



Bayswater Business Precinct Transformation Strategy

RDA Melbourne, DJPR, Knox, Maroondah, and Yarra Ranges Councils

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Hodyl & Co



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Executive Summary

The Bayswater Business Precinct is a well-established and regionally significant employment location in Melbourne's east.

The Bayswater Business Precinct has an impressive economic output and is a major employment hub in Melbourne's Eastern Metropolitan Region. The precinct accommodates around 5,000 businesses and employs more than 33,000 people. It is the second largest employment precinct in the Eastern Metro Region.¹ Businesses in the precinct are diverse and include small to medium-sized family businesses, as well as global multinationals interlinked as part of numerous local ecosystems. There are several Australian-owned organisations that have national reach, and businesses have strong supply chains across the Eastern Region, which support local economies – meaning a lot of the wealth and benefits generated in the BBP are captured locally.

Renowned as a hub for innovation and manufacturing excellence, the precinct generates \$14.1 billion in output revenue (representing 12.5 percent of Melbourne East's revenue) and \$8 billion in exports, representing 31 percent of the Eastern Metro Region's total exports. Possessing key characteristics of the 20-minute neighbourhood, 70 percent of employees reside locally in Knox, Maroondah and Yarra Ranges, and almost 50 percent of employees live within 10 kilometres of the BBP.²

What are 20-minute neighbourhoods?

“The 20-minute neighbourhood is all about ‘living locally’—giving people the ability to meet most of their daily needs within a 20-minute return walk from home, with access to safe cycling and local transport options. These connected and walkable places are where people can live, work and play; buy their bread and milk, work from home or local business, access services and meet their neighbours at the central gathering places.

Work undertaken in partnership with the Heart Foundation (Victoria) and across the Victorian Government identified the following hallmarks of a 20-minute neighbourhood. They must:

- be safe, accessible, and well connected for pedestrians and cyclists to optimise active transport
- offer high-quality public realm and open spaces
- provide services and destinations that support local living
- facilitate access to quality public transport that connects people to jobs and higher-order services
- deliver housing/population at densities that make local services and transport viable
- facilitate thriving local economies.” (DELWP, *Plan Melbourne*, 2017).

¹ DELWP, *Melbourne Commercial and Industrial Land Use Plan*, 2020.

² SGS Economics and Planning, based on 2016 Census Place of Work (POW), counting employed persons 15 years and over.

Despite its impressive current economic role, macro trends will threaten BBP's future success

Notwithstanding the precinct's impressive economic profile, the Councils of Knox, Maroondah and Yarra Ranges (the Partner Councils) have become increasingly concerned about the precinct's ability to attract sustainable levels of new investment required to grow the number of high value employment opportunities and to maintain the region's economic prosperity into the future.

Significant challenges arising from population growth and global economic and industrial transition are placing unprecedented pressure on local economies and employment precincts across Australia, including the BBP, as they risk being left behind. To survive in future economies, employment precincts within major cities need to be globally connected, distinctly branded and attractive places to work and visit.

Ageing buildings, inadequate business accommodation, poor transport access, traffic and parking congestion, inadequate utility and IT infrastructure and poor business and employee amenity have been identified as significant barriers to investment and employment growth in the BBP.

The Eastern Region's population will grow at an average rate of 1.1% per year from 2021 to 2051

Across Knox, Maroondah and Yarra Ranges, employment growth is projected to be around 1.0 to 1.2 percent per annum.³ The BBP employs around 15 percent of people working in the Knox, Maroondah, or Yarra Ranges LGAs, and around 3 percent of people working in the Eastern Metro Region. If current growth rates continue, around 4,800 jobs would be added between now and 2041. This is equivalent to around 240 jobs additional per year.

It is estimated that to keep pace with population growth, the BBP will need to grow employment at a rate of 400 jobs per year. That rate would be required to at least maintain its role as a key regional employment destination and to maintain its competitive industry strengths in manufacturing, construction, wholesale and warehousing.

To evolve into a resilient industrial commercial precinct, the BBP needs to clearly articulate its future role and function within the new economy.





Like many mature industrial precincts across Australia, the BBP includes large areas of ageing industrial and commercial building stock and low amenity public spaces which inhibits its ability to prosper and remain competitive in the long term. To attract new private sector investment in BBP, a high-quality urban environment and improved connectivity and amenity will be required.

The competitiveness and sustainability of the precinct require economic regeneration underpinned by strategic investment in critical infrastructure. Without a clearly defined strategy for this regeneration and value proposition for investment, the precinct's capacity to retain and attract key propulsive sector industries to sustain the local economy and to create local jobs into the future is at considerable risk.

³ DELWP, *Melbourne Commercial and Industrial Land Use Plan, 2020*.

This document sets out a strategy for transforming the identity, amenity and functionality of the Bayswater Business Precinct, so that it may be a major contributor to employment and economic growth in Melbourne’s Eastern Metropolitan Region.

Bayswater Business Precinct’s key advantages to growing as a major employment destination

	Established network of small, medium and multi-national businesses connected into a strong regional economy and supply chains	Over 30% of businesses’ suppliers are within the immediate region and 21% are within Victoria
	Critical mass in manufacturing, construction and wholesale trade	80% of precinct revenue Strong business-to-business supply chains
	Large workforce and population catchments	70% of workers are from the Knox, Maroondah and Yarra Ranges LGAs 42,000 employees by 2041 Businesses looking to diversify and attract highly skilled workers
	Large, strategic sites that are well-positioned for redevelopment and reinvestment	210+ hectares of land on large lots greater than 15,000 sqm and with low (less than 30%) site coverage
	Precinct has access to major roads/highways and proximity to customers, clients and suppliers	BBP customers are in south-east Melbourne (27.5%) and Greater Melbourne (26.5%) Opportunity to provide new bus routes to serve high proportion of local workers

The table below sets out the planned strategies and actions to achieve a sustainable and prosperous future for the Bayswater Business Precinct

STRATEGIES AND ACTIONS		Access	Centres & nodes	Amenity & branding	Land use & development	Anchors
Agree on a broad spatial plan for the precinct						
1	Develop a spatial plan for improving the identity and functionality of the precinct	•	•	•	•	•
Set up the precinct for long-term success						
2	Key business and institutions engagement				•	•
3	Strategic site renewal		•	•		
4	Precinct governance			•		

STRATEGIES AND ACTIONS		Access	Centres & nodes	Amenity & branding	Land use & development	Anchors
5	Funding streams					•
6	Business-to-business relationship-building		•			•
7	Urban greening strategy			•		
8	Circular economy			•		
9	Active transport links	•				
10	A water sensitive precinct			•		
11	Audit business infrastructure needs			•		
Build the profile and identity of the precinct as one of Melbourne's important economic locations						
12	Branding and marketing strategy			•		
13	Business directory			•		•
14	Shared opportunities including skill development and recruitment			•		
Improve the amenity and functionality of the precinct						
15	Green corridors	•		•		
16	Movement and place assessment	•	•	•		
17	Built form and landscape guidelines	•	•	•		
18	Freight certainty.	•				
19	Landscape and greening outcomes			•		
20	Industry 4.0 (smart manufacturing)			•		•
21	Collaboration opportunities			•		

1. Introduction

The Bayswater Business Precinct (BBP) is a significant economic asset in Melbourne’s south east, and broader metropolitan Melbourne. This document presents a range of strategies and actions to ensure the ongoing productivity and sustainability of the BBP.

The BBP comprises over 2,300 hectares of employment land, including 790 hectares of industrial land. The precinct contributes over \$14.1 billion in output to Greater Melbourne’s economy. It employs more than 33,000 people, of which 70 percent live in the Knox, Maroondah and Yarra Ranges municipalities.

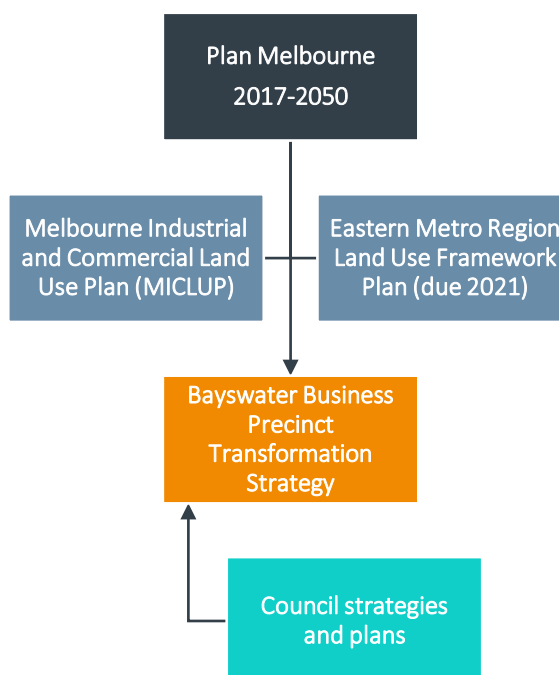
1.1 Policy and economic context

State government policy provides a broad spatial planning framework for the Bayswater Business Precinct (BBP). This defines the role and function of the BBP as a regionally significant employment destination for commercial and industrial land in Melbourne’s Eastern Metropolitan Region.⁴

Like many mature industrial precincts across Australia, the BBP includes large areas of ageing industrial and commercial building stock and some low amenity public spaces which inhibits its ability to prosper and remain competitive in the long term. In order to maintain sustainable levels of new private sector investment in BBP, new investment will be required in a high-quality urban environment and improved connectivity and amenity.

The future competitiveness and sustainability of the precinct requires economic regeneration underpinned by strategic investment in critical infrastructure. Without a clearly defined strategy for regeneration and value proposition for investment, the precinct’s capacity to retain and attract key propulsive sector industries to sustain the local economy and to create local jobs into the future is at considerable risk.

FIGURE 1: POLICY SETTING



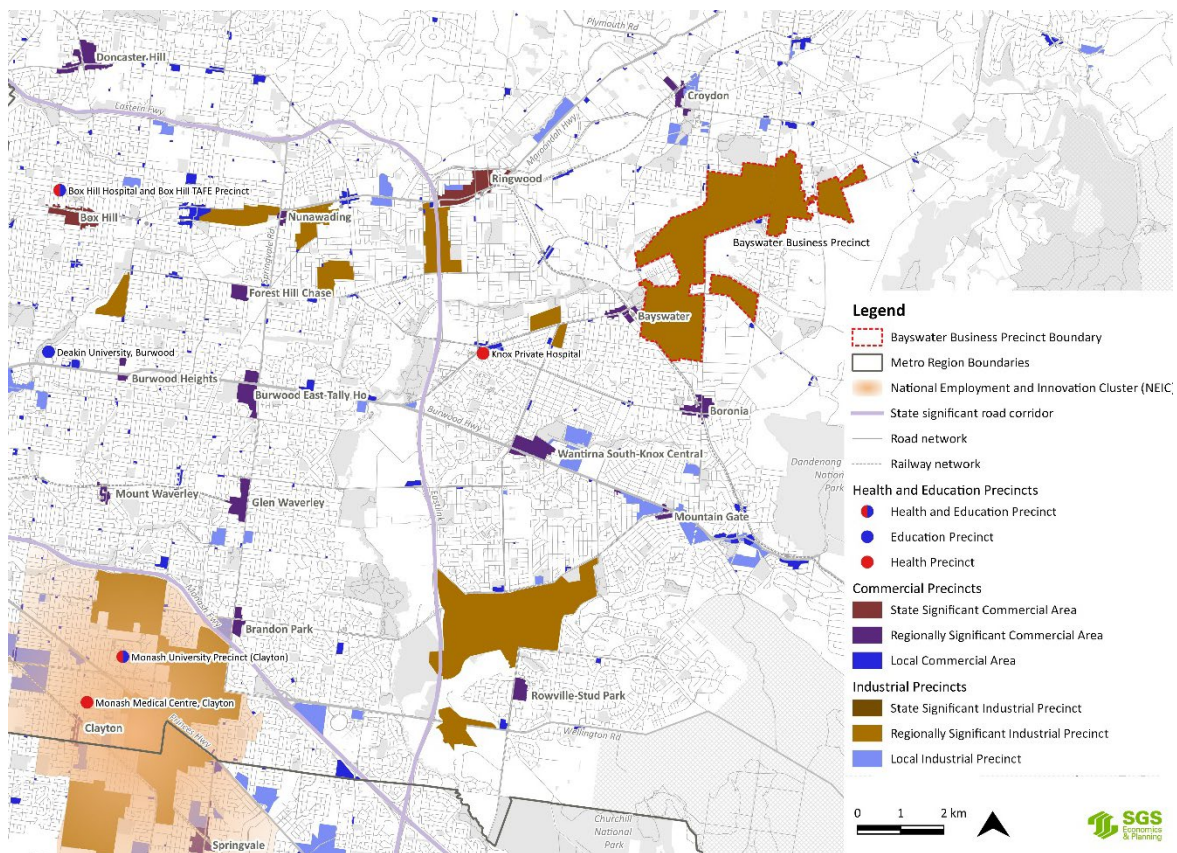
⁴ DELWP, *Melbourne Commercial and Industrial Land Use Plan*, 2020. Available from URL: <https://www.planning.vic.gov.au/policy-and-strategy/metropolitan-industrial-and-commercial-land-use-plan#documents>.

The BBP is designated as a Regionally Significant Employment Precinct (RSIP) under the Melbourne Industrial and Commercial Land Use Plan (MICALUP, 2020). When planning for RSIPs, MICALUP highlights that the areas need to be planned for and retained, either as:

- A key industrial location with a range of traditional industrial uses such as manufacturing, warehousing and other industry, or
- A location that can provide for or transition to a broader range of employment uses.⁵

In the second instance, there is policy support to promote employment outcomes that offer a higher amenity to workers and economic vibrancy. This may include a greater focus on office or business park development, or support for new and emerging innovation and enterprise-based businesses.

FIGURE 2: BAYSWATER BUSINESS PRECINCT REGIONAL CONTEXT



Source: SGS Economics and Planning, 2021, based on datasets from DELWP’s *Plan Melbourne* (2017) and *Melbourne Industrial and Commercial Land Use Plan (MICALUP)* (2020).

The BBP covers an area of around 730 hectares. According to MICALUP, less than 10 percent of land in the precinct is available for future development. However, an analysis undertaken for this report found that there are over 210 hectares of land where lots had an area greater than 15,000 square metres and

⁵ DELWP, *Melbourne Commercial and Industrial Land Use Plan*, 2020, p. 34. Available from URL: <https://www.planning.vic.gov.au/policy-and-strategy/metropolitan-industrial-and-commercial-land-use-plan#documents>.

a site coverage less than 30 percent. This suggests redevelopment and revitalisation potential (see Section 2).

Local directions for the BBP

There is strong local policy support to protect the employment functions and industrial capability of the BBP, enhanced public transport and road upgrades to support the way the BBP functions. The BBP Connect platform and BBP Coordinator role set the basis for a governance framework intended to harmonise planning and economic development across the three BBP Councils (Knox, Maroondah and Yarra Ranges), and to support ongoing investment attraction and business-to-business connections.

Key local directions from the three BBP Councils include:

- Advance collaboration between the three BBP Councils for strategic investment attraction and development in the BBP, focussed on business networks, precinct amenity, streamlining assessment and new investment.⁶
- Promote and leverage the strategic location and unique role of the BBP, work in partnerships to assist local businesses and promote investment attraction, and advocate for public transport improvements in the BBP.⁷
- For Yarra Ranges, Kilsyth is one of the most significant industrial areas in the Shire. Some land is underutilised, and there are opportunities for infill development and redevelopment of redundant facilities, although interfaces with nearby established residential areas need to be considered.⁸

In 2014, a range of actions were identified to advance planning, economic and amenity opportunities in the BBP.⁹ Those actions were focused on:

- Promote the economic importance of the precinct, and “sell the message” by creating a BBP brand and marketing material, and developing a governance structure.
- Deliver planning reforms to harmonise statutory planning expectations across the BBP Councils.
- Establish a network to engage/support business connections and promote knowledge-sharing.
- Deliver improved transport and internet infrastructure, and streetscape and amenity upgrades.
- Build innovation hub and establish local business group to attract more investment.

Structural changes in the economy

Due to structural changes in the economy, forecast scale of population growth and other factors, the context for employment planning, in particular, is evolving quickly. These economic trends are leading to new, hybridized development models that transcend traditional notions of industrial estates, business parks and town centres. In this context, a clear strategic direction is needed for the BBP.

⁶ Knox City Council, *Community and Council Plan (2017-2021)* and *Knox Land for Business Strategy (2018)*.

⁷ Maroondah City Council, *Council Plan (2020/2021 update to the 2017-2021 plan)*.

⁸ Yarra Ranges, *Yarra Ranges Activity Centre Network Strategy (Background Report) (2012)*.

⁹ AEC for DSDBI, *Bayswater Industrial Precinct Review Final Draft Report (2014)*.

The past thirty years have seen a profound restructuring of the Melbourne economy. The metropolis has transformed from an industrial city into a knowledge intensive economy. This structural change has impacted the composition and location of employment across Metropolitan Melbourne.

There have been many explorations of the new or 'recombinant economy' of the city, including those by Hutton (2010) and Moretti (2012). Hutton (2010, p. 279) described Melbourne as a 'hybridized structure of cultural production, creative labour and technology' where both new and old economy industries coexist through collaboration, competition, and consumption. Often the former industrial areas, of the inner city, in particular, contain remnants of the industrial past alongside new knowledge and creative uses.

Employment in manufacturing (as traditionally defined) will likely continue to decline, while employment in Professional and Financial services will increase. A range of population serving industries will also expand, including Health care, Retail and Education. The expected changes in manufacturing show a nuanced picture of a sector transforming rapidly, competing in an increasingly globalised economy.

Knowledge-based industries encompass research and development (R&D), design, engineering, marketing, advertising and creative industries, as well as more traditional jobs such as lawyers, bankers, financiers, doctors and management consultants. Many of these activities overlap with production and manufacturing and could present growth opportunities for the manufacturing sector. This is particularly so as more hybrid roles emerge with technological advancements, allowing for movement up the value chain (e.g., rapid prototyping, 'customise-make-service-sell').

With such a strong manufacturing industry profile, this structural transition presents both risks and opportunities for the future economic role and function of the precinct. While manufacturing jobs may be declining, the value of what Australia manufactures is actually increasing. Since 1989, manufacturing has halved its share of contribution to Australia's economic activity (from 12% to 6%) while Professional, Scientific and Technical services and Financial services combined has increased by almost half (to 17%).

Significantly, while manufacturing has declined as a share of total economic activity, the size of its contribution has increased by 16% over that time. This suggests that while manufacturing has been overtaken by knowledge intensive service industries, its economic contribution continues to grow — likely driven by advances in what we produce and how we produce it.

This transition to high value production and advanced manufacturing technologies, combined with the diversification of the types of businesses based in the precinct, represents a significant opportunity for the BBP to build and transform its future growth from its established manufacturing specialisation.

1.2 Project scope and purpose

The purpose of this project is to prepare a Transformation Strategy for the Bayswater Business Precinct. The project leverages a wide range of existing background information and extensive stakeholder engagement collected by Knox, Maroondah and Yarra Ranges Councils, and State government agencies. The Strategy (this document):

- Articulates a strategy based on the precinct's unique characteristics and profile, and reflects its local and regional context.

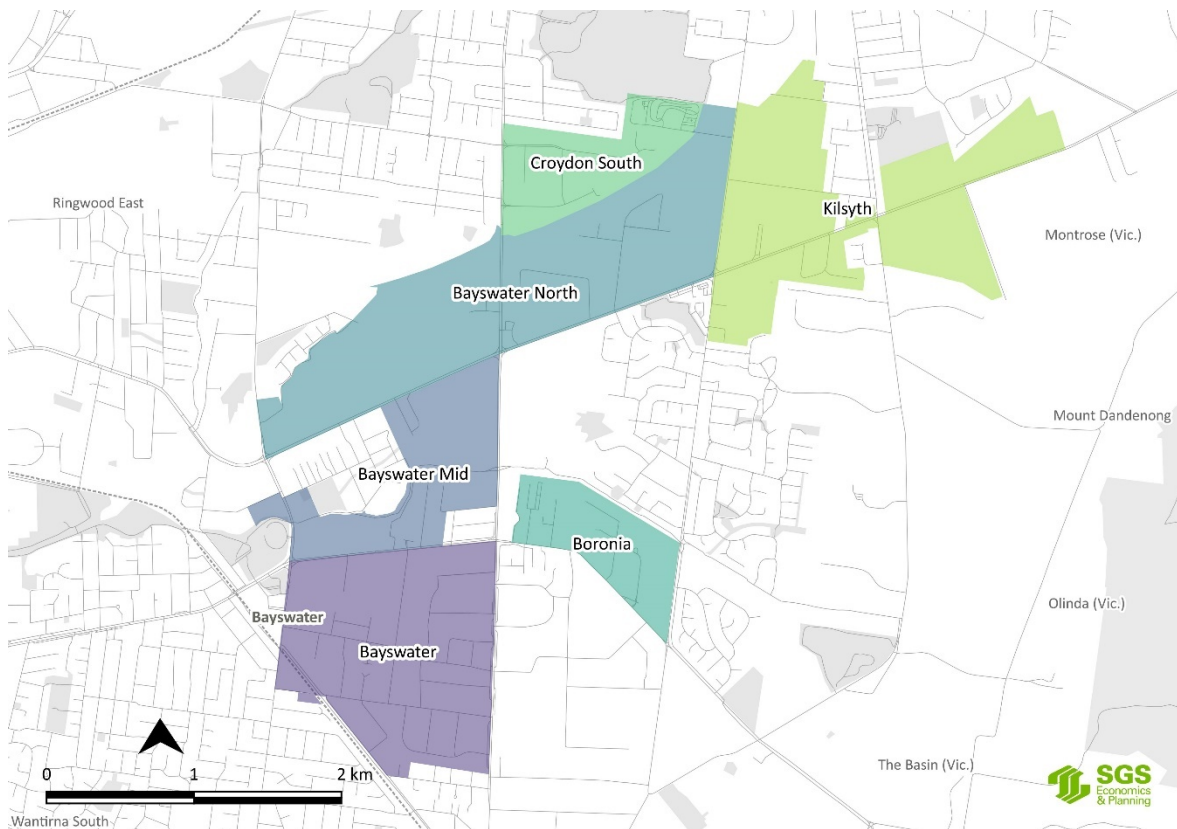
- Understands the infrastructure, governance, planning and economic gaps between the current situation and the future vision.
- Identifies feasible and realistic actions with clearly defined owners, linked to strategy.
- Understands the locational and operational demand characteristics of targeted industries and institutions.

This document contains a summary of past information to underpin the Strategy and findings from additional stakeholder engagement. It sets out a transformation vision, strategies and actions for the BBP, supported by principles that should underpin decision-making in the precinct.

Study area

The study area for the BBP is shown in Figure 3 below. It comprises industrially-zoned and some commercial land in Bayswater, Bayswater North, Boronia, Croydon South, Kilsyth and Kilsyth South. The precinct is dissected by Canterbury Road, Mountain Highway and Colchester Road. There are several residential interfaces with the BBP, as well as large open spaces, biodiverse corridors and waterways, namely Bungalook Creek (north) and Dandenong Creek (south).

FIGURE 3: THE BAYSWATER BUSINESS PRECINCT AND ITS SUB-PRECINCTS



Source: SGS Economics and Planning., 2021.

This report

This document outlines strategies and actions for the BBP to achieve a sustainable and prosperous future. The principles underpinning this strategy are:

- Working collaboratively with all stakeholders, including State and Local Government, will provide the greatest chance of success.
- Concentrate efforts and investment on areas that have the highest potential to deliver significant change (Strategic Sites and high change precincts).
- Some parts of the precinct will continue to fulfil an important role in providing access to businesses which provide a wide range of services for people living in the region.¹⁰
- Ensure the long term sustainability of the precinct is considered in all decision making – environmental, economic and social sustainability.
- Leverage the current strengths and networks within the precinct; the existing businesses and activities represent important links to the local community and are important for its long term sustainability.

TABLE 1: HOW TO READ THIS DOCUMENT

Principles	Transformation strategy			Outcomes
	Aspiration	Strategies	Actions	
<i>Underpin all planning and economic development activities for the BBP</i>	<i>The desired future state to be achieved in the BBP</i>	<i>How the vision will be achieved</i>	<i>Mechanisms to achieve the vision Have a responsible organisation and timing for delivery</i>	<i>Once implemented, this is what the BBP will be like</i>

Aspiration and desired outcomes for the BBP towards 2050






The Bayswater Business Precinct holds unparalleled opportunities for manufacturing and commercial businesses in Greater Melbourne.

It is a key employment destination in the region, and the diverse range of businesses in the precinct contribute significantly to the Eastern Metropolitan Region’s economy. An ecosystem of businesses drive the precinct, and many are innovative and embrace Industry 4.0 principles.

