conflict with SPP 4.2. It is implied in SPP 4.2 that Liveable Neighbourhoods will be revised to come into line with SPP4.2. A review of Liveable Neighbourhoods is currently being undertaken by the Department of Planning.

1.1.6 DCP 1.6 – Planning to Support Transit Use and Transit Oriented Development

There are 6 railway stations in the City of Joondalup and a network of public transport bus routes servicing the local and regional transport needs of the City. The bus routes are well integrated with train services at Joondalup, Greenwood, Whitfords and Warwick Stations and provide a high degree of accessibility to local facilities and amenities. The residential density targets for centres in SPP 4.2 are in line with those contained in development control policy 1.6. Whilst it is the aim of this policy to encourage intensity and diversity around transit nodes it is generally recognised that such uses around every station and bus stop in the area are inappropriate and unviable. It is likely that this policy and others in the suite of development control policies will be reviewed in the near future to align better with Directions 2031 and SPP 4.2.



1.1.7 Designing Out Crime Planning Guidelines (2006)

The planning and design of places, spaces and buildings can assist in reducing crime by the application of improvements to lighting, fencing, landscaping and surveillance of the area from buildings and land use. Peoples' behaviour, particularly in terms of the possibility of offending, as well as an individual's perception about their safety, can be influenced by the design of that environment. Good design can reduce opportunities for offending and improve feelings of safety. This design practice (often referred to as Crime Prevention Through Environmental Design, CPTED) is particularly important in public places associated with commercial areas such as activity centres, shopping malls and car parks. The guidelines establish performance criteria for most design conditions which are likely to emerge from the Joondalup local commercial strategy. The guidelines should be given due consideration by developers prior to submitting a development application. Qualified practitioners are able to conduct CPTED assessments and appraisals throughout the City in locations where redevelopment is proposed and where crime and safety issues are emerging. Development applications can be assessed in the same way.

1.1.8 Multi Unit Housing Code (WAPC Nov 2010)

The multi-unit housing code is an amendment to the WAPC State Planning Policy 3.1 Residential Design Codes aimed at guiding the design and development of multiple dwelling developments. The code is closely aligned to SPP 4.2 and contains specific guidance for multiple unit housing in activity centres. The code is more performance based than the existing R-Codes.

1.1.9 Retail Trading Hours Act 1987

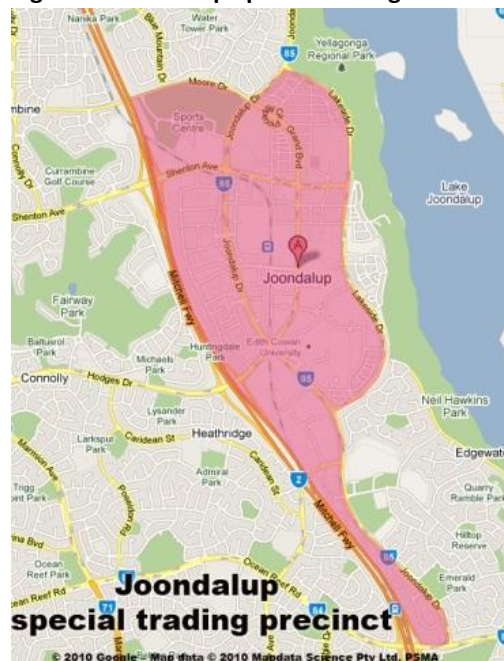
The *Retail Trading Hours Act 1987* applies to retail shops in Western Australia south of the 26th parallel. It sets out the trading hours and rules covering various categories of retail outlets. Trading hours of restaurants, cafes and takeaway food shops are not covered by the Act.

In August 2012, new retail trading hours came into effect, allowing general retail trading on Sundays between 11am and 5pm. This was in addition to the extension to weeknight trading hours until 9pm, which was implemented by the State Government previously.

1.1.10 Retail Trading Hours Amendment (2010)

Prior to the amended trading hours outlined above, expanded general retail hours were available to shops in the Special Trading Precincts of Armadale, Fremantle, Joondalup, Midland and Perth. The City of Joondalup former Special Trading Precinct is shown in Figure 2.

Figure 2: Joondalup Special Trading Precinct

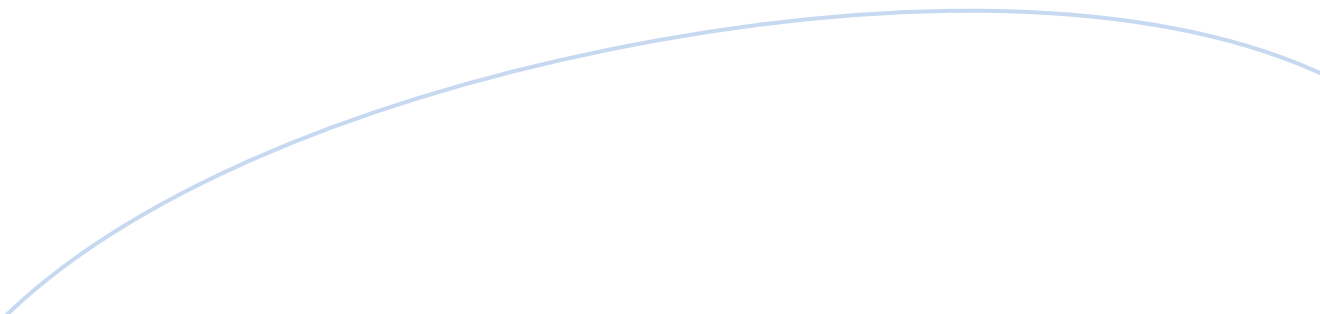


The *Retail Trading Hours (Special Trading Precincts) Order (No. 2) 2010* has now been repealed.

1.2 City of Joondalup Strategies and Policies

1.2.1 Draft Local Planning Strategy

The draft Local Planning Strategy (LPS) predates the final version of Directions 2031 and Beyond and SPP 4.2 but still sets a relevant vision for the City. The purpose of the draft Strategy is to enable Council and the community to determine the vision and strategic planning direction for the City of Joondalup for the next 15 to 20 years. The key points for consideration in the preparation of the revised Commercial strategy are:

- 
- Joondalup City Centre is regarded as a primary anchor in the NW corridor with substantial commercial development of suitable and substantial height and bulk in the CBD. The City has notable strengths in the retail, education, health and community services sectors which collectively provide almost half the City's jobs;
 - More diverse uses are to occur in other commercial centres;
 - Urban design principles are to guide redevelopment of commercial centres outside the City Centre;
 - Opportunities to define the character of the local area within and around commercial centres are to be identified; and
 - Built form outcomes for the coastal nodes needs special consideration.

While the North West corridor population overall is expected to continue to grow rapidly, the LPS is set in a context of limited local growth, as Joondalup's population is not expected to increase dramatically over the next 20 years. The key areas for new development at Burns Beach and Iluka are underway. The focus of corridor population growth is in the City of Wanneroo. This will have some effect on the centres in Joondalup that service the wider corridor, in particular Joondalup City Centre. Moreover a number of population dynamics are set to influence the Local Commercial Strategy including an aging population, a trend towards smaller households and a demand for greater housing diversity. A demand for more non retail space to cater for local population health, community service and education needs may also occur along with greater uptake of internet/online shopping.

The economic impact for Joondalup of population growth in Wanneroo is expected to be only in the short to medium term until centres such as Yanchep and Alkimos start to develop and mature. From an industrial land perspective no further provision is made in Joondalup and the main focus is likely to be Neerabup in the City of Wanneroo. The LPS highlights that in future the major challenge for the City is to ensure there is a suitable level of employment land and commercial floor space in order to generate the required level of economic activity.

The LPS envisages that future employment opportunities will arise through the development of the Ocean Reef Marina site, the train station precincts and through the redevelopment of existing Commercial Centres in established suburbs. The LPS recognises that redevelopment opportunities (predominantly residential) may exist in the suburbs built in the 70s and 80s such as Marmion, Sorrento, Kallaroo, Mullaloo, Ocean Reef, parts of Hillarys and the suburbs of Padbury, Craigie, Beldon and Heathridge and commercial and mixed use intensity (additional height and density) may occur in the Joondalup City Centre.

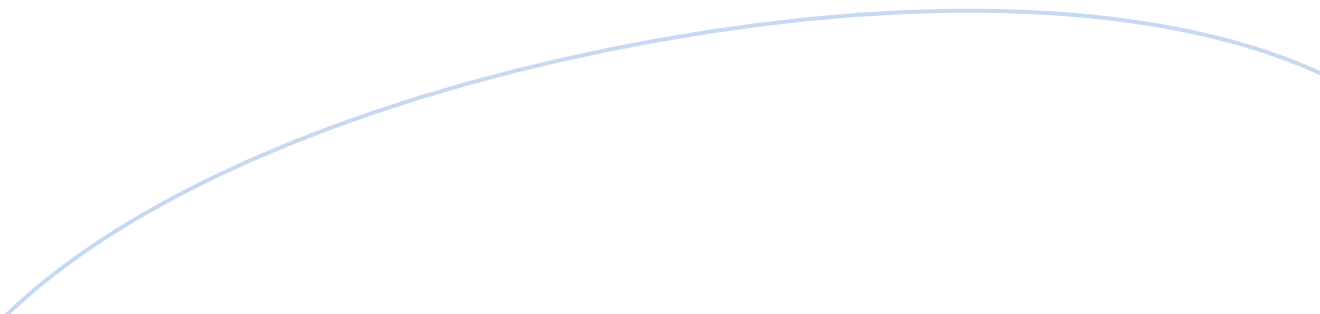
One of the actions contained in the draft Local Planning Strategy is to review the provisions of the District Planning Scheme No. 2 to allow more diverse uses to occur in Commercial Centres.

1.2.2 Local Housing Strategy

The final version of the draft Local Housing Strategy was endorsed by Council at its April 2013 meeting and on 12 November 2013, the WAPC resolved to support the LHS.

The Local Housing Strategy's recommendations, including any density increases, will now be implemented through a scheme amendment, the Local Planning Scheme and a range of supporting local planning policies.

It is anticipated that the inclusion of the LHS recommendations in the Local Planning Scheme will be finalised in the next two to five years. This includes a public consultation period during the implementation of the Strategy's recommendations in the Local Planning Scheme.



The draft Local Housing Strategy has identified 10 areas in the City as being suitable for higher residential densities and these are shown in Figure 3. The housing opportunity areas are:

- Within easy reach of commercial centres;
- Accessible to main public transport services; and
- Have good community facilities and parks.

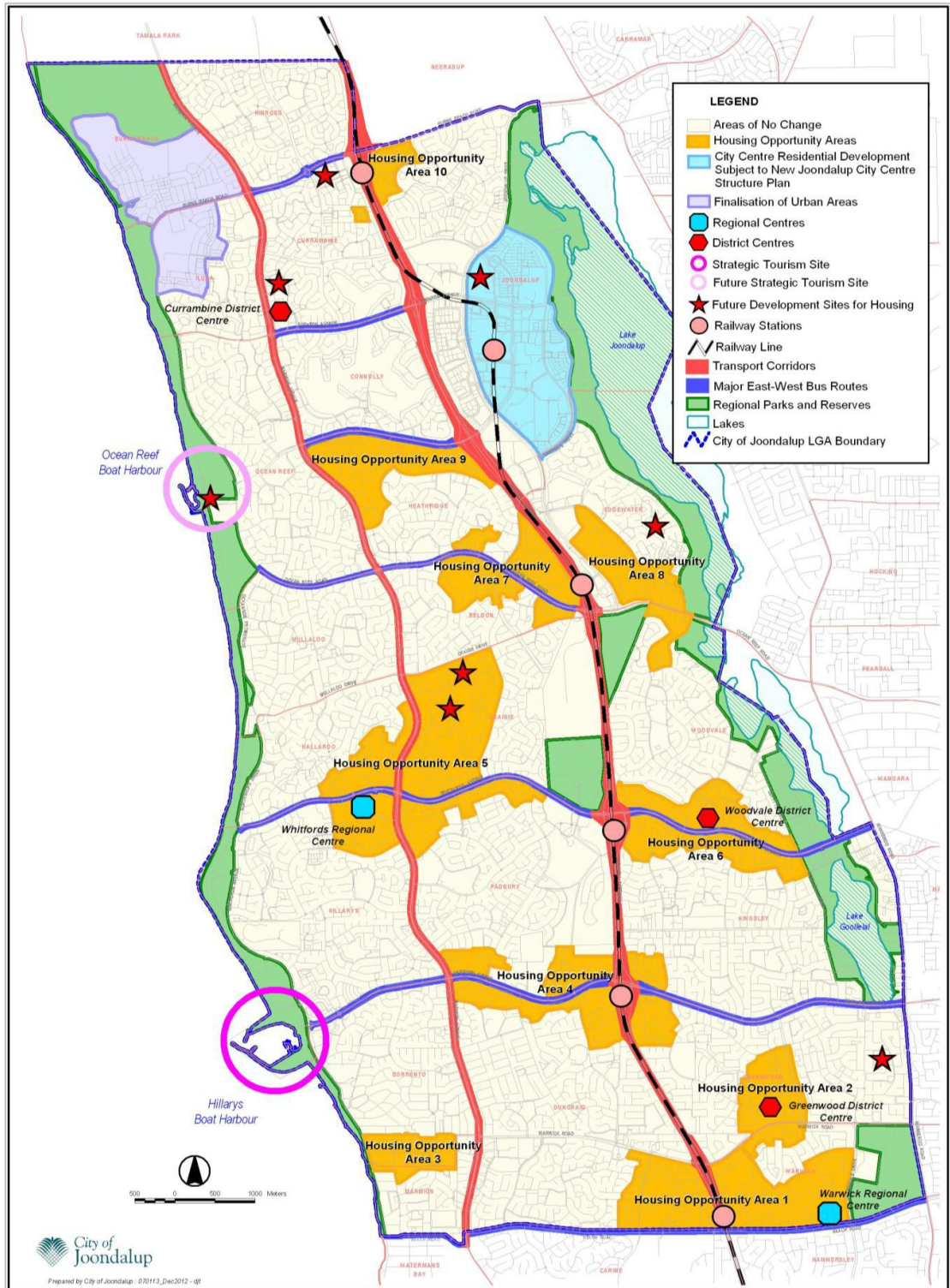
The strategy identifies Burns Beach and Iluka as the two key locations with substantial land releases in the pipeline (1,014 dwellings), and some greenfield development potential at Currambine (231 dwellings), Harbour Rise (101 dwellings) and the development of the former school sites at East Greenwood (71 dwellings), Craigie Heights (56 dwellings) and Craigie (high school) (177 dwellings). Apartments in Joondalup City Centre could be in the order of 1,500 dwellings. In the longer term, the development of the Ocean Reef Marina may produce around 825 dwellings.

Elsewhere in the City, the total available infill is estimated to be a maximum of approximately 2,605 dwellings (table 13 of the draft strategy) this is mostly at the density coding R20. It is perhaps unrealistic to expect all these infill lots to be fully developed by 2031 and the strategy assumes that approximately 85% of these will be developed (i.e. 2,214 dwellings).

Opportunities for other future housing sites have been identified in the draft Housing Strategy referred to as 10 Housing Opportunity Areas (HOAs) as shown in Figure 3 extracted from the strategy. Some of the HOAs will have greater infill opportunities if codes are above R20. It is also contended that infill could “spin off” around the HOAs at the existing R20 zoning in some locations. It is worth noting that significant infill is now starting to be achieved in some of the inner and middle suburbs, such as Glendalough and Mt Hawthorn, when zoning is increased from the former R10/15/20 to around R60. The implication for Joondalup is that further infill may become possible, but allowable densities would need to be increased substantially beyond R80.

This would bring the total number of dwellings developable by 2031 to approximately 25,145 at a take-up rate of 85%. It is noted that the WAPC Delivering Directions 2031 Annual Report Card 2012 indicates a housing target of 12,110 for the City of Joondalup. The potential dwelling numbers under the draft Local Housing Strategy are well above this target, however, the actual delivery of these dwellings will depend on the eventual take-up rate when the new codings are implemented.

Figure 3: Housing Opportunity Areas, Joondalup Draft Local Housing Strategy 2013





1.2.3 Draft Joondalup City Centre Structure Plan

The draft Joondalup City Centre Structure Plan is intended to facilitate the growth of a city that demonstrates an intense mix of opportunities to live, work, play and learn with convenient transport links to the surrounding region. The draft Joondalup City Centre Structure Plan is required to be endorsed by the Western Australian Planning Commission prior to its finalisation and implementation. In addition, Amendment No. 64 to DPS2 is required to be approved by the Minister for Planning prior to the amendments coming into effect.

Under the proposed Structure Plan provisions, there will be an emphasis in the Central Core district on specialty shops, cinemas, personal service establishments, restaurants, alfresco dining and offices on the ground floor. The retail component of the Central Core will focus on a range of comparison, convenience and specialty retailing. The objectives of the Central Core district include allowing a broad range of appropriate land uses to encourage day and night activity. This includes encouraging tourism through the provision of accommodation and entertainment uses.

The Central Core district includes the Lakeside Precinct which adds objectives to ensure that development:

- Integrates with the urban and social fabric;
- Encourages new pedestrian connections; and
- Achieves the benefits of transit oriented development.

There are two building height categories, one with a minimum building height of 5 storeys, the other with no minimum height, within the Lakeside Special Control Area. There is no maximum building height and no minimum or maximum residential density in the Central Core.

The City Fringe district is intended to accommodate a mix of land uses that support and reinforce the existing educational and medical uses within the district with a minimum building height of 2 storeys and a maximum building height of 5-8 storeys.

The Mixed Use Corridor district is intended to accommodate a mix of residential development integrated with commercial, retail and dining land uses. The district will have a strong residential focus and may attract smaller commercial footprints which are compatible with residential developments.

The Business Boulevard district is intended to accommodate a range of retail and commercial uses that may have a lesser need for pedestrian exposure and attracts people for specific consumer needs such as banks, professional services and specialty bulky goods stores with a minimum building height of 2 storeys and a maximum of 8 storeys.

The Business Support district (maximum height of 3 storeys) is intended to accommodate a wide range of business, warehouse, showroom, light and service industrial uses in a business park style setting with attractive buildings and well maintained landscaping. It will accommodate a mix of land uses that do not rely heavily on pedestrian traffic.

The Inner City Residential district is intended to provide dwelling types ranging from lower density detached houses to multi-storey apartment buildings and terrace housing.

The Residential Design Codes do not apply to the Central Core, City Fringe, Mixed Use Corridor or Business Boulevard districts and accordingly provisions for residential development are contained within the draft Joondalup City Centre Structure Plan.



1.2.4 Economic Development Strategy

A new Economic Development Strategy is currently being developed and is proposed to replace the City's Economic Development Plan 2007–2011. The Economic Development Strategy will consider the issues and challenges that face the City in realising its potential and aspiration of becoming 'A Global City: bold, creative and prosperous', as set out in the City of Joondalup Strategic Community Plan 2012-2022 'Joondalup 2022', with an emphasis on delivering and supporting the following key themes of 'Joondalup 2022':

- Economic Prosperity, Vibrancy and Growth;
- Quality Urban Environment;
- Community Wellbeing;
- Financial Sustainability.

The Economic Development Strategy will follow on from the findings and recommendations of the Local Commercial Strategy and provide targeted responses to key areas within the economy that are consistent with the City's ambitions of establishing itself as the first Primary Centre within the Perth Metropolitan Area.

1.2.5 – Joondalup 2022 – Strategic Community Plan 2012-2022

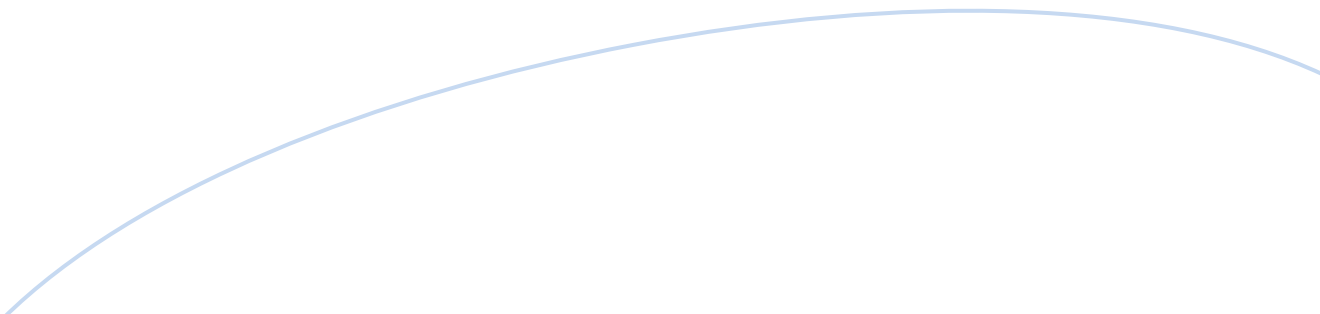
Joondalup 2022 is the City's long-term strategic planning document that outlines the commitment to achieving the vision and aspirations of its community and regional stakeholders. The draft Local Commercial Strategy will support a range of objectives within Joondalup 2022 including but not limited to:

- Quality built outcomes – For the City's commercial and residential areas to be filled with quality buildings and appealing streetscapes.
- City centre development – To have quality and diverse buildings within the Joondalup City Centre that enhance the vitality and vibrancy of the urban space.
- Primary Centre Status – For the Joondalup City Centre to be the first Strategic Metropolitan Centre in Western Australia to achieve Primary Centre Status.
- Activity Centre development – To have revitalised Activity Centres that are multi-purpose and provide for housing diversity and enhanced liveability.

1.2.6 Centres Strategy Policy (2001)

In order for the City of Joondalup to plan in alignment with Directions 2031 and Beyond and SPP 4.2, which replaces the previous Metropolitan Centres Policy, there was a need to replace the City's Centres Strategy. It was intended that the Centres Strategy be replaced by the Local Commercial Strategy when finalised. However, following a section 76 order by the Minister for Planning under the Planning and Development 2005, Amendment No. 66 to DPS2 was implemented to better align the scheme with SPP4.2. Among other changes, the maximum retail floorspace caps for centres identified within DPS2 were removed. On this basis it was considered appropriate to rescind the Centres Policy to ensure the City's policy did not conflict with SPP4.2.

The purpose of the rescinded 2001 Centres Strategy was to interpret, apply and implement the 1999 Metropolitan Centres Policy. The specific objective of the policy was to promote retail and incremental expansion of existing centres throughout the City of Joondalup. This included the promotion throughout the suburbs the continuing evolution, development and expansion of small town and village centres, each a



microcosm of the city centre, to become the meeting places for people, the economic and social focus, in harmony with the local communities in which they are situated.

The strategy also made specific recommendations regarding the roles and functions of specific centres for the period of the strategy (to 2006). These are outlined below for the major centres.

City Centre:

- The policy of actively promoting Joondalup City Centre in favour of competing centres should be continued, but should be reviewed after that time (2006).
- In the long term, the Joondalup City Centre should continue to develop in accordance with approved structure plan towards a net lettable area (NLA) of approximately 100,000m² although this figure should not be restrictive.
- There should be a sustained effort (including active lobbying by the Council) to attract tertiary sector (office) employment generating land uses.
- The employment target of 45,000 jobs, while optimistic on current trends, should be retained.

Warwick Centre

- The Council consider any proposals for expansion of the centre or the establishment of mixed business in peripheral areas in the context of an approved structure plan based on 'main street' principles.

Whitford Centre

- Expansion to Whitford Centre is restricted to 50,000m².
- Expansion should be in accordance with regional guidelines, in the context of intensification of surrounding land use (conversion of adjoining houses to non-retail mixed use), diversification of land use within the site, and an agreed structure plan

The strategy concluded that at the time of developing the strategy (2001) the City of Joondalup was under-supplied with retail and commercial floor area, relative to its population, when compared with the metropolitan region as a whole, or the more mature urban areas immediately to the south of the City, in the City of Stirling. The strategy also lists the maximum Shop Retail net lettable area (NLA) for each centre but it should be noted that these figures in some cases differed to the maximum NLA contained in the DPS2 .

1.2.7 District Planning Scheme No. 2 (DPS2) Overview

DPS2 was adopted for final approval by the City of Joondalup in September 2000. The scheme contains 12 zones, some of which have the potential to overlap, such as business, commercial, mixed use and centre.

The Model Scheme Text (1999 WAPC) is under review and in the interim advice regarding the development of Planning Schemes is contained in the Local Planning Manual developed by the WAPC in 2010. The Planning Manual suggests a more simplified system of zones for common use in Schemes which aligns to the State Planning Policy 2.4 activity centres.

DPS2 includes provisions for development requirements or standards which are generally applied on a zone wide basis. A review of DPS2 should consider the potential for closer alignment with WAPC policies relating to Activity Centres and Transit Oriented Development and opportunities for providing incentives to generate greater intensity and intensity of employment development in Joondalup City Centre and selected district centres. Additional comment is provided on these points in section 5.6.1 of this report.



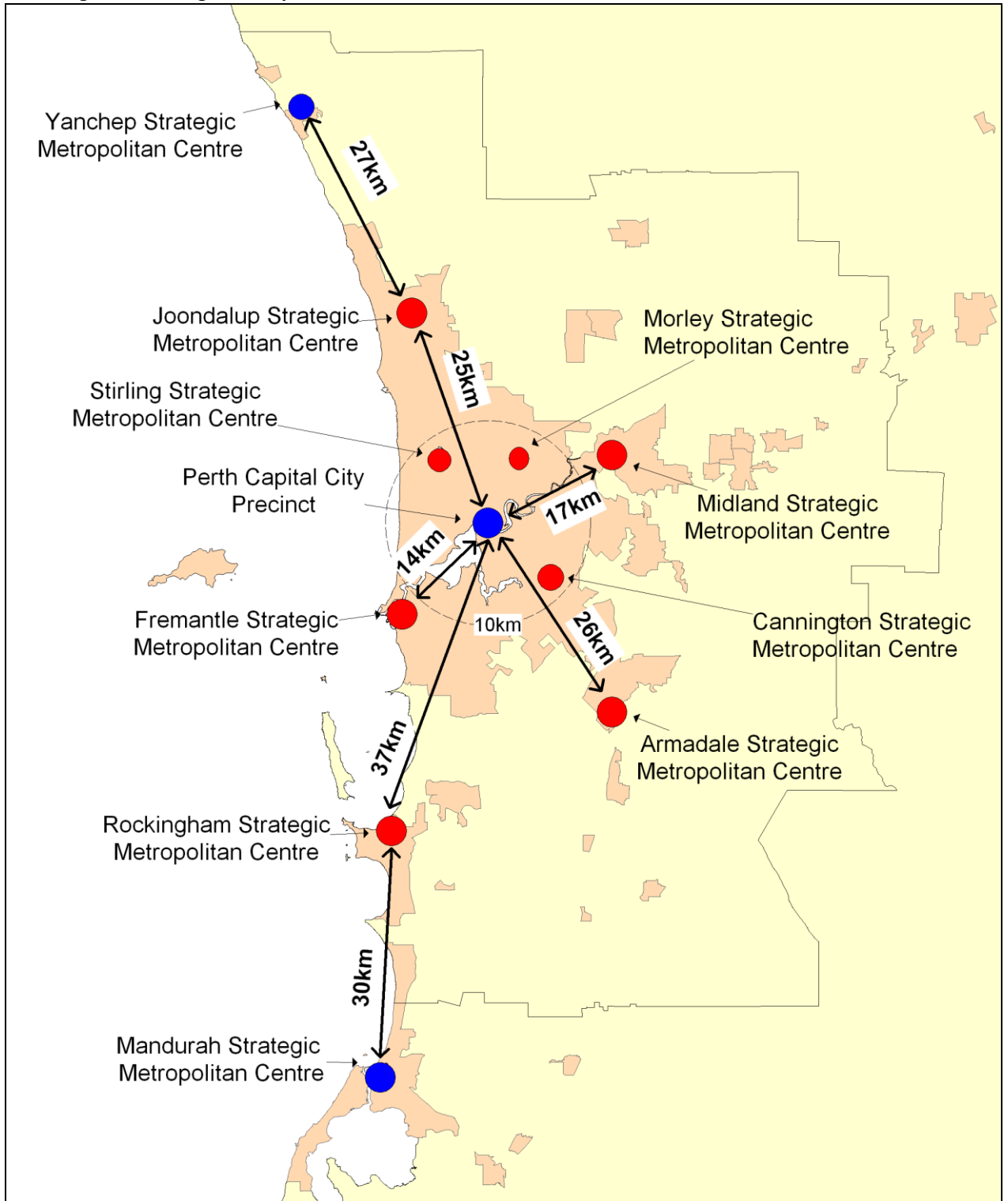
1.3 Summary Implications for the City of Joondalup

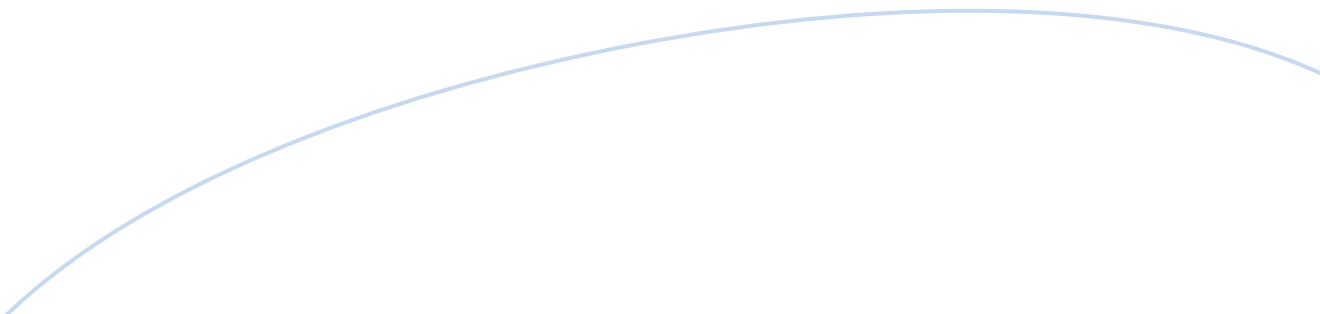
The Joondalup City Centre was originally intended to be the primary centre within the NW Corridor and was created via an Act of State Parliament in 1977. It is approximately 25 kilometres from the City of Perth via the Mitchell freeway and passenger rail. It is regarded as a strategic regional centre in Directions 2031 and Beyond and has attracted the West Coast Institute of Training, Edith Cowan University, Police Training Academy, a Business Park, a major Hospital and major shopping centre in the last 20 years. The City faces a challenge over the next 20-30 years as the North West corridor development stretches its boundaries to the north, with a secondary centre proposed at Alkimos 15 kilometres north and a further proposed strategic regional centre at Yanchep 30 kilometres north of Joondalup.

