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LSP Amendment – Lots 192, 193 & 194 (No. 326, 318 & 310) Hale Road, Wattle Grove

Prepared for
Su Family Trust

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Author/s Hide Shigeyoshi
Project Manager Hide Shigeyoshi
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1.0 Introduction

Dynamic Planning and Developments Pty Ltd act on behalf of the registered proprietors of Lots 193 and 194 (No. 318 & 310) Hale Road, Wattle Grove. DPD has prepared the following report in order to seek support from the City of Kalamunda to adopt an amendment to its Wattle Grove Urban Cell – U9 Adopted ODP (**LSP**).

The objective of the proposed LSP amendment is to rezone a portion of Lots 192, 193 and 194 (No. 326, 318 and 310) Hale Road, Wattle Grove (**subject site**) from 'Mixed Use' to 'Commercial'.

This report will address in detail various issues pertinent to the proposal, these being:

- Site context;
- Strategic and statutory planning considerations;
- Overview of the LSP amendment;
- Explanation of the future intended development of the subject site; and,
- Justification in support of the proposed LSP amendment.

The proposed LSP amendment is considered to be 'minor' as defined under the provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015* since the Amendment:

- a) *Does not materially alter the purpose and intent of the structure plan;*
- b) *Does not change the intended lot/dwelling yield by more than 10 percent;*
- c) *Does not adversely impact upon the amenity of adjoining landowners or restrict the use and development of adjoining land;*
- d) *Does not significantly impact the infrastructure provision; and,*
- e) *Does not significantly impact the environment.*

In accordance with Schedule 2, Part 4, Clause 29 (3) and Part 5, Clause 45 (3) a minor amendment may not be required to be advertised.

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2.0 Site Details

2.1 Legal Description

The subject site comprises a total of three (3) freehold allotments being:

Address	Lot No	Deposited Plan	Area
326 Hale Road, Wattle Grove	192	Plan 413820	9,293sqm
318 Hale Road, Wattle Grove	193	Plan 413819	8,607sqm
310 Hale Road, Wattle Grove	194	Plan 413818	5,678sqm
Total:			23,578sqm

2.2 Regional and Local Context

The subject site is located approximately 20 kilometres east of the Perth CBD within the municipal locality of the City of Kalamunda and in the suburb of Wattle Grove. The subject site has its main frontage along Hale Road with Lot 194 also gaining a secondary frontage to Winbridge Road. The subject site is located within a pocket of land bounded by three (3) primary regional roads being Roe Highway to the west, Tonkin Highway to the north/east and Welshpool Road East to the south. These roads function as a key road network which run in a north-south or east-west direction and therefore afford excellent access for the subject site to the Perth metropolitan region as a whole.

Wattle Grove is a relatively new and growing residential area which is characterised by predominantly low-density residential dwellings. A few remanent original dwellings on large semi-rural lots remain along with some original rural activities such as horticultural nurseries, equestrian facilities, agistment paddocks and hobby farms, these mainly located on the south side of Welshpool Road East.

Wattle Grove is served by Wattle Grove Primary School, and a Community TAFE Centre in Lewis Road and the Bible College of Western Australia. Playgrounds are located throughout redeveloped sections of the suburb, as well as walking and bike paths leading to newly created artificial lakes.

Hartfield Recreation Centre, located nearby in Forrestfield provides gymnasium facilities as well as opportunities for playing a range of field sports such as rugby, soccer and football.

Wattle Grove has one commercial precinct which is identified as the Wattle Grove Shopping Centre and Hale Village. Collectively, they contain an Aldi, 7-Eleven and various other smaller commercial / retail services including a gym, laundromat, medical centre, pharmacy, dental clinic, hair and beauty clinic as well as a range of food offerings which include a Indian restaurant, fish and chips, sushi take away, bistro / café and a Pastacup takeaway.

Figures 1 and 2 depicts the site within its regional and local context, respectively.



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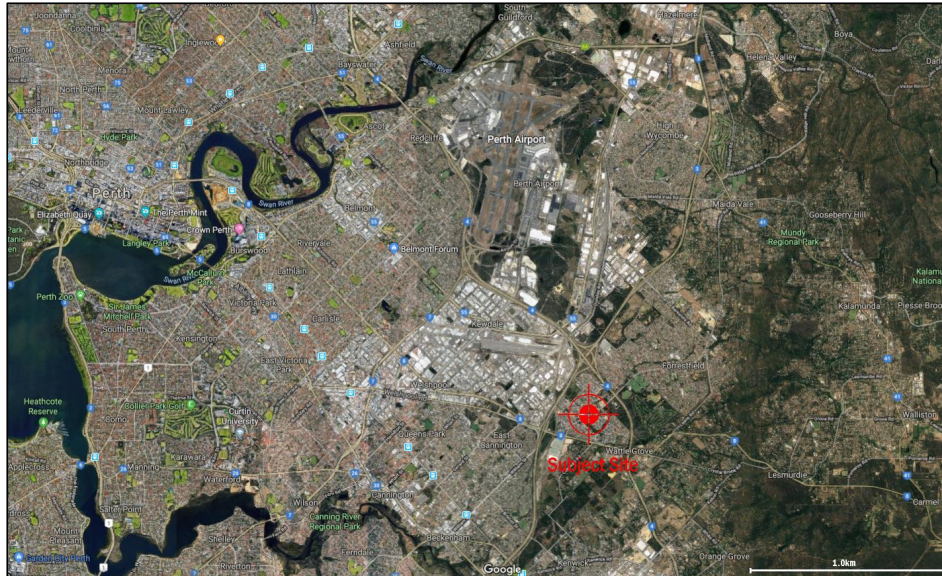


Figure 1 - Regional Context (Source: Google Maps)

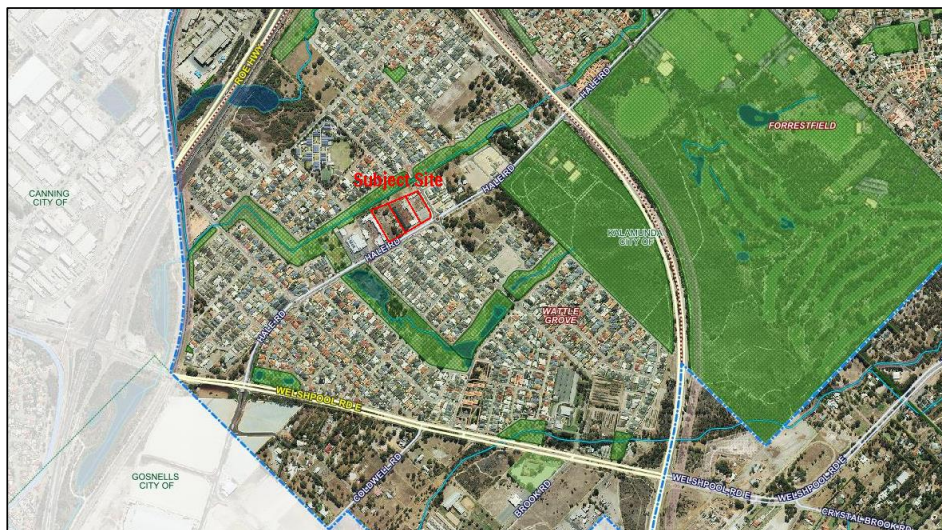


Figure 2 - Local Context (Source: City of Kalamunda Intramaps)

2.3 Subject Site Context

The subject site is made up of three (3) freehold allotments which collectively measure 23,578sqm in area. Lot 192 contains a single storey single house with a number of shed structures. The land is predominantly cleared however a number of medium to large trees exist on the property. Lot 193 and 194 previously operated as a garden nursery trading as 'Trees Green Garden Centre'. The business has since ceased operation however, improvements made to the property including all structures as well as sealed parking areas still remain.



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Directly west of the subject site abutting lot 192 is the Hale Village Commercial Centre which provides a range of uses including a Seven Eleven service station, Kumon education centre, restaurants, liquor store and childcare centre. To the north of the subject site is 'The Promenade' public open space which runs in an east-west direction linking up to other public open spaces and creek features which are located throughout Wattle Grove and adjoining suburbs. To the east and south of the subject site are predominantly single storey residential houses.

Figure 3 depicts the site within its site context.



Figure 3 - Site Context (Source: City of Kalamunda Intramaps)

3.0 Statutory & Strategic Planning Framework

3.1 State Planning Framework

3.1.1 Metropolitan Region Scheme

The subject site is zoned 'Urban' under the provisions of the Metropolitan Region Scheme (MRS).

The proposed 'minor' structure plan amendment to rezone a portion of land from 'Mixed Use' to 'Commercial' under the provisions of the LSP is considered to be consistent with the objectives of land zoned 'Urban' under the MRS.

3.1.2 Perth and Peel @ 3.5 Million – North-East Sub-regional Framework

On the 23 March 2018, the Perth and Peel @ 3.5 Million land use planning and infrastructure frameworks were released by the State Government. The framework brings together the vision encapsulated in Directions 2031 and the State Planning Strategy 2050 into a series of planning frameworks, responding to those deepening and emerging challenges, with a unified, long-term growth strategy for land use and infrastructure for the Perth and Peel regions.

Perth and Peel @ 3.5 Million through the North-East Sub-regional Planning Framework identifies this land as being 'Urban' which is consistent with the MRS and Local Planning Scheme zoning which already applies to the subject site – refer Figure 4.

There are a number of key considerations which are addressed within the framework document which are relevant to the proposed rezoning. These matters are summarised as follows:

- The urban infill dwelling target for the City of Kalamunda is 11,450 dwellings with an estimated population of 25,198 by the year 2050.

Local government	2011–16	2016–21	2021–26	2026–31	Total 2031	Post-2031	Total infill (2050)
Swan	4,000	5,640	3,090	2,320	15,050	10,640	25,690
Kalamunda	2,410	1,700	1,480	1,120	6,710	4,740	11,450
Mundaring	570	380	390	280	1,620	1,140	2,760
Total	6,980	7,720	4,960	3,720	23,380	16,520	39,900

Figure 4 - Table 1.4 Extract from Framework document

- The employment types that are expected to increase most within the sub-region are *"...in the sectors relating to construction, healthcare and social assistance, manufacturing, transport, distribution and warehousing and retail"*.

The growth in these sectors will be driven by factors including the strategic location of the subregion relative to key road and rail freight transport infrastructure with

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access to the proposed Outer Harbour (within Cockburn Sound), proximity to Perth Airport, and increased demand for population based services.

- The key implementation action objective associated with the 'Economy and Employment' topic addressed in the Framework is *"To promote employment opportunities and increase the number of people who live and work within the sub-region, with a focus on attracting strategic economic and employment land uses within the Midland strategic metropolitan centre and key industrial centres, while maximising use of existing and proposed infrastructure"*.

As illustrated in Figure 4 below, the subject site is situated with an area already zoned 'Urban' with land zoned 'Industrial' and 'Industrial Centre' within close proximity to the north, south and west which provide a notable employment base. Land in close proximity to the east is assigned as 'Urban Expansion' which suggests opportunity areas for further growth in the locality.

In light of the opportunities and reasons outlined above, it is considered that the proposed structure plan amendment to expand the provision of 'Commercial' zoned land under the LSP is consistent with the intended vision and demand that is predicted for the locality as outlined in Perth and Peel @ 3.5 Million Sub-regional Framework.