¹⁰ For the purpose of this Strategy, ‘local services’ refers to industrial and large-scale commercial uses which are inappropriate to locate in activity centres and residential areas, but which need to be in close proximity to where people live.

Once implemented, the BBP will experience the following outcomes:

TABLE 2: BBP IMPLEMENTATION OUTCOMES

 <p>Access</p>	<ul style="list-style-type: none"> - Walking, cycling and public transport access connects workers to activity nodes across the BBP - Key active transport corridors offer transport flexibility to nearby residents who work in the BBP - The freight network is reliable and provides excellent connectivity to Greater Melbourne, ports and airports - IT infrastructure is reliable and high-speed, enabling businesses to operate in a 21st Century context and achieve Industry 4.0 (smart manufacturing) work practices
 <p>Activity centres and nodes</p>	<ul style="list-style-type: none"> - Walking, cycling and public transport access connects workers to activity nodes across the BBP - Key active transport corridors offer transport flexibility to nearby residents who work in the BBP - The freight network is reliable and provides excellent connectivity to Greater Melbourne, ports and airports - IT infrastructure is reliable and high-speed, enabling businesses to operate in a 21st Century context and achieve Industry 4.0 (smart manufacturing) work practices
 <p>Physical amenity and branding</p>	<ul style="list-style-type: none"> - Walking, cycling and public transport access connects workers to activity nodes across the BBP - Key active transport corridors offer transport flexibility to nearby residents who work in the BBP - The freight network is reliable and provides excellent connectivity to Greater Melbourne, ports and airports - IT infrastructure is reliable and high-speed, enabling businesses to operate in a 21st Century context and achieve Industry 4.0 (smart manufacturing) work practices
 <p>Land use and development typologies</p>	<ul style="list-style-type: none"> - Walking, cycling and public transport access connects workers to activity nodes across the BBP - Key active transport corridors offer transport flexibility to nearby residents who work in the BBP - The freight network is reliable and provides excellent connectivity to Greater Melbourne, ports and airports - IT infrastructure is reliable and high-speed, enabling businesses to operate in a 21st Century context and achieve Industry 4.0 (smart manufacturing) work practices
 <p>Anchor uses and institutions</p>	<ul style="list-style-type: none"> - Walking, cycling and public transport access connects workers to activity nodes across the BBP - Key active transport corridors offer transport flexibility to nearby residents who work in the BBP - The freight network is reliable and provides excellent connectivity to Greater Melbourne, ports and airports - IT infrastructure is reliable and high-speed, enabling businesses to operate in a 21st Century context and achieve Industry 4.0 (smart manufacturing) work practices

1.3 Project process

At the start of the project, SGS Economics and Planning, Echelon Planning and Hodyl&Co undertook a detailed background review of past work completed for the BBP, including (but not limited to):

- Institute for Sensible Transport, Bayswater Business Precinct: Investigating Public Transport Access Improvements (2019)
- DELWP 5-year plan for Jobs, Precincts and Regions (2018)
- REMPLAN for Melbourne East RDA, Economic Profile: Bayswater Business Precinct (2016)
- AEC Group for DSDBI, Bayswater Industrial Precinct Review (October 2014).

In the Strategic Memo #1 (Issued Nov. 2020), the following gaps were highlighted:

- The skills profile of Knox, Maroondah and Yarra Ranges, their work destinations (location and skill level or type of role)
- The skills profile of the BBP (in terms of blue-white collar workers as well as the skill levels that fill those positions)
- Comparison of the type of skills/roles workers in the BBP have and may need in future, compared to the Knox, Maroondah and Yarra Ranges profile
- The level of economic self-containment and strength of business connections in the BBP
- The proportion of new jobs added to the local economy in the BBP over the past 10 years
- The access, transport and travel needs of employees within the BBP (some of this is examined in the Institute for Sensible Transport report, 2019).

Based on those findings, a place of work and qualifications investigation was undertaken to understand the employment profile of sub-precincts across the BBP. The BBP has a significantly higher GDP than other nearby industrial places, but it was revealed that this GDP contribution is largely associated with a small number of large anchor tenants.

Regarding jobs diversity, around Boronia and Croydon South, for example, there is a range of people coming from places other than the three BBP LGAs, suggesting a more diverse range of jobs are available in that location. Analysis of the skills profile reinforced this, where the area around Canterbury Road, closest to the Bayswater major activity centre, had a higher proportion of highly skilled workers than other parts of the BBP.

The Strategic Memo #1 set the basis for the precinct aspiration, and a range of emerging objectives set out in Chapter 3 of this document.

1.4 Stakeholder collaboration

In 2014 and since, the three Councils and the State Government have maintained strong relationships with stakeholders in the BBP. Building on those existing relationships, a series of targeted interviews were undertaken to focus on key questions for the Transformation Strategy.

The aim of stakeholder consultation was to ensure the emerging strategy identifies and acts on the challenges stakeholders face and opportunities they see for the BBP. The consultation sought to understand the current and future industry needs and identify additional opportunities.

Consultation findings

Based on stakeholder discussions and past consultation, it is clear that the BBP's identity is:

- A manufacturing precinct that makes a significant contribution to the Melbourne economy
- Underpinned by a strong advanced manufacturing
- Industry 4.0 business presence is well-founded.

The BBP is home to a strong ecosystem of well-connected industries with strong local supply chains. The relationships between these businesses, with large employers supporting, and supported by, an ecosystem of smaller business is critical to the precinct's success. There are strong informal networks between these businesses. There is an opportunity to strengthen those connections with support such as networking and open house events.

While land is in high demand, there are a large number of underutilized lots with old building stock. There is an opportunity to work with land holders to encourage the preferred building typologies identified in this document.

Overall, businesses are committed to the precinct and its long-term success.

While the lack of amenity was generally something expected in an industrial context, there was a recognition that access to open space, places to eat and improved public transport would be a benefit.

Nine businesses were consulted, with representatives from real estate, data management, retail, automation/robotics, metal fabrication, manufacturing development and landowners. Many advised that they were just too busy, but there was a general feeling that there had been a long history of previous engagement between government and landowners (they felt their voices had been heard before).

Businesses are focused on their day-to-day operations. This highlights the important role for the three BBP Councils to lead the precinct's transformation with a view to the future, and for using the Transformation Strategy as a way of articulating this commitment and the actions to achieve it.

A detailed summary of interview findings is included in Appendix A of this document.

Impacts of COVID-19

Overall, businesses within the precinct appear to have been able to withstand the impact of COVID-19, largely due to Jobkeeper. However, while those who supply locally have typically been able to return to relatively normal operations, those who rely on international exports and those whose supply chains are reliant on imports are still experiencing the effects of the pandemic.

The ever-changing border closures has had a significant impact on staffing. Many businesses rely on lower skilled foreign workers, and with the border closures, there is a smaller pool of workers for industry to draw on.

In addition, since Jobkeeper ended there have been ongoing lockdowns and varied availability of emergency payments has extended the hardship many businesses, especially smaller businesses are facing. Small businesses who were able to survive, cannot maintain higher debt levels that larger companies are able to, and are at risk.

2. Bayswater Business Precinct context

A range of internal and external forces influence the way the BBP operates today, and its potential future state. This section sets out key factors, challenges and opportunities about the BBP's economic and spatial context.

Population growth and urbanisation, global economic and social changes, and industrial pressures and transitions, are all placing unprecedented pressure on local economies and employment precincts. For the BBP to remain economically, environmentally and socially sustainable and prosperous, it needs an edge to promote against competing employment areas with greater available and undeveloped land. The BBP's ability to compete with new greenfield developments, especially industrial land in the Northern and Western Growth corridors, and the Southern SSIP (Dandenong South), the Officer-Pakenham SSIP corridor, relates to its location in a highly established area, with access to a skilled and diverse local workforce. In comparison, many of the SSIP sites can offer large, unconstrained lots with better access to the Principal Freight Network, Port of Melbourne and Melbourne Airport.

The BBP is at a competitive disadvantage versus current trends in the industrial property market (i.e. move to more logistics-oriented operations that require large, greenfield sites). However, COVID changes may see a greater demand for local manufacturing as businesses want greater certainty around supply chains (fewer imports, more domestic production), increasing the demand for employment floorspace. A shift away from 'just in time' supply chains could also mean businesses hold more stock, increasing demand for warehouse floorspace.

At the same time, earlier reports on the BBP reported a move away from Australian manufacturing due to globalisation, high labour and operational costs, and fierce import competition. While traditional manufacturing has been moving offshore, there has been a move towards smarter and knowledge-based manufacturing rather than the process model (AEC report).

The changing nature of work means many traditional industrial businesses now include higher tech functions and employ higher skilled workers. Businesses employing people in traditional, industrial sectors as well as knowledge-intensive research and headquarter functions on a single site is increasing. This is also occurring for SMEs making use of smaller lots that combine office, warehouse/distribution, and R&D functions on the one site.

The BBP Framework in Section 3 sets out strategies and actions to combat these challenges.

2.1 Forecast population growth

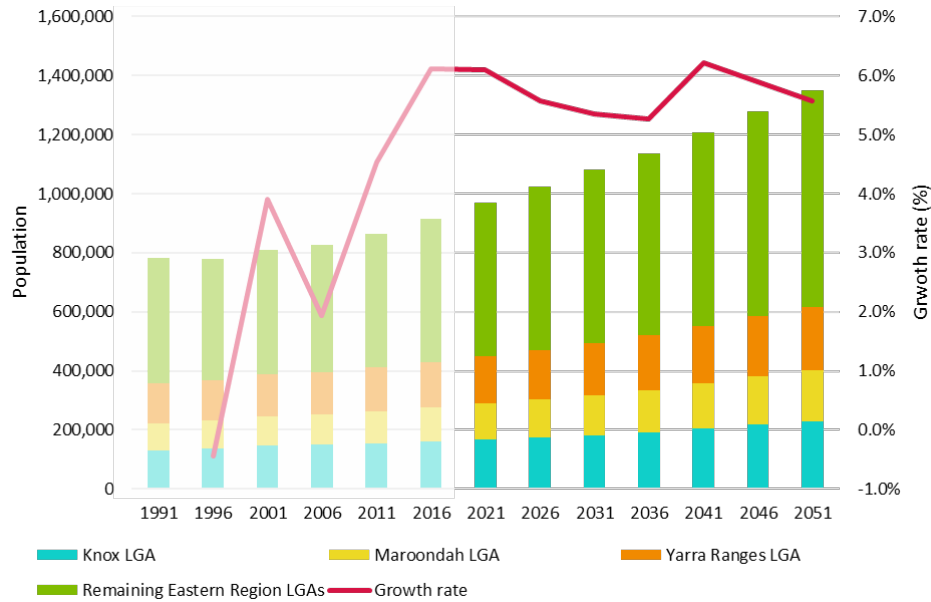
A significant population and workforce

The Eastern Metropolitan Region contains an established and growing population base that is seeking diverse employment opportunities and requires extensive population-serving activities to sustain it. This includes access to education and health facilities, convenience retail and industrial uses.

The Knox, Maroondah and Yarra Ranges LGAs represent around 45 percent of the Eastern Metro Region's population. In 2021, their total population was 449,939; it is forecast to grow to 615,442 or

+36 percent to 2061. The forecast annual average growth rate is 1.1 percent, and the share of Eastern Metro Region people living in the Knox, Maroondah and Yarra Ranges LGAs will remain relatively stable. Despite that stability, the forecast population growth over the next 40 years is equivalent to adding Ballarat or Bendigo’s entire population to the region.

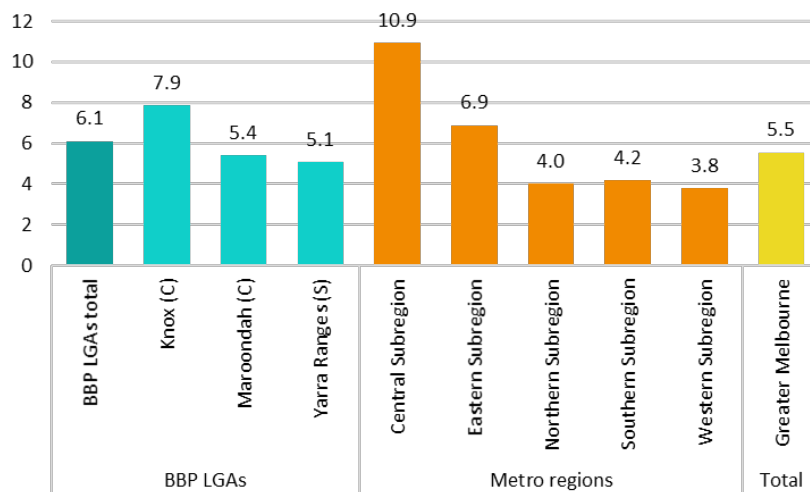
FIGURE 4: HISTORIC AND FORECAST POPULATION GROWTH IN THE EASTERN METRO REGION



Source: SGS Economics and Planning, 2021, based on ABS, VIF 2019 and various datasets. Remaining Eastern Region LGAs are Manningham, Whitehorse and Monash.

Population growth over 2001 to 2021 resulted in the Eastern Metro Region means 6.9 jobs were added for every 10 additional people. The metropolitan average over that time was 5.5 jobs per 10 people. This means the three BBP Councils (Knox, Maroondah, and Yarra Ranges) would need to meet, or exceed, that ratio to keep pace with population growth (Figure 5).

FIGURE 5: ADDITIONAL JOBS PER 10 ADDITIONAL PEOPLE, 2001 TO 2021



Source: SGS Economics and Planning, derived from ABS datasets.

The jobs-to-population growth average for the three BBP Councils over the last 20 years was 6.1. This suggests significant employment within the BBP Council areas and the Eastern Metro Region for residents to find work closer to home. This is certainly true of the BBP itself, where a very high percentage of workers live in the Knox, Maroondah or Yarra Ranges LGA (refer to Appendix B for a detailed breakdown of the BBP's worker and employment profile).

2.2 Worker and employment profile

The BBP and its surrounds currently employ over 33,000 people, 70 percent of which live within 10 kilometres of the precinct. Within the BBP study area, there are currently around 27,361 workers (based on 2016 Census, adjusted to 2021 using SGS small area land use projections). The number of jobs in the precinct could increase to more than 44,000 in 2041, with positive intervention to ensure that employment in the BBP keeps pace with, or exceeds, population growth.

Key findings:

- The main industries of employment are manufacturing, construction, wholesale trade and retail trade. However, in the last 10 years since 2011, the number of jobs in manufacturing has decreased by 1,138 or 9 percent.
- The BBP has a clear focus on traditionally industrial functions such as manufacturing, construction, and wholesale trade. However, in some parts of the precinct there are also higher concentration of knowledge workers or particular industries:
 - The Bayswater Mid and Croydon South sub-precincts have a higher proportion of workers in the knowledge-intensive sector than other sub-precincts (refer to Figure 3 in Chapter 1 for a map of sub-precincts).
 - The Baywater Mid and Kilsyth sub-precincts have a higher proportion of jobs that are related to the health and education sector than other parts of the BBP.
 - Boronia, Bayswater, and Bayswater North have a higher proportion of jobs classified as Traditional Industrial.
 - Kilsyth and Croydon South have a higher proportion of Population Serving jobs, likely reflecting the fact that they are surrounded by established residential areas and further away from the Bayswater Major Activity Centre.
- The BBP has traditionally had a blue collar profile. However, education levels across the Eastern Metro region are increasing, bringing opportunities for businesses to draw on a pool of highly skilled workers in future, to support a transition to industrial jobs that require knowledge workers.
- The highest proportion of knowledge workers are found in the BBP sub-precincts that contain key anchor tenants or are closer to the Bayswater Major Activity Centre.
- The BBP's labour market (the pool of people that occupy jobs in the precinct) reinforces patterns identified about knowledge workers in different parts of the precinct. Forty-seven percent of workers are located within 10 kilometres of the BBP.
- The highest proportion of workers from the Yarra Ranges LGA work in the Kilsyth precinct. For the Boronia and Croydon South sub-precincts, the proportion of workers coming from other LGAs is

higher, suggesting a more diverse range of jobs is available, or a wider range of skillsets is required in those sub-precincts.

- In the BBP, large businesses perform as key/major anchor institutions. Most businesses reported that their supply chains are local and regional, supporting a strong local economy.¹¹ Comparing the sub-precincts and industry sectors, larger knowledge services businesses are located in Baywater, Bayswater North and Kilsyth.
- The BBP has a lower effective job density (EJD) due to its peripheral location compared to other employment precincts across Greater Melbourne. However, the precinct's strengths in manufacturing, construction, wholesale and warehousing are key opportunity sectors to target ensuring the precinct's competitive advantage is leveraged now and into the future. Location quotient analysis revealed future strategic directions should be grounded in locally relevant, and competitive advantages in the BBP, as well as future aspirations for change. The BBP's key areas of competitive advantage are:
 - Manufacturing is the largest and most specialised industry in the BBP compared to the share of industries in Greater Melbourne, returning an LQ of almost 5. However, it has been declining (an average annual growth rate, or AAGR, of -4.6%).
 - Wholesale Trade is also a relatively large and specialised industry with an LQ of 2.8. However, its presence in the BBP is also declining (-2.8% AAGR).
 - Construction is both a growth industry and a relatively specialised industry in the BBP.
- Future economic and employment growth across metropolitan Melbourne will largely be derived from the future growth in knowledge services, population services, health and education. The industries that make up these broad sectors are under-represented within the BBP. Many opportunities are expected to exist to accommodate these activities in the precinct in future.
- While many of the jobs in the BBP are in manufacturing and construction, there is a high degree of R&D being undertaken. This, and the insights on patents, points toward an innovative business community with a potentially strong (or emerging) advanced manufacturing or advanced technologies profile.
- So, while innovation is often seen as the domain of 'Innovation Precincts', the activity occurring in the three BBP LGAs illustrates that innovation is occurring within established industries of strength in the local economy. This provides a solid basis for developing long-term economic development strategies.

2.3 Forecast employment growth

Based on the analysis above, it is clear that the BBP is home to diverse employment activities that could be further showcased and expanded in future. In the context of broader macro trends affecting manufacturing and traditional industry (refer to Section 1.1), there is a need to proactively take policy and economic development steps to protect, enhance and expand those opportunities in the BBP.

¹¹ AEC Report, 2014.

Current trends

Based on current trends, jobs growth will not keep pace with population growth. Positive action will be required in the BBP to ensure it can embrace opportunities that come along with broader trends.

- Three scenarios were prepared to analyse the potential impacts of macro trends in the context of policy, investment and aspirational objectives for the BBP. The BBP would need to add around 440 jobs per year to keep pace with population growth across the Knox, Maroondah, and Yarra Ranges local government area.
- Currently, employment in the BBP represents 15 percent of jobs in the Knox, Maroondah and Yarra Ranges LGAs, and 2.7 percent of jobs in the Eastern Metro Region. As highlighted earlier, some of the BBP's industry strengths are also sectors that are most under threat of decline.
- At the same time, a small number of very large businesses contribute a high proportion of the BBP's GDP. This means the loss of any one of those businesses would have a significant impact on the BBP's regional productivity and contribution to the local employment market.

Three scenarios were tested (refer to Appendix B for further information and forecast job numbers by broad industry category):

TABLE 3: EMPLOYMENT SCENARIOS – PROJECTED JOBS GROWTH

Scenario	Assumptions	Total growth (2021-41)	AAGR	Projected industry split	
Base case (business as usual)	<ul style="list-style-type: none"> % jobs in each sector remains relatively stable Very modest jobs growth occurs in line with population growth The BBP's local and regional employment role decreases over time, as more jobs are attracted to other centres 	+4,803 jobs	0.8%	Knowledge services 9.3%	Population services 31.6%
				Health and education 6.4%	Traditional industry 52.4%
Local employment focus	<ul style="list-style-type: none"> 15% share of local jobs (Knox, Maroondah, and Yarra Ranges) is maintained With some positive action, % jobs in each industry category shifts and more growth occurs 	+7,984 jobs	1.3%	10.6%	31.2%
				10.2%	48.0%
Regional employment focus	<ul style="list-style-type: none"> BBP maintains 2.7% share of jobs in the Eastern Metro Region Positive action is taken to leverage new technology and investment opportunities 	+13,893 jobs	2.1%	11.7%	31.0%
				16.2%	41.1%

The scenarios above (and detailed in Appendix B) show modest growth in manufacturing (reversing the decline), while jobs in other broad industry categories grow by the same, or a higher, proportion. This represents a shift in the make-up of jobs in the precinct in line with expected growth in knowledge services, population services, health and education across Greater Melbourne. Jobs in these sectors that are linked to, or benefit from, strong links to local supply chains and the BBP's existing industrial strengths. They would be attracted to the BBP based on improved amenity, enhanced economic and environmental sustainability, and represent that industrial businesses of the future will likely contain a wider range of activities in line with technological and industry advancements.

It is important to note that, without positive action to enhance amenity and accessibility, alongside governance and investment attraction actions, there is a risk that sectors already on the decline will decrease further in the BBP. Likewise, businesses seeking higher amenity in nearby competing employment places may decide to relocate. These challenges are imperatives behind the Transformation Strategy.

2.4 Supply of employment land in the Eastern Metro Region

MICLUP emphasises the importance of identifying, zoning, and protecting land for employment over the long-term. This will be important in the Eastern Region and around the BBP, where there is a significant established residential development and some industrial land precincts have been converted for residential purposes. When this occurs, employment land is permanently lost from the supply. Given limited vacant land available across the Eastern Region and in the BBP, renewal and redevelopment will be needed to intensify activity among the existing supply.

MICLUP also acknowledges that existing commercial and industrial zones enable a range of land uses that may undermine the purpose of those zones, or lead to a higher take up rate of sensitive uses (for example, residential in the commercial zone) that may restrict the range of employment uses. MICLUP recommends future zoning should be based on a hierarchy or framework for industrial and commercial lands. For regionally significant industrial precincts like the BBP, it recommends:

- Regionally significant industrial precincts:
 - Industrial 1 or 3 Zone
 - Commercial 2 Zone
 - Commercial 3 Zone in limited instances.



Were any future rezoning to be considered (for example, to encourage activity nodes), zones should be selected based on the preferred MICLUP hierarchy. This would ensure the preservation of the full range of employment uses into the long-term while creating opportunities for renewal and intensification, where appropriate, as employment precincts mature and evolve. Refer to Appendix B for further information about the supply and consumption of employment land in the Eastern Region.

2.5 Spatial context


The precinct has been analysed against key spatial and amenity themes that underpin actions presented in Chapter 3. Key findings and discussion expanding on each theme in more detail are contained in Appendix C.

- Access
- Activity centres and nodes
- Physical amenity and branding
- Land use mix
- Anchor uses.

