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Northeast Business Park - Business Park Assessment

Prepared for Northeast Business
Park Pty Ltd

292 Water Street
Spring Hill QLD 4000
September 2007

DISCLAIMER

This report is prepared on the instructions of the party to whom or which it is addressed and is thus not suitable for use other than by that party. As the report involves future forecasts, it can be affected by a number of unforeseen variables. It represents for the party to whom or which it is addressed the best estimates of Urbis Pty Ltd, but no assurance is able to be given by Urbis Pty Ltd that the forecasts will be achieved.

URBIS STAFF RESPONSIBLE FOR THIS REPORT WERE:

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Executive Summary

Introduction

Northeast Business Park has requested Urbis to assess the Business Park market as part of their development investigations.

The proponent for the development is Northeast Business Park Pty Ltd, a Queensland registered company with shares held by the shareholders of Port Binnli Pty Ltd, Laing O'Rourke Caboolture Developments Pty Ltd and a number of smaller shareholders.

Northeast Business Park (NEBP) is a multi-use marina and business park concept that will integrate marina facilities, appropriate business, industry, commercial, residential, heritage and recreational greenspace precincts providing a place to live, to work and to play in a master planned riverside precinct on the Caboolture River.

Situated on the southern bank of the Caboolture River approximately 8km inland from the coastline, adjacent to the Bruce Highway and 43km north of Brisbane CBD, the NEBP site encompasses 793 hectares of property which includes the following six land parcels ("the project area").

- Lot 2 on RP902075
- Lot 10 on RP902079
- Lot 24 on SP158298
- Lot 7 on RP845326
- Lot 15 on RP902073
- Lot 12 on RP145197

The following components are incorporated into the NEBP development.

- Marina basin.
- Marine industry.
- Industrial.
- Commercial/mixed use.
- Residential.
- Apartments.
- Townhouses.
- Hotels.
- Golf residential.
- Environmental open space.
- Golf course.
- Recreational areas and sporting fields.
- Heritage park.

Key Findings

The key findings of this study include the following:

Trends

- An important finding of this research is the increasing demand for office space in conjunction with and in addition to industrial space. This is not only within the same buildings but also as stand alone facilities that benefit from the synergies of being co-located with industrial uses.
- From recent industrial tenant pre-commitment activity in Brisbane it is noted that:
 - 37.3% of these tenants had a requirement for 20% or more of office floor space with 13.7% having a requirement for 50% or more of office space;
 - three of these tenants had requirements for in excess of 3,000sqm of office space and eleven had requirements in excess of 1,000sqm. These represent significant office tenancies even in a CBD market; and
 - in the order of 15% of industrial pre-commitments in Brisbane over the past seven years have required an office component of 50% or greater.
 - Importantly, from the above figures it is concluded that future employment land development in South East Queensland needs to provide for a flexible mix of land uses and proportions of floor space in order to meet the various needs and requirements of employment land users. If this is not provided these users will go elsewhere and in the case of major regional organisations this may mean bypassing Brisbane and/or the South East Region altogether.

Case Studies

- The table below shows the business parks presented as business park case studies. It presents the areas of commercial floorspace as percentage of the total floorspace and the other uses also located within the business park.

Northeast Business Park Business Parks Comparison

Business Park	% of Total	Other Uses
Quad Business Park, Homebush Bay Sydney	100%	
Norwest Business Park, Castle Hill Sydney	n.a	132 Room Hotel, Shopping Centre, medical facilities, and potential residential development
Rhodes Corporate Park, Rhodes Sydney	65%	Lifestyle centre, gymnasium, pool, bar, restaurant, car wash service, dry cleaning service, child care centre.
Axxess Coromprate Park, Mt Waverley, Melbourne	50%	Warehousing
Com.Park, Mulgrave Melbourne	80%	Warehousing
Metroplex, Gateway Brisbane ¹	50%-100%	Child Care centre, Bristro and Walkways. Hotel and Conference centre proposed.
Southgate Corporate Park, Cannon Hill, Brisbane	85%	Retail precinct featuring restaurant, tavern and Zonefresh
Brisbane Technology Park, Eight Mile Plains	50%	

1. This rate reflects the more recent developments at Metroplex.

Source : Urbis

- The above table shows that the range of commercial floorspace as a percentage of total floorspace is from 50% to 100% throughout the case studies examined across Brisbane, Sydney and Melbourne.
- It is notable from the case studies that the Northeast Business Park is unique in regards to the mix of uses which in addition to the business park incorporates a marina, golf course, residential and open space land uses. In addition, Northeast Business Park will incorporate a body corporate structure which will provide a number of benefits which include:
 - The provision of guaranteed maintenance standards to protect investment and promote capital growth;
 - Enhanced corporate image; and

- A strong sense of pride in ‘ownership’ for all stakeholders.

The Opportunity

- The location of the Northeast Business Park has a strong, comparative advantage over sites in regards to access as it is situated adjacent to the Bruce Highway and the Caboolture River. Caboolture is strategically located for region-wide access to Brisbane or the Sunshine Coast.
- It is just 35 minutes from Brisbane Airport, 55 minutes from the bustling Port of Brisbane and 45 minutes from the Sunshine Coast via the Bruce Highway (M1). Caboolture is also conveniently located on Queensland’s main north-south rail link for ease of bulk container freight movement.
- The development of the employment lands at the Northeast Business Park will significantly assist the achievement of the Caboolture Shire Council Corporate Plan and its strategy for self containment. This strategy seeks to achieve a target whereby over the next twenty years, 2 out of every 3 Caboolture workers live and work in Caboolture;
- It is considered that the Northeast Business Park would be a unique development which represents a significant upgrade in quality compared to the existing supply of industry/business park floorspace in the northern Brisbane area. It also represents the opportunity to be a leading example at the national level of the change which is occurring in industrial land uses.
- While the proposed business park is planned to be a contemporary facility, much of the existing industrial/business park land uses in the area are more consistent with traditional industrial estates in terms of design, standard of amenity and associated land uses.
- It is considered that traditional industrial land uses generate in the order of up to 40 workers per hectare. In contrast, the employment generated from a contemporary, world class business park facility is anticipated to be much higher. Case studies show in the order of 60-70 workers per hectare and higher in some instances. This effect is due to the higher numbers of employees which would result from the trend towards higher ratios of commercial to non-commercial floorspace in industrial/business parks;
- From the Caboolture Shire Council’s perspective this would indicate that significantly less industrial land would be required to generate considerably higher levels of employment. Therefore, higher employment will be generated as a consequence of a business park land use than would be possible under the traditional industrial estate type land uses.
- The types of industries and businesses considered likely candidates to locate at the proposed business park are marine, biotech, ICT and logistics/warehouse industries. Others may include aviation and food related industries. These are presented in the following table together with the types of business which may operate within these industries located at the proposed business park.

Northeast Business Park
Industries and related businesses

Industry	Potential Businesses
Marine	Gemini Inflatables, Haines Hunter, Maritmo, Mustang Cruisers, Quintrex, Riviera Group, Sunrunner Cruisers
Biotech	Agen Biomedical, Alchemia, Alphapharm, AstraZeneca, Cbio Corbett Robotics, Genetic Solutions, Panbio, Peplin Ltd Progen Industries, Sequenom, Australian Centre for Complementary, Medicine, Education and Research Health World, MediHerb, Symbion Health, Sigma Herron
ICT	Creative Assembly (Sega), Oracle, IBM Tivoli, SAP THQ
Logistics/Warehouse	Patricks, TNT, Toll Holdings, Coles, Woolworths
Aviation	Aviation Australia, Alteon Training Australia Pty Ltd Australian Aerospace, Boeing Australia Limited Frequentis Australasia Pty Ltd, Hawker Pacific Pty Ltd Helitech, Pratt and Whitney Canada (Australasia) Pty Ltd Raytheon Australia, Singapre Flying College Pty Ltd
Food Related	Snap Fresh, Australian Meat Holdings, Berri Carlton United Breweries, Castlemain Perkins Kerry Ingredients, Nestle Australia Nippon Meat Packers, OSI International Foods

Source : Urbis

- The development of the industry/business park is consistent with a number of the key strategic directions that the Southeast Queensland Regional Plan incorporates to manage growth in South East Queensland. These key strategic directions include the following:
 - Creating a more sustainable future;
 - Identifying land to accommodate future growth;
 - Promoting land use efficiency;
 - Enhancing the identity of regional communities;
 - Providing infrastructure and services; and
 - Integrating land use, transport and economic activity.

- It is also consistent with a range of the key desired outcomes of the Southeast Queensland Regional Plan. These include the following:
 - Economic development;
 - Industry and business development;
 - Smart State – the promotion of innovation, skills and technology ;
 - Total water cycle management;
 - Environmental values and water quality; and
 - Employment and economic activity areas.

Associated Land Uses

- There have been a number of other commercial and demographic changes reflecting broader worker needs that have influenced requirements for more diverse land uses in employment areas. These relate to business and employee needs for retail services, accommodation, recreational facilities, and social services.

Flexible Planning

- The key to achieving the necessary diversity of uses for employment locations such as business and industrial parks appears to be in the flexibility of the relevant land use planning guidelines. This approach is the way of the future and should governments have objectives of minimising trips and promoting employment in closer proximity to residents then these types of policies must be implemented. This approach could be achieved to great effect in the Northeast Business Park.
- While the Northeast Business Park represents a high quality, integrated mixed use development, significant expenditure and employment benefits would be lost to the region under a proposal which did not incorporate the key components which are located outside the footprint. This loss in economic opportunities would be due to the great reduction in the live-work-play attribute and the marina's potential to serve as an attractor for industrial, commercial and recreational land uses. In addition such a proposal would lose the fundamental opportunity to promote Caboolture's role and function in South East Queensland.

1 Introduction

Northeast Business Park has requested Urbis to assess the Business Park market as part of their development investigations.

1.1 Study Background

The Northeast Business Park is requiring an investigation of the business park concept as a land use in an area currently designated for district industry in Caboolture. Increasing industrial land values, increasing demand for office space by industrial based businesses, and the broader demand for suburban office space and associated uses are key drivers that underpin this concept. The Caboolture Shire Council is promoting a containment strategy aimed at ensuring that a higher rate of people live and work within Caboolture. As a land use the business park may be regarded as employment lands which add significantly to the capacity for employment opportunities in the area. In addition, Northeast Business Park will provide residential living, as well as recreational uses in close proximity to employment opportunities.

This report is of relevance to the Environmental Impact Statement terms of reference section 2.1.

1.2 Proponent

The proponent for the development is Northeast Business Park Pty Ltd, a Queensland registered company with shares held by the shareholders of Port Binnli Pty Ltd, Laing O'Rourke Caboolture Developments Pty Ltd and a number of smaller shareholders.

1.3 Project Description

Northeast Business Park (NEBP) is a multi-use marina and business park concept that will integrate marina facilities, appropriate business, industry, commercial, residential, heritage and recreational greenspace precincts providing a place to live, to work and to play in a master planned riverside precinct on the Caboolture River.

The Northeast Business Park's Values Statement together with diagrams which depict the locality and the development proposal are provided in the Appendices.

Situated on the southern bank of the Caboolture River approximately 8km inland from the coastline, adjacent to the Bruce Highway and 43km north of Brisbane CBD, the NEBP site encompasses 793 hectares of property which includes the following six land parcels ("the project area").

- Lot 2 on RP902075
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INTRODUCTION

The following components are incorporated into the NEBP development.

- Marina basin.
- Marine industry.
- Industrial.
- Commercial/mixed use.
- Residential.
- Apartments.
- Townhouses.
- Hotels.
- Golf residential.
- Environmental open space.
- Golf course.
- Recreational areas and sporting fields.
- Heritage park.

Of the 793 hectares, 44% (350 ha) will be developed. The remaining area (443 ha) will be set aside for open space, and active and passive recreational uses, including a heritage park. The project area is located on 9 kilometres of river frontage which will provide public access to parts of the Caboolture River.

The development provides an integrated mixed-used business park and marine precinct which combines land uses making the development more viable and sustainable. The business park will be capable of attracting local, national and international businesses, incorporating clusters of mixed and complementary industry and businesses, underpinned by a high quality residential development, and a state of the art marina and marine industries precinct.

The development will provide an important community and business focus for Caboolture and help to address a significant undersupply of marine facilities and associated uses. There is an identified lack of marina berths within Queensland, Southeast Queensland and particularly the immediate area.

Major landform adjustments that will occur to establish the NEBP will involve excavation of the marina basin to 3.5 metres below AHD. This will be undertaken using dry excavation techniques followed by inundation of the marina area. Fill obtained from the excavation of the marina basin and additional cuts within the property bounds will be used to raise ground levels within residential precincts to protect against flooding and storm surge. Additional flooding mitigation strategies include channels (grass managed) and diversion banks with no changes to flow velocities within the Caboolture River expected.

Following excavation of the marina basin, a lock will be established to connect the marina basin to the Caboolture River. Some dredging of the Caboolture River will be required with dredging occurring within the defined navigation channel.

The majority of the project area previously supported exotic pine plantations and was utilised for forestry purposes, however it does contain some areas of ecological value, including remnant

INTRODUCTION

terrestrial vegetation, marine vegetation, Caboolture River frontage and tidal creeks. Environmental considerations incorporated into the design, construction and operation of the development to protect environmentally sensitive areas within and surrounding the project area will be analysed as part of the EIS process, with particular emphasis on marina design, construction and operation. Overall the development will be designed, constructed and operated with a net benefit to the environment and community through the implementation of sustainable development principles and practices.

Supporting infrastructure, such as wastewater, electricity, telecommunications and roads, associated with the NEBP development will require upgrading and in some cases extensions to existing infrastructure will be necessary. Proposed improvements to infrastructure include additional sewerage and electricity provisions to be incorporated into NEBP and internal roads through the development to service industrial and commercial precincts.

1.4 Project Location Description

The NEBP project area is vacant privately owned land that is bound:

- to the north by 9km of Caboolture River frontage, with land on the opposite side of the river being primarily rural and used for forestry activity;
- to the west by the Bruce Highway, with land on the opposite side of Bruce Highway developed with residential and open space areas; and
- to the south and east by privately owned rural residential properties with lot sizes ranging from 1-20 ha, bushland, open grassland areas and limited agricultural and recreational land uses.

The project area is surrounded by areas of conservation significance as follows.

