

6. Existing and planned centres

This section presents a description of the current and future activity centre network within and beyond the NTSC catchment area.

6.1 Existing centres

All relevant activity centres within and beyond the catchment area have been inspected during the preparation of this EIA, with land use and floorspace estimates compiled as at April 2012. A summary is presented in **Table 10**, with details by commodity group for each centre shown in **Table 11**. The locations of each centre are shown in **Map 5**. Floorspace information is derived from a number of sources including:

- *New South Wales and Australian Capital Territory Shopping Centre Directory* (PCA, 2011/2)
- *Shopping Centre News*
- Deep End Services' internal databases.

Where unavailable from published or other sources, floorspace estimates have been made through on-street observations, shop front surveys and using online satellite imagery.

Table 10: Local activity centres

Precinct	Total retail floorspace ⁽¹⁾ (sqm)	Major tenancies	Dist. from Narellan (km)
Regional city			
Liverpool	140,000	Myer (18,766), Target (8,291), Big W (8,250), Woolworths (3,659), Coles (3,876), ALDI (1,400)	27.8
Major Centre			
Campbelltown-Macarthur	171,118	David Jones (12,243), Big W (8,792), Target x2 (7,093, 4,450), Kmart (8,224), Woolworths x3 (4,248, 4,185, 3,883), Coles x2 (3,760, 3,825), Bunnings (11,200), ALDI (1,298)	8.1
Town Centres			
Narellan	31,784	Big W (6,536), Woolworths (3,831), Coles (3,398)	-
Camden (rural)	23,024	Target Country (2,000), Woolworths (3,920), Coles (2,929)	4.5
Tahmoor (rural)	12,560	Woolworths (3,520), Bi Lo (2,425), ALDI (1,450)	32.7
Picton (rural)	9,572	Coles (2,893), IGA (1,310)	24.7
Villages			
Mt Annan	13,584	Woolworths (3,660), Coles (3,220), ALDI (1,274)	3.0
Eagle Vale	6,636	Woolworths (4,306)	13.0
Thirlmere (rural)	2,824	IGA (469)	31.5
Small Villages			
Rosemeadow-Ambarvale	7,374	Woolworths (3,677), ALDI (1,597)	11.7
Harrington Park	3,600	Coles (2,185)	2.2
Bargo (rural)	2,000	IGA (250)	41.0
The Oaks (rural)	1,500	IGA (350)	20.1
Raby	1,435	IGA (880)	14.5
Bulky goods			
Campbelltown bulky goods	58,173	Harvey Norman, Fantastic Furniture, The Good Guys, Nick Scali	9.2
Narellan periphery	20,380	Bunnings	-
Turner Road	11,264	Masters	3.1

Notes:

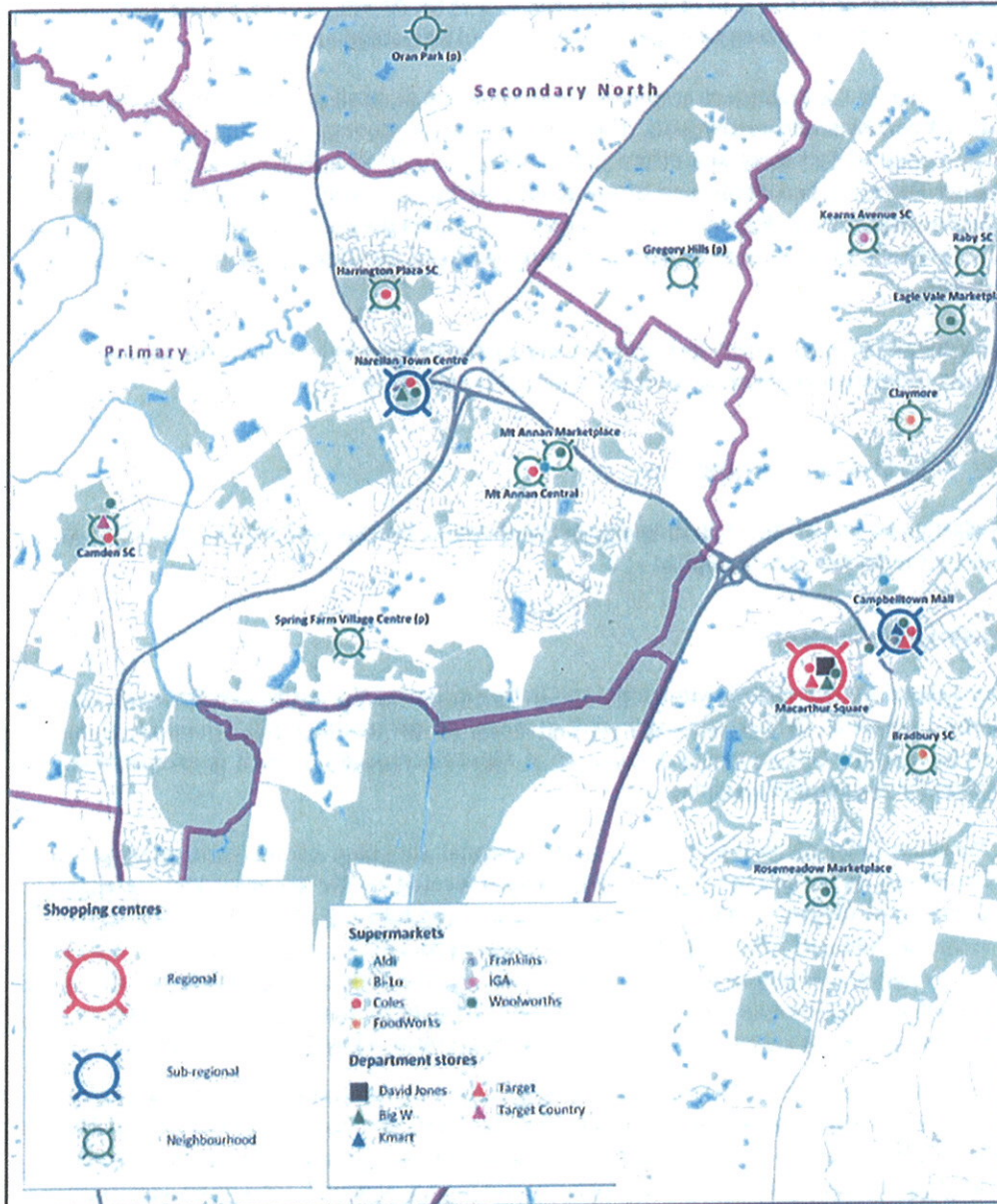
⁽¹⁾Excludes upper level floorspace, office buildings, vacant & non-retail

Table 11: Local activity centres, floorspace distribution by product category, May 2012

Activity Centre	Floorspace (sqm)																	Total retail
	Food					Non-food & services							Total non-food & services					
	ESGs	Takeaway food	Takeaway liquor	Dining	Total food	Fashion	Auto acc.	Furniture & furn.	Hardware & garden	Health & Beauty	Home appliances & entertainment	Homewares	Non-food groceries	Reading & writing	Rec. goods	Retail services		
Primary																		
Narellan Town Centre	7,903	1,351	713	1,465	11,431	8,519	314	997	640	1,777	2,052	1,469	878	512	1,263	1,925	20,353	
Narellan Town Shopping Centre	7,593	1,021	437	925	9,975	8,375	136	911	616	1,777	1,966	1,389	878	512	1,208	1,415	19,205	
Narellan TC periphery	310	330	276	540	1,456	144	178	86	24	0	66	80	0	0	60	510	1,148	
Narellan other	80	610	0	570	1,260	360	36	4,920	10,113	0	2,052	438	0	0	1,201	0	19,120	
Camden Town Centre	5,854	1,350	545	2,145	9,895	3,093	8	1,232	401	1,311	1,457	1,467	662	720	1,204	2,175	13,129	
Harrington Plaza	1,903	85	66	440	2,494	139	4	20	42	329	64	82	207	64	42	115	3,600	
Mount Annan	6,666	1,455	722	635	9,478	513	5	25	179	991	215	295	746	301	101	735	4,106	
Total Primary	22,407	4,851	2,045	5,255	34,557	12,623	367	7,194	11,375	4,408	5,240	3,750	2,493	1,598	3,815	4,950	57,814	
Secondary South																		
Thirmore	706	250	489	180	1,625	69	5	17	200	149	26	158	72	129	128	245	1,199	
Picton	3,319	660	461	715	5,155	720	10	277	523	411	159	597	226	330	316	780	4,417	
Tahmoor	5,835	815	255	560	7,485	557	9	109	487	871	342	478	705	419	342	800	5,095	
Total Secondary South	9,861	1,725	1,204	1,455	14,245	1,347	24	403	1,211	1,432	527	1,234	1,160	775	774	1,825	10,711	
Secondary North																		
Turner Road Precinct	0	80	0	0	80	0	0	1,974	7,237	0	1,974	0	0	0	0	0	11,184	
Total Secondary North	0	80	0	0	80	0	0	1,974	7,237	0	1,974	0	0	0	0	0	11,184	
Total catchment	32,268	6,656	3,250	6,710	48,883	13,970	391	9,571	19,823	5,840	7,740	4,984	3,653	2,373	4,590	6,775	79,709	
Beyond																		
Campbelltown Town Centre & periphery	24,133	5,635	2,691	5,778	38,236	47,937	1,420	6,120	11,004	10,688	15,097	14,251	3,022	5,092	10,841	7,411	132,882	
Campbelltown Mall	8,750	736	514	300	10,300	11,790	202	908	900	3,476	2,971	3,138	1,124	885	2,705	954	59,052	
Macarthur Square	8,213	1,662	1,601	1,523	12,999	26,717	198	1,312	883	4,539	7,578	6,170	982	2,312	4,912	2,661	71,264	
Marketfair	4,354	390	140	160	5,044	1,799	0	102	93	531	98	243	350	240	226	320	9,046	
Campbelltown remainder	2,816	2,847	436	3,795	9,893	7,650	1,020	3,793	9,128	2,142	4,452	4,700	566	1,655	2,998	3,475	41,564	
Campbelltown bulky goods	0	1,460	0	1,000	2,460	338	2,240	29,471	2,125	0	11,516	323	302	200	5,199	0	55,713	
Rosemeadow - Ambarvale	4,322	190	282	80	4,874	242	13	75	118	541	160	278	507	245	112	210	2,500	
Kearns NAC	599	120	190	0	909	13	0	0	7	47	13	10	60	67	10	60	286	
Raby NAC	731	245	0	0	976	18	0	0	9	125	18	12	79	72	12	115	459	
Claymore NAC	666	120	180	0	966	18	0	0	9	172	18	12	81	72	12	0	394	
Eagle Vale Marketplace	3,459	545	369	0	4,374	164	11	55	98	645	141	219	415	222	103	190	2,263	
Total beyond	33,910	8,315	3,712	6,858	52,795	48,729	3,684	35,721	13,369	12,218	26,962	15,103	4,467	5,969	10,288	7,986	194,496	

Source: Deep End Services

Map 5: Local activity centre network



Source: Deep End Services; MapInfo Australia

Total retail floorspace provision located within the identified catchment area served by NTSC totals 128,592 sqm.

