



DANDENONG: CITY OF THE SOUTH

How to Build the South East's Hottest Hub while
Preserving a Future for Industry

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GROWTH IN THE 'FORTRESS'

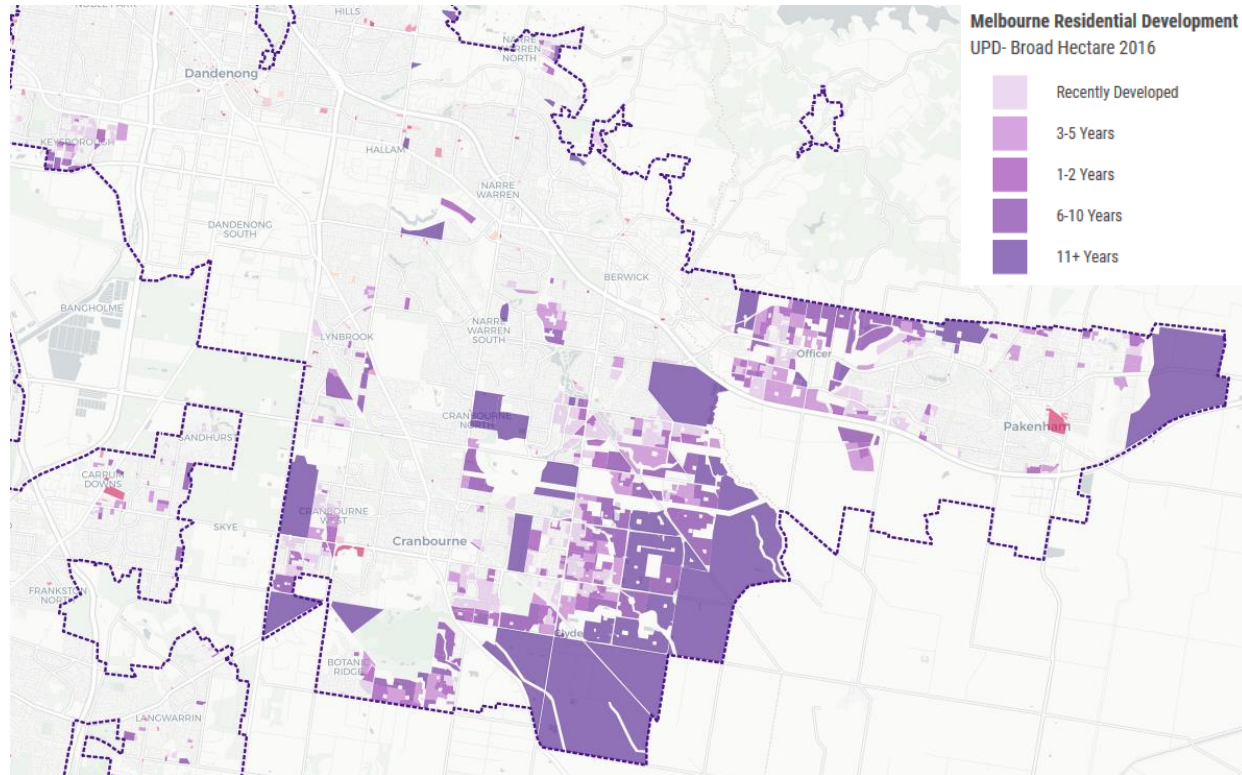
- There are 755,000 people in the Southeast Corridor and Dandenong is the capital.
- Significant development pressure will build over the next 10 years.

THE FORTRESS



UNDERSTANDING THE SOUTH EAST

- Within 10-15 years, all of the greenfield land in the east will have been developed.
- A significant amount of the employment land in the east and southeast will be redeveloped during that time.
- The southeast will shift in line with the performance of the National Employment and Innovation Clusters at Monash and Dandenong.



DEMOGRAPHICS – SOUTHEAST CORRIDOR

- Dandenong, Noble Park and Springvale have a **much higher proportion of residents aged 0-14 and 20-39, displaying a trend towards young families.**
- Millennials are the growth demographic.
- The average age of residents in Dandenong and Keysborough is comparatively low.

Socio-demographics Profiles							
Census item	Dandenong	Dandenong North	Noble Park	Noble Park North	Springvale	Keysborough	Monash
Age distribution (% of population)							
Aged 0-14	18.9%	17.9%	17.6%	17.4%	15.9%	19.9%	15.8%
Aged 15-19	5.2%	6.1%	5.2%	6.3%	6.2%	6.7%	6.8%
Aged 20-29	19.5%	14.1%	17.8%	12.6%	19.4%	14.1%	17.6%
Aged 30-39	18.9%	14.4%	17.8%	13.7%	15.5%	15.8%	13.4%
Aged 40-49	11.8%	12.9%	11.8%	14.1%	11.7%	13.8%	13.2%
Aged 50-59	9.7%	11.9%	10.8%	12.0%	11.1%	12.0%	11.3%
Aged 60+	15.9%	22.7%	19.0%	24.0%	20.1%	17.8%	21.8%
Average age	35.4	39.0	37.3	39.8	38.1	36.5	39.1
Housing status (% of households)							
Owner (total)	40.1%	70.9%	57.4%	72.0%	59.1%	81.8%	69.0%
• Owner (outright)	20.6%	35.7%	28.4%	38.2%	35.4%	33.3%	39.1%
• Owner (w ith mortgage)	19.5%	35.1%	29.1%	33.8%	23.7%	48.5%	29.9%
Renter	59.4%	28.5%	42.2%	27.5%	39.2%	17.7%	30.3%
Other	0.5%	0.6%	0.3%	0.5%	1.7%	0.5%	0.7%
Birthplace (% of population)							
Australian born	30.9%	45.1%	37.0%	48.2%	30.3%	45.3%	48.4%
Overseas born	69.1%	54.9%	63.0%	51.8%	69.7%	54.7%	51.6%
• Asia	44.5%	27.9%	44.3%	25.4%	58.7%	38.5%	35.8%
• Europe	12.7%	15.3%	9.4%	15.1%	6.4%	7.7%	10.1%
• Other	11.8%	11.6%	9.3%	11.3%	4.6%	8.5%	5.7%
Family type (% of population)							
Couple w ith dep't child.	49.5%	46.7%	43.7%	42.7%	46.5%	53.9%	49.1%
Couple w ith non-dep't child.	6.3%	11.0%	7.8%	12.3%	10.0%	11.3%	9.0%
Couple w ithout child.	17.1%	18.5%	19.6%	19.3%	17.9%	17.3%	21.5%
One parent w ith dep't child.	10.4%	9.0%	11.1%	9.9%	9.9%	8.4%	6.7%
One parent w non-dep't child.	4.5%	5.9%	5.5%	6.0%	5.7%	3.8%	3.9%
Other family	1.9%	1.5%	2.0%	2.1%	2.3%	1.0%	1.6%
Lone person	10.2%	7.4%	10.2%	7.7%	7.6%	4.3%	8.1%
Source: ABS Census of Population & Housing, 2016, MacroPlan							

DEMOGRAPHICS – SOUTHEAST CORRIDOR

- The level of home ownership in Dandenong is extremely low compared to its neighbouring suburbs and the City of Monash.
- The proportion of households who rent in Dandenong is almost double that of the City of Monash.
- Strong opportunity for Build-to-rent development

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Aged 40-49	11.8%	12.9%	11.8%	14.1%	11.7%	13.8%	13.2%
Aged 50-59	9.7%	11.9%	10.8%	12.0%	11.1%	12.0%	11.3%
Aged 60+	15.9%	22.7%	19.0%	24.0%	20.1%	17.8%	21.8%
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Source: ABS Census of Population & Housing, 2016, MacroPlan							

DEMOGRAPHICS – SOUTHEAST CORRIDOR

- The income of residents living in Monash is significantly higher than its neighbouring suburbs.
- Significant opportunity to attract younger migrants.

Employment Profiles							
Census item	Dandenong	Dandenong North	Noble Park	Noble Park North	Springvale	Keysborough	Monash
<u>Income</u>							
Per capita income	\$24,123	\$28,321	\$26,925	\$29,314	\$25,679	\$33,345	\$41,604
Avg. household income	\$67,675	\$80,340	\$72,506	\$79,590	\$77,876	\$105,101	\$111,330
Avg. household size	2.8	2.8	2.7	2.7	3.0	3.2	2.7
<u>Employment</u>							
Labour force (% pop'n)	38.6%	41.6%	42.7%	41.9%	39.9%	47.0%	45.7%
Unemployed (% of LF)	14.0%	9.9%	10.6%	8.6%	12.0%	8.1%	8.3%
Employed (% of LF)	86.0%	90.1%	89.4%	91.4%	88.0%	91.9%	91.7%
• Full time	56.9%	58.9%	57.5%	61.5%	53.0%	63.9%	58.1%
• Part Time	29.1%	31.2%	31.9%	29.8%	35.0%	28.0%	33.7%
<u>Occupation</u>							
Managers & administrators	6.2%	7.8%	6.9%	8.5%	6.5%	11.5%	14.0%
Professionals	10.7%	14.4%	13.3%	15.4%	13.6%	17.5%	31.0%
Technicians & tradespersons	20.4%	18.2%	14.8%	15.6%	15.4%	12.8%	10.7%
Community & personal services	10.9%	10.9%	12.8%	10.4%	11.7%	8.6%	9.1%
Clerical & administrative	9.1%	13.8%	11.7%	14.0%	8.6%	14.3%	14.5%
Sales	8.4%	10.1%	8.8%	10.2%	9.7%	10.7%	10.3%
Machinery operators & drivers	14.0%	11.1%	12.7%	11.7%	13.5%	10.6%	3.6%
Labourers & related	20.2%	13.7%	19.0%	14.2%	20.9%	14.1%	6.9%
Source: ABS Census of Population & Housing, 2016; MacroPlan							

