

Area 20 Retail & Employment Study (NW Rail)

FINAL REPORT

Department of Planning

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Department of Planning

SGS

Economics & Planning

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Table of Contents

1	Introduction	1
1.1	Background	1
1.2	Subject Site.....	2
2	Policy & Strategy Framework.....	6
2.1	Centres Policy	6
2.2	Employment Land Policies.....	11
3	Market Assessment.....	16
3.1	Economic Profile.....	16
3.2	Market Indicators	28
3.3	Site & Location Assessment	38
4	Land Assessment & Employment Modelling.....	57
4.1	Background	57
4.2	Population-Driven Employment.....	58
4.3	Strategic Employment.....	61
5	Retail Modelling	66
5.1	Retail Model Method.....	66
5.2	Retail Model Inputs.....	67
5.3	Retail Model Results.....	68
6	Conclusions & Recommendations	71
6.1	Employment & Floorspace Forecast	71
6.2	Retail Impact Test	72
6.3	Appropriate Retail Floorspace	72
6.4	Appropriate Corridor Employment Floorspace.....	78
6.5	Self Containment.....	83
	Appendix 1: Policy Review.....	84
	Centres 84	
	Industrial	91

Tables

Table 1.	Locational attributes	4
Table 2.	NWGC and Rouse Hill - Centre Retail Floorspace Thresholds	8
Table 3.	Population Forecasts 2006-2031 – Area 20 and Benchmark Regions	16

Table of Contents

Table 4. Key Labour Market Indicators	18
Table 5. Unemployment Rates 2006-2008	18
Table 6. Industry by Occupation, 2006, Blacktown and benchmark regions.....	21
Table 7. Industry by Occupation Profile, 2006	22
Table 8. Commercial Sectors by Occupation Profile, 2006.....	23
Table 9. Employment Growth by Industry (2-digit).....	23
Table 10. LQ Analysis (2-digit), Blacktown LGA compared to Western Sydney and compared to Sydney SD	26
Table 11. Commercial land sales – Blacktown LGA – 2005 to 2009	29
Table 12. Commercial land sales – Blacktown LGA – 2005 to 2009 (Dec)	30
Table 13. Total Sales 2004-2009, Blacktown and benchmark regions.....	33
Table 14. Commercial and Retail Employment Land Supply, North West Subregion.....	38
Table 15. Office BLC Profile and Locations	41
Table 16. Business Parks Profile and Locations	42
Table 17. Mainstreet Retail BLC Profile and Locations	43
Table 18. Big Box Retail BLC Profile and Locations	44
Table 19. Bulky Goods Retail BLC Profile and Locations.....	45
Table 20. Employment Land Supply, Blacktown and surrounding LGAs.....	46
Existing Employment Areas	47
Table 21. Local Light Industry Profile and Locations	49
Table 22. Manufacturing Profile and Locations	50
Table 23. Manufacturing Light Profile and Locations	51
Table 24. Freight and Logistics Profile and Locations	52
Table 25. Urban Services Profile and Locations	53
Table 26. Business Parks Profile and Locations	54
Table 27. Population Driven Jobs, Area 20	58
Table 28. Population Driven Employment – Policy Adjusted Outputs	59
Table 29. Population Driven Employment – Floorspace	59
Table 30. Timing of Population Driven Jobs.....	60
Table 31. Total Strategic Employment – Policy Adjusted	62
Table 32. Total Strategic Floorspace (sqm) – Policy Adjusted.....	62
Table 33. Cudgegong Station (Retail/Commercial)	63
Table 34. Cudgegong Station (Industrial)	63
Table 35. Cudgegong Village	64
Table 36. Area 20 – Area within Rouse Hill Major Centre Buffer.....	64
Table 37. Area 20 – Schofield's Road Transition Area	65
Table 38. Area 20 Strategic Employment - TOTALS.....	65
Table 39. Study Area Household Expenditure Variation by Retail Category (\$2008)	67
Table 40. Estimated Retail Turnover \$'000 (\$2008).....	68
Table 41. % Change of Estimated Retail Turnover in Other Centres and Elsewhere	69
Table 42. Estimated Retail Turnover with an Increased Floorspace in Area 20 \$'000 (\$2008)	69
Table 43. Area 20 Threshold Floorspace – Commodity Groups	70
Table 46. NWGC and Rouse Hill - Centre Retail Floorspace Thresholds	73
Table 47. Key Social, Recreational Infrastructure and Open Space – Area 20	77
Table 48. Likely Corridor Jobs and Floorspace Yield	82
Table 49. Self Containment Analysis	83

Table 50. Key Policy Messages.....	94
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Figures

Figure 1. Area 20 Site Map	2
Figure 2. Rouse Hill Master Plan Detail.....	3
Figure 3. Area 20 Subregional Context Map.....	5
Figure 4. Population Growth Change by Five Year Intervals, 2011-2031	17
Figure 5. Accumulative Percentage of Population Growth by Five Year Intervals, 2011-2031.....	17
Figure 6. Unemployment Rates	19
Figure 7. Occupational Distribution of Resident Workforce (by origin).....	20
Figure 8. Employment Distribution by Industry (1-digit), 2006.....	22
Figure 9. LQ Analysis (1-digit), Blacktown LGA compared to Western Sydney.....	25
Figure 10. LQ Analysis (1-digit), Blacktown LGA compared to Sydney SD.....	25
Figure 11. Commercial Sales, Blacktown LGA – 2004 to 2009	31
Figure 12. Commercial Sales, Blacktown LGA – 2009 (All)	32
Figure 13. Non-strata industrial land sales – 2004 to 2009	34
Figure 14. Non-strata industrial land sales in 2009	35
Figure 15. Locations for Riverstone Industrial Lot Sales (1,000 to 2,000)	35
Figure 16. Locations for Seven Hills Industrial Lot Sales (1,000 to 2,000)	36
Figure 17. Subregional Competitor Scan Map.....	39
Figure 19. SGS Retail Model	66
Figure 20. Area 20 Buffer Analysis - Major and Town Centre Buffers	74
Figure 21. Area 20 Buffer Analysis – Cudgegong Village Buffer	75
Figure 22. Area 20 Buffer Analysis – ‘Walkable’ Centre gaps	78
Figure 26. NW Growth Centre Structure Plan - Centres.....	85
Figure 27. NW Growth Centre Structure Plan	86
Figure 28. Rouse Hill Illustrative Masterplan	88

1 Introduction

1.1 Background

The Department of Planning requires a study of retail and employment uses for the Area 20 Precinct under the scenario of an extension to the North West Heavy Rail line with a station at Cudgegong Road.

Scope of work

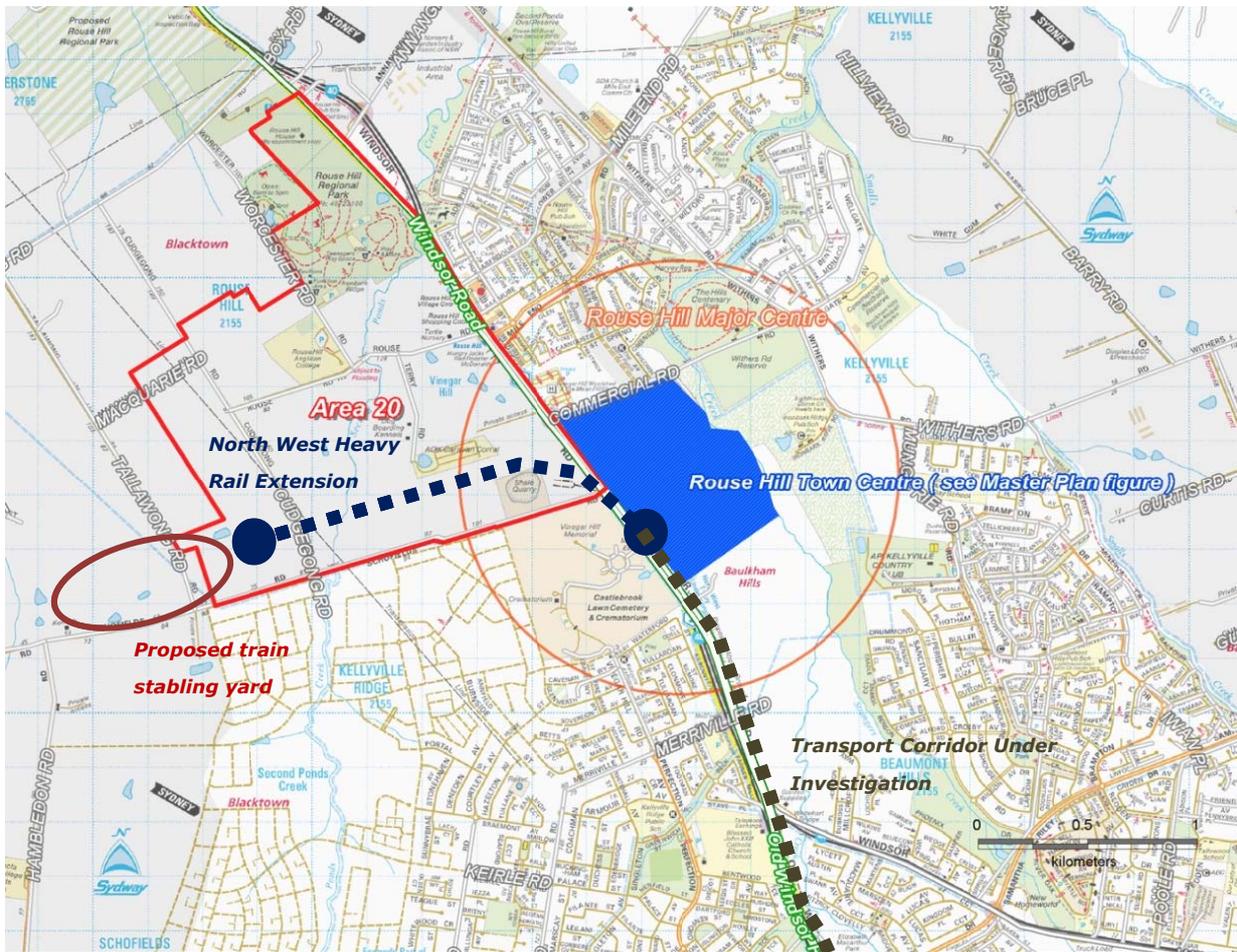
The scope of work as described in the study brief is as follows:

- Review the levels and the nature of retail and employment development proposed within the vicinity of Area 20 as reflected in various policies
- Consider the appropriateness of retail and other employment land uses along the Schofields Road corridor and in the vicinity of the potential Cudgegong station under a NW Heavy Rail extension scenario
- Analyse and identify the types of land uses and businesses that may be suitable/ complementary in this location given the nature of surrounding employment lands and the likely market demand for these uses
- Critically review the land uses, floor space yields and configuration proposed by the MoT for the Cudgegong Transit Neighbourhood concept in light of the above
- Recommend appropriate retail/ commercial/ employment land uses/ types for the Schofields Road corridor and surrounding Cudgegong station and identify the broad requirements for these business types
- Estimate the number of type of jobs to be created under a NW Heavy Rail extension scenario and the associated timeframes.

1.2 Subject Site

The subject site is an irregularly shaped area of approximately 245 ha located in Blacktown LGA. The eastern part of Area 20 is located adjacent to the Rouse Hill Regional Centre/ Planned Major Centre (1km area around town centre shown). An extension to the North West Rail Link beyond Rouse Hill Major Centre is proposed, with a Commuter park and ride station near Cudgegong Road and train stabling yard near Tallawong Road. The rail extension corridors, and stations, are indicative.

Figure 1. Area 20 Site Map



Source: SGS, 2009

The Rouse Hill Regional Centre masterplan includes 200,000 square metres of retail/commercial floorspace of which 65,000 square metres has been built (Figure 2)¹. The future mixed use area identified to the west of the town centre is expected to contain support service activities such as bulky goods retail.

Figure 2. Rouse Hill Master Plan Detail



Source: www.thenewrousehill.com.au (Accessed June 2009)

¹ http://www.rouse-hill.com/llweb/rousehill/main.nsf/all/story_background (Accessed July 2009)

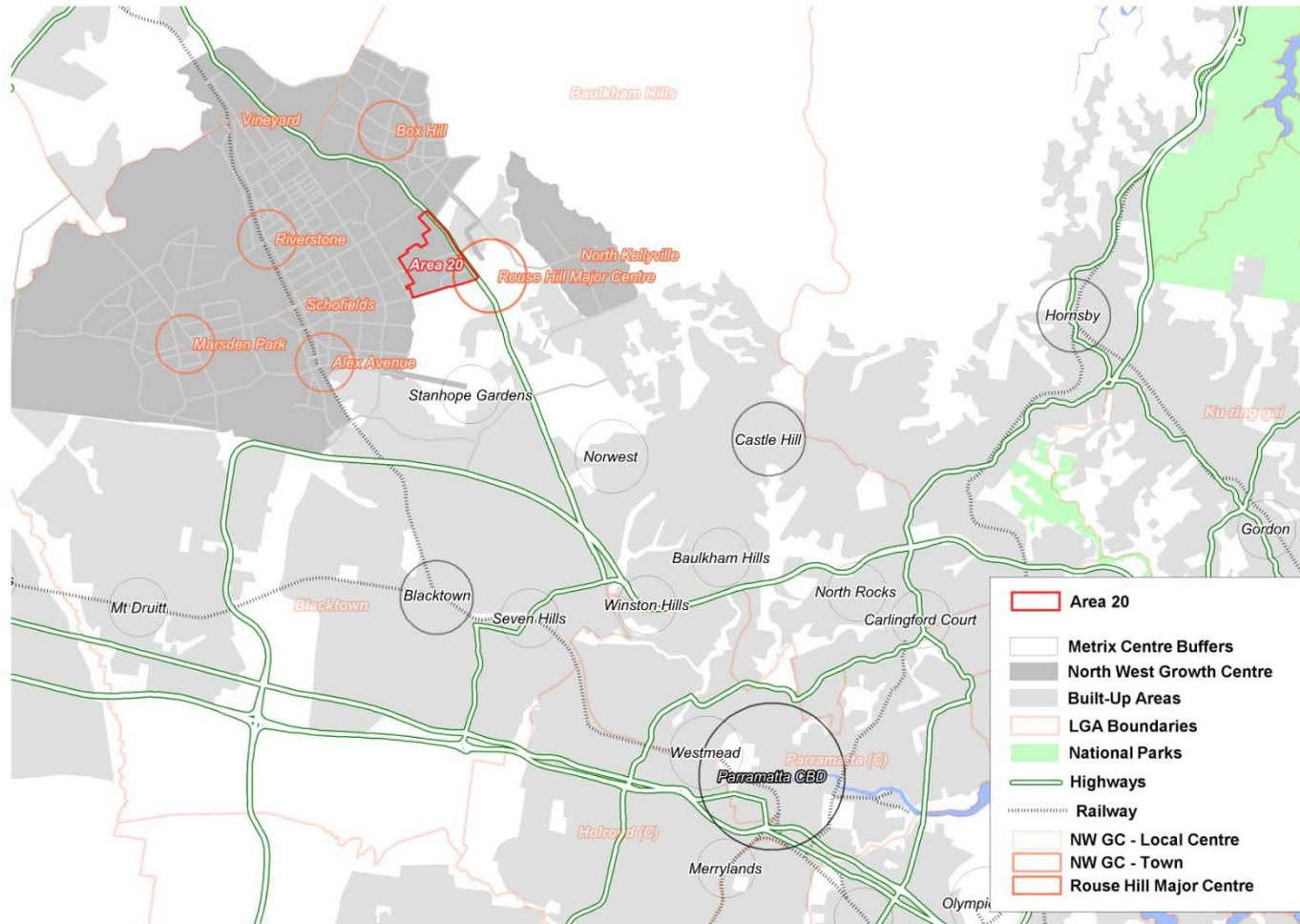
Area 20 is on the eastern edge of the North West Growth Centre in the North West Subregion (Figure 3). Locational attributes of the site in relation to the surrounding areas is shown in Table 1.

Table 1. Locational attributes

Attribute	Description
Proximity to population centres	Area 20 is one of 15 precincts within the North West Growth Centre which is expected to provide at least 60,000 new dwellings for around 170,000 residents (2.8 persons per dwelling).
Proximity to highways	The site has its north eastern boundary along Windsor road which connects to the Westlink M7 and the Cumberland/Pacific Highway.
Proximity to major service centres	The subject site is west of the Rouse Hill Regional Centre and partly within its planned major centre buffer. Other major centres include Blacktown and Castle Hill which contain education facilities including Blacktown TAFE, and various primary and secondary schools.
Proximity to major employment/specialised centres	Area 20 is located north west of the Norwest Business Park. Future business Park activity is earmarked in closer proximity to Area 20 at Marsden Park and Box Hill Growth Centre precincts.
Planning Vision	The precinct has been earmarked for higher density development with a mixed use corridor on Schofields Road to link Marsden Park and Rouse Hill Town centre in the NWGC Structure Planning. The subject site is expected to accommodate 1,500 to 2,500 homes. At a household size of 2.8 per dwelling this would generate a population of 4,200 to 7,000.

Source: SGS, 2009; North West Growth Centre Structure Plan (2005); Growth Centre Commission Area 20 Update (2009)

Figure 3. Area 20 Subregional Context Map



Source: SGS, 2009

2 Policy & Strategy Framework

This section outlines the policy and strategy framework for development in Area 20. Summaries of the relevant policy are provided in Appendix 1 with key directions discussed in detail below.

2.1 Centres Policy

The three principal sets of policy documents impact on planning for the Growth Centres and the North West Subregion. These are the:

- NSW State Plan.
- Growth Centres SEPP and Structure Plan.
- Metropolitan Strategy and North West Subregional Strategy.

In combination, the policy documents articulate the following key themes:

- **Centres policy.** The Metropolitan Strategy (and draft Subregional Strategies for the NW) and State Plan provide a strong policy platform for employment related issues – particularly in relation to job targets in the wider NW region, and desirable locations for employment. The clear aim is for employment to be concentrated in a series of ‘strategic centres’, typically on the rail network, or in well planned employment areas with the prospect of being serviced by public transport.

The Metropolitan Strategy and subsequent Subregional Strategies describe an indicative centres hierarchy which provide a guide to the range of land activities that might be expected at each centre type. In the NW Growth Centre, the planned ‘Major Centres’ are Rouse Hill (although not within the Growth Centre boundary itself, Rouse Hill will act as a key driver for employment development within the NW Growth Centre).

- **Jobs to the West.** The Metropolitan Strategy aims to facilitate significant jobs growth in western Sydney, recognising that as the population in the region grows there is a need to ensure that employment opportunities are also provided. This policy aim of ‘jobs to the west’ is inherently linked with a drive for ‘higher quality’ jobs in Western Sydney particularly in the SW Subregion which has traditionally lacked in this provision. A new business park with good public transport access could encourage a higher skilled workforce to locate in the subregion. It could also attract employment activities not represented in the existing employment areas².
- **Containment.** In response to the increasingly westward growth of the metropolitan area, the 2005 Metropolitan Strategy identified a need for an adjustment to the concept of regional ‘containment’. There is now a focus on accommodating growth in Sydney’s outer western subregions (particularly the SW and NW) and strengthening the key regional cities. The rationale for this is to limit travel times for residents on the urban fringe so that jobs, major

² Draft NW Subregional Strategy 2007

shopping and recreational activities would be within a reasonable travel time (usually benchmarked at 30 minutes).

This understanding of containment, including self containment in relation to jobs, does not necessarily imply that jobs would be found in the absolute immediate vicinity of the homes where the resident workforce live. The aim is that sufficient depth of employment should be available across the subregion so that residents have a good choice of job opportunities while minimising the need for trip making. The key factors are the variety of job opportunities and the quality of access to them across the subregion. Planning should aim to maximise jobs in the subregions to minimise aggregate trip making

Some of the principles of the Centres policy as set out in the Metropolitan and Subregional Strategies are being challenged in the 'Draft Centres Policy'. Key areas of concern are in the call to allow out-of-centre retail in specific circumstances and to let the market drive the size and business mix of centres. Submission to the Draft Policy are being reviewed by the Department of Planning.

North West Growth Centre – Policy for new centres

The centres hierarchy in the NWGC provides for the following:

- **Major Centres** - Key retail and activity centre for the broader community. Includes high level retail (Department Stores)
- **Town and Village Centres** - Developed as a community heart, linking a number of adjacent communities to a central activity and community gathering point. Secondary retail (mini major, supermarket, specialist shops)
- **Walkable Communities** - Linked to a small scale mixed use activity zone to encourage local community integration³

The Rouse Hill Major Centre, although not within the Growth Centre boundary itself, will act as a key driver for employment development within the NW Growth Centre. Town centres in the NWGC are identified in Box Hill, Riverstone, Alex Avenue and Marsden Park with advanced or completed precinct planning for Riverstone, Alex Avenue and Marsden Park. Villages and walkable centres are proposed as part of detailed precinct planning, such as this study.

Structure planning for the NWGC identified floorspace for the town centres but not for all villages and walkable centres. Town centres have the following retail floorspace thresholds:

³ Growth Centres Development Code, Growth Centres, November 2006

Table 2. NWGC and Rouse Hill - Centre Retail Floorspace Thresholds

Centres	Retail Floorspace Capacity (sqm)	Indicative Centre Buffer	Unrealised, approved retail floorspace (sqm)	Source
Rouse Hill	200,000	1000	135,000	A
Riverstone TC	30,000	800	29,200	B
Alex Ave TC*	30,000	800	30,000	C
Schofields SV	10,000	400	6,000	B/C
Marsden Park TC	35,000	800	35,000	B
Box Hill TC	25,000	800	25,000	C
TOTALS	330,000	-	260,200	-

Sources Notes:

A. http://www.rouse-hill.com/llweb/rousehill/main.nsf/all/story_background (Accessed July 2009)

B. North West Growth centre Structure Plan, Explanatory Notes, Growth Centres Commission, 2006

C. North West Growth Centre Draft Precinct Planning, 2009

* Maximum threshold.

Precinct planning has significantly advanced with the gazettal of the North Kellyville Development Control Plan in December 2008 and the exhibition of Draft Precinct Plans for Riverstone and Alex Avenue Precincts. Thresholds for new retail and commercial floorspace are provided which broadly seek to maintain the centres hierarchy within the NWGC. Summaries of the advanced precinct planning and their respective retail and commercial floorspace thresholds are provided as follows:

- *Alex Avenue Precinct.* Land identified as the Alex Avenue Town Centre is across several land parcels in different ownerships. There is the possibility that the centre may be developed by several landowners or developers. The approach to this has been to set design controls in the Draft DCP for the precinct to achieve consistency and coordination in the development of the centre

The maximum retail floor area within the local centre is to be between 25,000sqm and 30,000sqm to ensure that the centre functions in accordance with its position in the regional centres hierarchy⁴. The DCP encourages a range of retail, commercial, entertainment, recreation and community uses to serve the needs of the wider community and promote an active and vibrant Local Centre.

- *North Kellyville Precinct.* The North Kellyville Precinct was rezoned in December 2008 with the associated amendments made to the Growth Centres SEPP and including reference to the North Kellyville Development Control Plan. Key statistics for the precinct development are provided in the Table below and highlight the scale of retail and commercial floorspace in the precinct.

⁴ Alex Avenue Precinct Draft Development Control Plan, Growth Centres Commission, 2008

North Kellyville Precinct Statistics	
Gross Area	706.2ha
Net Developable Area (NDA)	470.3ha
Residential Lots	5,185
Average Residential Density (Net)	11 dwellings per hectare
Population	15,563
Retail Gross Floor Area (GFA)	19,000sqm (15,000 Local Centre + 2 x Neighbourhood Centres)
Commercial (Office) Gross Floor Area (GFA)	Est 3,000sqm (not prescribed)
Employment Land	N/A
Local Open Space (incl drainage)	51ha
Riparian Protection Areas	132ha
Jobs	729
Regional Infrastructure in accordance with the SIC Practice Note	Proposed upgrades to Commercial Road between Withers Road and Caddies Creek (instead of Mile End Road), land for 1 public primary schools and fare box subsidy for public transport services.

Source: Draft SEPP (Sydney Region Growth Centres) 2006 (Amendment No 3) North Kellyville Precinct Planning Report November 2008; North Kellyville DCP 2008.

- Riverstone Precinct.** The precinct is built around the existing Riverstone Town Centre which will remain the key local centre in the precinct. Development in the existing town centre is governed by the Blacktown LEP 1988. Most the town centre is zoned 3(a) with edge of centre land zoned 3(b). This is surrounded by 2A zoned land. The 3(a) zone is flexible with only prohibited use listed and a merit based approach for all other proposed development. The 3(b) zone serves to support the 3(a) land and allows for bulky goods development, commercial offices, light industrial activities and business support services. Only limited retailing activities are permitted.

The new Riverstone precinct surrounds these existing lands and will contain the new neighbourhood centres at Vineyard and Schofields to service the incoming population.

Riverstone Precinct	
Urban form targets	
Target Yield	8,500 dwellings
Target Population	24,000 people
Town Centres	Revitalisation of the existing Riverstone Town Centre and smaller rail station centres at north of Riverstone at Schofields and Vineyard.
Smaller neighbourhood centres	Existing Schofields Village and new Vineyard Village
Infrastructure requirements	
Rail	Duplication of Richmond Rail Line from Quakers Hill to Vineyard Station
Schools	4 new primary schools; 1 new special school; 1 new high school and expanded Riverstone High School
Regional Road Links	Upgrades to Schofields Road, Railway Terrace & Garfield Road East; New rail crossings at Schofields and Garfield Roads. Upgraded crossings at Bandon and Westminster Roads
Fire Stations	1 possible new or upgraded fire station
Health Facilities	1 integrated primary health care facility
Police Station	1 possible new or upgraded police station
Ambulance Station	1 ambulance station (location to be determined with NSW Ambulance Service)

The Growth Centres planning framework describes neighbourhood centres as accommodating small scale retail and services to cater for local residents and containing between 150 to 900 dwellings. They may also contain a community focus such as a park, school, community centre or childcare facilities.

The location of these neighbourhood centres will be developed 'according to market demand'. Shop top housing is encouraged within the neighbourhood centres to increase activity levels out of business hours, take advantage of accessibility to the public transport and provide passive surveillance.

Riverstone West Precinct has been rezoned and is expected to be gazetted in 2010. Exhibition of draft plans for Marsden Park Industrial Precinct was completed in late 2009. The North Kellyville Precinct has been rezoned and the Hills Shire Council is receiving numerous enquiries from landowners about possible subdivisions.

2.2 Employment Land Policies

Additional to the general aims of generating jobs for Western Sydney and Self-Containment, the policy framework has additional employment land policy to guide planning for existing industrial precincts covered by local LEPs and newly released and future industrial lands covered by State Planning Policy. State and Local employment land policy principally seeks to:

- State
 - Preserve strategic employment lands and ensure appropriate landuses in this areas
 - Ensure new release employment land occurs in appropriate locations in proximity to population centres (NWGC)
 - Encourage regeneration of Brownfield sites
 - Increase Innovation and skills development
 - Improve access to jobs for disadvantaged communities
- Local
 - Reduce impacts of industrial activities on surrounding landuses, particularly residential areas
 - Contribute to local economic development

These objectives, and implications for Area 20, are examined in further detail below.

