

# CAMPBELLTOWN CITY

# BUSINESS CENTRES STRATEGY

Prepared for  
Campbelltown City Council

July 2005

SYDNEY CANBERRA

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# 1. EXECUTIVE SUMMARY

## The Brief (Section 2)

Campbelltown City Council commissioned Hill PDA to prepare a business centres strategy for the City of Campbelltown with its primary aims being:

- to nominate a preferred hierarchy of retail/commercial centres for the City area; and
- to recommend sustainable policies for the future location, extent and make up of retail, commercial, entertainment/recreation/cultural and other complementary development opportunities, in business centres, throughout the City of Campbelltown.

## Retail and Employment Trends (Section 3)

Some of the key drivers of change in the nature and form of work and retailing activity include:

- Population and household growth;
- Declining average household size;
- An aging population;
- Increasing part time employment;
- Longer working hours; and
- Increasing workforce participation rate.

The nature of work has been changing in several areas including:

- Increased globalisation;
- Growth in the quaternary sector (knowledge based industries);
- Increased employment at home (home-based industries);
- Increased reliance on speed and accessibility of goods and information; and
- Growth in economic gateways around major transport nodes such as ports and airports;
- Growth in employment in tertiary and information industries and decline in primary and secondary industries; and
- Growth in professionalism and a decline in the number of unskilled workers.

The property industry has been responding to the changes in the following ways:

- Deregulation of shopping hours including 7 day and late night trading and even 24 hour trading for some convenience stores and supermarkets;
- Expansion of supermarkets, expansion in the number of lines, increased convenience and the introduction of discount supermarkets such as ALDI and Bi-Lo;
- Expansion of major regional centres and diversification of their offer including entertainment (cinemas, bowling alleys, children's gymnasiums, etc), lifestyle retailers, medical and community uses, etc;
- Introduction of convenience centres – stand alone supermarkets, convenience stores, petrol outlets, fast-foods and other retailing on major roads for “just-in-time” shopping;

- Out-of-centre retailing including “category killers”, bulky goods, factory outlets, fast-foods and other retail forms.

These trends are polarising the retail hierarchy with the larger regional centres – such as Macarthur Square – positioning themselves for a more dominant role in the provision of entertainment and customer services matched with increased retail floor space. The more successful smaller centres – such as Eagle Vale and Rosemeadow – have moved towards the concept of convenience centres with greater emphasis on food retailing, just-in-time shopping, fast foods, local services and petrol. Other local centres such as Airs, Claymore, Bradbury and Ambarvale are suffering from declining trade, poor positioning and management.

#### Planning Controls (Section 4)

The business centres are controlled by a plethora of planning controls including several LEP zones being:

- 10(a) Campbelltown Greater CBD
- 10(b) Minto, Eagle Vale, Rosemeadow and Glenquarie
- 10(c) Airs, Ambarvale, Bradbury, Bradbury South, Claymore, Kearns, Leumeah, St Andrews and Woodbine
- 3(a) Ingleburn
- 3(c) Glenfield, Minto Station, Raby, Ruse and Saywell Road and a number of local centres
- 4(b) Industrial areas of Minto, Leumeah and Campbelltown permitting bulky goods retailing

In addition to the zone objectives and land use controls there are the provisions of the EPA Act that govern the matters for determination of applications and there have been a number of court judgements regarding the relevant matters to examine in relation to economic and social impact.

#### Stakeholder Liaison (Section 5)

As part of the study there were a number of stakeholders liaised with including:

- Main Street Association;
- Campbelltown and Ingleburn Chambers of Commerce;
- Campbelltown City Council;
- NSW Landcom;
- Shopping Centre Owners;
- Real Estate Agents (in respect of commercial sales and leases);
- And various others including Camden and Wollondilly Councils.

The purpose of the liaison was to gain an insight into the roles of organisations that affect the commercial centres, the performance of the commercial centres and the short to long term plans for their management.

#### The Existing Centres (Section 6)

Campbelltown has around 20 commercial centres totalling almost 500,000sqm of non-residential space of which around half or 250,000sqm is used for retailing (excluding “out-of-centre” retailing in the industrial areas). Around 11,000sqm of space is vacant shop front retail space which equals 4.2% of total retail floor space net of bulky goods.

The following retail hierarchy in Campbelltown is evident:

Order	Floor Space (sqm)	Centres
Regional Centre	Greater than 80,000sqm	Campbelltown Greater CBD*
Sub-regional	40,000 to 80,000	Nil
District	20,000 to 40,000	Ingleburn and Minto (Mall)
Neighbourhood	2,000 to 20,000	Ambarvale, Bradbury, Bradbury South, Claymore, Eagle vale, Glenfield, Kearns, Leumeah, Macquarie Fields, Minto (Station), Raby, Ruse, Saywell Road, St Andrews
Local	Less than 2,000	Woodbine, Hoddle Street and others

Retail and commercial floor space by retail centre is shown below.

Centre	Total Retail	Commercial	Cultural & Rec.	Vacant	Total
Total Greater CBD	153,800	77,700	68,000	3,500	303,000
Airds	2,600	1,800	3,600	200	8,200
Ambarvale	1,700	1,300	3,100	500	6,600
Bradbury	2,100	2,600	5,500	200	10,400
South Bradbury	1,300	100	800	0	2,200
Claymore	800	1,300	0	1,600	3,700
Eagle vale	7,800	1,100	3,900	0	12,800
Glenfield	1,400	400	100	500	2,400
Ingleburn	22,900	15,000	4,200	1,500	43,600
Kearns	2,000	0	900	0	2,900
Leumeah	2,700	1,200	1,900	0	5,800
Macquarie Fields	12,700	2,200	6,500	400	21,800
Minto (Mall)	24,000	1,300	1,200	1,000	27,500
Minto Station	2,800	200	0	800	3,800
Raby	2,000	200	200	300	2,700
Rosemeadow	6,400	3,900	1,300	0	11,600
Ruse	2,300	0	700	0	3,000
Saywell Road	3,100	1,000	400	200	4,700
St Andrews	1,400	400	100	0	1,900
St Helens Park	0	600	0	0	600
Woodbine	300	300	0	0	600
Out-of-Centres	55,500	0	0	0	55,500
Other Local Centres	5,000	1,000	1,000	0	7,000
TOTAL	314,600	113,600	103,400	10,700	542,300

### Individual Business Centres (Section 7)

Campbelltown Greater CBD is performing satisfactorily with Macarthur Square turning over \$7,000/sqm (10% to 15% higher than NSW Average), Campbelltown Mall \$4,300/sqm (around 20% below but satisfactory), Queen Street satisfactorily and Marketfair poorly (probably less than \$2,000/sqm).

Eagle Vale is trading at around \$8,000/sqm which is around 30% or more above NSW average. Its strong performance is its relative convenience and dominance over the other retail centres on the western side of the motorway.

Minto Mall and Glenquarie are trading at around 30% below NSW average which is low but quite sustainable. The poorest trading centres are Ambarvale, Airds, Bradbury and Claymore. These centres have lost trade to the regional centres and more successful local convenience centres. They also suffer from having limited trade areas with below average household income levels, poor positioning, antiquated design and property management neglect.

### Demand for Retail Floor Space (Section 8)

Total expenditure to be captured by Campbelltown centres (Campbelltown LGA plus one third expenditure from Camden and Wollondilly LGAs) will increase \$40m every year (in constant 2004 dollars) to 2014. This will generate demand for around 9,000sqm of additional retail space every year. Non-retail commercial services requiring shop front space (eg banks, real estate agents) require a further 2,000 to 2,500sqm every year. Allowing for a 4% to 5% vacancy factor brings the total demand for shop front space to 12,000 per annum.

Per annum growth in demand is distributed as follows:

- CBD 6,000sqm
- Peripheral retailing 3,000sqm
- Other Centres 2,000 – 3,000sqm

This excludes the new town centres in Edmondson Park and Menangle Park, which would be developed in line with population growth in their respective neighbourhoods or districts.

Around 5,000sqm of additional commercial space will be demanded every year to 2014 and around two thirds to three quarters of this space will be demanded in the CBD.

### Assessment of Planning Controls (Section 9)

The zonings should reflect the retail hierarchy. Given that there are four levels – regional, district, neighbourhood and local then the zones should reflect them – say 10(a), 10(b), 10(c) and 10(d).

To ensure control over land use management and ensure containment of the retail centres it is preferable to have separate zonings for the land use components of the centres and confine the retail spatially. Alternatively a DCP should be prepared for all the “10 Comprehensive zones” which nominates the desired land uses in each of the components.

### The Business Centres Strategy (Section 10)

Whilst the “10(a) Comprehensive Regional Zone” provides ample capacity to accommodate expansion of retail and commercial growth its extensive size (over 400 hectares) undermines principles of containment of the centre. Sites within the zone may not be suitable for retail because of further fragmentation of the retail core and lack of integration with other land uses and public transport infrastructure. Possible areas for expansion include the Coogan Place car park and the car parks along Moore Oxley Street.

To strengthen its role as a district centre Ingleburn should gain a discount department store and some additional specialties (such as fashion stores). The existing 3(a) zone constrains this option. Rezoning Ingleburn to a 10(b) or equivalent zone consistent with the proposed retail hierarchy and incorporating the car parks within the zone would provide the mechanism to accommodate a DDS based centre.

Glenfield and Minto (Station) are underperforming neglected centres yet are very well positioned in terms of centres policy and integration with public transport. These centres should gain an

anchor tenant (ie 500sqm to 1,500sqm supermarket) to improve their performance and strengthen their roles as neighbourhood centres for regular shopping. To achieve this some rezoning may be required. It may be preferable to include any rezoning as part of the development application process – so as to maintain flexibility in the pursuit of options and not pre-empt the solution.

From a commercial viability point of view a neighbourhood centre on the southeastern corner of Appin Road and Kellerman Drive in St Helens Park is a preferable location to the existing 10(c) site. However as part of the rezoning process the impacts of such a centre need to be examined carefully. If rezoning proceeded it would make the proposed shopping centre in the existing 10(c) site redundant.

None of the other centres require expansion of their current zonings since:

- in most cases there is no demand for further growth;
- the land is underutilised and/or the zones are broad enough to accommodate growth; and
- any redevelopment of the centres can be accommodated within the existing zones.

## 2. INTRODUCTION

This report is a progress report on the Campbelltown City Business Centres Strategy. It summarises the findings of the data collection and analysis. This information will be included in the final draft report along with the recommended strategy.

### 2.1 Background

In any study of retailing and commercial activity, it is of fundamental importance to recognise its dynamic nature. These industries have undergone, and will continue to undergo, significant change in both form and function. They are industries that play a core role in the character and vitality of not just the economy but also the physical manifestations of urban systems.

The impacts of demographic change on retail and commercial demand, coupled with significant advances in technology (such as the internet), product designs and technologies, and social and lifestyle dynamics are giving rise to new retail and work place concepts, strategies, formats and experiences.

Campbelltown City Council commissioned Hill PDA to prepare a business centres strategy for the City of Campbelltown with its primary aims being:

- to nominate a preferred hierarchy of retail/commercial centres for the City area; and
- to recommend sustainable policies for the future location, extent and make up of retail, commercial, entertainment/recreation/cultural and other complementary development opportunities, in business centres, throughout the City of Campbelltown.

Campbelltown City is located on the south-western edge of the Sydney metropolitan area, and generally takes a 'corridor' form of urban development that straddles the M5 Motorway/Hume Highway and the southwest railway.

The City developed in response to the pro-active implementation of the Sydney Region Outline Plan from the 1960s, and is part of the Macarthur Growth Sector, that also incorporates the Camden and Wollondilly local government areas.

Campbelltown City is characterised by a variety of urban and rural land uses. In 2001, the City area comprised 48,800 dwellings. The dominant housing form is detached dwellings with some parcels of lower medium density dwellings in some of the suburbs. As is well known, Campbelltown has been a continuing focus of green-field release area development since the 1970s. There is some limited potential for further green-field development but it is likely that a high proportion of future housing will be taken up by higher density housing forms in and around the major centres and railway stations.

It is apparent to Council that the Macarthur/Campbelltown CBD precinct and the Blaxland Road bulky goods retailing precinct, have a regional significance to the hierarchy of centres and retailing in south-western Sydney. Major anchor facilities such as the University of Western Sydney

campus and the Campbelltown Hospital facility would seem to support this wider regional positioning.

There are a number of major issues that are of concern to the Council, which have prompted this project. They include:

- An increase in enquiries for rezoning of land for new retail and commercial development outside of currently zoned sites;
- The future of the Campbelltown business centre and the Queen Street precinct in particular;
- Emerging demands for public investment in car parking and other civic infrastructure in and around business centres;
- The declining supply of opportunities for 'out of centre' bulky goods/big box retailing;
- The decline in some local centre retail activity, and the delay in take up/development of existing zoned land for retail and business purposes;
- Potential barriers to further consolidation/strengthening of business centres as foci for business and community activity, including road and transport accessibility; and
- A potential inter-modal freight handling 'hub' at Minto.

## 2.2 Why have a Retail Centres Strategy?

Having a Retail Centres Strategy reflects an understanding of the investment by the community in the planning of our commercial centres and in suitably guiding other aspects of development.

The reasons for having a Retail Study are as follows:

- ***Retailing is a major sector in the economy:*** In 2001 the retail sector provided employment for an estimated 9,500 persons living in the City of Campbelltown. This accounted for around 15.3% of all employment. A further 2,500 persons (4.0% of total employed persons) were employed in the hospitality industry including cafés and restaurants. Retail turnover generated in the City amounts to just over one billion dollars each year. And the sector provides an extensive range of goods and services for the region's residents and visitors.
- ***A Study provides the background material for guidance in retail planning and development:*** Given the economic significance of the retail sector and its role in providing goods and services to the community, it is very important to ensure that appropriate planning is undertaken so that retail facilities are provided in a sensible way, having regard for supply and demand issues, locational trends and preferences, and other relevant factors.
- ***Population growth generates retail growth:*** Campbelltown experienced significant population growth during the 1970s and 1980s. Whilst growth declined during the 1990s as available land became scarce the other two LGAs in the Macarthur Region (Camden and Wollondilly) accommodated significant growth. The implications of this growth on

the locational and functional characteristics of retailing activity have, and will continue to be, significant. It is important to take into account the location of new population growth in the region so that retail demand in these new and expanding areas can be met in an effective way through appropriate increase in retail supply. Similarly, it is important to note those areas where population levels are stable or even in decline, as this, too, will have an effect on retail demand levels.

- ***The retail sector is dynamic, with significant on-going changes that need to be taken into account:*** The pace and dimensions of change in retailing over the past three decades have been dramatic. Fuelled by significant advances in technology, and changes in consumer needs and behaviour, the retail industry has had to innovate and adopt new concepts, strategies and formats. It is evolving into a global high tech business. Entertaining and educational experiences are being integrated. It is generating the emergence of new and increasingly diverse foci of activity. New forms are being developed - designer warehouses, bulky goods outlets, category specialists, home improvement or “power” centres. The implications for planning and property are becoming increasingly complex. A retail study assists in understanding these dynamics and driving forces.
- ***Urban settlement patterns significantly influence where new and expanded retail facilities should locate:*** The Retail Study provides the background material that assists in identifying where new and expanded retail activity should locate having regard for the location and extent of new urban settlement in the region.
- ***The hierarchy of retail centres is important in helping to identify where particular types of new or expanded retail should locate:*** The Retail Study needs to have regard for the hierarchy, which is a useful planning tool as each level in the hierarchy relates to centres with different roles and functions from other levels in the hierarchy.
- ***Development proposals affect the economic and social vitality of retail centres:*** A retail study sets the framework for understanding the economic and social impacts that specific proposals may have in the locality – particularly on established and proposed retail centres.
- ***Influence of Retailing outside the LGA affects investment decisions:*** The study needs to have regard for the existing and planned role and location of retail centres and recognition of expenditure that escapes the LGA (as well as potential capture of expenditure from outside). It also needs to recognise potential threats of proposed centres outside the LGA.
- ***Commercial offices in town (city) centres create jobs, tax revenues and critical mass of potential users for other uses such a restaurants, shopping and entertainment:*** Commercial uses in Campbelltown CBD, and to a lesser extent in Ingleburn provide employment which then supports the retail industry through secondary spending.
- ***Regional Centres attract creative and entertainment industries:*** In Australia the creative industries contribute \$11 billion or 2% of GDP. Furthermore such cultural activities not only generate employment but provide for a sense a place, a catalyst for urban renewal and incubators for new growth business. Though small in context of floor

space occupied they are significant in defining the quality of space and public recognition. Research suggests there is strong correlation between economic competitiveness and the diversity of land uses for cultural activities.

- ***Residential Living in Town Centres is recognised as important element of fostering the living city concept.*** In Campbelltown to date there has been little residential development in the retail centres. A town centre study needs to identify how best to foster this trend and how to eliminate some other negative impacts such as disruption to retail frontages with car access and the “crowding out” of lower order retail and commercial uses.

## 3. RETAIL AND EMPLOYMENT TRENDS

### 3.1 Retailing

In the 1980s, Australian retail floor space totalled approximately 1.8 square metres per person (excluding commercial space and automotive retailing), which was roughly divided equally amongst regional, district and neighbourhood/local centres. The dynamic nature of the retail industry is driven largely by the need to anticipate and effectively respond to consumer behaviour, needs and desires. Changing demographics and lifestyles demand that retailers and shopping centres constantly monitor the often subtle shifts and respond accordingly by repositioning their retail offer, presentation and mode of operation.

Some of the key drivers of change in the nature and form of retailing activity include:

- Population and household growth;
- Declining average household size;
- An aging population;
- Increasing part time employment;
- Longer working hours; and
- Increasing workforce participation rate.

The combined impacts of continued population growth and demographic change are now being reflected in a rapid increase in the quantum of retail floor space, and the introduction of new technologies, product designs and more creative retail concepts, strategies, formats and experiences.

The key trends and issues relevant to the present exercise are diverse and complex. Broadly they include a deregulation in the hours of shopping, the development of larger supermarkets and the emergence of smaller supermarket operators, the development of out of centre retailing complexes, and the development of discount department stores, a diversification in the retail experience, and the emergence of electronic shopping.

#### Deregulation of Shopping Hours

While most forms of retail activity now operate with extended hours, the most significant impact of deregulated shopping hours has been on the trading patterns of supermarkets. Late-night trading seven days a week and in some cases twenty four hour trading in supermarkets, has largely been a response to the growth in food expenditure captured by convenience stores operating on a twenty four hour basis (Seven Eleven etc). There has also been a blurring of the hierarchical distinction in function between centres, as supermarkets which trade with extended hours in district or neighbourhood centres compete more directly with more traditional local convenience stores.

The physical location of centres is therefore critical in ensuring that the higher order centres do not monopolise the market and a role is maintained for easily accessible small local centres or convenience stores. The broader spread of shopping hours also appears to be significantly

flattening the peaks in trading patterns and may allow for some relaxation in car parking requirements at neighbourhood or convenience centres.

### Supermarkets

Paralleling the deregulation of trading hours has been a trend towards the development of larger supermarkets. While in most cases the impacts can be seen in lower prices and increased product ranges, this trend has placed considerable pressure on the ability of smaller local centres to compete, with consequential impacts often being reflected in a decline in their long term sustainability. Planning policies therefore need to be framed to ensure that supermarkets remain competitive in neighbourhood centres as well as regional centres to maintain an acceptable level of access for regular food shopping.

A spin-off of the trend towards larger main line supermarkets is an increase in the number of smaller supermarket operators. It is these supermarkets which form the core or anchor for modern neighbourhood centres, further reinforcing the need for planning policies to balance district and neighbourhood level food shopping.

This trend is now widely apparent in the Macarthur Region. Campbelltown Mall and Narellan have recently expanded to incorporate additional supermarkets and Macarthur Square has commenced expansion. These centres, which are generally the newer fully enclosed retail “model”, are all consolidating their already significant market presence; and generating significant pressure on smaller supermarkets located in the traditional street based centres to initiate plans to expand also in order to maintain market share.

Apart from large supermarkets there has been a recent trend with the introduction of discount supermarkets, such as ALDI and Bi-Lo. These supermarkets have largely been established for more price conscious rather than convenience conscious consumers. These supermarkets have established themselves in all levels of the hierarchy from regional to neighbourhood centres, and even outside town centres (usually on major roads to attract passing trade as well as local trade). An example of this is ALDI in Blair Athol.

### Out of Centre Retailing

A prominent trend to emerge over the past two decades has been the development of out of town centres. These are most often characterised by activities which have a primary orientation to bulky goods retailing, activities which require larger floor areas and lower rent structures than those found in traditional centres. Although furnishings, lighting and other home related merchandise have and continue to remain the primary focus of retailing, the range of activities has become more diversified.

Increasingly they are embracing several category specialists, or ‘category killers’, which provide an extensive range and depth of competitively priced merchandise within a single market segment (eg IKEA, Officeworks, Bunnings, Toys R Us, Babyco, etc). Also factory outlets and clearance centres, which integrate warehousing with retail space, are also recent occupants of space in these out of town centres. Increasingly they are becoming destination shopping venues, offering a substantial range of merchandise at more competitive prices than can be offered by traditional

department, discount department and specialty stores, with resulting impacts on the overall sustainability of traditional centres.

The most prominent concentration of bulky goods retailing in the Macarthur Region has been in the Industrial 4(b) zoned area in Leumeah fronting Campbelltown Road, Rose Payten Drive and Airds Road and stretching through Campbelltown along Blaxland Road to Blair Athol.

More recently there has been other retail store types attracted to “out of centre” locations including discount variety stores such as The Warehouse Group, fast foods and convenience stores.

Out of centre retailing has, and continues to have, significant impacts on the structure and dynamics of urban systems. In particular, these are being felt by traditional nodes of retail activity, which are now experiencing a loss in trade. And the impacts are being seen the way in which transport infrastructure is used with out of town centres most often being removed from public transport infrastructure and dependent on car access.

### Increased Diversification

Traditionally retailing has followed a hierarchy from regional through district to small neighbourhood centres. With the introduction of the discount department store in the mid 1960s, however a wave of new centre development and expansion was spawned. Since then, ever larger indoor shopping centres have and continue to be developed. Today, centres covering in excess of 70,000m<sup>2</sup> of floor space are commonplace.

Increasingly these newer centres are diversifying the retail experience with the incorporation of food courts, in-centre cinemas, family entertainment centres and larger supermarkets, department stores (David Jones, Myer), and other major tenants. Some are incorporating community facilities such as libraries, child care centres, “market squares” and community meeting rooms.

Macarthur Square incorporates considerable diversity of retail and non-retail uses including a David Jones department store, DDS, supermarkets, children gymnasium, etc. Expansion of the centre currently under construction will provide a new open air community space, bowling alley and 11 screen cinema including gold class screens. These centres are emerging as significant destinations for large populations of people.

### Convenience Shopping

A recently emerging trend in retailing has been the development of convenience shopping facilities. These are centred on the concept of quick, convenient shopping, meeting the needs of workers travelling home by car and consumers who prefer to spend less time shopping.

