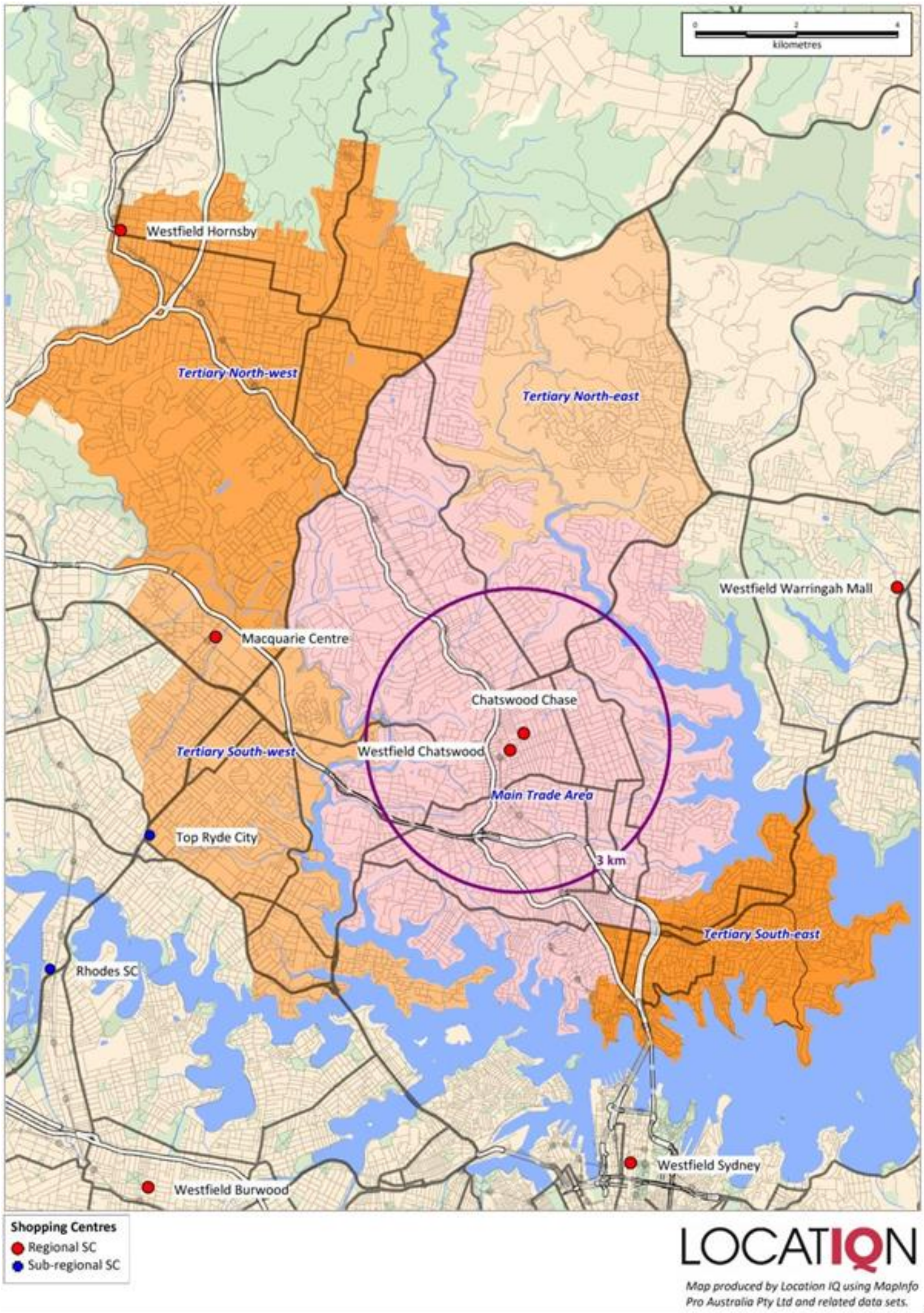
5. Chatswood as a Retail Centre

This section provides an assessment of the provision of retail facilities at Chatswood, the trade area served by these facilities and where Chatswood sits in the current Sydney retail hierarchy.

5.1 Overview of Retail Facilities

Trade area analysis demonstrates the significant draw of major centres contained within Chatswood including Westfield Chatswood and Chatswood Chase. Figure 5.1 illustrates the major competitive retail facilities in the surrounding area.

Figure 5.1: Chatswood Total Trade Area and Competition



Source: Location IQ

The critical mass of retail facilities in Chatswood and ease of accessibility (by virtue of public transport options and road network) results in a fairly extensive trade area. Though, the main trade area (i.e. where the majority of customers for Chatswood would be attracted) generally extends 3-4km around the CBD (as depicted in Figure 5.1).

Trade area analysis as the basis for the competitive and comparative analysis is contained in Appendix B.

Chatswood represents one of the largest retail destinations in Sydney and is one of the only precincts in Australia to include two regional shopping centres, namely Westfield Chatswood and Chatswood Chase. Overall, some 828 specialty shops are provided, predominantly focused along Victoria Avenue, with around 76 non-retail shops (9%). The largest provision of retail specialty floorspace in the Chatswood area is food catering with some 234 shops in total.

Key points to note include the following:

- Overall, there are some 828 specialty shops provided in the Chatswood area, with the majority of these located outside the major shopping centres, predominantly along Victoria Avenue.
- The largest categories of specialty retail floorspace are food catering at 28% and apparel at 23%. The majority of the apparel offer is situated in the major shopping centres including Westfield Chatswood and Chatswood Chase.
- Non-retail floorspace accounts for some 9% of the total Chatswood specialty offer (76 shops).
- The largest shopping centre in terms of number of shops is Westfield Chatswood with 233, some 80 of these (34%) are apparel shops with another 58 (25%) food catering shops.

5.2 Comparative Analysis

5.2.1 Chatswood Retail

Chatswood represents a significant retail destination for residents of the northern suburbs of Sydney. Over 200,000sqm of retail floor space is provided across a number of different shopping centres. Regional shopping centres within Chatswood include Westfield Chatswood and Chatswood Chase. Smaller centres with a large specialty component are also provided such as the Mandarin Centre, Lemon Grove and Chatswood Interchange.

Details regarding key shopping centres within Chatswood are as follows:

- **Westfield Chatswood**
  The largest shopping centre in Chatswood at some 77,100sqm. The centre is anchored by a Myer department store, Target discount department store as well as Coles and Aldi supermarkets of 2,217sqm and 1,284sqm, respectively. Adjacent to Aldi, there is also a small Miracle Asian Foodstore provided. The centre comprises a considerable non-food offer which would predominantly serve residents of the wider total trade area.

  Westfield Chatswood has recently undergone an expansion to include a Target discount department store and also a fresh food and dining precinct on level two. A number of mini-major tenants were also added on upper levels of the centre including Zara, H&M, Union and Topshop/Topman.
- **Chatswood Chase**
  Chatswood Chase is anchored by a David Jones department store, Kmart discount department store and Cole's supermarket of 4,000sqm. Chatswood Chase generally represents an upmarket, luxury offer in comparison to the other retail within Chatswood, particularly in the apparel sector.

In comparison to a number of regional shopping centres surrounding Chatswood, including the Sydney CBD, Macquarie, Brookvale, Hornsby and Bondi Junction, key points to note include the following:

- All major department stores (namely Myer and David Jones) are represented in Chatswood as are all major supermarket brands.

- Both Kmart and target provided at Chatswood Chase and Westfield Chatswood, respectively, however, Big W is the only major non-food tenant not provided in the Chatswood market.
- Woolworths does not have a major full-line supermarket offer in Chatswood. Woolworths operate a smaller format store of 2,500sqm at Chatswood Interchange.
- Some nine mini major tenants are provided at all comparable locations, including Chatswood. Each centre has around 20-30 separate mini-major brands represented.
- International mini-majors have recently been added Chatswood at as part of the Westfield Chatswood expansion. Further mini-majors may be provided at Chatswood in the future, including internationals.
- Mini-majors that could locate at Chatswood that are currently not represented include City Beach, Rubi Shoes, Typo, The Reject Shop and Howards Storage World.
- There may be potential to attract homewares and large format retail tenants due to the lack of available space at traditional, nearby locations such as Artarmon, however these large format stores pay low rents.

There are also a number of smaller arcade style shopping centres throughout Chatswood. There is a strong focus towards commercial tenants such as doctors, lawyers, accountants and medical centres as well as Asian retailers including grocers and restaurants. Key shopping centres of this type include the following:

- **Lemon Grove**
  Located on the northern side of Victoria Avenue at the western extent of Chatswood. The centre is focused on Asian type retailers including a small grocery store provided towards the Endeavour Street entrance in the north.
- **The Mandarin Centre**
  Located on the western side of Victor Street and includes a small Miracle supermarket as well as mini-majors such as Trade Secret and Daiso. The main retail component of the centre is provided on the ground level with the upper levels including a cinema and Strike Bowling
- **The Chatswood Interchange**
  Provided above the Chatswood train station and is anchored by a Woolworths supermarket of 2,500 sq. There is no dedicated car parking for the supermarket which relies solely on patronage from the Chatswood train/bus station.