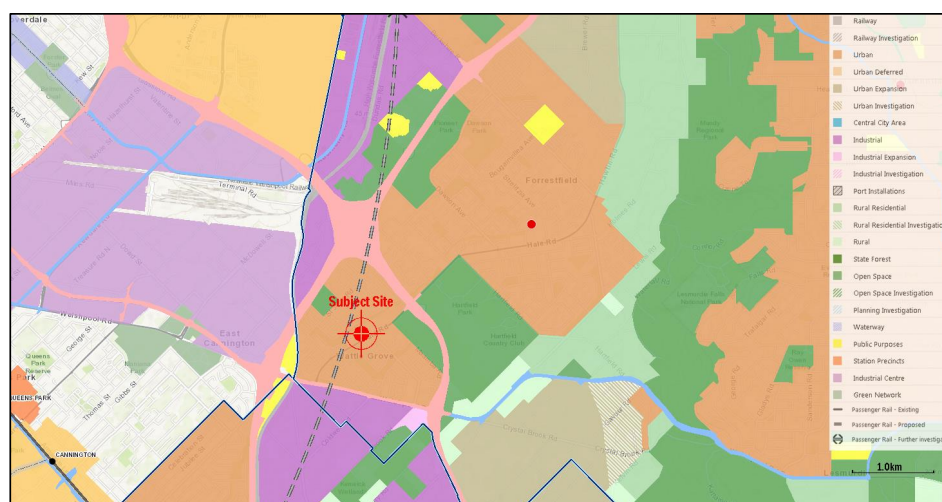


Figure 5 - Extract of Sub-Regional Framework Plan

3.1.3 State Planning Policy 4.2 – Activity Centres for Perth and Peel

The main purpose of State Planning Policy 4.2 (SPP4.2) is to specify broad planning requirements for the planning and development of new activity centres and the redevelopment and renewal of existing centres in Perth and Peel. It is mainly concerned with the distribution, function, broad land use and urban design criteria of activity centres, and with coordinating their land use and infrastructure planning.

Other purposes of the policy include the integration of activity centres with public transport; ensuring they contain a range of activities to promote community benefits through

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infrastructure efficiency and economic benefits of business clusters; and lower transport energy use and associated carbon emissions.

SPP4.2 specifically defines **Activity centres** as:

...community focal points. They include activities such as commercial, retail, higher density housing, entertainment, tourism, civic/community, higher education, and medical services. Activity centres vary in size and diversity and are designed to be well-served by public transport.

Under the provisions of SPP4.2, the existing / adjoining centre on Hale Road is classified as a 'Neighbourhood Centre' which is intended to function in the following manner as outlined in Table 3 of the SPP4.2:

Neighbourhood centres provide for daily and weekly household shopping needs, community facilities and a small range of other convenience services.

'Neighbourhood centres' are important local community focal points that help to provide for the main daily to weekly household shopping and community needs. They are also a focus for medium density housing. 'Neighbourhood centres' play an important role in providing walkable access to services and facilities for communities. As such, these centres should be recognised in local planning strategies, and also in structure plans for new urban areas.

Table 3 of SPP4.2 also summarise the following key characteristics with regard to 'Neighbourhood Centres', these being:

- **Transport connectivity & accessibility** - Stopping / transfer point for bus network.
- **Typical retail types** - Supermarket/s, Personal services & Convenience shops
- **Typical Office development** - Local professional services
- **Future indicative service population (trade) area** - 2000–15,000 persons (about 1 km radius)
- **Walkable Catchment for residential density target** – 200m
- **Residential density target per gross hectare** – 15 (min). 25 (desirable).

The policy provisions of SPP4.2 relative to the subject proposal are further discussed in the following sections of this report with the support of a retail needs assessment which has been prepared by Pracsys.

3.2 Strategic Planning Framework

3.2.1 City of Kalamunda Local Planning Strategy (2013)

The Shire of Kalamunda's Local Planning Strategy (LPS) has been prepared in accordance with the Shire's statutory obligations under the *Planning and Development Act 2005* and endorsed by the Western Australian Planning Commission in January 2013. The purpose of the LPS is to enable Council to determine its vision and strategic planning direction for the next twenty (20) years to coincide with Directions 2031.



Preparation of the LPS has examined a range of local planning documents including the Shire's Strategic Plan 2009-2014, Aged Accommodation Strategy, Economic Development Strategy, Tourism Strategy and Community Facilities Plan.

A range of key strategic planning issues, a list of implications as well as opportunities and constraints have been identified in the LPS of which the following are relevant to the proposed LSP amendment:

Aged Accommodation

- *The ageing of the population and in particular the 'Baby Boomers' will impact on the available housing in the Shire. Approximately 94 per cent of the housing in the Shire is single residential housing on large lots that was constructed for families during times when the demographic profile was different to the present. By 2031, 1 in 3 people will be over 55 years of age and more than half of them will be over 70 years of age. There is an urgent need to diversify the housing stock in all localities of the Shire to cater for more compact housing for older people so as to avoid making older members of the community leave the Shire to find suitable accommodation.*

Industrial Growth & Employment

- *The rapid growth and development of the mining industry and associated employment is having a direct impact on the Shire. The Forrestfield industrial area has developed rapidly over the past few years. The Shire of Kalamunda is currently progressing the development of the Forrestfield/High Wycombe Industrial Area north of Berkshire Road and west of Roe Highway.*

Housing Development

- *With the current growth in the rate of employment in industry, freight and airport staff the rate of housing development in the Shire has been rapid. In comparison with higher value land in coastal locations, developable land in the Foothills is relatively more affordable. With the predicted population growth, the demand for housing is expected to continue. During the recent worldwide economic recession over 550 new houses were constructed in the Shire.*

Population Projections and Future Growth

- *Existing population projections for the Shire prepared by the Department of Planning, although out of date, indicate approximately 20,000 additional people in the Shire by 2031. It is considered however, that the Shire of Kalamunda could accommodate population growth in excess of 80,000 by 2031.*

Population Scenario 3:

- *Growth by 25,000 people accommodated as in scenarios 1 and 2 plus Residential Bushland development R5 (R2.5) of Special Rural land to the east of Hawtin Road/Lewis Road (R5) and Wattle Grove south of Welshpool Road to a range of densities (R2.5, R5, R20 and R30 in centre) and including a Neighbourhood Centre in Wattle Grove. At current development rates the final part of this scenario (Special Rural land to Urban) would be required by 2025.*

Retail and Commerce

- *The (then) Department of Planning prepared commercial information as part of its 'Commercial Land Use Survey' (2010) of existing commercial floorspace by Activity*

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Centre by type for the City of Kalamunda. This information relative to Wattle Grove is as follows:

COMMERCIAL COMPLEX TYPE & NUMBER	COMPLEX NAME	Primary / Rural	Manufacturing / Processing / Fabrication	Storage / Distribution	Service Industry	Shop / Retail	Other Retail	Office / Business	Health / Welfare / Community Services	Entertainment / Recreation / Culture	Residential	Utilities / Communications	Vacant Floor Area	TOTAL
769	Wattle Grove	0	0	0	0	375	150	75	0	0	2,320	0	0	2,920

***Note:** A copy of the 'distribution of retail outlets' plan contained in the LPS relative to the subject site is provided in Figure 6 below.

- The Shire of Kalamunda does not contain within its boundaries any regional centres, but benefits from other centres including Midland, Cannington and Belmont. These centres contain 50,000sqm or more of retail floor space. At the other end of the spectrum, neighbourhood centres may vary between 50sqm and 5,000sqm. These centres are considered too small to impact on the major retail structure and are generally self-regulated according to market forces. It remains necessary therefore to address the distribution of district and local services in the context of the Local Planning Strategy.
- Existing neighbourhood centres in the Foothills are generally well distributed except for the Wittenoom Road centre owing to its location east of Abernethy Road and the fact that it only has exposure to half of its potential trade area'. Hills centres are less evenly spaced, owing to the topography, although lower densities and car-oriented lifestyles make this consideration less important. An assessment of floor space supply suggests that there are opportunities for expansion of existing centres in the Foothills with limited opportunities in Hills suburbs.

Wattle Grove

- The Wattle Grove (Cell 9) Urban Development area is presently developing rapidly and a new neighbourhood centre has been planned for some time in the centre of the area to serve the needs of the community. The owners of the commercial land are currently seeking approval from the Shire for a new Local Neighbourhood Centre comprising 2600sqm NLA on Hale Road.

Planning Implications

- The following are the main planning implications to emerge from the assessment of district and neighbourhood activity centres in the Shire:
 - Ongoing urban growth in the Foothills will require ongoing commercial/retail development in these areas as the population and disposable income increases.

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- *The aesthetics of most of the activity centres in the Shire has become neglected and run down. The Shire is presently involved in preparing Townscape Improvement Plans together with landowners and operators to improve the quality of the activity centre.*

Opportunities

- *Improve the mix of housing in Kalamunda to better cater for the changing demographic structure; namely, a growing population of ageing people.*
- *Plan for aged accommodation including high care facilities by identifying and rezoning properties.*
- *Plan for an increase of approximately 20,000 people over the next 21 years.*
- *Use all land available for aged accommodation.*
- *Focus initial development in existing Urban Development zones.*

Constraints

- *The WAPC has not updated their population projections in 5 years.*
- *The ageing population will be a constraint on the Shire in terms of declining incomes, declining rates.*
- *The existing housing stock does not match the existing and future population demographic.*
- *Lack of 'high care' options for the ageing population.*
- *Poor aesthetic condition of activity centres in the Shire inhibits investment.*

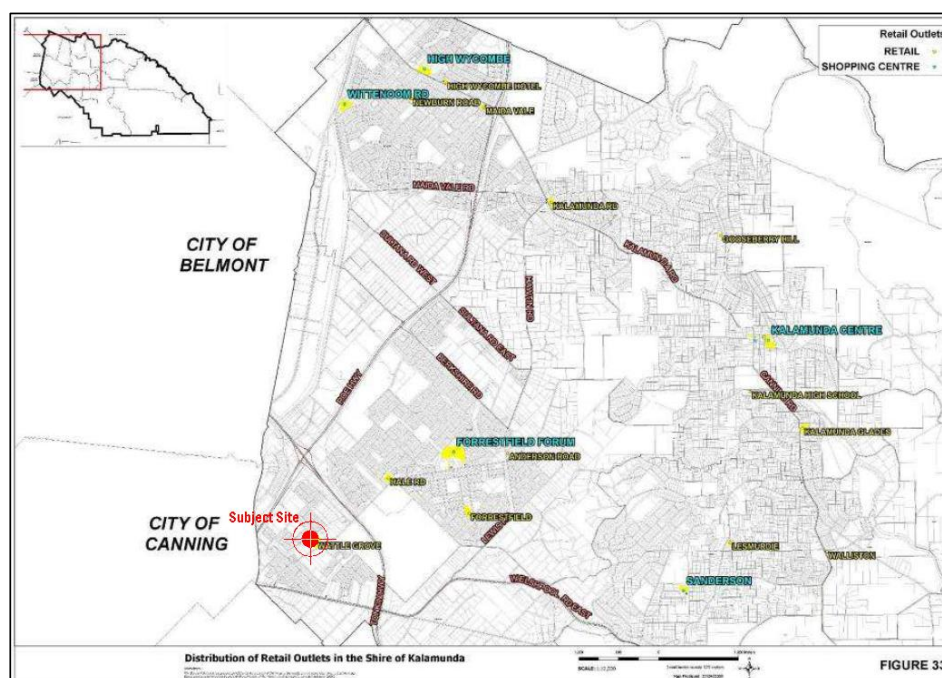


Figure 6 - Extract of Distribution of Retail Floor Plan in LPS (Figure 33)

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3.2.2 City of Kalamunda – Economic Development Strategy

The purpose of this Strategy is to specify how the City can best allocate its resources to support economic development by fostering greater investment and jobs growth. The Strategy will provide an achievable, evidence-based plan for the future while responding to the challenges and opportunities presented by the current local economic environment.

The primary goal of the Strategy is as follows:

“The City of Kalamunda is a business destination spoilt for choice with a diverse mix of natural assets and employment drivers that complement each other in delivering locally sustainable jobs and businesses.”

