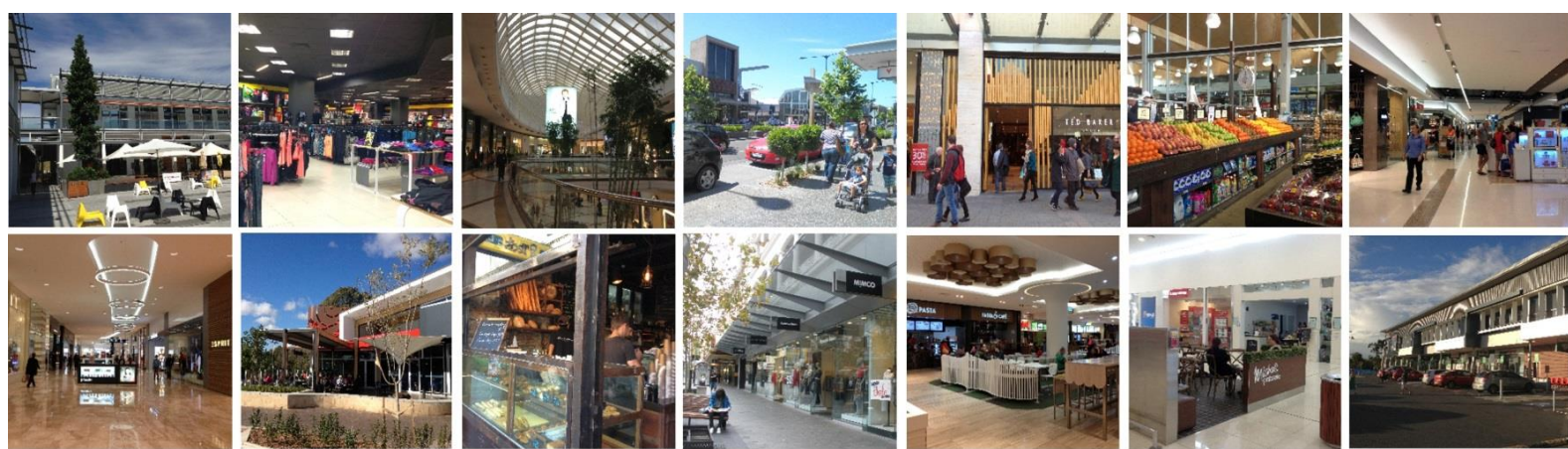


# Wilton South East Precinct

## Economic Impact Assessment

July 2016

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## Executive summary

This report presents an assessment of the need and demand for supermarket, convenience and bulky goods retail facilities, within the Wilton South East Precinct (a sub-precinct within the Wilton priority precinct), as well as analysing the economic impacts associated with the proposed rezoning of this precinct for residential and employment generating uses. The report is summarised as follows:

### Subject site, local and regional context

- The Wilton priority precinct is oriented around the Picton Road and Hume Highway interchange, located generally around 25 – 30km south of the Campbelltown-Macarthur Major Regional Centre.
- Walker owns a significant amount of land within the southern part of the Wilton priority precinct, identified as the Wilton South East Precinct (WSEP) including land proposed for future employment and residential uses. According to Walker the WSEP precinct will yield around 3,000 dwellings (around 8,500 persons) including two employment nodes and a neighbourhood centre, which could, pending rezoning, begin to be developed from 2018.
- In order to support this population in terms of both local job opportunities as well as local services, Walker proposes one neighbourhood centre and two employment precincts.
- The eastern employment precinct could potentially support a development mix of 29,930 sq.m of total floorspace, including 5,130 sq.m of neighbourhood centre retail (inc. a supermarket of 2,500 sq.m); a 300 sq.m fast-food tenant; 21,100 sq.m of bulky goods retail floorspace; and 3,400 sq.m of non-retail floorspace, comprising a medical centre, a tavern, a child care centre, community facilities and a service station.
- The western employment precinct could potentially support a development mix of 31,930 sq.m, including 8,250 sq.m of showroom floorspace and 23,680 sq.m of warehouse floorspace (including office space).

### Strategic planning

- Initial Masterplanning for the Wilton Junction precinct (undertaken over the period 2012 – 2013) indicated the precinct could potentially accommodate up to 12,000 dwellings, once developed to capacity by around 2046.
- The Wilton Junction estate was intended to be **self-sustaining, providing significant local and sub-regional retail and community facilities**, in particular the provision of employment land within the estate was considered highly important in order to retain traffic movements within the precinct where possible.
- The Economic Development Strategy prepared by MacroPlan Dimasi outlined an action plan to achieve the jobs projected for the precinct. This action plan indicated that many of the jobs would be population driven and would be delivered generally as the population evolves across the precinct. A key recommendation from the strategy was that **anchor projects are important catalysts to not only drive population growth but also drive other businesses to collocate**. We note that the Walker land WSEP employment precincts are situated on the already existing Picton Road, and could therefore support employment generating uses as soon as they could be practically developed.
- The NSW Department of Planning and Environment's (DPE) *Greater Macarthur Land Release Investigation Area (GMLRIA) - Preliminary Strategy & Action Plan (PSAP)*, which indicates that the (redefined) Wilton priority precinct has the potential capacity to accommodate 16,600 dwellings, **an increase of 4,600 dwellings, equivalent to a population of around 13,000 – 13,500 persons**.
- This means that the **amount of employment land and business zoned areas** recommended in the original Masterplanning for the precinct **should be increased significantly, as the potential population in this area could be 30 – 35% greater than planned**.
- Compared with the previous Masterplanning, **the Wilton Junction Town Centre is now ear-marked to be a Major Centre, that could potentially support between 100,000 – 150,000 sq.m of retail and employment GFA**.

### Trade area analysis

- The Wilton priority precinct, which will accommodate potentially up to 50,000 residents over the very long term (16,600 dwellings), and will effectively become the largest township in the Wollondilly LGA, will be supported by a Major Centre and ancillary retail/commercial uses, as well as some bulky goods/retail showrooms, highway oriented service facilities, as well as a network of smaller retail nodes, providing convenience services to smaller, localised catchments.
- We have therefore defined a main trade area of relevance to the total provision of retail facilities within the broader Wilton priority precinct that includes one primary sector and three secondary sectors. The **main trade area population is estimated at 34,350** as at June 2016, including around 3,500 residents in the key primary sector. Over the past decade, the main trade area population has grown at an average annual rate of 1.7%, or around 540 persons per annum.
- The **main trade area** population is estimated to grow at an average annual rate of 2.9% over the forecast period, to reach **80,550 residents by 2046**. The **primary sector** population is estimated to grow very strongly, at around 8.6% per annum, to reach **40,880 residents by 2046**.
- We have also defined a **localised trade area** that is of particular relevance to the proposed neighbourhood centre in the eastern employment precinct within the WSEP. Essentially, we have split the Wilton priority precinct into areas east and west of the Hume Highway. The **majority (around 70 - 75%) of the existing population** within the Wilton priority precinct **is located in the eastern side of the Hume Highway, and that this will still be the case within the next 5 years**.
- Indeed, we estimate **by 2021** that more than **6,200 residents will be living east of the Hume Highway** and only around 2,200 west of the Hume Highway within the Wilton priority precinct.

### Competition

- **At present the Wilton priority precinct is only served by a small 600 sq.m SPAR supermarket at Bingara Gorge, called Wilton Plaza, with around 5 – 10 supporting specialty shops and a very small set of shops at Wilton Village.**
- To the west, there are large supermarket facilities provided at Picton (11km) and Tahmoor (19km), both with supporting street based specialty retail and other businesses. To the east there is a small IGA anchoring a set of shops at Appin.
- The closest retail facilities to the north of Wilton are generally located around 25 – 30km away at Campbelltown-Macarthur, Narellan/Gregory Hills and Camden, the former two of which provide an extensive range of convenience and higher order retail facilities and major bulky goods precincts. The closest retail facilities to the south are located more than 35 km away at Mittagong.
- Within the Wilton priority precinct there is a planned Major Centre around the intersection with of Picton Road and the Hume Highway, which is ear-marked to support around **100,000 – 150,000 sq.m of retail and commercial GFA**; and a network of four village centres, of which the proposed neighbourhood centre at WSEP would be one.
- To the north, two town centres and two village centres are planned within the Menangle Park and Mount Gilead priority precincts, which will evolve as the populations in these precincts grow.
- There is a major bulky goods and highway service retail node identified around the Picton Road and Hume Highway intersection within the Wilton priority precinct, and similarly, there is a smaller node identified within the Mount Gilead priority precinct.
- The major bulky goods precincts across the region are located at Narellan/Gregory Hills and Campbelltown-Macarthur, the latter which contains an agglomeration of bulky goods retail in excess of 100,000 sq.m and the former which is growing rapidly and is expected to exceed 70,000 sq.m in the medium term.



- There are some small scale industrial precincts located to the west of Wilton around Picton (localised services) and Maldon (heavy industrial and strategically linked to freight rail corridor), but apart from these precincts, the closest major industrial estates are located at Smeaton Grange and Minto, with small scale precincts around Mittagong/Bowral.
- **Clearly, local employment opportunities are lacking within the Wilton priority precinct, and early employment uses should be encouraged where possible.**

#### Demand and market gap

- The existing main trade area population of around 34,350 persons, generates estimated demand for **75,600 sq.m of retail floorspace**, of which primary sector residents generate demand for around 7,700 sq.m. This **demand is expected to more than double over the next 20 years and is estimated to increase to 177,200 sq.m by 2046, an increase of more than 100,000 sq.m**. Primary sector retail floorspace demand is estimated to grow by more than 80,000 sq.m to reach almost 90,000 sq.m by 2046.
- Not all of this demand would be met by retail facilities within the Wilton precinct, in particular most of the higher order leisure and comparison shopping would be undertaken at major regional shopping facilities such as Macarthur Square and the expanding Narellan Town Centre. However, localised convenience based retail facilities will be critical to support and attract future population to the Wilton priority precinct.
- A small supermarket of the size proposed at the WSEP (i.e. 2,500 sq.m), supported by the existing 600 sq.m SPAR supermarket at Bingara Gorge would be an important initial catalyst supermarket to help support the growing population of the Wilton precinct. Furthermore, a location on the eastern side of the precinct is logical as this is where around 70 – 75% of the current population is located and will be located as at 2021. Additional convenience based uses will be sustainable with this supermarket anchor.
- In regards to bulky goods retail, there is virtually no supply within the main trade area, limited to just a Mitre 10 at Picton. This means that until such facilities are provided within the Wilton priority precinct, main trade area residents will continue to have to

travel to Campbelltown-Macarthur, Gregory Hills/Narellan or Mittagong to access bulky good retail. Providing some localised bulky goods retail in the short-medium term will be important not only to reduce such trips but also to create local job opportunities.

- Over the longer term, we estimate that upwards of 50,000 sq.m of bulky goods retail could potentially be supported within the Wilton priority precinct, distributed across two bulky goods nodes, which is more than was initially envisaged in the initial Masterplanning, but is considered appropriate given the expected increase in dwelling capacity in the Wilton precinct and the higher order designation for the Wilton Major Centre than originally envisaged under the initial Masterplanning.
- The Wilton Major Centre (frame) will be the primary node and we envisage this precinct will support large tenant anchors and enclosed homemaker type facilities, evolving to support similar uses to those in the emerging large format retail precinct at Sydney Business Park in Marsden Park near the M7/Richmond Road.
- A smaller, secondary bulky goods retail node, such as that proposed in the eastern employment precinct, will be an early catalytic employment use within these employment precincts, as it will be driven by the local population, high volumes of passing traffic along Picton Road and is not reliant on major road infrastructure being developed.

#### Estimated escape expenditure

- By around 2021, by which time some of the convenience retail would be delivered at the WSEP neighbourhood centre, around 36% of total traditional retail floorspace demand would not be met by trade area facilities (i.e. would escape the trade area). **Even with additional retail facilities provided over the subsequent 20 – 25 years, this share of escape expenditure is expected to increase to around 41%.**
- The new neighbourhood retail facilities proposed at **the WSEP neighbourhood centre would only capture around 7 - 8% of the total traditional retail floorspace demand** generated by the main trade area population as at 2021, and by 2046, only 4% of the total. **This means that around 92 – 96% of main trade area expenditure would available**

**for capture by other retail traditional retail facilities across the Wilton priority precinct, within the main trade area, and across the surrounding region.**

- In relation to bulky goods retail, **even with a considerable provision of bulky goods retail floorspace within the Wilton precinct over the next few decades, there will still be a very considerable leakage of demand (of around 30%) to other bulky goods precincts** across the surrounding region, in particular the significant established nodes at Campbelltown-Macarthur and Gregory Hills/Narellan.

#### Estimated impacts

- The expected trading impacts of new retail facilities in WSEP are expected to be 'acceptable' in that they will have a **virtually negligible impact on existing retail facilities/precincts across the broader region**, and will be necessary to under-pin the residential growth that will underpin the first stage, and subsequent stages of the Wilton Major Centre.
- Generally, any potential adverse trading impacts associated with the provision of new retail facilities (compared with a scenario of no retail facilities) will generally be offset by the significant additional population that is expected to establish within the Wilton precinct. Indeed, this additional population will have positive flow-on benefits for other retailers across the surrounding region.
- A full-line, larger supermarket will likely form part of the first stage of the Wilton Major Centre. A small (essentially half-sized) supermarket at the WSEP eastern employment precinct is not expected to impact on the timing or scale of the Wilton Major Centre, because that development is likely to occur once a larger threshold population has established within the Wilton priority precinct – a population which will be driven by the residential development within the WSEP, which itself will be under-pinned by smaller scale, convenience based retail facilities.
- A major full-line supermarket operator (e.g. Coles or Woolworths) would likely choose to locate within the Major Centre precinct irrespective of the provision of a small/half-sized supermarket elsewhere across the Wilton priority precinct, because the opening of such a

store would be dependent on the achievement of a minimum level of population in the store's potential primary sector (of around 8,000 – 9,000 persons) and a solid established population across the store's secondary sectors (which already exists).

- The small existing retail facilities on the eastern side of the Wilton precinct will be insufficient to serve a population of around 8,400 persons which the Wilton precinct will support by 2021. New retail facilities will most certainly be needed by this time, and with the majority of the population (75%) located on the eastern side of the Hume Highway, it seems logical to provide such facilities on the east side. The development of the Major Centre will be dependent on better road connections/upgrades and will not have much immediate residential population in the near term.
- Similarly, localised bulky goods retail facilities will be needed in the short-term to provide local household goods/appliances, hardware products, pet accessories, auto accessories etc as the population establishes. There are presently no such retailers in the Wilton precinct and only one hardware store located at Picton.
- A large bulky goods node is expected to be evolve in the Wilton Major Centre, however the proposed bulky goods development in the WSEP eastern employment precinct is intended to perform a very important role in serving localised demand, particularly in the short-term, but more importantly provide early local jobs within the Wilton precinct.
- The other employment uses that would be expected to be accommodated within the WSEP western employment precinct are consistent within the strategic planning for this area, and will help to create local jobs, provide local services, serve incumbent traffic, support population growth and generally reduce the number of traffic journeys in the locality.

#### Case studies

- The proposed neighbourhood centre development would be supportable by the population within the WSEP itself, which is planned to accommodate at least 3,000 dwellings once built out, supporting a population in the order of 8,500 persons.

- There is typically one full-line supermarket provided per 8,000 – 9,000 persons across Australia, which means that a population of 8,500 persons generates demand for around 3,400 sq.m of supermarket floorspace. Furthermore, this population will generate significant additional demand for other retail facilities.
- In Section 7.2 of our report, we have examined several Greenfield residential estate case studies with around 2,000 – 4,000 dwellings, which showed that estates of this size can generally sustain a large supermarket (generally > 3,000 sq.m) and supporting specialty retail.

#### Employment and other economic impacts

- The potential rezoning of the WSEP will enable local jobs to be created in the early stages of the evolution of the broader Wilton priority precinct, **with an estimated 145 jobs by 2021 and 400 jobs by 2026**. At capacity, the employment precincts within the **WSEP could potentially accommodate in the order of 1,100 – 1,200 jobs, including 180 jobs with the proposed neighbourhood centre**.
- The total production value of the construction of the 3,000 dwellings within the WSEP is **\$1.22 billion** (in nominal terms) and around **\$305 million for civil works** (in nominal terms), over the life of the project.
- We estimate that around 540 jobs per annum could be created during the development of residential dwellings within the WSEP, equivalent to approximately 3 jobs per dwelling per annum. These jobs would include workers employed on-site as part of the actual construction; consultants and technical experts advising/managing the project; local supplier jobs and jobs created across the broader NSW economy (i.e. not all of these jobs would be local).
- The development of the 60,000 sq.m of employment building floorspace within the various precincts is expected to be developed gradually, albeit in discrete components.
- The **neighbourhood centre** retail could be developed relatively early in the project and could potentially result **around 100 construction related jobs per stage**.

- Assuming the **bulky goods development** is staged in four discrete components, the development of this component could result in **around 95 jobs per stage**.
- The **industrial and showroom buildings** area expected to be developed more gradually, and we estimate the development of this component could support around **35 – 40 jobs per stage**.
- The population of around 8,500 persons in 3,000 dwellings could potentially consist of around 5,100 employed workers. We estimate at least 10%, or around 510, of the resident workers within the WSEP could potential work from home.
- According to the ABS Census data, across NSW around 12 - 13% of jobs are in industries that would be have a share of its workers working without a fixed address including construction workers, tradies, medical services (not in hospitals), social services (not child care/in institutions), building/equipment cleaning/servicing, etc.
- Conservatively, we estimate around 5% of the 90% non-home based employed residents would be mobile and would not require a dedicated job to be provided in proximity to their place of residence. This equates to around 230 workers.
- The remaining 4,400 resident workers (around 78 - 79% of total resident workers) would be working in jobs in centres/precincts and dedicated places of employment. This would include but not be limited to local schools, the proposed neighbourhood centre and the proposed employment precincts in the WSEP, other village centres, the Wilton Major Centre as well as Campbelltown-Macarthur Regional City.
- Importantly, the future population growth in the Wilton priority precinct will help to underpin the evolution of the Campbelltown-Macarthur Regional City, as some residents will access this centre for employment, higher order retail requirements, major health needs, and other civic and entertainment purposes.
- Furthermore, and as identified throughout this report, the local population in the WSEP would drive local demand for retail, community services and by extension, local jobs.

- In response to this Walker Corporation has proposed two B5 – Business Enterprise zoned employment precincts and a B2 - Neighbourhood centre zone, that could potentially accommodate around 1,100 – 1,200 jobs.
- In combination with the jobs that would be undertaken at home, as well as ‘mobile’ jobs, and potential school jobs, the WSEP could potentially support in the **order of 1,900 jobs**.

## Introduction

This report presents an assessment of the need and demand for supermarket, convenience and bulky goods retail facilities, within the Wilton South East Precinct (WSEP) (a sub-precinct within the Wilton priority precinct), as well as analysing the economic impacts associated with the proposed rezoning of this precinct for residential and employment generating uses.

The report has been prepared in accordance with instructions received from Walker Corporation (Walker), and is structured as follows:

- **Section 1** reviews the local and regional context of the Wilton priority precinct as well as the Wilton South East Precinct (WSEP) and outlines the indicative development plans for the two key employment precincts with the WSEP.
- **Section 2** provides an overview of relevant economic and strategic planning reports as they relate to the potential rezoning of the WSEP within the Wilton priority precinct. In particular, this section provides a summary of previous economic reports that informed the Masterplanning of the Wilton priority precinct before it was designated part of the Greater Macarthur Land Release Investigation Area (GMLRIA).
- **Section 3** assesses the trade area that could potentially be served by retail and bulky goods retail facilities within the Wilton priority precinct, including the current and future population and expenditure levels of the trade area residents, and their socio-demographic profile. This information is then used to assess the demand for retail facilities. A smaller, localised catchment of more immediate relevance to the proposed local centre within the WSEP is also analysed.
- **Section 4** reviews the competitive context within which retail and employment generating uses in the Wilton priority precinct, and more specifically, the WSEP, would operate, including all proposed competitive developments.



- **Section 5** assesses the demand for supermarket floorspace, traditional retail floorspace and bulky goods floorspace generated by residents across the trade area; compares this demand with the existing and future supply of such facilities; and outlines the estimated current and future market gaps for supermarket, traditional retail and bulky goods floorspace across the trade area.
- **Section 6** examines the retail expenditure leakage to other centres/precincts and the potential economic impacts of the proposed retail and bulky goods development at the WSEP on the surrounding centres hierarchy.
- **Section 7** presents case study examples of the evolution of new Greenfield communities across Australia, with a particular focus on the threshold/timing points at which these estates began their development and the timing at which the town centres evolve.
- **Section 8** identifies likely employment outcomes and other economic benefits/impacts resulting from the proposed rezoning and subsequent development of the WSEP and the two employment precincts within the WSEP.

## Section 1: Site location and context

This section of the report reviews the local and regional context of the Wilton priority precinct as well as the Wilton South East Precinct (WSEP) and outlines the indicative development plans for the two key employment precincts and the proposed neighbourhood centre within the WSEP.

### 1.1 Site location and regional context

Map 1.1 illustrates the location of the Wilton priority precinct within the context of metropolitan Sydney, while Map 1.2 illustrates the local context within the Wilton priority precinct, identifying the major land owners within the precinct and other key features.

The Wilton priority precinct is oriented around the Picton Road and Hume Highway interchange, located generally around 25 – 30km south of the Campbelltown-Macarthur Major Regional Centre.