The City of Wanneroo, in which these new centres are located, is planned to accommodate rapid population and economic growth over the next 20 years (61% growth forecast by 2031) and will be a main focus of Perth Metropolitan activity. The Yanchep centre has a major economic development program (IDEA) which aims to attract high technology and knowledge base enterprise to Yanchep. Some companies are already 'signed up' and others are in the pipeline. The centre is likely to attract events arena, sport stadium, business parks, university, hospital and other facilities associated with a larger regional catchment. As the biggest greenfield development in the history of Perth it has sufficient land to attract major investment and institutional development. It is early days for Yanchep and the centre will not emerge for another 10 years and will not reach a level of maturity for perhaps 30-40 years. However the marketing is well underway.

It is therefore likely, that in the longer term, the North West corridor will be served by two main centres, namely Joondalup City Centre and Yanchep, each of approximately the same scale. The following map shows their relative location.

Figure 4: Strategic Metropolitan Centre Locations





The challenge for the City will be to provide a sustainable and affordable place to work and live, retain overseas students and their families and to minimise the ‘leakage’ of investment and skills to other centres, including the Perth CBD. This will only be achieved through energetic economic development activities, incentives of project ready sites and streamlined planning approvals with a continued focus on attracting high quality tertiary and secondary education establishments and knowledge based businesses and industries. Maximum advantage must be taken of State and private investment opportunities in the short term, that is, for the next 15 years. This will enable the Joondalup City Centre to mature and establish itself as a “place to do business”, and to realise agglomeration economies.

Within the boundaries of the City there are also challenges to sustain the CBD as the primary centre for shopping, entertainment and business as the secondary centres of Warwick and Whitford attract investment and redevelopment opportunities. The opportunity exists for the City through a future review of the draft Local Housing Strategy and the new Economic Development Strategy to be more assertive in its policies to intensify and diversify land uses around the Joondalup City Centre and to maintain pro-active planning policies which seek to maximise the amount of residential infill available within all centre catchments.

In this way the secondary centres of Whitford and Warwick will be able to absorb sufficient trade from the growing population without jeopardising the future growth and consolidation of the Joondalup City Centre. The Joondalup City Centre must continue to focus on its core strengths of health, education, community services and retail, where potential for employment self-sufficiency and self-containment is relatively high compared to other employment types. It is unlikely that the City will achieve higher job numbers in manufacturing as there is limited land availability in the City. Wanneroo, Neerabup and Yanchep-Two Rocks are likely to be the main location for this type of employment.

The former Centres Strategy has enabled the Whitfords centre to expand Shop Retail floorspace to around the 50,000m² level indicated in SPP 4.2 as well as allowing for expansion at Joondalup to around 75,000m², which is short of the indicative level of 100,000m² recognised under the former City of Joondalup strategy. This implies that the existing strategy has worked to the extent that it has enabled the promotion of the Joondalup in favour of competing centres and allowed for expansion of employment in industries other than retail. With the release of Directions 2031 and Beyond as well as SPP 4.2, it is now an appropriate time to provide the City with guidance as to what changes may be considered and the implications these changes are likely to have for the City.



2. Economic Assessment

2.1 Background Catchment Demographics Analysis

There has been a significant amount of analysis already done on the demographics in the City of Joondalup with the draft Local Housing Strategy containing a comprehensive profile of the region. There is also a great deal of information available on the City of Joondalup economy on the Economy ID website. The economic assessment in this report focuses on the issues regarding population projections, analysis of employment provision, land supply implications and infrastructure implications of growth in employment floorspace. These are the specific economic elements that impact on the development of the LCS. Information from Economy ID is also included in the discussion to provide the latest available information.

2.1.1 Population and Dwelling Projections

The Perth North Metropolitan Area includes the City of Joondalup, the City of Wanneroo and the City of Stirling. The population of this area is projected to grow substantially over the next twenty years. It is important to consider the potential population growth in these LGAs in developing the commercial strategy for the City of Joondalup, as there is a high degree of interaction between the areas. This is particularly so in the case of the main Joondalup City Centre commercial area, as this centre is likely to function as a primary centre for the entire corridor for the foreseeable future. Joondalup's importance to the region is only likely to be rivalled once work progresses on large scale developments at Yanchep and this may take between 30 and 50 years.

The primary source of population projections for planning purposes has been the WA Tomorrow publication which is based on 2001 census data. The current version of this document was released in 2005, with an update due to be published in the near future. In the period since the initial publication, Australia in general and Western Australia in particular have experienced high levels of population growth as a result of high levels of net international migration and an increase in fertility rates. In 2008, the ABS made available a set of Statistical Local Area (SLA) based population projections that had been developed for the Department of Health and Ageing (DoHA). This dataset is based on the 2006 Census and includes more recent trends in migration and fertility. However, it should be noted that the projections are not official ABS data and have been produced primarily to meet the needs of the DoHA.

Additionally, projections have been developed as part of Directions 2031 and Beyond process at the corridor level but these projections do not easily translate to local government area level. Generally under Directions 2031, the population for the outer areas is planned to be lower than other forecasts due to the anticipated take up of infill in the inner areas, resulting in higher population projections for inner areas such as the City of Stirling and lower projections for the City of Wanneroo to 2031.

The following table shows the population projections for the Perth North Metropolitan area according to WA Tomorrow (2005).

Table 1: Projected Population Growth – WA Tomorrow

WA Tomorrow	2009	2011	2016	2021	2027	Change 2009-2027
Joondalup	153,717	152,919	154,074	157,365	160,190	6,473
Stirling	185,192	187,514	196,368	201,267	211,459	26,267
Wanneroo	134,985	146,840	170,984	201,154	232,300	97,315
Total North Metropolitan	473,894	487,273	521,426	559,786	603,949	130,055

Source: WA Tomorrow (WAPC, 2005)

The data indicates that the region will experience population growth of 130,000 between 2009 and 2027 with a total population of over 600,000 persons at 2027.

The following table shows the population projections for the Perth North Metropolitan area according to unofficial ABS Department of Health and Ageing population projections.

Table 2: ABS Population Projections for the Department of Health and Ageing

ABS DoHA Projections	2009	2011	2016	2021	2027	Change 2009-2027
Joondalup	158,164	159,347	162,168	164,618	166,678	8,514
Stirling	195,853	201,502	215,652	229,790	246,382	50,529
Wanneroo	143,903	162,464	210,583	260,757	322,867	178,964
Total North Metropolitan	497,920	523,313	588,403	655,165	735,927	238,007

Source: ABS Department of Health and Ageing Population Projections Unofficial (2008)

In contrast to the WA Tomorrow population projections for the region, the ABS projections show an additional 238,000 persons between 2009 and 2027 with a total population of almost 736,000 at 2026. The differences in these projections are very significant and present a challenge in terms of modelling the amount of retail and other commercial floorspace that will be required to service the needs of the region. More recent ABS Estimated Resident Population data (March 2011) suggests that the preliminary population estimate of the City of Joondalup is about 164,500 persons at June 2010, which is similar to the ABS unofficial projection for 2021.

This compares with estimated resident population data for Wanneroo and Stirling with populations of 150,106 and 202,014 respectively at June 2010, which are more in line with unofficial projections. The Census of 2011 will provide more accurate population figures for the region and enable projected population growth models to be reviewed using 2011 base line data.

Furthermore, Directions 2031 and Beyond adds other growth scenarios which also need to be considered given that it is now the guiding framework for regional planning in the Perth and Peel region.

Through discussions with the Department of Planning and assessing the available data for dwelling projections for small areas (Main Roads Transport Zones) it has been decided to use a modified dwellings growth scenario to model the retail demand within the City of Joondalup. The projections utilised accommodate and account for potential infill yields identified within the current Local Housing Strategy. Retail development within the City of Joondalup will need to meet demand arising from approximately 242, 435 dwellings by 2026 in the wider catchment. This broadly assumes a greater amount of infill in the City of

Stirling and City of Joondalup. This strategy makes recommendations limited to a 15 year timeframe to 2026, given the higher uncertainty associated with projections extending over a longer timeframe.

To model the indicative maximum amount of retail floorspace required in City of Joondalup complexes, dwelling projections contained in the latest Metropolitan Land Use Forecasting System (MLUFS) with an additional adjustment upward to account for higher ABS population projections for the corridor overall to project potential higher retail demand in the City of Joondalup by 2031¹. Note that the MLUFS shows maximum dwelling capacity for each MRTZ and these capacities are not exceeded in the model. The Local Housing Strategy development and infill yields are also taken into account. This approach has been discussed and agreed with the Department of Planning (Tom Mulholland 18/3/2011). The dwellings projections used are summarised below.

Table 3: Maximum Dwelling Projections for Retail Demand Modelling

Dwellings Projections	2006	2011	2016	2021	2026	2031
Joondalup	57,937	63,440	68,059	71,980	75,805	79,443
Wanneroo	43,127	56,191	71,131	89,208	107,949	118,669
Stirling (north west part only)	40,974	45,283	49,776	53,823	58,681	67,004

Source: Department of Planning Metropolitan Land Use Forecasting System, ABS Population Projections, MGA Planning Modelling

Note that the total dwellings for Joondalup and Wanneroo at 2031 are approximately 198,000 compared with 172,000 in Directions 2031. This is around 15% higher to reflect the higher ABS population projections for the Perth metropolitan area and to arrive at a maximum dwelling estimate for 2031.

The rationale is to provide the City with a robust set of floorspace demand figures in the form of a Shop Retail floorspace threshold for each commercial complex based on estimated maximum number of dwellings. Proposals seeking the threshold Shop Retail floorspace or above would need to demonstrate the sustainability of such expansion, potentially by highlighting that higher dwelling growth in the wider catchment, than currently estimated, will be achieved. The retail needs methodology is discussed further in section 6.

2.2 Employment Provision Analysis

The City of Joondalup has over 83,000 employed persons in the labour force living within the City. These employees work in various locations, including the City of Joondalup, other local government areas in the Perth metropolitan area and in regional locations. Employment within the City of Joondalup totals t 38,561 persons (ABS Census 2011), with these employees coming from various locations in the Perth metropolitan area. This is detailed in the table below.

¹ Note that maximum additional retail demand is based on historical expenditure patterns and assumes that these patterns will remain relatively stable to 2026 and 2031. Other influences impacting on retail sales, such as internet sales, serve to reinforce that any maximum retail floorspace recommendations are definite maximums.

Table 4: City of Joondalup Employment Self Sufficiency

Employment Self Sufficiency	2001	2011	Change
City of Joondalup Resident Employed Labour Force	75,297	83,033	7,736
City of Joondalup Local Workforce (employed in City)	28,638	38,561	9,923
City of Joondalup Employment Self-Sufficiency	38.0%	40.3%	2.26%

Source: ABS Basic Community Profile and Worker Population Profile, 2001 and 2006

Since the 2001 census, the City of Joondalup has experienced growth in the resident labour force as well as significant growth in local jobs that has resulted in an improvement in the employment self-sufficiency from 38.0% to 46.4%. However, some industries have higher employment self-sufficiency than others with the employment “gap” indicated in the table below.

Table 5: City of Joondalup Employment Self Sufficiency by Industry Type (2006)

Employment Self Sufficiency by Industry	Resident Workforce	Local Workforce (Worker Population)	% Self Sufficiency by Industry	Employment "Gap"	Rank
Construction	8,874	2,220	25.0%	6,654	1
Manufacturing	6,504	913	14.0%	5,591	2
Professional, scientific & technical services	5,894	1,528	25.9%	4,366	3
Health care & social assistance	8,768	4,861	55.4%	3,907	4
Public administration & safety	5,311	1,649	31.0%	3,662	5
Retail trade	9,807	6,407	65.3%	3,400	6
Wholesale trade	3,261	575	17.6%	2,686	7
Financial & insurance services	3,481	973	28.0%	2,508	8
Mining	2,411	70	2.9%	2,341	9
Education & training	6,869	4,965	72.3%	1,904	10
Other services	3,254	1,440	44.3%	1,814	11
Transport, postal & warehousing	2,398	619	25.8%	1,779	12
Inadequately described/Not stated	1,901	349	18.4%	1,552	13
Administrative & support services	2,767	1,286	46.5%	1,481	14
Accommodation & food services	4,458	2,996	67.2%	1,462	15
Information media & telecommunications	1,440	322	22.4%	1,118	16
Electricity, gas, water & waste services	887	58	6.5%	829	17
Rental, hiring & real estate services	1,629	963	59.1%	666	18
Arts & recreation services	1,099	543	49.4%	556	19
Agriculture, forestry & fishing	364	50	13.7%	314	20
Total	81,377	32,787	40.3%	48,590	

Source: ABS Basic Community Profile, 2006 and ABS Worker Population Profile, 2006

The Employment Gap is the shortfall in local jobs (workforce population) to match the resident workforce to achieve 100% employment self-sufficiency.

It is likely that there have been some shifts since the 2006 census and the comparisons above should be monitored at inter-census periods. Some industry types, such as construction and mining, are unlikely to be influenced through economic development within the City. Other industry types may be more easily influenced than others and should be the target of a structured economic development program. Generally, those industry types with higher employment self-sufficiency and large employment gaps (such as Health Care and Social Assistance, Retail Trade and Education and Training) could be priority target industries since the local workforce show a willingness to work locally and there is opportunity to fill the employment gap.

The top 5 employment gap industry types for Joondalup, Wanneroo and Stirling are shown in the following table.

Table 6: Employment Self Sufficiency Gap Summary, Cities of Joondalup, Stirling and Wanneroo (2006)

Rank	Joondalup	Gap	Wanneroo	Gap	Stirling	Gap
1	Construction	6,655	Construction	3,469	Professional, scientific & technical services	4,064
2	Manufacturing	5,586	Health care & social assistance	3,460	Health care & social assistance	3,870
3	Professional, scientific & technical services	4,364	Retail trade	2,756	Public administration & safety	3,268
4	Health care & social assistance	3,910	Public administration & safety	2,050	Mining	2,325
5	Public administration & safety	3,664	Manufacturing	1,879	Construction	2,004

Source: ABS Basic Community Profile, 2006 and ABS Worker Population Profile, 2006

There are a significant number of construction workers living within the North West corridor working in other locations. Other significant industries with employment gaps across all three local government areas include Healthcare and Social Assistance and Public Administration and Safety. Professional, Scientific and Technical services also have a large gap (ranked 6th in Wanneroo). These results should further inform potential target industry types to locate or expand into the City.

2.3 Employment Self Sufficiency Target and Employment Self - Containment

The current employment self-sufficiency for the City of Joondalup is 46.4% and the employment self-containment is 26.7%.

There are 83,033 persons living in the City of Joondalup who are employed and 38,561 (46.4% of 83,033) persons employed within the City of Joondalup (ABS Census 2011). Of these, approximately 22,191 persons (26.7% of 83,033) live in the City (ABS Census 2011). This implies that jobs provided locally in the City have a high take up rate among residents. Furthermore, of the persons employed in the City of Joondalup, around 5,500 lived in Wanneroo and 3,150 in Stirling in 2006. Therefore, the majority of employees working in the City of Joondalup live in either the City of Joondalup or an adjacent local government area. This implies that

increasing the job supply in the City (increased self-sufficiency) may result in an increased employment self-containment as well.

In order to achieve the target 60% employment self-sufficiency target set in Directions 2031 and Beyond, the North West corridor will need to expand its current employment base by 69,000 jobs. In terms of planning for this expansion, there will need to be sufficient land identified in existing and for future activity centres and industrial areas. The Joondalup City Centre provides the most viable location to target priority employment growth in order to achieve the 60% employment self-sufficiency target.

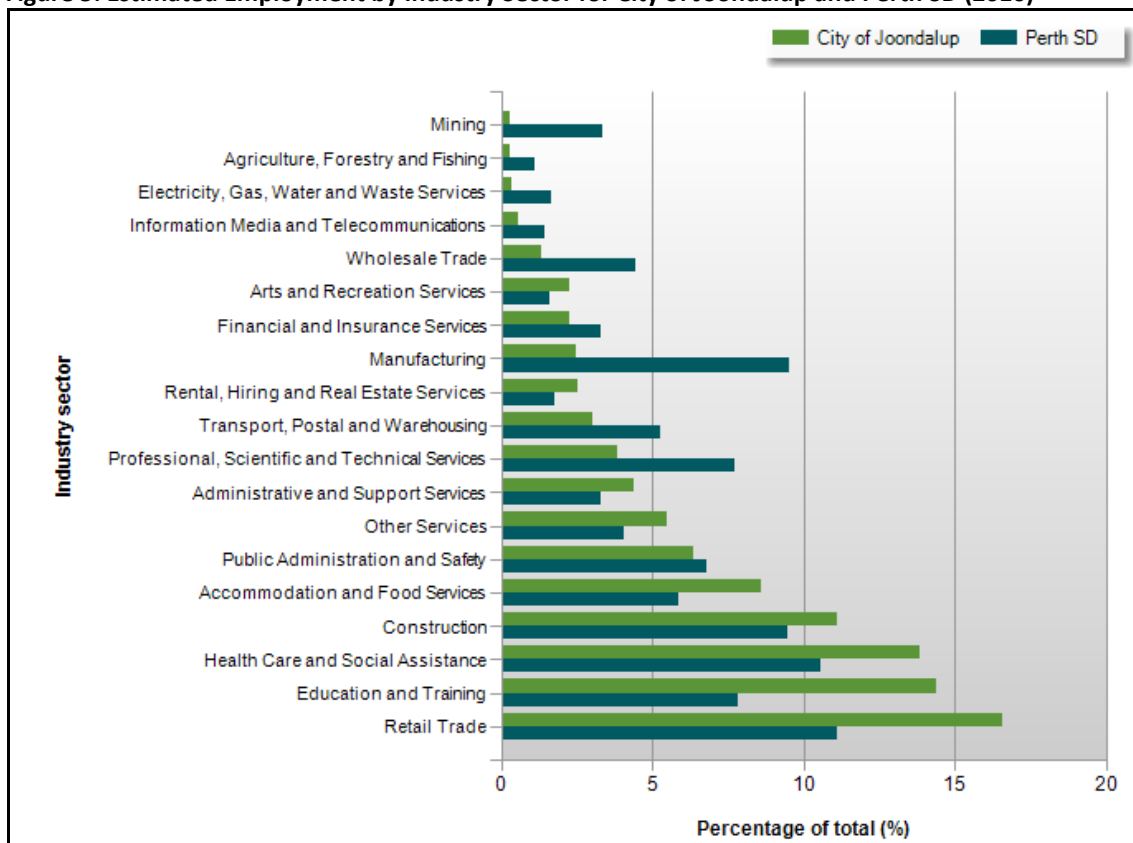
2.4 Economy ID Data

The following section contains recent data from the City of Joondalup Economy ID website which will inform the new economic development strategy for the City. The data includes estimates based on National Institute of Economic and Industry Research (NIEIR) modelling from a number of sources and should not be directly compared to the employment numbers contained in ABS Census data such as worker population profiles.

2.4.1 Industry and Productivity Growth

Employment by industry measures the contribution that each industry sector makes to employment in the local economy. The total number of jobs in the City of Joondalup in 2010 was estimated at 44,117. The major contributors to employment are Retail Trade (16.6%), Education and Training (14.4%), and Health Care and Social Assistance (13.8%).

Figure 5: Estimated Employment by Industry Sector for City of Joondalup and Perth SD (2010)



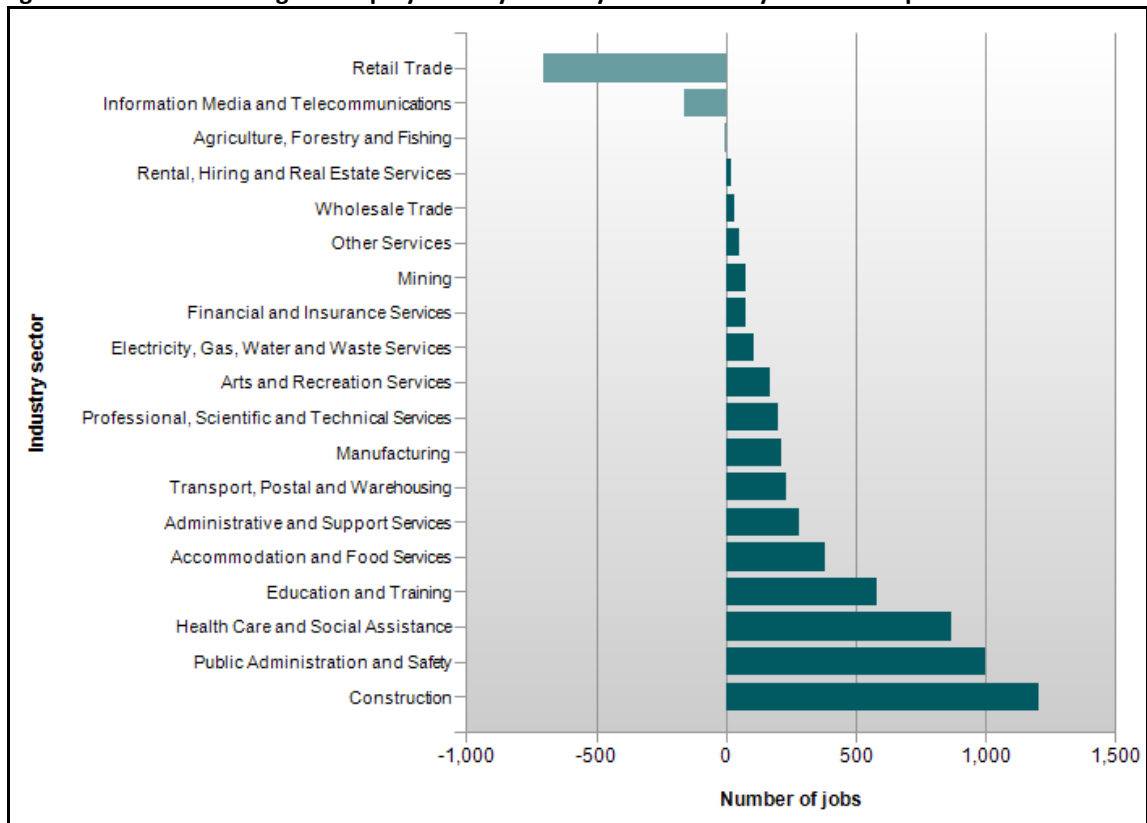
Source: National Institute of Economic and Industry Research (NIEIR) ©2011. Please note that NIEIR modelled estimates are subject to change and review for the most recent two financial years.

In the period 2001–2010, major employment growth has occurred in Health Care and Social Assistance, Public Administration and Safety, Construction and Education and Training Industry sectors. Employment in the Retail Sector has declined from 20.8% of the total number of jobs in 2001 to an estimated 16.6% of the total number of jobs in 2010.

Australian Bureau of Statistics data shows that employment in the retail industry grew relatively strongly in the decade to 2005, but has since plateaued. Retail jobs are now equally shared between full-time and part-time employment. Around 40% of the retail workforce is also employed on a casual basis.

After a decade of relative stability, the retail industry’s share of total employment in the Australian economy has fallen from a peak of 11.8% in 2005 to 10.8% in 2010. Historically, the retail trade has been a significant source of part-time employment for females wanting to balance work with other commitments such as child caring, and for young people continuing their education. However, the retail industry’s share of total part-time employment in the Australian economy has fallen from a peak of 19.5% in 1996 to 17.8% in 2010, mainly due to the stronger growth in part time employment in other industries.

Figure 6: Estimated Change in Employment by Industry Sector for City of Joondalup 2001–2010

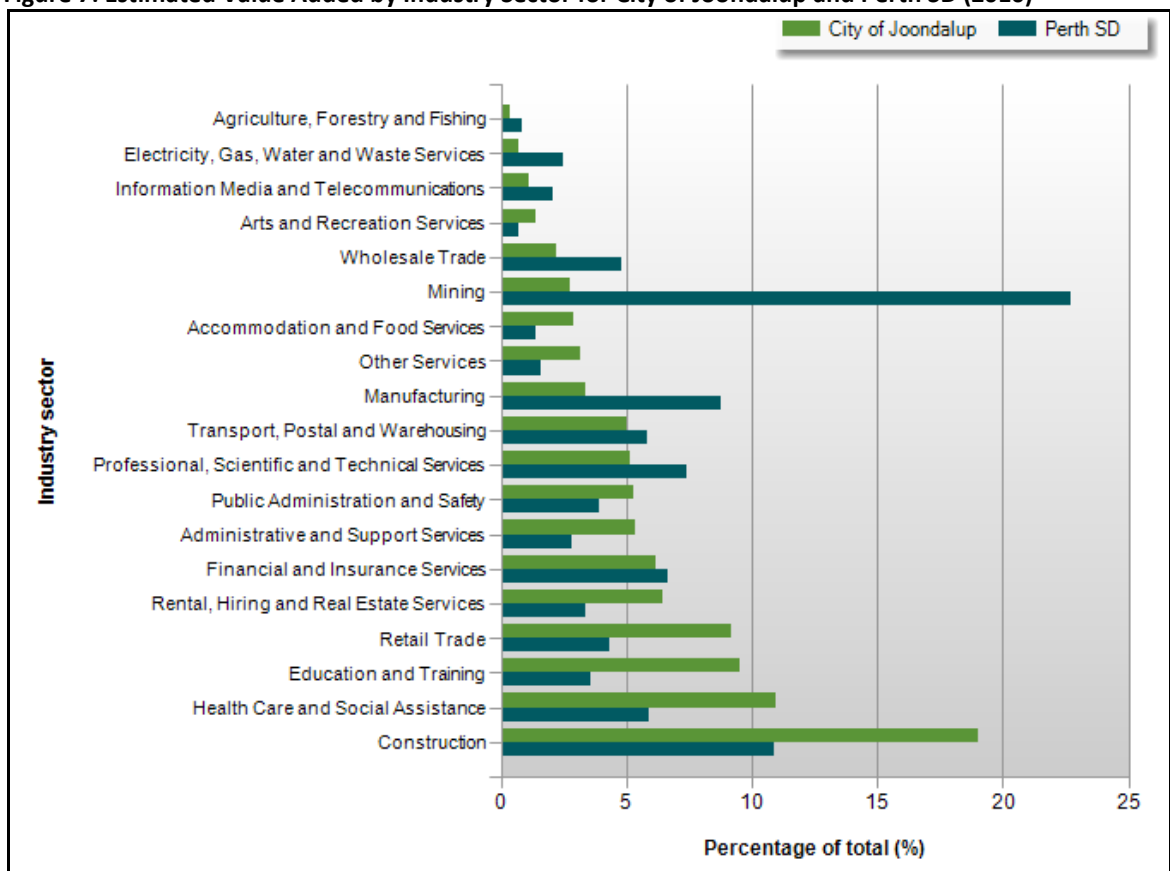


Source: National Institute of Economic and Industry Research (NIEIR) ©2011. Please note that NIEIR modelled estimates are subject to change and review for the most recent two financial years.