One dimension of this trend is a focus on a “convenience community centres”, which is usually dominated by a supermarket to meet daily and weekly shopping needs, and supported by a range of specialty shops such as butcher, fruit shop, liquor shop, take-away food, video rental and petrol

station. These centres are distinguished by a dependence on commuters making their way home and hence located to enable convenient access and parking (eg Woolworths Marketplace<sup>1</sup>).

Another dimension has been the emergence of ‘convenience service centres’, often centred on petrol stations adjacent to main highways. These offer a range of groceries and fast foods which typically occupy a floor area of around 100-300m<sup>2</sup> and rather than being a primary destination for food and grocery shopping; they seek to meet the needs of ‘just-in-time’, impulse shoppers. Often they collocate with operators such as McDonalds Family Restaurant, Burger King and KFC. Examples include Quix and BP Shop.

In some cases these outlets take the form of “front of centre/car park” including drive through retailing. The concept is for the car parking to have strong visual exposure to the main road enabling shoppers to clearly see available parking before entering.

### Electronic Retailing

Electronic retailing (also called e-tailing and Internet retailing) is a retail format in which the retailer and customer communicate with each other through an interactive electronic network. Currently, electronic retailing represents less than 1% of retail sales in the US and even smaller percentage of retail sales in Europe and Asia. However the annual growth of US electronic retail sales is over 100%. If this growth continues, electronic retailing is expected to have a major impact on the retail industry, significantly decreasing retail sales in stores (N. Byrnes, “Retailing: Confronting the Challenges That Face Bricks and Mortar Stores”, Harvard Business Review, July 1999).

Electronic retailing is thus generally considered to have substantial growth potential. But this will be dependent on whether or not it can and is perceived to provide superior benefits over existing retail formats. The critical benefit that electronic retailers can offer is the opportunity for consumers to search across a broad range of alternatives, develop a smaller set of alternatives based on their needs, and get specific information about alternatives they want.

The type of merchandise sold by electronic retailers depends on delivery costs, the consumers need for immediacy; and the degree to which electronic retailers can provide purchase information that helps customers determine whether they will be satisfied with the purchase. It is in this respect that the influence of electronic retailing on the nature and form of retailing should be considered. Significantly it is giving rise to increased pressure on “bricks and mortar” retailing activity to seek and adopt new concepts, strategies, formats and experiences. It is also increasing pressure to develop new supply chain networks which enable rapid and efficient movement of goods. This is now evident in the development of large new warehouse distribution centres adjacent to major transport infrastructure.

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<sup>1</sup>. Woolworths Marketplaces have developed in recent times. These are enclosed buildings anchored by a supermarket with around 5-10 specialty stores with a grade car parking in front of the building.

## The Implications

The trends described above are polarising the retail hierarchy. The larger regional centres are positioning themselves for a more dominant role in the provision of entertainment and customer services matched with increased retail floor space. For the Macarthur Region, this can be expected to be reflected in the continued expansion of the Campbelltown Greater CBD. (Campbelltown Greater CBD for the purpose of this study is the 10(a) zoned land which includes Macarthur Square, Campbelltown Mall, Queen Street area, Marketfair and the University but does not include the 4(b) zoned land occupied by the peripheral and bulky goods retailers along Blaxland Road).

The more successful smaller centres have moved towards a consolidation of their role as convenience centres with greater emphasis on food retailing, just-in-time shopping, fast foods, local services and petrol. In traditional town centres pressure is increasing, where opportunities permit, for an expansion of supermarket floor space, in order that a more competitive range of goods can be offered.

There is also evidence of growing pressure to develop the concept of convenience with new retail formats. This can now be seen with the Woolworths Market Place concept offering an extensive range and depth of competitively priced merchandise within a single market segment. These centres are almost entirely car based and rely on a high level of road access.

Significant shifts in trade have and continue to occur. In competing for consumer patronage, some centres are succeeding, and some are losing. Regional and super-regional centres are expanding and absorbing trade from district centres and even some neighbourhood centres. Convenience centres located adjacent to major roads are drawing trade from the traditional neighbourhood centres, centres that are often a focus for public transport.

These trends are impacting the old Campbelltown CBD (Queen Street) both positively and negatively. The old centre does not meet the characteristics of any of the new formats – being second to Macarthur Square's role as the dominant regional centre and being too inconvenient for convenience shopping. Traffic and parking issues threaten its viability as with many old centres built around railway stations in Sydney. Notwithstanding this recent rejuvenation of the main street and its high office population is maintaining a reasonable level of sustainability, social and economic activity. More may need to be done however to improve convenience given recognition of the threats to its continued success.

## **3.2 Employment Trends**

There are several emerging trends in employment and economic activity, which are having direct and indirect impacts on urban structure. These impacts are particularly pronounced in the inner city regions of South Sydney and Botany where both structural and functional characteristics are being conditioned by substantial improvements to the transport infrastructure and the growing strategic importance of the CBD, the Airport and Port Botany. They are also pronounced in the harbour suburbs of Homebush Bay, Rhodes, and Canada Bay where residential prices are outstripping traditional industrial prices. Finally they are pronounced in the fringe areas of the metropolitan area which continues to accommodate considerable population growth and the

relocation of traditional industrial uses. In this context, the planning and development of the metropolitan should both reflect and be guided by the influences of rapid and fundamental change in the form and function of urban land, both in Sydney and Australia.

The three main areas or trends that are influencing the nature of work include:

- globalisation;
- growth in knowledge and creative industries; and
- growth in home based employment.

### Globalisation

The required quantum and qualitative characteristics of demand for land and commercial real estate products are being significantly changed by an ever-increasing trend towards the globalisation of economic activity. Large and highly influential trans-national corporations are now operating in almost all countries of the world and are imposing an increasingly uniform set of key criteria in determining the most effective locations for their productive plants and head quarters.

The development and adoption of new technologies, the introduction of flexible production methods and the increasing use of the market mechanism for allocating economic resources and investment priorities is having a profound effect on where, and how, corporations will site their facilities. In essence, there is an increasing trend towards a greater flexibility in location choice, where corporate organisations are requiring large sites for consolidation of previously fragmented activities, and where opportunities to co-locate in specialised clusters of activity are being increasingly sought.

This has resulted in the emergence of new nodes of commercial activity and business park estates such as Riverside Corporate Park in North Ryde, Austlink in Belrose, Norwest in Baulkham Hills and Australia Centre in Homebush Bay.

### Knowledge Intensive Industry

The industrialisation of emerging economies over the past two-three decades, together with the high pace of world trade growth has resulted in traditional manufacturing industries moving either off-shore to developing economies with lower production costs, or to peripheral locations where land costs are less.

Coincident with, and partly driving these processes has been the rapid development and take up of new technologies and processes, including information and communications technologies, materials, environmental and bio-technological sciences. In essence, the economic shift in developed economies has been away from low cost manufacturing towards the generation, distribution and use of intellectual capital and information.

With the technological advances in communications, corporations are locating themselves in agglomerated business park estates, rather than in traditional CBD locations. Demand is increasing for purpose-built facilities at well-located nodal points in suburban locations offering

the benefits of agglomeration, corporate prestige, amenity, proximity to labour and cost-effectiveness.

### Home Based Employment

Home-based employment is becoming an increasingly significant characteristic of the economy. It is occurring in sectors ranging from manufacturing, professional occupations, retailing, high technology and telecommunications. The growth can be attributed to several interrelated trends including:

- a decline in primary and manufacturing industry;
- growth in service and high technology industry;
- increasing levels of competition and resulting needs to minimise costs;
- out sourcing of non-core activities;
- dramatic improvements in communications technology which has increased mobility and freed many jobs from centralised and often costly locations; and
- increasing technological complexities and the need to access a wider range of skills that are provided by consultants rather than employees.

An examination of Census data reveals the significance and rapidity of the growth. In 1996 5% of all households carried out a home-based business (excluding people who occasionally work at home). By June 2000, the proportion had risen to 7.7%, equivalent to 692,600 people. In addition, another 135,000 people had a second job, which they conducted from home.

In a report prepared by the Australian Bureau of Statistics (1997), on the characteristics of home based businesses (as opposed to the wider category of home based employment) two categories were identified: “Businesses at home” (e.g. consultants, herbalists) and “Businesses from home” (e.g. Plumbers). It was found there were some 1.3 million people operating approximately 846,000 home-based businesses.

The Australian Bureau of Statistics also found that “property and business services” were the most common focuses of home-based employment (19.5% of employees), followed by “education” (12%), “construction” (10%) and light manufacturing. A key finding of the research was that the vast majority of home based business people (78%) cited low overheads as the principal reason for their decision to work from home, followed by lifestyle reasons. Significantly, it found that most worked at home by choice.

### Accessibility and the Need for Speed

In all likelihood, and as current evidence suggests, demand will be focussed on the development of high throughput distribution facilities and what has been termed “bulk fulfilment distribution centres”, where large quantities of goods are broken down for distribution to consumers of small business markets. Locations for these facilities are being increasingly sought in hub/gateway metropolitan areas within close proximity to major transportation infrastructure. In contrast there is likely to be reduced or stagnant demand for more traditional storage and commodity based industrial property.

In Sydney this pattern can be seen with the proposal for a bulk fulfilment distribution centre at Menangle with dual access to the Freeway and the southern railway line. Being at the southwestern entrance to the Sydney metropolitan area with Menangle is an ideal location for such a facility. There is further potential for a rail and road transport terminal for B triple trucks.

In Sydney this pattern can be seen with the realisation of opportunities generated by the development of new transport infrastructure. In areas located on the periphery of the Sydney metropolitan region – areas such as Arndell Park – traditionally inexpensive land serviced by new infrastructure (eg the Western Sydney Orbital and the M4) have become attractive alternatives to traditional industrial areas for transport and logistics related activity. The MFive Industry Park at Moorebank, which offers a high level of access to the M5 Motorway, Hume Highway and several other major arterial roads, exemplifies this trend. In this Park, the logistics group, Toll Ipec, occupy a large building comprising some 21,500 sq metres.

### Economic Gateways

Of specific relevance to the present exercise is the increasingly significant role played by economic gateways in urban economies. Economic gateways are broadly defined as the exit/entry points to a region that supports the movement of commodities, products, services, information and ideas between itself and regions with which it has economic and commercial relationships. They are usually focussed on interaction points between the national and the global economy, but they can also be the interaction points between the metropolitan economy and other cities and regions of the national economy.

Specifically gateways are the physical infrastructure – such as airports and seaport, information technology and telecommunication systems – that facilitates the movement of tradeable products, services, data and information and/or people. Over the past 2-3 decades a dramatic expansion of production, trade, finance and the movement of people have resulted in a fundamental reorganisation of the global economy and widespread recognition of the need to reinforce the strategic role played by economic gateways.

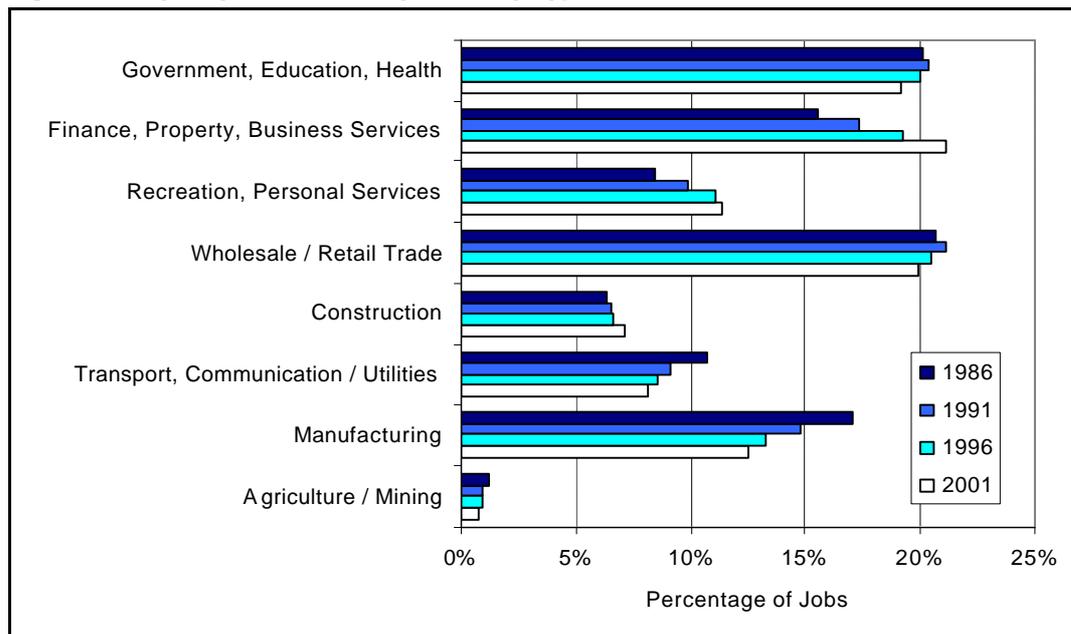
These developments have had significant implications for the spatial characteristics of global cities, of which Sydney is one. Today they are reflected in the development of economic gateways, nearly always centred on an international airport and/or on major ports.

### The Changing Nature of Work

Since 1970 employment throughout Australia has been characterised by a significant shift away from the primary and secondary sectors of the economy (agriculture and manufacturing) to the service sectors (retailing, financial, property, business, community, recreation and personal services).

This shift is a direct reflection of the transformations occurring in developed economies around the world, transformations that are being driven by technological change and developments in information technology and telecommunications.

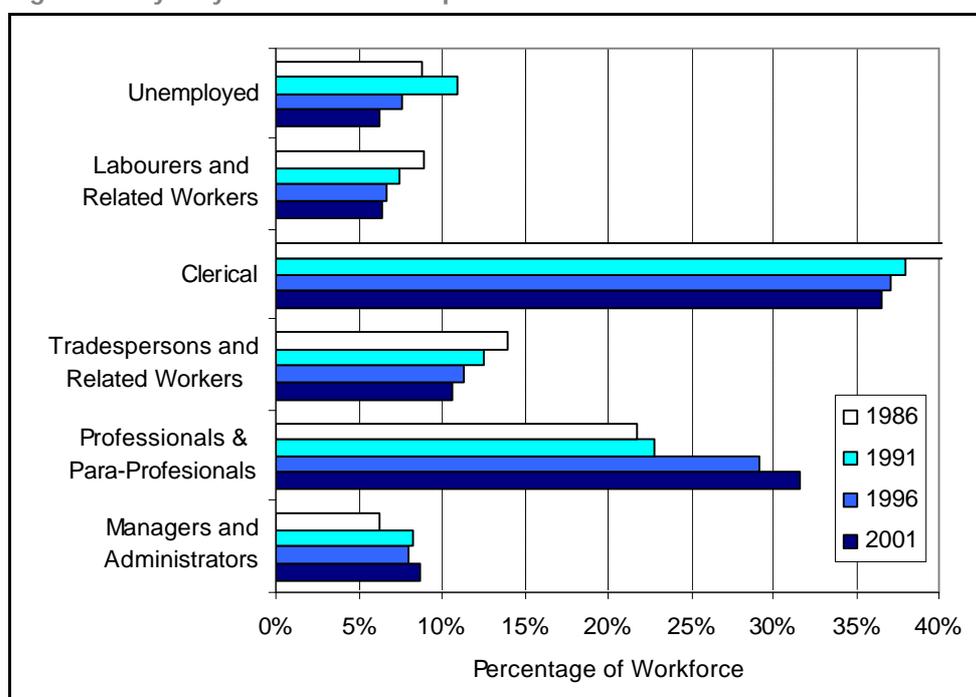
Figure 1 - Sydney Workforce by Industry Type 1986 to 2001



Source: ABS Census 1986, 1991, 1996, 2001

Occupational changes in the workforce are a manifestation of structural changes in the economy over the past several decades assisted by technological change. Traditional blue collar and unskilled workers are declining in number while professional and managerial positions are increasing, as depicted in the Figure below.

Figure 2 - Sydney Workforce Occupation



Source: ABS Census 1986, 1991, 1996, 2001

### 3.3 Impacts on Campbelltown

The above trends are having impacts on Campbelltown centres in the following ways:

- Macarthur Square is currently being expanded to become the dominant regional centre. Expansion will add a further 28,000sqm to the existing 61,000sqm (GLA) centre. The centre is expanding northwards to link with the Macarthur Railway Station and will provide a new open air community space, bowling alley and 11 screen cinema including gold class screens. There will be an additional 100 shops and 1,000 more car parking spaces.
- There has been considerable growth in bulky goods and other forms of “out-of-centre” retailing over the past 10-15 years mostly in the Campbelltown Road and Blaxland Road area. These retailers have, and continue to, capture a greater share of total expenditure in bulky goods commodities away from the existing centres. Whilst there have been negative impact on some existing centres there have been some positive impact for Campbelltown LGA as this area is capturing considerable expenditure from other LGAs – in particular Camden and Wollondilly, and is reinforcing Campbelltown’s role as the regional centre in the Macarthur Region.
- Local centres have had mixed performances with some local centres trading strongly as successful convenience centres for the local population and for “just-in-time” shoppers commuting from work to home. Examples include Rosemeadow and Eagle Vale. Other local centres have experienced diminished trade and have become neglected. Examples include Airds, Claymore, Bradbury (North) and Ambarvale. These centres have lost trade to the expanding higher order centres and have not reinvented themselves as convenience centres. They have become the victims, in some cases, of poor location, poor design and/or poor management.
- New work place forms are now coming to Campbelltown at Park Central. Whilst there may develop some competition with the established commercial centres the aim is to introduce a product to attract businesses that otherwise would not locate in the Macarthur Region. The opportunity to develop a significant part of the University grounds as a “knowledge node” is a possibility.

## 4. THE PLANNING FRAMEWORK

This section provides an overview of the planning context in which centre activity in the Macarthur Region is managed. It includes an historical perspective of broad strategic land use policies which have evolved for the region over the past 3 - 4 decades and outlines the State, regional and local statutory provisions applicable to centre land use and development.

### 4.1 Metropolitan Strategic Land Use Policy

In the context of government policy, there is a long history of the Macarthur Region being recognised as a discrete entity of Sydney's Greater Metropolitan Region. Amongst the many documents, which have been produced since Sydney's first plan ("The 1951 County of Cumberland Plan"), those particularly relevant in a strategic context are briefly outlined below.

#### Sydney Region Outline Plan 1968

The State Planning Authority prepared the "Sydney Region Outline Plan" in 1968. This Plan provided only broad guidelines and principles for guiding the future structure of Sydney over a 30-year period. Beyond this, direction was limited and the responsibilities for translating how physical structure was to evolve were placed in the hands local authorities.

What is of significance was the principle that Sydney, Newcastle and Wollongong were to form a closely integrated, linear, urban complex, accommodating a population of some 6 – 7 million by the year 2000. Within this complex, centres such as Campbelltown, were to evolve with individual identities and offer a wide range of employment and social facilities. A priority was the development of new areas and the expansion of existing centres to absorb a significant population growth – which was forecast to be 2.75 million.

#### Sydney into Its Third Century 1988

This strategy, which was prepared by the NSW Department of Environment and Planning in 1988, comprised a plan for land use and a set of broad policies to shape and direct the overall pattern development in the region. Its horizon was seen to be the period over which the Sydney population would reach 4.5 million. This was expected to occur in 2011.

Fundamental to the Plan was its continued support of the principle of linear urban expansion along transport corridors, which primarily follow the rail network. Of particular importance was recognition of the need to promote and reinforce "well distributed regional and sub regional centres, which the rail network serves in order to bring centre type jobs, especially retail and office type jobs, closer to the workforce". Campbelltown was amongst the several centres identified.

#### Cities for the 21st Century 1995

"Cities for the 21st Century was prepared by the NSW Department of Planning in 1995. The significance of this strategy lies in its emphasis on the need to achieve a greater integration of

planning for land use and transport. Thus “Cities for the 21st Century” was supported by several more specific strategies focussed on planning for transport, the economy and the environment. The principal of these was the “Integrated Transport Strategy”, which was released as a companion document.

This emphasis on greater integration on land use and transport planning led to the concept of the compact city being adopted as a basic principle for guiding future development. Essentially this would lead to greater efficiency in the management of housing, job locations and environmental protection.

### Shaping our Cities 1998

The NSW Department of Urban Affairs and Planning in 1998 prepared “Shaping our Cities”. It represents the most recent and indeed, current strategy for the Sydney, Newcastle and Illawarra regions. It reflects a response to challenges being generated by rapid population growth, the need for a continuous supply of new homes and jobs, increased car use and growing pressures on the environment. The key planning principles adopted in this strategy essentially build on the concept of the compact city. To this end, the strategic outcomes of particular relevance are “more housing in areas close to employment centres and the rail network” and “concentrated employment and commerce in major centres”.

### Metropolitan Strategy

Currently NSW Department of Infrastructure Planning and Natural Resources is preparing the Sydney Metropolitan Strategy which aims to improve the city’s sustainability in terms of transport, energy demand, affordability and infrastructure provisioning. Part of achieving these aims is a centres policy which seeks to improve land use and transport integration. A major principle of this is intensifying urban use (residential and recreational use as well as commercial use) within walking distance to major public transport hubs thereby minimising car usage.

Centres policy aims to control land use development to ensure the sustainability objectives are achieved. In Campbelltown for instance it would mean that existing centres such as the Campbelltown Queen Street and Ingleburn would be preferred locations for intensification of land uses including retail, commercial, recreational and residential. Out-of-centre proposals that could undermine the viability of these centres, and hence sustainability objectives, should not be encouraged.

## **4.2 State Controls**

In New South Wales the legal framework for the regulation of land use is broadly defined under the Environmental Planning and Assessment Act 1979. Under the EPA Act, to gain a complete picture of the possibilities and constraints of a particular site it is necessary to consult a wide range of sources. These include:

- Local Environmental Plans;
- deemed environmental planning instruments;
- development control plans;

- council codes/policies;
- regional environmental plans,
- State Environmental Planning Policies,
- Directions under sections 117 (2) and 71 of the EPA Act,
- departmental circulars,
- model provisions; and
- management plans.

For the present study a brief outline is presented below of the key planning policies which are relevant to the planning and development of activity in the Macarthur Region.

#### State Environmental Planning Policy No.11 – Traffic Generating Development

This State Environmental Planning Policy (SEPP), prepared in 1985 (as amended), provides for consultation during the development assessment stage in relation to traffic-generating developments with the Roads and Traffic Authority (RTA). This requirement is triggered based on the type and scale of development proposed. The RTA is provided with the opportunity to make a representation on a development application before a council decision is made.

#### State Environmental Planning Policy No.22 – Shops and Commercial Premises

The Shops and Commercial Premises State Environmental Planning Policy (1987 as amended) provides controls to permit changes of use from one kind of shop to another or to a commercial premise or one kind of commercial premise to another or to a shop within a business zone. This change of use is still considered to be permissible if the proposed use is prohibited under an environmental planning instrument. Although this can occur, it is still necessary to obtain development consent after the consent authority is satisfied that the change of use will have no, or only minor, environmental effect.

#### Draft State Environmental Planning Policy No. 66 – Integration of Land Use and Transport

The Draft Integrated Land Use and Transport State Environmental Planning Policy (2001) identifies a number of planning objectives that are essential to ensuring that urban structure, building forms, land use locations, development designs, subdivision and street layouts will be achieved. Objectives include improving accessibility to housing, employment and services by walking, cycling and public transport; improving transport choices and reducing car dependence; moderating growth in the demand for travel and the distances travelled, especially by car; and supporting the efficient and viable operation of public transport services.