Walker owns a significant amount of land within the southern part of the Wilton priority precinct, identified as the Wilton South East Precinct (WSEP) including land proposed for future employment and residential uses. The WSEP is highlighted in blue on Map 1.2.

According to Walker, the WSEP precinct will yield around 3,000 dwellings including two employment nodes and a neighbourhood centre.

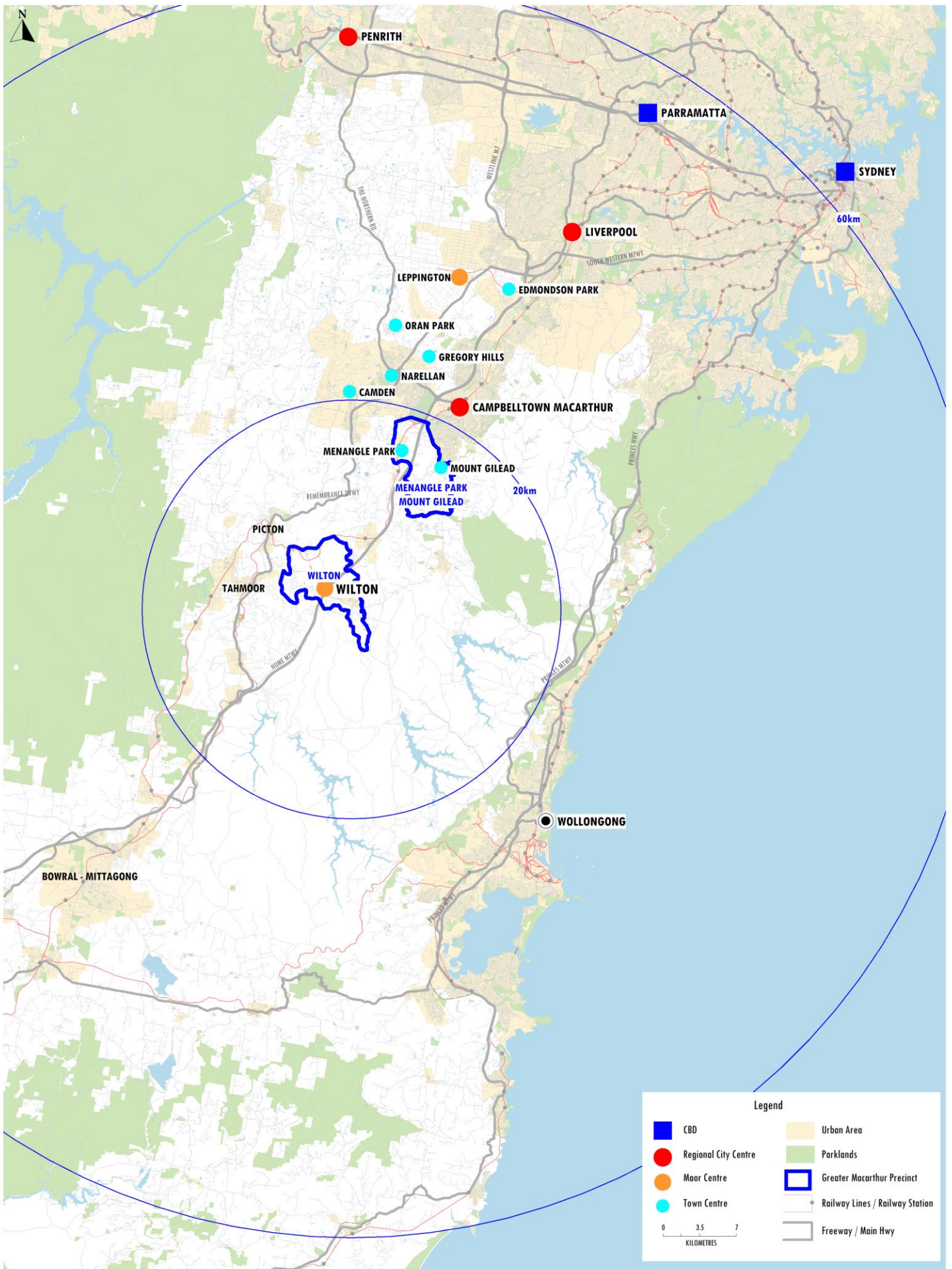
Most of the WSEP is oriented around Picton Road (generally south) and both of the employment precincts have frontage to Picton Road. Picton Road is an already established arterial road that connects with the Hume Motorway, making the precinct readily easily accessible to current and future local residents and workers, as well as residents and workers from across the broader Greater Macarthur and Wollondilly area.

The initial Masterplanning process for the Wilton priority precinct (in 2013) identified a network of residential areas, employment lands precincts, a town centre, supporting local centres as well as schools and open space (refer Figure 1.1). Two employment precincts that are a key focus of this report were identified within this Masterplan on the Walker owned WSEP as well as a neighbourhood centre adjacent to the eastern employment precinct.

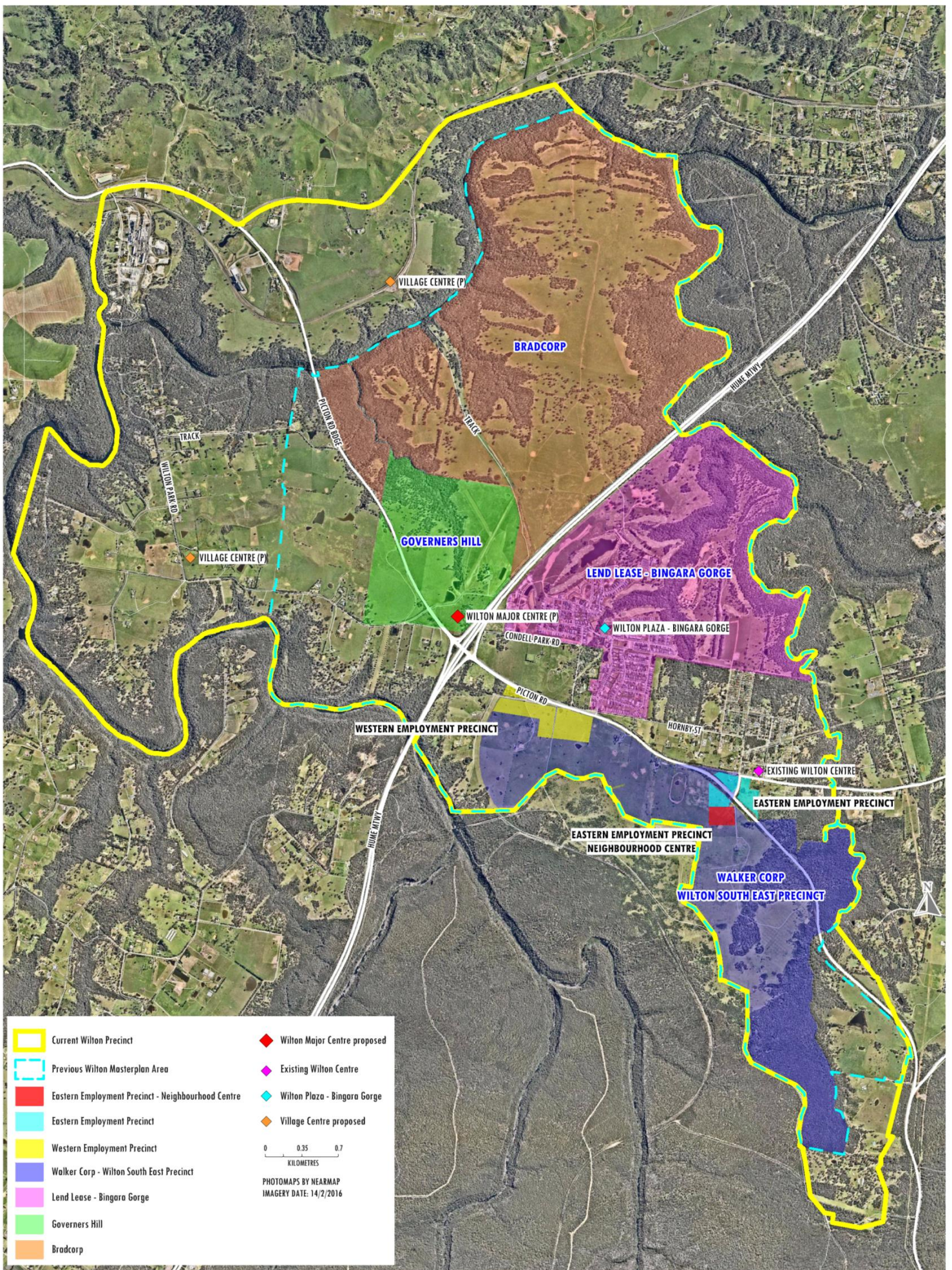
The initial Wilton Masterplan area has been expanded as part of updated strategic planning for the Greater Macarthur region and this change is also shown on Map 1.2. The initial Wilton Masterplan area was expected to accommodate around 12,000 residential dwellings, however, according to the NSW Department of Planning and Environment's (DPE) *Greater Macarthur Land Release Investigation Area (GMLRIA) - Preliminary Strategy & Action Plan (PSAP)*, the new Wilton priority precinct has the potential capacity to accommodate 16,600 dwellings, **an increase of 4,600 dwellings, equivalent to a population of around 13,000 – 13,500 persons.**

There has been rapid growth across the south-western part of Sydney over the past 5 – 10 years, with the South West Priority Land Release Area (SWPLRA) growing very strongly, with the first stage of the Oran Park Town Centre now complete and the early planning for Edmondson Park Town Centre is well underway. Major expansions to both the Narellan Town Centre shopping centre and Macarthur Square shopping centre are currently well advanced, and the emerging bulky goods precinct is evolving rapidly at Gregory Hills. The Spring Farm Estate continues to grow strongly, with the neighbourhood centre now open.

This growth will extend further south in due course into the GMLRIA, which includes the Menangle Park and Mount Gilead priority precinct, which could support up to 18,100 new dwellings and two town centres, and the Wilton priority precinct – which already accommodates considerable number of new dwellings (approximately 400 – 450 dwellings) in the Bingara Gorge estate.

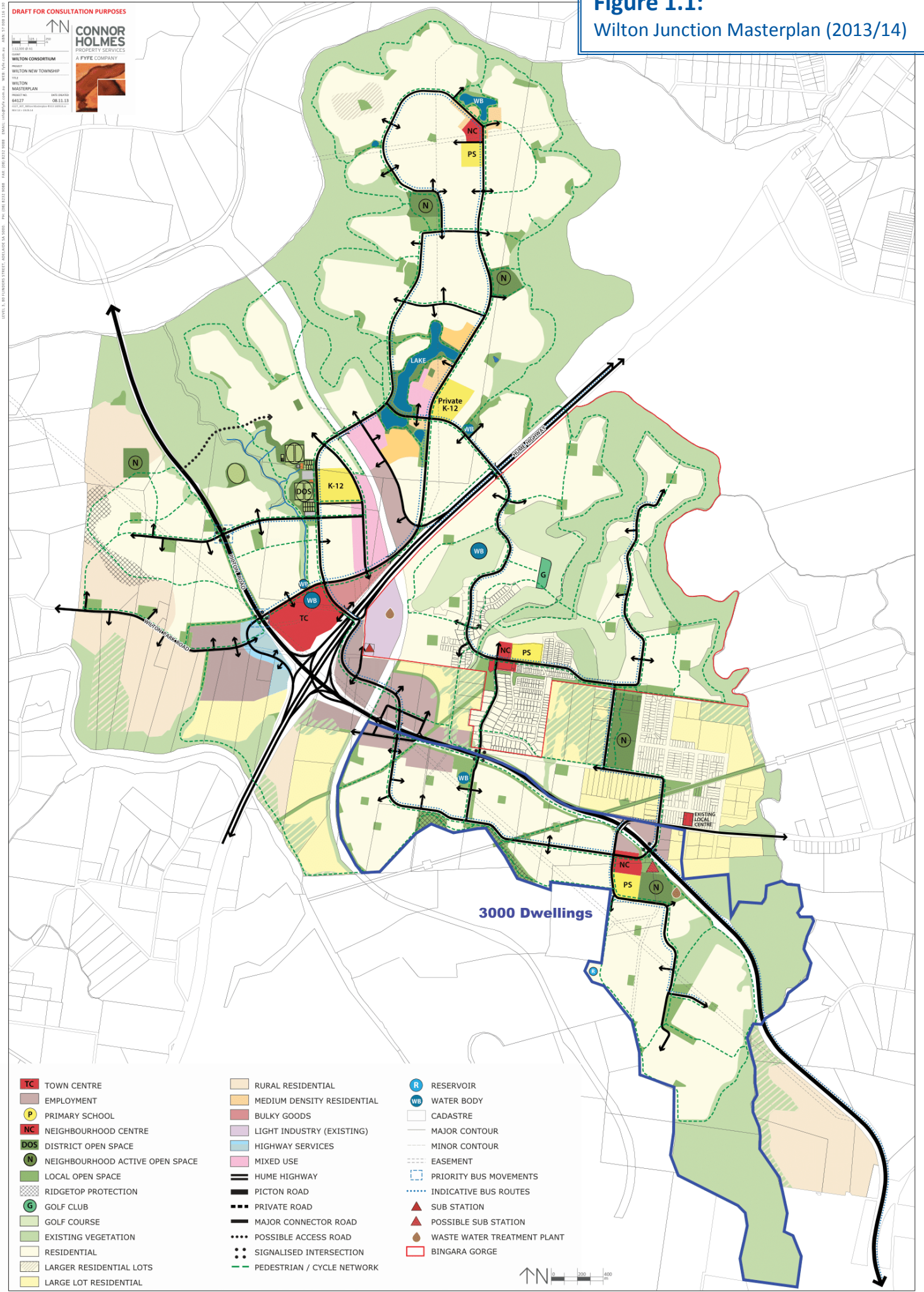


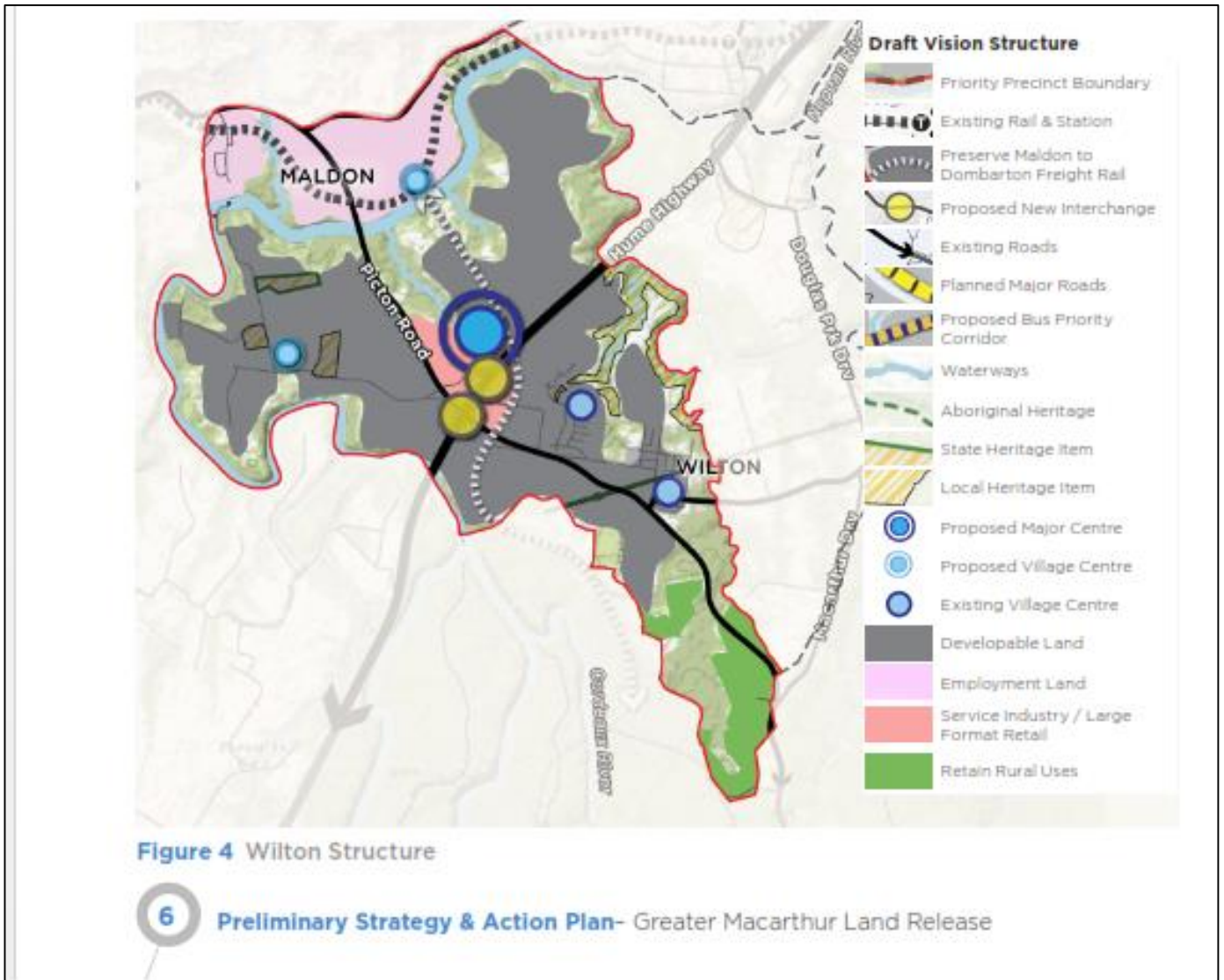
**Map 1.1: Wilton priority precinct**  
Regional context



**Map 1.2: Wilton South-East Precinct**  
Site location

**Figure 1.1:**  
Wilton Junction Masterplan (2013/14)





**Figure 1.2:**  
Wilton Priority Precinct (2016)

## 1.2 Indicative development scheme

As identified earlier, the WSEP could potentially yield up 3,000 residential dwellings, which could, pending rezoning, begin to be developed from 2018 onwards given much of the WSEP is identified as unencumbered land within the *Greater Macarthur Land Use and Infrastructure Analysis (2015)*.

In order to support this population in terms of both local job opportunities as well as local services, Walker proposes two employment precincts. The eastern subject site is proposed to be zoned a mixture of B2 – Local Centre (south of Picton Road) and B5 – Business Development (north and south of Picton Road) and the western subject site proposed to be zoned B5 – Business Development. The potential timing/staging of these precincts is examined further throughout this report.

Table 1.1 summarises the indicative development plans for each of these employment precincts. The spatial plans for the eastern employment precinct/neighbourhood centre are shown in Figure 1.3 and the plans for the western subject site are shown in Figure 1.4. Key points to note include the following:

- The eastern employment precinct/neighbourhood centre could potentially support a development mix of 29,930 sq.m of total floorspace, including 5,430 sq.m of traditional retail floorspace (inc. a supermarket of 2,500 sq.m and fast-food tenant of 300 sq.m); 21,100 sq.m of bulky goods retail floorspace; and 3,400 sq.m of non-retail floorspace, comprising a medical centre, a tavern, a child care centre, community facilities and a service station.
- The western employment precinct could potentially support a development mix of 31,930 sq.m, including 8,250 sq.m of showroom floorspace and 23,680 sq.m of warehouse floorspace (including office space).

For the purposes of our this assessment, the term bulky goods refers to large format retail uses such as hardware stores, electronics/appliances, whitegoods, furniture, bedding, lighting and floor coverings retailers of the likes of Bunnings, Harvey Norman, Bing Lee,



Domayne, but would also include smaller footprint operators such as Pet Barn and Super Cheap Auto.

The term showroom refers to car/truck showrooms and wholesale showrooms, and is not considered to be 'traditional retail' or 'bulky goods retail.'

Warehouse floorspace is assumed to generally support industrial/light industrial uses, which could sustain a broad range of industry/business types, with some supporting office space.