- The Deception Bay Declared Fish Habitat area, which extends along the entire length of the northern boundary, within the bounds of the Caboolture River. This area is protected by the *Fisheries Act 1995* due to the estuarine habitats that support commercial and recreational fisheries in close proximity to developing communities.
- The Habitat Protection Zone of the Moreton Bay Marine Park which is located within the Caboolture River and begins at the mid-northern boundary of the site then extends eastward along the Caboolture River. This area is protected by the *Marine Parks Act 2004* in order to:
 - (a) conserve significant habitats, cultural heritage and amenity values of the marine park;
 - (b) maintain the productivity and diversity of the ecological communities that occur within the marine park; and
 - (c) provide for reasonable public use and enjoyment of the zone consistent with the conservation of the marine park.
- The Moreton Bay RAMSAR wetlands which traverse the same area within the Caboolture River as the Moreton Bay Marine Park. The Moreton Bay RAMSAR wetlands are protected pursuant to international conventions as they are one of only three extensive intertidal areas of seagrass, mangroves and saltmarsh on the eastern coast of Australia that provide habitat for water birds.

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- South East Queensland Wader Bird Sites are mapped approximately 500m to the east of the site. This area is protected via the JAMBA and CAMBA convention to protect habitats of Migratory Birds.

1.5 Project Area Description

The NEBP project area is relatively flat ranging in elevation from 3m AHD at the northern boundary to a knoll at 16.5m AHD towards the southern area of the site. Tidal levels of the Caboolture River, adjacent to the site are approximately 1.34m AHD for Highest Astronomical Tide and 0.81m AHD for Mean High Water Springs.

Raff Creek traverses the site and flows from the north east to the southwest boundary.

The site previously supported exotic pine plantations and was utilised for forestry purposes. As such, with the exception of a 1.3 ha area of endangered remnant vegetation located at the south west corner of the site, the majority of the site is devoid of native vegetation. The site is characterised by large expanses of disturbed grassland, some scattered trees, Paperbark (*Melaleuca quinquenervia*) communities, Eucalypt open forest and areas of marine vegetation which fringe the Caboolture River and associated waterways and constructed drainage channels that are tidally influenced.

An ortho-rectified aerial photograph of the project area is attached for your information and use where required as a jpeg.

The northern parts of the project area are mapped under the Caboolture Shire Plan 2005-2026 as containing the following areas of conservation significance.

- Catchment Protection Areas for the Protection of Waterways and Declared Fish Habitat Areas.
- Ecological Corridors to strengthen and improve links between areas of state, regional, local and other conservation significance and areas of conservation significance that may be degraded.
- Regional and State Conservation areas.
- Scenic Amenity Areas in which development is to be regulated such that adverse impacts on the scenic qualities of the area are minimised.

1.6 Key Development Themes

The development will provide the Caboolture community with access to natural watercourses, bushland and parklands whilst developing much needed marina berths and vessel maintenance facilities north of the Brisbane River in an ecologically sustainable manner by:

- commissioning technical studies to inform the design, construction and operation of the development to minimise adverse impacts on surrounding environmentally sensitive areas;
- providing managed mooring and boat maintenance facilities;
- restoring degraded river banks and wetlands;
- rediscovering historic cultural elements and providing access to the public;

INTRODUCTION

- attracting tourism and multinational operators; and
- satisfying government agendas for environmental rehabilitation, marine industry reform, increased local employment, and balanced environmental, social and economic objectives.

1.7 Purpose

This report has been commissioned by Northeast Business Park to provide an assessment of the Business Park market in the Caboolture area.

1.8 Approach

Our approach for this work recognises the need to undertake an assessment of the business park component. The work will include research into leading edge business parks in Brisbane, Sydney and Melbourne. This assessment will focus on the identification of the types of businesses which may be attracted to the business park. It will also provide an analysis of modern business parks which will incorporate research into the proportions of office to non-office floorspace by industrial tenancies.

Specifically, the assessment will incorporate the following tasks:

1. provide a description of trends in business park developments which reflect the changes in industrial development over recent years;
2. presentation of business park case studies from Sydney, Melbourne and Brisbane. This will assist to identify the trends in industrial. Market evidence will also be provided. This will inform about the ratio's of office space to non-office space by industrial tenants;
3. discussion of the opportunity for potential tenants represented by the proposed business park. This would include a description of the key attributes of the site and incorporate investigations into business parks which have a similar focus to the proposed site. This would include business parks such as those with a marine industry focus and are representative of clusters of high-tech or industrial research, or have a relatively high requirement for water; and
4. discussion of other findings in relation to business park development trends such as the demand for associated land uses including retail, recreation, accommodation and social requirements.

1.9 Report Format

The format for this report is driven by the above approach and leads the reader through a logical progression of information and findings. The following section, Section 2, provides an overview of trends in business park developments. Section 3 presents business park case studies. Section 4 presents the opportunity for potential tenants represented by the proposed Mixed Industry Business Area. Section 5 presents other findings in relation to business park development trends such as the demand for associated land uses while Section 7 provides the conclusion of the report highlighting the key findings.

INTRODUCTION

1.10 Report Limitations

This report is prepared on the instructions of the party to whom or which it is addressed and is thus not suitable for use other than by that party. As the report involves future forecasts, it can be affected by a number of unforeseen variables. It represents for the party to whom or which it is addressed the best estimates of Urbis Pty Ltd, but no assurance is able to be given by Urbis Pty Ltd that the forecasts will be achieved.

2 Trends in Business Park Development

2.1 The Development of Business Parks

The economic forces that underpin the demand and supply of different land uses ensures that the highest and best uses of land change over time. As cities and principal activity centres grow in population and physical size, demand for land in proximity to the centre increases in value. This results in the converging forces of the commercial need to better utilise such land and the market which seeks higher forms of use. Globally and nationally, industrial businesses have moved from inner city locations to more peripheral locations as land prices and competition from other land uses (such as residential) have forced these occupants out.

The 1980's phenomenon of the "Business Park" was essentially a North American import. In its typical form it comprised low density development with office and R&D 'pavilions' set within an expanse of landscaping and generous car parking. Through the 1990s business parks evolved to incorporate greater density and a variety of facilities and services including food, accommodation, and recreation.

According to the Sydney Metropolitan Strategy 2006, tenants are attracted to business parks by spacious and attractive work environments, ample parking, multi-purpose facilities integrating factory, warehouse, and office functions, and competitive rents compared to CBD locations.

There is now a range of tenants without the traditional requirement for co-location with other CBD businesses or government agencies that are traditionally and overwhelmingly located in the CBD.

The new generation of business parks is starting to reflect the emerging awareness of compactness and accessibility, of diversity and flexibility, the blending of industrial warehouse and office space with new imperatives such as:

- Creating a business environment at an intensity which is able to sustain a wider and richer mix of facilities and services;
- Providing work places within easy reach of homes;
- Delivering a land use mix incorporating a significant proportion of homes, to ensure vitality outside of work hours.

The positive planning outcomes to such sites and to the community are:

- Reduced vehicle trips by employees to the City and other Centres
- Delivery of a land use mix on larger sites, eliminating mono-use sites (retail, industry and office sites) that provides increased variety and 24 hour use of premises thereby improving security and safety.

2.2 The Changing Face of Industrial Development

The way businesses operate has evolved over time with significant change occurring in the last ten years as a result of advances in technology and information systems. This factor is recognised in the Sydney Metro Strategy which notes that more computer based production processes and better logistics and inventory controls are leading to reductions in shop floor workers and more office based employees. Associated with this is the trend towards operational consolidation where businesses consolidate their operations at a single location combining head office, back office, manufacturing and distribution activities. Good examples of this are James

TRENDS IN BUSINESS PARK DEVELOPMENT

Hardie at Rosehill in Sydney, Nestle at Rhodes in Sydney, Optus at North Ryde in Sydney, Powerlink at Virginia, Sealy Posturepedic at Wacol, Queensland Newspapers at Murarrie, Nissan Motors at Dandenong in Melbourne, and Toyota at Acacia Ridge in Brisbane.

The historic concept of the head office being located in a CBD and separate warehouse/manufacturing facilities being remote in industrial estates is contrary to the changing face of management practices that seek operational consolidation as outlined above.

Importantly the Sydney Metro Strategy recognises the flexibility required in providing for businesses accommodation needs and refers to employment lands, and does not differentiate between industrial space and business park space. In this regard the strategy notes “that many industrial activities now have higher office components with more white collar workers. This means that more jobs can be located in employment lands”.

2.2.1 Sydney Metropolitan Strategy

The Sydney Metropolitan Strategy is the equivalent of the SEQ Regional Plan in Queensland. It sets out how the NSW State Government intends to sustainably manage growth and change in the Sydney and Greater Metropolitan Region (GMR) over the next 25 years. It is driven by a Vision, Growth Directions, Strategies, and Priorities for Implementation. These are comparable elements to those contained in the SEQ Regional Plan.

An important extension of the Sydney Metropolitan Strategy is its application to sub regional planning across Sydney. Whilst the Sydney Metropolitan Strategy provides the broad planning framework for the sub regions, each sub region is developing its own strategy to provide more detailed directions including plans to manage key growth areas. This approach to regional planning was developed further in February 2006 when Premier Iemma announced a plan to establish a network of six key regional cities to underpin the State's economic growth and create more local jobs – Parramatta, Liverpool, Penrith, Wollongong, Gosford, and Newcastle.

The vision for these centres is heavily economic based with the focus on new local jobs and housing, more recreational and lifestyle opportunities, and fresh business investment. There is recognition that these centres need proactive support and initiatives to achieve their visions with the theme of development focused on revitalisation. The realisation of each centre vision is supported by key strategic planning documents and instruments including a City Centre Vision; a Local Environmental Plan; a Development Control Plan; and a Civic Improvement Plan. This approach to sub regional planning however does not make the step of instigating centre revitalisations through state government funded catalytic projects. This is a major difference with the Victorian State Government's approach to sub regional planning in Melbourne and the implementation of Melbourne 2030.

2.2.2 Employment Lands

The idea of Employment Lands has been associated with the emergence of business parks. It is an important concept which has been adopted by both the Sydney and Melbourne regional planning instruments. The demand for and monitoring of employment lands is a key component of these authorities' action plans.

Employment lands within Sydney and Melbourne provide excellent access from major highways and freeways and are also appropriately located between major activity centres for accessibility to employees. Employment Lands are areas of large concentrations of workers employing approximately 1 in 4 Sydney residents and are largely located along major arterial road networks being vital to the continued growth of the region. The production and movement of goods to and from these areas and transport access via the road network is critical.

TRENDS IN BUSINESS PARK DEVELOPMENT

The SEQ Regional Plan identifies 'Employment and Economic Activity Areas' within the SEQ regional planning framework which briefly outlines the major emerging and future employment activity areas and industry clusters within SEQ. The SEQ Regional Plan falls short of specifying locations along road networks and a future strategy for ensuring demand and supply are adequately monitored to ensure the large population base of Queensland is provided appropriate employment opportunities.

2.3 Ratios of Office to Non-Office Space

One of the key findings of this assessment is the increasing demand for office space in conjunction with industrial space in traditional industrial areas. This is not only within the same buildings but also as stand alone facilities that benefit from the synergies of being co-located with industrial uses. The recently developed Quad Park in the traditional industrial precinct of Homebush, Sydney, incorporates virtually 100% office space with supporting retail facilities. Norwest in Sydney's Baulkham Hills incorporates a mix of tenants ranging from 20% to 100% office space. These requirements are recognised by the recent Sydney Metro Strategy that found that technological developments and process and system improvements were leading to "reduction in shop floor workers and more office based employees". It also noted that "many industrial activities have higher office components with more white collar workers" resulting in more jobs in employment lands.

These shifts in land use requirements are not restricted to Sydney. In Melbourne, the Axxes, Corporate Park incorporated a range of 100% office tenants over a 6 month period to move from a 40%/60% office/industrial mix to a 50%/50% mix. Com.Park at Mulgrave in Melbourne has an 80%/20% office/industrial mix including some office/warehouse units with a 50%/50% mix. The success of this park encouraged the developer to purchase a second site for another Com.Park in Melbourne. These trends are emerging in Brisbane. The Southgate Corporate Park at Cannon Hill has an 80-90% office component in a primarily industrial area. The recent Queensport Quays at Metroplex incorporates development lots with 100% office; 78% office; and 50% office.

Recent evidence of industrial tenant pre-commitments in Brisbane is consistent with this trend of increasing office components in industrial developments. The following table details a significant proportion of the industrial tenant pre-commitments which have occurred within the Brisbane metropolitan area since 2000. Specifically addressed in the table are the location, commencement date, leased area and office component size of each lease transaction.

TRENDS IN BUSINESS PARK DEVELOPMENT

Brisbane (2000 - 2007)

Industrial Tenant Demand (known office component)

Tenant	Suburb	Location	Lease commencement	Leased Area (sqm)	Office Component
Toll Holdings - Toll North	Eagle Farm	North East	Jan-00	22,200	5%
B & R Enclosures	Heathwood	South	Jan-00	10,040	15%
Centrelink	Morningside	South East	Feb-00	1,457	10%
Orrcon	Salisbury	South	Mar-00	5,035	10%
Cesco Ltd	Hemmant	East	Jun-00	2,035	20%
Australian Freight Services	Hemmant	East	Jun-00	3,800	20%
Australian Maritime Services	Teneriffe	East	Jun-00	2,450	60%
Nick Scali Furniture	MacGregor	South	Nov-00	4,970	65%
CSR	Fortitude Valley	East	Jan-01	1,261	20%
Hermes Precisa Australia	Murarie	South East	Feb-01	4,000	50%
Global Seafoods	Colmslie	South East	Mar-01	3,900	27%
Foxboro Australia	Eight Mile Plains	South	Mar-01	3,336	90%
Strammit Industries	Crestmead	South	May-01	19,118	6%
Berri	Lytton	East	Jun-01	14,215	10%
EGL Circle	Hendra	North East	Jun-01	1,505	20%
International Data Technologies	Eight Mile Plains	South	Jun-01	1,681	100%
Cellnet Communications	Eagle Farm	North East	Sep-01	7,200	36%
Ancor	Rocklea	South West	Dec-01	15,733	1%
Volvo	Wacol	North East	Jan-02	3,905	7%
New Products Developers	Pinkenba	East	Jan-02	1,286	10%
Scott's Refrigerated Transport	Yatala	South	Jan-02	4,123	10%
Southcorp Wines	Murarie	South East	Mar-02	6,400	22%
Blue Star Express	Acacia Ridge	South	Apr-02	3,950	10%
Star Track Express	Darra	West	May-02	6,555	2%
Compass Logistics Pty Ltd	Heathwood	South West	May-02	5,550	10%
Visy	Hemmant	East	Oct-02	8,500	3%
Kone Elevators	Bowen Hills	East	Nov-02	1,172	60%
Fourwinds International	Hemmant	East	Dec-02	1,245	15%
McLeod Accessories	Northgate	North	Jun-03	4,500	10%
Direct Freight Express	Darra	West	Jul-03	5,200	4%
Yamaha Motor Australia	Lytton	East	Dec-03	6,600	10%
Boomerang Paper	Aspley	North	May-04	3,800	5%
Tyco Australia	Cannon Hill	South East	Aug-04	5,571	54%
Mountain Designs	Hendra	North East	Oct-04	3,300	33%
Hart Sport	Aspley	North	Nov-04	2,600	20%
Pierlite	Banyo	North East	Oct-06	1,766	15%
Pillow Talk	Darra	West	Oct-06	4,241	18%
EW Reinforcing	Richlands	South West	Oct-06	9,193	3%
E & B Distribution	Sumner	South West	Dec-06	1,480	19%
Mastertech Pty Ltd	Mansfield	South East	Jan-07	1,858	20%
Mastertech Pty Ltd	Mansfield	South East	Jan-07	1,977	40%
Bluescope Water	Yatala	South	Feb-07	1,400	14%
Enerflex Systems Australia	Eagle Farm	North East	Feb-07	1,915	19%
LEP	Pinkenba	East	Apr-07	5,300	17%
Promin	Murarie	South East	Apr-07	1,250	40%
G'S Brothers Transport	Eagle Farm	North East	Apr-07	1,906	6%
Silvan Australia	Willawong	South	May-07	3,850	9%
Hill industries	Richlands	South West	May-07	5,061	5%
Brighton Best Socket Screw	Heathwood	South	Jun-07	1,680	9%
Winters Removals	Acacia Ridge	South	Jul-07	1,137	16%
Refrigeration Equipment Sales	Coopers Plains	South	Jul-07	4,781	5%

Source : PIMs, Urbis

TRENDS IN BUSINESS PARK DEVELOPMENT

The key points to note from the recent industrial tenant pre-commitment activity in Brisbane are:

- 37.3% of these tenants had a requirement for 20% or more of office floor space with 13.7% having a requirement for 50% or more of office space;
- three of these tenants had requirements for in excess of 3,000sqm of office space and eleven had requirements in excess of 1,000sqm. These represent significant office tenancies even in a CBD market; and
- in the order of 15% of industrial pre-commitments in Brisbane over the past seven years have required an office component of 50% or greater.

