





LANDCORP

**COCKBURN COAST ECONOMIC
DEVELOPMENT STRATEGY**

REPORT

FEBRUARY 2012

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1 INTRODUCTION

1.1 SCOPE

The purpose of this brief is to provide a comprehensive Employment and Economics Strategy to accompany the Cockburn Coast Masterplan (City of Cockburn OCM 14/04/2011) (from here on referred to as DSP2). This aims to provide a more comprehensive briefing to stakeholders on the:

- Economic opportunities and constraints of Cockburn Coast;
- Economic vision for Cockburn Coast in the context of State Strategic objectives;
- Employment goals for Cockburn Coast; and
- Way in which the DSP2 addresses these goals

The Strategy does this through a series of analytical tasks including:

- A top-down assessment of the projected employment burden required to be taken by the Cockburn Coast Activity Centres for the South-West Sub-region to achieve its Employment Self Sufficiency Targets;
- Examination of the range of employment targets set for the Cockburn Coast development and consideration of their appropriateness given present day context;
- Assessment of the quantity of population-driven and strategic employment that may potentially be generated within Cockburn Coast to 2031 and at build out;
- Projecting floorspace demand for different types of activity use; and
- Assessing the proposed Cockburn Coast DSP2's provision and configuration of

floorspace in the context of the above analysis.

An employment and economics strategy is necessary for the justification of provision of different types of floorspace (retail, office, and residential), and the user mix and employment burdens that will be supported by the developed area.

It should be noted that more detailed work will be undertaken during the Local Structure Planning Phase of Cockburn Coast planning, with detailed distribution and configuration of commercial floorspace outlined.

1.2 CONTEXT

Cockburn Coast has historically played a significant role in the economy of Perth and Western Australia, with Robb Jetty being Perth's first significant freight port with trade initially focused on lime, cattle from the Kimberley and timber. Over the year's, major infrastructure such as an abattoir, railway marshaling yards and the South Fremantle Power Station located at the site, or in close proximity, has continued to contribute to the economic development of the City with the location becoming a critical juncture between Fremantle Port and heavy industry to the south in Henderson and Kwinana.

The envisioned revitalisation of Cockburn Coast has sought, through both the District Structure Plan (DSP) and DSP2, to recognise its unique location within Perth's value chains, whilst envisaging a much more urban context for the site. This changing economic function of Cockburn Coast is largely what will be addressed through this strategy.

2 ECONOMIC OPPORTUNITIES AND CONSTRAINTS OF COCKBURN COAST

2.1 OPPORTUNITIES

2.1.1 Proximity to Value Chains

Cockburn Coast sits in a unique location within Perth and Western Australia’s major export value chains. This is largely due to the significant logistics and industrial infrastructure surrounding the area. This includes:

- Fremantle Port
- Fremantle Freight Rail Line
- Australian Marine Complex
- Latitude 32
- Kwinana Industrial Area
- Kwinana Bulk Terminal

This critical infrastructure provides much of the capacity required by Western Australia’s strategic industries to manufacture, process and export goods to major markets (intrastate – North-West resource projects, interstate – major consumer markets in the Eastern States, and internationally – SE Asia). A brief list of major strategic industries found within the greater Western Trade Coast value chains are outlined Figure 1.

Figure 1: Western Trade Coast Major Strategic Industries

Bulk Commodity Exports	Manufacturing	Logistics
Wheat export	Petro-chemicals	Shipping agents
Alumina export	Ship-building	Freight forwarding
Live cattle/sheep export	Mining equipment manufacture, repair and maintenance	Commodity blending
Coal export	Oil and gas platform, drilling equipment and piping manufacture, assembly and maintenance	Bulk handling
Iron ore export		

Source: Pracsys 2011

Cockburn Coast has the potential to develop strong relationships with surrounding activity centres including:

- Fremantle (Strategic Metropolitan Centre)
- Cockburn Central (Secondary Centre)
- Murdoch (Specialised Centre)
- Henderson (Specialised Industrial Centre)

The opportunity to integrate with infrastructure, industries and activity centres will be dependent upon a range of factors including:

- Capacity constraints of surrounding sites
- Perceived value proposition of Cockburn Coast activity centres comparative to surrounding centres for specific industries
- The development of agglomerations of economic activity (both urbanisation and localisation)

2.1.2 South Fremantle Powerstation

The South Fremantle Powerstation is an iconic feature of the City's coastline that provides significant identity, amenity and infrastructure around which to develop agglomerations of activity. In particular, the Powerstation may act as a point of focus for a much larger user mix than that which would otherwise be likely to visit the site. This therefore can provide the basis for attraction of investment and tenancies that seek to meet the needs of this user mix.

2.1.3 Urbanisation Economy

The introduction of a residential population of 10,000 residents provides a significant pool of available expenditure around which the urbanisation economies of scale can develop. This is especially the case if the South Fremantle Powerstation asset can expand upon this pool through the attraction of visitors from a regional catchment. The effective configuration of population-driven activities (including retail, education, healthcare and entertainment) to maximise the capture and quality of transactions will be critical for these urbanisation economies to develop.

2.1.4 Effective density

Cockburn Central's location allows it to leverage from the very significant existing economic activity resulting from nearly two centuries of economic development in Perth. City's typically evolve and mature from central areas of activity (in Perth's case the CBD and Fremantle), with surrounding areas acting to support these functions through the provision of a workforce and support activities. Over time strategic activities overflow into adjacent areas, with industrial and supporting activities

forced out further and further. The structure of Cockburn Coast's economy has evolved significantly, as population growth and the structure of Perth's economy has evolved. This has meant that the location of the site, in relation to major infrastructure, value chains and activity centres may allow for leverage of a significant amount of effective density (the increased gravitational pull of activity to an area based upon its proximity to hubs of strategic employment). This means the potential to capture significantly greater expenditure and users to an activity centre than that expected from traditional residence based modeling.

2.2 CONSTRAINTS

2.2.1 Limited Catchment

Cockburn Coast's location on the edge of the Indian Ocean, with Manning Reserve to the east, means that the potential catchment for the site is relatively constrained. The implications of this can be seen right along the Perth coastline, with coastal activity centre's growth being relatively constrained due to a limitation on the ability to capture growing expenditure from a limited catchment (with the historic lack of growth in centres including Cottesloe, Scarborough, and Fremantle at least partially due to the limitations of catchment). The limitations on Cockburn Coast's catchment may be further multiplied by the existing (and improving) offer of South Fremantle as a competing activity centre, and by the development of a competing activity centre in Port Coogee. Due to the barrier of Manning Reserve, traffic flows mean that these centres are likely to be passed by a potential user heading to the coast from the east, prior to arrival at Cockburn Coast.

The density of housing planned for within Cockburn Coast (estimate population of 10,000 residents) will therefore be critical to the success of population-driven activities within the development as these are likely to be the primary users of everyday offerings. In contrast, the potential impact of the iconic South Fremantle Powerstation may attract a range of destination-based users who visit on a less regular basis to meet specific needs.

2.2.2 Fremantle Freight Rail Line

Vibrant, resilient activity centres that have matured to contain a diverse range of economic activity are typified by a number of key characteristics including:

- Intensity – user transactions (economic and social) occur within a contained area that encourages multiple transactions per visit
- Accessibility – users being able to efficiently and safely access the centre, and move throughout the centre via a range of modes

The presence of the Fremantle freight rail line running through the Cockburn Coast development potentially impacts upon the ability of activity centres within the development to achieve intense and accessible characteristics. This is due to the potential barrier that the railway presents, and the introduction of dead space in the middle of activity centres. This may limit the manner in which users interact with the centre, with transactions being impacted due to real or perceived barriers, as well as perceptions of amenity and safety. The DSP2 focuses much attention on mitigating these factors through planned building orientation and scale, at-

grade crossings and the use of vegetation to soften edges.

2.2.3 Competition from major centres

Recent strategic planning, and public and private sector driven investment in activity centres surrounding Cockburn Coast includes:

- Incremental unlocking of land-use constraints in Fremantle to foster in-fill development and activity centre maturation
- State government structure planning and investment in Murdoch Specialised Centre
- LandCorp planning and investment in mixed use precincts in Cockburn Central
- PTA investment in the Mandurah passenger rail line

The resultant planning and investment at these surrounding centres potentially changes the value proposition of these centres (for land-owners, public and private investors, existing and potential residents, existing and potential businesses), and thereby impacting upon the value proposition of Cockburn Coast. This is particularly the case in regards to the perception of Cockburn Coast as a location for future employment. The potential for Cockburn Coast to develop localisation agglomeration economies based upon strategic infrastructure investment or the attraction of major projects will be impacted upon by the competition impacts and collaboration opportunities associated with these centres.

2.2.4 Organic Maturation

Many of the activity centres referenced as case studies for diverse, vibrant urban centres (including Subiaco, Fremantle and Leederville), have evolved in urban form and function over decades, if not centuries. For a new activity centre to develop in form and function to the same extent in a relatively short period of time one of two things must have occurred. The first is that an existing competitive advantage exists around which the activity centre develops (e.g. major transport infrastructure, a university or major public infrastructure). The second situation is that major microeconomic and macroeconomic factors cause a significant structural change in the local economy. This may in part occur passively, as markets and activities happen by chance around the centre, however more likely will require active intervention in the local economy to actively seek out opportunities, foster collaborations and unlock capital.

In the case of Cockburn Coast activity centres the South Fremantle Powerstation may offer a point of differentiation, however it's function as a driver of a point of competitive advantage is uncertain, given the timeframes for redevelopment, and reliance on the relocation of the adjacent switchyard. The rapid maturation of Cockburn Coast's activity centres to deliver the employment objectives outlined in the District Structure Plan and DSP2 therefore will likely require active intervention in the local economy, with a common focus of investment held by all tiers of government and the private sector. Passively waiting for economic development to occur within Cockburn Coast activity centres will likely mean slow and incremental development, with

major investment in the South-West sub-region being channeled into Murdoch, and potentially Fremantle.

The potential difference in timing between the onset of the Robb Jetty and Powerstation precincts also provides an opportunity for the coastal village to develop on independent value proposition based upon daily visitation over the next 1 - 10 years prior to development in and around the powerstation.

3 THE BASIS FOR ECONOMIC DEVELOPMENT

3.1 EMPLOYMENT QUALITY

Public sector strategies, business plans and impact statements often focus on the quantum of jobs required (or purported to be generated) at the detriment of the quality of industries and jobs. This is due to a number of reasons including:

- The disparity between the location of jobs and workforce settlement patterns in Perth focusing attention on quantity
- Available local employment data (primarily ABS census 2006) providing easy access to quantity information whilst quality requires significantly more analysis
- Difficulty in defining a 'quality' job, especially given that perceptions of quality are often subjective, and that what may be quality employment in one area, may not be in another
- Difficulty in understanding how 'quality' jobs influence local economies

It is critical to have a basic understanding of employment quality within an area if one is going to seek to influence the future economic development of an area. The key reason for this is the inherent differences in characteristics between different types of employment, in particular, the differences between population-driven and strategic employment.

Population-driven employment may be defined as employment resulting from economic activity servicing the needs of a particular population. This activity is oriented to meet the needs of that population, including; retail and hospitality, construction and industrial services, civic, healthcare and education, and the business-to-business supply chains that service

these industries. This type of activity will largely occur in the presence of a population. The overall level of employment is dependent upon factors including:

- Macro-economic conditions (e.g. GDP growth, CPI levels, interest rates)
- Local unemployment rate
- Local household income
- Constraints on local activity (e.g. availability of land, statutory planning policies, taxation structures)
- Ability of enterprises to capture expenditure

By contrast, strategic employment results from economic activity focused on the creation and transfer of goods and services to an external market. Employment resulting from this activity may be distinct, in industries where there is little or no local demand (e.g. iron ore/uranium mining), or in the same industries as population-driven activity but with a different focus (e.g. manufacture of food/wine, higher education). Strategic employment does not automatically happen, it results from an enterprise actively seeking to meet the needs of an external market and developing a competitive advantage in meeting these needs. Strategic employment is therefore highly variable across different locations.

The presence of significant levels of strategic employment within a local economy is critical to the long-term prosperity and resilience of the economy as:

- There is no 'saturation point' to strategic employment (whereas there is only so much population-driven activity that a particular population needs/can afford)

- A diverse range of economic activity servicing external markets diversifies the risk associated with downturns in a single market
- Strategic economic activity tends to include higher 'value-add' activities that are more likely to result in greater flow-on benefits to the local economy
- Strategic economic activity tends to result in higher wage-productivity for employees and significant business opportunities for small to medium enterprises
- Perceived quality of life, impacts of time spent commuting, in particular, road congestion
- Productivity impacts of road congestion on the movement of goods and people
- The perceived social impacts of dormitory suburbs (suburbs in which are largely empty for a large proportion of the day due to workers being away)
- The public sector costs of maintaining and expanding transport networks (road, passenger rail, buses etc) to move the workforce to and from their place of employment

The difference between population-driven and strategic employment extends to the behaviour of workers attracted to these jobs. Employees in strategic jobs tend to be willing to travel further for work, and are more inclined to remain in a given industry or sector for longer. The absence of strategic employment in a sub-region will result in lower employment self-containment, as these workers travel further afield to their place of work (in the case of Perth in the central sub-region). By contrast, the low-salary and skill requirements of many population-driven jobs makes them more attractive to residents in close proximity to their place of work.

