

Marsden Park – Retail & Employment Assessment

Final Draft Report

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This document is for discussion purposes only unless signed and dated by the persons identified.

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1 Executive Summary

MacroPlan Australia was commissioned to undertake the Retail and Employment Assessment for Marsden Park Precinct (MPP) as part of a suite of expert technical reports. This report is intended to advise the NSW Department of Planning & Infrastructure (DPI) and Blacktown City Council (BCC) upon the appropriate provision of retail and employment lands across the MPP.

This technical study addresses the following key objectives:

- **Review relevant policy, planning documents and technical reports**
- Identify the **role and function** of the Marsden Park precinct
- Determine **supportable retail floorspace** (inc. size, mix, distribution and timing)
- Determine **supportable employment floorspace** (inc. size, mix, distribution and timing)
- **Assess impacts** of retail and employment upon other centres / nodes across the NWGC

Methodology

The Marsden Park Precinct (MPP) and Marsden Park Industrial Precinct (MPIP) have been assessed together for the purpose of estimating population growth and supportable employment and retail floorspace. This is because the precincts will perform as one larger consolidated area of activity with movement of residents, workers and shoppers not limited by precinct planning boundaries.

The town centre in the MPP will service both residents and workers within both precincts, particularly given the population within MPIP will be located in the north. It is likely that many MPP residents will undertake employment within MPIP given it is a predominantly employment oriented precinct, reinforcing the symbiotic relationship of the two precincts.

Retail Findings

Marsden Park was initially expected to support one large town centre of about 25-30,000m², about 10-11 neighbourhood centres and an enterprise corridor along Richmond Road forming a continuation from the MPIP.

MacroPlan has identified the potential for the Marsden Park precinct to accommodate approximately **44,000m²** (GLFA) of convenience and sub-regional retail space by 2031. There is no requirement for additional bulky goods land given the 40ha of B5 –Business Enterprise zoned land at MPIP.

Convenience and sub-regional retail would include major-full line supermarkets, smaller neighbourhood supermarkets, discount department stores, supporting specialty stores such as bakeries, cafes, restaurants, pharmacies, newsagents and hair-dressers.

Employment Expectations

The MPP and MPIP population is expected to increase from about 930 persons in 2011 up to 32,300 persons by 2031. If adjacent western NWGC precincts are also considered (i.e. Marsden Park North, Colebee and Schofields West), the population within the western area of the NWGC is expected to increase from 2,600 persons to 46,200 persons by 2031, a total increase of about 43,600 persons over the next 20 years.

This translates to employment growth of about 13,800 new workers residing within the MPP and MPIP region over the next 20 years and up to 19,100 new workers if adjacent precincts are

included. This equates to about 700 new workers per year in the short to medium term, increasing to 1,200 per year over the longer term.

Based upon the achievement of a 75% level of self-sufficiency, the broader Western NWGC would generate employment land demand up to 73ha of industrial land, 15ha of Business Park, 25.5ha of commercial centre and 12ha of special use once at capacity (i.e. 2031 to 2036).

In the case of Marsden Park the demand for employment and business park lands will be sufficiently met by the provision of 238ha of industrial (and business development) and 65ha of business-park zoned lands within the Marsden Park Industrial Precinct (MPIP).

The demand for commercial centre lands will be partially met by the proposed town centres and village centres that will be allocated across MPP and MPIP. Furthermore, any centres developed within Marsden Park North, Colebee and Schofield's West will contribute to satisfying more of this demand.

A broader analysis of employment tends to indicate that there is a generally sufficient provision of employment lands and business park lands across the NWGC, accounting for current and future planned supply.

Recommendations

MacroPlan considers that the employment provision within the MPP should comprise of a mix of centres and special uses such as schools, community facilities with some additional or excess lands allocated for 'mixed use' outcomes as a supply buffer. From a centres perspective, there are two key configurations that would create a viable and functional centres hierarchy within the MPP.

Option 1 would involve a large town centre of 25-30,000m² (GLFA) of retail space plus an additional 10,000m² (GLFA) in commercial space, comprising a total centre of **35-40,000m² (GLFA)**.

Supporting the town centre would be **one larger village centre up to 10,000m²**, located in the northern part of the precinct. This centre should be located along Richmond Road to ensure that adverse traffic impacts would be minimised within the northern residential areas. As a larger centre it could support a greater mix of non-retail uses and become a key northern activity centre, including other services such as service stations, fast-food and restaurants etc.

Other smaller neighbourhood shops could establish as the precinct develops, with the market able to determine appropriate locations. Centres could be up to **1,500m²**, with small supermarket anchors, without adverse impacts upon the centres hierarchy.

Option 2 would involve a similarly sized large town centre of 25-30,000m² of retail space plus an additional 10,000m² (GLFA) in commercial space, comprising a total centre of **35-40,000m² (GLFA)**. A similar mix of uses would be accommodated as those in option 1.

In this option, **two smaller village centres** would be recommended at in-board locations in the northern areas of the MPP. These centres could accommodate **up to 5,000m²** of retail space plus supporting commercial and other non-retail uses to encourage and maximise community benefits and create fully functional centres.

Other smaller neighbourhood shops could establish as the precinct develops, with the market able to determine appropriate locations.

Town Centre: In both options the town centre could support a range of retail uses as follows:

- At least 2 x full-line supermarkets
- Up to 2 x discount department stores
- Between 100-150 specialty stores including food & restaurant retailing
- Non-retail tenancies, such as banks, administrative offices, medical premises
- Commercial businesses including real estate agents, professional consultants etc.

Village Centres: The mix of uses within the village centres would include:

- Full-line supermarkets and supporting specialty retail
- Non-retail business services including local shop-front offices
- Health, medical and community facilities, and possible service stations
- Restaurants and cafes (eg. Amenity and place to gather)

Supportable Jobs

Based upon the recommended mix, size and distribution of centres, the MPP precinct could support about 2,000 centre based jobs with about 1,400 jobs within the town centre and about 580 jobs within the village and neighbourhood centre network.

In addition to this, the special uses such as schools, community facilities that will be accommodated within the catchment could support an additional 400 jobs. Furthermore, about 600-700 jobs are estimated to be undertaken at home within the MPP and MPIP.

Therefore the MPP (3,000 jobs) and MPIP (10,000 jobs) combined could support about 13,000 jobs at capacity, which equates to an employment self-sufficiency ratio of 65% for the western NWGC, not including potential job provision within Colebee, Marsden Park North and Schofields West. The MPP and MPIP are not expected to accommodate significant excess employment over and above that supported by population growth.

Figure 1. Recommended Employment Mix and Supportable Jobs (MPP & MPIP)

Land Use	Retail			Commercial		Total Jobs
	Floorspace	Employment Ratios	Visitation	Commercial	Employment Ratios	
Town Centre	30,000m ²	30	5-7 million p.a	10,000m ²	25	1400 jobs
Village Centres	10,000m ²	30	2-4 million p.a.	2,000m ² +	25	410 jobs
Smaller Centres	4,000m ²	30	1-2 million p.a.	1,000m ² +	25	170 jobs
Special Uses (eg. schools)*	na	na	na	na	na	400 jobs
Home Based Employment	na	na	na	na	na	650 jobs
Total Marsden Park	44,000m²	na	na	13,000m²	na	c.3,000 jobs
Marsden Park Industrial Precinct						10,000 jobs
Total Jobs MPP & MPIP						c.13,000 jobs

Source: MacroPlan Australia (2011), PCA Shopping Centre Directory (2011) *NB special uses estimate dependent upon final schools/community provision

Timing / Staging

The land use recommendations in this report are based generally upon the end capacity (i.e. 2031/2036) of the MPP and MPIP and surrounding western NWGC precincts. Ideally the town centre would be developed early in the life-cycle of the precinct, in conjunction with the high density residential area, likely to be in the south-east corner of MPP. This would also create a strong support function for the adjacent employment precinct, the MPIP.

The figure below summaries the expected population growth across MPP and MPIP, represented as key thresholds and the retail floorspace that could be supported within the precincts at these thresholds as well as the required jobs within the precinct to meet a 75% employment self-sufficiency ratio.

Figure 2. Population Thresholds and Recommended Floorspace & Job Targets (MPP & MPIP)

Population Thresholds (Persons)	5,000	10,000	15,000	20,000	30,000
Year	2018	2020	2022	2024	2029
Retail Floorspace (m2)	10,500	16,000	21,000	27,000	40,000
Employment (Jobs)	4,600	5,700	7,000	8,900	14,000

Source: MacroPlan Australia (2011)

It would be likely that the town centre would be delivered in stages, with a first stage providing supermarket and supporting specialty retailing. Between 2014 and 2018 a first stage of about 6-8,000m² could be supported. A second stage around 2026 could be developed as the population within the catchment grows, as the high density markets evolve and MPIP establishes as a key regional employment node.

The supporting village centres would naturally evolve as the housing markets develop across the remainder of the precinct. It is quite likely that the high density housing market around the town centre is likely to only establish over the medium to longer term (without Government intervention). This will be because the high density market will be strongly driven by the provision of the town centre itself (which will be staged) and without rail access will be less desirable than other high density housing locations across the north-west.

The majority of the short to medium term housing is expected to be delivered within the north of the precinct, because of the significant land holdings in single ownership.

It is possible that the town centre does not evolve as the first centre across the precinct due to the development front occurring from the north or due to land fragmentation issues within the town centre, which could present issues in bringing consolidated centre development to fruition. However, early delivery of supermarket and convenience retail/services will be critical to the success of the residential development and will maximise community benefits.

There are therefore two scenarios that might eventuate, and in MacroPlan's view either scenario would be acceptable and beneficial to the residents of the MPP and MPIP.

- One or two major supermarket operators develop individually around the town centre, early in the precinct development.
- One or two major supermarket operators establishing in the north of the precinct, if a village centre is allocated along Richmond Road.

The first scenario would establish market position and trade is very likely to be generated from residents travelling along Richmond Road. The location adjacent to the M7 and the MPIP will also be very attractive to prospective retail operators. This scenario would mean that residents would travel further distances – from home to undertake convenience shopping and that in the short to medium term the catchment would have a very limited walkable function.

The second scenario would ensure that the main development front is serviced by more proximate access to convenience retail services, possibly encouraging greater walkability. It could trade strongly in the short term given its main road location which would enhance the

overall performance and vitality of the supporting specialty tenants, business services and other supporting uses.

Land Requirements

The following table summarises the size of employment land uses recommended in this report. The land allocation should ensure excess capacity with development controlled by the DCP.

The town centre could be allocated an area of between 6-8ha to accommodate the 30,000m² of recommended retail floorspace and 10,000m² of commercial. This would allow additional development to be accommodated in the future if there is excess demand. A B2 Local Centres zoning would be suitable.

The village centres should be between 1-1.5ha each to allow up to 5,000m² of retail space as well as any supporting non-retail uses located adjacent. The centres should be encouraged to support non-retail uses, not restricted to be retail only. A B1 Neighbourhood Centre zoning would be suitable, although such centres are often limited in terms of the floor area of their retail offers. Appropriate consideration of such limitations would need to be given to ensure that a retail offer of a suitable size required to meet market need is not unduly restricted.

MacroPlan also supports some surplus land adjacent to the town centre, zoned mixed use to allow supporting functions to the town centre including residential, minor retail and fast-food, and service stations along Richmond Road.

Figure 3. Recommended Land Use Zonings (Size and Type)

Land Use	Zoning	Minimum FSR	Land (ha)
Town Centre	B2 - Local Centre	0.75	6-8ha+
Village Centres	B1 - Neighbourhood	0.6	2-3ha
Commercial Adjacent to TC	B4 - Mixed Use	0.75	6-8ha+

Source: MacroPlan Australia (2011) - Note – commercial provisions could be incorporated within a mixed use zoning adjacent to the town centre or incorporated into a larger town centre format.

2 Introduction

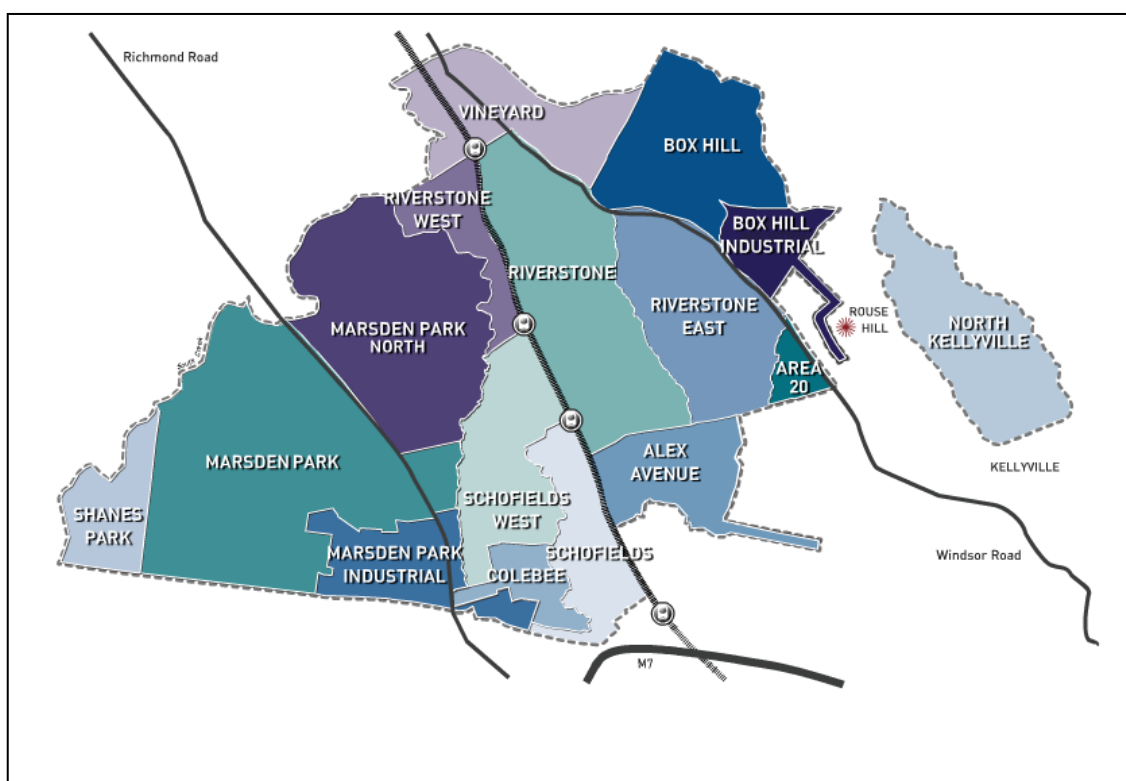
2.1 Background

In 2006, the NSW Government announced plans outlining the future of land releases in the North West and South West Growth Centres of Sydney. The Growth Centres will together provide for 180,000 homes over the next 30 years, characterised by staged delivery of infrastructure co-ordinated with land releases and a focus on sustainability to achieve world's best practice standards.

Marsden Park Industrial Precinct (MPIP) was released by the Growth Centres Commission (GCC, now Department of Planning and Infrastructure) in June 2008. The Precinct is the first to be released under the Government's Precinct Acceleration Protocol (PAP), which allows planning and development to proceed ahead of the planned land release program being undertaken in the Growth Centres.

Marsden Park was released under the PAP in June 2011, in conjunction with Catherine Fields (in the South West) and technical expert consultants were commissioned to inform and determine the Indicative Layout Plan (ILP) for this precinct.

Figure 4. North West Growth Centre - Precincts



Source: NSW Department of Planning & Infrastructure

2.2 Project Objectives

MacroPlan Australia was commissioned to undertake the Retail and Employment Assessment for Marsden Park precinct as part of the suite of expert assessments. Specifically, this report is

intended to advise the NSW Department of Planning & Infrastructure (DPI) and Blacktown City Council (BCC) upon the appropriate provision of retail and employment lands across the Marsden Park precinct. MacroPlan has addressed the following key objectives as part of this project:

- **Review previous technical reports & Indicative Layout Plans (ILPs)** in the North West Growth Centre (NWGC) regarding retail and employment (i.e. methodologies / recommendations)
- Identify the **role and function** of the Marsden Park precinct in the context of other precincts
- Determine supportable **retail floorspace** in terms of size, mix, distribution and timing
- Determine supportable **employment floorspace** in terms of size, mix, distribution and timing
- **Assess impacts** of retail and employment upon other centres and employment nodes across the NWGC

2.3 Project Approach

This project has considered a range of information sources and has included several workshops and consultation with the project working group and other stakeholders. The project working group includes the NSW Department of Planning and Infrastructure, Blacktown City Council and Winten Property Group. The following outlines the key steps addressed in formulating this report:

- Initial meetings with the project working group.
- Consideration of population, retail and employment within released and rezoned precincts, currently released precincts (i.e. draft ILPs) and future planned precincts.
- Consideration of retail and employment technical reports in regards to NWGC.
- Workshops (and feedback) with the project working group, relevant stakeholders and other technical experts.
- Draft report and discussions with project working group.
- Preparation of a final draft report to inform ILP and be placed upon exhibition.

Following the exhibition phase MacroPlan intends to finalise this report, giving consideration to any relevant feedback.

2.4 Key Assumptions

Throughout this report a number of assumptions, acronyms and measurements are relied upon with the intention of enabling concise and practical analysis. Some of the key methodological and measurement assumptions are described below:

Gross Leasable Floor Area

Floorspace measurements are estimated as gross leasable floor area (GLFA).

Combined Marsden Park Precinct (MPP) and Marsden Park Industrial Precinct (MPIP)

We have combined Marsden Park Precinct (MPP) and Marsden Park Industrial Precinct (MPIP) together when estimating population growth and supportable employment and retail floorspace. This is because the precincts will perform as one larger consolidated area of activity with movement of residents, workers and shoppers not limited by precinct planning boundaries.

The town centre in the MPP will service both residents and workers within both precincts, particularly given the population within MPIP will be located in the north. It is likely that many MPP residents will undertake employment within MPIP given it is a predominantly employment oriented precinct, reinforcing the symbiotic relationship of the two precincts.

Our analysis is thus presented with these two regions combined, however analysis is disaggregated where possible to show the expected trends/provision within both precincts.

