SOUTH WEST GROUP

A Co-operative venture of the municipalities of:
Cockburn, East Fremantle, Fremantle, Kwinana, Melville & Rockingham

South West Group

Activity Centres Tour Report

18 to 20 April 2012

Melbourne and Sydney

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INTRODUCTION

The South West Group facilitated an activity centres tour to Melbourne and Sydney from 18 to 20 April 2012. The tour of 14 people included members of the South West Group Board as well as member Council Planning Directors and Councillors.

The primary objective of the tour was to gain an appreciation of success factors and lessons learnt in the establishment of activity centres elsewhere in Australia and to understand the role of Local Government in the activity centre development process.

The activity centres tour was considered particularly relevant at this time given the number of activity centres planned or underway in the South West Metropolitan Region including the Murdoch Activity Centre, Cockburn Central, Fremantle CBD, Rockingham, Kwinana and East Fremantle town centre developments, Cockburn Coast and Canning Bridge.

This report outlines the key issues, achievements and challenges/lessons learnt from a regional economic development perspective. More detailed information on planning and design aspects for each site were examined and documented using checklists adapted from the Victorian Department of Sustainability and Environment Activity Centre Design Guidelines (2005) and can be provided on request.

This report is supported by the activity centres tour briefing document prepared by tour organisers Hames Sharley, which contains more detailed descriptions and technical information regarding each activity centre (refer to Attachment 1).

The South West Group will be considering issues and topics for future tours aimed at increasing knowledge and understanding on issues most relevant to the region and building capacity in how the best manage these issues based on best practice approaches and experiences elsewhere.

MELBOURNE – DAY 1 (18 April 2012)

Knox Central

<u>Overview</u>

- Located 25 kilometres east of the Melbourne CBD and near the foothills of the Dandenong Ranges, Knox Central is defined as a Principal Activity Centre in the Melbourne 2030 Plan and guided by a Planning Scheme and Urban Design Framework.
- Knox Central is classified as a Retail Activity Centre (RAC) and represents collaboration between the Knox City Council, Department of Sustainability and Environment and AMP Capital Investments.
- Drivers for development of Knox Central related to identity issues – the area had lost heart and lacked a development focus.

Eastern entrance of Knox Central Shopping Centre

- Jason Matthews (Director City Management) and Angelo Kourambas (Director City Development) from the City of Knox presented to the delegation, with Gavin Botswana (AMP Capital Investments) providing support and the venue for the briefing.
- The land use and activity for Knox Central is planned to be diverse (retail, commercial, residential) and supports civic uses and the presence of the Local Government as a core element.
- There are multiple landholders and stakeholders involved in the 220 hectare activity centre and the site has strong links to Swinburne University (2,000 students).
- The City of Knox owns 8 hectares, but can not afford to develop its landholdings, which are estimated to be around $100M to develop.
- The site supports significant green spaces, with stormwater compensation basins and Blind Creek occupying about 26 hectares of the site.

Further diversification of Knox from current retail and entertainment is planned

- There are future proposals for hotel development and residential within the activity centre, noting that Council made a deliberate effort to retain residential density in the suburbs surrounding the centre similar to existing, but promote the establishment of smaller dwellings.
- The City has a current population of 150,000, with growth estimated to be 10,000 (i.e. additional 6,000 dwellings) over the next 20 years.
- A Place Manager initially employed by AMP was appointed to lead the development and revitalisation of the activity centre, however this position has since been taken on by the Council.
- The City has developed an Economic Development Strategy which seeks to capitalise on the strong manufacturing base as a competitive edge and integrate this with other areas to create an additional 6,000 to 12,000 new jobs.

<u>Achievements</u>

- The City of Knox has committed $1M per year over the next 3 years to continue to facilitate development at Knox Central and explore ways to best utilise its landholdings.
- The City of Knox established a commercially focussed Director level position to oversee the development of the centre and to maximise outcomes for Council, business investment and the community.
- A revamped External Advisory Committee has been formed, with skills based and commercially focussed membership, to advise and assist Council in evaluating future development initiatives.
- The establishment of the Bulmaria Retirement Village, which is a 4-7 storey development incorporating 300 apartments and high quality facilities including hydro-therapy pool.
- Established apartments (54 one and two bedroom apartments, over 4 storeys) and recent approval of a 200 plus residential unit development.
- Changes in zoning to specifically cater for Mixed Use Zone.
- Establishment of the Knox O-Zone - an outdoor leisure, dining and entertainment precinct with over 24 cafes, bars and restaurants as well as a selection of retail stores including sports, music, electronics, large format

furniture and whitegoods stores. Knox O-Zone also encompasses a cinema, bowling centre and gym.

Cafes and bars in Knox O-Zone precinct located near cinema and bowling centre

Challenges and Lessons Learnt

- Council recognised that the passive planning role that it had traditionally undertaken was not likely to be successful in facilitating the type of development outlined in its policy and urban design framework.
- Council also did not understand the market, which is essential to pro-actively progress activity centres.
- Council was confused over its role – Planning Authority, Regulator, Investor, Facilitator, Leader and needed a commercially driven, action based approach to facilitate progress.
- Council also recognised the need to go beyond short term solutions and adopt a strategic and long term (50-100 years) focus.
- A clearly defined planning 'vision' and a long term commitment to this planning vision is essential.
- A Council commissioned study by Urbis did not support office space expansion at Knox Central (only 3,000-5,000sqm over next 10 years), although office expansion could be possible if State and/or Federal Government agencies located regional offices in the centre.
- Although property development data may not support increased residential densities, the City of Melbourne has transformed the Melbourne CBD over the last 10 years even though this type of development was not supported with data at the time. The Melbourne CBD is a great example of successful residential densification and activation of the city streets.
- There is no rail servicing the Knox Central at present, however there is tram connection about 4 kilometres away and Council is lobbying to extend the connection to the centre.

