Urban Development Program

2011

Regional Industrial Report

Rural City of Wangaratta

State Government Victoria
Department of Planning and Community Development

ACKNOWLEDGEMENTS

This Urban Development Program was undertaken by Spatial Economics Pty Ltd, and commissioned by the Department of Planning and Community Development.

The Urban Development Program (Wangaratta) would not have been possible if it were not for the invaluable contribution made by staff from the Rural City of Wangaratta and the Department of Planning and Community Development's Hume Regional Office.

Published by the Urban Development Program
Department of Planning and Community Development
1 Spring Street Melbourne Victoria 3000
Telephone (03) 9208 3799

September, 2012

Accessibility

If you would like to receive this publication in an accessible format, please telephone (03) 9223 1783 or email urbandevelopment.program@dpcd.vic.gov.au. This publication is also published in PDF and Word formats on www.dpcd.vic.gov.au.

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The Urban Development Program for Regional Victoria provides an analysis of supply and demand for residential and industrial land across parts of regional Victoria. The initial municipalities covered were Ballarat, Greater Bendigo, Latrobe and Wodonga. This round of land supply assessments is for the municipalities of Wangaratta, Greater Shepparton, Warrnambool, Horsham and Mildura. This report provides information on industrial supply and demand for the Rural City of Wangaratta.

The following industrial land supply assessment was undertaken by Spatial Economics Pty Ltd and commissioned by the Department of Planning and Community Development in conjunction with the Rural City of Wangaratta.

The report draws on information and feedback obtained through a number of comprehensive consultations with key council officers and Department of Planning and Community Development regional officers undertaken through the course of the project.

SUPPLY OF INDUSTRIAL LAND

Within the Wangaratta LGA there was a total of 489 hectares of zoned industrial land as at July 2011. Of this land, 147 hectares was available for industrial development. All the industrial land in Wangaratta is zoned Industrial 1.

There are two distinct industrial areas in Wangaratta, one located near the urban centre of Wangaratta and another north of the urban centre. Although the precincts are broadly equivalent in size, they serve different purposes. The predominantly local service industry in the Wangaratta urban centre precinct has smaller lots catering to the local service industry. In this precinct nearly half the lots are smaller than 0.1 hectare whereas the northern precinct has no lots less than 1 hectare and seven lots greater than 10 hectares. In total there were 574 lots of industrial land with 90 lots identified as supply.

Across the municipality there is approximately 105 net developable hectares. There is also an estimated 41 net developable hectares in sites designated future industrial.

RECENT ACTIVITY

There was an average of 8 industrial building approvals per year for the period 2005-2006 to 2010-2011 in the municipality of Wangaratta. The majority were located within the Wangaratta Central Statistical Local Area. Of these approvals, 29 (62%) were for warehouse construction with the remaining approvals for factory construction. Over the same period, there was an estimated $9.7 million or $1.9 million per annum of construction value.

For the period 2005-06 to 2010-11 there were a total of 47 zoned industrial land subdivisions, all of which were located within the Wangaratta Central SLA. The number of industrial land subdivisions is closely correlated with the number of industrial building approvals. The majority of subdivisions (64%) resulted in allotments sized from 0.1 to 0.5 hectares. Of the 47 recently constructed lots, 20 remain vacant as at July 2011.

CONSUMPTION

The consumption of industrial land has been determined for the period 2001 to 2011 for the municipality of Wangaratta. Consumption of industrial land refers to the construction on or use of previously unutilised industrial land over time. On an average annual basis there has

been 2.7 hectares per annum of industrial land consumed. The level of consumption is shared between the two precincts: 1.4 hectares per annum in North Wangaratta and 1.4 hectares per annum in Wangaratta.

YEARS OF SUPPLY

The number of 'years of supply' is measured by dividing estimates of the net developable area by the average annual rate of industrial land consumption.

In total there is in **excess of 15 years** of industrial zoned land across the whole of the municipality of Wangaratta. There is also approximately a **15 years of supply** of additional future (unzoned) industrial land stocks.

At the SLA/precinct level the estimated years of industrial land supply based on historic consumption rates are:

- North Wangaratta
  - Zoned (IN1Z) – 15+ years; and
  - Future (unzoned) – 15+ years.
- Wangaratta
  - Zoned (IN1Z) – 15+ years; and
  - Future (unzoned) – 11 years.