TABLE 4: SUMMARY OF SPATIAL OPPORTUNITIES AND CONSTRAINTS

Theme	Constraints and challenges	Strengths and opportunities
 <p>Access</p>	<ul style="list-style-type: none"> - Distance from Melbourne port, airport, or rail freight - Poor public transport access - disconnected from rail and poor bus network - connection, no PT connection between key places within the precinct - Significant number of workers live locally but drive to the precinct. 95% workers commute to BBP by car, despite 70% of workers being residents from Knox/Yarra Ranges/Maroondah. 30% workers live within 3km from BBP - Major roads are barrier to movement and unsafe for cycling. - Uncertainty around the Healesville corridor. DOT communications indicates that it will remain a road reserve for potential future use. - Freight network causes bottlenecks around the precinct and disruption to nearby residential areas - Disconnected internal road network and poor internal traffic circulation - Disconnected from Bayswater activity centre and train station (poor pedestrian access) 	<ul style="list-style-type: none"> - Access to Major transport gateways (proximity to East Link, Melbourne CBD and Melbourne Airport) - Access to Bayswater train station on Belgrave line and Ringwood - East and Croydon train stations on the Lilydale line - There is a network of trails along the Dandenong and Bungalook Creeks directly north and south of the BBP – a major opportunity for active transport
	<ul style="list-style-type: none"> - Lack of identifiable centre within the precinct, a place to visit and take clients 	<ul style="list-style-type: none"> - Near several major activity centres – Bayswater, Croydon, Boronia, Ringwood MAC, Wantirna Health Precinct

Theme	Constraints and challenges	Strengths and opportunities
Activity centres and nodes	<ul style="list-style-type: none"> - Little obvious differentiation between the sub-precincts - Due to size of precinct any existing population-serving uses are not within walking - Distance of most parts of the BBP - Current commercial/population serving offering is limited (some cafes, fast food along Canterbury Road) and lacks cohesion 	<ul style="list-style-type: none"> - Small commercial nodes and some population-serving activities (cafes, etc.) dotted throughout precinct (e.g. Canterbury Road, corner Bayswater Road)
 Physical amenity	<ul style="list-style-type: none"> - No clearly understood boundaries or physical markers to denote the precinct (including gateway sites) - Ageing and built-up nature of the precinct– not clean and welcoming - Scale of the precinct and low density – limited sense of place and local identity, no identifiable centres, poor building address and street interface - Inadequate business and employee amenity - need for improved diversity and quality in the local food/restaurant offer, improved personal services (i.e., dry- cleaning, childcare, grocery shopping, etc.) and localised business services - Inadequate business accommodation for the growing professional services sector - Limited IT infrastructure and poor digital connectivity - Lack of access to open space - Varied quality of public realm across precincts, but generally poor 	<ul style="list-style-type: none"> - Scale of precinct allows for diversity - Improve public realm amenity for workers and visitors, building on existing significant trees and landscape setting near the Dandenong and Yarra Ranges (opportunities for more open space and greenery to soften the appearance of a traditional industrial precinct) - Work with landowners/developers to leverage any renewal projects to include services/amenities that support workers (e.g., somewhere to have lunch, take clients) - Use urban design techniques such as gateway treatments to delineate sub-precincts, and highlight future activity centres/hubs
 Precinct branding	<ul style="list-style-type: none"> - Not identified as a State-significant employment precinct and does not have a high profile or identifiable brand in the way that Monash, Dandenong, and other precincts do - Perception (reality?) that the precinct doesn't have the technology and infrastructure to support Industry 4.0 sectors - Lack of precinct profile across the broader metropolitan region 	<ul style="list-style-type: none"> - Home to a range of multinational organisations in the precinct
	<ul style="list-style-type: none"> - Safeguard floorspace diversity and affordability to provide flexibility for small local businesses to start and scale up 	<ul style="list-style-type: none"> - Several large opportunity sites with large lot area and low site coverage or older buildings/warehouses

Theme	Constraints and challenges	Strengths and opportunities
Land use mix	<ul style="list-style-type: none"> – There are large, underutilized sites – Fragmented land ownership – Precinct is almost fully developed (less than 10 per cent of land vacant and available for future development), limiting expansion opportunities – Lack of large contiguous sites to meet the need of large industrial uses (90% of lots are 5,000 sqm or less) – Diverse range of building typologies - parts of the precinct typify an older industrial area, with numerous older buildings occupying smaller lots and individually owned 	<ul style="list-style-type: none"> – Diverse range of building typologies - parts of the precinct look like a modern business precinct with new, high quality buildings set amongst high end landscaping – There is underutilised land within the BBP, (with opportunities for infill development and redevelopment of redundant facilities)
 Anchor uses	<ul style="list-style-type: none"> – Poor amenity/lack of services may limit attraction of new anchor tenants – lacks identifiable centres/nodes of focused employment activity – Key tenants in Bayswater Midi, such as Siemens, appear to account for the higher skilled worker (and high output for the region) with the remaining showing a more traditional industrial worker profile. – Supporting and retaining existing anchor tenants in the precinct – The large scale of the precinct is a challenge – Lack of critical mass 	<ul style="list-style-type: none"> – Precinct is made up of a diverse mix of businesses – Home to a range of multinational organisations in the precinct – Siemens, GSK, Kenworth/Paccar, Henkel. Business landmarks include the following sites: Siemens; Vulcan; GlaxoSmithKline (GSK); Fibremakers; Kenworth; Boral Quarry – Nearby: Monash NEIC (including industrial area), Dandenong NEIC and Southern SSIP, Ringwood MAC, Box Hill MAC – Close proximity to Wantirna Health and Croydon, Bayswater, Boronia MACs

2.6 Directions for the BBP

Based on the analysis in this section, and feedback collected throughout the project, the BBP Transformation Strategy has been prepared with the following context in mind:

Spatial structure and planning

- Continue to offer affordable land for urban services (enabling industries such as motor vehicle repairs, printing, or construction) needed by the surrounding established residential areas.
- Support the renewal of land and buildings across the BBP in order to create a diversity of contemporary workspaces for existing and new industrial and commercial businesses within the region.
- Prioritise the creation of higher order land uses (including activity nodes) in places that have good access and strong connections to the freight network or public transport (e.g., near the Bayswater Major Activity Centre, along Canterbury Road and Mountain Highway).

- Differentiate precincts appreciating their underlying opportunities and constraints to improve a sense of arrival, wayfinding and promote the Bayswater Business Precinct as a coherent and regionally significant employment place—to visitors and workers alike.

Long term success

- Provide a home for niche manufacturing/industrial activities that may expand to become higher order businesses.
- Offer incubation opportunities for niche businesses, while also offering a range of differently sized sites for businesses to grow and expand.
- Establish/strengthen strong governance arrangements between the three Councils, State government and government agencies.
- BBP businesses have supply chains embedded in the region; strengthen those connections, providing spaces and networks for collaboration and skills sharing.
- Leverage strong precinct branding to promote vacant/redevelopment sites, attract investment, improve renewal outcomes, and generate wider place/brand recognition for the precinct.
- Lead the transition to a circular economy, leveraging the established internal supply chains, and focusing on key industries of manufacturing and construction (two heavily material-dependent and waste-producing industries). Work with businesses to embed those supply chains into business operations and promote opportunities for new businesses where gaps exist.
- Embrace the necessity of decarbonising the economy. The push towards Net Zero emissions is gaining global momentum. This shift will be crucial for the BBP given its focus on manufacturing and construction, which are relatively large contributors to CO2 emissions.
- Build on existing green corridors, and established vegetation throughout the precinct, focusing on opportunities to enhance the environmental sustainability of the precinct for climate, clean air, thermal comfort and amenity reasons.

Profile and identity

- The BBP is a regionally significant employment precinct, both as a local employment hub for the Knox, Maroondah, and Yarra Ranges LGAs, and based on the GDP it generates for the LGAs and the Eastern Metro Region
- The BBP is home to a diverse range of businesses and has a key manufacturing strength which should be protected, and enhanced, to embrace new technology such as smart manufacturing (Industry 4.0).
- Grow opportunities to export innovative ideas and technology/processes created within the BBP.
- Advanced Manufacturing has been heavily promoted by state and federal government. Planning for employment precincts across Australia is focusing on this transition, supported by business and industry leaders. The BBP already has the manufacturing critical mass and a demonstrated focus on R&D and innovation to take a leading role.
- Focus on Advanced Manufacturing by leveraging the BBP's manufacturing expertise and specialisation and capitalising on the increasing demand of advanced manufacturing capabilities close to customers and places focused on R&D.

Amenity and functionality

- Support a wide range of businesses to locate within the precinct (including knowledge services, population services, training facilities, health-related R&D, manufacturing and distribution activities). This will be achieved by providing a higher level of amenity to better support workers and businesses, including clients (in terms of the precinct's physical attributes, access to open space and commercial/hospitality offering).
- Improve the access network both for freight (reliability and efficiency), active and public transport (connectivity, permeability, and safety).
- Retain, enhance, and expand the BBP's manufacturing offering, keep pace with global advancements and leverage R&D opportunities in the knowledge economy linked to manufacturing innovation.
- Digital and virtual connectivity should be identified as key opportunities for enhancing B2B connectivity.
- Opportunities for technology to be enhanced should feature in the Strategy.
- For transport, consideration needs to be given to mode prioritisation with an understanding of the transport aspirations for the precinct — for example, where (and when) cycling corridors for workers are prioritised compared to a well-functioning and efficient freight network.

In the next chapter, the BBP Transformation Strategy aspiration, strategies and actions are set out.

3. Transformation Strategy for the Bayswater Business Precinct

This section sets out strategies and actions to achieve the aspiration for the BBP. It contains five principles that define the overarching approach to planning and economic development outcomes for the precinct. These principles are particularly important given the BBP’s overall size and scale.

3.1 Aspiration for the Bayswater Business Precinct

The Bayswater Business Precinct holds unparalleled opportunities for manufacturing and commercial businesses in Greater Melbourne.

It is a key employment destination in the Region, and the diverse range of businesses in the precinct make a significant contribution to the Eastern Region’s economy.

This is driven by a well-connected and supportive supply chain of niche innovative businesses that are adaptive, an ecosystem of businesses, anchored by many that are innovative and embrace Industry 4.0 principles.






3.2 Strategies and actions

To deliver the Vision statement, there are four strategies to be delivered using a combination of three types of action.

TABLE 5: TYPES OF ACTION

Plan for future growth	More detailed planning needs to occur in specific locations to support the desired outcomes.
Activate	Invest in infrastructure to establish physical conditions for successful outcomes.
Facilitate: development, investment and relationships	Governance, partnerships, advocacy and systems that will create smooth processes to attract and keep businesses, workers, or investment in the precinct.





The actions (overleaf Table 6) are arranged under each strategy and the five corresponding themes:

-  Access
-  Activity centres and nodes
-  Physical amenity and branding
-  Land use and development typologies
-  Anchor uses and institutions

3.3 Summary of strategies and actions

TABLE 6: SUMMARY OF STRATEGIES AND ACTIONS

Strategy		Action						Lead	Timing
1	Agree on a broad spatial plan for the precinct	1 Develop a spatial plan for improving the amenity and function of the precinct	•	•	•	•	•	BBP Coordinator	Short
2	Set up the precinct for long-term success	2 Key business and institutions engagement				•	•	BBP Coordinator	Short
		3 Strategic site renewal		•	•			BBP Coordinator	Short-Med
		4 Precinct governance			•			BBP Coordinator, 3 Councils, DJPR, DoT and DELWP	Short-Med
		5 Funding streams					•	BBP Coordinator, 3 Councils, DJPR, DoT and DELWP	Short-Med
		6 Business-to-business relationship-building		•			•	BBP Coordinator, 3 Councils	Short-Long
		7 Urban greening strategy				•		BBP Coordinator	Short
		8 Circular economy				•		BBP Coordinator, 3 Councils, DJPR, DoT and DELWP	Med-Long

Strategy		Action						Lead	Timing
		9	Active transport links	•				BBP Coordinator, 3 Councils, DJPR, DoT and DELWP	Short-Med
		10	A water sensitive precinct			•		BBP Coordinator, 3 Councils	Short-Long
		11	Audit business infrastructure needs			•		BBP Coordinator, 3 Councils	Short
3	Build the profile and identity of the precinct as one of Melbourne's important economic locations	12	Branding and marketing strategy			•		BBP Coordinator	Short-Med
		13	Business directory			•	•	BBP Coordinator	Short-Med
		14	Shared opportunities including skill development and recruitment			•		BBP Coordinator, 3 Councils	Short-Med
4	Improve the amenity and functionality of the precinct	15	Green corridors	•		•		BBP Coordinator, 3 Councils, DJPR, DoT and DELWP	Short-Long
		16	Movement and place assessment	•	•	•		BBP Coordinator, 3 Councils	Short
		17	Built form and landscape guidelines	•	•	•		BBP Coordinator, 3 Councils	Short
		18	Freight certainty	•				BBP Coordinator, 3 Councils, DJPR, DoT and DELWP	Med-Long

Strategy	Action						Lead	Timing
	19 Landscape and greening outcomes			•			BBP Coordinator, 3 Councils	Short-Med
	20 Industry 4.0 (smart manufacturing)			•		•	BBP Coordinator, 3 Councils, DJPR, DoT and DELWP	Short-Long
	21 Collaboration opportunities			•			BBP Coordinator, 3 Councils	Short-Long

3.4 Strategy 1: Agree on a broad spatial plan for the precinct

Spatial plan

The precinct covers a large area, and contains a wide diversity activities, development patterns, infrastructure and built form. At present, the precinct lacks a clear or coherent identity as an employment precinct.

However, there are some discrete sub-precincts that exist within the wider BBP, and these should form the basis for prioritisation of interventions. By taking this approach, the amenity and function of each sub-precinct can be improved, and a clearer identity and 'place-brand' can emerge over time.

An overarching strategy is important to enable a coordinated approach to be taken to improving the amenity, identity and function of each part of the wider BBP.

The various other physical actions set out in this Transformation Plan have been prepared with the wider spatial plan described in *Action 1* in mind. They provide the necessary component-parts for the wider spatial plan to be realised.

Action 1: Adopt an overarching spatial plan for improving the amenity and function of the precinct

An overarching spatial plan (see Figure 6) has been prepared which identifies a series of sub-precincts that are delineated by major roads and other features.

This plan is relatively conceptual and sets out a strategic intent to create a series of identifiable precincts that each have a place within them that has a concentration of services and facilities within a high amenity setting. These 'activity nodes' will both improve the branding and identity of the wider precinct and provide much needed convenience retail, hospitality, recreation and other services to each sub-precinct.

A series of strategic sites have been identified as potential candidate locations for the creation of such 'activity nodes'. These are not fixed locations and other alternative sites may well present themselves as being able to fulfil this 'activity node' function. It is a priority to ensure that activity nodes are created in locations which are accessible and highly visible within each of the sub-precincts.

The spatial plan also identifies a series of important improvements to the way movement and access occurs across the BBP. This includes major road upgrades, new pedestrian and cycle connections and linear parkways.

Based on analysis undertaken in this study, the BBP has been arranged into sub-precincts to enable key moves to be undertaken in a manner appropriate to the size and scale of the BBP overall, as well as to the inter-functioning of the sub-precincts given the varying activities, roles and functions occurring in different places (refer to Figure 7).

More detailed plans should be prepared for each of these sub-precinct to identify in greater detail how each of the key moves set out in the spatial plan can best be implemented.

Each sub-precinct plan should:

- Articulate in greater detail the specialist role and function of the sub-precinct

- Confirm preferred locations for clustering a wide range of complementary business types
- Confirm strategic sites that would be suitable for mixed-use social hubs
- Identify how and where the proposed green and open spaces will be delivered
- Identify new and existing active transport links in the precinct, including funding and delivery mechanisms
- Identify new and existing PT corridors (e.g., buses within and to the precinct), gateways, route services improvements, mode priority and facilities infrastructure, and preferred bus stops
- Outline built form guidelines for areas of change.

Each sub-precinct plan should identify infrastructure investment, and land use zoning needs to ensure all parties are accountable and have these priorities aligned to government infrastructure and investment programs.

FIGURE 6: KEY MOVES UNDERPINNING A SPATIAL PLAN FOR THE BBP



Source: Hodyl&Co, 2021.



Key moves

The following five key moves will form the basis of the spatial plan to be prepared under Action 1 of the Strategy. The intention behind the key moves is:

- Build from existing infrastructure (rails and cycleways)
- Align with existing higher density job/business clustering
- Concentrate investment on areas of high impact.

TABLE 7: KEY SPATIAL MOVES FOR THE BBP

	Key move	Proposal	Suggested location(s)
	Maximise potential of linear parkway corridors	<p>Two east-west parkways that provide a green, safe and inviting way of moving around the precinct.</p> <p>Remove existing non-parkland uses, review zoning over some parkland/corridor areas (some IN1Z or Road Zone, some under the PAO)</p> <p>Establish exemplar biodiversity, water management and recreational corridors that support better accessibility for workers and residents who live in the surrounding suburbs.</p> <p>Facilitate regional connections to trails in the Dandenongs and to Bayswater Station</p>	<ul style="list-style-type: none"> – Upgrade Dandenong and Bungalook Creek and improve pedestrian and cycling connections to these corridors (existing, continuous) – Connect northern landscape parkway to create a regionally significant biodiversity/ recreational corridor and improve connectivity to this corridor
	Harness potential of strategic sites	<p>Capitalise on redevelopment of larger sites that are distributed across the precincts to create activity hubs that support a diversity of commercial and social uses within walking distances of more workers.</p> <p>Where appropriate adaptively re-use existing industrial buildings to retain some of the industrial character of each precinct.</p> <p>Co-locate multiple convenience retail, hospitality, recreation and other services within these sites.</p>	<ul style="list-style-type: none"> – Large, strategic sites identified on the Key Moves plan – Well-located/easily accessible within each sub-precinct – Sites that contain distinctive industrial buildings that can be readily adapted and contribute to the character of each precinct
	New activity hub	<p>Four to five new activity hubs are proposed to support access for local works to convenience shopping and hospitality venues.</p> <p>Western precinct (1) - Located on the only continuous east-west connection, therefore has the greatest level of accessibility within this precinct. The changing street pattern</p>	<ul style="list-style-type: none"> – Sites shown on Key Moves plan

Key move	Proposal	Suggested location(s)
	<p>creates a point of interest and there is already an existing café/food truck location/gallery indicating some demand. This location also connects directly to bike path and is in close proximity to Bayswater Station.</p> <p>Western Precinct (2) – A new activity hub within the Godfrey Hirst site, capitalising on the high visibility of the site, and the potential of the site to accommodate a wide range of SMEs and startups.</p> <p>Central Precinct (1) – Creation of a new activity hub as part of the redevelopment of the Clipsal site.</p> <p>Central Precinct (2) – Conversion of the existing cluster of fast food/petrol station to a consolidated and more attractive activity hub.</p> <p>Eastern Precinct – A small activity centre that supports convenient access and is located on the proposed pedestrian and bike path connection.</p>	
	<p>Upgrade bus services</p> <p>Create new bus routes between key locations relevant to the BBP</p> <p>Improve bus timetable frequency during peak times</p> <p>Adjust some routes to better connect to the BBP from key origins</p> <p>Trial on-demand route between Baywater and Boronia stations, and BBP</p> <p>Advocate for roads that carry SmartBus and primary bus transit to be added to the PPTN</p> <p>Explore new technology solutions such as autonomous transport taxis and shuttles buses and uptake of zero emissions transport (buses, taxis and shuttles)</p>	<ul style="list-style-type: none"> – New rapid transit route between Dandenong Station, BBP, Bayswater Station and Croydon Station – Increase frequency of 901 Smart Bus route during peak times – Adjust timetables for 737 and 664 bus routes to better connect BBP with 901 bus route at Knox City – Improve services from Lilydale, Mooroolbark, and the Warburton Highway – Create new bus services along Colchester Road (Canterbury Road to Mt Dandenong Road) <p><i>These five changes would improve public transport access for more than 5,000 workers.</i></p>
	<p>Pedestrian and cycling connections</p> <p>Provide new links that connect workers to the BBP from key public transport and nearby residential origins</p> <p>Provide new on-road connections for commuter cyclists</p>	<ul style="list-style-type: none"> – New connection to Bayswater station from the east. – Create north-south connections through Western Sub-Precinct, connecting up to existing roads and the Dandenong Creek Trail.



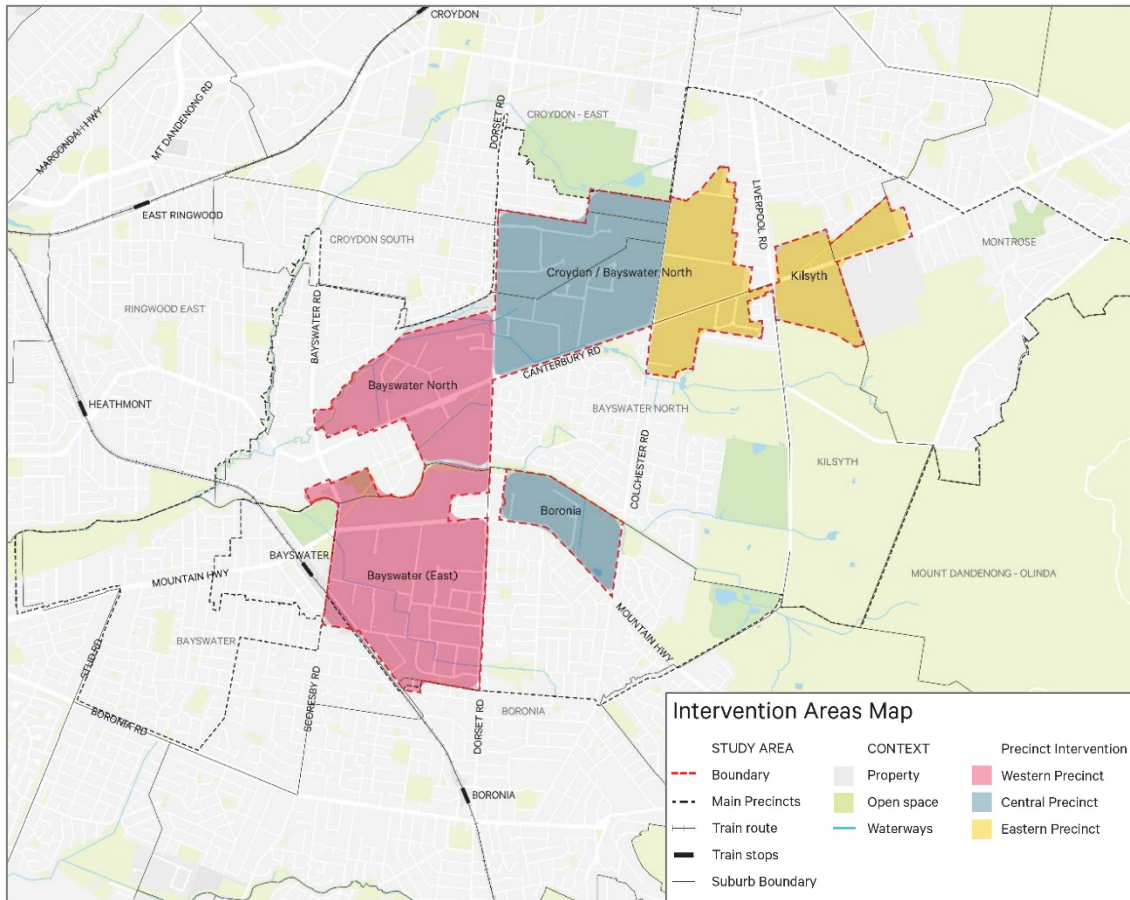
Key move	Proposal	Suggested location(s)
	<p>Provide additional distributed connections throughout the BBP that link directly to the green corridors. This will include a number of new links to the new major east-west corridor north of Canterbury Road. These will need to be introduced gradually through the redevelopment of key sites that support this connectivity.</p>	<ul style="list-style-type: none"> - Create east-west connections through Eastern Sub-Precinct along the existing easement. - Enhance internal connectivity in the Central Sub-Precinct prioritising opportunities to connect to the new east-west green corridor and the Bungalook Creek. - New on-road connection on Mountain Highway for commuters
 <p>Major road upgrades</p>	<p>Upgrade capacity of Canterbury Road to accommodate freight movement, including road-widening, increasing intersection capacities and improving kerbside lane infrastructure and access arrangements</p> <p>East of Colchester Road, introduce significant tree planting along Canterbury Road</p> <p>Take advantage of vista to mountains by providing landscape improvements along Mountain Highway</p> <p>Improve intersection capacity and design along north-south roads</p>	<ul style="list-style-type: none"> - Canterbury Road - Mountain Highway - North-south roads
 <p>Distributed open spaces</p>	<p>Working with developers and available underutilised spaces throughout the sub-precincts, provide additional open spaces. Encourage the inclusion of these spaces on the identified key strategic sites to support integrated social and commercial activity.</p> <p>Based on site size, consider small-scale interventions and larger functional open spaces that can offer recreation, outdoor lunch and meeting places for workers.</p>	<ul style="list-style-type: none"> - Strategic sites shown on Key Move plan - The new activity hub in the Central Precinct - All sites to consider opportunities to include high-quality, small-scale places to sit and socialise for workers.

FIGURE 7: BBP IMPLEMENTATION SUB-PRECIINCTS



Source: Hodyl & Co, 2021.



Action 1(a): Promote a wider diversity of development typologies on vacant, underutilised, and redevelopment sites



The table (Table 8) below outlines potential development typologies that could be encouraged on strategic sites, and pursued to complement the key moves identified on Figure 6. Opportunities exist for Council to partner with landowners, investors, or developers to encourage an emerging typology that supports the aspirations of the BBP from an amenity, land use and innovation perspective well into the future. There are opportunities to promote a mix of development typologies, at various scales.


The key moves are intended to set the precinct up for greater economic resilience, while enabling businesses to strengthen connections, share knowledge and attract workers drawn to a higher-amenity employment location with diverse opportunities. The potential future typologies represent:

- **Repurposing existing buildings** as low-cost business incubators/startup spaces and potentially tech/innovation hubs.
- **Reveloping larger sites with their own mixed use amenity** (cafes, childcare, recreation facilities, services, bars, etc.)
- **Redveloping medium and larger sites** in a format which provides smaller-scale low cost office/warehouse/showroom accommodation.

