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Master planned community employment centres - the 'wall flower' of business locations

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Abstract

Suburban employment centres established within a master planned community (MPC) are now becoming a common feature in these large scale developments. Government planners have encouraged this to achieve a job-housing balance and minimise work-related travel, while private developers attempt to fulfill their promise of a lifestyle to 'live, work and play' for the MPC residents. However, these employment centres within the MPC suffer a higher than average vacancy rate as compared to surrounding commercial areas.

Current research shows that only one in ten MPC residents work in the same suburb that they live in whereas traditional subdivision residents have a better than one in six chance to work where they live. More than seventy per cent of businesses are located in the middle to outer suburbs where these MPCs are located paradoxically they are just not located within them.

MPC employment centres therefore appear like a 'wallflower' - well presented, manicured and providing a sense of exclusivity but are often overlooked by potential tenants – more specifically office type firms.

Delivering a successful high occupancy MPC employment centre needs a concerted effort from all concerned. By the nature of the MPC as a suburban employment location the level of support needs to be more intensive with the focus and intention of economic development rather than merely an urban development project.

This paper will provide the contextual background of this issue by investigating the supply and demand requirements of firms and what MPC employment centres can do to attract them.

Key words: Master planned communities, employment centres, location decision, analogy

INTRODUCTION

Master planned communities (MPCs) have become an increasingly important feature of large scale urban design solutions in Australia particularly in high growth areas such as South East Queensland (SEQ). These MPCs are mostly found in outer suburban areas and are promoted as sophisticated and 'complete' in providing residents with housing options, lifestyle facilities and amenities, and economic opportunities.

The rate of residential houses being built and sold in MPCs tend to perform better than other forms of subdivision or compared to established housing (Eves 2007). The formula to deliver this component is so successful that the current house and land package offer has been criticised as not having any major innovation in the past twenty years. However, for the other component of the MPC, the employment centre its take up and occupancy is not as successful as the other residential and lifestyle components of the development.

The MPC's employment component while completed and built up, has been observed to suffer a higher than average vacancy rate as compared to the surrounding employment areas. For example in SEQ, the MPC employment centre in Varsity Lakes at the Gold Coast (approximately 100 km south of Brisbane, the state capital) had a vacancy rate of 29.2% in 2010 which was significantly higher than the average levels of the Gold Coast commercial business district (CBD) and surrounding office market of 22.4% during the same period. This is despite the provision of newly built quality office accommodation in 2010 in Varsity Lakes.. Similarly, on the northern side of Brisbane, the Sunshine Coast (a similar 100 km distance north of

Brisbane), the Kawana commercial area suffered a 34.4% vacancy rate in 2010 as compared to the Maroochydore CBD average of 16.4% (Day 2010), also in spite of its relatively new buildings.

This issue is not exclusive to SEQ. Other MPCs such as Celebration - the Disney project in Central Florida (Reep 2008) Markham, Surrey, and Calgary in Canada (Grant, J 2002; Grant, Jill & Perrott 2010) have recognised the difficulty of providing a range of mixed uses in their developments too – they have remained largely residential.

The regional stakeholders (developers, building owners, real estate agents and local governments) recognise the problem but perhaps not the long term effects or its impact as there is little concerted effort to find a solution. The performance of MPC employment centres (through vacancy rate measures) do not arise as a general concern of local governments or the public perhaps because it is largely privately owned. The attention is would get would be from industry bodies such as Property Council of Australia (PCA) or real estate agents as they monitor occupancy rates. Local governments and economic groups however need to be concerned with long term initial vacancy and extended vacancies (differentiated from normal vacancy) as the negative externality created has a compounding effect on the reputation of the area as an economic centre.

If major economic decisions continue to be made by MPC developers, investors, and policy makers based on a belief in the ability of these integrated large scale residential communities to attract and sustain an employment node; then it would now appear both urgent and critical whether these investment decisions are indeed soundly based and have an economic management framework to support the economic project.

This research project invites stakeholders and policy makers to have a 'fresh look' at the situation given the performance over the last decade of MPC employment centres. It will use analogy as a tool to inspire creative thinking to address this problem.

This paper will provide a brief literature review of MPCs and their employment centres. Key findings from twenty four key informants' in-depth interviews on how and why the problem exists will be presented. The paper concludes with four possible propositions which can be adopted and acted upon in the development of employment centre location decisions.

BACKGROUND LITERATURE REVIEW

MPC employment centres can be studied from several perspectives, first as part of overall MPC development of which it is a key component, second as an activity centre of which it is part of the network of employment concentrations, and finally, as a location option for firms. The following literature review will address those perspectives.

As part of a complete MPC

The development of contemporary MPCs is relatively young in Australia when compared to the United States and United Kingdom counterparts which have been delivering MPCs and new towns for more than six decades. This is evidenced by the emergence of a study framework for contemporary master planned estates and communities in Australia in 2006 (McGuirk & Dowling 2007). This framework makes a distinction between MPEs and MPCs and distinguishes the different spatial forms of residential estates developed in Australia (McGuirk & Dowling 2007).