Using sensitivity analysis to allow for increased demand for industrial land; two scenarios are given for a 25% increase and a 50% increase in historical demand. This results in the following adequacy for the municipality of Wangaratta:

- 25% increase in demand (3.4 hectares per annum)
  - Zoned (IN1Z) – 15+ years supply;
  - Future (unzoned) – 12 years supply;
- 50% increase in demand (4.1 hectares per annum)
  - Zoned (IN1Z) – 15+ years supply;
  - Future (unzoned) – 10 years supply.

Conclusion and Current Actions

In summary there is an adequate stock of zoned and unzoned industrial land stocks to meet trend and accelerated consumption rates across the Rural City of Wangaratta. Consumption of industrial land, however, should continue to be monitored to ensure there are sufficient land stocks to meet future demand.

Based on recent consumption, there are no identified deficiencies in the supply stock of industrial demand in terms of lot size configuration.

Further investigation may be required to establish the need for B3 zoned land. This type of zoning is generally located within close proximity to urban centres.

No competition or land monopoly issues have been identified that could restrict the timely and competitive release of industrial land to meet market needs.

Similarly, no issues have been identified in terms of land development dependent infrastructure provision that would prevent the timely delivery of industrial land subdivision and associated industrial purpose capital construction.

The current levels of zoned and 'future' industrial land provides sufficient stocks for longer term demand within Wangaratta.

1.0 INTRODUCTION

1.1 PURPOSE AND CONTEXT

The Urban Development Program was set up in 2003 to assist in managing the growth and development of metropolitan Melbourne and the Geelong region, and help ensure the continued sustainable growth of these areas in order to maintain their high levels of liveability.

The primary purpose of the Urban Development Program is to improve the management of urban growth by ensuring that government, councils, public utilities and the development industry have access to up-to-date and accurate information on residential and industrial land availability, development trends, new growth fronts, and their implications for planning and infrastructure investment.

To achieve the primary purpose the Urban Development Program provides accurate, consistent and updated intelligence on residential and industrial land supply, demand and consumption. This in turn assists decision-makers in:

- maintaining an adequate supply of residential and industrial land for future housing and employment purposes;
- providing information to underpin strategic planning in urban centres;
- linking land use with infrastructure and service planning and provision;
- taking early action to address potential land supply shortfalls and infrastructure constraints; and
- contributing to the containment of public sector costs by the planned, coordinated provision of infrastructure to service the staged release of land for urban development.

The information contained and reported within the Urban Development Program enables early action to be taken in areas where land shortfalls have been identified.

1.2 PROGRAM CONTEXT

During 2009-10, the Urban Development Program was expanded across key provincial areas across regional Victoria. Initially, this included the municipalities of Ballarat, Greater Bendigo, Latrobe and Wodonga. The next round of completed land supply assessments include the municipalities of Wangaratta, Greater Shepparton, Warrnambool, Horsham and Mildura.

In addition, land supply assessments for the following municipalities are near completion, these include: Mount Alexander, Mitchell, Macedon, Moorabool, Baw Baw, Bass Coast, South Gippsland, Moyne, Murrindindi, Colac-Otway and Golden Plains

The expanded Urban Development Program into regional Victoria will build local and regional data bases and, importantly, provide a platform for mapping and spatial analysis in each region. This will in turn allow councils and other key stakeholders in the planning and development sectors to make more informed decisions in the growth and investment of these key areas across regional Victoria.

The industrial and residential land supply assessments for the municipalities of Wangaratta, Greater Shepparton, Warrnambool, Horsham and Mildura were undertaken by Spatial Economics Pty Ltd, and commissioned by the Department of Planning and Community Development in conjunction with the associated councils.

These areas form the initial expansion of the Urban Development Program across regional Victoria. Other areas will be incorporated into the Urban Development Program in the future.

1.3 URBAN DEVELOPMENT PROGRAM REPORTS 2011

The Urban Development Program Reports 2011 for Wangaratta, Greater Shepparton, Warrnambool, Horsham and Mildura, as well as the Urban Development Program Report 2011 for metropolitan Melbourne, are available online at www.dpcd.vic.gov.au/urbandevelopmentprogram

Interactive online maps are also available. MapsOnline enables users to search for specific projects, generate reports and print or download maps and statistical reports. It allows users to search for specific land supply areas by region or municipality, estate name, Melway reference, street address or lot number.