The important conclusion to draw from this is that future employment land development in South East Queensland needs to provide for a flexible mix of land uses and proportions of floor space in order to meet the various needs and requirements of employment land users. If this is not provided these users will go elsewhere and in the case of major regional organisations this may mean bypassing Brisbane and the South East Region altogether.

3 Business Park Case Studies

To examine by way of example the evolution and form of modern business parks we have undertaken a number of brief case studies from Sydney, Melbourne, and Brisbane.

3.1 The Australian Experience

In Australian capital cities business parks have emerged as attractive alternatives to CBD and inner city location. Sydney has experienced a greater growth in business parks possibly as a result of its constrained geography which makes travel to the CBD difficult; substantial CBD rents; and significant white collar employment growth.

3.1.1 Sydney

A number of examples of office/business parks exist within the Sydney metropolitan area. The majority of business parks today are focussed within the North Shore, Inner West and North West regions.

Quad Business Park

Location	Homebush Bay, Sydney
Site Area	3-4ha
Development Commenced	2000
Approximate Office Component	22,700m ² (approximately 100% of the total)

Located at the Australia Centre in Homebush Bay in what was a traditional industrial area of Sydney, Quad Business Park was developed by Lend Lease and was recently purchased by the GPT Group. Quad Business Park is a four stage development comprising of four buildings which surround a garden circle and café/restaurant area.

The buildings are 3-4 storeys, attractively designed in modern styles, incorporate large efficient floor plates, and A grade building services. The buildings are virtually 100% office with 200m² of retail space. Take up has been strong with 14,350m² of the 15,200m² occupied, representing an annual take up of 3,000m² per annum.

Major tenants within this development include Dairy Farmers Australian Co-operative, Universities Admissions Centre, Swift & Moore, Areva T&D Australia Limited and World Audio Limited. Tenant sizes range from 780m² (World Audio Limited) to 4,800 m² (Dairy Farmers), with the majority ranging between 1,700m² to 2,300m².

BUSINESS PARK CASE STUDIES



Quad 2



Quad 3

Norwest Business Park

Location	Castle Hill, Sydney
Site Area	377 ha
Development Commenced	1990s
Approximate Office Component	240,000m ²

Norwest Business Park is located approximately 25 kilometres west of the Sydney CBD and 25 kilometres north-west of the Sydney Domestic and International Airport. The Park is located adjacent to the M2 Hills Motorway and the Sydney Orbital road, providing convenient and efficient access to most parts of Sydney. Over 400 businesses have located at Norwest employing in the order of 17,000 people of which around 90% commute to the park by car.

Norwest incorporates modern designed buildings up to seven storeys in height amongst attractively landscaped grounds. Whilst it has been developed over a substantial period of time, it has averaged annual take up in the order of 16,000m².

Features of Norwest Business Park include a 132 room International Hotel, shopping centre with Coles Supermarket, 35 specialty shops and a food court, Medical facilities, drive-thru business post office, IT infrastructure, communication and energy infrastructure, Hills Christian Church, and scope for significant residential development.

Major tenants within this development include IBM, ResMed, BASF, C&W Optus, Sigma Pharmaceuticals, Wyeth Australia, Schneider Electronics, Woolworths Ltd.

Whilst tenancies at Norwest range from 100% office components down to 20% office and 80% warehouse, the majority of tenants are more office oriented. Recent developments reflect an increasing trend towards higher office components, especially for industrial based businesses. For example the Inglewood Business Centre at Norwest Business Park is built over four levels and incorporates 4,875m² (43%) of office component of a total building space of 11,457m².

BUSINESS PARK CASE STUDIES



Wyeth Australia



Optus Communications

Rhodes Corporate Park

Location	Rhodes, Sydney
Approximate Office Component	90,000m2 (approximately 64% of total)
Rhodes Corporate Park is centrally located in Sydney's Inner West at 1 Homebush Bay Drive approximately 11 km west of Sydney's CBD and approximately 8 km east of the Parramatta City Centre.	
The site has good access to transport infrastructure including rail, ferry, bus and immediate access to Sydney's regional road network including Homebush Bay Drive, Victoria Rd and the M4.	
Amenities in the immediate vicinity of the Rhodes Corporate Park include Rhodes Waterside Shopping Centre (with cinemas adjacent), Concorde Café and restaurant strip, parklands including Homebush Bay, Foreshore Parklands, Brays Bay Reserve and Millennium Parklands plus picturesque pedestrian paths throughout.	
The following diagram depicts Rhodes Corporate Park's master plan.	

BUSINESS PARK CASE STUDIES



Source www.australand.com.au

Rhodes Corporate Park has established itself as a leading corporate address. Its tenants include Nestle, Unisys, National Australia bank, Bristol-Myers Squibb and Australand.

In terms of land use measured by gross floor area, 52,000m² is provided for commercial/high technology uses while 50,000 m² is provided for retail. On completion, Rhodes Corporate Park will provide for a total development of 90,000m² of commercial floorspace over 6 individual buildings. Office space therefore represents approximately 64% of the total floorspace. Building A (see diagram above) is a seven level commercial tower of approximately 14,600m² and was due for completion this year. This building provides accommodation options for single or multiple tenancies, call centre, conventional office, head office and other corporate accommodation. Building F represents up to 18,000m² of floorspace.

Other land uses include lifestyle centre and gymnasium, indoor lap pool, bar and restaurant, newsagency, dry cleaning service, car wash service and a child care centre.

BUSINESS PARK CASE STUDIES

3.1.2 Melbourne

Integrated office/industrial business parks in metropolitan Melbourne are primarily located in the outer east region, one of the four metropolitan office market regions, the others include the north/west, the inner east and the south east.

A shifting demographic and improved transport infrastructure has been continuing drivers of development activity in the outer metropolitan regions of Melbourne. Driven initially by government tenants requiring access to the expanding population base, the development of business parks soon followed in the mid 1980's. Early examples of these developments include Brandon Business Park, Greenwood Office Park and TallyHo Business Park which were predominantly office based uses with landscaped parks.

Transport links and improved access have seen the relocation of former industrial sites to fringe locations, and, as a result a gentrification has occurred of industrial sites into business parks with recent examples such as Ferntree Business Park and Clayton Business Park, or residential brownfield sites.

Two examples of integrated business park developments that have been occurring in recent years are Axxess Corporate Park, Mt Waverley and Com.Park @ Mulgrave, Mulgrave. Both sites are situated in 'Business 3' Zone which allows for both office and industrial uses.

Axxess Corporate Park, Mt Waverley

Site Area	18.3 hectares
Development Commenced	Late 1970's
Approximate Office Component	40% (2004) 50% (2006)
Zoning	Business Zone 3

Located on the northern side of Ferntree Gully Road and less than one kilometre from the Monash Freeway and 2.5 kilometres from the Princes Freeway, the site has street frontages to Ferntree Gully, Forster and Gilby Roads.

The initial development phase occurred in the 1970's when the previous owner, UK-based Slough Estates, developed a series of small office/warehouse units. In the 1990's additional land was acquired and larger office/warehouse complexes were constructed on the eastern side of the park.

By 2004 the site had approximately 75,000m² of office and office warehouse accommodation with offices comprising approximately 40% of the total. The major tenants include Tyco, Austpost, Olympus and several medical research and development companies.

Since then additions include approximately 15,000m² of office space committed to Alinta Gas, Fonterra and St Johns Ambulance. This development takes the office component of the park from 40% to almost 50%. No warehousing is included in these latest developments.

Com.Park @ Mulgrave

Site Area	10.2 hectares
Development Commenced	1999
Approximate Office Component	80%+
Zoning	Business Zone 3

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Located on the northern side of Wellington Road, approximately one kilometre to the Monash Freeway and 1.5 kilometres to the Princes Highway.

The former BHP research laboratory site was purchased by Leighton Properties in 1999. An 18 lot business park was developed around two existing 3,500m² buildings and is now home to tenants such as National Foods, Hitachi and Fanuc Oceania.

Initially, it was marketed as an office/industrial park for high technology clients with scientific research and manufacturing facility requirements. The predominant development within the park has been office accommodation with small office/warehouse units constructed to the rear of the site. The ratio of office to warehouse within these units is typically 50%. Within the estate are two strata office buildings accommodating small professional services firms in suites ranging between 80m² and 100m².

Some speculative office construction has occurred within the site with the developer offering rental guarantees of up to five years based on the strength of the suburban office market. Leighton purchased a site in Cheltenham for a Com.Park development.

Four sites to transact recently all have proposed office uses, these include:

6-8 Compark Circuit	3,150m ²
13-15 Compark Circuit	5,928m ²
22-24 Compark Circuit	1,869m ²
271-273 Wellington Road	1,828m ²

3.1.3 Brisbane

Business parks in metropolitan Brisbane are located in positions which feature good access to key transport infrastructure. Examples include Metroplex on Gateway, and Southgate Corporate Park at Cannon Hill.

Metroplex on Gateway

Site Area: 62ha approximately

Approximate Office Component: 20% (40,000m²)

Development Commenced: 1996

Office Component: Various

Metroplex on Gateway is located approximately 7 kilometres east of the Brisbane CBD and 4.5 kilometres from the Brisbane Airport. It was originally developed by Pradella which has sold the remaining development stage to Macquarie Goodman. The development is located directly adjacent to the Gateway Bridge which provides immediate access to the major arterial road systems of Southeast Queensland.

Metroplex has a 650 metre frontage to the Brisbane River and is located within a 15 minute drive of Brisbane's major port. The site is located within close proximity of Cannon Hill Kmart Plaza and the adjoining homemaker centre.

Facilities within the development include a Bistro, Child Care facility, and Walkways. A Hotel and Conference Centre is also proposed.

Major tenants within this development include LG, Fisher & Paykel, Volvo Penta, Phillip Morris Ltd and Honeywell. The final stage of development of Metroplex is the Queensport Quays

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precinct being developed by Macquarie Goodman. This stage reflects the changing land use mix of Metroplex and the evolution of industrial space into office space. The Queensport Quays precinct is being developed as a business park with a predominantly office floor space format ranging from 50% office to 100% office as shown in the table below.

Queensport Quays Business Park – Floor Space Mix

Precommitments	Office (m2)	Warehouse (m2)	Total (m2)	Office %
Lot 10	7,000	2,000	9,000	78%
Lot 11	6,000	0	6,000	100%
Lot 14	4,750	4,750	9,500	50%
Lot 15	4,750	4,750	9,500	50%

Source: Macquarie Goodman Management, 2007 (www.macquariegoodman.au)



Entrance to Metroplex on Gateway

Metroplex Management maintains the ongoing property management role via a body corporate structure.

Southgate Corporate Park, Cannon Hill

Site Area: 12.95Ha

Development Commenced: 1999

Approximate Office Component: 80-90% office component

Southgate Corporate Park is located off Wynnum Road within the Brisbane suburb of Cannon Hill. The park is positioned approximately 6.5 kilometres east of the Brisbane Central Business District and General Post Office.

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Southgate Corporate Park is accessed via Wynnum Road which consists of a bitumen sealed four lane road with concrete kerbing. Wynnum road services the Cannon Hill area and connects with the Gateway motorway to access the Brisbane Airport and Shafston Avenue to provide access to the Brisbane CBD.

Major tenants within Southgate Corporate Park include Holden State Office, Canon, Westpac, QBuild and 4BC.

Commercial development within the park is predominantly 2 to 3 storeys with ample parking provided at either the front of the building or on the ground floor.

It also incorporates a retail precinct which includes a McDonalds, a Tavern and the Southgate convenience centre which incorporates a Zone fresh, Coffee Club and others.



Canon office building



Tyco office building

Brisbane Technology Park

Site Area:	33ha
Development Commenced:	1986
Approximate office component	50%+

The Brisbane Technology Park is an initiative of the Department of State Development, Trade and Innovation and is a key part of the Queensland Government's Smart State program. This program aims to stimulate economic growth in Queensland and initiate jobs and opportunities in technology sectors.

The Brisbane Technology Park is located approximately 14 kilometres south of the Brisbane CBD and 18 kilometres from the Brisbane Domestic and International Airports. The development is located on the corner of Miles Platting Road and Logan Road in Eight Mile Plains and is adjacent to a major junction of Brisbane's motorway system.

Major tenants who are located within The Brisbane Technology Park include the Australian Institute of Commercialisation, Australian Microelectronics Centre, Australian Pharmaceutical Healthcare Systems Pty and China – Australia Corporate Technological Incubation Centre.

BUSINESS PARK CASE STUDIES

The table below shows the business parks referred to in the preceding section. It presents the office component areas as a percentage of the total floorspace and the other uses also located within the business park.