The Strategy is designed to provide Kalamunda City with clear direction regarding priorities to be implemented that will assist in delivering the vision. There are five strategic priorities under which the action plan will be developed, which include:

- Industry expansion and attraction
- Business capacity building
- Tourism
- Strong local identity
- Create a welcoming environment

A program of activities has been developed to respond to each of the above strategic priorities, these being as follows:

1.0 Industry expansion and attraction

- 1.1 Facilitate New Investment & Jobs
- 1.2 Health & Aged Care
- 1.3 Agriculture

2.0 Business capacity building

- 2.1 Events & Activities
- 2.2 Workforce Development
- 2.3 Home Based Business Support

3.0 Tourism

- 3.1 Product Development
- 3.2 Destination Marketing
- 3.3 Destination Management

4.0 Strong local identity

- 4.1 Buy Local Program
- 4.2 Community Pride Program
- 4.3 Township Activation Program

5.0 Create a welcoming environment

- 5.1 Supportive Regulatory Framework
- 5.2 Business Guidelines
- 5.3 Internal Decision Making Framework

The proposed LSP Amendment will contribute towards addressing a number of the strategic priorities identified in the Strategy. These matters are further discussed in the following sections of this report.



3.2.3 City of Kalamunda Age Friendly Strategy and Action Plan

The Age Friendly Action Plan (AFAP) sets out responsibilities for the entire organisation to deliver aged care services, facilities and activities.

In Kalamunda there has already been a notable increase in the aged population (aged 60 and above). In the five-year period of 2006–2011 the age group of 60–69 increased by 1,380 people, 70–84 by 820 people and 85 years and over by 147 people. In 2011, Kalamunda had a higher percentage of the aged population than the greater Perth area, with the exception of the 85 years and over age group. Between 2011 and 2021, the age structure forecasts for the City of Kalamunda indicate a 16.9% increase in population under working age, a 52.7% increase in population of retirement age, and a 7.0% increase in population of working age.

The AFAP provides an implementation / action plan based on the four (4) Focus areas identified and their respective actions. Those relevant to the subject LSP amendment have been summarised below:

Focus 1 - Transportation

- Improve pedestrian crossings in Town Centre planning and upgrades.
- Explore alternative transport options for older adults to travel to and within the City of Kalamunda.

Focus 3 – Social Participation

- Promote community centres and libraries as informal activity & information hubs for older people with drop-in activities.

Focus 4 - Housing

- Explore alternative housing options.
- Promote a 'How To...' package/presentations to provide advice and information about planning for the future including options to age in place and downsizing.
- Adopt the revised Housing Strategy 2017-2022 and Policy.
- Advocate for the development of more aged accommodation in the City.

3.3 Local Planning Framework

3.3.1 City of Kalamunda Local Planning Scheme No. 3

The subject site falls within the area covered by the City of Kalamunda Local Planning Scheme No. 3 (LPS No. 3). Under the provisions of LPS No. 3, the subject site is zoned 'Urban Development' as shown in Figure 7 below. The objectives of the 'Urban Development' zone is:

- *To provide orderly and proper planning through the preparation and adoption of a Structure Plan setting the overall design principles for the area.*
- *To permit the development of land for residential purposes and for commercial and other uses normally associated with residential development.*

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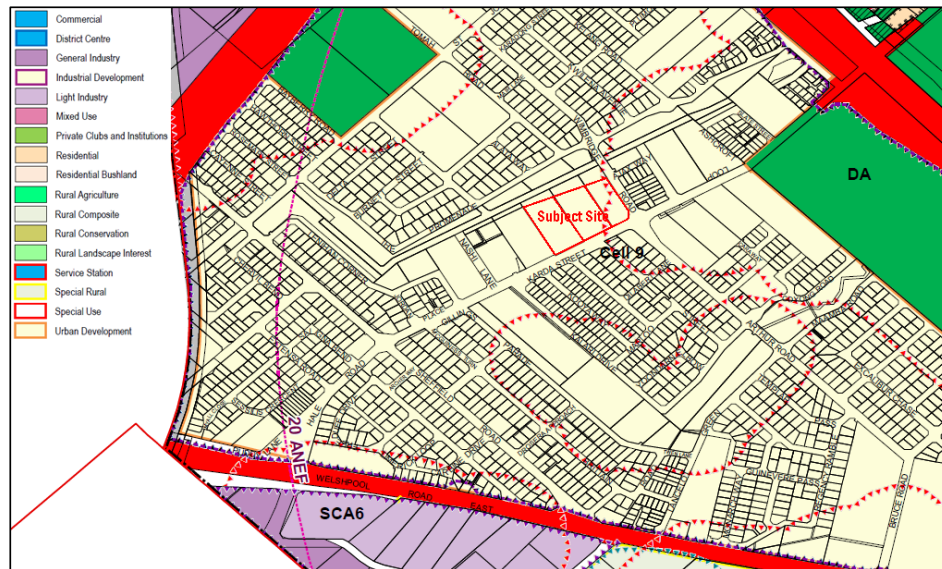


Figure 7 - Extract of LSP No. 3 zoning map

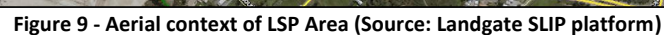
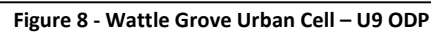
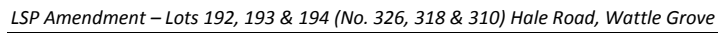
In accordance with the 'Urban Development' zoning applicable, the City of Kalamunda and subsequently the WAPC have endorsed the Wattle Grove Urban Cell – U9 Outline Development Plan for the subject site and surrounding land parcels which are all subject to the same zoning under the provisions of the LPS No. 3.

As the proposed amendment to rezone a portion of the subject site from 'Mixed Use' to 'Commercial' is intended to allow a range of commercial uses to operate from rezoned portion of the subject site, it is considered to be entirely consistent with the objectives of the 'Urban Development' zone.

3.3.2 Shire of Kalamunda Wattle Grove Urban Cell – U9 ODP

The Wattle Grove Urban Cell – U9 ODP operates as a Local Structure Plan (LSP) with administrative provisions and accompanying development contribution provisions. The area of the LSP is bounded by Roe Highway, Tonkin Highway, Welshpool Road East and the freight line.

The current LSP is contained in **Appendix 1** of this report as well as being illustrated below in Figure 8 relative to the subject site.



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and 9 above. Only some small pockets of land to the south-east along Welshpool Road East and along Hale Road remain undeveloped.

The current LSP has the subject site entirely zoned as 'Mixed Use'. The objective of the 'Mixed Use' zone is:

- *To provide for business and other commercial uses, but excluding shopping.*
- *To provide for and encourage residential uses, but on the basis of recognition that the zone allows for considerably more non-residential activities than does a Residential zone.*
- *To provide for professional, civic uses, medical and health related uses.*
- *To provide for leisure and entertainment uses on a small scale so as not to unduly impinge on the amenity of the residential component of the zone.*
- *To ensure that the development in the zone is of such design, size, scale and appearance to be compatible with nearby uses or zones, particularly the Residential zones.*

As outlined in the preceding sections above, the proposed LSP Amendment seeks to partially rezone the southern portion of the 'Mixed Use' zone of the subject site to 'Commercial'. The objective of the 'Commercial' zone is:

- *To serve the needs of a localised area in providing for local shopping facilities, business, professional, civic, cultural, medical and other health related services.*
- *To ensure that development is designed to be compatible with nearby uses and zones particularly Residential zones.*

For reasons outlined further below, the proposed rezoning to 'Commercial' is considered to be warranted.



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4.0 Amendment Proposal

The proposed LSP Amendment seeks approval to rezone the southern portion of the subject site from 'Mixed Use' to 'Commercial' in order to facilitate additional commercial / retail opportunities for the locality. Specifically, the proposal will involve approximately 12,000sqm of the 23,578sqm total land area being rezoned as illustrated in Figure 10 & 11 below.

The rezoning of a portion of the subject site to 'Commercial' will result in the expansion of the existing 'Commercial' zone of the area directly west to extend further along Hale Road up to the corner of Wimbridge Road.

The details of the proposed modification have been illustrated in the proposed LSP Amendment Plan contained in **Appendix 2** of this report.



Figure 10 - Existing LSP Map (Extract)



LSP Amendment – Lots 192, 193 & 194 (No. 326, 318 & 310) Hale Road, Wattle Grove



Figure 11 - Proposed LSP Map (Extract)



5.0 Retail Needs Assessment

Pracsys were engaged by the proponent to investigate the suitability and need for retail uses at the subject site in the form of a Retail Needs Assessment (RNA). The RNA was prepared to identify the need and benefit for an increased provision of retail within the precinct. This investigation was undertaken by reviewing the alignment of the proposed development with the State Planning Policy 4.2 (SPP4.2), assessing the demand for and provision of retail floorspace in the surrounding area and investigating the potential impact on the local activity centre hierarchy.

The following sections below provide a brief overview of the key elements of the report and its findings. A copy of the entire report is contained in **Appendix 3** of this report.

Location Context

- The City of Kalamunda Local Government Area had a population of 59,340 as of the 2016 census. The Hale Road site is located in the urban portion of Wattle Grove (the Catchment). This sub-area forms the Wattle Grove Cell 9 Outline Development Plan and had a population of 6,139 in 2016. The area is bound by Tonkin Highway to the east, Welshpool Road East to the south and Roe Highway to the west, creating barriers for short run mobility (i.e. quick trips) of local residents but giving excellent access from the broader metropolitan region.
- Wattle Grove is currently experiencing rapid residential growth with residential population growing by approximately 255% between 2006 and 2016 with further projected growth of 18% between 2016 and 2026. This population growth (both past and future) highlights the requirement for extra retail in the area past what was previously provided.
- The Wattle Grove Shopping Centre and adjacent Hale Village currently collectively provide the catchment's neighbourhood centre. However, the population of the area indicates that the local demand for retail goods and services is greater than the current floorspace supply of approximately 5,660m².
- The Neighbourhood Centre is comprised principally of an Aldi supermarket. Aldi offers a mix of convenience and comparison retail goods with a selection of offerings that are restricted to its own supply chain. The restricted convenience offering, and wider catchment appeal of the comparison offering, is why Aldi stores typically locate adjacent to other supermarkets that complement its offering. In addition, there are a limited number of centres surrounding the catchment, forcing residents to use a vehicle to undertake their daily and weekly convenience shopping needs at other centres.
- The proposed development will thus provide diversified commercial floorspace with sufficient convenience retail to ensure that the Wattle Grove Neighbourhood Centre can fulfill its role in meeting the daily and weekly shopping needs of the local population.

Site Context and Planning Proposal

- For the purposes of this RNA the southern portion of lot 192, which will be rezoned to commercial, is considered in addition to the proposed development of lots 193 and 194. The adjacent lot 192 will be rezoned in the same way as the proposed site but contains no known plans for development. Based on the current masterplan, the net lettable area

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of retail floorspace at the proposed site will be 2,180m². It is assumed the subdivided commercial portion of lot 192 could be developed with the same proportion of retail floorspace as the proposed site leading to an additional retail floorspace of approximately 1,090m² and a total retail floorspace of 3,270m².

Demographic Analysis

- Wattle Grove has a much higher proportion of residents in the lowest age range (comprised of infants and children aged 0 to 9) than the City of Kalamunda and Greater Perth. These residents are, naturally, complemented by a high proportion of 30 to 39-year-olds. As a pairing, this reflects a high relative proportion of young families in the Wattle Grove area when compared with the LGA-wide and Greater Perth benchmarks.
- Families tend to spend more on retail goods meaning there is likely a higher than average level of demand available to businesses in the area.
- The proposed development will be locating in a high-spend catchment while also provided a key role in improving activity centre access for older persons who live in the area.
- Wattle Grove possess a higher proportion of high-income earners, with 37% more households in the top two income quintiles than either benchmark area.
- Looking more broadly at the entirety of the City of Kalamunda, research suggests households within the City spend a cumulative 15% more on convenience retail than their Greater Perth counterparts.

Retail Analysis

- The estimated total provision of commercial floorspace within the Study Area is approximately 36,500m². With just an estimated 5,100m² located in the Catchment.
- The Forrestfield North District Structure Plan outlines the potential need for retail floorspace based on the proposed residential, commercial and industrial development at Forrestfield North. The project is still in its early planning stages and there is not a clear timeline for when the retail development will commence and whether it will be staged or not. Wattle Grove South is a future residential development that may include a neighbourhood centre. Planning is currently in feasibility stages and is not likely to lead to a retail development in the short-medium term. The Wattle Grove Urban Cell (the Catchment) currently indicates that the only commercial zoning in the district is at the site of the Wattle Grove Shopping Centre.