A large majority of this floorspace, comprising 92,372 sqm (or approximately 72% of total floorspace provision in the catchment), is located in centres within the Primary sector. Of these, the principal centre in floorspace terms is Narellan Town Centre, which serves a sub-regional function by virtue of the Big W discount department store at the NTSC.

Other concentrations of retailing in the Primary sector occur at Camden Town Centre, which has an estimated 23,024 sqm of retail floorspace, and at Mt Annan, with 13,584 sqm across a number of individual shopping centre developments and free-standing stores.

The Secondary South catchment area has a number of small retail precincts associated with individual townships and settlements. The main centres, in floorspace terms, are Tahmoor (with a total of 12,560 sqm) and Picton (9,572 sqm). Very small collections of retailing are located at The Oaks and Bargo and are described below; however, because these centres provide convenience retailing for very localised communities they are unlikely to be affected by new retail developments elsewhere and have not been included in the detailed impact assessment.

The only major retailing activity in the Secondary North catchment area is the Masters store located on Camden Valley Way, located in the Turner Road precinct.

6.1.1 Primary catchment

A description of the main retail shopping destinations in the Primary catchment sector is provided in the following paragraphs.

Narellan Town Centre

NTC consists of the Narellan Town Shopping Centre (including the associated Gateway and Narellan Commercial Centre buildings) and a range of peripheral retail tenancies along Camden Valley Way and Somerset Avenue. Total retail floorspace provision is estimated at 31,784 sqm for the centre as a whole.

- *Narellan Town Shopping Centre* is a sub-regional shopping centre with total retail floorspace of 29,180 sqm (including tenancies located in the Gateway and Narellan Commercial Centre buildings). The centre is anchored by a Big W discount department store, a well-performing Woolworths supermarket and a small and ageing Coles supermarket, supported by 123 specialty stores. Non-retail components include a United Cinema complex with 8 screens, and a range of business service functions. Vacancy levels are very low, with just one vacant premise in July 2011 (269 sqm).
- *Narellan Town Centre Periphery* contains a cluster of retail services, food takeaway outlets and commercial offices surrounding the NTSC and located on Camden Valley Way and Somerset Avenue. The area contains a basic offering of local convenience retailing, retail services and some take away and food dining, with total retail floorspace provision of 2,604 sqm.

Narellan Other

A number of bulky goods and highway service retailing tenancies are located along Camden Valley Way in three separate clusters, with total combined retail floorspace of 20,380 sqm:

- **Narellan Road / Camden Valley Way** contains a Mitre 10 hardware store, convenience restaurants including McDonald's and KFC, a number of independent restaurants, party hire supplies, Horseland and a range of non-retail business and trade supplies. Total retail floorspace is estimated at 5,690 sqm.
- **Narellan Road / Exchange Parade** is an industrial precinct located on the eastern edge of Narellan housing car sales, building supplies and a range of other industrial tenants. The precinct also contains a small range of bulky goods traders including Carpet Choice and Fowlers Carpet & Rugs, with total retail floorspace estimated at 4,180 sqm.
- **Narellan Road / Northern Road** contains a Bunnings Warehouse (14,333 sqm), with potential for additional tenancies as part of a small homemaker precinct.

Camden Town Centre

Camden is an historic township located in an attractive setting on the Nepean River floodplain, approximately 4 km south-west of Narellan. The commercial centre of the town is centred on Argyle Street, with a streetscape characterised by its heritage architecture. A number of older style retail arcades are located along the street, and appear to be trading well, with few vacancies. This is an indicator of a healthy commercial property market, as these types of older arcades often have high vacancy rates.

Map 6: Camden Town Centre



Source: Deep End Services; Ausway Maps

Total retail floorspace at Camden town centre is estimated at 23,024 sqm, with the major anchor stores being a Target Country (2,000 sqm) and Coles supermarket (2,929 sqm) located at the western end of the centre, and a stand-alone Woolworths supermarket (3,920 sqm) located on Oxley Street at the northern edge of the centre.

Overall, the centre presents as an attractive and lively shopping strip that has a strong focus on lifestyle-related retail uses such as café and restaurant dining and specialty retailing, and on grocery and convenience goods including fresh food and retail services.

Mt Annan

Mt Annan is located 3 km to the east of Narellan Town Centre on Narellan Road and Waterworth Drive. Retail provision of 13,584 sqm is spread over a number of elements:

- *Mt Annan Marketplace* is located on the northern edge of the centre, with at-grade car parking located between the centre and Main Street. Total retail provision is 6,860 sqm, with the major tenant being a Woolworths supermarket (3,660 sqm)
- *Mt Annan Central* is located at the southern edge of the centre adjoining Holdsworth Drive, and contains a total of 4,627 sqm of retail floorspace, anchored by a Coles supermarket (3,220 sqm). The centre has a relatively high level of vacant premises (1,037 sqm), indicating that it achieves lower visitation and sales compared with the Mt Annan Marketplace. Also relevant is that the Marketplace has undergone a recent expansion.
- Individual tenancies and commercial buildings are located along Main Street, including ALDI (1,274 sqm), McDonalds and Red Rooster, among others. Total retail provision in this part of the centre is approximately 2,233 sqm.

Map 7: Mt Annan Local Centre



Source: Deep End Services; Ausway Maps

Harrington Plaza

Harrington Plaza is a small village centre located on Fairwater Drive, 2 km from Narellan Town Centre. Total retail floorspace is estimated at 3,600 sqm of retail floorspace, including a 2,076 sqm Coles supermarket. The centre is easily accessible from Fairwater Drive and Harrington Parkway, and serves the local community living in Harrington Park estate.

6.1.2 Secondary South catchment

The Secondary South catchment contains two rural town centres at Picton and Tahmoor, a rural village centre at Thirlmere and two small rural village centres at The Oaks and Bargo. Total retail floorspace in this sector is estimated at 24,956 sqm, with the largest proportion of floorspace located in Tahmoor.

Tahmoor Town Centre

Tahmoor Town Centre is located 33 km south-west of Narellan Town Centre and contains a total of 12,560 sqm of retail floorspace across two shopping centres and a range of individual tenancies located in surrounding streets:

- *Tahmoor Town Shopping Centre* contains 5,465 sqm of retail floorspace provided in an open plan, L-shaped centre anchored by a 3,520 sqm Woolworths supermarket and a 790 sqm House Warehouse. Car parking is provided at-grade in front of the centre and as basement parking. The centre appears to be trading well, with no vacant tenancies at time of inspection. As noted in section 6.2, the centre is proposed to be expanded westwards across York Street to accommodate a new discount department store.
- Bi-Lo Shopping Centre is located at the southern end of the centre adjoining Bronzewing Street, and contains a total of 2,705 sqm of occupied retail floorspace including a 2,425 sqm Bi Lo and an estimated 410 sqm of vacant tenancies. It is an enclosed centre with a poorly maintained arcade entrance and poor exposure from the main road.
- Other retailers along Remembrance Drive and in the surrounding streets contain a total of 4,390 sqm of retail floorspace and 330 sqm of vacant tenancies. A stand-alone ALDI supermarket at 1,450 sqm is located on the corner of Emmett Street & Remembrance Driveway. This strip contains mostly fast food outlets, beauticians and op-shops.

Picton Town Centre

Picton Town Centre is located 25 km south-west of Narellan Town Centre and contains 9,572 sqm of retail floorspace spread across the main shopping strip on Remembrance Driveway (Argyle Street) and in Picton Mall:

- *Argyle Street* is a traditional town centre shopping strip with a total of 5,765 sqm of occupied retail floorspace and a further 660 sqm of vacant premises, mainly located on the edges of the centre in secondary locations. Major retailers comprise Khan's IGA (1,310 sqm) and a Liquorland store. This strip is characterised by food retailers which take up 5,155 sqm of retail floorspace.

- *Picton Mall* is located on Margaret Street to the rear of the main shopping strip, in an easterly direction. The centre is easily accessible, has street-level parking and good visibility from Arygle Street. Nevertheless, the centre performs relatively poorly, as shown by the 500 sqm of vacant tenancies located predominantly in the centre's internal food court. Anchored by a Coles supermarket at 2,893 sqm and Liquorland at 154 sqm, this centre's focus is on fresh food retailers. Total occupied retail floorspace is 3,807 sqm.

Thirlmere Village Centre

Thirlmere is located 31 km south-west of Narellan Town Centre. It is a traditional rural town centre located on Oaks Street and Westbourne Avenue.

The small village strip is anchored by an IGA (469 sqm) on Westbourne Avenue, and has a basic offering of local convenience retailing. Total retail floorspace is estimated at 2,824 sqm.

Rural Village Centres

The Oaks is located 20 km west of Narellan Town Centre. It is a traditional shopping strip spread along John Street with approximately 2,250 sqm in retail floorspace and anchored by a small 400 sqm IGA supermarket. There is a strong emphasis on fresh food retailers and takeaway outlets.

Bargo is located at the far southern end of the catchment area, approximately 40km from Narellan Town Centre. The centre consists of a very small group of shops located on Remembrance Drive adjoining the railway line and close to Bargo railway station. Total retail floorspace is approximately 1,000 sqm, with a range of convenience-related tenancies.

6.1.3 Secondary North catchment

Existing retail provision in the Secondary North catchment sector consists of the Masters hardware and homewares store on Camden Valley Way, located in the Turner Road precinct. The store is estimated at approximately 13,158 sqm with a small McDonalds convenience restaurant located within the store.