Northeast Business Park **Table 2**
Business Parks Comparison

Business Park	% of Total	Other Uses
Quad Business Park, Homebush Bay Sydney	100%	
Norwest Business Park, Castle Hill Sydney	n.a	132 Room Hotel, Shopping Centre, medical facilities, and potential residential development
Rhodes Corporate Park, Rhodes Sydney	65%	Lifestyle centre, gymnasium, pool, bar, restaurant, car wash service, dry cleaning service, child care centre.
Axxess Coromprate Park, Mt Waverley, Melbourne	50%	Warehousing
Com.Park, Mulgrave Melbourne	80%	Warehousing
Metroplex, Gateway Brisbane ¹	50%-100%	Child Care centre, Bristro and Walkways. Hotel and Conference centre proposed.
Southgate Corporate Park, Cannon Hill, Brisbane	85%	Retail precinct featuring restaurnt, tavern and Zonefresh
Brisbane Technology Park, Eight Mile Plains	50%	

1. This rate reflects the more recent developments at Metroplex.
Source : Urbis

An important finding of this research is the increasing demand for office space in conjunction with and in addition to industrial space. This is not only within the same buildings but also as stand alone facilities that benefit from the synergies of being co-located with industrial uses. This is a result of the move towards consolidation of operations and technological and process

BUSINESS PARK CASE STUDIES

improvements that have resulted in the reduction of shop floor workers and more office based employees in industrial areas.

This has been reflected in Sydney and Melbourne for some time and is now evolving in Brisbane through developments such as Southgate Corporate Park and Queensport Quays at Metroplex where the proportion of office floor space in buildings ranges from 50% to 100%.

It is notable from the case studies that the Northeast Business Park is unique in regards to the mix of uses which in addition to the business park incorporates a marina, golf course, residential and open space land uses. In addition, Northeast Business Park will incorporate a body corporate structure which will provide a number of benefits which include:

- The provision of guaranteed maintenance standards to protect investment and promote capital growth;
- Enhanced corporate image; and
- A strong sense of pride in 'ownership' for all stakeholders.

The use of the body corporate controls is expected to assist the quality of returns for all stakeholders.

4 The Opportunity

The purpose of this section is to detail the opportunity for potential tenants represented by the proposed industry/business park. The site in the context of the Caboolture Shire's economic strategy is also presented. The potential types of industries which would be considered as being suitably located at the proposed business park are also discussed. The types of industries include those that the Department of State Development has identified as being important to the Queensland economy. The types of business which currently operate within these industries are also included as examples of the kinds of businesses which could benefit from the proposed business park location.

4.1 Location

The site of the proposed Northeast Business Park development is located in Caboolture Shire, approximately 40 km north of Brisbane CBD. The 760 hectares of former pine plantation lies to the south of the Caboolture River and east of the Bruce Highway. It is directly accessible from Nolan Drive, via the Buchanan Road exit from the Bruce Highway.

The Bruce Highway borders the western side of the site. To the east there is an existing rural residential area where established developments are located on significant plots ranging in size from 1-20 hectares. Approximately 9kms of the Caboolture River borders the Northeast Business Park to the north. On the opposite side of the river the land use is primarily rural and used for forestry activity. It can be argued that the proposed development will become the link between the urban footprint and dedicated environmental areas.

In terms of developable land area, the Business Park incorporates approximately 158 Ha. The Marina Shipyard has approximately 3.7 Ha of developable land area. Details of the GFA for some of these parcels have been proposed by Northeast Business Park Pty Ltd are presented in the Appendices.

4.2 Caboolture Shire Context

The Caboolture Shire is strategically located in Brisbane's northern growth corridor identified in the South East Queensland Regional Plan. It is estimated to accommodate 26,400 new dwellings and 6,000 infill dwellings between 2004-2026. The Shire comprises approximately 1,215 km² and extends from the D'Aguilar range in the west to Bribie Island in the east and includes rural areas, coastal townships and significant urban centres. It is bordered by Pine Rivers Shire and Redcliffe Shire and Redcliffe City to the south, Caloundra City to the north and Kilcoy and Esk Shires to the west. It is regarded as operating as a gateway location between Sunshine Coast and Brisbane.

The Caboolture Shire Council has developed an Economic Development Issue Plan (EDIP). The aim of this plan is to create an overall approach to facilitate economic growth through higher employment and growth industries across all sectors. The plan aims to facilitate employment growth and population density based around strategic themes. These themes include planning for land and infrastructure for industry and business development, measures to build businesses, enhance capacity and generate employment, and efforts to build Caboolture as a business centre of market influence.

In a broad sense, the development of the Northeast Business Park will align with all of the above themes. However, the alignment is particularly pronounced in the following areas;

- The Northeast Business Park will be a place to do business. This element will be strongly promoted by the industry/business park which will feature marina based industries, and a

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range of businesses with a large and diverse employment base. Examples of the type of business which may be attracted to the site include higher technology intensive industries, and a cluster of innovative industries which would relate to the expanded marine industries. There is also potential for commercial showroom or bulky goods to be located in the business park. This is being investigated in a separate study also being undertaken by Urbis;

- The proposed development will provide increased industrial and business park capacity. Building capacity is a key component of the Caboolture Shire Council's approach to business development. The opportunities provided by the Northeast Business Park are significant and the types of business which may be attracted are mentioned in the above point and will importantly assist to diversify the economic base of Caboolture and the region; and
- The Northeast Business Park will boost industry development and trade through incubation and cluster. The potential for the development of a cluster of marine and associated industries at Northeast Business Park represents considerable benefits in terms of enhanced employment growth and training opportunities. There are also considerable benefits to be derived from developing a highly skilled workforce. For example, as the industrial base develops at Northeast Business Park, the opportunity is created for Caboolture to be promoted as a hub of marine and ancillary industries which has the industrial expertise and skilled workforce to attract complimentary and other businesses to the area.

4.3 Implications of the South East Queensland Regional Plan

The South East Queensland Regional Plan defines Caboolture/Morayfield as a Principal Activity Centre and indicates that the anticipated transport and infrastructure growth in the Brisbane-Sunshine Coast corridor is expected to drive future investment and employment opportunity. Surrounding areas of Strathpine, North Lakes, Redcliffe and Beerwah are dedicated Major Urban Centres. The role of these centres is to compliment the Principal Activity Centres. An area to the west of Caboolture has been designated as an Investigation Area. This represents a potential land bank for future medium to long-term urban development. This area however is not expected to be developed until 2010-2015 and perhaps in the years beyond.

Through the industry/business park component, the Northeast Business Park will also align with some of Queensland State Governments' key priorities. These include the following;

- Growing a diverse economy and creating jobs;
- The realisation of the smart state through education, skills and innovation;
- Managing urban growth and building Queensland's regions;
- Protecting the environment for a sustainable future; and
- Growing a diverse economy and creating jobs.

The South East Queensland Regional Plan was established to manage growth and associated change in the most sustainable way and to protect and enhance the quality of life in the region. The development of the industry/business park is consistent with a number of the key strategic directions that the Southeast Queensland Regional Plan incorporates to manage growth in South East Queensland. These key strategic directions include the following:

- Creating a more sustainable future;
- Identifying land to accommodate future growth;
- Promoting land use efficiency;

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- Enhancing the identity of regional communities;
- Providing infrastructure and services; and
- Integrating land use, transport and economic activity.

It is also consistent with a range of the key desired outcomes of the Southeast Queensland Regional Plan. These include the following:

- Economic development;
- Industry and business development;
- Smart State – the promotion of innovation, skills and technology ;
- Total water cycle management;
- Environmental values and water quality; and
- Employment and economic activity areas.

The proposed Industry/Business Park also represents the realisation of the Queensland Governments key priorities. The Northeast Business Park industry/business park component will deliver outcomes consistent with Queensland Government's desired outcomes of the **Smart State** principles through education, skills and innovation. It will do this as it will encourage and reward ideas, innovation, entrepreneurship and hard work across all sectors of the Queensland community, industry and Government.

Other priorities with which the industry/business park will align are:

Managing urban growth and building Queensland's regions – this will be achieved through the support of Queensland's regions by statewide infrastructure development and regional job creation;

Protecting the environment for a sustainable future – achieved through the development of environmentally sustainable industries and jobs;

Growing a diverse economy and creating jobs – achieved through the creation of additional job opportunities and assisting to maintenance of low unemployment. It will also diversify and strengthen the economy through value adding, productivity growth and the development of future growth industries; and

Delivering responsive government – the Northeast Business Park will assist to strengthen Government policy development and implementation focussed on future policy challenges.

This alignment strongly supports the development as it confirms that the outcomes of proposed industry/business park component of the Northeast Business Park are consistent with the Queensland Governments economic development strategy. The other attributes of the site which all combine to enhance the appeal of industry/business park component are now discussed.

4.4 Access

From the case studies which be presented later in this study, good access represents a strategic element which supports high occupancy rates for business parks. The location of the Northeast Business Park has a strong, comparative advantage over sites in regards to access as it is situated adjacent to the Bruce Highway and the Caboolture River. Caboolture is strategically located for region-wide access to Brisbane or the Sunshine Coast. It is just 35 minutes from

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Brisbane Airport, 55 minutes from the bustling Port of Brisbane and 45 minutes from the Sunshine Coast via the Bruce Highway (M1). Caboolture is also conveniently located on Queensland's main north-south rail link for ease of bulk container freight movement.

Business/industry opportunities are enhanced by these attributes which also include the following:

- the Bruce and D'Aguilar Highways are classified as Priorities 1 and 2 freight routes respectively;
- Brisbane's suburban rail network, serving Morayfield Railway Station some 2 km west of the site, is relatively accessible; and
- the Caboolture River represents a strategic asset as it offers a key access point to Moreton and Deception Bays. This is a strong opportunity unique to the area, which facilitates the development of a marine industry cluster.

The following points briefly address the key access attributes regarding the river, road and rail networks which promote business opportunities within the Northeast Business Park.

4.4.1 Caboolture River

The Caboolture Shire is bisected east – west by the Bruce Highway and the Brisbane suburban rail network and north-south by the Caboolture River. It also forms a barrier to access between parts of the shire east of the Bruce Highway; the Captain Whish Bridge across the Caboolture River at the Bruce Highway provides the only access point downstream of the CBD. River access from Pumicestone Passage and Deception Bay is possible by small, private craft.

4.4.2 Roads

Caboolture Shire is predominantly an east west orientated local government area. Major north-south transport corridors including the Bruce Highway traverse it. Local and regional road connections within the shire are considered good, with major access roads presently heavily used.

The South East Queensland Regional Plan classifies the Bruce Highway as a *priority one freight route* (parallel to the rail freight route), with the D'Aguilar Highway in part classified as a priority two freight route. The site is well serviced by the regional road network.

4.4.3 Railway

The Brisbane suburban rail network terminates at Caboolture, with local stations at Dakabin, Narangba, Burpengary and Morayfield. Services run approximately half hourly and provide links to the Brisbane CBD within Caboolture Shire. Caboolture station is also a major stop on regional rail services running north to the Sunshine Coast and beyond.

The western boundary of the site is within 2km of Morayfield station. It is noted that the provision of a bus connection between the station and key precincts within the site would promote access to employment and recreational opportunities.

4.4.4 Bus

Caboolture Shire is serviced by three bus companies which include; Bribie Island Coaches, which services the island with a link to Caboolture Railway Station; Caboolture Bus lines, servicing residential areas of Caboolture, parts of Morayfield, and Beachmere; and Kangaroo Bus lines, servicing the southern residential parts of the shire.

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Several services connect to transport and retail service hubs (most notably at Caboolture railway Station and the Morayfield Regional Shopping Centre).

The new residential areas partly under construction either side of Buchanan Road (east) currently have no bus service and at worst are more than 2.0km from a bus stop.

4.4.5 Future Upgrades to Access Routes

The South East Queensland Infrastructure Plan has indicated that significant new transport infrastructure and upgrades are proposed. These improvements to road and rail infrastructure include the following:

Road

A number of key road upgrades are underway in the south of Caboolture Shire

- The Bruce Highway between Boundary Road and Caboolture is currently being upgraded to six lanes (\$230m), with the Boundary Road to Uhlmann Road section south of Burpengary expected to be complete by mid 2007.
- Additional lanes are planned for the Burpengary/Caboolture Road (between Bruce Highway and Lipscombe Road). Each project is expected to cost \$80m with a 2006-2015 timeframe; consultation with potentially affected property owners is underway.
- The staged construction of Caboolture Northern Bypass began in 2006 (\$74m).
- Consultation has commenced for the Caboolture/Bribie Island Road east-west link project, this is expected to be completed by 2014-15 at a cost of \$180m; and
- Proposed Caboolture Bypass, D'Aguilar / Bruce Highway linkage.

Rail

Significant improvements to the railway line north of Caboolture are planned in order to accommodate both increased passenger and freight capacity:

- Planning and land acquisition for the CAMCOS rail corridor is underway, with construction expected to commence in 2010-2011. \$1.1 billion has been allocated for the entire project (2006-07 to 2025-26);
- \$550m has been allocated for the construction of an additional rail line from Caboolture to Beerburrum to Landsborough. Alliance partners have been selected (2006-07) and community consultation and planning studies are ongoing; the process is expected to be completed by 2014-15;
- Preliminary investigations have begun on the future duplication of the rail line north from Landsborough to Nambour (\$550m, 2006-07 to 2025-26). These upgrades will also service the future Beerwah to Maroochydore rail link (Caboolture to Maroochydore Corridor Alignment – CAMCOS); and
- To the south of the shire, \$30m has been allocated for the construction of a third railway track from Lawnton to Petrie between 2015-16 and 2025-26.

The importance of the future upgrades to access routes for the proposed development is that they represent an investment to increase the capacity of the Bruce Highway. This investment should reduce traffic congestion and improve access to and egress from the site.

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In addition to the future upgrades established by the South East Queensland Infrastructure Plan and Program a number of transport investigations are proposed. One of these is the North Moreton Transport Investigation. This will be an investigation into the existing and future transport network requirements in the area including roads and public transport. The study will also investigate the opportunities for a multi-modal corridor between Petrie and Redcliffe as part of the preserved rail corridor and consider potential rail options. Although no immediate funding has been provided for the study in the current State Budget process, the investigation is expected to be commissioned in the near to medium term.

Significance of land use for the proposed development is also determined by the scale of the proposed development. The Northeast Business Park would materially alter the pattern of land use in the study area. While the business opportunities will create employment for many the major existing urban settlements of Caboolture, Morayfield, Burpengary, Narangba and Deception Bay will also provide a pool of labour from which enterprises located in the proposed Business Park would be able to draw. The following section provides an overview of the existing supply of business parks in the study area.

4.5 Existing Caboolture Industrial/Business Park Profile

This section of the report describes the industrial profile of the Caboolture area. In this regard we have identified some key features regarding Caboolture, Morayfield, Narangba and Deception Bay.

4.5.1 Key features

The following points summarise the key features relating to industrial land in the study area.