3.2 PROXIMITY TO JOBS

3.2.1 Definition

A general assumption around which a modern urban planning and infrastructure provision is based is that the proximity of a residential population to its place of work should be as close as possible. This relates to a number of factors including:

3.2.2 Relevance for Cockburn Coast

Cockburn Coast's density, amenity, infrastructure and potential employment nodes make it a location where residents in, or in close proximity to the development, can benefit significantly from living in close proximity to their place of employment. The development of the site into one where this value proposition is obvious to a consumer, rather than a plan, will be critical to the success of the development.

3.3 LOCALISATION AND URBANISATION ECONOMIES

3.3.1 Definition

Strategic economic activity occurs through the development of agglomerations of economic activity. Such agglomerations result from the development of localisation and/or urbanisation economies.

Localisation economies are the result of a number of firms and enterprises (including

research institutions, not-for-profit organisations and government departments) in complementary industries and supply chains locating in the same area. Localisation economies are the result of one or more of three factors. These are:

- Availability of specific skilled and specialised labour
- Availability of specialised/essential inputs at a more competitive value due to economies of scale
- Increased efficiency in knowledge transfer/technology, spillovers/collaborations and partnerships due to proximity of partners

Urbanisation agglomerations of activity result from the general benefits that a firm will gain from locating in a particular urban environment. This includes access to general labour pools, access to financial and commercial services and proximity to transport and communication networks.

3.3.2 Relevance to Cockburn Coast

The achievement of the employment targets for the South-West sub-region outlined in Directions 2031 will largely depend on the development of significant agglomerations of activity within activity centres in the sub-region over a short time-frame (activity centres such as Subiaco have taken well over a century to develop their modern-day agglomerations). A clear understanding of the differences between drivers of localisation and urbanisation economies are critical, if successful, targeted investment decisions are to be made by public and private sector stakeholders.

Urbanisation economies can develop as a result of population growth and the sheer scale of an activity centre. An example is the development of agglomerations of retail activity that naturally emerge in response to the consumption demands of a population. In the case of Cockburn Coast this paper will provide an overview of demand modeling and the potential land use planning implications to flow from this.

The development of localisation economies in the short-medium term will need to be based upon the development of one or more competitive advantages for firms in strategic industries locating in the South-West sub-region. This will typically result from infrastructure or a major project that provides the drivers for one of the three factors mentioned in 3.3.1. Infrastructure may relate to hard and soft assets that provide a sustainable, unique advantage for firms that utilise it. Major projects typically seek to attract 'anchor' enterprises around which other firms may be attracted. Unless the reason for attraction of these enterprises is a sustainable competitive advantage (e.g. often a natural resource or piece of infrastructure) these firms will often elicit the benefits offered to entice them (e.g. tax breaks, free land etc) and then move on when a better offer comes along. This is often referred to as 'smokestack chasing'.

In the longer term a sustainable competitive advantage may arise from endogenous growth within an activity centre or sub-region (local firms/entrepreneurs growing and filling a niche). Economic development, focused on the development of endogenous growth, focuses on the facilitation of innovation, entrepreneurship, development of networks, unlocking of capital, and removal

of government barriers. It therefore requires ongoing engagement within the economy with a view to long-term, incremental development.

3.4 MATURATION OF ACTIVITY CENTRES

3.4.1 Definition

The economic maturity of a centre is defined by the quality, not quantity of activity. Immature centres are those typified by low productivity, population-driven activity, whilst mature centres are characterised by high productivity activity, 'channelling' wealth through the export of goods or services.

By assessing the concentration of quality employment located within a centre, we can identify the relative maturity of a centre, and begin to develop economic development strategies appropriate to this level.

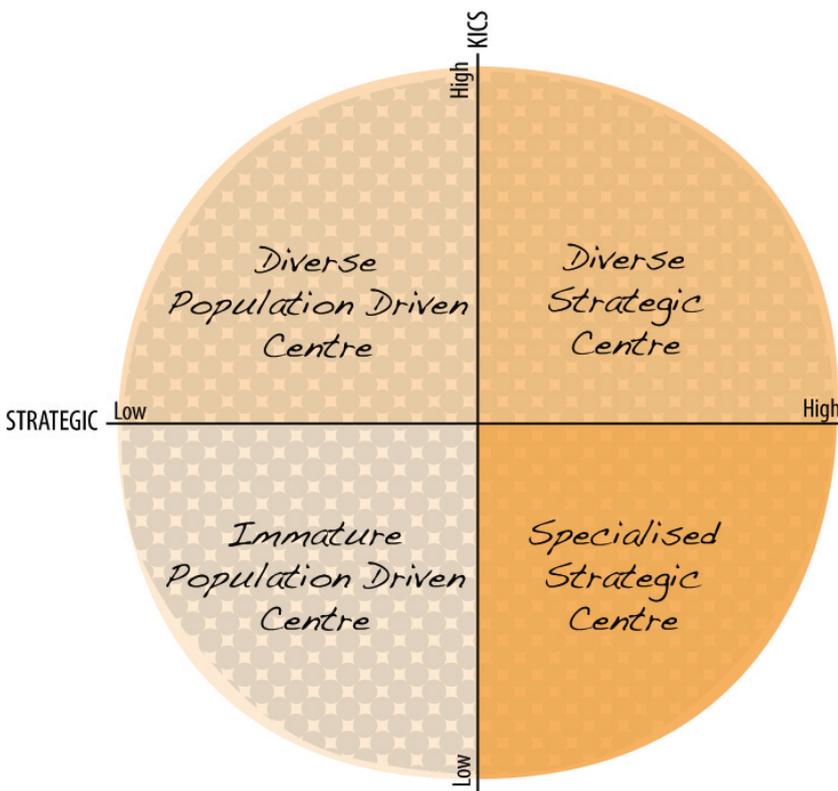
The matrix in Figure 2 illustrates four degrees of activity centre maturity, based upon the relative concentrations of Knowledge Intensive Consumer Services (KICS) and Knowledge Intensive Export Oriented (KIEO) employment.

3.4.2 Relevance to Cockburn Coast

Commercially-oriented activity centres often begin life as an Immature Population Centre, servicing the basic consumer needs of a local population catchment. With low concentrations of KICS and KIEO employment, these centres rely on increasing amounts of expenditure capture through population growth, catchment expansion or increased expenditure by the catchment in order to keep growing. If centres remain as Immature Population Centres, then the scale of the centre will eventually plateau as competitive forces impact upon floorspace productivity, or statutory controls limit continued expansion of individual land-uses (in particular retail).

For an Immature Population Centre to mature, consumption-based growth must be combined with a shift in focus to diversifying activity away from the basic consumption needs of a catchment. This requires servicing the higher order needs of the population (KICS including education and healthcare) with the centre becoming a Diverse Population Centre, or the attraction of KIEO (strategic) industries resulting with the centre becoming a diverse strategic centre (Figure 3). The reasons for this maturation are likely to be the development of agglomerations of activity (as discussed above).

Figure 2: Maturity Matrix

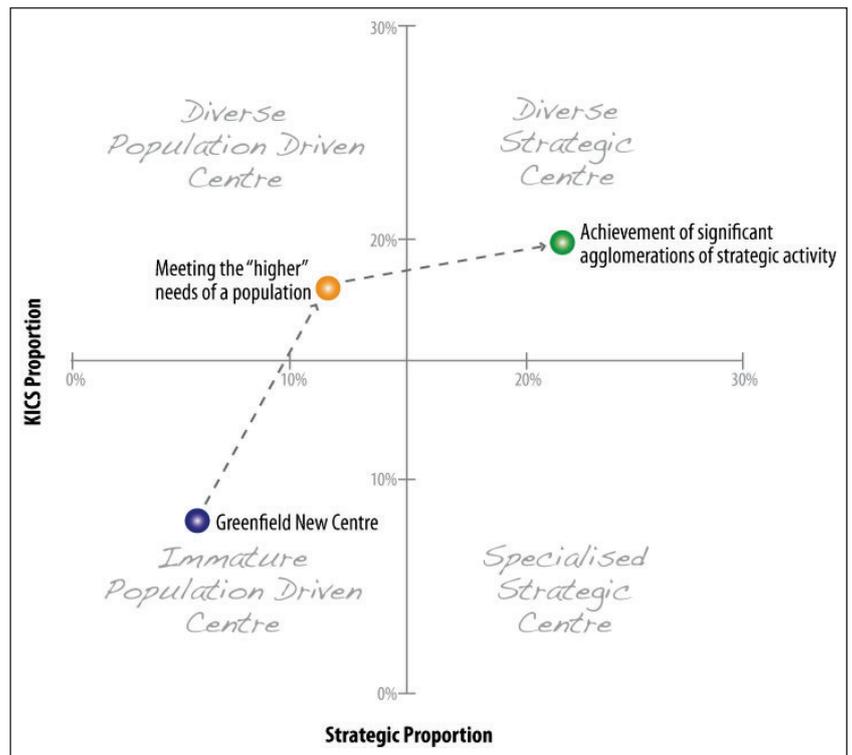


Source: Pracsys

In Australian cities, commercially oriented activity centres located outside of CBDs are most often Immature Population or Diverse Population Centres. More mature and diverse centres lie within the inner suburbs, having grown up over decades (and even centuries), benefiting from the effective density of a city's centralised employment characteristics.

The consequences of Australian cities continuing to encourage centralised quality employment, and decentralised settlement patterns, are becoming well understood. Looking beyond the often arbitrary hierarchies assigned by planning agencies, there is an urgent need for activity centres within middle and outer rings to mature much faster than before, becoming productive adults before their time. A considerable targeted effort is required on behalf of both the private and public sector.

Figure 3: Potential Maturation Path of a Greenfield Activity Centre



Source: Pracsys 2011

4 COCKBURN COAST DSP2 ECONOMIC DEVELOPMENT OBJECTIVES

4.1 VISION

Cockburn Coast is a high quality mixed-use urban development project that attracts a high level of visitation. It is well known for its commitment to sustainable built form and a high proportion of high-level green-star rated buildings that incorporate low-level alternative technology systems. The high-density residential areas host a diverse and vibrant local community that successfully integrates the provision of affordable housing. The Cockburn Coast economy is connected with economic activity in surrounding areas and some regional supply chains.

4.2 GOALS

4.2.1 Employment

The Cockburn Coast District Structure Plan and DSP2 have produced a range of employment targets based upon differing assumptions (Figures 4 and 5).

Figure 4: DSP Employment Targets

Cockburn Coast District Structure Plan	
Target by 2031	
Population	10,000
Dwelling	4,850
Working Population	6,800
Min ESS	40%
Preferred ESS	60%
Min Jobs	2,720
Preferred Jobs	4,080

Source: Cockburn Coast District Structure Plan

Figure 5: Cockburn Coast DSP2 Employment Targets

Measure	Target
Residential Population	10,000
Labour workforce	5,000
Total jobs available within Cockburn Coast	2,750

Source: Cockburn Coast Masterplan 2011

This strategy recognises the ranges in these targets, with the DSP target being considered an optimal employment outcome, and the DSP2 target being considered a minimal achievement. As such the economic development strategy is seeking to achieve total employment outcomes of between 2,750 (Scenario 1) and 4,080 jobs (Scenario 2). Analysis that examines the potential breakdown of these jobs is provided in later sections

4.2.2 Economic Maturation

The economic maturity of the Cockburn Coast economy is based upon the proportion of quality employment. The land use implications for each scenario will vary depending on the quantity and type of employment prevalent, as different types of jobs have different land use requirements. Figure 6 provides a visual representation of the different maturation required by the Cockburn Coast economy for employment scenarios to be achieved.