Upgrades of Schofields Road and Richmond Road

The analysis in this report is predicated upon assumptions of the upgrades of major roads such as Schofields Road and Richmond Road surrounding the MPP and that relevant new roads and linkages to MPIP are established in time to facilitate and not limit the growth of the precinct.

Possible Rail Extension to Marsden Park

The analysis in this report assumes that the North West Rail Line is not extended to Marsden Park, as was consistent with government thinking at the time. This assumption was agreed upon in the second working group workshop on the 22nd of November 2011.

More recently, to meet the needs of this growing region, the NSW Government has announced that it intends to secure a dedicated public transport corridor through the North West Growth Centre. The transport corridor will run from the end of the proposed North West Rail Link at Cudgegong Road and will “future-proof the region’s public transport needs”. Two proposed corridors are being considered.

MacroPlan has provided separate advice to DPI that addresses this possibility, covering both route options and centre size implications.

2.5 Disclaimer

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

3 Strategic Planning & Policy Overview

There are many policy and planning documents impacting upon planning for retail and employment lands within the North West Growth Centres. The key documents of relevance to this technical study are reviewed in this section of the report. Importantly, MacroPlan seeks to be consistent with regards to previous methodologies and assumptions employed in endorsed studies and to contextualise the role and function of the Marsden Park Precinct (MPP).

3.1 State Wide & Metropolitan Strategies

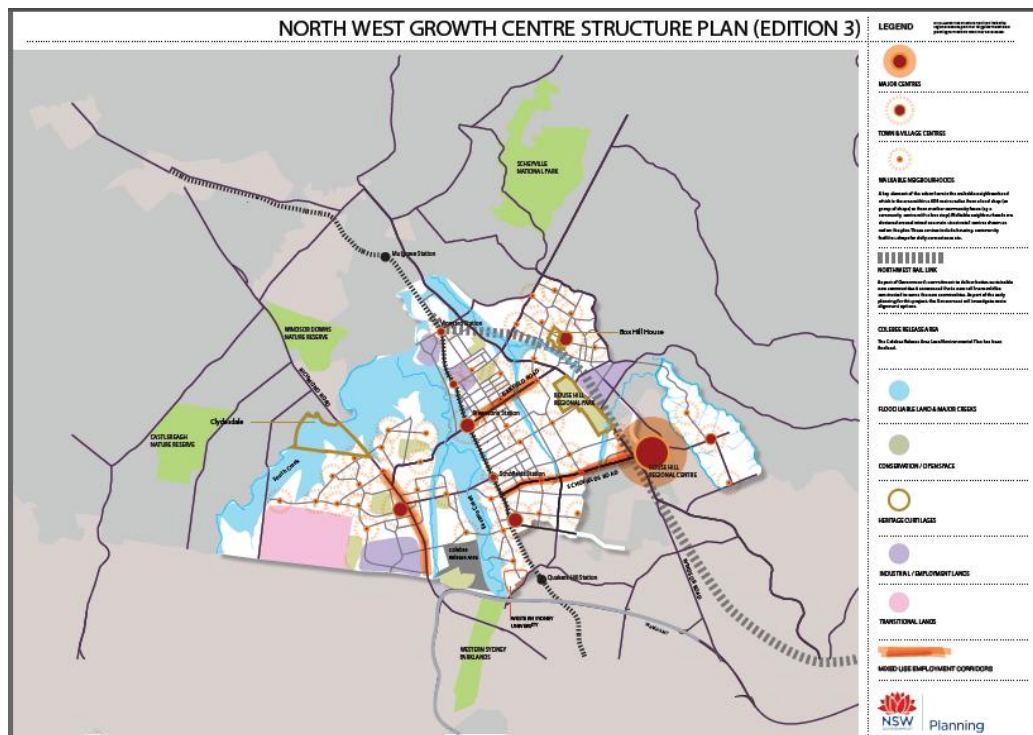
North West Growth Centre Structure Plan

The North West Growth Centre Structure Plan outlined a preliminary centres network, employment lands provision and general precinct layout as at 2006. The NWGC Structure Plan outlines a network of four (4) town centres located within Box Hill, Riverstone, Alex Avenue (Schofields) and Marsden Park. The Rouse Hill (Major) Town Centre is the key centre servicing the NWGC, although just beyond the boundary.

Key employment land precincts are designated within Box Hill, Riverstone and Marsden Park Industrial precinct. The NWGC structure plan identified a network of smaller village centres distributed across the precincts supporting the town centres according to general principles of encouraging walkable catchments.

Marsden Park was expected to support one larger town centre of about 25-30,000m², about 10-11 neighbourhood centres and an enterprise corridor along Richmond Road forming a continuation of from the MPIP.

Figure 5. North West Structure Plan (2006)



Source: NSW Department of Planning & Infrastructure (2007)

Draft North West Metropolitan Strategy (2007)

The NSW Department of Planning and Infrastructure's Draft North West Subregional Strategy (2007-2031) was prepared as part of the planning process for the Sydney Metropolitan Region in accordance with the Metropolitan Strategy. The Draft Subregional Strategy provided a range of actions and objectives for the Subregion and the draft document informed the Metropolitan Strategy (2010). The key points of relevance from this document in regards to centres and employment within the NWGC are summarised below:

- The NW needs to meet employment and housing capacity targets (highest in Sydney)
- Strengthen the role of centres;
- Consider planning for housing growth in centres, compatible with the relevant centres employment role;
- Support sufficient supply of commercial office sites in strategic centres;
- Improve access from and within the Subregion;
- Develop Penrith as a Regional City;
- Investigate opportunities for Blacktown Major Centre to emerge as a Regional City;

While this document remained as a draft it outlined key centres within the subregion for future growth and emphasised the importance of creating jobs and employment within the sub-region

Employment Lands for Sydney (2007)

The *Employment Lands for Sydney Action Plan* was prepared in March 2007 as a product of recommendations of the Employment Lands Task Force. This Action Plan outlined five key initiatives for the NSW Government to address. These are as follows:

1. Establish and Employment Lands Development Program (ELDP) to maintain balance between demand and supply of employment land;
2. Release more Greenfield land to overcome a shortage of supply;
3. Develop new policy initiatives to encourage the regeneration of Brownfield sites to support new investment and employment opportunities;
4. Employ more efficient processes for zoning and developing employment lands; and
5. Improve coordination between state departments and agencies, councils and industry to improve economic development opportunities associated with employment lands policy.

Metropolitan Plan for Sydney (2010)

This Metropolitan Plan draws upon key principles of two documents—*2005's Metropolitan Strategy—City of Cities: A Plan for Sydney's Future*, and the *2010 Metropolitan Transport Plan: Connecting the City of Cities*. It incorporates public feedback on the *Metropolitan Transport Plan* and the first five-yearly review of the Metropolitan Strategy to form a single, integrated Metropolitan Plan for Sydney 2036.

The culmination of several key strategic documents, the Metropolitan Plan aims to:

- Establish no new greenfield fronts to Sydney's existing urban footprint
- Enable residential and employment growth in areas where there is current or future public transport
- Increase the proportion of homes within 30 min by public transport to Major Centres
- Build at least 70% of new homes in the existing urban area

- Build at least 80% of all new homes within walking catchments of existing and planned centres of all sizes with good public transport
- Locate 50% of planned employment capacity within Western Sydney
- Enable delivery of 770,000 additional homes and 760,000 more jobs by 2036.

The proposed centre configuration recommended for the Marsden Park precinct delivers upon many of the aims of the Metropolitan Plan. A large Town Centre located adjacent to Richmond Road will allow greater public transport integration, will enable greater non retail employment to be achieved and should support strong population growth if delivered early.

3.2 Retail & Employment Technical Studies

The Marsden Park: Position Paper (2004)

In 2004, the Winten Property Group prepared a concise summary paper which outlined the 'employment strategy' for Marsden Park. This document essentially informed the initial North West Growth Centre Structure Plan.

It made recommendations to locate the town centre in the south-east region of the precinct and generally emphasised the importance of co-location jobs and residents to maximise employment self-containment. The general principles regarding town centre location and the achievement of sustainable employment outcomes are still currently applicable.

Marsden Park Industrial Precinct: Economic and Employment Assessment (May 2009)

Jones Lang LaSalle (JLL) prepared the *Marsden Park Industrial Precinct: Economic and Employment Assessment (2009)* to inform the land use planning within the Marsden Park Industrial Precinct (MPIP) in the NWGC. JLL assessed the surrounding retail and bulky goods markets, as well as surrounding major centres, business parks and employment lands precincts to understand the MPIP role and function.

JLL then undertook an assessment of the retail, office and industrial markets to determine demand within the MPIP. Based upon its analysis, JLL recommended a mix of land uses that could accommodate office based tenancies, industrial land uses and specialised retail. The key findings from this report are summarised as follows:

- Industrial land expected to be taken up at about 10-15ha per annum
- Office demand expected to be about 2,900m² of 57,300m² per annum (i.e. 5%) in NWGC over next 10-15 years. Office demand based upon 5% take up of Blacktown-Baulkham Hills Region of 84,000m² pa equates to 4,000-5,000m² pa.
- Retail catchment of about 63,000 persons, supporting 50,000m² of bulky goods space fronting Richmond Road plus 3000m² of supporting convenience retail for residents and workers.

Based upon the JLL analysis, the MPIP ILP incorporated 210ha of industrial land (IN1), 65ha of business park land (B7) and 31ha of business development (B5). This quantum and mix of lands sufficiently caters for the localised demand and will probably create an employment precinct of regional scale and function.

Box Hill: Retail and Employment Study (February 2011)

Hill PDA prepared the *Box Hill Retail and Employment Study (February 2011)* report as part of precinct planning for the Box Hill and Box Hill Industrial Precincts. The approach used by Hill PDA comprehensively covers the need for retail and employment within the Box Hill and Box Hill Precincts.

MacroPlan has adopted a similar retail expenditure methodology to assess retail need within MPP and a similar population driven, industry of employment based approach to assessing employment need within MPP. The key findings from the Hill PDA report can be summarised as follows:

- The retail trade area for Box Hill is expected to reach about 42,200 persons by 2031 generating some \$792 million in retail expenditure.
- The Box Hill Town Centre should remain at an in-board location and could support up to 26,000 to 30,000m² (GLA) including commercial uses while 2-3 village centres could also establish ranging in size from 3,000-5,000m² with supermarket anchors of 1,500-3,000m².
- The mix of uses would include a DDS, 2 x supermarkets, 4-6 mini-majors and supporting specialty retail as well as associated non-retail uses.
- The employment trade area included Blacktown North SLA, Baulkham Hills North SLA and Hawkesbury SLA
- There is insufficient supply to cater for projected demand for employment and Business Park lands across the broader trade area and thus Hill PDA recommended additional lands be zoned within Box Hill and Box Hill Industrial to cater for this gap.
- With the additional lands planned across the NWGC including Box Hill and considering the vacant land available within existing industrial and business park nodes, there is a supply pipeline of in excess of 20 years assuming a very strong self sufficiency ratio of 75% is achieved.

The draft ILP, recently on exhibition indicated that the Box Hill and Box Hill Industrial precinct would accommodate 61ha of industrial lands (inc. bulky goods), 61ha of business park lands as well as supporting 15ha commercial centre lands.

Area 20: Retail and Employment Study (NW Rail) (November 2010)

SGS Economics and Planning prepared a study of retail and employment uses for the Area 20 precinct, on the basis of an extension to the North West Heavy Rail line, including a station at Cudgegong Road.

The SGS employment model indicated employment summary projects including 548 retail jobs, 584 industrial jobs and 63 other jobs, totalling 1,195 jobs by 2036. The precinct is expected to accommodate 6,215 residents by 2031 (page. 71).

The SGS model estimates supportable retail floorspace of 16,500m², industrial floorspace of 47,000m² and 2,500m² of other employment floorspace. Based upon various assumptions, SGS recommend:

- One larger village centre of 16,000m²
- Employment corridor of 37,400m²
 - Including freight & logistics 25,960m²
 - And light industrial 11,400m²

Area 20: Retail Planning Advice for Area 20 (July 2011)

Leyshon Consulting was commissioned by the NSW DPI to undertake an independent review of the amount of retailing for Area 20 proposed in the *SGS: Area 20 Retail and Employment Study (NW Rail)*. The report was commissioned in response to exhibition, where a number of submissions were critical of the proposed provision of retail floorspace within Area 20.

The report, entitled *Retail Planning Advice for Area 20 – North West Growth Centre*, identified “the major concern with the SGS analysis is that it is based on employment rather than expenditure modelling.” Leyshon rightly point out that this approach is not entirely accurate and leads to inappropriate outcomes.

Leyshon note that employment is not a determining factor of the size of a centre or its commercial success and that a centre of 15-16,000m² within Area 20 is inappropriately large given proximity to Rouse Hill.

Leyshon concluded that a village centre of 15,000m² could not be supported by Area 20 residents alone. Even with a future railway station attracting 4-5,000 daily commuters per day a future centre adjacent to the railway line could support up to 9,500m² GLA (retail & non-retail). This would ensure minimal impacts upon Rouse Hill and the retail centres hierarchy.

Elsewhere across Area 20, up to 500m² GLA could be provided within the proposed station’s southern car-park to activate this area, while some retail could be accommodated at the intersection of Commercial Road West and Terry Street.

3.3 Summary of Key Issues

The review of background strategic policy documents, previous technical studies, surrounding ILPs and draft ILPs highlights the following key issues, which have been considered in the formulation of the retail and employment analysis in this study.

- Marsden Park’s role and function will be **primarily as a residential precinct**, with supporting employment to consist of retail/commercial centres servicing the needs of the MPP and MPIP, in addition to home-based employment and jobs in education, health and community services. Whilst a public transport corridor is presently being planned for, it is not expected that rail infrastructure will be connected to the precinct within the short-medium term.
- An assessment of the approved & rezoned precincts and draft ILPs indicate major employment lands and business park precincts located at MPIP, Box Hill and Riverstone. This includes:
 - Riverstone (**14ha** – employment lands)
 - Riverstone West (**90ha** – employment/business park)
 - Box Hill and Box Hill Industrial (**121.7ha** – employment/business park)
 - Marsden Park Industrial (**303ha** – employment, business, bulky goods)
- Large Town Centres will be located at Riverstone (**20-25,000m²**), Alex Avenue (**25-30,000m²**), Box Hill (**30,000m²**) as well as the proposed town centre within Marsden Park, the size of which is to be confirmed by this study.

- The *SGS: Area 20 Retail & Employment Study (NW Rail) (2010)* came under some criticism in regards to the methodology assessing retail demand. This report was reviewed by *Leyshon Consulting: Retail Planning Advice for Area 20 (July 2011)* which concluded that the size and role for retail within Area 20 should be much smaller, servicing local residents only, given the proximity to the regional shopping facilities at Rouse Hill.
- The key criticism was that retail demand was assessed from an employment based methodology, with an assumption of strong beyond precinct capture. Leyshon correctly recommended a smaller localised retail/commercial node with size and mix estimated through an assessment of retail expenditure.
- The methodologies and approach employed within *The Hill PDA: Box Hill Retail and Employment Assessment (2010)* and *Jones Lang LaSalle: Economic and Employment Assessment Marsden Park Industrial Precinct (2009)* are generally consistent with the methodology applied by MacroPlan in its assessment of retail and employment. MacroPlan has applied a retail expenditure based methodology in assessing retail demand and a population growth based approach to assess suitable employment provision.

4 Retail Analysis

As outlined earlier in this report the MPP will be a primarily residential precinct, with the role and function of the retail and commercial centres primarily to support the MPP and MPIP residents. The NWGC Structure plan outlined a town centre of about 25-30,000m² of commercial floorspace with a supporting network of smaller centres.

However, retail development does not discriminate according planning boundaries and there will be demand generated by residents beyond the precinct, for example from Colebee, Schofields, Windsor Park and Berkshire Park. Furthermore, the MPIP employment precinct, which could support up to 10,000 employees, will generate additional retail turnover.

4.1 Retail Trends

Historically, retail trade growth has tracked at about 5-6% per annum over the past 20 years. Discounting inflation and population growth this equates to a real per capita growth of about 1.1% per annum.

The past few years have seen big changes in the retail sector. A post GFC environment has seen tighter lending conditions for developers. Retail expenditure has also been subdued over the past few years, although still positive in growth.

Over the year to December 2011 retail trade grew about 2.4% over the year to or just on the positive side of zero in terms of real growth. Particular retail categories such as food (4.2%) remained strong while more discretionary categories involving expenditure at department stores and clothing/apparel stores declined (-2.6% combined).

Increased household savings contributed partly to the reduced growth in non-food retailing, while the internet has marginally eroded the market growth of some (specific) non-food retail categories. Retail price deflation and rising living costs contributed further to the subdued demand.

However there was also a significant impact from overseas travel, fuelled by the high Australian dollar. Spend on overseas travel increased by \$3.8 billion over the past year, the result of a 10% increase in overseas visitation. This resulted in a significant drain on the available domestic retail market.

The internet is expected to continue eroding market share in certain discretionary categories potentially increasing in overall penetration of 5% up to 15% over the next decade. However many retailers will operate with multi-channel strategies including physical stores in conjunction with website 'outlets' and physical stores may change their role and function to be more experience driven or places to collect purchases.

Food based sub-regional and convenience category expenditure will continue to grow strongly. Food based and convenience oriented categories will face much less competition from internet penetration than fashion and apparel based centres.

In terms of implications for land use planning, we are of the view that typical accepted methodologies of estimating available retail expenditure and applying retail turnover densities to determine floorspace demand remain valid. However we have reduced our assumptions of

real growth per capita to account for a retail environment that will exhibit lower real growth than the boom period between the early 90's and late 00's.

4.2 Supply Assessment

The size, mix and type of retail, commercial and other employment uses at the Marsden Park Precinct (MPP) will be determined by the demand generated in context of the surrounding supply and future supply network. This supply section addresses the surrounding areas in regards to:

- Retail/office – Major Centres
- Retail/office – Town Centres
- Retail – Smaller centres, strip precincts
- Retail – Bulky Goods Supply

4.2.1 Central Business Districts, Major Centres & Specialised Centres

The Marsden Park precinct is expected to accommodate one large 'town centre' and a network of smaller village centres and neighbourhood shops. The original structure planning for NWGC earmarked a 'town centre' of about 25-30,000m² of space as well as a network of 10-11 smaller centres distributed across the precinct.