  On the upper level directly above the train station there is a food catering precinct known as The District which predominantly includes sit-down restaurants and a food hall style arrangement with individual seating areas for each.
- **Victoria Avenue**
  A large number of specialty retailers also have direct frontage to Victoria Avenue which is the focus for retail activity throughout Chatswood. The two major shopping centres, Chatswood Chase and Westfield Chatswood, both include major entrances from Victoria Avenue.

5.2.2 Other Total Trade Area Facilities

There are a number of other retail facilities provided within the main trade area, including the following:

- **Lindfield**
  Located around 3km to the north and comprises a Coles supermarket of 2,132sqm as part of the Balfour Shopping Centre. A small IGA of 850sqm is also included as part of Lindfield Arcade.
- **East Lindfield**
  This centre comprises some 1,200sqm of total retail floorspace located around 5km to the north of Chatswood. An IGA of 350sqm is included within this precinct.
- **Northbridge Plaza**
  It includes a Woolworths supermarket of around 4,000sqm which is understood to trade strongly. Overall, Northbridge Plaza includes some 7,800sqm of floorspace with a specialty component largely comprising convenience based retailers.

- **The Quadrangle Shopping Centre**
  It includes a small IGA supermarket of 1,200sqm across a total of 2,500sqm of floorspace, some 3.7km south of the site.
- There are two regional shopping centres (i.e. anchored by either Myer or David Jones) provided in the tertiary north sector, namely **Westfield Hornsby** and **Macquarie Centre**. Both these centres provide substantial retail components, however, lack any significant retail facilities in the precinct outside the main shopping centres. Both the centres are discussed in further detail below.

5.2.3 Main Trade Area Future Competition

Future competitive developments of relevance to Chatswood include the following:

- A free-standing full-line Woolworths supermarket was proposed at Chatswood East at the intersection of Lower Gibbes Street and Alleyne Street, but refused by Council.
- A development application has been approved and the site has been cleared for the Lindfield Village development at the intersection of Lindfield Avenue and Kochia Lane in Lindfield. The development is anticipated to include an IGA supermarket of some 1,667sqm as well as seven specialty shops.
- Planning is currently underway for the Lindfield Community Hub on the western side of the Pacific Highway in Lindfield. This development is anticipated to include a supermarket of 3,000sqm as well as specialty retail floorspace. Total retail floorspace for the development will be some 4,573sqm.
- Northbridge Plaza is currently in the planning process for a small expansion to include additional specialty retail, a café, a restaurant and outdoor seating. The total addition to the centre is anticipated to be 1,000sqm.
- A development application had previously been submitted for a mixed use development at 98-102 Hampden Road in Artarmon. Retail was proposed as part of the development which could have included a Woolworths supermarket, however, the developer has withdrawn the application and is no longer proceeding.

In summary, there are a number of planned retail developments within the main trade area, however, the scale of these developments will not impact on the role of Chatswood within the surrounding retail hierarchy. The proposed developments predominantly consist of additional supermarket floorspace, or additions/alterations to existing supermarket based shopping centres.

5.2.4 Comparable Precincts

Retail precincts considered comparable to Chatswood include Macquarie Centre, Sydney CBD, Brookvale, Hornsby and Bondi Junction. These precincts include some of the largest and most modern shopping centres in Australia. Table 5.1 outlines these retail facilities and their offer.

Table 5.1: Surrounding Regional Retail Facilities Composition

Centre	Shopfront GLA (sqm)	Anchor Tenants (GLA, sqm)	Distance from Chatswood (km)
Macquarie Park	**148,500**		8.7
• Macquarie Centre	138,500	Myer (22,273), David Jones (14,664), Big W (8,877), Target (7,956), Coles (5,200), Woolworths (4,607), Aldi (1,350), Miracle (400)	
• Other	10,000		
Sydney CBD	**710,000**		10.8
• Westfield Sydney	90,400	Myer (46,754)	
• World Square	15,800	Coles (3,077), Miracle (500)	
• Met Centre	5,700	Woolworths (1,500)	
• MLC Centre	4,200	IGA (1,000)	
• QVB	13,669		

Centre	Shopfront GLA (sqm)	Anchor Tenants (GLA, sqm)	Distance from Chatswood (km)
• Mid City	7,181		
• Other	573,050	David Jones (32,094, David Jones (31,000), Woolworths (5,994), Coles (1,850), Coles (890sqm), IGA (601)	
Brookvale	**141,600**		12.7
• Westfield Warringah Mall	126,600	Myer (21,483), David Jones (20,100), Target (8,408), Big W (8,305), Woolworths (5,432), Coles (4,190)	
• Other	15,000	Aldi (1,350)	
Hornsby	**153,500**		14.6
• Westfield Hornsby	138,500	David Jones (14,642), Myer (8,000), Kmart (8,000), Target (7,598), Woolworths (4,353), Coles (4,080), Aldi (1,357)	
• Other	15,000		
Bondi Junction	**173,000**		15.7
• Westfield Bondi Junction	127,700	David Jones (19,024), Myer (17,924), Target (5,268), Coles (4,578), Woolworths (3,705), Kmart (6,603), Coles (3,269), Aldi (1,350)	
• Eastgate Shopping Centre	15,300		
• Other	30,000		

Source: Location IQ

Each of the precincts is described:

- **Sydney CBD**
  The largest precinct comprising 710,000sqm of retail floorspace. The major component of this precinct is Westfield Sydney which includes a Myer department store comprising around 170,000sqm of floorspace.

  Given the quantum of retail facilities in the Sydney CBD, customers are drawn from across the Sydney metropolitan area, including the Chatswood total trade area. In addition, the retail facilities therein serve CBD workers and tourists.

- **Macquarie Park**
  The closest precinct to Chatswood, some 8.7km to the north. The Macquarie Centre forms the major provision of retail floorspace at this location, with both Myer and David Jones.

  The Macquarie Centre recently underwent redevelopment to include a number of international mini-majors and a Coles supermarket, with the centre also serving a significant worker population.

- **Brookvale**
  Retail is largely confined to Westfield Warringah Mall which includes both Myer and David Jones department stores across some 126,000sqm of floorspace. The only major tenant of significance outside of Westfield Warringah Mall is currently being redeveloped with the refurbishment of Myer and an additional 70 specialty shops to completed by late 2016.

- **Hornsby**
  Located some 15km to the north of Chatswood and anchored by Westfield Hornsby. It includes both David Jones and Myer department stores as well as three supermarket brands (Woolworths, Coles and Aldi). Around 15,000sqm of retail floorspace is located outside Westfield Hornsby.

- **Bondi Junction**
  Bondi Junction represents the second largest provision of retail floorspace after Sydney CBD. The main component of the Bondi Junction retail offer is Westfield Bondi Junction which comprises some 12,7700sqm of floorspace. A large amount of retail floorspace is also provided outside, including Eastgate Shopping Centre which is a sub-regional centre anchored by a Kmart discount department store and a Coles supermarket. A provision of strip retail is focused around Oxford Street.

5.3 Chatswood's Competitive Position

Chatswood comprises a significant provision of retail floorspace, estimated at approximately 200,000sqm. The majority of major tenants in the Australian market are provided at Chatswood, with the exception of Big W and a full-line Woolworths supermarket. The only Woolworths supermarket provided Chatswood is some 2,500sqm at Chatswood Interchange.

Within the total trade area, a number of mini-major tenants are predominantly focused around Chatswood and the regional centres in the combined tertiary sectors. The lack of many major facilities in the secondary sectors is an indication of the dominance of Chatswood as a retail destination across the *main* trade area (i.e. combined primary and secondary sectors).

A number of supermarket-based shopping centres are located immediately beyond the Chatswood retail core and are of limited competitive relevance as they are primarily focused on convenience-based food and grocery shopping, serving local residents.

Competitive retail precincts that also include a significant non-food retail offer include Macquarie and Sydney CBD. Macquarie is anchored by the Macquarie Centre which is one of the largest enclosed shopping centres in Sydney, however lacks a significant retail offer outside the shopping centre. The Sydney CBD represents the largest provision of retail facilities in Sydney and will likely draw from the entire Sydney metropolitan area.

The wide draw of Sydney CBD retail elevates this precinct to the top of the Sydney retail hierarchy and would compete with retail at Chatswood given it is three times larger than any other retail precinct in Sydney. All other retail precincts, including Macquarie, Brookvale, Hornsby and Bondi Junction are similar in size and scale to retail provided at Chatswood, but lack the significant activation outside shopping centres that Chatswood includes along Victoria Avenue.

No comparable precinct, with the exception of Sydney CBD which sits above Chatswood in the retail hierarchy, has a provision of retail floorspace greater than Chatswood.