6.1.4 Beyond catchment

A number of centres located beyond the identified catchment have competitive relevance to NTSC because of their existing role as alternative shopping destinations for residents in the identified catchment area, or because of the likely future competition between centres as growth proceeds throughout the region. The competing centres that are included in this analysis are:

- Campbelltown-Macarthur
- Eagle Vale Marketplace
- Raby
- Claymore
- Kearns
- Rosemeadow Marketplace.

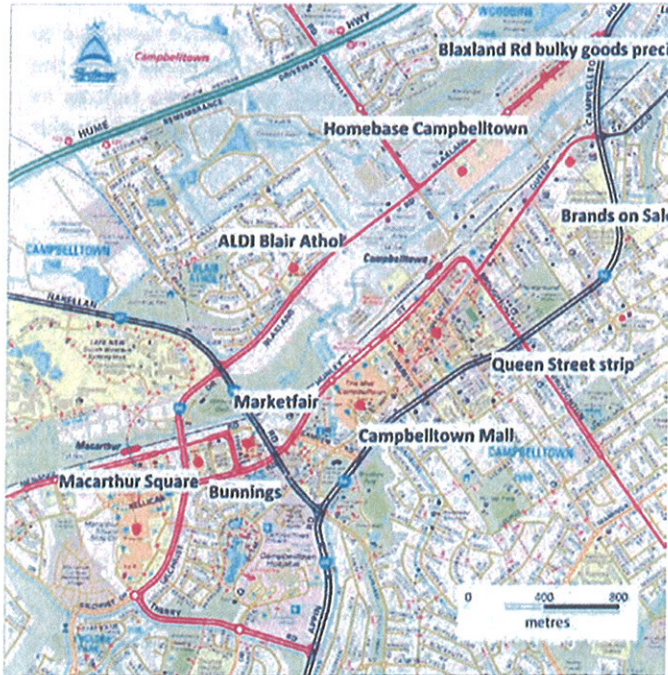
Campbelltown-Macarthur

Campbelltown-Macarthur is located less than 10 km from the Narellan Town Centre and is designated as a Major Town Centre in the SWSRS, with potential to have a more significant role over time as the regional population expands. The centre extends 3km from the Macarthur Square shopping centre at the southern edge of the centre, to the junction of Queen Street and Campbelltown Road at the northern edge of the centre. Beyond this core commercial precinct, major bulky goods retailing and light industrial uses occur along Blaxland Road and in the area north of the railway line.

Total retail floorspace within the commercial core (ie excluding the bulky goods uses north of the centre) is estimated at 171,118 sqm, with a large number of major retail anchors located throughout the centre. The centre's retail role is further enhanced by the large employment base associated with commercial offices and major education facilities in and around the centre, as well as the range of non-retail services including entertainment, business services, civic, community, and health services.

The retail and commercial district is essentially made up of a number of individual elements (refer *Map 8*), and this is recognised in structure planning by the local council, which encourages a more integrated pattern of development across the centre over time, in accordance with a precinct-based plan.

Map 8: Campbelltown - Macarthur



Source: Deep End Services; Ausway Maps

Five separate components of the centre have been identified for the purpose of describing the retail composition of the centre.

Campbelltown Mall is located on Queen Street in the heart of Campbelltown, and has total retail provision estimated at 39,352 sqm, with the major traders comprising Kmart (8,224 sqm), Target (7,093 sqm), Woolworths (4,248 sqm), Coles (3,825 sqm) and Franklins (1,577 sqm). Campbelltown Mall is a well-performing centre with less than 250 sqm of vacant floorspace.

Macarthur Square is located on Kellicar Road and Gilchrist Drive at the southern edge of the centre, and has a total estimated retail provision of 71,264 sqm. Major retail tenants include David Jones (12,243 sqm), Big W (8,792 sqm), Target (4,450 sqm), Woolworths (4,185 sqm) and Coles (3,760 sqm), and with another 230 or so retail specialty tenants. The centre has a strong focus on national-brand fashion and homewares tenancies.

Non-retail uses include an 11-screen Event Cinemas complex, tavern, a dining precinct on 'Kellicar Lane', a ten-pin bowling centre, a fitness centre, and medical centre.

The centre is organised across two major street blocks, either side of Kellicar Road, and integrated by way of a pedestrianised bridge that accommodates retail tenancies. Macarthur Railway Station is located immediately to the north of the centre.

Marketfair is located on Kellicar Road and Tindall Street, east of The Parkway. The centre has total retail floorspace of 9,046 sqm, anchored by a Woolworths supermarket (3,883 sqm) and a Trade Secret store specialising in discounted fashion (1,913 sqm).

The centre is currently undergoing renovations to revitalise its fresh food focus by removing existing fast food tenancies inside the centre and converting them into a 1,200 sqm fresh food market. This will be completed by the end of 2012 and will include fresh fruit and vegetable, butcher and poultry tenants, a delicatessen and café.

Campbelltown remainder refers to a wide range of retailers in and around the central core of Campbelltown, including the main street focus along Queen Street, the Bunnings Warehouse located on Kellicar Road, the Brands on Sale development at the northern end of Queen Street, and individual tenancies located on Hyde Parade, Dumaresq Street, Lithgow Street, etc. For the purposes of this report, floorspace estimates for Campbelltown remainder exclude the bulky goods uses on Blaxland Road, which are described separately below. However, the ALDI store in Blair Athol has been included in the figures for Campbelltown remainder.

Total retail provision is estimated at 51,457 sqm, with the main concentration in non-food goods including fashion, hardware and garden, home appliances and homewares, and recreational goods.

The main retail focus is centred on Queen Street which runs through the heart of Campbelltown. Major retail anchors include Spotlight, Sam's Warehouse, and Officeworks.

Vacant floorspace is estimated at approximately 13,500 sqm, with these vacant tenancies located in older arcades along Queen Street and in the Brands on Sale factory sales development at the northern edge of the centre.

Campbelltown bulky goods precinct

Campbelltown bulky goods precinct refers to retail uses that have established along Blaxland Road, directly north of the Campbelltown retail-commercial centre, and which now include a wide range of national homemaker brands and independent operators. Total retail floorspace provision is estimated at approximately 58,173 sqm, with the major tenants in the precinct being Harvey Norman, Fantastic Furniture, The Good Guys, Toys R Us, Nick Scali, Bing Lee, Ray's Outdoors, and many others.

Eagle Vale Marketplace Village Centre

Eagle Vale Marketplace is located 13 km from Narellan on Eagle Vale Drive, and has total retail provision of 6,636 sqm. The centre is anchored by a Woolworths supermarket (4,306 sqm) and is an active, vibrant centre with just 120 sqm in vacancies. Its main focus is on fresh and takeaway food such as Bakers Delight, a butcher, McDonalds and Subway retailers.

The centre serves a population catchment that consists of the suburbs of Raby, Kearns, Eagle Vale and Claymore, within which the centre is the primary location for supermarket grocery shopping. The Woolworths store is understood to perform well, with above-average turnover levels.

Kearns

Kearns is a neighbourhood centre located approximately 15 km north-east of Narellan on Epping Forest Drive, and with a total of 1,195 sqm in retail floorspace. Anchored by a 665 sqm IGA supermarket and with one 60 sqm vacancy, the centre is active and well-positioned, providing a well-established local role.

Raby

Raby is a small village centre located 14 km north-east of Narellan on Hurricane Drive. It is a small internal centre anchored by an 880 sqm IGA supermarket and a variety of takeaway food outlets. Raby village centre has in total 1,435 sqm of retail floorspace with 60 sqm of vacancies. The centre does not appear to be performing well, mainly due to poor design and a run-down appearance.

Claymore

Claymore is a neighbourhood centre located 11km east of Narellan on Dobbell Road. It is a very small internal centre anchored by a 900 sqm Foodworks supermarket and medical centre. The centre is badly run down, set back away from the main road and has little exposure into the centre. Total vacancies are estimated at approximately 250 sqm.

Rosemeadow Marketplace

Rosemeadow Marketplace is a small village centre located approximately 12 km south-east of Narellan on Copperfield Drive. It is anchored by a Woolworths supermarket at 7,374 sqm and has a strong focus on fresh food retailers. It has a strong role in serving the grocery shopping needs of people living in Rosemeadow, Ambarvale and Glen Alpine.

An ALDI supermarket (1,597 sqm) is located on a stand-alone site in Ambarvale, on Woodhouse Drive. For the purpose of this retail analysis, the ALDI store has been combined with the Rosemeadow Marketplace.

6.2 Proposed developments

Several proposals have been identified which are relevant to the consideration of future sales and impacts of the proposed NTSC expansion. Details of these projects, including the expected components and timing, are as follows:

- **Spring Farm** – a neighbourhood centre is proposed for a site at the intersection of Springs Road and Richardson Road. According to the Camden DCP, the centre will have a combined gross floor area of up to 7,000 sqm for a retail neighbourhood centre, and 1,000 sqm for commercial uses. A development application has not been prepared, and the land is currently for sale, but it is understood that some interest has already been expressed. For the purposes of this analysis, it is anticipated that a centre will be developed on the site with the first year of trading 2014/15. The centre is expected to consist of a supermarket of 3,500 sqm and a small range of specialty tenancies with a total of 1,500 sqm, to reflect the size of the immediate catchment and the likely development form.

- **Tahmoor** – the existing Tahmoor Town Centre has approval for a major expansion to accommodate a new Big W discount department store, an expanded Woolworths supermarket, and the inclusion of new specialty stores. According to the architectural plans for the development, the total additional retail component is estimated at 9,129 sqm, with the first full year of trading expected to be 2013/14.
- **Oran Park Town Centre** – a development application has been lodged for construction of retail and commercial uses at Oran Park Town Centre, with a total maximum retail floorspace of 50,000 sqm, to be developed over a number of stages. From discussions with Greenfield Development Corporation it is understood that the first stage of development would comprise a supermarket and specialty stores with a total of approximately 9,416 sqm, and is expected to be open by 2014/15. Stage 2 will add a DDS and additional specialty stores, with total additional retail floorspace estimated at 12,500 sqm. For the purposes of this analysis it is assumed that this second stage would be completed by 2019/20, having regard for population growth trends in the catchment likely to be served by the expanded centre. The remaining stage of the development would occur on the northern side of the main street, adding a second supermarket, a second DDS and additional specialty stores. This stage of development is assumed to occur after 2021.
- **Gregory Hills** – a neighbourhood centre is proposed to be constructed at Gregory Hills in the Turner Road precinct. The Turner Road DCP identifies a maximum aggregate GLA for retail premises of 15,000 sqm. Having regard for the expected dwelling yield and population outcomes, a centre of approximately 7,000 sqm is expected to be developed by 2016/17, comprising a large supermarket and associated specialty stores.
- **Turner Road bulky goods precinct** – an amendment to the DCP has been lodged to remove the maximum floorspace limit for bulky goods retailing in this precinct. For the purposes of this report, an additional 25,000 sqm of bulky goods floorspace (ie excluding building supplies and other non-retail uses) is anticipated to be developed over the period 2016-2021, and with the inclusion of new convenience food outlets.
- **Camden Town Centre** – discussions with Council officers indicate that no major retail development projects are approved in the Camden Town Centre, although a site at the northern end of Argyle Street (in the B4 Mixed Use Zone) has had various proposals for retail development. For the purposes of this analysis, no additional retail development at Camden is assumed, although it is recognised that some small additions to retail floorspace may take place over time.
- **Campbelltown-Macarthur** – new retail development is likely to occur at Macarthur Square and other components of the Campbelltown-Macarthur Major Town Centre. However, no details of actual development proposals are forthcoming at this stage, and so additional retail floorspace has not been factored into this assessment.