The DSP2 sets a range of targets that reflect this required maturation. This includes the development of agglomerations of strategic activity within the site as reflected by the achievement of significant employment concentration of strategic industries.¹

Measure	Scenario 1	Scenario 2
Cockburn Coast Job Target	2,750	4,080
Number of population driven jobs per one resident	0.23	0.3
Real increase in average weekly wages from 2011 census (working population)	10%	20%
Economic concentration of top three strategic industries, with a minimum of 100 workers	ECF = 2.0+	ECF=7.5+

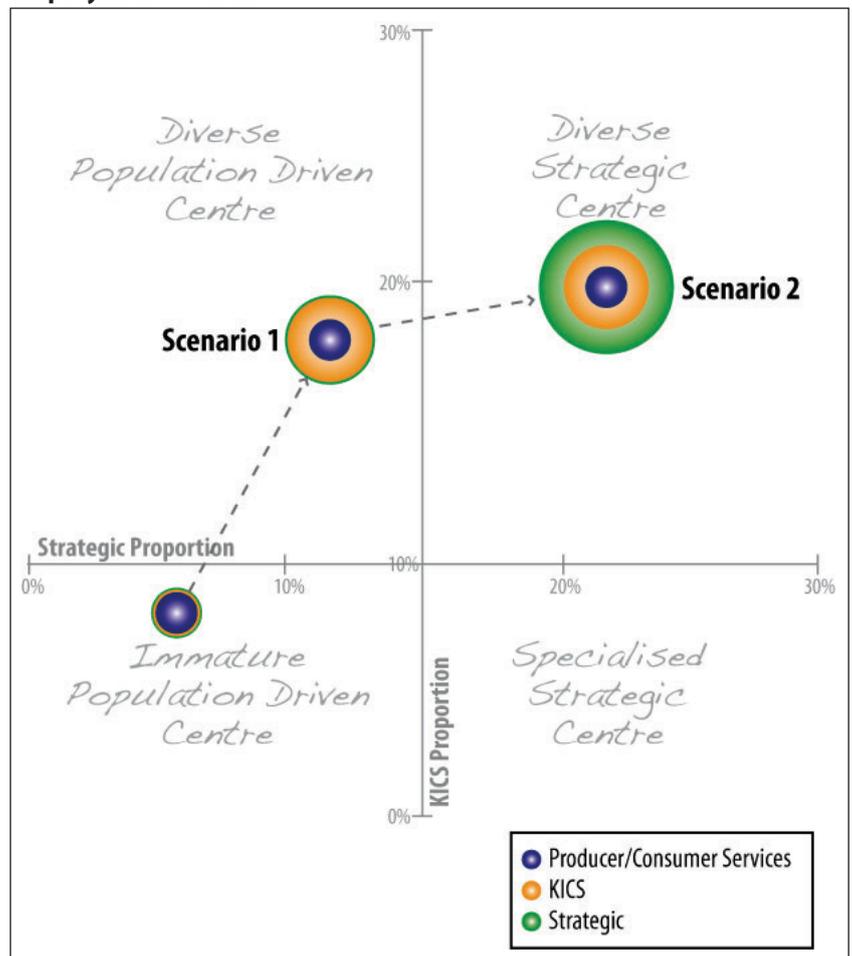
4.3 STRATEGY PRINCIPLES

1. Encourage strong comparative advantages around which strategic employment may be based.

Perth's centralised employment characteristics are based upon the comparative value propositions of the various activity centres. Enterprises make locational decisions based upon judgement as to what an area offers compared to another. Considerations for a location include proximity to important supply chains, proximity to essential infrastructure, connectivity to other activity centres, availability of skilled workforce and the cost to business in locating there.

¹ Employment concentration factors describe the relative concentration of an industry at a specific location comparative to the Western Australian average. As such Scenario 1 seeks to attract three strategic industries to level of double the concentration found on average across the state.

Figure 6: Required Maturation of Cockburn Coast Economy to Achieve Employment Scenarios



Source: Pracsys 2011

2. Focus on the development of industry that meets ongoing national and international needs.

Strategic economic activity is differentiated from population-driven activity by the generation of net new income for an economy through the creation of knowledge, goods and services that are of value to markets outside the immediate catchment.

3. Proactive Management of Potential Site Capacity and Performance Constraints

Significant uncertainties and constraints may have an ongoing impact upon the ability of Cockburn Coast to achieve its desired economic development goals. This includes factors such as:

- Relocation of Western Power's switchyard
- Stabilisation and refurbishment of the South Fremantle Power Station
- Management of impacts of the Fremantle Freight Rail Line
- Potential construction of Cockburn Coast Drive

Ongoing planning for, and development of, Cockburn Coast requires a proactive approach to managing and resolving these uncertainties and risks if sufficient public and private sector investment is to be attracted to the site.

4. Development of Population-Driven Urbanisation Economies

The potential limitations on Cockburn Coast's catchment means that its activity centres will need to be heavily focused on meeting the

needs of a user mix in an efficient and effective configuration that builds consumer habits and encourages multiple purpose trips. This however, needs to occur in the context of the assigned hierarchy of a district centre as outline in SPP 4.2.

5. Development of Strong Symbiotic Relationships with Surrounding Activity Centres

Key to the economic development of Cockburn Coast, will be the relationship of the district centre with surrounding major centres in Fremantle and Murdoch. The infrastructure and economic functions of these centres should not be replicated nor competed against with Cockburn Coast, with a focus instead on finding niches of activity that complement the development of these higher order centres.

6. Activities should support the endogenous development of strategic economic activity.

Endogenous growth refers to activity originating from within a region or sub-region. It is the development of export oriented industries based upon capacity developed internally, although with strong connections to international supply chains and markets. In the case of Cockburn Coast, endogenous growth structures may focus specifically on the development of a skilled workforce required by sub-regional strategic enterprises.

5 KICS AND STRATEGIC EMPLOYMENT

5.1 DRIVERS FOR CHANGE

The timeframes for development of Cockburn Coast’s major economic assets (especially the Power Station), make prediction and planning for the development’s economic context at that far into the future challenging. This strategy chooses to examine the plausible drivers that will determine Cockburn Coast’s economic development at the time, with a view to ensure that there are the appropriate structures to leverage the development’s asset’s, and to ensure that there are minimal unnecessary inhibitors to growth. The approach aims to ensure the strategy remains relevant over a range of plausible futures, rather than picking a preferred future for 10-20 years time, and planning a singular outcome around it. The ‘cone of plausibility’ model is useful in understanding this. The Model recognises that there is often an identified ‘most probable’ or preferred future, but a range of alternative futures fit within the limits of plausibility. This range of plausibility expands the further into the future that we try to examine. Figure 7 describes the strategy of many agencies and organisations. A preferred future is identified with a detailed strategy describing the ‘vision’ of the future and the pathway of action and activities required to get there. What is largely ignored is the myriad of other plausible futures that may impact upon the success of the strategy.

Figure 8 describes a strategy that, whilst still defining the preferred future of the firm, builds in mechanisms that may recognise and correct the strategy’s trajectory in the event that it doesn’t follow the preferred route. In extreme cases it may even have mechanisms in place that result in a change in the identified preferred future.

Figure 7: Traditional Strategy Approach

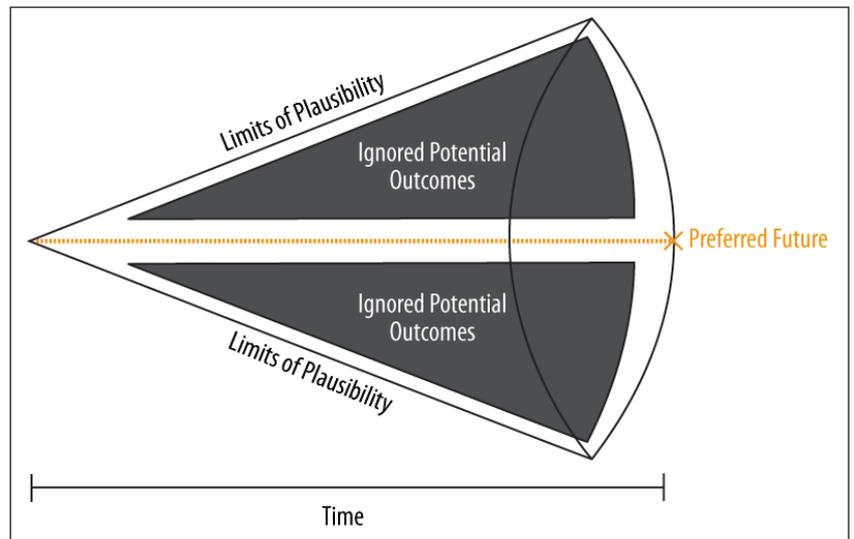
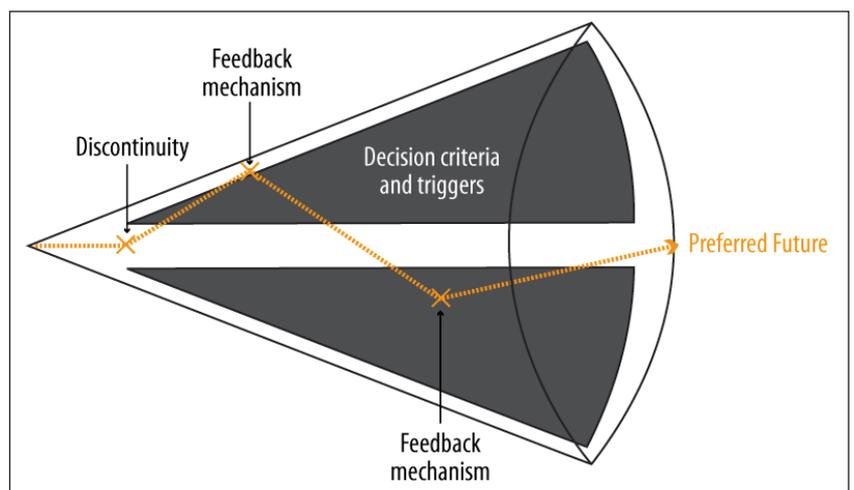


Figure 8: Alternative Strategy Approach



The ‘preferred future’ identified by the district structure plan and DSP2 is the creation of strategic jobs. By definition these jobs will need to be in industries that directly export, or facilitate the export of goods and services to external markets. Progress to this outcome will likely be incremental, with macro-and micro-economic drivers presenting ever-changing

challenges and opportunities for Cockburn Coast. A number of the future drivers that may be critical to Cockburn Coast include:

- Decentralisation of employment
- Working-age population growth
- Expansion of the knowledge and service sectors of the economy

5.2 OPPORTUNITIES FOR LOCALISATION ECONOMIES

5.2.1 Supply Chain Augmentation

Cockburn Coast's location at the centre of major logistical and export supply chains of Perth provide significant opportunities for enterprises locating within the development to act effectively as a supplier, collaborator, investor, or customer. Enterprises may choose Cockburn Coast as the location for these activities due to a number of factors including:

- Benefits from colocation with major customers/suppliers/collaborators
- Benefits from access to major infrastructure
- Capacity constraints limiting development in surrounding centres
- Benefits from established urbanisation economies within activity centres at Cockburn Coast

Successful economic development at Cockburn Coast will be the result of a number of these factors ultimately providing a compelling value proposition to potential enterprises. The existing capacity constraints being experienced by enterprises in Fremantle may be a significant driver in encouraging enterprises naturally attracted to the Strategic

Metropolitan Centre in looking further afield for a location for their activities. This may provide the impetus for investment by a number of seed tenants around which agglomerations may be developed over time. Investment by the public and/or private sector in public transport infrastructure, a potential marina, and targeted workforce training facilities may provide an additional attractor for enterprises in or supporting industries including:

- Shipbuilding
- Industrial chemical manufacture
- Marine and export logistics
- Agricultural exports
- Oil and gas equipment manufacture

5.2.2 KICS Agglomerations

Knowledge intensive consumer services employment includes activities such as education, healthcare, aged care, personal finance, architecture, construction, and accountancy and real estate. Cockburn Coast's activity centre designation as a District Centre suggests that, based upon the traditional view of district centres as suburban box-retail outlets, there are limited opportunities for KICS employment. It is likely however that Cockburn Coast's District Centre is significantly different, with more in common with Leederville than Spearwood. This will be in part due to the:

- Provision of most of the convenience retail required by the catchment population within the Robb Jetty coastal village
- A significant workforce population providing effective density for KICS activities

- High density resident population in a development focused on encouraging local expenditure, minimal car-based activities, and a local focus on meeting life needs

Based upon this, there is potential for KICS activities to become a major contributor to employment within Cockburn Coast, with agglomerations of high-productivity activity focused on servicing local, and external markets. The inclusion of targeted workforce training activities focused upon strategic value chains would also contribute to this.

6 COCKBURN COAST RETAIL DEMAND ANALYSIS

Retail floorspace demand is derived from the modelled pools of expenditure and floorspace productivity thresholds of respective retail types. The model assumed that productivity across all areas would improve over time, indicating that businesses within the City will become more productive per sqm of floorspace as the local economy matures and user population expands. This reflects more activated activity centres that effectively capture greater levels of expenditure within the same provisions of floorspace.

6.1 USER MIX

An understanding of the future provision of retail floorspace required needs to begin with an analysis of the future users of retail offerings within the area. Key user groups for the Cockburn Coast commercial and retail offerings were considered to be:

- Local Residents
- Local Workers
- Day Visitors
- Night Visitors

One significant limiting factor for the Cockburn Coast development site is its isolation from surrounding population or industrial centres. Combined with its coastal location (an already limiting factor for catchment potential), results in a very limited catchment area from which to draw upon. In addition to this, its relative proximity to a major retail precinct in Fremantle has the potential for significant leakage from its limited catchment area.

In order to generate the user mix for each scenario, it is necessary to make various assumptions around the calculation of number

of residents (measured in terms of dwellings) and the number of workers and visitors for the area.

The first category within the user mix is local residents within the Cockburn Coast area. To this end, the residential floorspace was combined with the total projected number of dwellings for Cockburn Coast, provided by Colliers 2011 (Refer to Figure 9).