MPC developments can either be vertical (a high rise building or a cluster type) or horizontal (subdivision type). An MPC can be located in an inner urban, brownfield (re-development) site or in a city fringe (suburban) or an outer edge (exurban) greenfield (never been built on) site. For wherever the location, or spatial form the principal product here is 'community', which has become a commodity traded by large-scale developers (Costley 2006).

They are characterised by their different forms but all are dominantly residential. The McGuirk & Dowling MPE framework classifies the urban forms along a continuum with the key distinction being the intensity of developer intervention and support in the formation of community life within the development. Figure 1 illustrates the range of MPEs and shows where MPCs sit in the continuum.

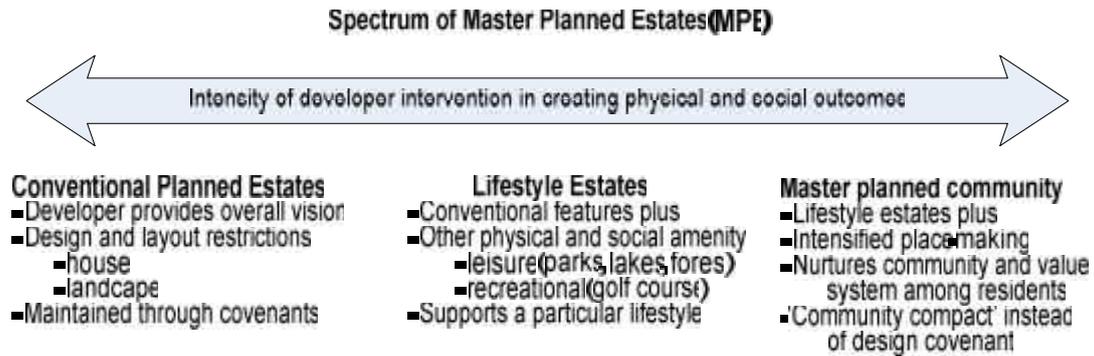


Figure 1
Spectrum of Master Planned Estates
Author's illustration interpreted from McGuirk and Dowling (2007)

On one end of the spectrum, are 'conventional planned estates' wherein developers provide covenants and restrictions to the design and landscape guidelines of the estate. Somewhere in the middle of the continuum (not in the illustration above) are 'special purpose estates' that address a specific interest or use (i.e. retirement village, seniors only, over 55s only, ecovillages, etc.). Next to it would be 'lifestyle estates' which would be similar to a conventional residential estate inclusive of other amenities such as a horse riding trail, golf course, forest walk, etc. While at the other extreme end of the continuum are communities called 'Master Planned Communities' (MPC) where developers support the creation of a social community that include various tools such as built environment amenities (e.g. clubhouse, community pool, barbeques and playgrounds, etc.), governance structure (e.g. homeowners associations, community titles, body corporate etc.), a dedicated developer-funded community facilitator / social coordinator and the like (McGuirk & Dowling 2007).

Clearly, not all MPCs are the same - they differ in form, character, size, governance structures, delivery mode, level of security and amenity, availability of community services, and range of infrastructure and services (Gwyther 2005; McGuirk & Dowling 2007; Minnery & Bajracharya 1999). The reference to MPCs in this paper are those that are integrated and complete with areas allocated to cater to residents and the community for residential, retail, commercial, and recreation uses.

Other scholarly research that have been done on MPCs and employment within them have been limited to work life balance issues (Pocock, Williams & Skinner 2007; Skinner, Ichi & Williams 2009; Williams et al. 2009) transportation and journey to work issues (Burke, Dodson & Gleeson 2010; Gleeson, B. & Coiacetto 2007; Gleeson, Brendan, Darbas & Lawson 2004; Yigitcanlar, Tan et al. 2005; Yigitcanlar, T et al. 2010), and planning issues (Minnery & Bajracharya 1999). There is no research that exists on the other MPC 'resident' specifically - that is the firms who locate into non-residential uses in the MPC, their attraction, retention and needs.

As an Activity Centre

The South East Queensland Regional Plan 2009-2031 (SEQRP) is the key planning document to manage growth in SEQ, Australia's fastest growing metropolitan region (Department of Infrastructure and Planning 2009). It primarily identifies where development can occur inside the boundaries of a defined urban footprint. This document is supported by another document, the South East Queensland Infrastructure Plan and Program (SEQIPP) which outlines infrastructure spending committed until 2031 to support the major development areas such as the identified network of regional activity centres (Department of Infrastructure and Planning 2010).

This network provides a hierarchy of activity centres with the CBD of Brisbane at the top called a 'primary activity centre' where the concentration of land uses offers the most diversity and has the highest densities. The reach of government offices and firms located in the primary activity centre are state wide and of national significance (Department of Infrastructure and Planning 2009). Most importantly, it is the focus of the state capital's radial transport system which carries about 70,200 passenger movements or 26% through its central railway station (QR Service Planning 2009).