### **4.3 Campbelltown LEP 2002**

The Campbelltown Local Environmental Plan 2002 provides the statutory planning framework for the Local Government Area. The zones that relate to retail and commercial centres are summarised as follows.

### 3(a) General Business Zone.

This zone applies to the Ingleburn town centre. The objectives of the zone are to:

- (a) to provide space for a wide range of retail and commercial needs to serve the district of Ingleburn;
- (b) to encourage employment and business activities in order to promote the economic well-being of the community;
- (c) to accommodate a range of cultural, entertainment and like facilities for the benefit of the community;
- (d) to encourage a variety of forms of higher density housing, including accommodation for older people and people with disabilities, in locations which are accessible to public transport, employment, retail, commercial and service facilities; and
- (e) to permit limited industrial uses compatible with the proper operation of a commercial centre serving a district.

The zone is flexible in its allowance of the vast majority of land uses with development consent. The only land uses prohibited are bus depots, caravan parks, helipads, heliports, industrial machinery showrooms, junk yards, motor vehicle body repair workshops, storage establishments, towing services and warehouses. Residential and industrial uses as well as retail and commercial uses are permissible.

### 3(b) Neighbourhood Business Zone

This zone applies to numerous small local centres (generally with less than 2,000sqm of floor space). The objectives of this zone are:

- (a) to provide conveniently located land for a range of shops, commercial premises and professional services that are of a domestic scale, compatible with residential development, and which serve the needs of the local community, and
- (b) to accommodate a restricted range of facilities required in the local community but which are not appropriate on land within Zone 2 (b)

Whilst there is a more extensive range of land uses prohibited the zone still allows residential and some light industrial uses as well as retail and commercial use.

### 10(a) Regional Comprehensive Centre Zone

This zone covers the Greater CBD area from Campbelltown Road where it crosses the railway, through the retail core of the CBD and including Marketfair, Macarthur Square and the University campus. The objectives of this zone are:

- (a) to provide land for the City of Campbelltown and the Macarthur region's largest centre of commerce, and
- (b) to encourage employment and economic growth, and

- (c) to accommodate tertiary education and hospital facilities for the City of Campbelltown and the Macarthur region, and
- (d) to accommodate a wide range of cultural, entertainment and like facilities, and
- (e) to permit limited industrial uses that are compatible with the proper operation of a major regional centre, and
- (f) to encourage a variety of forms of higher density housing, including accommodation for older people and people with disabilities in locations which are accessible to public transport, employment, retail, commercial and service facilities.

As with the 3(a) zone the list of permissible uses are generous.

An immediate observation made is that the zone is extensive covering a large area stretching almost 6km from Campbelltown Road where it crosses the railway line to the southwestern corner of the University. This raises issues about the ability to control potential dispersion and fragmentation of the retail and commercial spaces within the broad zone.

#### 10(b) District Comprehensive Centre Zone

This zone covers the retail centres of Glenquarie, Minto Mall, Eagle Vale and Rosemeadow. There are various schools, sporting facilities and other land uses adjoining the retail centres that reside in the zone. The objectives of this zone are:

- (a) to provide space for a wide range of retail, commercial and like needs to serve the districts within the City of Campbelltown, and
- (b) to encourage employment and business activities in order to promote the economic well-being of the community, and
- (c) to accommodate a range of cultural, entertainment and like facilities for the benefit of the community, and
- (d) to permit limited industrial uses that are compatible with the proper operation of a commercial centre serving a district, and
- (e) to encourage a variety of forms of higher density housing, including accommodation for older people and people with disabilities, in locations which are accessible to public transport, employment, retail, commercial and service facilities.

Again the same land uses are permissible with consent.

Again with the 10(a) zone some of these zones are quite extensive in size incorporating many non-commercial land uses such as schools and open spaces. This raises questions about the ability to control potential dispersion and fragmentation of the retail spaces in the zone.

### 10(c) Local Comprehensive Centre Zone

This zone covers the retail centres of Airds, Ambarvale, Bradbury, Bradbury South, Claymore, Kearns, Raby and St Andrews. There are various schools, sporting facilities and other land uses adjoining the retail centres that reside in the zone. The objectives of this zone are:

- (a) to provide conveniently located land for a range of shops, commercial premises and professional services that are of a domestic scale and compatible with residential development in order to serve the needs of local neighbourhoods, and
- (b) to provide opportunities for local employment, and
- (c) to accommodate a range of activities required in the locality, but which are not appropriate on land in Zone 2 (b), and
- (d) to encourage a variety of forms of higher density housing, including accommodation for older people and people with disabilities, in locations which are accessible to public transport, employment, retail, commercial and service facilities.

A larger range of land uses are prohibited under this zone including amongst other things industrial, storage, automotive and recreational uses.

### 4(b) Industry B Zone

The Industry B zone is outside the commercial centres but affects retailing in that bulky goods are a permissible use. This zone affects the large bulky goods precinct in Leumeah and Campbelltown along Blaxland Road and there are a couple of further small pockets in Minto and Ingleburn.

The objectives of the zone are:

- (a) to encourage activity that will contribute to economic and employment growth in the City of Campbelltown, and
- (b) to encourage a high quality standard of development which is aesthetically pleasing, functional and relates sympathetically to nearby and adjoining development, and
- (c) to protect the viability of the commercial centres in the City of Campbelltown by limiting commercial activities to those associated with permitted industrial, storage and allied development or primarily intended to provide a professional facility to serve people employed or occupied in land uses permitted in the industrial zones, and
- (d) to permit the display and sale by retail of bulky goods only if such activities cannot appropriately be located in, or would not adversely affect the viability of development in, the business or comprehensive centre zones, and
- (e) to ensure development will not be carried out if the processes to be carried on, the transportation to be involved or the plant, machinery or materials to be used interfere unreasonably with the amenity of the area.

A large range of land uses are prohibited in the zone including residential, heavy and hazardous industries, commercial (unless ancillary with a permissible use) and shops (unless it is bulky goods

or is intended to serve people employed or occupied in land uses permitted in the industrial zones.

Notwithstanding zone objective (d) this area has developed quite extensively with bulky goods over the past decade or two.

## 5. STAKEHOLDER LIAISON

This section documents the findings from the stakeholders' liaison.

### Main Street Association

The Main Street Association is mostly funded by Council and was established to provide advice and assistance in the management of the Campbelltown and Ingleburn town centres with the objective of revitalising these centres and maintaining or enhancing their viability. The association has a board of management of 20 members, most of them being retailers in the old centre. Campbelltown Mall is also a member.

The association is currently preparing a business plan for Campbelltown "Main Street" using students and other resources in research. A consultant has also been engaged to prepare a revitalisation strategy.

Macarthur Square is seen as one of the biggest threats to the old centre and its expansion will result in over supply of retail floor space. It has a significant trade area that encompasses the Camden and Wollondilly LGAs whereas the Main Street's trade area covers the southern half of Campbelltown LGA. Generally shoppers from outside Campbelltown go to Macarthur Square. Nevertheless the old Campbelltown centre draws workers from these LGAs, as well as people commuting for commercial reasons (legal, accounting, tax, etc). The retail on Main Street has developed a nexus relationship with the commercial space. Just as department stores and supermarkets are anchor tenants in the indoor centres, the commercial spaces are the magnets for the Main Street.

Notwithstanding this, there are a few retailers that are anchor tenants. Campbelltown Mall can be viewed as an anchor tenant for Main Street but can also be viewed as a competitor. Other anchor tenants include Spotlight, PNS Michael, Pretty and Twisted and Pauls Warehouse.

The Association sees considerable viability problems with the Main Street and a large number of vacancies and struggling retailers. Note that this is a view that is neither supported by all stakeholders nor by the author of this report<sup>2</sup>.

Main problem viewed with Campbelltown is traffic and parking issues. Many people will avoid Campbelltown because of its lack of convenience. Ingleburn in contrast to Campbelltown works well in terms of traffic, accessibility and parking.

### Chambers of Commerce

With just over 200 members the Chamber of Commerce represents the interest of retail and commercial operators in the Campbelltown CBD and just outside including Macarthur Square and some of the bulky goods retailers in the industrial zoned land. Some of the members are commercial businesses.

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2. Inspection by the consultancy team identified only three vacancies on the main street and anecdotal evidence including discussions with local leasing agents suggests that the main street is trading reasonably well.

The main issues or problems with Campbelltown CBD is traffic, parking and poor amenity and appearance of the retail. Whilst the Main Street has improved, side streets and arcades remain blighted.

There was agreement with the Main Street Association in that the commerce is a main drawcard and that much of the retail “piggy backs” it. The loss of some of anchor commercial users was viewed negatively including Medicare, Commonwealth Bank and Sydney Water. (The author’s view is that the new location of the Commonwealth Bank is ideal in bridging Main Street with Campbelltown Mall).

The Ingleburn Chamber strongly supports high density residential development in and around the town centre. They view this as imperative for the sustainability of the centre due to threats from Edmondson Park and “mooted” expansion of Minto Mall. There are a number of key retailers missing in the centre. Tenants that have been approached include a discount department store, Coles supermarket and a menswear store (such as Lowes).

### Campbelltown City Council

There are a number of major issues that are of concern to the Council, which have prompted this project. They include:

- Enquiries for the rezoning of land for new retail and commercial development outside of currently zoned sites (eg Magnetmart in Badgally Road);
- The future of the Campbelltown business centre and the Queen Street precinct in particular including its viability, possible threat from Macarthur Square expansion, and other issues;
- Emerging demands for public investment in car parking and other civic infrastructure in and around business centres – particularly with Campbelltown CBD and to a lesser extent Ingleburn;
- The declining supply of opportunities for ‘out of centre’ bulky goods/big box retailing in the Blaxland Road / Campbelltown Road area;
- The desire for some forms of retailing to locate “out-of-centre” such as the Warehouse Group and the potential impacts on the retail centres;
- The decline in some local centre retail activity – particularly Airds, Claymore, Ambarvale and Bradbury, and the delay in take up/development of existing zoned land for retail and business purposes;
- From the above the view that the zones may be too large and expansive – particularly the 10(a) Regional Comprehensive Zone; and
- Potential barriers to further consolidation/strengthening of business centres, including road and transport accessibility.

Council’s City Works Division advises that there are few traffic problems in and around the district and local centres but that there are some significant constraints in the Greater CBD –

particularly at the intersections around Macarthur Square. Parking at Macarthur Square during peak times is difficult and is resulting in added circulating traffic. Car parking at Campbelltown is also at saturation and restrictions are needed to minimise commuter/shopper car parking conflict. Commuter car parking is also saturated in Glenfield. The only other issue with the local centres is the possible need to vary parking restrictions to maintain a reasonable supply of both commuter and shopper parking.

### NSW Landcom

Landcom is the major land developer for the Park Central and Macarthur Gardens developments. Park Central will provide around 400 home sites and 400 retirement units and include a small commercial component of small professional suites and offices, 280sqm of retail and 1,400sqm of cafés and restaurants.

Macarthur Gardens which wraps around the western side of Macarthur Square will provide 1,000 new homes on both sides of the railway line. A small amount of retail will be provided on the north side of the railway station for the convenience of the residents and the TAFE and University staff and students.

Landcom are also development managing the renewal of Minto and later Airds. Whilst the renewal of Minto is unlikely to result in any increase in the number of dwellings, the change in tenure mix will increase retail expenditure in the Minto trade area. There will be longer term benefits for Minto Mall but adverse short term impacts during the first stage or so of the program due to loss of housing stock.

Airds has considerable land parcels that remain vacant including the 5(e) zoned land. Following renewal in the longer term there is likely to be an increase in dwelling numbers with mixed tenure (more private housing). Whilst the local retail centre will benefit from neighbourhood renewal, problems with design and management of the centre need to be addressed.

### Shopping Centre Owners

As stated above Macarthur Square is currently being expanded to become the dominant regional centre. Expansion will add a further 28,000sqm to the existing 61,000sqm centre. The centre is expanding northwards to link with the Macarthur Railway Station and will provide a new open air community space, bowling alley and 11 screen cinema including gold class screens. There will be an additional 100 shops and 1,000 more car parking spaces

Perron Investments, owner of Campbelltown Mall, (has bought land immediately adjacent to the Mall on the south side. The Mall had a recent expansion to add a third supermarket and additional specialties. The future plan is to expand into the land on the south by increasing car parking and provide a further 5,000sqm of floor space. The type of additional tenants and the timing of expansion is unknown. They view Macarthur Square as a major competitor and consider their role to be more as an anchor for Main Street. The desire to expand largely stems from perceived competition with Macarthur Square.

Developers of the Woolworths Marketplaces consider the success of these centres to be based on principles of appropriate location, convenience (minimal time spent shopping), inclusion of a large full-line supermarket, design, management and strong socio-demographics of the suburb. The lower performing local centres lack one or more of these characteristics.

#### Real Estate Agents (Raine & Horne Commercial and L J Hooker Commercial)

Advice from agents confirms the observations from field work. These observations are as follows:

- Campbelltown Main Street is trading quite successfully, particularly since the improvements were completed 4 years ago along Main Street. Currently there are only 4 vacancies on the Main Street. It is now becoming difficult to find shops for prospective tenants. Finding commercial space is also difficult. Retailers have mixed trading levels with some of them struggling whilst others are over trading;
- Some of the neighbourhood centres – particularly the Woolworths Marketplaces (Rosemeadow and Eagle Vale) are trading strongly;
- Other neighbourhood centres are trading poorly and have high vacancies (Airds, Claymore, Ambarvale and Bradbury). This is due to a number of reasons but in some cases it's the result of poor management.

Rental levels on Campbelltown Main Street are around \$600 to \$1,000/sqm gross for small shops and \$300-\$600/sqm gross for large shops. \$250/sqm is typical outside the retail core area and are also the rental levels being asked for in some of the struggling centres such as Ambarvale and Bradbury. The more successful local centres such as Rosemeadow and Eagle Vale are achieving rents over \$500/sqm from the specialties.

Commercial space in Campbelltown was \$115/sqm more than four years ago. This has moved closer to \$200/sqm in recent times as finding office space has become more difficult. There hasn't been any new commercial buildings erected in the past 15 years and nothing in Campbelltown is considered to be A grade. Park Central will provide some A grade commercial space. 50% of this space has been pre-sold and rents there are likely to be higher than \$300/sqm.

#### Others

Camden and Wollondilly Councils gave advice about proposals in their respective LGAs. These councils recognise that a significant level of expenditure escapes those LGAs to the regional centre of Campbelltown but accept that. There is no desire to have a regional centre outside Campbelltown in the Macarthur Region. On the contrary there is a danger of over supply of retail space, as there is in Narellan at the moment. A master plan for Narellan is currently being prepared to manage that over supply. Narellan was a case where a range of competitive retailers (Woolworths, Coles and ALDI) jostled to gain a presence in a fast growing district knowing full well of the short term consequences but expecting long-term sustainability.

Picton recently underwent some expansion with a new Coles based centre. There are also plans for a Bi-Lo supermarket in Appin (which will capture some of Appin's expenditure that currently escapes to Campbelltown) and an 8,000sqm expansion of Tahmoor village to include a full-line supermarket and additional specialties.

Preliminary planning is being done for a proposed new town centre in Leppington, which ultimately will be the regional centre for the Bringelly release area.

Tony Polvere of Planning and Development Solutions advised that he is acting on behalf of the owner of land on the southeast corner of Appin Road and Kellerman Drive, St Helens Park. This party has expressed an interest in developing this land for a supermarket based neighbourhood centre, which they believe is a preferable location to the 10(c) zoned land on Kellerman Drive in St Helens Park.

## 6. ANALYSIS OF EXISTING CENTRES

### 6.1 Retail Centres Hierarchy

The Macarthur Region is served by an extensive network of shopping centres distributed into approximately 35 retail centres of varying sizes.

Campbelltown has around 20 commercial centres totalling almost 500,000sqm of non-residential space of which around half or 250,000sqm is used for retailing (excluding “out-of-centre” retailing in the industrial areas).

Around 11,000sqm of space is vacant shop front retail space which equals 4.2% of total retail floor space net of bulky goods. 4 to 5% is considered a reasonable level where supply and demand is more or less in equilibrium.

There are several limitations with defining a retail hierarchy – most notably that retail centres can perform different roles. In some cases a retail centre can have more than one role and have different trade areas for each role or function. In other cases a retail centre may not have a clearly defined trade area.

Based on the investigation of the retail centres in the Macarthur Region we propose the following hierarchy:

#### Regional Centre

A regional centre has more than 80,000sqm of retail floor space serving a large trade area of more than 150,000 people. It comprises usually more than 250 stores including at least one national department store (Myer or David Jones), at least one discount department store and 2 or more full-line supermarkets.

A regional centre has an emphasis on providing higher-order comparison shopping (including clothing and household goods, etc), and has a high representation of national brands. Regular food and grocery shopping is more of a secondary role. A regional centre also has a high emphasis on entertainment and may include a cinema complex, ice rink, ten-pin bowling and/or other such uses.

There is only one regional centre in the Macarthur Region – Campbelltown Greater CBD (including Macarthur Square, Marketfair, Campbelltown Mall and Queen Street). Examples of other regional centres in Greater Sydney include Parramatta, Chatswood, Burwood, Hornsby, Bondi Junction, Penrith, Liverpool, Bankstown and Miranda.

#### Sub-Regional Centre

A sub-regional centre has 40,000 to 80,000sqm of retail floor space and at least 120 stores. It has at least one department store or one discount department store (Big W, Target or Kmart), and at least 2 large supermarkets. These centres have a trade area of more than 60,000 people.

Sub-regional centres also have a range of specialty shops and non-retail services such as banks and community services. There is a strong emphasis on comparative shopping but there is also a strong emphasis on providing regular shopping (for weekly food and groceries).

There are no sub-regional centres in the Macarthur Region. Examples of sub-regional centres in Sydney include Ashfield, Mt Druitt, Eastgardens, Roselands, Merrylands and Fairfield.

### District Centre

A district centre has 20,000 to 40,000sqm of retail floor space between 50 and 150 stores. Typically it is anchored by a discount department store (Big W, Target or Kmart), and at least 2 supermarkets of which at least one is a full-line supermarket. These centres have a trade area of more than 30,000 people.

District centres also have a range of specialty shops and non-retail services such as banks and community services. The emphasis on comparative shopping is less strong than it is in the regional and sub-regional centres.

There are two district centres in Campbelltown – Minto (Minto Mall) and Ingleburn.

### Neighbourhood Centre

Neighbourhood centres have an emphasis on providing convenience shopping for the local area. These centres are generally anchored by one or more supermarkets. Neighbourhood centres could be further subdivided into large and small.

Large neighbourhood centres are around 10,000 to 20,000sqm. There is only one large neighbourhood centre in Campbelltown being Glenquarie in Macquarie Fields.

Small neighbourhood centres are less than 10,000sqm and are usually, but not always, anchored by a supermarket. Included in this category are:

- strip retail centres such as Glenfield, Leumeah and Saywell Road in Macquarie Fields;
- open centres such as Bradbury, Ruse, Ambarvale and Kearns; and
- indoor centres such as Airds, Claymore, Rosemeadow and Eagle Vale .

### Local Centre

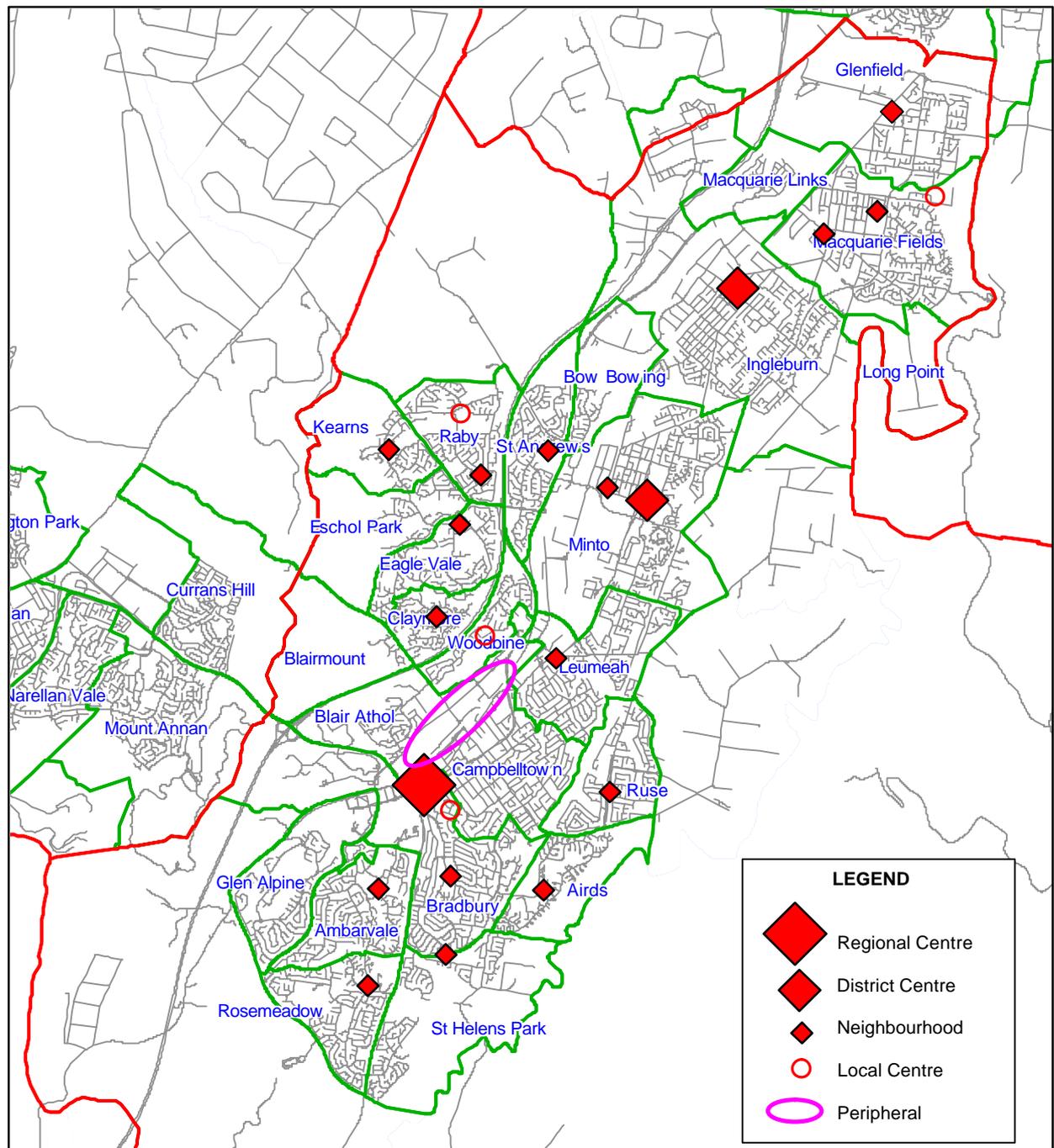
Local centres are small centres generally less than 2,000sqm with either a mini-supermarket / convenience store as an anchor tenant or no anchor tenant at all. These centres provide convenient “top-up” shopping (sometimes referred to as “mum-forgot” shop). Examples in this category are Woodbine (North Steyne Road), Hoddle Avenue in Bradbury and Corner of Belmont and Harrow Roads in Glenfield.