Preserve Strategic Employment Lands and Facilitate Appropriate Landuse

A key direction of state planning policy is to facilitate economic activity to ensure that:

- Sydney will have a competitive, innovative and adaptable economy which underpins its success in the global economy
- Sydney will continue to offer opportunities for value-added investment, more good jobs, innovation and learning
- Economic spaces will strengthen globally competitive industry networks and clusters. An advanced infrastructure network will support the flow of ideas, people and products

The Metropolitan Strategy identified a global economic corridor along the Western Sydney Orbital with the focus being the Sydney CBD. Employment lands⁵ within this corridor are particularly valuable due to the specialised employment activities that occur in corridor precincts. These include the CBD to Airport Corridor, the North Sydney to Macquarie Park corridor, the Bankstown to Milperra Corridor and the M7 corridor. In particular, the 'protection and enhancement of employment lands in the M7 corridor⁶' is one of the employment actions of the Metropolitan Strategy.

⁵ Employment land refers to traditional industrial areas and business and technology parks for higher order employment in the Metropolitan Strategy and Subregional Strategy planning framework. These lands can incorporate light industries, heavy industry manufacturing, urban services, warehousing and logistics and high-tech based activities.

⁶ City of Cities: A Plan for Sydney's Future (Sydney Metropolitan Strategy), NSW Government, 2005

A key outcome for employment planning from the Metropolitan Strategy was creation of the Employment Lands Taskforce, who developed an Action Plan for Sydney's Employment Lands. This has set the policy agenda for future employment land planning and identified strategic employment land in the Sydney metropolitan region. The existing stock of employment lands is considered a valuable resource due to the scale of future demand and the limits of identifying new areas for development⁷.

Strategic land in the north west subregion includes the significant Western Sydney Employment Hub (WSEH). These are specific lands located around the intersection of the M7 and M4 freeways. The study site is located within this important group of lands. Existing employment land in Blacktown, Penrith and Baulkham Hills and proposed employment land in the North West Growth Centre are also identified as strategic employment lands.

Encourage Regeneration of Brownfield Sites

Brownfield sites are existing industrial properties, or groups of these, whose former uses are now obsolete or have moved to outer Sydney due to higher quality infrastructure or reduced impacts on surrounding land uses. The ability of brownfield sites to revitalise and address modern industrial needs will depend on the character of the industrial area and the feasibility of reusing the existing industrial properties.

Metropolitan planning policy has yet to provide firm guidance on how brownfield sites transition for modern industry needs and what kinds of land uses are appropriate. Approaches proposed in the planning framework are limited to the investigation of opportunities to increase the capacity of employment lands by intensification of under-utilised or vacant sites⁸. Some vacancy has been identified in existing industrial land in Blacktown LGA⁹.

Ensure new release employment land in appropriate locations in proximity to population centres

The employment planning framework provides for the release of new employment land through the recently created Employment Lands Development Program. It is expected that the ELDP will monitor employment land release and develop threshold sustainability criteria similar to that required when listing a site on the Metropolitan Development program list (MDP). The development of this criteria is not expected in the short term¹⁰.

The North West Growth Centre structure plan provides for new release employment lands in the Riverstone, Riverstone West, Box Hill and Marsden Park Precincts. The NWGC structure plan states that additional industrial land can be considered as part of the precinct planning process.

⁷ Employment Land Action Plan for Sydney, 2007

⁸ North West Subregion: Draft Subregional Strategy, December 2007

⁹ Consultation with Blacktown City Council, 2009

¹⁰ Consultation with DoP ELDP staff, June 2009.

Reduce impacts of industrial activities on surrounding residential areas and the locality

Key impacts of industrial development on surrounding land uses are mostly associated with residential land uses. These tend to be:

- Traffic impacts due to frequent heavy vehicle access and worker access to and from the site
- Environmental impacts on air, soil and water quality and noise impacts (depending on the activity)

Local development control plans generally seek to ensure that industrial activity does not impact on surrounding residential areas. Impacts of land uses for the subject site would be assessed at the development application stage.

Key Findings

General

- **Policy objective to attract high quality jobs to the west.** The Metropolitan Strategy aims to facilitate significant jobs growth in western Sydney, recognising that as the population in the region grows there will be an urgent need for ensuring that employment opportunities follow. The agenda around enhancing high quality jobs in Sydney's west then is about improving the life chances and opportunities available to a significant share of Sydney's population that always struggle against indicators of wealth, educational attainment and access to opportunities.
- **Clear aim is for employment to be concentrated in a series of 'strategic centres', typically on the rail network, or in well planned employment areas with the prospect of being serviced by public transport.** The Metropolitan Strategy (and draft Subregional Strategies for the NW) and State Plan provide a strong policy platform for employment related issues – particularly in relation to job targets in the wider NW region, and desirable locations for employment.
- **Rouse Hill to act as a key driver of employment in the North West Subregion.** The Metropolitan Strategy and subsequent Subregional Strategies describe an indicative centres hierarchy which provide a guide to the range of land activities that might be expected at each centre type. In the NW Growth Centre, the planned 'Major Centres' are Rouse Hill (although not within the Growth Centre boundary itself, Rouse Hill will act as a key driver for employment development within the NW Growth Centre).
- **Self-containment to be achieved by strengthening the key regional cities.** In response to the increasingly westward growth of the metropolitan area, the 2005 Metropolitan Strategy identified a need for an adjustment to the concept of regional 'containment'. There is now a focus on accommodating growth in Sydney's outer western subregions (particularly the NW) and strengthening the key regional cities. The rationale for this is to limit travel times for residents on the urban fringe so that jobs, major shopping and recreational activities would be within a reasonable travel time (usually benchmarked at 30 minutes).
- **Planning should aim to maximise jobs in the subregions to minimise aggregate trip making.** This understanding of containment, including self containment in relation to jobs, does not necessarily imply that jobs would be found in the absolute immediate vicinity of the homes where the resident workforce live. The aim is that sufficient depth of employment should be available across the subregion so that residents have a good choice of job opportunities while minimising the need for trip making. The key factors are the variety of job opportunities and the quality of access to them across the subregion.
- **Growth Centres Employment Strategy Action to provide a world class and sustainable retail approach.** The development of this action was in response to the often been poorly planned retail centres in greenfield areas which do not allow for centre growth or which are 'car-based'. This action seeks to support the NWGC centre hierarchy. This has implications for Area 20 as the structure plan has not identified a centre in this precinct.
- **New employment in the NWGC will be investigated at the precinct planning stage.** The NWGC structure plan identifies area of industrial land in the precincts of Box Hill Industrial, Riverstone, Riverstone West and Marsden Park Industrial. Precinct Planning will provide the opportunity for new employment land to be considered. While the opportunity exists for assessing the merits of additional industrial land, the timing of any approved new employment land will depend on the efficient undertaking of precinct planning processes.

- **Demand for new employment lands will be assessed by the Employment Land Development Program.** It is expected that the ELDP will monitor employment land release and develop threshold sustainability criteria similar to that required when listing a site on the Metropolitan Development program list (MDP). The development of this criteria is not expected in the short term.

3 Market Assessment

The market assessment has been completed in 3 parts:

- **Economic profile.** Analysis of employment and economic data for Blacktown LGA benchmarked against Western Sydney and Sydney SD. This shows the kind of context within which Area 20 jobs will be located.
- **Market activity.** Analysis of industrial and commercial sales data for the past 5 years at the suburb level. Sense checking and local market info has been sourced from consultation with local agents.
- **Competitor scan.** An overview of commercial centres and industrial areas in the NW Subregion.

Each of these elements is discussed in turn over the following pages

3.1 Economic Profile

Population Profile

The Area 20 precinct, along with other released precincts in the North West Growth Centre, will contribute significant population growth to 2031 and beyond. The housing and population targets for the precinct are for 2,500 dwellings and around 7,000 residents. Table 3 shows the population forecasts for Area 20 and the benchmark regions of Blacktown LGA, Western Sydney and Sydney SD from 2006 to 2031.

Table 3. Population Forecasts 2006-2031 – Area 20 and Benchmark Regions

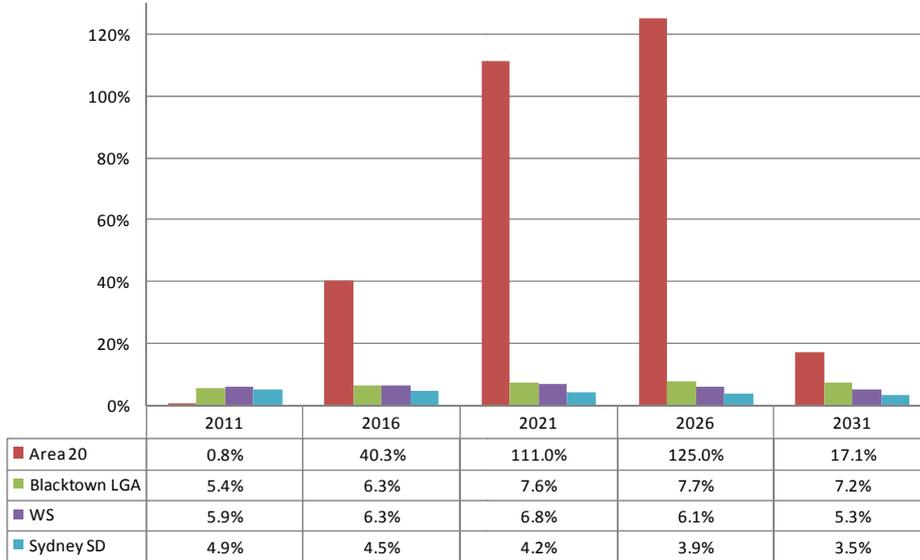
	Area 20*		Blacktown LGA		Western Sydney		Sydney SD	
	Population	Growth from 2006 (%)	Population	Growth from 2006 (%)	Population	Growth from 2006 (%)	Population	Growth from 2006 (%)
2006	627	-	280,612	-	1,851,159	-	4,281,988	-
2011	632	0.8%	295,671	5.4%	1,960,663	5.8%	4,493,533	4.9%
2016	887	40.3%	314,379	12.0%	2,084,316	12.5%	4,696,679	9.7%
2021	1,871	111.0%	338,171	20.5%	2,226,959	20.2%	4,894,535	14.3%
2026	4,210	125.0%	364,096	29.8%	2,362,617	27.6%	5,084,480	18.7%
2031	4,928	17.1%	390,226	39.1%	2,488,758	34.4%	5,262,065	22.9%

Source: TDC Population Projections released 2008; *Area 20 precinct comprised of aggregated 2006 travel zones.

The figures show that Area 20 population will not reach significant levels until well into 2021. The benchmark regions will steadily grow from 2006 with Blacktown and Western Sydney showing

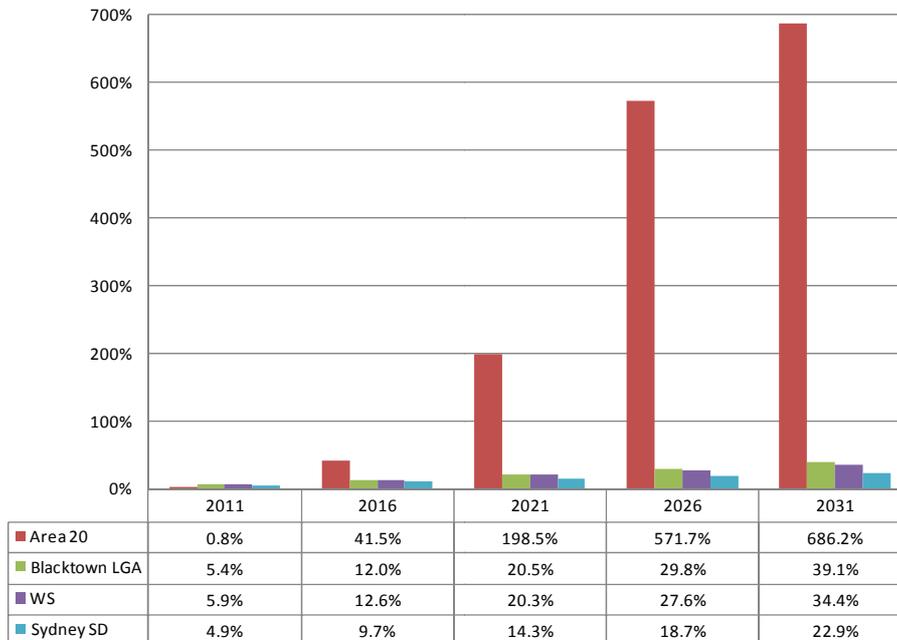
higher growth rates than Sydney SD. Figure 4 and Figure 5 further highlights the significant growth forecast in Area 20 compared to the benchmark regions.

Figure 4. Population Growth Change by Five Year Intervals, 2011-2031



Source: TDC Population Projections released 2008.

Figure 5. Accumulative Percentage of Population Growth by Five Year Intervals, 2011-2031



Source: TDC Population Projections released 2008.

Local and Regional Labour Market

The labour market that will service jobs in Area 20 will be drawn from the future Area 20 population and more significantly from the existing labour market in the Blacktown LGA and wider Western Sydney region.

Table 4 shows key labour market indicators for Blacktown LGA and benchmark regions. Blacktown LGA has a large labour pool, with high levels of full-time employment and a below average incidence of part-time employment. Blacktown LGA's labour force participation rate (68.5 per cent) is on par with Western Sydney, Sydney SD and NSW.

Table 4. Key Labour Market Indicators

	Blacktown LGA	Western Sydney	Sydney SD	NSW
Estimated Resident Population 2001	264,799	1,543,962	4,128,272	6,575,217
Estimated Resident Population 2006	280,612	1,611,558	4,281,988	6,816,087
Estimated Resident Population (% Change 2001-2006)	6.0%	4.4%	3.7%	3.7%
Total Labour Force, 2006	126,657	721,963	2,010,008	3,092,603
% Labour Force Participation (15-64 years), 2006	68.5%	67.7%	70.0%	69.4%
Total Persons Employed, 2006	118,052	674,924	1,903,527	2,909,444
% Full-time Employment, 2006	69.6%	67.3%	66.6%	64.6%
% Part-time Employment, 2006	23.5%	25.9%	27.1%	29.0%
% Male Employment, 2006	49.0%	49.1%	48.7%	48.8%
% Female employment, 2006	51.0%	50.9%	51.3%	51.2%
% Unemployment, 2006	6.8%	6.5%	5.3%	5.9%

Source: ABS Regional Population Growth, Australia, 2007-08 (cat. no. 3218.0), ABS 2006 Census of Population and Housing, Basic Community Profiles.

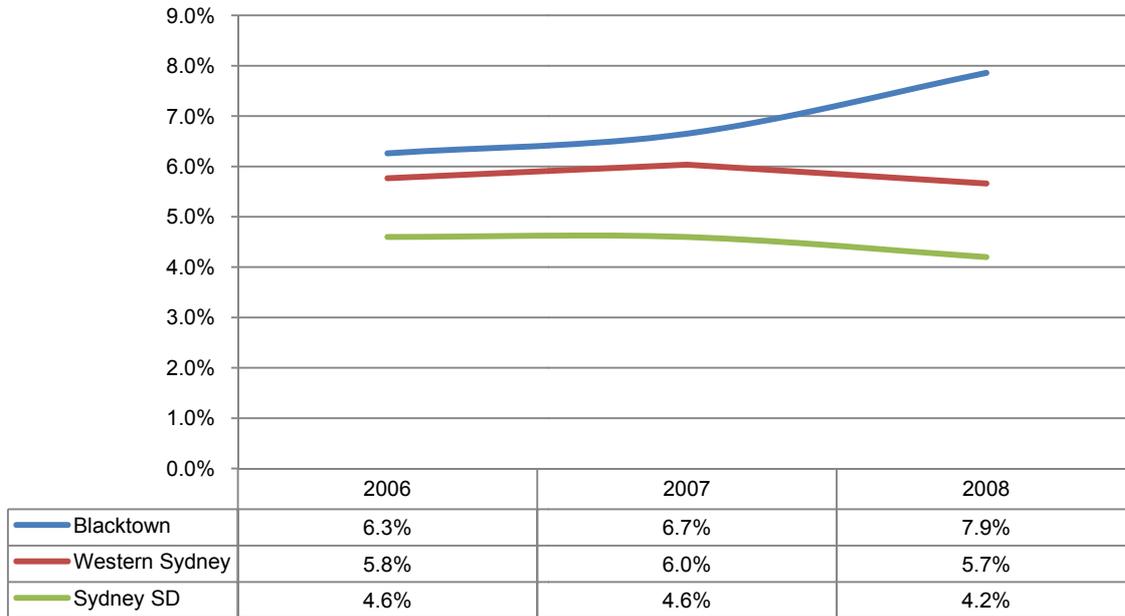
The rate of unemployment is considerably higher in Blacktown LGA than the other regions profiled. Figure 6 shows unemployment rates for the last three years. There is a significant increase in unemployment between 2007 and 2008 in Blacktown LGA, with other areas profiled experiencing decreasing unemployment rates.

Table 5. Unemployment Rates 2006-2008

	2006	2007	2008
Blacktown	6.3%	6.7%	7.9%
Western Sydney	5.8%	6.0%	5.7%
Sydney SD	4.6%	4.6%	4.2%

Source: DEEWR Small Area Labour Market Reports, June 2006, June 2007, June 2008

Figure 6. Unemployment Rates



Source: DEEWR Small Area Labour Market Reports

Industry and Occupational Distribution Profiles

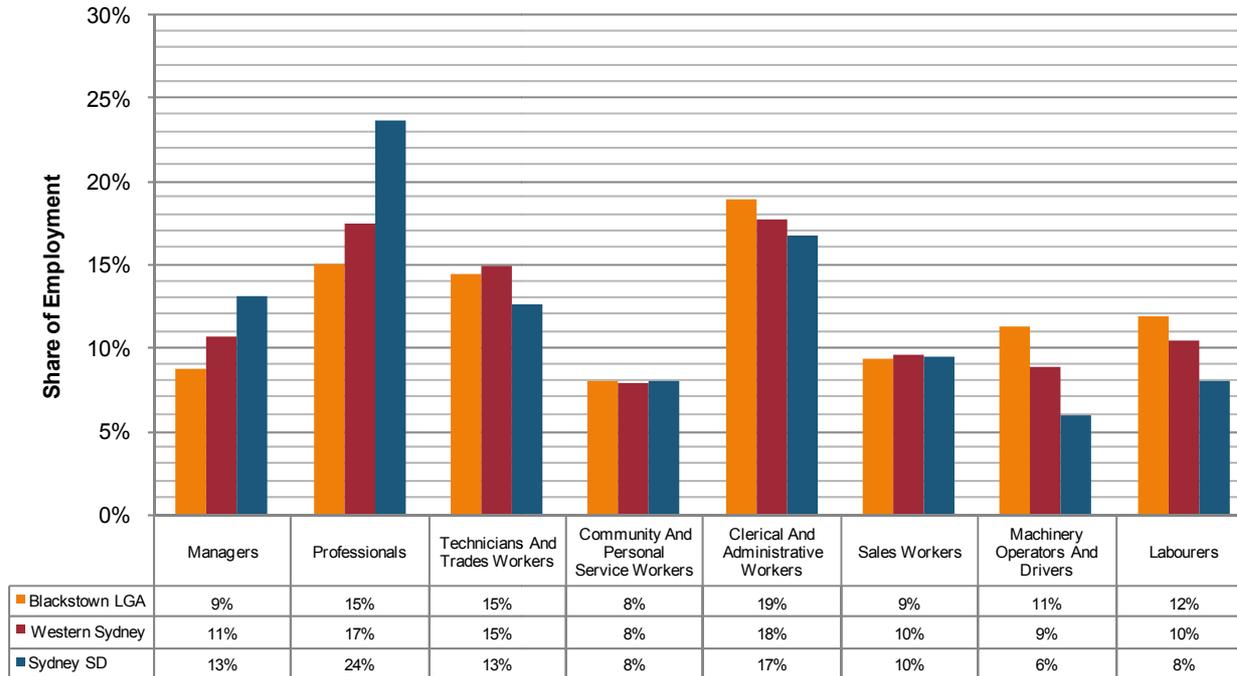
Key industry sectors for Blacktown LGA residents are currently:

- Manufacturing (15 per cent)
- Retail trade (11 per cent)
- Health care & social assistance (10 per cent)
- Construction (7 per cent)
- Wholesale trade (7 per cent)
- Transport, postal & warehousing (7 per cent)

These sectors make up around 60 per cent of jobs in the LGA.

The occupational distribution of the resident workforce in Blacktown LGA closely resembles that of the wider Western Sydney area. Relative to Sydney SD however, Blacktown LGA has a higher proportion of 'Clerical And Administrative Workers', 'Technicians And Trades Workers', 'Labourers' and 'Machinery Operators And Drivers'.

Figure 7. Occupational Distribution of Resident Workforce (by origin)



Source: Transport Data Centre JTW 2006

Analysis of industry by occupation for resident workers shows that the highest proportion of professionals are found in the education and health sectors across all regions (Table 6). Blacktown has a higher share of professionals in the manufacturing sector shares compared to the benchmark regions.

Table 6. Industry by Occupation, 2006, Blacktown and benchmark regions.

Industry Sectors	Blacktown		Western Sydney		Sydney SD	
	Managers	Professionals	Managers	Professionals	Managers	Professionals
Agriculture, forestry & fishing	2.1%	0.1%	3.1%	0.1%	1.6%	0.1%
Mining	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%
Manufacturing	14.4%	6.7%	14.4%	5.7%	11.1%	4.3%
Electricity, gas, water & waste services	0.9%	1.2%	0.9%	1.0%	0.8%	0.8%
Construction	6.6%	1.7%	7.9%	1.6%	7.0%	1.5%
Wholesale trade	9.7%	5.0%	9.4%	3.8%	9.5%	3.6%
Retail trade	17.7%	3.1%	16.8%	2.6%	14.4%	2.3%
Accommodation & food services	8.3%	0.6%	8.0%	0.5%	7.9%	0.6%
Transport, postal & warehousing	5.8%	1.9%	5.0%	1.7%	4.2%	1.7%
Information media & telecommunications	2.4%	3.5%	2.2%	3.3%	3.7%	5.0%
Financial & insurance services	6.1%	8.3%	5.7%	7.6%	8.2%	9.7%
Rental, hiring & real estate services	1.7%	0.6%	1.8%	0.8%	2.1%	0.9%
Professional, scientific & technical services	4.5%	13.4%	4.8%	14.6%	8.3%	19.9%
Administrative & support services	2.4%	2.3%	2.2%	2.2%	3.0%	2.4%
Public administration & safety	4.1%	5.8%	4.6%	5.7%	4.5%	4.8%
Education & training	3.2%	20.9%	4.1%	24.0%	4.0%	19.7%
Health care & social assistance	4.3%	20.2%	3.6%	20.0%	3.7%	17.8%
Arts & recreation services	1.2%	0.7%	1.3%	1.0%	1.5%	1.5%
Other services	2.7%	2.3%	2.5%	2.1%	2.4%	1.8%

Source: TD 2006 (2009 release)

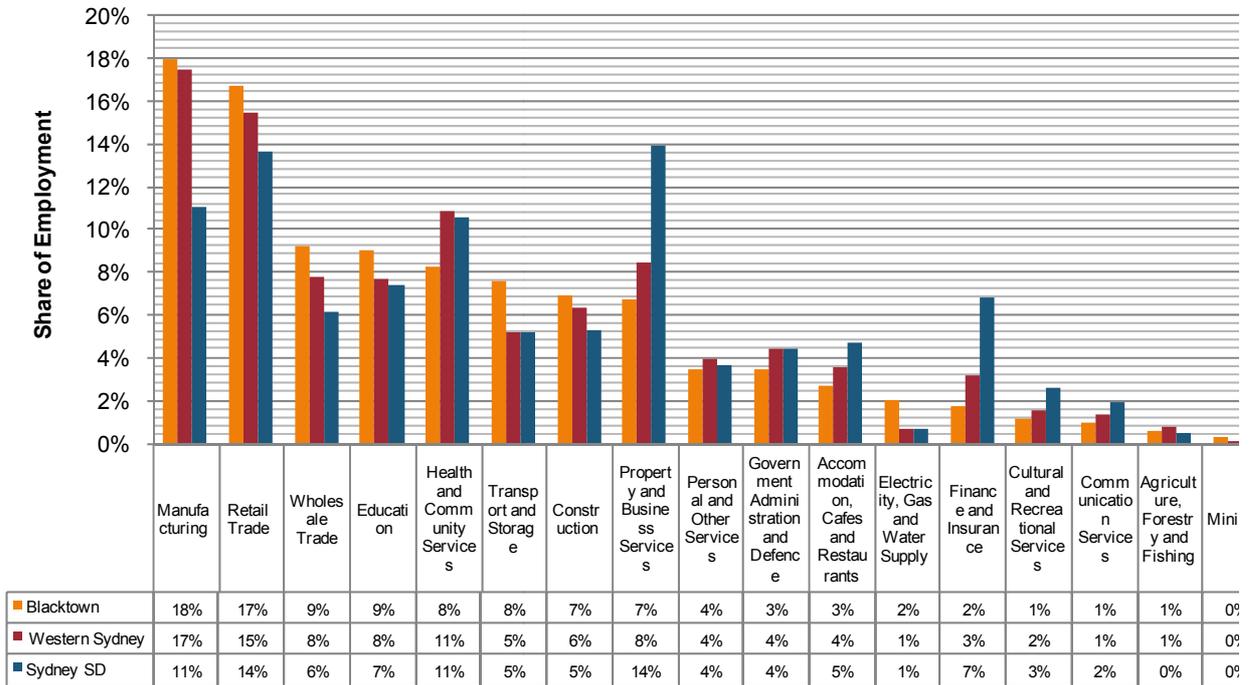
Business Mix and Industry Specialisation

Figure 8 shows the share that each employment industry sector contributes to all jobs in the Blacktown LGA. This allows us to see which sectors stand out as key sectors in the local economy. These may be strengths to draw on when considering land uses for the subject site. Given that the site is not being considered for retail and commercial land uses these sectors have not been assessed.

Industrial sectors in the LGA (manufacturing, transport and storage, wholesale trade, construction, utilities) comprise almost half of all jobs in Blacktown (44 per cent) with these shares being higher than the benchmark regions. This indicates a strong base from which to draw employees particularly for manufacturing land uses.

Commercial sectors in the LGA (predominantly Retail Trade, Accommodation, Cafes and restaurants, Property and Business Services, Finance and Insurance, Personal and Other Services) comprise 23 per cent of all jobs in Blacktown LGA with most of these jobs in Retail Trade (17 per cent).

Figure 8. Employment Distribution by Industry (1-digit), 2006



Source: Transport Data Centre JTW 2006

Analysis of occupation by industry profiles in Blacktown LGA (Table 7) shows that while professionals and managers do have a share of the jobs in the industrial sectors, these shares are higher for managers rather than professionals. This is important should there be consideration of attracting high quality jobs to the subject site.