Retail Gap Analysis

- A common retail-to-population provision ratio in Australia is 2.2m² per person for all retail categories and an estimated 1.70m² per person for shop/retail, based on national averages. At a local level, the Greater Perth shop/retail floorspace provision ratio is 1.66m² per person. The benchmark ratio used in this analysis is 1.34m² per person based on excluding all Strategic Metropolitan Centres.
- The 2016 population of the study area was 56,737. With a total retail floorspace of approximately 36,000m², the areas provision of retail floorspace per resident is just 0.64m². The 2019 population of the Catchment Area is approximately 6,750. With a total

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shop/retail floorspace of just 5,106m², the Catchments provision ratio is just 0.76m² per resident.

- Using the benchmarked shop/retail provision ratios, the gap in retail provision has been estimated at 40,000m² of shop/retail floorspace. The estimated gap between current and Greater Perth benchmark retail floorspace provision in the Catchment Area is 3,900m².
- The estimated provision of 2,180m² additional retail floorspace at the proposed site is therefore well within the identified gap. Including the additional 1,090m² from Lot 192, the total additional floorspace (3,270m²) would still be within the identified gap.
- The gap in retail provision outlined above will only become more severe as population growth occurs. By 2026, retail floorspace requirements will have risen to 102,000m². The proposed future retail floorspace at the Forrestfield North and Wattle Grove South developments could only provide 44,500m² at maximum buildout, leaving a gap of approximately 21,500m² if they were developed by 2026.



6.0 Justification

The LSP Amendment has been prepared in response to the redevelopment opportunities that have been identified by the landowner and project team being additional commercial business opportunities on the subject site. As identified in the preceding sections above, these “gaps” have already been identified in various State and Local strategic documents championed by other stakeholders including the City of Kalamunda.

6.1 Additional Commercial zone

The proposed LSP Amendment involves an additional 12,000sqm of ‘Commercial’ zone land being added to the existing Wattle Grove Shopping Centre and Hale Village which collectively encompass approximately 19,200sqm of land. As such, the total ‘Commercial’ zone area will expand to approximately 31,200sqm. The remainder of the subject site shall remain as its ‘Mixed Use’ zoning.

From a land use permissibility perspective, the difference between the ‘Commercial’ and ‘Mixed Use’ zone are marginal as illustrated in the table below being some of the land uses contained in Table 1 – Zoning Table of LPS No. 3.

Use Class	Commercial	Mixed Use
Aged/Dependant Dwellings	D	P
Aged Residential Care	D	A
Child Care Premises	P	A
Civic Use	D	D
Community Purpose	P	A
Consulting Rooms	P	A
Convenience Store	D	X
Educational Establishment	D	A
Family Day Care	D	A
Fast Food Outlet	P	X
Garden Centre	P	D
Health/Fitness Centre	P	A
Market	A	X
Medical Centre	P	A
Multiple Dwelling	D	D
Office	P	D
Recreation – Private	D	D
Restaurant	P	A
Shop	P	X
Veterinary Centre	P	A

Nevertheless, the benefits of the additional ‘Commercial’ zone are as follows:

- The proposal will facilitate redevelopment of the subject site in accordance with the Indicative development concept plan which includes additional commercial and health service offerings which will benefit existing residents in the Wattle Grove locality as well as future residential or commercial uses on the northern ‘Mixed Use’ portion of land which forms part of the subject site.

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- Based on Perth and Peel @ 3.5 million, it has been projected that the employment types expected to increase the most in the north-east sub-region are “...in the sectors relating to construction, **healthcare and social assistance**, manufacturing, transport, distribution and warehousing and **retail**”. To this end, the LSP Amendment directly responds to this projection which is fundamentally driven by the projected population increase.
- Based on the City of Kalamunda Local Planning Strategy as well as its Age Friendly Strategy and Action Plan, a number of critical trends have been identified which will be directly addressed through the ultimate development outcome of the subject site that will be facilitated for by the LSP Amendment. These are:
 - By 2031, 1 in 3 people will be over 55 years of age and more than half of them will be over 70 years of age. With approximately 94% of housing in the City being single residential housing, there is an urgent need to diversify the housing stock to cater for older people.
 - With ongoing growth of the Forrestfield industrial area as well as Perth Airport, demand for housing is expected to continue which will result in the associated demand for supporting retail and community services.

The proposed neighbourhood centre will provide opportunity for healthcare and social services for an aging population whilst the ‘Mixed Use’ zoned land may provide opportunity for residential development specific to an aging population such as a residential care facility or aged or dependent persons’ dwellings.

- The City of Kalamunda Local Planning Strategy has identified that an assessment of floor space supply indicates that there are opportunities for the expansion of existing centres in the Foothills areas. This is attributed to ongoing urban growth and the associated increase in population and disposable income.
- The Local Planning Strategy has identified a number of ‘Opportunities’ which the City needs to coordinate, these including:
 - *Improve the mix of housing in Kalamunda to better cater for the changing demographic structure; namely, a growing population of ageing people.*
 - *Plan for aged accommodation including high care facilities by identifying and rezoning properties.*
 - *Plan for an increase of approximately 20,000 people over the next 21 years.*
 - *Use all land available for aged accommodation.*
 - *Focus initial development in existing Urban Development zones.*

The proposed LSP Amendment directly responds to these opportunities through the ultimate development concept which will comprise additional retail shopping and health services as well as hospitality / food & beverage opportunities. Opportunity for residential development specific to an aging population are also an option on the ‘Mixed Use’ zoned land.

- From a local economic perspective, the LSP Amendment for the additional ‘Commercial’ zone is in line with the key priorities of the City’s Economic Development Strategy in that it builds business capacity, will contribute towards strengthening local identity and creates a welcoming environment. Specifically, the LSP Amendment will:

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- Facilitate new investment opportunities for a range of businesses as well as create job opportunities for local residents of all ages.
- Will increase health and aged care services in the locality which has been projected to increase in demand.
- An increase in commercial uses will allow flow-on opportunities for a range of events and activities, workforce development and volunteering, home-based business support etc.
- More retail and commercial uses will provide opportunities for local goods and services (i.e. “buy-local” programs) which will benefit the community by increasing diversity and choice to the end consumer but also build a strong local identity.

8.2 Commercial Zone integration with neighbouring properties

The proposed ‘Commercial’ zone will integrate perfectly with the adjoining ‘Mixed Use’ zone as well as surrounding ‘Residential’ zone by strengthening and expanding upon the established commercial services. As a ‘Commercial’ zone already exists in the locality, the proposed LSP Amendment of the subject site represents the logical expansion of this zone.

The key benefits of the additional ‘Commercial’ zone relative to the neighbouring properties are as follows:

- The ‘Commercial’ zone and the uses proposed within this are anticipated to integrate seamlessly with future redevelopment of the ‘Mixed Use’ zone portion of the subject site. It is anticipated that the ‘Mixed Use’ zone may facilitate a range of residential uses (single house, grouped dwellings, multiple dwellings, aged and dependent persons’ dwellings etc) and/or a limited range of complementary non-residential uses as permissible under the provisions of LPS No. 3. Whatever the ultimate development outcome, a number of synergies will be created which include:
 - Exceptional accessibility for future residents to a range of commercial offerings, food and beverage options as well as health services. The health services will in turn also provide opportunities for future residents to benefit from its products and services.
 - A supermarket in the ‘Commercial’ zone will provide additional retail offerings to the benefit of residents / consumers by providing more variety and choice. As outlined in the RNA prepared by Pracsys, Aldi provide a range of retail goods that are restricted to their own supply chain. To this end, an additional supermarket can offer complementary goods which in this instance, may focus on more local goods which would promote a sense of local identity and the philosophy of ‘buy local’.
 - The corner location of the ‘Commercial’ zone is ideal in that it maximises exposure and provides opportunity for a built-form outcome that creates an active streetscape with high-levels of passive surveillance. It is also strategically located having frontages to both Hale Rd which functions as a neighbourhood distributor road and Wimbridge Rd which functions as a ‘gateway’ road connecting the northern section of Wattle Grove to the south.
- Based on Perth and Peel @ 3.5 million, the urban infill target for the City of Kalamunda is 11,450 dwellings by the year 2050. This will need to include a range of dwellings types of

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which the opportunity is provided for as part of the 'Mixed Use' zoned portion of the subject site.

8.3 State Planning Policy 4.2 Activity Centres for Perth & Peel – Policy Objectives

Under the provisions of SPP4.2, 'Neighbourhood Centres' such as the Wattle Grove Shopping Centre and Hale Village play an important role in providing walkable access to services and facilities for communities. The proposal results in the expansion of the existing activity centre from approximately 5,660sqm to 8,930sqm which is made up of 2,180sqm being that illustrated in the indicative development plan plus an estimated 1,090sqm that result from the redevelopment of Lot 192.

The proposed LSP amendment and the additional retail floorspace that will result is considered to satisfy the policy objectives of SPP4.2 based on the following basis:

- As justified in the accompanying Retail Needs Assessment prepared by Pracsys, there is a clear gap that is forming with regard to the efficient and equitable access to the communities need for employment, goods and services. Specifically, the retail gap analysis that has been undertaken has identified that at present, there is a shortfall of approximately 3,900sqm of retail floorspace when correlated against a Greater Perth benchmark. This gap in retail provision will then become more severe with population growth, this figure rising to 102,000sqm by 2026.

The proposed future retail floorspace at the Forrestfield North and Wattle Grove South developments can only provide 44,500m² at maximum buildout, leaving a gap of approximately 21,500m².

- The expansion of the existing Neighbourhood Centre will still maintain the integrity of the activity centre hierarchy for the locality as analysed in the Retail Needs Assessment. That is, the proposal does not result in the expansion of an activity centre where the demand is not present nor does it increase its size to a point where it compromises existing higher-order centres. The proposal will simply strengthen the quality and retail offerings provided which will have a direct benefit to the community whereby further economic and social infrastructure can be provided by public authorities and private stakeholders.
- The proposal will complement the existing commercial offerings at the Wattle Grove Shopping Centre and adjacent Hale Village by diversifying the retail and commercial market for the locality. As identified in the Retail Needs Assessment, the existing Aldi offers a restricted selection of convenience goods which are limited to its own supply chain. As such, the proposal will promote a competitive retail and commercial market which will ultimately benefit both retailers and consumers.
- An increase in the size of the activity centre will evidently increase the employment types as well as the number of jobs for the locality. This will then directly contribute positively towards achieving sub-regional employment self-sufficiency targets.
- The proposed expansion addresses the increasing demand for retail floorspace created by the increasing population and therefore housing in the locality. As a relatively new area, residential densities have been well planned for the locality through the Wattle Grove Urban Cell 9 Structure Plan. The proposal merely responds to the retail needs of the



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community which have arisen from the density and diversity of housing which have and will continue to establish themselves in the locality.

- A public bus service already passes through the locality with Hale Road and Welshpool Road East providing the key route for this service. It is noted that the bus stops for the existing services stop in-front of the subject site as opposed to the existing Wattle Grove Shopping Centre and adjacent Hale Village, thereby supporting the proposed LSP amendment – refer Figure 12 below.



Figure 12 - Transperth Bus Stop locations

- The existing Wattle Grove Shopping Centre and adjacent Hale Village are appropriately situated within its residential context being well within a 400m walkable catchment to a reasonable proportion of the residents in the area – refer Figure 13 below. A good quality pedestrian network is also provided in the form of a shared path which runs along the southern side of Hale Road along its entire length. A satisfactory cycling environment is also provided along Hale Road which has a posted speed limit of 40km/hr and functions as a single-lane two-way road.
- The location of the subject site is considered to be ideal given it has frontage to a key arterial road (Hale Rd) whilst its context at a street corner, abutting a public open space and existing activity centre are all in favour of its suitability from an urban form perspective.