- Existing development is centred around State Government Narangba Industrial Estate and next to the Airport at Caboolture.
- Narangba has large format general and heavy industry developments.
- Narangba has good access to the Bruce Highway.
- Morayfield is more focused on showroom and has a service industry orientation.
- Deception Bay and Caboolture are Greenfield industrial precincts. However, these areas have not been typically regarded as industrial areas and local government have not been enthusiastic supporters of industrial development over other uses.
- From a labour market perspective, there is a ready workforce. The area has experienced strong population and residential growth with more anticipated albeit at a lesser rate.

The following section addresses the Caboolture Shire Plans' segmentation of industrial land into various categories.

4.5.2 Regional, District and Local Industry Opportunities

The Shire Plan provides zoning for brown field and green field industrial development and expansion opportunities. Caboolture caters for most types of industry from small service industry or service trade industries, through to medium sized or large scale warehousing, transport, logistics manufacturing or general industry. There are three types of industrial land use categories at Caboolture, Regional, District and Local. Although the subject site is located in the District Industry land use category it is useful to have regard to the Caboolture Shire Council's consideration of where different types of industry and business are best located.

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Narangba 'Regional Industry' Area

Large scale industrial, manufacturing, transport and distribution businesses or industries requiring separation are most suited at Caboolture's regional industrial area – Narangba Industrial Estate. The estate features large sites with space to expand. Being located on both sides of the Bruce Highway (M1), it offers immediate access from the Narangba interchange and takes full advantage of Caboolture's regional and statewide transport links.

All industrial and commercial developments at the estate are to comply with architectural and landscaping codes, particularly those visible from the Bruce Highway (M1), ensuring a quality "commercial gateway".

Businesses requiring large transport and outdoor storage, fabrication and equipment yards are also catered for at less visually prominent locations in the estate, buffering these activities from residential areas and other potentially sensitive land users.

According to the Caboolture Shire Council, the Narangba Industrial Estate is suitable for all businesses which satisfy any of the following criteria:

- Is large-scale warehousing, transport, logistics or general industry;
- Needs a large area over one hectare;
- Requires large, bulky or high buildings or structures;
- Requires large outside fabrication, storage areas or yards; and/or
- Requires large vehicle, plant or equipment parking or storage areas

District Industry Areas

With large industrial sites providing room for expansion, Corporate Park located at the Bribie Island/Bruce Highway (M1) Interchange, and the subject land at Nolan Drive, Morayfield provide opportunities for growing small to medium sized industries.

These district industry areas enjoy proximity to the rapidly-growing Caboolture – Morayfield Principal Activity Centre' the major retail and service centre for the northern Brisbane metropolitan area and the northern 'growth corridor'.

This District Industry site also offers areas of adjacent and nearby rural, rural residential, open space and nature conservation areas, providing a good business setting within a quality natural environment.

According to the Caboolture Shire Council, business may be best located in a 'District Industry Area' if it:

- Is a small to medium-sized industry, transport or storage business;
- Needs more than 2000 m² (but less than 4000m²) of land;
- Produces minimal off-site impacts (such as noise, dust or odour);
- Will be relatively attractive and well landscaped;
- Could benefit from good quality neighbouring businesses; and/or
- Serves Caboolture's larger markets

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Local Industry Areas

These locations are intended for small industries and service activities that mainly serve local needs, and have minimal impact on neighbouring businesses and residents. These locations provide small sites and small premises suitable for small-scale local activities with little need to expand.

Land and premises are available throughout Caboolture Shire in various locations. They offer local client convenience, road accessibility and have been based on past or likely future industrial demand.

According to the Caboolture Shire Council businesses may be best located in a 'Local Industry Area' if it:

- Is a small service industry or service trade;
- Needs less than 2000 m2 of land;
- Produces no noticeable off-site impacts (such as noise, dust or odour); and/or
- Mainly serves local residents or local businesses

4.5.3 Industry/Business Park Examples

It is considered that the Northeast Business Park would be a unique development which represents a significant upgrade in quality compared to the existing supply of industry/business park floorspace in the northern Brisbane area. It also represents the opportunity to be a leading, national example of the change which is occurring in industrial land uses.

While the proposed business park is planned to be a contemporary facility, much of the existing industrial/business park land uses in the area are more consistent with traditional industrial estates in terms of design, standard of amenity and associated land uses. An example of the existing supply is given by the **Corporate Park Industrial Estate** which is located at the Corner of Bruce Hwy and Bribie Island Rd and situated near the Caboolture Airfield, five minutes drive from the centre of Caboolture. Corporate Park tenants include nationally recognised businesses, and features prime exposure to both the Bruce Highway and Bribie Island Road. Sites range from 2,000 m2 to 3,000 m2 with some larger sites up to 9,000m2. Furthermore, typical examples of world class, successful business park developments include areas in the order of 30 hectares to create critical mass in the office component offer. While the proposed business is consistent with world class standards, the existing stock is not considered to be highly representative of this category.

Other industry/business park examples within the study area include the following.

- **NOW Business Park**, Boundary Rd, Narangba features several lots ranging from 5,623 m2 to 18,500 m2 in size. Potential uses include warehousing, distribution, manufacturing, assembly, transport and storage.
- **Baylink Business Park**, Lipscombe Rd, Narangba is a 21 hectare business park which comprises 47 light industrial lots ranging in size from 2,015 m2 to 9,360 m2 and is in the "Local Industry" zoning of the Caboolture Shire Plan. The development has been integrated around 5.4 hectares of park created as part of the development.
- **Burpengary Business Park**, Old Gympie Rd, Burpengary is a proposed 30-hectare mixed-use business park at Burpengary which has M1 highway access and exposure. A range of uses is being planned including warehouse and industrial lots, office park, motel, shop and crèche.

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- **Gateway Business and Industrial Parks**, at Old Gympie Road, and at Boundary Road are Stockland constructions.
- **MIBA, North Lakes** which is a proposed development with an area of approximately 45 - 55 ha that has been set aside for a Mixed Industry and Business Area (MIBA) that will accommodate uses that would benefit from high exposure to the Bruce Highway or major arterial roads and have medium to large land area requirements. Typical uses would include retail showrooms, technology industries, light industry, education and health facilities, and service trades and warehouse distribution.

4.6 The Significance of Employment Lands

In consideration of the types of business to be located in the proposed Industry/Business Park it is important to note that in its Economic Development Action Plan, 2004-2008, Caboolture Shire Council identified an Industrial Land/Industry Cluster Facilitation Project to partially address concerns about the level of employment leakage. A key component of this strategy is the provision of suitable and appropriate land.

The Industry and Employment Lands Report commissioned by the Caboolture Shire Council and prepared by Prosperous Places (Derek Kemp) identified that at current levels of labour force participation and with the expected resident labour force growth. Caboolture Shire will require an additional 33,000 jobs over the next 20 years.

The report found that Caboolture Shire could realistically expect to create 29,000 new jobs over the next 20 years, which would almost equal one new job for every new resident worker to the Shire. However, the existing shortfall in employment of 27,000 jobs will continue to grow resulting in a shortfall of 31,000 jobs by 2026.

To meet the population, employment and industry growth requirements, the allocation of land within the Shire needs to be planned for carefully. The following conclusions were drawn about land requirements within the Shire to allow and support industry growth.

- The Shire will require more land for transport and distribution activities, food manufacturing and processing and electronic, scientific and industrial equipment manufacturing.
- Less land within the Shire will be required for: Building, construction and vehicle retailing industries.
- A minimum requirement of 600 ha has been recommended for industry land provision for 2026. This would ideally comprise 520 ha for business parks, 40-60 ha for a regional freight distribution centre and 15-25 ha for a marine industry cluster.

The reports analysis concluded that the existing zoned land within Caboolture Shire cannot meet the industry land demands required for future economic growth and development if restricted to within the SEQ designated 'Urban Footprint'. Council therefore should investigate both within and outside the Shire urban footprint and associated regional and state strategies to designate suitable industrial land solutions to ensure the future economic growth of the region. This may also mean a review is required by the Caboolture Shire Council in relation to the types of business and industry which are currently considered appropriate for District Industry land uses.

The development of the employment lands at the Northeast Business Park will significantly assist the achievement of the Caboolture Shire Council Corporate Plan and its strategy for self containment. This strategy seeks to achieve a target whereby over the next twenty years, 2 out of every 3 Caboolture workers live and work in Caboolture.

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It is considered that traditional industrial land uses generate in the order of up to 40 workers per hectare. In contrast, the employment generated from a contemporary, world class business park facility, through the effect of a higher numbers of employees as a consequence of increased ratios of commercial to non-commercial floorspace, is anticipated to be much higher. As an example, Metroplex on Gateway has a ratio of just over 70 employees per hectare.

From the Caboolture Shire Council's perspective this would indicate that significantly less industrial land would be required to generate considerably higher levels of employment. Therefore, higher employment will be generated as a consequence of a business park land use than would be possible under the traditional industrial estate type land uses.

One of the industries which would assist in generating these employment outcomes is the marine industry. The following section considers the marine industry as a starting point to present the types of businesses and industries which are considered to be well suited to the proposed business park component at the Northeast Business Park.

4.7 Types of Industries and Businesses

This section presents the businesses and industries which would represent a consistent land use with that proposed by the industry/business park.

The Northeast Business Park represents a unique opportunity for marine industries. A marina is a specialized use and requires a specialized site. The site with its location on the Caboolture River provides an opportunity that can not be accommodated elsewhere in existing centres and precincts. It represents an opportunity to establish a marine industry cluster, which would include marine related businesses for the northern corridor of greater Brisbane and Caboolture.

The business park provides a strong opportunity not only for marine industries but for a variety of industries which are engaged in advanced manufacturing. Queensland has a relatively strong and diverse manufacturing sector. As a sector, it employs approximately 200,000 highly skilled workers throughout the State and is vital to the economy. It has strong upstream and downstream links with other economic sectors. It is envisaged that the advanced manufacturing which would occur in the proposed business park would be innovative, value-adding technologies which would drive growth in a broad range of industries from marine related production to food production to light metals, aerospace and electronics.

Advanced manufacturing would thrive at the business park through collaboration, clustering and the presence of effective supply networks. It would also facilitate the transferring of technology, knowledge and skills to other important industries.

In addition to marine related industries, potential and complimentary industries regarded as being well suited to the proposed business park include;

- Biotech (including the pharmaceutical sector);
- ICT; and
- Logistics/Warehouse.

Other industries/businesses which could also be considered as being suited to locating at the industry/business park include aviation and food related industries.

4.7.1 Marine

With its proximity to waterways and major road infrastructure the Northeast Business Park represents an ideal opportunity for the development of a Marine Industry cluster. It is useful to

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consider the Gold Coast as an example as it provides insights into a developed marine industry cluster.

Queensland's marine sector is largely situated in and around the regional centres along the State's eastern coast from Cairns in the Far North to the Gold Coast on the southern border. Most of the regional centres along the coast have some type of marine presence incorporating many facets of the sector including manufacturing, refit and maintenance, marina facilities, chandlery and marine charter services.

The State's largest established marine precincts are located at the Gold Coast, Brisbane, Mackay/Whitsundays and Cairns.

The Gold Coast is Queensland's second largest city and a major visitor destination for domestic and international visitors. It is also home to Australia's first and most expensive purpose-built industrial marine precinct. The precinct is established as the nations leading recreational boatbuilding and service centre. Based on extensive waterways, accessibility to the ocean, the strong appeal of recreational boating, water temperature, and a climate conducive to boating and highly suitable for fibre glassing, the Gold Coast has become a key Australian centre for production of recreational craft. Over 450 companies and 4,500 employees comprise the Gold Coast marine industry, which in 2005 - 06 injected over \$550 million into the local economy. During 2005 the industry in the marine precinct exported goods worth over \$250 million to over 30 countries around the world.

Key firms operating in the Gold Coast marine industry include the following:

- Gold Coast City and Runaway Bay Marinas;
- Southport Yacht Club;
- Marina Mirage and Horizon Shores;
- Haines Hunter; Mustang Boats;
- Maritimo Offshore; Quintrex;
- Riviera Group;
- Seafarer;
- Azzura Yachts,
- Sunrunner Sports Cruisers;
- Perry Catamarans;
- Blackline Shipping;
- Marine Engineering Consultants;
- Superyacht Base Australia;
- Superior Jetties;
- Tidemaster Docking Systems;
- Daveco Winch Systems;
- Southern Stainless; and
- Boatfit.

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The above list highlights the fact that some the leading manufacturers in Australia have located at the Gold Coast. The area is an established centre for recreational boat builders, and promotes the expansion of ancillary and support services ranging from slipways, shiplift facilities, naval design, pontoon manufacturing and boat brokerage.

Gold Coast City has developed a national and international profile as a producer of pleasure craft and as a place for storing, servicing and enjoying such vessels. A significant volume of the production is exported. The industry is concentrated around the Gold Coast Marine Precinct, Coomera River, Sanctuary Cove, Steiglitz, Broadwater, Ernest / Molendinar and Burleigh Junction.

The Gold Coast Marine Precinct at Coomera

The Gold Coast City Marina located on the Coomera River is an integrated commercial marina housing a range of marine manufacturing and service industries. The Precinct is the major marine industry industrial area within Gold Coast City dedicated to manufacture, servicing/repairs and refits of recreational boats.

The Precinct is located on the Coomera River, approximately 15 kms from Surfers Paradise with direct water access to Moreton Bay and the Pacific Ocean.

In regards to transport infrastructure, the Pacific Motorway is approximately 1 km west of the precinct and provides access to the Brisbane CBD and Airport within 40 minutes drive time. The Brisbane Gold Coast Rail Line passes through the precinct with the Coomera Rail station just 600 metres from the precinct northern boundary.

Aerial View of the Gold Coast Marine Precinct at Coomera



Approximately 60 hectares of Stage One of the project has been developed with marine industry uses. An estimated \$120 Million has been invested by the private sector to develop this area.

Major private sector companies established in the Precinct include the Gold Coast City Marine Complex, Riviera Marine, Maritimo Offshore, Quintrex, Perry Catamarans and Mercury Marine.

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The Precinct currently contains 60 individual businesses employing an estimated 2,500 people with most of these new jobs created as an outcome of the establishment of the Precinct. The Gold Coast City Council estimates that the ultimate development of the Precinct could conservatively yield 5,000 jobs.

Marine Industry Support

In terms of industry support, the development of the proposed marine industries at the Northeast Business Park could be facilitated by the Marine Industries team, within the Department of State Development. This team works with industry stakeholders on key issues, opportunities and impediments to growth of this priority sector.

Activities of the Marines industries Team include:

- Individual business support for marine firms and project proponents, either through the Marine Industries team directly or one of the States 18 regional State Development Centres; and
- Structured industry workshops and presentations in various marine centres throughout Queensland.

Work is also focused on a number of priorities which include regulations, boat and shipbuilding capabilities, infrastructure, technology and innovation, market development and regional assistance. The Marine Industries team can facilitate whole of Government meetings at the concept stage to identify significant issues relating to the particular approval process. Such meetings will only be arranged for infrastructure projects considered of strategic importance to the State.