Strengths

- Chatswood has excellent transport links with train station entering the western end of Chatswood. A bus interchange is also provided adjacent to the train station.
- Chatswood has benefited from a significant increase in the density of residential development in the immediate surrounding area, with a number of significant unit developments provided such as Era by Mirvac.
- Chatswood includes over 200,000sqm of retail floorspace across a diverse configuration, including two regional shopping centres, namely Westfield Chatswood and Chatswood Chase, a large provision of strip retailing focused along Victoria Avenue as well as convenience based retail facilities associated with Chatswood train station.
- The majority of major tenants are provided at Chatswood, with the exception of a Big W discount department store and a full-line Woolworths supermarket.
- A number of different price points are served in Chatswood with a predominance for serving higher end non-food shopping requirements in the regional centres. More value focused retail offers are provided in small shopping centres with entrances of Victoria Avenue such as Lemon Grove.

Weaknesses

- There is a significant amount of retail and non-retail specialty floorspace located outside shopping centres and with no frontage to Victoria Avenue. A portion of this floorspace is located on the ground level of recently completed residential developments; receiving little benefit from the significant pedestrian flow is located along Victoria Avenue. This type of floorspace is unlikely to be sustainable in the long term.
- The majority of commercial office floorspace is provided on the western side of the railway line, away from the main provision of retail facilities. Links across the railway line are provided via stairs and escalators through Chatswood Interchange which may not be convenient for office workers on the western side.

5.4 Looking Forward

Macquarie Park is located around 9km to the north-west of Chatswood and includes a substantial office worker population. The Macquarie Centre has recently undergone an expansion to include a range of international mini-majors and may undertake further expansion in the future, elevating its status in the Sydney retail hierarchy. That said, Macquarie Centre's offer within an enclosed shopping centre is different to that of Chatswood's, located within a number of enclosed shopping centres but also benefitting from a vibrant retail strip.

Provision of additional major and mini-major floorspace, not currently provided at Chatswood is important in providing the diversity of offer required to attract a significant population from the surrounding area. This could include the provision of a full-line Woolworths supermarket and the mini-majors recommended as part of the gap analysis.

Older tenancies tend to be located along Victoria Avenue and cross streets. Redevelopment of existing, older retail floorspace is important to enhance the atmosphere and experience of customers. Westfield Chatswood has recently undergone a redevelopment, including the refurbishment and activation of ground floor tenancies.

6. Growth and Sustainability of Chatswood

Business zones play an important role in providing for future employment for Chatswood's growing population. Chatswood is a vibrant retail centre and is well patronised particularly around the train station.

A crucial component to facilitating employment growth is ensuring that businesses' floorspace and accommodation requirements can be met. The availability of suitable and competitively priced floorspace is critical for both existing businesses and new businesses seeking to operate in Chatswood.

In centres attractive for high density residential, there is a risk that a centre's employment function is gradually eroded by residential uses. In these instances appropriate planning frameworks are necessary to ensure provision of employment floorspace is not undermined by an active and heated residential market.

6.1 Commercial Office Precinct

Chatswood has had a long standing policy with regard to a commercial-only CBD core which excludes residential development. This framework is intended to provide a signal to the market that the designated area will be a focal area for future commercial growth.

The B3 Commercial Core Zone which prohibits residential development is beneficial in that it preserves land for employment uses to prevent encroachment from other more financially attractive uses.

In the face of pressure for residential development it is important that Council takes a clear position to either 'hold the line' on its policy to retain land for employment uses, or, to change policy and accept a mix of uses.

Table 6.1 details the pros and cons of both maintaining and changing the existing policy.

Table 6.1: Pros and Cons of Maintaining and Rezoning the B3 Commercial Core

Pros	Cons
Maintain the B3 Commercial Core	
• Provide consistent policy position • Protect the area for future employment uses and contribute to the achieving metropolitan strategic planning objectives • Maximise employment capacity • Mitigate against effects of market cycles	• Potentially result in a slower pace of renewal • Result in lower levels of activation of the CBD core outside of business hours
Rezone the B3 Commercial Core to B4 Mixed Use	
• Stimulate more new development (predominantly residential but potentially more genuinely mixed • use) in the short to medium term • Provide greater activation of the CBD core outside of business hours • Larger scale renewal of old stock	• Reduce the longer term employment capacity of the Chatswood CBD • Increase land values closer to those of mixed use areas (depending on the zone or policies put in place) • Erosion of commercial office critical mass

Source: AEC

Based on the research and analysis undertaken, it is recommended that residential uses continue to be excluded from the B3 Commercial Core zone. In planning for Chatswood's future sustainability, it is important to recognise a number of key factors.

Distinct Role and Function

Despite being an established office market located in close proximity to the North Shore executive belt, over the past decade, Chatswood strategic centre has experienced significant competition from locations such as Macquarie Park and St Leonards/Crows Nest (and to some degree North Sydney).

Chatswood is the beneficiary of market cycles. While it was vulnerable to tenant leakage to more attractive lease terms in Macquarie Park in the 2008-2010 period, Chatswood has since grown and developed into a vibrant retail and entertainment precinct.

Chatswood serves a distinctly different role to North Sydney and provides an alternative and more affordable option for smaller businesses unable to locate in North Sydney.

The majority of St Leonards/Crows Nest is zoned B4 Mixed Use (in North Sydney LGA) and does not benefit from having a contiguous commercial core. The quality of stock in St Leonards/ Crows Nest is of an older style with minimal investment occurring.

While North Ryde/Macquarie Park attracted many tenants away from Chatswood immediately following the GFC, smaller tenants are generally less well catered to. As this office market reaches maturity, its offer and characteristics become apparently distinct from Chatswood's. While North Ryde/Macquarie Park suit occupiers with need for large office floorplates and who also accommodate industrial-type functions, smaller occupiers whose assets are their employees are more likely to seek an amenity-rich, high accessibility location such as Chatswood.

Chatswood is fulfilling a critical need in the market by providing affordable space for a range of tenant sizes in a high amenity environment benefitting from excellent public transport and retail facilities. As Chatswood's desirability as a commercial office destination continues to build in the market as more tenants take up space, effective rents will rise and thereby generate investor interest in the market.

Chatswood is already on the institutional investor radar, with two major transactions occurring in 2015 and 2016. Continued build of tenant interest will conceivably lift its profile even further, eventually to the level where investment into refurbishment of office space will represent a commercial proposition.

The preservation of opportunities to allow momentum in the commercial office market to continue to build will ensure investment opportunities are available when the time is ripe and market conditions are conducive.

If Chatswood continues to provide accommodation that meets an array of needs (including large floorplate occupiers who seek corporate image and smaller occupiers) it will help ensure its sustainability and relevance as a commercial office market.

Critical Mass

Critical mass is important in order for commercial office precincts to remain competitive. Chatswood is the smallest of the North Shore office markets, the quantum of floorspace having remained largely flat since the mid-1990's.

Already disadvantaged from having a small commercial core, it is essential existing stock is not eroded and thereby undermining the corporate image and identity of the centre.

A defensive strategy to 'hold the line' will allow market conditions to strengthen further and investment returns to improve. This will in time provide an incentive for the refurbishment/ upgrade of existing space. The expansion of existing stock could then occur ahead of comprehensive redevelopment, noting that economic rents required for financially feasible new development are still significantly higher than current market rents.

SGS (2016) comment that if residential uses are entertained on commercial core sites, they "should be used to underpin office development in genuine mixed use developments". This study cautions this approach as it could have serious implications for the critical mass of Chatswood's commercial office market.

Corporate image/identity is important in any major office market. It is critical in Chatswood, even more as it is a relatively small market compared to the Sydney CBD and even its north shore competitor markets.

While the inclusion of residential uses in the Sydney CBD has resulted in a vibrant 18-hour economy, certain precincts within the Sydney CBD where a large number of mixed use residential buildings have been developed have declined in perception as 'commercial office precincts' (for example in Midtown and Southern precincts).

Notwithstanding, the large scale of the Sydney CBD's commercial office market (nearly 5,000,000sqm of commercial office floorspace across quality grades) can better withstand the inclusion of residential uses without compromise to its overall role and image as a commercial office centre. By comparison, in the case of office markets that are relatively small like Chatswood, the inclusion of residential uses will conceivably undermine its already challenged small size that ultimately affects any significant role it plays as a major office market.

Commercial Floorspace within Mixed-use Buildings

The market appeal of commercial floorspace within mixed use residential buildings is less likely to convey a corporate image or identity that is typically sought on the western side of the rail line. Accordingly, large corporate occupiers are unlikely to seek space within a mixed use residential building unless the space is innovative in design and finish.