Table 7. Industry by Occupation Profile, 2006

	Managers	Professionals	Technicians And Trades Workers	Community and Personal Service Workers	Clerical and Administrative Workers	Sales Workers	Machinery Operators and Drivers	Labourers
Manufacturing	21%	9%	28%	1%	14%	8%	25%	31%
Electricity, Gas, Water and Waste Services	3%	3%	4%	0%	4%	0%	2%	1%
Construction	8%	2%	19%	0%	7%	1%	5%	9%
Wholesale Trade	14%	5%	4%	0%	12%	10%	15%	4%
Transport, Postal and Warehousing	7%	1%	2%	1%	12%	2%	32%	5%

Note: 'Not Stated' and 'Inadequately described' not included.

Source: TDC 2006 (2009 release)

Analysis of occupation by commercial sector profiles in Blacktown LGA (Table 8) shows that the commercial sectors have low shares of professionals with the highest being professionals in the 'Professional, Scientific and Technical Services' sector (6 per cent). Increasing the share of these

high quality jobs depends on providing appropriate employment opportunities. For smaller centres these may be generated by proximate business park or specialised centre activity.

Table 8. Commercial Sectors by Occupation Profile, 2006

	Managers	Professionals	Technicians And Trades Workers	Community and Personal Service Workers	Clerical and Administrative Workers	Sales Workers	Machinery Operators and Drivers	Labourers
Retail Trade	16%	2%	6%	2%	6%	56%	10%	11%
Accommodation and Food Services	6%	0%	4%	16%	1%	10%	1%	11%
Financial and Insurance Services	1%	2%	0%	0%	7%	1%	0%	0%
Rental, Hiring and Real Estate Services	2%	0%	1%	0%	2%	6%	1%	1%
Professional, Scientific and Technical Services	2%	6%	3%	0%	4%	1%	1%	1%
Administrative and Support Services	2%	2%	1%	2%	3%	0%	2%	11%
Other Services	2%	2%	16%	4%	3%	1%	1%	2%

Note: 'Not Stated' and 'Inadequately described' not included.

Source: TDC 2006 (2009 release)

The fastest growing industries over the period 2001 to 2006 are shown in Table 9. Those that grew the most in both absolute and relative terms include 'Transport & Storage', 'Education', 'Health & Community Services' and 'Manufacturing' sectors.

Table 9. Employment Growth by Industry (2-digit)

Highest Absolute Growth (base >100 employees)		Highest % Growth (base >100 employees)	
Industry	change	Industry	change
61 Road Transport	1632	66 Services to Transport	163%
84 Education	1149	F00 Wholesale Trade, undefined	145%
86 Health Services	696	G00 Retail Trade, undefined	100%
81 Government Administration	571	61 Road Transport	100%
21 Food, Beverage & Tobacco Manufacturing	471	O00 Health and Community Services, undefined	97%
41 General Construction	438	C00 Manufacturing, undefined	74%
87 Community Services	422	67 Storage	70%
C00 Manufacturing, undefined	372	75 Services to Finance & Insurance	64%
51 Food Retailing	361	81 Government Administration	41%
96 Other Services	338	87 Community Services	39%
66 Services to Transport	305	96 Other Services	34%
F00 Wholesale Trade, undefined	301	36 Electricity and Gas Supply	33%
36 Electricity and Gas Supply	289	41 General Construction	33%
67 Storage	280	86 Health Services	27%
E00 Construction, undefined	215	84 Education	27%
G00 Retail Trade, undefined	213	21 Food, Beverage & Tobacco Manufacturing	27%
78 Business Services	207	24 Prntg, Publsgh & Recorded Media	26%

24 Prntg, Pubshg & Recorded Media	148
57 Accommodtn, Cafes & Restaurants	148
14 Other Mining	134

26 Non-Metalic Mini Prod Mfg	25%
77 Property Services	25%
62 Rail Transport	20%

Source: Transport Data Centre JTW 2001, 2006

Location quotient analysis is used to show relative employment specialisation of an area compared with a chosen benchmark area. A location quotient (LQ) which is greater than 1 highlights a relative specialisation in that sector.

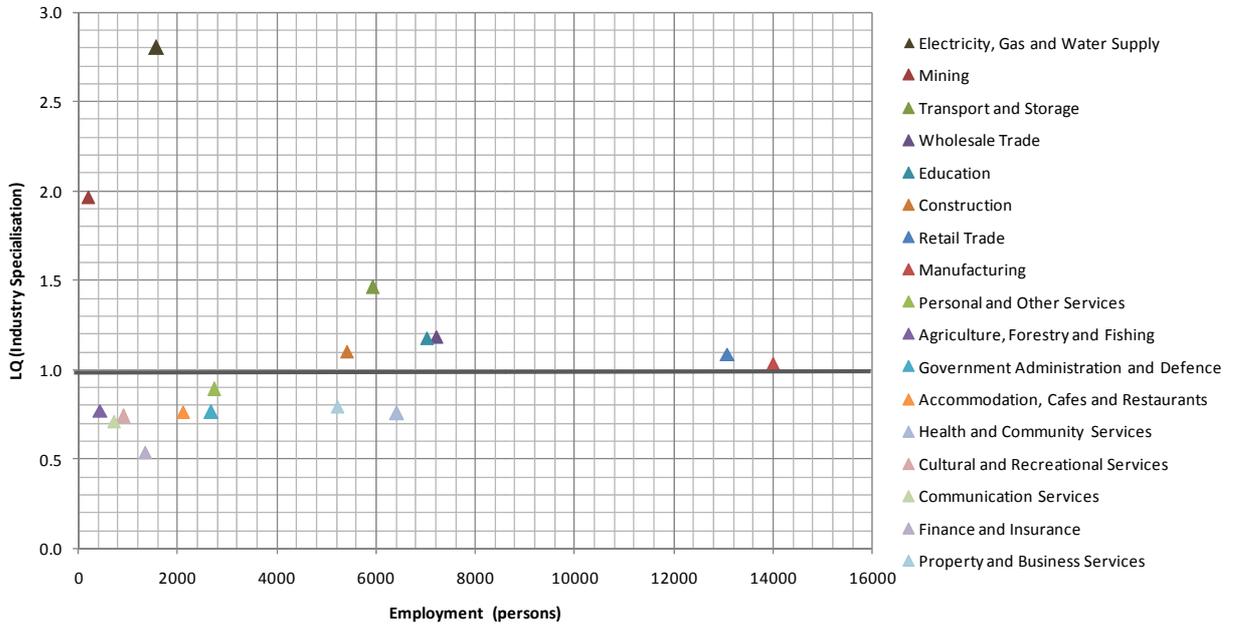
The results of Location Quotient against 1 digit industry data analysis are shown in Figure 9 and Figure 10. For Blacktown LGA, when benchmarked against employment in Western Sydney (Figure 9), broad industry specialisation emerges with jobs greater than 1,500 as follows:

- Electricity, Gas and Water Supply (1,562 jobs - LQ 2.8)
- Transport and Storage (5,936 jobs - LQ 1.5)
- Wholesale Trade (7219 jobs - LQ 1.2)
- Education (7018 jobs - LQ 1.2)
- Construction (5,406 jobs - LQ 1.1)
- Retail Trade (13,072 jobs - LQ 1.1)

When benchmarked against employment in Sydney SD (Figure 10), broad industry specialisation emerges in the following sectors with jobs greater than 1,500 as follows:

- Electricity, Gas and Water Supply (1,562 jobs - LQ 3)
- Manufacturing (13,999 jobs - LQ 1.6)
- Wholesale Trade (7,219 jobs - LQ 1.5)
- Transport and Storage (5,936 jobs - LQ 1.5)
- Retail Trade (13072 jobs - LQ 1.2)
- Education (7018 jobs - LQ 1.2)
- Construction (5406 jobs - LQ 1.3)

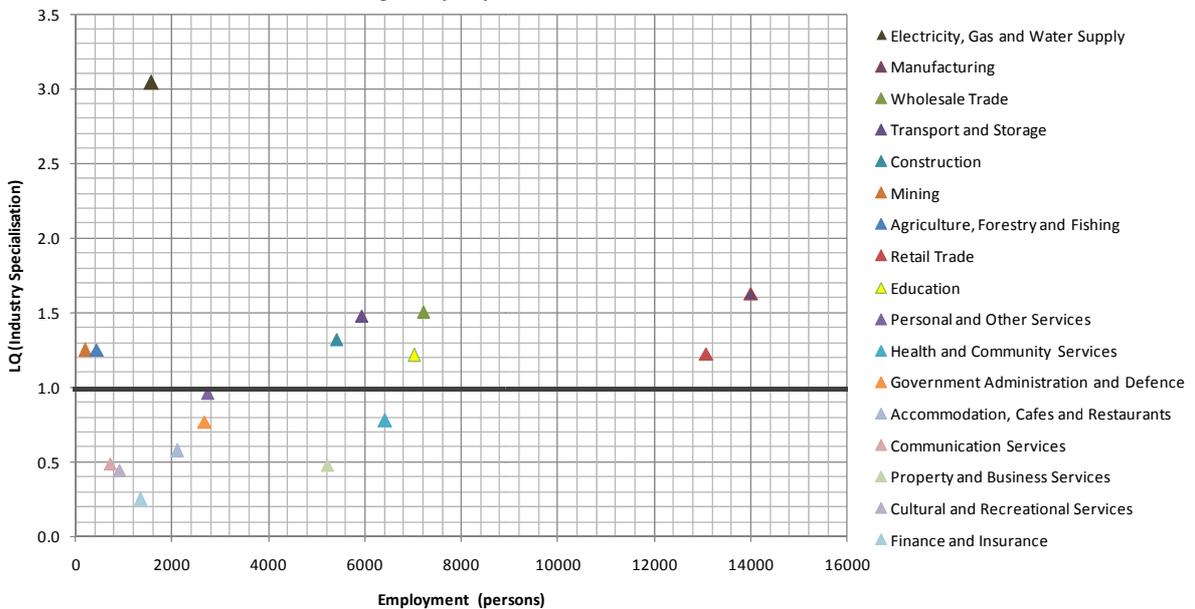
Figure 9. LQ Analysis (1-digit), Blacktown LGA compared to Western Sydney



Source: Transport Data Centre JTW 2006

This headline specialisation has significance once key sectors are identified for the subject site. If they have the potential to support the LGAs specialisations this would be a positive outcome for the local and regional economy.

Figure 10. LQ Analysis (1-digit), Blacktown LGA compared to Sydney SD



Source: Transport Data Centre JTW 2006

A more detailed analysis is possible by looking at the results at a 2 digit level. They represent subgroups of the 1-digit categories. The results of this analysis are presented Table 10 and show the following sub-sector specialisations:

- **Transport and Storage** highest LQ subsectors in road transport and storage against western Sydney and Sydney regions.
- **Wholesale Trade** highest LQ subsectors in personal and household good wholesaling and basic materials. This reflects the significant activities related to construction and fitting out of dwellings.
- **Manufacturing** highest LQ subsectors in food and beverage manufacturing and on-metallic mineral production.
- **Education** while dominated by manufacturing and transport sectors, education sector is a strong specialisation.

Table 10. LQ Analysis (2-digit), Blacktown LGA compared to Western Sydney and compared to Sydney SD

Benchmarked against Western Sydney			Benchmarked Sydney SD		
Industry	Jobs	LQ	Industry	Jobs	LQ
36 Electricity and Gas Supply	1,438	4.4	14 Other Mining	165	5.9
14 Other Mining	165	2.8	67 Storage	1,007	4.5
67 Storage	1,007	2.6	36 Electricity and Gas Supply	1,438	4.4
E00 Construction, undefined	281	1.8	61 Road Transport	3,974	2.6
61 Road Transport	3,974	1.6	26 Non-Metalic Minl Prod Mfg	873	2.5
21 Food, Beverage & Tobacco Manufacturing	3,005	1.6	21 Food, Beverage & Tobacco Manufacturing	3,005	2.5
I00 Transport and Storage, undefined	114	1.4	27 Metal Product Manufacturing	2,153	2.3
F00 Wholesale Trade, undefined	610	1.3	E00 Construction, undefined	281	2.2
47 Personal & Hhold Good Whlsing	2,911	1.2	45 Basic Material Wholesaling	1,340	2.0
51 Food Retailing	5,588	1.2	C00 Manufacturing, undefined	1,278	2.0
26 Non-Metalic Minl Prod Mfg	873	1.2	F00 Wholesale Trade, undefined	610	1.8
45 Basic Material Wholesaling	1,340	1.2	25 Petrlm Coal Chmcl & Ass Prod Mfg	1,821	1.8
C00 Manufacturing, undefined	1,278	1.2	I00 Transport and Storage, undefined	114	1.7
84 Education	7,018	1.2	29 Other Manufacturing	798	1.6
27 Metal Product Manufacturing	2,153	1.2	51 Food Retailing	5,588	1.5
41 General Construction	2,198	1.1	46 Machinery & Mtr Vehicle Whlsing	2,358	1.4
46 Machinery & Mtr Vehicle Whlsing	2,358	1.1	53 Mtr Vehicle Retailing & Serv	2,083	1.4
53 Mtr Vehicle Retailing & Serv	2,083	1.0	01 Agriculture	397	1.4
42 Construction Trade Services	2,927	1.0	47 Personal & Hhold Good Whlsing	2,911	1.4
29 Other Manufacturing	798	1.0	42 Construction Trade Services	2,927	1.4
25 Petrlm Coal Chmcl & Ass Prod Mfg	1,821	1.0	28 Machinery & Equipment Mfg	2,206	1.3
			84 Education	7,018	1.2
			41 General Construction	2,198	1.2
			23 Wood & Paper Prod Mfg	548	1.1
			G00 Retail Trade, undefined	502	1.1

Source: Transport Data Centre JTW 2006

Key Findings

- **Western Sydney has a large labour pool to draw from for manufacturing land uses.** Resident workers are predominantly employed in the manufacturing, health and retail trade sectors. Western Sydney contains a large labour pool (67.7 % of total population) that the subject site can draw upon.
- **High shares of professionals and managers in Education, Community Services and Professional Services sectors can be supported through attraction of high quality jobs.** There are higher shares of resident professionals and managers in these sectors, while lower than Western Sydney and the Sydney SD, can be supported by providing more high quality jobs opportunities. This in turn can stimulate support business service sectors in smaller centres.
- **Education and Retail Trade sectors will remain key sectors in the Blacktown economy.** The Education and Retail Trade sectors are specialisations for Blacktown LGA and this is a positive attribute that can be built on for economic development. Non-manufacturing sectors are projected expected to grow to 2031. While this will be tempered by the economic downturn, the higher share of growth will ensure that the impacts in Blacktown are lower than for the rest of the Sydney region.
- **Manufacturing, Transport and Storage sectors will remain a key sector in the Blacktown economy.** The Blacktown profile shows a specialisation in manufacturing jobs 18 per cent of local jobs in this sector compared to only 11 per cent at the Sydney SD level. Other key employment sectors include Retail Trade, Wholesale Trade, Education and Health and Community Services. Transport and Storage Sectors is one of the fastest growing sectors between 2001 and 2006 and an industry specialisation along with manufacturing. Employment forecasts predict significant growth in Blacktown in manufacturing and non-manufacturing sectors.
- **Growth in Non-Manufacturing sectors will also be significant and may increase professionals and manager shares.** 'Education' and 'Health & Community Services' sectors have grown significantly 2001 and 2006. The proportion of professionals and managers are highest in the education and health sectors. Overall however, the local economy has a low proportion of professionals and managers compared to Western Sydney and Sydney SD.

3.2 Market Indicators

Market Activity – Sales and Rents

Commercial/Retail Activity

Consultation messages from real estate agents about commercial floorspace potential in Area 20 offer the following:

- **The need for improved transport.** Agents agreed that convenient public transport is critical to supporting any commercial premises in Area 20. Some suggested that free car parking would be essential.
- **Small commercial spaces appropriate in smaller centres.** Agents suggest that in a largely residential area small commercial spaces of 50-150 sqm would be the most sought after for home industry and small offices. However, planning of spaces should allow for amalgamation of floorspace up to 400 sqm if required. Services should be planned to allow amalgamation of smaller spaces e.g. air conditioning and other services to be sited appropriately.
- **Anticipated rents would be lower than Blacktown mainstreet and comparable locations in Penrith.** Anticipated rents for small commercial premises would be \$220-\$300/sqm net with outgoings of \$45-\$50/sqm. Suggested rents are lower than commercial rents in Blacktown strip which are currently \$300 - \$350/sqm and the Lennox Centre in Emu Plains where commercial tenants pay \$600 - \$900/sqm depending on size of premises and position.
- **Desirable commercial tenants in this location would include service industries.** Suites suitable for health related uses would be desirable in a new commercial development. Suites can either be small or large. Small spaces of 100 -300 sqm would to be leased to individual operators. Large suites of 800 – 1000 sqm would be leased to medical groups who then sublet to practitioners. Possible tenants are dentists, doctors, optometrists and radiologists. Rents for medical suites would be similar to commercial rents.

Consultation messages from real estate agents about retail floorspace potential in Area 20 offer the following:

- **A new retail development in Area 20 would rely on anchor stores.** Agents suggest two supermarkets, one budget such as Aldi and another like Woolworths or Coles. A discount department store such as Target or K-Mart would be also be suitable as an anchor store.
- **Supermarkets would require an area of approximately 2,500 to 3,000 sqm.** A budget supermarket would require about 1000 sqm and a larger space would be required by Coles or Woolworths, say 1600 – 2000 sqm. Rents for supermarket space are in the vicinity of \$300 - \$600/sqm.
- **Other suitable retail would be fresh food and personal services.** A food court would be highly desirable. Higher rents are achievable from food court tenants. A medium sized centre

could also support a chemist, phone retailer, a hairdresser, a clothing store, travel agent, real estate agent, post office/post office box outlet, small employment agency and a local solicitor.

- **Retail spaces would be 80 – 200 sqm.** Rents would initially need to be as low as \$250 – 270/sqm but could rise to \$300 - \$370/sqm as the residential development becomes occupied. For rents to be higher in the early stages of development tenants would want incentives such as extended rent-free periods.
- **Anticipated rents would be lower than Blacktown mainstreet and comparable locations in Penrith.** Suggested rents are lower than retail rents in Blacktown strip which are currently \$500 - \$600/sqm while retail rents in the Blacktown plaza are between \$1000 - \$1600/sqm. Retail rents in the Lennox Centre in Emu Plains are \$600 - \$900/sqm depending on size and position.

Analysis of commercial land sales in the last 5 years for strata and general commercial properties is shown in Table 11 in centres in the North West.

Table 11. Commercial land sales – Blacktown LGA – 2005 to 2009

Centres	Median Price	Volume
COMMERCIAL STRATA UNIT		
Castle Hill	\$482,500	94
Baulkham Hills	\$419,000	189
Blacktown	\$353,250	52
Seven Hills	\$333,400	76
Penrith	\$319,500	90
St Marys	\$231,600	50
North Rocks	\$175,000	21
GENERAL COMMERCIAL		
Castle Hill	\$5,713,871	16
Blacktown	\$1,540,000	33
Baulkham Hills	\$1,300,000	17
St Marys	\$1,100,000	40
Seven Hills	\$925,000	18
Penrith	\$790,000	28
North Rocks	\$600,000	13
Stanhope Gardens	\$470,000	3

Source: RP Data, 2005-2009

Median sales values for strata commercial units range from \$175,000 in North Rocks up to \$482,500 in Castle Hill. Blacktown sales are mid-range. Most sales were in the Baulkham Hills area.

Median sales values for general commercial sales range from \$470,00 in Stanhope Gardens to \$5,714,000 in Castle Hill. Blacktown is closer to the top of the median range. Most sales occurred in the ST Marys area.

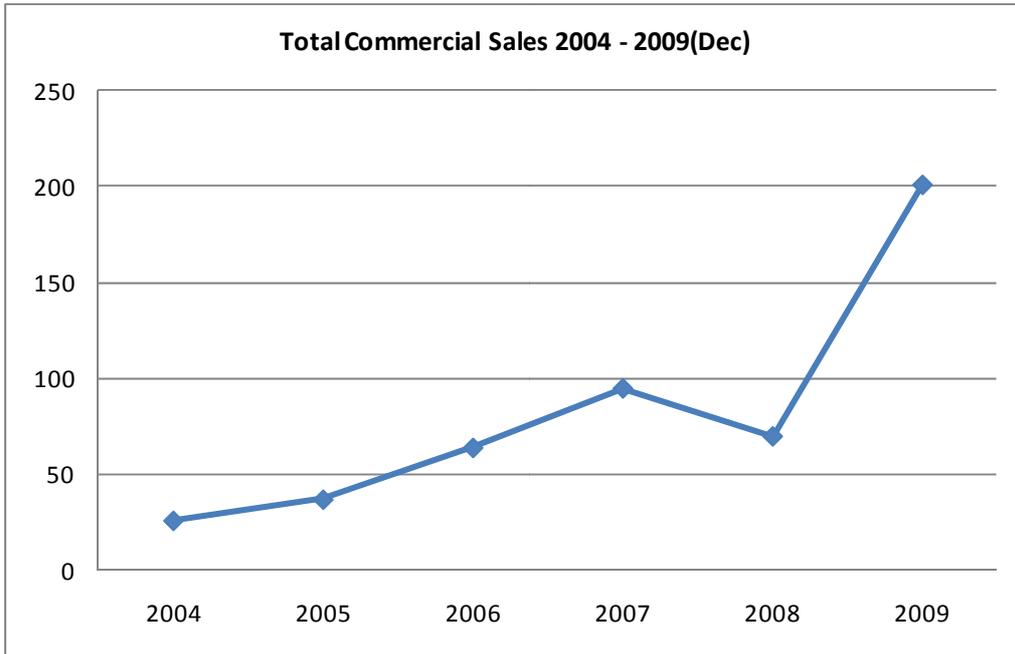
An assessment of Blacktown LGA commercial market activity to date shows growth in commercial sales from 2009 March (Table 12; Figure 11) with most of the sales occurring in Blacktown and Seven Hills.

Table 12. Commercial land sales – Blacktown LGA – 2005 to 2009 (Dec)

BLACKTOWN LGA	Year						
	2004	2005	2006	2007	2008	2009	2009
ARNDELL PARK	0	0	1	2	1	1	8
BLACKTOWN	12	4	15	35	10	3	26
DOONSIDE	2	0	2	0	2	0	3
EMERTON	0	1	2	0	0	0	0
GLENDENNING	1	0	1	1	0	0	2
GLENWOOD	0	0	0	0	0	0	0
HASSALL GROVE	0	0	0	0	2	0	0
KELLYVILLE RIDGE	0	0	0	1	0	0	0
KINGS PARK	0	0	3	2	4	0	10
LALOR PARK	2	0	1	0	3	1	7
LETHBRIDGE PARK	0	1	0	1	0	0	0
MARAYONG	0	1	2	3	2	0	0
MINCHINBURY	1	0	3	2	1	1	3
MOUNT DRUITT	4	2	7	4	3	2	9
PROSPECT	0	0	1	2	0	0	0
QUAKERS HILL	0	0	0	0	0	1	1
RIVERSTONE	0	0	3	1	2	1	8
ROOTY HILL	0	1	1	4	4	1	7
SCHOFIELDS	0	0	0	1	0	0	0
SEVEN HILLS	0	9	12	25	24	3	52
STANHOPE GARDENS	0	1	0	0	0	0	0
TOONGABBIE	0	1	0	0	0	0	0
TREGEAR	0	3	0	0	0	0	0
WHALAN	0	0	0	0	0	0	0
TOTAL SALES	22	24	54	84	58	14	136
STRATA	4	13	10	11	12	10	41
Strata Sales % of Total	18%	54%	19%	13%	21%	71%	30%

Source: RP Data 2004 – 2010; No sales records for 2010 as yet.

Figure 11. Commercial Sales, Blacktown LGA – 2004 to 2009

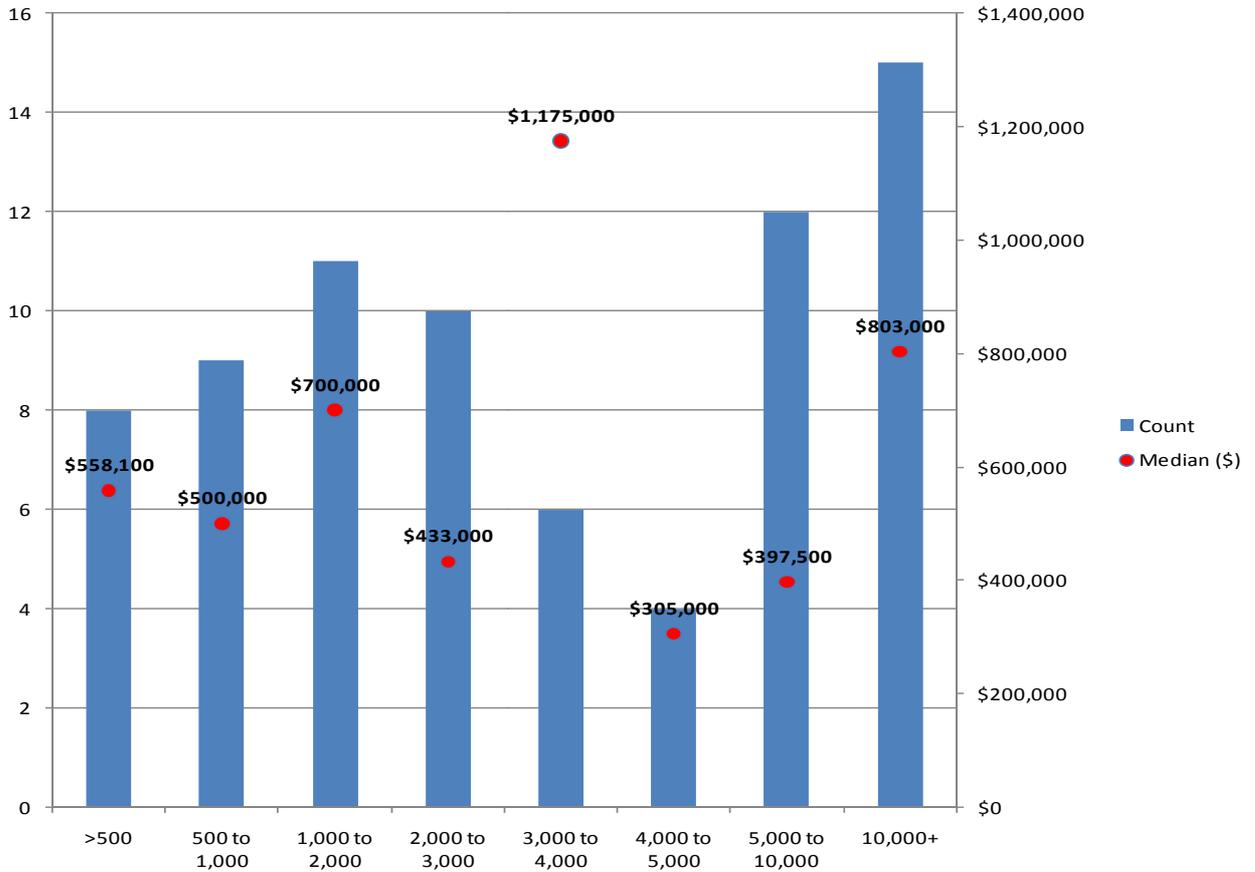


Source: RP Data, 2004-2009

Sales in 2009 in Blacktown LGA occurred predominantly in Blacktown and Seven Hills centres.