Sectors Promoted

The types of sectors which receive particular industry support include:

- **Boatbuilding.** The marine industry, and the boatbuilding sector in particular, represents one of the largest sophisticated manufacturing and high value added sectors in the State. In addition, the sector has a substantial regional presence and has been assessed as having significant potential for increased growth;

Boat building would be supported at the industry/business park by the following attributes about the Queensland economy:

- Outstanding engineering fabrication skills;
- Some of the nation's lowest business costs;
- A collaborative approach to large projects;
- A strong position in manufacturing trade skill developments and the creation of manufacturing jobs;
- **Infrastructure.** The development of marine industries requires competitively priced and conveniently located infrastructure in the form of marinas and precincts offering access to shiplifts, slipways, dry docks, manufacturing and marine services capabilities and deepwater berths. The Marine Industries team may facilitate whole of Government meetings to assist with significant marine infrastructure developments in the concept stage; and
- **Technology and innovation.** As in all industries, further competitiveness in marine industries is highly dependent upon research and development, innovation and technology

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uptake. Emerging technologies in marine manufacturing, including fibre composite boat building, are an essential component in a globally competitive sector. The Marine Industries team works in collaboration with QMI Solutions to develop and deliver a series of technology programs for marine manufacturers. They have facilitated seminars for Queensland boat builders covering new infusion/closed moulding techniques for composite builders and super forming of aluminium developed from aerospace technology, for aluminium builders. Existing technologies such as CAD and 3-D design modelling, which have not been widely embraced by smaller operators, have also been profiled through these programs. Manufacturing competitiveness is also a function of getting quality products to market faster. The Marine Industries team, in partnership with QMI Solutions delivers customised accelerated product development programs, specifically designed for boat builders. Seminars on Lean Manufacturing Techniques and workshops to implement these procedures are also conducted.

Potential Business Opportunities

Businesses currently operating in Queensland's Marine Industry represent a good guide for the types of firms which would be well suited to the proposed industry/business park. These firms include:

- **Gemini Inflatables** – Specialist producer of inflatable and rigid inflatable boats used by government, racing, rescue, commercial, military and recreational vessel operators;
- **Haines Hunter** – have been manufacturing powerboats for over 50 years and currently produce more than 30 models;
- **Maritimo** – World-class manufacturer of long-range luxury cruisers ranging from 48 to 60 feet;
- **Mustang Cruisers** – Australia's largest manufacturer of sports cruisers which range from 24 to 47 feet;
- **Quintrex** – The leading Australian manufacturer in the aluminium boat market, having some 40 per cent of total market share;
- **Riviera Group** – Australia's largest recreational boatbuilder and the country's leading manufacturer of fibreglass luxury motor cruisers, the majority of which are exported; and
- **Sunrunner Cruisers** – Manufacturer and exporter of luxury sport cruisers ranging from 28 to 49 feet.

Other Associated Marine Sectors

In addition to the above there are some other associated marine sectors and businesses which could benefit from the proposed business park location. The table of contents of the Directory of Marine Export Products and Services prepared by the Gold Coast City Council is presented in the appendices and reflects some of these other sectors and businesses. The firms listed in this table have demonstrated their readiness and capacity for exporting to a global market. Some of these sectors and the types of businesses which have not been previously referred to include;

Catamaran Maintenance and Construction – Innovation Power Catamarans, King Catamarans, and Tasman Catamarans;

Parts/Components – ATL Composites Pty Ltd, Propeller Dynamics, Southern Stainless, and Turtle Pac; and

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International Boat Brokerages – Grant Torrens International Marine and Geoff Lovett International.

4.7.2 Biotech

Queensland has world-leading strengths in biotechnology, including health, medical, environmental, industrial and agricultural applications.

Queensland has a renowned research and development base which is supported by leading-edge platform technologies that include: bio-informatics, genomics, proteomics and nanotechnology. These are complemented by strong industry growth, from start-up companies through to established product manufacturers. Queensland offers international biotechnology and pharmaceutical companies ideal locations for research and development facilities, manufacturing operations and Asia Pacific headquarters. Opportunities spanning the biotechnology pipeline from discovery through scale-up manufacturing to clinical trials ensure Queensland is a good place for investment by Biotech companies.

Benefits available to Biotech firms who wish to establish at the proposed industry/business park include:

- Niche growth opportunities available with expanding commercial activities in diagnostics, vaccines, drug development and bio-pharmaceuticals manufacturing;
- A skilled workforce. A world-renowned tertiary education sector that provides entry level through to PhD courses developed specifically for employers in pharmaceuticals, biotechnology and allied health industries;
- World-class research and development infrastructure with a network of universities, institutes and specialist centres that work in close collaboration with industry;
- Stable political and legal system. This includes an intellectual property framework based on international conventions;
- The State Government's focus on smart industries including a commitment by the Queensland Government to develop an international biotechnology industry, supported by initiatives to achieve it;
- Diverse environment Queensland's unique marine and plant life provide a resource for bio-prospecting of novel chemicals, while the climate range, from temperate through to tropical, provides advantages for agricultural applications; and
- Envidable lifestyle. Queensland is reputed to have a quality of life which helps attract and retain key people.

Potential Businesses

Businesses currently operating in Queensland's Biotech Industry represent a good guide for the types of firms which would be well suited to the proposed industry/business park. These firms include:

- **Agen Biomedical** - Molecular diagnostics facility;
- **Alchemia** - Carbohydrate based therapeutics research and development and manufacturing facility;
- **Alphapharm** - Generic drug manufacturing facility;
- **AstraZeneca** - Worldwide centre for natural product research;

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- **CBio** - Immune modulation research and drug development centre;
- **Corbett Robotics** - Manufacturer of biotechnology equipment;
- **Genetic Solutions** - Meat quality diagnostic testing facility;
- **Panbio** - Research and development and manufacturing facility;
- **Peplin Ltd** - Anti-cancer drug research and development and manufacturing facility;
- **Progen Industries** - Anti-cancer drug research and development facility; and
- **Sequenom** - Asia Pacific regional headquarters.

The pharmaceuticals sector in Queensland is also growing along the drug development pipeline – from discovery, through clinical trials to manufacturing.

The pharmaceutical and nutraceutical markets are advancing rapidly. More Australians are accepting and using complementary medicines, with Queensland strategically positioned to take advantage of this growing market. The State is home to firms, and tertiary education institutions with existing strengths in researching, developing and making complementary medicines. The Queensland Government is facilitating the expansion of this sector to further enhance investment opportunities for pharmaceutical firms

Potential Businesses

Businesses currently operating in Queensland's Pharmaceutical sector represent a good guide for the types of firms which would be well suited to the proposed industry/business park. These firms include:

- **Australian Centre for Complementary Medicine, Education and Research** - Internationally acclaimed research and development facility;
- **Health World** – Research and manufacture of natural medicines;
- **MediHerb** – Largest purchaser and processor of plant and herbs in Australia;
- **Symbion Health** – Sales, marketing and manufacturing centre; and
- **Sigma Herron** – Research and development, and manufacturing facility.

Potential benefits available to Pharmaceutical firms who wish to establish at the proposed industry/business park are similar to those for Biotech industries. In addition there is a strong commitment by the Queensland Government to facilitate the development of the international pharmaceuticals and complementary medicines industries.

4.7.3 ICT

Queensland's information and communication technology (ICT) industry is developing a reputation as a leader in intellectual property creation, notably in high-value software and services, with expertise in specialised markets including mining, asset management, business solutions, electronic games and e-security.

According to the Queensland State Government, successful international, national and locally based businesses producing world-class ICT solutions are providing over 62,000 jobs across the ICT industry.

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Two of Australia's largest software development companies, Mincom and Technology One, have built and grown their businesses in Queensland.

Benefits available to Biotech firms who wish to establish at the proposed industry/business park include:

- Ready workforce. Queensland generates the third highest number of ICT graduates per capita in Australia with graduates being internationally recognised for their high quality and innovative skills. More than 26,000 students are enrolled in ICT and engineering-related tertiary courses and over 6,000 students graduate annually from Queensland universities with bachelor degrees or higher in ICT and related disciplines;
- Research environment Queensland's universities are renowned for leading-edge ICT research. Our vibrant research infrastructure gives ICT companies many opportunities to develop strategic links with ICT organisations. This includes five ICT related research centres based within Queensland universities. These include The Information Security Institute, Centre for IT Innovation, Software Quality Institute, Software Verification Research Centre, The Centre for Software Maintenance and a node of National ICT Australia; and
- The Queensland Government's action plan is focused on developing ICT skills, e-Government and telecommunications infrastructure that will meet the needs of our ICT industry.

Potential Businesses

Businesses currently operating in Queensland's Biotech Industry represent a good guide for the types of firms which would be well suited to the proposed industry/business park. These firms include:

- **Creative Assembly (Sega)** - Games development studio;
- **Oracle** - Software development studio ;
- **IBM Tivoli** - Software development studio;
- **IBM** - Business transformation outsourcing centre;
- **SAP** - Corporate research centre; and
- **THQ** - Games development studio

Warehouse and Distribution Industries

Warehouse and Distribution industries are also considered likely industries to locate to the proposed industry/business park. Given the locational attributes this industry is considered as a natural fit for the business park.

Typical firms could include Patricks, TNT, Toll Holdings, Coles and Woolworths.

4.7.4 Other Industries

These include aviation, food related; and wholesale/distribution industries.

Aviation

As an aviation and aerospace hub of the Asia Pacific region, Queensland has earned a reputation for its excellence in:

- Advanced maintenance, repair and overhaul facilities and support

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- World-class education, training and simulation activities
- Leading-edge logistics
- Unmanned Aerial Vehicle research and development facilities

Given its close proximity to the Caboolture Aerodrome the industry/business park would present some locational benefits to certain firms that choose to locate on the site.

In addition, Queensland offers a skilled workforce which is supported by:

- **Aviation Australia** - (Brisbane and Cairns locations) – a government-owned centre of excellence in training and education for the aviation and aerospace industry;
- **Secondary education** – “Aviation Gateway” project that introduces aerospace subjects during Years 11 and 12 at secondary schools; and
- **Queensland universities** – Queensland University of Technology, Griffith University and the University of Queensland offer aviation-related education, including degrees in aviation management, avionics, aerospace medicine and aviation science.

Aviation firms which may consider locating at the proposed industry/business park include:

- **Alteon Training Australia Pty Ltd** - Pilot simulator training;
- **Australian Aerospace (Subsidiary of EADS)** - Asia Pacific headquarters and rotary wing manufacturing;
- **Boeing Australia Limited** - Australian headquarters, aerospace and network enabled systems;
- **Frequentis Australasia Pty Ltd** - Communications and aerospace control centre;
- **Hawker Pacific Pty Ltd** - Aircraft maintenance operations in Cairns, Townsville and Brisbane;
- **Helitech (Subsidiary of Sikorsky)** - Aircraft maintenance and sales;
- **Pratt and Whitney Canada (Australasia) Pty Ltd** - Engine maintenance;
- **Raytheon Australia Pty Ltd** - Avionics maintenance and logistics centre; and
- **Singapore Flying College Pty Ltd** - Pilot training.

Food Related Industries

Queensland is renowned as a location of choice for companies in food-related industries.

There exists large and diverse food and agribusiness sector with reputations for producing high quality, "clean and green" food at competitive prices. Queensland's vibrant food industry is characterised by two broad, distinct categories:

- Food processing and manufacturing
- Meat and meat product manufacturing

Within these categories there exists a diverse range of production capabilities, from fresh seafood, meat, fruit and vegetables to value-added products including dairy foods, desserts and confectionaries, ingredients, and ready-to-eat meals.

THE OPPORTUNITY

The State Government is committed to assisting companies that specialise in niche products within the food industry, such as organic and functional foods. Other benefits available to firms which choose to locate in the proposed industry/business park include;

- **Highly skilled workforce** – Caboolture and the South East region has access to a large pool of skilled food-processing employees and leading training facilities;
- **Process improvement** – Queensland represents the base for a number of specialist facilities that focus on product research and development for food-related industries;
- **Superior quarantine services** – Australia's stringent quarantine policies and good management practices allow Queensland to be free from many of the serious animal and plant pests that afflict other parts of the world; and
- **Proximity to Asia Pacific** – Shared time zones and close physical proximity to the high-growth Asia Pacific markets let you get to market faster. The proposed industry/business park is approximately within an hours drive from the Brisbane International Airport.

Businesses currently operating in Queensland's Food Related Industries represent a good guide for the types of firms which would be well suited to the proposed business park. These firms include:

- **Snap Fresh** – National headquarters of a leading manufacturer that services the airline, healthcare and hospitality industries;
- **Australian Meat Holdings** – Headquarters of world leading provider of custom solutions for the food industry;
- **Berri** – Manufacturing facility;
- **Carlton United Breweries (subsidiary of the Foster's Group)** – A premium global multi-beverage company;
- **Castlemaine Perkins** – One of Australia's largest breweries;
- **Kerry Ingredients** – One of the world's largest and most technologically advanced manufacturers of specialty ingredients;
- **Nestle Australia** – Manufacturing facilities;
- **Nippon Meat Packers** – One of Japan's leading meat processing and packaging companies;
- **OSI International Foods** – national headquarters of world leading provider of quality products and custom solutions for the food industry; and
- **Smith's Snackfood Company** – Global snack foods company with world-first production technology.

The types of industries and businesses considered likely candidates to locate at the proposed business park are presented in the following table.

THE OPPORTUNITY

**Northeast Business Park
Industries and related businesses**

Table 3

Industry	Potential Businesses
Marine	Gemini Inflatables, Haines Hunter, Maritmo, Mustang Cruisers, Quintrex, Riviera Group, Sunrunner Cruisers
Biotech	Agen Biomedical, Alchemia, Alphapharm, AstraZeneca, Cbio Corbett Robotics, Genetic Solutions, Panbio, Peplin Ltd Progen Industries, Sequenom, Australian Centre for Complementary, Medicine, Education and Research Health World, MediHerb, Symbion Health, Sigma Herron
ICT	Creative Assembly (Sega), Oracle, IBM Tivoli, SAP THQ
Logistics/Warehouse	Patricks, TNT, Toll Holdings, Coles, Woolworths
Aviation	Aviation Australia, Alteon Training Australia Pty Ltd Australian Aerospace, Boeing Australia Limited Frequentis Australasia Pty Ltd, Hawker Pacific Pty Ltd Helitech, Pratt and Whitney Canada (Australasia) Pty Ltd Raytheon Australia, Singapre Flying College Pty Ltd
Food Related	Snap Fresh, Australian Meat Holdings, Berri Carlton United Breweries, Castlemain Perkins Kerry Ingredients, Nestle Australia Nippon Meat Packers, OSI International Foods

Source : Urbis

An opportunity also exists to work closely with the Environmental Protection Authority and the Department of State Development to identify and attract emerging industries which appear to offer strong prospects for the coming decades. Further opportunities exist to utilise Industrial Ecology principles to harness synergies with respect to resource usage, product and waste streams knowledge exchange. These types of businesses may be complimentary to the types of firms that are involved in renewable energy and the sustainable housing product sectors which also represent candidate businesses in addition to the key industries appearing in the above table.