### Peripheral Retailing

Peripheral retailing refers to “out-of-centre” retailing which is usually “bulky goods” or “home-makers” in character. Currently the only concentration is in the Industrial 4(b) zoned land in Leumeah and Campbelltown on the northern side of the railway. There are a few peripheral retailers along Campbelltown Road in Minto. The only other concentration of bulky goods retailers in the Macarthur Region is outside Campbelltown LGA in Narellan.

A diagram of the present retail hierarchy is provided below.

Figure 3 - Campbelltown Retail Hierarchy



## 6.2 Employment in the Centres

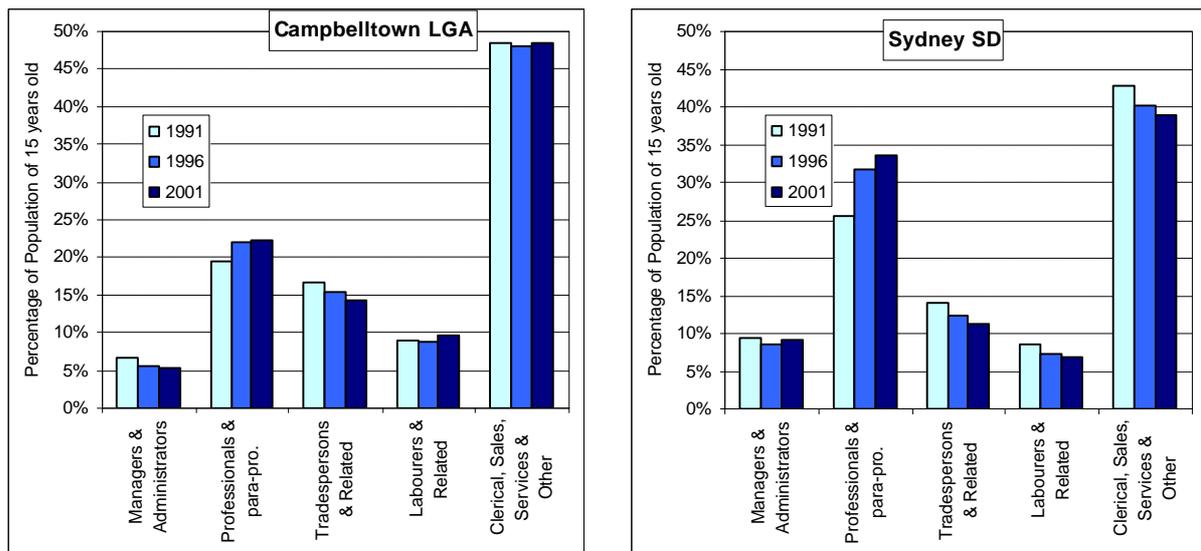
In 2001 there were almost 62,000 employed persons living in the City of Campbelltown yet there was only 36,000 jobs in Campbelltown. Hence the ratio of jobs to employed persons was 58%, meaning a net emigration of job trips of 26,000 (42%) out of Campbelltown.

The number of employed persons in Campbelltown has grown in line with population from 53,800 in 1991 to 61,800 in 2001. This represents 15% growth over the 10 year period (average 1.4% per annum).

Over the same period the number of jobs in Campbelltown LGA grew from 24,400 to 62,000. This represents a growth of 47% (average 4% per annum). In other words the ratio of jobs to employed persons rose from 45% to 58% which is a remarkable achievement.

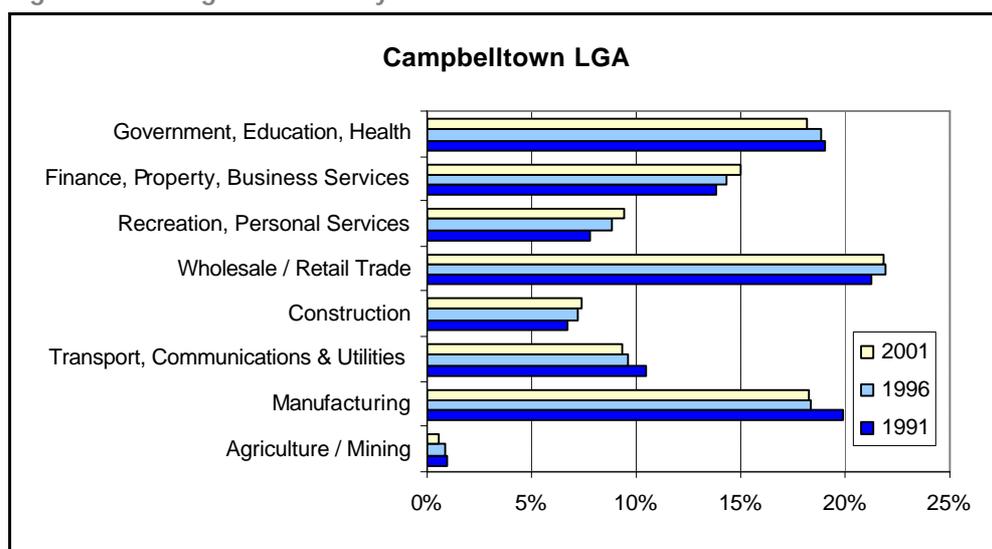
Occupation and industry types have changed over time as depicted in the following charts.

Figure 4 - Changes in Occupation 1991-2001



Source: ABS Census 1991, 1996 and 2001

Figure 5 - Changes in Industry 1991-2001



Source: ABS Census 1991, 1996 and 2001

The above trends in Campbelltown are consistent with nation wide and international trends. The nature of employment has shifted from the traditional blue collar areas to white collar workers and professional jobs in the knowledge and service industries.

The commercial centres are a large employer – particularly for jobs in retail, hospitality, government and business services. About half (or 18,000) of the 36,000 jobs in the LGA are in the commercial centres (excluding schools and other large institutions). Of these jobs 6,000 (or one third) are in retail, 1,000 are in hospitality (including restaurants, etc) and the remainder are in government, property and business, finance, health and community services and the like.

### 6.3 Supply of Retail and Commercial Floor Space

Supply of retail floor space is provided in the table below.

**Table 1 - Retail and Commercial Floor Space in Campbelltown**

Centre	Depart Store	Super-market	Café/ Rest-aurant	Other Retail	Total Retail	Comm-ercial	Cultural & Rec.	Vacant	Total
Macarthur Square	18,900	8,300	1,000	21,400	49,600	2,300	8,400	700	61,000
Campbelltown Mall	15,600	8,100	1,000	9,800	34,400	900	200	100	35,600
Marketfair	0	2,700	200	3,000	5,900	500	1,100	700	8,200
Remainder of CBD	0	1,000	12,900	50,000	63,900	74,000	58,300	2,000	198,200
<b>Total Greater CBD</b>	<b>34,500</b>	<b>20,100</b>	<b>15,100</b>	<b>84,200</b>	<b>153,800</b>	<b>77,700</b>	<b>68,000</b>	<b>3,500</b>	<b>303,000</b>
Airds	0	1,300	0	1,300	2,600	1,800	3,600	200	8,200
Ambervale	0	1,000	200	500	1,700	1,300	3,100	500	6,600
Bradbury	0	800	0	1,300	2,100	2,600	5,500	200	10,400
South Bradbury	0	900	0	400	1,300	100	800	0	2,200
Claymore	0	0	0	800	800	1,300	0	1,600	3,700
Eaglevale	0	4,100	300	3,400	7,800	1,100	3,900	0	12,800
Glenfield	0	0	200	1,200	1,400	400	100	500	2,400
Ingleburn	1,200	5,400	2,800	13,500	22,900	15,000	4,200	1,500	43,600
Kearns	0	800	100	1,100	2,000	0	900	0	2,900
Leumeah	0	300	0	2,400	2,700	1,200	1,900	0	5,800
Macquarie Fields	0	5,200	800	6,700	12,700	2,200	6,500	400	21,800
Minto (Mall)	6,600	5,900	800	10,700	24,000	1,300	1,200	1,000	27,500
Minto Station	0	0	300	2,500	2,800	200	0	800	3,800
Raby	0	1,500	0	500	2,000	200	200	300	2,700
Rosemeadow	0	3,700	1,200	1,500	6,400	3,900	1,300	0	11,600
Ruse	0	1,500	0	800	2,300	0	700	0	3,000
Saywell Road	0	200	200	2,700	3,100	1,000	400	200	4,700
St Andrews	0	800	100	500	1,400	400	100	0	1,900
St Helens Park	0	0	0	0	0	600	0	0	600
Woodbine	0	0	0	300	300	300	0	0	600
Out-of-Centres	0	0	500	55,000	55,500	0	0	0	55,500
Other Local Centres	0	0	1,000	4,000	5,000	1,000	1,000	0	7,000
<b>TOTAL</b>	<b>42,300</b>	<b>53,500</b>	<b>23,600</b>	<b>195,300</b>	<b>314,600</b>	<b>113,600</b>	<b>103,400</b>	<b>10,700</b>	<b>542,300</b>

Excludes TAFE, University and Campbelltown Hospital.  
 Sources: Various including Hill PDA Surveys, Property Council Shopping Centre Directory 2003 and Campbelltown Council

Note that the Greater CBD has around half of the LGA's total retail floor space and around two thirds of the LGA's commercial (office) space. This makes it by far the most dominate centre in the LGA and also in the Macarthur Region. The district centres of Ingleburn and Minto have around 15% of the LGA's total retail space and 10% of its commercial space. Note also that around 18% of total retail space is in the peripheral (industrial zoned) areas.

## 7. ANALYSIS OF INDIVIDUAL BUSINESS CENTRES

### 7.1 Campbelltown Greater CBD

#### Location

The Campbelltown CBD is a vast area of land from Campbelltown Road where it crosses the railway line between Campbelltown and Leumeah stations to the University of Western Sydney, Campbelltown Campus.

East of Narellan Road the area is bounded by the Moore Oxley Bypass and the Railway. West of Narellan Road it is bounded by the South Western Motorway, the railway, Gilcrest Drive and Kellicar Road.

#### Role and Function

Campbelltown is the largest regional centre for the Macarthur region (Campbelltown, Camden and Wollondilly LGAs) with a trade area that extends to encompass all three LGAs. Like any regional centre it has a strong emphasis on providing higher-order comparison shopping (including clothing, household goods, etc), and has a high representation of national brands. It also has a high emphasis on entertainment including cinema complex, ten-pin bowling, sports clubs and the like.

Campbelltown is also a major administrative centre housing Council and a number of State Government regional and district offices. It has the highest levels of commercial space in the Macarthur Region and includes a TAFE college and campus of the University of Western Sydney. Adjacent to the CBD is Campbelltown Hospital.

#### Retail and Commercial Mix

The Greater CBD has around 150,000sqm of retail space and 95,000sqm of commercial space. The retail is divided into three indoor centres and strip retail. The three indoor centres include:

- Macarthur Square – 61,000sqm including a David Jones, Big W discount department store, Woolworths and Bi-Lo supermarkets, Greater Union Cinemas, Macarthur Bowling and 170 specialty shops;
- Campbelltown Mall – 36,000sqm including Kmart and Target DDSs, Coles, Woolworths and Franklins supermarkets and 100 specialty shops; and
- Marketfair – 8,000sqm including an IGA supermarket, Direct Shoe Warehouse, Medical Centre and 28 specialty shops.

Most of the strip retail fronts Queen Street between Campbelltown Mall and Mawson Park and side streets such as Dumaresq Street. There are several fringe and stand alone retail buildings including the Warehouse Group and Officeworks. Bunnings is in a large standalone building adjacent to, or within the same precinct as, Marketfair.

The two large indoor centres have to some extent competing roles, but are also somewhat different with Campbelltown Mall meeting more regular shopping needs (having three supermarkets) and Macarthur Square meeting more high-level comparison and entertainment shopping needs (having David Jones, cinema, proposed ten-pin bowling, etc).



Campbelltown Mall



Macarthur Square



Marketfair



Queen Street strip retail



Queen Street Commercial Building



Aquafit Fitness Centre

The old strip retail centre along Queen Street has the bulk of commercial space including Council, various State Government agencies and businesses. There are also several cultural, recreational and health services including The Catholic Club, Bowling Club, Aquafit fitness and leisure centre, art gallery, theatre, cinemas, RSL club and others.

At the southern end of the old centre and Campbelltown Mall are a number of highway based fast foods and restaurants including McDonalds Family Restaurant, Red Rooster and KFC.

### Planning Controls

The land is zoned 10(a) “Regional Comprehensive Centre” under LEP 2001. This is a vast area stretching almost 6km from Campbelltown Road where it crosses the railway to the southern end of the University of Western Sydney, Campbelltown Campus.

### Performance

As a whole the performance of the Greater CBD is quite strong although there are components within the CBD that are under performing.

Macarthur Square was described as a “white elephant” in its early years since completion in 1979. Today it is one of the more successful “Regional” centres (as defined by the Australian Property Council) with a turnover of around \$6,000/sqm of retail space (GLA). This is around 10% to 15% higher than NSW average for similar size shopping centres and explains why the centre is undergoing expansion. Its ability to capture expenditure from as far as Southern Highlands shows its dominance in the region.

Campbelltown Mall has a turnover of around \$4,300/sqm which is a satisfactory level, although it is around 20% below NSW average. Its ability to survive against the threat of Macarthur Square rests with defining its role somewhat differently – a stronger emphasis on meeting weekly shopping needs for the local population. Macarthur Square’s role is more leisure shopping and entertainment venues for the wider region.

Retailers in the Queen Street retail core area have mixed trading but the area itself is performing satisfactorily, with only three vacancies on the main street. There are more vacancies in the arcades and side streets and some improvement is needed in these areas (more attractive rents, streetscape improvements, etc). Queen Street during normal business hours attracts strong numbers of people and the retail offer is diverse. Its success is dependent on it maintaining a somewhat different role from the indoor centres – diversity of specialties, food and other services for the local workers as well as shoppers.

Trading levels of Marketfair are not known – but its high turnover of tenants, six current vacancies and low pedestrian traffic (500,000 versus more than 5 million for Campbelltown Mall) suggests that turnover is probably no higher than \$2,000/sqm – around one third of the NSW average for similar size centres.

## Issues and Challenges

As with most indoor centres Macarthur Square and Campbelltown Mall have high efficiency or shopper convenience coefficients (retail floor area divided by total time travel between stores). Further to this they provide ample parking and weather protection.

Notwithstanding this the Greater CBD in total is not efficient as the retail area is spread over a distance of 2.2km and is severed by major roads, particularly Narellan Road. The Greater CBD performs more as three separate retail centres – Macarthur Square, Marketfair and Campbelltown Mall/Queen Street. There is minimal pedestrian traffic between these components. This reduces efficiency and hence competition between the components or within the broad 10(a) zoned land.

The 10(a) zone itself is extensive being more than 6km in length. This reduces control over land use management and potentially can cause problems with further fragmentation of the retailing.

The two large indoor centres have strong drawing power and have drawn trade away from the old strip retail along Queen Street. Historically this resulted in a high level of vacancies although over time these vacancies have been taken up with lower rent paying retailers and commercial operators. The main street is quite lively during normal business hours but does lack night life.

## **7.2 Ingleburn**

### Location

Ingleburn is on the railway line mid-way between Liverpool and Campbelltown. It more or less has two “main streets” being Macquarie Road / Nardoo Street (parallel to the railway) and Oxford Road (perpendicular to the railway). These two roads cross in the middle of the retail centre.

### Role and Function

Historically Ingleburn was the district centre for the northern half of the LGA although it somewhat fights with Minto for this role. It is advantaged by the railway station which attracts high levels of commuter traffic. Its current primary trade area for weekly shopping needs includes Ingleburn and in part Macquarie Links but it has a fairly extensive secondary trade area that covers the northern half of the LGA due to its significant offer of commercial businesses.

### Retail and Commercial Mix

Ingleburn has around 80 to 90 shops totalling 23,000sqm of floor space and a further 15,000sqm of commercial office space.

Ingleburn Fair is the main indoor centre comprising a 1,400sqm Bi-Lo supermarket, a 1,200sqm Country Target, a 1,400sqm KFC and 48 specialty stores. Total GLA is around 9,000sqm. Ingleburn Fair is on the northern edge of the centre.

At the southern end of the centre on Nardoo Street is Ingleburn Town Centre. This is a small indoor centre anchored by a 4,000sqm Woolworths supermarket and 8 specialty shops.

The remaining retail space is strip shops between the two indoor centres and along Oxford Road between the railway station and the primary school.

There is also a high proportion of commercial uses in Ingleburn including real estate agents, home loans, employment agencies, banks, medical centres and the like. Non-retail uses total almost 20,000sqm of floor space.



Nardoo Street



Ingleburn Fair



Nardoo Street



Vacant shops on Oxford Street

### Planning Controls

The land is zoned 3(a) “General Business” under LEP 2001. The zone is flexible in its allowance of the vast majority of land uses with development consent. The only land uses prohibited are bus depots, caravan parks, helipads, heliports, industrial machinery showrooms, junk yards, motor vehicle body repair workshops, storage establishments, towing services and warehouses. Residential and industrial uses as well as retail and commercial uses are permissible.

## Performance

Ingleburn appears to be trading sustainably, if not strongly. There are notable vacancies – seven fronting the main streets and four in Ingleburn Fair. We questioned the reported visitation numbers in Ingleburn Fair at 4.1m, which would suggest that it is the highest performing centre in the LGA. More likely from observation, Ingleburn Fair would be trading below NSW average.

Whilst the number of vacancies represents 12% of the total number of shop fronts, it represents only 5.1% of total shop front floor space. This is considered to be a sustainable level but one that has to be monitored due to potential threats.

## Issues and Challenges

Unlike Campbelltown, Ingleburn does not have significant traffic and parking problems<sup>3</sup>. Its wide streets, footpath widening and beautification works have given the main streets an attractive ambience. Many of the retail shops however do require some cleaning, maintenance and beautification including Ingleburn Fair.

The Chamber of Commerce feels threatened by Edmondson Park and possible expansion of Minto Mall. It supports (a view agreed by ourselves) higher residential densities in and around the town centre, to strengthen its share of market capture.

Whilst Ingleburn is a district centre it does lack some notable retailers such as a discount department store and a large clothing mini-major. These would strengthen its role as a district centre.

## **7.3 Minto (Minto Mall)**

### Location

Bounded by Pembroke Road, Ben Lomand Road, Mossglen Street and Monaghan Street in Minto. Minto Mall is 700 metres east of Minto Station, 4 kilometres south of Ingleburn and 4.8km northeast of Campbelltown Station.

### Role and Function

Minto is a district size indoor centre on 1 and 2 levels. Its primary trade area is Minto and Minto Heights between Ingleburn and Leumeah but because of its size it also has a strong secondary trade areas extending into Ingleburn, Bow Bowing and St Andrews.

### Retail and Commercial Mix

With 20,000sqm GLA, Minto Mall makes up around 80% of total retail space in the centre. Anchor tenants include Kmart (6,500sqm), Coles supermarket (2,500sqm), Food for Less

3. This can be measured by the times taken to travel through the retail centre and find parking close to the shops. This is relatively straight forward in Ingleburn compared with quite lengthy delays that are often experienced with driving along Queen Street through Campbelltown CBD and finding parking.

(1,750sqm), a Go-Lo discount variety store and an ALDI supermarket (1,500sqm) on a pad site. There are a total of 80 shops in the centre of which 8 are vacant.

Other retailers on pad sites include highway based fast food stores – McDonalds, Pizza Hut and Red Rooster, a fruit barn, TAB and Video Ezy.

Whilst Minto has a slightly more retail floor space than Ingleburn, it has very little non-retail commercial space.

Planning Controls

The land is zoned 10(b) “District Comprehensive Centre” under LEP 2001. The zone is flexible in its allowance of the vast majority of land uses with development consent. Residential and light industrial uses as well as retail and commercial uses are permissible.

The zone also incorporates the three schools, library and playing fields immediately north of Monaghan Street from Minto Mall.



Minto Mall northern entrance



Inside Minto Mall



Vacant shops on Lower Level



Fast Food Retailers on Pembroke Road

### Performance

Minto Mall has a reported turnover of \$68m in 2002. Turnover would currently be in the low \$70m range which calculates to around \$3,600 to \$3,700 per square metre. This is around 30% below NSW average for similar size shopping centres. Whilst this performance is on the low side it is quite sustainable.

There are few notable vacancies on the main level in the indoor centre. However there are around 7 to 8 vacancies on the lower level facing Brookfield Road.

### Issues and Challenges

Minto has fairly high visitation rates (close to 3.5m per annum) but the low household income levels in the primary trade area means translates to low turnover level. In the longer term the renewal of the public housing in Minto will increase household expenditure, which should translate to higher turnover levels.

As a retail centre Minto has some advantages over Ingleburn – good accessibility, ample parking, weather protection and some anchor tenants including an ALDI store and a discount department store.

Minto Mall has come under some criticism from stakeholders about its appearance and lack of maintenance. There has been some hearsay about its possible sale. Whilst refurbishment would be beneficial any increase in floor area should be carefully assessed because of potential adverse impacts on Ingleburn.

## **7.4 Glenquarie (Macquarie Fields)**

### Location

Glenquarie is bounded by Harold Street, Victoria Road, Brooks Street and James Meehan High School in Macquarie Fields. The centre is 1.2km east of Macquarie Fields Station, 8km south of Liverpool and 11km north of Campbelltown Station.

### Role and Function

Glenquarie is a large neighbourhood centre to meet the weekly shopping needs of Macquarie Fields and Ingleburn.

### Retail and Commercial Mix

The shopping centre is a single level indoor centre of 9,175sqm. Tenants include a Bi-Lo supermarket (1,418sqm), Country Target (1,200sqm), a Go-Lo discount variety store, a Video Ezy, medical centre and 46 specialties.

Around the indoor centre on various pad sites is a tavern, petrol stations with convenience stores and a KFC and McDonalds family restaurants.

Around the indoor centre are a number of commercial uses including Police, Library and a Senior Citizens centre.



Inside Glenquarie Shopping Centre



Fast Foods and Service Stations on Harold Street

### Planning Controls

The land is zoned 10(b) “District Comprehensive Centre” under LEP 2001. The zone is flexible in its allowance of the vast majority of land uses with development consent. Residential and light industrial uses as well as retail and commercial uses are permissible.

The zone also incorporates the James Meehan school and James Meehan Park adjacent to, and south of, the shopping centre.

The zoning is somewhat inconsistent with the role of the centre since it is neither large enough, nor has the range of retailers, to be classified as a district centre.

### Performance

Glenquarie centre in 2003 had a reported turnover of \$40m. Current turnover would be in the range of \$40m to \$45m, which equates to around \$3,600 to \$3,700/sqm. This is a similar performance to Minto Mall and is around 30% to 35% below NSW average for sub-regional shopping centres as defined by the Australian Property Council. Whilst turnover is quite low it is easily sustainable.

There are three vacancies in the indoor centre – each of them being shops that face the car park rather than inside the centre.

### Issues and Challenges

Reported visitation rates in Glenquarie (3.5 million per annum) are quite high but as with Minto Mall this does not necessarily translate to high turnover due to the lower household income levels in the trade area. Further divestment of public housing to private will help the sustainability of the retail centre. A longer term option is the rezoning of land to permit higher density residential development around the railway station and around Glenquarie.