While local employment is important to the economic self-sufficiency of a region, it is also important that the types of jobs in a region are those that add value to the economy, match the skills of the resident population and provide a diverse range of all types of employment.

Value Added by Industry is an indicator of business productivity in the City of Joondalup and shows how productive each industry sector is at increasing the value of its inputs. In 2010, Construction was the most productive sector of the local economy, followed by Health Care and Social Assistance, Education and Training and Retail. The Construction and Health Care and Social Assistance sectors are also the sectors that have shown the largest growth in Value Added in the last 10 years.

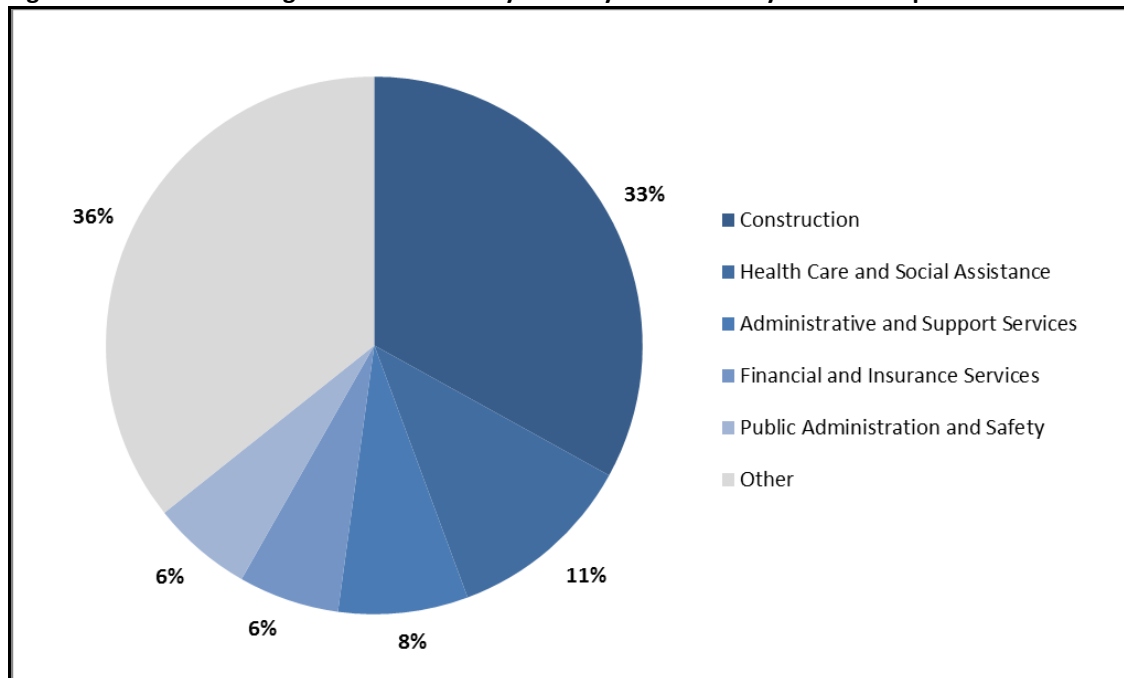
Figure 7: Estimated Value Added by Industry Sector for City of Joondalup and Perth SD (2010)



Source: National Institute of Economic and Industry Research (NIEIR) ©2011. Please note that NIEIR modelled estimates are subject to change and review for the most recent two financial years.

Over the 10 year period 2001 to 2010, the industry sectors exhibiting the largest growth in productivity were Construction, Health Care and Social Assistance, Administrative and Support Services, Public Administration and Safety and Financial and Insurance Services.

Figure 8: Estimated Change in Value Added by Industry Sector for City of Joondalup 2001–2010



Source: National Institute of Economic and Industry Research (NIEIR) ©2011. Please note that NIEIR modelled estimates are subject to change and review for the most recent two financial years.

A trend analysis of the Joondalup economy over the last 10 years of both Employment by Industry Sector and Value Added by Industry Sector indicates that the economy is moving towards a more diverse range of jobs.

A focus on the core strengths of health, education, training, public administration and community services and attracting and growing the office-based professional service industries of government administration, property, business and financial services will lead to a more robust and diverse economy.

2.5 Regional Governance and Economic Development

The draft Outer Metropolitan and Peel Sub-Regional Strategy outlines the key planning actions required in the north-west subregion. For the City of Joondalup, the key actions include:

- Develop an economic development and employment strategy for the north-west sub-region; and
- Finalise structure plan for the north-west sub-region, informed by the outer metropolitan and Peel subregional strategy final report.

To achieve the above actions will require a number of stakeholders to collaborate including the City of Joondalup, the City of Wanneroo, the Department of Planning, landowners/developers and other State agencies and service providers.

The Cities of Wanneroo and Joondalup support a regional governance framework for the North West Metropolitan Region to coordinate and adopt strategic economic development and infrastructure planning in the North West region. Collaboration is sought to follow the broad principles of:

- I. An effective, transparent and co-ordinated implementation mechanism to strategically respond to the needs of the region;
- II. A reporting mechanism to State and Federal Government;
- III. Engagement and commitment from key stakeholders;
- IV. A high level of consensus of direction in infrastructure priorities;
- V. Mechanisms and planning strategies to generate timely key employment land supply; and
- VI. Integrated infrastructure planning to activate economic development in a timely manner.

A Memorandum of Understanding for the purpose of commitment to collaboration on strategic regional and economic development matters in the North West Region has been endorsed between the Cities of Joondalup and Wanneroo.

Recent draft work commissioned by the Department of Planning² on employment targets for commercial centres in the North West sub region identifies one scenario to bridge the employment gap to achieve the desired 60% self-sufficiency in the North West Sub-Region from 2006 to 2031. The jobs targets under this scenario are shown for specific activity centres within the City of Joondalup are shown below.

Table 7: Draft Activity Centre Employment Gap

Draft Employment Gap	
Commercial Centre	2006 - 2031
Joondalup City	13,902
Warwick Grove	1,443
Whitfords City	2,597
Greenwood Village	138
Sorrento Quay	909
Currambine Market Place	465
Woodvale Park	238
Total Employment Gap	19,692

Source: Department of Planning North West Sub Region Employment Allocation (Jan 2011)

The figures show that in order to meet the employment self-sufficiency targets contained in Directions 2031, a total additional 20,000 jobs will need to be generated within commercial activity centres in the City of Joondalup. These draft targets are proposed to inform the future economic development strategy for the region. Assuming a ratio of between 25m² and 30m² of floorspace per employee, this implies the need for 500,000m² to 600,000m² of additional floorspace.

It should be noted that the above targets are only one potential scenario with other scenarios possible that have not yet been identified by the Department of Planning. One such possibility with a stronger strategic rationale is to increase the target for the Joondalup City Centre which would enable greater agglomeration economies to be realised and thus have a greater chance of success in actually achieving the employment targets and in particular the requirement for higher order jobs. This would allow the other centres to remain at smaller scale thus requiring less infrastructure investment on public transport and roads. Concentrating employment growth effort within the Joondalup City Centre is consistent with previous target contained in the former 2001 City of Joondalup Centres Strategy of 45,000 jobs.

² Department of Planning North West Sub Region Employment Allocation (Pracsys, Jan 2011)



2.6 Future Land Demand and Supply

The draft employment targets for the corridor show a need for up to 20,000 of the 69,000 total additional North West Sub-Region jobs target to be located at existing activity centres within the City of Joondalup. In terms of the amount of floorspace required to house the additional employment, this will depend on the activities present and the intensity of use. It is likely that the floorspace per capita required will average between 25m² and 30m² per employee. This implies an additional floorspace requirement of between 500,000m² and 600,000m² to be provided at commercial centres within the City to 2031.

The additional floorspace recorded at Joondalup City Centre, Whitfords and Warwick between 2002 and 2008 (WAPC Land Use Surveys) totals approximately 138,000m² (174,000m² for all commercial centres), with about 118,000m² of the additional floorspace being located in the Joondalup City Centre. This is an average of 20,000m² per annum for the Joondalup City Centre and 29,000m² per annum at all centres. This implies that to achieve an additional 500,000m² to 600,000m² would take between 17 and 21 years and is therefore achievable by 2031 based on the historical floorspace increase rate within the existing commercial centres.

It is likely that the trend for a large proportion of the additional floorspace to be located at the Joondalup City Centre will continue. This proportion may need to be considerably more than in previous years. Whilst there is ample land available within the Joondalup City Centre, achieving the targets will likely also require more intense use of land. The draft Joondalup City Centre Structure Plan aims to achieve the required land use intensity.

2.7 Implications for Infrastructure Provision

The development of additional floorspace of up to 600,000m² within the City of Joondalup is likely to result in flow on infrastructure and servicing liabilities to public authorities. This includes additional capacity for roads and public transport and utilities. SPP 4.2 is clear regarding the location of centres and expansion of centres to optimise the use of existing infrastructure. The Activity Centre Hierarchy exists to enable the preparation of long-term capital investment programs and to promote more private investment, particularly at strategic metropolitan centres. Additional infrastructure provision for activity centres should therefore be prioritised based on the hierarchy designation as well as determined need. In the City of Joondalup, most of this infrastructure already exists and the task is to make best use of existing infrastructure.

The major implication of this for the City of Joondalup is that the Joondalup City Centre, as the only strategic metropolitan centre in the City and the best served by public transport, should be promoted and supported as the preferred location for major employment in order to optimise the use of the significant investment in public transport and other infrastructure already in place. This implies that any significant expansion of other centres that trigger the need for major additional public infrastructure provision should be discouraged.



3. Joondalup City Centre Analysis

Directions 2031 and Beyond identifies the role of a primary centre as follows:

Primary centres are critical to achieving long-term sub-regional employment objectives. They should house major institutions and become the preferred location for investment in high order public and employment generating infrastructure outside the central metropolitan sub-region.

While there are currently no centres that perform a primary centre function, this classification is retained as an aspirational target. As the population grows towards a city of 3.5 million, existing major centres will clearly emerge to perform this role at some point in the future. To achieve this, existing centres must build on their existing assets and invest in the attributes that influence the locational decisions of these businesses, including accessibility, land availability, local amenity, communications and technology and the availability of skilled labour.

The Joondalup City Centre is classified as a Strategic Metropolitan Centre but is well positioned to take on the role of a Primary Centre for the North West Corridor and needs to build on its existing assets to achieve the scale that will enable it to become a primary centre of the north.

The strategy must build on its strengths and opportunities and be cognisant of weaknesses and threats. Economically, the Perth metropolitan area is dominated by the Perth central economic zone, centred around the Perth CBD but including adjacent areas such as Subiaco and parts of Victoria Park that are economically integrated to the extent that companies and institutions can regard various location choices in that area as economically and functionally approximately equivalent. Locations outside of this area do not have the same scale and diversity to provide the rich mix of business synergies that give central primary areas their strength and attraction to organisations that have a state-wide, national or international orientation.

For Joondalup to meet its employment self-sufficiency targets it must attract economic activity that goes beyond the region. This requires scale and diversity to achieve the agglomeration economies that flow from the vertical and horizontal integration that is possible in a larger, more diverse centre. The city centre environment provides a setting for effective informal information transfer and the regional transport connections that allow efficient labour access and business to business interaction.

The Joondalup City Centre is the only centre in the City of Joondalup that has these characteristics and the only one that can develop to a scale that can attract significant extra-regional economic activity. This is not easy to achieve and each element of the strategy must be coordinated to give the highest chance of success. It implies a strategy of favouring concentrating regional growth in the centre and building each of its aspects:

- Encouraging a wide variety of commercial uses;
- Encouraging and maximising the retail offering;
- Encouraging growth in the education and health services functions; and
- Encouraging and maximising inner city residential development.

3.1 The Joondalup City Centre area

The Joondalup City Centre includes the central city core and the large area surrounding it, including commercial areas to the east and south. The land area of commercial complexes located in the Joondalup

City Centre area totals 434 hectares. This compares with the land area of the Perth CBD complexes which total 483 hectares as shown below.

Figure 9: Joondalup City Centre Area*

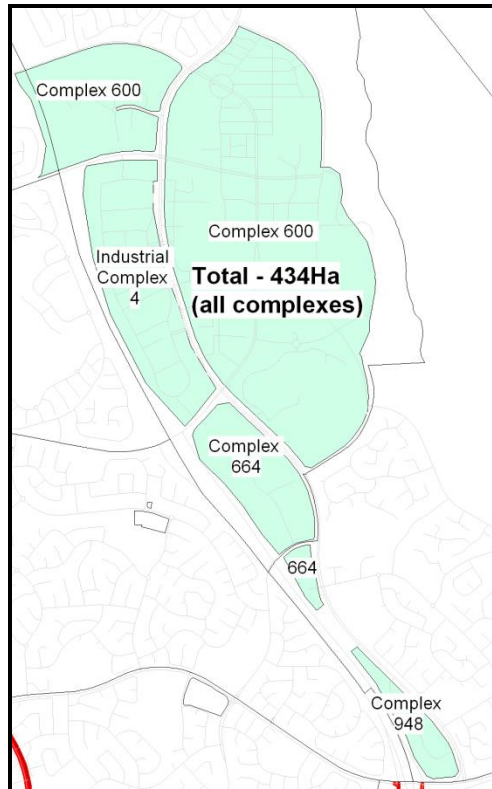


Figure 10: Perth CBD Area



**Includes WAPC Commercial and Industrial Land Use Survey Complex numbers*

The Joondalup City Centre includes the following floorspace.

Table 8: Joondalup City Centre Floorspace

Complex Type	Commercial	Commercial	Commercial	Industrial	
Complex Number*	600	948	664	4	
Complex Name	Joondalup City	Joondalup Drive	Joondalup South	Joondalup	TOTAL
	Floorspace (m ²)	Floorspace (m ²)	Floorspace (m ²)	Floorspace (m ²)	Floorspace (m ²)
Primary/Rural	0	0	100	0	295
Manufacturing/Processing/Fabrication	364	110	0	16,000	17,334
Storage/Distribution	1,557	420	343	18,502	19,265
Service Industry	4,327	0	340	16,315	19,408
Shop/Retail	73,038	8,534	12,443	19,859	115,491
Other Retail	7,040	19,102	2,300	24,791	53,796
Office/Business	61,670	0	1,463	10,380	59,720
Health/Welfare/Community Services	106,971	0	410	1,960	116,308
Entertainment/Recreation/Culture	52,229	0	0	23,158	80,856
Residential	7,059	0	0	0	8,314
Utilities/Communications	6,054	8	0	660	7,208
Vacant Floor Area	8,081	4,180	0	8,864	20,757
TOTAL	328,390	32,354	17,399	140,489	518,752

Source: WAPC Land Use Survey 2008

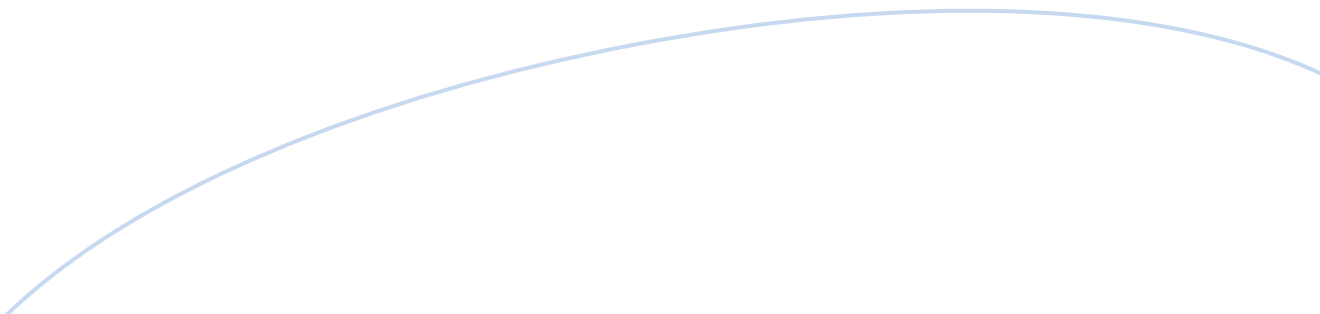
*See Figure 9 for complex locations

The table shows a total floorspace of almost 520,000m² within the whole of the Joondalup City Centre. Shop Retail accounts for 22.3% of the total floorspace in the Special Trading precinct which reflects the scale and diversity of other uses in the centre. Health/Welfare and Community Services uses account for a further 22.4% of land uses in the centre due to the location of the University, West Coast Institute of Training, Police Academy and Joondalup Health Campus all within the precinct.

This compares with 3,030,000m² of commercial floorspace in the Perth CBD (excluding West Perth) at 2008, with around 257,000m² of Shop Retail floorspace representing 8.5% of the total. Overall, the Perth CBD has a development intensity of about 6,300m² of commercial floorspace per hectare compared with the Joondalup Special Trading Precinct at around 1,200m² of commercial floorspace per hectare.

Therefore the Joondalup City Centre is currently around 20% of the scale of the Perth CBD in terms of total floorspace. Considering that all floorspace in Joondalup has been constructed since 1977, this implies an average floorspace increase per annum of around 17,000m² to 2008. Recent extensions to the Joondalup Health Campus and plans for the development of 34 hectares in the Joondalup South precinct indicate that this trend may continue for some time.

There is capacity in the land in the Joondalup City Centre to accommodate significantly more floorspace and expansion is only constrained by demand and any existing planning controls. The draft Joondalup City Centre



Structure Plan allows for considerable expansion, with minimum building heights in most areas as well as no limit on building height in the Central Core areas.

The Joondalup City Centre comprises four separate commercial and industrial complexes compared with the Perth CBD area which is divided into 13 separate complexes. It is likely that the Joondalup complexes will continue to be measured on this separate basis with potential future changes being the shift of the industrial area at Winton Road from an industrial complex toward a more commercial complex.

In terms of scale, the Joondalup City Centre has the capacity to develop into a Primary Activity Centre with a similar land area to the Perth CBD and with the equivalent of more than one sixth of the Perth CBD floorspace. Given that Joondalup City Centre has developed to its current scale in little more than 30 years, it is possible that the next 15 years will see it emerge as a major centre providing significant employment and activity for the Perth North West metropolitan region.

3.2 Joondalup City Centre Development Scenarios

If the Joondalup City Centre continues to average an additional 17,000m² of floorspace per annum, it could potentially reach a total floorspace of 860,000m² in around 20 years. This implies a commercial floorspace density of approximately 2,000m² per hectare, which is around one third of the commercial floorspace density currently achieved in the Perth CBD. However, to achieve this it requires a development strategy that builds on the strategic strengths of the centre to make it a primary metropolitan centre.

The draft Joondalup City Centre Structure Plan seeks to encourage this level of activity, but it will be predominantly demand driven and up to the private market to deliver the majority of floorspace in the Joondalup Centre. The exceptions to this would be the additions to the hospital and any government office accommodation that may be located to the Centre.

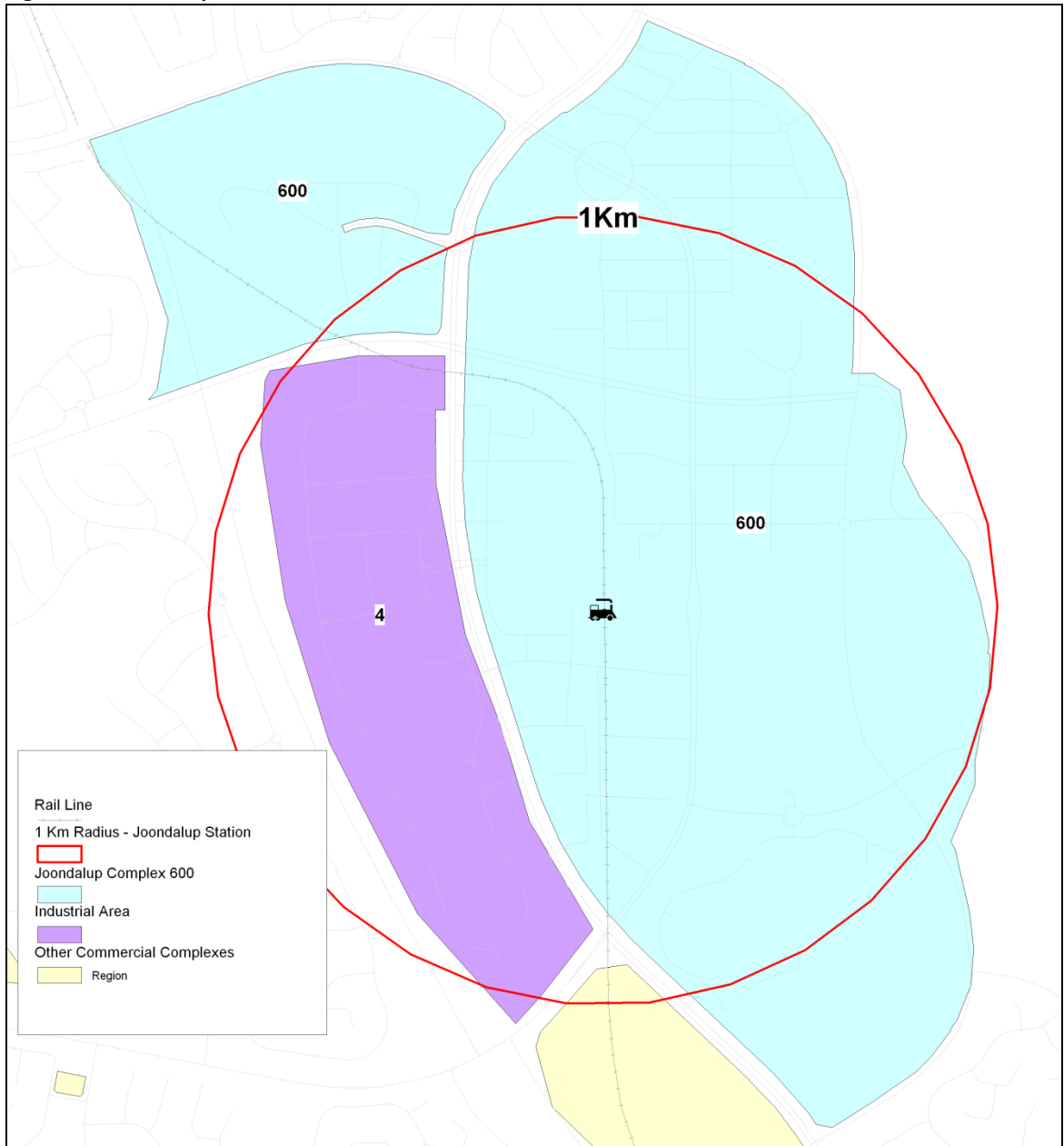
In terms of shop retail floorspace, the centre is already quite large with around 75,000m² in the central retail core area and another 40,000m² of larger format retail in other areas such as the industrial and Joondalup Drive precincts. In order to promote the City Centre as a Primary Activity Centre, it is likely that the Shop Retail floorspace will need to increase to a scale that will enable a full range of specialty shops and department stores to locate in the city centre. A floorspace of approximately 125,000m² may be required in the retail core to enable this provision. This is tested in the retail needs assessment in section 6.

The Joondalup City Centre has been the focus of significant investment in public infrastructure including the rail station, hospital, university and West Coast Institute of Training. The location of the station within the centre provides a basis for promoting further activity to enable workers and consumers to use public transport rather than cars. The draft Joondalup City Centre Structure Plan aligns with the principles of efficient use of infrastructure and forms a sound framework for managing and promoting future development.

3.3 The City Central Core

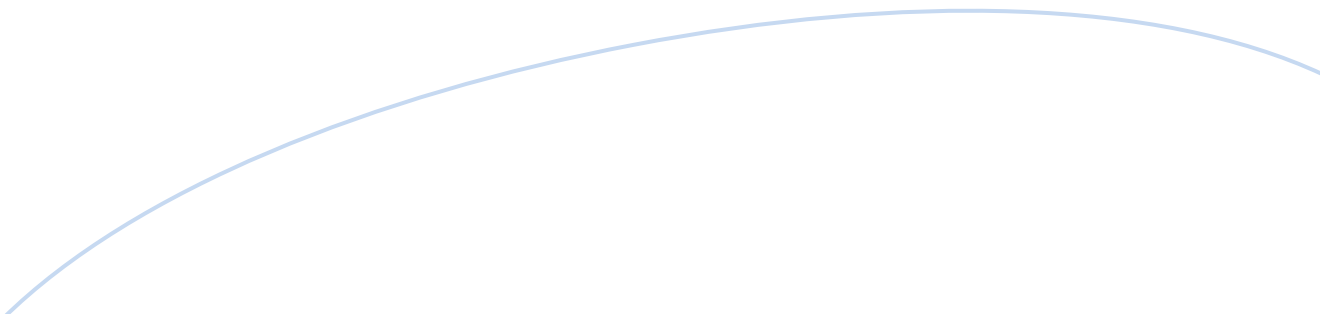
The City Core is a subset of the Joondalup City Centre and includes all the land that is serviced by the Joondalup railway station, roughly all that within an 800m to 1,000 m radius of the station, taking in all of complex 600 and complex 4 as shown in Figure 11. This encompasses the main retail and administrative areas, the health campus and the education areas as shown in the following map.

Figure 11: Joondalup Rail Station - One Kilometre Radius



It is useful to separately identify this, as it contains the areas of particular strength and opportunity for expanding the employment self-sufficiency of the City and the focus for its long term prosperity and vitality.

The Joondalup City Centre is planned as the primary Central Business District and service hub for the northern metropolitan region of Perth. This is a consistent theme in all relevant State Government and City of Joondalup policies. It therefore is intended to house the greatest range and highest level of retail, service and business activities.



It already is a substantial centre, with almost 520,000m² of commercial floorspace within the whole of the Joondalup Special Trading Precinct and of this around 470,000m² is in the City core areas, housing around 10,000 employees in commercial accommodation. These areas also contain substantial education and health activity: Edith Cowan University, the WA Police Academy and the West Coast Institute of Technology (collectively recognized as the Joondalup Learning Precinct), and the Joondalup Health Campus. This grouping of organizations provides significant employment for the City with estimated 2-3,000 employees. A measure of this significance can be seen by comparing these employment numbers with total employment of approximately 15,000 people in Joondalup North SLA at the time of the 2006 census, indicating the Learning and Health Precincts accounted for 15-20% of employment in the centre. The health campus is undergoing substantial expansion and the education functions in the centre continue to grow.

However, the city centre has a very low residential population, with a total at the 2006 Census of 3,160, of whom more than two-thirds live in the established low and medium density areas in Joondalup North and east of Lakeside Drive.

The Joondalup City Centre plays a crucial role in achieving higher consistent levels of regional employment self-sufficiency. It is the only centre in the corridor that currently has the elements of comparative advantage to provide substantial expansion in high-skill and knowledge-based economic activity. These elements are principally the agglomeration economies that flow from the vertical and horizontal integration possible in a larger, more diverse centre and the city centre environment that provides a setting for effective informal information transfer. The latter is important in the formation of an environment that fosters learning, research and innovation.

The university and health campus are key components of the city centre and their co-location with a substantial town centre is unusual in WA. This informs a development strategy for the city centre that utilises its strengths.

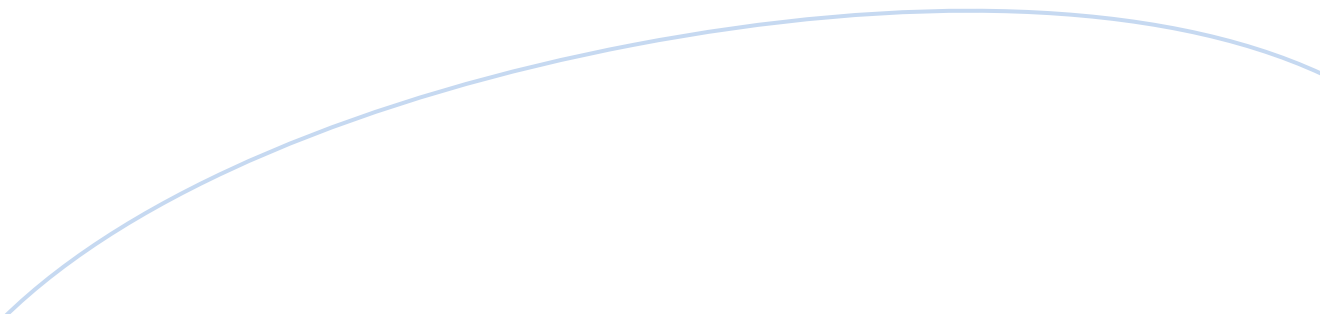
Earlier planning visions for the City of Joondalup were heavily embedded in the ideals of a campus town where pockets of health, education and commercial development were located in a dispersed manner. As the City Centre begins to mature there are numerous opportunities to create a better interface between these pockets of development, moving from campus model towards a university town model with high levels of physical integration between the disparate elements and much higher expectations of residential accommodation linked to the activities of the university and of health campus.