4.8 Demand for Associated Uses

Whilst office and industrial floor space will be the major forms of land use for the proposed business park component of the development, we have identified the requirement for associated (ancillary) forms of land use to service workers needs. Specifically for the proposed development we estimate that based on the scale of the proposed development there would be the demand for the following uses:

THE OPPORTUNITY

- retail;
- recreation;
- accommodation; and
- social needs

The following section presents an overview of the associated land uses that have emerged in response to the changing requirements for business and industrial operators located in modern business parks.

5 Associated Land Uses

In this investigation we noted the key changes to the industrial/business market that have influenced changing land use requirements. In addition to this there have been a number of other commercial and demographic changes reflecting broader worker needs that have influenced requirements for more diverse land uses in employment areas. These relate to business and employee needs for retail services, accommodation, recreational facilities, and social services. There is also an important need for planning authorities to incorporate degree of flexibility to facilitate the inclusion of these associated land uses.

5.1 Retail Needs

A major criticism of the early business and industrial parks was the lack of facilities for workers. It was necessary to get in a car to meet food and beverage and other daily retail needs. In modern business parks retail services range from a minimum of one or two food outlets to cafes, restaurants, convenience stores, and in some instances major retail centres.

Basic food outlets were recognised as an integral requirement of industrial and business parks early on. However, changing shopping patterns where consumers are making more frequent but smaller purchases, have seen the rise of convenience stores, express supermarkets, and increasing numbers of neighbourhood shopping centres. Thus it is not surprising to see diverse retail offerings within industrial and business parks. The Norwest business park in Baulkham Hills in Sydney incorporates a Coles supermarket and 35 specialty stores. The Newington business park precinct incorporates a Woolworths supermarket with associated specialty stores. The Optus Centre at North Ryde will incorporate a food court along with a range of other non-office or industrial uses. The Rhodes Business Park in Sydney has a café and convenience store.

In Queensland developments such as the Homemaker Centre in Townsville which is located in a Business and Industry zoning (Including Bunnings and Harvey Norman), the two cafes in the Brisbane Technology Park, and the Bistro in Metroplex at Gateway are reflective of the retail requirements of contemporary businesses and their employees. At Southgate Corporate Park, the retail precinct provides a McDonalds, a Tavern and the Southgate convenience centre which incorporates a Zone fresh, Coffee Club and others.

5.2 Recreation Needs

The health and fitness craze of the 1970s and 1980s saw the emergence of suburban gymnasiums and a significant increase in indoor sport and recreation activities. Such facilities were a natural fit with employment locations where workers could utilise these facilities before and after work and during lunch breaks. Modern business and industrial parks have recognised the recreational requirements of workers not located in traditional centres with the inclusion of a range of recreational facilities including gymnasiums, pools, and walking paths.

Gymnasiums appear to be the most common recreational facility incorporated in modern business parks. Such facilities feature in Rhodes Business Park, Norwest, Pymble Corporate Park, and will be part of the Optus business park at North Ryde. Walking paths and trails have been incorporated in Norwest and Metroplex in Brisbane. Metroplex also includes a river front park. Other more diverse recreational facilities include a swim school, ice rink and recreational lake at Norwest, and a 25m indoor lap pool at Rhodes in Sydney.

5.3 Accommodation Needs

Associated with the trends identified in the earlier sections in relation to the movement of head office and regional office functions to suburban business park and industrial park locations, has been the requirement for short term accommodation. Businesses increasingly attract visitors to their premises. This is in the form of training for non-local employees, supplier meetings (sales team visits), customer meetings, and management meetings. Such requirements have seen the growth in business oriented hotels in employment locations. Examples include the 132 room Crowne Plaza International hotel at Norwest, the Stamford Grand at North Ryde, and the hotel and conference centre at Metroplex. This element will be catered for by the Northeast Business Park by the provision of a 4-5 star 120 room hotel resort located in the Marine Precinct. For the long term accommodation Northeast Business park will also provide residential options which will cater for needs of the order of 2,000 households. This will enable residents to be located in close proximity to their potential place of work and enjoy recreational uses.

5.4 Social Needs

In NSW historical planning guidelines for industrial areas allowed for the operation of Barbers shops, Tobacconists, and Chemists, which were traditionally male oriented services. Changing lifestyles and employment demographics including the increase in female participation in the workforce have significantly influenced the requirement for a far broader range of land uses in proximity to employment locations. Child care requirements have been high on the list of requirements for both males and females.

Child care facilities have become quite common in employment locations including business and industrial parks. Developments that include child care facilities include Norwest, the Optus development at North Ryde (proposed), Rhodes Business Park, Metroplex, and Southgate Industrial Park in Brisbane.

Other social or community requirements relate to health based needs. These requirements have seen the inclusion of medical facilities and pharmacies in business park developments such as is the case at Norwest.

5.5 Flexible Planning

The key to achieving the necessary diversity of uses for employment locations such as business and industrial parks appears to be in the flexibility of the relevant land use planning guidelines. Norwest is a particularly successful example of how flexibility in planning guidelines has facilitated the development of a major mixed use development that provides substantial employment across a range of industries and a broad range of associated land uses. This is achieved through a mix of land use zonings across a range of precincts.

In North Ryde in Sydney, a long established industrial and business park area, the Ryde Council and NSW State Government are working together on a new local environment plan which changes the area's purely industrial zoning (with a research and development focus) to a more wide ranging land use zoning in order to reflect the changing demand for land uses in this area.

This approach is the way of the future and should governments have objectives of minimising trips and promoting employment in closer proximity to residents then these types of policies must be implemented. This approach could be achieved to great effect in the Northeast Business Park.

ASSOCIATED LAND USES

The significance of a flexible planning approach can be found in the consideration of the difference between the impacts of Northeast Business Park development with the potential impact of a compliant industrial development. This concept is presented in the following subsection.

5.5.1 Compliant Scheme

To demonstrate this difference, it is useful to contrast the impact of the Northeast Business Park to the potential impact of a compliant industrial development proposal. This development would incorporate only the Northeast Business Park land uses which fall within the urban footprint.

To do this, the following high level analysis presents estimates of the impact in terms of direct expenditure impact benefits and employment benefits in terms of full time equivalents (FTE) of the key components in the development and operational phases of development of the Northeast Business Park and a proposed traditional industrial estate. The impact of the indirect or flow on benefits is beyond the scope of this demonstration.

Northeast Business Park

The following table presents the direct impact of the key components as presented in the Northeast Business Park Economic Benefit Assessment. It shows that in the development phase, 820 FTE's and approximately \$2.02 billion in direct expenditure will be generated locally by the Northeast Business Park. In the operational phase, 13,606 FTE's will be generated and approximately \$1.26 billion in direct expenditure will be generated.

ASSOCIATED LAND USES

Northeast Business Park Direct Local Impact		
	FTE jobs Estimate (annualised)	Direct Expenditure million (\$)
Development Phase		
- Direct	820	\$2,016.9
Total Development Direct	820	\$2,016.9
Operational Phase		Annually
- Industry/Business Park Direct	13,606	\$1,264.0
- Residential Direct	899	\$34.4
- Marina Precinct Direct	348	\$34.6
- Golf Course Direct	15	\$2.7
Total Operational Direct	14,868	\$1,335.7
<i>Source : Urbis</i>		

It is noted that the Northeast Business Park Economic Benefit Assessment serves as the basis for all calculations and cost estimates for this comparative review.

Compliant Proposal

In broad terms, the components of the Northeast Business Park which fall within the urban footprint include the business park and a significant proportion of the detached residential product. All other components fall outside the urban footprint and include the Marina precinct, retail, aspects, commercial aspects and the Golf Course.

The alternative proposal represents a traditional industrial development proposal which would be constructed within the urban footprint. It includes standard district industry lots of 5,000m². It also features a component of residential land uses. It differs sharply with the Northeast Business Park proposal in that in the traditional industrial estate proposal there will be;

- No marina and no marina industrial and related land uses;
- No commercial and retail land uses;
- No recreational land uses or golf course;
- No short term accommodation or resort facilities;

ASSOCIATED LAND USES

- Heavily reduced long term residential accommodation; and
- Little overall amenity.

The following table shows the impact generated by a proposal which would reflect the removal of those items which fall outside the urban footprint

The table presents the direct local impact of the key components of a compliant scheme proposal. It shows that in the development phase, 252 FTE's and approximately \$619.9 million in direct expenditure will be generated locally by the development. In the operational phase, 6,798 FTE's will be generated and approximately \$616.7 million in direct expenditure will be generated.

Alternative Conceptual Proposal		
Direct Local Impact		
	FTE jobs Estimate (Annualised)	Direct Expenditure Million (\$)
Development Phase		
- Direct	252	\$619.9
Total Development Direct	252	\$619.9
Operational Phase	Ongoing	Annually
- Industry/Business Park Direct	6,762	\$609.3
- Residential Direct	36	\$7.4
Total Operational Direct	6,798	\$616.7
<i>1. Development phase assumed to be over an 18 year period)</i>		
<i>Source : Urbis</i>		

The following addresses the derivation of these estimates and the contrast in the economic results between the Northeast Business Park development and a traditional industrial estate development proposal in terms of direct development and operational phases.

Development Phase

In the development phase, costs are estimated to be comprised of:

- 51.74 hectares of developable residential land. Under the assumption of 10 dwellings per hectare, this equates to 517 dwellings. Dwelling construction costs are estimated on the basis of 275m² houses. Total development of the residential aspect is in the order of \$230 million.

ASSOCIATED LAND USES

- 137.94 hectares of industrial land, of which 85% is developable. Each lot is estimated to be approximately 5,000 sq/m with 50% plot ratios. This equates to 234 lots, each with GFA of 2,500m². Total cost of construction is estimated to be in the order of \$434 million.
- A construction cost contingency of 10% which is applied to the sum of \$229.9 million and \$477.8 million which gives a total of \$707.7 million for construction costs.
- An additional amount of 4% for property and business services is also considered and gives \$28.3 million.

The total resultant direct expenditure impact of the development phase of the alternative or conceptual proposal is \$736.0 million

In terms of local direct impact this is of the order of \$619.9 million. This represents approximately 31% of the local direct impact of that under the proposed Northeast Business Park.

An exact measure of the jobs impact through the use of an input-output approach is beyond the scope of this work. However, it is considered that the smaller local direct impact will lead to a broadly proportionate reduction in job creation. It is considered therefore that there will be in the order of 252 FTE's generated locally as a consequence of this expenditure impact. This is in contrast to the direct 820 FTE's generated by the Northeast Business Park development.

Operational Phase

In the operational phase of the traditional industrial proposal, there will be no marina precinct, retail nor commercial components and no recreational land use to consider. Hence, there will be no expenditure or employment benefits derived from these elements. Under the traditional industrial proposal, an estimated 6,844 full time equivalent jobs will be foregone. Additionally, direct expenditure will decrease by an estimated \$655 million.

The residential component of the compliant scheme proposal will feature approximately 517 residential home sites. A direct expenditure impact of the order of \$12.25 million is anticipated by the construction of these dwellings, of which \$7.4 will be direct local expenditure. It is estimated that there will be of the order of 53 FTE generated under this scenario, of which 36 will be generated locally. This is in contrast to \$34.4 million in direct impact expenditure and 899 FTE's generated by the Northeast Business Park residential component.

The industrial section is estimated to generate a direct local expenditure impact of \$609.3 million. This is in contrast to the \$1.26 billion direct expenditure impact generated by the Northeast Business Park's business park component.

In terms of direct local employment benefits, this traditional compliance scheme proposal will lead to an estimated result of approximately 6,798 FTE's. This is 8,071 FTE jobs less than the original Northeast Business Park scheme.

Summary

The above review is based on the direct local expenditure and employment impact only. Yet, it clearly shows the significance of the difference in outcomes between the Northeast Business Park and a compliant industrial development.

The exercise shows that in the development phase, 820 FTE's and approximately \$2.02 billion in direct expenditure will be generated locally by the Northeast Business Park. This is considerably higher than the results obtained from the traditional industrial development which shows that in the development phase, 252 FTE's and approximately \$619.9 million in direct expenditure will be generated locally by the development.

ASSOCIATED LAND USES

Similarly, in the operational phase, under the Northeast Business Park development, 14,868 FTE's will be generated and approximately \$1.34 billion in direct expenditure will occur. These results are significantly stronger than those generated in the operational phase, of the alternative conceptual development which shows 6,798 FTE's will be generated and approximately \$616.7 million in direct expenditure will be generated.

The great difference in direct employment and expenditure benefit outcomes, which is in the order of thousands of jobs and hundreds of millions of dollars, highlights the importance of flexibility in planning guidelines for the development of a major mixed use development. This is particularly relevant to a development that provides substantial employment opportunity across a range of industries and a broad range of associated land uses.

While the Northeast Business Park represents a high quality, integrated mixed use development, significant expenditure and employment benefits would be lost to the region under a proposal which did not incorporate the key components located outside the footprint.

This loss in economic opportunities would be due to the considerable reduction of the live-work-play attribute and the marina's potential to serve as an attractor for industrial, commercial and recreational land uses. In addition such a proposal would lose the fundamental opportunity to promote Caboolture's role and function in South East Queensland.

6 Conclusion and Recommendation

The following presents the concluding comments and recommendation for future action.

6.1 Key Findings

This study has assessed the comparative strengths and opportunities for the development of employment based lands at the Northeast Business Park. Key findings of this study are:

- There is strong evidence of the increasing demand for office space in conjunction with industrial space in industrial areas;
- The location of the Northeast Business Park has a strong, comparative advantage over sites in regards to access as it is situated adjacent to the Bruce Highway and the Caboolture River. Caboolture is strategically located for region-wide access to Brisbane or the Sunshine Coast. It is just 35 minutes from Brisbane Airport, 55 minutes from the bustling Port of Brisbane and 45 minutes from the Sunshine Coast via the Bruce Highway (M1). Caboolture is also conveniently located on Queensland's main north-south rail link for ease of bulk container freight movement;
- The development of the employment lands at the Northeast Business Park will significantly assist the achievement of the Caboolture Shire Council Corporate Plan and its strategy for self containment. This strategy seeks to achieve a target whereby over the next twenty years, 2 out of every 3 Caboolture workers live and work in Caboolture; and
- The types of industries and businesses considered likely candidates to locate at the proposed business park are marine, biotech, ICT and logistics/warehouse industries. Others may include aviation and food related industries.
- While the Northeast Business Park represents a high quality, integrated mixed use development, significant expenditure and employment benefits would be lost to the region under a proposal which did not incorporate the key components located outside the footprint. This loss in economic opportunities would be due to the absence of the live-work-play attribute and the marina's potential to serve as an attractor for industrial, business and recreational land uses. In addition such a proposal would lose the fundamental opportunity to promote Caboolture's role and function in South East Queensland.