The next level in the hierarchy is the 'principal activity centres' (PAC), then the 'major activity centre' (MAC), followed by the specialist activity centre -- all with key employment concentrations with varying levels of regional significance (Department of Infrastructure and Planning 2009). Other designations are for the rural regions - called 'principal rural activity centre' and 'major rural activity centre'.

There are four activity centres attached to an MPC with employment centres identified in SEQRP each with varying levels in the activity centre hierarchy, these are:

- Robina, Gold Coast – PAC
- Varsity Lakes, Gold Coast– Specialist Centre
- North Lakes, Brisbane – MAC (with an ongoing application as of this writing for PAC status)
- Springfield Lakes, Ipswich – PAC

The activity centres policy has increasingly gained prominence in planning frameworks and other policies to assist in creating a more sustainable environment (Department of Infrastructure and Transport 2011). Furthermore, clustering and agglomeration theory have been long cited as drivers for innovation and economic growth and have been relied on by policy makers to also create economic prosperity in their regions (McCann & Folta 2009). So much so that 'bring forward' greenfield development applications should include is to ensure that these developments are planned and delivered as integrated communities with access to employment opportunities (Department of Infrastructure and Planning 2007).

However, the polycentric hierarchy of mixed use centres in the SEQ region has been characterised as weak and largely undefined in terms of its purpose and positioning (Li 2009). It is not surprising then that with jobs in SEQ have been classed as 'hyper-centralised' in Brisbane City and its inner suburbs with no more than 15,000 jobs to be found in other suburban areas (Burke, Dodson & Gleeson 2010). The Queensland Government is conscious of this disparity and currently has a plan to move about 5,600 staff out of the inner city area over a ten year period through its 'Government Office Accommodation Decentralisation Project' to be completed by year 2017 (Department of Public Works 2011).

This issue is not Queensland's alone – the Federal government is also encouraging job decentralisation. Through the Federal budget in 2011 more than \$100 million is allocated to increasing suburban jobs. The 'Suburban Jobs Initiative' will be coordinated with state and local governments to relocate jobs outside their capital cities (Department of Planning and Community Development 2011b). The Victorian Government also has the 'Changing Places Program 2011-14' and funding of \$6.9 million which covers assistance in moving jobs closer to workers homes and to alleviate the associated transport problems (Department of Planning and Community Development 2011a).

As a location option for firms

Suburban employment centres in the US have enjoyed a high growth over the past decades with only 6.2% of jobs now in the CBD or downtown area¹ (Demographia 2006). In Australia, the number of jobs in the CBD is estimated to be about 30% (Forster 2006). A more updated statistic available is in Melbourne wherein the CBD accounts for 15% of job concentration while the inner city account for about 28% of metropolitan jobs (Davies 2011). The difference between the US and Australia is not surprising given that the more sophisticated transport network system in most US cities as compared to predominantly car-based Australian cities.

Contemporary firm location studies have identified the key factors for choosing their final location to include: quality of life, labour availability and cost issues, government involvement and taxes, daily living concerns, and proximity to relevant public amenities like transport, parking, etc. (Elgar & Miller 2009; Greenhalgh 2008; Holling 2008; Love & Crompton 1999; Mazzarol & Choo 2003). All of these factors would make MPC employment centres rank highly as a location option.

Furthermore, a typical firm locator today (as profiled from a study of over 2300 office locators in Toronto in 2006 (Elgar & Miller 2009)) is profiled as follows:

- usually small firms (1 to 10 employees) showing a higher propensity to relocate than medium to large firms
- on the average stayed in one location for an average of 8 years
- only considered about three to five choices and evaluated alternatives in a strong sequential order to satisfy a set criteria
- about 52% did not use an agent (and 17% indicated to use an agent only to a small degree)

The above characteristics would be similar to the typical firm size in Australia which is 'small' (1 to 19 people employed) and make up about 96% of the total number of business count (Australian Bureau of

¹ *Demographia (Demographia 2006)* defines CBD or downtown simply as where the "big buildings" are. The minimum geographical area of analysis is the census tract and taken in year 2000. The central business district as herein defined includes the census tracts that contain the concentrated tall commercial buildings, generally more than 10 floors in the historical downtown core.

Statistics 2010). Amongst that total figure, 82% are made 'micro-firms' (1 to 4 people employed). The small to medium enterprise (SME) decision process for firm location is highly subjective and usually driven by 'personal reasons' of the CEO rather than the objective 'buying process' that large firms utilise (Greenhalgh 2008; Mazzarol & Choo 2003).

Other more straightforward factors to push (problems with current location) and pull (attractors in future location) firms to look for new office locations were considered to contribute towards that decision. The following Figures 2 and 3 respectively graphically show the ranked importance of those factors.

