

NORTH APPIN

Retail and Employment Study



Prepared for Ingham Property Group

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EXECUTIVE SUMMARY

HillPDA was commissioned by Ingham Property Group (IPG) (the Proponent) to prepare a retail and employment strategy report to accompany a planning proposal for their land at North Appin.

The site is located at 345 Appin Road, Appin, legally described as Lot 105 (DP 1188670). This parcel of land (referred to as the subject site hereafter) comprises approximately 301 hectares of vacant land zoned RU2 Rural Landscape under the relevant Local Environmental Plans.

The Proponent is seeking to rezone the land from RU2 Rural Landscape to facilitate the development of suburban residential uses as well as other employment generating uses. The site's rezoning envisages the delivery of the following uses:

- Approximately 3,000 dwellings
- A local centre which provides around 5,000sqm of gross leasable retail space
- A service centre
- The possibility of other commercial uses such as medical centre, gym and childcare services
- A school
- Sporting fields and open space
- A possible multipurpose community facility that could also be used for public worship
- Supporting roads and public transport infrastructure.

The purpose of this study is to determine whether a 5,000sqm Gross Leasable (GLA) retail/commercial centre can be supported on the subject site and whether there is potential for any other commercial uses on site. Job estimates of these employment generating uses are also quantified and the site's suitability to accommodate such uses are also considered.

Planning context

The need for a new local centre to service the day-to-day needs of new residents of the North Appin Growth Area Precinct (assumed to house 5,000 new homes) has been identified in the Greater Macarthur 2040: An Interim Plan. The proposed site is well located to accommodate the local centre and the proposed scale of around 5,000sqm of leasable shop front space aligns with the Plan's vision for the centre and its intended role and place in the retail hierarchy. The centre also aligns with the principles for 'great places and centres' as outlined in the District Plan.

Competitive local retail network

The key centres that would influence the size of a potential retail centre in North Appin and the extent of its potential trade area are outlined in the table below.

Table 1: Surrounding competing centres estimated commercial and retail space summary

Commercial centre	Total estimated space (sqm)	Retail space (sqm)	Major supermarkets	Distance from subject site (km)
Campbelltown-Macarthur	369,115	165,120	Coles (2), Woolworths (3) and ALDI (2)	15
Wollongong	244,568	90,000	Coles, Woolworths, ALDI	39
Narellan town centre	84,655	81,505	ALDI, Woolworths, Coles	20
Camden town centre	23,025	16,118	Coles, Woolworths	26
Picton town centre	21,000	10,000	Coles, Supa IGA	27
Rosemeadow local centre	6,250	6,250	Woolworths	9
Appin	6,000	4,000	IGA	2.5
Wilton Town Centre (proposed)	50,000	~40,000	Discount Department Store and up to three supermarkets	14

In addition to the above centre the Greater Macarthur Structure Plan 2040 identifies a network of local centres. Of particular relevance to a proposed centre at the subject site is the local centres identified at Gilead and Menangle Park. As these precincts become more established over the longer term, the vision is for these areas to provide up to three centres with each centre to include a medium size supermarket (1,500 to 2,000sqm) and specialty shops, cafes and food services along with other basic amenities.

There is also potential for Appin, North Appin or South Gilead to become a strategic centre. For the purposes of this assessment, we have assumed a large-scale centre (town or strategic centre) of around 30,000sqm (including a discount department store and up to two full line supermarkets) will locate at Appin once the southern region of Greater Macarthur Growth Area is established.

Retail demand assessment

With consideration given to the centre hierarchy for the Greater Macarthur Growth Area and competitive landscape, it is assumed that a North Appin local centre will primarily serve the subject North Appin Precinct. At completion, the North Appin Precinct will accommodate 5,000 dwellings. We estimate the population will reach 14,000 by 2042 based on residential development commencing in 2026 and is developed at a rate of 300 dwellings per annum, an average occupancy of 95% and 2.95 persons per occupied dwelling (ABS Census 2021).

It is estimated that retailers in at the Local Centre could theoretically achieve total retail sales of around \$19.6 million in 2029, increasing to \$90.5 million by 2042 (measured in 2022 dollars). These retail sales are based on the population catchment and competitive landscape. Total retail sales may be lower depending on the size and diversity of the retail offer.

A centre of more than 9,000sqm GLA retail could be trade successfully by 2042 assuming a 38% capture of household expenditure generated by trade area residents. Hence the proposed centre at 5,000sqm is easily supportable. An appropriate timing for the centre would be around 2031 when the population has reached around 5,000. A centre of 5,000sqm may underperform in the first couple of years but by 2031 the population is expected to double over the next 5 years giving retailers comfort in growth. Providing a centre in the early stages of the development period will help to improve amenity and thereby the attractiveness and marketability of the Precinct. Beyond 2038-9 there is potential to expand the centre further.

There is also potential to provide 700-1,000sqm of retail floorspace including a service station and two or three fast food outlets and a convenience store at a major entry point on Appin Road. The primary role of this secondary service centre would be to service passing motorists along Appin Road as well as trade area residents on their way home.

The analysis indicates that there is a clear demand for increased retail space in the trade area to appropriately service the local community. Such provision of space would increase the liveability, productivity, sustainability of the locality while also reducing the need for residents to travel further to access essential services.

By 2037 we would expect the centre to trade at more than \$50m (2022 dollars) – say \$10,000/sqm which is a solid performance. To achieve this level of trade it only needs to capture around 30% to 32% of total trade area expenditure. This means that the majority of trade area expenditure is expected to leave the local trade area to higher order centres such as Campbelltown/Macarthur and the new larger centres in Appin and Wilton. As a result, the proposed North Appin local centre will not adversely impact the retail hierarchy.

Medical centre, gym and childcare potential

For a population of 14,000 other employment uses are supportable including one or two schools, a multi-purpose community hall, a private general practice, small gymnasium and childcare centre (refer to Section 4.9).

Job creation in North Appin

The proposed uses at the subject site will create new ongoing jobs opportunities on site and help to stimulate the local economy. Local job creation can also help to support employment self-containment rates¹ in the LGA, which in turn is associated with numerous social and environmental benefits (i.e. reducing the number of journeys made by private vehicle and length of time to travel to work and thus reducing vehicle emissions and increased leisure time due to reduced travel time). We estimate that the proposed uses have the potential to support over 670 workers. The Greater Macarthur Structure Plan 2040 plan targets an additional 20,000 jobs within or accessible to the release areas. As such the employment generating uses on site will contribute to reaching these job targets by providing additional local job opportunities for local residents. Such provision of retail and commercial uses would increase the liveability, productivity, sustainability of the locality while also reducing the need for residents to travel longer distances to access essential services. This in turn is associated with numerous social and environmental benefits (i.e. reducing the number of journeys made by private vehicle and length of time to travel to work and thus reducing vehicle emissions and increased leisure time due to reduced travel time).

¹ Percentage of local residents employed in local jobs

1.0 INTRODUCTION

HillPDA was commissioned by Ingham Property (IPG) (the proponent) to prepare a retail and employment strategy report to accompany a planning proposal for their land at Appin.

1.1 Overview

This planning proposal has been prepared by Urbis Pty Ltd on behalf of the proponent and seeks to amend State Environment Environmental Planning Policy (Precincts - Western Parkland City) (Precincts SEPP) located at 345 Appin Road, Appin (the subject site).

The site is approximately 301 hectares in the North Appin Precinct which forms part of the Greater Macarthur Growth Area (GMGA). The NSW Government Department of Planning and Environment (DPE) has identified the site to deliver up to 3,000 new homes and secure and implement a koala corridor along Ousedale Creek.

To facilitate this outcome, on 2 November 2022 the Planning Secretary, as delegate of the NSW Minister for Planning notified the proponent that under section 3.32(2)(a) of the Environmental Planning and Assessment Act 1979 that the site is of environmental planning significance in the Western District of the Western Parkland City and therefore the Planning Secretary has been appointed as the planning proposal authority for the proposed instrument.

In a further media announcement on 2 November 2022, the Minister for Planning and Minister for Homes Anthony Roberts said the Government was fast-tracking the assessment of three large, complex and interrelated proposals as part of the Government's \$2.8 billion package to improve housing supply in NSW.

The site is under the single ownership of IPG and forms the majority of the North Appin Precinct allocated by the Greater Macarthur 2022 Plan. As such the site presents an immediate opportunity to deliver 3,000 new homes as part of an integrated and holistically planned precinct.

The intended outcome of this planning proposal is to amend State Environmental Planning Policy (Precincts – Western Parkland City) 2021 (Precincts SEPP) with a new Appendix to include the site and rezone the land to the following:

- UD Urban Development
- SP2 Infrastructure
- C2 Conservation.