To determine whether this is an appropriate base assumption, MacroPlan has analysed the surrounding Major Centres network, key office markets and the planned provision within MPIP to understand the role for commercial office markets and major CBD floorspace within Marsden Park. The figure below summarises the various major nodes in the west, north and north-western sub-regions of metropolitan Sydney.

Parramatta

Parramatta is a key regional city centrally located within metropolitan Sydney it has grown to become the fourth largest office market in Sydney behind North Sydney/Sydney CBD and Macquarie Park. Parramatta CBD comprises about 685,000m² of office space and more than **230,000m² of retail space**, including **Westfield Parramatta (136,000m²)**. The retail includes several city blocks of strip retailing including the major restaurant precinct along Church Street.

The Parramatta CBD accommodates more that 30,000 jobs and 30,000 residents and has firmly consolidated its role as a major employment, residential, entertainment and transport precinct. Net office absorption over the past 10 years has averaged about 15,000m² per year, and given the quality transport connections, central location and price point advantage, it is likely to continue to be the premier regional city in western Sydney.

Norwest

Norwest accommodates a major business park, including office and industrial uses, a diverse range of retail as well as residential housing. The 377ha Norwest Business Park includes 144ha of business zoned land. Of the 750-800,000m² of floorspace, about 320,000m² is office floorspace, with the majority of building stock being modern and generally A-Grade quality. The centre is expected to support around 30,000 jobs at capacity. As at early 2011, there was about 5ha of vacant lands.

The retail provision includes the **Norwest Marketown Shopping Centre** accommodates a full-line Coles plus 35 supporting specialty retailers and other uses, while the **Circa Retail** shopping centre accommodates a full-line Woolworths plus 25 supporting specialty retailers. Norwest also accommodates in excess of 25,000m² of bulky goods floorspace and a number of other retail premises.

The Centre has good accessibility by road with direct access to the M7 Motorway via Norwest Boulevard. At least one new train station is proposed in Norwest as part of the North West Rail Link, which will link the centre to the major centres of Castle Hill, Rouse Hill and Sydney City.

Macquarie Park

Macquarie Park is the major business park within Metropolitan Sydney and is the third largest office market accommodating about 745,000m² of office space. Once fully developed, Macquarie Park could accommodate up to 1,700,000m² under current planning controls. The 'Specialised Centre' has an employment capacity target of 55,300 jobs by 2031.

Macquarie Park is comprised of Macquarie Park is a research and business centre specialising in the communications, medical research, pharmaceutical and IT sectors. It includes Macquarie University, Macquarie University Research Park and the Macquarie Centre retail shopping centre.

Macquarie Centre comprises approximately **80,000m²** of retail floorspace and a total centre size. Anchor tenants include Myer, Big W, Target, Woolworths, Franklins, Freedom Furniture and there are in excess of 205 specialty stores. The centre is one of the best performing major regional shopping centres in Sydney supported by quality transport access, residential proximity and proximity to a very significant workforce. The centre has approval for a major expansion of about 30,000m².

Nearby is the recently developed **Top Ryde Shopping Centre** which is about 80,000m² and comprises a strong mix of fashion retailing.

Rouse Hill

The Rouse Hill major centre is located on Windsor Road on the border of the suburbs of Rouse Hill, Beaumont Hills and Kellyville Ridge. The centre is expected to accommodate a target of 9,000 jobs by 2031. Future rail connections will link Norwest with Rouse Hill, Castle Hill and to other parts of Sydney.

Rouse Hill Centre is presently anchored by the **Rouse Hill Town Centre** retail and mixed use precinct. The centre is currently about **60,000m²** of retail floor space and is anchored by major tenants including Big W, Target, Woolworths, Coles and 232 specialty stores.

The centre currently accommodates some medium density residential building and about **3,500m²** of commercial space. Over time this centre will evolve to be the major commercial and retail node in the North West Growth Centre with its key competitive edge being its location to the future North West Rail Link. The centre is expected to be about 200,000m² once completed, comprised of similar proportions of retail and commercial floorspace.

Blacktown

Blacktown is the centre for subregional road and public transport networks, located at the junction of the Main Western and Richmond Branch Rail links. The Richmond Branch Rail Line

links the centre to North West Growth Centre. The centre is also serviced by the North West transit way, and has good access to the Orbital Motorway. Blacktown centre is expected to reach 15,000 jobs by 2031.

WestPoint Shopping Village (64,000m² retail) in Blacktown is the major anchor with major tenants including Myer, Big W, Target, Woolworths, Coles, Franklins, Rebel Sport, Best & Less and 321 specialty stores. This centre totals 80,000m² as it also includes Hoyts Cinemas, bowling, health club and office tenancies.

Mount DrUITT (Future)

Mt DrUITT is designated as a 'potential Major Centre' largely due to its positive locational attributes (i.e. rail), the Mt DrUITT Hospital and a large number of educational institutions such as the local TAFE. It already accommodates a major regional retail centre. **Westfield Mount DrUITT** comprises approximately **60,911m²** of retail floor space with anchor tenants including Kmart, Target, Woolworths, Coles, Clive Peeters, Best & Less, Rebel Sport and 245 specialty stores. The centre also includes a Hoyts cinema and a Woolworths petrol and some office tenants enhancing the total centre size to 67,400m².

It is unlikely that the centre will evolve into a true 'major centre', over the short to medium term unless it is able to attract significantly greater numbers of employment and office floorspace.

Castle Hill

Castle Hill Major Centre is about 20km from Marsden Park however it accommodates the largest dedicated bulky goods centre (51,700m²) and the Castle Towers major regional shopping centres (101,200m² retail). There is more than 200,000m² of retail floorspace in this major centre combined with supporting office and business premises. A 60,000m² expansion was approved early in 2011 for Castle Towers, which would make it one of the largest shopping centres in Australia and consolidate this precinct as a premier retail node in northern Sydney.

4.2.2 Town Centres

The NWGC is planned to accommodate four key town centres servicing various precincts within the broader NWGC. Marsden Park town centre was planned to accommodate 30-35,000m² of retail space and Box Hill between 20-25,000m² of retail space, although the Hill PDA report indicated that up to 30,000m² of retail space could be supported within the town centre without adversely impacting upon the Rouse Hill Town Centre.

Both Riverstone and Alex Avenue Town Centres are expected to be generally of similar size and scale, with Riverstone (25-30,000m²), expected to be slightly smaller than Alex Avenue (30-40,000m²), driven by higher accessibility and a greater catchment. This network of major 'town centres' will comprise about 105-130,000m² of retail space plus commercial space, in addition to Rouse Hill which will accommodate approximately 100,000m² of retail floorspace plus a further 100,000m² of office and commercial floorspace once built out.

Figure 6. Current & Planned Town and Major Centres (NWGC)

Centre	Centre Type	Character of Centre	Retail Floor Space (m2)
Marsden Park	Town Centre	2 Supermarkets & 1-2 DDS	30,000 - 35,000m2
Riverstone	Town Centre	2 Supermarkets & 1 DDS	25,000 - 30,000
Schofields/Alex Avenue	Large Town Centre	2 Supermarkets & 1-2 DDS	30,000-40,000
Box Hill	Town Centre	1-2 Supermarkets & 1 DDS	20,000-25,000
Total NWGC			105,000 to 130,000m2
Rouse Hill	Regional Centre	Regional Facilities	Over 100,000+
NWGC + Rouse Hill			205,000 to 235,000m2+

Source: NSW Department of Planning and Infrastructure (GCC)

Riverstone & Riverstone West Precinct (Riverstone Town Centre: 25,000m²)

The Riverstone Town Centre is planned to accommodate about 25,000m² of retail space plus supporting non-retail tenancies taking the total centre up to about 30,000m². This centre will support other smaller centres and the large employment precinct planned for at Riverstone West. This centre is expected to evolve over the medium term as the residential population begins to grow within the Riverstone precinct.

The existing Riverstone Markettown shopping centre is located on Riverstone Parade. The 2,283m² retail centre is anchored by a 1,340m² Franklins supermarket and has 11 specialty shops plus a branch library. In addition, there is also considerable strip retailing along Garfield Road East and Riverstone Parade.

Schofields Precinct (Alex Avenue Town Centre: 30,000m²)

The 465ha Schofields Precinct was a second release precinct and it has just completed the draft ILP and exhibition stage (September 2011). It is expected to accommodate approximately 3,300 dwellings and up to 9,560 people.

The Alex Avenue Town Centre is expected to accommodate about 25,000 to 30,000m² of retail and commercial space. The Schofields Local Centre will be located on the eastern side of the rail line. Another local centre will be located near Burdekin Road adjoining the sporting fields and primary school. A smaller neighbourhood centre will be located on Grange Avenue.

Box Hill & Box Hill Precinct: Box Hill Town Centre (30,000m² retail)

The Box Hill precinct is bounded by Windsor Road to the south west, Old Pitt Town Road and Boundary Road to the North and the existing Annangrove Road industrial area to the south east. The Box Hill and Box Hill Industrial Precincts are expected to accommodate around 10,000 dwellings and around 28,000 people by 2031 and will be supported by a Town Centre, business park development, a village centre along Windsor Road and various lower order centres.

As highlighted above the town centre is expected to be up to 30,000m² and in its central location within the Box Hill precinct, is likely to be developed over the medium to longer term as population critical mass thresholds are reached. The in-board location will limit the potential for additional turnover beyond the precinct and the potential for early delivery.

4.3 Other Retail Nodes

The table below summarises the existing supply network surrounding the catchment area, including nearby supermarket anchored retail centres as well as surrounding Major Centres.

Figure 7. Retail Supply Network

Centre Name	Location	Distance from MPP	Retail Category	GLA Retail (m2)	Major Tenants
Blacktown (Major Centre)				77,000	
Westpoint Blacktown	Blacktown	11	Major Regional	65,000	Myer - 10,648, Big W - 7,247, Target 7,047
Other Blacktown	Blacktown	11	Strip, Neighbourhood	12,000	Kmart Plaza - 8,000
Mt Druitt (Major Centre)				73,911	
Westfield Mount Druitt	Mt Druitt	10.6	Major Regional	60,911	Kmart - 8,371 Target 7,231 Woolworths 3,998 Coles 3,702
Mount Druitt Town Centre	Mt Druitt	11	Strip Retail	13,000	ShopSmart - 11,355 (inc Trade Secret, Spotlight)
Penrith (Regional City)				128,975	
Westfield Penrith	Penrith	27.4	Major Regional	88,851	Myer - 20,114, Big W - 8,738, Target - 7,097, Woolworths - 3,795, Franklins - 2,010
Centro Nepean	Penrith	27.3	Sub Regional	20,124	Kmart - 8,430 Coles 4,325
Other Retail (not including bulky)	Penrith	33.2	Strip Retail	20,000	Strip retail, restaurants etc
Castle Hill (Major Centre)				113,200	
Castle Towers	Castle Hill	20.8	Super Regional	101,200	David Jones - 16,108, Myer - 14,454
Other Retail (ex Bulky)	Castle Hill	21.9	Neighborhood, Strip	12,000	Castle Mall - 9,735
Parramatta (Regional City)				235,275	
Westfield Parramatta	Parramatta	25.6	Super Regional	135,275	Myer - 28,272, David Jones - 12,905, Target - 8,438, Kmart - 6,396, Woolworths - 4,622, Toys "R" Us - 3,370, Coles 2,637
Other Retail	Parramatta	26.1	Strip Retail	100,000	Greenway - 1791, Mayfair Plaza - 1,035, Parramall - 2,868, Harris Farm, Aldi
Macquarie Park (Specialised Centre)				79,874	
Macquarie Centre	North Ryde	33.2	Major Regional	79,874	Myer - 22,273 Big W - 8,877 Target 7,956 Woolworths 4,558 Franklins 3,186
North West Growth Centre (inc Rouse Hill)				66,675	
Riverstone Marketown	Riverstone	7.6	Neighbourhood	2,283	Franklins - 1,340
Rouse Hill Town Centre*	Rouse Hill	12.7	Major Regional	60,420	Big W - 8,555 Target 6,815 Woolworths - 4,605 Coles - 4,116
Rouse Hill Village Centre*	Rouse Hill	12.8	Neighbourhood	3,972	Franklins - 1,582
Other Centres				122,940	
Plumpton Marketplace	Plumpton	6.9	Sub Regional	16,049	Big W - 6,923 Woolworths 3,980
Woodcroft Plaza	Woodcroft	8.1	Neighbourhood	4,661	Coles - 2,646
Quakers Court Shopping Centre	Marayong	9.1	Neighbourhood	5,142	Woolworths - 3,844
Emerton Shopping Village	Emerton	9.8	Neighbourhood	8,385	Woolworths - 2,358 Go-Lo - 956
Stanhope Village Shopping Centre	Stanhope	12.1	Sub Regional	13,874	Kmart - 5,060, Coles - 3,629
Kings Langley Shopping Centre	Kings Langley	12.1	Neighbourhood	5,250	Coles - 3,092
Windsor Marketplace	Windsor	16	Neighbourhood	8,265	Woolworths - 3,651
Richmond Marketplace	Richmond	16.2	Sub Regional	17,044	Big W - 6,668 Woolworths - 4,013
Winston Hills Mall	Winston Hills	18.6	Sub Regional	22,314	Big W - 8,032 Woolworths - 4,013 Coles - 3,695
Stockland Baulkham Hills	Baulkham Hills	21.1	Sub Regional	16,364	Woolworths - 3,910 Coles - 3,034 Aldi - 1,429
Greystanes Shopping Centre	Greystanes	23.3	Neighbourhood	5,592	Woolworths - 1,700 Franklins - 1,256

Source: Jones Lang LaSalle, Hill PDA, Property Council of Australia, MacroPlan

4.4 Bulky Goods Retail

The residents of MPP and MPIP will generate a fairly significant amount of bulky goods floorspace demand. While the MPIP is zoned to accommodate a significant quantum of bulky goods space, an assessment of the supply context for bulky goods is important to determine whether there is a suitable provision for the residents within MPP and MPIP. The figure below summarises the bulky goods supply network surrounding the precinct.

Figure 8. Bulky Goods Supply

Current Supply	GLAR (m2)	Selected Major Retailers
Home Central McGrath's Hill	16,500	Bunnings, Harvey Norman
Bella Vista (Norwest)	26,000	
Bunnings Warehouse, Bella Vista	8,200	Bunnings
Totally Home Bella Vista	17,800	Harvey Norman, Nick Scali
Castle Hill	100,000	
Castle Hill Homemaker Centre	12,300	Bing Lee, Rays Outdoors
SupaCenta, Castle Hill	51,700	Harvey Norman, Office Works, Domayne, JB, Good Guys
Castle Hill Supacenta	4,820	Clark Rubber
Spotlight Centre, Castle Hill	8,094	Spotlight
Your Home Centre, Castle Hill	11,074	Beaumont Tiles
Other bulky goods	12,000	
Minchinbury	31,345	
M Centre Minchinbury	19,345	Knotts Pine, Hillsong
Bunnings Warehouse Minchinbury	12,000	Bunnings
Blacktown	25,000	
Blacktown Megacenta	25,000	Bunnings, Harvey Norman, BabyCo
Penrith	100,000	
Henry Lawson Centre, Penrith	8,640	Good Guys
Bunnings Warehouse Penrith	8,640	Bunnings
At Home Penrith	25,000	Bing Lee, Anaconda
Harvey Norman Centre, Penrith	21,700	Harvey Norman, Domayne
Bunnings Warehouse, North Penrith	12,000	Bunnings
Other bulky goods penrith	24,000	
Homebase Prospect	25,530	Fantastic Furniture, Good Guys, Freedom
Total Current Supply	340,875	
Future Supply	GLA m2	Selected Major Retailers
Rouse Hill Bulky Goods	10,000	NA
Marsden Park Industrial Precinct	up to 200000	Possible tenants such as IKEA, Bunnings
Total Future Supply	200,000+	

Source: Jones Lang LaSalle, MacroPlan Australia

Marsden Park Industrial Precinct

The MPIP ILP includes 40ha of zoned B5 business development lands that could accommodate bulky goods retailing or larger format, cross-category retailers. Based upon a conservative FSR of about 0.6:1, this could theoretically support up to 240,000m² of bulky goods floorspace.

Surrounding Bulky Goods Supply

McGrath's Hill Home Central is the closest dedicated bulky goods node to the north of Marsden Park. It supports about 16,500m² of retail space with key anchors including Bunnings and Harvey Norman. The centre is collocated with surrounding light industrial uses and is located along Windsor Road, with entry from a secondary road called Industry Road.

To the south Minchinbury accommodates the **M Centre** (19,500m²) multi-tenant bulky goods centre as well as a Bunnings Warehouse (12,000m²) located along the Great Western Highway. While the **Blacktown Megacentre** (25,000m²) is located relatively adjacent to the Blacktown Major centre and includes Bunnings and Harvey Norman.

There are two major bulky goods precincts in the north-west sub-region. These are Penrith and Castle Hill, with both accommodating in excess of 100,000m² of bulky goods space and more than 100,000m² of traditional retail space, including key regional centre anchors.

The **Penrith** bulky goods precinct comprises a conglomeration of stand-alone tenants and dedicated bulky goods centres along Mulgoa Road. At Home Penrith (25,000m²) and the Harvey Norman Centre (21,700m²) are the key anchors. **Castle Hill** includes several dedicated bulky goods centres including the largest dedicated bulky goods centre in Australia the Hills Homemaker Centre (51,700m²) which includes Harvey Norman, Domayne and Officeworks.

4.5 Trade Area Analysis

The trade area for a retail oriented development can be defined as the geographic region from which the centre will draw the vast majority of its trade. Typically between 80% and 90% of total turnover will be generated from within the main trade area (MTA). Growth in population within this catchment will result in increased demand for retail floorspace into the future. This section of the report assesses the likely trade area for potential retail development within Marsden Park.