A more detailed analysis of sales in 2009 shows that most non-strata commercial sales were below 5,000sqm (Figure 12). However, in terms of sales for particular size ranges, the largest single volume of sales were in the 10,000sqm+ size range with 15 sales and a median sale price of \$803,000.

Figure 12. Commercial Sales, Blacktown LGA – 2009 (All)



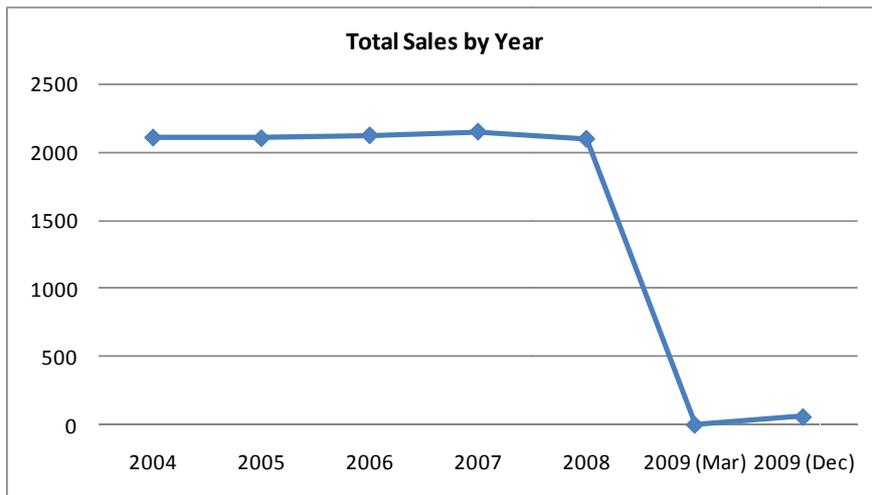
Source: RP Data, 2004-2010

Industrial Activity

Analysis of recent sales data was completed by assessing the sale price of industrial land and property in suburbs in Blacktown LGA. These areas were chosen as they are relatively new western Sydney industrial areas in out of centre locations.

Table 13. Total Sales 2004-2009, Blacktown and benchmark regions.

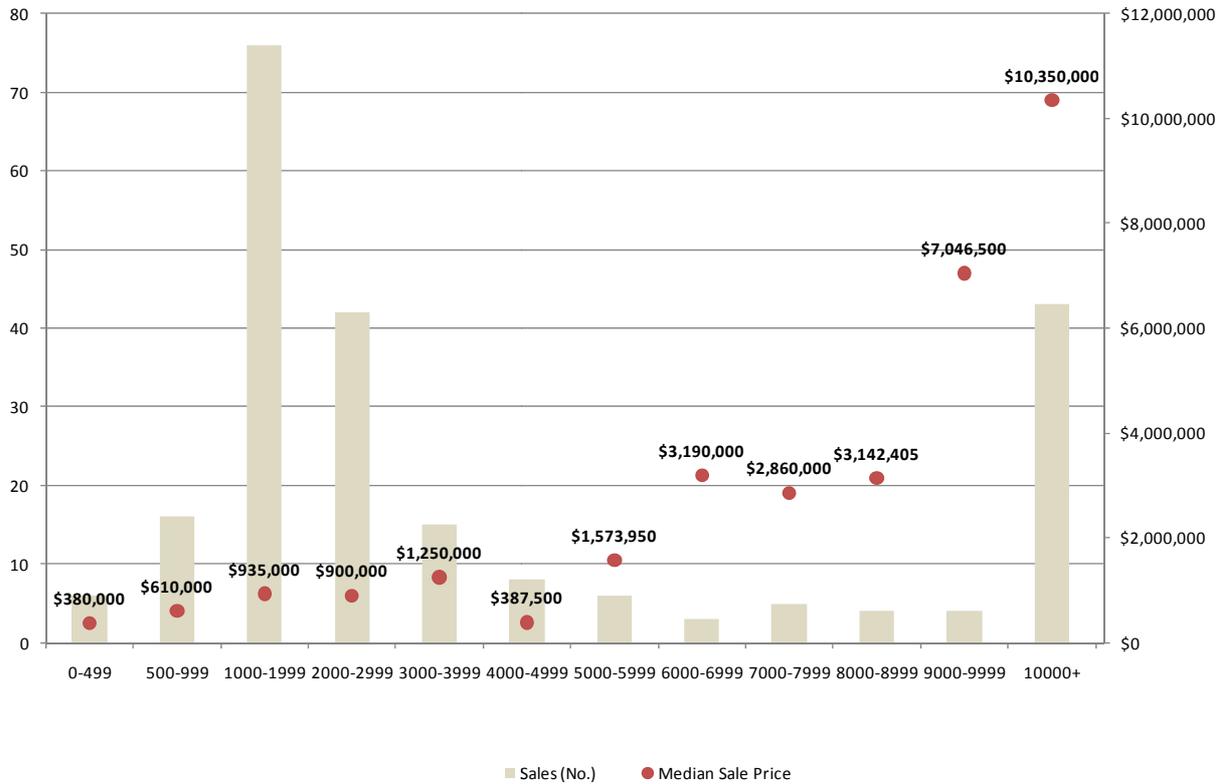
Suburb	Year							Total	% of all sales	Total Strata Sales	% of total sales
	2004	2005	2006	2007	2008	2009 (Mar)	2009 (Dec)				
ARNDELL PARK	5	13	11	18	11	0	0	58	10%	32	55%
BLACKTOWN	19	14	10	14	10	0	11	78	12%	39	50%
EASTERN CREEK	1	0	2	2	0	1	1	7	1%	0	0%
GLENDENING	5	4	13	12	12	1	2	49	8%	28	57%
HUNTINGWOOD	3	5	1	4	2	1	2	18	3%	5	28%
KINGS PARK	14	8	5	11	13	1	6	58	9%	33	57%
MINCHINBURY	2	4	1	7	5	0	2	21	3%	11	52%
MOUNT DRUITT	3	9	6	4	3	0	0	25	5%	21	84%
PROSPECT	10	2	5	4	1	0	0	22	4%	19	86%
RIVERSTONE	5	9	20	19	5	0	14	72	10%	14	19%
SEVEN HILLS	36	29	43	47	26	1	24	206	33%	156	76%
STANHOPE GARDENS	0	0	0	1	0	0	0	1	0%	0	0%
VINEYARD	0	0	0	0	1	0	0	1	0%	0	0%
TOTAL SALES (2004-2009)	2107	2102	2123	2150	2097	5	62	616	98%	358	58%



Source: RP Data, 2004 to 2010.

Table 13 shows industrial sales activity in Blacktown in the last 5+ years. There were no recorded sales in 2010. The steady sales prior to 2009 indicate a healthy market, particularly in the established industrial precincts of Seven Hills, Blacktown, Riverstone and Arndell Park. The dramatic reduction in recorded sales reflects the impacts of the economic downturn on industrial market activity.

Figure 13. Non-strata industrial land sales – 2004 to 2009

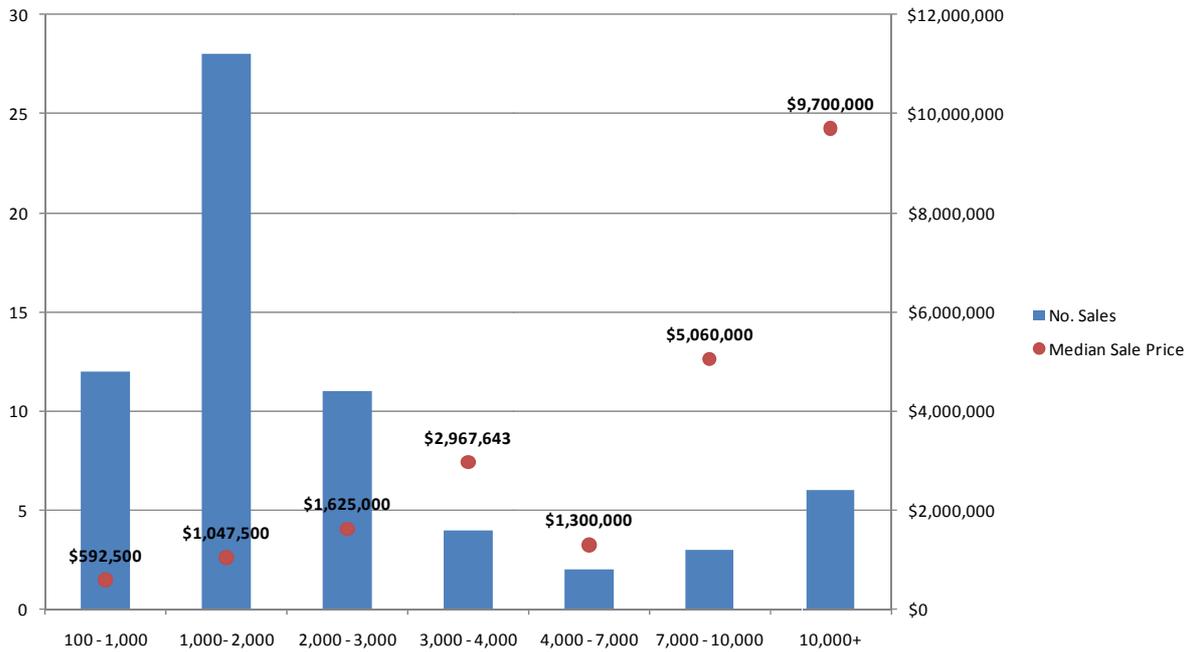


Source: RP Data, 2004-2009

Figure 13 shows the general volume and median sales price for non-strata industrial development. The analysis shows that demand has historically been highest for lots sized between 1000 and 2000 square metres with a median sales price of \$935,000.

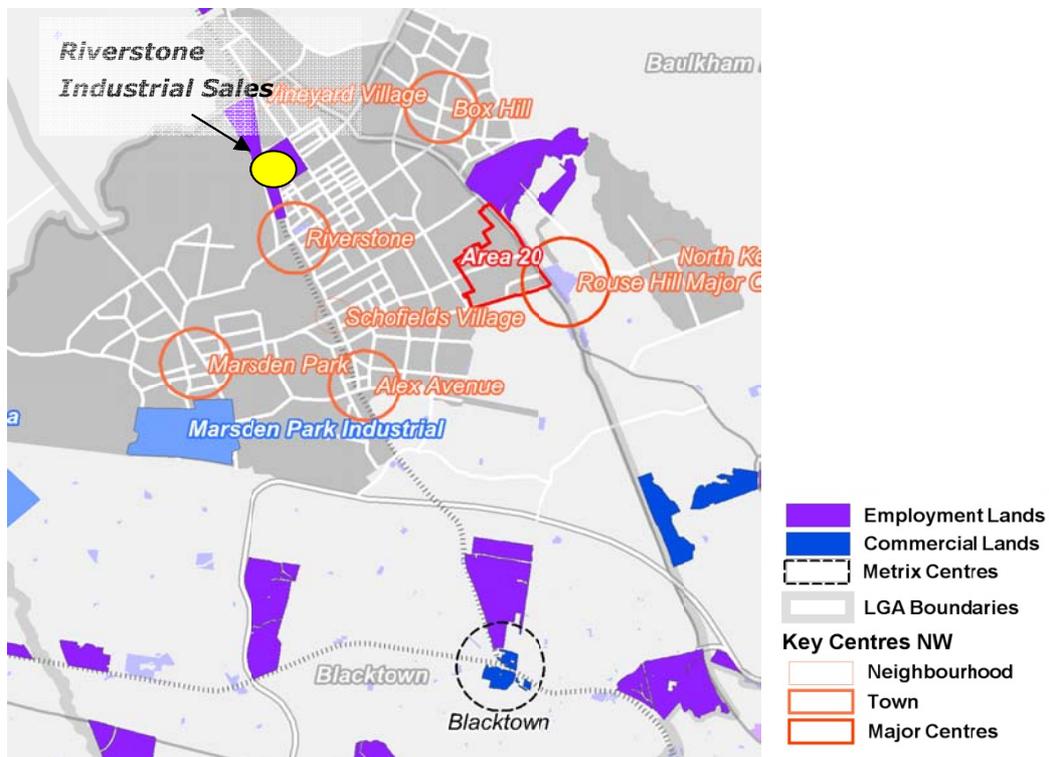
Figure 14 shows an analysis of industrial sales activity in 2009. The highest volume of sales were for sites between **1,000sqm and 2,000sqm** with a median sale price of \$1.047 million. These sites were located in the Riverstone industrial precinct (off Riverstone parade) and in the Seven Hills Industrial precinct.

Figure 14. Non-strata industrial land sales in 2009



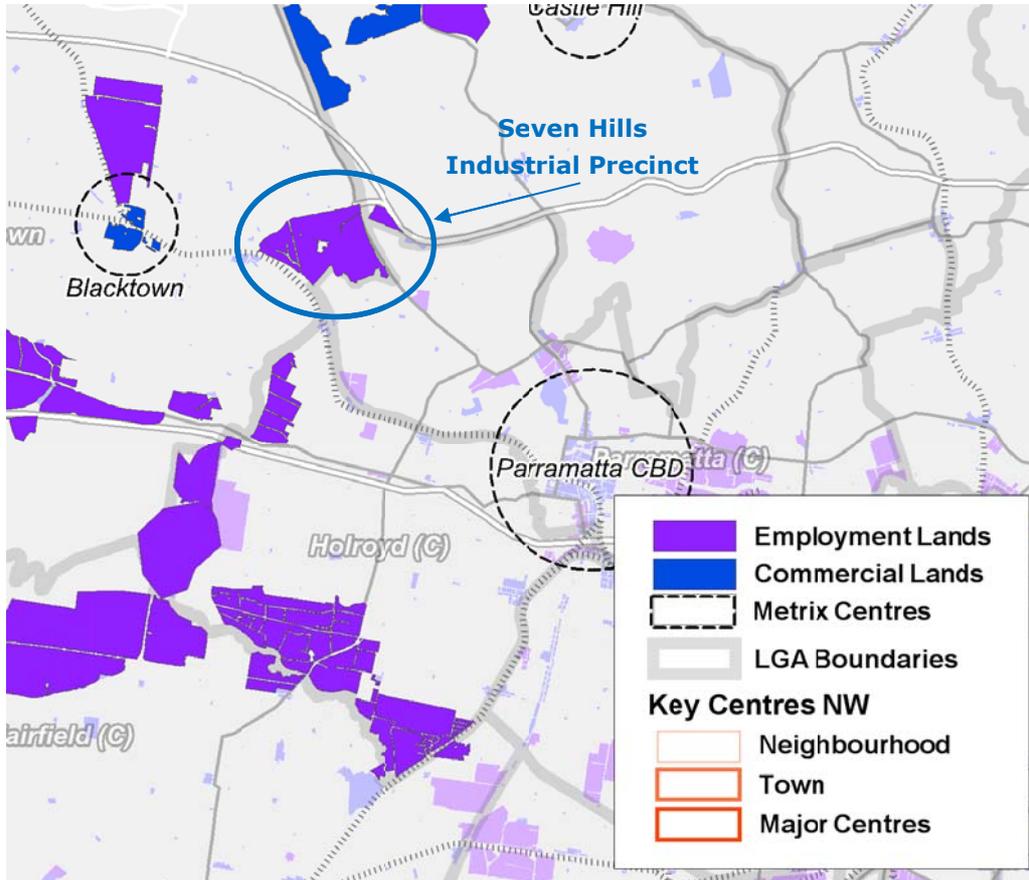
Source: RP Data, 2010

Figure 15. Locations for Riverstone Industrial Lot Sales (1,000 to 2,000)



Source: SGS 2010

Figure 16. Locations for Seven Hills Industrial Lot Sales (1,000 to 2,000)



Source: SGS 2010

Impacts of the Economic Downturn

The economic downturn continues to have a significant impact on land sales and values. This, along with tighter financing processes has forced many industrial development projects to be put on hold with many institutional investors seeking to off-load industrial property assets. While forecasts are mixed, many analysts predicted that the economic downturn would reach its trough in 2010. Some of the key impacts are examined briefly below for commercial, retail and industrial development.

The impacts of the economic downturn on property markets have been broadly recognised broadly as¹¹:

- A dramatic fall in demand for floorspace
- Rising vacancy (particularly sub-leases) in all markets
- Falling rentals and rising incentives to secure longer sub-leases
- Capital values hit – saleability of large assets problematic

¹¹ Property Industry Outlook - Presented by Nick Crothers Manager, Research – NSW Jones Lang LaSalle, 2009

There have been significant changes in the industrial and commercial market activity between draft and final reporting outputs for this study. A review of current market analyst perceptions indicates that a recovery is forecast due to the increase of industrial production and real output¹².

However, such positive forecasts should be treated with caution. While property investment and development have both have stabilised, these remain at low levels. The following trends are occurring which indicate that a full recovery is yet to occur:

- *Businesses have mostly weathered the storm and have started making leasing decisions once more—albeit in search of cost savings rather than investment and expansion.*
- *Stock levels have plunged and capacity utilisation in the manufacturing sector declined, but both have begun to stabilise.*
- *Rising vacancies have caused a slide in face rents across most market segments, as well as an increase in incentives, but positive signs are emerging of a steadying at the top end of the market. The withdrawal by A-REITs of property for sale has halted the free-fall in property values and arrested the softening of yields—but once again only at the top end of the market.*
- *Development of industrial property remains unviable at prevailing yields, rents, construction costs and land values. Only heavy discounting of land costs can underwrite feasibility, but in addition to pre-commitment an end investor needs to be secured to obtain finance.*
- *Nonetheless, some activity is taking place based on heavily discounted land and project finance on balance sheet¹³.*

Given the uncertainty that remains regarding the direction of the market movements, the trends identified should be treated as indicative.

Market Indicators Findings

- Sales activity in the last 5 years has predominantly occurred in St Marys (general commercial) and Baulkham Hills (strata units). Blacktown sales median values are mid-range for strata commercial land and close to the top of the range for general commercial land.
- Consultation with real estate agents suggests that retail floorspace requires an anchor tenant (Aldi, Coles, ect). Commercial development requires public transport provision to be viable. Appropriate uses include health practitioners.
- The impact of the economic downturn will continue to impact on the timing and take-up of new retail commercial and industrial floorspace. Many analysts predict that the downturn will trough in mid 2010. Opinion on the duration of recovery from this point onward is varied and further assessment is required.

¹² CBRE, Press Release – 12 February 2010 – Sydney’s Central West Industrial market back in favour.

¹³ BIS Shrapnel, Sydney Industrial Property: Market Forecasts and Strategies, 2009 – 2019

3.3 Site & Location Assessment

The competitor scan has broadly assessed the current and proposed retail/commercial and industrial landuses in the study area vicinity and broader North West subregion. Figure 17 shows the location of the centres and employment lands in the region.

Level and Nature of Retail And Commercial Floorspace Supply

Commercial and retail floorspace in the North West subregion is located within the a variety of existing centres on land currently zoned for business land uses built around transport infrastructure, within town centres of developed and proposed centres in new release areas.

Table 14. Commercial and Retail Employment Land Supply, North West Subregion

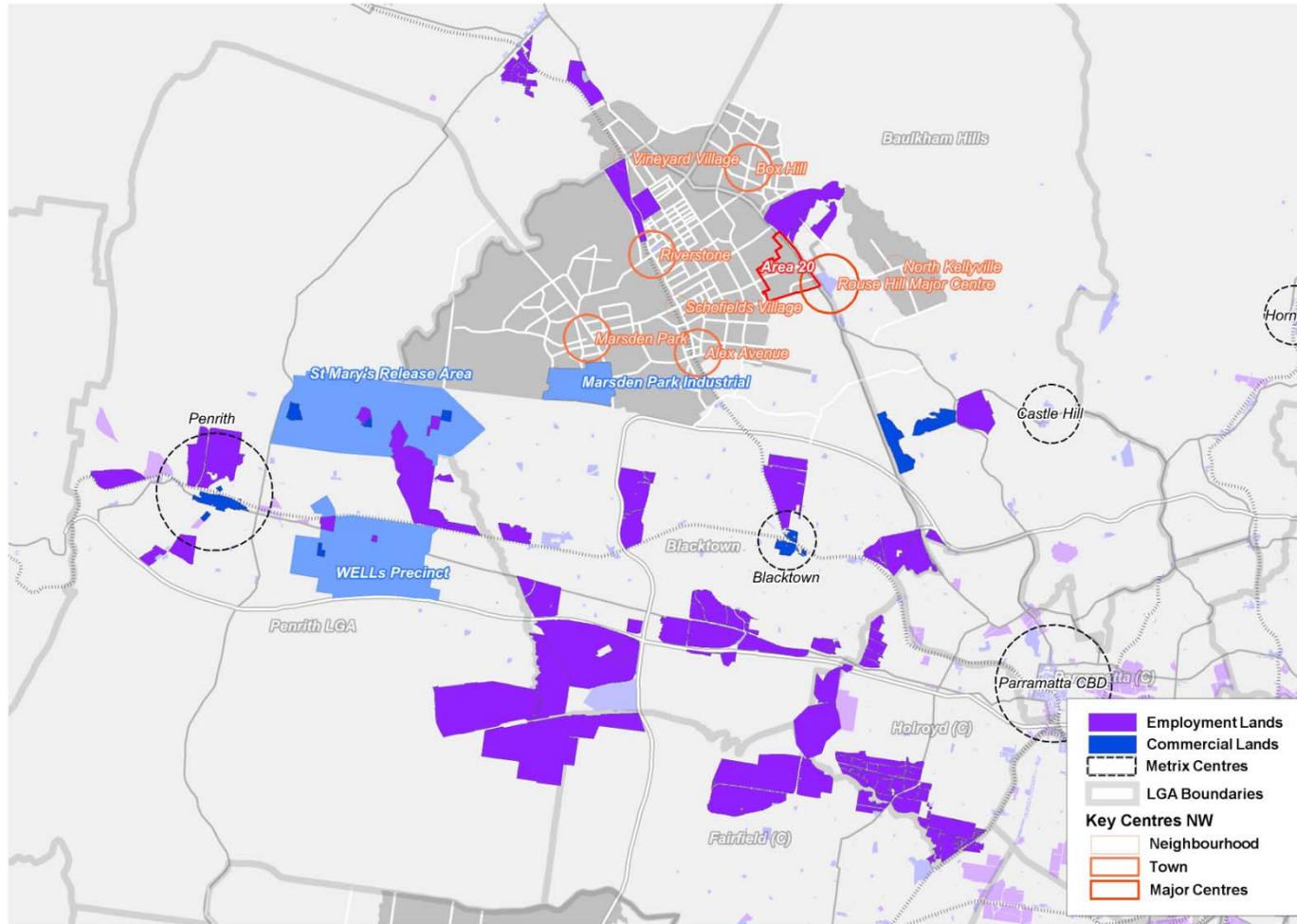
Commercial/Retail Centre/ Precinct	Land Area (ha)	Current Floorspace (sqm)	Total Potential Floorspace (sqm)	Max. Future Supply (sqm)	Precinct Planning /Masterplanning/DCP
North West Growth Centre – Centres*					
Rouse Hill Major Centre	-	65,000	200,000	135,000	Complete
Riverstone Town Centre	-	8,00	30,000	29,200	LEP
Alex Ave Town Centre	-	0	30,000	30,000	Completed
Schofields Village	-	4,000	10,000	10,000	In progress
Marsden Park Town Centre	-	0	35,000	35,000	Yet to be commenced
Box Hill Town Centre	-	0	25,000	25,000	In progress
Vineyard Village	-	0	10,000	10,000	Completed
North Kellyville	-	0	15,000	15,000	Completed
St Marys Release Area Centres**					
Ropes Crossing Village Centre	13	-	10,000	10,000	Draft
Central precinct Village	6	-	5,000	5,000	Draft
Western Precinct Village Centre	24	-	20,000	20,000	Draft
WELL Precinct Centres***					
Werrington Mixed Use Area	22	-	20,000	20,000	Yet to be commenced
WELL Precinct Centre	9	-	10,000	10,000	Yet to be commenced
Existing Major and Specialised Centres					
Penrith (Regional Centre)	71	-	-	100,000sqm	Penrith City Centre
Blacktown (Major Centre)	44	-	-	-	Under Investigation ¹⁴
Castle Hill (Major Centre)	-	-	-	-	Fully developed
Norwest Business Park****	172	-	-	80,000	90 % developed
COMMERCIAL/RETAIL TOTAL	165	69,000	340,000	534,200	

* Floorspace from Precinct Development Control Plan floorspace controls; ** Floorspace assumption based on FSR of 0.8:1 (average FSR for Village centre); *** WELL Precinct Development Contributions Plan, 2008; **** 16 ha remaining; 80,000 sqm based on 60 % of potential floorspace being for office development at av.FSR 0.8:1.

Source: SGS Research and GIS analysis 2009

¹⁴ Blacktown CBD Integrated Strategy and DCP currently being prepared for Council.

Figure 17. Subregional Competitor Scan Map



Source: SGS, 2009

Total potential floorspace (growth of existing centres and new release) would be in the order of **530,000 square metres** of retail/commercial floorspace in the north west subregion with 87 per cent on land with draft or completed precinct planning processes. Of particular importance to the Area 20 site is the total of 290,000 square metres of potential retail/commercial floorspace of Rouse Hill Town Centre, and the NWGC Town centres combined. Precinct planning for centres in the NWGC has significantly advanced with the gazettal of the North Kellyville, Riverstone and Alex Avenue Precincts. These plans guide the development of new town centres and villages as follows:

- **Alex Avenue Precinct.** Land identified as the Alex Avenue Town Centre is across several land parcels in different ownerships. There is the possibility that the centre may be developed by several landowners or developers. The approach to this has been to set design controls in the DCP for the precinct to achieve consistency and coordination in the development of the centre.

The maximum retail floor area within the local centre is to be in the order of 25,000sqm to 30,000sqm to 'ensure that the centre functions in accordance with its position in the regional centres hierarchy'. The DCP encourages a range of retail, commercial, entertainment, recreation and community uses is encouraged to serve the needs of the wider community and promote an active and vibrant Local Centre.

- **Riverstone Precinct.** The precinct is built around the existing Riverstone Town Centre. Development in the existing town centre is governed by the Blacktown LEP 1988. Most the town centre is zoned 3(a) with edge of centre land zoned 3(b). This is surrounded by 2A zoned land. The 3(a) zone is flexible with only prohibited use listed and a merit based approach for all other proposed development. The 3(b) zone serves to support the 3(a) land and allows for bulky goods development, commercial offices, light industrial activities and business support services. Only limited retailing activities are permitted. The new Riverstone precinct surrounds these existing lands and includes 2 new neighbourhood centres to service the new population.
- **North Kellyville Precinct.** The precinct will contain a local centre and two neighbourhood centres. The local centre is limited to 15,000 sqm GFA and will permit a range of retail, commercial and community uses to serve the needs of the resident population.
- **Rouse Hill Town Centre.** The development of Rouse Hill is a joint venture between Lend Lease and GPT in conjunction with Landcom and the NSW Department Of Planning. Planning for the Rouse Hill Regional Centre is governed by Rouse Hill Regional Centre Masterplan. Stage 1 is complete and includes 65,000m² of retail and commercial floor space, with a further 130,000 m² left once the remaining areas of the Rouse Hill Masterplan are completed. The Rouse Hill Town Centre major tenants include Coles, Woolworths, Big W and Target and approximately 220 specialty stores. A mixed-use precinct which can accommodate a broad range of commercial and residential uses mixed is proposed on land between the town centre and Schofields Road known as the town centre northern precinct.

