

Preliminary Market Advice

Planning Proposal – Lot 1 Military Road, Port Kembla

I have been requested to provide commentary in relation to the abovementioned Planning Proposal and how it relates to the *Illawarra Shoalhaven Regional Plan (ISRP)* and the *Port Kembla 2505 Revitalisation Study*, in particular I have been instructed to comment on how the proposed development relates to the following goals in the LEP:-

- “Goal 1 – a prosperous Illawarra – Shoalhaven; and
- Goal 2 – a variety of housing choices, with homes that meet needs and lifestyles.”

Preamble

Port Kembla is an established industrial and residential locality with residential areas located primarily in the south-east of the CBD; the suburb is situated approximately 10km south of the Wollongong. The main retail area is centred on Wentworth Street and in accordance with Wollongong City Council Community Profile, settlement of the suburb dates back to 1817, when the first land grant was issued.

Port Kembla's growth commenced in the 1880s and early 1900s due largely to coal mining. With the establishment of the Port Kembla Steelworks in 1926, substantial industrial growth occurred, and the pace of growth increased after the Second World War when Port Kembla became a major manufacturing centre. Further rapid growth occurred in the 1950s and 60s due to immigration and many of these persons were employed at the Port Kembla Steelworks.

The decline of the Port Kembla Business District commenced in the 1960's with the redirection of through traffic to Warrawong and this decline was exacerbated in the early 1990's as the population declined due to a decline in dwelling stock and reduced household formations.

In the mid-1980s the Port Kembla Steel Works reduced its workforce by some 15,000 employees, creating a substantial decline in economic activity and a dramatic fall in the support businesses and contractors to the Steelworks. It is considered that up to 20,000 jobs may have been lost since peak employment in the 1980s.

Goal 1 A Prosperous Illawarra – Shoalhaven

The Port Kembla Business District is a typical strip shopping design extending for 650m and comprising approximately 120 retail premises. Research conducted on 14 July 2020 indicated there were 30 of these premises that were vacant indicating a vacancy rate of 25% which is considered extremely high for any retail area.



Due to the high number of vacant retail premises and the reduced retail capture there has been insufficient revenue to undertake general repairs and maintenance and upgrading of the retail premises has not been undertaken for many years, resulting in an appearance of a 'run down' retail precinct. With the growth of the Warrawong Regional Centre, the established of Westfields and Bunnings, substantial retail trade has been diverted from the Port Kembla Business District. This has substantially impacted the retail viability of the Business Centre.

Vibrant neighbourhood shopping precincts generally have strong supporting residential trade catchments categorised by a mix of high density housing located within the centre and standard and medium density housing within walking distance.

Through the proposed LEP amendments the subject site will have a potential development yield of 129 dwellings located within 100m of the centre. Upon completion, this development will bolster the trading catchment for the businesses and this was noted in the Port Kembla 2505 Revitalisation Plan which indicated that the subject site *'is appropriate for residential development, as it will provide additional housing that will support the town centre'*.

Goal 2 – A Variety of Housing Choices, with Homes that Meet Needs and Lifestyles

Upon completion, the preferred development option will have the following housing configuration:-

- Ten (10) terrace dwellings;
- Eighteen (18) townhouse dwellings; and
- One Hundred and one (101) apartments.

The apartments are to be contained within five separate apartment buildings between 3 and 5 storeys, all with lift access.

We have reviewed the Australian Bureau of Statistics 2016 census data which indicates the following demographic profile for Port Kembla/Warrawong in comparison to the Wollongong LGA, NSW and Australia.



	Port Kembla / Warrawong	%	Wollongong LGA	%	NSW	%	Australia	%
Median age	42	--	39	--	38	--	38	--
0-4 years	639	6.6	12034	5.9	465,135	6.2	1,464,779	6.3
5-9 years	619	6.4	12646	6.2	478,184	6.4	1,502,646	6.4
10-14 years	508	5.2	11877	5.8	443,009	5.9	1,397,183	6.0
15-19 years	505	5.2	13007	6.4	448,425	6.0	1,421,595	6.1
20-24 years	587	6.0	15523	7.6	489,673	6.5	1,566,793	6.7
25-29 years	612	6.3	13356	6.6	527,161	7.0	1,664,602	7.1
30-34 years	544	5.6	12678	6.2	540,360	7.2	1,703,847	7.3
35-39 years	548	5.6	12455	6.1	499,724	6.7	1,561,679	6.7
40-44 years	625	6.4	13387	6.6	503,169	6.7	1,583,257	6.8
45-49 years	597	6.1	13027	6.4	492,440	6.6	1,581,455	6.8
50-54 years	689	7.1	13431	6.6	485,546	6.5	1,523,551	6.5
55-59 years	681	7.0	12971	6.4	469,726	6.3	1,454,332	6.2
60-64 years	510	5.2	11306	5.6	420,044	5.6	1,299,397	5.6
65-69 years	502	5.2	10348	5.1	384,470	5.1	1,188,999	5.1
70-74 years	427	4.4	8341	4.1	292,556	3.9	887,716	3.8
75-79 years	423	4.3	6783	3.3	217,308	2.9	652,657	2.8
80-84 years	374	3.8	5209	2.6	155,806	2.1	460,549	2.0
85 years and over	353	3.6	5253	2.6	167,506	2.2	486,842	2.1
Total Population	9,743		203,632		7,480,242		23,401,879	
No. over the age of 60	2,589		47,240		1,637,690		4,976,160	
% over the age of 60	27%		23%		22%		21%	

(Source: Australian Bureau of Statistics 2016 Census Data)

As provided by the above, 27% of the population in Port Kembla/Warrawong is over the age of 60 which is significantly higher than the Wollongong LGA (23%) NSW and Australia (22% and 21% respectively). The provision of medium-high density housing including apartment, townhouse and terrace dwellings, the site has the potential to cater for the ageing population within the locality and a generally broad range of housing product has the potential to meet the needs of the population.



Summary and Conclusion

From the market research undertaken it is my firm opinion that should this Planning Proposal be supported, the trade catchment for the Port Kembla shopping precinct will be substantially bolstered and the mix of housing types will be significantly improved to meet the needs of the Port Kembla/Warrawong demographic.

For and on behalf of
MARTIN MORRIS & JONES PTY LIMITED

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