While Hill PDA (2010) recommend the provision of at least 50% of non-residential floorspace on peripheral sites, it is stressed that the provision of commercial floorspace within mixed use developments needs to have regard to the ability of its siting and location to facilitate pleasant worker amenity. While commercial tenancies within mixed use residential buildings can be well sought after by small businesses, e.g. professional services offices (lawyer, accountant, tax advisor, etc.) and other businesses who respond to local population growth, it is not uncommon for many a commercial suite to remain vacant long after completion due to isolation and poor amenity.

Notwithstanding overall demand for retail and commercial floorspace, not all locations are suitable. Commercial occupiers are generally drawn to attractive buildings in close proximity to the train station and retail core.

The incorporation of retail/commercial floorspace within mixed use developments is in many instances perceived by developers as risky. Where a token amount of retail/ commercial floorspace is proposed and not considered to have good prospects for sale/ lease, a heavy focus on residential marketing is adopted to mitigate the risk of the retail/ commercial floorspace, of which high vacancy can be perceived as an inevitable outcome.

Retail and commercial floorspace needs to be appropriately designed and astutely positioned for market acceptance. While ultimately a matter for a developer, the location and quantum of non-residential floorspace is subject to site-specific characteristics which are difficult to predict at an aggregate level.

While demand for retail and commercial floorspace has strengthened commensurate with growth of residential uses in Chatswood, retail and commercial suites within a mixed use development that is dominated by residential uses need careful planning and design, as well as astute market positioning to be sustainable.

Incentives for Smaller Commercial Tenancies

It is important that demand for smaller commercial tenancies is able to be suitably met in Chatswood. Emerging technology and creative occupiers typically demand small amounts of space initially but can expand quickly depending on business success. Many professional services firms also require smaller tenancies.

The reconfiguration of floorplates and building services layout from accommodating a single occupier to multiple smaller tenants can be a costly exercise. Some building owners can be reluctant to manage multiple tenants rather than a single blue chip covenant. New buildings that feature flexible design from the outset could remove the disincentive to partition a building into smaller tenancies.

The nature and extent of any incentive offered needs to at a minimum offset the additional cost of incorporating flexible building design. Council could consider excluding a proportion of floorspace (say 10%) that would be 'lost' to tenancy subdivision from GFA calculations, effectively allowing more floorspace than permitted. This would be akin to the "additional floorspace" incentives the City of Sydney permit for end-of-journey floorspace, lanes development and other types of floorspace under Division 1 Subdivision 2 of the Sydney LEP (2012).

Increase to Market Profile of Chatswood

Chatswood has benefitted from a resurgence of tenant and market interest. The recent sale of two prominent A-grade office buildings signals the market's confidence in investment returns in Chatswood. Previous perceptions of reduction in prestige (owing to encroaching residential uses) would appear to have dissipated following completion of the Chatswood Interchange and boost to the vibrancy of the centre.

There is extensive media and market coverage/awareness of government and private investment occurring in Macquarie Park. Such announcements have the effect of stimulating market interest and confidence in an area.

With Chatswood on the cusp of an uptick in the market, Council could work to leverage industry and market interest/activity in the centre to promote Chatswood as a commercial office destination, highlighting the value proposition of Chatswood.

Even if new additions to office stock are not pursued yet, an ability for Chatswood to renew (upgrade and refurbishment of existing stock) is critical for market perception and appeal.

Renewal (whether refurbishment/upgrade of space or public spaces) of sites in strategic locations has flow-on impacts for the entire commercial office precinct, increasing its desirability and appeal which is then met by increasing rents and prices which could then stimulate their upgrade/renewal. Strategic sites could be sites that are of a significant size or in a prominent location to directly impact the quality of environment in the precinct. Consolidated ownership is a key attribute. If contributions received from these strategic sites were of lesser amounts or foregone, their role in improving the amenity and quality of the public domain could well be offset by additional investment stimulated.

There is unfortunately no silver bullet for Chatswood's success and sustainability. Development of new office buildings will only occur when rents are sufficiently attractive. Council could work with building owners to collectively secure the necessary lifts in profile and image that will result in commensurate rises in overall commercial rents.

6.2 Retail Precinct and Destination

Chatswood is one of the largest retail precincts in Sydney comprising two regional shopping centres, Westfield Chatswood and Chatswood Chase. A significant provision of freestanding retail is also provided, focused along Victoria Avenue.

Any additional retail floorspace provided at Chatswood will most likely need to generate business by utilising existing pedestrian flows in the area. On this basis, a location within an existing established shopping centre such as Westfield Chatswood or Chatswood Chase, would be preferred or along Victoria Avenue.

There has been a considerable increase in residential density in Chatswood, mainly consisting of high-rise apartment buildings. The majority of these buildings comprise a small provision of retail floorspace located on the ground floor. Generally, these retail facilities provide for the convenience needs of residents located in the building and do not rely on high pedestrian activity.

The continued development of this type of retail is unlikely to be sustainable in the medium to long term given the significant number of residential buildings that have recently been built or are currently under construction. Additional future retail floorspace, provided on the ground floor of residential buildings away from the retail core, will likely have to be an attractant in themselves as pedestrian flows from the retail core generally do not extend to these areas. In low pedestrian traffic areas, it is not surprising that many of these retail units are then occupied by commercial-type uses that pay more modest rents.

The potential for different types of retail floorspace are now outlined in detail.

Department Store

Both major department store tenants operating in Australia are provided at Chatswood (Myer and David Jones), indicating limited potential for additional floorspace of this type.

Discount Department Store

In metropolitan areas throughout Australia, as a rule of thumb one discount department store (i.e. Kmart, Big W or Target) is supportable for every 45,000-50,000 persons. Based on the current main trade area population, this suggests that around four discount department stores are supportable, with two currently provided (Kmart at Chatswood Chase and Target at Westfield Chatswood). A full size discount department store requires in the order of 6,000-8,000sqm of floorspace.

Big W is currently the only discount department store tenant not represented at Chatswood with the nearest store located some 8.7km to the northwest at Macquarie Centre.

Based on the above, additional discount department store floorspace may be supportable, however, given the declining spending patterns seen at discount department stores generally over the past five years, such a store is not essential. A large space of 6,000-8,000sqm would be difficult to re-lease should a discount department store tenant vacate the area. There should be a focus towards providing flexible floorspace that can accommodate a range of different tenants.

Supermarket

All major supermarket operators throughout Australia currently have stores located in Chatswood. Coles is the most significant operator in the area with two full-line supermarkets provided at both Westfield Chatswood and Chatswood Chase, however Coles in Westfield Chatswood is not a full- line supermarkets as it is only 2,217sqm in size.

A full line supermarket is generally a supermarket of greater than 2,500sqm, with a major full line supermarket over 3,200sqm. The offer of a full-line supermarket is more suited towards the weekly shopping needs of customers.

Woolworths operate a supermarket of 2,500sqm provided adjacent to Chatswood train station, within the Chatswood Interchange shopping centre and are seeking to open a full-line supermarket in Chatswood East, away from the Chatswood retail core. The Woolworths at Chatswood Interchange is more suited towards convenience based, small basket size shops. While a range of goods are provided, the weekly shopping needs of residents in Chatswood are unlikely to be met by a supermarket of the size.

Woolworths could consider opening a full-line supermarket within Chatswood as an alternative to the Chatswood East site, given the high profile nature of retail within Chatswood and the significant, established surrounding population.

The main trade area population of around 200,000 persons currently indicates that some 20-25 full-line supermarkets could be provided in the main trade area, based on a population of 8,000-10,000 persons per full- line supermarket. There are currently 21 full-line supermarkets provided across the main trade area.

More locally, there is only one major full-line supermarket currently provided within Chatswood, namely Coles at Chatswood Chase. A range of smaller supermarkets are also provided in the immediate area.

On this basis, additional full-line supermarket floorspace is supportable at Chatswood, with Woolworths likely to be the operator.

Specialty and Mini-Major

A mini-major tenant is a tenant which includes more than 400sqm of floorspace and acts as a customer attractor in its own right. The composition of mini-major floorspace within a retail development largely depends on the type of major tenants provided.

Retail specialty floorspace typically relies on the customer flows generated by majors such as supermarkets and discount department stores as well as mini-major floorspace.

Additional retail specialty and mini-major floorspace may be supportable if it can be anchored off existing major retailers located in Westfield Chatswood and Chatswood Chase. The Chatswood precinct as a whole has sufficient critical mass such that mini-major and retail specialty tenants would not be required to locate directly adjacent to major tenants in order to attract customers.

A number of international mini-majors have recently opened in Chatswood as part of a redeveloped Westfield Chatswood, including Uniqlo, Topshop/Topman and H&M. International mini-majors provide significant customer attractant in their own right with a number of additional international mini-major brands that could be provided in Chatswood. These include Sephora, Zara Home and Victoria's Secret.

It is important to provide a range of sizes and spaces to accommodate a range of different mini-major tenants within Chatswood over time. Flexibility of the spaces is also important to ensure they can be easily reconfigured for different tenants.