Chadstone

Overview

- Briefing of the delegation provided by Paul Donohue (Regional Manager, Colonial First State).
- Colonial First State's business model involves owning, leasing and developing shopping centres.
- The Chadstone Shopping Centre was established in 1960 and is currently going through its 33rd redevelopment phase. About 10 to 12 of the redevelopments have involved budgets in excess of $100M.

Ongoing redevelopment has been a key success factor for the Chadstone

- The Chadstone Shopping Centre is located in the City of Stonnington, approximately 20 kilometres south east of the Melbourne CBD.
- The centre now covers 27.7 hectares and contains 530 stores and has 20 million visitors per year.
- Office accommodation is emerging as a successful alternative to retail.
- 8000sqm office building constructed in 2009; now fully leased.
- The centre was valued in 2012 at $3.21B.
- The next development stages for the centre include high rise hotel and office accommodation, with an estimated cost of $500M

Achievements

- Established as the 'fashion" capital of Melbourne, with luxury brands such as Tiffany & Co, Gucci, Louis Vuitton, Chanel, and Prada.
- The centre has undergone redevelopment and revitalisation on a regular basis and with significant investment.
- Colonial First State has also contributed funding for major road upgrades around the centre to improve access, relieve congestion and minimise impacts on amenity in adjacent residential areas.
- Establishment of a fresh food market and food court/café precinct, connected to the car park through a "main street" entrance, which aims to provide greater diversity of shopping experience and increased visitation.

Luxury brands and quality fit out support Chadstone's fashion capital brand

<u>Challenges and Lessons Learnt</u>

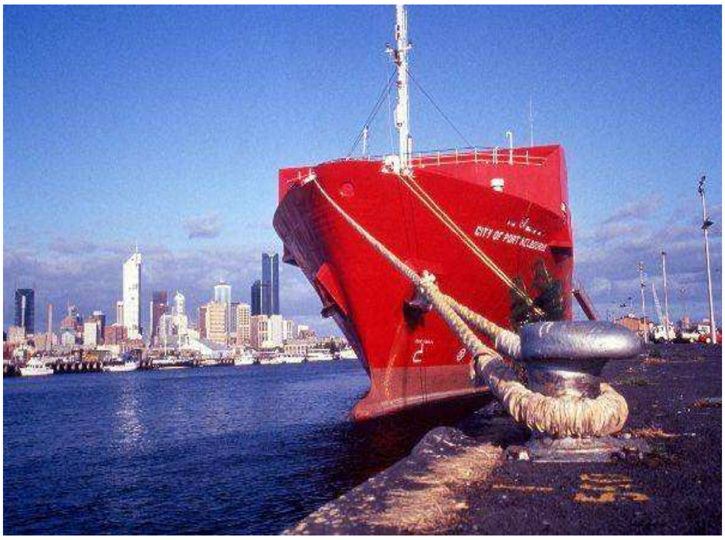
- Significant investment in the redevelopment of the centre has been profitable and has extended the catchment of customers to the centre.
- The investment by Colonial First State involving major upgrades and grade separation of roads surrounding the centre has achieved a high level of community acceptance.
- The niche luxury labels have significantly enhanced the reputation of Chadstone as the fashion capital of Melbourne and plans to further encourage other high end labels have been positively received.
- The main street concept has only been partially successful, however the fundamental design lacks continuity and sense of place as it feels like an "add on" to the shopping centre and more of an upgrade to a car park connected frontage that a main street.
- Owner's advice to Local government is "time is money, rely on retailer's expertise.


Although commendable, attempts to establish a "main street" area at Chadstone have only been partially successful and with mixed results

Port of Melbourne

Overview

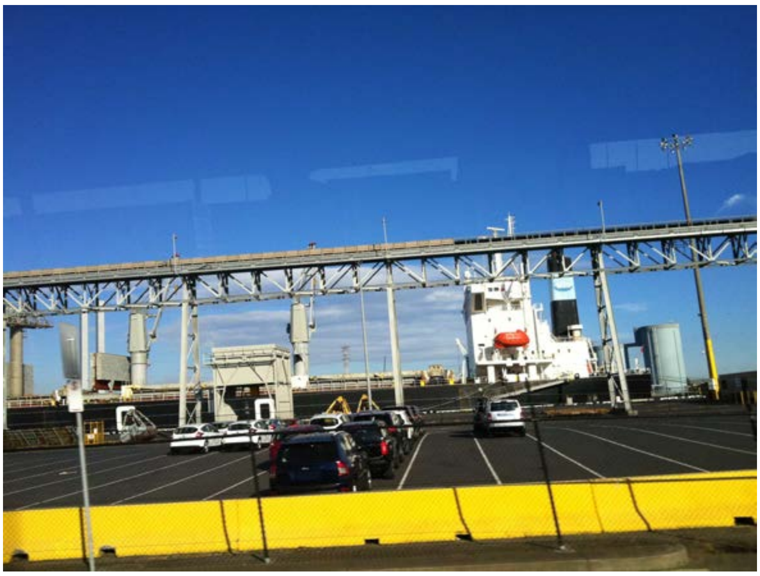
- Briefing provided by Don Forsdyke (Business Development Manager) and John Reilly (Manager Land Use Planning) from the Port of Melbourne.
- The Port of Melbourne manages 38% of the nation's container trade (approx. 2.4M TEU per year or 6,500 containers/day) valued at $84B annually, with the port contributing $1.8B to the state economy and $2.4B to the national economy in 2010/11.
- The port is directly responsible for supporting 15,700 jobs, with a further 86,000 in Melbourne and 256,000 jobs linked to port activities in Australia.



The Port of Melbourne, with the CBD in the background
(Source: Port of Melbourne)

Achievements

- The port reached 1 million TEU in 1997 and was the first port in Australia to reach 2 million TEU in Australia in 2007. By comparison, Fremantle Port current caters for 600,000 TEU.