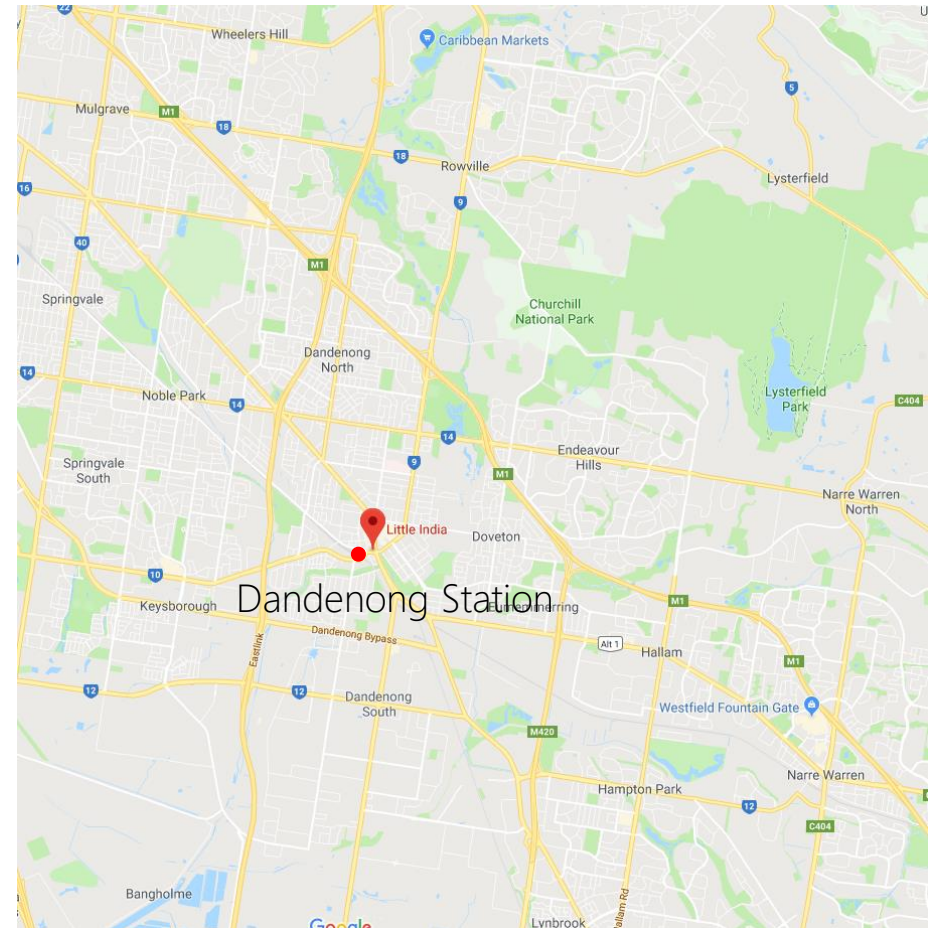
DEMOGRAPHICS – SOUTHEAST CORRIDOR

- The employment profile found in Monash differs to its neighbouring suburbs, with a heavier weighting towards Professionals and Managers/administrators.
- Dandenong's employment profile is **unique** to the area, with a higher proportion of tradespersons, labourers and machinery operators.
- Noble Park and Springvale have very similar employment profiles, mainly focused on tradespersons, labourers and professionals..

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Occupation							
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Professionals	10.7%	14.4%	13.3%	15.4%	13.6%	17.5%	31.0%
Technicians & tradespersons	20.4%	18.2%	14.8%	15.6%	15.4%	12.8%	10.7%
Community & personal services	10.9%	10.9%	12.8%	10.4%	11.7%	8.6%	9.1%
Clerical & administrative	9.1%	13.8%	11.7%	14.0%	8.6%	14.3%	14.5%
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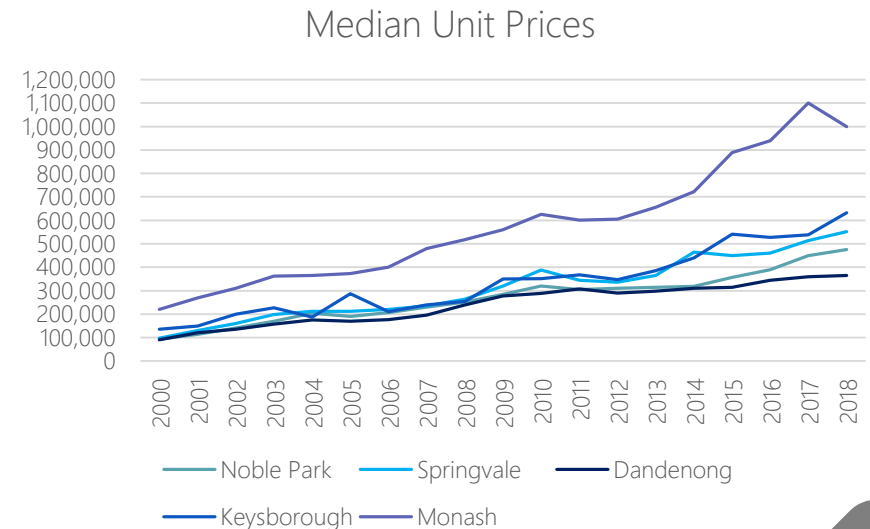
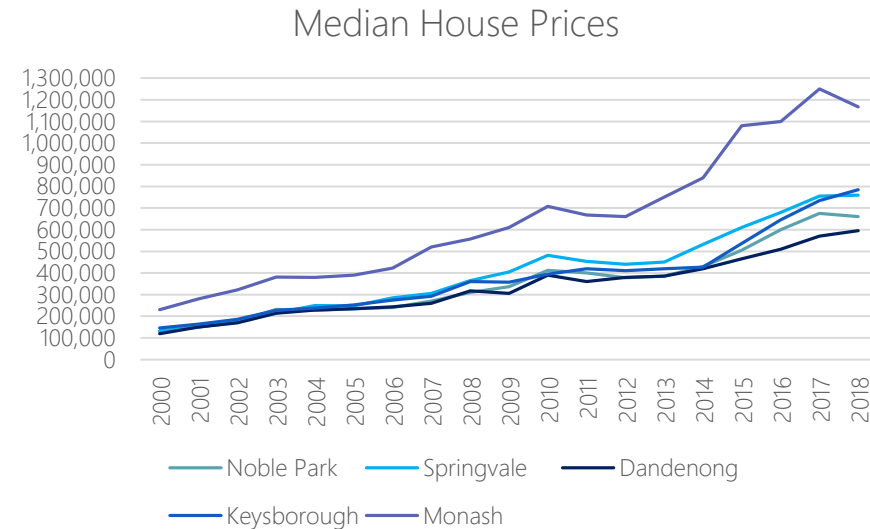
DEMOGRAPHIC CASE STUDY: LITTLE INDIA

- Little India: Located just outside of Dandenong Station, Little India is a strip of approximately 30 shops featuring specialty goods from India, Pakistan, Fiji, Sri Lanka and Bangladesh, servicing an **Indian catchment of approximately 85,000 people within 20 kms.**
- Goods available include food, sweets, spices and Indian traditional clothing/jewellery.
- There is also a variety of Indian cultural experiences such as Bollywood films and music.



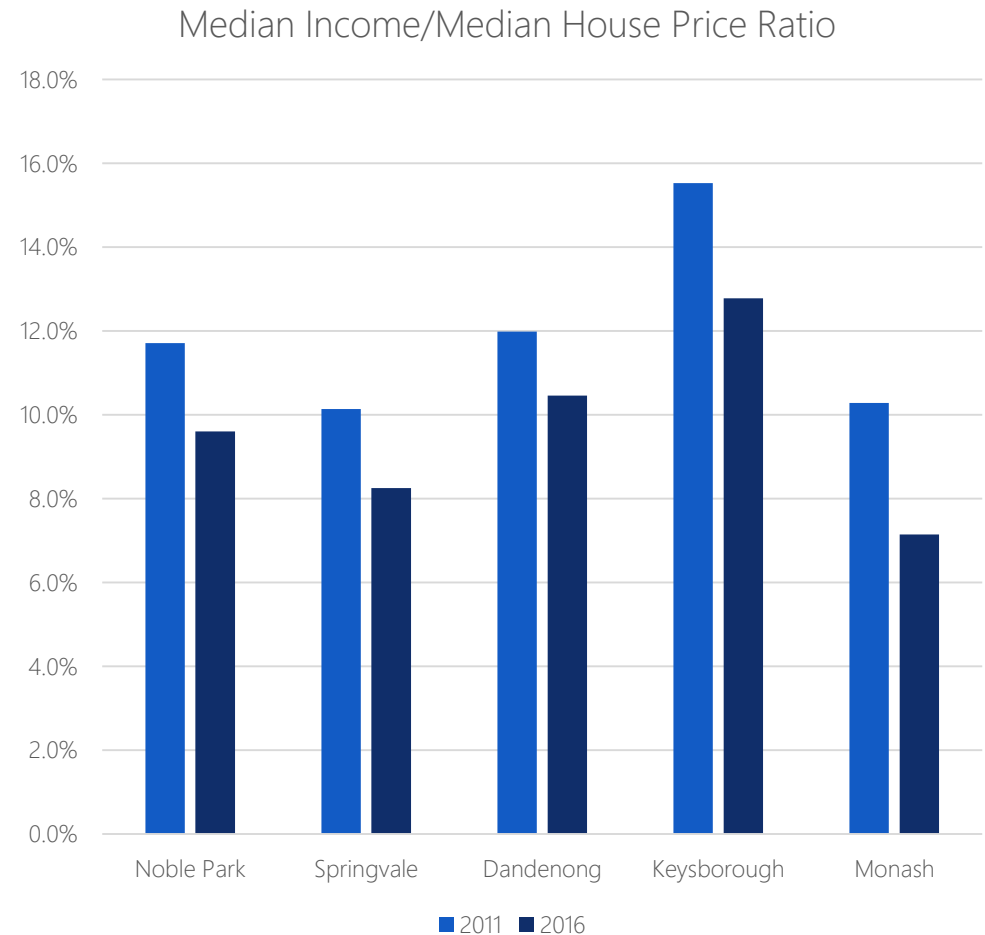
HOUSE PRICES AND AFFORDABILITY

- House and Unit prices in Melbourne's south-east have steadily increased over the past 20 years.
- Prices in Noble Park, Springvale, Dandenong and Keysborough have remained relatively affordable.
- Access to the National Employment and Innovation Cluster (NEIC) in Monash has increased demand for dwellings, causing house and unit prices to increase significantly at the detriment of housing affordability.