Figure 9: Estimated Residential Floorspace and Dwelling Yields

	No Marina	Marina
Residential floorspace (sqm)	105,064	140,129
Dwellings within Power Station Precinct	652	1,034
Total Cockburn Coast Dwellings	4,850	4,850

Source: South Fremantle Power Station Draft Masterplan Yields December 2011)

The second category contributing to the Cockburn Coast user mix are the workers that will be servicing the main industries located there (Refer to Figure 10). These are broadly split into three sub-types:

- Commercial
- Retail
- Hotel

Figure 10: Assumptions for the Calculation of Worker Numbers

Floorspace (sqm)/ Commercial Worker	20
Floorspace (sqm) / Retail Worker	30
Floorspace (sqm)/ Hotel Worker	70

Source: Pracsys Analysis 2011

As with both residential and worker numbers, various assumptions have been made around the number of visitors to a particular site, and the average spend per individual while they are at the destination (Refer to Figure 11).

'Visitors' to a particular location is a term that needs to be broken down in order to better determine who will be visiting the particular area, from where, and for what purpose. Where groups and individuals will be visiting from is primarily determined from the locations catchment area across certain radiuses.

Figure 11: Number of Day and Night Visitors and average spend per visitor

Visitor group	Total possible visitor Number	Marina and Main Street	No Marina and Main Street
Day-time visitors			
Cockburn	91,313	60%	50%
Rockingham	104,130	60%	50%
Fremantle	28,626	60%	50%
Kwinana	29,029	60%	50%
Melville	102,434	60%	50%
South Perth	43,908	60%	50%
Canning	88,433	60%	50%
Mandurah	70,413	60%	50%
Intrastate visitor	3,890,000	10%	7%
Interstate Visitors	1,090,500	20%	13%
International visitors	689,500	20%	13%
Total day-time visitors		334,972	279,143
Night-time Visitors			
Cockburn	91,313	30%	25%
Rockingham	104,130	30%	25%
Fremantle	28,626	30%	25%
Kwinana	29,029	30%	25%
Melville	102,434	30%	25%
South Perth	43,908	30%	25%
Canning	88,433	30%	25%
Mandurah	70,413	30%	25%
Intrastate visitor	3,890,000	3%	2%
Interstate Visitors	1,090,500	7%	4%
International visitors	689,500	7%	4%
Total night-time visitors		415,819	305,127

Source: Pracsys Analysis 2011

In order to calculate the total expenditure pools by floorspace type, we need to calculate the user mix multiplied by the expenditure pattern of each group. The expenditure calculations for each user group gives total expenditure for different types of retail floorspaces. Based upon modelled population projections, estimates of available pools of expenditure for each user group were developed.

The pools of expenditure currently available within the City of Cockburn were calculated based on the current population of each user group, with estimated expenditure patterns and leakages applied. Worker, day and overnight visitor expenditure patterns were assumed to correlate with ABS HHES (2009-10) retail expenditure for each night spent within the city.

Retail floorspace consists of three main elements:

- Convenience goods
- Comparison goods
- Entertainment

Convenience goods are those that are required by local residents and visitors to enable daily living activities. They are usually perishable in nature, and need to be consumed shortly after purchase, necessitating proximate supply. The nature of these goods often means that they are purchased multiple times per week.

Comparison goods are those that are generally acquired by a population outside of their area of residence. In contrast to convenience goods, they are generally more durable in nature, and therefore allow greater travelling time from residences to suppliers. Household goods such as white goods, furniture, or clothing

are usually supplied by large, bulky goods warehouses outside of major residential areas.

Entertainment facilities are the final element that comprise total retail floorspace demand. In contrast to the previous two elements, this is generally a service, rather than a good, that is provided.

In order to calculate the total retail floorspace required, the total expenditure pool is converted to a demand by productivities of comparison that show a sqm demand for the three different floorspace types and therefore a demand for total retail floorspace.

The demand for floorspace type needs to be divided by the floorspace productivity and assumes a level of turnover required to sustain a major tenant at a comfortably productive level (Refer to Figure 12).

Figure 12: Floorspace Productivity Assumptions

Convenience floorspace productivity	\$7,500
Comparison floorspace productivity	\$6,000
Entertainment floorspace productivity	\$6,000

Source: Pracsys Analysis 2011

6.2 FUTURE DEMAND RESULTS

The population-driven demand analysis findings suggest that based upon the modelled user mix and the latest yields prepared as part of the Powerstation Masterplan, the non-marina option could support 16,500sqm nla of retail and entertainment floorspace, whilst the marina option could support 19,800sqm nla of retail and entertainment floorspace.

Figure 13: Retail and Entertainment Demand Breakdown

	No Marina	Marina
Convenience floor space supported	9,000	9,400
Comparison floor space supported	4,000	4,900
Entertainment floor space supported	3,500	5,500
Total ground floor commercial floor space supported by retail and entertainment (sqm)	16,500	19,800

Source: Pracsys 2011

These yields are based upon the difference in the user mix resulting from the Powerstation Precinct's characteristics as per the assumptions described in 6.2.

7 EMPLOYMENT ANALYSIS

Envisaging the achievement of the employment goals of Cockburn Coast requires consideration of development of a unique local economy that meets the needs of a range of users and markets. Employment analysis conducted as part of this report expands upon the high-level analysis included in the DSP2, to consider the potential breakdown of employment by quality under both scenarios, and the floorspace implications of each.

A key characteristic of employment that needs to be examined within district level developments like Cockburn Coast is the breakdown of centre-based versus decentralised employment. These assume that employment becomes increasingly centralised within the development's two centres, with activities like healthcare and education being integrated into centres rather than dispersed throughout the suburb. Decentralised activities such as producer services will initially be dominant as a construction workforce builds housing and infrastructure. These activities will however decrease over time as the construction phase of the development is completed and economic activity becomes focused on the longer-term centre-based activities.

Figure 14: Centre-Based Employment Assumptions

	% of Centre-Based Employment
KICS	75%
Strategic	85%
CS/PS	70%

This breakdown of centre-based employment was applied in both scenarios as a basis for estimating centre-based employment, and the subsequent floorspace demand that may flow from this economic activity.

7.1 SCENARIO 1 – DSP2

The DSP2's stated goal of 2,750 jobs is aspirational for a development with limited potential for continued retail expansion and development (as discussed in Chapter 7). In this scenario Cockburn Coast is a high quality mixed-use urban development project that attracts a high level of regional visitation based upon a vibrant redeveloped Powerstation precinct that is recognised throughout the metropolitan area as a destination of choice for families, events and a range of experiences. High-density residential areas host a diverse and vibrant local community that successfully integrates the provision of affordable housing. The Cockburn Coast economy is connected with economic activity in surrounding areas and to some regional supply chains.

Key economic outcomes that may need to occur for Scenario 1 to be achieved include:

- Early investment in high frequency public transport that facilitates strong linkages between Cockburn Coast, Fremantle and Murdoch
- Prioritisation of investment in Cockburn Coast infrastructure by the Western Australian State Government (including but not exclusive to the switchyard relocation, Powerstation redevelopment, and public transport)
- Maturation of the Perth apartment and residential market to ensure envisaged densities are commercially viable
- Development of a strong urbanisation economy at Cockburn Coast based upon high amenity, complementary activity centres that service the needs of local residents and regional visitors and workers

- Strong economic linkages between commercial activity within Cockburn Coast's district centre, and major sub-regional economic nodes at Fremantle, Murdoch, Henderson, Latitude 32 and Kwinana through initiatives including workforce training, microbusiness incubation, and development of at least one strategic localisation economy (potentially focused on export logistics, oil and gas consulting services, or shipbuilding consulting services)

An employment breakdown for Cockburn Coast that realistically achieves the employment targets set in Scenario 1 is shown in Figure 16.

Figure 16: Scenario 1 Employment Profile

DSP2	CS/PS	KICS	Strategic	Total
Centre	1,050	750	213	2,013
Decentralised	450	250	37	737
Total Jobs	1,500	1,000	250	2,750

Source: Pracsys 2011

7.1.1 Employment Quality Breakdown

As per the DSP2, Scenario 1 modelling assumed the achievement of 0.25 population-driven jobs per resident within Cockburn Coast. The breakdown of this employment is shown in Figure 16, with consumer/producer services related industries providing 0.15 jobs per resident, whilst knowledge intensive consumer services provide 0.10 jobs per resident. This is similar to the breakdown for Leederville, with the activity centres containing significant convenience retail and specialty stores, but no major department or discount department stores (as per the modeling in Chapter 7), and a range of KICS services catering to a significant residential and worker population. This breakdown also would assume attraction of a major piece of KICS infrastructure such as a workforce training institution catering to approximately 150-200 jobs.

Figure 15: Scenario 1 Breakdown of Population-Driven Employment

CS/PS	0.15
KICS	0.10

Source: Pracsys 2011

The key characteristics of this breakdown include:

- 0.25 population-driven jobs for the residential population of 10,000
- A significant increase in centre-based employment from levels experienced in most suburbs of Perth due to the consolidation of education and healthcare activities into centres
- Achievement of the attraction of 250 strategic jobs through the development of a strategic agglomeration economy and attraction of footloose strategic enterprises to the area

7.1.2 Floorspace Implications

Figure 17 provides an indicative breakdown of floorspace demand by employment type for centre-based jobs. It is highly indicative, but serves to provide planners with yields around which to plan activity centres. Flexibility should be ensured in implementing Cockburn Coast so that these yields do not tie development to a certain economic trajectory particularly, when the economic context of the development has evolved.

Figure 17: Indicative Activity Centre Floorspace Yields Based Upon Scenario 1 Employment

Ground Floor demand by type (sqm) MP	Number of Jobs	Floorspace Required/ Employee (sqm)	Floorspace Demand (sqm)
CS/PS	1,050	25	26,250
KICS	750	30	22,500
Strategic	213	18	3,728
Total	2,013		52,478

Source: Pracsys (2011)

These yields should be considered an update to those provided in the original DSP2 document as they are based upon more detailed analysis and significantly scale back floorspace in industrial and peri-industrial uses. Based upon the latest available yields for the Robb Jetty and Powerstation precincts, current plans provide for between 59,445 and 61,165 square metres of commercial net lettable area floorspace. This activity has not been broken down into more detailed yields at this time.

Given that future local structure planning will provide detailed planning of commercial floorspace within the Robb Jetty, the Powerstation and the District Centre it is reasonable to assume that these yields will be achievable over the site. (Figure 18)

Figure 18: Scenario 1 Projected Floorspace Requirements as a Proportion of Current Planned Commercial Floorspace

Total Commercial n/a Proposed (with marina)	59,445
Total Commercial n/a Proposed (without marina)	61,165
Projected Required Floorspace to Support DSP2 Employment Targets	52,478
% of provision of Total Required Floorspace in Robb Jetty and the Powerstation (with marina)	113%
% of provision of Total Required Floorspace in Robb Jetty and the Powerstation (without marina)	116%

Source: Pracsys (2011)

7.2 SCENARIO 2 – DSP

The District Structure Plan’s stated goal of 4,080 jobs is very aspirational for a development with the locational, infrastructure and existing economic characteristics of Cockburn Coast. This Scenario assumes a significant restructure in the immediate economy of the Western Trade Coast, along with Perth as a whole, with the function of the planned district centre evolving over time to be more like that envisioned for a secondary centre in SPP 4.2. In this scenario much of the Western Trade Coast has been redeveloped with high-density residential activity, with Cockburn Coast the natural centerpiece of this development and activity. Sustained economic growth over the decades has meant that Perth’s current and existing activity centres are at capacity, with strategic economic activity overflowing further and further away from major centres to niche locations such as Cockburn Coast. The redeveloped Powerstation has become a jewel of Perth and Australia with visitors the site being a major drawcard for national and international visitors.

Key economic outcomes that may need to occur for Scenario 2 to be achieved include:

- Early investment in light rail linking Cockburn Coast, Fremantle and Murdoch
- Significant public sector investment in the Powerstation Precinct based upon recognition of the potential of this asset to be an iconic location not just for residents of Perth, but also for national and international visitors. This investment includes a possible harbour, as well as ongoing management of the asset for a multitude of events, festivals and shows
- Capacity constraints at Fremantle have seen a number of major enterprises move to Cockburn Coast to expand
- Maturation of the Perth apartment and residential market has evolved to accept medium-high density living as the norm
- Development of a regionally significant urbanisation economy at Cockburn Coast focusing on meeting the needs of a regional population of residents, workers and visitors. Cockburn Coast is recognised as ‘the place to go’ to meet specific needs (including high-end retailing, weddings, etc)
- Cockburn Coast’s economy interweaves with major sub-regional economic nodes at Fremantle, Murdoch, Henderson, Latitude 32 and Kwinana with major companies operating along Western Trade Coast choosing to locate offices at the site

7.2.1 Employment Quality Breakdown

Scenario 2 assumes the achievement of 0.3 population-driven jobs per resident within Cockburn Coast. This is a highly aspirational target that assumes the Powerstation becoming a hub for entertainment and recreational opportunities that activates a significant retail offer in the adjacent district centre. The breakdown of this employment is shown in Figure 19, with consumer/producer services related industries providing 0.18 jobs per resident, whilst knowledge intensive consumer services provide 0.12 jobs per resident. This breakdown is significantly higher than that which currently exists in Perth, but assumes Cockburn Coasts value proposition for retail results from the combination of an immediate catchment of 10,000 residents, a very vibrant Powerstation precinct catering to national and international visitors, and a very vibrant employment node with workers travelling from all over Perth to work in high quality jobs. Under this scenario more floorspace intensive offers such as department and discount department stores start to become viable within the district centre. KICS services will cater to a significant residential and worker population with attraction of a number of pieces of KICS infrastructure such as a workforce training institution catering to approximately 300-400 jobs.