TABLE 8: DEVELOPMENT TYPOLOGIES UNDERPINNING A SPATIAL PLAN FOR THE BBP

Typology	Description	Site conditions	Planning requirements	Precedent examples
Repurposed corporate HQ	<p>A large-scale, mixed-use building containing office, retail, entertainment, hospitality, health, wellness, fitness</p> <p>Redeveloped site can become focal point for different employment pools across the BBP Sub-Precincts by offering a range of amenities and services not currently available to workers locally</p>	<p>Large site generally greater than 2 hectares able to accommodate an activity hub to support worker amenity across the broader precinct</p> <p>Requires good access from main road/central location in sub-precinct</p> <p>Operates like a new precinct</p> <p>Strategic sites identified in the Western Sub-Precinct</p>	<p>Some uses restricted in the IN1Z, but a mix of office and some convenience may be permissible</p> <p>C2Z is also an appropriate zone for larger-scale office uses.</p>	<p>Bell Works “Metro-burb,” New Jersey</p>  <p>Sites with conditions similar to Siemens, GSK in the Western and Central sub-precincts</p>
Repurposed large warehouse	<p>Flexible space able to accommodate a mix of uses operating at smaller scale (e.g., start-ups, small commercial producers)</p> <p>Small businesses benefit from direct access to local supply chains and business-to-business knowledge-sharing</p>	<p>Existing disused/underutilised warehouse buildings that can be repurposed as a business incubator</p> <p>Strategic sites identified in the Western and Central Sub-Precincts</p> <p>Multiple tenants, seeking a repurposed warehouse, or new office/showroom</p>	<p>Likely most uses could operate within the existing parameters of the IN1Z (no zone changes required)</p> <p>Alternatively, C2Z or C3Z may be appropriate (noting that because residential uses are not intended to be supported in the BBP, the C3Z would need to include a schedule to prohibit such uses).</p>	<p>Dairy Road, Canberra</p>  <p>Large sites in the Western Sub-Precinct may be suitable based on strategic size/sites identified</p>

Typology	Description	Site conditions	Planning requirements	Precedent examples
<p>Repurposed smaller warehouse</p>	<p>Opportunity to create a small activity hub with a mix of activities (e.g., hospitality, office, retail, creative warehousing, greenspaces) by repurposing a small warehouse or series of small warehouses</p> <p>Again, opportunity to act as a lower-rent incubator for new businesses that can ‘graduate’ to other locations across the BBP over time</p>	<p>Existing disused/ underutilised warehouse buildings</p> <p>Strategic sites identified in the Western and Central Sub-Precincts</p> <p>Single tenant, seeking a repurposed warehouse, new office/showroom/ warehouse</p>	<p>As above, likely most uses could operate within the existing parameters of the IN1Z (no zone changes required)</p>	<p>Morris Moor, Moorabbin</p>  <p>Bellrose, Cheltenham</p>  <p>Makers Space, Coburg</p> <p>Capital Brewery, Canberra</p> <p>Manufacturing Incubator, New York</p>

Typology	Description	Site conditions	Planning requirements	Precedent examples
Redevelopment /greenfield site	<p>On vacant land, create business parks equipped with range of modern amenities and services</p> <p>Opportunity to provide variety of GFA not available elsewhere in precinct</p>	<p>Strategic sites identified in the Western, Central and Eastern Sub-Precincts</p>	<p>As above, likely most uses could operate within the existing parameters of the IN1Z (no zone changes required)</p>	<p>CONO (Connecting Businesses Now), Coburg</p> 

3.5 Strategy 2: Set the precinct up for long-term success

Facilitate development, investment and relationships

To date, the precinct has been home to a network of high performing businesses. It has provided a regional economic focus, providing jobs and supporting the local economies. Projected population growth in the region means that, to retain and build on this role, the precinct will need to accommodate additional jobs and economic activity.

The challenge for the precinct is to retain and build on existing strengths as significant industry and economic transformation is occurring in the broader economy. Another challenge is to provide a range of appropriate sites to accommodate the lifecycle of local business growth, from small to large.

This strategy seeks to promote the precinct's resilience by considering both economic/business longevity and environmental and climate adaptation.

Economic Sustainability

The economic sustainability element has two interlinked components: retaining the precinct's unique economic structure defined by the ecosystem of businesses, and supporting this system to deliver benefits to the local and regional community.

It is crucial that anchor institutions and the critical mass of businesses of differing size and scale are retained. This network of complimentary business contributes to a unique economic ecosystem and underpins the precinct's success. The larger manufacturing business provide diverse supply opportunities to smaller businesses, contribute to the identity of the precinct and contribute to the skill development of the labour pool. This drives the productivity of the precinct and, without them, the precinct risks losing reliability of demand for small businesses, key drivers of employment and economic activity. The critical mass of employers also provides more choice for the region's skilled workers.

Despite the precinct's strong economic performance, it is susceptible to the outdated image of manufacturing, making it difficult to attract a younger workforce at the same time as the existing workforce is aging and family businesses are turning over.

Fundamental to the role of the precinct in supporting the local and regional economy are the principles of Community Wealth Building. These include:

- building on existing strengths
- supporting local businesses
- retaining the flow of capital within the local economy.

This can be achieved through a range of means, including:

- employing local people who'll spend their wealth locally
- supporting businesses that are strongly connected into local supply chains (B2B wealth capture)
- local procurement and links with local businesses.

Environmental Sustainability

In addition to economic resilience, the precinct needs to be positioned to both mitigate the impacts of climate change and to harness the opportunities of a transition to a sustainable, circular economy. A circular economy removes the concept of waste by considering it as a future resource; circular economic thinking and processes must therefore move beyond just focusing on re-using waste and challenge the fundamental principles of design, production and consumption.

Future proofing the precinct in the face of climate change, look at the uptake of solar power through solar panels with batteries for storage, providing charging facilities for electric vehicles in key locations along actions to reduce the urban heat island effect in the precinct.

Action 2: Engagement with key businesses and institutions

Continue to engage with key businesses and institutions to understand their requirements to remain, grow and invest in the precinct. The focus should be on the advanced manufacturing business that supports the manufacturing services ecosystem, along with any other businesses that have strong local supply chains, make a significant financial contribution to the local economy or are large employers, as the anchors for the precinct.

Strengthening business' awareness of, and access to, the BBP Connect network will be a key avenue to enhance this engagement. Based on past engagement, key focuses are likely to be infrastructure (including digital infrastructure) improvements, availability of retail/hospitality services within the BBP, opportunities for knowledge sharing and strengthening connections between businesses.

Action 3: Strategic renewal sites

Engage with landowners to identify and progress the renewal of strategic sites, with a priority on Bayswater north and south (to link with Bayswater Activity Centre redevelopment and direct revitalisation opportunities near station). Renewal should focus on

- providing spaces for development of business networks, including collaboration and interactions
- Improve local amenity and public realm
- Provide a range of hospitality, recreation and business services
- Deliver collaboration spaces, including office and meeting spaces/manufacturing hub and manufacturing incubator
- Deliver small open spaces
- Diversify the built form – what does this mean in this context? To provide a higher quality environment? Provide

This should occur via:

- Engaging with land owners, developers (both within and outside the precinct looking at existing examples in other locations, developers who have done this elsewhere), real estate agents
- Articulation of the benefits of preferred typologies in strategic locations,
- Investigation of proposed business models, to share with potential investors?

- Development of a pop up / temporary BizHub based on the Maroondah model, with a specific focus on manufacturing / Industry 4.0. A day a week/month and where the BBP coordinator or other people from council, business groups, educational institutions can have a physical presence in the precinct. Long-term, this could be located in a hub, short-term work with land owners in the precinct to identify a site / spare office space/rotate around existing business.

Action 4: Precinct governance

Appoint a formalised governance unit for the BBP that is dedicated to overseeing precinct growth, including the development of the spatial plan and the branding and marketing strategy. For the BBP in each Council, this includes encouraging the realignment of:

- capital works and asset renewal works
- planning strategies and planning schemes
- economic development plans and strategies
- urban cooling and greening, environmental sustainability, climate adaptation/mitigation strategies.

This group should comprise members of the three Councils, DELWP, DJPR and DoT along with business representatives.

Action 5: Funding streams

Support business to access to various streams of government funding, including for research and development, to help further opportunities for businesses in the BBP by providing dedicated resources to assist with grant writing, business case development and research.

Action 6: Business-to-business relationship-building

Plan and deliver events and create other opportunities for businesses in the precinct to meet each other and to bring potential partners into the precinct (industry, educational institutions, other levels of government).

Plan for future growth

Action 7: Urban greening strategy

Prepare urban greening strategy to support climate adaptation, mitigate the impact of urban heat via plantings, street trees, landscaping, building treatments, energy and waste management. There are opportunities to leverage and connect the existing green spaces, while considering a range of development requirements for canopy trees and the creation of linear green spaces as part of any site redevelopment/renewal.

- Integrate with built form guidance (Strategy 3)
- Ensure sites of biological significance in and around the precinct are protected and enhanced and that habitat connectivity along identified key habitat corridor routes is protected and improved.

Action 8: Circular economy

Investigate options to pursue circular economy:

- Identify opportunities to implement decentralised water and energy production and distribution
- Identify local supply chains to minimise transport costs, and identify co-locate businesses that are part of the waste recovery and product manufacturing sectors
- Transition of fleets to ZEV options, electric or hydrogen.

Action 9: A water sensitive precinct

To enhance the climate resilience and improve environmental outcomes across the precinct, develop a *Water Sensitive Urban Design Strategy*. Promote actions which reduce runoff and harvest stormwater to future proof in periods of drought and flooding.

- Work with industry to promote and encourage stormwater harvesting, collecting rainwater from roofed areas, with a specific focus on large sites and new development.
- Integrate WSUD into landscape requirements for the precinct to ensure they are incorporated into landscape designs. This could include: water tanks for rainwater collection, raingarden (bioretention basins and swales), sand filters, constructed wetlands/ponds/shallow lake systems, infiltration measures and gross pollutant traps, use of porous paving where appropriate.
- Education programs to promote good environmental practice by individual businesses with a focus on reducing pollutants entering the stormwater system and benefits of harvesting stormwater
- To ensure integrated water cycle management (IWCM) is considered in the design and layout of new estate subdivisions.
- Create onsite “green zones,” used for the retention and detention of stormwater on-site. These areas allow urban greening, which brings with it attractive and cooler micro-climate zones that people value. Green areas can include irrigated landscaping, water features, outdoor space for staff, green roofs or walls.
- Review and update flood extent across the BBP (if required) to understand how floodwaters can be calmed, cleaned and potentially stored as part of an initiative to reduce polluted run-off and enhance water sensitivity across the precinct.

Action 10: Active transport links

Plan and deliver active transport opportunities to encourage more sustainable transport use, specifically pedestrian and cycling links in plan (prioritise north and south Bayswater)

- New connection to stations and interface with public transport hubs
- New north-south connection
- Additional distributed connections
- New on-road connection on Mountain Highway (commuter cyclists)
- Future proof active transport routes to cater micromobility (e-bikes and scooters) and to augment public transport networks, extending the catchment areas for active and public transport.

- Advocate for the key cycling routes to be added to the PBN and SCC
- Identify key walking routes within the precinct and network gaps, where there is limited space this should guide prioritisation of use of space for walking vs the provision of street trees.
- All new developments backing onto Bungalook Creek/Dandenong Creek should have direct connection to the shared path trail.

3.6 Strategy 3: Build the profile and identity of the precinct as one of Melbourne's important economic locations

Facilitate development, investment and relationships

There is a need to build awareness internally and externally of the industry profile (skills and capability) of the BBP. Existing businesses need to know they are part of an important economic engine made of local supply chains that can work together for better outcomes.

There is an opportunity to offer economies of scale, especially for small businesses, so they can focus on their core business rather than corporate activities (e.g., recruitment and basic training). Applying a precinct approach to connecting industry with training opportunities that meet current and future need.

By deepening the culture of connectedness and communal identity of existing businesses in the BBP, an environment of co-operation guided by shared interests and aims will contribute to its ongoing success.

Action 11: Marketing and branding strategy

Develop a branding and marketing strategy which reflects the strengths of the precinct, particularly:

- an established manufacturing and commercial hub for businesses of all sizes
- the range of skills on offer across the BBP; a technically proficient workforce familiar with multi-national companies
- access network to key transport systems
- zoned and affordable land at competitive prices
- supportive and coordinated team of local councils who are open for business.

The strategy should also identify target industries and opportunities (such as advanced manufacturing, and jobs in other broad industry sectors that can link into the BBP's current strengths) in the precinct and articulate its benefits and long-term opportunities. It should reflect the various sub precincts, the vision for the future. An investment prospectus specifically to attract new business and investment could also be developed.

Action 12: Business directory

Continue and expand the business directory to build local businesses' awareness of other local businesses and opportunities. This could include encouraging businesses to use the directory to share their capabilities and allow others to understand existing capabilities within the precinct. Understanding what businesses want from the directory will help inform the actions required.

The business directory could also be linked to business networking opportunities such as events and forums, and a physical business hub to be established within the activity nodes.

Action 13: Skill development and recruitment

Identify additional shared opportunities for businesses, including skill development and recruitment:

- Build knowledge of recruitment and skills challenges throughout the precinct
- Look for opportunities to connect businesses better to apprenticeships from training providers.

3.7 Strategy 4: Improve the amenity and functionality of the precinct

Plan for future growth

Enhancing the precinct's functionality and physical amenity is crucial to its long term success. This needs to reflect its location and regional context.

Action 14: Green corridors

Plan for corridors and spaces which contribute to greening, improve access and contribute to health and wellbeing:

- Engage with DoT regarding the existing and longstanding Healesville road reservation and advocate for its role as a northern linear pathway
- Identify and plan ways to improve connections from Dandenong creek trail into the precinct
- Improve open space connectivity and for use as pedestrian and cycling network to Bayswater train station, as well as north-south, distributed connections through the precinct
- Ensure sites of biological significance in and around the precinct are protected and enhanced and that habitat connectivity along identified key habitat corridor routes is protected and improved.

Action 15: Movement and place assessments

Prepare movement and place assessments to inform detailed revitalisation plans for:

- Mountain Highway – to improve access for cycling, local labour force and reduce road space taken up by short trips
- Canterbury Road – to improve freight access along the road, consider/enable the potential for active transport and manage possible conflicts
- Map existing routes and public transport blackspots across the precinct, and use pedestrian and cyclist count data before and after these actions are undertaken, to measure the impact of any infrastructure improvements.

Action 16: Built form and landscape guidelines

Develop built form and landscape guidance for the wider precinct with specific guidelines for areas of significant change to create a sense of arrival and cohesion from the public realm, such as:

- For industrial areas in Bayswater north and south
- Gateways – Mountain Highway and Canterbury Road
- Incorporate sustainability outcomes such as WSUD (refer to Action 9)
- Document, preserve and ensure new design responds to valued aspects of character within the BBP, such as a sense of openness and views to nearby landscape features (Dandenong and Yarra Ranges).

Activate the precinct

Action 17: Freight certainty

Upgrade Canterbury Road and north-south roads to improve freight certainty, including the deployment of intelligent transport systems.

Consider the emerging intelligent transport systems, automated robotic loading and blockchains which have the potential to offer efficiency and reliability gains.

Action 18: Landscape and greening outcomes – link with green corridors and urban and greening

Deliver improved landscape and greening outcomes across the precinct with a priority focus on:

- Tree planting east of Colchester Rd
- Mountain highway landscape enhancements to take advantage of vista to mountains
- Deliver distributed open spaces across the precinct (refer to Key Moves framework plan, slide 19).

Facilitate development, investment and relationships

Action 19: Industry 4.0 (Smart manufacturing)

Engage with business and energy providers to support the transition to Industry 4.0 (smart manufacturing) by:

- Mapping supply chains in the precinct: identify where the locations of potential high use and gaps in the supply network
- Providing opportunities (building on Actions 12 and 13) for businesses to come together and share knowledge related to smart manufacturing and technological innovation within the BBP.

3.8 Outcomes

TABLE 9: DESIRED OUTCOMES

Theme	Outcomes
Access	<ul style="list-style-type: none">– Walking, cycling and public transport access connects workers and customers to activity nodes across the BBP– Key active transport corridors offer transport flexibility to nearby residents and those who work in the BBP– The road network to functions as a multi-model system with dedicated priority for selected modes– Enhanced and expanded the Principal Freight Network within the BBP– The freight network is efficient, fit for purpose and provides excellent connectivity for supply chains to Greater Melbourne, ports, airports and within the BBP– IT infrastructure is reliable and high-speed, enabling businesses to operate in a 21st Century context and achieve Industry 4.0 (smart manufacturing) work practices

<p>Activity centres and nodes</p>	<ul style="list-style-type: none"> - Amenities, including retail and professional services, are clustered in activity centres and hubs throughout the BBP, creating higher density destinations that meet the needs of workers - New activity centres/nodes enable workers, partners and businesses to meet and are important focal points throughout the BBP
<p>Physical amenity and branding</p>	<ul style="list-style-type: none"> - Sites are redeveloped and enhance the physical environment of the BBP - There is increased awareness of the BBP, via the BBP Connect concept and other mechanisms - The natural environmental values within and around the precinct have been protected and enhanced - Sustainability is a feature of the precinct, evident through initiatives such as the incorporation of water sensitive urban design, provision of green infrastructure for cooling and greening and uptake of zero emissions vehicles
<p>Land use and development typologies</p>	<ul style="list-style-type: none"> - The redevelopment of strategic sites is guided by preferred development typologies based on location and site conditions (e.g. former corporate HQ, large warehouse, smaller warehouse, redevelopment/greenfield site) - Consistent and aligned with strategic planning policy across State and local governments
<p>Anchor uses and institutions</p>	<ul style="list-style-type: none"> - Strong relationships with anchor institutions create a pipeline of skilled workers fit for future industries in the BBP - Education, training and employment connects people from across the Eastern Region to emerging career opportunities in the BBP

4. Next steps

4.1 Approach to implementation

The Transformation Strategy is built around Strategy 1, which sets out a pathway to achieve key spatial and amenity outcomes, harmonise planning policy and promote clear preferences around built form, amenity and renewal opportunities for the precinct.

Each of the Strategies in this plan is distinguished by its intent, which is related to the various factors affecting the longer-term economic wellbeing and sustainability of the precinct, supported by actions that will enhance social and environmental resilience. Planning must occur simultaneously. In that respect, some physical actions set out in this Transformation Strategy have been prepared with the wider spatial plan described in Strategy 1 in mind. They provide the necessary component-parts for the wider spatial plan to be realised.

Timing and responsibility for each action has been set out in the detailed actions in Section 3.3. An important next step is for the BBP Coordinator and relevant departments from each Council to come together to harmonise key actions within the BBP. As highlighted elsewhere in this strategy, a strong governance approach, will be crucial to the strategy's successful implementation. This means there is a strong and supportive partnership, and the fundamental directions of the precinct are agreed among the project stewards (Knox, Maroondah and Yarra Ranges Councils), along with key business representatives.

4.2 Summary of strategies and actions

TABLE 10: SUMMARY OF STRATEGIES AND ACTIONS

		Access	Centres & Nodes	Amenity & Branding	Land Use & Development	Anchor Uses
Strategy 1 – Agree on a broad spatial plan for the precinct						
1	Based on the 'key moves' plan, develop a spatial plan	•	•	•	•	•
Strategy 2 – Set the precinct up for long term success						
2	Engage with key businesses and institutions to understand their requirements to remain in the precinct				•	•
3	Engage with landowners to progress the renewal of strategic sites		•	•		
4	Appoint a formalised governance unit for the BBP			•		

		Access	Centres & Nodes	Amenity & Branding	Land Use & Development	Anchor Uses
5	Identify and promote access to various streams of government funding					•
6	Plan and deliver events and create other opportunities for businesses to meet		•			•
7	Prepare urban greening strategy			•		
8	Investigate options to pursue circular economy			•		
9	A water sensitive precinct			•		
10	Plan and advocate for improved bus connection	•				
Strategy 3 – Build the profile and identity of the precinct as one of Melbourne’s important economic locations						
11	Develop branding and marketing strategy			•		
12	Continue to expand the business directory			•		•
13	Identify additional shared opportunities			•		
Strategy 4 – Improve amenity and functionality of the precinct						
14	Plan for corridors and spaces which contribute to greening and improve access	•		•		
15	Prepare movement and place assessments	•	•	•		
16	Develop built form and landscape guidance for areas of significant change	•	•	•		
17	Upgrade Canterbury Road and other north south roads to improve freight certainty	•				
18	Deliver improved landscape and greening outcomes			•		
19	Engage with business and energy providers to support the transition to Industry 4.0			•		•

Appendix A: Consultation summary

TABLE 11: SUMMARY OF KEY FINDINGS FROM INTERVIEWS

Theme	Key findings
Skills	<ul style="list-style-type: none"> - Have difficulty finding manufacturing staff (largely foreign workers but still need a good basic English language skills(read/write). Shrinking labor pool - Lower skill can be a more transient workforce, takes 12 months to really train someone but they don't stay long term - Can be hard attracting highly specialized technical staff - Skills shortages in specific areas of expertise, specific types of machinists. - Training apprenticeships is an important part of the ecosystem, supporting the development of the trades to serve specific skills gap/need.
Access	<ul style="list-style-type: none"> - Can be difficult competing with CBD for attracting highly specialized tech workers - Strong local workforce and good access to eastern suburbs - No reliable bus network, not walkable, no footpaths in parts of Kilsyth. - Freight access is only an issue for larger locations. Smaller sites don't need the freight access and can be anywhere in the precinct. - Proximity to Eastlink is a positive - Majority of workers live locally and drive to work
Amenity	<ul style="list-style-type: none"> - Lack of amenity not considered critical as existing workers are used to it, or expect an industrial precinct to have low amenity - Most employees drive and can go to Boronia or Bayswater for lunch / services - The Bayswater station end of the precinct has greater amenity, Bayswater Park and creek trail. - For those business that have switched to WFH there is a strong interest in improved amenity (places to eat and small green spaces (e.g., Brayside and Dingley village) - Bayswater Activity Centre redevelopment will likely include a BizHub (similar to Knox) and co-working spaces, along with a childcare centre and a large medical centre. - Access to restaurants / cafes for business meetings, is currently very limited.
Lot size and building typology	<ul style="list-style-type: none"> - Large sites are limited - Not enough vacant land, vacancy rate under 1.5% - Lack of stock and real estate agents struggle to uncover sites. No opportunities to reinvest into. If you can unlock something the price is high. Affordability is a real issue; the dollar value being attributed to sites is high regardless of quality. - Market is dictating need for 1,000-5,000 sqm buildings; and losing occupants in the east due to lack of that building size. Need a diverse mix, ability to start small and grow moving through slowly larger sites. - Ability to grow within the BBP - many of the larger businesses started locally and have been able to stay as they moved to larger sites over time. - There is a lot of underutilized land and old properties (old stock) – opportunity to invest and upgrade. - Need a masterplan for the BBP and then it needs to be implemented. Keep precinct industrial with commercial activity directed to selected concentrated places.

Theme	Key findings
Infrastructure	<ul style="list-style-type: none"> - Anecdotally, telecommunications have become the #1 issue for many. Even if they have NBN it's just not enough capacity for the really high data needs therefore looking at fibre solutions with COGA(?) a local business which is a fibre specialist – talking about a 100 gigabit network backbone. - For those requiring large electricity loads power is a challenge, manufacturers have limits to the amount power they can draw on. Data centre has its own substation. - NBN has improved connectivity.
Supply chains	<ul style="list-style-type: none"> - Strong relationships between many existing business (as suppliers and or customers) - business to business relationships are strong, there is collaboration between some businesses. Strong informal networks. - Majority of supply chains are local e.g. ADDE 70-80% of their suppliers are local, Dollar Curtains use the services of 30 local business. - Breadth of local manufacturing services is important, a successful business ecosystem where large scale businesses support the smaller businesses. - Scale of the precinct is an advantage for diversity of businesses to meet current and future business needs and access to options (not just one supplier or contractor). Access to suppliers is beneficial for product development. - At the same time 50% of smaller businesses are import export / generic warehouse distribution that could be located anywhere. - BBP gravitates strongly to manufacturing but no particular industry. - Opportunity for BBP to help BBP participants make the most of the renewed focus on local production due to COVID – skills and equipment mapping for the precinct to help identify opportunities - 60% of Kenworth supply base is from Australia and Raeline is 80% - Things they can't get locally: cardboard, vinyl and foam (Raeline) - COVID impacts are longer lasting for those more dependent on global markets – those exporting overseas are still struggling, those reliant on imports are also subject to delays and cost increases.
Business support	<ul style="list-style-type: none"> - Business assistance such as help with grant applications - Opportunities for Shared IT, HR and procurement? - Australian manufacturing is hard to compete on price so need that specialty focus (e.g., RFS in niche radio equipment) - Links to existing groups – SEMA, AMTIL - Open house – ability to show /share what they do has been successful in the past. - Hard to get granular data about what is going on in the precinct and what the business need is. Investors and the market need access to data.
Other	<ul style="list-style-type: none"> - Sustainability opportunity, many high energy users in manufacturing and data centre. Opportunity for rooftop solar across the precinct, 'renting roof tops' for solar - The idea of a green business park that is carbon neutral, which is currently too expensive, but could be a great angle for the precinct.