Retail catchments are predominately driven by convenience and need, with consumer behaviour dictating that residents generally travel to the most convenient location to satisfy that need. Trade area delineation is driven by a range of accessibility and convenience factors including:

- Competitive framework and existing supply
- Road networks and traffic flows;
- Natural and man-made physical boundaries such as rivers, rail, freeways etc;
- Ease of parking;
- Co-location with higher order facilities and/or services
- Level of employment and journey-to-work patterns; and
- Population distribution and proximity to the proposed premises

The trade catchment for the proposed retail centre at the subject site is comprised of a Primary Trade Area (PTA) and three Secondary Trade Areas (STAs). Combined, these comprise the Main Trade Area (MTA). See figure overleaf.

The residents within the PTA will direct a higher proportion of their retail expenditure towards the proposed retail centre than those within the various STAs.

To highlight the demand generated specifically within the MPP and MPIP, these precincts will be considered to form the **PTA**.

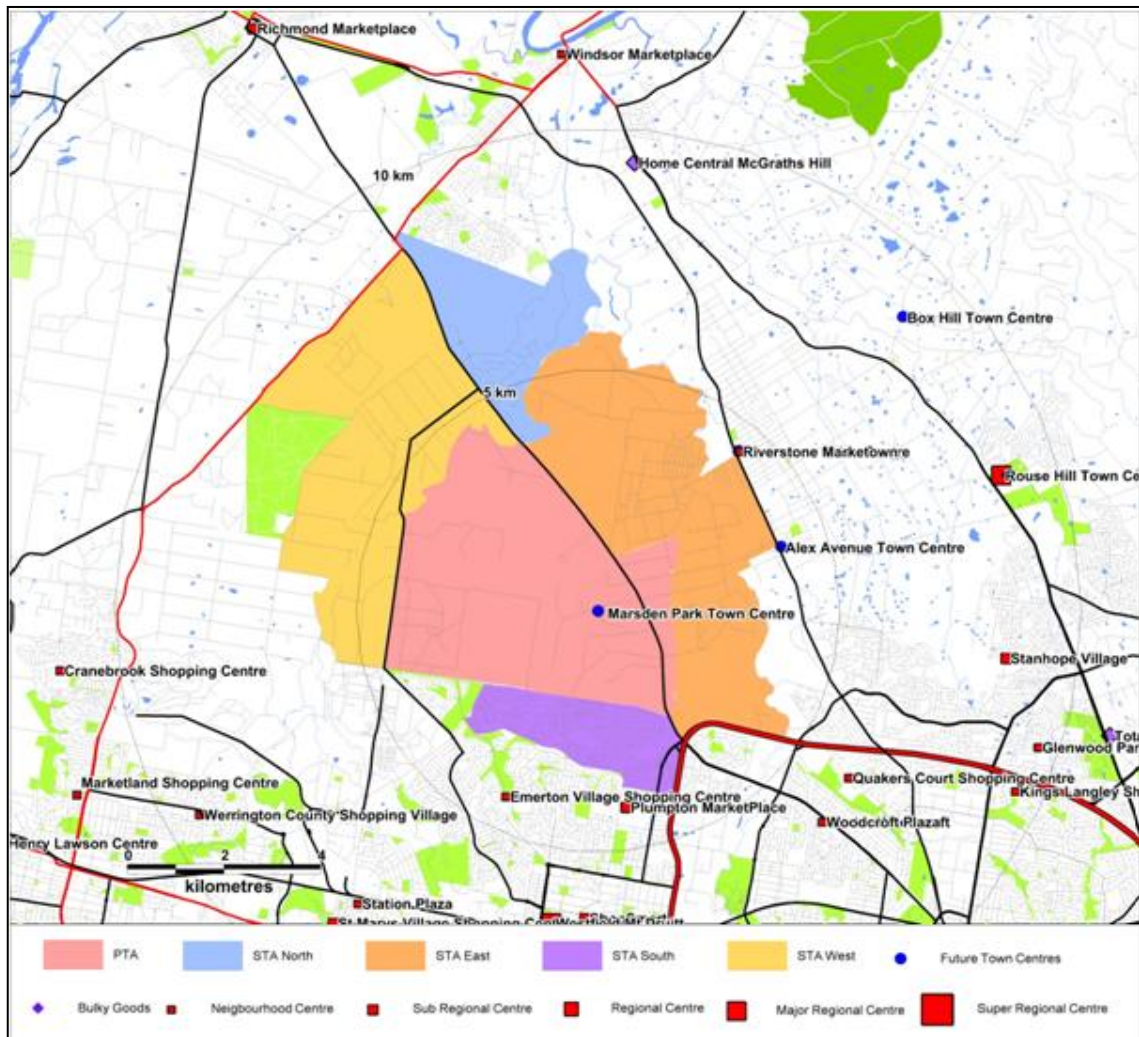
The **STA East** includes the growth area precincts including Marsden Park North, Colebee and Schofield's West.

The **STA North** includes the established suburbs of Windsor Downs, Berkshire Park and Shanes Park, if appropriate connections are made through the precincts.

Given that the Marsden Park town centre is located in the southern corner of the precinct and there is expected to be major retail anchors within MPIP, the **STA West** is expected to extend southwards into Bidwell, Hassell Grove and Shalvey.

The draw of the town centre, which is likely to accommodate full-line supermarkets, DDS stores, specialty retail and other uses will attract residents from this region. Although the overall market shares from this area would be lower than, say, residents of Colebee.

Figure 9. Retail Trade Catchment: Marsden Park Precinct



Source: MapInfo, MacroPlan Australia (2011)

4.6 Socio Demographic Profile

The socio-demographic profile of residents within the trade area at present is expected to differ from the future trade area as new residents move the area, comprises young families, cash-out retirees, and young singles/couples as the town centre and employment nodes establish.

The socio-demographic profile of residents will have a bearing upon the types of retail tenants that might choose to locate to a particular region, however, in general, household income and population growth will be key drivers of growth in retail expenditure generated within the trade area.

As a starting point, the expenditure profile of current residents within the catchment has been adopted to understand the latent retail demand and various growth assumptions have been applied to estimate the likely future expenditure profile of the trade area.

4.7 Trade Area Population

As at 2011, there was an estimated 930 persons within the PTA (i.e. MPP and MPIP). Based upon population projections from the *Draft Marsden Park – Demographics and Social Infrastructure Assessment by MacroPlan (2011)*, the population is expected to grow by about 200 residents per year in the short-term, increasing to growth of 2-2,500 residents per year between 2016 and 2026. As the precinct builds out, this growth is expected to slow to about 1,400 new residents per year, reaching about 32,000 persons at capacity.

The established areas within the STA West and STA South are expected to exhibit moderate growth over the next 20 years. While STA East and STA North are expected to exhibit periods of strong growth as the various precincts, such as Schofields West and Marsden Park build out.

Overall the MTA population is expected to grow from about 12,600 persons in 2011 up to about 63,700 persons by 2031. This equates to an additional 51,000 residents, driving demand for significant additional retail floorspace within the catchment area.

Figure 10. Main Trade Area – Population Growth (2011 to 2031)

	2011	2016	2021	2026	2031
Estimated Resident Population					
PTA	927	1,960	12,835	25,386	32,320
STA - North	1,410	1,427	1,445	1,463	8,427
STA - West	2,143	2,170	2,198	2,225	2,253
STA - East	1,688	4,238	5,603	9,953	13,868
STA - South	6,461	6,542	6,624	6,708	6,792
Secondary Trade Area	11,702	14,377	15,871	20,350	31,340
Main Trade Area	12,629	16,338	28,706	45,736	63,661
	2006-11	2011-2016	2016-21	2021-26	2026-31
Average Annual Change (No.)					
PTA		207	2,175	2,510	1,387
STA - North		4	4	4	1,393
STA - West		5	5	6	6
STA - East		510	273	870	783
STA - South		16	16	17	17
Secondary Trade Area		519	282	879	2,181
Main Trade Area		742	2,474	3,406	3,585
	2006-11	2011-2016	2016-21	2021-26	2026-31
Average Annual Change (%)					
PTA		16.2%	45.6%	14.6%	4.9%
STA - North		0.2%	0.2%	0.2%	41.9%
STA - West		0.2%	0.2%	0.2%	0.2%
STA - East		20.2%	5.7%	12.2%	6.9%
STA - South		0.2%	0.2%	0.2%	0.2%
Secondary Trade Area		4.2%	2.0%	5.1%	9.0%
Main Trade Area		5.3%	11.9%	9.8%	6.8%

Source: MacroPlan Australia, NSW DP&I, ABS (2011)

4.8 Retail Expenditure Per Capita

The retail expenditure profile within the catchment has been estimated using MarketInfo data. MacroPlan considers MarketInfo to be the current best practice data source used in the calculation of retail expenditure. MarketInfo is a micro-simulation model developed by MDS Market Data Systems Pty Ltd.

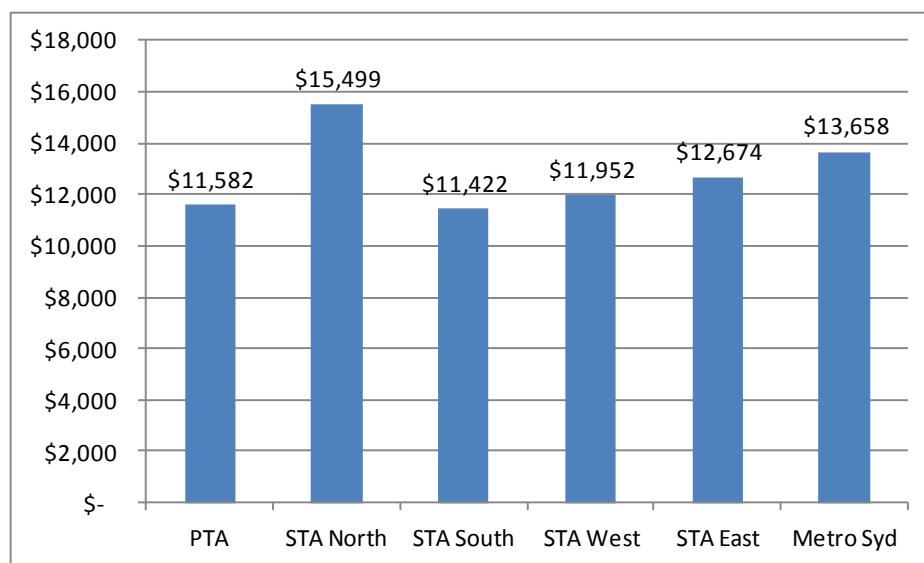
This model is based on information from the national ABS Household Expenditure Survey (HES), the Census of Population and Housing as well as other information sources (i.e. ABS National Accounts, Australian Tax Office Statistics, Medicare data etc), and uses micro-simulation techniques to combine propensity to spend on particular commodities with socio-economic characteristics of individuals.

The figure overleaf shows that an average, metropolitan Sydney residents spends about \$13,700 per year on typical retail goods and services such as food, apparel, household goods and retail services.

As at 2011, an average MTA resident spends about \$12,600 per annum, or about 8% less than metropolitan Sydney averages. This does not necessarily mean a reduced requirement for all forms retail floorspace, and in certain retail categories, the expenditure profile per capita is close to Sydney averages, such as food and grocery expenditure.

The most affluent area if catchment is the STA North which exhibits an expenditure profile 13.5% greater than metropolitan Sydney averages at \$15,500 per annum, while the established suburbs around the STA South exhibit the lowest expenditure profile at about \$11,400 per annum.

Figure 11. Main Trade Area – Total Retail Expenditure Per Capita (\$2011)



Source: MarketInfo (2009), MacroPlan (2011)

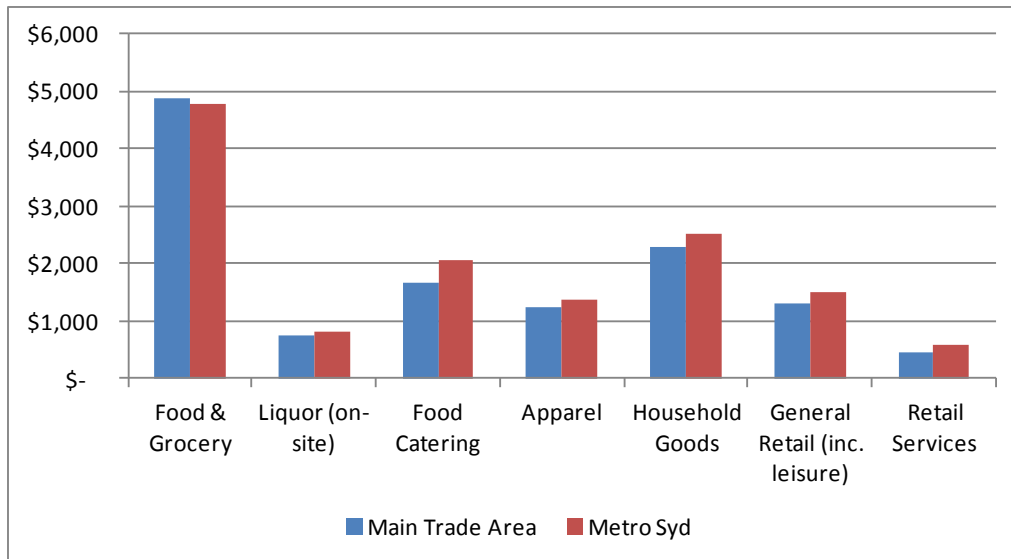
Assessing the expenditure profile in more detail shows that retail expenditure across key convenience categories such as food and grocery, liquor and retail services is quite comparable with metropolitan Sydney averages. (See figure overleaf). It is expected that the expenditure profile across all retail categories will gradually approach Sydney metropolitan averages over time as the precinct evolves and average incomes increase.

The retail categories are defined as follows:

- Food & grocery – includes major/minor supermarkets and fresh food (i.e. delis, butcher)
- Liquor – includes liquor outlets
- Food Catering – includes restaurants, cafes and take-away food

- Apparel – includes apparel, accessories, footwear etc
- Household Goods – includes furniture, electrical, homewares, electrical etc
- General Retail & Leisure – includes sports, hobbies, chemists, newsagents etc
- Services – includes retail services such as clobbers, key cutters, dry-cleaners etc.

Figure 12. Main Trade Area –Retail Expenditure Per Capita by Retail Category (\$2011)



Source: MarketInfo (2009), MacroPlan (2011)

4.9 Retail Expenditure Pool

The size of the population within the catchment is combined with the retail expenditure profile per capita for each retail category to understand the overall available retail expenditure within the catchment.

Real growth (i.e. above inflation) is estimated at 1.0% per annum over the longer term, which is consistent with long term historical real growth in retail, which has averaged about 1.1% per annum over the past 20-25 years. This real growth rate also accounts for an expected increase in the household incomes of future residents within the catchment.

MacroPlan has translated the retail expenditure categories into ‘on the ground’ retail store types to better understand the land use planning implications.

The total food market comprises about 59% of total available retail expenditure and indicates that convenience retail provision will be an important consideration in the precinct planning for MPP. The MTA generates some \$160 million in total retail expenditure demand. This is expected to more than double to \$387 million by 2021 and up to \$964 million by 2031.

Figure 13. Retail Expenditure Pool (2011 to 2031) (m\$2011)

Retail Expenditure	2011	2016	2021	2026	2031
Store Type	\$m	\$m	\$m	\$m	\$m
Food & Grocery	\$46.5	\$63.0	\$116.2	\$194.4	\$286.9
Food Specialties (inc. liquor)	\$27.4	\$37.5	\$69.9	\$117.5	\$174.1
Food Catering	\$21.1	\$28.1	\$49.7	\$81.6	\$125.1
Food Total	\$95.0	\$128.6	\$235.8	\$393.5	\$586.0
DDS / Dept Store	\$22.0	\$29.0	\$49.5	\$80.0	\$122.8
Non-Food Specialties	\$21.1	\$28.1	\$49.2	\$80.4	\$122.8
Retail Services	\$5.7	\$7.5	\$13.6	\$22.3	\$34.3
Bulky Goods	\$16.8	\$22.5	\$39.2	\$64.1	\$98.5
Non-Food Total	\$65.7	\$87.1	\$151.4	\$246.8	\$378.3
Total Retail	\$160.7	\$215.7	\$387.2	\$640.3	\$964.3

Source: MarketInfo (2009), MacroPlan (2011)

4.10 Retail Demand

The figure below summarises the total retail demand generated across the catchment, estimated by applying national retail turnover benchmarks to the available retail expenditure pool within the MTA. The applied retail turnover benchmarks are based upon Urbis retail benchmarks and our retail experience across Australia.

The figure below shows the catchment supports about 25,700m² of retail floorspace demand, comprised of about 11,600m² of food retailing and 14,100m² of non-food retailing. This is expected to grow to 52,600m² by 2021 and up to 112,900m² by 2031.

The MPP and MPIP (i.e. PTA) by themselves generate current demand for about 1,700m² of total retail space, increasing to about 22,200m² by 2021 as growth is expected to be quite strong to this period. As both precincts reach capacity around 2031, the total population is expected to generate about 53,100m² of total trade area retail demand, or about 47% of total.

Not all of this retail expenditure will be captured by the expected network of retail centres across Marsden Park (and 3,000m² within MPIP). Many residents will need to access a more complete range of retail goods and services at higher order and regional retail nodes such as Blacktown, Parramatta and major bulky goods precincts, including MPIP. However, there is also likely to be demand generated from beyond this trade catchment from passing vehicles, workers at MPIP and other places of work nearby and visitors to the precinct.

The role and function of the retail centres within the Marsden Park precinct will be to provide convenience retail options to service daily and weekly convenience needs, with some higher order DDS and specialty floorspace within the town centre. Provision of retail services within Marsden Park will help retain some of this demand and provide sustainable living and employment outcomes for future residents.