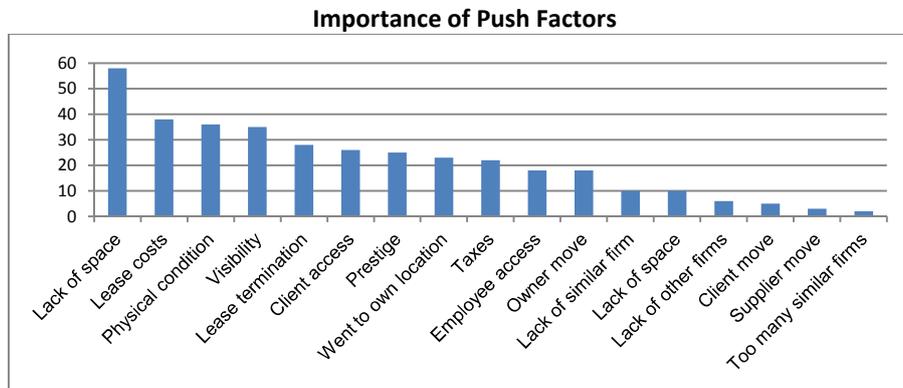


Figure 2
Importance of Push Factors
Source: (Elgar and Miller 2009)

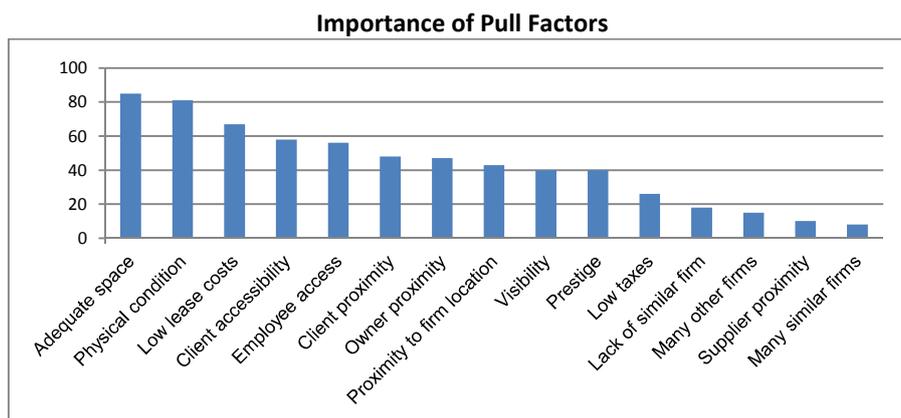


Figure 3
Importance of Pull Factors
Source: (Elgar and Miller 2009)

Office based firms have also cited that they have gained positive synergies from co-location with other commercial uses such as cafes, banks, printing services, post offices, bars and other services and amenities that provide convenience and support the social side of employees work relations and networking (Holling 2008). This need for support services around SMEs is one of the reasons SMEs did not favour the typical business parks who primarily catered for large office and industrial locators that flourished in the 1980s-1990s (Holling 2008).

Given the higher than average vacancy rates experienced by MPC employment centres and the various government suburban jobs initiatives, there should be no doubt that MPC employment centres can flourish. However, as MPC employment centres are not the only location choice for businesses in suburbs – there now has to be more innovative approaches to make this employment centre stand out.

At this point, the author proposes to use analogy as a device to understand the problem and re-focus the issues on what an MPC employment centre is facing to help discover the fundamental problems that need to be addressed. Analogy has been found to be a useful tool in understanding constructs at a deeper level, for discovery and conceptualisations and often can jump-start creative thinking and uncover new ways of looking at a problem (Holyoak & Thagard 1996). Unlike metaphors or similes, which are forms of speech, analogy compares two unlike objects or concepts that have parallel characteristics and attributes. Gentner's

(1983) structure-mapping theory illustrates the relationship of the source analogy (the familiar domain) and target analogy (the new domain). To provide a good analogy it should recognise similarity both at the superficial level (objects and attributes) and structural level (relationship) of the source and target concepts (Holyoak & Thagard 1996). The underlying structure of these relationships may help provide clues to uncover the problem solving required in a situation (Martin 2003). The use and application of analogy will be further elaborated in the Discussion section.

METHODOLOGY

This paper is based on exploratory interviews with twenty four key informants and informs a larger, on-going PhD study entitled 'The value proposition of master planned communities to non-retail commercial firms... assessing demand and establishing options in South East Queensland'.

The research was conducted in SEQ. The interviews were carried out over an eleven-month period from August 2010 to July 2011. The key selection criteria for the interviewees were that they had some past or current involvement in the planning, delivery, occupation or management of an MPC employment centre. The number of interviews determined where when the responses accomplished a level of saturation and no new information was revealed (Guest, Bunce & Johnson 2006).

The distribution of interviewees was spread over eleven professional groups, and a combination of four different institutional perspectives coming from different geographic locations, Figure 4 gives the breakdown of these profiles.