In the event that any major expansion occurs in Campbelltown, it is unlikely to significantly affect the degree of economic impact that has been modelled in Section 7 of this report.

- **Leppington Major Town Centre** – the initial retail component is likely to consist of a supermarket-based development, constructed sometime shortly after 2017. In the short-term this centre will serve a localised catchment and would not have competitive relevance for the proposed expansion at NTSC.

Ongoing retail expansion will occur at Leppington after 2017, with the gradual inclusion of higher-order retailers serving more extensive geographic catchments and with some competitive relevance for NTSC. The timing for delivery of these higher-order components is unknown, and will be commensurate with the pace of residential development that occurs in surrounding precincts including Leppington North, Austral and Leppington East. Importantly, the existing lot pattern in Catherine Fields currently impedes the consolidation of lots for large-scale urban development, and this will serve to delay the timing of residential development in the southern part of Leppington's primary catchment.

For the purposes of this EIA, it is assumed that a DDS-based retail centre would have established prior to 2021. The indicative components of this centre would be a DDS (7,500 sqm), supermarket (4,500 sqm) and specialty shops (5,000 sqm). At this stage the centre will mainly be focussed on serving the retail requirements of an immediate sub-regional catchment in land release areas around the Leppington centre, with a longer term role in establishing regional-level retailing serving the SWGC as a whole.

- **Emerald Hill**, located to the north of the Turner Road precinct, is anticipated to be identified for urban release in the short-term, and a neighbourhood centre is likely to be sought to serve local residents. Having regard for the timing of urban growth in the catchment, and the role of new centres at Gregory Hills and Oran Park, the development of this centre is not anticipated to occur prior to 2021.
- Local town centres are planned for the **Catherine Fields** and **Catherine Fields North** precincts according to the SWGC Structure Plan, with the explanatory notes indicating floorspace of approximately 15,000-25,000 sqm at each of these centres when fully developed. The timing for these developments is likely to be after 2021, having regard for expected lot production rates, the need to consolidate existing fragmented land holdings, and the development timeframe for the Oran Park Town Centre.

6.3 Current sales at existing centres

Total estimated sales at relevant competing activity centres are set out in **Table 12** and relate to turnover performance for the year 2010/11 (expressed in 2011 dollars). These sales estimates have been generated on with reference to:

- Detailed inspections and land use surveys of the centres and precincts;
- Publicly available centre-specific information contained in sources such as:
 - Property Council of Australia – *NSW & ACT Shopping Centre Directory, 2011*;
 - *Shopping Centre News*; and
 - Annual reports and/or investor presentations made by shopping centre owners.
- Industry averages;
- Experience in working with retailers located in some of the centres;
- Internal databases.

The sales are presented for the two major product categories – food and non-food & services.

In the identified centres located within the catchment, total sales are estimated at \$709.1 million, representing an average trading level of \$5,514 per sqm, which is similar to typical industry averages (ie \$5,000 - \$5,500 per sqm).

Substantial variation is evident in the sales volumes and average sales rates per square metre achieved in each centre. The better-performing centres (ie higher sales per sqm) generally have a greater proportion of floorspace associated with supermarkets and other strongly-performing tenants, with Tahmoor and Mt Annan being good examples. Lower average sales can be because of the absence of a supermarket or fewer speciality food retailers which trade at higher average rates per sqm, or because the centre presents poorly in comparison with competing shopping centres. High vacancy rates can also adversely affect the performance of other nearby occupied tenancies.

The analysis shows that total retail sales at NTSC were \$194.7 million in 2010/11, which corresponds to a healthy average trading level of \$6,672 per sqm. This figure includes an estimated \$81.2 million in Food sales, and \$113.5 million in Non-food & services sales.

In Camden Town Centre, total sales are estimated at \$135.9 million, which represents a trading average of \$5,902 per sqm. This is a particularly strong performance for a centre of this type which has a high proportion of café and restaurants that typically trade at below-average levels.

Outside the catchment, the main location for retail sales is Campbelltown-Macarthur, with total retail sales of \$950.6 million in 2010/11, including an estimated \$474.4 million in retail sales at Macarthur Square, and an estimated \$218.7 million in sales at Campbelltown Mall. A substantial share of retail spending by catchment area residents is currently being directed to these centres that have a wide range of higher-order shopping and entertainment facilities.

Total estimated sales for all identified centres outside the catchment are \$1.29 billion.

Table 12: Local activity centres, sales estimates (2010/11) by major spending category

Activity Centre	Floorspace (sqm)			Estimated sales 2010/11 (\$m)(\$2011)			Trading level (\$/sqm)		
	Food	Non-food & services	Total retail	Food	Non-food & services	Total retail	Food	Non-food & services	Total retail
Primary									
Narellan Town Centre	11,431	20,353	31,784	87.8	116.9	204.7	\$7,680	\$5,744	\$6,440
Narellan Town Shopping Centre	9,975	19,205	29,180	81.2	113.5	194.7	\$8,144	\$5,908	\$6,672
Narellan TC periphery	1,456	1,148	2,604	6.6	3.4	10.0	\$4,500	\$3,000	\$3,839
Narellan Other	1,260	19,120	20,380	6.9	37.8	44.7	\$5,500	\$1,975	\$2,193
Camden TC	9,895	13,129	23,024	71.0	64.9	135.9	\$7,174	\$4,943	\$5,902
Harrington Plaza	2,494	1,106	3,600	15.3	5.8	21.1	\$6,143	\$5,228	\$5,862
Mount Annan	9,478	4,106	13,584	87.9	29.7	117.6	\$9,270	\$7,242	\$8,657
Total primary	34,557	57,814	92,372	268.9	255.1	524.0	\$7,781	\$4,412	\$5,672
Secondary South									
Tahmoor	7,465	5,095	12,560	63.9	29.7	93.6	\$8,555	\$5,831	\$7,450
Picton	5,155	4,417	9,572	34.6	19.7	54.3	\$6,718	\$4,463	\$5,678
Thirlmere	1,625	1,199	2,824	8.5	3.6	12.2	\$5,257	\$3,038	\$4,315
Total Secondary South	14,245	10,711	24,956	107.0	53.1	160.1	\$7,514	\$4,954	\$6,415
Secondary North									
Turner Rd bulky goods	80	11,184	11,264	0.4	24.6	25.0	\$5,200	\$2,200	\$2,221
Total Secondary North	80	11,184	11,264	0.4	24.6	25.0	\$5,200	\$2,200	\$2,221
Total catchment	48,883	79,709	128,592	376.3	332.8	709.1	\$7,699	\$4,175	\$5,514
Beyond									
Campbelltown-Macarthur	38,236	132,882	171,118	295.8	654.9	950.6	\$7,736	\$4,928	\$5,555
Macarthur Square	12,999	58,265	71,264	117.4	356.9	474.4	\$9,033	\$6,126	\$6,656
Campbelltown Mall	10,300	29,052	39,352	87.3	131.4	218.7	\$8,472	\$4,523	\$5,556
Marketfair Campbelltown	5,044	4,002	9,046	21.6	16.3	37.9	\$4,272	\$4,077	\$4,186
Campbelltown remainder	9,893	41,564	51,457	69.5	150.2	219.8	\$7,030	\$3,614	\$4,271
Campbelltown bulky goods	2,460	55,713	58,173	13.5	195.0	208.5	\$5,500	\$3,585	\$3,585
Eagle Vale	4,374	2,263	6,636	41.9	17.2	59.2	\$9,584	\$7,617	\$8,914
Rosemeadow-Ambarvale	4,874	2,500	7,374	39.0	15.5	54.5	\$8,001	\$6,193	\$7,388
Claymore	966	394	1,360	5.0	1.8	6.8	\$5,189	\$4,485	\$4,985
Kearns	909	286	1,195	5.2	1.4	6.7	\$5,774	\$4,952	\$5,577
Raby	976	459	1,435	6.0	2.3	8.3	\$6,167	\$4,996	\$5,793
Total beyond	52,795	194,496	247,291	406.5	888.0	1,294.6	\$7,700	\$4,566	\$5,235

Source: Deep End Services

6.4 Future sales at existing and expanded centres

Total sales for identified centres within the catchment is forecast to increase from \$709.1 million (as shown in Table 12) to a total of \$954.9 million in 2016/17, which is adopted as the first full year of trade for the Stage 5 expansion at NTSC. Future sales figures are expressed in constant 2011 dollars.

Details of projected sales for individual centres by broad product group are shown in *Table 13*.

This estimate of total sales for centres in the catchment represents a base case or "no change" scenario in the absence of the proposed Stage 5 expansion at NTSC, and includes the proposed new and expanded centres as described in Section 6.2, as well as recognising the population and spending growth that is forecast to occur in the catchment.

Of total forecast sales at centres in the catchment, an estimated \$823.1 million (or 86%) is derived from spending by catchment residents. When compared against the forecast retail spending market in the catchment (\$1,625.6 million, as shown in Table 9), these estimated sales to catchment residents represent approximately 51% of total spending capacity, which indicates that escape spending in 2017 in the absence of NTSC Stage 5 would be 49%, or \$802.5 million.