Chatswood currently provides a range of entertainment and leisure options, including cinemas, bowling and The Concourse entertainment precinct. Additional entertainment and leisure facilities could be provided in order to ensure the dominance of Chatswood in this space, as an 18-hour trading precinct (i.e. 6am to 12am). Leisure and food catering are two of the main growth categories in shopping centres.

Given the potential for an additional full-line supermarket floorspace within Chatswood, a number of convenience based mini-major and specialty retail tenants could be provided adjacent to the supermarket. Tenants that typically co-locate with supermarkets include fresh food, pharmacy, newsagent and service based retailers.

Ground Floor Retail Activation

While the notion of street activation is commendable depending on location and position within a centre. In isolated locations away from retail and pedestrian activity, ground floor retail can be met with market resistance and prolonged periods of vacancy.

Retail/commercial centres are most successful when clustered/consolidated in one location, thereby creating a vibrant and active area. This is observed in and around Chatswood train station where there is a high concentration of activity.

Owing to the length of Victoria Avenue, a focus on ‘activity nodes’ will help concentrate, rather than dilute retail and economic activity. It is evident from this analysis that properties at the eastern edge of Victoria Avenue face market resistance and struggle to be taken up.

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Appendix A: Competitive Centres and Planning Controls

North Sydney

The planning instrument is North Sydney Local Environmental Plan (2013).

Table A.1: North Sydney CBD Planning Controls

North Sydney CBD Planning Controls	
Land Use Zone	B3 Commercial Core (south of Berry Street) B4 Mixed Use (north of Berry Street)
Land Use Zone Objectives	B3 Commercial Core: • To provide a wide range of retail, business, office, entertainment, community and other suitable land uses that serve the needs of the local and wider community. • To encourage appropriate employment opportunities in accessible locations. • To maximise public transport patronage and encourage walking and cycling. • To prohibit further residential development in the core of the North Sydney Centre. • To minimise the adverse effects of development on residents and occupiers of existing and new development. B4 Mixed Use: • To provide a mixture of compatible land uses. • To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling. • To create interesting and vibrant mixed use centres with safe, high quality urban environments with residential amenity. • To maintain existing commercial space and allow for residential development in mixed use buildings, with non-residential uses concentrated on the lower levels and residential uses predominantly on the higher levels.
Permissible Land Uses	**B3 Commercial Core:** amusement centres, backpackers' accommodation, child care centres, commercial premises, community facilities, educational establishments, entertainment facilities, function centres, hotel or motel accommodation, information and education facilities, medical centres, passenger transport facilities, places of public worship, recreation areas, recreation facilities (indoor), registered clubs, respite day care centres, restricted premises, roads, serviced apartments, sex services premises, signage, vehicle repair stations and veterinary hospitals. **B4 Mixed Use:** amusement centres, backpackers' accommodation, boarding houses, car parks, child care centres, commercial premises, community facilities, educational establishments, entertainment facilities, function centres, hostels, hotel or motel accommodation, information and education facilities, medical centres, passenger transport facilities, places of public worship, recreation areas, recreation facilities (indoor), registered clubs, residential flat buildings, respite day care centres, restricted premises, roads, seniors housing, serviced apartments, sex services premises, shop top housing, signage, vehicle repair stations and veterinary hospitals.
Prohibited Land Uses	B3 Commercial Core: Any type of development no specified as permissible. B4 Commercial Core: Any type of development no specified as permissible.
FSR	N/A
Heights	B3 Commercial Core: 65-200m (RL) B4 Commercial Core: 10-145m
Non-residential floorspace requirements	Land zoned B4 Mixed Use must have between 0.5:1 – 3:1 minimum of non-residential floorspace.

St Leonards/Crows Nest

The planning instruments are North Sydney Local Environmental Plan (2013), Willoughby Local Environmental Plan (2012) and Lane Cove Local Environmental Plan (2010).

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Table A.2: St Leonards/Crows Nest Planning Controls

St Leonards/Crows Nest Planning Controls	
Land Use Zone	North Sydney LGA: B4 Mixed Use (majority) and B3 Commercial Core Willoughby LGA: B3 Commercial Core Lane Cove LGA: B3 Commercial (majority) and B4 Mixed Use
Permissible Land Uses	**North Sydney LGA** **B4 Mixed Use:** amusement centres, backpackers' accommodation, boarding houses, car parks, child care centres, commercial premises, community facilities, educational establishments, entertainment facilities, function centres, hostels, hotel or motel accommodation, information and education facilities, medical centres, passenger transport facilities, places of public worship, recreation areas, recreation facilities (indoor), registered clubs, residential flat buildings, respite day care centres, restricted premises, roads, seniors housing, serviced apartments, sex services premises, shop top housing, signage, vehicle repair stations and veterinary hospitals. **B3 Commercial Core:** amusement centres, backpackers' accommodation, child care centres, commercial premises, community facilities, educational establishments, entertainment facilities, function centres, hotel or motel accommodation, information and education facilities, medical centres, passenger transport facilities, places of public worship, recreation areas, recreation facilities (indoor), registered clubs, respite day care centres, restricted premises, roads, serviced apartments, sex services premises, signage, vehicle repair stations and veterinary hospitals. **Willoughby LGA** **B3 Commercial Core:** building identification signs, business identification signs, child care centres, commercial premises, community facilities, educational establishments, entertainment facilities, function centres, hotel or motel accommodation, information and education facilities, medical centres, passenger transport facilities, recreation facilities (indoor), registered clubs, respite day care centres, restricted premises, roads and serviced apartments. **Lane Cove Council** **B3 Commercial Core:** Car parks, child care centres, commercial premises, community facilities, educational establishments, entertainment facilities, function centres, hotel or motel accommodation, information and education facilities, medical centres, passenger transport facilities, recreation facilities (indoor), registered clubs, respite day care centres, restricted premises, roads and signage **B4 Mixed Use:** boarding houses, car parks, child care centres, commercial premises, community facilities, educational establishments, entertainment facilities, function centres, hotel or motel accommodation, information and education facilities, medical centres, multi dwelling housing, passenger transport facilities, recreation facilities (indoor), registered clubs, residential flat buildings, respite day care centres, restricted premises, roads, seniors housing, shop top housing and signage.
Prohibited Land Uses	North Sydney LGA: Any type of development no specified as permissible. Willoughby LGA: There are a range of prohibited uses, of most importance residential accommodation is prohibited. Lane Cove LGA: There are a range of prohibited uses, of most importance residential accommodation is prohibited in the B3 Commercial Core.
FSR	North Sydney LGA: N/A Willoughby LGA: N/A Lane Cove LGA: B3 Commercial Core – 2.5:1 - 17.1:1 B4 Mixed Use – 2.5:1 – 12:1
Heights	North Sydney LGA: 10-50m Willoughby LGA: 14-190m Lane Cove LGA: B3 Commercial Core – 15-72m B4 Mixed Use – 72-227.4m
Non-residential floorspace requirements	North Sydney LGA: land zoned B4 Mixed Use must have between 0.5:1 – 3:1 minimum of non-residential floorspace.

North Ryde/Macquarie Park

The planning instrument is Ryde Local Environmental Plan (2014).

Table A.3: North Ryde/Macquarie Park Planning Controls

North Ryde/Macquarie Park Planning Controls	
Land Use Zone	B4 Mixed Use B3 Commercial B7 Business Park
Permissible Land Uses	**B4 Mixed Use:** building identification signs, business identification signs, child care centres, commercial premises, community facilities, educational establishments, entertainment facilities, function centres, hotel or motel accommodation, information and education facilities, medical centres, passenger transport facilities, recreation facilities (indoor), registered clubs, respite day care centres, restricted premises, roads, seniors housing, shop top housing and waste or resource transfer stations. **B3 Commercial Core:** building identification signs, business identification signs, child care centres, commercial premises, community facilities, educational establishments, entertainment facilities, function centres, hotel or motel accommodation, information and education facilities, light industries, medical centres, passenger transport facilities, recreation facilities (indoor), registered clubs, respite day care centres, restricted premises, roads and serviced apartments. **B7 Business Park:** building identification signs, business identification signs, child care centres, garden centres, hardware and building supplies, light industries, neighbourhood shops, office premises, passenger transport facilities, respite day care centres, restaurants or cafes, roads, warehouse or distribution centres.
Prohibited Land Uses	There are a range of prohibited uses across all three zones, importantly residential accommodation is prohibited in the B3 Commercial Core and B7 Business Park zones.
FSR	B4 Mixed Use: N/A B3 Commercial Core: 1.5:1 – 2:1 B7 Business Park: 1:1
Heights	B4 Mixed Use: 45-120m B3 Commercial Core: 9.5-30m B7 Business Park: 9.5-22m
Exceptions to FSR Controls	The consent authority may approve development with a height and floor space ratio that does not exceed the increased building height and floor space ratio identified on the Macquarie Park Corridor Precinct Incentive Height of Buildings Map and the Macquarie Park Corridor Precinct Incentive Floor Space Ratio Map, but only if the consent authority is satisfied that: (a) there will be adequate provision for recreation areas and an access network, and (b) the configuration and location of the recreation areas will be appropriate for the recreational purposes of the precinct, and (c) the configuration and location of the access network will allow a suitable level of connectivity within the precinct.