Key new elements would be:

- Moving from a campus town to an integrated university town model, with greater integration between the university campus and health campus and the other elements of the city centre, with specific attention given to non-vehicular movement systems between them and to common meeting spaces;
- Higher levels of city centre residential accommodation, particularly targeted at health workers, academics and students; and
- Integrated economic development strategies that promote not only the city overall, but also its key components.

This would have clear advantages not only for the City, but also for its key components, particularly the University as an institution.

There is substantial capacity for further development of the city centre for all classes of accommodation. Development opportunities identified in the draft Joondalup City Centre Structure Plan might have capacity for over 600,000m² of additional floorspace in the central city district (i.e. those areas that are serviced by the



Joondalup rail station) at full build-out. This might allow for, for example, around 3,500 residential apartments and an additional 250,000m² to 300,000m² of commercial floorspace accommodating 10,000 to 12,000 additional employees. This would give a total working population in the city centre core area of around 22,000 and a residential population of around 10,000. Given the mix of activities underpinning these figures, this would make it a vibrant and attractive centre, with the scale to attract enterprises from beyond the immediate regional catchment area.

The additional residential population would support around 7,000m² to 10,000m² of retail floorspace in the centre, further underpinning its viability, not only as the major centre for the corridor, but as a primary metropolitan centre.

4. Whitfords and Warwick Secondary Centres Analysis

The Warwick and Whitfords Centres are defined as Secondary Centres in Directions 2031 and Beyond and SPP 4.2. The Whitfords Regional Centre comprises approximately 25 hectares of land located on the corner of Marmion Avenue and Whitfords Avenue in Hillarys. The Warwick Regional Centre has a land area of 16.5 hectares and is located at the corner of Erindale Road and Beach Road in Warwick. Note that additional sites are currently not included in Department of Planning boundaries for Whitfords such as Whitfords Medical Centre (corner of Dampier Avenue and Whitfords Avenue) and other health related services on the south side of Banks Avenue. There is also a dentist on the south side of Beach Road adjacent to the Warwick centre.

Figure 12: Whitfords Regional Centre Area

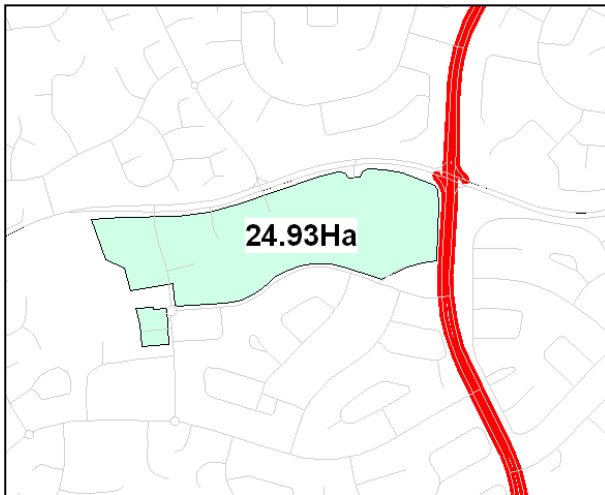
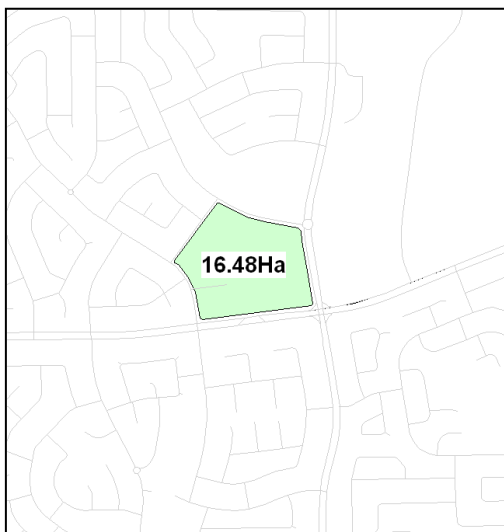


Figure 13: Warwick Regional Centre Area





4.1 Regional Context and Role

4.1.1 Whitfords Context and Role

The Whitfords centre is classified as a secondary centre in SPP 4.2 and is fulfilling its role in the hierarchy by providing essential services for the catchment. The centre is consistent with the typical characteristics described in SPP 4.2 for a secondary centre, with the exception of not having a department store such as Myer or David Jones. The centre did have an Aherns department store for some time during its history. Other potential additions to the centre to align better with SPP 4.2 would include the addition of major offices. However, with a current land use intensity of over 3000m² per hectare, this may be challenging depending on parking demand requirements and public transport provision. It is also not as well located as the Joondalup City Centre for large scale establishment of major offices.

The potential future scenarios for the Whitfords centre include expansion, subject to the needs assessment, or to remain at its current floorspace level. This is investigated further in section 6.

It should be noted that any major expansion of the Whitfords floorspace will have flow on impacts in terms of traffic and transport as well as other infrastructure and servicing requirements.

4.1.2 Warwick Context and Role

The Warwick centre is currently satisfying the role of a secondary centre and may have some capacity for expansion subject to the needs analysis. The centre does not currently contain a department store and this may or may not be viable in the medium term and is highly dependent on the land owners' intentions. This is problematic for the centre due to multiple ownership of the land.

The short term role of a secondary centre is likely to continue over the short to medium term unless a centre structure plan can be implemented over the site. If this eventuates, it may be possible to incorporate some residential development within the activity centre site.

Any major expansion of the Warwick centre will have flow on impacts in terms of traffic and transport as well as other infrastructure and servicing requirements. There is a substantial amount of vacant land at the Warwick centre and a Structure Plan would identify some alternative uses for it, including higher density residential development (including aged accommodation).

4.2 Centre Floorspace Assessment

4.2.1 Whitfords Floorspace

The Whitfords City commercial complex contained a total of almost 71,000m² of floorspace (all uses) at the 2008 Commercial Land Use Survey, including 43,770m² of Shop Retail floorspace. However, more recent data from the City of Joondalup shows that the Shop Retail floorspace at July 2010 totalled 49,924m² with a total gross leasable area (GLA) of 68,198m² (Note that City of Joondalup figure do not include the land to the west of the shopping centre that accommodates Bunnings and other businesses which does form part of the overall commercial complex).

The Shop Retail floorspace of 49,925m² is significantly greater than the 2008 land use survey indicated for the whole complex, and with no new major development in the centre, it is possible that some Shop Retail floorspace for Whitfords City has been omitted from the survey. Initial investigation into this indicates that one of the discount department stores may have been omitted in the land use survey.

Overall, it appears that the Shop Retail floorspace in the Whitfords City shopping centre is approximately 50,000m². However, the complex also includes property to the west of Endeavour Road that houses Bunnings, Supercheap Auto and other large floorspace users. It is estimated that the total floorspace of the complex is between 77,000m² and 78,700m² based on a combination of City of Joondalup and WAPC Land Use Survey data. This has implications for the complex in terms of alignment with SPP 4.2 diversity targets. These targets are as follows:

Table 9: SPP 4.2 Land Use Mix Targets

Centre Size - Shop Retail Floorspace Component	Mix of Land Uses as a Proportion of the Centres Total* Floorspace
Above 100,000m ²	50%
Above 50,000m ²	40%
Above 20,000m ²	30%
Above 10,000m ²	20%
less than 10,000m ²	N/A

*Source: SPP 4.2 Activity Centres for Perth and Peel Table 3 Diversity performance target. *Total floorspace defined as Shop Retail plus Mixed Use*

Mixed land uses as defined in SPP 4.2 include Office/Business, Health/Welfare/Community, Entertainment/Recreation/Culture and Other Retail only. Other uses such as residential or short stay accommodation are therefore not a factor in achieving the targets.

The following table shows three scenarios for the Whitfords City centre based on the original land use survey data, the discount department store floor area and the shopping centre Shop Retail figures as provided by the City of Joondalup at July 2010.

Table 10: Whitfords Existing Floorspace Scenarios

Complex Type	Commercial		Commercial		Commercial	
Complex Number	602		602		602	
Complex Name	Whitfords City		Whitfords City		Whitfords City	
	(Original 2008 Survey)		(Original plus DDS)		(Using Joondalup Shop Retail data)	
	Floorspace (m ²)	%	Floorspace (m ²)	%	Floorspace (m ²)	%
Primary/Rural	0		0	0.00%	0	
Manufacturing/ Processing/ Fabrication	0		0	0.00%	0	
Storage/Distribution	7		7	0.00%	7	
Service Industry	150		150	0.20%	150	
Shop/Retail	43,770	62.07%	51,599	65.86%	49,924	65.11%
Other Retail	8,503	12.06%	8,503	10.85%	8,503	11.09%
Office/Business	5,976	8.47%	5,976	7.63%	5,976	7.79%
Health/Welfare/ Community Services	2,785	3.95%	2,785	3.55%	2,785	3.63%
Entertainment/ Recreation/Culture	9,487	13.45%	9,487	12.11%	9,487	12.37%
Residential	0		0	0.00%	0	
Utilities/Communications	0		0	0.00%	0	
Vacant Floor Area	190		190		190	
Total for Mixed use Calculation*	70,521	100%	78,350	100%	76,675	100%
	TOTAL 70,868		78,697		77,022	

*Total floorspace defined as Shop Retail plus Mixed Use

The three scenarios shown in the table above have differing consequences in terms of SPP 4.2. The original data from the 2008 survey shows Shop Retail below 50,000m² and representing 62% of total floorspace. SPP 4.2 has a performance target of 30% other uses (Office/Business, Health/Welfare/Community, Entertainment/Recreation/Culture and Other Retail only) for centres with a Shop Retail floorspace component of between 20,000m² and 50,000m². Using the original survey data, the Whitfords City complex aligns with this SPP 4.2 target.

If we assume that a discount department store has been omitted from the original survey and add in 7,829m² of Shop Retail floorspace, the outcome is quite different. The Shop Retail component is now above 50,000m² and represents almost 66% of the total. SPP 4.2 sets a target of 40% for other uses where Shop Retail is over 50,000m². The SPP 4.2 diversity target is not achieved in this scenario.

If we use Shop Retail floorspace data of 49,924m² as provided by the City of Joondalup at July 2010, the 30% target is met but there is no room for Shop Retail expansion without increasing the target for other uses to 40%. The implications of expansion of Whitfords City centre above 50,000m² of Shop Retail floorspace are outlined in the following table.

Table 11: Whitfords City SPP 4.2 Expansion of Shop Retail above 50,000m² – Mixed Use Implications

Other Uses Implications	Floorspace (m ²)	% Uses	Floorspace (m ²)	% Uses
Shop/Retail	49,999	70.0%	50,001	60.0%
Mixed Uses Required for Diversity Target*	21,427	30.0%	33,400	40.0%
Remaining Uses (Ser, Sto, Man etc)	197		197	
Total Floor Area for Calculation	71,426	100.0%	83,401	100.00%
Existing Mixed Uses*	26,751	37.5%	26,751	34.9%
Additional Mixed Uses Required	0		6,714	

*Office/Business, Health/Welfare/Community, Entertainment/Recreation/Culture and Other Retail only as per SPP 4.2

Therefore, if the centre should expand to 50,001m², mixed uses would represent 34.9% so there would be a shortfall of other uses floorspace of approximately 6,700m² to meet a 40% target. For every proposed 100m² of Shop Retail floorspace thereafter, there would need to be an additional 67m² minimum of Mixed Uses floorspace in the proposal in order to be in alignment with the 40% other uses SPP 4.2 diversity target for centres with over 50,000m² Shop Retail floorspace.

SPP 4.2 allows for local planning strategies, schemes and district and local structure plans to identify the indicative boundaries of activity centres in both established and new urban areas. This would have implications for the Whitfords centre if the boundary were to expand to include the St Marks school site. The additional floorspace at St Marks would add to the Mixed Use category and effectively allow for expansion beyond 50,000m² of Shop Retail while meeting the mixed use target of 40% total floorspace. Note that schools are included in SPP 4.2 under the definition of mix of land uses under Health/Welfare/Community services.

However, this would need to be carefully considered in the context of a comprehensive retail needs assessment for the City. That is, the impact of significant shop retail at Whitfords may or may not have a detrimental impact on other centres and scenarios for expansion at Whitfords will need to determine impacts on other centres. The inclusion of the school site in the activity centre boundary would result in no significant additional office or other commercial uses being required for the Whitfords Centre under SPP 4.2 and any expansion plans could possibly only result in the addition of retail jobs.

Assuming a total floorspace of around 77,000m² and a land area of 24.93 hectares, the Whitfords centre has a land use intensity of 3,088m² per hectare.

4.2.2 Warwick Floorspace

The Warwick Grove centre accommodates over 25,000m² of shop retail and good mix of other uses to have a total commercial floorspace of almost 54,000m². The floorspace by land use is detailed below.

Table 12: Warwick Grove Floorspace

Complex Type	Commercial	% Uses
Complex Number	601	
Complex Name	Warwick	
	Floorspace (m ²)	
Primary/Rural	0	
Manufacturing/Processing/Fabrication	154	
Storage/Distribution	7,094	
Service Industry	890	
Shop/Retail	25,614	58.3%
Other Retail	100	0.2%
Office/Business	6,095	13.9%
Health/Welfare/Community Services	2,712	6.2%
Entertainment/Recreation/Culture	9,380	21.4%
Residential	0	
Utilities/Communications	160	
Vacant Floor Area	1,688	
TOTAL	53,887	

Source: WAPC Land Use Survey

With a floorspace totalling around 54,000m² and a land area of 16.48 hectares, the Warwick centre has an intensity of about 3,300m² per hectare. It currently achieves a Mixed Use ratio of 41.7%, which is well above the 30% target for centres with between 20,000m² and 50,000m² of Shop Retail floorspace.

5. Activity and Commercial Centres Assessment

The Joondalup, Warwick and Whitfords centres have been outlined separately in previous sections. This section provides an assessment of all centres within the City of Joondalup in terms of current and future potential changes to be tested in the retail needs assessment.

5.1 SPP 4.2 Diversity Targets by Commercial Centre – Joondalup, Warwick and Whitfords

The diversity targets outlined previously in Table 9 indicate that only centres with a Shop Retail floorspace over 10,000m² are required to achieve the target mixed use proportions. The only City of Joondalup centres currently impacted by these targets are Joondalup City, Whitfords and Warwick centres. The current performance against diversity targets of each centre is outlined in the following tables.

Table 13: Joondalup City Mix of Uses Performance

Joondalup City Mix of Uses		40% Diversity
Uses	Floorspace (m ²)	% Uses
Shop/Retail	74,655	22.7%
Mixed Uses	227,116	69.1%
Remaining Uses (Ser, Sto, Man, Res etc)	26,739	8.1%
Total Floor Area	328,510	100.0%

The Joondalup City Centre currently achieves well in excess of the 40% diversity target and any significant expansion of Shop retail floorspace would be negligible in terms of achieving the 40% target. For example, if the Shop Retail component was increased to 100,000m², the mixed uses proportion would be 64% and at 120,000m² Shop Retail the Mixed Use proportion would be 61%.

Table 14: Whitfords Mix of Uses Performance

Whitfords Mix of Uses		30% Diversity
Uses	Floorspace (m ²)	% Uses
Shop/Retail	49,924	64.7%
Mixed Uses	26,751	34.7%
Remaining Uses (Ser, Sto, Man, Res etc)	490	0.6%
Total Floor Area	77,165	100.0%

The Whitfords centre currently achieves the required 30% Mixed Use proportion for centres with a Shop Retail floorspace of between 20,000m² and 50,000m². However, as discussed in section 4.2.1, any increase in Shop Retail would require the centre to achieve a 40% Mixed Use proportion and would require significant expansion of Mixed Use activity in order to achieve the desired targets in SPP 4.2.

Table 15: Warwick Mix of Uses Performance

Warwick Mix of Uses	30% Diversity	
Uses	Floorspace (m ²)	% Uses
Shop/Retail	32,652	60.6%
Mixed Uses	18,217	33.8%
Remaining Uses (Ser, Sto, Man, Res etc)	3,018	5.6%
Total Floor Area	53,887	100.0%

The Warwick Centre is currently achieving the required Mixed Use target proportion of 30%. The centre would be able to expand the Shop Retail component to around 39,000m² before requiring additional Mixed Use floorspace to comply with SPP 4.2 targets.

5.2 Site Assessments

The project team visited all activity centre sites to determine how well the centres appear to be functioning and to assess the general look and feel of the centres. Centres were assessed on a simple scale of high, medium and low based on the amenity of the centre and how well the centre appeared to be fulfilling its role in terms of the retail hierarchy.

Each centre was also assessed on whether there appeared to be potential for expansion or refurbishment (or both). These assessments were purely qualitative and form a part of the overall health check of the centres. Additional elements to inform the health check of the centres include proportion of vacant floorspace and estimated Shop Retail turnover per square metre per annum.

The details on each centre are provided in section 10.1 Appendix 1 - Activity Centres Data.

5.3 "Health Check" by Centre – All Centres

The following section details the overall health check by centre for a range of measures. Thresholds are set for the various measures to determine whether a "red flag" is required. These include:

1. Floorspace intensity less than 1,800m² per Hectare;
2. Vacant Floorspace proportion greater than 8%;
3. Shop Retail proportion greater than 80%;
4. Estimated Shop Retail turnover per square metre per annum less than average for all centres;
5. Amenity/Function – Low; and
6. Access/ Parking/ Public Transport "Poor" or "Very Poor".

Measures 1 to 4 are quantitative and therefore simple to calculate. The fifth measure, amenity/function, is based on site visits and observations made on each centre and are therefore a qualitative measure which could be subject to variation. The observations made at each of the centres considered the general condition and appearance of the centre, streetscape and frontage as well as how busy the centre appeared. The access/parking/public transport measure consists of four separate measures being:

- Parking provision to total floorspace ratio;

- Bus route to centre;
- Rail station within 800m; and
- Centre located on a main road.

This enables an overall rating for access to the centre and forms a key measure in terms of the overall health of a centre.

The table below details the results.

Table 16: Activity Centre Health Check

Complex Number	Complex Name	Floorspace Intensity (m ² /Ha)	Vacant Floorspace %	Shop Retail %	Est. Shop Retail Turnover - % difference from Average	Amenity/ Function	Access/ Parking	Refurbish/ Expansion potential	Overall Centre Health
600	JOONDALUP CITY	1,059	2.5%	22.2%	-21.4%	H	good	-	Average
601	WARWICK GROVE	3,306	3.1%	47.8%	6.2%	L	average	tefurb/ Expand	Good
602	WHITFORDS CITY	3,182	0.2%	63.0%	-5.4%	H	average	-	Good
605	SORRENTO	2,331	1.4%	44.0%	-10.5%	L	average	Refurb	Average
606	FORREST PLAZA	1,862	9.5%	30.6%	-12.0%	M	average	-	Average
607	SPRINGFIELD	1,818	7.3%	92.7%	-21.7%	M	average	-	Average
609	GREENWOOD VILLAGE	2,522	2.1%	40.9%	20.9%	H	good	Expand	Excellent
610	DUNCRAIG	1,821	0.0%	76.4%	16.6%	M	poor	Refurb	Good
611	SHEPPARD WAY	1,823	5.4%	60.6%	-4.0%	M	poor	-	Average
612	GLENGARRY	1,994	6.6%	37.2%	3.3%	M	good	-	Excellent
613	COOLIBAH PLAZA	1,190	0.0%	80.8%	0.7%	L	average	Refurb	Poor
614	CARINE GLADES	2,609	13.2%	48.7%	-8.3%	M	good	Refurb	Average
615	CRAIGIE PLAZA	2,092	7.7%	42.8%	-19.7%	L	average	Refurb	Average
616	KINGSLEY	3,232	6.5%	42.8%	-1.3%	H	poor	Refurb	Average
617	PADBURY	2,171	5.6%	64.6%	3.6%	M	average	-	Excellent
618	BELDON	2,842	10.4%	81.9%	-1.3%	L	good	Refurb	Very Poor
619	MULLALOO	2,309	1.7%	28.8%	-14.9%	M	poor	Refurb	Average
620	HEATHRIDGE	1,586	1.9%	69.0%	-17.7%	L	average	Refurb	Poor
621	EDGEWATER	1,989	0.0%	65.3%	18.0%	M	average	-	Excellent
622	OCEAN REEF	1,595	2.7%	43.3%	-5.9%	L	average	Refurb	Poor
623	MULLALOO TAVERN	11,972	0.0%	38.3%	-24.7%	H	average	-	Good
624	WOODVALE	3,301	3.1%	42.7%	5.0%	M	average	-	Excellent
625	MOOLANDA NORTH	3,379	14.4%	18.5%	1.2%	M	poor	-	Average
627	CONNOLLY	2,935	0.0%	76.9%	-9.2%	M	poor	-	Average
628	HARMAN ROAD	1,936	0.0%	75.1%	2.7%	M	poor	-	Good
629	MOOLANDA SOUTH	2,280	0.0%	68.1%	9.3%	M	poor	-	Good
651	WALDECKS	249	0.0%	21.3%	15.8%	H	good	-	Good

Complex Number	Complex Name	Floorspace Intensity (m ² /Ha)	Vacant Floorspace %	Shop Retail %	Est. Shop Retail Turnover - % difference from Average	Amenity/ Function	Access/ Parking	Refurbish/ Expansion potential	Overall Centre Health
661	LILBURNE ROAD	2,039	34.8%	65.2%	16.4%	M	average	-	Good
664	JOONDALUP SOUTH	429	0.0%	71.5%	-26.8%	M	average	-	Average
665	HILLARYS	2,431	2.4%	59.9%	-11.6%	H	average	-	Good
668	HEPBURN AVENUE	2,427	0.0%	74.0%	22.9%	M	average	-	Excellent
669	GWENDOLINE DRIVE	2,174	4.2%	66.8%	9.7%	H	good	Expand	Excellent
671	KINROSS (Includes Kinross A & B)	3,097	1.4%	83.5%	10.4%	H	poor	-	Average
676	SORRENTO QUAY	699	4.7%	31.7%	-32.9%	H	good	-	Average
946	CURRAMBINE MARKET PLACE	613	0.3%	71.0%	24.6%	H	good	Expand	Good
948	JOONDALUP DRIVE	2,251	12.9%	26.4%	0.1%	H	excellent	-	Good
951	DUNCRAIG VILLAGE	891	0.0%	65.8%	13.3%	M	good	-	Good
8732	WOODVALE PARK	2,167	0.0%	72.9%	32.1%	H	good	Expand	Excellent
8733	BEAUMARIS CITY	2,222	0.4%	46.0%	-9.1%	H	average	-	Good
8734	CANDLEWOOD	1,953	4.3%	70.8%	12.2%	M	average	-	Excellent
4	JOONDALUP	2,086	6.3%	14.1%	-21.4%	H	good	-	Good
27	CANHAM WAY (includes Greenwood Plaza)	2,301	15.4%	14.4%	28.4%	L	average	Refurb	Average

Each centre is assessed based on the number of “red flags” to arrive at an overall health assessment on the following scale:

- 0 red flags – Excellent
- 1 red flag – Good
- 2 red flags – Average
- 3 red flags – Poor
- 4 red flags – Very Poor

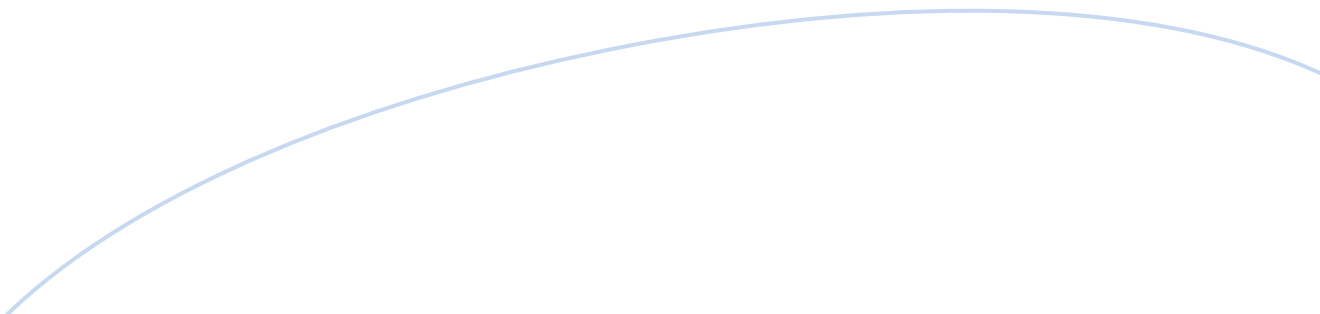
The results indicate that the centre with very poor overall health is:

- Beldon.

It should be noted that although the centre has three red flags, it has only just achieved each of these. For example, the turnover is only 1.3% below average and the Shop Retail floorspace proportion is only marginally over 80%.

The centres with poor overall health include:

- Heathridge;
- Coolibah Plaza; and
- Ocean Reef.



Most of the identified centres are local or neighbourhood type centres and it is not surprising to see comparatively poor performance amongst these centre types.

The inclusion of the Joondalup City Centre as an average performing centre is a concern. This is mainly due to the land use intensity of less than 1,800m² per hectare as well as a lower than average Shop Retail turnover per square metre per annum. The centre will need to rely on catchment population growth and intensification of uses if it is to achieve the required intensity and retail performance expected of a Primary Activity Centre.

It should be noted that the health check is a comparative tool to enable centres to be prioritised for refurbishment or redevelopment and therefore to mainly identify poorly performing centres. This does not remove the need to adequately plan for improving those centres that have average or good performance and specific issues such as low amenity. Those centres that have an excellent performance may also be looked to as expansion opportunities.

Each centre is described individually in more detail in the appendices.

5.4 Current Hierarchy and Floorspace Allocations Assessment

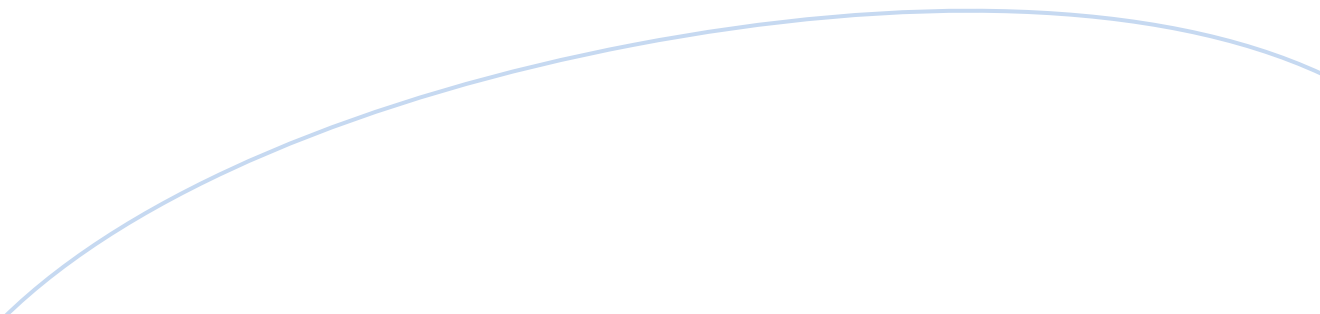
The City of Joondalup had an estimated resident population at 2008 of 160,412 persons (ABS Estimated Resident Population by LGA, March 2011) and approximately 261,000m² of Shop retail floorspace located at commercial activity centres within the City. This implies a Shop Retail floorspace ratio of around 1.63m² per capita. Whilst SPP 4.2 does not set guidelines for the per capita provision of Shop retail, it is worth noting that previous guidelines for Shop Retail floorspace per capita based on the average for the Perth metropolitan area set 1.6m² per capita for regional, district and local/neighbourhood Shop Retail floorspace. This implies that residents living in the City of Joondalup currently have an adequate, and perhaps slightly over the average supply of Shop Retail floorspace in commercial areas based on historical floorspace per capita ratios.

The supply of Shop Retail floorspace in the City of Joondalup appears to be sufficient to meet demand. However, there is a high proportion of Strategic Metropolitan and Secondary Centre floorspace as well as Local/Neighbourhood floorspace. The proportion of district level floorspace is relatively low at around 9.7% of total Shop Retail floorspace. Considering that this includes Sorrento Quay as a district centre, which does not include a supermarket and serves a role more as a tourism oriented activity centre, it is cause for some concern. The Local Commercial Strategy should therefore seek to optimise existing district centre floorspace in developing Shop Retail floorspace growth scenarios. Consideration should also be given to change Gwendoline Drive (Belridge) from a neighbourhood centre to a district centre to assist in facilitating this shift. The resulting spatial distribution of district centres including the Gwendoline Drive centre is shown on the following map.