Industries are likely to be attracted to areas according to both the volume and character of the land available. It makes sense therefore, to categorise employment in a way that corresponds with activity on the ground so that we can determine the land requirements of different job types. However, ANZSIC industry categories do not always accurately describe employment in a way that relates to land use. To overcome this, SGS developed a concordance between the ABS ANZSIC industry classifications and Broad Land Use categories (BLCs). Analysis of land use activities by BLC is provided for the range of uses generally permissible on industrial lands. Each BLC has

particular locational criteria in terms of proximity to centres and transport infrastructure. Broadly, criteria for relevant land uses is summarised as follows:

- **Office and Business Park.** Office and business park uses are heavily influenced by transport accessibility and as a result the most suitable areas are clustered around designated centres – especially those on transport nodes and with railway stations.
- **Retail.** Retail uses typically gravitate towards accessible areas. *Big Box Retail* (RB), such as supermarkets, will tend to be found in the larger centres – usually in Village Centres and higher in the centres hierarchy. *Mainstreet Retail* (RM) is found at all levels in the hierarchy within centres. *Bulky Goods Retail* (RBG) is more dependent on arterial road access and high visibility but also require large lots to accommodate that retail form. As a result, these uses will tend to locate on the edge of centres, along major transport routes.

Table 15 to Table 19 detail BLC profiles and their preferred locational attributes.

Table 15. Office BLC Profile and Locations

Office	
General Description	
Office land uses accommodate a wide variety of industry types and generate high employment densities. Professional and managerial occupation types are more likely to be found in office land uses. Key examples include: Banks; Accounting Services; Architectural and Surveying Services.	
Office land uses are most appropriate in locations that are easily accessible by both private and public transport. Broad policy direction implies that office land use is preferable in the larger centres (Specialised, Regional, Major and Town centres) particularly given their transport connections. High end office concentrations are predominantly located in Penrith, Castle Hill and in Parramatta (in the West central subregion). Blacktown on the other hand has not seen significant growth in the office sector though Council is currently undertaking planning investigations to stimulate growth in the CBD. Rouse Hill Town Centre contains approximately 16,600m ² of commercial space, comprising offices, gymnasium and educational facilities and around 5,000m ² of health and medical facilities ¹⁵ .	
If either of the nearby precincts were to accommodate business park jobs then office jobs in surrounding centres could be appropriate.	
Locational Criteria Item	LLUS Criteria
Within Centre Buffer	Appropriate in Village centres and higher
Proximity to Population Centres	With centre buffer areas
Access to Executive Housing	Not required
Industrial zoned lands	Not appropriate
Special Uses Zones lands (University, Hospital)	Appropriate within these lands
Public Transport Accessibility	Within 800m of rail stations and major bus stops
Road Access (Arterial)	Within 800m of arterial road
Access to Motorway Ramps	Not required
Within Railway Corridor Land	Not required

¹⁵ Case Study Rouse Hill, NSW Premier's Council for Active Living, 2009

Table 16. Business Parks Profile and Locations

Business Parks	
General Description	
<p>Business Parks are often considered to be 'premium' employment lands that accommodate high skill and high value 'white collar' jobs. This type of development offers considerable opportunity for both NW and SW Growth Centres to attract high value employment. Business parks will typically have higher employment densities than traditional industrial areas.</p> <p>Early business parks were focussed on campus style development, offering large corporations (typically head office functions) large footplates and high quality environments. These business parks were usually very heavily car dependent. With the growing attention given to integrated transport and land use planning as well as trip minimisation, public transport accessibility has been given greater emphasis in business park planning. A more lively economic environment is likely if provision is also made for smaller firms and not just large floorplate tenancies.</p> <p>Business Parks in the North West Subregion are dominated by the Norwest development. Lots in this premium business park range from 5,000sqm up to 125,000sqm with most lots greater than 10,000sqm. Other business parks include the Greystanes Southern Employment Lands Business Park (Holroyd LGA) and the future business park in the Marsden Park Industrial Area.</p>	
Locational Criteria Item	LLUS Criteria
Within Centre Buffer	Appropriate within specialised, regional and major centres
Proximity to Population Centres	Appropriate within 2km of centre buffer areas
Access to Executive Housing	Not required
Industrial zoned lands	Most appropriate on industrial zoned land
Special Uses Zones lands (University, Hospital)	Appropriate on special use zoned land
Public Transport Accessibility	Within 800m of rail station or major bus stops
Road Access (Arterial)	Within 800m of arterial road
Access to Motorway Ramps	Within 2km of motorway ramps
Railway Corridor Land	Not applicable
Additional criteria	High amenity location

Table 17. Mainstreet Retail BLC Profile and Locations

Mainstreet Retail	
General Description	
<p>Retailing services are traditionally found in main street locations or in small clusters or strips of stores located next to a street or road. One of the advantages that traditional strip centres can offer over the large planned centres is a much greater range of rents and a lower rental base generally. They can also offer an open air, smaller scale environment with more customer recognition than large planned centres. This allows them to provide many non-national brand retail outlets including complimentary activities, such as cafes, bars and local business centres (including PO boxes and administrative services). This can enhance their attractiveness as a destination and allow alternative niche markets to be developed. Developers of planned neighbourhood and district centres are beginning to replicate the strip centre precinct in response to growing consumer demands for interesting retail experiences that offer a point of difference, no matter what the scale. Rouse Hill Town Centre is an example of this trend with its planned mainstreet strips and public domain focus.</p> <p>Small-scale big box developments have also found their way into the mainstreet with many having an entrance mainstreet. These developments comprise around 90,000 sqm in Blacktown, Penrith and Baulkham Hills combined with around 30,000 sqm of floorspace in Blacktown¹⁶.</p>	
Locational Criteria Item	LLUS Criteria
Within Centre Buffer	Appropriate in Village centres and higher
Proximity to Population Centres	With centre buffer areas
Access to Executive Housing	Not required
Industrial zoned lands	Not appropriate
Special Uses Zones lands (University, Hospital)	Appropriate within these lands
Public Transport Accessibility	Within 800m of rail stations and major bus stops
Road Access (Arterial)	Not required
Access to Motorway Ramps	Not required
Railway Corridor Land	Not required
Additional criteria	-

¹⁶ PCA Shopping Centre Database, 2008

Table 18. Big Box Retail BLC Profile and Locations

Big Box Retail	
General Description	
<p>Larger commercial centre locations are preferred. The land uses require high visibility high traffic locations and should be easily accessible with good public transport links. Key examples include Westfield’s and department stores such as David Jones. Key factors include availability of large lots, proximity to population, and opportunity to co-locate with main street retail.</p> <p>Smaller-scale big box development forms (local shopping centres) are also a typical form of this landuse. However in the north west subregions it is often the case that these developments become ‘car based’ without appropriate connections to public transport.</p> <p>In the north west subregion, around 430,000 sqm of shopping centre floorspace is predominantly distributed among subregional centres in Blacktown (Mount Druitt, Plumpton, Prospect, Seven Hills, Stanhope Gardens, Woodcroft), Penrith (Penrith, St Marys) and Baulkham Hills (Baulkham Hills, Carlingford, North Rocks and Box Hill)¹⁷. Major regional floorspace is located in Blacktown (70,000sqm) and Penrith (80,000sqm)¹⁸. Mount Druitt is a regional shopping centre with 50,000sqm of floorspace.</p>	
Locational Criteria Item	LLUS Criteria
Within Centre Buffer	Appropriate in Village centres and higher
Proximity to Population Centres	With centre buffer areas
Access to Executive Housing	Not required
Industrial zoned lands	Not appropriate
Special Uses Zones lands (University, Hospital)	Not appropriate
Public Transport Accessibility	Within 800m of rail stations and major bus stops
Road Access (Arterial)	Within 800m of arterial road
Access to Motorway Ramps	Not required
Railway Corridor Land	Not required
Additional criteria	-

¹⁷ PCA Shopping Centre database, 2008

¹⁸ *Ibid.*

Table 19. Bulky Goods Retail BLC Profile and Locations

Bulky Goods Retail	
General Description	
<p>Bulky Goods Retail is usually located on the edge of centre and in high exposure (main road) locations. It is usually single story and surrounded by car-parking. Key examples include: Automobile Retailing; Homemaker centres; Bedding & furniture retail; Harvey Norman; Rebel Store (stand alone); BBQ's Galore; Bunnings). Key requirements include large lots, good transport accessibility (particularly arterial road access), and proximity to population centres.</p> <p>Almost 50 per cent of bulky goods floorspace is located in Castle Hill and Bella Vista (Norwest Business Park) areas (90,000 sqm). Norwest has additional capacity with around 16ha of land remaining to develop. Blacktown LGA contains around 35 per cent of this floorspace in Blacktown, Prospect and Minchinbury (70,000sqm)¹⁹.</p>	
Locational Criteria Item	LLUS Criteria
Within Centre Buffer	Appropriate in Village centres and higher
Proximity to Population Centres	With centre buffer areas
Access to Executive Housing	Not required
Industrial zoned lands	Not appropriate
Special Uses Zones lands (University, Hospital)	Not appropriate
Public Transport Accessibility	Within 800m of rail stations and major bus stops
Road Access (Arterial)	Within 200m of arterial road
Access to Motorway Ramps	Not required
Railway Corridor Land	Not required
Additional criteria	-

The value of the subject site for future retail and commercial landuses is informed by the existing or proposed infrastructure assets it can harness, and those which require additional investment. The timing of the subject site development will be informed by the infrastructure capacity it can tap into and the pipeline supply of retail and commercial floorspace in other locations.

Area 20 has been identified as a location appropriate for corridor activity. Current policy on the nature and appropriate location for corridor activity is focused around enterprise corridors which include 'start-up offices, light industrial, building supplies and retail'²⁰. The character of enterprise corridors for inner Sydney areas would vary for the kind of corridor that would occur in the NWGC located along Schofields Road.

Key differences include the critical mass of traffic volumes and the nature of land economics along roads in suburban locations compared to inner city corridors. Also, low-cost office space is a feature of 'enterprise corridors' however such land uses would be problematic in an area where new town and village centres are being developed for office land uses. This would need to be considered in the long term once the destinations points of the corridor are developed and occupied.

¹⁹ Source: PCA Shopping centres database, 2008 (see Appendix X)

²⁰ North West Subregion: Draft Subregional Strategy, 2007.

Level and nature of employment land supply

There is a significant amount of employment land in the North West subregion with a total of 7,200ha either currently zoned for industrial land uses (4,200 ha) or new release areas undergoing masterplanning activities (2,400 ha). Employment land in the North West subregion is shown in Table 20.

Table 20. Employment Land Supply, Blacktown and surrounding LGAs

New release employment land	Area (ha)	Vacant Supply	Precinct Planning
Western Sydney Employment Hub (Draft SEPP) Lands:			
Lot 11 (Former Wonderland) Precinct	59	-	Complete
Eastern Creek Precinct	645	150	Complete
Huntingwood East	82	82	Draft
Huntingwood West	61	61	Complete
The Raceway Precinct	28	28	In progress
Ropes Creek Precinct*	190	190	In progress
Erskine Park Employment Lands Precinct	500	400	Complete
South of Sydney Water Pipeline (West) Precinct	656	656	Yet to be commenced
Quarantine Station Precinct	22	22	Yet to be commenced
Greystanes Northern Employment Lands Precinct	86	-	Fully developed
North West Growth Centre employment lands:			
Riverstone West	79	97	Gazetted August 2009
Riverstone	97	14	Complete
Marsden Park Industrial Area	445	445	Draft Exhibited
Box Hill Industrial Area	147	147	In progress
St Mary's ADI employment land sites:			
Ropes Creek Industrial Precinct	13	13	Draft
Dunheved Precinct	40	40	Draft
Central Precinct Industrial Precinct	19	19	Draft
Wells Precinct Employment Lands:			
South Werrington Industrial Area	4	4	Yet to be commenced
EMPLOYMENT LAND (NEW RELEASE) TOTALS	3,173	2,368	

*Includes subject site

** Also called prospect industrial area

Source: SGS Research and GIS analysis 2009

Existing Employment Areas

Employment Land	Area (ha)
Blacktown LGA	
Minchinbury Industrial Estate	130
Arndell Park	160
Huntingwood Industrial Estate	130
Mount Druitt Industrial Area	53
Kings Park/Blacktown Industrial Area	235
Glendenning Industrial Area	210
Prospect Industrial Area	35
Seven Hills Industrial Area	210
Penrith LGA	
North Penrith Industrial Area	295
Emu Plains Industrial Area	85
Jamieson Industrial Area	89
St Mary's Industrial Area	329
Holroyd LGA	
Girraween Industrial Area	69
Greystanes Southern Employment Lands	235
Wetherill Park	604
Smithfield Industrial Area	396
Yennora Industrial Area	206
Baulkham Hills LGA	
Annangrove Industrial Estate	119
Castle Hill	136
Norwest	172
Fairfield LGA	
Wetherill Park Industrial lands	604
Hawkesbury LGA	
South Windsor Industrial Area	97
Muggrave Industrial Area	80
Employment Land (Existing) Totals	4,249

Source: SGS Research and GIS analysis 2009

Should all new release employment be available, there would be around 2,400ha of employment land available for development.

Most of the existing employment lands are fully developed. It is not within the scope of the study to assess vacant floorspace but the existing lands would generate significant industrial floorspace. Assuming an average development ratio of 0.7:1, these lands generate around 32,753,000sqm of

floorspace. A vacancy rate of 10 per cent would mean potential for 3,275,300 sqm of industrial floorspace.

However, the attractiveness of these lands for future land uses depends upon their particular attributes. Existing land uses in these precincts are described according to Broad Land Use Categories (BLCs). These BLCs were developed with the NSW Department of Planning to provide a better method of assessing the land requirements of industry activities across land use zones. The particular requirements for each of the relevant BLCs is also discussed.

Industries are likely to be attracted to areas according to both the volume and character of the land available. It makes sense therefore, to categorise employment in a way that corresponds with activity on the ground so that we can determine the land requirements of different job types. However, ANZSIC industry categories do not always accurately describe employment in a way that relates to land use. To overcome this, SGS developed a concordance between the ABS ANZSIC industry classifications and Broad Land Use categories (BLCs). Analysis of land use activities by BLC is provided for the range of uses generally permissible on industrial lands. Each BLC has particular locational criteria in terms of proximity to centres and transport infrastructure. Broadly, criteria for relevant land uses is summarised as follows:

- **Business Park.** Business park (and also Office) uses are heavily influenced by transport accessibility and as a result the most suitable areas are clustered around designated centres – especially those on transport nodes and with railway stations.
- **Industrial.** *Local light industry* is drawn towards the populated areas. It requires reasonable access to arterial infrastructure and can be found on the edge of centres in industrial areas. *Light manufacturing* is less likely to be found in populated areas and requires proximity to motorway on/ off ramps. *Heavy manufacturing* is best positioned away from populated areas , given its impacts, and requires motorway access. This land use often requires access to a rail spur. *Freight and logistics* is the most sensitive to motorway access and will need to be proximate to motorway on/off ramps.
- **Urban Services.** Urban Services will tend to be located outside of centres given the combined needs of large land areas, transport accessibility (uses are sensitive to distance from motorway access).

The current location of these BLCs in the north west subregion has been assessed in consultation with Blacktown Council, drawing on web research and using SGS's extensive work in employment land planning in the Sydney metropolitan region. Table 21 to Table 26 shows the BLC profiles and current and identified future locations.

Table 21. Local Light Industry Profile and Locations

Local Light Industry	
General Description	Current/Future Employment Land Locations
<p>This BLC includes a wide range of businesses that service other business (components, maintenance and support) and Subregional populations. Generally needed at the local (LGA) to Subregional level. Examples of LLUS uses are car service and repair, joinery, construction, building supplies and domestic storage.</p> <p>Lot sizes for local light industry generally range from 500sqm to 8000sqm with significant share of lots between 1,000sqm and 3,000sqm²¹.</p>	<p><i>Current Locations:</i> Most employment areas in Blacktown and Penrith LGAs.</p> <p><i>Future Locations:</i> St Marys Release Areas Employment Lands; NWGC industrial lands;</p>
Site & Location Criteria	
Within Centre Buffer	Appropriate in town centres or above
Proximity to Population Centres	Appropriate in town centres or above
Access to Executive Housing	Not required
Industrial zoned lands	Most appropriate on industrial zoned land
Special Uses Zones lands (University, Hospital)	Appropriate on special use zoned land
Public Transport Accessibility	Within 800m of rail stations and major bus stops
Road Access (Arterial)	Within 800m of arterial road
Access to Motorway Ramps	Not required
Railway Corridor Land	Appropriate within 1km of rail line corridor

²¹ SGS employment land research, 2009

Table 22. Manufacturing Profile and Locations

Manufacturing Heavy	
General Description	Current/Future Employment Land Locations
<p>While heavy manufacturing is in decline in Sydney, it will continue to cluster in some western Sydney locations. There are strong arguments for collocation of these uses to concentrate externalities (though impacts on surrounding uses are generally moderate) and in terms of raw material delivery.</p> <p>It generally involves large-scale production activity which is likely to be characterised by high noise emission, emission stacks, use of heavy machinery and high heavy vehicle trip generation.</p> <p>Lot sizes tend to be larger than local light industry with the largest lots being for specialised hazardous and/or offensive manufacturing operations. These require large areas for plant equipment and safety buffer areas. In the study area surrounds, heavy manufacturing lots tend to be around 5,000sqm and higher.</p>	<p><i>Current:</i> Blacktown LGA – Seven Hills, Riverstone, Prospect, Mount Druitt, Blacktown and Arndell Park employment lands.</p> <p><i>Future:</i> No heavy manufacturing areas identified.</p>
Site & Location Criteria	
Within Centre Buffer	Not appropriate within centres
Proximity to Population Centres	Not appropriate within population centres
Access to Executive Housing	Not applicable
Industrial zoned lands	Most appropriate on industrial zoned land
Special Uses Zones lands (University, Hospital)	Not applicable
Public Transport Accessibility	Not applicable
Road Access (Arterial)	Within 800m of arterial road
Access to Motorway Ramps	Within 2km of motorway ramps
Railway Corridor Land	Appropriate within 1km of rail line corridor

Table 23. Manufacturing Light Profile and Locations

Manufacturing Light	
General Description	Current/Future Employment Land Locations
<p>Manufacturing Light is comprised of small scale production with lower noise and emission levels than heavy manufacturing. Generates approximately one job per 100sqm.</p> <p>Similarly to the Local Light BLC, lot sizes for local light industry generally range from 500sqm to 8000sqm with significant share of lots between 1,000sqm and 3,000sqm²².</p>	<p><i>Current:</i></p> <ul style="list-style-type: none"> • Most existing employment land in Blacktown, Penrith, Fairfield, Holroyd and LGAs. <p><i>Future:</i></p> <ul style="list-style-type: none"> • Will continue in the existing employment land areas in Blacktown, Penrith, Fairfield, Holroyd and LGAs. • New release lands in WSEH, St Marys release Area and NWGC employment lands.
Site & Location Criteria	
Within Centre Buffer	Appropriate in town centres or above
Proximity to Population Centres	Appropriate outside centre buffer areas
Access to Executive Housing	Not required
Industrial zoned lands	Most appropriate on industrial zoned land
Special Uses Zones lands (University, Hospital)	Appropriate on special use zoned land
Public Transport Accessibility	Within 800m of rail stations and major bus stops
Road Access (Arterial)	Within 1.5km of arterial road
Access to Motorway Ramps	Within 2km of motorway ramps
Railway Corridor Land	Appropriate within 1km of rail line corridor

²² SGS employment land research, 2009

Table 24. Freight and Logistics Profile and Locations

Freight and Logistics	
General Description	Current/Future Employment Land Locations
<p>Warehousing and distribution activities. Includes buildings with a number of docking facilities; 'hard stand' areas with trucks or goods awaiting distribution; and large storage facilities.</p> <p>Warehousing and distribution is a metro level issue with activities preferably locating close to air, sea and inter-modal inland ports, or with access to the motorway system.</p> <p>Lots sizes for freight and logistics generally have significant proportions between 1,000sqm and 3,000sqm and a large share of lots greater than 10,000sqm²³.</p>	<p><i>Current:</i></p> <ul style="list-style-type: none"> • WSEH – Eastern Creek; Lot 11; Greysteynes Northern Employment Lands • Blacktown Employment lands – all lands except Minchinbury, Prospect and Riverstone. • Penrith employment lands – all lands. • Holroyd employment lands – all lands. <p><i>Future:</i></p> <ul style="list-style-type: none"> • Undeveloped WSEH lands
Site & Location Criteria	
Within Centre Buffer	Appropriate in land proximate to centres except larger ones (major, regional, specialised centres)
Proximity to Population Centres	Appropriate outside centre buffer areas
Access to Executive Housing	Not required
Industrial zoned lands	Most appropriate on industrial zoned land
Special Uses Zones lands (University, Hospital)	Appropriate on special use zoned land
Public Transport Accessibility	Within 800m of rail stations and major bus stops
Road Access (Arterial)	Within 1.5km of arterial road
Access to Motorway Ramps	Within 2km of motorway ramps
Railway Corridor Land	Appropriate within 1km of rail line corridor

²³ SGS Employment Land Research, 2009

Table 25. Urban Services Profile and Locations

Urban Services	
General Description	Current/Future Employment Land Locations
<p>These uses typically have noise dust and traffic implications and need to be isolated or buffered from other land uses. They are needed in each sub-region and include concrete batching plants, waste recycling and transfer, local and state government depots, sewerage and water supply plants and electricity yards.</p> <p>Tend to be large lots given the nature of the uses (depots, utility stations, concrete batching). Can be as large as 125,000sqm (or greater) or as low as 500sqm.</p>	<p>Current:</p> <ul style="list-style-type: none"> • Baulkham Hills – Annangrove Industrial Estate, Castle Hill Industrial Area. • WSEH – Greystanes Northern Employment Lands, Sydney Pipeline. • Fairfield LGA – Wetherill Park Industrial Area. • Penrith LGA – St Marys, Seven Hills industrial areas, • Blacktown LGA – Huntingwood • Holroyd LGA – Smithfield Industrial Area <p>Future:</p> <ul style="list-style-type: none"> • Land which meets criteria below. Could be located in undeveloped WSEH and NWGC lands.
Site & Location Criteria	
Within Centre Buffer	Not appropriate within centres
Proximity to Population Centres	Appropriate outside centre buffers (400m from buffer edge)
Access to Executive Housing	Not required
Industrial zoned lands	Most appropriate on industrial zoned land
Special Uses Zones lands (University, Hospital)	Not appropriate on special use zoned land
Public Transport Accessibility	Not required
Road Access (Arterial)	Within 800m of arterial road
Access to Motorway Ramps	Within 2km of motorway ramps
Railway Corridor Land	Appropriate within 1km of rail line corridor

Table 26. Business Parks Profile and Locations

Business Parks	
General Description	Current/Future Employment Land Locations
<p>Business Parks are generally comprised of integrated warehouse, storage, R&D, 'back-room' management and administration with up to 40% office component.</p> <p>Business Parks in the North West Subregion are dominated by the Norwest development. Lots in this premium business park range from 5,000sqm up to 125,000sqm with most lots greater than 10,000sqm.</p>	<p><i>Current:</i></p> <ul style="list-style-type: none"> • Norwest Business Park; • Greystanes Southern Employment Lands Business Park (Holroyd LGA). <p><i>Future:</i></p> <ul style="list-style-type: none"> • Marsden Park Industrial Area
Site & Location Criteria	
Within Centre Buffer	Appropriate within specialised, regional and major centres
Proximity to Population Centres	Appropriate within 2km of centre buffer areas
Access to Executive Housing	Not required
Industrial zoned lands	Most appropriate on industrial zoned land
Special Uses Zones lands (University, Hospital)	Appropriate on special use zoned land
Public Transport Accessibility	Within 800m of rail station or major bus stops
Road Access (Arterial)	Within 800m of arterial road
Access to Motorway Ramps	Within 2km of motorway ramps
Railway Corridor Land	Not applicable
Additional criteria	High amenity location

The value of the subject site for future landuses is informed by the existing or proposed infrastructure assets it can harness, and those which require additional investment. Different land uses have different infrastructure and locational requirements.

The timing of the subject site development will be informed by the infrastructure capacity it can tap into. Investigations to improve road access through the Western Sydney Employment Hub have resulted in a draft concept plan currently being assessed by Department of Planning. Other infrastructure improvements include telecommunications, power and water services.

Mixed Use Corridor Land Uses

The North West Growth Centre Structure Plan explanatory notes identifies a 'mixed use corridor along Schofield Road'. The nature of these mixed uses is not clearly defined.

Corridors with mixed use activity generally require high traffic volumes and lower rents and sales values (a result of reduced amenity along high volume roads due to air quality, noise and visual impacts of traffic volumes, particularly heavy vehicle traffic). These elements can make certain corridors appropriate locations for uses which do not require expensive in-centre locations and can utilise passing traffic. Uses typically include car yards, auto repairs, bulky goods such as furniture and niche uses such as music equipment and formal dress stores. Such corridors also tend to be located on the edge of larger centres where the uses can support centre functions (e.g. wholesale trade).

The types of corridors that exist in suburban contexts (adjacent to residential populations) have a slightly different profile to these corridors. These tend to be less constrained in terms of space and often located well outside of centre buffer areas. In these contexts, land uses are car-based, convenience retail and services such as:

- Service stations and associated food outlets and convenience stores
- Fast food operators
- Car-related services – mechanics, tyre wholesalers, car wash operations

Some corridors can act as neighbourhood centres where they include supermarkets, fresh food, DVD hire and newsagents activities. However, the success these uses have will be impacted by the level of retail and commercial uses planned for, or located, elsewhere in the vicinity. There is also a need to consider the impacts of such development on existing or planned centres. This is of particular concern in the Growth Centres with the emphasis on maintaining a strong centres hierarchy through retail floorspace thresholds for centre that are contained in the precinct plans.

Key Findings

Commercial and Retail Land uses

- **There is a significant amount of potential commercial/retail floorspace supply in the vicinity of the Area 20 precinct.** There is potential for around 530,000 square metres of retail/commercial floorspace in the north west subregion with 87 per cent on land with draft or completed precinct planning processes. Of particular importance to the Area 20 site is the total of 290,000 square metres of potential retail/commercial floorspace in Rouse Hill Town Centre, the NWGC town centres and local centres at Riverstone, Alex Avenue, North Kellyville combined.
- **Commercial and retail development and take up rates will decline due to the economic downturn.** The downturn has had significant impacts on take-up rates and land values. This will effectively stall the future development market in the medium term for prime lands and may last longer for secondary lands. Land owners will also need to account for holding costs until the economy recovers and land values are restored.