Appendix B: Retail Trade Area Analysis

Trade Area Analysis

This section of the report provides a review of the customer segments which will be served by retail at Chatswood, including the resident population and the worker market.

Resident Trade Area and Population

The resident trade area for Chatswood has been defined taking into account the following key considerations:

- The provision of competitive facilities throughout the surrounding area.
- Excellent regional and local accessibility.
- The pattern of urban development throughout the area.

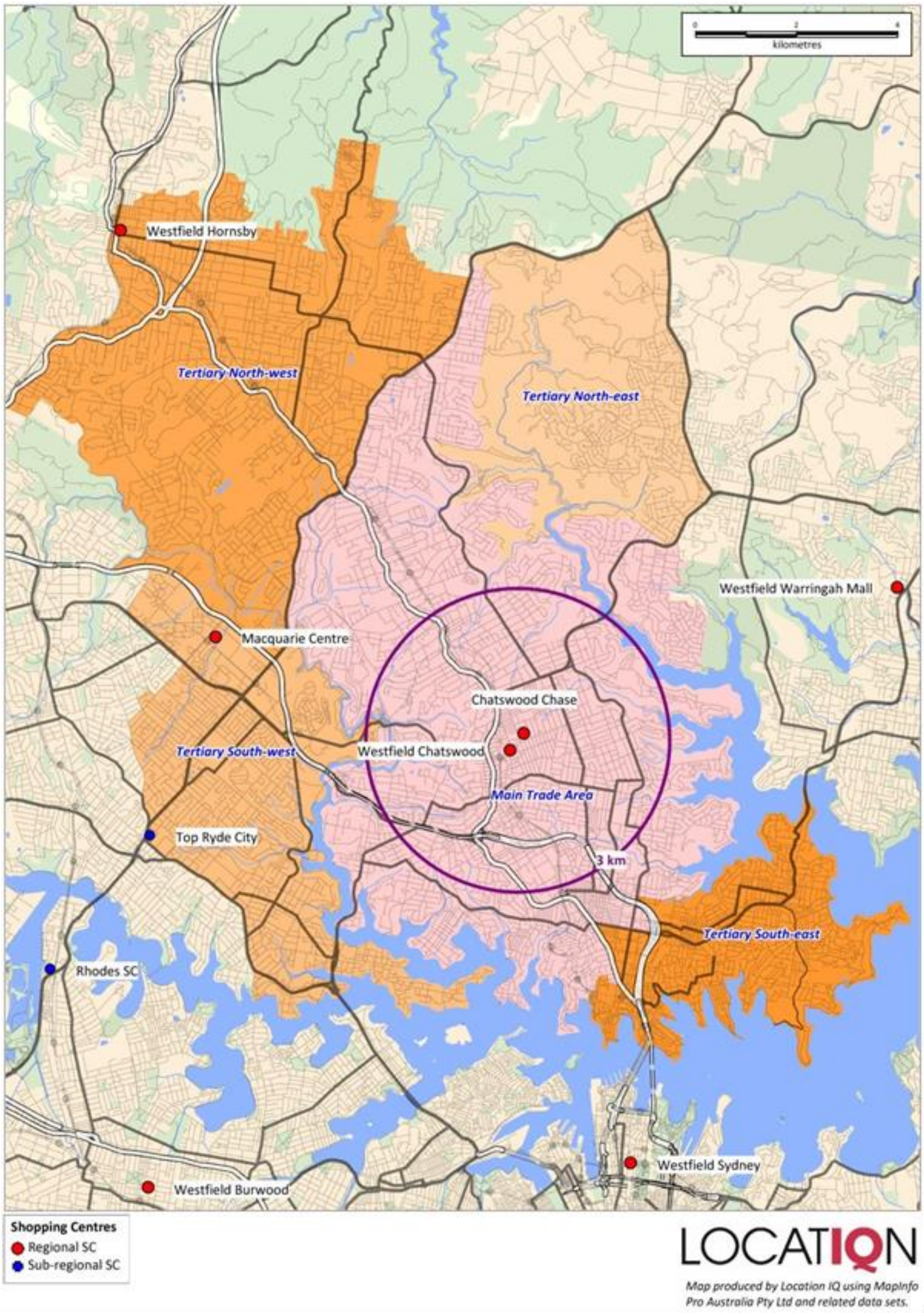
Figure B.1 illustrates the defined Chatswood resident total trade area including a main trade area and four tertiary sectors. The combination of the main trade area in tertiary sectors is referred to as the total trade area. The main trade area is the area from which the majority of the local resident business will be drawn from.

The total trade area sectors are defined as follows:

- The **main trade area** is bounded by the Lane Cove River and ride Road in the west and north, Middle Harbour in the East and the Parramatta River in the south. The main trade area includes the major suburbs of Chatswood, St Leonards, Artarmon, Lane Cove and Linfield. The Chatswood main trade area is outlined in Figure B.2.
- The **tertiary north-west sector** extends to the north of the main trade area and is limited by the Ku-ring-gai Chase National Park in the north and includes the suburb of Hornsby at its northern extreme.
- The **tertiary north-east sector** is bounded by Mona Vale Road in the north and forest away in the east, including the major suburbs of Belrose and Davidson.
- The **tertiary south-east sector** includes the North Sydney CBD and predominantly extends to the east of the Warringah Freeway, including the major suburbs of Mossman, Neutral Bay and Cremorne.
- The **tertiary south-west sector** is bounded by the Lane Cove River on the east, Victoria Road in the south and west, including the major suburbs of Ryde and Macquarie.

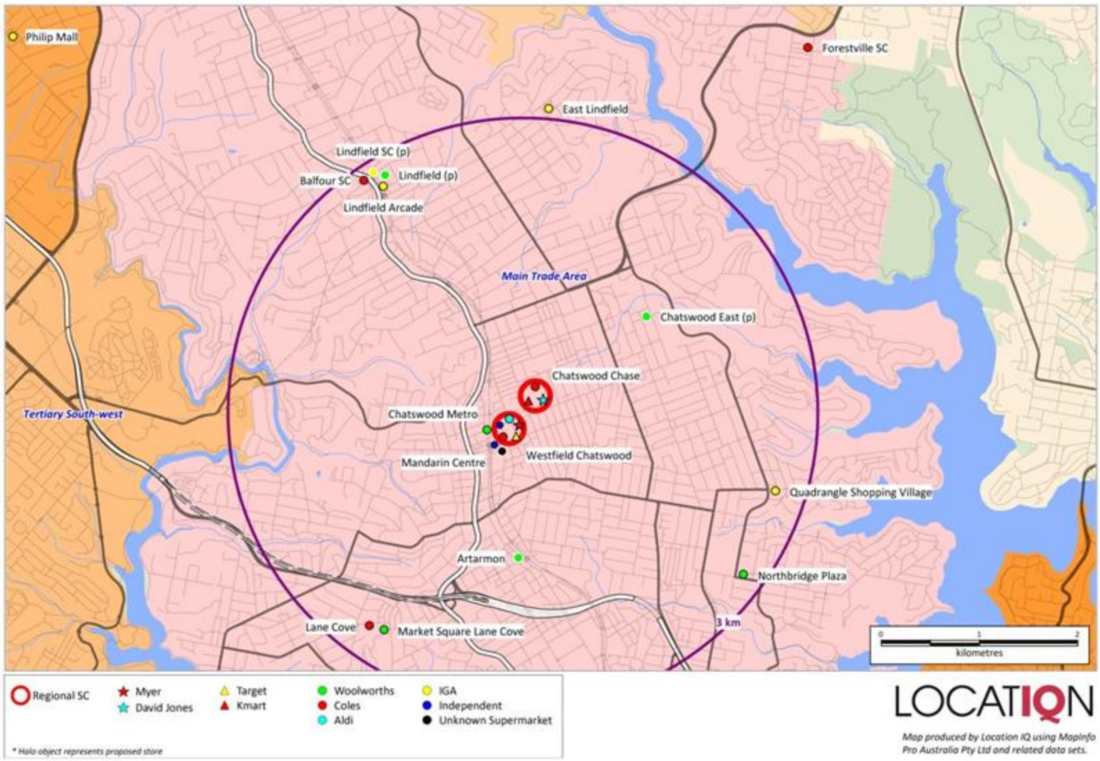
The trade area reflects the draw of major centres including Westfield Chatswood and Chatswood Chase, with any retail facilities at Chatswood likely to draw from an extensive area, reflecting the critical mass of retail facilities within Chatswood and the ease of accessibility provided by the transport options and the road network in the area. The main trade area, however, would likely be where the majority of customers for Chatswood would be attracted, generally extending 3-4 km around the CBD.