To access the Regional Urban Development Program MapsOnline visit www.land.vic.gov.au/udp

For more information about the Urban Development Program, email the Department of Planning and Community Development at urbandevelopment.program@dpcd.vic.gov.au

2.0 APPROACH AND METHODOLOGY

For the purposes of the Regional Urban Development Program, land is either zoned for industrial purposes or identified for future industrial use.

Industrial land identified by the Regional Urban Development Program includes land within the Industrial 1 Zone (IN1Z), Industrial 2 Zone (IN2Z), Industrial 3 Zone (IN3Z) and Business 3 Zone (B3Z) as well as land that have been identified for future industrial development by the relevant Council.

In addition, where appropriate land zoned Special Use (SUZ) has been included i.e. the specific purpose of the zone is to recognise or provide for the use and development of land to support industrial type uses.

The IN1Z is the most commonly used industrial zone. The Industrial 2 Zone is designed for heavy industrial uses.

The IN3Z is a specialised zone that focuses on the needs of light industry, while the B3Z is aimed at facilitating the needs of industries with a high office based component.

Assessments of land supply are dependant on the availability of aerial imagery. The most current imagery available for this assessment was taken during the summer of 2009/2010.

Note that for the purposes of this report the regional component of the expanded Urban Development Program is referred to as the 'Regional Urban Development Program'.

METHODOLOGY FOR ASSESSING INDUSTRIAL LAND STOCKS

Industrial land data is collected and assessed using lot boundary, planning scheme information and aerial imagery. Additional information on the status of specific sites is gathered through stakeholder consultation, primarily discussions with relevant Council officers.

Industrial land supply and consumption data presented as part of the Regional Urban Development Program is based on the 2009/2010 aerial photography and updated to July 2011 via the consultation process. Information relating to zoning, overlays and other planning matters relates to the same period.

IDENTIFYING LAND STOCK

Industrial land stock includes all zoned industrial land within the municipality as well as land that have been identified by Council for future industrial development (unzoned stock).

In determining zoned land stock, each zoned industrial land parcel is assessed as either:

- **Supply –** zoned industrial land classified as available for industrial development. This includes land that is vacant, disused or assigned to marginal non-industrial uses with little capital value, such as farm sheds.
- **Unavailable –** zoned industrial land classified as unavailable for industrial development. This includes land already occupied by industrial uses, construction sites, major infrastructure, capital intensive farming operations, established residential premises or where it is known that the owner has strong intentions not to develop the land in the medium to long term.

In instances where industrial land was in the process of being approved for rezoning to another use (for example a Business, Residential or Mixed Use Zone) and, based on Council feedback, the land is identified as unavailable.

In several instances discrete parcels of land (within one title) have been created to demonstrate a high degree of availability for development on a particular site. For example, where there is a significant area of land with a specific use operating from a small portion of the land and it is understood the balance of the land is regarded as a potential development site, the title area has been split to show the occupied and vacant components of the land. This has been undertaken where these instances have been identified by the relevant Council officer.

ASSESSING THE STOCK OF INDUSTRIAL LAND

For all industrial land, each individual parcel is recorded with its size and the applicable zone. This enables an assessment of the overall or gross stock of land either as unavailable or available as supply. Subsequently, a further assessment is conducted to determine a net measure of supply ('net developable area').

Using a net measure of industrial land supply provides a more accurate basis for determining adequacy, as it measures the likely area available for development after accounting for local roads, open space, infrastructure requirements and environmental considerations. This varies from locality to locality, depending on site and regional-specific issues.

During 2008, the Department of Sustainability and Environment released maps indicating the location and extent of significant native vegetation across Victoria utilising satellite imagery. These maps were used as part of the assessment in determining the estimated net developable area.

Where native vegetation mapping indicated a classification of 'high' or 'very high' against vacant zoned land or land identified for future industrial purposes, the area impacted was removed from the gross area of land supply.

Further higher level (or regional) take outs were removed from larger key parcels of vacant zoned land or from land identified for future industrial development. This was carried out in consultation with the relevant Council.