The proposed amendments will put in place a site specific planning framework that will support the transition of the site into a new thriving residential community that builds on the NSW government's vision and aspirations established under the Western Sydney Growth Area program and GMGA.

The North Appin Precinct is one of the three critical planning precincts within the GMGA, along with Stage 2 Gilead to the north and Appin (part) Precinct to the south of the site. As part of the NSW Government's \$2.8 billion package to improve housing supply in NSW, all three planning proposals are to be assessed by DPE given the complexity and significance of the precincts and their potential to realise strong housing and environmental outcomes for the state. The North Appin Precinct has been identified as capable of delivering 5,000 new dwellings and a population of 15,000 people. The site is also strategically located, forming a natural extension of the Appin Township, and is approximately 35km north of Wollongong and 15km south of the Campbelltown-Macarthur Metropolitan Cluster.

The precinct has long been identified as one of the key greenfield planning areas within southwest Sydney suitable for urban development and infrastructure to meet growth and housing supply need. In 2018 DPE published Greater Macarthur Structure Plan 2040 – An interim plan for the Greater Macarthur Growth Area

(Interim Plan) to set a vision for the growth area and provide a framework for land release and urban renewal. Since the release of the Interim Plan, DPE have undertaken further technical studies and consultation with various stakeholders. Most recently in November 2022, DPE released the Greater Macarthur Structure Plan 2040 and Accompanying Guide. The Structure Plan and Accompanying Guide build upon the planning framework set out in the Interim Plan to provide a clear strategic framework to inform the rezoning of land to achieve highly connected and accessible new communities.

In line with the NSW Government's vision for the GMGA, the planning proposal will deliver a precinct that:

- Delivers a significant quantum of high-quality housing choices and creates a precinct and community that embodies strong connecting with country principles and reinforces the rural village character of Appin;
- Has a genuine connection to the site's cultural history, natural assets and the existing Appin township;
- Is holistic and supported by access and utility infrastructure, economic investment and a range of suitable local services; and
- Has 30-minute proximity to employment and key centres such as Campbelltown-Macarthur, Wollongong, and Camden; and
- Delivers much needed investment in and upgrades to Appin Road, future public transport projects and social infrastructure.

The vision for the site is to unlock the opportunity the site provides to enable the delivery of high-quality housing choice with a genuine connection to the site's cultural history, natural assets and the existing Appin township. To recognise and respond to the natural significance of the land to create a holistic community supported by access and utility infrastructure, economic investment, and a range of suitable local services.

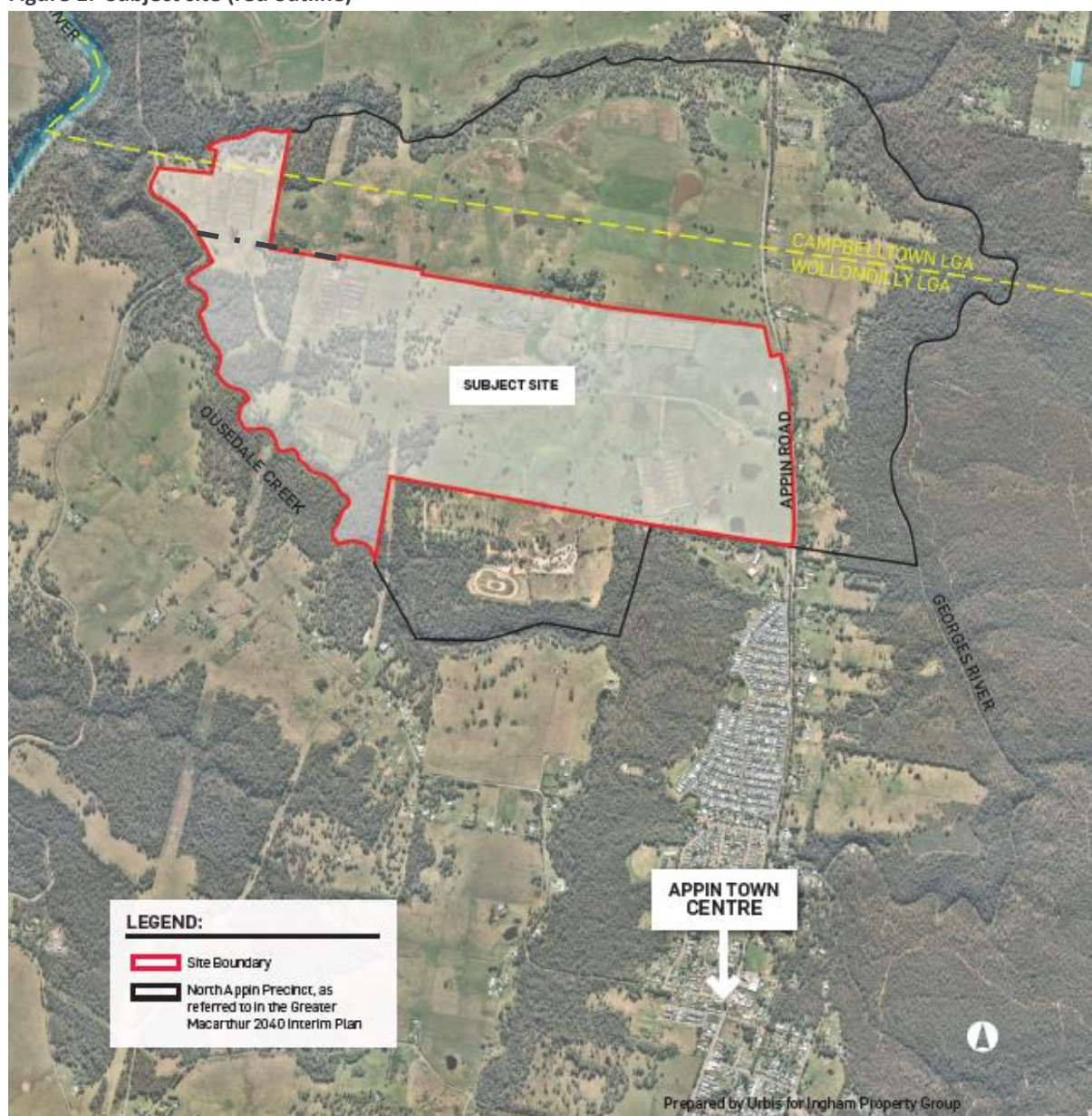
The planning, design and delivery of the Precinct is to be underpinned by the Government Architect NSW Connecting with the Country Framework. IPG engaged Yerrabingin as Indigenous cultural heritage consultants to identify opportunities to meaningfully implement the Framework through the proposal.

IPG also engaged a suite of technical experts to guide and inform the preparation of this planning proposal to assist in creating a liveable and thriving new community within Greater Macarthur and North Appin.

1.2 Site description

The land to which this planning proposal relates to is 345 Appin Road, Appin (shown in Figure 1). The site is accessed via Appin Road and is located within the North Appin Precinct. It is more broadly situated in the GMGA within southwest Sydney. The majority of the site is located with the Wollondilly local government area (LGA), while a small northwest portion is located in the Campbelltown LGA.

Figure 1: Subject site (red outline)



Source: Urbis

The site is irregular in shape and can be characterised as predominantly cleared pastoral land that has access to significant natural assets and corridors. The key features of the site are summarised in the table below.

Table 1: Site description

Feature	Description
Site Topography	The site has extensive topography ranging from a large level area along the eastern edge, which then slopes down towards the Nepean River as the site extends west.
Vegetation	The site is largely cleared. However, the periphery along the west is heavily vegetated. The vegetation is comprised of Cumberland Plain Woodland which aligns with the streams and creeks that converge along the site's western boundary and feed into the Nepean River. The remainder of the site is largely unencumbered by Cumberland Plain Woodland.

Bushfire

The site is affected by bushfire, largely associated with the protected Cumberland Plain Conservation corridors to the south and west site boundaries.

Existing Services and Utilities

- Potable water: There is an existing 125mm main running along Appin Road as well as the 1,200mm Trillity main that burdens the site.
- Electrical: There are existing electrical feeds along Appin Road as well as the 66kV/330kV feeder lines that burden the site.
- Wastewater: Currently wastewater servicing is available via extension of the existing trunk main located on Appin Road that provides connectivity to the Glenfield wastewater treatment plant.
- Telecommunications: 3G & 4G coverage, with sporadic 5G coverage. NBN fibre connectivity is available via the nearest Fibre Access Point at the corner of Armstrong and Appin Roads.
- Gas: Gas servicing is yet to be determined.

Hydrology

The overland flow path associated with the 1 in 100 chance per year flood event is largely limited within the watercourse gorges given they are generally deep. The western portion of the site is characterised by creeks and waterways that flow into the Nepean River further to the west.