Figure 14: Existing District Centres and Proposed Gwendoline Drive District Centre



Figure 14 shows that the resulting spatial distribution of District Centres in the City of Joondalup including Gwendoline Drive is realistic, with the proposed Gwendoline Drive centre being more than four kilometres



from any other district centre. The Shop Retail floorspace at Gwendoline Drive at 2006 was 6,148m² which is significantly more than the floorspace that would be expected in a Neighbourhood Centre. The centre also includes 1,328m² of office uses and almost 600m² of health uses. The implication of this is that the centre is already trading much like a District Centre and is providing a wide range of daily and weekly needs that other District Centres in the City of Joondalup also provide.

The centre is located within a City of Joondalup Housing Opportunity area and can reasonably expect a moderate increase in daily and weekly retail shopping demand within the catchment over time. This will place pressure on the centre to expand beyond its current floorspace. It is located adjacent to Belridge Senior High School which generates a high number of bus trips from the surrounding area and Edgewater Rail Station.

The future impact of internet retail sales is likely to continue to emerge over the coming years and is expected to lessen the demand for retail floorspace. This is likely to not only include the floorspace demand lost to interstate and overseas retailers but as local retailers take up offering online sales as part of their retail strategy, the requirement to store stock on-site will diminish proportionately. Warehousing requirements may experience proportionate increased demand as a result. Retailers, and commercial property owners, are expected to continuously plan to increase profits and will need to use marketing strategies and create experiences for their customers in order to attract business. This may require a shift in what products and services are offered in activity centres with categories such as entertainment and food and beverage having the potential to increase.

The precise impact of online retailers on City of Joondalup future retail floorspace demand is difficult to estimate at this stage but should serve to emphasise that Shop Retail floorspace threshold recommendations from this Strategy should be maintained unless it can be demonstrated that there is minimal impact on the sustainability of the retail hierarchy. Whilst Shop Retail floorspace demand may be impacted, it is recommended that proposals to redevelop or add development such as residential to existing centres should result in no net loss of commercial floorspace by centre at 2007/08 levels, except where it can be demonstrated that the community will not be adversely impacted through loss of local shopping and service provision.

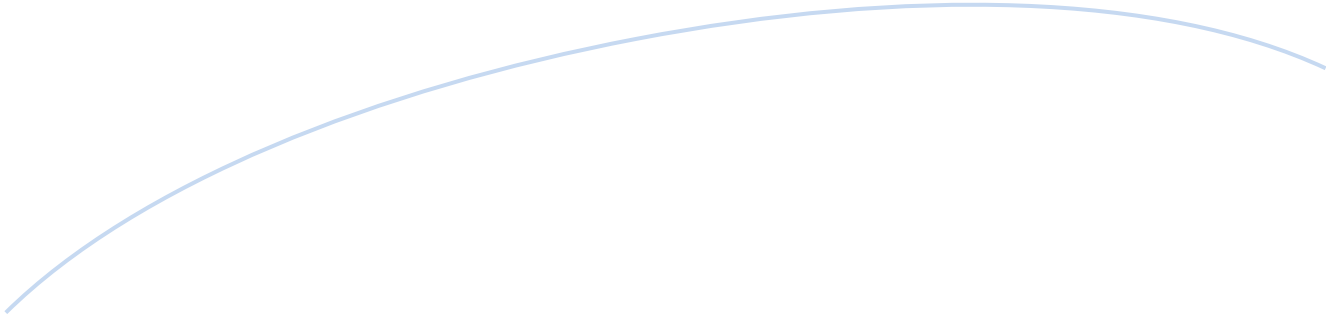
5.5 Development Intentions Analysis

Current known development plans exist for several centres according to the Western Australian Property Directory (Property Council, 2010). These include:

- Beldon;
- Mullaloo;
- Ocean Reef; and
- Carine Glades.

The property Council report provides no detail on the plans to develop the centres. The development intentions appear to align well with some of the centres currently with poor to average “health check” results.

There is also a proposal, in the form of a structure plan, for expansion to the Whitfords Centre to include a department store (possibly David Jones). Given the current “good” rating for the Whitfords centre, it is recommended that any expansion of Shop Retail in the Centre be considered within the context of the need



for a diversity of uses to be supported in the Centre and for the broader sustainability of the retail hierarchy to be supported.

5.6 Implications for Activity Centre Hierarchy and Expansion Opportunities

Based on the health check earlier in this section of the report and known developer intentions, it is likely that any considerable changes to the hierarchy will not be required. Expansion of district centre floorspace should be encouraged to raise the proportion of available district level floorspace in the City. The changing of Gwendoline Drive (Belridge) from a neighbourhood centre to a district centre is recommended.

Current expansion of the Currambine Marketplace is consistent with these findings; however, there may be capacity for expansion of the other district centres at Woodvale Park and Greenwood Plaza. The potential for expansion of centres is tested in the following retail needs assessment section.

5.6.1 Potential Impediments to Redevelopment and Revitalisation

The City of Joondalup District Planning Scheme No. 2 (DPS) currently provides the most guidance regarding development within activity centres in the City. The draft Local Planning Strategy, draft Local Housing Strategy and draft Joondalup City Centre Structure Plan also provide guidance. There are a number of elements within existing policies that are currently likely to be impeding to some degree the redevelopment or revitalisation of some centres.

1. Large number of “Zones”

The Zoning Table (Table 1) in the DPS contains nine different zones. It is recommended to reduce the number of zones in order to simplify the approvals process and achieve greater diversity of uses. This increases flexibility and may attract new business and increase employment opportunities. The zones recommended in the WAPC Planning Manual and SPP 4.2 should be considered.

2. Activity Centre R-Codes

The R-Codes for activity centres are recommended to increase from R20 to at least R80 in the draft Local Housing Strategy. This would provide an excellent incentive for centre owners to redevelop and include residential components in the development. The parking requirements would need to be considered as there is likely to be considerable opportunity for shared parking arrangements between residents, customers and workers. It is not clear whether the R80 would be additional development applied to the centre site or whether a reduction in commercial floor area is implied if a residential component is constructed. Any significant reduction in commercial floorspace would have implications for jobs provision and is not recommended. Plot ratio bonuses and density bonuses could be provided on the basis of a minimum residential and commercial component in mixed use and centre zones. Development standards and performance standards could be developed accordingly.

The R-AC codes could also be considered for application to City of Joondalup Activity Centres. The R-AC codes are summarised in the following table.

Table 17: Multiple Dwellings and Activity Centre R-Codes

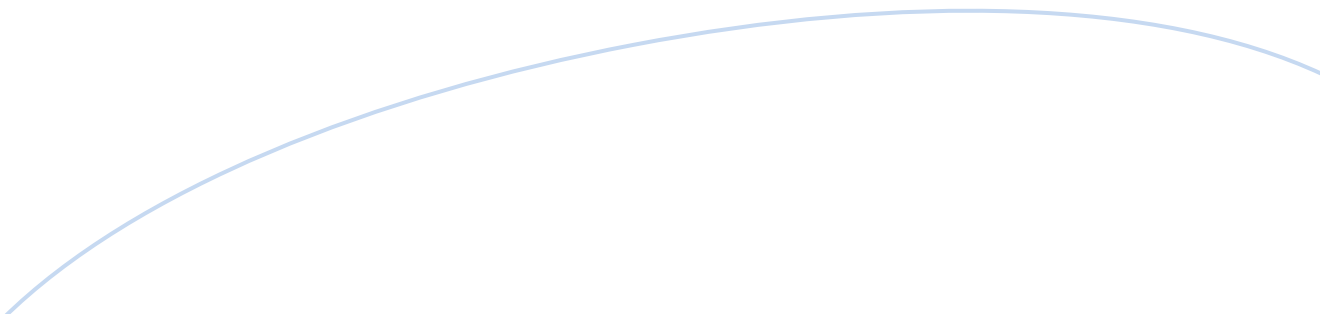
R-code	Maximum plot ratio	Maximum site cover (%)	Minimum primary street boundary setback (m)	Secondary Street setback (m)	Maximum height (m)			Maximum height of built to boundary walls	
					Top of external wall	Top of external wall (concealed roof)	Top of pitched roof	Max height	Average
MULTIPLE DWELLINGS IN LOW DENSITY AREAS NOT SUBJECT TO THIS CODE									
MULTIPLE DWELLINGS IN MEDIUM DENSITY AREAS									
R30	0.5	45	4	1.5	6	7	9	3.5	3
R35	0.6	45	4	1.5	6	7	9	3.5	3
R40	0.6	45	4	1.5	6	7	9	3.5	3
R50	0.6	45	2	2	9	10	12	3.5	3
R60	0.7	45	2	2	9	10	12	3.5	3
MULTIPLE DWELLINGS IN HIGH DENSITY AREA									
R80	1.0	b	2	2	12	13	15	7	6
R100	1.25	b	2	2	12	13	15	7	6
R160	2.0	b	2	2	15	16	18	7	6
MULTIPLE DWELLINGS WITHIN MIXED USE DEVELOPMENT AND ACTIVITY CENTRES									
R-AC0 ^b	b	b	b	b	b	b	b	b	b
R-AC1	3.0 ^c	- ^c	2	2 ^c	27 ^c	28 ^c	30 ^c	14 ^c	12 ^c
R-AC2	2.5 ^c	- ^c	2	2 ^c	20 ^c	21 ^c	23 ^c	10.5 ^c	9 ^c
R-AC3 ^d	2.0 ^c	- ^c	2	2 ^c	18 ^c	19 ^c	21 ^c	7 ^c	6 ^c
^b Refer to adopted Structure Plan or Detailed Area Plan which sets out development requirements									
^c Controls can be varied when R-AC is introduced into a scheme									
^d Residential elements of mixed use development with non R-coded land is to be assessed against R-AC3 provisions									

Source: Residential Design Codes 2013

Any revision of the draft Local Planning Strategy should include reference to the R-AC codes where applicable either through referring to Structure Plans and Detailed Area Plans (R-AC0) or other R-AC codes as appropriate. According to the above table, residential elements of mixed use development with non R-coded land would be assessed against R-AC3 provisions, therefore the City would need to be satisfied with this or determine the appropriate application of R-AC codes for activity centres without a Structure plan or Detailed Area Plan in alignment with the Local Housing Strategy.

3. Rezoning

There are some opportunities to investigate the use of zoning changes to serve as a catalyst for redevelopment in some areas. For example the Canham Way area may be rezoned on the south side of Canham Way to Commercial or Business with the northern portion retained as Service Commercial. This may assist in achieving some redevelopment of the area.



4. Sub-division/Strata Title

Vertical or horizontal subdivision/strata title of commercial units is to be discouraged as this creates multiple ownership and the potential for land use and activity stagnation in the future. Amalgamation of lots is difficult and time consuming and would require considerable incentive for the private sector or the Government to purchase land and titles to be successful.

5. Some ambiguous use classes

The Zoning Table (Table 1) in the DPS contains a long list of use classes to be applied against the various zones. For example the use “supermarket” has been deleted and the use “shop” is permitted in commercial zones only. There may be unintended consequences for not permitting some of these uses in commercial areas. A review of these use classes, with a view to increasing land use flexibility within the general centre parameters described in this report, may assist in enabling some redevelopment of centres.

6. Shop Retail floorspace caps

The Shop Retail floorspace caps contained in Schedule 3 of the DPS have been removed. This report will provide a new set of Shop Retail floorspace thresholds for each of the identified centres acknowledging the removal of caps under SPP 4.2.

7. Parking requirements

Current parking requirement for most centres is one bay per 30m². Where there is sufficient public transport access, such as within 800m of a rail station, a parking requirement of around 1 bay per 80m² for activity centres should be considered. The draft Joondalup City Structure Plan provides some incentive for buildings to be two storeys and over by only applying the 1 per 30m² parking standard to the first storey. A review of parking standards for other centres may enable similar incentives for redevelopment. The WAPC Development Control Policy 1.6 encourages the use of discretion to vary parking standards in circumstances where there is ample public transport, such as Joondalup.

8. Frontage requirements for shops in Business and Mixed Use zones

Although “shops” are listed as not permitted in Business and Mixed Use zones, they can be approved under certain conditions. The shop must not exceed 200m² and the direct street frontage of any lot containing a shop must be at least 20 metres in width. In the Business and Mixed use zones, a parcel of land housing a shop must be on a separate green title lot of not less than 1,000m². The requirement for 20m lot frontages and a maximum of 200m floorspace may be a hindrance to some business specialties that require a combination of shop, storage and manufacturing uses and would limit the retail expansion potential of these business types. If the rationale for this element is to ensure adequate parking, then alternate measures may be more appropriate.

In terms of strategies to achieve economic growth and development in the City of Joondalup, the City planning policies and schemes are limited to helping:

- Attract new businesses;
- Retain existing businesses; and
- Expand existing businesses.

These principles of attraction, retention and expansion of business need to be considered in any review of local planning strategies, policies and schemes.



6. Retail Needs Assessment

The Retail Needs Assessment (RNA) was undertaken by MGA Town Planners. The Activity Centres Policy SPP 4.2 stipulates that local planning strategies should provide the estimated retail need and indicative distribution of floor space for activity centres in a local government area, consistent with the activity centre hierarchy. SPP 4.2 states that RNAs should be prepared based on the following:

- *the projected population and its socio-economic characteristics;*
- *household expenditure and required retail floorspace;*
- *changing shopping patterns and trends; and*
- *the needs of different retail sectors.*

6.1 Background

A range of retail models and similar assessment tools have been developed to inform shopping centre owners and regulatory authorities with respect to the potential future retail floor space of shopping centres and aid in the assessment of trade impacts. However, retail modelling is subject to limitations. For example, accurately incorporating matters including ease of access and traffic circulation and perceptions of physical amenity are not factors generally accounted for, although these factors can affect the distribution of shopping trips made by residents.

The gravity model utilises various inputs, as follows:

- The number and size of competing activity centres;
- The ease of use and accessibility of each activity centre via the road network (this is an important factor impacting on the attractiveness of a centre);
- The number of households within each origin zone included in the study area;
- The gravity model forecasts consumer choice with respect to each activity centre, resulting from the distribution of retail floor space and the nature of the transport network linking population origin zones to activity centres; and
- The retail gravity model is based on the model developed by H. L. Huff and assumes that the number of shoppers attracted from a given origin zone to any shopping centre, is proportional to a size measure of the centre and inversely proportional to a measure of distance or time between residential zones and the centre (Huff 1964).

6.2 Limitations of Gravity Models

Public submissions on the draft Local Commercial Strategy Part A, assessed and reviewed by RPS on behalf of the City, universally raised concerns regarding suitability and appropriateness of using a Gravity Model to assess Shop Retail need and provide an indicative distribution of floorspace in the City. Primary concerns raised included:

- The age of the methodology (1960's) and whether it continued to be appropriate within the modern context;
- The focus of Gravity Models primarily on centre size and accessibility indicators as the determining factors of floorspace distribution;
- That the size of potential Shop Retail floorspace increases under the Gravity Model assessment does not necessarily consider the commercial feasibility of such expansions. This is particularly the case for Centre's where only minor expansions are identified under the Gravity Model Assessment; and
- The lack of transparency that is often associated with Gravity Models, particularly in relation to the weightings between variables and other core assumptions.

For this reason, the results of the Gravity Model assessment represents one of a number of factors that has contributed to the identification of appropriate Shop Retail floorspace thresholds for the Local Commercial Strategy.

6.3 Retail Gravity Model and Calibration

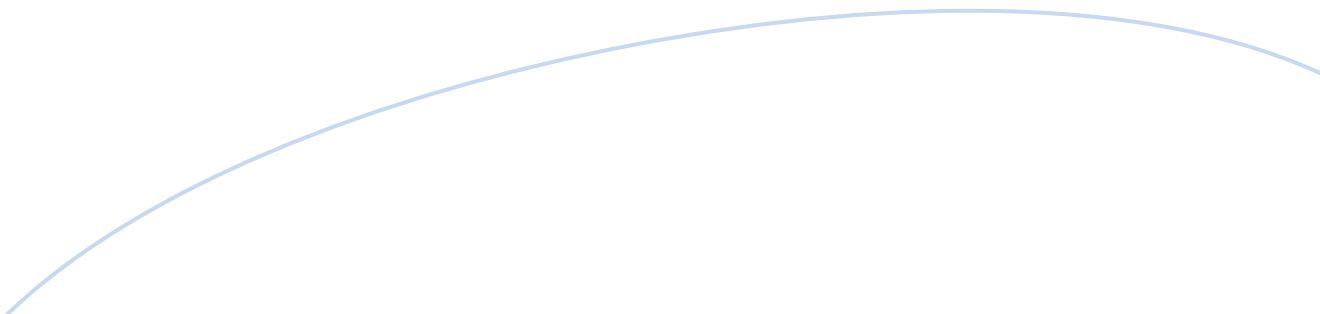
The modelling undertaken utilised the following equation (1); where O_i = the number of trips from origin zone i ; and S_{ij} = the number of observed/estimated trips from origin zone i to centre j . The negative exponential function generally provides a good fit to urban travel patterns, particularly by automobile.

$$S_{ij} = O_i \frac{A_j (\exp^{-\beta T_{ij}})}{\sum_j A_j (\exp^{-\beta T_{ij}})} \quad (1)$$

- To determine 'β' through the utilisation of equation (1), the model is constrained as it relates to average trip time. This constraint results in the incorporation of an assumption that shoppers are more likely to shop closer to home.
- The methodology utilised, incorporating the use of equation (1), meets the requirements of SPP 4.2 in providing a Retail Needs Assessment (RNA) to inform planning at a higher strategic level.
- Where future development proposals or centre plans aim to exceed the floor space levels recommended under this strategy, Retail Sustainability Assessments (RSA) informed by shopper surveys will be required in order to provide more definitive analysis in terms of trade areas and trade impacts, consistent with the policy.

In summary, the modelling of the study area and competing centres through the use of the retail gravity model is influenced by:

- The level of accessibility and travel time to each activity centre from population origin zones;
- The size of competing activity centres; and

- 
- The distribution of existing and future residential development and household expenditure throughout the study area.

The modelling estimates trade impacts that provide a guide to decision makers in respect of retail needs in light of the hierarchy of activity centres. The retail modelling and the resulting recommendations are based on a fifteen year horizon, to 2026.

6.4 Study Area

A trade area can be defined as a geographically delineated region, containing potential customers for whom there exists a probability greater than zero of their purchasing a given class of products or services offered for sale by a particular firm, or agglomeration of firms (H.L. Huff, 1964).

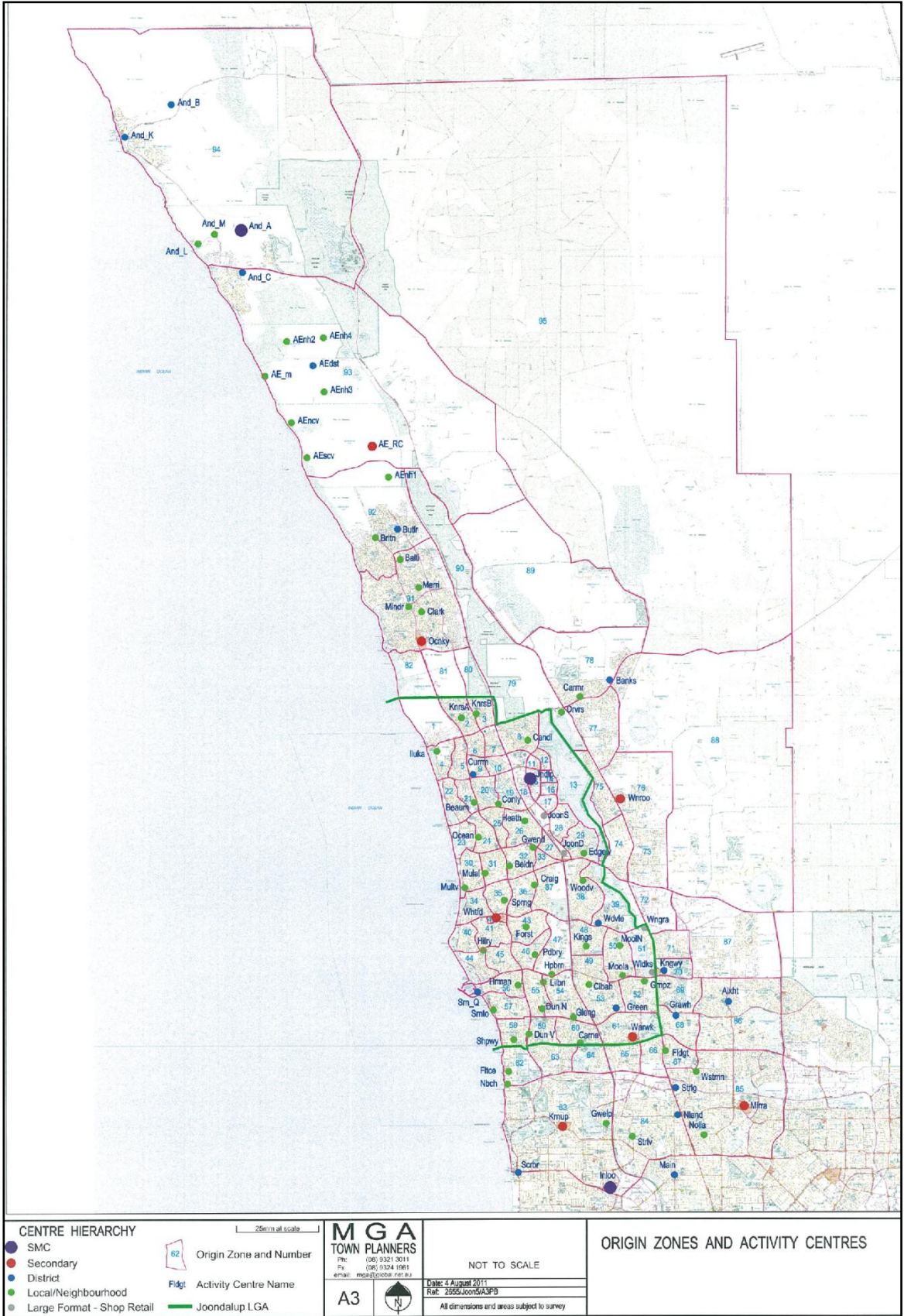
The defined study area therefore acknowledges the prevailing pattern of urban development including competing centres, the road network and regional connectivity affecting trade for activity centres in the City of Joondalup. The model determines trade areas based on the probability of visitation from origin zones within the study area.

The study area extends from Two Rocks at the northern edge of the Perth Metropolitan Region, east to the localities of Carabooda and Nowergup in Wanneroo and down to Banksia Grove and Alexander Heights. The study area terminates at its southern extent in the areas of Scarborough, Osborne Park and extends east to Mirrabooka. All coastal suburbs extending from Scarborough Beach north to Two Rocks are incorporated. The scale of the study area is deemed appropriate, as both the Joondalup and Whitfords activity centres draw trade from throughout the North West Sub-Region. The modelling therefore provides a clear indication of development potential, taking the future development of relevant competing centres into consideration.

The boundaries of the study area were based largely on the distribution of external competing centres in the City of Stirling and City of Wanneroo, having the potential to impact on the level of visitation to activity centres within the City of Joondalup. Of particular relevance, the Stirling Strategic Metropolitan Centre, Karrinyup Secondary Centre, Mirrabooka Secondary Centre, Kingsway District Centre, Yanchep Strategic Metropolitan Centre, Alkimos Eglinton Secondary Centre and the Wanneroo Secondary Centre are identified as activity centres likely to significantly impact on shopping trips made by residents within the City of Joondalup. Similarly, the level of development envisaged under this strategy, particularly for the Whitfords Secondary Centre and Joondalup Strategic Metropolitan Centre, will impact on the shopping behaviour of those residents in the City of Wanneroo and consumers in the City of Stirling.

The study area and activity centres included in the modelling are shown in the following map. An A3 sized version is included at Appendix 2 – Study Area A3.

Figure 15: Study Area and Activity Centres



6.5 Modelling Population Data

6.5.1 Data Preparation

Base data was gathered comprising of population projections called Metropolitan Land Use Forecasts (MLUFs), prepared by the Department of Planning (DoP). These projections are utilised in order to enable the DoP to undertake regional transport modelling exercises based on Main Roads Transport Zones (MRTZ). The MLUF projections were modified at a rate sufficient to reflect the additional level of population growth projected by the Australian Bureau of Statistics for the years 2021, 2026 and 2031. Modifications to the population projections were undertaken by MGA Town Planners. New totals were verified at LGA level by the Department of Planning's Research and Modelling team, prior to retail modelling exercises taking place.

Table 18: Dwelling Projections by LGA

Dwellings Projections	2006	2011	2016	2021	2026	2031
Joondalup	57,937	63,440	68,059	71,980	75,805	79,443
Wanneroo	43,127	56,191	71,131	89,208	107,949	118,669
Stirling (north west portion only)	40,974	45,283	49,776	53,823	58,681	67,004

Source: Department of Planning Metropolitan Land Use Forecasting System, ABS Population Projections, MGA Planning Modelling

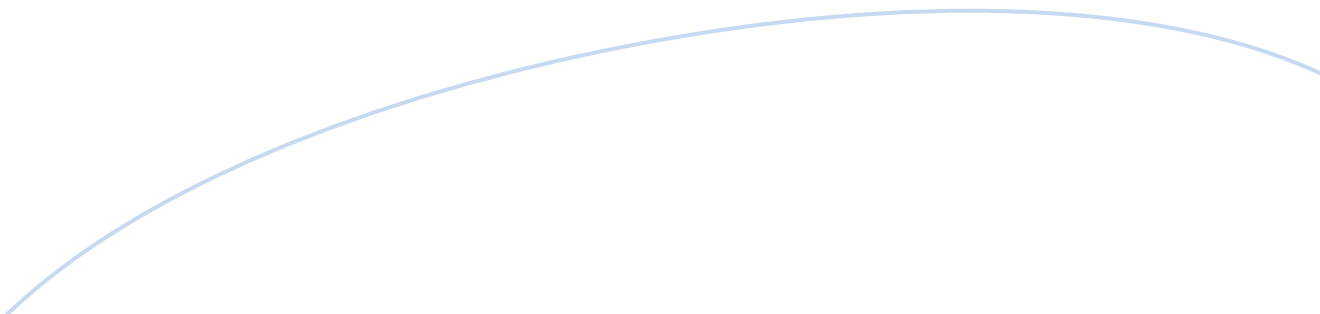
It may be necessary for future planning proposals for District and Secondary Activity Centres seeking the maximum level of retail floor space provided for under this strategy, to demonstrate that this level of dwelling growth will be achieved.

6.6 Floorspace Data

The Department of Planning produces data sets detailing the level of floorspace and employment within all commercial, industrial and public purpose complexes within the Perth Metropolitan Region. Shop/retail floorspace and employment data is collected through the Department of Planning Land Use and Employment Survey, the most recent of which was undertaken during 2007-2008. Floorspace and employment data is categorised under the Western Australian Planning Land Use Codes (PLUC) and the modelling incorporates floorspace categorised as PLUC 5 - shop/retail identified under the Land Use and Employment Survey.

For those centres included within the City of Stirling, the PLUC 5 shop/retail floorspace area of each centre was extracted from the DoP Land Use and Employment Survey (2008). In order to acknowledge the future growth of centres within the City of Stirling, the projected size of relevant activity centres was sourced from the draft City of Stirling Commercial Centres Strategy (not endorsed by the WAPC), which provides projected floor space levels as at 2026. Given the City of Stirling is currently reviewing its draft Local Commercial Strategy, alternative future floor space sizes were identified for the Stirling Strategic Metropolitan Centre and the Mirrabooka Secondary Centre, as studies have recently been undertaken by Macroplan identifying the growth potential of these two activity centres. The DoP advised that the modelling should assume growth potential of 70,000m² for the Stirling Metropolitan City Centre, although this is subject to review.

For those centres within the City of Wanneroo, the existing floor space areas were sourced from the DoP Land Use and Employment Survey (2008). Future floor space sizes were taken from endorsed District and Local Structure Plans, Centre Plans and the City of Wanneroo Town Planning Scheme No. 2. A report prepared



by Macroplan provides indicative floor space sizes for those coastal and inland activity centres in the Alkimos Eglinton locality. With respect to the St. Andrews District Structure Plan (DSP) area, future floor space area for all Local, District and higher order centres were calculated based on reference to the staging program identified under the St. Andrews DSP and the projected dwelling numbers under the Department of Planning MLUF projections.