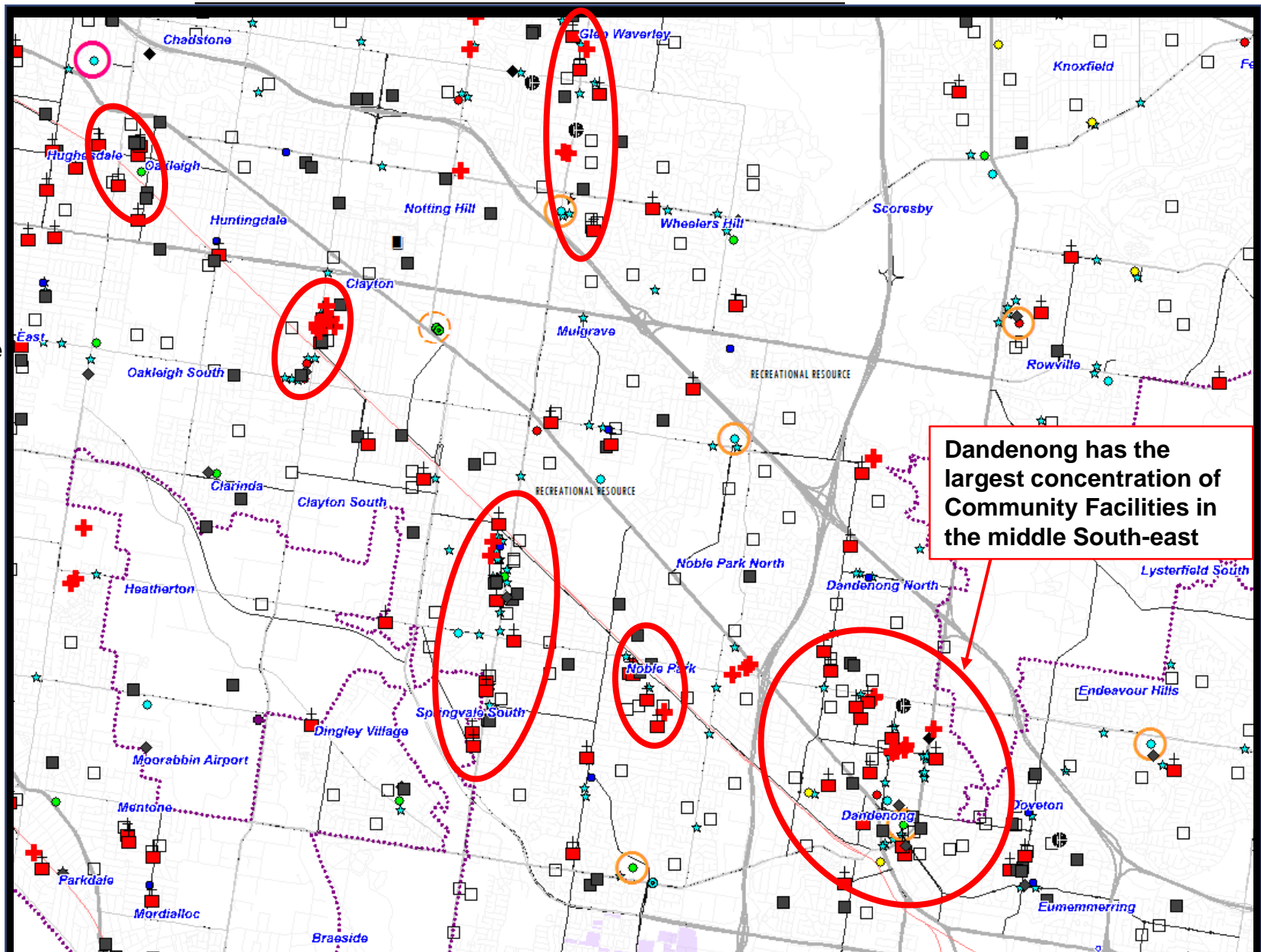
HOUSE PRICES AND AFFORDABILITY

- Housing affordability in Melbourne's southeast dropped considerably between 2011 and 2016.
- This fall was more significant in Monash, Keysborough and Noble Park, experiencing a 3.1%, 2.8% and 2.1% decline in median income to median house price ratio respectively.
- **This fall was the least significant in Dandenong and Springvale, experiencing a 1.5% and 1.9% decline in the same ratio respectively.**



INFRASTRUCTURE AND COMMUNITY FACILITIES

-  Hospital Site
-  Public Facility (i.e. hall)
-  School
-  University
-  Supermarket
-  Medical Centre
-  Religious Site



Dandenong has the largest concentration of Community Facilities in the middle South-east