Heritage

The site is bordered by European Heritage to its west. Specifically, the Upper Canal System associated with the Upper Nepean scheme. The Upper Canal System is listed on the State Heritage Register (No. 1373) and as item I16 under Schedule 5 of the Wollondilly Local Environment Plan 2011 (WLEP 2011).
Four extant Aboriginal Heritage sites, registered on the Aboriginal Heritage Information Management System (AHIMS) are located to the west and south of the site and are associated with Ousedale Creek.

1.3 Existing development and uses

The site is mostly cleared of any built structures. A sealed east-west road traverses through the centre of the site, providing the site with access to Appin Road.

Historically, on the site, Inghams Enterprises ran the largest broiler chicken operation in the southern hemisphere from the 1970's through until the early 2000's. The pads for the poultry sheds and associated structures are still visible through aerial imagery.

Following the decommissioning of the broiler operation, the site was converted into a cattle breeding operation in 2018. Some minor fencing structures associated with the cattle operation can be seen across the site. A number of small farm dams also sporadically characterise some of the eastern portion of the site towards Appin Road.

The western boundary of the site is also partly bounded by the Upper Canal System associated with the Upper Nepean Scheme. The Upper Canal System is of historic significance and is associated with Edward Moriarty and 1880s Sydney Water Supply and Upper Nepean Scheme.

1.4 Site context

1.4.1 Regional context

The site is located on the Metropolitan fringe of southwest Sydney, within one of the regions key greenfield planning areas. The majority of the site is located in Wollondilly LGA, with a small northwest portion extending into Campbelltown LGA.

The site is approximately 73km southwest of Sydney CBD and 60km southwest of Parramatta CBD. The site is 15km south of the Campbelltown-Macarthur Metropolitan Cluster and approximately 35km south of the Aerotropolis and Western Sydney Airport. The Campbelltown-Macarthur Metropolitan Cluster is developing into one of southwest Sydney's key health and education centres and has the potential to accommodate 31,000 jobs by 2036, while the Aerotropolis is anticipated to provide the potential for 100,000 jobs once fully developed.

1.4.1.1 Greater MacArthur Growth Area

The GMGA was established in 2019 through an amendment to State Environmental Planning Policy (Sydney Region Growth Centres) 2006, now State Environmental Planning Policy (Precincts – Western Parkland City) 2021. The Precincts SEPP establishes the strategic framework for the precinct planning and development of southwest Sydney and builds on the northwest and southwest growth areas established in 2006 through the Western Sydney Growth Areas program. The GMGA intends to build on the critical role of the Campbelltown-Macarthur Metropolitan Cluster, by providing new jobs and homes for the residents of southwest Sydney.

The GMGA is divided into 12 precincts, which are being progressively rezoned under the Precincts SEPP to accommodate future urban development, new housing, employment, transport and social infrastructure. The GMGA Structure Plan provides an indicative plan for the how area will evolve and identifies urban capable land, various centres, employment lands, open space and flood affected land.

1.4.1.2 North Appin Precinct

North Appin is one of the 12 precincts established within the GMGA and is situated in between the Gilead and West Appin Precincts. It is located adjacent to the existing Appin township and will form a natural extension of the town once fully developed. The Precinct is allocated to deliver 5,000 new dwellings supported by a local centre, transport connections and open space.

1.4.2 Local context

The site is largely surrounded by existing rural and agricultural activities, with the Appin township, an existing rural local centre, located to the south. The site is surrounded by the following:

- **North:** Rural and agricultural land, that is bisected by the east-west flowing Mallaty Creek, a tributary of the Nepean River, beyond which is land currently subject to the Gilead Stage 2 rezoning. Approximately 15km further north is the Campbelltown-Macarthur Metropolitan Cluster, a major employment, health and education hub.
- **East:** Appin Road bounds the site to the east and serves as the main connector road for the region. Further east is dense bushland followed by Georges Rives and the Wedderburn Airport.
- **South:** Located to the immediate southwest along the site's boundary is Ousedale Creek, another tributary of the Nepean River. Immediately south along Brian Road is also the Macarthur Motorcycle Complex. Along Appin Road to the immediate southeast is the existing rural Appin township which consists primarily of low-density residential land uses, supported by local retail, business services and Appin Public School. Further south is rural and agricultural land currently subject to the Appin (part) (Precinct) rezoning.
- **West:** The western boundary is partly bounded by the heritage listed water supply infrastructure associated with the Upper Nepean Scheme. Further west is the Nepean River and further agricultural and rural land.

1.4.3 Transport

The key existing transport corridor that services the site is Appin Road. Appin Road has capacity for an additional 1,200 dwellings. The planning proposal assumes that upgrades to Appin Road will be undertaken to increase

capacity and enable the orderly development of the site and the wider Appin area. The site can also be further contextualised through the following proposed future transport corridors:

- The Greater Macarthur transit corridor, which will traverse through the centre of the site and will accommodate mass transit.
- The Outer Sydney Orbital (stages 1 & 2), which once developed, will connect the Western Sydney and Illawarra-Shoalhaven region by passing through the GMGA.

1.5 Purpose of this study

The Proponent is seeking to rezone the land from RU2 Rural Landscape to facilitate the development of suburban residential uses as well as other employment generating uses. The site's rezoning envisages the delivery of the following uses on site:

- Approximately 3,000 dwellings
- A local centre which provides around 5,000sqm of gross leasable retail and commercial floorspace
- A service centre
- Other possible commercial uses such as medical centre, gym and childcare services
- A primary school
- Sporting fields and open space
- A multipurpose community facility
- Supporting roads and public transport infrastructure.

The purpose of this study is to determine whether a 5,000sqm centre can be supported on the subject site and whether there is potential for any other commercial uses on site. Job estimates of these employment generating uses are also quantified and the site's suitability to accommodate such uses are also considered.

1.6 Study structure

To address the requirements of the brief, the study has been set out as follows:

- **Chapter 2 | Planning context:** This Chapter undertakes an appraisal of the planning and legislative context for the Subject Site based on the relevant planning legislation, strategies and documents. It considers matters from an economic perspective.
- **Chapter 3 | Retail environment:** The following undertakes a review of the surrounding retail hierarchy around the site.
- **Chapter 4 | Retail demand and impact assessment:** This Chapter forecasts the demand for retail space within the North Appin Precinct. Demand is compared to supply to identify any shortfalls. How the proposal can address the shortfalls and the proposed scale, mix and staging of the centre is discussed.
The chapter also estimates the impact that the proposal would have upon the surrounding retail centre hierarchy.
- **Chapter 5 | Employment assessment:** This chapter estimates the number of jobs that will be supported on the subject site based on the proposed employment generating uses. These employment estimates are considered in the context of broader employment trends and projections for the Macarthur region.

2.0 PLANNING CONTEXT

This Chapter undertakes an appraisal of the planning and legislative context for the subject site based on the relevant planning legislation, strategies and documents and considers the planning proposal's alignment to these strategies. It considers matters which relate to the centre hierarchy and provision of additional centres from an economic perspective.

2.1 Wollondilly 2040 LSPS

The Wollondilly Local Strategic Planning Statement 2040 (LSPS) sets a 20-year land use vision for Wollondilly. Wollondilly's contribution to Greater Sydney's housing supply will predominately occur in the Wilton Growth Area with 15,000 new homes and in Appin with a further 15,000 new homes. The following planning priorities, information and actions are of relevance to the study.

- Planning Priority 3 | Establishing a framework for sustainable managed growth
 - Action 3.1 | Actively participate in planning for growth areas in Wollondilly
- Planning Priority 8 | Enhancing vibrant, healthy and sustainable local towns and villages
 - Action 8.1 Prepare a Centres Strategy, including a timetable for place plans for priority towns and villages, establishes a hierarchy and supporting planning controls
- The LSPS notes that Appin forms part of the Greater Macarthur plan for 35,000 to 40,000 new homes, with Wollondilly's contribution being 15,000 new homes, new centres, open space, environmental corridors and transport infrastructure. The LSPS identifies that it will be important that the development of new centres will need to align with residential growth so as not to draw trade away from established centres and that the existing village at Appin is preserved.

The new local centre at the subject site intends to be of a size and scale to meet the day-to-day needs of new residents of the North Appin Precinct. It intends to service the future growth in the area rather than redirecting trade from the existing village at Appin and undermining the existing centres viability and as such aligns with the key priorities and action of the LSPS.

2.2 Western City District Plan

The Western City District Plan (District Plan) is a 20-year plan to manage growth in economic, social and environmental matters. The District Plan is a guide for implementing the Greater Sydney Regional Plan, acting as a bridge between regional and local planning. The following planning priorities, information and actions are of relevance to the study.