Appendix B: Employment profile

Employment profile

Worker and employment profile

The BBP and its surrounds currently employ over 33,000 people, 70 percent of which live within 10 kilometres of the precinct. Within the BBP study area, there are currently around 27,361 workers (based on 2016 Census, adjusted to 2021 using SGS small area land use projections). The number of jobs in the precinct could increase to more than 44,000 in 2041, with positive intervention to ensure that employment in the BBP keeps pace with, or exceeds, population growth (refer to employment scenarios later in this section).

The BBP employment structure is based on population-serving and industrial jobs

The main industries of employment are manufacturing, construction, wholesale trade and retail trade. However, in the last 10 years since 2011, the number of jobs in manufacturing has decreased by 1,138 or 9 percent. Despite this, manufacturing remains by far the largest industry of employment in the BBP.

TABLE 12: INDUSTRIES OF EMPLOYMENT, 1-DIGIT ANZSIC, 2011-2016

1-Digit ANZSIC	Jobs 2011	Jobs 2016	Jobs 2021*	Change 2011 to 2021
Agriculture, Forestry and Fishing	32	92	86	54
Mining	26	36	35	10
Manufacturing	12,355	11,403	11,217	-1,138
Electricity, Gas, Water and Waste Services	192	454	424	231
Construction	2,739	3,765	3,908	1,169
Wholesale Trade	2,349	3,013	3,028	678
Retail Trade	1,935	2,129	2,219	284
Accommodation and Food Services	480	489	571	91
Transport, Postal and Warehousing	778	962	1,030	252
Information Media and Telecommunications	60	112	117	57
Financial and Insurance Services	137	54	56	-81
Rental, Hiring and Real Estate Services	149	136	154	5

1-Digit ANZSIC	Jobs 2011	Jobs 2016	Jobs 2021*	Change 2011 to 2021
Professional, Scientific and Technical Services	822	755	885	64
Administrative and Support Services	534	759	756	222
Public Administration and Safety	100	172	187	87
Education and Training	144	165	189	45
Health Care and Social Assistance	764	989	1,145	381
Arts and Recreation Services	220	222	237	17
Other Services	966	1,053	1,117	152
Total	24,780	26,758	27,361	2,581

Source: SGS Economics and Planning, based on ABS Census Data, 2016. *2021 represents a forecast adjusted using 2019 VIF data and SGS' small area land use projections model (SALUP).

The type of businesses and jobs vary across the BBP sub-precincts

There are distinctions in the type of businesses and jobs across the BBP's sub-precincts. The Bayswater Business Precinct (BBP) has been further broken down into sub-precincts for this analysis, acknowledging its size and scale (Figure 8). The Bayswater Business Precinct has a clear focus on traditionally industrial functions such as manufacturing, construction, and wholesale trade. However, there is also a higher concentration of knowledge workers or particular industries in some parts of the precinct.

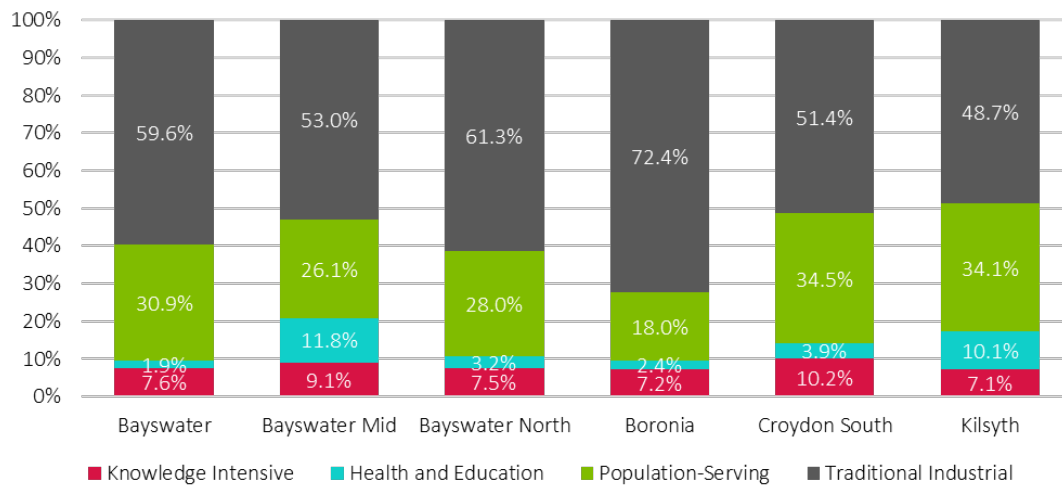
Below, Figure 9 shows that the Bayswater Mid and Croydon South sub-precincts have a higher proportion of workers in the knowledge-intensive sector than other sub-precincts. Baywater Mid and Kilsyth sub-precincts have a higher proportion of jobs that are related to the health and education sector than other parts of the BBP. Boronia, Bayswater, and Bayswater North have a higher proportion of jobs classified as Traditional Industrial. Kilsyth and Croydon South have a higher proportion of Population Serving jobs, likely reflecting the fact that they are surrounded by established residential areas and further away from the Bayswater Major Activity Centre.

FIGURE 8: SUB-PRECINCTS USED IN EMPLOYMENT AND WORKER ANALYSIS



Source: SGS Economics and Planning, 2021.

FIGURE 9: PROPORTION OF JOBS BY INDUSTRY SECTOR ACROSS BBP SUB-PRECINCTS



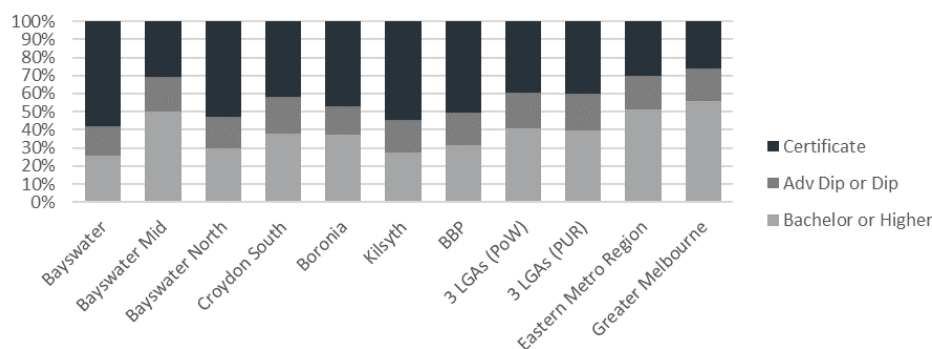
Source: SGS Economics and Planning, based on ABS Census 2016.

The BBP has traditionally had a blue collar profile. However, education levels across the Eastern Metro region are increasing, bringing opportunities for businesses to draw on a pool of highly skilled workers in future, to support a transition to industrial jobs that require knowledge workers.

The three Councils that contain the BBP currently have an education and occupation profile skewed towards lower-level qualifications and more blue-collar employment types compared to the Greater Melbourne average. However, this is changing. Over the last three Census periods (2006 to 2016), the proportion of people with a Bachelor degree or above has increased. In Knox, it has increased from 15 to 23.4 percent, in Maroondah from 16.4 to 25.3 percent, and in Yarra Ranges from 13.2 to 18 percent. There are similar shifts in other workforce-related attributes, such as increased white collar employment, as the population adopts broader economic trends.

Worker qualifications can be used as a proxy to understand what mixture of jobs and services are being provided across the BBP and its sub-precincts. The charts below illustrate that there are some sub-precincts with a higher proportion of workers with a bachelor’s or higher qualification, suggesting more knowledge-intensive activities are occurring in those locations. The ‘Bayswater Mid’ sub-precinct in the BBP has the highest concentration (almost 60 percent) of people with a bachelor’s degree or higher, than the remainder of the precinct.

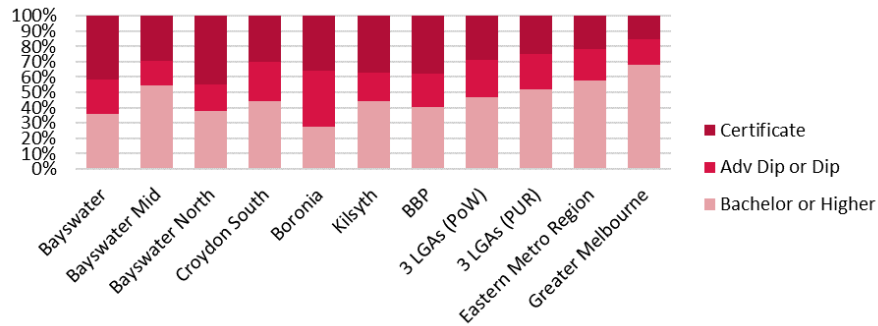
FIGURE 10: QUALIFICATION COMPARISON – BBP-SUB-PRECINCTS



Source: 2016 Census and level of qualification.

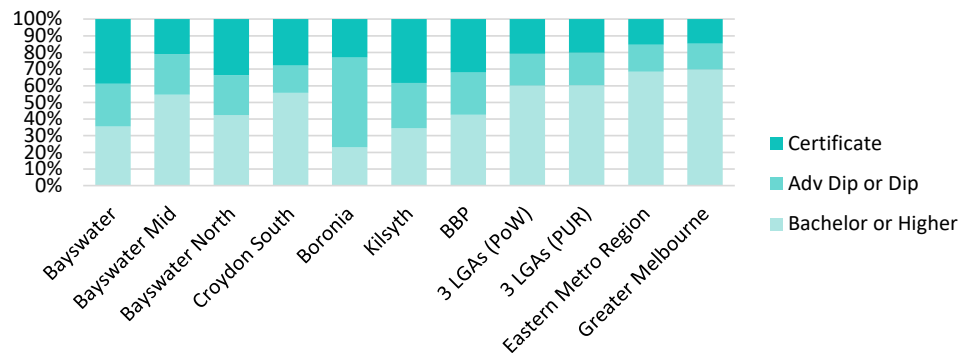
The charts below (Figure 10 to Figure 14) show that the highest proportion of knowledge workers are found the BBP sub-precincts that contain key anchor tenants or are closer to the Bayswater Major Activity Centre. Given the scale of those businesses, a range of job types are likely occurring on site beyond traditional industrial activities. Across most industry sectors, the Bayswater Mid and Croydon South sub-precincts contain a higher proportion of workers with a bachelor’s degree or higher.

FIGURE 11: KNOWLEDGE-INTENSIVE QUALIFICATION LEVELS ACROSS BBP SUB-PRECINCTS



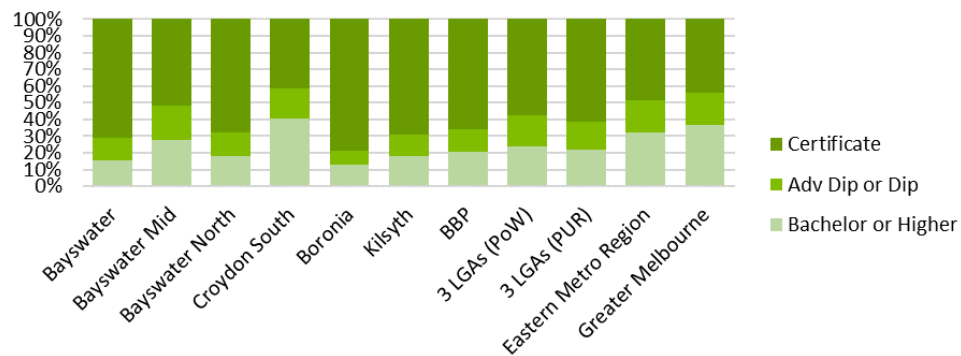
Source: 2016 Census and level of qualification.

FIGURE 12: HEALTH AND EDUCATION QUALIFICATION LEVELS ACROSS BBP SUB-PRECINCTS



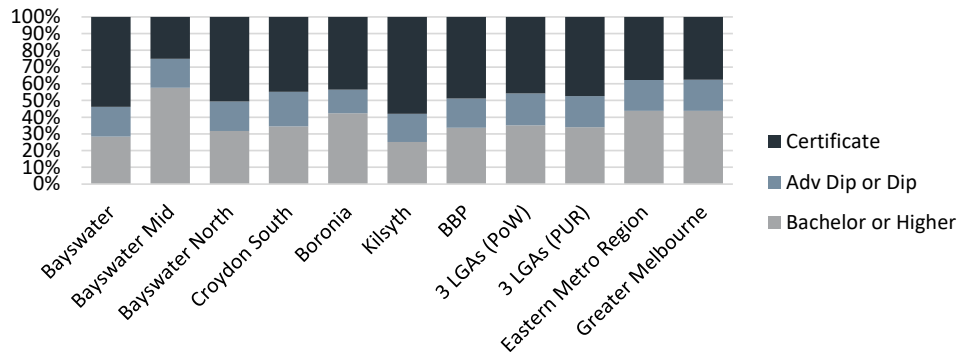
Source: 2016 Census and level of qualification.

FIGURE 13: POPULATION SERVING QUALIFICATION LEVELS ACROSS BBP SUB-PRECINCTS



Source: 2016 Census and level of qualification.

FIGURE 14: TRADITIONAL INDUSTRIAL QUALIFICATION LEVELS ACROSS BBP SUB-PRECINCTS



Source: 2016 Census and level of qualification.

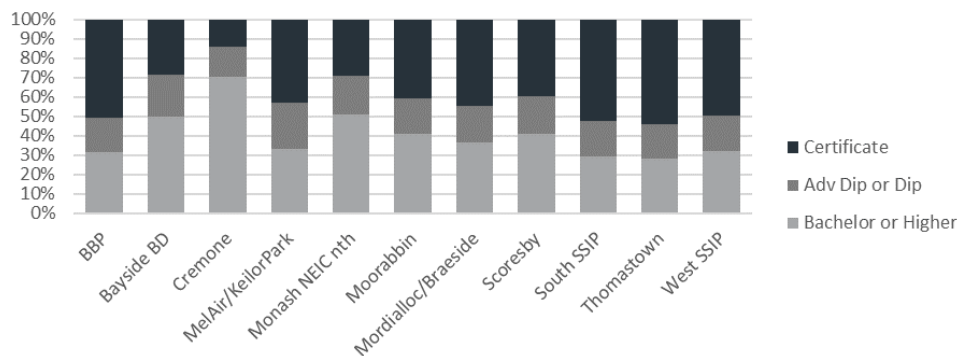
The BBP’s worker qualifications profile reflects a traditional industrial precinct, although knowledge work is occurring in some sub-precincts

When compared to other employment precincts across Greater Melbourne (Figure 15 and Figure 16), the BBP has a lower level of workers with a bachelor’s degree or higher, than known knowledge precincts such as Monash NEIC or the Cremorne enterprise precinct.

The profile is more similar to Keilor Park, Mordialloc/Braeside, the Southern SSIP (Dandenong South), or Thomastown. When examining the sub-precincts, Bayswater Mid (around Canterbury Road, closer to the Bayswater major activity centre) has the highest proportion of workers with a bachelor’s degree or higher. This trend follows across the broad industry sectors.

The charts below compare the highest education attainment levels in employment precincts that have a similar industry profile or may be a competitor to the BBP. They show that the BBP has a lower proportion of bachelor’s or higher-qualified employees compared to known knowledge intensive employment precincts such as the Monash NEIC.

FIGURE 15: QUALIFICATION COMPARISON – BBP AND OTHER EMPLOYMENT PRECINCTS



Source: 2016 Census and level of qualification.

FIGURE 16: QUALIFICATION COMPARISON BY INDUSTRY SECTOR – BBP AND OTHER EMPLOYMENT PRECINCTS

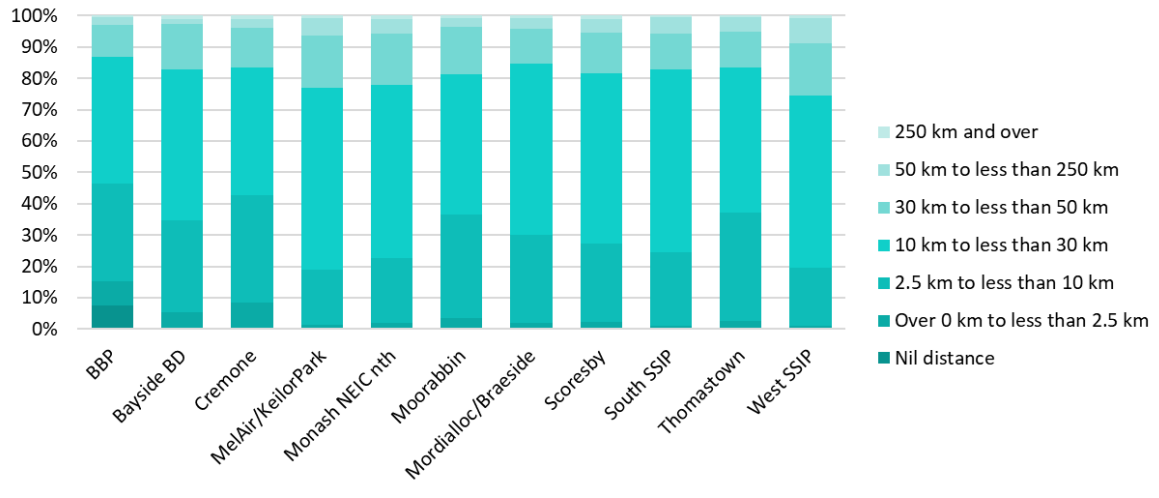


Source: 2016 Census and level of qualification

The BBP’s labour market lives locally

The BBP’s labour market (the pool of people that occupy jobs in the precinct) reinforces patterns identified about knowledge workers in different parts of the precinct. Forty-seven percent of workers are located within 10 kilometres of the BBP (see below). In contrast, the industrial area in the northern part of the Monash NEIC has 23 percent of workers within a 10 kilometre radius, and a much higher proportion coming from further away.

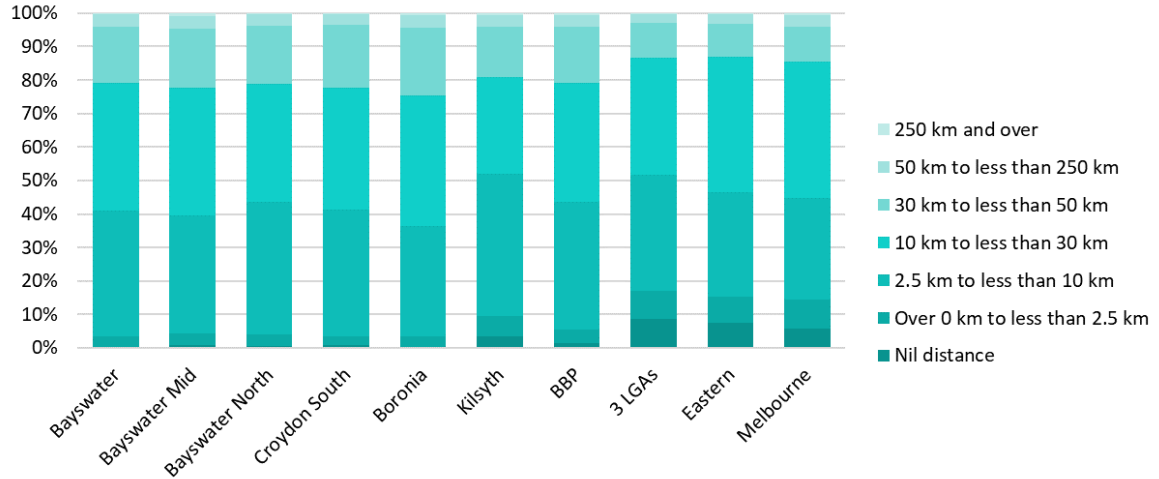
FIGURE 17: DISTANCE TRAVELLED TO WORK (BBP AND OTHER EMPLOYMENT PRECINCTS)



Source: 2016 Census, Place of Work (POW) counting employed persons 15 years and over.

Figure 18 shows the various sub-precincts of the BBP, and the distance between place of work and where people live. It reveals that Boronia has the lowest proportion of local workers within a 10 kilometre radius for a BBP sub-precinct, at 36 percent. The Kilsyth sub-precinct has the highest proportion of local workers; 52 percent.

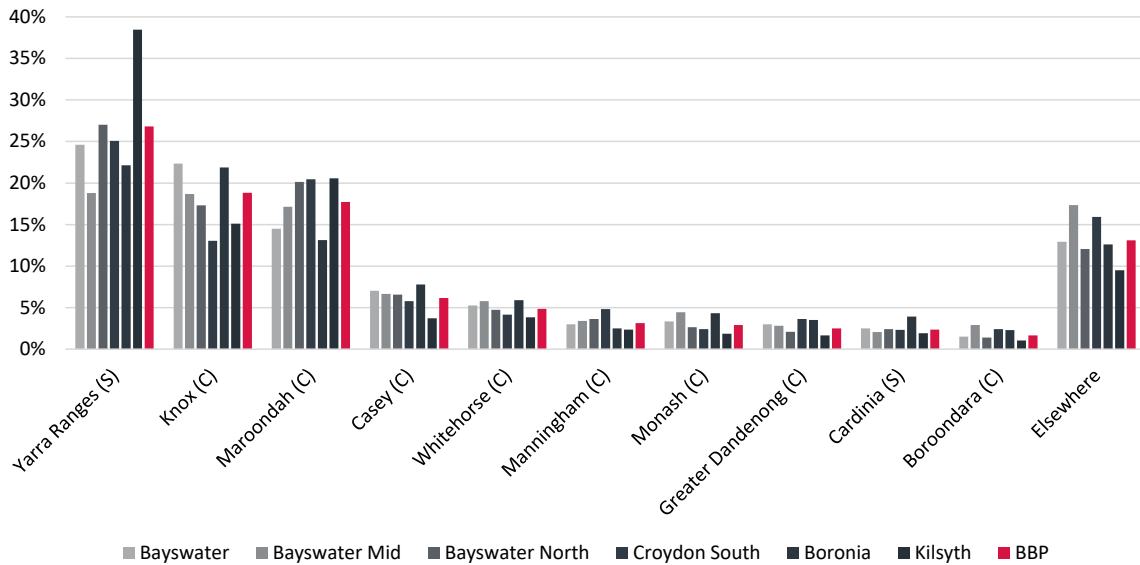
FIGURE 18: DISTANCE TRAVELLED TO WORK (BBP SUB-PRECINCTS)



Source: 2016 Census, Place of Work (POW) counting employed persons 15 years and over.

Figure 19 shows the proportion of workers travelling into various sub-precincts in the BBP from a range of LGAs across the eastern parts of Greater Melbourne. It shows, for example, that the highest proportion of workers from the Yarra Ranges LGA work in the Kilsyth precinct. For the Boronia and Croydon South sub-precincts, the proportion of workers coming from other LGAs is higher, suggesting a more diverse range of jobs is available, or a wider range of skillsets is required in those sub-precincts.

FIGURE 19: LGA OF ORIGIN, BBP WORKERS

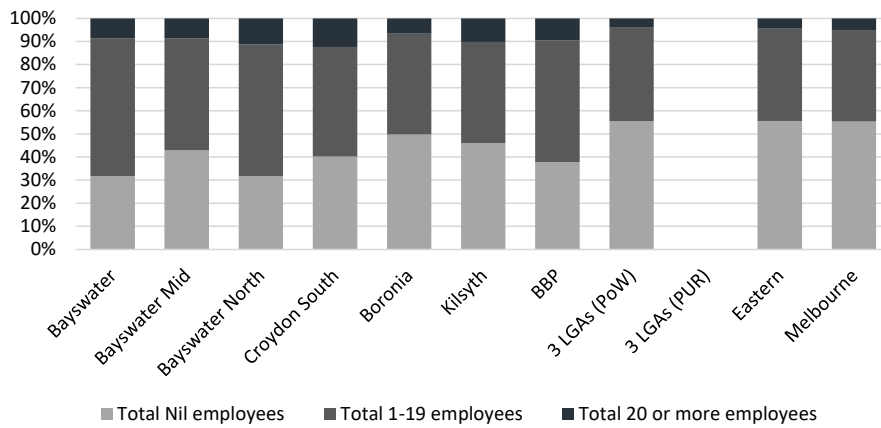


Source: 2016 Census, Place of work by LGA.

Large businesses perform as key anchor institutions in the BBP

Around 10 percent of businesses in the BBP have 20 or more employees. This is similar (proportionally) to other employment precincts across Greater Melbourne. Within the BBP itself, the sub-precincts with the highest proportion of larger businesses are Bayswater North and Croydon South.

FIGURE 20: BUSINESS SIZE COMPARISON (BBP-SUB-PRECINCTS)



Source: 2016 Census and business size count based on place of work.