Figure 19: Scenario 2 Population-Driven Jobs Breakdown

CS/PS	0.18
KICS	0.12

Source Pracsys 2011

An employment breakdown for Cockburn Coast that realistically achieves the employment targets set in Scenario 2 is shown in Figure 20.

Figure 20: Scenario 2 Employment Profile

District Structure Plan	CS/PS	KICS	Strategic	Total
Centre	1,260	900	918	3,078
Decentralised	540	300	162	1,002
Total Jobs	1,800	1,200	1,080	4,080

Source: Pracsys 2011

The key characteristics of this breakdown include:

- 0.3 population-driven jobs for the residential population of 10,000
- A major increase in strategic employment from Scenario 1, with 1,080 jobs require in industries creating or facilitating the export of goods or services to external markets. This equates to approximately 8% of the total new strategic employment required in the South-West sub-region for Direction 2031 employment targets to be achieved

7.2.2 Floorspace Implications

Figure 21 provides an indicative breakdown of floorspace demand by employment type for centre-based jobs to deliver the employment outcomes modelled for Scenario 2. It is highly indicative, but serves to provide planners with yields around which to plan activity centres. Flexibility should be ensured in implementing Cockburn Coast that these yields do not tie development to a certain economic trajectory, when the economic context of the development has evolved.

Figure 21: Indicative Floorspace Requirements to Achieve Scenario 2 Employment

Ground Floor demand by type (sqm) MP	Number of Jobs	Floorspace Required/ Employee (sqm)	Floorspace Demand (sqm)
CS/PS	1,260	25	31,500
KICS	900	30	27,000
Strategic	918	17.5	16,065
Total	3,078		74,565

Source: Pracsys (2011)

A significant challenge of upcoming local structure planning processes will be planning for the ability to meet these yields, whilst not unduly quarantining or restricting land uses given the aspirational nature of these targets. Based upon yields prepared to date, and with an understanding of the potential for increased commercial yields in the District Centre, as well as the mixed business zone in the north of the development, it is reasonable to assume that this employment can be accommodated (Figure 22).

Figure 22: Scenario 2 Projected Floorspace Requirements as a Proportion of Current Planned Commercial Floorspace

Total Commercial nla Proposed (with marina)	59,445
Total Commercial nla Proposed (without marina)	61,165
Projected Required Floorspace to Support DSP2 Employment Targets	74,565
% of provision of Total Required Floorspace in Robb Jetty and the Powerstation (with marina)	80%
% of provision of Total Required Floorspace in Robb Jetty and the Powerstation (without marina)	85%

Source: Pracsys 2011

The challenge of future planning processes will be configuring built form to help drive economic development, whilst allowing flexibility in outcomes to meet the changing context of the sites over the extended life of the project.

This may entail actions ranging from ensuring flexibility in built form, encouraging adaptive re-use and ensuring land-use zonings and structure plan guidelines are flexible enough to remain relevant as Cockburn's context changes.

8 COCKBURN COAST EMPLOYMENT INITIATIVES

Within the existing planning that has occurred for Cockburn Coast, a number of initiatives and interventions have consciously been proposed that will impact upon the achievement of Scenario 1 and 2 employment goals.

8.1 SOUTH FREMANTLE POWERSTATION

The South Fremantle Powerstation is the natural differentiator for Cockburn Coast. It provides identity for the site, as well as a historic asset that can be leveraged to generate significant urbanisation economies based upon attraction of visitors from regional (and potentially national and international) markets. Currently, planning for the powerstation is considering two plans, a harbour and non-harbour option. Both of these seek to leverage the asset and build upon it to deliver something unique to Perth.

The non-harbour option will likely provide a high amenity sub-regional attractor that will be a destination for leisure, events and recreation for users primarily from south of Perth. As such it is aligned with the employment goals of Scenario 1.

By contrast the harbour option provides an additional asset around which to build a value proposition for enterprises and users. If the harbour successfully positions itself as a marine-based destination for users from Perth and Fremantle, as well as a yacht club, ferry and even cruise ship destination then the prospect of achievement of Scenario 2 becomes increased.

Critical to the success of the Powerstation redevelopment will be an entrepreneurial business case that manages the needs of a range of public and private sector stakeholders, and facilitates financial outcomes that deliver the investment and development required for the vision to be achieved. This includes finding a solution to the relocation of the adjacent switchyard.

8.2 ROBB JETTY COASTAL VILLAGE

Planning for Robb Jetty Coastal Village envisages an intense, vibrant precinct that provides for the daily convenience needs of Cockburn Coast's residential population. Critical to the creation of a daily-user focused urbanisation economy at this location will be its strong relationship with the surrounding residential catchment, and the ability of the centre to facilitate multi-purpose trips where a range of transactions (economic and social) occur each visit. As such the integration of the school into the site, as well as the intensification of activity into a defined area between the school and the rail line will be critical to the development and maturation of the centre. Landcorp is currently facilitating the preparation of such a business case.

8.3 PUBLIC TRANSPORT INFRASTRUCTURE

Planning for a high frequency public transport spine through Cockburn Coast has the potential to drive significant investment and economic activity if it is supported by other targeted economic development initiatives that facilitate the inflow of workers rather than the outflow of commuters. Whilst urbanisation economies can be shown to be facilitated to a greater extent

by light rail rather than high-frequency bus services, the critical feature of this line will be connection to not only Fremantle, but also the Murdoch Activity Centre.

There has been significant study of the potential for such links including the South-west Metro Corridor Study which helped inform the Public Transport Authority's 20-year plan.

8.4 PLANNING FOR CAPACITY AND FLEXIBILITY

There is significant opportunity within existing planning for Cockburn Coast for development to occur based upon the context and demands of the day. This occurs through the designation of the mixed-business zone in the north, as well as transitional spaces of mixed use development surrounding activity centres. These zones will be controlled for uses that should be consolidated within the centres (retail in particular).

The natural staging of Robb Jetty and the Powerstation precinct will allow for ongoing adaptation of land-uses and activities to meet the economic context of the day.

9 IMPLEMENTATION AND GOVERNANCE

The successful implementation of the strategy is reliant upon the delivery of the key objectives required to support the development of the Cockburn Coast economy. The implementation plan discusses the economic development priorities for Cockburn Coast and suggests a governance mechanism capable of producing the optimal outcomes required.

9.1 PRIORITIES FOR ECONOMIC DEVELOPMENT

9.1.1 Resolution for Powerstation and Switchyard

Critical to the achievement of the strategy is the redevelopment of the Powerstation site. The ongoing uncertainty surrounding a preferred solution for the Powerstation refurbishment and relocation of the switchyard is a major constraint to future investment for Cockburn Coast. Ongoing planning for, and development of, Cockburn Coast requires a proactive approach to managing and resolving these uncertainties and risks if sufficient public and private sector investment is to be attracted to the site.

The Powerstation site is a catalyst for investment as it provides Cockburn Coast with a major piece of infrastructure to act as an anchor for activity. The Powerstation refurbishment would be a driver for identity, investment and attraction of a wider range of users to the site by improving the value proposition of Cockburn Coast and creating a sustainable competitive advantage for the area. The increased attraction of residents, visitors, workers and enterprises and associated transactions can also create the activity needed for the development of urbanisation and localisation economies in Cockburn Coast.

The immediate future focus of employment generation and economic development at Cockburn Coast should be in facilitating the optimal outcome for this site. This includes settling on a preferred option for a Powerstation masterplan and the prioritisation of investment for the site and the switchyard through an entrepreneurial business case.

9.1.2 Activity Centre Planning

The successful development of Cockburn Coast will require detailed activity centre planning for the Powerstation and Robb Jetty precincts. The Powerstation is the natural differentiator for Cockburn Coast. It provides identity for the site, as well as a historic asset that can be leveraged to generate significant urbanisation economies based upon attraction of visitors from regional (and potentially national and international) markets. Planning for Robb Jetty Coastal Village envisages an intense, vibrant precinct that provides for the daily convenience needs of Cockburn Coast's residential population.

Following on from the preparation and approval of strong business cases for these sites should be an activity centre planning process to create detailed local structure plans which are supportive of the Cockburn Coast vision. This includes:

- Refining the site yields
- Assessing local economic activation using six principles of economic activation:
 1. Purpose of Place – Define the purpose of place for its intended user mix
 2. Arrival Points – Identify where various user types arrive and by what means

3. Origins – Locate the car parking and transport nodes
 4. Exposure – Pedestrian thoroughfares between origins and destinations drive street-level activation
 5. Destinations – Major attractions that draw users to the centre
 6. Strategic Sites – Identify strategic sites where uses should be controlled by retaining tenure or specific use controls
- Assessing activity centre performance using the criteria below:
 1. Diversity
 2. Intensity
 3. Employment
 4. Accessibility
 5. Urban form
 6. Economic activation
 - Addressing the need for high frequency public transport within the precincts, and Cockburn Coast as a whole, to drive significant investment and economic activity.

The local structure planning process should provide a logical and robust framework for the future subdivision and site development within the Robb Jetty and the Powerstation precinct.

9.1.3 Staging and Brand Development

Staging and brand development is important for timing the progress of key sites to maximise returns and fulfilling the vision for Cockburn Coast.

The appropriate staging of Cockburn Coast will consider the role of strategic sites in promoting the economic maturity of the development. Local structure plans need to identify and control strategic sites integral to the growth and maturity of such areas as Robb Jetty and the Powerstation precinct. For example, staging needs to recognise the importance of the Powerstation as the natural differentiator and early activity generator for Cockburn Coast. The staging of Cockburn Coast also needs to consider the release of retail and commercial land only when there is a suitable catchment to support these uses.

Staging plans should not limit the transition or adaptation of uses. There is significant opportunity within existing planning for Cockburn Coast for development to occur based upon the context and demands of the day. The natural staging of Robb Jetty and the Powerstation precinct will allow for ongoing adaptation of land-uses and activities to meet the economic context for the development.

A structured marketing and brand development campaign will continue to be a high priority for Cockburn Coast if it is to deliver the optimal product for economic development. This requires that the vision for the project is adhered to and promoted as strongly as possible.

Deliberately developing an economic development brand for Cockburn Coast will require ongoing initiatives in public relations and marketing focused upon communicating the vision, initiatives being undertaken, resources attracted, and milestones achieved. Brand development should not focus solely on residents and businesses within Cockburn and the South-West corridor, but also with local,

state and federal decision makers, key persons of influence and strategic industry decision makers.

9.2 GOVERNANCE

A key factor missing from economic development strategies in Western Australia is the development of a robust governance structure to deliver targeted, tangible and accountable outcomes. Economic development implies active creation of quality employment through targeting strategic industry with a nationally and internationally competitive value proposition. A coordinated governance structure is required to interact effectively with dynamic commercial value chains by leveraging financial and human resources to produce optimal outcomes.

LandCorp will continue to play a constructive role in leading the planning and development of Cockburn Coast, in a manner positively impacting upon the economic development of the south-west sub region. When transitioning from planning to delivery phases of works the project managers, the City of Cockburn, and individual stakeholders will need consistently refer to the vision articulated for Cockburn Coast in the DSP and MAsterplan documents as the guiding principles around which decisions should be made.

In their role as project managers LandCorp would also oversee the priorities for economic development (section 1.1) including:

- The development of an entrepreneurial business case for the Powerstation refurbishment and switchyard relocation to provide a practical pathway for public sector investment and risk management

across all involved agencies – including a proposed land-assembly strategy.

- The preparation of detailed local structure plans for the key project areas of Robb Jetty and the Powerstation precinct, which will provide a logical and robust framework for the future subdivision and site development in a manner that ensures intense, diverse and well activated areas
- The attraction of infrastructure for Cockburn Coast such as major public transport nodes, or major public infrastructure to create a sustainable competitive advantage for the project. This includes LandCorp being the vehicle for actively identifying and pursuing funding for infrastructure and other opportunities through initiatives such as the Suburban Jobs Program.