Industrial Land Uses

- **Demand has been for moderate size lots.** The analysis shows that demand has historically been highest for lots between 1000 and 2000 square metres with a median sales price is \$935,000. Rental rates in western Sydney range from \$95 to \$125 per square metre for prime floorspace and \$65 to \$95 for secondary grade floorspace .
- **Industrial land development will be stalled by the economic downturn.** The downturn has had significant impacts on take-up rates and land values. This will effectively stall the future industrial development market in the medium term (2010 or longer) for prime lands and may last longer for secondary lands. Land owners will also need to account for holding costs until the economy recovers and land values are restored.
- **A large amount of potential employment land supply in existing industrial lands.** There are significant existing employment lands near the M4/M7. These are generally comprised of freight and logistics and light manufacturing activities. A vacancy of 10 per cent within existing employment land areas would generate significant amount of industrial floorspace supply in these areas. Existing industrial areas in proximity to the subject site are Huntingwood, Minchinbury, Arndell Park and Glendenning.
- **New release land will have a competitive advantage to attract employment.** There are significant new release lands in the north west subregion with precinct planning in various stages of progress. Lands with draft or approved plans and policy will be the first to be developed. Completed or draft planning exists for most new release lands in the NWGC, WSEH and St Marys Release Areas.

4 Land Assessment & Employment Modelling

4.1 Background

The employment prospects of any land area are driven by both local and broader regional pressures. Local pressures for employment uses are driven by the needs of the local resident population and land uses responding to this pressure are predominantly local service and retail based. From a broader regional or sub-regional perspective many land areas have a more strategic significance. An area's position with respect to infrastructure, magnet institutions, major population centres will determine its attractiveness for more 'footloose' employers.

To take account of this, the method for forecasting employment at Area 20 splits employment in to two categories: (i) population-driven and (ii) footloose or strategic.

- **Population-driven employment.** Population-driven employment is driven primarily by proximity to population. SGS has determined the nature of population related employment by running a regression analysis on all Sydney SD Travel Zones for population growth against employment growth by industry category (4 digit ANZSIC). This has allowed us to determine the: (i) types of jobs that are strongly related to population; and, (ii) number of jobs in these categories for a given population number.
- **'Footloose' or Strategic employment.** 'Footloose' or strategic employment is also driven by proximity to population but to a much lower extent. Various site and location factors impact on footloose industry in different sectors. SGS modelling has assessed each possible location to accommodate 'footloose' or 'strategic' employment. This assessment has considered the 'competitive position' of each location to accommodate a range of different Broad Land-use Categories or 'BLCs' (such as Local Light Industry, Bulky Goods Retail, etc). The process thus ranks each employment location for each BLC. The study has ranked all significant lands in the north-west subregion according to the criteria listed in the BLC tables previously provided.

The employment forecasting uses the employment targets in the NW Subregional Strategy as a control total for 2031. Using total population projections for the subregion, total population-driven jobs are determined and subtracted to give a strategic or footloose total for distribution over each forecast period (every 5 years). Distribution of these strategic jobs is based on the ranking of land and the land areas available.

4.2 Population-Driven Employment

A set of ratios to show the volume of population driven employment (PDE) generated by each new resident has been developed through regression analysis of employment growth by ANZSIC category against population growth for every Travel Zone in Sydney SD.

Dwelling targets for the Area 20 precinct identify around 2,500 dwellings and around 7,000 residents (based on 2.81 people per dwelling). SGS has undertaken an analysis of the potential population based on TDC population forecasts together with modelling the additional dwellings that a heavy rail station at Cudgegong Road could generate. This analysis forecasts 5,873 residents (6,000 rounded to nearest thousand) at 2031. SGS has used this future population as an input into the PDE calculation for Area 20. Table 26 shows the maximum PDE expected in Area 20 based on forecast population of 6,000 residents.

Table 27. Population Driven Jobs, Area 20

BLC	Per 1 Resident	Jobs
AST	0.0001	1
BP	0.0005	3
FL	0.0025	16
LL	0.0115	71
MH	0.0000	-
ML	0.0088	55
O	0.0042	26
RB	0.0178	111
RBG	0.0072	45
RM	0.0139	86
S	0.0090	56
US	0.0053	33
D	0.0107	67
TOTAL	0.0914	568

Source: SGS, 2009

In practice, we would expect some of these population driven jobs to gravitate towards larger commercial centres (particularly Rouse Hill) and industrial areas. For example, Big Box Retail jobs would be accommodated at Rouse Hill Regional Centre rather than Area 20 employment areas. Taking account of this, Table 28 shows the policy adjusted outputs.

Table 28. Population Driven Employment – Policy Adjusted Outputs

BLC	Per 1 Resident	Raw PDE	Adjusted PDE	Adjustment Notes
AST	0.0001	1	-	<= jobs will go to RHTC
BP	0.0005	3	-	<= jobs will go to RHTC
FL	0.0025	16	16	
LL	0.0115	71	71	
MH	0.0000	0	-	
ML	0.0088	55	55	
O	0.0042	26	-	<= jobs will go to RHTC
RB	0.0178	111	-	<= jobs will go to larger centres
RBG	0.0072	45	-	<= jobs will go to RHTC
RM	0.0139	86	86	
S	0.0090	56		<= jobs will go to edge of larger centre locations
US	0.0053	33		<= jobs will go to better located industrial land
D	0.0107	67	67	<= dispersed uses attracted to obsolete industrial areas or cheaper employment lands.
TOTAL	0.0914	568	295	
Rounded to nearest 50	-	550	300	

Source: SGS, 2009

The analysis shows that of the **550** jobs generated by the incoming Area 20 population only **300** jobs will most likely be located within the Area 20 precinct. Table 29 shows the estimated floorspace yield for these 300 jobs.

Table 29. Population Driven Employment – Floorspace

BLC	Fsp per job (sqm)	Adjusted PDE	Land required	% of Fsp
AST	25	-	-	-
BP	50	-	-	-
FL	100	16	1,554	10%
LL	60	71	4,288	28%
MH	150	-	-	-
ML	80	55	4,375	28%
O	25	-	-	-
RB	35	-	-	-
RBG	45	-	-	-
RM	30	86	2,592	17%
S	70		-	-
US	100		-	-
D	40	67	2,660	17%
TOTAL	-	295	15,469	100%
Rounded (50)	-	300	15,450	

Source: SGS 2009

Converted to floorspace, these jobs translate to approximately **14,600sqm** of floorspace with retail and commercial floorspace comprising **2,500sqm** or 17 per cent of total floorspace.

Timing

It is assumed that these jobs will come online in the medium to long term as the residential areas are developed. It is assumed that 1/3 of dwellings will be provided in the medium term (10 to 20 years) and the remainder in the long term (20+ years).

Table 30. Timing of Population Driven Jobs

BLC	Jobs			Floorspace		
	Total	Medium	Long	Total	Medium	Long
AST	-	-	-	-	-	-
BP	-	-	-	-	-	-
FL	16	5	11	1,554	518	1036
LL	71	24	47	4,288	1429	2859
MH	-	-	-	-	-	-
ML	55	18	37	4,375	1458	2917
O	-	-	-	-	-	-
RB	-	-	-	-	-	-
RBG	-	-	-	-	-	-
RM	86	29	57	2,592	864	1728
S	-	-	-	-	-	-
US	-	-	-	-	-	-
D	67	22	45	2,660	887	1773
TOTAL	278	93	185	15,469	5156	10313
Rounded (50)	300	100	200	15,450	5,150	10,300

Source: SGS 2009

4.3 Strategic Employment

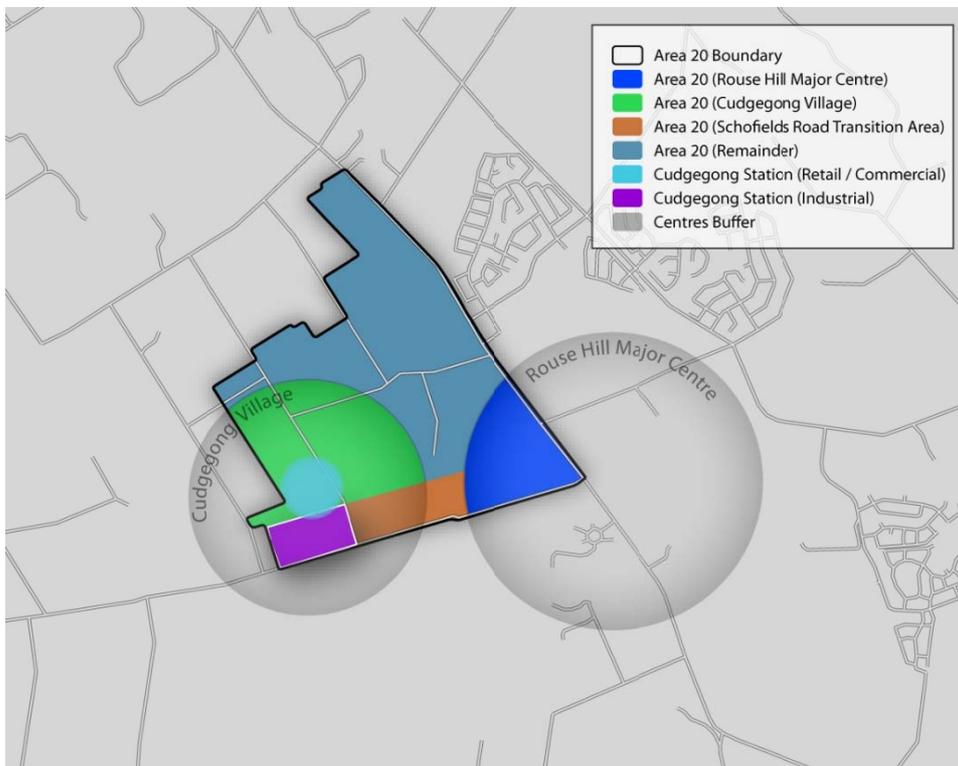
All land areas in the NW Subregion have been ranked according to their suitability to accommodate footloose or strategic employment by BLC. The ranks have a high score of 8 and the lowest score is 0. It should be noted that the ranking has been averaged for each area (some individual lots may have a higher ranking).

For the allocation of strategic employment to the Area 20 under a NW Rail Extension scenario, the precinct has been divided in to a series of smaller areas for the employment allocation modelling exercise. These take into account the following:

- An area of commercial and retail land associated with a rail station concept (Cudgegong Station)
- Industrial land uses on land south of the proposed heavy rail extension and adjacent proposed stabling yard
- Other lands south of the proposed rail extension between the buffers of the Rouse Hill major centre and the proposed Cudgegong village centre.
- Area 20 area within the Rouse Hill major centre buffer area.

These areas are illustrated in the diagram below.

Figure 18. Area 20 Areas for Strategic Job Allocation



Source: SGS 2009

Model Outputs

The raw outputs of the model show that Area 20 could attract around **950 jobs** generating **52,610sqm** of floorspace by 2031 comprised of the following by BLC:

- Retail Big Box- 15 jobs; 525sqm floorspace
- Bulky Goods Retail – 15 jobs; 675sqm floorspace
- Freight & Logistics – 260 jobs; 26000 floorspace
- Local Light Industry – 190 jobs; 11400 floorspace
- Main Street Retail - 467 jobs; 14010 floorspace

However, given the proximity of Rouse Hill Regional Centre and the clear policy guidance around the hierarchy of centres, we would expect some of these uses to be located in the Regional Centre itself rather than in Area 20. For example, we would not expect any Big Box Retail or Bulky Goods in Area 20 as such have removed these jobs from the analysis. The policy adjusted jobs and floorspace summary is shown below:

Table 31. Total Strategic Employment – Policy Adjusted

LAND USE	5 Year Intervals								TOTAL	Rounded
	2011-2016	2016-2021	2021-2026	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051		
RETAIL	0	0	380	87	0	0	0	0	467	450
INDUSTRIAL	0	0	70	42	245	93	0	0	450	450
COMMERCIAL	0	0	0	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	450	129	245	93	0	0	917	900

Source: SGS 2009

Table 31 shows that **900** jobs could be generated in Area 20 with **450** of these retail jobs and **450** industrial jobs.

Table 32. Total Strategic Floorspace (sqm) – Policy Adjusted

LAND USE	5 Year Intervals								TOTAL	Rounded
	2011-2016	2016-2021	2021-2026	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051		
RETAIL	0	0	11,385	2,610	0	0	0	0	13,995	14,000
INDUSTRIAL	0	0	4,224	2,496	21,688	8,976	0	0	37,384	37,400
COMMERCIAL	0	0	0	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	15,609	5,106	21,688	8,976	0	0	51,379	51,400

Source: SGS 2009

Table 32 shows that **51,400sqm** of floorspace could be generated with **14,000sqm** of this being retail floorspace and **37,400sqm** of industrial floorspace. Detailed strategic employment allocation (adjusted for Area 20 specific jobs) by BLC by area is shown in the tables below.

Table 33. Cudgegong Station (Retail/Commercial)

BLC	5 year Intervals					
	2021-2026	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051
Big Box	0	0	0	0	0	0
Bulky Goods	0	0	0	0	0	0
Business Park	0	0	0	0	0	0
Dispersed Activities	0	0	0	0	0	0
Freight Log	0	0	0	0	0	0
Local Light	0	0	0	0	0	0
Main Street	235	0	0	0	0	0
Manuf Heavy	0	0	0	0	0	0
Manuf Light	0	0	0	0	0	0
Office	0	0	0	0	0	0
Short Term Accom	0	0	0	0	0	0
Special Uses	0	0	0	0	0	0
Urban Services	0	0	0	0	0	0
TOTAL FLOORSPACE (sqm)	7,050	0	0	0	0	0

Source: SGS 2009

Table 34. Cudgegong Station (Industrial)

BLC	5 year Intervals					
	2021-2026	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051
Big Box	0	0	0	0	0	0
Bulky Goods	0	0	0	0	0	0
Business Park	0	0	0	0	0	0
Dispersed Activities	0	0	0	0	0	0
Freight Log	0	0	174	74	0	0
Local Light	70	42	71	8	0	0
Main Street	0	0	0	0	0	0
Manuf Heavy	0	0	0	0	0	0
Manuf Light	0	0	0	0	0	0
Office	0	0	0	0	0	0
Short Term Accom	0	0	0	0	0	0
Special Uses	0	0	0	0	0	0
Urban Services	0	0	0	0	0	0
TOTAL FLOORSPACE (sqm)	4,224	0	17,440	7,400	0	0

Source: SGS 2009

Table 35. Cudgong Village

BLC	5 year Intervals					
	2021-2026	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051
Big Box	0	0	0	0	0	0
Bulky Goods	0	0	0	0	0	0
Business Park	0	0	0	0	0	0
Dispersed Activities	0	0	0	0	0	0
Freight Log	0	0	0	0	0	0
Local Light	0	0	0	0	0	0
Main Street	145	87	0	0	0	0
Manuf Heavy	0	0	0	0	0	0
Manuf Light	0	0	0	0	0	0
Office	0	0	0	0	0	0
Short Term Accom	0	0	0	0	0	0
Special Uses	0	0	0	0	0	0
Urban Services	0	0	0	0	0	0
TOTAL FLOORSPACE (sqm)	5,075	3,045	0	0	0	0

Source: SGS 2009

Table 36. Area 20 – Area within Rouse Hill Major Centre Buffer

BLC	5 year Intervals					
	2021-2026	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051
Big Box	0	0	15	0	0	0
Bulky Goods	0	0	15	0	0	0
Business Park	0	0	0	0	0	0
Dispersed Activities	0	0	0	0	0	0
Freight Log	0	0	0	0	0	0
Local Light	0	0	0	0	0	0
Main Street	0	0	0	0	0	0
Manuf Heavy	0	0	0	0	0	0
Manuf Light	0	0	0	0	0	0
Office	0	0	0	0	0	0
Short Term Accom	0	0	0	0	0	0
Special Uses	0	0	0	0	0	0
Urban Services	0	0	0	0	0	0
TOTAL FLOORSPACE (sqm)	0	0	1,200	0	0	0

Source: SGS 2009

Table 37. Area 20 – Schofields Road Transition Area

BLC	5 year Intervals					
	2021-2026	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051
Big Box	0	0	0	0	0	0
Bulky Goods	0	0	0	0	0	0
Business Park	0	0	0	0	0	0
Dispersed Activities	0	0	0	0	0	0
Freight Log	0	0	0	12	0	0
Local Light	0	0	0	0	0	0
Main Street	0	0	0	0	0	0
Manuf Heavy	0	0	0	0	0	0
Manuf Light	0	0	0	0	0	0
Office	0	0	0	0	0	0
Short Term Accom	0	0	0	0	0	0
Special Uses	0	0	0	0	0	0
Urban Services	0	0	0	0	0	0
TOTAL FLOORSPACE (sqm)	0	0	0	1,200	0	0

Source: SGS 2009

Table 38. Area 20 Strategic Employment - TOTALS

BLC	5 year Intervals					
	2021-2026	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051
Big Box*	0	0	0	0	0	0
Bulky Goods*	0	0	0	0	0	0
Business Park	0	0	0	0	0	0
Dispersed Activities	0	0	0	0	0	0
Freight Log	0	0	174	85	0	0
Local Light	70	42	71	8	0	0
Main Street	380	87	0	0	0	0
Manuf Heavy	0	0	0	0	0	0
Manuf Light	0	0	0	0	0	0
Office	0	0	0	0	0	0
Short Term Accom	0	0	0	0	0	0
Special Uses	0	0	0	0	0	0
Urban Services	0	0	0	0	0	0
TOTAL JOBS	450	129	276	93	0	0
TOTAL FLOORSPACE (sqm)	16,500	5,565	21,660	8,980	0	0

*Values in previous tables not included in total due to Policy Adjustment.

Source: SGS 2009

5 Retail Modelling

Retail modelling has been completed to identify the limit of retail floorspace provision in the Area 20 Precinct before there are significant impacts on the economic viability of neighbouring centres.

5.1 Retail Model Method

The SGS Retail Model provides a method of estimating the market share and trade catchment of a centre, using elements from both mathematical and survey data based models. The SGS Retail Model is built upon international research as well as the extensive experience SGS has gained from undertaking retail studies.

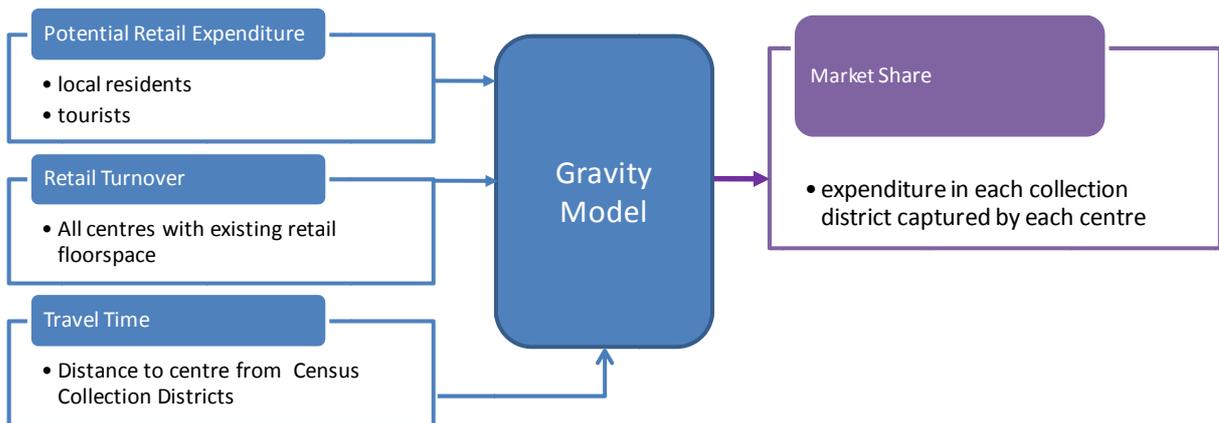
The SGS Retail Model determines Market Pull by means of the following equation:

$$\frac{(\text{"Attractiveness" of the Shopping Centre}) * (\text{Floorspace of the shopping centre})}{(\text{Travelling time from the shopping centre to the customer})^2}$$

In the SGS retail Model, the "attractiveness" of a centre is determined by using the known retail turnover as a basis and working backwards to find the "attractiveness" value at the present time. This attractiveness value is then used to estimate how centres perform given the potential **retail expenditure** of the study area.

The model outputs the share of expenditure captured by each centre (i.e. market share). The model inputs and outputs, in the context of the current study, are summarised in Figure 19.

Figure 19. SGS Retail Model



Source: SGS 2009

5.2 Retail Model Inputs

Retail Model Inputs consist of estimated:

- Retail Expenditure
- Escape Expenditure
- Retail Turnover

These inputs are described below.

Retail Expenditure

The pattern of retail expenditure for Area 20 has been generated by applying national trends for retail expenditure (ABS Retail Trade Trends 2008) and to ABS household income data (ABS Census of Population and Housing 2006). SGS has used comparable household incomes from established greenfield areas to estimate the income profile of the Area 20 future households. A comparison of the annual expenditure in NSW and Area 20 is shown in Table 39.

Table 39. Study Area Household Expenditure Variation by Retail Category (\$2008)

	Supermarkets	Department Stores	Other Food	Clothing	Household Goods	Other Retail	Hospitality and Services	Total
Retail Expenditure capita per annum – Area 20 @ 2031	\$4,912	\$1,343	\$775	\$1,152	\$2,333	\$2,525	\$1,642	\$14,682
Retail Expenditure capita per annum – NSW Average @ 2031	\$4,262	\$1,089	\$673	\$905	\$1,955	\$2,031	\$1,281	\$12,196

Source: SGS 2009

Escape Expenditure

Escape spending refers to the extent to which retail spending by residents in a particular region 'escapes' to retail locations outside the region. A high level of escape spending identifies a relative lack of conveniently located retail facilities in the area, and may indicate latent demand for additional retail development.

The total value of escape expenditure for the study area is around **\$847 million**, comprised primarily of Department Stores, Clothing and Footwear and Hospitality and Services.

Estimated Retail Turnover

Floorspace data for the centres in the study area have been converted to an estimate of existing retail turnover for a number of retail categories or commodity groups. This was achieved by applying typical retail turnover densities (RTDs) for each retail category with reference to expected escape expenditure. The estimated retail turnover for each of the centres in the study area is presented in Table 40.

Table 40. Estimated Retail Turnover \$'000 (\$2008)

	Supermarkets	Department Stores	Other Food	Clothing	HH Goods	Other Retail	Hospitality and Services	Total
Rouse Hill Major Centre	\$669,335	\$121,330	\$38,758	\$132,451	\$241,423	\$289,708	\$87,627	\$1,580,632
Alex Avenue Town Centre	\$29,466	\$8,091	\$15,456	\$5,994	\$25,346	\$33,545	\$26,700	\$144,597
Box Hill Town Centre	\$35,360	\$9,709	\$18,547	\$7,193	\$30,415	\$40,254	\$32,040	\$173,517
Marsden Park Town Centre	\$35,360	\$9,709	\$18,547	\$7,193	\$30,415	\$40,254	\$32,040	\$173,517
Riverstone Town Centre	\$35,360	\$9,709	\$18,547	\$7,193	\$30,415	\$40,254	\$32,040	\$173,517
Schofields Village	\$10,034	\$0	\$5,236	\$756	\$5,129	\$11,964	\$8,139	\$41,257
Vineyard Village	\$5,843	\$0	\$3,049	\$440	\$2,986	\$6,967	\$4,739	\$24,025
Area 20	\$20,073	\$0	\$10,475	\$1,513	\$10,259	\$23,932	\$16,281	\$82,533
Elsewhere*	\$243,082	\$137,768	\$42,425	\$91,609	\$138,541	\$70,345	\$122,805	\$846,575

*'Elsewhere' refers to the centres outside the study area within 45min of the study area.

Source: SGS 2009

5.3 Retail Model Results

Retail Impact Analysis and Results

Floorspace in Area 20 is increased until a threshold level of turnover reduction is observed at any of the study area centres. Significant retail impact is measured by a reduction in turnover of 10%. Table 41 shows the impact of more than doubling the floorspace in Area 20.

Table 41. % Change of Estimated Retail Turnover in Other Centres and Elsewhere

Centres	Supermarkets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality and Services	Total
Rouse Hill Major Centre	-5%	-7%	-17%	-5%	-10%	-11%	-14%	-8%
Alex Avenue TC	-5%	-7%	-17%	-5%	-10%	-11%	-14%	-10%
Box Hill TC	-5%	-7%	-17%	-5%	-10%	-11%	-14%	-10%
Marsden Park TC	-5%	-6%	-16%	-5%	-10%	-10%	-13%	-10%
Riverstone TC	-5%	-7%	-16%	-5%	-10%	-10%	-14%	-10%
Schofields Village	-5%	-	-16%	-5%	-10%	-11%	-14%	-10%
Vineyard Village	-5%	-	-16%	-5%	-10%	-11%	-14%	-10%
Elsewhere*	-5%	-6%	-17%	-5%	-10%	-11%	-14%	-8%

*'Elsewhere' refers to the centres outside the study area within 45min of the study area.

Source: SGS 2009

The biggest impacts occur on the other town centres in the study area and Schofields. Significantly, other centres are affected before Rouse Hill.

Table 42. Estimated Retail Turnover with Increased Floorspace in Area20 \$'000 (\$2008)

Retail Centre	Supermarkets	Department Stores	Other Food	Clothing and Soft Goods	HH Goods	Other Retail	Hospitality and Services	Total
Rouse Hill Major Centre	\$637,480	\$113,285	\$32,087	\$125,680	\$217,049	\$258,810	\$75,131	\$1,459,522
Alex Avenue TC	\$28,018	\$7,547	\$12,860	\$5,680	\$22,748	\$29,902	\$22,963	\$129,718
Box Hill TC	\$33,647	\$9,061	\$15,459	\$6,819	\$27,340	\$35,963	\$27,591	\$155,880
Marsden Park TC	\$33,732	\$9,103	\$15,654	\$6,841	\$27,516	\$36,180	\$27,884	\$156,911
Riverstone TC	\$33,636	\$9,059	\$15,554	\$6,816	\$27,373	\$36,030	\$27,711	\$156,180
Schofields Village	\$9,539	\$0	\$4,380	\$716	\$4,603	\$10,686	\$7,020	\$36,943
Vineyard Village	\$5,560	\$0	\$2,550	\$417	\$2,686	\$6,228	\$4,092	\$21,534
Area 20	\$70,719	\$19,418	\$37,094	\$14,385	\$60,830	\$80,507	\$64,080	\$347,034
Elsewhere*	\$231,581	\$128,842	\$35,402	\$86,987	\$124,784	\$62,914	\$105,940	\$776,451

*'Elsewhere' refers to the centres outside the study area within 45min of the study area.

Source: SGS 2009

This shows that the turnover in Area 20 could reach a value higher than the other study area town centres (which range from \$130,000 to \$160,000 in turnover) but much lower than the Rouse Hill Major Centre (\$1.5 million in turnover).

The total floorspace limit before significant impact is observed in the other study area town centres is **60,000sqm** across all retail categories. The breakdown by commodity group is shown in 0.

Table 43. Area 20 Threshold Floorspace – Commodity Groups

Commodity Group	Floorspace (sqm)
Supermarkets	4,715
Department Stores	4,315
Other Food	7,419
Clothing and Soft Goods	2,877
Household Goods	8,690
Other Retail	19,168
Hospitality and Services	12,816
Total	60,000

Source: SGS 2009

6 Conclusions & Recommendations

6.1 Employment & Floorspace Forecast

Model Outputs (Policy Adjusted)

The total employment forecasts for Area 20 are shown below. These total outputs are based on the following assumptions:

- Strategic jobs
 - driven by the locational and infrastructure assets of Area 20 compared with other locations in the NW Subregion
 - total strategic jobs to distribute in the NW Subregion is based on the jobs target in the NW Subregional Strategy and the percentage growth implied in the TDC employment forecasts.
- Population driven jobs
 - Jobs will arrive in line with incoming residents.
 - Forecast of 6,215 residents in 2031²⁴.