Finally, the total area of remaining vacant land was separated into parcels of differing gradients of size to allow for local discounts (specifically for local roads and open space). This was done through both consultation and by calculating typical take out rates for such factors from recently completed development.

Discount factors (at each level) differ between municipalities depending on a variety of factors, specifically local geography.

CALCULATING CONSUMPTION

To determine consumption based trends, the Regional Urban Development Program has examined available aerial photography between specific periods. Given the limited availability of photography, for each municipality at least two prior periods (years) have been assessed using the methodology outlined above (i.e. assessing each lot as either 'unavailable or 'supply').

In comparing the extent to which consumption has occurred land has been 'back cast' against previous periods to ensure like for like areas have been compared. This has been done to ensure that the effect of the rezoning of new industrial land or the rezoning of industrial land to non-industrial uses does not distort the actual consumption that has occurred between periods.

YEARS OF SUPPLY

The number of 'years of supply' is measured by dividing estimates of the net developable of both zoned and unzoned areas by the average annual rate of industrial land consumption.

3.0 OVERVIEW

There are over 28,600 residents living in the Rural City of Wangaratta, 18,500 of who live in urban Wangaratta. Prominent townships and villages include Boorhaman, Cheshunt, Eldorado, Everton, Glenrowan, Oxley, Milawa, Moyhu, Peechelba, Springhurst, Tarrawingee, Whitfield and Whorouly .

Wangaratta's strategic location is a major draw card for industries keen to take advantage of the regions proximity to Melbourne, and major road and rail corridors and employment opportunities abound[1].

The regional economy is exceptionally diverse. Wangaratta is home to major manufacturing, transport and distribution activities and is the regional headquarters for several state government agencies[1].

Regional Victorian cities such as Wangaratta require an adequate supply of industrial land for jobs and services, such as manufacturing, service uses, logistics and warehousing to support continued economic development. The Urban Development Program for Regional Victoria provides the State Government and other stakeholders with a strategic overview of the supply and demand of industrial land across key regional Victorian cities.

The ABS definition of Wangaratta Urban Centre (Area) is the combination of the suburbs of Wangaratta (central SLA) and Waldara (north SLA).

The following industrial land supply assessment for the municipality of Wangaratta is presented in a number of sections. These include:

- An assessment of industrial building approval activity by location (Statistical Local Area) in terms of both volume and value. This includes the breakdown of factory and warehouse building approvals from 2005-06 to 2010-11;
- Presentation of all net industrial land subdivision activity by resultant lot size distribution from 2005-06 to 2010-11;
- A detailed presentation of existing industrial land stocks in terms of:
  - Stock by zone type
  - Future (unzoned) stock
  - Lot size configuration and area
  - Supply/unavailable stock
  - Net developable area
- Summary of industrial land consumption i.e. built form construction on vacant industrial allotments from 2001 to 2011. This is expressed as average annual land consumption (hectares). This forms the basis of projecting future demand for industrial land and therefore the assessment of the 'years of supply';
- An assessment of the years of supply of industrial land supply by zone type and location. This is also expressed in terms of accelerated growth assumptions of industrial land consumption; and
- Identification of any potential major impediments to the supply of industrial land to the market such as lack of competitive and provision of required infrastructure to develop the land.

[1] Wangaratta Rural City Council website

4.0 BUILDING APPROVAL ACTIVITY

A variety of factors influence the level of industrial building activity. In regional locations the key factors include:

- the investment and business activity behaviour of the private sector;
- trends in the global and local economy;
- the availability of credit and borrowings for business decisions such as a decision to make a capital investment in property for a business;
- levels of land supply in the area;
- economic activity within the region; and
- the degree to which other regional centres compete for investment.

The following provides an overview of Industrial Building Approval activity within the municipality of Wangaratta from 2005-06 to 2010-11 in terms of volume and estimated value of industrial building approvals.

From 2005-06 to 2010-11 there was an average annual basis eight industrial building approvals, the vast majority of which were located within the Wangaratta Central Statistical Local Area (SLA). Of these industrial building approvals, 62% (29) were for warehouse construction and the remaining 18 approvals were for factory construction. Table 1, summarises the volume of total industrial building approval activity by year and SLA.