Planning priority W6 – Creating and renewing great places and local centres, and respecting the District's heritage

- Well-designed built environment: great places are enjoyable and attractive, they are safe, clean and flexible with a mix of sizes and functions.
- Social infrastructure and opportunity: great places are inclusive of people of all ages and abilities, with a range of authentic local experiences and opportunities for social interaction and connection.
- Fine grain urban form: great places are walkable, of human scale, with a mix of land uses including social infrastructure and local services at the heart of communities.
- Place-based planning for centres should address the following principles:
 - provide public realm and open space focus
 - deliver transit-oriented development and

- co-locate facilities and social infrastructure
 - provide, increase or improve local infrastructure and open space
 - improve walking, cycling and public transport connections, including through the Greater Sydney Green Grid
 - protect or expand retail and/or commercial floor space
 - protect or expand employment opportunities
 - integrate and support arts and creative enterprise and expression
 - support the night-time economy
 - augment or provide community facilities and services, arts and cultural facilities
 - conserve and interpret heritage values
 - accommodate local festivals, celebrations, temporary and interim uses
 - increase residential development in, or within a walkable distance of, the centre
 - provide parking that is adaptable to future uses and takes account of access to public transport, walking and cycling connections.
- Action 19: Using a place-based and collaborative approach throughout planning, design, development and management, deliver great places by:
 - a. prioritising a people-friendly public realm and open spaces as a central organising design principle
 - b. recognising and balancing the dual function of streets as places for people and movement
 - c. providing fine grain urban form, diverse land use mix, high amenity and walkability, in and within a 10-minute walk of centres
 - d. integrating social infrastructure to support social connections and provide a community hub
 - e. recognising and celebrating the character of a place and its people.
 - Action 20: In Collaboration Areas, Planned Precincts, Growth Areas and planning for centres:
 - a. investigate opportunities for precinct-based provision of adaptable car parking and infrastructure in lieu of private provision of car parking
 - b. ensure parking availability takes into account the level of access by public transport
 - c. consider the capacity for places to change and evolve, and accommodate diverse activities over time
 - d. incorporate facilities to encourage the use of car sharing, electric and hybrid vehicles including charging stations.

As such the North Appin (part) Structure Plan is generally in accordance with the principles for great places and centres as outlined in the District Plan.

2.3 Greater Macarthur 2040: An Interim Plan

Greater Macarthur 2040 is a land use and infrastructure implementation plan to set a vision for the Growth Area as it develops and changes and guide the establishment and renewal of centres within the Growth Area. The plan proposes 12 precincts combining urban renewal of existing communities and land release areas as follows:

- Seven precincts along the Glenfield to Macarthur urban renewal corridor (to the north), which provides opportunities for 18,000 new medium to high density homes, jobs, open space and recreation; and
- Five land release precincts (south of Campbelltown-Macarthur) which provide low to medium density homes (around 40,000 homes in total), new jobs, schools, parks and community facilities.

Figure 2: Macarthur Growth Area Precincts



Source: Greater Macarthur 2040

Land release areas of particular relevance to this study are North Appin, Gilead and Appin. The plan identifies opportunities to deliver 5,000 new homes in the North Appin Growth Area Precinct (which incorporates the subject site). A further 30,000 new homes² are identified for nearby Growth Area Precinct's Gilead and Appin.

The plan advocates for the land release precincts to be “served by conveniently located and well-designed local centres together with smaller facilities within the neighbourhood” providing community services, shopping and dining options for future residents.

The role of these local centres within the land release area (refer to Section 3.2 for the proposed centres and their location) is to provide a mix of land uses to serve the surrounding population, including:

- Specialty shops

² This includes 15,000 dwellings at the Gilead Growth Area Precinct and a further 15,000 dwelling at the Appin Growth Area Precinct. Both precinct intend to include higher density residential development around the future centre and along the transit corridor.

- Cafes and food services
- Offices and retail services
- Education, health facilities, leisure and civic uses
- Open space.

The plan states that another metropolitan centre will not be required in the Macarthur Growth Area Region, however there is potential for one of the local centres at Appin, North Appin or South Gilead to become a strategic centre pending on the timing at which the centre is established, investment in transport connections and the centre's catchment. Moreover, Gilead and Menangle Park are unlikely to require a major centre development due to their proximity to Campbelltown-Macarthur.

The plan also acknowledges that future residents of the southern parts of Greater Macarthur may choose to travel to the proposed major centre at the Wilton Growth Area for their higher order shopping, with this centre likely to include a discount department store and civic uses.

Taking into account the above, the subject site is well located to accommodate the North Appin Local Centre identified in the plan along the proposed Greater Macarthur transit corridor, with opportunities for this centre to expand to meet future growth if required. The subject site, together with the MIR Group landholding to the north, plans to accommodate ultimately 5,000 dwellings and as such has a substantial local population which will benefit from a convenient and centrally located centre within the subject site. Chapter 4 of this study reviews the amount of retail and commercial floorspace that can be supported on the subject site without impacting the viability or intended roles of the existing and planned centres.

Please note that the Greater Macarthur 2040 Structure Plan was amended in November 2022 with an accompanying guide which was on exhibition on the NSW Department of Planning and Environment website at the date of this report. This plan has been reviewed and the proposal for development of the IPG site is consistent with that amended plan.

3.0 COMPETITIVE LANDSCAPE

This section of the report provides an assessment of the retail centres in the locality, which are likely to compete with the proposed retail uses provided at the subject site. It is imperative to understand the competing centres to assist in deriving the trade area, assessing the potential capture of household expenditure and assessing the impacts on these centres from further expansion in supply.

3.1 Surrounding centres of influence

The key centres that would influence the extent of a potential retail centre in North Appin Precinct's trade area and provision of retail space are as follows:

1. **Campbelltown-Macarthur Metropolitan cluster:** is located around 15 kilometres or a 14-minute drive to the north of the subject site. The centre is the administrative centre for Campbelltown LGA and provides a total of around 369,115sqm of occupied employment floorspace of which 165,120sqm or 44% is gross leasable space retail (GLAR)³. Of this retail space just over 23,600sqm is supermarket space⁴. Major land uses in or near the centre include Campbelltown Hospital, Western Sydney University and TAFE NSW. Most of the retail space in the centre is provided in three enclosed shopping centres, these being Macarthur Square, Campbelltown Mall and Market Fair.
 - **Macarthur Square** provides 77,635sqm of leasable retail space. Major anchor tenants includes a David Jones (12,243sqm), Big W (8,792sqm), Target (4,460sqm), Woolworths (4,185sqm), Coles (3,760sqm), King Swim (2,730sqm), Rebel Sport (1,680sqm), Dan Murphy's (1,475sqm), JB Hi Fi (1,187sqm), Best & Less (1,179sqm) and a ALDI (1,500sqm). A further 226 speciality shops are provided in the centre and 4,800sqm was vacant in 2018. The Centre had a reported annual turnover of \$594 million in 2020, equating to \$6,000/sqm. This turnover per square metre ranked the centre 72nd out of 92 similarly sized centres (over 50,000sqm) across Australia.
 - **Campbelltown Mall** provides 39,540sqm of leasable retail space. Major anchor tenants include a Kmart (8,224sqm), Target (7,093sqm), Coles (4,080sqm), Woolworths (3,998sqm), ALDI (1,512sqm) and Best & Less (1,047sqm). An additional 102 specialty stores are in the centre and 1,046sqm of space was vacant in 2018. The centre had a reported annual turnover of \$242 million in 2019, equating to around \$6,450/sqm. This turnover per square metre ranked the centre 63rd out of 133 similarly sized centres (between 20-49,000sqm) across Australia. Indicating the centre is performing strongly.
 - **Marketfair** provides 8,705sqm of leasable retail space, major anchor tenants include a Woolworths (3,705sqm) and TK Maxx (1,915sqm). A further 29 speciality shops were also located in the centre. The centre had a reported annual turnover of \$61 million in 2020, equating to around \$9,500/sqm. This turnover per square metre ranked the centre 63rd out of 133 similarly sized centres (under 20,000sqm) across Australia. Indicating the centre is performing strongly.

The Campbelltown LSPS acknowledges that *Campbelltown-Macarthur will play an increasingly important role in serving the growing District and particularly the significant growth areas to the south, including Menangle Park, Gilead, Wilton and Appin.*

³ Refer to Property Council of Australia Shopping Centre Directory for exact definition of GLAR

⁴ HillPDA land use survey 2019

The Western District Plan states the centre is developing into Greater Sydney's newest health and medical hubs with the potential to accommodate up to 31,000 jobs by 2036, 52% more than previously forecasted in 2016. This significant forecast growth coupled with the large amount of retail and commercial space makes Campbelltown-Macarthur a primary destination for southern residents of the Western District and limits the North Appin Local Centre's trade catchment northward of Maltby Creek into Campbelltown LGA.