Table 1.1 WSEP - Indicative development scheme: employment precincts			
Eastern emp. precinct/n'hood centre		Western emp. Precinct	
Category	GLA (sq.m)	Category	GLA (sq.m)
<u>Traditional retail</u>		<u>Traditional retail</u>	
Supermarket	2,500	Supermarket	n.a
Retail	2,630	Retail	n.a
Fast Food Pad Site	<u>300</u>	Fast Food Pad Site	<u>n.a</u>
<b>Total traditional retail</b>	<b>5,430</b>	<b>Total traditional retail</b>	<b>n.a</b>
<u>Bulky goods retail</u>		<u>Bulky goods retail</u>	
<b>Bulky goods retail</b>	<b>21,100</b>	<b>Bulky goods retail</b>	<b>n.a</b>
<u>Non-retail</u>		<u>Non-retail</u>	
Medical	1,000	Showroom	8,250
Tavern	600	Warehouse (incl office)	23,680
Child care	1,000		
Community centre	600		
Service station	<u>200</u>		
<b>Total non-retail</b>	<b>3,400</b>	<b>Total non-retail</b>	<b>31,930</b>
<b>Total</b>	<b>29,930</b>	<b>Total</b>	<b>31,930</b>

Source: Walker Corporation; MacroPlan Dimasi



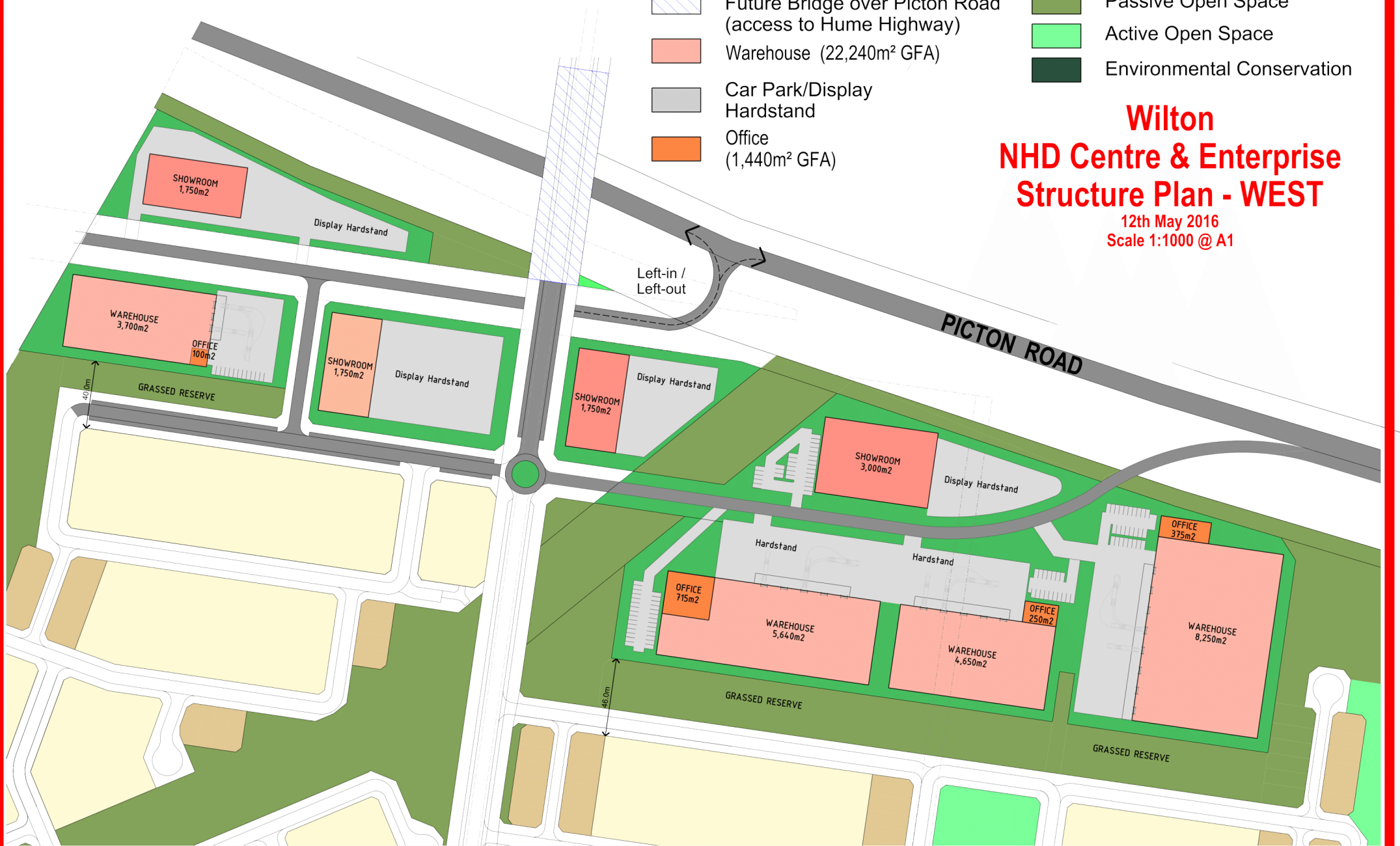
**Figure 1.4**

**LEGEND**

- Showroom (8,250m<sup>2</sup> GFA)
- Future Bridge over Picton Road (access to Hume Highway)
- Warehouse (22,240m<sup>2</sup> GFA)
- Car Park/Display Hardstand
- Office (1,440m<sup>2</sup> GFA)
- Landscape Screening
- Passive Open Space
- Active Open Space
- Environmental Conservation

**Wilton  
NHD Centre & Enterprise  
Structure Plan - WEST**

12th May 2016  
Scale 1:1000 @ A1



## Section 2: Strategic overview

This section of the report provides an overview of relevant economic and strategic planning reports as they relate to the potential rezoning of the WSEP within the Wilton priority precinct. In particular, this section provides a summary of previous economic reports that informed the Masterplanning of the Wilton priority precinct before it was designated part of the Greater Macarthur Land Release Investigation Area (GMLRIA).

### 2.1 Previous MacroPlan Dimasi technical reports

During 2012 and 2013, MacroPlan Dimasi was part of the consultant group, led by Elton Consulting, that prepared the Masterplan for the Wilton Junction precinct (as it was then known), on behalf of the Wilton Landowners Group.

MacroPlan Dimasi produced several technical documents as part of its engagement, which were peer reviewed by SGS Economics and Planning with feedback/comments incorporated into the final reports that formed part of the Masterplan proposal that was submitted to NSW DPE.

Specifically, MacroPlan Dimasi examined the population and housing need and the employment land requirements within Wilton Junction and also prepared an economic development strategy that outlined the potential pathway to achieve the proposed employment targets. The following three technical reports were prepared:

- Wilton Junction: Housing and Population Projections – August 2013
- Wilton Junction: Employment Projections & Land Need – August 2013
- Wilton Junction: Economic Development & Employment Strategy – September 2013

Ultimately, these reports were accepted as part of the Masterplanning for the Wilton Junction precinct and it was identified as a future investigation area in 2014.

The key findings from these documents are summarised as follows:

- The Wilton Junction precinct (smaller than the currently designated Wilton priority precinct) could potentially accommodate up to 12,000 dwellings, and an ultimate population of around 35,000 persons once developed to capacity by around 2046.
- The Wilton Junction estate was intended to be self-sustaining, providing significant local and sub-regional retail and community facilities, in particular the provision of employment land within the estate was considered highly important in order to retain traffic movements within the precinct where possible.
- The employment report identified that appropriate employment land should be identified within the Wilton Junction estate to support between 9,000 – 10,000 jobs. An additional 1,500 – 1,800 jobs would be in the form of persons working from home or with no fixed address (i.e. around 15% of total).
- The employment report identified an indicative staging of jobs that would be appropriate to potentially maximise self-containment and minimise trips beyond the locality for local services. Over the next 15 years the following job targets were indicated: 1,800 - 2,000 jobs by 2021, 4,000 – 4,600 jobs by 2026 and 6,300 – 7,100 jobs by 2031.
- The retail network across the Wilton Junction precinct was recommended be provided in the form of a retail hierarchy, at which the Wilton Junction Town Centre would be the head. We note these recommendations were based on the dwelling capacity of 12,000 new dwellings. A total provision of up to 70,000 sq.m of retail floorspace was indicatively recommended, generally distributed as follows:
  - Wilton Town Centre: 25,000 sq.m.
  - Bulky goods (i.e. ex car showrooms/wholesaling): 30,000 sq.m.
  - Village Centres: totalling 12,000 sq.m (of which there would be 3 – 4).
  - Local Shops & Mixed use: 4,000 sq.m (provided in non-centre areas).

- In total, between 102 and 116 hectares of employment land was recommended to be zoned to accommodate projected employment levels by 2046, once the precinct was built out. Most of this was in the form of 'employment' lands (i.e. B5, B6, B7, IN1 zonings), with around 30 hectares recommended for B1, B2 and B4 type zonings which would tend to support retail and commercial uses.
- The Economic Development Strategy prepared by MacroPlan Dimasi outlined an action plan to achieve the jobs projected for the precinct. This action plan indicated that many of the jobs would be population driven and would be delivered generally as the population evolves across the precinct. More direct targeting through combined initiatives with Council/state government were recommended to help attract larger 'strategic employment'.
- A key recommendation from the strategy was that anchor projects are important catalysts to not only drive population growth but also drive other businesses to collocate. An excellent example of this effect is the rapidly emerging Sydney Business Park node at Marsden Park which now includes IKEA, Bunnings, Masters as well as several industrial premises with Aldi and Costco due to open soon, and a major homemaker centre due to open soon. On the other side of the road a new Woolworths anchored neighbourhood shopping centre is being developed.
- A major threshold issue is infrastructure, in particular road infrastructure. Improved road connections are needed to underpin certain uses in certain parts of the Wilton precinct. We note that the Walker land WSEP employment precincts are situated on the already existing Picton Road, and could therefore support employment generating uses as soon as they could be practically developed, more quickly than other parts of the priority precinct.
- These reports were generally prepared well before Sydney and NSW underwent its recent major residential housing boom, which has placed further pressure on house prices and affordability across metropolitan Sydney. This means that new areas with major land areas under limited ownership fragmentation that can deliver Masterplanned

communities should be supported through the rezoning process and key infrastructure required to service such precincts should be expedited where possible.

- Furthermore, the GMLRIA PSAP now indicates that up to 16,600 dwellings could potentially be accommodated within the (now expanded) Wilton priority precinct. **In this context, with an additional 4,600 dwellings potentially being accommodated in the Wilton priority precinct, the amount of employment land and business zoned areas recommended in the original Masterplanning for the precinct could be increased significantly, as the potential population in this area could be 30 – 35% greater than planned.**

## 2.2 SGS Peer Review

As part of the initial Masterplanning for the Wilton precinct, SGS Planning and Economics (SGS) assisted the NSW DPE with peer reviews of the MacroPlan Dimasi studies. The primary report of relevance was titled *Wilton Junction: Peer Review of MacroPlan employment forecast*, dated April 2013. This report reviewed earlier versions of the MacroPlan Dimasi report dated October 2012 and April 2013. The findings/recommendations of the SGS report were considered in the final documentation submitted as part of the Masterplan in our reports which were dated August 2013.

The key points raised in the SGS report, have been acknowledged throughout this report and we note the following in particular:

- SGS raise concern with the population projections contained in the report, in so far as that they claim they are supply-side, rather than considerate of demand-side factors. That said, a key objective of the employment oriented report (the one that was reviewed) was to understand the overall employment land requirements of the Wilton population once the estate was developed to capacity – i.e. independent of take-up rates of residential dwellings. **The capacity population could potentially be 30 – 35% greater than previously assessed in the original MacroPlan Dimasi analyses.**

- An employment self-containment rate of around 40 – 50% was considered reasonable for Wilton, i.e. around 40 – 50% of local employed residents could reasonably be assumed to also work within Wilton Junction, if an appropriate employment offer was made available. This is consistent with the nearby area of Picton-Tahmoor and the outer north-west region of Richmond-Windsor.
- A reasonable local jobs to local employed resident worker ratio would be greater than 40% - 50%, i.e. some jobs will be filled by persons from beyond Wilton. SGS refers to the general average ratio for the south-west subregion as being 0.7 jobs per working resident (p.9), which the Metropolitan Plan (at the time) indicated is a relatively low ratio. We consider that a ratio of 70% would therefore be reasonable minimum target in the context of trying to maximise the potential for local employment to be filled by local residents.
- The Wilton precinct will not only provide local service based jobs. SGS is of a view that there will be an element of ‘strategic employment’, i.e. workings flowing in from beyond the precinct. With Wilton’s excellent location there is the opportunity for the precinct to accommodate workers from beyond Wilton and to service the broader region.
- According to SGS, they consider that a rate of ‘work from home’ would be around 6% – 8%, on the basis of a 2008 ABS publication called *Locations of Work (November 2008)* and having regard to another ABS study from 2009, which stated the proportion of persons working from home in NSW was 7.8% (6.9% outer south western region) and without a fixed address was 6.9%.
- MacroPlan Dimasi had adopted a rate of 15% of ‘work from home’ which included workers with ‘no fixed address’ but also had regard to the potential employment behaviours of residents over the next 30 years. With technological advances and increasing employer/business flexibility the ratio of persons working from home for the majority of their working week has been, and will continue to increase into the future. This would be particularly pertinent for an outer suburban satellite town located considerable distance from major employment clusters in the Sydney metropolitan region.



- In summary, the key objective of the Masterplanning for the Wilton precinct was to allow for as much employment land as can be appropriately accommodated, in order to maximise the probability of local jobs establishing, for local residents to potentially fill those jobs and for sufficient level of local services to be provided for local residents.

### 2.3 Greater Macarthur Land Release Investigation Area - Reports

Since MacroPlan Dimasi's previous reports were prepared and the Wilton precinct was identified as a future investigation area as part of the GMLIA, further strategic planning has been undertaken resulting in the release of two key documents:

- *The GMLIA – Land Use and Infrastructure Analysis (2015)*
- *The GMLIA – Preliminary Strategy and Action Plan (2015)*

These documents identify the following key issues of relevance to the proposed rezoning of the WSEP within the Wilton priority precinct:

- A significant increase in the area defining the Wilton priority precinct has occurred since 2013, **with the potential to accommodate an additional 4,600 dwellings.**
- Of the 16,600 potential dwellings, of which around 8,300 dwellings are considered to be located in 'suitable' land area and 'encumbered'. Much of the encumbered land is located in the northern part of the priority precinct, **with the WSEP clearly identified as an area that is unencumbered.** While encumbered areas can move through the planning pathway if the necessary steps have been met prior to rezoning, there are risks associated with the future developments in these areas and a less risky development sequencing would entail the development of unencumbered land early in the project. In this context, it appears highly logical that the WSEP be rezoned and developed early in the estate's development.
- The Maldon area is now included in the Wilton priority precinct and a major employment land node is identified in this area, leveraging from the proposed Maldon-Dombarton freight rail link.

- The vision is relatively consistent with previous recommendations for the Wilton precinct, **although the Wilton Junction Town Centre is now ear-marked to be a Major Centre.**
- Four proposed village centres are planned across the Wilton priority precinct including two on the eastern side and two on the western side. One of the village centre 'dots' is identified on the existing small Wilton shops on Camden Street/Argyle Street, with no floorspace cap envisaged for the centre, located in the vicinity of the proposed eastern employment precinct within the WSEP. This centre is located in the established residential part of the Wilton precinct and is not within any of the four major landowners land holdings in the Wilton precinct. The likelihood of this centre being redeveloped in the foreseeable future is considered to be very low because of this, and would require existing housing/community uses to be redeveloped in order to evolve into a larger centre. In our view, the development of a neighbourhood/village centre node in the WSEP as originally envisaged in the Masterplanning for the Wilton Junction precinct would be consistent with the general strategic location of this village centre 'dot' and would be a far more appropriate location to enable the early development of convenience based retail facilities given it would be on greenfield land.
- The GMLRI Land Use and Infrastructure Analysis report on pg. 35 identifies the following preliminary structure relating to employment/retail development within the Wilton priority precinct:
  - Wilton Major Centre is planned to support 100,000 – 150,000 sq.m of retail and employment GFA.
  - West Wilton – a village centre with 5,000 sq.m of retail GFA.
  - Bingara Gorge – an existing village centre that is ear-marked to support up to 5,000 sq.m retail GFA.
  - Maldon – a village centre of around 3,000 sq.m of retail GFA.
  - Wilton Village – has no floorspace allocated to it.

## Section 3: Trade area analysis

This section of the report assesses the trade area that could potentially be served by retail and bulky goods retail facilities within the Wilton priority precinct, including the current and future population and expenditure levels of the trade area residents, and their socio-demographic profile. This information is then used to assess the demand for retail facilities. A smaller, localised catchment of more immediate relevance to the proposed local centre within the WSEP is also analysed.

### 3.1 Trade area definition

The extent of the trade area or catchment that is served by any retail development is shaped by the interplay of a number of critical factors. These include:

- The relative attraction of the centre, or precinct, in comparison with alternative competitive retail facilities. The factors that determine the strength and attraction of any particular centre are primarily its scale and composition (in particular the major trader or traders that anchor the centre); its layout and amenity; and carparking, including access and ease of use.
- The proximity and attractiveness of competitive retail centres. The locations, compositions, quality and scale of competitive retail facilities all serve to define the extent of the trade area which a shopping centre is effectively able to serve.
- The available road network and public transport infrastructure, which determine the ease (or difficulty) with which customers are able to access a shopping centre.
- The extent of any significant physical barriers which are difficult to negotiate, and can act as delineating boundaries to the trade area served by an individual shopping centre.

The broader Wilton priority precinct, which will accommodate potentially up to 50,000 residents over the very long term (16,600 dwellings), and will effectively become the largest township in the Wollondilly LGA, will be supported by a Major Centre and ancillary retail/commercial uses, as well as some bulky goods/retail showrooms, highway oriented service facilities, as well as a network of smaller retail nodes, providing convenience services to smaller, localised catchments.

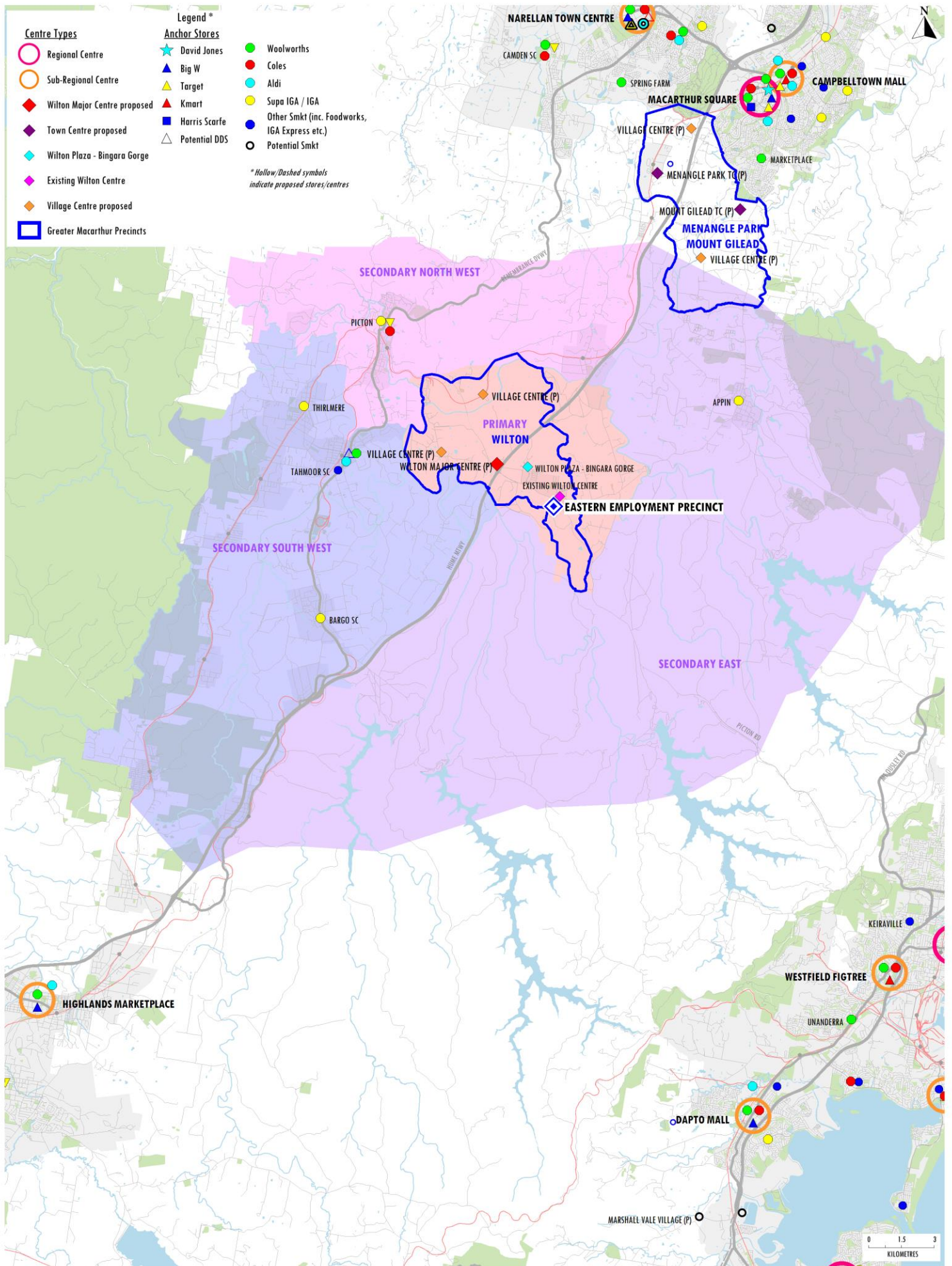
Having regard for these abovementioned factors, the main trade area that will be served by retail facilities within the broader Wilton priority precinct is illustrated below. Separate illustrations are provided for traditional retail and for bulky goods retailing, indicating the location of competitive offers.

The main trade area comprises of a key primary sector and three secondary sectors.