Figure 14. Total Retail Demand (2011 to 2031) (m²)

PTA - Demand	2011	2016	2021	2026	2031	RTD
Store Type	m2	m2	m2	m2	m2	\$/m2
Food & Grocery	377	798	5227	10339	13163	\$9,000
Food Specialties (inc. liquor)	276	583	3820	7555	9619	\$7,500
Food Catering	181	384	2512	4969	6326	\$7,500
Food Total	835	1765	11560	22863	29108	na
DDS / Dept Store	363	767	5024	9938	12652	\$3,500
Non-Food Specialties	202	427	2798	5535	7047	\$6,500
Retail Services	60	127	830	1641	2089	\$6,500
Bulky Goods	232	490	3208	6344	8077	\$4,500
Non-Food Total	856	1811	11860	23458	29865	na
Total Retail	1691	3577	23420	46321	58973	na
MTA - Demand	2011	2016	2021	2026	2031	RTD
Store Type	m2	m2	m2	m2	m2	\$/m2
Food & Grocery	5165	6663	11693	18606	26122	\$9,000
Food Specialties (inc. liquor)	3653	4753	8432	13494	19019	\$7,500
Food Catering	2820	3568	6002	9371	13667	\$7,500
Food Total	11638	14983	26127	41471	58809	na
DDS / Dept Store	6276	7871	12797	19696	28750	\$3,500
Non-Food Specialties	3251	4117	6847	10653	15483	\$6,500
Retail Services	883	1101	1890	2953	4325	\$6,500
Bulky Goods	3744	4750	7886	12272	17933	\$4,500
Non-Food Total	14154	17838	29419	45575	66491	na
Total Retail	25792	32822	55546	87046	125300	na

Source: MarketInfo (2009), MacroPlan (2011), Urbis (2010)

4.11 Capture Rates

Typically most retail centres will generate between 10-20% of turnover from beyond the defined main catchment particularly if located along a main road. Smaller village centres located within the precinct may only generate about 5-10% of trade from beyond the MTA.

Any centres located along Richmond Road would be likely to attract up to 20% of annual turnover from beyond the catchment, capitalising upon passing trade. While the proposed Town Centre location, proximate to the major employment node in MPIP, sub-regional in nature and a mixture of uses could be expected to attract a higher share of trade from beyond the MTA.

In order to estimate the appropriate provision of retail floorspace in terms of size and mix within the Marsden Park precinct, MacroPlan has assumed that beyond MTA expenditure will contribute to 10% of total turnover within Marsden Park. This is considered to be a conservative scenario ensuring that an appropriate provision of retail space is provided to local residents.

It is possible that this proportion could be much greater if the MPIP evolves into a major regional retail and employment node of the scale and influence of a major precinct like Parramatta Road, Auburn, Castle Hill's bulky goods precinct or Penrith's bulky goods precinct.

Capture Rates

The table below outlines the likely capture rates that could be achieved from various areas of the trade catchment. MacroPlan has applied similar benchmarks to those from the *Hill PDA Box Hill Retail and Employment Study*, given the similarities to the Box Hill and Box Hill Industrial Precincts.

All capture rates have been held constant to understand the potential sizing and staging of the retail mix within Marsden Park. However in the STA East, they have been reduced over time assuming that new convenience retail space is developed within Marsden Park North and Schofields West.

Figure 15. Capture Rates – Main Trade Area

Market Shares	PTA	STA North	STA West	STA East	STA South	MTA
2011-2021						
Food & Grocery	75%	33%	33%	33%	5%	33%
Food Specialties (inc. liquor)	75%	33%	33%	33%	5%	33%
Food Catering	60%	25%	25%	25%	5%	25%
Food Total	72%	31%	31%	31%	5%	31%
DDS / Dept Store	50%	20%	33%	33%	10%	33%
Non-Food Specialties	35%	15%	25%	15%	10%	15%
Retail Services	60%	15%	25%	15%	5%	15%
Bulky Goods	0%	0%	0%	0%	0%	0%
Non-Food Total	33%	13%	21%	13%	7%	13%
Total Retail	58%	23%	27%	24%	6%	24%
2021-2031						
Food & Grocery	75%	20%	33%	15%	5%	45%
Food Specialties (inc. liquor)	75%	20%	33%	15%	5%	46%
Food Catering	60%	15%	25%	15%	5%	35%
Food Total	72%	19%	31%	15%	5%	8%
DDS / Dept Store	50%	20%	33%	20%	10%	32%
Non-Food Specialties	35%	15%	25%	15%	10%	24%
Retail Services	60%	15%	25%	15%	5%	36%
Bulky Goods	0%	0%	0%	0%	0%	0%
Non-Food Total	34%	13%	21%	13%	7%	22%
Total Retail	52%	15%	26%	14%	6%	32%

Source: MacroPlan Australia (2011)

4.12 Supportable Retail Floorspace

Based upon the assumed capture rates applied above and considering a 10% beyond trade area capture the Marsden Park precinct could support about **44,300m²** of retail space as the precinct reaches capacity around 2031. This accounts for decreasing shares within surrounding NWGC area precincts over time as these regions evolve. This estimate does not include the 3,000m² of 'convenience retail' recommended within MPIP, as that retail was based purely upon expenditure from workers within the MPIP itself.

MPP could begin to support retail floorspace around or just prior to 2016, providing convenience retail floorspace (i.e. supermarket, supporting food specialities, fast-food/take-way and other convenience specialities). This could be delivered ahead of market demand, to ensure the major growth phase between 2016 onwards is met with sufficient retail facilities.

Typically, enclosed retail or main street retail centres will incorporate about 10% of tenancy floorspace in the form of non-retail business such as banks, travel agents, medical facilities etc and this has been accounted for in assessing supporting centre sizes.

Figure 16. Supportable Floorspace – Marsden Park (2011 to 2031)

Supportable Development	2011	2016	2021	2026	2031
Store Type	m2	m2	m2	m2	m2
Food & Grocery	1235	1970	5328	9887	13191
Food Specialties (inc. liquor)	885	1424	3876	7209	9630
Food Catering	535	817	2142	3930	5324
Food Total	2655	4212	11346	21026	28145
DDS / Dept Store	1290	1776	4287	7455	10369
Non-Food Specialties	548	742	1723	2966	4106
Retail Services	141	210	693	1275	1727
Bulky Goods	0	0	0	0	0
Non-Food Total	1979	2729	6703	11696	16202
Total Retail (m2)	4633	6940	18049	32722	44347
Plus non-retail (10%)	515	771	2005	3636	4927
Total Centre (m2)	5148	7711	20054	36357	49274

Convenience retail to be delivered prior to 2016 to meet 2016-21 demand

Total supportable retail at 2031

Includes non-retail such as banks, medical, travel agents etc

Source: MacroPlan Australia (2011)

Recommended Mix

MacroPlan has identified the potential for the Marsden Park precinct to accommodate approximately **44,000m²** of convenience and sub-regional retail space. The 40ha of B5 zoned land at MPIP sufficiently caters for bulky goods demand over the next 20-25 years.

Given the importance of providing convenience retail this would include major-full line supermarkets, smaller neighbourhood supermarkets, discount department stores, supporting specialty stores such as bakeries, cafes, restaurants, pharmacies, newsagents and hair-dressers.

The distribution of this supportable retail floorspace across the precinct (i.e. town, village centres), the size and mix of tenancies is analysed in Section 6 of this report. The distribution retail floorspace is considered in conjunction with other supporting employment uses, the demand for which is analysed in Section 5.

5 Employment Analysis

MacroPlan reviewed several retail and employment technical studies prepared for other precincts across the NWGC. The technical studies included Hill PDA's report for Box Hill, Jones Lang LaSalle's report for MPIP, SGS Economics and Planning's retail and employment study for Area 20 and Leyshon Consulting's retail advice for Area 20.

These reports recommend various provisions of retail, commercial and employment lands across the various precincts, dependent upon the general role and function of each precinct within the broader NWGC. These reports informed the endorsed ILPs and draft ILPs for the identified precincts, while other endorsed ILPs have been reviewed, such as Riverstone, Riverstone West and Alex Avenue

The Marsden Park precinct sits adjacent to the MPIP, which is a dedicated employment precinct (up to 10,000 jobs), accommodating a relatively small amount of residential dwellings (i.e. 1,200 dwellings).

The Marsden Park precinct will be a primarily residential oriented precinct. Initial capacity estimates indicate that the precinct could accommodate approximately 10,000 dwellings and up to 29,000 residents.

Ensuring that these residents are sufficiently provided for in terms of local employment opportunities is important to maximise sustainability objectives and to enhance local community outcomes.

5.1 Employment Lands Supply

The North West sub-region accommodates about 4,500ha of employment land, making it the largest contributor of employment lands in metropolitan Sydney. (NSW DPI – Employment Lands for Sydney 2007). The Blacktown LGA accommodates about 50% of the existing stock.

As at 2007, there were 750 lots or about 2,000ha of undeveloped employment lands in the North West sub-region. As at the 2006 census, the North West sub-region accommodated 78,900 jobs within employment lands, which was second only to the Central West subregion.

Most of these jobs were held in the Blacktown, followed by Penrith and The Hills. Manufacturing was the main industry located in the subregion accounting for 29% of all jobs followed by wholesale trade at 12% and retail trade at 10%.

Typically, the types of employment lands in the North West sub-region accommodate lower yield uses such as larger scale manufacturing or warehousing and distribution premises. Employment yields of 31 jobs/ha compare with Sydney averages of 43 jobs/ha.

5.1.1 Summary Employment Lands Supply

The figure overleaf summarises the surrounding employment lands supply across the NWGC and other precincts nearby to the MPP. This includes existing industrial estates, new zoned industrial precincts and future employment land and business park nodes.

Figure 17. Surrounding Employment Lands Supply

Precinct	Status	Industrial (inc. B5)	Business Park / Business	Total	Available
North West Growth Centre					
Marsden Park Industrial Precinct	Zoned	243ha	60ha	303ha	303ha
Riverstone West	Zoned	88ha	16ha	104ha	104ha
Riverstone (Existing)	Zoned	90ha	-	90ha	na
Riverstone (Future)	Zoned	14ha	-	14ha	14ha
Box Hill & Box Hill Industrial	Draft	60.4ha	61.3ha	122ha	122ha
Total NWGC		458ha	138ha	633ha	539ha
Surrounding LGAs					
Blacktown	Zoned	2090ha	190ha	2280ha	na
Baulkham Hills	Zoned	323ha	320ha	642ha	na
Penrith	Zoned	1430ha	200ha	1630ha	na
Western Sydney Employment Area	Partly Zoned	1000ha+	-	1000ha+	na

Source: Hill PDA, Jones Lang LaSalle, GCC, NSW Dept Planning (NW Subregional, Employment Lands Action Plan)

5.1.2 Major Employment Land Precincts

Marsden Park Industrial Precinct

The 385ha MPIP and will be characterised by a mix of employment generating uses such as general and light industrial, business parks, and commercial uses. Industrial land will form the majority of the precinct which is intended to support a range of light and general industrial uses from large floor-plate warehousing and storage facilities which capitalise on the precinct's location near Richmond Road, to smaller factory unit style developments for more intensive trade based activities.

Based upon recent land purchases (source), IKEA and Bunnings will be likely future tenants within this precinct and the role and function is likely to be regional in nature servicing the western/north-western Sydney catchment ranging between 500,000 to 1million persons.

The draft ILP has been prepared and the whole precinct is expected to accommodate up to 10,000 jobs and 3,500 persons across 70 ha of commercial land, 40 ha of bulky goods and 206 ha of industrial lands. The lands were formally rezoned in November 2010 and DA applications and development is expected to occur rapidly in the short term given the high quality access of the precinct to the M7.

The precinct includes the 200ha Sydney Business Park, a consolidated land holding being marketed at present for industrial, office and bulky goods tenants. The locational attributes of this business park will give it quite a strong competitive offer.

Box Hill and Box Hill Industrial Precinct

Box Hill Industrial precinct comprises 245ha of lands adjoining Annangrove Road, while the Box Hill precinct. The draft ILP for both precincts just completed its exhibition phase in November 2011. The preliminary indications from this ILP, supported by analysis undertaken by Hill PDA (2010) included:

- 60.4ha of light industrial lands along Annangrove Road
- 58.4ha of business park lands along Windsor Road
- 2.9ha of business lands adjoining the Town Centre

This precinct is expected to service the residents in the eastern side of the NWGC, including Box Hill and Box Hill Industrial Vineyard, Riverstone, Area 20, Rouse Hill and surrounds.

Riverstone and Riverstone West

The Riverstone precinct is expected to accommodate an additional 14ha of light industrial lands, performing a local servicing role and providing local job opportunities. This would be an extension to the existing industrial node at Riverstone. The existing Riverstone industrial precinct is approximately 90ha which consists of local industry, manufacturing–heavy and includes two parcels of land situated either side of Riverstone Parade near Victoria Street in the north. This established industrial estate includes mostly light industries such as concrete plants and urban support services. The existing building stock is generally of older style.

The Riverstone West precinct is a dedicated employment precinct and the ILP indicates provision of 16ha of business park lands, 72ha of general industrial and 16ha of light industrial lands. At capacity this precinct could accommodate up to 12,000 jobs. The precinct would benefit from its proximity to the Riverstone and Vineyard railway stations. It is likely that this precinct will take much longer to evolve than areas such as MPIP and even Box Hill, given the superior locational attributes of these regions and the demonstrated developer and land-owner interest.

Riverstone West provides a good long-term buffer of employment lands and business park land supply to support and promoted employment self-containment within the NWGC.

Western Sydney

The creation of employment at the heart of Sydney’s population is a key objective of the Sydney Metropolitan Strategy. Located near the intersection of the M4 and M7 motorways, the Western Sydney Employment Area (WSEA) is expected to eventually accommodate about 40,000 workers. In August 2009, the NSW Government announced the rezoning of 800 hectares of land within the employment area, with a capacity for up to 16,500 jobs. The rezoning also protects significant environmental conservation land.

SEPP (Western Sydney Employment Area) 2009 creates a consistent zoning system for new and existing employment lands and for environmental conservation. The policy coordinates development of the land for industrial uses such as major warehousing, distribution, freight transport, industrial, high technology and research facilities.

This precinct includes major nodes around Erskine Park and Eastern Creek, Huntingwood and Greystanes, which will enable the precinct to develop several fronts concurrently. This precinct will service industries and residents across the whole of Sydney and NSW, while providing significant employment opportunities for Western Sydney residents.

5.1.3 Other Employment Land Precincts

Windsor/South Windsor and Mulgrave/Vineyard

Windsor/South Windsor industrial precinct is classified as light manufacturing, heavy manufacturing and urban services and is the largest precinct within Hawkesbury local government area. The precinct supports a broad mix of industrial uses including metal fabrication, carpentry, warehousing/ distribution and automotive servicing and sales. The site has good access to Windsor Road.

Mulgrave/Vineyard industrial precinct is also classified as light manufacturing, heavy manufacturing and urban services and is a well established industrial area comprising a mix of industrial uses such as manufacturing, automotive servicing, and automotive sales as well as bulky goods retailing.

The precinct accommodates the 13,000m² Windsor ‘Home Centre’ bulky goods retailing. The precinct also accommodates an industrial area zoned 3(b) Special Business which is occupied by a range of fast food restaurants and an automotive sales business.

Dunheved/St Marys

Dunheved/St Marys industrial precinct is a light manufacturing and heavy manufacturing precinct. It is one of the oldest industrial sites in Penrith LGA and covers over 200ha. Dunheved has a dominant heavy industrial component, but this is slowly being replaced by increased light industry. Dunheved is directly adjacent to the St Marys precinct which includes proposed employment areas, residential areas and a major regional park.

Glendenning

The 213ha Glendenning industrial precinct is located directly to the east of the M7 Motorway at Glendenning. It is classified as freight and logistics, manufacturing–light, manufacturing–heavy. This is an older industrial estate with several vacant lots. There is some variation in the size of the lots but most are medium in size. Glendenning’s major tenant is the BHP One Steel, steel mill.

Annangrove

Annangrove industrial precinct is classified as local industry and comprises around 120ha of land located on the boundary of the North West Growth Centre. The area currently has a mix of industries which primarily provide urban support services such as a storage centre and automotive repairs. The precincts contains about 100ha of vacant lands.

Blacktown North

Blacktown North industrial precinct is over 100ha in size and located immediately north of the Blacktown Major Centre. It is classified as manufacturing–light, freight and logistics, local industry. It is a large industrial area including a range of industry types also ranging from older areas to more established industrial developments. Major tenants include Blacktown Distribution Centre and Coca–Cola Amatil which are located in the northern portion of the estate.

Blacktown/ St Martins and Mt Druitt

Blacktown/St Martins is approximately 6ha and contains mainly urban support services such as the Blacktown Mega Centre and the RTA Motor Registry. Mt Druitt is primarily freight and logistics, manufacturing–heavy area comprising approximately 54ha located adjacent to the Mt Druitt Town Centre and South Creek. It consists primarily of logistics/warehousing, light industrial uses and urban support services. It has some vacant land, along with building stock ranging from established to recent developments.

5.2 Employment Projections

There are several methodologies that can be applied to assess employment growth for a particular region. Two of the key approaches that have been considered are as follows:

Economic Growth Method

The **economic growth method** derives employment growth by assessing the implied employment requirement in order to meet a particular economic growth path, as measured by production (i.e. Gross Domestic Product (GDP) or Gross Regional Product (GRP) for a region).

This approach is best suited to larger areas, i.e. state, national level, to estimate the labour force requirements in order to meet future forecasts of economic growth and major planned economic investment.