6.7 Travel Times

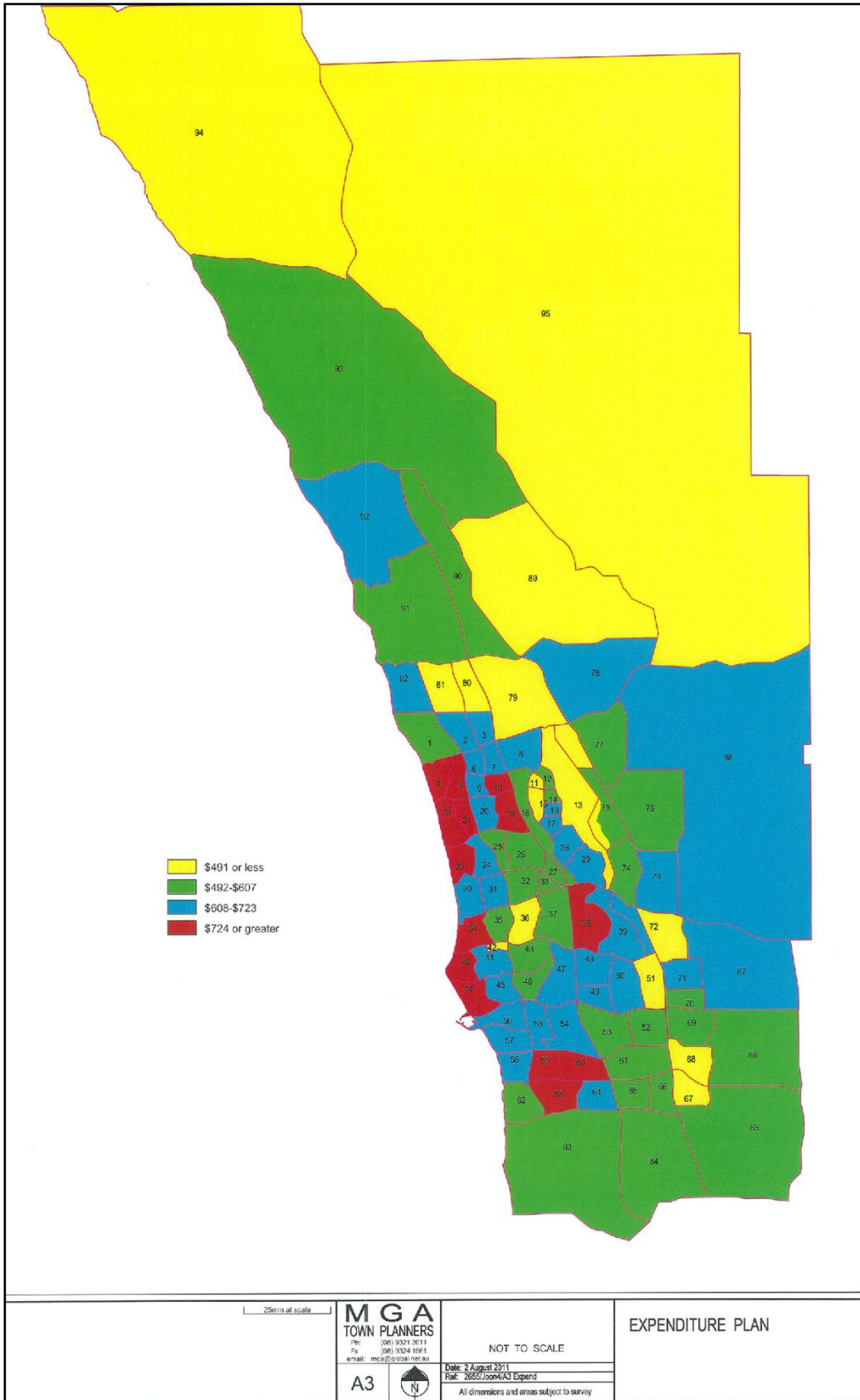
Travel times were identified utilising an online mapping tool, providing travel time measurements from the centre of each population origin zone to the entry point of each destination zone (activity centre). Travel time measurements to and from each activity centres and origin zone were averaged.

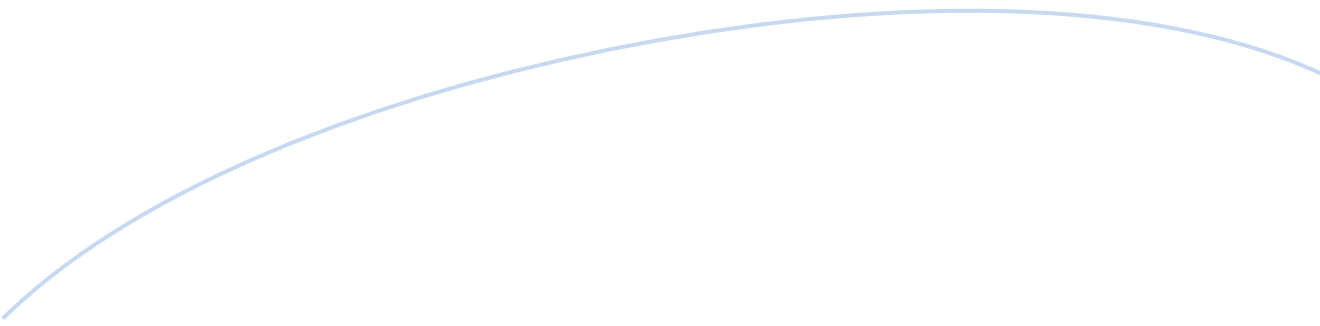
6.8 Household Expenditure Modelling

Household expenditure data was estimated through a micro-simulation model developed by MDS Market Data Systems. MDS utilise base data from the ABS Household Expenditure Survey 2003-04 (Cat. 6530.0) and changes in spending behaviour are accounted for through the analysis of Australian National Accounts and Taxation Statistics. Expenditure is also estimated based on various socio-economic characteristics evident within separate Census Collector Districts (CCD). Household expenditure data prepared included expenditure on all food and non-food goods identified as being classified under PLUC 5 shop/retail, with reference to the associated Western Australian Standard Land Use Codes (WASLUC) definitions.

MDS provided household expenditure data for each CCD in the study area for the year 2010. This data was then aggregated to provide an estimate for each origin zone, given that CCD boundaries correlate with that of the larger MRTZ's, which form the basis of the origin zones within the retail model. The estimated Shop Retail expenditure per week by MRTZ is shown thematically in the following map.

Figure 16: Shop Retail Expenditure 2010





The thematic expenditure map illustrates that households in the suburbs closer to the coast generally have greater weekly Shop Retail expenditure than households in those suburbs east of Marmion Avenue. It is expected that this trend will continue.

6.9 Proposed New Centres, Large Format Retail Centres and Service Industrial Areas

6.9.1 New Centres

There are plans for the inclusion of around 8,000m² of retail in the proposed Ocean Reef development. This retail is likely to be predominantly tourist based retail and would only account for a small proportion of local expenditure since the catchment draw would be similar to that of Sorrento Quay. Sorrento Quay was modelled in the retail needs assessment and although it is technically a district centre, the modelled retail turnover result only reflects a proportion of the expected revenue turnover. This is likely to be the same for any retail located at Ocean Reef.

The proposed Iluka neighbourhood centre may include up to 3,300m² of shop retail uses and has been included in the modelling. The modelling shows that the centre will trade well at 2026. Should the Iluka centre not be constructed to include the entire 3,500m² as proposed, consideration could be given to increase the Currambine centre recommended maximum Shop Retail by the amount of Shop Retail floorspace not constructed at Iluka.

6.9.2 Large Format Retail Centres

According to the DPS 2, the objectives of the Business Zone are to:

- a. Provide for retail and commercial businesses which require large areas such as bulky goods and category/theme based retail outlets as well as complementary business services;
- b. Ensure that development within this zone creates an attractive façade to the street for the visual amenity of the surrounding areas.

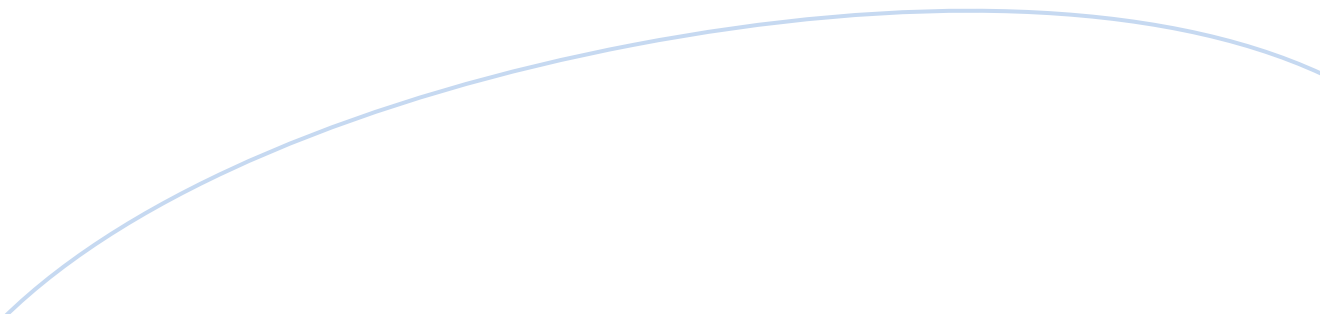
These objectives apply to the Gateway district within the draft Joondalup City Centre Structure Plan area.

- Joondalup Drive (Complex 948) - Edgewater

The Joondalup Drive complex is located in the draft Joondalup City Centre Structure Plan Gateway district and includes some large format retailers such as Getaway Outdoors (formerly Ranger Outdoors), and Barbeques Galore. These businesses are included in the Shop Retail PLUC category but have large floorspace requirements. There is also a Bunnings store which contributes towards the 19,000m² of Other Retail floorspace within the complex. The location of these business types in the complex is consistent with the objectives of the Business Zone (DPS 2).

- Joondalup South (Complex 664) - Edgewater

The Joondalup South complex is located in the draft Joondalup City Centre Structure Plan Gateway district and currently includes businesses such as Anaconda, Spotlight, Harvey Norman and The Good Guys. These are all classed as Shop Retail as included in the WAPC Land Use Survey, but range in floorspace from 1,900m² to 4,500m². There is also a significant proportion of Other Retail type floorspace. This is consistent with a bulky goods retail format and is also consistent with the objectives of Business Zone as outlined in DPS2..



The Joondalup South complex, known as the Quadrangle, is continuing to be subdivided by LandCorp, with significant building development underway, including Masters, Bunnings and a range of bulky goods and other commercial development. Consistent with the objectives contained in the draft Joondalup City Centre Structure Plan, the Quadrangle should aim to accommodate a wide range of business, warehouse, showroom, light and service industrial uses.

The retail businesses located in these areas generally do not compete with centre based retailers and have a very wide catchment of customers. These areas provide an opportunity for those retailers requiring significant floorspace and cannot viably be located in centres within the activity centres shopping hierarchy. Any future expansion should ensure through the DPS that these areas do not become de-facto shopping centres. It is recommended that retail within these areas is predominantly non-food.

Large format and Bulky Goods retail floorspace are to be the subject of Part C of the Local Commercial Strategy.

6.9.3 Service Industrial Areas

According to the DPS 2, the objectives of the Service Industrial Zone are to:

- a. Accommodate a range of light industries, showrooms and warehouses, entertainment and recreational activities, and complementary business services which, by their nature, would not detrimentally affect the amenity of the surrounding areas;
- b. Ensure that development within this zone creates an attractive façade to the street for the visual amenity of the surrounding areas.

- **Canham Way Industrial Complex**

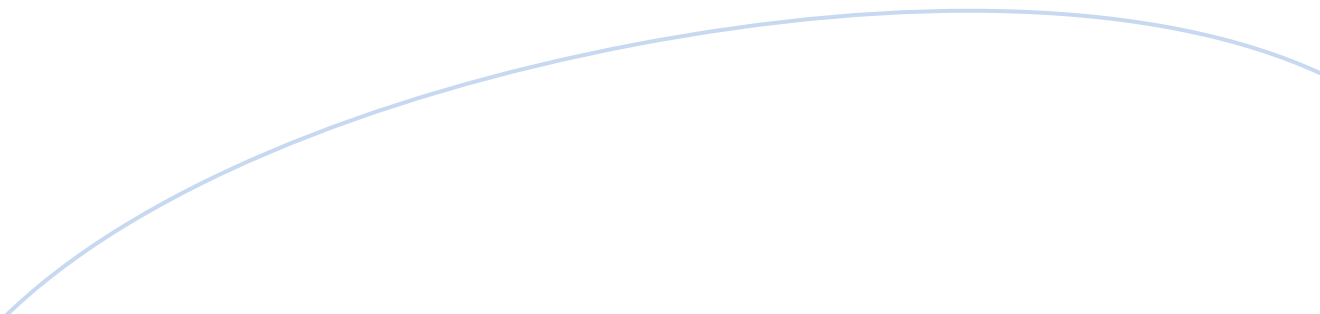
The Canham Way industrial area includes mostly service industry and storage and distribution, but also includes shop retail and other retail uses. There is a significant proportion of vacant floorspace. Overall, the area provides approximately 250 jobs and provides an opportunity for smaller and possibly start-up businesses to viably locate in the City. Although the complex is designated as a service industrial area, the Greenwood Plaza centre is within the complex and includes a super deli, video hire and butcher. Other large Shop Retail businesses within the complex include the Salvation Army store, which interestingly has another store in the Winton Road industrial area.

The Canham Way complex is located adjacent to a residential area. Consideration should be given to rezoning the southern area of the complex to commercial/business in order to provide a buffer between the service commercial and the residential area. This may also provide a catalyst to revitalise the area. The City of Joondalup may wish to investigate the potential of this further through a separate study.

- **Joondalup Service Industrial Area**

The Joondalup service industrial complex includes a variety of manufacturing, storage and distribution and service type businesses that would be expected in a light industrial area. However, its location adjacent to the Joondalup City Centre has created demand for a significant amount of Shop Retail activities. These range in size from around 200m² to larger format retailers such as furniture retail and Toys R Us. The complex provides an opportunity for those retailers that would be unlikely to viably locate within a shopping centre format. The draft Joondalup City Centre Structure Plan includes the Joondalup Service Industrial Area and provides for a Business Boulevard district on the east side of the area and Business Support district on the west side. The majority of the industrial area is located within the Business Support district.

The objectives of the Business Boulevard and Business Support districts, as outlined in the draft Joondalup City Centre Structure Plan, align better with the uses currently located in the Joondalup Drive industrial area



and the Joondalup South complex. The provisions applying to the Business Support and Business Boulevard districts contained in the draft Joondalup City Centre Structure Plan provide the necessary guidance for future development within the industrial area.

6.10 State Planning Policy, Activity Centres for Perth and Peel (SPP 4.2)

The purpose of SPP 4.2 is to specify broad planning requirements for the planning and development of new and existing centres in the Perth and Peel regions. This includes the objective of providing a higher level of integration between land use and transport. The policy also provides a mechanism to ensure that activity centres contain a range of activities, in order to promote the efficient use of infrastructure, economic benefits such as business clusters, greater levels of convenience and access and reduced reliance on private transport.

Centre plans are to be prepared consistent with the Model Centre Framework under SPP 4.2. Retail Sustainability Assessments (RSA) are also required where proposals would result in total shop retail floorspace within a neighbourhood centre exceeding 6,000m², or where proposals seek an expansion to a neighbourhood centre by more than 3,000m². An RSA is also required where a proposal seeks to significantly increase the level of shop/retail floorspace beyond the indicative levels contained in an endorsed local commercial strategy, where floorspace has been derived from a Retail Needs Assessment (RNA).

SPP 4.2 identifies the function and characteristics of activity centres throughout the hierarchy of centres, as per Table 19 below sourced from Table 3 of SPP 4.2.

Table 19: Activity Centre Functions and Typical Characteristics (SPP 4.2)

Typical Characteristics	Perth Capital City	Strategic Metropolitan Centres	Secondary Centres	District Centres	Neighbourhood Centres
Main role / function	Perth Capital City is the largest of the activity centres, providing the most intensely concentrated development in the region. It has the greatest range of high order services and jobs and the largest commercial component of any activity centre.	Strategic metropolitan centres are the main regional activity centres. They are multipurpose centres that provide a diversity of uses. These centres provide the full range of economic and community services necessary for the communities in their catchments.	Secondary centres share similar characteristics with strategic metropolitan centres but serve smaller catchments and offer a more limited range of services, facilities and employment opportunities. They perform an important role in the city's economy, and provide essential services to their catchments.	District centres have a greater focus on servicing the daily and weekly needs of residents. Their relatively smaller scale catchment enables them to have a greater local community focus and provide services, facilities and job opportunities that reflect the particular needs of their catchments.	Neighbourhood centres provide for daily and weekly household shopping needs, community facilities and a small range of other convenience services.
Transport connectivity and accessibility	Focus of regional road and rail infrastructure as well as radial bus network.	Important focus for passenger rail and high frequency bus networks.	Important focus for passenger rail and / or high frequency bus network.	Focal point for bus network.	Stopping / transfer point for bus network.
Typical retail types	As per strategic metropolitan centres	<ul style="list-style-type: none"> - Department store/s - Discount department stores - Supermarkets - Full range of speciality shops 	<ul style="list-style-type: none"> - Department store/s - Discount department store/s - Supermarkets - Speciality shops 	<ul style="list-style-type: none"> - Discount department stores - Supermarkets - Convenience goods - Small scale comparison shopping - Personal services - Some speciality shops 	<ul style="list-style-type: none"> - Supermarket/s - Personal services - Convenience shops
Future indicative service population (trade) area	Greater metropolitan region	- 150,000 – 300,000 persons	- Up to 150,000 persons	- 20,000 – 50,000 persons	- 2000–15,000 persons - (about 1 km radius)

Source: SPP 4.2 Table 3

The following table summarises PLUC 5 shop/retail and other retail floorspace within Strategic Metropolitan and Secondary Centres within the Perth Metropolitan Region.

Table 20: Strategic Metropolitan and Secondary Centres Floorspace

Centre	Type	Shop Retail (m ²)	Other (m ²)	Total (m ²)
Rockingham	Strategic Metropolitan	59,351	116,227	175,578
Armadale	Strategic Metropolitan	52,826	33,817	86,643
Morley	Strategic Metropolitan	94,886	142,766	237,652
Fremantle	Strategic Metropolitan	71,905	265,303	337,208
Joondalup	Strategic Metropolitan	73,296	255,214	328,510
Midland	Strategic Metropolitan	68,825	122,770	191,595
Cannington	Strategic Metropolitan	92,057	129,590	221,647
Stirling	Strategic Metropolitan	59,193	212,363	271,556
Belmont	Secondary	47,169	19,091	66,260
Booragoon	Secondary	58,103	35,790	93,893
Victoria Park	Secondary	21,566	175,883	197,449
Claremont	Secondary	23,121	21,184	44,305
Cockburn	Secondary	33,617	11,056	44,673
Karrinyup	Secondary	50,988	7,957	58,945
Kwinana	Secondary	20,517	27,062	47,579
Leederville	Secondary	11,686	58,926	70,612
Maddington	Secondary	29,761	34,236	63,997
Mirrabeeka	Secondary	39,189	73,514	112,703
Subiaco	Secondary	48,192	157,859	206,051
Wanneroo	Secondary	9,290	26,459	35,749
Warwick	Secondary	25,883	28,296	54,179
Whitfords	Secondary	41,490	29,378	70,868
Clarkson	Secondary	28,373	39,071	67,444

Source: WAPC Land Use Survey 2008

It is noted that the level of shop/retail floorspace within the Whitfords Secondary Centre is underestimated in the above data sourced from WAPC and should include approximately 8,000m² of additional shop/retail floorspace that is likely to have been inadvertently omitted from the survey. Consequently, the retail modelling exercises undertaken were based on 49,924m² of Shop Retail floorspace being present within the Whitfords Secondary Centre as at 2010, based on floorspace data provided by the City of Joondalup.

The floorspace areas in the above table show that currently, there are no Strategic or Secondary centres having Shop Retail floorspace exceeding 95,000m². Of the Secondary activity centres, Booragoon currently has the highest provision of shop/retail floorspace, at approximately 58,000m².

6.11 Retail Gravity Model Scenarios & Assessment Results

The retail modelling undertaken included preparation of a scenario for the year 2010, in order to determine the base turnover against which to make comparisons of trade impact associated with floorspace expansions. The results of this analysis are included in Appendix 3 – Estimated Shop Retail Turnover 2010.

The Gravity Model assessment results provided in Table 21 below were derived iteratively through a development of a number of scenarios, in order to test trade impacts based on floorspace areas identified under various policy settings. The current City of Joondalup draft Local Planning Strategy provides indicative floor space levels, along with those incorporated in the City of Joondalup District Planning Scheme No. 2. In addition, SPP 4.2 identifies that District Activity Centres may be developed to accommodate up to 20,000m² of PLUC 5 Shop Retail floor space without approval from the WAPC.

The Woodvale and Currambine Activity Centres were both modelled at 20,000m² and subsequently 12,000m² and 15,000m² respectively. The Joondalup City Centre was modelled at 100,000m² in order to test the level of growth identified in the current Local Planning Strategy and subsequently at 125,000m². A range of floor space areas were tested for the Whitfords Secondary Activity Centre during the scenario modelling, ranging between 50,000m² and 95,000m².

The following table outlines the results of the Gravity Model assessment for Shop Retail floorspace needs by activity centre to 2026. The results are based on minimising impacts on centres and achieving a logical balance of floorspace between centre hierarchy types. It should be noted that the Shop Retail floorspace contained within the Winton Road service industrial area has been included in the 2010 floorspace figure for Joondalup City Centre. The results are shown by centre hierarchy type in order of trade impact at 2026 based on expansion to 2026 Shop Retail floorspace levels.

Table 21: Gravity Model Assessment Results – Shop Retail Floorspace 2026Scenario

WAPC Ref.	WAPC Hierarchy Position	Activity Centre	Floorspace 2010 (m ²)	Gravity Model Floorspace 2026 (m ²)	Trade Impact
600/1-4	Strategic Metropolitan	Joondalup City Centre (incl Winton Rd)	92,990	No Limit	24.76%
602	Secondary	Whitfords City	49,924	50,000	0.09%
601	Secondary	Warwick Grove	25,614	38,000	-3.99%
669	District*	Gwendoline Drive (Belridge)	6,148	10,000	7.33%
676	District	Sorrento Quay	7,261	9,000	2.04%
946	District	Currambine Market Place	6,549	15,000	0.51%
609	District	Greenwood Village	4,976	10000	-4.08%
8732	District	Woodvale Park	7,460	12,000	-4.47%
615	Neighbourhood	Craigie Plaza	2,337	3,500	19.79%
620	Neighbourhood	Heathridge	2,324	3,500	17.85%
627	Neighbourhood	Connolly	3,005	3,500	15.77%
622	Neighbourhood	Ocean Reef	1,957	4,000	10.33%
621	Neighbourhood	Edgewater	1,236	2,000	9.02%

WAPC Ref.	WAPC Hierarchy Position	Activity Centre	Floorspace 2010 (m ²)	Gravity Model Floorspace 2026 (m ²)	Trade Impact
618	Neighbourhood	Beldon	3,768	4,000	8.13%
8733	Neighbourhood	Beaumaris City	2,459	3,000	7.87%
624	Neighbourhood	Woodvale	3,064	3,200	7.49%
619	Neighbourhood	Mullaloo	1,822	3,000	4.65%
616	Neighbourhood	Kingsley	3,983	4,000	3.22%
8734	Neighbourhood	Candlewood	1,662	2,000	1.01%
671	Neighbourhood	Kinross	4,300	5,000	-0.76%
614	Neighbourhood	Carine Glades	3,991	4,500	-2.60%
612	Neighbourhood	Glengarry	2,890	3,000	-3.50%
617	Neighbourhood	Padbury	2,064	2,064	-7.38%
668	Neighbourhood	Hepburn Ave	1,971	2,000	-9.41%
665	Neighbourhood	Hillarys	2,992	3,000	-9.91%
611	Neighbourhood	Marmion Village Sheppard Way	1,789	1,789	-13.29%
610	Neighbourhood	Dun Craig	2,388	2,400	-13.84%
NA	Neighbourhood	Iluka	0	3,300	100.00%
607	Local	Springfield	728	1,000	10.36%
623	Local	Mullaloo Tavern	700	1,500	8.23%
606	Local	Forrest Plaza	548	1,000	5.23%
613	Local	Coolibah Plaza	808	1,500	-1.14%
671	Local	Kinross	500	700	-1.93%
625	Local	Moolanda North	206	300	-3.26%
629	Local	Moolanda South	678	1,000	-6.09%
605	Local	Sorrento	1,278	1,300	-9.73%
661	Local	Lilburne Road	450	450	-12.45%
951	Local	Dun Craig Village	885	885	-12.67%
628	Local	Seacrest Village Harman Rd	724	724	-14.17%
I - 27	Local	Greenwood Plaza	1,000	1,000	-14.89%
NA	Local	Harbour Rise	0	800	100.00%
664	Large Format Retail	Joondalup South	12,443	12,443	30.81%
948	Large Format Retail	Joondalup Drive	8,534	8,534	12.76%
651	Large Format Retail	Waldecks	80	80	-4.83%

**Recommend changing from Neighbourhood Centre to District Centre*



6.12 Impact Analysis

6.12.1 Joondalup Centres

Based on the level of floorspace growth modelled throughout the network of Local and Neighbourhood Activity Centres in the City of Joondalup, significant trade impacts are expected to affect six of the Local and Neighbourhood centres in the City of Joondalup. These include Duncraig Village, Marmion Village, Duncraig (Marri Road), Seacrest Village, Greenwood Plaza and the local centre on Lilburne Road.

Of these six centres, only the Greenwood Plaza, Duncraig Centre (Marri Road) and Marmion Village (Sheppard Way) are supermarket based centres. The trade impacts identified are likely to be tolerable given that the daily convenience function of these centres will remain intact. Also, the other non-supermarket based centres identified complement rather than compete with the offering of higher order centres and the impacts identified are therefore likely to be overstated.

Although having a greater level of regional accessibility, it is apparent that the Joondalup City Centre features a lower level of local accessibility than the Whitfords Secondary Centre, given a significant proportion of local residents must cross the freeway travelling east in order to access the centre and given that the centre is also bound to the east by Lake Joondalup. This affects its function in providing for daily convenience needs.

The Whitfords Secondary Centre features a higher level of accessibility by road, being located at the corner of two major distributor roads, being Marmion Avenue and Whitfords Avenue. In distributing additional Shop Retail floorspace growth potential to both the Whitfords Secondary Centre and Joondalup Strategic Metropolitan Centre during preparation of the modelling scenarios, higher trade impacts were noted to affect the network of Local and Neighbourhood Centres where some growth was assigned to Whitfords than where growth was applied to the Joondalup City Centre alone. However, similar to the above analysis, these impacts were found only to limit the growth potential of various Local and Neighbourhood Centres or otherwise predominantly affect those having a complementary function to higher order centres.

6.12.2 External Centres

The modelling has given significant consideration to planned centres in adjoining local government. Some significant trade impacts identified for these external centres are discussed as follows:

1. A trade impact of approximately 35% was identified for the District Centre of Alexander Heights in the City of Stirling. However, this centre lies at the edge of the identified study area and therefore the modelling only takes a limited population base and expenditure into consideration.
2. The Local / Neighbourhood Centres of Brighton, Mindarie and Clarkson in the City of Wanneroo feature trade impacts of 24% to 35%. In addition, the Ocean Keys Secondary Centre features a trade impact of approximately 15%, as did the Merriwa Neighbourhood Centre. The impacts however, have predominantly resulted through the inclusion of planned retail floor space within the model associated with the establishment of new activity centres in Butler, Alkimos and Yanchep, all within the City of Wanneroo. Timing and staging of these centres may therefore need further consideration and investigation by the City of Wanneroo in order to prevent significant turnover impacts on specific centres.

The impacts of expansion on centres within the City of Wanneroo and the City of Stirling are shown at Appendix 5 – Shop Retail Gravity Model Results, City of Wanneroo and City of Stirling Centres Impacts .



6.13 Hierarchy, Role, Catchment and Retail Type

An expansion of the Whitfords Secondary Centre or Joondalup City Centre is likely to predominantly involve the establishment of a department store or other anchors, adding to the overall level of attraction for these centres. However, this would not be expected to impact significantly on the nature of goods and services sought at local and neighbourhood centres for daily conveniences purchases.

The Department of Planning has indicated that the strategy must support growth at the local level, as it is likely that a future increase in the cost of transport and future infill redevelopment will tend to generate additional demand throughout the network of Local and Neighbourhood centres. The Gravity Modelling undertaken incorporates an assumption that consumers are more inclined to shop at centres closer to home, satisfying this premise and the floorspace results supports growth in a number of Local and Neighbourhood centres.

It is clear the role of the Joondalup City Centre as a focal point for shopping and employment will continue to become more relevant given its higher level of regional accessibility for residents to the north of the City of Joondalup. On this basis, the growth potential for the Joondalup City Centre under the strategy should reflect this desired outcome under SPP 4.2. This is important in terms of determining the extent of future development that may be considered orderly for the Whitfords Secondary Centre.

In terms of the nature of future retailing among competing centres, the development of a Myer Department Store at the Joondalup City Centre is underway.