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Figure 13 - Pedshed analysis of LSP Amendment area

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9.0 Conclusion

In light of the above, the proposed LSP amendment to rezone a portion of Lots 192, 193 and 194 (No. 326, 318 and 310) Hale Road, Wattle Grove from 'Mixed Use' to 'Commercial' is considered appropriate for initiation and endorsement by the City of Kalamunda and WAPC for the following reasons:

- The proposal is consistent with the provisions of the MRS 'Urban' zoning;
- The proposal represents a 'minor' amendment as defined under the provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015* since the Amendment:
 - a) *Does not materially alter the purpose and intent of the structure plan;*
 - b) *Does not change the intended lot/dwelling yield by more than 10 percent;*
 - c) *Does not adversely impact upon the amenity of adjoining landowners or restrict the use and development of adjoining land;*
 - d) *Does not significantly impact the infrastructure provision; and,*
 - e) *Does not significantly impact the environment.*
- Based on the dwelling and population targets of Perth and Peel @ 3.5m million, promoting employment opportunities and increasing the number of people who live and work within the sub-region will be addressed by the LSP Amendment.
- The proposal is consistent with the key strategic opportunities identified in a range of strategic documents including the City's Local Planning Strategy, Economic Development Strategy and Age Friendly Strategy and Action Plan in terms of addressing the need for aged accommodation as well as future employment demand and growth.
- The proposal is not a major departure from the existing zoning of the land under the provisions of the City of Kalamunda Local Planning Scheme No. 3. To this end, it is not considered to be of a controversial nature from a community expectation perspective.
- The amendment will facilitate a development that delivers on the intent and objectives of the Wattle Grove Urban Cell U9 ODP.

In this regard we respectfully request that the City of Kalamunda and the WAPC resolve to support and approve the proposed amendment, respectively.

LSP Amendment – Lots 192, 193 & 194 (No. 326, 318 & 310) Hale Road, Wattle Grove



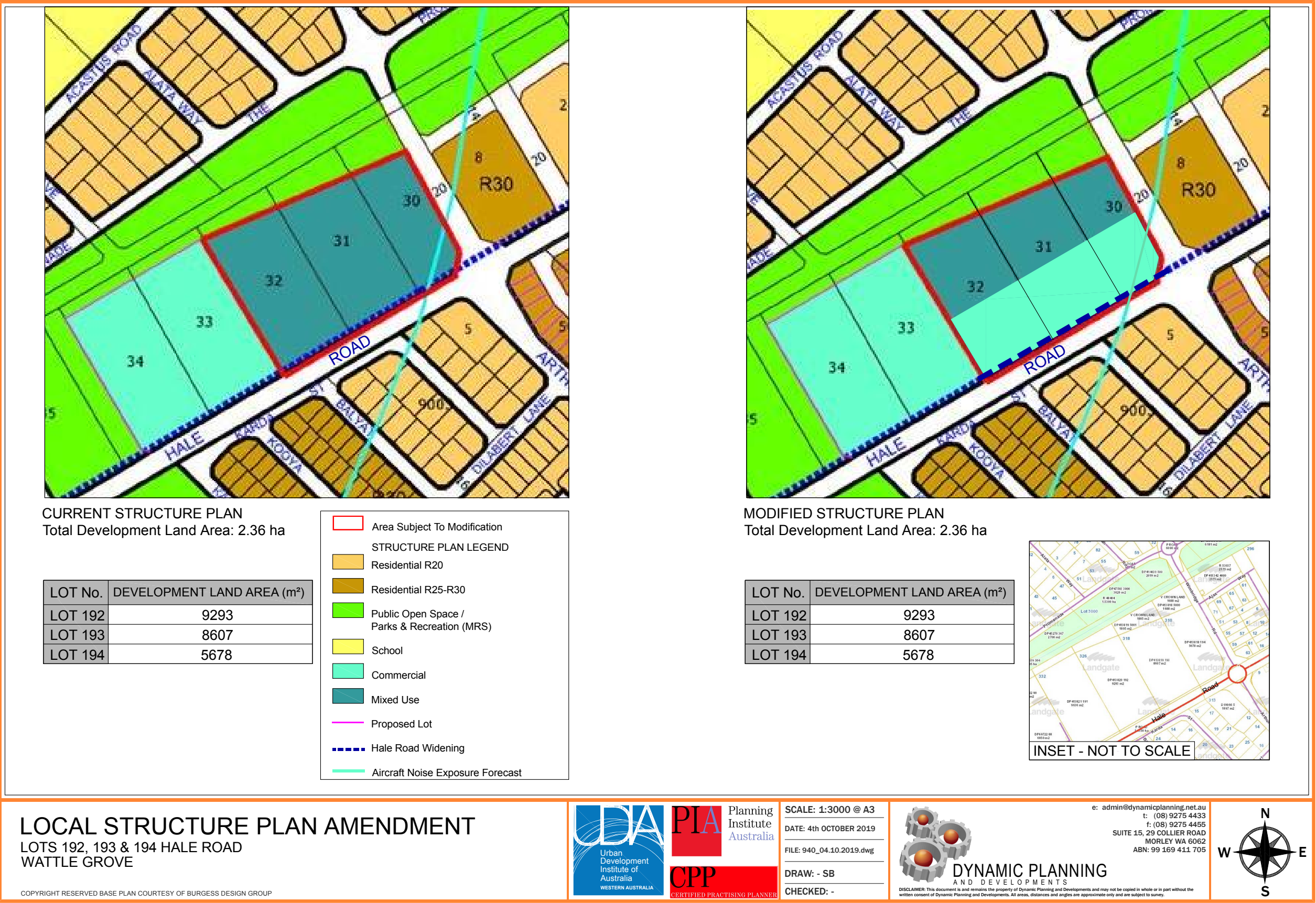
APPENDIX 1
CURRENT WATTLE GROVE URBAN CELL – U9 ODP



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APPENDIX 2
PROPOSED WATTLE GROVE URBAN CELL – U9 ODP



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DYNAMIC PLANNING
AND DEVELOPMENTS

APPENDIX 3
RETAIL NEEDS ASSESSMENT
PRACSYS



Su Family Trust

Retail Needs Assessment

Lots 192, 193 and 194 Hale Road

OCTOBER 2019

Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



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Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



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Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



1 INTRODUCTION

This report investigates the suitability and need for retail land uses at lots 310, 318 and 326 Hale Road (The proposed site), Wattle Grove. The proposed site is envisioned to offer a co-located residential aged care facility and a commercial centre (with associated retail) to make use of natural synergies between the two land use types. A residential aged care market analysis has been completed by *From Left Field*, which indicated that an aged care development is viable. This Retail Needs Assessment will complement the existing analysis by identifying the need and benefit for an increased provision of retail within the precinct. This has been done by reviewing the alignment of the proposed development with the State Planning Policy 4.2 (SPP 4.2), assessing the demand for and provision of retail floorspace in the surrounding area and investigating the potential impact on the local activity centre hierarchy.

Retail Needs Assessment – Lots 192, 193 and 194 Hale Road

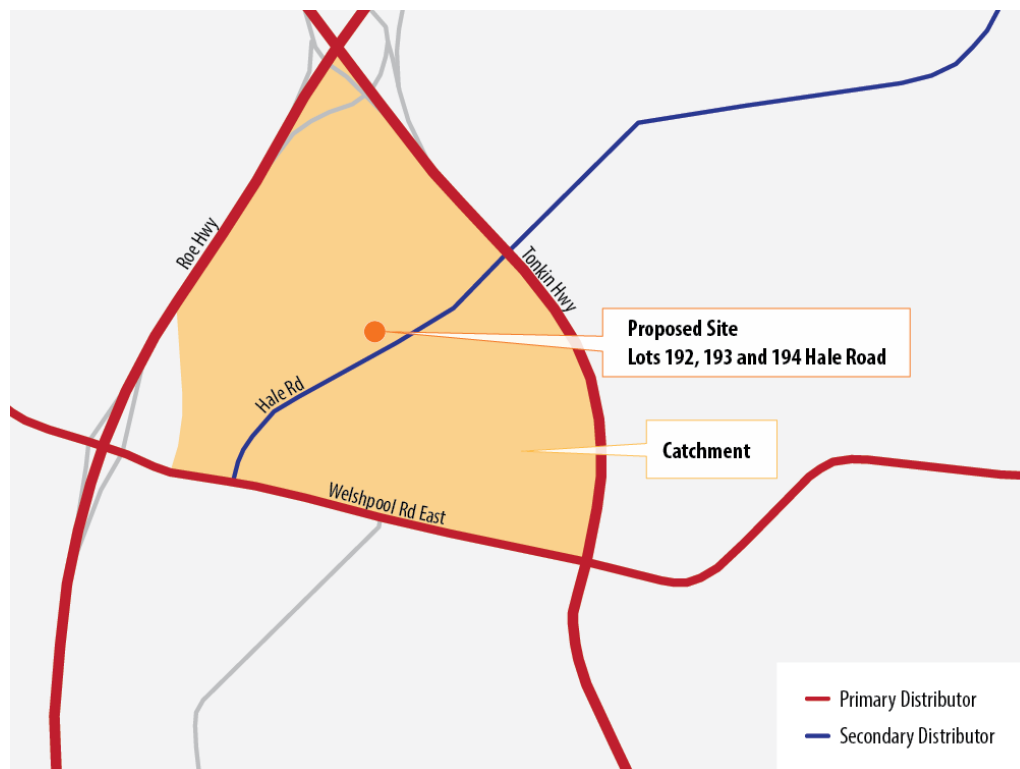


2 CONTEXT

2.1 Location Context

The proposed site is located in the City of Kalamunda Local Government Area. The LGA had a population of 59,340 as of the 2016 census¹. The Hale Road site is located in the urban portion of Wattle Grove (the Catchment). This sub-area forms the Wattle Grove Cell 9 Outline Development Plan (ODP) and had a population of 6,139 in 2016. The area is bound by Tonkin Highway to the east, Welshpool Road East to the south and Roe Highway to the west, creating barriers for short run mobility (i.e. quick trips) of local residents but giving excellent access from the broader metropolitan region (Figure 1).

Figure 1. Wattle Grove Cell 9 (the Catchment)



Source: City of Kalamunda, Pracsys 2019

This defined catchment is likely to form a significant portion of the demand for the proposed centre and represents the proportion of local residents who will not need to cross major highways to access this retail. As such, this catchment area will form a major component of the analysis when establishing a retail gap.

¹ ABS Census 2016

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Wattle Grove is currently experiencing rapid residential growth with residential population growing by approximately 255% between 2006 and 2016 with further projected growth of 18% between 2016 and 2026. This population growth (both past and future) highlights the requirement for extra retail in the area past what was previously provided. The Wattle Grove Shopping Centre and adjacent Hale Village currently collectively provide the catchment's neighbourhood centre. However, the population of the area indicates that the local demand for retail goods and services is greater than the current floorspace supply. of approximately 5,660m². This therefore represents an excellent opportunity to meet this demand and increase the amenity for the local catchment. The Neighbourhood Centre is comprised principally of an Aldi supermarket. Aldi offers a mix of convenience and comparison retail goods with a selection of offerings that are restricted to its own supply chain. The restricted convenience offering, and wider catchment appeal of the comparison offering, is why Aldi stores typically locate adjacent to other supermarkets that complement its offering. In addition, there are a limited number of centres surrounding the catchment, forcing residents to use a vehicle to undertake their daily and weekly convenience shopping needs at other centres.

The proposed development will thus provide diversified commercial floorspace with sufficient convenience retail to ensure that the Wattle Grove Neighbourhood Centre can fulfill its role in meeting the daily and weekly shopping needs of the local population.

2.2 Site Context and Planning Proposal

The proposed site is a corner block bordered by Wimbridge Road and Hale Road (Figure 2).