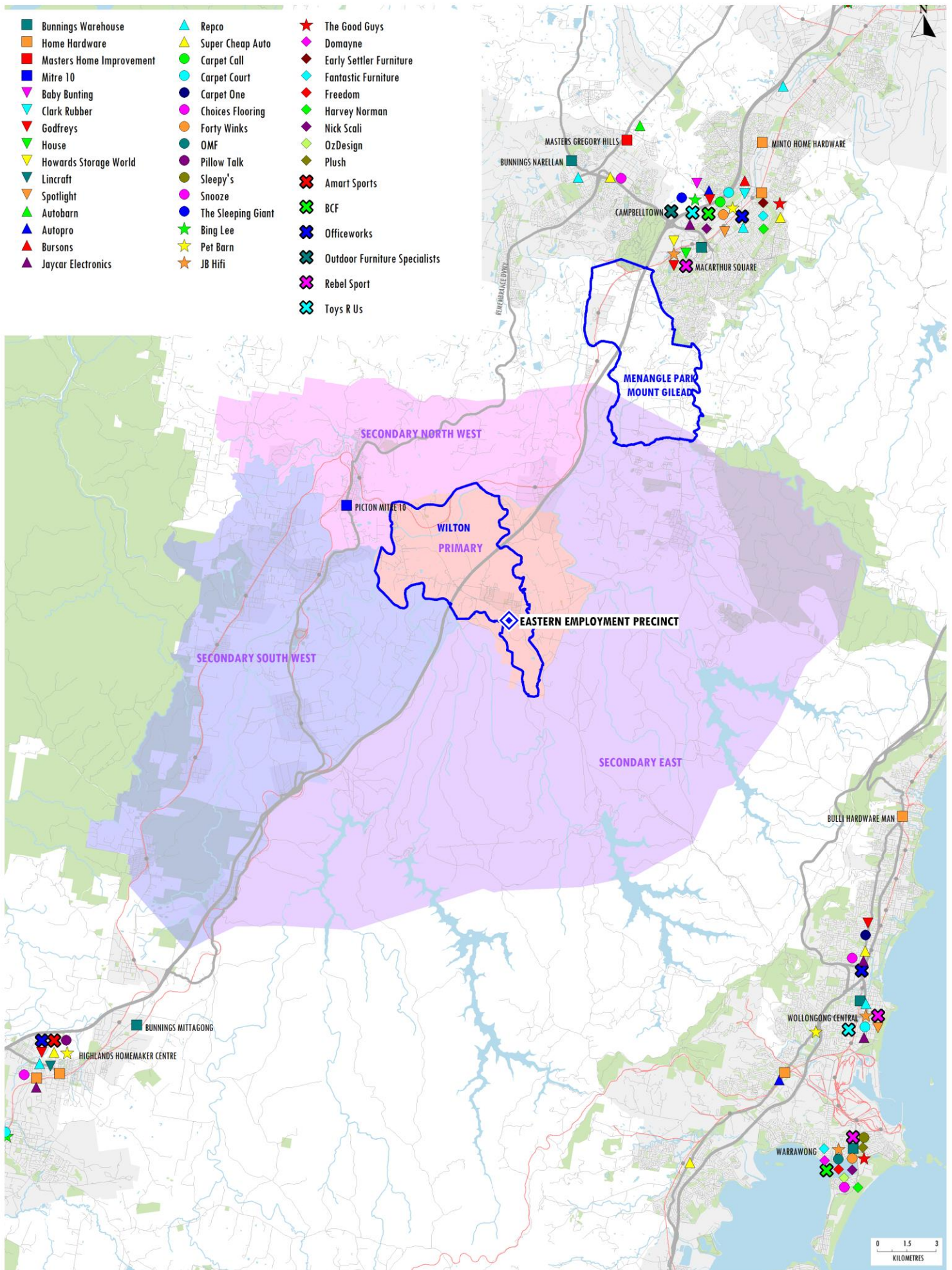
- The **primary sector** will include the entire Wilton priority precinct and is generally bound generally by the Nepean and Cataract rivers.
- The **secondary east sector** will include the area to the east of the Hume Highway, extending approximately 15-25 km from the intersection of Picton Road and the Hume Highway. It incorporates the eastern part of the suburb of Wilton and the township of Appin.
- The **secondary north-west sector** will include the area west of the primary sector and Hume Highway, extending approximately 10-15 km from the intersection of Picton Road and the Hume Highway. It includes the township of Picton.
- The **secondary south-west sector** will include the area west of the Hume Highway and south of the primary sector and secondary north-west sector, extending approximately 10-15 km from the intersection of Picton Road and the Hume Highway. It includes the townships of Tahmoor, Thirlmere and Bargo.

The combination of the primary and secondary sectors forms the **main trade area**, which is the area from which the majority of turnover will be generated. The expected market shares from the key primary sector will be higher than the secondary sectors given that the proposed retail facilities will be located within this area and given the distribution of surrounding competitive retail centres, particularly within the eastern secondary sectors.

As discussed earlier, we have examined a smaller, localised trade area of relevance to the proposed local centre within the eastern employment precinct, which is discussed in Sub-section 3.5.



**Map 3.1: Wilton priority precinct**  
 Trade area and traditional retail competition



**Map 3.2: Wilton priority precinct**  
Trade area and bulky goods competition

### 3.2 Trade area population

Table 3.1 details the estimated take up rates of the various residential estates across the Wilton priority precinct, with the key assumptions as follows:

- The Wilton priority precinct has the potential to accommodate up to 16,600 residential dwellings over the very long term.
- There are four major landowners in the Wilton priority precinct, including Walker (WSEP), Bingara Gorge (Lend Lease), the Bradcorp Land and Governors Hills. Bingara Gorge is currently being developed with around 400 - 500 dwellings completed to date.
- The remaining 715 (approx.) lots at Bingara Gorge are assumed to be completed by 2022.
- The WSEP could potentially accommodate 3,000 dwellings, which Walker has indicated would be delivered progressively between 2018 and 2034 (i.e. at an approximate average of 180 – 200 dwellings per annum).
- Development on the Bradcorp land (5,250 lots) is assumed to be completed between 2020 and 2043.
- Development within Governors Hill (1,000 lots) is assumed to be completed between 2020 and 2028.
- Other residential development within the Wilton priority precinct up to the previous dwelling potential capacity of 12,000 dwellings is expected to be completed by 2042, as per previous population projections for the precinct as part of the Masterplanning in 2013.
- **Additional residential development commences towards the end of the forecast period from 2043 onwards, i.e. the additional 4,600 dwellings beyond the original 12,000 dwellings. This is a conservative assumption.**



Development	Total lots	Est. complete	Estimate dwelling take-up														
			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Walker Corp	3,000	0	0	50	100	150	200	200	200	200	200	200	200	200	200	200	200
Bingara Gorge	1,165	450	150	150	125	100	100	90	0	0	0	0	0	0	0	0	0
Bradcorp	5,250	0	0	0	0	100	100	150	200	200	200	200	200	200	250	250	250
Governors Hills	1,000	0	0	0	0	100	100	100	100	100	100	100	150	150	0	0	0
Other in 12,000	1,585	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Additional	4,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>16,600</b>	<b>450</b>	<b>150</b>	<b>200</b>	<b>225</b>	<b>450</b>	<b>500</b>	<b>540</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>550</b>	<b>550</b>	<b>450</b>	<b>450</b>	<b>450</b>
<b>Population*</b>			450	600	675	1,350	1,500	1,620	1,500	1,500	1,500	1,500	1,650	1,650	1,350	1,350	1,350

Development	Total lots	Estimate dwelling take-up														
		2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046
Walker Corp		200	200	100	0	0	0	0	0	0	0	0	0	0	0	0
Bingara Gorge		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bradcorp		250	250	250	250	250	250	250	250	300	300	200	150	0	0	0
Governors Hills		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other in 12,000		0	160	160	160	160	160	160	160	160	145	0	0	0	0	0
Additional		0	0	0	0	0	0	0	0	0	0	0	230	230	230	230
<b>Total</b>		<b>450</b>	<b>610</b>	<b>510</b>	<b>410</b>	<b>410</b>	<b>410</b>	<b>410</b>	<b>410</b>	<b>460</b>	<b>460</b>	<b>345</b>	<b>380</b>	<b>230</b>	<b>230</b>	<b>230</b>
<b>Population*</b>		1,350	1,830	1,530	1,230	1,230	1,230	1,230	1,230	1,380	1,380	1,035	1,140	690	690	690

\*Assumed approx. 3 persons per dwelling  
Source: MacroPlan Dimasi

Table 3.2 details the historical, current and future population of the Wilton priority precinct main trade area, by sector, over the period 2006 – 2046. This information has been collected from a range of sources, including the following:

- Australian Bureau of Statistics Census of Population and Housing (2006 and 2011);
- Australian Bureau of Statistics Dwelling Approval Data (2011-15);
- Australian Bureau of Statistics Estimated Residential Population data (ERP) (2011-2015);
- NSW DPE Household and Population projections (2006-2046);
- NSW Bureau of Transport Statistics (BTS) population projections (at the small area);
- Assumptions regarding dwelling take-ups within the Wilton priority precinct as indicated in Table 3.1;
- Other investigations of future residential development, undertaken by this office.

The main trade area population is estimated at 34,350 as at June 2016, including around 3,500 residents in the key primary sector. Over the past decade, the main trade area population has grown at an average annual rate of 1.7%, or around 540 persons per annum.

The Wilton priority precinct is proposed to accommodate around 16,600 new dwellings over the very long term, or around 50,000 additional residents. **However, we have assessed the future demand for retail floorspace within the precinct based on the conservative assumption of around 12,000 dwellings being completed by around 2042, with around 1,000 of the additional 4,600 provided by 2046.**

Furthermore, the West Appin investigation area, in the secondary east sector, is earmarked to accommodate over 19,000 dwellings, across four known private proposals, including the West Appin Study Area (18,000 lots). The West Appin precinct has not been identified for release prior to 2036, primarily due to the significant environmental constraints and required infrastructure upgrades. As a very conservative assumption, we have assumed that the majority of this area will be rezoned over the much longer term.

The Menangle Park and Mount Gilead priority precincts, have the potential accommodate 18,100 dwellings over the long term. A small proportion of this precinct is located within the secondary east sector, and includes land identified with the *South Campbelltown private proposal* as per the GMLRIA Land Use and Infrastructure Analysis, which is proposed to accommodate up to 12,000 residential lots over the long term.

We have not incorporated the potential future growth of this area in our population projections, given the uncertainty surrounding scale and timing, and in order to present a very conservative position around population growth and retail demand.

Having regard for the above, the main trade area population is estimated to grow at an average annual rate of 2.9% over the forecast period, to reach 80,550 residents by 2046. The primary sector population is estimated to grow very strongly, at around 8.6% per annum, to reach 40,880 residents by 2046.

**Table 3.2**  
**Wilton trade area population, 2006-2046\***

Trade area sector	Estimated population					Forecast population				
	2006	2011	2016	2018	2021	2026	2031	2036	2041	2046
Primary	1,870	2,230	3,480	4,680	8,355	15,980	23,330	29,680	36,430	40,880
Secondary sectors										
• East	1,770	1,870	2,070	2,110	2,170	2,420	2,670	3,170	3,670	4,170
• Sth-west	19,710	20,600	22,050	22,250	22,550	23,150	23,750	24,500	25,250	26,250
• Nth-west	<u>5,590</u>	<u>6,050</u>	<u>6,750</u>	<u>6,950</u>	<u>7,250</u>	<u>7,750</u>	<u>8,250</u>	<u>8,500</u>	<u>8,750</u>	<u>9,250</u>
Total secondary	27,070	28,520	30,870	31,310	31,970	33,320	34,670	36,170	37,670	39,670
<b>Main trade area</b>	<b>28,940</b>	<b>30,750</b>	<b>34,350</b>	<b>35,990</b>	<b>40,325</b>	<b>49,300</b>	<b>58,000</b>	<b>65,850</b>	<b>74,100</b>	<b>80,550</b>
Trade area sector	Average annual growth (no.)									
	2006-11	2011-16	2016-18	2018-21	2021-26	2026-31	2031-36	2036-41	2041-46	
Primary		72	250	600	1,225	1,525	1,470	1,270	1,350	890
Secondary sectors										
• East		20	40	20	20	50	50	100	100	100
• Sth-west		178	290	100	100	120	120	150	150	200
• Nth-west		<u>92</u>	<u>140</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>50</u>	<u>50</u>	<u>100</u>
Total secondary		290	470	220	220	270	270	300	300	400
<b>Main trade area</b>		<b>362</b>	<b>720</b>	<b>820</b>	<b>1,445</b>	<b>1,795</b>	<b>1,740</b>	<b>1,570</b>	<b>1,650</b>	<b>1,290</b>
Trade area sector	Average annual growth (%)									
	2006-11	2011-16	2016-18	2018-21	2021-26	2026-31	2031-36	2036-41	2041-46	
Primary	3.6%	9.3%	16.0%	21.3%	13.8%	7.9%	4.9%	4.2%	2.3%	
Secondary sectors										
• East	1.1%	2.1%	1.0%	0.9%	2.2%	2.0%	3.5%	3.0%	2.6%	
• Sth-west	0.9%	1.4%	0.5%	0.4%	0.5%	0.5%	0.6%	0.6%	0.8%	
• Nth-west	<u>1.6%</u>	<u>2.2%</u>	<u>1.5%</u>	<u>1.4%</u>	<u>1.3%</u>	<u>1.3%</u>	<u>0.6%</u>	<u>0.6%</u>	<u>1.1%</u>	
Total secondary	1.0%	1.6%	0.7%	0.7%	0.8%	0.8%	0.9%	0.8%	1.0%	
<b>Main trade area</b>	<b>1.2%</b>	<b>2.2%</b>	<b>2.4%</b>	<b>3.9%</b>	<b>4.1%</b>	<b>3.3%</b>	<b>2.6%</b>	<b>2.4%</b>	<b>1.7%</b>	

\*As at June

Source: ABS Census 2011; NSW Department of Planning and Environment 2014; MacroPlan Dimasi

### 3.3 Socio-demographic profile

Table 3.3 outlines the socio-demographic profile of the main trade area population, compared with the respective benchmarks for metropolitan Sydney and Australia, as sourced from the 2011 ABS Census of Population and Housing.

Key points to note include the following:

- Main trade area residents earn per capita and average household income levels that are 16.8% below and 11.7% below the metropolitan Sydney average, respectively. However, within the primary sector, the average household income is 6.4% above the metropolitan Sydney average.
- The average age of main trade area residents, at 35.8 years, is below the respective benchmark for metropolitan Sydney (37.1 years). In particular, there is an above average proportion of children aged 0-14 years (4.1% higher).
- Home ownership levels (including outright and mortgaged) within the main trade area are above the metropolitan Sydney average.
- Australia born residents account for 86.9% of main trade area residents, which is 23% higher than the metropolitan Sydney average.
- Traditional families (i.e. couples with dependent children) are the predominant household type across the main trade area, accounting for 50.3% of total households.

In summary, the main trade area generally comprises young, Australian born families who typically own their own homes and earn below average incomes.

As noted above, the socio-demographic data in Table 3.3 is drawn from the 2011 Census, and would not have included the population that now exists in the Bingara Gorge estate, for example. Furthermore, this analysis generally reflects the current socio-demographic profile of the main trade area population.

We expect significant changes in the composition of the main trade area population, as greater numbers of young couples and young families are expected to move to the area, reflecting more the demographic profile of the primary sector and other Greenfield locations across outer south-western Sydney.

Table 3.3 Wilton main trade area - socio-demographic profile, 2011							
Census item	Primary sector	Secondary sectors			Main TA	Syd Metro avg.	Aust. avg.
		East	Sth-west	Nth-west			
Per capita income	\$35,100	\$33,363	\$29,282	\$35,297	\$31,135	\$37,441	\$34,467
<i>Var. from Syd Metro benchmark</i>	-6.3%	-10.9%	-21.8%	-5.7%	-16.8%		
Avg. household income	\$107,574	\$102,399	\$82,621	\$102,031	\$89,219	\$101,090	\$88,205
<i>Var. from Syd Metro benchmark</i>	6.4%	1.3%	-18.3%	0.9%	-11.7%		
Avg. household size	3.1	3.1	2.8	2.9	2.9	2.7	2.6
<u>Age distribution (% of population)</u>							
Aged 0-14	23.2%	25.0%	23.2%	23.3%	23.3%	19.2%	19.3%
Aged 15-19	7.3%	7.2%	7.3%	7.5%	7.3%	6.3%	6.5%
Aged 20-29	10.1%	11.2%	11.2%	10.6%	11.0%	14.8%	13.8%
Aged 30-39	14.1%	12.8%	12.9%	12.6%	12.9%	15.3%	13.8%
Aged 40-49	17.9%	17.4%	14.7%	15.7%	15.3%	14.3%	14.2%
Aged 50-59	12.1%	13.4%	13.4%	14.4%	13.5%	12.2%	12.8%
Aged 60+	15.3%	13.0%	17.4%	15.9%	16.7%	18.0%	19.6%
Average age	35.1	34.1	36.1	35.7	35.8	37.1	37.9
<u>Housing status (% of households)</u>							
Owner (total)	<u>84.9%</u>	<u>80.9%</u>	<u>80.8%</u>	<u>79.5%</u>	<u>80.8%</u>	<u>66.8%</u>	<u>68.7%</u>
• Owner (outright)	30.5%	29.1%	30.4%	30.8%	30.4%	31.1%	32.9%
• Owner (with mortgage)	54.3%	51.7%	50.3%	48.7%	50.4%	35.7%	35.8%
Renter	15.1%	17.9%	18.7%	19.9%	18.6%	32.4%	30.4%
Other	0.0%	1.3%	0.6%	0.5%	0.6%	0.8%	0.9%
<u>Birthplace (% of population)</u>							
Australian born	86.4%	86.2%	87.0%	86.9%	86.9%	63.6%	74.0%
Overseas born	<u>13.6%</u>	<u>13.8%</u>	<u>13.0%</u>	<u>13.1%</u>	<u>13.1%</u>	<u>36.4%</u>	<u>26.0%</u>
• Asia	1.1%	1.3%	0.8%	0.8%	0.8%	15.5%	8.6%
• Europe	10.0%	10.6%	9.8%	9.4%	9.8%	10.6%	10.5%
• Other	2.5%	1.9%	2.4%	3.0%	2.5%	10.3%	7.0%
<u>Family type (% of households)</u>							
Couple with dep't children	55.5%	55.4%	48.7%	52.7%	50.3%	48.2%	45.3%
Couple with non-dep't child.	12.1%	12.2%	9.2%	10.4%	9.8%	9.1%	7.7%
Couple without children	19.4%	16.7%	20.7%	19.9%	20.2%	20.1%	23.0%
One parent with dep't child.	7.1%	7.4%	9.9%	7.4%	9.1%	8.5%	9.2%
One parent w non-dep't child.	2.0%	3.3%	3.9%	2.3%	3.4%	3.9%	3.5%
Other family	0.7%	0.8%	0.6%	0.6%	0.6%	1.2%	1.1%
Lone person	3.2%	4.3%	7.1%	6.6%	6.6%	9.0%	10.2%

Source: ABS Census of Population & Housing, 2011; MacroPlan Dimasi

### 3.4 Retail expenditure capacity

MacroPlan Dimasi estimates retail expenditure capacity generated by the main trade area residents based on information sourced from Market Data Systems (MDS), which utilises a detailed micro simulation model of household expenditure behaviour for all residents of Australia. The model takes into account information from a wide variety of sources including the regular ABS Household Expenditure Surveys, national accounts data, Census data and other information. We consider MarketInfo data to be an accurate measure of available retail expenditure and it is widely relied on in the retail industry.

Total retail expenditure is detailed in a number of categories, as follows:

- Take-home food and groceries – goods typically sold in supermarkets and specialty fresh food stores.
- Packaged liquor – packaged beer, wine and spirits such as those purchased at bottle-shops and liquor outlets.
- Food catering – cafes, take-away outlets and restaurants, including liquor consumed on such premises.
- Apparel – clothing, footwear, fashion and accessories.
- Household Goods – giftware, electrical, computers, furniture, homewares, and hardware goods.
- Leisure – sporting goods, music, DVDs, games, books, newsagents and film processing/photography.
- General Retail – pharmaceutical goods, cosmetics, toys, florists, mobile phones.
- Retail Services – retail services such as key cutting, shoe repairs, hair and beauty.

Chart 3.1 illustrates the estimated per capita retail expenditure levels for the main trade area population across the various retail categories, benchmarked against the metropolitan Sydney and Australian averages.

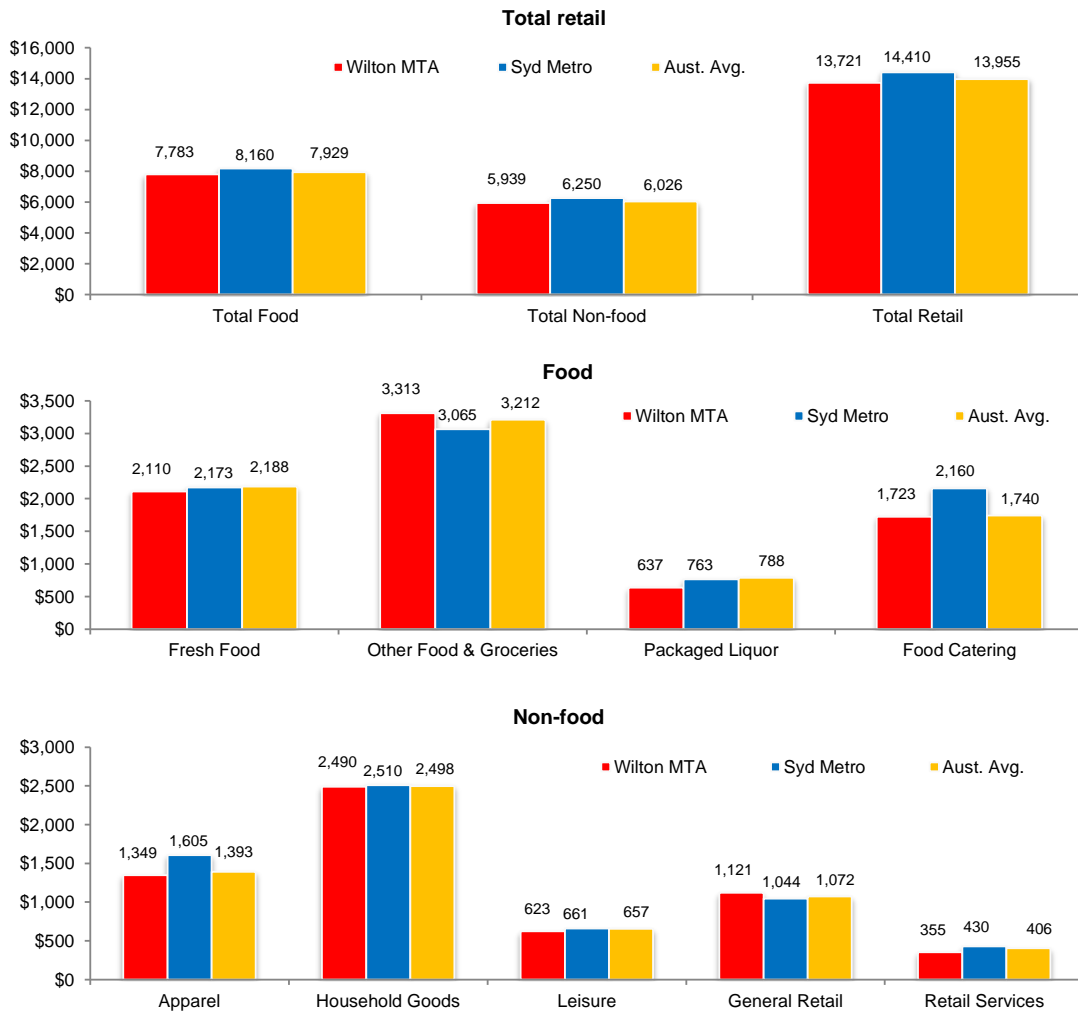
All expenditure estimates in this report are presented in constant 2015/16 dollars and inclusive of GST. The following key points are noted:

- Total per capita retail expenditure is estimated at 4.8% below the metropolitan Sydney average, with expenditure on food retail being 4.6% below average and expenditure on non-food retail being 5.0% below average.
- Although, with average household sizes across the main trade area around 6% above average, retail expenditure per household is slightly above average.
- Expenditure on supermarket retail is generally inelastic to income levels. Indeed, estimated per capita expenditure on other food and groceries and fresh food is about 3.5% greater than average.