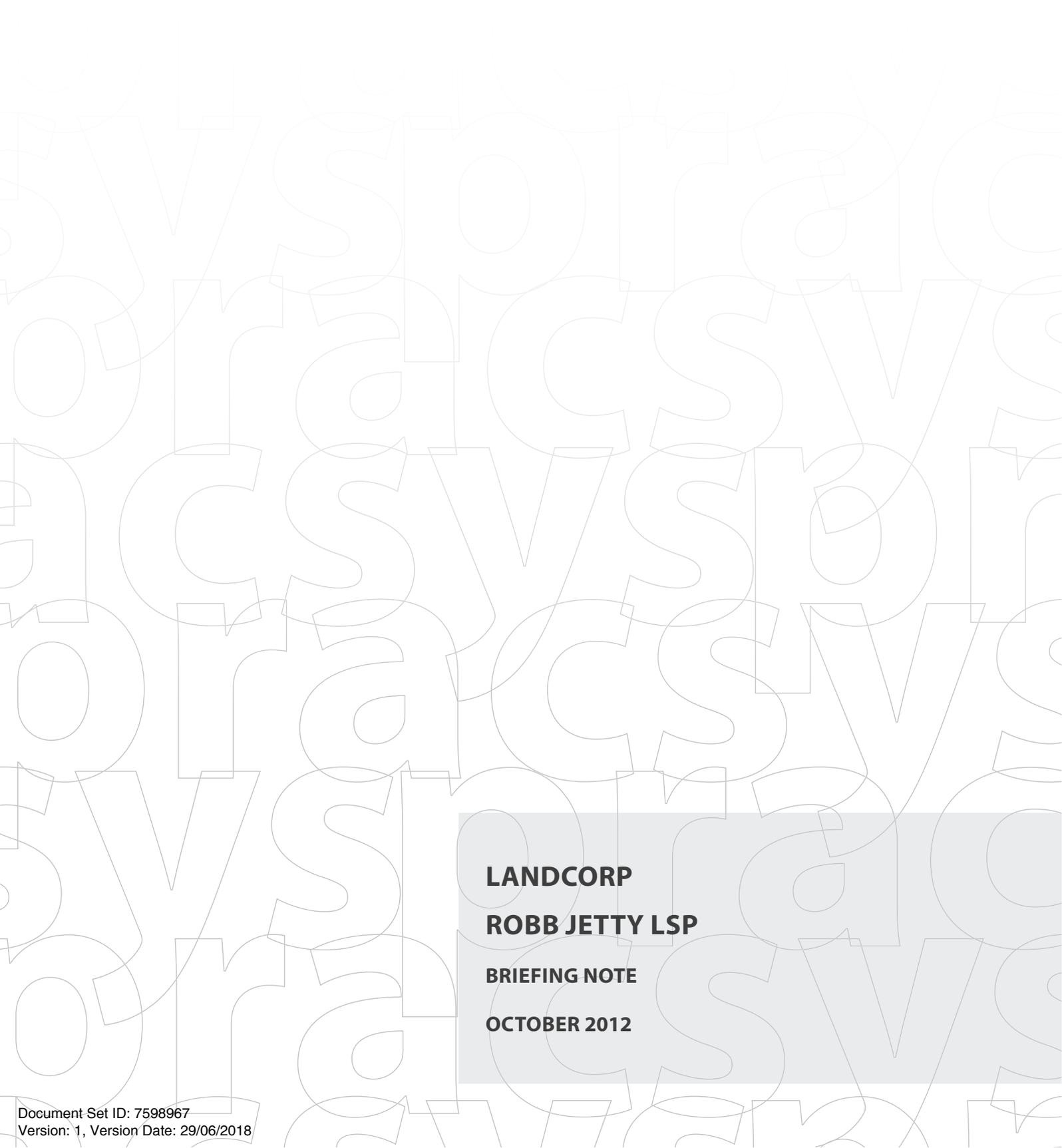
LandCorp possesses the expertise and experience needed to oversee the implementation of the strategy and the Cockburn Coast project as a whole. This includes the ability to attract and allocate resources to significant initiatives for Cockburn Coast and to continue consistent engagement with the public and private stakeholders vital to the project.

10 CONCLUSION

Cockburn Coast has the potential to be a unique place within the urban fabric of Perth, with high amenity, higher density residences integrated into a historic coastal environment characterised by a vibrant, diverse range of activities. Achievement of this vision relies on a range of factors internal and external to the development. The Cockburn Coast DSP2 has sought to address the factors within the control of the development, whilst ensuring flexibility to address the future context of the site. The reality of employment within Cockburn is that it will be largely impacted upon by the surrounding economic development of Fremantle and Murdoch. This may dampen employment growth if state and private infrastructure investment is diverted away from Cockburn Coast, whilst it may present opportunities for Cockburn Coast to leverage capacity constraints and localisation economies at these locations.

Analysis described in this paper supports the scale and configuration suggested in the DSP2, with sufficient floorspace being provided for, and the prospect of development of unique and multiple value propositions around which economic development may occur.

Overall, the successful redevelopment of the South-Fremantle Powerstation will be critical to the achievement of either employment scenario, with it being a driver for identity, investment and attraction of a wider range of users to the site. The immediate future focus of employment generation and economic development at Cockburn Coast therefore should be in facilitating the optimal outcome for this site. This will require balancing the needs of individual stakeholders including LandCorp, Western Power, Verve, the Heritage Council, the WAPC and the City of Cockburn with the vision articulated for the site in the District Structure Plan and DSP2.



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ROBB JETTY LSP
BRIEFING NOTE
OCTOBER 2012

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1 EXECUTIVE SUMMARY

The revitalisation of Cockburn Coast has sought to recognise its unique location within Perth's value chains, whilst envisaging a more urban context for the site. Planning for Robb Jetty envisages an intense, vibrant main street that provides for the daily convenience needs of Cockburn Coast's residential population.

The local structure planning (LSP) phase for the Robb Jetty neighbourhood centre seeks to expand upon previous planning by providing the framework for the coordinated provision of services, infrastructure, land use and development of the area. The purpose of this briefing note is to guide the planning of the LSP by informing the project team of the types and scale of activity proposed for Robb Jetty that would be considered feasible, and in alignment with the Cockburn Coast vision.

It is expected that the Robb Jetty precinct will support 10,800 m² of retail floorspace and 3,700 m² of commercial floorspace. Although these revised floorspace figures are scaled down from previous estimates it is proposed that a modest undersupply of retail floorspace is preferable to an oversupply as it will provide the tenancies with the opportunity to achieve higher floorspace productivities and improve the overall vitality of the centre.

The floorplates depicted for the Robb Jetty precinct suggest a mix of primarily retail land uses (e.g. supermarket and specialities) integrated with a diverse range of non-retail uses (e.g. gym, restaurant, medical centre and bank) focused on serving the needs of the immediate catchment. The floorplates represent different land uses which may be located within the LSP area if it is to achieve the vision established for Robb Jetty.

An assessment of the economic activation matters for the Robb Jetty precinct identified several key issues. These were the integration of the school into the site, achieving activation across 18 hours of the day, promoting pedestrian movement between the centre and the coast, reinforcing the complimentary roles of the centre and the coast, and the integration of a proposed rapid transit route into the main street.

The Cockburn Coast District Structure Plan (DSP) established an employment target 4,080 jobs, with DSP2 having a target of 2,750 jobs. The Cockburn Coast Economic Development Strategy recognises the ranges in these targets, with the DSP being considered an optimal employment outcome, and the DSP2 target being considered a minimal achievement. As such the employment analysis for the three LSP areas of Robb Jetty, Hillside/Emplacement and Powerstation is seeking to achieve total employment outcomes of at least 2,750 jobs in Cockburn Coast.

The analysis indicates that Robb Jetty will likely contribute 780 jobs (28%) toward the Cockburn Coast total. Of these jobs, around 97% will be in population-driven activities with the remaining 3% consisting of strategic jobs. The majority of these jobs (62%) will be centralised along the main street with the rest (38%) distributed throughout the LSP area. This is seen as appropriate for a centre that will serve a primarily population-driven function for the residential catchment of Cockburn Coast.

Additional population-driven and strategic employment within Robb Jetty and throughout Cockburn Coast may be driven by establishing a sustainable competitive advantage to maximise the development of urbanisation and localisation economies. In this regard, the importance of the Powerstation precinct in achieving the overall employment targets cannot be overstated as it will be required to accommodate around 62% of the total jobs for Cockburn Coast.

2 INTRODUCTION

The revitalisation of Cockburn Coast has sought to recognise its unique location within Perth's value chains, whilst envisaging a more urban context for the site. Planning for Robb Jetty envisages an intense, vibrant precinct that provides for the daily convenience needs of Cockburn Coast's residential population. Critical to the creation of a daily-user focused urbanisation economy at this location will be its strong relationship with the surrounding residential catchment, and the ability of the centre to facilitate multi-purpose trips where a range of transactions (economic, social and environmental) occur each visit.

This briefing note for the Robb Jetty precinct needs to be considered in the greater project context. It draws upon a comprehensive planning and development framework for Cockburn Coast including:

- District Structure Plan (DSP)
- DSP 2
- Economic Development Strategy

Planning for the Robb Jetty activity centre has entered the more detailed local structure plan (LSP) phase. This phase is informed by the documents above and seeks to expand upon them by providing the framework for the coordinated provision of services, infrastructure, land use and development of the area.

The purpose of this briefing note is to guide the planning of the LSP by informing the project team of the types of activity proposed for the Robb Jetty neighbourhood centre. The briefing note does this by providing:

- Potential retail and commercial floorspace for the LSP area

- Indicative floorplates to guide planning of retail and commercial land uses
- Discussion of economic activation principles and the specific implications for the Robb Jetty LSP area
- Potential employment for the LSP area

3 RETAIL AND COMMERCIAL FLOORSPACE

The Cockburn Coast Economic Development Strategy establishes the population-driven demand for retail and commercial floorspace across the Robb Jetty and Power Station precincts.

Floorspace demand is derived from modelled pools of expenditure and floorspace productivity thresholds of defined floorspace types. The Cockburn Coast model assumed that productivity across all areas will improve over time, indicating that businesses within the project area will become more productive per square metre of floorspace as the local economy matures and user population expands. This reflects activity centres with higher levels of activation that effectively capture greater levels of expenditure within the same provisions of floorspace.

This section of the briefing note contains a summary of the future floorspace demand projections and provides indicative floorplates to assist planning across commercial land use in the activity centre.

3.1 FLOORSPACE DEMAND

Figure 1: Floorspace Demand for Robb Jetty

Retail Floorspace (m ²)	12,500
Commercial Floorspace (m ²)	42,000*

* Describes the total commercial floorspace across Cockburn Coast. This is distributed amongst the three LSP areas of Robb Jetty, Powerstation and Hillside/Emplacement.

Source: Pracsys 2011

3.1.1 Retail Floorspace

The demand analysis findings in Figure 1 suggest that, based upon the modelled user mix, Robb Jetty could provide approximately 12,500 m² of retail floorspace. Retail demand has generally been focused within the Robb Jetty and Power Station precincts. No retail demand has been allocated to Hillside/Emplacement precinct as activity in this area is more likely to be based around knowledge intensive consumer services (e.g. population-driven industrial and strategic office space) which will consume a proportion of the total commercial floorspace.

3.1.2 Commercial Floorspace

Total estimated commercial floorspace across Cockburn Coast is expected to be in the order of 42,000 m². The commercial floorspace will be distributed amongst the three LSP areas of Robb Jetty, Power Station and Hillside/Emplacement. The population-driven demand analysis suggests that approximately 3,700 m² of commercial floorspace could be supported at Robb Jetty. The population-driven commercial floorspace will be accompanied by additional demand for strategic uses increasing the consumption of commercial floorspace in Robb Jetty.

3.1.3 Strategic Uses

Demand for strategic floorspace is measured independently of population-driven demand as it relies on the existence of other factors in addition to the presence of users in an area (e.g. residents, workers, visitors and firms). An example of this would be businesses seeking to gain a competitive advantage by locating in the Robb Jetty area.

3.2 FLOORPLATES

To assist planning in the Robb Jetty area the following floorplates have been suggested to guide the configuration of potential land uses. The floorplates have been developed utilising benchmark floorspace requirements for various retail and commercial land uses across Western Australia. The floorplates include such uses as supermarkets, specialties, entertainment/tavern, offices, medical, and restaurant/café.

3.2.1 Retail Land Uses

Figure 2 suggests the amount of floorspace which can potentially be allocated for retail land uses in the Robb Jetty area. Although the modelling suggests that there will be demand for 12,500 m² of retail, these centres tend to grow and develop systematically. Without the development of another anchor tenant such as a discount department store, which is inappropriate for a centre at this level in the hierarchy, or the development of larger supermarkets, which are likely to be inappropriate for main street development, it will be difficult to accommodate this level of floorspace at Robb Jetty. A modest undersupply of retail floorspace is preferable to an oversupply as it will allow the tenancies the opportunity to achieve higher floorspace productivities and improve the overall vitality of the centre.

Figure 2: Retail Land Use Floorplates

Retail Land Uses	Total Floorspace Required (m ²)	Indicative Number of Tenancies
Supermarkets	5,000	1 tenancy at 5,000 m ² (Option 1) 2 tenancies at 2,500 m ² each (Option 2) 2 tenancies at 3,200 m ² & 1,800 m ² (Option 3)
Specialty	5,900	50 tenancies at 120 m ² each
Total Retail	10,800	

Source: Pracsys 2012

Based on an analysis of neighbourhood centres in the Perth and Peel region, it is understood there is a positive correlation between the scale of a supermarket and the quantity of specialty floorspace that can be supported. On average, a neighbourhood centre can be expected to achieve a ratio of supermarket floorspace to specialty floorspace of 1.00:1.19. That is a 1,000 m² supermarket can be expected to support 1,190 m² of other retail activity. The mix proposed is consistent with this result.