Figure B.1: Chatswood Total Trade Area and Competition



Source: Location IQ (2016)

Figure B.2: Chatswood Main Trade Area and Competition



Source: Location IQ (2016)

Table B.1 details the current and projected resident total trade area population levels. This information is sourced from the following:

- The 2006 and 2011 Census of Population and Housing by the Australian Bureau of Statistics (ABS).
- New dwelling approvals statistics sourced from the ABS.
- Population forecasts prepared at the Small Area Forecast information (Safi) level by .id Consulting.
- Investigations by this office into new residential developments in the region.

The Chatswood resident total trade area population is estimated at 453,140 in 2016, including 207,120 persons within the main trade area. The total trade area population is projected to increase to 515,190 by 2031, representing average annual growth of approximately 0.9% or some 4,475 persons per annum over the forecast period from 2016 to 2031.

Table B.1: Chatswood Total Trade Area Population, 2006-2031

Trade Area Sector	Estimated Resident Population (ERP)		Forecast Population				
	2006	2011	2016	2019	2021	2026	2031
Main Trade Area	181,990	193,720	207,120	213,480	217,720	227,270	235,070
Tertiary Sectors							
• North-east	16,530	16,910	17,510	17,990	18,310	19,260	19,660
• South-east	67,830	72,050	76,200	77,490	78,350	79,950	81,550
• South-west	51,660	53,750	57,750	60,630	62,550	66,050	69,300
• North-west	81,010	87,560	94,560	98,250	100,710	105,360	109,610
Total Tertiary	217,030	230,270	246,020	254,360	259,920	270,620	280,120
Total Trade Area	399,020	423,990	453,140	467,840	477,640	497,890	515,190
Average Annual Change (No.)							
		2006-11	2011-16	2016-19	2019-21	2021-26	2026-31
Main Trade Area		2,346	2,680	2,120	2,120	1,910	1,560

Trade Area Sector	Estimated Resident Population (ERP)		Forecast Population				
	2006	2011	2016	2019	2021	2026	2031
Tertiary Sectors							
• North-east		76	120	160	160	190	80
• South-east		844	830	430	430	320	320
• South-west		418	800	960	960	700	650
• North-west		1,310	1,400	1,230	1,230	930	850
Total Tertiary		2,648	3,150	2,780	2,780	2,140	1,900
Total Trade Area		**4,994**	**5,830**	**4,900**	**4,900**	**4,050**	**3,460**
Average Annual Change (%.)							
		2006-11	2011-16	2016-19	2019-21	2021-26	2026-31
Main Trade Area		1.3%	1.3%	1.0%	1.0%	0.9%	0.7%
Tertiary Sectors							
• North-east		0.5%	0.7%	0.9%	0.9%	1.0%	0.4%
• South-east		1.2%	1.1%	0.6%	0.6%	0.4%	0.4%
• South-west		0.8%	1.4%	1.6%	1.6%	1.1%	1.0%
• North-west		1.6%	1.6%	1.3%	1.2%	0.9%	0.8%
Total Tertiary		1.2%	1.3%	1.1%	1.1%	0.8%	0.7%
Total Trade Area		**1.2%**	**1.3%**	**1.1%**	**1.0%**	**0.8%**	**0.7%**
Australian Average		1.5%	1.5%	1.4%	1.3%	1.2%	1.1%

*all figures as at June and based on 2011 SA1 boundary definition with exception of 2006 which is based on 2006 CCD boundary definition. 2006 and 2011 ERP is calculated using 2011 enumeration factor
Source: ABS, SAFi by .id

Table B.2 summarises new dwelling approval activity throughout the Chatswood total trade area from 2006/07 to 2014/15. As shown, an average of 2,313 new dwellings have been approved annually throughout the total trade area over this period.

Table B.2: Total Trade Area New Dwelling Approvals, 2006-07 to 2014-15

Sector	Main Trade Area	Tertiary Sectors				Total Trade Area
		North-east	South-east	South-west	North-west	
New Houses						
2006-07	179	8	59	93	104	443
2007-08	129	5	40	68	114	356
2008-09	162	12	49	85	123	431
2009-10	178	12	67	83	101	441
2010-11	176	25	42	99	108	450
2011-12	147	16	46	72	103	384
2012-13	189	23	82	38	100	432
2013-14	215	30	76	51	96	468
2014-15	207	17	51	48	137	460
Total New Houses	1,582	148	512	637	986	3,865
Average	176	16	57	71	110	429
Other Dwellings						
2006-07	826	0	160	16	225	1,227
2007-08	507	0	25	16	361	909
2008-09	260	0	98	106	337	801
2009-10	666	5	70	43	235	1,019
2010-11	773	0	311	303	226	1,613
2011-12	1,145	0	287	885	168	2,485
2012-13	985	5	274	642	187	2,093
2013-14	2,892	4	326	202	423	6,847
2014-15	1,347	0	245	457	906	2,955

Sector	Main Trade Area	Tertiary Sectors				Total Trade Area
		North-east	South-east	South-west	North-west	
Total Other Dwellings	9,401	14	1,796	2,670	3,068	16,949
Average	1,045	2	200	297	341	1,883
Total Dwellings						
2006-07	1,005	8	219	109	329	1,670
2007-08	636	5	65	84	475	1,265
2008-09	422	12	147	191	460	1,232
2009-10	844	17	137	126	336	1,460
2010-11	949	25	353	402	334	2,063
2011-12	1,292	16	333	957	271	2,869
2012-13	1,171	28	356	680	287	2,525
2013-14	3,107	34	402	253	519	4,315
2014-15	1,554	17	296	505	1,043	3,415
Total Other Dwellings	10,983	162	2,308	3,307	4,054	20,814
Average	1,220	18	256	367	450	2,313

Source: ABS

The major residential developments currently proposed or under construction within the primary sector are high density developments within Chatswood including:

- Some 300 apartments are proposed as part of a redevelopment of the Australia Post site at 45 Victor Street. Pre-gateway advice has been provided to the Department of Planning who have recommended that the development go to the gateway process.
- Mirvac has recently completed a 293 apartment development known as Era. This is the final component of the Pacific Place project which comprises a number of residential developments that have been completed since 2003. This 42 level tower is currently the tallest building in Chatswood.
- A rezoning application has been submitted for 201 units along the Pacific Highway by Linfield Developments. The development is currently before the Joint Regional Planning Panel in the pre-gateway process.
- Construction is currently underway on a 156 unit development by Reshod Pty Ltd and Toga Group at the intersection of Anderson Street and Help Street.

With around 450,000 persons currently, the size of the Chatswood total trade area in residential terms is typical of the largest regional shopping centres in Australia.

Resident Trade Area Socio-Economic Profile

Table B.3 summarises the socio-economic profile of the Chatswood total trade area population compared with the Sydney metropolitan benchmark. This information is based on the 2011 Census of Population and Housing.

Table B.3: Chatswood Trade Area Socio-economic Profile (2011)

Characteristics	Main TA	Tertiary Sectors				Total TA	Syd. Metro Avg.	Aust. Avg.
		North-east	South-east	South-west	North-west			
Income Levels								
Avg. per capita income	$52,557	$43,214	$66,247	$41,133	$46,927	$51,900	$36,941	$34,201
Per capita income variation	42.3%	17.0%	79.3%	11.3%	27.0%	40.5%	n/a	n/a
Avg. household income	$135,280	$134,480	$137,925	$108,872	$127,324	$131,075	$99,586	$87,928
Household income variation	35.8%	35.0%	38.5%	9.3%	27.9%	31.6%	n/a	n/a
Avg. household size	2.6	3.1	2.1	2.6	2.7	2.5	2.7	2.6