As discussed earlier, we expect the socio-demographic profile of the main trade area population, and in particular, the primary sector, to change over time to be more affluent, and consequently trade area resident's retail expenditure profile is also expected to change.

We have conservatively adopted the expenditure profile of the existing population and grown this forward using typical real growth per capita assumptions as discussed in the next pages.

**Chart 3.1**  
**Wilton main trade area - retail expenditure per person, 2015/16\***



\*Including GST  
 Source: MarketInfo; MacroPlan Dimasi



Table 3.4 presents projections of total retail expenditure generated by the main trade area population, by trade area sector, over the period 2016 to 2046. Expenditure forecasts are presented inclusive of GST and in constant 2015/16 dollars.

Total retail expenditure by main trade area residents is estimated to grow from \$473.5 million in 2016 to \$1.51 billion by 2046, at an average annual growth rate of 3.9%. This average annual growth rate of 3.9% comprises two components, as follows:

- Residential population growth, which is expected to average 2.9% per annum; and
- Real growth in per capita retail expenditure, which is estimated to average 1.0% per annum over the forecast period.

The total retail expenditure capacity of primary sector residents is expected to grow in real terms at an average rate of 9.7% per annum, from \$49.5 million at 2016 to \$791.5 million by 2046.

Table 3.4 Wilton main trade area - retail expenditure (\$M), 2016-2046*					
Year ending June	Primary sector	East	Secondary sectors Sth-west	Nth-west	Main TA
2016	49.5	28.2	297.3	98.4	473.5
2021	118.1	31.1	319.6	111.0	579.8
2026	244.0	36.1	343.2	124.2	747.5
2031	383.1	41.7	368.6	138.4	931.8
2036	517.3	51.5	397.8	149.8	1,116.4
2041	667.4	62.6	429.4	161.4	1,320.8
2046	791.5	74.6	467.2	178.2	1,511.5
<u>Average annual growth (\$M)</u>					
2016-2046	24.7	1.5	5.7	2.7	34.6
<u>Average annual growth (%)</u>					
2016-2046	9.7%	3.3%	1.5%	2.0%	3.9%

\*Constant 2015/16 dollars & including GST  
Source: MarketInfo; MacroPlan Dimasi

Table 3.5 presents projections of spending for the main trade area population by retail category. Expenditure on take-home food and groceries (F&G) plus packaged liquor is estimated at \$213.3 million in 2016, and accounts for 45% of all retail expenditure in the main trade area, and is forecast to increase to \$688.2 million by 2046, reflecting average annual real growth of 4.0%.

Table 3.5 Wilton main trade area - retail expenditure by category (\$M), 2016-2046*								
Year ending June	FLG	Food catering	Apparel	Household goods	Leisure	General retail	Retail services	<b>Total retail</b>
2016	213.3	58.5	45.8	84.5	21.2	38.1	12.1	473.5
2021	261.5	74.2	55.2	103.1	25.4	45.6	14.8	579.8
2026	337.3	99.2	69.9	132.5	32.2	57.4	19.0	747.5
2031	421.0	127.9	85.6	164.3	39.3	69.9	23.6	931.8
2036	505.6	158.2	100.6	195.6	46.2	81.9	28.3	1,116.4
2041	599.7	193.0	116.6	229.7	53.5	94.7	33.6	1,320.8
2046	688.2	227.4	130.7	260.7	60.0	106.0	38.5	1,511.5
<u>Average annual growth (\$M)</u>								
2016-2046	15.8	5.6	2.8	5.9	1.3	2.3	0.9	34.6
<u>Average annual growth (%)</u>								
2016-2046	4.0%	4.6%	3.6%	3.8%	3.5%	3.5%	3.9%	3.9%

\*Constant 2015/16 dollars & including GST  
Source: MarketInfo; MacroPlan Dimasi

Retail expenditure category definitions:

- FLG: take-home food and groceries, as well as packaged liquor.
- Food catering: expenditure at cafes, take-away food outlets and restaurants.
- Apparel: clothing, footwear, fashion accessories and jewellery.
- Household goods: giftware, electrical, computers, furniture, homewares and hardware goods.
- Leisure: sporting goods, music, DVDs, computer games, books, newspapers & magazines, stationery and photography equipment.
- General retail: pharmaceutical goods, cosmetics, toys, florists, mobile phones and pets.
- Retail services: hair & beauty, optical goods, dry cleaning, key cutting and shoe repairs.

### 3.5 Localised trade area

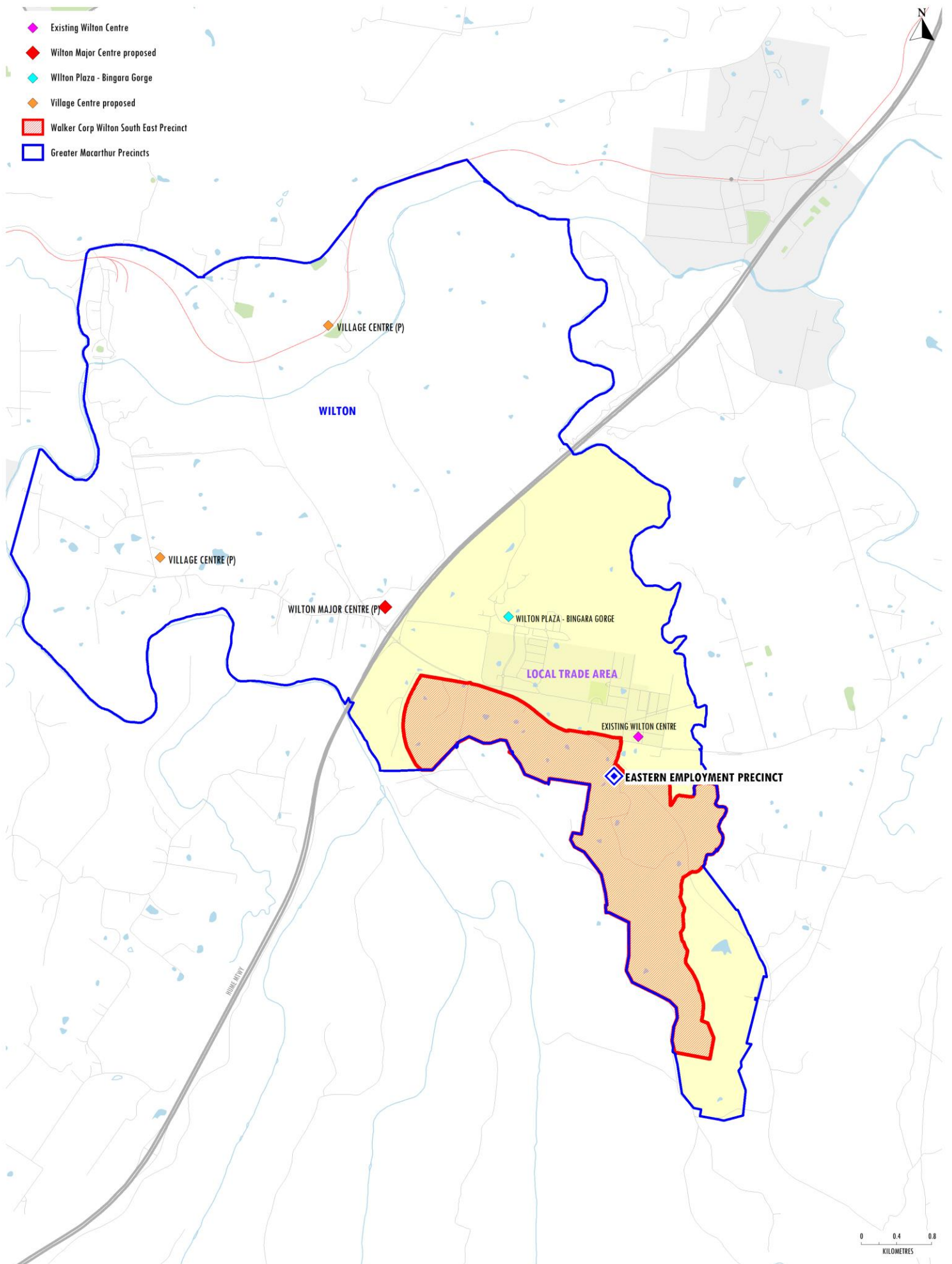
Map 3.3 illustrates the localised trade area that is of particular relevance to the proposed traditional retail facilities within the eastern employment precinct in the WSEP. Essentially, we have split the Wilton priority precinct into areas east and west of the Hume Highway. The local trade area includes the area east of the Hume Motorway, including the WSEP and Bingara Gorge.

Table 3.6 details the estimated population growth within this area, based on the dwelling projections outlined earlier in Table 3.1 of this report. This analysis shows that the majority of the existing population within the Wilton priority precinct is located in the eastern side of the Hume Highway, and that most of the growth over the next 5 years or so will be absorbed on this side. Indeed, we estimate by 2021 that more than 6,200 residents will be living east of the Hume Highway (local catchment) and only around 2,200 west of the Hume Highway.

At present this area is only served by a small 600 sq.m SPAR supermarket at Bingara Gorge, called Wilton Plaza, with around 5 – 10 supporting specialty shops and a very small set of shops at Wilton Village. The medium sized supermarket of 2,500 sq.m proposed by Walker on its local centre precinct would help to service this population until larger supermarket facilities are provided in the Wilton Major Centre.

Trade area sector	Estimated population			Forecast population						
	2006	2011	2016	2018	2021	2026	2031	2036	2041	2046
Local catchment	970	1,230	2,480	3,680	6,155	9,405	12,405	13,555	14,455	14,705
Wilton Precinct	1,870	2,230	3,480	4,680	8,355	15,980	23,330	29,680	36,430	40,880
Trade area sector	Average annual growth (no.)									
	2006-11	2011-16	2016-18	2018-21	2021-26	2026-31	2031-36	2036-41	2041-46	
Local catchment	52	250	600	825	650	600	230	180	50	
Wilton Precinct	72	250	600	1,225	1,525	1,470	1,270	1,350	890	
Trade area sector	Average annual growth (%)									
	2006-11	2011-16	2016-18	2018-21	2021-26	2026-31	2031-36	2036-41	2041-46	
Local catchment	4.9%	15.1%	21.8%	18.7%	8.8%	5.7%	1.8%	1.3%	0.3%	
Wilton Precinct	3.6%	9.3%	16.0%	21.3%	13.8%	7.9%	4.9%	4.2%	2.3%	

\*As at June  
Source: ABS Census 2011; NSW Department of Planning and Environment 2014; MacroPlan Dimasi



**Map 3.3: Wilton priority precinct**  
Local trade area

## Section 4: Competitive environment

This section of the report reviews the competitive context within which retail and employment generating uses in the Wilton priority precinct, and more specifically, the WSEP, would operate, including all proposed competitive developments.

### 4.1 Centres hierarchy and supermarket competition

Table 4.1 summaries competitive context within which traditional retail facilities at the subject site will operate, while the previous Map 3.1 illustrates the locations of the these facilities.

#### Regional and major centres

The Campbelltown-Macarthur Regional City Centre is the highest order centre in the broader outer south-western region of Sydney. The Regional City Centre is the second highest designation under the latest metropolitan strategy (*A Plan for Growing Sydney*), behind the Central Business Districts (CBDs) of Sydney and Parramatta.

The **Campbelltown-Macarthur Regional City** includes a significant regional shopping centre (Macarthur Square), the double discount department store (dds) anchored sub-regional shopping centre (Campbelltown Mall), a supermarket based centre (Market Fair) and an extensive retail strip generally oriented around Queen Street.

**Macarthur Square** is a major regional shopping centre, anchored by a David Jones department store, Big W and Target dds and Coles and Woolworths supermarkets, and accommodates over 60,500 sq.m of retail floorspace. The centre is currently undergoing a significant redevelopment (a net addition of approximately 16,000 sq.m), which will see an Aldi supermarket, additional mini-majors and new specialty retailers added to the centre, as well as expanded and relocated Target and Coles stores. The centre also contains cinemas and other entertainment uses e.g. Laser Tag, bowling etc.

**Campbelltown Mall** contains 38,200 sq.m of retail floorspace and is anchored by Target and Kmart dds, as well as Coles, Woolworths and Aldi supermarkets, and contains a solid provision of specialty retail, generally mid-market oriented.

The street and strip retail offer within the rest of the Campbelltown-Macarthur Regional City generally includes cafes, restaurants and take-away shops and lower order apparel, discount variety shops and retail services tenants.

### **Sub-regional and Town Centres**

The town of **Picton** is situated about 11km from Wilton Junction, in the secondary north-west sector, and contains around 11,000 sq.m of retail floorspace, when fully functional. As at the time of this report there were a number of vacant/closed premises due to recent flooding in the area. Picton Mall is anchored by a Target Country and a Coles supermarket, and accommodates around 5,000 sq.m of retail floorspace. There is around 6,000 sq.m of street based retail, including a Supa IGA supermarket and a range of cafes, restaurants, convenience retail and retail services.

The town of **Tahmoor** is located around 19km from Wilton, in the secondary south-west sector, and accommodates around 12,500 sq.m of retail floorspace. Tahmoor Town Centre is the largest retail centre in Tahmoor, with around 4,500 sq.m of retail floorspace, including a Woolworths supermarket. Tahmoor Town Centre has had approval for a major expansion for at least 5 years, and is planned to be expanded by around 9,130 sq.m, potentially including a dds. Other major retail facilities include standalone Foodworks and Aldi supermarkets.

**Narellan Town Centre**, which is located 30 km north of Wilton, beyond the trade area, contained around 33,500 sq.m of retail floorspace prior to its current expansion, anchored by a Big W dds and Coles and Woolworths supermarkets. Narellan Town Centre is currently undergoing a major expansion, which will include the addition of Kmart and Target dds, an expanded Coles supermarket and additional retail specialty space. In total, the centre is planned to be expanded by around 36,000 sq.m (of total GLA including non-retail uses), with

the full expansion estimated to be completed by mid-2017. The Kmart and Coles component, on the western side of Camden Valley Way is expected to be completed in mid-2016.

**Camden** generally provides convenience based retail and a solid food catering offer. The main retail asset is Camden Central, a 6,000 sq.m shopping centre anchored by a full-line Coles supermarket. There is also an extensive strip of around 9,000 sq.m distributed along Argyle Street and Oxley Street, which includes a Woolworths supermarket and Target Country.

**Mittagong**, about 35-40km south, contains an estimated 28,500 sq.m of retail floorspace including the sub-regional Highlands Marketplace shopping centre. This centre includes Big W and Woolworths as well as supporting specialty tenants. There is also an Aldi supermarket and a significant provision of main street retail. The range and size of retail facilities provided at Mittagong limits the extent of the main trade area to the south of Wilton Junction.

### Other Towns and Villages

The towns of **Thirlmere** and **Bargo** contains small amounts of convenience retail, with a small (350 sq.m) IGA supermarket servicing Thirlmere and a 1,750 sq.m Supa IGA supermarket in Bargo, as well as supporting convenience retail (e.g. a pharmacy, newsagent, hairdresser etc).

Within the secondary east sector, the town of **Appin** provides about 1,700 sq.m of retail floorspace, including an IGA supermarket, liquor store, fast food, cafes, a pharmacy and a newsagent.

Within the **Wilton priority precinct**, the existing **Wilton shops** located at the intersection of Argyle and Camden Streets include a small take-away shop, a bottle shop, automotive services, Apa Group (commercial tenant) and 1 vacant premises, totalling around 300 sq.m retail GLA. Bingara Gorge is serviced by the **Wilton Plaza**, a new 1,200 – 1,500 sq.m convenience centre, anchored by a 500 - 600 sq.m SPAR supermarket and supported by a BWS, pharmacy, medical centre, a bakery, a café, a take-away pizza shop and Chinese restaurant and real estate agent. There is also a café over the road.

### Proposed centres

As highlighted earlier in Section 2 of this report, the GMLRIA Land Use and Infrastructure Analysis identifies five centres within the **Wilton priority precinct** including the **Wilton Major Centre** (which will accommodate up to 100,000 – 150,000 sq.m), which will be supported by four Village Centres including, West Wilton, Bingara Gorge (existing centre), Maldon and Wilton Village (existing centre). Indicatively these centres are planned to support up to 5,000 sq.m of retail GLA. Furthermore, there will be retail development accommodated within mixed use zoned land across the precinct.

The initial Masterplanning framework for Wilton identified a similar number of retail centres throughout the precinct, including a neighbourhood centre/local centre within the eastern employment precinct on the Walker land. Furthermore, the initial retail network was based on a capacity population of 12,000 dwellings which is considerably less than the potential 16,600 dwellings now earmarked for the Wilton priority precinct.

The **Menangle and Mount Gilead priority precincts** will also provide **future town centres and village centres**. We note the Wilton precinct is planned to accommodate a higher order Major Centre oriented around the major interchange of Picton Road and the Hume Highway, hence its trade area is expected to be relatively broad compared with these precincts. Generally these planned retail centres are expected to be self-sustaining and service their respective residential populations as they established over the next few decades.



**Table 4.1**  
**Wilton - schedule of competing retail facilities**

Centre	Retail GLA (sq.m)	Major traders	Dist. by road from Wilton (km)
<b>Within trade area</b>			
Wilton	300		-
Bingara Gorge	1,250	SPAR	-
<u>Picton</u>	<u>11,000</u>		11.5
• Picton Mall	5,000	Target Country, Coles, Supa IGA	
• Other	6,000		
Appin	1,700	IGA	12.0
Bargo	2,250	Supa IGA	17.5
Thirlmere	2,250	IGA	18.0
<u>Tahmoor</u>	<u>12,500</u>		19.0
• Tahmoor TC (existing)	4,500	Woolworths	
• Tahmoor TC (proposed)	9,130	DDS (p)	
• Other	8,000	Aldi, Foodworks	
<b>Beyond trade area</b>			
<u>Campbelltown-Macarthur</u>	<u>128,800</u>		27.0
• Macarthur Square (existing)	60,500	David Jones, Big W, Target, Woolworths, Coles	
• Macarthur Square (u/c)	16,000	Aldi	
• Campbelltown Mall	38,200	Kmart, Target, Coles, Woolworths, Aldi	
• Market Fair	10,100		
• Other	20,000		
<u>Camden Town Centre</u>	<u>15,000</u>		29.0
• Camden SC	6,000		
• Other	9,000		
<u>Narellan Town Centre</u>	<u>69,470</u>		29.0
• Existing	33,470	Big W, Woolworths, Coles	
• Under construction	36,000	Kmart, Target	
<u>Mittagong</u>	<u>28,250</u>		38.0
• Highlands Marketplace	16,250		
• Other	12,000		

Source: Property Council of Australia; MacroPlan Dimasi

## 4.2 Bulky goods centres

The previous Map 3.2 illustrates the locations of bulky goods facilities across the surrounding region. There is only one bulky goods facility in the main trade area, that being the 6,000 sq.m Mitre 10 hardware store located at Picton, in the secondary north-west sector.

Beyond the main trade area, the largest bulky goods retail precincts are located at Campbelltown, Narellan/Gregory Hills, Mittagong and Wollongong/Warrawong, which are summarised as follows:

### Existing

- **Campbelltown** provides the largest conglomeration of bulky goods across the broader region. There is an estimated 80,000 – 100,000 sq.m of bulky goods floorspace provided within the Campbelltown bulky goods precinct, distributed primarily around Blaxland Road. Major retailers include the likes of Bunnings, Harvey Norman, BCF, Officeworks and Toys R Us.
- **Gregory Hills** is an emerging bulky goods precinct, which could potentially accommodate in excess of 80,000 sq.m of bulky goods retail floorspace once built out and a range of other uses including light industrial, medical, leisure and entertainment uses. The southern part of this precinct called Central Hills Business Park is now sold out, with no land available. The precinct includes a Masters store and stage 1 of the Home Centre Gregory Hills homemaker centre is now complete, supporting around 30,000 sq.m of space. The northern estate called Gregory Hills Corporate Park which supports two buildings will also accommodate further bulky goods retail.
- **Mittagong** accommodates around 25,000 sq.m of bulky goods floorspace, including Bunnings, The Goods Guys, Supercheap Auto and Autopro, while a small provision of this type of retail is located at **Bowral**.