Melbourne's Urban Growth | Planned Major Infrastructure

Forecast Population of Melbourne in 2035

6.5-7.4M

in 2040

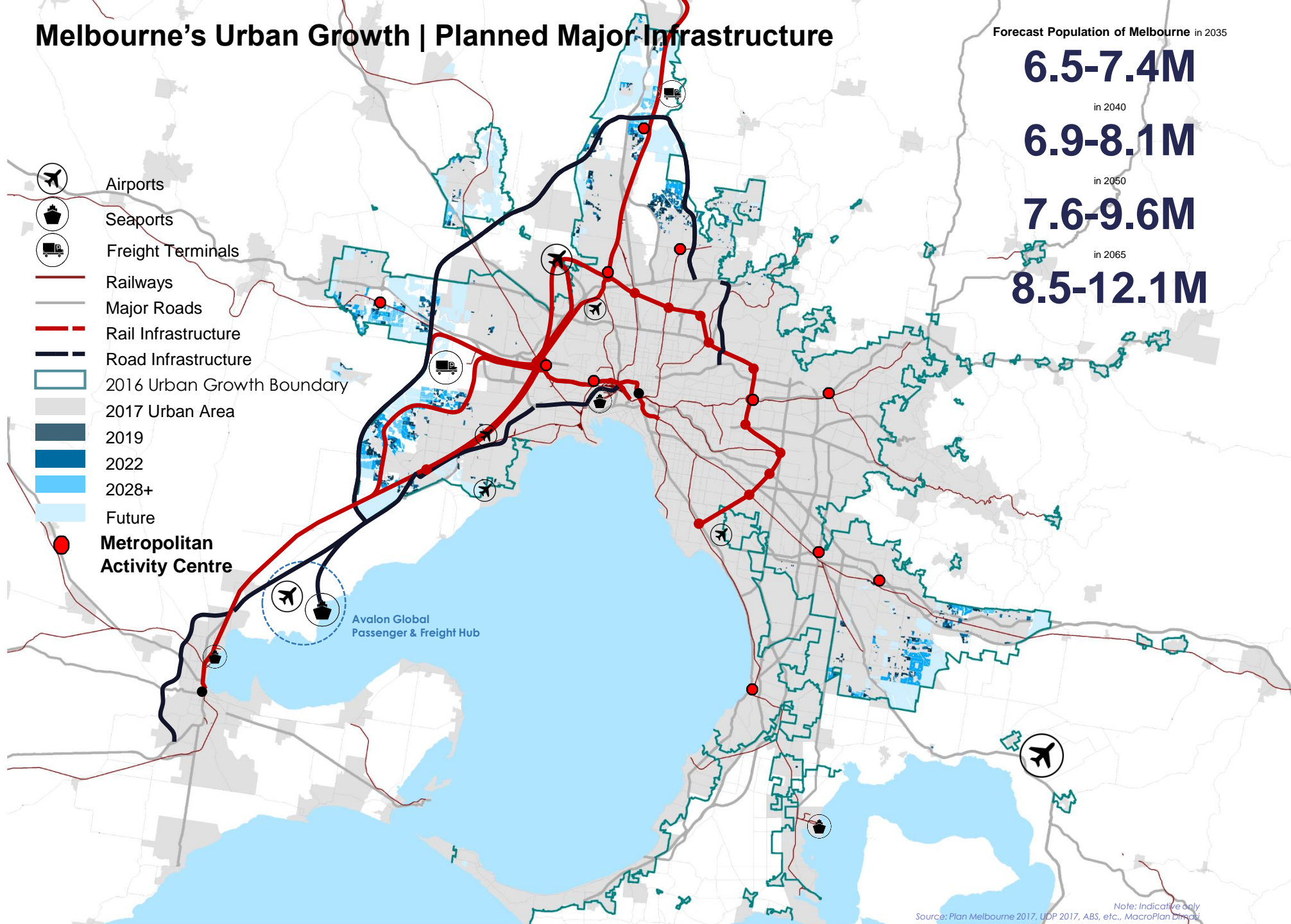
6.9-8.1M

in 2050

7.6-9.6M

in 2065

8.5-12.1M



MELBOURNE: FRINGE INDUSTRIAL

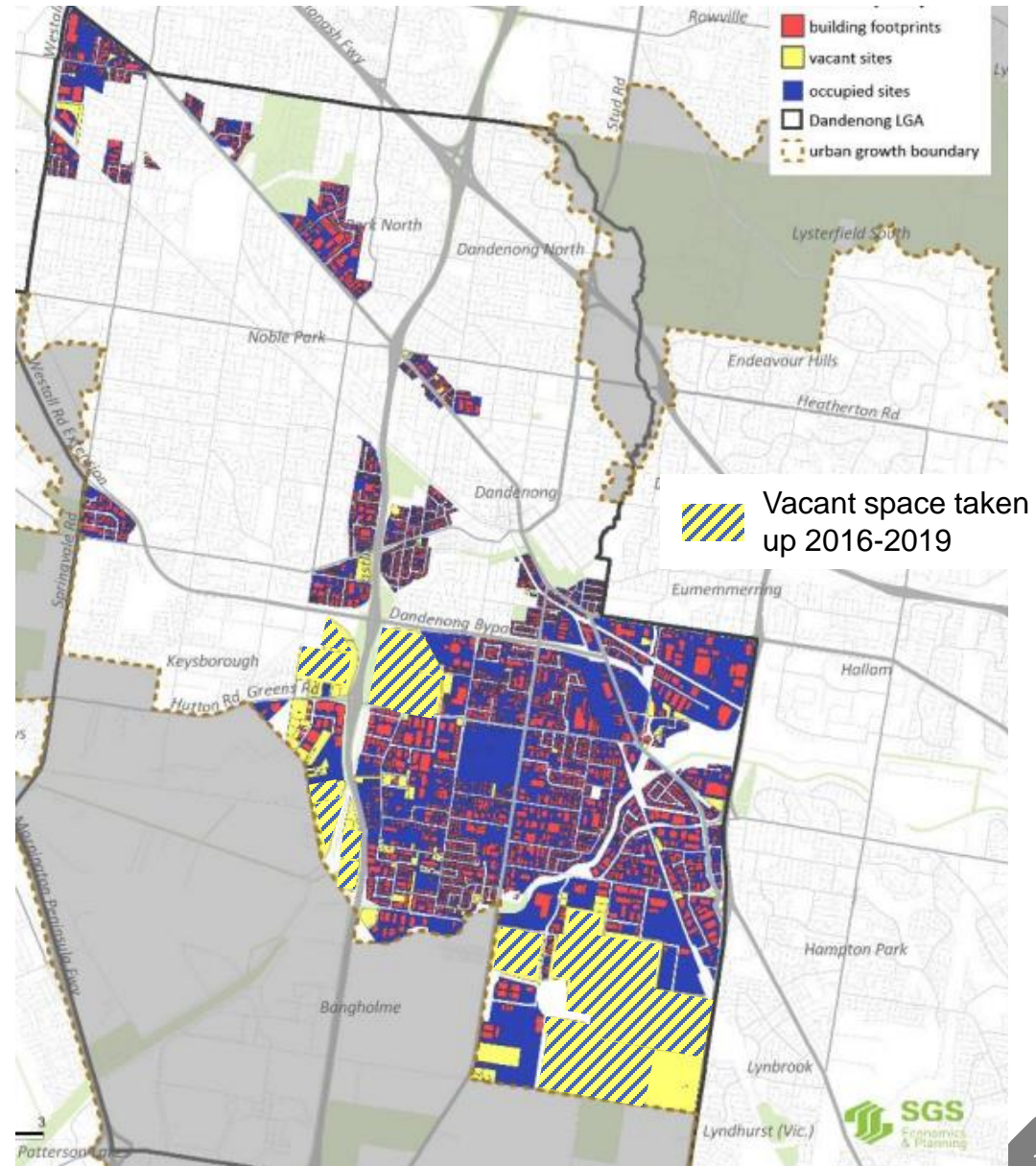
- Melbourne is traditionally based on industry (manufacturing) and freight and logistics, and therefore the jobs are spread out around the fringe.
- This will be reinforced because Plan Melbourne has defined State Significant Industrial Precincts around the fringe.

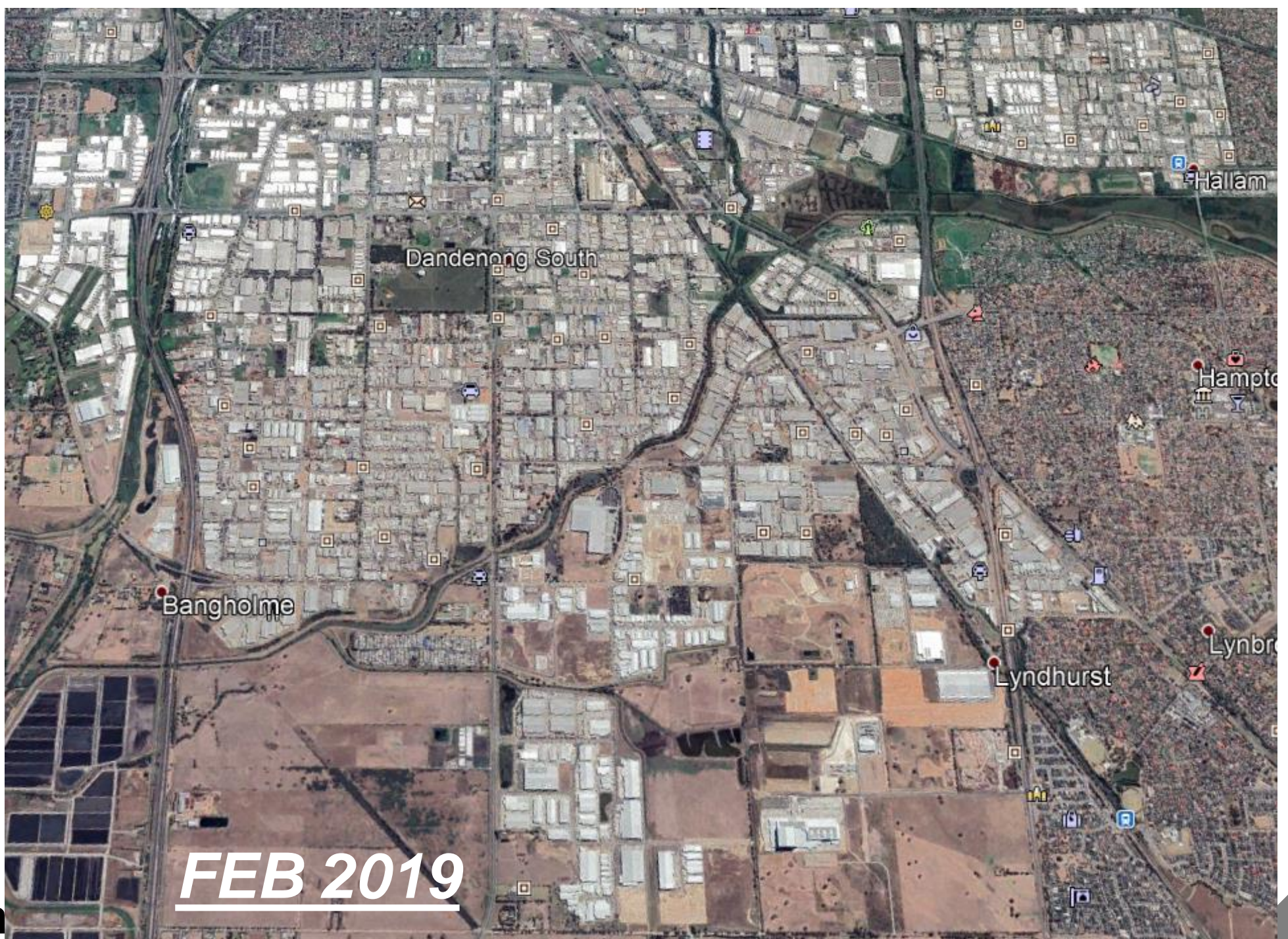


DANDENONG FUTURE: INDUSTRIAL LAND SUPPLY

From the **Urban Development Program 2018** (the latest):

- No industrial land will be added to the Southern SSIP (Dandenong).
- Vacant land supply will run low in the early 2020s.
- As the cost of land and rents increase, **users would be expected to start to search for less costly locations.**