No significant trade impact on higher order centres was identified as a result of the retail modelling undertaken and certainly not in respect of the Joondalup City Centre. Regardless, there are other matters to consider in determining an orderly distribution of retail development potential through the strategy. Generally, the Joondalup City Centre must be maintained as the most attractive proposition for the establishment of office / business development and knowledge intensive employment within the City.

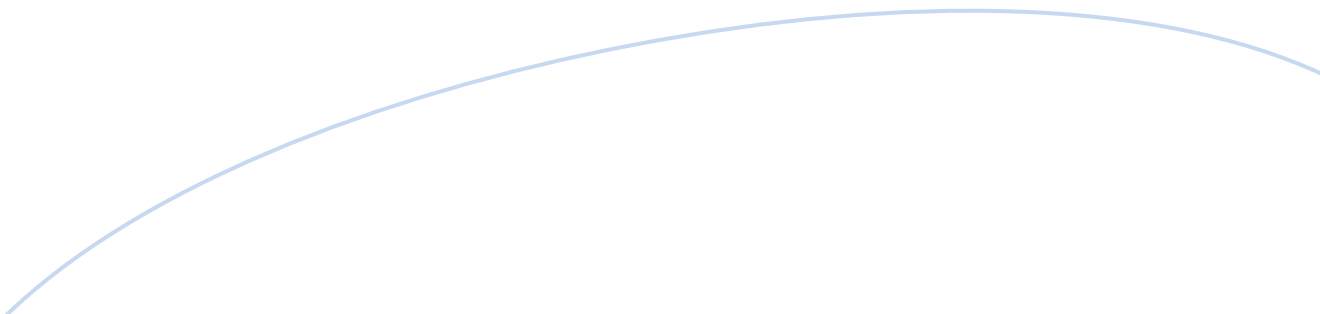
The trade impacts identified are based on additional population growth ranging between 6.3% by 2016 and 15.4% by 2031, over and above the current projected levels under WA Tomorrow (2005). Should this level of population growth not be realised, the maximum development potential for activity centres identified may not be achievable.



7. Emerging Trends and Issues

The nature of retailing changes constantly and these changes are pivotal to the future of activity centres. Over the past 40 or 50 years there have been many changes, including:

- The decline of the dominance of high street retailing (including the main-street department store) and rise of the shopping mall.
- Changes in ownership structure of both retail operators and retail outlets and centres, with the almost total de-coupling of retail operation and retail outlet property ownership, the entry of new international competitors and of private equity in retail and of Australian retailers and centre owners with an international presence.
- The growth of big box retailing. Following trends in the United States and Europe, the Australian retailing landscape since the 1980s has also seen growth in big box or megastore retailing. Such stores typically occupy large floor space and base their business model on high turnover, low prices and low costs. They have generally been housed in large single storey buildings providing large amounts of parking. This type of store has been used to sell hardware, whitegoods, home wares, electrical goods and liquor. The format has proved successful in Australia and is expected to grow further with the recent arrival of the United States grocery retailer Costco (selling grocery lines in a warehouse format) and the entry of the Woolworths-Lowes joint venture into hardware. The WAPC held the Large Format Retail Forum held in 2005 which ultimately led to the inclusion of section 5.6.1 “Bulky goods retailing and mixed business” in SPP 4.2. This section of SPP 4.2 provides the appropriate level of information on how to manage large format retail and the local commercial strategy will need to respond to this, particularly for the Joondalup City Centre and surrounding areas including The Quadrangle. Large Format Retail is specifically examined as part of Part C of the Local Commercial Strategy.
- A resurgence of the high street. There has been something of a renaissance in high street shopping in inner city areas since the 1990s. This has coincided with inner area upgrading and redevelopment. Retail outlets such as cafes, restaurants, niche bookshops and boutique household goods suppliers are now part of the attraction of inner city living and is a sought-after environment for many new developments. These precincts are often associated with TransitOriented Design principles.
- The growth of franchising. Franchising is also now firmly part of the Australian retail landscape. Modern franchising originated in the United States in the 1950s with the emergence of fast food chains and began to appear in Australia in the late 1960s and early 1970s. Although there are limited data collected on franchising in Australia, surveys of Australian franchising indicate that around 28 per cent of franchises are in the retail industry (Parliamentary Joint Committee on Corporations and Financial Services 2008) across a wide spread of retail sectors.
- Vertical integration of brands. The traditional functions of retailing have evolved over the years, including the separation between manufacturer, wholesaler and retailer no longer being necessarily distinct. Some retailers (such as Apple, Zara and other luxury apparel retailers, for example) have chosen to own and control more stages of the production and distribution process for a more seamless delivery



of their goods. More generally there has been a trend toward the use of ‘house’ brands by retailers, including supermarkets, as a mechanism for increasing profit margins.³

The retail industry is characterised by having low levels of labour productivity but in recent years productivity has been improving. In 2000, a Productivity Commission Paper examined the productivity performance of the wholesale and retail trade sectors in light of their significant contribution to Australia’s record productivity performance in the 1990s.⁴

At that time, key developments within retailing consistent with Australia’s improved performance included:

- The increasing attention given to meeting the needs of income-rich but time-poor consumers through extended trading hours and locational convenience that increased competition across the retail industry. This affected the retail product mix, with for example, a growth in pre-prepared and take-away foods.
- The emergence of megastores (or ‘category killers’), often located in fringe areas to take advantage of low cost land for extended floor plans and parking, that tended to have a lower labour intensity than the stores from where much trade was being taken
- A trend away from individual boutique stores towards speciality chains that could take advantage of economies of scale in the supply chain and better store management systems. For example, some specialist clothing chain stores operated with low labour but high technology inputs, such as automatic re-ordering at the point of sale. These are often franchised operations.
- A shift of ‘traditional’ retail functions to consumers (for example, self-service petrol stations) and producers (for example, increased reliance on brand advertising and warranties rather than advice from shop assistants) leading to a reduction in labour input growth.
- Technological change, such as scanning and computerisation, enhanced retail productivity by reducing labour input and changing management systems. The scanner at the supermarket checkout and the single operator console at service stations are examples of labour saving technology.
- More precise and timely data on retail operations allowed firms to better assess store productivity and to examine productivity at the individual task level
- Reforms to industrial relations legislation which increased the focus on enterprise-based work conditions and better matching employment conditions (for example, a greater diversity of employment arrangements including permanent, casual and contract employees on a part time or full time basis) to firms’ changing requirements.

These are now firmly embedded in the retail structure. The question is whether there are signs of forces that will either reinforce the trends of the last 10 or 20 years or take retailing into new directions.

The retail industry has traditionally provided a number of functions:

³ Australian Government Productivity Commission, *Economic Structure and Performance of the Australian Retail Industry*, Productivity Commission Issues Paper, March 2011

⁴ Johnston, A., Porter, D., Cobbold, T. and Dolamore, R. 2000, *Productivity in Australia’s Wholesale and Retail Trade*, Productivity Commission Staff Research Paper, Canberra.

- It acts as a point of convenience for consumers in allowing products to be purchased in smaller quantities than usually provided by manufacturers or wholesalers. Retailers also provide sales outlets close to the homes of consumers. To this extent it provides a service function to a local community and proximity of retailers of daily and weekly shopping items continues to be an important element in planning and is reflected in Western Australian policies such as Liveable Neighbourhoods. Until the 1950's or 60's retailers commonly supplemented their outlet sales with a routine delivery service. With the rise of the supermarket for grocery items this had virtually disappeared until the emergence of online retail.
- It has provided a market discovery mechanism by searching out and supplying new products, new models of existing products or the latest fashions in products.
- It allowed consumers to compare the prices of products by displaying them in the same retail space and provided product information to consumers prior to purchase and after sales service if difficulties arise in the operation of the product.
- It has facilitated consumer purchases of products by providing or arranging financial services.

The emergence of on-line retailing and e-commerce has radically altered interactions between consumers and retailers in the industry and provides an alternative means of delivery of each of the above functions and undermines the rationale for a retail outlet in many sectors. It is the major structural change likely to affect the industry in the longer term and its impacts are likely to be substantial.

Up to now it has been applied to a relatively small proportion of overall household expenditure and therefore has not materially affected the functioning and mix of centres. Its effect has been restricted to particular sectors, most notably music and book retailing. Early casualties have been the music cd / record store and, currently, the bookshop. That the latter are now closing rapidly arises from two trends – online purchasing and the associated very rapid adoption of e-books.

There is a range of estimates on the scale and rate of growth of on-line retail. Current estimates show that it currently accounts for around 4 - 5% of all purchases⁵ and is growing rapidly.⁶ When the on-line proportion reaches around 10% of all retail expenditure (by around 2015 at current growth rates) it is likely that its effect will become more noticeable in activity centres.

It already applies to a very broad spread of retail activity. A recent survey⁷ shows that 82% of all respondents to the survey purchased on-line for at least some of the time and that while books and music are now largely bought or sought on-line other categories are catching up.

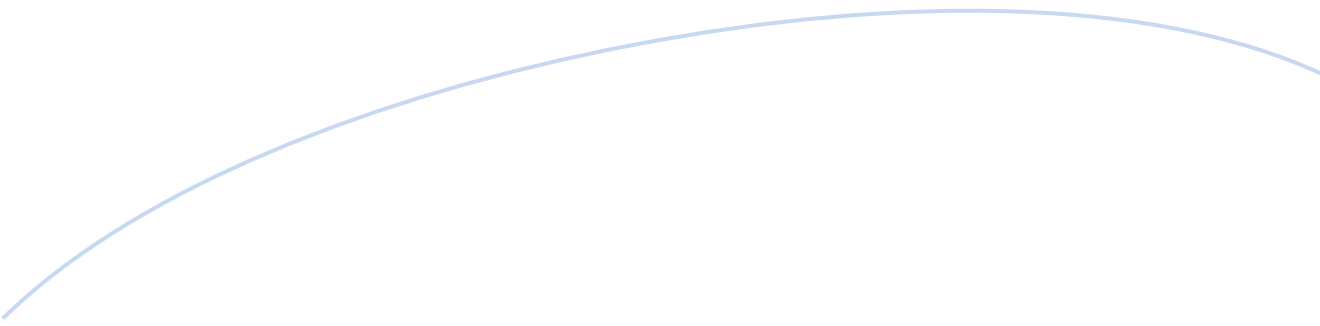
⁵ Southern Cross Equities (*Online Retailing—Globalisation of retail*, 27 January 2011) estimates domestic online retailers have doubled their market share to 4.0 per cent of 2010 annual sales from 2.1 per cent in 2005. In addition, overseas purchases driven by a strong dollar and falling shipping prices have risen to around \$5 billion in 2010 or the equivalent of around 2 per cent of total domestic retail sales.

- Commonwealth Bank's Global Markets Research estimate \$9.5 billion of online spending in 2010, which equates to 3.8 per cent of total retail spending and 5.2 per cent of discretionary spending. However, they are not. The real cause for concern among traditional retailers is that this analysis shows growth in online is growing - up 126 per cent last year in volume and 90 per cent in value over a year.

⁶ Quantum Online estimates the value of Australian online purchases is rising by 26 per cent a year, with that growth being driven mainly by a 20 per cent annual increase in the number of people shopping online. The offshore proportion of Australian online shopping is estimated at around 20 per cent.

- Forrester Research studies showed that online retailing was growing at 11 per cent per annum. Some estimates for some sectors show much higher growth in on-line retail.

⁷ The Australia Institute, *The rise and rise of online retail*, Technical Brief No. 8, May 2011



The response to the question “Which of the following do you buy online where you can?” showed the following results:

DVDs and music	82%
Books	78%
Electrical and electronic goods	70%
Clothes and shoes	61%
Sports and leisure goods	50%
Cosmetics and perfume	48%
Fresh food	13%

It is likely that as some of the barriers to on-line retail lower these proportions will increase.

The result is likely to be reduced average prices for goods in on-line categories as the distribution chain contracts and becomes more efficient, resulting in either increased consumption of those goods or redirection of disposable income to other areas. There will be increased impetus to vertical integration, with the ability to deal directly with the manufacturer, aided by increasing ability for customisation for many products. This requires high capital investment and favours larger suppliers. This trend is already apparent in some sectors, Apple being a standout example.

The likely consequences for activity centres are difficult to precisely predict, but are likely to include:

- ***Employment impacts***

The retail industry is a very substantial employer in Australia and in metropolitan areas of low employment self-sufficiency (for example the Perth north-west corridor) is one of the major employers. It is the largest single employment sector in the City of Joondalup employing 16.6% of the population, with Accommodation and Food Services (of which 80% of employment in this category is in employment in cafes, restaurants, pubs and taverns) being another high employer in the City, account for a further 8% of all employment (see section 2.4.1). Retail employment in the City is estimated to have declined by approximately 700 jobs in the period 2001 – 2010 (see Figure 6, Section 2.4.1). This decline is likely to continue, with an overall reduction in the sector generally.

Table 22 shows the employment proportion for each of the five retail trade industry subdivisions for Australia, indicating the scale of food retailing and ‘Other store-based retailing’, together accounting for 85% of all retail employment. This latter category is the one most likely to have the largest reduction from the growth of on-line retailing, with consequent growth in the proportion of ‘non-store retailing’.

Table 22: Employment in the retail trade February 2011 (Australia)

<i>Industry</i>	<i>Proportion of retail employment</i>
	%
Motor vehicle & motor vehicle parts retailing	7.2
Fuel retailing	2.8
Food retailing	31.9
Other store-based retailing	53.6
Non-store retailing & retail commission-based buying and/or selling ^a	1.2
Retail trade, not further defined	3.2
Total	100.0

^a This subdivision includes the retailing of goods without the use of a physical store presence, and the sales of goods to the general public on a fee or commission basis. Internet retailing is included in this category.

Source: ABS (2011) Labour Force, Australia, Detailed, Quarterly, Feb 2011, Cat. no. 6291.0.55.003.

- **Changes in the nature of retail strips and activity centres**

Employment changes will be accompanied by physical changes in activity centres, with an overall reduction in demand for non-food retail floorspace and a re-direction to food and beverage retailing, cafes and restaurants and non-retail personal services.

There is likely to be an overall reduction of retail as a proportion of total activity centre floorspace. This might represent an overall reduction in centre floorspace, unless retail floorspace is replaced by other activity, such as cafes and restaurants, personal services, medical services and entertainment. There may be a rise in boutique retailing and showrooms which will allow internet consumers to touch and feel the online product.

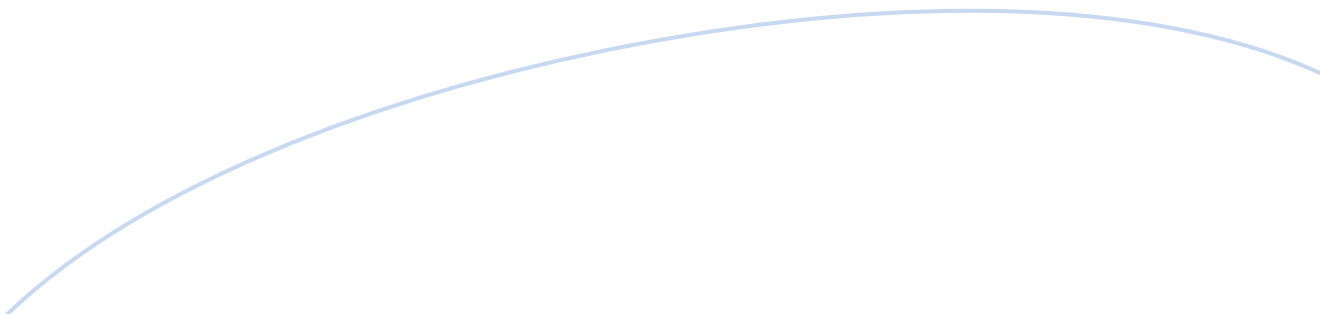
None of this is automatic. At the same time that retailing can increasingly be performed remotely, so can other function such as entertainment (e.g. home cinema) and, in the near future, a large proportion of medical and health information will be available electronically, reducing the amount of overall commercial space required for these services.

- **Increasing importance of 'place'**

A consequence is that to draw people from their homes, the environment in an activity centre must offer more than functional access to retail and services – it must be convenient, accessible and attractive and provide multiple reasons not only to go there but also to stay for a length of time. With the exception of very local convenience retailing, this is likely favour larger centres, including the Joondalup city centre, which are both attractive and have range of reasons to visit, including entertainment, education, medical services and other personal services.

- **Reduction in rent levels overall and increased diversity of demand**

The growth of on-line retailing will be accompanied by a growth of multi-channel marketing where the retail outlet is only one of a number of ways in which the seller transacts business. Associated with this will be a



spreading of demand for retail space across a broader range of traditional land use types. Retailers will have a continuing demand for high visibility, high rent floorspace, but for a much reduced quantity of it as a proportion of the total business turnover, with high rent space being reserved for small amounts of product display and personal service. There is therefore likely to be an overall reduction or flattening of retail rental levels. Conversely, there is likely to be increased demand for large area, low cost floorspace for warehousing and logistics. While a proportion of this may be outside of the city, or even the country, local distribution and storage centres are likely to play an increasingly important role. This will put increasing pressure on industrial land supply in the North West sub-region. (Note that the Perth Peel Industrial Land Strategy identified the North West sub-region as requiring substantially more industrial land). This might be associated with big box and category killer outlets in industrial areas, where the same location is used both for local delivery of on-line sales and as a traditional sales outlet.

Changes are likely to be quite rapid and difficult to precisely predict (or plan for) for some time. This implies the need for flexibility in land use provision and fewer restrictions in the zoning table, with a wide mix of separately identified activities being suitable for inclusion in activity centres. Control should therefore be generally limited to only those activities which have a demonstrable and unmanageable negative (environmental) impact on surrounding uses.

This is consistent with Productivity Commission recommendations which suggest, *inter alia*:

“Less prescriptive land use zones, with businesses that have few adverse impacts associated with their location decisions (including retailers) to be largely co-located within broadly defined business zones. One flow-on benefit of broader zones would be less need for rezoning (with its associated uncertainties for businesses) and greater certainty around allowable uses of sites.

Impacts on existing businesses not be a consideration when assessing proposed developments. To minimise the potential to restrict competition, it is highly desirable that the broader implications of business location on the viability of activity centres be considered at a generic level during city planning processes, rather than in the context of specific businesses during development assessment processes”⁸

Thus the broad retail and centre size recommendations in this report are, in the first instance, maximum viable retail estimates for each centre and should not be exceeded. The estimates are derived from data that reflects current and historic expenditure behaviour and, as outlined above, this will change, with a reduced proportion applied to a physical retail location. Second, they provide the broad generic framework and scale suggested by the Productivity Commission to allow flexible responses at the individual business level.

⁸ Australian Government Productivity Commission, *Economic Structure and Performance of the Australian Retail Industry*, Productivity Commission Issues Paper, March 2011



8. Shop Retail Floorspace Thresholds

RPS, on behalf of the City, reviewed a range of indicators within Part A of the Local Commercial Strategy, including:

- The analysis of the City's population and economic drivers;
- The results of the Gravity Model assessment and the Centre Health Check;
- Current retail turnover densities of Centres (retail turnover per sq.m of floorspace); and
- The outcomes of public submissions to the draft Local Commercial Strategy.

These factors collectively have contributed to the formulation of **recommended Shop Retail Floorspace Thresholds** for Activity Centres in the City of Joondalup.

SPP 4.2 eliminated maximum floorspace caps for Activity Centres in metropolitan Perth and Peel. The existence of caps was viewed as constraining private sector investment in shop retail, limiting employment generation and undermining Centre redevelopment and renewal. Such caps as they exist for the City of Joondalup should therefore be replaced by a series of floorspace thresholds that establish recommended floorspace levels for Centres to 2026.

These thresholds do not represent caps on Shop Retail floorspace. Instead, the thresholds establish the floorspace level above which a development proponent is required to provide the City with a comprehensive Retail Sustainability Assessment. The Retail Sustainability Assessment, in line with requirements under SPP 4.2, will need to demonstrate that the Centre expansion above the threshold has only minor and acceptable impacts on the sustainability of the shop retail floorspace hierarchy in the City.

This shift from a restrictive to an evidence and merits-based approach to planning and managing Shop Retail floorspace supply in metropolitan Perth responds appropriately to changes in the dynamics in the retail market, as outlined in Section 7. It provides the private sector with appropriate flexibility to respond to changing local and industry-wide conditions and trends, while affording the City with the ability to respond and assess development applications within the context of whole-of-hierarchy sustainability.

Recommended thresholds for each Activity Centre are outlined in the table below. This table includes the:

- Role of each centre in the WAPC Hierarchy;
- Current Shop Retail floorspace (as of 2010);
- Current Retail Turnover Densities (retail turnover per sq.m of floorspace);
- Results of the Gravity Model Assessment; and
- Recommended Floorspace Threshold at 2026.

Table 23: Recommended Shop Retail Floorspace Thresholds, 2026

WAPC Hierarchy	Activity Centre	Shop Retail Floorspace 2010 (sqm)	Retail Turnover Density (\$/sqm)	Gravity Model Assessment	Recommended Threshold
Strategic Metropolitan	Joondalup City Centre (incl Winton Rd)	92,990	\$7,421	no limit	no limit
Secondary	Whitfords City	49,924	\$8,715	50,000	75,000
Secondary	Warwick Grove	25,614	\$9,788	38,000	50,000
District	Gwendoline Drive (Belridge)	6,148	\$10,107	10,000	10,000
District	Sorrento Quay	7,261	\$6,187	9,000	8,000
District	Currambine Market Place	6,549	\$11,482	15,000	15,000
District	Greenwood Village	4,976	\$11,144	10,000	10,000
District	Woodvale Park	7,460	\$12,170	12,000	15,000
Neighbourhood	Craigie Plaza	2,337	\$7,398	3,500	2,500
Neighbourhood	Heathridge	2,324	\$7,584	3,500	2,500
Neighbourhood	Connolly	3,005	\$8,363	3,500	3,500
Neighbourhood	Ocean Reef	1,957	\$8,674	4,000	4,000
Neighbourhood	Edgewater	1,236	\$10,875	2,000	3,000
Neighbourhood	Beldon	3,768	\$9,096	4,000	4,500
Neighbourhood	Beaumaris City	2,459	\$8,377	3,000	3,000
Neighbourhood	Woodvale	3,064	\$9,675	3,200	4,000
Neighbourhood	Mullaloo	1,822	\$7,838	3,000	2,000
Neighbourhood	Kingsley	3,983	\$9,094	4,000	5,000
Neighbourhood	Candlewood	1,662	\$10,342	2,000	3,000
Neighbourhood	Kinross A	4,300	\$10,173	5,000	6,000
Neighbourhood	Carine Glades	3,991	\$8,542	4,500	4,500
Neighbourhood	Glengarry	2,890	\$9,523	3,000	4,000
Neighbourhood	Padbury	2,064	\$9,549	2,064	3,000
Neighbourhood	Hepburn Ave	1,971	\$11,322	2,000	4,000
Neighbourhood	Hillarys	2,992	\$8,141	3,000	3,000
Neighbourhood	Marmion Village Sheppard Way	1,789	\$8,842	1,789	2,000
Neighbourhood	Dunraig North	2,388	\$10,740	2,400	3,000
Neighbourhood	Iluka	0	\$0	3,300	3,500
Local	Springfield	728	\$7,216	1,000	1,000
Local	Mullaloo Tavern	700	\$6,942	1,500	200
Local	Forrest Plaza	548	\$8,107	1,000	1,000
Local	Coolibah Plaza	808	\$9,275	1,500	1,500
Local	Kinross B	500	\$9,818	700	1,000

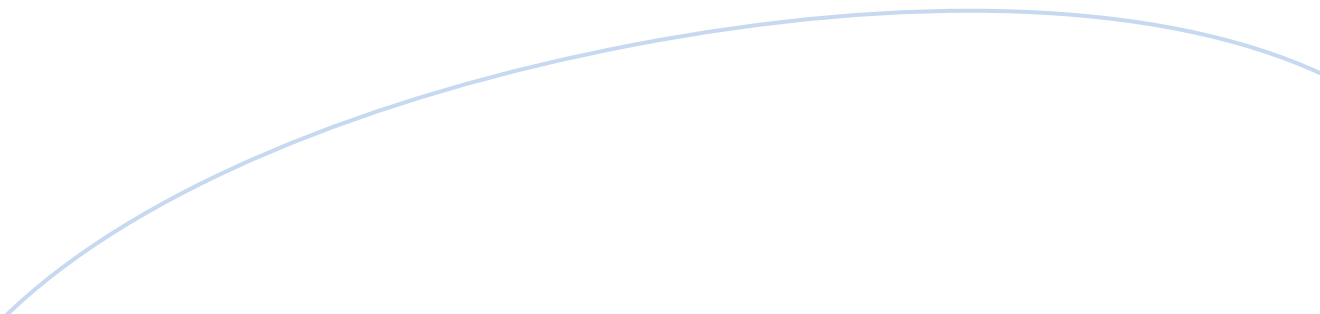


WAPC Hierarchy	Activity Centre	Shop Retail Floorspace 2010 (sqm)	Retail Turnover Density (\$/sqm)	Gravity Model Assessment	Recommended Threshold
Local	Moolanda North	206	\$9,324	300	500
Local	Moolanda South	678	\$10,072	1,000	1,000
Local	Sorrento	1,278	\$8,250	1,300	1,500
Local	Lilburne Road	450	\$10,720	450	1,000
Local	Duncraig Village	885	\$10,436	885	1,500
Local	Seacrest Village Harman Rd	724	\$9,461	724	1,000
Local	Greenwood Plaza	1,000	\$11,831	1,000	1,500
Local	Harbour Rise	0	\$0	800	1,000
Local	Burns Beach	0	\$0	NA	500

Overall, the realisation of the Recommended Thresholds across all Centres would result in a total Shop Retail floorspace in 2026 above that identified in the Gravity Model assessment. This reflects the review by RPS of public submissions to the draft Local Commercial Strategy, which indicated that the total floorspace demand in the Gravity Model assessment was potentially too conservative. It also reflected a desire on the part of the City to reinforce and support Joondalup's role as a shop retail destination in the North West Corridor.

Variations to the results of the Gravity Model assessment have been made across a number of centres. In particular, the following Centre's have Thresholds that deviate significantly from the results of the Gravity Model assessment:

- Whitford Secondary Centre – While the results of the Gravity Model assessment suggested minimal capacity for Whitfords to expand, analysis of public submissions and a review of the retail turnover density of Westfield Whitford City (which exceeds \$10,000 per sq.m with a lower level for the broader Activity Centre) indicates that some expansion is supported. This reflects the fact that while Whitfords is a Secondary Centre under the WAPC Hierarchy, its relationship with Hillarys Boat Harbour and strategic location into the North West Corridor creates the potential for the Centre to expand its beyond catchment trade. This expansion however, it likely to be constrained by an established and gentrified catchment and strong competition to the south (Karrinyup) and north east (Joondalup City Centre).
- Warwick Secondary Centre – SPP 4.2 provides the capacity for Secondary Centres within the hierarchy to expand to a total of 50,000 sq.m of Shop Retail floorspace while maintaining their position in the hierarchy. Given the conservative level of demand estimated in the Gravity Model assessment, Warwick Secondary Centre represents a logical location for this shortfall in demand to be provided. Providing greater capacity for Warwick to expand will provide even greater choice to consumers within the City, increase competition between major retail locations and improve accessibility of households to higher order Centres. This approach will also assist to reinforce Joondalup's premier role in the provision of Shop Retail in the North West Corridor of Perth.
- Sorrento Quay District Centre – the current retail turnover density of Sorrento Quay is below the industry average, suggesting below average market shares in the Centre's catchment. This suggests that an increase of the order identified in the Gravity Model assessment may be overstated.

- 
- Woodvale Park District – the Woodvale Park Centre had the highest retail turnover densities of all Activity Centres in the City (over \$12,000 per sq.m). This suggests that the Centre would have the capacity to expand to a greater extent than identified under the Gravity Model assessment while maintaining local Centre sustainability.
 - Neighbourhood & Local Centres – incremental increases in the Thresholds were made for a number of Centres, namely to increase the commercial viability of expansion by providing for a critical mass of floorspace increase. Reductions were made primarily in response to Centres having average or below average retail turnover densities, suggesting their current size and role within the hierarchy is appropriate.

These variations are regarded as appropriate and respond directly to the commercial performance, development potential and sustainability of each Centre and the broader hierarchy. As previously stated, these Thresholds do not represent caps and expansion of Centres above these floorspace levels can be supported by the City in instances where an appropriately developed Retail Sustainability Assessment is provided to the City as part of the Development Application.

9. Recommendations

This report provides a detailed analysis of the City of Joondalup regarding the requirements for developing a local commercial strategy that aligns with SPP 4.2. Based on the analysis, there are a number of implications that the Local Commercial Strategy will need to consider.