Table 1: Total Number of Industrial Building Approvals by Year

SLA/LGA	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11[1]
Wangaratta (RC) – Central	4	10	9	3	10	na
Wangaratta (RC) – North	0	0	0	0	1	na
Wangaratta (RC) – South	0	0	1	1	1	na
Wangaratta LGA	**4**	**10**	**10**	**4**	**12**	**7**

Source: Australian Bureau of Statistics
1: From June 2010 the ABS only report industrial building approvals at an LGA level.

Table 2 summarises the estimated construction value of industrial building approvals activity over the same period. In total there was an estimated total value of approximately $9.7 million or an average of $1.6 million per annum. Of this estimated construction value, 73% was for warehouse construction, the residual for factory construction.

Table 2: Value ($) of all Industrial Building Approvals by Year

SLA/LGA	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11[1]
Wangaratta (RC) – Central	849,000	3,361,000	2,790,000	173,000	1,156,000	na
Wangaratta (RC) – North	0	0	0	0	75,000	na
Wangaratta (RC) – South	0	0	100,000	278,000	50,000	na
Wangaratta LGA	**849,000**	**3,361,000**	**2,890,000**	**451,000**	**1,281,000**	**842,566**

Source: Australian Bureau of Statistics
1: From June 2010 the ABS only report industrial building approvals at an LGA level.

5.0 INDUSTRIAL SUBDIVISION ACTIVITY

Detailed analysis of the cadastral database across industrial zoned areas across Wangaratta was undertaken to establish the location, volume and resultant lot size of industrial subdivision activity. Table 3 summarises the results of this analysis.

From 2005-06 to 2010-11 there were a total of 47 zoned industrial land subdivisions, all of which were located within the Wangaratta Central SLA. The number of industrial land subdivisions closely correlates to the number of industrial building approvals.

The majority (64%) of subdivisions resulted in industrial allotments sized from 0.1 to 0.5 hectares. Of the 47 recently constructed industrial lots, 20 remain vacant as at July 2011.

Table 3: Number of Industrial Subdivisions by Lot Size, 2005-06 to 2010-11

SLA/Suburb/LGA	Less than 0.1 ha	0.1 to 0.5 ha	0.5 to 1 ha	1 to 5 ha	5 to 10 ha	10+ ha	Total Lots
Wangaratta (RC) – Central	**6**	**30**	**6**	**3**	**1**	**1**	**47**
Wangaratta	6	30	6	3	1	1	**47**
Wangaratta LGA	**6**	**30**	**6**	**3**	**1**	**1**	**47**

Source: Spatial Economics Pty Ltd and Department of Planning and Community Development 2011

6.0 INDUSTRIAL LAND STOCKS

The following section of the report provides an overview of:

- existing zoned industrial land stocks;
- identified future (unzoned) industrial land stocks;
- stock of available (supply) and unavailable industrial land stocks;
- lot size distribution; and
- estimated net developable area.

The industrial land market across the municipality of Wangaratta is essentially located within two major precincts. The majority of historical activity in terms of subdivision, construction and existing industrial uses are located within the urban area of Wangaratta (Wangaratta SLA). The other major industrial precinct is located to the north of the Wangaratta township (North Wangaratta SLA).

At this stage, the northern precinct there has been relatively minimal occupancy, construction and subdivision activity. However, this is the location of the majority of existing and future developable industrial land stocks.

6.1 INDUSTRIAL LAND STOCKS – AREA

As at July 2011, there was a total of 469 hectares zoned industrial land stock, of which 147 hectares were assessed as available (supply) for industrial purpose development. This quantum of zoned industrial supply relative to unavailable industrial land stocks equates to a total land vacancy rate of 31%. Table Four summarises the gross area of industrial land stocks by status across the municipality of Wangaratta.

In terms of the geographic spread of zoned industrial land stocks across the municipality of Wangaratta there is a relatively even spread within the urban centre of Wangaratta (Wangaratta SLA) at 249 hectares and 220 hectares north of the Wangaratta urban centre (north Wangaratta SLA). However, the majority of the existing zoned supply (69% or 101 gross hectares) is located outside of the urban centre of Wangaratta (Wangaratta North SLA) compared to 46 gross hectares within the urban area of Wangaratta.

The distribution of zoned industrial supply stocks reflects the land area vacancy rate, within the Wangaratta SLA (urban area) the vacancy rate is 18%, whereas within the Wangaratta North SLA the corresponding vacancy rate is 46%.