Comparing the sub-precincts and industry sectors, larger knowledge services businesses are located in Bayswater, Bayswater North and Kilsyth. There are few large health and education businesses in the BBP, but a relatively even number of population-serving businesses that employ more than 20 people. Larger traditional industrial businesses are mostly located in Bayswater, Bayswater North, Croydon South and Kilsyth.

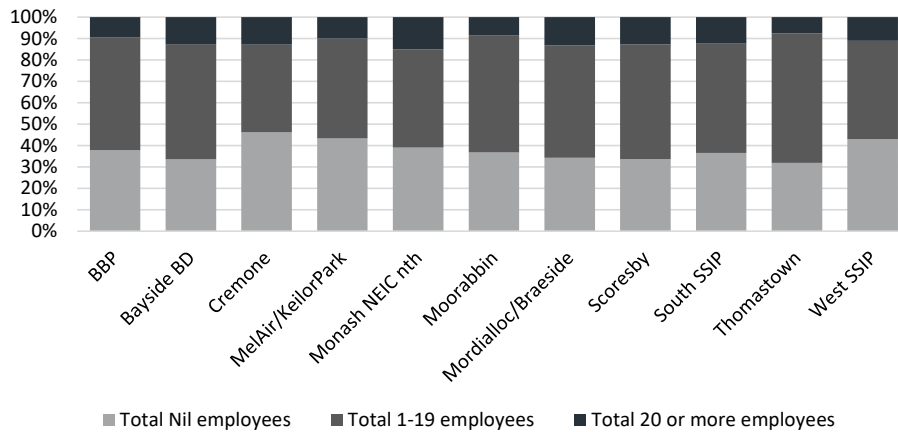
FIGURE 21: BUSINESS SIZE BY INDUSTRY SECTOR (BBP AND SUB-PRECINCTS)



Source: 2016 Census and business size count based on place of work.

Compared to other employment precincts, the Eastern Metro Region and Greater Melbourne, the BBP has a similar proportion of businesses employing more than 20 people.

FIGURE 22: BUSINESS SIZE COMPARISON (BBP AND OTHER EMPLOYMENT PRECINCTS)



Source: 2016 Census and business size count based on place of work.

When comparing across industry sectors, the BBP has a larger proportion of businesses employing between 1-19 employees, or businesses registered with no employees, than other employment locations. Its business size profile across sectors most resembles traditional industrial precincts like the Southern SSIP, Thomastown and the Western SSIP.

FIGURE 23: BUSINESS SIZE BY INDUSTRY SECTOR (BBP AND OTHER EMPLOYMENT PRECINCTS)



Source: 2016 Census and business size count based on place of work

The BBP has a lower effective job density (EJD) due to its peripheral location compared to other employment precincts across Greater Melbourne. However, the precinct’s strengths in manufacturing, construction, wholesale and warehousing are key opportunity sectors to target ensuring the precinct’s competitive advantage is leveraged now and into the future.

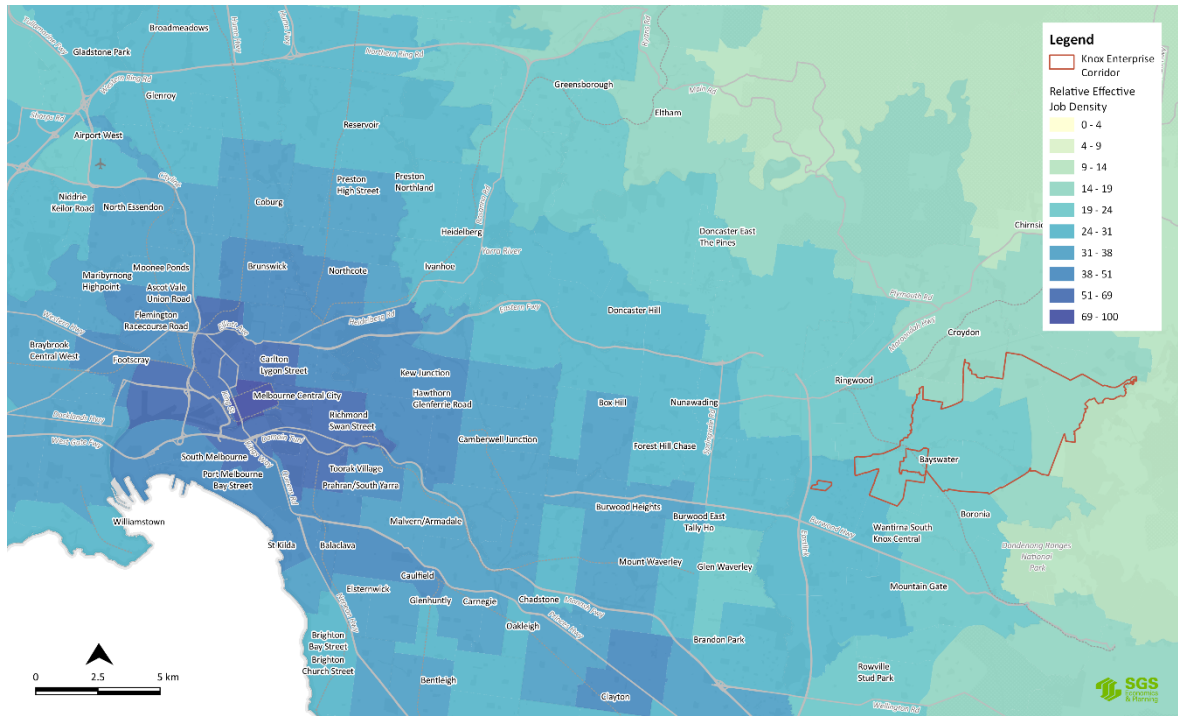
Understanding the relative connectivity of the BBP from an economic perspective sheds further light on its opportunities and challenges. Effective Job Density (EJD) is a measure of agglomeration that indicates the accessibility to workers for businesses in a given area. Accessibility is based on how long it takes workers to get to jobs. EJD is strongly linked to accessibility to large clusters of jobs, and the provision of public transport and road networks.

From a business perspective, higher levels of connectivity mean that businesses enjoy scale and productivity advantages through better access to skills, suppliers and complementary enterprises. It is this access – referred to as ‘agglomeration’ - that drives new knowledge and innovation in modern economies.

The BBP’s relatively peripheral location means that, compared to other places in Melbourne, it is less connected and therefore has a lower Effective Job Density (Figure 24). When EJD is calculated using public transport as the measure of connectivity, the BBP’s low EJD level is even more stark (Figure 25).

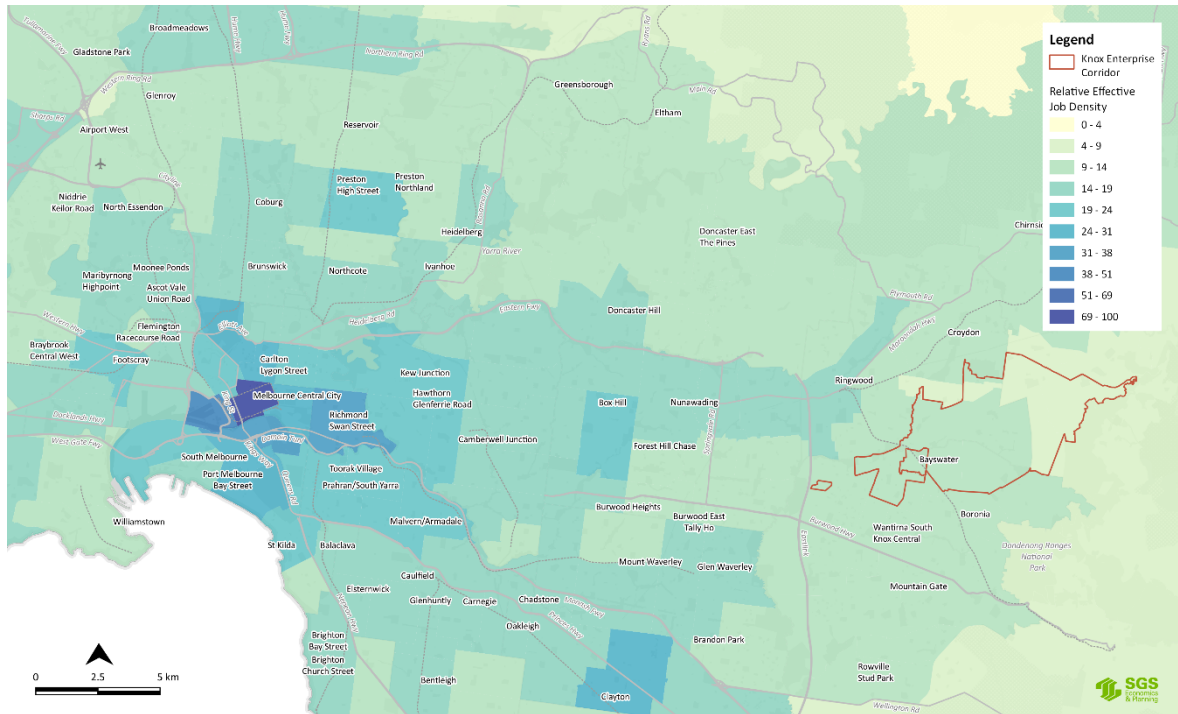
This is a pattern observed in cities generally; EJD – and agglomeration – favour highly connected precincts with high job densities and the broadest access to a thick labour market. With only one train station in the corridor and the precinct’s outer-Melbourne location, a low EJD score is not a sign of failure, but it is a measure that should help to inform what type of industries and jobs a precinct is likely to attract. Building a strategic directions framework through this lens means that industry attraction can be more appropriately targeted to key opportunity areas, rather than driven by unrealistic and uninformed ambition.

FIGURE 24: EJD BY PRIVATE VEHICLE



Source: SGS Economics and Planning, 2021

FIGURE 25: EJD BY PUBLIC TRANSPORT

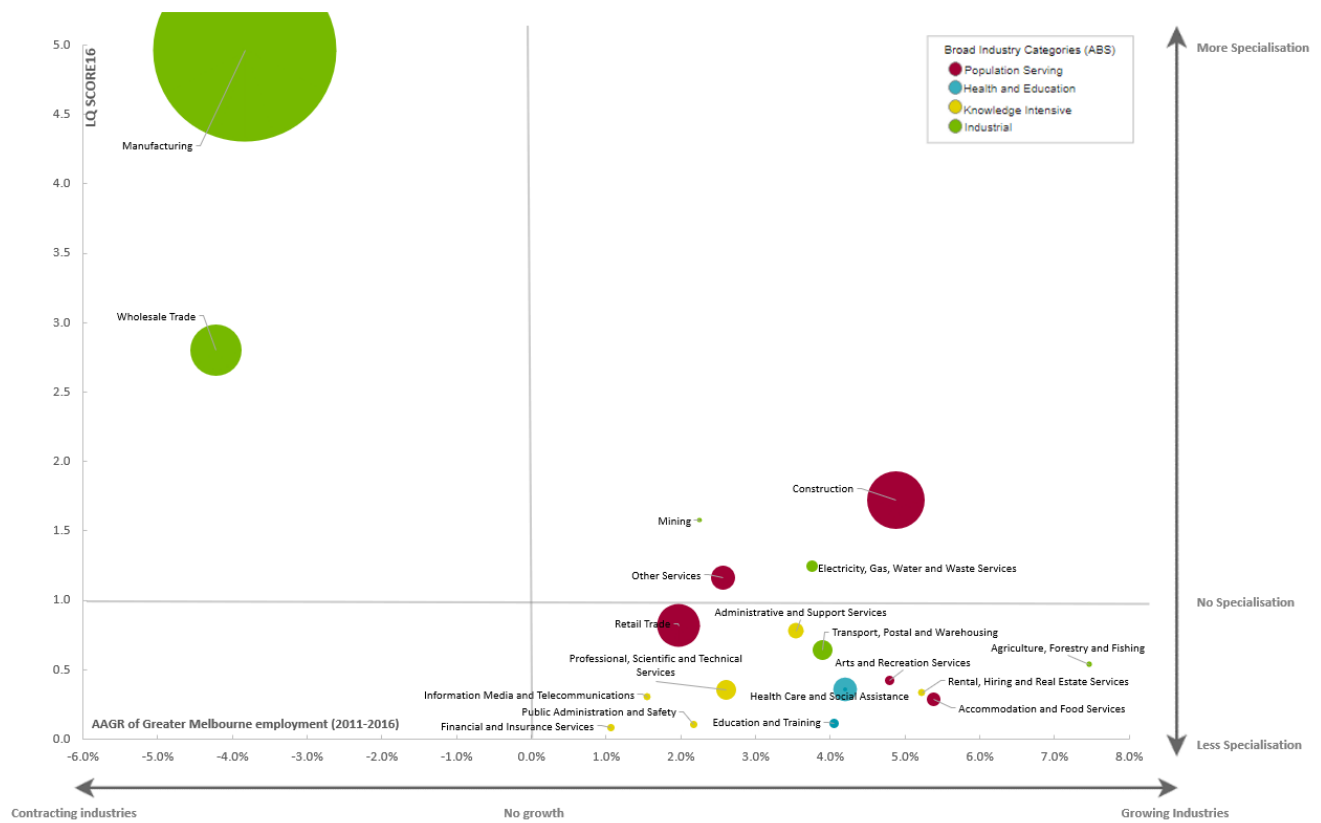


Source: SGS Economics and Planning, 2021

Location Quotient Analysis compares the relative growth and industry specialisation of a one precinct to a larger area. In this case, the BBP been compared with Greater Melbourne’s industry profile. The variables presented are growth rate, relative concentration, and overall industry size.

The analysis highlights industries that are relatively more concentrated in the BBP than in the Melbourne Economy. This is an important contextualisation of the analysis earlier in this section; it identifies whether the concentration in the dominant local industries is a potential area of strength, or simply a localised reflection of wider economic trends.

FIGURE 26: LOCATION QUOTIENT ANALYSIS OF THE BBP COMPARED TO GREATER MELBOURNE



Source: SGS Economics and Planning, 2021, based on ABS Census Data 2011 and 2016.

The location quotient analysis reveals:

- Manufacturing is the largest and most specialised industry in the BBP when compared to the share of industries in Greater Melbourne, returning an LQ of almost 5. However, it has been declining (an average annual growth rate, or AAGR, of -4.6%).
- Wholesale Trade is also a relatively large and specialised industry with an LQ of 2.8, however, its presence in the BBP is also declining (-2.8% AAGR).
- Construction is both a growth industry and a relatively specialised industry in the BBP.
- Retail Trade is a large industry; however, it is not as specialised in the BBP compared to Greater Melbourne (LQ less than 1).

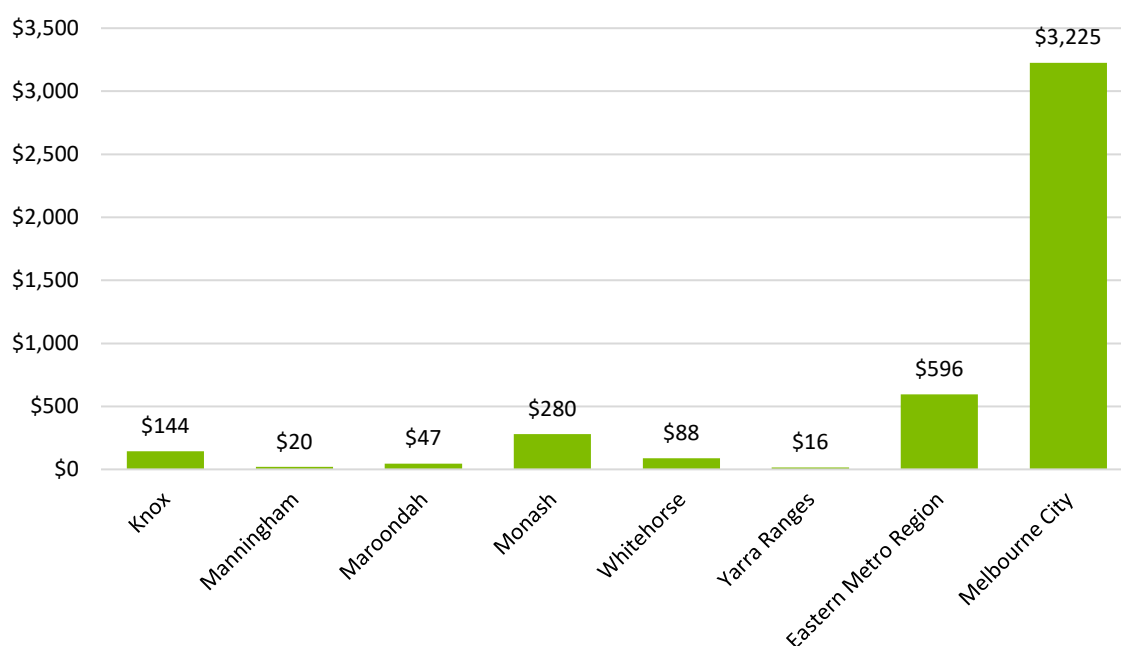
- While Mining is showing annual growth, this is largely due to its low job base; meaning percentage change is significant, as the sector has fewer than 100 jobs (2016).
- Future economic and employment growth across metropolitan Melbourne will largely be derived from the future growth in knowledge services, population services, health and education. The industries that make up these broad sectors are under-represented within the BBP. Many opportunities are expected to exist to accommodate these activities in the precinct in future.

The analysis confirms the significance of Manufacturing, Wholesale Trade and Construction to the BBP, both due to their size and specialisation, even though the number of Manufacturing jobs is decreasing. Based on the findings, future strategic directions should be grounded in locally relevant, and competitive advantages in the BBP, as well as future aspirations for change.

Business development and innovation

Innovation is a difficult outcome to measure. One lead indicator often used as a proxy is expenditure on Research and Development (R&D) as it indicates the extent to which businesses consider R&D as a valuable investment. Spatially, R&D expenditure is often aligned with more knowledge intensive precincts such as CBDs or Health and Education precincts. What is interesting in three BBP LGAs is how they compare to both other comparable outer-Melbourne LGAs, and to known innovation precincts such as Monash. *In terms of R&D expenditure at an LGA level, in particular, the Knox LGA is second to Monash in a sample of the Eastern Metro Region LGAs.*

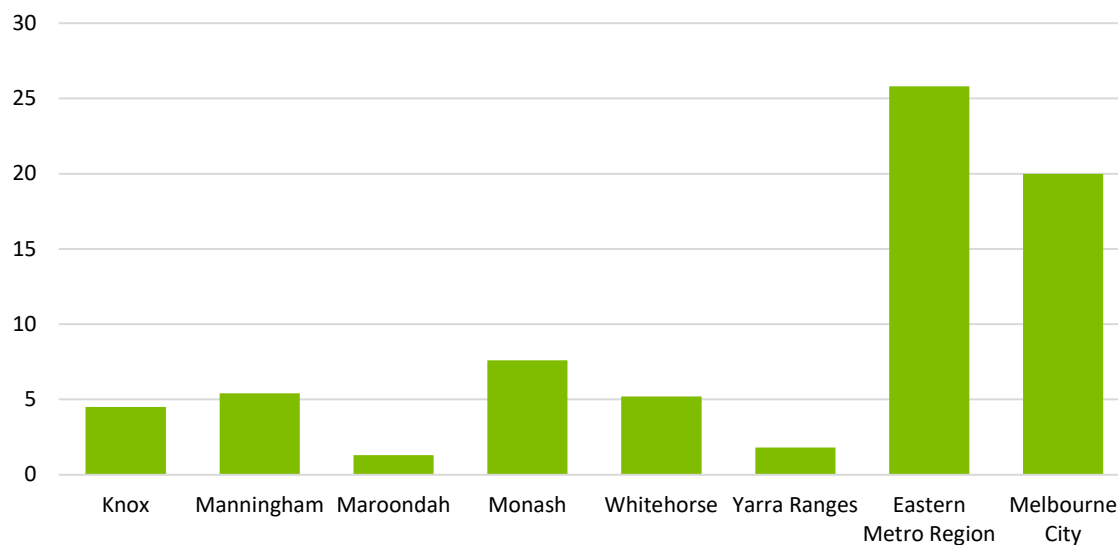
FIGURE 27: BUSINESS EXPENDITURE ON R&D (\$ MILLIONS)



Source: ABS, 'Business expenditure on R&D' dataset (BERD), 2015.

Another marker of innovation is patent applications. In this regard, while the City of Melbourne far outperforms other LGAs (on the basis of job density), The three BBP LGAs and the Eastern Metro Region perform well against other precincts.

FIGURE 28: PATENT APPLICATIONS PER 10,000 RESIDENTS (2016)



Source: ABS number of patent applications (2016) via the IP Australia and Department of Industry, Innovation and Science dataset.

When considered against the industry profile identified by preceding sections, this suggests that *while many of the jobs in the BBP are in manufacturing and construction, there is a high degree of R&D being undertaken*. This, and the insights on patents, points toward an innovative business community with a potentially strong (or emerging) advanced manufacturing or advanced technologies profile.

So, while innovation is often seen as the domain of ‘Innovation Precincts’, the activity occurring in the three BBP LGAs illustrates that innovation is occurring within established industries of strength in the local economy. This provides a solid basis for developing long-term economic development strategies.

Forecast employment growth

Based on the analysis above, it is clear that the BBP is home to diverse employment activities that could be further showcased and expanded in future. In the context of broader macro trends affecting manufacturing and traditional industry (refer to Section 1.1), there is a need to proactively take policy and economic development steps to protect, enhance and expand those opportunities in the BBP.

Based on current trends, jobs growth will not keep pace with population growth. Positive action will be required in the BBP to ensure it can embrace opportunities that come along with broader growth trends in the Eastern Region.

Three scenarios were prepared to analyse the potential impacts of macrotrends in the context of policy, investment and aspirational objectives for the BBP. The BBP would need to add around 440 jobs per year to keep pace with population growth across the Knox, Maroondah, and Yarra Ranges local government area.

Currently, employment in the BBP represents 15 percent of jobs in the Knox, Maroondah and Yarra Ranges LGAs, and 2.7 percent of jobs in the Eastern Metro Region. As highlighted earlier, some of the BBP's industry strengths are also sectors that are most under threat of decline.

At the same time, a small number of very large businesses contribute a high proportion of the BBP's GDP. This means the loss of any one of those businesses would have a significant impact on the BBP's regional productivity and contribution to the local employment market.

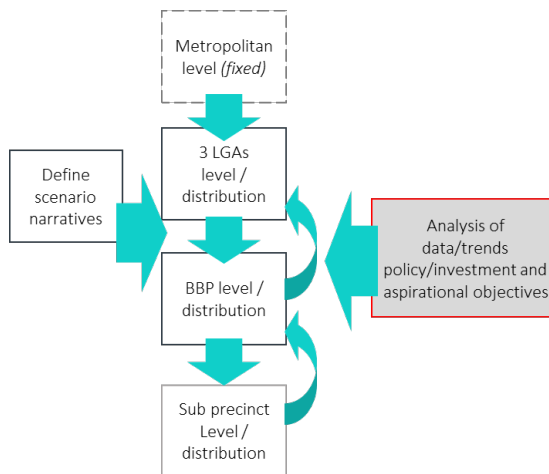
The scenarios above (and detailed in Appendix B) show modest growth in manufacturing (reversing the decline), while jobs in other broad industry categories grow by the same, or a higher, proportion. This represents a shift in the make-up of jobs in the precinct in line with expected growth in knowledge services, population services, health and education across Greater Melbourne. Jobs in these sectors that are linked to, or benefit from, strong links to local supply chains and the BBP's existing industrial strengths. They would be attracted to the BBP based on improved amenity, enhanced economic and environmental sustainability, and represent that industrial businesses of the future will likely contain a wider range of activities in line with technological and industry advancements.

It is important to note that, without positive action to enhance amenity and accessibility, alongside governance and investment attraction actions, there is a risk that sectors already on the decline will decrease further in the BBP. Likewise, businesses seeking higher amenity in nearby competing employment places may decide to relocate. These challenges are imperatives behind the Transformation Strategy.

Three scenarios have been tested:

- **Base scenario (business as usual):** The proportion of jobs in each sector remains relatively stable, and very modest jobs growth occurs in line with population growth. Under this scenario, the BBP's local and regional employment role would actually decrease over time, as the greater share of jobs are attracted to other centres.

FIGURE 29: SCENARIO TESTING APPROACH



Source: SGS Economics and Planning, 2021.

- **Local employment focus:** The BBP maintains its 15 percent share of local jobs (Knox, Maroondah and Yarra Range). This means higher jobs growth number is achieved, and with some positive actions the share of jobs in each broad industry category begins to shift.
- **Regional employment focus:** The BBP maintains its 2.7 percent share of jobs in the Eastern Metro Region. With positive actions being taken to leverage new technology and opportunities for investment and growth in the BBP, a much higher proportion of new jobs are attracted to the area.