Expansion of the retail in Glenquarie is unlikely to occur, and would also be controversial because of likely impacts on other retail centres. Although there is no urgency a rezoning of the land to reflect the centre's role as a neighbourhood rather than district centre is desirable.

## 7.5 Eagle Vale

### Location

Eagle Vale Marketplace is bounded by Gould Road, Eagle Vale Drive and Emerald Drive in Eagle Vale 3.5km due north of Campbelltown on the other side of the railway and Hume Highway.

### Role and Function

Eagle Vale is a neighbourhood centre meeting the weekly shopping needs of households in the suburbs of Eagle Vale, Claymore and Eschol Park. However the centre also attracts considerable expenditure further out into the suburbs of Raby and Kearns and possibly St Andrews. It is reasonably located near the centre of the urban area on the west side of the motorway quite close to Raby Road which is one of the busiest access points across the motorway. Because of this the centre provides a quasi-role as a convenience centre to meet the needs of "just-in-time" shoppers commuting home from work. In PM peak time the car park is full.

### Retail and Commercial Mix

The shopping centre is based on the Woolworths Marketplace concept of an indoor centre set back from the street with ample parking in front. Inside is a Woolworths supermarket of 4,100sqm and 16 specialties. Outside are a few pad sites with a petrol outlet and McDonalds restaurant. Total floor space is 6,831sqm.

There are few non-retailing commercial tenants other than a credit union. Outside the indoor centre across Feldspar Road is the library and community centre.



Inside Eagle Vale Marketplace

### Planning Controls

The land is zoned 10(b) “District Comprehensive Centre” under LEP 2001. The zone is flexible in its allowance of the vast majority of land uses with development consent. Residential and light industrial uses as well as retail and commercial uses are permissible. The zone also incorporates the library and community centre.

The zoning is somewhat inconsistent with the role of the centre since it is neither large enough, nor has the range of retailers, to be classified as a district centre.

### Performance

With a turnover of around \$55m this the highest performing centre in the LGA on a per square metre basis (\$8,000/sqm). This is around 30% to 35% higher than NSW average for indoor neighbourhood centres. There were no vacancies at the time of field survey in March 2004.

Its strong performance is its dominance over the other retail centres on the western side of the motorway, relative isolation from Campbelltown and Macarthur Square and higher levels of convenience for the market on its side of the motorway.

### Issues and Challenges

Traffic and parking is becoming an issue during the PM peak times. Turnover is strong enough to encourage expansion but space is limiting and the trade area at around 30,000 people is just a little small for a district centre.

Eagle Vale is the success story in the urban area west of the railway. However this has come at a cost to other retail centres – notably Claymore and Raby.

## **7.6 Rosemeadow**

### Location

Rosemeadow Marketplace is bounded by Copperfield Drive, Fitzgibbon Lane and Thomas Rose Drive in Rosemeadow, 2.6km due south of Macarthur Square.

### Role and Function

The marketplace is a neighbourhood centre to meet the weekly shopping needs of households in the suburb of Rosemeadow. It may also have some influence on the surrounding suburbs of Glen Alpine, Ambarvale and St Helens Park because the larger centres in Campbelltown CBD are less convenient for food and grocery shopping.



Rosemeadow Marketplace



Inside Rosemeadow Marketplace

### Retail and Commercial Mix

The shopping centre is based on the Woolworths Marketplace concept of an indoor centre set back from the street with ample parking in front. Inside is a Woolworths supermarket of 3,700sqm and 20 specialties including Go-Lo and Video Ezy. Outside are a few pad sites with a petrol outlet and a large 1,200sqm McDonalds restaurant. Total floor space is 7,500sqm.

There are few non-retailing commercial tenants other than Australia Post. Just outside the marketplace is a community health centre.

### Planning Controls

The land is zoned 10(b) "District Comprehensive Centre" under LEP 2001. The zone is flexible in its allowance of the vast majority of land uses with development consent. Residential and light industrial uses as well as retail and commercial uses are permissible.

The zone also incorporates the community health centre and Ambarvale High School.

The zoning is somewhat inconsistent with the role of the centre since it is neither large enough, nor has the range of retailers, to be classified as a district centre.

### Performance

With a reported turnover of \$39m in 2004 this is one of the stronger performing centres in the LGA on a per square metre basis (\$5,140/sqm). This is also average for NSW indoor neighbourhood centres.

There were no vacancies at the time of field survey in March 2004.

## 7.7 Ambarvale

### Location

Ambarvale shops are located on Woodhouse Drive between Copperfield Drive and Therry Road, Ambarvale only 1km due south of Macarthur Square and 2km from Campbelltown Mall.

### Role and Function

Ambarvale shops is (or was) the neighbourhood centre for Ambarvale. Its role has diminished over the past couple of decades due to its close proximity to Macarthur Square and the opening of Rosemeadow Marketplace in 1993.



Ambarvale Shopping Centre



New Residential Units at Ambarvale Centre

### Retail and Commercial Mix

Ambarvale is an open centre with a small supermarket (1,000sqm), a tavern and 11 specialty shops of which 5 are vacant.

### Planning Controls

The land is zoned 10(c) “Neighbourhood Comprehensive Centre” under LEP 2001. A larger range of land uses are prohibited under this zone including amongst other things industrial, storage, automotive and recreational establishments.

The zone also incorporates a large number of land uses adjoining the shopping centre including Ambarvale Sports Complex, Thomas Reddall High School, Ambarvale Primary School, a youth centre, a church and some new 3-4 storey residential apartments.

### Performance

The retail centre is performing poorly with five of the eleven specialty shops being vacant. Discussions with local agents confirm that securing tenants is difficult despite the asking rent levels (around \$250/sqm) being considerably lower than other centres in the LGA. Agents advice however that the tavern is trading successfully.

## Issues and Challenges

Ambarvale is in a difficult location being so close to Macarthur Square and only 1.6km from Rosemeadow marketplace which has a superior retail offer. The supermarket is small rather than full-line which diminishes its convenience role in comparison to Rosemeadow. And Macarthur Square, which is only 1km away, has a far superior retail offer.

The centre doesn't appear to enjoy any synergy with the adjoining land uses such as the Sports Complex and the vacant shops are giving the centre a blighted appearance. Its design and elevation results in a lack of strong visibility from the road.

If Ambarvale is to survive it needs to reinvent itself as a convenience centre, refurbish the buildings and improve its ambience. An alternative may be redevelopment of the centre with high density residential development and ground floor shop front space with stronger visibility to the street. In any redevelopment option a larger supermarket with fresh food lines would strengthen its role as the primary choice for weekly and "just-in-time" shopping.

## **7.8 Bradbury**

### Location

Bradbury shops is located on the Parkway between Campbellfield Avenue and St Johns Road in Bradbury 1.6km due south of Campbelltown Mall.

### Role and Function

Bradbury shops is (or was) the neighbourhood centre for Bradbury. Its role has diminished over the past decade due to its close proximity to Campbelltown Mall and lack of maintenance.

### Retail and Commercial Mix

Bradbury centre has a total floor area of around 3,000sqm of retail space, a 1,400sqm tavern and 3,500sqm of commercial uses including a medical centre, a fitness gymnasium, vet, childcare facility and professional suites. The retail space is in an open centre around an internal courtyard. The anchor tenant is an 800sqm Five Star Supermarket. There are 15 specialties of which 2 are vacant.



Bradbury Shopping Centre from The Parkway



Courtyard in the Shopping Centre

### Planning Controls

The land is zoned 10(c) “Neighbourhood Comprehensive Centre” under LEP 2001. A larger range of land uses are prohibited under this zone including amongst other things industrial, storage, automotive and recreational establishments.

The zone also incorporates Bradbury Primary School and a church as well as the commercial and recreational uses.

### Performance

Discussions with stakeholders suggest that Bradbury was once a viable centre, which attracted local residents for its convenience. However over the past decade or more it has lost considerable market share largely due to neglect (low levels of property management and maintenance) and possibly due to expansions in the Campbelltown CBD.

### Issues and Challenges

Bradbury is in a difficult location being so close to Campbelltown Mall where the retail offer is vastly superior. The supermarket is small rather than full-line which diminishes its convenience role in comparison to say Rosemeadow.

The lack of attention and the vacant shops are giving the centre a blighted appearance. Like Ambarvale it doesn't enjoy high exposure and the road it fronts is a local street.

Bradbury needs to reinvent itself as a convenience centre, refurbish the buildings and improve its ambience. As with Ambarvale an alternative may be redevelopment of the centre with medium density residential development and ground floor shop front space with stronger visibility to the street. In any redevelopment option a larger supermarket with fresh food lines would strengthen its role as the primary choice for weekly and “just-in-time” shopping.

## 7.9 Airds

### Location

The Airds retail centre is located on Riverside Drive immediately north of, and adjacent to, Airds High School near the corner of Briar Road. The centre is around 2.4km southeast of Campbelltown Mall.

### Role and Function

The suburb of Airds was developed by the NSW Department of Housing for public housing and the centre was built in 1979 to provide retail and community services for the residents in the suburb. The retail centre has since been sold to a private investor.

Airds is a neighbourhood centre with a trade area that covers the suburb. It has very little influence or capture of expenditure outside the suburb.



Airds Shopping Centre

### Retail and Commercial Mix

The retail centre is based on a semi-open courtyard design with the shops facing inward, similar to Bradbury. The anchor tenant is the Airds Food Barn – a 1,300sqm supermarket. There are 16 specialty stores of which 2 are vacant.

Adjacent to the retail facility is a tavern, youth centre and indoor sports centre or gymnasium.

### Planning Controls

The land is zoned 10(c) “Neighbourhood Comprehensive Centre” under LEP 2001. A larger range of land uses are prohibited under this zone including amongst other things industrial, storage, automotive and recreational establishments.

The zone also incorporates Airds High School, a tavern, youth centre and indoor sports centre.

## Performance

Airds is trading very poorly indicated by neglect of the centre and vacancies.

## Issues and Challenges

Airds is a centre in decline that has resulted from several factors. First its design is poor based on a Radburn style of shops facing an internal court rather than the street. This results in poor surveillance and security and low visibility from the street. Secondly the location is not ideal from a commercial or convenience viewpoint. Thirdly almost the whole of its trade area comprises public housing tenants with low spending levels. Lastly the centre has not been maintained and has been neglected.

The centre should benefit from the renewal program in the longer term as there is likely to be an increase in dwelling numbers with mixed tenure and more private housing with greater spending power.

Airds needs to reinvent itself as a convenience centre, refurbish the buildings and improve its ambience. As with Ambarvale and Bradbury an alternative in the longer term may be redevelopment of the centre with ground floor shop front space facing the street and shop top housing. Whilst a larger full-line supermarket would be desirable, this is unlikely given that the trade area is around half the required size to make this a viable option. Possible extension of its trade area is constrained by the location of neighbouring centres of Bradbury, Ruse and South Bradbury.

In the redevelopment option frontage to Briar Road provides a superior location with greater exposure.

## **7.10 Claymore**

### Location

Claymore centre is located on Dobell Road in the middle of Claymore near the intersection of Gould Road. It is about 2.2km due north of Campbelltown Station and 1.4km south of Eagle Vale Marketplace.

### Role and Function

The suburb of Claymore was developed by the NSW Department of Housing for public housing and the centre was built to provide retail and community services for the residents in the suburb. The retail centre has since been sold to a private investor.

Claymore was a neighbourhood centre with a trade area that covered the suburb. However the supermarket recently closed and with no anchor tenant the centre is effectively without a role or function.



Claymore Shopping Centre



### Retail and Commercial Mix

The retail centre is based on an small internal courtyard design with the shops facing inward, similar to Bradbury and Airs. The anchor tenant was a 1,300sqm supermarket which was recently closed. There are 11 specialty stores of which 4 are vacant and a medical centre.

### Planning Controls

The land is zoned 10(c) “Neighbourhood Comprehensive Centre” under LEP 2001. A larger range of land uses are prohibited under this zone including amongst other things industrial, storage, automotive and recreational establishments. The zone incorporates an adjoining community centre and primary school.

### Performance

The closure of its anchor tenant – the supermarket as well as half the specialty shops clearly demonstrates an almost lifeless centre.

### Issues and Challenges

Claymore’s poor performance has resulted from several factors. First its design is poor based on same style as Airs and Bradbury with the shops facing an internal court rather than the street. This results in poor surveillance and security and low visibility from the street. Secondly the location is poor from a commercial or convenience viewpoint and the land slopes down from the street resulting in poor visibility from the road. Thirdly it is in the middle of a suburb of public housing tenants with low spending levels. Fourthly the centre has not been maintained and has been neglected. Lastly Eagle Vale with a far superior retail offer, including a full-line supermarket, has captured the bulk of the Claymore market.

In the long term renewal of Claymore suburb will increase expenditure levels but that is of little comfort to the centre at this point in time. Whilst the centre is providing some services (medical and postal services) without a supermarket it has failed to provide for the weekly shopping needs of the local community. There is little reason to retain the retail centre in its present form. The land could be redeveloped for residential use with some of those viable uses such as the medical centre being incorporated in any redevelopment option.

In any case the centre is in a poor location. Whilst Claymore does not need a retail centre, it would be desirable to have a local centre in a more appropriate location on Gould Road, preferably on the corner of Dobell Road where the land is more level with the road and exposure to the street is maximised. Again a “mainstreet” theme with shop top housing would provide a far superior design although this option is unlikely to be feasible until the renewal of Claymore is underway. It’s unlikely that this outcome will happen for many years but nevertheless rezoning should facilitate it.

## 7.11 Glenfield

### Location

Glenfield is a strip retail centre on railway Parade adjacent to the Railway Station 6 kilometres southwest of Liverpool Station.

### Role and Function

Glenfield provides some local convenience role but it has no anchor tenant or supermarket to effectively meet regular shopping needs.



Glenfield Shopping Centre

### Retail and Commercial Mix

Glenfield comprises 19 specialty shops of which 4 are commercial premises (non-retail services) and 4 are vacant.

### Planning Controls

The land is zoned 3(b) “Neighbourhood Business Zone” under LEP 2001.

### Performance

Four vacancies in the centre suggest that performance is poor. Whilst the street improvements are noticeable the shops do have a somewhat neglected appearance.

## Issues and Challenges

Glenfield is strong growth area over the next several years due to the release of land in North Glenfield. Whether or not Glenfield can capture any of that market remains to be seen. Its likely that the residents of North Glenfield will be more attracted to Casula and later Edmondson Park where the retail offer will be far greater.

Glenfield has no supermarket or other anchor tenant. As such its role is relegated to a subsidiary or sub-neighbourhood role for top-up shopping. Incorporating a supermarket would strengthen its role and influence however the possible impacts on Glenquarie would need to be considered given that Glenquarie is already trading 30% below NSW average for similar size centres.

Glenfield has a considerable volume of rail commuters and the local centre is perfectly position in terms of integration with public transport. The future for Glenfield would be consolidation of the retail core with more intense development including shop-top housing. Glenfield's role as an urban village providing goods and services for the immediate population and for rail commuters should be strengthened (by inclusion of an anchor tenant such as a small supermarket).

## **7.12 Leumeah**

### Location

Leumeah shops are adjacent to the railway station 2km northeast of Campbelltown.

### Role and Function

Leumeah provides some local convenience role but it has no large supermarket – only a small IGA, which limits its role as an effective neighbourhood centre. Notwithstanding that it does provide a diverse range of local specialty shops normally found in neighbourhood centres.

### Retail and Commercial Mix

Leumeah has a small 250sqm IGA supermarket and 22 specialty stores of which 3 are commercial.

### Planning Controls

The land is zoned 10(c) “Neighbourhood Comprehensive Centre” under LEP 2001. A larger range of land uses are prohibited under this zone including amongst other things industrial, storage, automotive and recreational establishments.



Leumeah Shopping Centre



Leumeah Club Hotel

### Performance

There are no vacancies in Leumeah suggesting adequate performance.

### Issues and Challenges

Leumeah has a strong advantage in terms of public transport integration being adjacent to the railway station. There is also considerable opportunity for higher density urban village development which would further support Leumeah's role as a neighbourhood centre. A larger supermarket is desirable and would also strengthen the centre's role without significantly undermining the viability of other retail centres.

Leumeah is adjacent to the Campbelltown Sport Stadium yet it hasn't really provided synergy with this land use. There may be potential to capitalise on this with appropriate marketing, retail mix and theming. The Sport Stadium precinct includes the Sports Stadium, Sportsground/athletics field, Tennis Club and car park and the Western Suburbs Leagues Club.

A masterplan for the Sports Stadium precinct is currently being prepared by Civitas on behalf of Council. The aims of the masterplan is to investigate possible land uses, establish market potential, formulate highest and best uses and develop urban design options for the precinct.

## **7.13 Other Centres**

Other centres not listed above include the following:

<u>Name</u>	<u>Location</u>	<u>No. of Shops</u>	<u>Majors</u>	<u>Comments</u>
Kearns	Epping Forest Drive & Kearns Avenue	10	Small supermarket	
Minto (Station)	Minto Road, cnr of Redfern Road	30	None	8 vacant shops
Ruse	Junction Road	11	5-star supermarket and tavern	
Saywell Road	Saywell Road, corner of Atchison Road, Macquarie Fields	30	None	
South Bradbury	Woodland Road (St Helens Park)	5	Small supermarket, Jehovahs Witness	
St Andrews	Ballantrae Drive	11	Small Supermarket	

Some of these centres – Kearns, St Andrews and South Bradbury are zoned “10(c) Local Comprehensive Zone”. The others are zoned “3(c) Neighbourhood Business”.

In addition to the above there are approximately 10 to 15 very small centres (each less than 2,000sqm) in various locations throughout the LGA. Examples include:

- North Steyne Road, Woodbine (small grocery store);
- Thunderbolt Drive, Raby (medical centre and pharmacy);
- Harrow Road and Belmont Road, Glenfield (mini-supermarket and 5 specialties);
- Hoddle and Jacaranda Avenue, Bradbury (mini-supermarket and 4 specialties); and
- Blaxland Road and The Kraal Drive, Blair Athol (stand alone ALDI store).

Most of these sites are zoned “3(c) Neighbourhood Business” but some may be zoned residential. Woodbine is zoned “10(c) Local Comprehensive Zone”.

## 7.14 Campbelltown Peripheral Retailing

### Location

Campbelltown peripheral retailing is a vast area of land stretching from Rose Payten Drive in Leumeah to Narellan Road in Blair Athol. Its bounded by the railway line, Kanbyugal Reserve Woodbine and the railway line. It’s an elongated linear area of land generally along both sides of Campbelltown Road in Leumeah and Blaxland Road in Campbelltown.

### Role and Function

This precinct has historically been a focus of light industrial activity. Although much of the area has now been developed, there is now widespread evidence of a change in its land use character. This can be seen in the redevelopment of substantial tracts of land for peripheral (bulky goods) retailing, with the overall result that the precinct is now the most significant concentration of bulky goods in the Macarthur Region.

### Retail and Commercial Mix

The area is dominated by bulky goods retailers including, but not limited to:

- department stores such as Harvey Norman and Domayne;
- furniture shops such as Frisco Furniture, Fantastic Furniture and Country Style Furniture;
- category killers such as Toys R Us and Babies Galore;
- bedding shops such as Sleeping Giant, Forty Winks and Sleep Doctor;
- electrical stores such as The Good Guys, Retravision and Bing Lee;
- homemakers stores including tiling stores, curtains, carpets, paint, etc; and
- automotive retailing including Bearings and Supa Cheap Auto.

Many of these stores are in stand alone buildings or attached in the one building with direct frontage to the street. Car parking is often provided on site in front of the building for clear visibility.

### Planning Controls

The land is zoned 4(b) "Industry B" under LEP 2001. This is a vast area stretching almost 3.5km from Rose Payten Drive to Narellan Road.

### Performance

Whilst there are no trading figures, expansion in the past decade and continued strong interest from retailers to further expand is evident of strong performance. Expenditure analysis provides further evidence of sound performance.

For the purpose of demand assessment we had defined bulky goods expenditure to include soft furnishings, furniture and floor coverings, domestic hardware and houseware and domestic appliances. Also included are 25% of department stores representing the proportion of their turnover that is bulky goods related<sup>4</sup>. In 2004 total bulky goods turnover generated by household expenditure in the Macarthur Region was estimated at \$327m. This is expected to grow to \$391m in 2009 and \$470m in 2014 representing 3.7% per annum growth.

**Table 2 - Bulky Goods Floor Space in the Macarthur Region**

<b>Centre</b>	<b>Bulky Goods GLA(sqm)*</b>
Campbelltown CBD	19,000
Campbelltown / Leumeah 4(b) Zone	46,000
Minto including 4(b) Zone	5,500
Narellan (bulky goods area only)	12,500
Contingency (at 7.5%)	6,000
<b>TOTAL</b>	<b>89,000</b>

\* Includes 25% of Department Stores

Sources: Hill PDA Survey 2005 and PCA Shopping Directory

4. ABS Retail Industry Survey 1998-99, Catalogue No. 8624.0

Assuming the Macarthur Region is a closed economy (or expenditure escaping equals expenditure being captured from outside) then the existing bulky goods floor space in the trade area is averaging a turnover of approximately \$3,700/sqm. This is around 5% higher than the national average (\$3,500/sqm)<sup>5</sup>. Whilst this is not a significant level of premium bulky goods developers and retailers recognise the significant growth in the market. Due to competition retailers are motivated to operate ahead of demand notwithstanding some short-term oversupply. Expenditure is increasing at a rate of around \$13m to \$15m every year and this generates demand for an additional 4,000sqm of bulky goods retail floor space in the region every year. We can expect that around 3,000sqm of that will be located in the Leumeah/Campbelltown 4(b) zoned area.

### Issues and Challenges

The development of this precinct for peripheral sales activity is a direct reflection of several key locational attributes. Its entrance lies at the northern entrance into Campbelltown from the Motorway which results in a high level of visual exposure to passing traffic. It commands an extensive frontage to Blaxland Road, which is a bypass but is also within walking distance of the City Centre. With its now substantial quantity of bulky goods retail floor space, it has developed a strong market identity. These strengths represent considerable advantages over many other locations where bulky goods retailing activity could be permitted, and can be considered to form the basis for pressure to intensify the level of activity in the precinct.

With the development of this precinct several issues have emerged. One relates to the displacement of traditional industrial activity. The other issue arises from the competitive pressures exerted by the precinct on retailing activity the City Centre. It is in the planning and management of these issues that the challenges lie.

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5. National average is around \$3,500 based on ABS Retail Survey 1998-99 escalated to \$2004.

## 8. DEMAND FOR RETAIL AND COMMERCIAL SPACE

Demand for retail space within a trade area is dependent upon household expenditure. Household expenditure is dependent upon population, the number of households and the socio-demographic characteristics of those households. Most notably there is a strong positive correlation between household income levels and expenditure.

### 8.1 Trade Areas

A centre's trade area refers to a geographical area with a boundary whereby the majority of expenditure within that area is captured by the subject retail centre. Alternatively it refers to a major proportion of expenditure where trade areas overlap. There may be different trade areas for different types of retail stores or commodities.