All zoned industrial land across the municipality of Wangaratta is zoned Industrial 1 (IN1Z).

Table 4: Gross Area (hectares) of Industrial Land Stocks, 2011

SLA/Suburb/LGA	IN1Z		Land Area Vacancy Rate %	Total Area (zoned)	Future (unzoned)
	Supply	Unavailable			
North Wangaratta	**101**	**119**	**46%**	**220**	**37**
North Wangaratta	101	119	46%	**220**	37
Wangaratta	**46**	**204**	**18%**	**249**	**22**
Wangaratta	46	204	18%	**249**	22
Wangaratta LGA	**147**	**322**	**31%**	**469**	**59**

Source: Spatial Economics Pty Ltd and Department of Planning and Community Development 2011

Across the municipality of Wangaratta a total of 59 gross hectares has been identified as designated future (unzoned) industrial stock, of which 22 hectares are located within the urban centre of Wangaratta and 37 hectares within the North Wangaratta SLA.

6.2 INDUSTRIAL LAND STOCKS – LOT SIZE DISTRIBUTION

Table 5 below details the number of zoned industrial lots by selected lot size cohorts. As at July 2011, there was a total of 574 zoned industrial allotments, of which 94 lots were identified as available supply.

Of the industrial allotments located within the Wangaratta North SLA are all above one hectare and of the allotments that have an industrial use are relatively under-utilised. In total, there were 23 industrial allotments of which 12 lots were identified as supply or 101 hectares.

Within the urban area of Wangaratta there were a total of 551 industrial allotments of which 82 were available supply. The majority of allotments (82%) were less than 0.5 of a hectare. This illustrates that the majority of demand for industrial allotments is at the smaller end.

However, there are a few industrial users on land parcels greater than five hectares.

Table 5: Number of Industrial Allotments by Lot Size Cohort, 2011

SLA/Suburb/LGA	Less than 0.1 hectares		0.1 to 0.5 hectares		0.5 to 1 hectares		1 to 5 hectares		5 to 10 hectares		10+ hectares		Total Lots	
	Supply	Unavailable	Supply	Unavailable	Supply	Unavailable	Supply	Unavailable	Supply	Unavailable	Supply	Unavailable	Supply	Unavailable
North Wangaratta	**0**	**0**	**0**	**0**	**0**	**0**	**5**	**7**	**3**	**1**	**4**	**3**	**12**	**11**
North Wangaratta	0	0	0	0	0	0	5	7	3	1	4	3	12	11
Wangaratta	**24**	**230**	**42**	**177**	**5**	**33**	**9**	**23**	**2**	**3**	**0**	**3**	**82**	**469**
Wangaratta	24	230	42	177	5	33	9	23	2	3	0	3	82	469
Wangaratta LGA	**24**	**230**	**42**	**177**	**5**	**33**	**14**	**30**	**5**	**4**	**4**	**6**	**94**	**480**

Source: Spatial Economics Pty Ltd and Department of Planning and Community Development 2011

6.3 SUPPLY OF INDUSTRIAL LAND

As previously outlined there was, at July 2011, 147 gross hectares of zoned industrial land supply and 59 gross hectares of land identified for future industrial development (unzoned).

Of this identified supply, there will be a proportion of land not available for development. Such land development take-outs include, but not limited to include: local and regional roads, supporting infrastructure, open space requirements, native vegetation, excessive slope and other environmental constraints (water-ways). Land development take-outs vary by site and particularly the size of the allotment.