9.1 Implications for City of Joondalup

The key implications emerging from the analysis include:

- The City of Joondalup requires a new Local Commercial Strategy to be adopted by Council as a local planning policy in order to be in alignment with SPP 4.2;
- The current centres hierarchy, with Joondalup as the Strategic Metropolitan Centre with potential to become a Primary Activity Centre, is the key element in the commercial strategy and overrides all other considerations. Secondary Centres therefore perform a subsidiary function;
- Warwick Secondary Centre would benefit from a new structure plan. Given that the City of Joondalup owns land within the activity centre, there may be opportunity to significantly influence the outcome of any structure planning exercise;
- A number of district centres have been identified for growth in Shop Retail floorspace, including the Gwendoline Drive Centre (Ocean Reef Road, Beldon), which is recommended to change from a neighbourhood centre to a district centre;
- The zones contained in the District Planning Schemes could be simplified and the land uses allowed within each could be clarified. A review or amendment of the DPS may enable more flexible uses within zones; and
- A revision of the DPS should ensure alignment with SPP 4.2 and the WAPC Planning Manual.

It is anticipated that these key implications will be largely addressed through the next phase of the project (Part B and C) which will develop a Draft Local Commercial Strategy .

9.2 Implementation

On the basis of the Gravity Model Assessment, the recommended scenario indicates the maximum Shop Retail floorspace that could be contemplated for each activity centre within the City without unreasonable impact on other centres. The health check by centre also indicates those centres that are performing poorly

and may be considered for refurbishment or rezoning if this is proposed in the future. These elements provide the necessary background information to the City for informing decisions regarding:

- Future rezoning applications;
- Future development applications;
- New centre plans; and
- Structure plans (new and amended).

A detailed decision framework is attractive, however any decision framework is likely to require some additional tasks to be performed prior to this framework being developed. These tasks and actions are shown in the following table.

Table 24: Tasks and Actions for Decision Framework Development

Task	Action	Timeframe	Authority
Adopt revised Commercial Centre Strategy	Draft open for community consultation	Late 2011	CoJ
	Council adopt Final Strategy	Early 2012	CoJ
Review Content of District Planning Scheme which relates to Commercial development	Align with CoJ Local Planning Strategy, and Housing Strategy, WAPC SPP4.2 and Local Planning Manual; <ul style="list-style-type: none"> • Zones • Use class table • Site and development standards • Definitions • Performance criteria • Developer contributions – SPP3.6 	2012 -2014	CoJ
Confirm objectives and principles for development of Whitford Structure Plan in accordance with revised Commercial centre Strategy	According to Model Centre Framework SPP 4.2 section 8	2011-2012	CoJ/Private sector
	Establish CoJ protocol for assessing Retail Sustainability Assessment	2011-2012	CoJ
Prepare Structure Plan for Warwick secondary centre	According to Model Centre Framework SPP4.2 section 8	2012-2014	CoJ/WAPC/ Private Sector
Specific area plans for key district centres	Gwendoline Drive (Belridge), Currambine Market place, Greenwood Village, Woodvale Park	2014-2016	CoJ/ Private Sector

Note that Sorrento Quay is designated a district centre and although it is located within the City of Joondalup falls under the control of the WA planning Commission and already has a structure plan. It is therefore not included in the above table.

It is anticipated that a draft decision making framework will be provided to the City in the Parts B and C of the draft Local Commercial Strategy following consultation with the City on the above elements.



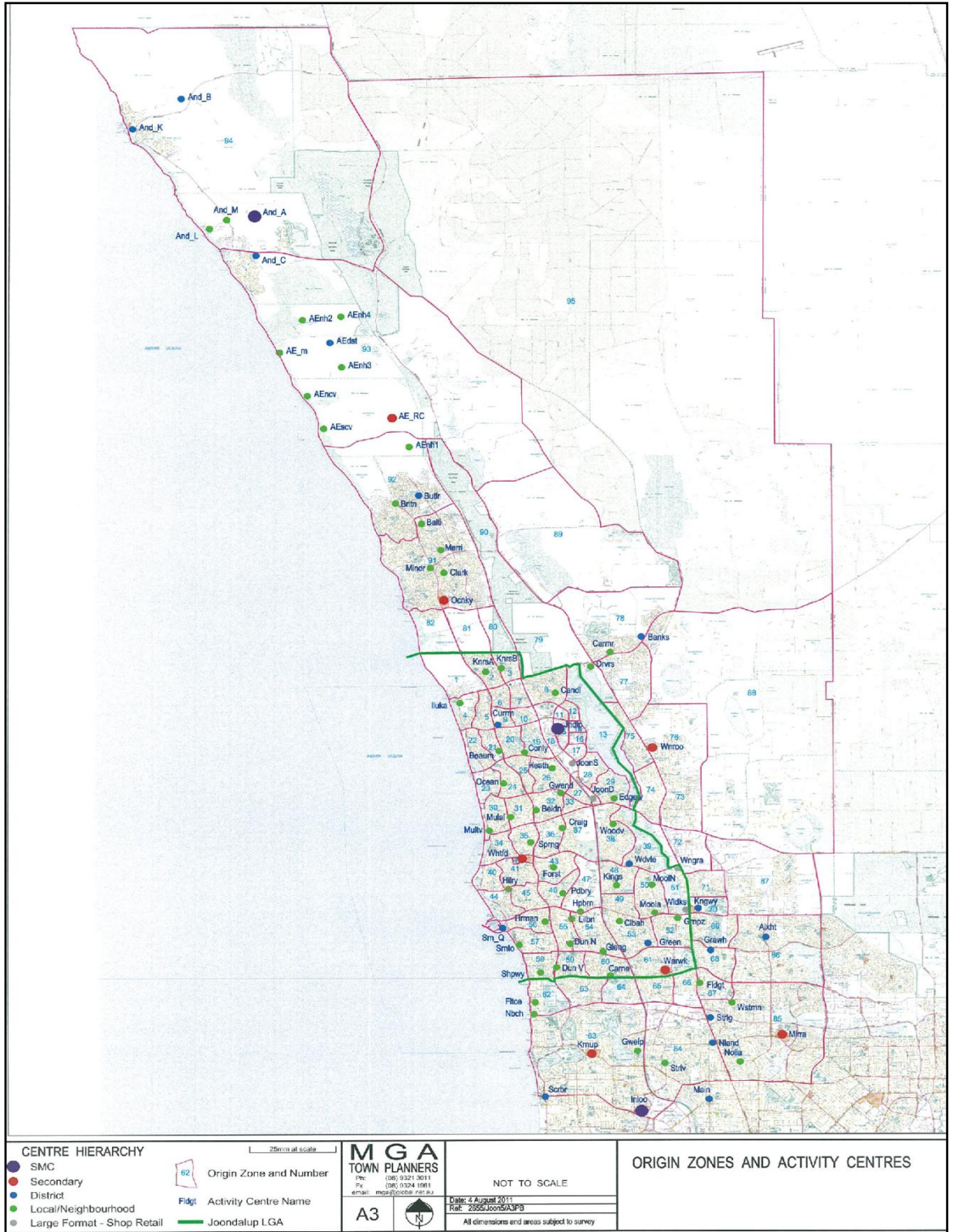
10. Appendices

10.1 Appendix 1 - Activity Centres Data

Planning Land Use Categories

Land Use	PLUC
Primary/Rural	PRI
Manufacturing/Processing/Fabrication	MAN
Storage/Distribution	STO
Service Industry	SER
Shop/Retail	SHP
Other Retail	RET
Office/Business	OFF
Health/Welfare/Community Services	HEL
Entertainment/Recreation/Culture	ENT
Residential	RES
Utilities/Communications	UTE
Vacant Floor Area	VFA

Appendix 2 – Study Area A3



10.2 Appendix 3 – Estimated Shop Retail Turnover 2010

WAPC Hierarchy	Centre	LGA	2010 Retail Area	Est. Shop Retail Turnover Total 2010	2010 Shop Retail \$/m ²
Strategic Metropolitan	Joondalup City (incl Winton Rd)	Joondalup	92,990	\$673,357,730	\$7,241
Secondary	Whitfords City	Joondalup	49,924	\$435,100,175	\$8,715
Secondary	Warwick Grove	Joondalup	25,614	\$250,713,753	\$9,788
District	Gwendoline Drive (Belridge)	Joondalup	6,148	\$62,135,313	\$10,107
District	Sorrento Quay	Joondalup	7,261	\$44,920,467	\$6,187
District	Currabine Market Place	Joondalup	6,549	\$75,196,463	\$11,482
District	Greenwood Village	Joondalup	4,976	\$55,454,330	\$11,144
District	Woodvale Park	Joondalup	7,460	\$90,784,845	\$12,170
Local / Neighbourhood	Iluka	Joondalup	0	\$0	\$0
Local / Neighbourhood	Craigie Plaza	Joondalup	2,337	\$17,289,755	\$7,398
Local / Neighbourhood	Heathridge	Joondalup	2,324	\$17,624,619	\$7,584
Local / Neighbourhood	Connolly	Joondalup	3,005	\$25,130,324	\$8,363
Local / Neighbourhood	Springfield	Joondalup	728	\$5,253,566	\$7,216
Local / Neighbourhood	Ocean Reef	Joondalup	1,957	\$16,975,920	\$8,674
Local / Neighbourhood	Edgewater	Joondalup	1,236	\$13,441,905	\$10,875
Local / Neighbourhood	Mullaloo Tavern	Joondalup	700	\$4,859,335	\$6,942
Local / Neighbourhood	Beldon	Joondalup	3,768	\$34,273,709	\$9,096
Local / Neighbourhood	Beumaris City	Joondalup	2,459	\$20,598,546	\$8,377
Local / Neighbourhood	Woodvale	Joondalup	3,064	\$29,644,662	\$9,675
Local / Neighbourhood	Forrest Plaza	Joondalup	548	\$4,442,761	\$8,107
Local / Neighbourhood	Mullaloo	Joondalup	1,822	\$14,281,705	\$7,838
Local / Neighbourhood	Kingsley	Joondalup	3,983	\$36,222,030	\$9,094
Local / Neighbourhood	Candlewood	Joondalup	1,662	\$17,188,491	\$10,342
Local / Neighbourhood	Kinross A	Joondalup	4,300	\$43,741,918	\$10,173
Local / Neighbourhood	Coolibah Plaza	Joondalup	808	\$7,494,114	\$9,275
Local / Neighbourhood	Kinross B	Joondalup	500	\$4,909,178	\$9,818
Local / Neighbourhood	Carine Glades	Joondalup	3,991	\$33,732,771	\$8,452
Local / Neighbourhood	Moolanda North	Joondalup	206	\$1,920,703	\$9,324
Local / Neighbourhood	Glengarry	Joondalup	2,890	\$27,520,120	\$9,523
Local / Neighbourhood	Moolanda South	Joondalup	678	\$6,828,969	\$10,072
Local / Neighbourhood	Padbury	Joondalup	2,064	\$19,709,338	\$9,549
Local / Neighbourhood	Hepburn Ave	Joondalup	1,971	\$22,315,281	\$11,322
Local / Neighbourhood	Sorrento	Joondalup	1,278	\$10,543,148	\$8,250
Local / Neighbourhood	Hillarys	Joondalup	2,992	\$24,358,761	\$8,141
Local / Neighbourhood	Lilburne Road	Joondalup	450	\$4,827,207	\$10,727
Local / Neighbourhood	Duncraig Village	Joondalup	885	\$9,236,287	\$10,436
Local / Neighbourhood	Sheppard Way	Joondalup	1,789	\$15,819,042	\$8,842
Local / Neighbourhood	Duncraig North	Joondalup	2,388	\$25,647,635	\$10,740
Local / Neighbourhood	Harman Rd	Joondalup	724	\$6,849,867	\$9,461
Local / Neighbourhood	Greenwood Plaza	Joondalup	1,000	\$11,830,672	\$11,831
Large Format Retail	Joondalup South	Joondalup	12,443	\$83,965,697	\$6,748
Large Format Retail	Joondalup Drive	Joondalup	8,534	\$78,695,977	\$9,221
Large Format Retail	Waldecks	Joondalup	80	\$853,714	\$10,671

Source: MGA Modelling, MDS Market Data Systems

WAPC Heirarchy	Centre	LGA	2010 Retail Area	Est. Shop retail Turnover Total 2010	2010 Shop Retail \$/m ²
Strategic Metropolitan	Innaloo	Stirling	57,843	\$164,580,938	\$2,845
Secondary	Karrinyup	Stirling	51,085	\$370,996,687	\$7,262
Secondary	Mirrabooka	Stirling	39,129	\$280,955,479	\$7,180
District	Main Street	Stirling	6,755	\$35,156,530	\$5,205
District	Scarborough	Stirling	9,508	\$35,424,080	\$3,726
District	Northlands	Stirling	9,761	\$95,813,057	\$9,816
District	Stirling Central	Stirling	13,588	\$145,394,898	\$10,700
Local / Neighbourhood	Gwelup	Stirling	4,772	\$36,523,330	\$7,654
Local / Neighbourhood	Fieldgate	Stirling	901	\$7,451,425	\$8,270
Local / Neighbourhood	Nollamara	Stirling	3,912	\$29,357,311	\$7,504
Local / Neighbourhood	Westminster	Stirling	2,870	\$25,138,355	\$8,759
Local / Neighbourhood	North Beach	Stirling	4,566	\$34,316,136	\$7,516
Local / Neighbourhood	Flora Terrace	Stirling	1,197	\$8,327,729	\$6,957
Local / Neighbourhood	Stirling Village	Stirling	1,168	\$12,178,162	\$10,427
Strategic Metropolitan	St Andrews A	Wanneroo	0	\$0	\$0
Secondary	AE_RC	Wanneroo	0	\$0	\$0
Secondary	Wanneroo	Wanneroo	9,290	\$114,444,221	\$12,319
Secondary	Ocean Keys	Wanneroo	28,241	\$377,600,068	\$13,371
District	AEdst	Wanneroo	0	\$0	\$0
District	Banksia Grove	Wanneroo	0	\$0	\$0
District	Butler	Wanneroo	0	\$0	\$0
District	St Andrews B	Wanneroo	0	\$0	\$0
District	St Andrews C	Wanneroo	0	\$0	\$0
District	St Andrews K	Wanneroo	0	\$0	\$0
District	Kingsway City	Wanneroo	15,915	\$144,417,569	\$9,074
District	Girrawheen	Wanneroo	8,223	\$91,495,101	\$11,127
District	Alexander Heights	Wanneroo	5,814	\$79,336,994	\$13,646
Local / Neighbourhood	AE_m	Wanneroo	0	\$0	\$0
Local / Neighbourhood	Aencv	Wanneroo	0	\$0	\$0
Local / Neighbourhood	AEnh1	Wanneroo	0	\$0	\$0
Local / Neighbourhood	AEnh2	Wanneroo	0	\$0	\$0
Local / Neighbourhood	AEnh3	Wanneroo	0	\$0	\$0
Local / Neighbourhood	AEnh4	Wanneroo	0	\$0	\$0
Local / Neighbourhood	Aescv	Wanneroo	0	\$0	\$0
Local / Neighbourhood	St Andrews L	Wanneroo	0	\$0	\$0
Local / Neighbourhood	St Andrews M	Wanneroo	0	\$0	\$0
Local / Neighbourhood	Drovers	Wanneroo	9,291	\$87,722,875	\$9,442
Local / Neighbourhood	Wangara	Wanneroo	19,630	\$188,864,119	\$9,621
Local / Neighbourhood	Carramar	Wanneroo	5,000	\$57,527,428	\$11,505
Local / Neighbourhood	Baltimore	Wanneroo	540	\$6,093,866	\$11,285
Local / Neighbourhood	Merriwa	Wanneroo	3,304	\$41,800,234	\$12,651
Local / Neighbourhood	Clarkson	Wanneroo	670	\$10,269,792	\$15,328
Local / Neighbourhood	Brighton	Wanneroo	2,249	\$43,416,189	\$19,305
Local / Neighbourhood	Mindarie	Wanneroo	1,610	\$36,618,736	\$22,745

Source: MGA Modelling, MDS Market Data Systems

10.3 Appendix 4 - Shop Retail Gravity Model Assessment Results, Joondalup Centres and Impact

WAPC Heirarchy	Centre	LGA	2010 Retail Area	2026 Retail Area	Impact
Strategic Metropolitan	Joondalup City (incl Winton Rd)	Joondalup	92,990	125,000	24.76%
Secondary	Whitfords City	Joondalup	49,924	50,000	0.09%
Secondary	Warwick Grove	Joondalup	25,614	38,000	-3.99%
District	Gwendoline Drive (Belridge)	Joondalup	6,148	10,000	7.33%
District	Sorrento Quay	Joondalup	7,261	9,000	2.04%
District	Currambine Market Place	Joondalup	6,549	15,000	0.51%
District	Greenwood Village	Joondalup	4,976	10,000	-4.08%
District	Woodvale Park	Joondalup	7,460	12,000	-4.47%
Local / Neighbourhood	Iluka	Joondalup	0	3,300	100.00%
Local / Neighbourhood	Craigie Plaza	Joondalup	2,337	3,500	19.79%
Local / Neighbourhood	Heathridge	Joondalup	2,324	3,500	17.85%
Local / Neighbourhood	Connolly	Joondalup	3,005	3,500	15.77%
Local / Neighbourhood	Springfield	Joondalup	728	1,000	10.36%
Local / Neighbourhood	Ocean Reef	Joondalup	1,957	4,000	10.33%
Local / Neighbourhood	Edgewater	Joondalup	1,236	2,000	9.02%
Local / Neighbourhood	Mullaloo Tavern	Joondalup	700	1,500	8.23%
Local / Neighbourhood	Beldon	Joondalup	3,768	4,000	8.13%
Local / Neighbourhood	Beaumaris City	Joondalup	2,459	3,000	7.87%
Local / Neighbourhood	Woodvale	Joondalup	3,064	3,200	7.49%
Local / Neighbourhood	Forrest Plaza	Joondalup	548	1,000	5.23%
Local / Neighbourhood	Mullaloo	Joondalup	1,822	3,000	4.65%
Local / Neighbourhood	Kingsley	Joondalup	3,983	4,000	3.22%
Local / Neighbourhood	Candlewood	Joondalup	1,662	2,000	1.01%
Local / Neighbourhood	Kinross A	Joondalup	4,300	5,000	-0.76%
Local / Neighbourhood	Coolibah Plaza	Joondalup	808	1,500	-1.14%
Local / Neighbourhood	Kinross B	Joondalup	500	700	-1.93%
Local / Neighbourhood	Carine Glades	Joondalup	3,991	4,500	-2.60%
Local / Neighbourhood	Moolanda North	Joondalup	206	300	-3.26%
Local / Neighbourhood	Glengarry	Joondalup	2,890	3,000	-3.50%
Local / Neighbourhood	Moolanda South	Joondalup	678	1,000	-6.09%
Local / Neighbourhood	Padbury	Joondalup	2,064	2,064	-7.38%
Local / Neighbourhood	Hepburn Ave	Joondalup	1,971	2,000	-9.41%
Local / Neighbourhood	Sorrento	Joondalup	1,278	1,300	-9.73%
Local / Neighbourhood	Hillarys	Joondalup	2,992	3,000	-9.91%
Local / Neighbourhood	Lilburne Road	Joondalup	450	450	-12.45%
Local / Neighbourhood	Duncraig Village	Joondalup	885	885	-12.67%
Local / Neighbourhood	Sheppard Way	Joondalup	1,789	1,789	-13.29%
Local / Neighbourhood	Duncraig North	Joondalup	2,388	2,400	-13.84%
Local / Neighbourhood	Harman Rd	Joondalup	724	724	-14.17%
Local / Neighbourhood	Greenwood Plaza	Joondalup	1,000	1,000	-14.89%
Large Format Retail	Joondalup South	Joondalup	12,443	12,443	30.81%
Large Format Retail	Joondalup Drive	Joondalup	8,534	8,534	12.76%
Large Format Retail	Waldecks	Joondalup	80	80	-4.83%

10.4 Appendix 5 – Shop Retail Gravity Model Results, City of Wanneroo and City of Stirling Centres Impacts

WAPC Heirarchy	Centre	LGA	2010 Retail Area	2026 Retail Area	Impact
Strategic Metropolitan	Innaloo	Stirling	57,843	70,000	60.29%
Secondary	Mirrabooka	Stirling	39,129	44,662	1.45%
Secondary	Karrinyup	Stirling	51,085	52,319	3.86%
District	Main Street	Stirling	6,755	8,800	23.80%
District	Scarborough	Stirling	9,508	15,000	22.27%
District	Northlands	Stirling	9,761	12,039	-7.02%
District	Stirling Central	Stirling	13,588	15,577	-7.42%
Local / Neighbourhood	Gwelup	Stirling	4,772	4,888	5.33%
Local / Neighbourhood	Fieldgate	Stirling	901	1,024	2.82%
Local / Neighbourhood	Nollamara	Stirling	3,912	5,574	-1.35%
Local / Neighbourhood	Westminster	Stirling	2,870	2,870	-3.24%
Local / Neighbourhood	North Beach	Stirling	4,566	4,861	-5.96%
Local / Neighbourhood	Flora Terrace	Stirling	1,197	1,197	-7.39%
Local / Neighbourhood	Stirling Village	Stirling	1,168	1,168	-15.77%
Strategic Metropolitan	St Andrews A	Wanneroo	0	7,000	100.00%
Secondary	AE_RC	Wanneroo	0	26,000	100.00%
Secondary	Wanneroo	Wanneroo	9,290	17,000	-7.48%
Secondary	Ocean Keys	Wanneroo	28,241	28,241	-14.82%
District	AEdst	Wanneroo	0	15,000	100.00%
District	Banksia Grove	Wanneroo	0	20,000	100.00%
District	Butler	Wanneroo	0	10,000	100.00%
District	St Andrews B	Wanneroo	0	0	100.00%
District	St Andrews C	Wanneroo	0	11,700	100.00%
District	St Andrews K	Wanneroo	0	10,900	100.00%
District	Kingsway City	Wanneroo	15,915	30,000	-4.32%
District	Girrawheen	Wanneroo	8,223	19,000	-17.31%
District	Alexander Heights	Wanneroo	5,814	12,000	-35.66%
Local / Neighbourhood	AE_m	Wanneroo	0	850	100.00%
Local / Neighbourhood	Aencv	Wanneroo	0	700	100.00%
Local / Neighbourhood	AEnh1	Wanneroo	0	0	100.00%
Local / Neighbourhood	AEnh2	Wanneroo	0	3,000	100.00%
Local / Neighbourhood	AEnh3	Wanneroo	0	0	100.00%
Local / Neighbourhood	AEnh4	Wanneroo	0	0	100.00%
Local / Neighbourhood	Aescv	Wanneroo	0	500	100.00%
Local / Neighbourhood	St Andrews L	Wanneroo	0	5,000	100.00%
Local / Neighbourhood	St Andrews M	Wanneroo	0	4,700	100.00%
Local / Neighbourhood	Drovers	Wanneroo	9,291	9,291	4.24%
Local / Neighbourhood	Wangara	Wanneroo	19,630	19,630	1.60%
Local / Neighbourhood	Carramar	Wanneroo	5,000	5,000	-12.89%
Local / Neighbourhood	Baltimore	Wanneroo	540	540	-13.51%
Local / Neighbourhood	Merriwa	Wanneroo	3,304	3,304	-15.15%
Local / Neighbourhood	Clarkson	Wanneroo	670	670	-24.65%
Local / Neighbourhood	Brighton	Wanneroo	2,249	2,249	-34.36%
Local / Neighbourhood	Mindarie	Wanneroo	1,610	1,610	-36.18%



10.5 Appendix 6 – Preliminary Consultation with Department of Planning

From: Cox, Natalie <Natalie.Cox@planning.wa.gov.au>
Sent: Thursday, 24 November 2011 12:50 PM
To: Syme Marmion & Co
Subject: RE: City of Joondalup Local Commercial Strategy

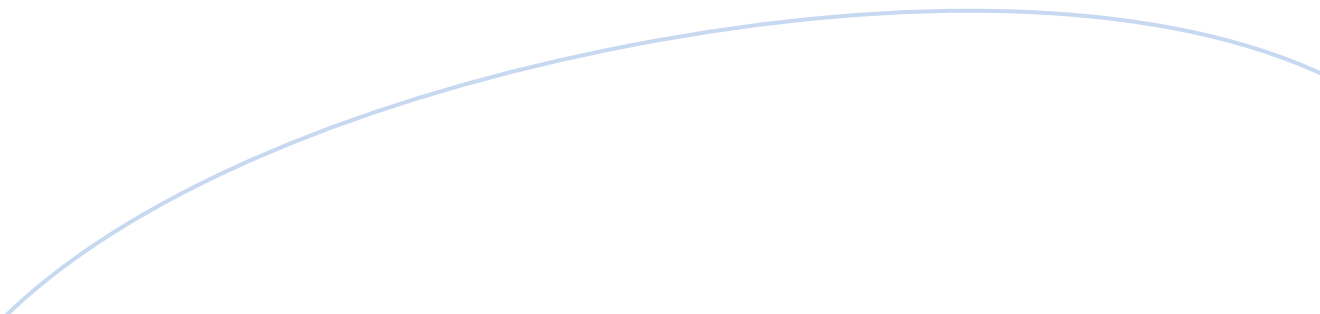
I refer to our meeting of 4 November 2011 regarding the Local Commercial Strategy for the City of Joondalup currently under preparation. As discussed, I have reviewed the draft Part A - Background Research, Economic Analysis and Retail Needs Assessment and have provided some brief comments below.

- Part A seems to address the main elements of State Planning Policy 4.2 *Activity Centres for Perth and Peel* (SPP 4.2) in terms of identifying employment targets and locations, a discussion of residential density opportunities, incorporation of a retail needs assessment, recommended maximum shop retail floorspace and a discussion of potential trade impacts on other centres based on these recommended floorspace maximums. **Response: Noted**
- I note the proposal for Gwendoline Avenue (Belridge) to grow from a neighbourhood centre to a district centre. I believe this area could use some more discussion/justification to provide a strong a case as possible for this proposed departure from SPP 4.2. **Response: Section on Gwendoline Avenue proposal amended to include further discussion and justification.**
- In respect of the retail needs assessment in Part 6, shouldn't this section include figures as to the amount of floorspace required based on the population projections and other information provided in Part 6? Is this the intent of the recommended maximum floorspace in Part 7 (Table 22 on page 66)?

I suggest that the outcomes of the Retail Needs Assessment (i.e. required floorspace) would be better located at the end of Part 6. Alternatively, combining Parts 6 and 7 and reformatting these sections might present the information in a more accessible and easy to follow manner. **Response: Agreed – sections combined and re-worked.**

- The document at page 52 talks about density codings of R80 for the centres as per the City draft Housing Strategy, however, I would like to see a discussion on the potential application of RAC codes for the centres. **Response: Discussion on R-AC codes added including table outlining the revised codes at November 2010.**
- There are references in the document to '*draft work commissioned by the Department of Planning*' (pg 30) and '*through discussions with the Department of Planning*' (pg 22) and '*this approach has been discussed and agreed with the Department of Planning*' (pg 23).

A reference list, and footnotes would be appropriate here to indicate the source of this information. There may be other instances where this is needed- these are just the ones that caught my eye **Response: Footnotes added where applicable.**

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- The strategy would benefit from the addition of a spatial plan showing the existing hierarchy of centres and floorspace distribution within the City of Joondalup. Furthermore, it is anticipated that Part B of the Strategy will contain a strategy plan showing recommendations and proposals- proposed hierarchy and floorspace. **Response: Figure 15 and Appendix 2 both outline the current location and hierarchy of centres. Part B will include a Strategy Plan Map.**
 - Part 1 should include reference to the draft Outer Metropolitan Perth and Peel Sub-regional Strategy and a discussion of this document and implications for commercial strategy. **Response: draft Outer Metropolitan Perth and Peel Sub-regional Strategy discussion included within the Directions 2031 and Beyond review (section 1.1.1). This has been expanded slightly and reference to the draft Outer Metropolitan Perth and Peel Sub-regional Strategy made clearer.**
 - Part 8 Implementation of SPP 4.2 seems out of context. I suggest removing this section. The information under part 8.1 could be moved to Part 1 (1.1.3) as it really just outlines the requirements under SPP 4.2. Part 8.2 could be moved to a new section titled 'Implementation' which could be located after Part 10-Recommendations. **Response: Report amended accordingly.**

Please be aware that I have not had a lot of time to dedicate to this and I reiterate that I do not have any particular expertise in the area of retail modelling and needs assessments. As such, I have not undertaken thorough analysis of the details. Nevertheless, I hope you find the above officer level comments helpful.

Kind regards

Natalie Cox
Senior Project Planner
Schemes and Appeals Team

Response: Noted – It is anticipated that the Department of Planning will review the draft Local Commercial Strategy Part A and Part B together in more detail including review of the retail needs assessment section.