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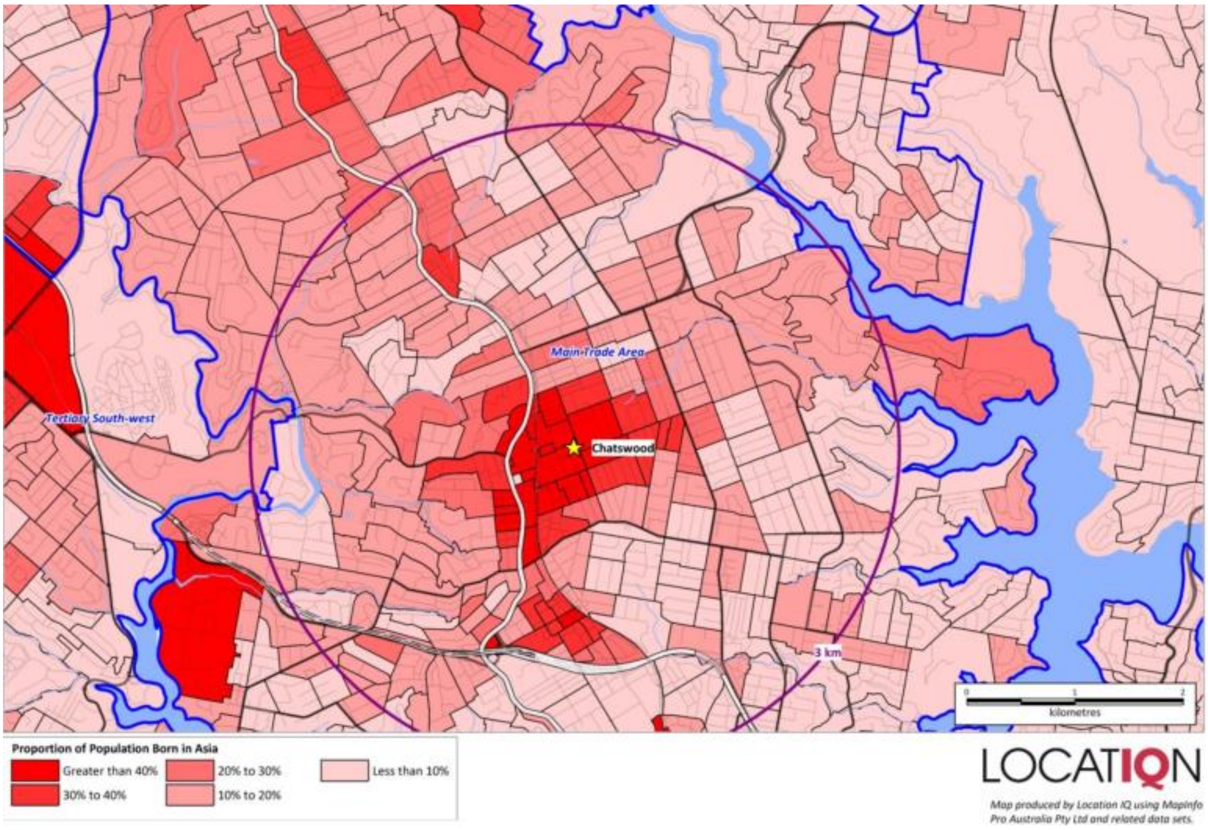
Characteristics	Main TA	Tertiary Sectors				Total TA	Syd. Metro Avg.	Aust. Avg.
		North-east	South-east	South-west	North-west			
Age Distribution (% of Population)								
Aged 0-14	18.8%	22.8%	14.0%	17.6%	19.6%	18.2%	19.2%	19.3%
Aged 15-19	5.9%	6.6%	3.8%	6.4%	7.1%	5.9%	6.3%	6.5%
Aged 20-29	12.8%	7.6%	15.4%	14.3%	10.9%	12.8%	14.7%	13.8%
Aged 30-39	15.4%	11.5%	19.5%	13.5%	13.0%	15.2%	15.3%	13.8%
Aged 40-49	15.4%	16.1%	14.5%	14.2%	15.1%	15.0%	14.2%	14.2%
Aged 50-59	12.4%	12.4%	12.0%	12.0%	12.6%	12.3%	12.3%	12.8%
Aged 60+	19.3%	23.0%	20.9%	22.2%	21.8%	20.6%	18.0%	19.6%
Average Age	38.3%	38.5%	40.0%	39.5%	39.2%	38.9%	37.2%	37.9%
Housing Status (% of Households)								
Owner/Purchaser	68.8%	90.0%	53.7%	67.0%	75.6%	68.3%	67.4%	69.3%
Renter	31.2%	10.0%	46.3%	33.0%	24.4%	31.7%	32.6%	30.7%
Birthplace (% of Population)								
Australian born	60.0%	72.0%	62.2%	62.6%	60.5%	61.3%	63.7%	73.9%
Overseas born	40.0%	28.0%	37.8%	37.4%	39.5%	38.7%	36.3%	26.1%
• Asia	17.4%	4.7%	9.0%	17.3%	16.8%	15.4%	13.7%	7.6%
• Europe	9.3%	12.1%	13.9%	8.6%	9.1%	10.0%	9.1%	9.4%
• Other	13.3%	11.2%	14.9%	11.5%	13.6%	13.3%	13.6%	9.1%
Family Type (% of Population)								
Couple of dep't children	51.7%	58.1%	37.4%	48.6%	54.8%	49.8%	48.2%	45.3%
Couple with non-dep't children	6.6%	10.8%	4.0%	9.2%	7.2%	6.8%	9.1%	7.7%
Couple without children	22.1%	19.8%	30.9%	20.3%	20.9%	23.0%	20.1%	23.0%
Single with dep't children	5.7%	4.9%	4.8%	5.8%	5.5%	5.5%	8.5%	9.2%
Single with non-dep't children	2.7%	2.5%	2.2%	4.0%	2.8%	2.8%	3.9%	3.5%
Other family	1.4%	0.5%	1.3%	1.1%	0.8%	1.2%	1.2%	1.1%
Lone person	9.9%	3.4%	19.3%	10.9%	8.0%	10.9%	9.0%	10.2%

Source: ABS

Key points to note include:

- The trade area is characterised by an affluent population with residents earning average per capita incomes that are 40.3% above the Sydney metropolitan benchmark. High income levels are particularly evident in the secondary south sector and tertiary south sector.
- The trade area contains a slightly older population at 38.9 years compared with the Sydney benchmark of 37.2.
- There is a high proportion of home ownership, reflecting the number of established families within the area. In comparison, the secondary west sector and tertiary south sector include a higher rental population.
- Chatswood is characterised by an ethnically diverse population, including a higher proportion of Asian-born residents. Figure B.3 details the proportion of Asian born residents at the Statistical Area 1 (SA1) level. The highest proportion of Asian born residents is confined to the immediate Chatswood area with the surrounding areas containing a lower proportion of Asian born residents.

Figure B.3: Chatswood Main Trade Area, Proportion of Asian-born



Source: Location IQ

Table B.3 illustrates the changing nature of the main trade area socio-economic profile over the 2006-2011 census period. As shown, the proportion of couples with dependent children and the proportion of overseas born residents have increased at faster rates than the respective benchmarks.

Overall, the Chatswood trade area is characterised by an affluent, family based population that is becoming more ethnically diverse over time.

Table B.3: Chatswood MTA Socio-economic Changes, 2006-2011

Characteristics	Chatswood Main Trade Area			Sydney Metro Benchmark		
	2006	2011	Change (%)	2006	2011	Change (%)
Income Levels						
Avg. per capita income	$47,033	$52,557	11.7%	$30,938	$36,941	19.4%
Avg. household income	$118,660	$135,280	14.0%	$82,316	$99,586	21.0%
Age						
Average age	38.2	38.3	0.3%	36.6	37.2	1.5%
Birthplace (% of Population)						
Australian born	62.6%	60.0%	-2.6%	65.6%	63.7%	-1.9%
Overseas born	37.4%	40.0%	2.6%	34.4%	36.3%	1.9%
Household Size and Structure						
Avg. household size	2.5	2.6	2.0%	2.7	2.7	1.3%
Couple with dep't children	49.5%	51.7%	2.2%	47.9%	48.2%	0.3%
Housing Status (% of Households)						
Owner/Purchaser	68.8%	68.8%	0.1%	67.5%	67.4%	-0.1%
Renter	31.2%	31.2%	-0.1%	32.5%	32.6%	0.1%

Source: ABS

Worker Population

Typically, a worker travels around 0.5-1km on a regular basis from their place of work to undertake expenditure on retail items. Figure B.4 illustrates the defined worker trade area for Chatswood, bounded by Nicholson Street in the north, Sydney Street in the east, Mowbray Road in the south and the Pacific Highway in the west.

Figure B.4: Chatswood Worker Trade Area

Source: Location IQ

Table B.4: Worker Trade Area Socio-economic Profile (2011)

Trade Area Sector	Actual Population	Forecast Worker Population				
	2011	2016	2019	2021	2026	2031
Main Trade Area	17,141	19,141	19,771	20,191	21,291	22,441
Average Annual Change (No.)						
		2011-16	2016-19	2019-21	2021-26	2026-31
Main Trade Area		400	210	210	220	230
Average Annual Change (%)						
		2011-16	2016-19	2019-21	2021-26	2026-31
Main Trade Area		2.2%	1.1%	1.1%	1.1%	1.1%

*as at June
Source: ABS

As shown in Table B.4 the defined worker trade area included 17,141 workers in 2011 (based on Journey to Work data released by the ABS). The worker population is projected to increase to 22,441 persons by 2031, based on worker population projections prepared by the Bureau of Transport Statistics (BTS). The socio-economic profile of the worker trade area is as follows:

- Workers are the same age as the Sydney CBD average and earn lower average incomes.
- A significantly higher proportion of sales workers at 16% as compared with the Sydney CBD average of 5.2%, reflecting the amount of retail floorspace provided in the area.
- 24.6% of the worker population that use one method of transport only travel to work via either train or bus.

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