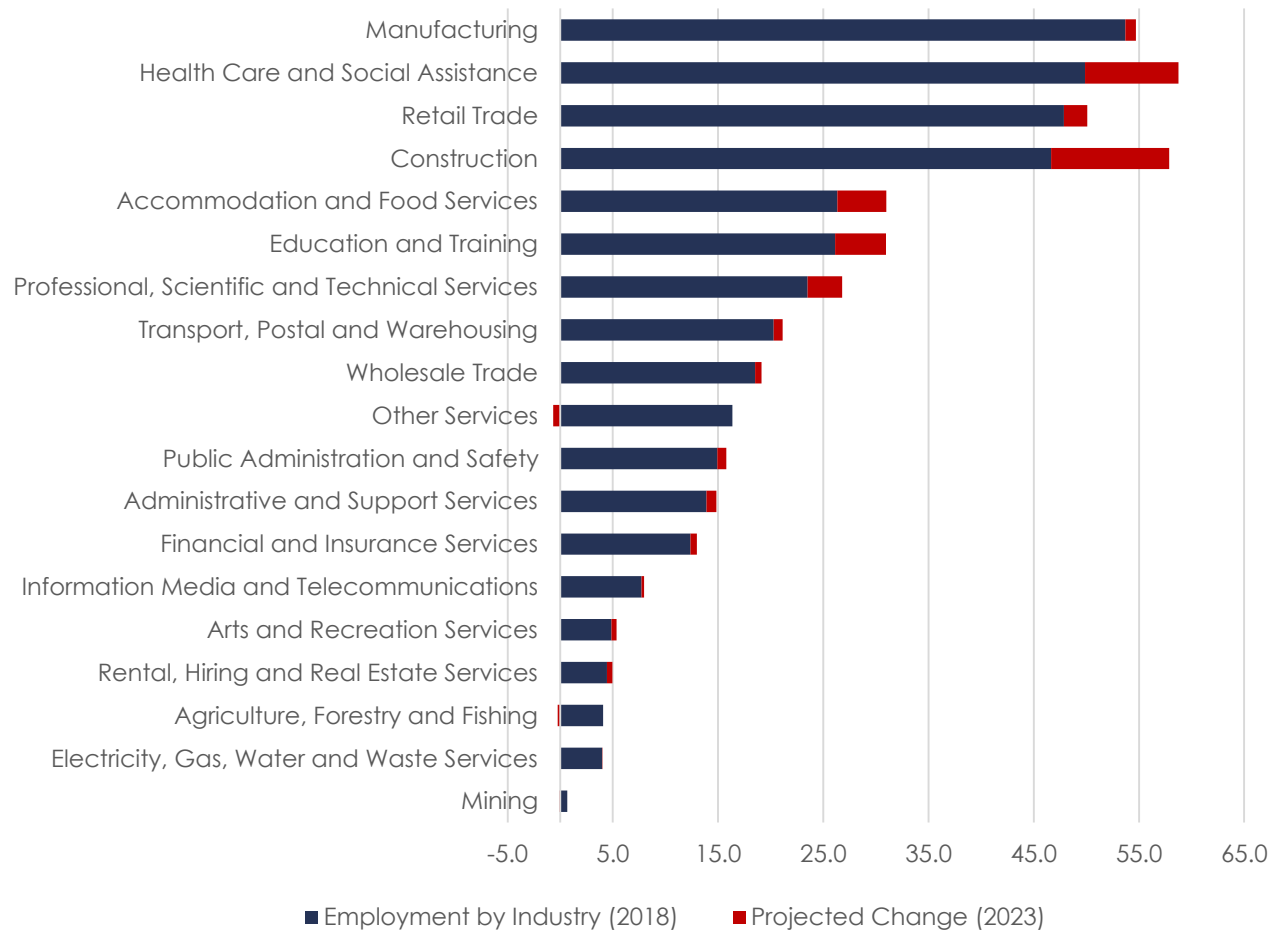


FEB 2019

KEY SECTORS IN DANDENONG: NOW AND THE FUTURE

- Employment in Melbourne's Southeast is expected to experience significant growth to May 2013.
- The largest employing industries operating within Melbourne's Southeast are Manufacturing (53,700 employees), Health Care/Social Assistance (49,800 employees), Retail Trade (47,850 employees) and Construction (46,600 employees).
- The most significant employment growth will occur in the Health Care/Social Assistance and Construction industries, employing an additional 11,250 people and 9,000 people respectively.
- Other Services, Agriculture, Forestry and Fishing and Mining industries are expected to decline by marginal amounts.

Projected regional employment growth by Industry - five years to May 2023



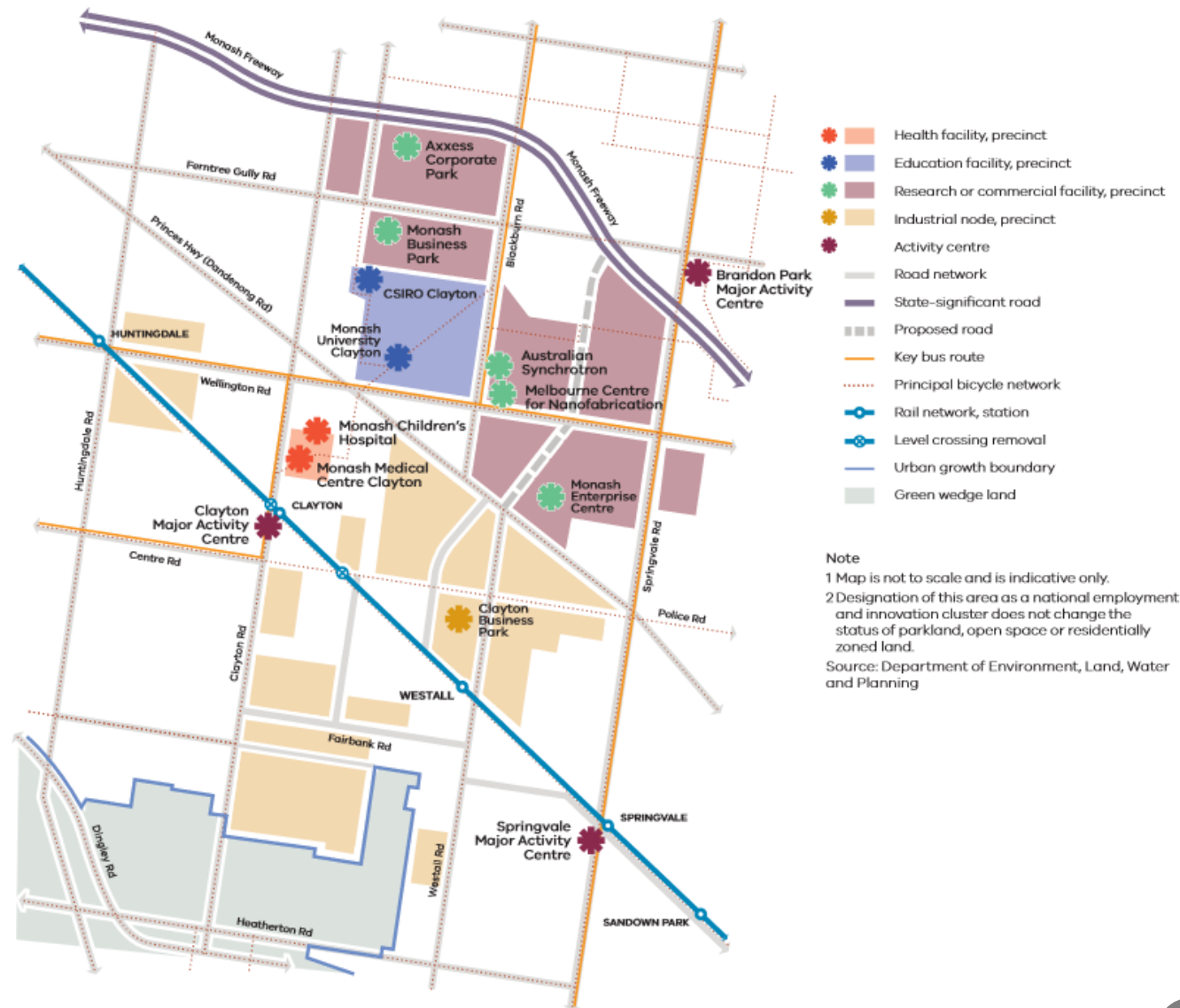
CLUSTER VS. SUPER REGION

- Dandenong is currently an NEIC, a cluster based around its advanced manufacturing.
- The long term potential of Dandenong is twofold: develop into a hub for skills in the outer southeast Super Region, or develop into a primarily residential area with several smaller hubs and one moderately sized regional hub.
- There is a need to balance urban renewal and commercial development.

MONASH VS. DANDENONG

MONASH NEIC

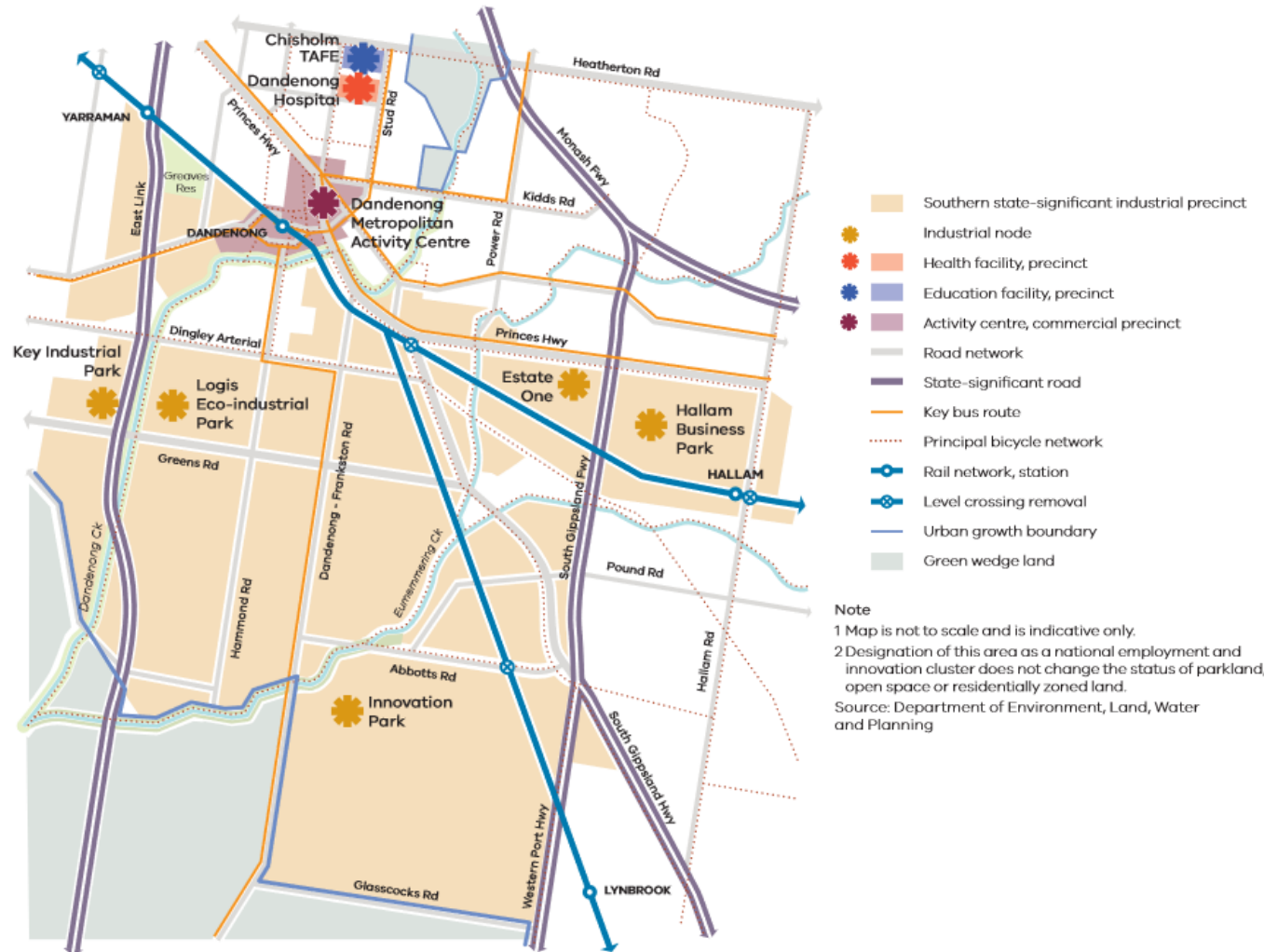
- Melbourne's largest concentration of jobs outside the CBD
- Supports approximately 75,000 jobs across a diverse range of industries
- Contributes over \$9.4 billion to the Victorian economy each year
- Employment numbers within the Monash Cluster have the potential to double over the next three decades
- The cluster has a critical mass of leading education, health and research facilities, including Australia's largest university (Monash University), the Australian Synchrotron, the Melbourne Centre for Nanofabrication, Monash Medical Centre, a new Monash Children's Hospital, CSIRO's largest site in Victoria and the Monash Enterprise Centre.
- Monash's influence is pushing eastward as prices increase.