2. **Wollongong regional city** is located around 39 kilometres or a 34-minute drive to the south-east of the subject site. Wollongong is Illawarra's largest commercial centre, with major tertiary education and health facilities, strong public transport and infrastructure provision. It is estimated that it contains around 245,000sqm of commercial and retail space of which 90,000sqm is retail. The largest single provision of retail space is provided in Wollongong Central shopping centre.
 - Wollongong Central | provides a total of 55,000sqm of leasable space. Major anchor tenants include a Coles (4,079sqm), David Jones, Target (2,640sqm), H&M (2,340sqm), JB Hi Fi (1,538sqm), Anaconda (1,380sqm) and a Rebel Sport (1,285sqm). A further 132 speciality shops are provided in the centre. The Centre had a reported annual turnover of \$346 million in 2020, equating to \$7,900/sqm. This turnover per square metre ranked the centre 24th out of 92 similarly sized centres (over 50,000sqm) across Australia. Indicating it is performing strongly.
3. **Narellan Town Centre**: is located around 20 kilometres or a 24-minute drive to the north-west of the subject site. The Town Centre provides a total of around 81,500sqm of employment floorspace with the majority of retail space being provided in Narellan Town Centre shopping centre. Some medical, commercial and strip retailing also is provided along Camden Valley Road including an ALDI supermarket.
 - Narellan Town Centre Shopping Centre | provides a total of 71,225sqm of leasable space. Major anchor tenants include a Big W (6,535sqm), Target (6,120sqm), Woolworths (4,391sqm), Coles (5,301sqm), H&M (2,190sqm), Dan Murphy's (1,426sqm), JB Hi Fi (1,650sqm), Best & Less (1,157sqm) and a Reni's Home Depot (2,000sqm). A further 171 speciality shops are provided in the centre. The Centre had a reported annual turnover of \$562 million in 2020, equating to \$9,088/sqm. This turnover per square metre ranked the centre 8th out of 92 similarly sized centres (over 50,000sqm) across Australia. Indicating it is performing strongly.
4. **Camden Town Centre**: is located around 26 kilometres or a 29-minute drive to the north-west of the proposed subject site. The Town Centre provides a total of around 23,000sqm of employment floorspace and is anchored by a Coles (3,000sqm) and Woolworths (3,900sqm). The centre is predominantly focused on providing dining, grocery and other lifestyle related uses for the surrounding population.
5. **Rosemeadow Market Place**: is an enclosed shopping mall located around 9 kilometres or a 10-minute drive to the north of the subject site. The centre provides a total of 6,250sqm GLAR and is anchored by a Woolworths supermarket of 3,670sqm. A further 22 speciality shops are also located in the centre.
6. **Picton Town Centre**: is located around 27 kilometres or a 28-minute drive to the north-west of the proposed subject site. The centre is the primary administrative centre of Wollondilly and provides an estimated 21,000sqm of retail and commercial space. Picton Mall provides the largest single provision of retail space estimated at around 5,000sqm with a Coles supermarket and a country Target providing an anchor roles. A Super-IGA is also located in Picton Town Centre further providing an additional anchor role.
7. **Appin**: is located 3 kilometres from the subject site and provides an estimated 6,000sqm of employment space and is anchored by a 1,500sqm IGA supermarket and a small provision of retail speciality. The centre provides top-up shopping needs for the immediate surrounding community. However, given the limited

offer in Appin a significant proportion of food and grocery expenditure currently escapes the local area to Campbelltown and Macarthur, which is a 17-minute drive to the north. Over time a larger town centre in Appin up to 30,000sqm would significantly increase the retail offer and reverse some of this escape expenditure.

8. **Wilton:** Wilton is located 14.0 kilometres west from the subject site and is currently serviced by Wilton Plaza which anchored by a small supermarket (500 sqm) and convenience retail and dining options. Wilton is earmarked to be developed into a 40,000 to 50,000 sqm town centre by 2046, including a possible discount department store and a range of retail and commercial uses to service the district.

Table 2: Surrounding competing centres estimated commercial and retail space summary

Commercial centre	Total estimated space (sqm)	Retail space (sqm)	Major supermarkets
Campbelltown-Macarthur	369,115	165,120sqm	Coles (2), Woolworths (3) and ALDI (2)
Wollongong	244,568	90,000	Coles, Woolworths, ALDI
Narellan town centre	84,655	81,505	ALDI, Woolworths, Coles
Camden town centre	23,025	16,118	Coles, Woolworths
Picton town centre	21,000	10,000	Coles, Supa IGA
Rosemeadow local centre	6,250	6,250	Woolworths
Appin	6,000	4,000	IGA
Wilton Town Centre (p)	50,000	~40,000s	Discount Department Store and up to three supermarkets

Source: Review of Illawarra retail centre 2014, PCA Shopping Centres Directory 2018, Mini/Little and Big Guns Shopping Centre News 2019-20, PCA Office Market Report 2019

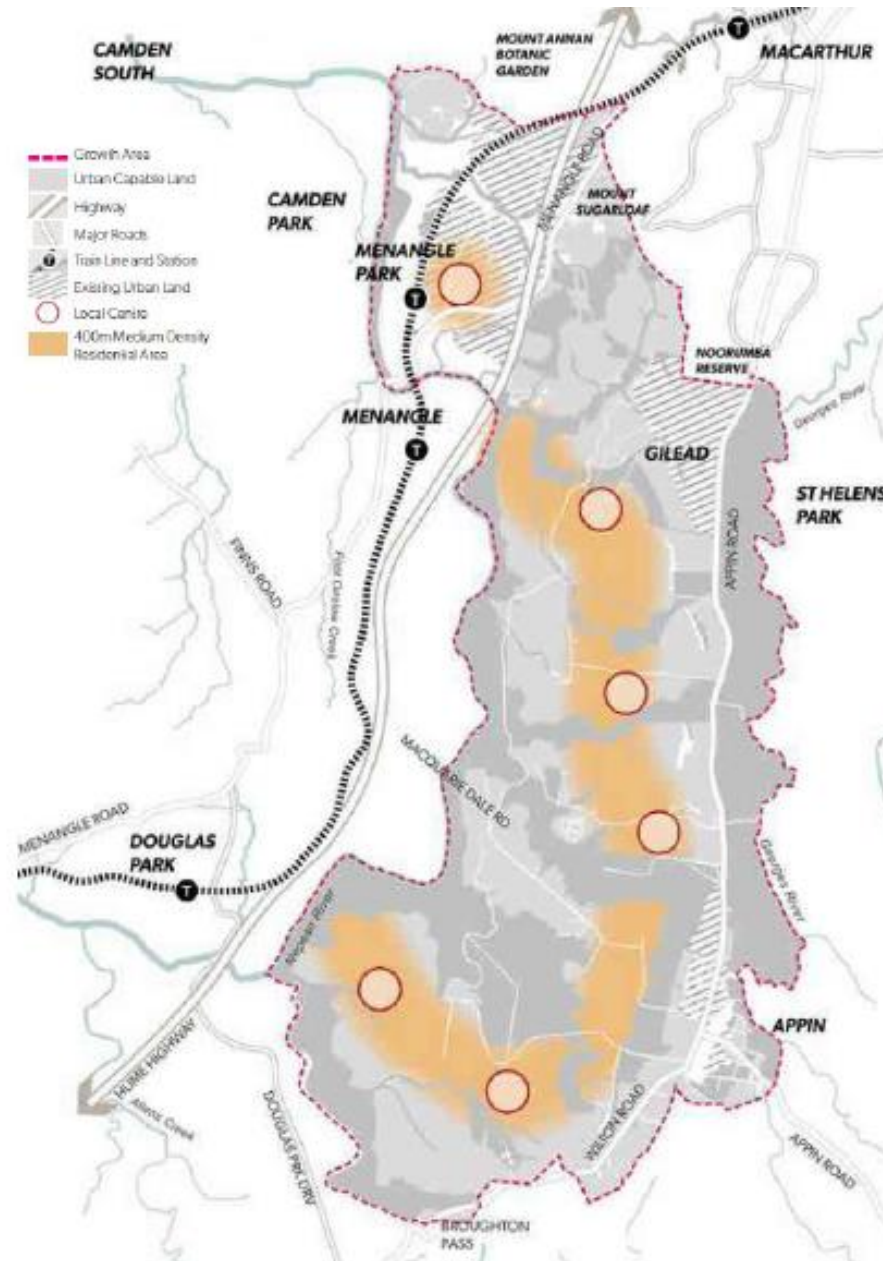
3.2 Other future centres of influence

In addition to the above centre GM 2040 identifies a network of local centres as shown in the figure below. Of particular relevance to a proposed centre at the subject site is the local centres identified at Gilead and Menangle Park. As these precincts become more established over the longer term, the vision is for these land areas to support up to three centres, which are expected to comprise the following:

- A medium size supermarket (1,500 to 2,000sqm)
- Up to 2,000 sqm of specialty shops, cafes and food services
- Education and childcare
- Local health services
- Recreational space and facilities.