The port manages a diversity of commodities to meet expanding retail and consumer demands

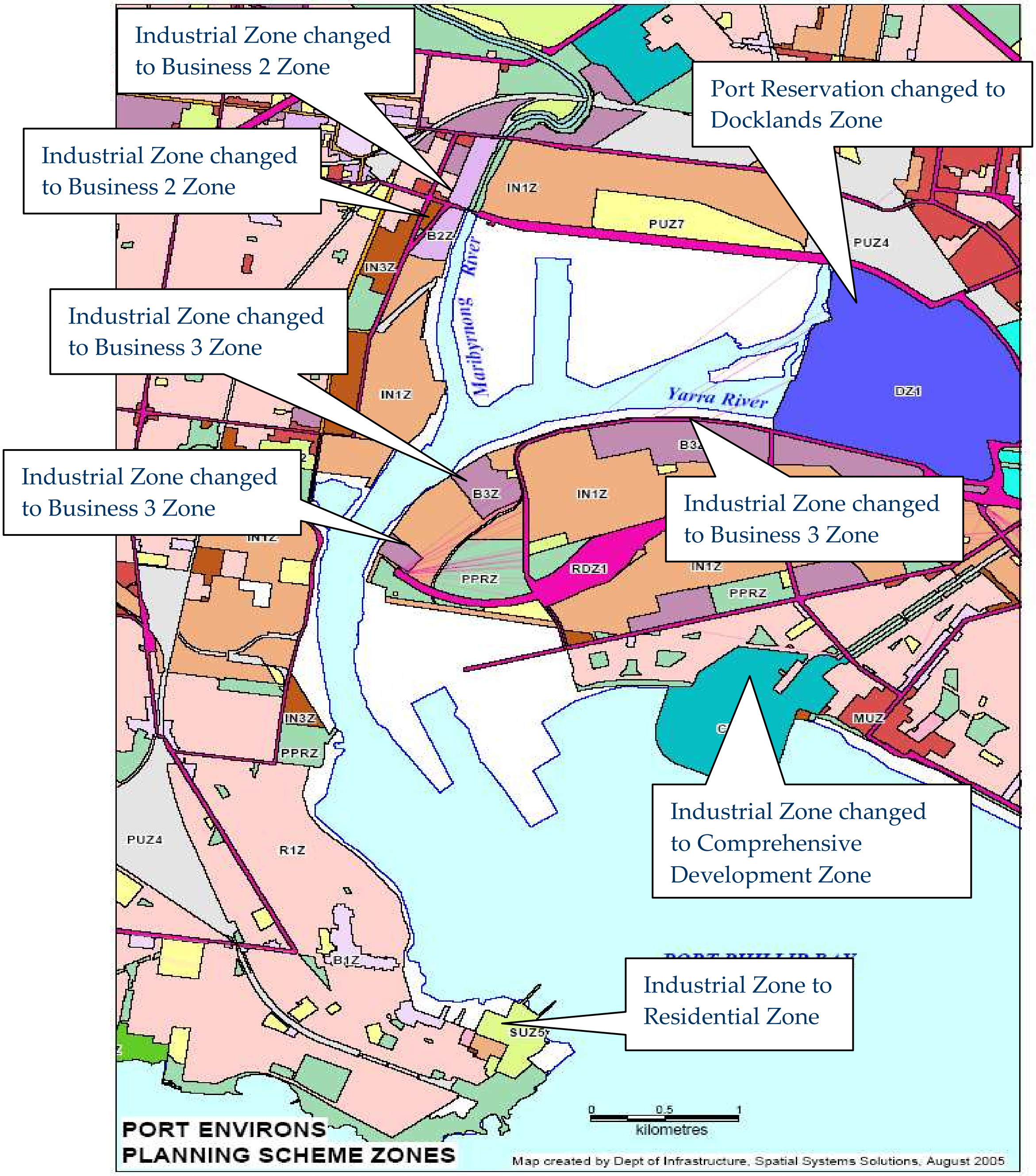
- There has been a significant shift in the management approach of the Port of Melbourne to be much more pro-active, rather than reactive. This has enabled the port to have greater contribution and influence on planning and development issues that may impact on port operations. The change in approach has also improved relationships between the port and the City of Melbourne.

Challenges and Lessons Learnt

- Forecast growth projections suggest the port will need to handle around 4.5 million TEU by 2020, placing pressure on infrastructure provision and planning.

The Port of Melbourne handles more containers than any other port in Australia
(Source: Port of Melbourne)

- Changes in the logistics landscape requires adaptive management for aspects such as high productivity freight vehicles, changes in rail freight and road transport infrastructure, the development of intermodal hubs and the efficient management of empty containers.
- Encroaching development (business, residential, mixed use) is leading to reduced industrial zoned land buffers and conflicts of uses. This development does not recognise the critical role that the port plays in facilitating the movement of everyday goods and supporting the state and national economy.
- The figure overleaf outlines some of the recent examples of encroaching development that has the potential to create conflicts for the current and ongoing operation of the port.



Recent changes in zoning and associated developments impose operational constraints on the Port of Melbourne

Victoria Harbour

Overview

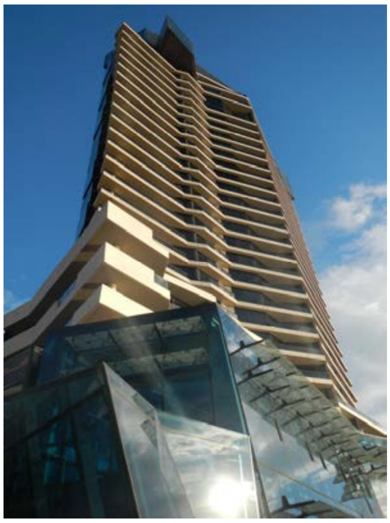
- As the centrepiece of Melbourne's Docklands precinct, Victoria Harbour is predominantly a commercial centre supported by expanding retail, mixed use and residential uses.
- The precinct is well connected (and within walking distance) to the Melbourne CBD and is well integrated uses both vertically and horizontally.
- The extension and merging of Collins Street and Bourke Street provide a key focal point for the area, which is well supported by public transport (trams).
- Several major companies have relocated their office headquarters to the Victoria Harbour precinct including NAB, ANZ, Myer and Ericsson.