The incorporation of retail sales at new or expanded centres necessarily involves an assessment of the competitive trading impact that these developments will have on the existing established retail hierarchy. Generally, these impacts are relatively low because of the rapidly expanding size of the retail market generated from spending by catchment residents. However, the accommodation of new supermarkets at Spring Farm, Oran Park, and Gregory Hills, the DDS development at Tahmoor, and the small Target Country at Picton will have a combined impact on NTSC itself as one of the main locations in the catchment for DDS and supermarket shopping. Total sales volumes at NTSC are projected to be \$201.1 million in 2016/17 (at an average \$6,893 per sqm), which is a 3% increase in sales compared with current estimates (\$194.7 million – refer Table 12).

The figures shown in Table 13 are the sales forecasts against which the impact of the proposed Stage 5 expansion to NTSC is measured.

It should also be noted that the retail sales recorded by retailers located outside the catchment area are also projected to increase rapidly, in accordance with the strength of growth in the retail markets they serve. The significant increase in total forecast sales at Campbelltown-Macarthur (from \$950.6 million in 2010/11 to \$1,095.4 million in 2016/17) could potentially support the construction of additional retail floorspace at this centre over the period 2011-2017.

Table 13: Local activity centres, sales estimates (2016/17) by major spending category – no change scenario

Activity Centre	Floorspace (sqm)			Forecast sales (\$m) (\$2011)			Trading level (\$/sqm)		
	Food	Non-food & services	Total retail	Food	Non-food & services	Total retail	Food	Non-food & services	Total retail
Primary									
Narellan Town Centre	11,431	20,353	31,784	92.5	120.5	213.0	\$8,093	\$5,920	\$6,701
Narellan Town Shopping Centre	9,975	19,205	29,180	84.6	116.6	201.1	\$8,478	\$6,070	\$6,893
Narellan TC periphery	1,456	1,148	2,604	7.9	3.9	11.8	\$5,455	\$3,401	\$4,549
Narellan Other	1,260	19,120	20,380	8.6	43.7	52.3	\$6,807	\$2,286	\$2,565
Spring Farm	3,375	1,625	5,000	20.0	9.2	29.2	\$5,933	\$5,676	\$5,849
Camden TC	9,895	13,129	23,024	83.3	70.3	153.6	\$8,421	\$5,356	\$6,673
Harrington Plaza	2,494	1,106	3,600	16.4	6.5	23.0	\$6,596	\$5,889	\$6,378
Mount Annan	9,478	4,106	13,584	94.3	32.5	126.8	\$9,948	\$7,923	\$9,336
Total primary	37,932	59,439	97,372	315.2	282.8	597.9	\$8,309	\$4,757	\$6,141
Secondary South									
Tahmoor	9,442	12,247	21,689	80.1	52.3	132.4	\$8,480	\$4,273	\$6,104
Picton	4,855	7,217	12,072	36.6	27.9	64.5	\$7,543	\$3,862	\$5,342
Thirlmere	1,625	1,199	2,824	9.3	3.7	13.1	\$5,740	\$3,108	\$4,623
Total Secondary North	15,922	20,663	36,585	126.0	83.9	209.9	\$7,915	\$4,062	\$5,739
Secondary North									
Turner Rd bulky goods	400	11,184	11,584	4.0	40.1	44.2	\$10,053	\$3,589	\$3,812
Oran Park	5,862	3,554	9,416	38.7	22.7	61.4	\$6,607	\$6,383	\$6,522
Gregory Hills	4,625	2,375	7,000	27.8	13.7	41.5	\$6,001	\$5,776	\$5,925
Total Secondary South	10,887	17,113	28,000	70.5	76.5	147.1	\$6,476	\$4,473	\$5,252
Total catchment	64,741	97,215	161,957	511.7	443.3	954.9	\$7,904	\$4,560	\$5,896
Beyond									
Campbelltown-Macarthur	38,236	132,882	171,118	360.1	735.3	1,095.4	\$9,419	\$5,533	\$6,401
Macarthur Square	12,999	58,265	71,264	145.5	405.3	550.9	\$11,197	\$6,957	\$7,730
Campbelltown Mall	10,300	29,052	39,352	105.3	145.0	250.3	\$10,223	\$4,992	\$6,361
Marketfair Campbelltown	5,044	4,002	9,046	25.9	18.1	44.0	\$5,126	\$4,526	\$4,861
Campbelltown remainder	9,893	41,564	51,457	83.4	166.8	250.2	\$8,434	\$4,013	\$4,863
Campbelltown bulky goods	2,460	55,713	58,173	16.2	216.5	232.7	\$6,598	\$3,886	\$4,001
Eagle Vale	4,374	2,263	6,636	46.8	17.8	64.6	\$10,694	\$7,865	\$9,729
Rosemeadow-Ambarvale	4,874	2,500	7,374	46.8	17.2	64.0	\$9,599	\$6,875	\$8,676
Claymore	966	394	1,360	6.0	2.0	8.0	\$6,226	\$4,979	\$5,865
Kearns	909	286	1,195	6.1	1.5	7.6	\$6,720	\$5,388	\$6,401
Raby	976	459	1,435	7.1	2.5	9.6	\$7,251	\$5,436	\$6,670
Total beyond	52,795	194,496	247,291	489.1	992.7	1,481.9	\$9,265	\$5,104	\$5,992

Source: Deep End Services

7. Economic impact assessment

This section presents an assessment of the economic impacts that are likely to be generated by the additional retail floorspace associated with the expansion of NTSC. The analysis draws on data and commentary from earlier sections of this report and examines the competitive trading impacts and the economic and social effects that would result from the proposal.

The analysis has been undertaken independently for Stage 5 of the NTSC expansion (assumed to have taken place prior to 2016/17), and for Stage 6 (involving additional retail development to occur prior to 2020/21).

The findings are presented as a series of sequential steps:

- Generation of projected retail sales for the expanded NTSC for each development stage;
- Assessment of sales impacts on other centres within or just beyond the catchment area; and
- Assessment of new employment and other economic effects accruing to the community.

7.1 Sales forecasts

Stage 5 expansion (2017)

Sales forecasts for the proposed expanded NTSC are presented in **Table 14** by retailer category and by major product group. The forecasts are made on the basis of the following information, data inputs and assumptions:

- The existing uses and proposed changes to the tenancy mix will be as set out in Section 3;
- The development will be attractively-designed and incorporate adequate car parking, easy access and legible pedestrian routes through the centre;
- Expenditure levels for catchment area sectors will be as set out in Section 5;
- New competitive retail developments will be as described in Section 6.2 (and incorporated into the base case sales projections); and
- The first full financial year of trading for the fully expanded centre will be 2016/17.

After the proposed Stage 5 expansion, NTSC is projected to achieve total retail sales of \$363.9 million in 2016/17, representing a net increase of +\$162.8 million compared to the no-change scenario (refer Table 13). The expanded centre is expected to achieve an average trading level of \$5,884 per sqm in its first year of operation (refer Table 14), which is a decline in average sales performance compared with 2011 and is a result of an increase in floorspace devoted to non-food specialties and lower-trading discount department stores. Compared with existing (2011) sales, the following changes in turnover performance are expected:

- A marginal decline in supermarket turnover performance from \$8,429 per sqm to \$8,355 per sqm, due to increased competition from new supermarkets to be constructed in the region;

- A decline in the average trading level of all majors (ie including DDSs) from \$6,822 per sqm in 2011 to \$5,192 per sqm after Stage 5, with competitive impacts also felt by the Big W due to the establishment of a new Big W at Tahmoor and two new DDSs within the centre;
- An increase in average sales at mini majors, from \$3,461 per sqm in 2011 to \$4,783 per sqm in 2017, with the introduction of new mini majors well placed to achieve good sales levels;
- A marginal increase in turnover performance for specialty stores, from \$7,178 per sqm in 2011 to \$7,240 per sqm in 2017.

The two supermarkets are forecast to achieve \$78.0 million in turnover in the first year, which is a reasonable sales performance for two large supermarkets in a sub-regional centre.

The two new DDSs, in addition to the existing Big W, are anticipated to generate total combined sales of \$65.2 million, with mini-majors generating \$53.3 million of sales and retail specialty tenancies adding another \$167.4 million of sales.

All of these trading levels are assessed as being supportable and attractive to potential tenants. Turnover growth would be expected to occur after 2017 in line with the increase in expenditure capacity in the catchment.

Table 14: NTSC Stage 5 – retail sales projection (2016/17)

Tenancy type	Floorspace (sqm)			Forecast sales (\$m)			Trading level (\$/sqm)		
	Food	Non-food & services	Total retail	Food	Non-food & services	Total retail	Food	Non-food & services	Total retail
Majors									
Supermarkets	6,998	2,333	9,331	58.6	19.3	78.0	\$8,375	\$8,293	\$8,355
DDS	912	17,324	18,236	3.3	61.9	65.2	\$3,593	\$3,572	\$3,573
Sub-total majors	7,910	19,657	27,567	61.9	81.2	143.1	\$7,824	\$4,132	\$5,192
Mini-majors	2,866	8,288	11,153	14.5	38.9	53.3	\$5,045	\$4,692	\$4,783
Specialties	5,585	17,540	23,125	49.5	117.9	167.4	\$8,869	\$6,721	\$7,240
Total retail	16,361	45,484	61,845	125.9	238.0	363.9	\$7,694	\$5,233	\$5,884
Non retail			13,935						
Total centre			75,780						

Source: Deep End Services

The projected market shares by catchment area sector for the expanded NTSC are set out in **Table 15**. The table shows that the expanded centre is projected to achieve a 21.9% market share of total retail spending in the Primary sector, with an average of 17.8% across the total catchment area.

The centre is anticipated to achieve relatively higher market shares in the non-food market sector (24.1% for non-food compared with 12.2% for food), and this reflects the substantial addition to non-food retail floorspace (and including two new DDSs) to be provided as part of the Stage 5 development.