There is also potential for Appin, North Appin or South Gilead to become a strategic centre. For the purposes of this assessment, we have assumed a large scale (strategic centre) of around 30,000sqm (including a discount department store and up to two full line supermarkets) will locate at Appin once the southern region of Greater Macarthur Growth Area is established.

Figure 3: Macarthur growth areas - indicative density distribution and centres



Source: Greater Macarthur 2040

4.0 RETAIL DEMAND ASSESSMENT

Having an understanding as to the surrounding competing retail centre network (refer to Chapter 3.0), this chapter identifies trade area(s) for a potential retail centre on the subject site. On identifying these trade area(s), the Chapter projects population, estimates total retail expenditure, potential capture of expenditure and the amount of retail floorspace that could be supported without impacting the viability of the retail hierarchy.

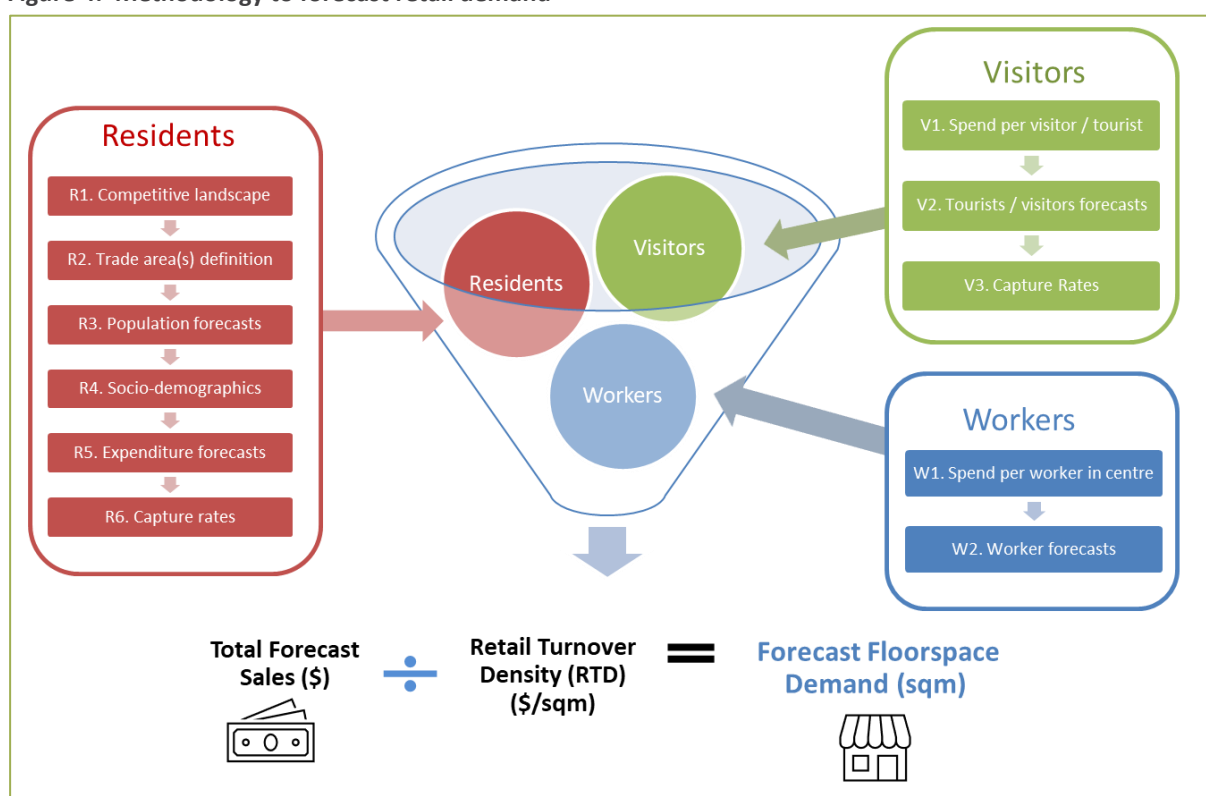
4.1 Demand methodology

There are three key sources of demand for retail floor space being:

- Residents in the locality
- Workers in the centre and
- Visitors and tourists.

The process of forecasting total potential retail demand is shown in the below figure.

Figure 4: Methodology to forecast retail demand



Source: HillPDA research

Residents will be the main source of expenditure for a local centre in North Appin given that we expect low numbers of workers and tourists. So for the purpose of this forecast we have limited the source of demand to population in the locality but allow for a small proportion of additional expenditure to be derived from other sources.

To forecast potential retail demand for the site, an appropriate trade area was derived based on the location of competing centres, travel times, urban settlement patterns and other criteria.

HillPDA then utilised its proprietary expenditure models (which takes into account socio-demographics of the catchment, real growth in expenditure, population growth, potential capture rates and typical retail turnover

densities) to forecast the quantum of retail floorspace that could be accommodated on the site. The results are detailed in the sections below.

4.2 Trade Area and population forecasts

With consideration given to the centre hierarchy for the Greater Macarthur Growth Area and competitive landscape, it is assumed that a local centre at the subject site will primarily serve the North Appin Precinct. It is also assumed that the centre will be centrally located on the proposed Greater Macarthur transit corridor (refer to subsequent Section 4.10 for preferred location for local centre).

When fully developed the North Appin Precinct will accommodate 5,000 dwellings. In projecting the population of the North Appin Precinct the following assumptions have been made:

- Residential development will commence in 2026 at a rate of 300 dwelling per annum – allowing for 15-16 years for all dwellings to be fully developed.
- We have further assumed an average occupancy of 95% and 2.95 persons per occupied dwelling⁵.

Based on the above assumptions and shown in the table below the population is projected to increase from around 3,420 in 2029 to 14,000 by 2042.

Table 3: Population projection of the North Appin Precinct

Year	2029	2033	2037	2042
Completed dwellings	1,200	2,400	3,600	5,000
Population	3,420	6,840	10,157	14,013

Source: ABS Census 2021 Wollondilly and Campbelltown LGA Community Profiles, HillPDA Research

4.3 Resident expenditure

This section examines the projected growth in household retail expenditure generated by trade area residents. Household expenditure is sourced from:

- ABS Retail Turnover data which provides total turnover every month by State and by industry sub-groups across Australia
- ABS Household Expenditure Survey which provides household expenditure by broad commodity type by household income quintile; and
- HillPDA's bespoke retail expenditure model which is generated by combining data from the Census and the ABS Household Expenditure Survey (HES).

Household expenditure is strongly correlated to household income level. The trade area has almost no population and hence we must make assumptions about income and expenditure levels. For the purpose of the assessment we have assumed that trade area households will have similar income levels to households in the suburbs of:

- Appin
- St Helens Park
- Rosemeadow
- Glen Alpine and
- Wilton.

⁵ ABS Census 2021 shows around 3.04 to 3.1 persons per detached dwelling and 1.7 to 2.36 for attached dwellings (villas, townhouses, etc) in the Wollondilly and Campbelltown LGAs respectively.

Average household income is expected to be around 12% higher than Greater Sydney. However due to an average larger household size average income per capita in the trade area is expected to be six per cent lower than Greater Sydney. If occupied today we would expect residents in the trade area to be spending an average of \$14,000 per annum on retail goods and services – some 7% to 8% less than Greater Sydney.

We have also assumed some increase in real expenditure per capita at a rate of 1% per annum in food and around 0.5% in non-food categories in line with the long-term trend.⁶

The table below shows total forecast expenditure generated by trade area residents in four-year increments from 2029.

Table 4: Estimated trade area expenditure by retail store type (2022 \$m)

Store Type	2029	2033	2037	2042
Supermarkets and grocery stores	14.4	30.1	46.4	67.4
Specialised food stores	3.0	6.1	9.4	13.5
Bulky goods stores	9.0	18.5	28.3	40.5
Department stores	2.7	5.3	7.7	10.4
Apparel stores	4.5	9.2	14.0	20.0
Other non-food stores	6.9	14.1	21.6	30.9
Restaurants and fast-food services	6.9	14.4	22.4	32.5
Personal services	1.7	3.4	5.2	7.4
Total	49.1	101.3	155.1	222.4

Source: HillPDA

4.4 Retail capture rates by broad store type

The previous analysis identified the total volume of retail expenditure in the trade area. However, not all of this expenditure will be captured by retailers in the North Appin Local Centre. Reasons for this include:

- The proximity of surrounding centres which provide a greater range and quantum of retail floorspace
- Residents leaving the locality to, predominantly, undertake leisure and discretionary shopping (in department stores, apparel stores and bulky goods stores elsewhere – such as Campbelltown and Macarthur Square)
- Working residents spending a portion of retail expenditure close to their place of work (approximately 15-25%)
- Expenditure from residents who are on holidays/business trips or are away for other reasons for any extended period.