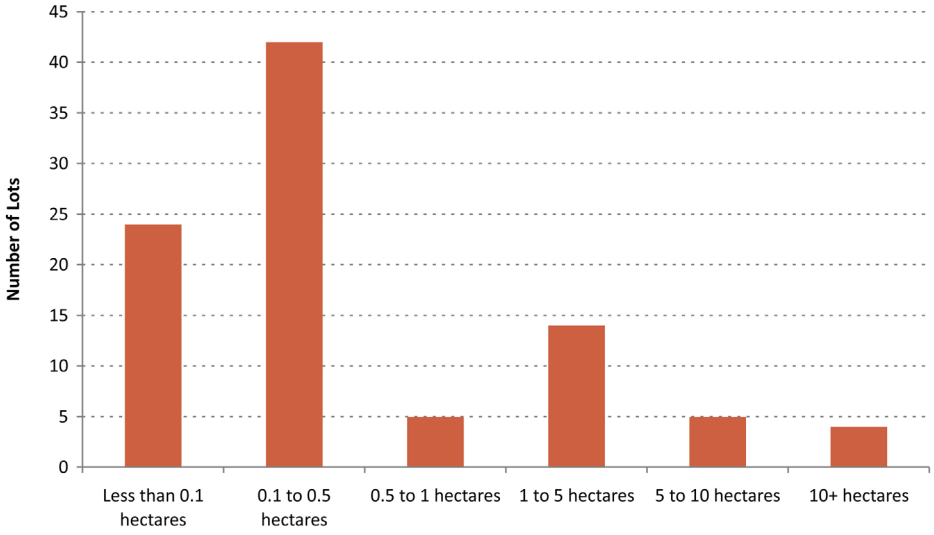
Specific land development take-outs have been assessed on a parcel by parcel basis and results in an estimate of the net developable area i.e. the area available for actual industrial site development.

In total for zoned industrial land supply across the municipality there is approximately 105 net developable hectares. In terms of future identified industrial land stocks (unzoned) there is an estimated 41 net developable hectares.

The graph below illustrates the supply of industrial allotments by selected lot size cohort. The vast majority (70%) of the allotments identified as supply are less than 0.5 hectares. This reflects the distribution of recent consumption, subdivision and occupied industrial lot status across the municipality. In essence, reflecting the lot size configuration of historical and existing demand.

There are nine industrial lots identified as supply that are greater than five hectares. Given recent consumption rates this is sufficient for both the potential for large industrial land users and/or for further subdivision into smaller allotments.

Graph 1: Number of Industrial Lots (supply) by Lot Size Range, 2011



Source: Spatial Economics Pty Ltd and Department of Planning and Community Development 2011

7.0 CONSUMPTION OF INDUSTRIAL LAND

Detailed analysis of existing and historic aerial imagery combined with zoning and cadastral information from 2001 to 2009 has been used to establish the consumption of industrial land. From 2009 to 2011, consumption of industrial land has been supplemented with 'intelligence' gathered from consultation with council and DPCD regional officers.

Consumption of industrial land refers to the construction on or use of previously unoccupied industrial land over-time.

From this assessment the consumption of industrial land can be established by location, lot size and zoning. Consumption of industrial land is used as the primary indicator of future demand for industrial land and therefore the years of supply can be established.

From 2001 to 2011 on an average annual basis, 2.7 hectares per annum of industrial land has been consumed. The level of consumption is relatively uniform across the two separate industrial precincts. Namely:

- 1.4 hectares per annum – North Wangaratta; and
- 1.4 hectares per annum – Wangaratta.

It is worth noting that industrial land consumption within Wangaratta North was typically for larger industrial allotments. Within Wangaratta, however, consumption of industrial allotments was typically for smaller allotments i.e. below 0.5 hectares.

8.0 YEARS OF SUPPLY – INDUSTRIAL LAND

The number of 'years of supply' is measured by dividing estimates of the net developable area by the average annual rate of industrial land consumption.

Table 6 below summarises the estimated years of supply by location and supply type.

Firstly, identifying the future location and amount of consumption of industrial land is an uncertain task. Current levels of consumption are used as an indication of the 'number of years' of industrial land supply. However, the level and location of future consumption may change due to:

- the investment and business activity behaviour of the private sector;
- trends in the global economy;
- propensity for certain activities to agglomerate;
- directions in technology;
- population/employment trends;
- environmental impacts and adaptation; and
- social attitudes.

In total, there is in **excess of 15+ years** industrial zoned land across the municipality of Wangaratta based on the average annual rate of land consumption in the period 2001 to 2011. In terms of future (unzoned) industrial land stocks it is estimated that there is approximately an **additional 15 years of supply**.