- **Wollongong** is located about 35km to the east of Wilton and provides around 20,000 – 25,000 sq.m of bulky goods floorspace, including a range of prominent national brands, while **Warrawong**, located 43 km from Wilton, accommodates around 65,000 – 70,000 sq.m of bulky goods floorspace.

#### Planned

There is a major bulky goods and highway service retail node identified around the Picton Road and Hume Highway intersection within the **Wilton priority precinct**, and similarly, there is a smaller node identified within the **Mount Gilead priority precinct**.

### 4.3 Major employment nodes

As identified earlier in this report the surrounding outer south-west region is serviced by a range of commercial centres and employment precincts. The traditional retail hierarchy and bulky goods offer has been detailed in sub-sections 4.1 and 4.2. The commercial centres hierarchy is structured as follows:

#### Commercial centres

- **Campbelltown-Macarthur Regional City:** is the dominant retail, commercial, health and civic centres in outer south-western Sydney south of Liverpool Regional City. The centre contains in the order of 130,000 sq.m of traditional retail floorspace, in excess of 100,000 sq.m of commercial/business floorspace as well as other uses. The centre employs in the order of 20,000 workers.
- Within the Macarthur part of the centre is the Macarthur Square Shopping Centre as well as Bunnings, the Marketfair retail asset, the Campbelltown Hospital and the University of Western Sydney (UWS) Campbelltown campus.
- Within the Campbelltown part of the centre is the majority of the commercial floorspace, as well as the Rydges Hotel, the Campbelltown Catholic Club, the Campbelltown Arts Centre, Campbelltown Mall, the retail/commercial street along Queen Street and the Campbelltown Court House.

- This centre will continued to be the primary commercial centre in outer south-western Sydney even with the development of the Menangle and Mount Gilead priority precincts and the Wilton priority precinct, and longer term, the Appin investigation area. Indeed, the future populations that will establish in these precincts will help support the evolution/growth of the Campbelltown-Macarthur Major Centre continue to rely on services in and may undertake employment in the centre as well.
- **Wollongong Major Centre** is located about 35 km to the east, and contains significant higher order retail, commercial, health and education facilities as well as tourism infrastructure. Due to the topography and road networks, this centre would generally serve the residents located along the coast stretching north-south, including those towards Shellharbour and there would be relatively limited overlap/impacts from the development of the Wilton priority precinct.
- **Camden Town Centre** is a diverse town centre with retail, civic, medical, local businesses and community facilities and performs a localised sub-regional role servicing residents across southern Camden. The Council offices are based here but will move to Oran Park Town Centre.
- **Picton Town Centre** is mainly a retail oriented centre, with some localised commercial, medical, community facilities and performs a localised role servicing residents within a localised area surrounding the centre.
- **Tahmoor Town Centre** is also generally a retail oriented centre, with some localised commercial, medical, community facilities and performs a localised role servicing residents within a localised area surrounding the centre.
- The Picton-Tahmoor area supports around 5,000 – 6,000 jobs according to the NSW BTS.
- **Mittagong** is the closest major commercial centres to the south of Wilton and are located around 35 – 40km south of Wilton. These centres perform a sub-regional role serving the Southern Highlands region and generally contains a comprehensive provision of retail and local commercial, medical and community facilities.

### Industrial/employment precincts

The provision of employment/industrial land in the area surrounding the Wilton priority precinct is relatively limited. The following precincts are noted:

- Within the **Wilton priority precinct**, according to the GMLRIA Land Use & Infrastructure Analysis a major service industry and large format retail precinct is identified around the Wilton Major Centre.
- Also, with the **Wilton priority precinct**, a major employment lands precinct is earmarked around **Maldon** that includes the current zoned area as well as the area abutting the Nepean River to the east and bounded by Menangle Road. This precinct will be served by the future Maldon-Dombarton Freight Rail Link. **Maldon** currently contains a small industrial precinct dominated by the Boral aggregate plant located south of Picton Road and north of Picton River and are also small facilities located north of Picton Road.
- **Picton** contains a small localised industrial precinct around the intersection of the Hume Highway and Bridge Street, with light industrial type uses, including equipment hire, automotive repairs, self-storage facilities, etc.
- A small employment lands node is proposed as part of the **Menangle priority precinct** and a small service industry and large format retail precinct is planned within the **Mount Gilead priority precinct**, according to the GMLRIA Land Use and Infrastructure Analysis.
- Further to the north, the major industrial precinct in the south-west region is the **Smeaton Grange** industrial estate which currently supports in excess of 5,000 workers, located between Narellan Road and Turner Road.
- This precinct is effectively expanding into the **Gregory Hills Business Park and Cecil Hills Corporate Park** to the north, which is a major emerging bulky goods/light industrial precinct being developed north of Turner Road and south of the Hermitage residential estate.
- There are two other major industrial precincts in the outer-south region, at **Ingleburn** and **Minto** which both support more than 5,000 workers.

## Section 5: Supply and demand assessment

This section of the report assesses the demand for supermarket floorspace, traditional retail floorspace and bulky goods floorspace generated by residents across the trade area; compares this demand with the existing and future supply of such facilities; and outlines the estimated current and future market gaps for supermarket, traditional retail and bulky goods floorspace across the trade area. This section then examines the potential 'escape expenditure' from the main trade area.

### 5.1 Retail floorspace demand

There are two ways to estimate retail floorspace demand. One is to apply typical average retail turnover benchmarks to the available retail expenditure market identified in Section 3 of this report, which provides general estimates around demand for each expenditure category. Alternatively, an average floorspace provision per capita method can also be applied which provides estimates for particular retail formats (e.g. supermarket, bulky goods and other traditional retail including shopping centres).

Because Walker, within its eastern employment precinct, is considering three discrete types of retail – supermarket, supporting specialty and bulky goods retail - we have adopted a provision per capita approach that is also relatively simple to understand.

Table 5.1 presents an analysis of retail floorspace demand generated by the main trade area population, by retail type, over the period to 2046. We have assessed this as follows:

- Estimated current population and future growth across the main trade area to 2046, including a disaggregation across the primary sector.
- Presented the respective retail floorspace provision rates for the various retail types (i.e. supermarket, other traditional retail and bulky goods), across Australia. There is an estimated 2.2 sq.m per capita of retail floorspace across Australia including bulky goods, strip retail, shopping centres, supermarkets and stand-alone facilities.

- There is approximately 0.35 sq.m of supermarket floorspace per capita across Australia, a figure which is heavily impacted by the significantly under-provision within metropolitan Sydney. In outer suburban locations of metropolitan cities and in regional areas where land is generally more abundant the average per capita supermarket provision rate tends to be closer to 0.4 sq.m per capita. There is also approximately 0.6 – 0.7 sq.m per capita of bulky goods/large format retailing across Australia, and we have adopted a rate of 0.65 sq.m for the purposes of our analysis.
- While the per capita rates have been increasing historically over time, we have kept these constant to present a conservative position in relation to retail floorspace demand, but arguably these provision rates could increase by around 0.25 – 0.5% per annum, because they have historically grow at this rate.
- We have then multiplied the retail provision per capita rates by the trade area population to estimate current and future retail floorspace demand, for each broad retail use.

Based on the above methodology, main trade area residents currently generate demand for 75,600 sq.m of retail floorspace, with primary sector residents generating demand for around 7,700 sq.m.

This demand is expected to more than double over the next 20 years and is estimated to increase to 177,200 sq.m by 2046, an increase of more than 100,000 sq.m, while primary sector retail floorspace demand is estimated to grow by more than 80,000 sq.m to reach almost 90,000 sq.m by 2046.

We note this demand reflects that demand generated by residents within the main trade area only. While not all of this demand will be retained within the main trade area, there will also be inflows of demand from workers accessing jobs within the precinct and from residents/passing trade from beyond the trade area – a proportion which could be significant given the location of the Wilton precinct at the junction of Picton Road and the Hume Highway.

Table 5.1 Wilton trade area - retail floorspace demand (2016 - 2046)								
Indicator/Category	2016	2021	2026	2031	2036	2041	2046	Tot. growth 2016-46
<u>Est. population</u>								
Total primary	3,480	8,355	15,980	23,330	29,680	36,430	40,880	37,400
Total main trade area	34,350	40,325	49,300	58,000	65,850	74,100	80,550	46,200
<u>Est. retail demand per person (sq.m per capita)</u>								
Supermarket	0.40	0.40	0.40	0.40	0.40	0.40	0.40	
Other traditional retail*	<u>1.15</u>	<u>1.15</u>	<u>1.15</u>	<u>1.15</u>	<u>1.15</u>	<u>1.15</u>	<u>1.15</u>	
<b>Total traditional</b>	<b>1.55</b>	<b>1.55</b>	<b>1.55</b>	<b>1.55</b>	<b>1.55</b>	<b>1.55</b>	<b>1.55</b>	
Bulky goods	<u>0.65</u>	<u>0.65</u>	<u>0.65</u>	<u>0.65</u>	<u>0.65</u>	<u>0.65</u>	<u>0.65</u>	
<b>Total retail</b>	<b>2.20</b>	<b>2.20</b>	<b>2.20</b>	<b>2.20</b>	<b>2.20</b>	<b>2.20</b>	<b>2.20</b>	
<u>Est. PTA retail demand (sq.m)</u>								
Supermarket	1,392	3,342	6,392	9,332	11,872	14,572	16,352	14,960
Other traditional retail*	<u>4,002</u>	<u>9,608</u>	<u>18,377</u>	<u>26,830</u>	<u>34,132</u>	<u>41,895</u>	<u>47,012</u>	<u>43,010</u>
<b>Total traditional</b>	<b>5,394</b>	<b>12,950</b>	<b>24,769</b>	<b>36,162</b>	<b>46,004</b>	<b>56,467</b>	<b>63,364</b>	<b>57,970</b>
Bulky goods	<u>2,262</u>	<u>5,431</u>	<u>10,387</u>	<u>15,165</u>	<u>19,292</u>	<u>23,680</u>	<u>26,572</u>	<u>24,310</u>
<b>Total retail</b>	<b>7,656</b>	<b>18,381</b>	<b>35,156</b>	<b>51,326</b>	<b>65,296</b>	<b>80,146</b>	<b>89,936</b>	<b>82,280</b>
<u>Est. MTA retail demand (sq.m)</u>								
Supermarket	13,740	16,130	19,720	23,200	26,340	29,640	32,220	18,480
Other traditional retail*	<u>39,503</u>	<u>46,374</u>	<u>56,695</u>	<u>66,700</u>	<u>75,728</u>	<u>85,215</u>	<u>92,633</u>	<u>53,130</u>
<b>Total traditional</b>	<b>53,243</b>	<b>62,504</b>	<b>76,415</b>	<b>89,900</b>	<b>102,068</b>	<b>114,855</b>	<b>124,853</b>	<b>71,610</b>
Bulky goods	<u>22,328</u>	<u>26,211</u>	<u>32,045</u>	<u>37,700</u>	<u>42,803</u>	<u>48,165</u>	<u>52,358</u>	<u>30,030</u>
<b>Total retail</b>	<b>75,570</b>	<b>88,715</b>	<b>108,460</b>	<b>127,600</b>	<b>144,870</b>	<b>163,020</b>	<b>177,210</b>	<b>101,640</b>

\*Other traditional retail includes food catering, apparel, general retail, leisure retail and retail services  
Source: MacroPlan Dimasi

### 5.3 Supermarket market gap

Table 5.2 compares the supermarket floorspace demand with the supply of supermarket floorspace within the main trade area, to provide an indicative assessment of the appropriate timing of supermarket facilities within the main trade area.

Clearly, a small supermarket can be supported within the Wilton precinct in the short term, with the primary sector population generating demand for around 3,300 sq.m by 2021. In combination with the existing 600 sq.m SPAR at Wilton Plaza, a 2,500 sq.m supermarket at the WSEP would be an important initial catalyst supermarket to help support the growing population of the Wilton precinct.



As we identified earlier in the report, more than 75% of the population within the Wilton priority precinct would be located on the eastern side of the Hume Highway by 2021 and this population in and of itself would be sufficient to support a medium sized 2,500 sq.m supermarket.

Table 5.2 also shows the indicative timings of future supermarkets across the precinct. This analysis shows that a large, 4,000 sq.m supermarket could be comfortably accommodated within the Town Centre by 2026, allowing for an inflow of demand and assuming that such a facility would be provided slightly ahead of demand. From that point, additional supermarket facilities could be accommodated gradually over the subsequent five year intervals as the Wilton priority precinct population grows. *(Note: Table 5.2 compares the demand generated by the main trade area population with the supply within the main trade area and does not account for inflow from beyond the trade area, which is expected to exceed outflows particularly over the long term as the Major Centre evolves).*

In the early stages the supermarkets will generally service the primary sector, with the appropriate reference point being the PTA gap, however, as the Major Centre establishes and grows, serving a bigger population with higher order facilities, the main trade area population will become more relevant and the MTA market gap becomes the more appropriate reference point.

Table 5.2 Wilton trade area - supermarket floorspace gap (2016 - 2046)								
Indicator/Category	2016	2021	2026	2031	2036	2041	2046	Tot. growth 2016-46
<u>Est. population</u>								
Primary sector	3,480	8,355	15,980	23,330	29,680	36,430	40,880	37,400
Total main trade area	34,350	40,325	49,550	58,500	66,100	74,100	80,550	46,200
<u>Est. retail demand per person (sq.m per capita)</u>								
Supermarket	0.40	0.40	0.40	0.40	0.40	0.40	0.40	
<u>Est. retail smkt demand (sq.m )</u>								
PTA smkt demand	1,392	3,342	6,392	9,332	11,872	14,572	16,352	14,960
MTA smkt demand	13,740	16,130	19,820	23,400	26,440	29,640	32,220	18,480
<u>Est. retail smkt supply (sq.m )</u>								
<u>PTA smkt supply</u>	<u>600</u>	<u>3,100</u>	<u>7,100</u>	<u>9,600</u>	<u>13,600</u>	<u>15,600</u>	<u>18,100</u>	<u>17,500</u>
• Subject site		2,500						
• Wilton Major Centre			4,000	1,500	4,000			
• Other Wilton				1,000		2,000	2,500	
<u>MTA smkt supply</u>	<u>15,320</u>	<u>17,820</u>	<u>21,820</u>	<u>23,320</u>	<u>27,320</u>	<u>29,320</u>	<u>31,820</u>	<u>16,500</u>
• Subject site		2,500						
• Wilton Town Centre			4,000	1,500	4,000			
• Other Wilton						2,000	2,500	
<u>Est. supermarket floorspace gap (sq.m)</u>								
PTA smkt gap	792	242	-708	-268	-1,728	-1,028	-1,748	
MTA smkt gap	-1,580	-1,690	-2,000	80	-880	320	400	

Source: MacroPlan Dimasi

### 5.3 Traditional retail gap

Table 5.3 presents a similar analysis for traditional retail floorspace demand as per Table 5.2. This analysis allows for the Tahmoor Town Centre expansion and also acknowledges that there would be some small scale retail provided at other business zoned/mixed use precincts across the Wilton priority precinct.

We have assumed that the Major Centre would begin as a solid supermarket anchored centre and could evolve into a single DDS based shopping centre in Stage 2, including an Aldi supermarket and then into a larger centre in stage 3.

This analysis shows that the supporting retail specialty retail in the WSEP eastern employment neighbourhood centre precinct would evolve over time, with some of the space coming on with the supermarket in the early stages and the rest to be provided as the catchment population grows and the employment precinct evolves.

Table 5.3								
Wilton trade area - traditional retail floorspace gap (2016 - 2046)								
Indicator/Category	2016	2021	2026	2031	2036	2041	2046	Tot. growth 2016-46
<u>Est. population</u>								
Total primary	3,480	8,355	15,980	23,330	29,680	36,430	40,880	37,400
Total main trade area	34,350	40,325	49,300	58,000	65,850	74,100	80,550	46,200
<u>Est. traditional retail demand per person (sq.m per capita)</u>								
Traditional retail	1.55	1.55	1.55	1.55	1.55	1.55	1.55	
<u>Est. traditional retail demand (sq.m)</u>								
PTA demand	5,394	12,950	24,769	36,162	46,004	56,467	63,364	57,970
MTA demand	53,243	62,504	76,415	89,900	102,068	114,855	124,853	71,610
<u>Est. traditional retail supply (sq.m)</u>								
<u>PTA traditional supply</u>	<u>1,550</u>	<u>5,450</u>	<u>14,980</u>	<u>23,980</u>	<u>39,980</u>	<u>43,480</u>	<u>48,480</u>	<u>46,930</u>
• Subject site		3,900	1,530					
• Wilton Major Centre			7,000	8,000	15,000			
• Other Wilton			1,000	1,000	1,000	3,500	5,000	
<u>MTA traditional supply</u>	<u>31,250</u>	<u>44,280</u>	<u>52,810</u>	<u>62,810</u>	<u>78,810</u>	<u>82,310</u>	<u>87,310</u>	<u>56,060</u>
• Subject site		3,900	1,530					
• Wilton Major Centre			6,000	9,000	15,000			
• Other Wilton			1,000	1,000	1,000	3,500	5,000	
• Tahmoor Town Centre		9,130						
<u>Est. traditional retail floorspace gap (sq.m)</u>								
PTA gap	3,844	7,500	9,789	12,182	6,024	12,987	14,884	
MTA gap	21,993	18,224	23,605	27,090	23,258	32,545	37,543	

Source: MacroPlan Dimasi

#### 5.4 Bulky goods retail floorspace gap

Table 5.4 presents an assessment of the bulky goods floorspace market gap across the main trade area, structured in a similar manner to Tables 5.2 and 5.3. This analysis shows that some bulky goods provision will be need in the short to medium term, as the only current bulky goods tenants within the broader main trade area is the Mitre 10 at Picton.

We have made an allowance for significant leakage of this expenditure to major bulky goods nodes at Campbelltown and Gregory Hills, which will service major regional catchments including Wilton, and currently provide extensive ranges of bulky goods tenants.

We have also made an allowance for inflow demand from beyond the main trade area (which is expected to drive around 30 - 35% of total bulky goods sales), given the prominent position of the WSEP on Picton Road and the excellent location of the identified bulky goods/service retail precinct around the Wilton Major Centre, which will also service some demand from around Mittagong and Bowral and beyond.

Even with bulky goods retail being provided at the WSEP site between 2021 and 2026, serving a localised population, there is scope for a major bulky goods stage within the Wilton Major Centre over this period and significant subsequent stages.

Table 5.4 Wilton trade area - bulky goods floorspace gap (2016 - 2046)								
Indicator/Category	2016	2021	2026	2031	2036	2041	2046	Tot. growth 2016-46
<u>Est. population</u>								
Total primary	3,480	8,355	15,980	23,330	29,680	36,430	40,880	37,400
Total main trade area	34,350	40,325	49,300	58,000	65,850	74,100	80,550	46,200
<u>Est. bulky goods retail demand per person (sq.m per capita)</u>								
bulky goods retail	0.65	0.65	0.65	0.65	0.65	0.65	0.65	
<u>Est. bulky goods retail demand (sq.m)</u>								
PTA demand	2,262	5,431	10,387	15,165	19,292	23,680	26,572	24,310
MTA demand	22,328	26,211	32,045	37,700	42,803	48,165	52,358	30,030
<u>Est. bulky goods retail supply (sq.m)</u>								
<u>MTA bulky goods supply</u>	<u>6,000</u>	<u>6,000</u>	<u>17,000</u>	<u>30,500</u>	<u>43,000</u>	<u>48,000</u>	<u>57,100</u>	<u>57,100</u>
• <i>Subject site</i>			6,000	6,000	5,000	0	4,100	
• <i>Wilton Major Centre &amp; frame</i>			5,000	7,500	7,500	5,000	5,000	
MTA containment rate	25%	25%	40%	60%	75%	75%	80%	
Demand from BTA	15%	15%	35%	35%	35%	35%	35%	
<u>Est. bulky goods retail floorspace gap (sq.m)</u>								
MTA gap	419	1,536	304	37	338	767	-554	

Source: MacroPlan Dimasi

## Section 6: Retail leakage and impacts

This section of the report examines the retail expenditure leakage to other centres/precincts and the potential economic impacts of the proposed retail and bulky goods development at the WSEP on the surrounding centres hierarchy.

### 6.1 Retail expenditure leakage

The analysis in Section 5 of this report showed that even with the gradual addition of retail facilities within the Wilton priority precinct, in addition to the existing retail facilities within Picton and Tahmoor (which are within the broader trade area), there will still be a significant amount of demand generated by main trade area residents not captured by these facilities.

Table 6.1 and 6.2 present an assessment of the retail floorspace demand leakage from the main trade area, i.e. the share of demand generated by the main trade area population that is not captured by retail facilities within the main trade area. This escaped demand (in the form of potential sales) would be available to retail facilities outside of the main trade area.

Table 6.1 shows that by around 2021, by which time some of the convenience retail would be delivered at the WSEP neighbourhood centre, that around 36% of total traditional retail floorspace demand would not be met by trade area facilities (i.e. would escape the trade area). This demand would escape to higher order centres such as Campbelltown-Macarthur Regional City, Camden Town Centre and Narellan Town Centre etc. Even with additional retail facilities provided over the subsequent 20 – 25 years, this share of escape expenditure is expected to increase to around 41%.

The new neighbourhood retail facilities proposed at the WSEP neighbourhood centre would only contribute around 7 - 8% of the total traditional retail floorspace demand generated by the main trade area population as at 2021, and by 2046, only 4% of total.