The NAB headquarters is located in a prime waterfront position

- The precinct is adjacent to Etihad Stadium and attracts crowds during the football season and other major events.

Etihad Stadium is a key Docklands feature and generates visitors to Victoria Harbour during games and major events

- High rise residential development comprises the primary form of dwellings. It is expected that the current population of around 15,000 in the area will reach 30,000 by 2021 being 25,000 workers and 5,000 residents.

Quality multi-storey residential development contribute to the 2,800 dwellings in Victoria Harbour

<u>Achievements</u>

- Major redevelopment of previously contaminated and under-utilised port land.
- Quality residential and commercial developments and buildings.
- High level of integration between commercial, retail, residential and mixed uses.
- Excellent accessibility, connection to the Melbourne CBD and public transport links.
- Concentration of green buildings and well designed opens space promenades, with user friendly community amenities for walking and cycling.

<u>Challenges and Lessons Learnt</u>

- The convenient location of the precinct being close to the CBD has led to a high rate of establishment of commercial premises.
- The challenge in establishing and maintaining high levels of visitation and interaction amongst people living, working or visiting the well located and quality developed precinct.
- Need to encourage greater activation at street level, particularly “after hours” and on weekends.


Limited people interaction in prime waterfront location presents a challenge for sustaining café’s, bars and other dependant businesses

MELBOURNE – DAY 2 (19 April 2012)

Melbourne and Olympic Parks

Overview

- Briefing provided by Brian Morris – CEO of Melbourne and Olympic Parks.
- Melbourne and Olympic Parks are Melbourne's premier sport, recreation and entertainment precinct, with over $1B of assets at present and expected to be $1.5B by 2015 following the completion of redevelopment plans.
- It is classified as a Specialised Activity Centre for active sport and recreation.

An aerial view of Melbourne Park, with Hisense Arena in the foreground
(Source: Melbourne and Olympic Parks)

- The centre is home of the National Tennis Centre (and the Australian Open), Collingwood Football Club and various other sporting clubs (basketball, soccer).

Centre court at Rod Laver Arena

- The Melbourne and Olympic Parks Trust is an independent body that generates its own income from events, with no recurrent funding from the Government.
- The Australian Open is one of Victoria's highest income generating events and is worth $100M to the State and $10M for Melbourne and Olympic Parks annually.
- The site has extensive electrical and information technology capabilities to enable event organisers/contractors to plug into the network simultaneously.
- The site is located adjacent to the Melbourne Cricket Club (MCG) and is serviced by three separate train lines to facilitate rapid access and egress of the area, even during periods when multiple events are occurring.

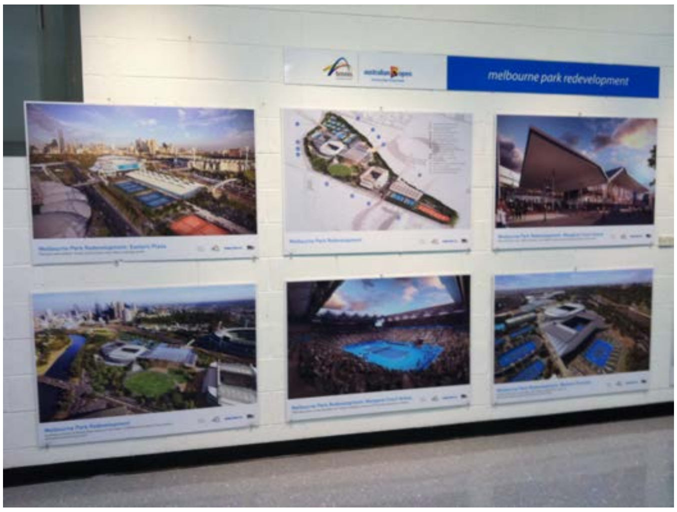
The MCG is located adjacent to Melbourne Park and requires coordination and planning to manage crowds in the precinct during busy events

Achievements

- Consolidation and recognition as the major sporting area in Melbourne.
- Ability to successfully manage and coordinate multiple events (tennis, concerts, football, functions) at the same time.
- Securing of anchor tenants in adjacent land (e.g. Collingwood Football Club) as an ongoing source of revenue.

Challenges and Lessons Learnt

- Ambitious redevelopment plans to upgrade and cluster facilities, whilst maximising the utilisation of available land.
- Provision of quality active sporting grounds for training and public use and synergies with sporting clubs.
- Catering for a number of sporting codes within the one precinct (tennis, football, soccer, basketball, netball etc).



Redevelopment plans for Melbourne and Olympic Parks cover various projects and cater for a number of sports codes

- Strong strategic planning forms the cornerstone for major redevelopment and attraction of investment for specialised activity centres involving sport and recreation.
- Defined vision and practical (yet flexible) business delivery models for key sports and entertainment services (catering, security, parking) are essential for successful multi-use facilities.