For food and grocery shopping people generally choose a retail centre closer to where they live provided that the retail offer is good.

Top up shopping is often referred to as shopping for a few items of food and groceries when needed quickly. Here the selection is a lot broader and residents patronized numerous centres, petrol stations, convenience stores and other outlets all around.

The choice of retail centres for clothing shopping is more limited. In this case shopping for clothes is quasi-entertainment rather than a chore. Often it's a case of comparing items in different stores and so shoppers will travel further to centres with a greater retail offer.

In this case the major destinations for clothes shopping are the larger regional and district centres.

For bulky goods shopping the trade areas are effectively just as broad, if not broader. Traditionally department stores in the regional centres were a major source of bulky goods expenditure but over the past couple of decades bulky goods retailing in the peripheral areas have captured the majority share of expenditure.

### 8.2 Socio-Demographics

The tables below details the key socio-economic characteristics of each of suburbs of Campbelltown LGA compared to the LGA and Sydney Statistical Division as at 2001.

**Table 3 - Population and Household Structure**

	Total Population	Occupied Private Dwellings	Average Household Size	Family Households	Lone Person Households	Group Households
Airds	4,105	1,227	3.35	83.9%	15.1%	1.0%
Ambervale	7,553	2,281	3.31	86.5%	11.0%	2.5%
Blair Athol	1,134	328	3.46	89.0%	8.5%	2.5%
Blairmount	547	100	5.47	85.9%	11.1%	3.0%
Bow Bowing	1,630	495	3.29	89.6%	9.0%	1.4%
Bradbury	9,036	3,090	2.92	81.4%	16.2%	2.4%
Campbelltown	8,795	3,380	2.60	69.9%	26.2%	3.9%
Claymore	3,568	1,015	3.52	86.8%	11.8%	1.4%
Eagle Vale	5,889	1,701	3.46	88.0%	9.7%	2.3%
Eschol Park	2,796	868	3.22	85.4%	13.0%	1.5%
Glen Alpine	4,178	1,163	3.59	95.3%	3.9%	0.8%
Glenfield	6,983	2,215	3.15	78.2%	19.6%	2.2%
Ingleburn	14,252	5,115	2.79	77.3%	19.9%	2.8%
Kearns	2,896	835	3.47	86.2%	12.6%	1.2%
Leumeah	9,044	3,209	2.82	77.9%	19.3%	2.8%
Long Point	361	113	3.19	86.8%	13.2%	0.0%
Macquarie Fields	13,714	4,586	2.99	80.5%	17.5%	2.1%
Macquarie Links	335	94	3.56	91.3%	5.4%	3.3%
Minto	11,301	3,620	3.12	81.3%	16.9%	1.8%
Raby	6,357	1,926	3.30	88.9%	9.7%	1.3%
Rosemeadow	7,947	2,357	3.37	88.2%	10.2%	1.6%
Ruse	5,809	1,904	3.05	86.0%	12.4%	1.7%
St Andrews	6,246	1,824	3.42	89.3%	9.6%	1.1%
St Helens	5,761	1,815	3.17	85.7%	11.4%	2.9%
Woodbine	2,722	812	3.35	89.8%	7.8%	2.4%
Campbelltown LGA	145,295	46,736	3.11	82.5%	15.3%	2.2%
Sydney SD	3.948m	1.438m	2.74	73.3%	22.4%	4.3%

Source: ABS Census 2001

**Table 4 - Age Structure**

Suburb	0-14	15-29	30-44	45-59	60-74	75+	Total	Median Age
Airds	35.4%	23.6%	18.3%	15.8%	5.6%	1.3%	100.0%	23.5
Ambervale	29.0%	23.8%	23.3%	17.2%	5.2%	1.4%	100.0%	27.6
Blair Athol	23.2%	28.6%	25.4%	17.1%	4.4%	1.3%	100.0%	29.1
Blairmount	26.5%	38.4%	16.5%	11.5%	4.6%	2.6%	100.0%	18.8
Bow Bowing	28.0%	22.5%	29.6%	14.7%	3.6%	1.6%	100.0%	29.7
Bradbury	21.1%	25.0%	18.8%	21.9%	9.6%	3.6%	100.0%	33.0
Campbelltown	20.5%	23.9%	20.5%	18.6%	11.3%	5.3%	100.0%	34.0
Claymore	40.8%	24.2%	17.9%	12.7%	3.6%	0.7%	100.0%	20.1
Eagle Vale	30.4%	22.2%	27.2%	14.7%	4.5%	0.9%	100.0%	27.9
Eschol Park	25.9%	26.1%	24.6%	19.0%	3.6%	0.8%	100.0%	28.8
Glen Alpine	25.5%	21.8%	25.1%	21.9%	4.5%	1.3%	100.0%	32.3
Glenfield	21.3%	23.3%	20.2%	19.1%	8.4%	7.7%	100.0%	34.3
Ingleburn	21.9%	23.0%	22.6%	19.9%	8.9%	3.7%	100.0%	33.8
Kearns	31.9%	19.2%	28.5%	13.6%	5.2%	1.7%	100.0%	28.9
Leumeah	21.0%	24.1%	20.2%	22.9%	8.6%	3.2%	100.0%	33.9
Long Point	20.2%	27.7%	21.3%	22.2%	8.6%	0.0%	100.0%	32.5
Macquarie Fields	27.7%	21.8%	23.0%	17.8%	7.4%	2.3%	100.0%	30.3
Macquarie Links	25.7%	21.2%	29.6%	19.1%	3.6%	0.9%	100.0%	31.8
Minto	29.6%	23.6%	22.0%	17.1%	5.9%	1.8%	100.0%	27.8
Raby	26.7%	23.5%	26.5%	17.8%	4.3%	1.2%	100.0%	29.8
Rosemeadow	30.9%	24.4%	25.1%	14.3%	4.1%	1.3%	100.0%	26.6
Ruse	19.8%	26.3%	17.9%	27.9%	5.9%	2.2%	100.0%	33.5
St Andrews	27.6%	23.4%	24.6%	18.7%	4.3%	1.4%	100.0%	29.2
St Helens	32.0%	25.6%	26.0%	12.4%	3.1%	0.9%	100.0%	26.6
Woodbine	23.1%	26.8%	20.7%	22.7%	5.0%	1.7%	100.0%	30.0
Campbelltown LGA	26.1%	23.7%	22.5%	18.6%	6.6%	2.6%	100.0%	30.2
Sydney SD	20.2%	21.9%	23.8%	18.4%	10.1%	5.6%	100.0%	34.9

Source: ABS Census 2001

**Table 5 - Ethnicity**

Suburb	Australasian & Oceania	Europe	North Africa and the Mid East	Asia	Americas	Sub-Saharan Africa	Other /Not Stated	Total
Airds	75.6%	6.4%	2.3%	2.3%	1.2%	0.3%	12.0%	100.0%
Ambervale	73.4%	9.9%	1.6%	5.1%	2.0%	1.2%	6.7%	100.0%
Blair Athol	59.1%	9.3%	1.7%	20.8%	3.1%	1.3%	4.7%	100.0%
Blairmount	79.3%	6.6%	3.9%	4.3%	1.6%	0.5%	3.9%	100.0%
Bow Bowling	68.5%	8.4%	1.0%	11.6%	2.9%	1.8%	5.7%	100.0%
Bradbury	76.4%	12.5%	1.2%	2.5%	1.2%	1.3%	5.0%	100.0%
Campbelltown	73.1%	10.8%	1.8%	4.9%	1.5%	1.1%	6.7%	100.0%
Claymore	74.9%	4.2%	2.3%	3.6%	1.1%	0.4%	13.6%	100.0%
Eagle Vale	70.8%	8.0%	2.5%	8.9%	1.8%	1.7%	6.4%	100.0%
Eschol Park	75.4%	9.4%	1.5%	3.6%	2.8%	1.1%	6.2%	100.0%
Glen Alpine	73.8%	11.5%	0.9%	6.7%	1.2%	2.4%	3.5%	100.0%
Glenfield	66.8%	11.6%	1.8%	9.3%	1.6%	1.4%	7.4%	100.0%
Ingleburn	70.1%	11.6%	1.3%	8.2%	1.7%	1.1%	6.0%	100.0%
Kearns	76.9%	9.4%	1.5%	4.2%	1.2%	1.4%	5.4%	100.0%
Leumeah	74.3%	11.3%	1.4%	5.2%	0.8%	1.1%	5.9%	100.0%
Long Point	74.1%	10.9%	0.8%	5.0%	2.8%	0.0%	6.4%	100.0%
Macquarie Fields	70.2%	9.0%	2.4%	7.9%	1.8%	1.1%	7.5%	100.0%
Macquarie Links	61.0%	12.4%	1.0%	12.1%	1.0%	5.1%	7.6%	100.0%
Minto	72.5%	7.7%	1.3%	8.1%	1.5%	1.1%	7.8%	100.0%
Raby	74.7%	10.2%	1.6%	5.6%	1.6%	1.6%	4.6%	100.0%
Rosemeadow	72.2%	7.5%	1.7%	8.0%	3.1%	0.9%	6.7%	100.0%
Ruse	79.3%	11.7%	0.7%	2.4%	0.6%	0.8%	4.4%	100.0%
St Andrews	71.9%	9.6%	2.9%	6.8%	1.7%	1.9%	5.2%	100.0%
St Helens	76.9%	8.4%	0.8%	4.7%	1.7%	1.1%	6.5%	100.0%
Woodbine	69.0%	10.5%	3.1%	6.5%	2.8%	2.2%	6.0%	100.0%
Campbelltown LGA	72.8%	9.9%	1.7%	6.3%	1.6%	1.2%	6.5%	100.0%
Sydney SD	65.3%	11.8%	3.1%	10.6%	1.5%	1.0%	6.7%	100.0%

Source: ABS Census 2001

**Table 6 - Home Ownership**

Suburb	Owned or Being Purchased	Rented	Other	Not Stated	Total
Airds	4.4%	87.4%	0.3%	7.9%	100.0%
Ambervale	58.1%	36.5%	1.2%	4.2%	100.0%
Blair Athol	74.0%	19.0%	2.7%	4.2%	100.0%
Blairmount	59.6%	32.7%	4.8%	2.9%	100.0%
Bow Bowling	79.8%	15.4%	1.8%	3.0%	100.0%
Bradbury	71.7%	23.1%	1.3%	3.9%	100.0%
Campbelltown	58.7%	35.3%	1.4%	4.5%	100.0%
Claymore	2.2%	87.9%	1.0%	8.9%	100.0%
Eagle Vale	74.5%	18.3%	2.0%	5.2%	100.0%
Eschol Park	79.6%	14.8%	1.6%	3.9%	100.0%
Glen Alpine	92.2%	3.2%	2.2%	2.5%	100.0%
Glenfield	67.4%	24.0%	2.7%	5.9%	100.0%
Ingleburn	66.3%	27.4%	1.3%	5.0%	100.0%
Kearns	84.0%	10.5%	1.6%	4.0%	100.0%
Leumeah	66.6%	27.8%	1.2%	4.4%	100.0%
Long Point	65.7%	26.9%	2.8%	4.6%	100.0%
Macquarie Fields	49.8%	43.2%	1.5%	5.4%	100.0%
Macquarie Links	89.1%	0.0%	5.4%	5.4%	100.0%
Minto	48.4%	44.7%	1.4%	5.6%	100.0%
Raby	79.5%	16.0%	0.9%	3.6%	100.0%
Rosemeadow	64.9%	28.8%	1.4%	4.9%	100.0%
Ruse	83.9%	13.2%	0.4%	2.5%	100.0%
St Andrews	77.4%	17.4%	1.8%	3.4%	100.0%
St Helens	65.3%	29.6%	1.3%	3.8%	100.0%
Woodbine	78.8%	16.2%	1.2%	3.8%	100.0%
Campbelltown LGA	63.5%	30.3%	1.5%	4.7%	100.0%
Sydney SD	62.7%	29.0%	2.4%	6.0%	100.0%

Source: ABS Census 2001

**Table 7 - Weekly Household Income**

Household Income	\$0-\$299	\$300-\$599	\$600-\$999	\$1,000-\$1,499	\$1,500-\$1,999	\$2,000+	Not stated	Total	Median Income
Airds	22.1%	35.9%	15.3%	4.9%	2.8%	1.2%	17.8%	100.0%	393
Ambervale	8.4%	20.6%	21.1%	20.5%	11.3%	6.2%	12.0%	100.0%	879
Blair Athol	0.9%	8.9%	16.1%	25.0%	23.1%	14.2%	11.7%	100.0%	1367
Blairmount	5.9%	15.8%	21.8%	19.8%	15.8%	9.9%	10.9%	100.0%	1021
Bow Bowling	4.1%	11.0%	19.7%	26.8%	16.9%	10.0%	11.6%	100.0%	1201
Bradbury	9.4%	18.6%	21.3%	19.0%	11.4%	9.4%	11.0%	100.0%	906
Campbelltown	15.0%	22.6%	20.2%	16.6%	8.3%	5.4%	11.9%	100.0%	698
Claymore	24.2%	36.9%	15.8%	5.8%	1.9%	0.4%	15.0%	100.0%	392
Eagle Vale	4.6%	14.0%	23.7%	24.9%	14.4%	6.3%	12.1%	100.0%	1026
Eschol Park	5.1%	15.3%	20.4%	22.1%	15.3%	9.5%	12.4%	100.0%	1066
Glen Alpine	1.3%	6.1%	9.8%	17.7%	22.9%	28.2%	13.9%	100.0%	1676
Glenfield	9.8%	17.7%	20.5%	19.2%	12.0%	8.9%	11.9%	100.0%	918
Ingleburn	9.1%	18.4%	22.1%	19.5%	11.1%	8.5%	11.3%	100.0%	899
Kearns	5.5%	11.5%	19.0%	24.5%	17.7%	11.7%	10.1%	100.0%	1155
Leumeah	9.6%	18.6%	20.3%	19.1%	11.6%	7.8%	12.9%	100.0%	895
Long Point	12.1%	10.3%	17.8%	10.3%	14.0%	25.2%	10.3%	100.0%	1199
Macquarie Fields	12.3%	23.9%	21.4%	17.4%	7.8%	4.3%	12.8%	100.0%	708
Macquarie Links	0.0%	0.0%	11.1%	12.2%	24.4%	38.9%	13.3%	100.0%	1908
Minto	13.6%	24.6%	19.9%	16.1%	7.8%	5.1%	13.0%	100.0%	689
Raby	3.4%	12.4%	19.8%	24.7%	16.1%	11.0%	12.5%	100.0%	1165
Rosemeadow	7.1%	18.9%	22.4%	22.7%	10.8%	5.1%	13.0%	100.0%	912
Ruse	5.9%	13.1%	19.2%	20.6%	14.8%	14.5%	12.0%	100.0%	1125
St Andrews	4.2%	13.5%	20.9%	25.6%	15.8%	9.1%	11.0%	100.0%	1110
St Helens	4.5%	16.0%	26.0%	25.5%	13.6%	5.4%	9.0%	100.0%	985
Woodbine	3.8%	11.9%	21.7%	21.9%	13.7%	13.9%	13.1%	100.0%	1138
Campbelltown LGA	9.3%	18.8%	20.5%	19.4%	11.6%	8.2%	12.2%	100.0%	904
Sydney SD	10.2%	16.8%	17.6%	16.7%	13.3%	13.8%	11.7%	100.0%	989

Source: ABS Census 2001

The key characteristics of the LGA are as follows:

- Whilst single person households in Campbelltown are underrepresented in the Sydney SD, it is a growing household type with stronger representation in the older suburbs along the railway line. The newer suburbs and suburbs away from the railway line generally house nuclear family households of couples with children.
- There is strong variation in the socio-demographic character of suburbs. In particular the public housing suburbs of Airds and Claymore have very low household income, which reflects low spending levels and a high majority of income is spent on essential food and grocery items.
- Contrastingly Glen Alpine and the newer suburbs of Macquarie Links, Bow Bowling and Blair Athol have considerably higher household income and high home ownership levels than both the LGA and Sydney SD medians. These suburbs have considerably stronger demand for retail space, particularly in comparative goods shopping in the higher order centres.

## 8.3 Household Growth

Household forecasts were estimated from several sources including Council’s Residential Strategy and DIPNR’s Metropolitan Development Strategy. The results are presented in the table below.

**Table 8 - Forecast Household Numbers in Years 2004, 2009 and 2014 by Suburb**

Suburb	2004	2009	2014
Airds	1,257	1,336	1,421
Ambervale	2,335	2,483	2,641
Blair Athol	754	1,039	1,432
Blairmount	214	519	1,257
Bow Bowing	497	499	500
Bradbury	3,163	3,365	3,581
Campbelltown	3,462	3,685	3,922
Claymore	1,021	1,026	1,031
Eagle Vale	1,712	1,720	1,729
Eschol Park	873	878	883
Glen Alpine	1,188	1,262	1,341
Glenfield	2,314	4,001	6,917
Ingleburn	5,209	5,247	5,286
Kearns	841	846	851
Leumeah	3,285	3,494	3,717
Long Point	111	111	111
Macquarie Fields	4,671	4,704	4,738
Macquarie Links	230	282	346
Menangle Park	79	1,078	2,285
Minto	3,689	3,716	3,743
Raby	1,935	1,947	1,958
Rosemeadow	2,412	2,564	2,725
Ruse	1,948	2,069	2,198
'St Andrews	1,836	1,844	1,853
St Helens	2,046	2,320	2,630
Woodbine	817	820	824
Residual Area	600	600	600
<b>CAMPBELLTOWN LGA</b>	<b>50,503</b>	<b>55,465</b>	<b>62,533</b>
Camden LGA	16,292	26,131	34,209
Wollondilly LGA	12,922	14,267	15,752
<b>TOTAL MACARTHUR REGION</b>	<b>79,718</b>	<b>95,864</b>	<b>112,495</b>

Source: Hill PDA estimate based on Council and DIPNR MDP projections

The strongest growth areas are naturally the Greenfield release areas including Blairmount, Blair Athol, Glenfield and Menangle Park and the Camden LGA. Camden and Wollondilly are included in the above table because of Campbelltown's (and in particular Macarthur Square) extended trade area covering these two LGAs.

## 8.4 Household Expenditure

These households will generate retail expenditure. This is estimated from an expenditure model developed by Hill PDA using data from the ABS Household Expenditure Survey 1998-99 as well as data from the ABS Retail Industry Survey 1998-99. Since 1991 households have increased expenditure in real terms (based on ABS retail trade figures). For the purpose of this study we have assumed that growth in real expenditure will continue at 1% per annum for food, groceries and meals in restaurants and 0.5% for all other commodities. Forecast expenditure by retail store type by trade area is provided in the following table.

**Table 9 - Estimated Household Expenditure by Suburb by Retail Store Type in 2004 (\$m)**

Suburb	Supermarkets	Specialty Food & Take-away	Department Stores	Clothing Stores	Bulky Goods	Other	Cafés and Restaurants	Personal Services *	Total
Airds	6.9	2.8	1.7	1.2	3.5	1.2	0.9	0.6	18.8
Ambervale	16.3	7.6	4.7	3.4	9.3	3.1	3.0	1.6	49.0
Blair Athol	6.2	3.1	2.0	1.5	3.8	1.3	1.3	0.7	19.8
Blairmount	1.6	0.8	0.5	0.4	0.9	0.3	0.3	0.2	4.9
Bow Bowling	3.8	1.9	1.2	0.9	2.3	0.8	0.8	0.4	12.0
Bradbury	22.3	10.6	6.6	4.8	12.9	4.4	4.1	2.3	68.0
Campbelltown	22.6	10.4	6.3	4.6	12.6	4.3	3.9	2.2	66.9
Claymore	5.5	2.2	1.3	0.9	2.8	0.9	0.7	0.5	14.9
Eagle Vale	12.6	6.1	3.8	2.8	7.3	2.5	2.4	1.3	38.8
Eschol Park	6.5	3.2	2.0	1.5	3.8	1.3	1.3	0.7	20.2
Glen Alpine	10.2	5.3	3.5	2.7	6.5	2.3	2.3	1.2	34.0
Glenfield	16.4	7.8	4.8	3.5	9.5	3.2	3.1	1.7	50.0
Ingleburn	36.7	17.4	10.7	7.8	21.1	7.2	6.8	3.7	111.3
Kearns	6.4	3.2	2.0	1.5	3.8	1.3	1.3	0.7	20.2
Leumeah	23.0	10.9	6.8	4.9	13.2	4.5	4.2	2.3	69.9
Long Point	0.9	0.4	0.3	0.2	0.5	0.2	0.2	0.1	2.7
Macquarie Fields	30.6	13.9	8.5	6.1	17.0	5.7	5.2	3.0	90.0
Macquarie Links	2.1	1.1	0.7	0.6	1.4	0.5	0.5	0.2	7.1
Menangle Park	0.6	0.3	0.2	0.1	0.3	0.1	0.1	0.1	1.7
Minto	24.0	10.9	6.7	4.8	13.3	4.5	4.1	2.3	70.6
Raby	14.8	7.3	4.6	3.4	8.8	3.0	3.0	1.6	46.5
Rosemeadow	16.9	8.0	4.9	3.6	9.6	3.3	3.1	1.7	51.0
Ruse	14.8	7.3	4.6	3.4	8.8	3.0	3.0	1.6	46.5
'St Andrews	13.9	6.8	4.2	3.1	8.2	2.8	2.7	1.5	43.1
St Helens	14.9	7.1	4.4	3.2	8.6	2.9	2.8	1.5	45.4
Woodbine	6.3	3.1	1.9	1.4	3.7	1.3	1.2	0.7	19.6
Residual Area	4.8	2.5	1.6	1.2	3.0	1.0	1.0	0.5	15.8
<b>Campbelltown TOTAL</b>	<b>333.5</b>	<b>158.1</b>	<b>98.0</b>	<b>71.6</b>	<b>191.9</b>	<b>65.2</b>	<b>61.6</b>	<b>33.9</b>	<b>1,013.7</b>
Camden LGA	123.4	60.7	38.4	28.5	73.6	25.2	24.7	13.2	387.7
Wollondilly LGA	93.4	44.9	28.0	20.6	54.5	18.6	17.8	9.7	287.6
<b>TOTAL MACARTHUR</b>	<b>550.3</b>	<b>263.8</b>	<b>164.4</b>	<b>120.7</b>	<b>320.0</b>	<b>109.0</b>	<b>104.1</b>	<b>56.7</b>	<b>1,689.0</b>

\* Includes photo processing, dry cleaners, tailoring, optician, hair and beauty

Source: Hill PDA estimate from Expenditure Modelling using data from ABS Household Expenditure Survey 1998-99 and ABS Census 2001

Total household expenditure will increase in time as shown below.