This means that around 92 – 96% of expenditure would be available for capture by other retail traditional retail facilities across the Wilton precinct, within the main trade area and across the surrounding region.

New retail facilities will be needed to support and drive the new population within the Wilton priority precinct, however, the additional population within this precinct will clearly also benefit other existing retail centres across the broader region, including those within the main trade area.

Table 6.2 presents a similar analysis for bulky goods retail, which shows that even with a considerable provision of bulky goods retail floorspace within the Wilton precinct over the next few decades, there will still be a very considerable leakage of demand (of around 30%) to other bulky goods precincts across the surrounding region, in particular the significant established nodes at Campbelltown-Macarthur and Gregory Hills/Narellan.

Table 6.1 Main trade area - traditional retail floorspace demand - est. escape expenditure/demand, 2021-46			
Factor	2021	2031	2046
<u>Traditional retail - demand/expenditure</u>			
MTA traditional retail floorspace - demand (sq.m)	62,504	89,900	124,853
<u>Traditional retail - supply/sales</u>			
MTA traditional retail floorspace - supply (sq.m)	44,280	62,810	87,310
<u>Proportion of MTA retail sales/supply attributable to MTA residents</u>			
MTA traditional retail floorspace - supply (sq.m)	90.0%	87.5%	85.0%
<u>MTA retail sales/supply attributable to MTA residents</u>			
MTA traditional retail floorspace - supply (sq.m)	39,852	54,959	74,214
<u>Escape expenditure/demand met by non-MTA facilities</u>			
Est. MTA escape demand (sq.m)	22,652	34,941	50,639
<b>Est. share of MTA demand (sq.m)</b>	<b>36.2%</b>	<b>38.9%</b>	<b>40.6%</b>

Source: MacroPlan Dimasi

Table 6.2 Main trade area - bulky goods retail floorspace demand - est. escape expenditure/demand, 2021-46			
Factor	2021	2031	2046
<u>Bulky goods retail - demand/expenditure</u>			
MTA Bulky goods retail floorspace - demand (sq.m)	26,211	37,700	52,358
<u>Bulky goods retail - supply/sales</u>			
MTA Bulky goods retail floorspace - supply (sq.m)	6,000	30,500	57,100
<u>Proportion of MTA retail sales/supply attributable to MTA residents*</u>			
MTA Bulky goods retail floorspace - supply (sq.m)	85.0%	65.0%	65.0%
<u>MTA retail sales/supply attributable to MTA residents</u>			
MTA Bulky goods retail floorspace - supply (sq.m)	5,100	19,825	37,115
<u>Escape expenditure/demand met by non-MTA facilities</u>			
Est. MTA escape demand (sq.m)	21,111	17,875	15,243
<b>Est. share of MTA demand (sq.m)</b>	<b>80.5%</b>	<b>47.4%</b>	<b>29.1%</b>

\*Based on share of beyond trade area expenditure from Table 5.4  
Source: MacroPlan Dimasi

## 6.2 Estimated impacts on surrounding centres & precincts

The addition of new retail facilities within the Wilton estate will generally have a minimal impact on the surrounding centres hierarchy or major bulky goods precincts because new retail facilities will only be provided once sufficient demand exists within the immediate Wilton priority precinct and the broader main trade area to sustain such facilities.

In particular, for traditional retail facilities, most of the business for various retailers will be drawn by the population of the main trade area (i.e. 85 – 90%), and for convenience retail, the immediate primary sector population is important. However, the growth of the primary and main trade area populations will only occur if localised retail facilities are provided for these residents.

For bulky goods retail, in the short term, some localised facilities will be needed as there is only one hardware store at present in the main trade area (i.e. Mitre 10 at Picton), however, most demand will continue to be directed to larger precincts north towards Campbelltown-Macarthur and Gregory Hills/Narellan.

Over the longer term as the Wilton precinct supports a larger residential population and local industry, we expect that the precinct will not only serve the main trade area residents, but will also draw a significant share of business from beyond the trade area, in particular to the south, as it will become a closer option than Campbelltown-Macarthur and Gregory Hills/Narellan.

Table 6.3 presents a summary of the potential impacts of the proposed rezoning of the WSEP on the surrounding network of centres and bulky goods retail precincts, including the proposed centres network within the identified Menangle and Mount Gilead priority precincts. We make the following summary points summarising Table 6.3:

- The proposed neighbourhood centre at the WSEP eastern employment precinct was identified as a neighbourhood/village centre within the initial Masterplanning for the Wilton precinct and the general area has been effectively identified as a village centre in the latest Wilton priority precinct strategic documentation.
- Each of the proposed employment precincts within the WSEP have been identified within the initial Masterplanning for the Wilton precinct.
- Generally, any potential adverse trading impacts associated with the provision of new retail facilities (compared with a scenario of no retail facilities) will generally be offset by the significant additional population that is expected to establish within the Wilton precinct. Indeed, this additional population will have positive flow-on benefits for other retailers across the surrounding region.
- The proposed rezoning of the WSEP as early as practical, will allow new residential development, supporting retail services and local jobs to be developed relatively early in the evolution of the Wilton priority precinct. The WSEP does not rely on any major road infrastructure to begin development.



### Localised/neighbourhood retail services

- Early population/residential development within the WSEP will help to establish minimum levels of critical mass within the Wilton priority precinct that will mean the first stage of the Wilton Major Centre will be able to be delivered more rapidly than if such development were not to occur, or occurred more slowly due to a lack of critical retail services.
- The small scale nature of the neighbourhood centre within the WSEP eastern employment precinct, the relatively significant distance from surrounding retail centres, and given that the significant majority of its sales will be generated by residents from within the localised area, means that the likely impacts of this component will be very minimal across the surrounding network of existing centres.
- As Table 5.2 in the previous sub-section showed, a full-line, larger supermarket will likely form part of the first stage of the Wilton Major Centre. A small (essentially half-sized) supermarket at the WSEP eastern employment precinct is not expected to impact on the timing or scale of the Wilton Major Centre. This is because the first stage of the Major Centre development is likely to occur once a minimum population has established within the Wilton priority precinct more broadly – a population which will be driven by the residential development within the WSEP, which itself will be under-pinned by smaller scale, convenience based retail facilities.
- A major full-line supermarket operator (e.g. Coles or Woolworths) would likely choose to locate within the Major Centre precinct irrespective of the provision of a small/half-sized supermarket elsewhere across the Wilton priority precinct, because the opening of such a store would be dependent on the achievement of a minimum level of population in the store's potential primary sector (of around 8,000 – 9,000 persons) and a solid established population across the store's secondary sectors (which already exists).
- Because the WSEP is controlled by one land owner developing a major residential estate, it is possible for the small retail facilities to be provided earlier than they may otherwise

be if they were being developed in isolation To sell houses, Walker will need to provide retail amenity and would potentially be able to provide such facilities slightly ahead of a normal retail developer, for example.

- There is already a small retail node at Bingara Gorge that is being sustained by the immediate surrounding population. Because this is only a small supermarket, providing basic top-up shopping only, most of the supermarket demand generated by residents of Bingara Gorge and the Wilton precinct would still be escaping the region and being directed towards Picton, Tahmoor and north towards Campbelltown-Macarthur. The impacts of new, larger supermarket facilities would therefore be limited, as such facilities would help to retain escape expenditure but would also service new residents in the WSEP estate who would otherwise not be present without a rezoning/supporting neighbourhood centre facilities.

#### Bulky goods

- Given the elevated designation of the Wilton Major Centre compared with its previous designation, the additional 4,600 dwellings being considered within the Wilton priority precinct compared with previous estimates of developable capacity, as well as having regard to the broader population in the surrounding residential growth areas, we expect the precinct could support two solid bulky goods nodes.
- Our analysis in Table 5.4 showed that the Wilton priority precinct could accommodate in excess of 50,000 sq.m of bulky goods retail floorspace over the longer term, with large, discrete stages able to be supported generally at five year intervals within the estate.
- The Wilton Major Centre (frame) will be the primary node and we envisage this precinct will support large tenant anchors and enclosed homemaker type facilities, evolving to support similar uses to those in the emerging large format retail precinct at Sydney Business Park in Marsden Park near the M7/Richmond Road. This precinct now contains IKEA, Bunnings, Masters, Aldi, a Lindt factory outlet, and a Costco is due to open soon as is a large enclosed homemaker shopping centre.
- A smaller, secondary bulky goods retail node, such as that proposed in the eastern employment precinct, will be an early catalytic employment use within these

employment precincts, as it will be driven by the local population, high volumes of passing traffic along Picton Road and is not reliant on major road infrastructure being developed.

- The provision of such retail in the WSEP eastern precinct could occur early in the evolution of the Wilton precinct, providing important local services in the short-term and local jobs, and does not rely on new roads to access the precinct. Indeed, the development of retail around this particular intersection near Almond Street could help to fund traffic light and intersection upgrades.

#### Other employment generating uses

- There will also be potential supporting non-retail ancillary uses provided as part of the neighbourhood centre development including a possible tavern, medical uses, child care, service station etc, in addition to the industrial warehousing and showroom buildings in the employment precincts (generally the western precinct).
- The expected impacts of the smaller scale ancillary facilities will be similar to those of the proposed convenience retail facilities. These uses will evolve as population thresholds establish to support them, but could also be provided early in the development to support the growth of the Walker WSEP.
- The larger warehousing and showroom uses are expected to evolve over the medium to longer term, as the precinct evolves into a much larger 'town'. These uses are proposed to be accommodated in areas that have been designated for employment uses within the initial Masterplanning for the Wilton precinct.
- The evolution of industrial/enterprise type uses tends to be gradual and would therefore have negligible impacts on the ongoing performance or functionality of major regional industrial precincts north around Narellan/Gregory Hills and Minto/Ingleburn, particularly given the distance from these precincts.
- The Maldon precinct forms part of the Wilton priority precinct and will play a different role and function to the more localised employment/enterprise land within the WSEP, serving the demand associated with the future Maldon-Dombarton rail connection.

- The other nearby industrial estate, located at Picton, already exists without the new population in the Wilton priority precinct, serving the localised demand for local industrial services around Picton, Tahmoor etc. This precinct will continue to serve its localised market and will be relatively unaffected by new employment/industrial uses that evolve within the Wilton precinct, which will serve either localised catchments within the estate, passing traffic along Picton Road/Hume Highway or regional demand – over the longer term.

In summary, the expected trading impacts of new retail facilities in WSEP are expected to be 'acceptable' in that they will have a virtually negligible impact on existing retail facilities/precincts across the broader region, and will be necessary to underpin the residential growth that will underpin the first stage, and subsequent stages of the Wilton Major Centre.

The small existing retail facilities on the eastern side of the Wilton precinct will be insufficient to serve a population of around 8,400 persons which the Wilton precinct will support by 2021. New retail facilities will most certainly be needed by this time, and with the majority of the population (75%) located on the eastern side of the Hume Highway, it seems logical to provide such facilities on the east side.

The development of the Major Centre will be dependent on better road connections/upgrades and will not have much immediate residential population in the near term.

Similarly, localised bulky goods retail facilities will be needed in the short-term to provide local household goods/appliances, hardware products, pet accessories, auto accessories etc as the population establishes. There are presently no such retailers in the Wilton precinct and only one hardware store located at Picton.

A large bulky goods node is expected to evolve in the Wilton Major Centre, as alluded to earlier this would include very large major tenants and enclosed homemaker type facilities, however the proposed bulky goods development in the WSEP eastern employment precinct is intended to perform a very important role in serving localised demand, particularly in the short-term, but more importantly, provide early local jobs within the Wilton precinct.

The other employment uses that would be expected to be accommodated within the WSEP western employment precinct are consistent within the strategic planning for this area, and will help to create local jobs, provide local services, serve incumbent traffic, support population growth and generally reduce the number of traffic journeys in the locality.

Table 6.3

## Wilton South-East Precinct - Estimated impacts on existing &amp; planned centres hierarchy

Centre	Neighbourhood centre (inc. conv. retail)	Bulky goods	Other employment uses
<b>Wilton priority precinct</b>			
Wilton Major Centre	No impact on scale of Major Centre, nor timing of first large supermarket.	No impact on Major Centre. Different type of retail (i.e. bulky goods).	Evolution of non-retail employment will occur in line with key retail stages, but will generally be unaffected by industrial/showroom development.
Wilton Priority Precinct - planned centres and precincts	No impact on scale or timing of western village centres. Impacts on Bingara Gorge centre and existing Wilton Village centre, will continue to serve small localised catchments - minor impacts expected, although will be offset by faster population growth in Wilton.	No impact on village centres and employment precincts. Some possible reduced sales levels for the main bulky goods precinct identified adjacent to the Major Centre, although generally, the WSEP offer is intended to be localised and service short-term demand in particular.	Evolution of non-retail employment in village centres will occur in line with retail staging. Other employment precincts expected to play high order regionally oriented role & function (e.g. Maldon; Interchange)
Wilton Priority Precinct - existing centres (i.e. Bingara Gorge and Wilton Village Centre)	No impact on scale or timing of western village centres. Impacts on Bingara Gorge centre and existing Wilton Village centre, will continue to serve small localised catchments - minor impacts expected, although will be offset by faster population growth in Wilton.	No impact on smaller centres. Different type of retail (i.e. bulky goods).	No impact on smaller centres. Different type of employment uses planned within (i.e. industrial/showroom).
<b>Menangle Park and Mount Gilead priority precincts</b>			
Menangle Park Town Centre	Negligible impact. Significant distance, different trade area and will be staged based off own resident pop.	No impact on Town Centre. Different type of retail (i.e. bulky goods).	Evolution of non-retail employment will occur in line with key retail stages, but will generally not impact due to distance.
Mount Gilead Town Centre	Negligible impact. Significant distance, different trade area and will be staged based off own resident pop.	No impact on Town Centre. Different type of retail (i.e. bulky goods).	Evolution of non-retail employment will occur in line with key retail stages, but will generally not impact due to distance.
Other centres/precincts	Negligible impact. Significant distance, different trade area and will be staged based off own resident pop.	No impact on small centres and negligible impact on timing of bulky goods development, as based on local population growth.	No impact on smaller centres and bulky goods precinct. Different type of employment uses planned within (i.e. industrial/showroom).
<b>Other centres/precincts</b>			
Campbelltown - Macarthur Regional City	No impact due to small scale, local trade area and distance.	Minor impact on bulky goods precinct, with some possible tenant to tenant impacts. Future population growth will generally offset such impacts though.	No impact on most of this centre as generally non-industrial/showroom.
Narellan/Gregory Hills/Smeaton Grange	No impact on existing or planned facilities due to small scale, local trade area and distance.	Minor impact on bulky goods precinct, with some possible tenant to tenant impacts. Future population growth will generally offset such impacts though.	Very minor impacts. Staging of industrial/showroom precinct will be gradual and medium-long term, significant distance and regional role/function at Gregory Hills/Smeaton.
Camden Town Centre	Negligible impact. Significant distance and different trade area.	No impact on bulky goods facilities. No bulky goods offer.	No impact on most of this centre as generally non-industrial/showroom.
Picton	Minor-moderate impact on retail facilities. With no supermarket in Wilton, people would have to travel to Picton, Tahmoor or north to access full-line supermarkets. However, additional population growth in Wilton will offset impacts and will be under-pinned by local retail facilities in Wilton precinct (i.e. WSEP)	Moderate impact on Mitre 10 if new hardware retail is provided at WSEP. However, this would be commercial tenant to tenant impact.	Some minor tenant/business to business impacts on Picton industrial precinct.
Tahmoor	Minor-moderate impact on retail facilities. With no supermarket in Wilton, people would have to travel to Picton, Tahmoor or north to access full-line supermarkets. However, additional population growth in Wilton will offset impacts and will be under-pinned by local retail facilities in Wilton precinct (i.e. WSEP)	No impact on bulky goods facilities. No bulky goods offer.	No impact on most of this centre as generally non-industrial/showroom.
Thirlmere / Bargo	Negligible impact on retail facilities. Small scale and local trade area.	No impact on bulky goods facilities. No bulky goods offer.	No impact on most of this centre as generally non-industrial/showroom.
Appin	Minor impact on retail facilities, as will become closest supermarket above 2,000 sq.m for Appin residents. However, this store will continue to provide localised top-up shopping opportunities.	No impact on bulky goods facilities. No bulky goods offer.	No impact on most of this centre as generally non-industrial/showroom.
Mittagong/ Bowral	No impact due to small scale, localised trade area and distance.	Minor impact on bulky goods precinct, with some possible tenant to tenant impacts. Future population growth will generally offset such impacts though.	Negligible impacts. Industrial precinct serves localised demand and Southern Highlands

Source: MacroPlan Dimasi

## Section 7: Case study examples

This section of the report presents case study examples of the evolution of new Greenfield communities across Australia, with a particular focus on the threshold/timing points at which these estates began their development and the timing at which the town centres evolve.

### 7.1 Greenfield precincts

Table 7.1 presents a summary of selected case study examples of Greenfield locations across Australia that have evolved over the past 10 – 20 years in order to provide some context around the typical evolution of retail facilities, in particular the evolution of the town centres, within these precincts. These examples present a selection across five states/territories, but are by no means exhaustive:

- **North Lakes in Queensland** – located in outer-northern metropolitan Brisbane.
- **Greater Springfield in Queensland** – located in outer south-western metropolitan Brisbane (Ipswich LGA).
- **Rouse Hill, NSW** - located in north-west metropolitan Sydney.
- **Glenmore Park NSW** - located in outer-west metropolitan Sydney.
- **Gungahlin Town Centre, ACT** – located in northern Canberra.
- **Ellenbrook, WA** – located in outer north-western metropolitan Perth.
- **Caroline Springs, VIC** – located in outer-western metropolitan Melbourne.
- **Point Cook Town Centre, VIC** - located in south-western metropolitan Melbourne.

We make the following comments in relation to Table 7.1:

- The case studies present varying development outcomes across the various Greenfield locations, with different factors at play influencing the timing/staging of major town centre facilities. Although, in general, most town centres tend to evolve around a decade or so into the development of the estate, as sufficient critical mass in population is required to support the large first stages of these centres.
- In several of the case study examples, the first supermarket based retail centre was developed several years after the initial development of residential dwellings in the estate. In the case of Ellenbrook and Rouse Hill this was a small neighbourhood centre anchored by a small IGA supermarket, while at Caroline Springs a small set of supporting shops was provided early in the estate's development, similar, to some extent, to the offer currently provided at Wilton Plaza.
- The next retail developments in the above three estates didn't occur until a **further 8 – 10 years later**, when the **first stage of their respective town centres were established**, generally consisting of a supermarket based first phase. For Greater Springfield a similar time gap was prevalent between the first neighbourhood centre and the first stage of the Orion Springfield Town Centre, although the first neighbourhood centre was larger than the above examples (a Coles based supermarket centre of 5,000 sq.m).
- **The second stage** of Ellenbrook and Springfield town centres occurred around **6 – 8 years following the opening of Stage 1**. Rouse Hill was unusual in this regard, as its second stage was provided essentially provided as part of one larger build one year later. This centre was delivered as a significant double dds centre due to the relatively large potential trade area population which it already served at that point in time, but because of the significant future growth expected in the NWPGA. This development was also given strong support from UrbanGrowth NSW (then Landcom) as it was intended to also help catalyse the growth of the NWPGA.
- Point Cook (including Sanctuary Cove) in south-west Melbourne generally evolved similarly to the above estates. The estate grew from around 2,500 - 3,000 persons in the early-mid 1990's to around 7,400 persons by 2001, when the first supermarket was developed at Sanctuary Cove, a 3,200 sq.m Coles supermarket plus around 3,600 sq.m of



supporting specialty retail. The first stage of the Point Cook Town Centre consisted of around 18,000 sq.m of retail GLA including Coles, Aldi and Target and was completed in 2008. A second stage was completed relatively quickly thereafter in 2009, when Harris Scarfe was provided as well as mini-major and specialty floorspace.

- From a smaller estate perspective, Glenmore Park, which now supports a primary sector population in excess of 20,000 persons, accommodated its first full line supermarket around 2000 plus supporting specialty retail, when the population was around 8,000 – 10,000 persons, approximately 10 years after the first dwellings established in this estate. The second stage of the Glenmore Park Town Centre is due to be completed in 2017/18, and will include a Coles and Aldi supermarket as well as additional specialty retail. Additional neighbourhood retail facilities are planned within the broader Glenmore area, at Glenmore Ridge.

In summary, this case study analysis shows that it generally takes considerable time (in the order of 8 – 10 years from the initial development of residential dwellings) before town centre retail facilities are developed in new Greenfield estates. This is generally because the main town centre is relatively isolated/disconnected from the initial development front, and attracting major retail anchors to such locations is much more difficult than attracting them to small neighbourhood centres that are integrated with the existing development front.

Another recent example of this phenomenon is the new Woolworths supermarket anchored neighbourhood centre being developed at Greenway on Richmond Road in the NWPGA, near Colebee/West Schofields. This centre is under construction at present and is being developed ahead of the relatively nearby Marsden Park town centre, because it is located closer to an existing development front, whereas Marsden Park (on the western side of Richmond Road) is located in an area of no residential development.

Small neighbourhood retail facilities provided early on in the evolution of a new Masterplanned residential estate are often provided by the major residential developer (or a joint venture partner) ahead of demand (i.e. they trade slightly below average in the early years) in order to make the community attractive for potential residents, thus driving the growth of the local population and eventually, the success of the main town centre.