Caroline Springs

<u>Overview</u>

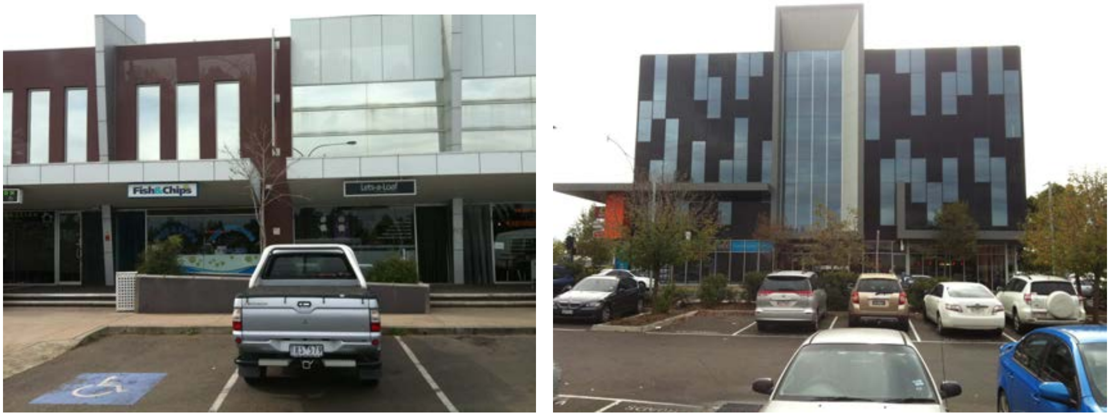
- Briefing provided by Arun Broadhurst from Hames Sharley.
- Caroline Springs is predominantly an 800 hectare green field residential and commercial activity centre (8,000 lots, population 25,000) located 22 kilometres west of the Melbourne CBD.

The delegation was briefed using the Caroline Springs Master Plan model

- The town centre contains a growing business district and provides a hub for shopping, dining and recreation.
- There is currently 40,000sqm of retail space at the site.
- Lake Caroline forms a major feature of the town centre and premium house and commercial sites have been established taking advantage of views and connections with the lake.

Apartment developments and short stay accommodation feature in the town centre

- An Economic Development Strategy has been developed in partnership between the Melton Shire Council, Victoria University and Lend Lease, which aims to create business and trade and job opportunities, attract new investment and develop additional office floor space.

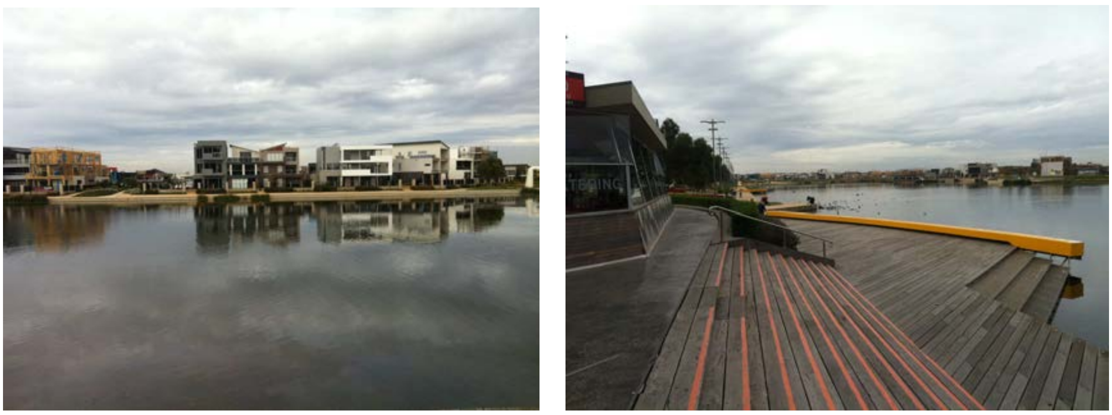


The maximisation of commercial/office floor space and greater mixed use development are key objectives for economic development

- A number of multi-storey commercial buildings, apartment developments and high density residential buildings provide population to support businesses and community facilities established in the town centre.

<u>Achievements</u>

- High level of amenity and well designed open space, including water sensitive design features.
- Ability to attract new families to the area through quality developments and, in so doing, enhancing the socio-economic profile of the area when compared to surrounding suburbs.
- Lake Caroline as a key feature and well designed focal point for the town centre.



Lake Caroline is a key feature and focal point for the town centre

<u>Challenges and Lessons Learnt</u>

- The limited success of innovative concepts, such as sharing of resources and facilities between schools (private and public), has been constrained by the practical implementation issues. Notwithstanding this, there are recognised social and economic benefits associated with the co-location of schools.

- Slow uptake of floor space by business and commercial tenants in the area, given its initial focus on relatively low density residential development and distance from the Melbourne CBD.

Securing business and commercial tenants is an ongoing activity as shown here on the main street of the town centre

- Green field developments on the outskirts of the metropolitan area take time to reach their potential and require adaptive management to capitalise on commercial drivers and trends.
- Locating the Council offices and civic centre in the town centre provides a stimulus for development activity.
- The civic facilities could have better addressed the main street, to increase levels of activation and interaction at street level.

The Melton Shire Office is located in a prominent position in the town centre

- The Caroline Springs development model has many similarities to Ellenbrook and could provide useful design and development insights for proposed new green field developments in the South West Metropolitan Region such as Keralup.
- Public transport services in the outer metropolitan area are less developed and rely upon buses and linkages to the nearest rail station or tram connection.

Coburg

<u>Overview</u>

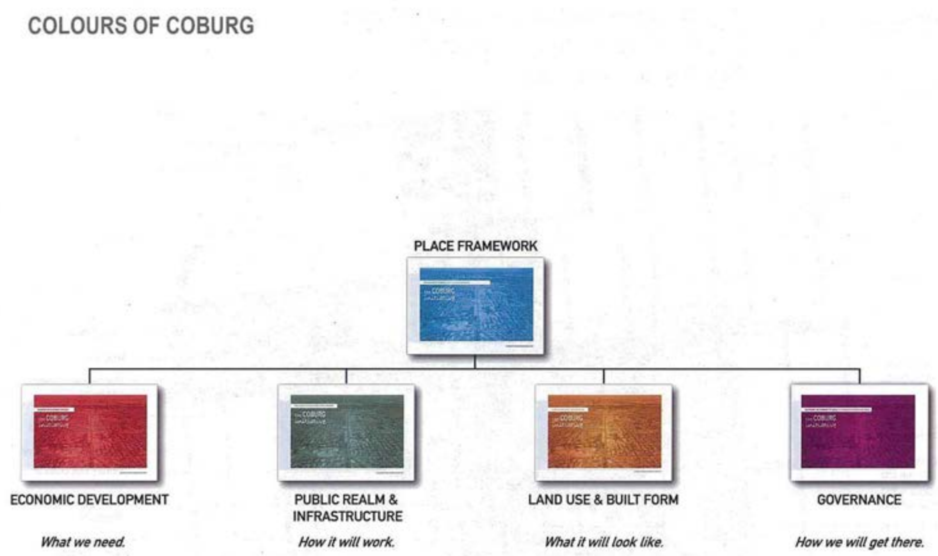
- Briefing provided by the Moreland City Council CEO (Peter Brown) and Director Planning & Economic Development (Kirsten Coster).
- Coburg activity centre is a 42.5 hectare historical precinct located 8 kilometres from the Melbourne CBD in the City of Moreland.