Table 15: NTSC Stage 5 – market share estimates (2016/17)

Catchment area sector	Spending market (\$m)			Market share (%)			Forecast sales (\$m)		
	Food	Non-food & services	Total retail	Food	Non-food & services	Total retail	Food	Non-food & services	Total retail
Primary	433.2	389.0	822.2	15.6%	29.0%	21.9%	67.6	112.8	180.4
Secondary									
Secondary North	174.9	146.7	321.6	9.8%	25.0%	16.7%	17.1	36.7	53.8
Secondary South	257.2	224.6	481.8	8.1%	15.0%	11.3%	20.8	33.7	54.5
Total Secondary	432.1	371.3	803.4	8.8%	19.0%	13.5%	38.0	70.4	108.3
Total catchment area	865.3	760.2	1,625.6	12.2%	24.1%	17.8%	105.6	183.2	288.7
Beyond trade area	-	-	-	16.1%	23.0%	20.7%	20.3	54.8	75.2
Total	-	-	-	-	-	-	125.9	238.0	363.9

Source: Deep End Services

The market share performance in the Secondary South catchment sector is expected to be lower, at 11.3% overall and 15.0% for the non-food sector. This reflects the competitive context in the area, the opportunity for residents to visit other centres such as Campbelltown-Macarthur, the new Big W DDS at Tahmoor and the new Country Target store at Picton.

Market shares in the Secondary North sector are forecast to be slightly lower than in the Primary sector, with the differential even lower in the Non-food sector. This recognises that the new centres in the southern precincts of the SWGC will initially have a role in providing mostly food-related grocery shopping services, with higher order non-food retailers added after 2017.

In addition, it is estimated that approximately 20.7% of sales will be derived from people living beyond the identified catchment, including sales to people living on the eastern side of the Hume Highway, for whom the expanded NTSC will provide a shopping option to other higher-order retailing at Campbelltown-Macarthur.

Stage 6 expansion (2021)

Indicative sales forecasts for the proposed Stage 6 expansion to the NTSC have been prepared on the basis of the additional retail elements proposed to be included in this stage (as described in Section 3). Indicative forecasts have been prepared for the year 2020/21, recognising the degree of uncertainty involved in projecting sales levels over a long time period.

After the completion of Stage 6 of the NTSC expansion, the centre is projected to achieve total retail sales of \$475.6 million in 2020/21 (expressed in constant 2011 dollars).

This represents a net increase in sales of +\$71.8 million when compared against the sales that would have been achieved in the same year if the expansion did not take place. This estimate of net additional sales incorporates the expected impacts on existing (ie post Stage 5) tenants associated with the introduction of new retail specialties and the notional inclusion of a department store.

The centre, post Stage 6, is expected to achieve an average trading level of \$5,876 per sqm in its first year of operation.

The projected market shares by catchment area sector for the NTSC following Stage 6 are set out in **Table 16**. The table shows that the expanded centre is projected to achieve a 22.2% market share of total retail spending in the Primary sector, with an average of 17.1% across the total catchment area. This is only marginally different to the expected situation in 2017 following Stage 5 of the expansion program.

Market shares in the Secondary North sector are expected to remain relatively high (at 14.5% overall), even though this sector will have more local competition by this time in the form of a DDS at Oran Park Town Centre. Importantly, the analysis shows that a substantial 85.5% of spending by residents in the Secondary North sector will be available to support local retailing (at Oran Park and Gregory Hills, initially), and some of this spending will also be directed northwards to the DDS-based centre that is assumed to have established at Leppington by this time.

Table 16: NTSC Stage 6 – market share estimates (2020/21)

Catchment area sector	Spending market (\$m)			Market share (%)			Forecast sales (\$m)		
	Food	Non-food & services	Total retail	Food	Non-food & services	Total retail	Food	Non-food & services	Total retail
Primary	500.3	449.6	950.0	14.8%	30.3%	22.2%	74.2	136.4	210.6
Secondary									
Secondary North	389.5	325.8	715.3	8.2%	21.9%	14.5%	32.0	71.5	103.4
Secondary South	278.2	278.2	556.5	7.8%	16.2%	12.0%	21.7	45.2	66.9
Total Secondary	667.8	604.0	1,271.8	8.0%	19.3%	13.4%	53.7	116.6	170.3
Total catchment area	1,168.1	1,053.6	2,221.7	10.9%	24.0%	17.1%	127.8	253.1	380.9
Beyond trade area	-	-	-	15.2%	22.1%	19.9%	22.9	71.8	94.7
Total	-	-	-	-	-	-	150.7	324.9	475.6

Source: Deep End Services

7.2 Impacts

Competitive trading impacts arising from the proposed expansion to NTSC (Stages 5 and 6) have been assessed by distributing the additional sales achieved by the expanded NTSC across the network of activity centres in the catchment and beyond. The distribution of competitive trading impacts has been made with consideration given to:

- Each competing centre's geographic location and ease of access to the NTSC
- The existing mix of retailers at each centre, including the extent of direct store-on-store competition having regard for the components of the expanded NTSC
- Forecast market shares achieved by each centre in the catchment in the absence of development
- The likelihood of capturing an additional share of spending in each broad product group, having regard for NTSC's location with respect to other competing higher-order centres such as Campbelltown-Macarthur.

Impacts from Stage 5 expansion

The proposed new retail elements associated with the Stage 5 expansion at NTSC include a larger and better-located Coles supermarket, two new DDSs, the introduction of more mini-major stores and a large increase in specialty retail floorspace.

With a strong emphasis on higher-order retailing and especially non-food shopping, the additional sales achieved by the expanded centre would be expected to be captured from other centres that have strong representation in non-food retailing, and from more localised centres to the extent that the larger Coles leads to an increase in competitive positioning for supermarket shopping.

Accordingly, a large share of the anticipated trading impact arising from the Stage 5 expansion to NTSC will fall on larger higher-order centres in the surrounding region such as Macarthur Square and Campbelltown Mall, with a smaller share of the impact distributed more widely to other major centres in the region such as Liverpool and even to the Sydney CBD.

Much smaller impacts (in nominal dollar value terms and in terms of percentage reduction in sales performance) are forecast to occur on small centres in the immediate vicinity of NTSC that serve local catchments with basic lower-order retailing needs.

A summary of the forecast changes in trading levels arising from the proposed Stage 5 expansion is provided in *Table 17* for the identified centres within and beyond the catchment. These impacts are presented as one-off reductions in sales compared to the sales that would otherwise have been expected to be recorded in 2016/17 if the proposed expansion did not occur (and as set out in Table 13). All figures are expressed in 2011 dollars.

A description of the impacts on catchment area centres is provided below:

- **Narellan Town Centre:** The balance of the NTC is expected to experience a minor impact of -3.7%, or a loss of \$0.4 million in sales that would otherwise have been recorded. These impacts are low because of the nature of the retail uses in the area surrounding the NTSC, mainly comprising retail services and food dining.
- **Camden Town Centre:** Camden Town Centre is expected to experience an impact of -8.8%, representing a loss of \$13.6 million in sales that would otherwise have recorded. The impact is expected to fall on some of the major traders (eg the supermarkets and the Country Target store) due to increase direct competition, and also more generally on the non-food specialty sector. Importantly, Camden will retain its complementary role as a location for main street-style retailing and will continue to have its own distinct ambience and amenity.
- **Mt Annan:** This centre is expected to experience an impact of -7.8%, or a loss of \$9.9 million in sales. The various retail components at Mt Annan will be affected mainly in terms of the additional supermarket competition arising from the relocated and expanded Coles, and more generally because of the increase in specialty store provision at NTSC. Following the development, Mt Annan will remain a strongly-performing centre.

- Tahmoor: Expected to experience a -7.4% impact or a loss of \$9.8 million in sales, mainly due to the increase competitive impact on the new Big W DDS at the Tahmoor Town Centre.
- Oran Park and Gregory Hill: Substantial increases in sales levels immediately after these centres are opened will occur because of the growth in the spending market. The Stage 5 development at NTSC will introduce strong competition in supermarket and specialty shopping, and this will reduce sales at Oran Park by 10.7% and at Gregory Hill by 8.0%.
- Other town and village centres in catchment: Small impacts are anticipated at centres such as Spring Farm (-7.3%), Harrington Plaza (-6.6%) and the rural village centres. However, these centres will continue to have a strong role in providing basic grocery and convenience shopping for local residents.

The total impact on catchment area centres (excluding NTSC) is a relatively minor -7.0% (or -\$53.1 million). Importantly, this measure of impact is calculated against the centre sales that would have occurred in 2017 in the absence of the proposed NTSC expansion. The growth in population and spending that is projected to occur in the catchment area means that all centres (with the exception of Mt Annan) will experience substantial sales growth between 2011 and 2017. Mt Annan is forecast to experience a 1% reduction in sales volumes compared with current (2011) performance.

Trading impacts on centres located outside the catchment are described below:

- Campbelltown-Macarthur: The largest redirection of sales, in terms of nominal dollar impact, will be borne by the various components of the Campbelltown-Macarthur Major Town Centre, with a combined impact of -6.1% when compared against the no change scenario (representing a reduction of \$67.0 million).

Within the commercial precinct, a more significant impact is expected to fall on Macarthur Square, with a -7.4% impact on sales, or a reduction of -\$40.5 million compared with the sales that would otherwise have been achieved.

The impact on Campbelltown Mall is forecast at -5.8%, or a \$14.4 million reduction in sales. Lower level impacts are also expected to occur elsewhere in Campbelltown.

These impacts on centres in Campbelltown, while large in dollar terms, are not expected to have any significant bearing on the range of retailers that operate in the centre or their ability to meet the shopping needs of residents in the wider Macarthur Region. An important consideration is that Macarthur Square currently enjoys very healthy trading levels that are above the industry average. Following the Stage 5 development, total sales at centres in Campbelltown-Macarthur are forecast to be \$1,028.3 million, representing an increase of +\$77.7 million (or +8.2%) compared with current estimated sales.

- Other smaller centres: Very low impacts of around -1% or so are forecast to be experienced at smaller centres located on the western side of Campbelltown.

Having regard for the generally healthy trading performance of centres in the catchment area, none of these one-off sales impacts are assessed as being capable of threatening the viability of any of the identified centres. Importantly, the identified centres are predicted to experience strong sales growth when compared to existing (2011) turnover levels.

Impacts from Stage 6 expansion

An examination of the potential trading impacts arising from the proposed Stage 6 expansion to the NTSC, which is expected to take place in 2020/21, has been made on the basis of the following approach:

- Prepare forecasts of retail sales at each of the identified centres in 2020/21, in the absence of the proposed Stage 6 development, but including the anticipated developments likely to arise elsewhere in the region (as described in Section 6.2). These forecasts are made with reference to the population and spending growth that is forecast to occur in the catchment over the period 2017-2021.
- Incorporate the additional retail sales generated by the Stage 6 expansion (as detailed in Section 7.1).
- Estimate the likely changes in sales levels experience at each of the competing centres, having regard for the competitive context and the type of new retail components that are proposed to be added to the centre.