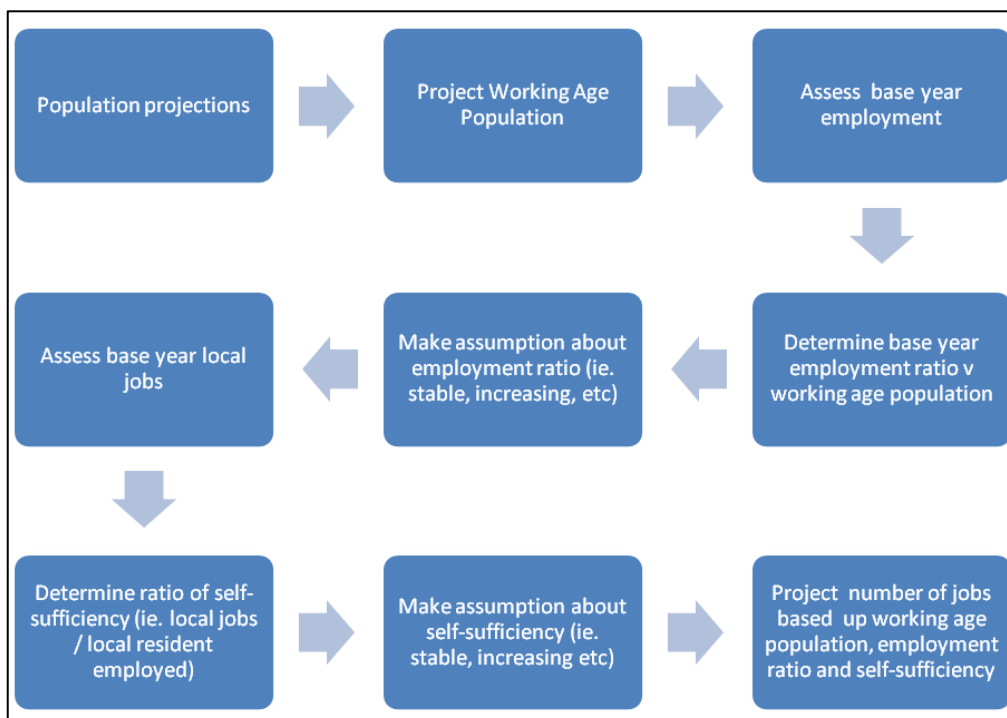
This approach was recently applied by Access Economics in a paper entitled ‘Economic Modelling of Skills Demand’ on behalf of Skills Australia (2009) to determine the future demand for post-schools skills and qualifications to 2025, under a range of growth assumptions and policy settings.

Population Growth Method

The **population growth method** relies upon population growth as the key input in determining employment growth. This method relies upon assumptions regarding working age population, the ratio of employment to working age population (i.e. participation rates), the ratio of local jobs versus local employed residents (i.e. self sufficiency). The figure below outlines this approach.

The population growth method has been adopted in this study, given a key objective of the NSW DPI is to ensure local employment opportunities are provided in areas of strong population growth. Where possible, self-sufficiency levels should be targeted when planning for new growth areas.

Figure 18. Population Growth based Employment Projections



Source: MacroPlan Australia (2011)

5.3 Industry of Employment

To understand the current employment profile that exists around the NWGC, MacroPlan has assessed the industry of employment characteristics for Blacktown SLA, which incorporates the whole NWGC. This has been compared with the employment profiles of Blacktown LGA, Baulkham Hills LGA and broader metropolitan Sydney.

The employment profile within Blacktown North SLA is strongly oriented towards blue collar industries within 12.3% of resident workers employment in manufacturing, 5.6% in transport and 6.8% in wholesale trade. Retail trade (10.2%) is the second largest employment industry, followed by health care (9.0%) and construction workers (7.8%).

Figure 19. Resident Workforce - Industry of Employment - 2006

Industry (2006)	Blacktown North SLA	Blacktown LGA	Baulkham Hills LGA	Sydney SD
Agriculture, forestry & fishing	0.8%	0.5%	0.6%	0.4%
Mining	0.1%	0.1%	0.1%	0.2%
Manufacturing	12.3%	13.7%	9.1%	9.2%
Electricity, gas, water & waste services	1.1%	1.0%	0.8%	0.8%
Construction	7.8%	6.8%	7.8%	6.7%
Wholesale trade	6.8%	6.3%	7.1%	5.3%
Retail trade	10.2%	10.1%	11.2%	10.0%
Accommodation & food services	4.5%	4.7%	4.4%	5.7%
Transport, postal & warehousing	5.6%	6.9%	3.3%	5.1%
Information media & telecommunications	2.0%	1.8%	2.4%	2.8%
Financial & insurance services	5.9%	5.1%	6.0%	6.1%
Rental, hiring & real estate services	1.4%	1.2%	2.1%	1.7%
Professional, scientific & technical services	5.9%	4.5%	9.2%	8.4%
Administrative & support services	2.8%	3.1%	2.7%	3.2%
Public administration & safety	6.1%	5.6%	4.5%	5.3%
Education & training	6.1%	5.0%	8.3%	6.8%
Health care & social assistance	9.0%	9.1%	9.8%	9.4%
Arts & recreation services	0.9%	0.9%	1.2%	1.4%
Other services	3.8%	3.7%	3.9%	3.5%
Inadequately described/Not stated	2.5%	3.1%	2.3%	2.7%
Unemployment	4.3%	6.8%	3.2%	5.3%
Total	100%	100%	100%	100%

Source: ABS Census Population & Housing

5.4 Jobs versus Resident Workers

The figure overleaf shows that as at the 2006 Census there were 14,900 jobs within Blacktown – North SLA, compared with a total employed resident workforce of about 43,530 workers.

This equates to an employment self-sufficiency ratio of just 34%, one of the lowest across the entire Sydney Metropolitan region. This means that there was about 1 potential local job available for every 3 resident workers within the region. This reflects the undeveloped nature of the region as at 2006, with a local employment market in its infancy.

At present, the three main employment sectors in terms of local jobs are:

- Manufacturing – 18.5% (2,750 jobs)
- Education & training – 14.0% (2,090 jobs)

- Retail trade – 10.7% (1,590 jobs)

The employment self sufficiency ratio was highest for agriculture (84%) and education and training (75%), while key white collar industries including information and communications (7%) and financial services (8%) were amongst the lowest.

The largest gaps are in retail trade (3,100 jobs) and health care (3,100 jobs), followed by manufacturing (2,800 jobs) and financial services (1,800 jobs).

The gaps in the first three industries reflect the factor that these are the three major employment sectors for Blacktown North – SLA residents, while the gap in financial services is driven strongly by the under provision of opportunities.

What is clear is the lack of white collar job opportunities within the region and a general under provision of employment opportunities generally.

Figure 20. Employment by Industry - Blacktown North SLA (Jobs vs Resident Employed – 2006)

Industry (2006)	Jobs	Emp Res	%Self Sufficiency	Gap	
Agriculture, forestry & fishing	307	366	84%	-59	← High self-sufficiency
Mining	17	58	29%	-41	
Manufacturing	2752	5576	49%	-2824	
Electricity, gas, water & waste services	150	502	30%	-352	
Construction	1424	3529	40%	-2105	
Wholesale trade	1041	3089	34%	-2048	
Retail trade	1587	4661	34%	-3074	
Accommodation & food services	743	2060	36%	-1317	
Transport, postal & warehousing	755	2563	29%	-1808	
Information media & telecommunications	76	926	8%	-850	← Low self-sufficiency
Financial & insurance services	199	2665	7%	-2466	
Rental, hiring & real estate services	292	641	46%	-349	
Professional, scientific & technical services	563	2689	21%	-2126	
Administrative & support services	319	1271	25%	-952	
Public administration & safety	619	2761	22%	-2142	
Education & training	2086	2789	75%	-703	← High self-sufficiency
Health care & social assistance	1025	4089	25%	-3064	
Arts & recreation services	153	423	36%	-270	
Other services	606	1734	35%	-1128	
Inadequately described/Not stated	186	1138	16%	-952	
Total	14900	43530	34%	-28630	

Source: ABS Census of Population and Housing (2006)

5.5 Journey to Work Analysis

Employment Self Sufficiency

As outlined above, there were just 14,900 jobs available for 43,530 employed residents within the Blacktown North SLA, which equates to a self-sufficiency ratio of 34%. Similarly, Baulkham Hills North SLA exhibited a self-sufficiency ratio of about 37%. This compares with the broader LGAs as follows:

- Blacktown LGA: 78,960 jobs and 118,050 workers (66% - self sufficiency)
- Baulkham Hills LGA: 52,120 jobs and 84,090 workers (62% - self-sufficiency)

Both LGAs are somewhat under-developed in terms of overall employment provision, with self-sufficiency ratios impacted by the largely undeveloped semi-rural regions within the NWGC.

Employment Self Containment

While the number of jobs available within the Blacktown LGA compared with workers is about 2 for every 3 workers, only about 30% of these workers actually work within the LGA. About 35,000 persons live and work within the LGA, which means that about 83,000 residents leave the LGA each day for work.

There is a significant influx of workers into Blacktown. Of the 78,000 jobs within Blacktown about 45% are undertaken by local residents and about 55% by residents beyond the LGA. The main origin SLAs from which workers travel from are Penrith (14.1%), Baulkham Hills (8.0%) and Hawkesbury (4.1%).

5.6 Employment Growth Policies

According to the NSW DPI the North West sub-region was expected to accommodate 130,000 new jobs between 2001 and 2031 or about 4300 new jobs per year. Many of these jobs were expected to be accommodated within centres across the sub-region, including:

- Norwest: 25,000 (new jobs)
- Penrith CBD: 11,000 (new jobs)
- Rouse Hill Major Centre: 9,000 (new jobs)
- Blacktown Major Centre: 5,000 (new jobs)
- Castle Hill Major Centre: 3,000 (new jobs)

While the total Blacktown LGA was planned to accommodate 45,000 new jobs within Blacktown LGA and 47,000 new jobs within Baulkham Hills LGA.

A key policy objective is to ensure that new jobs are provided within the LGAs expected to accommodate significant growth. While not all residents will be able to, nor choose to work near their place of residence, the provision of local jobs will at least encourage and maximise the opportunities for local residents to undertake local jobs and thus minimise journey to work trips.

Ideally, achieving employment self-sufficiency ratios of closer to 70-75% would result in the achievement of the sustainability objectives of the NSW DPI and fulfil the network city planning framework.

5.7 Employment Demand: Box Hill & Box Hill Industrial

The trade area for employment is much broader than for retail development. Typically, for a specific employment precinct, about 20% of employees might reside within 5km of place of work, about 50%-60% of workers reside within 10km and the remainder typically travel from a fairly dispersed region beyond 10km.

Hill PDA, in its *Box Hill Retail and Employment Study (February 2011)* assessed the employment 'trade area' for the Box Hill precinct. This was defined as including the three SLAs of Blacktown North, Baulkham Hills North and Hawkesbury. These SLAs are applicable for MPP. Hill PDAs employment lands demand model then assessed land area requirements as follows:

- Apportion job types to the broad zones – rural, business, industrial and special uses
- Applying required floorspace areas (GFA m²) to each job by job type by zone
- Dividing the result by a most likely floorspace ratio for each zone.

Hill PDA relied upon job projections prepared by the NSW Transport Data Centre (TDC) from 2009, which generated a set of employment projections based upon various assumptions regarding the global economy, increased productivity, land releases, local population growth rates, government policies and consideration of industry trends.

Based upon the TDC projections, the total number of jobs within the 'trade area' is expected to increase from 55,608 in 2006 to 61,370 jobs by 2011. This is expected to increase by about 1,500 jobs per year over the next 20 years, reaching 92,309 jobs by 2031. This is about a 50% increase in total employment from 2011 (Hill PDA Table 28, p90).

MacroPlan supports the approach applied by Hill PDA which indicated that there was generally an employment lands 'market gap' of about 180ha industrial lands and 92ha business park lands by 2036. This was based upon a projected demand of about 791ha of industrial lands and 176ha of business park lands.

This did not include the land recommendations for Box Hill. The draft ILP indicates about 60ha of industrial lands, 61ha of business park land plus commercial town centres within Box Hill and Box Hill Industrial precincts.

If Box Hill is also included, the supply of planned industrial land supply (including B5 business development) totals 343.5ha plus 60ha = 403.5ha. If combined with the surrounding existing industrial lands precincts totals about 670.6ha. Based upon demand projections from Hill PDA, this will be sufficient to accommodate demand through to 2026-2031, under the very strong self-sufficiency assumption of 75%.

Similarly, future business park supply totals 83.4ha plus 61ha = 144.4ha, which would also accommodate demand up through to 2026-2031 under a 75% self-sufficiency assumption.

Key Conclusion

The key conclusion from this review of the Hill PDA report, with consideration of the draft ILP for Box Hill and Box Hill Industrial precincts is that there is generally a sufficient current and future supply pipeline of employment and business park lands, to support the projected population growth within the NWGC.

There are several major employment nodes surrounding the NWGC such as Norwest, Greystanes and Erskine Park, as well as multi-functional precincts such as Macquarie Park that also have capacity to absorb significant employment growth.

5.8 Employment Demand: Marsden Park Industrial

Jones Lang LaSalle in its *Marsden Park Industrial* then undertook an assessment of the retail, office and industrial markets to determine the likely land take-up to be expected at MPIP and whether the proposed land mix in the ILP could support projected growth. Based upon its analysis, JLL recommended a mix of land uses that could accommodate office based tenancies, industrial land uses and specialised retail. The key findings from this report are summarised as follows:

- Industrial land expected to be taken up at about 10-15ha per annum
- Office demand expected to be about 2,900m² of 57,300m² per annum (i.e. 5%) in NWGC over next 10-15 years. Office demand based upon 5% take up of Blacktown-Baulkham Hills Region of 84,000m² pa equates to 4,000-5,000m² pa.
- Retail catchment of about 63,000 persons, supporting 50,000m² of bulky goods space fronting Richmond Road plus 3000m² of supporting convenience retail for residents and workers.

Based upon the JLL analysis, the MPIP ILP incorporated 210ha of industrial land (IN1), 65ha of business park land (B7) and 31ha of business development (B5). This quantum and mix of lands sufficiently caters for the localised demand and will probably create an employment precinct of regional scale and function.

5.9 Employment Demand Marsden Park

5.9.1 Location of Employment / Business Park Lands

MacroPlan has considered the broader employment demand generated across the SLAs surrounding the NWGC by assessing the analysis undertaken by Hill PDA based upon projections from the NSW TDC.

The broader analysis of employment tends to indicate that there is a generally sufficient provision of employment lands and business park lands supply accounting for current supply and future planned supply.

Importantly, some precincts will perform very dedicated employment roles such as Box Hill Industrial precinct, Riverstone West and Marsden Park Industrial Precinct. Other smaller employment nodes could be considered if precinct constraints, topography and road networks are suitable for industrial and business park uses.

Marsden Park Precinct is located directly adjacent to a major dedicated employment precinct in MPIP, which is expected to accommodate up to 10,000 jobs across about 303ha of business park and employment lands. The Riverstone West precinct is expected to accommodate a significant number of jobs, up to 12,000 jobs, while Box Hill could accommodate some 16,000 jobs at capacity.

An assessment of the draft ILPs for the MPP (AECOM – Nov/Dec 2011) shows that constraints due to heritage, flooding and riparian corridors do not allow many significant opportunities for additional major employment lands or business park nodes within the MPP. The only potentially suitable locations for additional 'non-centre' employment lands would be along Richmond Road.

Employment

MacroPlan has analysed the potential size, mix and scale of employment growth expected to be generated by the residents within MPP and MPIP to understand the types of employment uses that could be considered in addition to the retail within the town centre, supporting village centres and smaller neighbourhood nodes.

This analysis also seeks to contextualise this growth with surrounding employment nodes as well as confirms whether additional commercial or industrial lands are required within the MPP.

5.9.2 Population and Employment Projections

As outlined earlier, the MPP and MPIP population is expected to increase from about 930 persons in 2011 up to 32,300 persons by 2031. If adjacent western NWGC precincts are also considered (i.e. Marsden Park North, Colebee and Schofields West), the population within the western area of the NWGC is expected to increase from 2,600 persons to 46,200 persons by 2031, a total increase of about 43,600 persons.

To estimate the size of the future employed resident workforce within MPP and MPIP, the population participation rate is multiplied by projections of population growth. An adjustment has been made to account for the general ageing of the population over time, as this leads to a decreasing population participation rate over time.

As at the 2006 Census, the proportion of employed residents as a share of population was 43.4% within the Blacktown LGA and 52.8% within the Baulkham Hills LGA. As a weighted average this equates to about 45.3%.

As at 2011, there are an estimated 420 employed residents within MPP and MPIP region. This is expected to grow by about 90 workers per year to 2016, however over the longer term this is expected to exceed 700 workers per year within an additional 13,800 new workers expected to reside within MPP and MPIP by 2031. See figure below.

Figure 21. Population and Employed Residents Growth (2011 to 2031)

Indicator	2011	2016	2021	2026	2031	2011-2031
Population (MPP & MPIP)	927	1960	12835	25386	32320	31394
Population (MPN/Colebee/Schofield West)	1688	4238	5603	9953	13868	12180
Total Population (West NWGC)	2615	6198	18439	35340	46189	43574
Employment Participation Rate	45.1%	44.9%	44.6%	44.3%	44.0%	na
Employment (MPP & MPIP)	418	880	5725	11246	14221	13803
Employment (MPN /Colebee/ Schofield West)	761	1903	2499	4409	6102	5341
Employed Residents (West NWGC)	1179	2783	8224	15656	20323	19144

Source: NSW Department of Planning and Infrastructure (2011) MacroPlan Australia (2011), ABS Census Population & Housing (2006)

5.9.3 Employment Profile

Section 6.3 demonstrated that the NWGC (i.e. Blacktown North SLA) employment profile is slightly different from the surrounding Blacktown LGA and Baulkham Hills LGA employment profiles, in that there was a higher skew towards manufacturing workers and blue collar workers in general.

Compared within metropolitan Sydney, local resident workers were less likely to be white collar employees, while local white collar jobs were even less abundant with employment self-sufficiency in some typical office or white collar industries as low as 7 and 8%.

These characteristics reflect the agricultural and manufacturing base that prevails within the NWGC as at the 2006 census. As the NWGC evolves with an influx of new residents changing the overall socio-demographic characteristics of the area and as land is taken up by developers and tenants within the employment precincts the overall economic and employment profile of the NWGC will change.

MacroPlan has assumed that the employment profile of MPP, MPIP and broader western NWGC residents will gradually begin to reflect the broader Blacktown LGA and Baulkham Hills LGA combined employment profile over the medium term, while over the longer term, the employment profile will begin to more closely resemble the broader Sydney metropolitan profile with increasing proportions of knowledge sector and white collar workers and increasing proportion of health sector workers.

These key assumptions have been applied to determine the likely shift in the employment profile over time. The figure overleaf shows the prevailing employment profile within the Blacktown and Baulkham Hills LGAs and the projected shift in industry structure.