Typically a neighbourhood centre is anchored by only one supermarket, however some larger neighbourhood centres do incorporate two supermarket tenants. Spatially, the supermarket floorspace will be distributed across one or two tenancies and configured as either:

- A single full line supermarket (5,000 m²)
- Two equal size supermarkets (2,500 m² each)
- A large supermarket (3,200 m²) and a smaller independent supermarket (1,800 m²)

In the context of a main street development, some configuration of two tenancies is preferable.

In terms of speciality retail floorspace, the number of tenancies that can be accommodated depends of the floorspace requirements of the specific tenants. The average floorspace of a specialty store in a neighbourhood centre in Perth and Peel is 117 m². On this basis, approximately 50 specialties can be expected to be accommodated in Robb Jetty.

3.2.2 Commercial Land Uses

Although a diversity target is not specified for neighbourhood centres in State Planning Policy 4.2: Activity Centres for Perth and Peel (SPP 4.2), it is possible and desirable to incorporate a diverse range of non-retail uses within these centres. Figure 3 suggests the amount of floorspace which can potentially be allocated for commercial land uses in the Robb Jetty area. The proposed tenant mix is focused on serving the needs of the immediate catchment, which is consistent with the centre’s position in the activity centres hierarchy.

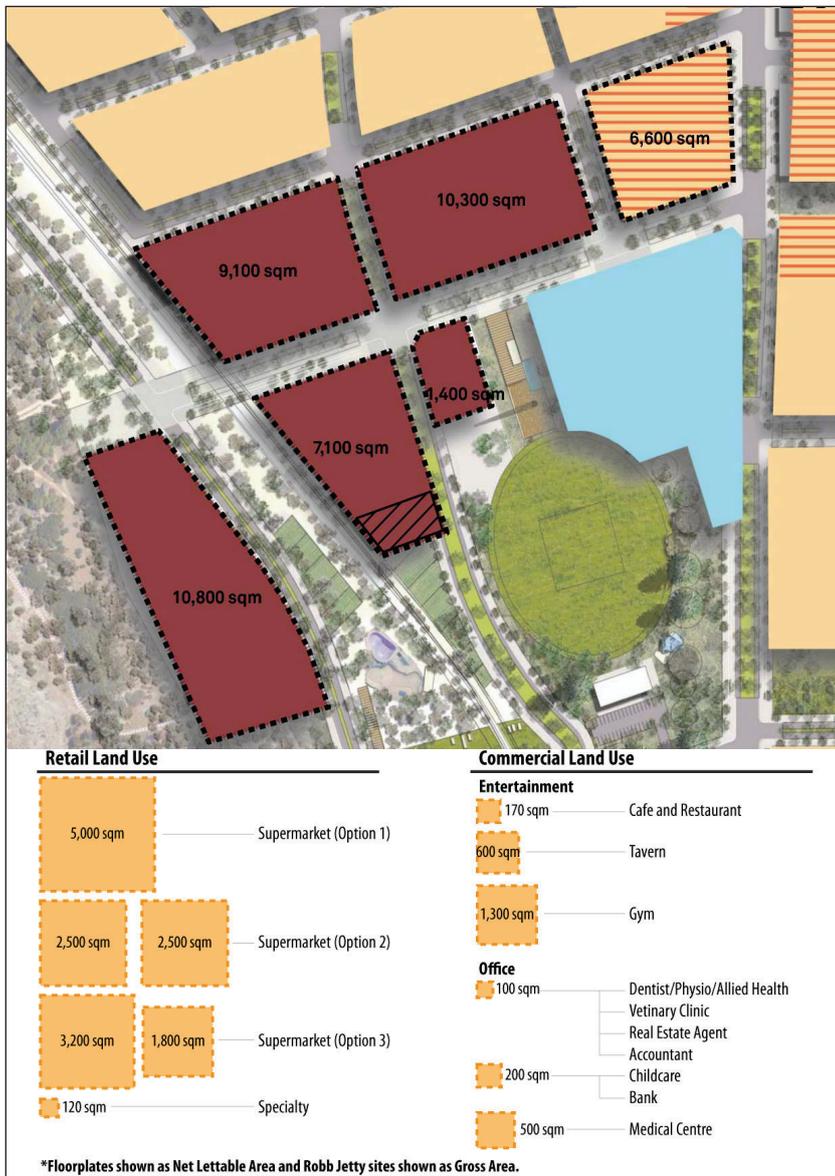
Figure 3: Commercial Land Use Floorplates

Commercial Land Uses	Total Floorspace Required (m ²)	Indicative Number of Tenancies
Entertainment		
Café and Restaurant	500	3 tenancies at 170 m ² each
Gym	1,300	1 tenancy
Tavern	600	1 tenancy
Office		
Medical Centre	500	1 tenancy
Childcare	200	1 tenancy
Dentist/Physio/Allied Health	100	1 tenancy
Veterinary Clinic	100	1 tenancy
Real Estate Agent	100	1 tenancy
Bank	200	1 tenancy
Accountant	100	1 tenancy
Total Commercial	3,700	

Source: Pracsys 2012

The figures described in the tables above suggest the total floorspace requirements for different land uses across Robb Jetty. These recommendations can be divided into a number of individual floorplates based on the indicative number of tenancies proposed for the area.

Figure 4: Floorplates for Robb Jetty LSP



Source: Pracsys 2012

3.2.3 Floorplates for Robb Jetty LSP

The floorspace and tenancy information provided in the previous section has been used to spatially depict a series of floorplates as shown in Figure 4. The diagram below has been produced as a guide to assist the spatial planning of the Robb Jetty LSP area.

The study area focuses on the sites highlighted in the main street and beachside plaza as this is where the majority of Robb Jetty’s retail and commercial floorspace will be concentrated. The map also demonstrates how important the planning of the school site, highlighted light blue, is for the LSP process.

The floorplates, shown as orange blocks, represent different land uses as segments of floorspace which may be located within the highlighted sites if the vision established for Robb Jetty is to be achieved. These floorplates can be arranged in a variety of ways however the configuration must be consistent with economic activation, urban design, and traffic management principles.

The purpose of the floorplates is to provide an indication of the amount of floorspace required in Robb Jetty and describe the various expected land uses. They also allow the project team to envision how these floorspace types may be configured according to size of the suggested floorplates.

4 ECONOMIC ACTIVATION

Through the redevelopment process, and with ongoing management, there is the potential for Robb Jetty to be an intense, vibrant precinct that provides for the daily convenience needs of Cockburn Coast's residential population. Activating the Robb Jetty precinct will involve linking the residents and visitors to core activity precincts; concentrating retail tenancies to encourage life and vibrancy; maximising possible modes of transport for easy access; and minimising access routes to channel traffic past shop fronts.

Pracsys has developed six principles of economic activation into a coherent framework to apply to urban renewal projects. This section of the briefing note provides a description of Pracsys' six principles of economic activation and highlights some of the key issues to be considered when preparing Robb Jetty LSP.

4.1 SIX PRINCIPLES OF ECONOMIC ACTIVATION

From a centre design and ongoing management perspective, there are certain economic activation principles that can be implemented to ensure the place is as user friendly as possible to maximise the number and length of visits, and the quality of transactions that occur on each visit.

Economic activation is defined as the frequency and concentration of social and economic transactions carried out by the diverse user groups of a place. A successful place must understand what its users need and want in order to provide an environment that both attracts and retains people.

The predicted user mix for the Robb Jetty precinct will be residents, workers and visitors.

The population and expenditure of each group forms Robb Jetty's economic base and drives the commercial vitality of office and retail tenancies.

Pracsys' six principles of economic activation are outlined below.

1. Purpose of Place

- Address the question – what does the Robb Jetty precinct represent to its target user population (residents, workers, visitors)?
- Enhance land economics by using design to maximise frequency and concentration of transactions

2. Access – Arrival Points

- Decisions about access begin 5 km from the place
- Do not allow transport networks to bypass the place – does the design funnel people and traffic into the core?
- Congestion and mix of transport nodes is good
- Arrive at the "front door" of the place, not around the back

3. Origins – Car Parking and Transport Nodes

- Parking is the driver of pedestrian movement
- Strategic distribution of car parks and transport nodes will maximise pedestrian movement
 - o Location is more important than numbers
 - o Space the car parks around the centre

- Street parking is important for commercial areas
 - o Charge no fees
 - o Relax time limits

4. Exposure – Pedestrian Movement

- Economic activation is driven by frequency and concentration of transactions
- Channel movements
 - o Concentrate transactions by pushing people past as many shop windows as possible
 - o Rents and sales are directly related to pedestrian traffic (e.g. Butcher will pay three-times the rent to be at supermarket entry)
- Minimise possible routes from origin to destination points (e.g. car park to main attraction) as architectural “permeability” is not always a good thing

5. Destinations – Major attractions

- Identify main destination – what will bring users into the core?
- Assess user behaviour
 - o Number of visits
 - o Timing of visits (time of day, seasonality)
- Give major destinations special treatment
 - o Understand what they need
 - o Build centre around them
- Amplify the impact of attractions by creating support amenity and infrastructure to maximise frequency, length of stay and expenditure

6. Control – Strategic Sites

- Tenure control is vital for overall development success – which sites (supporting what uses) must stay in public ownership?
- Identify active frontages and take control of key sites
- Corner sites drive uses on either side
- Not all areas in a place need to be active – be selective
- Have a plan and stick to it

Following these six principles, Pracsys has identified some initial issues which will need to be considered in order to maximise the economic activation of the project area.

4.2 IMPLICATIONS FOR ROBB JETTY

Planning for the Robb Jetty LSP area requires careful consideration of key economic activation factors critical to the development and maturation of the centre.

4.2.1 Integration of the School

The integration of the school into the site, as well as the intensification of activity into a defined area between the school and the rail line, will be critical to the success of the centre.

4.2.2 Diurnal Activation

It is envisioned that Robb Jetty will be an intense, vibrant precinct providing for the daily convenience needs of Cockburn Coast’s residential population while also providing an additional level of activity for residents, employees and visitors. Targeting an 18 hour

activation period, or diurnality, needs to be an important goal when planning for the LSP area. Achieving diurnality requires ensuring an appropriate mix of convenience, office and entertainment uses is provided.

4.2.3 Centre-Coast Relationship

The attraction of people from the centre to the coast (and vice versa) is a key challenge for the planning and design for Robb Jetty. The main street will generally accommodate local retail needs, and will include some small scale offices, apartments, restaurants and cafes, but should also lead people along an activated street environment to the beach. Pedestrian movement will therefore be an important consideration when linking the coast and the centre.

4.2.4 Robb Jetty Plaza

The Robb Jetty Plaza, located adjacent to the beach, requires a strong focus on users and function. As a key destination of Cockburn Coast the plaza should provide an additional level of activity to compliment the location's role as the day to day shopping district for residents, employees and visitors alike. As such the plaza needs to provide a flexible space for activities such as markets, alfresco dining, concerts, outdoor cinema, performances and seasonal festivals to occur.

4.2.5 BRT Integration

The integration of a proposed rapid transit route intersecting with the main street should also be an important component of the LSP. The proposed rapid transit alignment will have a designated stop adjacent to the Robb Jetty main street with the aim of focusing activity in the vicinity and maximising access to nearby services.

5 EMPLOYMENT

The Cockburn Coast District Structure Plan (DSP) and DSP2 have produced a range of employment targets based on differing assumptions.

Figure 5: DSP and DSP2 Employment Targets

Document	Employment Target
District Structure Plan (DSP)	4,080
DSP2	2,750

Source: Cockburn Coast District Structure Plan & Cockburn Coast Masterplan 2011

The Cockburn Coast Economic Development Strategy recognises the ranges in these targets, with the DSP being considered an optimal employment outcome, and the DSP2 target being considered a minimal achievement. As such the employment analysis for the three LSP areas is seeking to achieve total employment outcomes of at least 2,750 jobs in Cockburn Coast.

The employment profile for Robb Jetty establishes the LSP area's contribution toward the DSP2 employment target and discusses the role the area plays in the broader context of the Cockburn Coast development. The planning implications of potential gaps in the employment estimates and the DSP/DSP2 targets are also discussed.

5.1 EMPLOYMENT ANALYSIS

The following table contains the estimated employment distribution for Robb Jetty LSP. The assumptions and methodology used to determine these employment figures are described in in Appendix 1.

Figure 6: Robb Jetty LSP Employment Distribution

	Population-driven Jobs	Strategic Jobs	Total Jobs
Centre-based Jobs	465	21	486
Decentralised Jobs	296	0	296
Total Jobs	761	21	782

Source: Pracsys 2012

5.2 EMPLOYMENT CONTEXT

Employment in Robb Jetty will primarily be centralised within an intense, vibrant main street. The main street will provide for the daily convenience needs of Cockburn Coast's residential population while also incorporating some small scale offices, apartments, restaurants and cafes.