Professional Background		Institutional Perspective	
Architect	2	Academia	4
Business owner / Tenant / Owner occupier	4	Private	15
Communications	1	Public / Local Government	3
Developer	2	Public / State Government	3
Developer / Property Investor	3	Total	25
Economic Planner	2	Location	
Geographer	2	Sunshine Coast	3
Real Estate agent	3	Gold Coast	5
Town planner	5	Springfield	5
Urban economist	3	Brisbane	3
Valuer	1	SEQ	8
Total	28	Total	24

*Totals do not amount to total figures because of double counting

Figure 4
Profile of Interviewees

A list of questions was sent prior to the interview to the respondents to allow them time to reflect on their responses. The interviews were conducted at the office of the interviewee and while hand written notes were taken, the interviews were also recorded and later transcribed. It was also made clear to the respondents that this study was wider than a location decision study of firms and investigates the value proposition of MPC employment centres to firms as a location option. The questionnaire was used as a guide and the interviewer allowed the respondent to initiate and speak freely on the key question.

It was also revealed to the respondents that the interviewer is an experienced practising property developer and a professional involved in the varied aspects of property development. This was elaborated more specifically to the delivery of several integrated and complete MPCs from the instigative processes of site selection, squatter relocation, land development, financial packaging, project management, marketing and sales, to the property management of the completed development. This information was disclosed to afford a higher degree of confidence and deeper discussion on issues that was to be revealed and exchanged. This 'advantage' was also valued with caution by the interviewer so that the researcher's own thoughts and opinions did not seek to contaminate the interviewees' responses (Aberbach & Rockman 2002).

FINDINGS

The emerging issues gathered from the key informants in-depth interviews is categorised into three key themes: the strategic issues (planning and decentralisation policies), the operational issues (local level distinctions), and the firm issues (owner occupier / tenants views). These are discussed in more detail below:

The strategic issues (planning and decentralisation policy)

Several of the respondents pointed out that they saw the MPC employment centre as part of the activity centres network and appreciated the roles that each centre played. However, these roles were not successfully communicated to their respective regions and therefore the firms at the forefront did not have an inclination of the positioning of each centre. This indicates the need for State and local governments to actively communicate the strategic intent of each centre more clearly and not be merely relegated to the policy document alone.

Some of the interviewees have pointed out that the planned decentralisation policy of the Queensland government in the 1980s has not been carried into the suburbs and many more jobs can be relocated away from the Brisbane CBD.

“The government policy, in terms of decentralisation, has got a lot of work that has got to be done, because not only have they got it wrong in terms of where the jobs are going relative to where people are living, they haven’t really got their hierarchy centres sorted out in a way that says, this is where we want to encourage employment to go to.” (Developer / Investor)

As such, the MPC employment centres in SEQ have a very limited number of public sector institutions located in them.

“The government decision is first, and then you get the firms...” (Geographer)

The operational issues (Local level distinctions)

The difficulty at local government level decision making, is that MPCs have to consider the existing activity centres proximate to their location before they can decide the scale, size and density of the employment centres to consider in their development. Also, regional areas are influenced by the historical and general perception of the area and needs a supportive and well-coordinated marketing campaign to promote a specific employment node to kick-start investment and firm attraction. For example, if an area has been previously known as manufacturing and distribution area, it would be difficult to promote the MPC employment centre as a high technology centre or provider..

“There is another issue there too which is the type of employment that is provided. Many of our projects are located in outer suburban areas where there might be existing employment but it will be employment in unskilled, semi-skilled, trade-skilled areas. So if you look at Springfield Lakes, it is surrounded by a lot of manufacturing, processing, logistics and so forth at Acacia Ridge, Wacol, Archerfield and Carole Park but there isn’t a lot of higher-order, tertiary services employment.” (Developer / Investor)

An interesting insight from a developer emerged about the MPC employment centre as actually being two distinct projects – one an urban development project and the other an economic development project. The delivery of an MPC employment centre as an urban development project only could be easily handled by the private sector given the regulatory frameworks that govern its output and the profit incentive of its timely delivery. However, as an economic development project, the MPC employment centre needs greater involvement from all levels of government to assist in the promotion of the region and other services to be able to attract investment capital to the region.

“I just think that’s more a reflection of how unsophisticated planning is when it comes to matters to do with economic development and employment generation. Most planners don’t have a good understanding of the commerce of development and the support that’s needed.” (Developer / Investor)

The firm issues (Owner-occupiers / Tenants insights)

Tenants and owner-occupiers have revealed that one of the reasons they located into an MPC employment centre is that they received planning certainty and they appreciated that the master plan was gazetted. For them, putting the plan into legislation signalled how the state and local governments would act over the long term and into the future development phases, taking away the political uncertainty that goes with long term projects. Also, as investors witnessed the development of these MPCs, they were able to appreciate the quality and level of investment poured in by the developers. This certainty provided confidence in the development and would mitigate some risk to the firm locators.

“So people were looking (at the development process)...a lot of money (was invested) into lakes and roads and other infrastructure, to provide the basic infrastructure – people came to believe it was the place to do business, and employment.” (Urban economist)

Most firms that have located into an MPC characterised themselves as entrepreneurial and pioneering. They have taken a long term view of their investment and envisioned to grow as the MPC establishes itself over time. They felt that the developers have done their homework and have been able to provide them confidence with the developers' projections of the population and the expected characteristics and demographics that they will attract and serve. Being able to get in early was part of the gamble in being able to get a good deal.