**Table 10 - Forecast Household Expenditure in Years 2004, 2009 and 2014 by Suburb**

Suburb	2004	2009	2014
Airds	18.8	20.8	23.0
Ambervale	49.0	54.2	59.9
Blair Athol	19.8	28.4	40.7
Blairmount	4.9	12.3	31.1
Bow Bowling	12.0	12.5	13.0
Bradbury	68.0	75.2	83.1
Campbelltown	66.9	74.0	81.8
Claymore	14.9	15.5	16.2
Eagle Vale	38.8	40.5	42.3
Eschol Park	20.2	21.1	22.1
Glen Alpine	34.0	37.5	41.4
Glenfield	50.0	89.8	161.4
Ingleburn	111.3	116.5	122.0
Kearns	20.2	21.2	22.1
Leumeah	69.9	77.3	85.5
Long Point	2.7	2.8	3.0
Macquarie Fields	90.0	94.2	98.6
Macquarie Links	7.1	9.1	11.6
Menangle Park	1.7	24.0	52.9
Minto	70.6	73.9	77.4
Raby	46.5	48.6	50.8
Rosemeadow	51.0	56.4	62.3
Ruse	46.5	51.3	56.6

'St Andrews	43.1	45.0	46.9
St Helens	45.4	53.5	63.0
Woodbine	19.6	20.5	21.3
Residual Area	15.8	16.4	17.0
CAMPBELLTOWN LGA	1,038.9	1,192.4	1,406.9
Camden LGA	387.7	591.8	878.6
Wollondilly LGA	287.6	329.9	378.4
TOTAL MACARTHUR	1,714.1	2,114.0	2,664.0

## 8.5 Current Demand for Retail Space

Average turnover levels can be compared to benchmark turnovers to determine levels of under and over supply and forecast demand for floor space. For the purpose of the analysis we have adopted the following target turnover levels.

**Table 11 - Benchmark Turnover Levels\***

Retail Type	Average Turnover*	Required GLA (sqm)**
Supermarket	8600	39,492
Dept Store	2900	55,521
Cafes and Restaurants	3000	20,921
Other Retail	3900	120,272
TOTAL		236,206

\* Various sources including ABS Retail Survey 1998-99, JHD Retail Averages and various consultancy studies

\*\* Required floor space to meet expenditure generated by Campbelltown LGA

Given that there is around 315,000sqm of retail floor space the above table suggests that there is an oversupply of retail floor space of at least 70,000sqm. However this assumes that the LGA is a closed economy. Campbelltown is the regional centre for the Macarthur Region and regional centres typically capture around a third of total expenditure within their regional trade area. Allowing one third capture of Camden and Wollondilly expenditure derives the following results:

**Table 12 - Expenditure by Retail Store Type in Campbelltown LGA (\$/sqm)**

Retail Type	GLA (sqm)	2004	2009	2014
Supermarkets	53,400	\$7,707	\$9,010	\$10,533
Dept Stores	42,300	\$4,634	\$5,425	\$6,352
Café and Restaurants	23,500	\$3,268	\$3,827	\$4,481
Other	195,300	\$2,928	\$3,347	\$3,825
TOTAL	314,500	\$3,994	\$4,624	\$5,353

Whilst the current trading level of \$4,000/sqm is around 10% lower than national average it is higher than non-metropolitan average and is more than a sustainable level. We therefore consider the current supply of retail space to be more or less in equilibrium.

The trading figure of course is not consistent throughout the LGA. The reported turnover levels for six of Campbelltown's centres (Campbelltown Mall, Macarthur Square, Eagle Vale, Rosemeadow, Glenquarie and Minto Mall) average around \$4,800/sqm. Between these centres there is considerable variation of trading from \$3,700/sqm in Minto Mall and Glenquarie to almost \$8,000/sqm in Eagle Vale. These six centres make up 43% of the LGA's total retail floor space. The remaining 57% of retail space has an average trading level of \$3,300/sqm which is about 30% below the average turnover of the six above mentioned centres.

This variation in trading, along with competition between centres, is what results in the desire for some centres to expand even though the analysis shows no undersupply of retail floor space for the whole of the LGA. Macarthur Square is expanding because its current trading level at around \$6,000/sqm is considerably higher than national average. Whilst Campbelltown Mall is trading a little below average its desire to expand stems from competition with Macarthur Square and the need to maintain market share.

## 8.6 Forecast Demand for Retail Space

Total expenditure to be captured by Campbelltown centres (Campbelltown LGA plus one third expenditure from Camden and Wollondilly) will increase \$40m every year (in constant 2004 dollars) to 2014. This will generate demand for around 9,000sqm of additional retail space every year.

Note that demand for additional shop front floor space will be higher as some of this space will be absorbed by non-retailers (as defined under ANZIC). These are commercial operations that require shop front address and include such uses as banks and other financial institutions, home loan lenders, real estate agents, travel agents, medical services, community services to name just a few. Generally these users make up around 5% to 8% of total GLA (excluding entertainment uses) in the large indoor centres but they can be as high as 30% or more in older strip retail centres where rents are cheaper.

In addition to commercial users a vacancy rate of around 5% is a desirable level to prevent under supply. Given this an allowance of 20% of gross floor area over and above the forecast for retail floor space should be made. Hence growth in expenditure will generate demand for around 11,000 to 12,000sqm per annum of shop front floor space.

Half of this additional space will be demanded in the CBD to meet the growing regional shopping needs of the Macarthur Region. Approximately one quarter of the retail space will be in peripheral 4(b) zone. The balance will be distributed to the other centres.

Growth in demand is summarised as follows:

- CBD 6,000sqm
- Peripheral retailing 3,000sqm
- Other Centres 2,000 – 3,000sqm

This excludes the new town centres in Edmondson Park and Menangle Park, which would be developed in line with population growth in their respective neighbourhoods or districts.

## 8.7 Forecast Demand for Commercial Space

Based on discussions with leasing agents and the floor space survey we estimate that existing commercial floor space is more or less in equilibrium. Note that estimating the equilibrium level is difficult because existing vacancies are not always suitable for potential occupiers. Whilst there are some vacancies in the CBD the last commercial building erected in Campbelltown was in

1988 and there is almost no A grade space available. It is for this reason that around half of the commercial units in the proposed Centric Park Central have been sold.

Campbelltown LGA has around 220,000sqm of occupied commercial office space which equates to 1.4sqm per capita. The Sydney region has around 2sqm per capita which is expected given that a significant proportion of it is in the Sydney CBD. The rate of 1.4sqm per capita is high in comparison to other sub-regions such as Central Coast (1sqm per capita). The higher rate is due to the capture of workers from Camden and Wollondilly LGA commuting to the regional centre. If we add half the population of Camden and Wollondilly to the denominator of the equation we arrive at 1.06sqm per capita.

Applying this rate to population growth provides a forecast of commercial space. It is likely however that the rate may continue to creep upwards as it has done since 1991. The following forecast is offered.

**Table 13 - Forecast Commercial Floor Space in the Centres**

Year	Population*	Rate**	Floor Space (sqm)
2004	204,853	1.06	217,000
2009	220,248	1.12	247,000
2014	236,399	1.20	284,000

\* Campbelltown plus half of Camden and Wollondilly estimated resident population

The above table shows that around 6,000 to 7,000sqm of additional commercial space will be demanded every year to 2014 and around two thirds to three quarters of this space will be demanded in the CBD. Approximately 2,000sqm of this space should be in the form of shop front space for commercial users that require shop front address such as banks, real estate agents, travel agents and the like.

In summary therefore growth in the Macarthur Region will generate the following demand per annum.

**Table 14 - Demand for Floor Space – Square Metres per Annum**

	Shop front space*	Other Commercial Space	TOTAL
Campbelltown CBD	6,000	3,500	9,500
Other Business Centres	5,000	1,500	6,500
TOTAL	11,000	5,000	16,000

\* Around 15% to 20% of this is expected to be taken up by non-retail commercial uses and a further 5% to remain vacant

Of course growth will not rise gradually with demand but usually occurs in quantum leaps. A single development may meet several years of growth in demand, which may then be followed by a period of several years where no development occurs before the next major development – and so on.

## 9. ASSESSMENT OF THE PLANNING CONTROLS

This section analyses the existing zones and their appropriateness to the retail hierarchy. The areas of those zones and their respective capacities to accommodate demand for future expansion are also estimated.

### 9.1 Analysis of the Existing Zones

One of the clearest anomalies with the current zones is the duplication of the 3(a) and 3(c) zones with the 10(b) and 10(c) zones. There is little rationality in having a 3(c) zone for say Ruse shopping centre and a 10(c) zone for Airds, Claymore and others. The differences appear to be an historic anomaly.

The zonings should reflect the retail hierarchy. Given that there are four levels – regional, district, neighbourhood and local then the zones should reflect them – say 10(a), 10(b), 10(c) and 10(d).

There are two alternatives to local centres (centres under 2,000sqm):

- (a) Have a 10(d) zone to control the location and size of local centres; or
- (b) Have no 10(d) zone at all but allow local shops in the residential and employment zones.

The second option is the more laissez fair option – allowing the market to determine the “right” number and location of local centres. Provided that their size is controlled they will have negligible impact on the retail hierarchy and established centres. On the downside there is less control over their development or possibly the loss of centres to residential development. The latter scenario may be a planning issue since the loss of local shops may undermine objectives of access and equity (for disadvantage residents) and sustainability (to minimise shopping trips). A 10(d) zone which forces ground floor retailing and/or active commercial uses may assist in controlling the distribution of local centres, and in appropriate locations, but the zone can result in sterilisation if those centres are not viable or economically sustainable. There needs to be some flexibility in the zonings.

A further issue is the size of the zones and potential problems that may occur. The zones do not encourage containment of the retailing. At worst case it allows further fragmentation of the retailing. This is an issue that has occurred in other LGAs – for example in Taren Point (see *Terrace Tower Holdings Pty Ltd v Sutherland Shire Council*, 2002 NSWLEC 150) and a Woolworths Marketplace proposal for Armidale in 1998. In these and other examples the proponents had proposed retail facilities that were permissible in the zones but inappropriately located in terms of planning because of fragmentation of the retail centre, lack of integration with public transport and various other reasons.

What if there is a proposal for a large retail centre on the southern part of the University campus, or on Sarah Redfern High or The Grange Primary school in Minto. These sites are zoned 10(a), 10(b) and 10(c) respectively, which allows for such land uses. But in these examples the location

of such a centre would further fragment the existing retail hierarchy and/or would undermine the viability of existing retail centres.

To a large extent this has already occurred in the Greater CBD which is functioning as three or four different retail centres along with other retailers “salt and peppering” outside the retail core areas (eg The Warehouse Group).

Containment of retail centres is a desirable policy for several reasons:

- It reduces distances between shops and commercial uses which encourages walking and reduces car trips;
- It improves the efficiency of the retail centre (as measured by the floor area of the centre divided by time taken to visit every retail and commercial premise);
- It improves convenience (as measured by time taken to travel to the centre, park the car, shop and return to the car);
- It improves convenience for those shoppers that don't or can't travel by car and hence improves equity of accessibility; and
- It improves price competition since improved convenience and efficiency enables shoppers to easily compare price and quality between retailers;

To ensure control over land use management and ensure containment of the retail centres it is preferable to have separate zonings for the land use components of the centres and confine the retail spatially. Alternatively a DCP should be prepared for all the “10 Comprehensive zones” which nominates the desired land uses in each of the components.

## 9.2 Capacity of Existing Zoning

In assessing the capacity of existing zones to accommodate future demand for floor space, various assumptions were made – the prime assumption being that open spaces, schools and other major land uses are not available for future retail and commercial uses. Also constraints (such as major land uses) are never totally insurmountable but there are levels to which the viability or feasibility of expansion is eroded in the efforts of over coming those constraints.

Below is a table that provides land areas to

**Table 15 - Commercial Centres Zones Land Areas**

Retail Centre	Centre Zone	Zone (ha)	Retail	Vacant	Non-Retail	Major Non-retail uses
Campbelltown CBD	10(a)	421.1	48.4	7.5	365.2	University, TAFE, Hospital, Performing Arts High, Catholic Club, Art Gallery, Residential
Ingleburn	3(a)	4.4	3.8	-	0.7	
Minto	10(b)	24.5	9.7	-	14.8	Sarah Redfern Schools (12.05ha)
Airds	10(c)	15.6	1.6	4.5	9.6	Airds High, Community Centre, Indoor Sports Centre and Tavern.
Ambarvale	10(c)	24.7	1.0	-	23.6	Thomas Reddall High, Ambarvale Sport Ground, Ambarvale Primary and residential

Bradbury	10(c)	7.5	1.3	-	6.2	Bradbury Primary, Tavern, Sherwoiod Hills High and the Post Office.
Bradbury South	10(c)	4.6	0.4	-	4.2	Woodland Road Primary School.
Claymore	10(c)	7.6	1.3	0.6	5.6	Claymore Primary School
Eagle Vale	10(b)	7.1	3.1	0.7	3.3	Library, Community Centre, Police
Glenfield	3(c)	0.6	0.6	-	-	Car park is 1,500sqm
Glenquarie	10(b)	17.0	5.0	-	12.0	James Mehan High School, Library, Police, Fire Station, Park
Kearns	10(c)	3.7	0.5	-	3.2	Kearns Primary School
Leumeah	10(c)	3.7	0.6	1.0	2.1	Vacant area includes car park
Minto Station	3(c)	1.7	1.3	0.3	0.1	
Peripheral	4(b)	96.3	13.4	20.7	62.2	Industrial
Raby	3(c)	0.8	0.8	-	-	
Rosemeadow	10(b)	13.6	2.3	1.1	10.1	Ambervale High School
Ruse	3(c)	0.9	0.5	0.0	0.4	
Saywell Road	3(c)	1.2	0.9	-	0.3	
St Andrews	10(c)	3.5	0.7	-	2.8	St Andrews Primary School
<b>TOTAL</b>		<b>660.1</b>	<b>97.3</b>	<b>36.5</b>	<b>526.3</b>	

Efficiency of land can be measured by floor space ratios – the ratio of floor space to site area. The higher the ratio the more intense the land uses. Approximate floor space ratios are provided in the table below.

**Table 16 - Approximate Floor Space Ratios by Commercial Centre**

Retail Centre	Centre Zone	Retail Site Area (ha)	Retail FSR*	Retail & Comm. FSR**	Retail & Comm. FSR***
Campbelltown CBD	10(a)	40.2	0.38	0.58	0.49
Ingleburn	3(a)	3.8	0.61	1.01	1.01
Minto	10(b)	9.7	0.25	0.26	0.26
Airds	10(c)	1.6	0.17	0.28	0.07
Ambarvale	10(c)	1.0	0.17	0.29	0.29
Bradbury	10(c)	1.3	0.16	0.36	0.36
Bradbury South	10(c)	0.4	0.33	0.36	0.36
Claymore	10(c)	1.3	0.06	0.16	0.11
Eagle Vale	10(b)	3.1	0.25	0.29	0.23
Glenfield	3(c)	0.6	0.22	0.28	0.28
Glenquarie	10(b)	5.0	0.25	0.30	0.30
Kearns	10(c)	0.5	0.42	0.42	0.42
Leumeah	10(c)	0.6	0.45	0.65	0.24
Minto Station	3(c)	1.3	0.21	0.23	0.19
Peripheral	4(b)	13.4	0.41	0.41	0.16
Raby	3(c)	0.8	0.24	0.27	0.27
Rosemeadow	10(b)	2.3	0.28	0.45	0.30
Ruse	3(c)	0.5	0.43	0.43	0.43
Saywell Road	3(c)	0.9	0.34	0.45	0.45
St Andrews	10(c)	0.7	0.20	0.25	0.25

Existing FSR excluding local centres

\* Retail floor space divided by retail land area

\*\* Retail and commercial floor space divided by retail land area

\*\*\* Retail and commercial floor space divided by retail and vacant land area

The above table clearly shows considerable potential within the existing centres to accommodate expansion of retail and commercial space with the possible exception of Ingleburn. Due to Ingleburn being a strip retail centre and already developed to a fairly high FSR there is little room

to expand. Note that the above calculations for Ingleburn exclude the “Special Uses – Car Park”. The car parks are the obvious areas to target expansion.

Whilst the 10(a) zone provides ample capacity to accommodate expansion of retail and commercial growth its extensive size (over 400 hectares) undermines principles of containment of the centre. As discussed above sites within the zone may not be suitable for retail because of potential fragmentation of the retail core and lack of integration with other land uses and public transport infrastructure. Possible areas for expansion include the Coogan Place car park and the car parks along Moore Oxley Street.

Some minor rezoning of land may be required at Minto Station and Glenfield to accommodate an anchor tenant (500sqm to 1,000sqm supermarket). It may be preferable to include the rezoning as part of the development application process – in other words not to pre-empt the solution and maintain flexibility in the pursuit of options.

From a commercial viability point of view a neighbourhood centre on Appin Road in St Helens Park is a preferable location to the existing 10(c) site. However as part of the rezoning process the impacts of such a centre need to be examined carefully. If rezoning proceeded it would make the existing 10(c) site redundant.

None of the other centres require expansion of their current zonings.

# 10. THE BUSINESS CENTRES STRATEGY

## 10.1 Objectives

In order to develop and evaluate a range of options for the planning and management of retailing in Campbelltown LGA it is necessary to have a clear set of objectives. At the commencement of the study key objectives were established. These are listed below

- Ensure residents have the widest possible range of shopping opportunities and commercial services;
- Provide quantity, quality and convenience for consumers;
- Provide for further growth in retail and commercial space to meet growth in demand generated by population and household growth;
- Protect the integrity and viability of existing centres to the extent that they continue to perform a valuable community function;
- Protect current employment levels in retailing and hospitality industries for the residents of the LGA and expand opportunities for further employment;

## 10.2 Development Principles

Consistent with the above objectives are development principles that will guide the planning, development and management of retail and commercial centres. These are:

- Adopt a retail hierarchy which is a useful planning tool as each level in the hierarchy relates to centres with different roles and functions from other levels in the hierarchy.
- Having regard to current plans for urban growth maximise access to existing retail, commercial and recreational services.
- Having regard to current plans for urban growth, develop plans for new centres – their location, size, timing, design principles and roles.
- Ensure planning instruments are flexible enough to accommodate innovation and new forms of retailing and experiences.
- Protect the integrity and viability of existing centres from threats generated by new centres, expansion of existing centres, changes in the retail hierarchy, “out-of-centre” and other forms of retailing.
- Protect and improve the integrity and viability of existing centres through programs that improve their convenience level, retail offer, accessibility, beautification, ambience, and the like.
- Contain retailing (as oppose to dispersing or spreading it) to minimise travel times, improve convenience and improve competition within retail centres;

- Encourage the development of convenient and price competitive supermarkets in neighbourhood centres that lack such offer.
- Define bulky goods retailing to ensure the protection of existing centres and prohibit retailing in the industrial areas (other than ancillary retail and services).
- Allow bulky goods retailing only in areas designated for it adjacent to retail centres.
- Provide the planning framework for properly assessing applications in relation to retail and services in terms of economic and social impact.

## 10.3 Commercial Centres Hierarchy

### Recommended Hierarchy

The following retail hierarchy is recommended.

Regional Centre	Campbelltown CBD
District Centres	Ingelburn Minto Mall
Neighbourhood Centres	Glenfield Glenquarie Saywell Road Minto (Station) Leumeah Ruse Bradbury Bradbury South (St Helens Park) Airds Rosemeadow Ambarvale Claymore Eagle Vale Raby Kearns St Andrews
Local Centres	All other centres

By adopting this hierarchy Council can be guided in the assessment of future proposals for new centres and expansion of existing centres. The purpose of the hierarchy is to ensure that the roles of these centres are clearly defined and that expansion of one centre will not threaten the role of another centre further up the hierarchy.

The study has identified a need to increase floor area to meet growth in demand. The options for increasing floor area are based on the need to maintain a functional hierarchy of centres and to balance the retail offer, competitiveness and accessibility for consumers.

## A Regional Hierarchy

It is recommended that a regional hierarchy be identified and formulised within DIPNR's Regional Strategy (or equivalent planning directive with a support LEP planning template for the Macarthur Region). This would seek to coordinate the planned population growth, economic development, employment land provision, transport network and infrastructure provision throughout the Macarthur Region.

The REP or suggested LEP planning template (Regional Strategy Instrument) would identify the centre hierarchy and network identifying the role, function and boundary of each centre. It would also identify the desirable target and mix of uses and the areas around the centre for increased residential density development.

The Regional Strategy Instrument would also identify the new urban release areas and potential new locations for business parks and commercial/retail that would supplement the established hierarchy and its network.

For office development the instrument(s) would ensure that a proper economic impact assessment be carried out on any proposal to establish whether it is detrimental or beneficial to the vitality and viability of the Macarthur hierarchy. Particular reference would be made to Campbelltown CBD and the need to support its growth potential as a regional commercial hub, including its role for entertainment, administration and governance. Further that the location of any new business park be strategically placed so that it supports and enhances the centre hierarchy and utilisation of the public transport network.

For retail development the instrument(s) would include the following provisions:

- All retail development be contained within existing centres or clusters. The centres identified in the centre hierarchy of this report should be defined with boundaries that relate to current clusters including peripheral or "out-of-centre" areas.
- Stand alone retail, including bulky goods and factory outlets, removed from the established retail centres or clusters are to be restricted in their potential floor space expansion.
- All retailing activities, including factory outlets and bulky good retailing, be recognised as mainstream retail and that they should be encouraged to be located in established or emerging centres.
- All industrial zones, including business parks, prohibit retailing with the exception of fast foods, taverns and restaurants and cafes, and minor retailing which is ancillary to the predominant business/industrial use.

The REP would seek that each centre identifies its current and future demand for sites, including the need for large scale development such as supermarkets or new cinemas. An inventory of site potential should be maintained to ensure this capability. The site identification process would include assessment of building recycling, intensification of development capacity and regeneration of surplus or underutilised public lands.

Where such demand can not be met within existing boundaries of the centre, priority should then be given to expanding the centre boundary or merging with a nearby centre. In the case of new centres consideration should be given to how that centre interacts with the existing centre hierarchy and transport network.

It is proposed that existing bulky goods precincts including Leumeah/Campbelltown and Narellan, be mapped and included in the retail hierarchy and recognised for their contribution to retail supply. It is anticipated that there will be pressure for new bulky goods centres, including factory outlets, to seek lower cost land in out of centre locations. Any new bulky good centres outside these established precincts should be strongly discouraged so as to ensure such retailers seek opportunities within existing centres only.

## 10.4 Planning Control Amendments

### DRAFT SEPP 66 modified to include Town Centre First Policy

Consideration could be given to a Town Centre First Policy that could be drafted in the Draft SEPP 66 Policy or communicated through a planning directive by the Minister. This SEPP/directive should follow the principles defined in the United Kingdom Planning Policy Statement 6: Planning for Town Centres (*This policy statement can be found at [www.odpm.gov.uk/planningpolicystatements](http://www.odpm.gov.uk/planningpolicystatements)*). This directive would seek that development be focused in existing centres in order to promote better use of transport and to promote vital and viable town centres.

The Macarthur REP, or an equivalent regional planning instrument, would define the centre hierarchy on a regional basis. The centres would be defined by their respective roles, trade areas and services they do or should provide. Some guidelines of uses and maximum floor space by use may be appropriate. The REP would also:

- seek a regional approach to car park limits;
- set a procedure for setting design excellence using a design expert panel to review applications prior to their submission; and
- formulate a procedure for economic impact assessment of each development and a list of factors to consider prior to approving any new development that might fall outside an existing centre. The regional hierarchy would establish certainty and consistency in the regional planning framework, with the benefit of clear guidance to centre owners and investors.