The main street activity will continue to flow through to the Robb Jetty plaza. This coastal plaza will complement the location's role as the day-to-day shopping district for residents, employees and visitors alike. The plaza will be a flexible space for activities such as markets, alfresco dining, concerts, outdoor cinema, performances and seasonal festivals to occur.

The role of Robb Jetty is to create a daily-user focused urbanisation economy having a strong relationship with the surrounding residential catchment. Achieving this requires a primarily population-driven employment profile including some knowledge intensive consumer services such as education and healthcare.

The Robb Jetty profile will include some decentralised employment (e.g. home-based businesses and residential construction) dispersed throughout the LSP area's residential

catchment. This activity is likely to become more centralised over time as the employment profile for Robb Jetty matures.

The majority of Cockburn Coast's strategic employment will be located within the Powerstation precinct as this major piece of infrastructure will act as an anchor for developing urbanisation and localisation activities. It is expected that some strategic employment will spill over into the surrounding LSP areas of Robb Jetty and Hillside/Emplacement. However, no decentralised strategic employment has been allocated to Robb Jetty as any such spill over is expected to be based in the main street.

5.3 IMPLICATIONS FOR PLANNING

5.3.1 DSP and DSP2 Employment Scenarios

The Cockburn Coast Economic Development Strategy establishes two scenarios under which the development may achieve the employment targets set by the DSP and DSP2.

The District Structure Plan's stated goal of 4,080 jobs is very aspirational for a development with the locational, infrastructure and existing economic characteristics of Cockburn Coast. This scenario assumes a significant restructure in the immediate economy of the Western

Trade Coast, along with Perth as a whole, with the function of the planned district centre evolving over time to be more like that envisioned for a secondary centre in SPP 4.2.

The DSP2's refined employment goal of 2,750 jobs is aspirational for a development with limited potential for continued retail expansion

and development. In this scenario Cockburn Coast is a high quality mixed-use urban development project that attracts a high level of regional visitation based upon a vibrant redeveloped Powerstation precinct that is recognised throughout the metropolitan area as a destination of choice for families, events and a range of experiences. High-density residential areas host a diverse and vibrant local community that successfully integrates the provision of affordable housing.

5.3.2 Bridging the Employment Gap

The divergence of the DSP and DSP2 employment targets is a product of these two possible scenarios for Cockburn Coast. Achieving the refined employment target of DSP2, and indeed exceeding this to produce an outcome closer to the DSP target, relies on several factors discussed in the Cockburn Coast Economic Development Strategy:

- Cockburn Coast needs to use its proximity to major export value chains to develop strategic relationships with surrounding logistics and industrial infrastructure and other activity centres
- The LSP precincts, particularly Robb Jetty and Powerstation, need to ensure that the configuration of population-driven activities maximises the quantity and quality of transactions critical to the development of urbanisation economies
- Over time strategic activities may overflow from surrounding areas, such as Fremantle, into Cockburn Coast. The location of the development in relation to major infrastructure, value chains and activity centres may allow for leverage of a significant amount of effective density

- The development of a competitive advantage can provide the anchor around which a strong localisation economy can grow, increasing the level of strategic economic activity in the area. Localisation economies are the result of a number of firms and enterprises in complementary industries and supply chains locating in the same area
- Cockburn Coast will need to mature from a population-driven centre servicing basic consumer needs to a centre that services the higher order needs of the population while attracting some strategic industry

5.3.3 Distribution of LSP Employment

The analysis for the three LSP areas of Robb Jetty, Hillside/Emplacement and Powerstation seeks to achieve a total employment outcome of at least 2,750 jobs in Cockburn Coast. This employment figure is considered to be a baseline target upon which further opportunities can be developed.

Robb Jetty is expected to contribute approximately 780 jobs (28%) toward the DSP2 employment target for Cockburn Coast, the majority of these being population-driven. With Hillside/Emplacement expected to contribute approximately 265 jobs (10%), the Powerstation precinct will likely contribute the remaining 1,700 (62%) of jobs for Cockburn Coast.

Once again the majority of jobs in the Powerstation precinct will be population-driven. As discussed, strategic jobs will eventually need to make up a greater share of the total jobs but population-driven jobs will still dominate. Up to 90% of jobs in the Powerstation precinct will be centralised with very few jobs dispersed amongst the LSP area.

The role of the Powerstation precinct will be critical if Cockburn Coast is to achieve the overall employment targets for DSP and DSP2. The ongoing uncertainty surrounding a preferred solution for this site presents a constraint for development in the short term. However, this delay also presents an opportunity for mid-to-long term planning as the development of the Robb Jetty and Hillside/Emplacement profiles it will help to shape the Powerstation's future role.

5.3.4 Importance of the Powerstation Precinct

The importance of Powerstation cannot be overstated if Cockburn Coast is to achieve the employment targets set by DSP2 or even the DSP. The Powerstation site is a catalyst for investment as it provides Cockburn Coast with a major piece of infrastructure to act as an anchor for activity. The Powerstation refurbishment would be a driver for identity, investment and attraction of a wider range of users to the site by improving the value proposition of Cockburn Coast and creating a sustainable competitive advantage for the area. The increased attraction of residents, visitors, workers and enterprises and associated transactions can also create the activity needed for the development of urbanisation and localisation economies in Cockburn Coast.

The immediate future focus of employment generation and economic development at Cockburn Coast should be in facilitating the optimal outcome for this site.

6 CONCLUSION

Cockburn Coast has the potential to be a unique place within the urban fabric of Perth, with high amenity, higher density residences integrated into a historic coastal environment characterised by a vibrant, diverse range of activities.

The analysis in this paper describes the scale and configuration of floorspace required for Robb Jetty if it is to achieve the employment outcomes established by DSP2. It also demonstrates that the employment profile for Robb Jetty is consistent with its role as an intense, vibrant precinct that provides for the daily convenience needs of Cockburn Coast's residential population.

Overall, the success of the development is strongly linked to the outcome of the Powerstation precinct as it provides a driver for identity, investment and attraction of a wider range of users to the site. The Robb Jetty LSP area has the ability to support the Powerstation precinct and broader vision for Cockburn Coast by being a daily-user focused urbanisation economy with strong links with the surrounding residential catchment.

APPENDIX 1: EMPLOYMENT ANALYSIS

The following analysis seeks to refine the high level employment profile from DSP2 into estimated employment figures for each of the three Cockburn Coast LSP areas.

Figure 7: DSP2 Employment Profile

	CS/PS Jobs	KICS Jobs	Strategic Jobs	Total Jobs
Centre Jobs	1,050	750	213	2,013
Decentralised Jobs	450	250	37	737
Total Jobs	1,500	1,000	250	2,750

Source: Pracsys and Hassell 2012

Using the DSP2 employment profile as the basis for analysis, the following assumptions were applied to distribute the total Cockburn Coast employment figures amongst the LSP areas. For concise analysis, consumer-producer services (CS/PS) and knowledge intensive consumer services (KICS) have been grouped together as “population-driven employment” from this point forward.

POPULATION-DRIVEN AND STRATEGIC EMPLOYMENT

The total employment profile for Robb Jetty is first divided into two categories of employment quality. These categories are population-driven and strategic employment.

Population-driven employment may be defined as employment resulting from economic activity servicing the needs of a particular population. This activity is oriented to meet the needs of that population, including; retail and hospitality, construction and industrial services, civic, healthcare and education, and the business-to-business supply chains that service these industries. This type of activity will largely occur in the presence of a population.

By contrast, strategic employment results from economic activity focused on the creation and transfer of goods and services to an external market. Employment resulting from this activity may be distinct, in industries where there is little or no local demand (e.g. iron ore/uranium mining), or in the same industries as population-driven activity but with a different focus (e.g. manufacture of food/wine, higher education). Strategic employment does not automatically happen, it results from an enterprise actively seeking to meet the needs of an external market and developing a competitive advantage in meeting these needs. Strategic employment is therefore highly variable across different locations.

CENTRALISED AND DECENTRALISED EMPLOYMENT

The total employment profile for Robb Jetty is then divided into two further categories of employment concentration. These categories are centralised and decentralised employment.

The employment analysis assumes that employment will become increasingly centralised within the development’s two centres, Robb Jetty and Powerstation, with activities like healthcare and education being integrated into centres rather than dispersed throughout the suburb. Decentralised activities such as producer services will initially be dominant as a construction workforce builds housing and infrastructure. These activities will however decrease over time as the construction phase of the development is completed and economic activity becomes focused on the longer-term centre-based activities.

CENTRALISED EMPLOYMENT – POPULATION-DRIVEN

The centralised population-driven employment for each of the LSP areas has been calculated using the refined retail/commercial floorspace estimates for Robb Jetty. Population-driven floorspace in the Robb Jetty main street will accommodate centralised workers, as decentralised workers will generally be working from home or small offices distributed amongst residential areas. Figure 8 contains the refined floorspace estimates for population-driven activities in Robb Jetty.

Figure 8: Population-Driven Floorspace in Robb Jetty

Floorspace Type	Floorspace (m ²)
Commercial floorspace	1,300
Retail floorspace	10,950
Entertainment floorspace	2,400

Source: Pracsys and Hassell 2012

To determine the centralised population-driven employment required for Robb Jetty the following assumptions were applied to the floorspace estimates in Figure 9.

Figure 9: Centralised Population-Driven Workers per m²

Type of Worker	Floorspace (m ²) / Worker
Commercial Worker	20
Retail Worker	30
Entertainment Worker	70

Source: Pracsys 2012

Applying the assumptions above to the floorspace demand estimates for Robb Jetty provides a total centralised population-

driven employment estimate for that LSP area. It is assumed that most employment in Cockburn Coast will be centralised within the development's two centres, Robb Jetty and Powerstation. The balance of the centralised population-driven employment figure from DSP2 is therefore allocated to the Powerstation LSP area.

No centralised population-driven employment has been allocated to Hillside/Emplacement as all employment in this LSP area is expected to be decentralised.

The following table summarises the total centralised population-driven employment across all LSP areas.

Figure 10: Total Centralised Employment - Population-driven

LSP Area	Centralised Employment – Population-driven Jobs
Robb Jetty	464
Hillside/Emplacement	0
Powerstation	1,336
Total Jobs	1,800

Source: Pracsys 2012

CENTRALISED EMPLOYMENT – STRATEGIC

As previously mentioned, it is assumed that most employment in Cockburn Coast will be centralised within the development's two centres. It is also assumed that majority of centralised strategic employment will be located within the Powerstation LSP area. This would develop via strong economic linkages to other major economic nodes and through the development of at least one strategic localisation economy. In keeping with these

assumptions 10% of the centralised strategic employment from DSP2 has been allocated to Robb Jetty with the remaining 90% allocated to the Powerstation.

No centralised strategic employment has been allocated to Hillside/Emplacement as all employment in this LSP area is expected to be decentralised.

The following table summarises the total centralised strategic employment across all LSP areas.

Figure 11: Total Centralised Employment - Strategic

LSP Area	Centralised Employment – Strategic Jobs
Robb Jetty	21
Hillside/Emplacement	0
Powerstation	192
Total Jobs	213

Source: Pracsys 2012

DECENTRALISED EMPLOYMENT – POPULATION-DRIVEN

Decentralised population-driven employment (e.g. home-based businesses, residential construction etc.) is distributed according to the share of residential yield for each LSP area. The following table summarises the total decentralised population-driven employment across all LSP areas.

Figure 12: Total Decentralised Employment - Population-driven

LSP Area	Residential Yield (m ²)	% of Total Residential Yield	Decentralised Population-Driven Jobs
Robb Jetty	2,239	42%	296
Hillside/Emplacement	1,734	33%	229
Powerstation	1,320	25%	175
Total Jobs	5,293	100%	700

Source: Pracsys and Hassell 2012

DECENTRALISED EMPLOYMENT – STRATEGIC

As it is assumed that all strategic employment within the two main centres of Robb Jetty and Powerstation will be centralised, the remaining component of decentralised strategic employment is to be located within the Hillside/Emplacement LSP area. The following table summarises the total decentralised strategic employment across all LSP areas.

Figure 13: Total Decentralised Employment - Strategic

LSP Area	Decentralised Employment – Strategic Jobs
Robb Jetty	0
Hillside/Emplacement	37
Powerstation	0
Total Jobs	37

Source: Pracsys 2012

TOTAL LSP EMPLOYMENT DISTRIBUTION

The analysis above describes the process for distributing the DSP2 employment profile amongst the three LSP areas for Cockburn Coast. The following table summarises the analysis of centralised and decentralised employment into population-driven and strategic employment estimates for each LSP area. These employment estimates are further dissected in the employment section of the economic report for each LSP area.

Figure 14: Employment Distribution for Cockburn Coast LSP Areas

LSP Area	PD Jobs	Strategic Jobs	Total Jobs
Robb Jetty	760	21	782
Hillside/Emplacement	229	37	266
Powerstation	1510	192	1702
Total Jobs	2500	250	2750

Source: Pracsys 2012