Because of the nature of the Stage 6 expansion, involving a new major anchor tenant (ie the proposed department store, which is included in this assessment for modelling purposes although it is subject to further negotiations) and a range of specialty stores, the competitive impacts arising from this development are likely to fall disproportionately on other major centres with a similar emphasis on higher-order retailing.

A summary of the forecast impacts for activity centres within and beyond the catchment is included in Table 17, and are expressed as one-off reductions in sales compared to the sales which would otherwise have been expected to be recorded in 2020/21 in the absence of the Stage 6 expansion. All figures are expressed in 2011 dollars.

The analysis shows that the most significant impacts for centres within the catchment are expected to be on Oran Park (-5.0%), Gregory Hill (-2.8%) and Camden Town Centre (-2.4%). Beyond the catchment, the centres that are most impacted include Macarthur Square (-4.9%) and Campbelltown Mall (-2.6%).

A minor impact of -2.0% has been forecast for the Leppington Major Town Centre, reflecting the particular sub-regional catchment served by the DDS-based centre by this time, and the relatively small overlap between the catchments. Additional commentary on the impacts experienced by centres in the SWGC (including Leppington) is provided on page 75 overleaf.

In no case does the predicted impact exceed a 5% reduction in sales that would otherwise have been achieved.

Importantly, in each case where impacts are expected to occur as a result of the Stage 6 expansion, a substantial increase in sales performance is anticipated to occur between 2017 (ie after the Stage 5 development at NTSC) and 2021 following the Stage 6 expansion.

Overall, the impacts associated with the Stage 6 expansion are relatively minor and are not expected to affect the ability for centres to continue to serve their respective catchments in a viable manner.

Impact on future planned centres in SWGC

As part of the Gateway determination it was recommended that the EIA consider the potential impact of the proposed development at NTSC on future planned centres within the SWGC, including the Major Centre planned for Leppington, and Town Centres planned at Catherine Field and Catherine Field North.

Impacts on Leppington have been modelled in Table 17, and indicate a relatively minor -2.0% reduction in sales that would otherwise have occurred in 2021 in the absence of NTSC Stage 6.

Impacts on other town centres at Catherine Field and Catherine Field North have not been modelled because the timing of urban development in the relevant precincts is not likely to support the establishment of these centres prior to 2021.

A broad analysis of the expected rate of urban development across these relevant precincts indicates the following residential populations in 2021:

- Austral: 4,200 persons
- Leppington North: 9,000 persons
- Leppington: 6,000 persons
- East Leppington: 6,300 persons
- Catherine Fields North: 500 persons
- Catherine Fields (mainly in southern part of precinct): 7,200 persons.

It is emphasised that these figures incorporate long-term predictions about future planning and land release processes, and for many precincts future residential development will rely on the consolidation of fragmented land ownership.

On the basis of these figures, it is anticipated that Leppington will be the only centre at which any substantial retail development will have occurred by 2021, although with the possibility that one or more of the smaller village centres might also be established elsewhere in the area. The population in Catherine Field is unlikely to support a new Town Centre by 2021, especially as the initial development will occur in the southern part of the precinct (served by Oran Park) which has been released for planning through an accelerated process.

The total population in these identified precincts is forecast to be 33,200 people in 2020/21. During the initial stages of development, Leppington Major Centre will serve a core catchment with 26,000 people once the southern part of Catherine Fields is excluded (with this exclusion on the basis that this area will fall within the Oran Park catchment). At this population level, Leppington would be an attractive location for a DDS operator wishing to enter a growing market early in the development cycle. A DDS-based development at Leppington will serve a core catchment that extends southwards only as far as Catherine Fields, with minimal catchment overlap with the NTSC.

An important consideration is that the expanded NTSC will achieve a total market share of 16.7% in the Secondary North sector in 2016/17, falling to 14.5% in 2021 following Stage 6. The remaining 85% or so of local resident spending will be directed internally to centres at Oran Park and Gregory Hills (and other smaller centres as they are established), but a large amount of retail spending will be available to support other higher-order retailing in the region such as at Leppington. The competitive position of Leppington will be assisted by the completion of the South West Rail Link in 2016.

Overall, the implication from this examination of centre development opportunities in the SWGC is that the expansion to the NTSC will not have any material effect on the scale or type of retail development that is likely to occur in planned centres over the period until 2021. By this time, Leppington is likely to have established itself as a sub-regional shopping location and with a particular competitive position because of the transport services available at the centre (which will attract park and ride commuters from the SWGC).

In the longer term, retail development at Leppington will be supported by the very significant level of population growth that is anticipated to occur throughout the SWGC over time, with the local resident population reaching approximately 330,000 people when fully developed. As noted in the HillPDA analysis (*Retail Floorspace and Staging Capacity Project*, 2010), the total retail floorspace demand generated by these residents in the SWGC is well in excess of the planned scale of retail development in the identified centres located in individual precincts, with potential for Leppington to accommodate more retail development than initially planned. The opportunity for Leppington to meet this intended role as the predominant higher-order centre in the region will not be impeded by the proposed expansion of retailing at NTSC.

Similarly, the establishment of new town centres at Catherine Field and elsewhere in the SWGC will be supported by urban growth immediately around these centre locations, in precincts that are expected to develop more rapidly after 2021.

Table 17 Forecast retail sales impacts on local activity centres, Stage 5 NTSC (2016/17) & Stage 6 NTSC (2020/21)

Activity Centre	Existing 2011		Stage 5 2017				Stage 6 2021			
	Floorspace, sqm	Total sales (\$M)	Pre-impact sales (\$M)	Post-impact sales (\$M)	Impact (\$M)	Impact (%)	Pre-impact sales (\$M)	Post-impact sales (\$M)	Impact (\$M)	Impact (%)
Primary										
Narellan Town Centre	31,784	204.7	213.0	375.3	+162.3	+76.2%	416.8	488.5	+71.8	+17.2%
Narellan Town Shopping Centre	29,180	194.7	201.1	363.9	+162.7	+80.9%	403.8	475.6	+71.8	+17.8%
Narellan TC periphery	2,604	10.0	11.8	11.4	-0.4	-3.7%	13.0	12.9	-0.2	-0.2%
Narellan Other	20,380	44.7	52.3	51.0	-1.3	-2.5%	54.8	54.3	-0.5	-0.8%
Spring Farm	-	-	29.2	27.1	-2.1	-7.3%	31.3	31.1	-0.2	-0.7%
Camden TC	23,024	135.9	153.6	140.0	-13.6	-8.8%	159.0	155.2	-3.9	-2.4%
Harrington Plaza	3,600	21.1	23.0	21.5	-1.5	-6.6%	24.8	24.5	-0.2	-1.0%
Mount Annan	13,584	117.6	126.8	117.0	-9.9	-7.8%	134.6	133.3	-1.3	-1.0%
Total primary	92,372	524.0	597.9	731.9	+133.9	+22.4%	821.3	886.9	+65.6	+8.0%
Secondary South										
Tahmoor	12,560	93.6	132.4	122.6	-9.8	-7.4%	131.4	129.4	-2.0	-1.5%
Picton	9,572	54.3	64.5	62.1	-2.4	-3.7%	66.5	66.5	-	-
Thirlmere	2,824	12.2	13.1	12.9	-0.1	-0.9%	13.9	13.9	-	-
Total Secondary North	24,956	160.1	209.9	197.7	-12.3	-5.8%	211.8	209.8	-2.0	-0.9%
Secondary North										
Turner Rd bulky goods	11,264	25.0	44.2	42.1	-2.1	-4.7%	118.0	115.8	-2.1	-1.8%
Oran Park	-	-	61.4	54.8	-6.6	-10.7%	122.1	116.0	-6.1	-5.0%
Gregory Hills	-	-	41.5	38.2	-3.3	-8.0%	42.1	40.9	-1.2	-2.8%
Total Secondary South	11,264	25.0	147.1	135.1	-12.0	-8.2%	282.2	272.8	-9.4	-3.3%
Total catchment	128,592	709.1	954.9	1,064.6	+109.6	+11.5%	1,315.3	1,369.5	+54.2	+4.1%
Beyond										
Campbelltown-Macarthur	171,118	950.6	1,095.4	1,028.3	-67.0	-6.1%	1,066.7	1,027.2	-39.5	-3.7%
Macarthur Square	71,264	474.4	550.9	510.4	-40.5	-7.4%	532.5	506.2	-26.3	-4.9%
Campbelltown Mall	39,352	218.7	250.3	235.9	-14.4	-5.8%	244.7	238.4	-6.3	-2.6%
Marketfair Campbelltown	9,046	37.9	44.0	42.7	-1.2	-2.8%	42.9	42.7	-0.2	-0.4%
Campbelltown remainder	51,457	219.8	250.2	239.4	-10.8	-4.3%	246.6	239.9	-6.7	-2.7%
Campbelltown bulky goods	58,173	208.5	232.7	225.9	-6.8	-2.9%	217.5	216.5	-1.0	-0.5%
Eagle Vale	6,636	59.2	64.6	63.4	-1.1	-1.7%	66.8	66.4	-0.4	-0.6%
Rosemeadow-Ambarvale	7,374	54.5	64.0	63.3	-0.6	-1.0%	61.7	61.7	-	-
Claymore	1,360	6.8	8.0	7.9	-0.1	-1.0%	7.7	7.7	-	-
Kearns	1,195	6.7	7.6	7.6	-0.1	-1.0%	7.6	7.6	-	-
Raby	1,435	8.3	9.6	9.5	-0.1	-1.0%	9.4	9.4	-	-
Leppington	-	-	-	-	-	-	110.7	108.5	-2.2	-2.0%
Total beyond	247,291	1,294.6	1,481.9	1,406.0	-75.9	-5.1%	1,437.4	1,396.5	-40.9	-2.8%
Other centres not specified	-	-	-	-	-	-	-	-	-13.3	-

Source: Deep End Services

7.3 Mitigating Factors

A number of important mitigating factors need to be considered in reviewing the potential trading impacts shown in Table 17:

- **Strong retail spending growth:** Annual retail expenditure by catchment residents is forecast to increase by \$495.3 million over the period 2011 to 2017, and by a further \$561.3 million over the period 2017 to 2021. With this additional spending capacity, the initial one-off impacts projected as a result of the NTSC expansion will quickly diminish over time. To highlight the effect of the additional retail market, **Table 18** presents an analysis of the changes in sales performance that are forecast to occur for the selected centres within and beyond the catchment.