The results of this scenario testing are set out on the following pages.

FIGURE 30: TOTAL JOBS IN THE BBP, BY SCENARIO (2021-2041)

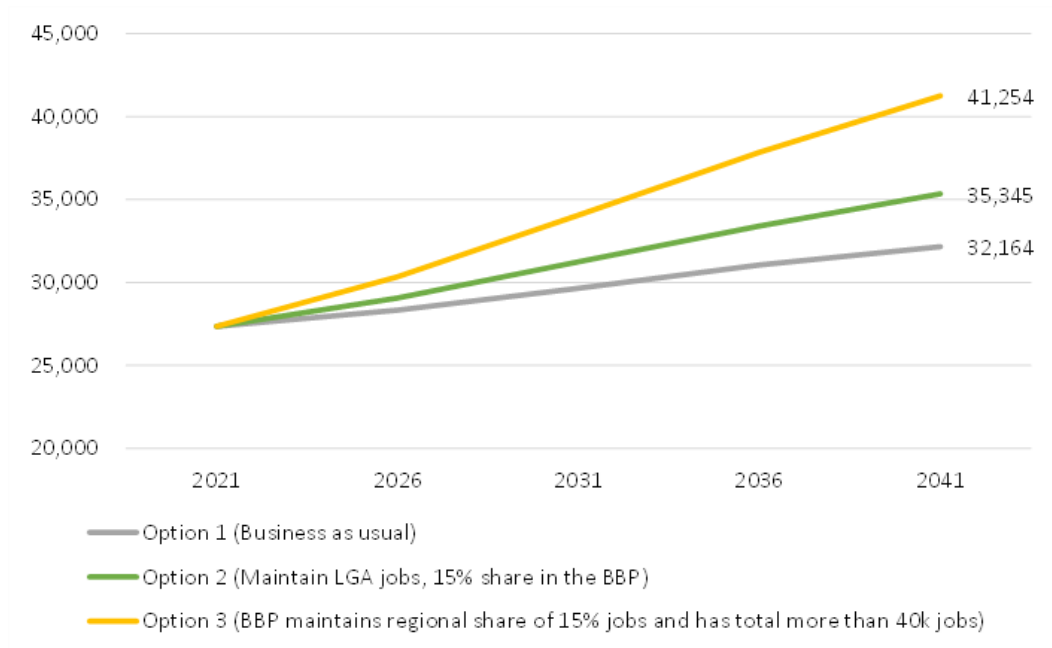
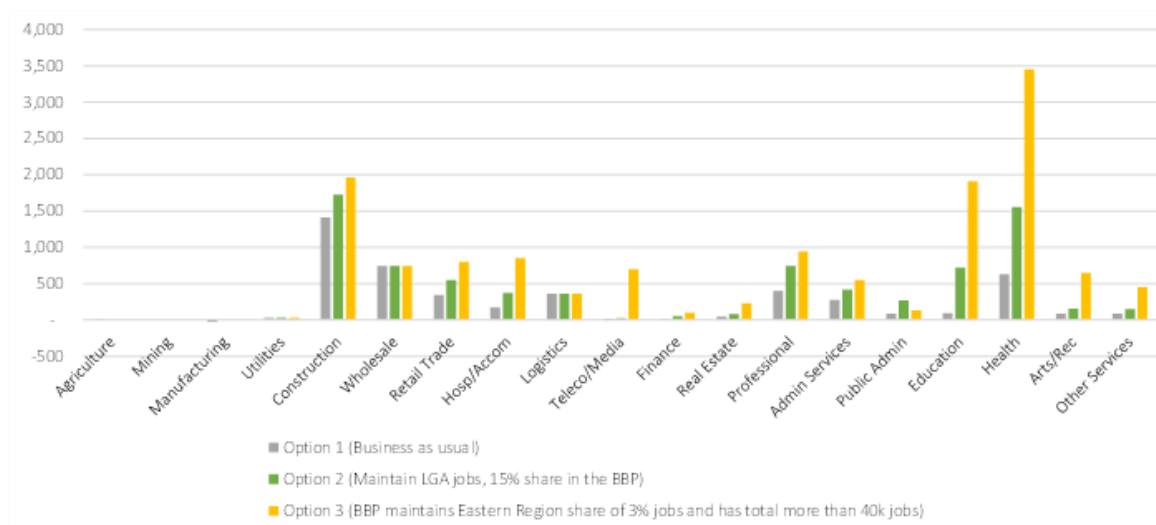


FIGURE 31: TOTAL NEW JOBS, BY INDUSTRY AND SCENARIO (2021-2041)



Source: SGS Economics and Planning, 2021, based on ABS Census data, Victoria in Future (2019) and SGS' Small area land use forecasts (SALUP).

Scenario testing: Current conditions (base case)

Under the base case scenario, 4,800 jobs would be added from 2021 to 2041. This is equivalent to 240 jobs per year, meaning that if jobs growth follows its current trajectory, the BBP will not keep pace with population growth. This suggests jobs in the region are locating in other precincts rather than being attracted to the BBP, and that megatrends affecting traditional industrial decline are also playing out. The proportion of jobs (2041) in each broad industry category would be:

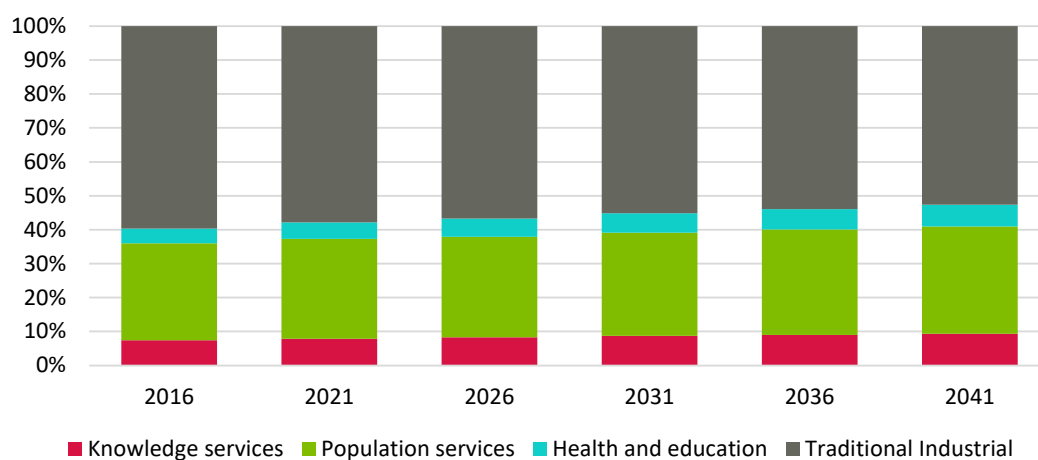
- Knowledge services: 9.3 percent
- Population services: 31.6 percent
- Health and education: 6.4 percent
- Traditional industry: 52.6 percent.

TABLE 13: FORECAST JOBS GROWTH UNDER CURRENT CONDITIONS (BASE CASE) (2021-2041)

Broad industry categories	2021	2026	2031	2036	2041	Growth	AAGR	Total change
Knowledge services	2,156	2,351	2,576	2,798	3,001	845	1.7%	1.5%
Population services	8,052	8,401	9,023	9,644	10,169	2,117	1.2%	2.2%
Health and education	1,334	1,507	1,695	1,878	2,063	729	2.2%	1.5%
Traditional industrial	15,819	16,075	16,356	16,741	16,930	1,111	0.3%	-5.2%
Total	27,361	28,334	29,650	31,061	32,164	4,803	0.8%	

Source: SGS Economics and Planning, based on ABS Census, Victoria in Future (2019) and SGS' Small area land use forecasts (SALUP).

FIGURE 32: FORECAST PROPORTION OF JOBS BY INDUSTRY CATEGORY, CURRENT CONDITIONS (BASE CASE)



Source: SGS Economics and Planning, based on ABS Census, Victoria in Future (2019) and SGS' Small area land use forecasts (SALUP).

Scenario testing: Local employment focus

Under the 'local employment focus' scenario, almost 8,000 jobs would be added from 2021 to 2041. This is equivalent to around 400 jobs per year, where jobs growth reflects the population growth across Knox, Maroondah and Yarra Ranges local government areas. This scenario relies on positive action being taken to attract more jobs into the BBP, and a shift towards a greater share of jobs that are in the health and education, and knowledge intensive sectors based on amenity improvements and stronger B2B connections. The proportion of jobs (2041) in each broad industry category would be:

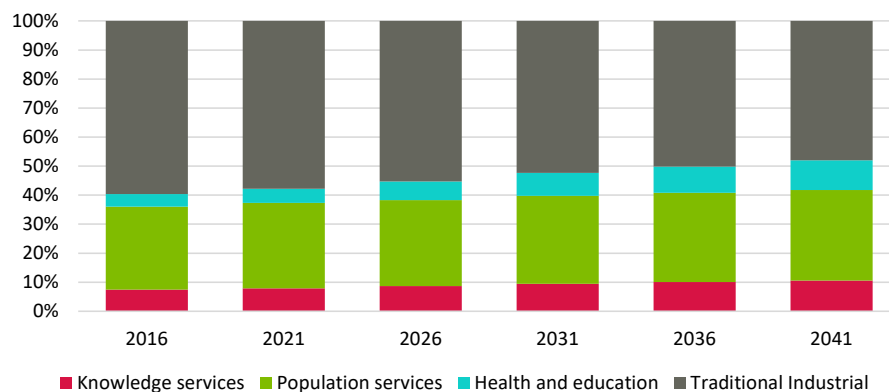
- Knowledge services: 10.6 percent
- Population services: 31.2 percent
- Health and education: 10.2 percent
- Traditional industry: 48.0 percent.

TABLE 14: FORECAST JOBS GROWTH UNDER LOCAL EMPLOYMENT FOCUS SCENARIO (2021-2041)

Broad industry categories	2021	2026	2031	2036	2041	Growth	AAGR	Total change
Knowledge services	2,156	2,528	2,965	3,363	3,759	1,603	2.8%	2.8%
Population services	8,052	8,595	9,453	10,270	11,013	2,961	1.6%	1.7%
Health and education	1,334	1,866	2,485	3,026	3,611	2,277	5.1%	5.3%
Traditional industrial	15,819	16,075	16,356	16,741	16,962	1,143	0.3%	-9.8%
Total	27,361	29,063	31,260	33,400	35,345	7,984	1.3%	

Source: SGS Economics and Planning, based on ABS Census, Victoria in Future (2019) and SGS' Small area land use forecasts (SALUP).

FIGURE 33: FORECAST PROPORTION OF JOBS BY INDUSTRY CATEGORY, LOCAL EMPLOYMENT FOCUS SCENARIO



Source: SGS Economics and Planning, based on ABS Census, Victoria in Future (2019) and SGS' Small area land use forecasts (SALUP).

Scenario testing: Regional employment focus

Under the 'regional employment focus' scenario, almost 13,900 jobs would be added from 2021 to 2041. This is equivalent to almost 700 jobs per year, higher than the number of jobs required to keep pace with population growth. This scenario assumes that the range of positive actions have been taken from the Transformation Strategy, and the potential of the BBP as a State Significant Industrial Precinct (SSIP) has been realised. The proportion of jobs (2041) in each broad industry category would be:

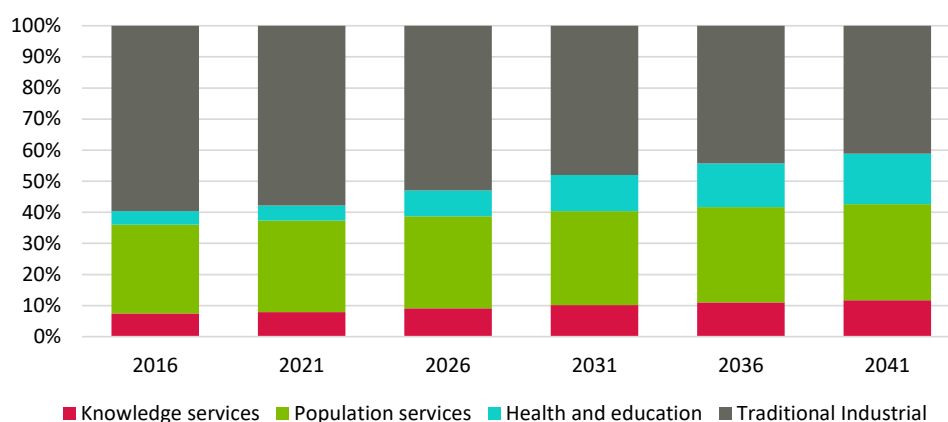
- Knowledge services: 11.7 percent
- Population services: 31.0 percent
- Health and education: 16.2 percent
- Traditional industry: 41.1 percent.

TABLE 15: FORECAST JOBS GROWTH UNDER REGIONAL EMPLOYMENT FOCUS SCENARIO (2021-2041)

Broad industry categories	2021	2026	2031	2036	2041	Growth	AAGR	Total change
Knowledge services	2,156	2,751	3,456	4,158	4,817	2,661	4.1%	3.8%
Population services	8,052	9,001	10,303	11,604	12,775	4,723	2.3%	1.5%
Health and education	1,334	2,527	3,939	5,346	6,699	5,365	8.4%	11.4%
Traditional industrial	15,819	16,075	16,356	16,741	16,962	1,143	0.3%	-16.7%
Total	27,361	30,354	34,054	37,849	41,254	13,893	2.1%	

Source: SGS Economics and Planning, based on ABS Census, Victoria in Future (2019) and SGS' Small area land use forecasts (SALUP).

FIGURE 34: FORECAST PROPORTION OF JOBS BY INDUSTRY CATEGORY, REGIONAL EMPLOYMENT FOCUS SCENARIO



Source: SGS Economics and Planning, based on ABS Census, Victoria in Future (2019) and SGS' Small area land use forecasts (SALUP).

Supply of employment land in the Eastern Metro Region

Industrial land: supply and consumption

Melbourne Industrial and Commercial Land Use Plan (MICLUP) estimates the Eastern Region has a total of 2,570 hectares of land zoned for industrial purposes. Approximately 2,435 hectares are currently occupied with 135 hectares currently zoned and vacant.¹² Overall, there is very little available supply of zoned industrial land across the region. Around 70 percent of the overall supply is in the Knox and Maroondah LGAs. As highlighted in MICLUP, while there is limited vacant land across the region, there is an opportunity for underutilised land to be redeveloped. There is evidence of buildings being demolished and land being recycled for new industrial uses.

TABLE 16: INDUSTRIAL LAND SUPPLY, EASTERN REGION

Council	Zoned occupied (ha)	Zoned vacant (ha)	Future supply (ha)	Total available supply (ha)
Knox	771.2	44.1	0.0	44.1
Maroondah	425.8	49.8	0.0	49.8
Yarra Ranges	295.3	30.7	0.0	30.7
Manningham	13.1	0.0	0.0	0.0

¹² DELWP, *Melbourne Industrial and Commercial Land Use Plan (MICLUP) – Part B*, 2020, p. 76. Available online from URL: https://www.planning.vic.gov.au/__data/assets/pdf_file/0024/461724/MICLUP-FINAL-20042020-WEB-Part-B.pdf

Council	Zoned occupied (ha)	Zoned vacant (ha)	Future supply (ha)	Total available supply (ha)
Monash	703.5	7.6	0.0	7.6
Whitehorse	226.2	2.9	0.0	2.9
Eastern Region	2,435.0	135.1	0.0	135.1

Source: MICLUP, p. 77.

Over the period 2015-16 to 2017-18 a total of 34 hectares of industrial land was consumed in the region at an average annual rate of approximately 11 hectares per annum. Consumption of industrial land dropped off significantly during the 2017-18 period (3.5 hectares). Prior to that period the rate of consumption was much higher.¹³

Based on an average annual consumption rate of 11 hectares per annum, there is approximately 12 years supply of industrial land remaining in the region, with the only significant supplies in Knox (4 years supply), Maroondah (4.5 years supply) and Yarra Ranges (just under 3 years supply).¹⁴

The largest single loss of industrial land over this period was in Knox where a site of just over 56 hectares was rezoned from industrial land to allow for residential development. Of the remaining rezonings that occurred over this period, approximately 65 per cent involved sites of less than 2 hectares in size. Of all the industrial land rezoned over the period, almost 60 per cent were rezoned to allow for residential development.¹⁵

Commercial land

MICLUP identifies a total of 761 hectares of land zoned for commercial purposes, estimated to have the capacity to accommodate 2.8 million square metres of commercial floorspace. Approximately 49 per cent of all existing floorspace supply is located within the Monash and Whitehorse LGAs.¹⁶

Based on projected growth, by 2031 it is anticipated that 837,000 square metres of additional commercial floorspace will be required across the Eastern Region. Approximately 614,000 square metres will be required for office uses and the remaining 223,000 square metres will be required for retail. Around 53 per cent of this additional floorspace will need to be provided in the municipalities of Monash and Whitehorse.¹⁷

¹³ DELWP, *Melbourne Industrial and Commercial Land Use Plan (MICLUP) – Part B*, 2020, p. 77. Available online from URL: https://www.planning.vic.gov.au/__data/assets/pdf_file/0024/461724/MICLUP-FINAL-20042020-WEB-Part-B.pdf

¹⁴ *Ibid.*, p. 77.

¹⁵ *Ibid.*, p. 77.

¹⁶ *Ibid.*, p. 78.

¹⁷ *Ibid.*, p. 78.

Implications for the BBP

MICLUP emphasises the importance of identifying, zoning, and protecting land for employment over the long-term. This will be important in the Eastern Region and around the BBP, where there is a significant established residential development and there have been recent rezonings of industrial land for residential purposes. When this occurs, employment land is permanently lost from the supply. Given limited vacant land available across the Eastern Region and in the BBP, renewal and redevelopment will be needed to intensify activity from among the existing supply.

MICLUP also acknowledges that existing commercial and industrial zones enable a range of land uses that may undermine the purpose of those zones, or lead to a higher take up rate of sensitive uses (for example, residential in the commercial zone) that may restrict the range of employment uses. MICLUP recommends future zoning should be based on a hierarchy or framework for industrial and commercial lands. For regionally significant industrial precincts like the BBP, it recommends:

- Regionally significant industrial precincts:
 - Industrial 1 or 3 Zone
 - Commercial 2 Zone
 - Commercial 3 Zone in limited instances.

Application of zoning based on the preferred MICLUP hierarchy would ensure the preservation of the full range of employment uses into the long-term, while creating opportunities for renewal and intensification, where appropriate, as employment precincts mature and evolve.

Notes on MICLUP land consumption approach

The industrial land area and commercial floorspace estimates in MICLUP demonstrates an approach to forecasting based on land consumption trends. It suggests the current supply of industrial land in the Eastern Region may be exhausted within the next decade, based on past take-up rates of industrial land continuing.

This Transformation Strategy considers land requirements with consideration of broader employment and economic forecasts for the state, city, region, and local area. It builds on the approach applied in MICLUP by examining the diverse economic roles, regeneration, and renewal of both existing and future employment land. It also considers employment density based on different industry sectors and land use categories, providing an additional level of detail when considering how employment land will evolve across the BBP.

Appendix C: Spatial context

Spatial context

Access and movement

At a high level the access challenges facing the precinct are congestion and freight access in and out of the precinct, high number of commuters travelling by private vehicle and gaps in public transport service levels and access to active transport networks. The size of the precinct and poor internal road network is a significant challenge with the mobility and access analysis highlighting the scale and distances within the precinct. Addressing congestion and providing active transport alternatives would also contribute to the improved amenity of the precinct. Enhancing the freight network may come at the expense of pedestrian and cycling networks. This would need to be resolved at a detailed design level.

Freight access to the BBP

Freight access in and out of the precinct is a significant and growing challenge. Industries rely on an operational network that provides safe, reliable, and consistent travel times (GTA 2018).

Specific access insights and gaps are as follows:

- Increasing congestion particularly at peak periods is impacting on industry productivity/efficiency, leading to decisions to alter operating hours, placing pressure on supplier/customer relations, and leading to increased commercial vehicle / private vehicle conflict (GTA 2018).
- Canterbury Road, between Dorset Road and Mount Dandenong Road already operates at or over its theoretical carrying capacity. It is projected total traffic volumes will increase in the order of 5 per cent over 15 year period to 2031 (GTA 2018).
- Canterbury Road has high volumes of freight compared to similar roads, with freight representing 5 per cent of traffic volumes on Canterbury Road at Mount Dandenong Road, increasing to ~12 per cent between Colchester Road and Dorset Road (GTA 2018).
- Freight movements are higher going in and out of the west of the precinct, and most freight vehicles access their sites in the BBP to and from Eastlink along Canterbury Road (GTA 2018).
- Access along Canterbury Road through residential areas is a challenge.
- Work to date suggests the current and proposed VicRoads upgrades to Canterbury Road are not sufficient to support the growth of the BBP (GTA 2018).

Private vehicle access to the BBP

- Congestion is making the BBP an increasingly less attractive location for employment for staff.
- 95% workers commute to BBP by car, despite 70% of workers being residents from Knox/Yarra Ranges/Maroondah.
- Opportunity to encourage active and public transport shift.

Public transport access to the BBP

The BBP is bounded by two train lines and is serviced by 11 bus routes with most routes connecting between the key railway stations (Ringwood, Croydon, Bayswater, Boronia) and shopping centres (Knox

City, Chirnside Park). The two significant barriers to bus use are long wait times and complex bus routes.

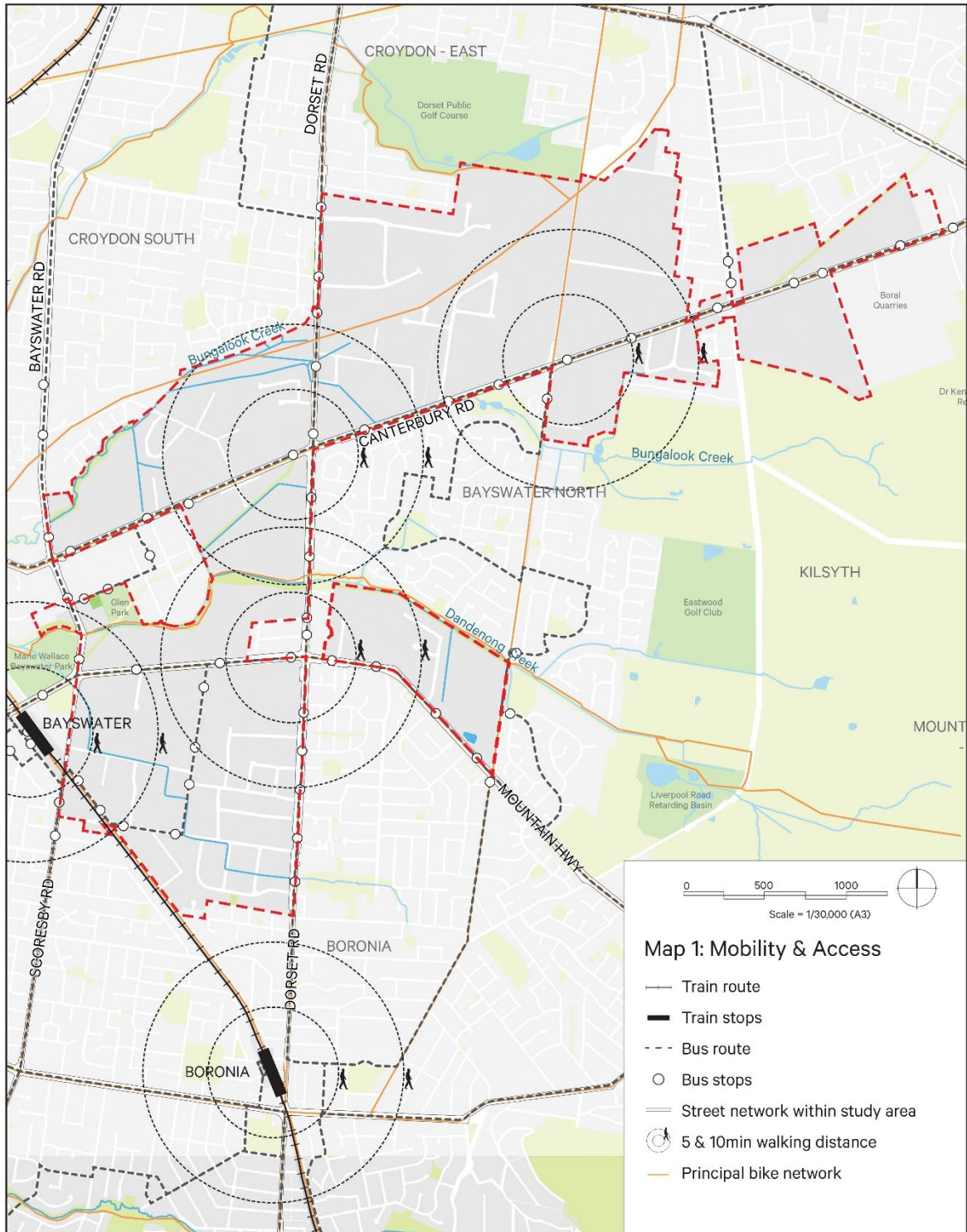
- Most routes in the BBP have a wait time of 30 minutes between services (some take up to 60 minutes).
- The 11 routes serving the BBP have 94 different route permutations, changing route or stopping short at different times of the day.
- Opportunities for improving bus services include the following (these four changes would improve public transport access for 5,200 existing workers):
 - Create a new bus route between Dandenong station, BBP, Bayswater station and Croydon station
 - Increase the frequency of the 901 Smart Bus route during peak times, and adjust the timetables for the 737 and 664 bus routes to better connect the BBP with the 901 route at Knox City.
 - Improve bus serves to the BBP from Lilydale, Mooroolbark and Warburton Highway
 - Create new bus services along Colchester road (Canterbury to Mt Dandenong Road)
 - Trial an automated 'on demand' bus routes between the Bayswater major activity centre, BBP and Boronia train stations.