Retail Needs Assessment – Lots 192, 193 and 194 Hale Road

**Figure 2. Proposed Site at lots 192, 193 and 194 Hale Road Hale Road, Wattle Grove****Source: Dynamic Planning 2019**

The proposed site is currently comprised of a dwelling and various shed structures on lot 192 and a garden nursery (and various other structures) at lots 193 and 194. The site is zoned as mixed-use under the current ODP. As a neighborhood centre the main function of the centre is to provide for weekly and daily shopping needs, some community services and a few other convenience needs. The proposed CPP amendment will provide additional medical facilities, a community hub and convenience offerings at the neighbourhood centre that will address the daily and weekly shopping demands of local residents. The commercial development at lots 193 and 194 is proposed to include retail, medical and entertainment floorspace, with a co-located aged care facility as a mixed-use development. For the purpose of this Retail Needs Assessment, the southern portion of lot 192, which will be rezoned to commercial, is considered in addition to the proposed development of lots 193 and 194. The adjacent lot 192 will be rezoned in the same way as the proposed site but contains no known plans for development. Based on the current masterplan, the net lettable area of retail floorspace at the proposed site will be 2,180m². It is assumed the sub-divided commercial portion of lot 192 could be developed with the same proportion of retail floorspace as the proposed site leading to an additional retail floorspace of approximately 1,090 m² and a total retail floorspace of 3,270m². Despite no known plans to develop lot 192, this was included to ensure that any possible future development

Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



on this site could generate a 'complete' commercial precinct that is appropriate for the catchment. As such, the total retail floorspace increase that will result from this planning proposal has been used to assess the potential impact on the existing activity centre hierarchy.

Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



3 STRATEGIC ALIGNMENT

This section demonstrates how the proposed development site is suitably positioned to meet the need of the local community based on State policies.

3.1 State Planning Policy 4.2 Activity Centres for Perth and Peel

The State Planning Policy 4.2 Activity Centres for Perth and Peel (SPP 4.2) identifies that the need for additional floorspace will be assessed through a Retail Needs Assessment. A Retail Needs Assessment includes an assessment of the projected retail needs of communities in a local government area and its surrounds, accounting for the impacts on adjacent local government areas and existing or planned centres.

SPP 4.2 outlines the need to distribute activity centres to meet different levels of community need. It also proposes that these activity centres enable employment, goods and services to be accessed efficiently and equitably by the community. The Catchment's community currently does not enjoy efficient and equitable access to activity centres to service a variety of commercial needs. There is currently a single Neighbourhood Centre in the Catchment with an Aldi as the primary supermarket. Aldi offers a mix of convenience and comparison retail goods with a selection of offerings that are restricted to its own supply chain. The restricted convenience offering, and wider catchment appeal of the comparison offering, is why Aldi stores are generally suited to locations adjacent to other supermarkets, to complete the convenience offering. Typical co-location is often seen near other smaller style supermarkets. Residents are likely being forced to undertake some of their daily and weekly shopping at larger centres, further from their community and outside of the catchment due to the lack of convenience retail offering. The Cannington City (Westfield Carousel) strategic metropolitan centre and the Forrestfield Shopping Centre (District) are the likely destinations for many residents of the Catchment. This is a less than ideal situation, as SPP4.2 highlights that the main function of local and neighborhood-level centres is to provide for daily and weekly shopping needs.

SPP 4.2 further states that activity centres should be planned to support a wide range of commercial premises and encourage multi-purpose trips. The proposed development is set to deliver an offering which complements nearby convenience retail floorspace; The delivery of additional supermarket floorspace, entertainment floorspace (a tavern), medical floorspace and a community hub will likely produce a positive spillover effect. These potential effects could include:

- Reduced leakage – the additional commercial land will provide for daily and weekly shopping needs for a greater number of residents, meaning they will shop locally more often, exposing them to the current retailers more frequently
- Multi-purpose trips: the inclusion of medical uses, entertainment and a community hub increase the number of activities a resident can undertake at the centre. This can increase their likelihood to shop at the centre and the average dwell time. The benefits of greater attractiveness and increased dwell times will accrue to both new and current retail operators

Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



The commercial uses at the proposed site will improve the activity centre's ability to fulfill its role as a Neighbourhood Centre and its ability to provide multi-purpose trips. The development is in alignment with SPP4.2.

3.2 Liveable Neighbourhoods Policy

The WAPC's Liveable Neighbourhoods policy stipulates, in objective O1, that new residential areas must be provided with sufficient and appropriately located land for activity centres and other employment and business needs. The proposed mixed retail development at lots 192, 193 and 194 Hale Road will improve the offering at the Wattle Grove Neighbourhood Centre in the pedestrian catchment of an urban residential area. This aligns with objective O4 of the Policy, which identifies the need for a substantial majority of residences to have access to a centre within a 500m radius.

The co-location of an aged care facility on the subject site's mixed-use zone will generate accessibility benefits by providing a centre in walking distance for seniors living on-site. Additionally, residents of the Catchment area with limited mobility or those who are no longer permitted to drive will enjoy greatly improved access to convenience retail, entertainment offerings and medical services and reduce their expenses by limiting the requirement for taxi's and other transportation modes.

Objective R14 of the policy states that neighbourhood centres should be located on sites with sufficient traffic and appropriate exposure to facilitate the successful operation of the centre. The proposed site at the corner of Hale Road and Wimbridge Road demonstrably satisfies these requirements. The proposed development is in alignment with the Liveable Neighbourhoods Policy.

Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



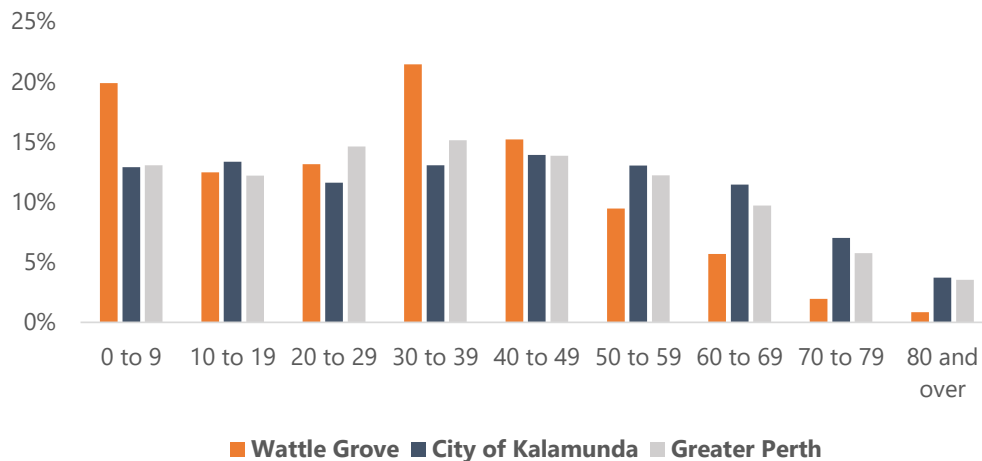
4 DEMOGRAPHIC ANALYSIS

As retail floorspace is a population-driven commercial based land use, an analysis of the current population of Wattle Grove and surrounding areas is necessary to determine the drivers of retail demand in the area. This section outlines the key aspects of the demographic composition of the area surrounding the development. It focuses on the suburb area of Wattle Grove, as well as benchmarking against the City of Kalamunda and Greater Perth regions.

4.1 Age Profile

Wattle Grove has a much higher proportion of residents in the lowest age range (comprised of infants and children aged 0 to 9) than in the City of Kalamunda and Greater Perth. These residents are, naturally, complemented by a high proportion of 30 to 39-year-olds (Figure 3). As a pairing, this reflects a high relative proportion of young families in the Wattle Grove area when compared with the LGA-wide and Greater Perth benchmarks. This is reflective of Wattle Grove's status as an outlying growth area with a high proportion of greenfield development. Many young families have chosen to locate in this area to take advantage of housing that tends to be more affordable than in urban infill areas.

Figure 3. Wattle Grove Resident Age Profile, Versus Benchmark Areas



Source: ABS Census 2016, Pracsys 2019

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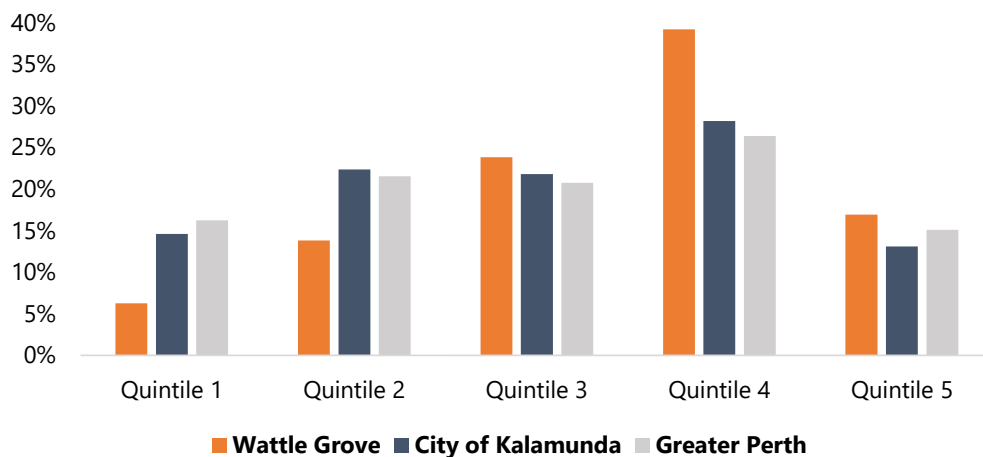
Families tend to spend more on retail goods meaning there is likely a higher than average level of demand available to businesses in the area².

While Wattle Grove exhibits a lower proportion of residents in the upper age brackets than in either comparative benchmark, this is likely to be impacted somewhat by the development of the aged care facility. The proposed development will co-locate an aged care facility with commercial uses that meet the requirements of the future facility's residents. The proposed development will thus be locating in a high-spend catchment while also providing a key role in improving activity centre access for older persons who live in the area.

4.2 Income Profile

Wattle grove possesses a higher proportion of high-income earners, with 37% more households in the top two income quintiles than either benchmark area (Figure 4).

Figure 4. Wattle Grove Household Income Profile, Versus Benchmark Areas



Source: ABS Census 2016, Pracsys 2019

The differential in quintile four is especially high, with Wattle Grove exhibiting a 49% higher proportion of households in this quintile than the Greater Perth benchmark. This suggests that there is likely to be greater levels of disposable income available to local retail operators in the Catchment Area.

² The highest-spending household composition in Australia is couples with a child aged between 5 and 14 (Australian Securities & Investment Commission 2019, *Australian Spending Habits*).

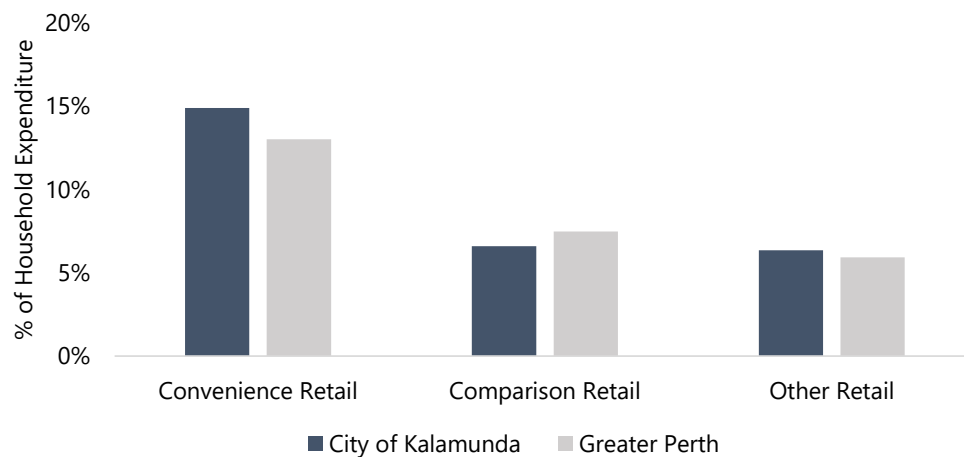
Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



4.3 Expenditure Profile

Looking more broadly at the entirety of the City of Kalamunda, research suggests households within the City spend a cumulative 15% more on convenience retail than their Greater Perth counterparts (Figure 5).