The analysis shows that almost all of the identified centres are forecast to experience strong growth in total sales over the period 2011 to 2021, notwithstanding the one-off impacts in 2017 resulting from NTSC Stage 5 and in 2021 as a result of NTSC Stage 6.

Further increase in sales performance would be expected to continue after 2021 due to additional growth in the retail spending market.

- **Strong average trading levels:** Some of the identified centres already achieve strong average sales performance, and so the reduction in sales due to the NTSC expansion will have a lower impact on the viability of these centres. Examples of centres that perform above-average include Camden, Mt Annan, Tahmoor, Macarthur Square and Eagle Vale.
- **Business response:** The trading impacts in Table 17 describe the effect of the NTSC expansion at the centre level in terms of overall changes in sales volumes. The viability of particular businesses will be either more or less affected by the increase in competition depending on the type of retailer, the extent to which the retail function would be replicated at the expanded NTSC, and the individual response at the business level, including changes to business practise to secure market share (for example by emphasising personal service, running advertising campaigns, promoting local shopping centre loyalty and so on).

Table 18: Sales at competing centres, 2011-2021

Selected centre	Total sales (\$M)					Trendline
	2011 existing	2017 base case	2017 post impact	2021 base case	2021 post impact	
Primary						
Narellan Town Centre	204.7	213.0	375.3	416.8	488.5	
Narellan Town Shopping Centre	194.7	201.1	363.9	403.8	475.6	
Narellan TC periphery	10.0	11.8	11.4	13.0	12.9	
Narellan Other	44.7	52.3	51.0	54.8	54.3	
Spring Farm	0.0	29.2	27.1	31.3	31.1	
Camden TC	135.9	153.6	140.0	159.0	155.2	
Harrington Plaza	21.1	23.0	21.5	24.8	24.5	
Mount Annan	117.6	126.8	117.0	134.6	133.3	
Total primary	524.0	597.9	731.9	821.3	886.9	
Secondary South						
Tahmoor	93.6	132.4	122.6	131.4	129.4	
Picton	54.3	64.5	62.1	66.5	66.5	
Thirlmere	12.2	13.1	12.9	13.9	13.9	
Total Secondary South	160.1	209.9	197.7	211.8	209.8	
Secondary North						
Turner Rd bulky goods	25.0	44.2	42.1	118.0	115.8	
Oran Park	0.0	61.4	54.8	122.1	116.0	
Gregory Hills	0.0	41.5	38.2	42.1	40.9	
Total Secondary North	25.0	147.1	135.1	282.2	272.8	
Total catchment	709.1	954.9	1,064.6	1,315.3	1,369.5	
Beyond						
Campbelltown-Macarthur	950.6	1,095.4	1,028.3	1,066.7	1,027.2	
Macarthur Square	474.4	550.9	510.4	532.5	506.2	
Campbelltown Mall	218.7	250.3	235.9	244.7	238.4	
Marketfair Campbelltown	37.9	44.0	42.7	42.9	42.7	
Campbelltown remainder	219.8	250.2	239.4	246.6	239.9	
Campbelltown bulky goods	208.5	232.7	225.9	217.5	216.5	
Eagle Vale	59.2	64.6	63.4	66.8	66.4	
Rosemeadow-Ambarvale	54.5	64.0	63.3	61.7	61.7	
Claymore	6.8	8.0	7.9	7.7	7.7	
Kearns	6.7	7.6	7.6	7.6	7.6	
Raby	8.3	9.6	9.5	9.4	9.4	
Total beyond	1,294.6	1,481.9	1,406.0	1,548.1	1,505.0	

Source: Deep End Services

7.4 Benefits

There are a number of benefits that would accrue to the local community as a result of the proposed expansion at the NTSC.

7.4.1 Permanent employment creation

The proposed expansion will create new direct employment and support indirect employment for other workers in the local economy. The assumptions used in generating the forecasts for the number of permanent Full-Time Equivalent ("FTE") jobs from the retail and mixed use/commercial uses to be located at NTSC include:

- Direct employment will be generated at rates varying from 1.0 FTE positions per 100 sqm for the mini-majors to 6.1 FTE positions per 100 sqm for specialty retail tenants. These rates are applied to the net additional floorspace provided at the expanded NTSC, and are then divided by two to calculate the FTE job creation, recognising that many of the retail jobs will be part-time or casual positions.
- Indirect employment has been calculated using industry-specific Type 2B employment multipliers published by the ABS for 1996/97. These multipliers are the most current available within Australia. As is standard industry practice, the number of indirect jobs has been divided by two to more accurately reflect the number of jobs supported within the region rather than across the broader national economy.

The analysis is presented in **Table 19** for the Stage 5 expansion (in 2016/17), and in **Table 20** for the Stage 6 expansion.

It is estimated that a total of 708 direct FTE jobs and a further 476 indirect FTE jobs will be generated in the local economy as a result of Stage 5 of the expansion to the NTSC.

Table 19: Narellan Stage 5 – ongoing employment creation

Employment category	Additional floorspace (sqm)	Job Rate (all paid emp) (no. 100 sqm)	Direct jobs (FTE) (no.)	Indirect jobs (FTE) (no.)	Total jobs (FTE) (no.)
Supermarket	+2,102	4.4	46	29	
DDS	+11,700	1.2	140	87	
Mini-majors retail	+8,500	1.0	85	53	
Specialty retail	+10,363	6.1	316	196	
Sub-total	+32,665		588	365	953
Non-retail	+5,591	4.3	120	111	231
Total additional floorspace	+38,256		708	476	1,184

Source: ABS; Deep End Services

A further 339 direct FTE jobs and 216 indirect FTE jobs will be generated in the local economy as a result of Stage 6 of the NTSC expansion, as shown in Table 20.

Table 20: Narellan Stage 6 – ongoing employment creation

Employment category	Additional floorspace (sqm)	Job Rate (all paid emp) (no. 100 sqm)	Direct jobs (FTE) (no.)	Indirect jobs (FTE) (no.)	Total jobs (FTE) (no.)
Supermarket	-	-	-	-	-
DS & DDS	+12,000	1.2	144	89	
Mini-majors retail	+2,000	1.0	20	12	
Specialty retail	+5,100	6.1	156	97	
Sub-total	+19,100		320	198	518
Non-retail	+900	4.3	19	18	37
Total additional floorspace	+20,000		339	216	555

Source: ABS; Deep End Services

Overall, the conclusion is that the expansion to the NTSC will generate a very considerable amount of new ongoing employment as a result of the additional retail and commercial uses proposed to be delivered on the site. The estimated total employment contribution is estimated at +1,047 direct FTE jobs employed on the site, with a further 692 indirect FTE jobs generated elsewhere in the region.

7.4.2 Construction employment

Employment will be created during the construction phase of the proposed expansion. The costs of construction for Stage 5 and Stage 6 are estimated at \$233 million in total at current prices. Assuming labour costs typically account for 45% of total construction costs, approximately \$105 million (across both stages) would be directed to labour and wages during the period in which construction activity occurs. For Stage 5 this is estimated at a 2½ year period, and a 1 year period for Stage 6. Applying average construction wages for the building industry, this translates to an estimated 370 FTE jobs pa during construction of Stage 5, and a further 440 jobs pa over the shorter construction period for Stage 6.

Indirect employment or multiplier effects from wages and salaries paid to construction workers into the local economy are calculated using industry-specific Type 2B multipliers, divided by two to reflect the local regional effect. A multiplier of 0.876 applied to the total number of directly employed positions suggests an additional 710 indirect FTE jobs would be supported during the construction phases.

It is therefore estimated that construction of the proposed expansion to NTSC would support a total of 1,520 additional FTE jobs during the construction phases for both Stages 5 and 6 in total, as summarised in *Table 21*.

Table 21: Summary of construction employment generation

Employment creation	Stage 5	Stage 6	Total
Construction cost	\$158.0m	\$75.0m	\$233.0m
Labour cost component	\$71.1m	\$33.8m	\$104.9m
Total job-years (direct FTE)	925	439	1,365
Estimated jobs pa (over construction period)	370	440	810
Indirect FTE jobs	325	385	710
Total	695	825	1,520

Source: ABS; Deep End Services

7.4.3 Other benefits

A number of other benefits would accrue to the local community as a result of the proposed expansion of the shopping centre at Narellan. These include:

- Providing choice in DDS shopping, with the accommodation of two additional DDS brands.
- An improvement in supermarket offering with the provision of a large, new-format Coles store, thereby increasing the quality, choice and convenience of supermarket shopping in the area.
- Increasing the range and quality of specialty retailing, including the addition of national retail brands currently not on offer within the local region.
- Retention of retail spending that would otherwise escape outside the catchment, thereby supporting the provision of local employment opportunities.
- Development of an under-utilised site located at the core of Narellan Town Centre, in a manner that delivers an integrated solution that will assist in activating the whole of the town centre for retail shopping and other services.
- Provision of higher-order shopping for new residents in the southern part of the SWGC, prior to the establishment of larger centres that are more conveniently located within these precincts.
- Support for a range of uses such as a gym, offices and food dining which would be developed in conjunction with the retail elements of the centre.
- Significant environmental benefits associated with a reduction in travel time for residents in the communities of Camden and Wollondilly to access higher-order shopping, entertainment and commercial services.

8. Net community benefit

The forecast impacts on sales due to the expansion of NTSC will not threaten the viability of any of the existing or planned activity centres in the region. The assessed one-off sales impacts on competitive retail facilities are well below the range of -15% to -20% which is generally considered the minimum necessary to threaten the viability of a precinct. Indeed the average forecast impact throughout the identified activity centres within the catchment area and beyond is a modest -7.0% and -5.0% respectively for Stage 5 in 2016/17, and a lower -1.9% and -2.8% for Stage 6 in 2020/21.

The positive impacts of the expansion, including significant new employment opportunities, improved retail facilities including access to higher-order retailing, retention of local retail spending, development of an important strategic site for high-value uses, and reduced travel times, far outweigh the relatively minor one-off reductions in sales that would be experienced by the local activity centres.

The conclusion, therefore, is that the proposed expansion of Narellan Town Shopping Centre would deliver a **substantial positive net community benefit**.