



24 October 2014

Department of Planning & Environment  
NSW Planning & Environment  
23-33 Bridge Street  
SYDNEY NSW 2000

Via email to: [community@planning.nsw.gov.au](mailto:community@planning.nsw.gov.au)

Dear Sir / Madam,

**Re: Exhibition of proposed amendment to Wyong LEP 2013; Tuggerah Town Centre and Gateway Site**

Thank you for the opportunity to review and comment on the draft Planning Report for the Tuggerah Town Centre rezoning, which specifically relates to the "Gateway" site and the existing Westfield Shopping Centre site at Tuggerah. We have reviewed the exhibition materials available and wish to take this opportunity to provide feedback on the proposal.

We believe a number of matters have not been adequately addressed in the proposal including inconsistencies with State and Local policies and plans. On this basis we believe to progress the proposal, further matters need to be addressed.

Central to these concerns is the lack of any of the mechanisms typically used to inform such a proposal, such as a net community benefit test, sequential testing, or an economic impact assessment. We note that such assessment tools are specifically referred to in the Wyong Council *Retail Centres Strategy* as requirements for rezoning of land for retail uses.

As the Department would be aware, Bunnings are the owners of the nearby "Tuggerah Supa Centa" site, which is zoned B5 *Business Development*. Since acquiring this site, Bunnings have invested considerable capital, seeking to reactivate what had become a predominately vacant retail development. This investment decision was partially informed by the retail hierarchy within Wyong Shire, which was mindful of the interplay between the various zones, and the proper functioning of the entire area as a Centre.

**Exhibition Material**

The proposal on exhibition does not deal with the issues of strategic, economic and social impacts nor consider the regional context. We also believe it fails to recognise the fact that the Central Coast is largely one market and supply and demand conditions in the Gosford LGA are of real and tangible significance.

In considering the other assessments carried out, we also note that apart from the Ecological Assessment, none of the studies referred to in the Planning Report have been placed on exhibition, thereby precluding any real interrogation of these works.

### **Social and Economic Impact Assessment Provided**

The Wyong Retail Centres Strategy is quite specific in its requirement for an economic impact assessment as part of any rezoning for retail uses. Such analysis would identify the existing and projected residential community, forecast spending based on industry standards, local issues and characteristics and ABS spending data. It then requires this to relate to turn-over per square metre of floor space for various categories of expenditure and determine the existing relative demand and supply of floor spaces. This would enable floor space demand to be calculated and the impact on other centres to be assessed.

Such an assessment is not about protecting the viability of individual retailers, but ensuring the overall viability and sustainability of existing centres and any new proposed centre. This is about the economic health, vitality and functioning of centres, as well as ensuring the embedded energy and resources in existing centres is not diminished. There is no evidence of this work being completed for the proposed additional space of 30,000m<sup>2</sup>.

Similarly, the proposal does not model the likely direct and flow on impacts on employment and we can see no evidence of a projected nett jobs gain. There is also no consideration of the range of goods and services which will be offered, nor the social benefit of this choice and range.

### **Sequential Testing**

Another economic consideration which appears not to have been addressed is the option of growth within existing zoned lands and established centres. This sequential testing would be required to ensure that capacity does not already exist in centres that have public monies invested in infrastructure and community services. Given the level of unused, vacant and underperforming development in the Wyong and Gosford LGAs this assessment would appear essential.

### **Nett Community Benefit test**

State policy, and indeed the Wyong Council adopted Wyong *Retail Centres Strategy* (RCS) requires that when rezoning land for commercial uses, a Nett Community Benefit test is completed. There is no evidence that such testing has been carried out.

### **Regional Retail Hierarchy**

The existing Tuggerah centre sits in a retail hierarchy which is broader than the Wyong LGA alone. This is recognised in the *Central Coast Regional Strategy*, the *NSW Regional Cities Strategy* and the *Wyong Retail Centres Strategy*. These documents recognise that the Tuggerah centre is constrained by facilities, catchment draw and retail offer of Charlestown, Erina and Gosford. This is not discussed in the proposal. Furthermore, the NSW government is investing in the revitalisation and expansion of the Gosford town centre and waterfront. The impact of the proposal on these items appears not to have been considered.

### **Demographic Data / Floor Space Projections**

The proposal, and the Wyong *Retail Centres Strategy* are each predicated on the Wyong population increasing by, on average, 4,000+ people per year (p.ix RCS) and by 80,000 by 2031 (p. 4 Tuggerah Town Centre Planning Report). The Department's Population Projects available on its web site indicate however, that between 2011 and 2031 Wyong's population

will grow more conservatively from 154,350 to 197,850 or by less than 2,200 people per year and less than 44,000 in total. This is half the projected growth on which the Proposal and *Wyong Retail Centres Strategy* are based.

### **Households Formation/Building Approvals**

In addition further analysis on household projections is required. The proposal is premised on 25,000 new households forming between 2011 to 2031. This equates to 1,250 new dwellings per annum. However, if this growth is 2,200 people per year, at occupancy rates of 2.46 (2011), then this is less than 900 dwellings per annum, which is a reduction of almost 30% per annum on forecast.