"It is probably fair to say that people get inspired by being part of something new." (Urban economist)

Owner occupiers have mentioned that being able to develop large floor plates is an opportunity that they will not get in a CBD environment. The level of investment is also attractive enough for a small professional firm superannuation fund to afford by themselves. The pleasant surrounds and ample parking was also a feature to attract and retain key staff. The interviews also revealed that not a lot of staff lived in the adjoining MPC residential component.

"There is a bit of conflict there in relation to the workforce that is attracted to that location. Because Varsity was a new location, the rents were cheaper, higher car parking ratios, so that was the big attraction but I guess the staff don't live there because the price point of the residential component is above what they are willing to pay." (Real Estate Agent)

Tenants take it as a given that because buildings are new, the public and private spaces will suit their business requirements. The flexibility and adaptability of buildings over the long term were not part of their concerns.

When asked if owner-occupiers and tenants felt that they needed an 'anchor' tenant or 'big name' firm (like in a retail development), a majority responded that a high profiled tenant or reputable firm locating or even one funding a project would be enough of a catalyst to signal other investors that the area was a 'safe' and worthwhile investment. Small tenants felt that they do not have enough resources for 'business intelligence' to make these decisions that they would rather follow investment trends rather than take risks. They also felt that a major public institution i.e. university or hospital as a theme was good to have but not necessary. The presence of major institutions also underwrote the level of risk in a pioneering area.

"It's not a must have. It's desirable but not necessary. These days, they (TAFE/university) are two of the great drivers of our economy." (Urban economist)

Firms believe that co-location (physically being close by) with other uses was healthy, provided interest and increased the vitality and versatility of the area. The variety and diversity improved the sense of place that the area characterises. The interviewees also supported clustering; they recognised that the internet can assist collaboration that may be hampered with any physical location deficiency.

"I think clusters are becoming less beneficial with the development of internet technology. There was an advantage 20 years ago with clusters in having similar industries, like in business parks.... The defence industry is a good example of a cluster. It trades very closely in a cluster but they are not geographically built alongside each other. They are all over South East Queensland or in the United States. But they are still part of the cluster." (Economic planner)

Tenants currently located in an MPC employment centre, highly appreciate their pleasant surroundings and the safety and security of the environment. In fact, real estate agents interviewed have commented that once a tenant who came from a neighbouring employment area to an MPC employment centre they never consider returning.

"I don't know of one business who returned to their previous location." (Real Estate Agent)

Finally, in analysing the nature and challenges that MPC employment centres face, the interviewees resign that there is no one answer or policy. The market dictates and it is dynamic and driven by the political, economic, technological and social factors.

"I think I would be wary about adopting too static a view of the market at any point in time or of any project at any point in time because projects go through lifecycles themselves, typical kind of lazy S curves. Over that, you've got to overlay the natural cycles that occur in the different markets – residential, industrial, and commercial and so forth." (Developer / Investor)

The issues discussed with the respondents covered a range of issues and all recognise and acknowledged the importance of the MPC employment centre to the overall concept of the MPC. All agree that there not one party can resolve the issue and a coordinated effort is required to make it successful.

DISCUSSION

The different perspectives of the interviewees on the issue of how to make employment work in MPCs confirmed the findings from previous studies – more specifically on what tenants look for in their location choice as shown in Figure 2 (Push Factors) and 3 (Pull Factors).

The classification of the MPC employment centre as an activity centre would be important in gaining State government support for the provision of infrastructure services which makes its designation critical to the positioning of the centre. If the MPC does not fall within the designated PAC or MAC, then limited government resources and support for infrastructure will be directed to that MPC development and the regional area around it. The MPC developer would therefore need to privately fund the infrastructure services or re-think their strategic direction if they would consider the option of including a commercial centre. The success of these activity centres has been identified as those that have been able to clearly identify their position in the network of other activity centres and how they integrate land use and transport planning into the centres (McNabb et al. 2001).

It has been observed that the appearance of decentralised sub centres is a phenomenon limited to the behaviour of employment not to that of population (Muniz, Garcia-Lopez & Galindo 2008) and therefore, the move of institutions (from policy direction) to the suburbs will assist here – even more so with the focus of the Federal government to consciously develop suburban jobs.

It is not surprising that local government encourage the development of complete MPCs as it provides them a cost-efficient way of delivering facilities and amenities to the growing number of constituents (Dowling & McGuirk 2005). However, developers should not be left to undertake the job creation in the employment component aspect on their own – a transparent mechanism should be provided to assist in the economic development (Wardner 2011).

The task of economic development should not be left to the planners either as most planners work stops at the production of the master plan or in fact readily admit that their input is to encourage consideration of land use and not economic development.

It was apparent that the complete offer of a MPC is latent in the minds of the stakeholders as none have highlighted the offer of 'live-work-play' until prompted. Others in fact, did not see the value for them as a business locator. The tenants and owners interviewed did not live in the adjoining residential area of the MPC. Therefore, if a locator themselves did not appreciate the distinguishing or differentiation factor of the MPC employment centre, then what more for those who have not experienced coming into an MPC employment centre.