6.2 Conclusion

The proposed business park has the opportunity to be a world class, contemporary business park. It has significant location and access advantages over other sites and is well suited to a range of marine and related industries. It is also likely to represent a suitable location for other industries such as Biotech, ICT, Logistics/warehouse and other complementary industries such as food and aviation.

The key to achieving the necessary diversity of uses for employment locations such as the proposed business park appears to be in the flexibility of the relevant land use planning guidelines. The proposed business park represents a particularly successful example of how flexibility in planning guidelines can facilitate the development of a major mixed use development that provides substantial employment across a range of industries and businesses and a broad range of associated land uses.

CONCLUSION AND RECOMMENDATION

6.3 Recommendation

It is recommended that this could be achieved through a mix of land uses across a range of precincts. This approach reflects recent trends in major Australian cities and if statutory authorities have objectives of promoting self sustaining regional employment then these types of policies need to be introduced. Northeast Business Park represents a great opportunity to realise this in the Caboolture area and wider North Moreton region

APPENDICES

Appendices

Masterplan development yields

Masterplan development yields of 28 May 2007 provided by Northeast Business Park

Note that an updated version of these has been provided at 21 September 2007. The potential impact of this change has been addressed in the Economic Benefit Assessment.

DISTRICT INDUSTRY PRODUCT		*			
Precincts	Gross Land Area	Product Mix	Average Lot Size	Developable Land Area	Number of Lots
Business Park	200 hec				
		Small Lots	2,500	331,607	133
		Medium Lots	5,000	252,653	51
		Large Lots	15,000	347,397	23
		Super Lots	50,000	157,908	3
		Bulky Goods		94,745	
		Local Retail		31,582	
		Commercial Business - District Industry Uses		165,803	
		Marine Industry		197,385	
Marina Shipyard	5.6 hec	Marina Shipyard		36,656	
				sqm	
				1,615,736	

Marine Export Products and Services Directory

Table of contents from Marine Export Products and Services Directory prepared by the Gold Coast City Council.

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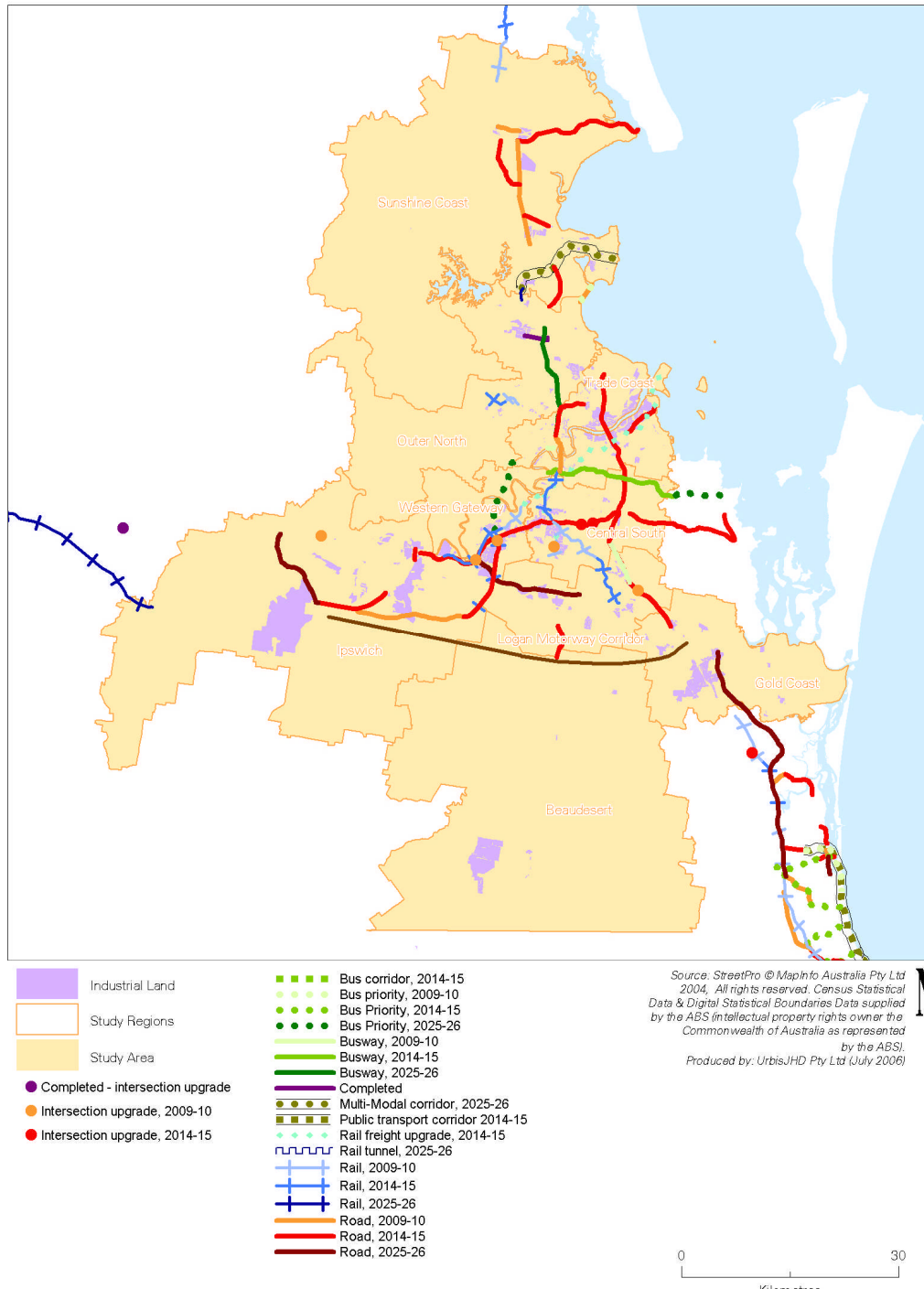
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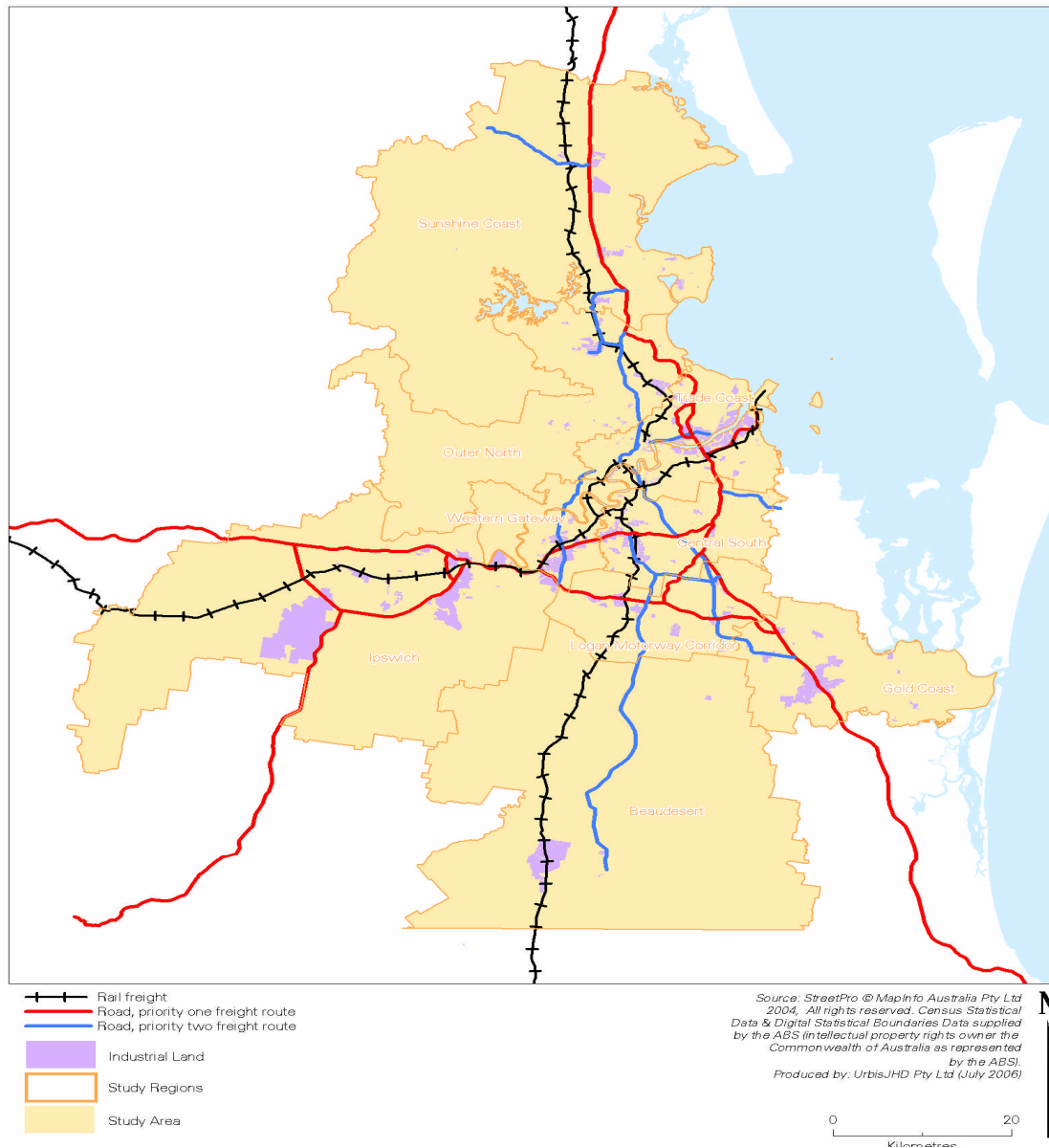
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Freight Routes



Value Statement

Northeast Business Park is committed to socially, economically and ecologically sustainable development. The company promotes a distinctly Queensland style of design advocating sustainable and responsible development with a community focus.

Our vision encompasses:

Ecological

1. Responsible development which satisfies Government agendas for Environmental rehabilitation, Marine Industry reform, Increased local employment, and balanced environmental social and economic objectives.
2. Regenerative development repairing Caboolture River's river bank ecology, wetlands plains, natural bushland and rediscovering historic Cultural elements of the site. Encouraging public access to these areas for the enjoyment of all.

Economic

3. World class development creating the best industry, employment and community spaces creatively linked through innovative physical & social infrastructure.
4. Industry focused development creating the first purpose designed marine industry precinct in response to Government agenda bringing marine industry clusters, jobs and training
5. Sustainable development through creation of 17,000 permanent local jobs by Global, National and local businesses which will locate to NBP, assisting to stem the outflow of commuters who leave Caboolture Shire to work elsewhere.
6. Tourist development created through leisure craft berthing, Championship class golf course, regenerated Heritage precinct and supporting retail and dining experience.

Social

7. Psychographic development through creation of diverse residential formats which reflect the emerging trends in family living in Australian society (multi level, high density low rise, combined work& live, first family detached & larger detached residential formats).
8. Inclusive development through Integration with Caboolture town centre of public transportation, education & learning and local public facilities.
9. Community development through communication networks, town centre creation, life long learning, skills & learning hubs for youth and adults.

APPENDICES

The following presents more details of each of the above areas.

Ecological

- NBP will satisfy Queensland Government development policy and provide a net benefit to the Caboolture Shire and the Moreton Bay region by (1) improving the polluted water quality of Caboolture River and Moreton Bay (2) restoring degraded river banks and wetlands (3) eradicating noxious weeds and contaminated land (4) providing the first planned marine industry precinct (5) providing local jobs for local diverse communities in a sustainable development.
- Less than half of the total available land will be developed making this development one of the most environmentally balanced communities in Australia providing access to large areas of natural watercourses, bushland and open space to the wider community.
- The site is currently environmentally degraded and the development will restore the site for the enjoyment of all including Caboolture River bank restoration, wetlands restoration, provision of riparian buffer zones.
- The Caboolture River has high levels of pollutants from an upstream water treatment plant – this development will assist in decontaminating the Caboolture River which will benefit the Moreton Bay Marine Park. This will be done through utilizing high nutrient water from the treatment plant into NBP and using it for irrigation and grey water supply.
- The development will be responsible to its environment by creating zero impact on flooding to surrounding property.

Economic

- NBP will create and combine individual industries, communities, employment opportunities and leisure pursuits in such a way that the resultant development will contribute more to the community than the sum of the individual parts.
- The project will directly address Government's concerns over the maritime industry and provide a unique location for marine industry and marine leisure with over 3,000 jobs and \$230m of value adding to Queensland.
- The industrial sites offer the best transportation links to both Brisbane and the Sunshine Coast available with direct access to the motorway.
- Master planning of the industrial precinct will ensure that commercial/ industrial activity is developed in such a way as to become an asset to the overall development and not a detractor. Road treatment, setbacks, landscaping strips, buffer zones and use of the natural topography will create the environment where residents, marine industry employees, marine leisure and car or public transport visitors and commercial employees can integrate and enjoy the facilities.
- The scale of the industrial development site means that individual company's needs concerning size, aspect, infrastructure and layout can be accommodated in the development. The site is envisaged to become home for major multinational operators as well as medium sized entities and small businesses.

APPENDICES

- Northeast Business Park will mark an investment into the Caboolture region of over \$2.5 billion creating in the order of 25,000 long term jobs including approximately 1,500 annual during the construction phase.
- A world class golf course, excellent marina berthing and servicing facilities, café society dining facilities and mixed use development will ensure NBP becomes an attractor to tourists by road and sea.
- Special measures will be applied to maximize the number of people who work and live in the new community in an effort to reduce the current exodus of workers who commute out of Caboolture daily.

Social

- The development will take the best ideas from around the world and apply them to a large and unique development site to create a world class community.
- This will be achieved firstly through excellence in the execution of each individual precinct and secondly by providing excellent infrastructure (physical and social) that links precincts together.
- A community in excess of 8,000 permanent residents will be established
- The project aims to be attractive to a wide cross section of residents through the provision of multi level apartments, low rise apartments and both small and large housing blocks for single dwellings.
- For the resident seeking to work from an attractive home environment and house marine leisure craft locally, NBP will present one of the only opportunities in Queensland to do so.
- Social infrastructure will be provided in unison with Caboolture City, whether it is provision for facilities on NBP or contributing to the expansion of off site facilities.
- Transportation links will ensure residents and the workforce will be integrated into the Caboolture community and access to NBP from rail and bus links is integrated into the local public transportation infrastructure.

The diagrams on the following pages depict the locality of the site and the proposed development