Given that the proposal projects space for bulky good retail which is typically focused on new households this is a significant miscalculation. In addition, the Council web site indicates that on average it has approved less than 500 new residential buildings per annum since 2006.

### **Spending Capacity**

The *Wyong Retail Centres Strategy*, which appears to provide the premise for the 30,000m<sup>2</sup> floor space to be accommodated within the rezoned lands is based on the 2006 census. The more recent data available shows trends which would impact on demand for retail floor space in addition to total population and household numbers. The 2011 data provides information on matters such as:

- levels of unemployment, consistently 2% point over the state and national average
- aging of the Wyong population, as a larger percentage of 'Seniors' (10.9% compared to 7.2%) and a larger percentage of 'Empty nesters and retirees' (11.2% compared to 9.0%)
- high percentage of unoccupied private dwellings,
- population not in the labour force, Wyong 40.2% as compared with NSW 34.6%
- gross regional product dropped in 2012 and again in 2013
- the level of low income earners - overall 7.1% of the Wyong population earned a high income compared with 12.7% nationally, and 41.3% earned a low income as compared to the 35.8% Australian

### **Floor Space Demand**

The *Wyong Retail Centres Strategy* states that up to 30,000m<sup>2</sup> of additional **convenience retail floor space** could be demanded by 2021 at Tuggerah. However the proposal states that the site will be a mixed use zone and early stages would include retail development, “**in particular bulky good outlets**”. To support this observation, we also note that the traffic assessments carried out (not part of the exhibition material) were based on bulky good traffic generation rates. The proposal therefore puts forward proposed uses which are inconsistent with these policies without the various assessment tools being applied.

### **Central Coast Regional Strategy**

The Planning Report states that the proposal is consistent with the *Central Coast Regional Strategy 2006-2031*. The Department's Discussion Paper (currently on exhibition) acknowledges that population growth is not in line with these projections. Supply of housing is

less than projected, and jobs growth is falling behind demand and projections (850 new local job P/A 2003 to 2013, from 42,495 to 51,039).

### **Employment**

The proposal should have regard to the decline in the growth rate and relative importance of retail jobs both locally and nationally. In 2006 there were 7,827 retail jobs in Wyong and in 2011 this number had only grown to 8,129. This represents a fall in retail percentage of all jobs from 14.5% to 13.6%. This reflects the national decline in retail as a share of employment from 11.3% to 10.5% over the same period, and indicates that the trend is downwards.

There is an underlying implication, which is presented as fact in the proposal, that rezoning land for the intended uses will both result in development and have positive benefits economically. This is clearly not always the case. This is demonstrated by the fact that 55% of the land zoned industrial on the Central Coast is not developed; that almost half the existing floor space in Wyong Township is vacant and in that the site owned by Bunnings already zoned for Bulky Goods has significant vacancies.

### **State Significant Site Listing**

In addition to the lack of economic analysis outlined above, another question which remains is that of the assessment which was undertaken by the Council and the Department since the gazettal of the *Potential State Significant Site Listing* in 2009 needs to be outlined.

We note that in 2009, the subject site, along with substantial other areas of land was declared as a *Potential State Significant Site*. This listing had its genesis in the Westfield request to declare the Gateway site as a *State Significant Site*. In considering this request, the Department of Planning determined that it was more appropriate to consider Tuggerah in its entirety, and accordingly made the declaration to progress that consideration, along with the preparation of a master plan for the area.

Since that time, we understand that substantial assessments have been carried out, with significant input from various Government agencies, most notably, *Transport for NSW*, and the *RMS*. Noting that the *Potential State Significant Site* listing has never progressed despite the considerable efforts put to it, we never the less would ask whether the current proposal is consistent with the overall findings of the assessments undertaken as part of that process.

### **Further Consideration**

The proposal outlined raises further issues for consideration. These include:

- The Wyong *Retail Centres Strategy* is held as the justification for the proposal, and provides the planning analysis to cover for the lack of direct economic analysis then other elements of the strategy not been followed equally.
- An audit of existing centres to determine the best planning and physical needs of those centres need to be undertaken.
- Urban design and action plans for the existing centres need to be developed prior to additional rezoning's being contemplated.
- A Nett Community Benefit assessment has to be completed on the supply of additional retail floor space.

- Demand is not forecast until 2021. This allows time for these further considerations to be undertaken prior to rezoning of any further land.

## **Conclusion**

Bunnings submit that the issues raised in this submission will play an important role in shaping the area's future and we firmly believe that further work needs to be carried out. This is in order to ensure that the proposal actually achieves the stated objectives, is consistent with Local and State planning policies and is based on current and correct population, income and expenditure figures.

We consider that a considerable amount of additional work is yet required in order to ensure that the current proposal is one which fits within the overall fabric of not only Tuggerah, but the Central Coast as a whole. We recommend that these issues be specifically addressed and re-exhibited as part of a transparent process.

Kind regards,

A handwritten signature in blue ink, appearing to read 'Garry James', with a large, stylized initial 'G'.

Garry James  
**Property Capital Manager**