The City of Moreland office forms part of the historic precinct and is located centrally in the activity centre

- The Moreland City Council has played a key leadership role in the vision and conceptual design of the activity centre through its Central Coburg 2020 Structure Plan.
- The Moreland City Council owns property in the town centre, including a major retail site proposed for redevelopment.
- The redevelopment of the former Pentridge Prison site for high density residential and selected commercial uses is being led by private industry and offers a range of accommodation, including social housing.

The redevelopment of the former Pentridge Prison site is a major drawcard for the activity centre

- The City of Moreland is one of the most ethnically diverse communities with over 140 languages spoken and 40% of the population from non-English speaking backgrounds.
- The activity centre is well serviced with public transport including rail, tram and buses.
- The Moreland City Council is seeking to increase the number of local jobs from 3,000 to 13,000 through the redevelopment of the activity centre.
- The organisational structure and informing documents (Colours of Coburg) established by the Moreland City Council have enabled a strong level of Council ownership in the development and the ongoing implementation of the Structure Plan.



- The pro-active role undertaken by the Moreland City Council to facilitate the establishment of the activity centre provides a good model for other Local Governments seeking to play an active role in activity centre development.

<u>Achievements</u>

- As a major landowner of a number of strategic landholdings in the activity centre, the Moreland Council is able to leverage landowner status to gain commercial advantage and implement planning outcomes.
- The structure plan for the activity centre has a strong emphasis on transit orientated and sustainable development, with pedestrian and cycle trails linking open space and public places through a central spine.
- Persistence from the Council in seeking desired outcomes (e.g. establishment of a major regional hospital and associated medical support services) has created opportunities and attracted investment.
- The higher density development and social housing associated with the former Pentridge Prison site provides an area to accommodate population growth in close proximity to the activity centre core.

Higher density residential and social housing in the former Pentridge Prison site has provided affordable housing options in close proximity of the activity centre core

Challenges and Lessons Learnt

- Moving from a car based centre to one that capitalises on the high levels of public transport available through train, tram and bus services requires community education and behaviour change initiatives.
- The multiplicity and fragmentation of land ownership in the activity centre creates challenges for creating sustainable urban form and commercial imperatives. The consolidation of some landholdings will be required to enable appropriate built form to be developed.
- The restructuring of the retail hub in the activity centre core will be critical to achieve the diversity of businesses, attract a major retail anchor and to fill current gaps in activity.
- The rate and level of change will need to be actively managed to facilitate transformational uses, maintain character and retain momentum (i.e. private sector investment) in the redevelopment process.
- Given the high level of public transport infrastructure and services, there are major opportunities for the redevelopment of open lot car parks and other under-utilised areas to achieve commercial outcomes and returns for landowners, including the Moreland City Council.
- The organisational structure and development of key inputs into the Structure enabled the Moreland City council to have a high level of influence and ownership on the redevelopment objectives for the activity centre.
- Key lessons put forward by the Moreland City Council CEO included:
    - Prepare a robust and commercially focussed structure plan to guide the type of development you are seeking;
    - Undertake consultation and engage with stakeholders;
    - Continuity of vision and leadership from the Council;
    - Purchase and land bank properties that will deliver strategic benefits to the community;
    - Establish strong working relationships with the State and Federal Government;
    - Be clear on priorities. Define process for development and implementation; and
    - Be patient – it takes time to achieve required redevelopment outcomes and transformation changes.

SYDNEY – DAY 3 (20 April 2012)

Norwest Business Park

<u>Overview</u>

- Briefing provided by Alan Zammit, Chairman of Norwest Association Limited.

Alan Zammit has been involved in Norwest since its inception and has a wealth of experience in the establishment and evolution of business parks

- Initially established as an industrial park, the 172 hectare Norwest Business Park has now developed as one of the most successful commercial and industrial hubs northwest of the Sydney CBD, with an estimated value of $2.5B.
- The park includes a residential precinct of some 2,000 dwellings and is surrounded by the suburb of Bella Vista. The residential areas around the park are quality subdivisions with a high standard of dwellings.
- The park currently employs 20,000 people and is expecting to employ 35,000 people when fully developed. This increase in employment has resulted from greater density of business premises achieved through the shift to commercial uses and smaller lot sizes.
- The park has many of the facilities and amenities associated with a suburban community and therefore achieve a high level of self sufficiency.

An aerial view of Norwest Business Park (left) and the exclusive lakeside commercial precinct (right)

<u>Achievements</u>

- Securing anchor tenants (Hillsong Church, IBM, Woolworths, Crowne Plaza Hotel) to generate confidence and form the foundation for other businesses to follow.
- Adapting to the change from predominantly industrial park to a quality commercial and industrial precinct.

- Quality built form for buildings and structures and a high standard of landscaped open space, which continues to be managed by the body corporate, rather than the Local Government.