Figure 5. Household Retail Expenditure Profile



Source: National Institute of Economic and Industry Research 2018

Provision of convenience retail would contribute to meeting the existing product demand within the site's catchment area. Further, given the higher proportions of convenience retail expenditure by City of Kalamunda residents, there is a need to provide a variety of convenience floorspace retail. Provision of this floorspace will ensure that leakage to other provinces does not occur and reduce the need for unnecessarily long car trips.

Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



5 RETAIL ANALYSIS

This section identifies current and future retail supply and demand for the Catchment and uses a gap analysis to assess the need for or gap in retail floorspace in the area.

In addition to the catchment area, a 5km radius from the proposed site (the Study Area) is used for the analysis as this represents the area within which Catchment residents are likely to source most of their convenience retail goods and services. The Study Area is comprised of the suburbs of Beckenham, Cannington, Forrestfield, Kenwick, Maddington, Orange Grove, Queens Park and Wattle Grove. The analysis compares any identified gaps with the upper limit of retail floorspace at the proposed development, estimated at 3,270m².

The retail analysis has been assessed at both the Catchment area and a broader Study area to ensure that a diversity of spatial areas were assessed by the retail gap analysis. Given the barriers presented by major arterials, the catchment area is likely to be the source of the majority of demand and as such should be the focus of retail provision. Despite this, the expanded study area was developed to capture possible retail outside the catchment area that may be servicing the needs of the catchment, ensuring a holistic view of any possible retail gap.

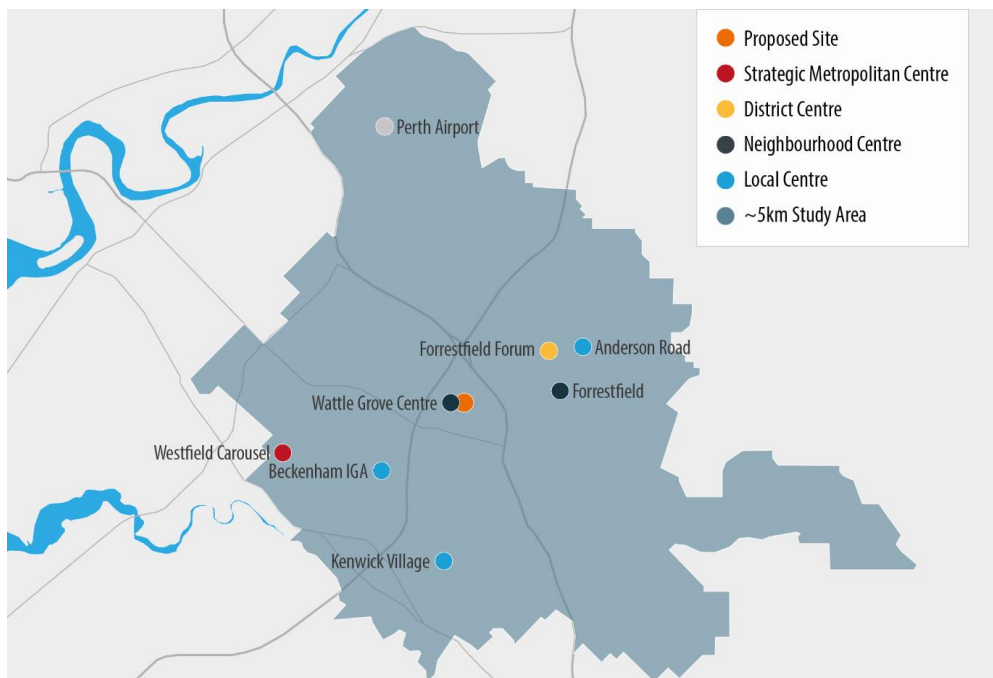
5.1 Retail Supply

Current Supply

Activity Centres in the Study Area were identified to develop an estimate of the current retail floorspace available to Catchment residents³ (Figure 6).

³ The analysis excludes the Westfield Carousel strategic metropolitan centre in Cannington. This centre has been excluded as it fulfills a different function than a neighbourhood centre and serves a far greater catchment than the identified Study Area.

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**Figure 6. Study Area – Key Retail Centres**

Source: Department of Planning, Lands and Heritage 2015/16

The total provision of commercial floorspace in the study areas was estimated through:

- Department of Planning, Lands and Heritage: Land-use and Employment Survey (LUES)
- Manual estimation of new centres⁴

A total of seven centres or floorspace aggregations were identified in the Study Area (Figure 7).

⁴ Gross area was measured using the Google Maps mapping tool. For calculation of Net Lettable Area (NLA), it was assumed that NLA is equivalent to 90% of gross building area.

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**Figure 7. Activity Centre Retail Floorspace**

Centre	NLA (m ²)
Beckenham	1,148
Forrestfield Forum	21,915
Forrestfield (Farmer Jacks)	4,725
Kenwick Village	1,458
Isolated Uses ⁵	1,908
Wattle Grove Shopping Centre	4,634
Wattle Grove (isolated)	472
Total	36,260

Source: Department of Planning, Lands and Heritage 2015/16

The estimated total provision of commercial floorspace within the Study Area is approximately 36,500m², with just an estimated 5,100m² located in the Catchment.

Future Supply

The future supply of retail floorspace in the Study Area is indicated by District Structure Plans and/or proposed future developments. There are two potential retail developments that have been identified:

- Forrestfield North – notional 22,000 – 32,500m² of Shop/Retail floorspace⁶
- Wattle Grove South – notional 12,000m² of Shop/Retail floorspace⁷

The Forrestfield North District Structure Plan (DSP) outlines the potential need for retail floorspace based on the proposed residential, commercial and industrial development at Forrestfield North. The project is still in its early planning stages and there is not a clear timeline for when the retail development will commence and whether it will be staged or not. Wattle Grove South is a future residential development that may include a neighbourhood centre. Planning is currently in feasibility stages and is not likely to lead to a retail development in the short-medium term. The City of Kalamunda District Structure Plan for the Wattle Grove Urban Cell (the Catchment) currently indicates that the only commercial zoning in the district is at the site of the Wattle Grove Shopping Centre.

5.2 Retail Demand

Current Expenditure

The retail expenditure of the Study Area and the Catchment has been modelled using the ABS Household Expenditure Survey combined with distribution of income and population at the SA1 level. The current

⁵ Isolated uses refers to small out of centre floorspace such as standalone commercial premises, these have been included to ensure that all retail has been captured in the relevant calculation

⁶ Forrestfield North District Structure Plan 2016

⁷ Wattle Grove South Feasibility Study 2018

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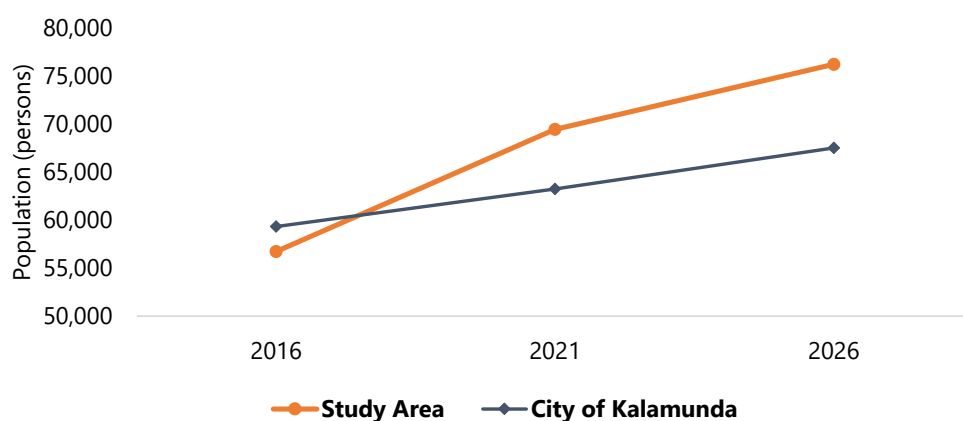
population of the Study Area is estimated to be 59,000.⁸ Average expenditure per dwelling is multiplied by the number of dwellings to estimate the total expenditure pool. It is estimated that the Study Area expenditure pool amounts to \$751 million.⁹

Due to the Catchment's higher proportion of higher-income households, the estimated retail expenditure by household catchments is higher. Catchment households are estimated to spend \$42,260 on retail annually, compared to \$37,977 by the Greater Perth representative household. This reflects an average retail spend that is 11.3% higher in the Catchment. Based on the current Catchment population of 6,750,¹⁰ It is estimated that the Catchment expenditure pool amounts to approximately \$89 million.

Future Demand

The population of the Study Area is forecast to grow by 13,000 persons from 2016 to 2021, reflecting a 5-year growth of 22.5%. This growth is then predicted to moderate, growing by 10% from 2021 to 2026. This will see approximately 20,000 new residents in the Study Area by 2026, leading to a significant growth in retail demand that will necessitate an expansion of retail supply (Figure 8).

Figure 8. Actual and Forecast Population in the Study Area and City of Kalamunda (2016 - 2026)



Source: Forecast.id 2017

The population of Wattle Grove was 6,139 in 2016¹¹. This number has already grown to an estimated 6,750 in 2019 and is expected to rise by a total of 2.6% to 2021 with a further expansion of 0.8% between 2021 and 2026 (Figure 9).

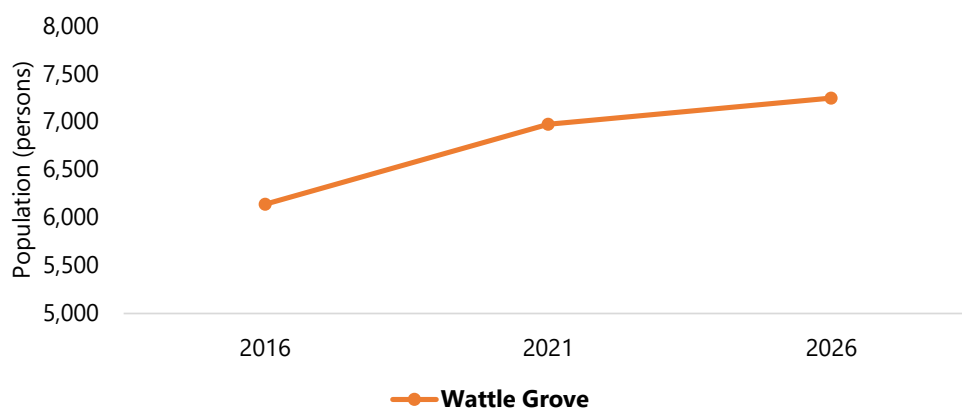
⁸ ABS Census 2016

⁹ An average of 3 persons per household was assumed for the Study Area. This is higher (and thus more conservative) than the Greater Perth average of 2.6 (ABS Census 2016). The Greater Perth average household expenditure was applied to estimate the Study Area expenditure pool.

¹⁰ The ABS Census indicates that the average person per household in the suburb of Wattle Grove is 3.2. This ratio was used to estimate the number of dwellings in the Catchment.

¹¹ Forecast.id 2017, *Wattle Grove Population and household forecast*.

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**Figure 9. Actual and Forecast Population in Wattle Grove (2016 - 2026)**

Source: Forecast .id 2017

The growth in population will lead to greater retail expenditure pools in the Study Area and Catchment. It is estimated that by 2026 the Catchment population will generate a total retail expenditure pool of approximately \$95 million per annum.

5.3 Retail Gap Analysis

The following analysis uses floorspace provision ratios to investigate a gap in the provision of Shop/Retail floorspace in the Study Area and Catchment relative to population. Floorspace provision ratios are a measure of floorspace to population for a particular geographical area. A common retail-to-population provision ratio in Australia is 2.2m² per person for all retail categories and an estimated 1.70m² per person for Shop/Retail, based on national averages.¹² At a local level, the Greater Perth Shop/Retail floorspace provision ratio is 1.66m² per person. This is considered a reasonable benchmark for comparison with the subject areas of a Retail Needs Assessment. This analysis has estimated the floorspace provision ratio for the Greater Perth area excluding all Strategic Metropolitan Centres. This is due to the fact that floorspace provided by the Cannington Strategic Metropolitan centre has been excluded from the Study Area and therefore makes a like for like comparison. This provides a conservative measure for estimating the floorspace gaps and results in a Greater Perth benchmark ratio of 1.34m² per person.