Figure 22. MPP & MPIP: Employment Profile by Industry (1996 to 2031)

Blacktown LGA / Baulkham Hills LGA Industry of Employment	Historical			Projected		
	1996	2001	2006	2011	2021	2031
Agriculture, forestry & fishing	1.1%	0.9%	0.6%	0.5%	0.5%	0.4%
Mining	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Manufacturing	15.3%	14.5%	12.9%	12.0%	11.0%	10.5%
Electricity, gas, water & waste services	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Construction	7.2%	7.5%	7.8%	8.0%	8.0%	8.0%
Wholesale trade	9.0%	7.8%	7.2%	6.5%	6.3%	6.1%
Retail trade	10.6%	11.4%	11.5%	11.5%	11.5%	11.5%
Accommodation & food services	5.0%	5.0%	5.0%	5.2%	5.2%	5.2%
Transport, postal & warehousing	5.5%	5.5%	5.9%	5.9%	5.7%	5.5%
Information media & telecommunications	2.8%	3.0%	2.2%	2.2%	2.2%	2.0%
Financial & insurance services	5.8%	5.9%	5.9%	6.1%	6.3%	6.5%
Rental, hiring & real estate services	1.5%	1.7%	1.7%	1.8%	1.9%	2.0%
Professional, scientific & technical services	6.4%	6.9%	7.0%	7.2%	7.4%	7.6%
Administrative & support services	3.0%	3.3%	3.2%	3.2%	3.2%	3.2%
Public administration & safety	4.9%	4.8%	5.6%	5.8%	6.0%	6.2%
Education & training	6.1%	6.2%	6.9%	7.2%	7.5%	7.5%
Health care & social assistance	8.9%	8.9%	10.2%	10.6%	11.1%	11.6%
Arts & recreation services	1.1%	1.0%	1.1%	1.1%	1.1%	1.1%
Other services	4.7%	4.6%	4.1%	4.1%	4.0%	4.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: ABS (1996-2006), MacroPlan Australia (2011) *NB: 1996-2006 Based upon Blacktown LGA & Baulkham Hills LGA. 2011 to 2031 estimates are based upon MacroPlan projections.

5.9.4 Employment Growth by Industry

The figure overleaf shows the likely growth in employment by industry within the Western NWGC. There is expected to be significant growth in traditional sectors such as manufacturing (10.4% total), retail (11.5%) and health care (11.7%), as well as an increasing growth in white collar employees, which will further exacerbate the job gaps, identified previously in these sectors.

This analysis shows that there will be growth of about 19,100 additional residential workers in the western NWGC between 2011 and 2031, of which about 13,800 (72%) will be residents within MPP and MPIP.

About 30% (5,700 jobs) of this growth will be in industrial and construction related employment, 27.6% (5,300 jobs) in white collar employment sectors, 16.7% (3,200 jobs) in retail and accommodation as well as strong growth across health (11.6%) and education (7.5%) sectors.

Figure 23. Western NWGC: Employment Growth by Industry (2011 to 2031)

Industry of Employment	2011	2021	2031	2011-21	2021-31	Total 2011-31	% of new workers
Primary Production							
Agriculture, forestry & fishing	6	41	81	35	40	75	0%
Mining	1	8	20	7	12	19	0%
Total	7	49	102	42	52	95	0%
Industrial Related							
Manufacturing	142	905	2134	763	1229	1992	10%
Construction	94	658	1626	564	968	1531	8%
Wholesale trade	77	518	1240	441	722	1163	6%
Transport, postal & warehousing	70	469	1118	399	649	1048	5%
Total	382	2549	6117	2167	3568	5735	30%
Retail Related							
Retail trade	136	946	2337	810	1391	2202	12%
Accommodation & food services	61	428	1057	366	629	995	5%
Total	197	1373	3394	1176	2021	3197	17%
White Collar							
Information media & telecommunications	26	181	406	155	226	381	2%
Financial & insurance services	72	518	1321	446	803	1249	7%
Rental, hiring & real estate services	21	156	406	135	250	385	2%
Professional, scientific & technical services	85	609	1545	524	936	1460	8%
Administrative & support services	38	263	650	225	387	613	3%
Public administration & safety	68	493	1260	425	767	1192	6%
Total	310	2220	5589	1910	3368	5279	28%
Other Employment							
Education & training	85	617	1524	532	907	1439	8%
Health care & social assistance	125	913	2357	788	1445	2232	12%
Arts & recreation services	13	90	224	77	133	211	1%
Other services	48	329	813	281	484	765	4%
Electricity, gas, water & waste services	12	82	203	70	121	191	1%
Total	283	2031	5121	1748	3090	4838	25%
GRAND TOTAL	1179	8224	20323	7044	12099	19144	100%

Source: MacroPlan Australia (2011)

5.9.5 Job Requirement

To understand how this translates to jobs and whether there is sufficient provision of employment and business land within the western NWGC, a self sufficiency ratio of 75% has been applied consistently across each employment industry. This reflects the number of jobs required (supported by suitable employment/business/special use zonings) so that there are three jobs available for every four resident workers within the western NWGC.

The residents within the MPP and MPIP would require 10,700 local job opportunities to meet this self containment target. Across the broader western NWGC, would be required to establish an employment self-sufficiency ratio in excess of 75% within the MPP and MPIP precinct. The MPIP precinct is expected to accommodate about 10,000 of these jobs across various employment sectors, including industrial, retail, as well as white collar, business park employment.

The proposed centres network (including retail and supporting commercial uses) and other special use such as schools and community facilities will support an additional 2,000 to 3,000 jobs depending on final sizings and mix, as highlighted later in this report in Section 6.

Figure 24. Western NWGC: Jobs Requirement by Industry (2011 to 2031)

Industry of Employment	2011	2021	2031	2011-21	2021-31	Total 2011-31
Primary Production						
Agriculture, forestry & fishing	4	31	61	26	30	57
Mining	1	6	15	5	9	14
Total	5	37	76	32	39	71
Industrial Related						
Manufacturing	106	678	1600	572	922	1494
Construction	71	493	1219	423	726	1149
Wholesale trade	57	389	930	331	541	872
Transport, postal & warehousing	52	352	838	299	487	786
Total	287	1912	4588	1625	2676	4301
Retail Related						
Retail trade	102	709	1753	608	1044	1651
Accommodation & food services	46	321	793	275	472	747
Total	148	1030	2545	882	1515	2398
White Collar						
Information media & telecommunications	19	136	305	116	169	285
Financial & insurance services	54	389	991	335	602	937
Rental, hiring & real estate services	16	117	305	101	188	289
Professional, scientific & technical services	64	456	1158	393	702	1095
Administrative & support services	28	197	488	169	290	459
Public administration & safety	51	370	945	319	575	894
Total	233	1665	4192	1433	2526	3959
Other Employment						
Education & training	64	463	1143	399	681	1079
Health care & social assistance	94	685	1768	591	1083	1674
Arts & recreation services	10	68	168	58	100	158
Other services	36	247	610	210	363	573
Electricity, gas, water & waste services	9	62	152	53	91	144
Total	212	1523	3841	1311	2318	3629
GRAND TOTAL	885	6168	15242	5283	9075	14358

Source: MacroPlan Australia (2011)

5.9.6 Floorspace Demand

It is possible to translate this job demand into a floorspace requirement by applying various employment density ratios by broad land use type. For consistency with analysis and given similar attributes at Box Hill, MacroPlan has applied similar assumptions to the Hill PDA employment land demand model, in its *Box Hill Retail and Employment Study (2011)* to understand the overall floorspace requirement and subsequent land use implications that result from the above job projections. This includes:

- Similar job apportionment ratios and GFA assumptions as per Hill PDA (Pg. 91) to determine overall employment land requirements.
- Allocations for home based employment allocation with adjustments for various industries eg. Construction and health care will have much higher share than transport and manufacturing.
- Similar floorspace ratios (FSRs) were also applied, namely, 0.8:1 business zone, 0.65:1 industrial zone, 1:1 business park and MacroPlan has applied 0.5:1 for special uses.

Applying these benchmark land use allocations and workforce density ratios to the estimated job requirement by industry shows that about **125ha** of employment generating land (i.e. industrial, business, other) will be required to achieve an employment self-sufficiency ratio of 75%. See figure overleaf.

Figure 25. Employment Land Demand: MPP and MPIP (2011 to 2031)

Land Use Category	2011	2021	2031	2011-31
Commercial Centre	1.5	10.3	25.5	24.1
Industrial	4.5	30.5	73.0	68.5
Business Park	0.9	6.0	14.8	14.0
Special Uses	0.7	4.7	12.0	11.3
Total Land Demand	7.5	51.5	125.4	117.9
Per Year	na	4.4	7.4	5.9

Source: MacroPlan Australia (2011)

Based upon the achievement of a 75% level of self-sufficiency, the broader Western NWGC would generate employment land demand up to 73ha of industrial land, 15ha of business park, 25.5ha of commercial centre and 12ha of special use by 2031. This equates to growth of about 4.4ha per year in the short to medium term, increasing to 7.4ha per year over the longer term.

This would allow a suitable provision of retail, business services, education and community services to be accessed by local residents, in order to maximise employment self-containment opportunities.

The demand for employment and business park lands will be sufficiently met by the provision of **238ha** of industrial (and business development) and **65ha** of business-park zoned lands within MPIP, in conjunction within surrounding employment nodes across the NWGC.

The demand for commercial centre lands will be partially met by the proposed town centres and village centres that will be allocated across MPP and MPIP. The size, mix and distribution of these is outlined in Section 6.3.

Furthermore, any employment lands and commercial centres developed within Marsden Park North, Colebee and Schofields West will also contribute to satisfying this demand. However, much of the higher order white collar and service sector employment demand will be catered for by major centres such as Blacktown, Rouse Hill, Parramatta and other major CBDs.

5.10 Recommendations

A broader analysis of employment tends to indicate that there is a generally sufficient provision of employment lands and business park lands across the NWGC, accounting for current and future planned supply. The pipeline generally caters for 15-20 years of growth under the assumption of achieving 75% employment self-sufficiency, which exceeds the current rates in both Blacktown LGA and Baulkham Hills LGA.

Some precincts will perform very dedicated employment roles. MPP is located directly adjacent to MPIP which is expected to accommodate up to 10,000 jobs, while Riverstone West (12,000 jobs) and Box Hill/Box Hill Industrial (16,000 jobs) will accommodate significant employment.

It is still expected that many white collar workers will access employment nodes beyond the NWGC, such as Blacktown, Penrith CBD, Parramatta CBDs, Sydney (and North Sydney), Macquarie Park and, given the critical mass and regional catchments that these major centres.

Other smaller employment nodes could be considered if precinct constraints, topography and road networks are suitable for industrial and business park uses. However an assessment of the draft ILP (four options) for the MPP (AECOM, Nov/Dec 2011) shows that constraints due to

heritage, flooding and riparian corridors do not allow many significant opportunities for additional major employment lands or business park nodes within the MPP.

5.11 Employment Summary and Mix

The employment analysis has indicated the following key points:

- Employment self sufficiency was 67% at 2006 Census (Blacktown LGA)
- Employment self containment was 30% at 2006 Census (Blacktown LGA)
- MPP and MPIP will accommodate 13,800 additional workers by 2031
- Across the broader western NWGC, there will be growth of 19,100 workers by 2031
- This translates to a job requirement of about 14,400 additional jobs by 2031 at a 75% self sufficiency ratio.
- This translates to a land demand requirement of about 125ha, comprised of 73ha industrial, 16ha Business Park, 25ha commercial centre and 12ha special uses.

The MPIP precinct (303ha) will sufficiently cater for the industrial and business park demand generated by these residents. Therefore, it is recommended that no additional industrial or business park land is required within MPP.

The proposed centres network and mix of schools and community facilities will support demand for retail, white collar and service sector jobs. The size and mix of these centres is outlined in Section 6.3 and the employment impacts in Section 6.8.

Some additional commercial space is recommended adjacent to the town centre to accommodate additional employment, as well as provide commercial uses not favoured within the town centre such as service stations, fast-food restaurants and other businesses suited to the main road frontage along Richmond Road.

6 Recommendations

This section of the report summarises the recommendations of the overall supportable mix and timing of retail and employment floorspace within the MPP. The impacts of these recommendations are analysed from the perspective of how they affect surrounding retail and commercial centres and employment nodes. Other economic impacts and net community benefits are also addressed in this section.

6.1 Guiding Principles

In order to ensure the viability and functionality of local centres and town centres, MacroPlan recommends that the centre principles in the Growth Centre areas be reconsidered. The current framework outlines a network of 400m walkable catchments based upon neighbourhood centre principles, however in a major growth area the commercial viability of this type of network will be much longer term and reliant upon areas of medium to high residential density.

Smaller convenience based neighbourhood centres, or local shops typically only support retail employment. Larger centres (i.e. village and town centres) generate sufficient customer movement and patronage so that other non-retail services and employment can be provided providing a more diverse and functional centre. Larger consolidated centres will encourage multi-purpose trips and will reduce private vehicle kilometres travelled as expenditure is retained within the catchment.

6.2 Considerations

The analysis within this report identifies the potential for the Marsden Park precinct to accommodate approximately 44,000m² of convenience and sub-regional retail space, including major-full line supermarkets, smaller neighbourhood supermarkets, discount department stores, supporting specialty stores such as bakeries, cafes, restaurants, pharmacies, newsagents and hair-dressers.

The MPIP precinct is expected to accommodate about 50,000m² of bulky goods retail floorspace (JLL, 2009). It is quite likely that it will accommodate much more than this if several major floorplate 'category-killer' retailers establish within this precinct. IKEA and Bunnings have purchased sites within this precinct which will drive the catchment reach and influence other major players to locate in the region, servicing the new housing growth in the region. The 40ha of B5 business development zoned land could support up to 240,000m² of bulky goods demand and it this is considered to be sufficient to accommodate future demand even if regional in scale.

6.3 Proposed Configuration

6.3.1 Commercial Centres

The MPP could support up to **44,000m²** GLFA of retail floorspace once the MPP, MPIP and Marsden Park, Schofields West precincts reach capacity. MacroPlan considers that there are two key configurations that would create a viable and functional retail and centres hierarchy within the MPP.

Town Centre

Based upon the retail analysis and employment analysis within this report, MacroPlan recommends the Marsden Park town centre could support 35-40,000m² of retail and commercial space, comprised of 25-30,000m² of retail space plus an additional 10,000m² in commercial space. The town centre would most ideally accommodate a mix of uses as follows:

- At least 2 x full-line supermarkets
- Up to 2 x discount department stores
- Between 100-150 specialty stores including food & restaurant retailing
- Non-retail tenancies, such as banks, administrative offices, medical premises
- Commercial businesses including real estate agents, professional consultants etc.

MacroPlan recommended two alternative configurations for the village centres across MPP, with both configurations totalling about 10,000m². Option 1 entails one large centre of about 10,000m², while option 2 entails two centres of about 5,000m² each.

Option 1: One village centre (10,000m²)

Supporting the town centre would be **one larger village centre up to 10,000m²**, located in the northern part of the precinct. This centre would need to be located along Richmond Road to ensure that adverse traffic impacts would be minimised within the northern residential areas.

In addition to this, supporting commercial and other non-retail uses should be provided to encourage and maximise community benefits and create fully functional centres. Up to 5,000m² on non-retail space could be accommodated as part of the centre.

Smaller convenience based neighbourhood centres, or local shops typically only support retail employment. Larger centres can generate sufficient customer movement and patronage so that other non-retail services and employment can be provided providing a more diverse and functional centre. A larger consolidated centre will encourage greater multi-purpose trips and will reduce private vehicle kilometres as expenditure is retained within the catchment.

MacroPlan also notes a recent submission by the NSW DoP to the Productivity Commission¹, stating that planning should seek to cluster new retail activities, so that public transport to these activities is more viable. Additionally, locations where retail clustering takes place can often support other services such as increased housing, entertainment and recreation options.

Its underlying principle contains strong merit and is of relevance to a potential larger consolidated village centre at Marsden Park. *"In simple terms, retail activity plays a significant role in generating a "critical mass" of human activity to make nearby services and facilities viable and our towns and cities thrive"* (NSW DoP).

Other smaller neighbourhood shops could establish as the precinct develops, with the market able to determine appropriate locations. Centres could be up to **1,500m²**, with small supermarket anchors without adverse impacts upon the centres hierarchy.

¹ NSW Department of Planning Submission to Economic Structure and Performance of the Australian Retail Industry, Productivity Commission – May 2011

It is important that supermarkets of up to 1,000m² be allowed as there is evidence from the ACT that shows the smallest centres in the retail hierarchy (i.e. local centres) suffer from the highest vacancy rates in the ACT because the anchor tenant supermarkets are too small, with an average size of about 400-500m². (Supermarket Retailing, ACTPLA, 2009).

Option 2: Two village centres (5,000m² each)

In this option, **two smaller village centres** would be recommended at in-board locations in the northern areas of the MPP. These centres could accommodate **up to 5,000m²** of retail space plus supporting commercial and other non-retail uses to encourage and maximise community benefits and create fully functional centres. These sizings will be sufficient to accommodate full-line supermarkets and supporting retail specialty tenants.

In addition to this, supporting commercial and other non-retail uses should be provided to encourage and maximise community benefits and create fully functional centres. Up to 2,000m² of non-retail space could be accommodated in addition to each centre.

Other smaller neighbourhood shops could establish as the precinct develops, with the market able to determine appropriate locations. Centres could be up to **1,500m²**, with small supermarket anchors without adverse impacts upon the centres hierarchy.

6.3.2 Other Employment

Employment Lands

Based upon the market gap analysis within this report, no further employment lands or business park land is required within the MPP. There is 303ha of industrial, business development and business park lands zoned within the MPIP, about 100ha of employment and business park lands at Riverstone West/Riverstone and about 122ha of employment and business park lands proposed for Box Hill and Box Hill Industrial precincts.

From a market gap perspective, the NWGC appears to have a sufficient supply of employment and business park lands to support the expected growth in population within the NWGC over the next 20-25 years. Within the western area of the NWGC the demand for employment and business park lands will be sufficiently met by the provision of 238ha of industrial (and business development) and 65ha of business-park zoned lands within MPIP, in conjunction within surrounding employment nodes across the NWGC.

