

Don't turn out lights

Plea for zoning rethink

OLGA GALACHO

An artist's impression of The Base in Yarraville, an example of light industrial development.

CONCERN is growing among some investors that light industrial zones will disappear in suburbs undergoing renewal west of the CBD.

As heavy industrial manufacturers continue the exodus from areas such as Fishermans Bend, Port Melbourne, Footscray and Altona, large parcels of land are being rezoned to encourage developers to build mini, mixed-use suburbs.

Yarraville businessman Cameron McDonald told *Commercial Property* there was a risk that some projects focused on residential and commercial assets could freeze out developers of light industrial parks.

Mr McDonald, who recently bought an off-the-plan "urban workspace" at Yarraville's The Base, warned city planners not to neglect "quality industrial" uses for brownfield and infill sites west of the city.

A Mortgage Choice franchisee, he said his latest investment is likely to be leased to a "tradesman, bespoke manufacturer or even an accountant or solicitor who needs storage space".

However, he said The Base was a boutique development with just 50 units planned and once these were all sold, there would be a shortage of similar properties in Yarraville.

Across the road from The Base, a permit has been granted for the construction of 1500 apartments and townhouses, plus a small retail centre, on the former Bradmill textile factory site. Dubbed Yarraville Gardens, the 52.4 hectare estate just 6km from the city was reportedly sold for \$160 million to local Chinese businessman Tommy Jiang last year.

This month, Singapore's ABR Holdings paid \$20 million for a former insulator factory at 2 Banool Ave, Yarraville. The purchaser said the deal was conditional on acquiring a permit for 81 residences on the 1.5-hectare site.

In nearby Footscray, the old Kinnears Ropeworks site on Ballarat Rd will be redeveloped into a 1400-dwelling neighbourhood.

Next month, State Planning Minister Richard Wynne is due to release a "final vision" for the overhaul of Fishermans Bend, home to the soon-to-be decommissioned 38-hectare Holden car plant and other heavy industry.

Government projections put the suburb's potential population at 80,000 by 2050.

In Altona North, Toyota has also wound back car manufacturing and is likely to sell its Grieve Pde site.

Commercial agent Glyn Bosisto said it was possible that many smaller sites would also be converted to residential.

"Councils need to be mindful when they rezone these sites that they still need to plan for light industrial areas," Mr Bosisto said.

"It is all very well to build thousands of new homes, but people, especially small businesses, also need a place to work near where they live."

Bosisto Commercial specialises in off-the-plan workshops that sell for between \$250,000 and \$450,000 to mostly small businesses.