MONASH VS. DANDENONG

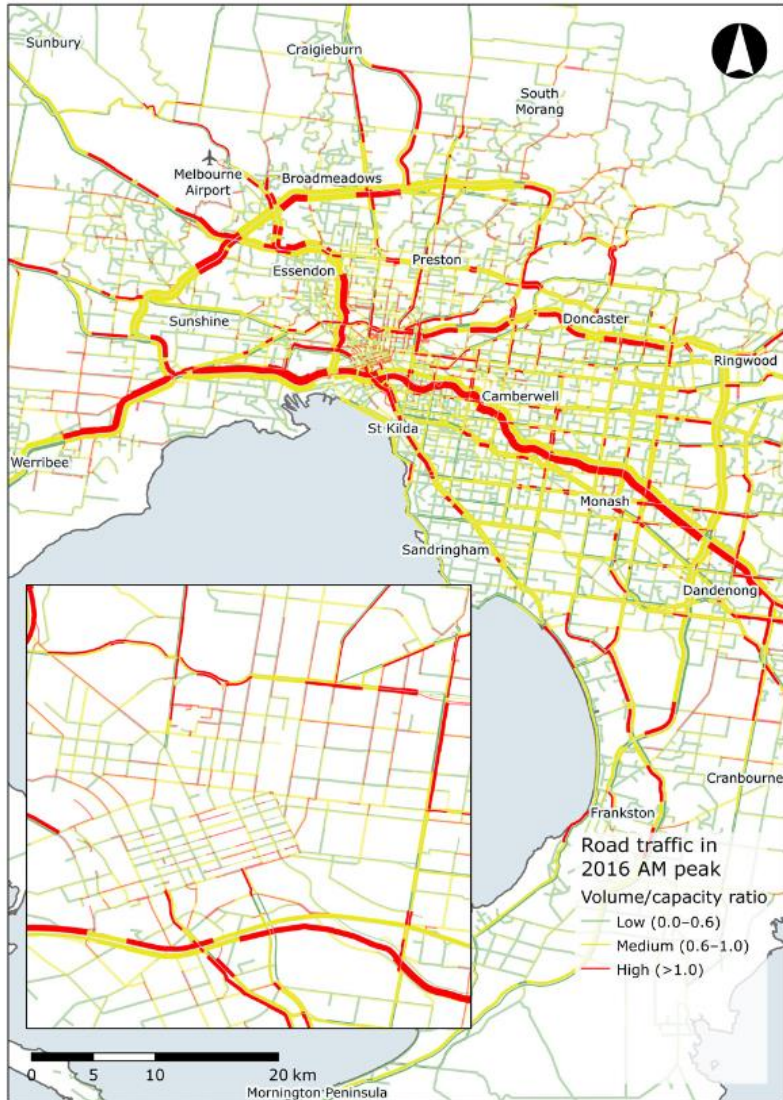
DANDENONG NEIC

- Employs more than 66,300 people
- It has strong links to the other nearby employment areas of Braeside, Carrum Downs, Pakenham and Knox/Bayswater—an industrial network that supports around 148,000 jobs.
- Part of one of Australia's most significant and productive manufacturing areas, with the manufacturing activities becoming increasingly knowledge based
- Hosts Victoria's first eco-industrial park, LOGIS, which includes the 74-hectare Innovation Park. The cluster also includes the Hallam Business Park and the Key Industrial Park.
- This has a substantial retail presence and a major medical and education precinct based around the Dandenong Hospital and Chisholm TAFE