See Figure 35 (overleaf) for existing mobility and access conditions.

Active transport access to the BBP

- There are few safe on-road cycling routes to and within the BBP, and there are also relatively few well-connected off road cycling routes.
- There is a network of trails along the Dandenong and Bungalook Creeks directly north and south of the BBP. There is an opportunity to create connections within precinct to the trails outside the precinct.
- Opportunities exist to create a continuous off-road 'bike paths along Mountain Highway and /or Canterbury Road (similar to those that are in place in Dynon and Footscray Roads, West Melbourne).

FIGURE 35: MOBILITY AND ACCESS



Source: Hodyl & Co, 2021.

A survey for the BBP found that there are several opportunities to enhance the public transport offering by improving the convenience, reliability, and speed of the public transport network, with an estimated benefit of \$2 million per year:

- 'The need for a bus review for the region to provide a bus network that gets people where they need to go when they want to go
- A new route between Dandenong Station, past Bayswater Station, through BBP, terminating at Croydon Station
- More direct and frequent bus services between Lilydale and BBP
- Enhanced permeability of the road network within BBP to improve access
- Trial an Autonomous Shuttle service to showcase local manufacturing and technology capabilities while improving transport access
- Undertake a BBP transport strategy to holistically improve transport access to the precinct and increase local amenity.'¹⁸

Activity centres and nodes

The BBP benefits from being near a number of activity centres. Bayswater Activity Centre located at the western corner of the precinct, Boronia to the south and Croydon to the North and Ringwood, a high order activity centre located northwest of the precinct.

Ringwood has a critical role as a support function and the access to well established activity centres, particularly Ringwood is something greenfield industrial areas do not have. While lack of accommodation has been identified as an issue, there is accommodation available in Ringwood Activity Centre.

However, there are no activity centres (or even locations that provide a combination of amenities and services) within the BBP. There are some bulky goods retail and fast food uses, primarily along Canterbury Road, at the intersections with Dorset Road and Colchester Road. However, these do not provide the type of amenity and services befitting a 21st Century employment precinct.

As a result, workers and visitors have to travel outside of the precinct to be able to access even basic retail, hospitality, leisure and other services. This is a major drawback that will need to be addressed if the precinct is to retain businesses and attract new business in future.

The scale of the precinct presents challenges for being able to provide access to nodes of activity within walking distance across the entire precinct. However, there are locations where the future redevelopment of land could generate new mixed use nodes of activity to provide amenities and services to workers.

¹⁸ Institute for Sensible Transport, *BBP Public Transport Access Improvements*, 2019, p. 5, and pp. 13—15.

Physical amenity

The precinct currently has a relatively low amenity, both in terms of the physical appearance of the place, and the range of conveniences available for workers to access (see Figure 36).

Key considerations are:

- The existing food, beverage, services and convenience retail offerings within the precinct are very limited and highly dispersed. Workers within the precinct will typically need to leave the precinct in order to be able to access such amenities. There is a need for improved diversity and quality in the local food/restaurant offer, improved personal services (i.e. dry-cleaning, childcare, grocery shopping, etc.) and localised business services.
- There is relatively little open space within the precinct, and limited opportunities for workers to participate in recreational activities.
- The addition of future services within the precinct should be of a type that meet local worker needs, not compete with the surrounding activity centres.
- Opportunity exists to encourage medium size, amenity and lifestyle oriented industrial and commercial development such as the Morris Moor development in Moorabbin which includes newly refurbished premium office spaces, co-warehousing and co-working spaces, a food and retail component, onsite childcare centre and hosts a weekend market.
- If considering new/additional spaces (parks, green connections, public squares) in the BBP, it will be important that they invite flexible use. That is, that they could be activated or used by others outside business hours, creating/enhancing visitor and local interest in the precinct.

Digital connectivity

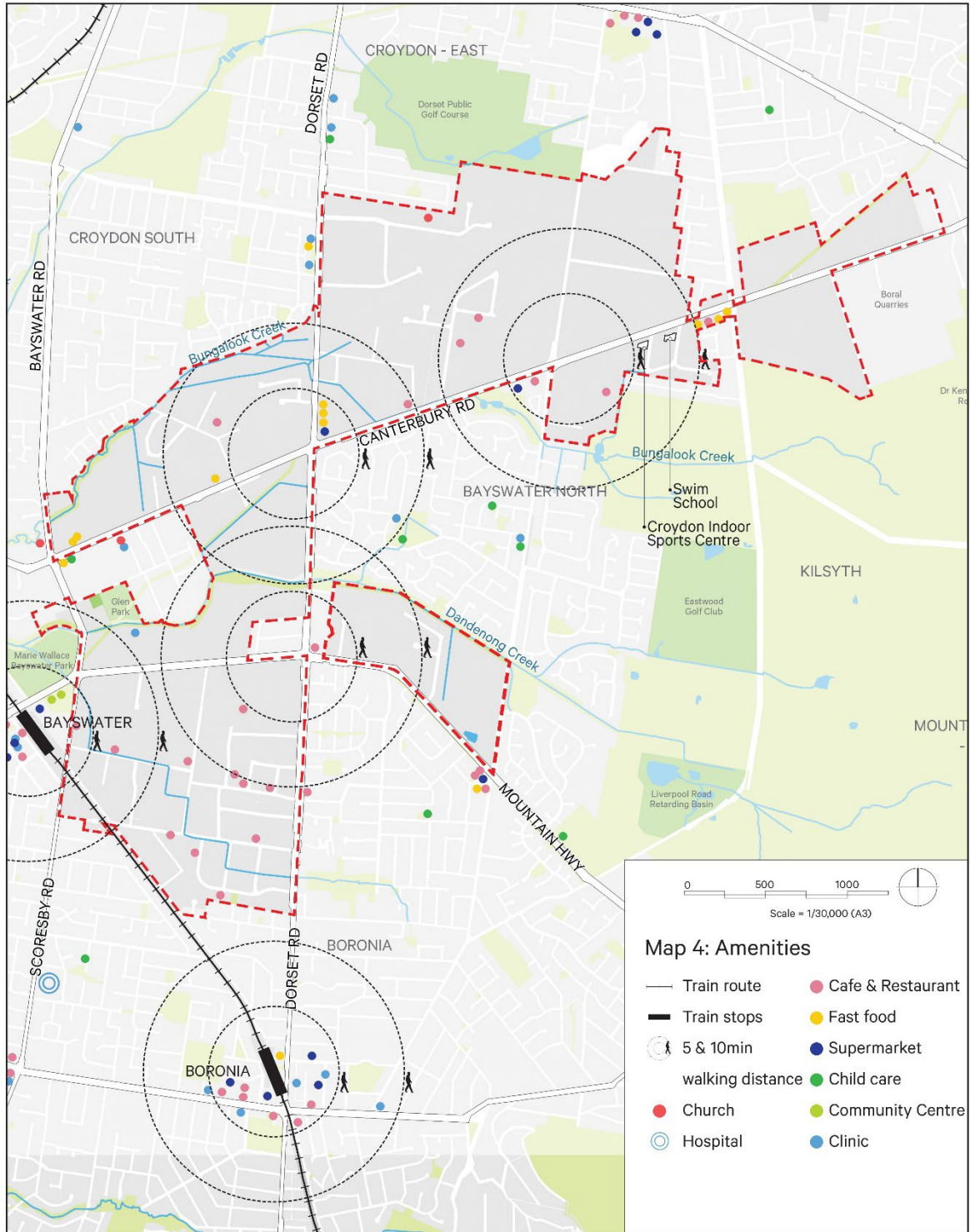
The lack of IT infrastructure and digital connectivity is a challenge for the precinct and a likely barrier to attracting new business in sectors such as advanced manufacturing.

Open space

Figure 37 shows the distribution of open space around the BBP. Notably, there is a lack of open space within the precinct:

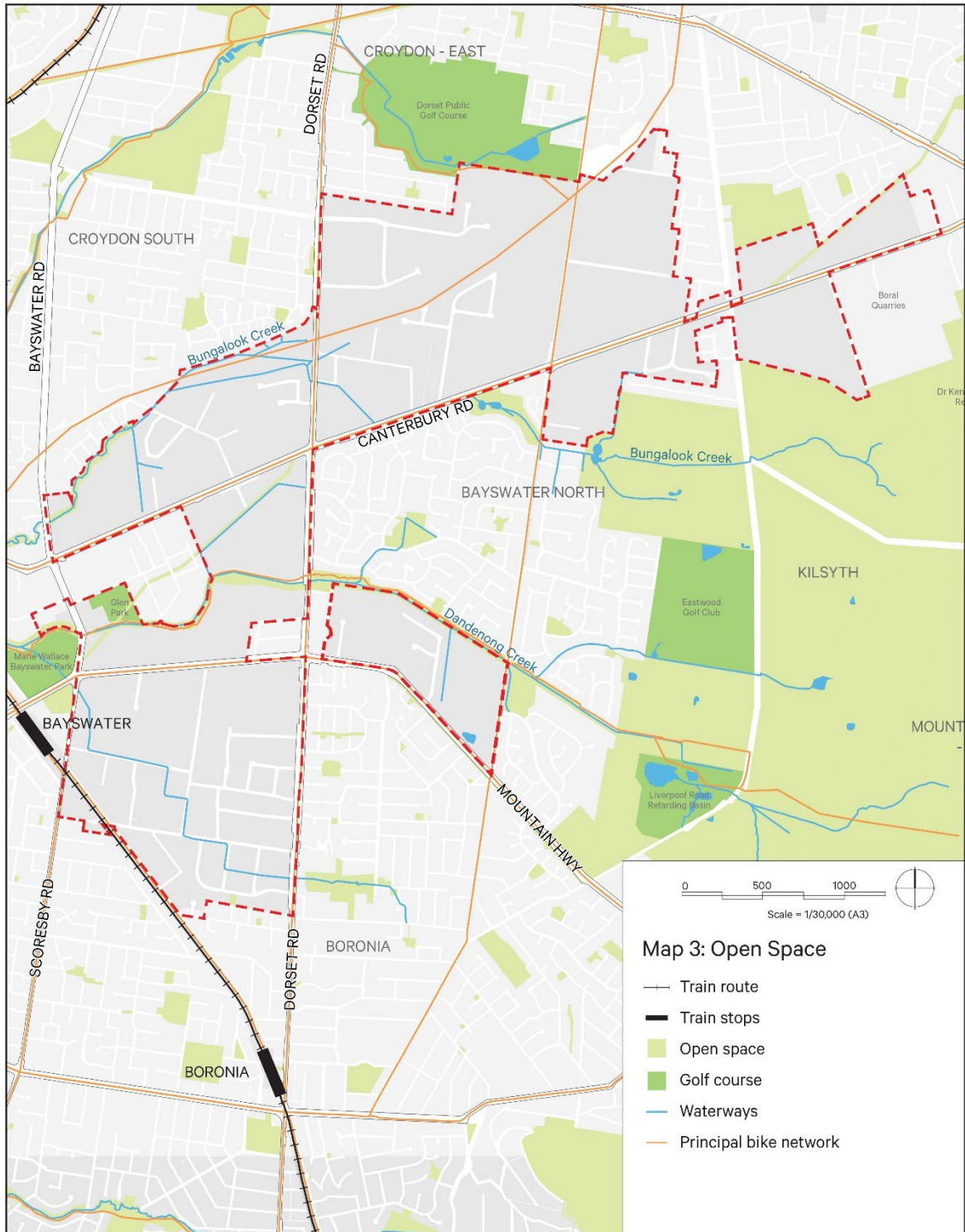
- Existing open space proximate to the precinct is largely focussed on active recreation.
- There is a lack of access to open space (parks, squares, etc.) for passive recreation, somewhere where workers can eat as well as opportunities for recreation activities at lunchtime.
- There is an opportunity to connect to open spaces outside the precinct for lunchtime recreation.
- Providing for passive recreation may not require a lot of space as much as it needs good design to meet the needs of a lunchtime space in a commercial node.

FIGURE 36: AMENITIES IN AND NEAR THE BBP



Source: Hodyl & Co, 2021.

FIGURE 37: EXISTING OPEN SPACE



Source: Hodyl & Co, 2021.

Branding

The precinct is not well understood as a clearly defined area or industry cluster:

- A vast area, with low density, there are no clearly understood boundaries or physical markers to denote the precinct (including gateway sites).
- The size of the precinct is a challenge, spanning six suburbs. Anecdotally businesses see themselves as part of the precinct; however, it is not clear the extent to which the BBP is recognised by business, council and councillors or the community is unclear.
- The precinct also suffers from the perception of manufacturing in the 'old' image, not that of advanced manufacturing.
- In creating a clearly understood 'brand,' it is important to think about how the BBP differs from other industrial precincts, particularly Dandenong and Monash - what is its distinct character?

Land use mix and development typologies

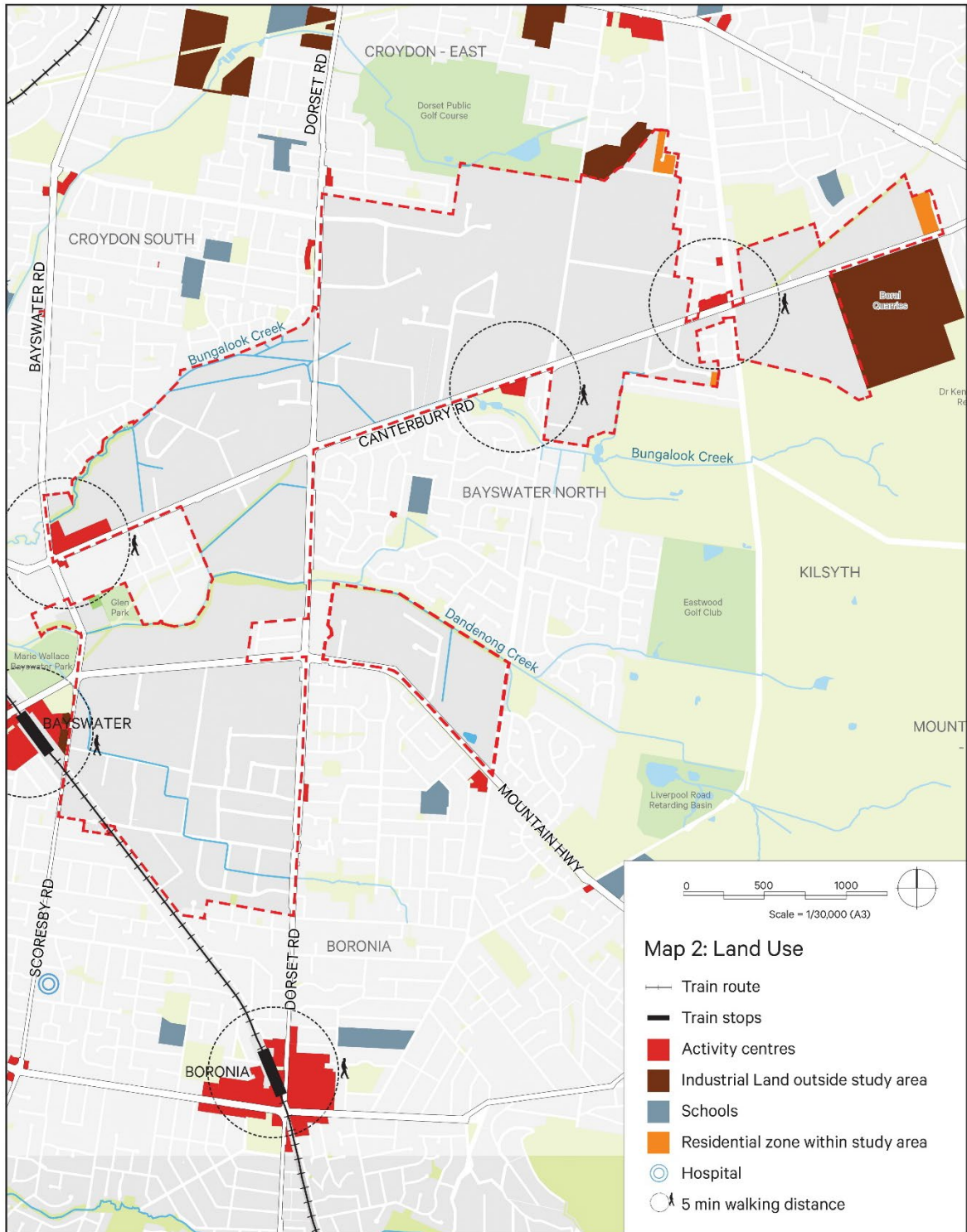
Key land use characteristics of the BBP are:

- Fragmented land ownership
- The precinct is almost fully developed with less than 10 per cent vacant land (although there are many larger sites which are potentially underutilised that could be redeveloped)
- The precinct lacks a supply of large vacant sites to meet the needs of large industrial and warehouse/logistics users. However, there are a number of older industrial buildings within the precinct that are potential candidates for future redevelopment and intensification.
- The precinct has a wide diversity of building typologies to meet the needs of a wide range of businesses. Some sites have new, high quality buildings set among high end landscaping, while others typify an older industrial area, with numerous older buildings occupying smaller lots and individually owned. This is a competitive strength in that it offers a wide range of choices and price points for different commercial and industrial businesses.

The expansive size and scale of the precinct size is an important consideration when determining how transformation might occur within it. The redevelopment of a medium or even small-sized site with the right combination of activities can have significant positive impact on the amenity and identity of the relevant sub-precinct. An iconic mixed use business hub could be created within a site of between 1 and 10 hectares in size, and this would have a transformational effect on the wider BBP if a number of these were to be created across different sub-precincts.

The opportunity exists to nurture the creation of different types of sub precincts within the BBP, with each different area offer different propositions to support different types of business activity. Further analysis is needed to understand if there are specific areas to lift up or profile.

FIGURE 38: LAND USE MIX



Source: Hodyl & Co, 2020.

Anchor uses

Multinationals

There are several multinationals in the precinct, along with some big box retail uses located along Canterbury Road.

- For a variety of security and operational reasons, most of the existing 'anchor' employers operate within self-contained sites that do not form part of a mixed use activity node.
- However, the vast majority of businesses within the BBP are SME's which are spread across the precinct in relatively low-density commercial and industrial buildings.
- As such, the precinct lacks a clear 'business park' heart of the type that you would expect to find in a masterplanned greenfield employment precinct such as Caribbean Gardens or Macquarie Park.

Activity nodes

The precinct does not currently have any clearly defined nodes of activity. The creation of one or more mixed use activity nodes across the BBP would be transformative.

- The strategy for achieving this outcome need not be a prescriptive one – whilst certain potential sites would be identified for this purpose, if there is consensus on what characteristics a future mixed use activity node ought to have, then any number of redevelopment sites within the sub-precincts across the BBP could potentially satisfy this outcome.
- Based on the analysis undertaken to date, there are some larger sites and buildings that are candidates for redevelopment that could be identified for the creation of a mixed use activity node for the precinct. These could be identified as potential locations for this type of development outcome, but the transformation strategy for the BBP ought to retain sufficient flexibility for alternative sites to fulfil this role as well.

Opportunity sites

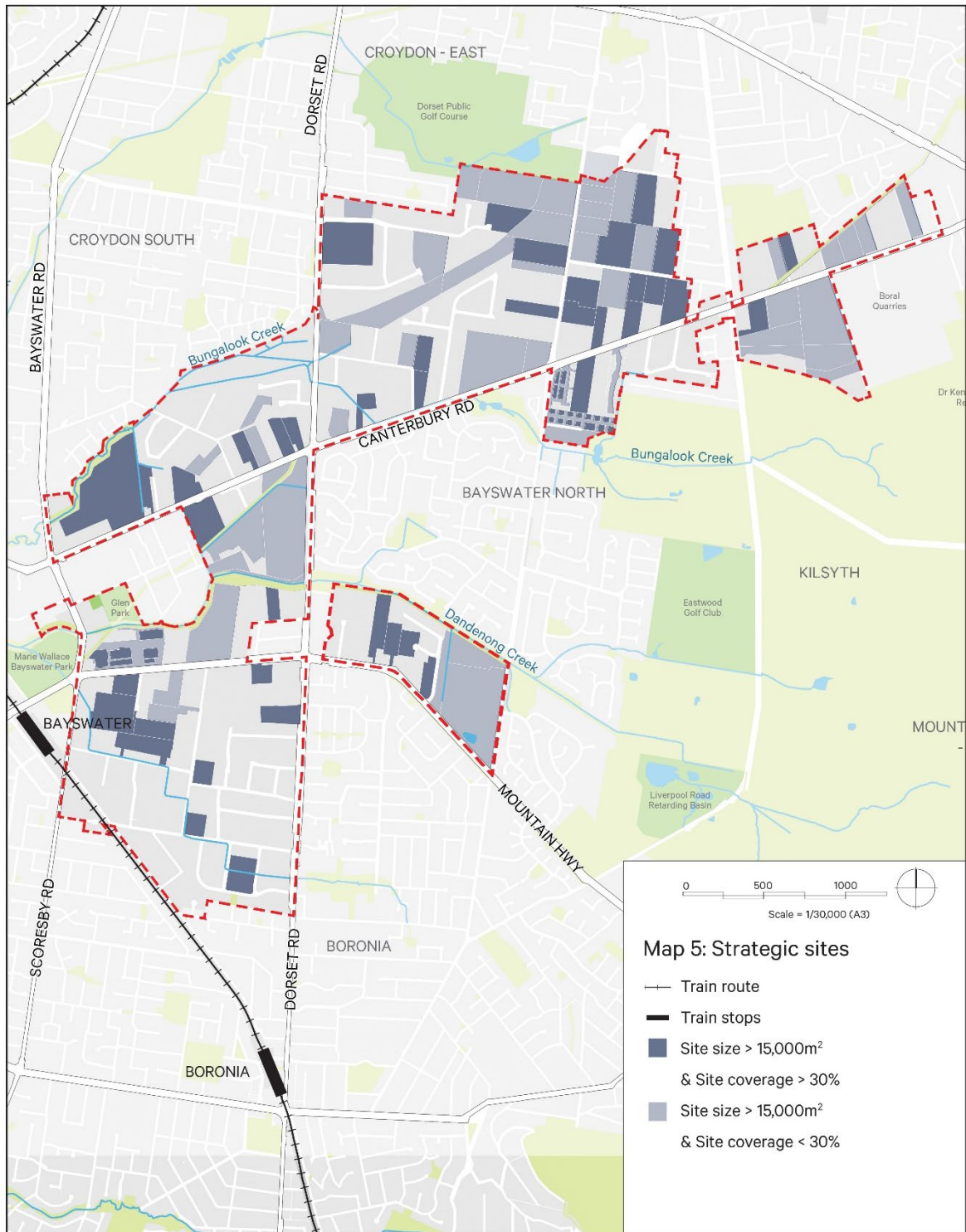
There are numerous very large sites across the precinct that contain older industrial buildings and present significant opportunities for renewal and intensification. These sites each present opportunities to establish new nodes of services, small-scale convenience retail, hospitality and recreation uses that could significantly improve the image and amenity of the wider precinct.

Opportunities also exist for Council to co-invest in improved access and amenity in these locations by undertaking landscaping and streetscape works in adjacent road reserves.

Some opportunity sites are identified in Figure 39, which shows large sites with redevelopment potential, based on existing site coverage.

Further consultation with landowners needs to be undertaken to determine which sites are likely to be redeveloped, and whether there is a willingness to transform such sites into the type of activity nodes described above.

FIGURE 39: LARGE SITES WITH REDEVELOPMENT POTENTIAL BASED ON EXISTING SITE COVERAGE



Source: Hodyl & Co, 2021.

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