Quality buildings and landscaped gardens and open space are a key feature of the business park

<u>Challenges and Lessons Learnt</u>

- Infrastructure – water, power, mains sewerage, telecommunications and public transport were all key challenges. Most have now been overcome, with the exception of public transport, although the planning for 2 new underground rail stations has been initiated by the State Government and the T-Way frequent bus service has been established between Parramatta and Rouse Hill to service the park.
- Workforce – attracting the workforce to the site prior to the development of Bella Vista and surrounding suburbs was quite a challenge and there is still plenty of competition for skills and people. The successful development of Bella Vista has provided greater workforce self sufficiency.
- Marketing – early on, there were a lot of difficulties in marketing a site that contained limited infrastructure. There was always the need to apply pressure on the State Government and utility providers to invest in infrastructure to support the park.
- The ability to adapt from an industrial to commercial/office precinct was critical to the success of Norwest. Flexibility in structure planning and the ability to provide smaller lots within an overall design were important factors.

Macquarie Park

Overview

- Briefing provided by Michael Yiend from Stockland, a major developer involved with Macquarie Park.
- Located 12 kilometres northwest of Sydney CBD in the City of Ryde, the Macquarie Park is a major business centre for Australia and NSW.
- Large businesses in the park include Canon, Fujitsu, Foxtel, General Motors, Hitachi, Johnson and Johnson, Microsoft, Optus, Siemens, Sony, Toshiba and Wesfarmers.

The Optus building has 84,000sqm of office space and houses around 7,000 employees

- The Macquarie Centre (main shopping centre and entertainment complex) and Macquarie University are located to the north of Macquarie Park.
- The park employs over 35,000 people.


The Macquarie Centre is a multi-level shopping centre that includes an indoor ice rink as a main attraction for visitors and families

Achievements

- The fourth largest concentration of jobs outside the Sydney CBD, North Sydney and Parramatta.
- Ability to attract major business brands and provide adequate size lots to accommodate company headquarters.
- Sufficient patronage for well serviced by public transport (a number of underground rail stations, bus and local shuttle bus service), including a dedicated shuttle bus servicing the park and shopping centre.

Conveniently located underground rail stations reduce car dependency in Macquarie Park

- High concentration of green buildings (5* plus) and quality built form for office accommodation, with demands for even higher energy performance from prospective tenants and interested companies seeking to locate in the park.

The Trinity Building is an impressive building with a 6* energy rating

<u>Challenges and Lessons Learnt</u>

- Major roads and elongated shape of park restricts pedestrian movement throughout the park due to distance, safety and amenity.
- Lack of non-business uses (lunch bars, cafes, retail) available to public in business park core, leading to the need to travel some distance to shopping centre during work hours for meals and other amenities.
- Insular nature of larger buildings (e.g. Optus) that provide all required amenities (café, child care, gym, car parking) and therefore minimise interaction of employees with other users within the business park.
- Barriers for movement (particularly walking and cycling) and congestion created by road network.
- Limited high density residential in close proximity to employment centres, although AMP Capital is working with Macquarie University on the redevelopment of the shopping centre and surrounds. This may include consideration of residential (and student accommodation) uses and the creation of better links between the shopping centre and the university.
- Lack of after hours economy and competition from surrounding shopping centres (and on-line shopping) are key challenges for the shopping centre.

Rouse Hill

Overview

- Rouse Hill is a retail activity centre located 35 kilometres northwest of the Sydney CBD.
- Based on a State Government imposed requirement to establish the town centre and retail precinct prior to residential development, Rouse Hill is a successful model for the development of sustainable green field sites in areas with limited employment opportunities.

The Rouse Hill town centre is the focal point for the retail precinct

- The retail precinct uses a main street concept supported by open malls to create covered, all weather outdoor connections to the four major retail stores located in each quadrant (Coles, Woolworths, Target and Big W).
- The main street and pedestrian corridors maximise pedestrian movement and interaction with shops located on both frontages of the malls and main street.

The main street traverses the town centre and provides visual amenity and a pedestrian friendly environment

- The Community Centre and Library is conveniently located with direct access from the town square.
- The underground car parks cater for around 3,000 cars, are located below the major retail stores and incorporate state of the art technology to enable easy parking.

The car parks beneath the town centre include signage with directional arrows showing availability of empty car parking bays

<u>Achievements</u>

- The incorporation of high density residential and innovative design has helped to establish a vibrant town centre and provide housing options for employees.

Some high density residential apartments have been established in the town centre to support businesses and local employees

Community amenities and the spill over of cafes into the main street add to the atmosphere and liveability of the town centre

- Although not serviced by rail, the T-Way frequent bus service incorporates a priority bus lane adjacent to the town centre to enable rapid transit. The priority bus lane is located in the future rail corridor.

Challenges and Lessons Learnt

- The implementation of a successfully established retail centre has ensured the creation of a vibrant town centre. The proposed establishment of residential development around the town centre will enhance economic development and provide a local source of workers for retailers.

The requirement for the retail precinct to be established prior to residential development of surrounding land is a key success factor for Rouse Hill

- Economic development and employment centres can be established on the outskirts of the metropolitan area using the Rouse Hill town centre concept based on the retail model (e.g. Keralup).
- Successful town centre developments can create demand for residential and community development.
- The use of covered malls and main street concepts avoid the establishment of “big box” retail centres, encourage diversity of shopping and provide enhanced opportunities for community interaction. These design elements are also likely to be far more energy efficient and cost less to construct.

TOUR DELEGATE COMMENTS

South West Group Chairman

Thanks to you and all those involved in preparing the Activity Centres Tour summary report. It helps spark pertinent memories of what we all experienced. For me, the benefit of the tour has been considerable.

In taking stock of the situation in Melville and the status of the various development options available to the City, the visualization of the final outcomes has been assisted by the identification of parallel developments witnessed on the tour. The variety of built form outcomes we experienced were particularly informative and allowed the Melville contingent, during our extended stay, to engage in pertinent discussions about what may and may not be appropriate for our City.

As the drivers for many the activity centres were not always in common to the opportunities we are encountering, it is seen as being highly advantageous to cover options that are relevant to planning centres in the South West Metropolitan Region based on the experiences expressed across the variety of sites we visited.