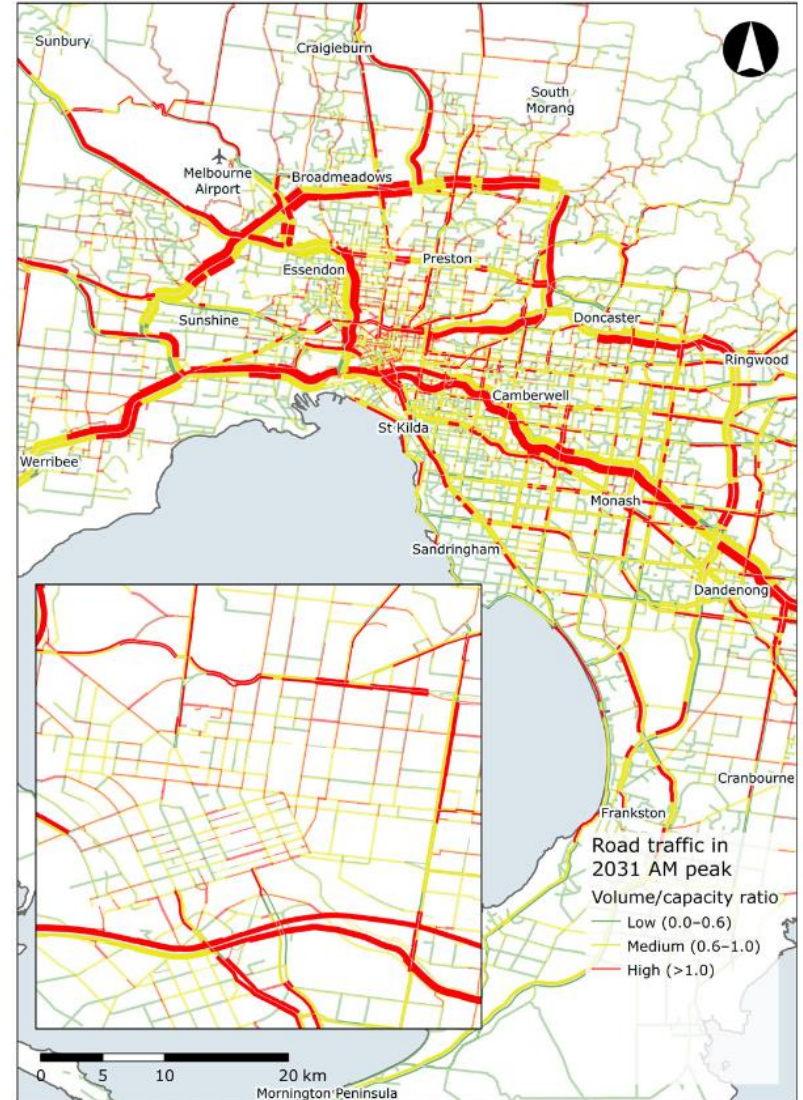


THE CONGESTION OPPORTUNITY

Melbourne weekday traffic volume / capacity ratio - 2016

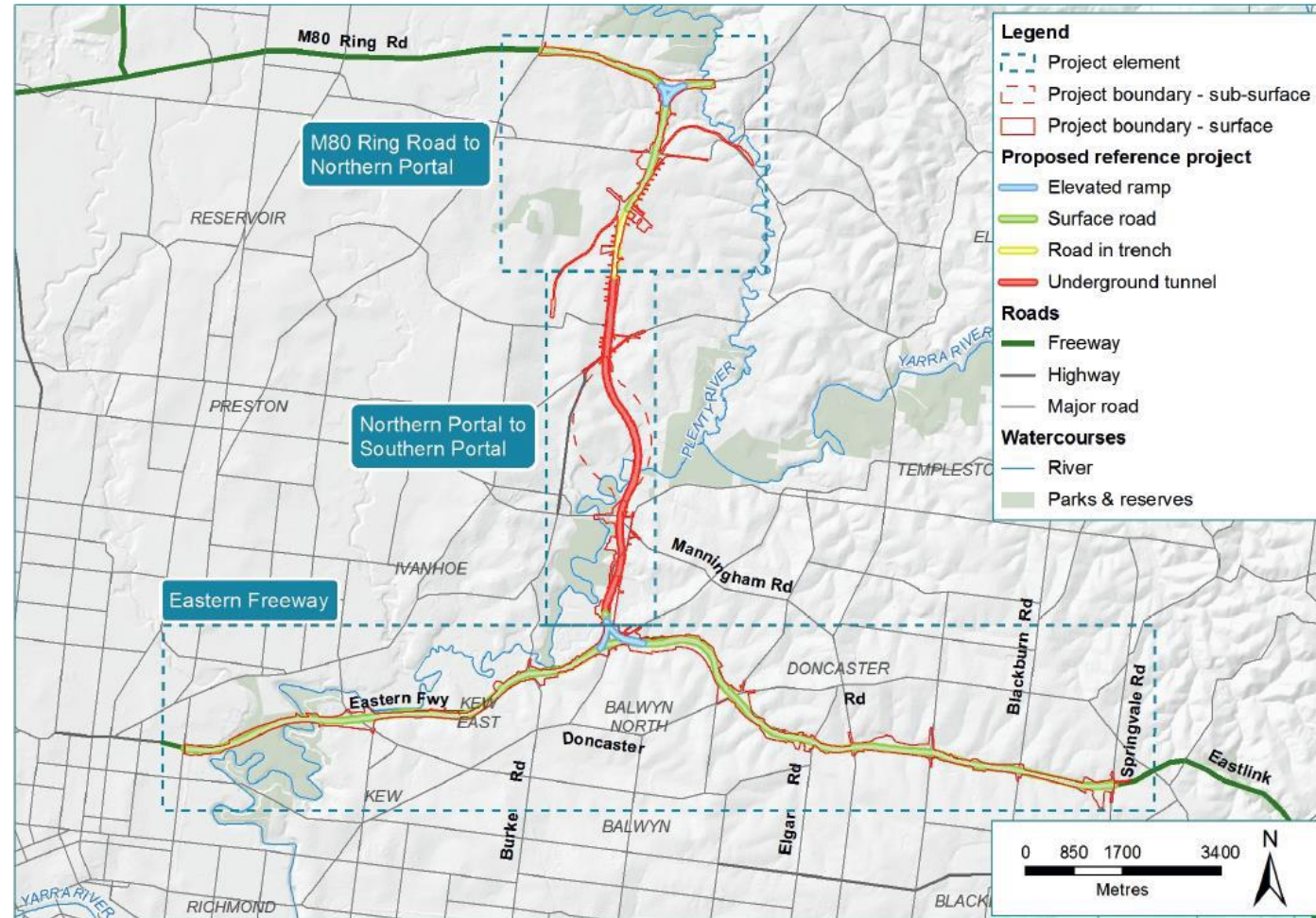


Melbourne weekday traffic volume / capacity ratio - 2031



A GREATER DANDENONG: THE NORTH EAST LINK

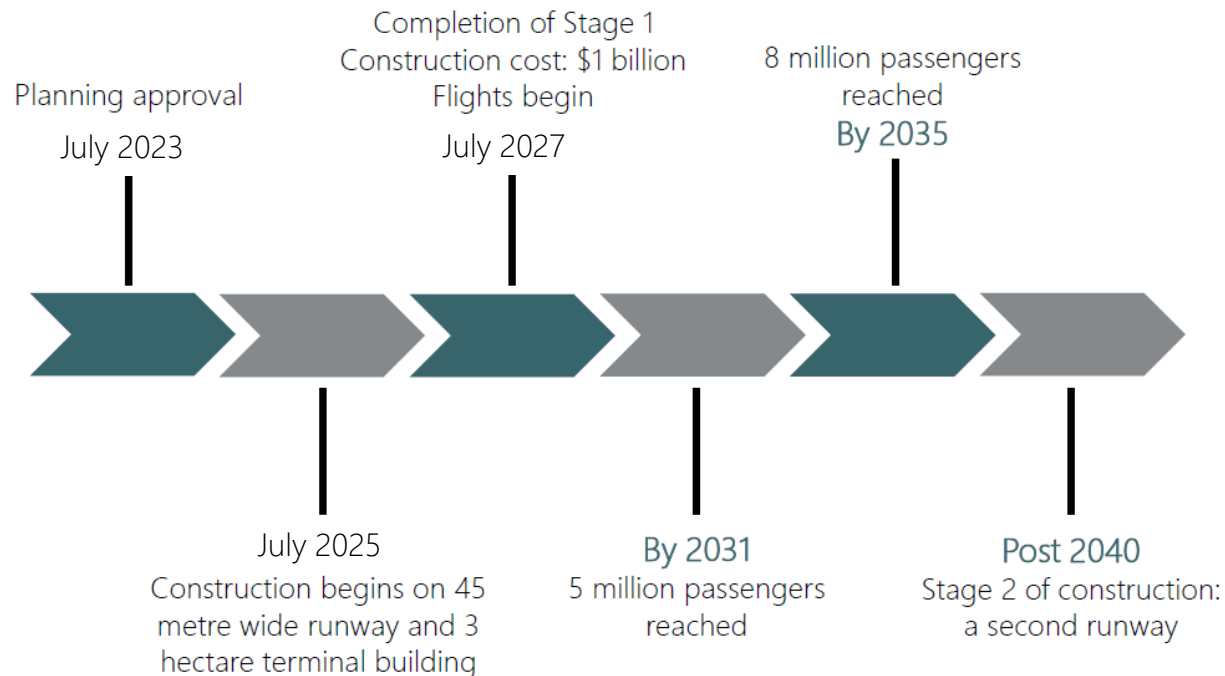
- The North East Link (NEL) is the largest road project in Victoria, adding an arterial road connection between the M80 Ring Road and the Eastern Freeway.
- Construction is scheduled to commence in 2020 and works are expected to be completed by 2027.
- This project is expected to create 10,000 jobs and provide \$427M of economic growth to Victoria.
- Approximately 110,000 – 130,000 vehicles will travel on the NEL per day, and it is expected to take 15,000 trucks off local roads.
- Travel times between Melbourne's North and Southeast will be slashed by 30 minutes.
- Workers in the north-east will have access to 56,000 more job opportunities.



A GREATER DANDENONG: THE SOUTH EAST AIRPORT

- The case for a South East Melbourne Airport was identified in Victoria's metropolitan planning strategy, Plan Melbourne.
- The South East Region, with a population of 2.1 million people, is evolving into the backbone of Melbourne's integrated, service based economy.
- Two of Melbourne's most significant national employment clusters, Monash and Dandenong, employ over 100,000 people and contribute billions to the state economy each year.
- The project will create an average of almost 1,000 FTE construction jobs per year for the life of the project and more than 6,000 ongoing jobs on site at the airport by 2035.

THE DEVELOPMENT SCENARIO



CASE STUDY: WESTERN SYDNEY AIRPORT

\$5.3 billion

Investment from the Australian
Government

Full service airport

International services

Domestic services

Freight services

Curfew free

28,000

direct and indirect jobs
by 2031



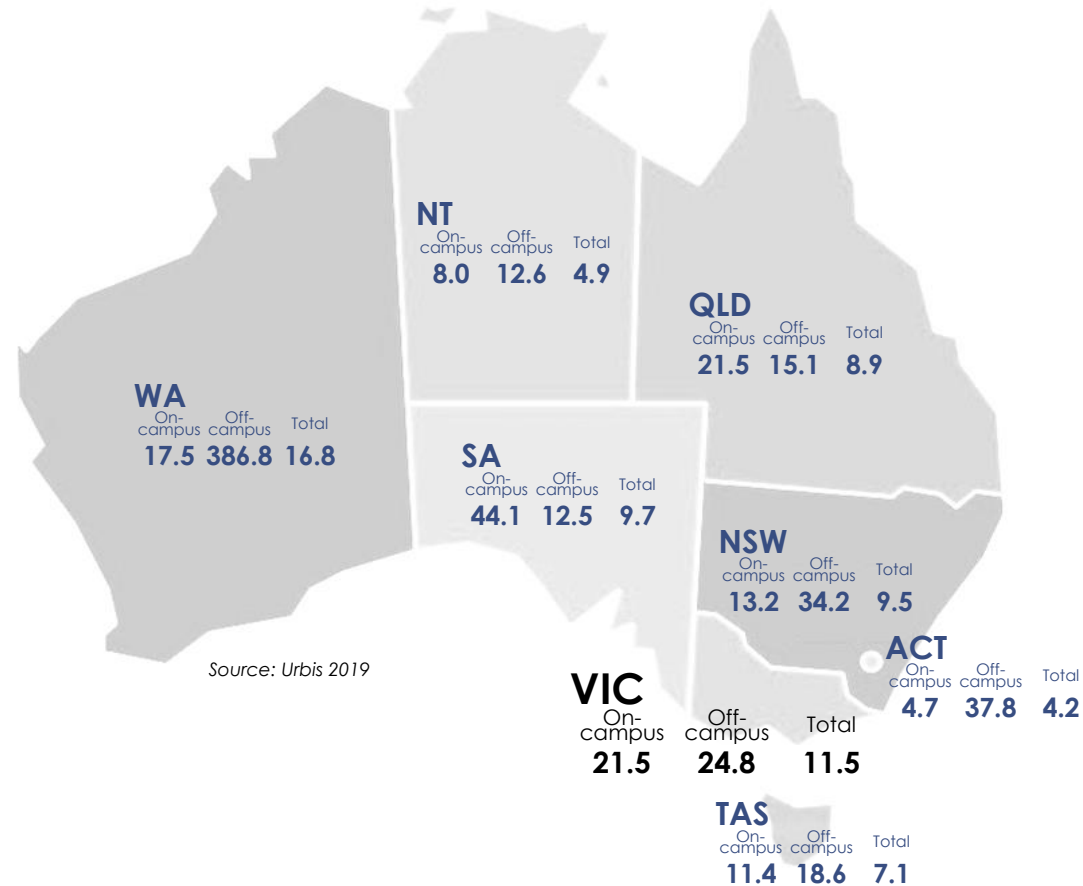
Operations should begin in 2026

STUDENT HOUSING

There are a number of student accommodation types including:

- **Purpose built student accommodation (PBSA)**
 - **Traditional halls of residence / college accommodation** – are generally University owned/managed properties that offer single bedrooms and shared bathrooms.
 - **Individual student studios and apartments** – are generally privately owned medium to high density developments offering a large number of simple private living opportunities.
 - **Shared students apartments and townhouses** – are generally a set of private bedrooms within a shared living area.
- **General Housing**
 - **Group housing** – generally accommodates up to 10 tenants in a single facility in a hostel style arrangement, with shared kitchen, bathroom and lounge rooms.
 - **Shared housing** – generally involves one or more persons renting a house and sub-letting rooms to others to increase affordability.
 - **Homestays** – provides students with the opportunity to live with a local family while studying.