The expertise of delivering mixed use urban developments is also different from providing a largely residential development as in the case of these large scale MPCs. If the residential component produces the largest profit and cash flow for the developer, then the required employment zone which needs a population density to develop may indeed be delivered at a loss and thus provided 'token' support. As such, developers have strong skills in marketing and delivering the residential component and not for the employment component (or the integrated mixed use development for that matter).

As mentioned earlier, the urban development project is easier to deliver and aspects are more in control of the developer but an employment centre needs the support of the local government as the promotion of the area as an attractive business location extends beyond the development site.

If the issue of employment centres in MPCs do not work as they have been envisioned, then the residents, who bought into the MPC's concept of 'live, work and play', may feel deprived if, in reality, they are unable to find employment within the MPC. The area eventually becomes relegated to a dormitory suburb and residents have to continue to commute long distances to get to their place of work - robbing the development of its overall, reputed key point of difference.

The problem that the MPC employment centre is facing is therefore likened to the 'wallflower' as it is often initially disregarded as a potential business location by office type firms. The dictionary definition of 'wallflower' is as follows:

Wallflower (noun) (1) a person who, because of shyness, unpopularity, or lack of a partner, remains at the side at a party or dance. (2) any person, organization, etc., that remains on or has been forced to the sidelines of any activity: The firm was a wallflower in this year's bidding for government contracts. (Dictionary.com)

For the wallflower, there are many potential dance partners— however the ‘wallflower’ remains at the side of the party. Similarly for the MPC employment centre, there are many potential firms who can locate into the centre as more than 70% of firms are located in the middle to outer suburbs (Forster 2006) where these MPC are located – these firms are just not in them. There is no doubt (as the real estate agents have pointed out) that once a firm gets into an MPC employment centre, they would not want to go back to their old location.

In this analogy, the MPC employment centre, having a higher than average vacancy rate needs more tenants – the purpose is how to be more attractive to the firms that are out there. These relationships can be categorised into four areas in attracting (how to hook up), maintaining (attributes of a good environment), pitfalls (common mistakes) and decision difficulties (emotive nature) of firms are outlined in Figure 5. Some of these issues are similar to the recommendations by the key informants discussed in the previous section.

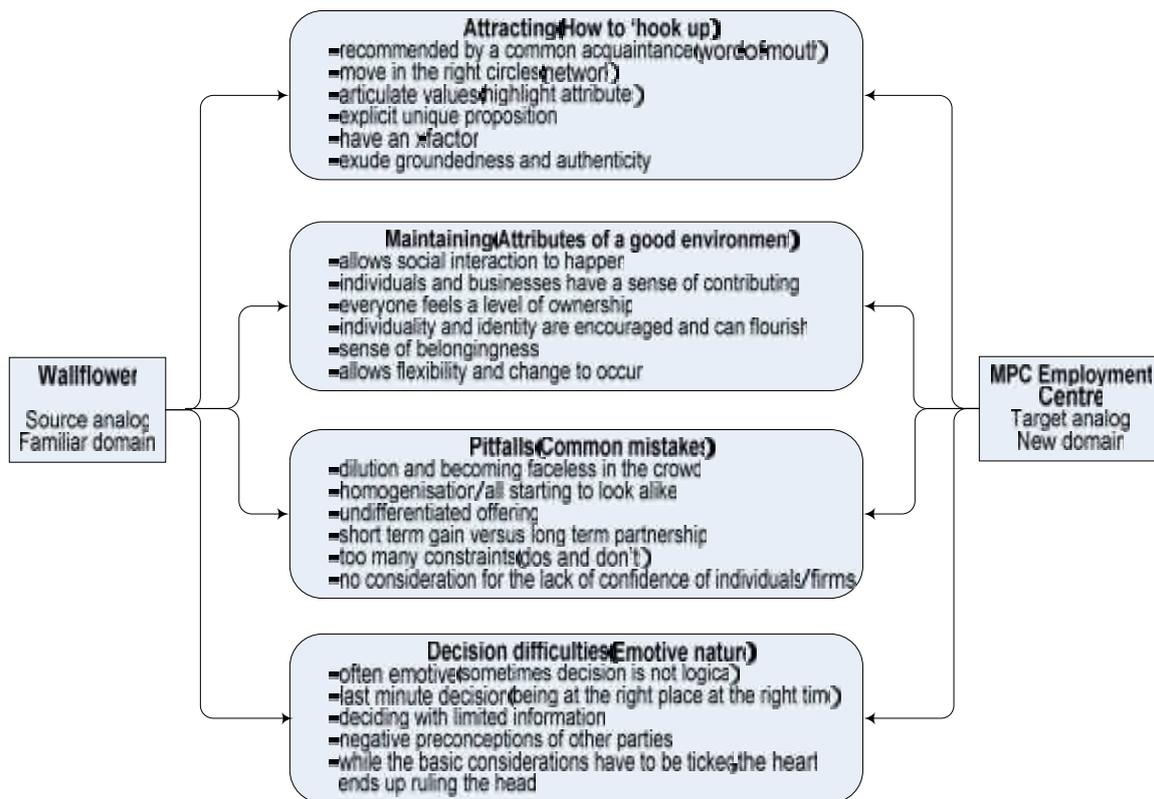


Figure 5
Structure mapping for “The MPC employment centre is like the wallflower.”