### Town Centre LEP

Amendments to the existing LEPs should refer to and support the above discussed REP/Strategy for the Macarthur Region, adopt the regional hierarchy and be built on the premise of regional consistency in centre planning provisions. These LEPs could introduce for business parks a requirement they are located in appropriate areas to support the existing centre and transport

networks. The LEP would make no special exemptions for bulky goods to be located outside town centres or their existing clusters.

### LEP Zones

The zonings should reflect the retail hierarchy. Given that there are four levels – regional, district, neighbourhood and local then the zones should reflect them – say 10(a), 10(b), 10(c) and 10(d). The duplication of the “3 Business” and “10 Comprehensive” zones should be removed.

There are two alternatives to local centres (centres under 1,000sqm):

- (a) Have a 10(d) zone to control the location and size of local centres; or
- (b) Have no 10(d) zone at all but allow local shops in the residential and employment zones.

The 10 Comprehensive zones do not encourage containment of the retailing. At worst case it allows further fragmentation of the retailing. To a large extent this has already occurred in the Greater CBD which is functioning as three or four different retail centres along with other retailers “salt and peppering” outside the retail core areas (eg The Warehouse Group).

To ensure control over land use management and ensure containment of the retail centres it is preferable to have separate zonings for the land use components of the centres and confine the retail spatially. Alternatively a DCP should be prepared for all the “10 Comprehensive zones” which nominates the desired land uses in each of the components.

### Public Design Enhancements

The LEP provisions could also set development standards that reduce the burden and reliance of Section 94 charges. This is what is termed “Infrastructure by Design”. Items might include improvements to footpaths, dedication and embellishment of open space, public art, street furniture (such as a bus shelter if it is within 50 m of the site) etc. These public design enhancements would be shown on a master plan for the centre and form part of the approval process. Care should be given that these conditions have market appeal and are considered to be adding value.

### High Density Residential Zoning

Up-zoning, supported by LEP provisions, is recommended for the existing/planned centres that are on the Railway (including Glenfield, Ingleburn, Leumeah, Campbelltown and Macarthur) to facilitate high density residential development within walking distance to these centres. These centres should be the priority for improved land use integration to contribute more in accommodating the region’s population growth, maximise the investment in public transport infrastructure, and enhance the centre’s vitality.

## **10.5 Criteria for Assessing New Development**

In assessing new development a number of new criteria should be established in the regional and local planning frameworks.

### Economic Impact & Location Suitability

All development applications and rezoning proposals for commercial, residential, retail and leisure uses should be assessed on their economic impact to the maintenance and growth of the centre hierarchy with the primary objective to foster vital and viable centres. This applies equally to development proposals both located in and outside existing centres.

Wherever possible, growth should be accommodated within existing centres. Where growth cannot be accommodated in identified existing centres consideration should be first given to extending the boundaries of that centre before considering an out of centre location.

Where extensions of town centres are proposed, these should be carefully integrated with the existing centre in terms of design, land use, transport networks, public/civic amenities, and pedestrian access and circulation.

### Infrastructure by Design (How can the development enhance public infrastructure?)

In addition to Section 94 and development standards set by the LEPs for public works and upgrading, consideration should be given to developer agreements to contribute further to the public infrastructure in centres. Such agreements might relate to pedestrian overpasses; increased on-site water retention to improve local area drainage; inclusion of public car parking on site or contribution to a nearby public car park to use that park for their employees; and dedication and embellishment of public open space on site or adjoining. Enabling provisions within the Environmental Planning and Assessment Act 1979 for allowing developer agreements have now been enacted, and LEP provisions would also be required.

## **10.6 Initiatives to Revitalising Existing Town Centres**

Initiatives identified to revitalising town centres include:

1. Actively promote and manage change in town centres through the introduction of special rate levies for each town centre. Key stakeholders would be invited as an advisory committee to recommend how this special rate levy is best spent. This might include funding for better development assessment, a promotion/marketing campaign, footpath, park and street furniture upgrades, night bus/taxi for late workers to the station or remote car park, increased security/cleaning etc. The special rate levy would be incorporated within the existing council rates.
2. Market the town centre and its attributes for commercial/retail development as one would for a stand alone business park or shopping centre. Initiatives might include:
  - a. providing subsidised child care;
  - b. No on site parking if contribution is made to rent long term spaces in Council public car parks. Office users could purchase like residents, a parking sticker to permit free parking in public car parks;
  - c. Improvement to recreational activities including membership;
  - d. Shuttle bus to educational and sporting establishments; and
  - e. National advertising and brochures

- f. Survey of available site for sale or lease.
3. Identify sites suitable for large scale development, by accommodating more efficient use of land and building within or surrounding existing centres.
4. Adopt a vision led approach to planning whereby the vision has public support for the long term plan which fosters confidence in the business community to invest and support the success of implementing the plan. This vision acts both as a marketing tool to stimulate demand and secondly as guide for businesses to frame their plan.
5. Revitalisation strategies from time to time will require amendment to the centre boundaries to permit large scale development including supermarket and bulky goods retailing and redevelopment for mixed use high density residential development. This should be viewed in the overall regional strategy as to its economic and social benefit.

## 10.7 The Greater CBD

The identity of the Macarthur Region is deeply based on its lifestyle choice. For the region to develop its identity as a self sufficient community, the role of Campbelltown as the business and entertainment heart needs to be promoted and expanded. A strategic or master plan for Campbelltown CBD should be prepared to promote the city as a place to live, work and play through more intense building forms. The guiding principles for a vision strategy would seek the following objectives for the CBD:

### Promote diversity of use

A healthy city contains a wide mix of uses that offer people a variety of reasons to visit the centre. This provides not only a spin off for the other uses but also activates the city throughout the day and night. The inclusion of residential, cultural activities and entertainment make the city a living place.

### Ensure a balance of Activities

With diversity however comes the need for balance. Ensure a balance of activities between the day and night. Campbelltown CBD is fragmented between the old Main Street, the fringe and Macarthur Square. Consideration needs to be given to linking the precincts without duplicating and oversupplying floor space. It is appropriate for marketing to segment the city into precincts; for example a restaurant or “eat street” precinct, an entertainment precinct and a commercial precinct linking to the retail core. A civic section exclusively for office administration and law courts could provide a formal edge to the city and its function. It is the integration of these sensory experiences and spread of functions that define a vital and robust city.

### Encourage compactness to promote pedestrian activity

Compactness encourages people to walk out of the offices, or out of their homes, to interact in the market place. Cafes help to provide meeting places and opportunities for creative minds to be identified and people to interact.

### Foster Intensity of Development

More intense development for all forms of land use provide the critical mass to justify public transport investment and the inclusion of services and street level activity such as florists, performing arts and product promotions.

### Create function linkages

Encourage people to not only walk but to follow a path of integrated open space, armature of parks and distinctive streetscape treatments.

### Statutory Planning

The principles of the vision or master plan should be translated into an LEP or DCP to ensure that the objectives are met by future development. As stated above the broad 10(a) zone stretching more than 6km undermines the objectives of compactness, containment without necessarily ensuring diversity of uses. It could even potentially result in further disaggregation of the retail centre.

### Development of Creative Industries

Current thinking is to expand the concept of cultural activities beyond performing arts, museums and galleries to incorporate creative industries such as:

- advertising graphic design and marketing;
- architecture, visual arts and design;
- music composition and production;
- writing publishing and print media; and
- Film, television and entertainment software.

The rationale for this linkage is the merging of technology with arts into one creativity process. This blending of intellectual property requires a network or range of services. Commonly the economic value lies in the intellectual property, not the infrastructure. The individual's creativity is the currency of exchange. It is the infusion of this creative capital that stimulates economies in a catalytic manner. Economists and urban planners recognise the role of this stimulus in urban renewal projects.

In Australia the creative industries contribute \$11 billion or 2% of GDP. While typically small enterprises that focus on local market, they tend to form clusters that are highly visible. This has synergies in defining an identity for a place which has flow on benefits to bars, cafes and residential precincts. The proximity to Campbelltown CBD of the University of Western Sydney, TAFE and the Hospital are all input ingredients to form a critical mass for the mix of people that sustain the city.

Furthermore creative industries are central to business across many industries where they add value to design, marketing, technical performance and branding. It recognised that access to creativity is highly critical for a competitive edge in the global market place.

Successful world examples of cultural precincts include Temple Bar in Dublin ([www.temple-bar.ie](http://www.temple-bar.ie)); Wharf Theatres in Walsh Bay Sydney, and Creative Industries Precinct in Brisbane – ([www.ciprecinct.com.au](http://www.ciprecinct.com.au)). The latter is a good example for Penrith CBD. It is a \$60M joint venture between the State Government and Queensland University of Technology built on a disused army barracks land at Kelvin Grove, Brisbane. The precinct will feature residential, commercial and research components. An Enterprise Centre will be included in the precinct and support Department of State Development creative industry initiatives. The Enterprise Centre will provide a contemporary workspace for innovative teams and companies to research, develop and commercialise original ideas and local content for global markets. The Precinct will also be the home of new 400 seat La Boite Theatre and the headquarters of a new Cooperative Research Centre titled the Australasian Centre for Interaction Design (ACID).

Hill PDA recently worked with Wollongong Council on a Cultural Incubator for creative industries. The idea of a cultural incubator in Wollongong is seen as a mechanism by Council to bring together creative industries into a hub or cluster. It is an idea that has been adopted by other industrial cities around the world in supporting urban economic renewal.

### CBD Growth

As stated above the CBD will demand around 6,000sqm of retail space and 5,000sqm of commercial space every year. Expansions of Macarthur Square, Park Central and Macarthur Gardens will meet this demand over the next several years. In the meantime planning needs to be underway to meet longer term demand.

The car parks at Coogan Place and Moore Oxley Street provide opportunities for expansion of the retail space. However Queen Street should remain the prime focus and its main street theme strengthened. Hence any development away from Queen Street should be satisfactorily linked to Queen Street by active retail space either through arcades or along side streets.

## 10.8 District Centres

### Ingleburn

Ingleburn should be promoted as district centre for the northern half of the LGA. Being on the railway it is better located than Minto Mall in terms of State Government transport/land use integration policies. Notwithstanding this, its role as a district centre needs some protection from potential threats such as Edmondson Park, expansion of Minto Mall or even a new regional centre in Leppington. It also needs support including higher density housing within walking distance to the centre and mixed-use/shop-top housing within the retail centre.

With multiple land ownership it's at a disadvantage over single indoor centres such as Minto Mall and "out-of-centre" retail and commercial estates such. Estates market themselves and Ingleburn town centre, like other retail centres, needs to market itself as a place for businesses.

As per the recommendation for Campbelltown a vision or master plan for Ingleburn should be prepared with key stakeholders including the Chamber of Commerce to promote the city as a place to live, work and play through more intense building forms. The guiding principles for a vision strategy would seek the following objectives:

- Promote diversity of use;
- Ensure a balance of activities;
- Encourage compactness to promote pedestrian activity;
- Encourage higher density residential development to improve commercial viability; and
- Strive to obtain one or more key anchor tenants including a discount department store;

Unlike the comprehensive zones Ingleburn's 3(a) General Business Zone is constrained largely by the existing retail and commercial uses leaving little room for possible expansion of the centre. Expansion of Ingleburn by inclusion of a discount department store, more fashion and other specialties should be encouraged but this will require some large floor areas. The obvious area for expansion is in the existing car parks. The 1.3ha northern car park near Ingleburn Fair provides the best opportunity for a DDS based centre.

As per the recommendation in Section 9 Ingleburn should be rezoned to a district centre consistent with the other comprehensive zones and the car parks should be included in the zoning. This will provide opportunity for expansion of the centre.

### Minto Mall

Minto Mall should not be encouraged to expand significantly in the foreseeable future because expenditure in the trade area is insufficient and it would result in adverse impact on other existing centres – particularly Ingleburn.

Notwithstanding this upgrading should be encouraged. Some minor expansions to help fund any upgrading works could be allowed during the latter parts of the renewal of the DoH estate.

Additional land is not required for rezoning given that the current FSR is around 0.25:1 – which is very low. Minto was built with a ground level outdoor car park when land values were cheap. If Minto ever needed to expand the additional floor space and car parking could easily be accommodated in the existing site area.

## 10.9 Neighbourhood Centres

The main problem centres suffering low turnover, high vacancies and neglect are Bradbury, Ambarvale, Airs, Claymore and Minto (Station) and to a lesser extent Glenfield.

### Minto Station

Minto Station is a centre of strip retailers adjacent to the railway station. Given its location and integration with public transport it should be retained to provide services to commuters and also

residents and workers in the immediate area. However given multiple ownerships, the centre will probably require some leadership from Council to assist it in revitalisation. An action plan should be prepared with owners and other key stakeholders. The plan should accommodate higher density housing within walking distance to the centre and identify target businesses including an anchor tenant. Whilst the hardware store is an anchor tenant it has little nexus relationship with the specialties. A small convenience store or supermarket should be encouraged. The plan should also include the other tasks of beautification, security and surveillance, traffic management, provision and management of car parking and any other identified issues.

There is a vacant site of around 3,000sqm within the 3(a) zoning immediately behind the Redfern Road shops. This would provide the best opportunity for a small supermarket based centre and would not require further rezoning of properties. There are issues that require resolving such as improving visual and pedestrian access to Minto Road and Redfern Road.

### Glenfield

Glenfield has similar issues and opportunities to Minto (Station) being adjacent to the railway station with potential to capture expenditure from commuters as well as the local population. Like Minto Station it lacks an anchor tenant. Given its location and integration with public transport it should be protected, encouraged to improve its role as a convenience centre and capture a quasi-anchor tenant such as a small supermarket.

The 1,500sqm car park provides the best opportunity for a small supermarket centre. To be consistent with the other centres the retail centre should be rezoned to neighbourhood business and the car park areas included in the same zoning. Some additional rezoning may be required to accommodate expansion by incorporation of an anchor tenant (or small supermarket). It may be preferable to include the rezoning as part of the development application process – in other words not to pre-empt the solution and maintain flexibility in the planning process.

### Airds

Airds shopping centre should be retained as it provides a needed service for the residents of Airds. Whilst expansion of the supermarket may increase its attractiveness the suburb of Airds only generates \$10m to \$11m in food and grocery expenditure. This along with other centres in the locality including Ruse, Bradbury and South Bradbury means that the opportunities are limited.

The centre should form part of the renewal program for the suburb. In the longer term an increase in dwelling numbers with mixed tenure and more private housing with greater spending power will benefit the centre. The renewal process should involve DoH, Landcom, Council and the owner of the shopping centre to develop solutions for the suburb and the retail centre.

A suggested solution for the retail centre (but by no means only solution) is total redevelopment with ground floor shop front retail facing the street and shop top housing. This design will improve surveillance, security, ambience and visibility. In the redevelopment option consideration should be given to fronting Briar Road (ideally corner of Riverside Drive) as this provides a superior location for convenience and exposure.

No more land needs to be rezoned for Airds. There is insufficient demand to warrant a major expansion of floor space and any redevelopment will not be a financially attractive until urban renewal of the suburb is underway. There is spare capacity or underutilised land within the 10(c) zone.

### Claymore

Similar to Airds Claymore is the wrong design in the wrong location. The suburb generates only \$8m expenditure per annum on food and groceries, which is partially the reason for the closure of the supermarket. Eagle Vale of course has become the prime destination for food and grocery shoppers for Claymore residents.

There is little need to keep the existing centre. Options for the retail centre should be included with the master planning process for Claymore. If a centre is desirable then a new centre on the corner of Dobbell Road and Gould Road would be preferable. Again a more “main street” or convenience centre design is preferable to the current building to improve security, exposure, surveillance, convenience and ambience. Given that the suburb only has 1,000 households its unlikely to support anything larger than a local centre anchored by a small IGA (around 500 to 1,000sqm).

No more land needs to be rezoned to accommodate expansion of the centre. On the contrary the commercial centre could contract and be redeveloped for residential or other use. It is not essential to rezone the land if this scenario was to happen given that residential is permissible in the commercial centre anyway. It’s likely however that redevelopment will not be a financially attractive option until urban renewal of Claymore is underway.

### Bradbury

Bradbury centre should be retained because of its potential role as a convenience centre for the residents of Bradbury. When residents wish to purchase a few groceries Bradbury provides a far more convenient offer than Campbelltown CBD. The suburb generates around \$34m per annum in food and grocery expenditure and so a supermarket is clearly viable. Whilst its location (being on a local street rather than a sub-arterial road) and design are based on somewhat archaic planning, its biggest weakness appears to simply be neglect.

No expansion in the comprehensive zone is required. There is spare capacity or underutilised land within the zone and redevelopment is unlikely to yield a significantly higher quantity of floor space.

### Ambarvale

Ambarvale generates around \$25m per annum in food and grocery expenditure suggesting that a neighbourhood centre is feasible. Its location is superior to some of the other neighbourhood centres in the southern half of the LGA. Its main problems appear to be its proximity to Macarthur Square and neglected management.

In the long term increased residential densities in and around the town centre and redevelopment of the shops with shop top housing facing the main street, with adequate parking in front, would provide a viable alternative.

No more land needs to be rezoned for Ambarvale. Retail and commercial space is unlikely to expand. Infill development within the existing 10(b) zone is more likely to be residential, which has already happened. Redevelopment of the retail component may happen as part of a mixed-use development and if this were to happen the existing site is sufficient to accommodate that redevelopment.

### St Helens Park

The 10(c) zone in St Helens Park has not yet developed any retail space. The problem largely is that St Helens Park will have only 2,600 households when its fully developed – around 7,000 to 7,500 population and this trade area is a little low to support a reasonable size full-line supermarket. Normally a trade area of 10,000 or more people is required. The location of the centre on the collector road in the middle of the suburb means that it is unlikely to any reasonable level of expenditure beyond St Helens Park. This combined with high car ownership and the influence of other centres such as Bradbury South, Rosemeadow and Campbelltown CBD, undermines the viability of any neighbourhood centre on this site.

The owner of the land on the southeast corner of Appin Road and Kellerman Drive is interested in a neighbourhood / convenience centre. From a commercial point of view this is clearly a better option as a considerable level of trade would be passing trade – particularly the PM Peak trade. It would have an extended trade area to Appin and beyond. It is also a better location in terms of being at the entrance to St Helens Park trade area rather than in the middle, thereby providing greater convenience.

Obviously if this site was developed as a neighbourhood centre then the current shopping centre site on Kellerman Road would become redundant.

Any possible rezoning of the land at Appin Road would need to include a detailed economic impact assessment. In particular consideration would need to be given to the impact on the retail hierarchy and the impacts on South Bradbury, Rosemeadow and Appin.

## **10.10 Peripheral Retailing**

With bulky goods now making up more than 20% of all retail floor space it is essential to recognise its position in the retail hierarchy and its impact on traditional retail centres. It is recommended that all future planning of bulky goods outlets be considered as part of the established retail hierarchy and that any new location only be considered on the basis that it will support rather than detract from that hierarchy. Bulky goods and factory-outlets should not be considered as an exception to traditional retailing requiring separate concessions or provisions, but rather be included as general retail making an important and essential contribution to a vital and viable retail community.

It is suggested that bulky goods type retailing, supermarkets, discount department stores (DDS) and factory outlets also be recognised as an important precursor to town centre development and consequentially be planned in the revitalisation and/or establishment of a centre. The location of certain bulky good stores may be removed from the main street location because of their low level of intensity of use and their requirement for large car park access, but their location should not be too far separated so as to discourage clustering of development and shopper activity.

In the case where existing bulky good precincts are removed from an established commercial centre, consideration should be given to either restricting its growth or, if demand clearly warrants further development, restricting the type of retail uses and/or merchandise sold to ensure that these areas do not attract “non-bulky goods” retailers.

To minimise existing retailers in the established centres being attracted to “out-of-centre” locations we recommend that the only retail permitted in the 4(b) zone be bulky goods and that this be controlled by definitions or clauses within the amended LEP. This will avoid space being filled by retailers that otherwise should be in the main street or in one of the other indoor centres. We recommend that the definition of bulky goods be similar to the Parramatta LEP definition which uses type of merchandise and minimum floor areas. Minimum floor areas ensure that only retailers requiring large floor plates will locate there.

It is therefore recommended that the following clause be incorporated in the draft LEP or amendment to the Cessnock LEP:

*“The consent authority shall not grant consent to development for the purpose of bulky goods retailing unless:*

- (a) the only goods sold are of a kind referred to Column 1 of the table to this clause; and*
- (b) the floor area of each store from which they are sold has a minimum floor space area as referred to in Column 2 of this table.*

<b>Column 1</b>	<b>Column 2</b>
furniture shops	1,000sqm
bedding stores	1,000sqm
electrical goods stores	1,000sqm
whitegoods stores	1,000sqm
sporting equipment stores	1,000sqm
camping stores	1,000sqm
musical instruments stores	500sqm
outdoor products stores	500sqm
office supplies	500sqm
hardware stores	500sqm
homeware stores	500sqm
floor coverings stores	500sqm
automotive parts stores	500sqm
lighting stores	500sqm
home furnishings	500sqm
antiques stores	500sqm
kitchen/bathroom showrooms	250sqm
tiling shops	250sqm
plant nurseries	250sqm
Multi-use store (with at least 90% of floor area comprising the above merchandise)	1,500sqm

*Further that the consent authority shall not grant consent to retail outlets for personal services (including hair dressers, beauty parlours, photo processing, dry cleaning, optician, and the like), travel agents, real estate agents, banks (except ATMs), insurance or financial institutions, newsagencies, chemists, supermarkets, department stores or the retailing of fresh food and groceries other than cafes and/or fast food outlets and restaurants for the visitors to the centre provided that such food outlets comprise less than 5% of the total retail floor area.”*

The 4(b) zoned area in Campbelltown/Leumeah is around 96 hectares in size of which around 13 to 14 hectares is currently used for bulky goods retailing. Around 60 hectares is occupied by industrial and other non-retail uses and around 20 hectares is vacant. Around 3,000sqm of bulky goods retail space is demanded every year which translates to say 0.6ha based on a 0.5:1 FSR. There is no need to rezone additional land to 4(b) since supply is adequate for many years.

## 10.11 Proposed Centres

There is only one proposed centre of significance in Campbelltown being Menangle Park. The timing of this would need to coincide with the development of the area. From a services point of view it is desirable for the retail centre to be developed in the early stages of Menangle Park. Competition between retailers should enable this objective to be achieved. Menangle Park will have around 4,000 households when fully developed. This will generate sufficient demand for a neighbourhood centre of around 6,000 to 8,000sqm anchored by at least one supermarket.

Other proposed centres include Edmondson Park and Leppington. Whilst these are outside Campbelltown LGA they do have potential to generate some adverse impact by drawing expenditure out of the LGA and away from the existing centres in Campbelltown. Campbelltown Council as a stakeholder should be integral in the planning and design of these centres and the economic impact of these centres need to be fully examined.

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This report and its attached appendices are based on estimates, assumptions and information sourced and referenced by Hill PDA. We present these estimates and assumptions as a basis for the reader's interpretation and analysis. With respect to forecasts we do not present them as results that will actually be achieved. We rely upon the interpretation of the reader to judge for themselves the likelihood of whether these projections can be achieved or not.

## **APPENDIX 1 - AERIAL PHOTOGRAPHS**