Table 6: Years of Supply of Industrial Land Stocks

	Net Developable Area (hectares)		Years of Supply		
SLA/Suburb/LGA	IN1Z	Future (unzoned)	IN1Z	Future (unzoned)	Total
North Wangaratta	**67**	**26**	**15+**	**15+**	**15+**
North Wangaratta	67	26	15+	15+	15+
Wangaratta	**38**	**15**	**15+**	**11**	**15+**
Wangaratta	38	15	15+	11	15+
Wangaratta LGA	**105**	**41**	**15+**	**15**	**15+**

Source: Spatial Economics Pty Ltd and Department of Planning and Community Development 2011

At a SLA/suburb level the estimated years of industrial land supply based on historic consumption rates include:

- North Wangaratta
  - Zoned (IN1Z) – 15+ years; and
  - Future (unzoned) – 15+ years.
- Wangaratta
  - Zoned (IN1Z) – 15+ years; and
  - Future (unzoned) – 11 years.

Historical industrial land consumption is a sound base to assess future consumption of industrial land consumption. However, economic/employment activity can and will invariably change. Specifically, as local resident population increase so will the requirement for additional employment land to 'service' resident population needs. In addition, there is

always the likelihood of 'export' related industry development that would require additional industrial land. Due to this uncertainty relating to forecasting industrial land requirements two demand scenarios and related adequacies are presented, namely a 25% and 50% increase in the demand for industrial land.

With increased land demand scenarios the adequacy of industrial land stocks result in:

- 25% increase in demand (3.4 hectares per annum)
  - Zoned (IN1Z) – 15+ years supply;
  - Future (unzoned) – 12 years supply;
- 50% increase in demand (4.1 hectares per annum)
  - Zoned (IN1Z) – 15+ years supply;
  - Future (unzoned) – 10 years supply.

Based on identified existing stocks of industrial land, there is an adequate supply of zoned and unzoned industrial land stocks to meet trend and accelerated consumption rates across the municipality of Wangaratta.

By zone type based on trend demand there is in excess of 15 years supply of land zoned IN1, although there are currently no stocks of IN2 or B3 zoned land. In terms of future (unzoned) industrial land stocks it is estimated that there is in excess of 15 years additional supply.

GLOSSARY OF TERMS

FUTURE INDUSTRIAL LAND

Land identified by the relevant municipal authority for future industrial development and current zoning not supportive of industrial development. Land which is has an 'Urban Growth Zone' applied, and where a precinct structure plan has not yet been approved, may also fall into this category.

GROSS INDUSTRIAL LAND AREA

Measures the area of industrial land at a cadastral lot/parcel level.

LOCAL GOVERNMENT AREA (LGA)

A geographical area that is administered by a local council.

LOT (INDUSTRIAL)

Discrete area of land defined by a parcel boundary identified in the Vicmap Property Database. Each lot has an associated land title, and is either zoned for industrial purposes or identified for future industrial use.

MAPSONLINE

An interactive online program that gives users the ability to search for specific projects, generate reports, and print or download maps and statistical reports. It also allows the user to search for specific land supply areas by region or LGA, estate name, Melway reference, street address or lot number, and contains mapping and statistical information sourced through the Urban Development Program. Registered users can also make site-specific feedback on-line.

NET INDUSTRIAL LAND SUPPLY

Measures the estimated area available for industrial development after accounting for local roads, open space, infrastructure and environmental considerations.

PRECINCT STRUCTURE PLANS

In the Urban Growth Zone (UGZ), the precinct structure plan (PSP) is the key document that triggers the conversion of non-urban land into urban land. A precinct structure plan is a long-term strategic plan that describes how a precinct or a series of sites will be developed.

STATISTICAL LOCAL AREA (SLA)

A geographical area created by the Australian Bureau of Statistics for statistical purposes. Victoria is divided into 200 SLAs. SLAs may be the same as an LGA or in most cases several SLAs aggregate to form LGAs.

SUBURB (AUSTRALIAN BUREAU OF STATISTICS)

This is a census-specific area where Collection Districts are aggregated to approximate suburbs.

SUPPLY (INDUSTRIAL LAND)

Zoned industrial land classified as suitable for industrial development. This includes land that is vacant, disused or assigned to marginal non-industrial uses with little capital value, such as farm sheds or vehicle storage.

UNAVAILABLE (INDUSTRIAL LAND)

Zoned industrial land classified as unavailable for industrial development. This includes land already occupied by industrial uses, construction sites, major infrastructure, intensive farming operations, established residential premises or where ownership development intentions indicate the land will not be developed in the foreseeable future.