Table 44. Summary of Total Employment Forecasts

LAND USE	5 Year Intervals - Jobs								TOTAL	Rounded
	2011-2016	2016-2021	2021-2026	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051		
RETAIL	0	27	380	141	-	-	-	-	548	0
INDUSTRIAL	0	45	70	131	245	93	-	-	584	0
COMMERCIAL	0	-	-	-	-	-	-	-	-	0
OTHER ²⁵	0	21	-	42	-	-	-	-	63	0
TOTAL	0	93	450	314	245	93	0	0	1,195	0

Source: SGS 2009;

²⁴ SGS Forecasting using TDC population forecasts and modelling of additional population generated by NW Rail station.

²⁵ 'Other' refers to 'Dispersed' or 'Special Uses' – 'Dispersed' land uses are anomalies and include businesses which cannot fit into centres or other appropriate locations due to impacts on sensitive surrounding land uses (ie. churches, restricted premises). 'Special Uses' have a similar meaning to LEP zoning and refers to tertiary and health institutions and other large scale employment generating activities. The modelling forecasts these jobs based on growth in corresponding employment however the location of these jobs is subject to other factors such as location of population in relevant age groups.

Table 45. Summary of Total Floorspace Forecasts

LAND USE	5 Year Intervals - Floorspace								TOTAL	Rounded
	2011-2016	2016-2021	2021-2026	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051		
RETAIL	0	817	11,385	4,244	0	0	0	0	16,447	16,500
INDUSTRIAL	0	3217	4,224	8,929	21,688	8,976	0	0	47,034	47,000
COMMERCIAL	0	-	0	-	0	0	0	0	0	0
OTHER	0	835	0	1,669	0	0	0	0	2,504	2,500
TOTAL	0	4,868	15,609	14,843	21,688	8,976	0	0	65,984	66,000

Source: SGS 2009

6.2 Retail Impact Test

The proximity of (and additional floorspace capacity within) the Rouse Hill town centre significantly impacts on the potential of Area 20 to attract significant Big Box, Bulky Goods and Office land uses. However, escape expenditure analysis shows that a considerable proportion of the expenditure will not be captured within the study area. This suggests that there may be an undersupply of retail/commercial floorspace in the NWGC. In this case, Area 20 can address some of this shortfall in future retail floorspace.

Retail impact analysis shows that theoretically, Area 20 could provide an upper limit of **60,000 sqm** of retail floorspace without significant impacts on the expenditure of the higher order centre at Rouse Hill and the NWGC town centres of Riverstone, Alex Avenue, Box Hill and Marsden Park. However, there are overriding planning policy conditions which preclude this level of retail in Area 20.

6.3 Appropriate Retail Floorspace

SGS has identified a range of retail floorspace from our modelling that may be appropriate in Area 20 given the expected retail expenditure generated by strategic and population driven employment at the low end of the range (**16,500sqm**) and expected retail expenditure which does not impact on existing centres at the high end of the range (**60,000sqm**). An appropriate retail floorspace volume and internal hierarchy has been developed and is detailed below.

To provide an appropriate indicative floorspace volume we have looked at the policy and market implications to arrive at an appropriate level, and form of retail floorspace in the Area 20 precinct.

Policy Directions

The centres hierarchy in the NWGC provides for the following:

- **Major Centres** - Key retail and activity centre for the broader community. Includes high level retail (Department Stores)
- **Town and Village Centres** - Developed as a community heart, linking a number of adjacent communities to a central activity and community gathering point. Secondary retail (mini major, supermarket, specialist shops)
- **Walkable Communities** - Linked to a small scale mixed use activity zone to encourage local community integration²⁶

The Rouse Hill Major Centre, although not within the Growth Centre boundary itself, will act as a key driver for employment development within the NW Growth Centre. Town centres in the NWGC are identified in Box Hill, Riverstone, Alex Avenue and Marsden Park with advanced or completed precinct planning for Riverstone, Alex Avenue and Marsden Park. Villages and walkable centres are proposed as part of detailed precinct planning, such as this study.

Structure planning for the NWGC identified floorspace for the town centres but not for all villages and walkable centres. Town centres have the following retail floorspace thresholds:

Table 46. NWGC and Rouse Hill - Centre Retail Floorspace Thresholds

Centres	Retail Floorspace Capacity (sqm)	Indicative Centre Buffer	Unrealised, approved retail floorspace (sqm)	Source
Rouse Hill	200,000	1000	135,000	A
Riverstone TC	30,000	800	30,000	B
Alex Ave TC*	30,000	800	30,000	C
Schofields SV	10,000	400	10,000	B/C
Marsden Park TC	35,000	800	35,000	B
Box Hill TC	25,000	800	25,000	C
Vineyard V	10,000	400	10,000	C
North Kellyville	15,000	400	15,000	C
TOTALS	330,000	-	290,000	-

Sources Notes:

A. http://www.rouse-hill.com/llweb/rousehill/main.nsf/all/story_background (Accessed July 2009)

B. North West Growth centre Structure Plan, Explanatory Notes, Growth Centres Commission, 2006

C. North West Growth Centre Draft Precinct Planning Documents, 2009

* Maximum threshold.

²⁶ Growth Centres Development Code, Growth Centres, November 2006

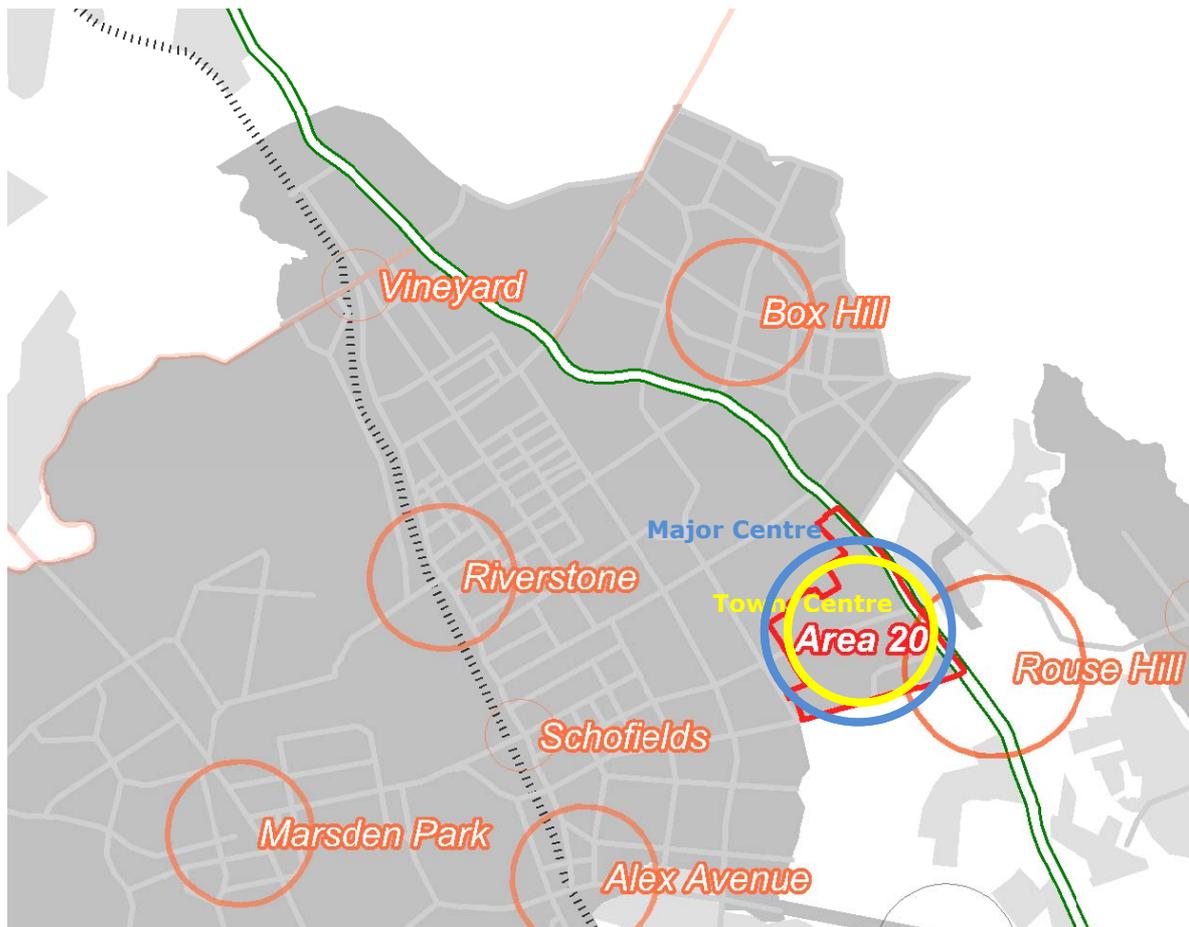
The volume of retail floorspace in the Area 20 precinct must consider the following:

- The potential for strategic and population driven development,
- Unrealised, approved retail floorspace in Rouse Hill and Town Centres in the NWGC of approximately **290,000sqm**,
- The objectives for Area 20 to provide predominantly low density housing product, and
- The lack of current and proposed public transport provision in the precinct.

The range identified in the modelling is between **16,500sqm** - which, if located within one centre, would be between a town centre and a village - and **60,000sqm** - which if located within one centre, would be larger than a town centre and would be comparable the current size of the Rouse Hill centre.

Another centre of similar size to Rouse Hill or of town centre would not be viable in this location and would most certainly impact on the centres hierarchy as set out in State Government planning policy (see Figure 20 for concept diagram).

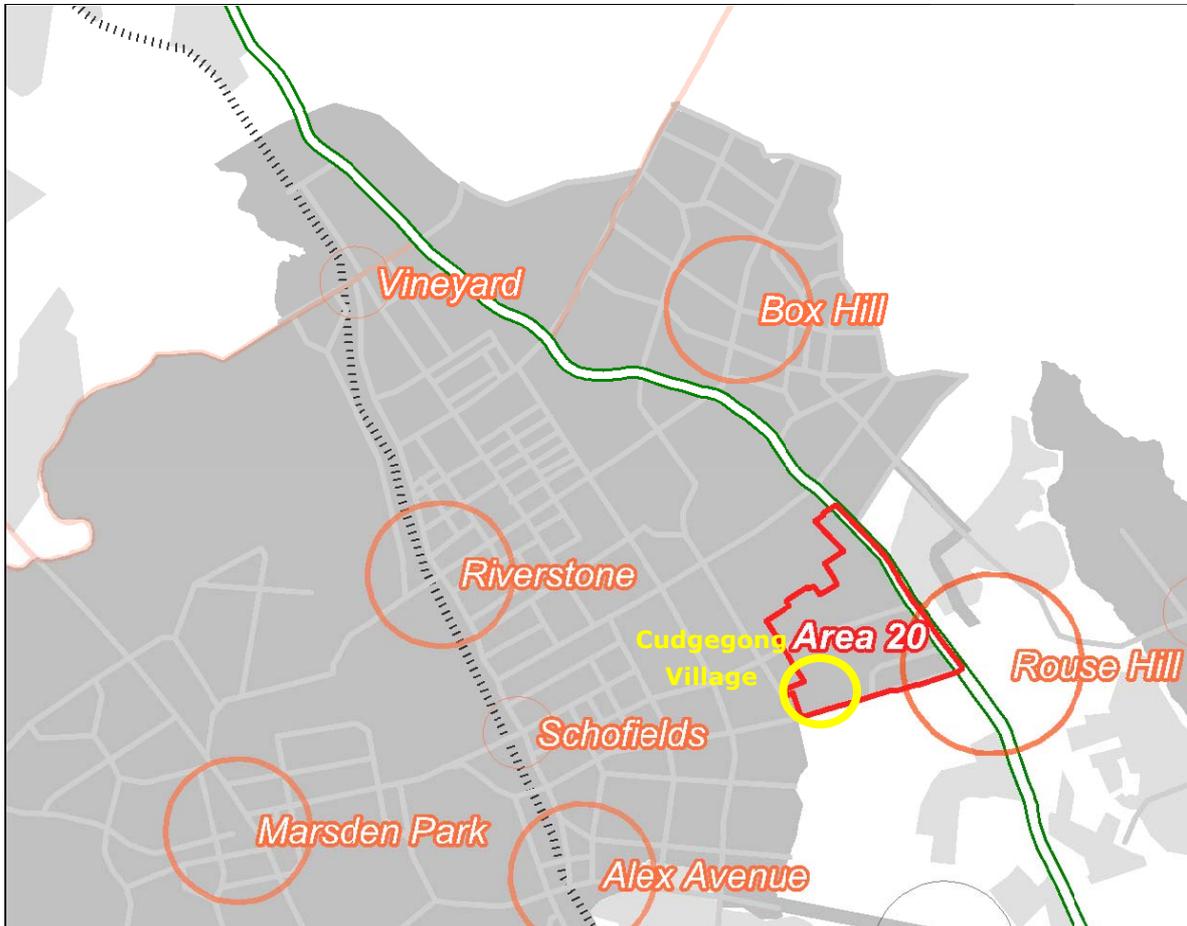
Figure 20. Area 20 Buffer Analysis - Major and Town Centre Buffers



Source: SGS 2009

An appropriate centre for Area 20 would therefore be no larger than a town centre. The presence of a rail station in Area 20 does allow for a larger village centre which could support around **15,000sqm** of retail floorspace.

Figure 21. Area 20 Buffer Analysis – Cudgegong Village Buffer



Source: SGS 2009

From a strategy/policy perspective (based on the volume of unrealised retail floorspace in the NWGC and Rouse Hill, and objectives for density and transport in Area 20) an appropriate centre type for the Area 20 precinct is a large village of around 15,000sqm.

Market Demand

There is a distinction between market demand for **strategic employment land demand** and for **population driven employment land demand**. SGS modelling has assessed the demand under these two related but distinct drivers.

SGS has simulated the supply-side profile for **strategic employment lands** through employment allocation modelling. The method had includes identifying the profile of all land according to attributes desired for a range of employment land uses. The assumption is that land to be picked off first by the market will possess certain locational attributes with the most attractive land having many or all of location attributes required by specific land uses.

Our modelling has identified that there will be attraction of **strategic retail employment** to Area 20 due to the presence of the Cudgegong Road NW Rail station. There will also be **population generated retail employment** generated by the future Area 20 households. Some of these jobs will be located within Area 20 while others with a more strategic role will gravitate to other locations such as Rouse Hill (bulky goods retail) and Marsden Park (business park) and strategic industrial lands around WSEH (industrial, urban services). Population generated demand for local light industrial services, such as car repairs, will be attracted to Cudgegong Station industrial area.

From a supply-side perspective, Area 20 will attract strategic and population driven employment. The population driven component will be larger in NW Rail scenario given the increased potential for higher density development around transport nodes, in this case, to the north of the proposed rail line.

Internal Centres Hierarchy

Policy directions for Area 20 indicate that it will contain:

- 1,500 - 2,500 lots
- 2,000 - 2,500 Dwellings
- Population of approx. 6,000 - 7,000 people
- Mix of housing with some 'higher' density housing or 'attached' housing

This volume of population growth generates particular demands for community infrastructure (which includes retail development) as identified in Table 47 below.

Table 47. Key Social, Recreational Infrastructure and Open Space – Area 20

To be provided within Area 20	<ul style="list-style-type: none"> • A primary school • Neighbourhood level retail to meet everyday needs • A small community meeting space • Two to three child care centres (private) • 3-4 playing fields and other parks
Should be accessible to residents of Area 20, although not located on site	<ul style="list-style-type: none"> • Access to indoor and aquatic facilities • Good access to Rouse Hill Regional Park • Neighbourhood level community centre (included as part of the two proposed Community
Within resource hubs in the Riverstone precinct	<ul style="list-style-type: none"> • Branch library • Emergency services • High School (public and private) • Community Health Services • Hospital Services • Family and children’s services • Arts and cultural facilities • Places of worship • Some services for older people

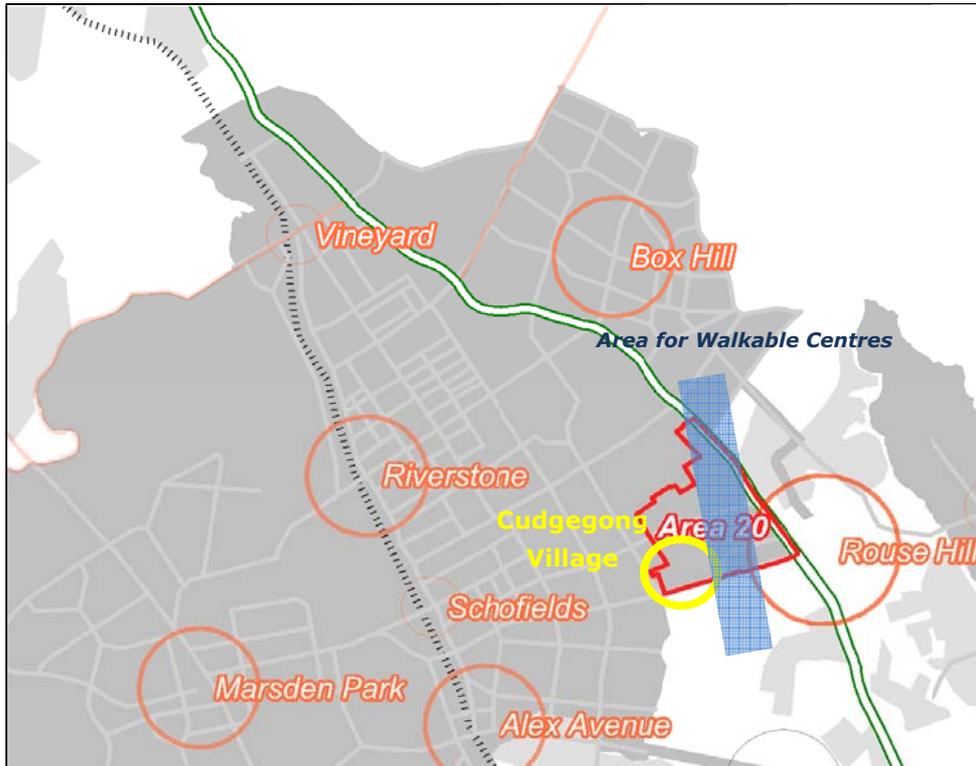
Source: Elton Consulting 2009, DoP 2010

The location of a **Village centre** adjacent to social infrastructure such as schools and playing fields help start to build a hub to focus community activity along with the basic retail services which is the objective of the Town and Village Centres in the NWGC. The policy analysis finds that a reasonable centre size is around **15,000sqm** based on retail thresholds for existing villages within NWGC and allowing for the additional population potential around the NW Rail station.

The location of the Village Centre would be dependent on the location of the social infrastructure. This would then dictate the location of supporting neighbourhood centres which should fill gaps in access to centre buffers.

Walkable centres would then be appropriate in the gaps left between the Village and other centres. This could result in the provision of two to three centres throughout the precinct. SGS research finds that walkable centres (or smaller ‘neighbourhood centres’ in Subregional Strategy language) usually contain up to 5 different businesses providing food, grocery and other basic retail. This would equate to retail floorspace of a minimum of **500 sqm** (assuming a minimum gross floor area of 100sqm although some shops can be smaller than this). Two to three walkable centres would generate **1000 to 1500sqm** of retail floorspace.

Given that the village centre will be located off Cudgegong Road in the south eastern part of the precinct, there would remain parts of Area 20 where residents would not have access to centre within 400m or more. This would be an appropriate area for the location of three to four walkable centres.

Figure 22. Area 20 Buffer Analysis – ‘Walkable’ Centre gaps

Source: SGS 2010

From a NWGC ‘centres hierarchy perspective’, an appropriate centre hierarchy and retail floorspace threshold for Area 20 is 16,000 to 16,500 sqm (533 to 550 jobs). This would be comprised of a Village centre at Cudgegong Station of around 15,000sqm and 2-3 walkable centres with a total of 1,000 – 1,500 sqm.

6.4 Appropriate Corridor Employment Floorspace

SGS has assessed the potential for employment land uses along the Schofield Road Corridor. The modelling finds that there will be strategic and population driven employment attracted to the corridor lands tested. The modelling outputs show that the Schofield Road Corridor could theoretically attract around **480 jobs** to 2031. However, some of these jobs are unlikely to occur due to the pull of more attractive locations in the NWGC and region and policy considerations.

The suitability of the Schofields Road Corridor for various employment uses, and likely jobs generation, is described in detail by component area. A key assumption in this analysis is that not all land identified for testing will be developed for employment land uses (due to roads,

environmental constraints, and other constraints). We have assumed that only 40 per cent of corridor jobs generated and 30 per cent of retail jobs will be accommodated in the test areas.

Cudgegong Station - Industrial

The analysis shows some potential for local light industry and freight and logistics jobs with **438 jobs** forecast on industrial land within the Cudgegong Village centre buffer.

Figure 23. Industrial Land within Cudgegong Village Centre



Source: SGS 2009

Area 20 within Rouse Hill Major Centre Buffer

In the modelling, this part of Area 20 scores very well for a range of land uses and could attract around **30 jobs**. However, the jobs that would be attracted to this area would be inconsistent with broader policy objectives and land attributes as follows:

- **Bulky Goods Retail, and Local Light Industry.** These types of uses may be appropriate at this location where they can support the development of Rouse Hill Centre and would fit within

a B5 Enterprise corridor zone. However, the planning for Rouse Hill currently includes a large land area bordering Windsor Rd. In the Master Plan this is identified as 'future mixed use' land and the Hills DCP suggests that this area would be more desirable for Bulky Goods Retail.

Additionally, prime land in this location would not be utilised to its highest potential if used as industrial land.

- **Business Park and Office.** Business Park would be attracted to this location however, broader policy objectives have identified business park activity to Marsden Park and Riverstone West. The areas have advanced precinct planning with Marsden Business Park Masterplan having been exhibited. Office could be attracted to this location however these jobs are currently absorbed by Rouse Hill Major Centre along with the other large centres in the north west subregion including Penrith and Blacktown which both have centre growth strategies in place or under investigation.

As such, these jobs would be unlikely to occur.

Figure 24. Area 20 Precinct within Rouse Hill Major Centre



Source: SGS 2009

Schofields Road Transition area (corridor between Rouse Hill and Cudgegong Village Buffers)

The transition area does not attract significant job numbers with only a small number of freight and logistics jobs forecast by the modelling (around **12 jobs**). However, in practice this area may provide a suitable location for uses requiring large lots and which cannot be located within Rouse Hill Centre itself. In this respect, this area could provide a support role for Rouse Hill centre in accommodating uses typically found in B5 business development zones.

Figure 25. Schofields Road Transition Area



Source: SGS 2009

Corridor Jobs Generation Summary

The likely jobs generation for the corridor provides a conservative estimate of jobs in the corridor. Such jobs are more likely in areas outside of the Rouse Hill major buffer which will have pressure for higher value land uses than corridor land uses would allow (such as residential land uses).

Likely jobs generation is in the order of **450 jobs**. This would have a total floorspace yield of **37,400sqm** by expected BLC as shown in Table 48 below.

Table 48. Likely Corridor Jobs and Floorspace Yield

BLC	5 Year Intervals				Total Jobs	Total Floorspace*
	2021-2026	2026-2031	2031-2036	2036-2041		
Freight & Logistics	0	0	174	85	260	25,960
Local Light	70	42	71	8	190	11,424
Total	70	42	245	93	450	37,384

*FL = 100sqm per job; LL = 60sqm per job; SGS Research

Source: SGS 2009

Consideration of Corridor Development

Given the above analysis it is clear that there is some potential for the use of Schofields Road as a mixed use corridor should the NW Rail extension occur. This is due to the lower amenity land created between the rail corridor, stabling yards and Schofields Road where residential uses may not be appropriate.

Attracting activity other than industrial land uses (such as large format retail) may be difficult due to a combination of the following:

- Supply of retail floorspace capacity in the Rouse Hill Centre and the significant supply of employment land in the North West subregion.
- Policy direction which favours retail floorspace in the Rouse Hill centre and industrial land uses on strategic employment lands.
- Potential for high traffic volumes and cheaper land values.
- Highest and best uses which may not be industrial land uses.

However, in practice this area may provide a suitable location for uses requiring large lots and which cannot be located within Rouse Hill Centre itself. In this respect, this area could provide a support role for Rouse Hill centre in accommodating uses typically found in B5 business development zones.

There is some potential for the use of Schofields Road as a mixed use corridor, should the NW Rail extension occur and may provide a support role to the Rouse Hill major centre. Estimated corridor jobs and floorspace are 450 jobs and 37,400sqm of predominantly industrial floorspace.

6.5 Self Containment

The employment analysis shows that Area 20 could generate around **1,200 jobs** in a 'with NW Rail' scenario. This roughly translates to a jobs-to-resident labour force rate of **29 per cent** as shown in Table 49.

Table 49. Self Containment Analysis

A. Participation Rate for NWGC*	71%
B. Estimated Area 20 Population at 2031	5,873
C. Area 20 Estimated Resident Labour Force (A x B)	4,170
D. Total Estimated Jobs in 2031	1,200
E. Self Containment result (D divided by C)	29%

* SGS Research

Source: SGS 2009

While this self-containment figure may seem low, we must consider the way that Area 20 fits into the broader context of the NWGC. Self containment in relation to jobs, does not necessarily imply that jobs would be found in the absolute immediate vicinity of the homes where the resident workforce live. The aim is that sufficient depth of employment should be available **across the subregion** so that residents have a good choice of job opportunities while minimising the need for trip making. The key factors are the variety of job opportunities and the quality of access to them across the subregion. Planning should aim to maximise jobs in the subregions to minimise aggregate trip making.

This analysis should be expanded to all jobs generated by the North West Growth Centre precincts and the subregion to get an accurate picture of self containment.

Appendix 1: Policy Review

Centres

State Environmental Planning Policy (Sydney Region Growth Centres) and the North West and South West Structure Plan and Explanatory Notes (2006)

The Growth Centres SEPP is the legal instrument that establishes the planning rules and objectives for the North West Growth Centre. Prepared in July 2006, the aims of this Policy are:

- to co-ordinate the release of land for residential, employment and other urban development in the North West and South West growth centres of the Sydney Region.
- to enable the Minister from time to time to designate land in those growth centres as ready for release for development.
- to provide for comprehensive planning for those growth centres.
- to enable the establishment of vibrant, sustainable and liveable neighbourhoods that provide for community well-being and high quality local amenity.
- to provide controls for the sustainability of land in those growth centres that have conservation value.
- to provide for the orderly and economic provision of infrastructure in and to those growth centres.
- to provide development controls in order to protect the health of the waterways in those growth centres.
- to protect and enhance land with natural and cultural heritage value.
- to provide land use and development controls that will contribute to the conservation of biodiversity.