Capture rates (i.e. the proportion of trade area expenditure captured by the proposed North Appin centre) have been adopted, considering the above factors. These market share assumptions are outlined in the following table and are indicative of retail services that appropriately provide for its surrounding community reducing their need to travel further to access essential services. Moreover, for a trade area of this size a high proportion of food, groceries and regular shopping for goods and services is usually done close to home as shoppers generally have a preference to minimise travel time and cost when undertaking 'chore shopping'. This is manifested in the retail hierarchy where smaller centres are generally anchored by supermarkets and comprise a range of specialty stores in food, groceries, personal services (hair/beauty, pharmaceuticals, etc) and other regular service categories. The fewer and larger regional centres such as Macarthur Square are generally anchored by large

⁶ We have assumed escalation rates will vary between the retail store types – 1% for food and food services, 0.7% for non-food stores and -0.5% for departments stores (historic trend has been lower at below -1%). This is consistent with historic trends since 1986 estimated from various sources of data include quarterly ABS Retail Turnover data (Cat. 8501.0), ABS historic population (Cat 3101.0) and CPI index.

department stores and have a more specialist retailers in fashion, homewares, and other comparative goods as well as a range of entertainment and commercial services. Usually trips to these centres are less frequent and shoppers are prepared to travel further. Department stores also typically require a catchment of 50,000 to 100,000 persons or more. For these reasons we have assumed that there will be no department store in the proposed North Appin Local Centre. It's also likely that apparel stores would be very limited or possibly there would be no apparel stores. We have further assumed that there will be no large format or bulky goods stores in the North Appin Local Centre. Bulky goods stores typically require good frontage to major arterial roads and require a clustering of around 20,000sqm to achieve critical mass⁷ as well as a wide trade area of 100,000 or more people.

The vision for the North Appin Local Centre is for a supermarket plus fine grain retailing with a focus on connectivity, pedestrian activity/amenity, traditional retail uses and eateries.

Table 5: Potential North Appin Capture Rates

Store Type	Capture Rate
Supermarkets and grocery stores	75%
Specialised food stores	70%
Bulky goods stores	0%
Department stores	0%
Apparel stores	10%
Other non-food stores	20%
Restaurants and fast-food services	40%
Personal services	60%
Total	38%

Source: HillPDA

Please note that the table above shows capture rates that can be achieved based on the population catchment and competitive landscape. Actual capture rates may be lower depending on the size and range of the retail offer.

4.5 Ultimate potential retail sales

The table immediately below shows ultimate potential retail sales the North Appin Local Centre could achieve assuming the above capture rates.

Table 6: Potential retail sales in the trade area by store type (2022 \$m)*

Store Type	2029	2033	2037	2042
Supermarkets and grocery stores	11.4	23.7	36.6	53.0
Specialised food stores	2.2	4.5	6.9	9.9
Bulky goods stores	0.0	0.0	0.0	0.0
Department stores	0.0	0.0	0.0	0.0
Apparel stores	0.5	1.0	1.5	2.1
Other non-food stores	1.4	3.0	4.5	6.5
Restaurants and fast-food services	3.0	6.4	9.8	14.3
Personal services	1.1	2.2	3.3	4.7
Total	19.6	40.7	62.6	90.5

* Assumes 5% to 10% of total sales are derived from outside the trade area

⁷ Taking Control of Bulky Goods Retail in Sydney

Please note also that the above figures make an allowance for 5% of sales to be derived from beyond the trade area. This includes residents that live further afield, workers in the locality and day trippers. We have allowed a further 5% of trade from beyond for restaurants and fast-food services to account for additional trade that these stores types could capture from passing motorists along Appin Road and commuters of the proposed Transit Corridor.

4.6 Demand for retail floorspace

In order to determine the demand for retail floorspace, target turnover rates (\$/sqm), and otherwise known as Retail Turnover Densities (RTDs) have been applied to total potential retail sales in the trade area. The target RTD rates broadly represents industry averages in fringe metropolitan Sydney. The results are shown in the table immediately below.

Table 7: Forecast demand for retail space in the trade area (sqm)

Store Type	Target RTD (\$/sqm)*	2029	2033	2037	2042
Supermarkets and grocery stores	11,500	955	1,949	2,951	4,174
Specialised food stores	10,500	202	407	611	853
Bulky goods stores	4,000	0	0	0	0
Department stores	4,000	0	0	0	0
Apparel stores	6,500	70	141	211	292
Other non-food stores	6,000	232	469	702	977
Restaurants and fast-food services	7,500	392	802	1,217	1,726
Personal services	5,000	205	411	612	849
Total	9,526	2,057	4,179	6,304	8,872
Non-retail services**		165	335	503	705
Total Commercial		2,222	4,513	6,807	9,577

* Sources: ABS Retail Survey 1998-99 (escalated to 2021 dollars), Urbis Retail Averages, Shopping Centre News, PCA, HillPDA and various consultancy studies – 0.5% per annum real growth in target RTD applied

** Assumes 20% of non-supermarket space is occupied by non-retailers including financial, real estate, travel and other services that generally occupy shop front space

With no other retail facilities provided or planned within the revised trade area, the above retail demand analysis suggests that North Appin Local Centre could ultimately support 9,500sqm GLAR.

4.7 Commercial centre timing

The planning proposal proposes a local centre of around 5,000sqm GLAR (excluding possible non-shop front spaces such as a medical centre, gymnasium and childcare centre). The centre could be developed in a single stage roughly when the Precinct has reached a third of its population – say in 2031. The centre would likely trade below industry targets for the first couple of years whilst the Precinct is in its early years and the population levels are lower. However, providing a centre early in the development period, helps to establish the amenity and thereby the attractiveness and marketability of the Precinct. This will also help to achieve (or accelerate) the presumed residential take up rates of 300 dwelling per annum (refer to Section 4.2). Once the Precinct is fully developed there may be potential to expand the centre to meet future demand for retail and commercial services.

There is also potential to provide 700-1,000sqm of retail specialty floorspace including two or three fast food outlets and a convenience store to accompany a service station near the entry point to at Appin Road. The primary role of this secondary convenience centre would be to service passing motorists along Appin Road (as well as local residents) and as such requires exposure and direct access to and from Appin Road.

It should also be noted that if the residential development uptake occurs at a slower rate than projected, the timing for the retail and commercial uses may need to be delayed accordingly.

4.8 Impacts on other centres

If the North Appin Local Centre were to capture the amount of trade identified in Table 5 there would still be sufficient expenditure remaining across the trade area to ensure:

- Existing commercial centres capture sufficient trade to ensure their viability and
- There is demand for additional local centres to be provided in the Greater Macarthur Growth Area to ensure residents are appropriately and conveniently serviced.

We would not expect a local centre of 5,000sqm to trade much above \$50m (\$10,000/sqm). This would be a strong performer – 10% above average trading levels for similar size centres. If it traded at this level in 2037 it would only be capturing around 32% of trade area expenditure. This leaves 68 per cent of expenditure to be directed to other existing and proposed centres in the Macarthur Region, as well as the Wilton Town Centre. It should also be noted that the proposed Wilton Town Centre is assumed to capture less than 9% of the retail expenditure of residents in the trade area⁸. As such the assumed capture rates for North Appin Local Centre ensure sufficient expenditure for Wilton Town Centre and the other proposed centres. Even a larger centre of say 9,000sqm would capture no more than 38% of trade area expenditure leaving expenditure to be directed to other larger centres such as the proposed Wilton Town Centre (at 50,000+sqm), the proposed Appin Town Centre (30,000sqm) and Campbelltown/Macarthur.

The North Appin Local Centre will also be serving a different catchment to the other local centres identified in the Greater Macarthur Growth Area. These centres will meet the convenience shopping needs of the new residents in their immediate respective catchments.

Moreover, the analysis indicates that there is a clear demand for increased retail space in the trade area to appropriately service the local community. Such provision of space would increase the liveability, productivity and sustainability of the new suburb while also reducing the need for residents to travel further than necessary to access essential services.

Even with the development of the proposal, there would be an unmet demand for retail space in the locality. This gap in provision would increase over time. This unmet demand could be taken up in surrounding centres in the Macarthur Region. This implies that any impact of the proposal on competing centres would be minor and short-term.