PURPOSE-BUILT STUDENT HOUSING PROVISION RATES (FULL-TIME STUDENTS PER BED), 2019



Dandenong is well positioned to capture a significant student housing market, due to the station and the proximity of major tertiary institutions

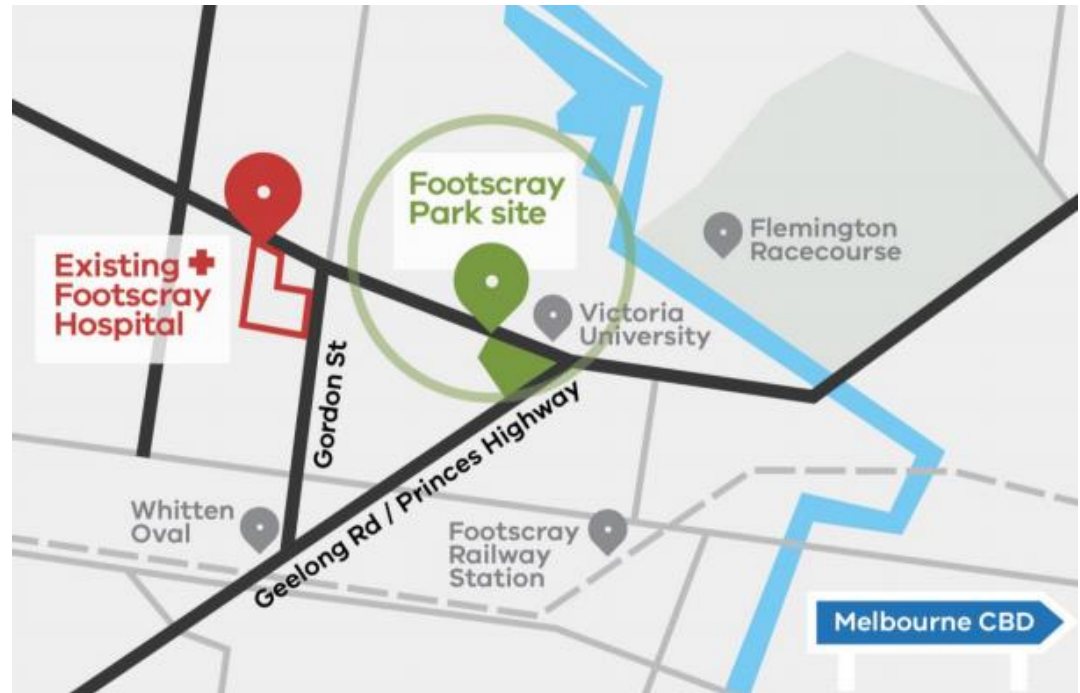
DANDENONG AS A HEALTH HUB

- Footscray hospital vs Dandenong Hospital
- Dandenong hospital: 573 beds
- Footscray hospital: 290 beds
- Dandenong hospital offers significantly more treatment services, including maternity services, special care nursery, aged services, inpatient psychiatric facilities, and rehabilitation.
- Dandenong has a strong competitive advantage in health with large catchments.



THE NEW FOOTSCRAY HOSPITAL

- The Government has committed to building a new Footscray hospital
- The hospital Received a \$1.5 Billion grant to deliver
 - at least 504 inpatient beds
 - acute facilities
 - specialist facilities
 - clinical support spaces
 - carparking
 - teaching and training spaces
- The hospital will begin operation in 2025



PARRAMATTA – A DUAL CBD FOR SYDNEY

Parramatta was targeted as an
employment hub

in the 1968 Sydney Region Outline Plan, with the 1988 'Sydney into its Third Century' plan identifying it as
a future equivalent Sydney's CBD

Achieving this involves

Large investment

and

Relocation of State agencies

\$2 billion

Parramatta Square
with a new Western
Sydney University campus

\$1 billion

Parramatta Light Rail

\$900 million

Westmead Hospital
Upgrade
Stage 1

\$5.3 billion

Western Sydney Airport

\$500 million

University of Sydney
Westmead campus expansion

\$450 million

Western Sydney
University
Westmead redevelopment

\$360 million

Western Sydney
Stadium Upgrade

\$100 million

Old King's School
primary school and Arthur
Phillip High School

Between 2007 and 2009, the following
government departments moved to
Parramatta:

- New South Wales Police Force Headquarters
- Sydney Water Corporation
- New South Wales Department of Attorney General and Justice corporate headquarters
- The Children's Court of New South Wales and the Sydney West Trial Courts
- Legal Aid Commission of New South Wales
- Office of Trustee and Guardian
- NSW Registry of Births, Deaths and Marriages
- Office of the Director of Public Prosecutions
- The Drug Court of New South Wales

This represented a total of over 15,000 jobs

PARRAMATTA – A DUAL CBD FOR SYDNEY

82,000

jobs approx. in Greater Parramatta



2011

A shift in the
main industry of
employment



2016

Cafes, Restaurants and
Takeaway Food
Services (5.7%)

Computer System
Design and Related
Services (12.7%)

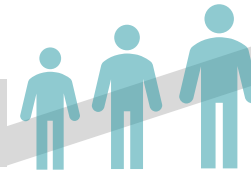
Parramatta will receive continued support with the “Decade of Decentralisation” policy, moving more government jobs to Parramatta

- The departments of Planning & Environment, Industry and Finance, Services and Innovation (beginning late 2019)
- Department of Education (2018-2020)
- 2,500 roles from the Department of Planning and Environment, the Office of Environment and Heritage and the Environment Protection Authority (2019+)
- 1,600 Department of Finance, Services and Innovation roles (2019+)

POPULATION GROWTH

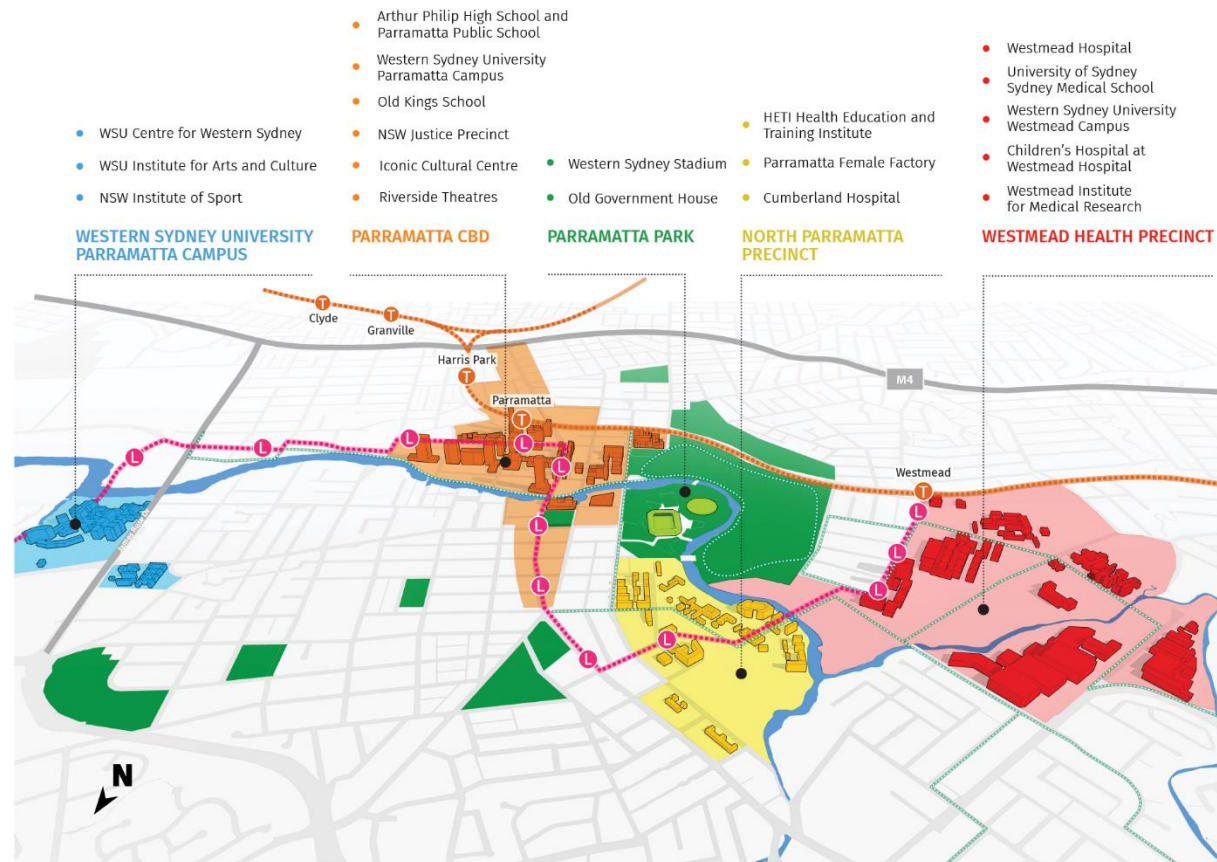
2011

19,745



25,798

2016



WHAT DOES DANDENONG NEED TO DO?

- Preserve its industries' skill bases, advanced manufacturing can only operate in areas with large pools of labour with the correct skillsets, which cannot be replaced when they are gone.
- Don't focus on attracting big business/headquarters
- Focus on synergistic growth sectors i.e. student housing, build to rent
- Work with State Government to get state significant public sector office development in Dandenong
- Focus the appeal of the 'CBD' offer towards young people and build up carefully – don't throw the baby out with the bathwater.

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