**Table 7.1**  
**Greenfield Town Centres - Case study comparison of timing/evolution**

Indicator	North Lakes* QLD	Rouse Hill NSW	Glenmore Park NSW	Ellenbrook WA	Caroline Springs VIC	Springfield QLD	Gungahlin** ACT	Point Cook*** VIC
Approx. year estate began	mid-90's	mid-90's	1990	1994	1997	pre-97	pre-98	mid-90's
<u>First n'hood centre</u>								
Year of first supermarket	2003	1999	2000	1999	1998	1997	1998	2001
Anchor/s	as below	IGA	as below	IGA	n.a.	Coles	as below	Coles
Approx. size first centre	as below	2,500	as below	3,250	1,000	5,000	as below	6,800
<u>Town Centre evolution</u>								
Year of Stg 1 TC	2003	2007	2000	2004	2004	2007	1998	2008
Stage 1 TC included	Coles & Target	Coles & WOW	Woolworths	Woolworths	Coles	WOW & Big W	Woolworths	Coles, Aldi, Target
Size Stage 1 sq.m	25,000	31,150	6,000	10,000	6,200	35,000	8,500	18,000
Year of Stg 2 TC	2007/2008	2008	2017 (u/c)	2011	2009	2015	2005	2009
Stage 2 TC included	WOW & Big W/Myer	Big W & Target	Coles, Aldi	Big W, Coles	Target, Aldi	Coles & Target	Big W	Harris Scarfe
Total Size Stage 2 sq.m	55,000 - 60,000	65,000	20,000+	32,000	19,000	58,000	20,200	30,000

\*North Lakes currently undergoing stage 3 expansion includes extension to the Westfield of approx 24,000 sq.m and an Ikea

\*\* Gungahlin history, 1998 Woolworths opened Gungahlin Marketplace, 2004 Coles opened Gungahlin Village, 2005 Big W opened Stage 2 Gungahlin Marketplace and 2006 Aldi opened at The G

\*\*\* Point Cook Town Centre underwent further expansion and refurbishment in 2015 to include a Woolworths supermarket and expand the centre to approx 37,000 sq.m. This precinct includes nearby Sanctuary Cove, which is where the first supermarket centre was developed.

Source: MacroPlan Dimasi

## 7.2 Convenience retail centres for precincts of 3,000 dwellings

The proposed neighbourhood centre (i.e. B2 – Local centre zone) within the eastern precinct of the WSEP is planned to support only a medium sized supermarket of 2,500 sq.m, which would provide a more limited range and offer compared with the large, modern full-line stores that would be expected to be accommodated in the Wilton Major Centre.

The additional supporting retail is only small scale and is generally consistent within the sizes envisaged for ‘village centres’ across the Wilton priority precinct in the GMLRIA *Preliminary Strategy & Action Plan (PSAP)*. The village centre indicatively shown on the eastern side of the precinct around the existing Wilton Village shops does not have a prescribed floorspace cap, however other village centres across the precinct have been earmarked to support in the order of 3,000 – 5,000 sq.m of retail GFA.

According to the indicative plans provided by Walker, the proposed neighbourhood centre could potentially accommodate around 5,430 sq.m of retail floorspace, and would likely include well above 430 sq.m of cafes, take-away shops, fast-food retailers and restaurants, i.e. “food and drinks premises” which has its own planning definition. This means that the proposed neighbourhood centre would contain less than 5,000 sq.m of “retail floorspace.”

A centre of this scale would be supportable by the population within the WSEP itself, which is planned to accommodate at least 3,000 dwellings once built out, supporting a population in the order of 8,500 persons.

There is typically one full-line supermarket provided per 8,000 – 9,000 persons across Australia, or around 0.4 sq.m per capita, which means that a population of 8,500 persons generates demand for around 3,400 sq.m of supermarket floorspace.

Furthermore, this population will generate around 13,000 sq.m of total traditional retail floorspace demand including supermarket demand and higher order retail demand.

Table 7.2 provides WSEP five case studies of Greenfield estates across NSW and the ACT of a comparable scale to the WSEP. Most of these estates contain around 2,000 – 4,000 dwellings. Although Glenmore Park now contains around 5,500 dwellings, it contained around 3,000 – 3,500 dwellings when the current neighbourhood centre was established in 2000.

Table 7.2 shows that estates of around 2,000 – 4,000 dwellings can generally sustain a full-line supermarket as well as considerable supporting specialty retail.

Estate	Approx. No. Dwellings*	Supermarket Brand(s)	Supermarket size (sq.m)	Specialties** size (sq.m)	Total centre*** size (sq.m)
Ropes Crossing, NSW	2,200	Coles	2,500	900	3,400
Spring Farm, NSW	3,900	Woolworths	3,800	1,176	4,976
Jordan Springs, NSW	2,500	Woolworths	4,200	2,150	6,350
Glenmore Park (Stage 1), NSW****	3,500	Woolworths	4,282	2,456	6,738
Casey, ACT	1,940	SupaBarn & Aldi	5,155	3,336	8,491

\*Estimated number of dwellings as at 2016.  
 \*\*Includes ancillary non-retail uses e.g. banks, insurance, travel etc.  
 \*\*\*Sum of supermarket plus specialties  
 \*\*\*\*Glenmore Park Stage 1 was built in 2000 when the pop. was around 10,000 and there were around 3,500 dwellings.  
 Source: PCA, MacroPlan Dimasi

## Section 8: Employment and economic outcomes

This section of the report identifies the likely employment outcomes and other economic benefits/impacts resulting from the proposed rezoning and subsequent development of the WSEP and the two employment precincts within the WSEP.

### 8.1 Employment generation: in employment nodes

As identified earlier in the report, the proposed WSEP will be supported by two key employment nodes and the neighbourhood centre precinct.

The development of these employment nodes will result in on site employment, as well as further jobs throughout the supply chain, including those in industries servicing the retail/showroom/industrial businesses on site, such as transport workers, wholesalers and the like.

In estimating the various employment benefits, we have relied upon various data sources including information retailers, the ABS, state and local government agencies, previous analyses and peer review work undertaken within the Wilton priority precinct by MacroPlan Dimasi and SGS Economics and Planning.

Table 8.1 presents a summary of the potential employment that could be supported on site in these precincts, based on the indicative staging outlined in Section 5 and 6 of this report.

As shown, the potential rezoning of the WSEP will enable local jobs to be created in the early stages of the evolution of the broader Wilton priority precinct, with an estimated 145 jobs by 2021 and 400 jobs by 2026.

At capacity, the employment precincts within the WSEP could potentially accommodate in the order of 1,100 – 1,200 jobs.

Table 8.1 Wilton South East Precinct - estimated employment staging and outcomes								
Component	GLA (sq.m)	Est. jobs* per 1,000 sq.m	Cumulative employment					
			2021	2026	2031	2036	2041	2046
<b>Neighbourhood centre precinct</b>								
<u>Traditional retail</u>								
Supermarket	2,500	25	63	63	63	63	63	63
Other retail	<u>2,630</u>	<u>30</u>	<u>42</u>	<u>79</u>	<u>79</u>	<u>79</u>	<u>79</u>	<u>79</u>
<b>Total retail</b>	<b>5,130</b>	<b>28</b>	<b>105</b>	<b>105</b>	<b>105</b>	<b>105</b>	<b>105</b>	<b>105</b>
<u>Non-retail</u>								
Medical	1,000	30	0	30	30	30	30	30
Tavern	600	30	0	0	18	18	18	18
Child care	1,000	30	30	30	30	30	30	30
Community centre	<u>600</u>	<u>n.a.</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total non-retail</b>	<b>3,200</b>	<b>24</b>	<b>30</b>	<b>60</b>	<b>78</b>	<b>78</b>	<b>78</b>	<b>78</b>
<b>Total n'hood centre precinct</b>	<b>8,330</b>	<b>26</b>	<b>135</b>	<b>165</b>	<b>183</b>	<b>183</b>	<b>183</b>	<b>183</b>
<b>Eastern employment precinct</b>								
Fast food	300	30	9	9	9	9	9	9
Service station	200	n.a.	10	10	10	10	10	10
Bulky goods retail	<u>21,100</u>	<u>20</u>	<u>0</u>	<u>120</u>	<u>240</u>	<u>340</u>	<u>340</u>	<u>422</u>
<b>Total eastern employ. precinct</b>	<b>21,600</b>	<b>20</b>	<b>19</b>	<b>139</b>	<b>259</b>	<b>359</b>	<b>359</b>	<b>441</b>
<b>Western employment precinct</b>								
Showroom	8,250	15	0	25	50	74	99	124
Warehouse (incl office)	<u>23,680</u>	<u>17.5</u>	<u>0</u>	<u>83</u>	<u>166</u>	<u>249</u>	<u>332</u>	<u>414</u>
<b>Total western employ. precinct</b>	<b>31,930</b>	<b>17</b>	<b>0</b>	<b>108</b>	<b>215</b>	<b>323</b>	<b>431</b>	<b>538</b>
<b>Total WSEP</b>	<b>61,860</b>	<b>19</b>	<b>154</b>	<b>411</b>	<b>657</b>	<b>864</b>	<b>972</b>	<b>1,162</b>
*Estimated jobs per 1,000 sq.m as opposed to sq.m per job. 25 jobs per 1,000 sq.m = 40 sq.m per job. Source: MacroPlan Dimasi								

## 8.2 Employment creation: other WSEP & construction of project

Other local employment will also be created and supported by the new residential population establishing within the WSEP – i.e. in the form of jobs that do not necessarily result in a specific employment land outcome.

Furthermore, the construction phase of the project will support temporary construction related employment, and additional temporary jobs through the broader economic supply chain (i.e. multiplier impacts).

### Construction related employment impacts

Table 8.2 also presents an analysis of the potential production value impacts associated with the development of the subject site, as well as the direct employment impacts associated with the construction of the residential dwellings within the WSEP (i.e. both onsite employment and jobs created across the supply chain directly, e.g. consultants, technical experts etc) and the construction of the buildings within the employment precincts.

We make the following summary comments explaining Table 8.2:

- The WSEP will accommodate around 3,000 dwellings at capacity, which are expected to be developed at an average of around 180 lots per annum, from 2018 to 2034, as outlined in Section 2 of this report.
- Average lot sizes are expected to be around 450 sq.m. The average cost of construction for a dwelling on a lot this size is around \$280,000 in 2016 in Sydney and civil works are estimated to be around \$70,000 per lot. We have allowed for escalation in construction costs, averaging around 4% per annum (higher in the short term, and tempering over the long term). These estimates are based on average construction costs incurred by Walker Corporation over the period 2014 - 16 across five of its estates and 2016 builder quotes provided to Walker Corporation from Rawson and Wisdom homes for standard two-storey homes in south-west Sydney.

- The total production value of the construction of dwellings at the subject site is \$1.22 billion (in nominal terms) and around \$305 million for civil works (in nominal terms), over the life of the project.
- We estimate that around 540 jobs per annum could be created during the development of residential dwellings within the WSEP, equivalent to approximately 3 jobs per dwelling per annum. These jobs would include workers employed on-site as part of the actual construction; consultants and technical experts advising/managing the project; local supplier jobs and jobs created across the broader NSW economy (i.e. not all of these jobs would be local).
- The development of the 60,000 sq.m of employment building floorspace within the various precincts is expected to be developed gradually, albeit in discrete components.
- The neighbourhood centre retail could be developed relatively early in the project and could potentially result around 100 construction related jobs per stage.
- Assuming the bulky goods development is staged in four discrete components, the development of this component could result in around 95 jobs per stage.
- The industrial and showroom buildings area expected to be developed more gradually, and we estimate the development of this component could support around 35 – 40 jobs per stage.
- These construction related jobs include workers employed on-site as part of the actual construction; consultants and technical experts advising/managing the project; local supplier jobs and jobs created across the broader NSW economy (i.e. not all of these jobs would be local).



Table 8.2 Wilton South East Precinct - Estimated construction impacts			
Factor	Number	Factor	Number
<b><u>Economic impacts - production of dwellings*</u></b>		<b><u>Economic impacts - employment facilities****</u></b>	
Number of dwellings	3,000	<b>Total sq.m retail &amp; ancillary uses</b>	8,830
Assumed staging**	150-200 lots p.a. from 2018	Dev. stages	2
Avg. construct. cost per lot (\$) as at 2015	280,000	Approx. cost per sq.m (\$)	2,500
Avg. escalation rate	4% p.a. over long term	Est. construction cost per annum (\$m)	11
NPV (Nominal)	1,220,472,720	<b>Total sq.m bulky goods retail</b>	21,100
		Dev. stages	4
		Approx. cost per sq.m (\$)	2,000
<b>Economic impacts - civil works</b>		Est. construction cost per annum (\$m)	11
Avg. construct. cost per lot (\$) as at 2015	70,000	<b>Total sq.m industrial &amp; showroom</b>	31,930
Avg. escalation rate	4% p.a. over long term	Dev. stages	5
NPV (Nominal)	305,118,180	Approx. cost per sq.m (\$)	1,000
		Est. construction cost per annum (\$m)	6
<b>Employment impacts per annum - construction**</b>		<b>Employment impacts per stage - construction**</b>	
Residential construction***	180	Retail & ancillary*****	99
Civil works***	180	Bulky goods*****	95
Other***	180	Industrial & showroom*****	38
<b>Total jobs per annum</b>	<b>540</b>		
<p>*Expressed in nominal dollars.  **Not all of these jobs are created locally. This includes 'onsite' jobs; local consultants/technical experts; local suppliers and broader job creation across the economy  ***Approximately 1 job per dwelling per category  ****Expressed in constant dollars  *****Jobs are not additive as they represent jobs per stage for each use type.  Source: ABS; Rawlinsons; MacroPlan Dimasi</p>			

### Localised jobs

Table 8.3 presents an assessment of the potential job impacts associated with the new population establishing within the WSEP. We make the following comments summarising this analysis:

- We estimate that the new population within the WSEP itself, once it is developed, would include around 5,100 employed residents, based on an average employment ratio of 1.7 workers per household which is equivalent to an employment ratio per person of 0.56 – 0.57. These employed residents would undertake jobs:
  - Based at home.
  - Mobile jobs (e.g. tradespersons, health workers/carers etc).

- Within dedicated employment centres and precincts e.g. Campbelltown CBD, Narellan Town Centre, Smeaton Grange industrial estate, Sydney CBD etc.
  - Within other dedicated places of employment e.g. local schools, local centres, child care centres, agricultural locations etc.
- According to the ABS, around 8 – 8.5% of employed residents undertook the majority of their work from home (i.e. not just as a second job), including both full-time and part-time workers. This proportion is rapidly changing though, with flexible working arrangements and technology making it easier for people to work interchangeably at home and in the office. Indeed the federal government is aiming for around 10 – 12% of the workforce to be working from home by 2020.
  - This home based workforce includes people who may run internet businesses, consultant businesses based, or who may work in large businesses but work several days per week at home. We estimate at least 10%, or around 510, of the resident workers within the WSEP could potential work from home.
  - As at the ABS 2011 Census, around 1,000 residents lived in the suburb of Wilton. Of these around, 56% were employed, or around 550 - 600 resident workers. Around 27% of these workers worked within the Wollondilly LGA, and around 5% cited 'no fixed workplace'. This 5% is likely to understate the real mobile workforce as many respondents would have had a specific place of work on the day of the 2011 ABS Census questionnaire (e.g. home care worker fully occupied at a specific address).
  - Of the remaining 90% of resident workers, there would be a proportion who work in industries with no fixed address, i.e. they would be jobs based broadly across metropolitan Sydney, generally requiring car transport. This would include, but would not be limited to:
    - Home care givers/health workers.
    - Tradespersons (e.g. plumbers, carpenter, electricians).
    - Technicians (e.g. phone repairs, computer repairs).

- Home services (e.g. gardener, cleaning services, nannies, pest control).
  - Uber/taxi drivers.
  - Construction workers (which would have a fixed place of employment for several weeks/months at a time).
- According to the ABS Census data, across NSW around 12 - 13% of jobs are in industries that would have a share of its workers working without a fixed address including construction workers, tradies, medical services (not in hospitals), social services (not child care/in institutions), building/equipment cleaning/servicing, etc.
  - Conservatively, we estimate around 5% of the 90% non-home based employed residents would be mobile and would not require a dedicated job to be provided in proximity to their place of residence. This equates to around 230 workers.
  - The remaining 4,400 resident workers (around 78 - 79% of total resident workers) would be working in jobs in centres/precincts and dedicated places of employment. This would include but not be limited to local schools, the proposed neighbourhood centre and the proposed employment precincts in the WSEP, other village centres, the Wilton Major Centre as well as Campbelltown-Macarthur Regional City.
  - Importantly, the future population growth in the Wilton priority precinct will help to underpin the evolution of the Campbelltown-Macarthur Regional City, as some residents will access this centre for employment, higher order retail requirements, major health needs, and other civic and entertainment purposes.
  - Ultimately, the entire Wilton Priority precinct is expected to support in the order of 9,000 – 10,000 jobs in dedicated employment zoned precincts.
  - Furthermore, and as identified throughout this report, the local population in the WSEP would drive local demand for retail, community services and by extension, local jobs.

- In response to this Walker Corporation has proposed a B2 - Neighbourhood centre zone and a B5 – Business Enterprise zone which will have the potential to support around 1,100 – 1,200 jobs.

Table 8.3 Wilton South East Precinct - Estimated local jobs and job impacts on surrounding network				
Factor	2021	2026	2031	2036
Number of dwellings	500	1,500	2,500	3,000
<u>Jobs</u>				
Potential jobs per HH	1.7	1.7	1.7	1.7
Total jobs - new population	850	2,550	4,250	5,100
<u>Jobs at home</u>				
Share jobs at home	8.5%	9.0%	9.5%	10.0%
Total jobs at home	72	230	404	510
<u>Non-home based jobs</u>				
Share mobile	5.0%	5.0%	5.0%	5.0%
Mobile jobs	39	116	192	230
Share centres/precincts	95.0%	95.0%	95.0%	95.0%
Centres/precincts jobs	<u>739</u>	<u>2,204</u>	<u>3,654</u>	<u>4,361</u>
<b>Total non-home based</b>	<b>778</b>	<b>2,321</b>	<b>3,846</b>	<b>4,590</b>

Source: SGS; ABS; MacroPlan Dimasi

Table 8.4 summarises the total onsite employment over five year increments from 2021 to 2046, presented cumulatively as well as the average annual onsite construction employment generated over the life of the project. Approximately 35 – 40% (2.8 – 2.9 FTE jobs per million dollars) of the total 540 construction multiplier jobs per annum for the residential dwelling construction are estimated to be employed on site.

The onsite jobs for employment generating uses appears low in context, but this is because each stage is expected to be about 1 year and the workforce is averaged out over the five year period.

In combination with the jobs that would be undertaken at home, as well as ‘mobile’ jobs, and potential school jobs, the WSEP could potentially support in the order of 1,900 permanent jobs, as well as an onsite construction workforce that averages around 150 jobs per annum between 2021 and 2036.

Table 8.4 Wilton South East Precinct - est. permanent emp. and onsite construction emp. (per year avg)							
Component	GLA (sq.m)	Cumulative employment					
		2021	2026	2031	2036	2041	2046
<b>Permanent employment</b>		<b>Cumulative employment</b>					
Neighbourhood centre precinct	8,330	135	165	183	183	183	183
Eastern employment precinct	21,600	19	139	259	359	359	441
Western employment precinct	31,930	0	108	215	323	431	538
At home	n.a.	72	230	404	510	510	510
Home based (i.e. mobile)	<u>n.a.</u>	<u>39</u>	<u>116</u>	<u>192</u>	<u>230</u>	<u>230</u>	<u>230</u>
<b>Total permanent</b>	<b>61,860</b>	<b>265</b>	<b>757</b>	<b>1,253</b>	<b>1,604</b>	<b>1,712</b>	<b>1,901</b>
<b>Est. construction employment (onsite)**</b>		<b>Avg. jobs per annum per five year interval*</b>					
Residential construction**		100	200	200	100	0	0
N'hood centre precinct (inc. service & fast food)		7	7	0	0	0	0
Eastern emp. precinct (ex. Service & fast food)		7	7	7	7	7	0
Industrial showroom		<u>0</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>
<b>Total construction</b>		<b>115</b>	<b>222</b>	<b>215</b>	<b>115</b>	<b>15</b>	<b>8</b>
<b>Total onsite per year</b>		<b>379</b>	<b>979</b>	<b>1,468</b>	<b>1,719</b>	<b>1,726</b>	<b>1,909</b>

\*Some of the non-residential development will be delivered in discrete stages, therefore average per annum differs from average per stage in Table 8.3

\*\*Approximately 35 - 40% of the total construction multiplier jobs per annum (i.e. 200 of 540) or (35 of 99)

Source: ABS; MacroPlan Dimasi

### 8.3 Net community benefits

The proposed development at the WSEP neighbourhood centre, as well as the proposed employment lands development, would generate a range of other economic benefits, in particular the following:

- Increased choice and amenity for the population of the main trade area, and in particular primary sector residents.
- A substantial convenience retail offer close to home for the initial residents of the broader Wilton priority precinct, reducing the need to travel long distances (10km+) to access convenience retail facilities.
- Convenient access to new food and grocery shopping facilities, and other supporting retail and non-retail services, to serve current and future residents.
- Reduced travel distances, leading to savings on time and fuel for main trade area residents, due to a much better provision of convenience based services, other services and local job opportunities at the local level.
- Providing employment opportunities for local residents (jobs close to home) as well as residents from throughout the main trade area, and beyond, in addition to consequent economic multiplier impacts, which will boost both the local and broader regional economy.
- Will help to underpin the residential growth in the WSEP, which will in turn, support the future development of the Wilton Major Centre and the overall Wilton 'priority precinct'.