4.9 Other potential land uses

In addition to the retail and commercial uses above, additional uses that could be included over and beyond the 5,000sqm Local Centre. The below summarises the potential for medical, gym and childcare facilities to be provided on site:

- The Wollondilly Health Needs Assessments (2014) indicates that the benchmark for private general practices are one practice for every 4,000 to 5,000 people. This would suggest up to two private general practices could be supported within the North Appin Precinct.
- A desktop⁹ review reveals that gym operators typically target a catchment of 20,000 to 60,000 persons depending on the scale of the gym, with large scale (1,000sqm) national brand operators serving catchments of 50,000-70,000 persons and smaller scale gym facilities (i.e. 200-250sqm) serving lower

⁸ Wilton Growth Area Commercial Centres Study 2021

⁹ The Gym Group Full year Results, 2020; Strategies for success in the fitness arena: Jets and various other consultancy reports

catchments of around 10,000 persons¹⁰. With a trade area population of around 14,000 persons, would suggest that a small gym of around 250sqm to 300sqm could be supported.

- Based on a review of the growth centre planning codes¹¹, Social Infrastructure Assessment for Greater Macarthur and Wilton Priority Growth Area (2014), the estimated trade area population, which will include around 980 children aged between 0 to 4 years¹² would generate demand for around 195 childcare places and as such there is potential for a childcare centre to be supported in North Appin Precinct over the forecast period. Based on benchmark rates, the estimated trade area population of 1,400 children aged 5 to 11 in the North Appin Precinct would also generate demand for 57 out of school care places. As such there is potential for a childcare centre to be supported in North Appin Precinct over the forecast period, however this service can be accommodated at the primary school proposed at the subject site.

4.10 Indicative floorspace recommendations

The following table provides the supportable level of floorspace at the subject site. This has been based on typical population thresholds and a typical trading environment. Please note, the below recommendations are theoretical and are based on several variables including indicative development yields provided, tenant demand and a pre-COVID environment. Slower residential development uptake, difficulties in securing tenants and so forth may impact floorspace recommendations.

Table 8: Indicative floorspace recommendation for 2031-

Use	Year	Floorspace GLA (sqm)	Assumptions and sources
Local Centre 2030-31			
Supermarket		Up to 3,300sqm	Refer to Section 4.6 and 4.7
Food services		Up to 800sqm	Refer to Section 4.6 and 4.7
Non-food specialty retail stores		Up to 500sqm	Refer to Section 4.6 and 4.7
Retail, personal and commercial services		Up to 400sqm	Refer to Section 4.6 and 4.7
General private medical practice (possible)		Up to 300sqm	Refer to section 4.9. Assumes one small to mid scale general private practice is provided on site
Gym (possible)		Up to 300sqm	Refer to section 4.9. Assumes one small scale gym is provided on site
Childcare centre (possible and desirable)		Up to 300sqm (internal area)	Assumes a 90 place childcare, which captures approximately 45% of total demand for child care places based on benchmark averages as sourced from the growth centre planning codes ¹³ , Social Infrastructure Assessment for Greater Macarthur and Wilton Priority Growth Area
Total		~5,900sqm	
Service station centre on Appin Road) 2036-37			
Service Station with convenience store		200-300sqm	Refer to Section 4.6 and 4.7
Fast food retailers		500-700sqm	Refer to Section 4.6 and 4.7
Total		700-1,000sqm	

Source: HillPDA 2022

¹⁰ Location IQ, Urban Release Off Narromine Rd Dubbo, 2022

¹¹ NSW Growth Centre Development Code 2006, SEQ Growth Centres 2007, Growth Vic, 2008

¹² Wollondilly LGA Community Profile 2021

¹³ NSW Growth Centre Development Code 2006, SEQ Growth Centres 2007, Growth Vic, 2008

4.11 Preferred location for the local centre

The most appropriate location for the local centre would be on the proposed Greater Macarthur transit corridor in the middle of the Precinct and adjacent to the school site:

- It has exposure and potential to draw additional trade from commuters along the transit corridor;
- It is near the Precinct's main entry and exit point, with exposure to all traffic entering and leaving the precinct and easy access for motorists travelling along Appin Road
- Provides opportunity to co-locate with open space, playing fields and school, improving convenience and encouraging multi-purpose visitation; and
- Central for most residents with convenient access for most residents within the trade area.

The service station and supporting convenience retailing and fast-food outlets should be provided at the entry point of the Precinct with exposure and easy access to and from Appin Road.

5.0 EMPLOYMENT ASSESSMENT

This chapter estimates the amount jobs that will be supported on the subject site based on the proposed employment generating uses on site. These employment estimates are considered in the context of broader employment trends and projections for the Macarthur region.

5.1 Job creation on subject site

The proposed uses at the subject site will create new ongoing jobs opportunities on site and help to stimulate the local economy. Local job creation can also help to support employment self-containment rates¹⁴ in the LGA, which in turn is associated with numerous social and environmental benefits (i.e. reducing the number of journeys made by private vehicle and length of time to travel to work and thus reducing vehicle emissions and increased leisure time due to reduced travel time). The table below estimates the total job potential generated from the proposed uses on site.

Table 9: Employment generation

Proposed land use	GLA / Places / Establishment	Employment Density	No. of Jobs	Assumptions and sources
Supermarkets and specialty food stores	3,300sqm	1 job / 25sqm	132	Refer to Section 4.10 Source: ABS Retail Surveys, various annual reports, IBIS reports and various other consultancy reports
Food services	800sqm	1 job / 22sqm	36	Refer to Section 4.10 Source: ABS Retail Surveys, Urbis Retail Averages, IBIS reports and various other consultancy reports
Non-food specialty retail stores	500sqm	1 job / 30sqm	17	Refer to Section 4.10 Source: ABS Retail Surveys, Urbis Retail Averages, IBIS reports and various other consultancy reports
Retail, personal and commercial services	400sqm	1 job / 30sqm	13	Refer to Section 4.10 Source: ABS Retail Surveys, Urbis Retail Averages, IBIS reports and various other consultancy reports
Total Shop front premises	5,000sqm		198	
Medical centre	300sqm	1 job / 30sqm ⁰	10	Refer to Section 4.10. Assumes one small to mid-sized private general practice Assumes 6-8 GPs and 2-4 supporting practice nurses and receptionists as sourced from Wollondilly Health Needs Assessments (2014) and HillPDA Research
Gymnasium	300sqm	1 job / 120sqm	3	Refer to Section 4.10 assumes one small gym As sourced IBIS World Reports, Landcom and various employment land studies and consultancy reports
Primary School	Accommodates 600 students	1 job / 12 students	50	Assumes one primary school which can accommodate up to 600 students (or 4 classes per year) – accommodates approximately 35% of the trade area' primary school aged population Source: National report on schooling in Australia and HillPDA Research
Childcare centres	90 place childcare	1 job / 5 places	18	Refer to Section 4.10 Source: https://www.acecqa.gov.au/nqf/educator-to-child-ratios

¹⁴ Percentage of local residents employed in local jobs

Out of school care which can be accommodated at the school facility)	26 place out of school care facility	1 job / 25 places	2	Assumes out of school care services held at the school facility for 26 places (i.e. capturing approximately 45% of total demand for out of school care places based on benchmark averages as sourced from the growth centre planning codes ¹⁵ , Social Infrastructure Assessment for Greater Macarthur and Wilton Priority Growth Area) Source: https://www.acecqa.gov.au/nqf/educator-to-child-ratios
Community facility	1,000sqm	5 jobs per establishment	5	¹⁹ Source: IBIS World report, HillPDA Research
Work at home	2,850 dwellings	1 job / 9 dwellings	317	Assumes 3,000 dwelling (i.e. upon full completion of residential development at the subject site) and a 95% occupancy rate as sourced from the Wollondilly LGA Community Profile It is assumed that 7.5% of workers undertake majority of their work at home (takes into consideration working at home rates of Wollondilly and Campbelltown LGAs in 2016 and 2021 as sourced from the Community Profiles and national rates) and assuming 1.5 working residents per household. Results in 1 job in every 9 occupied dwellings
Service station / convenience	250sqm	1 job / 30sqm	8	Refer to Section 4.10 Source: Urbis averages, IBIS world Reports and various other consultancy reports
Fast foods at service station site	600sqm	1 job / 10sqm	60	Refer to Section 4.10 Assumes fast food outlets operating 12-18 hours per day, 7 days a week
Total service centre	850sqm		68	
Total employment potential			670	

As shown in the table above the proposed uses on the subject has the potential to support 670 workers on site. The GM 2040 Structure Plan targets an additional 20,000 jobs within or accessible to the release areas. As such the employment generating uses on site will contribute to reaching these job targets by providing additional job opportunities for local residents. Such provision of retail and commercial uses would increase the liveability, productivity, sustainability of the locality while also reducing the need for residents to travel to access essential services. This in turn is associated with numerous social and environmental benefits (i.e. reducing the number of journeys made by private vehicle and length of time to travel to work and thus reducing vehicle emissions and increased leisure time due to reduced travel time).

¹⁵ NSW Growth Centre Development Code 2006, SEQ Growth Centres 2007, Growth Vic, 2008

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