Special Uses

The demand for commercial centre lands will be partially met by the proposed town centres and village centres that will be allocated across MPP and MPIP, while the demand for special uses land will be met by the provision of schools and community facilities. The provisional ILP prepared by AECOM indicates 3-4 possible schools within the precinct, while other community facility requirements such as libraries and sporting centres for example, will provide employment opportunities.

6.4 Timing and Staging

Population Thresholds

The figure below summaries the expected population growth across MPP and MPIP, represented as key thresholds and the retail floorspace that could be supported within the precincts at these thresholds as well as the required jobs within the precinct to meet a 75% employment self-sufficiency ratio.

Figure 26. Population Thresholds and Recommended Floorspace & Job Targets (MPP & MPIP)

Population Thresholds (Persons)	5,000	10,000	15,000	20,000	30,000
Year	2018	2020	2022	2024	2029
Retail Floorspace (m2)	10,500	16,000	21,000	27,000	40,000
Employment (Jobs)	4,600	5,700	7,000	8,900	14,000

Source: MacroPlan Australia (2011)

Town Centre: Stage 1 Delivered Early

The land use recommendations in this report are based generally upon the end capacity (i.e. of the MPP and MPIP (i.e. 2031) and surrounding western NWGC precincts (i.e. 2041). Ideally the town centre would be developed early in the life-cycle of the precinct, in conjunction with the high density residential area, likely to be in the south-east corner of MPP. This would also create a strong support function for the adjacent employment precinct, the MPIP.

It would be likely that the town centre would be delivered in stages, with a first stage providing supermarket and supporting specialty retailing. Between 2014 and 2018 a first stage of about 6-8,000m² could be supported. A second stage around 2026 could be developed as the population within the catchment grows, as the high density markets evolve and MPIP establishes as a key regional employment node.

The supporting village centres would naturally evolve as the housing markets develop across the remainder of the precinct, with local catchment size to determine the appropriate staging of these centres.

Town Centre: Delayed

It is quite likely that the high density housing market around the town centre is likely to only establish over the medium to longer term (without Government intervention). This will be because the high density market will be strongly driven by the provision of the town centre itself (which will be staged) and without rail access will be less desirable than other high density housing locations across the north-west.

The majority of the short to medium term housing is expected to be delivered within the north of the precinct, because of the significant land holdings in single ownership.

It is possible that the town centre does not evolve as the first centre across the precinct due to the development front occurring from the north or due to land fragmentation issues within the town centre, which could present issues in bringing consolidated centre development to fruition. However, early delivery of supermarket and convenience retail/services will be critical to the success of the residential development and will maximise community benefits.

Two Scenarios

There are therefore two scenarios that might eventuate, and in MacroPlan's view either scenario would be acceptable and beneficial to the residents of the MPP and MPIP.

- One or two major supermarket operators develop individually around the town centre, early in the precinct development.
- One or two major supermarket operators establishing in the north of the precinct, if a village centre is allocated along Richmond Road.

The first scenario would establish market position and trade is very likely to be generated from residents travelling along Richmond Road. The location adjacent to the M7 and the MPIP will also be very attractive to prospective retail operators. This scenario would mean that residents would travel further distances from home to undertake convenience shopping and that in the short to medium term catchment would have a very limited walkable function.

The second scenario would ensure that the main development front is serviced by more proximate access to convenience retail services, possibly encouraging greater walkability and greater community outcomes. It could trade strongly in the short term given its main road location which would enhance the overall performance and vitality of the supporting specialty tenants, business services and other supporting uses.

6.5 Success Factors

A key success factor for the proposed centres network will be the capacity for these centres to accommodate key anchors and achieve a minimum level of critical mass to ensure competitive viability at various levels of the retail hierarchy.

It will be important that major anchors are attracted to the centres however just as important will be the surrounding activity. Key anchor tenants will drive the commercial viability of supporting businesses services, health centres, medical premises and other community facilities. Therefore appropriate provision should be made to accommodate non-retail uses. Impacts will not be a major concern for non-retail uses.

Ideally, design controls should be put in place to ensure that street frontages are activated and that major anchors do not have a detrimental impact upon amenity and activity. Centres that straddle roads should be designed upon principles of walkability and be pedestrian and bike friendly.

Car-Parking and Access

Where possible walkability and cyclability should be encouraged within village and town centres. However provision of sufficient off-street car-parking for proposed uses within these centres will be required to ensure traffic and parking impacts are managed, while also creating viable and functional centres.

According to the Blacktown City Council DCP and the Blacktown Growth Centres DCP 2010, vehicular movements associated with loading facilities and customer parking should be separated wherever possible and all pedestrian movements should be segregated from vehicular movements to avoid possible conflict and congestion.

For the town centre, car-parking should ideally be provided under-ground or within the building floorplate, to maximise and to enhance overall amenity. A provision of about 1 per

30m² for retail floorspace generally should be provided for larger tenancies above 200m², with a higher provision (1 per 22m² for smaller tenancies). Based upon suggested tenancy mix, about 50-60% of the proposed retail mix would be considered larger tenancies.

A provision of about 1 per 30m² for other non-retail employment floorspace is recommended, consistent with the current car-parking ratios within the Blacktown City Council DCP. A lesser provision could be considered upon the delivery of future public transport services at Marsden Park.

For the village centres, providing under-ground car-parking is typically commercially unviable given the small scale of these centres. Therefore, at grade car-parking should be planned for around these centres. Provision rates consistent with the Blacktown DCP, based upon land use mix would be considered appropriate. About half of the retail floorspace is expected to comprise larger tenancies (1 per 30m²), with smaller tenancies requiring 1 per 22m² and supporting office, commercial and medical uses requiring parking at a ratio of 1 per 30m².

6.6 Centre Case Studies

The nearby MPIP precinct is likely to accommodate very significant major cross-category retailers and bulky goods tenants. IKEA and Bunnings have both purchased land within the precinct and given the excellent locational attributes of the precinct adjacent to the M7 with quality access along Richmond Road, the employment nodes is quite likely to develop into a major regional bulky goods precinct, with supporting industrial and business park development.

Town Centre

Functionally, the town centre may be comparable to the Rhodes Shopping Centre in Sydney, which is co-located within an IKEA store and is part of a broader office and business precinct. Marsden Park in terms of size and mix could be similar to Rhodes, which is about 25,000m² of retail space and 7,700m² of office. The IKEA is about 26,000m² and the centre also includes a gym and cinemas. The centre performs very strongly and benefits from a centralised location and rail station access.

Village Centres / Main Streets

The larger village centre of about 10,000m² could be comparable to the Brighton Butler development in WA, the Coomera West local centre in QLD, or Stockland Balgowlah in NSW. Brighton Butler is a main street style centre creating a quality, entry point to the residential estate.

The Coomera West local centre evolved from a full-line supermarket anchored neighbourhood centre to also accommodate fast food, service station, and 2 x storey office development on one corner. The centre will accommodate an ALDI and Masters store in the short term future, the latter use would not be optimal in the village centres at MPP though.

The smaller village centre network, (i.e. centres of about 5,000m²), would accommodate neighbourhood style shopping centres anchored by full-line centres with supporting convenience tenants like newsagents, pharmacies, bakeries, hairdressers and cafes. Ideally, medical premises and local business services would be accommodate. Some centres may co-locate adjacent to schools and community facilities.

Smaller neighbourhood shops are likely to have one main convenience shop as an anchor and several supporting specialty tenants. Optimally these would be located near public transport routes to create functional and active transport stops, while servicing convenience needs of residents.

6.7 Impacts Analysis

The proposed size, composition and distribution of centres has been determined by considering the surrounding network of centres, future centres and timing of population growth within the various precincts. In effect, this type of analysis ensures that impacts upon other centres within the NWGC are minimised and controlled.

This section analyses the likely impacts in terms of trading or timing effects, inter-relationships (i.e. complementary uses) and positive impacts such as employment effects and net community benefits.

6.7.1 Supportable Jobs

Based upon the recommended mix, size and distribution of centres, the MPP precinct could support up to 1,840 centre based jobs with about 1,290 jobs within the town centre and about 550 jobs within the village and neighbourhood centre network.

In addition to this, the special uses such as schools, community facilities that will be accommodated within the catchment could support an additional 400 jobs. Furthermore, about 600-700 jobs will be home based within the MPP and MPIP, not requiring any land. This might include jobs in health, education and tradesman for example.

Therefore the MPP (3,000 jobs) and MPIP (10,000 jobs) combined could support about 13,000 jobs at capacity. This equates to an employment self-sufficiency ratio of about 65% not including potential job provision within Colebee, Marsden Park North and Schofields West.

The proposed centres network and community facilities network will create sustainable employment outcomes ensuring a sufficient provision of local job opportunities as well as retail and services for local residents within the MPP and MPIP.

Figure 27. Recommended Employment Mix and Supportable Jobs

Land Use	Retail			Commercial		Total Jobs
	Floorspace	Employment Ratios	Visitation	Commercial	Employment Ratios	
Town Centre	30,000m ²	30	5-7 million p.a	10,000m ²	25	1400 jobs
Village Centres	10,000m ²	30	2-4 million p.a.	2,000m ² +	25	410 jobs
Smaller Centres	4,000m ²	30	1-2 million p.a.	1,000m ² +	25	170 jobs
Special Uses (eg. schools)*	na	na	na	na	na	400 jobs
Home Based Employment	na	na	na	na	na	650 jobs
Total Marsden Park	44,000m²	na	na	13,000m²	na	c.3,000 jobs
Marsden Park Industrial Precinct						10,000 jobs
Total Jobs MPP & MPIP						c.13,000 jobs

Source: MacroPlan Australia (2011), PCA Shopping Centre Directory

*NB special uses estimate dependent upon final schools/community provision

6.7.2 Employment Impacts

As shown above, the MPP and MPIP is not expected to accommodate significant excess employment over and above that supported by population growth. Therefore impacts upon the surrounding planned town centres and employment precincts are likely to be insignificant and consistent with NWGC structure planning.

Any non-retail floorspace provided within or adjacent to the town and village centres within MPP will enhance the overall performance of these centres by diversifying the range of services and employment opportunities.

In Western Australia, the benefits of mixed-use (i.e. not pure retail centres) centres are acknowledged in its State Planning Policy (SPP) 4.2.2 Activity Centres, which mandates non-retail floorspace for centres above a particular size and role and function.

The smaller village centres will provide and service smaller neighbourhood catchments while the town centre (35-40,000m² retail and commercial) will be of a small size in comparison to MPIP and provide retail goods and services that will be complementary to this major employment precinct. In a way, the town centre will perform a function similar to Macquarie Centre for the broader Macquarie Park business park, or similar to Norwest Marketown and Circa Retail at Norwest Business Park.

The types of tenancies that will choose to locate within MPP versus MPIP will be complementary in nature the 'impacts' upon MPIP are considered to result in net positive community outcomes, as the workers within MPIP will only have to travel short distances (possible by foot, or dedicated bus service) to access the Marsden Park town centre. The area around the Marsden Park town centre, including high density residential will combined with the MPIP to function as a 'specialised centre' in its own right.

6.7.3 Retail Impacts

Both a major town centre and either one or two supporting village centres should be planned for based upon their optimal size and locations over the longer term.

If either of the smaller village centres are delivered prior to the town centre, it is possible that the delivery of the town centre may be delayed (excluding other variables) by one to two years. The key driver of the town centre delivery will be the broader growth of the entire catchment and it will be supported by trade from the MPIP. The smaller village centres will be heavily dependent upon growth in their local PTAs.

If the large village centre option is considered at a main road location along Richmond Road, it will be because the town centre would realistically only be developed over the medium to longer term. Therefore, its key role would be to service the short to medium term growth within the catchment. By the time the town centre is developed it is likely that the catchment population will be sufficiently strong for the larger village centre and by then the MPIP will have established itself as a key regional employment node.

Potential Trading Impacts

When assessing retail impacts, the draft SEPP (Competition) 2010 essentially states that 'trading impacts' should not be considered as part of an assessment. However important considerations are whether the overall viability and functionality of surrounding centres are impacted to the detriment of the community (i.e. net dis-benefit). Consideration must also be

given to the surrounding retail centres hierarchy. Therefore, when assessing retail impacts the key issues for consideration are:

- Is the size and mix consistent within the existing and proposed hierarchy?
- Is the size and mix likely to impact upon current (viability) and future centres (timing)?
- Should impacts in regards to smaller centres be considered as an issue?

The proposed town centre location, size and mix is consistent with the expectations of the NWGC structure plan. The key difference from the structure plan is that the 10-11 smaller centres will be consolidated into one or two larger village centres, in the north of the MPP. These 10-11 smaller centres are now consolidated into just one or two village centres, with a network of neighbourhood or local shops to be delivered at various locations best left for the market and merit based assessment to determine. Overall retail space is unlikely to be markedly different from that planned for under the NWGC structure plan.

The development of the town centre, and other supporting centres, is likely to only occur once the residential catchment establishes to a minimum level of critical mass to ensure the centre (and tenants) operate viably. Typically, in a major growth catchment a major retail centre, would be developed in stages and if a consolidated centre is not achievable then individual smaller retail centres will establish in-line with market demand. This will also ensure that impacts are minimised.

In the retail analysis undertaken in this report, MacroPlan explicitly adjusted market shares downwards over time within the STA North and STA East areas of the precinct to account for future retail nodes in the other NWGC precincts and the growth of the Riverstone Town Centre and evolution of the Alex Avenue and Schofields centres. Therefore the supportable floorspace recommended should result in minimal impacts upon these centres, as they are factored into likely turnover calculations within the MPP.

However to demonstrate that the proposed 30,000m² of retail space recommended for Marsden Park town centre is appropriate, MacroPlan has assessed its likely trading performance once the precinct reaches capacity.

To test the impacts, it is assumed that the 30,000m² is delivered at a time when the catchment (and competing supply) allows an average benchmark turnover level to be attained. MacroPlan has assumed, for this analysis, that the 2 x supermarket, 1 x DDS anchored regional shopping centre would achieve national benchmark turnover levels for a similar centre of about \$6,500/m² (\$2011).

At this turnover level, the town centre could potentially generate about \$195million per year, of which about 90% would be generated by trade from within the MTA, or about \$175.5million. By 2031 the MTA is expected to support about \$964 million of retail expenditure and if bulky goods expenditure about \$865million. This means that there is about \$690 million (80% of MTA) in non-bulky goods retail expenditure available within the defined MTA for capture by existing retail centres and future town centres outside of MPP by 2031.

Much of this is actually additional growth in expenditure, driven by new residents locating to MPP and MPIP. From 2011 to 2031, the overall growth is about \$722million, which means there is at the very least \$547 million of new expenditure from within the MTA by centres beyond the MTA.

Overall the centre sizes are consistent with the original retail hierarchy proposed in the NWGC structure plan and the provision of sufficient retail floorspace will support and drive population growth which in turn will provide additional expenditure for other centres to benefit from.

6.8 Land Requirements

The following table summarises the size of employment land uses recommended in this report. The land allocation should ensure excess capacity with development controlled by the DCP.

The town centre could be allocated an area of between 6-8ha to accommodate the 30,000m² of recommended retail floorspace and 10,000m² of commercial. This would allow additional development to be accommodated in the future if there is excess demand. A B2 Local Centres zoning would be suitable.

The village centres should be between 1-1.5ha each to allow up to 5,000m² of retail space as well as any supporting non-retail uses located adjacent. The centres should be encouraged to support non-retail uses, not restricted to be retail only. A B1 Neighbourhood Centre zoning would be suitable.

MacroPlan also supports some surplus land adjacent to the town centre, zoned mixed use to allow supporting functions to the town centre including residential, minor retail and fast-food, service stations along Richmond Road.

Figure 28. Recommended Land Use Zonings (Size and Type)

Land Use	Zoning	Minimum FSR	Land (ha)
Town Centre	B2 - Local Centre	0.75	6-8ha+
Village Centres	B1 - Neighbourhood	0.6	2-3ha
Commercial Adjacent to TC	B4 - Mixed Use	0.75	6-8ha+

Source: MacroPlan Australia (2011)

7 Appendix 1

7.1 Workshop Options

Four preliminary options were presented by AECOM for initial discussions as part of the workshops undertaken on the 22nd of November.

From a retail, economic and employment perspective the options put forward were consistent with the structure plan in terms of the location of the Town Centre and general in-board locations for smaller centres (i.e. village, neighbourhood).

MacroPlan makes the following comments in regards to the four (4) options put forward:

- Option 1 (i.e. one village centre), if pursued, should involve a larger Village Centre to sufficiently cater for demand for retail/business/entertainment/community uses in northern precinct.
- MacroPlan supports the village centre distribution in options 2 and 3 (i.e. two centres allowing full-line supermarkets).
- Option 4 is similar to Option 3, but configuration of northern village centre does not maximise walkable radius nor optimise accessibility.
- In general, MacroPlan supports the Town Centre being distributed on both sides of the road connecting to MPIP, if the road design is pedestrian friendly and building amenity is achieved.
- MacroPlan supports the inclusion of additional commercial space. There is not overriding need demonstrated at this stage of our analysis, however these uses integrate well with the adjacent MPIP, create a sensible buffer to the Town Centre and allow excess demand to be absorbed if the MPIP precinct evolves larger than planned.

All four options presented are consistent with the analysis within this report. The recommended retail and commercial floorspace of 35-40,000m² recommended for the town centre could be accommodated within all four options.

The location should be generally located in the south-east of the precinct, with community beneficial outcomes able to be derived from a centre located on one side of the main road or a centre straddling the main road.

The centres network across the north of the precinct should contain two centres of similar potential size to ensure competitiveness and critical anchors can be accommodated. These centres should be able to accommodate up to 5,000m² of retail and an equivalent amount of non-retail space such as gyms, medical premises and suburban office suites.

MacroPlan also supports an alternative configuration, which would entail a consolidated village centre (up to 10,000m²) located along Richmond Road in the north of the precinct. This would be a likely consideration if the town centre is expected to be delivered over the longer term, for whatever reasons (e.g. due to fragmented ownership delaying delivery or hesitation regarding transport services).

The critical outcome is that convenience retail is delivered in the early stages of the evolution of the MPP to ensure private vehicle trips are minimised, local services and employment opportunities are provided and also, to attract new residents to the precinct.

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