The North West Structure Plan, as illustrated in Figure 27, outlines the proposed broad land use planning for the Growth Centre. The key planning features of the North West Growth Centre include:

- A planned Major Centre at Rouse Hill. This centre is now operating and is trading strongly; and
- Riverstone, Box Hill, Marsden Park and Schofields/Alex Avenue as potential Town/Village Centres. The final location of these centres will be determined with more detail planning for the growth centre. Draft Precinct Planning has been provided for the Riverstone and Alex Avenue Precincts.

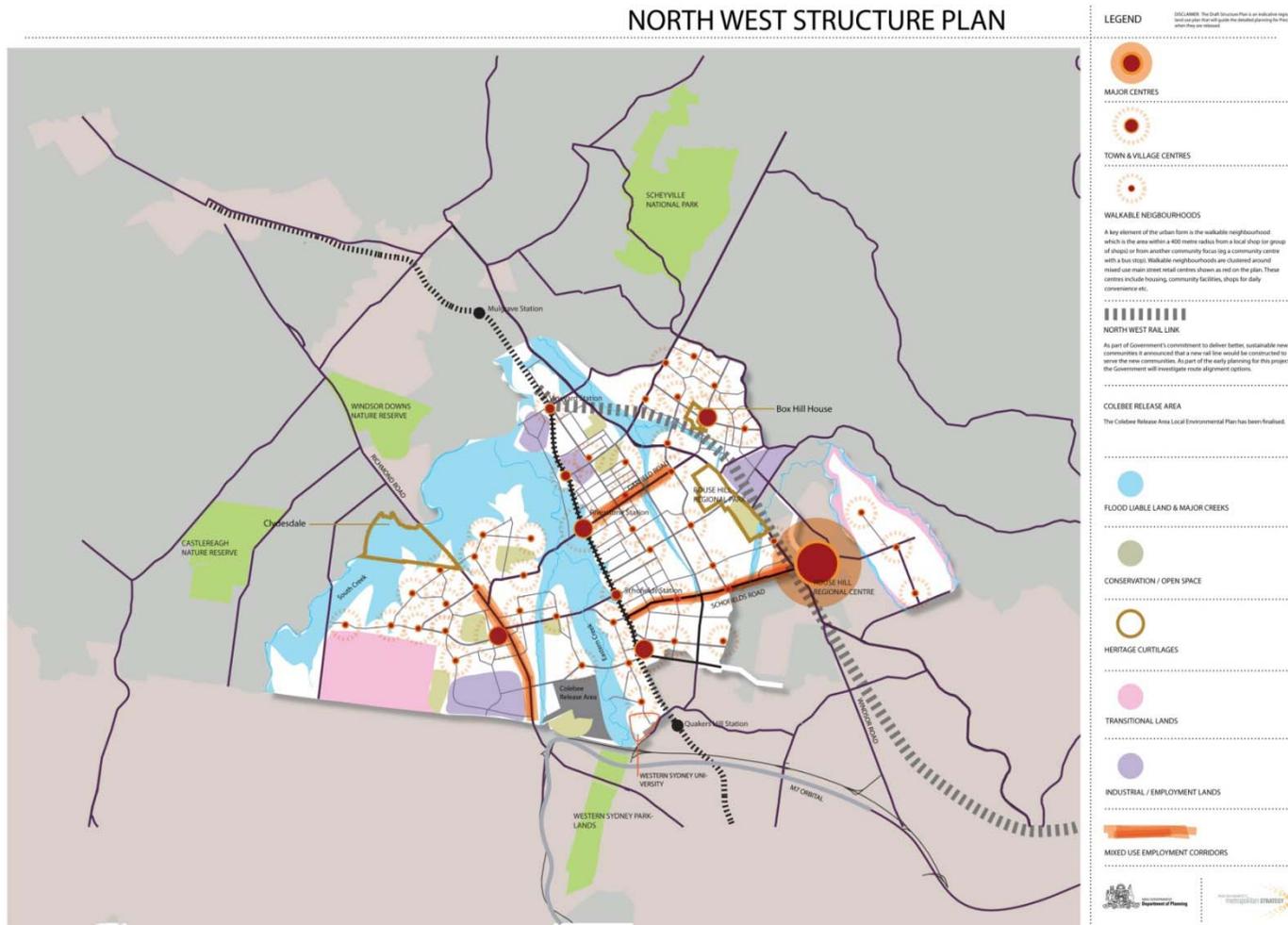
The structure planning outlines certain ranges for retail and commercial floorspace in the proposed centres Figure 26. Updated floorspace space ranges have been provided by more recent draft precinct planning.

Figure 26. NW Growth Centre Structure Plan - Centres

Centre	Population base	Centre type	Character of the centre	Retail floor space range (m²)
Rouse Hill	Region	Regional centre	Regional facilities	Over 100,000
Riverstone	12,000 dwg 30,000 pop	Town/village centre	2 Supermarkets 1 Department store	25,000 – 30,000
Schofields/ Alex Avenue	13,000 dwg 36,000 pop	Large town/village centre	2 Supermarkets, 1 – 2 Department stores	30,000 – 40,000
Marsden Park	15,000 dwg 42,000 pop	Town/village centre	2 Supermarkets, 1 Department store	30,000 – 35,000
Box Hill	12,000 dwg 30,000 pop	Town/village Centre	1 – 2 Supermarkets 1 Department store	20,000 – 25,000

Source: North West Growth Centre Structure Plan, Explanatory Notes, Growth Centres Commission, 2006.

Figure 27. NW Growth Centre Structure Plan



Source: Growth Centres Commission 2007

The Structure Plan also outlines a proposed North West Rail link.

North West Growth Centres Precinct Planning

Precinct planning has significantly advanced with the gazettal of the North Kellyville Development Control Plan in December 2008 and the exhibition of Draft Precinct Plans for Riverstone and Alex Avenue Precincts. These plans guide the development of new town centres and villages as follows:

- *Alex Avenue Precinct.* Land identified as the Alex Avenue Town Centre is across several land parcels in different ownerships. There is the possibility that the centre may be developed by several landowners or developers. The approach to this has been to set design controls in the Draft DCP for the precinct to achieve consistency and coordination in the development of the centre.

The maximum retail floor area within the local centre is to be in the order of 25,000sqm to 30,000sqm to 'ensure that the centre functions in accordance with its position in the regional centres hierarchy'²⁷.

The DCP encourages a range of retail, commercial, entertainment, recreation and community uses to serve the needs of the wider community and promote an active and vibrant Local Centre.

- *Riverstone Precinct.* The precinct is built around the existing Riverstone Town Centre. Development in the existing town centre is governed by the Blacktown LEP 1988. Most of the town centre is zoned 3(a) with edge of centre land zoned 3(b). This is surrounded by 2A zoned land. The 3(a) zone is flexible with only prohibited use listed and a merit based approach for all other proposed development. The 3(b) zone serves to support the 3(a) land and allows for bulky goods development, commercial offices, light industrial activities and business support services. Only limited retailing activities are permitted.

The new Riverstone precinct surrounds these existing lands and includes two new neighbourhood centres to service the new population.

- *North Kellyville Precinct.* The precinct will contain a local centre and two neighbourhood centres. The local centre is limited to 15,000 sqm GFA and will permit a range of retail, commercial and community uses to serve the needs of the community.

Rouse Hill Regional Centre

The development of Rouse Hill is a joint venture between Lend Lease and GPT in conjunction with Landcom and the NSW Department of Planning. Planning for the Rouse Hill Regional Centre is governed by Rouse Hill Regional Centre Masterplan. Stage 1 is complete and includes 65,000 sqm of retail and commercial floor space, with a further 130,000 sqm left once the remaining areas of the Rouse Hill Masterplan are completed²⁸.

²⁷ Alex Avenue Precinct Draft Development Control Plan, Growth Centres Commission, 2008

²⁸ NSW Premier's Council for Active Living, Case study name: Rouse Hill Town Centre, May 2009

- *Principle 3.* The market is best placed to determine the need for retail and commercial development. The role of the planning system is to regulate the location and scale of development to accommodate market demand.
- *Principle 4.* The planning system should ensure that the supply of available floorspace always accommodates the market demand, to help facilitate new entrants into the market and promote competition.
- *Principle 5.* The planning system should support a wide range of retail and commercial premises in all centres and should contribute to ensuring a competitive retail and commercial market.
- *Principle 6.* Retail and commercial development should be well designed to ensure it contributes to the amenity, accessibility, urban context and sustainability of centres.

The Draft Centres Policy is structured into a four part policy framework:

1. The regional/subregional strategic level

At the regional/subregional level the policy provides guidance for developing a flexible network of centres, a better understanding of floorspace supply and demand and minimum floorspace targets. As part of this, the policy includes centres typology which is based on the hierarchy established in the Metropolitan Strategy. Here, it is stressed that the centre typologies are a descriptive tool to categorise the likely future function of centres, not a prescriptive tool to limit the growth of those or other centres in the future.

2. The local strategic level

At the local level, the Policy provides guidance for identifying land for retail and commercial development through zoning. It shows how these are to be implemented into the Council Local Environmental Plans.

The purpose of these zones is to cluster specific activities together, complement and strengthen nearby centres, increase economic development opportunities and support the local workforce. If development is placed in these zones, it is considered best that they are placed in accessible edge-of-centre locations, used as a buffer between residential areas and busy roads or placed on main roads with good exposure.

The policy recognises that it may not be feasible or desirable to locate all retail and commercial development within centres. In these circumstances, development could occur in: Business Development, Enterprise Corridor, Business Park, General Industrial or Light Industrial zones.

3. The development assessment and rezoning level

At the development assessment and rezoning level, the policy outlines the process for considering development applications including an overview of the Net Community Benefit Test. Where a development is consistent with the permitted use in a zone, the developed should be assessed on merit. However, where development is inconsistent with the permitted use, a Net Community Benefit Test should be applied. If the proposal is permitted via this test, the LEP would then be amended to allow for the proposed use (i.e. spot rezoning).

4. Monitoring/review

The monitoring and review section highlights the need to monitor the supply of retail and commercial floorspace on a regular basis to ensure it accommodates market demand.

Innovation Statement

The NSW Government *Statement on Innovation* (2006) sets a framework and commitment to supporting economic growth in NSW. The statement is particularly relevant when determining key industry targets for growth in NSW and is underpinned by three core principles:

- *Principle 1.* That the efforts of government to support and build innovation should be focused on those industries that are most likely to produce benefits for the broader economy, and where innovation will be boosted by the Government's support.
- *Principle 2.* That policies and support to these sectors should be based on an analytical understanding of the actual innovation processes specific to these sectors in the NSW economy.
- *Principle 3.* That the Government's role in supporting innovation should be focused on complementing, not replacing the market.

In terms of key industry sectors for government focus, the *Statement on Innovation* identifies clear comparative advantages for NSW in the sectors of:

- high value added manufacturing
- entertainment, design, media and creative arts
- financial and business services
- logistics and transaction services
- energy and related services, particularly coal

The statement proposes that these be the sectors for a focus on boosting innovation infrastructure and capacity.

Key actions to emerge from the statement include the establishment of an Innovation Council to drive its implementation (including wireless broadband infrastructure, investment in education, and provide further financial support to R&D). In addition, the Council will undertake detailed research into the necessary requirements to further innovation in the identified key industry sectors.

Employment and economic development planning for the North West Growth Centre can respond to the Innovation Statement by focusing on strengthening value chains around Transport and Logistics and Advanced Manufacturing.

Industrial

Key employment land policy is summarised in the text boxes below. New release employment land is administered through State Planning Policy with strong policy guidance on land uses.

State Environmental Planning Policy (Western Sydney Employment Hub) 2008 - DRAFT

The key policy document affecting the site is the Western Sydney Employment Hub State Environmental Planning Policy 2008 (Draft SEPP). The Draft SEPP seeks to formalise the planning of all land within the Western Sydney Employment Hub (WSEH) under one instrument. The gazettal of this Draft SEPP would absorb the SEPP 59 provisions relating to employment land. A summary and key implications are provided below.

Draft State Environmental Planning Policy (Western Sydney Employment Hub) 2008

The Draft SEPP identifies 9 precincts. These are:

- a) Precinct 1 (the Lot 11 (Former Wonderland) Precinct),
- b) Precinct 2 (the Eastern Creek Precinct),
- c) Precinct 3 (the Huntingwood Precinct),
- d) Precinct 4 (the Raceway Precinct),
- e) Precinct 6 (the Ropes Creek Precinct),
- f) Precinct 7 (the Erskine Park Employment Lands Precinct),
- g) Precinct 8 (the South of Sydney Water Pipeline (West) Precinct),
- h) Precinct 9 (the Quarantine Station Precinct),
- i) Precinct 10 (the Greystanes Northern Employment Lands Precinct).

The Draft SEPP has the following objectives:

- a) to promote economic development and the creation of employment in the Western Sydney Employment Hub by providing for the development of major warehousing, industrial, high technology and research facilities,
- b) to provide for the co-ordinated planning and development of land in the Western Sydney Employment Hub,
- c) to rezone land for employment or environmental conservation purposes,
- d) to improve certainty and regulatory efficiency by providing a consistent planning regime for future development and
- e) infrastructure provision in the Western Sydney Employment Hub,
- f) to ensure that development occurs in a logical and cost-effective manner in accordance with a staging plan and only after a development control plan (including specific development controls) has been prepared for the land concerned,
- g) to conserve and rehabilitate areas that have a high biodiversity or heritage or cultural value, in particular areas of remnant vegetation.

The development control plan referred to must be prepared for each precinct in the WSEH prior to any consent being granted for development. Schedule 5 of the Draft SEPP list particular areas the development control plans must address. These are:

- a) traffic, parking and key access points,
- b) infrastructure services,
- c) a detailed staging plan for any proposed development,
- d) biodiversity,
- e) flooding,
- f) urban design and landscaping,
- g) subdivision layout,
- h) heritage conservation (both indigenous and non-indigenous),
- i) extraction and rehabilitation.

With regard to permissible land use zones, the SEPP makes provisions for one industrial zone (IN1 General Industrial) and one Environmental Conservation Zone (E2 Environmental Conservation). The IN1 zone in the Draft SEPP varies from the IN1 standard template zone by allowing research activities as an acceptable land use objective and additional permissible development including industrial retail outlets, roads, transport depots and truck depots.

The Draft SEPP also makes provision for land to be reserved for the Erskine Park Link Road Network. A part 3A draft concept plan for this road network is currently under consideration by the Department of Planning.

State Environmental Planning Policy No 59 - Central Western Sydney Economic and Employment Area

SEPP 59 guides the industrial development of Central Western Sydney, in particular the Eastern Creek Precinct and Erskine Park Employment that lies adjacent to the subject site. A summary is given in the text box below.

State Environmental Planning Policy (SEPP) No. 59 – Central Western Sydney Economic and Employment Area:

SEPP 59 was originally gazetted in 1999, and rezoned land in the suburbs of Eastern Creek, Huntingwood and Prospect. The aim of the policy was to promote economic development and the creation of employment in Western Sydney by providing for the development of major warehousing, industrial, high technology, research or ancillary facilities with good access to the existing and proposed road freight network.

A requirement of SEPP 59 lands is that a precinct plan must be prepared for each site and must take into consideration:

- The contribution the development makes to the economic development and the number and diversity of jobs in Central Western Sydney.
- The range of lot sizes and the resulting ability to accommodate a wide-range of employment generating development including those uses which require large sites such as major distribution sites.
- The timing, location and design of the development having regard to the orderly provision of infrastructure and services.

Select key objectives of the Employment Zone within SEPP 59 are:

- To facilitate employment-generating industrial, manufacturing, warehousing, high technology, storage or research purposes, including ancillary office space, that are consistent with a Precinct Plan applying to the land.

- To ensure that development in Central Western Sydney is of a high standard;
- Enhances the amenity of Central Western Sydney by including high quality landscaping, signage and fencing, adequate building setbacks, high quality external finishes, and is compatible with the scale and character of existing development in the area; and
- Allows for a variety of small scale, local services through the provision of commercial, retail and community facilities such as childcare, but only where it is ancillary to the development of land within this zone; provides personal services and community facilities to persons occupied or employed in activities in this zone; and is unlikely to prejudice the viability of existing activities and is not prejudicial to the objectives of this zone.

Source: DoP, 2009

Precinct Plans prepared under SEPP 59

The following precinct plans have been prepared under SEPP 59 and have been incorporated in to the local planning provisions.

Precinct Plan	Plan Objectives
SEPP 59 - Eastern Creek Precinct Plan (Stage 3) December 2005	<p>The Eastern Creek Stage 3 Precinct Plan, prepared under SEPP 59, was adopted by Blacktown Council in December 2005. This Precinct Plan sets out its intention to adhere to the objectives of Blacktown City Council:</p> <ul style="list-style-type: none"> • To contribute to employment growth in Blacktown and Western Sydney generally. • To contribute to the diversity and quantity of employment land stocks • To accommodate a wide range of businesses which are able to be supported by small scale local services • To contribute to increased levels of skill matching with the local workforce • To contribute to increased levels of self-sufficiency for Blacktown • To provide well-located employment land which contributes to freight efficiency • To promote information technology and communications access
SEPP 59- Huntingwood East Draft Precinct Plan	<p>This Draft Precinct Plan was placed on exhibition and awaits approval by the Minister for Planning. The draft plan has the following objectives:</p> <ul style="list-style-type: none"> • Promote economic growth and employment opportunities consistent with the objectives of the Metropolitan Strategy and SEPP 59 • Ensure the orderly provision of infrastructure and services in a manner that minimises impacts on the environment • Ensure the orderly provision of infrastructure and services in a manner that minimises cost to government • Ensure ecologically sustainable development that actively anticipates and prevents damage to the environment • Conserve areas of high biodiversity and archaeological significance and minimise the impact of development in the Precinct on these areas • Ensure the traffic and public transport needs for the Precinct are achieved • Ensure high quality urban design outcomes are achieved • Allow for the provision of adequate landscaped areas for the use and enjoyment of the working population
Erskine Park Employment	<p>This Precinct is administered under Penrith Council's Local Environment Plan (Erskine Park</p>

Lands Precinct	<p>Employment Area). The aims of this plan are:</p> <ul style="list-style-type: none"> • To make land available for economic and employment generating development in the City of Penrith • To promote development which is consistent with the council's vision for the City of Penrith contained in its Strategic Management Plan, namely, one of a region having a harmony of urban and rural qualities with a strong commitment to environmental protection and enhancement • To promote development which observes responsible and environmentally sound management practices to minimise any adverse environmental impact of that development on surrounding localities
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Other key policy documents

There are a number of additional key policy documents guiding economic development opportunities presented by Western Sydney. These are summarised in Table 50.

One of the most notable influences are the Employment Lands Action Plan for Sydney (released in December 2007) and the Sydney Metropolitan Strategy (released in December 2005). The table below outlines the relevant directions from the Action Plan and Metropolitan Strategy.

Table 50. Key Policy Messages

Policy Document	Relevant Messages
State-level Policies...	
NSW Government's Employment Lands For Sydney Action Plan, March 2007	<p>The key actions for employment lands in Sydney are:</p> <ul style="list-style-type: none"> • Establish an Employment Lands Development Program (ELDP) to maintain the balance between demand and supply of employment land • Release more greenfield land to overcome a shortage of supply • Develop new policy initiatives to encourage the regeneration of brownfield sites to support new investment and employment opportunities • Employ more efficient processes for rezoning and developing employment lands • Improve coordination between State Departments and Agencies, councils and industry to improve economic development opportunities associated with employment lands policy <p>Key recommendations and actions include:</p> <ul style="list-style-type: none"> • Stage the release of more Greenfield sites accessible to high growth population areas and linked to strategic infrastructure • Investigate future demand for employment lands along key infrastructure corridors such as the M5, M7 and Hume Highway corridors • Action 3: Release more Greenfield industrial land to overcome a shortage of supply: This action takes into account the Western Sydney Employment Hub, including the SEPP 59 Lands Erskine Park and Eastern Creek. Here are also plans to investigate

	<p>the potential for more employment land between the Western Sydney Employment Hub and Badgerys Creek.</p>
<p>NSW Government's Metropolitan Strategy: City of Cities – A Plan for Sydney's Future, December 2005</p>	<p>The 'Sydney Metropolitan Strategy' was released in 2005 and is aimed at guiding growth and change in the Sydney Greater Metropolitan Region (GMR) over the next 25 years. The strategy is driven by five key aims:</p> <ul style="list-style-type: none"> • enhancing liveability • strengthening economic competitiveness • ensuring fairness • protecting the environment • improving governance <p>Its purpose is to guide major decisions and plans by State and Local Government and inform private sector investment. In order to assist in these decisions the strategy is made up of seven key subject areas:</p> <ul style="list-style-type: none"> • economy and environment • centres and corridors • housing • transport • environment and resources • parks and public places • implementation and governance <p>The Metropolitan Strategy aims to facilitate significant jobs growth in western Sydney, recognising that as the population in the region grows there will be an urgent need for ensuring that employment opportunities follow. Consequently, The agenda around enhancing high quality jobs in Sydney's west is about improving the life chances and opportunities available to a significant share of Sydney's population that always struggle against indicators of wealth, educational attainment and access to opportunities.</p> <p>The Metropolitan Strategy's City of Cities concept was framed with the sustainability imperative in mind. A key driver in metropolitan planning is to reduce costs associated with travel, including those associated with greenhouse gas emissions. This is undertaken by minimising trip-making in aggregate (by aiming for containment that provides more jobs within easy access to residents) and that undertaken by private vehicles. This highlights an aim to cluster activities in centres or locations that can be serviced effectively by public transport.</p> <p>In addition the strategy further identifies a number of suitable locations for industrial land (particularly SEPP 59 lands), proposing that these lands must be supported by intermodal transport and communications infrastructure. A significant challenge proposed by the strategy is to increase the number and quality of jobs in Western Sydney by the year 2031 (214,000 new jobs³⁰).</p>
<p>North West Draft Subregional Strategy, 2007</p>	<p>The North West Draft Subregional Strategy sets out a vision for the management and development of the area over the next 25 years. The subregion is made up of five LGAs:</p>

³⁰ Western Sydney is the combination of the North West, South West and West Central Subregions.

	<p>Baulkham Hills, Blacktown, Blue Mountains, Hawkesbury and Penrith.</p> <p>The key directions of the Strategy are:</p> <ul style="list-style-type: none"> • North West Growth Centre to be developed with centres, infrastructure and services • Retaining and protecting strategic employment lands to help provide jobs closer to home • Strengthening Penrith as one of Sydney's main city centres and promoting Norwest as a Specialised Centre • Continuing to develop Castle Hill, Blacktown, Rouse Hill and Mt Druitt as Major Centres • Improving transport access to, from and within the subregion • Protecting rural and resource lands as well as promoting the environmental and scenic qualities of the subregion • Improving access to open space and recreation opportunities <p>The Strategy plans for an additional 130,000 jobs between 2004 and 2031 in the North West with 45,000 of these to be supplied in Blacktown LGA. Blacktown is also expected to supply 21,500 new dwellings with a total of 140,000 new dwellings in the North West Subregion.</p>
Regional and Subregional Policies...	
<p>Greater Western Sydney Industrial Strategy, 1999</p>	<p>The Greater Western Sydney Economic Development Board (GWSEDB) has a vision that <i>"Greater Western Sydney will build upon its image as the economic powerhouse of Australia via the creation of strategic job and business growth opportunities"</i>. The mission is <i>"To further business and employment opportunities in Greater Western Sydney through regional cohesion, innovation and ongoing economic development"</i>.</p> <p>The Industry Development Strategy aims to help the region fully recognise its economic and investment opportunities. There are three core strategies: Economic Growth; Employment Support; and Board Management. The strategy sets out its intention to recruit large labour intensive enterprises, to recruit small and medium enterprises (SME's), and ensure the continuous growth of existing enterprises. The employment support strategy includes a focus on education, land use, and infrastructure.</p>
<p>Shaping Western Sydney, 1999</p>	<p>Key objectives include:</p> <ul style="list-style-type: none"> • Promote industries that are critical to future development and sustainable jobs in Western Sydney • Provide major warehouse and manufacturing areas with good access to the freight network • Provide public transport to major employment areas • Develop cultural and environmental tourism as a major employment opportunity in Western Sydney • Focus on centres to make them prosperous, safe and attractive environments
Local Policies...	
<p>Blacktown Management</p>	<p>Key long-term outcomes desired for the community's economic development:</p>

<p>Plan, 2006 – 2009</p>	<ul style="list-style-type: none"> • Growth of diverse and sustainable local employment • Strong and continuous economic partnerships • A positive and prosperous climate of innovative and environmentally responsible business • Diverse learning opportunities • Recognition of the City's strengths and capabilities in terms of business and tourism • Blacktown City and Council inspire confidence as a place to do business <p>Objectives:</p> <ul style="list-style-type: none"> • Pursue and develop strategic economic partnerships that encourage a cooperative approach to the development of the City • Diversify income from property sources • Enhance Blacktown's status as a Regional Centre • Address local needs in employment and training and promote the role of Council in these initiatives • Maintain development opportunities for business and industry to provide local employment growth consistent with the rate of residential growth • Maximise tourism opportunities <p>Actions:</p> <ul style="list-style-type: none"> • Report to Council on strategies undertaken to provide employment opportunities for local artists in public art and community cultural development • Report to Council on the implementation of the Blacktown CBD Office Attraction Strategy in partnership with landowners, developers, private sector office tenants and the Council. <p>Report to Council on status of initiatives outlined in the Small Business Strategy.</p>
<p>Blacktown Economic Development Strategy, 2003-2008</p>	<p>The Strategy has seven themes that will guide economic development in the LGA:</p> <ul style="list-style-type: none"> • A city that values employment generating land development. This includes developing an integrated approach to the development of SEPP 59 lands that encompasses knowledge-based industry attraction, and which supports the existing inter-regional industrial mix to optimise jobs growth; • A city that leverages new employment in existing industry; • A city as a centre for tourism; • A city that new business can call home; • A city with a culture of innovation and learning; • A city that develops smart business networks and strategic partnerships and alliances; • A city that co-ordinates and leads industry. <p>The following actions in the Economic Development Strategy are related to employment lands:</p> <ul style="list-style-type: none"> • Research and develop an integrated approach to the development of SEPP No.59 lands that encompasses knowledge-based industry attraction, and which supports the existing inter-regional industrial mix to optimise jobs growth • Develop performance objectives for urban release areas. This will require the total

	<p>number of jobs generated by development on land to which a plan applies (including jobs generated on the surrounding land) to approximate the number of workers who will be resident on the land once the plan has been carried out</p> <ul style="list-style-type: none"> • Research and identify the City's major economic drivers & emerging industries through regular research and consultation • Integrate investment attraction with SEPP 59 • Work with relevant planning, transport, utility and infrastructure authorities to provide employment generating infrastructure in the City
Blacktown LEP 1988	<p>The LEP has four zones that apply to industrial development in the LGA. These are:</p> <ul style="list-style-type: none"> • 4(a) General Industrial • 4(b) Light Industrial Zone • 4(c) Special Industrial Zone • 4(d) Huntingwood Industrial Zone <p>The latter recognises the special character and function of Huntingwood Industrial Estate. In addition, it is important to note that the provisions of the Blacktown LEP do not bind SEPP 59 lands.</p> <p>All Council's within NSW are required to prepare a new principal LEP by 2011. Blacktown City Council is currently in the process of drafting a new LEP, which is expected to be in use by 2010.</p>

