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GTAconsultants

Our Ref: 13S1023000

1 November 2013

JBA
Level 7, 77 Berry Street
NORTH SYDNEY NSW 2060

Attention: Kim Shmuel, Principal Planner

Dear Kim

RE: COSTCO, MARSDEN PARK

I refer to the Planning & Development Council Meeting Minute (23 October 2013) relating to the Planning Proposal to Allow a Costco Retail Warehouse Development on Land at Marsden Park. In particular I note that, *"This report concludes that the proposed out-of-centre location for a Costco Retail Warehouse is not acceptable as Costco's core business is retailing which is a use that should be located within a centre. On this basis the request to prepare a Planning Proposal is not supported"*.

I have therefore reviewed this decision in terms of traffic and transport considerations.

Costco is a membership warehouse club designed to help small-to-medium-sized businesses reduce costs in purchasing for resale and for everyday business use. Membership is subject to payment of an annual fee (currently around $60 per annum). Business members qualify by owning or operating a business while Gold Star membership is available to private individuals.

As such, Costco doesn't provide "walk by" retail in so far as:

a) Customers have to be a member to enter the store

b) Customers generally plan a specific trip to the Costco warehouse

c) When visiting the store, customers generally bulk buy (the majority using warehouse type trolleys for their purchases), and

d) The type of purchases made require a van/car to transport.

The photographs below are taken from the company's web site and this shows the type of shopping available, the layout of the store and the fact that many of the purchases would need to be transported by car.

Costco has produced a number of statistics based upon their Auburn Store:

- A significant element of their customers are businesses and such business buyers (and indeed personal customers) generally bring wagons/vans to the store to bulk buy and then resell at their own business.
- The store at its peak operation can generate up to 1,000 trips in the peak periods, although this is likely to decrease when a second store opens in Sydney.
- The store has around 700 parking spaces which are generally full at peak hours of business.
- The number of "walk-in" customers is almost negligible, as customers generally bulk buy and they need a vehicle to transport their purchases
- Anecdotal evidence is that customers travel to Costco to specifically shop at the store and do not visit any other shops, (i.e., there are negligible shared trips).

In contrast, Marsden Park town centre is zoned to allow 40,000m^2 of retail /commercial uses, likely to include two discount department stores, supermarkets and specialty shops while providing opportunity for commercial offices. It is quite rightly being planned as a walkable centre, being a space primarily for pedestrians, cyclists and public transport which doesn't allow car parking to dominate the layout.

Some of the statements contained in the supporting planning and transportation documentation reinforce this by saying the town centre layout will:

- encourage pedestrian movements by planning for walking and cycling so that they are practical transport modes for local trips;
- facilitate a bus network to supplement public transport facilities;
- plan to stop heavy vehicles traversing the precinct;
- plan parking such that it does not inhibit pedestrian movement;
- provide bicycle lanes on roads to minimise conflict between pedestrians and cyclists;
- provide directional way finding signage to complement the bicycle and pedestrian network;
- provide pedestrian crossing opportunities within the town centre;
- provide easy access to jobs and major town centres, with streets and suburbs planned so that walking and cycling are practical transport modes for local trips, and frequent bus service links to the rail network for longer journeys;
- provide proximate land uses with high volumes of pedestrian movements, particularly in town centres and near schools;
- provide a "pedestrian-friendly town centre environment"; and

- dissuade heavy vehicles traversing the precinct, which would reduce amenity and potentially increase safety risks for pedestrians, particularly within the town centre.

It is clear that the planning for the town centre is commendable as it does intend to provide priority to pedestrians, cyclists and public transport with the provision of symbiotic planning uses to create an active centre.

However, Costco is not a traditional retail function which would sit well in a town centre, being as it is more like a bulky goods operation which is almost totally dependent upon the customers arriving and transporting their goods by car. This is indeed why the majority of Costco stores in Australia are not provided in town centres but in retail parks with good transport access, such as the proposed store at Marsden Park.

Were Costco to be located in the town centre, it would result in significant additional traffic entering the centre which would introduce additional conflicts with pedestrians and cyclists and would certainly increase traffic congestion in the centre. The need to provide an additional 700 parking spaces for its use would also mean that the area around the town centre store would be dominated by car parking.

In summary, I do not believe that a Costco store is the type of use that would be best located in a town centre as it would introduce a planning use that heavily relies on customers bringing vans and cars into what is planned to be a pedestrian/active travel environment.

Yours sincerely

GTA CONSULTANTS

Ken Hollyoak
Director (NSW)