Since our return, it has been interesting to listen as Crs MacPhail and Reidy frequently relate their experiences during debate and open discussions relevant to activity centres. Rouse Hill seems to be the centre that stimulated the most interest from our contingent. Personally, I was most inspired by our visit to Coburg. Not that they got it right or that they had the best of fortune, but because of the enterprise they demonstrated and the resilience and persistence they displayed from purely a local government perspective.

City of Rockingham

- The range of Activity Centres which were examined made it clear that the planning and implementation of town centre plans is complex.
- No one 'silver bullet' exists.
- It became clear with each town centre visited that to achieve success, development of agencies, local governments and landowners needed:
    - Flexibility
    - a clear long term planning vision; and
    - an ability to apply a range of methods to deliver built form products to activate and enliven town centre streets and public spaces.
- Ongoing management of town centres is also required; responsibility does not stop once the Development Approval is issued.
- Major 'big box' retail outlets have their place, but need to successfully 'sleeve' with public streets and spaces to achieve integration and to deliver quality public areas which will be accepted and embraced by communities.
- Chadstone is a collection of very 'big boxes' with no integration. It doesn't pretend to do anything else, but is a highly successful suburban shopping centre.
- Caroline Springs is an evolving town centre, which appears to be working, despite the 'one sided' nature of the main street. The civic buildings and facilities do not properly address the main street, and represent a missed opportunity to add activation.
- The commercial frontages at Caroline Springs work well and a genuine attempt is being made to address and enliven the street. A range of mixed uses are present.
- Rouse Hill provided the most impressive example to the building of a town centre,

where the 'big box' templates have been successfully incorporated into a busy main street environment.

- The 'single ownership' model of Rouse Hill remains a concern, but there was no doubt that the principles of mixed use/street front built form had been understood, designed and successfully translated onto the ground. We could a lot worse than this centre. It provides much inspiration to what can be achieved.
- In conclusion, the consistent message for town centre building was:
    - "a strong planning vision, consistently applied, over the long term" and
    - "hold the line; don't accept compromise proposals for short term benefit"

CONCLUSIONS AND ISSUES FOR FURTHER INVESTIGATION

Conclusions

The South West Group activity centres tour of Melbourne and Sydney undertaken on 18 to 20 April 2012 achieved its objectives and was considered a marked success. The tour provided delegates with first hand information from specialist contacts on important issues associated with activity centre establishment, implementation, activation and management.

Many of the experiences and lessons learnt from the activity centres tour will be directly relevant to the establishment and development of activity centres in the South West Metropolitan Region. In addition, the Local Government and other contacts personally involved in presenting at each of the activity centres offered to provide further assistance and will be a valuable source of information into the future for the South West Group and the member Councils.

The activity centres with a mix of uses (commercial, retail and residential) were of particular interest in established suburbs, specifically those where the Local Government had played a key leadership role (Knox Central, Coburg). For new developments, Caroline Springs and Rouse Hill provided insights into the development of activity centres on green field sites and strategies to incorporate commercial and retail uses. The business parks (Norwest and Macquarie Park) provided great examples for the establishment of employment centres in outer suburban and inner suburban settings.

Although successful in their own right and good examples of how to accommodate multiple uses (retail, commercial, residential), none of the activity centres appeared to have achieved the integration of these uses in a sustainable mix that resulted in the creation of a vibrant and connected communities of users that satisfied the majority of activity centre design guidelines and principles.

This is the real challenge in the establishment of activity centres and should be a key strategic goal in moving from single use dominated activity centres to multiple use and inter-connected activity centres that offer a diversity of experiences and activities. The main street concept appears to be an important and key component for facilitating integration and activation of activity centres and as a vehicle for attracting and connecting people and businesses.

Issues for Further Investigation

Based on the information presented in this report and feedback from tour delegates, the following issues are presented for consideration for further investigation and evaluation. Issues selected from the areas below and others could form the basis for future tours by the South West Group.

Local Government

- Process for moving from passive planning role (i.e. Regulator) to pro-active commercial role (Facilitator, Investor, Partner). Key areas for investigation include:
    - Education of Staff and Council on what this means
    - Identifying and securing required people and expertise within Council to drive new direction and manage the change process

    - Incorporation of commercial outcomes for activity centres into strategic plans, community plans and structure plans
    - Guidelines around decision making to achieve best community development and economic returns for activity centres

- Partnering arrangements and legal mechanisms (Agreements, MoUs, other instruments) required with the private sector to establish and deliver activity centre foundations (retail, commercial, residential) and support activities (businesses, community facilities and developments).

- Amendments required to the WA Local Government Act to enable Councils to establish subsidiaries and/or undertake commercial enterprises to actively implement activity centre principles and guidelines.

- Status report on the progress to date and plans for the future associated with activity centres located in the South West Metropolitan Region.

Private Sector

- The importance of understanding market forces, private sector investment constraints and the value of time in the staging and development of activity centres.

- Greater understanding of the role of the private sector (developers, investors, financial institutions) in the development of successful activity centres.

- Identification of private sector entities (developers, investors, builders) with an interest in the development of activity centres in the South West Metropolitan Region.

- Partnering arrangements with private sector organisations in Perth and throughout Australia (Lend Lease, Stocklands, AMP Capital, Sirona Capital, Colonial First State) that may be interested in the establishment and delivery of activity centres in the South West Metropolitan Region.

State Government

- Challenges in creating an investment impetus to encourage State Government to provide required infrastructure and services (e.g. roads and traffic solutions, public transport etc) to support the development of activity centres.

- Identification of State Government agencies (LandCorp, Departments of Transport, Planning, Housing, Public Transport Authority, Main Roads WA) with an interest (statutory, financial, strategic policy, social dividend) in the development of activity centres in the South West Metropolitan Region.

- Understanding of the State Government's role and aspirations for activity centres in the South West Metropolitan Region, including successful models for proposed activity centre establishment (Stirling Alliance, Murdoch Activity Centre).