The first common feature is attracting firms or ‘how to hook-up’ shows that like the wall flower, the MPC employment centre could benefit from being recommended by someone else. When word-of-mouth advertising promotes the centre, then there is a greater likelihood that complimentary firms would follow suit. The MPC developers and the real estate agents interviewed have observed that small firms are unsure of new environments, and when a prominent tenant (not necessarily large) moves in, there is a level of security that the prominent tenant has made the right investment decision giving the smaller firms the confidence to move.

It has been observed that while having a unique selling proposition and being able to communicate these attributes is important to attracting firms, none of the interviewees have been able to articulate this clearly. The fact that the housing accommodation options were close by did not surface in the interviews. The concept and offer of a complete MPC did not reverberate with the respondents. In fact, only when prompted did the respondents consider the whole offer. The concept of live-work-play was appealing but not a necessary function to the existence of the firm operating in that area and therefore that it was an x-factor that is not appreciated and becomes a latent proposition that needs to be exploited.

The second common feature is how to maintain firms and the 'attributes of a good environment'. Here, if the environment allowed social interaction to happen and individuals or firms have a sense of contributing (even before moving in), then a level of ownership could occur. A certain level of social investment is required to allow the resonance that an MPC employment centre to be experienced. This can be in the form of perhaps hosting conferences, trade shows, exhibits in a communal area and the like will allow even 'passers-by' to participate. Going to a place becomes a habit by repeatedly doing so, and consequentially reinforces the perception that it shortens distances as the surroundings become more familiar and comfortable. It is then that the consideration of a longer term relationship – and perhaps the relocation of firms can occur.

The third common features are the pitfalls or 'common mistakes' that turn-off firms and this may be why one suffers from being a wall flower. The lack of distinction is may be due buildings being completed within a short time frame of each other that the vernacular of the architecture, colour scheme, materials, all appear to look the same to the common eye – and thus giving the location a homogenised feeling. Being a master planned area too; the design constraints may be an influence to all of this and further limit what can be done and disables the occupant to put their distinctive stamp on the area. Therefore, considerable effort needs to be made to create a point of difference to stand out. Interviewees that opted to stay out of the MPC employment centre option said they liked the 'gritty', cluttered feel of other older areas as it provided more interest, energy and dynamics that invigorated their employees.

Another common mistake is that the individuals (or firms) making the decision to relocate lack confidence in a new area and are not willing to take the associated risk of having a pioneering status. The financial commitment required to secure a lease often extends to the personal assets of the decision maker and would comprise a substantial proportion of the operational costs of the firm.

The fourth common feature of the wall flower and the MPC employment centre is the decision difficulties or 'emotive nature' small firms undertake when making these location decisions. Firms have been found to be 'satisficers' (i.e. they have their own checklist of requirements and if a location responds to that list, then the firm locator stops looking as compared to being 'profit maximisers' (i.e. they are always looking to maximise their profit and therefore are always willing to move to the most optimum location) (Elgar & Miller 2009). Smaller firms are even known for committing emotive and last minute decisions when choosing their location (Mazzarol & Choo 2003) unlike bigger firms that have sophisticated processes for undertaking such decisions.

The discussion presented above outlines the problem of the MPC employment centre - it suffers from the wallflower 'syndrome'. And if, the stakeholders could view the question more laterally, then perhaps we are closer to a solution.

CONCLUSION

In the end, MPC employment centres need to see themselves as part of a network of economic activity and not as an isolated node. Providing a MPC employment centre is two major endeavours – an urban development project and an economic development project. As an urban development project, major private land developers would best be able to deliver this given the long time frame. As an economic development project perhaps new alternatives could be explored to be able to use government's assistance, clout, planning strategies to attract private capital and investment for long term job creation.

In addressing the wall flower syndrome of MPC employment centres it may be one of three things: First, it could be a lifecycle issue – it is too young and too early to judge the success of an MPC employment centre as an urban development as they need time to evolve, mature, take root and penetrate into its community.

Secondly, it could be a marketing issue – like the wall flower, it requires a personality and needs to get out and into the market - a louder, stronger, consistent campaign to point to where it is and the value that it provides. A much greater network is needed both real and virtual to be well known. This requires support from the state and local governments for 'way find' signage (again physically and on the internet) and perhaps even fiscal or financial incentives for firms to locate there.

Thirdly, it could be a structural issue – it may be the case of wrong party, wrong dance, and the employment centre should not be there at all. The issue here may be that the development is privately led and government support may be construed wrongly as favouring private commercial interests.

The urgency of a response today to making MPC employment centres work is critical to the long term sustainability of the MPC concept of 'live, work and play' as this is still the current favoured urban form of governments and public policy.

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