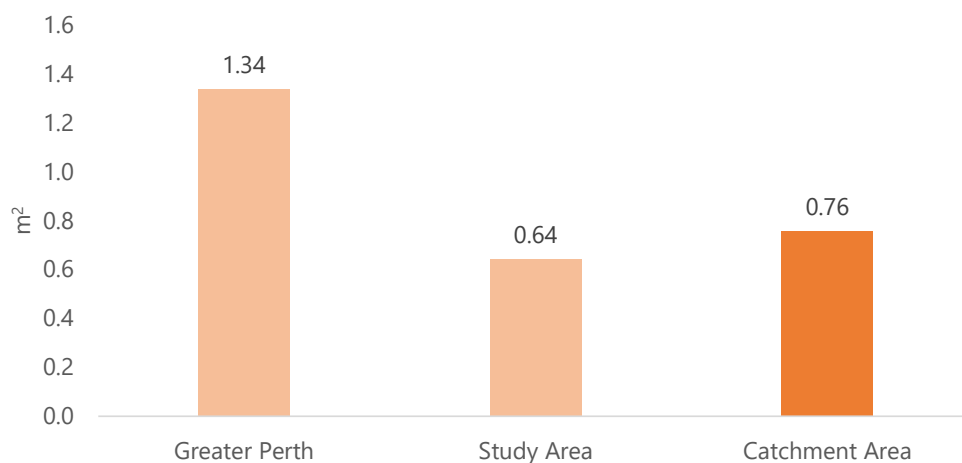
Benchmark Comparison

The 2016 population of the Study Area was 56,737. With a total retail floorspace of approximately 36,000m², the area's provision of retail floorspace per resident is just 0.64m². The 2019 population of the Catchment Area is approximately 6,750.¹³ With a total Shop/Retail floorspace of just 5,106m², the Catchment's provision ratio is just 0.76m² per resident.

¹² Macropian Demasi 2014, *More Retail Floorspace or Less?*

¹³ Forecast .id 2019, *Wattle Grove Population Forecast*

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**Figure 10. Retail Provision Rate Comparison**

Source: Department of Planning, Lands and Heritage 2015/16, Pracsys 2019

The provision ratios in the Study Area and Catchment are considerably lower than the Greater Perth benchmark, providing nearly half of the per-person retail floorspace. This indicates that the local population is being forced to undertake a significant proportion of their convenience retail shopping at less convenient locations and represents leakage outside of the immediate area. This is not in keeping with State policy which encourages the distribution of Shop/Retail floorspace to local and neighbourhood centres within walkable catchments of residential populations. The current Wattle Grove Neighbourhood Centre does not provide sufficient Shop/Retail floorspace to meet the level of demand for Shop/Retail floorspace generated by the Catchment population. The potential development at the subject site therefore represents an opportunity to close this gap and provide a more comprehensive and suited retail offering to constituents of the catchment and study area.

Estimated Gap

Using the benchmarked Shop/Retail provision ratios it is possible to identify the gap in retail provision for the Study and Catchment Areas. Adjusting the provision of Shop/Retail floorspace in the Study Area to match the Greater Perth benchmark would require an additional 40,000m² of Shop/Retail floorspace (Figure 11).

Figure 11. Benchmark Provision Ratios Applied to Study Area Population¹⁴

Location	Provision Ratio (m²) per person	Shop/Retail Floorspace (m²) – Benchmarked Level	Gap (m²)
Study Area	0.64	36,000	

¹⁴ Figures reflect 2016 population as recorded by the ABS Census.

Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



Greater Perth	1.34	76,000	40,000
National Average	1.70	96,000	60,000

Source: Pracsys 2019

There are no current developments underway to address the significant gap in Shop/Retail floorspace for the Study Area. It is likely that residents are having to use the Cannington Strategic Metropolitan Centre (Carousel) or the Forrestfield District Centre to undertake their daily and weekly shopping needs, causing them to travel farther and increasing the time required to undertake their convenience shopping needs. This would also cause greater strain on amenity and road networks, particularly at and leading to Carousel, contributing to congestion.

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The estimated gap between current and Greater Perth benchmark retail floorspace provision in the Catchment Area is 3,900m² (Figure 12).

Figure 12. Benchmark Provision Ratios Applied to the Catchment Population

Location	Provision Ratio (m ²) per person	Shop/Retail Floorspace (m ²) – Benchmarked Level	Gap (m ²)
Catchment Area	0.76	5,100	
Greater Perth	1.34	9,000	3,900
National Average	1.70	11,500	6,400

Source: Pracsys 2019

The estimated provision of 2,180m² additional retail floorspace at the proposed site is therefore well within the identified gap. Including the additional 1,090m² from Lot 192, the total additional floorspace (3,270m²) would still be within the identified gap.

Viewed in a wider context, the proposed development only contributes a minor proportion of the total gap identified in the Study Area. The gap demonstrates clearly that the current provision of Shop/Retail floorspace is not sufficient to meet the needs of the local population and that further retail provision is required to ensure that retail amenity for the local population is maintained. This gap is likely to continue to grow with forecast population growth, and the rezoning of these lots therefore represents an opportunity to develop the necessary provision of retail in the catchment (in one area) and begin to close the gap of retail provision for the broader study area. This will have beneficial effects for the residents of the area.

5.4 Future Gap Analysis

The gap in retail provision outlined above will only become more severe as population growth occurs. A future gap analysis has been conducted to illustrate the increasing need for retail floorspace provision in the Study Area and the Catchment. Applying the Greater Perth benchmark provision ratio, the projected population of the Study Area will generate the need for approximately 93,000m² of local, neighbourhood and district level commercial floorspace in 2021. By 2026, retail floorspace requirements will have risen to 102,000m² (Figure 13).

Figure 13. Required Future Retail Floorspace Gap in Study Area

	2021	2026
Residents	69,400	76,300
Required Retail Floorspace (m ²)	93,000	102,000
Gap from current floorspace (m ²)	57,000	66,000

Source: Department of Planning, Lands and Heritage 2015/16, Pracsys 2019

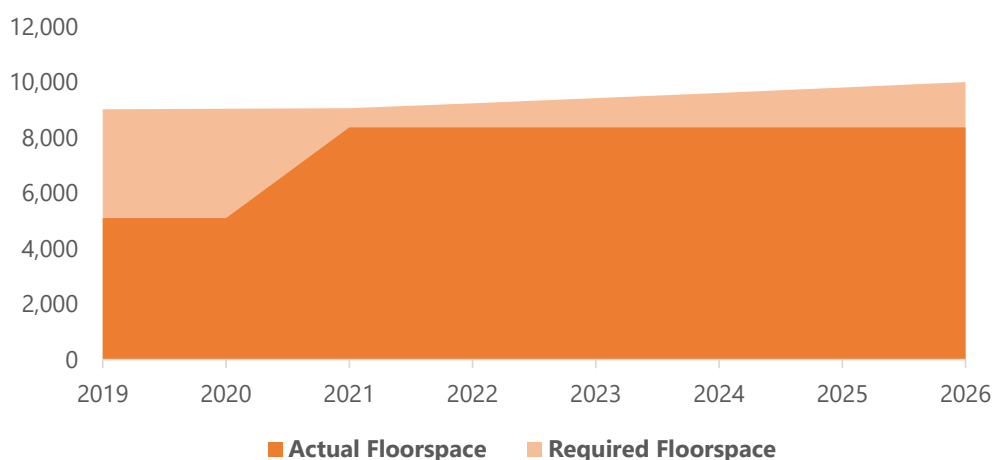
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The proposed future retail floorspace at the Forrestfield North and Wattle Grove South developments could only provide 44,500m² at maximum buildout, leaving a gap of approximately 21,500m² if they were developed by 2026.

In the Wattle Grove Urban Cell Catchment, the non-delivery of further retail floorspace will see the gap between actual and required provision grow. With the proposed development set to be delivered in 2021¹⁵, the gap will be marginally closed before it continues to grow (Figure 14).

Figure 14. Future Floorspace Gap in the Catchment



Source: Pracsys 2019

By 2026, the gap in retail floorspace provision will have increased to approximately 1,600m². The proposed activity centre development is thus addressing a significant gap in local provision, however this gap will continue to grow over time. There is evidence of sufficient demand in both the Catchment and the wider Study Area to warrant greater provision of local and neighbourhood retail centres. Retail provision at the subject site thus poses no threat to the viability of existing retail centres in these catchments. In fact, development of the subject site will likely play a vital role in retaining expenditure within the catchment as population grows, increasing the opportunity for current operators to capture local expenditure.

5.5 Retail Potential Analysis

Turnover estimates can be used to verify if there is sufficient expenditure within the Catchment to support the proposed development. It is possible to estimate the potential turnover of retail centres using average floorspace productivity estimates for WA. Estimates and benchmarks have shown that the average shopping centre in WA has a floorspace productivity level of \$7,400m².¹⁶ Based on retail averages the retail turnover of the current Wattle Grove activity centre is estimated at \$37.8 million. This is only 43% of the current estimated

¹⁵ From Left Field, *Demographic and Market Analysis for Wattle Grove*.

¹⁶ Urbis 2015, Australian Shopping Centre Industry.

Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



retail expenditure generated by the Catchment (see Section 5.2, Retail Demand). The proposed development with the additional potential floorspace at lot 194 could generate an estimated turnover of \$24.2 million. This equates to 28% of the catchment's total current expenditure pool. In total, the current Wattle Grove Centre and the proposed development would only account for 71% of total local expenditure. In reality, this turnover is likely to be derived from a broader expenditure pool than that of just the small catchment (and likewise some expenditure will flow outwards) but this is illustrative that the development would be well supported by even this small segment of the broader study area due to the limited provision of retail in the area. It is also indicative of how easily it would be supported by the broader study area. Allowing for this extra retail would therefore reduce the leakage from the area and improve consumer amenity and access to retail.

Retail Needs Assessment – Lots 192, 193 and 194 Hale Road



6 CONCLUSION

Lots 192, 193 and 194 Hale Road represent a key opportunity to reduce the significant retail gap currently identified in both the catchment and study area. The site itself has potential for approximately 3,270m² of retail and is proposed as a vibrant mix of commercial and mixed use, including aged care and complements the existing retail offering at the site adjacent to it well.

The proposed development site's location is in keeping with state policy regarding the development of activity centres and liveable neighbourhoods. The proposed development will improve the current centre's ability to fulfill its role as a neighbourhood centre by enabling multi-purpose trips through a greater diversity of convenience retail offerings and other floorspace uses such as medical and entertainment floorspace within a walkable catchment of residents. Additionally, it will provide important access for new residents of the co-located aged care facility giving them easy access to a range of commercial uses.

Analysis of floorspace provision has demonstrated that a gap in floorspace exists at multiple spatial areas. The Analysis compared the current supply of floorspace in both a defined Study Area and a smaller catchment area to identify any apparent retail floorspace gap. Analysis identified a retail gap in the proposed development's catchment of approximately 3,900m², which will grow to an estimated 6,200m² by 2026. In the broader study area, this gap was shown to be 40,000m² growing to 60,000m² in 2026. The scale of the development is well within both retail floorspace gaps identified. The analysis findings clearly show that there is a need for additional Shop/Retail floorspace in the Catchment around the proposed site and the wider area. The proposed rezoning of the identified lots would likely help reduce the current and future levels of retail expenditure leakage from the Catchment and provide greater amenity and accessibility for constituents living in the area.

The proposed commercial development includes an appropriate amount of retail floorspace based on policy requirements and the identified need of the local catchment and wider Study Area. This report has identified a need for more retail and therefore supports the rezoning of the southern half of lots 192, 193 and 194 to commercial.